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Congressional Record

PROCEEDINGS AND DEBATES OF THE 77th CONGRESS, SECOND SESSION

SENATE

MONDAY, JANUARY 5, 1942

The 5th of January being the day provided by Public Law 395, Seventy-seventh Congress, first session, for the meeting of Congress, the second session of the Seventy-seventh Congress commenced this day.

The Senate assembled in its Chamber at the Capitol.

HENRY A. WALLACE, of Iowa, Vice President of the United States, called the Senate to order at 12 o'clock meridian.

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., dean of the Washington Cathedral, offered the following

PRAYER

O Thou, who art the mystery of sorrow and all suffering, and who sharest with us the redemptive power that is in them: We praise Thee in the strife through which the higher peace is won, in the confusions which are order in the making.

O God, of whom are all things, let the small cares that abide and the storms that sweep and pass reveal to us the fact that trials do but serve to educate us for the evils with which we must do battle, for the consequent rapture of achievement which is Thine, and for the discovery of the bliss and pain which love inevitably brings.

At this time of gravest import to our Nation and the world, give to our President, the Congress, the gallant sons of liberty, our forces of defense, and all who share the vast responsibilities of our great and serious emprise, the power to face all—unperturbed whatever difficulties lie ahead. And, as the challenge from the foes of human freedom that true democracy has perished from the earth comes quivering through the dark, let this be the answering voice from our united people:

"Christ never died for governments or laws.
He did not die to build a Nation up.
He died for men, the separate souls of men."

And, if need be, so shall we. Amen.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk (John C. Crockett) called the roll, and the following Senators answered to their names:

Aiken	Gerry	Nye
Austin	Gillette	O'Daniel
Bailey	Glass	O'Mahoney
Ball	Green	Overton
Bankhead	Guffey	Radcliffe
Barkley	Gurney	Reed
Bilbo	Hayden	Reynolds
Bone	Herring	Rosier
Brewster	Hill	Russell
Brooks	Holman	Schwartz
Brown	Hughes	Shipstead
Bulow	Johnson, Calif.	Smith
Bunker	Johnson, Colo.	Spencer
Burton	Kilgore	Taft
Butler	La Follette	Thomas, Idaho
Byrd	Langer	Thomas, Okla.
Capper	Lee	Thomas, Utah
Caraway	Lucas	Truman
Chavez	McCarran	Tunnell
Clark, Idaho	McFarland	Tydings
Clark, Mo.	McKellar	Vandenberg
Connally	McNary	Van Nuys
Danaher	Maloney	Wagner
Davis	Maybank	Wallgren
Downey	Mead	Wheeler
Doxey	Murdock	White
Ellender	Murray	Wiley
George	Norris	Willis

Mr. HILL. I announce that the Senator from Tennessee [Mr. STEWART] is absent from the Senate because of a death in his family.

The Senator from Kentucky [Mr. CHANDLER], the Senator from New Mexico [Mr. HATCH], the Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is confined to a hospital due to a recent hip injury.

The Senator from New Jersey [Mr. BARBOUR] and the Senator from Massachusetts [Mr. LODGE] are necessarily absent.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

SENATOR FROM COLORADO

Mr. JOHNSON of Colorado. Mr. President, I hold in my hand the certificate of appointment of the Honorable EUGENE D. MILLIKIN as a Senator from the State of Colorado. I ask that the clerk read the certificate.

The VICE PRESIDENT. The clerk will read as requested.

The legislative clerk (Emery L. Frazier) read as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that pursuant to the power vested in me by the Constitution of the United States and the laws of the State of Colorado, I, Ralph L. Carr, the Governor of said State, do hereby appoint Hon. EUGENE D. MILLIKIN, of Denver, Colo., a Senator from said State to represent said State in the Senate of the United States until the vacancy therein, caused by the death of Hon. Alva B. Adams, is filled by election, as provided by law.

Witness, His Excellency our Governor, Hon. Ralph L. Carr, and our seal hereto affixed at Denver, this 20th day of December, in the year of our Lord 1941.

By the Governor.

[SEAL] RALPH L. CARR,
Governor.

Attest:

WALTER F. MORRISON,
Secretary of State.

The VICE PRESIDENT. The credentials will be placed on file.

Mr. JOHNSON of Colorado. Mr. President, the Senator-designate is present and ready to take the oath of office.

The VICE PRESIDENT. If the Senator-designate will present himself at the desk, the oath will be administered to him.

Mr. MILLIKIN, escorted by Mr. JOHNSON of Colorado, advanced to the desk, and the oath prescribed by law having been administered to him by the Vice President, he took his seat in the Senate.

LIST OF SENATORS BY STATES

Alabama.—John H. Bankhead and Lister Hill.

Arizona.—Carl Hayden and Ernest W. McFarland.

Arkansas.—Mrs. Hattie W. Caraway and Lloyd Spencer.

California.—Hiram W. Johnson and Sheridan Downey.

Colorado.—Edwin C. Johnson and Eugene D. Millikin.

Connecticut.—Francis Maloney and John A. Danaher.

Delaware.—James H. Hughes and James M. Tunnell.

Florida.—Charles O. Andrews and Claude Pepper.

Georgia.—Walter F. George and Richard B. Russell.

Idaho.—D. Worth Clark and John Thomas.

Illinois.—Scott W. Lucas and C. Wayland Brooks.

Indiana.—Frederick Van Nuys and Raymond E. Willis.

Iowa.—Guy M. Gillette and Clyde L. Herring.

Kansas.—Arthur Capper and Clyde M. Reed.

Kentucky.—Alben W. Barkley and Albert B. Chandler.

Louisiana.—John H. Overton and Allen J. Ellender.

Maine.—Wallace H. White, Jr., and Ralph O. Brewster.

Maryland.—Millard E. Tydings and George L. Radcliffe.

Massachusetts.—David I. Walsh and Henry Cabot Lodge, Jr.

Michigan.—Arthur H. Vandenberg and Prentiss M. Brown.

Minnesota.—Henrik Shipstead and Joseph H. Ball.

Mississippi.—Theodore G. Bilbo and Wall Doxey.

Missouri.—Bennett Champ Clark and Harry S. Truman.

Montana.—Burton K. Wheeler and James E. Murray.

Nebraska.—George W. Norris and Hugh A. Butler.

Nevada.—Patrick A. McCarran and Berkeley L. Bunker.

New Hampshire.—Styles Bridges and Charles W. Tobey.

New Jersey.—William H. Smathers and W. Warren Barbour.

New Mexico.—Carl A. Hatch and Dennis Chavez.

New York.—Robert F. Wagner and James M. Mead.

North Carolina.—Josiah William Bailey and Robert R. Reynolds.

North Dakota.—Gerald P. Nye and William Langer.

Ohio.—Robert A. Taft and Harold H. Burton.

Oklahoma.—Elmer Thomas and Josh Lee.

Oregon.—Charles L. McNary and Rufus C. Holman.

Pennsylvania.—James J. Davis and Joseph F. Guffey.

Rhode Island.—Peter G. Gerry and Theodore Francis Green.

South Carolina.—Ellison D. Smith and Burnet R. Maybank.

South Dakota.—W. J. Bulow and Chan Gurney.

Tennessee.—Kenneth McKellar and Tom Stewart.

Texas.—Tom Connally and W. Lee O'Daniel.

Utah.—Elbert D. Thomas and Abe Murdock.

Vermont.—Warren R. Austin and George D. Aiken.

Virginia.—Carter Glass and Harry Flood Byrd.

Washington.—Homer T. Bone and Mon C. Wallgren.

West Virginia.—Harley M. Kilgore and Joseph Rosier.

Wisconsin.—Robert M. La Follette, Jr., and Alexander Wiley.

Wyoming.—Joseph C. O'Mahoney and Harry H. Schwartz.

NOTIFICATION TO THE PRESIDENT

Mr. BARKLEY submitted the following resolution (S. Res. 212), which was read, considered by unanimous consent, and agreed to:

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. MCNARY the committee on the part of the Senate.

NOTIFICATION TO THE HOUSE

Mr. MCNARY submitted the following resolution (S. Res. 213), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

HOUR OF DAILY MEETING

Mr. HILL submitted the following resolution (S. Res. 214), which was read, considered by unanimous consent, and agreed to:

Resolved, That the hour of daily meeting of the Senate be 12 o'clock meridian unless otherwise ordered.

EIGHTY-FOURTH ANNIVERSARY OF BIRTH OF SENATOR GLASS

Mr. BYRD. Mr. President, yesterday my beloved colleague, Senator GLASS, was 84 years young. He grows finer and better and more splendid each day. I know that I voice the unanimous desire of the Members of the Senate that he may be with us for many years to come, serving as he is now as a Senator of the United States of great courage, great wisdom, and of inestimable value to our country.

Mr. BARKLEY. Mr. President, somebody has said that life is not measured by figures on a dial, but by deeds. Some men in a short space of time are given the opportunity to render great service. Other men are given the opportunity through a long life to render distinguished service to their country and to mankind.

The senior Senator from Virginia [Mr. GLASS] who celebrated his eighty-fourth birthday yesterday, has not only enjoyed comparatively long life, but he has enjoyed the opportunity, and he has fulfilled that opportunity during that long life, to render distinguished service to his State and to his Nation.

It has been my privilege and honor to know Senator GLASS since I came to the House of Representatives on the 4th of March 1913. I served with him with great pleasure and with great respect in the other body. I have served with him in this body. I have known him intimately and admired him greatly. I think I may share what the junior Senator from Virginia [Mr. BYRD] has said, and speak for all of us here who have known Senator GLASS for any length of time whatever. He has not only our admiration and our respect for his character, for his public service, for his sincerity, his honesty, and his vigor, but he has our deep affection.

I remarked to Senator GLASS a while ago, as we came up on the elevator, that I hope he would live to be 104 years old instead of 84. I do not think he resented that wish on my part from anything he said or any expression of his face; and I am sincere in that hope. There is no man in public life or in private life for whom we have greater respect. Regardless of any differences with respect to individual issues that may have arisen during his long public career, there is no man for whom the American people have a greater affection and a higher regard than for Senator GLASS. It is a pleasure for me to join with his colleague in testifying to our affection and our best wishes.

Mr. MCNARY. Mr. President, I recall in happy retrospection a great many years spent with Senator GLASS in this Chamber. I admire him because of his aggressive forthrightness, his fiery candor, and his superb ability. I am sure I speak the unanimous voice of the Republican Members of the Senate when I wish for him health and many years of continuation of service.

Mr. CONNALLY. Mr. President, I feel a deep sense of pride when I sit by the distinguished senior Senator from Virginia [Mr. GLASS]. We speak of his birthday, of his being 84 years of age. Measured by his service to his country, he has lived far past 84 years. When the biographer of the future comes to compile from the records here in the Senate, in the Treasury Department, and in the House of Representatives the record of CARTER GLASS, it will fill a much larger space than any 84 years, measured by mechanical or astronomical standards.

When I came to the House of Representatives some years ago as a young, inexperienced Member, it was my pleasure to be associated with Senator GLASS, who was then a Member of the House. He was a leader then. He had a long sword, and it was strong and sharp. He left the House and went to the Treasury as Secretary of the Treasury during the days of the World War. All of us know what his record was in that great station. Then he came to the Senate of the United States, where he has served with eminence and great distinction in a forum where his brilliant intellect has had opportunity for full play.

Mr. President, I think in the senior Senator from Virginia there are combined more great qualities than in most men who serve in this body. Frequently a man is a great public character because of his work, and yet he possesses personal traits which are not attractive. He lacks warmth and friendship, perhaps; he is obsessed with his own egotism. But in Senator GLASS we not only have rare ability as a public servant but we have those sweet, companionable personal qualities that endear him to every man who has ever felt the warmth of his heart or the thrill of his handshake. He has rare qualities of courage, purity of character, impeccable private life. He is a grand public character, worthy of the great traditions of the Commonwealth from which he comes. The standards of Virginia from the early days of the Republic are in nowise lowered in the hands of the great and good Senator from Virginia, CARTER GLASS.

Mr. MCKELLAR. Mr. President, when I came to the House of Representatives more than 30 years ago, CARTER GLASS was chairman of the Committee on Banking and Currency of that body. A short time thereafter Woodrow Wilson was elected President, and Mr. GLASS introduced, reported from his committee, and had passed through the House the

measure which became the Federal Reserve Act, one of the most important measures which has ever been enacted by the Congress of the United States.

In the fight over that measure in the House, Mr. GLASS displayed superb leadership. It was a difficult bill to get passed through the Congress at that time. Mr. GLASS' knowledge of the subject was so thorough, his intellect was so keen, his ability was so outstanding, that he mowed down all obstacles, and, far more than any other man in the United States, he was responsible for the Federal Reserve Act, and I believe by common accord he has been given the honor of being the father of the act, and it should be so, for he was the author of the legislation.

I learned to know CARTER GLASS then, respected and admired and esteemed him more and more as I came to know him better. I think he is one of the finest men who ever sat in either body of the Congress, certainly during the time I have been a Member of Congress. He possesses a magnificent intellect and a very keen mind, but, over and above all, he has certain qualities which mean more than anything else in this life. He has courage as great as any man ever possessed, courage to think straight, courage to act in accordance with his opinions, courage to do what is right, courage to be what is right. He is not afraid to face any question; he is not afraid of any person in the world. He is one of the most admirable characters I have ever known.

I have served with CARTER GLASS for nearly 20 years on the Committee on Appropriations of the Senate. He is kind, gentle, strong, vigorous, willing to give and take; yet in the management and in the proceedings of his committee never will he permit anything but what is fair, square, honest, and upright.

Mr. President, I hope Senator GLASS may have many, many more years in this body. I love him as a man; I admire him as a statesman; I think he is one of the most remarkable Americans this country ever produced.

RESOLUTIONS OF BUTLER COUNTY (KANS.) FARM BUREAU

Mr. CAPPER. Mr. President, I present and ask unanimous consent to have printed in the RECORD resolutions adopted by the Butler County Farm Bureau at its recent annual meeting at El Dorado, Kans., setting forth the farm program which that organization is supporting.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

We are in war today. We, the Butler County Farm Bureau, resolve to support the Constitution of the United States and any action taken by our Government in this time of emergency.

Farm program: We believe that the Soil Conservation Act has been indispensable to the efforts of agriculture to receive parity income and maintain soil fertility, therefore we favor the national farm program and urge its continuation with new improvements as gained by experience.

Farm credit: We favor the farm-credit system including the Federal land bank and Production Credit Corporation, and believe in the principle that the farmer borrowers should continue to have control of this system.

Taxes: In order to promote home ownership and family-sized farms we encourage further reduction of taxes on all real estate.

Deferment of farm labor: We heartily endorse the action of our executive board in their request that farm operators and farm help be deferred from selective service wherever possible.

Because of the fine training received by our boys and girls in 4–H Club work and because 4–H Club work is an important part of the extension program in the county, we express our sincere appreciation to each of the men and women of the county who are giving of their time in leadership work in the 4–H Clubs.

RESOLUTIONS FROM THE STATE OF WISCONSIN

Mr. WILEY presented resolutions adopted by two organizations in Wisconsin, which were ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS OF THE DUNN COUNTY ELECTRIC COOPERATIVE AT A SPECIAL MEETING HELD DECEMBER 8, 1941, AT MENOMONIE, WIS.

Be it hereby resolved, That whereas there is developing an increased use of electric energy, particularly in rural communities in northwestern Wisconsin; and

Whereas this cooperative is engaged in the business of distributing electric energy to its approximately 1,400 rural members in the counties of Dunn, Pepin, Pierce, St. Croix, Barron, Chippewa, and Eau Claire; and

Whereas there is no surplus of available electric energy being generated in this community; and

Whereas there is in northwestern Wisconsin, on the Kettle River, near Grantsburg, Burnett County, Wis., a site where a valuable hydroelectric development could be installed, which would furnish electricity to northwestern Wisconsin and northeastern Minnesota; and

Whereas this board of directors is of the opinion that the continued expansion of the use of electric energy in northwestern Wisconsin is in the national and public interest: Now, therefore, be it

Resolved, That the undersigned respectfully petition the Congress of the United States and all other governmental bodies and agencies having jurisdiction in the premises, that the Kettle River project be approved and carried through to its final completion; be it further

Resolved, That a copy of this resolution be sent to Hon. ROBERT M. LA FOLLETTE, United States Senator; Hon. ALEX WILEY, United States Senator; Hon. MERLIN HULL, Representative in Congress; and Hon. B. J. GEHRMANN, Representative in Congress.

GOLDEN WEDDING ANNIVERSARY OF ROYAL AND CLARA DAVIDSON

Whereas this being the fiftieth year of the married life of Royal and Clara Davidson and furthermore the fiftieth year of their life with the Northwestern Military and Naval Academy; and

Whereas it seems fitting for them to observe this Christmas and New Year season with a special golden anniversary, and by proclamation are extending to those closely associated with them and their many other friends a sincere wish for Christmas full of happiness and a new year that will bring good health, contentment, and the joy that comes with service, closing with this prayer: "May the year 1942 bring peace to all mankind"; and

Whereas the Northwestern Military and Naval Academy was established by the late Col. H. P. Davidson in 1888, and its work, dedicated to the service of youth, has been carried on by Royal and Clara Davidson; and

Whereas the outstanding practice of this school of instilling in youth a high sense of honor and good citizenship and equipping young men with physical fitness and scholastic attainment is promoting the most valuable asset necessary to combat influences destructive to the building of a great nation; and

Whereas it teaches the sound basic principles of life and government embodied in our Constitution; and

Whereas the faculty consists only of members who promote respect for this country's statutes and flag, for law and order, who show 100-percent allegiance to the Government of the United States and its Constitution, and maintain high standards of Christian character and principles: Therefore be it

Resolved by the board of managers of the Wisconsin Society, Sons of the American Revolution, speaking for its membership in the Army, Navy, and Air Corps and those other members in civilian life scattered from Shanghai, China to New York City, to send greetings and best wishes to Royal and Clara Davidson on their golden wedding anniversary and commend our worthy compatriot and his helpmate for their services to youth at the academy in the building of manly, patriotic, and Christian citizens; and be it further

Resolved, That we extend our hearty congratulations to them on this, their golden wedding anniversary, with wishes for many yearly anniversaries in the future; be it further

Resolved, That the secretary be directed to record this resolution this 20th day of December 1941, and send a copy to Col. and Mrs. R. P. Davidson, Lake Geneva, Wis.

ORDER FREEZING STOCKS OF NEW AUTOMOBILES AND TIRES

Mr. DAVIS. Mr. President, numerous letters and telegrams have come to me calling attention to the impact of the Government order freezing stocks of new cars and tires.

This is working a very great hardship to thousands of dealers and salesmen. I ask that these communications and telegrams be printed in the RECORD and referred to the Senate Defense Committee, of which the Senator from Missouri [Mr. TRUMAN] is the chairman, and request an immediate investigation of the situation.

There being no objection, the letters and telegrams were referred to the Special Committee to Investigate the National Defense Program and ordered to be printed in the RECORD, as follows:

L. A. LEATHERS CO.,
Brookville, Pa., January 3, 1942.

Senator JAMES J. DAVIS,
Washington, D. C.

DEAR SIR: It took me 30 years to build my business, now employing over 50 men, with the third largest constant pay roll in this community.

I am willing to sacrifice this life's work if it will win the war. However, it may not be necessary to make "a Pearl Harbor" out of it if a more careful study were made. I am writing this not only for myself but for over 40,000 other automobile dealers.

Yours very truly,

L. A. LEATHERS CO.,
By L. A. LEATHERS.

BAEHR BROS.,
McKeesport, Pa., January 3, 1942.

Hon. J. J. DAVIS,
Senator, Washington, D. C.

DEAR SIR: The recent order freezing the stock of new cars and trucks is justified because of the serious rubber situation, but

it will produce disastrous results on practically all of the 44,000 dealers and their one-half million employees.

Rationing of cars particularly will prolong the sales completions and greatly increase dealer expenses. Scarcity of rubber will reduce income from service departments because of lessened use of vehicles.

These facts justify new-car ceilings, if any, at present, on recent retail prices charged by individual dealers, plus 1 percent per month handling charge, and a very liberal used-car ceiling, if any.

Also very important and fair that any units purchased or requisitioned by the Government be bought at above prices, with no discounts. Distributions should be made through dealers.

We urge you to put every effort behind this endeavor.

Sincerely yours,

Baehr Bros. and their employees: John Baehr, Geo. Baehr, William C. Peckman, R. E. Thrush, R. J. Satterlee, Wm. Manur, Clarence Manur, Michael Kernishin, Betty Pribish, Mary Jane Petrella, Dorothy Sillaman, Leonard Anthony, Elmer Steinmeyer, Michael Jordan, Howard Kestler, Harry Kestler, Edward Walsh, Mike Colerchi, W. L. Walsh, R. Lockwood, Geo. Allshaine, Phil Petrulli, Oscar Fleming, Elmer Hudocik, John Benedek, Joe Rohall, John E. Andrews, Thayer D. Forsht, Joseph Andrews, Stanley Gibala, Leonard Andrews, Peter DeCecco, Lou Vodopivec, Willie Coleman, Fred Pryor, John Ring, Eileen Ring, Mary Rita Lacey, Jack Fox, Geo. Broyaunch, Geo. Rainsh, Mike Andrews, Charles Kuzey.

PORT ALLEGANY, PA., *January 3, 1942.*

Senator J. J. DAVIS,

Senate Office Building:

Due to freezing stock of new car, request very liberal used-car ceiling. Request full retail price of all new units sold to Government or requisitioned by Government; no discounts. Cars to be distributed through dealer, give us a chance to hold our business and retain our livelihood.

McKEAN COUNTY MOTORS,
F. M. BRINER.

PORT ALLEGANY, PA., *January 3, 1942.*

Senator J. J. DAVIS,

Senate Office Building,
Washington, D. C.:

We have 15 family men that will be out of work unless this freeze-out on new cars and tires isn't lifted. I cannot understand how this will better the country. I personally have signed to buy a defense bond a month. How can I do this if unemployed?

PAULINE MILGATE,
Secretary, McKean County Motors.

McKEESPORT, PA., *January 3, 1942.*

Hon. JAMES J. DAVIS,

Senate Office Building,
Washington, D. C.:

Your consideration in the manner in which new passenger cars will be sold or rationed will be greatly appreciated. We suggest the following procedure: New-car price ceiling at present delivered price plus 1 percent per month beginning January 1, 1942. Government to pay full delivered price. All cars to be distributed through dealers. Used-car price ceiling to be liberal. We need your help.

THE W. W. HUNTER CO,
HARRY D. ROJOHN, *General Manager.*

WILKES-BARRE, PA., *January 4, 1942.*

Hon. JAMES J. DAVIS,

Washington, D. C.:

If it's a question of guns or automobiles, it must, of course, be guns. However, freezing order on automobiles almost automatically puts out of business in Luzerne County over 80 retail automobile dealers, and it soon loses employment of their 1,000 employees. We are at war and know it, but temporary relief and easing a situation would be reasonable and possible you permit dealers to legitimately sell present stocks of cars now on hand, and Government has built for themselves January, and any other necessary factory production to buy from factories. Ration or sell as you please, dealers could liquidate new, then used, cars, and then try to maintain themselves on service as long as it could last, but gradually to eliminate enormous losses involved. Otherwise please weigh situation with extreme caution before final decisions.

WYOMING VALLEY AUTOMOBILE
DEALERS ASSOCIATION,
EDWARD K. CONRAD, *Secretary.*

McKEESPORT, PA., *January 3, 1942.*

Hon. JAMES J. DAVIS,

Senate Office Building,
Washington, D. C.:

I will greatly appreciate your consideration as to the manner in which new passenger cars will be rationed. Would suggest that present delivered price at least be maintained, with a liberal ceiling on used cars, and new-car deliveries for Government use to be made at full retail price, through dealer.

GEORGE L. EDMUNDSON.

MEADVILLE, PA., *January 3, 1942.*

Hon. Senator JAMES J. DAVIS,

Washington, D. C.:

Recent order freezing stocks of new cars and trucks is justified because of serious rubber situation, but will produce disastrous results on practically all of the 44,000 dealers and their half million employees. Rationing of cars particularly will prolong sales completion and greatly increase dealers' expenses. Scarcity of rubber will reduce income from service departments because of lessened use of vehicles. These facts justify new-car ceilings if any at present or recent retail prices charged by individual dealers and very liberal used-car ceilings if any. Also important and fair that any units purchased or requisitioned by Government be bought at above prices with no discounts. Distribution should be made through dealers. Your wholehearted cooperation on the above is respectfully solicited by our entire sales and service organization.

YOST & LANG, INC.,
Dodge and Plymouth Distributors.

STUDY OF POST-WAR PROBLEMS

Mr. DAVIS. Mr. President, I wish to call attention to a joint resolution I introduced, Senate Joint Resolution 87, for the creation of a joint congressional bipartisan committee to study post-war problems. No action has yet been taken by the Senate on this matter, but unquestionably the time has come when some considered congressional action will be necessary.

I ask that a letter addressed to me by Mr. John R. Van de Water, general chairman of the Committee To Study the Organization of Peace, be included in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMISSION TO STUDY THE
ORGANIZATION OF PEACE,
Chicago, Ill., January 3, 1942.

The Honorable JAMES J. DAVIS,
Senate Office Building,
Washington, D. C.

DEAR SIR: The people of the Midwest join with the administration in affirming that "we will not only defend ourselves to the utmost, but will make very certain that this form of treachery shall never endanger us again." We in the Midwest strongly feel the necessity for emphasizing this point.

I have recently written to you with relation to S. J. Res. 87, seeking the creation of a joint congressional bipartisan committee to study post-war problems. I am now writing to report an event which will accord with the aim you have in mind.

On the eve of our country's declaration of the existence of a state of war, the following resolution was unanimously adopted at Orchestra Hall, Chicago, in a large public meeting sponsored by 15 organizations which represent hundreds of thousands of midwesterners:

At this time, when thoughts are centered on the war, we recognize that it is almost important to plan for winning the peace.

We, as Americans experienced in the progress of justice, stability, and security through the democratic federation of States,

Aware of the economic interdependence of the peoples of the world,

Convinced of the impossibility of attaining a just and lasting peace under the anarchy which is inevitable in the absence of appropriate institutions of international government,

In order to promote international and national welfare, which we deem to be one,

Request the President and the Congress of the United States immediately to establish a commission to study the improvements in world organization necessary to provide security to nations and freedom to men, as stated in the sixth article of the Roosevelt-Churchill declaration of August 14, 1941.

Respectfully yours,

JOHN R. VAN DE WATER,
General Chairman.

COMMITTEE REPORT FILED DURING ADJOURNMENT

Under authority of the order of the 2d instant,

Mr. BROWN, from the Committee on Banking and Currency, to which was referred the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, reported it on January 2, 1942, after adjournment of the Senate, with an amendment and submitted a report (No. 931) thereon.

CULTIVATION OF GUAYULE—RECOMMITTAL OF BILL

Mr. DOWNEY. Mr. President, a few days ago I reported from the Committee on Military Affairs the bill (S. 2152) to provide for the planting of 45,000 acres of guayule in order to make available a domestic source of crude rubber for emergency and defense uses. Since the hearings before the committee on the bill, some of the departments of the Government have made several suggestions as to proper amendments. In my opinion, the amendments should go to the committee for consideration, and I, therefore, ask unanimous consent that the bill be recommitted to the Committee on Military Affairs for further consideration.

The VICE PRESIDENT. Without objection, the bill will be recommitted to the Committee on Military Affairs.

AMENDMENTS TO PRICE-CONTROL BILL

Mr. BANKHEAD submitted an amendment, and Mr. TAFT submitted several amendments intended to be proposed by them, respectively, to the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, which were severally ordered to lie on the table and to be printed.

CHRISTMAS GREETINGS FROM SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD remarks by him conveying Christmas greetings, broadcast over station WOL on Monday, December 29, 1941, which appear in the Appendix.]

LABOR-INDUSTRY CONFERENCE

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a list of the members of the Labor-Industry Committee, together with the remarks and the letter of the President of the United States to the conference, which appear in the Appendix.]

NOMINATION OF EDWARD C. EICHER—NOTICE OF HEARING

Mr. McCARRAN. Mr. President, the Committee on the Judiciary has received the nomination of Edward C. Eicher, of Iowa, to be chief justice of the District Court of the United States for the District of Columbia, vice Hon. Alfred A. Wheat, retired.

As chairman of the subcommittee considering this nomination, and as required by rule 1 of the committee, I announce that Friday, January 16, at 10 a. m., has been set as the time for a public hearing on the nomination, in the Judiciary Committee room, at which all interested parties will be heard.

DECENTRALIZATION OF GOVERNMENT AGENCIES

Mr. WILEY. Mr. President, I ask to have printed in the RECORD a letter I have written to a number of Senators in relation to the decentralization plan which the President is at present apparently putting into operation.

I call attention to the fact that under the Department of Agriculture there are about 12 separate subheads. I think it would be very advantageous to locate the dairy section in the State of Wisconsin, which is the center of the dairy industry. I think it would be advantageous to transfer the wheat section, let us say, to some place in the wheat area, and so on down the list.

If such a suggestion were carried out, I think that we in Washington could put a stop to much of the overbuilding, and utilize much of the space which would be available in buildings such as that of the Department of Agriculture for taking care of the war efforts.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wisconsin?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
January 2, 1942.

DEAR SENATOR: For some years now we have seen the danger of centralization—centralization of government and centralization of industry. Since the war broke in Europe we have seen the unhealthy tendency of centralizing defense orders in a few great organizations. You know the story. I need not go into details.

Recently I wrote the President of the United States a letter, as follows:

"MY DEAR MR. PRESIDENT: On Friday evening last you announced the transfer of more than 10,000 Federal workers in 12 Federal agencies from Washington to other cities in this Nation. In doing that you put into effect what many of us contended should have been done long ago, only we believe you have not gone far enough.

"We hope that step is but the beginning of decentralization of Government agencies. We believe there are many more agencies which should immediately be taken out of Washington; so doing will make government more efficient.

"What is, more, such a move will stop in some measure the tremendous Government building program in the District of Columbia, with resulting bottlenecks and inefficiency. Taking additional agencies out of Washington will make available space which is much needed here to add efficiency to the war effort.

"What is more important, Government, in taking this step, will put into other cities and other communities Government pay rolls which are sadly needed there in this war period. As you know, Mr. President, there are communities that have been sadly depleted by Government because of the centralization of defense activities in other areas.

"There is a great demand in this country for a pruning of all Government activities and agencies which are not necessary for defense. The Agriculture Department, the Interior Department, and others have "mushroomed" under your administration during the past years. Here in Congress we know that when a man heads up any department in government he seems to have but one purpose, and that is to make his department bigger and more expensive to operate. As a result, bureaucracy has run rampant, efficiency is forgotten, and the obligation to the taxpayer is overlooked.

"Think of it—this year the overhead of the Department of Agriculture is over a billion dollars—more than the total cost of Government some years back. I call to your attention that in 1932 there was a pledge to abolish useless commissions and bureaus and to save not less than 25 percent in the cost of Federal Government.

"Just as common sense dictated your move in relation to these 12 agencies, so conscience and common sense should dictate further decentralization of Government and defense agencies, and pruning of personnel in those departments which are not especially connected with the war effort.

"With compliments of the season, I remain,

"Respectfully yours,

"ALEXANDER WILEY."

This letter, I hope, expresses your view.

Would it not be wise to organize a bloc of Senators to bring about more decentralization in Government agencies and in war orders—decentralization based on study and on common sense?

If, as we all believe will be the case, this Nation will have to devote 50 percent of its effort for war, it is imperative that the cities of the West and Middle West be given war orders. I say it is imperative because that section must live. The first line of defense in any war is the morale of its people. Its morale depends upon many factors, but the primary factor is the ability of the people to live. They must have earnings. They must have work. Yes; back of the soldiers in the front line is the home front. Putting pay rolls of Government employees—resulting from decentralization—back into the Middle West would be a healthy economic move.

We of the Middle West must protect our own. Just look at the way Government money has been spent in certain States. The result has been to draw skilled labor from the Middle West into centers of the East. The result has also been to make certain sections of our country overpopulated, producing inflated values, congestion, and depopulating other sections and reducing values there. These States where production is centered are the ones which would be first attacked by an enemy. The campaign in Russia ought to teach us something. We can learn a few lessons from Hitler—he has decentralized his war production.

There has been some complaint because the President has moved some agencies. Of course, moving the same would inconvenience someone, but we are, in the name of defense, taking millions of men for our Army and destroying thousands of small businesses.

The President's action so far in transferring one agency to Richmond and another to Philadelphia isn't much decentralization. It is still maintaining everything in the East.

Let's get back of this move and see if we cannot get bigger results. The cities of the Middle West have vacant buildings immediately available to meet the situation. I know Milwaukee and other cities in my State will welcome joyously such action.

We in Congress should see to it that decentralization takes place and not put any impediments in the way.

We have now a "decentralization committee," composed of big men, big enough to see what is involved—the meaning of this move to our beloved country, its security—economic and political. Let's get back of it.

Respectfully,

ALEXANDER WILEY.

Mr. LEE. Mr. President, I am not in favor of decentralizing the Federal Government, scattering Federal agencies all over the United States, but it seems that is to be done; and since it is to be done, I believe these agencies should be located in places where there is some reason or logic for locating them. Therefore I am about to introduce a bill which will require the location of the Indian Bureau in the State of Oklahoma, where there live 27.6 percent of the Indians of the United States. We have in our State almost one-third of the Indians of the United States. The next highest in percentage is Arizona, where there are 14.2 percent. Next is New Mexico, where there are 10.4 percent. Then comes South Dakota, with 8.1 percent; California, with 6.6 percent; then the others in decreasing percentages. If we are to distribute the Federal agencies, they should be distributed with due regard to the agency and the type of people it serves. Therefore I am about to introduce a bill and to ask that it be properly referred.

The VICE PRESIDENT. The second session of the Seventy-seventh Congress has just met, and under the customary practice bills are not received until after the President has delivered his annual message to Congress.

Mr. LEE. In that case, Mr. President, I shall withhold the introduction of the

bill but will let my remarks stand as of today.

SEPARATE DEPARTMENT OF AVIATION

Mr. McCARRAN obtained the floor.

Mr. McNARY. Mr. President, may I inquire whether the Senate has concluded the routine morning business?

The VICE PRESIDENT. The routine morning business, under the custom of the Senate, is not in order on the first day of the session of a Congress.

Mr. McCARRAN. Mr. President, it is with a deep sense of responsibility, even of reluctance, that I address the Senate this afternoon on a subject which is of the utmost importance. The United States is at war. We are all familiar with the immediate circumstances which brought forth on December 8, 1941, a declaration of war against the Empire of Japan. No one can view the events preceding that declaration without experiencing a keen sense of anxiety because of what took place at Pearl Harbor, and wondering why we were not better prepared to cope with the enemy. The Secretary of the Navy, Mr. Knox, returned from Hawaii, following a hurried investigation. He submitted his report to the President. We, of course, do not know the exact contents of that report, but we do know, Mr. President, that a horrible thing was done to the armed forces of the United States on that fateful December 7. We do know that as a direct consequence of the report submitted by Secretary Knox, the commander of the Pacific Fleet, the commander of the Hawaiian division of the Army, and the commander of the Army air force have been relieved of their assignments. I think we can therefore make the reasonable assumption that the situation was serious enough to warrant such drastic action.

My purpose in taking the floor this afternoon is not to criticize, but rather to express caution, lest the Senate proceed to a hasty conclusion. Do not lose sight of the forest, Mr. President, because of a few trees that may be a little more conspicuous. With this idea in mind, I might with propriety call attention to a bill which I introduced some months ago, which is now pending before the Committee on Military Affairs.

Senate bill 1635 would create a department of aviation. For many years I have been deeply concerned with the development of aviation in the United States, both civil and military, because I believe that in the years to come the nation which controls the air will control the world. I think we can all agree that events of the past 3 years unquestionably support that belief. Supremacy in the air for the United States is an indispensable essential to the continued existence of this democracy.

My bill has been the subject of much discussion. It has been advocated and criticized by high-ranking officers of the armed forces. I welcome a free and open discussion of the merits of the proposed legislation, because it is through such processes that America expresses the will of the people.

In that connection, there recently appeared in a much publicized weekly magazine an article written by Rear Admiral Harry E. Yarnell, now a retired officer of the United States Navy, in which he undertook to show, first, that the British R. A. F. has failed; and second, that this failure is due to the fact that the R. A. F. operates as a unit independent of the other armed forces.

In my opinion, Mr. President, Admiral Yarnell's article is a veiled attempt to refute arguments advanced by me and by other proponents of Senate bill 1635, by presenting a wholly one-sided picture of isolated instances in which the R. A. F. has not, perchance, measured up to the highest expectations. I do not question the propriety of Admiral Yarnell, or any other officer of the armed forces presenting his views on this vital question. As I have said, I welcome a free and open discussion on the merits of my bill. But I am unwilling to have this proposed legislation considered on the basis of prejudiced magazine articles, which are written by those in authority with the hope that Congress may never proceed to a consideration of this all-important question.

I may say here, Mr. President, that the always gracious and cooperative chairman of the Committee on Military Affairs, the Senator from North Carolina [Mr. REYNOLDS] has assured me that his committee will hold hearings on my bill in the near future, and that this matter will be thoroughly gone into. Yet, inasmuch as there has already been an organized propaganda drive to prejudice any legislation looking to the establishment of complete autonomy in the air, I wish to call attention to a few very pertinent facts.

For instance, I have heard it said that the only reason why Germany succeeded in invading Norway is that the British R. A. F. pilots could not recognize a German vessel when they saw one. Opponents of a separate air force have written in the press of the Nation that if the British pilots had also been naval men, they would have known these were German vessels, and the invasion might have been thwarted before it got under way. That may be true, Mr. President, and yet I cannot overlook the fact that the great British Navy was actively patrolling the same waters night and day, and that all the naval training which its officers and men had received could not save the situation.

I have also heard it said that Germany succeeded in invading Crete because the British R. A. F. was based some 300 miles distant at Mersa Matruh, in Egypt; that it did not respond to the request of the British Navy for assistance, because it was under a separate command.

These statements, Mr. President—and I regret that they have been given much credence as arguments against a separate air force—overlook the plain and fundamental fact that both Norway and Crete were invaded by an independent air force, under a separate command, in the hands of Germany. Moreover, such statements fail to disclose the very important fact that the attempted British counterinvasion of Norway was a complete failure, notwithstanding the fact that the British landed troops in large force, who were welcomed with open arms by the Norwegians solely because the invading forces were unmercifully bombed from the air by an autonomous air force of Germany.

Price Minister Churchill explains the British failure as due to—

> Intense, continuing bombings of the bases at Namsos and Aadalsnes, which prevented the landing of large reinforcements and even of artillery for the infantry already landed. It was necessary therefore to withdraw the troops or to leave them to be destroyed by overwhelming forces.

The German Navy did not defeat Britain's counterinvasion of Norway, nor were German land forces responsible for Britain's failure. Britain was defeated in Norway by the Luftwaffe under a separate command of the German high command. Not only that, but the detachment in operation was relatively small, operating from bases some 300 miles distant from the point of attack.

When Germany invaded the island of Crete there were only 10 serviceable British planes on that island. However, the R. A. F. cannot be held to account for a shortage of planes, because the British Navy, which was in command at that point, believed it had sufficient air power until after the attack began.

But assuming that Britain's defeat at Crete was due to a lack of air power, and even assuming that the R. A. F. was absolutely responsible for this failure, we cannot and must not overlook the fact that Crete was invaded by an independent air force, the Luftwaffe, under a separate command, and that the Germans succeeded in landing some 35,000 men. Those men were sustained by vertical supply lines, a remarkable demonstration of the striking power of an independent air force. Yes; there may be those who believe that Crete was conquered because the R. A. F. was stationed at a distance, but I venture to say that the blame may well rest with the British Navy because it did not foresee an invasion by air. No matter whom we may blame, Mr. President, we are still confronted in the last analysis with the indisputable fact that supremacy in the air was achieved by a separate air force with which the British Navy had not reckoned.

Opponents of my bill have used the incident at Crete as proof that the Navy and the Army must not be deprived of air support when entering into an engagement. Manifestly that statement is true, and I wholeheartedly agree that neither the Army nor the Navy should be bereft of air support. But this argument can have no relation to my bill, because section 7 provides:

> SEC. 7. The air force shall be so trained as to comprise a combatant force of the United States with a view to operating either with the armed land or sea forces of the United States, or with both combined, or independently of either as the President may determine. The President is authorized to attach such units of the air force as may be necessary for cooperation with the armed land and sea forces of the United States in time of war or threatened hostilities, and during maneuvers, target practice, and such other exercises as may be held by those forces. When such units are so attached, they shall

be under the command of the designated commander of the land or sea force, or both, as the case may be. Should the offensive or defensive operation in time of war or threatened hostilities and the maneuver or exercise in time of peace be from their nature aeronautical, the President is authorized to attach to the air force such units of the armed land or sea forces as he may deem necessary. When such units are so attached, they shall be under the command of the designated commander of the air force.

Thus it will be seen that if the engagement is to be naval, sufficient air power may be attached to the Navy, under the command of the Navy. If the engagement is primarily that of the Army, sufficient air power may be attached, under the command of the Army. On the other hand—and this I deem vital to the successful prosecution of this war—if the engagement is primarily in the air, or through the air, the air force shall be in command and sufficient Army or Navy personnel shall be attached, under the command of the air force.

Mr. President, experiences of the past 3 years have conclusively demonstrated that the military strategy of yesteryear is gone forever. Modern warfare is waged by Hitler and his satelites on a philosophy of Hit-the-base-and-run. Our enemies are not concerned with outlying outposts for defense. They are not concerned with long conquests by trench warfare, or with blockades, or with a strategy that looks merely to hanging on until the enemy collapses from within. Enemies today strike swiftly, suddenly, treacherously, at the strongest base of operations and then flee to organize for another assault. I need name only a few instances to bear me out—Warsaw, Rotterdam, Liege, Belgrade, London, and, above all, Pearl Harbor.

We, of all nations, Mr. President, should be the least surprised at this method of attack. The awful, devastating, destructive force of air power was pointed out more than 16 years ago by the late Gen. William "Billy" Mitchell. General Mitchell was commander in chief of the American air forces in Europe during the last World War. As a result of his experience, he became convinced that a separate air force was the most destructive weapon, both offensively and defensively, that man could devise. During the years 1919 through 1921, General Mitchell repeatedly gave practical demonstrations proving that airplanes could sink battleships, and that they could be fashioned into a terrible striking force. Unfortunately for us, Mr. President, he was crucified for his efforts. In 1925 the late General Mitchell was court-martialed for insubordination because he refused to yield to arguments of the type put forth by Admiral Yarnell. Mitchell was right. Time has proven that. Yarnell is wrong, and it requires no more time to prove him wrong.

However, Germany heeded the unanswerable arguments presented to this country by Mitchell, and Germany organized the greatest air force man had ever seen. Somewhat belatedly Great Britain followed the teaching of Mitchell; and, under Winston Churchill as Minister for Air, Britain achieved a unified air force. Today, Mr. President, the United States is the last remaining great power with its air command scattered asunder, divided between the Army, the Navy, and the Marine Corps.

Truly, in the case of General Mitchell, a prophet in his own country is without honor.

Times have changed, Mr. President. The outmoded conception of certain fixed frontiers has been relegated to another era. Originally the only function of a navy was to transport foot soldiers from one place to another. When the United States came into existence we had no navy. After vessels were armed, in order that they might defend themselves, they came to be used offensively for the first time, and there came into being a navy under the command of one who had been schooled and experienced in the potential power of naval vessels. The Congress finally heeded the warnings of eminent authorities and created a Department of the Navy. This effort on the part of Congress was bitterly opposed by high officers of the armed forces, whose illustrious careers and experience gave them prestige similar to that now enjoyed by some who today oppose the creation of a separate air force in our country.

Mr. President, there is, of course, a very marked distinction between fighting on land and fighting on water, but there is no distinction between the air over land and the air over water. It is all air. A bomber flies and bombs objectives equally well over sea or land, and I care not whether it be a naval bomber or an Army bomber. In modern warfare there can be no line of demarcation in jurisdiction over certain areas of the air. Oh, how specious the reasoning that naval aircraft should bomb only vessels, but shall not operate over land; or that Army aircraft should bomb only troops, but should not operate over water. Yet that is the fundamental basis on which the Army and Navy Air Corps today remain divided. We may be sure that our enemies are not following such fallacious teachings. Our enemies, Mr. President, are proceeding on the very practical notion that a bomber is a bomber, no matter where it may be, and no matter whether the engagement is over land or water. The enemy has achieved a unity of air command that we cannot afford to overlook in the present or forget in the future—which brings me back to my original thought: "That nation which controls the air in the future will control the world."

Mr. President, those of us who today advocate the establishment of a separate, unified air force have in mind the establishment of a trinity of defense for our country: An army equipped to strike swiftly and decisively; a navy equipped to ply the waters of the world and to carry our flag in majesty and safety everywhere; and an air force acting as an umbrella, as it were, over all, to meet with power of finality any invading enemy using the air, and to defend over land and over sea our military forces of the Army and the Navy. With this trinity of defense established and equipped there will never again be an incident like Pearl Harbor, like the Philippines, like Manila, and our country will be preeminently in a position to police the world for the democracy for which our men are today dying; to police the world for democracy until the day comes when engines of destruction are no longer necessary or usable to settle worldly strife.

I am reminded, Mr. President, of what was said many years ago by a great poet-philosopher whose words constitute a prophecy that we may linger upon today. I quote the words of Lord Alfred Tennyson:

For I dipt into the future, far as human eye could see,
Saw the vision of the world, and all the wonder that would be;

Saw the heavens fill with commerce, argosies of magic sails,
Pilots of the purple twilight, dropping down with costly bales;

Heard the heavens fill with shouting, and there rain'd a ghastly dew
From the nations' airy navies grappling in the central blue;

Far along the world-wide whisper of the south wind rushing warm,
With the standards of the peoples plunging thro' the thunderstorm;

Till the war drum throbb'd no longer and the battle flags were furl'd
In the parliament of man, the federation of the world.

SALE OF ALCOHOLIC BEVERAGES AND SUPPRESSION OF VICE IN VICINITY OF MILITARY CAMPS

Mr. O'DANIEL. Mr. President, there is pending on the calendar Senate bill S. 860, which was introduced by my predecessor, the late lamented Senator Morris Sheppard, of Texas. This is a bill to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments. The citizens of Texas sent me to the United States Senate to represent them and to carry out the work which had been started by Senator Sheppard, who was so loved and esteemed by the people of our State.

It appears to me that, inasmuch as this bill has been on the calendar for so many months, and we have now declared a state of war, it is very desirable that it should receive prompt consideration by this body. Therefore I desire to serve notice that it is my intention to bring the bill to the attention of the Senate for consideration; and I should like to bring it up on the anniversary of the adoption of national prohibition, January 16, the date on which the late Senator Morris Sheppard always made a speech in the Senate with reference to prohibition. If it be not practicable to bring it up on that date, I should like to bring it up on an earlier date and should like to cooperate with the senior Senator from Colorado [Mr. JOHNSON] and other Senators who are interested in enacting the proposed legislation at this time for the welfare of our country.

INDEX OF PRICE-CONTROL HEARINGS

Mr. BROWN. Mr. President, the price-control bill is on the calendar, and I am

having prepared a fairly good factual index of the hearings, which are now available. I ask unanimous consent that the factual index may be printed as part of my remarks, for the benefit of Senators who desire to know how to find the information contained in the Senate hearings.

Mr. McNARY. Mr. President, has the index been prepared?

Mr. BROWN. There is an index in the hearings, but it is merely an index giving the names of the witnesses. I felt that there should be a factual index that would direct the attention of Senators interested to the facts. I am having such an index prepared, and have asked unanimous consent that it be published at this point in the RECORD for the information of Senators.

Mr. McNARY. I think that is very wise, and will accommodate Senators. Does the index refer to the testimony contained in the House hearings as well as that contained in the Senate hearings?

Mr. BROWN. No; only to the testimony contained in the Senate hearings. The index of the House hearings is fairly good.

Mr. McNARY. Will the index be available tomorrow?

Mr. BROWN. Yes; it will be printed in the RECORD.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Is there objection to the request of the Senator from Michigan?

There being no objection, the index was ordered to be printed in the RECORD as follows:

Index to the hearings before the Senate Committee on Banking and Currency on the Emergency Price Control Act (H. R. 5990), December 9–17, 1941.

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Mr. BROWN. Mr. President, I desire to ask the majority leader whether he wants us to go to work tomorrow or Wednesday on the price-control bill.

Mr. BARKLEY. I think Wednesday would be better.

Mr. BROWN. Wednesday would suit me much better.

Mr. BARKLEY. We have some other things to do tomorrow that will more or less divert our attention from the routine work of the Senate.

Mr. BROWN. I hope we can get out of the way speeches that do not directly bear on the bill, so that we can take up the price-control bill on Wednesday.

Mr. McNARY. I am very happy to hear the able Senator from Kentucky say that probably we shall not start the debate on the price-control bill until Wednesday. Let me suggest that we might take up the calendar tomorrow. There are a number of bills on the calendar.

Mr. BARKLEY. I shall be glad to talk to the Senator about that.

Mr. McNARY. Very well.

ADJOURNMENT

Mr. BARKLEY. I was about to say that the committee appointed by the Chair to notify the President of the organization of the second session of the Seventy-seventh Congress has not been able to perform its duty because we have received no message from the House that a similar committee has been appointed there. I see no occasion to wait for them. The committee may make its report tomorrow as well as today.

I wish to advise the Senate informally that there will be a joint session of the two Houses tomorrow in the Chamber of the House of Representatives at 12:30 p. m., at which time the President will deliver his annual message.

So far as I know, Mr. President, the Senate has concluded its business for today. I move that the Senate adjourn.

The motion was agreed to; and (at 1 o'clock p. m.) the Senate adjourned until tomorrow, Tuesday, January 6, 1942, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 5, 1942

This being the day fixed by Public Law 395, Seventy-seventh Congress, enacted pursuant to the twentieth amendment of the Constitution for the meeting of the second session of the 77th Congress, the Members of the House of Representatives of the Seventy-seventh Congress met in their Hall and at 12 o'clock noon were called to order by the Speaker, Hon. SAM RAYBURN, a Representative from the State of Texas.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following

PRAYER

Spirit of God, on us descend and teach us to feel that Thou art always nigh. Draw us into a sacred nearness with Thy heart of love, leading us to nourish every blessed purpose and enabling us to trust our bounteous Lord's protection. By the rectitude of our behavior and with eager-hearted service, grant that we may prove ourselves worthy of the trust of our fellow men. Hold us to the realization that no nobler task can be found than that all partisan zeal be turned into unity and cooperation for the good of public and private life; grant that these, Thy servants, may safeguard and advance the rights of all. Oh, pour the blended spirits of city, village, and country into the chalice of our national life that it may ever bear the fruitage of unselfish devotion.

Breathe upon our President, our Speaker, and the Congress, as we approach the open door of this session, Thy merciful care and guidance. We pray that all weary hearts and overwrought nerves may be hushed into rest and that we may act as men who believe in God and in the ultimate triumph of the right. We ask it all in the name of Jesus, our Saviour. Amen.

CALL OF THE ROLL

The SPEAKER. The Clerk will call the roll to determine whether a quorum is present.

The Clerk called the roll, and the following Members answered to their names:

[Roll No. 1]

Allen, Ill.	Bender	Buckley, N. Y.
Allen, La.	Bennett	Bulwinkle
Anderson, Calif.	Bishop	Burch
Anderson, N. Mex.	Blackney	Burdick
	Bland	Burgin
Andresen, August H.	Bloom	Butler
	Boehne	Byrne
Andrews	Boggs	Byron
Angell	Boland	Camp
Arends	Bolton	Canfield
Baldwin	Bonner	Cannon, Fla.
Barden	Boren	Cannon, Mo.
Barnes	Boykin	Capozzoli
Barry	Bradley, Mich.	Carlson
Bates, Ky.	Bradley, Pa	Carter
Beam	Brown, Ga.	Casey, Mass.
Beckworth	Brown, Ohio	Celler
Beiter	Bryson	Chapman
Bell	Buck	Clason
Claypool	Isac	Priest
Clevenger	Jackson	Rabaut
Cluett	Jarman	Ramsay
Cochran	Jarrett	Ramspeck
Coffee, Nebr.	Jenkins, Ohio	Randolph
Coffee, Wash.	Jenks, N. H.	Rankin, Mont.
Cole, Md.	Jennings	Reece, Tenn.
Cole, N. Y.	Jensen	Reed, N. Y.
Colmer	Johns	Rees, Kans.
Cooley	Johnson, Calif.	Rich
Cooper	Johnson, Ill.	Richards
Copeland	Johnson, Ind.	Rizley
Costello	Johnson, Luther A.	Robertson, N. Dak.
Courtney		
Cox	Johnson, Okla.	Robertson, Va.
Cravens	Johnson, W. Va.	Robinson, Utah
Crosser	Jones	Robsion, Ky.
Crowther	Jonkman	Rockefeller
Cullen	Kean	Rodgers, Pa.
Cunningham	Kee	Rogers, Mass.
Curtis	Keefe	Rogers, Okla.
D'Alesandro	Kefauver	Rolph
Davis, Ohio	Kelley, Pa.	Romjue
Davis, Tenn.	Kelly, Ill.	Russell
Day	Kennedy, Martin J.	Sabath
Delaney		Sanders
Dewey	Kennedy, Michael J.	Sasscer
Dickstein		Sauthoff
Dies	Keogh	Scanlon
Dingell	Kilburn	Schuetz
Dirksen	Kilday	Schulte
Disney	Kinzer	Scott
Ditter	Kirwan	Scrugham
Doughton	Kleberg	Secrest
Douglas	Klein	Shanley
Downs	Knutson	Sheppard
Duncan	Kocialkowski	Sheridan
Durham	Kopplemann	Short
Dworshak	Kramer	Sikes
Eaton	Kunkel	Simpson
Eberharter	Lambertson	Smith, Maine
Edmiston	Lanham	Smith, Va
Eliot, Mass.	Lea	Smith, Wash.
Engel	Leavy	Smith, W. Va.
Englebright	LeCompte	Smith, Wis.
Faddis	Lesinski	Snyder
Fellows	Lewis	Somers, N. Y.
Fenton	Ludlow	South
Fitzgerald	Lynch	Sparkman
Fitzpatrick	McCormack	Spence
Flannagan	McGranery	Springer
Fogarty	McGregor	Starnes, Ala.
Folger	McKeough	Steagall
Forand	McLaughlin	Stearns, N. H.
Ford, Leland M.	McLean	Stefan
	McMillan	Stratton
Ford, Miss.	Maciejewski	Sullivan
Ford, Thomas F	Maciora	Sumner, Ill.
	Mahon	Sumners, Tex.
Fulmer	Manasco	Sutphin
Gathings	Marcantonio	Sweeney
Gavagan	Martin, Iowa	Taile
Gearhart	Martin, Mass.	Tarver
Gehrmann	Mason	Tenerowicz
Gerlach	May	Thill
Gibson	Merritt	Thom
Gifford	Meyer, Md.	Thomas, Tex.
Gillette	Michener	Thomason
Gillie	Mills, Ark.	Tibbott
Gossett	Mills, La.	Tinkham
Graham	Mitchell	Tolan
Grant, Ind.	Moser	Traynor
Green	Mott	Vincent, Ky.
Gregory	Mundt	Vinson, Ga.
Guyer	Murdock	Voorhis, Calif.
Gwynne	Myers, Pa.	Vorys, Ohio
Haines	Nelson	Vreeland
Hall, Edwin Arthur	Nichols	Wadsworth
	Norrell	Walter
Hall, Leonard W.	O'Brien, Mich.	Ward
	O'Brien, N. Y.	Wasielewski
Halleck	O'Connor	Weiss
Hancock	O'Leary	Welch
Hare	Oliver	Wheat
Harness	O'Neal	Whelchel
Harris, Ark.	O'Toole	White
Harris, Va.	Paddock	Whitten
Hart	Patman	Whittington
Harter	Patrick	Wickersham
Hartley	Patton	Wigglesworth
Heffernan	Peterson, Fla.	Williams
Hendricks	Peterson, Ga.	Wilson
Hill, Wash.	Pfeifer, Joseph L.	Wolcott
Hinshaw		Wolfenden, Pa.
Hobbs	Pheiffer, William T.	Wolverton, N. J.
Hoffman		Woodruff, Mich.
Holmes	Pierce	Woodrum, Va.
Hook	Pittenger	Worley
Hope	Plauché	Young
Houston	Ploeser	Youngdahl
Hull	Plumley	Zimmerman
Hunter	Poage	
Imhoff	Powers	

The SPEAKER. Three hundred and forty-seven Members are present, a quorum.

REPRESENTATIVE-ELECT

The SPEAKER laid before the House the following communication from the Clerk of the House:

JANUARY 5, 1942.

The Honorable the SPEAKER,
House of Representatives.

SIR: The certificate of election in due form of law of Hon ROBERT F. ROCKWELL as a Representative-elect to the Seventy-seventh Congress, from the Fourth Congressional District of Colorado, to fill the vacancy caused by the death of Hon. Edward T. Taylor, is on file in this office.

Very truly yours,
SOUTH TRIMBLE,
Clerk of the House of Representatives.

SWEARING IN OF A MEMBER

Mr. ROBERT F. ROCKWELL appeared at the Bar of the House and took the oath of office.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that today and tomorrow it may be in order at any time for the Speaker to declare that the House stand in recess, subject to the call of the Chair.

The SPEAKER. Is there objection?

There was no objection.

COMMITTEE TO NOTIFY THE PRESIDENT OF THE UNITED STATES

Mr. McCORMACK. Mr. Speaker, I offer the following resolution (H. Res. 398), which I send to the desk and ask its immediate consideration.

The Clerk read as follows:

Resolved, That a committee of three members be appointed by the Speaker on the part of the House of Representatives, to join with a committee on the part of the Senate, to notify the President of the United States that a quorum of each House has assembled, and Congress is ready to receive any communication that he may be pleased to make.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The Chair appointed Mr. McCORMACK, Mr. DOUGHTON, and Mr. MARTIN of Massachusetts to notify the President.

NOTIFICATION TO THE SENATE

Mr. DOUGHTON. Mr. Speaker, I offer the following resolution (H. Res. 399), which I send to the desk and ask its adoption.

The Clerk read as follows:

Resolved, That the Clerk of the House inform the Senate that a quorum of the House is present and that the House is ready to proceed with business.

The resolution was agreed to.

DAILY HOUR OF MEETING

Mr. SMITH of Virginia. Mr. Speaker, I offer the following resolution (H. Res. 400), which I send to the desk and ask its immediate consideration.

The Clerk read as follows:

Resolved, That until otherwise ordered, the daily hour of meeting of the House of Representatives shall be at 12 o'clock meridian.

The resolution was agreed to.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had adopted the following resolutions:

Senate Resolution 212

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

The message also announced that pursuant to the provisions of the above resolution the Vice President named Mr. BARKLEY and Mr. MCNARY as members of the committee on the part of the Senate.

Senate Resolution 213

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

RESIGNATION FROM HOUSE OF REPRESENTATIVES

The SPEAKER laid before the House the following resignation:

HOUSE OF REPRESENTATIVES,
Washington, D. C., January 2, 1942.

Hon. SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation, effective January 5, 1942, as a Member of Congress, from the Thirty-third District of Pennsylvania.

I want you to know it was a pleasure to serve under your leadership, and I wish you continued success and best wishes.

Sincerely yours,
JOSEPH A. MCARDLE,
Member of Congress.

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein the text of the 26-nation agreement signed at the city of Washington on January 1, 1942; also a supplemental statement regarding it which was issued January 4 by the Department of State; and also an editorial which appeared in the New York Times of Saturday, January 3, on this subject.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

MEETING OF COMMITTEE ON NAVAL AFFAIRS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that the Committee on Naval Affairs may be privileged to sit during the sessions of the House this week.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting some essays written by high-school students on the Bill of Rights.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, my colleague the gentleman from Mississippi [Mr. RANKIN] is returning to Washington, and I am informed that a late train prevented his answering the roll call today.

EXTENSION OF REMARKS

Mr. D'ALESANDRO. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a letter and a statement of loyalty addressed to the President by the personnel of the two largest Italian newspapers in this country.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, one to include a radio speech made by me on December 22 over the National Broadcasting Co. and in the other a radio speech made by me over station WOR on January 2.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my remarks and include an open letter from Mr. Philip Murray and my answer to Mr. Murray on January 3.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE CONGRESS OF INDUSTRIAL ORGANIZATIONS AND NATIONAL DEFENSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, Philip Murray, president of the C. I. O., no doubt now realizes the tragic results of all the C. I. O.-promoted slow-downs, sit-downs, jurisdictional strikes, and other forms of sabotage. Therefore, he has inserted an open letter in the Washington Post, addressed to the O. P. M., trying now to transfer his responsibility, fault, and guilt from himself to the O. P. M.

He has the temerity to wonder why airplanes and supplies of war were not available to defend Wake, Guam, and the Philippines. He knows that the C. I. O. fathered these various forms of sabotage and strikes in the airplane plants—delayed and stopped production. I wish to place the guilt, here and now, squarely and fairly, upon the racketeering, hijacking, outlaw labor leadership of the C. I. O.

He at least should come into court with clean hands, and I say to Mr. Murray that the hands of those same outlaw labor leaders are dripping with the blood of those who were wounded and those

who laid down their lives in defense of Wake, Guam, and the Philippines.

Mr. Murray, this Congress and the people of this country know whose fault it is, and it is now too late for you to slide out of your guilt and place it on someone else's shoulders. The fault is yours.

There is no question but that there should be a reorganization that will get real production here in Washington, and I am going to have something to say on this later. That reorganization, however, should not include within its scope such persons as Philip Murray, Hillman, Reuther, Belint, nor any of those who have contributed to what I have consistently contended was sabotage of our defense program.

[Here the gavel fell.]

REPORT FROM COMMITTEE TO NOTIFY THE PRESIDENT

Mr. McCORMACK. Mr. Speaker, your committee appointed on the part of the House to join a like committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled and is ready to receive any communication he may make has performed that duty. The President of the United States requested that the committee state that he would communicate with the Congress in person tomorrow, Tuesday, January 6, 1942, at 12:30 o'clock p. m.

JOINT SESSION OF THE HOUSE AND THE SENATE

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Con. Res. 62), which I send to the desk, and I ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, the 6th day of January 1942, at 12:30 o'clock in the afternoon, for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

The concurrent resolution was agreed to.

NEED FOR SCRAP AT YOUNGSTOWN, OHIO

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. KIRWAN. Mr. Speaker, in every office which you enter in the city of Washington connected with the Government you are greeted with the slogan, "Time is short."

It has just been 10 months ago tomorrow since I spoke from the Well of this House calling attention to the Congress of what was happening in Youngstown, Ohio, a town that produces 10 percent of all of the steel production in the United States. At that time I asked the Government to spend $2,000,000 to build a dam to assure adequate water supply. It was not built, and we all know only too well what happened last summer. This country ran pretty well out of steel. The heads of three of our local steel companies, who appeared before the Senate committee, urging the Government to construct this proposed dam or reservoir, stated that enough steel was being lost each week which would be sufficient to build two 10,000-ton cruisers, or 750,000 rifles. After a great deal of lost time and effort, authorization for the construction of the Berlin Reservoir was granted, and President Roosevelt asked the Congress for a special appropriation in the last lease-lend bill. Today all efforts are being made to build this dam in the shortest possible time, so that adequate water will be assured in the future for steel production. However, because of the loss of time encountered in obtaining the authorization and appropriation, many small industries have had to curtail their operations, and many items deemed vital and necessary to our national defense have not been manufactured.

Today I am again appealing for your cooperation and assistance for the same important item—steel.

Right now, in the city of Youngstown, Ohio, nine open-hearth furnaces, upon which we depend for the production of steel, are out of operation because of the scarcity of scrap. These furnaces are capable of producing 2,200 tons of steel a day.

It is my humble opinion that there is sufficient scrap in America to keep every open-hearth furnace throughout the entire country going full blast if we make a determined effort to obtain it.

During World War No. 1, when the transportation bottleneck occurred, President Wilson requested the Governors of the 48 States and the railroad heads to come to Washington for a conference in order to get it straightened out. When the banking crisis occurred in 1933, President Roosevelt asked the Governor of each State to come to Washington and told them a week in advance what he was going to do to help them. Today we are faced with just as acute a problem, and the Governors should be summoned to Washington. They know their State—they know where piles of scrap have accumulated and where it is lying idle.

Every citizen in the United States, if he was acquainted with the need for scrap, would make a determined effort to give what they might have. They will not sell it to ragpickers. The day has passed when a person will give an old stove or something to a ragpicker passing by his home and perhaps get a piece of candy or a few pennies in return. But they would willingly and gladly donate it for national defense if they knew and were told how and why it was needed.

How can scrap be collected? Pearson and Allen touched this spark off last night in their radio broadcast when they predicted that the biggest scrap drive would go on in this country within the next few weeks. I welcome their cooperation and assistance.

It would be my suggestion that the governor of each State be asked to put out an executive order to his highway department and to the county and municipal governments to set aside one certain day to make a house-to-house and street-to-street collection of scrap to be gathered from the curbstones.

There is not a home in the country that does not have some kind of an old furnace grate, plumbing article, or bedspring that is taking up some space in the basement. There is not a farm that does not have some old plow or discarded farm implement in the yard that could be utilized in this emergency—and practically every garage has some old part that is not needed and that belonged to a car traded in many years ago.

Right now, the farmer is not too busy to look around and stack up what he could contribute without personal loss—the housewives would be anxious to put two pieces of scrap to the curbstone to match that of her neighbor. If a person had to carry old scrap or unusable items to the curb in front of their home, without having to conspicuously and sometimes inconveniently carry it to a designated dumping ground, it would, I feel certain, have most amazing results. Housewives could be asked to set out the accumulation of coat hangers made of wire that are not being used and taking up space in their closets.

I am thoroughly convinced that if the proper appeal was made to the people of this Nation who want to do something for national defense, that within a few days we would have more scrap gathered together than what we have sold to Japan in bygone years. In towns like my own where there are steel plants, trucks could deliver the scrap right to the plant door. The proceeds from the sale of scrap could be contributed to the Red Cross to carry on its part of the work.

In addition to gathering the scrap at the command of the Governor of each State, would be the fact that they would know how quickly trucks and conveyances could be mobilized in case of an urgent need or necessity. Such a day would tend to familiarize the officials of communities and municipal governments as to the amount of equipment that is available and what kind of a job could be done in case some catastrophe would suddenly affect their immediate locality.

There is not a man, woman, or child in America that does not want to help, especially since the Pearl Harbor incident—they are awaiting the call and want someone to tell them what to do so that they, too, can take an active part in saving America.

Again I call your attention to the fact that nine open-hearth furnaces are unable to operate in Youngstown, Ohio—closed for the lack of scrap. Furnaces are idle, too, in other parts of the country, and we must do something to get them going as fast as we can.

Mr. CASEY of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. CASEY of Massachusetts. I have some wire mills in my district which have been seriously hampered by lack of scrap metal. I compliment the gentleman upon his splendid idea and hope it will be taken up by the administration. I know that in my district the steel plants have shut down in order that their employees go around a day at a time picking

up scrap. But this is only a hit-or-miss method. We should have a complete and efficient plan. I hope the gentleman's plan will be adopted.

Mr. KIRWAN. I may say further, Mr. Speaker, that the Government today is spending $13,000,000 for the construction of a blast furnace right in the yard of the Republic Steel plant at Youngstown, but its completion is being hampered because of the lack of steel. So it is pretty nearly time we get busy and do something about it.

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. KIRWAN. I yield.

Mr. SUMNERS of Texas. May I suggest to the gentleman that he consider possibly enlisting the school children of the country in this campaign?

Mr. KIRWAN. Answering the gentleman from Texas, I may say that only a short time ago the President of the United States signed an act drafting every man between the ages of 18 to 64. Those who are unable physically or because of other responsibilities to take up arms to defend the country want to have a part in defending our freedom, and I do not know of anything better that they could do than to help acquire the needed scrap. Women and children would want to do their part also. In fact, I feel confident that every American is eager to put his shoulder to the wheel and would welcome the opportunity to cooperate with the various Governors in gathering all of the essential required needs, be it scrap, rubber, paper, or tin. Every person wants to do their share to win this war, and nothing is more important than furnishing the proper fighting equipment to our first line of defense—those boys who are serving in the Army, Navy, Air Corps, and marines. To accomplish this we must have full-speed steel production. Without scrap we cannot manufacture steel.

[Here the gavel fell.]

ADMISSION TO FLOOR OF HOUSE DURING JOINT SESSION, TUESDAY, JANUARY 6, 1942

The SPEAKER. The Chair desires to make a statement. After consultation with the majority and the minority leaders of the House, and remembering the terrific jam we had upon this floor the last time the President of the United States appeared here, with the consent and approval of the floor leaders the Chair announces that on tomorrow the door immediately opposite the Speaker will be open, and the doors on the Speaker's left and right, and none others. No one will be allowed upon the floor of the House who does not have the privileges of the floor of the House.

EXTENSION OF REMARKS

Mr. CURTIS. Mr. Speaker, I desire to submit two requests: First, to extend my own remarks in the Appendix of the RECORD; and second, to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CURTIS. Mr. Speaker, I have been advised by the American Red Cross that one of the two counties in the United States first to report the raising of its quota of funds in the recent call for $50,000,000 was Nuckolls County, Nebr. Perhaps to many of you this just means another county, but I happen to know that this county is located in the heart of the so-called drought area; that for 9 years prior to last year they have had no crops whatever. I am proud that in spite of the hardships and reverses suffered in my district in Nebraska that Nuckolls County came through first in the Nation when the call was issued for help by the Red Cross. I mention this simply as evidence of that deep-rooted conviction that is in all of the American people to see this thing through and win the war.

[Here the gavel fell.]

ANNOUNCEMENT

Mr. MAY. Mr. Speaker, may I announce that the House Military Affairs Committee is called to meet at 10:30 o'clock tomorrow morning. This is a vitally important meeting, and I desire all of the membership of that committee present.

PROTECTION FOR AIR WARDENS AND OTHER VOLUNTEERS

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MARTIN J. KENNEDY]?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker, I wish to direct the attention of the House to a bill I am introducing which, upon adoption, will require all men and women, engaged as air wardens, to sign an oath of office similar to the oath taken by those persons now serving without compensation in the enforcement of the Selective Service Act.

It is my wish to provide medical care and hospitalization for all persons injured in the actual performance of their official duties as air wardens, and in every other volunteer capacity, in connection with the activities of the civilian-defense program.

At the present time there is no provision in existing law to care for workers injured while rendering volunteer service to the Government.

I believe that our Government is morally obligated to care for these splendid people, many the sole support of their families, and who give freely of their time and skill to aid our national-defense program.

Recently, a member of the local draft board, in order to save the official records of the board, dashed into a burning building and as a result suffered severe burns and injuries. I am sure that every Member of Congress is in favor of providing medical care for such a heroic person. However, the law is silent on the subject.

I hope the membership will study my bill and join with me in my efforts to have it enacted into law in the immediate future.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. CASEY of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Washington Post.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. CASEY]?

There was no objection.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter to the President of the United States from the Ukranian Congress of America.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. BRADLEY]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. ENGLEBRIGHT. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative program on next Wednesday the gentleman from Michigan [Mr. HOFFMAN] may be given permission to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. ENGLEBRIGHT]?

There was no objection.

EXTENSION OF REMARKS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial entitled "The Little Guy."

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. MUNDT]?

There was no objection.

AUTOMOBILES AND TIRES FOR DEFENSE WORKERS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. HINSHAW]?

There was no objection.

Mr. HINSHAW. Mr. Speaker, those of us who represent defense-industry districts in the United States are going to be beset by a very difficult problem very shortly, and that is the matter of transportation for defense workers. As everyone knows, the automobile has come into very wide use and the lives and places of abode of the people have changed accordingly. If those who are working in defense industries cannot obtain automobiles and tires they will have to find other means of transportation to get to these defense plants, which means either enormous additions to the existing bus lines, streetcar lines, railroad and suburban lines, or something else. I do not know what the answer is, but may I say that in my own district there is going to be hell to pay before very long if my 50,000 defense workers cannot get tires or automobiles, and therefore cannot get to their places of work.

These gentlemen in the Government, who by a wave of the hand shut off tires and automobiles, completely upsetting

the transportation system of the United States are, to say the very least, a bit impetuous. The Government spent a lot of money trying to decentralize populations, to move people out into the clean air of the countryside, and now, without offering any transportation plan as a substitute they tell the people they can walk to work and enjoy it. It looks very much as though some smart brain had a bright idea that will blow right back in his face. You cannot turn industry or transportation off and on like a spigot. You cannot reorganize the lives and living of a whole people by a wave of the hand and expect the thing to work. It takes a great deal of sound thinking and careful planning. If this present action is a sample of what we can expect in the future from our war planners—well, what would you say?

[Here the gavel fell.]

RICHARD BROWN

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. BRADLEY]?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, on December 19, in the Well of this House, I called attention to a rather unfortunate circumstance whereby on December 13 I had been requested to ascertain the whereabouts and the welfare of one Richard Brown, a seaman in the United States Navy and based at Pearl Harbor. The Navy Department informed me on that day that the young man was safe. However, on December 15 they wired the parents he had been killed in the attack on Pearl Harbor and requested that the parents not disclose the ship on which he was stationed. At 10 p. m., December 24, the parents were again notified that the young man is safe. Glad tidings and a real Christmas present, if true.

I sincerely hope that the boy is alive, well, and safe. I trust that the Navy Department in the future will be very careful lest they bring further unwarranted heart pains to anxious and grieving fathers and mothers at home. I sincerely hope the last report is factual and is the truth, and that young Dick Brown is now alive serving his Nation as only our Dick Browns can serve it.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. JOSEPH L. PFEIFER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. PFEIFER]?

There was no objection.

Mr. JOSEPH L. PFEIFER. Mr. Speaker, I am in favor of the bill introduced by my colleague from New York [Mr. MARTIN J. KENNEDY]. The bill tends to take care of the so-called air wardens of our civilian defense. These individuals give their time at all hours of the day and night, during all kinds of weather, solely for the welfare of the people of America. It certainly becomes our duty to look after their welfare. I have noticed a few standing on watch, shivering from the cold, due to lack of proper clothing. Some undoubtedly become ill due to exposure and others subject to trauma. It therefore seems to me that it becomes the Government's duty to yield justice to these wardens. We should support this bill, and I would even go further than that. I would suggest a substantial remuneration in proportion to services rendered. I am firmly convinced that if they were justly treated and respected we would get better cooperation and better vigilance.

Now, insofar as our Director of Civilian Defense is concerned, I believe that this is no time for unjust criticism or confusion. We all know Fiorello H. LaGuardia, our National Director of Civilian Defense. He was at one time a Member of this honorable body. He is not a member of my party or your party. He is a member of the Labor Party. As a Democrat I ask of you on this opening day of the second session of the Seventy-seventh Congress to cast aside all party lines and let us march shoulder to shoulder as one—yes, one for all and all for one, for ultimate victory, the downfall of the aggressor nations by the defeat of our common foe.

It is not an easy task, but it becomes our duty as Americans to cooperate in every way rather than instilling in the minds of some animosity and confusion.

Mr. LaGuardia has been chosen by the President of the United States to look after the welfare and security of the people of America that are not in the armed forces and named him National Director while he was finishing his eighth year as mayor of the largest city in the world, the city of New York. Since then, in spite of this gigantic and difficult task, he was reelected for 4 more years. We must admit that he lost no time. Every corner of this great country of ours knows Mayor LaGuardia and others have seen him at work. There is no distance too far or work too hard for him to overcome. He is one of the most active men in America. He is qualified and this no one can deny. In view of these critical times a two-ocean war and war on four continents, it becomes our solemn duty to participate in every possible way by cooperating with our National Director to lighten his burden, to reassure the American public, thereby maintaining the safety and security of us all, thus preserving our national unity, our American policies, and our freedoms.

EXTENSION OF REMARKS

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a partial report of the grand jury of Arkansas County, Ark.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. ELIZALDE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein the inaugural address of the President of the Philippines.

The SPEAKER. Is there objection to the request of the Resident Commissioner from the Philippines?

There was no objection.

RELOCATION OF AIRCRAFT FACTORIES

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, the announcement which comes from the President that we shall immediately relocate in the interior sections of this country units or plants of our aircraft manufacturing industry is welcome, though belated. We have at the present a congestion in the coastal areas of our country in this industry, which holds serious implications for the well-being of the workers and the production of planes. There are now approximately 380,000 men and women engaged in the manufacture of fighting aircraft for this country. Approximately 290,000 of them are employed in plants of the coastal regions where attacks by enemy planes are probable. The total number of employees will be increased to over 500,000 by March.

The following figures are from American Aviation for the issue of January 1, 1942:

Employer forecast of employment changes in aircraft, September 1941 to February 1942 [1]

	Employed September, 1941	To be hired by Mar. 1, 1942
California	125,707	25,490
Connecticut	20,581	991
Illinois	2,200	4,693
Indiana	12,730	5,733
Kansas	14,531	3,804
Maryland	27,546	17,899
Massachusetts	1,820	50
Michigan	12,079	7,960
Missouri	6,008	2,850
New Jersey	34,206	2,657
New York	47,860	13,687
Ohio	18,429	11,145
Pennsylvania	14,479	5,273
Washington	20,283	2,775
All other	11,264	6,048
Total	380,173	121,005

[1] Social Security Board figures.

Six years ago I sent a letter to the President of the United States setting out in detail the need for the moving of our aircraft and allied defense industries from the coastal regions to the interior parts of our country.

This letter, dated March 30, 1936, set forth the names and locations of aircraft factories. I quote in part as follows from that communication which I placed in the RECORD in full on April 3, 1936:

During an address on the floor of the House of Representatives on March 13 I stated the following: "In this Nation practically every concern manufacturing aircraft is located upon the coasts of the United States, and due to the danger from attack, we should give serious consideraion to the need for aircraft development inland."

Since that time I have been making a further study of the facts in this connection. I find that factories for the manufacture of fighting planes and bombers, ordnance, and

rifles are concentrated in the seaboard States and are therefore left open to destruction by a hostile airplane carrier, perhaps hundreds of miles at sea.

I feel justified at this time in calling your attention to the need for a careful study with the thought in mind of establishing in the interior and more inaccessible sections of the United States our plants for the manufacture of aircraft, engines, firearms, explosives, and chemicals, because the picture today is decidedly different than it was even 5 years ago.

I made similar representations to the War and Navy Departments and the Bureau of Air Commerce, as well as the chairmen of the House Committees on Military and Naval Affairs. Apparently no action or national policy toward this needed end was taken.

What I say today is not in a spirit of criticism. I deeply regret, however, that we have been so slow in putting into motion sensible proposals for the defense of America.

During 1939 I appeared before the Appropriations Committee on a deficiency item of some $10,000,000 which was to be used for a research laboratory for aeronautics at Sunnyvale, Calif. The laboratory—in fact, several of them—are badly needed; but I vigorously opposed its location on the west coast. The RECORD discloses that on August 5, 1939, I stated on the House floor the following:

> With the rapid advance in aviation, America is becoming conscious of the fact that in future years we might be vulnerable to attack from the skies by countries many thousands of miles from us, which may send aircraft to invade this country. That is not beyond the realm of the possible. The coast is not, in my opinion, the location for such a research laboratory. The interior of our country, in many sections, offers the proper location.

There are valid reasons, Mr. Speaker, why we must at once start doing the work which should have been in progress years ago. There is every reason to believe that a matchless air force will bring victory to America and her Allies. This means all-out production of fighting aircraft.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point and include therewith certain letters and other material.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

DAYLIGHT-SAVING TIME

Mr. McLEAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. McLEAN. Mr. Speaker, I rise to urge the enactment of legislation that will adopt daylight-saving time as the standard time throughout the Nation, at least for the summer months.

Before proceeding, may I make this announcement and extend to the Members of the House an invitation. It appears that in the very near future we are going to have some legislation on the subject of daylight-saving time. The consideration of this subject has excited our imagination and scientific interest, and because of that interest Capt. J. F. Hellweg, Superintendent of the United States Naval Observatory, has consented to deliver an illustrated lecture on the subject of time, its various subdivisions, its uses, why and how we avail ourselves of it, and kindred scientific facts, for the benefit of Members of the House, their wives, and such others as may care to attend. This lecture will be illustrated by stereopticon slides, and will be a most informative and scientific presentation by one of the best-informed men on the subject. The time of the lecture has been set for the evening of Thursday, the 15th instant. The place will be one of the available committee or assembly rooms in the House Office Building.

On March 4 last year I introduced a bill, the purpose of which was the adoption of daylight-saving time as the standard time throughout the country. The suggestion received considerable support. Similar measures were introduced by the gentlewoman from Massachusetts [Mrs. ROGERS], the gentleman from New York [Mr. KEOGH], and the gentleman from Pennsylvania [Mr. FLANNERY].

In the late summer the President expressed himself as approving the enactment of such legislation. He was prompted by a desire to conserve electric energy, particularly in the Southeast portion of the country, where a shortage of electric power was threatened because of a drought, curtailing the production of electric current at hydroelectric plants.

The bills introduced would amend the existing Standard Time Act, and expressly provided the period of time during the year when daylight-saving time should be in force. The administration proposal took the form of a bill which would authorize the President by proclamation, having the effect of law, to provide daylight saving for such period and in such area as he might determine.

The President also wrote the Governors of several States requesting that they cause daylight-saving time to be adopted in their several States. At the time of the President's request 16 States or parts of States had adopted daylight-saving time. Several other States adopted it pursuant to the President's suggestion.

During the latter part of the recently expired session the Committee on Interstate and Foreign Commerce announced that, because of a lack of interest on the part of the proponents of the plan, consideration of legislation had been indefinitely postponed. This was a surprise to me, as the committee had held hearings and I was anticipating a favorable report and congressional action, particularly in the light of the President's recommendation. Owing to the lateness of the session, I postponed any further action until the new session. Meanwhile, the President has suggested the enactment of the legislation, and it is my earnest hope that the committee will realize the desirability of early action.

In presenting the proposed legislation last March, I advanced for it the following arguments: Existing conditions comparable to those of 1918 when daylight saving was adopted as a war measure in the interest of public health, conservation, and production; its proven usefulness and the fact that it remained in effect until the close of the war; that after the repeal of the Federal law, permissive or mandatory laws to continue it were enacted in many States and have been in effect for many years and have been gradually extended; that to avoid confusion and inconvenience there should be a Federal law applicable to all States; that, as proven by statistics from experience of the former World War, daylight-saving time had resulted in a 5-percent saving in fuel consumption; that, as indicated by the recommendation of the President, a considerable saving of electric energy could be diverted from domestic and commercial use to the production of defense materials.

At that time we were considering the matter from a peacetime perspective, but the reasons then advanced apply with equal if not greater force at the present time when our perspective must be that of wartime necessity.

There are two additional considerations which result from the recent happenings which precipitated us into war—one is our relations with our neighbors, particularly Canada, and the other is the hope that by reducing bills for electric energy our people may be assisted in meeting tax obligations and the purchase of defense securities.

We are engaged with Canada in a joint operation. North America is the arsenal of those nations which are resisting aggression. The success of this joint undertaking is dependent upon the resources of the United States. In the interest of orderly procedure and efficiency our habit of life must be coordinated. Canada now operates on daylight-saving time. Consequently in all of our joint activities we are 1 hour behind. This must result in confusion, the elimination of which requires that our habit of life be governed by the same time program. Our clocks should be made to conform to the same time schedule as that of Canada. To bring this about, daylight-saving time must be adopted as the standard time of the United States.

It has been argued that the saving in fuel consumption and electric energy by the adoption of daylight-saving time would be infinitesimal. It is impossible, of course, to estimate in figures with any degree of certainty what the saving would be, but it stands to reason that the lights of the Nation cannot be extinguished for an hour a day without some saving somewhere. If only 5 percent of the consumption of fuel is saved—which was the saving estimated on the basis of experience during the last World War—while the percentage is small, it is a considerable amount in volume.

The pending measures provide for daylight-saving time during the summer months. The suggestion has been made that it should be in force all the year, but it is urged that there will be no advantage to year-round daylight-saving time because the consumption of artificial

light in the early morning hours during the winter months might offset the savings in the late afternoon. We need not discuss that now. The summer period is rapidly approaching, and by the adoption of daylight-saving time for the summer months its advantages can be made available. The matter of its possibilities during the winter months can be subsequently determined.

It is my purpose at this time to urge the committee to take prompt action so that in the early spring the clocks may be advanced 1 hour throughout the Nation, and there will be no recurrence of the delays which defeated the operation of the proposed laws last summer.

PERMISSION TO ADDRESS THE HOUSE

Mr. DIMOND. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day, and following any special orders heretofore entered, I may be permitted to address the House for 1 hour.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

SCRAP IRON

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, apparently some of our industries are wondering about where they are going to get their scrap iron. I call the attention of the House to the fact that if they want to find scrap iron, all they have to do is drive between here and Youngstown and see the thousands of automobiles lying in scrap yards. Why have not the O. P. M. and the men responsible to keep our industries in operation designated agencies and persons to collect this scrap iron so that the industries could continue to operate? I believe our mistake is in continuing in office the dollar-a-year men, and Mr. Knudsen, who has apparently failed on his job.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. TABER, for 2 weeks, on account of illness.

To Mr. HARRINGTON (at the request of Mr. LECOMPTE), for a few days, on account of important business.

To Mr. JACOBSEN (at the request of Mr. LECOMPTE), for a few days, on account of important business.

ENROLLED BILL SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 4365. An act to give additional powers to the Board of Public Welfare of the District of Columbia, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 57 minutes p. m.) the House adjourned until tomorrow, Tuesday, January 6, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization on Wednesday, January 7, 1942, at 10:30 a. m., on H. R. 6250.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1209. A letter from the Attorney General, transmitting a list of suits arising under the Public Vessel Act of March 3, 1925, in which final decrees were entered, exclusive of cases on appeal; to the Committee on Claims.

1210. A letter from the Attorney General, transmitting a list of suits arising under the act of March 9, 1920, authorizing suits against the United States in admiralty involving merchant vessels, in which final decrees were entered against the United States, exclusive of cases on appeal; to the Committee on Claims.

1211. A letter from the Acting Secretary of the Treasury, transmitting an itemized report of transactions for account of the Pershing Hall memorial fund, pursuant to the act of Congress, approved June 28, 1935; to the Committee on Expenditures in the Executive Departments.

1212. A letter from the Chief Clerk of the Court of Claims of the United States, transmitting a statement of all judgments rendered by the Court of Claims for the year ended November 30, 1941, in compliance with the provisions of section 143 of the act of Congress approved March 3, 1911; to the Committee on Claims.

1213. A letter from the Postmaster General, transmitting a statement of special contracts with railroad companies for the transportation of the mails, and the terms and reasons therefor, in compliance with the provisions of the act of July 28, 1916; to the Committee on the Post Office and Post Roads.

1214. A letter from the Attorney General, transmitting the Annual Report of the Department of Justice for the fiscal year ended June 30, 1941; to the Committee on the Judiciary.

1215. A letter from the Secretary of War, transmitting a statement of appropriations of the preceding fiscal year (1941) for the War Department showing the amount appropriated under each specific head of appropriation, the amount expended under each head, also the amounts covered into the surplus fund of the Treasury which are not required for expenditure, the balances in the Treasury and in the hands of disbursing officers on June 30, 1941, together with the estimated outstanding obligations against such balances and the estimated unobligated balances as of June 30, 1942; to the Committee on Expenditures in the Executive Departments.

1216. A letter from the President of the Electric Home and Farm Authority, transmitting the Sixth Annual Report, covering operations of the Electric Home and Farm Authority from July 1, 1940, to June 30, 1941, inclusive; to the Committee on Banking and Currency.

1217. A letter from the Acting Secretary of the Interior, transmitting a report showing the amount of moneys credited to such helium-production fund and the amount of disbursements made therefrom during the preceding fiscal year, and the unexpended and unobligated balances on hand in such fund as of the end of such fiscal year; to the Committee on Military Affairs.

1218. A letter from the Chief Clerk of the Court of Claims of the United States, transmitting a certified copy of the special findings of fact and opinion found in the case of *North Dakota-Montana Wheat Growers Association, a Corporation, v. the United States*, No. 43783; to the Committee on Agriculture.

1219. A letter from the Under Secretary of War, transmitting a report of contracts awarded under the act of March 5, 1940; to the Committee on Military Affairs.

1220. A letter from the Secretary of War, transmitting a report of contracts awarded under the act of March 5, 1940; to the Committee on Military Affairs.

1221. A letter from the Secretary of War, transmitting a report of contracts awarded under the act of March 5, 1940; to the Committee on Military Affairs.

1222. A letter from the Secretary of War, transmitting a report of contracts awarded under the act of March 5, 1940; to the Committee on Military Affairs.

1223. A letter from the Acting Secretary of the Treasury, transmitting reports from the General Accounting Office, the Library of Congress, Federal Works Agency, Department of Commerce, Department of the Interior, War Department, and the Federal Home Loan Bank Board, relative to money received during the fiscal year ended June 30, 1941, which was not paid into the general fund of the United States Treasury, and the payments, if any, made from such money during such fiscal year; to the Committee on Expenditures in the Executive Departments.

1224. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes; to the Committee on Naval Affairs.

1225. A letter from the Acting Secretary of the Treasury, transmitting a report showing refunds of internal revenue in excess of $500 approved by the Bureau of Internal Revenue during the fiscal year ended June 30, 1941; to the Committee on Expenditures in the Executive Departments.

1226. A letter from the Clerk of the House of Representatives, transmitting my report for the period July 1, 1940, to June 30, 1941, giving names and statutory and contingent-fund employees of the House and their respective compensations, including clerks to Members; the expenditures from the contingent fund and from certain specific appropriations; to the Committee on Accounts.

1227. A letter from the Comptroller General of the United States, transmitting a report of what appears to be a case of an expenditure made by the Department of Labor in violation of law; to the Committee on Expenditures in the Executive Departments.

1228. A letter from the Postmaster General, transmitting a report of operations of the Postal Savings System for the fiscal year ended June 30, 1941 (H. Doc. No. 516); to the Committee on the Post Office and Post Roads and ordered to be printed.

1229. A letter from the Clerk of the House of Representatives, transmitting a letter, together with a translation thereof, from the Senate of the Mexican Republic with reference to the receipt of the attested copy of Senate Concurrent Resolution No. 18 of the Seventy-seventh Congress; to the Committee on Foreign Affairs.

1230. A letter from the Secretary of War, transmitting a report covering the disposal of surplus property in the possession of the War Department within the United States from the various field agencies during the period October 15, 1940, to October 15, 1941, inclusive; to the Committee on Military Affairs.

1231. A letter from the Chairman, National Mediation Board, transmitting a copy of the Seventh Annual Report to Congress of the

National Mediation Board, including the report of the National Railroad Adjustment Board; to the Committee on Interstate and Foreign Commerce.

1232. A letter from the Chairman of the board for the board of directors, Tennessee Valley Authority, transmitting a report of expenditures for the 12 months ended November 30, 1941, of funds derived from the sale of bonds under section 15c of the Tennessee Valley Authority Act of 1933, as amended; to the Committee on Military Affairs.

1233. A letter from the Clerk of the House of Representatives, transmitting a list of reports which it is the duty of any officer or department to make to Congress; to the Committee on Accounts.

1234. A letter from the Chairman, United States Tariff Commission, transmitting the Twenty-fifth Annual Report of the United States Tariff Commission, in compliance with the provisions of section 332 of the act of Congress approved June 17, 1930 (H. Doc. No. 515); to the Committee on Ways and Means and ordered to be printed.

1235. A letter from the Administrator of Veterans' Affairs, transmitting report of activities of the Veterans' Administration as of June 30, 1941, supplementing the text, which contains a summary of new legislation as well as a report by activity of the relief rendered to veterans and their dependents, are statistical tables which permit following the trend of these benefits; to the Committee on World War Veterans' Legislation.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MASON: Committee on Immigration and Naturalization. S. 314. An act for the relief of certain Basque aliens; with amendment (Rept. No. 1558). Referred to the Committee of the Whole House.

Mr. MASON: Committee on Immigration and Naturalization. H. R. 2868. A bill for the relief of Morris Burstein and Jennie Burstein; without amendment (Rept. No. 1559). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 3295. A bill for the relief of Kurt G. Stern; without amendment (Rept. No. 1560). Referred to the Committee of the Whole House.

Mr. WILLIAM T. PHEIFFER: Committee on Immigration and Naturalization. H. R. 5071. A bill for the relief of Catherina Migliore and Anthony and Rose Migliore; without amendment (Rept. No. 1561). Referred to the Committee of the Whole House.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 5539. A bill for the relief of Umberto Danta Annibali; without amendment (Rept. No. 1562). Referred to the Committee of the Whole House.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 3469. A bill for the relief of Maria Azucena Alvarez Canga; without amendment (Rept. No. 1563). Referred to the Committee of the Whole House.

Mr. MACIEJEWSKI: Committee on Immigration and Naturalization. H. R. 5954. A bill for the relief of Florence Chumley; without amendment (Rept. No. 1564). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROLPH:

H. R. 6298. A bill to amend section 2800 of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. ANDERSON of California:

H. R. 6299. A bill to provide for the planting of 75,000 acres of guayule or other rubber-bearing plants in order to make available a domestic source of crude rubber for emergency and defense uses; to the Committee on Agriculture.

By Mr. MAY:

H. R. 6300. A bill to suspend the operation of the act of May 12, 1917 (40 Stat. 74), as to the requirement of submitting detailed estimates, for the approval of the Secretary of War, of expenditures exceeding $5,000 upon any building or military post or grounds about the same; to the Committee on Military Affairs.

H. R. 6301. A bill to amend the act approved October 16, 1941, entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States" (Public Law 274, 77th Cong.); to the Committee on Military Affairs.

H. R. 6302. A bill to authorize the Secretary of War to make available for the purposes of civilian defense such arms, munitions, supplies, and equipment, for instructional and demonstrational purposes only, as can be spared by the War Department, and for other purposes; to the Committee on Military Affairs.

By Mr. VINSON of Georgia:

H. R. 6303. A bill to create the Limited Service Marine Corps Reserve, and for other purposes; to the Committee on Naval Affairs.

H. R. 6304. A bill authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes; to the Committee on Naval Affairs.

H. R. 6305. A bill to further amend the act approved June 23, 1938 (52 Stat. 944), as amended; to the Committee on Naval Affairs.

H. R. 6306. A bill to amend the act approved April 22, 1941 (Public Law 39, 77th Cong.), so as to increase the authorized enlisted strength of the Navy and Marine Corps; to the Committee on Naval Affairs.

By Mr. KILDAY:

H. R. 6307. A bill to amend the Selective Training and Service Act of 1940 by providing that, notwithstanding any other provision of law, the minimum age for commissioned officers of the land and naval forces of the United States shall be the minimum age liable for training and service under said act; to the Committee on Military Affairs.

By Mr. BURDICK:

H. J. Res. 262. Joint resolution proposing an amendment to section 1, article III, of the Constitution, relating to the tenure of Federal judges; to the Committee on the Judiciary.

By Mr. BLAND:

H. J. Res. 263. Joint resolution to provide decorations for outstanding conduct or service by persons serving in the American merchant marine; to the Committee on the Merchant Marine and Fisheries.

MEMORIALS

Under clause 3 of rule XXII memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to consider their Assembly Joint Resolutions Nos. 1, 2, 3, 4, 5, 6, and 8, relative to the national-defense program, unemployment insurance and employment services, and the Social Security Administration to reexamine and readjust old-age pension schedules; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Kentucky:

H. R. 6308. A bill for the relief of William R. Tipton; to the Committee on Claims.

By Mr. BEITER:

H. R. 6309. A bill to correct the military record of Daniel D. Dolan; to the Committee on Naval Affairs.

By Mr. BRYSON:

H. R. 6310. A bill for the relief of James E. Taylor; to the Committee on War Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2233. By Mr. GREGORY: Petition of Miles Meredith, as commander, Department of Kentucky Disabled American Veterans of the World War, asserting readiness and willingness to assist in all ways possible to smash our enemies as quickly as possible; to the Committee on Military Affairs.

2234. By Mr. KRAMER: Petition of the California Legislature, Sacramento, Calif., Senate Joint Resolution No. 4, urging the Congress of the United States to refrain from enactment of House bill 6049 or any similar measure designed to exempt from State and local taxes, the sale, purchase, storage, use, or consumption of tangible personal property acquired for use in the performance of defense contracts; to the Committee on Ways and Means.

2235. By Mr. RAMSAY: Petition of Rev. E. W. Woodruff and M. Verne Reed, of Wheeling; Rev. K. L. Barnes and Mrs. A. C. Crow, of Hollidays Cove; Rev. John R. Donley, James C. and Jacob E. Tillis, Allen S. Fields, and Fred Miller, of New Cumberland; William F. McCoy, L. A. Britton, Amanda Harper, Jesse O. Nichols, and C. E. Greene, of Chester; George W. Kiehl, of Newell; and others of the First District of West Virginia, in support of House bill 4000 and Senate bill 860; to the Committee on Military Affairs.

2236. By Mr. ROLPH: Resolution of the State of California board of agriculture recommending passage by Congress of Senate Joint Resolution 16 and House Joint Resolution 76, introduced by Senator WAGNER and Representative VOORHIS, to establish a Post-Emergency Economic Advisory Commission; to the Committee on Agriculture.

2237. Also, resolution of the State of California, Assembly Joint Resolution No. 1, relative to memorializing the Congress of the United States to enact pending legislation providing for civilian defense facilities; to the Committee on Military Affairs.

2238. Also, resolution of the State of California, Senate Joint Resolution No. 4, relative to memorializing the President and the Congress of the United States to refrain from action calculated to exempt from State and local taxes the sale, purchase, storage, use, or consumption of tangible personal property acquired by contractors in the performance of certain contracts with the United States; to the Committee on Ways and Means.

SENATE

TUESDAY, JANUARY 6, 1942

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou, who wert the God of our fathers, we rejoice that Thou art also the God of their succeeding generations.

We pray that we may daily walk the highways of courage and fidelity, serenely confident that our safety lies not in the absence of danger, but in the assurance of Thy presence.

Grant that we may not be tempted to feel that the future is as dark as the threats of our enemies, but give us the unconquerable faith that the future for the God-fearing is as bright as the eternal promises of God.

May the blessings of wisdom and strength rest upon our President, our Vice President and all Thy servants as they gird themselves for the duties and responsibilities that are worthy of the investment of their noblest manhood.

We fervently pray for our beloved country and all who are united with us in the struggle to defend the way toward a happier and more abundant life. Kindle and increase within our hearts the spirit of brotherhood, that in peril we may uphold one another, in suffering and calamity minister unto one another's needs.

In the name of the Christ, our Saviour, we pray. Amen.

ATTENDANCE OF SENATORS

WILLIAM H. SMATHERS, a Senator from the State of New Jersey; CHARLES W. TOBEY, a Senator from the State of New Hampshire; and DAVID I. WALSH, a Senator from the State of Massachusetts, appeared in their seats today.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Monday, January 5, 1942, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, informed the Senate that a quorum of the House had assembled and that the House was ready to proceed with business.

The message announced that a committee of three Members had been appointed by the Speaker, on the part of the House of Representatives, to join with the committee on the part of the Senate to notify the President of the United States that a quorum of each House had assembled and that Congress was ready to receive any communication that he might be pleased to make.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 62) providing for a joint session of the two Houses of Congress on Tuesday, January 6, 1942, for the purpose of receiving such communication as the President of the United States shall be pleased to make, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4365) to give additional powers to the Board of Public Welfare of the District of Columbia, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4365) to give additional powers to the Board of Public Welfare of the District of Columbia, and for other purposes, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	O'Mahoney
Austin	Glass	Overton
Bailey	Green	Radcliffe
Ball	Guffey	Reed
Bankhead	Gurney	Reynolds
Barkley	Hayden	Rosier
Bilbo	Herring	Russell
Bone	Hill	Schwartz
Brewster	Holman	Shipstead
Brooks	Hughes	Smathers
Brown	Johnson, Colo.	Smith
Bulow	Kilgore	Spencer
Bunker	La Follette	Taft
Burton	Langer	Thomas, Idaho
Butler	Lee	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capper	McCarran	Tobey
Caraway	McFarland	Truman
Chavez	McKellar	Tunnell
Clark, Idaho	McNary	Tydings
Clark, Mo.	Maloney	Vandenberg
Connally	Maybank	Van Nuys
Danaher	Mead	Wagner
Davis	Millikin	Wallgren
Downey	Murdock	Walsh
Doxey	Murray	Wheeler
Ellender	Norris	White
George	Nye	Wiley
Gerry	O'Daniel	Willis

Mr. HILL. I announce that the Senator from Tennessee [Mr. STEWART] is absent because of a death in his family.

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from Kentucky [Mr. CHANDLER], and the Senator from New Mexico [Mr. HATCH] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is confined to a hospital due to a recent hip injury.

The Senator from New Jersey [Mr. BARBOUR] is necessarily absent.

The Senator from Massachusetts [Mr. LODGE] is absent because of a death in his family.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

NOTIFICATION TO THE PRESIDENT

Mr. BARKLEY and Mr. MCNARY advanced to the center aisle, and

Mr. BARKLEY said: Mr. President, on behalf of the committee appointed by the Chair to notify the President that the two Houses are in session and that a quorum is present, I wish to report that the committee has discharged its duty; and the President has advised us that in accordance with a concurrent resolution to which I hope the Senate will agree in a few moments, there will be a joint session in the House Chamber today, at which time he will deliver his annual address in person.

JOINT MEETING OF THE TWO HOUSES

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution from the House of Representatives, which will be read.

The concurrent resolution (H. Con. Res. 62) was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, the 6th day of January 1942, at 12:30 o'clock in the afternoon, for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

ORDER FOR CONSIDERATION OF UNOBJECTED-TO BILLS ON THE CALENDAR

Mr. BARKLEY. Mr. President, following the joint session the Senate will reassemble here; and I ask unanimous consent that at that time the Senate proceed to consider unobjected-to bills on the calendar.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

ANTITRUST SUITS AGAINST PETROLEUM COMPANIES

Mr. GILLETTE. Mr. President, in the 2 or 3 minutes which are to elapse before the Senate is to proceed to the Hall of the House of Representatives on the request of the majority leader I desire to refer to one matter.

Mr. President, there is a disease which some unfortunate persons in this country have which the oculists term "gun-barrel vision." As the disease progresses the field of vision of the victim becomes more and more restricted, and it is as if he were looking down a gun barrel and seeing nothing but that tiny field. The longer I live in Washington, the more I am convinced that we have in our bureaus here persons who are afflicted with official gun-barrel vision, and who are able to see nothing but the little problem at the end of the bore down which they are looking.

From time to time there has been presented, and is now pending in the Senate, proposed legislation dealing with the whole field of the petroleum industry, initiated by the late lamented Senator from Idaho, Mr. Borah. For 2 years the Department of Justice has been assembling evidence for the purpose of instituting suits against the major oil companies for recovery for violation of the Elkins Act. From time to time on the floor of the Senate I have referred to the attempts being made to dovetail this necessary action by the Department of Justice and the legislative action with the needs for national defense in the field of motor fuel.

Last summer there were instituted by the Department of Justice some test suits against the major oil companies for recovery of the triple penalty for violation of the Elkins Act. Those suits were held in abeyance until the 23d of December, when there were filed in the courts here in the District of Columbia suits against the major oil companies for the recovery of substantially one and one-half billion dollars as the triple penalty for violation of the Elkins Act; and the Department of Justice attorneys who had been preparing the cases had reached the conclusion that they had a dead open-and-shut case. On the 23d of December these cases were filed, but at the same time there was filed a consent decree which limited the amount of dividends to 7 percent on the invested capital, as determined by

the filings with the Interstate Commerce Commission. It was provided, however, that in addition to the 7 percent, any additional profits would be paid into a fund which could be utilized by the owner-operators for such physical expansion as they saw fit to engage in or to expend money for; but there were waived on the part of the Government the penalties of one and one-half billion dollars, for which we had a dead open-and-shut case. This was done at a time when we are trying to collect money for the national-defense effort. It costs $21 a month to pay a private in the Army, $252 a year. An army of 6,000,000 men could be paid for a year with the amount the Government threw away.

That is all I desire to say at this time, Mr. President; but I wish to have attention called to what is being done by some of those in the Government service who have official gun-barrel vision.

JOINT MEETING OF THE TWO HOUSES

Mr. BARKLEY. Mr. President, in pursuance of the concurrent resolution agreed to a short time ago, I move that the Senate now proceed to the Hall of the House of Representatives.

The motion was agreed to; and (at 12 o'clock and 16 minutes p. m.) the Senate, escorted by the Secretary (Edwin A. Halsey) and the Sergeant at Arms (Chesley W. Jurney) and headed by the Vice President and President pro tempore, proceeded to the Hall of the House of Representatives.

ANNUAL ADDRESS OF THE PRESIDENT OF THE UNITED STATES

The address of the President of the United States this day delivered at a joint meeting of the two Houses of Congress is printed in the House proceedings of today's CONGRESSIONAL RECORD at page 32.

TRANSACTION OF ROUTINE MORNING BUSINESS

The Senate having returned to its Chamber at 1 o'clock and 15 minutes p. m., it reassembled, and the Vice President resumed the chair.

The VICE PRESIDENT. If there is no objection, the Senate will transact the routine morning business before complying with the order for the consideration of bills on the calendar, agreed to at the suggestion of the Senator from Kentucky [Mr. BARKLEY].

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AWARDS OF CONTRACTS FOR THE ARMY

Five letters from the Secretary of War and four letters from the Under Secretary of War, reporting, pursuant to law, relative to division of awards of certain quantity contracts for aircraft, aircraft parts, and accessories therefor entered into with more than one bidder under authority of law; to the Committee on Military Affairs.

REPORT OF THE DEPARTMENT OF JUSTICE

A letter from the Attorney General, transmitting, pursuant to law, the annual report of the Department of Justice for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on the Judiciary.

SUITS ARISING UNDER PUBLIC VESSEL ACT

A letter from the Attorney General, transmitting, pursuant to law, a list of suits arising under the Public Vessel Act of March 3, 1925, in which final decrees were entered, exclusive of cases on appeal; to the Committee on the Judiciary.

SUITS IN ADMIRALTY AGAINST THE UNITED STATES

A letter from the Attorney General, transmitting, pursuant to law, a list of suits arising under the act of March 9, 1920, authorizing suits against the United States in admiralty involving merchant vessels, in which final decrees were entered against the United States, exclusive of cases on appeal; to the Committee on the Judiciary.

SPECIAL RAILWAY MAIL TRANSPORTATION CONTRACTS

A letter from the Postmaster General, transmitting, pursuant to law, a statement relative to a special contract with the Hudson & Manhattan Railroad Co. between Hudson Terminal Station, New York, N. Y., and Journal Square, Jersey City, N. J., for the transportation of mails, together with a statement of special contracts in effect, notice of which was contained in the Department's communication of January 3, 1941; to the Committee on Post Offices and Post Roads

REPORT OF THE NATIONAL PARK TRUST FUND BOARD

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, the annual report of the National Park Trust Fund Board for the fiscal year ended June 30, 1941, together with a statement showing the status of the National Park Trust Fund as of June 30, 1941 (with an accompanying paper); to the Committee on Public Lands and Surveys.

SPECIAL HELIUM-PRODUCTION FUND

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, his annual report showing credits, disbursements, and the balance on hand in the special helium-production fund for the fiscal year ended June 30, 1941; to the Committee on Military Affairs.

UNITED STATES v. NORTHERN PACIFIC RAILWAY CO. ET AL.

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report stating that he concurred in the view of the Attorney General in the suit *United States* v. *Northern Pacific Railway Co.*, instituted to remove the cloud cast upon the title of the United States to certain lands claimed by the Northern Pacific Railway Co. et al., submitted by the Attorney General on November 24, 1941, and stating further that he had no further recommendations to make; to the Committee on Public Lands and Surveys.

EXPENDITURES OF COURT OF CUSTOMS AND PATENT APPEALS

A letter from the Director of the Administrative Office of the United States Courts, transmitting, pursuant to law, a statement of the expenditure of the appropriations for the United States Court of Customs and Patent Appeals for the fiscal year ended June 30, 1941 (with an accompanying statement); to the Committee on the Judiciary.

NORTH DAKOTA-MONTANA WHEAT GROWERS ASSOCIATION v. THE UNITED STATES

A letter from the Chief Clerk of the Court of Claims, transmitting a certified copy of the special findings of fact and opinion filed by the court in the case of *North Dakota-Montana Wheat Growers Association, a Corporation*, v. *The United States*, referred to the court by the Senate under the Judicial Code (with an accompanying paper); to the Committee on Agriculture and Forestry.

JUDGMENTS OF THE COURT OF CLAIMS (S. DOC. NO. 175)

A letter from the Chief Clerk of the Court of Claims, transmitting, pursuant to law, a statement of judgments rendered by the Court of Claims for the year ended November 30, 1941, the amount thereof, the parties in whose favor rendered, with a brief synopsis of the nature of the claims (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

EMPLOYEES OF WORK PROJECTS ADMINISTRATION

A letter from the Acting Administrator of the Federal Works Agency, transmitting, pursuant to law, a report showing the names, addresses, positions, and compensation of all employees of the Work Projects Administration, Federal Works Agency, whose compensation is at a rate of $1,200 per annum or more (with the exception of a report from Hawaii, which will be filed at a later date) (with accompanying papers); to the Committee on Appropriations.

REPORT ON AN EXPENDITURE OF DEPARTMENT OF LABOR

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on what appears to be an expenditure made by the Department of Labor in violation of law (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

REPORT OF ELECTRIC HOME AND FARM AUTHORITY

A letter from the President of the Electric Home and Farm Authority, transmitting, pursuant to law, the annual report of the Authority for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on the Judiciary.

FUNDS DERIVED FROM SALE OF TENNESSEE VALLEY AUTHORITY BONDS

A letter from the Chairman of the Board for the Board of Directors of the Tennessee Valley Authority, transmitting, pursuant to law, a report of expenditures of funds derived from the sale of bonds under the Tennessee Valley Authority Act of 1933, as amended, for the year ended November 30, 1941 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORT OF NATIONAL MEDIATION BOARD

A letter from the Chairman of the National Mediation Board, transmitting, pursuant to law, the annual report of the Board for the fiscal year ended June 30, 1941, including the report of the National Railroad Adjustment Board (with an accompanying report); to the Committee on Interstate Commerce.

REPORT OF GORGAS MEMORIAL LABORATORY

A letter from the President of the Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc., transmitting, pursuant to law, the annual report of the Gorgas Memorial Laboratory for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on Interoceanic Canals.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A telegram from the chairman of Perry and Washington Counties, Ill., stating that Washington and Perry Counties, jointly, assembled at Nashville, Ill., pledge full cooperation with the national defense; remonstrate against the enactment of House bill 1101, to regulate interstate and foreign commerce in agricultural products, etc.; and favor refunding to small farmers payments under the Agricultural Adjustment Act; to the Committee on Agriculture and Forestry.

Letters in the nature of petitions from several citizens of the State of North Dakota, praying that the proceeding involving the right of the Senator from North Dakota (Mr. LANGER) to a seat in the Senate be dismissed; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KILGORE, from the Committee on Military Affairs:

S. 2063. A bill to authorize certain officers and enlisted men of the Army of the United States to accept emblems, medals, orders, and decorations that have been tendered them by governments of the Western Hemisphere; with an amendment (Rept. No. 932).

By Mr. HILL, from the Committee on Military Affairs:

S. J. Res. 109. Joint resolution to restore the rank of brigadier general to the late William L. Mitchell; with amendments (Rept. No. 933).

By Mr. WHEELER, from the Committee on Interstate Commerce:

S. 2160. A bill to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450); without amendment (Rept. No. 934).

OFFICE AND HOUSING FACILITIES—REMOVAL OF GOVERNMENTAL AGENCIES—REPORTS OF COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. McCARRAN. Mr. President, from the Committee on the District of Columbia I report two original joint resolutions which are of vital importance, and which pertain to the District of Columbia. If I may have unanimous consent, I shall explain in a very brief way the nature of the resolutions.

Mr. McNARY. Mr. President, is it the desire of the able Senator to propose the passage of the measures?

Mr. McCARRAN. No; my purpose is merely to report them, and to submit a word of explanation.

Mr. McNARY. Very well.

Mr. McCARRAN. Mr. President, there has gone forward an order which, if carried into effect, would cause the removal of some 12 or 14 agencies from the District of Columbia—agencies which are essential to the national welfare and essential to the Government. They are all permanent agencies of the Federal Government, housed and officed here in the District of Columbia. The question of the propriety, or the necessity, or the economy involved in removing them has been a matter of study by the Senate Committee on the District of Columbia, and by others interested. The District Committee asked the Federal Housing Authority to make a study of the matter and to submit figures relative thereto. The results of that study have been presented to us. The Federal Housing Authority say that the removal of these agencies can be avoided by the appropriation and expenditure of certain sums of money.

Therefore, speaking for the Senate Committee on the District of Columbia, I report from the committee and ask to have placed on the calendar a joint resolution authorizing an appropriation. At the same time I report a kindred joint resolution and ask that it be referred to the Committee on Appropriations.

Mr. BARKLEY. Mr. President, may I inquire of the Senator what it is he wants to be placed on the calendar?

Mr. McCARRAN. I ask to have placed on the calendar a joint resolution authorizing an appropriation.

Mr. BARKLEY. Without reference to a committee?

Mr. McCARRAN. No. The joint resolution comes to the Senate with the approval of the District of Columbia Committee. The joint resolution would not be touched on the calendar until after the Appropriations Committee has passed on the subject.

Mr. BARKLEY. Has the joint resolution heretofore been introduced and referred to the Committee on the District of Columbia, and is it now reported from that committee?

Mr. McCARRAN. It has not been referred to the Committee on the District of Columbia, but is reported from the committee as an original joint resolution, authorized by the District of Columbia Committee.

I will say to the Senator from Kentucky that there need be no apprehension about it, because the joint resolution must be approved by the Appropriations Committee.

Mr. BARKLEY. If the Senator from Nevada will permit me, I will state the question which has suddenly arisen in my mind. Many of the agencies which are scheduled for removal have been established under legislation authorized by other committees than the District of Columbia Committee, and I was wondering whether the District of Columbia Committee, merely because the agencies are located in Washington, would have jurisdiction in dealing with the agencies? For instance, in the Department of Agriculture one of the agencies to be affected is the Farm Security Administration. The removal order affects other agencies in various departments, agencies created under legislation which was considered and reported by other committees, and I wondered if, after all, the District Committee could claim jurisdiction over all these matters en bloc, instead of having jurisdiction remain in the committees, for example, which fathered the measures under which the various agencies in question were established.

Mr. McCARRAN. The question involved, however, is really one of providing office space and housing space, a subject which we believe is within the jurisdiction of the Senate District Committee.

The VICE PRESIDENT. Without objection, the joint resolutions reported by the Senator from Nevada will be received, and referred, or placed on the calendar, as requested by him.

The joint resolution (S. J. Res. 125) making appropriations for the purpose of providing additional office space and additional housing facilities in or near the District of Columbia, reported by Mr. McCARRAN, from the Committee on the District of Columbia, was read twice by its title and referred to the Committee on Appropriations; and

The joint resolution (S. J. Res. 126) authorizing appropriations for the purpose of providing additional office space and additional housing facilities in or near the District of Columbia, reported by Mr. McCARRAN, from the Committee on the District of Columbia, was read twice by its title and ordered to be placed on the calendar.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WAGNER, from the Committee on Banking and Currency:

Charles T. Fisher, Jr., of Michigan, to be a member of the board of directors of the Reconstruction Finance Corporation, for the unexpired term of 2 years from January 22, 1940, vice Carroll B. Merriam, deceased.

By Mr. WHEELER, from the Committee on Interstate Commerce:

John Monroe Johnson, of South Carolina, to be an Interstate Commerce Commissioner for a term expiring December 31, 1948. (Reappointment.)

By Mr. VAN NUYS, from the Committee on the Judiciary:

William A. Holzheimer, of Alaska, to be United States attorney, division No. 1, district of Alaska;

Noel K. Wennblom, of Alaska, to be United States attorney, division No. 3, district of Alaska, vice Joseph W. Kehoe, resigned; and

Ralph J. Rivers, of Alaska, to be United States attorney, division No. 4, district of Alaska.

By Mr. HUGHES:

Paul C. Leahy, of Delaware, to be United States district judge for the district of Delaware, vice John P. Nields, retired.

By Mr. BURTON:

Donald C. Miller, of Ohio, to be United States attorney for the northern district of Ohio, vice Emerich B. Freed, resigned.

By Mr REYNOLDS, from the Committee on Military Affairs:

Sundry officers for appointment and promotion, or reappointment, to certain rank (or temporary rank) in the Army.

By Mr. WALSH, from the Committee on Naval Affairs:

Several captains to be rear admirals in the Navy for temporary service; and

Sundry officers for promotion in the Marine Corps.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. OVERTON:

S. 2165. A bill for the relief of Mrs. Lila A. Wemp; to the Committee on Claims.

By Mr. REYNOLDS:

S. 2166. A bill for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; to the Committee on Claims.

S. 2167. A bill to authorize the Secretary of War to make available for the purpose of civilian defense such arms, munitions, supplies, and equipment, for instructional and demonstrational purposes only, as can be spared by the War Department, and for other purposes; to the Committee on Military Affairs.

By Mr. RADCLIFFE:

S. 2168. A bill to amend the Nationality Act of 1940; to the Committee on Immigration.

By Mr. WALSH:

S. 2169. A bill to create the Limited Service Marine Corps Reserve, and for other purposes; and

S. 2170. A bill to further amend section 44 of the act of March 4, 1909 (35 Stat. 1097), as amended, so as to provide for extending to the waters of the Philippine Islands the authority of the President to establish defensive sea areas, and for punishment of offenses committed therein; to the Committee on Naval Affairs.

By Mr. DOXEY:

S. 2171. A bill to appropriate funds to assist the States and Territories in meeting financial emergencies in education and in reducing inequalities of educational opportunities; to the Committee on Education and Labor.

S. 2172. A bill to amend the Social Security Act to provide for a more equitable Federal payment to the States for old-age assistance; to the Committee on Finance.

S. 2173. A bill to permit persons serving in the land or naval forces of the United States to vote by absentee ballot; to the Committee on Privileges and Elections.

By Mr. WHEELER:

S. 2174. A bill to provide for the national defense and to regulate interstate commerce by promoting the execution and observance of agreements for the preservation and accumulation of seniority of employees of carriers during their service in the armed forces of the United States; to the Committee on Interstate Commerce

By Mr. CONNALLY:

S. J. Res. 124. Joint resolution to maintain the secrecy of military information; to the Committee on Foreign Relations.

AMENDMENTS TO PRICE-CONTROL BILL

Mr. McCARRAN and Mr. O'MAHONEY each submitted an amendment intended to be proposed by them, respectively, to the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, which were ordered to lie on the table and to be printed.

ASSISTANT CLERK, COMMITTEE ON ENROLLED BILLS

Mrs. CARAWAY submitted the following resolution (S. Res. 215), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Enrolled Bills hereby is authorized to employ during the present session an assistant clerk to be paid from the contingent fund of the Senate at the rate of $1,800 per annum, to be effective as of January 5, 1942.

ORDER FOR REFERENCE OF NOMINATIONS AND TREATIES

On motion of Mr. BARKLEY, and by unanimous consent, it was

Ordered, That on calendar days of the present session of Congress, when no executive session is held, nominations or treaties received from the President of the United States may, where no objection is interposed, be referred, as in executive session, to the appropriate committees by the Presiding Officer of the Senate.

OILS AND FATS—LETTER FROM W. H. JASSPON TO LEON HENDERSON

Mr. McKELLAR. Mr. President, I ask unanimous consent to insert in the RECORD a letter from Mr. W. H. Jasspon to Mr. Leon Henderson relative to oils and fats; and I call the attention of the Senate to it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PERKINS OIL CO.,
Memphis, Tenn., January 2, 1942.

Mr. LEON HENDERSON, *Administrator,*
Office of Price Administration,
Washington, D. C.

DEAR MR. HENDERSON: Since there are two sides to every question, and solely in the interest of a more factual approach to the pressing problems of emergency economics, I feel justified in making known to you some critical and analytic comments on certain official statements which have been made in either explanation or extenuation of the Office of Price Administration order of December 12 affecting the entire economy of fats and oils. Even though this order has now been revised, there is nothing to indicate that this revision has been brought about except by congressional pressure and to conform to certain contemplated provisions of the pending price-control legislation.

The processor is no parasite. He carries a heavy burden and assumes a considerable risk for a small fee. Circumscribe his efforts in any way and you penalize the well-being of 2,000,000 farmers whose cottonseed income is their spending money, as you so very ably pointed out in your statement of August 29, 1941. We cannot afford the luxury of remaining silent because unfair or unilateral condemnation only widens the breach between theory and industry, which must be bridged if there is to be active cooperation rather than undignified acquiescence. Instead of throwing light on commercial evils or bad trade practices, the consequences, both verbal and real, as a result of your order show the effect of half-baked and haphazard action, which has been based perhaps upon the principle of Shoot first, then try the culprit afterward.

We are engaged at the moment in the serious business of winning a war, not in reforming our economic front. This calls for teamwork, not a tug of war. It is my hope that we can all pull together.

ANALYSIS OF THE RECORD

CONGRESSIONAL RECORD, Senate, December 17, 1941, page 9901: "Supplies of domestic fats and oils are substantial and no serious shortages for defense or civilian requirements are in prospect." This statement is contrary to the position that has been taken by the Department of Agriculture long before war was declared.

You state further, "Because of the interchangeability of fats and oils it is necessary that maximum prices be established for all fats and oils," and that "the date of November 26, 1941 * * * best accomplishes this purpose."

This statement makes no sense whatever to anyone with any practical knowledge. The relationship of domestic fats and oils has remained practically unchanged over a period of months. As far as imported oils are concerned, it would have been and still is comparatively simple and proper to order these prices frozen at reasonable levels and their use limited to certain specific purposes, without involvement of the entire oils and fats field or by taking an arbitrary date out of the air to tie prices to.

This exhibition of the exercise of arbitrary power violated your implied assent to price levels earlier in the season when normal marketing operations proceeded as a result of the Office of Price Administration order of August 29. The effect whether so intended or not, constituted a serious breach of good faith with an industry on the part of an important Government agency.

On page 9956, CONGRESSIONAL RECORD, Senate, dated December 18, 1941, you state: "Excluding mineral, essential, and chemical oils, there are about 1,800 fats and oils used industrially and domestically in the United States." This statement is an extreme exaggeration. It throws no light on the merits of the controversy. It is meaningless as an argument in support of your action. It makes just as little sense as the order itself. In fact, in the very same statement you say, "Here on October 1940 (chart) the index price of 27 fats and oils which make up more than 96 percent of the total of all fats and oils consumed in the United States * * *." Twenty-seven out of 1,800.

The same statement contains the following: "We have had literally stacks of letters and telegrams sent in by consumers protesting vigorously against the high costs. * * * In fact, about 10 percent of all consumer complaints received by my office over the past few months have applied specifically to fats and oils." If this be true, why was it that the Office of Price Administration order of December 12 applied only to the raw oils and specifically approved current trade prices on finished products made from fats and oils? Also, why did the Office of Price Administration wait so long to take action on a basis of consumer complaint? The order reads: "Should unwarranted price rises occur at stages of distribution not covered in the schedule, appropriate action will be taken by this office." Furthermore, on page 9899 of the CONGRESSIONAL RECORD, dated December 17, Senator O'DANIEL states: "I took occasion to ask Mr. Henderson to state why he set the price on cottonseed oil, and I have received a reply from his office, given me by Mr. Lee in his office, to the effect he set the price to protect the consumers." The order does nothing to protect the consumer. The order lowered the market price of the raw products materially, but permitted prevailing prices of consumer goods made therefrom. Neither did the Office of Price Administration consider the consumer's price out of line during the September–October price period, during which the bulk of the cottonseed crop was being bought in good faith by the mills.

In attempting further to justify the new order to congressional leaders, explaining the advance in oil following the order of August 29, you are quoted on December 18, CONGRESSIONAL RECORD, page 9956, as follows: "This in turn induced growers to withhold from selling their seed at a time when the Army was desperately in need of cotton linters, a basic raw material in the manufacture of high explosives." The record denies this categorically in every particular. The official statistics show that, not only in percentage of the total crop, but in actual tons of seed sold, the growers sold seed more rapidly this past season than for many years past. As of December 1, 1941, 3,088,000 tons of seed were received by the mills out of a total ginning of 9,595,000 bales; compared to 2,905,000 tons of seed received by the mills up to December 1, 1940, from a total ginning of that same date amounting to 10,870,000 bales. As far as the Army then desperately needing the cotton linters is concerned, this is ridiculous and untrue—you got some bad information here—as every bleachery has not only carried large stocks of raw linters but some were unable to deliver bleached linters to Government powder plants always as rapidly as it was produced. This is an appropriate place to state that the Office of Price Administration and Civilian Supply and Office of Production Management fixed a price and regulated the trade in linters, after consulting with some processor interests, and others, before the beginning of the cottonseed-crop season. Even though the established price was felt by many to be entirely too low from a standpoint of producer revenue and intrinsic value, once the order was issued, the mills took the price into consideration in evaluating the price of cottonseed, and cooperation with the Office of Production Management has been practically 100 percent complete. The mills have delivered these linters over to the authorized purchasers as rapidly as produced; in fact, in such large quantities that some of the largest bleachers of linters for Government purposes have had to rent outside warehouse facilities

for storage. No complaint from the Office of Production Management has been made to back up your statement.

However, on the contrary, since the Office of Price Administration order of December 12 became effective, independent mills have begun to close down awaiting a revision of the order. They do not have sufficient warehouse facilities for the storage of oil, and cannot afford to operate and sell at the ceiling level without committing themselves to severe losses. It was practically 1 week after the ceiling order was issued and after your statement above referred to was made to Congress, that the Office of Production Management took notice of the possibility of a later disruption of linter supplies if the mills generally closed down for any length of time. However, such a prolonged shut-down would not be due to the reason given, namely, that growers were withholding seed. On the contrary, it would be caused solely by the impossible conditions imposed on the mills by the Office of Price Administration order of December 12. Such lame excuses only increase the feeling that the Office of Price Administration is not always dealing in facts, and undermines confidence in the whole set-up, especially once Congress gives the signal to go ahead.

In the same statement you admit, and quite properly recognize, the fact that mills continued to buy cottonseed at "prices from $50 to $62 per ton," and furthermore that "They could not have recovered the minimum cost of the seed, let alone show a mill profit." You further state, "Obviously, then, seed purchased at these levels was in anticipation of a further speculative bulge in the price of cottonseed oil." This statement ignores the very essence of the entire controversy over the price-ceiling order. No mill would have raised any objection to a ceiling order if prices had been set at those prevailing December 12, or at the October 1 prices, set out in the price-control bill as passed by the House, of which your office and the public were all aware.

The mills had bought cottonseed and sold products therefrom in the September-October period in large quantities. Product price levels during most of that period permitted most of the mills, especially in sections where crops were normal, to operate at a "break even" or with a profit. During this period, which you referred to as a "speculative boom," you point out that "the Office of Price Administrator was merely an observer." This is an admission that the Office of Price Administrator kept posted on price levels and was apparently satisfied with them. The record shows that speculative activity played no part in advancing prices during the September-October and the November 26-December 12 periods. The open interest on the New York Produce Exchange as late as October 9 amounted to only 1,601 contracts, at a time when all oil-seeds crops were moving rapidly to the market. This is contrasted with an open interest on the Exchange of 2,140 contracts on June 26 at the end of the 1940 crop season when you issued your first warning statement against speculative activity. On November 26 there were 1956 contracts outstanding on the New York Produce Exchange, but only 1,542 open contracts on December 12, from which two very important conclusions may be drawn: (1) That speculative activity was actually declining during a period of rising prices; and (2) that refiners bought actual oil for legitimate prospective trade demands and had hedged but a very small fraction of such purchases.

You further state, "The unstable character of these high seed prices was dramatically exemplified early in October. At that time, on the announcement of a new trade agreement with Argentina, the prices of cottonseed and cottonseed oil broke sharply." You overlook completely other facts which contributed to the decline much more than the Argentine agreement, viz, the heavy marketing of the largest soybean crop on record and unusually heavy selling against seed purchases on the part of the crushing mills in order to avoid assuming speculative positions while they could operate without loss. The fact is that it is a common and natural occurrence for prices of agricultural crops to decline seasonally during the heavy marketing period; that it occurs practically every year, regardless of price levels and abnormal complications. This phenomenon was sloganized years ago by an old market student as the "autumnal dip." Apparently no recognition is given to the fact that the independent mills have to pay the highest market prices prevailing or lose the seed to their larger competitors in a highly competitive market where the total production is not sufficient to supply the average operating crushing capacity. No consideration is given by the Office of Price Administration to the fact that this season particularly, with a disaster crop in sections of the Southeast and Southwest, competition for the very limited quantities of cottonseed available and the need to provide local supplies of cottonseed meal and hulls forced mills to pay very high prices in order to protect even a short operation, and thereby take care of not only its operating crew and overhead as best it could, but the local trade as well.

You will recall that almost immediately after the break in the oil market congressional leaders and other representatives of agriculture issued public statements that the decline in prices was unwarranted and urged producers and processors alike to hold back seed and products. Representations were made by congressional leaders to the Department of Agriculture, which had already announced increased production programs for vegetable-oil fats for 1942 because of an expected insufficiency of supplies on a current production basis to meet prospective needs. As a result of conferences between congressional leaders, farm organization officials, and the Secretary of Agriculture, the Department authorized a purchasing program through the Surplus Marketing Administration for cotton-oil shortening as one means of lifting up the depressed cotton-oil price level. Obviously these circumstances and others equally important were sufficient to warrant the mills in basing their subsequent business policy upon prices at least as high as the levels attained during the September-October period. This forthright action by the mills was responsible for millions of dollars being paid to the farmers above the then depressed true market value.

You say, page 9957, CONGRESSIONAL RECORD, "It is obvious that unless a crushing-mill operator deliberately undertook the risk of assuming a speculative position, he had every opportunity to hedge against the possibility of serious loss in the event that cottonseed oil prices should decline or be brought down by the Government." This statement is contradictory to your earlier statement quoted above in which you recognized that mills paid prices for seed which would not permit them at the time of purchase to recover even (in your own words) "the mill cost of the seed, let alone show a mill profit." Your statement ignored the further fact that the mill could only "hedge" by committing itself to a disastrous loss. This would have been poor business, taking into consideration the facts and conditions then prevailing and upon which the mills based their buying judgment. The mills did sell or "hedge" more closely than in years and as long as they could afford to without serious loss.

As far as prices being "brought down by the Government" is concerned, the mills never took this into account in the slightest degree because they felt they had your public assurance in your August 29 statement that no ceiling would be placed unless "runaway prices" developed. It takes more than imagination to conceive that price levels, which you admit were noted by your office during September-October (as an "observer"), should have been considered 60 days later in a completely reversed light, in spite of the fact that conditions brought about by war, plus the incentive and need for increased domestic production as a result thereof, were sufficient in themselves to indicate still higher price levels without impairment of the whole commodity price structure.

Quoting from the same statement, you claimed that the order brought about a "relatively slight reduction" in prices. This "slight" reduction amounts to $4 per ton of cottonseed without adding the loss due to reduced prices on other products which were sympathetically affected by the Office of Price Administration order.

However, your most astounding statement is: "Except for the small amount of cottonseed still in growers' hands, our ceiling action has had no effect on cotton farmers. The bulk of this year's cottonseed has been sold at levels substantially above any recent year. From 9 to 10 months will pass before our cotton farmers will come to market again with cottonseed in volume." The inference here is, As long as the farmers are only slightly injured, why should Congress or anybody be interested in the fate of the processors? It is such an attitude that tends to break down confidence in the wisdom, fairness, and integrity of Government agencies and creates suspicion that leads to a lack of cooperation between Government and business so vital now in this emergency period as well as thereafter.

On page A5623, CONGRESSIONAL RECORD Appendix, Congressman CULKIN, of New York, points out the effect of the Office of Price Administration order on the price and marketing of soybeans, of which a large percentage of the crop was still to come to market. Congressman CULKIN states: "The farmers of the Nation have been encouraged to go into soybean raising. * * * At the time they are marketing their product they find the price of beans depressed * * * as a result of this order. * * * The situation is aggravated further by the fact that the order was made retroactive to November 26, 1941 This takes the bread out of the farmers' mouths, makes them distrust the Government, and discourages them in their patriotic efforts to increase their production in this line." Congressman CULKIN further says: "To further aggravate this unfortunate performance, it comes at a time when the farmers are marketing their soybean crops and of necessity making plans for next year's planting. The whole thing seems cockeyed to me."

It is obvious that the effect of the December 12 order of the Office of Price Administration is in conflict with the program of the United States Department of Agriculture to stimulate increased production of fats and oils crops. This may be serious in view of the importance the Department of Agriculture places on plans to increase food crops as part of our war and defense effort. As late as December 18 the Washington Post quoted Agricultural Secretary Wickard that oils and fats prices "may advance further" to a "higher level resulting from domestic demands and requirements of the British." This completely ignores your idea of a proper price ceiling. Such a situation should not be permitted Therefore in the proposed price-control legislation Congress should make it mandatory that the Office of Price Administration advise with and secure the approval of the Secretary of Agriculture before announcing any price limitations or restrictions on raw agricultural commodities or the products manufactured therefrom.

The statement that November 26 prices were used because prices on that date were most nearly free of price distortions does not bear the test of market examination. One glaring example of the inequity of this blanket-price freezing order is most clearly

demonstrated in the case of lard. Under the order December lard price was fixed at 9.77 cents per pound against a December cotton-oil price of 12.5 cents per pound (refined), whereas July lard is fixed at 11.72 cents per pound against a cotton-oil price of 12.53 cents per pound. In other words, no consideration apparently has been given to the artificial character of the Chicago lard option market. This market condition is due to the unmerchantable and uneconomic character of the lard contract itself and the trading rules of the Chicago Board of Trade pertaining thereto. All of this brings about unreasonable carrying charges and price distortions between certain months, entirely to the disadvantage of the owner of contracts and greatly in favor of the seller.

It has been demonstrated during the past several years that cotton-oil consumption is fully maintained at large differentials over lard and that if the Office of Price Administration order of December 12, designed to prevent "price distortion," is not drastically revised, it will unquestionably create and aggravate the very situation that it aims to correct, by encouraging excessive cotton-oil consumption at the expense of lard. It should not be overlooked that lard is still in surplus supply while cotton oil is being consumed at a rate in excess of current production. Therefore, to prevent very serious dislocations in the consumption of domestic fats and oils, it is not only essential that cotton oil should sell considerably over lard but that it should also command a sufficient premium over soybean oil to induce additional consumption of the last-named product. This condition has been reflected by the market in the differences prevailing between these commodities.

In further answer to the statement that prices were fixed in the interest of the consumer, it is interesting to note a statement under a Chicago date line, December 22, in the New York Times, as follows: "The establishment of relatively low prices for lard as compared with hogs failed to have as much effect on the latter as had been expected, as a considerable part of the loss sustained by the packers incident to the ceiling on lard has been offset by higher asking prices for fresh and cured pork."

To indicate the sensitivity of a free market to possible changes in policy the New York Times of December 22, referring to soybeans in the Middle West, states: "Country prices have advanced 7 and 8 cents a bushel due to reports that ceilings might be raised."

I recognize that the Office of Price Administration has assembled a new staff which could hardly be expected to quickly familiarize itself with all the details of background, trade customs, and mechanics of operation in such a complex and specialized subject as oils and fats. It seems to me that many mistakes might be eliminated and much time saved if the Office of Price Administration would utilize the personnel and knowledge of statistical and economic experts already serving various branches of the Government, some of whom are recognized authorities in the field. Avoidable errors of judgment and insufficient information as a basis for decisions are too costly, and result in wasted effort and delay in the consummation of the objective.

I have stated to you before, and I repeat now, that control of fats and oils prices and usage is advisable and desirable. In one of your statements you justify the November 26 date by pointing out that linseed oil was being diverted and utilized for soap purposes. This has happened before and will happen again without specific control whenever oil prices get out of line to each other. However, nothing in your December 12 order prohibits this practice. The price relationship of linseed to other domestic oils remained substantially unchanged on December 12 and on November 26. The diversion can therefore be corrected only by a proper order limiting the channels in which linseed oil may be consumed.

In view of the impending shortage of foreign oils used principally in the manufacture of soap and kindred commodities, the increased production and collection of tallow and all kinds of waste and reclaimed fats and greases should be encouraged. Price incentive is the most important factor to bring about this very desirable and necessary end.

The language of the price-control bill should be so worded that it will be impossible to lower the price of agricultural crops by the procedure of placing ceilings on products resulting from the processing of these crops, which will automatically bring about lower values to the original crops than is desired by Congress. As an example, in the case of cottonseed, the normal method of arriving at prices paid for cottonseed is by calculating the value of the products, deducting such costs as transportation, buying and selling expense, mill operations, etc. By this method is determined the price the mill can afford to pay for the raw material, cottonseed. The question which has been raised—that cottonseed is selling far above parity—has been discussed by Secretary Wickard as well as by President O'Neal, of the American Farm Bureau Federation, and others, in testimony before the House and Senate committees on the pending price-control legislation. It has been pointed out that parity on cottonseed is meaningless by reason of the fact that during the original 1909–14 parity period cottonseed products were mostly substitutes and seldom sold under their own name. In fact, during this period cottonseed in various sections were consumed on farms as cattle feed and fertilizer. Seed in those days spoiled frequently because ways and means of protecting them against deterioration had not been fully evolved, and a part of the manufactured product had to be sold—in the case of oil, for soap purposes; and in the case of meal, for fertilizer. Furthermore, during this period hog lard was the principal commercial fat. The parity price of lard, as reported by the New York Journal of Commerce of June 29, 1941, was 14 cents per pound. Between the 1909–14 period and the present time a complete reversal of values, due to consumer preference, has come about.

It is also important to bear in mind that the curtailment of cotton acreage has resulted in the small cotton farmer having much less cottonseed for sale. His spending money for the necessities of human existence is in direct proportion to the price that he receives for his seed. Both Secretary Wickard and you have admitted before the committees that all agricultural prices started from very low levels. This is especially true in the case of cottonseed because it has had to face the serious competition of low-cost imported vegetable oils produced in tropical countries by native labor. In addition, during the last 5 years, the necessity for curtailed production of cotton fiber has provided the incentive for what now amounts to practically a new American farm crop, soybeans. As a result cottonseed has to share with soybeans the market for fats and feeds, to its own loss.

This memorandum has been written for the record in a spirit of kindliness and fair play, so that those who may have to assume your tasks at a later date will have some evidence that we, the processors, also had a case.

Everyone realizes that it is impossible, superman that you are, and I say this sincerely, for you to be on intimate terms with the vast detail and peculiar habits of the thousands of items it is your responsibility to administer. Therefore, I believe you will welcome this candid statement of a processor's viewpoint since it is motivated only by a spirit of constructive helpfulness toward future decisions in the tremendous task which you have assumed.

Very sincerely yours,

W. H. JASSPON,
President, Perkins Oil Co.

ADDRESS TO THE JAPANESE PEOPLE BY SENATOR THOMAS OF UTAH

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD a radio address to the people of Japan delivered by Senator THOMAS of Utah on January 1, 1942, which appears in the Appendix.]

ENEMY PRIVATE PROPERTY—ARTICLE BY PROF. EDWIN M. BORCHARD

[Mr. DANAHER asked and obtained leave to have printed in the RECORD an article entitled "Enemy Private Property," written by Edwin M. Borchard, professor of international law, Yale University, which appears in the Appendix.]

PERFORMANCE OF AMERICAN RAILROADS IN 1941

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a statement by Mr. J. J. Pelley, president of the Association of American Railroads, on the performance of the railroads during 1941, which appears in the Appendix.]

CONSIDERATION OF UNOBJECTED-TO BILLS

The VICE PRESIDENT. The routine morning business is concluded.

The Senate having ordered the consideration of measures on the calendar to which there is no objection, the clerk will state the first order of business.

The resolution (S. Res. 30) amending rule VIII so as to prohibit action by unanimous consent on bills in cases where a Senator has given written notice of his objection to their consideration was announced as first in order.

Mr. LA FOLLETTE. Let the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

CALL OF THE ROLL

Mr. McNARY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	O'Mahoney
Austin	Glass	Overton
Bailey	Green	Radcliffe
Ball	Guffey	Reed
Bankhead	Gurney	Reynolds
Barkley	Hayden	Rosier
Bilbo	Herring	Russell
Bone	Hill	Schwartz
Brewster	Holman	Shipstead
Brooks	Hughes	Smathers
Brown	Johnson, Colo.	Smith
Bulow	Kilgore	Spencer
Bunker	La Follette	Taft
Burton	Langer	Thomas, Idaho
Butler	Lee	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capper	McCarran	Tobey
Caraway	McFarland	Truman
Chavez	McKellar	Tunnell
Clark, Idaho	McNary	Tydings
Clark, Mo.	Maloney	Vandenberg
Connally	Maybank	Van Nuys
Danaher	Mead	Wagner
Davis	Millikin	Wallgren
Downey	Murdock	Walsh
Doxey	Murray	Wheeler
Ellender	Norris	White
George	Nye	Wiley
Gerry	O'Daniel	Willis

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present. The clerk will continue the call of the calendar.

RESOLUTION AND BILLS PASSED OVER

The resolution (S. Res. 96) making rule XVI applicable to amendments to relief

and work-relief bills was announced as next in order.

Mr. LA FOLLETTE. Let the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments was announced as next in order.

Mr. LA FOLLETTE. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 357) to provide for the rehabilitation of the anthracite coal industry was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 4837) to safeguard the confidential nature of Board of Public Welfare of the District of Columbia case records in all types of relief cases, and for other purposes, was announced as next in order.

Mr. McNARY. Let the bill go over.

Mr. BYRD subsequently said: Mr. President, I desired to object to the consideration of Order of Business 599, House bill 4837.

The VICE PRESIDENT. The Senator from Oregon [Mr. McNARY] objected to the consideration of the bill.

Mr. McNARY. I objected because no explanation was made of the bill.

Mr. BYRD. Is the Senator from Oregon speaking of Order of Business 599?

Mr. McNARY. That is the bill to which I refer.

Mr. BYRD. I did not hear the Senator object.

Mr. McNARY. I objected to the consideration of House bill 4837. Is that the one the Senator has in mind?

Mr. BYRD. That is the one to which I desired to object.

Mr. McNARY. Very well; then we are in accord.

BILL RECOMMITTED

The bill (S. 1355) to authorize improvement of navigation facilities on the Santee, Congaree, and Cooper Rivers in the counties of Berkeley, Clarendon, Calhoun, Richland, and Orangeburg, S. C., and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. BAILEY subsequently said: Mr. President, Order of Business 614, Senate bill 1355, was called and objected to. I ask that the bill be recommitted to the Committee on Commerce. It was reported with the expectation that I would file a report. The information from the departments is not such as to support the bill, and I cannot file a report. Therefore, I wish to have the bill recommitted to the committee.

The VICE PRESIDENT. Without objection, the bill will be recommitted to the Committee on Commerce.

BILL AND JOINT RESOLUTION PASSED OVER

The bill (S. 1358) to amend section 1 of the act entitled "An act to provide that funds allocated to Puerto Rico under the Emergency Relief Appropriation Act of 1935 may be expended for rehabilitation, and for other purposes," approved February 11, 1936, was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 35) proposing an amendment to the Constitution of the United States providing for national representation for the people of the District of Columbia was announced as next in order.

Mr. CAPPER Let the joint resolution go over.

The VICE PRESIDENT. The joint resolution will be passed over.

VOCATIONAL TRAINING IN CIVILIAN CONSERVATION CORPS CAMPS

The bill (S. 1365) to amend the act entitled "An act tc establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended, for the purpose of providing vocational training in Civilian Conservation Corps camps in the interest of national defense, was announced as next in order.

Mr. McNARY. Mr. President, I should like to have an explanation of the bill. It has been on the calendar for some time, and objection has been made as it has been called from time to time. Personally, I am not familiar with the bill.

Mr. BYRD. Mr. President, I should like to ask that the bill go over, unless some explanation is made of it.

Mr. McCARRAN. Does the Senator from Virginia desire to have an explanation at this time?

Mr. BYRD. Yes.

Mr. McCARRAN. The bill might take a little longer than the Senate would care to devote to it during a call of the calendar.

This is a bill which entailed long hearings before the Committee on Education and Labor. In my opinion, it was comprehensively handled by the committee. It provides that a certain percentage of the Civilian Conservation Corps members, the young men in that corps, may be selected by the Director and the regional directors of the Civilian Conservation Corps to be trained in the use of mechanical appliances and given mechanical education. We thought that in that way we could provide a group of young men trained mechanically, coming from the Civilian Conservation Corps, to take the places of those who might be called by reason of the draft, or by reason of their activity in national-defense efforts.

Mr. McKELLAR. Of course, Mr. President, if we were going to continue the Civilian Conservation Corps, some such measure might be of great advantage, but, as I understand, the Economy Committee has recommended discontinuance of the Civilian Conservation Corps entirely, and until that question is determined, I should like to have this bill go over. I think it should go over, under the circumstances, and I hope the Senator from Nevada will agree to let it go over.

Mr. McCARRAN. The Senator from Tennessee objects to the consideration of the bill at this time, but let me say that if the bill were passed and became the law and the Civilian Conservation Corps should go out of existence, then the act would automatically go out of existence with it.

The VICE PRESIDENT. The bill will be passed over.

Mr. WALSH. Mr. President, will the Senator from Tennessee permit me to make for the RECORD a very brief statement? Then the bill may go over.

Mr. McKELLAR. Certainly.

Mr. WALSH As is well known, the activities of the Civilian Conservation Corps are confined to training in so-called conservation work. The bill now being discussed would give permission to the Director to employ 10 percent of the enrolled personnel in vocational and allied training in camps where conservation work had been totally discontinued In other words, it would make it permissible for the Director to establish vocational training in certain camps to the extent of 10 percent of the enrollees. It would not be compulsory. As a matter of fact, this type of work is now being done by selectees, after hours, of their own volition.

The measure would give legal sanction to this kind of work being done during the regular hours when the selectees are in the various conservation camps. It is merely a permissive bill. I make that statement for the RECORD.

Mr. McNARY. Mr. President, I have no objection to the disposition asked for the bill since the explanation of it was made.

The VICE PRESIDENT. The Chair understands that the Senator from Tennessee [Mr. McKELLAR] asked that the bill go over, and the bill has been passed over.

BILLS PASSED OVER

The bill (S. 1831) to prohibit the purchase of foreign-grown cotton with public funds was announced as next in order.

Mr. BARKLEY. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. BYRD. Mr. President, in order to save time, I ask that the bills appearing on the calendar, from Calendar No. 707 to and including Calendar No. 733, be passed over en bloc.

The VICE PRESIDENT. The bills will be passed over.

The bills passed over are as follows:

H. R. 1095. An act to amend the act of March 3, 1927, entitled "An act granting pensions to certain soldiers who served in the Indian Wars from 1817 to 1898 and for other purposes";

H. R. 1091. An act to grant pensions to certain unremarried dependent widows of Civil War veterans who were married to the veteran subsequent to June 26, 1905;

H. R. 1030. An act to provide increase of pension payable to dependents of veterans of the Regular Establishment and for other purposes;

H. R. 1782. An act to provide Spanish War veterans wartime pension rates for service-connected disability or death of certain veterans of the Spanish-American War recognized by veterans' regulations as "veterans of any war" and for other purposes;

H. R. 2310. An act to amend section 2 of the act entitled "An act granting pensions and increase of pension, to certain soldiers and sailors of the War with Spain, the Philippine Insurrection, or the China Relief Expedition to certain maimed soldiers, to certain widows, minor children, and helpless children of such soldiers and sailors and for other purposes, approved May 1, 1926";

H. R. 2787. An act granting an increase of pension to Ethel Wise;

H. R. 181. An act granting an increase of pension to Mary W Osterhaus;

H. R. 341. An act granting an increase of pension to Inez Clair Bandholtz;

H. R. 492. An act granting an increase of pension to Rosalie C. Hood;

H. R. 902. An act granting an increase of pension to Elizabeth Painter Menoher;

H. R. 1493. An act granting an increase of pension to Florence Sharp Grant;

H. R. 2190. An act granting an increase of pension to Nellie J. Merriman;

S. 1283. A bill granting an increase of pension to Grizelda Hull Hobson;

S. 1647. A bill granting a pension to Jeannette W. Moffet;

H. R. 3560. An act granting an increase of pension to Jeannette W. Moffet; and

H. R. 3312. An act granting an increase of pension to Grizelda Hull Hobson.

The bill (S. 2054) relating to the use and operation by the United States of certain plants in the interest of national defense was announced as next in order.

Mr. BARKLEY. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 683) to expedite the national-defense program by providing a method for the settlement of labor disputes in defense industries without resort to hasty strikes and lock-outs was announced as next in order.

Mr. TAFT. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

INDIAN CLAIMS COMMISSION—BILL PASSED OVER

The bill (S. 1111) to create an Indian Claims Commission, to provide for the powers, duties, and functions thereof, and for other purposes, was announced as next in order.

Mr. McNARY. Mr. President, I should like the able Senator from Oklahoma [Mr. THOMAS], in charge of the bill, to explain its provisions.

Mr. THOMAS of Oklahoma. Mr. President, the bill is substantially the same as a bill which was passed by the Senate a few years ago, and which was sent to the other body, but for some reason the bill was not passed by the other body.

At this time I wish to place in the RECORD the platform declarations of the two major parties in their conventions of 1940. In the 1940 convention the Democratic party placed in its platform declaration the following plank:

> We favor and pledge the enactment of legislation creating an Indian Claims Commission for the special purpose of entertaining and investigating claims presented by Indian groups, bands, and tribes in order that our Indian citizens may have their claims against the Government considered, adjusted, and finally settled at the earliest possible date.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. CONNALLY. I am in sympathy with the purpose of the Senator's bill. I will say that 2 years ago hearings were held before the Judiciary Committee on the subject of claims bills. The Indians have a great number of private claims bills, and the proposed commission, as I understand, would have jurisdiction over the whole subject?

Mr. THOMAS of Oklahoma. Yes. I shall come to that point in a moment.

Mr. CONNALLY. Will the Senator answer one question?

Mr. THOMAS of Oklahoma. Yes.

Mr. CONNALLY. Would the proposed commission have final authority, or would it merely make recommendations to Congress?

Mr. THOMAS of Oklahoma. The commission would have as final authority as we could give such a body. Of course, no legislation we pass can be binding with respect to legislation passed by a succeeding Congress.

Mr. CONNALLY. I understand that.

Mr. THOMAS of Oklahoma. But by this measure it is proposed to create a court, which would have jurisdiction to entertain and hear claims and evidence presented to it, and to make decisions, and its decisions, so far as payment of awards is concerned, would be brought back to the Congress for its consideration. Of course, the measure provides for appeal to the Supreme Court of the United States.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. McNARY. If the commission should be created, would it oust the Court of Claims from jurisdiction?

Mr. THOMAS of Oklahoma. The measure provides that the cases now pending in the Court of Claims may be transferred to the Indian claims commission.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. CLARK of Missouri. Would the commission take the place of the Court of Claims?

Mr. THOMAS of Oklahoma. It would take the place of the Court of Claims so far as Indian claims are concerned.

I wish to make a brief statement of the purposes of the bill, and then I shall answer any questions Senators may wish to ask.

The Republican platform adopted in the last convention in 1940 made this declaration:

> We pledge an immediate and final settlement of all Indian claims between the Government and the Indian citizenship of the Nation.

That is simply a broad, positive statement, but no outline was made of how it was proposed to settle the claims. The bill now before the Congress does present a plan for their adjustment.

I wish to call the attention of the Senate to its action on December 22, 1941, only about 10 days ago. This body then passed Senate bill 1994, to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries. In other words, the Senate has just passed a bill providing for the immediate settlement of claims which may be presented by foreigners because of the operations of our armed forces in foreign lands.

The bill provides for the creation of a commission of three members, to be paid $10,000 a year each. It further provides that all claims which the Indians may have must be presented within 5 years. It also provides that the commission must hear and determine the cases within 5 years after presentation. Ten years is the limit of the life of the proposed act, unless the commission should complete its work sooner, in which event the term would end in less than 10 years.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. McNARY. As a practical application of the situation I have in mind, during the spring I proposed legislation granting relief to the Piute and Malheur Indians of Oregon. The bill passed and is now pending in the House. The provision of that bill is that the whole matter may be submitted to the Court of Claims. I should like to have the able Senator from Oklahoma tell me what effect the passage of his bill would have on the cases just cited.

Mr. THOMAS of Oklahoma. If the bill should pass, upon the application of attorneys for the Indian tribes the cases in point would be transferred from the Court of Claims to the Indian Court of Claims, and heard by the new court.

Mr. McNARY. What would be the advantage of having a new court when the present Court of Claims is doing a very acceptable job?

Mr. THOMAS of Oklahoma. In answer to that question, let me make a statement which may be in point. About 12 years ago Congress passed a bill giving the 23 tribes of Indians in California the right to file their claims in the present Court of Claims. The bill provided that the attorney general of California should represent the Indians. Shortly after the bill was passed a claim was presented in the Court of Claims, but since that time no action to speak of has been taken in behalf of the 23 tribes in California, embracing about 25,000 Indians. For some reason the case was not prosecuted, and the Indians of California are helpless. They can do nothing, for reasons which it is not necessary to go into here.

Mr. McNARY. Am I to infer that the reason for the bill is the inertia on the part of the Court of Claims with respect to a case in California?

Mr. THOMAS of Oklahoma. No, Mr. President. About 10 years ago the Senate referred to the Court of Claims, for a finding of fact and a report to the Senate, a claim bill on behalf of the Indians. The court took 10 years to make the investigation and make its report to this body. I do not know whether the reason is the great volume of business before the present Court of Claims. However, the fact is that cases in the Court of Claims are very slow of adjudication. The Indians are becoming older day by day. The evidence is gradually being lost because of the passing away of the Indians who know the facts. It is the contention of the Indian Affairs Committee that the Indians should be given their day in court, and that a time limit should be

set, during which they may file their claims, and that that should be done at the earliest possible date, in conformity with the declarations of the two major parties.

This bill is an administration bill. It was prepared by the administration and passed by the Senate on a former occasion. It did not pass the House. In the present Congress it was reintroduced as an administration measure and is now pending before this body with that status.

Mr. McNARY Mr. President, I have great confidence in and respect for the members of the Court of Claims. I supposed that they were employing the usual industry which attends court work in most of our courts. The bill is evidently directed at the court because it has not acted more expeditiously in two instances.

I recall another instance in my own State, in relation to the Klamath Indians. Some years ago, since I have been in the Senate, Congress passed what was called a claims bill. The matter went to the Court of Claims and was promptly adjudicated by that court. I have not heard of any complaint against the court because of unnecessary delays, indifference to its responsibility, or unwillingness to entertain claims in behalf of the Indians. Has the Court of Claims been called before the committee in an effort to determine whether it is lax and unwilling to go forward in these cases?

Mr. THOMAS of Oklahoma. Mr. President, the record speaks for itself. That is all I can submit to the Senate. When Indian claims are filed in the Court of Claims, for some reason, many of them are delayed. Whether the delay is due to the attorneys for the Government or the attorneys for the Indians I cannot say.

The VICE PRESIDENT. The time of the Senator from Oregon and the time of the Senator from Oklahoma have expired.

Is there objection to the present consideration of the bill?

Mr. McNARY. Mr. President, if I may have sufficient time to object, I do so only for the purpose of looking into the subject.

The VICE PRESIDENT. The bill will be passed over.

Mr. DANAHER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DANAHER. Was the bill passed over?

The VICE PRESIDENT. The bill has been passed over.

Mr. DANAHER. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DANAHER. So long as we are on the subject, I should like to inquire of the Senator from Oklahoma, on my time, on what possible moral basis he purports to authorize the commission to found a judgment in behalf of a claimant?

The VICE PRESIDENT. The Senator from Connecticut has the right to use his own time.

Mr. DANAHER. I notice on page 12 of the bill that the commission would be authorized, upon finding a moral obligation, to found a judgment for claimant Indians. I wish the Senator would make the record clear in that particular, so that when the measure again comes up we shall know what the moral obligation is. Will the Senator respond?

The VICE PRESIDENT. The Senator from Oklahoma may use the time of the Senator from Connecticut for that purpose.

Mr. THOMAS of Oklahoma. The Supreme Court has held in more than one case that Indians have no legal rights in the cases they have presented. Nevertheless, in some of these instances Congress has given the Indians the right which they asserted before the court and has called it a moral right.

Let me give one illustration. Originally the boundary line between Oklahoma and Texas was presumed to be the middle of Red River. Later a treaty was made with certain tribes of Indians in the Southwest, and the treaty boundary line was fixed as the middle of Red River, because everyone thought that was the boundary line between the two States. The Indian treaty specified that the center of Red River should be the south boundary line of their reservation.

Later oil was discovered in the Red River. Immediately the State of Oklahoma laid claim to the oil lands, Texas laid claim to the lands, and the Indians laid claim to the lands in the south half of the river, claiming that a mistake had been made and that the boundary should be the south bank of Red River and not the center of the river.

The case went to the Supreme Court, and the Court held that the Indian treaty specified that the boundary line should be the center of Red River so the Court could give no relief. However, about 15 years ago there was introduced in this body and in the other House a bill, which passed the House and Senate, giving the Indians the benefit of the oil in the south half of Red River on the moral ground that had the treaty makers known that the boundary line was the south bank of the river, they obviously would have included that stipulation in the treaty. The Indians contended that a mistake made by the writers of the treaty should not be held against them, although the treaty specifically stated that the treaty line should be the middle of the river. The Supreme Court held that the south bank was the boundary line, which gave the Indians the moral right to ask Congress to adjust the treaty specification and give them the benefit of the oil between the middle of the river and the south bank.

Mr. DANAHER. I thank the Senator from Oklahoma for his courteous cooperation. However, let me point out to him the fact that the very thing he has discussed is legal rather than moral in nature. The language of the bill does not create any standards by which a moral obligation is to be adjudged; but it provides that if there be no legal ground for relief, and if there be a moral obligation on the part of the Government, then a certain sum in dollars, to be determined by the commission, shall compensate for the moral obligation so decided upon.

In the absence of some standard by which the moral obligation can take form, other than in the minds of members of the commission, no matter how able they may be, it seems to me that the bill is open to serious objection in that particular. In view of the fact that the bill has now been passed over, I suggest that when the measure comes up again it may be well to take some steps to make this particular portion of the bill coincide with some standard fixed by the Congress.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent to make a further explanation very briefly.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Senator from Oklahoma is recognized.

Mr. THOMAS of Oklahoma. Let me say to the Senator from Connecticut that the present Court of Claims has the right to consider moral obligations. I will give another illustration: Many years ago the Government made a treaty with a tribe of Indians in the West, wherein the Indians thought they were leasing a portion of their lands to the Government to be used by another tribe of Indians. In the lease the drawers of the document put the word "cede." The Indians did not know what the word "cede" meant, obviously. All during the years they thought they had simply leased this land to the Government for the benefit of occupancy by another tribe. Later on, when the matter came up for adjudication, the Indians discovered that they had signed an obligation wherein they had ceded a portion of their land to the Government for the benefit of another tribe. So the Supreme Court held that the word "cede" meant what we think it means—a conveyance; and the Indians had therefore parted with their title; a fee-simple title had passed, and the Indians had parted with their title in that manner.

So the Congress authorized the Indians to enter the Court of Claims to have that alleged mistake adjudicated—giving them a chance to prove that they did not understand the word "cede"; that they thought they had leased the land, and that they had a right to receive compensation for the sale of the land and not merely for rental.

Mr. GEORGE. Mr. President, I have no desire to delay the Senate, because the bill has already gone over; but a very hasty reading of the bill, I think, will convince anyone that by it the Congress is proposing to delegate its legislative power straight to a commission. If there is anything that rests in the discretion of the Congress of the United States, it is the power to give relief by payment of money out of the Treasury, notwithstanding treaties, notwithstanding former judgments, notwithstanding that a claim is merely moral. The function which is to be exercised by the proposed commission is in the highest degree legislative; and it would seem to me that, for that reason if for no other, the bill should go over and should not be favorably considered at any time by the Congress. A mere reading of the provisions covering the jurisdiction of the commission will convince the Senate, I think.

The claims to be considered are as follows:

(1) Claims arising under the Constitution, laws, treaties of the United States, and Executive orders of the President; (2) claims whether sounding in contract or tort or otherwise—

That is, whether they have no denomination, and are not determinable—

with respect to which the claimant would have been entitled to redress in any court of the United States if the United States were subject to suit; (3) claims under all treaties heretofore negotiated between the claimant and the United States but not formally ratified or executed by all of the parties thereto; (4) claims which would result if the treaties, contracts, and agreements between the claimant and the United States were revised on the ground of fraud, duress, or mutual or unilateral mistake whether of law or fact; (5) claims on account of any breach of duty committed by any officer or agent while acting within the apparent scope of his authority; and (6) claims of whatsoever nature which would arise on a basis of fair and honorable dealings, even though not recognized by any existing rule of law or equity.

That involves clearly and unmistakably a legislative function. Those are the claims over which the commission would have jurisdiction.

Another interesting provision is the following:

No claim shall be excluded from consideration on the grounds (1) that it has become barred under any rule of law or equity; (2) that it has become barred by reason of the provisions of any treaty or the provisions of any statute heretofore enacted—

The commission would have power to set aside an act of Congress or a treaty ratified—

(3) that it has heretofore been presented to Congress; or (4) that it has heretofore been adjudicated in any judicial, administrative, or other proceedings between the same parties.

So it seems to me, Mr. President, that the bill ought never to be favorably considered by the Senate—I say this with all due respect to the estimable and able Senator who has presented it—because most of the things the commission is authorized to do are purely legislative, and not judicial in any proper sense.

NATIONAL SERVICE LIFE INSURANCE—BILL INDEFINITELY POSTPONED

The bill (H. R. 6219) to extend the provisions of section 602 (a) of the National Service Life Insurance Act of 1940 to personnel on active duty in the Army, Navy, Marine Corps, and Coast Guard was announced as next in order.

Mr. CLARK of Missouri. Mr. President, the provisions of the Senate Finance Committee amendment to House bill 6219 were embodied in the amendment which I offered, which was agreed to by the Senate, and which was enacted into law in the extension of the draft act. Therefore I ask unanimous consent that this bill be indefinitely postponed.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Without objection, it is so ordered.

BILL PASSED OVER

The bill (H. R. 3487) to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended, was announced as next in order.

Mr. BYRD. Mr. President, the provisions of this bill are very extensive, and will require a good deal of explanation and discussion. I have consulted the junior Senator from New York [Mr. MEAD], and I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

COMMANDANT OF THE MARINE CORPS

The Senate proceeded to consider the bill (S. 2094) to provide for the rank and title of the Commandant of the Marine Corps, which was read, as follows:

Be it enacted, etc., That hereafter the office of "Major General Commandant of the Marine Corps" shall be known as "Commandant of the Marine Corps." The officer occupying that office shall be known by that title and shall, while so serving, have corresponding rank and shall receive the same pay and allowances as are now or may hereafter be prescribed by or in pursuance of law for lieutenant general in the Army.

SEC. 2. All laws or parts of laws inconsistent with the provisions of this act are hereby amended accordingly.

Mr. CLARK of Missouri. Mr. President, may we have an explanation of the bill?

Mr. WALSH. Mr. President, under existing law the Major General Commandant of the Marine Corps has the rank, pay, and allowances of a major general in the Army. Comparison of the rank authorized for high command positions in the Army and the Navy with the command which devolves upon the Commandant of the Marine Corps leads to the conclusion that, for the proper and efficient administration of that command, the rank of lieutenant-general would be more suitable.

The Marine Corps is a part of the Naval Establishment but it is not by law one of the bureaus in the Navy Department.

The bureau chiefs of the Navy Department are rear admirals, and have a rank while they hold that office comparable with the rank of major general in the Army.

This bill would permit the official who happens to be—it does not apply merely to the present occupant—Commandant of the Marine Corps to have the rank of lieutenant general, which would give him—using Army terms—a rank equivalent to that of the commanders of our four armies.

In addition to his duties as head of the Marine Corps, the Commandant has a duty which very few Army or Navy officials have. He has supervision of all matters relating to the purchase of military supplies for the Marine Corps, including sustenance, material, and labor. The occupant of the office of Commandant would hold this title only while he was occupying the office. The bill would involve an increased expense to the Government of $500 a year for allowances only, and would not involve any increase in the Commandant's own salary.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. CLARK of Missouri. Would the Commandant have the right to retire as lieutenant general during the period of his detail, assuming that he had been in the service 30 years, let us say, or was otherwise eligible for retirement; or would he retire at the ordinary rating?

Mr. WALSH. He would retire with the rank of major general, just as vice admirals have to retire as read admirals. It is a rank which goes only with the particular position, while he is holding it.

Mr. CONNALLY. Mr. President, will the Senator yield for a moment?

Mr. WALSH. I yield.

Mr. CONNALLY. I do not want to correct the Senator, but I am sure he is mistaken. One of the outrageous provisions of the Pay Act of 1922 was that any officer who had served as a bureau chief, with the rank of major general could retire—when he did retire—as a major general. I have not checked the matter lately, but I wish the Senator from Massachusetts would have his clerk check it, to ascertain whether that is not the law.

Mr. WALSH. The Senator, I think, is referring to the Army.

Mr. CONNALLY. It is provided by the bill that the Commandant of the Marine Corps shall have the same rank and allowances as a lieutenant general in the Army. If a lieutenant general in the Army has that retirement privilege under the terms of this bill the Commandant of the Marine Corps would have it.

Let me say to the Senator from Massachusetts I have no objection to General Holcomb, who is at the head of the Marine Corps; I think he is a splendid and able officer, and I shall not object to the bill; but I think that the War and Navy Departments ought to hold back some of the higher ranks so that they might be conferred on generals and admirals who render distinguished service in this war a little later on. We have now seven lieutenant generals in the Army, which is a greater number than we had in the Army in all the 150 years, as I recall, since we have been a nation. We have never had seven lieutenant generals at one time.

Mr. CLARK of Missouri. That is as high rank as George Washington ever held.

Mr. CONNALLY. He was called general during the revolution, and in 1797 when John Adams was president and the Barbary pirates were committing depredations in the Mediterranean, George Washington was made a lieutenant general, but he did not have to serve.

I am perfectly willing to let the Army have seven lieutenant generals. One of them was lately in Hawaii, and I suppose he has been "degeneralized," perhaps, for a few months, but so long as the Army has seven lieutenant generals, I am perfectly willing for the Marine Corps to have a lieutenant general. I suppose he would be the same man. I do not think making him a lieutenant general with a $500 additional allowance would change a major general who is a good one into a better one so far as efficiency and heroism are concerned. He would be the same man. I shall not object, but I wish the Senator would look into the matter and make certain that when the Commandant retires he will not re-

tire as a lieutenant general, although, in some cases, let me say to the Senator from Missouri, the rank of officers in the higher grades on retirement does not make any difference in their pay. Colonels and brigadier generals draw the same pay, and it does not make any difference whether they retire as colonels or as brigadier generals. But, of course, they all want to retire with the higher grade and have a little more ribbon and a little more gold lace. It is very commendable, and I have no objection to it.

Mr. WALSH. I may say to the Senator there are now five vice admirals in the Navy, three of whom must be at sea, who hold that office only when they occupy important positions. I have looked up the question raised by the Senator and I find the rank of lieutenant general would not be retained on retirement. Upon being retired, the rank would be that of major general.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PARKING OF VEHICLES IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 6163) to prohibit parking of vehicles upon public or private property in the District of Columbia without the consent of the owner of such property, which had been reported from the Committee on the District of Columbia with amendments in section 2, page 2, line 19, before the word "charge", to strike out "exclusive"; and on page 3, after the word "highways", to strike out "the violation of which" and insert "to remove and impound any vehicle, parked, stored, or left in violation of this act, and to keep the same impounded until the owner thereof, or other duly authorized person, shall deposit collateral for his appearance in court to answer for such violation, the amount of collateral to be fixed by the officer charged with the custody and control of property of the United States in the District of Columbia in an amount not to exceed $25. Violations of regulations for the parking of cars upon the property of the United States in the District of Columbia."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. THOMAS of Oklahoma subsequently said: Mr. President, I should like to call the attention of the Senator from Nevada to the title of the bill which was passed a few moments ago. I refer to House bill 6163, which is Calendar No. 959. The title of the bill reads as follows: "To prohibit the parking of vehicles upon public or private property in the District of Columbia without the consent of the owner of such property."

I wonder how the consent of the owner of public property could be obtained. Does that mean the city officials?

Mr. McCARRAN. The bill provides through the District Commissioners in the case of District property and through the officer in charge in the case of Federal property.

Mr. THOMAS of Oklahoma. With that explanation, I think the title should stand. Otherwise, it might be misleading.

OPERATION OF SIGHTSEEING BUSSES IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 4077) to amend the District of Columbia License Act so as to permit sightseeing operations in the District of Columbia, without procurement of a license or payment of a tax, in the case of certain vehicles performing such operations in connection with transportation of persons to the District of Columbia, which had been reported from the Committee on the District of Columbia with amendments.

Mr. McNARY. Mr. President, I should like to have the able Senator from Ohio give us the reasons certain sightseeing vehicles are to be excluded from the payment of license fees.

Mr. BURTON. Mr. President, I think a short explanation of this bill will cover it fully.

For a long time there has been on the books of the District of Columbia a statute which has imposed a license fee of $100 a vehicle a year upon those operating sightseeing busses within the District of Columbia.. It had been the custom for a long time not to assess that tax upon those who brought in their vehicles from outside the District. About a year ago, however, it developed that one company was operating a regular sightseeing bus business from Baltimore into the District of Columbia. A test case was brought and the license fee of $100 was held to apply. It then developed that, as the statute stood on the books, it would mean that each bus transporting school children from long distances to see the city of Washington during their graduation period would have to pay a license fee of $100, which, of course, is an exorbitant fee for such a privilege. The license never was intended to apply to that sort of situation. The House of Representatives, accordingly, passed this bill to meet that situation, but passed it in such general terms that it became necessary to amend it as has been here done.

The House provided that the license fee would not apply when the visit of the vehicle was occasional, and would not apply when the visit came from outside the District of Columbia. That second provision would immediately bring back the difficulty which arose from vehicles from Baltimore engaging regularly in the business. So the Senate committee amendment provides that any vehicle coming from outside the District may come in under the auspices of a single company for 15 days within a calendar year, and that shall be the definition of "occasional." Buses coming more frequently than 15 days would be subject to a $100 license fee.

Another feature is that the Senate bill now exempts all vehicles coming from anywhere which bring in school children and those who are looking after the school children. So the bill as reported to the Senate meets the situation somewhat better than does the House bill, and makes the exemptions more definite.

Mr. McNARY. The explanation of the Senator from Ohio is eminently satisfactory to me.

The PRESIDING OFFICER. The amendments reported by the committee will be stated.

The first amendment was, on page 2, line 1, after the word "thereof", to strike out "a new subparagraph" and insert "new subparagraphs"; on the same page, at the beginning of line 6, to strike out "if (1) such sightseeing operations are only occasional, and (2) if the only passengers transported in such sightseeing operations are persons transported to the District of Columbia, in such vehicle, from a point or points outside thereof" and insert "if the only passengers transported in such sightseeing operations are school children, their teachers, or escorts, and transported to the District of Columbia from the State in which their school is located in such vehicle and if a certificate for each such vehicle is obtained from the Public Utilities Commission of the District of Columbia. Application for such certificate shall be made to the Public Utilities Commission of the District of Columbia stating the name of the school, the date or dates on which such operations would be conducted, and sufficient information for identification of the vehicle to be so engaged. The said Commission shall furnish to such school a certificate for each such vehicle, upon which there shall be entered the name of the school, the date or dates on which such vehicle may be operated, and identification of the vehicle for which the said certificate is granted. Such certificate shall be conspicuously displayed in or on said vehicle when operated in the District of Columbia."

The amendment was agreed to.

The next amendment was, on page 3, after line 2, to insert:

(h) Nothing in this paragraph shall be construed to require the procuring of a license, or the payment of a tax, with respect to a vehicle operated for sightseeing purposes if such sightseeing operations are only occasional and the only passengers transported in such sightseeing operations are persons transported to the District of Columbia from a point or points outside of said District in such vehicle, and if a certificate for such operation is obtained from the Public Utilities Commission of the District of Columbia. Application for such certificate shall be made to the Public Utilities Commission of the District of Columbia, stating the date or dates on which occasional sightseeing operations would be conducted and the number of vehicles to be operated. The said Commission shall furnish such applicant a certificate for each such vehicle upon which shall be entered the date or dates such operations may be conducted without a license from the District of Columbia: *Provided*, That such certificates shall not be issued for such occasional sightseeing operations under the same ownership, management, control, or arrangement for a greater number of days than authorized in this subparagraph. The certificate herein authorized shall be conspicuously displayed in each such vehicle when operated in the District of Columbia. The operation in the District of Columbia by the same ownership, management, control,

or arrangement of any such vehicle or vehicles in sightseeing operations shall not be construed to be occasional if such ownership, management, control, or arrangement shall operate any such vehicle or vehicles for sightseeing purposes in the District of Columbia for more than 15 calendar days in any license year. Motor vehicles transporting school children for sightseeing purposes as exempted under the preceding subparagraph (g) shall not be included in such computation of operations. Sightseeing operations shall not be construed to include transportation to or from the hotel or terminal en route into or out of said District.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to amend the District of Columbia License Act so as to permit the transportation of school children and occasional sightseeing operations in the District of Columbia without procurement of a license or payment of a tax in the case of certain vehicles performing such operations in connection with transportation to the District of Columbia."

BILL PASSED OVER

The bill (S. 2112) authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics was announced as next in order.

Mr. McNARY. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ALLOWANCES FOR UNIFORMS AND EQUIPMENT IN THE ARMY

The Senate proceeded to consider the bill (S. 1891) to increase the efficiency of the Army of the United States by making certain gratuitous issue, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert:

That the act of May 14, 1940 (Public, No. 511, 76th Cong.), be, and the same is hereby, amended to read as follows: "That officers of the Officers' Reserve Corps of the Army shall be entitled to an allowance for uniforms and equipment of $50 per annum upon completion, in separate fiscal years, of each of their first three periods of active duty training of 3 months or less, following their original appointment."

SEC. 2. Any person originally commissioned, subsequent to September 26, 1941, an officer in the Army of the United States or in any component thereof, except the Army Nurse Corps, from any source except graduates of the United States Military Academy, shall be entitled to an allowance of $150 for uniforms and equipment, which shall be payable, in the case of an officer of the Regular Army, upon acceptance of such commission, and in the case of other officers, when they shall have been ordered to, found qualified, and accepted for active duty in the military service of the United States for a period of more than 3 months within 3 years from the date of, and under their respective original commissions: *Provided*, That any officer of the Officers' Reserve Corps commissioned prior to September 26, 1941, who has received any allowance under the provisions of the act of May 14, 1940 (Public, No. 511, 76th Cong.), as originally approved, or who would have been entitled to receive such allowance if he had completed any duty prescribed in the said act and, in either case, who has not completed his first three periods of active duty training of 3 months or less in separate fiscal years following his original appointment, shall be entitled to receive the allowance provided in this section, upon being ordered to, found qualified, and accepted for active duty for a period in excess of 3 months under his commission: *Provided, however*, That any sum which shall have been paid to any officer under the provisions of section 1 of this act or under the provisions of the act of June 3, 1941 (Public, No. 97, 77th Cong.), as an allowance for uniforms and equipment shall be deducted from the amount payable to him under this section: *And provided further*, That payment to any officer of the allowance provided in this section shall disqualify such officer thereafter from receiving the allowance provided in section 1 hereof or section 4 of the act of June 3, 1941 (Public, No. 97, 77th Cong.).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend an act to provide allowances for uniforms and equipment for certain officers of the Officers' Reserve Corps of the Army so as to provide allowances for uniforms and equipment for certain officers of the Army of the United States."

BILL PASSED OVER

The bill (S. 1945) to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes, was announced as next in order.

Mr. DANAHER. Mr. President, Senate bill 1945 is of very far-reaching implications. I doubt if it is the sort of measure that can be disposed of under the 5-minute rule. Its general objectives are such that I am quite certain that the bill should be passed; but, on the other hand, there are features which very likely ought to be considered further and perhaps amended.

In view of that situation, I respectfully ask the Senator from Ohio to have the bill brought before the Senate at some time when it can be made the order of business and discussed a little more competently, I hope, than can be done under the 5-minute rule.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

BILLS PASSED OVER

The bill (S. 1968) to amend section 13 (c) of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, as amended, so as to permit the sale of certain publications not published or sold for profit was announced as next in order.

Mr. McNARY. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, inflationary tendencies, and for other purposes, was announced as next in order.

Mr. BARKLEY. It is contemplated that that bill will be made the unfinished business before concluding the session today, so it may go over.

The PRESIDING OFFICER. The bill will be passed over.

That completes the calendar.

ALLOWANCES FOR UNIFORMS AND EQUIPMENT IN THE ARMY

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Missouri will state it.

Mr. CLARK of Missouri. What was done with Senate bill 1891, Calendar No. 963?

The PRESIDING OFFICER. It was passed.

Mr. CLARK of Missouri. Mr. President, my attention was diverted for a moment. The Senator from Virginia [Mr. BYRD], who has been temporarily called out of the Chamber, asked me to request an explanation of that bill. In view of the fact that my attention was diverted for the moment, I ask unanimous consent that the vote whereby the bill was passed be reconsidered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK of Missouri. I will state that I do not want the bill considered now. I am simply trying to preserve the rights of the Senator from Virginia. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. BARKLEY. Mr. President, in view of the fact that the Senator from Wyoming [Mr. SCHWARTZ], who reported the bill, is absent——

Mr. CLARK of Missouri. He is on the floor.

Mr. BARKLEY. I ask the attention of the Senator from Wyoming. The Senator from Missouri has requested that the bill reported by the Senator from Wyoming, which was just passed, go over.

Mr. SCHWARTZ. Mr. President, I should like to make an explanation of the bill.

Mr. CLARK of Missouri. I, myself, have no objection to the bill. The Senator from Virginia [Mr. BYRD] asked me to request an explanation of it.

Mr. SCHWARTZ. Does the Senator from Virginia desire an explanation of the bill?

Mr. CLARK of Missouri. Yes.

Mr. WHEELER. He is not here.

Mr. SCHWARTZ. If I make an explanation now that is satisfactory to the Senate, will it accomplish anything?

Mr. BYRD entered the Chamber.

Mr. BARKLEY. The Senator from Virginia is present now.

Mr. SCHWARTZ. I shall be glad to explain the bill.

Mr. SCHWARTZ subsequently said: Mr. President, recurring to Order of Business 963, Senate bill 1891, I have briefly explained the bill to the Senator from Virginia [Mr. BYRD], and he authorizes me to say that he has no further objection.

Mr. BYRD. As I understand the Senator from Wyoming, the bill would merely put the officers of the various organizations on an equality.

Mr. SCHWARTZ. That is correct.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a

third reading, read the third time, and passed.

DAYLIGHT SAVING

Mr. WHEELER. Mr. President, I ask unanimous consent for the present consideration of Senate bill 2160, known as the daylight-saving bill, which was reported by the Committee on Interstate Commerce earlier in the day. It is a very short bill. It provides in section 3:

That during the continuance of the present war and for a period not to exceed 6 months thereafter the President is authorized from time to time by proclamation to advance or retard the standard time of each zone, or any part thereof: *Provided*, That during no period shall the time of any zone, or any part thereof, be advanced more than 2 hours.

The President stated that he was anxious to have the bill passed; and Mr. Knudsen wrote a note to the President in which he said:

MY DEAR MR. PRESIDENT: Referring to your memorandum of December 17, it is estimated that national daylight-saving time will show a saving of 500,000 kilowatts per annum. Federal legislation is essential in order to make the time uniform in all States.

Respectfully yours,

WILLIAM S. KNUDSEN.

There was no objection in the committee, and there was no objection from anybody, and I therefore ask unanimous consent for the present consideration of the bill.

Mr. McNARY. Mr. President, I probably shall not object, but I desire to ask a few questions.

I observe that the Senator states that the bill is applicable to zones. Are they postal zones?

Mr. WHEELER. No; the present time zones.

Mr. McNARY. Does that part of the bill refer to the four time zones—eastern, central, Rocky Mountain, and Pacific?

Mr. WHEELER. That is my understanding.

Mr. McNARY. And the time is to be uniform in those zones?

Mr. WHEELER. The bill gives the President discretion to change the time not to exceed 2 hours in any one zone.

Mr. McNARY. I suppose the bill will be of general application. It seems to be of general application in the several zones. I am curious to know if the President would have a right to select certain sectors or divisions of a zone, or does the bill apply wholly throughout a zone?

Mr. WHEELER. It applies wholly throughout a zone.

Mr. BARKLEY. The bill provides that the President may retard or advance the time in any one zone, or any part thereof. It seems to me that under the bill he could retard or advance the time in certain sections of a zone without affecting the other sections of the zone.

Mr. WHEELER. That is correct.

Mr. McNARY. Mr. President, I desire to ask another question or two. Is there any opposition to the measure?

Mr. WHEELER. We had no opposition from any farm group or any organization. I think a letter or two came in from one or two individuals, but there was no important objection from anyone anywhere.

Mr. McNARY. I recall very graphically that a few years ago, when similar legislation was proposed, there was a great deal of objection from the farming communities, particularly the dairy interests; and I was wondering if they are opposing the bill now.

Mr. WHEELER. We had no objection in the committee from the dairy interests.

Mr. McNARY. Does the bill permit the President to move the time forward or back within a limitation of 2 hours?

Mr. WHEELER. It does. The bill is identical with the bill which was passed during the last war.

Mr. BARKLEY. Mr. President, if the Senator will yield to me, the objection which came from farmers in the past, as I recall, was directed to the extension of daylight saving all over the country after the war was over. There was no objection, as I remember, during the continuation of the war, because the farmers realized the advisability of it; but objection came when an effort was made to make it permanent peacetime legislation. The President sent to Congress a message on this subject last July, and a bill on the subject was introduced in the House by the chairman of the Committee on Interstate and Foreign Commerce. During the period from that time until now no serious objection has been registered against the proposed legislation.

Mr. McNARY. In view of that statement, I have no objection.

Mr. TAFT. Mr. President, the thing that seems to me wrong about the bill is the delegation to the President of authority not only to change the time from the present time to daylight-saving time, or 2-hour daylight-saving time, but to change it back again to standard time. It seems to me Congress ought to set the time. I do not see any reason why the President should do it. The railroads have to make up their schedules months ahead. They have to know what is to be done; and I do not see why a matter of such importance should not be settled by Congress, and settled now permanently for the duration of the war, with plenty of time to consider any change, instead of overnight having some change made from 1 hour to 2 hours, or back again to 1 hour.

I think I should object to the immediate consideration of the bill. I do object to it, because I think that matter ought to be considered by the Senate.

The PRESIDING OFFICER. Objection is heard.

Mr. BARKLEY. Mr. President, will the Senator withhold his objection for a moment?

Mr. TAFT. I withdraw my objection for the time.

Mr. BARKLEY. I may say to the Senator from Ohio that it seems to me to be impracticable for Congress to attempt to fix the time. We could not pass a resolution every time it might be necessary to change the time in any zone. It may not be necessary to change the time in all the zones all over the United States. The Senator from California [Mr. DOWNEY] a few days ago called attention to the fact that especially on the Pacific coast, and in that region generally, there was probably greater need for advancing the time than in any other section of the country; and there may be from time to time, occasions when the time ought to be advanced or retarded in a particular section of the country, due to peculiar conditions that may exist there, without affecting the whole country.

It seems to me Congress cannot wisely attempt to indulge in fluctuations as to the time in various parts of the country. We cannot fix the time rigidly now by an act, and it seems to me we cannot apply it to the whole country. We do not know whether it would be necessary to change it for 1 hour or for 2 hours.

It seems to me that the suggestion of the Senator from Ohio creates an impracticable situation, in which Congress would either have to fix the time rigidly at once for the whole country, or it would have to pass some sort of bill every month or two, perhaps. I do not know what the situation might be in different zones that would require congressional action which in turn would require repeal later on, or automatic termination of the time fixed by Congress.

It seems to me the Senator's suggestion is impracticable.

Mr. TAFT. I do not think my suggestion is at all impracticable. We have fixed practically by law today standard time zones, and the Interstate Commerce Commission from time to time somewhat varies those time zones. I do not see why Congress is not just as competent to decide these questions as the President is. He will refer the matter to some commission. Frankly I do not think the time ought to be changed every day, or every time someone comes in and wants to change it, or has a new idea regarding it.

Mr. BARKLEY. Of course not. Nobody expects that except the Senator from Ohio; but Congress established zones and authorized the Interstate Commerce Commission to vary them and to change them from time to time, which they have done. We might as well say that Congress ought to fix rigid lines between zones.

I recall that in Chicago recently the question was considered of a change from central time to eastern standard time. Provision was made, as I recall, for a vote of some kind in Chicago; and the voters of Chicago decided to stay where they were, in central time, except during the summer months, when they had daylight-saving time, as did other large cities.

Mr. TAFT. I object to the present consideration of the bill.

The PRESIDING OFFICER (Mr. HILL in the chair). The Senator from Ohio objects to the consideration of the bill, and it will be passed over. The call of the calendar has been concluded.

PRICE CONTROL

Mr. BROWN. Mr. President, I move that the Senate proceed to the consideration of House bill 5990, to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, with a view to making it the unfinished business, with the understanding that the bill will not be taken up until tomorrow.

The PRESIDING OFFICER. The question is on the motion of the Senator from Michigan.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, which had been reported from the Committee on Banking and Currency with an amendment.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 2 o'clock and 23 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, January 7, 1942, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 6, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We thank Thee, blessed Lord God, that back of this great world-house, back of our hopes and disappointments, back of our perplexities and problems are the wisdom and mercy of our Heavenly Father. Bless us with those virtues which defeat doubt, subdue fear, and enthrone righteousness and justice. Arm us with the strength of compelling conviction and determination to fulfill our obligations to the honor of our country. O Lord of life, as Thou hast promised that the smoking flax would not be quenched, neither the broken reed crushed, we beseech Thee to transfigure suffering and immortalize hopes; grant that this day may be filled with promise, peace, and power; we pray in the name of Jesus, our Saviour.

Our Father who art in heaven: Hallowed be Thy name. Thy kingdom come, Thy will be done on earth as it is in heaven. Give us this day our daily bread. And forgive us our trespasses as we forgive those who trespass against us. And lead us not into temptation, but deliver us from evil. For Thine is the kingdom and the power and the glory forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

BIRTHDAY OF THE SPEAKER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, time passes and with the passage of time come birthday anniversaries to each and every one of us in our journey of life. with the passage of time in one whom we all love another milestone has been passed today in the life of one of the greatest Americans of all time. It is a pleasure for me to announce to the House that today is a joyful occasion for one whom we all respect and love and that great American today is enjoying one of the milestones of the anniversary of his birth. Years ago—I shall not mention the years, as that is unnecessary—he gave pleasure and joy to his parents. As time passed in his journey through life he entered his chosen career of the legal profession. Having the urge to devote his life to the public service of his people, his next step was to represent his people in the legislature of the State of his birth. Years ago he came to this body, chosen by the people of his congressional district, and in this body he has served his people, his State, and his Nation with outstanding honor that history will properly record in the future. Coming as a new Member to this body years ago, untiringly devoting his entire energy, his great mental capacity, and his time, he advanced and advanced to the exalted position that he now holds, the second most powerful position in our beloved Government. Not only officially but personally, as a colleague admiring and respecting him, and as a friend valuing the fact that I enjoy his friendship as he has mine, and being proud of the fact that I have lived to know him, I take great pleasure—the distinct pleasure—in announcing the fact that this is the birthday anniversary of our beloved and courageous Speaker, the gentleman from Texas, SAM RAYBURN.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, it is with pleasure I second the felicitations that have been offered by my distinguished colleague from Massachusetts, the majority leader. SAM RAYBURN is a great American. He possesses the courage and the patriotism that is characteristic of the great State of Texas from which he comes. For many years he has served our country with ability and with rare courage, and at no time has he served more faithfully than in these recent days; these bewildering, chaotic days through which we are now traveling.

Mr. Speaker, on behalf of those who sit on the Republican side of the aisle, and I believe I can say as well, I voice the sentiments of every Member of this House, I sincerely hope for you many happy returns of the day. May these days ahead, these uncertain days to come, unfold to you the fullest measure of health, happiness, and prosperity.

The SPEAKER. Mr. McCORMACK, the majority leader; Mr. MARTIN, the minority leader; and my friends of the House of Representatives, I would be less than human if I were not moved by the statements of the two leaders and by your response to them. It is a great favor to be a Member of this body, and especially at this time, to have the privilege to act on this high field, the highest and the most important in all the world. There is a deep feeling of responsibility that must come to every one of us when we know that upon our actions or upon our failure to act might hinge the fate of the world. I know that every one of you will do your duty in this time of great crisis, and for your kindness in the past and your association and your kindness to me today, from the bottom of a grateful heart, I thank you.

The House will stand in recess subject to the call of the Chair.

(Thereupon, at 12:13 o'clock, the House stood in recess to meet at the call of the Speaker.)

AFTER THE RECESS

At 12 o'clock and 19 minutes p. m., the recess having expired, the House was called to order by the Speaker.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had agreed to a concurrent resolution of the House of the following title:

H. Con. Res. 62. Concurrent resolution providing for a joint session on Tuesday, January 6, 1942, for the purpose of receiving such communications as the President of the United States shall be pleased to make.

JOINT MEETING OF THE HOUSE AND SENATE

The Doorkeeper (Mr. Joseph J. Sinnott) announced the Vice President of the United States and the Members of the United States Senate.

The Senate, preceded by the Vice President and by their Secretary and Sergeant at Arms, entered the Chamber.

The VICE PRESIDENT took the chair at the right of the Speaker, and the Members of the Senate took the seats reserved for them.

The SPEAKER. On behalf of the House, as a committee to escort the President of the United States to the Chamber, the Chair appoints the gentleman from Massachusetts [Mr. McCORMACK], the gentleman from North Carolina [Mr. DOUGHTON], and the gentleman from Massachusetts [Mr. MARTIN].

The VICE PRESIDENT. On the part of the Senate, to escort the President of the United States into the Chamber, the Chair appoints the Senator from Virginia [Mr. GLASS], the Senator from Kentucky [Mr. BARKLEY], and the Senator from Oregon [Mr. MCNARY].

At 12 o'clock and 30 minutes p. m., the President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House and stood at the Clerk's desk.

The SPEAKER. Members of the Congress, it is my high privilege to present to you the President of the United States.

ADDRESS BY THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 501)

The PRESIDENT. Mr. Vice President, Mr. Speaker, Members of the Senate and of the House of Representatives, in fulfilling my duty to report upon the state of the Union, I am proud to say to you that the spirit of the American people was never higher than it is today—the Union was never more closely knit together—this country was never more deeply determined to face the solemn tasks before it.

The response of the American people has been instantaneous. It will be sustained until our security is assured.

Exactly 1 year ago today I said to this Congress:

> When the dictators are ready to make war upon us, they will not wait for an act of war on our part * * *. They—not we—will choose the time and the place and the method of their attack.

We now know their choice of the time: a peaceful Sunday morning—December 7th, 1941.

We know their choice of the place: an American outpost in the Pacific.

We know their choice of the method: the method of Hitler himself.

Japan's scheme of conquest goes back half a century. It was not merely a policy of seeking living room: it was a plan which included the subjugation of all the peoples in the Far East and in the islands of the Pacific, and the domination of that ocean by Japanese military and naval control of the western coasts of North, Central, and South America.

The development of this ambitious conspiracy was marked by the war against China in 1894; the subsequent occupation of Korea; the war against Russia in 1904; the illegal fortification of the mandated Pacific islands following 1920; the seizure of Manchuria in 1931; and the invasion of China in 1937.

A similar policy of criminal conquest was adopted by Italy. The Fascists first revealed their imperial designs in Libya and Tripoli. In 1935 they seized Abyssinia. Their goal was the domination of all North Africa, Egypt, parts of France, and the entire Mediterranean world.

But the dreams of empire of the Japanese and Fascist leaders were modest in comparison with the gargantuan aspirations of Hitler and his Nazis. Even before they came to power, in 1933, their plans for conquest had been drawn. Those plans provided for ultimate domination, not of any one section of the world but of the whole earth and all the oceans on it.

With Hitler's formation of the Berlin-Rome-Tokyo alliance, all these plans of conquest became a single plan. Under this, in addition to her own schemes of conquest, Japan's role was to cut off our supply of weapons of war to Britain, Russia, and China—weapons which increasingly were speeding the day of Hitler's doom. The act of Japan at Pearl Harbor was intended to stun us—to terrify us to such an extent that we would divert our industrial and military strength to the Pacific area, or even to our own continental defense.

The plan failed in its purpose. We have not been stunned. We have not been terrified or confused. This reassembling of the Seventy-seventh Congress is proof of that; for the mood of quiet, grim resolution which here prevails bodes ill for those who conspired and collaborated to murder world peace.

That mood is stronger than any mere desire for revenge. It expresses the will of the American people to make very certain that the world will never so suffer again.

Admittedly, we have been faced with hard choices. It was bitter, for example, not to be able to relieve the heroic and historic defenders of Wake Island. It was bitter for us not to be able to land a million men and a thousand ships in the Philippine Islands.

But this adds only to our determination to see to it that the Stars and Stripes will fly again over Wake and Guam, and that the brave people of the Philippines will be rid of Japanese imperialism, and will live in freedom, security, and independence.

Powerful and offensive actions must and will be taken in proper time. The consolidation of the united nations' total war effort against our common enemies is being achieved.

That is the purpose of conferences which have been held during the past 2 weeks in Washington, in Moscow, and in Chungking. That is the primary objective of the declaration of solidarity signed in Washington on January 1, 1942, by 26 nations united against the Axis Powers.

Difficult choices may have to be made in the months to come. We will not shrink from such decisions. We and those united with us will make those decisions with courage and determination.

Plans have been laid here and in the other capitals for coordinated and cooperative action by all the united nations—military action and economic action. Already we have established unified command of land, sea, and air forces in the southwestern Pacific theater of war. There will be a continuation of conferences and consultations among military staffs, so that the plans and operations of each will fit into a general strategy designed to crush the enemy. We shall not fight isolated wars—each nation going its own way. These 26 nations are united—not in spirit and determination alone but in the broad conduct of the war in all its phases.

For the first time since the Japanese and the Fascists and the Nazis started along their bloodstained course of conquest they now face the fact that superior forces are assembling against them. Gone forever are the days when the aggressors could attack and destroy their victims one by one, without unity of resistance. We of the united nations will so dispose our forces that we can strike at the common enemy wherever the greatest damage can be done.

The militarists in Berlin and Tokyo started this war. But the massed, angered forces of common humanity will finish it.

Destruction of the material and spiritual centers of civilization—this has been and still is the purpose of Hitler and his Italian and Japanese chessmen. They would wreck the power of the British Commonwealth and Russia and China and the Netherlands, and then combine all their forces to achieve their ultimate goal—the conquest of the United States.

They know that victory for us means victory for freedom.

They know that victory for us means victory for the institution of democracy—the ideal of the family—the simple principles of common decency and humanity.

They know that victory for us means victory for religion.

And they could not tolerate that. The world is too small to provide adequate "living room" for both Hitler and God. In proof of that, the Nazis have now announced their plan for enforcing their new German pagan religion throughout the world—the plan by which the Holy Bible and the cross of mercy would be displaced by Mein Kampf and the swastika and the naked sword.

Our own objectives are clear: The objective of smashing the militarism imposed by war lords upon their enslaved peoples; the objective of liberating the subjugated nations; the objective of establishing and securing freedom of speech, freedom of religion, freedom from want, and freedom from fear everywhere in the world.

We shall not stop short of these objectives; nor shall we be satisfied merely to gain them and call it a day. I know that I speak for the American people—and I have good reason to believe I speak also for all the other peoples who fight with us—when I say that this time we are determined not only to win the war, but also to maintain the security of the peace which will follow.

But modern methods of warfare make it a task, not only of shooting and fighting, but an even more urgent one of working and producing.

Victory requires the actual weapons of war and the means of transporting them to a dozen points of combat.

It will not be sufficient for us and the other united nations to produce a slightly superior supply of munitions to that of Germany, Japan, Italy, and the stolen industries in the countries which they have overrun.

The superiority of the united nations in munitions and ships must be overwhelming—so overwhelming that the Axis nations can never hope to catch up with it. In order to attain this overwhelming superiority the United States must build planes and tanks and guns and ships to the utmost limit of our national capacity. We have the ability and capacity to produce arms not only for our own forces but also for the armies, navies, and air forces fighting on our side.

And our overwhelming superiority of armament must be adequate to put weapons of war at the proper time into the hands of those men in the conquered nations, who stand ready to seize the first opportunity to revolt against their German and Japanese oppressors, and against the traitors in their own ranks, known by the already infamous name of "Quislings." As we get guns to the patriots in those lands, they too will fire shots heard 'round the world.

This production of ours in the United States must be raised far above its present levels, even though it will mean the dislocation of the lives and occupations of millions of our own people. We must raise our sights all along the production line. Let no man say it cannot be done. It must be done—and we have undertaken to do it.

I have just sent a letter of directive to the appropriate departments and agencies of our Government, ordering that immediate steps be taken:

1. To increase our production rate of airplanes so rapidly that in this year, 1942, we shall produce 60,000 planes, 10,000 more than the goal set a year and a half ago. This includes 45,000 combat planes—bombers, dive-bombers, pursuit planes. The rate of increase will be continued, so that next year, 1943, we shall produce 125,000 airplanes, including 100,000 combat planes.

2. To increase our production rate of tanks so rapidly that in this year, 1942, we shall produce 45,000 tanks; and to continue that increase so that next year, 1943, we shall produce 75,000 tanks.

3. To increase our production rate of antiaircraft guns so rapidly that in this year, 1942, we shall produce 20,000 of them; and to continue that increase so that next year, 1943, we shall produce 35,000 antiaircraft guns.

4. To increase our production rate of merchant ships so rapidly that in this year, 1942, we shall build 8,000,000 deadweight tons as compared with a 1941 production of 1,100,000. We shall continue that increase so that next year, 1943, we shall build 10,000,000 tons.

These figures and similar figures for a multitude of other implements of war will give the Japanese and Nazis a little idea of just what they accomplished in the attack on Pearl Harbor.

Our task is hard—our task is unprecedented—and the time is short. We must strain every existing armament-producing facility to the utmost. We must convert every available plant and tool to war production. That goes all the way from the greatest plants to the smallest—from the huge automobile industry to the village machine shop.

Production for war is based on men and women—the human hands and brains which collectively we call labor. Our workers stand ready to work long hours; to turn out more in a day's work; to keep the wheels turning and the fires burning 24 hours a day, and 7 days a week. They realize well that on the speed and efficiency of their work depend the lives of their sons and their brothers on the fighting fronts.

Production for war is based on metals and raw materials—steel, copper, rubber, aluminum, zinc, tin. Greater and greater quantities of them will have to be diverted to war purposes. Civilian use of them will have to be cut further and still further—and, in many cases, completely eliminated.

War costs money. So far, we have hardly even begun to pay for it. We have devoted only 15 percent of our national income to national defense. As will appear in my Budget Message tomorrow, our war program for the coming fiscal year will cost $56,000,000,000 or, in other words, more than one-half of the estimated annual national income. This means taxes and bonds and bonds and taxes. It means cutting luxuries and other nonessentials. In a word, it means an all-out war by individual effort and family effort in a united country.

Only this all-out scale of production will hasten the ultimate all-out victory. Speed will count. Lost ground can always be regained—lost time never. Speed will save lives; speed will save this Nation which is in peril; speed will save our freedom and civilization—and slowness has never been an American characteristic.

As the United States goes into its full stride, we must always be on guard against misconceptions which will arise naturally or which will be planted among us by our enemies.

We must guard against complacency. We must not underrate the enemy. He is powerful and cunning—and cruel and ruthless. He will stop at nothing which gives him a chance to kill and to destroy. He has trained his people to believe that their highest perfection is achieved by waging war. For many years he has prepared for this very conflict—planning, plotting, training, arming, fighting. We have already tasted defeat. We may suffer further setbacks. We must face the fact of a hard war, a long war, a bloody war, a costly war.

We must, on the other hand, guard against defeatism. That has been one of the chief weapons of Hitler's propaganda machine—used time and again with deadly results. It will not be used successfully on the American people.

We must guard against divisions among ourselves and among all the other united nations. We must be particularly vigilant against racial discrimination in any of its ugly forms. Hitler will try again to breed mistrust and suspicion between one individual and another, one group and another, one race and another, one government and another. He will try to use the same technique of falsehood and rumor-mongering with which he divided France from Britain. He is trying to do this with us even now. But he will find a unity of will and purpose against him, which will persevere until the destruction of all his black designs upon the freedom and safety of the people of the world.

We cannot wage this war in a defensive spirit. As our power and our resources are fully mobilized, we shall carry the attack against the enemy—we shall hit him and hit him again wherever and whenever we can reach him.

We must keep him far from our shores, for we intend to bring this battle to him on his own home grounds.

American armed forces must be used at any place in all the world where it seems advisable to engage the forces of the enemy. In some cases these operations will be defensive, in order to protect key positions. In other cases, these operations will be offensive, in order to strike at the common enemy, with a view to his complete encirclement and eventual total defeat.

American armed forces will operate at many points in the Far East.

American armed forces will be on all the oceans helping to guard the essential communications which are vital to the united nations.

American land and air and sea forces will take stations in the British Isles, which constitute an essential fortress in this world struggle.

American armed forces will help to protect this hemisphere and also bases outside this hemisphere which could be used for an attack on the Americas.

If any of our enemies, from Europe or from Asia, attempt long-range raids by "suicide" squadrons of bombing planes, they will do so only in the hope of terrorizing our people and disrupting our morale. Our people are not afraid of that. We know that we may have to pay a heavy price for freedom. We will pay this price with a will. Whatever the price, it is a thousand times worth it. No matter what our enemies in their desperation may attempt to do to us, we will say, as the people of London have said, "We can take it." And what's more, we can give it back—and we will give it back—with compound interest.

When our enemies challenged our country to stand up and fight they challenged each and every one of us. And each and every one of us has accepted the challenge—for himself and for the Nation.

There were only some four hundred United States marines who in the heroic and historic defense of Wake Island inflicted such great losses on the enemy. Some of those men were killed in action, and others are now prisoners of war. When the survivors of that great fight are liberated and restored to their homes they will learn that a hundred and thirty million of their fellow citizens have been inspired to render their own full share of service and sacrifice.

Our men on the fighting fronts have already proved that Americans today are just as rugged and just as tough as any of the heroes whose exploits we celebrate on the Fourth of July.

Many people ask, "When will this war end?" There is only one answer to that. It will end just as soon as we make it end, by our combined efforts, our combined strength, our combined determination to fight through and work through until the end—the end of militarism in Germany and Italy and Japan. Most certainly we shall not settle for less.

That is the spirit in which discussions have been conducted during the visit of the British Prime Minister to Washington. Mr. Churchill and I understand each other—our motives and our purposes. Together, during the past 2 weeks, we have faced squarely the major military and economic problems of this greatest world war.

All in our Nation have been cheered by Mr. Churchill's visit. We have been deeply stirred by his great message to us. We wish him a safe return to his home. He is welcome in our midst—now and in days to come.

We are fighting on the same side with the British people, who fought alone for long, terrible months, and withstood the enemy with fortitude and tenacity and skill.

We are fighting on the same side with the Russian people who have seen the Nazi hordes swarm up to the very gates of Moscow, and who with almost superhuman will and courage have forced the invaders back into retreat.

We are fighting on the same side as the brave people of China who for four and

a half long years have withstood bombs and starvation and have whipped the invaders time and again in spite of superior Japanese equipment and arms.

We are fighting on the same side as the indomitable Dutch.

We are fighting on the same side as all the other governments in exile, whom Hitler and all his armies and all his Gestapo have not been able to conquer.

But we of the united nations are not making all this sacrifice of human effort and human lives to return to the kind of world we had after the last World War.

We are fighting today for security, for progress and for peace, not only for ourselves, but for all men, not only for one generation but for all generations. We are fighting to cleanse the world of ancient evils, ancient ills.

Our enemies are guided by brutal cynicism, by unholy contempt for the human race. We are inspired by a faith which goes back through all the years to the first chapter of the Book of Genesis: "God created man in His own image."

We on our side are striving to be true to that divine heritage. We are fighting as our fathers have fought, to uphold the doctrine that all men are equal in the sight of God. Those on the other side are striving to destroy this deep belief and to create a world in their own image—a world of tyranny and cruelty and serfdom.

That is the conflict that day and night now pervades our lives. No compromise can end that conflict. There never has been—there never can be—successful compromise between good and evil. Only total victory can reward the champions of tolerance, and decency, and freedom, and faith.

At 1 o'clock and 12 minutes p. m., the Speaker declared the joint session of the two bodies dissolved.

The message of the President of the United States was referred to the Committee of the Whole House on the state of the Union and ordered printed.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. MICHENER, indefinitely, on account of death in his family.

To Mr. WORLEY, for an indefinite period.

BIRTHDAY FELICITATIONS

Mr. COX. Mr. Speaker, on behalf of the House and the country, I wish to salute one of the finest men of the world on this his birthday, the Speaker of the House of Representatives of the Congress of the United States.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therewith thoughts recently expressed by Colonel McCormick, on the need for increased air power.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks, and include certain excerpts, on two subjects.

The SPEAKER. Is there objection?

There was no objection.

Mr. CASEY of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks and include an address by our colleague the gentleman from Massachusetts [Mr. MCCORMACK].

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include certain excerpts. I have had an estimate of the cost by the Printer, and it exceeds the ordinary limit. I ask unanimous consent that it be extended, nevertheless.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have today introduced a bill providing for daylight saving, which is vital to our national defense. I ask unanimous consent to extend my remarks, and include the result of the Gallup poll on the matter of daylight saving.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting a certain article.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my remarks by the insertion of a telegram sent to me from a labor organization in my own district.

The SPEAKER. Is there objection?

There was no objection.

Mr. HAINES. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include a letter from a constituent.

The SPEAKER. Is there objection?

There was no objection.

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks and include a short poem.

The SPEAKER. Is there objection?

There was no objection.

Mr. FITZGERALD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a communication from the Connecticut State Planning Commission.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend by own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 18 minutes p. m.) the House adjourned until tomorrow, Wednesday, January 7, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization on Wednesday, January 7, 1942, at 10:30 a. m., on H. R. 6250.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1236. A letter from the Secretary of War, transmitting a draft of a proposed bill for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; to the Committee on Claims.

1237. A letter from the Comptroller General of the United States, transmitting a report by the Comptroller General of the United States of officers and administrative offices delinquent in rendering or transmitting accounts; and officers delinquent in payment of final balances, for the fiscal year 1941, section 12 of the act of July 31, 1894 (28 Stat. 209), as amended by section 4 of the act of May 28, 1896 (29 id. 179); and section 304 of the Budget and Accounting Act of 1921 (42 id. 24); to the Committee on Expenditures in the Executive Departments.

1238. A letter from the president, Chesapeake & Potomac Telephone Co., transmitting its report for the year of 1941; to the Committee on the District of Columbia.

1239. A letter from the Secretary of the Treasury, transmitting a combined statement of receipts and expenditures, balances, etc., of the Government during the fiscal year ended June 30, 1941; to the Committee on Expenditures in the Executive Departments.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COCHRAN:

H. R. 6311. A bill making the theft of tires and tubes a Federal offense during any period during which restrictions on the sale or use of tires or tubes are in effect; to the Committee on the Judiciary.

By Mr. BRADLEY of Michigan:

H. R. 6312. A bill increasing the compensation of certain employees in the field service of the War Department; to the Committee on the Civil Service.

By Mr. LEA:

H. R. 6313. A bill to promote the national security and defense by authorizing the establishment of daylight-saving time; to the Committee on Interstate and Foreign Commerce.

H. R. 6314. A bill to promote the national security and defense by establishing daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. PIERCE:

H. R. 6315. A bill to extend for 2 additional years the reduced rates of interest on Federal land bank and land bank commissioner loans; to the Committee on Agriculture.

By Mr. BLOOM:

H. J. Res. 264. Joint resolution to maintain the secrecy of military information; to the Committee on Foreign Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2239. By Mr. WELCH: Joint Resolution No. 4 of the California State Senate, relative to memorializing the President and the Congress of the United States to refrain from action calculated to exempt from State and local taxes the sale, purchase, storage, use, or consumption of tangible personal property acquired by contractors in the performance of certain contracts with the United States; to the Committee on Ways and Means.

2240. Also, Joint Resolution No. 2 of the California State Assembly, relative to sporting events held in the State of California; to the Committee on Military Affairs.

2241. Also, Joint Resolution No. 3 of the California State Assembly, relative to the full utilization of the Nation's skills and resources in the national-defense program and the building of national unity, irrespective of race or color; to the Committee on Military Affairs.

2242. Also, Joint Resolution No. 4 of the California State Assembly, relating to priorities for the manufacture of farm machinery; to the Committee on Agriculture.

2243. Also, Joint Resolution No. 5 of the California State Assembly, relative to memorializing the President and the Congress of the United States in relation to the fitness of California highways for military purposes; to the Committee on Military Affairs.

2244. Also, Joint Resolution No. 8 of the California State Assembly, relative to memorializing the Social Security Administration to reexamine and readjust old-age pension; to the Committee on Ways and Means.

2245. Also, Joint Resolution No. 6 of the California State Assembly, relative to memorializing Congress to oppose federalization of State unemployment insurance and employment services; to the Committee on Ways and Means.

2246. Also, Joint Resolution No. 6 of the California State Senate, relative to flood control on the Sacramento River; to the Committee on Rivers and Harbors.

2247. By Mr. ROLPH: Joint Resolution No. 2 of the California State Assembly, relative to sporting events held in the State of California; to the Committee on Military Affairs.

2248. By Mr. WELCH: Joint Resolution No. 1 of the California State Assembly, relative to memorializing the Congress of the United States to enact pending legislation providing for civilian defense facilities; to the Committee on Military Affairs.

SENATE

WEDNESDAY, JANUARY 7, 1942

(Legislative day of Tuesday, January 6, 1942)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Hunter M. Lewis, B. D., assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O God, who art Light, and who by the leading of a star didst manifest Thy Light incarnate to the world: Let the light of Thy Gospel shine upon all nations, and may as many as have received it, live as becomes it. Bless our Nation, her leaders and her defenders; cleanse her from all stain of sin, that her heritage of democracy, purified by Thy grace, may be preserved to future generations. And grant that our imperfect world may know that Thou didst not come too soon, but that men of treachery, hatred, and violence, who love the darkness rather than the light, whose works are evil, have come too late, since Thou hast caused Thy light to shine in our hearts.

O Spirit of the living God,
In all Thy plenitude of grace
Where'er the foot of man hath trod,
Descend on our apostate race.

Convert the Nations, far and nigh
The triumphs of the cross record;
The name of Jesus glorify,
Till every people call Him Lord.

We ask it in His name. Amen.

ATTENDANCE OF A SENATOR

ALBERT B. CHANDLER, a Senator from the State of Kentucky, appeared in his seat today.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, January 6, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on January 2, 1942, the President had approved and signed the following acts:

S. 1994. An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries; and

S. 2086. An act to authorize the employment of nationals of the United States on any public work of the United States in the Territory of Hawaii.

TRIBUTE TO THE LATE SENATOR ADAMS, OF COLORADO—RESOLUTION OF PUEBLO CHAMBER OF COMMERCE

The VICE PRESIDENT laid before the Senate a resolution adopted by the board of directors of the Pueblo (Colo.) Chamber of Commerce, which was ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas the Honorable Alva B. Adams, United States Senator from Colorado, departed this life on Monday, December 1 A. D. 1941, at Washington, D. C.; and

Whereas the untimely death of Alva B. Adams is an irreparable loss to this Nation, the State of Colorado, and to Pueblo: Now, therefore, be it

Resolved by the board of directors of the Pueblo Chamber of Commerce, That we express our sincere feeling of the loss of an outstanding citizen of this city, a loyal and understanding friend, and a statesman of high character and extraordinary ability. In the Senate of the United States his distinguished service to Colorado and to the entire Nation truly warranted the trust and confidence reposed in him by the electorate of this State and by his associates in the Congress of the United States of America.

Born in the State of Colorado, trained in the exacting school of the law, and in active professional practice, Alva B. Adams brought to the service of his country not only his learning and experience in law but a rich store of practical human experience. His fidelity, his courage, and forthrightness, which were his outstanding characteristics, made him a fearless warrior for his convictions, and he served his State and this country with indefatigable industry and unwavering loyalty to their traditions and to his lofty conceptions of the functions of democratic government.

Alva B. Adams gave his life in the service of his country. His death brought to a close a career of high distinction and a life of tireless devotion to the public good; and be it further

Resolved, That a copy of this resolution be spread upon the permanent minutes of the Pueblo Chamber of Commerce, that a copy be forwarded to the Senate of the United States, and a copy be forwarded to his family.

Adopted this 2d day of December A. D. 1941.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Daniel
Austin	Gillette	O'Mahoney
Bailey	Glass	Overton
Ball	Green	Radcliffe
Bankhead	Guffey	Reed
Barkley	Gurney	Reynolds
Bilbo	Hayden	Rosier
Bone	Herring	Russell
Brewster	Hill	Schwartz
Brooks	Holman	Shipstead
Brown	Hughes	Smathers
Bulow	Johnson, Colo.	Spencer
Bunker	Kilgore	Taft
Burton	La Follette	Thomas, Idaho
Butler	Langer	Thomas, Okla.
Byrd	Lee	Thomas, Utah
Capper	Lucas	Tobey
Caraway	McCarran	Truman
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Clark, Idaho	McNary	Vandenberg
Clark, Mo.	Maloney	Van Nuys
Connally	Maybank	Wagner
Danaher	Mead	Wallgren
Davis	Millikin	Walsh
Downey	Murdock	Wheeler
Doxey	Murray	White
Ellender	Norris	Wiley
George	Nye	Willis

Mr. HILL. I announce that the Senator from Tennessee [Mr. STEWART] is absent from the Senate because of a death in his family.

The Senator from New Mexico [Mr. HATCH] is absent because of illness.

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], and the Senator from South Carolina [Mr. SMITH] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is confined to a hospital due to a recent hip injury.

The Senator from New Jersey [Mr. BARBOUR] is necessarily absent.

The Senator from Massachusetts [Mr. LODGE] is absent because of a death in his family.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

THE BUDGET, 1943 (H. DOC. NO. 528)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying document, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

I am submitting herewith the Budget of the United States for the fiscal year ending June 30, 1943. It is the budget of a nation at war in a world at war.

In practical terms the Budget meets the challenge of the Axis Powers. We must provide the funds to man and equip our fighting forces. We must provide the funds for the organization of our reresources. We must provide the funds to continue our role as the Arsenal of Democrary.

Powerful enemies must be outfought and outproduced. Victory depends on the courage, skill, and devotion of the men in the American, British, Russian, Chinese, and Dutch forces, and of the

others who join hands with us in the fight for freedom. But victory also depends upon efforts behind the lines—in the mines, in the shops, on the farms.

We cannot outfight our enemies unless, at the same time, we outproduce our enemies. It is not enough to turn out just a few more planes, a few more tanks, a few more guns, a few more ships, than can be turned out by our enemies. We must outproduce them overwhelmingly, so that there can be no question of our ability to provide a crushing superiority of equipment in any theater of the world war.

And we shall succeed. A system of free enterprise is more effective than an "order" of concentration camps. The struggle for liberty first made us a Nation. The vitality, strength, and adaptability of a social order built on freedom and individual responsibility will again triumph.

THE WAR PROGRAM

Our present war program was preceded by a defense effort which began as we emerged from a long depression. During the past 18 months we laid the foundation for a huge armament program. At the same time industry provided ample consumers' goods for a rapidly growing number of workers. Hundreds of thousands of new homes were constructed; the production of consumers' durable goods broke all records. The industrial plant and equipment of the country were overhauled and expanded.

Adjustment to a war program can now be made with greater speed and less hardship. The country is better stocked with durable goods. Our factories are better equipped to carry the new production load. The larger national income facilitates financing the war effort.

There are still unused resources for agricultural and industrial production. These must be drawn into the national effort. Shortages, however, have developed in skilled labor, raw materials, machines, and shipping. Under the expanding war program, more and more productive capacity must be shifted from peacetime to wartime work.

Last year fiscal policy was used to shift the economy into high gear. Today it is an instrument for transforming our peace economy into a war economy. This transformation must be completed with minimum friction and maximum speed. The fiscal measures which I outline in this message are essential elements in the Nation's war program.

WAR APPROPRIATIONS

This is a war budget. The details of a war program are, of course, in constant flux. Its magnitude and composition depend on events at the battlefronts of the world, on naval engagements at sea, and on new developments in mechanized warfare. Moreover, war plans are military secrets.

Under these circumstances I cannot hereafter present details of future war appropriations. However, total appropriations and expenditures will be published so that the public may know the fiscal situation and the progress of the Nation's effort.

The defense program, including appropriations, contract authorizations, recommendations, and commitments of Government corporations, was 29 billion dollars on January 3, 1941. During the last 12 months 46 billion dollars have been added to the program. Of this total of 75 billion dollars there remains 24 billion dollars for future obligation.

In this Budget I make an initial request for a war appropriation of 13.6 billion dollars for the fiscal year 1943. Large supplemental requests will be made as we move toward the maximum use of productive capacity. Nothing short of a maximum will suffice. I cannot predict ultimate costs because I cannot predict the changing fortunes of war. I can only say that we are determined to pay whatever price we must to preserve our way of life.

WAR EXPENDITURES

Total war expenditures are now running at a rate of 2 billion dollars a month and may surpass 5 billion dollars a month during the fiscal year 1943. As against probable budgetary war expenditures of 24 billion dollars for the current fiscal year, our present objective calls for war expenditures of nearly 53 billion dollars for the fiscal year 1943. And in addition, net outlays of Government corporations for war purposes are estimated at about 2 and 3 billion dollars for the current and the next fiscal year, respectively.

These huge expenditures for ships, planes, and other war equipment will require prompt conversion of a large portion of our industrial establishment to war production. These estimates reflect our determination to devote at least one-half of our national production to the war effort.

The agencies responsible for the administration of this vast program must make certain that every dollar is speedily converted into a maximum of war effort. We are determined to hold waste to a minimum.

THE CIVIL FUNCTIONS OF GOVERNMENT

In a true sense, there are no longer nondefense expenditures. It is a part of our war effort to maintain civilian services which are essential to the basic needs of human life. In the same way it is necessary in wartime to conserve our natural resources and keep in repair our national plant. We cannot afford waste or destruction, for we must continue to think of the good of future generations of Americans. For example, we must maintain fire protection in our forests; and we must maintain control over destructive floods. In the preparation of the present Budget, expenditures not directly related to the war have been reduced to a minimum or reoriented to the war program.

We all know that the war will bring hardships and require adjustment. Assisting those who suffer in the process of transformation and taxing those who benefit from the war are integral parts of our national program.

It is estimated that expenditures for the major Federal assistance programs—farm aid, work relief, youth aid—can be reduced by 600 million dollars from the previous to the current fiscal year, and again by 860 million dollars from the current to the next fiscal year. These programs will require 1.4 billion dollars during the fiscal year 1943, about one-half of the expenditures for these purposes during the fiscal year 1941.

Improved economic conditions during the current year have made possible the execution of economic and social programs with smaller funds than were originally estimated. By using methods of administrative budget control, 415 million dollars of appropriations for civil purposes have been placed in reserves.

Excluding debt charges and grants under the Social Security law, total expenditures for other than direct war purposes have been reduced by slightly more than 1 billion dollars in the next fiscal year.

Agricultural aid.—I propose to include contract authorizations in the Budget to assure the farmer a parity return on his 1942 crop, largely payable in the fiscal year 1944. I do not suggest a definite appropriation at this time because developments of farm income and farm prices are too uncertain. Agricultural incomes and prices have increased and we hope to limit the price rise of the products actually bought by the farmer. But if price developments should turn against the farmer, an appropriation will be needed to carry out the parity objective of the Agricultural Adjustment Act.

The remaining expenditures for the agricultural program are being brought into accord with the war effort. Food is an essential war material. I propose to continue the soil conservation and use program on a moderately reduced scale. Acreage control by cooperative efforts of farmer and Government was inaugurated in a period of overproduction in almost all lines of farming. Then its major objective was the curtailment of production to halt a catastrophic decline in farm prices. At present, although there is still excess production in some types of farming, serious shortages prevail in other types. The present program is designed to facilitate a balanced increase in production and to aid in controlling prices.

Work projects.—The average number of W. P. A. workers was two million in the fiscal year 1940, the year before the defense program started; the average has been cut to one million this year. With increasing employment a further considerable reduction will be possible. I believe it will be necessary to make some provision for work relief during the next year. I estimate tentatively that 465 million dollars will be needed for W. P. A., but I shall submit a specific request later in the year. Workers of certain types and in certain regions of the country probably will not all be absorbed by war industries. It is better to provide useful work for the unemployed on public projects than to lose their productive power through idleness. Wherever feasible they will be employed on war projects.

Material shortages are creating the problem of "priority unemployment." I hope the workers affected will be reemployed by expanding war industries before their unemployment compensation ceases. Some of the workers affected will not, however, be eligible for such

compensation and may be in need of assistance.

Rather than rely on relief a determined effort should be made to speed up reemployment in defense plants. I have, therefore, instructed the Office of Production Management to join the procurement agencies in an effort to place contracts with those industries forced to cut their peacetime production. The ingenuity of American management has already adapted some industries to war production. Standardization and substitution are doing their part in maintaining production. Ever-increasing use of subcontracts, pooling of industrial resources, and wider distribution of contracts are of paramount importance for making the fullest use of our resources. The newly nationalized Employment Service will greatly help unemployed workers in obtaining employment.

Aids to youth.—Under war conditions there is need and opportunity for youth to serve in many ways. It is therefore possible to make a considerable reduction in the programs of the Civilian Conservation Corps and the National Youth Administration. The youth, too, will be aided by the United States Employment Service in finding employment opportunities.

Although I am estimating 100 million dollars for these two agencies, excluding 50 million dollars for defense training, it is probable that the total amount will not be needed. I am postponing until next spring presentation to the Congress of specific recommendations as to youth aid.

Public works program.—The public works program is being fully adjusted to the war effort. The general program of 578 million dollars includes those projects necessary for increasing production of hydroelectric power, for flood control, and for river and harbor work related to military needs. Federal aid for highways will be expended only for construction essential for strategic purposes. Other highway projects will be deferred until the post-war period. For all other Federal construction I am restricting expenditures to those active projects which cannot be discontinued without endangering the structural work now in progress.

Civil departments and agencies.—The work of the civil departments and agencies is undergoing thorough reorientation. Established agencies will be used to the greatest possible extent for defense services. Many agencies have already made such readjustment. All civil activities of the Government are being focussed on the war program.

Federal grants and debt service.—A few categories of civil expenditures show an increase. Under existing legislation Federal grants to match the appropriations for public assistance made by the individual States will increase by 73 million dollars. I favor an amendment to the Social Security Act which would modify matching grants to accord with the needs of the various States. Such legislation would probably not affect expenditures substantially during the next fiscal year.

Because of heavy Federal borrowing, interest charges are expected to increase by 139 million dollars in the current fiscal year, and by another 500 million dollars in the fiscal year 1943. Debt service is, of course, affected by war spending.

COORDINATION OF FISCAL POLICIES

The fiscal policy of the Federal Government, especially with respect to public works, is being reinforced by that of State and local governments. Executive committees of the Council of State Governments and the Governors' Conference have issued excellent suggestions for harmonizing various aspects of State and local fiscal policy with national objectives. These governments are readjusting many of their services so as to expedite the war program. Many are making flexible plans for the post-war readjustment and some are accumulating financial reserves for that purpose. The larger the scale of our war effort, the more important it becomes to provide a reservoir of post-war work by business and by Federal, State, and local governments.

FINANCING THE WAR

Determination, skill, and matériel are three great necessities for victory. Methods of financing may impair or strengthen these essentials. Sound fiscal policies are those which will help win the war. A fair distribution of the war burden is necessary for national unity. A balanced financial program will stimulate the productivity of the Nation and assure maximum output of war equipment.

With total war expenditures, including net outlays of Government corporations, estimated at 26 billion dollars for the current fiscal year and almost 56 billion dollars for the fiscal year 1943, war finance is a task of tremendous magnitude requiring a concerted program of action.

RECEIPTS UNDER PRESENT LEGISLATION

Total receipts from existing tax legislation will triple under the defense and war programs. They are expected to increase from 6 billion dollars in the fiscal year 1940 to 18 billion dollars in the fiscal year 1943. This increase is due partly to the expansion of economic activities and partly to tax legislation enacted during the last 2 years. As we approach full use of our resources, further increases in revenue next year must come predominantly from new tax measures rather than from a greater tempo of economic activity. Taxes on incomes, estates, and corporate profits are showing the greatest increase. Yields from employment taxes are increasing half as fast; and the yields from excise taxes are increasing more slowly; customs are falling off. On the whole, our tax system has become more progressive since the defense effort started.

Development of major sources of Federal receipts compared with fiscal year 1940

[Indexes, 1940=100]

Source	1940 (actual)	1941 (actual)	1942 (estimated)	1943 (estimated)
Corporate taxes	100	173	328	510
Individual income and estate taxes	100	136	275	405
All employment taxes	100	111	143	209
Excise taxes	100	128	167	184
Miscellaneous receipts	100	[1]70	90	106
Customs duties	100	112	100	85
Gross receipts	100	134	216	300

[1] Excludes return of surplus funds by Government corporations.

DEFICITS UNDER PRESENT LAWS

The estimate of deficits must be tentative and subject to later revision. The probable net outlay of the Budget and Government corporations, excluding revenues from any new taxes, will be 20.9 billion dollars for the current fiscal year, and 45.4 billion dollars for the fiscal year 1943. Borrowing from trust funds will reduce the amounts which must be raised by taxation and borrowing from the public by about 2 billion dollars in the fiscal year 1942 and 2.8 billion dollars in the fiscal year 1943.

Financing of Federal operations, fiscal years 1940–43

[In millions]

Classification	1943 (estimated)	1942 (estimated)	1941 (actual)	1940 (actual)
A. Summary of Federal operations:				
I. Budget deficit under present tax legislation (*see* p. XXI)	$42,440.8	$18,631.8	$5,103.4	$3,611.1
II. Government corporations (net outlays)	2,941.0	2,220.0	[1]1,148.8	200.1
Net outlays of Budget and Government corporations (I+II)	45,381.8	20,851.8	6,2[2]2.2	3,811.2
III. Trust funds:				
Deduct excess of receipts over disbursements under present legislation [2]	2,763.9	2,018.3	1,385.3	1,159.3
Combined net cash requirements (I+II−III)[3]	42,617.9	18,833.5	4,866.9	2,651.9
B. Financing combined net cash requirements:				
By borrowing from the public (net):				
Government issues	34,913.1	19,528.1	4,602.3	1,380.4
Government corporation issues	[4]1,297.8	[4]710.1	972.8	318.7
Subtotal	33,615.3	18,818.0	5,575.1	1,699.1
Under proposed legislation:				
Taxes	7,000.0	----------	----------	----------
Increase in social security trust funds [5]	2,000.0	----------	----------	----------
Total	42,615.3	18,818.0	5,575.1	1,699.1
Adjustment for changes in cash balances during year	2.6	15.5	[4]708.2	952.8
Total, financing	42,617.9	18,833.5	4,866.9	2,651.9

[1] Includes return of surplus funds to the Budget.
[2] Almost all of this excess is invested in Government bonds.
[3] Includes interest accrued on United States savings bonds.
[4] Deduct.
[5] This increase to be invested in Government bonds.

In estimating expenditures and receipts, only a moderate rise in prices has been assumed. Since expenditures are affected by rising prices more rapidly than are revenues, a greater price increase would further increase the deficit.

THE NEED FOR ADDITIONAL TAXES

In view of the tremendous deficits, I reemphasize my request of last year that war expenditures be financed as far as possible by taxation. When so many Americans are contributing all their energies and even their lives to the Nation's great task, I am confident that all Americans will be proud to contribute their utmost in taxes. Until this job is done, until this war is won, we will not talk of burdens.

I believe that 7 billion dollars in additional taxes should be collected during the fiscal year 1943. Under new legislation proposed later in this Message, social security trust funds will increase by 2 billion dollars. Thus new means of financing would provide a total of 9 billion dollars in the fiscal year 1943.

Specific proposals to accomplish this end will be transmitted in the near future. In this Message I shall limit my recommendations on war finance to the broad outline of a program.

Tax programs too often follow the line of least resistance. The present task definitely requires enactment of a well-balanced program which takes account of revenue requirements, equity, and economic necessities.

There are those who suggest that the policy of progressive taxation should be abandoned for the duration of the war because these taxes do not curtail consumers' demand. The emergency does require measures of a restrictive nature which impose sacrifices on all of us. But such sacrifices are themselves the most compelling argument for making progressive taxes more effective. The anti-inflationary aspect of taxation should supplement, not supplant, its revenue and equity aspects.

PROGRESSIVE TAXES

Progressive taxes are the backbone of the Federal tax system. In recent years much progress has been made in perfecting income, estate, gift, and profit taxation but numerous loopholes still exist. Because some taxpayers use them to avoid taxes, other taxpayers must pay more. The higher the tax rates the more urgent it becomes to close the loopholes. Exemptions in estate and gift taxation should be lowered. The privileged treatment given certain types of business in corporate income taxation should be reexamined.

It seems right and just that no further tax-exempt bonds should be issued. We no longer issue United States tax-exempt bonds and it is my personal belief that the income from State, municipal, and authority bonds is taxable under the income-tax amendment to the Constitution. As a matter of equity I recommend legislation to tax all future issues of this character.

Excessive profits undermine unity and should be recaptured. The fact that a corporation had large profits before the defense program started is no reason to exempt them now. Unreasonable profits are not necessary to obtain maximum production and economical management. Under war conditions the country cannot tolerate undue profits.

Our tax laws contain various technical inequities and discriminations. With taxes at wartime levels, it is more urgent than ever to eliminate these defects in our tax system.

ANTI-INFLATIONARY TAXES

I stated last year in the Budget Message that extraordinary tax measures may be needed to "aid in avoiding inflationary price rises which may occur when full capacity is approached." The time for such measures has come. A well-balanced tax program must include measures which combat inflation. Such measures should absorb some of the additional purchasing power of consumers and some of the additional funds which accrue to business from increased consumer spending.

A number of tax measures have been suggested for that purpose, such as income taxes collected at the source, pay-roll taxes, and excise taxes. I urge the Congress to give all these proposals careful consideration. Any tax is better than an uncontrolled price rise.

Taxes of an anti-inflationary character at excessive rates spell hardship in individual cases and may have undesirable economic repercussions. These can be mitigated by timely adoption of a variety of measures, each involving a moderate rate of taxation.

Any such tax should be considered an emergency measure. It may help combat inflation; its repeal in a post-war period may help restore an increased flow of consumers' purchasing power.

Excise taxes.—All through the years of the depression I opposed general excise and sales taxes and I am as convinced as ever that they have no permanent place in the Federal tax system. In the face of the present financial and economic situation, however, we may later be compelled to reconsider the temporary necessity of such measures.

Selective excise taxes are frequently useful for curtailing the demand for consumers' goods, especially luxuries and semiluxuries. They should be utilized when manufacture of the products competes with the war effort.

Pay-roll taxes and the social-security program.—I oppose the use of pay-roll taxes as a measure of war finance unless the worker is given his full money's worth in increased social security. From the inception of the social-security program in 1935 it has been planned to increase the number of persons covered and to provide protection against hazards not initially included. By expanding the program now, we advance the organic development of our social security system and at the same time contribute to the anti-inflationary program.

I recommend an increase in the coverage of old-age and survivors' insurance, addition of permanent and temporary disability payments and hospitalization payments beyond the present benefit programs, and liberalization and expansion of unemployment compensation in a uniform national system. I suggest that collection of additional contributions be started as soon as possible, to be followed 1 year later by the operation of the new benefit plans.

Additional employer and employee contributions will cover increased disbursements over a long period of time. Increased contributions would result in reserves of several billion dollars for post-war contingencies. The present accumulation of these contributions would absorb excess purchasing power. Investment of the additional reserves in bonds of the United States Government would assist in financing the war.

The existing administrative machinery for collecting pay-roll taxes can function immediately. For this reason congressional consideration might be given to immediate enactment of this proposal, while other necessary measures are being perfected.

I estimate that the social-security trust funds would be increased through the proposed legislation by 2 billion dollars during the fiscal year 1943.

FLEXIBILITY IN THE TAX SYSTEM

Our fiscal situation makes imperative the greatest possible flexibility in our tax system. The Congress should consider the desirability of tax legislation which makes possible quick adjustment in the timing of tax rates and collections during an emergency period.

BORROWING AND THE MENACE OF INFLATION

The war program requires not only substantially increased taxes but also greatly increased borrowing. After adjusting for additional tax collections and additional accumulation in social security trust funds, borrowing from the public in the current and the next fiscal year would be nearly 19 billion dollars and 34 billion dollars, respectively. The adjustments are indicated in the preceding table.

Much smaller deficits during the fiscal year 1941 were associated with a considerable increase in prices. Part of this increase was a recovery from depression lows. A moderate price rise, accompanied by an adjustment of wage rates, probably facilitated the increase in production and the defense effort. Another part of the price rise, however, was undesirable and must be attributed to the delays in enacting adequate measures of price control.

With expenditures and deficits multiplied, the threat of inflation will apparently be much greater. There is, however, a significant difference between conditions as they were in the fiscal year 1941 and those prevailing under a full war program. Last year, defense expenditures so stimulated private capital outlays that intensified use of private funds and private credit added to the inflationary pressure created by public spending.

Under a full war program, however, most of the increase in expenditures will replace private capital outlays rather than add to them. Allocations and priorities, necessitated by shortages of material, are now in operation; they curtail private outlays for consumers' durable goods, private and public construction, expansion and even replacements in nondefense plant and equipment. These drastic curtailments of nondefense expenditures add, therefore, to the private

funds available for noninflationary financing of the Government deficit.

This factor will contribute substantially to financing the tremendous war effort without disruptive price rises and without necessitating a departure from our low-interest-rate policy. The remaining inflationary pressure will be large but manageable. It will be within our power to control it if we adopt a comprehensive program of additional anti-inflationary measures.

A COMPREHENSIVE ANTI-INFLATIONARY PROGRAM

A great variety of measures is necessary in order to shift labor, materials, and facilities from the production of civilian articles to the production of weapons and other war supplies. Taxes can aid in speeding these shifts by cutting nonessential civilian spending. Our resources are such that even with the projected huge war expenditures we can maintain a standard of living more than adequate to support the health and productivity of our people. But we must forego many conveniences and luxuries.

The system of allocations—rationing on the business level—should be extended and made fully effective, especially with relation to inventory control.

I do not at present propose general consumer ration cards. There are not as yet scarcities in the necessities of life which make such a step imperative. Consumers' rationing has been introduced, however, in specific commodities for which scarcities have developed. We shall profit by this experience if a more general system of rationing ever becomes necessary.

I appeal for the voluntary cooperation of the consumer in our national effort. Restraint in consumption, especially of scarce products, may make necessary fewer compulsory measures. Hoarding should be encouraged in only one field, that of defense savings bonds. Economies in consumption and the purchase of defense savings bonds will facilitate financing war costs and the shift from a peace to a war economy.

An integrated program, including direct price controls, a flexible tax policy, allocations, rationing, and credit controls, together with producers' and consumers' cooperation will enable us to finance the war effort without danger of inflation. This is a difficult task. But it must be done and it can be done.

THE INCREASE IN THE FEDERAL DEBT

On the basis of tentative Budget estimates, including new taxes, the Federal debt will increase from 43 billion dollars in June 1940, when the defense program began, to 110 billion dollars 3 years later. This increase in Federal indebtedness covers also the future capital demands of Government corporations. About 2 billion dollars of this increase will result from the redemption of notes of Government corporations guaranteed by the Federal Government.

These debt levels require an increase in the annual interest from 1 billion dollars in 1940 to above 2.5 billion dollars at the end of fiscal year 1943. Such an increase in interest requirements will prevent us for some time after the war from lowering taxes to the extent otherwise possible. The import of this fact will depend greatly on economic conditions in the post-war period.

Paying 2.5 billion dollars out of an extremely low national income would impose an excessive burden on taxpayers while the same payment out of a 100-billion-dollar national income, after reduction of armament expenditures, may still permit substantial tax reductions in the post-war period.

If we contract a heavy debt at relatively high prices and must pay service charges in a period of deflated prices, we shall be forced to impose excessive taxes. Our capacity to carry a large debt in a post-war period without undue hardship depends mainly on our ability to maintain a high level of employment and income.

I am confident that by prompt action we shall control the price development now and that we shall prevent the recurrence of a deep depression in the post-war period. There need be no fiscal barriers to our war effort and to victory.

FRANKLIN D. ROOSEVELT.

JANUARY 5, 1942.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE SECRETARY OF THE TREASURY

A letter from the Secretary of the Treasury, transmitting, pursuant to law, his report on the state of the finances for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on Finance.

REPORT OF UNITED STATES EMPLOYEES' COMPENSATION COMMISSION

A letter from the Secretary of the United States Employees' Compensation Commission, transmitting, pursuant to law, the annual report of the Commission for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on Education and Labor.

DISPOSITION OF EXECUTIVE PAPERS

Nine letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Departments of the Treasury, Justice, War, Agriculture, and Commerce; the Government Printing Office, Social Security Board of the Federal Security Agency, Public Roads Administration of the Federal Works Agency, and the Administrative Office of the United States Courts, which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIAL

Petitions, etc., were laid before the Senate or presented and referred as indicated:

By the VICE PRESIDENT:

A letter in the nature of a petition from J. J. Murphy, Meldrum plant chairman, Amalgamated Local, No. 212, United Automobile Workers of America, Congress of Industrial Organizations, of Detroit, Mich., praying that measures be adopted for the relief of unemployed automobile workers and additional funds be appropriated for unemployment compensation during the present emergency; to the Committee on Appropriations.

A telegram in the nature of a petition from H. W. Denton, president, Atlanta Industrial Union Council, Atlanta, Ga., praying that measures be taken for the relief of unemployed automobile workers such as a moratorium on debts, increase in unemployment-compensation benefits, etc.; to the Committee on Finance.

By Mr. BUTLER:

A resolution of Townsend Club No. 2, of Lincoln, Nebr., pledging support to the Government in the war; to the Committee on Military Affairs.

By Mr. TYDINGS:

The petition of the Society of Colonial Wars, in the State of Maryland, praying for the enactment of legislation to forbid strikes in industries engaged, directly or indirectly, in defense work; to the Committee on Education and Labor.

A resolution by the board of governors of the Automobile Club of Maryland, opposing as inequitable the $5 annual Federal use tax on motor vehicles; to the Committee on Finance.

ANNUAL ADDRESS OF THE PRESIDENT

Mr. GREEN presented a resolution of the House of Representatives of the State of Rhode Island relative to the annual address of the President of the United States to the Congress, which was ordered to lie on the table and to be printed in the RECORD, as follows:

Resolved, That the members of the house of representatives now express to the President of the United States sincere congratulations upon his inspirational address at the opening of Congress this day with an expression of confidence that his prediction of things to come is as accurate as his predictions a year ago; and be it further

Resolved, That the secretary of state be hereby authorized to transmit a copy of this resolution to the President of the United States.

PRICE CEILINGS ON NEW AND USED CARS

Mr. CAPPER. Mr. President, I present for appropriate disposition and ask unanimous consent to have printed in the RECORD telegrams from a number of motorcar dealers in Kansas urging that price ceilings on new and used cars be made liberal. They are typical of many appeals I have received by mail and telegraph from other automobile dealers in Kansas.

There being no objection, the telegrams were ordered to lie on the table and to be printed in the RECORD, as follows:

EL DORADO, KANS., *January 6, 1942.*

Hon. ARTHUR CAPPER,
United States Senate,
Washington, D. C.:

We heartily approve of recent order forbidding the sale of new cars. However, suggest that unless liberal new-car and used-car ceilings are established the fate of all automobile dealers will be disastrous. We also believe only fair that any units purchased or requisitioned by the Government be at list price, with no discount. Officials and employees of our firm will greatly appreciate your support of this request.

Sincerely,

H. A. ANGLE and V. L. ANGLE,
Angle Motor Co.

NEWTON, KANS., *January 5, 1942.*

Senator ARTHUR CAPPER,
Washington, D. C.:

Respectfully urge earnest consideration be given to permitting automobile dealers to

deliver new cars to those permitted to buy under rationing arrangements at retail profit and that Government purchases be at retail price. Rationing tire stock has taken away substantial income from dealership and conserving tires will reduce service income. A ceiling on price which would make it impossible to realize a legitimate profit on used cars would be very hard on us. Will be very difficult to stay in business with present outlook. More restrictions may force us to close, throwing our 27 employees out of work.

McMILLIAN MOTOR CO.

WICHITA, KANS., *January 5, 1942.*

Senator ARTHUR CAPPER:

Necessity of freezing new cars and trucks appreciated. Rationing of cars will prolong sales, increasing expenses. Scarcity of rubber will reduce service-department income. These facts justify new-car ceilings, if any, at present, or recent retail prices and very liberal used-car ceilings, if any. Also important and fair that any units purchased or requisitioned by Government be bought at ceiling prices, with no discounts, and all distribution through dealers. We urge your support.

LEE J. HOBBS CHEVROLET CO.

WICHITA, KANS., *January 5, 1942.*

Senator ARTHUR CAPPER,

Washington, D. C.:

As retail automobile dealer, wish to help national-defense program every way possible, and know that freezing order on new cars a defense necessity. However, feel that price ceilings on used and new cars should be very liberal, especially used cars. Also feel that under terrific sacrifices that retail dealers' organizations are making that anything we have left to sell, new or used, should be sold at full retail price, even if bought back from us by Government. No single retail business is as hard hit as ours. Your efforts in our behalf will be greatly appreciated.

J. ARCH BUTTS,
Oldsmobile, Cadillac.
JOHN H. BUTTS,
Buick.

RESOLUTION OF TORRINGTON (CONN.) BRASS WORKERS UNION—SUPPORT IN THE WAR

Mr. MALONEY. Mr. President, I offer for the attention of the Senate and appropriate reference a letter signed by John Cartenuti, president, and William P. Lanko, secretary, the Torrington Brass Workers Union, Torrington, Conn., together with a resolution adopted by the members of that organization pledging their wholehearted and unconditional cooperation for the successful termination of the present conflict.

The VICE PRESIDENT. Without objection, the letter and resolution will be received and referred to the Committee on Military Affairs.

RESOLUTION OF TOWN COUNCIL OF EAST HARTFORD, CONN.—SUPPORT IN THE WAR

Mr. MALONEY. Mr. President, I also offer for the attention of the Senate and appropriate reference a letter from Hon. Paul E. Britt, council president, East Hartford, Conn., containing a resolution adopted by the Town Council of East Hartford, Conn., in which the officials of that community pledge the town's full support to the President and the Government of the United States in the great war effort.

The VICE PRESIDENT. Without objection, the letter embodying a resolution will be received and referred to the Committee on Military Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOWNEY, from the Committee on Military Affairs:

S. 2152. A bill to provide for the planting of 45,000 acres of guayule in order to make available a domestic source of crude rubber for emergency and defense uses; with amendments (Rept. No. 935).

By Mr. McCARRAN, from the Committee on the District of Columbia:

H. R. 5591. A bill to amend the District of Columbia Revenue Act of 1939, and for other purposes; with amendments (Rept. No. 936).

By Mr. WHEELER:

From the Committee on Indian Affairs:

S. 1869. A bill for the relief of certain claimants against the United States who suffered property losses as a result of the failure of the Big Porcupine Dam on the Fort Peck project, Montana; with an amendment (Rept. No. 937).

From the Committee on Interstate Commerce:

H. R. 6263. A bill to amend section 606 of the Communications Act of 1934 for the purpose of granting to the President, in time of war or threatened war, certain powers with respect to communications by wire; without amendment (Rept. No. 945).

By Mr. WALSH, from the Committee on Naval Affairs; without amendment:

S. 2089. A bill to authorize the transfer of the custody of a portion of the Croatan National Forest, N. C., from the Department of Agriculture to the Department of the Navy (Rept. No. 938);

S. 2095. A bill to further amend the act approved June 23, 1938 (52 Stat. 944), as amended (Rept. No. 939);

S 2097. A bill to authorize the Secretary of the Navy to grant to the board of trustees, school district No. 20, Charleston County, S. C, a parcel of land situated in the city of Charleston, S. C. (Rept. No. 940);

S. 2139. A bill to provide for performance of the duties of chiefs of bureau and the Judge Advocate General in the Navy Department, and the Major General Commandant of the Marine Corps, and for other purposes (Rept. No. 941);

S. 2153. A bill authorizing appropriations for the United States Navy, additional shipbuilding and ship repair facilities, and for other purposes (Rept. No. 942);

S. 2169. A bill to create the Limited Service Marine Corps Reserve, and for other purposes (Rept. No. 943); and

H. R. 5135. A bill to appoint Capt. Porter M. Hoidale, United States Marine Corps, a lieutenant, senior grade, in the United States Navy Medical Corps (Rept. No. 944).

By Mr. GEORGE, from the Committee on Foreign Relations:

S. J. Res. 96. Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute, with an amendment (Rept. No. 946).

By Mr. CONNALLY, from the Committee on Foreign Relations:

S. J Res. 124. Joint resolution to maintain the secrecy of military information, without amendment (Rept. No. 947).

INVESTIGATION OF RAILROADS, HOLDING COMPANIES, AND AFFILIATED COMPANIES

Mr. WHEELER (for himself and Mr. TRUMAN), from the Committee on Interstate Commerce, submitted additional reports, pursuant to Senate Resolution 71, Seventy-fourth Congress, authorizing an investigation of interstate railroads and affiliates with respect to financing, reorganization, mergers, and certain other matters, embracing a study in holding-company financing and the Van Sweringen corporate system, which were ordered to be printed as parts 3 and 4 of Report No. 714.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BROWN:

S. 2175. A bill for the relief of Bibiano L. Meer; to the Committee on Claims.

By Mr. DAVIS:

S. 2176. A bill for the relief of the heirs of John J. Shields; to the Committee on Claims.

By Mr. HOLMAN:

S. 2177. A bill to consolidate the function of furnishing legal advice to Government agencies in the Department of Justice; to the Committee on the Judiciary.

By Mr. ROSIER:

S. 2178. A bill relating to the compensation of Clarence W. Thompson for services as a rural mail carrier; and

S. 2179. A bill to amend the act of June 25, 1934, with respect to the salary of certain rural mail carriers who have left the service and subsequently been reinstated; to the Committee on Post Offices and Post Roads.

By Mr. REYNOLDS:

S. 2180. A bill to provide for the continuation of Government life insurance of aviation cadets subsequent to their being commissioned and for the continuation of such insurance of enlisted pilots, and for other purposes; to the Committee on Finance.

By Mr. THOMAS of Oklahoma:

S. 2181. A bill authorizing the President to appoint and retire Pierre Numa Charbonnet as a captain; to the Committee on Military Affairs.

DECENTRALIZATION OF GOVERNMENT AGENCIES—OFFICE OF INDIAN AFFAIRS

Mr. LEE. Mr. President, I ask consent to introduce at this time the joint resolution to which I referred the first day of the session, which calls for moving the Indian Office to the State of Oklahoma, where reside almost one-third of the Indian population of the United States. I ask that the joint resolution be referred to the Committee on Indian Affairs.

The VICE PRESIDENT. Without objection, the joint resolution will be received and referred as requested by the Senator from Oklahoma.

The joint resolution (S. J. Res. 127) to provide that the Office of Indian Affairs shall be moved to the State of Oklahoma, in the event it is moved from Washington, was read twice by its title and referred to the Committee on Indian Affairs.

CIVIL SERVICE RETIREMENT—AMENDMENTS

Mr. GEORGE submitted several amendments intended to be proposed by him to the bill (H. R. 3487) to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended, which were ordered to lie on the table and to be printed.

AMENDMENTS TO PRICE-CONTROL BILL

Mr. LA FOLLETTE and Mr. THOMAS of Oklahoma each submitted an amendment and Mr. OVERTON submitted two amendments intended to be proposed by them, respectively, to the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and

inflationary tendencies, and for other purposes, which were severally ordered to lie on the table and to be printed.

COMMITTEE SERVICE

On motion of Mr. McNARY, and by unanimous consent, it was

Ordered, That the Senator from Colorado [Mr. MILLIKIN] be assigned to service on the Committees on Indian Affairs, Irrigation and Reclamation, Manufactures, and Post Offices and Post Roads.

ADDRESS BY GENERAL HERSHEY ON SELECTIVE SERVICE IN TOTAL WAR

[Mr. LEE asked and obtained leave to have printed in the RECORD a radio address on the subject Selective Service in Total War delivered by Brig. Gen. Lewis B. Hershey, Director of the Selective Service System, on January 5, 1942, which appears in the Appendix.]

ADDRESS BY FORMER SENATOR NEELY ON BALLOTS AND BAYONETS

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an address delivered in the House of Representatives on September 23, 1918, by former Senator M. M. Neely on the subject Ballots and Bayonets, which appears in the Appendix.]

PRICE CONTROL

The Senate resumed the consideration of the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes.

Mr. BROWN. Mr. President, I shall undertake to outline, first, the underlying conditions requiring the enactment of a price-control bill. Secondly, I shall tell in a general way what the bill now pending will do to correct or alleviate the conditions, and then I shall give a statement of the contents of the various sections in the bill.

I shall be happy to yield at any time, but I think we could make greater progress if I made my general statement about underlying conditions, which should not take more than 15 minutes, and stated the general purposes of the bill, without interruption. Then, when we come to the section-by-section analysis of the bill, I shall be very glad to yield. However, if any Senator feels that he wants to ask a question during my preliminary statement, I shall be glad to endeavor to answer.

Price control is necessary, in the condition we face today, because the law of supply and demand does not operate to maintain a fair equilibrium of prices. The law of supply and demand breaks down because of the enormous demand for war materials and the enormous sums we must spend to get them. Of course, the term "war materials" covers almost every commodity of which we can think. It covers oil, iron, and steel; in fact, all the various metals and a multitude of other commodities. It also includes practically all food products.

Because of the present enormous demand for commodities of all kinds, we have a situation in which the supply is insufficient to satisfy the ordinary civilian demand. We try to curtail civilian demand by various methods. One of the methods we hear so much about today is the purchase of so-called baby bonds. By taking the savings of the people for that purpose, we immobilize purchasing power until after the war period. These bonds run for 10 years. This method is effective, therefore, because it reduces the purchasing power of wage earners, of salaried people, and of all others who purchase the bonds.

Moreover, it postpones that purchasing power to the post-war period, when it will be necessary to stimulate the demand for goods. For at that time we may be confronted with a great deal of unemployment because of the returning soldiers and sailors, and because of the cessation of war expenditures. That conclusion is based not only upon the experience of the last war, but of all great contests of that kind.

We must, of course, reduce the production of automobiles, refrigerators, and all the other manufactured goods which would otherwise consume the raw materials which go into the production of tanks, airplanes, and other implements of war. We are doing that. That also helps in the price situation, because it reduces the demand for the raw materials which go to make up the necessary supplies for war.

Thus when the demand exceeds the available supply, we enter into a period of rising prices, if prices are uncontrolled. I may say that every expert witness who appeared before us pointed out that the fundamental economic law of demand and supply will, of course, continue greatly to affect the situation. There is nothing in the bill that will tell a farmer that he has to raise certain commodities, so that unless the price is so established as to make it attractive to the farmer, or to the producer of any other kind of goods, to produce those goods, we will not get them.

One of the fundamental things in the bill, one of the premises upon which it is based, is that it should aid in increasing the productive capacity of industry and agriculture in the United States. That must be done.

I think I could not better express it—in fact, I cannot express it as well as did ex-President Hoover, who was in charge of food prices during the first World War. In his testimony before our committee he said this:

> I wish to state at once that I agree wholly with the general objectives of this bill. Price controls are absolutely imperative to win the war; to lessen suffering of our people during the war; to take profits out of the war; they serve to protect the social and economic system as much as possible from destructive aftermaths of the war. But the problem now becomes much wider than price alone.
>
> So far as price control is concerned, obviously when we abstract commodities from civil consumption for military use, and at the same time increase civilian buying power by war expenditures, we are going to create shortages, and when we finance, as we must, some part of the war by inflationary methods, we are creating double pressures toward price increase. Mr. Henderson has pointed out that it is impossible to stay all price rise, and there will be increased cost of living, no matter what brakes are put on, and that wages will move with the increased costs of living.

From my experience in listening to a great number of witnesses and from my general knowledge of the subject, I fully agree with what ex-President Hoover, the food administrator during the World War period, said in that statement.

Those are the basic reasons why price control is necessary. In general, therefore, it is necessary because the ordinary limitations which are placed upon high prices—the increase in supply and the reduction of demand—are largely inoperative. In time of war demand is not reduced by high prices; we must have weapons. Except in the natural monopoly field, electric light rates, railroad rates, and matters of that kind, we can generally rely in ordinary times upon that law of supply and demand reasonably to control price conditions. That is not true in time of war.

Briefly to summarize this part of my statement, let me say that when we have this extraordinary demand, accentuated and increased by the failure of productive power in England, in Russia, in other parts of Europe, and in other parts of the world affected directly by military operations, we can see that in the United States the demand will be—is already—so tremendous that without price controls we are bound to have a scarcity that would cause a tremendous rise in prices.

From September 1, 1939, when Germany assaulted Poland, the time of the outbreak of the present war, the B. L. S. index of basic commodities has advanced 57 percent. The frightening thing is that the greater part of that price increase has taken place in the last 9 months, since approximately April of 1941.

The greatest effect of that 57 percent rise is upon the greatest consumer in the world today, the Government of the United States. It is estimated by Mr. Baruch that of a total expenditure of $31,000,000,000 in the World War, 1917–19, inflationary price rises cost us more than $13,000,000,000. In other words, if we had been able to maintain price stability throughout World War No. 1, instead of the war costing us $31,000,000,000, it would have cost us $18,000,000,000.

Price rises in the present program have already cost us more than $2,000,000,000 on the basis of expenditures of only about $11,000,000,000. Mr. Henderson told us that even if no further increases occur, the program of $67,000,000,000—as it was estimated on December 7—will cost us about $81,000,000,000. In other words, existing price increases have cost the Government $13,500,000,000 on the basis of our original pre-war program. That was what inflation cost us last time. And if prices continue to increase at the rate they had increased up to December 7, Mr. Henderson estimated that it would cost us an extra $31,000,000,000. That was the entire cost of World War No. 1.

When one realizes that undoubtedly the debt limit will go to $100,000,000,000 or beyond, and when one considers the expenditures which will be caused by the great increase which the President called for in his memorable message of yesterday, one can see that the figures I have given will be not only modest but totally inadequate. We shall have a much greater and accelerating price rise, and we shall have a much greater base of total expenditures than the $67,000,000,-

000 estimated before December 7 last. Therefore the chief sufferer would be the Government of the United States, which is the greatest consumer of all.

In the hearings are placed various charts which fully and graphically illustrate the figures which I have given. The effect on consumers in the United States—and, after all is said and done, this is fundamentally a consumers' bill—will, of course, be similar to the effect upon the Government of the United States. Thus, not only the cost of governmental expenditures but the additional direct cost to our consumers will be placed upon the American public. Therefore it is most highly desirable that we should strike at the danger which confronts us today and prevent uncontrolled price rises by fixing prices, through a single constituted over-all authority, so that enormous profits will not be obtained, as they were obtained during the last war, and enormous dislocations avoided.

In the Finance Committee we worked with all the ingenuity we possessed and with all the advice we could obtain from experts in the Treasury Department and others; and yet no one feels that we have prevented by taxation the piling up of considerable profits by great corporations. It will be seen from a recent publication of the National City Bank, of New York, which I used to a considerable extent in a statement which I made some months ago, that industrial profits have risen tremendously. We have not reached them by the present tax law, and I doubt whether we could effectively reach them all by any tax measure which could be designed and enacted into law by the governmental authority of the United States. But if we can strike at the matter of exorbitant prices, if we can give an effective over-all control of prices to a hard-boiled, hard-hitting, unafraid price administrator, we can do more, I think, than we could do by any tax bill we could write in preventing inordinate profits from the war.

I think I have covered the underlying and general conditions which require price fixing. These are succinctly set forth in the President's message of July 30. Compared with other nations, and looking at their experience, every important economic power in the world has had to enact price-fixing legislation. It was done in England, Germany, France, and the United States in the World War. It has already been done in England, in Canada, in Germany, and in the other great nations during the present war.

So far the Price Administrator has operated without direct legal authority. Some indirect authority is given him under the priorities and requisitioning laws, but the greater amount of control has been accomplished through voluntary cooperation on the part of business after consultation with the Price Administrator, and through the general power which he has exercised, supported by public opinion. That control has been reasonably effective.

During the World War the control was very effective. If we examine the charts in the earlier part of the Senate hearings—I think they are contained in the first 8 or 10 pages—it will be seen that when the controls were exercised by Mr. Hoover and the War Industries Board during the World War they were very effective. With respect to the controls exercised by Mr. Henderson so far, it will be seen that whereas the line of general prices has gone up sharply, the line representing the prices of commodities of which he has control has maintained a fairly reasonable level.

Based upon the experience in the World War, which is graphically set forth in the charts, the first month or so after the United States entered the World War—in April of 1917—prices maintained a slightly rising tendency, but after the first months or so—corresponding to the point where we now are—the graph goes up very sharply. Controls were exercised on food, fuel, and the basic war materials. Thereafter a markedly beneficial general effect occurred. So it seems to those who have studied the subject that if we now exercise similar controls and give a strong weapon to the Price Administrator we can prevent any enormous rise.

I now proceed to a brief general statement of what the bill proposes. When I shall have finished with that—which I think will be within 10 minutes or thereabouts—I shall make a textual explanation of the bill, and I shall be very glad to have questions as to the various sections when that time comes.

The bill, if enacted into law, would, in general, do the following:

It would establish as a base date prices for commodities as of the period from October 1 to October 15, 1941. Let me repeat that in a slightly different way, because it is one of the fundamental things in the bill. It is the standard that is laid down, and one of the principal guides to and limitations upon the Price Administrator. In general, the bill would endeavor to hold the general level of prices to the level which existed during the period from October 1 to October 15, 1941. Just why that particular period was selected is difficult to explain. I think it was just before the bill was considered in the House of Representatives, very late in the hearings before the House Committee on Banking and Currency. It is considered by the experts to be a reasonably good period, although prices had risen considerably up to that time.

The bill, if enacted into law, would leave untouched and unregulated prices within the jurisdiction of the Price Administrator if they remain at or below the level of prices during the period from October 1 to October 15, 1941. With respect to agricultural commodities—and, according to the newspapers, they represent the principal controversy about which this battle will rage in the next 2 or 3 days—we have adopted certain additional limitations upon the standards to which I have referred.

It is the judgment of those in the administration who are charged with responsibility in this tremendous problem, and I think I am safe in saying that it is the judgment of the House Committee on Banking and Currency, the subcommittee of the Senate committee, and the full committee, that this is not a bill which can or should be used for a readjustment of the economic relationships between different classifications of earners and producers in the United States.

A very strong argument was made to our committee by those who contended that agriculture had long been submerged much below parity prices, and that to be fair to agriculture we ought to come up to 180 percent of parity for agricultural prices, or to some other figure. Such a reform may at some time be necessary. I am not enough of a student of the problem to know whether it is just that we should so do or not; and I did not think that the Committee on Banking and Currency, having this immediate and emergent problem before it, was the proper body to determine the question of the relationships among producers of agricultural commodities, producers of manufactured commodities, and other producers. Nor did I think it was a time when we could readjust the relationships among the incomes of the salaried class, the wage-earning class, the professional class, and incomes of other persons. We had to adopt some standard. We said, in agreement with the House committee, that the best thing to do was to say that the October 1-15 period would be adopted as the proper period to use in determining the relationship among prices of commodities produced by different classes of producers.

But with respect to agricultural commodities—spurred somewhat by the fighting ability of the Senator from Alabama [Mr. BANKHEAD], and with some reluctance on the part of many of us in the committee—we decided that we would place a limitation upon the power of the Price Administrator to fix agricultural prices, moved, I say, greatly by the contention that agriculture had been below the parity-price level for some time.

The attitude of the administration was at first that the relationship and the floor for agricultural prices should be fixed at 110 percent of parity. I may say that at the time of the hearings—approximately December 10—agricultural products were, on the average, 95 percent of parity. At the present time they are almost at parity—99 percent of parity. We decided that we would refuse to give the Price Administrator authority to fix the floor on agricultural prices below 110 percent of parity. Frankly, as I shall say later, I thought that was all that the reasonably minded agricultural organizations wanted; and I have good authority for that statement. I thought that was all that the Senator from Alabama [Mr. BANKHEAD] wanted.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BANKHEAD. The Senator well knows that in the subcommittee and in the full committee I gave notice contrary to that statement.

Mr. BROWN. The Senator from Alabama and I may discuss that matter more fully when he comes to his amendment.

Mr. BANKHEAD. I refer to the statement of the Senator from Michigan about my attitude.

Mr. BROWN. I was under the general impression, and I so stated it many times, that that was going as far as we in the committee ought to go, under all the circumstances. But we went further. We also provided that if the price of any agricultural commodity on October 1, 1941, was higher than 110 percent of parity, the Price Administrator could not fix the price of any particular commodity below the price on October 1, 1941. The parity about which I am talking is the 1909–14 figure.

So I make the statement that with respect to agricultural commodities they will be unaffected by this bill until they reach 110 percent of parity, or the October 1, 1941, price of any particular commodity, whichever floor is higher. Upon reaching that point, if, in the language of the statute, prices threaten to go higher, the Administrator may fix a maximum price or a ceiling upon that commodity which must not be less than 110 percent of parity or less than the market price of the commodity on October 1, 1941.

Now, let us see what that does with respect to particular commodities in which Senators and the country may be interested.

On page 133 of the hearings is a table; but I have a new table, which I ask unanimous consent to have inserted in the RECORD at this point, Mr. President.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Prices of selected agricultural commodities

Commodity and unit	Actual price, Dec. 15, 1941	Parity price, Dec. 15, 1941	Price ceilings under House bill[1]			Percent actual price of parity, Dec. 15, 1941
			110 percent of parity price, Dec. 15, 1941	Approximate price as of Oct. 1, 1941	Average price, July 1919–June 1929	
Rice, per bushel ..... cents	143.9	117.1	128.8	.....	.....	122.9
Wheat, per bushel ..... do	102.2	127.3	*140.0*	93.4	132.5	80.3
Corn, per bushel ..... do	66.9	92.4	*101.6*	67.8	88.9	72.4
Oats, per bushel ..... do	45.2	57.5	*63.2*	39.4	47.4	78.6
Barley, per bushel ..... do	56.1	89.1	*98.0*	50.5	69.3	63.0
Rye, per bushel ..... do	57.8	103.7	*114.1*	54.3	94.7	55.7
Buckwheat, per bushel ..... do	64.9	105.1	*115.6*	.....	105.6	61.8
Flaxseed, per bushel ..... dollars	1.78	2.43	*2.67*	1.74	2.34	73.3
Cotton, per pound ..... cents	16.23	17.86	19.65	17.04	*21.4*	90.9
Cottonseed, per ton ..... dollars	44.65	32.47	35.71	*50.36*	34.44	137.5
Potatoes, per bushel ..... cents	82.7	101.3	111.4	65.8	*125.0*	81.6
Sweetpotatoes, per bushel ..... do	86.6	126.4	*139.0*	90.2	136.2	68.5
Hay, per ton ..... dollars	9.43	17.09	*18.80*	8.14	13.53	55.2
Peanuts, per pound ..... cents	4.79	6.9	*7.6*	4.45	5.83	69.4
Apples, per bushel ..... dollars	1.09	1.38	*1.52*	.86	1.46	79.0
Hogs, per 100 pounds ..... do	10.21	10.40	*11.44*	10.59	9.77	98.2
Beef cattle, per 100 pounds ..... do	9.38	7.50	8.25	*9.27*	6.87	125.1
Veal calves, per 100 pounds ..... do	11.22	9.72	10.69	*11.20*	9.65	115.4
Lambs, per 100 pounds ..... do	9.86	8.45	9.30	9.75	*10.98*	116.7
Butterfat, per pound ..... cents	36.0	41.4	*45.5*	37.1	44.0	87.0
Chickens, live, per pound ..... do	15.8	16.4	18.0	16.2	*21.4*	96.3
Turkeys, live, per pound ..... do	20.9	20.7	22.8	18.2	*28.8*	101.0
Eggs, per dozen ..... do	34.1	38.4	*42.2*	31.1	33.2	88.8
Wool, per pound ..... do	37.1	26.4	29.0	36.3	34.1	140.5
Beans, per 100 pounds ..... dollars	4.93	4.85	5.34	.....	.....	101.6

[1] Highest ceiling in italics.

Source: U. S. Department of Agriculture.

Mr. BROWN. The table to which I have just referred shows the commodity prices on wheat as of December 15, 1941, which is a little later than the date fixed in the table contained in the hearings. The actual price of wheat—and these statistics are from the United States Department of Agriculture—on December 15, 1941, was $1.02\frac{2}{10}$; 110 percent of parity is $1.40. The price as of October 1, 1941, was 93 cents. Therefore, on wheat the Administrator could do nothing at the present time. He could not, under the bill, establish any maximum price until wheat had reached $1.40 per bushel. Then he could fix a ceiling beyond which it could not go.

The question is, How high could he go? Under the standard set forth in the bill—necessity of production, extraordinary conditions—he is not bound by the October 1–15 base period, but he might let the price go as high as $2 a bushel. Thus, if in the judgment of the Administrator, increased production is necessary and can be secured only through higher prices, he may depart from the base-date price. Furthermore, it must be remembered that 110 percent of parity is not a fixed and absolute figure but is a comparative figure. Parity may rise considerably over the $1.40 limitation which is written in the bill.

At this point, Mr. President, I should like to have set forth a definition of parity which we have prepared for inclusion in the RECORD.

There being no objection, the definition was ordered to be printed in the RECORD, as follows:

PARITY PRICE

The term "parity price" pertains to the relationship between the prices of the goods a farmer sells and the prices of the goods he buys. The term is always used with reference to the relationship which prevailed in a base period. That is, if farmers sell a bushel of wheat for the same price as prevailed in the base period but have to pay more for a given quantity of the goods they buy, the price of wheat is said to be below parity. In order for the price of wheat, or any other agricultural product, to be at parity the price of that product must have increased or decreased as much as the prices of the goods farmers buy have increased or decreased. In short, the parity price of any agricultural commodity is the amount of money farmers would have to receive for a unit of that commodity in order to be able to buy as much goods for that amount of money as they could in the base period.

In the various laws passed by Congress which relate to parity[1] the base period for most agricultural products is given as the period August 1909 to July 1914. The measure of parity which is used is an index of the prices paid by farmers. The index for any given date is simply the ratio of the average price paid on that date by farmers for a selected group of commodities to the average price of the same group of commodities in the base period. In December 1941 for example, the index was reported at 145; that is, farmers were paying 45 percent more than in the base period. The parity price for an agricultural product for December 1941 is then 1.45 times the average price received by farmers for that product in the base period.

In the case of wheat, for example, farmers received an average of 88.4 cents per bushel in the base period August 1909 to July 1914. The December 1941 parity price for wheat is then 88.4 cents times 1.45 or 128.2 cents per bushel. It should be noted that the parity price is not a constant but varies with the index of prices paid by farmers. If, for example, by February 1942 this index should have increased to 150, the parity price for wheat in that month would be 88.4 cents times 1.50 or 132.6 cents per bushel.

LEGISLATION RELATING TO PARITY

Agricultural Adjustment Act of 1933, as amended.

The Soil Conservation and Domestic Allotment Act, as amended.

The Agricultural Marketing Agreement Act of 1937, as amended.

The Agricultural Adjustment Act of 1938, as amended.

The Price Adjustment Act of 1938.

Appropriation for "parity payments" in Department of Agriculture Appropriation Act for fiscal year ending June 30, 1940 (Public Law No. 159, 76th Cong., approved June 30, 1939, 53 Stat. 974).

Appropriation for parity payments in Department of Agriculture Appropriation Act for fiscal year ending June 30, 1941 (Public Law No. 658; 76th Cong., 54 Stat. 561).

[1] A list of such laws are included.

Appropriation for parity payments in Department of Agriculture Appropriation Act for fiscal year ending June 30, 1942 (Public Law No. 144; 77th Cong., approved July 1, 1941).

Public Law No. 147, Seventy-seventh Congress, approved July 1, 1941.

Mr. BROWN. On corn the actual price as of December 15 was 66.9 cents per bushel. The 110-percent parity price is $1.016. What I said regarding wheat applies equally to corn. In the bill the October 1 limitation on corn is 67 cents. Therefore the 110-percent figure, being the greater limitation, and allowing the larger price, is the figure which is adopted.

On cotton the actual price on December 15, 1941, was 16.23 cents; 110 percent of parity is 19.65 cents. The price as of October 1 was 17 cents. Therefore 110 percent of parity would be the floor for cotton.

The use of the term "floor," I digress to say, is sometimes unfortunate. I want to disabuse any Senator's mind of the misapprehension that the floors established by the bill mean that the Administrator must immediately arrange to have agricultural and commodity prices go up to parity.

The Administrator does not operate until the natural conditions which prevail—mostly the law of supply and demand—bring the prices up to the express limitations in the bill. Only then may he operate.

The October 1, 1941, market price on cottonseed is higher than 110 percent of parity; 110 percent of parity on cottonseed is $35.71 a ton, and that would be the limitation if it were not for the October 1 floor placed in the bill. By that the price is $50.36 a ton. Therefore, in that instance, the October 1 market price is a better break for cottonseed.

In the case of various other commodities, I may say that the 110-percent parity limitation is generally the higher figure, but on cottonseed, on beef cattle, on veal—and I think I am correct on one or two other inconsequential commodities—the October 1 price is the better floor.

Mr. GILLETTE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Iowa?

Mr. BROWN. I yield.

Mr. GILLETTE. The Senator has used the term "floor" under agricultural prices several times. It is not the contention of the Senator, is it, that there is anything in the bill that puts a supporting floor under agricultural prices, but he uses the term in connection with the comparison of the two periods to be used as a basis for the ceiling, does he not, not as a support for agricultural prices?

Mr. BROWN. As I said a few moments ago, I think that no one must get the idea, as the Senator intimates, that we immediately raise agricultural prices to any other than the parity figure. I think the Senator's last question brings us into another subject, the subject of the right to purchase agricultural products for the purpose of supporting prices or holding prices down. That subject will be discussed later. Except for that, the Senator is correct.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. O'MAHONEY. I venture to rise because the Senator is discussing parity with relationship to certain commodities. The Senator is aware now, and the committee is aware, that there are some agricultural commodities concerning which the parity price as established during the period 1910 to 1914 is considerably lower than it would be possible reasonably to produce the commodities.

Mr. BROWN. That is correct.

Mr. O'MAHONEY. For example, in the case of beef cattle, according to the figures which I have here hurriedly prepared, the parity price for beef would run around $7.18, I think, or $7.20, whereas the price for beef cattle on October 15 was $9.18. The average person viewing those figures would think that the producer of beef cattle was getting a very substantial price for his cattle, but the fact of the matter is that parity for beef cattle was an extremely low figure, and that was the reason that, throughout the discussion of the Agricultural Adjustment Act, the producers of cattle always objected to making cattle a basic commodity, because they felt that the formula which was then adopted would be unjust to the cattle growers.

The same thing is true, for example, in respect to wool. The price of wool during the parity period of 1910 to 1914 was about 18 cents. Mr. Henderson fixed the floor on wool recently at about 36 or 37 cents, as I recall. A price of 37 cents for wool is not out of line; it is a hundred percent above what the price of wool was in 1910 and 1914, but at that time the wool growers were operating on a peasant basis.

When we talk about 110 percent of parity, therefore, with respect to livestock and wool we are talking about a figure which is far below the reasonable price which the producers of those commodities ought to receive. The Senator will pardon me for interrupting him at this point, but I felt that it was necessary to bring this side of the picture into the discussion at the particular time.

Mr. BROWN. The Senator's figures well illustrate the point that I was just making. He says the parity price of wool for the 1910–14 period was 18 cents, but because of the general rise in all commodities the parity price of December 15, 1941, on wool has risen from 18 cents to 26.4 cents a pound. However, I will say to the Senator that the best limitation on the price of wool, which bears out what the Senator says, is not the parity price but the price as of October 1, 1941, which was 36.3 cents a pound.

Mr. O'MAHONEY. With respect to that today, so far as cattle are concerned, it might be a reasonable price, but with respect to beef, upon the other hand, it would not be a reasonable price; and with respect to that particular commodity either formula which appears in the reported bill, 110 percent of parity or the price on October 1, 1941, would be unjust to the cattle industry. It would, for example, have this effect, if I may trespass upon the Senator's time in order that the picture may be clear: A substantial market for range cattle is to be found in what are called the feeding lots of the Corn Belt. The cattle come off the ranges in the public-land States and in the West generally and go on to the feeding lots. When a feeder has bought his cattle at the price prevailing on October 1, 1941, as he necessarily would have to do, it becomes impossible for him to feed the cattle and dispose of them profitably if a ceiling is fixed upon that basis, because then the entire cost of feeding would be cut off by a ceiling that was fixed as of that date. For that reason, perhaps later on, I shall ask the Senate to consider an amendment of that provision of the bill so as to deal more equitably.

Mr. BROWN. I want to point out one thing to the Senator in that connection. Then I should like to leave the matter of floors below which the Administrator cannot go to the time when we discuss the amendment itself. But the Senator recognizes that, assuming the case mentioned to be an extraordinary one—it must be, because the Senator has talked about beef here for a good many years——

Mr. O'MAHONEY. Almost as much as about sugar, concerning which the Senator has likewise talked.

Mr. BROWN. Yes; but I would point out to the Senator that the Administrator may—I do not say that he must, but he may—allow a higher price for beef cattle and for wool. I concede that there is no bottom limitation beneath which he may not go, except the standards of 110 percent of parity and the October 1 price; but a wise and reasonably fair administration of the bill—a problem which I know the Senator will most effectively present to the Price Administrator—would, it seems to me, require him to give consideration to a matter of that kind; and that is true not only of wool and beef but of any other commodities. In other words, we place no definite top on prices beyond which the Administrator may not go. We permit him to fix the ceiling, but we fix the floor on all agricultural commodities, and, I may add, on commodities processed out of agricultural products.

Mr. O'MAHONEY. I recognize the correctness of the statement made by the Senator from Michigan. I pointed out when I first interrupted him, when I was discussing wool, that in fixing a ceiling within the past few weeks Mr. Henderson did not go to parity or 110 percent of parity in the case of wool, because he and his organization were convinced that that would have been an unjust ceiling to place upon that commodity. So that very example is, I think, proof of the good faith of the Price Administration Office, and their intention to do the right thing.

Here, however, we are dealing with a law which after its enactment will become the rule which will guide those who are administering it; and the administrators may change from year to year and from month to month. Then we have also the fact that what we do here is bound to have an impact upon public thinking; and the unfortunate fact is that, to date, when we talk of a ceiling which shall not be below 110 percent of parity, a great many persons have the

feeling that we are talking about the establishment of a ceiling at that price. I am very happy that the Senator has made it quite clear that, even under the bill as he has reported it, this is not in any sense a direction to the Office of Price Administration to reduce prices to that level.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Ohio.

Mr. TAFT. Let me suggest, also, that whatever provision is made regarding agricultural prices is more protection than anybody else in the United States is getting. In other words, we give to the Administrator absolute power to fix the price of copper and all other metals produced in our whole mining industry and all manufactured products. They are not protected by any figure that I know of. There is a very indefinite sort of provision that the administrative officials shall pay some attention to October prices, and so forth; but it is perfectly unlimited. So whatever provision is made regarding agriculture at least gives agriculture a protection that nobody else in the United States has.

Mr. BROWN. Before I leave the question of parity, I think in all fairness I should point out the effect of the so-called Brown amendment, which was offered in the House by Representative PAUL BROWN, of Georgia, and adopted.

Mr. OVERTON. Mr. President, will the Senator yield before he takes up that phase of the bill?

Mr. BROWN. Certainly.

Mr. OVERTON. I understand that the Senator from Michigan takes the position—and I have no doubt that is the purpose of the bill—that there should be a floor only to the market price of agricultural products which is based either upon parity or upon the October 1, 1941, market price. Therefore, section 3 (a) provides that—

> No maximum price shall be established for any agricultural commodity below (1) the market-price equivalent to 110 percent of the parity price.

That is very clear, but when we turn over from page 29, section 3 (a), to page 30, paragraph (e), we find this provision:

> If a maximum price has been established for any agricultural commodity and thereafter a parity price as determined and published by the Secretary of Agriculture is more than 3 percent above or below the parity price to which the prevailing maximum price applies, the maximum price established for such commodity shall be readjusted and based upon such later parity price until a further adjustment is required under this subsection.

My construction of the paragraph I have just read to the Senate is that the maximum price cannot vary more than 3 percent either above or below 110 percent of the parity price. In other words, the parity price is to be readjusted, and then the maximum price under such readjustment is to be based upon the later parity price.

I merely throw out this suggestion in passing, in order that the Senator from Michigan may consider it. Later on, I shall submit an amendment on the subject.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BROWN. Just a moment, and then I will yield.

I may say to the Senator from Louisiana that paragraph (e) was brought into the subcommittee very late in our hearings. It was offered by the Senator from Alabama [Mr. BANKHEAD], and we accepted it, having in mind that it met the purpose to which the Senator from Louisiana refers. I have been told that possibly it may not do so; and I am perfectly willing to take it up with the other members of the committee, and see if we can get a satisfactory paragraph (e) to effectuate the purpose which the Senators from Louisiana and Alabama have.

Mr. BANKHEAD. Mr. President, if the Senator will yield, as stated by the Senator, paragraph (e) was hurriedly prepared. I have discussed the matter with the Senator from Louisiana; I think he has amended the paragraph in a way which improves it; and, so far as I am concerned, I am perfectly willing to accept his amendment.

Mr. BROWN. I came to the same conclusion from a hasty scanning of the Senator's amendment; but I do not want to accept it until we have thoroughly examined it.

Mr. OVERTON. If the Senator will yield again in that connection, I send to the desk the amendment referred to by me, and ask that it may be printed and lie on the table.

Mr. BROWN. It is not necessary to have it read.

Mr. OVERTON. No.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

Mr. McNARY. Mr. President——

Mr. BROWN. I yield to the Senator from Oregon.

Mr. McNARY. I was called from the Chamber a few moments ago while the Senator was discussing the general philosophy and objectives of the bill. When I returned a moment ago I heard his colloquy with the Senator from Wyoming [Mr. O'MAHONEY] regarding parity. Is that the section which the Senator is now discussing?

Mr. BROWN. I was giving illustrations of the limitations upon the power of the Administrator which exist under the bill.

Mr. McNARY. I do not want to interfere with the Senator's plan of discussion of the bill; but when he reaches that point I should like to ask some questions.

Mr. BROWN. I may say that we are there now; and, if the Senator has any questions to ask, I shall be very glad to answer them.

Mr. McNARY. Very well. If this is not the appropriate time, I shall not insist on it.

Mr. BROWN. I will say to the Senator from Oregon that it is satisfactory to discuss the matter now.

Mr. McNARY. It may be very clear to the able Senator from Michigan, but it is not quite so clear to the Senator from Oregon what he means by "parity"—whether it is the statutory definition as defined in the act of 1934 creating the Agricultural Adjustment Administration, or whether it is the interchangeability of prices of agriculture with services, and so forth, on the dates mentioned. There is a very great distinction between the two, and I do not find any language which indicates which is meant.

Mr. BROWN. The Senator is discussing a matter which I have already covered.

Mr. McNARY. I am sorry, then.

Mr. BROWN. In a general way, the parity is based on the 1909–14 relationship, not the 1909–14 prices. For example, as the Senator from Wyoming pointed out, the parity price on wool in 1909–14 was 18 cents. The parity price on wool today, as of December 15, 1941, is 26.4 cents.

Mr. McNARY. I understand all that thoroughly. The point I am making is that in years gone by, when we had before us a bill by another name, the bill known as the McNary-Haugen bill, we referred to giving agriculture equality; but it meant the same thing. In that bill parity was defined, and it is a statutory definition, the only one in which we covered the subject, followed in the 1934 edition of the A. A. A. Are we to go back to that definition, or are we taking parity as a practical question, a living thing, as of the day that is now set, October 1, 1941?

Mr. BROWN. Let me put it to the Senator in this way: We adopt the parity relationship between prices as they were in the 1909–14 period, but parity prices themselves, the actual prices, are the prices as of the date upon which the Administrator would make his determination, and of course in a general way are very much higher than the actual prices which would be fixed by parity in 1909–14. Section 3 (b) of the bill expressly states:

> For the purposes of this act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law.

In other words, the parity referred to in the bill is the parity already defined by law. We are not undertaking to create any new parity or revise the existing concept.

Mr. McNARY. The explanation is very satisfactory. However, I do not read that in the language. Let me ask the Senator a further question. The bill refers to "the market price prevailing for such commodity on October 1, 1941." I would assume, from a rather casual reading of this section, as I find it in the bill on my desk, that there are three different yardsticks. One is the old parity definition contained in the A. A. A. Act, parity as of the day the sale is made or the commodity is acquired, or as of October 1, 1941.

Mr. BROWN. No. The October 1 limitation deals with a market price—an actual price—not parity. Let me illustrate it in the way I did a few moments ago.

Mr. McNARY. If the Senator has been over the question, I do not ask him to repeat; I will read the RECORD.

Mr. BROWN. I think I can illustrate it very briefly to the Senator.

The parity price per ton of cottonseed on December 15, 1941, was $32. The

market price as of October 1, 1941, which has no relationship to parity whatsoever, was $50 a ton. Therefore the Administrator would be required, in fixing the price per ton of cottonseed, to fix it at a price not less than $50 a ton, and he would reject any comparison with a parity price as of December 15, 1941. Does that make the distinction between the two limitations clear?

Mr. BANKHEAD. Mr. President, may I interrupt the Senator a moment?

The PRESIDING OFFICER (Mr. BUNKER in the chair). Does the Senator from Michigan yield to the Senator from Alabama?

Mr. BROWN. I am still yielding to the Senator from Oregon.

Mr. McNARY. I appreciate the courtesy of the Senator. I understand his illustration, and I know what the terms "market price" and "parity price" mean. I still insist that under the language—and I am not critical about it, but I want it fully developed—there are three standards of measure of market price. One is the parity price description in the 1934 act, the parity price as of the date when the transaction takes place, and the market price as of October 1, 1941.

Mr. BROWN. I assure the Senator that if it is necessary to clarify the language I want to do so, and I will take that matter up with the draftsmen if it is found necessary. By the reference to the parity price on the date the transaction takes place, I think the Senator may mean the market price equivalent to the parity price; that is, the 1909–14 relationship translated into actual market prices on the date of the transaction, as contrasted with the price on the farm which is embodied in the Secretary of Agriculture's parity computation.

Mr. McNARY. I have no objection to flexibility, but I want to know by what standard or formula we are to be guided. It occurs to me, from reading this provision—and it may be proper—that when he comes to deal with the provisions of the act, the Administrator can take into consideration the act of 1934 in defining parity in relation to the basic commodities, and the renewal of that definition in 1938; or he can take parity as of the date of the transaction; or he can take it as of the specific date mentioned in the bill, October 1, 1941. I think that is elastic enough for me, but I must challenge the language to meet that situation. It may be all right. I am merely seeking the view of the able Senator, who has been with his bill and seems to know it thoroughly. If the Senator wants to give that thought further consideration, I shall ask another question.

Mr. BROWN. We shall consider the remarks of the Senator carefully and, if it is necessary to do so, clarify the language.

Mr. McNARY. On the same page we find reference to comparable prices of commodities not mentioned in the original adjustment act, which, as the Senator knows, are cotton, corn, wheat, tobacco, and rice. The great products of America lie without that category. One of the largest incomes arises from cattle and livestock generally. The poultry industry comes next, then the dairy industry, the returns from each of those exceeding the returns from any of the basic commodities I have just mentioned. The attempt is not to fix parity, it is said, but comparable prices; and I assume the intent is to bring about by this language prices comparable with those mentioned in the Agricultural Adjustment Act.

Mr. BROWN. The idea of subsection (b) is to cover a situation such as that referred to by the Senator from Wyoming, and what the Senator from Oregon refers to now.

Mr. McNARY. I understand the proposition presented by the very distinguished Senator from Wyoming. I am speaking of the general philosophy and the construction and language of the bill. If I raise vegetables, or am interested in the dairy or poultry industry, and cotton and wheat are selling at one price, or cattle at another price, relatively different from the price of the product I am raising, I am interested in knowing whether there is anything in the bill which instructs the Administrator to make comparable all agricultural prices, or is it left to the discretion—sometimes it might be the wicked discretion—of the Administrator?

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BANKHEAD. I call the attention of the Senator from Oregon to the language in the second line of section 3, namely:

> No maximum price shall be established for any agricultural commodity.

The Department makes calculations as to parity on all agricultural products, which are announced from time to time. The provision is broad and comprehensive. It is not confined to the basic commodities. There is no limitation to the basic commodities, except in the loan program.

Mr. McNARY. I may be obtuse in this matter, but I am willing to read the language, though I am not attempting to make the interpretation. I simply want to know if there is a rule of equality, at least as to agricultural commodities.

Mr. BROWN. That was our intention, and I thought it was accomplished by the language.

Mr. McNARY. I appreciate that. I merely wish to ascertain whether any skepticism I have is unfounded, and no doubt the Senator can well remove it.

Mr. BROWN. I think the purpose of subsection (b) is to permit the Secretary, under conditions when production is abnormal, when demand is abnormal, to make a readjustment of the relationship between one agricultural price and another, other than as to the basic commodities. He can revise it, the Senator from Georgia reminds me.

Mr. McNARY. I do not wish to interrupt the orderly discussion of the bill by the Senator——

Mr. BROWN. I am now at the point where I am open to questions.

Mr. McNARY. The bill reads:

> For the purposes of this act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law: *Provided*, That in the case of any agricultural commodity other than the basic crops—

Mentioning them, corn, wheat, cotton, rice, tobacco, and peanuts—

> the Secretary shall determine and publish a comparable price, whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

I assume that language to mean that the Administrator is fastened to a certain plan with regard to basic commodities, and as to all other commodities he must have a public hearing, the matter must be considered, and if he can then determine, after considerable investigation, survey, and exploration, that the prices are not comparable, he can fix prices comparable to those which are defined in the statute as parity prices.

Mr. BROWN. I think the Senator expresses the intent, but I call attention to the fact that that power is in the Secretary of Agriculture, and not in the Price Administrator.

Mr. McNARY. I am not interested in where the power lies. I am interested in how it is proposed to enforce without discrimination, and equitably, the prices to be paid the producers of all agricultural commodities.

Mr. BROWN. I think the Senator from Oregon states the purpose of the bill, and of this subsection in the agricultural portion of the bill. But I wish to say further to the Senator that I feel that in determining the relationship between the prices of those things which the farmer buys compared with what he sells, there is a necessity for readjustment from time to time, and such readjustment will be made by the Secretary of Agriculture. I understand he may do so under existing law. The provision under discussion gives him no new or additional authority. The Secretary having acted, the Price Administrator is bound by the Secretary's determination of parity.

Mr. McNARY. Mr. President, if I understand the language of the bill, the Secretary shall determine the parity prices on basic commodities, and with respect to all other commodities, if the prices are out of line, an attempt shall be made to find a comparable price, after an investigation, not instanter or at once. Is that the conclusion to be derived from that language?

Mr. BROWN. I will say that that is the conclusion to be derived from it, and that is the law at the present time, regardless of subsection (b) of section 3.

Mr. McNARY. Well, that may be the Senator's opinion about it.

Mr. BROWN. I may say that I have placed in the RECORD a short memorandum showing the statutory location in the code of the various acts relating to parity, which I think will be helpful to the Senate.

Mr. McNARY. The Senator may have them in mind. I think I have them in mind quite as well. The last act on the subject, passed last year, defines how to reach parity of those crops not mentioned in the organic act passed in 1934. That shall be determined by the Secretary of Agriculture. That has nothing to do with my proposition. Probably I

am lamentably weak in making my position clear. I will repeat it, and then the Senator can think it over.

Under this language the basic commodities are treated in one category and as to them the Secretary shall determine parity price. With respect to all other commodities he must make a survey and an investigation. Let me read the language:

> In the case of any agricultural commodity other than the basic crops—corn, wheat, cotton, rice, tobacco, and peanuts—the Secretary shall determine and publish a comparable price, whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

The Secretary must determine a comparable price when the producer does not receive a price in line with parity prices for basic commodities immediately the bill is passed. Is that not a correct statement? I submit the proposition to the Senator, and, if I have made myself clear, I am sure he has sufficient capacity to figure it out. I may be wrong. If I am wrong I should be very happy to be informed of my error.

Mr. BROWN. I shall take it up with representatives of the Agricultural Department.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. GEORGE. While the Senator is discussing the question of parity, I should like to ask a question for the purpose of clarification. I assume that by the use of the word "parity" is meant the farm price, farm parity.

Mr. BROWN. Yes; farm parity.

Mr. GEORGE. Parity in the primary markets is what is meant. It has nothing to do with exchange quotations or with exchange prices?

Mr. BROWN. I assume it is the price at the farm. It is the parity calculated and released monthly by the Department of Agriculture.

Mr. BANKHEAD. Mr. President, will the Senator permit me to interrupt?

Mr. BROWN. Yes.

Mr. BANKHEAD. That same question, I will say to the Senator from Georgia, was raised in the committee, and I presented an amendment making it the farm price. The discussion between members of the committee and Mr. Ginsburg, who is general counsel for the Administrator, was along that line, and an agreement was reached by the committee to the effect that it was not necessary to put the words "farm price" in the bill, because the language contained in the bill pertains to the farm price. It was pointed out in the committee that there were two prices on nearly all the commodities; one the price on the farm, the other on the exchanges in Milwaukee or Chicago, or, in the case of cotton, in New York. It was agreed in the committee that the maximum price of sale did not apply to the price on the market, because the price of sale covered cost of transportation as well as cost of handling, and it was agreed that parity always applied to the price the farmer received at the primary place.

Mr. BROWN. The Senator from Alabama is correct in his statement.

Mr. BANKHEAD. My amendment was not pressed, because it was generally agreed that that was the proper construction.

Mr. GEORGE. I assume that to be true, but from a reading of this section, and other related sections, I was left very much in the air about the matter. Therefore, I wanted a definite committal on the part of the Senator in charge of the bill that the language means the farm price in the primary market, and that the 110 percent of parity price would not be an exchange price or price fixed elsewhere; that in the case of cotton it would not mean the price in the 10 spot markets, or in any one of the 10 spot markets, or the average price of the 10 spot markets. It would mean the price in the primary market, as I understand the Senator from Alabama.

Mr. BANKHEAD. The price paid to the farmer.

Mr. GEORGE. Yes.

Mr. BROWN. That, I will say to the Senator, was the subject of considerable discussion, and we came to the conclusion, as stated by the Senator from Alabama, that it meant the farm price.

Mr. GEORGE. I rose for the purpose of getting information on that point.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. O'MAHONEY. I am very happy that the Senator from Oregon propounded the questions which he did to the Senator from Michigan. I think it is very important to a correct understanding of the bill that we should have a clear response to the questions asked by the Senator from Oregon.

I will say for myself that I had assumed from the very outset that there was no doubt about what was meant by the phrase "parity price."

Let me ask the Senator if I do not correctly state the situation. The parity price of any basic farm commodity is determined by a formula which was devised at the time the Agricultural Adjustment Act was adopted—a formula designed to give to farm commodities a price equal to the price which those commodities had in terms of the commodities which the farmer had to buy. In other words, it was a device to keep the purchasing power of farm commodities relatively stable. So when we talk about parity price we talk about a formula which is based upon the period 1910 to 1914—a formula which, applied to the prices of other commodities, produces a variable price for the farm commodity. That was my understanding of the meaning of the bill; and, therefore, the official who administers the bill, whether it be the Administrator of O. P. A. or the Secretary of Agriculture, or the two together, in determining what 110 percent of parity would be in any particular case, would first take this formula, apply it to the commodities, and the result would be the price below 110 percent of which the Administrator could not go.

Mr. BROWN. I cannot give blanket assent to everything the Senator from Wyoming says. In my own mind I have what is to me a clear conception of what parity means. It was somewhat difficult to frame language that would clearly define it, because it is the subject matter of about eight or nine different statutes.

Mr. O'MAHONEY. If it is not clearly defined, and if we do not know what it means, the Administrator will not know.

Mr. BROWN. I am trying to clarify the definition.

The subject matter of parity is set forth in seven or eight statutes, which we have arranged to have appear in the RECORD. I wish to take the time to read the definition of parity which we think is the parity referred to in those statutes. The definition will be placed in the RECORD, but I believe it should be before us.

The Price Administrator has no authority whatsoever with respect to what parity is. Parity is determined by the Secretary of Agriculture. That determination is not fixed and definite, but is variable. With respect to the basic commodities it is reasonably fixed and definite. With respect to other commodities in their comparison with the basic commodities, it is not fixed and definite, but within reasonable limitations may be moved up or down by the Secretary of Agriculture.

I should like to read this definition without interruption, and then I shall be glad to yield.

The term "parity price" pertains to the relationship between the prices of commodities a farmer sells and the prices of articles a farmer buys. The term is always used with reference to the relationship between those prices which prevailed in a certain base period. If a farmer sells a bushel of wheat for the same price as prevailed in the base period, but has to pay more for a given quantity of goods he buys, then the price of wheat is said to be below parity.

In order for the price of wheat or any other agricultural commodity to be at parity, the price of the commodity must have increased or decreased as much as the prices of the goods the farmer buys have increased or decreased. In short, the parity price of any agricultural commodity is the amount of money the farmer would have to receive for a unit of that particular commodity in order to be able to buy as much goods for that amount of money as he could in the base period—that is, relating back to the period from 1909 to 1914.

In the various laws passed by Congress which relate to parity, the base period for most agricultural commodities is given as the period from August 1909 to July 1914. The measure of parity which is used is an index of the prices paid by farmers. The index for any given date is simply the ratio of the average prices paid on that date by farmers for a selected group of commodities with relationship to the average prices of the same group of commodities in the base period.

In December 1941 the index was reported at 145. That is, farmers were paying 45 percent more than in the base

period. That means they were paying 45 percent more in December 1941 than during the period from 1909 to 1914. The parity price for an agricultural product for December 1941 is then 1.45, or practically one and one-half times the average received by farmers for their products in the period from 1909 to 1914. In the case of wheat, the farmers received an average of 88.4 cents a bushel in the base period from 1909 to 1914. The December 1941 parity price for wheat is then 88.4 cents times 1.45, or $1.282 a bushel.

It should be noted that the parity price is not a constant, but varies with the index of prices paid by farmers. If, for example, in February 1942 the index should be increased to 150, the parity price of wheat would be 88.4 cents times 1.50, or $1.32.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. AIKEN. I should like to ask whether the provisions of the bill would suspend the provisions of the Milk Marketing Act, under which a good many Federal marketing orders have been issued, and which has worked very satisfactorily in many sections of the country. As I read the bill, it seems to me that its provisions would supersede the milk-marketing agreements which are now in force, and which have been very satisfactorily administered. I am sure that everyone who is familiar with them knows that to be so.

Mr. BROWN. Let me say to the Senator that it is not the intention to have the pending measure supersede the provisions of the Milk Marketing Act.

Mr. AIKEN. Section 305, on page 52, provides that—

> No provision of law in force on the date of enactment of this act shall be construed to authorize any action inconsistent with the provisions and purposes of this act.

Not being a lawyer, I do not understand exactly what that means. That is why I asked the question.

Mr. BROWN. I take it that the agencies to which the Senator refers come under some powers of the A. A. A. or the Department of Agriculture.

Mr. AIKEN. Yes.

Mr. BROWN. On page 28, lines 16 to 22, will be found specific language withdrawing the A. A. A. from the scope of this bill.

Mr. AIKEN. I do not want to have a law which has worked very satisfactorily thrown out the window by the enactment of the pending measure.

Mr. BROWN. Let me assure the Senator that it will not be.

Mr. AIKEN. That is not the purpose?

Mr. BROWN. It is not the purpose of the committee. The limitations in sections 2 and 3 of the bill afford adequate protection to agricultural commodities, and unless the provisions of the law referred to present the Administrator with an inflationary price threat, there is no likelihood of any conflict.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. TYDINGS. I understood the Senator to say that the Secretary of Agriculture determines what is parity for certain products. Parity is not a constant thing. Parity must be maintained. Therefore, when the present parity, in the light of subsequent events, is not the parity which will be necessary 4 weeks from now; for example, who then establishes the new agricultural price as compared with the price today?

Mr. BROWN. The Secretary of Agriculture, and not the Price Administrator.

Mr. TYDINGS. The Price Administrator would have nothing to do with it?

Mr. BROWN. No.

Mr. TYDINGS. But the Secretary of Agriculture——

Mr. BROWN. Let me interpose to say that subsection (e), which was referred to by the Senator from Louisiana [Mr. OVERTON], and which the Senator from Alabama [Mr. BANKHEAD], who offered an amendment, said should be improved, was designed to cover the situation in question. If a slight increase of not more than 3 percent should take place, the Price Administrator would not have to make the adjustment. He would not make an adjustment until the increase went beyond 3 percent.

Mr. TYDINGS. I am somewhat confused. Perhaps the Senator can explain away the confusion. Suppose there should be an increase of 10 percent in the prices of commodities apart from agricultural commodities, which commodities reflect what the parity should be in agriculture. Then, as I understand, the Secretary of Agriculture would make the necessary adjustment of agricultural prices without regard to the Price Administrator.

Mr. BROWN. The Price Administrator would then be required to follow the Secretary's determination of parity, assuming that the variation were above the limitation to which I have just referred. I think the Senator very clearly illustrates the actual situation when he calls attention to a rise in the prices of other commodities. If that should happen with relation to commodities which we classify as commodities which the farmer buys, there would have to be a consequent rise in the prices of commodities which the farmer sells.

Mr. TYDINGS. The price schedule for the commodities which the farmer sells is fixed by the Secretary of Agriculture in accordance with a definition set forth in the bill.

Mr. BROWN. Not in this bill, but in existing law.

Mr. TYDINGS. In the law which is referred to?

Mr. BROWN. Yes.

Mr. TYDINGS. To take an example, if agricultural prices should be higher from a selling standpoint than from a buying standpoint, the Secretary of Agriculture would lower the prices. To put it more clearly, if the prices which the farmer receives for what he sells were 10 percent above parity, as compared with the prices of things which the farmer must buy, then the Secretary of Agriculture, and not the Price Administrator, would lower the agricultural prices.

Mr. BROWN. Yes; within certain limitations which are fixed in the bill.

Mr. TYDINGS. I should like to have the point made clear.

Mr. BANKHEAD. If the Senator will yield to me for a moment, let me say that he is talking about the fixing of prices by the Secretary of Agriculture. That is definitely an error on the Senator's part.

Mr. BROWN. I do not think he means that.

Mr. TYDINGS. I did not mean to leave that impression.

Mr. BROWN. The Senator from Maryland is talking about the limitation.

Mr. TYDINGS. My question is this: If the price of a particular commodity goes from $1.10 to $1.20, but if the prices of the things the farmer has to buy remain at $1.10 and it becomes necessary to lower agricultural prices, does the Price Administrator or the Secretary of Agriculture establish the prices?

Mr. BROWN. If the situation were such that, in the case of potatoes, let us say, the price was thereby reduced from $1.10 to $1.05, the Administrator would not then be authorized to fix a floor below $1.05, but he would not necessarily be required to pull his price up to the $1.10 figure.

Mr. TYDINGS. I want to make the point abundantly clear.

Mr. BROWN. Does the Senator understand me?

Mr. TYDINGS. No; I do not quite understand the Senator from Michigan.

Mr. BROWN. Then, I want to make the point a little clearer.

Mr. TYDINGS. I do not think the Senator from Michigan quite understands what I have in mind.

Mr. BROWN. Let us assume that a commodity we may call "X" is, at parity, $1.10.

Mr. TYDINGS. Let us take potatoes, and let us say they are selling at $1.20, for the purposes of my question.

Mr. BROWN. Very well; let us say that potatoes are selling at $1.20. The Senator from Maryland assumes that the Price Administrator has fixed a floor of $1.20?

Mr. TYDINGS. No; my question would assume that potatoes, worked out on this ratio, should be selling at $1.10, but that the price of potatoes had gone to $1.20, in comparison with the prices of the things the farmer would buy, which remain at $1.10. If it becomes necessary to lower agricultural prices—which I do not foresee, but let us assume the case—would the Price Administrator or the Secretary of Agriculture establish the price?

Mr. BROWN. In neither event would the authority—the Department of Agriculture or the Administrator—be required to lower the price because under the law he may fix a ceiling for potatoes at $1.30 or $1.35; and if there were a change in parity that cut the parity price of potatoes from $1.20 to $1.10, he could still leave the price at $1.35. Is that clear?

Mr. TYDINGS. Yes. The Senator has answered my question. It is conceivable that farm products might sell above parity?

Mr. BROWN. Oh, yes.

Mr. TYDINGS. Suppose industrial products sold above parity: In that case, agricultural parity would be raised to meet it, would it not?

Mr. BROWN. The Senator is correct about that.

Mr. TYDINGS. So there is a margin of benefit, let us call it, to agriculture. If particular products of agriculture sell above parity, industrial prices do not necessarily go up to such a parity?

Mr. BROWN. That is correct.

Mr. TYDINGS. But if agricultural products sell below parity, they automatically will be put up to parity? Have I stated the matter correctly?

Mr. BROWN. The Senator has stated it correctly, and I might say that his remarks illustrate the fact that with regard to commodities generally there is no lower limitation in the fixing of prices. The authority may not fix the floor below a certain price on agricultural commodities, but may do so as to all other commodities.

Mr. TYDINGS. That is correct, and that is what I wanted made plain.

Mr. BROWN. I should like to have the attention of the Senator from Oregon for a moment. The Senator was called out while I finished the definition of parity, which I read. I want to say to the Senator that I am very anxious to read his remarks carefully, so as to ascertain the situation raised by the point he makes; and it is our desire to put the language of the bill in such shape that there can be no doubt about its meaning in the mind of the Senator from Oregon or of anyone else.

Mr. McNARY. I appreciate the desire of the able junior Senator from Michigan to be thorough.

Mr. MURDOCK. Mr. President, will the Senator yield to me?

Mr. BROWN. I yield.

Mr. MURDOCK. After listening to the discussion which has just taken place, and also to the testimony given in the hearings before the committee, let me ask whether it is stating the situation correctly to say that under the proposed law the Secretary of Agriculture would have power to fix the floor below which the Price Administrator could not go, but the Price Administrator could fix the ceiling. In other words, as the Senator from Maryland [Mr. TYDINGS] has very well explained, if agricultural commodity prices decline below parity, then there must be a readjustment by the Secretary of Agriculture of the floor below which they cannot go.

So it seems to me that a fair statement of the proposition with reference to commodity prices is that under the proposed law the Secretary of Agriculture would fix the floor below which the Price Administrator could not go. The Price Administrator could fix the ceiling; but that does not necessarily mean that if commodity prices went below the parity fixed by the Secretary of Agriculture, let us say, at a certain date, the Price Administrator of necessity would have to follow them down with the price he fixes.

Mr. BROWN. I think the Senator states the situation accurately. We would not want Senators to reach the conclusion that there is to be any fixation of a floor or ceiling unless under the primary standards of the bill prices threaten to rise beyond the October 1–15, 1941, level, which, as I have said, is the fundamental standard established by the bill.

Now I am ready to make a sectional analysis of the bill. I am not sure that it is necessary to do so, but perhaps I should endeavor to make a brief analysis. I shall be very glad to have questions asked with reference to any of the sections in the bill as we pass over them.

Mechanically, the Senate committee has stricken out the entire House bill and has substituted an entirely new bill. I do not mean that the Senate bill differs so greatly from the House bill; but many changes were made and it was felt best to handle the matter in that way. But I may say to the Senate generally, however, that we have a print, which I think will be available, in which each section of the House bill is set forth opposite the corresponding section of the Senate committee bill, for purposes of comparison.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Georgia.

Mr. RUSSELL. About an hour ago the Senator from Michigan commenced an explanation of the reason why the Committee on Banking and Currency eliminated the so-called Brown amendment. I have been sitting here very patiently, waiting for the Senator from Michigan to resume his remarks on that point. I hope he will not proceed with a detailed explanation of the bill until he completes his explanation of the reasons for the elimination of the so-called Brown amendment.

Mr. BROWN. My intention was to point out—and I did do so—the four or five commodities——

Mr. RUSSELL. The Senator did not proceed with any discussion of the amendment. He merely said that it was offered by Representative BROWN, of Georgia; but the Senator did not discuss it at all.

Mr. BROWN. I was diverted by a Senator's question. I did not intend to argue the question of the Brown amendment, but I will state what it does. In addition to the two floors—the 110 percent of parity and the October 1, 1941 market price—below which under the committee bill maximum prices may not be established for any agricultural commodity, the Brown amendment imposes a third limitation, namely, that no maximum price may be fixed below the average price for the commodity during the period July 1919 to July 1929.

The Brown amendment would mean higher prices than are permitted under the committee bill for five of the important agricultural commodities. Cotton could go from 19.65 cents, which is 110 percent of parity, to 21.4 cents. The Senator from Georgia is familiar with that fact.

Mr. RUSSELL. Yes; I knew that cotton could go somewhat higher than under the other formulas.

Mr. BROWN. The floor on potatoes would be $1.25 a bushel instead of $1.114, which is 110 percent of parity.

Lambs could go to $10.98 a hundred instead of $9.75, which is the October 1, 1941, market price.

Finally, chickens could go to 21.4 cents instead of 18 cents, and turkeys to 28.8 cents instead of 22.8 cents.

Those are the five commodities which are affected by the Brown amendment.

Now, I wish to say to the Senator from Georgia, and others interested in the Brown amendment, that the prices contemplated by the Brown amendment may be, and, in the judgment of the chairman of the subcommittee, will be exceeded by the prices called for by the 110 percent of parity limitation when parity is further affected by the general situation that may and probably will take place in the next few months or year. In other words, we are assuming that parity is a fixed, established figure, which, as the Senator well knows, it is not. It is entirely probable, indeed, I think the tendency is that way, that the limitation imposed by the 110 percent of parity provision may be greater on December 1, 1942, approximately 11 months from now, than it would be under the Brown amendment. The Senator recognizes that fact.

Mr. RUSSELL. Of course, the Senator from Michigan is proceeding on the assumption that the prices of things the farmer has to buy will increase with greater rapidity than the prices of farm commodities.

Mr. BROWN. I will say that that is probable.

Mr. RUSSELL. It is very probable that the prices of things the farmer has to buy will increase with greater rapidity.

Mr. BROWN. One hundred and ten percent of parity will be a fair basis upon which to determine the relationship between farm prices and the prices of the things the farmer has to buy, but if we take a hard-and-fast figure, such as the average price between July 1919 and July 1929 we may not come to as fair a relationship between these prices. That is why I favor a relative figure rather than a fixed figure for this base limitation.

Mr. RUSSELL. When the bill was pending in the other branch of Congress it was stated on the floor that the third formula that was imposed upon the Price Administrator would allow a slightly higher price in the case of butterfats.

Mr. BROWN. That is not so today.

Mr. RUSSELL. The Senator from Michigan did not mention butterfats, and I wondered if the difference had been wiped out already because the producers of butterfats are being compelled to pay so much more for the things they have to buy that the parity price has gone above the average from 1919 to 1929.

Mr. BROWN. The returns are close, very close. Closer I hope than will be the majority the Senator achieves in his next primary election.

Mr. RUSSELL. I thank the Senator, and join him in that hope.

Mr. BROWN. The price of butterfat under the so-called Brown amendment would be 44 cents, and the price on the basis of 110 percent of parity as of December 15, 1941, has moved up to 45.5 cents since the House passed the bill. The Senator is correct in his statement as to the situation shown in the table on page 133, but the later figures bring the returns for butter up to 45½ cents a pound.

Now, Mr. President, I can go ahead with my statement of the bill, section by section, and I will do so rather rapidly, unless a particular section may be of special interest to Senators.

The amendment reported by the Senate committee starts at page 21 with—

Title I—General Provisions and Authority. Purposes; time limit; applicability.

The purposes generally are to stabilize prices, prevent speculation and all the attendant evils of high prices, hoarding, and such matters as that.

The authority—and this is an important provision in section 1—will terminate on June 30, 1943, approximately one year and a half from the present time. It may terminate earlier if, in the judgment of the President, the emergency requiring this bill shall have passed.

I may say in that respect that I have not much hope that it will be desirable to terminate the law at that time. Contrary to general supposition, prices did not get greatly out of line in the World War period until after price controls were lifted. For instance, sugar did not go to 25 cents a pound until 1921 and 1922, and that is also true of other commodities. There is the danger that this may happen again. With the great increase in the ability of the people to buy, which will come when baby bonds, the purchase of which is now taking away buying power from the general public, are cashed in, we might have a period of runaway prices shortly after the war, as we did in 1921 and 1922, and thereabouts. There may be good reason, therefore, even assuming the war is over by June 30, 1943, for giving careful consideration, in determining whether to continue the bill, to the danger of runaway prices at that time.

Mr. BAILEY rose.

Mr. BROWN. If the Senator from North Carolina will pardon me for a moment, the powers granted by this bill are, in an economic sense, probably the most tremendous that have ever been granted. This bill goes beyond any legislation that was enacted during the period of the World War; and I think we should expect the most careful administration from those who will have responsibility for enforcing this proposed law, because it proposes to affect the most fundamental things in the economic life of our people.

I add to that statement this short concluding remark—I fear that it may be necessary to extend price control somewhat longer than was done in the postwar period of the last war.

I now yield to the Senator from North Carolina.

Mr. BAILEY. Mr. President, I think the Senator is right in his remark about sugar, but my recollection is quite definite as to our farm products in the South. They did not go up in 1920–21. They went down. I think cotton on January 10, 1921, reached 9 cents. On election day of 1920 cotton was selling at 14½ cents. The drop began in May 1920—I am referring to cotton—but it was not a precipitate drop at the time. The price of cotton was sustained around 39 and 40 cents until the 1st of September 1920. Beginning then, cotton went down very rapidly. We had what we call the period of deflation. Cotton went down 1, 2, or 3 cents a day until it reached 8½ or 9 cents on the day the Governor of North Carolina who afterward became a Senator was inaugurated.

I have not any question about those facts, because they are very clear in my mind; so I do not think the sugar illustration to be a good one.

Mr. BROWN. The Senator undoubtedly is correct about cotton.

Mr. BAILEY. I think it will be found that wheat went down, also.

Mr. BROWN. I have here a chart of wholesale prices which shows what occurred after price controls were taken off in early 1919. Prices rose sharply up to 1920, and then fell rapidly in the middle of 1921.

Mr. BAILEY. I think the Senator's chart indicates that the drop began at the time I stated, about May. If the Senator will notice the relation of the downward curve, it is just before the middle of the square of 1920; and that is right. That was through the period that we call deflation. Afterward, there was a rise. The rise, however, was not due to the taking away of controls. The rise was due to the fact that at that time, in 1921–22, the Government began to lend large sums of money to Europe for rehabilitation; and in 1924, as I recall, cotton went back to 35 cents a pound.

I have called attention to that state of affairs because I do not think we should predicate the extension of the act on the theory that the controls tended to put up the price, and that the thing will last a long time. I hope this act will not last a long time.

Mr. BROWN. That is my general feeling; but I perhaps used a poor illustration in the case of sugar, because there were other very extraordinary and abnormal conditions which affected sugar.

Mr. BAILEY. The sugar situation was a world-wide situation; but I will not go into that.

Mr. BROWN. My point is that in 1919, when the controls were lifted, the price rose rapidly until the middle of 1920. It subsequently went down; but I think price control had little or nothing to do with that. Other economic conditions caused it.

Mr. BAILEY. I know that we shall have to vote for the bill. The bill will pass, and probably a great many like it. I am not raising a question about that; but does the bill authorize the Administrator to fix all prices?

Mr. BROWN. I should say generally that it does. A number of classes of prices are specifically exempted, the most important of which are railroad rates, public-utility rates, prices of newspapers, and periodicals, but, generally speaking, I think we may say that the bill authorizes the Administrator to operate on all commodity prices.

Mr. BAILEY. And rents, I think.

Mr. BROWN. Yes; rents in certain areas are included. I was about to discuss that subject.

Mr. BAILEY. That is, in the industrial areas?

Mr. BROWN. No; in what are called defense areas. I will say to the Senator, also, that the authority in defense areas is confined to cases in which the local authorities have not acted, and have permitted rents to go high.

Mr. BAILEY. I rose mainly, however, to present the difficulty which is in my own mind.

I read some years ago, and I have read frequently since, the essay by Andrew D. White, a great man who was at one time Ambassador to Germany, and the president of Cornell University, on fiat money inflation in France. In the course of that essay he described legislation of this sort as adopted by the National Assembly of France under the leadership of Mirabeau. He tells the whole story, and it is a very mournful and depressing story.

Mirabeau made a speech in which he promised great things for his maximum prices. He almost called his project a divine thing. He was a great orator. He could use words in that way, and get away with it. My recollection is that, as Mr. White tells the story—and I can confirm my recollection by having printed in the RECORD an extract from his great essay—that the French Assembly first fixed a penalty of fine and imprisonment upon any man who should sell a commodity or any man who should buy a commodity above the maximum price. Mirabeau said that was going to settle all the difficulties of France in that revolution, in 1793. Such a man was to be fined a great sum and put in the penitentiary; but the people paid no attention to the law. They violated it, and they were fined and imprisoned; but so many violated the law that it was decided that more severe penalties should be imposed. The Assembly passed an act in which it was provided that anyone who violated the law, that is anyone who bought above the maximum or sold above the maximum, should not only be imprisoned, but he should forfeit all his property, lose everything he had; and that did not work. The people continued to buy and sell at the old prices. They did it privately, much as the American people did—not all of them, of course, but a great many—in the prohibition era. They went into bootlegging, and so forth. At any rate, the plan did not work, even when the penalty involved the forfeiture of estates and the attainder of inheritances. So the French Assembly finally passed a law providing that any man who violated the maximum-price arrangement should be beheaded under the guillotine; and the mob turned loose and hanged a great many persons from the lamp posts of Paris, and a great many went to the guillotine; but still the law did not work, and France abandoned it.

I am not saying anything about this measure. We may have a different situation; but I should like to know what assurances we have that we can fix some prices and not fix others, or that all prices can be fixed without the price of the dollar being fixed. Prices are in terms of money, but if money is variable, then the prices are variable. That is axiomatic. If the dollar is depreciating, the price is rising; and it will rise above the maximum, too, because people are unwilling to starve to death. A man is unwilling to sell his cotton for nothing. To give an illustration, I think the bill provides that cotton may go to 21 cents.

Mr. BANKHEAD. No; 19½ cents.

Mr. BAILEY. I heard the Senator from Michigan say that it might go to 21.

Mr. BANKHEAD. That is under the Brown amendment, if it shall be adopted.

Mr. BAILEY. Let it go to 19½ cents. I am using cotton as an illustration, because I am familiar with cotton. I could use tobacco as an illustration, or I could use wheat, but I think the Senate has been talked to about cotton to such an extent that all Senators know a great deal about it, so I refer to cotton.

Mr. BROWN. The Senator from North Carolina is correct; I did say that parity may have to be so readjusted that cotton could go higher under the proposed bill than under the Brown amendment.

Mr. BAILEY. I thank the Senator. But that is immaterial. Let us say that cotton goes to 20 cents under the proposal. Twenty cents a pound means a hundred dollars a bale, there being 500 pounds of cotton in a standard bale. Cotton sells at $100 a bale, and let us suppose I have my bale of cotton, which I have made this year, which I take down to the primary market and sell for $100. But the hundred dollars will not buy much. Now I wish to pose the problem which is troubling me. The hundred dollars which the farmer gets for his cotton will not buy a horse, assuming the horse has gone up in price to a thousand dollars. It then takes 10 bales of cotton to buy a horse, and the farmer needs a horse, or he needs a mule, or he has to buy a tractor, and the tractor has gone up in price. The prices of tractors, plow points, and other things used on the farm will increase because all the steel we can secure will be utilized in the manufacture of implements of war.

This illustrates the practical difficulty about price-fixing. Prices, after all, are bound to be in terms of money. There could, of course, be barter and exchange. I could swap my horse for so many bales of cotton, or my cotton for a horse; but that is not convenient. The convenient medium of exchange is money. But if the money buys nothing, or if the money buys less, relatively, than it did, I have suffered a loss. I would not say I have been defrauded, but I have been deprived by this maximum price. So, the point of my remarks is that we might as well realize that when we go into this matter, in order that it may be effectual we must go the whole way and fix the price of everything that is currently bought, and, more important than all else, we have to fix the price of the dollar, because if the dollar varies in value, all other prices do.

Mr. BROWN. The Senator is absolutely correct in that view, and I agree with him completely.

Mr. BAILEY. I wish to know whether the bill is predicated on that consideration. We cannot go halfway, we cannot pinch off a little from the price of a commodity here and a little there, we cannot pinch off the prices of a dozen.

Mr. BROWN. The bill gives an overall authority to fix prices of any commodities, with the exceptions to which I have alluded. The testimony of persons with experience in the World War administration, and the exceedingly valuable contributions made by the senior Senator from Ohio [Mr. TAFT], who was a member of the Hoover Food Administration, and whose experience was very valuable to us in drafting the bill, pointed to the selective price control system rather than an over-all system. Authority is given to fix prices of all commodities, if that is found to be necessary, but it is the general assumption, based upon the experience of these gentlemen, and Mr. Henderson's own experience, that by controlling a large number of important and basic commodities—not meaning the word "basic" in the sense in which it is used in the Agricultural Adjustment Act, but basic commodities generally—it will not be necessary to control the price of every little commodity, such as articles in a 10-cent store, or women's hats, and the like, which are very difficult to price. It is felt that if the prices of basic commodities are controlled prices of all other commodities will be kept in line. But as the Senator points out—at least it is the implication of his remarks—the over-all authority is provided, and can be and undoubtedly will be used if necessary.

Mr. BAILEY. I should not like to assume responsibility for saying that we should fix the price of women's hats, but if we do not fix the price of women's hats, and they go up in price, then I will convert my cotton into women's hats, naturally, or I will convert my women's hats into cotton. That is my point. When we go into price-fixing, we have to go all the way, but basically we have to stabilize the factor in the terms of which the price is stated, which is the dollar. That is the variable factor in America at this time, and it has been variable, and that, to some extent, and I think to an increasing extent in the last year, has been accountable for the rise in prices.

Let me give an illustration, or a bit of data from a Federal Reserve bulletin which I was reading a day or so ago, I think either the January or the December number. It stated that in 1929 money, that is, the money which the Senator from Oklahoma [Mr. THOMAS] calls "check money," was circulating in this country at the rate of about $950,000,000,000 a year. That represented the debits to private accounts, as they are called in the bank statements, that is, checks drawn and deducted from deposits in banks. That is a fair index of business activity.

In the depth of the depression the figure dropped from $950,000,000,000 to $340,000,000,000. That was when we had our great pause, our stagnation, our unemployment, our depression, what was almost a hopeless situation. There were no transactions to speak of. We all remember that.

In a recent month, I think it was November, though I am not certain, the transactions reached the point of $50,000,000,000 for the month, or at the rate of $600,000,000,000 for the year. Evidently there are more transactions, and greater activity. We find that that is based on the expenditure of public money, not private. It represents distribution by the Government of borrowed money.

Mr. BROWN. Largely.

Mr. BAILEY. Largely; it is practically the whole case. What I am getting at is that it is proposed that we spend $50,000,000,000 this year, according to the President's address, and according to the Budget Bureau for the Government account alone, and the total expenditure, or the national income, as we speak of it, is expected to rise above $100,000,000,000, largely accounted for in rising prices. The actual values are not there. If cotton sells at 20 cents a pound, that amounts to $100 a bale, which means $100 gross income to the farmer. If cotton sells at 10 cents a pound, that means $50 a bale gross income to the farmer. In either case the actual wealth is the same. It is a bale of cotton. Very probably we are going to have a great many transactions in this country and an enormously increased national income, but the actual wealth created will be far less.

All the war production is necessary, and I am not protesting against it. I wish we could produce more. The national security demands it. But we propose to spend $56,000,000,000 this year, and probably more than $56,000,000,000 next year for goods which are not wealth. Then we have money outstanding which does not represent wealth.

It represents paper, borrowed money, and wasted effort, and nothing stored up, because the munitions are shot away, and, at any rate, they are not wealth. They are usable for scrap to the extent they can be recovered.

That is the basis of inflation, and inflation is destruction. We can stand a little inflation, and we can cure it, but a great inflation is different. There have been too many illustrations of that situation in history to make it necessary for me to dilate upon the subject. The inflation during the French Revolution, the inflation in the Confederacy during the Civil War, the inflation in Germany after the last World War—they all derive from the same cause—that is, the failure to fix the price of money, the basis of all prices.

Mr. President, I see that the Senator from Michigan has before him a copy of Professor White's book. Professor White in his book comments on the fact that the French Government was so concerned about the disposition of the people to avoid the use of money and instead making use of barter, that it imposed the death penalty upon anyone who would accept payment for anything in other than the money of France. But

people went to the guillotine rather than to take the worthless money of France for their labors. It was the guillotine or starvation.

Mr. President, such is the situation with which we are confronted. That is what the proposed legislation predicates. I do not mean that the proposed legislation calls it forth, but it is a byproduct of those conditions. Those conditions are here. The proposed legislation is a mere symptom of those conditions, but it is a clear symptom. The fact that we make this effort here ought to be convincing to every one of us that we are confronted with an infinitely worse situation, inexpressibly worse, than the mere matter of preventing an unusual rise in prices or hardship to the consumer.

What we are dealing with now is an effort to prevent the prostration of our country, and perhaps chaos. I do not like to use these extravagant words. I say "prostration" and when I say "prostration" I mean "prostration," something long, difficult, black, and with all the evils of Pandora's box under its lid ready to emerge. I think we might as well deal with this situation. I am not protesting against the bill. I shall vote for the bill. I shall vote for almost all this legislation. I do not know anything else for us to do. We must be united. I am going all down the line with it. But at least I will say for my own part that, as I have thought about this bill and as I have listened to the discussion today, it has seemed to me that we might look at the whole picture, that we might undertake to head off, not the difficulties which are mentioned here, such as speculation and hoarding, but to head off the ruin which undoubtedly underlies and is predicated by the situation. That is all I wish to say.

Mr. BROWN. Mr. President, I hope the Senator will bear with me a few minutes. I should like to make a few comments along the line he has taken. No one who is responsible to the House or to the Senate for the introduction of the bill believes that it is a cure-all for the tremendous problems which face us.

Somewhat over 8 months ago, in March last, as I recall, when I had the privilege of guiding in the Senate the last public-debt limitation bill, by which the borrowing power of the United States was raised to $65,000,000,000, my colleague [Mr. VANDENBERG] asked me whether I could state how far we could raise that limit and still avoid the dangers and pitfalls of inflation. I said then that I did not think anybody could make any predictions, but that I thought the productive and earning power of this country was sufficiently great to stand a $65,000,000,000 debt. That amount is considerably less than the annual income of all the people of the United States, which was then from seventy-eight to eighty billion dollars.

I will say to the Senator from North Carolina that I do not think anyone who has any knowledge of the financial condition of the people and of the Government of the United States today can with any confidence whatsoever predict that inflation, with all its disaster and distress, might not reach us.

The Senator from North Carolina referred to Professor White's work on inflation in France. Those of us who come from the State of Michigan are very proud of Professor White, who for 25 years was one of the leading lights of the department of economics and history of the University of Michigan. I was not a student of his. I am not sure but that my colleague was. Professor White is a great authority upon that general subject. I know that the Senator from North Carolina did not mean that conditions in France in 1789 can be compared with conditions in the United States today.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BAILEY. I would not say that there is any special similarity between conditions in France during the French Revolution and the conditions in the United States at the present time. I was speaking of the financial aspects of the matter, and of the difficulty of enforcing the provisions of a law such as the pending measure. I was thinking of Mirabeau's maxim, and what he claimed for it. If the Senator has it, I shall be glad to read it. I do not wish to take too much time.

Conditions are similar in this sense: France had a paper money, and she continued to issue it. She claimed that it was secure. She first seized the property of the nobles and issued money against it, claiming that the money was absolutely good because it represented a mortgage. She continued to issue it, and when that property was exhausted she seized the property of the Roman Catholic Church and issued money against it. There were two names for the money. One was assignats, and the other mandats. Great things were claimed for them both. The similarity is that there was no way to fix the value of the money. The Government continued to issue it, and continued to spend money creating things that were not wealth. The result was inflation.

I believe I shall take my seat with one remark. Napoleon finally came in with his whiff of grapeshot down the streets of Paris and silenced the mob. He took charge of the city. That night some officer said to Napoleon, "Sire, with what are you going to pay your soldiers?" He said, "I will pay them in specie, or not at all." He paid them in specie. That was the basis of the French Empire. That was the first act of stabilization. That was the beginning of the end of the chaos. That wound up the Revolution even more than did the whiff of grapeshot down the streets of Paris, because there was stability.

I am thinking about the ultimate stability at which we must arrive. The bill suggests to my mind that the Congress ought to be thinking now in terms of devising, out of the experience of history, the means of stabilizing our country and stabilizing her economy and her finances, notwithstanding the necessity for bearing the burden of the whole world in a world war. We have made our country strong and great, and it is capable of bearing the burden if we find the device. I could not find it myself. I assume that all of us together might. I am saying that the device must be found. It is important and necessary to win the war. But it is also important and necessary to find the device which will stabilize the American economy through the war and after the war.

I thank the Senator. I shall not further interrupt him.

The Senator from Oklahoma [Mr. THOMAS] says he has the device. With that I am delighted. I am going to dinner.

Mr. BROWN. I hope the Senator will remain for about 5 minutes longer.

Mr. BURTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MURRAY in the chair). Does the Senator from Michigan yield to the Senator from Ohio?

Mr. BROWN. I yield.

Mr. BURTON. In response to a question from the Senator from North Carolina [Mr. BAILEY], the Senator from Michigan implied that the bill covers all commodities. I take it it covers the fixing of prices at wholesale as well as at retail.

Mr. BROWN. Yes.

Mr. BURTON. It does not freeze prices at any one particular date for both wholesale and retail, does it?

Mr. BROWN. No.

Mr. BURTON. Can the Senator tell us how the Administrator, under the provisions of the bill, would overcome the present difficulty which appears from the testimony? Wholesale prices are now high. Retail prices have not yet caught up with them.

Mr. BROWN. The Senator is correct.

Mr. BURTON. How will the Administrator be able to meet that situation and protect the retailer from the difficulty which will confront him shortly when the new wholesale prices reach him?

Mr. BROWN. I shall reach that subject shortly in an analysis of the bill, if the Senator will permit me to defer it until I say a word or two.

In the first place, I am most happy to have the Senator from North Carolina on my side. I hesitate to say anything in opposition to what he has said; but, I yield to the temptation. I think the fundamental difference between what was done in France and what we are proposing to do is that the French yielded to the temptation to grasp the device which I fear the Senator from Oklahoma [Mr. THOMAS] is going to propose.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. THOMAS of Oklahoma. I can assure the distinguished Senator from Michigan that I am as much against inflation as he is—or can possibly be—because I think I know of the adverse effects of inflation; but the effects of inflation are no more terrible than are the effects of deflation.

Mr. BROWN. The French yielded to the temptation to issue paper money. It was better paper money than the money which Germany issued after the World

War. It was better paper money than the money which was issued by some of the States during the War between the States, to which the Senator has referred, because by statutory declaration it was made a charge upon the property which the French Government owned and which it had seized from the so-called nobles and from the church. The French plunged directly into inflation, and their price regulation followed the conditions which were brought about by the tremendous inflation. From 1790 to 1795 the price of flour rose from 40 cents to $45. The price of sugar rose from 18 cents to $12.10. The price of cabbage rose from 8 cents to $5.50. The price of 25 eggs rose from 24 cents to $5. A multitude of other illustrations could be given. A loaf of bread cost $9; a bushel of potatoes $40; and a load of wood $290. That condition was brought about because of the lack of confidence of the thrifty people of France in the new money.

I am sorry that the Senator used the term "device." I do not think he means to use the term in the sense to which I now refer. I do not think there is any "device" by which we can get out of the financial morass into which present difficulties have plunged us. I can see only one way at the present time, and I think that with some faltering we are following along that way.

Step No. 1 is to levy the heaviest taxes we can possibly levy upon the present income of the people of the United States.

Step No. 2 is to borrow from the people of the country. Borrowing from the banks would bring in the vicious spiral to which the Senator from Oklahoma [Mr. THOMAS] has so often referred. We should borrow as much as we can from the savings, and more particularly from the current earnings, of the people of the United States, by way of the so-called baby-bond drive.

The third step—and I am thinking of the great speech the Senator from Maryland made here about a year ago, in which he called attention to these very things—the third step is to do our utmost to cut to the bone all expenditures not only, as so many persons contend, nondefense expenditures—we have got to cut those to the limit, and yet there are limits beyond which we cannot go—but—and this subject seems seldom to be discussed—we have got to set up some kind of an agency—perhaps the one the junior Senator from Virginia [Mr. BYRD] desires to have set up is the correct one—to see to it that expenditures for defense materials and defense implements are wisely made and are kept within the bounds of reason.

I grant that it is most difficult to perform that task at the present time. The general attitude of everyone is that we must have whatever we need for defense. That is as it should be; but certainly our defense expenditures can be scrutinized carefully, and I think it would be very fine if the Congress of the United States should set up some sort of a committee by which such expenses would be scrutinized.

There are probably two or three other methods, to which I have not time at the present moment to refer, by which we can make some improvement in this condition. But, Mr. President, I hope that with regard to the pending bill, at least, we shall not be drawn into a discussion of means or methods by which, through manipulation of money or of the value of money, we may hope to get out of the financial difficulty which confronts us.

The difference between the present effort and the effort in France in 1790 is that here we are approaching a small sector of the problem. The bill is not by any means an over-all bill; but we are trying to hold prices down. The rising of prices is one of the greatest factors in bringing about inflation; this bill will hold prices down. Thus, the bill is a consumers' bill, designed for the purpose of keeping prices down. It is also a production bill, because if we can keep prices down we will have greater production of the necessary weapons with which we are going to fight and win this war.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. TYDINGS. A moment ago, in a colloquy with the Senator from Michigan, I understood the statement to be made that the philosophy of the bill was such that it would be possible for a situation to arise—I do not say it will arise, but under the bill it would be possible for a situation to arise—in which the prices of the things the farmer sells would be above parity compared with the prices of the things the farmer buys.

Mr. BROWN. It is possible that such a condition could exist; yes.

Mr. TYDINGS. Without going into the question of the motives of those who feel that the development of such a situation would be a way to equalize some of the burdens that agriculture has heretofore borne, let me say that it seems to me that from that very disparity, so to speak, if continued over a long period of time, there might conceivably flow a great many evils. For example, suppose the price of farm products stayed 10 percent or 15 percent above parity for a period of 3 or 4 months, and wages have been pretty well stabilized, as well as the prices of industrial products. The men who work in industrial plants must, of course, spend their wages primarily for food, which is the largest item in the family budget. I am wondering if the fact that agricultural prices would long remain above parity would not put those men in such a position that they could with justice claim that food prices must come down or else they must have more money in order to make ends meet. Do I make my point clear?

Mr. BROWN. I think the Senator is correct, and I think what he suggests is a very definite probability.

Mr. TYDINGS. Although I do not say that will happen, nevertheless it seems to me that, while we are drawing a price-control bill, we are leaving just enough of a loophole in it so that the whole structure may ooze out and get out of control, because, perhaps, or conceivably, there will be a disparity between the purchasing power of the great mass of industrial workers and the prices they must pay to acquire the food they have to have.

Mr. BROWN. The purpose of the bill is to try to keep the movement from being one of each getting ahead of the other for a short time, and finally all getting out of bounds.

Mr. TYDINGS. That is true.

Mr. BROWN. The purpose of the bill is to prevent such a result.

Mr. LEE. Mr. President, will the Senator yield?

Mr. BROWN. I will yield in a moment. First, let me say that in preventing the development of such a situation as the Senator from Maryland suggests we are dependent not upon statutory language that we can write into this bill, but upon a hard-boiled and efficient administration of the bill; one which I think the present Price Administrator said would make the Price Administrator the most unpopular man in the history of this period.

Mr. TYDINGS. Of course the Senator put his finger right on the point. The way the bill is drawn, if it is wisely and humanely and properly administered, the matter of whether there exists any such clause as we have just been discussing is out of the question.

But I still want to leave with the Senate the thought that the loophole does exist; and when men are working in one section of the country at a lower standard, in a time of great emergency, high taxation, and great stress, and other men in a similar situation are working on a seemingly higher standard there is afforded cause for agitation and for a just desire to bring about the adoption of means to take those who are below parity up to a point where parity will be established.

I shall leave the matter with the thougth that if we pass the bill in its present form the time will come when we shall have to close the loophole; because to me it is perfectly inevitable that with the high degree of taxation which will be inflicted this year on men who are not receiving wages in keeping with the general prosperity level, in many cases they will complain to us—and rightfully so—that they are being forced to operate on a lower plane than that on which men in another part of the country are permitted to operate. Unless we meet that situation by an increase in wages, which in turn may drive agricultural prices up again, it seems to me that the benefit which we assume we are conferring on the farmer will be illusory; because we shall create a great many economic difficulties unless the bill is wisely administered by the two men who have the say.

Mr. BROWN. The Senator appreciates that it is one of the purposes of this bill to attempt to bring the prices subject to control under the bill into some proper relationship with each other. The standards set forth in the bill are designed to accomplish this end.

Mr. LEE and Mr. LA FOLLETTE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield, and, if so, to whom?

Mr. BROWN. I yield first to the Senator from Oklahoma.

Mr. LEE. The Senator from Maryland [Mr. TYDINGS] has made his argument on a big "if." He has made it on a hypothesis the Senator from Michigan [Mr. BROWN] said is probable, which is that there might come a time when the price the farmer receives for his commodities would be greater than the relative prices the manufacturer and others receive for their commodities. I say that is a very big "if," because there is no logic or reason for a ceiling on the price of commodities of which there is a surplus. It is only in the case of a commodity of which there is a shortage that there is a possibility of injustice being done which necessitates a ceiling being placed on the price. With very few exceptions, there is now not only a surplus of farm commodities, but there is every probability that the surplus will continue, if not increase, under the normal prices that result, due to a gradual climbing up, which everyone concedes will happen even with the strictest control which Congress may provide. Therefore the probability of farm prices getting out of line is nil when we are producing surpluses, and there is no reason for putting a ceiling on the price of farm commodities of which we have a surplus. The only reason for it at all is that in wartimes certain things are needed for war purposes; a shortage is created so far as civilian consumption is concerned, and therefore it is necessary to replace the law of supply and demand with a law of artificial control. That is why we consider this measure, but in the field of agriculture where there is now a surplus and the possibility of a continuous surplus there is no reason for such a ceiling with respect to the farmer.

The Senator from Michigan [Mr. BROWN] has just pointed out, as he did once previously, the tremendous profits which were made by business of all kinds in 1941. I remember when this body rejected a proposed amendment on the last tax bill offered by the Senator from Wisconsin [Mr. LA FOLLETTE]—an amendment which I supported—which would have provided an excess-profits tax that would have recovered some of the profits, but the Senate rejected that amendment.

The only time the farmer gets a break is in inflationary periods. Ever since I have been in this body we have been talking about doing something to give the farmer not parity but 60 percent of parity or 66⅔ percent of parity or 80 percent of parity or 85 percent of parity, but never parity. Now there is a bare possibility that, although he is producing a surplus, he might, for once, get a break and get parity; and even if he went beyond parity he would not make up for the lean years in which he did not get parity. If there were any shortage of farm commodities that makes it necessary to take this step to further the war effort, I would be the last one to oppose it.

Mr. TYDINGS. Will the Senator from Oklahoma yield to me there, with the permission of the Senator from Michigan?

Mr. LEE. I yield to the Senator from Maryland, with the permission of the Senator from Michigan.

Mr. TYDINGS. I am not altogether in disagreement with what the Senator is saying, but I wish to point out how difficult it is for all of us who have even a modicum of imagination sufficiently to meet the years 1942 and 1943 in the kind of unparalleled situation with which we are confronted.

Only yesterday the President, in addressing the Congress, set forth his program involving an expenditure of $56,000,000,000 in 1942, and pointed out that 75,000 of a certain article would be made, and 45,000 of another, which we are not now geared, either in personnel or plant to make, be made. It is conceivable in this kind of program, such as the world has never before witnessed, that the farmer will not have the help he now has. The draft is sucking his men away on the one hand, and industry is taking them away on the other. It is likewise conceivable that that condition will apply to China, to Great Britain, and to many other nations on the face of the earth, and that as armies increase there will be more people to feed on the efforts of fewer people to produce. It is also perfectly conceivable that the United States will have to become not only the arsenal of democracy but the bread basket of democracy, so that we can continue this war with due efficiency down to the time of victory.

I am not looking at the thing as it exists today; I am not looking at the naked justice of conditions as they existed in the past or exist today. I am trying only to ascertain what this loophole may mean in the future, in terms of economic and industrial unrest, which, to a large extent, may undo the program which we are trying to inaugurate. I do not say that the farmer will take advantage of it or that the Secretary of Agriculture will fail to administer his duties properly; I am simply pointing out that if we close the door except for a little crack the crack may come back to plague us unless we put definite machinery in operation.

Mr. LEE. Mr. President, will the Senator from Michigan allow me?

Mr. BROWN. I wish to give the Senator from Oklahoma a couple of facts; then I will yield at once.

Mr. LEE. Let me answer the Senator from Maryland first.

Mr. BROWN. I want to give the Senator from Oklahoma a few facts which I think he should have.

The Senator is entirely correct in his view that the present indications are that it will be some time before agricultural prices reach 110 percent of parity. I wish to read from the testimony of one whom I consider to be the best expert upon that subject—namely, former President Hoover. Senator BARKLEY asked him a question about the situation, and Mr. Hoover said in reply:

> My own feeling is that the question of putting a ceiling higher than parity is more or less academic, because the Department with all of its pushing up of the floor has not been able to get up to parity yet.

Then he goes on at some length to point out that it is unlikely that, for some time, at least, the floors we are talking about will have to become effective, which is in line with the statement made by the Senator from Oklahoma.

Mr. LEE. Mr. President, not to answer the Senator from Maryland but to point out that he made a very effective speech in support of my point, for if we are to become the breadbasket, then, if we limit the price the farmer may get for his commodities, it may become necessary artificially to stimulate his production.

Mr. TYDINGS. Will the Senator yield there?

Mr. LEE. Not as yet; let me finish. But if the time should come when the surplus is being used up, judging from the last war, the farmer himself will increase his production, the price being the incentive; and that in itself would prevent us from ever scraping the bottom of the flour barrel, because it would work automatically. Thereby the Senator himself has furnished a good argument why we should not place an artificial ceiling on the prices of farm commodities, because we might create just that possibility whereby we would have a shortage; and then the Government would have to turn to the farmer and, by artificial methods, increase his production.

Mr. BONE. Mr. President, will the Senator yield to me?

Mr. BROWN. I yield to the Senator from Washington.

Mr. BONE. There is one aspect of this problem which has interested me very much, and which I have not seen touched on in any of the arguments relating to price controls.

Under the program outlined by the President yesterday, and the program which we know we are going to have to meet in this country, the Federal Government will be the biggest buyer of commodities—a bigger buyer than all the rest of our people. So, obviously, if there is anything in the demand factor that contributes to price, the tremendous and exigent demands of the Federal Government will be the biggest factor in the control of prices—if, as I say, demand is a factor in price control.

As I have read this bill hurriedly, nothing in it touches the prices the Federal Government shall pay, because they are regulated largely, if not exclusively, by contract. So the biggest buyer of all under the American flag now is not regulated except as our purchasing agencies regulate price by contract; and if the contracts are improvidently drawn, if they are drawn carelessly and in a sloppy fashion, we may find the Government outrageously mistreated in prices, and the only way we could get at that would be by tax levels that we might establish through our tax laws. Of course, the incidence of price outside probably would have something to do with the bid prices in letting contracts; but it would have a rather remote sort of association with the main problem.

Mr. BROWN. In answer to the Senator from Washington, I should like to say first that nothing in the bill would prevent the Administrator, as a theoretical matter, from fixing the prices of articles which the Government buys as

under contract. But as a practical matter, since the general public is not concerned with the price of planes and tanks, it is not expected that the Administrator will exercise authority in such fields. By fixing the prices of the commodities which go to make up the articles the Government buys, the prices of these articles will be kept down. That is just where I differ with the Senator from Washington. I think that the prices fixed in Government contracts, except for the profit element, are pretty largely determined by the prices paid by contractors and subcontractors for the raw materials and commodities which go into the products sold to the Government. If we can keep down commodity prices generally—the price of ore, the price of copper, the price of trucks, and so forth, then, naturally, the Government contracts will not call for as high prices as they will if prices of these commodities go up. It seems to me that is the really fundamental thing in the picture.

The Senator heard me say, I think, that inflation, so-called, in the World War cost us $13,000,000,000 of the $31,000,000,000 spent, and in this war will cost us a similar if not a much greater sum if prices are permitted to go unrestrained. But it seems to me that what the Senator is pointing out is that the Government agencies that deal with these contracts may possibly be recreant in their duty to see to it that the Government pays no more than fair prices; but fundamentally these prices are based on the prices of commodities which will be controlled by the Price Administrator.

Mr. BONE. Of course, I am in sympathy with the purpose of this kind of a bill, and I realize that that connection exists—that there will be some definite relationship to prices set up under a bill of this kind, and it will have a bearing on contracts—but the Senator has pointed out a thing of which we are all conscious, and that is the fact that tremendous profits have been made. I know of one concern that turned back some profits because in good conscience, it said, it could not keep them. I think there is something tragically wrong when such a confession as that is publicly made by a private outfit. It was on repair work, as I recall. I cannot imagine a more terrifying thing than an uncontrolled inflation, because it would visit the wrath of God on the people of this country. In other words, we should have a 33⅓-cent or a 50-cent dollar in buying the things we needed in the war; but after the war was over, at a time when America was depressed and plagued and bedeviled by innumerable problems, we should have to pay off the debt in 100-cent dollars, and that would be a tragedy that might overwhelm the Republic.

I do not see how any one can object to control of some sort that we agree to be reasonable and feasible. I suppose wages are left out of the bill upon the theory that if we control prices there will be no justification for strikes, and since the labor organizations have agreed not to strike during the war they would find no justification for striking when price levels were reasonable and decent. Is that the theory? I see that the Senator from Maryland [Mr. TYDINGS] indicates his assent by nodding.

Mr. TYDINGS. Mr. President, I did not refer to that subject directly, but that was the point I was trying to make; namely, that if we are to expect labor to remain on a parity with present-day conditions and not ask for more money, we must likewise give labor the right to buy the things they must have with the wages they make at somewhere near the existing level; and unless we put the lid on fairly, and eliminate all the loopholes, we shall have an economic revolution boiling right under our ceiling that may blow a hole through it.

Mr. BONE. The assumption, I take it—and I suppose we may all indulge it—is that if prices are fixed at reasonable levels, if the cost of living is adjusted at reasonable level, considering all things, then labor will be satisfied, and we shall get the best results all around that we can get.

Mr. TYDINGS. That is correct.

Mr. BROWN. Mr. President, I will add one further thought to that, and that is that it was the general view of the witnesses, including one of my favorite authorities on price control—former President Hoover—that price control in itself places some ceiling on wages, because in the manufacture of any commodity prices naturally limit the amount of money available for wages. The only fight there can be is beneath the level of those prices, for the share that goes to the manufacturer and the share that goes to labor; and, with respect to that situation, we feel that the agreements made, which we must assume will be in good faith carried out, and the arrangements made for conciliation, mediation, and so forth and so on, will take care of that problem. But the strongest control of all in this bill is the control over prices; and that control over prices—as was I think, quite generally agreed to in the committee—is an effective control over the wages that go into the make-up of the cost of the commodity in question.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Louisiana.

Mr. OVERTON. There is a great deal in what the Senator from Washington [Mr. BONE] had to say, but I do not understand that the bill undertakes to regulate contractual obligations, either public or private. Therefore, whether a contractor is contracting with the Government or whether he is contracting with industry, or whether he is contracting with some individual, he may stipulate just what price he will charge for his services under the contract; and the bill does not undertake to regulate contractual relations, with one exception, and that is in relation to the rent of real estate for housing purposes in defense areas.

Mr. BROWN. I was about to come to that phase of the matter.

Mr. OVERTON. But am I right about that? Does the bill undertake simply to regulate the price of commodities without going any further than that?

Mr. BROWN. The Senator from Louisiana perhaps has exactly the same idea that I have and that is expressed in the bill. There is no retroactive authority under the bill to affect deliveries prior to the date on which a ceiling is established. As to the future, the Senator and I could not make an agreement for cotton or some other commodity at a price in excess of any maximum under the bill. No two parties to any contract, whether made before or after the enactment of price legislation, can contract themselves out of regulation by the Congress. They cannot agree between themselves that their prices shall not be regulated. If that were permitted, there could be no price control. Buyers and sellers, this week or later, would enter into contracts of sale; the damage would be done. For the high costs of these unregulated prices would then enter into the entire price structure, even after the enactment of price regulation. It is not just a matter of regulating over-the-counter buy-and-sell prices. It is a question of regulating any relationship in which price is a factor.

Mr. OVERTON. That is, the price of commodities, but not the price of labor or services.

Mr. BROWN. Oh, no; the Senator is right about that.

Mr. OVERTON. Not the prices a contractor would charge.

Mr. BROWN. The Senator is right; the bill applies only to commodities as that term is defined.

Mr. McCARRAN and Mr. LEE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield; and if so, to whom?

Mr. BROWN. The Senator from Nevada [Mr. McCARRAN] has been on his feet for some time. I yield first to him. Then I will yield to the Senator from Oklahoma.

Mr. McCARRAN. Mr. President, I hope my question may be applicable to the last remark made by the Senator from Michigan; and I wish to draw the Senator's attention to the language on page 22 of the bill, commencing on line 7:

> It shall be the policy of those departments and agencies of the Government dealing with wages (including the Department of Labor and its various bureaus, the War Department, the Navy Department, the Office of Production Management, the National Labor Relations Board, the Railway Labor Board, the National Defense Mediation Board, and others), within the limits of their authority and jurisdiction, to work toward a stabilization of prices and cost of production.

Taking the portion of the sentence before the parenthesis—"It shall be the policy of those departments and agencies of the Government dealing with wages, within the limits of their authority and jurisdiction, to work toward a stabilization of prices and cost of production"—I am at a loss, and those who are interested in this phase of the bill seem to be at a loss, to determine exactly what the committee sought to accomplish by that language. Do they seek to give authority to the various agencies

of the Government to bring about a given wage scale, or to establish wages, or to regulate wages, or to put a ceiling on wages?

Mr. BROWN. We do not; and I may make a few remarks on that point. First, I call the attention of the Senator to the definition on page 49, line 17:

Nothing in this act shall be construed to authorize the regulation of compensation paid by an employer to any of his employees.

That is a specific and clear prohibition against fixing wages. However, it was felt by some that there should be a general declaration in the proposed statute that the policy of the Government agencies dealing with wages should be to do all in their power to aid in the task of stablizing prices and the costs of production, but having due regard to rises in the cost of living and other relevant factors.

Mr. McCARRAN. I am wondering why the peculiar language was inserted.

Mr. BROWN. Because, as I have said, it was felt that there should be a general legislative declaration that we were trying to stabilize the prices of commodities, mainly produced by labor, and the costs of production.

Mr. McCARRAN. That is exactly what we thought the committee may have had in mind, but with that in mind, would it be within the power of the agencies named, or any of them, to say, "Well, Congress authorized us, working along this line, looking to the fixing of prices, to reduce wages so as to bring about a certain price level"?

Mr. BROWN. I do not think such an interpretation could be made, and I have something along that line which I shall read later in my remarks. I should like to point out at this time, however, that the bill expressly says that these Government agencies shall work within the limits of their authority and jurisdiction. The bill grants no additional authority.

Mr. McCARRAN. I thank the Senator.

Mr. BROWN. Now I yield to the Senator from Oklahoma.

Mr. LEE. In line with the point just mentioned, as between the cost of farm commodities and the cost of labor, which affects the price of war materials the most? Is it not the cost of labor?

Mr. BROWN. The Senator can answer that question as well as I can.

Mr. LEE. It answers itself. Certainly labor enters more largely into the cost of war materials than do the costs of farm commodities.

Mr. BROWN. That is probably true.

Mr. LEE. Yet here is a bill which proposes to fix a top price on farm commodities, on the theory that we are to lower the cost of war materials to the Government, and in the same bill it is made definitely clear that we not only do not fix a ceiling for the cost of labor, but from such phraseology as that just pointed out, it appears the power does not exist to do that.

I am not arguing that we should write into the bill a provision to fix the cost of labor, but I point out the difference as between the two groups. There not only is not a surplus of labor in this country, but there is a shortage of labor, which will become more and more acute. But in the case of farm commodities, there is not only not a shortage but there is a surplus, which in all probability will be increasing, thereby regulating the price, but labor, which contributes most to the cost of production of war materials, is exempted, and there is a shortage, and the shortage will be greater as we proceed. But here is the other group—the farm group—which produces commodities, very few of which, and very small amounts of which, go into the actual production of war machinery, and there is a surplus of them, with a possibility of it being tremendously expanded, yet they are brought under the bill. I do not understand it.

Mr. BROWN. Certainly the Senator would not contend that war implements are more important than food. Both are absolutely vital to the prosecution of the war. But I do not wish to enter into that particular controversy at this time. It may come up by way of certain amendments which will be proposed. But I feel it my duty to the Senate to cover briefly those parts of the bill which have not yet been discussed. I shall go over them rapidly.

Mr. McNARY. Mr. President, there are a number of questions having to do with various provisions of the bill which I wish to propound to the able Senator. I do not desire to ask the questions now, if the Senator is tired and desires to rest.

Mr. BROWN. I should like to conclude my statement regarding the particular sections of the bill; then I shall be glad to take up the other matters.

Mr. McNARY. I am advised that the Senator from Ohio desires to take the floor; and with that understanding, I advise the Senator that I wish to ask him some further questions.

Mr. LA FOLLETTE. Mr. President, would the Senator care to yield so that I may suggest the absence of a quorum?

Mr. BROWN. I think I can conclude in about 10 or 15 minutes; but I thank the Senator for his consideration.

A subject matter which has had no discussion whatsoever is the rent-control feature of the bill. Briefly, rentals are based, where the Price Administrator has jurisdiction, on the rents prevailing during the period which he conceives to have been a fair rent period, some time prior to the time when the rents were fixed, and at a time when defense activities had not yet affected rents, but not further back than April 1, 1940. The Administrator is not authorized to act unless the area to be affected is what is termed by the bill as a "defense area," nor is he authorized to act unless the local authorities have fallen down in the matter of rent regulation. Then he must issue declarations setting forth his recommendations, which are similar to statements of considerations which accompany price regulations, but less detailed in that they contain only a statement as to the necessity for regulation, and the Administrator's recommendations.

Mr. BONE. Mr. President, will the Senator from Michigan yield?

Mr. BROWN. I yield.

Mr. BONE. I am tempted to propound an inquiry at this point, because the rental question has been discussed from many angles since this price-control proposal first arose. I am wondering why rent control should apply to so-called defense areas only, because the impact of rent on the worker is as widespread as the area of the country itself. In an all-out total war, in which all are engaged, everyone feels the impact of taxation and the increase in the cost of living. Why is it more important to the maintenance of morale or the protection of the people involved in the all-out effort to give consideration only to defense areas? I am not complaining of it; I am merely inquiring. I cannot see that one man is any more entitled to protection than another.

Mr. BROWN. Under the ancient and almost forgotten doctrine of States' rights, we feel that we should apply rent control only to those areas where the defense activities of the Federal Government cause pressures on rents. We think that in all other areas the matter should be left to the States. That is why the bill is drawn as it is.

Mr. BONE. I cannot imagine any more potent provocation to a demand for more wages or of readjustment of wage scales than an abrupt rise in rent. If a wage earner's rent goes from $30 to $60 a month, he is out of pocket $30 a month. If he does not live in a defense area, he is just as badly hurt as one who does, and certainly if there be any justification for this proposal, I doubt if the Federal courts could be looked to to draw a line between the two classes.

Mr. BROWN. The Senator is correct, but we felt as a congressional committee that we had better leave to the State authorities the control of rents in those areas in which defense activities do not threaten rent increases.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. TAFT. I wish to suggest that the control of rents is an infinitely complicated matter. Practically every single apartment and every single house is different from every other one. Rents move slowly, as a rule, unless there is some extraordinary defense activity in the locality, and it would seem that the matter was not sufficiently important to justify the tremendous amount of labor and activity and paper work that would be necessary to control every rent in the United States. That was the reason it was not included.

Mr. BONE. If I may make a suggestion, I realize the force of what the Senator has said, but the control would be precisely the same as it would be in the case of a physician controlling tuberculosis in my home and another controlling tuberculosis in a home in Pittsburgh. The formula would be the same in either case.

Mr. TAFT. No, I think there is no formula. Commodity control is from a central point, but when it comes to controlling rents practically every individual unit is different from other units.

Mr. BONE. Mr. President, we have that same problem. I suggest to the Senator from Ohio, in the city of Washington. There would be this infinite variety with respect to rentals existing here, and it would exist in Pittsburgh, and in Philadelphia, and in Chicago, and in every other city. If any kind of hurdle is permitted to hold us back we would never accept a formula anywhere.

Mr. TAFT. Whenever the emergency arises the locality can always take care of the situation. The Administrator does not want to be obliged to regulate rents at any place if he can help it. If the emergency arises and there is any serious increase in rents there will be local legislation enacted to take care of the situation, such as that provided in the District of Columbia.

Mr. BONE. Mr. President, there is a great Army post near my city of Tacoma, and many Government activities are located in and about the city. Presumably it would be declared a defense area if this bill became law. But there are other cities in the State of Washington, where the landlords might do what they pleased with rents within the range in which they could operate, and the people in those cities might say, "Why are we not given the same protection that the people of Tacoma are receiving? Our rents have gone up $25 a month, but in Tacoma people now are paying the same rents they did 6 months ago." I raise that question. I know there is no formula that will do justice all around.

Mr. BROWN. Mr. President, the State government is competent to take care of that situation. The Federal Government has nothing to do with it unless Federal activities bring about higher rentals. I think it is in line with the policy we ought to follow to leave matters that are primarily State matters to the States, and not attempt to interfere with them through the Office of Price Administration. The Price Administration will have plenty to do without undertaking that job.

Mr. BONE. Mr. President, the rental situation exists; it is going to be a splinter under your finger. People are going to quarrel over that matter. If one attempts to justify the situation by saying that the Government can control rentals in one city, but cannot control rentals in another city 50 miles away, the people in the latter city are going to look at the situation with a very jaundiced eye. If the powers of the Federal Government can be applied constitutionally and legally in one community in a State which is given over to national defense, by the same logic its powers can be applied to another community in the same State.

Mr. BROWN. Mr. President, the next subsection, subsection (e) on page 27, is one of the least discussed and most important provisions in the bill. It grants to the Price Administrator the right to buy and sell commodities for the purpose, first, to increase production, and, second, to control prices.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. McNARY. I do not want to prolong the Senator's statement, but he is now referring to a matter which I want to discuss with him probably more at length than he would wish this afternoon. The Senator is speaking now of the question of the authority proposed to be granted to the Administrator to buy or sell commodities in order to insure production. That is quite an important topic.

Mr. BROWN. The provision goes a little further than that.

Mr. McNARY. It is quite an important topic. I know the Senator desires to conclude his remarks, but if he is willing I should like to have him reserve discussion of that matter to another day.

Mr. BROWN. Very well. I shall briefly tell what the subsection covers. Originally it was intended to take care of the case of the marginal producers. The commonest illustration is what was done in the case of copper. The price of copper has been fixed at 12 cents a pound, at which price the great bulk of the copper output can profitably be produced. It was discovered, however, that in certain mines in the country, which accounted for a small percentage of the copper output, the cost of getting the copper out exceeded 12 cents a pound. In view of the serious copper shortage in this country we need every ton we can get. The Government decided to purchase the output of these mines at prices exceeding 12 cents. I believe the price to be paid is about 15 cents. In this way their production was maintained and at the same time the 12-cent price was maintained for the bulk of the output. It can readily be seen how much more preferable it is to take such a course than to allow a general increase in the price of copper to 15 cents, which would result in very large profits to the low-cost mines which now dominate the market. The bill specifically authorizes the continuation of this policy and permits its application with regard to the marginal production of agricultural commodities.

I see the Senator from Wyoming [Mr. O'MAHONEY] is on his feet. If the same situation arose with respect to beef, there is no doubt that the Administrator would have the right to encourage the production of beef by the use of the powers granted him under this subsection.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. O'MAHONEY. I sometimes think of other commodities besides beef and sugar. I rose to ask the Senator by whom the purchase of copper, to which he was just referring, was made?

Mr. BROWN. I was about to cover that point.

Mr. O'MAHONEY. What I am referring to is whether the purchase of commodities for the purpose which the Senator just described, should be made by the defense corporation set up for the purpose of acquiring commodities, or whether it should be made by the Price Administrator.

Mr. BROWN. We have heretofore given the authority to purchase strategic and critical materials principally to agencies in the Reconstruction Finance Corporation. Therefore, we have provided in this subsection that for purposes of this bill strategic and critical materials shall continue to be purchased only by such agencies and not by the Price Administrator. He is confined to materials other than strategic and critical materials, but is authorized to make recommendations to the R. F. C. concerning the purchase of strategic and critical materials.

The committee bill goes beyond the House bill. The House bill authorized the Administrator to buy only from marginal producers of commodities. We extended the power, and we did so largely because we thought it was necessary, in view of the great events which occurred on December 7, after the House bill was passed and just before we began our hearings, to include the authority to buy commodities necessary to stimulate production or to prevent unwarranted price increases. We feel that this authority is essential if the bill is to be effective.

Let me hasten to say also that the limitation contained in the agricultural section is with respect to floors below which the Price Administrator may not go in fixing prices. The provisions of the Agricultural Adjustment Act of 1938 and of the Tariff Act are limitations upon the power of the Administrator to affect prices by buying and selling. In other words, the Administrator may not buy or sell commodities so as to bring prices below the floors established by section 3 of the bill. If the Administrator buys any agricultural commodities under the provisions of this section, he may not sell such commodities at prices below those specified in the agricultural section of the bill. Thus the Administrator could not buy from the general public for the purpose of lowering the price of cotton or any other commodity. He may buy for the purpose of encouraging production and affecting prices so long as his action does not go below the limitations established by the bill.

Section 3 is the agricultural commodity section, which we have thoroughly discussed.

Section 4, on page 30, relates merely to administrative matters which are of no particular general interest.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Does the Senator from Michigan yield to the Senator from Illinois?

Mr. BROWN. I yield.

Mr. LUCAS. With respect to the power which is delegated to the Administrator to buy and sell, which the Senator was just discussing, would the bill give the Administrator the power to buy from the Government, so far as certain surplus commodities are concerned?

Mr. BROWN. We discussed that question very thoroughly in the committee. That was a point upon which there was not complete agreement for some little time. The Secretary of Agriculture himself appeared before us, and it was the judgment of the committee that the Administrator should determine whether it is necessary to buy commodities from Government corporations such as the Commodity Credit Corporation. But, of course, it would still be solely under the

control and authority of the Secretary of Agriculture or the directors of the Commodity Credit Corporation or any other agency of the Government to determine whether they would sell. But the real point is that any such commodities bought by the Administrator could not be sold by him at prices below those which are specified in section 3 of the bill. He must comply with section 3 regardless of where the particular commodities came from.

I may say that these provisions of the bill were agreed to by the general counsel for the Administrator in the discussion which was had.

Mr. LUCAS. If I correctly understand the Senator from Michigan, it would be a matter of the meeting of minds as between the Secretary of Agriculture and the Price Administrator as to whether they would buy or sell as between themselves.

Mr. BROWN. That is correct.

Mr. LUCAS. If the Price Administrator should determine that he needed certain basic commodities to carry out the program, and the Secretary of Agriculture should agree with him, and they could agree on the price, the sale could be made.

Mr. BROWN. Yes; but, of course, this section relates mainly to purchases from private parties.

Mr. LUCAS. I understand that; but it is the exception with which I am trying to deal. I am tremendously interested in ascertaining just how far governmental agencies may deal between themselves in buying and selling. I am especially interested in the prices they will be able to pay, and whether, under the terms of the bill, such prices might have a tendency to drive down the market prices of the basic commodities. I am extremely interested in that question.

Mr. BROWN. The Senator must recall that, as I have explained before, driving down the market price, to which he refers, assuming that the Price Administrator should desire to do so, is limited by the floors we have established in the bill.

Mr. LUCAS. I appreciate that.

Mr. BROWN. All this section does is to say that the Price Administrator may buy. He may buy from private individuals. He may buy from the various Government corporations. Whether they sell is up to the private individuals and to the directors of the Government agencies.

Mr. LUCAS. I can appreciate that. The point I am attempting to make is that such action has been taken by the Secretary of Agriculture. We have surpluses in wheat, cotton, and other commodities. It is my understanding that the Secretary of Agriculture has sold certain basic commodities below the market prices. He claims that he has authority to do so under the present Agricultural Adjustment Act. I contend that he does not have that right. I contend that it was never the understanding when the Agricultural Adjustment Act was passed that surpluses should be thrown on the market at less than the market prices or less than the percentage of parity upon which we have agreed. Nevertheless, that has been done, to the detriment of certain basic agricultural commodities. I understand it has not been done in the case of cotton, because the cotton producers of the South and Senators and Representatives interested in cotton vigorously protested to Mr. Wickard that he should not release the cotton which is in storage, and he has not done so.

However, he has done so with respect to certain other basic commodities. What I want to know is whether, under the terms of the bill, the Price Administrator would have the authority to go to the Secretary of Agriculture and deal in the basic commodities at prices lower than the market prices at the time, or lower than the prices fixed in the bill.

Mr. BROWN. He could not buy to effect a market price below the floors or limitations fixed in the bill. There is no question about that. That is definite.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BANKHEAD. Permit me to suggest to the Senator from Illinois that, in my judgment, he has raised a highly important question, about which there has been a great deal of concern and anxiety in many quarters among the farm group, not only with respect to cotton, wheat, corn, and tobacco, in which there are surpluses in the possession of the Government, but with respect to other commodities.

I ask the Senator if he does not think it would be desirable to offer an amendment to prevent two agencies of the Government getting together and making trades of that sort which would have the effect of depressing the prices, as he pointed out, below the level to which the bill seeks to permit the law of supply and demand to carry prices. I suggest to the Senator for his consideration an amendment to prevent the sale by any agency of the Government to any other agency of the Government at a price lower than the parity price, or the level of 110 percent as of October 1, fixed in the bill.

Mr. LUCAS. Mr. President, I appreciate what the Senator is saying in respect to the basic commodities. So far as I am concerned, I will say to the Senator from Alabama that I do not wish to place such power in any individual by this bill. If necessary, I wish to take from the Secretary of Agriculture, who apparently seems to think that he now has it, the power to make disposition of certain surplus basic commodities for domestic purposes at any price he sees fit, notwithstanding what the market price may be, or notwithstanding where the ceiling may be fixed in this particular bill. He has taken that position; and, as I understand, he has made disposition of certain surplus basic commodities at prices lower than the market prices. We can readily understand the result of such a situation.

Mr. BANKHEAD. I understand that very recently he sold a great deal of wheat at a price lower than the market price.

Mr. LUCAS. That is correct. I do not care how much wheat he sells to a foreign country at a price lower than the market price in this country, because we are subsidizing foreign countries, anyway. What I am contending is that he has no right, under the law or under the understanding we had when the Agricultural Adjustment Act was passed, to make disposition of the surplus crops that are in storage in this country to the detriment of the price of the commodity at the particular time. As I view the matter, as a result of what he is doing in so making disposition of the commodity, he is driving the price of the commodity down instead of permitting it to rise. I do not know just where the amendment should go in; but I am in favor of an amendment to the bill to prohibit the Secretary of Agriculture from making disposition of surplus commodities that are in the bins, granaries, warehouses, and other places at the present time, at below the market price or below the price that is set in this bill. I think that is fair to the American farmer.

Mr. BROWN. Mr. President, I am here representing the Senate Committee on Banking and Currency. Both Senators who are engaged in the discussion are members of the Senate Committee on Agriculture and Forestry. That committee has general authority over legislation respecting the Secretary of Agriculture; and I think it would be much better if the two interested Senators would discuss the matter in the Committee on Agriculture and Forestry and not require me to make an extensive investigation into the subject matter, to see what I am doing to the Secretary of Agriculture. He evidently thinks I am not giving him what he ought to have at the present time. I do not want to engage in any further controversy over the matter.

Mr. LUCAS. I do not want to take the Senator away from the real subject matter; but it seems to me that when the Senator says that under the terms of the bill the Price Administrator could buy from the Secretary of Agriculture, and the Secretary of Agriculture could sell——

Mr. BROWN. I do not say that. I do not say that we give the Secretary of Agriculture any authority to sell.

Mr. LUCAS. No; I do not say that either. But it is proposed to give the Price Administrator the right to buy.

Mr. BROWN. That is correct.

Mr. LUCAS. He would have authority to buy from either an individual, a corporation, or the Government.

Mr. BROWN. If they now have the authority to sell.

Mr. LUCAS. That is correct. They take the position that they have the right to sell, because they have already sold. If they can do that I say that a very interesting and serious question is involved in the bill. That is exactly what the Secretary of Agriculture is doing; and it seems to me if it is to become a part of this legislation we should at least discuss it, perhaps, in the Senator's time.

Mr. BONE. Mr. President, assuming that the bill authorizes interdepartmental trafficking in commodities such as wheat, is it the view of the Senator

from Michigan that the text of the measure has the effect of establishing what he has designated as a floor on prices and also a ceiling on prices, when the ceiling is determined by the Administrator? To go a step further, if that be true, does not that fact answer the query of the Senator from Illinois?

Mr. BROWN. I am not sure that it does.

Mr. BONE. I am curious, and I should like to know; because if the floor and the ceiling are established, that answers the question.

Mr. BROWN. If no action is taken by the Price Administrator, the agricultural prices may go where they will under the law of demand and supply. If the Administrator undertakes to exercise control over such prices, then he may not fix the prices below certain limitations, which I think I have fully explained to the Senate.

Likewise—and this is the important point—if he undertakes to exercise his power to buy or sell for the purpose of affecting the prices of agricultural commodities, he is limited by the provisions of section 3 of the bill establishing floors below which he may not go.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BARKLEY. If I correctly understand the Senator, if the Secretary of Agriculture, under the Agricultural Adjustment Act or any other authority which he possesses, desires to dispose of cotton, wheat, corn, tobacco, or rice which the Government may have on hand, and sells these commodities to the Price Administrator, the Price Administrator, in turn, may not sell them at prices below those fixed in the bill as a floor, which would be 110 percent of parity.

Mr. BROWN. The Senator makes an excellent illustration; that is the fact.

Mr. BANKHEAD. There is nothing requiring the Secretary to put the price up to the level of the ceiling prices fixed in the bill. In short, he could sell for whatever price he wanted to sell, except with respect to cotton; in the Agricultural Adjustment Act of 1938 a limitation is placed on cotton.

Mr. BARKLEY. It would be thoroughly inconsistent for us to establish floors below which the Price Administrator may not go in establishing maximum prices, and at the same time permit him, by manipulation with another governmental agency, to beat the price down below what we say is the floor. That certainly would be an inconsistent exercise of authority.

Mr. BROWN. I think the Senator has stated the matter correctly.

Mr. BANKHEAD. I think so; but I do not think the bill covers that situation. We have the same objective, so let us make it clear.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. LUCAS. Let me say to the able majority leader, in connection with the statement he has just made, that the only reason why I propounded the question was that I have been advised that the Secretary of Agriculture made disposition of surplus commodities at a price below the market price. Of course, if we put in the law something which provides that he may not do so, that is a different proposition. What I am interested in is seeing the law of supply and demand operate without any interference on the part of the Secretary of Agriculture until the ceiling is reached.

Mr. BROWN. I do not think the Senator allows the law of supply and demand to operate if he puts any restriction at all on the Secretary. The commodities which he has in storage are part of the general supply of commodities on hand.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BARKLEY. Whatever the Secretary of Agriculture has done in that regard, he has done wholly independent of this legislation.

Mr. BROWN. Yes.

Mr. BARKLEY. He might continue to do it wholly independent of this legislation.

What we are dealing with here is the authority of the Price Administrator. I, myself, would have no objection to clarifying the bill, if it needs clarification, so as to provide that the Price Administrator himself, in the exercise of authority under the terms of this bill, shall not sell Government-owned basic commodities at a price that will drive them down on the market below the floor we are fixing.

But what the Secretary of Agriculture may do in selling commodities to others under his general authority is a matter which seems to me to be aside from the subject of our present discussion.

Mr. BANKHEAD. Does not the Senator think the same rule ought to apply to the Secretary of Agriculture? If we establish a policy here, does not the Senator think the Secretary of Agriculture ought to be required to observe it?

Mr. BARKLEY. I want to look further into that matter, because I do not know what situation may face him in regard to selling commodities to the general public or to others besides the Price Administrator. That is a broader question than the one we are now discussing, as to the authority of the Price Administrator. It may be that legislation of that sort should come out of the Committee on Agriculture and Forestry, instead of from the Banking and Currency Committee. It may be that he should be prohibited from doing such things. I am not saying so without further investigation; but if it should turn out that the Secretary of Agriculture should be prohibited from taking such action generally, I feel that such legislation should come from the Committee on Agriculture and Forestry, which handles that subject, and not from the Banking and Currency Committee which is simply seeking to limit the authority of the Price Administrator in buying and selling commodities.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. THOMAS of Oklahoma. Do I correctly understand the Senator from Michigan to say that the bill authorizes the Price Administrator to buy and sell commodities?

Mr. BROWN. Yes.

Mr. THOMAS of Oklahoma. Before he can sell, he will have to have something to sell, will he not?

Mr. BROWN. Yes.

Mr. THOMAS of Oklahoma. Has he anything now?

Mr. BROWN. Anything to sell?

Mr. THOMAS of Oklahoma. Yes.

Mr. BROWN. I do not think I can answer that question. But he can buy something and then sell it.

Mr. THOMAS of Oklahoma. Before he can buy, he must have some money. Does he have any money which he can use for this purpose at the present time?

Mr. BROWN. I think provision is made in the bill for appropriations.

Mr. THOMAS of Oklahoma. Does the bill authorize an appropriation?

Mr. BROWN. Yes

Mr. THOMAS of Oklahoma. In the Senator's opinion, is it the purport of the bill to make an appropriation of a certain amount of money with which the Administrator may buy and sell commodities?

Mr. BROWN. I assume that will be done.

Mr. THOMAS of Oklahoma. Would that appropriation be used as a revolving fund?

Mr. BROWN. That is correct.

Mr. THOMAS of Oklahoma. The Senator may remember that at one time we appropriated half a billion dollars for a Federal Farm Board, and very shortly half of it was gone and there was nothing to show for it. Prices had not been stabilized or regulated to any extent.

Mr. BROWN. Yes; I very definitely recall that situation. In the Committee on Claims we have a great many matters coming up now because of it.

Mr. BARKLEY. Mr. President, if the Senator will yield, let me say that one of the troubles was that the old Farm Board could buy but could not sell except at a loss, and the $500,000,000 went into a sinkhole.

Mr. BROWN. With the consent of the parties interested.

The next section is the one relating to voluntary agreements. I may say that it aroused some controversy downtown, and it is possible that we may have to give reconsideration to it. I am speaking particularly to the Senator from Ohio, who is the author of this section. Briefly, it provides that voluntary agreements may be entered into between the Price Administrator and persons, producers, sellers of goods, and so on, and so forth. It is the intent to eliminate any questions as to liability under the Sherman antitrust law if such voluntary agreements are entered into. The Department of Justice, I think I should say, has made some complaint about that section. I have some correspondence regarding it, and there is some discussion proceeding concerning it.

I was willing, I will say to the Senator from Ohio, to include a provision in the section which would make such voluntary agreements subject to the approval of the Department of Justice; and I do not think the Senator would object to

that; but that does not seem to be quite satisfactory. So, between now and the time when the bill is finally disposed of, we will endeavor to iron out that situation.

In the matter of the administration and enforcement on page 32——

Mr. TAFT. Mr. President, will the Senator yield for a moment?

Mr. BROWN. I yield.

Mr. TAFT. It seems to me peculiarly necessary that most of the price fixing be done with the cooperation of industry. It is very difficult to enforce, and I think it should be done in cooperation.

The experience of many people who have come to Washington and talked to one Government department is that they have not been protected when they did what that department asked them to do. It seems to me that if this is to be cooperative procedure, certainly they ought to be able to do voluntarily what the Administrator can order them to do, providing the Administrator is a party to the agreement.

I have no objection to requiring him to submit an agreement to the Department of Justice, but, assuming that the Department of Justice and he agree, obviously, the very purpose of this proposed law is to fix prices, while the very purpose of the Sherman Act is to prevent fixing prices; so that this proposal is absolutely inconsistent with the Sherman Act. If we desire to have this measure operate successfully, it seems to me we must protect those who enter into such a voluntary agreement against possible later prosecution under the Sherman Act.

Mr. BROWN. The witnesses who were familiar with the World War experience, and Professor Hardy, in his work on the subject of World War prices, very strongly stressed the fact that voluntary agreements can be made a very vital part of this entire program. I do not want to eliminate the section, but I do want to have an agreement, if it is possible to do so as to its provisions.

Now, on the matter of administration, which will probably be a subject of considerable debate later on, I will briefly say that under the bill, as reported to the Senate, control is given to a single administrator who is authorized to fix prices. The controversy, I think, between us on this amendment will probably bring out much more clearly the difference between us on the subject matter, and I will say nothing more than to refer to the general set-up.

In the matter of the review of the decisions of the Administrator, the bill establishes an emergency court made up of Federal judges now on the bench, selected by the Chief Justice. The review provided by the bill goes to two questions, first, Are the standards laid down in the bill met by the order which the Administrator makes? and, second, Is the order arbitrary or capricious?

The question of enforcement was discussed at some length in the committee, and I think it is fair to say that the committee generally finally agreed that it was necessary to have some sort of a licensing system. So the bill provides that every wholesaler, retailer, or other outlet for commodities is entitled, as a matter of course, to a license and nobody may be denied a license by the Administrator upon application. Secondly, the bill provides—and I think this is the arrangement which eliminated from the bill much of the opposition to it on the part of some retailers—that a violation must first be disciplined by a warning notice, and, if there is a second offense, under the provisions originally put in the Senate amendment the Administrator has the right to take away the license. We felt that that was a matter proper for judicial determination. Therefore, we provided in the bill that the question whether the license should be revoked upon second offense is to be determined by a court. We went further and vested jurisdiction in the various State courts of general jurisdiction.

The Federal courts, of course, have jurisdiction, but their jurisdiction may not be invoked except under specified conditions—for example, unless the court is located within 50 miles of the place of business of the party complained against. We think there is little controversy left upon that subject matter. The definition of the term "commodity" on page 47 is of some importance.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Montana.

Mr. MURRAY. Before the Senator leaves the subject he has just been discussing, I should like to inquire if the Administrator has any power or authority over the licensee aside from the courts?

Mr. BROWN. Yes; I think he has. I think he has the right to inspect their books and papers. I think he has the right to subpena documents, make investigations, and so on, and so forth.

Mr. MURRAY. There seems to be an apprehension on the part of some businessmen that that authority might be exercised arbitrarily to the great detriment of business. It seems to me that it would be a harsh provision to authorize the subpenaing of books and papers and documents from small business concerns, requiring them to bring their records some distance to the hearing, and so forth. I am preparing an amendment to that section which, at the proper time, I should like to submit. I understand the Senate is not now considering amendments.

Mr. BROWN. No; I am merely explaining the bill generally. The bill will be read shortly for amendment.

I am somewhat in sympathy with the Senator's ideas along that line. I do not believe the Administrator should be given authority to go into a store and take away a man's books and records to some distant place; but I think he should be permitted to examine the books and records in the store, if it is necessary in the enforcement of the law. In other words the Administrator should be able to get at the information he needs in order to operate intelligently unless he determines that it would cause serious disruption to do so.

Mr. MURRAY. That is the idea I had in mind.

Mr. BROWN. I hope we can work out something along that line. I suggest to the Senator from Montana that he discuss that matter with representatives of the Price Control Administration, who, I am sure, will be available to him at any time.

Mr. MURRAY. I thank the Senator.

Mr. BROWN. The final section of importance is the definition section, which contains exceptions to control that are of importance:

> The term "commodity" means commodities, articles, products, and materials (except books, magazines, periodicals and newspapers, other than as waste or scrap), and it also includes services rendered otherwise than as an employee in connection with the processing, distribution, storage, installation, repair, or negotiation of purchases or sales of a commodity—

Then the bill contains a general exclusionary section; and I ascertained from some private conversations I have had that it is possible that one or two additional exclusions should be made. The Senator from Wisconsin [Mr. LA FOLLETTE] spoke to me about admissions to moving-picture theaters, and admissions generally of that character; and there is possibly the subject which was raised in a conversation with me by Representative KENNEDY of New York, in which he called attention to the fact that outdoor advertising is very similar to radio and newspapers, at least with respect to that part of their business, and that it might be well to make specific exemption of it. We shall have that matter under consideration.

The bill continues:

> *Provided*, That nothing in this act shall be construed to authorize the regulation of (1) compensation paid by an employer to any of his employees—

And so forth. I desire to make a very brief statement upon that subject matter.

The bill specifically provides that nothing in the act shall be construed to authorize the regulation of compensation paid by an employer to any of his employees. Control of wages in connection with price control is, on the one hand, administratively impossible, and, on the other hand, undesirable from the point of view of public policy. Extensive testimony before the committee makes it clear that wages have not been responsible for the increase of prices which has already taken place. It is also clear that effective control of the price of the commodities would make wage controls unnecessary.

In that respect former President Hoover made a very illuminating contribution:

> Senator BROWN. Of course, Mr. Hoover, if the Price Administrator effectively controls the prices of commodities, that in itself is a brake upon wages in industry, where the price is fixed.
>
> Mr. HOOVER. Quite. That is why I am so earnestly advocating the various measures which will give stability in commodity prices. Stability does not lie in mandatory price fixing; it lies in all the measures suggested. The object of all of them is to secure stability in prices and cost of living as far as it can be done, and thus to provide stability in wages.

Wage adjustments in this country, as in Great Britain, should continue to be

made through the normal processes of collective bargaining, assisted by the mediatory activities of the War Labor Board shortly to be established.

It is well known that as the rate of production increases in modern industry the labor costs per unit of output automatically decrease. This allows increased profits to be gained on each unit of output. The net profits of 416 large industrial corporations were about 30 percent larger in the first 9 months of 1941 than in the first 9 months of last year.

These increases took place in spite of substantial wage increases in the early part of 1941, and in spite of substantially increased taxes. It would be most unfair, therefore, to take any measure freezing wages at this time. To do so would greatly enhance the already excessive profits of major industrial corporations at the expense of the working people.

In many places in this country wages are still being paid at rates below the level necessary to maintain workers at an American standard of living. It would be unwise to seek to prevent the necessary wage changes from taking place by the process of collective bargaining.

In addition to that matter, I will say that I, for one, feel that we ought to give full faith and credit to the effort of labor and management to get together. Labor, by public announcement, has given up the right to strike during the period of the emergency. Consequently, the mediation and conciliation services will be used for the purpose of settling wage disputes. There is no question but that if we freeze wages, if we freeze the cost of production, and since there is a great increase in the velocity of business caused by mass production, and so forth, industrial profits will inevitably rise. I am not at all unsympathetic with the desire and wish of those in control of the matter of wages to obtain a reasonable part of that joint product of capital and labor; and that subject, of course, needs consideration in connection with the inevitable rise in the cost of living which I am satisfied this bill cannot fully prevent.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. I realize that the Senator from Michigan has held the floor for several hours in a very able explanation of the bill. I do not wish to enter into an extended debate with him on any proposition involved in the bill. If the Senator would prefer to wait until tomorrow to discuss those things, I shall be very glad to have that done.

Mr. BROWN. I will say to the Senator from Missouri that I think that would be better.

Mr. CLARK of Missouri. I entirely understand the Senator's feeling. I will say that the last expressions of the Senator from Michigan seem to me to merit some very serious discussion by the Senate. If the Senator desires, I, myself, should prefer to wait until tomorrow.

Mr. BROWN. That is satisfactory to me.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Ohio.

Mr. BURTON. Earlier in the afternoon I raised a minor point with regard to the effect of the bill upon wholesale prices and retail prices. Will the Senator make clear just how that matter would be handled? I asked a general question as to how it would be handled, and the Senator said he would discuss that subject later, when he came to an analysis of the measure.

The point I raised was this: It is clear from the evidence that wholesale prices have already considerably advanced in the past several months. Retail prices have not correspondingly advanced because the retailers have not yet had to buy in the wholesale market to make their retail sales. That will come about shortly, and the new wholesale prices will necessarily affect retail prices.

As I understand, under the bill there is no freezing of prices as of a specific date. Therefore, the Price Administrator would have full authority to set the wholesale prices now at their present price level, and then later on would raise the retail prices to reflect in the ceiling that he set the increased costs that would come to retailers over the coming months; but he would not be in any way bound by the bill to keep down the retail prices to the present levels of wholesale prices.

Mr. BROWN. I think the Senator correctly and accurately states what in all probability will be done. The authority granted by the bill is, of course, an authority over wholesale prices and an authority over retail prices. Ordinarily, except for the transition period to which the Senator refers, the control over wholesale prices probably will be sufficient; but, as the Senator says, there is a very definite lag between changes in wholesale and retail prices.

I desire to say at this point that in his testimony before the committee the Administrator paid a very high compliment to the retailers of the country when he said that they have not taken advantage of the rise in wholesale prices generally to raise their prices, but that they have lagged considerably behind, and are, in a general way, selling the goods which they bought at lower wholesale prices at the prices which those figures would justify, rather than raising those prices at the present time. They have waited and will wait until the higher wholesale prices take effect and have their consequent effect upon retail prices.

Mr. BURTON. That is precisely the point I wish to emphasize, because the retail dealers have been keeping retail prices down; but if they were now forced to freeze their prices at the points where they have been serving the public, they soon would be bankrupted if they had to buy goods at higher wholesale prices.

Mr. BROWN. The Administrator testified to that effect, as the testimony to which I have alluded clearly indicates. The bill requires the Administrator to adjust prices upward for increased costs of production. As retailers generally replace the goods on their shelves, their costs will increase. The bill directs the Administrator to take account of those increased costs in any ceilings he may have established.

I assume there will be a good deal of discussion of the various issues, but I have finished my own explanation of the bill, and am very glad to yield the floor, unless some Senator desires to ask me a question.

Mr. O'MAHONEY. Mr. President, I did wish to ask a question. I have been called out of the Chamber two or three times during the progress of the explanation given by the Senator from Michigan, and I appreciate the fact that he has been on his feet and has been doing a man-sized job ever since the discussion opened. I wish to ask whether he has discussed section 5.

Mr. BROWN. The voluntary-agreement section?

Mr. O'MAHONEY. Yes.

Mr. BROWN. I did discuss it, and I shall briefly repeat to the Senator what I stated. The section arose out of testimony from persons who were engaged in administration of the food controls during the first World War. The senior Senator from Ohio [Mr. TAFT] offered the amendment. It was approved by very many.

As the Senator from Wyoming knows, there is some objection to such a provision from official circles in Washington, particularly in the Attorney General's office, and it was felt that possibly some modification should be made. I suggested that the simple way to handle the situation would be to provide that any voluntary agreements entered into should be subject to the approval of the Attorney General or of the Department of Justice. I called this to the attention of the senior Senator from Ohio, who is the author of the amendment. I agree with the view expressed by him, that there should be some section of this kind in the bill because a very large part of the controls can be exercised by voluntary agreements.

I understand it is the attitude of those in charge of the enforcement of the Sherman law that if they were required to approve every agreement of this kind before it finally went into effect, it would entail an immense amount of work on their part. Therefore I made this statement, with the hope that representatives of the Price Administration and of the Attorney General's office, as well as the Senator from Wyoming, who, I know, is very much interested in the subject, and the Senator from Ohio and others, would endeavor to work out something which would cover the situation. I do not want to give the section up. I know that the Senator from Ohio and the Senator from Connecticut, as well as Senators on the majority side, are very much interested in it. But we are agreeable to working out something which will safeguard against the results which the Department of Justice fears.

Mr. O'MAHONEY. Mr. President, my feeling about the matter is that much depends upon the object sought to be attained by the language. If it is the purpose of this section to provide that the Price Administrator shall consult pro-

ducers, processors, retailers, and others before fixing a ceiling, that is one thing; but if it is the purpose of the section to authorize the Price Administrator to fix maximum prices with these various groups, that is quite another thing. I can see that language could easily be drafted which would make it necessary for the Administrator to call in these various groups before acting, but the danger I fear from this language is that it will create the means and method of a price-fixing mechanism in which only those who are interested in maintaining prices will be consulted.

Mr. BROWN. In other words, the consumer will not be there?

Mr. O'MAHONEY. That is correct; and of course the antitrust law was intended to protect not only the consumer, but also certain groups of competitors. I am very fearful that under the language which is here provided, with no rule whatsoever laid down as to who shall be consulted, the opportunity would be created of doing grave injury to competition, as well as to the consumer.

Mr. TAFT. Is it the fear of the Senator that the Administrator will conspire with these people to evade the Sherman Act? After all, nothing is accomplished unless the Administrator himself enters into the agreements, draws them, signs them, and approves them.

Mr. O'MAHONEY. If I may answer the Senator from Ohio in the time of the Senator from Michigan, of course, I have no thought or fear that the Administrator would of himself enter into any conspiracy, not at all. Nothing I have said could give the basis for any such inference. But the language which is presented is so broad that I think it might open the door to unfortunate agreements. Let me read it:

> In carrying out the provisions of this act—

That may be a limitation. If so, it is an effective limitation which is very desirable.

> In carrying out the provisions of this act, the Administrator is authorized to confer with producers, processors, manufacturers, retailers, wholesalers, and other groups having to do with commodities, and with representatives and associations thereof, to cooperate with any agency or person, and to enter into voluntary arrangements or agreements with any such persons, groups, or associations relating to the fixing of maximum prices, the issuance of other regulations or orders, or otherwise.

The provision is as broad as daylight.

Mr. TAFT. Let me say that the same provision, or just as broad a provision, was contained in the Lever Act during the World War. At that time the Food and Fuel Administrators were authorized to make such agreements, with no limitations on the agreements. Certainly the agreements are intended to be confined to the purposes of the act, and if that could be made clearer, perhaps it should be. There is no question as to that.

Mr. O'MAHONEY. My feeling was that that was the purpose, and that it was not intended to create an opportunity for other results.

Mr. BONE. Mr. President, because the Senator from Ohio had something to do with the enforcement of price provisions during World War No. 1, I wish to ask him how far, in his judgment, the pending proposal parallels World War No. 1 legislation of a similar character.

Mr. TAFT. The Senator refers to the whole bill?

Mr. BONE. Yes, generally speaking.

Mr. TAFT. This measure, of course, is much broader than any World War act, as a whole. The World War act, the Lever Act, was a very limited law. In the first place, it related only to food and fuel, and there was no legislation governing the activities of the War Industries Board at all. There was no power given to make regulations fixing prices. There was a general provision that prices must be reasonable, that no one should charge an unreasonable price. However, under the act the Administrator assumed to do many things which under the pending measure the Administrator would be able to do lawfully. No effective penalty was provided at that time, though there was a license system. No criminal penalty was provided which could be enforced.

Mr. DANAHER. Mr. President——

Mr. BROWN. Does the Senator desire to have me yield?

Mr. DANAHER. If the Senator will yield, I should prefer that he do so.

Mr. BROWN. I was about to conclude; then I shall yield the floor.

Mr. BANKHEAD. Before the Senator yields the floor I should like to propound a parliamentary inquiry.

Mr. DANAHER. I understand the Senator from Michigan has the floor.

Mr. BROWN. I think I still have the floor.

Mr. DANAHER. Mr. President, will the Senator yield to me briefly?

Mr. BROWN. I yield.

Mr. DANAHER. As a member of the subcommittee of the Banking and Currency Committee I have been in attendance not only upon the hearings but at the meetings of the subcommittee in charge of the pending legislation. Not only has the Senator from Michigan [Mr. BROWN] been assiduous in his attention to the work of the committee, and most diligent in his consideration of the manifold problems presented by the proposed legislation, but he has been most thorough in his grasp and understanding of the whole situation.

I wish to take this occasion, if I may, to say that seldom have we had an explanation of so many difficult questions so patiently and considerately given, as we have over the past many hours from the Senator from Michigan, in connection with the pending bill.

Mr. BROWN. Mr. President, I deeply appreciate the kind words of the Senator from Connecticut, and will say that at a later time in the discussion of the bill I intended to say a few words about the splendid nonpartisan cooperation we have had in the consideration of the bill. There is no politics in it, and certainly the members of the committee on the majority side and on the minority side have worked in fine cooperation in the interest of the great cause to which we must dedicate ourselves.

Mr. BANKHEAD. Mr. President, will the Senator from Michigan yield to me?

Mr. BROWN. I yield.

Mr. BANKHEAD. I wish to make a parliamentary inquiry with respect to the procedure to be taken on the matter of amendments to the bill. For the present, at the request of the Senator from Michigan, I will withhold the inquiry, and I shall take the matter up again tomorrow.

Mr. BROWN. Mr. President, I thank the Senate for the patience with which it has heard me in presenting this matter this afternoon, and I want to bespeak for Senators who will represent the other side in this controversy a most careful hearing, because there has been a most thorough devotion to the task of getting the bill out quickly by all Senators who were on the subcommittee and on the full committee.

Mr. BARKLEY. Mr. President, I inquire of the Senator from Michigan if he desires to yield the floor?

Mr. BROWN. Yes; I do.

Mr. WILEY. Mr. President, before the Senator yields the floor, will he yield to me for a question?

Mr. BROWN. I yield.

Mr. WILEY. I was called from the Chamber during the Senator's presentation, but I wish to express my appreciation to the Senator for the very enlightening explanation he has made of the bill.

I wish to ask the Senator one question. Under the scope of the bill let us assume a concrete instance; let us assume a product such as we produce in Wisconsin, cheese, or butter, or milk. The power granted in the first instance is to fix the price the farmer shall receive. The farmer delivers the butter or the cream to the cheese factory or to the creamery. The bill provides for fixing the price the creamery or the cheese factory shall get for their products. Is that correct?

Mr. BROWN. I assume that there possibly could be some argument and difference between those who are paid the price at the farm and those who are paid the price when the product is produced in the cheese factory. The subsection which covers the situation is as follows, on page 29, beginning with line 22:

> (c) Any maximum price established for any commodity processed or manufactured in whole or substantial part from any agricultural commodity shall be consistent with the purposes set forth in subsection (a) of this section and shall not be established in any manner as to circumvent, vitiate, or prevent the effectuation of such purposes.

Therefore, the October 1 to 15, 1941, price level would apply both to the price the farmer is paid by the cheese factory and the price at which the cheese factory sells the product to the wholesaler, subject, of course, to the limitation of section 3 (a).

Mr. WILEY. To the grocer, let us say.

Mr. BROWN. To the grocer or to the wholesaler.

Mr. WILEY. The bill also contains the power to fix the price which the grocer shall receive?

Mr. BROWN. Yes; but it is assumed from prior experience, and from our experience in conducting the hearings, that in practical effect one price structure will probably take care of the situation, and usual customs and practices and discounts and allowances between those who are affected by the price structure will remain or be fixed as they are under present circumstances.

Mr. WILEY. Let me ask one question connected with the milk industry. In the city of Washington milk is being sold now for 11, 12, 13, and 14 cents a quart. In some of the cities in the northeastern section of the country grade A milk is sold for 20 cents, and in some places for more. I was wondering how that situation would be handled. Would the authorities take into consideration the price factors in each section, let us say?

Mr. BROWN. Yes; the necessary authority is contained in section 2 (c) of the bill.

Mr. WILEY. Or would the attitude be to fix a uniform price for retail milk?

Mr. BROWN. I think transportation and general living costs, and so on, in each section of the country would be taken into consideration. Classifications and adjustments would be made.

Mr. WILEY. I thank the Senator very much.

Mr. BARKLEY. Mr. President, the Senator from Ohio [Mr. TAFT] has expressed a desire to be recognized following the conclusion of the speech of the Senator from Michigan [Mr. BROWN]. However, at this hour I am sure the Senator from Ohio does not desire to begin.

Mr. TAFT. I should like to wait until tomorrow.

Mr. BARKLEY. If the Senator would like, he may be recognized at this time, so that he may have the floor tomorrow.

Mr. TAFT. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio.

Mr. TAFT. I should like to discuss the bill whenever it is agreeable to the Senator from Kentucky.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MCFARLAND in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. MCKELLAR, from the Committee on Post Offices and Post Roads:

Several postmasters.

By Mr. MCFARLAND, from the Committee on the Judiciary:

A. Cecil Snyder, of Maryland, to be associate justice of the Supreme Court of Puerto Rico, vice Adolph G. Wolf, retired.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

RECONSTRUCTION FINANCE CORPORATION

The legislative clerk read the nomination of Charles T. Fisher, Jr., of Michigan, to be a member of the board of directors.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

INTERSTATE COMMERCE COMMISSION

The legislative clerk read the nomination of John Monroe Johnson, of South Carolina, to be an Interstate Commerce Commissioner.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Paul C. Leahy, of Delaware, to be United States district judge for the district of Delaware.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William A. Holzheimer, to be United States attorney, division No. 1, district of Alaska.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Noel K. Wennblom, to be United States attorney, division No. 3, district of Alaska.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Ralph J. Rivers, to be United States attorney, division No. 4, district of Alaska.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Donald C. Miller, to be United States attorney, northern district of Ohio.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BARKLEY. I ask that nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

That completes the calendar.

DAYLIGHT-SAVING TIME

Mr. BARKLEY. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed consideration of legislative business.

Mr. MCNARY. Mr. President, I am advised that the Senator from Ohio [Mr. TAFT] has withdrawn his objection to the consideration of the daylight-saving-time bill. As I stated yesterday, I have no objection to the present consideration of the measure.

Mr. WHEELER. Mr. President, I ask unanimous consent for the immediate consideration of Senate bill 2160, which is Calendar No. 968.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. Senate bill 2160, to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450).

Mr. MCNARY. The brief statement I made had reference to this bill. In the meantime I note the presence of the able Senator from Ohio [Mr. TAFT].

Mr. TAFT. Mr. President, I have no objection to the present consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. DANAHER. Mr. President, I ask the Senator from Montana whether, in connection with the consideration of the bill in committee, any thought was given to the possible effect on legal time in the event of a change of the time by Executive order. To illustrate the point more particularly, I should like to refer to House bill 3789, which was introduced in the House by Mr. MCLEAN and was referred to the Committee on Interstate and Foreign Commerce. In that bill, upon reading it, I find the following provision:

> In all statutes, orders, rules, and regulations relating to the time of performance of any act by any officer or department of the United States, whether in the legislative, executive, or judicial branches of the Government, or relating to the time within which any rights shall accrue or determine,

or within which any act shall or shall not be performed by any person subject to the jurisdiction of the United States, it shall be understood and intended that the time shall be the United States standard time of the zone within which the act is to be performed.

Mr. WHEELER. Mr. President, I do not think the bill would change the situation in the slightest degree, because the standard time would be fixed by the President under the Executive order.

Let me say to the Senator that the House committee recommended a bill a little different from the Senate bill, and we shall probably have to work out the details in conference. What I am anxious to see, what I am hoping for, and what I think will be worked out, is some uniformity in time from one end of the country to the other. I think the details will be worked out in conference.

Mr. BARKLEY. Mr. President, let me say, if the Senator will yield, that the question of fixing the time in time zones is a Federal function and not a State function. The bill we are now considering authorizes the President to make changes in the matter of time in the various zones. The bill has the approval of the Department of Justice, which went into the question raised by the Senator from Connecticut. As the Senator from Montana says the House committee has reported a somewhat different bill. We are anxious that this bill be enacted so that the two bills may go to conference and the details may be worked out.

Mr. DANAHER. Mr. President, the Senator from Kentucky and the Senator from Montana have heard no objection from me. I should like to have the record speak, however, with reference to what strikes me as a singularly important item in the legislative history of this matter. Many official acts must be done in accordance with a time standard. The performance of contracts, the accrual of rights, life and fire insurance policies, and many other things in the daily affairs of men depend upon time.

Inasmuch as so able and careful an attorney as the Senator from Montana tells me that the pending bill comprehends and includes the point I mentioned, and inasmuch as the Senator from Kentucky tells me that the Department of Justice has gone into the question and finds that it is satisfactorily considered and contemplated and included within the pending bill; and inasmuch as we have had this discussion and the matter will go to the House in this form and with this record, I have no further objection.

I thank the Senators for their cooperation.

Mr. BARKLEY. I thank the Senator from Connecticut for his cooperation.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2160) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450), be, and the same is hereby, amended and reenacted as follows:

"SEC. 3. That during the continuance of the present war and for a period not to exceed 6 months thereafter the President is authorized from time to time by proclamation to advance or to retard the standard time of each zone, or any part thereof: *Provided*, That during no period shall the time of any zone, or any part thereof, be advanced more than 2 hours."

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 45 minutes p. m.) the Senate took a recess until tomorrow, Thursday, January 8, 1942, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 7 (legislative day of January 6), 1942:

BOARD OF GOVERNORS, FEDERAL RESERVE SYSTEM

Ronald Ransom, of Georgia, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 1942. (Reappointment.)

DIPLOMATIC AND FOREIGN SERVICE

Laurence A. Steinhardt, of New York, now Ambassador Extraordinary and Plenipotentiary to the Union of Soviet Socialist Republics, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Turkey.

Harold S. Tewell, of North Dakota, now a Foreign Service officer of class 3 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE LIEUTENANT GENERALS

Maj. Gen. Stanley Dunbar Embick, United States Army.

Maj. Gen. George Howard Brett (colonel, Air Corps), Army of the United States.

PROMOTION IN THE NAVY

Lt. William L. Kabler, United States Navy, to be advanced 30 numbers in rank for eminent and conspicuous conduct in battle, pursuant to the provisions of section 1506, Revised Statutes.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 7 (legislative day of January 6), 1942:

RECONSTRUCTION FINANCE CORPORATION

Charles T. Fisher, Jr., to be a member of the board of directors of the Reconstruction Finance Corporation.

INTERSTATE COMMERCE COMMISSION

John Monroe Johnson to be an Interstate Commerce Commissioner.

UNITED STATES DISTRICT JUDGE

Paul C. Leahy to be United States district judge for the district of Delaware.

UNITED STATES ATTORNEYS

William A. Holzheimer to be United States attorney for division No. 1, district of Alaska.

Noel K. Wennblom to be United States attorney for division No. 3, district of Alaska.

Ralph J. Rivers to be United States attorney for division No. 4, district of Alaska.

Donald C. Miller to be United States attorney for the northern district of Ohio.

POSTMASTERS

CALIFORNIA

William D. Gilchrist, Arrowhead Springs.
Ellen Clark Martin, Beaumont.
Richard G. Power, Colusa.
Harry Ross King, Corona Del Mar
Patrick D. Lucey, Jr., Crockett.
Ward Robertson, Delano.
Clarence R. Pierce, Gridley.
Emilio C. Ortega, Ventura.

PENNSYLVANIA

Eleanor E. McNally, Aliquippa.
Edward P. Shamborsky, Eynon.
Sara J. Leonard, Groveton.
Lewis H. Mensch, Marienville.
Mina H. Corbett, Mont Clare.
Sara A. Jeffries, New Salem.
William Lamar Sames, Richlandtown.
James K. Morrison, Williamsburg.

APPOINTMENT IN THE REGULAR ARMY

Ralph Henry Pugh to be chaplain with the rank of first lieutenant.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

First Lt. John Martin Cone to Ordnance Department.

PROMOTION IN THE REGULAR ARMY

John Putman Dinsmore to be colonel, Judge Advocate General's Department.

APPOINTMENTS IN THE REGULAR ARMY

MEDICAL CORPS

To be first lieutenant

William Egbert Ragsdale, Jr.

DENTAL CORPS

To be first lieutenant

Russell Henry Augsburger.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

Capt. Robert Sylvester Nourse to Adjutant General's Department.

APPOINTMENT TO TEMPORARY RANK IN THE AIR CORPS, IN THE REGULAR ARMY

To be lieutenant colonel

James Gordon Pratt.

REAPPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES

William Richard Arnold to be Chief of Chaplains for a period of 4 years from date of acceptance, with rank from December 23, 1941, with the temporary rank of brigadier general, Regular Army.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

To be rear admirals for temporary service

John R. Beardall	Theodore S. Wilkinson
Willis A. Lee, Jr.	William W. Smith
William R. Purnell	Olaf M. Hustvedt

MARINE CORPS

To be brigadier general

Charles D. Barrett

To be colonel

James F. Moriarty

To be lieutenant colonel

George W. McHenry

To be major

John S. Letcher

To be captains

John A. Anderson	John F. Schoettel
Jack Tabor	Marlowe C. Williams
Ferdinand Bishop	Maynard C. Schultz
Cliff Atkinson, Jr.	

To be second lieutenant

Joel B. Laseter

To be chief marine gunner

Stephen J. Zsiga

HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 7, 1942

The House met at 12 o'clock noon.

Father Paul Redmond, O. P., director of the Holy Name Society, San Francisco, Calif., offered the following prayer:

Almighty God, under whom all hearts are opened, all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy Holy Spirit that we may perfectly love Thee, and worthily magnify Thy Holy Name, be pleased to direct the deliberations of these servants of our representative Government under the glory of our Saviour and Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1891. An act to amend an act to provide allowances for uniforms and equipment for certain officers of the Officers' Reserve Corps of the Army so as to provide allowances for uniforms and equipment for certain officers of the Army of the United States; and

S. 2094. An act to provide for the rank and title of the Commandant of the Marine Corps.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 4077. An act to amend the District of Columbia License Act so as to permit sightseeing operations in the District of Columbia, without procurement of a license of payment of a tax, in the case of certain vehicles performing such operations in connection with transportation of persons to the District of Columbia; and

H. R. 6163. An act to prohibit parking of vehicles upon public or private property in the District of Columbia without the consent of the owner of such property.

EXTENSION OF REMARKS

Mr. RANKIN of Mississippi. Mr. Speaker, I have two requests: First, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an outline of the 1941 and 1942 objectives of the Veterans of Foreign Wars of the United States which is compiled by Mr. O. B. Ketchum, national representative of that organization.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN of Mississippi. Mr. Speaker, I also ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from Hon. Birnay Imes, editor of the Commercial Dispatch, of Columbus, Miss., and also an editorial from that publication.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an article from the Milwaukee Journal of January 5, 1942.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. LELAND M. FORD addressed the House. His remarks appear in the Appendix.]

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a copy of the resolution.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. SMITH of Wisconsin addressed the House. His remarks appear in the Appendix.]

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD and to insert a copy of the letter I addressed to the President, and other matters.

The SPEAKER. The gentleman may extend his remarks in the Appendix of the RECORD but not in the body of the RECORD at this point.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the Appendix and include the matters to which I have referred.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter written to the Herald Tribune by Prof. Edward H. Warren, of Harvard University Law School, Cambridge, Mass.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent that today, after the conclusion of the other special orders, I may address the House for 15 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. BRADLEY of Michigan addressed the House. His remarks appear in the Appendix.]

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to include in my remarks in the Appendix of the RECORD a statement of the remarkable record of ore transportation through the Soo Canal recently written by Mr. Jack Cleary, marine editor of the Cleveland News.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. HILL of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a release from the Bonneville Power Administration showing the benefits to people of the Northwest in the building of the Bonneville and Coulee Dams.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. HILL]?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—BUDGET MESSAGE (H. DOC. NO. 528)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

I am submitting herewith the Budget of the United States for the fiscal year ending June 30, 1943. It is the budget of a nation at war in a world at war.

In practical terms the Budget meets the challenge of the Axis Powers. We must provide the funds to man and equip our fighting forces. We must provide the funds for the organization of our resources. We must provide the funds to continue our role as the Arsenal of Democracy.

Powerful enemies must be outfought and outproduced. Victory depends on the courage, skill, and devotion of the men in the American, British, Russian, Chinese, and Dutch forces, and of the others who join hands with us in the fight for freedom. But victory also depends upon efforts behind the lines—in the mines, in the shops, on the farms.

We cannot outfight our enemies unless, at the same time, we outproduce our enemies. It is not enough to turn out just a few more planes, a few more tanks, a few more guns, a few more ships, than can be turned out by our enemies. We must outproduce them overwhelmingly, so that there can be no question of our ability to provide a crushing superiority of equipment in any theater of the world war.

And we shall succeed. A system of free enterprise is more effective than an "order" of concentration camps. The struggle for liberty first made us a Nation. The vitality, strength, and adaptability of a social order built on freedom

and individual responsibility will again triumph.

THE WAR PROGRAM

Our present war program was preceded by a defense effort which began as we emerged from the long depression. During the past 18 months we laid the foundation for a huge armament program. At the same time industry provided ample consumers' goods for a rapidly growing number of workers. Hundreds of thousands of new homes were constructed; the production of consumers' durable goods broke all records. The industrial plant and equipment of the country were overhauled and expanded.

Adjustment to a war program can now be made with greater speed and less hardship. The country is better stocked with durable goods. Our factories are better equipped to carry the new production load. The larger national income facilitates financing the war effort.

There are still unused resources for agricultural and industrial production. These must be drawn into the national effort. Shortages, however, have developed in skilled labor, raw materials, machines, and shipping. Under the expanding war program, more and more productive capacity must be shifted from peacetime to wartime work.

Last year fiscal policy was used to shift the economy into high gear. Today it is an instrument for transforming our peace economy into a war economy. This transformation must be completed with minimum friction and maximum speed. The fiscal measures which I outline in this message are essential elements in the Nation's war program.

WAR APPROPRIATIONS

This is a war budget. The details of a war program are, of course, in constant flux. Its magnitude and composition depend on events at the battlefronts of the world, on naval engagements at sea, and on new developments in mechanized warfare. Moreover, war plans are military secrets.

Under these circumstances I cannot hereafter present details of future war appropriations. However, total appropriations and expenditures will be published so that the public may know the fiscal situation and the progress of the Nation's effort.

The defense program, including appriations, contract authorizations, recommendations, and commitments of Government corporations, was 29 billion dollars on January 3, 1941. During the last 12 months 46 billion dollars have been added to the program. Of this total of 75 billion dollars there remains 24 billion dollars for future obligation.

In this Budget I make an initial request for a war appropriation of 13.6 billion dollars for the fiscal year 1943. Large supplemental requests will be made as we move toward the maximum use of productive capacity. Nothing short of a maximum will suffice. I cannot prodict ultimate costs because I cannot predict the changing fortunes of war. I can only say that we are determined to pay whatever price we must to preserve our way of life.

WAR EXPENDITURES

Total war expenditures are now running at a rate of 2 billion dollars a month and may surpass 5 billion dollars a month during the fiscal year 1943. As against probable budgetary war expenditures of 24 billion dollars for the current fiscal year, our present objective calls for war expenditures of nearly 53 billion dollars for the fiscal year 1943. And in addition, net outlays of Government corporations for war purposes are estimated at about 2 and 3 billion dollars for the current and the next fiscal year, respectively.

These huge expenditures for ships, planes, and other war equipment will require prompt conversion of a large portion of our industrial establishment to war production. These estimates reflect our determination to devote at least one-half of our national production to the war effort.

The agencies responsible for the administration of this vast program must make certain that every dollar is speedily converted into a maximum of war effort. We are determined to hold waste to a minimum.

THE CIVIL FUNCTIONS OF GOVERNMENT

In a true sense, there are no longer nondefense expenditures. It is a part of our war effort to maintain civilian services which are essential to the basic needs of human life. In the same way it is necessary in wartime to conserve our natural resources and keep in repair our national plant. We cannot afford waste or destruction, for we must continue to think of the good of future generations of Americans. For example, we must maintain fire protection in our forests; and we must maintain control over destructive floods. In the preparation of the present Budget, expenditures not directly related to the war have been reduced to a minimum or reoriented to the war program.

We all know that the war will bring hardships and require adjustment. Assisting those who suffer in the process of transformation and taxing those who benefit from the war are integral parts of our national program.

It is estimated that expenditures for the major Federal assistance programs—farm aid, work relief, youth aid—can be reduced by 600 million dollars from the previous to the current fiscal year, and again by 860 million dollars from the current to the next fiscal year. These programs will require 1.4 billion dollars during the fiscal year 1943, about one-half of the expenditures for these purposes during the fiscal year 1941.

Improved economic conditions during the current year have made possible the execution of economic and social programs with smaller funds than were originally estimated. By using methods of administrative budget control, 415 million dollars of appropriations for civil purposes have been placed in reserves.

Excluding debt charges and grants under the Social Security law, total expenditures for other than direct war purposes have been reduced by slightly more than 1 billion dollars in the next fiscal year.

Agricultural aid.—I propose to include contract authorizations in the Budget to assure the farmer a parity return on his 1942 crop, largely payable in the fiscal year 1944. I do not suggest a definite appropriation at this time because developments of farm income and farm prices are too uncertain. Agricultural incomes and prices have increased and we hope to limit the price rise of the products actually bought by the farmer. But if price developments should turn against the farmer, an appropriation will be needed to carry out the parity objective of the Agricultural Adjustment Act.

The remaining expenditures for the agricultural program are being brought into accord with the war effort. Food is an essential war material. I propose to continue the soil conservation and use program on a moderately reduced scale. Acreage control by cooperative efforts of farmer and Government was inaugurated in a period of overproduction in almost all lines of farming. Then its major objective was the curtailment of production to halt a catastrophic decline in farm prices. At present, although there is still excess production in some types of farming, serious shortages prevail in other types. The present program is designed to facilitate a balanced increase in production and to aid in controlling prices.

Work projects.—The average number of W. P. A. workers was two million in the fiscal year 1940, the year before the defense program started; the average has been cut to one million this year. With increasing employment a further considerable reduction will be possible. I believe it will be necessary to make some provision for work relief during the next year. I estimate tentatively that 465 million dollars will be needed for W. P. A., but I shall submit a specific request later in the year. Workers of certain types and in certain regions of the country probably will not all be absorbed by war industries. It is better to provide useful work for the unemployed on public projects than to lose their productive power through idleness. Wherever feasible they will be employed on war projects.

Material shortages are creating the problem of "priority unemployment." I hope the workers affected will be reemployed by expanding war industries before their unemployment compensation ceases. Some of the workers affected will not, however, be eligible for such compensation and may be in need of assistance.

Rather than rely on relief a determined effort should be made to speed up reemployment in defense plants. I have, therefore, instructed the Office of Production Management to join the procurement agencies in an effort to place contracts with those industries forced to cut their peacetime production. The ingenuity of American management has already adapted some industries to war production. Standardization and substitution are doing their part in maintaining production. Ever-increasing use of subcontracts, pooling of industrial resources, and wider distribution of contracts are of paramount importance for making the fullest use of our resources.

The newly nationalized Employment Service will greatly help unemployed workers in obtaining employment.

Aids to youth.—Under war conditions there is need and opportunity for youth to serve in many ways. It is therefore possible to make a considerable reduction in the programs of the Civilian Conservation Corps and the National Youth Administration. The youth, too, will be aided by the United States Employment Service in finding employment opportunities.

Although I am estimating 100 million dollars for these two agencies, excluding 50 million dollars for defense training, it is probable that the total amount will not be needed. I am postponing until next spring presentation to the Congress of specific recommendations as to youth aid.

Public works program.—The public works program is being fully adjusted to the war effort. The general program of 578 million dollars includes those projects necessary for increasing production of hydroelectric power, for flood control, and for river and harbor work related to military needs. Federal aid for highways will be expended only for construction essential for strategic purposes. Other highway projects will be deferred until the post-war period. For all other Federal construction I am restricting expenditures to those active projects which cannot be discontinued without endangering the structural work now in progress.

Civil departments and agencies.—The work of the civil departments and agencies is undergoing thorough reorientation. Established agencies will be used to the greatest possible extent for defense services. Many agencies have already made such readjustment. All civil activities of the Government are being focused on the war program.

Federal grants and debt service.—A few categories of civil expenditures show an increase. Under existing legislation Federal grants to match the appropriations for public assistance made by the individual States will increase by 73 million dollars. I favor an amendment to the Social Security Act which would modify matching grants to accord with the needs of the various States. Such legislation would probably not affect expenditures substantially during the next fiscal year

Because of heavy Federal borrowing, interest charges are expected to increase by 139 million dollars in the current fiscal year, and by another 500 million dollars in the fiscal year 1943. Debt service is, of course, affected by war spending.

COORDINATION OF FISCAL POLICIES

The fiscal policy of the Federal Government, especially with respect to public works, is being reinforced by that of State and local governments. Executive committees of the Council of State Governments and the Governors' Conference have issued excellent suggestions for harmonizing various aspects of State and local fiscal policy with national objectives. These governments are readjusting many of their services so as to expedite the war program. Many are making flexible plans for the post-war readjustment and some are accumulating financial reserves for that purpose. The larger the scale of our war effort, the more important it becomes to provide a reservoir of post-war work by business and by Federal, State, and local governments.

FINANCING THE WAR

Determination, skill, and matériel are three great necessities for victory. Methods of financing may impair or strengthen these essentials. Sound fiscal policies are those which will help win the war. A fair distribution of the war burden is necessary for national unity. A balanced financial program will stimulate the productivity of the Nation and assure maximum output of war equipment.

With total war expenditures, including net outlays of Government corporations, estimated at 26 billion dollars for the current fiscal year and almost 56 billion dollars for the fiscal year 1943, war finance is a task of tremendous magnitude requiring a concerted program of action.

RECEIPTS UNDER PRESENT LEGISLATION

Total receipts from existing tax legislation will triple under the defense and war programs. They are expected to increase from 6 billion dollars in the fiscal year 1940 to 18 billion dollars in the fiscal year 1943. This increase is due partly to the expansion of economic activities and partly to tax legislation enacted during the last 2 years. As we approach full use of our resources, further increases in revenue next year must come predominantly from new tax measures rather than from a greater tempo of economic activity. Taxes on incomes, estates, and corporate profits are showing the greatest increase. Yields from employment taxes are increasing half as fast; and the yields from excise taxes are increasing more slowly; customs are falling off. On the whole, our tax system has become more progressive since the defense effort started.

Development of major sources of Federal receipts compared with fiscal year 1940

(Indexes, 1940=100)

Source	1940 (actual)	1941 (actual)	1942 (estimated)	1943 (estimated)
Corporate taxes	100	173	328	519
Individual income and estate taxes	100	136	278	405
All employment taxes	100	111	143	209
Excise taxes	100	128	167	184
Miscellaneous receipts	100	[1] 70	90	106
Customs duties	100	112	106	85
Gross receipts	100	134	216	300

[1] Excludes return of surplus funds by Government corporations.

DEFICITS UNDER PRESENT LAWS

The estimate of deficits must be tentative and subject to later revision. The probable net outlay of the Budget and Government corporations, excluding revenues from any new taxes, will be 20.9 billion dollars for the current fiscal year, and 45.4 billion dollars for the fiscal year 1943. Borrowing from trust funds will reduce the amounts which must be raised by taxation and borrowing from the public by about $2,000,000,000 in the fiscal year 1942 and 2.8 billion dollars in the fiscal year 1943.

Financing of Federal operations, fiscal years 1940–43

(In millions)

Classification	1943 (estimated)	1942 (estimated)	1941 (actual)	1940 (actual)
A. Summary of Federal operations:				
I. Budget deficit under present tax legislation (*see* p. xxi)	42,440.8	18,631.8	[5] 5,103.4	[5] 3,611.1
II. Government corporations (net outlays)	2,941.0	2,220.0	[1] 1,148.8	200.1
Net outlays of Budget and Government corporation (I+II)	45,381.8	20,851.8	6,252.2	3,611.2
III. Trust funds:				
Deduct excess of receipts over disbursements under present legislation [2]	2,763.9	2,018.3	1,385.3	1,159.3
Combined net cash requirements (I+II−III) [3]	42,617.9	18,833.5	4,866.9	2,651.9
B. Financing combined net cash requirements:				
By borrowing from the public (net):				
Government issues	34,913.1	19,528.1	4,602.3	1,380.4
Government corporation issues	1,297.8	[4] 710.1	972.8	318.7
Subtotal	33,615.3	18,818.0	5,575.1	1,699.1
Under proposed legislation:				
Taxes	7,000.0			
Increase in social security trust funds [5]	2,000.0			
Total	42,615.3	18,818.0	5,575.1	1,699.1
Adjustment for changes in cash balances during year	2.6	15.5	[4] 708.2	952.8
Total, financing	42,617.9	18,833.5	4,866.9	2,651.9

[1] Includes return of surplus funds to the Budget.
[2] Almost all of this excess is invested in Government bonds.
[3] Includes interest accrued on United States savings bonds
[4] Deduct.
[5] This increase to be invested in Government bonds.

In estimating expenditures and receipts, only a moderate rise in prices has been assumed. Since expenditures are affected by rising prices more rapidly than are revenues, a greater price increase would further increase the deficit.

THE NEED FOR ADDITIONAL TAXES

In view of the tremendous deficits, I reemphasize my request of last year that war expenditures be financed as far as possible by taxation. When so many Americans are contributing all their energies and even their lives to the Nation's great task, I am confident that all Americans will be proud to contribute their utmost in taxes. Until this job is done, until this war is won, we will not talk of burdens.

I believe that 7 billion dollars in additional taxes should be collected during

the fiscal year 1943. Under new legislation proposed later in this Message, social security trust funds will increase by 2 billion dollars. Thus new means of financing would provide a total of 9 billion dollars in the fiscal year 1943.

Specific proposals to accomplish this end will be transmitted in the near future. In this Message I shall limit my recommendations on war finance to the broad outline of a program.

Tax programs too often follow the line of least resistance. The present task definitely requires enactment of a well-balanced program which takes account of revenue requirements, equity, and economic necessities.

There are those who suggest that the policy of progressive taxation should be abandoned for the duration of the war because these taxes do not curtail consumers' demand. The emergency does require measures of a restrictive nature which impose sacrifices on all of us. But such sacrifices are themselves the most compelling argument for making progressive taxes more effective. The anti-inflationary aspect of taxation should supplement, not supplant, its revenue and equity aspects.

PROGRESSIVE TAXES

Progressive taxes are the backbone of the Federal tax system. In recent years much progress has been made in perfecting income, estate, gift, and profit taxation but numerous loopholes still exist. Because some taxpayers use them to avoid taxes, other taxpayers must pay more. The higher the tax rates the more urgent it becomes to close the loopholes. Exemptions in estate and gift taxation should be lowered. The privileged treatment given certain types of business in corporate income taxation should be reexamined.

It seems right and just that no further tax-exempt bonds should be issued. We no longer issue United States tax-exempt bonds and it is my personal belief that the income from State, municipal, and authority bonds is taxable under the income-tax amendment to the Constitution. As a matter of equity I recommend legislation to tax all future issues of this character.

Excessive profits undermine unity and should be recaptured. The fact that a corporation had large profits before the defense program started is no reason to exempt them now. Unreasonable profits are not necessary to obtain maximum production and economical management. Under war conditions the country cannot tolerate undue profits.

Our tax laws contain various technical inequities and discriminations. With taxes at wartime levels, it is more urgent than ever to eliminate these defects in our tax system.

ANTI-INFLATIONARY TAXES

I stated last year in the Budget Message that extraordinary tax measures may be needed to "aid in avoiding inflationary price rises which may occur when full capacity is approached." The time for such measures has come. A well-balanced tax program must include measures which combat inflation. Such measures should absorb some of the additional purchasing power of consumers and some of the additional funds which accrue to business from increased consumer spending.

A number of tax measures have been suggested for that purpose, such as income taxes collected at the source, pay-roll taxes, and excise taxes. I urge the Congress to give all these proposals careful consideration. Any tax is better than an uncontrolled price rise.

Taxes of an anti-inflationary character at excessive rates spell hardship in individual cases and may have undesirable economic repercussions. These can be mitigated by timely adoption of a variety of measures, each involving a moderate rate of taxation.

Any such tax should be considered an emergency measure. It may help combat inflation; its repeal in a post-war period may help restore an increased flow of consumers' purchasing power.

Excise taxes.—All through the years of the depression I opposed general excise and sales taxes and I am as convinced as ever that they have no permanent place in the Federal tax system. In the face of the present financial and economic situation, however, we may later be compelled to reconsider the temporary necessity of such measures.

Selective excise taxes are frequently useful for curtailing the demand for consumers' goods, especially luxuries and semiluxuries. They should be utilized when manufacture of the products competes with the war effort.

Pay-roll taxes and the social-security program.—I oppose the use of pay-roll taxes as a measure of war finance unless the worker is given his full money's worth in increased social security. From the inception of the social-security program in 1935 it has been planned to increase the number of persons covered and to provide protection against hazards not initially included. By expanding the program now, we advance the organic development of our social-security system and at the same time contribute to the anti-inflationary program.

I recommend an increase in the coverage of old-age and survivors' insurance, addition of permanent and temporary disability payments and hospitalization payments beyond the present benefit programs, and liberalization and expansion of unemployment compensation in a uniform national system. I suggest that collection of additional contributions be started as soon as possible, to be followed 1 year later by the operation of the new benefit plans.

Additional employer and employee contributions will cover increased disbursements over a long period of time. Increased contributions would result in reserves of several billion dollars for post-war contingencies. The present accumulation of these contributions would absorb excess purchasing power. Investment of the additional reserves in bonds of the United States Government would assist in financing the war.

The existing administrative machinery for collecting pay-roll taxes can function immediately. For this reason congressional consideration might be given to immediate enactment of this proposal, while other necessary measures are being perfected.

I estimate that the social-security trust funds would be increased through the proposed legislation by 2 billion dollars during the fiscal year 1943.

FLEXIBILITY IN THE TAX SYSTEM

Our fiscal situation makes imperative the greatest possible flexibility in our tax system. The Congress should consider the desirability of tax legislation which makes possible quick adjustment in the timing of tax rates and collections during an emergency period.

BORROWING AND THE MENACE OF INFLATION

The war program requires not only substantially increased taxes but also greatly increased borrowing. After adjusting for additional tax collections and additional accumulation in social security trust funds, borrowing from the public in the current and the next fiscal year would be nearly 19 billion dollars and 34 billion dollars, respectively. The adjustments are indicated in the preceding table.

Much smaller deficits during the fiscal year 1941 were associated with a considerable increase in prices. Part of this increase was a recovery from depression lows. A moderate price rise, accompanied by an adjustment of wage rates, probably facilitated the increase in production and the defense effort. Another part of the price rise, however, was undesirable and must be attributed to the delays in enacting adequate measures of price control.

With expenditures and deficits multiplied, the threat of inflation will apparently be much greater. There is, however, a significant difference between conditions as they were in the fiscal year 1941 and those prevailing under a full war program. Last year defense expenditures so stimulated private capital outlays that intensified use of private funds and private credit added to the inflationary pressure created by public spending.

Under a full war program, however, most of the increase in expenditures will replace private capital outlays rather than add to them. Allocations and priorities, necessitated by shortages of material, are now in operation; they curtail private outlays for consumers' durable goods, private and public construction, expansion and even replacements in nondefense plant and equipment. These drastic curtailments of nondefense expenditures add, therefore, to the private funds available for noninflationary financing of the Government deficit.

This factor will contribute substantially to financing the tremendous war effort without disruptive price rises and without necessitating a departure from our low-interest-rate policy. The remaining inflationary pressure will be large but manageable. It will be within our power to control it if we adopt a comprehensive program of additional anti-inflationary measures.

A COMPREHENSIVE ANTI-INFLATIONARY PROGRAM

A great variety of measures is necessary in order to shift labor, materials, and facilities from the production of civilian articles to the production of weapons and other war supplies. Taxes can aid in speeding these shifts by cutting nonessential civilian spending. Our

resources are such that even with the projected huge war expenditures we can maintain a standard of living more than adequate to support the health and productivity of our people. But we must forego many conveniences and luxuries.

The system of allocations—rationing on the business level—should be extended and made fully effective, especially with relation to inventory control.

I do not at present propose general consumer ration cards. There are not as yet scarcities in the necessities of life which make such a step imperative. Consumers' rationing has been introduced, however, in specific commodities for which scarcities have developed. We shall profit by this experience if a more general system of rationing ever becomes necessary.

I appeal for the voluntary cooperation of the consumer in our national effort. Restraint in consumption, especially of scarce products, may make necessary fewer compulsory measures. Hoarding should be encouraged in only one field, that of defense savings bonds. Economies in consumption and the purchase of defense savings bonds will facilitate financing war costs and the shift from a peace to a war economy.

An integrated program, including direct price controls, a flexible tax policy, allocations, rationing, and credit controls, together with producers' and consumers' cooperation will enable us to finance the war effort without danger of inflation. This is a difficult task. But it must be done and it can be done.

THE INCREASE IN THE FEDERAL DEBT

On the basis of tentative Budget estimates, including new taxes, the Federal debt will increase from 43 billion dollars in June 1940, when the defense program began, to 110 billion dollars 3 years later. This increase in Federal indebtedness covers also the future capital demands of Government corporations. About 2 billion dollars of this increase will result from the redemption of notes of Government corporations guaranteed by the Federal Government.

These debt levels require an increase in the annual interest from 1 billion dollars in 1940 to above 2.5 billion dollars at the end of fiscal year 1943. Such an increase in interest requirements will prevent us for some time after the war from lowering taxes to the extent otherwise possible. The import of this fact will depend greatly on economic conditions in the post-war period.

Paying 2.5 billion dollars out of an extremely low national income would impose an excessive burden on taxpayers while the same payment out of a 100-billion-dollar national income, after reduction of armament expenditures, may still permit substantial tax reductions in the post-war period.

If we contract a heavy debt at relatively high prices and must pay service charges in a period of deflated prices, we shall be forced to impose excessive taxes. Our capacity to carry a large debt in a post-war period without undue hardship depends mainly on our ability to maintain a high level of employment and income.

I am confident that by prompt action we shall control the price development now and that we shall prevent the recurrence of a deep depression in the post-war period. There need be no fiscal barriers to our war effort and to victory.

FRANKLIN D. ROOSEVELT.

JANUARY 5, 1942.

PERMISSION TO ADDRESS THE HOUSE

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes following any previous special orders for the day.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. KNUTSON]?

There was no objection.

EDUCATIONAL REQUIREMENTS FOR MILITARY PILOTS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the gentleman from New York [Mr. EDWIN ARTHUR HALL]?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, toward the end of the first session of this Congress I introduced a resolution calling for an investigation into the feasibility of lowering the educational requirements for military aircraft pilots. About a month ago there appeared in the national press a rather voluminous account of what steps had been taken to lower these educational requirements and the statement was made that from then on there would be no more requirement calling for 2 years in college.

I received a telephone call this morning from a young man who had been most anxious to enter the Army Air Corps as a pilot. He has been held up by his own recruiting office because he has not yet the 2 years in college, because he has only one and a half years of college or the equivalent thereof of the 2 years. If, as the President said, at the end of next year we are to have an airplane production totaling 185,000 planes, we will have to draw from other reservoirs than from men who have college training for our airplane pilots. I recommend, Mr. Speaker, and I urge at this time an immediate revision of those regulations of the War Department so that young men from all parts of the country, no matter what walk of life they may come from, will have this opportunity. You cannot beat Hitler or the Jap invader with a Phi Beta Kappa key alone. You will have to man these 185,000 airplanes with pilots from every walk of life, no matter what they may have in the way of education.

[Here the gavel fell.]

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that Calendar Wednesday business be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, may I inquire of the gentleman from Massachusetts, the majority leader, what the program is for tomorrow and the rest of the week?

Mr. McCORMACK. I am unable to state now about Friday, but on tomorrow there will be a civilian defense bill reported by the Military Affairs Committee, assuming the unanimous-consent request that is about to be made will be agreed to, and I hope it will be.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

REPORT ON BILL TO PROMOTE NATIONAL SECURITY AND DEFENSE BY ESTABLISHING DAYLIGHT-SAVING TIME

Mr. LEA. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file a report on the bill H. R. 6314, to promote the national security and defense by establishing daylight-saving time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. LEA]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is a minority report to be filed?

Mr. LEA. Not that I know of.

Mr. MARTIN of Massachusetts. I would suggest to the gentleman that he get that permission in the event one is to be filed just as a precautionary measure.

Mr. LEA. Yes. I will add that request; in case there is a minority report the same time may be allowed for it to be filed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. LEA]?

There was no objection.

CIVILIAN DEFENSE

Mr. MAY. Mr. Speaker, I ask unanimous consent that it may be in order tomorrow to consider the bill (H. R. 5727) relating to civilian defense, that there may be 2 hours' general debate on the bill to be equally divided between the chairman of the Committee on Military Affairs and the ranking minority member thereof, the gentleman from New York [Mr. ANDREWS].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

Mr. HOFFMAN. Mr. Speaker, I object.

UNANIMOUS CONSENT TO INSERT LETTER FROM COMMISSIONER ELIZALDE

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from Commissioner ELIZALDE, of the Philippines, transmitting a cable from President Quezon, of the Philippine Republic, in appreciation of the appropriation by the Congress of the United States of certain revenues for the use of the Philippine government.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, the letter is as follows:

The Hon. CLARENCE CANNON,
House of Representatives.

MY DEAR CONGRESSMAN CANNON: I have just received the following telegram from President Quezon for transmittal to you:

"Congressman CLARENCE CANNON,
"House of Representatives:

"My deepest appreciation and that of the Filipino people for your support of resolution appropriating sugar taxes and additional $10,000,000 for Philippine civilian protection and relief. I am greatly heartened by prompt action and express full confidence in success our war effort.

"QUEZON."

I am very happy to transmit this expression of thanks to you from the head of our country and with kindest personal regards, I am,

Sincerely yours,
J. M. ELIZALDE,
Resident Commissioner of the Philippines to the United States.

Mr. Speaker, the additional $10,000,000 was added without suggestion from the Budget as an expression by the Congress of its deep appreciation of the invaluable cooperation and support of the Filipino people and the Philippine government.

EXTENSION OF REMARKS

Mr. SANDERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short letter and a brief resolution from defense workers in my district.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two topics, in one to include an editorial from the Washington Post, and in the other to include a column by Walter Lippmann.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

THE SPIRIT OF KINGS MOUNTAIN STILL LIVES

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

[Mr. FLANNAGAN addressed the House. His remarks appear in the Appendix.]

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a press release of the Navy Department.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes at the conclusion of the other special orders for today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

UNEMPLOYMENT CRISIS IN MICHIGAN

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr Speaker, an unemployment crisis of enormous proportions has struck Michigan. Closing down the automobile industry has cost 200,000 jobs in Michigan alone. Still more workers will lose their work before this is over. Throughout the country some 450,000 auto sales and service people are threatened, or have already lost their jobs. The tire industry, the glass industry, and others dependent on the automobile industry have dropped many tens of thousands of workers

What is happening in Michigan has its influence in every town and city in this country. It is a national problem, growing out of national policy. The Federal Government has to step in and help these people who are losing their jobs, their source of income, their homes.

Many displaced workers get unemployment compensation for 2 or 3 months. But right now 3,000 workers each week in Michigan exhaust their benefit rights, and this number will increase 8 or 10 times in the next few months. Right now there are more than 40,000 unemployed workers who are not eligible for these benefits in Michigan. One-fourth of the workers in Pontiac, Mount Clemens, and other towns in Michigan lost their jobs last month. In Flint, 41 percent of the people lost their work last month.

Armament work cannot take this up overnight. We can count ourselves lucky if half of these unemployed are absorbed by armament production 6 months from now. A year from now some of them will still be looking for the jobs the O. P. M. has been talking about for months.

While these experts talk about plant conversion, hundreds of thousands of people are out on the streets. Something has to be done for them and done quickly. They should not be made to suffer want under a program dedicated, among other things, to the attainment of freedom from want.

These displaced workers should be given jobs on the W. P. A. program; jobs that are diversified and useful. One hundred and fifty thousand W. P. A. jobs should be opened up in Michigan alone. Unless we act quickly these people will be impoverished, and small business men who need their trade will go to the wall. Congress must face this situation and provide public work to these people until the time comes when private employment is open to them all.

COMMITTEE ON RULES

Mr. COX. Mr. Speaker, on behalf of the Committee on Rules, I ask unanimous consent that that committee have until midnight tonight to file reports on the daylight-saving bill and the bill H. R. 5727.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. MEYER of Maryland. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein copies of several letters and of resolutions adopted by the International Hod Carriers' Building and Trades Union.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

PARKING OF VEHICLES IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6163) to prohibit parking of vehicles upon public or private property in the District of Columbia without the consent of the owner of such property, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 19, strike out "exclusive."

Page 3, lines 4 and 5, strike out "the violation of which" and insert "to remove and impound any vehicle, parked, stored, or left in violation of this act, and to keep the same impounded until the owner thereof, or other duly authorized person, shall deposit collateral for his appearance in court to answer for such violation, the amount of collateral to be fixed by the officer charged with the custody and control of property of the United States in the District of Columbia in an amount not to exceed $25. Violations of regulations for the parking of cars upon the property of the United States in the District of Columbia."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the amendments?

Mr. RANDOLPH. The Senate amendments merely clarify the provisions of the bill as it pertains to the Federal Government. They give the Federal Government the same authority to remove and impound vehicles parked on Federal property and assess fines as is given the District Commissioners for violations on private property within the District of Columbia.

Mr. MARTIN of Massachusetts. It sets forth a definite amount?

Mr. RANDOLPH. A definite amount, $25.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SIGHTSEEING OPERATIONS IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4077) to amend the District of Columbia License Act so as to permit sightseeing operations in the District of Columbia, without procurement of a license or payment of a

tax, in the case of certain vehicles performing such operations in connection with transportation of persons to the District of Columbia, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 8, strike out "a new subparagraph" and insert "new subparagraphs."

Page 2, line 2, strike out all after "purposes" down to and including "thereof", in line 6, and insert "if the only passengers transported in such sightseeing operations are school children, their teachers, or escorts, and transported to the District of Columbia from the State in which their school is located in such vehicle and if a certificate for each such vehicle is obtained from the Public Utilities Commission of the District of Columbia. Application for such certificate shall be made to the Public Utilities Commission of the District of Columbia stating the name of the school, the date or dates on which such operations would be conducted, and sufficient information for identification of the vehicle to be so engaged. The said Commission shall furnish to such school a certificate for each such vehicle upon which there shall be entered the name of the school, the date or dates on which such vehicle may be operated, and identification of the vehicle for which the said certificate is granted. Such certificate shall be conspicuously displayed in or on said vehicle when operated in the District of Columbia."

"'(h) Nothing in this paragraph shall be construed to require the procuring of a license, or the payment of a tax, with respect to a vehicle operated for sightseeing purposes if such sightseeing operations are only occasional and the only passengers transported in such sightseeing operations are persons transported to the District of Columbia from a point or points outside of said District in such vehicle, and if a certificate for such operation is obtained from the Public Utilities Commission of the District of Columbia. Application for such certificate shall be made to the Public Utilities Commission of the District of Columbia, stating the date or dates on which occasional sightseeing operations would be conducted and the number of vehicles to be operated. The said Commission shall furnish such applicant a certificate for each such vehicle upon which shall be entered the date or dates such operations may be conducted without a license from the District of Columbia: *Provided*, That such certificates shall not be issued for such occasional sightseeing operations under the same ownership, management, control, or arrangement for a greater number of days than authorized in this subparagraph. The certificate herein authorized shall be conspicuously displayed in each such vehicle when operated in the District of Columbia. The operation in the District of Columbia by the same ownership, management, control, or arrangement of any such vehicle or vehicles in sightseeing operations shall not be construed to be occasional if such ownership, management, control, or arrangement shall operate any such vehicle or vehicles for sightseeing purposes in the District of Columbia for more than 15 calendar days in any license year. Motor vehicles transporting school children for sightseeing purposes as exempted under the preceding subparagraph (g) shall not be included in such computation of operations. Sightseeing operations shall not be construed to include transportation to or from the hotel or terminal en route into or out of said District."

Amend the title so as to read: "An act to amend the District of Columbia License Act so as to permit the transportation of school children and occasional sightseeing operations in the District of Columbia without procurement of a license or payment of a tax in the case of certain vehicles performing such operations in connection with transportation to the District of Columbia."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the Senate amendments?

Mr. RANDOLPH. The purpose of the Senate amendments is merely to clarify certain features of the House bill. One amendment defines the word "occasional" as it applies to sightseeing operations in the District of Columbia. It provides that any vehicle coming from outside the District may come here under the auspices of a single company for 15 days within a calendar year tax free. The bill is also amended to exempt all vehicles coming from anywhere which bring in school children for visiting or sightseeing purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Miss RANKIN of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include a telegram signed by a number of Butte, Mont., automobile dealers, relating to regulations governing the sale and distribution of automobiles; also an editorial from the Times-Herald on the question of rubber prices.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Montana?

There was no objection.

TRANSFER OF ENLISTED MEN OF THE MARINE CORPS RESERVE TO THE REGULAR NAVY AND MARINE CORPS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5464) to authorize transfer of enlisted men of the Naval and Marine Corps Reserve to the Regular Navy and Marine Corps, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 1, after "*Provided*," insert "That such transfers of men who enlisted in the Marine Corps Reserve for the duration of the emergency shall be made only upon their obligating themselves to serve for a total period of 4 years from the date of such enlistment in the Marine Corps Reserve: *Provided further*,".

Page 2, line 13, strike out "continuous."

Page 2, line 13, after "duty", insert ", exclusive of training duty."

Page 2, line 14, after "shall", insert "also."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman kindly explain the amendment?

Mr. VINSON of Georgia. Mr. Speaker, the effect of the amendment placed on the House bill by the Senate is simply this: When a reservist in the Marine Corps transfers from the Reserve to the Regulars, he must agree to serve at least 4 years. That is all the amendment means.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AUTHORIZATION OF ADDITIONAL SHIPBUILDING AND SHIP-REPAIR FACILITIES FOR THE UNITED STATES NAVY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6304) authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes, and I ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole House on the state of the Union with 30 minutes of general debate, one-half to be controlled by myself and one-half to be controlled by the gentleman from Oregon [Mr. MOTT].

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, $500,000,000 for essential equipment and facilities at either private or naval establishments for building or equipping any complete naval vessel or portion thereof heretofore or hereafter authorized; $275,000,000 for essential equipment and facilities at either private or public plants for repairing, altering, or converting any vessel operated by the Navy or being prepared for naval use, of which $50,000,000 shall be available for essential equipment, tools, and facilities at such plants for the repair, alteration, and upkeep of ordnance material; and $70,000,000 for tools, equipment, and facilities for the manufacture or production of ordnance material, munitions, and armor at either private or public plants.

SEC. 2. The authority herein granted shall include the authority to acquire lands at such locations as the Secretary of the Navy may deem best suited to the purpose, erect or extend buildings, acquire the necessary machinery and equipment, and in private establishments provide plant-protection installations, and shall be in addition to all authority heretofore granted for these purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I am not going to object at this time, but I do hope the gentleman from Georgia in the future will take into consideration the fact that we would like full time to consider all of these important bills. This is a measure that authorizes appropriations of more than $800,000,000.

Mr. VINSON of Georgia. May I say to the gentleman from Massachusetts that that is the reason I have made the re-

quest in the way I have, that it be considered in the House as in Committee of the Whole House on the state of the Union, with 30 minutes of general debate. If 30 minutes is not sufficient time in the opinion of the gentleman, I am perfectly willing to ask for an hour The only thing I am gaining by making this request is going before the Rules Committee, because I am asking that it be considered with the same dignity and in the same manner as would be required under a rule.

Mr. MARTIN of Massachusetts. I appreciate that, and I am not objecting to the one-half hour, because I am sure if there is occasion for more time the gentleman will be liberal under the 5-minute rule.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER pro tempore. The gentleman from Georgia [Mr. VINSON] is entitled to recognition for 15 minutes and the gentleman from Oregon [Mr. MOTT] for 15 minutes.

Mr. VINSON of Georgia. Mr. Speaker, before discussing this bill I deem it important to give the background of the shipbuilding program, for this bill relates to the building program that is now being carried on, and I respectfully request your careful attention as I give you the information because it is important and shows what your Government is doing with reference to the program.

Starting January 1, 1940, it appears that the Navy has placed orders for 379 combatant ships, 79 auxiliary ships, 612 minecraft and patrol craft, 317 district craft, and 4,404 special boats, making a total building program for the Navy since January 1, 1940, of 5,791 vessels of all types, at a total cost of $8,473,012,269. The majority of these contracts were awarded within a few days after Congress made the initial appropriations available.

All authorized combatant tonnage, including 150,000 additional tons authorized on December 23, 1941, has been placed under contract.

The progress of the present program is, indeed, a healthy sign of being on the job as far as the Navy is concerned. Notwithstanding the fact that the present program calls for the construction of considerably more than four times as much tonnage as was called for in the last preemergency program, the 20-percent expansion in 1938, all of it was planned for completion by 1947, or within seven-tenths of the time allotted for the earlier and far smaller program. It is now hoped that even this drastically curtailed building program may be reduced by as much as 1 to 2 years. One way of indicating the acceleration of the program which has been made to date is by pointing out that the original estimate to complete the program called for 14,712 work months. Already there has been accomplished a saving on this estimate of approximately 13 percent.

Listen to this: Since January 1, 1940, there have been 56 combatant ships completed, 79 launched, and the keels laid for 168. During the month of November keels were laid at the rate of almost 2 a day—52, and launchings were also at the rate of better than 1 a day—33. That is with reference to fighting ships. The expansion of the program has brought about this increase in the workmen, in the employees. On January 1 there were 79,246 men working in the navy yards, both the navy yards and the industrial yards. The total number working today is 286,454. I make that statement to justify this bill, which calls for an expansion of $849,000,000.

Mr. DITTER. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. DITTER. I feel confident the gentleman will also pay a part of that credit to the private industrial activities of the country—that is, that private industry is responsible, and that all of the credit does not belong to the governmental establishment, but that a substantial part is due to the resourcefulness of private industry.

Mr. VINSON of Georgia. The gentleman is absolutely correct. This statement that I have just read to you shows that not only the navy yards, but the industrial yards, are doing their part. We are vitally concerned in getting this program through at the earliest possible date, but I measure my words when I say that this program, and the magnificent program submitted to Congress yesterday by the Executive, cannot be completed in the time necessary, if we adhere to the 8-hour law. It is absolutely necessary that workmen in every walk of life in this country work from sunup to sundown, and that every effort be put forward irrespective of any definite number of hours. I hope the Executive will issue the necessary order which he has the authority to issue under the Walsh-Healey Act, to immediately suspend it, and not compel people to feel that they can work only 8 hours a day, because if that is so, they cannot get through this program that I am submitting to you or the program that he made reference to yesterday.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. COLE of New York. In that connection I call attention to the fact that the laboring forces of our Allies in England, are working 59 hours a week.

Mr. VINSON of Georgia. The gentleman is correct.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. WHITTINGTON. The President under existing law has the right to make that order.

Mr. VINSON of Georgia. The President has the right, and we should pay these men who are driving the rivets in these ships, and doing their part, a worth-while wage, and we should pay them for the number of hours that they work.

Mr. WHITTINGTON. One further question. I ask the gentleman at this point if there is any delay or stoppage in repairs or work in the Navy, on account of existing strikes?

Mr. VINSON of Georgia. Oh, let us forget that. That is water over the wheel. Let us not go into that. I am not going to let the gentleman divert me into a discussion of that. The gentleman knows my views and I have only 15 minutes.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. MARTIN of Massachusetts. I understand there is in this bill some provision for further expansion of shipbuilding.

Mr. VINSON of Georgia. That is correct. To carry out this program will cost $8,000,000,000. It became necessary for the Navy to expand the present navy yards belonging to the Government, and the navy yards belonging to private people, and also the industries furnishing armor and ordnance, and all those things necessary to finish a ship We authorized and there has been appropriated to carry out that program, including this bill, approximately over $2,230,000,000. So you can see that the shipbuilding program that I have just called to your attention will cost over $10,000,000,000—$2,230,000,000 for the expansion of yards and the expansion of industry and $8,000,000,000 for the work on the ground.

Mr. MARTIN of Massachusetts. I remind the gentleman that several weeks ago I called his attention, when another bill was pending, to a shipyard in my district which had not been utilized. It has in recent months been put in excellent condition and could be utilized for turning out small destroyers. Since that time I have learned the Canadian Government threatens to take some of that machinery and move it over to Canada. This would put the yard out of business. That, of course, would have to be done by eminent domain, because the man does not want to sell his machinery. It would require the consent of the Navy Department to bring about the condemnation. If we are trying to expand our facilities, I ask why do we not take advantage of this shipyard that is all ready to do business and wants to go to work and participate in the defense effort. There are plenty of skilled workmen available; all that is needed is a contract.

Mr. VINSON of Georgia. I agree with the gentleman thoroughly. I cannot see the logic, no one can see the logic, of having idle shipyards and at the same time spending millions of dollars expanding other shipyards.

Growing out of the colloquy that took place before the recess and as a result of it, the Electric Boat Co. has come into the yard in Mr. FITZGERALD'S district and is now taking over that yard. I feel sure that if the distinguished minority leader will get behind that proposition—and it will take all of our work to do these things—you can get that done.

Mr. MARTIN of Massachusetts. I am, of course, behind the effort to open the yard in my district. The gentleman does not want to let Canada come in and be the means of closing one of our shipyards.

Mr. VINSON of Georgia. Of course not.

Mr. MARTIN of Massachusetts. I did not believe the gentleman from Georgia

would want that to be done. I am glad to hear him say so.

Mr. VINSON of Georgia. Certainly I would not. If you will give me the information we will have the admiral before us and find out why that is being done.

Mr MARTIN of Massachusetts. It certainly would not be consistent with your program to close the yard.

Mr. VINSON of Georgia. Not a bit.

Mr. McKEOUGH. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. McKEOUGH. I am delighted about the yard in Mr. FITZGERALD'S district. That shipyard has been cared for.

Mr. VINSON of Georgia. That is right.

Mr. McKEOUGH. And I am hoping that as a result of the colloquy referred to by the distinguished minority leader that that one will be taken care of in his district.

Mr. VINSON of Georgia. That is correct.

Mr. McKEOUGH. But the one I discussed with the gentleman, controlled by the American Shipbuilding Co. at South Chicago, which matter I took up with the Secretary of the Navy as a result of the information the gentleman gave me, that you were satisfied that facilities which were available should be used, I have recently been advised by him that the shipbuilding company controlling the facility does not believe it should use those facilities. I am at a loss to understand why we must expand existing facilities, why we must build new ones to avail ourselves of every opportunity to produce the naval program, when that one at South Chicago is not yet used and the company temporarily refuses to use it. I am hoping the distinguished gentleman from Georgia will personally take the matter up in the hope that if the company will not use it, the Government will use it and produce the ships.

Mr. VINSON of Georgia. May I say I certainly hope the Secretary of the Navy will exercise his authority and use every one of these yards. There can be no excuse for this thing. Just think of it. We are in the greatest war this country has ever been engaged in, and yet there are idle facilities in various places in the country, and we are spending $145,000,000 to expand existing facilities when there are plants available that could be utilized. But I know of no way to make the Secretary of the Navy do it unless he wants to do it. All I can do is to try to reason with him. If I cannot reason with him, I am up against it.

Mr. McKEOUGH. Will the gentleman yield further?

Mr. VINSON of Georgia. I yield further.

Mr. McKEOUGH. I intend to ask the Secretary of the Navy to do it.

Mr. VINSON of Georgia. You ought to do it. Everyone of us ought to do it, but do not charge me with the responsibility of the Secretary of the Navy.

Mr. KNUTSON. May I make the observation that the Secretary of the Navy is from Chicago and therefore must be fully informed.

Mr. VINSON of Georgia. I cannot yield further. My time is short.

Mr. McKEOUGH. May I say in answer to the gentleman from Minnesota that the Secretary of the Navy has recently come to Chicago. I understand he belongs to New Hampshire.

Mr. VINSON of Georgia. Mr. Speaker, I do not yield further.

Mr. KNUTSON. Is the gentleman trying to convey the impression that the Secretary of the Navy is a carpetbagger?

Mr. VINSON of Georgia. Mr. Speaker, I have the floor, and I refuse to yield further.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield to me?

Mr. VINSON of Georgia. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Do I understand that the President has the power to remove the 8-hour law?

Mr. VINSON of Georgia. That is correct.

Mr. CRAWFORD. In the gentleman's concept of fair hours and wages, did you have in mind that time and a half should be dispensed with; that it might be necessary to do that, or did the committee feel that should be continued?

Mr. VINSON of Georgia. Well, that is out of my field. But I know you cannot get this program through, and you know it and every man in Congress knows it, on 8 hours a day.

Mr. CRAWFORD. I agree with the gentleman.

Mr. VINSON of Georgia. Well, it ought to be suspended. With reference to paying them, that is a matter that can be worked out between the employer and the employee or between the Government and its employees.

Mr. CRAWFORD. That answers my question.

Mr. VINSON of Georgia. Now, Mr. Speaker, this bill calls for $500,000,000 to be spent in shipbuilding facilities, $250,000,000 for repair facilities, $50,000,000 for ordnance, $70,000,000 for ordnance manufacturing, making $845,000,000. Admiral Robinson and Admiral Blandy were before the committee yesterday and stated that it is absolutely necessary, in the interest of carrying forward this program, that Congress make this money available at the earliest possible date.

After a careful hearing the Naval Affairs Committee unanimously recommended it. Of course, money will be wasted in this program, but I would rather be on the side of a little waste and a little extravagance than not to put forth every effort to get the program through. I do not want the responsibility laid at the door of my committee, nor do I want the responsibility laid at the door of Congress.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

The gentleman from New York is recognized for 15 minutes.

Mr. COLE of New York. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Speaker, I have asked for time that I might ask the distinguished gentleman from Georgia a question or two, and out of consideration of the fact that his time was rather limited.

With reference to the $275,000,000 for essential facilities and equipment of private plants, will the gentleman inform the House of the arrangements under which these facilities will be emplaced at the yards? In other words, will they be rented to the private owners? Will there be any recompense to the Federal Government?

Mr. VINSON of Georgia. The gentleman knows that under the Tax Act we have a provision with reference to the amortization of amounts the Government advances. It is under that provision.

Mr. DITTER. It is under that provision of law that this present authorization is sought?

Mr. VINSON of Georgia. That is correct.

Mr. DITTER. And the same thing would hold true with reference to the $70 000 000 for tools?

Mr. VINSON of Georgia. That is right; in the ordnance plants, for instance.

Mr. DITTER. The other question I should like to have the gentleman from Georgia inform the House about is with reference to the delegation of authority to the Secretary of the Navy to acquire lands at such locations as the Secretary may deem best.

Mr. VINSON of Georgia. It is not the intention by this bill to go out and establish any new facilities where a facility does not exist today. For instance, suppose it becomes necessary at the Washington Navy Yard to acquire additional land for the expansion of the gun factory. Instead of requiring the Secretary to come before Congress and say that he wants to purchase 3 or 4 acres adjacent to the Washington Navy Yard to expand the gun factory, we are giving him the blanket authority in this bill, trusting that the Secretary of the Navy will use good judgment in making these acquisitions. It may also be necessary for him to purchase land in connection with some private concern, perhaps in connection with the Bethlehem Steel Co., or the Midvale Steel Co., or some other great concern. There should be sufficient flexibility that the Secretary could act after determining whether or not the facts with reference to expanding a plant would justify the acquisition of additional land.

If this were a time of peace, a normal time, I would be most exacting of him and say that he must come before us in each instance and state full particulars; but in this time of war we have got to trust the Secretary more than ever before.

Mr. DITTER. If I may suggest—and I believe it is entirely in line with the practice of the distinguished gentleman from Georgia—in times past the theory has been that we should be careful lest these delegations of authority lead us into avenues we had not contemplated.

Mr. VINSON of Georgia. That is right. There is no question about that.

Mr. DITTER. The gentleman from Georgia and his committee have had the opportunity of having the Secretary of the Navy and other officials before them

in order to acquaint the committee with the purposes of this bill, but the membership at large has no information as to what the intentions are.

Mr. VINSON of Georgia. I may say that we did not go into details to find out in what particular areas it is going to be necessary to purchase land for expansion because perhaps they do not know themselves at this time, but they want the latitude and the right, if it becomes necessary, to do so without holding up the program by having to come back to Congress and get specific authorization.

Mr. DITTER. Now, may I ask the gentleman's opinion formed by hearings of the committee on this particular subject—whether the gentleman feels he is fortified in making the declaration to the House that he now makes by hearings of the committee indicating the intention of the Secretary of the Navy with reference to these delegations of authority?

Mr. VINSON of Georgia. I am frank to say that in the inquiry yesterday that field was not gone into as thoroughly as the other parts of the bill. The language of the bill means exactly what it says

Mr. DITTER. But that is extremely broad. It is all-inclusive.

Mr. VINSON of Georgia. If there is any hesitancy on the part of any Member of Congress thinking this will lead to abuses, I have no objection to its being stricken out, but I warn of the consequences.

Admiral Blandy yesterday wrote a letter to Senator WALSH and myself saying it is necessary to expand the Washington Navy Yard by acquiring a certain piece of property. He did not know whether it was necessary to get authorization or whether he already had the blanket authority. I told him to take it up with the Judge Advocate General's office to see if legislation was necessary; that if it were, it would be forthcoming. He may already have the authority to expand; but we must not place ourselves in the position where the Navy Department will come in here and say: "The reason we are not producing this ordnance is because Congress said we must come here with an itemized bill on every particular."

Mr. DITTER. The gentleman does not imply for one moment that the inquiry I am presently directing would indicate that I have ever shown that attitude?

Mr. VINSON of Georgia. Not by any means. The gentleman has been most liberal.

Mr. DITTER. I am trying to be entirely in accord with the previous attitude of the gentleman from Georgia that unusual delegations of authority lead to abuses.

Mr. VINSON of Georgia. Certainly.

Mr. DITTER. And such safeguards as we can establish should be established.

Mr. VINSON of Georgia. There is no doubt about it. I admit that. You give any individual or official authority and, of course, he can abuse it, but if there is any fear on the part of any Member of the House that it will be abused, if he will offer a motion to strike that section out I will not oppose it.

Mr. DITTER. Would the gentleman himself take the initiative in that regard?

Mr. VINSON of Georgia. No; I will not do it, because I am going to lean backward so far as this is concerned.

Mr. DITTER. It would be rather difficult for anyone who has the confidence that the Members of the House have in the distinguished gentleman from Georgia to accept that invitation.

Mr. VINSON of Georgia. I will pledge the gentleman that the Naval Affairs Committee will address a communication to the Secretary. I will be glad to accept an amendment here that the Secretary must report back to the Congress within 6 months all land acquired under this authorization.

Mr. DITTER. Might we also include the usual phrase that the acquisitions be by purchase or condemnation?

Mr. VINSON of Georgia. Exactly. Will the gentleman draft that amendment? I will accept it with pleasure.

Mr. DITTER. In view of the confidence I have in not only the purposes of the distinguished gentleman from Georgia, but his long experience and knowledge of the subject at hand I would prefer that he draft the amendment so that it might have his absolute support, therefore have the approval of the House without question.

Mr. VINSON of Georgia. It will have my support, if I have time to draft it.

Mr. DITTER. Mr. Speaker, all of us realize that a latitude of authority to the War and Navy Departments may be necessary in time of war which would be unwise and fraught with danger in peacetime. Changes which come from day to day in our prosecution of the war of necessity require some delegations of authority which could be withheld—yes, and which should be withheld—were we not actually engaged. Again, it should be freely admitted that details cannot be disclosed at a time such as this to the same extent as would be desirable under normal conditions.

The circumstances, however, not only call for a relaxation of the customary scrutiny by the Congress, but it also challenges those to whom these delegations are made for an even greater degree of care in the exercise of the power conferred upon them. Responsibility rests somewhere. If perforce we are required, as I believe we are, to relinquish a part of our responsibility of control over these operations, then that responsibility shifts to and becomes a part of the other duties of those to whom the power has been transferred. Upon the shoulders of someone rests the obligation to see to it that appropriations made for war purposes will be prudently and wisely invested or expended so that the maximum benefits may accrue to our people for the burdens they so willingly carry. That obligation cannot float around in the air, unattached and unlabeled.

From time to time our people will inquire, and naturally so, of the progress made and what has been done. I am, in no sense, suspicious of anyone in connection with the proposal before us, least of all the Secretary of the Navy. Knowing him as I do, I believe he will welcome the opportunity to give, from time to time, to the Congress such information on this subject as he feels will not be a disclosure to the enemy of facts of a secretive nature, but which will be helpful to the Congress in discharging its duty to our people and making even more steadfast the confidence of the country in our armed forces. I am gratified and encouraged to find that the chairman of the Naval Affairs Committee accepts the suggestion which I have made. Were he not persuaded that the best interests of the country would be served, he would not give away, despite his desire to be gracious at all times. I am confident the requirement of a report will be justified and in no way embarrass the operations of the Naval Establishment.

Mr. Speaker, I yield back the balance of my time, and I ask unanimous consent to revise and extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. DITTER]?

There was no objection.

Mr. COLE of New York. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, there are no requests for time from the minority side to discuss this bill, and I can readily understand the reason for that. I dare say there is no member on the minority side of the Naval Affairs Committee who could discuss the bill intelligently, including myself.

As the chairman of the Committee on Naval Affairs has indicated, this bill was considered by the Naval Affairs Committee yesterday morning along with another bill of considerable magnitude. The entire morning session was devoted to the consideration of these two bills.

I recognize that we must be guided in our judgment and action in these matters pertaining to defense and military affairs by our military advisers; at the same time I feel that we as members of the Military or Naval Affairs Committees have a responsibility to the House and to our constituents as well to give careful scrutiny to these recommendations. It may be that there are some cases where hasty action is imperative, but certainly when a bill of this size is considered, it seems to me that more than 2 hours' deliberation and hearings should be devoted to it by the committee having that responsibility.

About 3 weeks ago the Navy Department came before our committee asking for an authorized increase in naval strength of 5 percent. At that time we were assured that no new naval shore facilities or equipment would be necessary to accomplish this increased program. I was rather amazed yesterday to see the bill now proposed costing $845,000,000. I speak of this not in any way to question the merits of the measure nor to question the sincerity of the officials who sponsored it, but simply to express the hope that in the future more calm, deliberate, complete, and sober judgment may be given to these defense measures. There is not a Member of this House who wants to oppose or obstruct the national-defense program in any way whatsoever, but we should know what we are doing and we should learn as much about the program recommended to us by the naval

and military authorities as is reasonably possible.

[Here the gavel fell.]

The SPEAKER pro tempore. If there are no other requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, $500,000,000 for essential equipment and facilities at either private or naval establishments for building or equipping any complete naval vessel or portion thereof heretofore or hereafter authorized; $275,000,000 for essential equipment and facilities at either private or public plants for repairing, altering, or converting any vessel operated by the Navy or being prepared for naval use, of which $50,000,000 shall be available for essential equipment, tools, and facilities at such plants for the repair, alteration, and upkeep of ordnance material; and $70,000,000 for tools, equipment, and facilities for the manufacture or production of ordnance material, munitions, and armor at either private or public plants.

SEC. 2. The authority herein granted shall include the authority to acquire lands at such locations as the Secretary of the Navy may deem best suited to the purpose, erect or extend buildings, acquire the necessary machinery and equipment, and in private establishments provide plant-protection installations, and shall be in addition to all authority hertofore granted for these purposes.

Mr. VINSON of Georgia. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I want to call the committee's attention to the following: In the break-down of this money $75,000,000 will be used in the Navy shipbuilding plan, $75,000,000 in private shipbuilding plants, for expansion of shipbuilding facilities; $25,000,000 will be used in Navy plants for ship-repair facilities; $50,000,000 in private plants; $90,000,000 will be used in air-raid plant protection of shipbuilding facilities in Government yards; and $10,000,000 in private plants.

Mr. DONDERO. Will the gentleman yield for a question?

Mr. VINSON of Georgia. I yield to the gentleman from Michigan.

Mr. DONDERO. Is any portion of this allotted to the shipbuilding facilities of the Great Lakes area?

Mr. VINSON of Georgia. I asked that question this morning because I knew it was going to be propounded, and they said that this money would be used all over the country wherever there is an existing facility, both private and Government-owned, contributing to the shipbuilding program.

Mr. DONDERO. That would include the Great Lakes section?

Mr. VINSON of Georgia. Yes.

Mr. McKEOUGH. It may be used there?

Mr. VINSON of Georgia. It may be used there; yes.

Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: Page 2, line 13, after the word "purposes", begin a new sentence, as follows: "The Secretary of the Navy is hereby directed to report to Congress within 6 months from the enactment of this bill a statement of all land acquired under this section, showing the location and the price of such acquisition."

Mr. VINSON of Georgia. Mr. Speaker, I trust the House will adopt that amendment, because there must be some safeguard, and Congress is entitled to have this information. While it would give him latitude to acquire what he thinks necessary, he should be required to report to the Congress.

Mr. DREWRY. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Virginia.

Mr. DREWRY. I think it would be better to strike out of this amendment the word "bill" and insert "act" in lieu thereof.

Mr. VINSON of Georgia. Yes; I ask unanimous consent, Mr. Speaker, that the amendment be modified in that way.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COLE of New York. Is it intended that the authority conferred by section 2 of the bill is limited to the purposes of this bill?

Mr. VINSON of Georgia. Certainly.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CIVILIAN DEFENSE BILL

Mr. ANDREWS. Mr. Speaker, in the absence of the chairman of the Committee on Military Affairs, I renew the request that it may be in order to consider tomorrow the bill (H. R. 5727) to provide protection of persons and property from bombing attacks in the United States, its Territories, and possessions, to authorize the procurement of materials and supplies, and for other purposes, to which there was previous objection, which objection, I understand, has now been withdrawn. I also ask that the general debate be limited to 2 hours, 1 hour to be controlled by the chairman of the committee and 1 hour by myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

INCREASING THE AUTHORIZED ENLISTED STRENGTH OF THE NAVY AND MARINE CORPS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table for immediate consideration the bill (S. 2149) to amend the act approved April 22, 1941 (Public Law 39, Seventy-seventh Congress), so as to increase the authorized enlisted strength of the Navy and Marine Corps, and further ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act approved April 22, 1941 (Public Law 39, 77th Cong.), be, and the same is hereby, amended as follows:

(a) Section 1, second sentence, delete the words "three hundred thousand" and insert in lieu thereof the words "five hundred thousand."

(b) Strike out section 4 and insert in lieu thereof the following:

"SEC. 4. Hereafter the authorized enlisted strength of the active list of the Marine Corps shall be 20 percent of the authorized enlisted strength of the Navy. The President is hereby authorized, whenever in his judgment a sufficient national emergency exists, to increase this number to 104,000."

Mr. VINSON of Georgia. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the purpose of this bill is to authorize an increase in the enlisted strength of the Navy during the emergency from 300,000 to 500,000. Under the law today, the number of men permitted to be enlisted in the Regular Navy is fixed at 234,000. Under the act of April 22, 1941, in an emergency the enlisted strength may be increased to 300,000. There are approximately 87,000 men in the Naval Reserve. Approximately 213,000 have already enlisted in the Navy. This bill permits the emergency strength to be 500,000 men for the Navy and 104,000 men for the Marine Corps. As far as the Marine Corps is concerned, the law permits an emergency enlistment of 60,000, and they are up to 58,000 to date. Since the 7th day of December the enlistment in the United States Navy and the Marine Corps has exceeded that of any other period in the history of enlistment of the Government.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from New York.

Mr. COLE of New York. In that connection, I think it might not be a divulgence of any confidence and might be of interest to the House to say that the enlistments for December, since December 7, have increased 700 percent over what they were for November.

Mr. VINSON of Georgia. That is right; that is what has happened since the 7th day of December.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Michigan.

Mr. DONDERO. Are there any selectees or drafted men in the Navy?

Mr. VINSON of Georgia. No selectees or draftees have yet been called into the service. If the enlistments continue as they have from December 7 down to yesterday, it will not be necessary to call them into the service.

Mr. CLASON. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Massachusetts.

Mr. CLASON. I should like to know if reenlistments are also being received and reenlistment allowances given to the men.

Mr. VINSON of Georgia. We have not inquired into that, because under a law we now have we can hold the men during the emergency; however, I imagine a great many of them will reenlist.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Under the Selective Service Act, can men be called into the Navy?

Mr. VINSON of Georgia. Yes; under the Selective Service Act men can be called into the Navy, but up to date we have not called a single one.

Mr. CLASON. The gentleman told us on the floor a few weeks ago in connection with another bill that you desired to have the right to continue to pay reenlistment allowances.

Mr. VINSON of Georgia. We do. That is the law today.

Mr. CLASON. You are paying these reenlistment allowances?

Mr. VINSON of Georgia. Yes; if any come within the purview of that law they will be paid, of course.

Mr. CLASON. To that extent, may I point out, however, that reenlistment allowances are no longer possible in connection with the Army. This being so, why is it that one branch of the armed forces should obtain advantages not open to men serving in other branches?

Mr. VINSON of Georgia. The reason is that after the emergency we must have men with definite contracts to operate the Navy.

Mr. CLASON. Why is not that true of airplanes and other things of that sort in the Army Air Corps?

Mr. VINSON of Georgia. It may be equally as important to have a definite contract in such cases as it is to have such a contract for a man who is to handle a $100,000,000 piece of machinery.

Mr. CLASON. It seems to me if the Army man is making a career of it, as a private or a corporal, after he has served three or four enlistments, if his term of enlistment runs out in the midst of this war he should be allowed to obtain the same advantages that some sailor may have.

Mr. VINSON of Georgia. If the gentleman feels that way about it I trust the Congress will give the matter its consideration just like it did when I presented a bill with respect to reenlistments in the Navy. I understand the distinguished gentleman is a member of the Military Affairs Committee.

Mr. CLASON. That is true.

Mr. VINSON of Georgia. And I trust he will exercise his rights with due diligence and bring the matter before the House for its consideration.

Mr. CLASON. I am doing that because the Adjutant General of the War Department states that he assumes that Public, No. 337, will be administered by the Navy in such manner as will result in no discrimination against enlisted men in the Army, and, this being so, I was wondering if there could not be some uniformity in the way these laws are carried out.

Mr. VINSON of Georgia. I am only charged by the House, along with my colleagues on the Naval Affairs Committee, with the responsibility of presenting legislation with respect to the Navy. The gentleman is charged with the same responsibility by the House with respect to the Army.

Mr. CLASON. Does not the gentleman think it would be fair for the enlisted man to get a reenlistment allowance whether he is in the Army or in the Navy?

Mr. VINSON of Georgia. I think the two services should work together and have the same rules apply as far as possible.

Mr. HAINES. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Pennsylvania.

Mr. HAINES. I do not know whether it is appropriate for me to ask this question or not, but I would like to have an answer to the question for my own information: What is the status of the merchant marine in respect of the Navy?

Mr. VINSON of Georgia. The merchant marine is not a part of the Navy in the sense that we have jurisdiction over the personnel. The Coast Guard has already been placed under the jurisdiction of the Navy Department. The merchant marine operates under a Merchant Marine Commission, of which Admiral Land is the head; but the ships, of course, can be diverted from the merchant marine to the Navy for any purpose, but the personnel is a voluntary contract arrangement between the employer and the employee.

Mr. Speaker, if there are no further questions, I ask for a vote on the bill.

The pro forma amendment was withdrawn.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include some advertisements and to proceed, if I need it, for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

WHAT PRICE PATRIOTISM?

Mr. HOFFMAN. Mr. Speaker, while battles are being fought throughout the world to preserve democracy and freedom of individuals and representative government, right here in Washington, since last Monday and continuing today, a battle is being fought in which industrial management has been fighting to preserve the right of the individual to engage, without restriction, in the effort to prepare for national defense and win the war.

From the morning press and from the press of yesterday there appears evidence that the administration has joined hands with certain labor leaders to force the management of our industrial plants to turn over their property, the property of the stockholders, to the tender mercies of the labor leaders by forcing industry to accept labor management. This fight, now being made by business executives, is a fight to preserve freedom right here in America. It is a fight to prevent the adoption of the communistic theory of government. It is a fight which, if lost, means state socialism.

It means the putting into one pot of all property and by control over wage-hour and defense contracts a redistribution of that property by so-called labor leaders in the form of wages and by the Government in the form of taxes.

Mr. Speaker, the two great labor organizations of the country—the A. F. of L. and the C. I. O.—have announced that until the war has been won there will be no strikes. By that announcement organized labor is placed in the same category, on the same plane, occupied by every patriotic citizen. Unfortunately in enlisting for the duration of the war certain leaders of organized labor are insisting that it be paid a price for an all-out patriotic effort to win the war. This drive for special consideration does not, I believe, have the approval of the average employee.

On Monday last there appeared in a Washington paper a full-page advertisement captioned "An open letter to Mr. OPM." That advertisement was signed by the Congress of Industrial Organizations, Philip Murray, president; United Automobile, Aircraft, and Agricultural Implement Workers (C. I. O.), R. J. Thomas, president, and George F. Addes, secretary-treasurer, and it was an effort to shift the responsibility for the millions of man-days lost on the national-defense program preparations from the shoulders of organized labor to the O. P. M. and industry. It was also a part of the drive which leaders of organized labor are making to socialize industry throughout the Nation and obtain a share in the management of industry without assuming any of the losses which might be sustained. Some leaders of organized labor believe that if they once can cause the Government to assume control of industry they then, through political power, can fix wages and hours of employment and so bring the rest of our people under their domination.

This advertisement, marked "Exhibit A," will be printed in full at the close of these remarks, but its salient features are these: It calls attention to the losses which have been sustained in the Pacific and states the well-known fact that to bring this war to a victorious end we must produce a maximum of the implements of war as quickly as possible. It omits the equally well-known truth that the maximum of the implements of war can only be obtained if the cost of production is not excessive—that every dollar of added cost, the total amount of funds available being necessarily limited, but lessens the number of implements of war which can be produced. The advertisement then refers to the well-known fact that the automobile industry is the greatest mass-production organization in the world, and proceeds to charge that 250,000 men trained in precision and mass-production methods are now idle, that before the month is over 400,000 men will be idle, and that the Nation will lose 200,000,000 man-days of war production every week because of the failure to employ these 400,000 automobile workers. The cause of this loss, these two labor organizations then charge, is due to the failure of the O. P. M. and the management of the

automobile industry to adopt the so-called Reuther plan. What was the Reuther plan? In its simplest form, it was a suggestion that the tools, machinery, the equipment, the buildings used in the production of motor vehicles be used to produce the implements of war. Apparently a very wise suggestion. Something similar was once suggested to an apple grower who found that the price of apples was down while that for pears was up. It was suggested to him that he turn the apple-producing trees into the production of pears. Now do not smile; it can be done by grafting, but those who try it will learn that it will take some years to bring a grafted apple tree into pear production. Reuther's suggestion, as he must have known, and as the engineers found, was not practical.

WATER OVER THE DAM

Little, if anything, is to be gained by rehashing the mistakes of the past. As the gentleman from Georgia [Mr. VINSON] said, the strikes are water over the dam—but we still have strikes, and the same old dam is still with us. So that there may be no misunderstanding, and because some evidence of what men will do may be obtained from what they have done, and so that the record may be accurate, let us take a look at a few of the things which have happened in the past. Mr. Murray, Mr. Thomas, and Mr. Addes now complain because man-days on national-defense production are lost, and they charge that loss to the O. P. M. and to industry. The loss of manpower in wartime can be more serious than the loss of that power in peacetime, but the principle which forbids idleness, especially enforced idleness which is nothing more nor less than involuntary servitude, is the same. Where were these gentlemen—Mr. Murray, Mr. Thomas, and Mr. Addes—when on the 31st day of December 1936 they marched their armed cohorts into the State of Michigan and drove hundreds of men and women from their jobs, took possession of the automobile industry in the city of Flint, and at a loss of a million dollars a day for 44 days held possession of that industry and deprived those workers of their wages?

Where were you, Mr. Murray; where were you, Mr. Thomas; where were you, Mr. Addes, in those days? Knowing where you were then, what reason have we to now believe we would find you in a different position? Then you were behind the lawless goon squads which defied the orders of the court and violated the law of the land. Where were you three gentlemen when for 52 days in the State of Michigan the Chrysler strike tied up those plants? Where were you on innumerable other occasions when by force and by violence and through beatings you closed factories and turned hundreds of honest men and women from work and back to their homes? Where were you three gentlemen when the switches in the powerhouses of eastern Michigan were pulled and fire departments and hospitals were without light or current to carry on their life-saving activities? You were behind the men who were doing those jobs, and you now have the nerve to turn on the O. P. M. and industrialists and charge it and them with nonproduction. Where were these three gentlemen on August 29, 1939, and again on September 15 of the same year, when strikes were called in all seven plants of Bohn Aluminum & Brass Corporation at Detroit, which at the time were engaged in the manufacture of castings for airplane engines for the Naval Aircraft Factory, Navy Yard, Philadelphia, Pa.? Where, I repeat, were these three men on September 28, when the United States Navy resident inspector of Navy material at Detroit asked the regional director of the U. A. W., Congress of Industrial Organizations, after informing him of the seriousness of the delay caused by the strike, for permission to remove the finished materials and patterns belonging to the United States Navy through the picket line, and was told by the C. I. O. representatives in charge that it would not be permitted? At that time the subordinates of these three men—Murray, Thomas, and Addes—not only were delaying the national-defense program, the production of aircraft engines, but they were defying the United States Navy; and here in my hand is the letter from Acting Secretary of the Navy Edison which proves that fact.

If again the interests of the C. I. O. run counter to the demands of the Navy, what will these three men do? On which side will they be found?

Yes, the list of strikes which they have sanctioned and approved and which have interfered with the national-defense program might be continued almost indefinitely. Have they forgotten the strike at the Allis-Chalmers plant in Wisconsin when for 76 days the production of material necessary for the Army and the Navy, for the equipment of a powder plant here in Virginia was delayed? For 76 long days a Communist, Harold Christophel, at the head of the C. I. O., kept that plant closed, prevented the production of war materials for national defense. On which side of the controversy were these three men who now make charges against the O. P. M. and manufacturers? They were ranged alongside the Communist C. I. O. which had forged more than 2,000 strike ballots in an attempt to justify their action.

When ships made by the Navy were in the ways ready to be launched and the C. I. O. prevented that launching because the men who would send the ships into the water were not members of the C. I. O. in good standing, where were these three men who clamor for production? When, on the one hand the Government was asking for the launching of the vessels to carry the cargoes to Europe, and on the other hand the C. I. O. insisting that they should not be launched until members in good standing performed the work, where did the three men array themselves, on the side of the Government or with the members of their union? Who called the strike of Air Associates at Bendix and tied up Government work until every employee had paid his dues to the C. I. O.? Again it was the C. I. O. which delayed production. More recently when the steel mills needed coal for wartime production, who was it who said coal would not be dug unless by men who had paid tribute to their organization?

Down toward the end of the advertisement you find this sentence:

> Labor is ready and determined to do its part in the national war effort. It is ready to accept the bitter necessity of a righteous war.

But the record shows that the men who signed this advertisement and the organizations which they represent have time and time again expressed their willingness to do their part, but only if they had their own way; if they were permitted to levy tribute upon every man who wanted to work in defense of his country.

The instances which I have cited are but a few, a very few, of the many strikes which have been called in national-defense industries. Not for one moment do I believe that American workers stand back of or approve the demands of these so-called leaders.

Appended hereto and marked "Exhibit B" is a list of strikes and the number of men involved, concerning A. F. of L. unions and C. I. O. unions which have occurred from May 26 to October 10, 1941, and also a list of such strikes from October 17 to November 7, 1941.

Yes, in this advertisement these two unions and their officers state that "Labor is ready and determined to do its part in the national war effort. It is ready to accept the bitter necessity of a righteous war," but what they do not put into the ad is this: That they insist upon no modification of the wage-hour law. They do not add here the fact that they will only do their part in this war effort provided a wage and a half for all overtime and double pay for Sundays and holidays is provided. A price fixed by them on payment of which and only on the payment of which will they go into an all-out war effort. While the farmers, the white-collar worker, the clerk behind the counter, the professional man, the secretaries of Senators and Congressmen and the Senators and Congressmen themselves, yes, every mother's son of us who does not belong to one of these unions is expected and is willing to devote all of his time to the defense of his Nation without additional compensation, these three men, Murray, Thomas, and Addes, insist that they will make a like effort only when and if their members receive extra compensation for being patriotic; for working in defense of their own jobs, their own property, their own liberty, their own freedom. Well, you cannot make me believe that the millions of men these three claim to represent are any different in patriotism and loyalty to their country and its cause than the rest of us, or that they are unwilling to work to win the war unless they receive pay and a half for overtime.

In this advertisement they state that by the end of this month 400,000 will be idle, men who are ready and willing to work, if the O. P. M. and manufacturers will perform their part. The manufacturers will furnish the jobs and the membership of these two organizations will go to work, 400,000 of them, when?

When they get pay and a half for overtime and double pay for Sundays? What does it mean to the Nation? It means this:

On the 40-hour-a-week basis, if we are to have a 10-hour day and a 6-day week, it means that 2 hours must be added to each of the five 8-hour days, that in addition to this 10 hours of overtime there is another 10 hours for Saturday overtime, or a total of 20 hours' overtime for which these workers will receive, and they will only work if they do receive, pay and a half or $10 extra in addition to their regular pay at a dollar an hour. It means that if they work 10 hours on Sunday, they will receive not $10, the regular pay, but $20, or $10 extra which is added to the $10 for overtime. So we find that every man who works 10 hours a day 7 days a week in the national defense program will work only, if he follows the orders of these organizations, provided he is paid an extra $20 for the week's work. Just multiply that by the number of men, 400,000, and you have added $8,000,000 to the national-defense-program cost.

So we learn through the advertisement that Philip Murray, Thomas, and Addes and these two labor organizations are going in for an all-out effort in the national-defense program provided they as employees receive $8,000,000 a week premium, the tribute paid by the rest of us for their patriotic efforts.

Is it not time that we analyze the demands and motives of some of these so-called labor leaders?

Mr. BRADLEY of Michigan. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. BRADLEY of Michigan. Do you suppose those three gentlemen would advocate an 8-hour day in the trenches?

Mr. HOFFMAN. Of course not. And do not forget, as far as I know, everyone else is willing to work all the time. I know Congressmen are. I know their secretaries are. I know the clerks in the departments are willing.

Another point which should be made: In the conferences now being held here in Washington the labor leaders are insisting upon control of national-defense production. They insist that wage-hour schedules of peacetime be maintained. When everyone else is engaged in an all-out effort, regardless of profit or financial welfare, union leaders insist that no one shall be permitted to engage in national-defense work until he pays tribute to the organization. That demand was characterized by the President as "Hitler-like," and the President stated in so many words that he would not stand for it. Nevertheless, the closed shop is still being demanded, and the Board appointed by the President forced it upon the captive mines.

Is it not time that the Congress passed a declaration of policy or enacted legislation which will prohibit the requirement as a condition precedent to engaging in national-defense work of the payment of dues to any organization? Such a bill was introduced by me long, long ago, but it is slumbering in a pigeonhole. Why not resurrect it and give it the effect of law?

Again labor organizations are insisting upon a share in management. According to the press, the two great labor organizations have assets of over $70,000,000. Their annual revenue can be figured in millions. If they believe in their executive ability, if they are in this war insisting upon a share in management, is it unreasonable to ask that they build a factory and operate a factory producing the implements of war and give a demonstration of the soundness of their theory, proof of their managerial ability? What would be the extent of our production if the chief executives, the engineers, the office workers, all those who through the use of their intellect have kept the wheels of the industries turning, followed the course of other employees and went on strike? Would the heads of the unions, the employees in the shops, be able to keep the wheels turning? Can the employees who do the skilled work get along any more easily without the executives than can the executives without the men who perform the actual work? Is not each dependent upon the other?

Is it not time that the leaders of organized labor evince their willingness to serve equally with the others of our Nation? Would it not go far to establish national unity if Mr. Murray, Mr. Thomas, and Mr. Addes, speaking for their organizations, and Mr. Green, speaking for the A. F. of L., in a full-page ad, or for the sake of economy as a news item, tell the rest of us that, for at least the duration of the war, they are willing to drop their demands for a closed shop, that they are willing to let every American parent, every American brother, every American having a relative in the military services work in mine, mill, or factory to aid in producing the implements of warfare, the food, and the clothing which the boys in the ranks need, without first signing on the dotted line, without first contributing to the organizations which these gentlemen represent?

Would it not be a great contribution to the winning of the war for these men to say that the members of their organizations will serve as the soldiers in the ranks are serving, as the sailors on the ships and submarines, as the pilots who guide our planes through the skies are serving, as the rest of us are serving, for ordinary pay, without demanding that for the preservation of our Nation they receive pay and a half for every moment's time they work over 40 hours a week; that they receive double pay perchance they are called upon to work on Sunday or holiday?

Oh, come now, Mr. Murray, Mr. Thomas, and Mr. Addes, how about it? Is there a price on your patriotism, and to get your loyal service, your full-time efforts, must we give you pay and a half or on occasion double pay? Surely you do not mean that.

EXHIBIT A

[From the Washington Post of January 3, 1942]

AN OPEN LETTER TO MR. OPM

Mr. OPM, you read the news.

Wake Island has been taken. Guam has been taken. The Philippines are in dire straits. The United States—the Nation with the greatest mass-production machinery—has been unable to match Japan in equipment.

Why is that, Mr. OPM?

You know that to bring the war to a quick, victorious end, we have to produce a maximum of the implements of war as rapidly as possible.

You know that our automobile industry is the greatest mass-production organization in the world. We have the basic machinery, the plant space, the skilled manpower, the managerial force to produce tanks and planes, guns and trucks. We can give our country and our allies unquestioned military superiority over our enemies.

Mr. OPM, why aren't we doing it?

Half of the Nation's auto plants today are closed down. Virtually all of them will be down by the end of January—blacked out, not by Hitler and Japan.

Approximately 250,000 automobile workers—men trained in precision, mass-production methods, and highly skilled tool and die makers—are now idle. Fully 400,000 will be idle by the end of January.

The Nation has lost 2,000,000 man-days every week in war production through failure to put the 400,000 automobile workers to work.

Does this make sense, Mr. OPM?

Our war production is poorly allocated. It is on an insignificant scale—in inadequate quantities. Only a few plants are turning out the vital materials of war. Only one General Motors plant has been converted. We are promised accomplishments many months from now when new plants will be completed.

This is the record of the costly price we have paid for permitting business as usual to shunt aside the needs of national security.

Here is what the Tolan committee of the House of Representatives thinks of our war production today:

"1. Only a negligible part of this (the automobile industry's) plant capacity is presently employed in the war effort.

"2. A great automobile corporation showed that it was producing the tools of war at a rate which, if general, would require 15 years for the completion of the armament program already projected.

"3. Manufacturers have been reluctant to convert their production facilities from civilian to military production, and the defense agencies of the Federal Government have not required such conversion."

Mr. OPM, more than a year ago the Congress of Industrial Organizations presented a simple, practical plan for utilizing and adapting the available machinery in the automobile industry for plane production. The program, drafted by Walter P. Reuther and other members of the Congress of Industrial Organizations Automobile Workers' Union, was referred to you for study and recommendations. You did nothing about it.

Similar plans for increasing production of steel, aluminum, copper, and other materials vital to the successful execution of the war program were proposed. You did nothing about them.

Labor is ready and determined to do its part in the national war effort. It is willing to accept the bitter necessities of a righteous war.

Labor has the right to expect that industry shall also do its part.

On Monday, in Washington, representatives of automobile labor, automobile management, and of OPM will meet to determine what part the automobile industry is to play in America's war effort. It is a conference long overdue.

The automobile workers' proposals for all-out production will again be placed before you.

Mr. OPM, the responsibility of war production is yours. What are you going to do?

CONGRESS OF INDUSTRIAL ORGANIZATIONS,
PHILIP MURRAY, *President.*
UNITED AUTOMOBILE, AIRCRAFT, AND AGRICULTURAL IMPLEMENT WORKERS, CONGRESS OF INDUSTRIAL ORGANIZATIONS,
R. J. THOMAS, *President.*
GEORGE F. ADDES, *Secretary-Treasurer.*

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EXHIBIT B

[The Washington Post, Monday, January 5, 1942]

LET'S GET TO WORK!

The OPM has scheduled a meeting for today on the future war work of the automotive industry. The time has come for some straight talk and clear presentation of facts.

We all want to win this war as soon as humanly possible. The Nation knows that industrial superiority will do it. That superiority belongs to America, so long as our industrial resources are wisely used and the managements that created this superiority are allowed to do the job without interferences.

The automotive industry didn't wait until Pearl Harbor to start doing its part. Since the beginning of the emergency, the industry has had the vision to see ahead and realize what the country might require of it.

We knew the job of converting plants, machines to bring out new models and new products. We have been doing it for years.

While the American people were still debating—as is their right in a democracy—the questions of conscription, convoys, lend-lease and other problems of early 1941, this industry was at work on United States defense production.

On hundreds of projects, 1941 marked the transition from the tooling-up stage to mass production. Billions of dollars of war work is now the job of this industry. Present capacities are being doubled, tripled, and in some cases, quadrupled. Guns, cannons, tanks, airplanes, and airplane engines are being shipped at a rate double that considered possible a year ago.

* * *

The industry's executives and engineers early realized this job could not be done by job shop methods—a cannon on the lathe this morning and a crankshaft on the same machine this afternoon. The volume and mechanical perfection of this war material demand accurate tooling and uninterrupted mass production.

The automotive industry is prepared to carry out in letter and spirit the requirements of the Government of the United States for war production. We have cleared the decks for all-out action. We mean it—to the uttermost.

The Government has far more work ahead, work that must be done by our industry if it is to be done at all and if it is to be done in time.

* * *

We stand, however, under an attack and a challenge. This attack impugns our integrity, our ability, our loyalty to our country.

We can take it, and rest our case on the quality and the volume of war materials our plants are now turning out, and will turn out. But the attacks on this industry's war work constitute a gross attempt to deceive the American people—raising false hopes and expectations. Above all, they are designed to create division so that certain groups may obtain control of the productive machinery of the United States.

Call them by any name you will, the plans of certain labor leaders constitute a design to transfer management of the automotive industry from the men who know how to make things, to those who have no training or qualifications for the responsibility.

The men who led the original sit-down strikes, who tolerated and encouraged not scores but hundreds of sit-downs, slow-downs, and other forms of production sabotage, now propose that they are the capable ones to guide the greatest single, behind-the-lines responsibility—production for war.

* * *

The automotive industry has been criticized by people, some with a genuine desire to help this country, and others hiding ulterior motives behind a cloak of patriotism.

We have been accused simultaneously of refusing to do our part, and of obtaining an excessive proportion of the war production program.

Next, while it was being alleged falsely that we subordinated our war work to civilian production, we ourselves had to cope with delay after delay in the war production preparations, as a result of changing conditions.

We have put in enormous amounts of time and effort figuring on assignments which did not develop. We have sought contracts to get started on—more contracts to keep plants operating—to keep our men employed—and, most important of all, to produce useful weapons for our Army and Navy.

* * *

The sudden shutting-off of the crude rubber supply and the consequent emergency curtailment of civilian automobile production has suddenly upset all plans, making it impossible to keep automotive workers employed as planned during the time that the industry is tooling up for the transfer of production activity into additional war work.

The planning of this transition from civilian to war work has had to evolve. As late as last August, the Senate of the United States voted to strike from an appropriations bill, as unnecessary, $1,347,000,000 with which the Army sought to acquire reserves of ordnance equipment including tanks and trucks.

On the records of the Tolan Committee of the House of Representatives is the statement of Under Secretary Patterson that earlier curtailment of car production, which he had urged, probably would not have resulted in greater employment of our industry's facilities because the Army did not have the work to put in them. Men who are unemployed today would have been unemployed then and still would be unemployed.

We are not criticizing—we are not blaming. We might have proposed doing many things differently, but quarter-backing from the bench and the stands doesn't win games.

* * *

To further intensify the industry's war effort, in Detroit last week there was formed the Automotive Council for War Production. It is voluntary mechanism to throw all of the technical knowledge and skill, acquired in the industry's initial war production, into the task of saving time and effort for those who will have to deliver on new, additional jobs.

It will not replace the need for machine tools that the industry does not have. It will not convert special automotive tools to war work that could not be converted yesterday—but it will do a job because it has back of it the sincere, unqualified determination of men who know their jobs.

Management can have only one objective today—to help secure victory on the battlefield. We can do our part of the job. We have already demonstrated that. We can do the bigger job ahead if we are given the proper authority and opportunity to apply our experience and proven ability in the field of mass production.

We cannot do it, nor can anyone else do it, if responsibility and authority are taken away and compromise and debate are substituted.

We do not believe that anyone should play politics with this job. Give us the blueprints, specifications, and the orders, and we will deliver the goods.

Let's get to work!

AUTOMOBILE MANUFACTURERS ASSOCIATION.

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STRIKES IN DEFENSE INDUSTRIES IN THE UNITED STATES FROM MAY 26, 1941, TO OCTOBER 10, 1941 [1]

INVOLVING AMERICAN FEDERATION OF LABOR UNIONS

Building trades

Defense Housing, Indian Head, Md. (480).
Hercules Powder Co., Radford, Va. (200).
Rock Island Sash & Door Co., Rock Island, Ill. (595)
Rock Producers Association, San Diego, Calif. (270).
Ethyl Gas Plant, Baton Rouge, La.
Naval Ordnance Depot, Charleston, S. C. (400).
Curtiss-Wright Airplane Plant, Columbus, Ohio (100).[2]
Curtiss-Wright Plant, St. Louis, Mo. (4).
Defense Housing Project, Baltimore, Md. (200).
Duquesne Light Co. Plants, Brunot Island and Wireton, Pa.
Jefferson Barracks, St. Louis, Mo. (1,850).
Army Quartermasters Depot, Philadelphia, Pa.
Wright Aeronautical Corporation, Cincinnati, Ohio (150).
Duquesne Light Co. Plant, Pittsburgh, Pa.
Manhattan-Long Construction Co., Tulsa, Okla. (60).
Plum Brook Ordnance Plant, Sandusky, Ohio (600).
Naval Air Station, Pensacola, Fla. (1,000).
Portsmouth Navy Yard, Portsmouth, N. H. (800).
Camp Lockett, Campo, Calif. (800).
Cape Henlopen Fortifications, Lewes, Del. (600).
Republic Aircraft Products Co., Detroit, Mich
Curtiss-Wright Propeller Plant, Beaver, Pa.
J. E. Sjostrum Co., Philadelphia, Pa.
Republic Aircraft Corporation, Farmingdale, N. Y.
Naval Defense Project, Key West, Fla. (1,600).
Louisiana Shipyards Co., New Orleans, La. (1,500).
Army Ordnance Depot, San Jacinto, Tex. (1,500).
Red River Ammunition Dump, Texarkana, Tex. (1,000).

Metal trades

Bethlehem Shipbuilding Corporation, and four other yards, San Francisco, Calif. (1,200).
Crescent Tool Co., Jamestown, N. Y. (500).
Eagle Iron Works, St. Louis, Mo. (28).
Louisville Tin & Stove Co., Louisville, Ky. (225).
Naval Ordnance Depot, Charleston, S. C. (400).
Superior Structural Steel Co., St. Louis, Mo.
Andrew Terry, Terryville, Conn. (225).
Gilbert Brass Foundry, St. Louis, Mo. (50).
Sawyer Foundry & Machine Co., Oswego, N. Y. (31).
St. Louis Steel Fabricating Co., St. Louis, Mo. (200).
McManus Steel Co., Buffalo, N. Y.
Piper Aircraft Corporation, Lock Haven, Pa. (900).
Missouri Rolling Mill, St. Louis, Mo. (550).
Dayton Steel Foundry, Dayton, Ohio (300).

[1] Figures in parentheses in the lists indicate the approximate number of employees involved in each stoppage.

[2] This item lists 100 employees on strike for the week ending June 27, and for the week ending July 4 it was given as 150.

Federal Manufacturing Co., Brooklyn, N. Y. (40).
Mechanical Foundries, Inc., Los Angeles, Calif. (70).
Marshall Deane & Co., New York City (20).
Mitchell Metal Products, Cleveland, Ohio (160).
Todd Galveston Dry Docks, Inc., Galveston, Tex. (2,000).
American Brake Shoe & Foundry, Mahwah, N. J. (450).
American Magnesium Bronze Co., Philadelphia, Pa. (84).
Curtiss-Wright Propeller Plant, Caldwell, N. J. (225).
Nevada Consolidated Corporation, Santa Rita and Hurley, N. Mex. (2,100).
Quaker City Iron Works, Philadelphia, Pa. (374).
Knoxville Iron Co., Knoxville, Tenn. (400).
Milwaukee Malleable & Grey Iron Works, Milwaukee, Wis. (350).
United States Gauge Co., Sellerville, Pa. (1,500).
Fitzgibbons Boiler Co., Oswego, N. Y.
California Shipbuilding Corporation, Los Angeles, Calif. (285).
Richmond Radiator Co., Uniontown, Pa. (890).
American Car & Foundry Co., Buffalo, N. Y. (1,500).
Ryerson & Sons Steel Co., Buffalo, N. Y. (100).
Tubular Rivet & Steel Co., Wollaston, Mass. (750).
Ingalls Shipbuilding Corporation, Pascagoula, Miss.
John Harsch Bronze & Foundry Co., Cleveland, Ohio (285).
Mather Spring Co., Toledo, Ohio (700).
Western Foundry Co., Chicago, Ill. (500).

Operating engineers

Phillips Petroleum Co., Kansas City, Kans.
Army Ordnance Depot, Kendia, N. Y. (150).

Textile workers

Lafayette Worsted & Spinning Co., Woonsocket, R. I. (900).
Field & Hatch Knitting Co., Cohoes, N. Y. (240).
Premier Worsted Co., Bridgeton, R. I. (240).
Keasbey & Mattison Co., Ambler, Pa. (1,000).
American Woolen Mills, Fulton, N. Y. (1,100).

Teamsters and warehousemen

New York Warehouses, New York, N. Y. (1,450).
Pittsburgh Truckers, Pittsburgh, Pa. (1,500).
Joseph P. Ryerson, Detroit, Mich. (100).
Kains Motor Truck Co., Logansport, Ind. (530).
Pioneer Flint Kote Co., Logansport, Ind. (550).

Garment workers

Belle Knitting Mills, Sayre, Pa. (1,000).
Standard Knitting Mills, Knoxville, Tenn. (2,800).

Ladies' garment workers

Standard Knitting Mills, Knoxville, Tenn. (2,800).[3]

Teamsters

Faitoute Iron & Steel Co., Newark, N. J.
Bethlehem Shipbuilding Corporation, New York, N. Y. (70).
Washington Truckers, Washington, D. C. (600).

Brick and clay workers

Clay City Products Co., Uhrichsville, Ohio.
Haggerty Brick Co., Detroit, Mich.

Cement workers

Lone Star Cement Co., Birmingham, Ala. (160).
Gager Lime Manufacturing Co., Sherwood, Tenn. (185).

[3] This is apparently the same strike as the one listed under garment workers.

Auto workers

Oliver Farm Equipment Co., Battle Creek, Mich. (450).
Electric Auto-Lite Co., Port Huron, Mich. (650).
Sealed Power Corporation, Muskegon, Mich. (1,160).
Precision Parts Co., Ann Arbor, Mich. (150).
Challenge Machinery Co., Grand Haven, Mich.
Dake Engine Co., Grand Haven, Mich. (94).
Shaw Box Crane & Hoist Co., Muskegon, Mich. (700).

Seafarers' Union

Seas Shipping Co., New York, N. Y. (27).

Sailors and seafarers

Alcoa Steamship Co. and five others, New York City, Mobile, Ala., New Orleans, La., and Boston, Mass.

Electrical workers

Indiana Ordnance Works, Charlestown, Ind. (500).
Gulf State Utility Co., Baton Rouge, La. (150)
Consolidated Edison Co. and other plants, New York City (8,000).
Kansas City Power & Light Co., Kansas City, Mo. (2,200).
Anaconda Wire & Cable Co., Muskegon, Mich. (750).

Shoe workers

Western Leather Co., Milwaukee, Wis. (200).

Butcher workers

New York Butchers Dressed Meat Co., New York City (400).[4]

Furniture workers

Downey Bros., Inc., Los Angeles, Calif.

Steel workers

Indiana Steel Products, Valparaiso, Ind. (235).
Rockford Drop Forge, Rockford, Ill. (550).

Rubber workers

Converse Rubber Co., Malden, Mass. (1,200).

Clothing workers

Appalachian Knitting Mills, Knoxville, Tenn. (2,000).
Kansas City Hat Manufacturing Co., Kansas City, Mo.

Hat and cap workers

Continental Hat Co., Kansas City, Mo. (5).

Railway carmen

Pullman Standard Car Manufacturing Co., Michigan City, Ind. (1,800).

Street railway employees

Detroit Transit System, Detroit, Mich. (4,000).

Longshoremen

Pennsylvania Alcohol Co., Philadelphia, Pa. (1,600).

Technical engineers

Shaw Box Crane & Hoist Co., Muskegon, Mich. (700).

Office workers

Army Ordnance Works, Plum Brook, Ohio (175).

Miscellaneous

Aero Spark Plug Co., New York, N. Y. (900).
Continental Can Co., Jersey City, N. J. (600).
C. G. Hussey & Co., Pittsburgh, Pa. (700).
Monsanto Chemical Co., Monsanto, Ill. (900).
Reilly Tar & Products Co., New Jersey Meadows, N. J. (100).
Republic Stamping & Enameling Co., Canton, Ohio (470).
Cannister Co., Phillipsburg, N. J. (200).
Fuld & Hatch Knitting Co., Cohoes, N. Y. (240).
Gager Line Manufacturing Co., Sherwood, Tenn. (185).

[4] This figure went to 700 a week later.

C. G. Hussey & Co., Pittsburgh, Pa. (800).
Keasby-Mattison Co., Ambler, Pa. (1,000).
Walter Kidde Corporation, Bloomfield, N. J.
Ansbacher-Siegle, Rosebank, N. Y. (150).
Pennsylvania Alcohol Co., Philadelphia, Pa. (1,600).
Hill Independent Manufacturing Co., Philadelphia, Pa. (110).
American Cyanamide Co. (Calco Division), Bound Brook, N. J. (4,000).
Isolantite, Inc., Belleville, N. J.
Welin Davit & Boat Co., Perth Amboy, N. J. (300).
Chris-Craft Corporation, Algonac, Mich. (420).

INVOLVING CONGRESS OF INDUSTRIAL ORGANIZATIONS UNIONS

Auto workers

Arrow Tool & Reamer Co., Detroit, Mich. (60).
Auto Specialties Manufacturing Co., St. Joseph, Mich. (1,700).
Detroit Steel Products Co., Detroit, Mich. (750).
Marlin Rockwell Co., Plainville, Conn. (1,000).
Sivyer Steel Castings Co., Chicago, Ill. (240).
Hendey Machine Co., Torrington, Conn. (100).
North American Aviation Corporation, Inglewood, Calif. (11,200).
Seneca Wire & Manufacturing Co., Fostoria, Ohio (600).
Bohn Aluminum & Brass Corporation, Detroit, Mich. (5,000).
Lamson & Sessions Co., Cleveland, Ohio (500).
Douglas & Lomason Co., Detroit, Mich. (550)
McQuay-Norris Manufacturing Co., Indianapolis, Ind. (150).
Oliver Farm Equipment Co., Battle Creek, Mich. (450).
Briggs Manufacturing Co., Detroit, Mich. (1,000).
Air Associates, Bendix, N. J. (500).
American Car & Foundry Co., Chicago, Ill. (650) (1,000).
Firestone Rubber & Metal Products Co., Wyandotte, Mich. (550).
Ampco Twist Drill Co., Jackson, Mich. (250).
Benton Harbor Malleable Co., Benton Harbor, Mich. (1,350).
Mack International Truck Co., Allentown, Pa. (3,500).
Borg Warner Corporation, Rockford, Ill. (700).
Chrysler Corporation (Fargo Division), Detroit, Mich.
Hendy Machine Co., Torrington, Conn. (300).
Wolverine Tube Co., Detroit, Mich. (1,000).
Breeze Corporation, Newark, N. J. (600).
Cuyahoga Stamping Co., Cleveland, Ohio (50).
H. A. Douglas Manufacturing Co., Bronson, Mich. (375).
International Harvester Co., Springfield, Ohio (3,500).
Marlin Rockwell Corporation, Plainville, Conn. (1,350).
Air Associates, Inc., Bendix, N. J. (800).
Breeze Corporation, Elizabeth, N. J. (500).
Midland Steel Products Co., Cleveland, Ohio (600).
Ohio Steel Foundries, Springfield, Ohio (590).
All Steel Welded Truck Corporation, Rockford, Ill. (40).
Hillsdale Steel Products Co., Hillsdale, Mich. (700).

Clothing workers

Reliance Manufacturing Co., Michigan City, Ind. (1,200).
Superior Shirt Co., Philadelphia, Pa. (185).
Louisiana Pants Co., New Orleans, La. (4).
Tanen Shirt Co., Lafollette, Tenn. (350).

McLaren Sportswear, Ltd., Phillipsburg, Pa. (100).
New Orleans Clothing Manufacturers (5 plants), New Orleans, La. (50).
Southeastern Shirt Co., Lafollette, Tenn. (350).
Barbour Welting Co., Brockton, Mass. (40).

Die casters

Cleveland Brass Co., Cleveland, Ohio (150).
Aluminum Co. of America, Cleveland, Ohio (5,000).
Parker Street Casting Co., Cleveland, Ohio (100).
Monarch Aluminum Manufacturing Co., Cleveland, Ohio (200).

Electrical and radio workers

Marathon Electric Co., Wausau, Wis. (400).
Picker X-Ray Corporation, Cleveland, Ohio (200).
Ohio Brass Co., Barberton, Ohio.
Karp Metal Box Co., Brooklyn, N. Y. (35).
Wishen Machine Tool Co., New York, N. Y. (29).
G. F. Richter Manufacturing Co., Glendale, N. Y. (150).
Goodrich Electric Co., Chicago, Ill. (150).
Brown Instrument Co., Philadelphia, Pa. (400).
Simons Worden White Co., Dayton, Ohio (235).
Westinghouse Electrical & Manufacturing Co., Pittsburgh, Pa. (800).
Twentieth Century Brass Works, Minneapolis, Minn. (50).
American Radiator Co., Pittsburgh, Pa. (875).
Electric Machinery Manufacturing Co., Minneapolis, Minn. (320).
Zallea Bros. & Johnson, Wilmington, Del. (55).

Fur and leather workers

Griess-Pfleger Tanning Co., Waukegan, Ill. (600).
Cratton & Knight Co., Cudahy, Wis. (220).
Milligan & Higgins Co., Johnstown, N. Y.

Furniture workers

Vincent McCall, Kenosha, Wis. (200).
E. J. Hanserman Co., Cleveland, Ohio (350).
Fort Pitt Bedding Co., Pittsburgh, Pa. (450).

Mine workers

Carborundum Co., Niagara Falls, N. Y. (600).
Antrim Iron Co., Maincelona, Mich. (450).
Metals Disintegrating Co., Elizabeth, N. J. (65).
General Ceramics Co., Keasbey, N. J. (200).
Koppers Co., Follansbee, W. Va.
Dow Chemical Co., Midland, Mich. (4,000).
U. S. Gypsum Co. (14 plants), Chicago, Ill. (3,000)
Hollup Corporation, Chicago, Ill. (80).
Atlas Powder Co., Stamford, Conn.
National Gypsum Co., New York City.
Alabama Coal Mines, Birmingham, Ala. (18,000).
National Lead Co., St. Louis, Mo. (700).
Captive mines (13 companies), Pennsylvania, West Virginia, and Kentucky (43,100).

Longshoremen and warehousemen

One hundred and ninety warehouses, San Francisco, Calif. (4,500).

Maritime union

Morgan Line, Houston, Tex. (100).

Packing-house workers

Chicago meat packing companies, Chicago, Ill. (1,180).
Electric Hose & Rubber Co., Wilmington, Del. (500).
Aetna Rubber Co., Cleveland, Ohio (125).
B. F. Goodrich Co., Akron, Ohio.

Shipbuilding workers

Federal Shipbuilding & Drydock Co., Kearny, N. J. (16,000).
American Shipbuilding Co., Lorain, Ohio (900).
Alabama Drydock & Shipbuilding Co., Mobile, Ala.
American Engineering Co., Kensington, Pa. (700).
Greenport Basin & Construction Co., Greenport, N. Y. (120).
Robin Dry Dock & Repair Co., Brooklyn, N. Y. (7,000).

Steel workers

Apollo Steel Corporation, Apollo, Pa. (950).
Bethlehem Shipbuilding Corporation and five other yards, Oakland, Calif. (700).
Champaine Co., St. Louis, Mo. (130).
Phoenixville Iron Works, Phoenixville, Pa. (1,000).
National Steel Corporation, Ecorse, Mich. (7,000).
New Jersey Galvanizing Co., Newark, N. J. (35).
Youngstown Sheet & Tube Corporation, Indiana Harbor, Ind. (750).
Bass Foundry & Machine Co., Fort Wayne, Ind. (250).
Boston & Lockport Block Co., Boston, Mass.
Heller Bros. Co., Newcomerstown, Ohio (1,170).
Wicker Bros. Boiler Co., Saginaw, Mich. (150).
Great Lakes Engineering Works, River Rouge, Mich. (600).
Great Lakes Steel Corporation, Ecorse, Mich. (8,000).
Carnegie-Illinois Steel Corporation, McDonald, Ohio (65).
Irving Subway Grating Co., Long Island City, N. Y. (300).
Pacific States Cast Iron Pipe Co., Provo, Utah (438).
Timken Roller Bearing Co., Columbus, Ohio.
Roller Smith Co., Bethlehem, Pa. (250).
Symington Gould Corporation, Rochester, N. Y.
American Chain & Cable Co., York, Pa. (200).
Arcade Malleable Iron Works, Worcester, Mass.
Ertel Engine Co., Grand Haven, Mich. (130).
Fitzsimons Co., Youngstown, Ohio (120).
Henry Vogt Machine Co., Louisville, Ky. (900).
Leland Gifford Co., Worcester, Mass. (1,400).
Pressed Steel Car Co., Pittsburgh, Pa. (2,800).
Pullman-Standard Car Manufacturing Co., Bessemer, Ala. (1,100).
Wyckoff Drawn Steel Corporation, Ambridge, Pa. (500).
Bethlehem Steel Corporation, Sparrows Point, Md. (250).
Ryerson Steel Co., Cleveland, Ohio (60).
Mackenzie Muffler Co., Youngstown, Ohio (200).
Crucible Steel Co., Harrison, N. J. (500).
Evans Products Co., Detroit, Mich. (500).
Allegheny Ludlum Steel Co., Watervliet, N. Y. (500).
Atlas Press Co., Kalamazoo, Mich. (500).
Carnegie-Illinois Steel Co. (two strikes): McDownald Works, Youngstown, Ohio (1,500); Clairton Works, Clairton, Pa. (300).
Wheeling Corrugated Co., Wheeling, W. Va. (1,400).
American Can Co., Chicago, Ill.
Lukenweld, Inc., Coatesville, Pa. (2,000).
Ohio Steel Foundries, Springfield, Ohio (590).
Portland Forge & Foundry, Portland, Ind. (200).
St. Louis Truck & Auto Body Plants, St. Louis, Mo. (400).
Wallingford Steel Co., New Haven, Conn. (60).
Reading Screw Co., Norristown, Pa. (150).
Babcock & Wilcox Co., Beaver Falls, Pa. (75).
Niles Steel Rolling Mills, Niles, Ohio (700).
Carnegie-Illinois Steel Corporation, Gary, Ind. (10,000).
Wickwire Bros., Cortland, N. Y. (1,000).

Textile workers

American Woolen Co., Madison, Maine (400).
Black Hosiery Mills, York, Pa. (100).
Maisel Co., Brooklyn, N. Y. (33).
American Thread Co., Fall River, Mass. (2,500).
Nasco Awning, Inc., Brooklyn, N. Y. (60).
Hulton Dyeing Co., Philadelphia, Pa.
Merion Worsted Mills, West Conshohocken, Pa. (500).
American Woolen Mills, Lawrence, Mass. (2,500).
Arlington Mills, Lawrence, Mass.
Oneida Knitting Co., Utica, N. Y. (1,600).
S. C. Hollister Co., New York, N. Y. (80).
Great Lakes Thread Co., Detroit, Mich. (150).
Switlik Parachute & Equipment Co., Trenton, N. J. (350).
Lincoln Mills, Huntsville, Ala. (1,800).
Chandler Co., New York, N. Y. (110).
Insel Co., Arlington, N. J. (300).

Miscellaneous

Armbruster Manufacturing Co., Springfield, Ill. (86).
Atlantic Metal Products Corporation, Long Island City, N. Y. (180).
Wilson Jones Co., Chicago, Ill., and Elizabeth, N. J. (1,200).
Puro Feather Down Co., Brooklyn, N. Y. (45).
Essex Specialty Co., Inc., Berkley Heights, N. J. (50).
New Haven Clock Co., New Haven, Conn. (1,500).
National Tube Co. (Christie Park plant), Pittsburgh, Pa. (150).
G. & O. Manufacturing Co., New Haven, Conn. (250).
Stamford Rolling Mills, Springdale, Conn. (425).
Mundet Cork Co., Hillside, N. J. (350).
Isolantite, Inc., Belleville, N. J. (450).

(SOURCE.—United States News, June 6, through October 17, 1941.)

STRIKES IN DEFENSE INDUSTRIES IN THE UNITED STATES FROM OCTOBER 17 TO NOVEMBER 7, 1941 [1]

INVOLVING AMERICAN FEDERATION OF LABOR UNIONS

Building trades

Houston Shipbuilding Corporation, Houston, Tex. (950).
Red River Ammunition Dump, Texarkana, Tex. (1,000).
Curtiss-Wright Airplane Co., Beaver, Pa.
Defense Housing Project, Leesville, La.
Ford Tank Plant, Dearborn, Mich.
Pennsylvania Sale Co., Portland, Oreg.
Naval Training Station, San Diego, Calif. (900).

Electrical workers

Anaconda Wire & Cable Co., Muskegon, Mich. (660).
Midland Wire Co., Tiffin, Ohio (150).
Insuline Corporation of America, Long Island City, N. Y.

Butcher workmen

Lookout Oil & Refining Co., Chattanooga, Tenn. (250).

Glass workers

Owens-Illinois-Pacific Coast Glass Co., Oakland, Calif. (1,000).

Ladies garment workers

Gardiner-Warring Co., Inc., Florence, Ala. (1,000).
Rice Stix Dry Goods Co., Slater, Mo. (250).

Metal trades

Ingalls Shipbuilding Corporation, Pascagoula, Miss. (2,800).

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[1] Figures in parentheses in the lists indicate the approximate number of employees involved in each stoppage.

TNT Plant, Weldon Spring, Mo. (45).
York Corrugating Co., York, Pa. (225).
Burgess Battery Co., Freeport, Ill. (800).
Seattle Shipyards, Seattle, Wash. (1,000).
Buckeye Traction Ditcher Co., Findlay, Ohio (350).
West Coast Shipyards, Seattle, Wash.; Portland, Oreg.; and Los Angeles, Calif. (1,800).
Aircraft Welders, Burbank & San Diego, Calif. (300)
American Manufacturing Co., Chattanooga, Tenn.
Revolator Co., North Bergen, N. J. (40).

Railway car men

American Car & Foundry Co., Madison, Ill. (950).

Teamsters

Akron Truckers, Akron, Ohio (500).
National Airport, Bolling Field, Va.
Union Hardware & Metal Co., Los Angeles, Calif. (250)
Pennsylvania Truckers, Allentown, Bethlehem and Easton, Pa.

Miscellaneous

Chris-Craft Corporation, Algonac, Mich. (420).
Hill Independent Manufacturing Co., Philadelphia, Pa. (110).
Cleveland Container Co., Cleveland, Ohio (450).

INVOLVING CONGRESS OF INDUSTRIAL ORGANIZATIONS UNIONS

Auto workers

Ford Motor Co., Detroit, Mich. (1,000).
International Harvester Co., Springfield, Ohio (3,500).
Lakeside Steel Improvement Co., Cleveland, Ohio (100).
Oliver Farm Equipment Co., Springfield, Ohio (600).
Spicer Manufacturing Co., Toledo, Ohio (1,000).
Aviation Corporation (Spencer heater division), Williamsport, Pa. (500).
City Machine & Tool Co., Toledo, Ohio (125).
Kelsey Hayes Wheel Co., Plymouth, Mich. (1,700).
Novi Equipment Co., Novi, Mich. (250).
Chrysler Tank Arsenal, Detroit, Mich.

Construction workers

Northern Indiana Brass Co., Elkhart, Ind. (400).

Die casters

Chandler & Price Co., Cleveland, Ohio (350).

Electrical and radio workers

Isolantite, Inc., Belleville, N. J. (450).
McKinney Manufacturing Co., Pittsburgh, Pa. (530).

Glass workers

Libbey-Owens-Ford Glass Co., Toledo, Ohio (600).

Mine workers

Alabama Captive Mines, Alabama (20,000).
Armstrong Cork Co., Gloucester, N. J.
Sloss-Sheffield Steel & Iron Co., Birmingham, Ala. (800).

Mine, mill, and smelter workers

Mountain City Copper Co., Mountain City, Nev.

Rubber workers

Goodyear Tire & Rubber Co., Akron, Ohio, (300).

Shipbuilding workers

Defoe Boat & Motor Works, Bay City, Mich. (1,200).

Steel workers

H. K. Porter Co., Pittsburgh, Pa. (450).
Shenango Furnace, Ohio, Neville Island and Sharpsville, Pa. (1,075).
Tube Reducing Co., Wellington, N. J. (150).
Atlantic Steel Co., Atlanta, Ga. (1,300).
Bethlehem Steel Corporation, Lebanon, Pa. (3,000).
Carnegie-Illinois Steel Corporation, Clairton, Pa. (800).
Eastern Rolling Mills, Baltimore, Md. (370).
Medart Co., St. Louis, Mo.
American Car & Foundry Co., Berwick, Pa. (1,600).
Atlas Press Co., Kalamazoo, Mich. (500).
Triplex Screw Co., Cleveland, Ohio (600).

Textile workers

American Woolen Co., Inc., Norwich, Conn. (70).
Erwin Cotton Mills, Cooleemee, N. C. (70).
McMillan Sons Co., New York, N. Y. (70).

Woodworkers

Polson Logging Co., Hoquiam, Wash. (500).

Miscellaneous

Charles Engelhard, Inc., Newark, N. J. (50).
McKinney Manufacturing Co., Pittsburgh, Pa. (530).

(SOURCE.—United States News, October 24, through November 14, 1941.)

The SPEAKER pro tempore (Mr. BONNER.) Under special order of the House, the gentleman from Massachusetts [Mr. GIFFORD] is recognized for 15 minutes.

THE BUDGET

Mr. GIFFORD. Mr. Speaker, it was my custom for several years, immediately after the reading of the Budget message, to comment thereon and make comparisons with previous Budget messages. I had to forego that last year because the disorder in the House was such that I could not hear it being read. No one seemed to be interested in that Budget message. Today I listened as closely as possible, but I did not note any great interest on the part of the House and again found it difficult to follow it. But I am determined that today I revive memories of former Budget messages and note familiar arguments or alibis and any startling statement. I am performing this duty because of being the ranking minority member of the Committee on Expenditures. I have of late felt that perhaps I have not properly fulfilled my obligations in this respect. As you may recall, I formerly took the floor a great deal constantly objecting to the lack of willingness on the part of the majority Members to investigate expenditures. I have tried to be a good fellow of late and not be so annoying to that rubber-stamp majority.

I know our mouths seem to be absolutely closed against criticism because of the defense effort. As I have said before, everything is made to smell of gunpowder. If you will peruse the Budget message of last year you will find it was very apologetic, entirely different from any other Budget message we have seen for years; only generalizations were indulged in. The estimates of the sums we were to receive from various sources were not detailed. Also the sums which we would spend for the many purposes of Government were not recited, so that it was impossible to get the facts to comment upon. Even more difficult it was today. Another generalization message was read to you. One or two startling facts were presented. The long dissertation on how we shall tax the people fell apparently upon deaf ears here. Many of these recommendations will fall upon deaf ears when they are put before the Ways and Means Committee. This legislative body will reserve to itself the methods of taxation. I am wondering whether our President wanted to send a message to the people so that they would be ready to criticize this body if we saw fit to differ from his opinions as to methods of raising money. He seems to be still in search of a way to kill the goose that laid the golden egg. The remarkable feature of last year's Budget message, and I think it was probably repeated today, was that it does not seem to matter so much about the principal if we will tax enough to service the debt. Take especial note of that. I have heard of money lenders not caring about the principle as long as they got their interest, and I shall spell that word, when I read my remarks—"p-l-e" not "p-a-l."

I have an abundance of figures here, but in the 15 minutes I am unable to delve into them extensively. Did you hear it read that in 1941 the public debt on June 1 was some $43,000,000,000, that on June 1, 1943, it will be $110,000,000,000? And that in 1943 it is expected, if the Ways and Means Committee does its duty, to raise $18,000,000,000 only? These are generalizations, but perhaps the broad picture of the financial situation is all we care to discuss today.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Always.

Mr. GORE. Will the gentleman not give us a broad picture of what he proposes?

Mr. GIFFORD. Of what I propose?

Mr. GORE. Yes.

Mr. GIFFORD. I said my mouth was partly closed because I was confronted with gunpowder legislation. However, I took the floor to propose that we inform and remind ourselves a little. I wish to object to a lecture on his favorite methods of taxing the people. I noted wherein it was stressed that social security was not to be decreased but rather increased. Last year the President declared that parity and soil conservation were established procedure and should not be lessened. Today he very sketchily discussed that subject. Today he will wait until we see what farm prices may or may not be, and then he may make certain recommendations as to the amount that ought to be appropriated. But the suggestion of largesses are there, and they gave reason to the statement made by a commentator recently, "The 'gimme' boys will still be riding on the gravy wagon."

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield at that point?

Mr. GIFFORD. I yield.

Mr. CRAWFORD. Did I understand the gentleman to say that as of June 30, 1943, the debt is projected as being $110,000,000,000?

Mr. GIFFORD. Yes; unless my hearing was very faulty, and I do not think it was.

Mr. CRAWFORD. Is it not true that that figure is simply based on the calculations of accountants in the Budget Bureau which take into consideration the pick-up as of June 30, 1942, as now evidenced, as now not developed, and adding to that the Budget estimate less the estimated taxable income as set forth? Would not that be the gentleman's interpretation?

Mr. GIFFORD. I should have to agree to that.

Mr. CRAWFORD. Last year we started out on the same basis. I watched it very carefully. I know as well as I know figures about anything along this line that the Treasury was misled, that the public was misled, that Congress was misled, because up until May 1941 the Treasury was still dealing with the Budget figures submitted in January of 1941, although our concept and our actions here on the floor had gone way beyond that.

Mr. GIFFORD. It will be going beyond it now.

Mr. CRAWFORD. Of course it will.

Mr. GIFFORD. What figure would the gentleman suggest that the debt might be?

Mr. CRAWFORD. So the $110,000,000,000 to me does not mean a tinker's d-a-m-n.

Mr. GIFFORD. Nor to me either.

Mr. CRAWFORD. Not a thing, and I am not going to stand idly by and let it mean very much to the district I represent. I am not going to make my prediction until I see what program is acted upon by Congress, what action we take in this House.

Mr. GIFFORD. The gentleman is acting wisely. The President said further that there is no way of telling what war losses will be incurred and how much it will cost to replace those losses. I think he said, did he not, that the great deficits have been caused by war upheavals? He so stated last year as I recollect it. Was it a war upheaval from 1933 to 1941 when the debt increased from $16,000,000,000 to $41,000,000,000, or was it because of the social experiments so many of which were extravagant, wasteful, and had such ill effects on the morale of the people, inasmuch as they were taught to expect and demand support and gifts from the Government?

Mr. KNUTSON. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Was it not probably also due in part to the fact that the galloping hounds of waste were permitted to run without hindrance?

Mr. GIFFORD. Galloping? Is there not a word that connotes a faster pace? Let us call it a fast running race while we are at it.

Mr. KNUTSON. I said galloping hounds.

Mr. GIFFORD. Today he is to extend the social-security benefits much wider. What is the theory back of that? Five billion dollars lie in the Treasury of the people's money which they have contributed for social security. It is invested in Government debt. The sum of $665,000,000 is lying there, represented by Government debt for the civil-service employees when they retire. There is a vast amount of such trust funds invested in the Government debt.

Mr. HOFFMAN. The gentleman said the money was there. He does not mean that.

Mr. GIFFORD. The bonds are there. I said the money is there but represented by Government debt.

Mr. KNUTSON. When the liability becomes due we will have to be taxed over again to pay it?

Mr. GIFFORD. Unquestionably. I am greatly troubled and astounded at the arguments being made for the purpose of a narcotic for the people. I read on the floor of the Congress some time ago Governor Eccles' recent theory. In effect, "what about the national debt, what of it? We not only bequeath to posterity the national debt, but we bequeath to posterity the bonds also." That seems now to be his theory. Are our people to be fed such things by those highest in authority? "The silly dollar sign." You heard that from the White House. It seems necessary that we legislators talk about finance and budgetary matters. We have granted executive authorities vast sums to try out their experiments. So many received cash benefits that reelections were assured. Profligate spending brought us almost to the brink of the ruination of our credit before this present war began. Defense enthusiasm came to our rescue. Yet social security is still almost uppermost in mind. The theory seemingly has been "bring everybody down to the same level. Take away from those who have, and give it to those who have not." This result can never be fully attained. You who have character and ability will always be on a higher level in spite of political machinations. The only way to succeed in that is to do as Stalin did—"shoot 'em."

The debt will be $110,000,000,000 next year. I have the yearly deficits here and it might be interesting to read them to you. I think perhaps you are familiar with them. Deficits for more than 10 years in succession are highly disturbing to purchasers of the Nation's evidences of debt. I was approached a few days ago and asked, "Will you tell me what I can do with my money in order that it may be absolutely safe?" Someone asked me on yesterday why there was so much money in circulation. In circulation. Yes. A large amount is in $1,000 bills hidden in vaults somewhere and regarded safer than a bond. The bond may fall in the market, as it has heretofore done, but the thousand-dollar bill will buy even the bond at its lower value. Thus is money hoarded in thousand-dollar bills, not only by refugees but by many of our own people. My only comment is, "Be patriotic. The country is worth saving by furnishing the money to keep it going." The President himself said, "What of our national debt? Don't we owe it to ourselves?" That must be comforting to you, of course. If those who buy bonds lose, what of it? It is all in the family.

That is the doctrine now being poured forth to soothe our people. It does probably soothe those who have not invested and are now told that they are not to suffer. Again we bequeath bonds as well as the debt. Only the unthinking will be comforted by each lullabye. What are we to do about it? Are we to sit idly by and allow such doctrines to be indoctrinated into our people? Is there not some voice to be heard in remonstrance, and to demand that those in high places shall not attempt to deceive or mislead us? The people are now ready to hear the truth in our present danger. They are highly courageous and need no paregoric treatment. I suggest that the President let the Congress attend to its own business relating to tax measures, as well as other matters. He is already overwhelmed with work. I beg of him to transfer to others much of this burden. He has many competent men now in Washington who have patriotically offered their services to him.

It is astounding to Congressmen and Senators to inquire of such men relating to their assignments to be constantly told that the President has not yet given the recently coined word "directive," which has for a time a more pleasant sound than the word "order." We will soon learn they mean the same. Mr. President, relieve yourself of these burdens. Have confidence in those you have selected because of fitness for such positions. Unless you trust them, they will not long abide with you. Relieve them of that apologetic attitude they are forced to assume when we seek to question them.

I pray that these bottlenecks may soon disappear by granting full authority to those selected to do their job. Until then, this present confusion will prevail.

[Here the gavel fell.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. KNUTSON] is recognized for 10 minutes.

Mr. KNUTSON. Mr. Speaker, the preceding gentleman brought out some very interesting points regarding the way the national debt is piling up, pointing out some of the dangers. There has never been a war activity on the part of this Government that has cost so much money as the effort we are making in this war and we have only begun to feel the effects. You have already arranged to put 500,000 automobile workers out of work, you are ruining the business of thousands of garages and automobile businesses, you are destroying their lifetime savings. Our leaders say they foresaw this war coming to us as much as 2 years ago. If so, why did not they arrange for huge stocks of rubber, tin, chrome, and other essentials in the interim?

I have a letter from Leland J. Melrose, publicity director of the Minnesota Farm Bureau, which I would like to read to the House. It may throw some light on the needless spending that is taking place in our war efforts. I was here during the first World War. We had cost-plus scandals at that time, but nothing comparable to what we have today. Then we said, "never again," but we are again repeating those costly blunders. I want to read to you the experience we are having out in Minnesota with one of these cost-plus scandals:

MY DEAR CONGRESSMAN: J. S. Jones suggested that I write you about the New Brighton arms plant situation. From his conversation I think perhaps he assumed that I had more information than is actually the case. I have practically no authentic information at all as it seems impossible to obtain it. The officials at the arms plant have adopted the attitude that what happens there is none of the public's business and, of course,

investigators are barred from the area by armed guards.

I had heard so many reports of criminal waste of public funds at New Brighton that I tried to get information so that I could publish articles exposing these reports as false.

He was favorable. He is a good American. He was hoping the reports we are getting out there were false, and he wanted to brand them as false in the Farm Bureau Federation publication.

After considerable delay I received letters from Lieut. John H. Joy and Maj. J. H. Hinricks disclosing the supplying fact that information requested could not be released. These letters were written before our formal entry into the war.

Now we come to some interesting things:

I am enclosing a copy of the letter I wrote to the arms plant, which may be of interest. Since this letter was written I heard of an illiterate Negro, formerly a reliefer, who gets about $75 a week for some common labor job at New Brighton—of a clerk in a grocery store in my neighborhood who got a job chopping down trees on the ordnance plant grounds at a wage of something better than $70 a week—of a blacksmith who has been waiting for a long time, at about $150 a week, for the arrival of blacksmithing equipment so he could go to work.

I do not even wish to hint that these reports are accurate. It seems unbelievable that any public official who has been granted the authority to issue public funds could be so lax in his obligations to the country as to permit things like these to happen. However, stories like these persist and there is no way of stopping these rumors except by a thorough and impartial investigation by Congress.

Now I read the letter that Mr. Melrose wrote to the information service, New Brighton arms plant, New Brighton, Minn., on November 10.

DEAR SIR: Many sensational and pernaps irresponsible reports are going around about the pay being received by workers at the New Brighton arms plant. There is talk of common or semiskilled workers getting $75 or more a week. I heard of an electrician who was paid $32 for a day's work on a recent Sunday. No one seems to know just how much money is being earned by some of these people.

I would appreciate it very much if you could inform me of the wages being paid for (a) common laborers; (b) carpenters: (c) electricians; and (d) truck drivers. In mentioning these earnings please let me know what the overtime and Sunday scale is, and whether the work on Saturday is classed as overtime.

I would appreciate it if you could inform me of the maximum pay checks of a day's or a week's work by any class of workers. This to include not only the base pay but also money earned as overtime. How much overtime labor is being performed, and is there any necessity for any overtime work in view of the fact that thousands of men are still on W. P. A. and other forms of relief?

Is it true that labor organizers are preventing jobless men from getting work unless these men pay for their jobs or pledge that money can be taken out of their earnings to pay for their jobs?

Any information you can give me will be appreciated.

Who is responsible for fixing the rate of pay for labor and stenographic help, and any other form of employment that the Government must pay for, either directly or indirectly, through the price they must pay for ammunition made at the plant?

Very truly yours,

L. J. MELROSE,
Publicity Director,
Minnesota Farm Bureau Federation.

To that letter Mr. Melrose received a reply from the gentleman I have already named, intimating that it would be contrary to public policy to give out that information. Of course, I can understand the hesitancy of those who are responsible for this indefensible situation to give out the facts in the case, because if the American people once learn what is going on under cover they will turn you spendthrifts out next November just as sure as the rising of tomorrow's sun. The way things are going, I am satisfied that only by turning out those who blindly follow the wasteful spenders will the Republic be saved.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. I should think that the gentleman should reply to these individuals and tell them it is not necessary for them to take that kind of an answer; that they are not compelled to do so. Whoever says that is contrary to public policy does not speak for this Government. He has just evaded the proposition. He should be smoked out and made to give that information.

Mr. KNUTSON. They are both Army officers; one a lieutenant and the other a major.

Of course, if it were not for the fact that all this wasteful spending threatens the future of the Republic, the minority could sit back and smile, because we know we are going to benefit politically from all this laxity, waste, and what not that is taking place next November, just as we did in November 1918.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I congratulate the gentleman on his confidence that we shall turn them out. I fear lest they take so much gravy home to the people that the people will like it and keep them in.

Mr. KNUTSON. Of course, if they want to vote to continue in slavery to the tax collector, that is their business; but we shall at least show them the way out. Let us have an impartial and thorough investigation by Congress.

[Here the gavel fell.]

The SPEAKER pro tempore (Mr. BONNER). Under a previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 10 minutes.

COMMENTS ON THE BUDGET MESSAGE

Mr. VOORHIS of California. Mr. Speaker, the first thing I should like to say is that I do not know whether, in the long run, in view of the world conflict with which we are now confronted, it makes very much difference what happens to any individuals who happen to be presently Members of Congress. I am sure I cannot get very excited about my own political future. I think there are some other things that are of vastly deeper concern.

America finds herself involved in the greatest war in history. The President's message yesterday and his budget message today make very clear the basic fact that as long as that war lasts our effort with regard to it will be on the basis of a production economy rather than a financial economy. We will do the things we have to do, and the finances will follow the necessity of devotion of this production to the war effort, rather than the size of the war effort being determined by financial considerations. There will be no limit from the standpoint of available finances to the amount of money that will be spent. The only limit there will be will be the limit of the ability of our factories and plants to turn out the maximum possible amount of goods for the purpose of winning the war.

What does this mean? I recall that Dorothy Thompson said this in a very outstanding column she wrote on one occasion, entitled "Thoughts on the Fall of Paris." She said, in effect, "Germany did not have the money, but it produced the war equipment. France and England had the money, but did not produce the war equipment. Germany was working on a production economy, the Allies on a money economy." She drew no conclusions from that fact, but I draw this conclusion, that the upshot of the President's two messages and the upshot of what all of us know ourselves, anyway, is that America is now going on to a war-production economy, and she is going on to it in the fullest possible way. I would agree that people ought not to suggest things to be done in this present time, however much they may believe in them, unless they are intimately connected with the problem of prosecuting and winning the war; but I think it is important—I think, indeed, it is of basic importance—that we should consider the problem of marshaling all the resources of our Nation as one whole problem. I think it important that we be sure there will be no particular privileges perpetuated in this great effort which are not justified by real facts and justice, and so when I feel that something is necessary to the mobilization of all of our resources in a true sense I feel impelled to speak about it.

Assuming that the national income, that is, the wealth production of our country, will reach $100,000,000,000 in the next year, which seems likely, and assuming we devote one-half of that to war production, then there remains the other half of it for civilian needs.

The danger of inflation arises because of the fact that although you have $100,000,000,000 paid-out money income going into circulation, you have only $50,000,000,000 roughly of goods produced to be bought with that. It is to be hoped, of course, that this Congress will act in courageous fashion with regard to taxation from two standpoints: First, from the standpoint of raising such revenue as can reasonably and possibly be raised, and second, from the standpoint of imposing taxes in accordance with the principle of ability to pay.

It is also important and extremely desirable that the sale of defense bonds should continue to go forward or should be even increased over what it is now, because when defense bonds are purchased it means that you or I or somebody else who may have excess purchasing powers turns that purchasing power over to the Government for expenditure on the war effort. It reduces thus the amount of fluid purchasing power in the hands of the consumers and places it at the disposal of the Government's war effort.

But there is another kind of borrowing which contributes to, instead of detracting from, the dangers of inflation, another kind of borrowing which has a great deal to do with the increase of the public debt which has been spoken about here today, another kind of borrowing which is not, in truth, borrowing at all, but a subsidy to private finance, and which in my judgment should not be indulged in by this Government either at the present time or in the future.

I have here the monthly bulletin of the National City Bank of New York for December, in which they mention the fact that in December the Treasury made a billion and a half offering of what they term new money. What this means is that a billion and a half of interest-bearing public bonds were sold to the banks in the month of December alone for figures on the banks' books. There was no transfer of previously existing money or bank deposits that took place. There were credits written on the books of the bank in favor of the United States Government and those credits were placed at the disposal of the Treasury and when that happens they acquired title to interest-bearing bonds of the United States. In the past 8 or 9 years $22,000,000,000 of public debt has been contracted in this way.

If you are going to draft manpower in this country, if you are going to require that no automobiles be produced and that such production go into the production of airplanes and other necessary items for the war, and if we are going to marshal all of those resources, then, it seems to me, obviously the time has come when this Nation should command and use its own credit whenever new money is to be created, and that we should bring to an end the claim of private finance to ownership of the Nation's credit.

The banking business is properly a business of receiving deposits and making loans and investments. The Government's business is properly the business of creating the money in the first place. We have at present got it just turned around. The Government is doing—and to a certain extent probably necessarily—the business of banking, and the banks are doing the business of government. To the extent that we cannot finance this war effort either by taxes or by legitimate borrowing, where the Government gets the real purchasing power from the purchaser of bonds, to that extent we should observe the Constitution of the United States which says that Congress shall coin money and regulate its value. To place the matter simply, the 12 central Federal Reserve banks, which at present function as banks of issue in this Nation, ought to be a public institution. There should be no more bond sales to private banks for newly created credits. To the extent necessary for the war effort, the Treasury should issue non-interest-bearing bonds, which would be in the nature of receipts to these central banks, and receive on the books of those banks credit for the use of the United States, to finance this war effort. It would mean that the public debt would rise only perhaps half as fast or as far as otherwise will be the case. You say that this might be inflationary, but I point out to you that all I am suggesting is the substitution of this method for the method whereby private banks create new money to buy our bonds, which is more inflationary than my proposal for the reason that it involves a continuous payment of interest in the future, which my proposal does not. May I say this: That I agree with those who look forward into the future with concern as to financial stability, and I think the President was quite conservative when he forecast a debt of $110,000,000,000. You have to look forward to the question as to how you are going to handle such public debt as you will have when this war comes to an end, and if you think that public debt will be so large as to put an unbearable strain on the present financial system, the wise thing to do is to make certain modifications in accordance with the basic principles of the American Constitution in order that we may finance this war by means of the credit of the American Nation, based on the ability of the people to produce.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. Yes.

Mr. GORE. In line with the gentleman's thought, I have asked the chairman of the great Committee on Banking and Currency, on which I have the privilege of serving, that we may soon start hearings on the subject of war financing, and in that connection I know the gentleman is such an outstanding student of the problem that I desire to inquire of him as to how much money can be raised by what he terms "legitimate borrowing"?

Mr. VOORHIS of California. First may I say I am glad indeed the gentleman has asked, as I have asked, for such hearings. I think they are an all-important matter. In answer to the gentleman's question I do not think we know. I mean I think it would be rather dangerous to estimate how much can be raised. We know that four times as many defense bonds were sold in December as had been sold in any previous month. That may be indicative of a trend, at any rate.

Mr. GORE. I want to take the gentleman a little further. I agree with him that the borrowing from individuals, the borrowing of real purchasing power from the citizenship of the country, is much better than borrowing from the banks, which in some respects the gentleman has already fully described, but I am wondering whether he would advocate a requirement that certain portions of the income of individuals should be taken for the purchase of Government bonds for the war effort.

Mr. VOORHIS of California. Is it not a more direct thing to simply fix the tax rate where we think it ought to be in connection with the matter, rather than to compel people to invest in defense bonds?

Mr. GORE. Perhaps so, but again we get back to the problem which the gentleman is discussing. How much money can we raise through what the gentleman terms "legitimate borrowing"?

Mr. VOORHIS of California. I would have to have more power to foresee the future.

Mr. GORE. In the general terms in which the gentleman says he is speaking, does he think that we can raise 25 percent of the amount?

Mr. VOORHIS of California. Twenty-five percent of the cost of the war?

Mr. GORE. Yes; by selling to the citizens and not the banking institutions?

Mr. VOORHIS of California. I know what the gentleman means.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute more.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. VOORHIS of California. I would imagine that as this war goes forward, as the American people begin to understand better than perhaps they do now, it may be conceivably possible to raise that much. But what I am saying, and my main point is that to such extent as the money cannot be raised that way and is not raised by taxes, it should not be raised by the method of permitting private institutions to create the money and borrowing it back at interest, but that it should be the Federal Government which performs that essential function of sovereignty, creates and uses its own credit, and thus avoids unnecessary increase in the public debt. When we come to the time after this war it will be most important that at that time we be able to prevent deflation taking place. But, unless the method of the present financial system is changed before that time, I fear there will take place a most serious deflation which will present us with the most serious economic problem that perhaps our country has ever known.

Money should be a tool of the Nation to bring about the maximum production and exchange of real wealth of which the Nation is capable. It should not be a commodity privately manufactured but a function of the Government of the Nation itself.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein certain resolutions adopted at the third annual convention of the Wisconsin Dairy Industries Association, pertaining to the butter industry in Wisconsin.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

DAYLIGHT-SAVING TIME

Mr. DELANEY, from the Committee on Rules, presented the following privileged resolution (H. Res. 410, Rept. No. 1569) on the bill (H. R. 6314) to promote the national security and defense by establishing daylight-saving time, for printing in the RECORD:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6314) to promote the national security and defense by establishing daylight-saving time. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2094 An act to provide for the rank and title of the Commandant of the Marine Corps; to the Committee on Naval Affairs.

S. 1891 An act to amend an act to provide allowances for uniforms and equipment for certain officers of the Officers' Reserve Corps of the Army so as to provide allowances for uniforms and equipment for certain officers of the Army of the United States; to the Committee on Military Affairs.

BILL PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on Tuesday, January 6, 1942, present to the President, for his approval, a bill of the House of the following title:

H. R. 4365. An act to give additional powers to the Board of Public Welfare of the District of Columbia, and for other purposes.

ADJOURNMENT

Mr. DELANEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 32 minutes p. m.) the House adjourned until tomorrow, Thursday, January 8, 1942, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1240. A letter from the Acting Administrator, Federal Works Agency, transmitting lists of employees of the Work Projects Administration, Federal Works Agency, in the central and field offices, receiving a per annum salary of $1,200 or more on December 1, 1941; to the Committee on Expenditures in the Executive Departments.

1241. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill to amend an act to regulate the practice of the healing art to protect the public health in the District of Columbia, approved February 27, 1929; to the Committee on the District of Columbia.

1242. A letter from the Secretary of War, transmitting a report of contracts awarded under the act of March 5, 1940; to the Committee on Military Affairs.

1243. A letter from the Assistant Secretary of Agriculture, transmitting a draft of a proposed bill to amend the act known as the Perishable Agricultural Commodities Act, 1930 (46 Stat. 531), approved June 10, 1930, as amended; to the Committee on Agriculture.

1244. A letter from the Secretary of War, transmitting a draft of a proposed bill to provide for the continuation of Government life insurance of aviation cadets subsequent to their being commissioned and for the continuation of such insurance of enlisted pilots, and for other purposes; to the Committee on Military Affairs.

1245. A letter from the president, Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc., transmitting the fourteenth annual report of the Gorgas Memorial Laboratory covering the fiscal year 1941 (H. Doc. No. 534); to the Committee on Foreign Affairs and ordered to be printed.

1246. A letter from the Acting Chairman, Interstate Commerce Commission, transmitting the Fifty-fifth Annual Report of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

1247. A letter from the Archivist of the United States, transmitting a list of papers for disposition by the United States marshal for the middle district of Tennessee, with the approval of the Department of Justice; to the Committee on the Disposition of Executive Papers.

1248. A letter from the Archivist of the United States, transmitting a list of papers for his disposition by the United States District Court for the Western District of New York, with the approval of the administrative office of the United States courts; to the Committee on the Disposition of Executive Papers.

1249. A letter from the Archivist of the United States, transmitting a report on lists of papers recommended for disposition by the Public Roads Administration, Federal Works Agency; to the Committee on the Disposition of Executive Papers.

1250. A letter from the Archivist of the United States, transmitting a report on lists of papers recommended for disposition by the Social Security Board, Federal Security Agency; to the Committee on the Disposition of Executive Papers.

1251. A letter from the Archivist of the United States, transmitting a report on lists of papers recommended for disposition by the War Department; to the Committee on the Disposition of Executive Papers.

1252. A letter from the Archivist of the United States, transmitting a report on lists of papers recommended to him for disposition by the Department of the Treasury; to the Committee on the Disposition of Executive Papers.

1253. A letter from the Archivist of the United States, transmitting a report on one item, recommended for disposition November 3, 1941, by the Accounts Division, Government Printing Office; to the Committee on the Disposition of Executive Papers.

1254. A letter from the Secretary of the Treasury, transmitting the annual report of the Secretary of the Treasury on the state of the finances for the fiscal year ended June 30, 1941 (H. Doc. No. 505); to the Committee on Ways and Means and ordered to be printed.

1255. A letter from the Acting Chairman, Interstate Commerce Commission, transmitting, in compliance with the provisions of section 19a of the Interstate Commerce Act, copies of the final valuations of properties of these carriers subject to the act; to the Committee on Interstate and Foreign Commerce.

1256. A letter from the Archivist of the United States, transmitting a report on lists of papers recommended for disposition by the Department of Commerce; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 6303. A bill to create the Limited Service Marine Corps Reserve, and for other purposes; without amendment (Rept. No. 1565). Referred to the Committee of the Whole House on the state of the Union.

Mr. GATHINGS: Committee on Military Affairs. H. R. 5480. A bill to provide pay for officers in accordance with the rank and grade in which they were inducted and served in the land forces; with amendment (Rept. No. 1566). Referred to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 6304. A bill authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes; without amendment (Rept. No. 1567). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on the Judiciary. H. R. 5481. A bill to transfer Blair County, Pa., from the western judicial district of Pennsylvania to the middle judicial district of Pennsylvania; with amendment (Rept. No. 1568). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 264. Joint resolution to maintain the secrecy of military information; without amendment (Rept. No. 1569). Referred to the Committee of the Whole House on the state of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 410. Resolution for the consideration of H. R. 6314, a bill to promote the national security and defense by establishing daylight saving time; without amendment (Rept. No. 1570). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. H. R. 6314. A bill to promote the national security and defense by establishing daylight-saving time; without amendment (Rept. No. 1571). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MARTIN J. KENNEDY:

H. R. 6316. A bill to provide compensation for injuries or death sustained by volunteer civilian defense workers in the line of duty; to the Committee on the Judiciary.

By Mr MAAS:

H. R. 6317. A bill providing a franking privilege to soldiers, sailors, and Marines during existence of the unlimited national emergency; to the Committee on the Post Office and Post Roads.

By Mr KEOGH:

H. R. 6318. A bill to provide for reemployment of persons enlisting in the armed forces; to the Committee on Military Affairs.

By Mr. DOWNS:

H. R. 6319. A bill to provide for lump-sum payments for accumulated or current accrued annual leave, or both, due to Government employees at death; to the Committee on the Civil Service.

By Mr. COFFEE of Washington:

H. R. 6320. A bill to amend the National Service Life Insurance Act of 1940 so as to

grant insurance benefits to dependents of certain civilian employees at military, air, and naval outposts; to the Committee on Ways and Means.

By Mr. SUMNERS of Texas:

H. R. 6321. A bill to provide for a general term of the district court for the district of Alaska at Anchorage, Alaska; to the Committee on the Judiciary.

By Mr. SWEENEY:

H. R. 6322. A bill to provide for the monthly distribution to warrant officers, noncommissioned officers, and enlisted men of the Army, Navy, Marine Corps, and Coast Guard of 15 penalty-type envelopes to be used for the free transmission in the mail of their personal correspondence during the duration of the war; to the Committee on the Post Office and Post Roads.

By Mr. BLAND:

H. R. 6323. A bill to amend the Merchant Marine Act, 1936, with respect to contracts with the United States Maritime Commission, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. DITTER:

H. R. 6324. A bill requiring that physical examinations be given to all members of the armed forces at the time of their discharge; to the Committee on Military Affairs.

By Mr. GEARHART:

H. R. 6325. A bill to amend certain provisions of the Internal Revenue Code relating to the production of alcohol; to the Committee on Ways and Means.

By Mr. ROGERS of Oklahoma:

H. J. Res. 265. Joint resolution to provide that the Office of Indian Affairs shall be moved to the State of Oklahoma, in the event it is moved from Washington; to the Committee on Indian Affairs.

By Mr. LELAND M. FORD:

H. Res. 401. Resolution providing for an investigation in connection with the proceedings for the deportation of Harry Bridges; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R. 6326. A bill for the relief of Merrill M. Marks; to the Committee on Military Affairs.

By Mr. CULLEN:

H. R. 6327. A bill to grant an honorable discharge from the military service of the United States to William Rosenberg; to the Committee on Military Affairs.

By Mr. McGEHEE:

H. R. 6328 A bill for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; to the Committee on Claims.

H. R. 6329. A bill for the relief of Bibiano L. Meer; to the Committee on Claims.

By Mr. PAGÁN:

H. R. 6330. A bill for the relief of Luis Ortiz; to the Committee on World War Veterans' Legislation.

By Mr. REECE of Tennessee:

H. R. 6331. A bill for the relief of Theodore A. Mooring; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2249. By Mr. JARRETT: Petition of sundry citizens of Warren County, Pa., urging passage of House bill 4000; to the Committee on Military Affairs.

2250. By Mr. KEOGH: Petition of the Chamber of Commerce of the Borough of Queens, city of New York, concerning Senate bill 2124, providing for a mandatory investment plan; to the Committee on Banking and Currency.

2251. By Mr. KRAMER: Petition of the California State Board of Agriculture, Sacramento, Calif., recommending passage by Congress of Senate Joint Resolution 16 and House Joint Resolution 76, introduced by Senator WAGNER and Representative VOORHIS, to establish a Post-Emergency Economic Advisory Commission; to the Committee on Labor.

2252. By Miss RANKIN of Montana: Petition of the Fourth District of the Department of Montana, Veterans of Foreign Wars of the United States, in convention assembled at Bozeman, Mont., December 14 1941, signed by the resolutions committee, V. E. Nordberg, chairman, Robert H. Montgomery, Charles E. Jones, and Andrew Horvath, memorializing the Congress of the United States of America to enact legislation which will give our Nation's disabled and their dependents at least an equal consideration with the Work Projects Administration employees in the matter of adequate compensation in relation to the present-day costs of living; to the Committee on World War Veterans' Legislation.

2253. By Mr. ROLPH: Assembly Joint Resolution No. 3 of the State of California, relative to the full utilization of the Nation's skills and resources in the national-defense program and the building of national unity, irrespective of race or color; to the Committee on Military Affairs

2254. By Mr. SMITH of Wisconsin: Resolutions of Wisconsin Swiss and Limburger Cheese Producers' Association, Inc., of Monroe, Wis., endorsing the program of the united dairy committee, and urging Congress to pass legislation which prohibits the interstate shipment and sale of oleomargarine which contains any dairy product, which is yellow in color, taste, and appearance, and urging the strengthening of the statutory authority of the Federal Trade Commission to proceed against the manufacturers of oleomargarine or their representatives in respect to unfair and deceptive statements or pictures in their advertising of these products, with particular emphasis on the use of yellow color in advertisements and use of descriptive dairy terms; to the Committee on Agriculture.

2255. Also, resolutions of the Wisconsin Swiss and Limburger Cheese Producers' Association, Inc., of Monroe, Wis., insisting that no price ceilings be placed on agricultural products unless comparable ceilings be placed on the prices of materials and the wages of labor involved in the production of equipment used by farmers; to the Committee on Agriculture.

2256. Also, resolutions of the Wisconsin Swiss and Limburger Cheese Producers' Association, Inc., of Monroe, Wis., asking that every effort possible to get Swiss, limburger, and brick cheeses included in the diet of American soldiers; to the Committee on Agriculture.

2257. By Mr. STEARNS of New Hampshire: Petition of certain residents of Swanzey, N. H., requesting that the Government take all possible steps to eliminate nondefense, nonessential expenditures; to the Committee on Military Affairs.

2258. By Mr. SUTPHIN: Petition of the New Jersey Society, Sons of the American Revolution, reaffirming the loyalty of its membership to the United States and resolving to render every possible service to aid the prosecution of the present conflict; to the Committee on Military Affairs.

2259. By the SPEAKER: Petition of the United States Academy of Culture, Chicago., Ill., petitioning consideration of their resolution with reference to the Constitution of the United States; to the Committee on the Judiciary.

2260. Also, petition of the Filipino Federation of America (sixteenth annual national convention), Los Angeles, Calif., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

2261. Also, petition of the Committee to Eliminate Discriminations Against Women of New Jersey, East Orange, N. J., petitioning consideration of their resolution with reference to the drafting of the women of America for service, and further recommending that the draft law be amended to include women; to the Committee on Military Affairs.

SENATE

THURSDAY, JANUARY 8, 1942

(Legislative day of Tuesday, January 6, 1942)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, the Author and Giver of all good, whose unseen power and presence encompass our path: Guide us, we beseech Thee, out of the darkness of uncertainty into the light of such mature and careful thought as may be needful for the deliberations of this day.

Enable us by Thy Spirit to rise and go wherever our sense of right and duty leads, no matter how hard the way, however difficult the undertaking. And, as we are brought face to face with reality all about us, make us so strong within that we may rule right royally our own spirits, acting bravely against whatever temptation may beset us. We would be meek, rather than cruel; forbearing rather than exacting, and willing, if need be, to sacrifice our all on the altar of service to our country and our God.

Finally, we ask that Thou wilt give us that gladness of heart which is created and sustained by the clear shining within of faith and love, that we may have the spirit of the Blessed Master who, in spite of His overburdened and troubled life, was the happiest of men, and whose joy o'erflowed upon all those with whom He came into close and intimate touch when He lived and walked among men in the days of His flesh. In His own dear name we ask it. Amen.

ATTENDANCE OF A SENATOR

HENRY CABOT LODGE, Jr., a Senator from the State of Massachusetts, appeared in his seat today.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, January 7, 1942, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Nye
Austin	Gillette	O'Daniel
Bailey	Glass	O'Mahoney
Ball	Green	Overton
Bankhead	Guffey	Radcliffe
Barkley	Gurney	Reed
Bilbo	Hayden	Reynolds
Bone	Herring	Rosier
Brewster	Hill	Russell
Brooks	Holman	Schwartz
Brown	Hughes	Shipstead
Bulow	Johnson, Colo.	Spencer
Bunker	Kilgore	Taft
Burton	La Follette	Thomas, Idaho
Butler	Langer	Thomas, Okla.
Byrd	Lee	Thomas, Utah
Capper	Lodge	Tobey
Caraway	Lucas	Truman
Chandler	McCarran	Tunnell
Chavez	McFarland	Tydings
Clark, Idaho	McKellar	Vandenberg
Clark, Mo.	McNary	Van Nuys
Connally	Maloney	Wagner
Danaher	Maybank	Wallgren
Davis	Mead	Walsh
Downey	Millikin	Wheeler
Doxey	Murdock	White
Ellender	Murray	Wiley
George	Norris	Willis

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from New Jersey [Mr. SMATHERS], the Senator from South Carolina [Mr. SMITH], and the Senator from Tennessee [Mr. STEWART] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is confined to a hospital due to a recent hip injury.

The Senator from New Jersey [Mr. BARBOUR] is necessarily absent.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed, without amendment, the bill (S. 2149) to amend the act approved April 22, 1941 (Public, No. 39, 77th Cong.), so as to increase the authorized enlisted strength of the Navy and Marine Corps.

The message also announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 4077. An act to amend the District of Columbia License Act so as to permit sightseeing operations in the District of Columbia, without procurement of a license or payment of a tax, in the case of certain vehicles performing such operations in connection with transportation of persons to the District of Columbia;

H. R. 5464. An act to authorize transfer of enlisted men of the Naval and Marine Corps Reserve to the Regular Navy and Marine Corps; and

H. R. 6163. An act to prohibit parking of vehicles upon public or private property in the District of Columbia without the consent of the owner of such property.

The message further announced that the House had passed a bill (H. R. 6304) authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes, in which it requested the concurrence of the Senate.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON PERSHING HALL MEMORIAL FUND

A letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, an itemized report of transactions for account of the Pershing Hall Memorial Fund (with an accompanying statement); to the Committee on Military Affairs.

REPORT OF THE TARIFF COMMISSION

A letter from the chairman of the United States Tariff Commission, transmitting, pursuant to law, the twenty-fifth annual report of the Commission, 1941 (with an accompanying report); to the Committee on Finance.

REPORT OF ADMINISTRATOR OF VETERANS' AFFAIRS

A letter from the Administrator of Veterans' Affairs, transmitting, pursuant to law, his annual report for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on Finance.

REPORT OF THE CHESAPEAKE & POTOMAC TELEPHONE CO.

A letter from the president of the Chesapeake & Potomac Telephone Co., submitting, pursuant to law, the company's report for the year 1941, showing operations for the month of December to be estimated only (with an accompanying report); to the Committee on the District of Columbia.

REPORT OF OFFICERS DELINQUENT IN RENDERING ACCOUNTS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report showing the officers of the Government who on June 30, 1941, were delinquent in rendering or transmitting accounts to the proper offices in Washington, the names thereof, the reported cause of delinquency, and, in each instance, whether the delinquency was waived by the Secretary of the Treasury, etc. (with an accompanying report); to the Committee on Claims.

REPORTS OF THE INTERSTATE COMMERCE COMMISSION

Two letters from the acting chairman of the Interstate Commerce Commission, transmitting reports, pursuant to law; to the Committee on Interstate Commerce, as follows:

The fifty-fifth annual report of the Interstate Commerce Commission; and

Reports showing final valuations of properties of certain carriers: Valuation Docket No. 1261, White Eagle Pipe Line Co., Inc.; Valuation Docket No. 1263, Bell General Transit Corporation; Valuation Docket No. 1264, Keystone Pipe Line Co.; Valuation Docket No. 1265, Kaw Pipe Line Co., and Valuation Docket No. 1226, Rocky Mountain Pipe Line Co. (with accompanying papers).

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A telegram in the nature of a petition from A. J. Ellsworth, president of the South Montrose Dairy Cooperative Association, Montrose, Pa., praying for the adoption of the so-called O'Mahoney amendment to House bill 5990, the price-control bill; ordered to lie on the table.

A telegram in the nature of a petition from H. G. Pritchard, of Fessenden, N. Dak., praying that the proceeding involving the right of the Senator from North Dakota [Mr. LANGER] to a seat in the Senate be dismissed; ordered to lie on the table.

A letter in the nature of a memorial from Sarah B. Dona, of New York City, remonstrating against the adoption of the so-called Dies amendment to the bill (H. R. 6269) to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, as amended; ordered to lie on the table.

By Mr. HUGHES:

Petitions, numerously signed, of sundry citizens of the State of Delaware, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

A memorial of sundry citizens of the State of Delaware, remonstrating against the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments in its present form; ordered to lie on the table.

RESOLUTION OF BUTLER COUNTY (PA.) POMONA GRANGE—OLEOMARGARINE

Mr. DAVIS. Mr. President, I present and ask unanimous consent to have printed in the RECORD and appropriately referred a resolution adopted by Butler County (Pa.) Pomona Grange, No. 17, with reference to the so-called Gillette and Andresen oleomargarine bills, Senate bill 1921 and House bill 5700.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Whereas we are informed that, by virtue of his appointed authority by the Federal Administration, Paul McNutt has seen fit to nullify the protective provisions guarding against the coloring, etc., of oleomargarine, thereby making it difficult for the purchaser to detect its difference from butter, notwithstanding its lack of food value; and

Whereas this ruling has incurred a great injustice against the farmer and milk producer, in that it deprives him of a legal protection he has long enjoyed: Therefore be it

Resolved, That Butler County Pomona Grange, No. 17, hereby goes on record as being opposed to this ruling and in favor of the Andresen-Gillette oleomargarine bills, H. R. 5700 and S. 1921, which bills will renew our protection against this oleomargarine menace; and be it

Resolved, That our Senators and Congressmen be contacted and urged to support the passage of the above-mentioned bills; and be it

Resolved, That a copy of this resolution be presented to the Pennsylvania State Grange for their consideration and support.

RESOLUTION OF THE ROTARY CLUB OF ELROY, WIS.—REDUCTION OF NONESSENTIAL EXPENDITURES

Mr. WILEY presented a resolution adopted by the Rotary Club of Elroy, Wis., which was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

ROTARY CLUB OF ELROY,
Elroy, Wis., December 9, 1941.

Hon. ALEXANDER WILEY,
National Capitol, Washington, D. C.

DEAR SENATOR: In compliance with the request of the board of directors of the Elroy Rotary Club of Elroy, we forward you the following resolution which was unanimcusly passed by them:

"Whereas expenditures for national defense for upward of $56,000,000,000 have been authorized; and

"Whereas Federal tax levies have reached an unprecedented height and we are informed

that increased levies will be enacted in the near future; and

"Whereas these Federal taxes, both direct and indirect, will prove a severe strain on the income of citizens and in many cases require great sacrifices and real hardship; and

"Whereas employment is at a high level and the 'relief emergency' which existed several years ago has now passed and there is no longer a real need for vast Federal relief programs: Therefore be it

"*Resolved*, That the Members of the Congress of the United States be hereby requested to examine all Federal nondefense spending and eliminate all the nonessential spending, thus saving from one to three billions of dollars annually, and it has been estimated by competent authorities may be done; and be it further

"*Resolved*, That copies of this resolution be sent to our Senators and Representatives in Congress and to the newspapers."

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. REYNOLDS:

S. 2182. A bill to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps; to the Committee on Military Affairs.

By Mr McCARRAN:

S. 2183. A bill to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929; to the Committee on the District of Columbia.

By Mr. WHEELER:

S. 2184. A bill for the relief of Harry B. Millison; to the Committee on Claims.

By Mr. WALSH:

S. 2185. A bill authorizing the President of the United States to reinstate Wallace F. Safford to the position and rank of captain in the Army of the United States; to the Committee on Military Affairs.

HOUSE BILL PLACED ON THE CALENDAR

The bill (H. R. 6304) authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes, was read twice by its title and ordered to be placed on the calendar.

AMENDMENTS TO PRICE-CONTROL BILL

Mr. GEORGE and Mr. VANDENBERG each submitted an amendment and Mr. BALL and Mr. BUTLER each submitted two amendments intended to be proposed by them, respectively, to the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, which were severally ordered to lie on the table and to be printed.

Mr. LUCAS submitted an amendment intended to be proposed by him to House bill 5990, the price-control bill, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 28, line 25, before the period, insert a comma and the following: "and no agricultural commodity which has been bought by any governmental agency shall be sold at a price below the market price for such commodity specified in clause (1) of clause (2) or section 3 (a) of this act, whichever is the higher."

PATRIOTIC ATTITUDE OF BOY SCOUTS OF AMERICA

Mr. CAPPER. Mr. President, it gives me pleasure to add my voice to those praising the work of the Boy Scouts of America, an organization which once again has placed its entire resources at the call of the Nation. Well does America know how great can be the service rendered by Boy Scouts in times of need.

I was glad to write to Dr. James E. West, chief Scout executive of the Boy Scouts of America, voluntarily expressing my personal enthusiasm for the official announcement he made on behalf of the Boy Scouts of America directly following the declaration of war. It was one of the first organizations, to my knowledge, that took formal action of this kind.

Mr. President, I ask unanimous consent to have printed in the RECORD the telegram sent to President Roosevelt by President Walter W. Head and Dr. James E. West, of the Boy Scout organization.

The VICE PRESIDENT. Without objection, it is so ordered.

The telegram is as follows:

At this time of national crisis we, on behalf of the Boy Scouts of America, assure you of the full and wholehearted cooperation of the entire active membership of our organization, numbering 1,500,000 boys and men. In addition there are some 10,000,000 others who have derived benefits from its program during the 31 years of its organized existence who, we feel sure, also stand with us, ready to assist in any and every manner possible in making effective the Government program resulting from your recommendation to Congress and its action in today declaring that a state of war exists between the United States of America and the Empire of Japan.

The efforts of the Boy Scouts of America during the last World War demonstrated that there are many projects which can be appropriately and successfully undertaken by boys of Scout age and with Scout training. Heretofore we have happily responded to your personal request to distribute posters publicizing defense savings bonds and stamps and to participate in the aluminum collection. Our efforts in the waste-paper collection currently in operation and in the civilian defense program will be further intensified. It will be our earnest purpose to embrace to the full measure of our capacity any and all other opportunities to render further service to our country.

Mr. CAPPER. Mr. President, in a splendid spirit of further cooperation, the Boy Scouts of America and the Office of Civilian Defense have drawn up an emergency program agreement signed by Hon. F. H. LaGuardia and Dr. James E. West. This agreement outlines the duties and responsibilities of each organization and provides for smooth cooperation. I ask unanimous consent to have printed in the RECORD a portion of the emergency-program agreement to which I have referred.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

Amongst other things, it was agreed that—

The Boy Scouts of America, as a national organization operating under Federal charter, has the responsibility of maintaining an educational program of training boys in scoutcraft and outdoor skills and citizenship responsibilities, and in developing and molding character. It has developed and inaugurated a special program of emergency service training. Its regular training also includes first aid, firemanship, signaling, mapping, lifesaving, pathfinding, and cooperation with others.

Since the Boy Scouts of America have one and one-half million boys and men trained and organized into 49,000 units in practically every community in the United States and Territories, it is desirable in the interests of national defense that their activities and ability to serve be coordinated as closely as possible with the civilian-protection program of the Office of Civilian Defense.

It is mutually agreed that the services of members of the Boy Scouts of America can immediately be utilized in the following enrolled volunteer groups of civilian-defense protection:

(A) Assisting emergency medical units.

(B) Fire watchers.

(C) Leadership in the development of adequate locally trained messenger service in which members of the Boy Scouts of America will have special designation, supplementing their uniform, indicative of their special training.

When a particular mission is assigned to the Boy Scouts of America, they will become a part of the civilian-defense organization during the performance of this mission and work under the general supervision and direction of the defense council.

Councils of defense and local Boy Scout councils will develop local plans of cooperation in accord with this joint statement and the fixed and stated policies of the Office of Civilian Defense and the Boy Scouts of America.

Mr. CAPPER. Mr. President, I also ask unanimous consent to have printed in the RECORD my tribute to the Boy Scouts of America.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

Many of us remember—I, for one—and most of us have heard of the invaluable aid which the Boy Scouts of America were able to give during the first World War. I well recall the splendid record which Scouts made in the sale of Liberty bonds then. Tirelessly and cheerfully these lads kept at their appointed tasks. Scout training was good in the days of the first World War—it showed up in Scout ability and willingness when a job had to be done. The Nation saw these things happen then and was thankful—thankful to the four-hundred-odd-thousand Scouts and Scout leaders who individually and as a group performed so brilliantly.

It was with considerable personal satisfaction that I watched the Boy Scout movement grow, especially during and immediately after the first World War. It was as if the Scouts, having come through their first great baptism of fire, as it were, were officially and nationally approved. Thousands of boys everywhere crowded each other to join this great movement. But it wasn't mushroom growth. Even in those early days I knew that scouting had its feet solidly on the ground. This growth has continued steadily through the years.

In these very momentous times I feel considerably safer as an American and far more hopeful of the future because the Boy Scout movement is as strong as it is in the United States. I look upon the youth of our country, as any intelligent person must, as the leaders and the followers of America tomorrow. The trust we must repose in our boys is important—grave. But with our active Boy Scout movement training them in character and citizenship that trust is well placed.

You see evidence all about you of the way Boy Scouts are assuming their responsibility

to their country. They are cooperating with the Treasury Department in many ways. They are placing conspicuously 5,000,000 posters for the Office of Civilian Defense on what to do during an air raid. They have collected 10,000,000 pounds of aluminum, and everywhere you see them collecting waste paper for their country. In the next few days Boy Scouts will be gathering books from the homes of America for the recreation centers for soldiers, sailors, marines, and members of the Coast Guard.

At the risk of appearing a sentimentalist, I say heartily, "Thank God for a movement like this one." On December 18 the national executive board of the Boy Scouts of America passed a resolution entitled, "What the Boy Scouts of America will do in wartimes." It is a restatement of the application of the Scout oath and law. In the light of the Scout record in peace as well as war this is not just an opportunist announcement to gain publicity. Those of us who have seen the Boy Scout movement develop know that this resolution is more liable to be an understatement of what Scouts eventually will do in these times.

The more one hears about Scouting the less sentimental it appears to thank God for Scouting, and the more logical.

It is a mathematical fact that 70 percent of the men studying at Annapolis to lead our naval forces are former Boy Scouts. West Point counts 68 percent of its cadets as former Boy Scouts. The Coast Guard Academy, which trains officers for that branch of the service, has 73 percent of its men with Scout training. Most recent figures inform me that 25 percent of the selectees now training in our armies have had Scout training.

These figures mean something. They mean that there is something fundamentally fine and strong in basic Scout training—something that develops the character and the citizenship that will continue to make democracy a living, vital way of life.

In closing I wish to pay final tribute to Scouting. What finer examples of Scouting could America seek than those brave officers and men who died valiantly in defense of our great flag in Hawaii and the Philippines.

I refer humbly to Capt. Colin P. Kelly, Jr., whose daring and heroic deeds in the Philippines will stand out in history. Captain Kelly was a Boy Scout in his native Madison, Fla.

Keefe R. Connolly died for his country at Pearl Harbor as a member of the crew of the U. S. S. *Oklahoma*. In his home town of Markesan, Wis., Troop 28 is proud of their former senior patrol leader.

Lt. Gordon H. Sterling, Jr., another air officer performed heroic deeds in repelling the vicious Japanese air attacks on Hawaii. He was a Scout in West Hartford, Conn.

Robert Smith, formerly of Troop 13, Flushing, N. Y., was a member of the crew of the target ship *Utah* when the Jap raiders came over Oahu.

Lt. George S. Welch, more fortunate than the above men, was able to personally receive a citation for heroism in an air fight over Hawaii. He was a Scout of Troop 33, Wilmington, Del.

Many more former Scouts are daily performing heroic deeds—standing watch to defend America. These men are glad, I'm sure, that they had Scout training—I know we as a Nation are.

So when I say, "Thank God for Scouting," perhaps I'm more practical than sentimental.

MINORITY STOCKHOLDERS' ACTIONS AGAINST OFFICIALS OF CERTAIN CORPORATIONS

Mr. TOBEY. Mr. President, I ask unanimous consent to insert in the RECORD, at this point, a letter dated January 7, 1942, which I wrote to the senior Senator from Indiana [Mr. VAN NUYS], chairman of the Committee on the Judiciary, and a copy of a letter dated December 17, 1941, which I wrote to the Attorney General.

The VICE PRESIDENT. Without objection, it is so ordered.

The letters are as follows:

JANUARY 7, 1942.

Hon. FREDERICK VAN NUYS,
Chairman, Senate Judiciary Committee, United States Senate.

DEAR SENATOR VAN NUYS: I am enclosing a copy of a letter written December 17 to the Honorable Francis Biddle, Attorney General of the United States, which will explain itself.

This letter was written with reference to particular suits pending before the Federal District Court for the Southern District of New York and the New York State Supreme Court in a minority stockholders' action against officials of certain large corporations.

At this writing, I have had no reply to my letter and because of the subject matter and because of the fact the consent decrees which are sought are now being given consideration by the court, I thought the contents of my letter should be known to the Judiciary Committee of the Senate not only for their interest, but in case they might feel that some recommendation from this important committee would be helpful in correcting a situation that the facts indicate may need looking into.

In addition to my letter to Attorney General Biddle, I am enclosing a copy of the Senate hearings to which reference is made in my letter.

With assurances of my esteem, I am
Sincerely yours,

CHARLES W. TOBEY.

DECEMBER 17, 1941.

Hon. FRANCIS BIDDLE,
Attorney General of the United States, Washington, D. C.

DEAR SIR: Because of your interest in judicial reform as demonstrated by your recent appearance before the judiciary committee to testify on pending legislation to make more expeditious the removal of judicial officials suspected of conduct unworthy of a judge, I wish to bring to your attention the matter of consent decrees which do not always place our Federal courts in a most favorable light.

There is pending before the Federal District Court for the Southern District of New York, and also before the New York State Supreme Court, two very similar minority stockholders' actions against officials of certain large corporations, namely the Radio Corporation of America, General Electric Co., and Westinghouse Electric and Manufacturing Co. In those actions it is charged that certain officials illegally diverted from the Radio Corporation of America many millions of dollars. It is my understanding that the charges pending before the Federal District Court for the Southern Dstrict of New York in the case of *Saivetz et al.* v. *Radio Corporation of America et al.* are similar to the charges contained in the case pending before the New York Supreme Court.

It has come to my attention that while those cases were on trial recently before the New York State Supreme Court certain officials of the General Electric Co. and the Westinghouse Electric & Manufacturing Co., through their attorneys, rather than testify in open court and subject themselves and others to examination have offered to pay out of the moneys of those two companies the sum of $1,000,000. One element in the case that is of great interest to me is that this offer is conditioned on the dismissal without trial of the similar charges pending in the Federal District Court for the Southern District of New York.

I believe that the new Federal rules of civil procedure provide that the justices of Federal courts must approve consent decrees in representative suits, presumably because of the interest of the great number of stockholders involved. According to that rule, it is my understanding that the justices of the Federal District Court for the Southern District of New York must approve such a settlement before such charges can be withdrawn.

Those suits were filed on the part of certain shareholders or their attorneys, representing but a fraction of 1 percent of some 16,000,000 shares issued and presumably those suits were instituted for the benefit of all the shareholders or of all parties similarly situated.

In view of the fact that 16,000,000 shares of stock have been issued by the Radio Corporation of America, and in view of the further fact that a dozen or more of the complainants' attorneys will deduct their fees, costs, and expenditures from the $1,000,000 given in settlement, I fail to see how, under that agreement, any material financial benefit will accrue to the vast number of shareholders who invested their savings in this company.

That tentative consent decree is of special interest to me from a legislative viewpoint because of the fact that the offer to pay $1,000,000 is conditioned upon the withdrawal by complainants' attorneys, without trial, of the similar charges pending before the Federal District Court for the Southern District of New York.

My interest is increased by the fact that that very matter was the subject some months ago of considerable discussion before the Senate Interstate Commerce Committee, of which I am a member.

The matter came before us in connection with the nomination of the late Federal Communications Commissioner, Thad H. Brown. At that time we were seeking to determine whether the officials of these large corporations had been guilty of dissipating the funds belonging to the stockholders. Two of the attorneys representing those large companies, namely, Messrs. Manton Davis and Joseph Proskauer, when questioned as to the details of the alleged dissipation of funds, begged the committee not to pry into the details thereof because those matters were pending before the courts where the charges would be fully met.

For instance, on page 311 of the hearings, copy of which I enclose, Mr. Proskauer says: "We shall meet that case in court from the time it comes, and I will assure this committee that there will never be a settlement of that case. I think this will be litigated and that all these things will be tried out in a court of law."

On page 315 of the same hearings we are told of the official positions held by Mr. Davis and Mr. Proskauer. Mr. Davis there says: "The R. C. A. has staff counsel, of which I am chief. In these cases we have trial counsel, and Judge Proskauer, who has addressed you, is the chief of the trial counsel for the defendants in this case.

"If my recollection serves me, sir, the illegality of the cross-licensing agreements which was the issue in the Government suit that was withdrawn by consent decree is realleged in these cases."

For instance, when I asked Mr. Proskauer this question, "That radio stock taken by General Electric and Westinghouse was not returned to R. C. A.?", Mr. Proskauer answered, "I cannot try that case here" (p. 315).

When I asked for further information, Mr. Davis replied: "Those are issues that are pending before the Court in respect to which I think you ought not to make us disclose our defenses" (p. 316).

There was a committee of Congress trying to determine whether irregularities existed in certain transactions. For 8 years cases had been filed against Radio Corporation of America by different individuals, but not once had Radio Corporation of America gone to trial on the issues, and the attorneys for Radio Corporation of America enjoined this committee from looking into the matter on the assurance that a full disclosure of the facts would be had at the trial.

I appreciate the fact that you, as Attorney General of the United States, have no control over the activities or conduct of the judges of the New York State Supreme Court. However, I would appreciate receiving your opinion as to whether a case can thus be taken out of the Federal district court without proper presentation of evidence before that court. Is it possible under existing rules of procedure to thus preclude trial on the merits of the case in a Federal court by a consent agreement approved by a State court, in a case such as this where minority shareholders seek an accounting of the moneys and other properties of the corporation?

The Senate Committee on Interstate Commerce, before which evidence was taken under oath on these matters, has not yet made a report to the Senate of the United States thereon. I am assuming that we will soon reach the point in our legislative work when we will have the time to consider the evidence taken and make such report and recommendations to the Senate as the members of the committee term advisable.

After you have had an opportunity to consider the serious charges made before the Senate Committee on Interstate Commerce, and the supporting evidence contained in the record of the hearings enclosed herewith, I would appreciate a statement from you as to whether or not, from your experience with Federal court procedure, there is need for additional legislation to protect parties involved in representative suits or whether there is any way under existing law whereby the interest of the shareholders can be protected, for instance, by calling the attention of the chief justice of the supreme court of New York to the long line of consent decrees that have preceded this last tentative agreement and the possibility of fraud existing therein.

Sincerely yours,

CHARLES W. TOBEY.

STATEMENT BY PAUL L. SPECHT

Mr. DAVIS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement prepared by the famous band leader and pioneer in modern music, Hon. Paul L. Specht, of Sinking Spring, Pa.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter is as follows:

That great soldier, statesman, scholar and master of men and nations, Napoleon Bonaparte, once said:

"Of all the fine arts, music has the greatest influence on the passions of men; therefore, the legislator should make it one of his chief concerns."

Is the United States of America and its Navy and Army Departments aware of the tremendous influence of music on its warriors, and are our Federal executives making music one of their chief concerns in building a supreme force of fighting men? Is the right kind of modern, soul-stirring music important to our fighting forces, and has our Government progressed in this direction of replacing the old type of military music with modern American swing music that our soldier boys between the ages of 18 and 35 like best?

Modern dance music is certainly not a luxury. It can be a powerful factor and necessity in building morale in our fighting ranks.

A great American recently said, "Entertainment and sports are the greatest antidote against hysteria, and we need them to win this war." Yes, one of the very best popular forms of entertainment for our young soldiers, is listening to popular swing music, especially when it is played in person. Obviously, the bulk of our new army consists of young men. They want new popular styles of music. The old type of brass-band music won't do any longer—not much more than old soldiers will satisfy our army chiefs. Old styles of music have passed down the road of oblivion just like our old soldiers have. The modern soldier is being fitted for modern fighting, and Uncle Sam must give his young soldiers that tonic with which they can express themselves and give themselves a satisfying diversion for recreation. Modern swing music will keep the emotions of our soldier boys normal and healthy. The United Service Organization Camp Shows, Inc., and other civilian agencies for providing satisfactory recreation for our soldier boys have failed with their projects—by their own admissions in the public press. Their lot seems like utter confusion, utter lack of unity, rumors of chiseling and lack of proper administration. The Army and Navy Departments of the United States of America can supply the medicine for this solution by drafting, recruiting, or inducting some of our best name-band musicians and leaders—the big "name" maestri to be given special ratings or commissions. A fair share of our Nation's 265 name-bands and their celebrated young personnel are needed now in our Army camps as much as they are needed in civilian life. These young swing musicians need an Uncle Sam maestro-executive to organize them into an administrative agency to build, rehearse, and foster modern swing music in our Army and Navy camps to entertain our soldiers in the camps nightly; to broadcast over the radio, and to play for camp shows of "home-town" talent available in every camp. Such musicians should be commandeered just as industry, science, and labor has been conscripted. Why is it that not one of our young top-flight "name-band" maestri has been drafted for military service of this kind? I am sure they are awaiting their country's call!

Over 40,000 musicians have already joined the Army, marines, and the Navy. These musicians should be classified and analyzed, and then molded into modern swing band units for recreation purposes in the camps, behind the firing lines, and on the firing lines to pep up their buddies, to play the native American kind of popular music as it was inspired and composed by our George Cohans, Irving Berlins, George Gershwins, and other present-day popular songwriters—the exhilarating kind of music that our doughboys sing in battle—the American melting pot of music bred in America by all the best mixture of nationalities—the kind that Hitler and Mussolini and the Japs don't like, because they can't play such music and so have even barred our kind of American music in their totalitarian hordes.

In this grand struggle and march of industry, science, and labor, our Nation needs an administrative division of modern popular music in our War Department now. This administrative division should coordinate all the musical activities in our Army, Navy, and the marines, and also in all war-related service and community groups throughout this Nation. This division should provide and encourage the performance of this type of modern American music in all the Army camps, air and naval stations. This type of printed music arrangement and the proper kind of suitable musical instruments should be purchased and properly distributed for use by our soldier jazz musicians now in our training camps and stations. Then qualified officer instructors and coaches should be appointed and assigned now for such service in organizing modern swing bands in all our Army camps and naval stations. Cooperation and proper advice in this direction should be administered from a central office of this kind—a modern American music division in the United States of America War Department.

In conclusion, for psychological, physical, and historical reasons, may I respectfully request you to read pages 98 to 102, pages 122 to 125, and the chapter entitled "Tonocracy," on pages 147 to 156 of my recent book entitled, "How They Become Name Bands." I might also suggest that the first 13 chapters of this book should be a valuable treatise and acquisition for musicians and directors of all Army and Navy dance-band organizations now enlisted or for any future organizations that be authorized by the United States of America War Department and a new modern American music division of our Army and Navy morale department.

Respectfully submitted.

PAUL L. SPECHT,
Sinking Spring, Pa.

I am swing music. Servant and master am I; servant of those dead and master of those living. Through me spirits immortal speak the message that makes the world laugh, and wonder, and fight.

I tell the story of love, the story of hate, the story that saves, and the story of American life.

I am the incense upon which vigor floats through the United States of America. I am the smoke which palls over the field of battle where men lie dying with me on their lips.

I call the wanderer home; I rescue the soul from the depths; I quicken the heartbeats of the lovers; and through me the tired awaken to the living.

One I serve as I serve all; and the king I make my slave as easily as I subject his slave. I speak through the birds of the air, the insects of the field, the crash of waters on rock-ribbed shores, the sighing of wind in the trees, and I am even heard by the soul that knows me in the clatter of wheels on city streets.

I know no brother, yet all men are my brothers; I am the father of the best that is in them, and they are fathers of the best that is in me; I am of them, and they are of me.

For I am the instrument of pep, marching feet, and victory.

AMERICAN IRISH DEFENSE ASSOCIATION

Mr. WHEELER. Mr. President, I ask unanimous consent to have inserted in the RECORD a letter addressed to me by Professor Elliott, of Harvard University, and my answer to it.

The VICE PRESIDENT. Without objection, it is so ordered.

The letters are as follows:

HARVARD UNIVERSITY,
Cambridge, Mass., December 15, 1941.

Hon. BURTON K. WHEELER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I want to be among those who, I am sure, number millions of our people to express their appreciation for your forthright words at this time when the Nation so needs unity. I think your remarks summed up the situation in the minds of all of us, those who had differed with you as well as those who had agreed with you before, better than anything that was said at the outbreak of the war. Your words had that fighting ring that we had learned to associate with you in your whole career, and that we missed sometimes in other quarters. They gave, I might say, a special comfort to those who had for years followed you as a leader of liberal democracy yet who had honestly to differ regretfully from your views about the nature of this war in the immediate past.

May I appeal to you in the spirit of reconciliation that I think ought to mark all

our efforts from now on to reconsider some remarks that you made in the CONGRESSIONAL RECORD of November 10, volume 87, page 8692, that brought me into the RECORD in a role that I am sure the facts in no way justify I have been too busy to keep up with these matters and had not read your remarks until about a week ago. Someone recently called my attention to this portion of the CONGRESSIONAL RECORD and to my connection with it, and I want to put the truth of the matter before you and to ask you to correct the impression that you left on a very wide section of the American public to whom they have been given. My wife, for instance, informs me that in a broadcast which she listened to in our home near Boston I was credited by some of the debaters on a round table with being the person who inspired and organized the American Irish Defense Association.

This is the impression left by your remarks, though it is an honor that I am supposed to have shared with several other people in Government service. According to your charge in the RECORD we did this by an official meeting that took place on October 8, in Mr Miller's office. I should be very proud to have had anything to do with the organization of this group, but I cannot claim that honor. On the record as you have given it you will see that both Mr. Bingham and I spoke of the remarks of Rossa F. Downing at the cooperative forum. This speech was at a meeting on Ireland that took place September 17. It was the first that I had ever heard of the American Irish Defense Association, and I very much admired the fine speech that Mr Downing gave and went up and congratulated him afterward. I also met, at that time, two gentlemen from New York, Mr. Griffith and Mr. Henson, who represented the American Irish Defense Association at the meeting referred to in your speech in the RECORD. I suppose that the record that was sent you constituted the notes of one of these gentlemen, sent in all openness to the secretary of the Navy League, who was, we were told that day, a Mr. Sullivan, of Boston. The notes, as far as I could see, were substantially accurate in outline, though they naturally tried to give Mr. Sullivan the impression that the Irish committee had somewhat more backing than I think was the case at the meeting.

Let me give you the facts: Mr. Griffith called me up from New York and asked whether I would tell him through whom he would have to take up the matter of getting official sanction for the use of Navy Day by the organization which he represented. I told him I supposed it would have to be cleared both by the Civilian Defense, which Mr. Barry Bingham represented, and by the Navy Department whose public-relations officer, so far as I knew, was Mr. Adlai Stephenson.

He asked me to arrange a meeting of these gentlemen and asked whether he could try to interest Colonel Donovan as a "fighting Irishman" in the movement. I promised to try to arrange this and did so for the first part of his request, though we were unable to see Colonel Donovan, who was fully occupied with other matters. Therefore we met in the office of Mr. Douglas Miller, of his organization, merely as a matter of convenience, since we could not go into Colonel Donovan's office to discuss the matter.

The organization had certainly existed, to my knowledge, several weeks previous to this meeting, and I was told that it had been in existence a month or so prior to the meeting. It certainly was not created by the meeting. Indeed the only official purpose of the meeting was to clear the use of Navy Day and to find out whether the Office of Civilian Defense and the Navy saw any objections to launching a Nation-wide campaign for membership on that day.

As you will see from the record, as you give it, the Government officials, Mr. Thaddeus Brown and Adlai Stephenson, who represented the Navy, and Mr. Barry Bingham, of the Office of Civilian Defense, felt that this was not a matter on which any official action could be taken one way or the other, since Navy Day was sponsored by the Navy League, and had no official status.

Of course, your implication that the Government in any way advanced funds to this organization or tried to bring it into existence is without any foundation. It also does a grave injustice to the true patriots, who at their own personal expense were the originators and supporters of the American Irish Defense Committee. May I ask you, in all fairness, to withdraw this entirely unfounded sentence that follows as a comment on the membership card of the American Irish Defense Association:

"Of course, they do not have to assume financial responsibility, because the expenses are to be paid either by England, or probably from funds provided by the Lease-Lend Act, or from money appropriated for the Coordinator, Colonel Donovan."

This is, of course, completely contrary to fact. I can only hope that this explanation of the meeting makes clear that Colonel Donovan did not even know of this organization, and that the Government officials were only there to clear the use of Navy Day. To suggest that the distinguished group of Washington citizens of Irish descent lent themselves to such design as you alleged in the heat of your speech does them the gravest wrong and strikes at the foundations of confidence in our Government.

Mr. Griffith and Mr. Henson were referred to Mr. Sullivan in Boston and I suppose this is the way in which the whole matter was called to your attention though I, of course, have no means of knowing.

It is perfectly true that all of us in Government circles certainly do support the aim of the American Irish Defense Association since that aim was to rally all Americans of Irish nationality to the support of the declared policy of this country. This aim is now an object that you, along with all other Americans agree is made necessary by the outbreak of the war. Even before that it was surely not wrong of us to feel that this association was performing a real service in rallying people of Irish descent to support America rather than Ireland and to avoid intruding the old quarrel into a situation that may mean life and death for our own country. I should think that any true meaning of "America first" would have made you feel the same way, America before Ireland, and I have no doubt that you will agree with me that we ought all to forget our racial origins, as you have many times said, in the defense of our country, though you differed honestly as to how it should be defended. There is no question that some individuals in the Government group expressed a warm approval of what was being done but we were unable in any official way to give any help and so told Mr. Griffith and Mr. Henson. The record that you have submitted bears this out.

Do you not feel, Mr. Senator, that you should correct a misimpression that has done a great deal of harm to the true originators of the American Irish Defense Association? I have not seen Mr Rossa F. Downing since I heard of your charges against his association. I know him, however, to be a patriotic Irishman whose family have, for generations, given martyrs to the cause of Irish freedom.

As for me I was there not because of the Irish blood that I have in my veins, along with much other blood from the British Isles, but as an American and it was in that sense that I welcomed Mr. Downing's leadership and still do.

I may, however, claim to have had some part in the struggle to free Ireland during the years of her real oppression. It is today just for the record that I want to point out to you that at a time when it was unpopular in England to the point of inviting violence I both spoke and protested other speakers for Irish freedom at meetings in many parts of England. There were once or twice pretty violent set-tos as a result of these speeches. No doubt the fights came from the British feeling that an American was interfering in what was a British problem. I do not regret that effort today when I feel that we must once again interfere to see that freedom exists in our world. Just after the war, where I had served as a commander of a battery of 75's, I was lucky enough to enlist the interests of my tutor at Baliol College, A. D. Linsay, the well-known labor leader, later vice chancellor at Oxford, in the struggle for Irish freedom through the happy accident that he knew General Smuts, then Premier of South Africa and could put him in touch with the Irish patriots of Sinn Fein. The armistice was arranged which eventually led to the freedom of Ireland. But that is all ancient history, Senator. Today I know that you are agreed on the need of all Americans of whatever national origins uniting in the cause of defending America and defending freedom in America. It is because I count on you as a friend of freedom and of truth that I ask you to correct what I think was a very grave misinterpretation, both of the part that the Government officials played in the meeting that you have described and in particular to correct an impression that does a grave injustice to the true originators of the American Iris' Defense Association, particularly men like Rossa F. Downing.

I believe that you will agree with me that you owe it to Mr. Downing and to the other organizers and members of the American Irish Defense Association to print this letter in the RECORD. In these times it is useful surely to heal wounds, particularly like those caused by a complete misconception such as came from your remarks of November 10. May I count on this courtesy?

Sincerely yours,

W. Y. ELLIOTT.

DECEMBER 17, 1941.

Prof. W. Y. ELLIOTT,
Office of Production Management,
Washington, D. C.

MY DEAR PROFESSOR ELLIOTT: I am in receipt of your letter of December 15, and in reply beg to state that I will be glad to put the same in the RECORD.

The information which came to me was to the effect that the organization was being financed by people other than those who were at the meeting.

I do not agree with you that as good Americans we should appeal to any particular class or to any particular race of individuals in this country and separate them into Irish-Americans, British-Americans, Italian-Americans, or German-Americans. I am an American, and I do not want to be known as a British-American just because of the fact that there is nothing but English blood flowing through my veins.

There have been entirely too many appeals made by various politicians to different racial groups, trying to line them up as Poles, Jews, Swedes, Italians, or what not, until today we are dividing many parts of the country into racial and religious groups, which has been one of the causes of the many conflicts in Europe. Either you are an American or you are not an American. Most people with whom I come in contact, whatever country their forebears may have come from, rightly resent the idea of being separated from America by a hyphen.

However, I will ask that your letter be inserted in the RECORD. I cannot withdraw the statements which I have made, as the information furnished me came from reliable sources.

Respectfully,

B. K. WHEELER.

FEDERAL RECLAMATION PROJECTS—STATEMENT BY F. O. HAGIE

Mr. WHEELER. Mr. President, I ask unanimous consent to have inserted in the RECORD a memorandum sent to me by F. O. Hagie, secretary-manager of the National Reclamation Association.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

SHALL NEW FEDERAL RECLAMATION PROJECTS HELP MAKE UP THE FOOD AND FIBER SHORTAGE?

Who can say how much a two-ocean war will shrink the $876,522,128 worth of agricultural products which were imported into this country for consumption during the first 9 months of 1941?

We do know, however, that the portion which can no longer get to our shores, for lack of shipping facilities, the American people will either go without or the American farmer will have to produce in kind or by substitutes by increasing his productive capacity.

In western America increasing agricultural productive capacity generally means providing supplemental water supplies for irrigation farmers or the bringing in of new agricultural lands by irrigation.

Numerous projects of both types now under construction should be reviewed in face of the present emergency to ascertain whether or not they should be expedited at this time in order to make up this deficit and to reach the 1942 farm-production goal which Secretary Wickard says calls for more milk, more eggs, more pork, more beef, more canned vegetables, more soybeans and peanuts, and a cut in production of wheat, cotton, and tobacco.

Several Federal reclamation projects, half or two-thirds completed, could be made to add much to the Nation's productive capacity within a year if now rushed to completion.

The agricultural imports for the first 9 months of 1941, as taken from the Monthly Summary of Foreign Commerce of the United States for September, are as follows:

Agricultural imports

	Value of imports
Group 00:	
Animals and amimal products, edible	$16,077,899
Meat products	16,594,345
Animal oils and fats, edible	260,749
Dairy products	3,504,598
Fish	20,682,422
Other edible animal products	1,108,045
	58,228,058
Group 0:	
Hides and skins (raw)	56,905,720
Leather	4,946,056
Leather manufactures	2,089,851
Animal oils, fats, and greases, inedible	3,462,581
Other animal and animal products, inedible	26,639,933
	94,044,141
Group 1:	
Grains and preparations	16,473,458
Fodders and feeds	9,210,247
Vegetables and preparations	14,855,378
Fruits and preparations	33,360,456
Nuts and preparations	11,985,171
Vegetable oils and fats, edible	1,967,641
Cocoa, coffee, and tea	167,581,952
Sugar and related products	135,838,008
Beverages	38,521,230
	429,798,541

Agricultural imports—Continued

	Value of imports
Group 2:	
Oil seeds	$22,555,356
Vegetable oils	39,738,201
Essential oils	6,662,166
Seeds, except oil seeds	1,453,175
Miscellaneous vegetable products	3,120,860
Jute, hemp	13,483,860
Other vegetable fibers	23,584,668
Wool and mohair, etc	163,272,285
Wool, semimanufactures	6,514,615
Wool, manufactures	14,066,202
	294,451,388
Total agricultural imports of all groups for first 9 months of 1941	876,522,128

In reference to Russian and British food demands, Mr. L. V. Burton, editor of Food Industries, writing for the January 1 issue of the Washington Star, said, in part, as follows:

"In the next year, therefore, it seems likely that the demands on the United States for processed foods—i. e., foods manufactured into nonperishable form—will jump from a population demand of perhaps 140,000,000 today to about 200,000,000 by the end of 1942."

If new federally irrigated lands are going to be required to produce a part of the greatly increased demand for food, or to make up a part of the food deficit caused by curtailed imports, that fact should be ascertained now, so that construction work on such projects as may be needed could be expedited at once.

Respectfully submitted.

F. O. HAGIE,
Secretary-Manager, National Reclamation Association.

FOUNDATIONS OF THE PEACE—ARTICLE BY THE VICE PRESIDENT

[Mr. DOWNEY asked and obtained leave to have printed in the RECORD an article entitled "Foundations of the Peace," written by Hon. HENRY A. WALLACE, Vice President of the United States, and printed in the current issue of the Atlantic Monthly, which appears in the Appendix.]

ST. PIERRE AND MIQUELON—LETTER FROM W. W. SANDERSON

[Mr. DOWNEY asked and obtained leave to have printed in the RECORD a letter addressed to him by W. W. Sanderson, of San Francisco, Calif., relative to the islands of St. Pierre and Miquelon, which appears in the Appendix.]

FRED FARNER AND DORIS M. SCHROEDER—CONFERENCE REPORT

Mr. BROWN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3141) for the relief of Fred Farner and Doris M. Schroeder, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, as follows:

In lieu of the figures "$2,500" insert "$3,000"; and the Senate agree to the same.

PRENTISS M. BROWN,
JOSEPH ROSIER,
ARTHUR CAPPER,
Managers on the part of the Senate.

DAN R. MCGEHEE,
ROBERT RAMSPECK,
Managers on the part of the House.

The report was agreed to.

CATHARINE SCHULTZE—CONFERENCE REPORT

Mr. BROWN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4622) for the relief of Catharine Schultze, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, as follows:

In lieu of the figures "$2,000" insert "$3,000"; and the Senate agree to the same.

PRENTISS M. BROWN,
JAMES H. HUGHES,
ARTHUR CAPPER,
Managers on the part of the Senate.

DAN R. MCGEHEE,
ROBERT RAMSPECK,
Managers on the part of the House.

The report was agreed to.

PRICE CONTROL

The Senate resumed the consideration of the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment, in the nature of a substitute, reported by the committee.

The amendment was to strike out all after the enacting clause and to insert:

TITLE I—GENERAL PROVISIONS AND AUTHORITY PURPOSES; TIME LIMIT; APPLICABILITY

SECTION 1. (a) It is hereby declared that it is in the interest of the national defense and security and necessary to the effective prosecution of the present war, and the purposes of this act are, to stabilize prices and to prevent speculative, unwarranted, and abnormal increases in prices and rents; to eliminate and prevent profiteering, hoarding, manipulation, speculation, and other disruptive practices resulting from abnormal market conditions or scarcities caused by or contributing to the national emergency; to protect persons with relatively fixed and limited incomes, consumers, wage earners, investors, and persons dependent on life insurance, annuities, and pensions, from undue impairment of their standard of living; to prevent hardships to persons engaged in business, to endowed schools, universities, and other institutions, and to the Federal, State, and local governments, which would result from abnormal increases in prices; to assist in securing adequate production of commodities and facilities; and to permit voluntary cooperation between the Government and producers, processors, and others to accomplish the aforesaid purposes. It shall be the policy of those departments and agencies of the Government dealing with wages (including the Department of Labor and its various bureaus, the War Department, the Navy Department, the Office of Production Management, the National Labor Relations Board, the Railway Labor Board, the National Defense Mediation Board, and others), within the limits of their authority and jurisdiction, to work toward a stabilization of prices and cost of production.

(b) The provisions of this act, and all regulations, orders, price schedules, and requirements thereunder, shall terminate on June 30, 1943, or upon the date of a proclamation by the President that the further continuance of the authority granted by this act

is not necessary in the interest of the national defense and security, or upon the date of enactment of an act of Congress terminating such authority, whichever date is the earlier; except that as to offenses committed, or rights or liabilities incurred, prior to such termination date, the provisions of this act and such regulations, orders, price schedules, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

(c) The provisions of this act shall be applicable to the United States, its Territories and possessions, and the District of Columbia.

PRICES, RENTS, AND MARKET AND RENTING PRACTICES

SEC. 2. (a) Whenever in the judgment of the Price Administrator (provided for in sec. 201) the price or prices of a commodity or commodities have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this act, he may by regulation or order establish such maximum price or maximum prices as in his judgment will be generally fair and equitable and will effectuate the purposes of this act. So far as practicable, in establishing any maximum price, the Administrator shall ascertain and give due consideration to the prices prevailing between October 1 and October 15, 1941 (or if for any reason such period reflects abnormal market conditions for a particular commodity, then during the nearest 2-week period which is not abnormal as determined by the Administrator), for the commodity or commodities included under such regulation or order, and shall make adjustments for such relevant factors as he may determine and deem to be of general applicability, including the following: Speculative fluctuations, general increases or decreases in costs of production, distribution, and transportation, and general increases or decreases in profits earned by sellers of the commodity or commodities, during and subsequent to the year ended October 1, 1941. Every regulation or order issued under the foregoing provisions of this subsection shall be accompanied by a statement of the considerations involved in the issuance of such regulation or order. As used in the foregoing provisions of this subsection, the term "regulation or order" means a regulation or order of general applicability and effect. Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he may, without regard to the foregoing provisions of this subsection, issue temporary regulations or orders establishing as a maximum price or maximum prices the price or prices prevailing with respect to any commodity or commodities on the date of issuance of such temporary regulations or orders; but any such temporary regulation or order shall be effective for not more than 60 days, and may be replaced by a regulation or order issued under the foregoing provisions of this subsection.

(b) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he shall issue declarations setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for defense-area housing accommodations within defense-rental areas. If within 60 days after the issuance of any such recommendations rents for any such accommodations have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations, the Administrator shall by regulation or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of the act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about the date (not earlier than April 1, 1940) on which, in the judgment of the Administrator, defense activities have resulted or threaten to result in an increase in the rents for housing accommodations inconsistent with the purposes of this act, and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs, subsequent to such date and for the preceding 12 months. In designating defense-rental areas, in prescribing maximum rents for such accommodations, and in selecting persons to administer such maximum rents, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area.

(c) Any regulation or order under this act may be established in such form and manner, may contain such classifications and differentiations, and may provide for such adjustments and reasonable exceptions, as in the judgment of the Administrator are necessary or proper in order to effectuate the purposes of this act. Any regulation or order under this section which establishes a maximum price or maximum rent may provide for a maximum price or maximum rent below the price or prices prevailing for the commodity or commodities, or below the rent or rents prevailing for the defense-area housing accommodations, at the time of the issuance of such regulation or order.

(d) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he may, by regulation or order, regulate or prohibit speculative or manipulative practices (including practices relating to changes in form or quality) or hoarding, in connection with any commodity, and speculative or manipulative practices or renting or leasing practices (including practices relating to recovery of the possession), in connection with any defense-area housing accommodations, which in his judgment are equivalent to or are likely to result in price or rent increases, as the case may be, inconsistent with the purposes of this act.

(e) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he may, in order to obtain the maximum necessary production of any commodity, whether by purchase from marginal or high-cost producers or others, or to prevent price increases inconsistent with the purposes of this act, buy or sell at public or private sale, or store or use on behalf of the United States, any commodity, upon such terms as he shall deem necessary without regard to any provision of law requiring competitive bidding: *Provided*, That any materials which have been heretofore or may hereafter be defined as strategic and critical materials and supplies by the President pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, may be bought or sold or stored or used, in order to carry out the purposes of this act, only by corporations created or organized pursuant to said section 5d, upon such terms and conditions as they may determine, and only with the approval of the President and the Federal Loan Administrator; except that in the case of the sale of any commodity by any such corporation, the sale price therefor shall not exceed any maximum price established pursuant to subsection (a) of this section which is applicable to such commodity at the time of sale or delivery, but such sale price may be below such maximum price or below the purchase price of such commodity, and the Administrator may make recommendations with respect to the buying or selling, or storage or use, of any such commodity. In any case in which a commodity is domestically produced, the powers granted to the Administrator by this subsection shall be exercised with respect to importations of such commodity only to the extent that, in the judgment of the Administrator, the domestic production of the commodity is not sufficient to satisfy the demand therefor. The proceeds of any sale by the Administrator under this subsection shall be used as a revolving fund for carrying out the provisions of this subsection. Nothing in this section shall be construed to modify, suspend, amend, or supersede any provision of the Tariff Act of 1930, as amended, and nothing in this section, or in any existing law, shall be construed to authorize any sale or other disposition of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938, as amended.

(f) No power conferred by this section shall be construed to authorize any action contrary to the provisions and purposes of section 3.

(g) Regulations, orders, and requirements under this act may contain such provisions as the Administrator deems necessary to prevent the circumvention or evasion thereof.

AGRICULTURAL COMMODITIES

SEC. 3. (a) No maximum price shall be established for any agricultural commodity below (1) the market price equivalent to 110 percent of the parity price or comparable price for such commodity, adjusted for grade, location, and seasonal differentials, as determined and published by the Secretary of Agriculture; or (2) the market price prevailing for such commodity on October 1, 1941.

(b) For the purposes of this act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law: *Provided*, That in the case of any agricultural commodity other than the basic crops—corn, wheat, cotton, rice, tobacco, and peanuts—the Secretary shall determine and publish a comparable price, whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

(c) Any maximum price established for any commodity processed or manufactured in whole or substantial part from any agricultural commodity shall be consistent with the purposes set forth in subsection (a) of this section and shall not be established in any manner as to circumvent, vitiate, or prevent the effectuation of such purposes.

(d) No provision of this act or of any existing law shall be construed to authorize any action contrary to the provisions and purposes of this section.

(e) If a maximum price has been established for any agricultural commodity and thereafter a parity price as determined and published by the Secretary of Agriculture is more than 3 percent above or below the parity price to which the prevailing maximum price applies, the maximum price established for such commodity shall be readjusted and based upon such later parity price until a further adjustment is required under this subsection.

PROHIBITIONS

SEC. 4. (a) It shall be unlawful, regardless of any contract, agreement, lease, or other obligation heretofore or hereafter entered into, for any person to sell or deliver any commodity, or in the course of trade or business to buy or receive any commodity, or to demand or receive any rent for any defense-area housing accommodations, or otherwise to do or omit to do any act, in violation of any regulation or order establishing a maximum price or maximum rent, or of any other

regulation, order, or requirement under this act, or to offer, solicit, attempt, or agree to do any of the foregoing. As used in this subsection, the term "maximum price" shall include (1) any price schedule issued by the Administrator of the Office of Price Administration or the Administrator of the Office of Price Administration and Civilian Supply, prior to the date upon which the Administrator provided for by section 201 of this act takes office, which is effective in accordance with the provisions of section 206 of this act, or (2) any maximum price established by a regulation or order issued by such Administrator after he takes office; and the term "maximum rent" shall include any maximum rent established by a regulation or order issued by such Administrator after he takes office.

(b) It shall be unlawful for any person to remove or attempt to remove from any defense-area housing accommodations the tenant or occupant thereof or to refuse to renew the lease or agreement for the use of such accommodations, because such tenant or occupant has taken, or proposes to take, action authorized or required by this act or any regulation, order, or requirement thereunder.

(c) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Administrator in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this act, or to use any such information, for personal benefit

(d) Nothing in this act shall be construed to require any person to sell any commodity or to offer any accommodations for rent.

VOLUNTARY AGREEMENTS

SEC. 5. In carrying out the provisions of this act, the Administrator is authorized to confer with producers, processors, manufacturers, retailers, wholesalers, and other groups having to do with commodities, and with representatives and associations thereof, to cooperate with any agency or person, and to enter into voluntary arrangements or agreements with any such persons, groups, or associations relating to the fixing of maximum prices, the issuance of other regulations or orders, or otherwise.

TITLE II—ADMINISTRATION AND ENFORCEMENT

ADMINISTRATION

SEC. 201. (a) There is hereby created an Office of Price Administration, which shall be under the direction of a Price Administrator (referred to in this act as the "Administrator"). The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $12,000 per annum. The Administrator may, subject to the civil-service laws, appoint such employees as he deems necessary in order to carry out his functions and duties under this act, and shall fix their compensation in accordance with the Classification Act of 1923, as amended. The Administrator may utilize the services of Federal, State, and local agencies and may utilize and establish such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed. Attorneys appointed under this section may appear for and represent the Administrator in any case in any court. In the appointment, selection, classification, and promotion of officers and employees of the Office of Price Administration, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

(b) The principal office of the Administrator shall be in the District of Columbia, but he or any duly authorized representative may exercise any or all of his powers in any place. The President is authorized to transfer any of the powers and functions conferred by this act upon the Office of Price Administration with respect to a particular commodity or commodities to any other department or agency of the Government having other functions with relation to such commodity or commodities, and to transfer to the Office of Price Administration any of the powers and functions conferred by law upon any other department or agency of the Government with respect to any particular commodity or commodities other than agricultural commodities, including the power to order priorities, purchase, sell, store, handle, or otherwise deal with any such commodity or commodities.

(c) The Administrator shall have authority to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere; for lawbooks and books of reference; and for paper, printing, and binding) as he may deem necessary for the administration and enforcement of this act. The provisions of section 3709 of the Revised Statutes shall not apply to the purchase of supplies and services by the Administrator where the aggregate amount involved does not exceed $250.

(d) The Administrator may, from time to time, issue such regulations and orders as he may deem necessary or proper in order to carry out the purposes and provisions of this act.

SEC. 202. (a) The Administrator may make such studies and investigations, and obtain or require the furnishing of such information under oath or affirmation or otherwise, as he deems necessary or proper to assist him in prescribing any regulation or order under this Act, or in the administration and enforcement of this act and regulations, orders, and price schedules thereunder. For such purposes the Administrator may administer oaths and affirmations, may require by subpena or otherwise the attendance and testimony of witnesses and the production of documents at any designated place, may require persons to permit the inspection and copying of documents, the inspection of defense-area housing accommodations, and the inspection of inventories, and may, by regulation or order, require the making and keeping of records and other documents and the making of reports. No person shall be excused from complying with any requirements under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (U. S. C., 1934 ed., title 49, sec. 46), shall apply with respect to any individual who specifically claims such privilege.

(b) The Administrator shall not publish or disclose any information obtained under this act that such Administrator deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information, unless he determines that the withholding thereof is contrary to the interest of the national defense and security.

PROCEDURE

SEC. 203. (a) Within a period of 60 days after the issuance of any regulation or order under section 2, or in the case of a price schedule, within a period of 60 days after the effective date thereof specified in section 206, any person subject to any provision of such regulation, order, or price schedule may, in accordance with regulations to be prescribed by the Administrator, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections. At any time after the expiration of such 60 days any person subject to any provision of such regulation, order, or price schedule may file such a protest based solely on grounds arising after the expiration of such 60 days. Statements in support of any such regulation, order, or price schedule may be received and incorporated in the transcript of the proceedings at such times and in accordance with such regulations as may be prescribed by the Administrator. Within a reasonable time after the filing of any protest under this subsection, but in no event more than 30 days after such filing or 90 days after the issuance of the regulation or order (or in the case of a price schedule, 90 days after the effective date thereof specified in section 206) in respect of which the protest is filed, whichever occurs later, the Administrator shall either grant or deny such protest in whole or in part, notice such protest for hearing, or provide an opportunity to present further evidence in connection therewith. In the event that the Administrator denies any such protest in whole or in part, he shall inform the protestant of the grounds upon which such decision is based, and of any economic data and other facts of which the Administrator has taken official notice.

(b) In the administration of this act the Administrator may take official notice of economic data and other facts, including facts found by him as a result of action taken under section 202.

(c) Any proceedings under this section may be limited by the Administrator to the filing of affidavits, or other written evidence, and the filing of briefs.

REVIEW

SEC. 204. (a) Any protestant who is aggrieved by the denial or partial denial of his protest may, within 30 days after such denial, file a complaint with the Emergency Court of Appeals, created pursuant to subsection (c), specifying his objections and praying that the regulation, order, or price schedule protested be enjoined or set aside in whole or in part. A copy of such complaint shall forthwith be served on the Administrator, who shall certify and file with such court a transcript of such portions of the proceedings in connection with the protest as are material under the complaint. Such transcript shall include a statement setting forth, so far as practicable, the economic data and other facts of which the Administrator has taken official notice. Upon the filing of such complaint the court shall have exclusive jurisdiction to set aside such regulation, order, or price schedule, in whole or in part, to dismiss the complaint, or to remand the proceeding: *Provided*, That the regulation, order, or price schedule may be modified or rescinded by the Administrator at any time notwithstanding the pendency of such complaint. No objection to such regulation, order, or price schedule, and no evidence in support of any objection thereto, shall be considered by the court, unless such objection shall have been set forth by the complainant in the protest or such evidence shall be contained in the transcript. If application is made to the court by either party for leave to introduce additional evidence which was either offered to the Administrator and not admitted, or which could not reasonably have been offered to the Administrator or included by the Administrator in such proceedings, and the court determines that such evidence should be admitted, the court shall order the evidence to be presented to the Administrator. The Administrator shall promptly receive the same, and such other evidence as he deems necessary or proper, and thereupon he shall certify and file with the court a transcript thereof and any modification made in the regulation, order, or price schedule as a result thereof; except that on request by the Administrator, any such evidence shall be presented directly to the court.

(b) No such regulation, order, or price schedule shall be enjoined or set aside, in whole or in part, unless the complainant establishes to the satisfaction of the court that the regulation, order, or price schedule is not in accordance with law, or is arbitrary or capricious. The effectiveness of a judgment of the court enjoining or setting aside, in whole or in part, any such regulation, order, or price schedule shall be postponed until

the expiration of 30 days from the entry thereof, except that if a petition for a writ of certiorari is filed with the Supreme Court under subsection (d) within such 30 days, the effectiveness of such judgment shall be postponed until an order of the Supreme Court denying such petition becomes final, or until other final disposition of the case by the Supreme Court.

(c) There is hereby created a court of the United States to be known as the Emergency Court of Appeals, which shall consist of three or more judges to be designated by the Chief Justice of the United States from judges of the United States district courts and circuit courts of appeals. The Chief Justice of the United States shall designate one of such judges as chief judge of the Emergency Court of Appeals, and may, from time to time, designate additional judges for such court and revoke previous designations. The chief judge may, from time to time, divide the court into divisions of three or more members, and any such division may render judgment as the judgment of the court. The court shall have the powers of a district court with respect to the jurisdiction conferred on it by this act; except that the court shall not have power to issue any temporary restraining order or interlocutory decree staying or restraining, in whole or in part, the effectiveness of any regulation or order issued under section 2 or any price schedule effective in accordance with the provisions of section 206. The court shall exercise its powers and prescribe rules governing its procedure in such manner as to expedite the determination of cases of which it has jurisdiction under this act. The court shall have a seal, hold sessions at such places as it may specify, and appoint a clerk and such other employees as it deems necessary or proper.

(d) Within 30 days after entry of a judgment or order, interlocutory or final, by the Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a circuit court of appeals as provided in section 240 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, sec. 347). The Supreme Court shall advance on the docket and expedite the disposition of all causes filed therein pursuant to this subsection. The Emergency Court of Appeals, and the Supreme Court upon review of judgments and orders of the Emergency Court of Appeals, shall have exclusive jurisdiction to determine the validity of any regulation or order issued under section 2, of any price schedule effective in accordance with the provisions of section 206, and of any provision of any such regulation, order, or price schedule. Except as provided in this section, no court, Federal, State, or Territorial, shall have jurisdiction or power to consider the validity of any such regulation, order, or price schedule, or to stay, restrain, enjoin, or set aside, in whole or in part, any provision of this act authorizing the issuance of such regulations or orders, or making effective any such price schedule, or any provision of any such regulation, order, or price schedule, or to restrain or enjoin the enforcement of any such provision.

ENFORCEMENT

SEC. 205. (a) Whenever in the judgment of the Administrator any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of section 4 of this act, he may make application to the appropriate court for an order enjoining such acts or practices, or for an order enforcing compliance with such provision, and upon a showing by the Administrator that such person has engaged or is about to engage in any such acts or practices a permanent or temporary injunction, restraining order, or other order shall be granted without bond.

(b) Any person who willfully violates any provision of section 4 of this act, and any person who makes any statement or entry false in any material respect in any document or report required to be kept or filed under section 2 or section 202, shall, upon conviction thereof, be subject to a fine of not more than $5,000, or to imprisonment for not more than 2 years in the case of a violation of section 4 (c) and for not more than 1 year in all other cases, or to both such fine and imprisonment. Whenever the Administrator has reason to believe that any person is liable to punishment under this subsection, he may certify the facts to the Attorney General, who may, in his discretion, cause appropriate proceedings to be brought.

(c) The district courts shall have jurisdiction of criminal proceedings for violations of section 4 of this act, and, concurrently with State and Territorial courts, of all other proceedings under section 205 of this act. Such criminal proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred. Except as provided in section 205 (f) (2), such other proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred, and may also be brought in the district in which the defendant resides or transacts business, and process in such cases may be served in any district wherein the defendant resides or transacts business or wherever the defendant may be found. Any such court shall advance on the docket and expedite the disposition of any criminal or other proceedings brought before it under this section. No costs shall be assessed against the Administrator or the United States Government in any proceeding under this act

(d) No person shall be held liable for damages or penalties in any Federal, State, or Territorial court, on any grounds for or in respect of anything done or omitted to be done in good faith pursuant to any provision of this act or any regulation, order, price schedule, requirement, or agreement entered into thereunder, or under any price schedule of the Administrator of the Office of Price Administration or of the Administrator of the Office of Price Administration and Civilian Supply, notwithstanding that subsequently such provision, regulation, order, price schedule, requirement, or agreement may be modified, rescinded, or determined to be invalid. In any suit or action wherein a party relies for ground of relief or defense upon this act or any regulation, order, price schedule, requirement, or agreement thereunder, the court having jurisdiction of such suit or action shall certify such fact to the Administrator. The Administrator may intervene in any such suit or action.

(e) If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, the person who buys such commodity for use or consumption other than in the course of trade or business may bring an action either for $50 or for treble the amount by which the consideration exceeded the applicable maximum price, whichever is the greater, plus reasonable attorney's fees and costs as determined by the court. For the purposes of this section the payment or receipt of rent for defense-area housing accommodations shall be deemed the buying or selling of a commodity, as the case may be. If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, and the buyer is not entitled to bring suit or action under this subsection, the Administrator may bring such action under this subsection on behalf of the United States. Any suit or action under this subsection may be brought in any court of competent jurisdiction, and shall be instituted within 1 year after delivery is completed or rent is paid. The provisions of this subsection shall not take effect until after the expiration of 6 months from the date of enactment of this act.

(f) (1) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act and to assure compliance with and provide for the effective enforcement of any regulation or order issued or which may be issued under section 2, or of any price schedule effective in accordance with the provisions of section 206, he may by regulation or order issue to or require of any person or persons subject to any regulation or order issued under section 2, or subject to any such price schedule, a license as a condition of selling any commodity or commodities with respect to which such regulation, order or price schedule is applicable. It shall not be necessary for the Administrator to issue a separate license for each commodity or for each regulation, order or price schedule with respect to which a license is required. No such license shall contain any provision which could not be prescribed by regulation, order, or requirement under section 2 or section 202: *Provided*, That no such license may be required as a condition of selling or distributing (except as waste or scrap) newspapers, periodicals, books, or other printed or written material, or as a condition of selling radio time: *Provided further*, That no license may be required of any farmer as a condition of selling any agricultural commodity produced by him: *Provided further*, That in any case in which such a license is required of any person, the Administrator shall not have power to deny to such person a license to sell any commodity or commodities, unless such person already has such a license to sell such commodity or commodities, or unless there is in effect under paragraph (2) of this subsection with respect to such person an order of suspension of a previous license to the extent that such previous license authorized such person to sell such commodity or commodities.

(2) Whenever in the judgment of the Administrator a person has violated any of the provisions of a license issued under this subsection, or has violated any of the provisions of any regulation, order, or requirement under section 2 or section 202, or any of the provisions of any price schedule effective in accordance with the provisions of section 206, which is applicable to such person, a warning notice shall be sent by registered mail to such person. If the Administrator has reason to believe that such person has again violated any of the provisions of such license, regulation, order, price schedule, or requirement after receipt of such warning notice, the Administrator may petition any State or Territorial court of competent jurisdiction, or a district court subject to the limitations hereinafter provided, for an order suspending the license of such person for any period of not more than 12 months. If any such court finds that such person has violated any of the provisions of such license, regulation, order, price schedule, or requirement after the receipt of the warning notice, such court shall issue an order suspending the license to the extent that it authorizes such person to sell the commodity or commodities in connection with which the violation occurred, or to the extent that it authorizes such person to sell any commodity or commodities with respect to which a regulation or order issued under section 2 is applicable; but no such suspension shall be for a period of more than 12 months. For the purposes of this subsection, any such proceedings for the suspension of a license may be brought in a district court if the licensee is doing business in more than one State, or if his principal place of business is located in or within 50 miles of a city or community in which a district court regularly convenes, or if his gross sales exceed $50,000 per annum. Within 30 days after the entry of the judgment or order of any court either suspending a license, or dismissing or denying in whole or in part the

Administrator's petition for suspension, an appeal may be taken from such judgment or order in like manner as an appeal may be taken in other cases from a judgment or order of a State, Territorial, or district court, as the case may be. The Administrator may modify or rescind the requirement of a license at any time. Upon good cause shown, any such order of suspension may be stayed by the appropriate court or any judge thereof in accordance with the applicable practice. Any such order of suspension shall be affirmed by the appropriate appellate court if, under the applicable rules of law, the evidence in the record supports a finding that there has been a violation of any provision of the license after the person to whom such license was issued has received a warning notice. No proceedings for suspension of a license, and no such suspension, shall confer any immunity from any other provision of this act.

SAVING PROVISIONS

SEC. 206. Any price schedule establishing a maximum price or maximum prices, issued by the Administrator of the Office of Price Administration or the Administrator of the Office of Price Administration and Civilian Supply, prior to the date upon which the Administrator provided for by section 201 of this act takes office, shall, from such date have the same effect as if issued under section 2 of this act until such price schedule is superseded by action taken pursuant to such section 2. Such price schedules shall be consistent with the standards contained in section 2 and the limitations contained in section 3 of this act, and shall be subject to protest and review as provided in section 203 and section 204 of this act. All such price schedules shall be reprinted in the Federal Register within 10 days after the date upon which such Administrator takes office.

TITLE III—MISCELLANEOUS

QUARTERLY REPORT

SEC. 301. The Administrator from time to time, but not less frequently than once every 90 days, shall transmit to the Congress a report of operations under this act. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate, or the Clerk of the House of Representatives, as the case may be.

DEFINITIONS

SEC. 302. As used in this act—

(a) The term "sale" includes sales, dispositions, exchanges, leases, and other transfers, and contracts and offers to do any of the foregoing. The terms "sell," "selling," "seller," "buy," and "buyer," shall be construed accordingly.

(b) The term "price" means the consideration demanded or received in connection with the sale of a commodity.

(c) The term "commodity" means commodities, articles, products, and materials (except books, magazines, periodicals and newspapers, other than as waste or scrap), and it also includes services rendered otherwise than as an employee in connection with the processing, distribution, storage, installation, repair, or negotiation of purchases or sales of a commodity, or in connection with the operation of any service establishment for the servicing of a commodity: *Provided*, That nothing in this act shall be construed to authorize the regulation of (1) compensation paid by an employer to any of his employees, or (2) rates charged by any common carrier or other public utility, or (3) rates charged by any person engaged in the business of selling or underwriting insurance, or (4) rates charged by any person engaged in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio-broadcasting station, or (5) rates charged for any professional services.

(d) The term "defense-rental area" means the District of Columbia and any area designated by the Administrator as an area where defense activities have resulted or threaten to result in an increase in the rents for housing accommodations inconsistent with the purposes of this act.

(e) The term "defense-area housing accommodations" means housing accommodations within any defense-rental area.

(f) The term "housing accommodations" means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes (including houses, apartments, hotels, rooming or boarding house accommodations, and other properties used for living or dwelling purposes), together with all privileges, services, furnishings, furniture, and facilities connected with the use or occupancy of such property.

(g) The term "rent" means the consideration demanded or received in connection with the use or occupancy or the transfer of a lease of any housing accommodations.

(h) The term "person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing: *Provided*, That no punishment provided by this act shall apply to the United States, or to any such government, political subdivision, or agency.

(i) The term "maximum price," as applied to prices of commodities, means the maximum lawful price for such commodities, and the term "maximum rent" means the maximum lawful rent for the use of defense-area housing accommodations. Maximum prices and maximum rents may be formulated, as the case may be, in terms of prices, rents, margins, commissions, fees, and other charges, and allowances.

(j) The term "documents" includes records, books, accounts, correspondence, memoranda, and other documents, and drafts and copies of any of the foregoing.

(k) The term "district court" means any district court of the United States, and the United States Court for any Territory or other place subject to the jurisdiction of the United States; and the term "circuit courts of appeals" includes the United States Court of Appeals for the District of Columbia.

SEPARABILITY

SEC. 303. If any provision of this act or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

APPROPRIATIONS AUTHORIZED

SEC. 304. There are authorized to be appropriated such sums as may be necessary or proper to carry out the provisions and purposes of this act.

APPLICATION OF EXISTING LAW

SEC. 305. No provision of law in force on the date of enactment of this act shall be construed to authorize any action inconsistent with the provisions and purposes of this act.

SHORT TITLE

SEC. 306. This act may be cited as the "Emergency Price Control Act of 1942."

Mr. BANKHEAD. Mr. President, I desire to submit a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Alabama will state it.

Mr. BANKHEAD. The report of the committee on the pending measure does not present the House bill with recommended amendments.

As we all know when a committee reports a House bill with amendments, the usual practice is to obtain an agreement to act first on the committee amendments. In this case, instead of presenting the House bill with amendments, the committee has reported one amendment to the entire bill, striking out all after the enacting clause. I think that is a good way to deal with the matter. I am not critical about that phase of the subject, because there are a number of amendments; but the point is, How are amendments to be considered? We have before us a new bill, and we have provisions passed by the House which are not included in the bill as reported to the Senate.

The VICE PRESIDENT. The Chair rules that the committee amendment is in the nature of a substitute, and therefore amendments may be offered as though the amendment were an original bill.

Mr. BANKHEAD. And the sections of the House bill which are omitted will be regarded as eliminated if the substitute is adopted? Is that the idea?

The VICE PRESIDENT. If the Senate adopts the substitute, it naturally strikes out all the House bill.

Mr. BANKHEAD. Very well. I have notice that at the first opportunity I shall call up the amendment I have offered.

Mr. TAFT. Mr. President, while I have one or two amendments to offer to the pending bill, at the present time I wish to speak generally in favor of the passage of the bill and the importance of passing it in an effective form.

Mr. Henderson started a long time ago to fix prices, without the least vestige or shadow of legal authority. I protested against that attempt at that time, and as long ago as April 26—nearly 9 months from this time—I said:

> To secure efficient coordination Congress should immediately enact a statute defining what powers over prices and production the Government must have during the present emergency, limiting the time during which those powers can be exercised, providing for an appeal to a board or a court, and limiting the powers which are definitely required to prevent inflation and subsequent depression.

Certainly no one is more opposed to price fixing in time of peace, in time when there is no emergency, than I am. It is a power which undoubtedly gives government power over life and death of industry. It is a power which disturbs all the normal processes of the free enterprise system, and I certainly should not be for it at the present time unless I thought it was today vitally necessary.

The alternative seems to me to be worse. I believe that if we do not pass a price-control bill we may well see prices mounting to a hundred, two hundred, three hundred, or four hundred percent of what they were when the crisis began. We have already seen the beginning of that process. Yesterday morning I read the report of one index showing that in the last 12 months the increase in wholesale prices has been from 100 to 120 percent on the average, an increase of 20 percent. There was some increase before that.

During the World War prices increased 120 percent, until they reached about 220 percent of what they were when the war started. Of course, there was practically no control during the first 2 years of the World War, before we were in it.

There was no control, and during that time prices increased approximately 80 percent. At this time we face even a larger threat. From the Budget figures which were presented by the President yesterday we see that we have a tremendously increased purchasing power in the United States.

The deficit for the first 6 months of this fiscal year amounted to $7,300,000,000, plus whatever Jesse Jones may have spent. The President's estimate of the deficit for this entire fiscal year is $18,000,000,000. His estimate of the deficit for next year, even after the imposition of additional taxes, is $40,000,000,000.

Personally, it seems to me that we must look forward and prepare, whatever we may hope, for a war lasting 5 years, and I see no hope of balancing the Budget during that period, or preventing a tremendous increase in national debt. I think we shall be lucky if at the end of 5 years the debt is not well over $150,000,000,000, and during that entire time the Government will practically be creating purchasing power out of thin air. We will be paying all the people in the munitions and other plants money with which they can go out and buy everything produced in the United States. To a certain extent, the extent to which we raise taxes, the extent to which we get money from savings, the increase is represented by existing purchasing power; but during the calendar year 1941 the banks have increased their holdings of Government bonds by $5,000,000,000, which represents pure inflation, pure creation of purchasing power which did not exist, and does not represent production of any value to the civilian population of the United States.

I believe that, regardless of how we may sell defense bonds, it will be necessary to sell a considerable number of bonds to the various banks of the United States, against which they create deposits which are used for additional purchases, at the same time that we are cutting down the supply of practically every commodity which those people must buy. So that if there is no other action than fiscal action, than that which the Treasury may take, it seems to me essential that we try our best to create some form of legal price control, to prevent prices getting out of hand.

I am not too optimistic. We are combatting basic forces which are not easy to combat. If we can possibly hold the increase in prices to 10 percent a year we will have done an extraordinary job, in my opinion. In the last month wholesale prices have increased 3 percent, in 1 month. If we can hold the increase to 10 percent a year, or approximately 1 percent a month, we will have made a real accomplishment, and at the end of 5 years prices will be half again as high as when they began to rise, and there will be real hardship, but it will be nothing to what can happen if we do not attempt any control whatsoever.

Every group is affected. We hear talk about the farmers and laborers, but every man in the country will suffer from any such inflation of prices as is threatened if we do not take some action on the pending bill.

Of course, it is obvious that wages do not rise as fast as commodity prices. Commodity prices are much more liquid. Wages are ordinarily fixed for a year, and an increase of 10 or 20 percent is not likely to be repeated during the same year. Naturally even wage earners suffer. Obviously, people with fixed salaries suffer even more. Obviously, there is a threat to the very existence of endowed institutions, a large number of which are engaged in the education of our youth. If prices are raised to three or four times what they are, those institutions will have a hard time to survive.

I think the farmer himself suffers when there is an undue rise in prices. We had the example of tremendous inflation in farm prices during the World War, which resulted in a tremendous increase in the price of farm land, leading to bankruptcy for millions of farmers. I do not think anyone in the United States can gain from a complete distortion of prices such as will exist with uncontrolled inflation of prices.

Of course, after the war, the more prices get out of line, the more they get into different adjustments from the normal adjustment, the more violent the reaction will be, the more likely we are to have unemployment, the more likely we are to have depression. Looking forward to the period after the war, we should, so far as we can, hold the present relationships as they are, and not create a distorted position which will result in suffering for every class of people in the United States. The Senator from Michigan [Mr. BROWN] referred to the tremendous increased cost of the defense program to the Government and the difficulty of all local governments in trying to meet the price increases.

There are other elements of inflation also, because in the last year, so far as I can ascertain, bank loans to private individuals have increased about $4,000,000,000, and installment sales have probably increased a billion dollars. Those also should be restrained, and they are elements we have to meet in any period of great industrial expansion such as we have today.

The question is how prices can be held down. I do not believe they can be held down unless every class of citizens—farmers, laborers, and businessmen alike—recognizes that everyone must agree that prices and wages shall be more or less stabilized at the present level. There may be adjustments of minor importance. The question between 100 percent and 110 percent of parity seems to me a very minor question, compared with what we will have to face in the future; but fundamentally every group must agree that they must keep their prices and their wages in fairly close relation to what exists today. We can only undertake a program of stabilization.

Of course, there are other ways. We should also, so far as we can, reduce the deficit. We should reduce nondefense expenditures. We should increase taxes as much as we can. We should sell all the bonds we can to individuals so as to represent real savings. We can conserve many different kinds of commodities. We can perhaps increase the production of some. Yet I think when we get all through with that any such program as we face today means an inflation of prices unless we go ahead with price control.

The question is whether the bill is appropriate to that purpose. I think in general it is appropriate to that purpose. Of course, it gives tremendous power to do arbitrary things to everyone in the United States. We must recognize that. When we talk about protecting the farmer, by providing that you cannot place his maximum price below 110 percent of parity, that is a reasonable protection; but nobody else is getting that protection. It is true that we refer to the price from October 1 to 15. It is true that we say the price must be adjusted after that as the cost of production changes. But as a practical matter, the discretion given to the Administrator is wide open, and I do not believe there is in the bill provision for reviewing or revising his view of that situation. The people who are engaged in the mining business, the people who are engaged in other lines of business, have no appeal from his decision that is of any practical value.

I am in favor of 100 percent of parity, and perfectly willing to take 110 percent of parity, but I think it ought to be clear that what we are doing is to protect the farmer against something that we are not protecting anybody else against, and that we are giving, and we must realize that we cannot pass a bill of this kind without giving, arbitrary powers to somebody. The powers are so vast that I have offered an amendment to let the actual price fixing be done by a board, an amendment which I shall discuss tomorrow. But, in any event, there seems to me to be no way in which we can seriously or substantially limit the power we are giving to somebody to determine the welfare and the financial existence of many industries and the happiness of many people who depend upon prices and on wages.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. VANDENBERG. In the course of his very able presentation of this matter yesterday my distinguished colleague said the following:

> The powers granted by this bill are in an economic sense probably the most tremendous that have ever been granted. This bill goes beyond any legislation that was enacted during the period of the World War.

I was unable yesterday to obtain the floor to interrogate my colleague with respect to that assertion. I am wondering if the able Senator from Ohio, who is also a member of the committee, and who has closely followed the discussion, can tell me to what extent the powers granted in the bill exceed the price-control powers utilized in the World War, and why the necessity exists for the further extension.

Mr. TAFT. In the World War—and I may say I served as counsel in the Food Administration that drafted a good many of the price-fixing regulations which were made—the Lever Act was confined

to food and fuel, to begin with. There was that very substantial limitation. As a matter of fact, the price fixing in the World War was confined to food, which was administered by Mr. Hoover; to fuel, which was administered by Dr. Garfield; and to the commodities needed for the actual production of war materials, which were controlled by Mr. Baruch and his War Industries Board, although he had a price-fixing committee under him. There was, I think, no real legal authority for his actions. They were taken largely by consent and by a certain amount of coercion. So that the subject covered was much narrower.

In addition to that, the Lever Act was a very vague act. At that time Mr. Hoover testified that he was told that they did not feel they could give a man power under the Constitution to fix prices. My recollection is that the only criminal provision was that anyone who charged an unreasonable price should be subject to prosecution, which was subsequently held to be so vague as to be unconstitutional.

The license system was put in that act at Mr. Hoover's suggestion because he did not have power to punish by criminal processes. Through the licensing power he in effect carried out as to food about all the powers that Mr. Henderson would have as to food.

There will be no great increase in practical results, although the legal authority here is spelled out in a much more clear and satisfactory manner than it was in the World War. But I think the difference in result will come about chiefly because of the fact that this measure now extends its provisions to every commodity in the United States of every kind, regardless of whether it has anything to do with defense or not; that its purpose is to control the general price level, whereas during the World War they were simply concerned with holding down the prices of particular things that were needed either for the conduct of the war or to ship to the Allies to support their civilian populations.

Mr. VANDENBERG. Did the experience in the World War indicate that that narrower use of authority was inadequate?

Mr. TAFT. I think, on the whole, it did. If we face no more expenditure today than in the World War, I do not know that it would be necessary to go so much further. In the World War, for instance, by the time the control was put into effect food prices had risen from 100 to 180 percent. During the 18 months of that war food prices went from 180 to 200 percent. Clothing was not controlled, and went during that period from 180 to 250 percent.

Broadly speaking, I think the selective system is a better system I hope Mr. Henderson will not undertake to deal with every detail, and I do not think he will. He testified he will not. But it is very hard for us to select a particular thing that he shall deal with and those things he shall not deal with. We do not know where the shortages will be. When it comes let us say, to 5- and 10-cent stores, to ladies' hats, to many other things the prices of which are very difficult practically to fix, anyway, I think it is better to let those prices go up. Let the division of an inadequate supply be determined by the cost, if the commodities are not essential. But if they are essential, then I believe that if we have a completely inadequate supply we shall finally have to come to a rationing system and hold the prices down.

I think there is more need today for control than there was during the World War, and I believe that the distortion of prices resulting from the World War, which averaged from 100 to 220 percent, had a great deal to do with the tremendous maladjustment that occurred afterward, and finally with the depression in 1929. If prices had been held down at that time by a wider selection of commodities and if control of prices had begun earlier and if prices had only risen from 100 to 150 percent, there would have been a much less severe aftermath than there actually was.

Mr. VANDENBERG. I thank the Senator I should like to ask him one further question My colleague [Mr. BROWN] subsequently spoke of price control as the sum total of the bill's objective. Is there anything in the bill granting authority to the Price Administrator which would permit him to reach down into the management, and methods of organization, and accounting, and distribution, and sales, and so forth, in respect to the commodities whose prices he is controlling on the theory that he is dissatisfied with the methods which produce the pretention of a necessary price increase?

Mr. TAFT. There is nothing in the bill authorizing the Administrator to take those matters into consideration, and if there were any review of his actions I doubt if he could. On the other hand, there is no real review, and if he does not admit that he is taking those things into consideration I would not be prepared to deny that he might get away with it.

The House put in a provision expressly stating that the Administrator should not fix any price on the basis of a change in existing practices in an industry. That provision had special reference to advertising. The Senate committee felt that that provision was primarily to protect advertising and prevent the Administrator from saying, "You shall stop advertising now. You do not need any more advertising. I am going to fix your price on the basis of your eliminating that cost." The Senate committee first amended the provision to apply only to advertising. That seemed to me to be worse than useless, because it implied that the Administrator might go into every other business practice which he thought ought to be changed. Mr. Henderson has many ideas about how business practices ought to be changed. I objected very strongly to the whole section as amended. The committee finally took the whole section out, on the theory that it did not think the bill gave him the power to interfere with any such practices. As it passed the House, the provision was as follows:

(g) The powers granted in this section shall not be used or made to operate to compel changes in the business practices or cost practices or methods, means, or aids to distribution established in any industry, except to prevent circumvention or evasion of any ceiling established under this act.

This was the provision which the Senate eliminated, and to which I personally have no objection. That was the House provision which was taken out by the Senate committee. I have no objection to restoring it. I do not think there is any legal right on the part of the Administrator to interfere with business practices. On the other hand, it is perfectly true that it would be very hard to prevent his doing so particularly if he should be a single administrator and there should be only a court appeal against his unjustifiable action.

Mr. VANDENBERG. The language from the House bill which the able Senator has just read is precisely the language which I have sought to restore by the amendment I have offered today, which is on the table.

It seems to me the Senator has put his finger on the reason why some such reassurance, at least, is desirable. Mr. Henderson is known to have numerous revolutionary ideas regarding the way in which American business ought to operate. I am not saying that by way of criticism of Mr. Henderson as a possible price administrator, because I think he has indicated a very substantial capacity to do a rational and effective job. But, in view of his general fundamental attitude, and in view of the fact that this invasion of the right of management to operate its own business may find some color of right, I am very happy to have the Senator say that he has no objection to the restoration of the House language. I am very hopeful that my distinguished colleague [Mr. BROWN], who is in charge of the bill, will feel the same way about it. If it is not necessary as a matter of reality, then there is no harm in putting it in. It may be necessary, and I am very sure it is necessary, by way of reassurance to the great American business public, which is to be asked to submit itself to this regimentation voluntarily and cooperatively. Inasmuch as it apparently is willing to do so, I think it is entitled to that small crumb of consolation.

Mr. BREWSTER rose.

Mr. TAFT. If the Senator will allow me to say a word in reply to the Senator from Michigan, I shall be glad to yield to him.

My own feeling has been that while I am perfectly willing to try to limit the Administrator, I rather feel that any attempt to limit the powers given would be more or less vain. Even if we should include such a provision as has been suggested, it would be very difficult to prevent the Administrator from saying to an industry, "I am going to fix your price at such and such a figure. I think it is a reasonable price." While he might not admit that he was talking about advertising, nevertheless he might have it in mind. I have therefore felt that in trying to give protection to businessmen and others it is rather more important to determine the character of the agency which is to fix prices, and to give the power to a broader group—to five persons instead of one—than to try to give the

power to one and then try to limit him here, there, and somewhere else. I think this particular limitation is perfectly proper, and it might be effective.

I now yield to the Senator from Maine.

Mr. BREWSTER. Mr. President, I somewhat deplore the implications of legislating with reference to an individual. I think there is some constitutional provision in that respect. I am wondering whether Mr. Henderson expressed any views on this particular point, with reference to advertising and other practices.

Mr. TAFT. Mr. Henderson was perfectly willing to eliminate his right to interfere with business practices so far as they relate to advertising. He proposed an amendment limiting the House provision to advertising alone. I objected very strongly because that immediately carried the implication that he could interfere in other fields.

I have no criticism of Mr. Henderson, and I have made none. The objection which I have stated would apply to any man. Any man who might be the administrator under the act would necessarily have to be arbitrary. He would be very busy. If he should determine the price of cotton, we will say, he would not be able to go back 2 months later and reopen the question. He would be fixing too many other prices. He would be too busy.

I do not think Mr. Henderson would have any more inclination to interfere with business practices than would dozens of others who might be named to the same position. I have the highest respect for what he has done, and the general theory of price control he has expressed before the committee. There are a few differences of principle, which I shall explain later. The suggestion for a board is not at all aimed at Mr. Henderson. It would apply to any person who might be proposed as administrator.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BILBO. Mr. President, so far as prices are concerned, the bill would give to the Administrator as much power as Hitler has in Germany. The Senator's amendment would provide for a board of five. I am inclined to support his amendment. I should like to ask the Senator if he would be willing to provide that the board should be a regional board, with one representative from the South, one from the West, one from the Midwest, one from the North, and one representing the Nation at large.

Mr. TAFT. I should prefer to offer the amendment later and discuss it at that time. I shall be very glad to consider the Senator's suggestion. My purpose is to have different groups represented. I suggested to the President that he appoint one member from the Department of Agriculture, one from the Department of Labor, one from the Department of Commerce, and one from the Treasury Department, so that we might have at least a coordinated Government policy with respect to price control, instead of having three or four different departments of the Government proceeding on different theories, and not consulting with one another, which has been more or less the policy up to this time. If the Senator does not mind, I should rather defer discussion of the amendment itself until a later time. I have not as yet offered the amendment.

Mr. BILBO. I appreciate the Senator's idea of economy in utilizing the services of men who are already on the job. However, this matter is very important. I find from my experience with Mr. Henderson that he suffers from a want of adequate information in making his rulings. For example, in the order to fix the price of lumber for the Pine Belt of the Nation, when he was called upon for an explanation and break-down of the prices he fixed it was found that he had fixed a base price for stumpage on pine timber at $2.50 a thousand. At the same time timber was selling in the South at $10 and $12 a thousand. After he had been informed of his mistake he very graciously raised the price an average of $4 a thousand.

I take it that if we had representative citizens from each of the four sections we could obtain a community of interest and information from the various sections of the country, which would result in more righteous decisions in issuing whatever orders the Price Administrator's office should see fit to issue.

Mr. TAFT. I shall be very glad to discuss with the Senator from Mississippi, before I offer it, the amendment which I propose, relating to the composition of the board.

Mr. LEE. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Oklahoma.

Mr. LEE. Does the Senator from Ohio favor the bill as it is now?

Mr. TAFT. I will vote for the bill as it is now if that is the final decision of the Senate; yes.

Mr. LEE. As I understand, the main purpose of the bill is to prevent runaway prices. Is that the Senator's conception of the bill's chief purpose?

Mr. TAFT. That is the principal purpose. It has another purpose, however, which rather developed in the latter part of the hearings, and that is to provide a means of increasing production.

Mr. LEE. That is correct—and also to protect us from the possible development of shortages of commodities.

Mr. TAFT. Yes. I mean, for instance, as I understand the bill, that under it the Administrator might announce, if he thought he had the money somewhere, that next year he would pay a certain price for all butter, let us say, delivered to the Government, in order to stimulate the production of butter for shipment to Europe. He could do that, I think, under this bill; and, if the price were advanced somewhat, the result might be a considerable increase in production. In other cases, the testimony shows that increases in prices do not increase production; but I think in the case of most agricultural commodities a Government-guaranteed increase of price would considerably increase production.

Mr. LEE. Does the Senator, then, feel that it is necessary to bring agricultural products under the bill, since there is a surplus of most of them?

Mr. TAFT. At the present moment I do not suppose that any control would be exercised by the Administrator under the bill over cotton, wheat, corn, or a number of the other products that are well below parity and that are present in great quantity. I think he would make a great mistake if he tried to control them, but certainly he would want to begin to fix the margin of wholesalers and the margin of retailers in order to determine that the price was carried on down to the consumer. I think he would do that.

One objection I have to the amendment offered by the Senator from Alabama [Mr. BANKHEAD] is that it relates to agricultural commodities and substantially everything made from agricultural commodities, giving the Secretary of Agriculture power over the price of shoes, clothing, and practically everything the consumer buys.

Mr. LEE. The bill specifically exempts labor. Why is that?

Mr. TAFT. Mr. President, I am going to discuss the provisions relating to labor. I should prefer to discuss the various points consecutively. However, if the Senator prefers, I shall be glad to proceed now to discuss the provisions relating to labor; but it will take me some little time to do so.

Mr. LEE. No; I want the Senator to follow the plan he has laid out. But now I desire to ask another question.

The farmer who works his farm is paid his wages in terms of the commodities he sells. It takes a man-hour of labor to produce 1 pound of lint cotton. If cotton is selling at 17 cents a pound, all that is received by the farmer who produces the cotton is 17 cents a pound. He does not really receive that much net, because he must deduct from the 17 cents the cost of a number of things.

So what I have difficulty in understanding is why we should exempt the industrial worker and his wage pay but bring the agricultural worker under the law. Why not exempt both of them?

Mr. TAFT. As I say, I should prefer to discuss the question at length. Roughly speaking, however, I should say that there is no principle more completely established in these United States than the principle that labor is not a commodity, and that all the considerations involved in fixing wages are considerations different from those involved in fixing prices.

I agree that if there is not some policy to stabilize wages the bill probably will not be as successful as if there were such a policy. Nevertheless, prices can be fixed because wages do not have the tremendous swing that commodity prices have. In the last World War we did successfully fix prices without fixing wages. It can be done. It cannot be done permanently. If a permanent policy were desired, and if we were now to stabilize prices for all time to come, we could not do so without fixing wages, I quite agree, but we could not do so by assigning to a Price Administrator the duty of fixing wages.

Let the Senator think about this point for a moment: If tomorrow we should

give Mr. Henderson, the Price Administrator, power to fix wages, think of the complete confusion that would result from such a policy. The moment he fixed wages in Cincinnati, Cleveland, or some other place, we should confront the question whether there would be a strike. We should have to set up, aside from Mr. Henderson, the whole machinery for conciliation and mediation; and, finally, if he were to have any power to enforce his orders regarding wages, we should have to prohibit strikes.

I say that that problem is entirely distinct from the problem of commodity price control; that if the Members of the Senate desire to provide for the establishment of a policy of fixing wages, if we want to provide for the prohibition of strikes, the place to do so would be in labor legislation, in which the whole process would be carefully worked out, as suggested in some of the bills which are before the Senate.

In this bill we have done one thing: We have said that it shall be the policy of the Government departments dealing with wages to join in the stabilization of the cost of production, which necessarily means the stabilization of wages. We have gone that far. But certainly I do not want to give Mr. Henderson the power to fix wages, and, frankly, I am even doubtful whether we can prohibit strikes. I do not know whether it is wise to do so, but if we do prohibit strikes we shall go a great deal further than if we fix the price of any commodity.

Mr. LEE. Mr. President, if the Senator will yield further, let me say that yesterday I understood the Senator from Michigan [Mr. BROWN] to make the argument that wages would be controlled and regulated through control and regulation of the cost of living, which is an appealing argument. Then why would not the same argument apply with respect to the rural worker or the farmer when he is producing a surplus? Would not the surplus of itself regulate his pay, just as the cost of living could be relied upon to regulate the pay of the industrial worker?

For example, wheat, corn, and many other of the farm commodities are today below parity. Why? Because there is a surplus. There is still much land which can be planted in wheat if the surplus begins to disappear, and that process in itself would automatically regulate the price of farm commodities.

Then I raise the question again, Why is it necessary to bring the farmer under the provisions of this bill?

Mr. TAFT. Frankly, I do not think it is necessary—at the present moment, at least—to regulate the price of wheat, corn, cotton, or other commodities of which there is a surplus. But today there are a great many commodities of which there is not a surplus; and the testimony toward the end of the hearings before the committee was very distinctly that the British had come to us and said, in effect, "We are no longer going to be able to get a great many foods from Australia or from other sections of the world." Particularly in the field of fats and proteins and lard I think there will develop the same kind of deficiency that we had during the last World War. We are fortunate in respect to wheat, cotton, and corn; but, aside from those three commodities, I question very much whether the surplus will last. If the Senator wanted to omit from the provisions of the bill those three commodities, I would not object; but I think the products of those commodities should be regulated.

Mr. LEE. So far as I know, at the present time the only farm commodities that are even close to a shortage—and even as to them there is not exactly a shortage—are perhaps the proteins, eggs and milk.

Mr. TAFT. Those are the things of which I was thinking—eggs, milk, and the various fats.

Mr. LEE. Does not the Senator think that assuring an attractive price for those commodities would be the best way to increase production? It takes longer to raise a milk cow than it takes to build a battleship.

Mr. TAFT. I have no objection to an attractive price; I am all in favor of an attractive price, but I say that if we do not provide some control it will not be very long before the prices will be two or three hundred percent of what they now are. Look what happened to wheat in the World War. Before we began control wheat went to $3 a bushel at one time. It went down again, and was finally fixed around $2.25 a bushel.

Mr. LEE. We had neither a surplus then nor the possibility of increasing production.

Mr. TAFT. I agree the wheat situation today is entirely different, but I still think we will find there is likely to be a shortage in a good many agricultural commodities, and they then link into so many other things. For instance, today there is a shortage of wool. The tremendous Government demand for clothing is undoubtedly taxing the wool supply that we can obtain.

Mr. LEE. Is not that the best argument we can make why we should not put a ceiling on the price, because the price itself will cure the shortage?

Mr. TAFT. No, I do not think that general statement is true. To a certain extent, a liberal price will increase production, but the testimony before the committee showed that after a certain point was passed there was practically no increase whatever in production in the case of most commodities. In some commodities there was. I have not much doubt, for instance, that an increase in the price of oil would tremendously increase "wildcatting" and the amount of oil produced. The same thing is true of lead and various mineral commodities, but, after a certain point is passed, I do not believe increasing the price another 50 percent would increase by 1 pound the production of the particular commodity.

What we propose is to give someone the power to determine what is the right price. I do not like to give that power any more than does the Senator from Oklahoma, but if I am willing to do so, I think he ought also to be willing.

Mr. LEE. That is a fair statement. I am willing to give Mr. Leon Henderson as much power as I would give anyone else, as I have every confidence in him. I think the Price Administrator ought to be a "tough guy," for certainly he will have to act with courage. My inquiry is not to be taken as indicating that I am not in sympathy with the purposes of the bill. I see no reason, however, for going beyond the purposes and bringing a group under it that receives only about 8 percent of the income of the country

Mr. TAFT. I do not see how, if we excepted agricultural commodities, the price control could be in any way effective. It would affect approximately two-thirds, I should think, of all the raw materials and commodities which interlace with everything else that is produced. I say we might except the basic commodities—wheat, cotton, and corn—for the present, but I do not see how we could possibly make any general exception of agricultural commodities without absolutely and completely destroying the bill and all commodity control.

Mr. LEE. I thank the Senator for indulging me.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. TAFT. I yield to the Senator from Illinois.

Mr. LUCAS. Do I understand the bill correctly to mean that section 3, paragraph (a), simply gives the power to the Administrator for the present to place a floor upon agricultural basic commodities but no ceiling?

Mr. TAFT. No; that is not correct. Section 3 (a) does not give the Administrator any power. Section 2 gives him power to fix the maximum prices on anything—agricultural commodities or any other commodities. Section 3 (a) simply says that in fixing the maximum price he shall not be allowed to fix a maximum price below 110 percent of parity. I had rather not use the term "floor"; I think it is ambiguous. The Administrator cannot fix a maximum price for agricultural commodities below 110 percent of parity, but he may fix a higher price. He may fix it at 125 percent of parity or 150 percent of parity or 200 percent of parity. He may go as high as he wants.

Mr. LUCAS. The Senator and I are in absolute agreement; but I still maintain that there is a floor in fixing agricultural prices at the present time and that there is no ceiling. In other words, the Administrator can go just as high as he wants to go in fixing an amount above 110 percent of parity, but he cannot go less than that. When he finally reaches the decision that wheat has gone to such a point that it is necessary to fix a price for it, he cannot go less than 110 percent of parity if he fixes any price at all. That does not mean that he cannot go to 150 percent of parity, if he wants to. In other words, if the time comes when the wheat supply and the corn supply of this country demand prices go beyond 110 percent of parity, the Price Administrator has the power to fix the price, if I understand the bill correctly?

Mr. TAFT. That is correct; and, not only that, but I venture to say that if this war goes on for 5 years the price will be up to 150 percent of parity, and we will be lucky if it is not 200 percent of parity.

Mr. LUCAS. I have no doubt about that at all. In other words, the farmer

is not going to suffer as a result of the enactment of this bill. It is absolutely necessary, in view of what happened in the last war, to have some price control upon the basic commodities of agriculture; not from the standpoint of the moment, but I am thinking of what happened in Illinois and the Nation after the last war, when farmers got $3 a bushel for their wheat and a high price for their corn, and land prices increased accordingly. The farmer made a lot of money as a result of the increased prices during the war, and the man who had 160 acres free from debt and who thought the millennium had arrived bought another 160 acres, mortgaged the 160 acres he owned, and, when the crash came, the optimistic farmer lost it all. If we do not have some control, the same kind of inflationary period will follow the present war as followed the last war, and we will have the same bankrupt conditions which we then had.

Mr. TAFT. I agree with everything the Senator from Illinois has said. My only question is about the word "floor." I do not like to use the term "floor," because it gives the impression that somebody is fixing a minimum price; and nobody can do that. The term "floor" has a double meaning. That is the only reason I question its use.

Mr. BROWN. Mr. President——

The PRESIDING OFFICER (Mr. WALLGREN in the chair). Does the Senator from Ohio yield to the Senator from Washington?

Mr. TAFT. I yield.

Mr. BROWN. I do not desire to divert the Senator, but I think it might be desirable to recur to the point raised by my colleague in connection with the House bill on page 7, subsection (g), relating to the power which some people think the Administrator might have to inquire into and affect business practices.

The provisions contained on page 49 of the bill, which define the term "price" and define the term "commodity," if carefully read, I think preclude the exercise of any power on the part of the Administrator to regulate business practices.

The thought that some businessmen have is very well illustrated by the matter of advertising to which the Senator from Ohio and my colleague alluded. It was thought that the Administrator might say, "Now, in this business you are spending too much money on advertising; you do not need to spend that amount of money, and we are not going to allow you to do it." The same thing would be true with regard to any other business practice which he might consider uneconomic.

I may say to my colleague and to the Senator from Ohio that I agree with the action taken by the committee in striking out the section when it was changed; but there is no objection on the part of the committee, I am satisfied, to the language in subsection (g) on page 7 which was in the original House provision. However, I wanted it clearly understood that it was not intended by that provision to authorize the Administrator, in fixing commodity prices, to consider business practices which he considers to be uneconomical. Therefore, while I do not now want to divert the Senator by taking up the amendment, I may say to my colleague that I think we can arrange to have it placed back in the bill later in the discussion.

Mr. VANDENBERG. Mr. President, if the Senator from Ohio will yield——

Mr. TAFT. I yield.

Mr. VANDENBERG. I want to thank my able colleague for his statement. Coupled with the statement of the distinguished Senator from Ohio [Mr. TAFT] that he has no objection to the restoration of the House language, I assume that we may contemplate the acceptance of the House language, subsection (g) on page 7, without division. I simply want to observe that I think that will make at least a substantial contribution to a quieting psychology so far as American business is concerned.

Mr. McNARY. Mr. President, may I make an inquiry?

Mr. TAFT. I yield to the Senator from Oregon.

Mr. McNARY. What is the subject the Senator is discussing about adopting the House language?

Mr. TAFT. The restoration of the House amendment which appears on page 7, which was eliminated by the Senate committee, regarding control over business practices.

Mr. VANDENBERG. Simply an effort to make sure that the authority granted in the bill does not permit the price controller to reach down into the business practice of an institution and undertake to revamp it.

Mr. NORRIS. Mr. President——

Mr. TAFT. I yield to the Senator from Nebraska.

Mr. NORRIS. Before the Senator leaves that question, I should like to ask him a question. I suppose the matter to which I am about to refer will come up later; but, for fear it will not, I cannot agree absolutely with the proposition that a firm's business practices should not be taken into consideration. I know it is a dangerous thing to do. It ought not to be done if their practices are within reasonable limits. I can easily conceive that they might have some practice in advertising, for instance, which might go so far beyond reason as to make it absolutely certain that that particular practice very greatly affected the price. Their expenditures, following out some wild practice of that kind, could not help very materially affecting the price; and to say that that practice should be given no consideration by the price fixer, it seems to me, is a proposition which ought to have some exceptions to it.

Mr. VANDENBERG. Mr. President, may I comment to the Senator?

Mr. TAFT. Surely.

Mr. VANDENBERG. I call the Senator's attention to the particular language of the House text. The exemption of which I speak does not apply if the Administrator finds that these practices are being used to circumvent or evade any ceiling established in the bill. In other words, there is an effort to draw a distinct line between a traditional, standard, appropriate, habitual business practice, and one which might be invoked for the purpose of trying to evade this new control.

Mr. TAFT. Let me add, also, that I do not think the provision would prevent the Administrator from ruling out a practice adopted by a particular firm even if it had indulged in it before. It says:

> Practices • • • established in any industry.

I should think the provision probably applied only to an industry-wide practice which the Administrator could not change. As a practical matter, however, I do not see how we can prevent his taking it into consideration.

Mr. NORRIS. I do not think we can. He could take it into consideration and say nothing about it; and if he had authority for reaching the conclusion that he reached, even though he had been moved in taking that step entirely by something that he is prohibited from considering, still it would not appear on the face of the ruling that he had considered it at all; and if he had any right to take the action he took, it would have to be supported, even in court if there were an appeal from it.

Mr. TAFT. Mr. President, I want to say a word about the general theories of price fixing. I have not felt that in this bill we could very well tell Mr. Henderson what theory of price fixing he should adopt. There are various different theories, and various different economists testified before us about the selective theory, the over-all theory, and various other methods of procedure. I do not see how we could lay down the law to Mr. Henderson, but I do want to suggest a few things that we have tried to suggest in the bill.

The first is that it be done by cooperation with the industries of the United States. Mr. Hoover testified that in the World War his control was nearly all exercised in that way. Mr. Baruch's control was exercised in that way. The power that they had was usually used only to bring in the recalcitrant member of an industry. They always conferred with persons who desired to be heard.

I think there has been a little failure on Mr. Henderson's part in the past with regard to that particular method of approach. I think in theory he admits the need of consultation; but, naturally, any man who is an administrator is so busy that he does not always go out of the way to seek out and talk to people about what ought to be done before he does it. We have written in this bill, particularly in the statement of purposes, in the first place, on page 22, the provision that one of the purposes is—

> To permit voluntary cooperation between the Government and producers, processors, and others to accomplish the aforesaid purposes.

Again, in section 5 we have made it clear that—

> In carrying out the provisions of this act, he Administrator is authorized to confer with producers, processors, manufacturers, retailers, wholesalers, and other groups having

to do with commodities, and with representatives and associations thereof, to cooperate with any agency or person, and to enter into voluntary arrangements or agreements with any such persons, groups, or associations relating to the fixing of maximum prices, the issuance of other regulations or orders, or otherwise.

Mr. NORRIS. Mr. President——

Mr. TAFT. I yield to the Senator from Nebraska.

Mr. NORRIS. I desire to ask a question of the Senator. The language he has just read, enumerating the various persons and businesses that the Administrator is given authority to consult, does not include consumers. Why? We have included practically everybody else. Why should he not consult consumers?

Mr. TAFT. I have no objection to putting in consumers, except that consumers' organizations are hard to find, and there are millions of individual consumers.

Mr. NORRIS. I know there are.

Mr. TAFT. I think the reason why consumers were left out was that Mr. Henderson made it so obvious that he regarded himself primarily as the representative of the consumers—almost too much so, I think Nevertheless, he does, and I have not any question that the Price Administrator will protect the consumer. I hope he will. After all, the main purpose is to protect the consumer.

Mr. NORRIS. I think so.

Mr. TAFT. I think consumers ought to be added. I feel very strongly that there ought to be consultation; and one of the amendments I shall offer is to provide a hearing before prices are fixed so that it will leave to all groups an opportunity to be heard on the entire question.

Furthermore, we have inserted another amendment to suggest, at least, more cooperation between the various departments of the Government. We had before us on Friday Mr. Wickard, the Secretary of Agriculture. He came down to ask, I think—I do not think he got quite that far, but I certainly had the impression that he came to ask—that all power to fix prices be transferred to the Secretary of Agriculture insofar as they related to agricultural commodities; and one of his reasons was that he was not sufficiently consulted by Mr. Henderson before he fixed prices. Therefore I feel very strongly that we should have a board on which agriculture may be heard, as well as other interests, before action is taken; and that is one of the purposes of the amendment I shall offer.

We are to be asked to vote on an amendment of the Senator from Alabama [Mr. BANKHEAD] providing that the Secretary of Agriculture shall have a veto over the fixing of agricultural prices. There is on page 33 of the bill a provision which authorizes the President to do just that if it is determined that it should finally be done.

> The President is authorized to transfer any of the powers and functions conferred by this act upon the Office of Price Administration with respect to a particular commodity or commodities to any other department or agency of the Government having other functions with relation to such commodity or commodities, and to transfer to the Office of Price Administration any of the powers and functions conferred by law upon any other department or agency of the Government with respect to any particular commodity or commodities other than agricultural commodities—

We exclude agricultural commodities by that provision, because the power of the Secretary of Agriculture over commodities is so complex and so detailed that it seemed unwise to permit the transfer of those powers to the Price Administrator—

> including the power to order priorities, purchase, sell, store, handle, or otherwise deal with any such commodity or commodities

There was a good deal of testimony about this feature, and Mr. Hoover particularly testified that in his opinion the set-up should be a vertical set-up. Perhaps he was influenced by the fact that there was that kind of a set-up during the World War. He fixed food prices, and did everything in the way of food control. He not only fixed prices, he bought and sold food, he fixed priorities on food, rationed if there was any rationing. Garfield did the same as to coal, Baruch did the same as to metal.

There was much testimony to the effect that rather than divide the powers by giving one man power to fix prices across the board, giving the next man power to fix priorities across the board, and some other man the power to buy and sell across the board, it would be better to divide by commodity groups. I think perhaps it would be, if we had an over-all board which determined the general policy of fixing prices, but that seems very difficult to obtain. I was prepared to say that it would be all right to go ahead with the set-up in this bill, dividing the powers in this way, but I felt that we should at least give the President the power to divide the powers up the other way if it developed, as we went on, that it would be wise to do that.

I should be opposed to the Bankhead amendment, because it is entirely too sweeping. It would make action on practically two-thirds of all commodities subject to the veto of the Secretary of Agriculture. But it does seem to me that the President may well desire to select a particular commodity, he may well want to select wheat, and cotton, and corn, the basic commodities referred to by the Senator from Oklahoma awhile ago, and put those in under the Secretary of Agriculture, who is also exercising all the other powers relating to those commodities. I see no particular advantage in Mr. Henderson fixing the prices of those commodities. He will not be able to for months, anyway, because the price is below the figure at which his power comes into effect.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). Does the Senator from Ohio yield to the Senator from Oregon?

Mr. TAFT. I yield.

Mr. McNARY. A rather faint objection to the Bankhead amendment has been voiced by the able Senator from Ohio. I wonder if he would look upon it with more kindliness if the words "processed or manufactured" were eliminated from the amendment.

Mr. TAFT. I have not the amendment before me, but if such an amendment were confined to the five basic commodities, personally I should have no objection; but I cannot speak for the committee, or for any other member of the committee.

Mr. McNARY. I am not asking the Senator to speak for anyone but himself, and he is speaking for one in whom we have confidence when he does that. But in great seriousness, I have objection to this amendment, because it is too broad, including commodities "manufactured and processed." That would go too far in giving authority to the Secretary of Agriculture, who has not the equipment or the personnel to handle that sort of work. But if he is to be consulted, or to have a veto power over the fixing of prices of agricultural commodities in the raw state, I cannot see that that in any way would impinge upon the authority given to Mr. Henderson in the administration of the proposed law.

Mr. TAFT. I agree in principle, he certainly should be consulted and have something to say about it. I tried to provide that in a little different way, but I do not think it should be nearly as broad as the Bankhead amendment would make it.

Mr. President, we also included the power to stimulate production, which has already been referred to, and power to buy and sell. Originally, in the substitute which I introduced, I eliminated the power to buy and sell, but the testimony before us was pretty clear that, after all, this business of control has to be a basic control, and the control of commodities must be determined largely at the central market, and buying and in many cases selling can have a much greater effect than simply imposing arbitrary ceilings.

I have a little doubt about the provision in the buying and selling part of the bill giving the Administrator power to operate with a revolving fund. I am not at all sure it should not be confined to existing corporations, such as the Reconstruction Finance Corporation, and the Commodity Credit Corporation, as the bill does confine critical and strategical materials.

Mr. McNARY. The Senator is discussing very interestingly an important provision of the bill. Does he recognize any conflict between the authority vested in the Administrator under the bill to buy agricultural products and to sell them, and the Agricultural Adjustment Act, which gives the Secretary of Agriculture the right to expand or curtail production, and control prices more or less through quotas, and restrictions in the marketing of products?

Mr. TAFT. I certainly recognize the connection, and whatever else we do, we should see that there is one policy guiding the Government of the United States, and that one department is not doing one thing and another department hampering the entire result by doing the opposite.

Mr. McNARY The Senator's own observation condemns the language in the

bill. If I understand the bill at all, it plainly gives authority to the Administrator to buy and sell products for the purpose of bringing about an equilibrium between supply and demand, whereas now, under the Agricultural Adjustment Act, that is one of the functions of the Secretary of Agriculture, through those provisions which permit him to prescribe quotas and acreage, and control production through marketing systems, and also to sell in the open market, and sell abroad and pay subsidies, and to permit the Commodity Credit Corporation to extend loans up to 85 percent of parity. If there is any consistency between those two things, I should like to have the very able Senator point it out, and if he cannot, I think it is a hopeless proposition.

Mr. TAFT. I do not think it can be denied that the bill provides for two doing the same thing, in the buying and selling feature, and obviously it gives both the Secretary of Agriculture and the Price Administrator a great many powers which are going to affect the prices of agricultural commodities. My plan for coordinating them was to have a board, with the Assistant Secretary of Agriculture sitting on it; but any other method is also desirable, I should think.

I wish to discuss for just a moment the ceiling theory. We hear much about the necessity of fixing a ceiling, a ceiling on all prices, and a ceiling on all wages. In general, a ceiling means the fixing of retail prices on all kinds of things, trying to freeze retail prices.

If there is one thing which every nation which has had experience has learned, it is that it is impossible to fix prices by beginning at the retail price and fixing a ceiling, saying to every retailer, "You shall not sell this commodity at a price above what you sold it at last month." That results in endless bootlegging. It is easy to evade price regulation, and the regulation must be made as reasonable as possible. Price control must start either at the producer or the central market, and it must prescribe maximums for wholesalers and retailers which are reasonable. If it is worked into the existing practices, the amount of evasion is not one-tenth of 1 percent. So the pending bill rejects the ceiling theory. We permit the administrator to fix maximum prices, and we try to give him control over the commodities with which he has to deal which will have an effect on prices, or will make it possible to actually enforce the regulations he makes.

We saw during prohibition how easy it was to evade a law which was not made to suit the general theories and the general beliefs of the community. It seems to me that the ceiling theory should be, as it is in this bill, completely rejected. The selective theory of picking out commodities one at a time is a much better theory, a much sounder theory, and one which can make maximum price control very much more effective.

I think, also, it is much better to let all the incidentals and all the luxuries go up in price, let watches and jewelry and anything else considered to be nonessential go up in price, and let them be rationed, if at all, by the ability of people to buy them. We are not so much interested in anyone obtaining luxuries. If the prices of watches go up, and the workmen cannot buy them, they can at least buy defense bonds and keep the money to be used later on for some better purpose than buying jewelry. I believe the selective theory is the sound theory.

Finally, I am very certain that we could not put a ceiling over wages. Wages are entirely a different consideration. Wages, as I said, go up very much more slowly than commodity prices. The attempt to fix wages by law has never been undertaken in the United States. It has been undertaken in few countries except the totalitarian countries.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Georgia?

Mr. TAFT. I yield.

Mr. GEORGE. Is not Canada in effect controlling wages?

Mr. TAFT. Canada has just begun a wage-control system, and it may be successful. Nevertheless, I think the industrial section of Canada is of very limited extent. I think it is much more practical to control wages there than it is in a vast country such as the United States If any serious dispute should arise, I question whether the Government would be able to enforce control of wages.

What would the Senator say if we fixed wages and provided that it should be unlawful to strike, and 10,000 men in a plant struck? What would we do about it to begin with? We could call in the troops and make the men go back and go to work.

Mr. GEORGE. The Senator is raising that question to frighten us.

Mr. TAFT. No.

Mr. GEORGE. I merely rose to ask a question in response to the argument that no country had ever undertaken to regulate wages, except totalitarian countries, and I wanted to find out if Canada had not undertaken to do it and find out, if I could, what particular method Canada had employed.

Mr. TAFT. I can give the Senator an account of the Canadian system. In fact, I think it would be well to put it in the RECORD, because I have a rather complete and satisfactory review of it.

Mr. GEORGE. The Senator has labored very diligently in the committee and has helped bring before the Senate a bill which fixes the prices of commodities without any reference to fluctuations in wages. It may be a very difficult thing to fix wages, to control or regulate them at all, but it ought not to be difficult to fix prices in harmony with wage fluctuations. My concept of a price-fixing bill—the real theory of a bill to prevent inflation—is not one that would give somebody dogmatic power to fix ceilings on prices but that would provide the machinery by which reasonable price relationships and adjustments could be kept throughout the whole economy. So I cannot understand why or how the Senator can present a bill to the Senate and to the American people and say, "We are going to fix all prices on all commodities, but we shall shy away entirely from tying those prices into wage rates or scales."

I am not asking that strikes be outlawed. If I know anything about inflation and this particular approach to its solution, it is more of an effort, as it seems to me, to provide equitable price adjustments and to maintain proper price relationships. Otherwise, we are not going to stop inflation by merely cracking down on the price of some commodity here now and there tomorrow, or this week on one commodity and on another commodity some other week. By that we will be doing little good; we may be encouraging inflation, because many other factors exist that are perfectly free to operate, to function.

I was asking in all good faith, because I had been informed—I am not a member of the committee—I had been informed that Canada had fixed this relationship between commodity prices and wage rates, and that it was working very well. I am sure the members of the committee must have had the advantage of that study when they were preparing the bill.

Mr. TAFT. Mr. President, I deny that the bill will be ineffective without control of wages. In the first place, probably before very long it will cover two-thirds of the commodities. Wages are only one element in cost, and, of course, prices will have to be adjusted to wages. There is no question about that. If wages go up prices will go up.

As I have previously said, I think there is no question that the permanent system of price control, if it is to be effective, really to stabilize prices, would have also to fix wages. I do not think we can get such a system or are attempting to get such a system. I say that, in my opinion, we face in any event an increase of 10 percent a year, and probably more, even with this price control, and probably even if we had wage control. Wages do not fluctuate in a violent manner, the way commodities fluctuate. They move very slowly, and they can be taken into consideration.

I am the author of the provision in the bill which provides that Government departments, so far as we are willing to give them power, shall attempt to stabilize wage rates; that when the Mediation Board attempts to fix wages, they shall try to fix them at a level corresponding to the level of prices fixed; and that, it seems to me, is as far as we can go in this bill.

I quite agree that we could not have one department trying to hold prices down and two or three other departments of the Government trying to raise wages. Of course, as an administrative question, if they do that, it would kill price control. But I do not think it follows that it is necessary to give anybody the legal power to fix wages in order to make price control effective. I say that the consideration in fixing wages is something entirely different from the consideration in fixing the prices of commodities, for human labor is not a commodity.

When I referred to the strike question, it was not in the sense of any threat. It was merely a recognition of the fact that when we deal with wages we deal with

something entirely distinct and different from the question of dealing with prices. The whole procedure has to be different. We have to set up mediation and conciliation boards. The labor problem has to be dealt with on its own footing, and not by giving some price administrator the power to fix wages.

The Senator from Georgia has referred to Canada. I hold in my hand a memorandum prepared on the general subject of Canada's economic war policies, which is a very well-written and excellent article. I ask that this article be incorporated at the end of my remarks today.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. TAFT. As to wages, the article sets out that the Government undertook first to fix wages in defense industries, and in December 1940 it took the form of an order in council for the guidance of boards of conciliation, to whom all labor disputes in war industries had to be referred. It fixed basic wage rates at the relatively high level then prevailing, though upward adjustment could be made where a conciliation board found them to be abnormally low, and provided that any subsequent increase in rates should take the form of a standard cost-of-living bonus. The bonus was at the flat rate of 25 cents a week for each increase of 1 percent in the official cost-of-living index. The Government pays that bonus. The Canadians have adopted the policy of increasing wages in accordance with the cost of living, and, instead of the increase being charged to the manufacturers, the Government pays it.

This arrangement appears to have been reasonably satisfactory to employees and employers in war industries. As labor became more scarce, however, wage increases in excess of what was provided for under the Government plan began to occur frequently.

In other words, it was not a compulsory plan, and increases occurred in spite of it. The Government decided to extend its wage policy for war industries to all industry, to make it mandatory, and to provide machinery for its enforcement, because it was felt that the lack of control in some industries contributed to the increase in war industries.

A National War Labor Board, consisting of five representatives of employees, five representatives of employers, and an independent chairman, has been appointed to advise the Government on labor matters, and to consider applications for the adjustment of abnormally low basic wage rates. Without its permission no basic rate can be increased; but on the other hand, employers are now bound to pay the standard bonus in respect of any increase in the cost-of-living index after October 1941, unless they can prove to the board that they are financially unable to do so. Subsequently, a ceiling has been placed over executive and managerial salaries.

I think that substantially states Canada's experience. It is a limited experience, in a very small country. Sweden has been able to do a great many things with various social plans which I think would be impracticable here. I question whether Canada's experience is conclusive. I do not think it has gone far enough or met a real crisis in a way which would enable us to say that it is definitely something to be adopted. If it is to be adopted, I believe it should be adopted in labor legislation, and not in a bill to fix prices.

I think the control ought to be vested in someone besides a wage administrator. If we were to freeze wages, for instance, I think Mr. Henderson would be subjected tomorrow to literally thousands of applications for increases from every union in the country. He could not handle them. Within 30 days every union would be dissatisfied because he did not handle the applications. If we should attempt to do anything of that kind, the result would be a vast flood of strikes. I do not understand that the Senator wants to do anything like that.

Mr. GEORGE. Mr. President, I am not in disagreement with anything the Senator has said. I rose to ask for information. I am in serious disagreement with any theory of price fixing which does not contemplate that the only way to reach inflation is to bring in adjustment all prices, and that necessarily means all factors which enter into prices. I should not want to see the Price Administrator, whether he be one man or a board, have charge of all labor, by any means. I shall vote for the Senator's amendment to create a board.

Mr. TAFT. I am delighted to hear the Senator make that statement.

Mr. GEORGE. I shall vote for that amendment without the slightest hesitation. However, I think there ought to be some recognition of the fact that the prices of all commodities must bear some relation to the prevailing wages, cost of living, or something else which really gives a standard by which we can adjust prices rather than fix them. I think the Senator appreciates the danger of price fixing by anybody—by a board or by one individual.

As a matter of fact, prices will be fixed very largely by a number of men in the Office, some of whom have had some experience and many of whom have had none. They have many theories. It seems to me that cracking down on one price because it seems to be high and cracking down on another price because it seems to those in the Office of the Price Administrator that the price is becoming too high, without any regard to an adjustment of prices, or a scheme or mechanism by which prices can be held in just relationship one to the other, will not get very far. I do not believe we should put in this bill anything with regard to labor, further than what the Senator has pointed out is already in the bill. We might express a policy; but, after all, I realize that anyone in charge of administering the act should be freed from the impossible task of combining price fixing with the regulation of all wages and the settlement of all disputes which might arise between management and labor. I fully agree that we should not go that far in this legislation.

Mr. TAFT. Mr. President, I appreciate what the Senator has said, and I agree with all he has said. However, I think the policy he has expressed is largely one of administration. That has been my difficulty all along. I am afraid that we must leave to an administrator the question of properly coordinating the whole thing. But there must be coordination between the various Government departments. After all, this is one great policy, which includes the selling of bonds to defense workers, the reduction of the deficit, the control of bank reserves, and the whole question of how far we want to control inflation. It is not at all certain that in wartime we do not want to permit prices to go up 10 percent or 20 percent a year. It may be better policy to do so. I do not know. My only interest is to see that they do not go up 100 percent a year, because that would throw everything out of proper relationship.

I feel that by all means the President should establish an over-all inflation-control board, which would decide on the general policy which should be pursued by the Government. This bill necessarily deals with only one phase of it, and is necessarily, therefore, limited. We can think of many other things which ought to be done.

With the few exceptions to which I have referred, it seems to me that we have worked out a price-control bill which would effectively enable the Government to carry out a price-control policy to protect us against the tremendous danger which I see in the present fiscal situation, a danger which threatens to wipe out and destroy everything that everybody has saved, and all the great institutions which we have built up for the benefit and education of the people.

EXHIBIT A

CANADA'S ECONOMIC WAR POLICIES

Canada started the war virtually from scratch Defense expenditures were negligible during the twenties and early thirties, and though they were stepped up considerably after the rise of Hitler they were still barely 1 percent of national income when war broke out Canada had only 11,000 men in her armed forces and had virtually no war industry

Two years later her active Army, Navy, and air force had increased to 340,000 men and more than 110,000 had gone overseas. A large-scale air-training plan had gone into operation well ahead of schedule and further expansion was under way. Most important, new industries had been built for the mass production of such things as planes, tanks, guns, high explosives, and ships. Capital expenditures for this purpose had passed $500,000,000, a figure which exceeded the total prewar capital investment in plant and equipment for the whole Canadian iron and steel and machinery industry.

When this industrial revolution began there was a great deal of slack in the economy. Labor and materials were available in abundance and the main problem was that of organizing production. There is no room for elaboration here, but one simple figure may give some indication of how successfully it was met. In 2 years industrial production increased by about 75 percent. Over the same period national income rose from a rate of $4,200,000,000 a year to a rate of about $6,000,000,000 a year, and at the latter level about 40 percent was being devoted to war purposes.

By the fall of 1941 the problem of setting up production had largely been solved. However, most of the slack in the economy had

been taken up, and the main problem now was to supply newly built war industries with enough labor and materials to keep them running at full capacity. To the extent that idle resources could no longer be drawn on, it was necessary to divert resources from civilian production. Moreover, it was necessary to do this without bidding prices up out of sight. The problem of supply had now become paramount, and the rest of this paper will outline the main steps which have been taken to deal with it.

Canada had no problem of labor supply when the war began. Reliable figures of unemployment are not available, but the total was probably close to three-quarters of a million, and many more were on short time. There was also an unknown but probably large amount of underemployed labor on farms. In addition, there were retired people, married women, and persons of leisure who could be readily drawn into war work, and there were boys and girls who could start to work sooner than in normal times.

Regarding the major part of this labor reserve, i. e., the unemployed, there was no cause for congratulation, particularly in view of the loss of skill, health, and morale which the relief system had often permitted Nevertheless, this reserve did mean that men could join the armed forces or engage in war production in large numbers without having any serious net effect upon the supply of labor available for civilian industry. In point of fact, more than 300,000 men went into the Army, Navy, and air force over the first 2 years of war, and industrial employment increased by about 800,000, or approximately one-third, without the labor market as a whole becoming really tight until the fall of 1941.

This movement did, however, cause an acute shortage of farm labor, particularly in the dairy industry, where increased production is badly needed. Also, the bald figures take no account of the factor of skill. Skilled labor was already scarce by the fall of 1940, when an order was passed prohibiting enticement of labor from war industries. At the end of the year the Government's labor-training program, which had been largely an outgrowth of relief activities, was substantially expanded and geared to war needs. This, plus a large amount of upgrading in industry, has relieved the worst of the skilled-labor shortage so far

However, the stage has now been reached where civilian industries are finding it hard to retain an adequate working force, and their difficulty will increase as enlistments continue and new war plants come into production. Women represent the only remaining large reserve of industrial and clerical labor which could be used to meet, in part, the general shortage which is rapidly developing. Unfortunately, no special steps to make the most of this reserve have yet been taken by employers in general, or by the Government.

In the case of materials as well as labor, Canada at first had no shortage. Plenty of shipping was available to bring imports from overseas. More important, the vast and diversified industrial capacity of the United States was not yet snowed under with defense orders and Canada was able, by buying there, to meet almost all the residual scarcities of materials or capital equipment which developed in her own economy.

There was, therefore, when war began no immediate prospect of having to divert labor or materials from civilian to war use. Nor, while idle resources were still available on a large scale, was there any pressing need to discourage civilian spending particularly in the case of the lower-income groups, who had borne the brunt of the depression. Accordingly the first war budget of September 12, 1939, was relatively mild. It provided for a surcharge of one-fifth on the personal and corporate income tax and for an excess-profits tax, with commodity-tax increases mainly on liquor and tobacco.

In contrast with the general slack which existed in the economy, there was, however, one potential shortage which demanded immediate attention, viz, United States dollars. This was, in fact, the common denominator of all the potential scarcities which could be avoided by importing from the United States.

Even in normal times Canada usually had a small deficiency in her transactions with the United States, which was more than offset by a surplus vis-à-vis Great Britain and was covered by converting some of that surplus of sterling into United States dollars. However, when Canada entered World War No. 2 it was clear that her war production (for Allies as well as herself) would require an enormous rise in her imports from the United States—they have, in fact, more than doubled. These had to be paid for in American cash and there was no immediate prospect of a comparable increase in Canadian exports to the United States. Offsetting the prospective rise in Canada's deficiency with the United States there would, of course be an enormous increase in her exports to Britain. But surplus sterling could no longer be freely converted into United States dollars, because Britain did not have the volume of American assets or the freedom to borrow in the United States which she had had in the emergency of 1914–18. Canada, therefore, had to forget about her strongly favorable balance of payments with the rest of the world as a whole and concentrate upon trying to balance her payments to the United States against her receipts from that country

There were no feasible tariff or other tax measures which could have reduced nonessential Canadian demand for United States dollars enough to balance total demand and supply at a reasonable rate of exchange. Allowing the short supply to go to the highest bidders would have squeezed out many who needed exchange for essential purposes, and a sharply depreciated and fluctuating currency would have hampered organization of the war effort. Direct action was therefore taken on September 16, 1939, to stabilize the exchange rate, and to establish control over exchange transactions so that United States dollars could, in certain cases, be diverted from less essential to more essential uses. The first measure of diversion was to prohibit capital exports except in respect of maturing contracts. The second, in July 1940, was to prohibit purely pleasure travel in the United States, and the third, in December 1940, was to extend the prohibition to a specific list of luxury and semiluxury imports. Arrangements made between the American and Canadian Governments in April 1941 for substantial sales of war equipment and materials to the United States have afforded considerable relief, though they have not entirely stopped the drain on Canada's limited United States dollar reserves.

Following Dunkerque and the fall of France, Canada's war plans were greatly expanded. Much of the slack in her economy had already been taken up and by comparison with the job which was now ahead the amount of surplus capacity which remained was not impressive. It was clear that it would now be necessary to hold down the rising tide of civilian spending, and ultimately reduce it, if conflict with the war effort, soaring prices and general disorganization were to be avoided. To do this, the second and third war budgets imposed extremely heavy tax increases.

In June 1940 the excess-profits tax was increased to 75 percent. Moreover, a minimum for the excess-profits tax was set at 12 percent of net taxable income and in April 1941 the minimum was increased to 22 percent. Taken in conjunction with the 18 percent corporate tax, this means that for the duration of the war every corporation has to pay at least 40 percent of its net income to the Federal Government.

Personal income-tax rates were enormously increased, exemptions were lowered and a national-defense tax was introduced. This tax is levied on the whole income of single persons earning more than $660 a year and married persons earning more than $1,200 a year, and is deducted at the source. The rate is 5 percent, except in the case of single persons earning more than $1,200 a year, who have to pay 7 percent. The following table illustrates the net effect of these changes.

Canadian income tax+national-defense tax (all earned income)[1]

Income[2]	Single person		Married person—no children	
	Pre-war	Present	Pre-war	Present
$700		$35		
$1,300	$13	174		$65
$1,800	36	286		135
$2,400	68	448	$18	255
$3,600	148	815	80	555
$5,000	265	1,333	177	1,000
$10,000	910	3,600	754	3,080
$25,000	5,073	12,083	4,757	11,185
$50,000	14,832	27,653	14,458	26,225
$100,000	39,099	61,608	38,620	59,135
$500,000	308,401	392,980	307,746	382,390

[1] The Canadian surtax on investment income is 4 percent on all such income over $1,500.

[2] The Canadian law does not allow any deduction for other taxes, interest on personal indebtedness, or losses on personal property, and there are no tax-exempt bonds in Canada.

The tax increases shown in the table, taken in conjunction with the heavy increase in corporate taxation, have obviously compelled severe retrenchment by those in the middle and upper income groups. Even the lower income group, whose aggregate earnings have increased substantially as a result of war expenditure, has been asked for a relatively large contribution. However, the Government has attempted to apportion this contribution on the basis of ability to pay by avoiding, for the most part, increases in regressive taxes on commodities or services that enter into the subsistence standard of living. In both 1940 and 1941 commodity taxes accounted for only about one-third of the tax increases, and were mainly on luxuries or things that were becoming particularly scarce.

Actual revenue collections increased from $480,000,000 in the 12 months before the war to $1,120,000,000 in the second year of war, and are now running at a rate of more than $1,500,000,000 a year. Taxes on personal income, which totaled $56,000,000 in the year before the war, are now running at a rate of about $375,000,000 a year, and taxes on corporate income have increased from $77,000,000 to about $400,000,000 a year.

Clearly Canada has gone a long way with taxes designed to restrict civilian spending, and to enable her to pay as she goes. In spite of this, a substantial amount of borrowing has been necessary. After allowing for a large increase in the government's cash balance, net borrowing over the first 2 years of the war amounted to a little more than $1,200,000,000. There has, however, been no borrowing abroad. On the contrary, Canada has reduced her United States dollar debt slightly, and her sterling debt substantially, during the war period.

In borrowing such large amounts it has become increasingly necessary to appeal to persons with modest income. This group has received a large increase in net income since the war began, even after allowing for war taxation, while, on the other hand, the net income of the well-to-do has been reduced. Initially, much of the increase in low incomes had to be spent to repair the ravages of the depression. Now, however, growing pressure on Canada's productive capacity

makes it increasingly urgent to postpone the spending of this increment until after the war, wherever possible. The major appeal to small savers has been through the sale of war savings certificates and stamps, on a payroll or other pledge basis, and 30,000 voluntary workers are now on this job. In addition, in the most recent war loan, of June 1941, a house-to-house canvass was made and a total of 970,000 subscriptions was obtained.

These fiscal measures of taxation and borrowing were designed to keep civilian demand in balance with the amount of productive capacity available after war requirements had been met. Taken as a whole, they represented a strenuous effort, but, in the case of a number of important individual commodities of greater than average scarcity, they were not enough. In the case of these commodities, war plus civilian demand still substantially exceeded the total supply, and it became necessary to choose between two disagreeable alternatives. The first was to let the open market ration the supply. In this case the price would rise without any commensurate increase in the volume of production, and the available supply would go to the highest bidders regardless of the purpose for which they wanted it. The other alternative was for the Government to stabilize the price and take whatever steps were necessary, by formal rationing or otherwise, to ensure that war and essential civilian needs were filled ahead of nonessential demands. The second method involves interference with the freedom of the market, and its disadvantages are obvious. Nevertheless, in relation to the really critical scarcities caused by World War No. 2 the decision in Canada and nearly every other country has been that it is the less undesirable of the two.

The shortage of United States dollars was Canada's first important example of a supply problem which had to be dealt with in this way. However, after the summer of 1940 cases of particularly acute scarcity began to crop up frequently and by the fall of 1941 formal or informal controls were in force with respect to iron and steel, aluminum, nickel, copper, brass, zinc, magnesium, tin, certain chemicals, machine tools, construction projects, and installations of equipment, automobiles, and certain other durable consumers' goods, lumber, rubber, gasoline, bacon and cheese, to mention only some of the major items made scarce by Canadian or Allied war demand.

When the war began national income had been running at the rate of $4,200,000,000 a year, with about 1 percent of it devoted to war purposes. By the fall of 1941 national income had increased to a rate of about $6,000,000,000 a year, but Canada's own direct war expenditure was now at the rate of $1,300,000,000 a year and she was providing the Canadian dollars needed to meet Britain's net war requirements in Canada at the rate of about $1,000,000,000 a year.[1] These were not appropriations or contracts placed, but actual disbursements. Every dollar used for either of these purposes had to be raised in Canada and represented Canadian output, which could not be used for private investment, maintenance of private capital equipment, or private consumption.

In other words, there were fewer things for civilians to buy than there had been at the beginning of the war, while incomes were now higher by about $1,800,000,000, or more than 40 percent. It is true that taxation was channelling more than half of this increment directly into payments for war production, and that saving of one sort or another was, of necessity, doing the rest of the job. The important question was, however, whether the saving was the positive kind that kept down demand (and made price stability possible), or the passive kind typified by the increases in working cash balances which automatically result from a rising price level.

Prices had risen considerably since August 1939. Industrial material prices were up by 41 percent, general wholesale prices by 28 percent, and the cost of living by 15 percent. Much of this total increase could be accounted for by the 10 percent premium on United States dollars, increased import taxes, and increased ocean-freight rates. Moreover, there had been a desirable recovery of agricultural prices from an abnormally low level and many of the other price adjustments which occurred during the general rise had been helpful in increasing production along required lines. However, the major effect of the special factors had appeared before the spring of 1941, and the record of prices between the end of March and the end of September was suggestive. Industrial material prices increased by 11 percent, general wholesale prices by 8 percent, and the cost of living by 6 percent.

It was, of course, the prospects for the future rather than the record of the past, which gave cause for concern. The military defeat of Germany was obviously going to require a great increase in the effort of Canada and every other anti-Axis power. On the other hand, nearly all the slack in the Canadian economy had now been taken up. Labor, even unskilled labor, was hard to get A power shortage was looming. Transportation facilities were hard pressed. It was becoming more difficult to get needed supplies from the United States, where the incidence of the defense program was giving rise to the same kind of shortages as in Canada. Finally, ocean shipping was becoming so scarce that many materials available in abundance overseas could no longer be brought to North America in the desired quantity.

So far, fiscal measures had carried the main load of clearing the way, or rather keeping the way open, for war production. They had succeeded in holding down civilian spending reasonably well, and had left only particular supply problems of greater than average scarcity to be handled by direct controls. Now, however, an actual reduction of total civilian expenditure was necessary—probably a large reduction. Could fiscal controls be developed far enough and fast enough to meet the new needs?

Unfortunately taxation is a relatively blunt instrument of control. As a means of cutting down the spending of people with large incomes, it can be reasonably effective and fair, and Canada has not been half-hearted about using it. But what is wanted now is some fair and practical method of effecting a substantial curtailment of spending on the part of those with small incomes as well. It was possible and proper to avoid this when there was slack in the economy, but there is no way of avoiding it now, when a constantly growing war effort is reducing the supply of goods available to civilians. Where the surplus of income over an individual's basic needs is small, and varies greatly between different individuals with the same income, it is, however, extremely difficult to devise any fair tax which could do a major job in a satisfactory way. This is true even with a tax that is refundable after the war. Moreover, tax controls are relatively inflexible. Taxes cannot be imposed and collected, or changed, quickly enough to meet all the needs of a total-war situation.

On the other hand, there is danger in leaving too much of the required curtailment of civilian spending to be effected by voluntary saving. Because of the backlog of demand for the modest comforts of life which accumulated during the depression, one must recognize that many would save too little and too late. Good leadership can reduce this danger by promoting public understanding of the issues involved, but Canada, like other democratic countries, is reaping the fruit of failure in the past to explain the facts of economic life to the mass of the people.

Surveying the situation at the end of the second year of war, when about 40 percent of the national income was already being devoted to war purposes, only one conclusion was possible. Shortages were becoming so acute and widespread that fiscal controls, however much they could in practice be strengthened, would not be enough. They would require far greater support than in the past from direct controls over price and distribution. Otherwise Canada would be resigning herself to price rises so numerous and rapid that they would soon touch off a general inflation. The Canadian Government had always rejected this alternative, with good reason.

When an inflationary spiral gets under way selling prices rise, but so do costs, and advances are likely to be irregular and hard to predict. Producers have to waste precious time trying to protect themselves from the hazards of these constant shifts, and a rising cost of living promotes a continuous succession of wage disputes. Neither management nor labor can concentrate its whole attention on the urgent job of turning out the goods.

There is another and more important reason why inflation and total war do not mix. If the word "total" means anything, it should mean that war production will eventually be increased to the point where no more productive capacity is left available for civilian use than is needed to maintain physical efficiency and morale. This implies that no one will have more than he really needs, but also that everyone will have the necessary minimum. Inflation, on the other hand, caters to the highest bidder and places the brunt of wartime scarcities on the economically weak. It would cause unnecessary suffering and unrest, and would rule out the possibility of a maximum effort; also, the hang-over from inflation would aggravate the inevitable difficulties of post-war adjustment.

The Government was determined not to succumb to this menace. The only question was whether it should attack the problem in a comprehensive or piecemeal way.

For example, it would have been possible to extend price controls rapidly, but on a selective basis. However, shortages were accumulating at such a rate that the selective approach could not have remained selective for long. Within a relatively short time something approximating to an over-all price ceiling would necessarily have emerged. In the meantime those prices which were uncontrolled would have risen. This would have been unfair to producers whose prices had been controlled. It would also have impaired the balance of the price structure—which, as it then existed, did not have many major distortions (except for the low price of wheat) and was reasonably well adapted to drawing out the maximum production of things wanted in a war economy. A selective approach would have required the price-control authority to name and justify the items which should be held down while other prices were rising. An over-all price ceiling, on the other hand, would put the onus on the producer to justify any price rise in his favor while other prices were being kept stable. Finally, a selective approach would have made ultimate stabilization more difficult because every rise in uncontrolled prices would have brought additional and unnecessary pressure on the price ceilings which had already been established.

After careful consideration, the Canadian Government decided to attack the price problem on an over-all basis. In a broadcast on October 18 the Prime Minister said that the upward movement of prices had

[1] The Canadian dollars are turned over to Britain in exchange for pounds sterling held in London. The Canadian Government has used a portion of this sterling, to date about one-third, for the redemption of certain of its bond issues held in the United Kingdom, but the rest remains as an accumulation of foreign currency.

become a general problem which called for general treatment, and announced that a ceiling would be placed over the prices of all goods, rents, and a number of important services. He also said that, wherever necessary, steps would be taken to control civilian consumption in a fair and equitable way.

The price ceiling came into effect on December 1, and for any seller is the highest price charged by him during the 4 weeks September 15 to October 11. The Wartime Prices and Trade Board was given the task of administering this policy and no upward adjustment of any ceiling price may be made without its permission. The Board also has power to set maximum prices below the ceiling level.

The government recognized that prices could not be stabilized unless costs, including wage costs, were also stabilized, and as early as December 1940 a tentative wage policy had been worked out. It took the form of an order in council for the guidance of boards of conciliation, to whom all labor disputes in war industries had to be referred. It fixed basic wage rates at the relatively high level then prevailing (though upward adjustment could be made where a conciliation board found them to be abnormally low) and provided that any subsequent increase in rates should take the form of a standard cost-of-living bonus. The bonus was at the flat rate of 25 cents per week for each increase of 1 percent in the official cost-of-living index.

This arrangement appears to have been reasonably satisfactory to employees and employers in war industries. As labor became more scarce, however, wage increases in excess of what was provided for under the government plan began to occur frequently. This was unfair to those employees and employers who were abiding by the plan and made stabilization of prices more difficult.

The government therefore decided to extend its wage policy for war industries to all industry, to make it mandatory, and to provide machinery for its enforcement. A national war labor board consisting of five representatives of employees, five representatives of employers, and an independent chairman has been appointed to advise the government on labor matters, and to consider applications for the adjustment of abnormally low basic wage rates. Without its permission no basic rate can be increased, but on the other hand, employers are now bound to pay the standard bonus in respect of any increase in the cost-of-living index after October 1941, unless they can prove to the board that they are financially unable to do so. Subsequently, a ceiling has been placed over executive and managerial salaries.

In framing its price stabilization policy the Government gave special consideration to the effect upon agriculture. Farm prices were in general higher than they had been for 10 years, but in some cases they had not kept pace with increasing costs of production, particularly the cost of feed. In other cases, notably that of wheat, prices were still unduly low. To safeguard total agricultural income, the Government undertook to pay all transportation costs on feed grain from the prairies to eastern Canada or British Columbia. It will also make a special payment of 37½ cents per cultivated acre to farmers in the spring wheat area.

A statement of policy by the Wartime Prices and Trade Board has made it clear that, in general, no upward adjustments in the retail price ceiling will be permitted. Where costs are higher than those upon which the retail ceiling price was based, retailers, wholesalers, and manufacturers will be expected to work out among themselves a fair distribution of the excess. If no agreement can be reached, the Board will investigate and decide, distributing the burden in accordance with ability to shoulder it. However, there is no intention of depriving essential enterprises of a reasonable return, and in any case where the excess costs are too great, the Board may recommend that the Government absorb part of the burden. Wherever possible, this contribution will be made at the stage of primary production or importation, and will take the form of a reduction in the cost of raw materials or imports. A Commodity Prices Stabilization Corporation is being organized with this end in view. The Prices Board may also recommend that import duties or taxes be reduced or that an outright subsidy be paid where this is necessary for the maintenance of the retail price ceiling. The Board has, of course, emphasized the immediate necessity of making economies wherever possible, particularly by standardization of products and elimination of frills.

This means that, in general, where irreducible costs exceed the retail price ceiling, the excess will not be levied upon the consumers of the article in question but, through the Government, upon the people as a whole. If the former method were used on any scale it would, through its effect on general costs and wage rates, make stabilization impossible. Particularly in view of the importance of import costs, over which Canada has little control, the latter device will have to be used in many cases if the inflationary spiral is going to be stopped. Every rise in American prices does, however, make stabilization in Canada more difficult, because of its effect on export as well as import prices. Exports are not subject to the price ceiling, and if rising prices abroad begin to drain off materials or goods that cannot be spared, more control over exports will presumably be necessary.

Wage stabilization is perhaps the most difficult part of the over-all program. For years labor has suffered all the consequences of operating in a buyer's market. Now that it has an increasingly tight seller's market, acceptance of a stabilized rate of return calls for much self-restraint and a degree of long-sightedness which management and governments did not exhibit in their handling of labor problems during the depression period. However, there has been very heavy taxation of the middle- and upper-income groups, directly and through corporations. In addition, a steadily rising cost of living, and informal rationing of things, such as durable consumer goods, gasoline, bacon, and cheese, have begun to drive home this hard reality—that because of the war there is not enough to go around, and that no group in the community can escape the consequences. There is, therefore, reason to believe that Canadian wage earners will take the long view and choose stable wages, stable prices, and an equitable division of the short supplies available, rather than a disorganized scramble in which the devil would take the hindmost. No doubt, however, much will depend upon whether or not the operations of the National War Labor Board give evidence that the Government is implementing a positive policy with regard to collective bargaining, and labor relations in general.

It is too early yet to say how the Government's bold and comprehensive program for stabilization will work out in practice. Particularly where formal rationing is necessary, however, it will raise administrative problems on a scale never before faced in Canada. Skilled personnel will be required which cannot easily be spared from other essential activities. The freezing of the price structure will remove elements of incentive and flexibility which it would be very desirable to retain, and will involve interference with many normal democratic practices. These things are not pleasant to contemplate even as temporary expedients to meet an extreme emergency.

Accordingly, though the direct-control program is certainly preferable to inflation, and is necessary at the present stage of Canada's war effort if inflation is to be avoided and a maximum effort attained, it is no substitute for any practical measures which can still be taken to bring demand more nearly into balance with supply.

For example, further efforts could be made to increase the supply of goods by more effective mobilization of what labor reserves remain, by more effective utilization of the present working force, or by other steps which would increase productive efficiency or reduce waste. The demand for goods could be reduced by more strenuous saving and heavier taxation. This would relieve some of the pressure on the price ceiling, would ease administrative problems, and would reduce the need for official rationing. To the extent that public opinion makes this possible, Canadians at home will be prosecuting the war in the most efficient and democratic way they can.

Mr. DOWNEY obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. DOWNEY. I yield.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Nye
Austin	Gillette	O'Daniel
Bailey	Glass	O'Mahoney
Ball	Green	Overton
Bankhead	Guffey	Radcliffe
Barkley	Gurney	Reed
Bilbo	Hayden	Reynolds
Bone	Herring	Rosier
Brewster	Hill	Russell
Brooks	Holman	Schwartz
Brown	Hughes	Shipstead
Bulow	Johnson, Colo.	Spencer
Bunker	Kilgore	Taft
Burton	La Follette	Thomas, Idaho
Butler	Langer	Thomas, Okla.
Byrd	Lee	Thomas, Utah
Capper	Lodge	Tobey
Caraway	Lucas	Truman
Chandler	McCarran	Tunnell
Chavez	McFarland	Tydings
Clark, Idaho	McKellar	Vandenberg
Clark, Mo.	McNary	Van Nuys
Connally	Maloney	Wagner
Danaher	Maybank	Wallgren
Davis	Mead	Walsh
Downey	Millikin	Wheeler
Doxey	Murdock	White
Ellender	Murray	Wiley
George	Norris	Willis

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

Mr. BARKLEY. Mr. President, will the Senator from California yield to me?

Mr. DOWNEY. I yield.

Mr. BARKLEY. In view of the fact that an amendment is to be offered by the Senator from Alabama [Mr. BANKHEAD] transferring to the Secretary of Agriculture power to fix prices with respect to agricultural products, and in view of the fact that the Senator from Ohio [Mr. TAFT] is to offer an amendment setting up a board instead of a one-man administrator, I desire to have read from the desk, in a moment, a communication received from the President of the United States regarding both amendments. Before that is done, however, I wish to make a preliminary statement.

The bill now under discussion was introduced in the House and in the Senate on the 1st day of August 1941. In the

House Committee on Banking and Currency extensive hearings were held, lasting several weeks, if not months. During those hearings the Secretary of Agriculture testified at length in behalf of the bill. During his testimony he did not suggest that the power to fix maximum prices on agricultural products be taken from the Price Administrator and conferred upon the Secretary of Agriculture.

The bill passed the House in December, came over to the Senate, and was referred to the Committee on Banking and Currency, where we held hearings for 2 weeks. During those 2 weeks the Secretary of Agriculture did not appear as a witness; and, so far as I know—and I was a member of the subcommittee which held the hearings—he did not request a hearing before the committee.

The subcommittee deliberated on the bill for several days, and finally reached a conclusion with respect to everything except one matter, and that was the question of whether there should be 100 percent or 110 percent of parity fixed as a floor below which the Price Administrator could not go in fixing agricultural prices. The subcommittee at that time stood 3 to 3 on that proposition, and agreed to leave it to the full committee.

The subcommittee met again on the 2d day of January, just prior to reporting the bill to the full committee, and prior to the report of the bill to the Senate by the full committee. On that last day the Secretary of Agriculture asked to be heard. He came before the committee and made a statement in which he requested that an amendment be agreed to which would transfer to him the control of prices of agricultural products. The subcommittee declined to agree to that, and the full committee also declined to agree. Because he went before the committee on that proposal there has been some confusion as to the attitude of the President and the administration with respect to that matter. Therefore, I ask that the clerk read, for the information of the Senate, so that they may have it before them for consideration, a message to me in the form of a telegram which I received late yesterday afternoon.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The Chief Clerk read as follows:

THE WHITE HOUSE,
Washington, January 7, 1942.

HON. ALBEN W. BARKLEY,
Washington, D. C.:

I appreciate the speed with which the Senate committee is handling the price-control bill, for price-control legislation is a very important part of the whole war structure.

But I am somewhat disturbed by reports that a board has been suggested as a substitute for a single responsible individual. I am also disturbed at the suggestion that control over agricultural commodities be separated from all other articles and vested in the Department of Agriculture.

I strongly hope that no division of control will be made. The whole price structure is linked together.

I am sending a copy of this to Senator BROWN.

FRANKLIN D. ROOSEVELT.

Mr. BARKLEY. I thank the Senator from California for yielding to me to have the telegram placed in the RECORD.

Mr. DOWNEY. Mr. President, I am asking the Senate to consider and pass on three small amendments which are all germane to one subject and are designed to exempt from the operation of the pending measure the moving picture and theater industry. Our radios and our newspapers are not subject to the terms of the price-control bill, and it would seem that the same principle should be applicable to the moving-picture industry.

Therefore, Mr. President, I desire to propose the following three amendments and will ask that they all be considered and passed upon at the same time, as they all seek to perform the same function:

The first amendment is on page 45, after the first comma, in line 14, to insert the words "or motion pictures"; on page 49, in line 10, after the word "magazines", to insert a comma and the two words "motion pictures"; and in line 24, on the same page, page 49, after the first comma in that line, which comes after the word "magazine", to insert "or moving picture or other theater enterprise."

The PRESIDING OFFICER. The clerk will state the amendments offered by the Senator from California.

The CHIEF CLERK. On page 45, line 15, after the word "material", it is proposed to insert "or motion pictures"; on page 49, line 10, after the word "magazines" to insert "motion pictures"; and on page 49, line 24, after the word "magazine" to insert "or motion picture or other theater enterprise."

Mr. BROWN. I may say that the Senator from California took the subject up with me, as did the Senator from Wisconsin [Mr. LA FOLLETTE], who has prepared an amendment somewhat along the same line. So far there has been no intention on the part of the Price Administrator to attempt to exercise any control over this subject matter, and in neither the House nor the Senate hearings was there any testimony which indicated that it was intended to cover admissions to theaters. There is justification for the position that they are entitled to the same exemption as newspapers and periodicals. Therefore, so far as I am concerned, I have no objection to the amendment.

I wish to ask the Senator from Alabama [Mr. BANKHEAD], who said something this morning about wanting to have his amendment first considered, if there would be any objection to disposing of unobjected-to amendments such as this prior to taking up contested amendments?

Mr. BANKHEAD. I am perfectly willing to follow the procedure which the Senator in charge of the bill prefers to follow.

Mr. BROWN. Then I have no objection to the amendments, and am pleased to accept them.

The PRESIDING OFFICER. Without objection, the amendments will be agreed to en bloc.

Mr. O'DANIEL obtained the floor.

Mr. BONE. Mr. President, will the Senator from Texas yield for a moment to enable me to propound an inquiry to the Senator from Michigan?

Mr. O'DANIEL. Yes; I yield.

Mr. BONE. In view of the inquiry of the Senator from California, I should like to ask the Senator from Michigan with reference to the license feature on page 45 regarding the selling of radio time, and the regulation of compensation for time sold by a radio broadcasting station. Just how will the regulation be applied in that case?

On page 45 the bill says that no license may be required of persons selling radio time. Would that provision apply to the chain broadcasting companies? The other reference is to broadcasting stations alone, and I wondered just how to apply it. I am curious about it.

Mr. BROWN. I think it was intended to exempt entirely from the provisions of the bill the licensing of radio chains or radio stations. We do not think radio time is a commodity, any more than newspaper advertising is a commodity.

Mr. BONE. I gathered that that was the purpose.

Mr. BROWN. That is the general purpose; and we sought to make certain of that by the definition on page 49:

> Nothing in this act shall be construed to authorize the regulation of * * * rates charged by any person engaged in the business of operating or publishing a newspaper * * * or operating a radio broadcasting station.

There is a complete exemption of that type of business.

Mr. BONE. Both of the local broadcaster and of the chain supplying the material?

Mr. BROWN. The Senator is correct.

Mr. O'DANIEL. Mr. President, the antiagriculture bill which is before this body under the name of a price-control bill is a matter of vital importance, and one which, if put into effect, would greatly affect the welfare of every American citizen. This price-control bill could prove very dangerous and damaging to our Nation; and certainly we are all agreed that this is no time to make an unsuccessful venture or experiment which is as hazardous as this proposed price-control legislation.

I regard this price-control bill as a very unwise and unsound piece of legislation. In all of the argument put forth in behalf of this price-control bill, I have noted that the discussion has been between various Senators who appear to be interested in making this distasteful legislation more palatable to the farmers of America, since it is apparently a recognized fact that the farmers will suffer most under such a law; and I have been hoping that someone would raise the thought that the entire price-control bill should be abandoned and something thoroughly sound and workable substituted in place thereof, instead of trying to patch up a weak and unsound price-control bill by adding amendments.

I have tried my level best to find out why this legislation was ever proposed to this group of learned and intelligent Senators; but no sensible answer has been given to me on this subject. In fact, the only answer given to me as to who on earth wanted this kind of socialistic legislation enacted was that it was favored by former President Herbert Hoover. I realize, of course, that in this great democratic and deliberative body it is permis-

sible to bring up any kind of legislation for consideration, regardless of how ridiculous it may be, or how dangerous it may be to our democratic form of government; but I am convinced that this piece of price-control legislation would take first prize.

Mr. President, I am opposed to the passage of any bill designed to set up a governmental authority for the purpose of fixing prices along the general lines contemplated in this bill when, in my opinion, it is possible to accomplish the task in a more practical way by an entirely different kind of a bill, which I shall presently explain.

Whenever we vest in the hands of a governmental Price Administrator or some governmental board the power to fix prices either of all commodities or of a selective group of commodities, we are, in my judgment, setting up an agency which is potentially dangerous and which may be with us long after this war has been fought and won.

I certainly do not question the sincerity of purpose of the Members of the House and the Members of the Senate who are urging this character of legislation, but I do question their judgment. I wonder if they are considering and if they have considered all the implications of this measure, and what will be the practical results. I wonder, in the first place, what they hope to accomplish by such legislation. I receive a great deal of mail, but out of the thousands of letters I have received not one person has ever asked me to initiate any price-control legislation. Who is it that is wanting this kind of legislation? I can answer for the farmers and ranchers of my State by saying that they do not want any price-control legislation at this time; but if it must come, they want all agricultural commodities excluded; and if agricultural commodities are not excluded, they certainly want the control of agricultural-products prices left to the Secretary of Agriculture.

Surely nobody would be so absurd as to claim that the farmers of this Nation are profiteering; so why aim a bill directly at them? Surely it would be unwise for this Government to have one department, the Department of Agriculture, telling the farmers to let a certain percentage of their land lie idle in order to bring prices up, and have another department of our Government, the proposed price-control czar, forcing farm-commodity prices down. That is what we shall have if we continue the present Department of Agriculture and set up another price-control department to set farm prices.

Certainly this bill does not contemplate raising prices to the farmer. Consequently, it is intended to do exactly the opposite of what the Secretary of Agriculture is now trying to do. Is that not an inconsistent position into which the Senate is considering plunging this Nation?

Certainly the laboring people do not want such a bill. At least, none of them have asked me to initiate such legislation. The rank and file of labor knows full well that the wages of labor at every turn of the route of consumer goods from producer to consumer have the direct effect of increasing prices. They know that this bill effectively to lower commodity prices, or even to keep them from advancing, tends to lower wages, or hold them where they are, and in all events to prevent any wage increases. Surely wage earners do not want price control, unless wages are excluded, or unless the price control is placed under the Secretary of Labor on all commodities as to which wages are a component part of the price, which, of course, would include practically every commodity in the Nation.

Now, if the farmers and ranchers and laboring people do not want this price-fixing legislation, who else is left that might want it? Somebody might suggest that the consumers want it. Well, the farmers and ranchers and laboring people constitute most of our consumers; but surely if any other consumers wanted price-fixing legislation they would want prices fixed on the things they buy at the place where they buy them, and this bill does not provide for price fixing of all retail commodities. I do not believe that the few consumers remaining outside of the group of farmers and ranchers and laboring people are interested in fixing prices of farm products, or any other products, except at retail stores where they do their trading. Even a casual investigation of the prices the farmer gets for his products and the prices the consumers pay for finished products processed in whole or in part from farm commodities will reveal that there is little connection.

For instance, the price of beefsteak in Washington was recently checked, and the retail price was found to be 75 cents per pound, while 1 year previously it sold at 45 cents per pound. During the same year that the price of beefsteak advanced from 45 cents per pound to 75 cents per pound in Washington, the price of beef cattle in Texas declined 1 cent per pound. What advantage would consumers have from having a price-control czar fix the price the farmer gets for his wheat? Consumers do not eat wheat, and they do not buy it direct from farmers. Consumers eat bread, and the price paid for a slice of bread here in some Washington restaurants would be equal to more than $30 per bushel for wheat, while our farmers get around $1.25 per bushel. The price paid for a cotton handkerchief here in Washington is equal to $1,250 per bale for cotton, while this bill proposes to hold the farmer's price to less than $100 per bale. How does it help the consumer for a price-control czar to set the price of cotton at 19 cents per pound to the farmer and exercise no control whatever over the retail price of the cotton handkerchief and other cotton goods purchased by consumers?

Mr. President, I do not mean to imply that this vast difference between farm prices and consumer prices is all profit. It includes manufacturing costs, transportation costs, handling costs, other expenses and profit. But I do contend that to protect the consumer the retail price and all intermediate prices are just as important as the farmer's price. The distinguished Senator from Michigan [Mr. BROWN] has repeatedly stated that price-fixing legislation in intended primarily to benefit consumers. It must be apparent to all who study this problem that in order to actually benefit the consumers by price fixing, we must fix retail prices, because regardless of what we include in the first price-fixing bill we pass, it is obvious to me that if we are going to attempt to fix prices by law, in the end we will be forced to fix prices on everything. So before we start out on this road of passing price-fixing legislation, vesting in the hands of a price-fixing "czar" in Washington the power to tell every retail merchant in the country what he shall sell a yard of cloth for, what a farmer shall sell a pig for, and what a manufacturer shall sell every article he makes for, I think it is well for us to consider most carefully the ultimate dangers and probable results of such legislation.

My experience has been primarily that of a businessman, and I am mentioning some of the commonplace ideas which occur to me about this type of legislation, with the hope that some of the things which I mention may result in causing the Senate to give more careful consideration to some features of this proposed legislation.

Right here I want to take occasion to express my 100-percent disagreement with a philosophy of government which it seems to me is rather prevalent today, that is, that whenever we have a job to do and appoint a man as an agent of the Government or as a member of some bureau, board, or commission, the action of making him a public official automatically endows him with all the wisdom of Solomon, and gives positive assurance that the problem which we have thrown into his lap will be properly and completely solved. It seems to me that too much of the legislation which we pass is nothing more than "passing the buck" by simply leaving the particular problem unsolved, and creating some board or commission with instructions to solve it.

Based on the experience which I have had in business, I can foresee many difficulties which will arise from any attempt to fix prices by law. For instance, we must have the maximum production from every industry in this country at this time if our national-defense program is to move forward as rapidly as we hope it will. This means that we must utilize not only our most efficient manufacturing plants, but that we must also utilize our inefficient plants. If a flat price is set on any commodity high enough to enable that the least efficient plants can operate, the result will be that the most efficient plants will be earning a tremendous profit.

Think of all the problems which would be involved in controlling the prices of wholesalers and retailers. What standards would we adopt? Suppose we took the standard of prices which exists today, and said by law they could not be increased; there would be a thousand ways by which such a law could be evaded. The wholesaler could increase the price to the retailer and state that, so far as the price of the merchandise was concerned,

no increase had been made, but that he was furnishing services now which he had not heretofore furnished, in the form of advertising or special discounts; in fact, other things too numerous to mention.

Manufacturers or wholesalers could charge the regular fixed prices for certain commodities, but they could force their customers to take with those commodities other articles which did not have fixed prices, and by putting high prices on those items, they would obtain for the job lot a very profitable price. There are hundreds of marketing combinations and schemes which wide-awake merchants can work out and do it perfectly legitimately, within the law.

Whenever we attempt to fix rigid prices, the small industries of the country will suffer more than others, the reason being that as the larger industries, which are more fully engaged in national defense, daily take more and more of the efficient workmen, the smaller industries will of necessity be called on to operate largely with those who are less efficient, and this lessening of efficiency must of necessity increase commodity prices. The larger industries produce in larger volume, and volume production automatically produces at lower costs.

It may be said that the price legislation does not seek to go as far as the matters which I am here discussing. The answer to that is to me obvious; no matter how we start in this field of price fixing, in the end we are going to have to go all the way if we get the job done. So we had as well consider now the whole program before we start out on this course.

I think it is inevitable, if we start out on the line indicated in the proposed legislation, that sooner or later, either in the pending bill or in some subsequent bill, we will have legislation which will attempt to fix wages by law, and to state that there shall be no increases in wages. Whenever we do this, we will be taking the very last step in regimenting the lives and daily efforts of all our citizens; and, furthermore, I think we would be attempting to do that which we could not do under the Constitution.

I say that whenever this Government undertakes to put into effect a price-fixing law which will actually get the job done and which will prevent inflation, we had just as well expect at that time to create a department which, sooner or later, will employ seven or eight hundred thousand people to do the necessary price fixing, policing, and enforcing. It is not unreasonable to expect that to get the job done might ultimately require the services of a million employees, because every citizen of the United States would be a potential law violator. And if we can believe the experience which we had in attempting to enforce that noble experiment known as the N. R. A., I believe my colleagues will agree with me that we would need an army of employees to make a price-fixing law work, even if we could make it work under those conditions. If it did not work fully and completely, it would fail completely and bring ruin in its wake.

It is claimed that this price-fixing bill will prevent or retard inflation. That is contrary to my belief; in fact, I believe it will tend to increase inflation. I make that statement because, by arbitrarily holding farm-commodity prices down, we are sure to lessen production, and all economists agree that as the stock of consumer goods decreases, inflation increases. In my opinion, it is possible to control inflation, but not by price fixing, and especially when the avowed intention of this price-fixing bill, as stated by its sponsors, is to benefit consumers by reducing prices to the farmers, or at least prevent any substantial advance to the farmers. It appears to me that the philosophy of the bill is backward. If we reverse the process and enact legislation to increase the prices to farmers, and take off all restrictions as to acreage planted, the farmers of America will increase their production of consumable goods, and that will tend to retard inflation, according to most economists' theories.

At this point, Mr. President, let me diverge temporarily from the subject to express agreement with the statement made by the able Senator from Maryland [Mr. TYDINGS] and others that America may become not only the "arsenal of democracy," but also the "breadbasket of democracy."

Little attention is now being paid to production of food because we have some surpluses, but with few other nations able to produce food and most of them too poor to buy it, we will face a starving world after the war, if not before the war ends; and now is the time to fill our present storehouses and build more and more food storehouses and pack them to capacity. Unless we do this, there may come a time when we will be as desperately in need of food as we were caught desperately short of war equipment.

Are we to allow inflation to run rampant in this country? Are we to allow all of the evils which come with inflation to go unchecked? My answer to that is a very definite "no." I have in mind a perfectly reasonable method whereby we may prevent any unreasonable inflation in this country. The first thing I would recommend would be for the Government itself to stop doing those things which tend to bring about inflation. For instance, if all contracts for Government work were let in a fair and reasonable way, and if a bonus were paid to the contractor based on the amount of money he could save on the estimated cost of the project, instead of awarding contracts on a fixed fee, plus a percentage of the total cost, we would in that case be serving the taxpayer's interests and saving the taxpayer's money, and we would at the same time be preventing conditions in which costs are unreasonably increased and in which the very nature of the contract is such that the more it costs, the more profit the contractor makes. Certainly the Government should have an inflexible rule in awarding contracts, that every contract should carry a provision that it would pay a bonus to the management on the basis of the money saved. It is my belief that the power of the Federal Reserve bank has not yet been used to its full capacity to prevent inflation.

Furthermore, it seems to me it is possible for the Treasury Department to do far more than it has done. When it is necessary to secure additional funds, it should secure those funds directly from the citizens rather than borrowing them through our commercial banks, because when we borrow funds, that within itself is inflation, whereas securing the money from the citizens tends to prevent inflation, and the interests of the Government would be served alike in each case.

As I understand, the basic cause of inflation, as connected with our present war effort, is occasioned from the fact that the pile of consumer goods is reduced for many reasons. It is reduced by virtue of the fact that millions of people who have heretofore been engaged in the process of producing consumer goods have been moved over to the national-defense industries. Therefore, we have fewer producers within this field of consumer goods. Another reason is that the functioning of the priority system, which gives preference to defense industries, causes the consumer-goods industries to produce under capacity because they do not have enough raw materials. All these things, and others, combined, result in a constantly dwindling supply of consumer goods, and a dwindling supply of consumer goods produces inflation.

On the other hand, the almost 100-percent employment of all our citizens at increased wages has resulted in a combined increase in the purchasing power of most of our people. In other words, most of our people find themselves in the position of having more money to spend for consumer goods than they possibly have ever had before, but there are fewer goods to be bought. Then the competitive bidding for the small supply of consumer goods begins, and what we are interested in here today is to find a way to prevent the inflated prices, which it appears are inevitable, if prices are not checked.

To me it seems to be more or less a simple problem how to restore equilibrium between the quantity of consumer goods we have for sale and the amount of money which the people have with which to buy these goods. We already have a tremendous deficit in this country. In addition to that we are spending money at a tremendous rate. We are honest, and we expect to pay our debts, and it seems to me that right now is the time to start working toward that end. I believe that if instead of passing price-control legislation, which means creating another board or bureau to regiment the business of this country to tell us what we can do and what we cannot do, if we would adopt a proper system of taxation and enforced savings so as to take this excessive purchasing power out of the market for consumer goods, the result would be that we would retard inflation and get the job done in a sound, positive, and practical manner.

Many business institutions in this country today are earning enormous profits because of the added volume of work incident to the national-defense program. I think the first thing we should do is to enact an excess-profits-tax law which would be based on a fair formula to de-

termine excess profits, and this law should then tax all profits 100 percent in excess of a reasonable earning.

Then there is another thing which it would be necessary to do, and that is to withdraw from the competitive field of buying all excess earnings of our people. Therefore, I believe that along with a 100-percent excess-profits tax on business should go a combination of excess-earnings tax and compulsory savings tax on individuals.

Let me illustrate just what I have in mind. If a corporation has earnings of a million dollars in excess of fairly determined normal earnings which it enjoyed during the period immediately preceding our national emergency, the Government would tax that million dollars 100 percent. If the head of a large corporation, by virtue of increased profit, should decide to pay himself a salary of $50,000 annually more than he had normally been earning, this increase should also be taxed 100 percent. If an individual who had normally been earning $2,000 a year suddenly advanced to an earning of $3,000 a year, I think it would be just and right for the Government to say to him, "We expect you to pay to the Government an excess-earnings tax of 100 percent of this increase, with the understanding that 75 percent of this excess earnings will be set aside in nonnegotiable Government securities payable back to you at the end of this emergency or 5 years from date."

The result of a system of taxation built on this broad general principle would be that we would have no excess corporation earnings with which to inflate prices, and we would have no excess individual earnings to serve to inflate prices, but, on the other hand, by a direct system of forced saving, 75 percent of the excess earnings of individuals would be saved for them, and would be available to them to spend during the period which will follow this emergency, which will probably be a period of very substantial depression.

I believe the idea which I have suggested here, with proper safeguards, could be made a part of and added to our present system of income taxing, and I believe it would solve the problem of inflation which we are worrying about here today.

The big advantage of the plan I am suggesting is this. If we adopt this plan, it could be made effective and carried out by the Department of Internal Revenue. Business would go along on the same basis on which it is now operating. We would not attempt to say to business how much profit they could make, but we would say to them, "If your profit is excessive compared to pre-emergency profits, we expect to take 100 percent of the excess away in taxes." We would not say to the individual who is making excessive earnings that, "We expect to take all your earning at this time," but we would say to all who are profiting from this emergency, "Your excessive earnings which are coming to you by virtue of this emergency, must not be used by you to inflate prices and thereby create a situation which will make it more difficult for other workers in this country to live."

We have in this Nation today many millions of people whose earnings have not been increased during this emergency, in fact, there are millions of white-collar workers who today are actually earning less in terms of what they can buy than they have been earning during past years. Certainly any system of taxation which proposes to levy flat pay-roll taxes on all people alike would be unfair. I am perfectly willing to go along if it is necessary to levy a flat pay-roll tax on everybody to supplement our national tax bill, but the first thing I want to do is to take completely out of the field of current purchasing power all excessive earnings, whether they be in the hands of corporations or individuals. Then, when we have everybody on the same basis, we can apply flat pay-roll taxes, if necessary, to the normal earnings of everybody.

I believe that the plan which I am suggesting, of utilizing taxation to its fullest power, would prevent any inflation, and that it could be carried out by governmental machinery which we now have. When the emergency is over, we shall not have created another fat government bureau with about a million employees, which will want to perpetuate itself long after the emergency is ended, and possibly seek to keep American business regimented and under bureaucratic control for the remainder of our lives and possibly the lives of our children.

I am convinced in my own mind that we have in departments in Washington today in places of power many persons who would completely destroy the present system of free enterprise and free government in this country and substitute for it a highly regimented, centralized government in Washington. If we pass a bill which creates a new bureau and provides for a few hundred thousand more employees, we will automatically make more difficult the battle which we shall have when this emergency is over to get back to the normal way of doing business.

I do not believe that we are forced to make a choice today between having unrestricted inflation on the one hand or unrestricted governmental bureaucracy on the other hand. I believe we can use taxation to pay our debts, and at the same time prevent any unusual price inflation. Certainly no one wants to profit by this war.

While I am talking on this subject, let me say that it is generally recognized that we can prevent inflation not only by restricting the purchasing power of the people to buy consumer goods, but also by increasing the supply of consumer goods. The best way that I know to increase the supply of consumer goods is to remove restrictions which prevent such supplies from being made available. I believe that the provisions of present laws which limit the hours of labor to 40-hours a week and require time-and-a-half for all overtime are very unwise in the present emergency. I believe that American labor should be encouraged to produce all it can. I believe that it should be paid good wages. I am not in favor of wage reductions; but in this emergency if it is necessary for a man to work 10 hours a day I certainly do not believe that the recipient of the labor of that man should be required to pay a premium at the rate of time and a half for all overtime when he could employ other persons to work the additional hours at the regular rate and thus keep the cost down on the consumer goods produced, which, of course, would help decrease inflation. Laws which automatically result in the average producer producing less certainly aid inflation, in that they reduce the supply of consumer goods. Small supplies of consumer goods are, of course, the fundamental cause of inflation.

It may be that the remedies which I am suggesting here today may not be exceedingly popular; but I believe we should immediately recognize that we are in a terrible war, and the sooner we bravely and fearlessly face these issues and solve them, the sooner we will win the war and recover from its devastation. We cannot evade the issue by creating more boards and bureaus and passing on to some other agency responsibility for doing the job. I think it is a job which it is the responsibility of the Congress of the United States to do; and I think the best way to do it is by utilizing the power of taxation. I believe it is the simplest way to do it; and I believe we are more likely to have free American enterprise in this country when the emergency is over if we adopt this method.

The cost of 1,000,000 men to administer and enforce price-fixing legislation would be more than $2,000,000,000 annually for salaries alone, and possibly another billion a year for expenses. Such a department would be a dead expense, with no income. To bring about more positive results by taxation the additional cost of operating the Internal Revenue Department would be slight. About the same number of income-tax reports would be made, but the figures would be different. Also, the Internal Revenue Department has an income, and is more than self-supporting.

Yesterday the able Senator from North Carolina [Mr. BAILEY] discussed the value of money and the effect of a fluctuating currency in connection with price fixing. He delved into ancient history and gave a splendid explanation of our position and the grave problems lying ahead of us in this Nation. While his discourse was eloquent and illuminating, I should like to bring our world problem, or national problem, down to lesser proportions. For illustration, suppose there were only 1,000 people in this Nation and that we used the barter system of swapping and had no money to use as a medium of exchange. Suppose we were then attacked. Part of the thousand persons would devote their efforts to the manufacture of guns and munitions; others would plant crops; some would weave cloth and make clothes; while others would go out and fight the battle. No money would change hands, because they would have no money, and inflation would not be a problem. But they would

work, produce, fight, and sacrifice. Those things are the essentials in winning a war.

But there are 130,000,000 American citizens instead of only 1,000, and we must necessarily use money as a means of exchange; but still we must work, produce, fight, and sacrifice just the same in order to win this war. Under our present system the only problem to solve is the money problem. We must keep our entire civilian population working and producing by using money as the principal incentive for their activity, because that is the way we have been trained. Inasmuch as the war is a mutual problem affecting the present and future welfare of each and every one of us we must make sure that not a single person comes out at the end of the war with a greater percentage of our money than he would normally acquire under conditions immediately preceding this emergency. We could do this by the taxation plan which I have just explained, and it would be done thoroughly and fairly and at less cost than by the price-fixing method which is now under discussion. By using the plan which I have outlined we could function under our democratic system without having any aftermath to clean up or adjust. We could keep right on after the war ends with the same system, except to reduce the percentage of excess-profits and earnings tax as our national expenses and our national debt might justify.

This excess-profits and earnings plan can be added to the next tax bill which comes along. It will not be long before we have the new tax bill before us, and very little time will be lost in getting it into effect. Furthermore, as soon as such a tax bill is passed, profiteering will suddenly slow down or stop, and retail commodity prices will drop or will come to a standstill, because very few corporations or individuals will take any particular delight in holding up their customers with exorbitant prices just to have their excess profits turned over to the Federal Government. What I have said would apply to all lines of commercial activity, including manufacturing, transportation, wholesaling, retailing, construction, to every line of business, and to all individuals. Our President has said there are to be no war millionaires made during this war. There are some persons who are well on their way to becoming war millionaires at this time. Are we going to stand idly by and permit such a disgraceful thing to happen, or are we going to back up our President? The plan which I have proposed will do the job, and it will eliminate all possibility of any war millionaires being made during this great crisis.

Mr. President, there is another grave danger in this proposed price-fixing legislation. I do not know who will be the administrator, but it is quite likely that in time to come there will be many administrators. There is no use to talk of personalities. We are concerned about principles and not personalities; and my remarks are not intended to reflect on anyone. But it is easy to see that by this proposed legislation we shall be setting up a most dangerous vehicle if it should ever be administered by any person who would use it for personal gain. Tip-offs could be made in advance of price changes, and such tip-offs would permit those who received the information to make immense fortunes. Such legislation would lay the foundation for the most colossal ring of profiteering ever imagined. Even if some future administrator did not take part in the plot, with so many employees it would be possible for leaks to take place, and that would be extremely disastrous. As I said before, we are not dealing in personalities; but we are setting up the machinery, and we should be absolutely sure not to set up machinery susceptible to such grave abuses. Under such a set-up, racketeering could be conducted on an enormous scale—greater than any ever before dreamed of by the greatest crooks in history—and it would be possible for that to happen without any criminal intent whatever on the part of the administrator.

Mr. President, should such a dangerous department be set up, the blame would rest entirely upon the Congress of the United States.

My remarks have come sincerely and from my heart. I ask that this price-fixing bill be replaced with something safe, sound, and practical, which will help carry out our great wartime program, and help retain our democracy after the war is over.

Mr. President, I intend to vote for every piece of legislation that I consider essential to the successful prosecution of this war, but I do not regard this proposed price-fixing legislation as a war-necessity measure in any sense of the word. This war will be fought and won by men and machines, and I will support to the limit any appropriations or taxes or laws to provide those essentials. But in my opinion the passage of this price-fixing bill will only give unfair advantage to some, and will unfairly penalize others. It has already been proven by the arguments presented in this Senate that price-fixing legislation is for class advantage. This bill in its present form will penalize every farmer and rancher in my State, while the political contractors, speculators, money changers, and others will profit by it. It will penalize every small manufacturer in my State, and will put many of them entirely out of business, by setting the price of their products on the basis of cost of production in gigantic factories in which the cost of operation is naturally lower on account of larger volume. The same thing will happen to small industries in other States. The bill will centralize industry instead of decentralizing it, and such centralization will adversely affect every laboring person in the rural area of our large State of Texas. The bill will not benefit the consumers of our State, because many of our consumers produce what they consume. It will hold out to some of our citizens false hope that prices will be held down, when in fact they will be held down principally on articles which will not be obtainable at any price because they will not be manufactured. Mr. President, my people in Texas are anxious and willing to do their part forcefully to prosecute this war. Nowhere on earth will you find people more patriotic and loyal than the citizens of Texas. They are willing to work night and day, and to sacrifice to the extent of giving the last shirt off their back, but they believe the responsibility should be equally and fairly divided, and that each should do his part. Fairness to all and favor to none is all we ask. That is what my excess-profits-and-earnings-tax plan will bring about—fair play to all. At the same time it will accomplish what we now seek to accomplish. I believe it is very important that we should have an opportunity to consider an excess-profits-and-earnings-tax plan before we take final action on the price-fixing plan now under consideration. Therefore, Mr. President, I should like to state that at the proper time I intend to move that this price-fixing plan be laid on the table or recommitted to the Committee on Banking and Currency, or otherwise postponed, if possible, for further consideration after an excess-profits-and-earnings-tax plan receives consideration by this body.

Mr. President, in closing my remarks I desire to stress the fact that I fully realize the graveness of this war, and I shall at all times strive to the best of my ability to wholeheartedly cooperate for the sole purpose of successfully prosecuting this war. That is what all red-blooded American citizens will do, and that is what my people of Texas are doing, and what they know I am doing. But I am very much disturbed over this hazardous price-control legislation, and I cannot conscientiously say that I am able to see anything safe, sound, and practical in it. Hence, I am doing everything I know how to do in order to get this body to give careful and thorough consideration to the legislation which I have recommended, before final action is taken on this dangerous price-control bill.

Mr. VANDENBERG. Mr. President, I offer the following amendment: At the bottom of page 45, after line 25, insert the language found in the House text on page 7, subsection (g), reading as follows:

> The powers granted in this section shall not be used or made to operate to compel changes in the business practices or cost practices or methods, means or aids to distribution established in any industry, except to prevent circumvention or evasion of any ceiling established under this act.

The sole purpose of the amendment, Mr. President, is to make sure that the bill is simply a price-control bill, and not a business management-control bill. It is my understanding that the able chairman of the subcommittee has no objection to the acceptance of the amendment.

Mr. BROWN. Mr. President, the Senator is correct. I am perfectly willing to accept the amendment.

The PRESIDING OFFICER (Mr. SPENCER in the chair.) Without objection, the amendment to the committee amendment is agreed to.

Mr. THOMAS of Oklahoma obtained the floor.

Mr. BROWN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Nye
Austin	Gillette	O'Daniel
Bailey	Glass	O'Mahoney
Ball	Green	Overton
Bankhead	Guffey	Radcliffe
Barkley	Gurney	Reed
Bilbo	Hayden	Reynolds
Bone	Herring	Rosier
Brewster	Hill	Russell
Brooks	Holman	Schwartz
Brown	Hughes	Shipstead
Bulow	Johnson, Colo.	Spencer
Bunker	Kilgore	Taft
Burton	La Follette	Thomas, Idaho
Butler	Langer	Thomas, Okla.
Byrd	Lee	Thomas, Utah
Capper	Lodge	Tobey
Caraway	Lucas	Truman
Chandler	McCarran	Tunnell
Chavez	McFarland	Tydings
Clark, Idaho	McKellar	Vandenberg
Clark, Mo.	McNary	Van Nuys
Connally	Maloney	Wagner
Danaher	Maybank	Wallgren
Davis	Mead	Walsh
Downey	Millikin	Wheeler
Doxey	Murdock	White
Ellender	Murray	Wiley
George	Norris	Willis

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

Mr. O'MAHONEY. Mr. President, will the Senator from Oklahoma yield to me for a moment?

Mr. THOMAS of Oklahoma. I yield to the Senator from Wyoming.

EMERGENCY WAGE PARITY AMENDMENT

Mr. O'MAHONEY. Mr. President, yesterday I offered an amendment to the pending bill, which I desire to change in a slight particular. I ask that the amendment may be reprinted in the modified form and lie on the desk, and that it may also be printed in the RECORD.

The PRESIDING OFFICER. The amendment, as modified, will be printed in the usual form, printed in the RECORD, and lie on the table.

The amendment, as modified, intended to be proposed by Mr. O'MAHONEY, to House bill 5990, is as follows:

On page 29, after line 4, strike all of section 3, relating to "Agricultural Commodities", and insert in lieu thereof the following section 3:

"SEC. 3. (a) No maximum price shall be established or maintained for any agricultural commodity below the then current emergency wage parity price or comparable price for such commodity, adjusted for grade, location, and seasonal differentials, as determined and publishd by the Secretary of Agriculture in the manner hereinafter provided in subsection (b).

"(b) For the purposes of this act, emergency wage parity prices shall be determined by the Secretary of Agriculture by constructing a combined index in which the purchasing power index now used by the Secretary to compute parity prices shall be given a weight of 80 and a factor representing an index of urban wage rates, as determined by the formula in use January 1, 1941, in the index of wage rates published in 'The Monthly Review of Credit and Business Conditions' by the Federal Reserve Bank of New York, shall be given a weight of 20. In applying this combined index the Secretary shall take such steps as in his judgment may be necessary to establish and maintain equitable price relationships as among all agricultural commodities.

"(c) Any maximum price established upon the resale price of any agricultural commodity, or any grade, regional, or market classification thereof, or upon the price of any commodity processed or manufactured in whole or substantial part from any agricultural commodity shall not be below a price which will reflect to the producer of such agricultural commodity the emergency wage parity or comparable price therefor as determined pursuant to this section.

"(d) Neither the provisions of section 5 nor any other provision of this act shall be construed to authorize any action contrary to the provisions and purposes of this section: *Provided*, That nothing contained in this act shall be construed to modify, repeal, supersede, or affect the provisions of the act of Congress cited as the Agricultural Marketing Agreement Act of 1937, as amended, or to invalidate any marketing agreement, license, or order, or any provisions thereof, or amendments thereto, which may be in existence or hereafter issued under the provisions of said act."

Mr. O'MAHONEY. Mr. President, in connection with the modified amendment, and with the whole problem which is being presented here, I wish to ask unanimous consent to print in the RECORD a press release which was given out by the Office of Production Management on December 30, 1941, together with a list of corporations to which certain war contracts have been given, and which I obtained from the Office of Production Management.

WAR-CONTRACT PROFITS EXCEED TOTAL FARM INCOME

The significance of this material is this: According to the statement of the Office of Production Management of December 30, 1941, there have been awarded by the Army and the Navy up to September 30, 1941, more than fifteen and a quarter billion dollars in war contracts. Those contracts totaling fifteen and a quarter billion dollars-plus awarded during the period from June 1940 through September 1941 have been issued to 2,922 corporations. Of that stupendous total, 82.6 percent was awarded to 100 companies; 100 corporations out of 2,922 to which more than fifteen and a quarter billion dollars in war contracts have been awarded received more than 82.6 percent.

Another interesting and startling fact in connection with this situation is that Mr. Leon Henderson, head of the Office of Price Administration, in testifying before the Banking and Currency Committee gave the estimate that corporate profits before taxes this year will total about $11,500,000,000.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SHIPSTEAD. Did the source from which the Senator got his information indicate on what formula was based the price which these corporations will receive for the things they produce?

Mr. O'MAHONEY. No.

Mr. SHIPSTEAD. Was there anything said about parity?

Mr. O'MAHONEY. Nothing was said about parity.

Mr. SHIPSTEAD. That is what I thought.

Mr. O'MAHONEY. More than that, nothing was said about the prices of 1910–14.

Mr. SHIPSTEAD. And nothing was said about inflation, was there?

Mr. O'MAHONEY. Nothing was said about it.

Mr. SHIPSTEAD. I do not think the Senator will hear anything said about it.

Mr. O'MAHONEY. But it is only proper to say that Mr. Henderson did argue that price control will tend to hold down the cost of war production. I am pointing to the fact that he estimates corporate profits are about $11,500,000,000 for the year. When we consider that the total farm income, including benefit payments from the Government, in 1940—the farm income received by almost 23 percent of our entire population—was just a little more than $11,000,000,000, it becomes impossible, it seems to me, to understand why news commentators upon the radio and editorial writers in the urban press continue to fling the charge of petty politics against Members of the Senate and of the House of Representatives who dare to utter a word in defense of agriculture.

Last night I heard a radio commentator say that one Senator, unnamed, who was said to have attended a farm conference the other morning, was quoted as having said, "The question is, Are we to be statesmen or friends of the farmer?" My point, Mr. President, is that the statesmanlike position in this crisis is to be a friend of the farmer, and if action by this body is not sufficiently courageous and forthright to make certain that the farmer shall not be submerged farther than he is now submerged, then it is difficult to look forward with hope to what is going to happen after this war. When the administrator of prices can come before the Banking and Currency Committee and tell us that corporate profits will be $11,500,000,000 and when the Office of Production Management tells us that of more than $15,000,000,000 in contracts, 82.6 percent have gone to 100 companies, the time, Mr. President, has come for the press and the radio to realize that if the farm population of the United States is to be condemned to become a peasant class, then, indeed, the day of democracy is done.

I apologize to the Senator from Oklahoma for having trespassed upon his time, but I desire that the press release from O. P M., together with a statement listing the hundred companies, which I thereafter received from O. P. M., shall be printed at length in the RECORD at this point.

There being no objection, the press release and list were ordered to be printed in the RECORD, as follows:

The following tables, based upon studies made by the Bureau of Research and Statistics, Office of Production Management, show distribution of Army and Navy commitments for supplies.

The commitments cover procurement of ships, airplanes, tanks, guns, other equipment, food, and fuels, as distinguished from

cantonments, fortifications, arsenals, and factories.

The tables cover Army and Navy funds obligated with 100 leading primary contractors from June 1940 through September 1941.

The first table shows the number of companies to which commitments have been made within certain ranges from $17,700,000 to and including $1,000,000,000, plus actual amount of commitments with each group, and percentage of grand total this represents.

[In millions of dollars]

Number of companies	Range	Total amount of commitments for group	Percentage of supply contract total
2	$800.0 to $1000.0	$2,657.7	17.4
4	$600.0 to $799.9	2,626.4	17.2
2	$400.0 to $599.9	904.0	5.9
6	$200.0 to $399.9	1,980.5	13.0
13	$100.0 to $199.9	1,805.2	11.8
16	$50.0 to $99.9	1,143.7	7.5
19	$30.0 to $49.9	670.1	4.4
37	$17.7 to $29.9	823.9	5.4
2,922	Up to $17.7 [1]	2,652.9	17.4
Total, 3,022		15,274.4	100.0

[1] The tabulation is based on individual contracts of $50,000 and over.

The following table shows cumulative totals of companies, and contracts awarded in categories ranging from 17.7 million dollars to one billion dollars.

[In millions o. dollars]

Commitments	Cumulative number of companies	Cumulation of total commitments	Cumulation of percentage of total
Over $800.0	3	$2,657.7	17.4
Over $600.0	7	5,284.1	34.6
Over $400.0	9	6,188.1	40.5
Over $200.0	15	8,168.6	53.5
Over $100.0	28	9,973.8	65.3
Over $50.0	44	11,117.5	72.8
Over $30.0	63	11,787.6	77.2
Over $17.7	100	12,611.5	82.6
Over $0.05 [1]	3,022	15,274.4	100.0

[1] The tabulation is based on individual contracts of $50,000 and over.

One hundred corporations or independent companies holding greatest amount of War and Navy Department supply contracts awarded June 1940 through September 1941 (value in millions of dollars)

Corporation or company:	
Bethlehem Steel Corporation	961.5
Curtiss-Wright Corporation	886.3
General Motors Corporation	809.9
Consolidated Aircraft Corporation	691.3
Glenn L. Martin Co	670.3
Douglas Aircraft Co., Inc	649.6
Boeing Airplane Co	615.2
New York Shipbuilding Corporation	493.6
United Aircraft Corporation	410.4
Newport News Shipbuilding & Dry Dock Co	389.2
Lockhead Aircraft Corporation	367.9
United States Steel Corporation	338.4
E. I. du Pont de Nemours & Co	331.6
North American Aviation, Inc	319.6
General Electric Co	233.8
Seattle-Tacoma Shipbuilding Co	179.6
Chrysler Corporation	174.5
Bath Iron Works Corporation	166.5
Western Cartridge Co	158.9
Sperry Corporation	147.0
Aviation Corporation	137.7
Ford Motor Co	134.2
Bell Aircraft Corporation	126.4
Electric Boat Co	126.3
Bendix Aviation Corporation	124.5
Cramp Shipbuilding Co	114.8
American Car & Foundry Co	114.0
Corporation or company—Con.	
Baldwin Locomotive Works	100.8
Consolidated Steel Corporation, Ltd	96.2
Beech Aircraft Corporation	93.3
American Locomotive Co	86.2
Los Angeles Shipbuilding & Dry Dock Corporation	83.4
Gruman Aircraft Engineering Corporation	81.0
American Woolen Co., Inc	80.9
Continental Motors Corporation	71.0
Westinghouse Electric & Manufacturing Co	69.5
Republic Aviation Corporation	65.6
Western Electric Co	63.7
Packard Motor Car Co	63.7
Tampa Shipbuilding Co., Inc	62.7
White Motor Co	61.3
Diamond T Motor Car Co	57.5
Standard Oil Co. of New Jersey	55.2
Ingalls Shipbuilding Corporation	50.5
Studebaker Corporation	47.6
Anaconda Copper Mining Co	43.5
Savage Arms Corporation	41.5
Gulf Shipbuilding Corporation	41.8
Moore Drydock Co	38.0
Atlas Powder Co	37.2
Phoenix Securities Corporation	35.5
Crucible Steel Co. of America	35.2
Colt's Patent Fire Arms Manufacturing Co	35.2
Fairbanks Morse & Co	34.9
Empire Securities, Inc	33.1
Hercules Powder Co., Inc	32.2
Northern Pump Co	31.5
Arma Corporation	30.7
Firestone Tire & Rubber Co	30.9
Manitowac Ship Building Corporation	30.5
Day & Zimmerman, Inc	30.4
International Harvester Co	30.3
Lake Washington Shipyards	30.1
Standard Oil Co. of California	29.3
Scovill Manufacturing Co	29.1
Kelsey Hayes Wheel Co	29.0
Bausch & Lomb Optical Co	29.0
Todd & Brown, Inc	26.8
Eastman Kodak Co	26.5
Allis-Chalmers Manufacturing Co	26.5
Willamette Iron & Steel Corporation	25.7
Mack Trucks, Inc	25.3
Miehle Printing Press Manufacturing Co	25.1
Procter & Gamble Co	24.7
Northrop Aircraft Corporation	23.7
Goodyear Tire & Rubber Co	23.1
Radio Corporation of America	22.7
Revere Copper & Brass, Inc	22.6
Norris Stamping & Manufacturing Co	22.1
Fairchild Aviation Corporation	21.7
Botany Worsted Mills	21.5
Singer Manufacturing Co	21.2
Fairchild Engine & Airplane Corporation	21.0
Buffalo Arms Corporation	20.9
General Cable Corporation	20.2
Budd Wheel Co	20.0
William Whitman Co., Inc	20.0
Brewster Aeronautical Corporation	20.0
Dravo Corporation	19.7
Mesta Machine Co	19.5
Associated Shipbuilders	19.4
Lansdowne Steel & Iron Co	19.3
High Standard Manufacturing Co., Inc	19.2
Pullman, Inc	19.0
Marietta Manufacturing Co	18.9
Shell Union Oil Corporation	18.6
American Finishing Co	18.6
Hooven Owens Rentschler Co	18.3
Defoe Boat & Motor Works	18.0
Koppers United Co	17.7

Mr. THOMAS of Oklahoma. Mr. President, I offer an amendment to the pending bill. I ask that the amendment be printed in the RECORD, but at this time I shall not ask to have it read. A little later I shall explain the amendment somewhat in detail.

The PRESIDING OFFICER. Without objection, the amendment will be printed in the RECORD.

The amendment offered by Mr. THOMAS of Oklahoma was, on pages 29 and 30, to strike out section 3 relative to agricultural commodities, and to insert the following:

SEC. 3. Section 301 of title II, of Public, No. 430, Seventy-fifth Congress, approved February 16, 1938, is hereby amended to read as follows:

"SEC. 301. General definitions: For the purposes of this act and the declaration of policy—

"(1) 'Parity,' as applied to the price for any commodity, is that price which will give to such commodity a value or purchasing power with respect to articles that the producers of such commodity may buy equivalent to the purchasing power of such commodity in the base period as adjusted and provided herein:

"(a) The base period for the purposes of this act is the 10-year period from July 1, 1919, to June 30, 1929, inclusive.

"(b) In calculating the 'parity' price for any commodity, such price with respect to value or purchasing power shall be determined at any given time on the basis of the price relationship existing between such commodity and the articles that the producers of such commodity may buy as such relationship existed during the base period and as provided in this section.

"(c) For the purpose of calculating the 'parity' price for any commodity, the index number of 100 as determined by the Bureau of Labor Statistics for the year 1926 shall equal the base price for all articles that producers may buy.

"(2) All 'parity' prices for commodities shall be calculated as nearly as possible on the formula provided for cotton, as provided herein, and the base price and parity price for cotton shall be calculated on the following formula:

"(a) The base price for cotton shall be the average price of spot seven-eighths-inch Middling cotton as such price was current at the 10 recognized southern concentration points at the close of such markets on the 1st and 15th days of each month during each fiscal year of the base period and the average of such bimonthly prices shall be considered the average or base price for cotton during such base period: *Provided*, That if either the 1st or 15th day of any month falls on Sunday or a legal holiday when any or all of the selected market places are closed, then the market close on the first succeeding market day shall be considered: *Provided further*, That the base price for wheat shall be the average price of No. 1 wheat as such price was curernt at not to exceed 10 general wheat markets or wheat concentration points on the 1st and 15th days of each month during each fiscal year of the base period, and the average price for such wheat at such points during such base periods shall be considered the average or base price for wheat for the purposes of this act: *Provided further*, That the base price for corn, rice, tobacco, and any other commodity, farm or industrial, shall be calculated on the same formula as is provided for cotton and wheat: *And provided further*, That the Secretary of Agriculture is herein authorized to select not to exceed 10 general market places for any farm commodity, other than cotton, and the Secretary of Commerce is authorized to select not to exceed 10 general market places for commodities other than farm products, and each to calculate the average or base prices of commodities as provided herein.

"(b) The average price of cotton, wheat, corn, rice, tobacco, or any other commodity

during the base period, as provided in (2) (a) above, shall be the base price for any such commodity.

"(3) The 'parity' price for cotton, wheat, corn, rice, tobacco, or any other commodity as provided herein shall be calculated at any given time by using the all-commodity index number as ascertained by the Bureau of Labor Statistics and by multiplying the base price of any commodity by the said index number the product ascertained will be the parity price for such commodity.

"(4) The provisions of said section 301 as amended herein with respect to farm commodities shall be administered by the Secretary of Agriculture and with respect to all other commodities the provisions of said section shall be administered by the Secretary of Commerce, and the parity prices for the base agricultural products shall be calculated and publicly announced at least once during each calendar month of each year: *Provided*, That each said Secretary is hereby authorized to adjust the parity price of any commodity falling under his respective jurisdiction as to staple, grade, location, and quality: *Provided further*, That prior to the announcement of the parity price on any commodity when (a) it appears that facts are not available for determining the base price, or (b) because of changed conditions the base price is, in the judgment of the Secretary having jurisdiction, not a fair, just, and equitable price, then such Secretary is authorized, after public hearings, to adjust such base price, either up or down, as the facts may warrant, in order to give a fair, just, and equitable parity price to such commodity.

"(5) The Administrator, as provided in this act, with respect to fixing prices on and for any commodity, farm, industrial, or otherwise, shall be governed at all times by the parity price of such commodity as calculated and publicly announced by the Secretary of Agriculture or by the Secretary of Commerce, as provided herein: *Provided*, That—

"(a) The Administrator is authorized to secure from the Secretary of Agriculture or the Secretary of Commerce the average or base price on or for any commodity as provided in this act and is authorized to secure from the Department of Labor the current index number as defined herein and may calculate, as provided herein, and announce the parity price of or for any commodity at any time.

"(b) The Administrator is not authorized to and shall not fix a price on or for any commodity at any time at a figure below the parity price of such commodity calculated and determined as provided herein.

"(c) When the current market price of any commodity is (1) at parity or (2) is within five points below parity, the Administrator is authorized to consider, determine, and fix a price for or on such commodity, as provided herein and to make such order or orders, and to take such action as may be necessary to fix and stabilize such price on or for such commodity until modified or rescinded by an appropriate order as provided by this act.

"(d) Upon the approval of this act the Administrator is authorized to consider the current price of any commodity and if he finds that such price is above parity as provided herein, he is authorized to investigate such price and if he finds, upon such investigation, that such current price is unwarranted, unjust, and indefensible, then after such a finding he is hereby authorized to fix a price on and for such commodity which will bring such price to a fair and just relationship with the other prices in our domestic economy.

"(e) With respect to the price of any commodity of which we have a surplus and so long as such price of such commodity does not reach within five points (percent) of parity as provided herein, the Administrator is without authority to act.

"(f) The Administrator shall not fix a price on or for any byproduct, processed article, finished product, or similar or comparable commodity, or on any byproduct, finished product, or similar product, either made or derived from such similar or comparable commodity, which will have the effect of reducing the price of any other commodity below the current parity price for such commodity.

"(g) Any order made by the Administrator fixing any price on or for any commodity, or article, at a higher or lower figure than the limits authorized by this act shall be null and void."

Mr. THOMAS of Oklahoma. In addition to the amendment which I now offer, I ask to have printed, immediately following the text of the amendment, an explanation of how parity price is arrived at.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

DEFINITION OF PARITY PRICE

The parity price of any farm commodity is that price which will give to such commodity a value or purchasing power with respect to articles that farmers buy, equivalent to the purchasing power of such commodity in the base period.

BASE PERIOD

The base period is the 10-year period from 1919 to 1929. This period is suggested because it is the most recent period of a free farm economy. The depression came in October 1929 and since that time our farm economy has been controlled.

The period now being used—1909–1914—is considered too remote as conditions and prices have changed materially since that time. That period, 1909–1914, has been designated by responsible authorities as the horse-and-buggy era.

BASE PRICE

The base price for any farm product is the average price of such product during the 10-year base period, 1919–1929. The average price of cotton as defined in the formula was approximately 22.7 cents per pound. During that period the average price of No. 1 wheat was $1.57 per bushel, and the average price for corn was 92.3 cents per bushel.

PARITY PRICE

To arrive at the parity price of any farm product we must determine the relationship of such price to the prices of the things which farmers must purchase.

Under the suggested formula the parity price of any given farm commodity is determined by the relationship existing between the base price of such product and the all-commodity index number prepared and issued each week by the Department of Labor.

During the base period (1919–29) this index number was the most stable in our entire history, and during such period the average of such index number was 103.

In 1926 such index number stood at 100, indicating that during said year all groups of commodities that farmers have to buy, such as foods, hides and leather, textiles, fuel and lighting, metals and metal products, building materials and chemicals, house furnishings, farm products, and miscellaneous items, were on a 100-percent relationship with each other.

By using the all-commodity index number of 100 we conclude that when such number is below 100, prices are lower than they were in 1926, and conversely, when such number is above 100, then prices are higher than they were in said year.

On December 13, 1941, the said index number was 93.1, hence prices at that time were 6.9 percent lower than they were in 1926.

Under the suggested formula, the parity price of any farm product may be determined at any time by two simple calculations, as follows:

First, from the statistics in the Agricultural Department the average price of farm products may be arrived at and such average price will be the base price for any such product; and

Second, by multiplying such base or average price by the all-commodity index number, which is announced weekly by the Department of Labor, the product of such calculation will be the parity price at any given time for such product.

EXAMPLES

Cotton

Under the formula the parity price for cotton is determined as follows:

If the base or average price for cotton is 22.7 cents per pound, then by multiplying 22.7 by 93.1, the latest index number, we find the present parity price at 21.13.

Wheat

The parity price for wheat is determined as follows:

If the base or average price for wheat is $1.57 per bushel, then by multiplying $1.57 by 93.1, the latest index number, we find the present parity price at $1.46.

Corn

The parity price for corn is determined as follows:

If the base or average price for corn is 92.3 cents per bushel, then by multiplying 92.3 by 93.1, the latest index number, we find the present parity price at $0.859.

NOTE.—At the present time prices are rising and as they rise the all-commodity index number will rise, so that when such number reaches 100 the parity price for any farm commodity will be the average price of such product during the base period (1919–29). It should be conceded by all that farmers are entitled to have full parity prices for all agricultural products and that when full parity is attained then it should be the policy of the Government to maintain such full parity prices for farm products as nearly as is humanly possible.

Mr. THOMAS of Oklahoma. Mr. President, because of the importance of this measure, I presume to take some little time—not very much—to speak for one group that to date has been overlooked. I may have misunderstood yesterday; but if I did not misunderstand the language of the Senator from Michigan [Mr. BROWN], who is in charge of the pending bill, I understood him to say that it is essentially a consumers' bill. If I am in error in my interpretation of his language used yesterday, I shall be very glad to pause for a correction. Hearing no correction, I assume that the bill is a consumers' bill. I wonder what part the producers are to play in the immediate future—next month, next year, or so long as the bill shall be upon the statute books.

Mr. President, I approach this subject in sympathy with the viewpoint that has been expressed. I realize that unless something is done, prices may rise very high. I remember very well, years ago, when prices were skyrocketing. I remember that cotton sold for 44 cents a pound, and that other farm products sold at high prices. I remember when industrial products sold for very high prices; and with the stimulation we had 20 years ago of only a small part of the national debt we now have, if we found the high prices then to be the result of the debt and the plentifulness of

money and credit, with the present condition I can foresee the need for something along the line of price control.

When the war was over, 20 years ago, the national debt was only $26,000,000,000. I say "only $26,000,000,000" because now we have been in the war for a month, and the national debt is almost $60,000,000,000 and only a small part of the appropriations which have been made by Congress have been expended. When the appropriations which the Congress has already made shall have been expended, the total national debt will approach $100,000,000,000.

Yesterday the President sent his new Budget message to the Congress. If I remember correctly, the Budget calls for an outlay for the coming fiscal year 1942–43 of a sum in excess of $55,000,000,000; and, if I do not misinterpret the Budget message, it is hoped to raise only a relatively small part of that sum by taxation for the next year; so that at the end of the next fiscal year, if things go along as we plan them, we shall have a deficit of thirty-odd billion dollars to add to the appropriations we have already made. If my figures are approximately correct, if the national debt when we make the expenditures now authorized totals $100,000,000,000, then we now can foresee, in 12 months from now or thereabouts, a total national debt of over $130,000,000,000. I can foresee that if a debt of $26,000,000,000 in the first World War brought about the occasion for rising prices and high prices, when this gigantic sum shall have been expended there will be additional reason for still higher prices than prevailed 20 years ago. For that reason, I say, I am not adverse to looking upon this proposal with a sympathetic attitude; and, believing that nothing is perfect, believing that no one person knows very much, but that many persons know a great deal, it occurs to me that this bill might be improved by some amendments. I propose an amendment which, in my opinion, will improve the measure.

This amendment, as I verily believe, will fill the specifications just enunciated on this floor by the distinguished Senator from Georgia [Mr. GEORGE]. He has not had a chance to consider the amendment; but before the amendment is finally proposed for a vote it may be a little more clear to the Members of the Senate.

Mr. President, I have here a number of charts which I shall place in the RECORD and explain briefly.

The first chart contains a quotation from the President. On July 5, 1938, President Roosevelt sent a letter to the members of the Conference on Economic Conditions in the South; and in that letter he said:

> It is my conviction that—

Then I quote the remainder of the sentence on the chart—

> the South presents right now the Nation's No. 1 economic problem—the Nation's problem; not merely the South's.

Mr. President, there is foundation for that statement, and I wonder why. Why did the President of the United States find it proper to make the statement that the South presented the Nation's No. 1 economic problem?

The next chart will show my interpretation of why the President made that statement. I make the statement now, and I shall demonstrate in a moment, that when cotton sells for 10 cents a pound, the laborer who produces the cotton receives less than 10 cents an hour for his wages.

When cotton sells for 15 cents a pound, and cottonseed sells for $35 a ton, the laboring man who produces the cotton receives less than 13 cents for his labor.

When cotton sells for 20 cents, and cottonseed sells for $40 a ton, the man who grows the cotton receives 18.3 cents an hour for his wages.

When cotton sells for 25 cents a pound, and cottonseed sells for $50 a ton, the man who plants the cotton, and chops the cotton, and cultivates the cotton, and picks the cotton, and gins the cotton, and markets it receives the magnificent sum of 24 cents an hour for his labor.

The cotton farmer who receives 30 cents a pound for his lint cotton, and $60 a ton for his cottonseed, receives but 29.7 cents an hour for his labor in producing the cotton.

When the cotton planter receives 35 cents a pound for his lint cotton, and $65 a ton for his cottonseed, he receives 35 cents an hour for his work.

When lint cotton sells for 40 cents a pound, and cottonseed sells for $70 a ton, the man who grows the cotton and the seed receives 40 cents an hour for his work.

Then when cotton sells for 50 cents a pound—it has not sold for that in recent years, if it ever did; in the recent World War 44 cents was the top—when cotton sells for 50 cents a pound, if it should, and cottonseed sells for $75 a ton, if it should—it has not sold for that yet, but if it should—the man who raises the cotton and the seed will receive but 50 cents an hour for his work.

Mr. President, the pending bill, if enacted in its present form, will sentence the cotton laborers of the South to a wage schedule of less than 20 cents an hour so long as the law remains upon the statute books. And here I have the proof.

I am glad I have the privilege of addressing Senators who raise cotton.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Maryland?

Mr. THOMAS of Oklahoma. I yield.

Mr. TYDINGS. Is the statement made by the Senator that if the bill shall be enacted into law it will sentence the cotton raiser to a wage of 20 cents an hour——

Mr. THOMAS of Oklahoma. Less than 20 cents an hour.

Mr. TYDINGS. Very well. Is that statement based upon the parity which is assumed in the bill?

Mr. THOMAS of Oklahoma. It is.

Mr. TYDINGS. In other words, if the parity provision is adopted, it will mean, as I understand the Senator, less than 20 cents an hour for the cotton producer?

Mr. THOMAS of Oklahoma. That is correct. My State is a cotton-producing State. We can produce a million bales of cotton in my State of Oklahoma. The State of Texas can produce 4,000,000 bales a year, and they usually produce 3,000,000. In my State we are producing about six or seven hundred thousand bales. The price of cotton appeals directly to the citizenship of 11 States in which cotton is produced.

Before I refer to the figures in connection with the production of cotton, what it costs, and what the producers receive, I wish to call attention to the present wage schedule in industry. I am not complaining about this schedule; I am merely putting it before the Senate in order that Senators may see the difference between what the wage earner in industry receives and what is received by the cotton planters on the plantations in the South.

I have a telegram which gives the price ranges now in effect in the building of manufacturing establishments, cantonments, and Army camps. The lowest wage rate now received by unskilled labor for regular time is 30 cents an hour, and it runs up to $1.10. This information comes from the War Department. The War Department is now paying unskilled labor as low as 30 cents an hour, and the top pay is $1.10.

At the present time the skilled laborer in industry receives from 80 cents an hour, which is the low rate, ranging up to $2.25 an hour.

For overtime, which would mean time and a half, unskilled labor receives 30 cents, plus one-half of that, or 45 cents an hour, for such time as they work each day more than the allotted number of hours, which is 8. So that for overtime the unskilled laborer receives from 45 cents an hour to $1.65 an hour.

At the present time the range for the skilled laborer for overtime is from $1.20 an hour to $3.375 an hour.

For double time, which means Sundays and holidays—and now labor is to work nights, as well as Sundays and holidays—the unskilled laborer will receive from 60 cents to $2.30 an hour, and the skilled laborer will receive from $1.80 to $4.50 an hour.

As I have stated, I am not complaining of this wage schedule, but knowing that the men working in industry receive such rates of wage, when the Senate proceeds to pronounce a sentence upon the wage earners in 11 States by fixing their wage rate at less than 20 cents an hour, I cannot remain silent.

Mr. President, I want the cotton planters, those who raise cotton, to check my figures. If Senators cannot see the chart I have displayed here from where they are sitting, I ask them to come nearer so that they can see it. I exhibit a chart to the Senate which shows that the "Cotton price per pound is laborer's wage per hour." The first chart shows cotton selling at 10 cents; and when I refer to cotton, I mean cotton lint. It shows cottonseed selling for $30 a ton, and when we reflect that there are 2,000 pounds in a ton, it means that the price is 1½ cents a pound.

The man who plants cotton makes a certain number of pounds per acre, and the figures for 1940, as furnished me by

the Director of Agricultural Statistics, show that in the 10-year period from 1918 to 1928 the average yield in the South was 162 pounds of lint cotton per acre.

Mr. BARKLEY. The chart says "cottonseed."

Mr. THOMAS of Oklahoma. That is a mistake of the draftsman. I had not seen the chart before it was brought into the Senate. One hundred and sixty-two pounds of cotton lint per acre is the average. If cotton sells for 10 cents a pound, 162 pounds makes the total return from the sale of the lint cotton $16.20 an acre.

It is estimated that there is twice as much cottonseed as lint in an acre of cotton. So that if an acre produces 162 pounds of lint, it produces double that amount of seed, or 324 pounds. At 1½ cents a pound, which is the rate at $30 a ton, the total yield from the seed in an acre of cotton is $4.86. So the total average yield from an acre of cotton in the South, over the 10-year period to which I have referred, was $21.06.

The expenses come out of that figure. I am talking about the man who produces the cotton. He is called a share cropper in some sections of the country. The landlord lets the share cropper come onto the land. He furnishes him a house, he furnishes him a garden, he furnishes a truck patch, he furnishes the seed, he furnishes the mule or the horse, he furnishes the plow, he furnishes the drill, he furnishes the hoe, he furnishes everything the sharecropper uses.

Mr. McKELLAR. Mr. President, will the Senator from Oklahoma yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. McKELLAR. The Senator is entirely correct in stating that the yield was 162 pounds of lint to the acre in the period to which he refers. Since that time, I think beginning about 1934, a limitation was placed on the number of acres which could be planted, and cotton land has been fertilized to a great extent, with the result that the average yield now, under the impetus given by the Government, is 205 pounds an acre. It has risen.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. TYDINGS. Did the Senator say that 205 pounds of cotton is the average amount produced per acre now?

Mr. McKELLAR. Yes.

Mr. TYDINGS. Will the Senator give us the return per acre on that amount?

Mr. THOMAS of Oklahoma. Mr. President, in order that the record may be complete I will say that the average return from an acre is 162 pounds of lint and 324 pounds of seed, making a total return of seed and cotton the sum of those two figures, which would be 486 pounds.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. RUSSELL. Of course, land which will produce one bale of cotton to the acre is most exceptional. If as much as two bales of cotton is ever produced to an acre of land, farmers will ride for miles around to see such cotton land. It is practically a manure bed, and it costs so much that the expenses of production will eat up the increased production of the land.

I hope the Senator from Oklahoma will make clear also that, in addition to the low income he is now stressing, since the period of which he talks approximately 16,000,000 acres of cotton have been taken out of production, and production has been reduced to that extent. The average cotton farmer today, as I recall the figures—I am not sure I am correct—is only permitted to plant between 3 and 4 acres of cotton. He cannot plant simply as much as he pleases. He gets $21.06 an acre, or whatever amount he may obtain for his crop, but there is a strict limitation placed on the acreage which he is entitled to plant; and my recollection is that the farmer throughout the South is permitted to plant between 3 and 4 acres of cotton.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. TYDINGS. Will the Senator give us the figures as developed by the Senator from Tennessee and himself as to the production of cotton as of more recent years?

Mr. THOMAS of Oklahoma. Production has been increased from 162 pounds of lint cotton per acre to 205 pounds per acre, with a corresponding increase in the amount of seed. The cotton boll represents one-third cotton lint and two-thirds seed.

Mr. TYDINGS. Taking the average price which the farmer has been getting for cotton and for seed in the last 5 or 6 or 7 years, how much would the figure in the right-hand column then be?

Mr. THOMAS of Oklahoma. I shall come to that in my discussion of another chart.

Mr. President, when we began to restrict the production of cotton, of course the farmers who could not plant all they wanted to, wanted to raise all the cotton they could on the land which was available to them. The administration measure did not limit the cotton planter to raising so many bales of cotton, or so many bushels of wheat, or so many bushels of corn. It placed so many acres at his disposal, and the farmer who had good soil to start with, through good cultivation and the use of fertilizer, intensified his cultivation, and did all he could to raise as much cotton as possible. For that reason the average has gone up from 162 pounds of lint cotton produced 20 years ago or 10 years ago, to more recently 205 pounds per acre.

Mr. President, all that has come from 1 acre of land in 1 year during the 10-year period is $21.06.

Mr. O'DANIEL. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. O'DANIEL. In figuring the 205 pounds per acre is the actual acreage planted taken into consideration, or the actual acreage owned by the farmer, all of which he is not permitted to plant?

Mr. THOMAS of Oklahoma. The acreage planted is considered.

Mr. O'DANIEL. But he has all the other acres at his disposal, some of which are not planted.

Mr. THOMAS of Oklahoma. That is correct, but all a farmer gets from an acre is $21.06.

I will now show the expenses. The ginning of 162 pounds of cotton on the average costs $2. The cost of ginning runs from $5 up to $8 a bale. I have taken an average of $6. One hundred and sixty-two pounds being approximately one-third of a bale, if it costs $6 to gin a bale, it would cost $2 to gin 162 pounds of cotton.

The next item is fertilizer. In some sections farmers must use fertilizer, and use it extensively. In some sections it is not necessary to use so much. But it costs, on the average, for fertilizer $2.03 per acre. That statement comes from the Bureau of Agricultural Economics.

The next item is miscellaneous expenses, including poison. Farmers must use poison in the production of cotton. They must apply the poison at different times in order to kill the army worm, the boll weevil, and the other pests that infest cotton. The cost of poison runs up to about $2 an acre. Other expenses—and these figures also come from the Bureau of Agricultural Economics—aggregate $1.70, so the total of miscellaneous expenses amounts to $3.70.

The total cost for ginning, fertilizer, and miscellaneous expenses, therefore, is $7.73.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. McKELLAR. I wanted to ask the Senator if it is not true also that fertilizer is virtually a necessity in the greater part of the cotton lands of our country? For instance, what are known as uplands have to be fertilized in order to make anything at all out of the crop of cotton.

Mr. THOMAS of Oklahoma. The Senator is exactly correct. So the total expense, as I said, is $7.73 per acre. That is the average expense per acre, and the figures, as I have said, are obtained from the Bureau of Agricultural Economics.

When the landlord takes the bale of cotton to market to sell it for the tenant, he cashes the check and takes out one-half of the expenses from the check. So, to find out how that figures out, we take $7.73 from the $21.06 and it leaves a net return from the sale of cotton from 1 acre of $13.33. That is what is left after the expenses are paid. Then the landlord gets his one-half, or $6.66. The laborer who produced the cotton gets his one-half, or $6.66. Dividing $6.66 by 85, the estimate of the number of man-hours it takes to produce an acre of cotton during the summer, we get the laborer's share, $0.78 or less than 8 cents per hour.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. TYDINGS. I notice that, apparently, without including anything for taxes or insurance on the chart which the Senator has just explained, the landlord would receive $6.66 an acre clear.

The only expenses against it would be taxes and insurance.

Mr. THOMAS of Oklahoma. Of course, the landlord pays the taxes and furnishes all the machinery. He feeds the horses and keeps the machinery in repair, unless the expense should be unusual, in which event he might tax part of it against the sharecropper.

Mr. TYDINGS. I was about to ask the Senator whether he can give us an idea what, if anything, the landlord would have left out of his half after the other expenses were paid.

Mr. THOMAS of Oklahoma. If the sharecropper, on the average, had 10 acres of cotton land, and if he had a net return of $6.66 for 1 acre, he would receive a total return from the 10 acres, for the summer's crop, of $66.60. He would have to pay his grocery bill, clothing bill, medical bill, hospital bill, and whatever other bills he might have.

Mr. TYDINGS. I was not referring to the sharecropper. I was referring to the landlord. What the sharecropper would receive is plain; but the landlord would have other expenses which the Senator has not shown.

Mr. THOMAS of Oklahoma. Yes. I am not speaking from the standpoint of the landlord. I am speaking from the standpoint of the man who works in the production of cotton, as distinguished from the men who work in industry and receive from 30 cents to $2.25 an hour

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. McKELLAR. The Senator is talking about the man who labors in the field.

Mr. THOMAS of Oklahoma. He is the one about whom I am talking.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. LUCAS. What is the average acreage of the crop grown by the sharecropper? How many acres would the average sharecropper take care of during the season?

Mr. THOMAS of Oklahoma. That depends, of course, upon the landlord. If he were a landlord with a vast acreage he might assign to the sharecropper as much as he could cultivate.

Mr. LUCAS. I appreciate that. I was wondering if the Senator had any figure as to the average.

Mr. THOMAS of Oklahoma. From 20 to 25 acres is a pretty good crop for a man and a mule. Raising cotton is pretty hard work. There are no regular hours.

Mr. LUCAS. All farming is pretty hard work. I was interested in knowing what the average sharecropper would receive, and what the average landlord would receive, on the basis of the figures on the Senator's chart.

Mr. THOMAS of Oklahoma. As I have just stated, if the sharecropper had a 10-acre crop he would have a total return for his summer's work of ten times $6.66, which would be $66.60. That would be the total return to the man for himself and his wife, if he had a wife, and his children, if he had children.

Mr. LUCAS. How do those folks live?

Mr. THOMAS of Oklahoma. They do not live. They merely exist. If the Senator could see the way they live I am sure he would be appalled. They live wherever they can. Many live in tents. Some of the landlords furnish as good houses as they can afford. In many instances there is no floor in the house. Often there is little, if any, furniture. There must be some. It depends, of course, upon the landlord, and upon the sharecropper's economic status when he moves on the farm.

The Senator from Georgia [Mr. RUSSELL] is more familiar with this matter than am I. I should like to ask him how many acres of cotton a man and a mule can tend, on the average.

Mr. RUSSELL. That has varied considerably in recent years. The allotment system now in effect has brought down the average acreage planted to cotton from about forty million to twenty-six million acres.

Mr. THOMAS of Oklahoma. It has been reduced to 23 million. There was a reduction of one-third during the past year.

Mr. RUSSELL. That is correct. I was thinking of the average over a 5-year period. I should say that if a tenant could plant as much as 10 acres of cotton he would be very well off, indeed. It depends on the section of the country. In Texas and Oklahoma the average tenant cultivates a great deal more, and does not make as much per acre as he would make in the Mississippi Delta. In my State I should say that a 10-acre allotment for a tenant farmer or sharecropper would be a little larger than the average. I do not have the figures; but I know that 10 acres is considered a pretty good allotment to a 1-horse farmer.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. McKELLAR. I think the number of acres cultivated by the tenant farmer is larger, on the average, than 10 acres. I know of many farmers—as we speak of it, "a hand and a mule," or a laborer and a mule—who can work about 20 acres of land.

Mr. THOMAS of Oklahoma. Mr. President, a moment ago I made the statement that if the pending bill should pass in its present form it would sentence the cotton laborers in the South to a permanent wage scale of 15 cents an hour during the time the law should remain on the statute books. Let me give the prices upon which I base that statement.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. LUCAS. Fifteen cents an hour would be 8 cents more than they have been receiving, according to the chart which the Senator has presented.

Mr. THOMAS of Oklahoma. Yes; that is true, if that can be called an improvement.

Mr. LUCAS. It would be practically double what they have been receiving.

Mr. THOMAS of Oklahoma. That is true.

The bill fixes the base as of October 1 to October 15, 1941.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. For my own information, let me ask the Senator what type of land he is talking about. What is the market price of the land which produces the average amount of cotton of which the Senator speaks?

Mr. THOMAS of Oklahoma. The average is based upon some very productive irrigated land, which is worth $200 to $300 an acre, and perhaps more, as well as upon some very cheap land.

Mr. BARKLEY. In Georgia, Alabama, and Mississippi, which are typical Southern States, what would the land producing the amount of cotton which is the basis for the Senator's average be worth an acre?

Mr. THOMAS of Oklahoma. I cannot speak for the other States, but in my own State land which produces cotton on the basis of 162 pounds to the acre would sell at from $15 to $25 an acre—somewhere in that range.

Mr. President, the bill fixes the base as of the period from October 1 to October 15, 1941. The Administrator may say, "Congress gave me my orders. I must fix a ceiling on cotton and cotton products on the basis of the prices on October 1, 1941." On that date cotton was selling for 17.11 cents a pound, or $17.11 a hundred pounds.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. BREWSTER. The Senator made the statement that on the basis of his figures the return to the sharecropper is 8 cents an hour. Does the Senator predicate that statement upon the Price Administrator not exceeding the limits mentioned in the bill?

Mr. THOMAS of Oklahoma. Mr. President, if prices should go up all along the line the parity price would go up, which would give the Administrator the right to raise the price of cotton, but he has a double ceiling. He has the ceiling of 110 percent of parity, and the ceiling represented by prices as of October 1, 1941.

Mr. BREWSTER. As I understand, that is not a ceiling, but is rather a floor. Is not that correct?

Mr. THOMAS of Oklahoma. I disagree with the Senator.

Mr. BREWSTER. Is not the language of the bill clear?

Mr. THOMAS of Oklahoma. No; I understand that he may not put the price above that ceiling.

Mr. BARKLEY. That is a mistake. He may not put it below that floor.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. BROWN. The Senator from Maine has the matter clearly in mind. I have tried all along to point out that this limitation is a floor, and not a ceiling.

The Senator spoke about the bill being a consumers' bill. Of course, we are all consumers. The laborer on the farm,

about whom the Senator is talking, is a consumer. The bill is primarily intended to protect consumers; but in the first section of the bill will be found language which indicates that it is also a bill to encourage production. If it is necessary to raise the price of cotton and provide a higher ceiling, or a higher floor, if we want to put it that way, for the purpose of encouraging the production of cotton, as was said many times yesterday, not only with regard to cotton, but any other commodity, the Administrator may permit the price to go very much higher than 110 percent of parity, and very much higher than the October 1 standard laid down in the bill. Putting it concretely, he might permit the price to go to 30 cents, for example, if that were necessary to encourage production.

Mr. THOMAS of Oklahoma. Mr. President, I have been reading the hearings before the two committees, and I have reached the very definite conviction that the present Price Administrator is trying to keep prices down, rather than trying to get prices up. Does not the Senator agree with me in my contention?

Mr. BROWN. The Price Administrator is directed by the terms of the bill to maintain the relationships between prices as they were during the period from October 1 to October 15, 1941.

Mr. THOMAS of Oklahoma. Mr. President, that is what I think he will do; and that is what I think he will construe to be his duty if the bill passes in its present form. Believing that he will construe it to be his duty, I am against the limitation.

At some place in the hearings I have read that Mr. Henderson said or is quoted as saying that after this emergency is over we must go back to a low-price basis. Mr. President, I cannot agree with such a contention. At this moment we are still in deflation. Of course, that statement brings on the argument and question, What is deflation? On this floor 10 years ago we debated the question of deflation, and we all agreed that we had deflation, that prices were too low, and that the buying power of the dollar was too high; and in numerous bills we took steps to increase prices. We authorized the plowing up of cotton so as to make cotton scarce and make the price high. We authorized the plowing up of wheat so as to make wheat scarce and its price high. We did not authorize the killing of pigs, but pigs were killed to make pigs scarce, to make the price of bacon high. If we were in deflation then, when did deflation end? Has it ended yet? Has inflation begun as yet?

I pause for reply. Does any Senator think that inflation has yet begun?

I have read the hearings; and, so far as I can recall, the witnesses all say that inflation has not yet begun but that it is coming and that we should be ready for it.

That is my viewpoint. Inflation is coming; and I am willing to go along and to provide certain curbs, if that can be done in a proper way. I follow the principle set down by the Senator from Georgia, as I shall explain a little later.

It is my contention that America is still in deflation. Does any Senator say that prices are now too high? I pause for reply.

Mr. BROWN. Mr. President, will the Senator yield to me?

Mr. THOMAS of Oklahoma. I yield.

Mr. BROWN. I decline to be bound by statements which the Senator makes from time to time in asking for an immediate reply to all the theories he is expounding at the present time; and I desire to serve notice that my failure to rise every time he asks a question upon that subject is by no means an assent to the argument or the statement he is making.

Mr. THOMAS of Oklahoma. I thought perhaps some Senator would be willing to rise and say that prices are now too high, or that the price of a particular commodity is too high. Does any Senator know of the price of anything that is too high today? I pause for reply.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from Kentucky.

Mr. BARKLEY. I do not think that the prices of farm products are now too high. Of course, it is easy to ask a mass question, and to say, "If any Senator wishes to dispute it, let him rise." I do not think that any Senator who does not rise under those circumstances necessarily should be bound by the implication that he agrees to everything that is said. But I should at least say that prices are not in deflation as compared to what they were in 1939.

Mr. THOMAS of Oklahoma. I agree 100 percent with that statement.

Mr. BARKLEY. I have before me a table which shows what has happened to farm prices, and still I do not think they are too high. Using August 1939—immediately before the war—as a basis of 100 percent, by May 1940 farm prices had gone up to 111 percent; by March 1941 they had gone up to 117 percent; by November 1941 they had gone up to 153 percent; and by December 1941 they had gone up to 172 percent.

Mr. THOMAS of Oklahoma. Mr. President, those figures are based on the low-price level that existed when we started our antideflationary program.

Mr. BARKLEY. No; not at all. The figures are based on August 1939, and not on the deflationary period from 1929 up to 1935 and 1936. I am not even by inference suggesting that at 172 the prices are too high; but the Senator cannot claim that there is deflation when prices have gone up 72 percent since August 1939.

Mr. THOMAS of Oklahoma. I admit that prices have been rising—much to my gratification.

Mr. BARKLEY. And mine also.

Mr. THOMAS of Oklahoma. I have been arguing for 15 years upon this floor for the very thing that now is happening.

Mr. BARKLEY. I thought the Senator said that farm prices are still being deflated.

Mr. THOMAS of Oklahoma. No; I did not intend to say that.

Mr. BARKLEY. Then, I misunderstood the Senator.

Mr. THOMAS of Oklahoma. I said we are still in deflation.

Mr. BARKLEY. We are still in deflation as compared with the prices of 1920, which were prices following the first World War.

Mr. THOMAS of Oklahoma. I agree with the Senator. If we were in deflation in 1932 and 1933, when did we get out of deflation, and when did we enter a period of stability—which would be a neutral period—or when did we enter inflation? I contend that we are now in deflation, and will remain there until the price level reaches 100. It has not yet reached that point.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. HOLMAN. In support of the statement the Senator made about our still being in deflation, I remark that the purchasing power of the dollar, as determined by the Bureau of Labor Statistics in a comparison of the prices of over a thousand articles in daily commerce, is, according to the latest report I have received and which came to me during last week, $1.064.

Mr. THOMAS of Oklahoma. I have the figures before me. Today the dollar has a buying power of $1.06, as determined on the basis of the prices of over 900 commodities. Today a farmer has to raise commodities—corn, wheat, cotton, pigs, calves, milk—on the average to the extent of $1.06 in order to get a dollar. That means that the price level as of January 3, 3 or 4 days ago, was up only to 94.3.

So at this moment prices are below 100, if the 1926 basis is to be followed, and they must go up 5.7 points before we get to the point where deflation ends and inflation begins.

So I contend that we are now still in deflation. I contend that the bill, if enacted in its present form, would sentence the farmers of America to a period of deflation to that extent, until the legislation is repealed.

Mr. President, I shall go further, and show what I meant a while ago when I said that, in my opinion, the bill, if enacted into law, would sentence the laborers of 11 States to a wage scale of 15⅝ cents an hour during the time the bill remains on the statute books.

On the 1st of October, cotton sold for 17.11 cents a pound.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. TYDINGS. As I understood the Senator from Tennessee—and I assume that the Senator from Oklahoma agreed with the statement—his statement was that the figures of 162 pounds an acre and 324 pounds an acre had gone up to 205 pounds an acre and 410 pounds an acre, respectively. I was wondering what would be the cash return, as of the present market prices, with those changes.

Mr. THOMAS of Oklahoma. If the Senator will take his pencil and multiply the figure of 205 pounds an acre by the figure for the present price of cotton——

Mr. TYDINGS. What is the present price of cotton?

Mr. THOMAS of Oklahoma. On the 1st of October cotton sold for 17.11 cents a pound. On the basis of a yield of 162 pounds an acre, the total return an acre would be $27.72.

Mr. TYDINGS. I wanted to ascertain the return on the basis of a production of 205 pounds an acre.

Mr. THOMAS of Oklahoma. If the Senator will substitute the figure 205 for the figure 162, and will make the same computation, he will obtain the comparable figure.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. LUCAS. A moment ago the Senator spoke about the country being in a deflationary period at the present time. Assuming that the prices of cotton, corn, wheat, and other products of agriculture rise to the point established in the bill—110 percent of parity—under those circumstances would we still be in a deflationary period?

Mr. THOMAS of Oklahoma. From my interpretation and from the information I am using. I believe that when prices reach an average of 100 we shall be out of deflation. If we can keep out of deflation, as I understand the Senator from Georgia would like to have done, and if then we can also keep out of inflation, we shall be in a neutral condition, balanced between deflation, on the one hand with lower prices, and, on the other hand, inflation, with higher prices. We shall stabilize at 100 if that can be done; and then we shall not be in either inflation or deflation, from the standpoint I am trying to present to the Senate.

Mr. LUCAS. If we reach a hundred percent of parity, which would stabilize inflation and deflation, as I follow the Senator, it might never be necessary for the Price Administrator to invoke price control.

Mr. THOMAS of Oklahoma. That is possible.

Mr. LUCAS. Then, I cannot quite follow the Senator's theory with respect to how this bill would do what he says in the event that the Administrator should never exercise his authority.

Mr. THOMAS of Oklahoma. It is my interpretation that if the Price Administrator shall say, "The price level of October 1 is the order I have from Congress; I must stabilize the price at that figure; I must freeze the price at that figure." That price is not up to parity, but he has a double-barreled proposition. He can take either 110 percent of parity or the October 1, 1941, figure.

Mr. BROWN. Mr. President, I must say to the Senator that the Administrator must take the higher of those two figures; he has no choice between the two. If 110 percent of parity is the higher, he must take 110 percent of parity; if the October 1, 1941, market price is the higher floor, he must take that before he can operate on agricultural prices.

Mr. THOMAS of Oklahoma. Very well, Mr. President——

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I am not sure that I can follow the statement made by the Senator from Illinois and the Senator from Michigan in response to what the Senator from Oklahoma has said. Section 3 (a) as reported by the committee specifically says:

SEC. 3. (a) No maximum price shall be established for any agricultural commodity below (1) the market price equivalent to 110 percent of the parity price or comparable price for such commodity, adjusted for grade, location, and seasonal differentials, as determined and published by the Secretary of Agriculture; or (2) the market price prevailing for such commodity on October 1, 1941.

That being the case, the Senator from Oklahoma is absolutely right. The Price Administrator can take either one, and if he decides that he wants to take the lower of the two, there is nothing in the bill to prevent his doing so. If there were included the phrase "whichever is the higher," then, the interpretation of the Senator from Michigan and the Senator from Illinois would be correct; but, since that phrase does not appear, the Senator from Oklahoma is absolutely correct.

Mr. LUCAS. Mr. President, will the Senator from Oklahoma yield to me?

Mr. THOMAS of Oklahoma. I yield to the Senator from Illinois.

Mr. LUCAS. I have read the language of the paragraph, and I certainly want it understood in the way the Senator from Wyoming has expressed it. I have not read the hearings. But my interpretation of that language was in line with what the able Senator from Michigan [Mr. BROWN] has said. In other words—and I hope the Senator from Michigan will listen to this, because it is a very crucial point in this program—if the Price Administrator fixes a price upon either basic commodities or any other commodities, it must be 110 percent of parity, unless the market price of the product is above parity, and then he has a right to fix it at that price.

Mr. BROWN. The Senator's interpretation is exactly in accord with my own and that of every other member of the committee, and with the report of the committee as found on page 13.

I should like to say to the Senator from Wyoming that I think the language is as plain as language can be, and that the price fixed cannot be below either of the limitations provided. There is no choice between the limitations. The Administrator is bound by the higher limitation that is fixed by the language of the statute that "no maximum price shall be established for any agricultural commodity below the market price equivalent to 110 percent of the parity price" or below "the market price prevailing for such commodity on October 1, 1941."

If Senators feel that the words "whichever is the higher" should be used, I have no objection to that, but I think the language is very plain.

Mr. THOMAS of Oklahoma. I wonder why the limitation of October 1, 1941, is placed in the bill if it is not to serve any useful purpose?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from Kentucky.

Mr. BARKLEY. If the language was such that the Administrator could make a choice as between 110 percent and the price prevailing on October 1, then he would have the right to select either, but the language is a limitation on his power.

No maximum price shall be established for any agricultural commodity below (1) the market price equivalent to 110 percent * * * ; or (2) the market price prevailing on October 1, 1941.

In other words, the Administrator cannot fix a maximum price below either of those two standards, and whichever the higher is, he cannot go below that. That is the effect of it.

Mr. O'MAHONEY. Mr. President, will the Senator from Oklahoma yield to me?

Mr. THOMAS of Oklahoma. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. If the provision contained the word "either," which the Senator from Kentucky has just now used, there would be no dispute, but the word "either" does not appear there.

Mr. BARKLEY. But the word "or" following the language preceding means that.

Mr. O'MAHONEY. No. Let me give the Senator a specific example. Suppose this language should read as follows:

No maximum price shall be established for any agricultural commodity below 50 or 40.

Obviously it would be possible under that language for the Administrator to put the price at 40, because then he would not be below one of the two standards. If the committee desires to have the bill do what the Senator from Michigan says this language does and what the Senator from Kentucky just now claims for it, it can be simply cured by inserting the word "either" or inserting the phrase "whichever is the higher"; and certainly nothing would thereby be lost from the viewpoint of the committee.

Mr. BARKLEY. Personally, I have no objection to any language that will clarify it, but I do not think the use of the figures 40 and 50 is quite analogous to this situation.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from Illinois.

Mr. LUCAS. I wish to ask the Senator from Michigan whether the hearing disclosed that any of the basic commodities or by the byproducts thereof showed on October 1 a price above what we call parity?

Mr. BROWN. Yes.

Mr. LUCAS. Is not that the real reason for inserting limitation No. 2 in the bill? In other words, there are certain products selling on the market for above parity, and, rather than penalize any one, the committee saw fit to insert in the bill the provision as to the market price, a price which may be above parity; so that the Price Administrator may not fix a price for those products whose ceiling was above parity on October 1 at a lower figure.

Mr. BROWN. I can bear out the Senator's statement by actual figures. One hundred and ten percent of parity is higher in the case of these important

commodities: Wheat, corn, cotton, hogs, and butterfats. The October 1, 1941, limitation is higher in the case of cottonseed, as to which the difference is that between $35 a ton and $50 a ton; and the October 1 limitation is higher in the case of beef cattle, where the difference is that between $8.25 and $9.27; and on veal calves, where the difference is that between $10.69 and $11.20.

In our report, so that there may be no question whatever in the mind of any person, we say this:

> We therefore recommend that the powers of the Administrator be limited in this respect—

That is, respecting the price of agricultural products below which he may not go—

> in that no maximum price shall be established for any agricultural commodity below (1) the market price equivalent to 110 percent of the parity price of that commodity, or (2) the price of that commodity on October 1, 1941 These are floors below which maximum prices may not be fixed. They are not ceilings. The Administrator may thus establish maximum prices for agricultural commodities above the higher of the market prices therefor specified in the bill.

Because it is the intent of everybody concerned with this subject matter, I have not the slightest objection to saying here that the meaning and intent of section 3 is that the Administrator is bound by whichever is the higher of these limitations.

Mr. THOMAS of Oklahoma. That statement must go in the bill if that is the intention. It is not in the bill now, as I interpret it.

The statement was made yesterday that farm prices now are approximately at parity. Was not that statement made?

Mr. BROWN. I said they were 99 percent of parity.

Mr. THOMAS of Oklahoma. That is approximately parity.

Mr. President, I shall place certain facts in the RECORD and then I shall come back to my chart.

On the 15th of December, 2 weeks ago, the farmers were receiving $1.022 for their wheat. I am reading from the Agricultural report. The parity price at that time was $1.272.

The farmers were receiving for their corn at that time, December 15, 66.9 cents per bushel. The parity price on that date was 92.41 cents.

They were receiving for their oats at that time 45.2 cents per bushel. The parity price was 57.5 cents.

I will pick out some items which are more common.

For cotton, for example, the farmers were receiving on December 15, 1941, 16.23 cents per pound. The parity price on that date was 17.86 cents per pound, more than $5 a bale less than parity.

There are only a few commodities which are now at parity. While I am on that point, I might just as well place them in the RECORD. I am still quoting from the statistics of the Bureau of Agricultural Economics of the Agricultural Department, which is charged with preparing statistics. November 29 is the date of the last copy I have. They divide farm commodities by groups, and divide industrial commodities by groups. At that time, November 29, 1941, the all-commodity index was 92.3.

Mr. BROWN. Mr. President, will the Senator yield at that point?

Mr. THOMAS of Oklahoma. Yes.

Mr. BROWN. I do not think there ought to be any dispute between the Senator and me as to the facts. I have exactly the same document, I think, that he has. He has read the commodities which on December 15, 1941, were below parity. I was reliably informed by witnesses at the hearings that on or about December 10 we were about 94 percent of parity, and in the period from that time up to yesterday, when I made my statement, the figures have come up about 5 points, to 99 percent of parity. But since the Senator has read the products which are below parity, I shall read a few that were above parity as of December 15:

> Rice, 122 percent of parity.
> Cottonseed, 137 percent of parity.
> Beef cattle, 125 percent of parity.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. O'MAHONEY. When the Senator refers to beef cattle it naturally brings me to my feet because again it must be emphasized that the parity price for beef cattle—for livestock—is an extraordinarily low price.

Mr. BROWN. That is not the first time I have heard the Senator say that.

Mr. O'MAHONEY. The Senator agrees with the statement, I am sure. Of course, in selecting an arbitrary base period, 1910 to 1914, it was inevitable that in the cases of some commodities the prices should be unusually low. The facts are that livestock prices and wool prices during that period, 1910 to 1914, were extraordinarily low. The producers at that time were operating at a loss, so that 100 percent of parity or 110 percent of parity does no justice to the producers of those commodities.

Mr. BROWN. I was about to say that wool was 140.5 percent of parity; but since the Senator has mentioned that subject, I shall not mention it.

Mr. THOMAS of Oklahoma. Mr. President, I shall finish with the chart that I am now exhibiting to the Senate. I shall give now the figures as to what the laborer will receive for his labor when cotton is selling for the price fixed in the bill.

The price of cotton on October 1, 1941, was 17.11 cents per pound; 162 pounds at 17.11 cents per pound makes a total return for the lint cotton of $27.71; 324 pounds of seed at $40 per ton makes the total return for cottonseed $6.48. I am not now referring to the chart before the Senate. I am reading from a slip which contains some figures as to the present price of cotton, where I think it will be frozen if the bill passes in its present form. So under the bill the Administrator, in my judgment, may freeze the price of cotton as of the date of October 1, 1941. At that time cotton was selling for 17 cents plus—a total return of $34.19 per acre.

Mr. BROWN. Mr. President, I say that the lowest figure that the Administrator could establish would be $19.65, which is about 2 cents above the present price.

Mr. THOMAS of Oklahoma. At a later time we shall try to get an amendment to the text to effectuate that understanding. That is not my understanding of the reading of the text of the bill as it is now written.

If the return per acre, as I have indicated, is $34.19, then the expenses per acre—ginning $2, fertilizer $2.03, miscellaneous $3.70—make a total of $7.73, which, taken from the total return of $34.19, leaves a net of $26.46. Of that sum, the landlord gets one-half, in the sum of $13.23, and the laborer gets one-half, in a like sum of $13.23. Then if it takes 85 hours of human labor to produce an acre of cotton, we divide the total return that the laborer receives from his acre by 85, and we find that the laborer who grew the cotton made the magnificent sum of 15⅝ cents per hour during the 85 hours that it took him to produce that acre of cotton.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from Georgia.

Mr. RUSSELL. There was some controversy a few moments ago as to the approximate average allotment per farm family producing cotton. I stated that, in my opinion, in my own State 10 acres was larger than the average allotment; so that an authentic statement may appear in the RECORD, I went to the telephone and called the Agricultural Adjustment Administration, and I find that the average per farm family of the entire Cotton Belt is slightly less than 10 acres allotment for each farm family. Of course in the Southeastern States, such as Georgia and South Carolina and Alabama, it is considerably less than that, because the average acreage cultivated per farm family in Texas and the Western States is considerably larger than the acreage cultivated in the Southeastern States.

Mr. THOMAS of Oklahoma. I thank the Senator for his contribution.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from Mississippi.

Mr. BILBO. In confirmation of the Senator's statement, if I may be pardoned a personal reference, I have in cultivation 855 acres, with an allotment of only 125 acres of cotton, and 20 tenants, which gives them about 6 acres apiece.

Mr. THOMAS of Oklahoma. Mr. President, I said a little while ago that when cotton sells for 20 cents a pound, and seed sells for $40 a ton, the cotton laborer gets the sum of 18.3 cents per hour for his work.

That is made up from the following figures. One hundred and sixty-two pounds at 20 cents a pound make a total of $32.40. Three hundred and twenty-four pounds of seed at the rate of $40 a ton, or 2 cents a pound, would be $6.48, or a total return of $38.88 for the entire acre.

Using the same expenses I have heretofore employed, cost of ginning is no

more for a bale of cotton when it is selling for $100 a bale than when it is selling for $25 a bale. It costs the same amount to gin a $200 bale of cotton as a $100 bale. So the cost of ginning is the same, the cost of fertilizer is the same, and the cost of the poison needed is the same. Some years more poison is needed than in other years. The average expense is $7.73.

Subtracting the expenses from the total returns, we find that the net return is $31.15. The landlord gets one-half, or $15.77, and the laborer gets one-half, or $15.77. Divide the laborer's share by 85, the number of man-hours to produce the cotton, and the result is 18.3 cents an hour.

There is the same ratio right on through It is immaterial what the cotton sells for. It can sell for 50 cents a pound, and the laboring man gets only 50 cents an hour for his work. The formula is universally correct. With lower prices, he does not make as much as when the cotton sells for a higher price. With higher prices, 35, 40, 45 cents, the return is practically the same. So, if cotton should sell for 50 cents a pound, as it has not done in my time, the man who grows cotton should receive 50 cents an hour.

Now I wish to call the attention of Senators to parity. The bill refers to parity. We have been dealing with parity for 10 years. I think it was first referred to in the law of 1933. Parity was not mentioned then specifically, but the base period was mentioned, and the base period was fixed in the law of 1933 as the years 1919 to 1929.

There was no parity figure at that time. In the law of 1938 we undertook to define parity, and authorized the Department of Agriculture to work out parity prices on farm commodities, and in that law we changed the base period from 1919–29 to 1909–14, putting it back some 10 years. I wonder why that change was made. It was not made as to tobacco; it was not made as to potatoes; but as to cotton and wheat and corn the base period was thrown back from 1919–29 to 1909–14.

In the year 1909 the dollar had a value of $1.479, and the price level was 67 6 cents, a very low figure.

In 1910 the dollar had a value, according to the yardstick with which we used to measure the dollar value, of $1.42, and the price level was 70.4 cents.

In 1911 the dollar had a value of $1.541, and the price level was 64.9 cents.

In 1912 the dollar had a value of $1.447, and the price level was 69.1 cents.

In 1913 the dollar had a value of $1.433, and the index number was 69.8.

The dollar had a value of $1.468 in 1914, and the price level was 68.1 cents.

In other words, the average value of the dollar in that period was $1.464, and the average price level was 68.3.

I do not know why the base period was shoved back to 1909–14, unless the price level in 1919–29 was too high. It was shoved back, and the price level was reduced from about 100 to 68, 32 points below 100, and we are now operating on a price level, as a base, of 68.3.

I am against that base period, Mr. President. If that is a good base period for cotton, why is it not good for tobacco? Someone said, "No, it will not do for tobacco. That is too low for tobacco." If that is a good price level for wheat, why is it not a good price level for potatoes? Someone must have said, "No, the level of 1919–29 is too high for wheat, corn, cotton, and other things. We will put the base period for everything save potatoes and tobacco back to 1909–14." So the level is down 32 points. In order that the present Administrator—and I am referring to the Administrator in the Department of Agriculture—may get prices up to what he says is parity, he has to multiply his base price, the average for any commodity, the average of 1909–14, by 143 percent. That means that the things the farmer has to buy now are 43 percent higher in price than they were in the base period of 1909–14. Yet there is a desire that that base period be retained.

A bill proposing to change the base period from 1909–14 to 1919–29 was introduced in Congress. The committee to which it was referred sent it to the appropriate department, and the Secretary of Agriculture reported adversely on the bill. He does not want the change. He wants to retain the low price level as his base, and he must multiply that low base by 143 percent in order to get prices up to what he says is parity.

The pending bill mentions parity four times in the agricultural section. I wonder if Senators know how we arrive at parity. Does any Senator know how we get the figure of 16 cents plus, as the parity price for cotton? Does any Senator know how we get the figure of $1.23 as the present parity price of wheat? Does anyone know how we get the figure of the present parity price for corn? If any Senator knows, I will pause for him to make a statement for the RECORD. The committee did not ascertain it after 3 months of hearings. Gentlemen came before our subcommittee who tried to explain it to us. The formula is not a written one; it is not in writing anywhere, so far as I know. It is not in the statute. The statute does provide that the Department of Agriculture must take the base period 1909–14. Then it provides that the Department of Agriculture must work out parity prices, giving to the various commodities the same buying power today which they had in the base period 1909–14. That means that the man who raises cotton today should have enough money from his pound of cotton to buy as much of comparable goods as he could have bought back in the base period of 1909–14. But is there a Senator present who can make a statement for the RECORD as to how we arrive at the parity price? If there is one, I yield for him to make a statement. As I have said, the pending bill refers to parity four times, and the statute books are full of references to parity. Yet there is no place in any law where parity is defined.

Mr. President, I can state how it is determined. Let us take cotton, for illustration. The Department of Agriculture takes all grades of cotton. How many Senators know the number of grades of cotton? Is there 1 grade of cotton, are there 2 grades, are there 3 grades? There are 130 grades of cotton That figure may be slightly high, there may be only 128, but there are approximately 130 grades of cotton, and they cover every conceivable kind of cotton.

The Department of Agriculture is presumed to have gotten the price of a certain quantity of each of those 128 or 130 grades of cotton on each day during each of the base years and averaged the price daily, averaged the price of all the grades monthly, and averaged the price yearly, then averaged it for the 6 years. The average price of all the grades of cotton during that 6-year period is the average or base price of cotton as now figured by the Bureau of Agricultural Economics. What is that base price? Does anyone know? It is 12 cents plus.

I have before me a letter from the Bureau of Agricultural Economics dated November 4, 1941, signed by Mr. F. L. Thomsen, principal agricultural economist of the Division of Statistical and Historical Research. In it he says that the average price of cotton during that 6-year period, of all grades of cotton, 128 or 130 of them, was 12.4 cents a pound. That is the base price per pound for cotton That is the average price of all the grades, all the colors, all the lengths and staples, all the kinds of cotton sold in that base period. That is the average price, and the average price is the base price.

That is not the parity price. The parity price now is about 17.83 cents How is that figure obtained? We have the base price figured out. I will state how the figure is obtained. There is no law for it; we have nothing except the statement of a concept or a principle. The Department of Agriculture has made up its own index. It has made up an index of approximately 300 commodities. The Bureau of Labor Statistics' index is made up of 900 commodities, but the Department of Agriculture says the farmer does not buy all those 900 commodities, and that it would not be proper to include all 900 commodities in an index applying to him. The Department figures out that the farmer could at the most buy 267 commodities. So in making the index figure, 267 commodities are considered.

Then the Department takes the price of each of those commodities, and adds the prices of the total number of commodities, and divides that grand total by 267, and that is the average, that is its index number. Then by multiplying the base or average price of 12.4 cents by the average of all those commodity prices it gets the parity price. That is the way the Department of Agriculture arrives at the present parity price.

Mr. President, I am not objecting to that formula. The law provides for its use, and I cannot criticize anyone for using it. I rather compliment those who have used it, because they have done a good job. They must follow the law and must go back to 1909–14, which is the base period.

Mr. BONE. Mr. President——

The PRESIDING OFFICER (Mr. MILLIKIN in the chair). Does the Senator from Oklahoma yield to the Senator from Washington?

Mr. THOMAS of Oklahoma. I yield.

Mr. BONE. I assume the theory is that if cotton were sold for 12 cents a

pound, let us say, during the base period, and that the 12 cents realized from the sale of a pound of cotton would buy a certain amount of commodities, then the price at which cotton sells today should be at that point at which it can purchase an exact or equivalent amount of commodities at this time, and thus the parity price of cotton would be established?

Mr. THOMAS of Oklahoma. That is the parity concept. The Senator is entirely correct. My objection to the formula is not that it is not fair. My objection is that it goes back too far. There are now a great many commodities which did not exist during that base period. Who heard of nylon in the period 1909 to 1914?

Mr. BONE. Mr. President, in the whole economic pattern which we have woven for ourselves in recent years, can it be said justly that we can pick out any segment of time and use it as a basis? I am curious about it, because there are so many arbitraries in law. It is necessary to pick out certain standards of human conduct and set up certain human relationships. What segment of time should we select as a basis for computation?

Mr. THOMAS of Oklahoma. The Senator has put his finger on the issue in this case. I am against the base period of 1909–14, because it goes back too far. I am against it because the price level during that period was too low The dollar then had too high a buying power. That was in the horse-and-buggy days.

Mr. BONE. Does the Senator think that technological changes of necessity should be considered in connection with the great transition which has come about? Are they not vitally important factors in trying to achieve a fair basis of prices? I should be constrained to believe so myself, but I was wondering what the Senator thinks.

Mr. THOMAS of Oklahoma. Mr. President, I would bring the base period up to as near the present as is possible. The reason I would not take the last 10 years is that the last 10-year period has been one of unnatural control and of subsidized economy. Conditions have not been natural in the last 10 years.

Mr. BONE. In what are sometimes called the roaring twenties, the lush twenties up to the crash in 1929, a somewhat unnatural economic condition confronted us. It is a very confusing pattern, and I wonder what segment of time we should select.

Mr. THOMAS of Oklahoma. Mr. President, I should end the 10-year period comprising the twenties on the 1st day of July 1929. The crash came in October 1929. I should take the 10 years prior to the beginning of that fiscal year, which was the 1st day of July 1929. That period reaches back to July 1, 1919. So I take the last 10-year period of free economy, when the people could do what they pleased; when they could plant all the cotton they cared to plant; when they could sow all the wheat they wanted to sow; when they could do what they wanted to do unhampered and unrestricted. That was the last 10-year period with a free economy we have had in this country. So I suggest to the Senator that we change the base period from 1909–14 to the period beginning July 1, 1919, and ending June 30, 1929, the last 10-year period of free economy.

I do that for this reason. At the beginning of that period some very strong and able men were in control of our finances. This group was controlled and dominated, as I believe, by Governor Strong of the Federal Reserve Bank of New York City. Governor Strong—and the country I think supported him—was of the opinion that we had inflation at the beginning of that period; that prices were too high. There was a general demand that prices be reduced, that the high cost of living be brought down. I think that demand was shared in by everyone. People did not like to pay the high prices they were obliged to pay for goods. They had to pay $10 or $12 for shirts, and comparable prices for other commodities. So there seemed to be a general demand that the high cost of living be reduced. Everything is measured by dollars. Governor Strong, understanding, I think, about all that the human mind could understand, proceeded to do the job. It is not necessary for me to relate all he did. He reduced the buying power of the dollar down to the point where he thought it ought to be—100 cents in terms of property.

He did that, beginning with the 4th of March 1921, and during the next 18 months, to the fall of 1922. Then so long as he lived he kept the dollar value approximately at 100 and kept the price level at approximately 100. The price level fluctuated 1 or 2 points a year, or perhaps sometimes 3 points, but when it began to go up he went to work to get it down. When the price level began to fall he went to work to get it up again. So long as Governor Strong lived, until 1908, he maintained the price level at 100 and the dollar value at 100.

Mr. President, I take that period as the best period I can find in our history. It was the period when we thought we were having fairly good times. It was the period which some people claimed ought to be denominated as the Coolidge era of prosperity. That was the period when we paid the expenses of government and in addition paid off $1,000,000,000 a year of our war debt.

From the end of the war until 1929 we paid off $1,000,000,000 a year. In 10 years we paid off $10,000,000,000 of our indebtedness under that program. During that period, prices were at the level of 100. They were 6 or 7 points higher than they are now. If a price level of 100 back in the Coolidge administration, the latter part of the Harding administration, and the first few months of the Hoover administration enabled the country to pay off $1,000,000,000 a year on the public debt, I think there are prospects that if we should return to that period and do other things we might do, we might again look forward to the time when we can begin to reduce our war debts.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. BROWN. The Senator realizes that the period to which he has just referred, a period of rising prices, culminated in 1929 in the highest prices that had ever been inflicted upon the American consuming public, which means all of us, producers as well as consumers. That period was followed by the most disastrous collapse in the peacetime history of the United States. I can think of no 10-year period in our history which would be more unfortunate to adopt as the economic standard by which we should guide ourselves in the administration of the proposed law than the period from 1920 to 1930.

Mr. THOMAS of Oklahoma. I am glad to have the statement of the distinguished Senator from Michigan. Let me ask him a question. Does he think that the present price level is about right? Is it too high, about right, or too low?

Mr. BROWN. I am inclined to think that the figures which are based upon the 1909–14 relationship, to use the word in its exact meaning, based upon parity and the relationship between prices as they were from 1909 to 1914, giving consideration to the general rise and the substantial increase in parity prices, make the standard of 110 percent of parity which is adopted in the bill a fair and reasonable basis for the determination and limitation of prices. I think it is as fair a basis as we can find.

To answer the Senator's question directly, I have no doubt that we might pick out many items in the present level of prices which are unfair and out of line. I assume that most producers think that they do not receive enough for their products. But looking at the matter in a large way, in an over-all view, based upon my reading of the testimony before the House committee and my attendance at the hearings before the Senate committee, I think that the present price level, which, as I have said, is about 99 percent of parity, is fairly reasonable, and that the October 1–15 base which we use in the bill for the general level of prices, or the relationship between prices, is reasonably fair.

As we produce more goods, undoubtedly prices will increase. I agree with the Senator from Ohio [Mr. TAFT] when he says that the increase should probably run from 10 to 15 percent a year. I think such an increase is unavoidable and fair. But what we are trying to do in the bill is to maintain a fair and reasonable relationship between prices, which means a relationship between the returns which the various economic groups in the United States receive.

So I answer the Senator's question by saying that prices somewhere between 95 or 100 percent, where they are today, and 110 percent of parity, and the prices which parity indicates, are reasonable and fair.

Mr. THOMAS of Oklahoma. The Senator and I do not disagree on the end we are all seeking to attain, and that is to maintain a fair relationship between the various groups of commodities. I share the viewpoint expressed by the Senator from Georgia that a price-control bill which takes into consideration only a few

groups would not prove satisfactory in the end.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. Before I yield, let me reply further to the Senator from Michigan.

I understood the Senator to say that the base period of 1909 to 1914 is about right.

Mr. BROWN. For a relationship between prices.

Mr. THOMAS of Oklahoma. Mr. President, during those years the base price for wheat was 88.4 cents a bushel. The base or average price for corn was 64.2 cents a bushel. The average or base price for cotton was 12.4 cents a pound. I am wondering if any Senator believes that we could ever balance the Budget and begin to pay on our expanding war debt on that sort of a price level. We have had it for the past 10 years, until recently. Did we begin to balance our Budget? No. Instead of our beginning to pay our debts, the debts mounted annually.

It is my contention that we can never balance the Budget on the present prices. For that reason, I am not averse to seeing slightly higher prices than we have today. I want them to go up to 100. They are now only at 94. I want to see wheat sell for $1.50 a bushel. I have said that a dozen times on the floor. I want to see cotton sell at from 20 to 25 cents a pound, and other prices in proportion. Such prices would not raise the price of bread, or the price of cotton cloth, but they would enable the people of the country who produce those raw materials to pay expenses and perhaps have a little money to spend, not only for the necessities, but for the better things of life.

I now yield to the Senator from Wyoming.

Mr. O'MAHONEY. The Senator has been talking about the deflationary policies of Governor Strong, of the Federal Reserve Board. Does he not agree that the policy which was called, as I remember, the "program of courageous deflation" in 1921 was felt most heavily by the agricultural population, and that the brunt of the deflation fell upon agricultural commodities, and the West generally?

Mr. THOMAS of Oklahoma. And especially upon the livestock producers. The Senator is eminently correct. In reducing the price level, the prices which were reduced were reduced mainly because of the influences brought to bear by Governor Strong, acting through the Federal Reserve Board and the banks. The banks refused to make additional loans. They began to call the loans then outstanding, which forced people who had goods to sell them. The man who had wheat in the granary, and whose loan was called, had to sell and take what he could get. If a man had cotton in a warehouse and his loan was called he had to sell and take what he could get. Everybody had to raise money to meet his obligations. That caused a general selling campaign, which brought prices down.

When Governor Strong got prices where he thought they ought to be—and I am not complaining—they were stabilized during an 8-year period. During that 8-year period we had what many persons term the era of Coolidge prosperity. It was an era when we balanced the Budget. We not only balanced the Budget, but we paid off $1,000,000,000 of our indebtedness annually.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WHEELER. I entirely agree with what the Senator has said with reference to the situation which existed when Governor Strong called the loans and caused what is known as the panic of 1922. It hit the farm population of the West. The general collapse of all the banks in the far West finally caught up with the Middle West.

I thoroughly agree with the Senator that if we are to keep prices too low—and there is fear at the present time that they will become too high—we shall not be able to balance the Budget. That seems perfectly apparent to me. The reason why we paid off $1,000,000,000 a year on our indebtedness during the period referred to was that we had good prices during that particular period. We could probably have paid off more of the debt than we did during that period of time. Many persons in the country at that time felt that we were paying it off too fast. They felt that we should maintain it where it was. But I should like to hear the Senator's answer, if he has one, to what was said about the cause of the terrific debacle which took place in 1929. My own opinion is that it was not because of high prices, but because of the speculative fever which occurred during that period.

Mr. BROWN. Of course, Mr. President, that speculation was induced by rising prices.

Mr. WHEELER. Of course it was induced by rising prices. Nevertheless, during that period there was not any attempt to stop the speculation. Bank officials and everyone else, as the Senator knows, encouraged people from one end of the country to the other to buy bonds and more bonds, stocks and more stocks; and that speculative era was what really caused the panic of 1929.

Mr. BROWN. Why was the farmer able to go into debt? It was because of the high prices of agricultural products.

Mr. WHEELER. Oh, no.

Mr. BROWN. He was a good risk to the banker.

Mr. THOMAS of Oklahoma. Mr. President, if I may have the floor, let me say that the farmer did not go into debt during that period. The farmer went into debt during the World War and after the World War, and not during the period to which the Senator refers. The farmer did not go into debt after prices began to fall. They began to fall immediately after the great conventions were held in June of 1920; because in the platform adopted in the convention of one of the parties it was stated in effect that we are against the high cost of living. Place us in power and we will bring down the cost of living. How will we do it? We will do it by a courageous deflation of both currency and credit.

There is the whole philosophy of the money question.

As soon as the representatives of the party successful in that election got into power, they did exactly what they promised to do. The wise folks knew what was coming, and they began to sell. They began to sell their properties and put the money into bonds while they could get bonds low. That meant that the debts were not created by the farmer. He wanted to get out from under as well as the smart folks did.

Mr. WHEELER. I agree entirely with what the Senator says. So far as the farmers in the Middle West, in Iowa, Montana, and the Dakotas are concerned, the farmer did not go into debt in 1928. He went into debt because during the war the farmer was told to plant more crops, and during that period he bought more land and planted more crops. That is when the farmer went into debt. It was during the period 1922–29, when the little banks began to speculate; and the speculative era came about because high-pressure salesmen sold bonds and stocks to every little merchant. Then we were going to have an era of prosperity. We were buying stocks and bonds. If Senators will read the statements given out by Mr. Mellon and others in authority at that time, they will see that it was not the fact that the farmer was buying, but it was Wall Street speculation, and not speculation by the farmer, that brought about the panic of 1929.

Mr. BROWN. I do not want the Senator to put me in the position of saying that the farmer was responsible for bringing about that condition.

Mr. WHEELER. No; I am not saying that.

Mr. BROWN. What I am arguing against is the claim made by the Senator from Oklahoma that the relationship existing during the period 1920–30 was a good one. I think it was one of the most unfortunate periods in our history, and I think the rising prices of that time had their natural consequence in the great collapse of values that occurred in 1929 and immediately thereafter.

Mr. THOMAS of Oklahoma. Mr. President, we must keep the record straight. That was not the period when prices were rising. They were kept stable during the period from 1922 to 1929. The period of rising prices was from 1915 to the middle of the summer of 1920. Prices started to decline just after the convention in Chicago in 1920. Then prices began to tumble.

Mr. BROWN. When was land in Iowa selling for $400 an acre? It was in 1929.

Mr. WHEELER. Of course, it was selling for that price; but prices of farm lands actually went up during the war period, and that is when farmers went into debt. It was not the farmers' prices that caused the panic of 1929. It was Wall Street speculation that caused the panic of 1929. I agree with what the Senator from Oklahoma has said. If we are going to keep prices down, we might as well make up our minds that we shall never pay off the $150,000,000,000 or $200,000,000,000 debt which we are incurring by the program that is under way.

Mr. BROWN. I desire to show the Senator from Montana and the Senator from Wyoming, both of whom are interested in the subject matter, what would be the result of substituting the Thomas amendment, which provides for 100 percent of parity—not for 110 percent of parity, but for 100 percent of parity. The price of cotton would go up to 20.1 cents a pound.

Mr. THOMAS of Oklahoma. Mr. President, does the Senator think that is too high?

Mr. BROWN. No.

Mr. THOMAS of Oklahoma. Then, why object to it?

Mr. BROWN. But the price of beef cattle would go from $9.38 down to $6.46 a hundred pounds.

Mr. THOMAS of Oklahoma. Not necessarily.

Mr. BROWN. Under the Thomas amendment, the price of a large number of commodities—in fact, of the great majority—would go down, rather than up.

I ask unanimous consent, Mr. President, to have inserted in the RECORD a table showing the figures I have just mentioned.

Mr. THOMAS of Oklahoma. Mr. President, I request that the table not appear in connection with my remarks.

Mr. BROWN. That would be most unfortunate, Mr. President.

[The table submitted by Mr. BROWN appears in the RECORD at the conclusion of the remarks of Mr. THOMAS of Oklahoma.]

Mr. THOMAS of Oklahoma. Mr. President, the law of supply and demand will control the price in the absence of a price ceiling. If beef cattle are selling at $10 a hundredweight—and we may fix the price at any point we want to—or around $15 or $20 a hundredweight, the law of supply and demand will control the price of cattle until it gets up to the point at which Mr. Henderson begins to operate.

Mr. President, before taking up the next subject matter—and I shall not use time unnecessarily—I wish to have placed in the RECORD a list of the commodities that are considered in making up the index numbers of the Bureau of Agricultural Economics. It is a list of 267 commodities. One objection that the Secretary of Agriculture has to my amendment is that it contains items that the farmer sells. This index number is presumed to contain items that the farmer buys. The index number I am suggesting is the regular Bureau of Labor Statistics index, made up of 900 commodities of all kinds and character; but in looking through this table I find that about half the items are identical with items produced by the farmers.

For example, I find here bran, corn, corn gluten, corn meal, cottonseed meal, commercial mixed feed, hay, alfalfa hay, linseed meal, middlings, oats, salt stock.

Then, Mr. President, I find many other products which the farmers produce. For example, on page 1 I find a list of 67 items. They will show in the RECORD, but I will state a few of them in answer to the Secretary's argument that we should not take the Bureau of Labor Statistics index because it is based on items that the farmers sell. What about these items—wheat, corn, oats, barley, rye, rice, cotton, cottonseed?

Under fruits: Apples, oranges, lemons, grapefruit, pears, peaches, apricots, cranberries, cherries, strawberries, prunes, grapes, pecans, and walnuts.

Under vegetables and truck crops we have the following: Potatoes, sweetpotatoes, beans, truck crops such as snap beans, cabbage, carrots, cauliflower, celery, onions, lettuce, green peas, and green peppers.

Then we have spinach, tomatoes, asparagus, cantaloupes, watermelons, and other items of that kind.

So, Mr. President, in order that the RECORD may be complete, I have explained how we obtained the base price. It is the average price for which the commodity sold during the base period of 1909–14.

This is on the other side of the equation. All that equals one figure. The average price of these commodities equals the other figure.

I ask unanimous consent that the list may be placed in the RECORD in order that the RECORD may be complete.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMMODITIES INCLUDED IN THE NEW INDEX OF PRICES PAID FOR COMMODITIES, 1935–39

Commodities used in living

Food (21): Apples,* bacon, sliced,* bananas,* beef, round steak,* bread, white,* butter,* cheese,* coffee,* cornmeal,* flour,* lard,* lemons,* oats, rolled,* oranges,* pork, loin,* raisins,* rice,* salt,* sugar,* tea,* vinegar.*

Clothing (18): Men's clothing—Gloves, cotton,* hat, felt,* overalls,* rubber boots, knee,* shirt, cotton, work,* shoes, work,* socks, cotton, work,* suit, wool,* trousers, wool,* union suit, winter,* union suit, athletic.*

Women's clothing—Bloomers, knit, rayon,* coat, cloth, dress, house,* hose, silk,* shoes,* percale,* muslin.*

Household supplies (9): Broom,* coal, hard,* coal, soft,* wood,* gasoline,* kerosene,* soap, laundry,* soap, toilet,* starch, laundry.*

Furniture and furnishings (22): Bedspring,* bedstead,* blanket,* chair, dining,* comforter,* dinner plate,* dresser,* fruit jar,* kitchen cabinet,* linoleum,* living-room suite,* mattress,* rug,* sewing machine,* sheet,* stove, kitchen range,* stove, kerosene, table, dining,* toweling,* wash boiler,* washing machine,* wringer.*

Automobile, gas oil, and tires (4): Automobile,* gasoline,* oil,* tire.*

Building materials for house (15): 2 by 6 by 16,* 2 by 4 by 16,* rough boards,* flooring,* shiplap,* bevel siding,* door,* lath,* shingles,* window,* brick, common,* cement,* nails,* paint,* screening.*

Total, 89 items for living.

COMMODITIES INCLUDED IN THE NEW INDEX OF PRICES PAID FOR COMMODITIES, 1935–39

Commodities used in production

Feed (12): Bran,* corn,* corn gluten,* corn meal,* cottonseed meal,* commercial mixed feed,* hay, alfalfa,* linseed meal,* middlings,* oats,* salt stock,* tankage.*

Farm machinery (31): Binder, corn; binder, grain*; combine†; cultivator, 1-horse walking*; cultivator, 1-row riding*; cultivator, 2-row; drill, grain*; engine, gas*; ensilage cutter*; feed grinder*; hammer mill†; harrow, disk*; harrow, spike-tooth*; harrow, spring-tooth; hay loader, manure spreader*; mower*; planter, corn or cotton, 1-row; planter, corn or cotton, 2-row*; plow, 1-horse walking*; plow, 2-horse walking*; plow, 2-bottom, horse-drawn; plow, tractor 2-bottom*; potato digger*; rake, side-delivery; rake, sulky, self-dump*; separator, cream*; thresher, grain*; truck, farm, steel-wheel; wagon*; wagon box.

Motor vehicles (3): Automobiles,* trucks,* tractors.*

Motor fuel, oil, and tires (5); Gasoline for autos and trucks,* gasoline for tractors, kerosene,* motor oil,* tires.*

Livestock (5): Cattle and calves, hogs, horses, mules, lambs.

Fertilizer (13): Mixed fertilizer, 3–8–3*; mixed fertilizer, 4–8–7*; mixed fertilizer, 2–12–2*; mixed fertilizer, 2–12–6†; mixed fertilizers, 4–8–4†; mixed fertilizers, 3–8–5†; mixed fertilizer, 5–8–7†; mixed fertilizer, 3–8–6†; acid phosphate*; nitrate of soda*; sulphate of ammonia*; muriate of potash*; ground limestone.*

Service building materials (20): 2 by 6 by 16*; 2 by 4 by 16*; rough boards*; shiplap*; siding, drop*; brick, common*; cement*; nails*; paint*; roofing, composition*; roofing, steel galvanized*; fence posts, steel*; fence posts, wooden*; gates, galvanized iron*; pumps, iron*; poultry netting*; windmills*; shingles*; windows, barn*; barbed wire, galvanized.*

Equipment and supplies (14): Axe; binder twine*; bushel basket*; halter, leather; hoe*; horse blanket*; horse collar*; lead arsenate*; milk can*; milk pail*; machine oil*; pipe, galvanized iron*; pitch fork*; rope, manila.*

Seed (10): Alfalfa seed,* bluegrass seed,* cottonseed,* cowpeas, red-clover seed,* sweetclover seed,* seed potatoes,* seed wheat, soybeans, timothy seed.*

Total, 113 items for production.

Grand total, 202 items for living and production.

FARM PRODUCTS INCLUDED IN NEW INDEX OF PRICES RECEIVED BY FARMERS, 1935–39

Grains (6): Wheat,* corn,* oats,* barley,* rye,* rice.*

Cotton and cottonseed (2): Cotton,* cottonseed.*

Fruits (14): Apples,* oranges,* lemons,* grapefruit,* pears,* peaches, apricots, cranberries, cherries† strawberries,† prunes,† grapes,† pecans,† walnuts.†

Vegetables and truck crops (24): Potatoes,* sweetpotatoes,* beans, dry edible;* truck crops for market—beans, snap,* cabbage,* carrots,* cauliflower,† celery,* onions,* lettuce,* peas, green,* peppers, green,† spinach,* tomatoes,* asparagus,* cantaloups,* watermelons;* truck crops for processing—asparagus,† beans, snap,† cabbage for kraut,† corn, sweet,† cucumbers for pickles,† peas, green,† tomatoes.†

Dairy products (4): Milk, wholesale,* milk, retail,* butter,* butterfat.*

Poultry and eggs (3): Chickens,* eggs,* turkeys.†

Meat animals (5): Cattle,* calves,* sheep,* lambs,* hogs *

Miscellaneous (9): Tobacco,* peanuts,* wool,* flaxseed,* hay,* horses,* mules,* soybeans,† sugar beets.

Total, 67 items.

Division of Statistical and Historical Research, Bureau of Agricultural Economics.

*Asterisk represents farm product included in both old and new indexes.

†Dagger represents new item included in index but not carried back to 1910–14.

No mark after a commodity indicates new item included in index and carried back to 1910–14 period.

Cucumbers for market were included in the old index but not in the new

Mr. THOMAS of Oklahoma. Mr. President, my amendment, when I shall present it, will refer to the 1926 level.

That is the level to which the distinguished junior Senator from Michigan is so violently opposed. He said it brought on the crash of 1929, which almost destroyed the world. Well, in 1926 we had, as I think and as I thought, fairly good times in the country. They were the best times we had known for a long period; and the responsible officials of the Government—not of my party, but that makes no difference—decided that 1926 was a pretty fair year. So they decided that they would make that the sample, the goal, the starting point; they would start from the year 1926. They took different groups of commodities. They took farm products, No. 1; foods, No. 2; hides and leather products, No. 3; textile products, No. 4; fuel and lighting, No. 5; metals and metal products, No. 6; building materials, No. 7; chemicals and allied products, No. 8; housefurnishing goods, No. 9; miscellaneous goods, No. 10. They gave the then prevailing prices of each of those groups, on the average, a number of 100. Then the dollar had 100 cents in it. They took the prices of the commodities making up these various groups for the year 1926, gave a rating of 100, and called that the starting point.

That is one equation. On the other side they took 100, which represents the 100 cents in the dollar; so they conceived and considered and determined and decided that 1926 was the best year they could revert to as a starting point. So from that time on we have been following this method of measuring value.

At the present time farm products, according to this standard of 100, stand at 91.1. That means—this was of the date November 29—that farm products, according to this measuring device, are 9 points below what they were in 1926, as an average and as a rule.

It means that food products, which were 100 in 1926, on November 29 of this year stood at 89.2. That is practically 11 points below the standard of 1926.

We find hides and leather products given 100 in 1926. On the 29th of November 1941 they stood at 115.4. That means that hides and the things made from hides, which are leather products, were on that date on the average 15 percent higher than they were during the year 1926.

The next group is textile products. They were given 100 in 1926, and on November 29 they stood at 90.6. Textile products are made up, of course, of cotton, woolen, silk, and other similar products. During 1926 they were given a rating of 100; and, as I said, on November 29 they stood at 90.6.

The next is fuel and lighting, which were given 100 in 1926. On November 29 they stood at 79.4. That is more than 20 points below what they were. That means that metals and metal products on November 29 were 20 percent cheaper than they were during the year 1926.

Metals and metal products were given 100 in 1926, and on November 29 they stood at 103.3—3 percent above what they were in 1926.

Building materials were given 100 in 1926. On November 29 they stood at 107.4, practically 7½ percent above what they were in 1926, on the average.

Chemicals and allied products were given 100 in 1926, and they stood at 89.7, or practically 11 points cheaper now than they were in 1926.

The next is house-furnishing goods. They stood at 100 in 1926. On November 29 they stood at 101.9, practically 2 percent higher or more expensive than they were in 1926.

Then miscellaneous — that catches everything—were given 100, whatever they were, in 1926; and on November 29, 1941, the same items were 87.1.

So, Mr. President, save in the case of four items, these group products are cheaper now than they were in 1926. Only three groups are higher than they were in 1926, and even those are not materially higher. For example, one is nine-tenths of 1 percent higher. That is practically on a parity. The only group that is perceptibly higher is the group embracing hides and leather products, which stands at 115.4.

So, Mr. President, that is the reason why we refer to the year 1926 as being the goal. That is the standard. It was the beginning. It was the year, if I remember correctly, when we passed out of inflation back to stability. From this measuring device, if prices fall below 100, we are in deflation, and if prices rise above 100 to that extent we are in inflation. If we can put these groups in a relation to each other of 100—and they are almost that now—then we can keep the whole group in harmony, at 100 or thereabouts.

Mr. O'MAHONEY. Mr. President, will the Senator yield before he puts away the chart before him?

Mr. THOMAS of Oklahoma. I am glad to yield.

Mr. O'MAHONEY. As I understand the Senator, the chart shows with respect to farm products and foods that their prices in November of 1941 were from 10 to 12 percent below what they were in 1926.

Mr. THOMAS of Oklahoma. That is correct.

Mr. O'MAHONEY. The products of which the prices are practically the same as they were in 1926, or a little above, are principally industrial products.

Mr. THOMAS of Oklahoma. I think they are all industrial products.

Mr. O'MAHONEY. So that, according to the chart, in 1926 there was a spread between agricultural products and industrial products.

Mr. THOMAS of Oklahoma. In 1926 they were all given a rating of 100. They stood in that relation to each other. Farm products were given a rating of 100, and food products were given a rating of 100.

Mr. O'MAHONEY. But that is an arbitrary relationship.

Mr. THOMAS of Oklahoma. That is true; but the prices then obtaining, whatever they were, were given a rating of 100.

Mr. O'MAHONEY. The relationship had to be selected; I understand that; but, as the Senator has already demonstrated, when the deflation of 1921 took place, its chief burden was felt by agricultural commodities. The charts of that time will show that the curve of agricultural prices took a precipitate fall, whereas the curve of industrial commodity prices fell very slightly. So what we are now confronted with, as the Senator has demonstrated, is that in November of 1941 the prices of farm products and of food still remained from 10 to 12 cents below the period of 1926, which has been selected as the norm.

Mr. THOMAS of Oklahoma. The Senator is exactly correct in his interpretation.

Mr. President, if I may, I should like to get my charts in the RECORD tonight. I will not take any more time than I have to.

Mr. WHEELER. Mr. President——

Mr. THOMAS of Oklahoma. I yield to the Senator from Montana.

Mr. WHEELER. The time when the price of farm products fell precipitately was in the period of deflation, when Governor Strong started calling farm loans; but industrial prices did not drop in comparison with farm prices.

Mr. THOMAS of Oklahoma. For the very obvious reason that farmers are not financed as industry is.

Mr. WHEELER. And they cannot fix the prices.

Mr. THOMAS of Oklahoma. And industries, if times are not good, can lay off their men. They can quit buying; they can curtail and save themselves. The farmer cannot do that. Any industry, if it needs money, can go to a bank and get it at any time, at a reasonable rate of interest. The farmer cannot do that. If a farmer owed a bank, and the bank had a mortgage on his cattle or his stored wheat or his stored corn or his stored cotton, he knew that if the loan were called he would have to sell. The farmer, then, had to take what he could get. Industry did not have to sell. It could have put up collateral; and, if its own bank could not grant the accommodation, it could have gone to some other bank. The farmer could not do that.

Mr. WHEELER. The point I wanted to make was that farm prices never came up to a parity with prices of manufactured products to what they were prior to 1921 or prior to the time when Governor Strong had the Federal Reserve banks call in the loans. Yet today farm prices are lower than they were even in 1926, when they had not come back to parity with the 1921 prices.

Mr. THOMAS of Oklahoma. They are lower than they were in 1926.

Mr. President, the amendment I shall propose for consideration provides a statutory formula for arriving at parity prices. It follows the same principle which is now in the minds of those who manage the Bureau of Agricultural Economics. Their plan is not written, it is in their minds, and they can change it. They do not have to make it public, and it is not public. One has to study it to ascertain what it is, but we can find out what it is by studying it.

I favor a change of the base period from 1909–1914 to 1919–1929. The present base period is 6 years. I desire to make it a 10-year base period, commencing July 1, 1919, and ending on June 30, 1929.

In explaining just how my amendment would work, I shall take cotton as an example, because there are many Senators

on the floor who understand the details of cotton production. The same method I have heretofore described will be followed in working out the base price. Under the present plan the base price is the average price for the years 1909–1914. The base price I propose is the average price of any commodity during the newly suggested base period, 1919 to 1929.

There are in this country 10 principal concentration points for cotton. There are 10 places where merchants dealing in cotton can send their cotton for storage, for concentration purposes, because there is a standard market. Those 10 places are Augusta, Ga.; Houston, Tex.; Montgomery, Ala.; Galveston, Tex.; Memphis, Tenn.; Charleston, S. C.; Dallas, Tex.; New Orleans, La.; Savannah, Ga.; and Little Rock, Ark. Those are all the concentration points there are.

There is a spot market for cotton at each of those towns every day in the year when the exchanges are open. In order to ascertain whether or not my amendment will work I sent to each of these exchanges a request that they fill out a questionnaire for me. I asked them to give me the price of 7/8-inch middling cotton as it was reflected by their books on the first day of each month and the fifteenth day of each month during each of the years in the 10-year period. When I received the answers I found that the average price of cotton at each exchange was so much for the year. Then by adding the figures for the 10 years, I found the average price of cotton at each of these concentration places for the period. By adding the 10 concentration averages and striking an average, I got the general average, or base price.

The average price of cotton at each of the concentration points was as follows:

	Cents
Augusta	22.685
Houston	22.867
Montgomery	22.449
Galveston	23.153
Memphis	22.826
Charleston	22.690
Dallas	22.350
New Orleans	22.793
Savannah	22.570
Little Rock	22.605

Those were the average prices for which cotton sold at each of those 10 concentration points during the 10-year period. By adding the 10 averages and striking an average of them all, we find that the average or base price of cotton during the 10-year period was 22.698. That is what cotton sold for in the South at these 10 concentration points, on the average, during the 10-year period.

To show that my research was not far wrong, I sent to the Department of Agriculture and asked them to fill out the same questionnaire. They filled it out, and by striking the average of their figures we find they show the average price of cotton at each of those 10 points to be 22.7 cents. The research I made showed that the price was a fraction of a cent less than the price found by the Bureau of Agricultural Economics. So it is fair to say that the average or base price of cotton during the 10-year period was 22.69 cents a pound.

Mr. President, that is one side of the equation. If we take that figure as the base price, than we have only to go to the Department of Labor to find their figures already made. They do not have to make them up. They are made once each week.

Starting at the base period, the year 1926, at 100—and I have explained how that came about—we find, if we make the computation, that all we have to do in order to find the parity price of cotton when once the base price, which is 22.7, is determined, is to go to the Bureau of Labor Statistics and ask them what the index number is. If the index number is 90, we multiply 22.7 by 90, and the result is the parity price of cotton. If the index is 100, we multiply by 100, and get the base price or the average price during the 10-year period. It is just as simple with the other commodities.

Using the same system in the case of wheat, we find there are some major concentration markets for wheat. There are St. Louis, Chicago, Minneapolis, Omaha, Fort Worth, Duluth, and others. I have found the average price at which No. 1 Hard wheat sold for during the 10-year period at the six places I have named. The prices were as follows:

St. Louis	$1.616
Chicago	1.528
Minneapolis	1.551
Omaha	1.506
Fort Worth	1.560
Duluth	1.704

By striking a general average of those prices, we find that the average or base price for wheat for the 10-year period was $1.57 a bushel. That shows how simple it is.

When this is once worked out, it never has to be worked out again, so long as the law stands. If that should be concurred in the Bureau of Labor Statistics, as we have their figure for cotton, when once figured out, it stands until the law is changed. From week to week all we have to do in order to find the parity price of any commodity is to find the average price, which will be worked out and made public, then telephone the Department of Labor and get the index number, and multiply the base price by the index number, the result being parity.

Mr. CHANDLER. Mr. President, before the Senator leaves that point, I wish he would put into the RECORD the average price the Department of Agriculture gave, so that it will appear in his remarks. I believe he overlooked that.

Mr. THOMAS of Oklahoma. The Senator asks me to insert in the RECORD the price which the Department of Agriculture figures for wheat. As I recall, it is less than the figure I gave. The Department figure is less than the average for the six concentration points. That is for the reason that they try to stick pretty closely to the farm price, and the farm price is always less than the concentration point price. In the case of cotton, for example, the farmer did not on an average receive 22.7 cents for his cotton. He sold it back in the State to someone who purchased it, and someone made a commission, and someone had to pay the freight. But when the cotton went to these concentration points, the mill bought it there, and 22.7 cents was the price the mill people had to pay.

Someone might ask, why do you take as your base price the high price, which is the concentration-point price, and then go to the Bureau of Labor Statistics, which has the wholesale price? That is very simple. It is an arbitrary matter. I give the farmers the benefit of a high base price, then I place that against the wholesale price, on the theory that if he gets a little more in his base price he will have to pay a little more for the things he buys, so on the average what he receives and what he has to pay out will be equalized.

I have another chart dealing with the parity price on corn, which I wish to explain. During that 10-year period the average price of a good grade of corn which is tenderable on contracts was 95.4 cents at Chicago; at Omaha the price was 89.7 cents; at Minneapolis 89.3 cents; and at St. Louis the average price was 94.9 cents, which made a general average price at which corn sold during that 10-year period of 92.3 cents.

In order to obtain the parity price on corn all that is necessary to be done is to telephone to the Department. The price changes every week. The Bureau gets out a new index number every Thursday. The base price does not change. That stands as long as the law stands. But the index number changes. By multiplying the base price by the index number the parity price can be obtained. The price is only a matter of one week's duration. The index number of industrial commodities remains the same for 1 month. A new index number is fixed on the 15th of each month. The present index number is 143.

Mr. President, my amendment would provide a definite statutory formula for arriving at parity prices, one that could not be changed except by the Congress, so that a man in Duluth, or a man in Key West, or a man anywhere else who has access to statistics could figure out the parity price. He could obtain the base price as it may be figured out and published by the Department of Agriculture, and then he could telephone or telegraph from time to time and get the index number, and by multiplying one figure by the other he could get the parity price. The Bureau of Agricultural Economics works it out only once a month, so it does not change as rapidly as the index figured out by the Bureau of Labor Statistics.

Mr. President, my amendment is not limited to agricultural products, but includes industrial products as well, indeed, all the commodities or products with which Mr. Henderson will have to deal. It provides that Mr. Henderson, or the Administrator, cannot touch a single item, regardless of what it may be, until the price of the product reaches either parity or within 5 percent of parity. If the commodity is above parity he can begin to operate on it.

Take any commodity, I care not what it may be—copper, lead, zinc, any commodity either in the raw or processed stage—Mr. Henderson cannot do anything with that commodity until the price of the commodity reaches 95. Then he can begin to consider it, and, under my amendment, to fix the price on it, not

higher than 100, not higher than it was in 1926. I do not have a 110-percent provision in my amendment. I am not against the 110-percent provision, but I am not asking for it. No farmer has asked me for 110 percent. No farmer has asked me for any advantages. The farmers are asking me to see to it that they are placed on a parity, a full parity, an honest parity. They are not there now. They are not there now because of economic conditions, not because of those who use the different formulas to arrive at parity.

Mr. President, my amendment would give Mr. Henderson the authority of the Congress. That is the authority he will have if he is given any authority. He has no power inherently. No one other than the Congress has any power to legislate. No one has the right to legislate, excepting the Congress, but the Congress may delegate its constitutional power to some agency, and that must be done in a constitutional way. It is my contention that the bill in its present form is not constitutional. In my judgment, no court in peacetime would sustain the bill in its present form. What courts may do in wartime I am not so sure.

If we pass the bill, I am not so sure it will not be sustained. In wartimes we do many things which we probably would not do in peacetimes. The bill, however, is not a constitutional bill. It is a delegation of congressional power under the Constitution, if it is anything, and to be a proper delegation of power the Congress must do two things: First, it must create the agency, and must give the agency directions as to when it may act; second, it must place limitations upon the actions of the agency when it does act. The bill does not fix such limitations. I contend the bill is not constitutional.

I am not a member of the committee which considered the bill. I am not criticizing the committee. We have not undertaken heretofore to write a bill of this kind. The task has been a gigantic one. The committee which performed this task should be commended, and I commend the committee, and especially do I commend the active and energetic Senator from Michigan [Mr. BROWN], who is in charge of the bill. But if we can improve the bill I am willing to try to do so. I think the bill ought to delegate to an administrator the power which the Congress has, but we should provide that he must find certain conditions to be in existence before he can act. Then let us place limits within which he can act. My amendment seeks to do that.

If prices reach within 5 points of 100, that is a condition which gives him power to act. Then he can act to fix prices upon the raw product or the finished product at around 100. If he finds some group is above 100, he can take steps immediately to bring the price down to 100. If the prices are at 100, as some are now, he can take steps to keep them there. So my amendment establishes the conditions under which the Administrator may act and the limits within which he may act.

That is about the explanation I care to make, save for one further statement: After I had prepared my amendment, I was very gratified this morning to receive a letter from Albert W. Hawkes, president of the Chamber of Commerce of the United States. The letter is dated January 7, 1942. In reading through the report of the committee of the Chamber of Commerce of the United States, which was sent with the letter to which I referred, I find, on page 10 thereof, this statement:

> The function of Congress does not end with the laying down of such policies, but includes establishment of standards according to which the agency it selects for the purpose of administration may be guided and limited in activities in support of the policies declared by Congress. Extraordinary conditions may call for extraordinary remedies, the Supreme Court has pointed out, adding that extraordinary conditions do not create or enlarge constitutional power.

Mr. President, that sustains the point I have just made. It is true we are at war, but war does not expand the Constitution. War does not change the Constitution. The powers contained in the Constitution have been there for 150 years. They are there today. When war was declared the Constitution was not changed. If under the Constitution we could not delegate power 2 months ago in a certain way, we certainly cannot delegate it in the same way now, and make it constitutional now, provided the power was unconstitutional in the first place.

I shall read into the RECORD one further statement from the report of the committee of the Chamber of Commerce of the United States, which sustains my viewpoint entirely. I did not know that the Chamber of Commerce of the United States was going to endorse my amendment, but here is an endorsement of my amendment:

> This standard for price fixing Congress can place beyond any possibility of misunderstanding by adding definitions of the extent and conditions under which control is to be imposed. These definitions could be in terms of price relationships as shown by the price data comprehensively collected and published weekly and monthly, by a Federal agency of long experience, the Bureau of Labor Statistics, and now utilized by other Federal agencies such as the Board of Governors of the Federal Reserve System. Such data will show immediately any price within a group, and any class related to any other classes, that should have attention.

Mr. President, that is as clear an endorsement of the amendment I have offered as could be written. It is suggested that we keep the prices of all our commodities in relationship according to some formula, and the figures of the Bureau of Labor Statistics are taken as one-half the formula. The other half, of course, would be the base period or the base price. From that standpoint the problem could be handled with the 1909–14 base or the 1919–29 base.

At a later time, Mr. President, I shall call up the amendment and ask for its consideration.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. SHIPSTEAD. I have been absent from the Chamber and did not hear all the Senator's discussion. The Senator does not mean, does he, that the average price shall be the ceiling of prices?

Mr. THOMAS of Oklahoma. I do not understand the question.

Mr. SHIPSTEAD. Does the Senator mean that the average price which he has figured out for cotton, as an example, should be the ceiling of prices?

Mr. THOMAS of Oklahoma. I mean that at the present time the base price multiplied by the present index number would give a price of cotton of about 21½ cents a pound. That is the price which should be fixed at present for cotton. Then, as the parity price goes up, if wages are unrestrained, they will cause other prices to go up. Then, if the index number should go up, the price of cotton would go up, because the index number would govern the price of cotton.

Mr. SHIPSTEAD. And the prices of finished products would also go up.

Mr. THOMAS of Oklahoma. Yes.

Mr. SHIPSTEAD. The Senator means, then, to arrive at a price which would represent a fair exchange value on the basis of parity.

Mr. THOMAS of Oklahoma. The price should be placed at that point now, and kept there, according to the formula. In my judgment, it could be done very easily.

Mr. SHIPSTEAD. Does the Senator think that parity would not fluctuate? Would the Senator fix a price now which would not fluctuate?

Mr. THOMAS of Oklahoma. I could not do that for the reason that if wages continue to increase other prices will increase.

Mr. SHIPSTEAD. Why talk about wages? What about prices and profits?

Mr. THOMAS of Oklahoma. Mr. President, I admit that I am getting at the wage matter through a sort of back door.

Mr. SHIPSTEAD. We are fixing prices on farm commodities. The farmer pays to industry more than the price of labor; he also pays profits. If we are to have a parity price it must be based on the price of the finished product, and not on the labor income index.

Mr. THOMAS of Oklahoma. I have concluded, Mr. President, unless the Senator has some further suggestion.

Mr. SHIPSTEAD. I am asking the Senator a question.

Mr. THOMAS of Oklahoma. I have explained my formula to the Senator. My formula would fix the price on cotton at present at 20 cents plus.

Mr. SHIPSTEAD. I understand that; but what do the figures mean? The Senator talks about the labor index. Does he mean labor income?

Mr. THOMAS of Oklahoma. No, Mr. President.

Mr. SHIPSTEAD. Or does he mean the price level?

Mr. THOMAS of Oklahoma. Each week the Bureau of Labor Statistics obtains the prices on certain quantities of each of 900 commodities.

Mr. SHIPSTEAD. That is correct.

Mr. THOMAS of Oklahoma. Then it adds the prices of all those commodities, making a grand total. It then divides the grand total by the number of commodities, and the average shows whether prices, on the whole, have gone up or

down. If the average is higher it means that the average has gone up. If the average is lower it means that on the average prices have gone down. Of course, the prices of a good many commodities would not change at all. Some would go up, and some would go down; but in times of stability the average would be about the same. The average has not changed very much until recently. During the past year the index number changed only a fraction of a point from week to week and from month to month. Now, with all our spending, the average is going up.

Mr. SHIPSTEAD. The Senator is aiming at a uniform formula, which is not a fixed price, but a flexible formula. Whether prices go up or down, agricultural prices would be on a basis of fair exchange with industrial prices.

Mr. THOMAS of Oklahoma. I am trying to place farm commodities on a parity with industry; and once having placed them there, I want to keep them there. If industrial prices go up I want farm prices to go up. If industrial prices go down, I want farm prices to go down. If we can place them on a parity and keep them there we can make some progress.

Mr. SHIPSTEAD. The bill would not accomplish that purpose.

Mr. THOMAS of Oklahoma. It would not, but the amendment which I have suggested is for that purpose.

Mr. President, I surrender the floor.

During the course of the remarks of Mr. THOMAS of Oklahoma, the following table was submitted by Mr. BROWN and ordered to be printed in the RECORD:

Parity prices for selected agricultural commodities under 2 methods of measurement

Commodity and unit	Actual price, Dec. 15, 1941	Parity price, Dec. 15, 1941		Percent Thomas amendment parity of current measurement parity	Percent actual price of parity	
		Current measurement	Thomas amendment		Current measurement	Thomas amendment
Wheat, per bushel.....cents..	102.2	127.3	124.6	97.9	80.3	82.0
Corn, per bushel.....do....	66.9	92.4	83.6	90.5	72.4	80.0
Oats, per bushel.....do....	45.2	57.5	44.6	77.6	78.6	101.3
Barley, per bushel.....do....	56.1	89.1	65.1	73.1	63.0	86.2
Rye, per bushel.....do....	57.8	103.7	89.0	85.8	55.7	64.9
Buckwheat, per bushel.....do....	64.9	105.1	99.3	94.5	61.8	65.4
Flaxseed, per bushel.....dollars..	1.78	2.43	2.20	90.5	73.3	80.9
Cotton, per pound.....cents..	16.23	17.86	20.1	112.5	90.9	80.7
Cottonseed, per ton.....dollars..	44.65	32.47	32.37	99.7	137.5	137.9
Potatoes, per bushel.....cents..	82.7	101.3	117.5	116.0	81.6	70.4
Sweetpotatoes, per bushel.....do....	86.6	126.4	128.0	101.3	68.5	67.7
Hay, per ton.....dollars..	9.43	17.09	12.72	74.4	55.2	74.1
Peanuts, per pound.....cents..	4.79	6.9	5.48	79.4	69.4	87.4
Apples, per bushel.....dollars..	1.09	1.38	1.37	99.3	79.0	79.6
Hogs, per 100 pounds.....do....	10.21	10.40	9.18	88.3	98.2	111.2
Beef cattle, per 100 pounds.....do....	9.38	7.50	6.46	86.1	125.1	145.2
Veal calves, per 100 pounds.....do....	11.22	9.72	9.07	93.3	115.4	123.7
Lambs, per 100 pounds.....do....	9.86	8.45	10.32	122.1	116.7	95.5
Butterfat, per pound.....cents..	36.0	41.4	41.4	100.0	87.0	87.0
Chickens, live, per pound.....do....	15.8	16.4	20.1	122.6	96.3	78.6
Turkeys, live, per pound.....do....	20.9	20.7	27.1	130.9	101.0	77.1
Eggs, per dozen.....do....	34.1	38.4	31.2	81.3	88.8	109.3
Wool, per pound.....do....	37.1	26.4	32.1	121.6	140.5	115.6

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Swanson, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2149. An act to amend the act approved April 22, 1941 (Public Law 39, 77th Cong.), so as to increase the authorized enlisted strength of the Navy and Marine Corps;

H. R. 4077. An act to amend the District of Columbia License Act so as to permit the transportation of school children and occasional sightseeing operations in the District of Columbia without procurement of a license or payment of a tax in the case of certain vehicles performing such operations in connection with transportation to the District of Columbia;

H. R. 5464. An act to authorize transfer of enlisted men of the Naval and Marine Corps Reserve to the Regular Navy and Marine Corps; and

H. R. 6163. An act to prohibit parking of vehicles upon public or private property in the District of Columbia without the consent of the owner of such property.

OPERATION OF THE SELECTIVE SERVICE SYSTEM

Mr. JOHNSON of Colorado. Mr. President, confusion and working at cross purposes must be eliminated from the war effort if it is to be entirely successful; and it must be entirely successful if speedy and satisfactory results are to be achieved. America will accept nothing less than the highest degree of efficiency in the conduct and prosecution of our momentous undertaking. Woe unto that man who, through shortsightedness, selfishness, or stupidity, bungles any part of this vital job; and yet at this very moment the job of bringing men into the military service is being bungled and terribly confused. The Congress is not to blame for this sad state of affairs, for it was foresighted and enacted the Selective Service Act which provided an orderly, equitable, and intelligent formula for acquiring military manpower without disrupting the flow of industrial manpower.

I could furnish the Senate with a thousand exhibits to prove my point, but in the interest of brevity I shall place in the RECORD only one letter received by me. This letter is from the pen of Dean O. M. Dickerson, a World War veteran, a dean of one of the finest colleges of education in the land, and a member of his local draft board. His statement applies with equal force to every county in the United States and is a terrible indictment of our intelligence and ability to conduct an all-out war against our unspeakable foes.

We are in a desperate conflict requiring the waging of total war against foes whose spoken word is the supreme law of their unhappy lands. That situation requires that every man in the United States be assigned a duty fitted to his abilities, and furthermore, that he serve in such an assignment. Some will man guns. Others will man the tools which produce the guns. Both activities are of vital importance to our safety. Congress enacted the Selective Service Act to determine where the manpower of this democratic Nation should be utilized. Congress naturally expected that selective service would supersede the faulty recruiting method in time of war, but unhappily the bureaucrats in the War and Navy Departments, disregarding the industrial needs of the Nation, have selfishly, stupidly, and tenaciously clung to recruiting.

Unfortunately, in this tragic hour, we are utilizing two diametrically opposed methods. We are inducting men into the military service under the Selective Service Act, and by the high pressure recruiting method. In my opinion the high pressure recruiting to which the young men of this Nation are being subjected is contrary to the best interests of this Nation. In my opinion high pressure recruiting is sabotaging selective service and is sabotaging America's industrial needs.

Recruiting officers, intentionally or unintentionally, are placing a stigma upon the young man whose name has not been called in the draft simply because he does not rush in and volunteer before he is called. Such an implication of failure in patriotism is nothing short of atrocious. It is important that this point be clarified. Otherwise the selective-service plan of military induction is a failure. Selective service was not devised as a method to induct cowards and slackers into the military service; rather it is a method to get the right man into the Army and the right man into the factory or laboratory or professional service.

Following the World War, the provost marshal general made a complete report to the Secretary of War on all phases of the operations of the selective-service system to December 20, 1918.

I ask unanimous consent to have printed in the RECORD at this point a letter from Dean O. M. Dickerson, of the Colorado State College of Education, at Greeley, Colo., together with three pages from the second report of the provost marshal general to the Secretary of War on December 20, 1918. The pages are Nos. 224, 225, and 226.

There being no objection, the letter and excerpts were ordered to be printed in the RECORD, as follows:

COLORADO STATE COLLEGE OF EDUCATION,
Greeley, December 13, 1941.

Senator EDWIN C. JOHNSON,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: I am writing you as an important member of the Senate Military Affairs Committee.

We are now at war. I understand that new war legislation is passing through Congress. I presume that this legislation will be patterned very closely on that used in the

last war. I served in that war, as you know, and am now serving on the local draft board.

The time has come when all enlistments should be discontinued. If we are making the greater part of our male population register and have selective service, why not use this system? For months the Regular Army has apparently been doing everything it can to sabotage the Selective Service Act. If they do not want this method of raising troops, why did they ask for it? If they do not intend to use it, certainly there is no excuse for rushing through new measures of that type

Here in Greeley, in addition to the local draft board, we have a recruiting detachment from the Regular Army, another recruiting detachment from the Marines, and still another from the Navy. The recruiting staffs are made up of men in the highest pay brackets of their particular rank and service. The total cost of these recruiting detachments is high. There is not a single one of them that is not costing more than the entire personnel of the draft board. Together, they are costing several times the salaries being paid to the employees of the draft board. In addition, they are spending considerable sums in advertising of various kinds. I enclose a sample from the local paper. Why all this waste of funds when we are entering upon a long and tremendously expensive war?

The activities of the recruiting staff are creating a veritable panic among our young men. They are getting the impression that it will be a disgrace to be drafted; that the only respectable way to enter the Army is to volunteer. They are also being led to believe that all opportunities for advancement, choice of work, or opportunities in the great technical training schools will be given exclusively to those who volunteer. I am spending hours every week being interviewed by young men who believe that if they wait for the draft they will be discriminated against. I know from personal conversation with officers who have been doing this work that the men in the recruiting training centers have been high pressured to accept a discharge from their draft induction on condition that they will then reenlist in the Regular Army. I have been told in detail of the sales talk used to induce men to do this. In my opinion, the procedure is basically dishonorable, and should be stopped forthwith. Promises are being made that cannot possibly be kept.

Just how many armies do we have? At the present time we seem to have an Army of the United States, a Regular Army, an army of marines, and a Navy. We should have only one Army of the United States. The Regular Army should be told in no uncertain terms that it is a part of that Army and not a separate affair.

This special privilege of recruiting is denied to the National Guard organizations and will be denied to the many organizations created in large numbers to make the war army. Why should any special privilege of going out individually to recruit its own personnel be permitted for the Regular Army contingent, which is clearly going to be one of the smallest, and denied to the others?

This special privilege, together with the unfortunate sales talk that has been going on, is setting up permanent scars which will produce friction between the various elements of our armed forces at a time when we should have unity.

Every day, as we have to face the farmers of Weld County whose sons are being drafted on the ground that there is a great national emergency and therefore their sons must be taken away from them, they want to know why, if their sons are so desperately needed, "these fat, lazy soldiers from other services are loafing around town, with apparently mighty little to do. If war is on, why aren't these men on the drill fields at work, and with the armed contingents that are presumed to be fighting? Are they to hold the soft, easy jobs and our sons to be made the cannon fodder?" This sort of thing is not good for the country.

I also find a more sinister question being asked. That is, just why is the administration so industriously building up a special section of the armed forces? Why is it not satisfied to take the ordinary manpower of this country, as it can be had any day by requisition? Is this special organization being built up for the purpose of seizing power? That is a most sinister suspicion to be allowed to spread at a time like this. The only way to end it is to end at once the policy which is creating it.

I am writing you thus plainly because I think we are faced with something very fundamental. Certainly, with the machinery of the Selective Service, any number and any kind of talent can be had by simply requisitioning it. Women and older men can amply man all of the activities of the recruiting service. The time has come to get our trained soldiers on the job. I sincerely hope that as this legislation is going through Congress revisions can be inserted in the bills to end this confusion. If the brass hats are unwilling to terminate the present kind of stupidity that is creating discontent, harrassing the men who will have to serve in the Army, and creating inevitable disunity in the Army itself, then Congress should compel it to be done at the earliest possible moment.

Sincerely yours,

O. M. DICKERSON.

In short, the selective draft, in the varying stages of its indirect compulsory influence, was an effective stimulant of enlistment. In spite of the general popularity of the selective-service system as such, there persisted always—for many, at least—the desire to enter military service (if needs must) by enlistment rather than by draft—that is, to enter voluntarily in appearance at least. Thus, whenever the prospect of the draft call seemed near, enlistments received the benefit of the dilemma thus created. This indirect effect of a selective draft in stimulating enlistment must be reckoned as one of its powerful advantages.

(*b*) Influence of enlistment on the selective service mechanism: On the other hand, the selective draft itself suffered seriously, in its administrative aspect, by these fluctuations of enlistment by registrants. The Army (or Navy) gained the man equally, it is true, by whichever door he entered. But if the maintenance of the open door of enlistment should impair the effective workings of the draft, it ceased to be a matter of indifference.

And such was the consequence when class I came to be gradually depleted by reason of the heavy calls to camp in May, June, and July 1918. Unless the numbers of class I could be accurately known and located, the machinery for prompt and dependable deliveries of manpower on requisition would lose its working efficiency. During May and June volunteering did not interfere materially with the operation of the draft, for class I still contained a sufficient surplus of men to fill the calls for those months and also to permit of a considerable number of enlistments. But when the July and August calls were announced to the States, it became apparent that voluntary enlistment and the selective draft could not well operate coincidently. Telegrams from State headquarters disclosed the fact that it was impossible to administer the selective draft, due to the rush to volunteer before being called in the draft. A typical case is this: A State headquarters would call upon 20 local boards for 15 men each, advices of the previous week having stated that each of those local boards had 25 men remaining in class I; but immediately the local boards would begin to report that their 25 men had enlisted, and that they therefore had no men remaining in class I. These changes were so widespread and so large in quantity that it was impossible to ascertain seasonably where the class I men were and how many they numbered. Hence the changes of rule already described.

Since the date of withdrawal from class I registrants of the privilege of voluntary enlistment there occurred a slight increase (as might have been expected) in the number of voluntary individual inductions. The change was very slight, however, and the first appreciable increase was immediately after the September 12 registration, which brought a new 13,000,000 men under the selective draft. Voluntary individual inductions for the latter part of September and the month of October were heavy, due to the fact that the Navy, the Marine Corps, and certain staff corps of the Army were, for the time, permitted to secure their men of occupational skill in this manner during the period when the Selective Service Administration was overwhelmed with the process of classification of the registrants of the class of September 1918, and this became the more convenient method of furnishing that type of man.

Such was the development of the successive steps above taken, in first restricting and finally suspending and closing the opportunity of enlistment to registrants subject to induction under the selective-service system. A more detailed study of the story will reveal interesting conclusions of policy for the historian and the legislator.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:
Several postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of A. Cecil Snyder, of Maryland, to be associate justice of the Supreme Court of Puerto Rico.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARKLEY. I ask that the President be notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 36 minutes p. m.) the Senate took a recess until tomorrow, Friday, January 9, 1942, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 8 (legislative day of January 6), 1942:

SUPREME COURT OF PUERTO RICO

A. Cecil Snyder to be associate justice of the Supreme Court of Puerto Rico.

POSTMASTERS

MISSOURI

Byron E. Thornhill, Archie.
Charles A. Lawrence, Fenton.
Fannie F. Norris, Wyatt.

HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 8, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our Heavenly Father, from whom we come and unto whom our spirits return, grant us Thy blessing this hour. Save us, we pray Thee, from distempered thoughts that otherwise might disturb our hearts. Thou hast made us in Thine image; if we have marred the divine within, do Thou forgive and restore unto us the joy of kinship that Thy wisdom may be justified of her children. O Thou who are known and yet unknown, breath of our breath, in Thee may we live, move, and have our being.

In all times of our Nation's trials, when we have sought Thee, we have found Thee; in all times of our success Thou hast won for us our victories and guided our counselors. Great God of the ages past and of the years to come, by Thine unerring counsel and mercy lead us on 'til the night is gone and we approach with clearer vision that love which moves the sun in heaven and all the stars. Be Thou, dear Lord, with the chivalrous defenders of human freedom; we pray that their memory shall remain with us and with the children of other generations a sacred shrine. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2160. An act to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450).

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of Justice.
4. Department of the Treasury.
5. Department of War.
6. Federal Security Agency, Social Security Board.
7. Federal Works Agency, Public Roads Administration.
8. Government Printing Office.
9. United States Courts, Administrative Office.

THE LATE HONORABLE CHARLES M. HAMILTON

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Speaker, I am deeply grieved this morning because of the sudden and unexpected death of my predecessor, Hon. Charles Mann Hamilton. I did not know until yesterday and then by a rather roundabout way that he had died suddenly, January 3, in a hospital in Florida; in fact, I did not hear of his death until after his burial yesterday.

Congressman Hamilton served in this House of Representatives for three terms and during that time he made an enviable record. He was loved and respected by everybody here and he enjoyed the same respect and affection from the people of the Forty-third Congressional District, whom he represented so ably and faithfully for three terms in the House of Representatives.

Representative Hamilton was born in Ripley, Chautauqua County, N. Y., January 23, 1874; attended the Ripley High School; the Fredonia, N. Y., Normal School; and the Pennsylvania Military College at Chester; interested in agricultural pursuits and in oil production; member of the State assembly, 1906–8; served in the State senate, 1908–12; represented the senate in 1911 on the New York State factory commission; delegate to the Republican National Convention at Chicago in 1912; elected as a Republican to the Sixty-third, Sixty-fourth, and Sixty-fifth Congresses (March 4, 1913–March 3, 1919). It was at the suggestion of my friend Mr. Hamilton that I became a candidate for Congress in 1918. I have always felt grateful to my friend for his steadfast interest in my political career. His sudden passing comes to me as a shock and a great personal loss.

I sympathize deeply with Mrs. Hamilton in her bereavement.

Mr. Speaker, I ask unanimous consent at this point that I may extend my remarks in regard to my deceased predecessor.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a talk I gave before the Wauwatosa "V" Club on December 15, 1941.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein and address by my colleague the gentleman from Washington [Mr. COFFEE] and two others on What Does Freedom of Speech Mean to Us Today?

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from Dr. Robert Lindsay Rowland, of the Shippensburg Teachers College.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include a resolution of the Defiance County Farmers' Protective Association.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MURDOCK. Mr. Speaker, on January 2 I obtained consent to extend my remarks as of that date but failed to do so before the end of the session. I again ask unanimous consent to extend my remarks at this time.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address on the Bill of Rights by Dr. Judd, of the Texas State College for Women.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GUYER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter to the Washington News.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include a resolution of the National Grand Lodge of the Brotherhood of Railroad Shop Crafts of America.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RESTRICTION ON CROP PRODUCTION SHOULD BE REMOVED

Mr. NELSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. NELSON. Mr. Speaker, the statement that food will win the war may be an exaggeration, but without food no war can be won. One of the most pressing problems now confronting the American people has to do with the production of sufficient food, not only for ourselves but for those with whom we are allied. In fact, of all the long1range problems, embracing not only the war period but the time when peace comes, as come it will, one of the most important deals with those necessities which our farms must supply.

With the greatly increased demand for foods, especially meats and dairy products, acreage restrictions of feed

crops should be liberalized, if not, in fact, entirely removed. With the Government calling for more beef, pork, dairy products, and so on, and at the same time unduly limiting the production of meat-making crops, is like working the engine against the brakes. It simply does not make sense. With the 1942 planning season near at hand, the sooner such changes are announced the more effective they will be. The farmers of the United States are always to be depended upon. All that they ask is an opportunity to do in the most effective manner what should be done.

Closely connected with increased food production is that of the farm-labor situation. With machinery prices almost prohibitive, and with farm implements difficult to secure, the farmer must more and more turn to manpower and horsepower. Millions of men, many of them from the farms, are entering the military service or accepting positions in defense industries, so the problem of farm labor becomes doubly serious. The talk of city farmerettes doing farm work does not appeal to the average farmer. Trained and experienced men are needed. My feeling is that it may be necessary for liberal exemptions to be made in cases of young men subject to military service so that many may, where consistent, be deferred for farm work. If not, I fear a very great shortage of help on our farms, when help is needed as never before.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, simply to ask a question, I should like to ask my colleague from Missouri if he does not think it would be well if some Government agency would see to it that the price between the producer and the consumer was held at a level so that the consumer would not be overcharged? Because if we could find some way to get part of what the purchaser pays the retailer the farmers would benefit to a considerable extent. His troubles would be at an end.

Mr. NELSON. Obviously, I agree. That has been one of our real problems.

Mr. COCHRAN. On investigation you will find there has been a real increase in the price of foods, but on the other hand if you look deep into this increase you will also find that only a small percentage of this increase went into the pockets of the farmers but into the pockets of those who handled the commodities after they left the hands of the producers. I want to afford as much protection to the consumer as is possible, and the way to do it is to try to prevent uncalled-for profits for those who act as distributors.

[Here the gavel fell.]

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, in H. R. 5727, I note that the Committee on Military Affairs has stricken out the heart of the bill, taking away from the Director of Civilian Defense the authority granted to him under Executive Order 8757. During the weeks of acute national emergency the Office of Civilian Defense has performed its many difficult tasks in a very satisfactory manner. Both nationally and locally its offices and personnel have tackled the problem of organizing the civilian population to face situations created by war conditions without panic and disorder in a most efficient manner. Why the work of this important agency should be disrupted at this point by placing it under another management is beyond me. The War Department—and I want to state that I have the highest respect for the leadership and personnel of our War Department—has more than its share of responsibility to carry at present and I do not see why we should burden it with another task which—as has been shown—can very well be taken care of by the present set-up. I honestly believe—and from discussions I have had with a number of people residing in various parts of our country I think the majority of our people agrees with me—that there is no necessity of disrupting the work of the Office of Civilian Defense by reorganizing it at this time. As far as I can see, the transfer of this agency to the War Department will only delay and confuse its important work and will do more harm than good. I hope and trust that the membership of the House will take all these factors into consideration when the bill is presented for disposition.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter I received in regard to the Farm Security Administration and the necessity for maintaining it.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota [Mr. BURDICK]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WILSON. Mr. Speaker, at the conclusion of the regular business of the day and any previous orders heretofore entered, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. WILSON]?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

There was no objection.

[Mr. WOODRUFF of Michigan addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a eulogy recently delivered on the life of the late Victor P. Dessert by a former Member of this body and a former Member of the United States Senate, Hon. C. C. Dill.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. LEAVY]?

There was no objection.

(Mr. BENDER asked and was given permission to extend his own remarks in the RECORD.)

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD and to insert some rate tables, also a statement from the Tennessee Valley Authority.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

[Mr. RANKIN of Mississippi addressed the House. His remarks appear in the Appendix.]

PROGRAM FOR NEXT WEEK

Mr MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. MARTIN]?

There was no objection.

Mr MARTIN of Massachusetts. Mr. Speaker, I take this time to ask the majority leader if he can tell us what legislation we will have up for consideration tomorrow and for next week?

Mr. McCORMACK. Tomorrow the daylight-saving bill reported by the Committee on Interstate and Foreign Commerce will come up. Monday will be District day. On Tuesday a bill will be considered from the Committee on Immigration. That bill was to come up before the recess, but we held it up until after the recess.

Mr. MARTIN of Massachusetts. Will the gentleman tell us what that bill is?

Mr. FISH. That is the Dickstein bill to cancel certain citizenships.

Mr McCORMACK. The citizenship of certain persons.

Mr. MARTIN of Massachusetts. Is that a controversial bill?

Mr. McCORMACK. I understand that there will be an amendment or amendments offered that might satisfy some who were for the bill but who had honest and reasonable feelings of opposition to the extent of the bill.

Mr. MARTIN of Massachusetts. The bill will come up under a rule, anyway?

Mr McCORMACK. Yes; it will come up under a rule.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from New York.

Mr. DICKSTEIN. We had a meeting yesterday and invited the Members of Congress who gave testimony on the matter to attend. We agreed on certain amendments which we shall offer when the bill is read for amendment. That was agreed to by everybody.

[Here the gavel fell.]

CIVILIAN DEFENSE

Mr. MAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5727 to provide protection of persons and property from bombing attacks in the United States, its Territories and possessions, to authorize the procurement of materials and supplies, and for other purposes; and pending that motion, may I state that it has been agreed by unanimous consent that general debate be limited to 2 hours, 1 hour to be controlled by the ranking Member on the minority side, the gentleman from New York [Mr. ANDREWS], and 1 hour by myself.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5727, with the gentleman from Illinois [Mr. BARNES] in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. MAY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as chairman of the House Committee on Military Affairs, I desire to make a very brief explanation of the pending bill and to give a little of the history of how it happens that this bill has come to the floor of the House in its present form.

Some time last June the President of the United States, by Executive Order No. 8757, set up a civilian-defense organization and appointed a director of civilian defense with power to make appointments of the necessary clerical and other assistants he might need to administer whatever legislation the Congress should enact. This bill itself is nothing more or less than a bill to authorize an appropriation to meet the charges and expenses of administering the civilian-defense program.

The House Committee on Military Affairs gave this matter very careful study and made some vital changes in the form of the bill as passed by the Senate. After hearings and considerable executive consideration of the bill, the committee decided to limit the amount of the appropriation. Whereas the Senate bill left it to the Committee on Appropriations to appropriate whatever amount they deemed necessary, your committee limited the amount to $100,000,000, this for the reason that the testimony before the committee was rather definite and certain that in the aggregate the expenses of the organization ought not to exceed approximately $92,000,000. The committee in its fairness and in its effort to go along with the protection of our civilian population from injuries from bombing or other causes incident to the war gave this organization a leeway of about $8,000,000 as a margin upon which to work, with the hope that that would be sufficient. Of course, that limits the power of the Committee on Appropriations to appropriate beyond $100,000,000.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. The $8,000,000 was in addition to what the representatives of that particular activity had suggested as the probable maximum cost?

Mr. MAY. That is right. We thought there ought to be a little margin so that if the organization exceeded in some particular the amount they expected to expend, the Committee on Appropriations would have authority to appropriate that amount.

Mr. WOODRUFF of Michigan. That is a very proper allowance, I think.

Mr. EATON. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from New Jersey.

Mr. EATON. Will the gentleman inform the House how this organization has been financed up to this time?

Mr. MAY. I am sorry to say to my good friend that I do not know how it has been financed, but I suppose it has been financed out of funds that have been made available by the Congress to the President under previous legislation, because I am sure he would not pay it himself and he would not undertake to administer it with funds that were not lawfully available.

Mr. CULLEN. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from New York.

Mr. CULLEN. Why is the Director of Civilian Defense removed, under this bill?

Mr. MAY. I was just coming to that. When the House committee reached the part of the bill which provides for the appointment by Executive order of a civilian director, it struck out the phrase "Director of Civilian Defense" and inserted the phrase "Secretary of War." Of course, this was due to several considerations that were under discussion. As I recall, one of them was to the effect that the present Director of Civilian Defense is an extremely busy man, with a tremendous job on his hands as mayor of New York, and he possibly could not give to the civilian defense organization the time that some thought he should. Another consideration, the controlling one, I think, was that they thought that all the activities in defense of the people of this country ought to be under the War Department rather than separate from it.

My view, however, on that subject is this: Unless we intend to adopt a system in this country like Bismarck sponsored in Germany three-quarters of a century ago, and militarize the whole country, it would be well that when we are dealing with fire-fighting apparatus and with bomb protection and other things that are not strictly military, we confine them to civilian activities and separate them from the War Department.

Mr. CULLEN. The gentleman will admit that the civilian authorities have done good work.

Mr. MAY. Yes; the civilian work up to date, I think, has been fine, and it has all been voluntary and without compensation, wholly by patriotic persons eager to serve their country in these troublesome times.

Mr. HARNESS. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to my colleague on the committee.

Mr. HARNESS. Mr. Chairman, I ask you to yield merely for the purpose of telling us, if you can, whether or not any of the money that is authorized to be appropriated might or will be used to help the people outside this 300-mile radius on each coast. For example, I am wondering if any of this money will be used to protect the people at Charlestown, Ind., where we have built one of the largest powder plants in the United States, or whether or not any of it will be used at LaPorte, Ind., and Madison, Ind., where the Government has spent millions and millions of dollars and built large projects that any enemy who wanted to bomb this country would first strike.

Mr. MAY. I always appreciate the courageous interest of my colleague from Indiana in his own people and in the people generally, and he has been very vigilant in his efforts to see to the proper writing of this legislation, but I think the gentleman will recall that Mayor LaGuardia, when he was before the committee, testified to the fact, and very sensibly so, I think, that they had established, or would establish, an area around the United States which anticipates, of course, that if we are ever bombed or injured it will be within a radius of 300 miles inland. Beyond that, he said, that all industrial centers of importance would be given protection, but the House committee, in its wisdom, and I think very wisely, said that none of this equipment should be furnished to either the city of New York or the city of Washington, the city of St. Louis or any other city in this country, that was financially able to furnish its own equipment. I am quite sure that the funds will not be used to the exclusion of any section of the country in favor of some other section of the country.

Mr. HARNESS. I just want to make this observation in that connection. One reason I believe the War Department should administer this program is that they are interested in protecting these great centers that are not within 300 miles of either coast. My recollection of Mr. LaGuardia's testimony is that this was to be used for protecting the people within 300 miles of each coast and leaving the others to their own resources.

Mr. MAY. I hope my colleague will read the record again, where he will find he is entirely mistaken, but let me get over one other point before I get away from this question.

Mr. CULLEN. Mr. Chairman, will the gentleman yield for one further question?

Mr. MAY. Yes; I yield.

Mr. CULLEN. Was this a unanimous report of the majority and the minority members of the committee?

Mr. MAY. No; it is not a unanimous report.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I yield myself 5 additional minutes.

Mr. CELLER. Mr. Chairman, will the gentleman yield again?

Mr. MAY. I yield to the gentleman from New York.

Mr. CELLER. Am I correct in my understanding that the committee felt that

it was logical to let these expenditures reside in the discretion of the Office of Civilian Defense, but because of the personality now in control of that branch, that it should be lodged with the War Department?

Mr. MAY. I do not care to discuss that matter at this time.

Mr. CELLER. We would like to get information on that subject, because it is very important, particularly to us who come from the city of New York, whose mayor is also the officer of civilian defense.

Mr. MAY. I think that matter will come out in debate without the chairman of the committee having to state everything that happened in the committee and I will be obliged to decline to answer that question now.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MAY. I will yield to the gentleman in just a moment after I get in one or two thoughts here. I do not want to take up all my time answering questions.

The Secretary of War was asked whether or not he wanted to administer this act and whether or not he had the facilities with which properly to do it. His answer was that he did not have the facilities and neither did he have the time and that the task thrust upon him by the Congress in three declarations of war had made it imperative that it be given to the Civilian Defense organization as set up by the President, and I have always liked to follow the lead of the Secretary as far as I can. There is a vast difference now and when the bill was originally reported by your military committee. We have since then voted two declarations of war that has thrust us into a terrible world-wide war. Our Secretary of War has more burdens of a military character than he can easily endure and I do not wish to tie his hands or further burden him.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. MAY. Yes.

Mr. LUTHER A. JOHNSON. Do I understand, from the statement made by the chairman of the committee, that it is the recommendation of the War Department that they do not want to exercise the functions under this civil-defense organization?

Mr. MAY. That is correct, although the War Department is cooperating with the Civilian Defense organization.

Mr. LUTHER A. JOHNSON. And as to the provision of the bill which states that this matter should be turned over to the Secretary of War, the Secretary says he does not want it.

Mr. MAY. That is correct.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. MAY. Yes.

Mr. DICKSTEIN. Does the gentleman know that a civilian-defense organization in every hamlet and every city and village throughout the country has organized its fire department, and has its proper stations and proper instructions, something the War Department could not possibly manage, if they controlled the situation in respect to civilian defense?

Mr. MAY. I think it would be rather expensive for the War Department to go out into my district in the mountains, where I know that in every town in my district they have organized a civilian-defense organization under a civilian corps. To do so through a military organization might disrupt in many ways the splendid Civilian Defense organization now set up.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MAY Yes.

Mr. DONDERO. It so happens that I come from the metropolitan area of the city of Detroit, where our industrial activities are at a maximum. I have inquiries from communities adjoining the city as to whether or not they would be furnished with additional fire equipment in case there was need for it. Will such equipment be furnished or loaned to the communities?

Mr. MAY. It will be loaned to the communities not able to furnish it themselves, and if the city of Detroit finds itself financially embarrassed and cannot do it, then of course the Civilian Defense Director will order the necessary equipment, and furnish it to that city, with the understanding that the city will pay for it when and if it can.

Mr. DONDERO. This does not come from the city of Detroit but from these municipalities on the outskirts of the city of Detroit, and they are not able to do it.

Mr. MAY. The gentleman knows that we would not have any director who would not protect those areas.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MAY. Yes.

Mr. CRAWFORD. I rise to serve notice that in my State and in my district, in particular, this job has not been done. I have just spent 10 or 12 days there, and I inquired into it specifically. I am in favor of the committee bill here presented, and I am for putting this in the hands of the War Department, where it belongs. I think the War Department should assume the responsibility.

Mr. MAY. The gentleman, of course, understands that it is a huge task. They have only been at it a short time, and they have probably done the best that they could.

Mr. CRAWFORD. That is the reason I want the War Department to undertake it.

Mr. GIFFORD. Is it possible that the War Department would have an organization not so busy as the mayor of New York and the lady of the White House? I thought they were very busy. Have they the facilities as compared to the War Department?

Mr. MAY. If the gentleman would go out into the field and examine some of these cantonments and find that the Army is feeding and clothing and watering and taking care of about a million and a half men—

Mr. GIFFORD. I did that.

Mr. MAY. He would discover that the Army has a tremendous task on its own hands without assuming this added burden.

Mr. GIFFORD. Are not these others very busy themselves?

Mr. MAY. They are busy.

Mr. GIFFORD. I hear they are.

Mr. MAY. I think the gentleman knows Mr. LaGuardia well enough to know that as long as he was a Member of this House he did not have any hours of work. He did about as much work as any two of us usually, and he is still at it, and he rolls over and over like a wheel in going, and never loses a minute's time, and since the President set up this organization I think it is a rather strange thing for the Congress to summarily dissolve it by legislation.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. MAY. Yes.

Mr. CELLER. What is the system in England with reference to handling work of this type? Is it done by civilians?

Mr. MAY. It is based on this plan here—that is, the civilian organization.

Mr. CELLER. That is a civilian organization?

Mr. MAY. In connection with the Red Cross and other voluntary-service organizations.

Mr. CELLER. Then the gentleman's bill is inconsistent with the English system? Is that correct?

Mr. MAY. Yes.

Mr. CELLER. It is inconsistent with it?

Mr. MAY. Yes.

Mr. CELLER I do not know that the gentleman gets my question. Is this bill consistent with the English system?

Mr. MAY. As a matter of fact, I do not know what the English system actually is, but I do know that the testimony before our committee is to the effect that they are following the English system in the original draft of the bill and that they have profited by their experience in dealing with the English system. That was the Director's testimony, and this pending bill would make a military unit of it.

I wish you would just let me take about 1 minute to make an explanation of one thing that has been done to this bill by the House committee. Generally speaking, I would say that the action of the House committee is to the effect of completely dethroning the civilian defense organization as set up by Executive order of the President. If the Congress is going to be permitted to appropriate under this legislation, they cannot appropriate to the War Department for this, because this is the civilian defense organization.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired

Mr. ANDREWS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I would like to review the general situation on this bill, if I may. It seems to me the time element has had something to do with it. In the first place, this bill was originally introduced in the House on September 29, and all the consideration which the House committee gave to this bill was prior to December 7, and the declarations of war. The bill itself was reported favorably to the House on November 26.

I mention that because I know it is true in my own case, and I think it is true of a great many members of the committee, that there has been considerable change of opinion on it.

I assume that most Members of the House realize that the Senate has passed a bill similar to this one. The only real difference between the Senate bill and the bill which the House Military Affairs Committee brings before you today is that the Senate bill places the administration of the act under the Civilian Defense Director. The House bill places it within the control of the War Department.

If you will study the situation on any Atlantic seaport or Pacific seaport you will realize that today the key man in any city is that man who controls military information and the antiaircraft protection. Fundamentally, all control runs back to him. It does in the city of New York. Unfortunately the personality of the mayor of the great city of New York is of necessity inserted into this situation. I have talked to him about this bill. I have great respect and admiration for his capacity, for his ability, and for his energy. I daresay there is not a harder working man in the United States, but I feel certain that if he does not today he will soon realize that he cannot administer this act and continue to be the mayor of New York City, which he has been. I also feel certain that if he does not realize it, the President ought to make him realize it.

Since the committee reported this bill we have had further discussions among ourselves. I think I am perfectly free to make this statement, and I do this, of course, on my own responsibility: I believe that if the committee met this morning two-thirds of them would favor a committee amendment—of course, it cannot be offered as a committee amendment, but it will be offered by the gentleman from Pennsylvania [Mr. FADDIS]—extending the scope of this bill to the extent of making it mandatory that an additional Assistant Secretary of War be appointed for the complete administration of civilian defense in this country. While I did not look upon it with favor at first, and while I happen to know that Mr. Stimson has not seen fit to express himself, I feel certain that any man who has any conception of what civilian defense may be in the future, what he may be obliged to do under it, will recognize that sooner or later—and why not now—we must have an Assistant Secretary of War or someone in an official capacity in Washington charged with the entire administration of the program.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield.

Mr. MAY. I think the gentleman will agree with me readily that Secretary Stimson is not in a position to express any view about this thing.

Mr. ANDREWS. I was under the impression that I inferred that.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield.

Mr. DICKSTEIN. Assuming that later on the mayor of the city of New York should see fit to withdraw as head of the civilian defense, and this bill is passed, it will go back to the War Department under this bill?

Mr. ANDREWS. An Assistant Secretary of War would be appointed. Personally, I would not be at all disappointed to see Mayor LaGuardia appointed as Assistant Secretary of War in charge of civilian defense. I think he would do a fine job.

Mr. DICKSTEIN. Do you not think, coming from New York and knowing, as you do, the set-up of the present defense in every community in which the mayors of every city, under the direction of the head of civilian defense, have organized an army of civilians, ready to defend their cities with their lives, that that would be the proper place where it should go instead of the War Department, with more red tape and more red tape, because today you cannot get head or tail down in the War Department?

Mr. ANDREWS. I am sorry to say I do not agree with the gentleman.

Mr. DICKSTEIN. That is a matter of opinion.

Mr. THOMAS F. FORD. Will the gentleman yield?

Mr. ANDREWS. I yield.

Mr. THOMAS F. FORD. The gentleman pointed out that because Mayor LaGuardia was very busy, it was improper to ask him to shoulder this task. Does it naturally follow that you have to put it in the Army on that account?

Mr. ANDREWS. It seems to me that in every direction it leads to the Army before you get through.

Mr. THOMAS F. FORD. The Army's job is the defense of the United States in a military way.

Mr. ANDREWS. That is correct.

Mr. THOMAS F. FORD. The mere fact that they will control the antiaircraft guns will have nothing to do with ambulance service and fire service and such things. To put it in the Army would be to militarize the whole country, and we do not want that.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield.

Mr. CELLER. Does the gentleman think it is logical to legislate because of personalities? Secondly, what will be left in the Office of Civilian Defense if you withhold from this entity all these appropriations? What will the Office of Civilian Defense have to do?

Mr. ANDREWS. I assume that the Office of Civilian Defense would be promptly taken over by the Assistant Secretary of War.

Mr. CELLER. Have we any assurance of that?

Mr. ANDREWS. It is the perfectly natural thing to expect.

Mr. CELLER. We are not setting up an Assistant Secretary of War here.

Mr. ANDREWS. I have already stated that such an amendment would be offered by the gentleman from Pennsylvania [Mr. FADDIS]. I have attempted to give my picture of the bill. I believe the amendment should be supported.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield for one brief question?

Mr. ANDREWS. I yield.

Mr. DICKSTEIN. In my own group a civilian-defense program has been mapped out and places of safety and shelter designated for everybody in the District.

Mr. ANDREWS. So much the better.

Mr. DICKSTEIN. The War Department could not possibly do that. The people have even gone into their own pockets for the construction of shelters, and I am sure they are satisfied with the present set-up.

Mr. ANDREWS. Obviously the War Department will take that all over.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield.

Mr. VORYS of Ohio. Is it contemplated that the $100,000,000 here authorized will provide all of the civilian defense that the various communities wish to install? This would not begin to pay for it.

Mr. ANDREWS. I do not believe that is the notion. Whether it will pay for it or not, it is a start.

Mr. VORYS of Ohio. Is this supposed to pay for all of the civilian-defense efforts of all the communities of the United States?

Mr. ANDREWS. I do not believe that is the contention. It is a start. It will be used to buy fire equipment, gas masks, to give educational orders and many things of that kind.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield.

Mr. ELSTON. It is fair to say, is it not, that the testimony before the committee was to the effect that this $100,000,000, or the greater part of it would be consumed in the purchase of gas masks, fire equipment, and for a few educational orders?

Mr. ANDREWS. I believe the gentleman is correct.

Mr. ELSTON. No provision is made that this $100,000,000 shall be used for the erection of shelters or any other form of protection for the civilian population.

Mr. ANDREWS. The gentleman is correct.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield.

Mr. GIFFORD. Speaking for the right arm of Massachusetts, comprising 15 towns, all of which were represented at a meeting, they have raised fairly large sums for civilian defense. We are doing pretty well and we are interested. We are in the path of any enemy air attack on Mitchel Field. We are watching, therefore, for Mitchel Field today. We are interested in civilian defense. I express the hope that the heads of these organizations will not be selected because of social position. The lady in the White House—who is her assistant?

Mr. ANDREWS. I could not tell the gentleman.

Mr. GIFFORD. Mrs. Morgenthau, is it not? I have nothing against these delightful ladies, but we have a suspicion

that social position has something to do with it. I rather think there are Reserve officers too old for active service yet who would be highly competent for this job.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. KILDAY].

Mr. KILDAY. Mr. Chairman, the most important thing in connection with this legislation is that something be done without further delay. There is tremendous responsibility on all of us with reference to providing civilian defense, but up until now the job has not been done.

I am the author of the amendment which struck out the Office of Civilian Defense and inserted the Secretary of War. In offering this amendment I had no interest in the personalities which have been injected into the debate on the bill. There are certain fundamental things which should be considered in connection with this bill and which I feel the House should act upon. In the first place, civilian defense is one of the duties of the Army just as definitely and just as positively as the defense or employment of the military personnel can be. That is a matter upon which all military men are agreed. They are not free to talk because Army regulations prohibit them from testifying in opposition to a bill supported by the Department. If free to talk, however, they would all agree that the defense of the civilian population is one of the duties of the Army of the United States. That has always been true, but much more so now that civilians are the object of attack just as much as the military personnel. This is the first fundamental thing involved, and I may state further that we can all appreciate right at this time that certain preparations have been made for the defense of the Capital against air attack. You do not know what they are and I do not know what they are. The Army officials charged with the defense of the city of Washington do know what these preparations are, and they are the only ones who do. How can there be an effective civilian agency charged with the defense of the civilian population and the duty of placing the civilian population in such position that it will not be in danger of our own gunfire when the civilian organization does not and cannot know what the defense plans are? The Army must be in charge of placing the civilian population in such position that civilians will not be within the range of our own antiaircraft guns which now surround this Capital City.

Whether the War Department wants to assume this duty or not, whether the letter which will be produced here from the Secretary of War states that they do not want it or cannot carry it out, is beside the point. It is definitely and positively their duty to do it, and, whether they want to do it or not, they must be compelled to undertake this military duty which belongs to them.

There is another matter here. The more you separate the obligations and the duties involved in this thing, the less coordination you will have. If you will refer to the hearings, you will find one of the principal items sought under the bill in the $100,000,000 appropriation is gas masks, and particularly educational orders to train factories and tool them so that they can turn out these gas masks. On the other hand, you will find that the Army now has on hand some 3,700,000 gas masks, with an Army of 1,700,000. The Army has developed an industry in the United States capable of turning them out in quantity at one-half the cost that they paid for the ones they have had manufactured for the military personnel. I believe you will find they are now in position to turn them out on a minute's notice at the rate of 90,000 a day. While they had this production all keyed up and ready to go, the Director of Civilian Defense came before our committee and talked at length about educational orders to train factories to make gas masks. The Director did not know, and would not know, that we already have the industry organized in the United States.

Here is another thing: If the Congress is going to do its legislative duty, it ought to do all of it. The bill as presented to the committee called for recognition of an agency created by an Executive order and for the placing at its disposal originally of an unlimited amount of money. Under the bill reported by the committee this is limited to $100,000,000. Here is an agency not created by an act of Congress, here is a director not elected by the people or confirmed by the Senate, who is given power to expend $100,000,000. I know of no other instance, even in the defense program, in which any person filling an office created by Executive order, who has neither been elected nor confirmed by the Senate, has the power to expend public funds.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. KILDAY. Mr. Chairman, in each instance this authority is exercised under the responsibility of some officer created by law, whether under the Constitution or by statute. It is a dangerous departure for us to take at this time in creating a precedent. If we are going to pass such authorization, if we are going to discharge our legislative duty in this regard, let us sit down and write a bill creating the Office of Civilian Defense and by statute define its duties and powers and create the office of the official who will exercise them. We go further than that here. If you will read the last two paragraphs of this bill you will find that this officer, neither elected by the people nor confirmed by the Senate whose office has not been created by law, is given the power, if the Office of Civilian Defense stays in here, to make regulations, the violation of which is made a penal offense under this bill. The violation of the regulations would be punishable by fine and imprisonment. Here we are giving the power to a man whose office has no legal existence as far as this legislative body is concerned, to create criminal offenses.

During times of war we are going to have to live under many military regulations. It may be that on many occasions in this Capital City we will have to live under martial law. That cannot be helped. That is an incident of war. The Military Establishment and the War Department has the power to make those regulations and to carry out martial law. Why should we set up an agency separate from the Army which will have the power to make further regulations for us to live under? We will then be living under two authorities, one martial law and the other a civilian organization making penal offenses.

Mr. MAY. Will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Kentucky.

Mr. MAY. Does not the gentleman believe the President of the United States, under his constitutional power as Commander in Chief of the armed forces and under numerous acts of legislation passed by this Congress, has the power to appoint a civilian director?

Mr. KILDAY. I have not raised that question. Of course, he has the power to create the Office of Civilian Defense. But this Congress has not until this minute passed any law authorizing any of those officers, created by Executive order, to expend public funds. They are operating either under the constitutional power of the President as Commander in Chief of the Army and Navy and as President of the United States, or they are acting in accordance with some authority delegated from one of the Cabinet members. They do not act upon their own responsibility.

[Here the gavel fell.]

Mr. HARNESS. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. ROLPH].

Mr. ROLPH. Mr. Chairman, whether Mayor LaGuardia or the War Department administers this act is something for others to decide. What we need is action. It seems so futile to hold this matter up by arguments. We are at war.

My home city of San Francisco is the focal point for all activities on the West coast, as well as for the entire Pacific sphere of operations.

Not only San Francisco, but all the cities and target areas in that vulnerable section are wiring asking that we act at once.

The emergency equipment, apparatus, gas masks, and medical supplies which will be furnished under authority of this bill are requested now.

The citizens in the different communities are being thoroughly organized to take care of all eventualities in case of attack, but the local authorities simply have not the funds to furnish the supplies.

Mayor Rossi has appointed Chief of Police Charles Dullea coordinator of all civilian-defense activities for San Francisco. Chief Dullea is a man of action—aggressive, resourceful, and fearless. He never shirks.

He typifies the type of man selected in other communities, and Congress may rest assured supplies and facilities allotted to the several areas will be wisely and judiciously distributed.

The black-outs in our city have been perfected, and latest reports are that what little confusion occurred when the

first black-outs were found necessary has been entirely eliminated and the last two have been 100 percent.

Herbert Morrison, Britain's Minister of Home Security, said in an interview with Miss Inez Robb, London correspondent of International News Service:

First. Every citizen must play a part in any successful civilian-defense program. Every citizen must feel he has a share of responsibility in the set-up.

Second. You have such long stretches of coast. In a way, that makes your problem both more difficult and yet easier than ours. More difficult because of the uncertainty as to where the enemy will strike. My best practical advice on the subject would be first to study carefully where the most probable areas of attack lie and, secondly, to try to visualize and prepare for the problems that would arise from such attack.

Third. Certainly all factories must be blacked out and probably all danger zones.

Fourth. Any attack might be made with incendiary bombs. Nothing is more important than an adequate watch over and protection of such districts. Remember incendiaries can and do come by the thousands.

Fifth. Also, it is absolutely essential to give people who have been bombed out of their homes the feeling that they will not be permitted to suffer destitution. Give them the feeling that they will be stood on their feet and are not going to be deserted when they need aid the most. Above all, cut the red tape and see that the bombed-out persons are not handed by one agency to another, passed from one board to another board. Get something done for them immediately. Try to make the process as short and sympathetic as possible. Nothing is more disheartening to bombed-out people than to stand in line after line, talking to groups of officials.

Sixth. Until your authorities contradict me, I shall have great faith in skyscrapers. It is our experience here that a steel-frame, concrete-reinforced buildin, withstands a bombing better than any other type of structure.

Another pressing reason why this measure should be passed at once is the question of priorities. While there is no reason to believe the orders will be delayed downtown, still it takes time to place the requisitions, manufacture the articles, have them packed and shipped, and finally delivered to the general public. One month has elapsed since the bombs fell on Pearl Harbor.

My colleagues, I hope you will pass legislation for aid to civilian defense at once.

Mr. MAY. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Chairman, I think we must all be pretty well agreed on the emergent need for this sort of legislation. It is a very different situation today in the United States, in fact, in the world, than that which existed on October 9, when the Committee on Military Affairs was holding hearings on this bill. Likewise, a very different situation exists now to that which prevailed when the bill was reported a few days after that time.

I am one of those who feels, and I am sure you agree with me, that the situation is serious and that the responsibility is ours. Something ought to be done immediately in order to straighten out this apparent tangled situation that exists in the administration of civilian defense. I am sure I speak the sentiments of every Member of this House—I know I speak my own—when I say that this is a lot bigger question than personalities. I regret very much that in the committee—and I anticipate in some respects on the floor of this House the same thing will occur—questions of personalities entered into the discussion of this legislation. I am one of those who believe that, in view of the unity that now prevails throughout the country and the building up of public sentiment for an efficient administration along all lines, the matter of civilian defense is going to work itself out, so I do not want to get into a discussion of that question unless forced to do so.

I disagree with my esteemed friend and colleague from Texas that civilian defense is necessarily a matter of military defense. He, or perhaps it was the gentleman from New York [Mr. ANDREWS], made mention of the fact that right around this Capitol and around the office buildings at this moment are certain antiaircraft guns and other equipment for the defense of this Capitol and of this city. I call the attention of the gentleman to the fact that every one of these guns is manned by a soldier. When it comes to the absolute military defense of this Nation, the Army is in charge, do not forget that—whether it is in Washington, or in Buffalo, or New Orleans, or wherever it is. The Army, the Navy, the Air Corps, the Coast Artillery are looking after the military defense of the country.

This is the situation: Civilian defense in the main deals with what? Fire departments, water departments, hospitals, ambulances, the handling of the civilian population, fires in cities, forest fires, black-outs, air-raid shelters, and distribution of gas masks. Are you willing to turn everything in the United States over to the military? I yield to no man on this floor in my friendship and loyalty to the War Department. I yield to no man in this House in my advocacy of national defense at all times. This is not only true now but it has been true in the years that are gone, including the 11 years I have been in this body and on the Committee on Military Affairs. But I am not willing to completely militarize this country and say that I want the military to run the water department and the fire department in my own little city of El Paso, of which I once happened to be the mayor. That is what it will result in if you adopt this amendment, and we might just as well face the music.

My Commander in Chief, through the Secretary of War, who is charged with the military defense of this country, only the day before yesterday, on January 6, wrote an official letter to the gentleman from Kentucky, Hon. ANDREW J. MAY, chairman of the Committee on Military Affairs. I have a copy of this letter in my hand, and I shall read these few sentences:

The War Department believes that it should not undertake added duties which the amended House bill would oblige it to assume. The facilities, supplies, and services which may be secured under the authorization would require the diversion of a great number of military personnel from their primary mission of combating the enemy or preparing for such combat. The Army has no storage facilities which can be made available nor is its distribution system suited to storage and distribution of supplies to civilian communities. The military supply system is organized to serve troops in training and combat areas which are usually distant from centers of population. Since the types of supplies required for the protection of the civilians vary from those required by military personnel and must be stored and distributed in thousands of communities which may be removed from military areas, a separate supply system would be required. This system, if operated by the Army, would require great numbers of military personnel.

In view of the present local civilian-defense organization established throughout the country by the Office of Civilian Defense and its access to the services of existing volunteer organizations, it is probable that the facilities, supplies, and services could be effectuated in a shorter time and with less expense than they could were they undertaken by the Army.

Mr. Chairman, we are in the worst war in all recorded history. A different situation is prevailing today than when we reported out this bill on October 9. As for my part, I have confidence in the mayors, the sheriffs, judges, the American Legion posts, all patriotic organizations, and the home people, on this question of local self-government in the thousands of cities, communities, and villages throughout the country. As for me, I am still following my Commander in Chief and the Secretary of War on a matter of this sort. They are charged with the national defense. They are experts and I accept their advice.

You have this situation, too. If we are to believe the message of the President delivered from that rostrum 2 or 3 days ago, we may find ourselves fighting in every part of the world. We are going to enlarge our Army very materially. We do not have enough personnel now to carry on the war we are going to have to engage in. We have raised and lowered the draft age in order to get a larger Army. If you amend this bill, covering functions primarily the duty of every community in the United States through its mayors, its fire chiefs, its water superintendents, its local, city, and county hospitals, its ambulances, and its fire-fighting equipment, covering purely civilian affairs in local communities, and turn these functions over to the Army, and drag into every community of the United States Regular Army personnel, when they are needed to fight, when they are needed for combat service, then you are just going to almost disrupt your Army, because it will take untold thousands of persons to do it.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. This is just a little off of what the gentleman is speaking about, but I notice that the bill is very restricted in that it provides only for protection against bombing. It seems to me that is probably one of the least likely troubles we shall have. How about sabotage and other troubles?

Mr. THOMASON. I do not recall the exact language of the bill, but my recollection is that it carries authority for the initiation of or at least cooperation

with all civilian activities in every community.

Mr. SMITH of Virginia. The bill does not provide a thing in the world except protection against bombing, and I wonder if the gentleman does not think we should extend the scope of the bill.

Mr. THOMASON. If it does not, speaking for myself, I would be very happy to do that. This bill was written some time ago and was reported to the House on October 9, when a lot of us did not take it too seriously. I suppose many gentlemen belonged to the group that believed there could not happen what occurred at Pearl Harbor, but I am convinced that when it comes to New York, San Francisco, Los Angeles, Seattle, Alaska, or Panama, we need not be surprised at anything, and everything possible must be done now for adequate protection.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I yield the gentleman from Texas 5 additional minutes.

Mr. MICHENER. The gentleman has made a very persuasive argument as to why this power should not be lodged in the War Department. The gentleman has discussed the personnel that will be required and I am wondering if the gentleman fully realizes that under the present set-up the directing personnel is composed largely of Mr. LaGuardia and Mrs. Roosevelt and that the real work is being done by civilians throughout the country. As I understand it, it is contemplated that regardless of who has control, the present plan will be carried out. If this is true, then if this matter is transferred to the War Department Mayor LaGuardia will act as the representative of the War Department and Mrs. Roosevelt will also be retained as the representative of the War Department. If an Assistant Secretary of War is placed in charge of the Civilian Defense that will compel Mayor LaGuardia to resign as mayor if he acts as Assistant Secretary of War.

Mr. THOMASON. I am sorry, but I cannot yield further.

Mr. MICHENER. Am I not right about that?

Mr. THOMASON. I do not know, but I would assume that the gentleman is going to support an amendment to set up an Assistant Secretary of War. That might mean the designation of Mayor LaGuardia in the office as Assistant Secretary of War, which is the very thing you Republicans are so bitter about.

Mr. MICHENER. I am asking the gentleman——

Mr. THOMASON. I do not yield further.

I think we can assume, or, as we say down in west Texas, we can operate on a hunch that when this is all over and this storm has passed regarding the form of this legislation there will probably be some resignations, and maybe a new Administrator. I hold no brief for the mayor of New York, although I will say this: I have seen him in this House and I have seen him in New York and I know his record in World War No. 1, and I undertake to say that he is a highly patriotic citizen, with courage and ability and honesty of a very high order. And I undertake to say this, too: It was rather natural some months ago when there were many in this House who thought we would never be drawn into the war, and perhaps we rather ridiculed the idea at that time of civilian defense that he should be the one chosen for this reason. In addition to his wide and successful experience as soldier and legislator, he happened to be president of the United States Conference of Mayors, which is an organization of which the mayor of every city in the United States of over 30,000 people is a member. So it seems to me that it started out as a rather local, self-governing affair, and it would be natural that the president of that great organization, speaking for the mayor of my city, who is a member of the organization, that they should look to the mayor of New York for civilian defense, inasmuch as he is the mayor of the greatest city in this country. If some of you Members would lay aside your hatred and prejudice against LaGuardia and Mrs. Roosevelt, this bill would pass unanimously.

Mr. MAY. And it is a system of local self-government without military control.

Mr. THOMASON. I repeat to my chairman that I want the military to run the antiaircraft guns in Washington, I want them to run the Coast Guard and the Navy, I want them to provide border protection down where I live, and I want the Army to do that in the city of El Paso, but I do not want the Army running my water department or butting into the affairs of my chief of the fire department as long as he is doing a good job. The only thing in the world that the head of Civilian Defense has done—and I can show you report after report that they have filed—is that they have cooperated with the Corps of Engineers and they have cooperated with every local city and county, and this cooperation has only been in the matter of fire protection, water protection, providing gas masks, and kindred forms of civilian defense. Now, you go ahead and pass this bill and you will want the Army down in Georgia or out in Ohio or down in Texas to go into the distribution of gas masks in every community. When the mayors of all the large cities, plus the American Legion and the Veterans of the World War and the patriotic women's and men's organizations are cooperating in this work, why not, in Heaven's name, give them a chance to perform this function? The Army is going to be busy fighting. Surely we civilians can keep the home fires burning.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I yield to the gentleman from Texas 1 additional minute.

Mr. COLE of Maryland. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from Maryland.

Mr. COLE of Maryland. In view of the fact that we all now know of the many ramifying and important activities of the civilian-defense program, and in view of the fact that the Administrator would have an advisory board or any advisory group that he may want, I hope the distinguished gentleman from Texas is willing to say that whoever administers this program should give his entire time to it.

Mr. THOMASON. I subscribe to that principle, but I do not happen to be Commander in Chief of the Army, and I did not have anything to do with naming Mayor LaGuardia, but as for me, I am not going to engage in any personalities in this discussion. I concur in the views of the gentleman from Maryland [Mr. COLE] that this is a big job in itself, and certainly being mayor of the city of New York is a big job, next to that of the President of the United States. I do not see how a man can physically perform the duties of both mayor of the city of New York and Director of Civilian Defense. That, however, is not my responsibility right now, and I am thinking of the great principle involved here, and I am not willing to militarize this country and say that the Army shall go into my city or into your city, into the city of Baltimore or any other city and take charge of its fire departments, its first aid, and the distribution of gas masks, and other activities that are purely civilian in nature. We must win this war. I plead for unity. I think we ought to follow the wishes and advice of the War Department.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. ANDREWS. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. LELAND M. FORD].

Mr. LELAND M. FORD. Mr. Chairman, I think this is a good bill, and I think it should pass. We in California are particularly interested in the bill. I wonder if there is enough money here to take care of those who really need it right now, and those who may need protection later. There should be two categories made up of those who may become the war front, such as the eastern coast or the western coast, and then those in the interior. I, for one, would not deny anything to those people who have plants in the interior, which should be protected. In California we have a peculiar situation. In addition to all of these plants, we have great areas that are covered with brush, not forests such as those in Pennsylvania and other States, but brush that, when lighted, cause tremendous fires. I occupied the chairmanship of the Los Angeles County Forestry Department 3 years ago, when over 19,000 acres burned and destroyed about 300 homes. There were 4,800 men engaged to control this fire. These fires can begin through shell fire or through sabotage, and we have to watch them to see that they are taken care of. In addition to these we have our great water systems; we have the Hetch-Hetchy in San Francisco and the one in Los Angeles; we have reservoirs, open siphons, and great ditches, many flood-control dams; and then we have tank farms and our oil industry. Those things have all to be protected. However, if the money is not

sufficient to give proper protection and meet the needs of the coasts which may become the war fronts, and of the interior, I think the bill at a later date can be supplemented.

In regard to the jurisdiction, this is a serious matter and it is something that cannot be temporized with. The people of the country have confidence in the Army. They know that the Army knows how to do it, and they are not inclined to experiment with somebody who does not know how to do the matter. That feeling is particularly true in California, and I think we should not gamble at a time like this on a bill like this, where the interests of so many people are at stake. The Army knows how, and we know that they can coordinate and correlate their efforts. I hope the bill as written will go through. I yield back whatever time I have left.

The CHAIRMAN. The gentleman yields back one-half minute.

Mr. MAY. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I rise simply to ask some questions and to get some real information as to the final opinion of the Military Affairs Committee. Does that committee really want the bill it reports, or does that committee want the bill that was reported out originally by the Senate? We ought to be enlightened upon that subject, and we have not been enlightened thus far. We have divergent views.

Mr. FADDIS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Yes.

Mr. FADDIS. The Committee on Military Affairs reported the present bill to the House.

Mr. CELLER. What was the vote? Can the gentleman tell?

Mr. FADDIS. I do not know exactly what the vote was, but the bill was reported by a majority of one.

Mr. MAY It was reported out by a majority of one, with four members absent.

Mr. FADDIS. Does the gentleman from Kentucky care to give us the views of those four members?

Mr. CELLER. That was indeed a very, very close vote on this bill, and we ought to have an opportunity to hear some of the divergent views, so that we who are nonexperts, so to speak, can make up our minds what to do. I am in a quandary.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Yes.

Mr. ELSTON. When the bill was originally reported out by the Military Affairs Committee it was reported out by a unanimous vote.

Mr. CELLER. Apparently there has been a change of heart.

Mr. THOMASON. And I would like to say for the RECORD that that bill was reported out on October 9, before there was any expression from the War Department along the lines of the letter written the day before yesterday, in which the Secretary says that they cannot handle the matter, and what are we going to do about it?

Mr. CELLER. Then I think we should be permitted to express our views freely and openly, and the members of the Military Affairs Committee should explain to us without fear or favor. This occurs to me definitely: We certainly should not legislate with any view of spite or with any view of hate or with any view of personalities. Either the Office of Civilian Defense is an appropriate and proper agency or it is not. We must determine that first. If it is an appropriate and proper agency, then we must give it appropriate appropriations so that it can function properly. If the head of that agency is not performing his duties properly—I have no knowledge that he has not—there is ample remedy The President, who proposed him, can depose him. We should not attempt to depose anyone by indirection, by withholding appropriations from the O. C. D. and giving them to the War Department, especially since the Secretary of War in his letter practically says his Department should not have the bestowal of the moneys.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. CLASON].

Mr. CLASON. Mr. Chairman, I am in favor of the passage of legislation providing adequate funds for the organization of civilian defense throughout the United States. The amount authorized to be expended for that purpose under the terms of this bill is $100,000,000. Obviously, if the plans of the Director of Civilian Defense, Mayor LaGuardia, of New York, are to be carried out, much larger amounts will have to be authorized and appropriated in the future. The pumpers, hose, and other fire-fighting equipment which are to be secured under the program outlined by the Director represent an expenditure of $57,338,842. This equipment can undoubtedly be used to advantage even if the enemy never reaches our shore. The emergency medical supplies are undoubtedly a first-class investment which will be used to good advantage during the next few months.

Already the Army has secured between three and four million gas masks for the men in service, while 3 manufacturing plants, including 1 in Massachusetts, have made and delivered 40,000 civilian gas masks. When the hearings on this bill were held before the Military Affairs Committee it was planned to purchase 5,000,000 of these masks after equipping 20 plants to manufacture them. At that time the cost of 5,000,000 gas masks and the manufacturing equipment was estimated at $26,548,014. As 50,000,000 people live within 300 miles of the coast of the United States, it will be necessary for future orders to be placed for a sufficient number of these gas masks to supply the needs of this population under some future authorization.

The committee has written this bill in a form to place it under the War Department. I believe that the War Department can be of real service and save millions of dollars by acting as purchasing agent for civilian defense. It does not seem either necessary or wise to set up another purchasing bureau in the Government in view of the testimony which has been given to the committee by Maj. Gen. Edmund B. Gregory, Quartermaster General of the United States Army. The War Department is ready, willing, and in a position to buy all of these supplies without any particular burden being placed upon its present facilities. This is shown by the testimony given on page 39 of the hearings, in the following language:

Mr. ELSTON. General, are there sufficient plant facilities for the production of all these items?

General GREGORY. Yes, sir; it is a question of material, available material. It is all standard stuff which is now being produced by commercial concerns, except the assembly. There is an assembly job on these trucks.

Mr. ELSTON. You would not have to spend any money, then, to expand existing plants?

General GREGORY. I do not believe so.

Mr. SMITH of Connecticut. They are probably pretty well slowed down by priorities?

General GREGORY. Yes; it would be just a question of obtaining material. The hardest thing to obtain is pumps, and they have plenty of facilities for making pumps now. It is just a question of getting material.

Mr. THOMAS. General, do you think that the War Department is properly equipped to take care of the purchasing of all these different things?

General GREGORY. Yes, sir; it would only be a percentage of what we are procuring now, and it is in line with similar equipment which we are now procuring.

Mr. THOMAS. Right along the same lines?

General GREGORY. Yes.

Mr. THOMAS. Do you believe that the present set-up for purchasing gas masks, clothing, and all the different things that are being purchased for the Army is satisfactorily working? The point I am trying to get at is, Would it be better for the War Department to do the whole thing alone, or continue on the present system of having the War Department and the Office of Production Management people dovetail into your organization? The Office of Production Management are in on almost every purchase.

General GREGORY. The Office of Production Management approves every procurement above $500,000. In general, they accept our recommendations. The main divergence from our ordinary system of procurement is in the question of distribution of orders.

In view of this testimony, I believe that we should pass the bill in its present form, in order that the War Department may be the agent of the Government in expending not only the $100,000,000 mentioned but the additional huge amounts which will undoubtedly be called for.

I join with others who have spoken before me in expressing my sincere appreciation of the fine work which has already been done by the Director of Civilian Defense, Mayor LaGuardia, and those who have acted with him. I believe that he has built up a spirit of cooperation in every community in the country. This bill will in no way affect the performance of the duties entrusted to the Director of Civilian Defense by the President. I am sure that the members of such great organizations as the State Guards which have been organized in the various States, the American Legion, the Veterans of Foreign Wars, and countless other national and local organizations, as well as millions of private citizens who have already made their services available, will continue their very effective work under competent leadership to assure to the civilian population of our country adequate protection and safety from enemy attacks. I believe that the amount of money authorized by this bill should be expended, even if no such

attack ever comes, because of the feeling of security which it will give to our people and thereby maintain the present high morale prevailing in the United States.

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I have been deeply impressed by the statements made by the gentleman from Texas [Mr. KILDAY] and the gentleman from New York [Mr. ANDREWS], and I want to reiterate that I am in favor of the bill setting up control of all of this under the War Department. I think before we get through with this, if we have real war activity, bombings in this country, we will probably have a billion dollars in this undertaking instead of $100,000,000.

I have submitted to the chairman a question, which I wish to offer now for the RECORD. It is prompted by the statement made by the gentleman from New York [Mr. ANDREWS] as to how the $100,000,000 here provided for will be disposed of. My question is this: I understand that the medical and osteopathic general hospitals throughout the country are organizing emergency medical field units for civilian-defense purposes. A great amount of extra supplies and equipment will be needed and necessary for those hospitals carrying on that work, along with other hospitals not under the same supervision. Does this bill authorize funds to help defray the expenses of the added equipment and supplies for those hospitals?

Mr. MAY. It is my understanding that the bill authorizes a lump-sum appropriation of $100,000,000, to be earmarked by the Appropriations Committee, which they usually do, specifying so much for certain purposes. But there is included in the estimate furnished by the civilian director for miscellaneous medical supplies, protective clothing, hospitalization, and so forth, $13,069,927.41.

Mr. CRAWFORD. That is the figure I wanted to bring out. That is set out in the justification for the expenditure?

Mr. MAY. Yes, sir.

Mr. CRAWFORD. And as far as the gentleman knows that applies to all hospitals organized for defense purposes?

Mr. MAY. It applies to all hospitals, regardless of where they are, of a civilian character. It does not make any difference whether they are osteopathic or what.

[Here the gavel fell.]

Mr. HARNESS. Mr. Chairman, I yield myself 1 minute.

Further, in connection with the question you propounded to the chairman about where this money would be used to provide necessary things for hospitals, and so forth, I want to read from the hearings. Mr. LaGuardia was asked the question by Mr. THOMASON:

> How many cities would that provide with the additional equipment you have in mind?

Mr. LaGuardia answered:

> That would provide additional equipment for all cities of 2,500 and over, located within the 300-mile coastal strip of the continental United States.

In other words, the people who live outside that 300-mile zone would not benefit under this bill if Mr. LaGuardia's plan is carried out.

Mr. CRAWFORD. May I ask the gentleman this question: In the concept included in the justification—in other words, the thirteen and one-half million dollars—does the gentleman und rstand that that concept of thirteen and one-half million dollars for hospitalization facilities, implements, purchases, and so forth, is limited to that 300-mile area?

Mr. HARNESS. That is my understanding of Mr. LaGuardia's testimony before the committee. That is why I asked the chairman of my committee the question at the beginning of this debate, whether any of these facilities and supplies provided for in this bill would be provided for the cities and towns outside the 300-mile zone.

Mr. CRAWFORD. Where the industrial centers are primarily located.

Mr. HARNESS. Yes; and these areas where the need exists.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. HARNES. I yield.

Mr. MAY. Does the gentleman believe, bearing in mind that Mr. LaGuardia testified before the election, that the statements he made at that time would deter him from doing everything necessary to protect any city anywhere in the country and particularly a city like Detroit where they have all the national-defense industries of this country? Does the gentleman have that conception of Mr. LaGuardia or any other man who would administer this law?

Mr. HARNESS. I do not know what LaGuardia would do today. All I am doing is pointing out what he said in the hearings. He was limiting the $100,000,000 to the area 300 miles inland from the coasts.

Mr. MAY. If the gentleman will pardon a further interruption, I have in my hand an estimate which came to me this morning from the Civilian Defense organization totaling $231,887,000, and broken down into many items, including auxiliary fire-fighting equipment, miscellaneous medical supplies, protective clothing, hospitalization, gas masks for civilians, and so forth.

Mr. HARNESS. But all within the 300-mile limit.

Mr. MAY. No; it does not say that.

[Here the gavel fell.]

Mr. HARNESS. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. MERRITT].

Mr. MERRITT. Mr. Chairman, I believe it is hardly necessary for me to stand here and try to defend any one man, whether he be a Member of Congress in the past or present, especially Mr. LaGuardia. This legislation seems to have developed into a personal issue with many Members. I am the only Member on the committee from the city of New York, of which Mr. LaGuardia is mayor. Even though I opposed him in the last election, now, like every good Democrat, I am supporting him 100 percent in his mayoralty duties. I do feel, however, that the House bill which is before the committee this morning should provide for a head of civilian defense who can devote 100 percent of his time, every minute of his time, to the Civilian Defense job. I daresay that any Member on the floor of this House would feel concerned if the mayor of his city were asked to do this job. The mayoralty of New York is a very big job, as some have said, perhaps the second most important job in the country; and the people of New York would like to see the mayoralty duties carried out by our duly elected mayor, the Honorable Fiorello LaGuardia, which he is qualified to do, as was testified at the last election.

I am sure we will not make this a personal issue. A great many things have taken place since we had the first hearings on this bill, so much so that now the job as Director of Civilian Defense should be considered as important as the commanding officer of any branch of our defense forces. Consequently the Office of Civilian Defense must be administered every minute of every day during the emergency period.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. FADDIS].

Mr. FADDIS. Mr. Chairman, I believe the logical department to handle this legislation is the War Department. One of the duties of the War Department is protection, and this legislation is designed to assist in the protection of the civilian population in case any hostile activity should take place in this Nation.

The War Department is equipped to take care of the procurement of the supplies necessary to this activity. They are better prepared than any other department of the Government to store these supplies, to issue them and control them when they have been issued. I certainly believe the War Department has the confidence of the people of the United States as much as any department has and perhaps to a greater extent than most.

It is undoubtedly contemplated that whoever administers this law will take advantage of local organizations such as mayors, sheriffs, fire departments, hospitals, and similar organizations. I believe they will also avail themselves of the volunteer services of such organizations as the American Legion, and the Veterans of Foreign Wars. I certainly believe that at least the American Legion and Veterans of Foreign Wars will have a little more confidence in the War Department than some other department which may get jurisdiction over this legislation if we do not place it in the War Department, the Department of Labor, for instance.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. I yield.

Mr. ANDREWS. In connection with the remarks of the gentleman from Texas, who raised the issue of loyal American Legion posts and fire departments possibly not being included, does not the gentleman from Pennsylvania suppose and know that any Assistant Secretary of War charged with the administration of this program, whether he be LaGuardia or anyone else, would naturally utilize these services?

Mr. FADDIS. Of course, they would. It would be the most natural and desirable thing in the world.

At the proper time I intend to offer an amendment to the House bill as presently reported to provide an Assistant Secretary of War for Civilian Defense subject to confirmation by the Senate, his term to expire 6 months after the termination of any war in which we are now engaged. His duty shall be the carrying into effect the provisions of this legislation. Certainly anyone can recognize the fact that now we are actually in war the administration of this legislation will not be a part-time job for any man.

Indeed, it would not be a part-time job for any hundred men, for regardless of whether or not the effects of this war actually touch our shores or not, all of the necessary preparations must be made. Certainly the Congress of the United States, which is charged with the defense of the Nation, cannot at this time ignore the fact that civilian defense is one of the most important parts of all defense. Certainly when we are providing for the defense of the civilian components of this Nation, we would indeed be remiss in our duty if we did not so institute a development of civilian defense that we will have a proper man in charge of it, a man in whom all of the people of this Nation will have confidence, a man who will have all of the time there is to devote to the administration of his duties. I am not saying anything about any one who is connected with it at the present time, but I am quite sure that I voice the sentiment of those within the hearing of my voice when I say we believe it is a full-time job for an able man.

Mr. DONDERO. Will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from Michigan.

Mr. DONDERO. Has any one given the House the benefit of what the experience has been in England under war conditions? How is it handled over there?

Mr. FADDIS. May I say that I am unable to tell the gentleman how it has been handled over there, but I am not willing to pattern everything we do in this Nation after the way the British have been doing it, because, after all, I think perhaps in the matter of civilian administration as well as in the matter of tactical administration we may be able to do it better than they have been doing it over there. I, at least, hope so.

Mr. GIFFORD. Will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. It has been suggested that you utilize the existing organizations like the fire department and so forth. Under the civilian defense can they not only utilize them but order them? What powers do you have? Are we going to have a lot of captains, lieutenants, and majors running around our communities?

Mr. FADDIS. I think not. Under the terms of the bill no powers of that kind are granted.

Mr. GIFFORD. I notice some in uniform now.

Mr. FADDIS. I feel sure any move that is made along that line will be to secure the voluntary services of these various organizations.

Mr. GIFFORD. As the appointees have been set up by the States at the present time, they have the authority to dress themselves up in uniforms and wear badges.

Mr. FADDIS. I do not know anything about the States. We have 48 of them.

Mr. GIFFORD. Does this civilian defense contemplate such authority as that? Are they going to order these things to be done?

Mr. FADDIS. Not under the terms of this legislation, I may say to the gentleman.

Mr. GIFFORD. I doubt that very much. I think when they visit my community they will take orders.

Mr. COX. Will the gentleman yield for an observation?

Mr. FADDIS. I yield to the gentleman from Georgia.

Mr. COX. It seems to me that the weakness in our national unity is the lack of public confidence in those who are running the war machine. Many people still feel that advantage is being taken of the emergency to further socialize America. If this is a war activity, and I presume the gentleman agrees it is a war activity——

Mr. FADDIS. I do.

Mr. COX. Then why should it not be carried on by somebody who knows something about war?

Mr. FADDIS. That is the way I believe it should be carried on.

Mr. COX. In other words it should be under the War Department. If we win this war we must win it not with banjo pickers or piccolo players, but with hard, practical, brave men. I believe the country is tremendously interested in the adoption of the measure which the gentleman now advocates because it is sensible. It is doing war business in a warlike manner.

Mr. FADDIS. The gentleman is quite correct.

Mr. GIFFORD. One more suggestion. I regret very much that people will say that we inject personalities into this discussion, but when we know the party who is going to carry on, we have a right to our opinion. I remind the gentleman of Mr. Henderson, and how we subjected Mr. Henderson to criticism. If they want this job, and we know who they are, we have a right to do that. I could eulogize the mayor of New York, I am sure, but I would rather let Jim Farley do that.

Mr. FADDIS. May I say in answer to the gentleman that I am not proceeding on the assumption that Mayor LaGuardia is to continue in his present position, neither am I proceeding on the assumption that he is not. I am merely trying to vest control of this legislation where the people will have as much confidence in it as we can possibly give them.

Mr. GIFFORD. He is already there.

Mr. FADDIS. We are trying to vest it in the Secretary of War.

Mr. GIFFORD. We are; yes.

Mr. FADDIS. By this legislation, so that is what we are discussing at the present time.

Mr. GIFFORD. That prospect pleases, but when we see the action of the other body and we know who the conferees will be, then I am not happy.

Mr. FADDIS. If we can get a proper expression from the members of this committee and the Members of the House, perhaps it will assist in encouraging the conferees to do what is right.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. WILLIAM T. PHEIFFER].

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, we are dealing here today with a stark and an urgent condition, not a theory, and I certainly hope we will not mistake the froth for the substance. The sole and entire purpose of this bill is to provide protection to the civilian population of our country against air raids which might be launched at any minute by our dastardly enemies.

Speaking subjectively and for my own district, the major portion of which lies along that great tidal estuary known as the East River of New York, extending from Long Island Sound to New York Harbor, we have there one of the most vulnerable areas in the entire United States. It is an area at which an air raid might be directed within the next 10 minutes, tonight, or next week.

This is no time to temporize and to engage in personalities as to who is best fitted to administer this law. This is the time to pass this act, and then let us work out the proper administration of it.

Mr. LaGuardia is not only my mayor, he is my personal friend. He is a man of great ability and of high integrity. But I believe it is beside the point now to consider whether Mr. LaGuardia can or will administer this law properly. My people—and I am sure I am speaking for the people of a great many other vulnerable areas—are crying for action. For example, in my district there is a great residential area known as Tudor City. Some of the finest apartment houses in the city of New York are located in Tudor City. It is a perfect target for an air raid. My constituents there are appealing to me, as their Congressman, to provide them with protection against these raids, not if they come, but when they come, because we must proceed on the assumption that New York City and other great port cities will have to suffer the ordeal and the horror of air raids—raids in which not only detonation, incendiary, and time bombs will fall, but raids in which every devilish device known to our enemies, including lethal gas, may be employed. It is our clear duty this afternoon to make it possible for the Government to furnish the people of all the Tudor Cities in the country with the equipment to protect their lives and their homes against this peril.

Let us not cavil. Let us not quibble. Let us act, and act quickly, on this all-important measure.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I yield the remainder of the time to the gentleman from California [Mr. COSTELLO].

Mr. COSTELLO. Mr. Chairman, apparently, as far as this legislation is concerned, no Member has any objection to the broad purpose of the bill, namely, to acquire the necessary fire-fighting facilities, the necessary medical supplies and equipment, gas masks, and things of that kind that may be needed in this country in the event of an attack. One question, however, seems to have been raised, as to who is going to get this material.

The hearings on this bill were held last October. At that time it was simply an experimental program to place a few contracts, to get a few contractors in the habit of manufacturing the necessary equipment, and to supply those localities which would most likely be attacked first with the equipment that was first purchased.

Undoubtedly this program contemplates that ultimately, if the necessity seems apparent, every community throughout the Nation will be given its share of necessary equipment.

The big question that has arisen is whether or not the War Department should handle this function. Personally I am absolutely convinced that civilian defense is a civilian matter. It is a local matter; it is not a matter for the War Department to undertake.

If you do not believe that the War Department has a job on its hands at the present time, I advise you to go out to California, where I have been for the past 2 or 3 weeks, and ask to see what the War Department must do to provide adequate military protection for the west coast area. It is no simple problem to bring in troops, to provide antiaircraft protection, to bring in airplanes and provide air protection, and to bring in infantry and provide military protection against possible internal sabotage or rioting that may be provoked by the enemy. Providing defense from the air, from land, and from the sea is the military job, but when it comes down to fire protection, water protection, and medical aid for the civilian population, the War Department knows nothing about that and has nothing to do with it. If you throw this obligation into the hands of the War Department, you will clutter up that Department and give it a tremendous job about which it knows nothing, and you will be asking the Department to carry out that obligation which should rest upon the civilians.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield to the gentleman from New York.

Mr. WADSWORTH. Can the gentleman conceive of a division between an antiaircraft gun and a fire warden in the matter of responsibility and coordination?

Mr. COSTELLO. I certainly can see no combination of the two. Frankly, as far as the situation is concerned, I do not believe the fire wardens would be subject to any sort of control if the Army back in Washington had to dominate their activities. You would have to take out of the War Department any number of generals, colonels, majors, captains, all kinds of military personnel who have been trained to carry on warfare, and make them handle civilian jobs. Certainly shooting an enemy airplane out of the sky differs very fundamentally from putting out a fire in the corner grocery.

This job can be handled by the civilian-defense coordinators in the various regions, whether they be the mayors or the sheriffs, or whoever they may be. It can be handled thoroughly and adequately by the civilian-defense organization.

Even though General Gregory last October made the statement that the War Department could easily handle this trifling sum of money, what does the War Department know about purchasing fire engines? Why ask them to go into that problem? Mayor LaGuardia and his committee have gone into the problem, they have studied the situation in London, they know what England has had to do, and they have drawn up a program. Now you are going to ask the War Department to duplicate that effort.

I say that the War Department should not be burdened with this obligation. It should not be put in their hands. If the War Department can successfully carry on this war on foreign battlefields, if they can successfully fight the Germans, the Italians, and the Japs, they will be doing the job for which they have been trained and which we have delegated to them. But we should not ask them to protect the civilians in every city, county, and State throughout this land.

This is an all-out war. It is no little job. It is a real effort on the part of every individual in this Nation. There is absolutely no reason why the mayor of your city and the fire department of your city and the water department, your county hospitals and medical staffs—yes, and every civilian himself—should not all assume their obligations. Let the civilian population handle this civilian job. Do not ask generals and colonels and majors who have been trained for warfare to handle some picayunish job in some small community. It is not their job. Do not waste hundreds of thousands of dollars of training by giving them a civilian job to handle.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield to the gentleman from Michigan.

Mr. HOFFMAN. I usually agree with the gentleman, but I cannot understand this. If it is necessary to win the war to put all the forces of the various nations under a unified command, why does not the same rule apply here to us? Why should not all the activities that have to do with the winning of the war and the defense of the civilian population be placed under one command?

Mr. COSTELLO. There is a very distinct cleavage between war activities and civilian activities. The War Department cannot provide infantry to protect every city in this land against sabotage. It cannot provide soldiers to fight forest fires or fires in defense plants. Those are normal civilian activities. They are normal peacetime activities. The most natural thing to do is to expand them on the same civilian basis on which they operate in peacetime, and expand them so they can take care of any undue emergency that may arise because of wartime conditions. For a moment consider the Los Angeles County area. The mayor of the city of Los Angeles has under his control the largest fire-fighting equipment in that county. Who has control over that organization? Only the mayor. The Army has no right to order the fire department into any section of that city or county, but the mayor has. The sheriff of the county has the right to direct fire-fighting apparatus in the county, and so, likewise, these two individuals have control over the police personnel. They have control over the medical facilities that are available. They, and they alone, have the right to direct these forces. The Army has nothing to do with them unless you establish martial law. These are civilian activities. I say to you, do not confuse personalities in this problem with policy. Do not confuse civilian activities with military activities, but keep the two distinct if we are going to win this war.

[Here the gavel fell.]

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated such sums as may be necessary to enable the Director of Civilian Defense, appointed under authority of Executive Order No. 8757, dated May 20, 1941, to provide, under such regulations as the President may prescribe, facilities, supplies, and services to include research and development for the adequate protection of persons and property from bombing attacks in such localities in the United States, its Territories and possessions, as may be determined by said Director to be in need of, but unable to provide such protection: *Provided*, That such facilities and supplies may be loaned to civil authorities in accordance with said regulations: *Provided further*, That any department or agency of the Federal Government having equipment or supplies not required for its use may, subject to the approval of the Division of Procurement, Treasury Department, transfer the same without charge (notwithstanding the provisions of the act of December 20, 1928, 45 Stat. 1030) to the Director of Civilian Defense for the purpose herein authorized.

With the following committee amendment:

On page 1, line 3, after the word "sums", insert "not exceeding $100,000,000."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 1, line 5, strike out "Director of Civilian Defense, appointed under authority of Executive Order No. 8757, dated May 20, 1941", and insert "Secretary of War."

Mr. THOMASON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, anything I say in opposition to this amendment would be largely a reiteration of what I said on the floor about an hour ago. I think we are faced with a serious and, perhaps, tragic situation which is very much larger than any individual or any personality that may have entered into the discussion of this legislation. Even if I did not feel that way I would try to be practical about it in view of the letter

I read here on the floor from the Secretary of War in which he says that the fighting forces of the Nation are now needed for purposes of war and, at least inferentially, says that the civilian population ought to be able to look after its purely civilian affairs. It seems to me that we are kind of butting our heads up against a stone wall to try to force on the War Department something they do not want and that they think can be better administered by civilians. So it seems to me to be an utterly useless and impractical thing.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. MURDOCK. I have in my hand now a letter from the Arizona Farm Bureau Federation asking for the protection of certain dams, particularly Roosevelt Dam. Does this bill provide for that?

Mr. THOMASON. I understand that is included. I suppose you refer especially to Federal irrigation projects like the Elephant Butte Dam I have in my own district.

Mr. MURDOCK. Yes; Roosevelt and Elephant Butte and several others.

Mr. THOMASON. They are included, but that leads me to say to my friend from Arizona that to me it is absolutely ridiculous in time of war, when we are talking about fighting in every corner of the globe, to be taking regular soldiers and perhaps some officers out of the service to protect a dam anywhere when he ought to be in the field fighting, and when the civilians of that community could do the job about as well. Not only that, but it would serve to make the civilian population feel proud of the fact that they were doing their patriotic duty and had some mission to perform. All of us cannot carry guns, all of us cannot fight, some of us are sending our boys, but we have duties to perform in our local communities and, for heaven's sake, do not let us militarize the whole Nation.

Mr. MURDOCK. I agree with the gentleman that we ought to get away from personalities in considering matters of control. In Arizona we regard the present mayor of New York City as one of our boys. We have confidence in him.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. ANDREWS. No one is advocating the use of any captain or any lieutenant in the Army for this work. The work is going to be done by an Assistant Secretary of War for Civilian Defense and he is going to undertake the job of utilizing the local organizations, such as the police departments and the fire departments, in the various municipalities.

Mr. THOMASON. That is the reason I am for a civilian set-up. Let the people who want to do this work have an opportunity to do it. You can pass the gas houses and the bridges and the dams right around Washington here in the District of Columbia and you will see a lot of regular soldiers there protecting that property, perhaps, and I suppose it is safe to assume, under the command of some military officer in this district. Why in the name of heaven should not those boys be out with your boy fighting for the preservation of the country and let some of these local civilians who want to do the job, and can do it just as well, be patroling and guarding public utilities and doing other purely civilian work?

Mr. GIFFORD. If the gentleman will yield, can we not get rid of some of these soldiers over here at the House Office Building and put some civilians on duty there?

Mr. THOMASON. No; because that is purely military defense. That is the line of demarcation, I will say to my friend from Massachusetts, because those are machine guns or antiaircraft guns of the Coast Artillery, which are supposed to stop any enemy planes that might come over this city. That is not to be compared with the protection of a gas or electric-light plant or some dam or bridge in any part of the country. Those soldiers the gentleman mentions are there to fight.

Another thing is that these odd husky boys in the Army do not want to be guards. They want to get out and fight and be real soldiers. The mayors, sheriffs, and commanders of American Legion posts will do the home job if you will turn it over to them under some competent administrator.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. Yes.

Mr. MAY. Does not the gentleman realize that under the amendment adopted by the committee the War Department would have the power to not employ a single civilian in these strategic positions?

Mr. THOMASON. Mr. Chairman, I am opposed to this amendment, because I want to put it back where the President of the United States, as Commander in Chief of the Army, and the Secretary of War want it. That is the reason that I am opposed to it, because they are charged with the duty of protecting the country, and I am still of the opinion that the local communities can take care of their own affairs and that we can work out this matter of personalities. I want it understood that I am backing up the wishes and policy of the President and Secretary of War 100 percent.

Mr. FADDIS. Mr. Chairman, I rise in favor of the committee amendment. In my opinion, if the amendment is not adopted, as proposed by the gentleman from Texas [Mr. THOMASON], a great deal of damage will be done to the bill. He seeks to strike out the words "the Secretary of War" in the committee amendment on page 2, in line 4.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. Yes.

Mr. HINSHAW. The gentleman from Texas [Mr. THOMASON], as I understand it, rose in opposition to the committee amendment. He did not submit an amendment to strike out the language, but he is opposing the committee amendment setting up the Secretary of War, and seeking to defeat that amendment.

Mr. FADDIS. I stand corrected. I want to state again what I said in the argument made in general debate when I spoke on the bill. I sincerely believe that for proper administration of the provisions of this legislation it should be left to the Secretary of War. Certainly civilian defense has a great many things connected with it that are also connected with the military life of the Nation. Let us take a case of this kind. Let us suppose that for some reason it becomes necessary to evacuate a city; certainly that would be a military matter. Do we want to get into the same situation that France was in when they were evacuating their cities? Their civilian population blocked the roads and they were unable to move troops because of the exodus of the civilian population. We do not know yet what may come. We do not know to what we may be forced to resort in order to carry on the activities connected with this war. We hope we will not be forced to resort to any such measures; but if we do, we want to prepare for them.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. Yes.

Mr. ELSTON. Does not the gentleman believe that with this civilian defense set up under a civilian director, necessarily there would be conflict between the War Department and the civilian director?

Mr. FADDIS. Why, of course. There would certainly be.

Mr. ELSTON. The civilian director, for example, would have the authority to organize a civil air patrol, and that civil air patrol would be bound to conflict with the military patrol, and they are doing that very thing now.

Mr. FADDIS. Yes. It would cause a great deal of duplication of effort.

Mr. Chairman, I hope that the committee amendment will be adopted, and at a later time I shall offer an amendment which will set up an Assistant Secretary of War for National Defense.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. Yes.

Mr. MARCANTONIO. I understand the War Department has gone on record in a letter to the chairman of the committee, in which the War Department takes the position that this war should be carried on by the present set-up of civilian defense. Has the gentleman any information that he can give us with regard to that?

Mr. FADDIS. It has already been given. I hope the members of the Committee of the Whole House will accept the committee amendment and leave the bill with its provisions in the hands of the Secretary of War.

Mr. CELLER. Mr. Chairman, I rise in opposition to the amendment. I do that primarily because of the reading of the letter from the Secretary of War, wherein he renounced the idea of military control over the O. C. D. I read cursorily the testimony given before the Committee on Military Affairs. I do not find a scintilla of evidence supporting the amendment out of the testimony of Gen. L. D. Gasser, of the United States Army, retired; of Col. P. X. English, executive officer, Chemical Warfare Service, War Department; of Brig. Gen. Eugene Reybold, Chief of Engineers, United States Army; or Maj. Gen. Edmund B. Gregory, Quartermaster General, United States Army. They were the only witnesses,

aside from Mayor LaGuardia, who appeared before the Military Affairs Committee.

It strikes me, as I go over in memory the statements that have been made pro and con on this question today, that those who are opposed to the money going to Director of the Office of Civilian Defense primarily seem to be opposed to Mayor LaGuardia. Those who have contrary views are in favor of Mayor LaGuardia. Now, that is highly unfortunate. We should not legislate on the basis of any personality. We are derelict in our duties if we do this. Either the Office of Civilian Defense should have this money or it should not. It is not an issue growing out of any individual. If Mayor LaGuardia is not the proper person to head this organization, efforts should be made to get him to resign. Mayor LaGuardia is a very good friend of mine. He is an honorable gentleman and a very able administrator. He could do a splendid job as head of the Office of Civilian Defense and could properly handle this $100,000,000, but he should not put us, his friends, in the position of taking a stand on whether we want him or whether we do not want him, when it comes to legislation of this character. He should be realistic enough not to put us in that position. All or most of his friends feel that he should not hold these two jobs, in reality three jobs; first, head of O. C. D.; second, mayor of New York City; and third, chairman of United States Conference of Mayors. No man in Christendom can hold jobs of this important character and do the jobs right. He might even have the strength of a Hercules and the wisdom of Athena—and the mayor seems even to approximate all such power—yet if the general public reacts against him, as is the case today concerning the mayor, he cannot get the best results for the office of Director of O. C. D.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. MAY. I agree wholly with what the gentleman has said about basing this thing on personalities. That would be ridiculous. But does not the gentleman feel that since we have entered into a world-wide war and the President of the United States has set up this organization the Congress would be inconsistent if it does not go along and make the appropriation, subject to his appointment of any director he wants to appoint?

Mr. CELLER. I feel that the money should be appropriated and should be spent by the Office of Civilian Defense and not the War Department. This is a civilian-defense matter. It is called "civilian defense," not "military" defense. The experience of England should teach us that the civilian and not the military authorities should have the expenditure of this money. In England, air-raid shelters, hospital and medical supplies, black-outs, fire apparatus, gas masks, gas-proof clothing, water, gas, and power company regulations are all matters under the Office of Civilian Defense in the hands of the civilian authorities, and not the military authorities.

I do hope that the mayor will take wisdom from some of his friends and change this situation and will resign the job as Director of Civilian Defense. He should do that for the sake of his friends and not put his friends in this most embarrassing position. Assuredly there is plenty of defense work for him to do, plenty of places and positions within the gift of the Nation when and wherein he can expend his glorious talents and abilities.

Mr. DEWEY. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. DEWEY. The gentleman has mentioned civilian defense, but I understand public funds will be used in support of civilian defense. Is it not usual that a Federal officer is employed to expend public funds, and not the officer of a city or one not engaged in the Government?

Mr. CELLER. I must respectfully differ with the gentleman, because the Director of Civilian Defense is a Federal officer. His is not a municipal office or a State office or a civilian office. He is a Federal officer beyond question, appointed under Federal authority, under Presidential Executive Order No. 8757, dated May 20, 1941.

Mr. DEWEY. Then does he hold two offices, a Federal appointive office, with salary, and a State office?

Mr. CELLER. That may be so, as to the dual office, but I do not understand there is any salary as Director of Office of Civilian Defense. His only salary, I believe, is as mayor.

Mr. DEWEY. And that is not permitted by law.

Mr. CELLER. That may be unfortunate, I have not checked on that phase of the matter, to wit, whether it is illegal for the mayor to hold a State and Federal office at one time. Frankly, in that connection, I do not know the effect of the Executive order appointing Mayor LaGuardia Director of Office of Civilian Defense.

Mr. WADSWORTH. Mr. Chairman, I rise in support of the committee amendment.

Mr. Chairman, some emphasis has been laid upon the assertion this afternoon that civilian defense can be completely divorced from military defense. In view of what happens in modern wars I cannot accept that conclusion. The two are interlocked inevitably. You cannot separate them.

Consider the condition of a great city. Army patrol planes are patrolling the seas two or three hundred miles out. They spot an enemy aircraft carrier. They radio-telephone back to the headquarters on land—Army headquarters; central information. There sit civilians, oftentimes, to transmit these messages—to whom? To air wardens, civilians, to hospitals, to ambulance drivers, "Be on the alert."

You cannot separate the two functions or the two groups of people. Outside and below the Army personnel, which is technical very largely, are these civilians, splendid people, men and women, encouraged by the mayors of their cities, encouraged by the sheriffs of their counties, by those on the fire and police departments, who volunteer to stand ready for duty, to be ready on a moment's notice, men and women who know their stations. They report for duty. They relieve each other from time to time. All is orderly. It strikes me that under a situation of that sort—and one could multiply the examples almost indefinitely—civilian defense and military defense are interlocked.

Now, how are you going to establish teamwork between the two? The strictly military side of the Army cannot do it all. Neither can the civilians in the cities do it all. They must be merged or put into a state of cooperation, largely through volunteer effort. I cannot picture this country being militarized, as the gentleman from Texas [Mr. THOMASON] has said, if the War Department takes over the general management of this thing. Combat troops are not going to parade our streets. Young lieutenants and captains are not going to do this duty. These same civilian volunteers are going to do it, but they are going to do it in cooperation with the Army that mans the signal stations, that flies these planes, runs the interceptor devices, gathers the alarms, and spreads them through the cities, through the civilian volunteers. You cannot trust it to the Governor of a certain State, much as that Governor will work to make civilian defense in his State effective.

The State of New Jersey, for example, by legislative enactment, has established a civilian defense commission authorized by statute to do certain things and to have certain powers in the State of New Jersey. But what good can they do in the case of a black-out alarm in New York City when you remember that Jersey City is right across the river from New York and is a part of the metropolitan area and part of the target? You have got to see to it that those communities cooperate, that they are coordinated in their civilian defense; and the only way to do it is to have a superior managing power. I do not anticipate that this will take any such large personnel from the War Department. You know and I know, and I know positively that there are many officers today on the retired list completely competent to man a small staff here in Washington to work out the coordination between the communities, the States, and the cities. There are officers in the Army today who have passed the age-in-grade limit and for whom the War Department is trying to find good administrative places.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. MAY. Does the gentleman know of any reason or any law that would prevent the Civilian Director, whoever he may be, from calling on these retired Army officers for their voluntary service?

Mr. WADSWORTH. There is nothing to prevent his calling on them, but he has no power to call on them. They are in the Army even though retired. The Army could select the best men to do this job, and not leave it to a civilian. The War Department will comb over its list of officers, mostly of middle age, and select the men who can do this thing at New York, at Baltimore, at Boston, Phila-

delphia, Chicago, San Francisco, or any other place; and the man in San Francisco will work under General DeWitt and will cooperate with the mayor of San Francisco and the chief of police.

Mr. THOMASON. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. THOMASON. Mr. Chairman, I ask the gentleman if it is not a fact that under the present set-up retired officers of the Regular Army are being called in? I have very specially in mind a great military man in my judgment, General Gasser, former Chief of Personnel of the War Department. He is the first assistant to Mr. LaGuardia in this office. Does not this therefore prove that it is not necessary to turn it over to the Army in order to get the service of these retired officers and these veterans?

Mr. WADSWORTH. I cannot conceive it to be a part of sound military policy to leave it to a civilian organization to call Army officers to duty. They should be called to duty by the Army and not on the basis of personal acquaintance.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, several Members are on their feet seeking recognition. I ask unanimous consent that all debate on this amendment conclude in 35 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none. The Chair has made a list of those who have indicated a desire to speak on this amendment and will endeavor to recognize them in turn.

The Chair recognizes the gentleman from Louisiana [Mr. BROOKS] for 5 minutes.

Mr. BROOKS. Mr. Chairman, in the light of the letter that was received from the Secretary of War, and in light of the facts which have occurred in the last few days, it is my judgment that this matter should be handled through the civilian defense set-up. I have in mind, Mr. Chairman, this: The Army normally operates in times of emergency in military areas by means of martial law. The State and municipal governments operate by use of civil law. These two bodies of law have been developed and worked out and have come down to us through hundreds of years.

Here is a proposition which covers the entire Nation. The need for these services may be just as acute in the geographical center of the United States, for instance, St. Louis, as on the Atlantic, the Pacific, or the Gulf coast. The need may develop at a time when a locality is under attack from an Axis Power or it may develop at a time when there is no such attack. The need for such services may continue long after the attack has occurred, long after, for instance, bombers have dropped their bombs upon a city and have disrupted normal civil functions. The need for the services of civilian defense may continue for weeks and months. For instance, the need of protecting and rebuilding or reconstructing the utilities of a city would continue until the repairs are completed and the functions are reestablished. In the light therefore, of the fact that the need for these services may occur thousands of miles away from the military areas, and may continue long after the actual attack ceases, it should be left in the hands of civil authorities. The Civilian Defense contemplates the use of civil law in carrying out its orders rather than military law. This is in fact an effort to continue the use of civil functions, normal civil functions, of the communities as far as possible, even in time of a world war; and it is my opinion that it is far preferable to continue this as a civil set-up rather than a military one. The Secretary of War himself says he would rather not have this additional authority and responsibility. He feels this work can be properly handled by the civil set-up which is contemplated under the present arrangement under which we have been operating.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. The gentleman mentioned the fact that this applies all over the country and that there are many civil duties involved. Does not the gentleman feel that our Selective Service Act, which operates almost entirely through civilians on civilians and is subject to civil law until a man is inducted, is wisely under the Army and the War Department?

Mr. BROOKS. The gentleman is in error. It is not under the Army or the War Department. It is set up as a civilian set-up.

Mr. VORYS of Ohio. But there are officers in charge of it.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I have been wondering just where the Office of Civilian Defense was placed in the Government of the United States, so I referred to the well-known Congressional Directory, the latest edition thereof, a volume sometimes facetiously referred to as the family Bible. I find that under the Executive Office of the President there is the Liaison Office for Personnel Management, Council of National Defense, Office for Emergency Management, Coordinator of Information, Economic Defense Board, Bureau of the Budget, National Resources Planning Board, and Office of Government Reports.

Under the Office for Emergency Management, headed by Wayne Coye and a number of assistants and division chiefs, comes 13 other divisions, including Office of Civilian Defense. In addition to the Office of Civilian Defense, under the heading of Office for Emergency Management, there are the following: Defense Communications Board, Office of Facts and Figures, Office of Defense Health and Welfare Services, Division of Defense Housing Coordination, Office of the Coordinator of Inter-American Affairs, Office of Lend-Lease Administration, National Defense Mediation Board, Office of Price Administration, Office of Production Management, Supply Priorities and Allocations Board, Office of Scientific Research and Development, and Transportation Division.

The Office of Civilian Defense has a number of officials. There is the Director, Fiorello H. LaGuardia, and an Acting Deputy Director, who, I presume, is the man who sits in the office and does the office work, Mr. T. Semmes Walmsley. There is a Deputy Director in Charge of Operations, Mr. Corrington Gill. There is the Assistant Director in Charge of Participation, Mrs. Franklin D. Roosevelt. There is an Assistant Director, Eloise Davison, and Acting Assistant Director, Mr. S. Howard Evans.

The Office of Civilian Defense, according to this volume, is located in the Dupont Circle Apartments, phone Republic 5050.

I think that completes the picture of the set-up. The Office of Civilian Defense comes under the Office for Emergency Management which is an executive agency directly under the President.

May I say, as one civilian to 434 others here, that as there must be a civilian defense I would like to see it come under the direction of somebody who knows the defense business from A to Izzard, and who has had long experience in the actual art of defense. If we want a man who has had long experience with local governmental affairs and who can be said to be nonpolitical—of course, I assume that Mr. LaGuardia, of New York is not available for full-time duty in this matter—there are a number of perfectly good city managers and county managers throughout the country who carry Army titles as high as colonel or general. I can refer to one from my own county, Col. Wayne Allen, a good soldier, who understands management of civilian matters very well. He is quite capable and would be a good man for this position, but he is only one of many.

Under the committee amendment, which would substitute the Secretary of War for the Office of Civilian Defense, I have no conception that the Secretary of War will put in a lot of captains, sergeants, corporals, and soldiers to operate the civilian defense. With all due respect to my colleagues who feel otherwise about it, I think that that would be unwise procedure and anybody who would be Assistant Secretary of War in charge of civilian defense would surely realize that. All this Assistant Secretary is supposed to do is to coordinate the civilian defense. He is not expected to order them to buy fire equipment or to police bridges or drain pipes or anything else, nor is he expected to give orders to police or fire departments. His duties would be the same as those now assigned to the Office of Civilian Defense.

Under the amendment here proposed and the amendment to be offered by the gentleman from Pennsylvania [Mr. FADDIS], it would be possible to use the procurement facilities of the War Department for purchasing gas masks for distribution to civilian agencies and civilians. That same thing would be true for other defense items.

Furthermore, under the War Department it would be possible to call back to duty a number of retired officers, among

them those who may have some slight physical disability which might preclude them from field service but which does not actually disable them. The Secretary of War can call these men back to active duty and assign them to civilian defense. He could also better utilize the organizations of veterans of the last war who are now so anxious to be doing something for the defense of their country. Civilian defense means just what it says. It doesn't mean a pink tea. It is serious business and people who know something about it should be responsible for it.

I am in favor of the committee amendment, and will favor the Faddis amendment when presented.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. ELIOT].

Mr. ELIOT of Massachusetts. Mr. Chairman, I want to make three simple points against the committee amendment. First, let me dwell for a moment on something that we all know. I happen to know it first-hand because I served for some years in the administrative branch of the Government. It is very, very rare indeed to find any Government department either voluntarily relinquishing power or refusing power when it is offered to it. In this case, however, even though the committee believed that this function should be in the War Department, the Secretary of War and the War Department have said, "No, we do not want this function. It should be performed by civilians."

Under the circumstances, with full knowledge of how usually every department welcomes new authority, it seems to me that that view of the Secretary of War should have very great, if not controlling, weight in this body.

Second, just to reiterate a point that has been made before. It is true that the Office of Civilian Defense's chief job is to protect civilians in their homes from the effects of air raids, and the chief contacts of such an office must be with local governments and local bodies of volunteer civilians. The job is a civilian function.

The gentleman from Ohio asked a question a little while ago, "Is not the draft a civilian function?" The answer to that is, "Yes, it does deal with civilians, and it is in a civilian agency, even though the man heading it may have a military title."

Mr. BROOKS. Will the gentleman yield?

Mr. ELIOT of Massachusetts. I yield to the gentleman from Louisiana.

Mr. BROOKS. It is a civilian agency that inducts into the service of the Army of the United States the men needed for fighting purposes.

Mr. ELIOT of Massachusetts. The gentleman from Louisiana is right. The contact between civilian and army is at least as close there, if not closer, than it would be in connection with civilian defense.

Third, I just want to comment, if I may have the temerity to do so, about the very interesting speech by the gentleman from New York [Mr. WADSWORTH]. He said that the functions of the military and civilian bodies in a matter of this sort were inevitably inseparable. I merely comment there that we must as a matter of course rely largely upon English experience for our development of air-raid precautions. They have had that experience, they have learned through experience, and they are doing a very effective job of protecting their civilians now. In England, Air Raid Precautions, the equivalent of our Office of Civilian Defense, is a civilian agency.

Mr. Chairman, for those three reasons I hope very much that this committee amendment will be rejected.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. ELIOT of Massachusetts. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Is it not a fact that the present Office of Civilian Defense was created by Executive order of the President?

Mr. ELIOT of Massachusetts. I believe so.

Mr. KEEFE. All this bill does is name the Secretary of War to be Director of the Office of Civilian Defense, subject to the rules and regulations the President may prescribe. Is it not fair to assume, therefore, that the rules heretofore laid down by the President prescribing the civil character of the present organization, and under which the organization now functions, will continue in force and be reestablished by the President, and that this organization will remain purely civil in character, although having as its active head the Secretary of War? Is that a fair question?

Mr. ELIOT of Massachusetts. It is a fair question, and anyone can assume anything he wishes, but I would prefer not to leave it to chance.

Mr. MAY rose.

Mr. ELIOT of Massachusetts. Does the gentleman from Kentucky wish me to yield?

Mr. MAY. May I just observe, if the gentleman will permit, in answer to the gentleman from Wisconsin, that the effect of the amendment, then, is simply to fire one man and appoint another?

Mr. KEEFE. The gentleman does not see fit to answer.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Michigan [Mr. BRADLEY] is recognized for 5 minutes.

Mr. BRADLEY of Michigan. Mr. Chairman, I rise in support of the committee amendment.

I dislike to take issue with the gentleman who has just preceded me but I must say I am fully in accord with the position taken by the gentleman from New York [Mr. WADSWORTH], in that I fail to see how civil defense and military defense must not of necessity be interlocked at all times. After all, the Army is out to protect the civilians. As the gentleman from New York so ably pointed out, in the event of an air raid they will be the first to give the alert signal and to put the civilian population on notice to take cover and prepare for civilian self-defense, working through volunteer and even professional civilian workers.

The gentleman from Texas and many other speakers today have been stressing the patriotic fervor with which the volunteer workers have attacked their jobs. That is very true. I have recently had personal contact with many who are volunteering their services. Despite their enthusiasm, I find there is a very great deal of chaos and confusion presently existing in the civilian-defense organization due to the fact that professionals have not been employed to coordinate their efforts with those of the military. And trained professionals have not been utilized to properly instruct them in their duties.

I think this matter should properly be put under the Secretary of War and, as the gentleman from New York said, we should even call back many of the hundreds or thousands of ex-Army officers who are writing your office and mine asking what they can do to serve the country in its hour of crisis.

All these patriots who are volunteering their services for civilian defense deserve the highest credit, but let me point out that not all in the Office of Civilian Defense are volunteers or perhaps quite as patriotically inclined. Let me read you an article I clipped from a Cleveland paper dated, I believe, December 30 last. This is typical of partisan political activity going on in a great many sections of the United States under the Office of Civilian Defense.

CARR QUITS CITY JOB FOR UNITED STATES POST

Charles Carr, Democratic leader in ward 17, today resigned the $3,100 assistant police prosecutorship he took December 15 to accept a job with the Federal Civilian Defense Administration at $4,500 a year.

Carr, who lost the councilmanic race last fall in ward 17 by 600 votes to Councilman William O. Walker, notified Law Director Thomas A. Burke, Jr., of his new job, and his resignation was accepted.

The article further states Carr will perform his duties in Columbus, the State capital.

I should certainly like to have somebody from Cleveland or from Ohio who knows that gentleman explain to the House just what his specific qualifications are for this important $400-a-month job in the Office of Civilian Defense organization.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield to the gentleman from Tennessee.

Mr. JENNINGS. Against whom is it proposed that this agency defend us; against civilian attack or against a hostile military attack?

Mr. BRADLEY of Michigan. I assume it is to protect the civilians of this Nation against hostile military attack.

Mr. JENNINGS. Does anybody think for 1 minute that a civilian, even though that civilian may be a woman, is better qualified to defend us against military attack than a military man would be?

Mr. BRADLEY of Michigan. I certainly think the question answers itself. Obviously this calls for a tremendous amount of military organization, supplemented by volunteer civilian workers in every community in this land. Partisan

politics should play no part in the vital question of civilian defense.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, I rise in opposition to the committee amendment. Throughout this debate the proponents of the committee amendment, it seems to me, have overlooked the work that has already been done by the Office of Civilian Defense. The nature of that work has not been fully described here.

Civilian defense as we know it is entirely separate and distinct from military defense against attack. Civilian defense involves the protection of water mains, gas mains, lighting systems, and hospitals; in other words, it is a carrying out on a more extensive and strenuous basis during wartime of the already existing civil municipal functions. Because of the requirements of the war, it is necessary to have volunteers to do this work of a civilian and municipal nature and to carry on municipal functions. For that purpose, and for that purpose alone, there have been enrolled throughout the United States 5,245,338 volunteers as of December 31. Six hundred and fifty-seven thousand eight hundred and thirty-seven have been enrolled as air-raid wardens, 272,491 have been enrolled as auxiliary firemen, 178,731 have been enrolled as auxiliary police, 295,840 have been enrolled in auxiliary medical units, 167,138 have been enrolled in other protective capacities, and 417,504 have been enrolled in community activities, including child care, war relief, food conservation, and so forth.

Now, with all due respect to the distinguished gentleman from New York [Mr. WADSWORTH], I do not see just how these functions are necessarily a part of the actual military defense against attack. Since they are of a civil character and since this is an extension of municipal town and county functions, then, necessarily, there must be a separate set-up, and the Office of Civilian Defense does nothing else but carry out the civilian functions of a municipality, town, or county, but on a more extensive scale, with more people involved as a result of the needs raised by the war.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield to the chairman of the Military Affairs Committee.

Mr. MAY. I would like to ask the gentleman from New York if he knows how many policemen and firemen there are in the city of New York; and if they were all fired and replaced by military men, how many men it would take?

Mr. MARCANTONIO. I am sorry I am not in a position to answer that question.

Mr. ANDREWS. I will be glad to answer that question. None of them would be fired.

Mr. CREAL. Mr. Chairman, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Kentucky.

Mr. CREAL. Since child care and nutrition and food conservation are a part of this work, does not the gentleman think some old bachelor, a retired army officer, would be better prepared to look after the babies than the organizations of mothers in a city?

Mr. MARCANTONIO. I will tell the gentleman that I do not see much connection between a brass hat and a cradle.

May I also add one other thing. If you turn this thing over to the War Department all of a sudden, making a sudden change, just what is going to happen to this set-up, a set-up composed now of 7,084 city and county defense councils and over 5,000,000 volunteers who are being trained, who meet almost every night, and have been meeting in the various localities throughout the Nation receiving instructions and doing an excellent job? How many fighting men would you need to supervise and carry out this large and country-wide program? Very correctly, the War Department insists that this task be performed by the existing civilian defense set-up. I submit that in view of this position of the War Department, as well as the Commander in Chief, the President of the United States, who insists that this work be carried on by a separate organization such as the Office of Civilian Defense, we are taking too much of a gamble with the safety of the citizens of the various communities of this country by making this switch over to the War Department.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. CROWTHER] for 5 minutes.

Mr. CROWTHER. Mr. Chairman, I take this time not particularly to discuss the amendment, but to call certain conditions to the attention of Members of the House, especially those who live in localities that have large industrial plants that are actively engaged in defense production.

I have observed that a distinguished Member of the Congress at the other end of the Capitol spoke on this subject a week or 10 days ago in regard to what is being done for the protection of Pittsburgh, which he defined as the very heart of the steel industry. Without being at all provincial, may I call attention to the fact that Schenectady, N. Y., is my home town. Some people have difficulty in spelling it and think it is an Indian chief's name, but it is not. It is a city of one hundred-and-odd thousand real Americans, and the General Electric Co. is located there, which is making nearly every type of war-defense material, including turbines for naval vessels. We have there also the American Locomotive Works, which is turning out regular tank production at the present time in addition to locomotives. Two miles away is the great United States Army warehouse depot, where millions of dollars worth of Army material is stored for current and future use.

Recently I attended a meeting where there was a representative of Civilian Defense, and after he got through I talked with him about this matter and asked him if anything was being done to protect these industrial centers in view of the considerable stress that is being placed upon production at this moment. He said that was certainly not one of their functions, that it should be referred to the War Department. It seemed to me that all the advice he gave us as to what to do as a result of a bombing raid was very fine and helpful. He told us that the industrial plants had been advised by printed circulars and otherwise what they were to do as to building protective walls between machines and windows, and advising them what to do otherwise, and I said "That would be too late; it seems to me in these big industrial centers we ought to have a further development of local air fields and have them equipped with some pursuit planes and some antiaircraft guns and not wait until the bombing commenced before we did anything about it."

I understand that in the President's message, as I read it, there is a request for some 20,000 antiaircraft guns. It may be that these are requested in view of the present emergency, and, perhaps, some of them are going to be allocated for the purpose of industrial plant defense. It seems to me there is an especial need of pursuit planes in local air fields in order to give some degree of security to the immense centralized defense production plants that there are in the country. Only a few miles away we have the great Watervliet Arsenal, and I presume that there are a hundred Members in the House who have in their districts great industrial centers where this defense production is going on.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CROWTHER. Yes.

Mr. MAY. I call the gentleman's attention to a statement made by the Civilian Director on page 4 of the hearings. After he had spoken about New York and coastal cities within a range of 300 miles, he made this statement:

> Then we have cities of similar size within the key defense area, cities like Cleveland, and cities like Detroit, where they have what we call sensitive points that make attractive targets for attacks

Mr. CROWTHER. I thank the chairman for his contribution, and I hope that if it is not within the scope of civilian-defense authorities that the War Department and its military authorities will give immediate consideration to a program that will give a sufficient degree of protection and a feeling of security to those industrial concerns that are so vitally interested in our mass production for defense.

Mr. MAY. Mr. Chairman, I am in rather a close strait jacket in this matter, in view of the fact that our committee by a single vote of one reports this amendment. I am not taking a stand one way or the other upon it, but I do want to call attention to the apparent absurdity of the procedure.

The only effect that this amendment has is to throw out of office a civilian director appointed by the Chief Executive of this country under an Executive order and require the appointment of another.

It may be that if you name under the amendment that is to be offered by the gentleman from Pennsylvania [Mr. FADDIS], as I understand it, an additional Assistant Secretary of War, that that Assistant Secretary of War might turn around and appoint the same Civilian Director. If he did appoint a different person to the position of Civilian Director, this appropriation made by the War Department would not go through the Civilian Director.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. MAY. Yes.

Mr. COCHRAN. As a matter of fact, the mayor of New York, who is a veteran of the World War, was an officer assigned to the Air Corps, and if the President, under the terms of the committee amendment, if it should become law, so desired, he could still have the mayor of New York as Director. There is nothing in the world to prevent the President from appointing Mr. LaGuardia as an officer and placing him in charge of these activities. I am considering this bill not from the standpoint of LaGuardia or anyone else other than the Commander in Chief of our armed forces. We have heard much about cooperation and unity. Where is the cooperation and unity now?

Mr. MAY. Nothing in the world, but let me say that when we first reported this bill, it was some time before a declaration of war. It was in October. We have made three declarations of war since that time. Then, right on the heels of the consideration of the matter the committee was informed by the Secretary of War that he had no desire to take over this endeavor, and undoubtedly when the President told us a few days ago as Commander in Chief of our armed forces, that we are to go to any part of the world, we certainly should not do anything to cause the Secretary of War to take from his own people and have them take the place of civilians, who have volunteered. If the War Department has to do it, it will cost two or three times as much as it will cost in the other way, because every one, including the Director, is a volunteer, without compensation.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired. The question is on the second committee amendment, which, without objection, the Clerk will again report.

There was no objection, and the Clerk again reported the second committee amendment.

Mr. KILDAY. Mr. Chairman, a parliamentary inquiry. Are we now voting to retain in the bill the committee amendment as reported by the committee?

The CHAIRMAN. The question is on the amendment offered by the committee as now in the bill.

Mr. KILDAY. Then a vote of yea is to sustain the bill as it comes from the committee?

The CHAIRMAN. A vote of aye would be in favor of the committee amendment. The committee amendment is to strike out lines 5 and 6 and insert the words "Secretary of War." That is the way in which the bill came from the committee, with the words "Secretary of War" in the bill, so that a vote of aye would have the effect of leaving the bill in the form it came from the committee.

Mr. THOMASON. Mr. Chairman, the result would be that if a member wants to vote to turn the entire matter over to the Secretary of War he votes aye, and if he wants civilian defense he would vote no.

The CHAIRMAN. That is correct. The question is on agreeing to the committee amendment.

The question was taken; and on a division (demanded by Mr. THOMASON) there were—ayes 110, noes 58.

So the committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, line 4, after the word "by", strike out "said Director" and insert "the Secretary of War."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows:

Committee amendment: On page 2, in line 13, after the word "the", strike out "Director of Civilian Defense" and insert "the Secretary of War."

The amendment was agreed to.

Mr. MAY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MAY. Has all of section 1 been read?

The CHAIRMAN. It has.

Mr. MAY. Then, I offer an amendment, which is at the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Kentucky.

The Clerk read as follows:

Amendment offered by Mr. MAY: On page 2, line 2, after the word "attacks", insert the words "sabotage or other war hazards."

Mr. MAY. Mr. Chairman, I make this explanation of that amendment: There is some question about it being confined only to bombing, and if we protect anybody we should protect them for every purpose. That is all there is to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. MAY].

The amendment was agreed to.

Mr. FADDIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FADDIS: On page 2, after the period in line 15, insert "To aid the Secretary of War in the performance of his duties under this act and to perform such other functions relating to civilian defense as the Secretary of War may direct, there shall be an additional Assistant Secretary of War who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate of $10,000 per annum. Upon the expiration of 6 months after the termination of the wars in which the United States is now engaged, the office of Assistant Secretary of War herein created is abolished."

Mr. FADDIS. Mr. Chairman, now that the committee has decided to leave the administration of this matter in the hands of the War Department, where it belongs, I believe, in justice to the Nation and in justice to the Secretary of War, an additional Assistant Secretary of War should be created to administer the provisions of this legislation.

The duties in connection with this legislation will be rather extensive. A great deal of property will necessarily have to be procured and distributed in connection with the provisions of the legislation. Someone will have to be accountable for it. Someone will have to be responsible for it. I therefore believe that because of the great number of duties of the Secretary of War at the present time we should create a temporary Assistant Secretary of War for the purpose of administering this legislation.

I call the attention of the members of this committee to the fact that this amendment provides for the automatic termination of this office whenever there is no longer any necessity for it.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. I yield.

Mr. HOFFMAN. Is there anything in the amendment which, if adopted, would prevent the mayor of a great city being appointed to that office and still hold the office of mayor?

Mr. FADDIS. No; there is not. I know of no way to provide against that, and am not aiming this amendment at anyone. However, it has been made subject to the confirmation of the Senate, and I believe that is as far as we can go.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. I yield.

Mr. FLANNAGAN. Will your amendment make the Director of Civilian Defense a full-time job?

Mr. FADDIS. Yes.

Mr. FLANNAGAN. There is no question about that?

Mr. FADDIS. There is no question about that. He would be an Assistant Secretary of War for Civilian Defense.

Mr. FLANNAGAN. And it would be a full-time job?

Mr. FADDIS. Yes.

Mr. FLANNAGAN. And it could not be held by someone holding a State job?

Mr. FADDIS. Well, yes; it could, if they wanted to; but I provide for confirmation by the Senate, and I am very confident that the Senate, at least, would not allow any abuse of it in that respect.

[Here the gavel fell.]

Mr. THOMASON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I wish I could recall the language of some of the speeches made on this floor, especially by my friends on the Republican side, in days gone by when there would be a bill here to provide for an Assistant Secretary of Agriculture or Interior or something of the sort.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. In just a moment. But it just seems now that this feeling against our old friend and colleague, Mr. LaGuardia, is such, as indicated by the

question of the gentleman from Michigan to the gentleman from Pennsylvania, that the thing to do is to make sure that we tell the Commander in Chief of our armed forces who shall run this job.

Mr. HOFFMAN. Will the gentleman yield now?

Mr. THOMASON. I yield.

Mr. HOFFMAN. I was not here when Mr. LaGuardia was here, but I do know that you have criticized us for being partisan in that we did not support your measures. Now, when we go along, are you still criticizing us for following you?

Mr. THOMASON. I suspect the gentleman's motives when he is so enthusiastic about creating a new office that nobody has asked for. We have not heard a single word from my friend from Pennsylvania as to what duties are to be performed by this new Assistant Secretary of War, yet anybody of intelligence, like my friend from Pennsylvania, ought to know that that office, if created, is not going to be abolished 6 months after war is over.

Mr. FADDIS. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. FADDIS. The language of the amendment reads that he is to perform such other functions relative to civilian defense as the Secretary of War may direct; and the amendment further provides an automatic termination of the office 6 months after the war is over.

Mr. THOMASON. As some gentleman said just a few moments ago, the Commander in Chief of our armed forces, if he wanted to appoint Mr. LaGuardia to the job, could do it; but I repeat what I said earlier in the day that in this terrible crisis I am trying to think of principles and results rather than personalities. In order to be consistent I go back to my original proposition that the President of the United States has not said he wants another Assistant Secretary of War. The Secretary of War who is charged with the duty of fighting and winning this war has said in a written letter that he does not want this job and this duty, and he has not asked for any Assistant Secretary. Now to go along without a word from the Secretary of War, without a word from the President of the United States and willy nilly create a new job of Assistant Secretary of War that has not been asked for and pay the incumbent $10,000 a year, I say is carrying your prejudice too far.

I should like in this connection to say that if the Secretary of War in the interest of national defense and winning this war advises the Committee on Military Affairs or any Member of this House that he needs and wants an Assistant Secretary of War, I am willing to give it to him, but simply to take another slap at Mr. LaGuardia a distinguished American, a man who has ability, character, and courage of a high order—I say it is further than I am willing to go. I believe in Mr. LaGuardia and am his friend. I believe in him enough to feel sure he will resign one of his jobs if either he or the President thinks it best for the winning of the war.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. GORE. Surely the gentleman does not mean to characterize Congress as acting willy-nilly because perchance it takes some action which has not been asked of it?

Mr. THOMASON. No; I will take issue with my good friend from Tennessee to this extent, that in this Congress when it comes to the question of national defense and winning this war, the Commander in Chief and the Secretary of War will have my loyal and active support in everything they want or recommend, that will further their plans and get results.

Mr. GORE. But the gentleman says the Congress acts willy-nilly when it goes along and does something it is not asked to do.

Mr. THOMASON. I have said, I say again, and stand by what I say, and that is when the Secretary of War in an official letter over his signature says he does not want to use the Army to do all this civilian work, when he says: "For heaven's sake, let the civilians in the respective communities do it," then I am going to follow him. I am not going to let any prejudice or dislike for individuals change my judgment or votes in that regard.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. ANDREWS. Mr. Chairman, I shall not take my 5 minutes.

The gentleman from Texas has referred to the matter of being consistent. I might remind the gentleman from Texas that the House by a vote of 3 to 1 has voted to place this activity under the War Department. If we are going to be consistent we must have an Assistant Secretary of War for civilian defense. I say let the President appoint Mr. LaGuardia as Assistant Secretary, if he wants to. I will be satisfied with that.

Mr. HOFFMAN. Mr Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

Mr. HOFFMAN. I just wish to beg of the gentleman from Texas [Mr. THOMASON] not to discourage those of us who are trying to support the administration, by charging us with partisanship when we vote for an amendment introduced by a Democrat, supported by a large number of influential Democrats. It is true that as a party we have been consistent in our opposition to the creation of new departments, agencies, and offices that, on the ground of economy. We have, just as consistently, however, voted for appropriations for national defense and since the declaration of war, so far as I know, not a single Republican has voted against any appropriation designed to aid in the war effort. Now just because this bill creates a new office and practically all of the Republicans support it, you charge us with opposition to the President and with partisanship; either forgetting or ignoring the fact that the new office, that of Under Secretary of War, will be filled by a Democrat, by a Democrat selected by the President and who will act in the future under his orders.

Why not be fair with us and when we try to go along, not jump on us? It is sure discouraging to have our every action, no matter how patriotic, challenged as political even though that action is in accord with that of a large number of your own party members. Why, every time that we try to assist, do you give us a kick?

Mr. KEEFE. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I am taking this time in order to see if I can straighten out, in my own mind at least, one or two perplexing problems in connection with this particular amendment. I would like the attention of the chairman of the Committee on Military Affairs. It is a fact, is it not, that this entire set-up of civilian defense was created by the President of the United States by Executive order?

Mr. MAY. That is correct.

Mr. KEEFE. And the President of the United States by that Executive order appointed the Director of Civilian Defense and prescribed his duties. The only duties that the Director is now carrying out presumably are the duties prescribed in the Executive order creating the position; is that correct?

Mr. MAY. The Executive order, as I understand it, created the position, appointed the Director and defined his duties by regulation.

Mr. KEEFE. I have not heard anybody read the duties of this Director as prescribed in the Executive order, and, upon inquiry of the chairman of the Committee on Military Affairs, I am informed he does not have a copy of that Executive order here on the floor this afternoon. If I understand anything about this problem at all, it is that the President of the United States, when this legislation is passed in its present form, regardless of the amendment of the gentleman from Pennsylvania, will still provide the regulations and the direction for the administration of this Office of Civilian Defense.

We have by this amendment provided that the Secretary of War shall provide "under such regulations as the President may prescribe," facilities, supplies, and so forth, to do what? To carry out the purposes and the objectives set forth in the Executive order creating this agency of civilian defense. It certainly goes without saying that if the President has the right to create this agency and has the right to specify what the agency shall do and to prescribe its duties and its functions, then when we authorize an appropriation of $100,000,000 it makes little difference what we say here because the President by his regulations still runs this show, and make no mistake about that.

It seems to me that when we create another office of Assistant Secretary of War, we are just creating an office that may have some repercussions that we do not now know about. This man is to do the work of the Director of Civilian Defense and the President will see that the man he wants is put in there. If that man is Mr. LaGuardia, it will be Mr. LaGuardia, and the Secretary of War will simply be the over-guiding head.

This organization will continue to function with its civil personnel, in my opinion, exactly as it is doing today, because if that is what the President wants that is what the President can do under the authority that he now has under existing law. So why are we wasting all this time, when, as a matter of fact, he is the Commander in Chief, and can, and no doubt will, appoint whom he pleases and keep him under the very terms of this law that we have before us today? I cannot support this amendment to create another unnecessary job, although I was pleased to support the committee amendments.

[Here the gavel fell.]

Mr. CREAL. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, are the supporters of the ripper bill attempting here today to cooperate with the Commander in Chief? You have been asked by a close division of the Military Affairs Committee, the majority of which was dominated by the Republicans when the vote was taken, to pass your first ripper bill, and put a man out of office whom the President has chosen as Director of Civilian Defense. In the World War we did not use anything such as proposed here. In Britain it has been pointed out to you they did not use it then and are not using it now. Britain's civilian-defense program is not under the Army.

In every little community the question of civilian defense is of a different nature. The men in these communities know best how to handle the situation better than any imported brass hat. Whenever you call on the people and they come together, they will do something patriotic and get credit for it. The good women of the town and all the people will walk their legs off canvassing or doing something, and they will do it all on a voluntary basis. But when you point out to that town what they have to do, you have murdered this cooperative spirit. The feeling is, "I feel I am doing it because I am told to do so."

You say that there is no way to separate the work. This military man comes down there under orders which he must obey, which are Army orders, to tell people not subject to his jurisdiction, operating under civil law, to do something. When you do that there is going to be very poor cooperation. He will get criticism from that community the first mistake or two he makes.

I can think of nothing more destructive and one which will do more to kill off the fine spirit in various places, from the small hamlet to the big city, than that. These people have been cooperating in this work. They have had varied experience. Why, this civilian defense program is not all an air raid. It concerns things that a military officer with long life in the Army knows no more about than a goose. He is no more fitted to take charge of some of those things in these towns and cities than a man who came off the farm is to undertake to take the officer's place back in front of the Army. It is a different proposition entirely. It is one for local people, and it is a reflection on their ability.

The present Civilian Director, Mayor LaGuardia, may or may not be the proper person to direct, but that is a matter for the Commander in Chief.

I am not going to start off here by going back to the old tactics. Some of my Democratic friends are standing here and falling for the same old bunk of obstructionists that they are standing in line here for the first ripper bill. It is a pitiable spectacle and a damnable shame on the Democrats for joining hands with the men who only a few days ago attempted to strangle every defense effort and everything else. And here you are goose-stepping down the line again with those boys leading the procession for your first ripper bill. May God save the country and the President. We had been assured that sniping was over, but we see that it is not.

You are asked to vote for something which neither the President, the Secretary of War, the chairman of the Military Affairs Committee, nor the floor leader wants. To satisfy whom and what? Is there a request from any State, county, or city official of the land wanting the Army to usurp civil functions?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FADDIS].

The question was taken; and on a division (demanded by Mr. THOMASON) there were—ayes 103, noes 73.

Mr. THOMASON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. FADDIS and Mr. MAY to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 113, noes 85.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 2. It shall be unlawful for any person to wear a uniform, insignia, arm band, or other distinctive article prescribed by the Director of Civilian Defense except in accordance with the regulations promulgated under the authority of section 1 hereof. Any person found guilty of violating the provisions contained in this section shall, upon conviction, be fined not more than $100 or imprisoned for not more than 6 months, or both.

With the following committee amendment:

Page 2, strike out lines 16 to 23, and insert in lieu thereof the following:

"SEC. 2. It shall be unlawful for any person to wear an insignia, arm band, or other distinctive article prescribed by the Secretary of War except in accordance with the regulations promulgated under the authority of section 1 hereof: *Provided*, That nothing in this act shall be construed as authorizing the Secretary of War, or any person or employee acting under him by authority of this act, or in pursuance of the regulations prescribed thereunder to interfere with or usurp any of the rights or duties of any local district, municipal, county, or State official.

"Any person found guilty of violating the provisions of this section shall, upon conviction, be fined not more than $100 or imprisoned for not more than 30 days, or both."

The committee amendment was agreed to.

Mr. MAY. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BARNES, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 5727) to provide protection of persons and property from bombing attacks in the United States, its Territories and possessions, to authorize the procurement of materials and supplies, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

Mr. MAY. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. THOMASON. Mr. Speaker, I demand a separate vote on the committee amendment appearing in lines 5, 6, and 7 on page 1, and I also demand a separate vote on the so-called Faddis amendment.

Mr. Speaker, the amendments relating to the substitution of the Secretary of War for the Director of Civilian Defense appear not only on lines 5, 6, and 7 on page 1, but also in lines 4 and 13 and 14 in page 2. I therefore ask unanimous consent that these amendments may be considered en bloc.

I also demand a separate vote on the Faddis amendment, which immediately follows section 1 in the bill as printed.

The SPEAKER. The gentleman from Texas demands a separate vote on the amendments substituting the Secretary of War for the Director of Civilian Defense. There are three such amendments and the gentleman from Texas asks unanimous consent that the amendments be voted on en bloc. The gentleman also demands a separate vote on the Faddis amendment. Does the gentleman desire that the Faddis amendment be voted on with the other amendments?

Mr. THOMASON. No, Mr. Speaker; I demand a separate vote on that amendment.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them in gross.

The question is on the amendments on which a separate vote has not been demanded.

The amendments were agreed to.

The SPEAKER. The Clerk will report the first amendments on which a separate vote has been demanded.

The Clerk read as follows:

On page 1, beginning in line 5, strike out "Director of Civilian Defense, appointed under authority of Executive Order No. 8757, dated May 20, 1941" and insert "Secretary of War"

On page 2, in line 4, strike out "said Director" and insert "the Secretary of War."

On page 2, in line 13, strike out "Director of Civilian Defense" and insert "the Secretary of War."

The SPEAKER. The question is on the amendments.

The question was taken; and the Chair being in doubt, the House divided, and there were—ayes 109, noes 82.

Mr. THOMASON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 187, nays 169, not voting 73, as follows:

[Roll No. 2]

YEAS—187

Allen, Ill.	Gillie	Pearson
Anderson, Calif.	Gore	Peterson, Ga.
Andresen, August H.	Gossett	Pfeiffer, William T.
Andrews	Graham	Pittenger
Angell	Grant, Ind.	Ploeser
Arends	Guyer	Plumley
Barden	Gwynne	Poage
Bates, Mass.	Hall, Edwin Arthur	Powers
Baumhart	Hall, Leonard W.	Randolph
Bender	Halleck	Rankin, Miss.
Bennett	Hancock	Reece, Tenn.
Bishop	Harness	Reed, Ill.
Blackney	Heidinger	Reed, N. Y.
Bolton	Hendricks	Rees, Kans.
Bradley, Mich.	Hess	Rich
Brown, Ohio	Hill, Colo.	Rizley
Burch	Hinshaw	Robertson, N. Dak.
Burdick	Hoffman	Robertson, Va.
Butler	Holmes	Robsion, Ky.
Canfield	Hope	Rockefeller
Carlson	Houston	Rockwell
Carter	Hull	Rodgers, Pa.
Chiperfield	Jarrett	Rogers, Okla.
Clason	Jenkins, Ohio	Satterfield
Clevenger	Jenks, N. H.	Sauthoff
Cluett	Jennings	Shafer, Mich.
Coffee, Nebr.	Johns	Short
Cooley	Johnson, Calif.	Simpson
Copeland	Johnson, Ill.	Smith, Maine
Courtney	Johnson, Ind.	Smith, Ohio
Cox	Jones	Smith, Va.
Crawford	Jonkman	Smith, Wis.
Crowther	Keefe	Snyder
Cunningham	Kefauver	South
Curtis	Kilburn	Springer
Day	Kilday	Stearns, N. H.
Dewey	Kinzer	Stefan
Dies	Kleberg	Stevenson
Dirksen	Knutson	Stratton
Disney	Kunkel	Sumner, Ill.
Dondero	Lambertson	Sutphin
Douglas	Landis	Talle
Drewry	LeCompte	Tarver
Durham	Lewis	Thill
Dworshak	McGehee	Thomas, N. J.
Eaton	McGregor	Tibbott
Eberharter	McLean	Treadway
Elston	Martin, Iowa	Vinson, Ga.
Engel	Martin, Mass.	Vorys, Ohio
Englebright	Mason	Wadsworth
Faddis	Merritt	Wasielewski
Fellows	Meyer, Md.	Wheat
Fenton	Michener	Whelchel
Fish	Moser	Whittington
Ford, Leland M.	Mott	Wigglesworth
Ford, Miss.	Mundt	Wilson
Gale	Murray	Wolcott
Gamble	O'Brien, Mich.	Wolverton, N. J.
Gearhart	O'Brien, N. Y.	Woodruff, Mich.
Gerlach	O'Toole	Woodrum, Va.
Gifford	Pace	Young
Gilchrist	Paddock	Youngdahl
Gillette		

NAYS—169

Allen, La.	Bloom	Brown, Ga.
Barnes	Boehne	Bryson
Bates, Ky.	Boggs	Bulwinkle
Beam	Boland	Burgin
Beckworth	Bonner	Byron
Beiter	Boren	Camp
Bell	Bradley, Pa.	Cannon, Fla.
Bland	Brooks	Capozzoli
Cartwright	Hook	Plauché
Casey, Mass.	Hunter	Priest
Celler	Imhoff	Rabaut
Chapman	Izac	Ramsey
Claypool	Jackson	Ramspeck
Cochran	Jarman	Rankin, Mont.
Coffee, Wash.	Johnson, Luther A.	Richards
Cole, Md.	Johnson, Okla.	Rivers
Collins	Johnson, W. Va.	Robinson, Utah
Cooper	Kelley, Pa.	Rogers, Mass.
Costello	Kelly, Ill.	Rolph
Cravens	Kerr	Romjue
Creal	Kirwan	Russell
Crosser	Kocialkowski	Sacks
Cullen	Kopplemann	Sanders
D'Alesandro	Kramer	Sasscer
Davis, Ohio	Lanham	Scanlon
Davis, Tenn.	Lea	Schuetz
Delaney	Leavy	Scrugham
Dickstein	Lesinski	Secrest
Dingell	Ludlow	Shanley
Domengeaux	McCormack	Sheppard
Doughton	McGranery	Sheridan
Downs	McKeough	Sikes
Duncan	McLaughlin	Smith, Wash.
Eliot, Mass.	McMillan	Smith, W. Va.
Fitzgerald	Maciejewski	Sparkman
Fitzpatrick	Maciora	Spence
Flaherty	Mahon	Sullivan
Flannagan	Manasco	Sumners, Tex.
Fogarty	Mansfield	Sweeney
Folger	Marcantonio	Tenerowicz
Forand	May	Terry
Ford, Thomas F.	Mills, Ark.	Thom
Fulmer	Mills, La.	Thomas, Tex.
Gathings	Monroney	Thomason
Gibson	Murdock	Tolan
Grant, Ala.	Myers, Pa.	Traynor
Green	Nelson	Voorhis, Calif.
Gregory	Nichols	Ward
Haines	Norrell	Weiss
Hare	O'Connor	Welch
Harris, Ark.	Oliver	White
Harris, Va.	O'Neal	Whitten
Hart	Patman	Wickersham
Healey	Patrick	Williams
Hébert	Peterson, Fla.	Wright
Hill, Wash.	Pierce	Zimmerman
Holbrock		

NOT VOTING—73

Andersen, H. Carl	Harter	Osmers
Anderson, N. Mex.	Hartley	Patton
Arnold	Heffernan	Pfeifer, Joseph L.
Baldwin	Hobbs	Sabath
Barry	Howell	Schaefer, Ill.
Boykin	Jacobsen	Schulte
Buck	Jensen	Scott
Buckler, Minn.	Johnson, Lyndon B.	Shannon
Buckley, N. Y.	Kean	Smith, Pa.
Byrne	Kee	Somers, N. Y.
Cannon, Mo.	Kennedy, Martin J.	Starnes, Ala.
Case, S. Dak.	Kennedy, Michael J.	Steagall
Chenoweth	Keogh	Taber
Clark	Klein	Tinkham
Cole, N. Y.	Larrabee	Van Zandt
Colmer	Lynch	Vincent, Ky.
Culkin	McIntyre	Vreeland
Ditter	Maas	Walter
Edmiston	Magnuson	Weaver
Elliott, Calif.	Mitchell	Wene
Ellis	Norton	West
Gavagan	O'Day	Winter
Gehrmann	O'Hara	Wolfenden, Pa.
Granger	O'Leary	Worley
Harrington		

So the amendments were agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Colmer with Mr. Ditter.
Mr. Hobbs with Mr. Jensen.
Mr. Granger with Mr. Cole of New York.
Mr. Larrabee with Mr. Gehrmann.
Mr. Martin J. Kennedy with Mr. Taber.
Mr. Clark with Mr. Kean.
Mr. Starnes of Alabama with Mr. Tinkham.
Mr. Keogh with Mr. Hartley.
Mr. Cannon of Missouri with Mr. O'Hara.
Mr. Patton with Mr. Baldwin.
Mr. Heffernan with Mr. Scott.
Mr. Schulte with Mr. Howell.
Mr. Vincent of Kentucky with Mr. Van Zandt.
Mr. Weaver with Mr. Osmers.
Mr. Worley with Mr. Wolfenden of Pennsylvania.
Mr. Lynch with Mr. Vreeland.
Mr. Mahon with Mr. Culkin.
Mr. Joseph L. Pfeifer with Mr. Case of South Dakota.
Mr. West with Mr. Maas.
Mr. O'Leary with Mr. Winter.
Mr. Steagall with Mr. Chenoweth.
Mr. Walter with Mr. H. Carl Andersen.
Mr. Boykin with Mr. Buckler of Minnesota.
Mr. Gavagan with Mr. Mitchell.
Mr. Smith of Pennsylvania with Mrs. Norton.
Mr. Ellis with Mr. Magnuson.
Mr. Harrington with Mr. Somers of New York.
Mr. Jacobsen with Mr. Harter.
Mr. Kee with Mr. Buckley of New York.
Mr. Barry with Mr. Elliott of California.
Mr. McIntyre with Mr. Michael J. Kennedy.
Mr. Arnold with Mr. Schaefer of Illinois.
Mrs. O'Day with Mr. Wene.
Mr. Buck with Mr. Sabath.
Mr. Lyndon B. Johnson with Mr. Klein.
Mr. Byrne with Mr. Edmiston.
Mr. Anderson of New Mexico with Mr. Shannon.

The result of the vote was announced as above recorded.

The SPEAKER. The clerk will report the next amendment on which a separate vote has been demanded.

The clerk read as follows:

On page 2, after the period in line 15, insert "To aid the Secretary of War in the performance of his duties under this act and to perform such other functions relating to civilian defense as the Secretary of War may direct, there shall be an additional Assistant Secretary of War who shall be appointed by the President by and with the advice and consent of the Senate, who shall receive compensation at the rate of $10,000 per annum. Upon the expiration of 6 months after the termination of the wars in which the United States is now engaged, the office of Assistant Secretary of War herein created is abolished."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. THOMASON) there were—ayes 136, noes 137.

Mr. HARNESS. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 178, nays 179, not voting 72, as follows:

[Roll No. 3]

YEAS—178

Allen, Ill.	Crawford	Gossett
Anderson, Calif.	Crowther	Graham
Andresen, August H.	Cunningham	Grant, Ind.
Andrews	Curtis	Green
Angell	Day	Guyer
Arends	Dewey	Hall, Edwin Arthur
Barden	Dies	Hall, Leonard W.
Bates, Mass.	Dirksen	Halleck
Baumhart	Disney	Hancock
Bender	Dondero	Harness
Bennett	Douglas	Hébert
Bishop	Drewry	Heidinger
Blackney	Dworshak	Hendricks
Bolton	Eaton	Hess
Bradley, Mich.	Eberharter	Hinshaw
Brown, Ohio	Elston	Hoffman
Burch	Engel	Holmes
Burdick	Englebright	Hope
Butler	Faddis	Houston
Canfield	Fellows	Jarrett
Carlson	Fenton	Jenkins, Ohio
Carter	Fish	Jenks, N. H.
Chiperfield	Ford, Leland M.	Jennings
Clason	Ford, Miss.	Johns
Clevenger	Gale	Johnson, Calif.
Cluett	Gamble	Johnson, Ill.
Coffee, Nebr.	Gearhart	Johnson, Ind.
Cooley	Gerlach	Jones
Copeland	Gifford	Jonkman
Courtney	Gillette	Kefauver
Cox	Gillie	Kilburn
	Gore	Kilday

Kilburn	Peterson, Ga.	Smith, Maine
Kilday	Pheiffer,	Smith, Ohio
Kinzer	William T.	Smith, Va.
Kleberg	Pittenger	Smith, Wis.
Knutson	Ploeser	Springer
Kunkel	Plumley	Starnes, Ala.
Lambertson	Poage	Stearns, N. H.
Landis	Powers	Stefan
Lea	Randolph	Stevenson
Lewis	Rankin, Miss.	Stratton
McGehee	Rankin, Mont.	Sumner, Ill.
McGregor	Reece, Tenn.	Sutphin
McLean	Reed, Ill.	Thill
Martin, Iowa	Reed, N. Y.	Thomas, N. J.
Martin, Mass.	Rees, Kans.	Tibbott
Mason	Rich	Treadway
Merritt	Risley	Vinson, Ga.
Meyer, Md.	Robertson,	Vorys, Ohio
Michener	N. Dak.	Wadsworth
Moser	Robertson, Va.	Wheat
Mott	Robsion, Ky.	Whitten
Mundt	Rockefeller	Whittington
Murray	Rockwell	Wigglesworth
O'Brien, Mich.	Rodgers, Pa.	Wilson
O'Brien, N. Y.	Rogers, Mass.	Wolcott
O'Toole	Satterfield	Wolverton, N. J.
Pace	Shafer, Mich.	Woodruff, Mich.
Paddock	Short	Woodrum, Va.
Pearson	Simpson	Youngdahl

NAYS—179

Allen, La.	Fulmer	O'Connor
Barnes	Gathings	Oliver
Bates, Ky.	Gibson	O'Neal
Beam	Gilchrist	Patman
Beckworth	Grant, Ala.	Patrick
Beiter	Gregory	Peterson, Fla.
Bell	Gwynne	Pierce
Bland	Haines	Plauché
Bloom	Hare	Priest
Boehne	Harris, Ark.	Rabaut
Boggs	Harris, Va.	Ramsay
Boland	Hart	Ramspeck
Bonner	Harter	Richards
Boren	Healey	Rivers
Bradley, Pa.	Hill, Wash.	Robinson, Utah
Brooks	Holbrock	Rogers, Okla.
Brown, Ga.	Hook	Rolph
Bryson	Hull	Romjue
Buckler, Minn.	Hunter	Russell
Bulwinkle	Imhoff	Sacks
Burgin	Izac	Sanders
Byron	Jackson	Sasscer
Camp	Jarman	Sauthoff
Cannon, Fla.	Johnson,	Scanlon
Capozzoli	Luther A.	Schuetz
Cartwright	Johnson, Okla.	Scrugham
Casey, Mass.	Johnson, W. Va.	Secrest
Celler	Keefe	Shanley
Chapman	Kelley, Pa.	Sheppard
Claypool	Kelly, Ill.	Sheridan
Cochran	Kerr	Sikes
Coffee, Wash.	Kirwan	Smith, Wash.
Cole, Md.	Kocialkowski	Smith, W. Va.
Collins	Kopplemann	South
Cooper	Kramer	Sparkman
Costello	Lanham	Spence
Cravens	Leavy	Sullivan
Creal	LeCompte	Sumners, Tex.
Crosser	Lesinski	Sweeney
Cullen	Ludlow	Talle
D'Alesandro	McCormack	Tarver
Davis, Ohio	McGranery	Tenerowicz
Davis, Tenn.	McKeough	Terry
Delaney	McLaughlin	Thom
Dickstein	McMillan	Thomas, Tex.
Dingell	Maciejewski	Thomason
Domengeaux	Maciora	Tolan
Doughton	Mahon	Traynor
Downs	Manasco	Voorhis, Calif.
Duncan	Mansfield	Ward
Durham	Marcantonio	Wasielewski
Eliot, Mass.	May	Weaver
Fitzgerald	Mills, Ark.	Welch
Fitzpatrick	Mills, La.	Whelchel
Flaherty	Monroney	White
Flannagan	Murdock	Wickersham
Fogarty	Myers, Pa.	Williams
Folger	Nelson	Wright
Forand	Nichols	Young
Ford, Thomas F.	Norrell	Zimmerman

NOT VOTING—72

Andersen,	Chenoweth	Hartley
H. Carl	Clark	Heffernan
Anderson,	Cole, N. Y.	Hill, Colo.
N. Mex.	Colmer	Hobbs
Arnold	Culkin	Howell
Baldwin	Ditter	Jacobsen
Barry	Edmiston	Jensen
Boykin	Elliott, Calif.	Johnson,
Buck	Ellis	Lyndon B.
Buckley, N. Y.	Gavagan	Kean
Byrne	Gehrmann	Kee
Cannon, Mo.	Granger	Kennedy,
Case, S. Dak.	Harrington	Martin J.
Kennedy,	O'Leary	Steagall
Michael J.	Osmers	Taber
Keogh	Patton	Tinkham
Klein	Pfeifer,	Van Zandt
Larrabee	Joseph L.	Vincent, Ky.
Lynch	Sabath	Vreeland
McIntyre	Schaefer, Ill.	Walter
Maas	Schulte	Weiss
Magnuson	Scott	Wene
Mitchell	Shannon	West
Norton	Smith, Pa.	Winter
O'Day	Snyder	Wolfenden, Pa.
O'Hara	Somers, N. Y.	Worley

So the amendment was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Colmer with Mr. Ditter.
Mr. Hobbs with Mr. Jensen.
Mr. Granger with Mr. Cole of New York.
Mr. Larrabee with Mr. Gehrmann.
Mr. Martin J. Kennedy with Mr. Taber.
Mr. Clark with Mr. Kean.
Mr. Keogh with Mr. Hartley.
Mr. Cannon of Missouri with Mr. O'Hara.
Mr. Patton with Mr. Baldwin.
Mr. Heffernan with Mr. Scott.
Mr. Schulte with Mr. Howell.
Mr. Vincent of Kentucky with Mr. Van Zant.
Mr. Worley with Mr. Wolfenden of Pennsylvania.
Mr. Lynch with Mr. Vreeland.
Mr. Joseph L. Pfeifer with Mr. Case of South Dakota.
Mr. West with Mr. Maas.
Mr. O'Leary with Mr. Winter.
Mr. Steagall with Mr. Chenoweth.
Mr. Walter with Mr. H. Carl Andersen.
Mr. Snyder with Mr. Hill of Colorado.
Mr. Boykin with Mr. Tinkham.
Mr. Anderson of New Mexico with Mr. Osmers.
Mr. Shannon with Mr. Culkin.
Mr. Gavagan with Mr. Mitchell.
Mr. Smith of Pennsylvania with Mrs. Norton.
Mr. Ellis with Mr. Magnuson.
Mr. Harrington with Mr. Somers of New York.
Mr. Kee with Mr. Buckley of New York.
Mr. Barry with Mr. Elliott.
Mr. McIntyre with Mr. Michael J. Kennedy.
Mr. Arnold with Mr. Schaefer of Illinois.
Mrs. O'Day with Mr. Wene.
Mr. Buck with Mr. Sabath.
Mr. Lyndon B. Johnson with Mr. Klein.
Mr. Byrne with Mr. Edmiston.

Mr. ANDERSON of New Mexico. Mr. Speaker, I desire to vote "no."

The SPEAKER. Was the gentleman in the House listening when his name was called?

Mr. ANDERSON of New Mexico. I was not.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

Mr. MAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 1936, to provide protection of persons and property from bombing attacks in the United States, and for other purposes, and that it be amended by striking out all after the enacting clause and inserting the provisions of the House bill (H. R. 5727).

The SPEAKER. The Clerk will report the title of the bill.

The Clerk reported the title of the Senate bill.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the amendment to the Senate bill.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the Senate bill as amended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The SPEAKER. Without objection, the proceedings by which the House bill was passed will be vacated, and the House bill be laid on the table.

There was no objection.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and insert a speech delivered by Hon. J. J. MANSFIELD before the Texas waterways conference and also a speech delivered by Mr. Roy Miller before the same conference, December 16, 1941.

The SPEAKER. Is there objection?

There was no objection.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article by Mr. Roswell McGill, former Under Secretary of the Treasury, on Federal taxation.

The SPEAKER. Is there objection?

There was no objection.

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter written by myself to the Under Secretary of War, Mr. Patterson.

The SPEAKER. Is there objection?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a short editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my remarks with regard to bankers and war.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. CAPOZZOLI. Mr. Speaker, I ask unanimous consent that tomorrow, at the close of the legislative business, and other special orders, I be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter from Mr. Hagie, the secretary of the National Reclamation Association.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks and include a speech by Mr. Russell Amory.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent that at the conclusion of all special orders today I be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an article from the New Republic.

The SPEAKER. Is there objection?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a letter to a constituent.

The SPEAKER. Is there objection?

There was no objection.

Mr. STRATTON. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Morrison (Ill.) Daily Herald of January 5, 1942.

The SPEAKER. Is there objection?

There was no objection.

VISITORS TO UNITED STATES COAST GUARD ACADEMY

The SPEAKER. Pursuant to the provisions of Public Law 183, Seventy-seventh Congress, the Chair appoints as members of the Board of Visitors to the United States Coast Guard Academy the following Members of the House: Mr. WOODRUM of Virginia and Mr. TABER.

The SPEAKER laid before the House the following communication:

JANUARY 7, 1942.

Hon. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: Pursuant to the act of April 16, 1937, as amended (Public, No. 38, 75th Cong., 1st sess.) I have appointed the following members of the Committee on the Merchant Marine and Fisheries to serve as members of the Board of Visitors to the United States Coast Guard Academy for the calendar year 1942: Hon. FRANK W. BOYKIN, Hon. J. HARDIN PETERSON, Hon. JAMES C. OLIVER.

As chairman of the Committee on the Merchant Marine and Fisheries, I am authorized to serve as an ex-officio member of the Board.

Yours very sincerely,

S. O. BLAND,
Chairman.

PAY ACCUMULATED LEAVE TO EMPLOYEES IN ARMED FORCES

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6023) to provide for the payment for accumulative or accrued annual leave to certain employees of the United States, its Territories or possessions, or the District of Columbia, who voluntarily enlist or otherwise enter the military or naval forces of the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I know what the bill is. It is a very deserving bill, but may I suggest that the distinguished gentleman from Georgia make a brief statement for the RECORD?

Mr. RAMSPECK. I will be glad to do that. In August last year the Congress passed legislation providing that employees of the Government who were drafted into the armed forces should have the right to either retain their accumulated leave or to receive pay for it. Inadvertently those who volunteered were not included in that privilege. This bill simply corrects that oversight and gives the same treatment to the volunteers that is received by the selectees.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mrs. ROGERS of Massachusetts. The bill was reported out unanimously by the committee?

Mr. RAMSPECK. That is correct.

Mrs. ROGERS of Massachusetts. The committee felt it was the least the committee could do, only a matter of common justice?

Mr. RAMSPECK. That is correct. The committee made a unanimous report.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act making provisions for payment of employees of the United States Government, its Territories or possessions, or the District of Columbia, for accumulated or accrued annual leave when ordered to active duty with the military or naval forces of the United States," approved August 1, 1941, is amended to read as follows:

"That employees of the United States Government, s Territories or possessions, or the District of Columbia (including employees of any corporation created under authority of an act of Congress which is either wholly controlled or wholly owned by the United States Government, or any corporation, all the stock of which is owned or controlled by the United States Government, or any department, agency, or establishment thereof, whether or not the employees thereof are paid from funds appropriated by Congress), who, have heretofore or who may hereafter be ordered to active duty with, or who voluntarily enlist for service with, or who have on or after the date of the enactment of the Selective Training and Service Act of 1940 voluntarily enlisted for service with the military or naval forces of the United States, shall be entitled to receive, in addition to their military pay, compensation in their civilian positions covering their accumulated or current accrued leave, or to elect to have such leave remain to their credit until their return from active military or naval service."

With the following committee amendment:

On page 2, line 10, strike out all after the word "who," down to and including the word "States" in line 15 and insert: "subsequent to May 1, 1940, shall have entered upon active military or naval service in the land or naval forces of the United States by voluntary enlistment or otherwise."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to provide for the payment for accumulative or accrued annual leave to certain employees of the United States, its Territories or possessions, or the District of Columbia, who voluntarily enlist or otherwise enter the military or naval forces of the United States."

The SPEAKER. Under previous order of the House, the Delegate from Alaska is entitled to be recognized for 1 hour.

PERMISSION TO ADDRESS THE HOUSE

Mr. DIMOND. Mr. Speaker, in view of the lateness of the hour, I ask unanimous consent to yield back the time granted me to speak today and instead I ask unanimous consent that on Monday next, after the conclusion of the legislative business and any other special orders, I may be permitted to address the House for 1 hour.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Indiana [Mr. WILSON] is recognized for 5 minutes.

ARMY CANTONMENT IN BARTHOLOMEW COUNTY, IND.

Mr. WILSON. Mr. Speaker, I have been informed by the War Department of the final decision to locate an Army cantonment in Bartholomew County, near Columbus, Ind. Columbus and Bartholomew County make up one of the finest, most stable communities I have ever known. The county has some of the finest soil in the State of Indiana. The farmers are typical of those of pioneer days, willing to toil long and hard, as has always been the farmer's lot, in order to "pull his own weight." In other words, they still believe it is their lot in life to earn their living by the sweat of their brow. There, community life is on a very high social and cultural plane. I fully realize, as I am sure they do, that their sacrifices are going to be great, but, Mr. Speaker, I assure you now that the good citizens of Bartholomew County, despite the inconveniences and heartaches that are sure to come, will be brave in every sense and do their part.

As for the city of Columbus, I can say that I have thought of it as an ideal city, stable as can be, and also made up of a homogeneous group of people, unsurpassed in their social and cultural life by any city I have ever visited. I am acquainted with both their county and city governments and I can assure America that nowhere can you find a more cooperative group of people.

For several months the people of the city of Columbus and Bartholomew County have felt that this camp or cantonment was sure to be located in and near their boundaries. They have wondered what effect it might have on their lives and their businesses. They have known that such a project would tax their facilities, but they have not complained—they have not protested. Long before the international situation became so critical, while we were still an

ununited people, and minority groups refused to make any sacrifices, the people of Bartholomew County were saying that "if it is in the interest of national defense, if it is the part we are to play, let it come; we are ready to make the best of it."

Permit me, Mr. Speaker, to quote from an extra edition of the Columbus Evening Republican, which did not hesitate to break a 25-year precedent to give the citizens of that area the news that the cantonment was to be located there. The paper said, quoting an editorial of months ago:

> This is not the sort of thing that a chamber of commerce would go out to land for a city or county; but if the camp is located here, there will be only one thing to do—to recognize our obligations to the young men in training and make things as pleasant for them as we can. We would have the same obligations to these lads as we hope other communities are acknowledging to our own who have been sent to other camps.

I could not close this observation without saying that I am claiming no credit for the location of this camp. In these trying times we must have confidence in the ability of our Army and Navy staff to locate defense activities in most strategic places.

All my life I have carried the slogan: "By hard work we will win." I think that slogan still holds good. In addition, and since taking my seat in Congress, I have adopted this slogan: "It matters not what happens to me, it's my country." Such is true of the people of Bartholomew County and of the city of Columbus. They place their country's welfare ahead of any personal ambition.

The SPEAKER. Under the previous order of the House, the gentleman from Michigan [Mr. BRADLEY] is recognized for 5 minutes.

THE SOO LOCKS

Mr. BRADLEY of Michigan. Mr. Speaker, the hour is late and I shall not take much of the time of the House.

On yesterday I called attention to the remarkable record that was made by that great fleet of ore carriers on the Great Lakes which during this past season carried approximately 89,000,000 tons of iron ore from the upper lake ports to the great steel furnaces in the Middle West. That was a 25-percent increase over its previous record season of 1940. During that same navigation season of 1941, 110,000,000 tons of bulk freight passed through the locks at Sault Ste. Marie, Mich. This is a greater tonnage than has ever gone through the Panama Canal, the Suez Canal, and the Welland Canal combined in any 12-month period in any year.

The President in his message the other day called upon the Nation to increase its production efforts, particularly its all-important steel production. Mr. Speaker, this steel production increase cannot be achieved until this Congress sees fit to pass an authorization measure and appropriate approximately $8,000,000 to provide for an additional lock at the Soo, because the present locks have now reached their maximum operating capacity. Such an authorization measure has been pending before the Rivers and Harbors Committee of the House for many months. The military authorities at the Soo have long been ready to start construction work immediately after this Congress authorizes them to do so. The committee has approved of that authorization measure but they have not yet reported it to the floor of this House because of the fact they have buried it in the billion dollar so-called pork-barrel rivers-and-harbors omnibus bill. Both the gentleman from Michigan [Mr. DONDERO] and I have repeatedly urged the committee to report out separately this bill for the additional lock at the Soo, but it appears that congressional precedents have been exercised to overrule us on this very important question. I am certain that if the committee would report that bill separately to the floor of this House it would be passed by a unanimous vote, not only by the House but by the other body of the Congress.

Just how vitally important this additional lock will be to the war-production picture was graphically illustrated last August at the height of the shipping season. There are at present three locks in operation at the Soo. The original small lock, known as the Poe lock, is entirely too small, so that its operation has been discontinued for a number of years. It is at the site of this original lock that it is proposed to build this new or so-called fourth lock. Last August, due to the collapse of a part of the railroad bridge which crosses the entrance to the locks, all shipments of iron ore and other commodities were suspended for 4 days. This resulted in a shipping loss estimated in excess of 1,000,000 gross tons. This international railroad bridge between the United States and Canada is of such importance that it cannot be moved and will still remain an operating hazard, even though the fourth lock is constructed. However, I cite this accident merely to show how serious any suspension of operation of these locks is to the entire war-victory program because of the fact that the present three locks in operation have reached their maximum operating efficiency, if not their maximum operating capacity.

This brings up another important angle that I want to point out, Mr. Speaker; that is, to impress upon this Congress that these vital Soo locks, controlling as they do the flow of 85 percent of the Nation's iron-ore supply, are, in reality, America's No. 1 air target. Enemy planes operating on skis during the winter or on floats in the summer can sneak into the remote regions of Hudson Bay merely 200 miles north of the Soo and bomb those locks to complete destruction within but a very few minutes and with but a few well-placed bombs.

We have a military police battalion stationed at the Soo right now charged with the responsibility of protecting those locks, but they have no adequate equipment with which to do anything more than prevent destruction of the locks through acts of sabotage. As a matter of fact, such antiaircraft equipment as had been stationed at the Soo previously in the nature of guns and searchlights were transferred from the Soo very shortly after the war began in 1939 and have not yet been replaced.

Day before yesterday I again urged the Secretary of War in a detailed letter to station at the Soo a squadron of fighter planes together with antiaircraft detection devices. I also requested mobile antiaircraft-gun equipment and antitank equipment, and, finally, requested that these fighter planes as soon as possible be supplemented by a light bomber squadron. I request this minimum of vitally needed equipment at this time simply because we are all fully cognizant of our woeful state of unpreparedness and our woeful lack of adequate equipment sufficient to properly protect all of our vital targets.

The Soo is only about 45 minutes from our big pursuit air base at Selfridge Field, Mich., from which those fighter planes permanently stationed at the Soo could be supported by sufficient additional fighters which ought to be able to ward off the enemy successfully; but, Mr. Speaker, again I call your attention to the fact that the Soo is America's No. 1 target from a strategic military viewpoint.

Lest the uninformed scoff at the danger from enemy air attack alone, let me point out another aerial danger to these locks. We have in this country some 25,000 private airplanes from the little grasshoppers up to huge transports. We have approximately 100,000 private or civilian pilots. Unquestionably in that number there may be some subversive or weak individuals whose services could be bought by the enemy. Even one small grasshopper plane at night filled with high explosives could either drop bombs therefrom or could even be flown headlong into the locks by some maniac, suicidal pilot, and that might cause destructive damage which would take months to repair, and the military authorities now stationed at the Soo with the equipment now on hand would be absolutely powerless to prevent it. True, through the very prompt and commendable action taken by the C. A. A. and through the efforts now being made by the civil-air patrol officials, this hazard is rapidly being minimized but some hazard, too great a hazard, from this source will ever remain a potential threat to the safety of the Soo locks until you give those locks proper equipment for adequate protection.

All this is recognized by our air force, by the combat air force itself, yet we have not provided adequate protection, and by congressional inaction we have failed to provide for the new lock at the Soo so vitally needed to meet the President's request for additional steel tonnage for this Nation and our Allies.

[Here the gavel fell.]

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to include in my remarks two newspaper editorials on this important subject from the Soo Evening News.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The newspaper articles referred to follow:

[From the Soo Evening News]

PROTECT THE LOCKS

Take a globe map or map of the world looking down upon the North Pole. Measure the distance between Tokyo and San Francisco, and then measure the distance from Tokyo

to the Sault locks. Only a fraction of an inch of difference by the "top of the world," or great circle routes.

This fact should make every citizen and every military man know what can happen to the west coast, which is being so elaborately guarded these days, could happen here at this vital point in the steel and grain commerce of the world.

When the Japs slipped into Pearl Harbor bringing destruction and death, the common citizens and, apparently, the military and naval authorities themselves, were as surprised as they were stunned. If the same thing is tried here, either by the Japs or the Hitler bombing forces, will there be the same surprise and crushing damage?

Certainly if there is scientific method of combating enemy attacks upon Sault Ste. Marie, it should be taken. Methods of noting in advance any advancing planes should be set up, of course. The possible bases of operations for our enemies in the Hudson Bay region should be carefully watched. Most modern defense weapons, that could sweep the sky, including available fighter planes ready to take off on an instant's notice, should be here. It is idle to say that there is little probability of an attack before spring shipping starts.

Uncle Sam will want a hundred million tons of iron ore to pass the Sault locks next season. In terms of defense, that is the most important item in all industry. Not one chance of permitting a stoppage of this traffic should be taken.

Attention War Department.

SAFEGUARD THIS CHANNEL

It was an impressive meeting that the chamber of commerce conducted yesterday honoring the 1941 performance of the lake carriers in breaking all previous records for the transportation of ore.

But to many thoughtful minds pride in the achievement must have underlined the apprehension widely shared in the Great Lakes region over what is perhaps the grossest and most wanton item of neglect in the whole plan for defending America. We refer to the failure of the administration and Congress to have provided, many months ago, extra sets of locks in the Soo Canal, through which much of the lake traffic passes.

The total traffic of the Great Lakes exceeds by far the total of all the ocean commerce of the United States. The traffic through the Soo is far greater in tonnage than that through the Panama Canal. And it is of such a character that not even a beginning could be made on the program that President Roosevelt outlined yesterday if the traffic through the Soo in the shipping season were stopped or curtailed. In fact, we could not keep production near to the point it has already achieved, and it might almost cease throughout the vast industrial districts of Michigan, Illinois, Indiana, Ohio, Pennsylvania, and New York, and in most of the rest of the country, all of which depends largely on this region for its steel.

It has been pointed out repeatedly that to bomb the Soo by flying boats hopping off Hudson's Bay, or from a carrier that might sneak into that vast sea, would be technically easier for the Germans to accomplish than it was for the Japs to bomb Pearl Harbor. The distances are shorter, and the opportunity for surprise even greater, since the problem of patroling the wastes of the North is extremely difficult.

Provision for new locks is contained in the vast, billion-dollar, omnibus pork barrel rivers and harbors bill, one of the most disgraceful measures ever presented to Congress in a time of emergency. The enactment of that gigantic political fraud would be a catastrophe in itself, not equal in magnitude to the bombing of the Soo, to be sure, but certainly a sizeable disaster.

An appropriation for spare locks at the Soo is so urgent a necessity that it should be instantly enacted in a separate measure—should have been enacted at least as long ago as the lend-lease bill. The negligence of those responsible for the failure to do so is at least equal to that of any naval or military commander under investigation at Honolulu.

The people who know this necessity have not raised their voices loudly lest they be charged with pointing out to the enemy a vital weak spot in the whole system of American and Allied defense. But the enemy cannot possibly be ignorant of that which Congress and the administration still choose to ignore.

From this region, which knows fully the importance of the Soo to the Nation, must go up a clamor that will be heard. For without action, this Nation faces the risk of a disaster at the Soo compared to which Pearl Harbor would be an incident. On the maintenance of that channel, in plain and simple language, this country is dependent for its ability to produce munitions of war in any considerable volume whatever

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. VINCENT of Kentucky, indefinitely (at the request of Mr. GREGORY), on account of illness.

To Mr PACE, for tomorrow, on account of important business.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H R. 4077 An act to amend the District of Columbia License Act so as to permit the transportation of school children and occasional sightseeing operations in the District of Columbia without procurement of a license or payment of a tax in the case of certain vehicles performing such operations in connection with transportation to the District of Columbia;

H R. 5464. An act to authorize transfer of enlisted men of the Naval and Marine Corps Reserve to the Regular Navy and Marine Corps; and

H R. 6163. An act to prohibit parking of vehicles upon public or private property in the District of Columbia without the consent of the owner of such property

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S 2149 An act to amend the act approved April 22, 1941 (Public, No. 39, 77th Cong.), so as to increase the authorized enlisted strength of the Navy and Marine Corps.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p. m.) the House adjourned until tomorrow, Friday, January 9, 1942, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1257. A letter from the Archivist of the United States, transmitting a list of papers for disposition by the Department of Agriculture; to the Committee on the Disposition of Executive Papers.

1258. A letter from the Secretary, United States Employees' Compensation Commission, transmitting its annual report of the United States Employees' Compensation Commission covering the fiscal year ended June 30, 1941; to the Committee on the Judiciary.

1259. A letter from the Attorney General, transmitting a draft of a proposed bill to amend the act of May 28, 1896, as amended, relating to the appointment of assistant United States attorneys; to the Committee on the Judiciary.

1260. A letter from the Secretary of War, transmitting a draft of a proposed bill to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 219. Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute; with amendment (Rept. No. 1572) Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 6210) granting an increase of pension to Frances Beach Taylor, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KEFAUVER:

H. R. 6332. A bill to revise the boundaries of the Chickamauga-Chattanooga National Military Park in the States of Georgia and Tennessee; to the Committee on Military Affairs.

By Mr. VINSON of Georgia:

H. R. 6333. A bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; to the Committee on Naval Affairs.

By Mr. CLAYPOOL:

H. R. 6338. A bill to provide for Federal aid to the several States in carrying out plans for industrial rehabilitation in the counties thereof; to the Committee on Ways and Means.

By Mr. JENKINS of Ohio:

H. R. 6339. A bill to provide for Federal aid to the several States in carrying out plans for industrial rehabilitation in the counties thereof; to the Committee on Ways and Means.

By Mr. STEFAN:

H. Res. 402. Resolution authorizing the printing of the proceedings in the House of Representatives on December 19, 1941, commemorating the service of William Tyler Page; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LELAND M. FORD:

H. R. 6334. A bill for the relief of Ralph Adams; to the Committee on Invalid Pensions.

By Mr. KUNKEL:

H. R. 6335. A bill for the relief of the estates of Robert C. Meals and Mrs. Bessie Mae

Morgret, Mrs. Margaret J. Meals, Donald Meals (a minor), and Betty Wrightstone (a minor); to the Committee on Claims.

By Mr. SMITH of Virginia:

H. R. 6336. A bill granting an increase of pension to Katharine H. Fuller; to the Committee on Invalid Pensions.

By Mr. WHITE:

H. R. 6337. A bill for the relief of William H. Linhart; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clase 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2262. By Mr. KRAMER: Petition of the Assembly and the Senate of the State of California, urging that the Congress of the United States act favorably upon and enact into law House bill 5727; to the Committee on Military Affairs.

2263. Also, petition of the assembly and the Senate of the State of California, urging the President and Congress of the United States to prevent any and all racial discriminations in the national-defense program, including admittance into the armed forces, employment in defense industries, and in the vocational program; to the Committee on Military Affairs.

2264. Also, petition of the Assembly and the Senate of the State of California, memorializing the President and the Congress of the United States to take such steps as will insure that supplies sufficient to meet the needs of the farmers of the State of California for agriculture equipment during the coming season will be furnished the farm machinery and manufacturing industry; to the Committee on Agriculture.

2265. Also, petition of the Assembly and the Senate of the State of California, requesting the President and the Congress of the United States do all things possible at any early date to make available to the department of public works of the State of California sufficient funds to put the highways of California in an adequate condition for national defense; to the Committee on Military Affairs.

2266. Also, petition of the Legislature of the State of California, expressing their disapproval and condemnation of any plan to federalize State unemployment insurance and employment services, and do hereby urge that Congress refuse to enact into law any federalization scheme; to the Committee on Ways and Means.

2267. Also, petition of the Legislature of the State of California, urging and requesting the Federal Social Security Administration to reexamine present old-age pension schedules with the objective of making such adjustments in the schedules as may be deemed proper to meet the changes in the cost of living; to the Committee on Ways and Means.

2268 Also, petition of the Assembly of the State of California, urging that in order to maintain the morale of the people of the United States athletic and sporting events should not be canceled unless imperative to the success of the national defense; to the Committee on Military Affairs.

2269 By Mr. ROLPH: Resolution of the State of California, Assembly Joint Resolution No. 4, relating to priorities for the manufacture of farm machinery; to the Committee on Ways and Means.

2270 By the SPEAKER: Petition of the Long Island Chapter, Knights of Columbus, Brooklyn, N. Y., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

SENATE

FRIDAY, JANUARY 9, 1942

(Legislative day of Tuesday, January 6, 1942)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Very Reverend ZeBarney T. Phillips, D. D., Chaplain of the Senate, offered the following prayer:

Creator Spirit, who didst brood upon the face of the waters till God's word was uttered, and, lo, the foundations of the world were bathed in light supernal: Come breathe Thy breath upon us and set us free from sin and all uncleanness, making us temples worthier Thee.

Incline our inmost souls to Thee, that, like growing flowers leaning to the light, they may one day blossom into perfect prayer within the sacred precincts of Thy patience. And if Thou callest us to surrender our life's passion and its splendour, the flower of soul and sense, for one dark night of pain, may we yield Thee quick obedience, knowing full well that sorrow endureth for a night, but joy cometh in the morning.

So come and abide in Thy gentleness, O Blessed Spirit, whom with the Father and the Son, together, we worship and glorify as one God, world without end. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, January 8, 1942, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed the bill (S. 1936) to provide protection of persons and property from bombing attacks in the United States, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 6023) to provide for the payment for accumulative or accrued annual leave to certain employees of the United States, its Territories or possessions, or the District of Columbia who voluntarily enlist or otherwise enter the military or naval forces of the United States, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Bone	Butler
Austin	Brewster	Byrd
Bailey	Brooks	Capper
Ball	Brown	Caraway
Bankhead	Bulow	Chandler
Barkley	Bunker	Chavez
Bilbo	Burton	Clark, Idaho
Clark, Mo.	Langer	Rosier
Connally	Lee	Russell
Danaher	Lodge	Schwartz
Davis	Lucas	Shipstead
Downey	McCarran	Spencer
Doxey	McFarland	Taft
Ellender	McKellar	Thomas, Idaho
George	McNary	Thomas, Okla.
Gerry	Maloney	Thomas, Utah
Gillette	Maybank	Tobey
Glass	Mead	Truman
Green	Millikin	Tunnell
Guffey	Murdock	Tydings
Gurney	Murray	Wallgren
Hayden	Norris	Vandenberg
Herring	Nye	Van Nuys
Hill	O'Daniel	Wagner
Holman	O'Mahoney	Walsh
Hughes	Overton	Wheeler
Johnson, Colo.	Radcliffe	White
Kilgore	Reed	Wiley
La Follette	Reynolds	Willis

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senators from Florida [Mr. ANDREWS and Mr. PEPPER], the Senator from New Jersey [Mr. SMATHERS], the Senator from South Carolina [Mr. SMITH], and the Senator from Tennessee [Mr. STEWART] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is confined to a hospital due to a recent hip injury.

The Senator from New Jersey [Mr. BARBOUR] is necessarily absent.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

BOARD OF VISITORS TO THE NAVAL ACADEMY

The VICE PRESIDENT. In accordance with the provisions of the act of August 29, 1916, the Chair designates the Senator from Iowa [Mr. HERRING], the Senator from Delaware [Mr. HUGHES], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Maine [Mr. BREWSTER] as the appointive members on the part of the Senate of the Board of Visitors to visit the Naval Academy at Annapolis, Md.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, submitting, pursuant to law, a report stating the facts and pertinent provisions of law in the cases of 705 aliens whose deportation he has suspended for more than 6 months under authority of law, together with a statement of the reasons for such suspension (with accompanying papers); to the Committee on Immigration.

BOARDS OF LOCAL INSPECTORS, DEPARTMENT OF COMMERCE

A letter from the Acting Secretary of Commerce, reporting, pursuant to law, that by Order No 105, dated April 18, 1941, published in the Federal Register of April 19, 1941, the Secretary of Commerce abolished as of the close of business May 31, 1941, the board of local inspectors at Evansville, Ind., and established a new board at Cairo, Ill., effective June 1, 1941; to the Committee on Commerce.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, submitting, pursuant to law, his report of the work of the General Accounting Office for the fiscal year ended

June 30, 1941 (with an accompanying report); to the Committee on Appropriations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate or presented and referred as indicated:

By the VICE PRESIDENT:

A resolution of the Board of Supervisors of Macomb County, Mich., pledging all the resources of the county to the successful prosecution of the war; to the Committee on Military Affairs.

By Mr. TYDINGS:

Petitions of sundry citizens of the State of Maryland, praying for the enactment of bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

A telegram in the nature of a petition from Carol Dryden & Co., the Marshall Crab Co., and other sea-food companies of Crisfield, Md., praying that the so-called Bland amendment to House bill 5990, the price-control bill, be retained; ordered to lie on the table.

A memorial of Carol Dryden & Co., the Marshall Crab Co., and other members of the sea-food association, all of Crisfield, Md., remonstrating against the removal of the Fish and Wildlife Service from Washington, D. C., to Chicago, Ill.; to the Committee on Commerce.

SALE OF ALCOHOLIC BEVERAGES AND PREVENTION OF VICE IN THE VICINITY OF MILITARY CAMPS

Mr. REYNOLDS. Mr. President, at this time, I respectfully wish to read into the RECORD two letters which I have received, addressed to me as chairman of the Military Affairs Committee of the Senate, requesting that certain resolutions be brought to the attention of the Senate by way of the embodiment of the letters in the RECORD. The first is on the letterhead of the Braddock Street Methodist Church, the friendly church, Winchester, Va., under date of December 26, 1941. I read:

BRADDOCK STREET METHODIST CHURCH,
Winchester, Va., December 26, 1941.

Hon. ROBERT R. REYNOLDS, *Chairman,*
Senate Military Affairs Committee,
Washington, D. C.

DEAR SENATOR REYNOLDS: At a union meeting of the various denominations at Winchester, Va., held in the Braddock Street Methodist Church, the following resolution was adopted:

"*Resolved*, That the congregation at a union meeting held at Braddock Street Methodist Church, Winchester, Va., requested the pastors of the church bodies represented there, to write to you, stating that the congregation unanimously voted to urge Congress to pass Senate bill 860 or adequate protective legislation of the men in the United States uniform, from the liquor and vice traffics. As chairman of the Military Affairs Committee of the Senate, you are requested to present this resolution on the floor of the Senate, and ask that it be incorporated in the CONGRESSIONAL RECORD."

Sincerely yours,

T. M. SWANN,
Pastor, Braddock Street Methodist Church.

The second letter, in reference to Senate bill 860, is on the letterhead of the Clarendon Methodist Church, Arlington, Va., under date of December 30, 1941, and reads:

CLARENDON METHODIST CHURCH,
Arlington, Va., December 30, 1941.

Senator ROBERT R. REYNOLDS,
Chairman, Senate Military Affairs Committee,
The Senate Building,
Washington, D. C.

MY DEAR SENATOR REYNOLDS: The congregation of the Clarendon Methodist Church, Arlington, Va., on December 28, 1941, voted to request the pastor to write you, as chairman of the Senate Military Affairs Committee, requesting the Congress to adopt protective legislation for the armed forces of our country against the liquor and vice traffics similar to that adopted in 1917.

The congregation also requests that this action be read on the floor of the Senate and made part of the CONGRESSIONAL RECORD.

Very truly yours,

GEO. G. OLIVER.

Mr. President, I am very happy to have had the opportunity of complying with the request of these ministers of the gospel to the extent of reading their respective communications on the floor of the Senate, in order that they may be automatically embodied in the RECORD. As the bill referred to in the letters has been reported from the committee and is now on the calendar, I ask that the letters lie on the table.

The VICE PRESIDENT. The letters presented by the Senator from North Carolina will lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WHEELER, from the Committee on Interstate Commerce:

H. R. 5249. A bill to amend section 7 of the Natural Gas Act; without amendment (Rept. No. 948).

By Mr. RADCLIFFE, from the Committee on Commerce:

H. R. 5837. A bill to regulate the distribution and promotion of commissioned officers of the Coast and Geodetic Survey, and for other purposes; with an amendment (Rept. No. 949).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McFARLAND:

S. 2186. A bill for the relief of Viola Dale; and

S. 2187. A bill for the relief of Tom G. Irving, Tomas G. Irving, Sr., J. E. Irving, Mata D. Irving, L. T. Dale, and Amelia Dale; to the Committee on Claims.

HOUSE BILL REFERRED

The bill (H. R 6023) to provide for the payment for accumulative or accrued annual leave to certain employees of the United States, its Territories or possessions, or the District of Columbia, who voluntarily enlist or otherwise enter the military or naval forces of the United States, was read twice by its title and referred to the Committee on Civil Service.

AMENDMENT TO PRICE-CONTROL BILL

Mr. McCARRAN submitted an amendment intended to be proposed by him to the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, which was ordered to lie on the table and to be printed.

FIXED-FEE CONTRACTS

Mr. TRUMAN. Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a letter from Mr. Palmer, the Coordinator of Housing Projects, a statement from Rear Admiral Moreell, and my reply; and I should like to have them printed in that order.

The VICE PRESIDENT. Without objection, it is so ordered.

The letters and statement are as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE FOR EMERGENCY MANAGEMENT,
Washington, D. C., January 6, 1942.

Hon. HARRY S. TRUMAN,
United States Senate.

MY DEAR SENATOR TRUMAN: With reference to the amendment to H. R. 6128, offered by you on the floor of the Senate, which forbids fixed-fee contracts under the Lanham Act, you may be interested in the attached statement of Rear Admiral Moreell, Chief of the Bureau of Yards and Docks, relative to the Navy Department's experience with fixed-fee contracts. As soon as he noticed that the Senate had adopted this amendment, Admiral Moreell wrote me protesting against it and stating his positive opinion that it will "slow up the housing program very appreciably."

Since, in your testimony before the Senate subcommittee, you cited with approval the Navy's efficient and economical construction of housing, I believe you will be particularly interested in what Admiral Moreell has to say.

Very sincerely yours,

C. F. PALMER, *Coordinator.*

[Enclosure.]

STATEMENT OF REAR ADMIRAL MOREELL RELATIVE TO NAVY DEPARTMENT'S EXPERIENCE WITH FEE CONTRACTS

Negotiated fee contracts were first used in recent years by the Navy in the summer of 1939, in accordance with Congressional authority granted by the act of April 4, 1939. We have, therefore, been using these contracts for 2½ years.

As I look back on our experiences and the results accomplished, I am led to the conclusion that the use of this type of contract for purposes of speeding up and in order to reduce costs of construction at stations where conditions are unknown and changing has proven to be a great advantage.

It should be borne in mind that the Navy Department was able, by virtue of the fee contract, to enter the material and labor markets and to accomplish a great deal of work before the war program was thrown on the market. This not only resulted in clearing the way for other vitally necessary war work, but also enabled the Navy to effect large savings because we were in the market and out again before the price rises hit us. To have accomplished all of this work by competitive bidding would have required that the large War Department cantonment program would be superimposed on our program, and then other construction projects for war purpose would be further superimposed on an already tremendous load.

It is easy to picture the chaotic conditions which would have resulted if the whole program had been thus delayed in order to obtain competitive bidding. Our plants manufacturing war goods would now be completely submerged.

WASHINGTON, D. C., *January 8, 1942.*

Hon. C. F. PALMER,
Coordinator, Division of Defense Housing Coordination, Office for Emergency Management, Washington, D. C.

DEAR MR. PALMER: Appreciated very much your note of the 6th in regard to my amendment to H. R. 6128.

My principal interest in this amendment is due to my experience with public contracts and to the facts as shown in the investigation of the housing set-up. I just for the life of me can't see why it is necessary to have a fixed-fee program in this set-up when there are thousands of contractors idle, due to the stoppage of Federal Housing Authority and other construction. I can give you 2 dozen in Kansas City who are crying for a chance to build houses, and that is true in every big city in the country.

A fixed-fee contract is simply anathema to me, and I don't care what Admiral Moreell or anybody else says about it. The experience of the Government has been disastrous with the fixed-fee contract or any other contract where the profit to the contractor is guaranteed without his having to look after the loose ends.

Sincerely yours,

HARRY S. TRUMAN.

DANGERS OF INFLATION—LETTER FROM HON. ROBERT L. OWEN

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD a letter on the subject of inflation written by Hon. Robert L. Owen, which appears in the Appendix.]

ADDRESS BY CHARLES A. DAFOE ON THE UNICAMERAL LEGISLATURE OF NEBRASKA

[Mr. McNARY asked and obtained leave to have printed in the Appendix of the RECORD an address delivered by Hon. Charles A. Dafoe, a member of the unicameral Legislature of Nebraska, delivered at St. Louis, Mo., November 19, 1941, on the subject The One-House Legislature, which appears in the Appendix.]

PRICE CONTROL

The Senate resumed the consideration of the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes.

The VICE PRESIDENT. The committee amendment is open to further amendment.

Mr. THOMAS of Oklahoma. Mr. President, yesterday I offered an amendment, and made some remarks in explanation of it. I did not at that time intend that the amendment should be offered for action. After conference with the Senator in charge of the bill, I was permitted to take the floor to explain the amendment and to make some comments on the bill. I think it proper, from my viewpoint, at least, to have the bill discussed as thoroughly as Senators desire to discuss it, and then to have the amendments offered in order. If that be agreeable, I ask unanimous consent that my amendment may be considered as lying on the table, subject to call at a later hour.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. TYDINGS. Mr. President, I submit an amendment to the pending bill, and ask that it lie on the table until I have opportunity to call it up.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. TYDINGS. For the sake of the Senate—the amendment is only four lines in length—I should like to read it into the RECORD, so that Members may know about it:

Provided, That all appointees receiving $4,000 a year or more, and all chiefs of regional and State agencies established by the Administrator, shall be appointed by the President and confirmed by the Senate.

Mr. BANKHEAD. Mr. President, I present a revision of the original amendment which I offered last Monday, to take the place of the amendment I offered at that time. I should like to have it read at the desk.

The VICE PRESIDENT. The amendment will be read.

The CHIEF CLERK. On page 30, after line 13, it is proposed to add the following new subsection:

(f) Notwithstanding any other provisions of this or any other law, no action shall be taken under this act by the Administrator or any other person with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture.

Mr. BANKHEAD. Mr. President, I tender that amendment for immediate consideration. I think a brief explanation of the difference between the original amendment and the one now tendered should be made.

In addition to agricultural commodities, the original amendment included commodities processed or manufactured in whole or in substantial part from any agricultural commodity. The thought of those who prepared that amendment was to include a few commodities that might not be construed as agricultural commodities because they were more or less processed, such as soybeans covering soybean oil and cottonseed covering cottonseed oil. But the preliminary discussions of the amendment developed a line of thought which impressed me as being sound, and that was that the amendment as written would include many manufactured commodities which were not in the mind of the author of the amendment, and which I did not have any thought of including in the amendment. The Senator from Ohio [Mr. TAFT] and others pointed out that it covered many articles, such as clothing, tires, possibly hats and shoes, and things of that sort. Of course, we had no desire to have the amendment cover anything but products dealt with by the Department of Agriculture and in the production and price of which the farmer, the agricultural producer, has a direct, immediate, primary interest. So the amendment now offered has eliminated the point that brought about the friendly criticism and discussion which I accepted, as soon as I heard it, as being sound; so now the amendment is brought right down to agricultural commodities.

Mr. President, I desire to say in the beginning, in view of certain differences of opinion that have developed in the progress of the discussion of the pending price-control bill, and in view of the position taken by the Secretary of Agriculture, which some persons criticize, that the Secretary had nothing to do with the initiation of this amendment or of this movement, so far as I have any information on the subject. This movement came up from the farmers themselves. They believed, and particularly in the beginning their leaders believed, and now the belief has spread to the great mass of farmers throughout the country because of certain action by the Price Administrator who is to be in charge of this program, that agriculture would not be given friendly and sympathetic consideration. They believed that it would be better to have the Secretary of Agriculture in charge of the administration of the largest business institution in this country which is under a single operation. It was not because, as some city newspapers have indicated, they wanted an Administrator who would give them more than they were entitled to have, if he could do so under the provisions of the pending measure.

Really, the first man who came into the open suggesting this amendment or a plan such as that covered by the amendment—though I frankly say I had been considering it—the first to suggest that the Secretary of Agriculture be given some degree of consideration in connection with the subject of price control and agricultural commodity production was not a man who had any political interest involved or who was actuated by the views of anyone else on the subject, but he was a man who had had more experience with the subject of food supply than any other man in all the world, probably, a man who was invited before the committee, I assume, by the sponsors of the bill, a man who testified that, in addition to having been Food Administrator during the World War, he had been called on not only in connection with the food situation in Belgium, but he had also been invited to England and to Germany for consultation and advice following the conclusion of peace, for a consideration of the problem of food control and food prices. Without further discussion, Mr. President, I may say that that man was the ex-President of the United States, Herbert Hoover, a man of conservatism, a man whose sole motive, I have every reason to believe, was the best interest of America during its present perilous days.

What advice did he give the committee? He discounted entirely the matter of a single control of prices. I shall go into that subject a little further later. He did say, however, that he saw no reason for placing agriculture under a price-control law. It might be well for me to refer briefly to his testimony, so that there may be no question about its proper construction. I read from page 420 of the report of the committee hearings on the pending bill. After discussing the whole problem, Mr. Hoover said, among other things:

My suggestion would be that the Department of Agriculture should be assessed with the responsibility of any ceilings on prices.

Referring to agricultural commodities, of course.

My suggestion would be that the Department of Agriculture should be assessed with the responsibility of any ceilings on prices; that it is hopeless for one agency to handle floors and another one ceilings. In any event, I have not, except for a few limited com-

modities, much fear that agriculture is going to reach any kind of ceiling without pushing up the floor.

Therefore it seems to me that the handling of farm products is a question of wide vision as to the whole economic situation in agriculture and that the authority to handle all phases should be all in the one place, not divided between a separate Price Administrator and the Secretary of Agriculture.

He stated again:

I would suggest that the Department of Agriculture should take the full responsibility of the whole food line in all directions.

As I have stated, that was when the suggestion now pending was originally brought up for public consideration, except that I may be permitted to say that the pending amendment does not go as far on that subject as Mr. Hoover recommended Congress should go. The amendment would not give to the Secretary what Mr. Hoover thought should be given him, that is, full responsibility in all directions. It would merely give to the Secretary the power to prevent putting into operation programs which in his best judgment would not tend to promote and accelerate production when additional production was needed, and which would interfere with existing programs, many of which are in operation, and others which are contemplated, not intended by the Department of Agriculture to take special care at this time of farmers, but intended, as the Secretary had a very brief opportunity to indicate, to leave the Department free to look after the subject primarily of increased agricultural production of certain commodities, a scarcity of which might reasonably be expected. Compliance with his desire for such increased production would be based upon his power to pay additional compensation to farmers for switching, forsooth, from one commodity to another, or for increasing production here and there where it was most needed in the progress of our national-defense program.

If I had had the power myself, I should have followed Mr. Hoover's advice and given to the Secretary of Agriculture the same full control which Mr. Hoover had during the World War. We did not have a sole Price Control Administrator during the World War. At that time we had a dual control, as my colleagues will recall, as Mr. Hoover brought out, and as probably others testified before the committee. Mr. Hoover was in charge of the Food Administration, while Dr. Garfield was the administrator of fuels under the Lever Act, one working in one field, the other in another field.

I have not heard of any argument or sound reason why it is absolutely essential to place in the hands of one man power over all the ramifications of business of every type and character Let us not have the understanding that under the bill the Administrator, whoever he may be, will have almost the power of life and death over every industry in the country. The limitation on the price of farmers' commodities is practically the only limitation in the bill against the exercise by the Administrator of unlimited, uncontrolled, unsupervised power

The House, when considering the measure, inserted in it a provision for the establishment of a board to review the actions of the Administrator, so as to have some check, some supervisory power, so as to provide that one man should not have unlimited, czarlike power over all business, but the Senate committee, in its good judgment, struck out that provision, and now we have the language suggested by Mr Henderson, a bill without provision for supervision or control of any sort over Mr. Henderson's findings.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER (Mr. SPENCER in the chair). Does the Senator from Alabama yield to the Senator from Maryland?

Mr. BANKHEAD. I yield.

Mr. TYDINGS. The Senator has given this matter considerable thought. I should like to ask him what would happen if the Price Administrator should set a price of so and so on an agricultural commodity, and the Secretary of Agriculture should refuse to approve the price so fixed?

Mr. BANKHEAD. We would not have that price, of course.

Mr. TYDINGS. What price would then govern? The existing price?

Mr. BANKHEAD. The Government does not fix prices. The Senator is talking about price fixing.

Mr. TYDINGS. I mean the ceiling or the floor, whichever the Senator wants to call it.

Mr. BANKHEAD. The bill provides for control, so far as agriculture is concerned, and so far as all other business is concerned there is no control whatever.

Mr. TYDINGS. The bill sets the figure at 110 percent of parity. Since the bill fixes it at that figure, is it the Senator's thought that the Administrator will not carry out the intent of the measure?

Mr. BANKHEAD. No; I do not think that. Let me give the Senator an illustration. Perhaps the food commodities in greatest demand by our friends abroad are fats, oils, and lard. The production of lard is governed very largely by the weight of the hog when he is slaughtered.

Mr. TYDINGS. It depends on whether the hog is fat.

Mr. BANKHEAD. Yes. It depends on whether the hog raiser is encouraged to hold the hog long enough to get a greater amount of lard from the hog than he would ordinarily. Under the provisions of the bill the Administrator, Mr. Henderson, would prevent that being done, unless he relaxed the general order, which he would doubtless make, fixing a ceiling on all agricultural commodities at the figure fixed in the bill. Unless Mr. Henderson relaxed the order, the Secretary of Agriculture would be powerless to do anything. The Secretary is already committed to encourage increased production of certain commodities, I will say to the Senator, at the instance of the administration. Last fall the announcement was made that encouragement would be given by the Department of Agriculture to the production of more of certain commodities, including lard, fats, and oils, and also soybeans. We all know that the production of lard has increased. The farmers everywhere were notified that if they would change their normal and ordinary methods of production and marketing, if they would plant more corn and more soybeans, an additional price would be provided by the Department of Agriculture to encourage them and to compensate them for that unusual and extraordinary operation.

The Secretary issued a statement giving that encouragement to producers. I am told the Secretary was authorized to make the statement. The question now is, Will he be allowed to carry out that program? Will he be allowed to make other arrangements of the same sort when conditions justify?

Mr. BARKLEY. Mr. President, will the Senator yield to me for a suggestion regarding the question of the Senator from Maryland?

Mr. BANKHEAD. Yes.

Mr. BARKLEY. The suggestion pertains to the Senator's amendment. If the Senator's amendment should be adopted, which, as I understand, provides that the Price Administrator may not fix any price on an agricultural product without the approval of the Secretary of Agriculture, it would mean, of course, that the Administrator would have to have the Secretary's approval. He could not fix a ceiling or maximum price—and that is all the bill authorizes him to do—without the approval of the Secretary of Agriculture. If he contemplated fixing the maximum price on any agricultural product and did not have the approval of the Secretary of Agriculture, he could not promulgate such maximum price. There would be either no maximum price on the product, or he would have to go up until he reached the point at which the Secretary of Agriculture approved the figure.

Mr. TYDINGS. That is what I said.

Mr. BANKHEAD. That is what I stated.

Mr. TYDINGS. I am only asking for information. I have an open mind on the Senator's amendment.

Mr. BANKHEAD. I am pleased to hear the Senator make that statement.

Mr. TYDINGS. Let us assume that the general price ceiling is 120, to take a figure, on industrial products, and let us suppose that the parity price, as set forth in the bill, which fixes the floor on agricultural products rather than a ceiling of 110, is in existence. How can the Price Administrator establish a fair ceiling over all lines of American activity if the Secretary of Agriculture does not feel that the price which the Price Administrator has set for agricultural products is a fair one, even though the Price Administrator is convinced that the ceilings are equitably adjusted?

Mr. BANKHEAD. Mr. President, I doubt if any ceiling on specific commodities can be fixed by Mr. Henderson or by the Secretary of Agriculture, because of its relation to the price structure of all industry or all wages. I do not believe it is possible. For that reason a general standard is laid down in this measure of 110 percent of parity, or the prices to which the law of supply and demand had brought the level on the first day of October 1941.

Mr. TYDINGS. Of course, my conception of what the Price Administrator

will do is not in line with the Senator's observation.

Mr. BANKHEAD. I do not think the Senator ought to interfere with my statement to make an argument. I am glad to answer a question, but I do not think the Senator should ask me to yield so he may make an argument.

Mr. TYDINGS. I desire to tell the Senator what is in my mind, and then I shall ask the Senator a question. For example, with the situation that now exists, with the demand for materials, with great governmental expenditures and tax programs, I think the Price Administrator must find some place where he can stop the rise of prices. On some articles he may not have to fix a price, and on others he will have to fix a price. What I am wondering is how he can stabilize the level at 120, or 110, or 115, or 125, unless he has authority to deal with the whole situation. If someone else who has part of the authority will not agree with him, then his whole plan with respect to leveling of prices goes out the window.

Mr. BANKHEAD. Mr. President, the answer to that question is very simple to one who wants to understand it, and I assume the Senator does.

Mr. TYDINGS. I surely do. I asked the question in good faith.

Mr. BANKHEAD. Who is the boss of both these men? Who is the outstanding commander of all these departments? How long does the Senator think the President would permit the Secretary of Agriculture to adopt a capricious and arbitrary position with reference to price fixing on agricultural commodities?

Mr. TYDINGS. Does the Senator wish me to answer?

Mr. BANKHEAD. No. I have answered the Senator's question. Let me proceed with my statement.

Mr. TYDINGS. The Senator has asked me a question. I should like to answer him.

Mr. BANKHEAD. Very well. I will ask the Senator to confine his remarks to the answer.

Mr. TYDINGS. To my mind, the President of the United States is, and is going to be, too busy a man to deal with matters concerning the power which has already been delegated to someone else, but certainly, in my judgment, he is going to be called on to give additional time to those matters if two administrators are in a dispute over something.

Mr. BANKHEAD. Mr. President, if the Price Control Administrator is at all reasonable, he will not find himself in such an arbitrary and absurd position as that indicated by the Senator from Maryland. Everybody knows that the present Secretary of Agriculture is a reasonable, cautious, prudent man, and would not take any crazy, absurd position which would intentionally throw agriculture out of line with everything else in the country.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. NORRIS. No man in charge of price fixing, no matter who he might be, would know enough to be informed about almost every activity of humanity and all the various things the prices of which he might be called upon to fix. Does not the Senator agree that if we are to fix prices at all, the authority, whoever he may be, ought to have absolute control of everything on which a price might be fixed?

Mr. BANKHEAD. No.

Mr NORRIS. The Senator does not agree to that?

Mr. BANKHEAD. If I did, I should not have offered the amendment.

Mr. NORRIS. That is one of the things I wished to inquire of the Senator. The Senator has answered the question very frankly.

Mr. BANKHEAD. My amendment would not be consistent with that idea.

Mr. NORRIS. No; I do not believe it would. The Senator is perfectly consistent in his answer. As I understand, the effect of the amendment would be to divide the authority, and put a part of it in the hands of one man and a part of it in the hands of another man. That would be the effect of it, would it not?

Mr. BANKHEAD. Not as fully as the Senator states it. The authority would still be in the Price Control Administrator, but he would have to obtain the approval of the Secretary of Agriculture. The Secretary of Agriculture would have no power to initiate regulations.

Mr. NORRIS. I understand that. If the Administrator must have the approval of the Secretary of Agriculture, will not the result be that he must fix a price on agricultural products which meets the judgment of the Secretary of Agriculture?

Mr. BANKHEAD. Very frankly, that is the object of the amendment. The judgment of the Secretary of Agriculture would govern on such problems.

Mr. NORRIS. What about the Secretary of Commerce, or some other secretary? If we should open the door and divide the responsibility, would we not run into a maze of difficulties which would make it impossible to operate successfully if the bill should become a law?

Mr. BANKHEAD. I do not think so. No other department of the Government is comparable with the Department of Agriculture in its multitudinous ramifications, in the multitude of people with whom it deals, and in the number of problems with which it is concerned. The only department engaged in business is the Department of Commerce. It does not sell anything. It has nothing to sell, and no control over anything that is sold. With respect to that Department, the House provision reserved to the Secretary of Commerce, or the Reconstruction Finance Corporation, which is the same thing, the power to continue the purchase of strategic minerals. Such activities would be taken from the control of the Price Administrator. The Senate committee struck out that provision.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. OVERTON. In reference to agriculture, for a number of years the Congress of the United States has been undertaking to help the farmer and to build up the agricultural industry. In order to accomplish that very desirable purpose it has enacted many laws and has placed vast authority in the hands of the Secretary of Agriculture, all with a view to maintaining, sustaining, and benefiting our agricultural industry.

No other industry is regulated by the Federal Government to nearly the extent to which the agricultural industry is regulated by the Department of Agriculture. Under the Sugar Act the quantity of sugar beets or sugarcane which may be planted is regulated. The prices to be paid labor in the field, and various other problems connected with that great industry, are regulated by the Secretary of Agriculture. Under the Agricultural Adjustment Act very largely what the farmer does, how much he may plant, and other things connected with his business are regulated by the Department of Agriculture. On top of that, through various agencies, the Federal Government lends money to farmers under requirements which are very regulatory in their nature.

Speaking of difficulties, the point I desire to make is that if we have a price administrator who fixes a certain price on a certain agricultural commodity and another price on another agricultural commodity without cooperation with the Agriculture Department, the result may be, and probably will be, that the Price Administrator will be working at cross purposes with the Secretary of Agriculture. The Secretary of Agriculture is trying to build up production, or to curtail production, and to put a floor under prices which the farmer shall receive. All he is trying to do to aid the farmer may be largely impaired, if not wholly destroyed, by acts of the Price Administrator in fixing prices, which, after all, is a fundamental consideration in undertaking to regulate agriculture.

The point I am making is that it seems to me that if we take from the Department of Agriculture the coordinate authority to fix prices we shall largely undo what we have been undertaking to do for more than a decade in the interest of the farmers of the United States. Am I not correct?

Mr. BANKHEAD. I think the Senator has made a very powerful contribution to this discussion. I am in full accord, and agree with his entire statement.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. CONNALLY. In answer to the Senator from Louisiana and other Senators, why would it not be well to turn this amendment around, have the Secretary of Agriculture fix prices, and let him consult Mr. Henderson? It is said that the amendment would work the other way. The Secretary of Agriculture could be required to consult Mr. Henderson before fixing prices. He would not have to do anything except consult him. He would not have to follow his advice.

Mr. BANKHEAD. The trouble about that suggestion is that apparently Mr. Henderson wants all the power.

Mr CONNALLY. Exactly. The opponents of the amendment say that if Mr. Henderson is required to consult Mr. Wickard that will take care of the farmer. Why not give Mr. Wickard the power to

fix prices, and let him consult Mr. Henderson? He would not have to do what Mr. Henderson said. He would only have to consult him.

Mr. OVERTON. To put it another way, I see no objection to saying that the prices of agricultural commodities shall be fixed with the joint approval of the Secretary of Agriculture and the Price Administrator.

Mr. CONNALLY. The result would be that they would not be fixed. The two would not agree. They would be like the two O. P. M. heads, Mr. Knudsen and Mr. Hillman. Effective biting cannot be done with two heads. I merely suggest that solution to the Senator. I do not think the suggestion would be agreed to. The suggestion has been made that if the amendment would work one way, it would work the other way. Give Mr. Wickard the power to fix prices, and let him call on Mr. Henderson and consult him. He could consult him, and then go ahead and do what he pleased.

Mr. BANKHEAD. The trouble is that Mr. Henderson would not agree to that.

Mr. CONNALLY. Of course, he would not. When he consulted Mr. Wickard he would not have to do what Mr. Wickard wanted. Consultation would not mean anything. It may be said that when I walk into the Chamber and say, "Good morning, Senator BANKHEAD," I have consulted the Senator. That is all there is to it.

Mr. BANKHEAD. In politics we often hear the expression, "I will speak to so and so for you." When we meet so and so we say, "Mr. Jones asked me to speak to you, and I have spoken." That is about what would happen. Mr. Wickard would go over and say, "Good morning, Mr. Henderson. Do you want to consult me?" Mr. Henderson would say, "Yes." Mr. Wickard would say, "Well, I am consulted." That would be all there would be to it.

Mr. BANKHEAD. Mr. President, I now quote a little further from Mr. Hoover's statement:

> I feel that that idea of any ceiling on agricultural prices not only lacks a certain realism but it lacks practical administration. As I see the economic picture of the war as a whole, if the Secretary of Agriculture had the responsibility for the whole problems involved in agricultural production and food prices and was given all the authorities that are here proposed, obviously he is going to consider the broad situation of the country economically. As an efficient official he would not wish to advance agricultural prices beyond the general level of prices; otherwise he becomes the person responsible for creating inflation through undue costs of living and rising wages. I would rather leave those things to the judgment of men involved in these responsibilities than to try to fix ceilings in agricultural prices.
>
> I do not believe that agriculture is ever going to get up to 110 of parity. I do not think it is realistic. That is my judgment as to the practical problem. I would rather rely on the Secretary of Agriculture to handle the problem. He will be more busy putting floors under agricultural prices below parity than ceilings above parity.

That is the judgment of a man whose experience on this subject, as I have indicated, is wider than that of any other man now living.

At other places in his testimony Mr. Hoover pointed out, as others have done from time to time, that inflationary prices come only from scarcity; that prices cannot be run up abnormally to an inflationary point unless there are more buyers with money to pay than there are producers with commodities to sell at a reasonable price. So all economists everywhere agree that there is no danger of inflationary prices until scarcity appears. They all agree, and the testimony is without dispute, that at this time there is no scarcity in this country of the principal agricultural commodities, but, on the contrary, there are unprecedented surpluses. The warehouses and the granaries are filled to overflowing with corn, wheat, cotton, tobacco, and rice; and, of course, with that situation there can be no scarcity.

Now let me point out briefly to the Senate the quantity on hand of supplies of the great basic commodities. Inflation is not brought about by high prices for turnips, or parsley, or anything of that sort. There must be excessive prices for the great commodities which go into everyone's home, which spread money all over the country, in order to bring about inflationary agricultural prices.

At this time there are on hand 1,100,000,000 bushels of wheat. I got these figures yesterday from the Bureau of Agricultural Economics. The Government owns 170,000,000 bushels of that wheat, and holds 350,000,000 bushels under Government loans. It is estimated that next July, at the beginning of the new marketing year, there will be on hand, subject to sale, subject to the requirements of the consumers of the country, a carry-over of 663,000,000 bushels of wheat. The normal average commercial consumption of wheat is only about 500,000,000 bushels, as is known by all Senators who have taken an interest in wheat. About 150,000,000 additional bushels are used for feed and seed, making a total annual consumption of about 650,000,000 bushels.

In other words, according to the Government officials, when the new crop comes to market we shall have on hand the normal supply for an entire year, even if we do not produce a single bushel of wheat during that year. Canada is overloaded with wheat. A short time ago the Canadian warehouses were overflowing with wheat, and a large amount of wheat had been piled on the ground for lack of storage facilities.

So, with such a large supply of wheat, how can it be said that there is any danger of inflationary prices? Why this alarm? Why does Mr. Henderson appeal so actively for full power to hold down prices for fear of inflationary prices, without even being willing to have the Secretary of Agriculture allowed to exercise his judgment on some of these things—the Secretary of Agriculture, who is an agent of the President of the United States and a member of his Cabinet. If the Secretary of Agriculture cannot be trusted, he ought to be put out of office. His knowledge about this problem is bound to be greater than that of Mr. Henderson, who has no experience in agriculture, who has no organization in all sections of the country to inform him.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. NORRIS. I do not believe the Senator is justified in the insinuation that those who oppose the amendment are suspicious of the Secretary of Agriculture. I never have had that idea, and I never have heard it expressed by anyone.

Mr. BANKHEAD. A moment ago the Senator heard the inquiry and the suggestion of the Senator from Maryland, did he not?

Mr. NORRIS. Yes; and I, myself, made some suggestions.

Mr. BANKHEAD. The Senator did not go along with the suggestion of the Senator from Maryland, did he?

Mr. NORRIS. That did not make any difference, in my judgment. I would not be at all opposed to having the present Secretary of Agriculture given the power that the bill gives to the man who shall fix prices.

Let me ask the Senator, then, if that element comes into the question: Suppose the Senator could be assured that ex-President Hoover would be appointed as price fixer—and the Senator says he is one of the greatest authorities in the world——

Mr. BANKHEAD. I said on that subject.

Mr. NORRIS. And I agree with the Senator.

Mr. BANKHEAD. Very well.

Mr. NORRIS. Would the Senator desire, even then, to give the Secretary of Agriculture power to fix prices of agricultural products?

Mr. BANKHEAD. Without hesitation, I say, "Yes."

Mr. NORRIS. That is a frank answer, and I am glad to have it.

Mr. BANKHEAD. I say that because I do not think Mr. Hoover has the particular qualifications and the current information on agriculture and the recurring actions in agriculture necessary to give him the intimate acquaintanceship with the program that should be possessed by one who is charged not solely with price fixing but with supplying our country and our Allies with the necessary food.

Mr. NORRIS. But the person does not live, it seems to me, whose information about everything upon which prices may be fixed is sufficient to enable him to do justice to the problem without consulting other persons who have such information. In other words, we cannot get the superhuman man whom I should like to get, and for whom the Senator apparently is looking, to administer this law.

Mr. BANKHEAD. No; and that is the reason why I am asking for some division of power, because the Senate does not have a superhuman man available, and it cannot get one. That is why there should be some division of power.

Mr. NORRIS. It seems to me that a division of power would destroy the effectiveness of the whole act.

Mr. BANKHEAD. It did not destroy the Food Administration under Woodrow Wilson's Presidency.

Mr. President, let me proceed with the discussion, and ask Members of the Senate with an inquiring mind whether any fear of agricultural inflation can be justified? There may be such an assertion on the part of some man who wants the power to control prices, but it cannot be maintained under the accepted philosophy of all economists that in order to bring about inflation a scarcity is necessary, and there cannot be inflationary prices with an abundant supply, because of the law of supply and demand.

Now, let us see what the facts are with reference to the other great basic commodities. Let us take corn. We had on hand on October 1, 3 months ago, 3,307,000,000 bushels of corn. Of that amount 155,000,000 bushels were owned by the Government, and 195,000,000 bushels were held under loans. The estimated carry-over on July 1 next, which will be the beginning of the corn marketing year, the time when a new crop will be moving into the market, is 555,000,000 bushels. So there will be available a sufficient surplus of corn to feed the people if no corn crop was made next year, and, while I did not procure the figures it is my recollection—perhaps some Senator from a corn-growing State can correct me if I am wrong—that the supply available will be more than the normal quantity of corn used commercially for a whole year.

What is the situation with reference to tobacco, which is the chief commodity of the State of my good friend the leader of the majority? On November 30, 1941, there were 4,280,600,000 pounds of tobacco on hand. Of that amount 298,321,000 pounds were owned by the Government, and an additional amount of 68,533,000 pounds was under Government loans. The carry-over on July 1, the beginning of the tobacco marketing year, in addition to the amount which will be on hand when the new crop comes in, is estimated by the Department to be 2,943,000,000 pounds, which is more tobacco than all the tobacco chewers and nontobacco chewers of this country can use for a year.

What is the situation with reference to cotton? On November 30, which was quite recently, there were on hand in this country 18,868,000 bales. Of that amount the Government owns 5,607,000 bales, and 1,008,000 bales were under loans. The amount under loans since that time has been increased to one million five hundred or six hundred thousand bales. The estimated carry-over of cotton on July 1 of this year, 1942, is 9,850,000 bales. It is estimated that we will have as a surplus, as a carry-over to be mixed with next year's crop, on August 1, 1942, the beginning of the cotton-marketing year, almost a year's supply of cotton for domestic consumption. We have no exports. We consumed this year a little over 10,000,000 bales. So, we will have almost a year's supply of cotton on hand, if we do not produce a single pound of cotton during the coming year.

Why be alarmed about these commodity prices? Why be afraid that the Secretary of Agriculture will let the prices of these commodities run away? He cannot let them run away; he cannot make them run away; and they will not run away. What consumer is going to bid up the prices of various basic commodities when there are great quantities of them standing in the market place to be bought?

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I am glad to yield to the Senator from Texas.

Mr. CONNALLY. Has not the Government now authority to release a certain amount of cotton and sell it from month to month?

Mr. BANKHEAD. Yes; and it is doing it; and is doing it also in the case of wheat. I do not think the Department ought to sell below the present prices.

Mr. CONNALLY. They could, from time to time, if the price got out of hand release the Government-owned cotton.

Mr. BANKHEAD. The Secretary is doing it now.

Mr. CONNALLY. I know he is. According to the newspapers, he is selling about 300,000 bales a month.

Mr. BANKHEAD. I do not know how much, but he is releasing a great quantity, and he is also releasing wheat, although the consumers and the trade do not need it.

Mr. O'DANIEL. Mr. President——

Mr. BANKHEAD. I yield to the Senator from Texas.

Mr. O'DANIEL. Under laws which are now in effect, which have been passed by the Congress with reference to agriculture, certain powers have been placed in the hands of the Secretary of Agriculture, whereby he controls acreage and other elements pertaining to agriculture. Is it not a fact that those laws are virtually price-control laws?

Mr. BANKHEAD. Yes; there are a number of them.

Mr. O'DANIEL. So far as controlling agricultural products is concerned it is the Senator's contention then, is it not, that inasmuch as this form of price control has already been lodged in the hands of the Secretary of Agriculture, the Senator's amendment would not give him any additional authority? The Senator is not proposing to take any powers away from the Price Administrator, but to keep the powers for controlling prices which have already been delegated in the hands of the agency to which they have been delegated, namely, the Department of Agriculture?

Mr. BANKHEAD. The Senator presents a very interesting thought. The Department of Agriculture, from experience, is practically trained in price-fixing and price-administration of the various agricultural commodities.

Mr. DOXEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I will be glad to yield, but do not let me forget to finish the answer to the Senator from Texas.

Mr. DOXEY. I beg the Senator's pardon.

Mr. BANKHEAD. If the Senator will wait until I finish the answer, I shall be glad to yield to him.

Mr. DOXEY. Certainly; I shall be glad to wait.

Mr. BANKHEAD. As I said, the Department of Agriculture has had wide experience in the administration as well as in the making of price-fixing programs. Let me call the attention of those who are interested to a few examples, as I hurriedly recall them. One of the outstanding ones was the placing in the control of the Department of Agriculture the administration of the most important and the most valuable price-fixing agricultural program, in my judgment, that has ever been enacted by the Congress of the United States. It gives me very great gratification to state that on the passage of the bill fixing the loan rate for basic agricultural commodities at 85 percent of parity every Member of the Senate, except two, who went on record on a yea-and-nay vote voted for it. The attitude manifested at that time afforded me a great pleasure and satisfaction, for, in addition to the 75 Members who voted for it and 2 against it, 14 more were announced on the floor as being in favor of it, but necessarily absent, making a total of 89 Members of the Senate who then were in favor of turning over to the Department of Agriculture the administration of this widespread and important price-fixing program. He did not fix the price, but he administered the program, and Congress had sufficient confidence in him to turn over its administration to him; and, as everybody knows, it is being administered impartially, fairly, and with satisfaction to all groups of farmers and all sections of the country.

Mr. O'DANIEL rose.

Mr. BANKHEAD. I hope the Senator is not impatient. Let me develop this thought a little further.

In addition to that, the Congress at the last session passed what is known as the Steagall bill, which the chairman of our subcommittee, the Senator from Michigan [Mr. BROWN], the sponsor of the pending bill, handled in a masterly way on the floor of the Senate, and showed an amazingly wide range of information and a wide interest in the farmers. At that time the Congress turned over to the Secretary of Agriculture the administration of a new price-fixing program, one that is of the very greatest importance now, to the effect that when the Secretary of Agriculture announced that increased production of certain agricultural commodities was important or valuable to the country—I do not remember the exact language, but that is the thought—he was authorized, out of the billion and a half dollars appropriated to the Commodity Credit Corporation, to pay the farmers for the increased production needed in national defense, or to make loans—which was it, Mr. President?

Mr. BROWN. It was to make loans.

Mr. BANKHEAD. Very well; it is virtually the same thing.

Mr. RUSSELL. He had both powers.

Mr. BANKHEAD. That is the way I recall it. We looked into it. He was authorized to pay the farmers or to make loans to the amount of 85 percent of the parity price on those commodities outside of the list of basic commodities. Today the Secretary has programs, and has made promises and given assurances to the hog producers, for instance, and

to certain producers of vegetable and edible fats and oils, that they will receive an increased price as an encouragement to them to abandon previous practices, to devote new and additional corn and other food supplies to the production of edible fats and oils, and possibly to change acreage from one crop to another. There the Department of Agriculture stands today, with those programs entrusted to it, laboring to maintain and increase not only the food supply of this country but the additional supply which is needed for our democratic allies across the sea.

It is absurd to come here now and say that that whole subject ought to be put in the hands of some one man. I am not criticizing Mr. Henderson. If he had all the wisdom of Solomon, he could not know all about business and industry and agriculture. In my judgment, without taking this great agricultural program under his control, he has more than any one man can do in a satisfactory way in handling all the other business affairs of the United States.

Mr. RUSSELL. Mr. President——

Mr. BANKHEAD. I yield to the Senator from Georgia.

Mr. RUSSELL. I dislike to delay the Senator from Mississippi [Mr. DOXEY] in asking his question; but, while dealing with this question, I hope the Senator from Alabama will not overlook the operations of the Federal Surplus Commodities Corporation. Over the past several years the Department of Agriculture has had a sum which I am quite sure will aggregate more than a billion dollars which it has used in an effort to fix and maintain prices of commodities other than the basic commodities.

Mr. BANKHEAD. It is important to retain under the Secretary of Agriculture the control of prices of milk and other commodities which are governed by marketing agreements. Mr. Henderson has no organization for that purpose. He has no knowledge of the subject. I do not know whether he has anybody in his organization who does; but, in the case of these great problems of interest to so many farmers, it is important that the man with the responsibility shall know what he is doing and why he is doing it, shall know whom to consult about it, and shall have some understanding from experience of the result of orders he may make.

I now yield to the Senator from Mississippi [Mr. DOXEY].

Mr. DOXEY. Mr. President, I desire to say to the distinguished and able Senator from Alabama that my purpose in asking him to yield was to propound a question and to make a brief observation. Knowing the distinguished Senator's thorough grasp of the agricultural situation and familiarity with existing laws—and I think we will all agree that agriculture today is regulated to a greater extent than is any other industry or commodity—and in view of the statements and facts as to surpluses and kindred matters which the Senator has presented, I desire to ask him whether there is really, in his judgment which I value most highly, any urgent or great need at this time, as he sees the matter, for price regulation of agricultural commodities.

Mr. BANKHEAD. I have just submitted the argument, and I assert it boldly, that there is no sort of reason for it based upon generally accepted and well-recognized economic laws.

Mr. DOXEY. I thank the distinguished Senator.

Mr. BANKHEAD. It may develop at some time. If it does, that will be the time to deal with it.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. RUSSELL. It has been urged here that there is something inconsistent in dividing the authority between the Price Administrator and the Secretary of Agriculture, in requiring the approval of any price fixing by the Secretary of Agriculture. In my opinion, such an amendment is thoroughly consistent with the whole theory of this bill.

On page 29 of the print, in subsection (b), the bill as reported gives the Secretary of Agriculture at this time power to establish prices by arriving at comparable prices which are not in line with parity; and certainly it would be conducive to efficient administration to give him power to approve price-fixing regulations which are arrived at by the administrator of the act, rather than having him go through the devious course provided in the bill of altering the parity prices as he is authorized to do in subsection (b) of the bill.

The Price Administrator might fix the price of some commodity at 110 percent of parity. The Secretary of Agriculture then, under the express terms of the bill, could conduct a hearing and change that parity price to a comparable price, and upset the action of the Price Administrator. It would be much more effective in the administration of the act to have the action of the Price Administrator approved by the Secretary of Agriculture in the first instance, rather than to have the Secretary of Agriculture required to go into the question of establishing comparable prices, as he is authorized to do in subsection (b) as it appears on page 29.

Mr. BROWN. Mr. President, will the Senator yield for an observation?

Mr. BANKHEAD. I yield.

Mr. BROWN. Both the Senator from Alabama [Mr. BANKHEAD], the sponsor of this amendment, and the Senator from Georgia [Mr. RUSSELL] seem to argue that the Price Administrator and the Secretary of Agriculture would be able to fix prices and parity according to their own judgment of what prices or parity should be. Both Senators, at least for the time being, overlook the fact that the Price Administrator may fix prices of commodities only within the standards and limitations contained in the bill. The Senator has been arguing that agricultural prices are not going to reach 110 percent of parity, that they have a long way to go——

Mr. BANKHEAD. I did not say that. I did not refer to the great basic commodities. I referred to turnips, celery, lettuce, and similar commodities.

Mr. BROWN. The Senator quoted his favorite authority, Mr. Hoover, who made a very plain statement in the committee, as appears in the report of the hearings. I think Mr. Hoover used the word "silly," stating that it was silly to think that agricultural prices were going to reach 110 percent of parity. If that be the fact, why all the pother about the thing? The Senator from Georgia also refers to the right of the Secretary of Agriculture to readjust parity. He may do so, but he must do so according to the standards set forth in the laws under which he operates. He cannot do so by his mere say-so, by his fiat. The standards established by law control him.

Mr. RUSSELL. With the exception of the basic commodities, which are specifically excepted, the Secretary of Agriculture, if I understand the language in subsection (b), can fix any price he desires, on any commodity. Of course, the Senator from Michigan is the author of the bill, and reported it, but I wish to read the section to him.

Mr. BROWN. I think the Senator misreads it. "The Secretary shall determine and publish a comparable price."

The PRESIDING OFFICER. Does the Senator from Alabama yield, and, if so, to whom?

Mr. BANKHEAD. I am willing to yield, so long as I do not lose the floor, because we are having a pertinent and useful discussion.

Mr. BROWN. I read from the bill:

> The Secretary shall determine and publish a comparable price, whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

That is the standard set down in the bill. The language comes from a law already on the books. He cannot determine comparable prices capriciously, or arbitrarily. He must follow the rules which are established. I think the Senator puts his finger on an argument which is against his proposition, when he thinks he is arguing in favor of it.

Mr. RUSSELL. That is a question of opinion. The Senator agrees that after a hearing the Secretary of Agriculture can, with respect to commodities other than basic commodities, fix a comparable price which would be binding on the Price Administrator.

Mr. BROWN. The key to the provision is in the word "comparable." It must be comparable to the other prices.

Mr. RUSSELL. I understand.

Mr. BROWN. In relationship to all other prices.

Mr. RUSSELL. Not in relationship to other prices but with relation to the production and consumption of such commodities as affect parity. It refers to the production and consumption of the commodities with which the Secretary is dealing.

Mr. BROWN. So long as we adhere to the term "parity" as it is written in the various statutes to which reference has been made, "parity" imports the relationship between commodities which go to make up the prices paid index and the

prices received index—that is, the prices paid and received by farmers.

Mr. RUSSELL. The point I was making was that the bill as reported by the committee delegates to the Secretary of Agriculture—and with deference to the Senator from Michigan, within limitations—the power to fix prices on certain commodities other than the basic commodities, and his action in that respect, within the limitations of the bill, is binding on the Price Administrator. What cogency is there to the argument that we cannot properly let this be a divided authority when within the limitations of the bill it is already a divided authority with respect to commodities other than the basic commodities?

Mr. BROWN. I know that the confusion which the Senator's remarks indicate does not exist in his mind. There is no authority conferred on the Secretary of Agriculture by this section to fix prices. He determines parity, which is a limitation upon the power of the Price Administrator, below which the Price Administrator may not go if he operates upon a particular commodity in question.

Mr. RUSSELL. Confusion may be in the mind of the Senator from Georgia, but if this language means anything, the Secretary has the right to fix prices. In line 16 we find this language:

> The Secretary shall determine and publish a comparable price.

It does not say anything about parity, it says "a comparable price," that is for the agricultural commodity. He may do that with respect to any commodity except the basic commodities. If the language of the bill reported by the Senator means anything, the Secretary of Agriculture does have the right to establisn a comparable price, and it applies solely to the production and consumption of the article.

Mr. BROWN. The Senator knows that when the Secretary of Agriculture fixes that price, it is not a price which would be binding upon anyone. And the test of that is the fact that if the Price Administrator took no action, there would be no ceiling established, even if the Secretary had determined a comparable price. Anyone could still sell the commodity at any price. The comparable price determined by the Secretary is a limitation which is binding upon the Price Administrator; he may establish no ceiling below 110 percent of that price. The Secretary does not fix the price in the sense of fixing a maximum price for a particular commodity. He merely establishes a comparable price designed to bring that commodity into relationship with other commodities for which parity prices have been determined.

Mr. RUSSELL. I am willing to leave it to anyone who hears that to say who is making a devious argument as to the powers conferred on the Secretary of Agriculture by this section. The Secretary of Agriculture is specifically authorized to establish a comparable price.

Mr. BROWN. Which becomes an equivalent to a parity limitation in the bill.

Mr. RUSSELL. It becomes parity; but if the Secretary of Agriculture fixes parity, he does something which is binding on the Price Administrator.

Mr. BROWN. Our entire difference is simply this: I contend that what he does is to fix a limitation upon the Administrator, but not a price above which the commodity may not be sold.

Mr. RUSSELL. The language in the bill reported by the Senator says "fix a comparable price."

Mr. BROWN. Yes, but as I have tried to explain, that price is merely a limitation.

Mr. RUSSELL. Anyway, it authorizes the Secretary of Agriculture to fix the prices of commodities other than basic commodities.

Mr. O'DANIEL. Mr. President, will the Senator from Alabama yield?

Mr. BANKHEAD. I yield.

Mr. O'DANIEL. I think it well that we should endeavor to get the right perspective in this discussion. I think the distinguished Senator from Alabama is handicapped by being forced to defend the Department of Agriculture, as he has done for many years, by this method of offering an amendment to a price-control bill. I think we should keep well in mind that there is no price-control law on the statute books, but that there is an Agricultural Adjustment Act. At the time the Agricultural Adjustment Act was set up we were in a deplorable condition in this country. We hear talk about being in a state of emergency now. I agree that we are; we are in a terrible war and in a great emergency. But we have been in a great emergency prior to this time, so far as agriculture has been concerned, and the act was set up by the Congress for the purpose of protecting, encouraging, and developing agriculture. It was expected that in the process the prices would be controlled by methods of control over the acreage planted and through other forms of controlling prices, including storage, loans, purchasing, and selling agricultural products.

I think it goes without saying that a good job has been done by the Secretary of Agriculture. I do not know of very much objection that has been raised. If the point which the able Senator from Alabama is bringing forward now were presented to us in the form of an amendment to the Agricultural Adjustment Act, in the form of a proposal to set up another man to handle prices in conformity with the Agricultural Adjustment Act, and thus divide the authority now enjoyed by the Secretary of Agriculture, I do not believe very many Senators would vote for that kind of an amendment to the Agricultural Adjustment Act. But the approach is now made from a different angle. It is the same thing, but we are coming at it from a different direction.

The Senator from Alabama is trying to maintain the control of agriculture in the Secretary of Agriculture. He is not trying to take anything away from the Price Administrator, because we have no price-control law. The enactment of such a law is what is under discussion now.

I appreciate the manner in which the Senator is attempting to bring that point out, and I think if we should look at it with that perspective we certainly would not feel any justification whatever for taking powers away from the Secretary of Agriculture and putting them in another department which we contemplate establishing. The approval of the Bankhead amendment will prevent taking the present power of indirect price control of agricultural products from the Secretary of Agriculture, where it now is and where it has been successfully handled for several years.

Mr. BANKHEAD. I thank the Senator. I think the additional viewpoint he has presented is highly interesting, and entirely sound. I merely give this emphasis to what he has said: I doubt whether the sponsors of the bill are trying to take this control over agriculture from the Secretary. If such an amendment were presented to the Agricultural Adjustment Act they would fight it as hard as anyone on the floor of the Senate, or harder. If there were an attempt to deprive the Secretary of Agriculture of the power under the price-fixing acts now on the books, they would bitterly resent it. I am glad the Senator brought that out. But do not forget that Mr. Henderson wants this power. It is merely a question whether we are going to accede to his wishes on that subject, and upset the old-established Department of Agriculture, with which the farmers of the country are familiar, and which has their cooperation. The Department is trying to cooperate with the farmers regardless of section and regardless of politics.

It is now sought to have the administration of the affairs of that great mass of producers, so essential to carrying on this war, and so essential in times of peace also—it is now sought, bitterly against their wishes, I assert, to have their affairs taken out of the Department of Agriculture and to put under the control of a man, a good man, forsooth, but a man who has never dealt with agriculture, who is not familiar with agricultural problems, who must rely upon subordinates recently selected, and doubtless not selected with a view even of their knowledge of agriculture. He must take their statements respecting these great questions without sufficient personal information of his own to know how to appraise their reports, and without knowledge as to how to seek additional information on points which do not seem clear to him. He has no way of having such information except through those subordinates. He does not know who else to go to for information, because he is not acquainted with the situation, as the Secretary of Agriculture is and has been during many years.

Mr. President, why do we find this great opposition to leaving the Department of Agriculture in its present status, as the Senator from Texas [Mr. O'DANIEL] said, with reference to all questions of production as well as prices? Those two subjects are related so closely that they cannot be separated if we are to have a successful continuation of food supply.

Mr. Henderson emphasizes prices altogether, so far as I know. I know that his dominant thought is to prevent inflation. But I have heard of no suggestion having been made by the advocates of this bill, by its sponsors, in the committee or out of it, that production is a major factor in a price-control program. I submit that in times of war, in the difficult days ahead of us, in view of the fact that we have undertaken the responsibility of feeding our democratic allies to the extent that is necessary, and so far as we are able to do so, we should be careful not to endanger the successful program of production.

I emphasize again Mr. Hoover's position with respect to this matter. He listed 14 different propositions which were important. He put price control ninth on the list, and production he placed first on the list. Any thoughtful man knows that certainly until a price becomes inflationary, or almost prohibitive, stabilized production or increased production, even though the increased production costs more money, is the outstanding and important problem with which the Congress must deal, so far as agriculture is concerned.

Mr. President, the Senator from Michigan [Mr. BROWN] has left the Chamber. He was obliged to leave, and will be back a little later. I shall not say anything in his absence and I will not say anything in his presence that is not kindly about him, because he and I are friends, and I greatly admire him. But he said that I had mentioned Mr. Hoover repeatedly with approval. I wish to suggest that if he makes the same arguments here that he did in the committee, he will likewise mention Mr. Hoover with approval when he comes to other phases of the price-control bill. When he comes to the subject of excluding labor from the provisions of the bill, I imagine Senators will hear the junior Senator from Michigan—for I heard him when he talked about the matter in the committee—quoting Mr. Hoover with strong, emphatic approval. It seems to me that, so far as he and I are concerned, it depends altogether on whose ox is gored. He is for Mr. Hoover when Mr. Hoover is for him, make no mistake about that. I do not criticize him for that. But I say that Mr. Hoover is with me on the great fundamental question before us with which he has had experience. Mr. Hoover has had no experience with the subject of undertaking to fix prices of labor, and that is the point in Mr. Hoover's testimony which so greatly pleased the sponsor of the bill.

The junior Senator from Michigan also said as an answer to my position that I had repeatedly stated that there was no danger of inflation. I said so, of course, and limited it to the great basic commodities of which the supply in the granary is overflowing. With respect to the great list of agricultural commodities which go deeply into the cost of living, into the homes and lives of our people, there is no danger. But there is danger of a loss in production. There is danger that increased production of lard and butter and milk cannot be brought about without a sympathetic administrator, without one who is familiar with the problems of agricultural production, and it is up to the Members of the Senate to give those problems their thoughtful and serious consideration.

I said at the beginning that the Secretary of Agriculture did not initiate this amendment. The writing of the amendment and its sponsoring came from Mr. Hoover and from the Senator who is now addressing the Senate. Appeals came to me from the farm organizations all over the country, from their representatives, and later from a great mass of farmers. Senators are probably all familiar with those appeals. The farmers seemed to be afraid to risk their program, to risk their production, to risk their prices, and to have control over them placed in a man they know nothing about, and who they believe knows nothing about them. As Senators know, the farmers have actually favored including labor in this bill. The farm organizations have favored inclusion of wages. They have complained that it was unfair to the great mass of agricultural producers to put an arbitrary price upon their products, when labor for 10 or 15 years had had a constant succession of increased wages, which has thrown labor altogether out of line with agriculture.

The Senator from Nebraska, a strong friend of the farmers, put into the Senate RECORD a statement showing the percentage of increase in agricultural prices of, I think, about 39 percent, according to the figures furnished by the Bureau of Labor Statistics. I may not be accurate with respect to the figure, and if I am incorrect I shall later put the correct figure in the RECORD. The labor increase is 240 percent. So the farmers, as every Senator knows, have protested from the very time the bill was introduced in the House against the exclusion of wages from the bill. Their representatives went before the House Banking and Currency Committee. Every time they have spoken they have announced that they are afraid of inflation and that they favor any reasonable measure to prevent inflation. They have said, "If you are going to take out of this bill all salaries and wages, which constitute a much greater percentage of the national income than does the income of our farmers by virtue of their agricultural production, then we are against the whole bill." That has been their position. They have said, "Put all the workers in, put all the agricultural workers in, but do not put us in. Do not make goats out of us and sheep out of labor."

Mr. Henderson, in great fear of runaway prices in agriculture, recommended that farmers be put in. At the same time he recommended keeping hands off labor. That has been the attitude of the sponsors of the bill. In effect, they have said, "Do not touch organized labor. You might make it angry. You might make the strike situation worse than it has been. Let it alone. Somebody will work out by voluntary agreement—we hope—a fixation of a top level for wages. But put the farmers in, fix their level, and let the farmers bear their share of whatever additional load may develop as the result of increased wages."

The farmers do not feel right about it. That is one of the principal reasons for this amendment. They do not feel that they have been treated properly in this matter. They think they have been discriminated against. They have repeatedly said, "Put us in, and put everybody else in, but treat us fairly in relation to the other workers in the country. Put them all in." From time to time they have pointed out that the prices of agricultural products have not yet even reached the 30-year-old parity level. Labor is far above it.

It is said that inflation may happen as a result of surpluses. With agriculture there can be no inflation as the result of increased wages of industrial labor. If there is, we cannot help it, and we will not try to help it. The bill does not appeal to the farmers of this country. It does not sit right with them.

Mr. President, I shall take very little more time. Many Senators have gone to lunch. The few who remain in the chamber are entitled to their lunch. I do not want to be responsible for keeping them here too long. I assume there will be further debate; and I may have occasion before the debate closes to submit some further remarks. In concluding my remarks I wish to point out that it is important for us not to leave the great mass of farmers in such a frame of mind as that they believe they have been discriminated against, when it is not necessary to do so. Industrial labor is organized to such an extent that it possesses the economic power of strikes, which it freely exercises. The farmers must go along. The organizations of farmers do not include any great proportion of the six and a half million farm families in the country. They express the sentiments of probably a third of the farmers. They say, "We are fearful; we are anxious about this situation. We feel that Congress has ignored the farmers, while turning loose the great mass of industrial workers and giving them freedom of action, regardless of inflationary results."

Why do that when it is not necessary, simply to please those who want to give all power to Mr. Henderson? Why do it unless the success of the program depends upon Mr. Henderson's control of every phase of the program? This is no time for developing factions among the people of the country, and especially the producers. This is no time for taking action which the farmers regard as arbitrary, unfriendly, and against their protests. Every Senator knows that they have been protesting ever since the bill was introduced in the House 6 or 7 months ago.

I submit that it is not necessary to take the action proposed merely to preserve some formula or theory which has never heretofore been practiced. I refer to the theory of a single power to control the prices of everything in the country. It was not found necessary in the World War. We had at least two controls; and it is generally recognized that inflation did not develop during the war but after

the war. Then we had two controls. We had no conflicts. Now we are not even asking for two separate controls. My amendment would leave the power with the Administrator to issue orders, subject, of course, to obtaining the approval of the Secretary of Agriculture, a member of the President's Cabinet, an experienced officer, one who at no time has done anything to which anybody can point that shows that he is arbitrary or inclined to try to get too much money for the farmer. Frankly, my criticism of him has been that he has not gone as far as I have gone on the subject of income for farmers. At any rate opposition to the amendment cannot be placed on the ground that it would be dangerous to require the approval of the Secretary of Agriculture.

Mr. President, that is all I care to say at this time. Many other reasons could be stated in support of my amendment. I do not wish to take the time of the Senate unnecessarily; but I hope that when the vote comes there will be enough Members of this body to make it clear to six and a half million farm families that at least they have friends in the Senate in sufficient number to express their conviction on this important subject and to prevent the Senate from being stampeded.

Mr. O'DANIEL. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. O'DANIEL. I wish to ask the Senator from Alabama if it is not a fact that the proponents of the price-control bill who oppose the amendment of the Senator from Alabama do so on the ground that they think it would be unwise to have divided control in a price-control measure.

Mr. BANKHEAD. I have not heard any other reason assigned.

Mr. O'DANIEL. Is it not a fact that the very essence of the Senator's amendment is to prevent divided control in the Department of Agriculture?

Mr. BANKHEAD. It would have that effect. It would retain in the Department of Agriculture the powers it now has, instead of giving all those powers to Mr. Henderson.

Mr. O'DANIEL. The Senator is attempting to maintain the control in an old, trusted, and tried department. The opponents of the amendment contend that the control should be placed in a new department, which has not yet been established by law.

Mr. BANKHEAD. That seems to be the position.

Mr. O'DANIEL. Mr. President, it seems to me that the position taken by the Senator from Alabama is extremely fair, reasonable, and constructive.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama [Mr. BANKHEAD] to the amendment reported by the committee.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Nye
Austin	Gillette	O'Daniel
Bailey	Glass	O'Mahoney
Ball	Green	Overton
Bankhead	Guffey	Radcliffe
Barkley	Gurney	Reed
Bilbo	Hayden	Reynolds
Bone	Herring	Rosier
Brewster	Hill	Russell
Brooks	Holman	Schwartz
Brown	Hughes	Shipstead
Bulow	Johnson, Colo.	Spencer
Bunker	Kilgore	Taft
Burton	La Follette	Thomas, Idaho
Butler	Langer	Thomas, Okla.
Byrd	Lee	Thomas, Utah.
Capper	Lodge	Tobey
Caraway	Lucas	Truman
Chandler	McCarran	Tunnell
Chavez	McFarland	Tydings
Clark, Idaho	McKellar	Vandenberg
Clark, Mo.	McNary	Van Nuys
Connally	Maloney	Wagner
Danaher	Maybank	Wallgren
Davis	Mead	Walsh
Downey	Millikin	Wheeler
Doxey	Murdock	White
Ellender	Murray	Wiley
George	Norris	Willis

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

PROTECTION FROM BOMBING ATTACKS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1936) to provide protection of persons and property from bombing attacks in the United States, and for other purposes.

Mr. REYNOLDS. Mr. President, in reference to Senate bill 1936, it is my information that the House has amended it by adopting a substitute. I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. REYNOLDS, Mr. THOMAS of Utah, and Mr. AUSTIN conferees on the part of the Senate.

PRICE CONTROL

The Senate resumed the consideration of the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Alabama [Mr. BANKHEAD] to the amendment reported by the committee.

Mr. CAPPER. Mr. President, I intend to support the amendment offered by the Senator from Alabama [Mr. BANKHEAD], which would give the Secretary of Agriculture a veto power over the fixing of prices on farm commodities and farm products. I also intend to support the amendment of the Senator from Wyoming [Mr. O'MAHONEY], providing the basis of a formula by which increases in wages—because these are reflected in prices of things farmers have to buy—shall be given due weight by the Secretary of Agriculture in determining a wage-parity price.

I do not desire to trespass upon the time of the Senate to any great extent, but I do wish to make it plain that, as I see it, unless adequate protection is given agriculture, the powers in this measure could be so used as to destroy the small farm owner and operator in the name of protecting the consumer against high living costs. I do not say the power would be so used, but the legislation granting the power certainly should protect as much as possible against any such thing happening.

Mr. President, neither myself nor the farm organizations nor the farmers of America are asking special privileges for farmers in supporting these amendments. We merely want price controls to apply equally in practice to agriculture, industry, and labor. Farmers are being asked, and are wholeheartedly responding, to Government appeals that they produce on a war-emergency basis. They are increasing their production in line with the farm production program as outlined to them by the Department of Agriculture. A quarter of a century ago the wheat and cotton farmers responded enthusiastically to the same kind of a patriotic appeal—and wheat and cotton have been a national problem ever since. Now the small general farmers are following a similar course of action, increasing their production far beyond what the market demands for their products can reasonably be expected to be after the war emergency is over.

Farm labor already is scarce; it will become scarcer. Farm wages are going up much faster and further than are the prices farmers receive. Wages in industry are going up faster and further than the prices farmers can hope to receive for their products. We might as well realize now that consumers, faced with high living costs, are going to protest; and we know, from experience, that when such protests come the easy way for any price-control authority will be to make food prices the "goat," so to speak. That is what we are trying to prevent, if and to what extent prevention is possible.

The protections to farm income proposed in these amendments, as I see it, are very reasonable, under the circumstances, and will afford a sort of safeguard against the elimination of the family-sized farm, which is threatened by the pressure of the war economy.

The farmer and the workingman are equally patriotic, Mr. President. The farmer and the workingman, when all is said and done, will furnish the men and the materials which will enable us to win this war. The pending price-fixing measure admittedly makes no attempt to control wages of labor. I am not quarreling with that, but please remember that the farmer's wages are the prices he receives for the products of his labor, and the farmer does not have the guaranteed advantages of collective bargaining to determine the wages, through the medium of prices of farm products, which he is to receive. Therefore, I say that it is the plain duty of Congress to see that the farmers of America are not made to bear an unfair share of the burdens which all of us must bear during this critical emergency.

Mr. President, I ask unanimous consent to insert in the RECORD at this point, as part of my remarks, telegrams from Dr. O. O. Wolf, president of the Kansas Farm

Bureau; from the Pure Milk Producers Association of Kansas City; Washington County (Kans.) Cooperative Creamery Co.; and other Kansas farm organizations and operators, supporting the position I am taking.

I also ask unanimous consent to have printed, as part of my remarks, a statement by Dr. E. W. Sheets, secretary of the United States Livestock Association, in support of the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

There being no objection, the telegrams and statement were ordered to be printed in the RECORD, as follows:

MANHATTAN, KANS., *January 6, 1942.*
Senator ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.:

Believe it important that price-control bill before Senate apply equally to agriculture, industry, and labor. It should also safeguard agriculture and the farm program by including the Bankhead amendment, "Notwithstanding any other provision of law, no action shall be taken by the Administrator or any other person with respect to any agricultural commodity or commodity processed or manufactured in whole or substantial part from any agricultural commodity without the prior approval of the Secretary of Agriculture." Hope you can give aggressive support to the above suggestions.

O. O. WOLF,
President, Kansas Farm Bureau.

LINN, KANS., *January 7, 1942.*
Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.:

We urge your support of Senator O'MAHONEY's amendment to price-ceiling bill 5990, which we believe to be in the best interest of agriculture.

WASHINGTON COUNTY
COOP. CREAMERY CO.,
By B. W. ROEPKA.

KANSAS CITY, MO., *January 7, 1942.*
Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.:

Urge that any legislation in pending bills detrimental to the Marketing Agreement Act be eliminated. Urge you support retention of Marketing Agreement Act

PURE MILK PRODUCERS ASSOCIATION
OF GREATER KANSAS CITY,
E. P. MULLIGAN, *President.*

KANSAS CITY, MO., *January 4, 1942.*
Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.:

Regarding price control, we urge you oppose any legislation fixing maximum prices for farm products on a formula that does not take into consideration increased costs because of increased wage rates or income of urban workers or else does not at the same time fix maximum prices for workers so employed.

PURE MILK PRODUCERS ASSOCIATION, INC.,
E. P. MULLIGAN, *President.*

KANSAS CITY, MO., *January 7, 1942.*
Hon. ARTHUR CAPPER,
Washington, D. C.:

Urge you actively support Senator O'MAHONEY's amendment, H. R. 5990.

PURE MILK PRODUCERS ASSOCIATION,
OF GREATER KANSAS CITY,
E. P. MULLIGAN, *President.*

WICHITA, KANS., *December 19, 1941.*
Senator CAPPER,
United States Senate,
Washington, D. C.:

We urge you to support Bankhead Senate Resolution No. 209, which requests Price Administrator Henderson to suspend his order of December 3, imposing ceilings all fats and oils.

WICHITA DESICCATING CO.,
O. J. EASTMAN.

THE TRUTH ABOUT THE PRICE-CONTROL BILL—FACTS ABOUT THE O'MAHONEY WAGE PARITY AMENDMENT WHICH EVERYONE SHOULD KNOW

(By E. W. Sheets, secretary, United States Live Stock Association)

(The headquarters of the United States Live Stock Association is at Seward, Nebr., of which D. M. Hildebrand is president. Dr. Sheets is in Washington, D. C. For months he has been working with leaders of other farm and commodity groups, officials of Federal agencies, and Members of the Congress in an effort to develop a new conception of the parity rule that would be fair to stockmen and farmers and one which would not be unfair to any other group.)

If farmers are to improve their economic position, they must be assured fair parity prices for the products of the farm. Farm income has been dwindling or has failed to show any material gain, not alone because of the disparity with labor, industry and business, but also because of the failure to create or produce sufficient new wealth. If the farmers' income is to be substantially increased, it will come about as a result of increased production rather than through any material increase in price.

While there are some who believe that true parity prices alone will restore the purchasing power of a farm commodity, almost anyone seems convinced now that it is volume times price which will restore to agriculture an equitable share of the Nation's income. Income, therefore, as determined by price or wages is the ultimate goal, with net income being the criterion.

The farm price of farm commodities is always quoted in United States cents. The rate of purchasing power of the cent varies directly with that of the dollar. Therefore, whenever the purchasing power of the dollar is not at some predetermined parity level, such as the 1926=100, the cents in which the farm products are quoted must be adjusted to parity by multiplying the cent quotation by the index being used.

It was the recognition of the emergency situation confronting farmers that resulted in the existing parity concept being reexamined. It was from facts developed in these studies that representatives of farm groups reached the definite conclusion that the present parity rule must be overhauled to meet the modern needs of all farm commodities.

It is for the purpose, therefore, of considering the merits of the price-control bill (H. R. 5990 revised) that attention is called to the facts developed. A substitute amendment for section 3, which deals with agricultural commodities, is proposed in the enclosed booklet as the most equitable method of dealing with the problem of prices and at the same time being assured of a sufficiency of food and fiber during the emergency.

The draft of the bill as it now stands will result in great hardship for farmers and stockmen. Not only that, but it confuses a great many people. The bill has been changed so that what were once minimum ceilings now become maximum prices. The so-called maximum prices are based upon 110 percent parity, or prices prevailing October 1, 1941.

It is this reference to 110 percent of parity that confuses and tends to mislead the general public, for the reason that it causes the uninformed to believe that farmers are being especially favored to the amount of 10 percent, which is not in keeping with the facts. Parity as now determined does not represent true parity.

The views of the United States Live Stock Association, as have most farm and commodity groups, made its position unmistakably clear on this question before the Senate Committee on Agriculture and the Banking and Currency Committee of both the Senate and the House. It has been repeatedly emphasized that farmers and stockmen do not expect more than true parity.

A careful study of all the facts relating to parity has convinced most farm leaders and farmers generally that parity prices as now determined are entirely too low. They do not represent equitable prices under existing conditions. The present method of computing parity is wholly inadequate because:

1. Since parity is based upon purchasing power of farm products 30 years ago, without considering subsequent changes in the national standard of living, it tends to hold the farmer's relative income to the past.

2. The present method of computing parity does not include any factors reflecting increases or decreases in the wages or income of the nonfarm population, which comprises the domestic market for farm products.

3. Insufficient consideration is given to the changes that have occurred in the competitive relationships among the different farm products since the base period 30 years ago. This omission simply freezes the price relationships existing among the different farm products in the base period.

4. No consideration is given to farm wage rates as a farm cost factor.

5. No attempt is made to measure parity income as a farm cost factor.

If the Congress decides that it is necessary to bring all groups of our citizens under some sort of price control during the emergency, it is believed that the proposed flexible wage-parity formula, described in the enclosed booklet, for dealing with the price ceiling or so-called maximum price problem, is more equitable and fair in that it corrects the two basic faults inherent in the present parity rule. This is accomplished by:

1. Bringing wage rates into the index supplement for part of the index of prices paid by farmers, and

2. By adjusting prices for individual commodities to the relationship actually existing during the last 10 years.

The O'Mahoney wage-parity amendment corrects these basic faults found in the existing parity concept. The wage-parity formula was presented and discussed before the Senate Banking and Currency Committee and the Senate Committee on Agriculture. It was developed by the National Parity Committee, of which the writer was a member and which was appointed at a conference of farm leaders held in Washington, D. C., October 9 and 10.

The amendment supports the philosophy that if there are to be ceilings over farm commodities they should be flexible price ceilings. Since there is to be no control over the rates of labor's wages then flexible prices should be based upon a formula which includes the rates of wages, as well as the cost of things which farmers buy.

The proposed wage-parity amendment not only provides for higher flexible price ceilings than called for in the present bill but contains another equally important provision. It places in the Department of Agriculture the responsibility for deciding when and at what level price ceilings should be established; that is where the responsibility logically belongs.

The application of this formula for dealing with the price problem during the emergency

is recommended in the interest of the national welfare.

It is generally recognized that food and fiber are as essential to ultimate victory and a solution of post war problems as are planes, tanks, guns, and other equipment and supplies. If farmers and stockmen can get equitable prices for their products, they can and will produce food in great abundance. If they cannot get adequate prices, exhortation to raise food to win the war will not suffice, not because of lack of will to serve, but because of financial inability to carry on.

Farmers and stockmen are quite as willing as any group to forego profits during the emergency. They do not expect to profit in any way from the expenditure of money in the interest of national defense. It has been known from the beginning that stockmen and farmers generally have been pioneers and leaders in the defense and security of America, and now that the nations of the world are engaged in mortal conflict, the farmers of this country wish to make doubly sure that there shall be no lack of essential food, for food is necessary if the health and vitality of our people is to be maintained without impairment.

Most farm leaders have realized and some have urged for years that greater production of food was desirable and would become an urgent necessity during the impending emergency. They recognized at the same time that somewhat higher prices, which would make possible such increased production on the part of the farmer, were absolutely essential.

The consumer would derive ultimate benefit from increased production for the very obvious reason that increased production has and will ultimately bring lower prices when supplies have again caught up with demand. The best and only safe method of preventing excessive price rises is through greater production whether to meet the needs of our own people or the people of other countries now dependent upon the American farmer.

While there are a number of changes that should be made in the price-control bill as it now appears, such as restoring the House version providing for a Board of Review, yet it is the O'Mahoney wage-parity amendment, enabling the Department of Agriculture to arrive at prices for farm commodities that would more nearly represent true parity which concerns stockmen and farmers most.

It was to cope with just this situation that the wage-parity plan was developed and which has been endorsed in principle by practically all farm groups as the most equitable means of dealing with the price-ceiling problem. It constitutes the farmers' only hope of securing prices for their products which would permit them to carry out production plans and at the same time be able to meet the higher labor and other costs in the operation of their farms.

In order that there be no interruption in the production and consequent flow of feed and fiber commodities to markets throughout this and other countries, it is urged that the Congress amend section 3 of the pending price-control bill by substituting the proposed flexible price-ceiling formula that includes wage rates.

By thus amending the bill to provide for slightly higher ceilings, price adjustments upward could be made as found necessary to secure production sufficient to meet all defense needs. Doing this would, at the same time, make doubly sure that farmers and stockmen are left in the position where they can do their full share in helping to win the war.

Mr. BROWN. Mr. President, I know that the Senator from Nebraska [Mr. NORRIS] wishes to address the Senate. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Nye
Austin	Gillette	O'Daniel
Bailey	Glass	O'Mahoney
Ball	Green	Overton
Bankhead	Guffey	Radcliffe
Barkley	Gurney	Reed
Bilbo	Hayden	Reynolds
Bone	Herring	Rosier
Brewster	Hill	Russell
Brooks	Holman	Schwartz
Brown	Hughes	Shipstead
Bulow	Johnson, Colo.	Spencer
Bunker	Kilgore	Taft
Burton	La Follette	Thomas, Idaho
Butler	Langer	Thomas, Okla.
Byrd	Lee	Thomas, Utah
Capper	Lodge	Tobey
Caraway	Lucas	Truman
Chandler	McCarran	Tunnell
Chavez	McFarland	Tydings
Clark, Idaho	McKellar	Vandenberg
Clark, Mo.	McNary	Van Nuys
Connally	Maloney	Wagner
Danaher	Maybank	Wallgren
Davis	Mead	Walsh
Downey	Millikin	Wheeler
Doxey	Murdock	White
Ellender	Murray	Wiley
George	Norris	Willis

The PRESIDING OFFICER. Eighty-seven Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. BANKHEAD] to the amendment reported by the committee, in the nature of a substitute.

Mr. BROWN. Mr. President, I understood that the senior Senator from Nebraska [Mr. NORRIS] wished to speak on the amendment.

Mr. McNARY. Mr. President, the senior Senator from Nebraska [Mr. NORRIS] has just informed me that he does not desire to speak on this amendment.

Mr. BUTLER. Mr. President, I should like the privilege of making a few brief remarks on the amendment.

The PRESIDING OFFICER. The junior Senator from Nebraska is recognized.

Mr. BUTLER. The extreme of confusion that must of necessity follow some of the developments of the war program is illustrated by the scene this morning in the caucus room of the Senate Office Building, where was convened a committee of the Senate listening to representatives of the trade and to the Price Administrator testifying as to the situation confronting the distributors of automobiles and accessories at this time. I think that illustrates a confusion that cannot be avoided when we are starting a program like that of controlling the distribution of automobiles or accessories under present circumstances when up to this time there has been no control over the industry such as there has been in agriculture. Agriculture has had a controlled program; and, under any war situation that might develop at the moment, the program which covers agriculture would simply move forward as smoothly as possible under any consideration. I believe that is a definite and plain reason why we should give some consideration to continuing the services of the Agricultural Department in maintaining this program under the war conditions that face us.

Mr. President, the amendment offered by the Senator from Alabama [Mr. BANKHEAD], giving the Secretary of Agriculture power to prevent any interference with the food-for-freedom program or our other agricultural policies by price ceilings set by the Price Administrator, raises an issue of great importance, an issue which must be met squarely if our economy is to be organized efficiently to produce the goods, the food, and agricultural raw materials, as well as the munitions necessary to win this war.

As was pointed out by the able Senator from Ohio [Mr. TAFT] yesterday, during the last war our production and price controls were organized on a vertical basis. That is, one agency, the Food Administration, had powers of control over every aspect of the food situation. The Food Administration could set maximum and minimum prices, regulate margins, license dealers and handlers, and direct the productive efforts of agriculture, to the end that sufficient quantities of agricultural commodities and of the commodities which were needed most would be produced. In the same way the Fuel Administration controlled everything connected with fuel, prices as well as production and distribution, while Mr. Baruch's organization for most of the other essential commodities was likewise organized along vertical lines.

The principle that the agency which has had responsibility for the production and distribution of a group of commodities must also be charged with price control of the same commodities was, I believe, one of the most important and successful principles developed by that wartime administration. Certainly Mr. Hoover's organization made good on its slogan, 'Food will win the war," and we could go further and do worse than copy that example.

I believe that food will win this war, too. American farmers are by no means so fond of restriction that they will refuse a call for more food and raw materials. There are millions of idle acres which can be put back into use. These surplus acres, in fact, are by far the most potent guaranty that there will be no inflation of farm prices in this war, and are our main assurance that we shall have plentiful supplies at moderate prices. But our agricultural productive capacity cannot be directed into the proper channels, and those farm products of which we are in greatest need will not be produced, unless the proper price incentives can be offered to the farmer by that agency, which has planned our agricultural program and worked out production goals for each farm product, namely, the Department of Agriculture.

Think in what an impossible position we shall place the Secretary of Agriculture if we reject this amendment. He has promised the British that we will deliver to them certain quantities of various types of food, such as pork, eggs, and dairy products, and he has guaranteed the farmer a favorable price if he will expand production of those particular products. In some cases he has bid up the price of various foods, and facilitated the financing of new processing plants to make good on his promises. And this program is even now in process of revision, to meet the new needs that are con-

tinually appearing. For the British have told us, and I think I quote the words of the Secretary before the Committee on Banking and Currency recently:

> No matter how much food you can produce and give us, it is not too much. It is a bare minimum for our subsistence. You cannot possibly overproduce on food.

But if we reject the amendment, we shall be depriving the Secretary of Agriculture of the only means he has of directing farm production to meet our vital needs. Power without responsibility is a dangerous thing, but responsibility without power is only a joke. Will the British depend on our promises to supply them with food, when they know that the man who is directing our food production has no power to enforce his decisions? Will the farmers respond to his appeals, when they have no assurance that they will not be producing at a loss? The Senator from Michigan, who is so ably sponsoring the bill, stated in his formal explanation, I believe, that this is a consumers' bill; but let me emphasize that this war will not be won by consumption, but by production, and no commodities, not even the actual weapons of war, are more absolutely essential than food.

There is another highly important reason why control over agricultural prices should be left in the hands of the Department of Agriculture. We have followed the general principle, in our wartime legislation, of lodging controls in the hands of those agencies which are best equipped, from the standpoint of experience and personnel, to exercise them; and this applies to price control, as well as to other controls. The Maritime Commission, for example, has been given, in legislation passed by us last summer, authority over shipping rates, as well as over the allocation of vessels and the construction of additional bottoms. Regulation of railroad rates is left with the Interstate Commerce Commission, in view of that agency's long experience with such problems, and its detailed knowledge of rate making. The principal argument in favor of leaving wage control out of the pending bill is that the Office of Price Administration does not have the experience or the personnel to deal with collective-bargaining techniques.

Yet, if this reasoning is sound, it is obvious that control of agricultural prices belongs in just one place, and that is the Department of Agriculture. The Department has been engaged for some years in controlling agricultural prices on a scale that some of us may not realize. Under the Agricultural Marketing Agreement Act, it has been setting prices on milk. The program of Commodity Credit Corporation loans could only have been carried out by a staff of men familiar with marketing practices and price and location differentials throughout the country, and certainly the experience those problems brought during the last few years has not been wasted on the economists in the Department. The purchase and distribution of commodities for relief by the Surplus Marketing Administration has also given the Department a strong basis of experience in price control of many commodities. To take away these powers from the Department of Agriculture and give them to the Office of Price Control would be to destroy the agencies we have so painfully built up, in the school of experience and hard knocks, during these past few years. Yet that is what we shall be doing if we do not adopt this amendment.

I do not see how anyone can seriously contend that keeping agricultural prices out of the control of the Price Administrator can limit his control over the price structure substantially, when he has already consented to the exclusion of another element which is far more important in the price system, namely, wages. Labor and farm products are alike in the fact that neither is customarily sold directly to the consumer, but both affect the final price by entering into the cost of production of the finished article. A change in wage rates, therefore, will affect the cost of living in exactly the same way a change in the price of the raw material would affect it, and it just happens to be a fact that wage rates are more than five times as important as a factor in the national income than are farm prices. In 1940, according to the Department of Commerce, net wages and salaries amounted to about forty-seven and one-half billions while cash farm income from sale of crops and livestock products was only $8,350,000,000. In the face of these figures, to say that wage rates have nothing to do with inflation, while farm prices are the cause of it, is simply foolish. We are gullible; we believe most of what we are told by the executive departments, but we cannot believe that.

If the Administrator had shown any strong disposition to stabilize wage rates, I believe agriculture might have been disposed to accept his price controls. But, as I showed in a table I inserted in the committee hearings, wage rates of factory labor have advanced 250 percent since the 1910 to 1914 period; they are now much higher than the so-called inflationary wage levels of the World War, and they had advanced up to October, which is the latest date I have, more than 20 percent since August 1939, at the time the war began. If wage rates have risen 20 percent since the outbreak of war, while living costs have increased only about 10 percent, cannot labor afford to pay a little more for its food, enough more to enable the farmer to maintain at least a subsistence standard of living? And please remember that a 10-percent rise in farm prices on the average means an increase in the cost of living of less than 2 percent. Even if farm prices rose to 150 percent of parity, that would not push the cost of living up more than enough to make up for the increase in the average rate of wages received by factory labor since the beginning of the war.

I do not want my attitude misunderstood. I have always believed in and fought for the right of labor to organize and to bargain collectively, and I am happy that labor has been able to improve its position. I am pointing to this steady increase in wage rates simply in order to claim the same rights for agriculture. Certainly if the largest part of our price system is to go uncontrolled, there is no real ground for laying strict limits on prices of an industry which, although it has never received more than about 10 percent of the national income, must support nearly 25 percent of the population.

In concluding let me point out that maintaining control of the prices of agricultural products in the Department of Agriculture does not mean at all that farm prices will skyrocket. The Secretary of Agriculture is not a champion of uncontrolled inflation. In fact, his most recent official actions in the field of price control all point the other way. He apparently concurs with Mr. Henderson in a ceiling on sugar which I consider far too low, and in recent weeks has adopted a systematic policy of offering for sale the accumulated stocks of surplus commodities at prices below parity. If that be inflation, I do not understand the term.

In pleading that the Secretary be given authority over prices of agricultural products, therefore, I do not expect that he will push farm prices through the roof. I believe that the Department will merely give sympathetic consideration to the necessity for increases in the prices of farm commodities when such increases appear necessary to encourage expansion of production of those commodities we shall need in greater quantities, or when they seem advisable in order to do justice to individual groups of producers.

I believe that if this authority shall be given to the Secretary of Agriculture the price system for farm products will be geared more directly to the food-for-freedom program, and I think that he and his organization have the experience and the technical staff necessary to administer the authority effectively and with the least hardship. Certainly if we center all our attention on keeping down prices and neglect the far more necessary task of stepping up production we shall place our entire agricultural program, and our very security as a nation, in grave danger.

The PRESIDING OFFICER (Mr. CLARK of Missouri in the chair). The question is on agreeing to the amendment of the Senator from Alabama [Mr. BANKHEAD] to the committee amendment.

Mr. O'MAHONEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Danaher	Lucas
Austin	Davis	McCarran
Bailey	Downey	McFarland
Ball	Doxey	McKellar
Bankhead	Ellender	McNary
Barkley	George	Maloney
Bilbo	Gerry	Maybank
Bone	Gillette	Mead
Brewster	Glass	Millikin
Brooks	Green	Murdock
Brown	Guffey	Murray
Bulow	Gurney	Norris
Bunker	Hayden	Nye
Burton	Herring	O'Daniel
Butler	Hill	O'Mahoney
Byrd	Holman	Overton
Capper	Hughes	Radcliffe
Caraway	Johnson, Colo.	Reed
Chandler	Kilgore	Reynolds
Chavez	La Follette	Rosier
Clark, Idaho	Langer	Russell
Clark, Mo.	Lee	Schwartz
Connally	Lodge	Shipstead

Spencer	Truman	Wallgren
Taft	Tunnell	Walsh
Thomas, Idaho	Tydings	Wheeler
Thomas, Okla.	Vandenberg	White
Thomas, Utah	Van Nuys	Wiley
Tobey	Wagner	Willis

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the Senator from Alabama to the committee amendment.

Mr. TAFT. On that question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BARKLEY. Mr. President, I have just returned to the Chamber, having been detained in a conference. Have the yeas and nays been ordered on the Bankhead amendment?

The PRESIDING OFFICER. Yes; the yeas and nays have been ordered.

Mr. BARKLEY. There still can be discussion of the amendment, notwithstanding the fact that the yeas and nays have been ordered?

The PRESIDING OFFICER. Yes; there still can be discussion of the amendment if anyone desires to discuss it.

Mr. BARKLEY. The junior Senator from Michigan [Mr. BROWN] desires to discuss it.

Mr. BROWN. I desire to make a few remarks on the subject of the Bankhead amendment. When the amendment was submitted in the first instance it read as follows:

(f) Notwithstanding any other provision of law, no action shall be taken by the Administrator or any other person with respect to any agricultural commodity or commodity processed or manufactured in whole or substantial part from any agricultural commodity, without the prior approval of the Secretary of Agriculture.

Today the Senator from Alabama modified his amendment so as to eliminate commodities processed or manufactured in whole or substantial part from any agricultural commodity.

It now reads:

Notwithstanding any other provision of this or any other law, no action shall be taken under this act by the Administrator or any other person with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture.

It is quite obvious that that was intended greatly to reduce the number of products which would be affected by the amendment.

I am quite satisfied that no lawyer in this body can define what an agricultural commodity is with respect to this subject matter. For example, I presume one would say that butter is an agricultural commodity; but it must be processed before it is butter. The raw material out of which it is made is sold by the farmer. Is it an agricultural commodity within the contemplation of the section, or is it not?

Mr. BANKHEAD. Mr. President, will the Senator yield for a question at this point?

Mr. BROWN. I yield.

Mr. BANKHEAD. I ask the Senator to turn to section 3 and tell me what "agricultural commodity" there means, in the sense he is now discussing. That is the section which fixes the ceiling.

Mr. BROWN. Is butter an agricultural commodity, or is it not?

Mr. BANKHEAD. I think it is.

Mr. BROWN. Mr. President, that was my idea on the subject. If butter is an agricultural commodity——

Mr. BANKHEAD. As the Senator evidently recognizes, the term is used exactly as it was used in the amendment fixing a ceiling, floor, or whatever it may be called. It is just as comprehensive and just as limited as the section which the Senator is supporting, and which we are all supporting.

Mr. BROWN. I ask the Senator, if butter from the butter factory is an agricultural commodity, is cottonseed oil, obtained from cotton, an agricultural commodity? I assume the Senator would say that it is.

Mr. BANKHEAD. I will answer that question by saying that cottonseed oil does not come from cotton. It comes from the seed.

Mr. BROWN. It comes from the seed.

Mr. BANKHEAD. I think cottonseed is an agricultural commodity.

Mr. BROWN. If that be true—and I agree with the Senator from Alabama—then certainly the soup in a can of soup produced by the Campbell Co. in Pittsburgh is likewise an agricultural commodity.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CLARK of Missouri). Does the Senator from Michigan yield to the Senator from Wyoming?

Mr. BROWN. I yield.

Mr. O'MAHONEY. What did the Banking and Currency Committee mean when it brought in a bill carrying a provision with respect to a floor upon agricultural commodities?

Mr. BROWN. Let me say to the Senator that he entirely misapprehends the purpose of my argument. It is to agree with his view. It is to charge that the Bankhead amendment, as changed today, by no means removes the difficulties the amendment would create.

Mr. O'MAHONEY. Mr. President——

Mr. BROWN. Mr. President, I decline to yield to the Senator until I have finished my thought. I shall be glad to yield to him later. I think I am as generous as any other Senator in that respect.

Mr. O'MAHONEY. The Senator is quite correct.

Mr. BROWN. I wish to make my thought clear. If cottonseed converted into cottonseed oil is an agricultural commodity; if the product of the dairy farm converted into butter is an agricultural commodity and if the product of the vegetable garden converted into tomato soup is an agricultural commodity, is the product of cotton, in the form of a tire, an agricultural commodity?

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BROWN. I will yield when I have finished my statement.

I contend that neither the Bankhead amendment as it was proposed yesterday nor the Bankhead amendment as it is before us at the present time clarifies the problem.

I now yield to the Senator from Wyoming.

Mr O'MAHONEY. I ask the Senator from Michigan whether he now rises to question the definition of "agricultural commodity" as mentioned in the Bankhead amendment; and if he does, to tell the Senate how that definition differs from the definition of "agricultural commodity" in the section reported by the committee.

Mr. BROWN. I will say frankly to the Senator that I think that the products in which agricultural commodities are a substantial part are all governed by the provisions of section 3 of the bill. However, I was just about to read a list of the commodities over which jurisdictional disputes may arise between the Price Administrator and the Secretary of Agriculture.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. OVERTON. I suggest to the Senator from Michigan this interpretation of section 3 with reference to agricultural commodities: Section 3 (a) declares:

SEC. 3. (a) No maximum price shall be established for any agricultural commodity below (1) the market price equivalent to 110 percent of the parity price or comparable price for such commodity, adjusted for grade, location, and seasonal differentials, as determined and published by the Secretary of Agriculture; or (2) the market price prevailing for such commodity on October 1, 1941.

That subsection refers to the raw agricultural commodity, and does not refer to any processed agricultural commodity. It does not refer to any commodity which is manufactured in whole or in substantial part from any agricultural commodity.

Mr. BROWN. Let me ask a specific question. Is butter an agricultural commodity?

Mr. OVERTON. Under section 3 (a), it is not. But butter is an agricultural commodity under section 3 (c); and evidently that was in the minds of the members of the committee. Otherwise, why would they have incorporated into the provisions of the bill section 3 (c), which reads as follows:

(c) Any maximum price established for any commodity processed or manufactured in whole or substantial part from any agricultural commodity shall be consistent with the purposes set forth in subsection (a) of this section and shall not be established in any manner as to circumvent, vitiate, or prevent the effectuation of such purposes.

If "agricultural commodity" as set forth in section 3 (a) covers commodities which are processed from raw agricultural commodities, why the necessity of section 3 (c)? The purpose of section 3 (c) was to take care of commodities which are processed from agricultural commodities, or which are manufactured in whole or substantial part from agricultural commodities. In the case of such processed or manufactured commodities, the committee amendment provides that the maximum price shall be consistent with the purposes set forth in subsection (a), which deals with the maximum price of the raw agricultural commodity. I think that is the proper

interpretation. I may be mistaken, but I offer that as a suggestion.

Mr. BROWN. I would say to the Senator that his interpretation is certainly a possible one, and perhaps the correct one. Nevertheless I should add that there was some doubt among those of us who were engaged in the preparation of the bill whether subsection (c) was necessary as a definition of the subject matter. Some felt that agricultural commodities are commodities which, whether in a raw or processed state, are substantially products of the farm.

Mr. OVERTON. Of course, in interpreting a bill we must consider all the applicable sections. When we consider section 3 (a) and section 3 (c) we are inevitably driven to the conclusion that the bill makes a distinction between an agricultural commodity and a commodity which is processed or manufactured in whole or in part from an agricultural commodity. That distinction is perfectly obvious. When the Bankhead amendment refers to agricultural commodities it refers solely to raw agricultural commodities. It does not refer to processed agricultural commodities or commodities manufactured in whole or in substantial part from agricultural commodities.

Mr. BROWN. Let me say to the Senator that the first difficulty between the Price Administrator and the Secretary of Agriculture, under the Bankhead amendment, will be the question, Where does the jurisdiction of one end and the jurisdiction of the other begin? That in itself is one of the many reasons why we should not complicate the bill by dividing responsibility between two officials of the Government.

Mr. BANKHEAD. Does the Senator contend that under section 3 butter is not protected in the matter of a price floor because it is not an agricultural commodity?

Mr. BROWN. I call attention to the fact that the Senator from Alabama and the Senator from Louisiana, both proponents of the measure, differ as to whether butter is an agricultural commodity protected by section 3 (a).

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. OVERTON. I do not for a moment contend that butter is not protected by the bill, or by section 3. I say that butter is not referred to in section 3 (a). Butter is referred to in section 3 (c). Do I make myself clear?

Mr. BROWN. Yes.

Mr. BANKHEAD. Does the Senator contend that in the matter of a price floor butter is not protected under section 3?

Mr. BROWN. The question is whether subsection (a) of section 3 protects butter.

Mr. BANKHEAD. How does it protect butter if butter is not an agricultural commodity?

Mr. BROWN. I certainly concede that butter is protected under section 3. But the specific question which has been raised is whether butter is protected under subsection (a) or subsection (c).

Mr. BANKHEAD. The Senator took the position, as I understood him, that butter is not an agricultural commodity. Is that not so?

Mr. BROWN. No; I did not.

Mr. BANKHEAD. What is the Senator's position, then? Let us have it made clear.

Mr. BROWN. I take the position that butter is protected under section 3, but the Senator from Alabama takes the position that butter is protected under subsection (a), while the Senator from Louisiana says that butter is not protected under subsection (a), that it is protected under subsection (c) of section 3 of the bill. That's what I am contending will create difficulty under the Bankhead amendment.

Mr. BANKHEAD. The Senator concedes that; does he not?

Mr. BROWN. I certainly do concede that butter is protected under section 3.

Mr. BANKHEAD. Very well; then we save butter.

Mr. BROWN. But I point out again that the Senator from Alabama and the Senator from Louisiana differ as to whether butter is an agricultural commodity within the meaning of the first section of the subsection.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. LUCAS. A moment ago the Senator from Michigan discussed the question of differences arising with respect to jurisdiction over some subject matter involving the Secretary of Agriculture and the Price Administrator. Under the bill, who would make the decision as to who was correct, in the event there should be any dispute between the two in the event the Bankhead amendment were adopted?

Mr. BROWN. I presume that any such dispute would be actually settled by the President of the United States.

Mr. LUCAS. That is what I am afraid of—not that I am not willing to have him settle a great many disputes; but if there be a dispute between the Price Control Administrator and the Secretary of Agriculture upon this division of authority—which is very important—I am wondering whether the President of the United States will not have all that grief laid on his doorstep, in addition to all the other burdens he has at the present time.

Mr. BROWN. The Senator is certainly correct, and he has stated exactly the point of my argument.

Mr. LUCAS. I wanted to mention the point, because apparently there is already a difference between Senators as to whether butter is an agricultural commodity.

Mr. BROWN. The Senator is on the same side of the controversy.

Mr. LUCAS. If such a dispute now exists between Senators, there would be a similar dispute between the Price Administrator and the Secretary of Agriculture.

Mr. BROWN. Neither one will know by statutory definition where his authority commences and where the other Administrator's authority ends—which is one of the greatest difficulties I have in consideration of the amendment.

Mr. BANKHEAD. Mr. President, if the Senator will yield to me, let me say that I know the Senator is fair, but the same difficulty confronts him in considering what is protected in section 3, under prices, does it not?

Mr. BROWN. Oh, I think the determination would not be made by two agencies of the Government—the Secretary of Agriculture and the Price Administrator. The determination would be made by the Price Administrator in a construction of the act, which would be subject to review by the courts. But, as a practical matter, if the Senator's amendment should be adopted we would have a contest between two agencies of the Government—each one interested in taking all the authority and power he could get—as to which has authority over butter, as to which has authority over cottonseed oil, and so forth.

Mr. BANKHEAD. I cannot see why there should be any difference of opinion or dispute as to the meaning of the provisions of one section, and not as to the meaning of the other, when the words are the same.

Mr. TRUMAN. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Missouri.

Mr. TRUMAN. I should like to say a word in regard to the situation, because I am very much interested in the establishment of some authority with responsibility to say "yes" or "no" in the administration of the war program. The committee of which I happen to be the chairman has had the O. P. M. under consideration. There are two heads to the O. P. M. set-up. No one can say "yes" or "no."

I am as strongly in favor of helping the farmer, as is any other Member of the Senate, but I do not think this is a matter as to which any individual group should be considered. Someone has got to say "yes" or "no" on the price-fixing program. We must trust some individual to do so. We are giving the farmers 110 percent of parity, and I am glad of that. I cannot vote conscientiously for the amendment of the Senator from Alabama and still be consistent with my contention that someone should be responsible for the prosecution of the win-the-war program which we have got to undertake at once.

Mr. MEAD. Mr. President, will the Senator yield to me?

Mr. BROWN. I yield to the Senator from New York.

Mr. MEAD. I should like to ask the distinguished Senator who is sponsoring the bill—I presume the question may have been answered, but there remains some lack of understanding in the Chamber—whether the bill deprives the Secretary of Agriculture of any power he now exercises by statute with reference to marketing agreements and milk orders. Will the power which he now exercises in those instances remain with him?

Mr. BROWN. Every power which now is granted the Secretary of Agriculture under the Agricultural Adjustment Act or any other legislation which grants him any authority to determine prices is not in any way affected by the provisions of the bill.

Mr. President, I do not want to spend too much time in discussing the question of what is covered and what is not covered by the determination of the Price Administrator or the Secretary of Agriculture as to what is and what is not an agricultural commodity. I have before me a list, comprising a page and a half, containing the names of various articles as to which I point out it might be difficult to determine whether they are entirely agricultural products. For instance, butter is an article which, with the possible exception of a little coloring matter added at the time of processing, is entirely a product of the farm. Near the end of the list we find automobile steering wheels, articles which I think are, by weight, largely products of the farm, in view of the fact that the steering wheels are made of a material derived from soy beans.

I ask unanimous consent that the list be printed in the RECORD at this point in my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LIST OF COMMODITIES SUBMITTED BY SENATOR BROWN

Textiles and textile products: Clothing and apparel of all kinds—Work shirts, overalls, suits, overcoats, handkerchiefs, broadcloth, denims, drills, duck, flannels, muslins, percale, sateen, sheeting, toweling, tablecloth, hosiery and underwear, dress goods, hats.

Leather and leather products: Shoes and sole leather, harness, leather luggage, gloves, and belting.

Chemicals: Important alcohols used in making munitions are made from molasses base; acetic acid, soaps and starch, washing powders, paints (casein), turpentine, fertilizer (tankage), tallow.

Household furnishings: Blankets and bedding, comforts, floor coverings, upholstery.

Tobacco products: Cigars, cigarettes, plug and pipe tobacco.

Feeds: Manufactured and processed foods—Cereals and breakfast foods, canned soup, cornstarch, vegetable oils, peanut butter, molasses, glucose, jelly, lard, dried beans and onions, grapejuice, canned fruits and vegetables, macaroni, processed cheese, cornmeal, edible tallow.

Automobiles: Steering wheels, cloth, tires, oils, paints.

Mr. BROWN. So, Mr. President, I say that there is the danger under the Bankhead amendment that disputes might be engendered between the Price Administrator and the Secretary of Agriculture with respect to practically all food products, a great many articles of clothing of which cotton and wool are the chief ingredients, leather goods, and many other materials included in the list.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Illinois.

Mr. LUCAS. The Senator from Michigan just sent to the desk and asked unanimous consent to have printed in the RECORD as a part of his remarks a list of commodities with respect to which there might be some question whether they are agricultural commodities; did he not?

Mr. BROWN. Yes.

Mr. LUCAS. How many agricultural commodities are included in the list.

Mr. BROWN. In the list, which comprised a page and a half, there is an item-by-item tabulation of, I should judge, about 45 articles as to which disputes might arise. But I think the list could be greatly expanded.

Mr. LUCAS. The list includes at least 45 articles as to which there might be a jurisdictional dispute between the two groups?

Mr. BROWN. Yes.

Mr. President, I contend that there will be one of two results: Either an almost complete and total control over the two principal items in the cost of living—food and clothing—would be placed in the Secretary of Agriculture; or there would be a dispute and a difference between the Price Administrator and the Secretary of Agriculture as to which one had jurisdiction over particular products.

So I say we would have such a situation that the undoubted and acknowledged authority of the Price Administrator might be confined only to that narrow class of manufactured goods in which products of the farm, and, possibly, the products of the forest, would not be essential ingredients. Why enact a piece of legislation which might not finally settle the dispute which took place in the hearings before the Banking and Currency Committee? When the Secretary of Agriculture was before us there was decided difference between him and the Price Administrator over the question of who would have control over agricultural commodities. Should we pass a bill which is uncertain, indefinite, and sure to cause differences between them?

As the Senator from Nebraska this morning said, the essential thing is this: Price control is a relative matter; we are going to have higher and higher prices—there can be no doubt about that—and what we want now is an over-all control over those prices, a control of all elements of the price structure.

The question before us is whether we shall deal with relationship between agricultural prices without reference to their relationship to the products of the factory or products of the forests or the products of the sea or any of our other essential productive enterprises?

Senators talk as if the Price Administrator, all by himself, without any advice from anyone, without any study into the fundamental and underlying facts, is going to sit at a table and arbitrarily order this and that, without thought or consideration, to be the price of a particular commodity. Senators know that that is not so.

I have heard complaint about the size of the Henderson organization and about the large building it occupies in Washington. He has many employees working for him; but do not for one moment think that he does not consult the Secretary of Agriculture or the Department of Commerce; that he does not talk with representatives of the Department of Labor; that he does not use the tremendous amount of information which is gathered and made available by the different departments of the Government. All of it is taken into consideration.

Briefly, I wish to point out to the Senate that there are four steps which are taken by the Price Administrator in the establishment of prices. First, his own Statistical Division is called upon. It gathers the facts, not in the way the Department of Labor does, for that Department has a purpose of its own; not in the way the Department of Agriculture does, for that Department also has a purpose of its own; not in the way that the Department of Commerce does, for that Department likewise has a specific purpose; but his agency gathers the facts and assembles them for the purpose of determining the relationship between various commodities and the relationship of their prices to each other. The Office of Price Administration gets the facts through its own staff.

Second, before any price is announced, they then call upon representatives of the interested departments. In the case of an agricultural commodity, they consult with representatives of the Department of Agriculture; with respect to any matter in which labor is involved, they call upon the Bureau of Labor Statistics; likewise, with respect to matters affecting commerce, they call upon the Department of Commerce; and in other cases they call on other Government departments.

Third, representatives of the affected industry are consulted. This is no idle gesture. Advice is sought, given, received, and affects the determination. I may say that I have no objection whatsoever to the amendment which the Senator from Georgia intends to offer, which would require Mr. Henderson in finally fixing and establishing a price to consult with representative groups of industry. I have not read it as to language, but I am satisfied that any amendment he may draft properly sets forth the purpose. I think that is proper; but I say that at the present time that is done and prices are not finally fixed until there has been conferences between representatives of the Price Administration and representatives of the industry affected.

Finally, the judgment of all these agencies is placed before the Price Administrator; the fundamental facts are brought out before him and the judgment, based upon that statistical foundation, is the judgment of the Office of Price Administration.

As I have said, there is no objection on the part of the Administrator and no objection on the part of the Senator from Michigan, who is charged with the responsibility of representing the Banking and Currency Committee here, to requiring that those things be done; but I submit, when it comes to the matter of final judgment and determination, if we are going to do a good job, we have got to give this authority to one strong, capable individual, selected by the President; and, unquestionably, that man will be the present Price Administrator.

Mr. President, in view of what the distinguished Senator from Alabama said, I think that we ought to give a little consideration to what has happened to farm commodities in the past few years, particularly since August 1939, when the

great catastrophe which has engulfed the world first struck. Using August 1939 as a base of 100, the prices received by farmers for their products have substantially increased, as follows:

In May of 1940 they had increased from 100 to 111. In March of 1941 they had increased from 100 to 117. In November of 1941 they had increased from 100 to 153. That, Mr. President, is a significant date, because immediately thereafter occurred the attack at Pearl Harbor; and wholesale prices of farm commodities jumped from 153 in 1 month, down to the present time, to 172 percent of the level of prices in August of 1939.

Mr. President, it is not easy for one who represents one of the largest States in the Union, known throughout the Nation as a great industrial State, to speak for it without realizing that Michigan is also a great agricultural State. I am not one to deny that I should like to do all that I can, within reason, for the farmers of my State. I have done so heretofore, as the Senator from Alabama has pointed out. But at this time, when we are asking other men to make sacrifices far greater than any we can make by our votes upon the floor of the Senate, I think I can say to the farmers of Michigan that I must give consideration to the greater good of all the people of Michigan and all the people of the United States; and if at this moment I must say to the farmer, "I cannot let you go quite as far as you want to go," and say that to every other producing group, I shall feel better about it than if I should yield now in a way which would satisfy one particular group, and should forget the inarticulate, most numerous class in all America, but least heard from, the general consuming public.

I should not, however, want to leave the subject in that way. I think it is reasonable to say that all farmers, certainly the great bulk of farmers, do not feel that they are entitled to any special consideration in the circumstances in which we find ourselves today.

I do not think the average farmer or the bulk of the farmers want to repeat the mistakes that were made in 1917 and in the period from 1920 to 1930. Senators will recall the argument made yesterday by the Senator from Oklahoma [Mr. THOMAS], in which he suggested the period from 1920 to 1930 as an ideal period, a period of rising prices from 1921 to 1929. As I pointed out then, that period ended in the greatest peacetime catastrophe from which the American people ever suffered, and it was due in large part to the fact that the prices of commodities were spiraling upward and upward and upward.

We do not want to repeat that error. That is the reason why we are trying to control the situation today by giving one man authority over all control of all commodities which are sold upon the public markets of the United States.

To be a little more specific, the increases in prices of the following commodities are significant:

From August of 1939 to December of 1941, wheat increased in price 87 percent; corn, 46 percent; cotton, 87 percent; apples, 70 percent; hogs, 86 percent; butterfat, 61 percent; eggs, 96 percent; wool, 69 percent.

Again, giving a general average of wholesale prices, the increase in prices of farm products generally from August 1939 to December 27, 1941, was 56 percent.

Mr. President, it seems to me those figures fairly well establish that we have had a general rise of prices, and that we should not pick out one class of commodities and go further with respect to that class than we do with respect to any other class in the entire productive picture. But, Mr. President, I want to impress upon Senators who represent the great agricultural districts of the country that when we went into this subject matter we were asked by responsible representatives of the farm organizations and by the Secretary of Agriculture to do certain things for agriculture in this bill, to establish certain limitations in it with respect to agriculture, that did not apply to any other producing class whatever.

In the House committee, in the House of Representatives itself, and in the Senate committee, those arguments were given careful consideration; and the result was that we did for agriculture some things that were not done for other producing classes. I think our action was just, and I thought we were doing what agriculture wanted; for I believe everything that was asked by reasonable representatives of agriculture and by the Secretary of Agriculture with respect to agriculture was written into the bill.

I do not want to weary Senators, but I feel that I should buttress that statement by some things that were said.

The head of the American Farm Bureau Federation, Mr. Edward A. O'Neal—whom we all respect as one of the reasonably minded farm leaders of the country—came before our committee and said:

> In order to prevent disastrous inflation, we urge prompt action by Congress to establish, for the period of the national emergency and for an adequate time thereafter, a Federal authority to establish maximum prices for commodities * *. In order to prevent the average price received by farmers for any agricultural commodity being depressed below parity through the operation of price controls, no price ceiling should be established on any agricultural commodity, or the products thereof, at a price less than 110 percent of parity.

Elsewhere in his testimony he said:

> Such legislation—

Referring to this legislation—

> should recognize the parity principle so as to provide a fair balance between farm prices, industrial prices, and wages. However, it should be borne in mind that maintenance of parity for farm products will not, within itself, control inflation. In order to prevent the average annual farm price of any agricultural commodity from being depressed below parity, no ceiling should be fixed on such commodities or products thereof at less than 110 percent of parity prices, adjusted periodically.

Again, on page 440 we find a quotation from a prominent farm magazine published in the State of Iowa:

> To ask for parity—that is, for a price that will buy as much in nonfarm goods as in the pre-war period is something else. * * * To get an average parity, a floor of 85 percent and a ceiling of 110 percent is probably necessary. Certainly, a floor of 85 percent and a ceiling of 100 percent, would result in a year's average considerably less than parity.

So, Mr. President, all through the hearings there was insistence upon that one proposition, that we fix parity at 110 percent.

I now desire to have the attention of the senior Senator from Alabama. I say to him that in all good faith the members of the Committee on Banking and Currency, and of the subcommittee, supposed that if we agreed to a basis of 110 percent of parity, and the October 1, 1941, date, we would not have difficulty from the committee, at least, upon the floor of the Senate.

Mr. BANKHEAD. Mr. President——

Mr. BROWN. Let me finish my statement, and then I shall yield to the Senator. I think he should permit me to finish my statement.

Mr. BANKHEAD. Certainly.

Mr. BROWN. We supposed that we would not have difficulty on the floor of the Senate, at least from any member of the committee. In good part, I accepted that.

Mr. BANKHEAD. I do not like to enter into personal controversies——

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Alabama?

Mr. BROWN. I yield.

Mr. BANKHEAD. I know the Senator recalls that I submitted two amendments on this subject to the subcommittee, one taking absolute control away, and the other the amendment now pending. I submitted both amendments to the full committee, and stated that I would take them to the floor. I also stated that I would support the Brown amendment on the floor. I think that in justice to me the Senator should not leave the inference his statement would leave.

Mr. BROWN. I merely say to the Senator that I think he will concede I had good reason to believe that if I agreed to the 110 percent of parity, and agreed to the October 1, 1941, date, the members of the committee would be satisfied with the agricultural floors which were fixed in the bill.

Mr. President, I thought that arrangement was satisfactory at the time, and I will add that there was great reluctance to agree to it on the part of some members of the committee, but, spurred by the majority leader and myself, we did agree, and we thought we were doing what Mr. O'Neal wanted; within reason, we thought we were doing what the Senator from Alabama wanted, and we thought this controversy was pretty largely out the window. Not only that, but we were also doing all the Secretary of Agriculture asked. In his testimony before the House committee on Tuesday, October 21 last, he said:

> Mr. Chairman and members of the committee, I agree thoroughly with the objectives of the pending bill.

He said absolutely nothing about retaining to himself an authority over agricultural prices. He stated:

> I assume that the bill uses the parity principle for farm prices because it is fair to both farmers and consumers. It asks no more of consumers than that they should pay

prices sufficient to keep farmers producing under conditions which will permit a decent standard of living. Fair-minded consumers will admit that farm-product prices have been bargain prices during most of the last 20 years.

He then proceeded to say:

There is a perfectly practical and obvious reason for stipulating that no ceiling should be imposed on farm products at less than 110 percent of parity, rather than exactly at parity.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. DOWNEY. Let me say preliminarily that I have a very great admiration for the way in which the distinguished Senator from Michigan has handled the bill. I think the clarity and energy he has brought to its consideration have performed a very great service for us all. But I must admit that in regard to the particular amendment now pending my vote is a matter of rather serious concern to me. I have not heard all the argument by the distinguished Senator on this particular point, but the part I have heard seems to assume that not only will the amendment be favorable to the viewpoint of the farmer but that it will work out less efficiently and less successfully. That seems to me to be assuming the whole argument. I have not heard the Senator address himself to that. Is it not possible that the Secretary of Agriculture, who is an expert in this subject, working in conjunction with the able Price Administrator, might be able to handle farm prices and farm crops more successfully? If I were convinced of what the Senator says or seems to indicate, that, of course, if we should give the entire power to the Price Administrator the law would be efficiently administered, then the question would be closed; but that is not entirely clear to my mind.

Mr. BROWN. I do not know when the Senator entered the Chamber, but that is the argument to which I addressed myself for some time, that it was desirable to have a one-man over-all authority to control prices, that he should use all the agencies of the Government, including the Department of Agriculture, to obtain all the statistical information he could get from those agencies, and the advice of the appropriate Department—be it Agriculture, Commerce, Labor, or what not—before he fixed his price, but that I wanted no division of authority as between the two of them, first, as to what was an agricultural commodity—and I discussed that at some length—and, second, as to what the price of the particular agricultural commodity should be. I have been addressing myself at this time to the proposition that all that the responsible farm representatives asked of us was that the Price Administrator should be limited in regard to the exercise of this authority to a certain floor below which he could not go, and that was 110 percent of parity.

Mr. DOWNEY. Will the Senator yield further?

Mr. BROWN. I yield.

Mr. DOWNEY. Of course, I clearly understood the position of the distinguished Senator as just stated, that it was his very positive opinion that the law would be better administered if one man were given the control; but that hardly answers my question. That statement still assumes that one man as Price Administrator would do the job more efficiently than that man working in conjunction with, and perhaps someone subordinate to, the Secretary of Agriculture, whose particular duties encompass the subject of farm crops. I do not think that the response the distinguished Senator just made to me, at least as I see it, covers that point. I think it still assumes that there would be a more efficient administration by one man.

Mr. BROWN. I thoroughly agree with the assumption that there would be more efficient administration by one man.

Mr. LEE. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. LEE. I intend to vote for the Bankhead amendment, but I want it clearly understood that my decision to do so is not based on my lack of faith or confidence in any way in the ability of Mr. Leon Henderson to administer the program fairly. It is based entirely on the fact that there are surpluses in farm commodities, and that there is no logical reason for fixing a price ceiling on the prices of commodities of which we have a surplus. On that alone I am basing my belief that we should not place a ceiling on farm commodities, because the price will be determined by the law of supply and demand. There is no reason for replacing the law of supply and demand. There would be no reason for the entire bill if it were not that war results in shortages in certain necessary things.

No one has presented an argument that the war is going to cause shortages in agricultural commodities that would be cured by the bill. The contrary is true. If shortages occur in agricultural products the thing that would relieve them would be a price rise which would invite greater production. Therefore, I offer this explanation of my vote.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BONE. Does the Senator from Oklahoma feel that, in view of this program which contemplates unlimited aid to those who are our Allies, there is likely to remain any surplus in any fundamental food crop?

Mr. LEE. If there is not any surplus, then the price should rise in order to increase production. That is the argument I make.

Mr. BONE. I understand that, but there are too many imponderables in this picture to permit us to take it up by its four corners and have any aspect of finality. I do not know whether we are or are not going to have surpluses. If we are going to feed the peoples of the nations of the world who are helping us, it seems to me we will not have surpluses.

On a recent trip, before I returned to the Senate, I noticed in the press that the Department of Agriculture was calling on the farmers to produce to the limit. If we are likely to continue to have surpluses it is not necessary to urge the farmers to produce to the limit. If surpluses are going to continue there would not be any real pressing need to urge the farmers to produce in greater abundance. I do not know that I am correct about that, but it seems to me it indicates the absence of any definite knowledge of just what course the program should take.

I should like to suggest one thing that has come to my attention recently in respect to the proposal before us. Recently Congress passed a law authorizing the President to exercise powers which he heretofore had been denied the right to exercise. He is authorized now by existing legislation to turn over the functions of any department to any other department. That is a blanket, sweeping grant of legislative power given to the President, which is without any limit whatever. It is not repealed, either directly or by implication, in this measure, and it would therefore remain law.

Now, I notice that the committee has incorporated in the bill, on page 33, a provision authorizing the President to transfer to any other department the functions of the Price Administrator. I know that no one would challenge the high purpose of the President in transferring any functions of this agency to another department if he felt it was necessary. So, whatever we do here—if we pass any legislation with a provision such as this in it, we do so with the certain knowledge that the President himself would have power to correct anything that might appear to be maladroit, or cumbersome, or that was working a hardship on anyone. Am I correct in the assumption that the power referred to is a blanket power?

Mr. BROWN. The Senator from Washington is correct. We thought, in view of the Van Nuys Act, which was passed here some days ago—I think in the preceding session in December—that, under the provisions found on page 33 of the bill, beginning in line 18, the authority to transfer functions would exist if the bill were enacted into law.

Mr. BONE. If the bill is enacted, we enact it with the certainty that if Mr. Roosevelt feels that any injustice is being done, he has it within his power, under the broad provisions of this grant of power in the bill, to make any shift of functions that appeals to him as being desirable or necessary? Therefore, we would have the assurance, at least, if the legislation became law, that the President himself could correct any abuse if one should develop? Am I correct in that statement?

Mr. BROWN. That provision was placed in the bill at the request, I think, of the Senator from Ohio [Mr. TAFT] and the Senator from Alabama [Mr. BANKHEAD], who desired that if the President found that it would be wise to transfer the control over any particular commodity to an agency specially equipped, the President unquestionably should have the authority to do so. That was the purpose of that particular provision.

Mr. BONE. The grant of power was so sweeping and so complete that it challenged my attention, and it seems to me

it colors any such legislation as this, because the power is retained in the hands of the President to make any shift or change he sees fit.

Mr. BROWN. We thought the President should have the authority to determine those matters.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BARKLEY. While it is true, as suggested by the Senator from Washington [Mr. BONE], and agreed to by the Senator from Michigan [Mr. BROWN], that under the provisions of the bill the President has the authority to transfer the functions of any agency to another agency, and, therefore, he could transfer from the Price Administrator the power to fix maximum prices on agricultural products, so long as that power remains in the Price Administrator, the President could not take away from the Secretary of Agriculture the power to approve or disapprove what the Price Administrator does. He could transfer to the Secretary of Agriculture the functions of the Price Administrator with respect to farm products, but he could not take away from the Secretary of Agriculture the power of approval so long as the Price Administrator exercises his functions, and that would be the result of the adoption of this amendment.

Mr. BONE. Oh, yes; I did not intend to give my suggestion any such color. I merely pointed out that Congress has seen fit—and I think wisely—to vest in the President a vast discretion in an emergency of this kind, and it seems to me it would be unwise for Congress in such a critical moment as now confronts the country to deprive the President of a large amount of power, for he is going to be blamed for many things that happen and for many that do not happen.

Mr. BARKLEY. I agree with the Senator, but I was assuming what the Senator had in mind would happen if the pending amendment were adopted.

Will the Senator from Michigan yield to me further?

Mr. BROWN. I yield.

Mr. BARKLEY. The Senator from Oklahoma [Mr. LEE] made a suggestion with reference to farm surpluses. It is true that there are surpluses in two or three crops, such as cotton and wheat. They are controlled surpluses, however, and there is no way to predict how long those surpluses will exist, and there are vastly more agricultural commodities in which there is no surplus than there are in which there is a surplus. If we are going to deal with agricultural products at all we have to deal with all of them, those in which there is a temporary surplus and those in which there is no surplus. It seems to me the mere fact that in two or three commodities there is a surplus, which is, in effect, a controlled surplus, offers no reason to eliminate agricultural products altogether from the bill, as is suggested by my good friend the Senator from Oklahoma.

Mr. BROWN. Mr. President, I wish to say with reference to the question which the Senator from Oklahoma raised that I am fairly familiar, through having handled some of the commodity credit legislation here, with the general conditions in those agencies of the Government having control of surpluses, and that was the subject of a great deal of discussion before the committee. We came to the conclusion that the Price Administrator had the right to buy those commodities if desirable, but believed there should be retained in the agency controlling the commodities, usually the board of directors of the corporation, often the Secretary of Commerce, sometimes the Secretary of Agriculture, control over the question of whether they would sell. As I think was indicated in the extensive debate on the floor the other day, we concluded to write into the bill, and I think we have authority in the Price Administrator to buy, and authority in the agencies which now hold the surpluses to refuse to sell.

Second, I say to the Senator that, as the senior Senator from Alabama [Mr. BANKHEAD] has said many times today, it is probable that it will be some time before agricultural prices reach 110 percent of parity. Until the prices of agricultural products reach a relationship with other commodities represented by a comparison indicated by the percentage of 110, the Price Administrator may not operate at all.

Mr. LEE. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. LEE. I should like to ask the Senator a question or two. Can the Senator cite some well-known agricultural product and visualize a situation in which it would be necessary and advisable for the Administrator to fix a ceiling?

Mr. BROWN. What commodity does the Senator have in mind?

Mr. LEE. Let us take wheat, which enters into bread.

Mr. BROWN. If the price should reach beyond 110 percent of parity, and that figure should be above the October 1 to 15 standard, and above the price on October 1, 1941, he could operate. Whether he would establish a ceiling would be a matter for his judgment and determination. I answer directly the question the Senator asks by saying that if the price of wheat were then out of line with the general level of prices perhaps he ought to operate. If it were not out of line, and the prices of other products were coming up to that figure—products such as corn, cotton, oats, potatoes, and manufactured products—he ought not to operate, but ought to let the process go on.

Mr. LEE. What condition would exist which would make wheat out of line? Would it not be a shortage of wheat?

Mr. BROWN. It might be shipments of large amounts of wheat to England or Russia. It might be a scarcity.

Mr. LEE. The answer is that a shortage of wheat might create such a situation?

Mr. BROWN. That is true.

Mr. LEE. What would be the best way to relieve the shortage? Would not the best way be to let the price go up so that farmers would increase their production?

Mr. BROWN. That is a factor which, under section 1 of the bill, the Price Administrator is required to take into consideration. He is required to consider productive capacity. Under those circumstances, if an increase in price would bring out an increased supply, he would increase the price. However, the Senator is simply stating the law of supply and demand.

Mr. LEE. I understand that.

Mr. BROWN. Our whole theory is based upon the proposition that the law of supply and demand gets out of kilter when extraordinary conditions make enormous demands upon us.

Mr. LEE. That is true only with respect to such commodities as we are trying to divert from civilian consumption to war use. In doing so we create certain shortages which would make prices skyrocket beyond reason, and cause inflation. That is not the case with respect to agricultural commodities. That is the argument I am trying to make. Bread is as necessary for civilians as it is for soldiers. Therefore the situation is different; and the law of supply and demand is exactly what we want to operate during wartime, in order to increase production when there is an approaching shortage.

Mr. BROWN. Does the Senator feel that it would be wise simply to exempt agricultural products entirely from the bill?

Mr. LEE. I do.

Mr. BROWN. And refer only to the products of all other classes of producers in the United States?

Mr. LEE. Does not the bill entirely exempt labor, and is not the cost of labor the largest factor in the cost of production of war materials?

Mr. BROWN. I think we ought not to be compelled now to go into that question, because it is a large question in itself and will be the subject of considerable discussion by the Senator from Michigan and others.

Mr. LEE. We will pass that question. I have not yet been given a good reason why agricultural commodities should not be exempt, and why exempting them would in any way nullify or injure the purpose we are attempting to accomplish. I wish someone would take one agricultural commodity and follow it through in an illustration to show how the exemption of agricultural products would in any way destroy what we are trying to do by this bill.

Mr. BROWN. Certainly if agricultural prices should reach 140 percent of parity, thereby causing all the consumers in the United States to pay extraordinary prices for agricultural products, we should have a situation which would be most unfortunate for the consumers. We should then have a demand for an increase in the prices of the commodities which other classes of producers in the United States produce, in order to enable them to buy agricultural products. Following the rise in those prices we should have a demand on the part of agriculture for higher prices, a lifting of the ceiling, and so forth, to enable the producers of agricultural products to buy the products of manufacturers. That is the

vicious spiral, up, up, up, which we want to avoid by the passage of the bill.

Mr. LEE. If the Senator will yield further, there is only one thing that would make the price of any agricultural commodity rise to the point indicated by the Senator, and that is a shortage of that commodity. The only relief for that shortage would be for the price to rise until it had become so attractive that the farmer would increase his production of that very commodity.

Mr. BROWN. Then, of course, we should reach almost exactly the situation which resulted in the collapse immediately following the war in 1919, and the collapse which occurred in 1929—the most ruinous for agriculture in the history of the United States. And I might add the significant point that the exorbitant prices of World War No. 1 did not, contrary to the views expressed by the Senator from Oklahoma and others, substantially increase our production.

Mr. O'DANIEL. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. O'DANIEL. Let me ask the Senator from Michigan why labor wages were excluded from the bill?

Mr. BROWN. That is a subject matter which will be taken up later. I think the Senator from Missouri [Mr. CLARK] intends to offer an amendment along that line. It is a subject matter on which I have prepared an extended brief. I do not like to take the time of the Senate to go into that matter at the present time. Briefly, I can say that there were two main reasons why we did not include labor in the bill. Perhaps I ought to say that the Senator from Texas also has an amendment along that line. I know of his great interest in that subject.

There was no member of the subcommittee who, after hearing all the testimony, felt that labor should be included in the bill. One member of the full committee took the view that probably we should go into that subject matter.

The reasons why labor was not included in the bill were, first, that it is such a tremendous subject. It is now under the jurisdiction of the Committee on Education and Labor, and is the subject of negotiations between the President, both capital and labor, and the Department of Labor, including the various conciliation agencies under the Department of Labor and other mediation boards. We felt that we ought to permit those agencies to determine that question. That point does not go to the merits of the question.

Second, we came to the conclusion that if we were to regulate the wages of labor we should have to regulate the profits received by individuals throughout the United States. We should have to regulate the salary of every clerk in every department store in the United States. We should have to regulate the compensation received by every dentist, doctor, and every other earner in the United States. The Committee on Banking and Currency felt that such a task would be too great to place upon the Price Administrator, inasmuch as the bill is directed toward commodities, and not toward individuals.

Third, we came to the conclusion—and ex-President Hoover, who had great experience along this line, fully agreed with our views—that as to any product of which labor is a part, the price of the product itself is a control over the level of wages in the industry producing any such commodity which we might attempt to control.

Briefly, those are the reasons why we did not include wages in the bill.

Mr. O'DANIEL. I appreciate the answer, and I am wholly in accord with the reasons. I do not believe labor should be included in the bill, and the Senator from Michigan has given some very good arguments as to why the Bankhead amendment should be agreed to.

Mr. BROWN. I realize that the Senator from Texas does not think there should be anything in the bill; I think if we were to open the bill at page 1 and were to find 33 blank pages, the Senator from Texas would be entirely satisfied; in fact, no other bill would satisfy him. [Laughter.]

Mr. O'DANIEL. The Senator from Texas would be satisfied to have the entire bill eliminated, because the Senator from Texas believes that there is another method of approach—a method which would settle our problem better, more completely, and more economically.

But with reference to the exclusion of wages from the bill, it is my understanding that the Senator has said that wages are excluded chiefly because labor is pretty well taken care of by other departments of our Government and by mutual agreements. I do not exactly agree with that statement, but at any rate, that is the theory on which labor has been excluded from the bill.

On the same theory, I should like to call attention to the fact that agriculture has been very well taken care of by the Department of Agriculture. We have gone through a period of severe depression which has been detrimental to the agricultural interests. Yet, through indirect price control by the Secretary of Agriculture, through the process of reduction of acreage, through the lending process, through the storage process, through the buying-and-selling process, the prices of agricultural commodities have been held in check, so that there has been very little complaint on the part of consumers, and the agricultural interests themselves have been to a degree not entirely satisfied, but partially satisfied.

Inasmuch as the agricultural problem has been handled with great satisfaction, as wages have been handled, why should the whole tenor of the bill be directed against agriculture? All the references made in the arguments we have heard this week have been references to agricultural commodities and things that affect agriculture. The whole bill seems to be aimed at agriculture.

Why should we upset the whole scheme which we have been following, a scheme which was adopted by the Congress of the United States in authorizing the Secretary of Agriculture to establish rules and regulations which have brought about a most successful degree of indirect price control? Why should we now upset all that by trying to turn the administration over to a department which has not yet been established by law? That is the point I am trying to develop. Why should we do to agriculture what we would not attempt to do to labor, when agriculture has done as good a job as, if not a better job than, the labor leaders have done for labor?

Another point I should like to bring out is with respect to divided control. Of course, we all know that there should not be divided control; and that is exactly what the Bankhead amendment seeks to prevent. It seeks to prevent divided control in the Department of Agriculture. The enactment of the bill would establish divided control in the Department of Agriculture. By his plans and system and process of regulated acreage, the Secretary of Agriculture is and has been controlling prices. If we turn price control over to a price administrator, we shall have divided control.

The Bankhead amendment is designed to keep single control over the prices of agriculture by leaving the control in the Department of Agriculture, a department which already is established and working successfully, instead of giving divided control to the Price Administrator who is proposed to be established. The establishment of such division of control would take away from the Secretary of Agriculture his indirect control of prices and would wreck the Department of Agriculture's ability to do any further good for the farmers, ranchers, and cattle raisers of the Nation.

Mr. BROWN. The Senator from Texas seems to assume that the authority granted in the bill is authority to restrict agriculture; and he says that we seem to be talking all the time about agriculture. I am sure that is not my fault. We have in the bill only one little section relating to agriculture which can be contained within the limits of one page. We do not attempt by that section to do something to agriculture; we try to do a great deal for agriculture. That is what we are talking about. We do not talk about the man who makes a suit of clothes or the man who makes any one of the numerous articles which we use in our everyday life, the man who makes furniture, the man who makes mattresses, or the man who makes any type of manufactured products.

I am quite familiar with the production of automobiles. Not only will the prices of automobiles be regulated but in my State our people will not be permitted to manufacture any more automobiles.

The automobile business is a tremendous one. In that business from 200,000 to 300,000 people will be thrown out of employment on the 1st day of February of this year, and they will be out of work for from 2 to 5 months. That is a serious situation. We are doing something to that industry, not only by this legislation, but by other legislation. Throughout the entire United States many small manufacturing establishments will be denied the right to make the things they have been making for years, and their employees will be thrown out of work. We do not hear anything about the sacri-

fices they will be called upon to make in connection with this bill; but they are making sacrifices. They are not being given a floor of 110 percent on the products they make; they are being denied the right to make any products.

I am not here to make a speech in their behalf. I am here to try to show my fellow Senators that in the House of Representatives and in the Senate Committee on Banking and Currency cognizance was taken of the special circumstances surrounding agriculture; and, because prices of agricultural products had perhaps been below the general level of prices for some time, we thought we ought to permit them to go above their former level. We inquired, "How far should we permit them to go above it?" We asked Mr. O'Neal to come before us; and he told us that we should permit agricultural prices to go up to 110 percent of parity. We asked Secretary Wickard to come before us, and he told us that we should permit agricultural prices to go up to 110 percent of parity. We adopted their views. We accepted 110 percent of parity, and said the farmer is entitled to a special break. Perhaps if we had said nothing at all about it in the bill we should have got it through a little more easily.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. RUSSELL. The Senator has referred a number of times to the fact that Mr. O'Neal, the leader of a group of American farmers, and the Secretary of Agriculture requested 110 percent of parity. The Senator intimated, if he did not so state, that when it wrote in the formula for 110 percent of parity, the committee thought it had complied with the requests of the farm organizations and of the Department of Agriculture.

I desire to point out to the able Senator in charge of the bill, who has shown an amazing grasp of the record in this case, as well as of the innumerable statistics and complications of the bill, that in his appearance before the committee Mr. O'Neal specifically stated, as appears on page 443 of the hearings, that the administration of agricultural prices should be in the Department of Agriculture. To clarify the position of those who from the very beginning have been contending for adoption of the principle embraced in the Bankhead amendment, I desire to read into the RECORD at this point a very brief excerpt from Mr. O'Neal's statement:

> Mr. O'NEAL. * * * It is our opinion that the price ceilings placed on agriculture should be fixed in such way as to be consistent with the need of the Nation for additional food production. It is well known that the Secretary of Agriculture is asking for increased production of fats and oils. Arbitrary action by Mr. Henderson in fixing prices on fats and oils without consulting the proper officials of the Department of Agriculture is a positive indication that he is not properly coordinating his efforts to control prices with those of the Secretary of Agriculture to get needed food production.
>
> In order that the activities of the Price Control Administration be properly coordinated with the "food for freedom" program, we feel that the price-control bill should contain a provision that a price ceiling shall not be fixed on any agricultural commodity or primary product thereof without the approval of the Secretary of Agriculture. This should be in the law. A promise from the present Price Control Administrator that he would not fix price ceilings without getting the approval of the proper officials in the Department of Agriculture is obviously not sufficient to protect agriculture or the war effort.

So, instead of this being an afterthought, something that was cooked up afterward, everyone had agreed on it. The record discloses that Mr. O'Neal, whom the Senator himself quoted, and for that reason I read from his testimony, was insisting at the hearings that any action with respect to fixing prices of agricultural commodities should not be effective until it was approved by the Secretary of Agriculture, that being the very gist of the amendment which has been submitted by the Senator from Alabama.

I do not know about any statement the Senator from A'abama may have made in the committee, but I would rely absolutely on anything he said.

Mr. BANKHEAD. I made a statement and notified the committee of my intention.

Mr. RUSSELL. I know those of us who have been interested in agriculture have insisted from the very inception of this legislation that any action with respect to the prices of agricultural commodities, which are vital to the Nation in this perilous hour, should not be taken by one who is not familiar at all with all the ins and outs of agriculture and without consulting the Secretary of Agriculture.

Mr. BANKHEAD. Mr. President, in that connection, will the Senator from Michigan allow me to read a telegram, which I understand Mr. O'Neal has sent to all Members of the Senate?

Mr. BROWN. I yield.

Mr. BANKHEAD. The telegram reads as follows:

> WASHINGTON, D. C., *January 9, 1942.*
>
> Respectfully urge your support of Bankhead amendment to pending price-control bill. This amendment imperatively necessary to keep faith with pledges of Congress and administration to millions of farmers who are mobilizing in an all-out effort to produce adequate food and fiber to win the war. Without this amendment entire agricultural production for defense program stands in jeopardy. This amendment also necessary in order to prevent dual authority in the administration of agricultural programs.
>
> EDWARD A. O'NEAL,
> *President, American Farm Bureau Federation.*

Mr. BROWN. I assume that the Senator from Georgia has had sufficient experience, both as Governor of the State of Georgia, in which office he made a very distinguished record, and as chairman of the subcommittee on agricultural appropriations of the great Appropriations Committee of the Senate, to know that not only representatives of farm organizations and labor organizations but all other organizations which very rightfully appear before us sometimes ask for a little more than they think they are going to receive.

Mr. RUSSELL. Mr. O'Neal asked for a great deal more than he thought he was going to receive here. I had not read his statement until a few moments ago, but I find that he was very insistent that this bill should also regulate the wages of those not engaged in agriculture; and, from a reading of the record, certainly nothing appears that would show that Mr. O'Neal spoke with his tongue in his cheek when he insisted on the Department of Agriculture having something to do with fixing agricultural prices. On the contrary, he took two or three pages—I did not read it all to the Senate because I did not want to take the time it would have involved—in denunciation of the action of Mr. Henderson in fixing certain prices without even consulting the Department of Agriculture, and was most vehement in his statement that there should be an express provision in this measure that no agricultural price should be fixed without the approval of the Secretary of Agriculture.

Mr. BROWN. In that connection, there appears in the record of the committee the resolution adopted by the twenty-third annual convention of the American Farm Bureau Federation held at Chicago on December 11, 1941.

Mr. RUSSELL. On what page is it?

Mr. BROWN. It is on page 431 of the hearings. In that resolution they took up this subject and, likewise, made as their cardinal point the 110 percent of parity figure. I quote from the resolution:

> In order to prevent the average price received by farmers for any agricultural commodity being depressed below parity through the operation of price controls, no price ceiling should be established on any agricultural commodity or the products thereof, at a price less than 110 percent of parity.

That statement is found at the end of the second paragraph. I do not find, from a hasty scanning of the resolution, any reference to the other subject matter. I will say, however, that Mr. O'Neal spoke immediately after Mr. Hoover spoke, and the real author of the proposition to leave control in the Department of Agriculture was Mr. Hoover.

Mr. RUSSELL. That is an assumption on the Senator's part, is it not?

Mr. BROWN. I say that Mr. O'Neal spoke after Mr. Hoover had advanced that proposition. Mr. O'Neal very likely had the idea prior to that time, but Mr. Hoover was the first witness who advocated the proposition of giving control to the Secretary of Agriculture.

Mr. BANKHEAD. Mr. President, will the Senator from Georgia let me make a statement?

Mr. RUSSELL. The Senator from Michigan has the floor.

Mr. BROWN. I yield.

Mr. BANKHEAD. I wish to say on that point, and to call the attention of the Senator from Michigan to it, that Mr. Hoover testified in the morning, and immediately after lunch Mr. O'Neal came forward with his prepared statement.

Mr. BROWN. I said so. He spoke some time after Mr. Hoover had testified.

Mr. RUSSELL. Mr. President, the Senator from Michigan knows all about this bill, but I doubt whether the Senator from Michigan knows, as a matter of fact, that Mr. Hoover gave to Mr. O'Neal

the idea that the Secretary of Agriculture should approve the fixing of farm prices.

Mr. BROWN. I did not say that. I said Mr. Hoover was the first man in the hearings of the Senate committee to advocate the proposition, and that Mr. O'Neal testified after Mr. Hoover testified on the day in question. Very likely Mr. O'Neal's statement had been prepared before Mr. Hoover testified.

Now I call attention to the fact that Mr. Hoover, who administered the Food Administration during the World War, did not turn the job over to the Secretary of Agriculture. He determined food prices, and there was no intimation at that time that the Secretary of Agriculture should either do the job or have any veto power over it. I submit that a careful reading of the testimony of Mr. Hoover pretty clearly demonstrates that he was an advocate of a strong, single price-control administrator.

Mr. President, I desire to conclude with a few brief remarks on the only other section of the subject matter to which I desire to address myself. Everyone knows that the situation is one in which the Commander in Chief of the Army and Navy and the head of the Government of the United States is deeply and vitally interested. In his letter to the Senator from Kentucky [Mr. BARKLEY] he clearly set forth that he did not want any division of this authority between the Secretary of Agriculture and the Price Administrator.

It seems to me that Senators who are here supporting the proposal that the Secretary of Agriculture should be given this authority are not doing the Secretary of Agriculture a good service. I think it is quite obvious that when the man who has been chosen to lead us in this crisis is given authority to control this situation we ought not, against his desire and wish, impose duties upon an agent of his—for that is what the Secretary of Agriculture is; he is the agent and representative of the President of the United States—which might result in conflict in the organization having to do with the regulation and control of prices. The President has clearly indicated that he would like to see these duties given to the man whom he will name price administrator. And that man, I might add, in what I thought was a most remarkably disarming statement, indicated that he did not think his tenure of office could be particularly long.

When I first had contact with Mr. Henderson, I had the common conception that most Senators had of him that he was a "crack-downer," and a man who did not give due consideration to matters that came before him; but in his testimony before the Banking and Currency Committee I found him a most human sort of individual.

Mr. LEE. Mr. President, will the Senator yield at that point?

Mr. BROWN. I yield to the Senator from Oklahoma.

Mr. LEE. I wish again to reiterate that I have every confidence in the world in Leon Henderson; and it is not any doubt or fear of him that causes me to vote as I do. As a matter of fact, I think there should not be any division of authority; but I do not believe agricultural commodities should be brought under this bill, and the nearest I can come to voting them out from under it is to vote for this amendment.

Mr. BROWN. I desire to read what Mr. Henderson said in that particular.

We came to the question of the single-headed administration in contradistinction to the establishment of a board. After Mr. Henderson had said:

> I am embarrassed about this provision, because I am somewhat concerned.

The Senator from New Hampshire [Mr. TOBEY], with his usual humor, said:

> You think it is like a presiding officer who puts the motion to elect him president? We have all been in that unhappy position. So go ahead.

Mr. Henderson said:

> We have an unusual situation, in that this is one major executive undertaking that is already in high gear when it comes to the Legislature for an enabling act. As to other important acts, such as the Agricultural Adjustment Administration Act or the Reconstruction Finance Corporation Act, legislation was passed and an administrator was chosen. Because of this unusual situation I think I was put in issue as much as the bill before the House. I was in a position where, unless I wanted to maintain an attitude of coyness over a period of 4 months, which is impossible for me, I had to admit that I felt that the President would appoint me Administrator, and my feeling was based on the idea that if he were not going to appoint me as Administrator he ought to fire me then.
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> It is characteristic of an emergency or a war period that there is a constant change in the directing executives. People are expended.

I thought that was a remarkable statement.

> People are expended—

They are spent.

> They are nothing more than paper clips or rubber bands in connnection with carrying out an effort. Very few people begin with the administration of any important job in a defense or war effort and finish with it. Therefore, on the assumption that history will repeat itself, what I have to say I think should be taken from the standpoint of protecting those who are likely to come after me in the administration of this act.

I thought that was a remarkably human statement for Mr. Henderson to make under those circumstances.

Mr. O'DANIEL. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Texas.

Mr. O'DANIEL. I want it distinctly understood that personalities do not enter at all into my discussion of the pending legislation. I think it is the duty of Congress to deal with the principles involved. I have no knowledge as to who will be the Price Administrator. The principle of setting up the Office of Price Administration is the basis upon which all my statements have been made.

Mr. BROWN. The Senator undoubtedly is correct in regard to his own thoughts on that subject; but I do not know how many times I have heard the statement that if it had not been for the great mistake that was made in the case of cottonseed oil, we would not have had this controversy at all. I exerted myself and the majority leader [Mr. BARKLEY] exerted himself to the utmost to correct that situation, and we found the Price Administrator most reasonable, most cooperative in correcting what was very obviously a mistake; and who of us do not make mistakes of that kind?

What I want to point out is that I think it will be unfortunate to burden the Secretary of Agriculture with a job that his Chief does not want him to have. I think we are not doing the Secretary of Agriculture a service by taking that attitude.

So, Mr. President, I conclude with the expression of my hope that the Senate will do what I, from my study of this subject, think is the logical, fair thing to do—place the control of prices in one authority and in one man. In all that I have said I have tried to be fair as between different producing groups. It is not an easy task to stand here and appear to be at odds with what the farmers, through their representatives, want; but, as I said earlier in my speech, throughout the years I have had considerable experience with those who urge upon us their particular viewpoints in a controversy. Many times I have felt that my vote upon a particular proposal would kill me politically, and that I would have the intense opposition of those with whom I did not agree. How many times have I found—and I hope the farmers of Michigan will feel that way in this instance—how many times have I found, when I got home and said, "Well, I suppose you are pretty mad at me because of the position I took in the Senate," that they did not even know what I was talking about.

I think most Senators will find that that is the situation here. Furthermore, I want to say that I place my farmers in Michigan, and the farmers of the country as a whole, on a much higher plane than do some others. The fact that I have raised my voice and made the battle here for what I conceive to be a logical and sound bill does not in any way make me think that the reasonable, sensible people of Michigan, producers and farmers alike, will condemn me when I do that which I think is in furtherance of the interests of all the people of the United States.

Mr. GEORGE. Mr. President, I wish to make a brief statement—and it will be no more than a statement—of my position on this amendment.

I am supporting the amendment offered by the Senator from Alabama [Mr. BANKHEAD], particularly in the form in which it is now written. As I understand, the amendment applies strictly to agricultural products, and not to processed or manufactured articles made from manufactured products.

I think even more than this amendment is justified. I thoroughly believe that the administration of this bill, insofar as it relates to agricultural products, should be exclusively in the hands of the Secretary of Agriculture. But that is not the amendment; and, as the amendment stands, the order of the Price

Administrator is simply subject to the approval of the Secretary of Agriculture.

I wish to say that, in my judgment, the Secretary of Agriculture will be bound, and will recognize the obligation resting upon him, to carry out the objectives declared in the bill. In other words, obligatory upon the Secretary of Agriculture is the doing of everything and for every purpose stated in section 1 of the bill to the same extent, in the same degree, and in the same manner as it is obligatory and binding upon the Price Administrator himself.

Mr. President, I now come to the reason why I think the Secretary of Agriculture should be called on to approve any fixation of prices of farm commodities by the Price Administrator in this effort to prevent spiraling of prices, to prevent the running away of prices, to prevent the various abuses which we ordinarily mean and comprehend within the term "price inflation" within this war period. I think that if the Secretary of Agriculture is given any authority under the bill, even the authority of final approval, he must recognize that he is bound absolutely by the policy adopted by the Congress in order to prevent the several things which are enumerated in section 1. I am assuming he would do so, and I am also assuming that Mr. Henderson, if he shall be named Price Administrator, will do so. In other words, I am not basing my support of the amendment on any lack of faith in Mr. Henderson. On the contrary, I think he possesses many qualifications which are essential for the doing of this hard-boiled job, which I agree must be done; at least, we must undertake to do it, because the country can be destroyed through price inflation as effectively as it can be destroyed by invading armies. That is as strong as I can state it.

What is the reason why the Secretary of Agriculture should have a say about agricultural prices? In the first place, we have set up a farm program in the United States which is based upon a definite philosophy. That philosophy is on the whole harmonious with the declared purposes and objectives of the proposed law. The Secretary of Agriculture is charged with the administration of that program. The program has not been developed overnight; it is not a mushroom growth. It is a product of many years of thought and study, of application, and of experience. The Price Administrator has not had that experience, he cannot be expected to have had it. He cannot draw on such experience unless he is willing to have the Secretary of Agriculture really decide the questions finally in any event.

Now I come to the reason why I think the amendment should be agreed to, and it is a reason which transcends anything which is in the text, or what has been said, so far as I know. We have a war to win. It is the greatest task which ever challenged the American people. How is it to be won? Let me illustrate: Is it to be won by merely collecting taxes from the people of the United States? Not at all; no amount of money bundled into the Treasury out of the pockets of the people will win the war. The war will be won by production in the American shop and factory and field and forest and mine, and it can be won nowhere else. How are we to get production? Can any man, merely because he is given money or extraordinary power to exercise, get production? He cannot. At bottom, production is a matter of morale. At bottom, production is a matter of the confidence of the people of the Nation in those who lead it at this hour. At bottom, there is the serious question of winning the war. We are attempting to avoid inflation in order to escape ruin, but also in order to win the war, for inflation may be one of the causes defeating our success upon the battlefields, even the far-off battlefields of Manila, or those in Europe, or wherever the President has said we are ready to send our forces.

How are we to preserve the morale of the American farmer? He knows the Secretary of Agriculture. He has dealt with the Department of Agriculture. He knows the Agricultural Department understands his problems. For nearly 8 years he has been trying to build up a farm program under which he could produce, under which prices could be stabilized, under which he could get a fair return which would justify production upon his part. He is familiar with the Secretary of Agriculture. He knows the processes in the Department. He understands the processes under which he has labored. The bill proposes that all his prices are to be subject to the control of Mr. Henderson, let us say. Mr. Henderson is capable, and he is all right, and I am not complaining at all about his appointment; I express the hope that he will be appointed by the President. But the farmer is not familiar with Mr. Henderson; he is not familiar with Mr. Henderson's organization; he does not know who sits in the price-fixing division of O. P. M. For the most part, I dare say, those officials are not farmers, for the most part they know nothing about agriculture, for the most part they know nothing about the farmer; or what they do know is pure theory; it is not practical knowledge. In the Department of Agriculture, on the other hand, there are practical farmers; there are men who know agriculture. It has taken a long time to build up that organization.

If we wish to preserve the morale of the American farmer, how are we to do it? By lifting his whole existence out of the department where he knows his way around, and where he has a voice, and where he has a right to be heard; and placing it in the hands of a group of most excellent gentlemen, men from New York, or Harvard, or wherever else they are to be found, who know nothing about the farmer's real problems? We will not win the war in that way. We will not win the war by taking the last red cent out of the pocket of the American producer and turning it over to the Treasury. We can get production only if the American people have faith and confidence in their leaders, and if they know that that leadership is leading in the right direction.

There is no occasion for prejudice against Mr. Henderson. He will have his hands full. He will have a man-sized job. He will fix the prices of agricultural commodities, even under the pending amendment; but if the amendment were adopted he would have to go to the Secretary of Agriculture and say, "This is what I propose to do. How does it fit in with your program? How does it suit your people? Will the American farmers accept it?" The Secretary of Agriculture will be called upon to exercise his best judgment to effectuate the very same purposes which are made obligatory upon Mr. Henderson, or upon whomever the Price Administrator may be.

Mr. President, that is the reason why I am supporting the amendment. I am supporting it for the same reason which leads me to support anything intended, and thoroughly adjusted, to win the war.

Break down the morale of the American people, break down the morale of the miners, the men who are producing strategic materials, break down the morale of the lumbermen, break down the morale of those who are producing the foodstuffs with which to feed and the fiber with which to clothe not only the American armies, but the armies of all those who are fighting against the Axis Powers—break it down, and no amount of power given Mr. Henderson can get the cooperation which lies at the foundation of every successful effort to win the war. It is a matter of cooperation. You cannot crack down on freemen who have had the experience of freemen, and make them come under the lash of the slave, and at the same time effectively preserve their energy and their power. The President is wrong about it. Mr Henderson is wrong about it. It simply cannot be done. There can be no safeguards against inflation when it comes to price regulation, unless the men who are being regulated are willing to cooperate.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. GEORGE. Yes; I yield.

Mr. BROWN. I wonder what the Senator thinks about the morale of 350,000 employees in the industrial area in the immediate vicinity of southeastern Michigan and northern and northwestern Ohio and northern Indiana, who will have absolutely no jobs and no wages for at least 2 months, and who will probably get no jobs for about 5 months, when we compare their situation with one in which we guarantee to the American farmer that we will not interfere with the law of demand and supply in the slightest until he receives 110 percent of parity for his farm products?

Mr. GEORGE. Mr. President, those who framed this bill have not touched labor. Those who framed the bill have utterly ignored the basic principle entering into all costs, and why? Because they said there was a better way of dealing with labor; there was a better way of fixing wages and of keeping wages at a reasonable level. In large part I am inclined to agree with them. I think that prices should be tied in with the fluctuation of the wage rate and scale, but beyond that the supporters of the bill have not said that wages should be brought

into the bill. Those who framed the bill left labor aside.

It is unfortunate, of course, that during the transition of peacetime production over to war production in the automobile industry or any other industry there will be a period in which labor engaged in that particular industry or branch of it may not have steady employment but, Mr. President, that has nothing to do with this problem. That has nothing to do with the principle I am discussing.

There are industries in the country which will go out of existence during the whole duration of the war, and for the most part their personnel will not be able to transfer over into war production. That is not the question I am talking about. You cannot crack down on American men and women and get the best results. You can ask them to help you do the job, and that, as I understand, is the philosophy back of our program with American labor, with the American worker.

We have judgment enough to know that we cannot crack down on a free-born American workman and say, "We will enlist you, we will draft you, we will compel you." But we can say, "We will invite you to cooperate with us," and such an appeal will be heard and heeded by American labor; it will be heard and heeded by the American farmer.

The American farmer wants to stay where we have heretofore put him. He wants to stay with the Secretary of Agriculture and the Department of Agriculture. We have taught him to do that. We have trained him to do that. We have required him to do that. It is true that we are saying in the bill, the provisions of which would bind the Price Administrator as well as the Secretary of Agriculture, "You cannot fix the maximum price upon farm products below a certain figure," but there is a vast field in which the Secretary of Agriculture might say, "It would be unwise to fix this price at 110 percent of parity. It would be unwise to drag it down from 130 or 140 percent of parity, because we may need the food, we may need the supplies."

The whole point is that if we mean to win the war we must have the cooperation of our people. That is the reason I have offered a simple amendment, which is not even obligatory on the Price Administrator, to set up advisory committees in industry, because industry has been accustomed to deal in that way. It feels that it should be permitted to come to its Government, and that the officer in charge of the administration of the law should pay some attention to the plea of the industry, and that if it makes out a good case, if it has the facts on its side, it should get substantial justice.

Mr. Henderson may not need the industrial advisory committees to advise him. Industry may not bring him any new facts. It may not enlighten him upon any price or any question that comes within his jurisdiction. But he needs industry's cooperation to make the machine work. He needs the cooperation of industry, and industry should have the feeling that it has the right to talk to him through its chosen or designated committees. He needs the cooperation which he can secure, and if Mr. Henderson is as wise as I think he is, and I have a rather exalted opinion of his ability—I am speaking frankly to the Senate—if he is as wise as I think he is, he knows that he cannot do this full job without the cooperation of the American worker and of American industry.

When he is dealing with the most individualistic class of American people, the farmers, who have been accustomed to live the life of individuals, sometimes far removed and remote from association with their fellows, always more or less remote from Government itself, and from the machinery of Government, why should he not recognize that the cooperation of the American farmer is essential to the winning of this war and to the effective operation of the price-control bill which he is called upon or may be called upon to administer? Why should he not say, "Yes, you have been accustomed to deal with the Secretary of Agriculture, whoever he may be. You know your program. You know why everything has been done and is being done, and you will give the cooperation which we now vitally need if you feel that you can come to Washington and see the Secretary of Agriculture, and say that this price or this order ought to be amended, or changed, or modified, in this or that respect."

That is the reason, Mr. President, why I feel strongly impelled to support the Bankhead amendment.

Mr. McNARY. Mr. President, I think I appreciate that it is the wish of the Members of the Senate to vote without further delay, and I shall promise to speak but a few moments.

There are a number of provisions of the bill which I should like to discuss, but I shall not do so this evening. I wish to state my position on the bill, and on the very excellent modification made by the able Senator from Alabama [Mr. BANKHEAD], who offered the amendment. When I read the amendment, Mr. President, I told the able Senator from Alabama that I could not support it in its original form. I did not believe that the Secretary of Agriculture had personnel or technicians qualified to administer the bill, which involves not only raw agricultural products but also those processed and manufactured.

After the able Senator gave the matter some consideration, he modified his amendment to meet the situation. I think it would not only work to the advantage of the farmer but would add very much to the comfort of the Administrator, whoever he may be.

I know that the Secretary of Agriculture could not fix prices on shoes, shirts, collars, neckties, and all the wearing apparel one might mention, or canned goods of any kind, desiccated goods, or dried-fruit products. He is capable, however, of doing a very excellent job in the matter of the raw materials which are taken from the soil.

Mr. President, I know from reading the bill that any fair-minded person must come to the conclusion that the words "agricultural commodity" refer to the raw materials produced on the farm. Otherwise, there would not be a separate subsection dealing with processed and manufactured goods. The two subsections, read together, define the term.

Second, in all the legislation with which I am conversant dealing with agricultural products the words "agricultural commodity" have meant commodities from the farm. When we want to enter the field of refined, manufactured, or processed commodities, we use the proper language. That is the history of legislation on this subject, with which I am quite familiar.

I assume, as did the able Senator, that there can be no question about the definition of an agricultural commodity. To that subject I shall briefly address myself. A moment ago I said that the Secretary of Agriculture is incompetent to deal with processed and manufactured articles. When we come to raw materials we have the great basic commodities to deal with, not only cotton, corn, wheat, tobacco, and rice, the five commodities defined as basic commodities in the Agricultural Adjustment Act, but also products of the poultry industry, the dairy industry, the fruit and nut industry, and others of less importance.

A few days ago leading members and heads of the farm organizations talked to me about this matter. At that time I told them that I was not interested in the amendment offered by the Senator from Alabama, because I thought it went too far afield from the subject matter which could be handled by the Secretary of Agriculture. I found them all tremendously interested in the administration of raw products by the Secretary of Agriculture.

A few moments ago this subject was very clearly discussed by the Senator from Georgia [Mr. GEORGE]. It was referred to earlier in the day by the able Senator from Texas [Mr. O'DANIEL], and by the very distinguished Senator from Alabama [Mr. BANKHEAD], who has offered the amendment. If we want to take into consideration, as we should, the attitude and wishes of the farmers of the country, we should give them the accustomed control which they have experienced in the past 8 years, or since 1934, when the first Agricultural Adjustment Act was passed by Congress.

Mr. President, I think we should do the Price Administrator the greatest kindness possible if we should relieve him from a burden which I am sure he could not carry. Let me tell the Senate why. Assume that the Administrator would be Mr. Henderson. I have no objection to him. I think he would be a very capable and worthy Administrator, and would do an excellent job. I speak impersonally on this matter, Mr. President, when I say that I am not opposing the bill as reported, because of Mr. Henderson, but because he has not the personnel or the technologists to administer such a measure. If one will consider the plan laid down by the Agricultural Adjustment Act, he must know that it extends from year to year. Plans are now in progress for 1942, plans which reach over into 1943. County agents are holding meetings throughout the 3,200 counties in the country. The agricultural experiment

stations in the 48 States, acting in cooperation with the Department of Agriculture, are laying plans to carry out the system which has been followed for the past several years.

We all know that the quantity of production is very closely related to the price. When we try to inspire a farmer to expand his acreage or his production he looks at the price figures. So we cannot place a uniform price on any agricultural commodity. The prices must be in relationship with parity, but they must be different in the various sections of the country in order to meet different situations.

Let me illustrate. In the great Northwest, from Montana to the ocean, the quality of wheat known as soft wheat is produced. One hundred and fifty million bushels a year are produced. That wheat does not reach the eastern market, except for pastry—pies, cakes, and biscuits. It goes mainly to the Orient and to South and Central American countries. If there is a shortage of wheat there, the expansion is made by dealing directly with the Department of Agriculture and increasing the quantity to meet the demand. Every effort is made to maintain equilibrium as between supply and demand.

When we want the high-protein wheat, which is raised in the higher altitudes and farther east, and is used for bread, we get it from the Wheat Belt. If there is a shortage there, production is expanded.

Today one of the most important products needed in this country and abroad is pork fat, called lard. I remember a few years ago, as chairman of the Senate Committee on Agriculture and Forestry, that the tendency was to raise smaller hogs. The profit was from hams and bacon, which were made from the smaller hogs, such as the Durocs and other kindred varieties. Large hogs, hogs, such as the Berkshire and Poland China, were almost obsolescent. They have now returned. Why? Because the price of lard has gone up to such an extent as to invite larger production.

Such illustrations run through the whole field of commodity production. Today we are sending abroad more pork in the form of lard than ever before in our history, because it is needed. For that reason we are paying a higher price for hogs which produce lard.

Has Mr. Henderson any technologists who are qualified to meet a situation of that kind? Although he is a fine administrator, he has no one in his department who has devoted his life to the service of the farmers. If we go through the great Department of Agriculture, which has been in operation for more than 60 years, we find men who have served for 30 or 40 years, who know this problem, who are working with it today, and who are dealing with products and byproducts of the farm. Are we to dispense with their services and turn the problem over to Mr. Henderson, who could not carry the load?

Mr. President, I think the Bankhead amendment is not only in the interest of the farm group but in the interest of Mr. Henderson himself, because it would be unwise and unjust to give him now the right to fix prices which are intimately associated with the question of production and supply and demand and surpluses for, I repeat—I hesitate to say this, but it is important in connection with the whole argument—he does not have the technicians, the experts, the experienced assistants necessary to enable him to perform the work. If we desire to have duplication, then let us give Mr. Henderson the job. He will have enough to do in looking after the processed agricultural products, the canned products, the frozen products, the dried products; and he should be released from this important task which should fall to the Secretary of Agriculture.

I promised to give my one view. That in particular, Mr. President, is the reason why I shall support the amendment—because, in my opinion, we are engrafting upon the Department of Agriculture a foreign agency. We are dividing authority If we desire to have a single authority, let us leave to the Secretary of Agriculture and his experts the task of controlling the raw products which come from the farm, and let us leave to Mr. Henderson the task of looking after the processed and manufactured products.

Just one word in conclusion: Even though the subject is a large one, I have promised to occupy but a short space of time.

Today the Department of Agriculture is using, expending, and employing the last of a billion dollars to purchase agricultural products. It has already expended $500,000,000 in buying products for foreign countries, knowing precisely the quality and grade it wants. Today I was talking to one of the most eminent of the experts of the Department of Agriculture, and he told me that they are utilizing $500,000,000 of the $1,000,000,000, employing some of the methods I have mentioned. To permit Mr Henderson now to go into the market—as he can do under the bill—and become a competitor, using the same funds of the United States, and permit him to do the very same thing the Secretary of Agriculture is doing today, would be duplication and waste. It would not be fair to the farmers. It would not be fair to the taxpayers. It would not be fair to all of us who know that it is as necessary to provide the food grown on the farms as it is necessary to provide the munitions produced in the factories.

For that reason, Mr. President, briefly and hurriedly expressed, I shall support the Bankhead amendment as modified.

Mr. NORRIS. Mr. President, in my judgment 90 percent, perhaps 95 percent, of everything said by the Senator from Oregon [Mr. MCNARY], and also 95 percent of everything said by the Senator from Georgia [Mr. RUSSELL], is absolutely true, and I fully agree with it. If we had only one activity of the American people to regulate and with respect to which to fix prices, and if that activity were the production of the agricultural products of the country, what those two Senators have said would not only satisfy me but it would absolutely control my vote. I think all they have narrated about the farmer, and his consultation with the Secretary of Agriculture, and his desire to follow the Secretary of Agriculture, will not be interfered with in one degree if someone other than the Secretary of Agriculture is appointed as Price Administrator. I think this is a greater question, that there are more things dependent upon our action on this bill, than any other with which the Senate has been confronted for many years.

To my mind, it is very doubtful whether this bill, whatever changes may be made in it, or any price-fixing bill, will be completely successful. I confess that I am afraid of it. If I had been asked 2 years ago whether I would vote for this kind of a bill, I should have unhesitatingly said that I would not vote for it under any circumstances; and yet the world conditions now confronting us make me feel as though such a measure as this is necessary.

I do not want to face the dangers of inflation which the bill is principally intended to avoid. I know we cannot get a bill which will satisfy everyone. The bill before us does not completely satisfy me. If we get any law on the subject, we must act in a spirit of compromise. If prices are fixed by someone, it seems to me that in the ultimate or final stage they must be controlled by one individual or committee or board. I say to the Members of the Senate that if we divide the authority, as I see the matter, we shall surely run into a difficulty which will be likely to overthrow nearly all the benefits which can come from legislation of this kind. I do not see any escape from such a result. Ultimately, there must be one authority which will settle it all. That is the basis of my principal opposition to the amendment.

I do not believe I can be justly charged with being unsympathetic with agriculture. I have been advocating on the floor of the Senate for more than 12 years—yes, for 20 years—agricultural legislation that has seemed to me to be absolutely vital and important. The Senate has not always listened to what I have said. As I see the matter now, I think sometimes the Senate may have been correct in refusing to follow me in some instances, although in each case I acted according to the clear dictates of my conscience; and I realize, Mr. President, when I listen to the remarks of my colleagues about the amendment that they are just as sincere in supporting it as I am sincere in opposing it.

It is not a question of men, or of which man shall be selected to administer the bill. We cannot find in the United States a single individual who possesses a sufficiently intimate knowledge of all farm principles and of all the other activities of the American people to enable him properly to administer this bill when we put it on the statute books. Whoever is selected will have, in many cases, to take the opinion and judgment of other men. He will have to consider the ideas of other men; and if he is not willing to do that, I care not who he may be, he is not fit to hold the job of Price Administrator. Whether it be the Secretary of Agriculture, whether it be Mr. Henderson, or whether it be ex-President Hoover, no man possesses intimate knowledge of all

the intricacies of life that now confront us all and confront our Nation.

I would as soon trust the present Secretary of Agriculture with this job as to trust any other man with it. I would vote for an amendment which would turn over the administration of this entire matter to him. I would not have any objection if ex-President Hoover were appointed to take charge of it. I agree with the Senator from Alabama [Mr. BANKHEAD] that Mr. Hoover made a great record as Food Administrator. I did not always think so at the time; but, on the whole, I think he did a magnificent job. I have no objection to Mr. Henderson. As I said, we cannot get a man who knows it all. We must have somebody who will call on the Secretary of Agriculture, the Secretary of Commerce, and all other Secretaries, and the leading men behind the various industries of our country. He cannot ignore industrial occupations. He cannot ignore the manufacturing element of our country. Any man who makes a success of the administration of this act must look at all of it, for, after all, Senators, the various phases of the administration of this act intertwine; they overlap. It will be impossible to fix a price on one thing without that price being felt and noticed in some other thing that at first blush will appear to have no relation to the first one.

If Mr. Henderson is appointed, and fixes a price on some nonagricultural commodity, and then undertakes to fix a price on an agricultural commodity, and goes to the Secretary of Agriculture and says, "This is the price I should like to have," and the Secretary says, "No; I should like to have a different figure, and perhaps a higher one," Mr. Henderson very likely will say, "If you do that I shall have to undo all I have done about reaching a conclusion as to the price to be fixed on this manufactured article, perhaps"; and if the Secretary had control, and Mr. Henderson had to come to the Secretary's figure, Mr. Henderson would have to do it all over again.

Mr. President, I do not believe it is possible for any man, however great or wise, to reach a proper result if he has to share his authority with somebody else who is independent of him. That is the reason why I am opposed to this amendment. That is the reason why it seems to me the amendment, if adopted, would be harmful to this kind of legislation, even if not destructive of the whole principle. It is not because of lack of confidence in any man. It is because I think I recognize the enormity of the job, and that it cannot be divided without injuring it or perhaps ruining it.

It may be that the Secretary of Agriculture is better qualified to take this job than Mr. Henderson is. I do not know. Perhaps he is better qualified than any other man in the country is. At least, so far as I know, I think he will do a good job if he is placed in charge of this work. But if we place him in charge of one branch of it and place somebody else in charge of another branch, the conflicting authority will bring ruin, or at least detriment, to the entire proposal.

Mr. President, I feel more friendly to the agriculturists of the United States than to any other class of persons. I feel that way because for the past 25 years I have thought that the American farmer was not getting a square deal; and if this bill were enacted, and I were called upon to pass judgment upon any price that would have to be fixed, and there were any doubt in my mind, the controversy being between an agricultural product and a manufactured product, I should give the benefit of the doubt to agriculture. After all, agriculture is the foundation of everything. Without it, our Government and our country would be a complete and absolute failure. I want to see it independent. I should like to see it elevated and put on a higher plane. But, Mr. President, if we divide this authority, ruin will come to agriculture as quickly as to any other activity of the American people.

Even though we are sympathetic with agriculture, even though we are prejudiced in favor of agriculture, we cannot afford in fixing prices to give agriculture a great advantage over any other business in the United States. If the Price Administrator cannot fix the price of agricultural commodities without the approval of the Secretary of Agriculture, why should he be permitted to fix the price of any manufactured product without the consent of the Secretary of Commerce? Why should he be permitted to fix the price of any product over which any of the various secretaries of departments have primary jurisdiction? If we are to compel the Price Administrator to submit to the judgment of the Agricultural Department, for the same reason we ought to compel him to submit to the judgment of every other Secretary in the President's Cabinet. Would that be asking too much? Would that be unfair? It seems to me it must appeal to the fairness and honesty of all men, yet we all know that if we did that this whole structure would fall of its own weight. The only difference between doing that with all industries and doing it with one of them is that the proposal does not cover as many of them as though we included several, and the injury or ruin probably would be less than though we extended it to cover all industry in the United States.

We cannot afford to give to any industry an advantages that is unfair, and that statement applies to agriculture just as it does to every other industry. We cannot afford under the law to give agriculture an advantage over every other industry. We have gone quite a way in this bill, it seems to me—and I am glad we have; I am not complaining about it; I favor it—when we provide that 110 percent of parity must be reached on an agricultural product before the Price Administrator can lower it.

Mr. President, the American farmer does not want an advantage in facing this war. He will have to sacrifice something, as every other citizen of the United States will have to sacrifice something. All of us must be prepared to sacrifice to save our country, to protect our way of life, to protect free democratic government in the face of the terrible opposition that now confronts us; and it seems to me we cannot afford in any legislation to give an advantage to any industry, or to any occupation, or to any body of men.

Therefore, Mr. President, it seems to me this amendment should be defeated.

Mr. BARKLEY. Mr. President, I hesitate to take even a moment at this hour, when I know how anxious Senators are to vote, and I shall not delay the Senate long, but, in view of the fact that I had some part from the beginning, even before the introduction of the pending bill, in framing it, I feel that I should say a few words regarding it.

We all regret the necessity for a price-control law. We all regret that we are in war. We all regret that such conditions have been brought about in the world that we have been compelled to unsheathe the sword in behalf of our country and all the things for which it stands. But we are in that situation. we are at war, and we are compelled, because of that, to do many things which we would not do in ordinary times, and which we would not think of doing and which we would not be asked to do in normal times. We must face the situation as it exists.

I suppose I will not be required to give myself a certificate of good character as a friend of agriculture. Ever since the Revolutionary War my ancestors have been farmers. My father was a farmer until the day of his death, and I am a farmer. I am a member of the American Farm Bureau Federation. I have been invited, and have accepted the invitation, to address the State convention of the American Farm Bureau Federation of Kentucky next Thursday, if I can leave Washington. The invitation was a great compliment to me, because in it was stated the reason why I was invited, namely, because during my entire life, especially my congressional life, I have aided in promoting the welfare of the farmer.

When the question of a bill such as the one now pending was under consideration, before the bill was introduced, in the conferences which took place leading to its formulation, in which I was invited to sit, of course there was raised the question of how to deal with the farmer and agricultural products in a bill of this kind. The first suggestion in that regard was that we provide a floor which would not be below the loan value fixed by the Government on the price of farm products, that is, 85 percent of parity In those conferences I insisted that the floor should be not below parity itself, because we had set parity as an objective for agriculture in normal times, in peacetimes, and it had not been yet attained; that, having set parity as a fair objective in peacetimes for agricultural prices, we should not set any standard below that in any price legislation coming about as a result of the war.

As the bill was introduced it contained provision for 100 percent of parity; and that is not a fixed price, as all Senators know. Parity is a flexible term; parity is something which has to be adjusted

from time to time by the Secretary of Agriculture in order to bring it into relationship with other prices, so that the purchasing power of the American farmer at any given time under the agricultural program may fairly compare with his purchasing power in the years 1909–14.

Under the Agricultural Adjustment Act the Secretary of Agriculture is charged with the responsibility of readjusting the question of parity from time to time, so that what may be 100 percent of parity today may not be 100 percent of parity next month, and what may be 110 percent of parity in January 1942 may not be 110 percent of parity in December 1942, or in July 1942. That is why we have inserted in the pending bill subsection (a) of section 3, which reads:

> No maximum price shall be established for any agricultural commodity below (1) the market price equivalent to 110 percent of the parity price or comparable price for such commodity, adjusted for grade, location, and seasonal differentials, as determined and published by the Secretary of Agriculture.

Of course, that applies to the basic commodities. Subsection (b) provides:

> For the purposes of this act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law: *Provided*, That in the case of any agricultural commodity other than the basic crops—corn, wheat, cotton, rice, tobacco, and peanuts—the Secretary shall determine and publish a comparable price, whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

So that whether we are dealing with wheat, corn, cotton, rice, tobacco, or peanuts, or all other agricultural products, where a comparable price may be fixed, the base upon which the 110 percent of parity is to be figured is to be set and fixed and proclaimed by the Secretary of Agriculture in the adjustment of the question of parity between farm prices and farm purchasing power and the prices of other commodities which the farmer purchases in order that he may cultivate his crop, support his family, and do other things which he wishes to do with his income.

When we were trying to frame the legislation we had in mind that we had provided a program for agriculture which we had not done for any other industry or any other vocation in the United States, and that we did not desire to break down that program. Therefore we provided in the bill as it was introduced that no price administrator should fix a maximum which would be below 100 percent of parity. Under the bill as it passed the House, and as it is reported now from the Committee on Banking and Currency, no price administrator would be permitted to fix a maximum price, commonly referred to as a ceiling, below the figure of 110 percent of parity, as parity may be adjusted from time to time by a proclamation of the Secretary of Agriculture. Not only that, but under the bill as it passed the House, in the event that 110 percent did not seem to represent the fair prices of certain products as of October 1, 1941, there was language which, in the second place, provided that the Price Administrator could not go below those prices. It may be necessary to clarify that by some language so that it may carry out the purpose of the committee that he should not go below whichever may be the higher, the prices on the 1st of October or 110 percent of parity.

Mr. President, I do not make this statement in criticism of anyone, but it is interesting to note the fact that during all the weeks and months when the House committee was holding hearings on the bill no one suggested that there should be any division in the authority of the Price Administrator.

The Secretary of Agriculture made a lengthy statement before the House committee. I have read it, and it is a very excellent statement made in support of the bill as it was then before the House. Among the things which he said were true, and which we all remember, was that prices have not as yet gone too high. I agree with that statement absolutely. But what he feared was what might happen in the future, and he did not want a situation to come about whereby the terrible debacle in agriculture that occurred following the last war would be repeated. when, by reason of inflated farm prices many a farmer who all his life had been contented with a small farm but who, looking out on what turned out to be a mirage, thought there would never be an end to high farm prices, traded in his little farm on which he had been satisfied, as a part payment on a big farm, and as a result lost both the little one and the big one.

The Secretary of Agriculture had that in mind when in his testimony he cautioned Congress against leaving the agricultural situation in such posture as to induce spiral increases in agricultural prices, so that that might be again the result to agriculture.

But during the House committee hearings, during the House consideration of the bill, nobody asked any division in the authority of the Price Administrator. The bill came to the Senate. We had hearings on it for 2 weeks. We heard anyone who wanted to be heard. It was not necessary to go into the great detail that the House committee went into in hearing witnesses. No one advocated any division of authority. I was consulted by the Farm Bureau Federation of my State, the head of which is my personal friend, and he said:

> What we want is 110 percent of parity, and October 1 as a basis for prices that may be higher than 110 percent.

When in the subcommittee we began the consultation about the provisions of the bill, I think the Senator from Michigan [Mr. BROWN] and the Senator from Alabama [Mr. BANKHEAD] both will give me credit for having had some part in the persuasion of the subcommittee and the full committee to fix 110 percent of parity.

Mr. BANKHEAD. I gladly do that.

Mr. BARKLEY. I thank the Senator. The Senator will also give me credit for having had something to do with the fixing of October 1 as the base.

Mr. BANKHEAD. Yes.

Mr. BARKLEY. The Secretary of Agriculture did come before the committee on the last day—not the last day of the hearings, but on the last of the subcommittee's consideration, just before we were to report the bill to the full committee, and suggested practically the amendment that is now pending, that he be given the authority to fix prices of agricultural products, and the subcommittee and the full committee considered the suggestion and rejected it. So we have the question before us now.

Mr. President, we are all in this war. The farmer is in it; the lawyer is in it; the doctor is in it; the merchant is in it; the white-collar clerk behind the counter is in it; the teller in the bank is in it; the man in the mine, the man in the machine shop—all are in the war. All must make sacrifices.

It has been suggested here that one of the reasons why this amendment making it compulsory that the Secretary of Agriculture approve the prices on farm products before the Administrator can promulgate them, ought to be adopted, is that we have not included any ceiling on wages. I do not want to go into that, because it is not in the bill, but I do feel that it is proper to say a word about it, because it is not quite an analogous situation.

We have set up various governmental agencies for the purpose of adjusting wages in this country. We have set up the National Labor Relations Board and the Wage and Hour Division of the Department of Labor. The President appointed a mediation board for defense factories in industry. Ever since 1926 there has been a Railway Labor Board which has been functioning in the adjustment of labor disputes on our railroads. Now, in order to give the Price Administrator any power in the fixing of wages it would be necessary to superimpose him on all these other agencies we have set up, and to nullify them, and put the Price Administrator in control.

The railway brotherhoods have just settled their wage controversies through the processes of the law, through the mediation board which Congress created 15 years ago. We are bound to assume that it was a fair settlement, because it was made under the law by negotiation and by arbitration, as the law provides. Yet the wages of these men enter into the cost of production, into the cost of products which the consumer purchases. I do not know of anything that would so unsettle the peace and harmony now in existence on our great transportation systems than for Congress to say in a price bill that the Price Administrator shall have the power to readjust their wages and to interfere with an agreement which has been entered into and which is Nation-wide.

Mr. Hoover himself, testifying before the committee, was emphatic that it was impractical for any price administrator to fix wages, because it would be necessary to go everywhere; it would be necessary to deal with farm wages; it would be necessary to go into the question of wages in mines, where they have a 2-year agreement with respect to wages, which will not expire until 1943.

In view of all the ramifications and the disturbance a provision of that sort would bring about in what we now hope to be a peaceful industrial and labor situation, the full committee, and practically every witness who came before it, advised against including such a provision in the proposed legislation, and it was not included.

Mr. President, I shall not discuss the question of any increases in the price of products on the farm. We know what has happened.

Something has been said about Mr. Henderson. I think many Members of both the House and the Senate had a misconception of Mr. Henderson when we first went into this subject. He may be undiplomatic. He is a double-fisted, hard fighter. That is the sort of man we must have if he is to resist all the pressure that will be brought to bear upon him, if he is not to yield to pressure groups who think that the prices should be higher than they really ought to be and if there is to be a harmonious price structure throughout the United States.

Since this price legislation was in its inception last June I have never gone to Mr. Henderson and presented a condition to him which he has not carefully and intelligently considered. When a few days ago he had fixed a ceiling on 1,800 oils and fats, not simply on cottonseed oil, which is but one of the whole category of 1,800 of them, and it was discovered that the price of cottonseed had gone up from $30 a ton to $52 a ton under the 11¼-cent-per-pound price on cottonseed oil, and the Senator from Michigan [Mr. BROWN], the Senator from Alabama [Mr. BANKHEAD], the Senator from Georgia [Mr. GEORGE], and I brought these matters to the attention of Mr. Henderson, he said, "Well, I cannot do that overnight. There are 1,800 of these things. I have got to deal with the whole group of them, the whole category." But he agreed to put the price of cottonseed oil at a figure which gave the farmers $62 a ton for cottonseed.

I think that is a fair representation of the reasonableness of Mr. Henderson in dealing with a problem of that kind when it is brought to his attention.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. In view of what the Senator has said about Mr. Leon Henderson's qualifications to serve as Price Administrator, and in view of the fact that they have been referred to on numerous occasions during this debate, I should like to say that I have known Mr. Henderson probably longer than any other Member of this body. I have known Mr. Henderson for 15 years. I knew him long before he was ever connected with the Government of the United States. What the Senator from Kentucky has intimated is entirely true. Mr. Henderson is one of the least tactful persons I have ever known in all my experience. I think, as does the Senator from Kentucky, that it is necessary to have a man who does not rely on tact, but is a tough-minded, tough-fibered, fearless individual who proceeds to a conclusion and is willing to stand in a position where the winds must necessarily blow on him from every direction and do what he believes to be right.

I think Mr. Henderson has those qualifications. He is an extremely able economist. He is as honest a man as I have ever known in my life. He is anxious in every way possible to do justice and equity; and I believe that, in spite of the fact that he will never be renowned for tact or for mollifying people, he is a man who is excellently suited for this position. I do not think he has the qualifications and background of Mr. Baruch. That is no reflection on Mr. Henderson. I do not think anyone else in the country has them, either. No other individual in the country has the experience, the intellect, and the particular training which Mr. Baruch has. However, I do think that Mr. Henderson is a very able economist. He intends to do what is right, and he is utterly fearless and extremely patriotic. I believe it is unfortunate to have attacks made, either directly or by innuendo, in either the House or Senate, by persons who have not taken the trouble to become acquainted with him.

Mr. BARKLEY. I thank the Senator from Missouri for his contribution.

Mr. President, the amendment as it is now offered by the Senator from Alabama provides that neither the Price Administrator nor anyone else, under the proposed law or any other law, may fix a price on an agricultural commodity without the approval of the Secretary of Agriculture. As the Senator now offers the amendment, he has eliminated the provision with respect to articles which are made or processed from agricultural products; yet I think we are bound to admit that they cannot be separated economically, because the prices of things which are made from agricultural products necessarily depend upon the prices of the agricultural products themselves. So there is a connection between the two, although the amendment seeks to separate that connection.

I ask that there be printed in the RECORD at this point a list, which I shall not take the time to read, of a few things which are made from agricultural products. Even under the amendment the Price Administrator would have control over products which are made from commodities over which the Secretary of Agriculture would have control under the amendment of the Senator from Alabama.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Textiles and textile products: Clothing and apparel of all kinds—Work shirts, overalls, suits, overcoats, handkerchiefs, broadcloth, denims, drills, duck, flannels, muslins, percale, sateen, sheeting, toweling, tablecloth, hosiery and underwear, dress goods, hats.

Leather and leather products: Shoes and sole leather, harness, leather luggage, gloves and belting.

Chemicals: Important alcohols used in making munitions are made from molasses base; acetic acid, soaps and starch, washing powders, paints (casein), turpentine, fertilizer (tankage), tallow.

Household furnishing: Blankets and bedding, comforters, floor coverings, upholstery.

Tobacco products: Cigars, cigarettes, plug and pipe tobacco.

Feeds: Manufactured and processed foods—Cereals and breakfast foods, canned soup, cornstarch, vegetable oils, peanut butter, molasses, glucose, jelly, lard, dried beans and onions, grape juice, canned fruits and vegetables, macaroni, processed cheese, corn meal, edible tallow.

Mr. BARKLEY. Mr. President, I think the Secretary of Agriculture ought to be consulted. I have no objection whatever to his being consulted; and I am satisfied that the Price Administrator would consult the Secretary of Agriculture. I am even willing to state in the law that he shall consult the Secretary of Agriculture before any price shall be fixed upon an agricultural product. For that purpose I offer the following amendment to the pending amendment:

In the next to the last line of the amendment, before the word "prior" strike out the word "the"; and in the last line strike out the words "approval of" and insert in lieu thereof "consultation with", so that the language would read:

Notwithstanding any other provision of this or any other law, no action shall be taken under this act by the Administrator or any other person with respect to any agricultural commodity without prior consultation with the Secretary of Agriculture.

I grant that such a provision would not be binding on the Price Administrator, except as to consultation. He would not have to take the advice of the Secretary of Agriculture after consulting him; but there would be placed upon him the legal obligation to do what he would do anyway, that is, to consult with the Secretary of Agriculture and accept from the Secretary the facts which the Secretary would submit to the Administrator in regard to the price of an agricultural commodity, leaving the unity of control and the final determination of the price with the Price Administrator, so that there would be no division of authority.

Mr. LEE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LEE. Is the Senator offering his amendment as an amendment to the Bankhead amendment?

Mr. BARKLEY. Yes. I offer it as an amendment to the Bankhead amendment.

That is all I have to say, Mr. President.

The PRESIDING OFFICER (Mr. LUCAS in the chair). The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY] to the amendment of the Senator from Alabama [Mr. BANKHEAD].

Mr. LEE. Mr. President, I shall support the amendment offered by the Senator from Kentucky.

THREE PURPOSES OF THE BILL

There are three purposes for which the price-fixing bill is designed. The first and foremost is to aid the war effort, the second is to prevent price inflation, and the third is to prevent profiteering.

So far no one has shown how bringing agriculture under the terms of the bill would aid any of those purposes, with the exception of the purpose to prevent price inflation. No one has shown how

the bill would prevent inflation without hindering the production of agricultural commodities. Therefore no one has shown a reason satisfactory to me why agriculture should be in the bill.

TO AID THE WAR EFFORT

In the first place, it has been hinted that those of us who are supporting the effort to remove agriculture from the bill are a little unpatriotic or a little short-sighted in connection with the over-all effort to win the war. But no one has yet pointed to a single commodity or followed one farm commodity through and shown how the bill would help the war effort with respect to agriculture.

Let us take wool as an example. The Army needs wool for uniforms and blankets. If there is a shortage of wool the price will rise, and the sheep raisers can soon increase their production of wool and will do so. That is exactly what we want. Therefore, to allow the law of supply and demand to operate with respect to that commodity would aid the war effort to a greater extent than it would interfere with it.

Suppose there were a shortage of guncotton. Immediately that fact would be reflected in a higher price for cotton, and the farmer would increase his production and thereby aid the war effort.

Suppose there should be a shortage of food for our Allies. Immediately that fact would be reflected in a price rise, and immediately the farmer would increase his production of food, and do exactly what we want—aid the war effort instead of hindering it.

On my farm I have some hogs. Last month I had nine sows. I could either sell them as fat hogs or keep them for brood sows. The price of hogs looked good, and I kept them as brood sows. Hogs increase very rapidly, and it does not take the farmer long to expand his production of pork and lard. That is exactly what we want. Therefore, to allow agriculture to operate under the law of supply and demand not only would not thwart the war effort but would aid the war effort by supplying the very sinews of war.

TO CONTROL INFLATION

The next point is inflation. If we should fix a ceiling on farm prices, that might aid our effort to control inflation to some extent—not much, as I shall show—but at the same time it would thwart the increased production of a commodity of which there was evidently a shortage, or else the price would not be going up. So we should find ourselves running counter to the main purpose, which is to aid the war effort.

I said I would show that the bill would not be of much aid in our effort to prevent inflation. Last year 25 percent of the population of the United States received only 8 percent of the national income. The farmers represent 25 percent of the population of the Nation, but last year they received only 8 percent of the national income. Does that 8 percent afford us our only opportunity to prevent inflation? I maintain that until that 8 percent reaches 25 percent of the national income, the farmer will not be on a parity, and there will not be inflation. So, the second point, which is that the object is to prevent inflation, is very weak; and the little control we could exercise would operate at cross-purposes to the purpose of increasing the production of a commodity of which there might be a shortage.

TO PREVENT PROFITEERING

Finally, the purpose of the bill is to prevent war profiteering. Last year many contractors and many businesses made tremendous profits. Did the farmer? No; he received 8 percent of the national income, although he represented 25 percent of the population. Was he included among the profiteers of 1941? Was he among the profiteers of World War No. 1? Do we find any farmers among the 23,000 persons who became millionaires during the first World War? No. Therefore the third purpose, which is to prevent war profiteering, also falls.

For these reasons I conclude that there is no good reason for bringing the farmer under the bill.

Now let us make a comparison. I know what we are trying to do, and I am in sympathy with it, and I should be the last one to vote for anything which, in my opinion, would either hinder the war effort, prevent us from controlling inflation, or make war profiteers. Let us take aluminum as an example. It is said we must have the bill because there is a shortage of aluminum, that we must control commodities because some of them must be diverted from civilian consumption to war production. That is not true of wheat, because civilians must eat wheat. It is not true of cotton, because civilians must wear clothes. But they can do without rubber, automobiles, and many other commodities which are not grown or produced on the farms of the United States. Consequently there is a difference in the fundamental nature of what we are attempting to do; and the farmer is not a necessary part of the price-control bill.

I thank the Senate for its patience and consideration in listening to my remarks.

Mr. BANKHEAD. Mr. President, I shall not long detain the Senate. I am as anxious as is any one other Senator to have a vote. I simply desire to say that there is no reason why anyone should misunderstand the purpose and the effect of the Barkley amendment. It is intended to emasculate the so-called Bankhead amendment, and, of course, it would have that effect. The Senator from Kentucky does not dispute that statement, although he says it would have no binding effect.

Those who at heart are in favor of the Bankhead amendment will of necessity vote against the Barkley amendment. Those who are hunting for a ground on which to change their position, of course, will vote for the Barkley amendment, if they desire to use it as such a ground. But the Barkley amendment, if agreed to, will mean the complete emasculation of the Bankhead amendment.

Mr. LEE. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. LEE. I am not hunting for a way to dodge anything; I have never been wholeheartedly in sympathy with the Bankhead amendment, because it would establish something of a division. I have been opposed to bringing agriculture under the bill at all.

Mr. BANKHEAD. I have stated my attitude, and I have nothing to retract. I call for the yeas and nays on the amendment, so that we can find out who are for and who are against my amendment for the benefit of the farmer.

Mr. JOHNSON of Colorado. Mr. President, I desire to make a very brief statement; I shall not require more than 1 minute to do so.

During the last few hours I have received a great many telegrams in regard to what the bill would do to the potato growers. Consequently, I telephoned to the Department of Agriculture and asked what is the present parity price on potatoes. I spoke to Mr. Orr, who was still at the Department of Agriculture, even though it was 5:30 when I telephoned. Mr. Orr told me that on December 15 last the parity price on potatoes was $1.013. That is not the Chicago market price, he told me; that is the average farm price throughout the United States.

I cannot help being convinced that the floor which is sought to be put on the price of potatoes is very fair. One hundred and ten percent of parity would make the price throughout the country approximately $1.143 a bushel, and it seems to me that such a floor—not a ceiling, mind you—would be very, very helpful to potato growers.

In connection with my remarks, I ask unanimous consent to have printed at this point in the RECORD a letter received today by me from a potato grower in Colorado, Mr. Frank J. Cusack. His letter indicates the difficulties facing the potato grower. Truly, he must contend with a market rapidly fluctuating from year to year, and he needs years of high prices in order to balance the effect of years when prices are disastrously low.

There being no objection, the letter submitted by Mr. JOHNSON of Colorado was ordered to be printed in the RECORD, as follows:

JANUARY 8, 1942.

Hon. EDWIN C. JOHNSON,
United States Senate,
Washington, D. C.

DEAR SENATOR JOHNSON: In considering the proposed price regulation of farm products, I wish to call your attention to the serious aspects of this bill as it applies particularly to the potato industry.

Potatoes, as you know, are perishable and no adequate means have been found yet to store annual surpluses. Prices heretofore have been governed entirely by supply and demand, and very frequently the potato market is the exact reverse of the market on ordinary farm products. This was especially true in the year 1940 when there was a large surplus, even though a smaller acreage was planted. Prices were generally ruinous throughout the entire country as they have been more frequently than not during the past 10 years. As a consequence, even smaller acreages were planted in 1941, resulting in a decrease in yield from 397,000,000 bushels in 1940 to 357,000,000 bushels in 1941. This decrease was purely voluntary, due primarily to the inability of the potato grower to properly finance his structure. Even though prices have generally increased since October 1941 to a point where a fair profit can now be realized from the sale of such produce, many growers were forced to sell in September 1941, in the face of huge cost

increases, at a price which produced a further loss to the grower. All things considered, one disaster has followed another in this industry until the growers are extremely jittery about the future, even disregarding the threat of price control. This industry, as you know, is one of the largest in the State of Colorado and has in many years produced the biggest cash crop of any other farm product.

It has been estimated that cost increases during the harvesting season of 1941 as compared with 1940 are approximately as follows:

Burlap sacks, 300 percent.
Labor, 100 percent and up.
Washing and packing 50 to 100 percent.

The average farmer invests approximately $125 in each acre of potatoes before harvesting is completed, or many times more than the average farm product. Hence, much consideration must be given to the prospects for profit before a farmer will even consider this type of crop. Tremendous investments in equipment and machinery are also necessary.

I am entirely satisfied that if the opportunity for profit is in any way seriously threatened by rigid price control at an inflexible level that does not take into consideration not only present increases in cost but prospective increases, that the entire industry will be seriously threatened and a real potato famine can very well develop. Furthermore, I am sure that the above statements are most conservative and can be verified by any kind of an impartial investigation. It is my thought that, generally speaking, any price ceiling below a minimum of $3.50 per hundredweight, Chicago market, on No. 1 Colorado or Idaho potatoes would be very likely to bring about disastrous results.

Yours very truly,

FRANK J. CUSACK,
Secretary and Treasurer Colorado Certified Potato Growers Association.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Kentucky [Mr. BARKLEY] to the amendment of the Senator from Alabama [Mr. BANKHEAD].

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Daniel
Austin	Glass	O'Mahoney
Bailey	Green	Overton
Ball	Guffey	Radcliffe
Bankhead	Gurney	Reed
Barkley	Hayden	Reynolds
Bilbo	Herring	Rosier
Bone	Hill	Russell
Brewster	Holman	Schwartz
Brooks	Hughes	Shipstead
Brown	Johnson, Colo.	Spencer
Bulow	Kilgore	Taft
Bunker	La Follette	Thomas, Idaho
Burton	Langer	Thomas, Okla.
Butler	Lee	Thomas, Utah
Byrd	Lodge	Tobey
Capper	Lucas	Truman
Caraway	McCarran	Tunnell
Chandler	McFarland	Tydings
Chavez	McKellar	Vandenberg
Clark, Idaho	McNary	Van Nuys
Clark, Mo.	Maloney	Wagner
Connally	Maybank	Wallgren
Danaher	Mead	Walsh
Davis	Millikin	White
Downey	Murdock	Wiley
Doxey	Murray	Willis
Ellender	Norris	
George	Nye	

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY] to the amendment offered by the Senator from Alabama [Mr. BANKHEAD].

Mr. BARKLEY. On that question I call for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HOLMAN (when his name was called). I have a general pair with the junior Senator from Tennessee [Mr. STEWART]. I am advised that if that Senator were present he would vote as I am about to vote. I vote "nay."

Mr. THOMAS of Utah (when his name was called). On this question I have a pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the senior Senator from Florida [Mr. ANDREWS], and will vote. I vote "nay."

The roll call was concluded.

Mr. McNARY. The senior Senator from California [Mr. JOHNSON] is unavoidably absent. If present, he would vote "nay." He has a pair with the Senator from New Mexico [Mr. HATCH]. I am advised that, if present, the Senator from New Mexico would vote "yea."

Mr. McKELLAR. My colleague, the junior Senator from Tennessee [Mr. STEWART], is absent because of illness in his family. If he were present he would vote "nay."

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness. He has a pair with the Senator from California [Mr. JOHNSON]. I am advised that, if present and voting, the Senator from New Mexico would vote "yea," and the Senator from California would vote "nay."

The Senator from Florida [Mr. ANDREWS], the Senator from New Jersey [Mr. SMATHERS], and the Senator from South Carolina [Mr. SMITH] are necessarily absent. I am advised that, if present and voting, these Senators would vote "nay."

The Senator from Montana [Mr. WHEELER] is absent on important public business. I am advised that, if present and voting, he would vote "nay."

The Senator from Florida [Mr. PEPPER] and the Senator from Iowa [Mr. GILLETTE] are unavoidably absent.

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury.

The result was announced—yeas 39, nays 46, as follows:

YEAS—39

Austin	Ellender	Mead
Ball	Gerry	Norris
Barkley	Glass	Radcliffe
Bone	Green	Reynolds
Brewster	Guffey	Taft
Brown	Gurney	Truman
Burton	Hughes	Tunnell
Byrd	Kilgore	Tydings
Chandler	Lee	Vandenberg
Chavez	Lodge	Wagner
Clark, Idaho	Lucas	Wallgren
Clark, Mo.	Maloney	Walsh
Danaher	Maybank	White

NAYS—46

Aiken	Bilbo	Bunker
Bailey	Brooks	Butler
Bankhead	Bulow	Capper
Caraway	McCarran	Russell
Connally	McFarland	Schwartz
Davis	McKellar	Shipstead
Downey	McNary	Spencer
Doxey	Millikin	Thomas, Idaho
George	Murdock	Thomas, Okla.
Hayden	Murray	Thomas, Utah
Herring	Nye	Tobey
Hill	O'Daniel	Van Nuys
Holman	O'Mahoney	Wiley
Johnson, Colo.	Overton	Willis
La Follette	Reed	
Langer	Rosier	

NOT VOTING—11

Andrews	Hatch	Smith
Barbour	Johnson, Calif.	Stewart
Bridges	Pepper	Wheeler
Gillette	Smathers	

So Mr. BARKLEY's amendment to Mr. BANKHEAD's amendment was rejected.

The VICE PRESIDENT. The question now is on agreeing to the amendment offered by the Senator from Alabama [Mr. BANKHEAD] to the amendment, in the nature of a substitute, reported by the committee. Upon that question the yeas and nays have already been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HOLMAN (when his name was called). I have a general pair with the junior Senator from Tennesee [Mr. STEWART]. I am advised that if he were present he would vote as I am about to vote. I vote "yea."

Mr. THOMAS of Utah (when his name was called). On this vote I have a pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the senior Senator from Florida [Mr. ANDREWS], and vote. I vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness. He has a pair with the Senator from California [Mr. JOHNSON]. I am advised that if present and voting, the Senator from New Mexico would vote "nay," and that the Senator from California would vote "yea."

The Senator from Florida [Mr. ANDREWS], the Senator from New Jersey [Mr. SMATHERS], and the Senator from South Carolina [Mr. SMITH] are necessarily absent. I am advised that if present and voting, these Senators would vote "yea."

The Senator from Montana [Mr. WHEELER] is absent on important public business. I am advised that if present and voting, he would vote "yea."

The Senator from Florida [Mr. PEPPER] and the Senator from Iowa [Mr. GILLETTE] are unavoidably absent.

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury

Mr. McNARY. Again referring to the absence of the senior Senator from California [Mr. JOHNSON], I announce that if he were present he would vote "yea." He has a pair with the Senator from New Mexico [Mr. HATCH], who I am advised would vote "nay" if present

Mr. McKELLAR. My colleague, the junior Senator from Tennessee [Mr.

STEWART] is unavoidably detained. If he were present he would vote "yea."

The result was announced—yeas 48, nays 37, as follows:

YEAS—48

Aiken	Hayden	O'Daniel
Bailey	Herring	O'Mahoney
Bankhead	Hill	Overton
Bilbo	Holman	Reed
Brooks	Johnson, Colo.	Rosier
Bulow	La Follette	Russell
Bunker	Langer	Schwartz
Butler	Lee	Shipstead
Capper	McCarran	Spencer
Caraway	McFarland	Thomas, Idaho
Clark, Idaho	McKellar	Thomas, Okla.
Connally	McNary	Thomas, Utah
Davis	Millikin	Tobey
Downey	Murdock	Van Nuys
Doxey	Murray	Wiley
George	Nye	Willis

NAYS—37

Austin	Gerry	Radcliffe
Ball	Glass	Reynolds
Barkley	Green	Taft
Bone	Guffey	Truman
Brewster	Gurney	Tunnell
Brown	Hughes	Tydings
Burton	Kilgore	Vandenberg
Byrd	Lodge	Wagner
Chandler	Lucas	Wallgren
Chavez	Maloney	Walsh
Clark, Mo.	Maybank	White
Danaher	Mead	
Ellender	Norris	

NOT VOTING—11

Andrews	Hatch	Smith
Barbour	Johnson, Calif.	Stewart
Bridges	Pepper	Wheeler
Gillette	Smathers	

So Mr. BANKHEAD's amendment to the amendment of the committee was agreed to.

Mr. BANKHEAD. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. McKELLAR. I move to lay that motion on the table.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

Mr. O'MAHONEY obtained the floor.

Mr. BARKLEY. Will the Senator yield to me a moment?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. I have been asked by numerous Senators whether it is my intention to move for a session tomorrow, and I wish to announce that it is. I believe there are not more than one or two more controversial amendments, and I think we can dispose of the bill tomorrow in an hour or two. I hope Senators will cooperate to that end. I wish to say also that it is my purpose to move that the Senate meet at 11 o'clock tomorrow morning instead of at noon.

Mr. O'MAHONEY. Mr. President, there are on the table two amendments, one of which was offered by the senior Senator from Nevada [Mr. McCARRAN], and the other by myself. After conference with the Senator from Nevada I am combining his amendment with the one I have presented, and I desire to call up the combined amendment for discussion. It is my understanding, of course, that the desire of the Senator from Kentucky is that the Senate take a recess at this time until tomorrow morning at 11 o'clock. My purpose is merely to have the amendment available to Senators tomorrow when we resume consideration of the bill, so I ask that the amendments as combined be printed as an amendment, and printed in the RECORD.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wyoming?

There being no objection, the amendment was ordered to be printed, and to be printed in the RECORD, as follows:

On page 29, after line 4, strike all of section 3, relating to "Agricultural commodities," and insert in lieu thereof the following section 3:

"SEC. 3. (a) No maximum price shall be established or maintained for any agricultural commodity below either (1) the then current emergency wage parity price or comparable price for such commodity, adjusted for grade, location, and seasonal differentials, as determined and published by the Secretary of Agriculture in the manner hereinafter provided in subsection (b); or (2) the market price prevailing for such commodity on October 1, 1941, or December 15, 1941, whichever is the higher.

"(b) For the purposes of this act, emergency wage parity prices shall be determined by the Secretary of Agriculture by constructing a combined index in which the purchasing-power index now used by the Secretary to compute parity prices shall be given a weight of 80 and a factor representing an index of urban wage rates, as determined by the formula in use January 1, 1941, in the index of wage rates published in The Monthly Review of Credit and Business Conditions, by the Federal Reserve Bank of New York, shall be given a weight of 20. This combined index shall have August 1909 to July 1914 as a base period. In applying this combined index the Secretary shall take such steps as in his judgment may be necessary to establish and maintain equitable price relationships, as among all agricultural commodities.

"(c) Any maximum price established upon the resale price of any agricultural commodity, or any grade, regional or market classification thereof, or upon the price of any commodity processed or manufactured in whole or substantial part from any agricultural commodity shall not be below a price which will reflect to the producer of such agricultural commodity the emergency wage parity or comparable price therefor as determined pursuant to this section.

"(d) Neither the provisions of section 5 nor any other provision of this act shall be construed to authorize any action contrary to the provisions and purposes of this section: *Provided*, That nothing contained in this act shall be construed to modify, repeal, supersede, or affect the provisions of the act of Congress cited as the Agricultural Marketing Agreement Act of 1937, as amended, or to invalidate any marketing agreement, license, or order, or any provisions thereof, or amendments thereto, which may be in existence or hereafter issued under the provisions of said act."

The VICE PRESIDENT. Is the Senator from Wyoming formally offering the amendment for consideration?

Mr. O'MAHONEY. I am formally offering the amendment now, so that it will be the pending question.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Wyoming.

Mr. TYDINGS. Mr. President, I wanted to offer an amendment, but the Senator from Wyoming [Mr. O'MAHONEY] had said that he would like to have his considered first; so if mine will not be in order until his is disposed of, I shall not offer mine at this time.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. REYNOLDS, from the Committee on Military Affairs:

Maj. Gen. Stanley Dunbar Embick, United States Army, and Maj. Gen. George Howard Brett (colonel, Air Corps), Army of the United States, to be lieutenant generals in the Army (temporary), under the provisions of law.

By Mr. HILL, from the Committee on Commerce:

L. Welch Pogue, of Iowa, to be a member of the Civil Aeronautics Board in the Department of Commerce for the term of 6 years expiring December 31, 1947, vice C. Grant Mason, Jr.; and

Several ensigns (temporary) to be lieutenants (junior grade) (temporary) in the Coast Guard.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

That completes the calendar.

CIVIL AERONAUTICS BOARD

Mr. BARKLEY. Mr. President, the nomination of L. Welch Pogue, of Iowa, to be a member of the Civil Aeronautics Board in the Department of Commerce, was reported today by the Senator from Alabama [Mr. HILL] from the Committee on Commerce. It is desirable to have action taken upon that nomination now if possible.

The VICE PRESIDENT. The clerk will read the nomination.

The legislative clerk read the nomination of L. Welch Pogue, of Iowa, to be a member of the Civil Aeronautics Board in the Department of Commerce.

Mr. BARKLEY. At the request of the Senator from Iowa [Mr. HERRING] I ask unanimous consent for the present consideration of the nomination.

The VICE PRESIDENT. Is there objection? The Chair hears none, and, without objection, the nomination is confirmed.

Mr. BARKLEY. I ask that the President be notified immediately of all nominations this day confirmed.

The VICE PRESIDENT. The President will be notified forthwith.

THE MOTOR-CAR INDUSTRY—NECESSITY FOR DEVELOPING RAW MATERIALS

As in legislative session,

Mr. O'MAHONEY. Mr. President, I have received so many inquiries by telegram and by letter from persons interested in the motor-car industry in Wyo-

ming and throughout the country that I desire to make a brief statement. I do not intend to detain the Senate, but it seems to me the material which I have gathered is of such importance in connection with the requests for information that have been directed to me, that I want it to appear in the RECORD tomorrow morning.

I find, for example, after having made a survey of the motorcar industry in my State, that on the national scene there is 1 passenger car to every 4.9 persons. In Wyoming there is 1 passenger car to every 3.9 persons. Nationally 15 percent of all motor vehicles are trucks. In Wyoming 21 percent of all motor vehicles are trucks. Nationally there is 1 motorcar dealer to every 3,300 persons. In Wyoming there is 1 motorcar dealer to every 1,100 persons. The population of Wyoming is approximately 0.19 percent of the total population of the country. Wyoming motorcar ownership is approximately 0.26 of the national car ownership.

With respect to the overhead of conducting the motorcar business nationally, I find, according to the National Automobile Dealers Association, that the proceeds of car sales account for 50 percent of the overhead, whereas in Wyoming the proceeds of car sales account for 58.9 percent of the overhead.

It will be seen from these figures what a tremendous dislocation of local business will necessarily be effected by the suspension of motorcar sales not only in Wyoming but in every State and in every town. A whole industry will be practically suspended. Many motorcar dealers have made long-term leases on the buildings in which they operate. Many of them have large indebtedness. Many of them employ a large proportion of the persons employed in many communities. The interruption of their business will be felt by practically every class of the population. The order, in truth and in fact, will cause a major dislocation of local civilian economy.

In the circumstances, it seems essential that vigorous and immediate steps should be taken not only to aid the motorcar dealers but also to provide, by stimulation of the production of raw materials, against similar dislocation to other businesses.

We cannot maintain the motorcar industry or any other industry calling for raw materials without making some effort to develop the raw materials of the country. The German Government invaded Russia in search of raw materials. The Japanese Government is now attacking our possessions and the possessions of the Dutch and of the British in the East Indies in search of raw materials. We are apparently neglecting the raw materials in our own back yard.

Yesterday I wrote a letter to the Secretary of the Interior and a letter to the Secretary of Commerce calling attention to the fact that there ought to be a definite and all-inclusive program for the development of the raw materials in the West. I ask unanimous consent that these two letters may be printed in the RECORD in connection with my statement.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JANUARY 7, 1942.

Hon. HAROLD L. ICKES,
Secretary of the Interior,
Washington, D. C.

MY DEAR MR. SECRETARY: When you appeared on July 23, 1941, before the Senate Public Lands Subcommittee on Natural Resources, you stated that the Department of the Interior intended to make further specific recommendations concerning mineral and power developments in the West.

Now we are at war. More urgent than ever is the need for the West to be given the opportunity to do its full part, and I know that it is your desire to promote that objective. Western minerals and power must be developed and diversified; scattered, safeguarded industries must be established. We can no longer rely on foreign sources for many critical and strategic minerals. The hour is late and we must use our own ores and resources, not only for the sake of the West but for the sake of the country.

Would it be possible for you to supply the subcommittee, at the earliest opportunity, such revised and detailed recommendations as you may now have concerning the combined power and mineral developments which should be undertaken at this time in the West? Proper consideration should be given to the needs of the States in safer areas behind the mountains, as well as to the needs of the coastal States.

In your statement to the committee you made the following points: That the future of the West depends upon greater diversification in the use of its resources; that additional western mineral and power resources should now be used; that the Bureau of Reclamation is preparing for consideration certain power projects; that much of the Nation's mineral resources are now locked up; that the discrepancy between eastern and western development is deplorable and a better geographic balance is desirable; and that more than a boom development in the West is necessary.

You also proposed, in connection with minerals, that new fabricating plants be located in the West, that the price of western metals be such as to lead to their wider use, that there be no monopolization, and that cheap credit be arranged for their development. By use of water power now undeveloped you indicated that the energy required could be supplied at low cost.

All of these proposals are in harmony with the purposes of the resolution, under which the subcommittee is acting. There is also to be considered ways and means of enlisting private capital and private enterprise in this effort without which the President's program cannot be carried out.

I am particularly interested in having you include in your recommendations your present views on the financing of mineral and industrial development, on avoiding monopolization, and on the development of additional power facilities to meet war requirements and later to serve us in peace. I should appreciate your suggestions, of course, on all the other points and proposals. Any drafts of legislation you can have prepared for the use of the committee along the lines of these suggestions will be very helpful.

Sincerely yours,

JOSEPH C. O'MAHONEY.

JANUARY 7, 1942.

Hon. JESSE H. JONES,
Federal Loan Administrator,
Federal Loan Agency,
Washington, D. C.

MY DEAR MR. SECRETARY: There is transmitted herewith a copy of a resolution under which a subcommittee of the Senate Committee on Public Lands has been conducting a study of western resources and the possibility of their development. In the public-land States there are vast deposits of minerals and vast sources of power, the possibilities of which are unmeasured. I am also transmitting a copy of the preliminary report, which has already been filed by this committee.

Representatives of the Reconstruction Finance Corporation and of the Department of Commerce have cooperated very helpfully in the studies which this committee has conducted. The President's inspiring message to the Congress, delivered to us yesterday, and his Budget message, submitted today, are a summons to the executive bureaus and to the Congress to undertake immediately the full development of these western resources. It will be impossible for us as a nation to carry out the President's program unless we take full advantage of the opportunities which the West presents, opportunities for the establishment of diversified industries for the manufacture of war materials in areas where they shall be safe from attack.

Senator Henderson, Chairman of the Reconstruction Finance Corporation, made a very helpful statement to the committee on the commendable record already made by that agency. More remains to be done. I am convinced that we can use the resources of the Rocky Mountain States in minerals and water power in such a way as to relieve our country in large measure from its present dependence on foreign sources for many critical and strategic minerals.

How this effort should be financed is one of the important problems. The resolution under which we are acting instructed our subcommittee to study the possibilities of stimulating the use of private capital and fostering private enterprise in the program. The Reconstruction Finance Corporation has broad authority in its power to purchase preferred stock to assist private enterprise. This I have discussed on numerous occasions with Chairman Henderson and with Mr. Claude Hamilton, general counsel of the Reconstruction Finance Corporation, and they are, of course, as you are, very familiar with the problem.

I am writing to invite you and your organization to appear before the committee and make specific recommendations for the full utilization of our resources of raw materials and power, as well as our resources of unused private capital. The committee, of course, would be very happy to hear you, or anybody you may care to designate, at any convenient date.

Sincerely yours,

JOSEPH C. O'MAHONEY.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m., tomorrow.

The motion was agreed to; and (at 6 o'clock and 15 minutes p. m.) the Senate took a recess until tomorrow, Saturday, January 10, 1942, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 9 (legislative day of January 6), 1942:

DEPARTMENT OF COMMERCE

CIVIL AERONAUTICS BOARD

L. Welch Pogue to be a member of the Civil Aeronautics Board in the Department of Commerce.

POSTMASTERS

MISSISSIPPI

Thomas E. Goodman, New Albany.
Lee R. Beckett, Pittsboro.
Lloyd C. Hopkins, Walnut.

OKLAHOMA

Carroll C. Sanders, Soper.

HOUSE OF REPRESENTATIVES

FRIDAY, JANUARY 9, 1942

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O spirit of the living God as pain and sorrow are a challenge to us, teach us the immortal words of Thy truth. Enable us to understand that we are workers together with Thee, and in this knowledge let us strive for that excellence of service that shall hasten the kingdom of human rights, lighting up the dark places of this world as it travels the highway of a deepening peace. We humbly pray that a mighty hope may stir our breasts as we look to the future, claiming it for the emancipation of humanity.

Heavenly Father, we bear to the altar of prayer the youth of our land. In a day when cruelty, inhumanity, and gross materials are ravishing human hearts, we pray Thee to strengthen them in the things of God. Grant that they may not just drift into the ways of their own understanding, allowing the star of hope to fall on their pathway, dimming their dreams and aspirations. Oh, steady their footfall, helping them to escape the follies of this age; inspire them with a deep sense of responsibility, giving joy to their hearts and vision of the things pure and noble, that they may become men and women tried and heroic for a new day. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the House of the following titles:

H. R. 3141. An act for the relief of Fred Farner and Doris M. Schroeder; and

H. R. 4622. An act for the relief of Catharine Schultze.

EXTENSION OF REMARKS

Mr. SANDERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short letter making a donation to the war fund.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. SANDERS]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my own remarks in the RECORD and to include a short newspaper clipping.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

[Mr. RANKIN of Mississippi addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Saturday Evening Post.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. ANGELL]?

There was no objection.

UNCALLED-FOR CRITICISM IN THE ENGLISH PARLIAMENT

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I am of English descent. My forebears came from Great Britain, and certainly not only today but in this struggle which has been in progress for several years I have had a most genuine sympathy and desire to support those persons fighting for what I believed to be right.

I do take vigorous exception, however, to certain speeches made in the Parliament of Great Britain yesterday when certain members expressed themselves as opposed to leadership of command by Americans in the united strategy for prosecuting this war. I believe that the unfair statements made by a few individuals are not truly indicative of the real spirit of the English people as we stand side by side in this titanic struggle.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Chicago Daily Tribune entitled "The British Barometer."

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. LELAND M. FORD]?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to insert in the CONGRESSIONAL RECORD copy of a speech delivered by Mr. Roy Miller at the Texas waterway conference, Houston, Tex., on December 16, 1941, notwithstanding the fact it is three and a half pages, in excess of what the rule permits.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short resolution.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. RIZLEY]?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. EDWIN ARTHUR HALL]?

There was no objection.

Miss RANKIN of Montana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from one of my constituents.

The SPEAKER. Is there objection to the request of the gentlewoman from Montana [Miss RANKIN]?

There was no objection.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include certain telegrams from automobile dealers' associations.

The SPEAKER. Is there objection to the request of the gentleman from Arizona [Mr. MURDOCK]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. YOUNG]?

There was no objection.

Mr. YOUNG. Mr. Speaker, in the American drive for victory no loyal American should be discriminated against, even in the slightest degree. Every discrimination, even the slightest, in defense employment or in the Army, Navy, or air force because of race or color, should be eliminated immediately. We must strengthen our armed forces. One good way to accomplish this is to utilize the full productive resources of our country and utilize the efforts of all to achieve victory. National solidarity and unity are essential.

In every American war since Crispus Attucks fell on Boston Common Americans of Negro descent have mingled their blood with that of other Americans in the defense of their common country. Negro Americans today are ready to make every sacrifice necessary to insure victory over the forces of dictatorship aggression. They should not be denied the opportunity to work in defense industries, denied the right to enlist in our Navy, nor discriminated against in our armed forces, nor in the American Red Cross.

Negroes form 10 percent of the population of this country. If it is true, as has frequently been charged, that a Negro may not enlist in the United States Navy except to serve as a mess attendant, then this should be changed immediately. Almost daily new warships are being commissioned and hundreds of mine layers, mine sweepers, torpedo boats, submarines, tenders, tankers, and other auxiliary craft will be added to the United States Navy before the end of 1942. It would be a matter of great importance to 10 percent of our citizens, whose loyalty to this Government and its institutions has never been questioned, if the personnel of some of these

ships and some of our cruisers, submarines, gunboats, mine layers, and destroyers now in commission would be composed of members of the Negro race.

Let us hope that Secretary of the Navy Knox and War Department officials give this important matter immediate attention.

COMMITTEE ON WAYS AND MEANS

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may be permitted to sit during the sessions of the House at such times as may be deemed necessary during this session of the Seventy-seventh Congress.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

VICTORY BONDS

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, in view of the interest the 130,000,000 Americans have evidenced in our victory, I suggest we change the name of defense bonds to victory bonds.

DISABLED VETERANS

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by Maj. Laurence R. Melton, national commander of the Disabled American Veterans of the World War.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, the address I have just received permission to insert in the RECORD deals with a rather important matter, the employment by the Government of disabled veterans whose physical disabilities might under present rules prevent their receiving employment as civil-service employees. It seems to me it ought to be possible to work out some arrangement in this country under which not only disabled veterans but other persons suffering from physical handicaps may be employed in positions which they can take care of, even though not as rapidly as others might with proper allowance for that fact and with reference to retirement compensation and that sort of thing.

[Here the gavel fell.]

PRICE CONTROL

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I read in the press last night that the Senate was having a little difficulty with the price-fixing bill. I dug up out of the files a bill which I introduced last November which would accomplish what they are trying to get at without very much trouble. I commend it to the two gentlemen from Michigan who are on the House Committee on Banking and Currency. I admit the bill has two faults. It does not provide for the employment of an additional large number of Federal employees, and it can be administered without any great additional expense—two things, I suppose, which might not be acceptable at the present time. However, it would stabilize prices and prevent profiteering.

Mr. CRAWFORD. The gentleman's bill would do that?

Mr. HOFFMAN. My bill will do that if we can ever get it through.

[Here the gavel fell.]

DAYLIGHT-SAVING TIME

Mr. LEWIS. Mr. Speaker, I call up House Resolution 410.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6314) to promote the national security and defense by establishing daylight-saving time. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LEWIS. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. FISH], and yield myself 5 minutes at this time.

Mr. Speaker, this is an open rule providing for 2 hours of general debate on the bill H. R. 6314, which comes from the Committee on Interstate and Foreign Commerce.

The bill provides for the reestablishment during the present emergency of so-called daylight saving, not merely for part of the year but throughout the entire year, beginning 20 days after the enactment of this act, if the bill is adopted. It is provided, as stated very clearly in the bill and in the report, that the daylight saving shall continue until 6 months after the termination of the present war, or until such earlier date as the Congress by concurrent resolution shall designate.

I believe the Members are in general familiar with the scope of the bill. It is very short. The report is very clear. The arguments for and against will be fully presented by the members of the Committee on Interstate and Foreign Commerce.

I may say in general that this bill has been very strongly recommended by the President and by other officials in the interest of conserving electric power and coal. It is believed that it will be advantageous in other ways that are set forth in the report and in the hearings.

Mr. FISH. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this is a very important bill, because it affects the entire Nation of 130,000,000 people and every industry in this country. I hope the Members of the Congress will give careful consideration to the bill when it is discussed by the committee that has charge of it and consider its effect on our large and important farm population.

The title of the bill reads:

To promote the national security and defense by establishing daylight-saving time.

That is the purpose of the bill, and the only purpose of the bill. It has been recommended by the Army, Navy, and O. P M. as a defense measure.

This bill provides that there shall be by act of Congress 1 hour of daylight saving, to go into effect 20 days after the bill is enacted into law, and to terminate 6 months after the end of the war, if not before, by appropriate legislation.

The Senate passed a daylight-saving bill that is quite different. That bill provides that the President shall have the power to declare daylight saving for 2 hours in any particular zone or area in the United States, the difference being that the House bill is uniform and Nation-wide, providing for 1 hour of daylight saving, and goes into effect by act of Congress. The Senate bill provides for 2 hours of daylight saving at the discretion of the President in any section of the country which he may designate.

This will be thoroughly discussed by the Committee on Interstate and Foreign Commerce. Under the rule, the bill is wide open for amendments. There was no objection by the members of the Rules Committee to the immediate consideration of the bill. I now yield, Mr. Speaker, to the gentleman from California [Mr. LELAND M. FORD] for 5 minutes.

Mr. LELAND M. FORD. Mr. Speaker, I take the floor to talk against this bill. I think it should be defeated. We are undertaking to add to the hopes of the people in the promotion of national security and defense simply by providing for so-called daylight saving. If we cannot produce something better than this, we are just kidding ourselves as to our defense program, and we are going to get whipped. I think we should not kid ourselves in connection with a bill of this kind, because it only adds more confusion to an already confused situation. I am in agreement with those who want to work and who want to save time, but this bill does not save any daylight. You have not changed the sun by a minute and you cannot change the sun. Why

not be American and be frank and say that we will begin to work 1 hour earlier. That would accomplish the total purpose. This only causes more confusion. I have done some farming in my time, and I cannot see how any man who is for the farm group could be for a bill of this kind. In the morning when you go out to work, if you start to work at 7 o'clock and you happen to be getting up hay, you have to wait until the dew is off of the hay. You have to wait a certain length of time; and if you start at 6 o'clock, that means you lost 1 extra hour. In the afternoon that hay may have dried out, but if the men pull out of the field 1 hour earlier, you simply have to stop work and you lose an hour. So you lose 1 hour at both ends of the day; and so far as any practical result is concerned, you have not accomplished anything. The sun comes up at the same old time and goes down at the same old time, and you have not saved a thing.

This is a very serious time we are in, and I think the time is here for serious consideration. It is time to get down to work and have less kidding and less confusion. I hope this bill will be knocked down as it deserves to be.

I yield back to the committee any time I may have remaining.

The SPEAKER. The gentleman from California yields back 2 minutes.

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, this bill does not concern the people in my district because they get up at daylight and they go to bed when it is dark and they work all the time in between. It is all right to have a bill of this kind pending because we have been going along for several years on the theory that we could spend ourselves into prosperity, and the fellows who want to fool around with something of this kind by kidding themselves that by monkeying with the clock they can create more hours in the day, may do so. Even Congress cannot lengthen the day but if it wishes to try, it will not do any harm.

But, now, seriously, I want to talk to you about that bill I spoke about awhile ago, and have you take a look at it. It will stabilize prices. All that bill does is to provide that the secretaries in the various departments meet and fix a fair average price over two 6-month periods. If they do not like the periods I indicated in the bill, they can take any two other 6-month periods and establish a fair, basic price for all materials and services. I know the labor unions are going to yell against fixing a price on services, and the farmers are going to kick about putting a price on all materials, especially farm products, because they do not want that; but if we are to have any bill that will get anywhere, this bill is something like what we will have to have in the end. After the departments fix the prices—please note this—then that shall be the price for the duration of the war or the duration of the emergency, and any fellow who asks or receives more than that fair, basic price—and I put the parity in there so as to catch the farm bloc vote—he is guilty of a violation of the law. And note this. Instead of having 30,000 or 40,000 or 50,000 new Federal employees to snoop around and fix things, and instead of letting some individual like Leon Henderson or someone else change these prices from day to day so their friends can go into a speculative market and buy and sell their produce or stocks, I have fixed it so that there will be no opportunity for speculation or profiteering and the law-enforcement officers of the Federal Government, the States, the counties, and the municipalities shall enforce the law. There will be no additional cost. It is fair in the beginning because these secretaries fix the price at the fair average price and everybody has to abide by it. It does not make any difference whether a loaf of bread costs you $1 or 10 cents if your wage is in proportion and all other things have a stable and relative price. I commend this bill to you, and I think if you will take a look at the bill you will think more the longer you give it consideration.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. CRAWFORD. I want to get back to the gentleman's statement about the farmers in our State working all the time.

Mr. HOFFMAN. Well, maybe they do not in the gentleman's district. They grow beans over there. I don't know very much about that.

Mr. CRAWFORD. I think they get up about 5 o'clock in the morning, and I think according to the present state of the calendar that is about 2 hours before sunup, and they work about an hour and a half before daylight. Last week I went home and slept out at the homes of some of these farmers, and I think they went to work at least an hour and a half before daylight at this time of year, and I cite my good friend Waite Stevens. He is a very good fellow, and he works an hour and a half every morning before daylight, and his neighbors do likewise, both Democrats and Republicans. I think the gentleman better check up on his time somewhat.

Mr. HOFFMAN. Oh, well, our folks work all the time anyway, so what is the difference as to whether it is 6 or 7 o'clock by the clock when they start, if they begin at the same actual time?

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. FISH. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Speaker, I take this time because the Committee on Ways and Means is holding a session this afternoon beginning at 1 o'clock, and it will be impossible for me to attend the session of the House during the general discussion of this bill. The early part of this discussion is being taken very lightly, it seems to me. To me, this is one of the serious pieces of legislation to come before the House. It will vitally affect every citizen, and it seriously affects the farmers of this Nation, and, remember, that means 25 percent of the population of the country. I think it would be a sad mistake if we just go in and adopt this legislation because somebody said, "Oh, well, it is a national defense measure," and none of us likes to step up and oppose any measure that comes in under national defense. I have hastily glanced through the hearings, and I find there are only three or four officials who appeared before the committee, and they stated that we would save some electricity. No doubt we need to save electricity, but when we do it under the guise of daylight saving, we will inconvenience millions of our citizens, not only inconvenience but seriously disrupt the farm program in great sections of the country. If the people in certain localities want daylight-saving time, they should be allowed to vote upon it and have it if they want it, but in other great sections of the country, as, for instance, in the Central West, there are only a very few large centers of population where there would be a chance of saving much. Those of us in agricultural areas find that the laboring men all over the country hear the 7 o'clock whistle in the morning, and they are willing to go to work, but under the daylight proposition they want to quit at 4 or 5 o'clock in the afternoon, and anyone who has ever farmed knows that you cannot farm from 6 to 5 and be successful.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. FISH. Mr. Speaker, I yield the gentleman 1 minute more.

Mr. CARLSON. I sincerely wish, Mr. Speaker, we could get to the place where agriculture could work 8 hours a day and not only be profitable but work on a basis with other industries. I do not believe it will ever be so, because agriculture is not just a business. It is a type of life and living combined, it is different from a man working so many hours a day. Therefore, this measure vitally affects great areas of the United States, and I sincerely hope that we do not pass by it lightly and say that it does not make much difference whether we get up at 5 o'clock and call it an 8-hour day from 5 to 3, or from 6 to 4, and so on. It will disrupt the agricultural program and the production of vital things so badly needed for national defense.

Mr. COX. The gentleman does not oppose the adoption of the rule?

Mr. CARLSON. Oh, no; I am taking these 2 or 3 minutes because the Committee on Ways and Means is having a hearing beginning at 1 o'clock, and I want to express my views on this bill. I am not opposing the adoption of the rule, but I do hope the bill gets thorough and serious consideration before it is reported for final passage.

Mr. FISH. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, it was my understanding that in connection with defense production we were going to work around the clock, 24 hours a day, 7 days a week, and that factories and machinery for defense would be operating day and night. If that is the case, and I really think it is

necessary to have total production if we are to win this war, then there is no need for this moving up of the clocks an hour or two, as is proposed by this and the Senate bill. We must get production. If those in charge of the defense program in the United States feel that they can get more production by moving the clock ahead, then they have a different conception of what we must do in this country if we are to succeed in this emergency.

In the farming sections—and I come from a dairy State—we get up before daylight to milk the cows. The chickens get up for their feed when the sun comes up in the morning. You cannot fool them by moving the clock ahead. So with all other farm labor. The common practice since the beginning of time in the farming sections has been to work from daylight to dusk—when the sun comes up in the morning and when it goes down in the afternoon. A great many work many, many hours after that in order to accomplish their work.

In the dairy sections we find additional problems confronting us during the present emergency. The dairy farmers throughout the United States are called upon to produce 15 or 20 percent more in dairy products. We have a scarcity of labor due to lack of recognition that farming is essential under the Draft Act. We also have a shortage of farm machinery. It would not help to move the clock ahead an hour on the dairy farms of America, to aid production.

I believe that if we are sincere in our effort to produce for national defense, we should let the clock stand the way it is, without seeking to regulate the movement of the earth in its orbit around the sun.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, this rule brought before us today to take up the bill for daylight saving is possibly all right. As I read the bill, H. R. 6314, it is all right in the first section. If I had it to do I would eliminate section 2 altogether, for this reason, that if it is a matter of national defense and saving so far as the people of this country are concerned, you will find they will want to continue this bill long, long after this war is over. The people of this country will have to economize not for 6 months after the war, but for 600 years after the war if we continue the way we are going on spending by this Government.

I have been about paralyzed ever since Monday. I have not said anything on the floor of the House, because I was so shocked that I have not been able to get my usual composure since, when I realize the enormous amount of money that was asked by the President of the United States to conduct the affairs of this Government, especially to win this war, $56,000,000,000. I wonder where you are going to get the money. I have always figured that it was not how much you spent but how wisely you spent it that counts. I always figured that a dollar saved is a dollar earned. I always figured to save the pennies to make the dollars. Had I been the Chief Executive making his recommendation I would have insisted that everything be done that could be done to win this war with the most economy and the greatest production. The President's philosophy has always been spend, spend, spend; not enough emphasis on the results you get for a dollar spent. We have got to do the thing that is necessary to eventually win the war, but I figure that in the program which we have established you are going to have the greatest orgy of spending, the greatest orgy of waste that this Nation has even seen, unless we change some men in charge and put efficiency and sound business ahead of favoritism and socialism.

When I look at the Treasury statement I find you have gone in the red $7,631,000,000 since July 1 last, and that the national debt is over $58,000,000,000. Before the 30th of June you will have to come in here and raise the debt limit from $65,000,000,000 to over $100,000,000,000, because you will be there before the next fiscal year rolls around. I would not be surprised that this administration would come in here and ask to raise the debt limit to $200,000,000,000, because they know that if they do not do it now they will have to come back to the floor of the House once or twice next year to do it if the program they have adopted goes through

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield for a question.

Mr. EBERHARTER. Is the gentleman opposed to raising the debt limit, under present circumstances, say, to $100,000,000,000?

Mr. RICH. Well, I would like to get it into the minds of the majority Members of Congress who have been in the habit of spending, spending, and spending without regard to where they are going to get the money, without regard to waste and inefficiency. Your constituents will find out before another year rolls around that they have the greatest millstone around their necks they have ever had in all the history of the world. As each year goes on that millstone will become that much greater until, if we do not try to make every dollar count, we are going to ruin and wreck this Nation. You will drive it into bankruptcy by the waste, extravagance, and unnecessary spending that this Government is now doing. We shall never be able to prosecute the war if we wreck our financial stability.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. RICH. For one more question, but make it brief.

Mr. EBERHARTER. I will just ask the gentleman the same question again: Is the gentleman opposed to raising the debt limit to $100,000,000,000?

Mr. RICH. I was opposed to going into the war until the Japs attacked us in Pearl Harbor. I would never have voted for war if they had not attacked us, because it was not necessary until you provoked Japan to attack us; we could have kept out of it, in my judgment, and then we would not have had to raise the debt limit, especially if the New Deal had not been so extravagant. That is water over the wheel, but it is terrible to reflect upon. I am now for winning the war.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield 4 additional minutes to the gentleman from Pennsylvania.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. CRAWFORD. Does the gentleman agree with me in this observation: When we raise the Federal direct-interest-bearing debt more rapidly than the market-price advance in our properties and the income that flows therefrom, it is equivalent to a capital levy against the assets of the people of the United States?

Mr. RICH. Absolutely, and you are going to find out that the Treasury is now asking for at least $500,000,000 more for interest on the national debt than they did on the 15th of November. As each 6 months period rolls around you will find the Treasury Department coming in with increased requirements for the national debt. The increase can continue only so long before the crash comes. This is the reason I tell my colleague from Pennsylvania and every Member of this House that we should cut out every penny of unnecessary expenditures if we are going to be successful in prosecuting the war and saving this Nation from bankruptcy.

Mr. CRAWFORD. And as we finance in the manner in which we have the last 10 years, particularly since 1930, through bank credit, we are actually applying capital levies against the total holdings of the people of this country in their name; and as we step up this present program, the operation of nondeficit Government, privately owned property privately managed ceases to function and the state takes over; and today we hold property in our names in a complementary manner, having no control of the property itself or the income that flows therefrom. We therefore proceed to destroy the value of private property.

Mr. RICH. And if we keep on, it will be only a few years before the Government will own everything and the individual nothing. I would not be a bit surprised if we had a capital levy. The only way in which we can keep from having the Government own everything is for the Ways and Means Committee to levy and the people be willing to bear the heaviest burden of taxes that has ever fallen upon them; and they must bear it for many, many years to come.

Mr. CRAWFORD. The point I am making is that in this method we are now following it is a capital levy. Capital levies are not to come; they are here; and I can support this statement with the opinion of the very best economists we have in the United States, economists recognized the world over. This method of financing is a capital levy. Your property is valuable to you on the basis of its return of income to you and your liberty to use that income.

Mr. RICH. It does not make any difference how much the individual earns, before we get through this year and the next it will provide but a meager living.

Mr. CRAWFORD. That is right.

Mr. RICH. We are going back 40 years in the life of the American people in order to finance and carry on this war and the previous New Deal waste and extravagance.

Mr. CRAWFORD. There is no question about that.

[Here the gavel fell.]

Mr. LEWIS. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma to submit a unanimous-consent request.

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Fort Worth Star-Telegram, written by the Honorable Amon E. Carter on the subject, The Oil Producer in Wartime.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LEWIS. Mr. Speaker, I yield such time as he may desire to the gentleman from Georgia [Mr. COX.]

Mr. COX. Mr. Speaker, I know my friends who oppose the adoption of this resolution on the idea that it will add to the inconvenience and hardship of the farmer are perfectly sincere. I am a farmer, my people are farmers. They have never known anything but the stirring of the soil in the effort to make two blades of grass grow where one grew before; but this argument unintentionally, I think, puts the farmer in a false light insofar as defense is concerned.

The farmer is not opposed to the doing of anything, even though it inconveniences him, that would in anywise speed up production. The idea prevails in this country that a moving up of time will work for increased production. The farmer is not opposed to that, and I hope that gentlemen representing agricultural sections will not persist in offering opposition to this measure upon the ground that it will inconvenience the farmers of this country. Everybody is patriotic and everybody wants to do his part. There is not a more patriotic group in the world than the farmers of America, the farmers of these United States. If the making of sacrifices and the assumption of hardships adds to production, and therefore to strengthening of the national defense, you will not find any people anywhere more willing, more anxious, and more enthusiastic in the assumption of this new relationship or these new burdens, even though they impose hardships, than our farmers. I hope opposition to the bill will not persist.

Mr. McCORMACK. Will the gentleman yield?

Mr. COX. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to compliment my distinguished friend from Georgia on the statement he has just made, and I join with him in his position. This is a matter that has been recommended by the President. The pending bill is a defense measure. There is no more patriotic group in our country, or more patriotic individuals in our country than the farmers. I do not have a farm in my district, as everyone knows, but as one who has supported affirmatively and actively farm legislation, I am sure that well-meaning Members who oppose this on the theory that the farmers would want to oppose it are not representing the mind and the views of the farmer. May I also call attention to the fact that practically all the European countries in the war have resorted to daylight saving. Even unoccupied France has resorted to it. Britain did so last May. That is the experience of other nations. I hope, as I urge, this bill will pass the House.

Mr. COX. The farmers are accustomed to sacrifice, they have been schooled in hardship, and they are never happier than when making a sacrifice which they believe contributes to the strengthening of the national defense and lightening the burdens that others have to carry.

Mr. REES of Kansas. Will the gentleman yield?

Mr. COX. I yield to the gentleman from Kansas.

Mr. REES of Kansas. The gentleman evidently has given this matter considerable study. I would like to have him answer this question: In what respect will this measure really speed up production, especially if we are going on a 24-hour basis? That is what I would like to know.

Mr. COX. I know of no better answer than that it conserves daylight. In other words, it puts people to work earlier in the day.

Mr. LELAND M. FORD. Will the gentleman yield?

Mr. COX. I yield to the gentleman from California.

Mr. LELAND M. FORD. Cannot all the purposes be accomplished that are advocated here by just saying to our people: "Go to work 1 hour earlier."

Mr. COX. This sets a standard by which it makes possible for all to act in unison and concert. Of course, that could be done, but if that is desirable, then why oppose the adoption of this bill? What is the objection to the bill?

Mr. LELAND M. FORD. In certain sections you will have two or three kinds of clocks. You will have some people carrying one time and others carrying another time. I am not against anything that will advance production, but I think the same purpose could be accomplished by saying, "We will go to work an hour earlier." Then you will avoid confusion so far as railroad trains, and so forth, are concerned.

Mr. COX. I know if I get to my office an hour earlier than customarily, I do more work.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. COX. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. May I call the gentleman's attention to the fact that the compulsory features of this bill have no application whatever to the farmer. It is applicable to the transportation companies and to Government employees.

Mr. COX. That is a complete answer.

Mr. LEWIS. Mr. Speaker, I want to call attention to a fact that has been stressed in the hearings and in the committee report which will be elaborated by the gentleman from California, and that is the saving in electrical energy throughout the Nation which will be made by adopting this daylight-saving plan.

Mr. WADSWORTH. Will the gentleman yield?

Mr. LEWIS. I yield to the gentleman from New York.

Mr. WADSWORTH. Has the gentleman read the hearings?

Mr. LEWIS. Not all of them; no.

Mr. WADSWORTH. The maximum of saving argued for or stated by the representatives of the Federal Power Commission was possibly 2 percent.

Mr. LEWIS. Well, 2 percent is 2 percent, particularly in this matter of power.

Mr. WADSWORTH. And they have not taken into consideration the consumption of electricity out on the farms if the lights are turned on an hour earlier in the morning.

Mr. LELAND M. FORD. Will the gentleman yield?

Mr. LEWIS. I yield to the gentleman from California.

Mr. LELAND M. FORD. Under that same program, is it not true you have not saved anything by advancing the clock; that you can make the same saving by saying, "We will begin to work an hour earlier?"

Mr. LEWIS. If everybody would do it; yes.

Mr. LELAND M. FORD. Well, why not?

Mr. FISH. Mr. Speaker, I yield such time as he may desire to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend by own remarks in the RECORD and to include a report to the Tolan committee by Leo M. Christensen, research executive, University of Nebraska chemurgy projects.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. STEFAN]?

There was no objection.

Mr. FISH. Mr. Speaker, I yield myself one-half minute.

Mr. Speaker, the gentleman from Pennsylvania [Mr. RICH], who spoke a few minutes ago, said that this huge tax program as a result of the war will set us back 40 years. I think he underestimated it. Our economic, financial, and American system of free enterprise will be set back a hundred years as a result of the war. In these modern wars no one wins, financially or economically. Debt is piled on debt and taxes upon taxes until the sources of revenue dry up. The victor goes down with the vanquished into bankruptcy, lower standards of living, and economic chaos. I submit the gentleman from Pennsylvania made an understatement. It will take us back 100 years economically, and some students of American economy believe that to be a too moderate estimate.

Mr. Speaker, I yield the balance of my time to the gentleman from Wisconsin [Mr. JOHNS].

Mr. JOHNS. Mr. Speaker, as you know, I was opposed to getting into this war, but we talked ourselves in and we have to fight ourselves out. I want to cooperate in every way that I can.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. JOHNS. I have only a minute or two now. A little later I shall yield to the gentleman, when I get more time.

We changed Thanksgiving Day and we saw how much unity we got out of that. If we change to daylight-saving time, you will see just how much unity you will get out of that.

I do not know whether the Members of the House realize it or not, but there are some States of the Union in which daylight-saving is prohibited, and one of them is Wisconsin. There is nothing to gain by this if we are going to work 24 hours a day, as was said a few moments ago. Despite what the President said, there is nothing to be saved by daylight-saving.

If you want retribution, I remember my father used to get me up at 3:30 in the morning. If I was 5 minutes late getting up, he would call me and ask me if I was going to sleep all day. But I saw others going to work at 7 o'clock in the morning, and I thought sometime maybe I might get even with him, but I do not want to do that today.

I think we are going along in this country and getting along pretty well. The farmers would not pay much attention to a daylight-saving law if you had one. They have their work to do and they will go ahead and do it. If it takes them 24 hours a day for them and their families to perform the services, they will perform them. It takes most farmers 15 or 16 hours a day to get their work done. They do not need any daylight-saving law to take care of it.

Now I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman made a statement at the outset of his remarks to the effect that we talked ourselves into this war. I hope the gentleman will not let that statement remain in the RECORD, because I do not believe he means to say that we talked Japan into attacking us at Pearl Harbor.

Mr. JOHNS. I am not so sure about that.

Mr. McCORMACK. The gentleman wants the statement to stand that way?

Mr. JOHNS. I did not say that the talking got Japan to attack us, but we have been doing a lot of talking.

Mr. McCORMACK. You cannot split hairs, you know. The gentleman said we talked ourselves into the war, and if that is so, we talked Japan into attacking us at Pearl Harbor.

Mr. JOHNS. Not necessarily.

Mr. McCORMACK. You cannot split hairs.

Mr. JOHNS. I say that we did a lot of talking, and the gentleman knows it.

Mr. McCORMACK. I know, but it is pretty rough when the gentleman says we talked ourselves into Japan's attacking us at Pearl Harbor.

Mr. JOHNS. I did not say that. The gentleman said it; I did not say it.

Mr. McCORMACK. Perhaps I did not hear very well.

Mr. JOHNS. I know how we got into this war as well as the gentleman does. I know how we are going to get out, too.

[Here the gavel fell.]

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. LEA. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6314) to promote the national security and defense by establishing daylight-saving time.

The motion was agreed to; accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6314, with Mr. COCHRAN in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. LEA. Mr. Chairman, I call the attention of the House to the provisions in the bill before you so that no one need be misled as to its terms. In substance, this bill has only a few provisions, all of which are very plain.

The first is that 20 days after the enactment of this act the standard time of each time zone shall be advanced 1 hour. That makes the bill uniform and Nationwide in its application.

There is a provision that the act shall cease at the termination of 6 months after the war or at such earlier period as Congress may by concurrent resolution determine.

There is a provision that after the termination of this temporary legislation the country will return to standard time as it exists today. Standard time is defined by the act of 1918, and this bill does not propose to change the meaning of standard time as we know it today. Bills making this compulsory or exclusive under all circumstances were not reported by the committee, and this bill does not provide for such operation. A little later I shall tell you what the statute defines standard time to be. Standard time is not compulsory, but it is controlling on interstate commerce transportation in the United States. However, it does not compel anybody, a farmer or anybody else, to get up at 3 o'clock or 7 o'clock, or to go to work at any hour or quit at any hour. That is left entirely to the discretion of the farmer or the businessman or whoever he may be.

As has been stated here, this bill was recommended by the President, who in July presented a special message to the Congress urging the enactment of daylight-saving legislation. Recently, after the war began, the President was more emphatic in stressing what he regarded as the importance and necessity of this legislation. He stated in his message to the Congress that in recommending this legislation and emphasizing the need for it he was actuated by the advice of the O. P. M., the War Department, the Federal Power Commission, and other advisers in connection with such problems.

I have here a statement from General De Witt, who at the present time is in command of our Army in what has been defined as a combat area on the Pacific coast. As chairman of our committee I communicated with General De Witt asking his judgment and advice as to the need of daylight saving. In reply he quoted a telegram he sent to the War Department, in which he said this:

> Desirability of inaugurating daylight saving is presented for consideration by War Department as a matter which should be considered from national viewpoint. Its adoption in Pacific Coastal States would be helpful in that defense production would be accelerated, power conserved, morale raised, and safety during black-outs better insured. If favorably considered it should be adopted by entire United States, including transportation companies.

Then General De Witt further commented on the subject by stating:

> I am still strongly of the opinion that such legislation is a necessity, but wish to emphasize that it be of national scope and not confined to any particular area of the country and should include the railroads and other transportation agencies.

We now have this bill before us which is in line with that specific recommendation of General De Witt, who is in charge of the Pacific coast defenses.

Mr. LELAND M. FORD. Mr. Chairman, will the gentleman yield before going further into that?

Mr. LEA. I will ask the gentleman to defer until I have completed my statement.

Today we are simply asking the House to establish a policy of daylight saving, the usefulness of which has apparently been demonstrated by time and experience. In the World War Germany initiated the daylight-saving plan. It was finally taken up by practically all of the countries engaged in the war, including our own country. After the war was over the act was repealed in the United States and, of course, in many other countries. Since that time there has been such legislation within as many as 16 States which now have daylight saving, Statewide or partially so.

In the present war Europe, which went through the former war, is now practically unanimous in operating under daylight-saving time. Canada, our neighbor to the north, is also on daylight-saving time. This situation, to me, is most impressive and persuasive.

I would not attempt to go into the various factors involved or tell you how much in dollars and cents is going to be saved, but I know that the men in charge of the war in Europe and in Canada and in New Zealand and in other sections of the world, including China, are hard-headed men. They are not novices or visionaries. They are not proposing to change the time just to be making changes. They are men of practical experience as to this very problem. They are trying to pursue that course which their experience and judgment has led them to believe will best contribute to ultimate victory for their causes.

Recently a Gallup poll was announced under date of January 3, indicating the attitude of the people of the United States as to daylight-saving legislation. On the question of daylight saving for the entire year the answers were 57 percent for and 30 percent against, with 13 percent undecided. So the vote of those who expressed opinions on the matter was almost 2 to 1 favorable.

There is another thing we might well consider in connection with that poll. The people expressing themselves were classified as between the areas which have had experience under daylight saving in recent years and those which had no experience. The result showed that 68 percent of those who had experience favored daylight saving and those who had no experience with daylight saving voted 52 percent, but still in favor of daylight saving. This vote shows experience under daylight saving was convincing in its favor.

On the question of whether to apply it for the whole year or only a fraction of a year, 6 out of every 10 people in the country, representing every section, voted in favor of daylight saving for the war. So it is very enlightening that every 1 of the 5 sections involved in the Gallup poll voted decisively in favor of daylight saving.

Mr. GILCHRIST. Mr. Chairman, will the gentleman yield there?

Mr. LEA. If the gentleman will wait until I have completed my statement, I shall be pleased to yield.

This bill makes daylight-saving time standard time. Now, what is standard time? It is defined by the act of 1918. Standard time means, first, that it is the time that shall govern the movement of interstate transportation in the United States and with our Territories and insular possessions. That is a fundamental feature of this bill. Daylight-saving time shall be standard time.

Standard time also applies to officials and departments of the United States. In transacting their official duties, they are controlled in the matter of time from the standpoint of standard time. It applies to acts done by Federal agents and departments, and, in substance, that is all that standard time does.

There is not a word in here that says anybody shall go to work at any hour or quit at any hour or sleep at any hour. It proposes not a compulsory act but a permissive act, except in the three instances just mentioned.

Mr. LELAND M. FORD. Mr. Chairman, if the gentleman would yield right at that point, I would like to ask him a question.

Mr. LEA. I will give the gentleman a chance pretty soon.

There is no compulsion today under standard time. Here in Washington, in connection with the activities of the employees of the Federal Government, we have a staggered hour system. Some employees go to work at half past 7, some at 8, and some at 8:30. They quit accordingly. There is nothing in this bill that interferes with that system. There is nothing in this bill that interferes with any farmer, businessman, or any producer in this country from working such hours as he believes best serves his purpose and those of the country.

We have 24-hour service in many activities of the Nation, including the police force, our transportation agencies, hotels, and innumerable other activities where 24-hour service is necessary or desirable. Such activities are carried on under standard time, and this bill does not change the rule in that respect. We can work, eat, and sleep after this law is enacted just as we can now, governed by our own sweet will and good judgment.

The Nation has generally accepted standard time with the uniformity and harmony of practices it gives to the country. Generally speaking, standard time is the prevailing time. Under the law standard time, as proposed by this bill, would doubtless be accepted by most industries and activities of the United States. The convenience of the country would be served by compliance. It is the disposition of our people to conform with prevailing customs and practices of the Nation. Whenever it is to the interest of any industry or any man, or to the country, to vary the time of work, all are free to do so. That is the regular practice today. It will not be different under standard time as extended under this bill.

Generally, the people of the Nation have conformed to standard time, but in special circumstances where there is an advantage in departing from it they have done so, and have done the sensible thing, just as this bill contemplates.

It is easy for us to talk in a dogmatic way about sun time and the natural action of the clock of Nature, but what is there about it? What is there to be dogmatic about? We have 9 hours and 20 minutes of daylight in the winter, and in the summertime we have 15 hours, so that Nature there has a variation of nearly 6 hours. We do not adopt a plan that conforms to sun time. We do the sensible thing of trying to perform our duties when they will best serve our purposes. Nature so governs this old world that the year's time is divided into two seasons—the growing season and the dormant season. The dormant season exists in Nature, but there is no dormancy in the need of the people. The need of the people of this country goes on through the full 24 hours of the day and 365 days in the year. That is the need to which civilization responds and to which we should conform, and the dogmatic statement about the clock of Nature does not amount to much if you analyze what it really means.

We were born naked into this world. Once the only food was that immediately available. Today we go everywhere in the world. We have the agencies that bring to our table the products of all the land, immediate and remote. They are brought from everywhere. We are dressed up. We move in automobiles and flying machines. We have a modern civilization that has been accomplished by overcoming the handicaps of Nature. We have availed ourselves of Nature instead of surrendering to Nature.

We are now engaged in war. War is a 24-hour occupation, a 365-day occupation. It does not stop with the clock. If the time ever comes when history will indict this country for inadequate preparation for this war, that indictment will be for the hours wasted in preparation, for idle men and factories—the hours and days trifled away.

We are today engaged in war—underneath the sea, on its surface, on land, and in the sky. The enemy is unremitting, and our duty is ever present. The time may come when the question will not be about time or time and a half or double time, or daylight or dark, but rather what is the limit of human endurance. That is the ultimate demand of ruthless war.

In the face of this situation, are we going to say, every time something like this is proposed, that it is inconvenient to conform? Shall we first consult our own little inconveniences? We cannot stand in the way of this great demand for defense and offense for our country. We must accept this inconvenience, and not trifle with the prospect.

Daylight saving, demonstrated as it has been in the days of two world wars, is designed to give the country the benefit of the more efficient labor that daylight gives. Everyone knows that a man is more efficient in daylight than in dark. He can do more work and do it better. Twice the accidents occur in the dark as compared to daylight. Efficiency is better associated with daylight. So the fundamental thing that this bill proposes to do is to utilize to the greatest possible extent daylight, in which we have greater production and greater efficiency and more convenience for the country.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield.

Mr. LEA. In just a moment. Mr. Chairman, how much time have I consumed?

The CHAIRMAN. The gentleman has consumed 18 minutes.

Mr. LEA. If there is anything apparent at this time, it is that the hours of preparation yet remaining to enter into this great conflict are precious. If we have anything that it is important to conserve and utilize, it is the precious hours that we have to prepare this Nation, before neglect or delay may bring a greater calamity. The limit is not going to be on the clock. It is going to be on this Nation. The limit will not be daylight or dark. It will eventually be everywhere. This bill may not be of major importance. But I think the fair assumption from all the facts presented is that daylight saving to a substantial degree contributes to the strength of the Nation in preparing for war.

Mr. LELAND M. FORD. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield.

Mr. LELAND M. FORD. How does this bill give us 1 second more daylight?

Mr. LEA. It is just a question of what hours you work. It is a question of the best use of time. If you start in at 7 o'clock instead of 8 o'clock in the wintertime you get 1 more hour of daylight.

Mr. LELAND M. FORD. Not of daylight.

Mr. LEA. One hour more of daylight. Then in the afternoon you have the high peak, for instance, in electricity, from 5 to 7 o'clock. We save by ending the work hour earlier and reducing the peak hours on electricity between 5 and 7. But I think you cannot approach this problem on the little question of what is happening here and there. The experience of the States under this legislation, in my judgment, has demonstrated it does have a value. I do not consider this the most

fundamental piece of legislation in the world.

Mr. LELAND M. FORD. I do not either.

Mr. LEA. The little interference that it may have with people is not justification for running out on the program. If we are going to make a mistake, let it be in favor of preparation for the United States instead of against it.

Mr. LELAND M. FORD. I agree with the gentleman, but is it not a fact that the confusion caused will have more to do with delaying the program, even if you went to work an hour earlier, than keeping the present schedule?

Mr. LEA. No, I do not think the facts sustain that view. We have 16 States now on spotted daylight-saving time. One of the chief merits of this bill is that it tends to make the Nation's time more nearly uniform throughout the Nation. The importance of that is to cure one of the most objectionable features of daylight saving as it now operates. It puts the Nation on a uniform plan. The evidence before our committee shows there is greater saving in the winter than in the summertime.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield.

Mr. AUGUST H. ANDRESEN. It is desired, I understand, that we have 24-hour production in defense plants. It is apparent that this daylight-saving time proposition will not help that, because there will always be a crew of men working.

Mr. LEA. Twenty-four hour production is possible and intended only in a proportion of the industries of the country.

Mr. AUGUST H. ANDRESEN. In the civilian production, producing for civilian demand, most of those will be closed down.

Mr. LEA. We do not have the personnel to conduct all industries on a 24-hour basis.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield.

Mr. ROBSION of Kentucky. If I understand the bill, it applies only to transportation?

Mr. LEA. That is in substance what it does.

Mr. ROBSION of Kentucky. Interstate transportation, especially.

Mr. LEA. Yes.

Mr. ROBSION of Kentucky. And persons employed by the United States Government in the several agencies of the United States Government?

Mr. LEA. Yes.

Mr. ROBSION of Kentucky. There is no compulsion to reach any further than that, is there?

Mr. LEA. Not a bit.

Mr. ROBSION of Kentucky. When we speak about industries and the farmers, it is not necessary for them to comply with this law unless they desire to do so, is it?

Mr. LEA. The only compulsion you might figure out would be if a man had to meet a certain train, he would have to govern himself accordingly.

Mr. ROBSION of Kentucky. And this measure makes it uniform throughout the country?

Mr. LEA. This measure makes it uniform throughout the country and it allows Congress to fix it instead of leaving it discretionary with the President. We wanted it to be uniform all over the country.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield.

Mrs. ROGERS of Massachusetts. The gentleman knows I introduced a bill similar to the one introduced by the gentleman from New Jersey [Mr. McLEAN]. Massachusetts has found it very satisfactory. The Gallup poll has found an increasing number who want daylight saving. One other point: We are told today that we must conserve human energy and eyesight. Certainly daylight hours will tend to do that.

Mr. LEA. I thank the gentlewoman from Massachusetts. I have appreciated her constructive interest in this problem.

Mr. LeCOMPTE. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield.

Mr. LeCOMPTE. The statement was made that it would not affect the farmers. Is that wholly true?

Mr. LEA. I would not say that it would not affect the farmers.

Mr. LeCOMPTE. It affects everybody that the farmer does business with—post offices, banks, and so forth.

Mr. LEA. Of course, transportation in a way is a kind of central industry in the Nation, and the schedules of transportation would be on standard time, but that does not mean there is any compulsion any more than if he wants to use a certain train he must meet its schedule. He would be influenced by that necessity.

Mr. LeCOMPTE. But his bank will close an hour earlier and his rural route will leave earlier, and all those things.

Mr. LEA. Well, the bank probably would, but after this law is passed, the same as now, you will find transportation, banks, merchants, and all will accommodate themselves to the needs of their customers.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield.

Mr. BROWN of Ohio. Is it not true that this plan was tried during World War No. 1?

Mr. LEA. Yes.

Mr. BROWN of Ohio. And that the law was later repealed by action of this same committee, the House Committee on Interstate and Foreign Commerce, and at that time the committee reported, through its chairman Mr. Esch, I believe, that the daylight-saving-time plan as tried in World War No. 1 was inefficient, did not work, and did not bring about the savings and the results that were expected?

Mr. LEA. The act in the World War provided for permanent daylight saving. After the war was over Congress repealed it, and repealed it as really a piece of emergency legislation. That is what we propose here, temporary instead of permanent legislation.

What the gentleman said about a majority of the committee is true, but there were nine members who joined in the minority report, representing both sides politically. One who signed the minority report served as chairman during the operation of the war act; another subsequently became chairman of the committee. The minority said the evidence was "overwhelming" that there had been great benefit during the war by the daylight-saving plan. A primary thing that dominated the repeal of the legislation was the feeling that the war being over, the act should not continue after the reason that called it forth no longer existed

Mr. BROWN of Ohio. But it is true the majority of the committee made a finding that the law had been ineffective and the Congress approved that finding and repealed the legislation.

Mr. LEA. The report did make some representations to that effect. The law was repealed because the war was over. There was a slim majority for the committee report, as far as that is concerned.

Mr. HAINES. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield.

Mr. HAINES. I can see the value of this legislation in that it does away with much confusion that obtains in summertime because of daylight-saving time in one community and not in another. I have had that experience in my community. Will the gentleman tell the House, however, how this bill differs from the Senate proposal?

Mr. LEA. Yes; the Senate passed a bill which is now on the House Calendar, which provided that the President from time to time, in his discretion, may advance standard time 2 hours and may also retard it, without limit. There is no retarding provision in this bill, and there is no provision in the Senate bill which provides for the repeal of the legislation by concurrent action of the two Houses without Presidential signature, as does the House bill.

Mr. COLE of Maryland. Mr. Chairman, will the gentleman yield?

Mr. LEA. I yield.

Mr. COLE of Maryland. I was about to ask the gentleman a question in line with that asked by the gentleman from Pennsylvania.

On Tuesday last when the bill S. 2160 was called up in the Senate, it was objected to. I have before me the RECORD of Wednesday, January 2, where the measure was taken up without objection. Senator TAFT, who originally opposed consideration of the measure, withdrew his objection. The bill passed the Senate, I find, without the slightest dissent. There is a statement by Senator WHEELER, of Montana, to the effect that it was hoped the differences between the House and Senate would be worked out in conference.

I just wanted to emphasize the fact that the provisions of the two bills are as the gentleman from California has outlined them.

Mr. LEA. My advice is not authoritative, but I understand that Senator TAFT allowed the bill to be considered on the

theory that it would go to conference and the differences there reconciled.

Mr. COLE of Maryland. Is it not a fact that practically every country engaged in war at this time is on daylight saving except the United States?

Mr. LEA. I am not sure about Russia, but I believe every other country except the United States engaged in this war is on daylight-saving time.

Mr. Chairman, I reserve the balance of my time.

Mr. WOLVERTON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Chairman, this measure if enacted will, of course, affect most intimately everybody in the country. This being the case it is a trifle discouraging to note the paucity of attendance in the House at this time. I say it affects everybody in the country most intimately. The chairman of the committee has just endeavored—he has done his best—to assure you that great numbers of our people will not have to live any differently if this law is passed. He asserts that there is no compulsion in the bill itself directed against any individual except those who operate transportation systems in interstate commerce, and Government employees. He knows, however, knows perfectly well, that when we pass a statute of this kind and put all the transportation of the country under its provisions, all the Government services, including the Post Office, all telegraph and telephone companies being required to follow the same routine, all trucking services connected with railroad companies—that literally everybody in the country must lead the life decreed by this statute. The shopkeepers in the cities, the shopkeepers in the villages must go on daylight saving. There is no escape, and the gentleman from California knows it. Likewise, the milk distributors in the cities, the men who produce food upon the farms are confronted with the proposition that if they do not comply they "miss the train." They, of course, must comply. I do not need to argue that point, I think, much less, lay tremendous emphasis upon it. Every sensible man in this House knows it to be the fact. And so I would beg of you to forget at least for the time being that assurance that the gentleman from California gave us awhile ago that none of us need obey this change in the clock unless we want to.

I think it is fair for me to say that I have never opposed any measure for the national defense. I think it is fair to say, although this is not important, that I have urged upon many many an occasion during a long period of years measures to increase the national defense; and upon some occasions I have been rather lonely in my position. Were I convinced that this measure would strengthen the national defense, I would be for it. I am convinced that it will have no such result. I have listened to the recital of the facts. I venture to say in the hope that I shall not be deemed impertinent to those who took part in the Gallup polls, that when the polls were taken the participants had little understanding of what this country was to face in the way of productive effort.

I know full well that what might be termed the "white collar" class in our industrial centers has in times of peace given their adherence to a daylight-saving program. It seemed to them, perhaps rightly, that it gave them an hour extra in the afternoon to take an automobile ride or to play golf. They have voted for it in large numbers in the cities, but even in the cities it is not anywhere near unanimous. Ask the wife of the laboring man with little children.

Its final result is difficult to ascertain with exact figures. I have watched the workings of it for a good many years, and thus far I have not been able to ascertain an economic gain, if you take the whole country as the field for your investigation. It is well known now—much better known than when these polls were taken—that industry is going at least on a two-shift basis and a large part of it on a three-shift basis. On either a two-shift basis or a three-shift basis can you save anything or improve production by changing the clock? On a two-shift basis you must work all of the daylight hours and quite a lot of the dark hours, especially in the wintertime. On a three-shift basis you work all the daylight hours and all the dark hours and you save nothing by changing the clock.

But you do something that is a serious handicap in war production on the land. Some emphasis has been laid on the predicament of those who produce dairy products. I am fairly familiar with that problem. I am engaged in it as a business, or as a part of my business. As I view that problem and as I listen to speeches, more and more I am distressed at the increasing degree of ignorance on the part of our urban population as to how their food is produced. They see it on a grocer's shelves or in a retail market, and they take it for granted. Here it is. They have little conception of how actually it is produced. Were they to have a more accurate conception they would understand something about the laws of nature. The gentleman from California has said with reference to the laws of nature and the movements of the sun that it is a part of a dogmatic discussion. That is a new definition for a discussion of the laws of nature. At least, it is new to me. Dogmatic? Heavens and earth, it is the most practical thing that the human race encounters.

In the part of the country where I live and where I engage in farming, with dairying as an important element, men measure by sun time, so-called, or standard time, on the average get up at 4:30 every morning in the year. That is the average. They must do that in order to prepare for the work of the day, the active work on the land. They must do that to meet the schedule of transportation and distribution of those products which are daily shipped to points of consumption, such as milk. The man's breakfast he gets at about 6:30. Then he prepares to go out on the land and work as long as the sun shines. He must work as long as the sun shines or he will lose a portion of his production. You cannot harvest crops except under sunlight. He must work as long as the sun shines, which is normally until about 6 or 6:30 in the evening, standard or sun time. He cannot work any longer than that productively.

You may by statute compel him to get up and put his clothes on and keep them on an hour longer in the day, but you do not increase his production, not by one iota. We have had experience with daylight saving. We were forced into it in the region in which I live by reason of the fact that the city of Rochester went on it for the first time last year. Referring again to the assurances of the gentleman from California, what compelled the whole region to go on a daylight-saving schedule? Because all the trucks had to go on a daylight-saving schedule. The milk dealers and other distributors in the cities had to meet their customers' demands on the same schedule. The trucks run on it. The post office runs on it. The village merchant runs on it. So, what happened? All the men I have told you about who get up at 4:30 in the morning the year around—with the exception of 6 weeks in the year that means getting up in the dark—were compelled to get up 1 hour earlier. Only in midsummer for about 6 weeks does the sun rise by 4:30.

[Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield to the gentleman 5 additional minutes.

Mr. WADSWORTH. And this bill will make them get up at 3:30 in the morning all the year round. Why? Because they must meet the transportation schedule.

What happens? You have not added 1 hour to the productive day of the man on the land when you do that. You have not contributed one iota to the national defense. He cannot produce any more than he did before because the sun governs his production. You cannot get away from that. So when he has finished that work in the early morning dark hours before the people in the cities have even thought of getting up, he must wait an hour at least before he can be usefully employed out of doors, and if he is to be usefully employed out of doors he must go on beyond the daylight-saving clock hour and work until 6 o'clock sun time, or he has lost one of the most productive hours of the farmer's day—that last hour of sunlight—we will say between 5 and 6 o'clock.

What is your net gain by this thing? Your net gain is fatigue—nothing else. You had not added a quart of milk or a bushel of wheat or oats or barley or anything to the resources of the country, and this at a time when you are not expecting to save much daylight in the industries of the country which are going on a two-shift or three-shift basis every day. For example, the whole of General Motors armament plant is on a 24-hour basis today. Can you save any daylight by changing the clocks in the factories of General Motors? You cannot.

Mr. RICH. Will the gentleman yield?

Mr. WADSWORTH. For a brief question.

Mr. RICH. When you have three shifts in an industry the shift that goes to work at 7 o'clock in the morning gets off at 4 o'clock in the afternoon, or it will go to work at 6 o'clock and get off at 3. The second shift will begin then and it will work a little longer in daylight. Those shifts change every week, or every other week; therefore, the fellows who get some daylight will get more of it when they have an opportunity to go on to the night shifts.

Mr. WADSWORTH. The shifts within a factory that is on a 24-hour day can be easily arranged by negotiation between the management and the men, and an equal distribution obtained of daylight hours and night hours as between shifts.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Is it not true that many of the steel producers of the country have protested against daylight-saving time because of injury to their workmen? They fail to get their rest early in the morning.

Mr. WADSWORTH. I do not have accurate and authentic information upon that, but I have been told that there is one certain shift that comes out at the end of its time more fatigued as the result of having gotten up early in the morning.

I could discuss this matter for a good deal more than the 5 minutes the gentleman from New Jersey has so generously allowed me. Briefly, I see nothing in it to the advantage of the country. If I did, to even the slightest degree, I would be for it.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. McLEAN].

Mr. McLEAN. Mr. Chairman, this is not the kind of a daylight-saving bill that I have been hoping for, but it is the best we can get, and therefore I am willing to give it my support. The gentleman from New York [Mr. WADSWORTH] has advanced two reasons in opposition to the enactment of this legislation with which I cannot agree, namely, that there can be no saving in electric current and that the change of time would be detrimental to agriculture. We all have the greatest respect for the gentleman from New York, not only because of his high character but also because of his excellent judgment resulting from his long experience as a legislator. However, there are some things which must be self-evident. One of them is that there is a saving of electric power and of the fuel which goes into its production as a result of advancing the clocks 1 hour in the summertime. During that hour electric current is not used and is therefore saved.

It stands to reason that by turning off all the electric lights in the country for 1 hour a day there must be a saving somewhere, and that saving is in electric current which can be diverted to defense industries.

That there is a shortage of electric current for manufacturing purposes has been placed before us many, many times. It has been reiterated time and again by Government officials that the great need in our defense program is electric current for defense industries. If that is so, and there is a place where we can save electric current, then we ought at least to make the effort to do so, even to the extent of experimentation.

The gentleman from New York is an experienced farmer. In his very delightful way he has described the habit of life of the farmers in the section of New York which he represents. Being one of them, they share a mutual interest. I do not need any eloquence to extol the virtues of the farmers of New Jersey. They are located between the great metropolitan areas of Philadelphia and New York. In New Jersey we have very large dairy- and truck-farming industries. A daylight-saving act, such as the bill we have before us today, has been in effect in New Jersey, with the approval of the farmers. It is a State law and it has been in operation ever since it was first adopted in 1918 during the last World War. Therefore, I think the idea that the farming industry will be injured by this effort we are making to conserve daylight is more sentimental than it is real.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. McLEAN. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Is the New Jersey law similar to the law that obtained in the World War; that is, is it applicable all the year around or just in the summer months?

Mr. McLEAN. It is in effect from the last Sunday in April to the last Sunday in September.

Mr. WHITTINGTON. What does the gentleman say about year-around daylight saving for the farmer?

Mr. McLEAN. I am not so much interested in the subject of daylight saving as I am in eliminating the confusion of our time standards. I have been active in keeping this matter before the Congress, not so much for the enactment of a daylight-saving act—as much as I favor it and as much as I hope it will be enacted—as I am interested in straightening out this matter of our time.

There never was a statute on time until 1918. The first effort to establish a standard of time was in 1883. Before that there were 77 different kinds of time in operation in this country. It was because the instrumentalities that compete with time had attained such an importance in the habit of life of the people of the country that it became necessary to have a uniform standard. That standard came about because of the relationship which had developed between the various centers of population, due to the development of the railroads. Prior to that every community had its own time, and likely enough was influenced by the time used in the nearest most populous center.

The standard time zones were established by the Association of Railroads. Their use by the railroads resulted in their adoption by common consent and they remained in operation by nothing more than common consent until 1918, when the Standard Time Act was passed.

That Standard Time Act is a joke. It is not in accordance with the habit of life of the people and does not properly state the time zones actually in use. The eastern standard time zone is supposed to be based upon the seventy-fifth degree of longitude west of Greenwich, England. As a matter of fact, the eastern standard time zone takes in the States of Ohio, Michigan, and Georgia. It is most irregular. It extends almost to Chicago. If my recollection serves me correctly, Chicago is on about the ninety-fifth degree of longitude.

There is a matter I have had in mind for some time, but I shall not present it as an amendment to this bill because I know the amendment would not be adopted. Committees resist amendments to bills which they have prepared and, also there is too much scientific importance attached to it to bring it up in that way and I would very much regret if the offering of the amendment and its failure of adoption were construed as opposition to the principle. The fact is that the instrumentalities which compete with time have developed so rapidly and have reduced time to such a great extent that it becomes necessary to broaden the sphere of their influence. In other words, the airplane, broadcasting and other means of communication and transportation have narrowed time zones, as it were, and therefore it must be widened so as to give these instrumentalities full play. Therefore I suggest that instead of four time zones in the United States that we have three and that the first time zone extend to the Mississippi River and that the balance of the country be divided at about the Rocky Mountains and the other zone extend to the Pacific. This would make for convenience and would avoid a great deal of confusion.

I would like to continue to talk about this rezoning proposal. It should be discussed, and we are fortunate in being able to announce a lecture on the subject of time by Capt. J. F. Hellweg, Superintendent of the Naval Observatory, next Thursday night in the Ways and Means Committee room in the Office Building. Captain Hellweg is one of the best informed authorities on the subject, and has been good enough to oblige us with this talk for the Members, their wives, and others who may care to attend. I am sure he will give us an informative and entertaining lecture.

We are now engaged in a great enterprise with Canada, and Canada today is on daylight-saving time. Consequently in all of our activities in the defense program we are 1 hour behind Canada in every respect. The success of this great enterprise must necessarily depend upon the coordination of our resources and effort. Certainly a joint enterprise ought to be governed by the same time standard, thereby eliminating inconvenience and confusion.

There is another thing involved that may seem rather small. I cannot agree with the gentleman from New York [Mr. WADSWORTH] and others that there will not be a saving of electric current by the adoption of this bill.

It stands to reason, as I have already said, that if we turn out all the lights

throughout the country for 1 hour a day, even though it be only in the summer, that is going to reflect itself in the electric bill of the average American family. It is an opportunity to give them a break on the eve of the day when we are going to put a heavy tax burden upon them. You may say that is a small consideration, but that saving would enable them to invest in defense savings stamps or bonds.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield to the gentleman from New Jersey 1 additional minute and will ask him to yield to me.

Mr. McLEAN. I yield to the gentleman from California.

Mr. LEA. As I recall the facts, and perhaps the gentleman can correct me, after daylight-saving time terminated in 1919, the electric bill of the Edison Co. in Boston jumped up 15 percent. Does the gentleman know whether that is true or not?

Mr. McLEAN. That I understand to be true, and also it is estimated that the saving during the World War of fuel and other materials in electric current amounted to 5 percent. Of course, that percentage may be small, but there is a considerable amount involved when you consider the total amount consumed.

Mr. LEA. I would like to take just a second to compliment the gentleman from New Jersey, because I believe he has been the greatest student of this subject that there has been in the Congress, and I am sure that what he has stated here is good advice, based on thorough information and consideration.

[Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield such time as he may desire to use to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, this legislation is of utmost importance to the farmers of my district in Nebraska. They will be inconvenienced, but they are patriotic. The Norfolk Daily News, of Norfolk, Nebr., which is known as the world's greatest country daily, has this to say about the bill now under consideration:

DAYLIGHT SAVING AGAIN

President Roosevelt has renewed his demand for power to order Nation-wide daylight-saving time, and reports from Washington are that Congress is expected to grant his wish, as a war power, in spite of opposition from rural regions.

The argument in favor of the move is that turning the hands of the clock an hour ahead would save 500,000 kilowatts a day seriously needed for defense industries.

The bill would empower the President to order clocks advances as much as 2 hours. It is assumed that he will order an advance of 1 hour in winter and 2 hours in summer.

While the Middle West, except in the largest cities, has always been opposed to the switching of time, it will acquiesce, as a war measure, if it can be convinced that it will help the war effort. There seems to be no lack of power for such war industries as we have or are likely to have in this section, but if the change is to be made generally in other parts of the country it will have to be made in all sections to prevent confusion, especially in the running of trains.

What will happen after the war emergency is over is another matter.

Mr. LEA. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. LESINSKI].

Mr. LESINSKI. Mr. Chairman, I ask unanimous consent to extend my own remarks in the RECORD and to proceed out of order for 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Chairman, I wish to call to the attention of the Members of the House that I have introduced today a bill to impose a tax on scrap metal held for speculation. I have been informed by the bill clerk that the bill has been numbered H. R. 6343. The Members of the House will recall that there has been some discussion on the floor in regard to scrap metals that have been held for speculative purposes and that many of the open-hearth furnaces have been closed for that reason. I represent the largest industrial district in the United States, and within my congressional district are such plants as the Ford Motor and the Great Lakes Steel. I am naturally greatly concerned to see that not only these industries but the thousands of smaller industries in my district employing hundreds of thousands of men are kept in operation.

I am also, as an American, deeply concerned that the program for national defense go forth without interruption. My bill will impose a tax upon all scrap metals held for speculative purposes held for a period of more than 90 days. It also provides penalties and forfeitures and adds a new secton to the Internal Revenue Code.

If it is enacted into law, it will immediately force those persons who are holding these metals for speculative purposes to sell it before the 1st of February or be subject to a 100-percent revenue tax on its sale.

I have been reliably informed that there are more than 6,000,000 automobiles in automobile graveyards which could be moved immediately and that this one item alone would provide 6,000,000 tons of steel for national defense.

There are millions of tons of other scrap metals now being held in junk yards for speculative purposes. As soon as this scrap metal is moved from these junk yards it will open the door for the Government to put on a patriotic educational campaign, to which the American people will gladly respond, and there will come from the farms and the homes at least another three and one-half million tons of scrap metal. This metal is on the farms and around the homes of the American people and can be melted in our furnaces and will keep the wheels of industry rolling. This is absolutely necessary if our planes and tanks are to come off the assembly lines, as well as the ships from the yards and guns and other war materials from our ammunition plants and that this metal be made available immediately.

I intend to ask the Committee on Ways and Means to hold hearings on this important piece of legislation, at which time I will discuss this subject in detail.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Chairman, the people of Wisconsin and those of other dairy sections of the Northwest, where more than half of the dairy products of the Nation are produced, have no objection to the people of New York City, or of Washington, or of any other large city in the East, having daylight-saving time to their heart's content. If they want to get up 2 hours earlier in the morning, it is all right with us. If they want to get up at midnight and go to bed at noon, it is none of our business. But we do object in our section to having Congress pass a bill of this nature. We do not like to have our farming operations put out of joint by a measure of this kind. It was tried during the first World War, and there was such a protest in the farming sections that it was one of the first laws repealed when the war was over. When the State of Wisconsin once attempted to enact laws to fix the so-called daylight savings upon our farms, the protest was so great that the effort was abandoned. The gentleman from New York [Mr. WADSWORTH] in his excellent address has clearly stated why.

Compulsory daylight saving, of either 1 hour or 2 hours, puts the farmer at a great disadvantage at this particular time, when the farms are being called upon to produce more largely of every form of farm products, and when they are being further handicapped by the taking of thousands of young men from the farms to serve in the Army, and to enter the defense industries in the large cities. This measure would be an additional handicap, adding to the difficulties under which they are now laboring.

I have supported all measures for national defense, but at a time when we are calling upon farmers for additional agricultural production, I cannot see how a law of this kind will add to national defense. It will work additional hardship upon the farmers, especially of the Middle West, if this act is passed in its present form. If the people in the cities want it, they have the right to have it. New York City has now daylight-saving time. We have no objection to that. If it is wanted in other industrial centers, we have no objection.

The statement has been made here that daylight saving brought about a saving of 15 percent in electricity, in one city, and a 5 percent saving in fuel over the Nation, in the last war. We have had a depression the past 12 or 15 years, which all of what waste going on, and nobody has said a word to Congress that we ought to stop the waste and relieve the depression to that extent.

I hope that before this bill is passed, if it is passed by this Congress, it will be amended in some form to take from under it the operation of the dairy farms, particularly of the Northwestern States.

There are several features about it that I might go into at greater length, but let me call your attention to the fact that the farmers out there are not working 40 hours a week, but they are working 80 to 90 hours a week, especially in the summertime, and they are not getting a

minimum wage of 40 cents an hour, because they cannot make that much under present prices. The farmers are working as they have had to work all through the depression, long hours and long days. They are particularly handicapped at this time, because of inability to obtain supplies and machinery necessary to carry on their operations. It means the upsetting of production at a time when we need more of it.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. LEA. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. NELSON].

Mr. NELSON. Mr. Chairman, reference has been made to the Daylight Saving Act of the last World War. I am reminded of an experience I had after the conclusion of peace. The House had passed a bill repealing the Daylight Saving Act and it had been reported that President Wilson would veto the bill. Congressman Alexander, who was a Member of the House at that time from Missouri, and who later became Secretary of Commerce under Mr. Wilson, suggested that we go to the White House, talk with the President and try to persuade him not to veto the bill. We went and as we entered Mr. Alexander said to me, "You know more about the farming situation perhaps than I do, so I suggest that you do the talking." I presented what I thought was a pretty fair farm argument against daylight saving in peacetimes.

I remember very well after I had concluded President Wilson laughingly turned to me and asked, "Why in the devil cannot the farmer change his way of doing business?" I shall never forget, as we walked out, Mr. Alexander said to me, "Well, Nelson, I do not think we made a very favorable impression on the President."

I had endeavored to explain to the President, as the gentleman from New York [Mr. WADSWORTH] brought out a few minutes ago, that somehow the cows will not change their plan as to "holding up" or "giving down" milk and the dew still falls in the same old way. Somewhat discouraged, we left the White House and came back to the Capitol, and you will remember that later the President did veto the bill which the House had passed, to repeal daylight saving in peacetimes. Later, the House passed the repeal bill notwithstanding the Presidential veto.

As a member of the Rules Committee I voted to bring out the rule to make in order consideration of the pending bill. I shall vote to support it because we are at war. I represent some 300,000 of the best people in the world. The farmers of my district may have doubts about the value of daylight saving just as I have, but they are willing to make every sacrifice necessary at this time. If it will help to defeat Hitler and his helpers then I am going along with the Commander in Chief and with those who are working with him and to whom we must look for leadership. We are Americans. The war must be won.

The measure under consideration is not to change the sun nor stars, but only clocks. Now clocks play a big part in our lives, as they tell of births, marriages, or deaths. Nor are all clocks alike. Personally, I prefer a stately grandfather's clock, as in measured movement, it deliberately says, "Take time, take time." How different is it from the persistent and "persnickety" little New England alarm clock which rings and rants and finally threatens to crawl right up in bed if the victim fails to heed its call. Yet these clocks, one dignified and deliberate, the other "clickety-click" and noisy, alike record time—go along together as we as a people must in these disturbing days.

You may have your ideas about such legislation as the pending bill as a peacetime measure, just as I have, but today our beloved country is at war, and that war must be won. We differ on minor matters, but not on the great objective, defeat of the Axis Powers.

As Pope in his Essays on Criticism wrote, " 'Tis with our judgments as our watches, none go just alike but each believes his own." At such a time as the present, our judgments may well yield to others. Nobody knows more than everybody else. Our Commander in Chief has told us that we need this legislation, need it to speed up national defense. Others high in authority and in positions to know say the same. So I am supporting it.

I repeat that it is proposed to repeal no laws of nature, a feat impossible for mere man. True, there are laws, such as the law of gravity, which man seemingly has almost suspended, but only so long as all goes well. Speaking of laws, would that the Ananias law might never have been suspended. If now in full force and effect there would be no need of a daylight-saving law or other added defense measure. The world's biggest liar would not be alive to lead the forces against which we contend.

If this bill will help defeat Hitler I am for it and so are the farmers of my district.

[Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, if there ever was a time that the American people should put their shoulders to the wheel to do the thing that is best for America in trying to finish up the war just as soon as we can to a successful conclusion and get back to normal conditions, it is now.

The gentleman who just preceded me, the gentleman from Missouri [Mr. NELSON], said the farmers in his district will go along if it means winning the war. I am sure the farmers of my district will do so likewise. They will all save in the end. I have a great many farmers in my district. They are all sensible and most patriotic. What we must do now is to get rid of confusion, and confusion does exist in this country. Some sections have daylight saving and some do not. In my district one county will have daylight saving and the next county adjoining it will not have it. If that does not lead to confusion, then I do not know anything about confusion in daylight-saving time. Then there are large cities which are on daylight-saving time and many of the country districts are not. Certainly it makes for confusion. If we are teaming up with Canada to help win the war, and Canada has daylight saving, certainly we could do no less than joining up with them in most everything that is going to ultimately make for conservation, for we need to save everywhere we are able to do; that is thrift.

Now, if you save 5 percent on your heat bill and 15 percent on your light bill, the only people who will suffer will be the people who furnish fuel and the people who furnish light, but the great majority of the American people will benefit from those savings.

If I had my way, knowing what is ultimately coming to the country from the enormous debt we are piling up, and if daylight saving is good for the duration of the war, certainly it should be good for the country after the war is over, and I would strike out section 2 of the bill. The people of this country, I do not care whether you are farmers, whether you are manufacturers, or whether you are laborers, or what your occupation is, you will find the heaviest taxation the American people have ever had in all the history of their lives. It will necessary for them to save at every point and not only for the duration of the war but for 100 years and more after the war is over. The greatest burden of taxes will follow the New Deal waste and extravagance of the past 9 years and now the results of the war. It is not going to be a bright thing to look forward to; it is a serious thing; but the thing we face at the present time is a serious thing, the effort of the people to win the war in which we are engaged. It will take our all.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. RICH. For one question.

Mr. WHITE. What percentage of the tax revenues goes to pay the service charge on the national debt?

Mr. RICH. Last year we appropriated $1,300,000,000 for interest on the national debt. The Treasury is asking now for $1,750,000,000 for the same purpose this year, and before we can appropriate that money the Treasury will be back here asking more money to pay additional interest charges. This will happen before the fiscal year 1943 rolls around.

Mr. WHITE. According to the records, the Government has borrowed over $60,000,000,000 and disbursed it. Is that right?

Mr. RICH. Yes. Yes; and more thanks to the New Deal.

Mr. WHITE. Are we paying interest on it?

Mr. RICH. Yes; you are. But let me tell you that the fault up to this time has been exorbitant New Deal spending; that is the cause of it.

Mr. WHITE. Regardless who is responsible for it, the fact is we have borrowed over $60,000,000,000 and spent it; but we do not know where that money came from or where it has gone. Where is it now?

Mr. RICH. And where are you going to get the money? I have asked that question ever since I have been here. The reason for that huge borrowing has been

the New Deal spending. We borrowed the money from the people.

Mr. WHITE. There must be $60,000,000,000 kicking around somewhere, for we have borrowed it and spent it. Where is it now?

Mr. RICH. It is most New Deal waste and extravagance.

Mr. Chairman, I cannot yield further. You new dealers will have to figure that out for yourselves; where you got it was from the people, and I say the New Deal wasted it. It will have to be paid eventually to the Government security holders or else repudiated. I have opposed your squandering the past 8 years; that was easy for you; now the public will suffer in paying for your spending. If you do not agree with me, wait till the taxes come onto them in greater and greater amounts at every turn, in every way, taxes on income, taxes on outgo, taxes, taxes, taxes. Let us save on light and fuel and have daylight saving.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. PATRICK].

Mr. PATRICK. From some of the arguments that have been made here, Mr. Chairman, one would think some Members believe that this bill will take a portion of time out of the day. This, of course, is not so. It all boils down to one point, and the only thing involved is the question of habit. In this country as in other countries, we have throughout the past generations lagged behind the sun's day and have fallen into the habit of sleeping later and working later. It is strange, but modern man has a funny thing wrong with him: Daytime is when he is most efficient in doing the things he ought to do, and nighttime is when he is most proficient in doing the things he ought not to do. If we can rearrange things during this time of war so that a man will spend more of his energy during the time when he is doing what he should instead of when he is doing what he should not, we shall have accomplished something.

What is the course of the day? We get up at some time, do the turns of a day, then retire at a related hour. Now, we have fallen into the habit of being slow. This will move us up an hour. Those industries, and so forth, who operate on a 24-hour program already will not be greatly affected, but those who do not will have to make some changes. There is bound to be a saving in any operation conducted in daylight hours.

The gentleman from New York, whom we all respect for his wisdom, cuts his pattern by the dairy business. He says he is in the dairy business, and we can well recognize that fact from his argument. Now, I milked cows once, worked for a short while for the District of Columbia Bell Dairy. I remember it well. This bill is not going to break anybody in the dairy business. When we milkers went out to milk we did not even raise the window shades or move the curtains. When we got through milking, and it was served to the carriers, we went back to sleep, if we were behind, daytime or nighttime.

The chairman did not, of course, mean to leave the idea that nobody would conform to this change. We are after results. It will facilitate transportation, and the change certainly should be national in scope. That is the purpose of the bill. When an unorganized or a disorganized program becomes organized and the people conform to it, there is always a saving.

I have a number of dairymen in my district, and I am proud to state that I have not yet had a word, a letter, or a telegram in protest from them. They feel that if this will expedite the Nation's business, if this will facilitate the organization of transportation and step up the national program, the dairymen in my district are only too glad to subscribe to it. They will subscribe to any program that will accomplish more for their Nation.

One further thing: Those who oppose this program today would be the loudest in condemnation should a lag occur because something of this nature was not adopted. They would be the first to point out that Uncle Sam's production had not expanded more so that he could get what he should get in this time of crisis in the important hours that are before us. That is what we wish to do. The gentleman from New York said:

> Be not deceived; it will result in the dairymen getting up earlier in meeting the schedule.

Of course; that is what we want it to do. If it does not do that sort of thing, we may as well not pass the legislation. It only means that will happen as a result of what ought to be accomplished. It means they will conform to the daylight instead of nighttime—saving much to the Nation.

[Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 5 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, there are a good many dairy farmers in my own district, as well as in the State of Massachusetts, and I have not had one single protest from any dairy farmer regarding this daylight-saving bill, or from any other kind of farmer as a matter of fact. Perhaps that is because they are awakened by the extremely energetic, effective, and accurate New England alarm clocks, that the gentleman from Missouri [Mr. NELSON] spoke of. But I know that is not the only reason.

I just called up the Department of Agriculture in Boston, and I asked if they had heard any protests from the dairy farmers or from any other farmers regarding this daylight-saving bill, and I was informed they have not had any protest. I also called up the Department of Agriculture here in Washington, and the feeling there was that while perhaps the farmers do not like it so well, they were making no protest.

Deep down in the farmer's mind is the fact and the knowledge that the men who are going to fight our battles, the men who are in our armed forces, the Army and Navy, may not like to do their duty in the dark hours of the morning, but they are not complaining, they are marching on to victory, and I know that every farmer in this country is just as anxious to contribute to that march to victory as our armed men in the armed forces of this country.

Mr. HAINES. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. HAINES. I was interested in the statement the gentlewoman made with reference to protests from farmers in her congressional district. I was glad to hear that, because prior to this emergency I did have some protests from farmers due to the fact there was a confusion of time.

Mrs. ROGERS of Massachusetts. That is true.

Mr. HAINES. May I inquire of the gentlewoman if she has had any protests prior to this emergency in reference to daylight saving?

Mrs. ROGERS of Massachusetts. Prior to this emergency there was some regarding that very thing, but not with reference to daylight saving as such. I think the farmers do utilize daylight saving. Perhaps they do not like to get up any earlier than they did before, but on the whole they are satisfied.

Mr. HAINES. It is all indicative of the fact that the farmers are just as patriotic as any other group of people?

Mrs. ROGERS of Massachusetts. They are extremely patriotic, and I hate to have anybody imply that they are not.

Mr. WOLVERTON of New Jersey. I yield 5 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Chairman, daylight-saving time is not favored by the farmers in my section of the country, and there are many reasons for that. They cannot carry on as effectively under daylight-saving time. This may not be true in all sections of the country, but if there is any lack of uniformity in that regard then this lack is a very good reason why we should not have the compulsion provided in this bill. Compulsion is the thing that the farmers and many others object to.

The chairman of the Committee on Interstate and Foreign Commerce says that this bill does not compel acceptance of daylight-saving time by anybody except the transportation people and Government clerks. That was the substance of his statement. If that be true, then how is this bill going to strengthen the war-defense program? Farmers are all for defense. If I thought that the bill had one dollar's worth of added defense value or one ounce more of defense energy in it, or anything that would increase the safety of this country as against the fight waged against us by Japan and Hitler, I would be for it. But how can it do that if it only compels compliance by clerks and transportation people? They cannot blow both hot and cold at the same time on this bill. It is either one thing or the other. If it is for defense it should concern all the people and compel everybody to comply with it and not be limited to a few only.

When you come to compelling people to work at a time when they know from their own experience they cannot work to advantage, and when you attempt to

tell them how they ought to do it, you are not adding anything to the energy that will be put into the defense program of this country. The farmers are just as patriotic as anybody else. They do not have any wage-hour bill to regulate them. They are now giving more than any other class of people to the defense program. For example, they are the ones who are affected by the brotherly love program wherein we bribe the people of South America with money and allow our southern neighbors to import their agricultural products into this country. That is only one place where farmers are giving up more than any other class of people. There are a great many other things of like character. The tariff does not work for them when their prices are low and they need help. There is no fixing of hours or wages for them. You are taking their labor away from them and do not allocate enough farm machinery to take the place of labor. These are a few examples only out of a host of other examples that can be given.

I cannot understand why we should compel people to work at a time when their own experience shows they ought not to work. As has been pointed out by the gentleman from New York, much of the farmer's work must be done in daylight. However, large parts of it cannot be done early in the morning. That has been well proven by the experience of the farmers. It cannot be done effectively because of the dew that is on the ground in early morning. The dew prevents them from haying, harvesting, plowing, and from doing many other portions of their work.

Proponents of this bill talk about the Gallup poll. I have asked a great many people about the Gallup poll, but I never found a farmer that had been interrogated by the Gallup people. It is a poll that is useful in some ways, but it is all taken in town corners, in the cities, or in city offices. I never have known even one of the folks who takes the Gallup poll to go out into the farm country or out into the cornfields and ask the farmers what they know about a certain program or how they feel about any certain question that may be asked.

There is no defense in this bill, and there cannot be under a defense production that employs two shifts a day or three shifts a day. There must be two and three shifts a day in defense plants if we are to have a good defense or an adequate production. To do this we will have to run 24 hours a day or at least two shifts or 16 hours per day. Now, what advantage can there be in compelling people to do that which their own experience shows they cannot do effectively under a compulsory daylight-saving law?

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 4 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Chairman, from earliest boyhood I have had considerable experience with the matter of slow or fast time, or daylight-saving time, as it has been called in the later years. I happened to live near a railroad terminal where the time changed. West of us people worked on Pacific time and east of us and in our own town we worked on fast time, or Mountain time. It was a great advantage to the people in our community to get up on time that was regulated by the sun and work their hours and be through in daylight, while the people on Pacific time west of us, especially in the long twilights of the winter evenings, were always finishing up after dark. So it is always considered in Idaho, the State from which I come, advantageous to be on fast or daylight time.

It became such an issue in Idaho that down in the farming section of the State, in the great irrigation districts of southern Idaho, the people petitioned the Interstate Commerce Commission to put them arbitrarily, regardless of the railroad, on fast or Mountain time. If you will examine the map of Idaho today, you will see that in the southern part of the State the date line extends to the western part of the State, and the southern half is on Mountain time, but when you get north you find that the date line crosses the State east and west along the Salmon River and the northern part of the State, on the same meridian, is on slow time, which we have always looked upon as a disadvantage.

I think we would find it an advantage in northern Idaho to be on Mountain time.

There is another angle to that picture, the position of the farmers. Having actually operated a dairy farm and knowing something about that business, I may say that the chief difficulty in advancing the clock and working on early time is that your help and your whole schedule must conform with the habits of your dairy. The city man who tried dairying said he did not care very much for that industry because he found that the cows were too regular in their habits, and of course that is the case. When you have help on your farm and must milk under the regulation of the sun, it is difficult to match up your business with this arbitrary, fixed, fast time. It may be an advantage to the laborer who goes to work with the whistle and quits in the middle of the afternoon, but the farmer cannot operate or regulate his business that way. His cows must be milked at the close of the day. For that reason, there is a great deal of opposition to this measure, and I can understand it. The operation of the law would work a double hardship on the agricultural districts of southern Idaho as we have already been placed on mountain time there and go to work an hour earlier than the northern part of the State and through this law the time for work would be advanced another hour.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, there would be some objection on my part in peacetime to this proposal. I have heard it said by various Members that they have heard no objections raised by their constituents. I have had objections raised to daylight-saving time in the State of Arizona, but that was in peacetime. One of the things we need now, as has been expressed several times, is uniformity. I am sure my people are unanimous in support of this measure as a wartime proposition, and I shall take great pleasure in supporting the bill when it comes to a vote.

Mr. WOLVERTON of New Jersey. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, if you will bear with me a few moments, I should like to discuss briefly some of the technical aspects of this bill. I am speaking on the subject of daylight saving and what it would save.

This bill is presented to us by the Federal Power Commission and the O. P. M. with the idea that it will save electricity. It is proposed and thought by the gentlemen who represent these agencies that it would conserve a total generating capacity in the United States of 741,000 kilowatts, and make that much additional firm power available to defense industries.

Mr. LEA. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from California.

Mr. LEA. Is not that figure over 700,000,000 kilowatt-hours?

Mr. HINSHAW. I said 741,000 kilowatts, which would probably yield several hundred million kilowatt-hours. I am speaking of generating capacity, not the amount of electricity produced.

Actually, as everyone knows, the maximum rate of consumption of electricity in any one day occurs between the hours of 5 and 7 p. m., when workers are going home, when the streetcar lines and bus lines, elevators, and all of those things are crowded to capacity. The time of highest maximum consumption during these hours occurs in the winter months, in the period from 30 to 60 days before and after the 21st of December, which is the shortest day in the year, because, added to the transportation load is the street and store lighting and office lighting load brought on by early darkness.

When an electric-power company is selling power to industry, it anticipates that that industry will use the power more or less uniformly over its working hours. It is the additional public use during the evening rush hour that causes the very large peak loads.

The total generating capacity in the United States at the time this bill was under discussion in the committee was in the neighborhood of 38,000,000 kilowatts. It was stated by the O. P. M. and by the Federal Power Commission that they were increasing that generating capacity by approximately 3,000,000 to 3,500,000 kilowatts of generating capacity per annum. The 741,000 kilowatts of generating capacity to be conserved by daylight saving is approximately 2 percent of the total amount of generating capacity that is available.

You understand that the principal saving this bill intends to bring about occurs in the hours between 5 and 7 p. m. in the wintertime. If you can reduce that peak demand on the power-producing facilities by moving the rush hour

into the daylight hours so that the electricity used for lighting will be less, and if you stagger the transportation demands of the people, the maximum demand on the part of street railways, elevators, and so forth, will be less, and then you will have available for industry additional firm power.

I am in considerable doubt myself that 1 hour of daylight saving in the months from March through summer to October will prove of any material value to the power needs of the country except in hydroelectric plants. Everyone knows that you measure the amount of water back of a power dam not only in acre feet, but you also measure it in its potentiality of kilowatt-hours of electricity. In the Tennessee Valley Authority, for example, when rainfall occurs and is stored back of a power dam, you are adding kilowatt-hours of capacity behind that dam. Recently, the Tennessee Valley Authority found itself very materially short of water and, consequently, the availability of power for the production of aluminum, in the Aluminum Co.'s plants down there was curtailed and they had to seek many other sources of power that could be delivered over transmission lines from distant points.

So far as the actual daylight saving is concerned and the effect on the common people, we have heretofore instituted daylight saving in order to give our people an opportunity to play after their work, during the hours between the end of their day's work and sunset. This bill is not for that purpose at all. It is not for the purpose of providing play time for the people. As a matter of fact, it is exactly the opposite because it will accomplish its real purpose in the winter months when an added hour of daylight in the evening comes too early for much enjoyment.

[Here the gavel fell.]

Mr. LEA. Mr. Chairman, I yield the gentleman from California 2 additional minutes.

Mr. HINSHAW. As I see it, the bill could be, in all practicality, restricted to 4 months of daylight saving in the middle of the winter and have the same result on the availability of power in the United States as it would be to have the bill extended over the entire year, but there are those in authority in the Government who seem to believe otherwise and perhaps they have more knowledge of the subject than I have.

I have been inclined to oppose this bill on general principles because I do not believe that an hour of daylight saving is going to provide much of a net saving in electricity or available generating capacity in the defense of the United States, while the inconvenience will be considerable, especially in winter when the only real saving in firm power can be made. I believe it is going to cost more in the long run, but on the other hand, when General De Witt out in my part of the country says it is necessary for national defense, I do not know how I can oppose General De Witt. It is just something you have got to take and like. Personally, I think experience shows that air raids can occur in the morning hours just as well as in the evening hours and it does not matter a whole lot whether we get caught in one while on the way to work an hour earlier in the morning or get it on the way home an hour later in the evening. But then I am not very fearful of really serious air raids occurring in the United States. If our fleet and air forces should be demolished, then we can expect anything.

Mr. KLEBERG. Does not the gentleman think it will let some of these boys get to bed an hour earlier?

Mr. HINSHAW. They will have to get up an hour earlier, so I do not know that it makes a lot of difference. The gentleman from Texas gets up at sunrise anyway and would do so regardless of the clock, as I well know from experience with him.

In my own district in California defense industries work three shifts. The evening shift goes on about 4 p. m., which is considerably before dark. In part of my district the public schools run 24 hours per day, too. One shift of school children attend from 7 to 12 in the morning and another in the afternoon, and the balance of the time the schools are used for adult classes in defense-industry skills. Daylight saving is not going to help these workers and children, nor is it going to save much, if any, electrical generating capacity for our defense industry that is working around the clock. In fact, there will be serious difficulty in connection with certain public schools, to say nothing of problems concerning the children.

But when General De Witt, who commands the Ninth Corps Area, says daylight saving is important to defense, I must defer to his judgment and hope he is right.

[Here the gavel fell.]

Mr. WOLVERTON of New Jersey. Mr. Chairman, I shall divide the time remaining on this side by yielding to the gentleman from Massachusetts [Mr. GIFFORD] 4½ minutes, retaining for myself the remaining 3½ minutes.

Mr. GIFFORD. Mr. Chairman, I have been considering this subject for the last day or two, but I am yet unconvinced on the advisability of this legislation. The committee expresses a hope that the habits of the people will be changed in conformity with the change of time, but recognizes the bill carries little compulsion. The cows, as has been suggested, would not change their habits and the little children probably would not conform easily to changes not in conformity with natural inclination. Those who hire farmers by the hour might well challenge the effectiveness of service during that first early hour of the day at this time of the year. They would be scrambling to get in on time and would be slow in getting ready for work. At the time of departure there would be the same alacrity as usual. I can see some benefits by reducing the spread of 4 hours to 3 hours over the country. The railroads will have to change the clocks, but would not necessarily have to start their trains at that time if passengers desired to travel an hour later. It would be most confusing if the general public would not be obliging.

I have seldom seen a piece of legislation with as little actual compulsion as this. If it is important, I want to blame the newspapers somewhat because most people, I believe, have heard little of this proposed legislation. Perhaps they have not waked up early enough in the morning to hear of it. Certainly little attention has been paid to it. We are told that our Massachusetts Department of Agriculture has heard of little or no objection to it. Lack of agitation or discussion has not brought it to the other of our citizens. Certainly it will make for much confusion and great inconvenience to many. The timetables will have to be analyzed and habits of conforming to natural inclinations or comforts be changed if desired results are attained. All Federal employees would be forced to conform, although, seemingly, heads of departments might still use their discretion by ordering workers to report an hour later than this new standard time if they find early morning hours fail to produce efficiency. Now, do you not see my difficulty of decision? I read in the report only a hope that the habits and customs of the people will change and make this measure effective. I fear that the habits of animals and the habits of children will not change and natural climatic conditions will still obtain during the winter months. However, there is little obligatory in the measure and that may be its failure. I would not like to get up 1 hour earlier this cold weather. I would gladly do so if it can be shown necessary. I rather think we should wait until April or May before the law takes effect. If industry would really gain by it, and if it would really add to more successful defense, I would certainly vote for it enthusiastically. Seeming it cannot be so proven, it may be an attempt to do this, but it will cause much inconvenience to a large segment of our people. I would not expect to hire people at this time of year and expect efficiency in the early winter hours. At this season 7 o'clock in the morning is early enough, and electricity would be used for some time even to make ready for that hour. Many thousands of workers live great distances from our defense plants. This is serious to the ordinary individual who lives in the northerly part of the country. Of course, with you southerners who bask in the sunshine all the year, I imagine you do not greatly care.

Mr. LELAND M. FORD. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. LELAND M. FORD. Is the gentleman familiar with General De Witt's statement that it would be a good thing for the Pacific coast?

Mr. GIFFORD. No; I am not.

Mr. LELAND M. FORD. Then is the gentleman also familiar with the fact that the Pacific coast voted this down?

Mr. GIFFORD. I care little at the moment about what any place has done or what any particular person's opinion is at this moment. I have a certain amount of reasoning power, which I endeavor to exercise for myself. I am so often disappointed in the judgment and abrupt changes of opinion in our leaders, even such as became candidates for

President, that I am forced to my own reasoning. I am doubtful of the correctness of my vote in this matter.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WOLVERTON of New Jersey. Mr. Chairman, the bill to establish daylight saving throughout the Nation, now before the House for consideration, is a war measure designed to conserve electrical energy so that there may be a greater utilization of such power in the production of war material.

The President in a message to Congress, dated July 15, 1941, recommended the enactment of daylight-saving legislation. In his message to Congress, among other things, he said:

> The Government agencies primarily interested in the fullest utilization of electricity for national defense—the Federal Power Commission, the Department of the Interior, and the Office of Production Management—have advised me that there is immediate need for the extension of this daylight-saving time to other parts of the country including, in particular, the Southwestern States, and that there is also need for the establishment in various parts, or all, of the country of year-round daylight-saving time.

If this matter was considered to be of sufficient importance by the President to bring it to the attention of Congress by a special message, when the country was merely facing an emergency of possible war, certainly it is now of prime importance when we are actually at war. Your Committee on Interstate and Foreign Commerce recognizing the justification for the request contained in the Presidential message has responded by bringing this bill before the House and recommending its immediate adoption.

It has been estimated by the Federal Power Commission that the extension of daylight saving to the entire Nation, and its application throughout the year, would result in an annual saving of over 736,000,000 kilowatt-hours of electrical energy.

Now that the United States is at war, with an unprecedented demand upon industries for increased production, it is essential for the successful prosecution of our war effort that we curtail nonessential uses of electricity and save power for essential production. By doing so we release more power for the production of materials and weapons for the armed forces. Even before our entrance into the war many parts of the country faced a power shortage.

That daylight saving would result in substantial economies in fuel and electric energy seems clear in the light of experience. Already 16 of our States have adopted it voluntarily. During the last World War all of the belligerent nations adopted it as a national policy, and the same is true of the nations engaged in the present war. They have all done so except our own Nation. It is time that we profited by the experience of the past, as well as by the experience of other nations, and adopt it as our national policy for the continuance of the present war.

As a wartime measure, the arguments for daylight saving are strong and compelling. However, there are other advantages to be gained from an inauguration of the plan. The statistics concerning accidents in industrial establishments show that there are a greater number of accidents incurred by workers in the hours at the end of the working day, as daylight becomes dim, or artificial light is used, than at any other time of the day. Furthermore, the extra hour of daylight would provide factory and office workers with more time for recreation or other activities out of doors, thus promoting health and efficiency.

This measure, placing the whole Nation on daylight time by merely advancing the time 1 hour throughout the entire Nation, is the easiest and most convenient method that can be devised to bring the results and advantages sought by our endeavor to create new or additional power for production purposes. If daylight time should be made applicable to only a part of the Nation, it will create confusion and greater inconvenience than the Nation-wide plan provided for in this bill. Certainly the present plan will not create confusion. It may create some inconveniences to a part of our people; but if any other plan is adopted, there will be a necessity to rearrange train schedules, both passenger and freight, as well as all other transportation schedules, throughout the entire Nation. The confusion that results from some communities or States on daylight saving and others not is too well known to require any emphasis upon my part. We wish to avoid all this by the adoption of this bill, which is based upon a fixed time policy for the Nation no different than that now in effect except it is advanced 1 hour.

While it may be true that in some instances it may create inconvenience, yet, we must not forget that we are at war, and, that mere inconvenience is not sufficient basis to refuse to do anything and everything that tends toward a successful prosecution of the war.

There are signs that many Americans are not fully awake to the fact that the United States is at war. Many people are still more complacent than they ought to be. They hope to go on undisturbed, without upsetting their normal routine of life, notwithstanding the fact that the United States is engaged in one of the most bitter struggles of all time.

This kind of complacency was chiefly responsible for our unpreparedness when the tide of war rolled upon us. It was a severe handicap then, but if persisted in, it may be fatal. The American people must realize that the United States is engaged in a war of survival. There can be no halfway measures. The issues are clearly drawn, and they involve our own and our children's liberties.

It is hard to believe that an American is so blind or uninterested as to withhold anything he has that will aid victory when his independence—his right to live as a freeman—is at stake. The danger is that the lethargy that has gripped us as a people so long, the desire to cling to comfort and ease and pleasure, will blind us to the fact that the Nation is really menaced, and cause us to take too lightly the crisis that is upon us.

The war cannot be won by our soldiers and sailors alone. Everyone has a part to fill, which is an important link in the chain that leads to success. The people must be ready, willing, and anxious to give up comforts and disregard inconveniences, and make all necessary sacrifices to win the war. We have a long, hard struggle ahead that will tax our resources. Nothing should remain undone that will help in any way to bring victory early and complete.

This bill is offered as a means of helping to attain victory. It should have the support of every Member of this House regardless of the section of the country from which he may come, or, the inconvenience it may cause any particular class of citizens. Let us each do our part in the all-out effort to win the war.

The CHAIRMAN. There being no further debate, the Clerk will read the bill for amendment.

The Clerk read as follows:

> *Be it enacted, etc.*, That beginning at 2 o'clock a. m. of the twentieth day after the date of enactment of this act the standard time of each zone established pursuant to the act entitled "An act to save daylight and to provide standard time for the United States," approved March 19, 1918, as amended, shall be advanced 1 hour.
>
> SEC. 2. This act shall cease to be in effect 6 months after the termination of the present war or at such earlier date as the Congress shall by concurrent resolution designate, and at 2 o'clock a. m. of the last Sunday in the calendar month following the calendar month during which this act ceases to be in effect the standard time of each zone shall be returned to the mean astronomical time of the degree of longitude governing the standard time for such zone as provided in such act of March 19, 1918, as amended.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COCHRAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 6314, and pursuant to House Resolution 419 he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. WADSWORTH) there were—ayes 67, noes 20.

So the bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. LEA. Mr. Speaker, I ask unanimous consent for the present consideration of the bill S. 2160, to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450).

The SPEAKER. Is there objection?

There was no objection.

Mr. LEA. Mr. Speaker, I ask unanimous consent to strike out all after the enacting clause of the Senate bill and substitute the language of the bill H. R. 6314, just passed by the House.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. LEA. Mr. Speaker, I ask unanimous consent to vacate the proceedings by which the bill H. R. 6314 was passed.

The SPEAKER. Is there objection?

There was no objection.

The bill (H. R. 6314) was laid on the table.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ORDER OF BUSINESS

Mr. VORYS of Ohio. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. VORYS of Ohio. I am simply wondering about the program for the early part of next week.

Mr. McCORMACK. On Monday will be District day. On Tuesday there will be a bill from the Committee on Immigration, to which I referred yesterday. I understand an amendment will be offered which will probably obviate much of the opposition. On Wednesday will be Calendar Wednesday business. Beyond that I am unable to state the program at this time.

EXTENSION OF REMARKS

Mr. LEA. Mr. Speaker, I ask unanimous consent that the Members who spoke on the daylight-saving bill may have the privilege of revising and extending their own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CASEY of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial from the Worcester Daily Telegram.

The SPEAKER. Is there objection?

There was no objection.

CHICKAMAUGA-CHATTANOOGA NATIONAL MILITARY PARK

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent that the Committee on Military Affairs be discharged from further consideration of the bill (H. R. 6332) to revise the boundaries of the Chickamauga-Chattanooga National Military Park in the States of Georgia and Tennessee, and that the same be rereferred to the Committee on Public Lands. The matter has been taken up with the chairman of the Committee on Military Affairs, and there is no objection.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. CAPOZZOLI] is recognized for 10 minutes.

PROTECT THE MORALE OF CITIZENS OF FOREIGN ORIGIN

Mr. CAPOZZOLI. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes if necessary.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CAPOZZOLI. Mr. Speaker, on all sides there is complete agreement with the proposition that our country is faced with a long and arduous war. It is, of course, most essential to the continuance of our American ideals that the Axis Powers be smashed once and for all so as to remove the danger of the aggressor nations from the world.

God knows that we Americans did not want this war. Our Government was embarked on a course leading to the preservation of our Amedican ideals and, at the same time, sought to keep away from actual participation in the war. Through no fault of our own, and only because of a dastardly, treacherous attack made upon us, we find ourselves now actually engaged in this bloody conflict.

One cannot deny the assertion that this conflict will be long and costly. Much as we would have it otherwise, the fact remains that many American lives will be sacrificed, in addition to the ones already lost, before we can enjoy the peace and security which our country did enjoy prior to the advent of the militaristic dictators of the Axis Powers, whose bloodthirsty ambitions have turned the world into a veritable hell. Mind you, I make reference to the loss of American lives. This, of course, is the supreme sacrifice. Yet, of necessity, there must be additional sacrifices which, while they are not of the same degree of importance, they are, nevertheless, necessary and essential to the successful prosecution of the war.

In calling upon our fellow Americans to join in this great effort, we know no race, color, or creed. We know them all as Americans and, as such, they have a clear duty to perform. At this point I take the liberty of quoting from an address delivered by me to the House on June 12, 1941:

> Let us all remember, whether we be Jew or gentile, native born or foreign born, white or colored, that no one of us has had any control over these natural facts. No one can say that he is personally responsible for where he was born, what he was born, and the color of his skin. The most that can be said is that we are what we are because of the accident of birth; but as to whether we are good loyal Americans is something which is peculiarly within our own ability and within our own control and, therefore, a person's Americanism should be tested, not by what he orally professes, but is to be measured by his willingness to make sacrifices in the service of America.

There is nothing that I can add to what is quoted above in order to impress our fellow citizens with the importance of joining in this great common effort which confronts America.

I maintain that the citizens of foreign extraction are doing their share in meeting the demands made upon Americans because of present-day conditions. They are doing their share in every field of American activity. I am certain they do so gladly and with a keen appreciation that upon their efforts and the efforts of all other Americans will depend the future safety and happiness of us all.

There should be no delay in effectively dealing with disloyalty and hostility on the part of any person now in America, be he alien or citizen. I subscribe to the statement that if one is not with us, then he is against us and must be treated as such, irrespective of whether he be native-born citizen, foreign-born citizen, or resident alien. In this connection, I was glad to note that Ugo Carusi, Executive Assistant to Attorney General Biddle, in a radio address, said as follows:

> Disloyalty and hostility on the part of any person, alien or citizen, will be swiftly and effectively dealt with. We will not coddle or temporize with our enemies.

To my mind, Mr. Carusi's statement aptly describes the feelings of us all.

On the other hand, in all fairness, can we permit the persecution of American citizens because of their origin? I should say not. Such conduct is completely un-American and directly interferes with that national unity which is so essential in meeting the problems before us.

In the same address to which reference has before been made, Mr. Carusi stated to persons who—

> like to display their Americanism by smearing shop windows or making insulting remarks in public about persons of foreign birth; * * * that such acts of violence are only slightly less reprehensible than those of the saboteurs and spies you have vowed to suppress. The bullying and mistreatment of minorities are a technique of America's enemies—not of her sons and daughters.

Evidently this ugly practice to which Mr. Carusi makes reference is not limited to the technique of smearing shop windows and making insulting remarks about enemy aliens, but also includes the dismissal by employers of able and efficient loyal Americans simply because they, or their ancestors, are of foreign origin. President Roosevelt has recently had occasion to call such acts on the part of employers "stupid and unjust." In fact, this practice is considered so harmful that the President, in his message to Congress on January 6, 1942, stated as follows:

> We must be particularly vigilant against racial discrimination in any of its ugly forms.

This is no time to threaten loyal American workers because of their origin. There is never any justification for such conduct, and, least of all, now. The New York State Committee on Discrimination in Employment has stated as follows:

> Today America needs for her defense the skill and talent of all her sons and daughters, whatever the color of their skin, the shape of their features, or the form of their worship. Democratic employment practice assures that each can give to America in her hour of need according to ability.
>
> If needed hands are kept from idle machines because of race, religious creed, or national origin, then discrimination strikes

double at America. First, in lessened production. Second, in creating divisions among us, by which Hitler has boasted that he will tear us apart.

If any proof were necessary to demonstate the unfairness of such conduct, one needs only to scan the list of casualties amongst the heroic soldiers and sailors who were serving our flag at Pearl Harbor and in the Philippines. Amongst them will be found sons of Italian and German immigrants who, when called upon to make the supreme sacrifice, knew that they were simply giving their all in an effort to protect America and what America stands for. In the armed forces of our country there are many other Americans of similar extraction who stand ready to make the same sacrifice and who, before this war is over, will be called upon to make it.

On Wednesday, January 7, 1942, the New York State Legislature met in joint session to hear the tenth annual message of Gov. Herbert H. Lehman. On the rostrum there presided the Honorable Charles Poletti, lieutenant governor, and the Honorable Oswald D. Heck, speaker of the assembly. These two gentlemen, each the presiding officer of one of the two branches of the New York State Legislature, are both American citizens of foreign parentage. The parents of Lieutenant Governor Poletti came from Italy and the parents of Speaker Heck came from Germany. Both are recognized as leaders in the fight for democracy and in the effort to defeat the un-God'ly and antisocial philosophies which are being preached by the Governments of Germany and Italy. They are typical of many thousands of Americans of foreign parentage who are united in the effort to beat down the Axis philosophies which now confront us.

In the spirit of fair play and in justice to the need for complete national unity, it is hoped that these employers who have been guilty of this practice will see the error of their ways. It is further hoped that all will join in assuring the millions of Americans of foreign extraction that there is no distinction between them and other Americans, provided, of course, that they continue in the future, as they have in the past, in preserving and furthering the ideals of our democracy and strive with every cunce of energy at their command to bring about victory in our fight.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. GAVAGAN, indefinitely, on account of illness in family.

BILLS PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 4077. An act to amend the District of Columbia License Act so as to permit the transportation of school children and occasional sightseeing operations in the District of Columbia without procurement of a license or payment of a tax in the case of certain vehicles performing such operations in connection with transportation to the District of Columbia;

H. R. 5464. An act to authorize transfer of enlisted men of the Naval and Marine Corps Reserve to the Regular Navy and Marine Corps; and

H. R. 6163. An act to prohibit parking of vehicles upon public or private property in the District of Columbia without the consent of the owner of such property.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock p. m.), pursuant to its order heretofore entered, the House adjourned until Monday, January 12, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, January 20, 1942, to resume hearings on the proposed amendments to the Securities Exchange Act of 1934.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1261. A letter from the Acting Secretary of Commerce, transmitting a statement of acts done under the provisions of the act of April 30, 1940 (54 Stat. 169; 46 U. S. C. 382c); to the Committee on the Merchant Marine and Fisheries.

1262. A letter from the chairman, Federal Trade Commission, transmitting the twenty-seventh annual report of the Federal Trade Commission for the fiscal year ended June 30, 1941; to the Committee on Interstate and Foreign Commerce.

1263. A letter from the Comptroller General of the United States, transmitting the report of the Comptroller General of the United States of the work of the General Accounting Office for the fiscal year 1941; to the Committee on Expenditures in the Executive Departments.

1264. A letter from the Attorney General, transmitting a report stating all of the facts and pertinent provisions of law in the cases of 705 aliens, together with a statement of the reasons for such suspension; to the Committee on Immigration and Naturalization and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLAND: Committee on the Merchant Marine and Fisheries. House Joint Resolution 260. Joint resolution to authorize the United States Maritime Commission to acquire certain lands in Nassau County, N. Y.; with amendment (Rept. No. 1573). Referred to the Committee of the Whole House on the state of the Union.

Mr. GEARHART: Committee on Ways and Means. H. R. 6325. A bill to amend certain provisions of the Internal Revenue Code relating to the production of alcohol; with amendment (Rept. No. 1574). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr EBERHARTER:

H. R 6340. A bill to amend section 3, title 1, of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, and for other purposes; to the Committee on the Judiciary.

By Mr WELCH:

H. R 6341. A bill to authorize the organization and maintenance of home-guard forces within the States, Territories, Puerto Rico, and the Canal Zone; to the Committee on Military Affairs.

By Mr McGREGOR:

H. R 6342. A bill to permit the payment of income taxes in 10 equal installments; to the Committee on Ways and Means.

By Mr LESINSKI:

H. R. 6343. A bill to impose a tax on scrap metal held for speculation; to the Committee on Ways and Means.

By Mr. REECE of Tennessee:

H. R. 6344. A bill providing for medical examinations for persons charged with driving while under the influence of liquor; to the Committee on the District of Columbia.

By Mr. PAGÁN:

H. R. 6345. A bill to authorize a preliminary examination and survey of the Bayamón River and Hondo River and their tributaries, municipality of Bayamón, in Puerto Rico, for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. MAY:

H. R. 6346. A bill to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps; to the Committee on Military Affairs.

By Mr. TALLE:

H. R. 6347. A bill to extend for 5 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans; to the Committee on Agriculture.

By Mr. KRAMER:

H. R. 6348. A bill providing for a home defense corps; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLLINS:

H. R. 6349. A bill for the relief of the estate of Quitman Roberts; to the Committee on Claims.

By Mr. KING:

H. R. 6350. A bill for the relief of Mrs. Gabriela Redondo Ayson; to the Committee on Immigration and Naturalization.

By Mr. MOTT:

H. R. 6351. A bill for the relief of Clara Wrobliski; to the Committee on Claims.

By Mr. STARNES of Alabama:

H. R. 6352. A bill for the relief of Mrs. Marilla C. Gray; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII,

2271. Mr. ROLPH presented Assembly Joint Resolution No. 5 of the State of California, relative to memorializing the President and the Congress of the United States in relation to fitness of California highways for military purposes, which was referred to the Committee on Military Affairs.

SENATE

SATURDAY, JANUARY 10, 1942

(Legislative day of Tuesday, January 6, 1942)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Very Reverend Zebarney T. Phillips, D. D., Chaplain of the Senate, offered the following prayer:

Almighty and Everlasting God, in whom we live and move and have our being: We, Thy children, render Thee our humble praises for Thy preservation of us from the beginning of our lives to this day, and especially for having delivered us from the dangers of the past night. For these Thy mercies, we bless and magnify Thy glorious Name, humbly beseeching Thee to accept this our morning sacrifice of praise and thanksgiving.

And since it is of Thy mercy, O gracious Father, that another day is added to our lives, we here dedicate both our souls and bodies to Thee and Thy service, in a righteous and godly life, in which resolution, do Thou, O merciful God, confirm and strengthen us, that, as we grow in age, we may grow in grace, and in the knowledge of our Lord and Saviour Jesus Christ. Amen.

ATTENDANCE OF SENATORS

CLAUDE PEPPER, a Senator from the State of Florida, and TOM STEWART, a Senator from the State of Tennessee, appeared in their seats today.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, January 9, 1942, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	O'Mahoney
Austin	Glass	Overton
Bailey	Green	Pepper
Ball	Guffey	Radcliffe
Bankhead	Gurney	Reed
Barkley	Hayden	Reynolds
Bilbo	Herring	Rosier
Bone	Hill	Russell
Brewster	Holman	Schwartz
Brooks	Hughes	Shipstead
Brown	Johnson, Colo.	Smathers
Bulow	Kilgore	Spencer
Bunker	La Follette	Stewart
Burton	Langer	Taft
Butler	Lee	Thomas, Idaho
Byrd	Lodge	Thomas, Okla.
Capper	Lucas	Thomas, Utah
Caraway	McCarran	Tobey
Chandler	McFarland	Truman
Chavez	McKellar	Tunnell
Clark, Idaho	McNary	Tydings
Clark, Mo.	Maloney	Vandenberg
Connally	Maybank	Van Nuys
Danaher	Mead	Wagner
Davis	Millikin	Wallgren
Downey	Murdock	Walsh
Doxey	Murray	White
Ellender	Norris	Wiley
George	Nye	Willis
Gerry	O'Daniel	

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from South Carolina [Mr. SMITH], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

JOE LOUIS

Mr. BROWN. Mr. President, last night a vigorous young man from Michigan, born in Alabama, gave $70,000 for the relief of those in the armed forces of the United States Navy. To do so he risked the greatest and richest prize in all the sporting world. His defeat would have been anticlimax. Rather quickly and effectively he disposed of that possibility. Immediately after the fight he announced that he would do for the Army what he has done for the Navy. He is now going into the armed forces of our country.

His generosity will mean much to thousands of wounded sailors and marines, their wives and children.

His sportsmanship, his unequaled physical endowments, retained and increased by clean living, are now crowned with supreme generosity. Joe Louis is a citizen of whom Michigan and the Nation are proud.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed the bill (S. 2160) to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450), with an amendment, in which it requested the concurrence of the Senate.

BOARD OF VISITORS TO COAST GUARD ACADEMY

The VICE PRESIDENT. In accordance with the provisions of the act approved July 15, 1939 (53 Stat. 1044), the Chair appoints the Senator from Michigan [Mr BROWN] a member of the Board of Visitors to the Coast Guard Academy.

Mr. BAILEY. Under the authority of the act just cited by the Vice President, the chairman of the Committee on Commerce, which has cognizance of legislation pertaining to the Coast Guard Academy, is required to appoint two Senators to serve on the Board of Visitors to the academy.

As chairman of the Committee on Commerce, I announce that I have appointed the Senator from Alabama [Mr. HILL] and the Senator from Ohio [Mr. BURTON] as such members.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF FEDERAL PARTICIPATION IN THE CORONADO CUARTO CENTENNIAL, INCLUDING STATEMENT OF EXPENDITURES, ETC.

A letter signed by the Vice President, the Speaker of the House of Representatives, the Secretary of the Interior, and the Secretary of Commerce, the United States Coronado Exposition Commission, transmitting, pursuant to law, a report covering Federal participation in the Coronado Cuarto Centennial, including a detailed statement of expenditures and allocations (with accompanying papers); to the Committee on Foreign Relations.

AWARDS OF CONTRACTS FOR THE ARMY

Three letters from the Secretary of War, reporting, pursuant to law, relative to division of awards of certain quantity contracts for aircraft, aircraft parts, and accessories therefor entered into with more than one bidder under authority of law; to the Committee on Military Affairs.

AMENDMENT OF PERISHABLE AGRICULTURAL COMMODITIES ACT

A letter from the Assistant Secretary of Agriculture, transmitting a draft of proposed legislation to amend the act known as the Perishable Agricultural Commodities Act, 1930 (46 Stat. 531), approved June 10, 1930, as amended (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT OF THE FEDERAL TRADE COMMISSION

A letter from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the annual report of the Commission for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on Interstate Commerce.

PETITION

The VICE PRESIDENT laid before the Senate a telegram from R. E. Mulvaney, Mulvaney Motor Co., Dodge-Plymouth dealers, of Billings, Mont., stating that the Federal order rationing cars and trucks in their stock will be ruinous to their resources and impair their ability to stay in business, and praying for relief; which was referred to the Committee on Military Affairs.

PRICE CONTROL—TELEGRAM FROM PRESIDENT OF NATIONAL COUNCIL OF FARMER COOPERATIVES

Mr. CAPPER. Mr. President, I present for appropriate disposition and printing in the RECORD a telegram from John D. Miller, who for 25 years has been a leader in the program to obtain legislation in the interest of agriculture and who still is president of the National Council of Farmer Cooperatives.

There being no objection, the telegram was ordered to lie on the table and to be printed in the RECORD, as follows:

WASHINGTON, D. C., *January 8, 1942.*

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.:

The annual meeting of this council, composed of delegates from every State in the Union, and representing over 2,000,000 farmers, hereby respectfully, but with all emphasis, protest against the passage of any price-fixing bill that does not give the Secretary of Agriculture the final word as to the maximum prices of farm products. We urge that the bill now pending be amended so as to do this, and, if not thus amended, that the bill be defeated.

JOHN D. MILLER,
President, National Council of Farmer Cooperatives.

SUPPORT OF THE GOVERNMENT IN THE WAR—LETTER OF HARRY R. NIGHTINGALE

Mr. CAPPER. Mr. President, I present and ask unanimous consent to have printed in the RECORD a fine statement I have just received from Harry R. Nightingale, one of the leading businessmen of Topeka, Kans. I think the patriotic sentiments expressed by him for support of our Government in time of trouble will have the approval of every good American.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TOPEKA, KANS., *January 7, 1942.*

MY DEAR FELLOW AMERICANS: I am a retail merchant in Topeka, having been located here for the past 32 years.

I pride myself on being a full-fledged American, and I am sure you are.

I am writing this letter as a businessman, a humanitarian, and an American citizen.

What I am going to say now is just plain common sense and I beg of you to give my expressions serious consideration.

The success of any enterprise, whether it be a nation or a private institution, is dependent on the loyalty of its employees. If the employees give preference to themselves as individuals in thought and action, instead of concentrating their efforts for the welfare of the institution they represent, then eventually that institution, business, or government must fail. In other words, in this emergency period unless we all subjugate our personal temporary advantages in favor of the interests of the United States of America we cannot successfully perform the task of saving this country from disaster.

For the time being I am suggesting that you forget you are a Democrat or a Republican and think only of yourself as an employee of the United States.

HARRY R. NIGHTINGALE.

RESOLUTION OF LOCAL NO. 85, UNITED AUTOMOBILE WORKERS OF AMERICA, RACINE, WIS.

Mr. WILEY presented a resolution of Local No. 85, International Union, United Automobile Workers of America, of Racine, Wis., which was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Resolved, we, the members of Local No. 85 of the International Union, United Automobile, Aircraft, and Agricultural Implement Workers of America, pledge our wholehearted support to President Roosevelt and to the Congress of the United States in our Nation's effort to defeat the Axis Powers and all that they stand for. We will strive to maintain peaceful relations with our employers and will urge them to do the same in this great emergency of our Nation.

Resolved, That Local No. 85 will buy defense savings bonds with the excess cash that we have on deposit. This amount will be determined from time to time by the officers and trustees of the local union.

MARVIN NELSON,
Recording Secretary, Local No. 85, United Automobile Workers of America, Congress of Industrial Organizations.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. REYNOLDS:

S. 2188. A bill authorizing the appointment of an officer of the Veterinary Corps as assistant to the Surgeon General of the Army with the rank of brigadier general; to the Committee on Military Affairs.

By Mr. TOBEY:

S. 2189. A bill granting a pension to Jennie Gilmore St. John; to the Committee on Pensions.

TRIALS AND JUDGMENTS OF FEDERAL JUDGES UPON THE ISSUE OF GOOD BEHAVIOR

Mr. DANAHER submitted an amendment intended to be proposed by him to the bill (H. R. 146) to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges, which was referred to the Committee on the Judiciary and ordered to be printed.

DECENTRALIZATION OF GOVERNMENT AGENCIES—REMOVAL OF OFFICES FROM THE DISTRICT OF COLUMBIA

Mr. McCARRAN submitted a resolution (S. Res. 216), which was ordered to lie over under the rule, as follows:

Whereas it has come to the attention of the Senate of the United States that the Bureau of the Budget has directed certain agencies and offices of the Federal Government to move their organizations and their personnel from the District of Columbia; and

Whereas the Committees on the District of Columbia of both the Senate and the House of Representatives have been meeting in almost daily joint sessions with a view to determining the advisability and feasibility of moving such agencies and offices from the District of Columbia; and

Whereas such committees have been unable to obtain a citation of any statutory authority for any person or Government agency to order such removals; and

Whereas such committees have obtained and have in their possession certain information and data which should be considered by the Bureau of the Budget in connection with the proposal to move such agencies and offices; and

Whereas the said committees have endeavored to obtain on several occasions, but without success, through personal appearance at public hearings of responsible officials of the Bureau of the Budget and through telephone calls and correspondence with the directing heads of the said Bureau, information as to the basis for the orders issued and pertinent data regarding selection of sites, buildings, equipment, cost of moving agencies and personnel, and provisions for the accommodation of offices and personnel in other localities; and

Whereas numerous letters and telephone calls have been received by the said committees to the effect that the personnel have been charged with disloyalty and lack of patriotism if they oppose the move of their respective agencies; and

Whereas the removal of such personnel involves monetary losses of incalculable amounts, as well as the disruption of home and civic life; and

Whereas, in the opinion of the representatives of the agencies affected, expressed in public hearings before the committees, the efficiency of the Federal Government will be seriously impaired; and

Whereas, in the opinion of the representatives of the agencies affected, expressed in public hearings before the committees, the increase in cost of maintaining the offices away from Washington will result in tremendous increase in appropriations to carry on the work of the agencies; and

Whereas the work of the Congress of the United States in connection with such agencies and offices will be seriously impaired, and the cost of communicating with such agencies and offices will be tremendously increased; and

Whereas the whole fabric of civil and governmental life in Washington will be adversely affected if such agencies and offices are moved from the District of Columbia: Therefore be it

Resolved, That it is the sense of the Senate that the action taken by the Bureau of the Budget in ordering certain Government agencies and offices to move from the District of Columbia is without authority of law and contrary to the will of the Congress and without knowledge of the Congress, and that the execution of such order will result not only in vast increases in expenditures but also in increased inefficiency in governmental operation and the actual impairment of good government; and be it further

Resolved, That it is also the sense of the Senate that no agency or office of the Government be moved or transferred from the District of Columbia, the seat of Government, without the consent of the Congress of the United States; and be it further

Resolved, That it is also the sense of the Senate that the execution of such order should be stayed immediately; and be it further

Resolved, That the Senate hereby directs that the Director of the Budget, before taking any further steps toward removing any agency or office of the Government from the District of Columbia, submit a report to the Senate giving full and detailed information as to the reasons for the issuance of such order, the statutory authority upon which it is based, and a full and complete disclosure of all facts in connection with each and every agency or office directed to move under the provisions of said order.

PROPOSED CONSTRUCTION OF WOODEN SHIPS

Mr. McNARY. Mr. President, the Daily Oregonian of the issue of Thursday, December 18, 1941, contains a worthy suggestion which I ask unanimous consent to have printed in the RECORD.

The VICE PRESIDENT. Without objection, the article will be printed in the RECORD.

The article is as follows:

SHIPBUILDING RISE VISIONED—RESIDENT PROPOSES VESSELS OF WOOD

Tom Burns, "Sage of Burnside Street," wants the city council to launch a movement for the construction of wooden ships in Portland not only to provide much-needed employment but to make Portland the greatest shipbuilding point on earth and to get needed ships into service in much less time.

Mr. Burns asked the council to seek Federal funds for the assistance of shipyards which can launch wooden-ship construction, pointed out that this is the lumber center of the country, and that wooden ships can be built at half the cost and much less time than steel ships and that steel for ships also is hard to get.

"A ship a day" might well be Portland's slogan, he said, and it would provide employment for both men and women. Experts have estimated that it will take 10 years after the war to construct enough ships to replace those lost and to be lost in this war, he pointed out.

The suggestion was taken under advisement by the council, and the petition for the opportunity to present the matter was filed.

OUR TOWER IS OUR DEMOCRACY—ADDRESS BY FRANK W. HANCOCK, JR.

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD an

address on the subject Our Tower Is Our Democracy, delivered by Frank W. Hancock, Jr., member of the Federal Home Loan Bank Board, at Winston-Salem, N. C., December 15, 1941, which appears in the Appendix.]

HAYM SALOMON

[Mr. LUCAS asked and obtained leave to have printed in the RECORD editorials relative to Haym Salomon from the Chicago Sun, the Chicago Daily News, the Chicago Daily Times, and the Herald-American, which appear in the Appendix.]

RADIO BROADCAST REVIEWING EVENTS OF 1941

[Mr. WALLGREN asked and obtained leave to have printed in the RECORD a radio broadcast on December 31, 1941, on the subject Twelve Crowded Months, by Elmer Davis, Albert Warner, Linton Wells, Edward R. Murrow, Eric Sevareid, William L. Shirer, Maj. George Fielding Eliot, and John Daly, which appears in the Appendix.]

PRICE CONTROL

The Senate resumed the consideration of the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes.

Mr. VANDENBERG. Mr. President, 2 days ago the Senate adopted an amendment to the pending bill reincorporating certain language from the House bill. The Legislative Counsel indicates that it was placed at the wrong point in the bill. With the entire concurrence of my colleague [Mr. BROWN], who is in charge of the bill, I ask unanimous consent that my amendment, which was agreed to day before yesterday, and inserted on page 45, after line 25, be transposed to page 29, after line 3, as a new subsection. This request is made at the suggestion of the Legislative Counsel.

The VICE PRESIDENT. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to the amendment reported by the committee, in the nature of a substitute.

Mr. O'MAHONEY. Mr. President, the amendment which is presented today is an effort, frankly speaking, to make certain that the price which the farmer receives for his commodities shall be tied to the urban wage rates. Perhaps, as a preliminary to the discussion of this subject, it should be pointed out that over a period of 60 years there has been a growing disparity between the agricultural and the urban economy. In 1880 almost three-fourths of all the people of the United States lived on the farms or in rural communities.

I assume that this subject is pretty well understood by the Senate; but I shall impose a little bit upon the good nature of the Senate by reviewing briefly this growing disparity between agriculture and industry, because, as a matter of fact, it is, in my opinion, the very basis of all the troubles with which the world is beset.

Agriculture remains today the only calling of man, with the exception of the professional callings, which is carried on by individuals. It is the only calling of man, with the exception, as I have said, of professional pursuits, which is carried on by flesh-and-blood persons. Industry is carried on by huge organizations, and beginning with the time in 1880, when agriculture represented almost three-fourths of our population and our economy, down to this hour there has been a steady and unremitting decrease in the standards of agriculture. This has been so great that under the wise leadership of the statesman who now graces this body as its Presiding Officer, in 1933 the Congress of the United States, with the support of the people of the United States, undertook to raise the standard of agriculture by establishing a system of restricted production and benefit payments.

I pointed out upon the floor of this Chamber 2 days ago that the war contracts which were entered into by the Army and Navy between June 1940 and September 30, 1941, were awarded to almost 3,000 firms, and 82.6 percent of those contracts went to 100 firms. I pointed out that, according to the estimate of Mr. Leon Henderson before the Committee on Banking and Currency, corporate profits for last year amounted to $11,500,000,000. I then compared those corporate profits, received and gained for the most part out of war contracts, with the entire income of agriculture for the year 1941, including even the benefit payments; and out of the Treasury of the United States in 1941 more than a billion dollars was paid in benefit payments in order to prevent a collapse of agriculture. Yet, from some of the arguments which have been made, not so much on this floor as in the press and on the radio, one would imagine that agriculture is a privileged class. It is not a privileged class. It is a depressed class, and it stands today in danger of becoming a peasant class.

Mr. LEE. Mr. President——

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Oklahoma?

Mr. O'MAHONEY. I yield.

Mr. LEE. I wish the Senator would repeat what he said about the corporate profits as compared with the farmer's income.

Mr. O'MAHONEY. I referred to an estimate by Mr. Leon Henderson, who is to be the Administrator of Prices, and for whom I have the greatest respect. Having worked with him for almost 3 years on the Temporary National Economic Committee, I can speak only in the highest terms of his frankness, his fairness, and his objectivity. Mr. Henderson was also a member of the Securities and Exchange Commission, and in that position obtained very intimate knowledge of the business structure of this country. Testifying before the Committee on Banking and Currency, he gave the estimate that corporate profits in this country for 1941, before the payment of taxes, amounted to eleven and a half billion dollars, while agricultural income, all of it, including more than a billion dollars in benefit payments, for almost one-fourth of all the people of the country, is less than that.

Mr. LEE. That eleven billion was not the corporate income?

Mr. O'MAHONEY. Not at all; it was the profit.

Mr. LEE. Merely the profit?

Mr. O'MAHONEY. Yes; the profit.

Mr. LEE. And the figure the Senator compared against that, the income of the farmer, represents not profit alone but his gross income, out of which must come all expenses?

Mr. O'MAHONEY. The Senator's statement is absolutely correct. I am comparing corporate profits with the total agricultural income.

Mr. LEE. The farmers constitute 25 percent of the population of the United States?

Mr. O'MAHONEY. I believe they constitute exactly 24.3 percent.

Mr. LEE. The income of the farmer for 1941 represented 8 percent of the total income of the country. Is that correct?

Mr. O'MAHONEY. Will the Senator repeat the question?

Mr. LEE. The income of farmers, who constitute 24.3 percent of the population, was only 8 percent of the national income?

Mr. O'MAHONEY. If the figures which the Bureau of Agricultural Economics have given me are correct, as I believe they are, last year the farmer's proportion was less than 8 percent. He received a little over 7 percent of the total national income in 1941.

Mr. LEE. Then, until the farmer's income equals 24.3 percent, the farmer is not on parity, is he?

Mr. O'MAHONEY. He is not receiving the same proportion of the national income that his numbers bear to the national population.

Mr. LEE. Yet, because some of us want to see the farmer have a chance to receive parity, the farmer is pointed out as a fellow getting everything and blocking everything.

Mr. O'MAHONEY. The Senator is correct.

Mr. LEE. That does not seem to be quite consistent with the facts.

Mr. O'MAHONEY. The Senator is quite right. There is a misapprehension. We cannot blame those who have not had the opportunity of studying this matter, but there is the feeling, when we speak of 110 percent of parity, that we are talking about something that is perfectly tremendous. When we speak of 110 percent of parity, the industrial worker, the business executive, perhaps the newspaper editor, who have not had an opportunity to study the figures, have the reaction, "If they are getting 100 percent of parity, they are getting all they are entitled to."

My point is that the formula of parity was constructed upon a depressed scale, and I am undertaking this morning in a few words to make as clear as I can the fundamental fact that agriculture is a depressed industry, and that the maintenance of agriculture is one of the most essential objectives before the Government of the United States.

Moreover, Mr. President, I say that agriculture and the farmers today represent practically the only bond between this country and totalitarianism. If we wish to save democracy, if we want to save the institutions of private property, if we desire to maintain the basis of free individual life, we must prevent the further decline of agriculture, and we must prevent the growing disparity between industry and agriculture.

Mr. BONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Washington.

Mr. BONE. I think that if the present occupant of the chair, the President of the Senate, the Vice President of the United States, never made any other contribution, he justified his existence by one departmental activity, when along in the latter part of 1938 the Department of Agriculture issued a pamphlet on the income of American families. I am sure the Vice President recalls that pamphlet. When discussing disparity of incomes, I think it would pay every Senator to secure a copy of this pamphlet. I do not wish to take the time of the Senator from Wyoming, but when we are speaking of depressed incomes and disparity of incomes and the tragic effect such a condition is bound to have on our national life, let me say that not only is the farmer discriminated against, but all America is discriminated against for the benefit of a small group of people in this country.

For instance, in the pamphlet issued by the Department then headed by the present Vice President, it is pointed out that in 1935–36, out of some $48,000,000,000 which went to all families in the country, only $4,000,000,000 went to one-third of the families of the United States. That is, one-third of all the people of the country received only $4,000,000,000 out of $48,000,000,000. Merciful heavens! There could not be any greater or wider disparity than that. I have never seen challenged the figures put out by the Department of Agriculture.

Another one-third of our families received only $11,000,000,000 out of the total of $48,000,000,000. The remaining one-third of our families received $33,000,000,000 out of the $48,000,000,000. In other words, the latter third received nearly $70 out of every $100.

Mr. President, I should like to occupy a few moments more of the Senator's time in order to put this matter into the RECORD, because it is very illuminating.

Mr. O'MAHONEY. I am very happy to have the Senator do so.

Mr. BONE. At the top of the income ladder is the luckiest one-third of American families during this period, 1935 to 1936, and I imagine the disparity which existed at that time has more or less continued. Two-thirds of the families in the United States had hard going; their incomes were very small; and the families representing the bottom third were living on incomes which were inconceivably low. Out of every 100 families, 27 families received less than $750 a year to live on. Two-thirds of all families in the Nation received less than $1,500 a year to live on.

Mr. President, the record, if one cares to pursue it in this very interesting pamphlet, indicates a condition which is indeed tragic in America, and while I have every compassion in my heart for the predicament in which the farmer finds himself, and I know what that predicament is, I feel that we should not overlook the fact that all America has suffered by reason of the condition which the Senator from Wyoming is now mentioning, and we are suffering from it right now, in the midst of the war. We promised the American people we would not permit a new crop of millionaires to rise in this country in the midst of and as a result of the war, but I am afraid we shall permit that situation to come about, simply because we are too timid to raise our voices against it, to take a firm stand against it, because we so highly respect the dollar sign, and because it is so eminently respectable to accumulate dollars. But, Mr. President, our failure to take a firm stand with respect to this matter will be a reproach to ourselves, and not only that, but we shall be subject to reproach in the pages of history if we permit such a condition to come about when we ask our boys to serve in the armed forces and to die for their country, for $30 a month. If we do not remedy this condition the Congress will stand indicted in all the remaining annals of American history.

Mr. President, it is a crime to permit such a condition to prevail. It ought not to be tolerated. We ought to start right now to make sure by the most drastic forms of taxation, that no individuals shall, by reason of the war, become war millionaires. If we should do that, there would be no justification for the statement the Senator is now making.

Mr. O'MAHONEY. Mr. President, I am glad of the interruption, because it fortifies the point I am trying to make. It would be possible to cite fact after fact to demonstrate the sad position in which agriculture finds itself even in the face of Government efforts to bolster it up with benefit payments.

Only 2 or 3 days ago the Department of the Census handed out one of its very valuable reports—the one on agriculture. I am sure Senators will be startled to know that according to the census of 1940 the position of the farmer is today much worse than it was 10 years ago.

In 1929 almost 50 percent of all the farms in the United States received from the sale of farm products and from products produced by farm households less than $1,000 each. In 1939 that proportion had grown until it was two-thirds. In 1929 only 6.6 percent of all the farms in the United States had an annual income from the sale of farm products and from products produced on the farm of less than $250. What do Senators suppose the record is now, after 7 years of benefit payments? Nineteen and two-tenths percent of all the farms in the United States are now receiving less than $250 a year.

Mr. President, in the face of irrefutable evidence of that kind, who is there to say that the farmers are a privileged class; and when Members of the Senate and Members of the House want to guarantee the farmer an income by making certain that in a centralized administration of all prices that his prices will not be reduced, who can say that they are not serving the interest of the people of the United States?

Mr. President, the economy of one-fourth of the people of this country cannot be undermined without undermining the entire economy.

In order that the record may be clear, let me read now the comparison by groups between 1929 and 1939, according to the report of the Bureau of the Census. In 1929, as I said, 6.6 percent of all the farms received an income of less than $250. In 1939 that percentage had increased to 19.2 percent. In 1929 the percentage receiving more than $250 and less than $400 a year was 8.6. In 1939 it had risen until it was 13.8 percent. I said it had risen. The percentage had risen, but the position of the farmer had declined. It had declined in the face of all the legislation and all the appropriations which Congress and the administration had enacted in order to benefit the farm population.

The percentage of farms receiving between $400 and $600 in 1929 was 12.8 percent. In 1939 it was 14.6 percent. The percentage of those receiving between $600 and $1,000 in 1929 was 20.8 percent. In 1939 it was 17 percent—the first time there was not an increase in one small bracket.

Mr. President, I shall not weary the Senate by reading all this release. I should like to have it included in the RECORD as a part of my remarks.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

[Release of U. S. Department of Commerce, Bureau of the Census, Washington, January 6, 1941]

FARMS CLASSIFIED BY TOTAL VALUE OF PRODUCTS IN 1939

Approximately two-thirds of all farms in the United States each had a gross farm income, in 1939, of less than $1,000 from the sale of farm products and from products used by farm households, according to a preliminary report released today by J. C. Capt, Director of the Census, Department of Commerce. About 1 out of every 5 farms had a gross farm income of less than $250 in that year. Ten years earlier, slightly less than one-half of the farms had a comparable income of less than $1,000, while only 6.6 percent reported an income of less than $250. A previous report placed the total gross farm income at $7,813,644,567 for 1939, as compared with $11,011,329,335 for 1929.

The classification of farms by value of products was based upon reports for individual farms of the value of farm products sold, traded, or used by farm households. With only a few exceptions, the census figures relate to the value of livestock and livestock products sold or traded during the calendar years 1939 and 1929, and to the value of crops harvested in 1939 and 1929 that had been or were to be sold or traded. The census figures represent the total of individual farm reports; hence sales between farms are included. The resulting duplication of value is an important factor, especially in livestock feeding areas. These figures do not include income from nonagricultural sources or from Government benefit payments.

The value of farm products sold, traded, or used by farm households in 1939 for farms

in the "under 1,000" classification, amounted to $1,667,448,488, which is 21.3 percent of the value for farm products on all classified farms. The value of farm products for the 1,145,005 farms in the "under $250" value group amounted to $159,328,628, which is only 2 percent of the total value of farm products for all classified farms. The proportion of farms in the "under $250" value group for 1939 varied from 12.1 percent in the west north central division to 27.9 percent in the east south central division. For individual States, the proportion varied from 5.6 percent in Iowa; 8 percent in North Dakota; 9.2 percent in Wisconsin; and 9.5 percent in Nebraska; to 31.7 percent in Kentucky; 31.8 percent in Arizona; 34.3 percent in West Virginia; and 37.3 percent in New Mexico.

The number of farms reporting value of farm products of "$10,000 and over" was 58,313, or 1 percent of all farms classified in 1939. This compares with 86,587, or 1.4 percent of the farms classified in 1929. For 1939 the value of farm products for the "$10,000 and over" group amounted to $1,340,558,128, which is 17.2 percent of the gross value of farm products for all classified farms. More than 5 percent of the farms in Nevada, California, Wyoming, and Rhode Island had gross income of $10,000 or more.

TABLE 1.—*Farms reporting, 1939 and 1929; and value of farm products, sold, traded, or used by farm households, 1939; classified by total value of products for the United States*

Value-group	Farms reporting				Value of farm products 1939
	Number		Percent		
	1939	1929	1939	1929	
All groups [1]	5,968,755	5,999,882	100.0	100.0	$7,813,644,567
Under $250	1,145,005	397,517	19.2	6.6	159,328,628
$1 to $99	332,195	(2)	5.6	(2)	18,951,230
$100 to $249	812,810	(2)	13.6	(2)	140,377,398
$250 to $399	821,616	518,032	13.8	8.6	263,117,289
$400 to $599	870,629	766,118	14.6	12.8	427,859,018
$600 to $999	1,053,575	1,245,684	17.7	20.8	817,143,553
$600 to $749	479,481	(2)	8.0	(2)	320,766,794
$750 to $999	574,094	(2)	9.6	(2)	496,376,759
$1,000 to $1,499	708,917	937,910	11.9	15.6	866,289,307
$1,500 to $2,499	680,101	981,163	11.4	16.4	1,306,696,763
$1,500 to $1,999	416,081	(2)	7.0	(2)	718,248,576
$2,000 to $2,499	264,020	(2)	4.4	(2)	588,448,187
$2,500 to $3,999	375,973	628,006	6.3	10.5	1,169,500,946
$4,000 to $5,999	165,679	291,112	2.8	4.9	796,228,144
$6,000 to $9,999	88,947	147,753	1.5	2.5	666,922,791
$10,000 to $19,999	40,670	61,606	.7	1.0	545,022,351
$20,000 and over	17,643	24,981	.3	.4	795,535,777
$20,000 to $29,999	8,817	(2)	.1	(2)	211,248,034
$30,000 to $39,999	3,388	(2)	.1	(2)	115,645,255
$40,000 to $49,999	1,687	(2)	(3)	(2)	74,788,083
$50,000 to $74,999	1,899	(2)	(3)	(2)	112,974,528
$75,000 to $99,999	761	(2)	(3)	(2)	65,176,624
$100,000 and over	1,091	(2)	(3)	(2)	215,703,253

[1] Excludes farms with no farm products sold, traded, or used by farm households for 1939, as well as unclassified farms for both 1939 and 1929.
[2] Not available.
[3] Less than one-tenth of 1 percent.

Mr. O'MAHONEY. To emphasize the transition from an individual to a corporate economy, from an agricultural to an industrial economy, I wish to refer again to the figures which I put in the RECORD day before yesterday. I want it clearly understood that I recognize the absolute necessity in this crisis in the history of our country to give contracts to the great organizations which are receiving them. I have no complaint about that.

On the radio this morning it was announced that General Motors had just received a contract for $300,000,000 for the manufacture of tanks. Of course, the contract must be given to General Motors or to some similar large corporation if we are to get the tanks and get them speedily. But what I am calling attention to is that in this concentration of industry we are destroying the very basis of democratic society and the free-enterprise system. We are dealing with the stuff of which revolutions are made. Let there be no mistake about it. When Andre Maurois, of France, returned to this country after the debacle in France, speaking about the conditions there, he said:

> You may choose between a totalitarian philosophy and a democratic philosophy, but you cannot have both.

Let no one make a mistake, Mr. President. We are confronted with that choice here and now. Who did not read in the newspapers just the other day the advertisements issued by the C. I. O. on the one hand, and by the management of the automotive industry on the other? They were full-page advertisements appealing to the urban population, the C. I. O. blaming management because management had not sooner adopted the Reuther plan, and management saying, "We cannot see this industry socialized. We cannot give labor a share in the management."

Mr. President, I am not interested in discussing the merits of that controversy. I merely am pointing out that the controversy is here. The question which has arisen, not only in this country but throughout the world, is how the large organized groups are going to be managed and made responsive to public will and to the interest of the people. The controversy between those who wrote the two advertisements is the same controversy which destroyed France. The Minister of the Interior of the Vichy government, whose principal aide was assassinated the other day, was in private life one of the principal leaders of the French steel cartel, which operated with the German cartel.

When the members of the Banking and Currency Committee reported this bill, they necessarily did not have before them—let me say excusably did not have before them—information of this character. They were dealing with prices alone, as though prices could be handled without affecting our entire economy. They cannot be handled without affecting our entire economy. As I pointed out in the release given out by the O. P. M.—these are not my words or my figures; they are the figures of O. P. M.—more than fifteen and a quarter billion dollars in war contracts were awarded by the Army and Navy between June 1940 and September 30, 1941. Fifteen large industrial organizations received more than 50 percent of those contracts. According to the O. P. M., 15 industrial organizations received $8,168,600,000. Twenty-eight companies received $9,973,000,000, or 65.3 percent. Forty-four companies received $11,117,500,000, or 72.8 percent. Sixty-three companies received $11,787,600,000 in contracts from the Army and Navy, or more than the entire agricultural income for 1940, including the benefit payments. That amounted to 77.2 percent; and, as I said, 100 companies received 82.6 percent.

I refer to the full text of the release from the O. P. M., which is to be found in the CONGRESSIONAL RECORD of January 8, at pages 115 and 116. On page 116 I inserted a list of the names of the corporations. One hundred of them received 82.6 percent of fifteen and a quarter billion dollars in contracts.

Is it any wonder in circumstances of this kind that the newspapers appear with advertisements on behalf of management and labor? Is it any wonder that this controversy has arisen? Of course it is no wonder. It could not be avoided, because all the institutions of man, political and economic, are brought into existence by reason of the efforts of man to live; and when the industrial worker is unable to command his own job, when he is dependent upon an organization over which he has no control, and over which the Government exercises precious little control, of course, it is not to be wondered that he forms huge organizations of his own.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BREWSTER. Does the Senator mean to intimate that the money changers of Wall Street are in control of the placement of our procurement contracts?

Mr. O'MAHONEY. The Senator himself is a member of the committee which is investigating that matter. I should

be very glad to have his testimony. I make it a practice never to intimate. I usually say what I mean as plainly as I can.

Mr. BREWSTER. I think within the week the Senator will have the benefit of the report of our committee, which will undertake to fix the responsibility for the very deplorable condition to which he alludes. I am sure the investigations of the committee of which the Senator is chairman started us in this direction; but he will understand a certain interest on this side of the Chamber in the significance of certain facts.

Mr. O'MAHONEY. I am very glad to know that interest is developing on the other side of the Chamber. I welcome it. I have been talking about it for 7 years. If I am to have a little assistance from the Senator from Maine, I shall, indeed, be very happy.

I do not wish, however, to make this discussion of an amendment to a price-control bill the vehicle for any argument about who was right and who was wrong about our industrial economic set-up. I believe we are all to blame. I do not believe any particular group can be held responsible; for, Mr. President, I will say to the Senator from Maine that, having spent 2 years and 9 months as chairman of the Temporary National Economic Committee, which made as thorough a study as it was possible for the members of the committee to make, I am ready to testify to my belief that most of the leaders of business and most of the leaders of labor are interested only in doing the right thing. Our trouble has been that we have not known the facts; and my present effort, Mr. President, is to show the facts.

Mr. BREWSTER. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield to the Senator from Maine.

Mr. BREWSTER. I desire to subscribe very enthusiastically to what the Senator says. As he says—and I have reached the same conclusion—we cannot fix responsibility on any particular individual or group. There has been, as the Senator knows, an unfortunate tendency to aline labor against capital—a tendency which I think the Senator will agree is not conducive to the progress we desire. I may add that in the report which our committee will make we shall not in any way intimate that sinister influences have secured control of the situation in Washington in connection with the spending of $50,000,000,000, but rather that there has been a certain failure of integrated responsibility to make sure that the interests of the Government are alone considered. I think the Senator will agree with those of us who are members of the committee, and that he would certainly desire to have the procurement program handled along well-settled and responsible governmental lines.

Mr. O'MAHONEY. If the Senator from Maine desires me to do so, at some convenient date I will take up the matter with the Chairman of the S. P. A. B. Perhaps the Senator will make his own representations.

Mr. BREWSTER. Since the Senator has made reference to the subject, I may say that every step in the direction of integrated responsibility has had my most enthusiastic support. I trust we shall continue that steady progress, but I trust it will be expedited by the crisis of this war; that during the coming months we may proceed much more rapidly than we have in the past 12 months toward centering responsibility. S. P. A. B. was a long step in the right direction.

Mr. O'MAHONEY. Mr. President, that is another question. It is not the question presently before us. While the subject is of tremendous interest, and I might like to express myself upon it, I know the Senator will pardon me if I pass from it for the moment and go to other matters.

Mr. VANDENBERG. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Michigan.

Mr. VANDENBERG. I have substantial sympathy with the Senator's purpose to tie a wage factor into the price-control equation; so what I am now submitting to the Senator is in no sense hostile to his attitude.

Mr. O'MAHONEY. The Senator is never hostile.

Mr. VANDENBERG. The Senator from Wyoming has presented some very interesting figures with respect to the enormous concentration of large industrial contracts in a few spots. I am sure he does not want to leave the implication that such action is a bestowal of a privilege and a blessing upon the particular industrial units.

Mr. O'MAHONEY. Oh, no.

Mr. VANDENBERG. Because the fact of the matter is that most of the concerns involved would infinitely prefer to be left to their own normal industrial activities; and their acceptance of the enormous war contracts is involving terrific dislocation of the industrial life of the Nation. For instance, in my own State of Michigan and in my own city of Detroit the dislocation as a result of these large contracts is simply terrific in its challenge. Because of that dislocation probably 200,000 unemployed men will be walking the streets of Detroit during the period of transition.

All I am trying to sumit is that I should not want the Senator's presentation of the apparently concentrated allocation of contracts to carry the collateral idea that it is a great blessing and a benediction which has been achieved by these groups. On the contrary, it is the acceptance under Government pressure of a terrific public responsibility.

Mr. O'MAHONEY. Mr. President, I could adopt for my own every word the Senator from Michigan has said. I completely agree with him. The figures I cite here are not intended to be in the slightest degree critical of management, nor do the arguments I make bear any resemblance to any thought of criticism of labor, of its organization, of those who constitute it. I know that labor can be improved. I should like to see labor organization improved. I know that business management can be improved. I should like to see it improved. When the report of the T. N. E. C. was submitted to the Congress, I submitted my personal report in which I made the recommendation that all organizations—labor organizations, farm organizations, and business organizations— which affect the national economy should receive their authority from all the people. But that is another question; it is not the question we are discussing today.

I have no doubt that the managers of all the corporations that have accepted war contracts because war materials have had to be manufactured are cognizant of the fact that before many months have passed Congress will have enacted a new tax bill which will tend to take away a large proportion of any of the profits which have been made.

Mr. BAILEY rose.

Mr. O'MAHONEY. I yield to the Senator from North Carolina.

Mr. BAILEY. Mr. President, I am not quite clear as to just what the Senator has in mind by so emphatically pointing out the billions of dollars' worth of contracts awarded to a relatively few corporations. It has been my impression that the Government acted under necessity.

Mr. O'MAHONEY. If the Senator will allow me to interrupt him, I should like to say that if he had been here when I commenced my remarks he would have realized that I am citing these figures merely in order to illustrate the fact that our economy has changed from an agricultural economy to an industrial economy, and that the Government has no choice except to use these organizations. There is nothing critical about what I have said.

Mr. BAILEY. On that basis I should think we have nothing new, but probably a new emphasis. But, if my memory does not fail me, prior to the war agricultural economy in this country accounted for only $10,000,000,000 of the annual income, and in round numbers that was one-eighth of the total. The country has been on an industrial basis, therefore, for many years.

Of course, when it comes to the business of manufacturing materials of war—guns, ships, planes, and tractors—every one of us would wish for distribution. I am satisfied that the administration would. Every one of us would like to see such work distributed amongst the smaller industries. But the Government is under the duress of haste and of necessity.

Mr. O'MAHONEY. I agree with the Senator. The Senator is not arguing against anything I have said or controverting anything that I desire to say. I agree with him.

Mr. BAILEY. I may have been controverting nothing the Senator said, but only an impression he made upon my mind.

Mr. O'MAHONEY. That was, I may say to the Senator, because I think the Senator was not present when I started or because I lack the capacity of making myself understood.

Mr. BAILEY. At any rate, it brought to my mind the necessity of pointing out the fact that I do not think anyone will

accuse the present administration of undue favoritism for the great corporations and the great industries.

Mr. O'MAHONEY. Certainly I would not do so.

Mr. BAILEY. And I do not think that anyone would now accuse the great corporations of grabbing for contracts.

Mr O'MAHONEY. I would not.

Mr. BAILEY. The contracts are being thrust upon them.

Mr. O'MAHONEY. I quite agree with the Senator's statement.

Mr. BAILEY. So, then, we are merely dealing with a situation in which war has produced a tremendous emphasis upon industrial production by means of the institutions which are at hand and ready.

Mr. O'MAHONEY. That is correct.

Mr. BAILEY. That is what I wish to have made plain, but I should like to ask the Senator a question regarding his amendment. in which I am very much interested. In subsection (b), on page 2, the amendment demands that in the computation of parity prices the Secretary of Agriculture shall give a weight of 80 in a combined index, and later on that there shall be a weight of 20, a ratio of 4 to 1, with reference to a more recent index of wage rates published in The Monthly Review of Credit and Business Conditions by the Federal Reserve Bank in New York. How did the Senator arrive at his ratio?

Mr. O'MAHONEY. Will the Senator be good enough to allow me to defer that explanation until I have completed the preliminary statement? That, of course, is one of the important questions involved; and the discussion so far has been intended to emphasize the fact that over a period of more than half a century there has been a growing disparity between industry and agriculture, and our economy has changed from agriculture to industry, a condition which is only emphasized by the crisis in which we find ourselves. That was my only purpose in citing these various figures.

Mr VANDENBERG. And, if the Senator will permit me, the only thing I was trying to say, in response to his statement, was that it does not represent a case of special privilege for the industrial units, but represents the acceptance of a public responsibility thrust upon them.

Mr. O'MAHONEY. I think the Senator is quite correct about that.

Now, may I ask the Senators to look at the chart which is in the rear of the Chamber and which is entitled "Per Capita Income Indexes." The red line represents the per capita income of all the people; the black line represents the per capita income of farm people

Mr. BAILEY. Mr. President, let me ask the Senator a question on that point. Is the per capita income in terms of money?

Mr. O'MAHONEY. It is in terms of gross income, money and property, as I understand, as computed by the Bureau of Agricultural Economics.

Table 2 is entitled "Net Income of Persons on Farms From Farms." There is, first, a column of "gross income, excluding changes in inventory"; then another column, "value of changes in inventory"; and then "the gross income, including changes in inventory." It is my understanding that the per capita calculation is made on that basis.

Mr. BAILEY. Due regard, I take it, is had for the variation of the value of the dollar.

Mr. O'MAHONEY. I think so; it is done by the Bureau of Agricultural Economics.

Mr. BAILEY. It is not in terms of the value of the dollar. That is what I am trying to get at.

Mr. JOHNSON of Colorado. The value of the dollar is the same in both instances.

Mr. O'MAHONEY. It is absolutely the same in both instances.

The black line represents the per capita income of the farmer, including benefit payments. It will be observed that in 1910–14, which is the base period from which the concept of the Department of Agriculture is constructed, the farm income and the total income is placed at 100. That is for 1910–14. So it is all in reflection of 1910–14. The war came after 1914, and, without any question, agricultural income skyrocketed. It went way up here, and it brought about in 1920 the demand for deflation, which was so clearly explained upon the floor the other day by the Senator from Oklahoma [Mr. THOMAS]. Deflation took place in 1921, and the farm income took a toboggan ride, as I pointed out during the address of the Senator from Oklahoma. The deflation of 1921 was borne practically exclusively by the farmers, because it will be noted how little in comparison the per capita income of all the people was affected; and, of course, the collapse of farm income was represented in that decline by the curve of per capita income of all the people.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Maine.

Mr. BREWSTER. Would the Senator agree that it would be extremely desirable to keep any such disparity developing as is represented by the lines between 16 and 20 between agriculture and industry on the per capita income of all the people?

Mr. O'MAHONEY. My feeling is—and that is the purpose of my amendment—that we should be careful now in the enactment of this price-control measure to prevent a disparity.

Mr. BREWSTER. In order that we may avoid the collapse afterwards, which has its full impact upon the farmer?

Mr. O'MAHONEY. Exactly. We can do, it if we are wise, now. It is not a matter of granting any privilege to the farmer; it is merely a matter of taking time by the forelock and preventing a disaster which is bound to come if we do not act.

Mr. BREWSTER. Would it not, then, follow that we should have one over-all integrated control rather than placing agriculture in an isolated position?

Mr. O'MAHONEY. No. I am aware of the fact that the Senator from Maine yesterday voted against the Bankhead amendment, and I voted for the Bankhead amendment. I can understand the feeling of those who voted against it, because I know the argument for so-called central administration of price control; but the point was that during a period of 8 years the Congress of the United States has been passing laws the purpose of which was to lift agriculture from the low state of depression—subsidy laws, if you please—but their effect only tended to bring the farm income up by reason of subsidies. So those of us who supported the amendment offered by the Senator from Alabama did so in the belief—at least, speaking for myself, it was my belief—that to deprive the Secretary of Agriculture of a vital participation in the fixing of any price for agricultural commodities would be a very dangerous thing; it might undo everything we have tried to do, and might bring about an emphasis on the disparity.

Mr. BANKHEAD and Mr. BROWN addressed the Chair.

Mr. BREWSTER. Mr. President, may I continue for a moment?

Mr. O'MAHONEY. Certainly.

Mr. BREWSTER. Would not the Senator from Wyoming agree that his proposal is a much better way in which to meet this challenge than by the proposal to lift agriculture out of the control of the Administrator? The Senator proposes to lay down a formula and a rule by which we shall accomplish the objective upon which everyone is agreed.

Mr. O'MAHONEY. Naturally, I think my formula is a very good one.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Alabama.

Mr. BANKHEAD. I think it ought to be perfectly apparent to the Senator from Maine that his question does not touch the situation in any way, nor does his line of thought. The program of the Senator from Wyoming is to raise the permissible prices, and bring about a closer relation between the prices of agriculture and those of industry. The point the Senator from Maine is talking about is one of control in carrying out a program based as this amendment proposes, instead of as based in the bill now.

Mr. O'MAHONEY. I am very glad the Senator has made that statement.

Mr. BROWN and Mr. OVERTON addressed the Chair.

Mr. O'MAHONEY. Before I yield to another Senator, let me say that so far as the Bankhead amendment is concerned it was adopted yesterday, and then a motion to reconsider it was made, and the motion to reconsider was laid on the table; so I hope we may continue with this proposal.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. If the Senator from Louisiana will pardon me for a moment, I promised to yield to the Senator from Michigan.

Mr. BROWN. Mr. President, I believe the first 7 or 8 years of experience, from 1910 or 1911 to 1918 or 1919, roughly, shows a tremendous rise in farm prices, because the income of the farmer—the black line—is, of course, dependent upon higher farm prices. It is very evident

that just what we are trying to prevent by the enactment of this legislation as it was reported was not effectively prevented in the World War period, because of the great increase in farm prices. It seems to me it is quite obvious that the fact that income generally—the red line—went up, say, only two-thirds in round figures as much as farm income went up, well illustrates the result which all of us know occurred, of a tremendous drop in the income of farmers in the period 1919–21, but only a comparatively slight drop of approximately one-third as much in general income. I say, we all know that result occurred, and this chart illustrates the reason for it; that is, that farm prices went up too far in relationship to the general income of people, or, to put it more accurately——

Mr. O'MAHONEY. Mr. President, will the Senator repeat that statement?

Mr. BROWN. That farm income, as a result of higher prices, went up much too rapidly in this period.

Mr. O'MAHONEY. In relation to what?

Mr. BROWN. In relation to the general income of the people.

Mr. O'MAHONEY. Bear that in mind, because I am going to cite it in a moment.

Mr. BROWN. And that, as a result, the drop in farm income, which was a drop in farm prices, went much farther than the drop in general income. It illustrates the fact that if we could have kept these two lines in closer conjunction with each other, so that farm income ran something like this [indicating], it probably would have consequently run a much shorter distance downward than it did in that great period of depression. So if we stick to the 110 percent figure—the figures of the Senator from Wyoming are approximately 121 percent of parity—I believe we will not in 1943 or 1944 have the tremendous deflation in farm income, as a result of a deflation in farm prices, that is illustrated in the 1910–20 period.

Mr. O'MAHONEY. Mr. President, I am grateful to the Senator from Michigan for that statement. Now, if he will turn around and look at this chart [indicating], I will use his argument.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Wyoming yield to me for a moment before he leaves the chart?

Mr. O'MAHONEY. Certainly.

Mr. JOHNSON of Colorado. It must be borne in mind that everything in the black line is included in the red line.

Mr. O'MAHONEY. Oh, yes; that is quite true.

Mr. JOHNSON of Colorado. And the fluctuation in the red line is brought about primarily by the fluctuation in the black line.

Mr. O'MAHONEY. The decrease of the income of all people from 1921 to 1922 was caused in major degree by the tremendous decline of farm income.

Mr. JOHNSON of Colorado. Likewise, the high point in the red line was caused by the tremendously high point of the other line.

Mr. O'MAHONEY. Yes; the two go together.

Mr. JOHNSON of Colorado. They more than go together. The red line is all-inclusive. The black line is completely included in the red line and influenced by it in its fluctuations.

Mr. O'MAHONEY. That is correct. That is what I meant when I said they go together. The point of this chart, of course, is to show that farm income, except for the period of war, was below the general income of the people. The whole purpose of my amendment, as I said to the Senator from Maine [Mr. BREWSTER], is to prevent a growing disparity, because I want—to use the phrase of the Senator from Michigan—to keep the farm income in some degree of stable ratio to the general income; and so on this chart the red line shows the urban wage rate.

I am talking now to the Senator who reported the pending price-control bill. The bill did not offer to put a ceiling upon wages. The committee in charge of the bill came to the conclusion—and I think rightfully—that it would be a dangerous thing to do to try by an administrative act to put a limit upon the wages that any person may earn; but the committee, having released wages from any ceiling, asks us to make certain that there shall be a ceiling upon farm commodities. I am willing that there shall be a ceiling upon farm commodities. I do not ask the committee to exempt farm commodities from any price ceiling, as wages have been exempted; not at all. I merely say, let us adopt the formula that will bring farm commodities in some sensible and reasonable ratio with the wages that are being paid in industry.

I have pointed out the concentration of industry. I could point out the concentration of income within industry; but those matters are of no importance here, because we are not attempting now to solve the whole economic problem. All I am attempting to do by this amendment is to make certain that agriculture shall not be depressed by being put into a greater disparity with industry.

Here [indicating] the red line shows the urban wages. The dotted line shows the Department of Agriculture parity schedule. The heavy black line shows the wage parity, the emergency parity which is proposed in this amendment.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. Certainly.

Mr. LUCAS. All the agricultural legislation we have on the statute books at the present time, and have placed there since 1933, has been based upon the 1909–14 parity period.

Mr. O'MAHONEY. That is correct.

Mr. LUCAS. If I understand the report of the Committee on Banking and Currency, which reported this bill, if we take, for instance, the basic industry of corn, in which my State is vitally concerned; 110 percent of parity would make corn sell for $1.01 per bushel. Under the parity formula proposed by the Senator from Wyoming, what would 110 percent of parity be for corn?

Mr. O'MAHONEY. I think the Senator is mistaken in his figures.

Mr. LUCAS. I may be.

Mr. O'MAHONEY. Let me give the Senator those which have been calculated for me from the records of the Bureau of Agricultural Economics: 110 percent of parity for corn would be $1.02 a bushel.

Mr. LUCAS. I said $1.01. I missed it by 1 cent.

Mr. O'MAHONEY. I am very sorry to have to report that under my formula it would be $1.01. That is probably the only commodity in which there is a drop.

Mr. LUCAS. That is, under the Senator's formula the price of corn would go down?

Mr. O'MAHONEY. It would be a cent less, which is unusual.

Mr. LUCAS. How about wheat? Give us the comparison as to wheat.

Mr. O'MAHONEY. The price of wheat, under the 110 percent of parity, would be $1.40. Under my formula it would be $1.46.

Mr. LUCAS. Six cents difference?

Mr. O'MAHONEY. That is correct.

Mr. LUCAS. How about cotton? What would be the difference in the case of cotton?

Mr. O'MAHONEY. The price of cotton under the 110 percent of parity is 19.6 cents. Under my formula, it would be 20 cents.

Mr. LUCAS. Four-tenths of a cent difference?

Mr. O'MAHONEY. Yes.

Mr. CHANDLER. How about tobacco?

Mr. LUCAS. As to the three basic commodities to which we have given special treatment over a period of years, as I understand the Senator's formula, the prices would be practically the same, to all intents and purposes, and it would do very little in the case of the three basic commodities to bring the black line on the chart up to the red line.

Mr. O'MAHONEY. If I were to make the computation for the whole list, the difference would probably be about 10 percent, I should say.

Mr. LUCAS. Where does the great discrepancy come in between the proposed formula and the formula Congress has followed for a period of 7 years, under which the farmers have gotten along pretty well?

Mr. O'MAHONEY. If the Senator will bear with me, I will explain it.

Mr. LUCAS. I should like to have stated the differences in actual cost per bushel or per pound.

Mr. O'MAHONEY. I will put the statement in the RECORD. The Senator from Kentucky inquired about tobacco.

Mr. CHANDLER. Yes.

Mr. O'MAHONEY. Under the 110 percent of parity provision, the price for Burley tobacco is 28 cents. Under my formula it would be 31 cents.

Mr. BROWN. What date is the Senator taking for his figures? Parity varies from month to month.

Mr. O'MAHONEY. These figures are for December.

Mr. BROWN. The figures the Senator gives, and the figures I have for December 15, which were prepared by the Department of Agriculture, greatly differ.

Mr. O'MAHONEY. I was talking about 110 percent.

Mr. BREWSTER. Will the Senator give the figures as to cattle and livestock?

Mr. O'MAHONEY. Yes. As to beef cattle, the price on December 15 was $9.38 a hundred. Under 110 percent of parity the price would be $8.25. Under my formula it would be $9.95.

Mr. ELLENDER. Will the Senator give us the figures as to rice?

Mr. THOMAS of Idaho. How about potatoes?

Mr. O'MAHONEY. As to potatoes, under the 110 percent of parity the price is $1.11, and under my formula it would be $1.18.

Mr. THOMAS of Idaho. How about beans?

Mr. O'MAHONEY. Soybeans?

Mr. THOMAS of Idaho. No; white beans.

Mr. O'MAHONEY. The price of dried beans on December 15 was $4.93. I do not have the computation under the 110 percent of parity, but under my formula it would be $5.42.

Mr. VANDENBERG. Mr. President, what interests me about the Senator's formula is that, regardless of what the immediate relationship may be between 110 percent of parity—or "wage parity," as the Senator expresses it—and the other formula is that this is the one and only spot which I find in the bill which ties parity to wages.

Mr. O'MAHONEY. The Senator is correct.

Mr. VANDENBERG. And protects against the future.

Mr. O'MAHONEY. The Senator is correct.

Mr. VANDENBERG. To me, the weakness of the bill is the fact that the wage factor is so far beyond control, and if there is any way to relate the balance of price control to wages, I am very much interested in it.

Mr. O'MAHONEY. Mr. President, I think that is exactly what will happen Further explaining the question which I know is in the mind of the Senator from Illinois, and in the minds of some other Senators, let me point out that the parity concept—which is not generally understood, though everyone here understands it—is simply that the price which a farmer receives for his commodity at any particular time shall be measured by the prices of the things he has to buy, and to construct a formula the Department of Agriculture has taken about 201 commodities, as I recall.

Mr. BONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BONE. Is it the view of the Senator from Wyoming that there is anything in the text of the pending bill which would forbid the Administrator raising farm prices to the point suggested by the Senator's amendment? I do not so understand the bill.

Mr. O'MAHONEY. There is nothing in the bill which would prevent him doing so, but inasmuch as the bill is a price-control bill, and inasmuch as when, in the case of certain oils and fats, the Price Administration exercised the informal authority which it has been using, it reduced the prices below what they were. On the other hand, in all fairness I have to say that with respect to wool the Office of Price Administration did not go back to an unfair price. But here we have two instances of the Office of Price Administration having acted. In the case of wool it acted in a manner which was above criticism. I never even took up my telephone to call Mr. Henderson, or anyone in his office, to criticize the ceiling which was put into effect for wool, because I thought it was fair, but when the ceiling was put into effect for vegetables or vegetable oils, every Senator and every Representative who comes from a district in which those commodities are produced called the Office of Price Administration to register his protest, and the protest was registered effectively upon the floor of the Senate.

Mr BONE. In the Senator's view, is there anything in the text of the pending bill which would make it impossible or unlawful for the Administrator to raise the level of farm prices to the point suggested by the graphs to which the Senator has been referring?

Mr. O'MAHONEY. Not at all.

Mr. BANKHEAD. He is not given any power to raise the prices.

Mr. BONE. I may be wrong, but there does not seem to be anything in the text of the bill which would make it impossible for the farm population of this country to achieve the levels of income suggested by the Senator from Wyoming.

Mr. O'MAHONEY. The Senator from Michigan, in explaining the bill, made it quite clear that the only purpose of the committee has been to provide a floor and say with respect to agricultural commodities, "You may not fix a price lower than this figure."

Mr. BONE. That is the point I make. Perhaps I am wronging the Senator from Wyoming and other Senators in suggesting this viewpoint, but it seems to me that to some extent this is a moot question.

Mr. O'MAHONEY. Oh, no; no; it is not a moot question at all. I have just demonstrated that in one specific, vital instance, in the case of a commodity which is of most intimate concern to a great body of poor workers in this country, the price was reduced. The Senator from Oklahoma [Mr. THOMAS] demonstrated conclusively upon the floor of the Senate day before yesterday that the cotton operator, the man working with a mule and operating on 10 acres, would be condemned to penury by fixing a price of 110 percent of parity.

Mr. BONE. It seems to me an astounding thing that we would create an office and vest a man in that office with ample power to do justice and then suggest the presumption that the man would be almost sadistic and not do justice. Mr. Henderson has been highly praised on this floor, as has the present Secretary of Agriculture, and it seems to me we have to trust someone.

Mr. O'MAHONEY. Of course, we trust someone, and I trust Leon Henderson. But the difference between what the Senator from Washington is now saying and what I am saying is merely that the Senator from Washington says, "Let him have complete discretion," while I say, "Let Congress give him a guide." And this is the guide; because if it is adopted it may prevent what may not happen without it, but it will prevent the collapse of agriculture.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. ELLENDER. Will the Senator indicate to us the farm products which may be adversely affected by his formula in contrast with the 110-percent formula?

Mr. O'MAHONEY. Vegetable oils. Soybeans are one.

Mr. ELLENDER. Are there any others?

Mr. O'MAHONEY. May I ask the Senator from Georgia [Mr. RUSSELL] to answer the question? He is more familiar with the subject than am I. What are the commodities which under this formula would be depressed below the prices that were current? I may say that one reason for putting into this amendment the alternative dates October 1, or December 15, whichever is the highest—and that applies to clause 1 and clause 2 of the amendment—is to make certain that in these few isolated cases the wage parity amendment would not operate in a hostile and adverse manner.

Mr. ELLENDER. That would be the only safeguard?

Mr. O'MAHONEY. Yes; that would be the safeguard.

Mr. RUSSELL. The only commodities I know of that would be affected adversely by this formula are the vegetable and animal fats and oils. There is a very low parity price in the case of vegetable oils. All oils are computed on the basis of cottonseed oil. In the 1909–14 period the uses for cottonseed oil had not been developed. In many places cottonseed was still used as a fertilizer, thrown back into the fields, and it had a very low value. The only commodities I know of with respect to which the language "October 1st" would be necessary to protect the producers from very material discrimination are vegetable oils made from soybeans, cottonseed, peanuts, and other such products.

Mr. ELLENDER. My reason for asking the question was that in the case of corn the difference would be 1 cent per bushel. I was wondering whether other commodities would not be likewise affected.

Mr. O'MAHONEY. No; the only commodities which would be affected are the ones to which the Senator from Georgia has referred, and tobacco, through all its grades and classifications.

Mr. RUSSELL. Mr. President, I have not studied the table which the Senator from Wyoming has submitted. I have seen another table which is supposed to have been computed under the formula contained in the Senator's amendment, and it arrives at different figures for some of these commodities.

Mr. O'MAHONEY. Of course, I must rely on my mathematician.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. GILLETTE. I will say to the Senator from Wyoming that in this debate, and in the colloquy which took place a few moments ago, the word "floor" has

been used repeatedly, which has caused the opinion to prevail throughout the country, as reflected in our correspondence, that the bill places a floor at a certain figure under agricultural prices. I am sure it must be made clear and should be made clear that it does not put a floor under agricultural prices, but merely fixes a point below which the ceiling price must not be fixed by the Administrator.

Mr. O'MAHONEY. Mr. President, in every statement I have made in which I have used the word "floor" I have tried to couple it with the phrase "below which the Administrator may not go." The operation of the law of supply and demand, the operation of other factors, might very easily drive the prices below the figure mentioned either in the committee bill or as the bill would be if my amendment should be adopted.

Mr. GILLETTE. The term "floor" is the same as the term "ceiling"? It is the point below which the price ceiling cannot be fixed?

Mr. O'MAHONEY. That is correct.

Mr. BROWN. Mr. President, will the Senator yield to me?

Mr. O'MAHONEY. I yield.

Mr. BROWN. The Senator from Washington [Mr. BONE] places his finger on a question which we entirely overlook, and which the chart to which the Senator from Wyoming refers overlooks, with respect to the relationship between wages and agricultural income.

Parity is not the only guide the bill sets up for the Administrator.

First, let me say what the bill does not purport to do, and what the Senator from Wyoming is endeavoring to do. The bill is predicated on the proposition that the Administrator, in fixing prices, will be guided by the division of income from the extractive and the productive industries of the United States as of October 1 to 15 of 1941.

Special treatment is required, not for automobiles or for the products of the cotton mill, but only for raw agricultural products. We have said that with respect to these articles the Administrator cannot operate at all—and I think this is what the Senator from Iowa [Mr. GILLETTE] has in mind—until their prices reach 110 percent of parity. I might add that, in accordance with the amendment which the Senator from Alabama presented in committee, parity is not a fixed figure, and that with every increase of more than 3 percent in the parity price, the Administrator will be required to raise a maximum price already established.

Mr. BANKHEAD. The Senator would recognize, I think, that that is simply in conformity with the principle, and it would require the Administrator to follow parity.

Mr. BROWN. I agree to that readily, and I do not want to be diverted from my main point.

Mr. BANKHEAD. I simply wanted my amendment to be understood.

Mr. BROWN. The point I am trying to make is that in fixing prices the Administrator is directed to give due consideration to and be guided by the relationship of wages to agricultural income as of October 1 to 15. But, of course, in fixing farm prices the Administrator is subject to all the limitations contained in the agricultural sections of the bill.

What I want to bring out is that the relationship between all classes of producers on October 1–15, 1941, will affect the Administrator's judgment as to what are proper maximum prices, with the exception of the special provisions made for agricultural commodities. It is not true, therefore, to say that the bill will produce a disparity between farm income and wage income which will be adverse to the farmers. Nor can it be said that there is absolutely no restraint on wages, for we all know that by the very fact of fixing prices some restraint is placed on wages.

In the matter of the relationship between agriculture and other producers in general, to which the Senator's amendment is directed, and to which the amendment which the Senator from Georgia [Mr. RUSSELL] may offer—the so-called Brown amendment, which was adopted on the floor of the House——

Mr. RUSSELL. To keep the record straight, the amendment was reported by the Committee on Banking and Currency.

Mr. BROWN. And adopted on the floor of the House.

Mr. RUSSELL. It was reported in the bill.

Mr. BROWN. I did not mean to say that it was not. It was adopted by the House.

Mr. RUSSELL. It was not a "shotgun" amendment. It was given very careful study and consideration in the Committee on Banking and Currency.

Mr. BROWN. Does the Senator characterize the amendment of the Senator from Alabama [Mr. BANKHEAD] as a "shotgun" amendment?

Mr. RUSSELL. No; I do not.

Mr. BROWN. I give full credit to what the House does. All I say is that the Brown amendment, which the Senator from Georgia will offer, and every other amendment of that character, represent ar attempt to readjust conditions to what they were at some time long before the period from October 1 to 15. Perhaps we should make a readjustment at some time. My contention is that now is not the time to do it.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. ELLENDER. The Senator from Michigan [Mr. BROWN] has just stated—and he said the Senator from Wyoming was in agreement with him—that the Senator's formula would mean 121 percent of parity.

Mr. O'MAHONEY. It amounts to 120 or 121 percent.

Mr. ELLENDER. A while ago the Senator indicated that his formula would cause the price of cotton to go up only four-tenths of 1 percent.

Mr. O'MAHONEY. Let me say to the Senator that I did not personally make these calculations. I have before me a chart which I know was made in the very best of faith by scientists and economists whose business it is to check the figures. I pointed out on the chart what the relationship is. It is slightly above the parity figure of the Department of Agriculture.

Mr. ELLENDER. Evidently the figures are incorrect, because if a level of 110 percent of parity would cause cotton to go to 19 cents plus, and a level of 121 percent would make a difference of only four-tenths of 1 percent, there must be something wrong with the figures.

Mr. O'MAHONEY. The averages will correct that situation. One commodity is below and another commodity is above. We cannot devise a formula which is absolutely accurate with relation to every subject. That is why we have put into the amendment the alternative clause fixing the date, so as to preserve the basis of commodities which are not covered by the bill.

Mr. ELLENDER. But the parity figure is the same, is it not? Today cotton is selling at 17 cents plus.

Mr. O'MAHONEY. Parity has nothing to do with it when we use the date of October 1.

Mr. ELLENDER. I understand about the October 1 date; but I am talking about the parity figure. The Senator indicates that his formula would mean 121 percent of parity.

Mr. O'MAHONEY. That is correct.

Mr. ELLENDER. As I understand, the pending bill provides for 110 percent. The Senator's amendment would make the level 121 percent of parity.

Mr. O'MAHONEY. That is correct.

Answering what I believe to be in the minds of several Senators, I wish to describe what has impressed me with respect to the alteration in the conditions in which we find ourselves as compared with the conditions which existed at the time the original parity schedule was constructed. As I was saying, the theory is that the prices of farm commodities shall be kept in definite relationship to those of certain commodities which the farmer needs and buys. Parity is a ratio. It is not a fixed figure. It is a variable figure, and it varies in accordance with the prices which are paid for certain commodities. But today we are entering upon a period which is utterly different from any previous period in the history of this country.

Earlier in the week the President of the United States stood before the joint session of Congress and asked us to make the appropriations necessary to devote one-half of the national income to the manufacture of things which are to be destroyed. The materials which are to be made are not the materials which the farmer buys for his farm. We are now concentrating industrial production in order to make bombs, airplanes, tanks, guns, ammunition, submarines, and battleships to the extent of $56,000,000,000. The manufacture of those things will increase the disparity between agriculture and industry. Therefore, since the urban wage rate is already rising almost vertically, and has been so rising since the beginning of the war effort, if we are to preserve any relationship between the economic position of one-fourth of the people of the United States and those whose wages and salaries are to be derived from the activities of the urban

communities, we must do something of this kind.

As the chart clearly shows, this is a modest proposal. The so-called parity committee of various farm organizations studied this subject and this formula was devised. At that time it was proposed to give a weight of 30 percent to urban wage rates; but in order that this might not be out of reason, or at least in order that nobody could properly make the charge that it is out of reason, I changed it. I reduced it from 30 percent to 20 percent. I took only two-thirds of what was recommended by the farm organizations. The proposed wage parity, the black line on the chart, is slightly above the line of parity as negotiated by the Department of Agriculture.

Mr. President, it seems to me perfectly clear that if there is not some tie between the farmer and his income and the income of the industrial and city worker, then, indeed, the position of agriculture will become progressively worse as this crisis proceeds. All we are asking is that these two great segments of our population shall be maintained in a certain ratio, the ratio created by the circumstances themselves.

Of course, it is true that unless there is some kind of price control the cost of the war to the Government will be much greater than it would be without price control. I am ready to accept the statement of the Senator from Michigan [Mr. BROWN], speaking for the Banking and Currency Committee, that without price control the cost of the war program would be $13,000,000,000, or even $15,000,000,000, more than if price control were put into effect.

But, Mr. President, do not forget that if in this emergency we permit the destruction of great segments of our economy we shall be dealing with catastrophe and not with reconstruction. The other day a necessary order was issued by the O. P. M. to stop the manufacture of motorcars. There is not a Member of Congress or an economist in the Government who does not know that our modern economy is geared to the road. There is no person in Government, in Congress or out of Congress, who does not know that in every community of this land the motorcar dealer is an essential factor, and that he may be utterly destroyed by this order.

Oh, Mr. President, I regard as a great compliment to the patriotism of the people of this country the fact that they have accepted the orders which have come forth from the O. P. M., the S. P. A. B., and the O. P. A. Certainly the people want to cooperate. They want to work to win the war. They are willing to endure the necessary sacrifices and are willing to do so without a law to support the Office of Price Administration. The American people have said, "Certainly we will go along." All I am asking is that we tie the farm to urban wage rates.

In order that it may be understood that the amendment is not an unreasonable proposal, let me state how the figure is constructed. Wage parity is not an invention of the farm bloc. This figure was determined by the Federal Reserve Bank of New York, and is a scientific computation of wage rates. Wage rates in manufacturing industries are given a weight of 38; railway wage rates are given a weight of 9; clerical wage rates are given a weight of 10; the wage rates of teachers are given a weight of 6; building wage rates—and they cover only the actual labor costs—are given a weight of 6; roadbuilding wage rates are given a weight of 3; retail-trade wage rates are given a weight of 14; bituminous coal mining wage rates are given a weight of 2; telephone and telegraph wage rates are given a weight of 3; power and light wage rates are given a weight of 2; hotel wage rates are given a weight of 1; laundry wage rates are given a weight of 1; and then there was inserted a weight of 5 for farm wages. All the weights added together make 100. The formula then is reconstructed upon the basis of 1910 to 1914. So, again, it is cut down; and we have here only an effort to keep some degree of relationship between farm and city incomes. If we do not do so, when we consider the fact that agriculture has been progressively declining for 50 years; that today it receives only a little over 7 percent or perhaps 8 percent of the national income; that, as I have already pointed out, two-thirds of all the farms in the country have a total annual income of less than $1,000, who can say that in a price-control bill which avoids placing any limit upon the cost of labor, which enters into the cost of every commodity the Government, the farmer, and all consumers buy, the prices of farm commodities should not be tied to the wages of labor?

Mr. President, my feeling about the matter is that by the adoption of the amendment we shall prevent the destruction of agriculture; we shall maintain or tend to maintain a sound relationship which will prevent disasters following this war such as followed the last war. By adopting the amendment we will reach the end of preserving the economic status of almost one-fourth of the people who live upon farms in this country.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. I desire to ask the Senator a question regarding wages. As I understand him, the Senator says that the parity amendment so ties in with the wage income of the Nation that the income the farmer receives and the income the wage earner receives will be on a parity. Is that correct?

Mr. O'MAHONEY. Oh, no; they will not be on a parity, because we give farm wages a weight of only one-fifth, 20 percent.

Mr. LUCAS. They would be very near parity?

Mr. O'MAHONEY. No; they would maintain a relation. Of course it depends upon what the Senator means by parity. We see how the two lines on the chart move together. They are far apart, but they move together. But the red line on the chart does not move with the black line.

Mr. LUCAS. Would the parity amendment bring the purchasing power of the farmer's dollar in any closer relationship to the purchasing power of the dollar of industry? Let me put the question in that way.

Mr. O'MAHONEY. Yes; I think it would.

Mr. LUCAS. As I understand the theory of the Senator's amendment, it is that farm prices are bound to increase under the amendment. Is that correct?

Mr. O'MAHONEY. Not at all. They are not bound to increase. But I say that under the amendment the Office of Price Administration cannot depress them below the level provided by the bill. The amendment is not an order to increase prices. It will not result in an increase of prices, and prices will not increase unless the purchasing power of the urban population—a power which we have not controlled—brings about such a result.

Mr. LUCAS. Let me ask the Senator another question—and I beg his pardon for seeming so uninformed regarding his amendment. From the standpoint of parity, would the amendment bring about a result different from that which would be brought about by the bill, other than an attempt to give the farmer a greater income?

Mr. O'MAHONEY. No; of course, the amendment does not attempt to give the farmer greater income.

Mr. LUCAS. How would it help him if it would not give him greater income? That is what I desire to know.

Mr. O'MAHONEY. I shall show the Senator. The whole argument for price control is that with more money going into circulation as a result of the war program, with more wages being paid in industry and in the railroads, the purchasing power of the masses will be increased; and, as their purchasing power increases, prices automatically will increase unless we do one of two things: First, by law or order, keep prices down; or, second—and we hope we may not have to come to this, although we have come to it in the case of tires—inaugurate a system of rationing under which it will be said, "No matter how much money you have, this is all you can get of this particular commodity."

My amendment does not say to the Secretary of Agriculture or to Mr. Henderson, "You must raise prices." Not at all. It merely says, "If the purchasing power of the worker is increased"—as it is being increased—"you shall not put a ceiling upon farm prices until the farm producer has had a small benefit from the increase you are giving the urban worker."

Mr. OVERTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DANAHER in the chair). Does the Senator from Wyoming yield to the Senator from Louisiana?

Mr. O'MAHONEY. I yield.

Mr. OVERTON. I should like to address a question to the Senator, a question which has nothing to do with the merits of this amendment, but, rather, the effect of the amendment. Yesterday the Senate agreed to the Bankhead amendment, and the Bankhead amendment is subsection (f) of the provision

of the bill relating to agricultural commodities. Therefore, the Bankhead amendment is part of the bill relating to agricultural commodities. The amendment proposed by the Senator from Wyoming provides that, on page 29, after line 4, there be stricken out all of section 3 relating to agricultural commodities, and that there be inserted in lieu thereof a new section 3. Therefore, it may be interpreted that the amendment would be an entire substitute for all of section 3, and that the Bankhead amendment would go out.

Mr. O'MAHONEY. No, Mr. President. I am glad the Senator called my attention to the point. Of course the amendment was drawn up on the basis of the bill as it was reported by the committee.

Mr. OVERTON. Yes.

Mr. O'MAHONEY. The bill did not then contain paragraph (f). Therefore, I now change the record so that the amendment is offered as a substitute for subsections (a), (b), (c), (d), and (e) of section 3, thereby leaving subsection (f) in the bill.

Mr. OVERTON. If I may suggest a shorter cut to the same end, the Senator may modify his amendment by saying: "On page 29, after line 4, strike out all of section 3 down to and including line 13 on page 30."

Mr. O'MAHONEY. That, of course, is exactly what I was saying, but in a different way.

Mr. OVERTON. Yes; I was taking the short cut.

Mr. O'MAHONEY. It will be understood that that is what I am attempting to do.

The Senator from Colorado [Mr. JOHNSON] rose to ask a question, and I now yield to him.

Mr. JOHNSON of Colorado. Mr. President, I wanted to make an observation to see if I have the correct interpretation. As I understand the Senator's amendment, it provides a new formula for arriving at parity, and that is all it does do?

Mr. O'MAHONEY. That is correct.

Mr. JOHNSON of Colorado. On a basis of equity I have not heard anyone object to the formula which the Senator from Wyoming advances.

Mr. O'MAHONEY. That may be due to the fact that I have kept the floor so long.

Mr. JOHNSON of Colorado. On the basis of equity, the criticism does not seem to get to the heart of the matter.

Mr. O'MAHONEY. I quite agree with the Senator. I do not think there is any criticism.

Mr. GUFFEY. Mr. President, I should like to ask the Senator from Wyoming a question or two.

Mr. O'MAHONEY. I yield to the Senator from Pennsylvania.

Mr. GUFFEY. I should like to vote for this amendment, if I can do so. To what point does this amendment raise the parity price? I have heard that it raises it from 110 to 121, and as high as 135. Can the Senator inform me as to that?

Mr. O'MAHONEY. The chart will show that the adoption of the amendment would mean about 120 percent of parity.

Mr. GUFFEY. Instead of 110 percent?

Mr. O'MAHONEY. Yes; instead of 110 percent.

Mr. GUFFEY. Does the Senator think that will satisfy the farm bloc?

Mr. O'MAHONEY. One never can tell. The farm bloc, may I say to the Senator, has been fighting for the depressed farmers of Pennsylvania and Wyoming for many years.

Mr. GUFFEY. So have I.

Let me inquire further if this amendment has the approval of the new commander in chief, Mr. O'Neal, president of the Farm Bureau Federation?

Mr. O'MAHONEY. I have not talked with Mr. O'Neal about this formula, so I cannot answer for him.

Mr. LUCAS. Mr. President, is there any farm organization, I will ask the Senator, back of this amendment?

Mr. O'MAHONEY. Oh, yes; it has been endorsed by the Grange; it was endorsed by the milk cooperatives, and it was endorsed by the American National Livestock Association.

Mr. LUCAS. Was the amendment considered in the committee?

Mr. O'MAHONEY. No; but a variation of it, on the basis of 70–30 instead of 80–20, was presented to the committee by Mr. HOLMAN.

Mr. LUCAS. In answer to a question of the Senator from Pennsylvania a moment ago, I understood the Senator from Wyoming to say that the amendment would increase parity only 10 percent, from 110 percent to 120 percent, or an increase of 10 percent.

Mr. O'MAHONEY. That is correct.

Mr. LUCAS. It was said a few moments ago that the amendment would increase parity upon all farm products some 25 percent, and I wondered where that figure was obtained.

Mr. O'MAHONEY. I do not know. As I said a moment ago, in response to some other Senator, I am only showing the figures which were presented to me, and I have every reason to rely upon their accuracy.

Mr. LUCAS. Have any figures been submitted by Mr. Henderson, the Price Administrator, as to what this formula would do?

Mr. O'MAHONEY. He did not submit them to me. I may say that last night, and again this morning, I talked with persons in Mr. Henderson's organization; I described to them the formula, and told them how it would work, just as I have tried to explain it to the Senate this morning. Acting upon my description, they may have compiled tables. Perhaps I inadequately explained the formula on the telephone to the gentlemen. I do not know.

Mr. LUCAS. I should like to ask one further question. The 10-percent increase on general farm commodities over the 110 percent of parity as written in the bill at the present time applies primarily to what commodities? I have heard the Senator discuss wheat and corn.

Mr. O'MAHONEY. This applies to all agricultural commodities, just as the bill reported by the committee does.

Mr. LUCAS. I appreciate that, but who is going to get the real benefit of the 10 percent? That is what I am interested in.

Mr. O'MAHONEY. I have said to the Senator half a dozen times that this amendment would not increase any commodity price. It merely provides that there shall be a limitation upon the power of the Administrator to fix a ceiling.

Mr. LUCAS. I appreciate that; and so does the 110-percent-parity provision that is written in the bill at the present time.

Mr. O'MAHONEY. That is correct; the two are exactly the same in that respect. The Senator will pardon me if I interrupt him, because I want to make it clear that this is not a proposal to increase prices; it is only a proposal to say, in effect, to the Office of Price Administration, "You shall not interfere with the effect upon farm prices of the unlimited wage scale, which the committee has not cut, until the farmer gets a small percentage of the increase which the urban worker is getting without any interference."

Mr. LUCAS. I do not disagree with the Senator; but that is also the theory of the bill.

Mr. O'MAHONEY. I know the Senator does not disagree. My vigorous manner is not at all intended to indicate a critical attitude. It is merely an effort to make the matter plain. I understand the Senator is always seeking information, and I am doing the best I can.

Mr. LUCAS. I am seeking information. I am trying to find the real reason for this kind of formula for parity. I have been in Congress for the last 7 years and have been a member of the Agricultural Committee of the House and the Agricultural Committee of the Senate of the United States. So I have been pretty close to the parity formula which is operating at the present time, and I have seen a successful agriculture developed on the parity we have at the present time. I cannot understand why we want at this crucial time to upset a parity formula which has been in existence for a period of 7 years and which has, in my opinion, the endorsement of some of the best agricultural minds of the Nation.

Mr. O'MAHONEY. The reason is very simple, and I will repeat it.

Mr. LUCAS. Will the Senator let me finish before he proceeds?

Mr. O'MAHONEY. Certainly.

Mr LUCAS. That is why I am so interested in this formula. I do not want runaway prices; I want to see the farmer obtain everything he is entitled to. I voted against the Bankhead amendment yesterday, and, in doing so, in my opinion, I acted in the interest of the American farmer, notwithstanding plenty of pressure to the contrary from those who wanted me to vote the other way. I have a different view than that entertained by a number of Senators who are interested in the farm program in its relation to the pending price-control bill.

I can see, Mr. President, something coming in the future that will be far more difficult for the farmer to meet and the country to meet, if we are not careful with the type and kind of legislation we may enact in this price-control bill, than a new parity formula, and that is inflation. I did not make any speech on the

floor yesterday on the Bankhead amendment, and it would not have made any difference if I had; I could make it now and I could convince just as many Senators today as I could have convinced yesterday if I had made a speech on the subject; but in the division of authority I can see chaos, I can see confusion, and I can see something in the division of authority which, in my humble opinion, is going to break down the price-control bill of its own weight before we finish with it. In other words, I had rather have Leon Henderson make a mistake in fixing a price on fats and oils, and then correct it later, than to have Wickard and Henderson working for from 30 to 60 days, with this pressure group on the one hand and another pressure group on the other hand, each trying to convince the Administrator and the Secretary that they are right, and, during that period of from 30 to 60 days, let speculators and manipulators skyrocket the price of the particular commodity involved. That is the thing in which I am interested; and as a result of the Bankhead amendment the American farmer, in the final analysis, is the man who is going to suffer as a result of the dual control and the dual authority. I am just expressing my humble opinion about it. I say it is an opinion of mine, and I confess that it does not amount to very much.

Mr. O'MAHONEY. The Senator's opinions always amount to a great deal. I am always delighted to have them.

Mr. LUCAS. I thank the Senator; but I say to the Senator from Wyoming that if this amendment is adopted, and a change is made in the factors upon which parity is based at the present time, the American farmer will again suffer when the war is over. I do not want the American farmer to do what was done, according to that chart, in the last war. I know what wheat was selling for out in my part of the country during the last war. I know what it sold for on farms in my community. It reached the high price of $3 per bushel. Yet there are some Senators who would not put any ceiling upon corn, or wheat, or any other basic commodity, and who would let the same condition arise that arose in the last war; and what happened, Mr. President?

Mr. O'MAHONEY. Does the Senator believe that a dollar and a half a bushel is too much for the wheat of Illinois?

Mr. LUCAS. I cannot tell the Senator. The dollar and a half may not be too much, or it may be. It will depend upon what the Price Administrator says, and upon the factors and conditions that are in existence at that time.

Mr. O'MAHONEY. All my amendment would do would be to say that the price shall not be lower than a certain figure.

Mr. LUCAS. All I am saying to the Senator is that we have fought for years for a parity price and on some things we have received it, but on the great majority of them we have not; and now we go ahead with 110 percent of parity, under this formula, and say that that will take care of the matter. Then we come along with the Senator's formula, and say we are going to increase it to 120 percent; and when the bill gets into the House it may be increased, under another formula, to 130 percent. The point I am making is that the American farmer, in the last analysis, is going to be the one who will suffer, in my humble opinion. I am trying to look at the matter over a long period of time, and not just for the moment; not just to make some farmer out in the State of Illinois believe that he is going to get a whale of a price for his product at the present time, and then in about 5 years from now, as a result of what will happen, that same farmer will meet the condition that so many met back in 1932; and I saw it, Mr. President. I saw what happened to the man who had 160 acres of land, who got $3 for his wheat and $1.75 for his corn. He had that 160 acres free and clear of all liens. He mortgaged that 160 acres in order to buy another 160 acres by the side of him, in order to have 320 acres; and when the crash came, every one knows what happened to the American farmer. If we are not mighty careful in connection with the type and kind of legislation that we write on the floor, we shall have duplication of effort, confusion, and chaos as a result of failure to have a centralized control, the very thing that every single man here in the Senate has been condemning the present administration for not having in the O. P. M. The dual control between Knudson and Hillman and a few others has been condemned. I have heard it said time and time again, "For God's sake, put that authority into the hands of one man"; but it has never been done.

Mr. O'MAHONEY. Mr. President, the Senator is not talking to me now.

Mr. LUCAS. Very well; but we are doing the same thing under this bill.

Mr. O'MAHONEY. Let us get the record clear.

Mr. LUCAS. I will speak in my own time if the Senator prefers.

Mr. O'MAHONEY. Oh, no; I am not interrupting the Senator. I am merely saying that what he is saying has nothing to do with the argument I am making.

Mr. LUCAS. I say it has everything to do with the argument the Senator is making.

Mr. O'MAHONEY. This is no question of dual control. That matter was settled yesterday and a motion to reconsider the amendment providing for it was laid on the table.

Mr. LUCAS. Yes; I understand all of that.

Mr. O'MAHONEY. We are talking about wage parity.

Mr. LUCAS. Mr. President, it has something to do with the Senator's amendment, because I am interested, as I was yesterday, in the years to come for the American farmer, as well as the immediate interest, of course; and I am attempting to look at this thing on the broad range over a long period of time.

It is fine to tell the American farmer now that we are going to do all these things for him in the way of spiraling his prices, giving him 120 percent of parity, as the Senator wants to do, and so forth; but, in the final analysis, that very thing will come home to roost, and it will come in the back yard of the American farmer if we do not systematically and courageously do something in the way of controlling these prices.

Mr. AIKEN and Mr. GILLETTE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield; and if so, to whom?

Mr. O'MAHONEY. Before I yield to any other Senator, let me say that it seems to me the argument of the Senator from Illinois, so far as it deals with this amendment, utterly overlooks the fact that we have before us a bill which does not place any limitation whatever upon the most important factor in the cost of all the commodities the consumer buys and in the cost of all the commodities which the Government must buy for the prosecution of the war; and the purpose of this amendment is to tie commodity prices for the farmer to the spiraling prices of urban wage rates, about which the Committee on Banking and Currency has done nothing.

It is of no importance in this connection to talk about Mr. Knudsen, to talk about divided control in the O. P. M., or to talk about the amendment which was adopted by the Senate yesterday. Those are matters which are altogether irrelevant. The only question here is, Do we want to adopt a formula to fix parity which takes into consideration the fact that the condition in 1941, when we are devoting $56,000,000,000 of our national income to the manufacture of things to be destroyed, is utterly different from the condition which resulted in the creation of the formula which worked during the 7 years of which the Senator from Illinois speaks? That was a parity arrangement, too, to be sure; but it was never a parity arrangement that gave any real equality to the farmer, because it was dependent upon the payment of over a billion dollars a year in farm benefits.

Mr. AIKEN. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Vermont.

Mr. AIKEN. There seems to be a general idea, not only among Senators but among the public as well, that the farmers are pretty well off, because they are receiving something over 90 percent of parity for their produce at the present time. I do not know just what the figure is.

Mr. O'MAHONEY. Let me interrupt the Senator to say that I am sure it is not a general idea among Senators. Senators know it is not so.

Mr. AIKEN. Among some Senators it is the general idea that the farmer is well off today. It is true that statistically the farmer probably is receiving nearly 100 percent of parity today, or between 90 and 100 percent of parity; but he is receiving that percentage because such a large percentage of his purchases is made from other groups of farmers.

The farmer of the Northeast buys tremendous quantities of cottonseed meal and grains from the West, and other things that other farmers produce, and he has been buying those things for considerably less than parity prices; but I desire to say to the Senator from Illinois [Mr. LUCAS] that his manufacturers of farm machinery and manufacturers of

other industrial goods throughout the country have for a long time been charging the farmers of America, not 90 percent of parity or 100 percent of parity but almost 200 percent of parity for the industrial goods they have sold to American agriculture. I think the farm-machinery figure is 186 percent of parity. It is only because the farmers purchase such a large percentage of the things they use from other groups of farmers who have produced them for less than cost that it appears that the farmers are obtaining nearly 100 percent of parity for what they produce today that they are that well off. They are that well off at the expense of other groups of farmers, and not at the expense of the industrialists of the country, who have been charging them from 150 to 200 percent of parity for their manufactured goods.

Mr. O'MAHONEY. I thank the Senator from Vermont.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Iowa.

Mr. GILLETTE. Let me say to the Senator that I have been somewhat confused, which of course, is no fault of the Senator from Wyoming.

Mr. O'MAHONEY. I am sure it could not be the fault of the Senator from Iowa. I have known him too long, I have known his keen mind too well, to believe it could be his fault. I dread what he is about to say.

Mr. GILLETTE. With that compliment, I am almost constrained not to ask the question. [Laughter.] But I shall proceed. I was confused by the use of the Senator's chart outlining the relationship of incomes, then referring to his new formula, which suggests that a weight of 80 percent be given to the formula now used in computing parity price, and 20 percent given to the wage formula. As the Senator knows, the Department of Agriculture now uses two formulas, one a parity-price formula, and another an entirely different formula for parity income, to which the Senator refers in his chart. With the use of the new formula, as the Senator has developed it, giving 80 percent to the parity-price formula and 20 percent to the wage formula, with no reference to the parity income formula, was it his intention, in determining the relationship, to eliminate definitely net income?

Mr. O'MAHONEY. I used net income merely as an illustration of the position of agriculture. What we are dealing with here is the parity index. The parity index, constructed and used by the Department of Agriculture, gives a weight of 37.3 percent to commodities purchased by farmers for production; a weight of 48.7 percent to commodities purchased by farmers for family living; a weight of 7.2 percent to interest paid by the farmers, and a weight of 6.8 percent to taxes paid by the farmers. The sum of those four figures is 100.

In order to bring in as a factor the urban wage rate, we take the index which was devised by the Federal Reserve Bank of New York, and we give it a weight of 20 in the new summation. That means, of course, that the other weights have to be reduced, each by one-fifth. So that in my formula the constituent factors are as follows:

Commodities purchased by farmers for production	29.8
Commodities purchased by farmers for family living	39.0
Interest paid by farmers	5.8
Taxes paid by farmers	5.4
Wages of urban workers	20.0
Total	100.0

The total is 100.

Mr. GILLETTE. If I may take a little more of the Senator's time to refer to the cause of my confusion, the present law provides that in determining parity as to price—that is, the price per unit of agricultural products—the Secretary shall take into consideration "the purchasing power with respect to articles that farmers buy equivalent to the purchasing power of such commodity in the base period." But "parity, as applied to income, shall be that per capita net income of individuals on farms from farming operations that bears to the per capita net income of individuals not on farms," and so forth. There are two separate formulas, and in the Senator's amendment he requires the weight of 80 percent to be given to the price formula, and 20 percent to the wage formula, with no reference to the relationship of net income.

Mr. O'MAHONEY. The index is the only thing with which we are dealing.

Mr. BROWN. Will the Senator from Wyoming yield on that point?

Mr. O'MAHONEY. In just a moment. I am about to conclude, and in order to make it clear that the alternative in my amendment is between the provisions of clause 1 and clause 2, I modify my amendment on page 2, line 2, by inserting after the word "whichever" the phrase "under clause 1 or 2."

Now I yield to the Senator from Michigan.

Mr. BROWN. I wish to have the attention of the Senator from Iowa. Several Senators who have talked with me since the Senator from Wyoming raised the question of the weights given in fixing parity—the Senator from Ohio called my attention to it, and it has been in my own mind—have indicated that parity is based on the prices of commodities. The Senator from Wyoming says no weight is given to wages. There is no weight given to wages for a very obvious reason. The reason is well illustrated by the extraordinary run-up of the red line on the Senator's chart.

Mr. O'MAHONEY. Is the Senator about to tell us why the Committee on Banking and Currency decided that nothing should be done under the Price Control Administration to prevent that line from running off the chart?

Mr. BROWN. I shall explain why the Senator's use of the line is utterly unfair and illogical, and is not properly comparative at all with the other lines he has on his chart. I shall also show that the wage factor is in the Department calculations in the same way that it is in the calculation of farm prices.

First, I wish to refer briefly to the chart. The Senator compares the prices of commodities, which are shown in the lower two black lines, with wage rates. A wage rate indicates how much a man is getting an hour, but it does not indicate what his income is over the period of a year. To be fair, if we are to compare the income of the farmer with the income of the industrial worker we should not compare the rate of wages; we have to compare the annual income of the wage earner with that of the farmer.

As every Senator well knows, there have been from six to eleven million people unemployed in the last 10 years.

Mr. O'MAHONEY. I must interrupt the Senator to say that what he has said does not accord with my understanding of the manner in which the Federal Reserve Bank made its calculation.

Mr. BROWN. It included urban wage rates.

Mr. O'MAHONEY. That may be, but the index as published by the Federal Reserve Bank of New York takes into consideration not only hourly, but weekly, monthly, and annual rates.

Mr. BROWN. I think the Senator is wrong about that. I am reliably informed by competent statisticians that the Senator's chart relates to wage rates. We cannot compare wage rates with the prices of commodities. How are we to compare those two things? We should compare the bushel of corn which the farmer produces with the automobile, or the frigidaire, or any other manufactured product which the laborer produces, and reflected in the value of that commodity is the wage factor which is taken into consideration.

Mr. TYDINGS. Mr. President——

Mr. BROWN. Let me put something into the RECORD, and then I shall yield. Does the Senator from Wyoming desire to keep the floor?

Mr. O'MAHONEY. The Senator from Michigan was not asking me a question, so I yielded the floor.

Mr. BROWN. I have before me a table showing the factors which are used by the Government organization which establishes parity, which shows the weight given to each factor. In all that list of manufactured articles the same weight is given to the wage factor in the price of the commodity as is given to farm labor in the price of the commodity which the farmer produces. So I say that the comparison the Senator makes between urban wage rates and the prices of commodities is an illogical comparison.

Does the Senator from Maryland desire that I yield to him now?

Mr. TYDINGS. I desired to ask the Senator a question. Regardless of the merits or demerits of the proposal of the Senator from Wyoming, as I listen to the argument it appears to me that the prices of agricultural products will be raised if the amendment shall be adopted. I think we all agree on that.

Mr. O'MAHONEY. The adoption of the amendment would not mean an automatic increase of prices.

Mr. TYDINGS. I did not say it would.

Mr. O'MAHONEY. I said "automatic." The Senator did not use that word. The Senator stated that it meant an increase of price. It does not necessarily mean that. It merely means that

the operation of the proposed law, clothing the Price Administrator with the power to fix ceilings, shall not become effective below a certain figure.

Mr. TYDINGS. That is correct. That means in effect that prices will be 10 percent higher than parity.

Mr. O'MAHONEY. But it is quite possible, the Senator will agree, I am sure, that the prices of farm commodities might even go down.

Mr. TYDINGS. I wanted to ask the Senator from Michigan if the administration of the measure is carried out in line with the amendment of the Senator from Wyoming, will it not result in two things: First, an actual reduction in the wage rate, because obviously what the Senator has just said is true, that it is not how much one makes, but what one can buy with it that determines the income?

Mr. BROWN. Yes; the relationship between the two.

Mr. TYDINGS. So, therefore, if it costs the wage earner more to buy what he needs that is equivalent to a reduction in wages. As wages are reduced, the second proposition is that we cut down the purchasing power of the wage earner to buy the things the farmer produces. So that in an attempt to raise agricultural prices by the adoption of the amendment, a reduction in wages would be effected, at least when it came to buying the things the wage earner had to have.

Mr. BROWN. The Senator has in mind real wages?

Mr. TYDINGS. Yes. The initial result, however, is a reduction in wages. Does the Senator agree?

Mr. BROWN. I think the Senator is correct.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. GILLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	O'Mahoney
Austin	Glass	Overton
Bailey	Green	Pepper
Ball	Guffey	Radcliffe
Bankhead	Gurney	Reed
Barkley	Hayden	Reynolds
Bilbo	Herring	Rosier
Bone	Hill	Russell
Brewster	Holman	Schwartz
Brooks	Hughes	Shipstead
Brown	Johnson, Colo.	Smathers
Bulow	Kilgore	Spencer
Bunker	La Follette	Stewart
Burton	Langer	Taft
Butler	Lee	Thomas, Idaho
Byrd	Lodge	Thomas, Okla.
Capper	Lucas	Thomas, Utah
Caraway	McCarran	Tobey
Chandler	McFarland	Truman
Chavez	McKellar	Tunnell
Clark, Idaho	McNary	Tydings
Clark, Mo.	Maloney	Vandenberg
Connally	Maybank	Van Nuys
Danaher	Mead	Wagner
Davis	Millikin	Wallgren
Downey	Murdock	Walsh
Doxey	Murray	White
Ellender	Norris	Wiley
George	Nye	Willis
Gerry	O'Daniel	

The PRESIDING OFFICER (Mr. SMATHERS in the chair). Eighty-nine Senators have answered to their names. A quorum is present.

Mr. BROWN. Mr. President, I desire very briefly to refer to the charts which the Senator from Wyoming [Mr. O'MAHONEY] used in his argument today. I shall not go over the matter which I covered in any detail, but I call attention briefly to the matter which I showed from the Senator's chart.

The value of farm products and income of the farmer went up very rapidly during the period from 1910 to 1920, and then fell away very rapidly. It is the tremendous drop which we suffered immediately after the spiraling of prices during the World War that we desire to avoid.

I call attention to another chart, showing the ratio of farm income to general income, which is the same relationship as that shown on the chart which the Senator from Wyoming used. It shows that during the period from 1910 to 1915 the relation between farm income per capita and nonfarm income per capita—that is, the income of farmers as distinguished from that of all other classes—was approximately the same. Then we had a tremendous rise of farm income over general income until approximately 1919, and then a tremendous collapse down to 1921, which corresponds with the figures shown by the Senator from Wyoming.

We then had a rise to the 1925–26 period, which, as is well known, in much of our legislation has been adopted as a reasonably good year. The year 1926 and the years 1910 to 1915 are very much the same.

Then we had a collapse until 1932, when we reached approximately the level of 1921. It is clear that this line shows the relationship of farm income to average income of all persons.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. O'MAHONEY. As I understand the chart, the horizontal line, which represents 100, shows the ratio which existed in the period from 1910 to 1914 between farm per capita income and nonfarm per capita income.

Mr. BROWN. The Senator does not have the illustration in mind. This line [indicating] is 100.

Mr. O'MAHONEY. One hundred on what basis?

Mr. BROWN. I shall explain that to the Senator if he will permit me to do so. The black line represents the rises and falls in percentage of the farmer's income as compared with the income of all other persons—much the same as if we took the Senator's chart and drew a straight line across it.

Mr. O'MAHONEY. As I read the chart, it shows income parity from 1910 to 1941.

Mr. BROWN. Yes.

Mr. O'MAHONEY. Then, on each side above the vertical line, it says "index 1910–14," does it not?

Mr. BROWN. That is parity. That refers to the parity period, from 1910 to 1914. That is the ideal relationship.

Mr. O'MAHONEY. What is 100?

Mr. BROWN. The straight line across the chart, which, of course, would vary up and down if it were to attempt to show all incomes. However, this chart shows the rises of farm income in percentage above, and the falls in percentage below, the general income.

Mr. O'MAHONEY. There is an absolutely horizontal line running from 1910 to 1945. Is that supposed to represent the per capita nonfarm income?

Mr. BROWN. It represents all income. The chart shows the rise and fall of farm income.

Mr. O'MAHONEY. The chart purports to show the per capita nonfarm income. Is that what is meant by 100?

Mr. BROWN. Let me tell the Senator what I understand the chart to mean.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. BROWN. I shall be glad to yield to the Senator after I have explained the chart to the Senator from Wyoming.

The chart shows the rises and falls of farm income above and below the general level of all income. It will be noted that the Senator's chart follows almost the same general line.

I now yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. It so happens, however, that the parity period, 1910 to 1914, would fall on the line representing 100.

Mr. BROWN. I think the Senator is correct.

Mr. JOHNSON of Colorado. It happens to do so.

Mr. BROWN. We reached approximately that position in which we all know we have been, of something above parity, until the 1937 depression. Then we went a little below parity, and now we are reaching a point a little above the general average.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). Does the Senator from Michigan yield to the Senator from Wyoming?

Mr. BROWN. I yield.

Mr. O'MAHONEY. As I understand, the horizontal line which is denominated 100 represents the ratio which existed from 1909 to 1914 between per capita farm income and per capita nonfarm income.

Mr. BROWN. If the line of farm income ran absolutely straight, that would mean that for that entire period farm income was in absolute parity with all income. It does not. It goes above it and below it, but it remains very close to the line.

Mr. O'MAHONEY. The Senator is referring to parity income as of 1910 to 1914, is he not?

Mr. BROWN. Yes.

Mr. O'MAHONEY. The Senator realizes, does he not, that one of our basic contentions is that the farm income as of 1910 to 1914 was itself a depressed income?

Mr. BROWN. Yes. I recognize that the Senator has made that argument all along.

In the statute to which the Senator from Iowa [Mr. GILLETTE] called attention earlier in the day we find that—

"Parity," as applied to income, shall be that per capita net income of individuals on

farms from farming operations that bears to the per capita net income of individuals not on farms the same relation as prevailed during the period from August 1909 to July 1914.

I do not think there is any difference between the Senator and myself. That relationship between nonfarm income and farm income which prevailed during the period from 1910 to 1914 is the basis of the bill. The Senator from Wyoming contends that as to wool, beef, and certain other commodities, that relationship is unfair in its determination of prices. There is no difference between the Senator and me in that respect.

Mr. O'DANIEL rose.

Mr. BROWN. I yield to the Senator from Texas.

Mr. O'DANIEL. Mr. President, can the Senator from Michigan tell us where the line for per capita nonfarm income since 1914 would be on the chart? Would it be above or below the line representing 100?

Mr. BROWN. Farm income——

Mr. O'DANIEL. No; I asked about nonfarm income.

Mr. BROWN. Let me put it the other way around. Farm income was very much above nonfarm income for the period 1915–19. As the Senator knows, the small lines represent years. As he will recall, farm income—farm prices being the basis of farm income—rapidly fell until 1921; and, as I have indicated several times, the line shows whether farm income was above or below the general average during that period.

Of course, the line representing 100 is not a straight line; it cannot be a straight line if we have in mind the fact that it is meant to show general income. Of course, it would go up and down. But the chart shows the relationship between farm income and nonfarm income per individual.

Mr. O'DANIEL. But farm income since 1914 is reflected by the up-and-down movement; is it not?

Mr. BROWN. Yes; it is; but it is much lower during all this period.

Mr. O'DANIEL. But even after 1914 it appears to be compared to the nonfarm income prior to 1914; and if we should use nonfarm income since 1914 as a basis of comparison, would not the line be considerably above the line marked 100?

Mr. BROWN It is just like the chart of the Senator from Wyoming, showing the general ups and downs of farm income. Probably the line comes somewhere about the point I now indicate on the Senator's chart.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. BROWN. I yield.

Mr. O'MAHONEY. The Senator acknowledges, does he not—forgetting now the ratio which is the basis of his chart—that actually the per capita farm income during the period from 1922 through 1940 has never yet exceeded the per capita income for all the people?

Mr. BROWN. Except for the short period I now indicate on the chart.

Mr. O'MAHONEY. No; that is the ratio, and it is a ratio based upon 1910 to 1914. I ask the Senator to look at the chart to which I referred in the course of my remarks. The chart is prepared on the basis of statistics furnished by the Bureau of Agricultural Economics.

Mr. BROWN. Oh, yes; I see the Senator's point. The Senator is correct about that.

Mr. O'MAHONEY. Yes. So what the Senator from Michigan is now talking about is a ratio based upon the condition which existed in the period 1910–14.

Mr. BROWN. Yes; and the relationship existing at that time is pretty well illustrated by the Senator's chart.

Let us get down to date. As has been pretty clearly demonstrated by the debate, the present relationship is 99. Farm income is now 99 percent—not the figure shown here, but it is still slightly below. But in the bill we say that the laws of supply and demand will operate as they will until the ratio is 110 percent of parity; and that is the difference between the Senators position and mine.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. BROWN. I am glad to yield.

Mr. AIKEN. I simply desire to ask if the chart shows from what source the farm income was derived. Do the figures on the chart mean income derived solely from the production of crops, or does the income include rents, interest, and other items which sometimes are included in one set of figures on farm income? In fact, I believe that within the last 10 or 12 years there have been years when farm income from rents, interest, and other "sticky" price charges amounted to more than the income from crops.

Mr. BROWN. The Senator heard the argument of the Senator from Wyoming, and he heard my argument along that line; and, of course, it is very difficult to keep all the statistics in mind.

Mr. AIKEN. I think we should have the source of the income in order that a sound judgment may be formed.

Mr. BROWN. But this figure is based upon figures which go to make up parity; and the Senator from Wyoming and I have fully discussed that question and demonstrated, I think, just how that parity was made up. All the factors to which the Senator from Vermont has referred—the expenses, and so on, which go into making up the cost of a product—are calculated in determining what is parity; because what is parity is dependent upon a large number of prices. The Senator stated a while ago that food and the cost of living are 48 percent of that figure. I am not now going to detail all the factors which go into making up the figure, because the Senator from Wyoming made a quite thorough explanation of the matter; and whatever factors enter into the determination of parity—which is the basis for determination of this relationship—are the factors which are the basis of these figures.

For the benefit of a few Senators who were not here when I mentioned it, I desire to refer briefly to the matter of urban wage rates. The demonstration made by the Senator from Wyoming compares the prices of commodities, which are the two figures I now indicate on the chart, with the hourly rate of wages. The price of a commodity cannot be compared with the hourly rate of wages, because the price of a commodity is a different thing. But the income of an urban worker is not necessarily measured by the hourly rate of wages he receives; because he does not receive wages for 7 days of the week. He receives them for 3 or 4½ or 5 days a week. During all these years we have had from 10,000,000 to 11,000,000 persons in the ranks of the unemployed. Probably the figure is now considerably reduced; but, as my colleague knows, in my State it will be increased again for a period of from 2 to 5 months, and that factor is not taken into consideration.

In my judgment, the line representing urban wage rates has very little relationship to the other lines shown on the chart, and they are not properly comparable. Why? Because parity is not based upon any new relation between wages and commodities. Parity is based upon the relationship as it existed in the period 1909 to 1914. That is the period in which we think there was a fair relationship between wages and farm prices.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. BROWN I yield.

Mr. BURTON. As I understand the present computation of parity, it takes into consideration as one of the important factors the prices the farmer pays for the manufactured goods he buys. Of course many of those goods are manufactured in cities, and therefore indirectly reflected in the price there must be urban wage rates, urban salaries, and everything else relating to products coming from cities.

Mr. BROWN. Certainly.

Mr. BURTON. Consequently if we were to add the 20-percent factor which relates only to urban wage rates, it seems to me we would duplicate a factor already included; and the chart seems to demonstrate the duplication.

Mr. BROWN. As the Senator says, wages are reflected in the price of an automobile, in the price of a truck, the price of a piece of agricultural machinery the price of any manufactured product which the farmer buys; and that is where the wage factor is taken into consideration. Certainly it would be unfair to include wage rates in comparison with the price of a commodity. Wage income would be a different factor. There might be a fairer basis for so doing; but we have already taken that into consideration, because we compare the price of a product of the farm with the price of a product of the factory. That is the basis of comparison used.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GUFFEY in the chair). Does the Senator from Michigan yield to the Senator from Colorado?

Mr. BROWN. I yield.

Mr. JOHNSON of Colorado. Does the Senator believe that if he were to use the figures based on rural wage rates, and were to compare them with the figures for urban wage rates, the lines would be closer together?

Mr. BROWN They would be very much closer together. The Senator puts his finger on a point I was about to make.

Only urban wage rates are considered here; and, of course, if we use farm wages and wages in small communities and towns, there will be a great deal of difference.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. AIKEN. I understood the Senator from Wyoming to say that farm wage rates were included but were given a weighting of only 5 percent; but in the list giving the weighting totaling 100, farm wages were given a weight of 5 points out of 100.

Mr. BROWN. In that connection, with respect to the question of wages, it will be noted that during the World War period, in order to reach a real wage increase of 20 percent, it was necessary for cash wages to go to 240—which is roughly comparable to the 240 points shown on the Senator's chart—because of the increase in the cost of living.

These are the wages of 8 large manufacturing industries. The cash weekly wage had to go to 240 above 100 in order to reach a wage 20 points above a hundred. The same thing can be shown in regard to wages of Federal employees in the District of Columbia during that period.

Mr. DAVIS. Mr. President, will the Senator put into the RECORD the industries referred to?

Mr. BROWN. Yes; I will do that.

The teachers constitute a very large class of wage earners. It will be noted that in 1915–16, when prices commenced to rise, a rise of 15 points in cash weekly wages did not overcome an actual drop of approximately 12 points in real wages, and it was not until the teachers' wages had reached 180 that they maintained a parity with their wages during the high-price days of 1920. It was necessary to go to 180 in order to maintain the same real wage that was had in 1914.

The same thing can be shown with reference to the building trades, and, as I have said, the situation with regard to the District of Columbia wages was even more remarkable.

Mr. President, I realize that in colloquies with the Senator from Wyoming we have pretty well covered the differences between us on this proposition. I merely wish to conclude with these thoughts: First, that under the amendment which was adopted yesterday—and I am bound to accept that amendment, although I opposed it, for it is now in the bill—there is no power and authority in the Price Administrator to fix any ceiling whatsoever without the approval of the Secretary of Agriculture. So if beef prices in which the Senator from Wyoming is interested, and wool prices, in which he is also interested, or the prices of any other commodities in which any Senators are interested, are below what the Secretary of Agriculture thinks is a fair price for such commodities, the determination of the Secretary of Agriculture or the law of supply and demand will prevail. The Price Administrator has not the authority in that respect. If the O'Mahoney amendment was necessary in the minds of some Senators before that time, it certainly is not necessary if Senators believe that the Secretary of Agriculture will treat them fairly.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Kentucky.

Mr. BARKLEY. I wish merely to inject a remark with regard to the formula for determining parity. Those of us who have lived with this problem for a number of years realize that the formula which is now in the law was worked out carefully and patiently not only by Members of Congress but by representatives of agriculture, the farmers themselves. I do not think that I exaggerate when I say that the formula on the subject of parity which has been carried in the Agricultural Adjustment Act from the beginning was written by the farmers and their representatives, not in the Congress alone but on the outside.

The question that seems to me of some importance involved in the amendment is whether, overnight almost, we are to change the formula which the agricultural interests of the country themselves wrote, in order to raise in a few instances the figure in regard to parity. It is something, it seems to me, to which we must give careful consideration.

As I understand, the Farm Bureau Federation is opposed to the so-called Brown amendment which was put in the House bill.

Mr. BROWN. Mr. President, will the Senator from Kentucky permit me to read the statement of Mr. O'Neal at this point?

Mr. BARKLEY. Yes. I should be glad to have the Senator read it.

Mr. BROWN. On page 444 of the Senate hearings, during the testimony of Mr. O'Neal, the question of the Brown amendment arose. As the Senator from Georgia [Mr. RUSSELL] will undoubtedly advise the Senate, that amendment involved an increase of approximately 8 percent above parity. I am advised by statisticians that the figure would be 118 percent.

Mr. BARKLEY. That is my understanding.

Mr. BROWN. The figure given me by the experts on the amendment of the Senator from Wyoming is 121.

Regardless of whether it is 118 or 116 or what, Mr. O'Neal, in speaking of the Brown amendment, said:

> We did not initiate or support subsection 3 of section 3 (a) which is known as the Brown amendment and which prohibits the fixing of any agricultural commodity "below the average price for such commodity during the period July 1 1919 to June 30, 1929." This provision abandons the parity concept and would permit price ceilings above 110 percent of parity for several farm commodities. Our refusal to support this exemption for agriculture surely ought to be proof of our sincerity in support of effective legislation to control farm prices as well as industrial prices and wages.

Based upon that statement of Mr. O'Neal, the Senator from Kentucky and the Senator from Michigan and other Senators on the committee decided to accept 110. We thought that was what the farmers wanted, and, I take it, that that is a plain statement that Mr. O'Neal does not want to have the farmers reach that high price level which is shown on the chart in the rear of the Chamber and have ensue such a collapse as followed 1920 and 1930, as appears on the chart. He does not want more than 110 percent of parity.

Mr. BARKLEY. I injected myself into the debate because I have no purpose at the present time to discuss the O'Mahoney amendment in my own time.

Mr. BROWN. I merely wanted to read from Mr. O'Neal's testimony, with the Senator's permission.

Mr. BARKLEY. As a member of the subcommittee, I recall the attitude of the group of farm representatives who had a large part in writing the present law regarding parity, and it seems to me that we are really not doing any service to agriculture by upsetting the formula which they themselves had a large part in writing, merely because to upset it might work some advantage to a special group of farmers who are engaged in a particular type of agricultural enterprise.

Mr. BROWN. The Senator is correct.

Mr. BARKLEY. I want to emphasize what I understood to be the attitude of those who represented agriculture as portrayed in the testimony of Mr. O'Neal.

Mr. RUSSELL. Mr. President, I am somewhat amazed to hear the Senator from Michigan and the Senator from Kentucky advocate a statement of Mr. O'Neal as the basis of their position on any feature of this bill.

Yesterday we were told that the Bankhead amendment should be defeated by the Senate, whereas Mr. O'Neal in his statement to the committee vigorously insisted that the committee should include the Bankhead amendment in the bill. It all goes back to the old question of whose ox is gored. Senators rely on Mr. O'Neal's statement when it serves their purposes and protects their views on the bill, and they discard it with a wave of the hand when it is contrary to their views.

Mr. BARKLEY. Mr. President, the difference between the Senator from Georgia and the Senator from Michigan and myself seems to be that yesterday the Senator from Georgia agreed with Mr. O'Neal and today he disagrees with him, while yesterday we disagreed with him and today we agree with him. [Laughter.]

Mr. RUSSELL. Exactly. That is the point I wished to make.

Mr. BROWN. To use the small boy's phrase which was so familiar to all of us just before we knocked a chip off the shoulder, "You're another." [Laughter.] The Senator can make that accusation against me, and I can make it against him.

Mr. RUSSELL. I am vulnerable.

Mr. BROWN. But Mr. O'Neal proved to be such an excellent authority yesterday in obtaining the adoption of the Bankhead amendment that I am very proud to call upon him as my authority today; and I hope my action will have the same result.

Mr. RUSSELL. For my part, I hope Mr. O'Neal exhausted all his influence and authority yesterday.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. RUSSELL. I wish to say just one further thing.

Mr. O'MAHONEY. Permit me to make one remark, because this finishes up what the Senator has just been talking about. I am making an additional remark to supplement what the Senator from Georgia has said with respect to the authority that the Senator from Michigan now cites. I caught the language as he read it. He now appeals to the authority whom he rejected yesterday, and cites, bear you in mind, the statement of Mr. O'Neal to support his position against my amendment. Now let us read again what the Senator from Michigan has just read. I have underlined it for the Senator from Michigan, so that he may look over my shoulder as I read it.

This, Mr. President, is Mr. O'Neal, the authority of the Senator from Michigan at this moment, speaking—page 444 of Senate committee hearings:

> Our refusal to support this exemption for agriculture surely ought to be proof of our sincerity in support of effective legislation to control farm prices as well as industrial prices and wages.

The Senator from Michigan and the Committee on Banking and Currency rejected the authority of Mr. O'Neal on industrial prices and wages, and the Senator from Michigan quotes that language to attack the amendment now pending.

Mr. BROWN. And with that expression the Senator from Wyoming has repeatedly stated on the floor that he was in full agreement. In other words, he felt that this bill could not cover the complicated question of wages.

Mr. O'MAHONEY. Oh, certainly; and I think the Committee on Banking and Currency did exactly the right thing. All I am asking is that we tie farm commodity prices to wages.

Mr. BROWN. All I am saying is that if Mr. O'Neal opposes 118 percent of parity in the amendment of the Representative from Georgia [Mr. BROWN], he surely would oppose 120 percent or 121 percent of parity, as proposed by the Senator from Wyoming.

Mr. O'MAHONEY. Of course, because he expected a ceiling on wages.

Mr. RUSSELL. Mr. President, the Senator has twice stated that the so-called Brown amendment raised the index to 118 percent of parity, whereas the table which the Senator from Michigan placed in the RECORD on the day the debate opened on this bill showed that it affected only four commodities. I think the Senator's statement is based upon the old parity price and not upon the new parity price. It certainly could not increase agricultural commodities to as much as 118 percent of the present parity when it affects only four commodities, three of which are not major commodities.

Mr. BROWN. If the Senator from Michigan gets all these statistics straight in the RECORD, I think he will be performing a major task. I readily grant that there may be some errors in that respect; but the point is that the Brown amendment substantially increases 110 percent of parity. My recollection was that it was 118 percent on December 10, when the testimony was given before the committee.

Mr. President, I desire now to conclude by calling attention to the fact that the other gentleman who joined with Mr. O'Neal in the assault on our bill yesterday, and who was so successful—the Secretary of Agriculture—likewise on page 2017 of the House hearings thoroughly endorsed the parity principle, and clearly indicated that he thought that was doing full justice to the farmer.

So I leave the question of the O'Mahoney amendment with the hope that we shall do what I think the great majority of the farmers of the country want us to do—full justice to them by 110 percent of parity—and that we shall not commence an upward climb of prices by permitting 121 percent.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). The Senator will state his inquiry.

Mr. RUSSELL. It is my intention to propose an amendment to the committee substitute amending page 29. Under the substitute proposal of the Senator from Wyoming, it is proposed to strike out all the language of the committee print relating to agriculture.

Mr. O'MAHONEY. Except paragraph (f).

Mr. RUSSELL. I desire to ascertain whether it would be possible for me to offer an amendment to the O'Mahoney amendment in the event the Senate should adopt that amendment.

The PRESIDING OFFICER. The Senator would not have a right to offer an amendment to the O'Mahoney amendment in the event it should be adopted by the Senate.

Mr. RUSSELL. Am I to understand the Chair as ruling that if the O'Mahoney amendment should be adopted by the Senate, it would preclude any further amendment adding an additional formula to the bill?

The PRESIDING OFFICER. The O'Mahoney amendment would not be subject to any further amendment unless reconsidered.

Mr. RUSSELL. Then, Mr. President, I desire to offer an amendment to the O'Mahoney amendment striking out the period in line 2 on page 2, inserting a semicolon, the figure (3), and the following words:

> the average price for such commodity during the period July 1, 1919, to June 30, 1929.

Mr. O'MAHONEY. Mr. President, I understand that to be the so-called Brown amendment which was adopted by the House.

Mr. RUSSELL. That is correct. Has the Senator from Wyoming any objection to that amendment?

Mr. O'MAHONEY. No; I shall be very glad to accept it.

Mr. RUSSELL. In that event, I shall not discuss the amendment now; but, in case the O'Mahoney substitute is rejected, I shall then offer it to the original text, and shall discuss the amendment briefly.

Mr. TAFT. Mr. President, a parliamentary inquiry. Am I to understand that the amendment of the Senator from Georgia was accepted?

Mr. RUSSELL. It was accepted by the Senator from Wyoming as an amendment to his amendment.

Mr. TAFT. Does that mean that when we vote on the O'Mahoney amendment we have to vote not only in favor of this kind of parity but also in favor of the Brown amendment?

Mr. RUSSELL. I cannot imagine the Senator from Ohio having to vote for either one of those proposals. In fact, I think most of the Members of the Senate would faint if the Senator from Ohio should espouse either one of them. [Laughter.]

Mr. TAFT. I am only making the parliamentary inquiry whether approval of this amendment would carry with it the Brown amendment as well as the O'Mahoney amendment.

Mr. RUSSELL. That is different. The first question asked by the Senator was whether he had to vote for both proposals. I wish I had the power to compel the Senator from Ohio to correct the error of his way and support both these proposals.

Mr. TAFT. Does the Senator mean that I have to vote either for both of them or for neither of them?

Mr. RUSSELL. That is exactly correct.

Mr. BARKLEY. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Kentucky will state it.

Mr. BARKLEY. We are required now to vote on the combined proposal—that is, the O'Mahoney amendment plus the amendment of the Senator from Georgia, which is the Brown amendment adopted in the House,

Mr. RUSSELL. That is correct.

Mr. BARKLEY. In the event both are defeated, the Senator from Georgia will offer his amendment separately? Is that correct?

Mr. RUSSELL. I am merely protecting myself from a parliamentary standpoint. The Chair has ruled that if the amendment offered by the Senator from Wyoming should be agreed to by the Senate, I would be precluded and estopped from offering this amendment to the bill.

Mr. BARKLEY. In view of the inconsistency between the Brown amendment, which the Senator has offered, and the O'Mahoney amendment, how is an intelligent vote to be cast?

Mr. RUSSELL. There is absolutely no inconsistency; and I challenge the Senator from Kentucky to point out any inconsistency whatever in this amendment to the O'Mahoney amendment that could not be urged with equal force to the original House provision.

Mr. BARKLEY. I understood the effect of the Brown amendment to be to fix parity at about 118.

Mr. RUSSELL. It does not.

Mr. BARKLEY. And the O'Mahoney amendment to fix it at about 121. Both cannot be in effect.

Mr. RUSSELL. I shall make a brief statement on the amendment and clear up the confusion which evidently rests in the minds of some Senators.

The O'Mahoney amendment relates to a method of computing parity. The so-called Brown amendment, which I have now proposed, has nothing whatever to do with the method of computing parity, but offers an additional formula which the Price Administrator shall use as a

standard before he may fix any price on agricultural commodities

As the bill passed the House, it contained a provision that the Price Administrator should not fix a price for agricultural commodities which was less than the price of October 1, which was in the Senate committee proposal; which was less than 110 percent of parity, which is in the bill as it was reported and is now pending before the Senate; or which was less than a third ingredient in the formula, which was the average farm price from 1919 to 1929. That was the provision of the bill as it passed the House. So the amendment of the Senator from Wyoming merely changes the method of computing parity It does not offer any new standard to guide the Price Administrator, but it provides a new method of computing parity, to arrive at what is a parity price.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BARKLEY. Parity as it is provided in the law now is based upon the period from 1909 to 1914

Mr. RUSSELL. Yes.

Mr. BARKLEY. The Brown amendment nullifies that, changes the period altogether, and bases parity upon a later period.

Mr. RUSSELL. It does not nullify it to any extent. It merely adds to price as of October 1, 1941, which the Senator voted in the committee to report to the Senate, a new limitation—it lays down a new yardstick.

Mr. BARKLEY. As an alternative for 110 percent of parity, based upon the period from 1909 to 1914.

Mr. RUSSELL. So is the Brown amendment an alternative to 110 percent of parity.

Mr. BARKLEY. But based upon a different period.

Mr. RUSSELL. Not based upon any parity at all. It is not based on parity any more than the October 1 price is, which the Senator supported in the committee. It is based on the average price from 1919 to 1929. It does not change parity to any extent. It is an alternative formula which the Price Administrator must observe before he can fix prices.

The first ingredient is the actual market price on October 1. That is in the bill, and the committee has made no motion to strike it out. It has no relation to parity whatever. It is based solely on what the market price of the commodity was on the first day of October 1941. Parity might have been 60 cents a bushel, and the market price on October 1 might have been $2 a bushel. Under the provisions of the bill, the Price Administrator could not fix the price until it reached the price of October 1, 1941.

Mr. BARKLEY. The Senator does not call it parity. The average price between 1919 and 1929 is not called parity, because it does not take into consideration the relationship of farm prices to other prices, which is the basis of parity. He just fixes an arbitrary average for farm prices between those dates, which disregards all other elements in the situation.

Mr. RUSSELL. Not at all.

Mr. BARKLEY. It is not related in any way to purchasing power, or to the cost of other things which the farmer has to buy. It is the arbitrary average of a 10-year period.

Mr. RUSSELL. It is an additional formula.

Mr. BARKLEY. And that would disregard a part of the basis for parity, which includes the purchasing power of the farmer, which has a direct relationship between his income and his outgo. That is true, is it not?

Mr. RUSSELL. It does not disregard it, because as the Senator from Kentucky well knows the parity prices of all agricultural commodities are not based on the 1909 to 1914 period.

Mr. BARKLEY. I know that.

Mr. RUSSELL. One of the first speeches I heard the Senator from Kentucky make on the floor of the Senate was in support of a change of parity as to tobacco from 1909 to some other period. I think it was 1919 to 1929. Today, as the result of the efforts of the Senator from Kentucky, all these commodities are not tied to the 1909–14 period.

Mr. BARKLEY. Still preserving the relationship between the price the farmer got for what he produced and sold and the price he had to pay for everything he had to buy, whereas the amendment of the Senator does not preserve that relationship.

Mr. RUSSELL. Did the Senator support the committee bill which fixed October 1, 1941, as the date?

Mr. BARKLEY. I did. I not only supported it, I insisted on it.

Mr. RUSSELL. Does that price have any relation to the price the farmer pays?

Mr. BARKLEY. It has this relationships, whichever is the higher between the parity price, 110 percent, and the price on October 1, prevails.

Mr. RUSSELL. Exactly. The Senator proposed another period. The Senator supported the October 1, 1941, date, which has absolutely no relationship to any parity formula of which I have ever heard. It was the actual farm market price on October 1, 1941.

Mr. BARKLEY. Of course, we all know that the markets for certain products open at different times in this country. There were certain products for which the market would not open on the 1st day of October, and there would be no October 1 price because the market would not open for 2 months.

Mr. RUSSELL. To what commodity does the Senator refer?

Mr. BARKLEY. Tobacco, for instance.

Mr. RUSSELL. Does the Senator mean there was no market price on tobacco on October 1?

Mr. BARKLEY. There may have been in Georgia, where the season is earlier, but in my State the market price on tobacco was not fixed until December, when the markets opened, and in certain sections of the State not until the 6th of January. So that the October 1 date would not have any effect, and in that case it would go back to the 110 percent of parity. But the object of the committee, and the object of the House, I think, was to fix, in such a case, an alternative as of October 1, or the parity of 110 percent.

The Senator from Georgia is seeking to establish an average over a 10-year period, not to accept a given date close up to the enactment of the law, after prices had increased as a result of the emergency, but to fix an average price over 10 years, which probably would have no relationship to the cost of the things the farmer has to buy. But what the committee of the House sought to do, and what our committee sought to do, was to provide a method by which in certain cases, where the price had increased sufficiently by October the 1st so that there would be greater than parity, to adopt that date. That was a progressive date. In the bill as it was introduced, or at least first considered, March 31 was the date. It was then moved up to July the 1st, and in view of the delay in enacting the law, the House moved it up to October the 1st, and we accepted that in the Committee on Banking and Currency of the Senate. It was a progressive moving forward so as to bring the date, whatever it should be, as near to the date of the enactment of the law as seemed to be wise and practicable. I grant that it had no relationship to the cost of the products the farmer has to buy. It eliminated to a certain extent all the elements which went into parity, by which we undertook to interpret parity as meaning the relationship between farm income and farm outgo.

Mr. RUSSELL. Of course, it had absolutely no relationship to parity. Just as the Senator from Kentucky stated, on October 1st some commodities went as high as 150 or 160 percent of parity, and the Senator's insistence in the committee that that provision be retained had the effect of fixing the ceiling at 150 percent of parity as to those commodities.

Mr. BARKLEY. In that connection, it had no effect whatever upon one of the chief products of my own State, because in my State the market price had not even been determined on October 1, or even November 1, because the markets had not opened.

Mr. RUSSELL. The Senator from Kentucky took care of the products of his State when he changed the parity period. Of course, the 110 percent of parity would be a very fine figure for tobacco, and I was glad the Senator from Kentucky led the fight to change the parity period on tobacco. I supported him very zealously in his efforts.

Mr. BARKLEY. The Senator did.

Mr. RUSSELL. Tobacco is also produced in my State.

Mr. BARKLEY. The State of Georgia produces tobacco, and the Senator was interested, just as I was. But that was done in peacetime; it had no relationship to emergency price fixing which is carried forward in the pending bill.

Mr. RUSSELL. Mr. President, I am not undertaking to write a new parity formula, as the Senator from Kentucky did in the case of tobacco. I am merely asking the Senate to reinsert in the bill that provision which was brought out by the House Committee on Banking and

Currency after exhaustive hearings extending over several months, and which was adopted on the floor of the House without any substantial objection.

It does not provide any new basis for computing parity. It merely was an effort to provide three formulas so as to deal justly with all classes of agricultural commodities. The formula already adopted by the Senate, of October 1, 1941, has given to some commodities a very decided preference. Some commodities were bringing as much as 150 percent of parity on the first day of October 1941. The 110 percent of parity provision, of course, applies to all commodities. It so develops that there are a few commodities which in the period from 1919 to 1929 were a trifle higher than either 110 percent of parity or the price on October 1, 1941.

This amendment was offered to equalize that condition, and to bring those few commodities into some share of the benefits which are enjoyed by commodities which happened to be at a very high price level on the first of October.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. TAFT. Can the Senator tell us about how much the price of commodities will be raised by the Senator's amendment, above the figure that would be set under present conditions by the O'Mahoney amendment?

Mr. RUSSELL. I am not undertaking to discuss the O'Mahoney amendment.

Mr. TAFT. No; but my point is that the O'Mahoney amendment puts a low limit for the maximum price on certain commodities. I wonder what the effect would be of adding the Russell amendment to the O'Mahoney amendment; whether that would raise those figures in any cases and, if so, in what cases.

Mr. RUSSELL. I have not seen a table which would show the effect of the O'Mahoney amendment, and, therefore, I am unable to answer that question. According to some figures shown me by the Senator from Michigan [Mr. BROWN], my amendment would be absolutely without effect on the O'Mahoney amendment, because the figures which the Senator from Michigan had showed that all the prices of all these commodities would be higher under the O'Mahoney parity formula than they would be either under the date of October 1, the 110 percent of parity, or the period from 1919 to 1929. The Senator from Wyoming, however, in the figures he submitted shows that some of these commodities would be slightly higher under this amendment than they are under the O'Mahoney formula. As I recall, in the case of potatoes, of lambs, of chickens, and cotton they would be slightly higher than shown by the figures which have been submitted by the Senator from Wyoming. However, another table shows that the prices under the O'Mahoney amendment would in every case be higher than they were in the period from 1919 to 1929.

Under this amendment potatoes would have a maximum price of 1.25 rather than 1.114 per pound; lambs 10.98 instead of 9.75; chickens 21.4 instead of 18 cents; and cotton would have a maximum of 21.4 instead of 14.65 cents per pound under the formulas now in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming [Mr. O'MAHONEY], as modified, to the committee amendment.

Mr. MURDOCK. Mr. President, I should like to ask the Senator from Wyoming a question before the vote is taken. As I understood the Senator yesterday there was some doubt in his mind whether the parity price, if it was higher than the October 1 price, would be affected by the language of the bill as it was reported to the Senate. I think the Senator stated that the words "whichever is higher" should be in the bill in order to clarify that situation.

Mr. O'MAHONEY. The Senator is correct.

Mr. MURDOCK. I will now ask the Senator to read his amendment as it is printed in the RECORD.

Mr. O'MAHONEY. The Senator is reading from which day's RECORD?

Mr. MURDOCK. I am reading from the CONGRESSIONAL RECORD of January 9, page 189.

Mr. O'MAHONEY. The Senator will recall that when I originally offered the amendment it dealt solely with the wage parity.

Mr. MURDOCK. Yes.

Mr. O'MAHONEY. And then I added the other formula, because certain Senators pointed out that in the case of vegetable oils, for example, the date October 1 ought to be used. Then the date December 15 was put in. And so, as the amendment is now before the Senate, the exact phrase to which the Senator refers is "whichever under clause (1) or (2) is the higher."

Mr. MURDOCK. That is just the point I want to make, and I think if the Senator will give me his attention he might agree with me that even with the words "whichever is higher" in the bill it is limited to the two dates, October 1, or December 15, and does not go back to clause 1, as the amendment is now written, and which the Senator wants it to do.

Mr. O'MAHONEY. The Senator is quite correct, and on the floor just before I concluded speaking I asked to modify my amendment, and on page 2, line 2, after the word "whichever", I inserted "under clause (1) or (2)", so as to read "whichever under clause (1) or (2) is the higher." So that accomplishes exactly what the Senator from Utah has in mind.

Mr. MURDOCK. I did not hear the Senator make that modification, and I would have been surprised had he not done so.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming [Mr. O'MAHONEY], as modified, to the committee amendment.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Ball	Bilbo
Austin	Bankhead	Bone
Bailey	Barkley	Brewster
Brooks	Hill	Radcliffe
Brown	Holman	Reynolds
Bulow	Hughes	Rosier
Bunker	Johnson, Colo.	Russell
Burton	Kilgore	Schwartz
Butler	La Follette	Shipstead
Byrd	Langer	Smathers
Capper	Lee	Spencer
Caraway	Lodge	Stewart
Chandler	Lucas	Taft
Chavez	McCarran	Thomas, Idaho
Clark, Idaho	McFarland	Thomas, Okla.
Clark, Mo.	McKellar	Thomas, Utah
Connally	McNary	Tobey
Danaher	Maloney	Truman
Davis	Maybank	Tunnell
Doxey	Mead	Tydings
Ellender	Millikin	Vandenberg
George	Murdock	Van Nuys
Gerry	Murray	Wagner
Gillette	Norris	Wallgren
Green	Nye	Walsh
Guffey	O'Daniel	White
Gurney	O'Mahoney	Wiley
Hayden	Overton	Willis
Herring	Pepper	

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

Mr. BROWN. Mr. President, before the vote is taken on the pending amendment, I wish to take 2 or 3 minutes to show what it would do in the way of actual price limitation.

If this amendment, which is a combination of the O'Mahoney and Russell amendments, were to be adopted, the price of wheat would have to rise from the present figure of $1.02 a bushel to $1.53; the price of corn from 56 cents to $1.11; the price of oats from 45 to 69 cents; the price of barley from 56 cents to $1.07; the price of buckwheat from 64 cents to $1.27; the price of cotton from $16.23 to $21.40; the price of sweetpotatoes from 86 cents to $1.52; the price of hay from $9 a ton to $20.65; the price of eggs from 34 to 46 cents, and the price of butterfat from 36 to 50 cents. It would simply mean, Mr. President, that if this amendment were adopted there would be absolutely no power given the Price Administrator, if he were to follow the standards in the act, to fix the price of any industrial products. It would mean that the prices of farm products would go up something like 25 percent on the average, and industrial products would have to follow the same general level. The vicious spiralling which we have been fighting to prevent would be on its way.

If the amendment were adopted, I do not think the bill would be of any benefit to the American people.

Mr. O'MAHONEY. Mr. President, the figures which the Senator has just read do not agree with the computations which have been made for me. I do not believe the conclusion which the Senator has announced is at all justified. The adoption of this amendment would not require an increase of agricultural prices, but it would prevent the depression of agricultural commodities below the spiraling level of urban wage rates, concerning which the Committee on Banking and Currency did nothing.

I ask unanimous consent that there be printed in the RECORD at this point a statement comparing the wage-parity plan with other farm price-ceiling provisions.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TABLE 1.—*Wage parity plan compared with other farm price ceiling provisions*

Prices at farm for products farmers sell	Actual price		110 percent of parity in December 1941 as computed by U. S. Department of Agriculture	100 percent of parity in December 1941 under recommended wage parity plan [1]
	Oct. 15, 1941	Dec. 15, 1941		
Apples, per bushel	$0.87	$1.09	$1.52	$1.52
Barley, per bushel	.49	.56	.98	.80
Beans, dried, per hundredweight	4.44	4.93	(2)	5.42
Beef cattle, per hundredweight	9.18	9.38	8.25	9.95
Butterfat, per pound [3]	.37	.36	.42	.45
Chickens, per pound	.16	.16	.18	.23
Corn, per bushel	.65	.67	1.02	1.01
Cotton, per pound	.166	.162	.196	.200
Cottonseed, per ton	50.80	44.65	35.64	39.08
Eggs, per dozen [3]	.32	.34	.34	.34
Flaxseed, per bushel	1.64	1.78	2.67	2.65
Hay, all, per ton	8.34	9.43	18.80	15.08
Hogs, per hundredweight	10.08	10.21	11.44	12.35
Lambs, per hundredweight	9.66	9.86	9.30	11.50
Milk, wholesale, per hundredweight	2.55	2.66	2.08	2.91
Oats, per bushel	.39	.45	.63	.54
Oranges, per box	1.87	1.14	(2)	2.11
Peanuts, per ton	88.00	96.00	152.00	111.00
Potatoes, per bushel	.67	.83	1.11	1.18
Rice, per bushel	.97	1.44	1.29	1.29
Soybeans, per ton	47.33	49.00	(2)	53.00
Sweetpotatoes, per bushel	.87	.87	1.39	1.35
Tobacco, burley, per pound	(2)	(2)	.28	.31
Tobacco, flue-cured, per pound	(2)	(2)	.29	.31
Turkeys, per pound	.19	.21	.23	.28
Veal calves, per hundredweight	11.14	11.22	10.69	12.15
Wheat, per bushel	.91	1.02	1.40	1.46
Wool, per pound	.36	.37	.29	.37
Index, all farm products (1910–14=100)	(139)	(143)	(158)	(172)

[1] Plan is based on an index comprised of (a) the official parity index now used by the U. S. Department of Agriculture and (b) an index of wage rates of urban workers; with the former carrying a weight of 80 percent and the latter a weight of 20 percent. The base period is 1910–14 for the general level of prices but price relationships are modernized on the basis of the last 10 years. Prices in this column are arrived at by multiplying the actual farm prices (including Government payments) in 1931–40 by 1.74. This factor is secured by dividing the new parity index of 172 in December 1941 by 99 which was the index of prices received by farmers for all farm products (including Government payments) in 1931–40. On the average farm prices under this plan in December 1941 would be 9 percent higher than 110 percent of old parity and 20 percent higher than actual prices.

[2] Unavailable.

[3] Not seasonally adjusted. With seasonal adjustment the parity price for eggs and butter would be higher than shown here.

Mr. O'MAHONEY. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. BANKHEAD. Mr. President, I am in a rather difficult situation with respect to this amendment. As a member of the subcommittee, where I was very definitely in the minority on important phases of the agricultural section, certain statements and declarations were made in connection with working out an agreement with respect to the figure 110 percent of parity which probably left the impression on members of the committee that aside from supporting the Brown amendment, as to which I gave notice, otherwise I would not oppose the parity program set out in that section.

I should like very much to have this new formula developed. It is one of very great interest, and I am very clear that sooner or later the level of agricultural prices must be increased or the level of industrial prices must be reduced. A short time ago I noticed that Mr. Walter Lippmann wrote an article on this subject, which attracted a great deal of attention. I thought the subject ought to be followed up.

There seems to be some controversy as to whether certain figures present here are inaccurate and whether they have been approved or promulgated by the Bureau of Agricultural Economics. But aside from that, there is one other difficulty which disturbs me. If this amendment is adopted, it will take out of the bill as passed by the House the 110 percent of parity as a ceiling below which the Administrator may not go, and the prices as of October 1. That would necessarily throw the whole subject into conference and would open up a very broad field of discussion and consideration. It gives me anxiety. I do not know how the conferees on the part of the Senate or those on the part of the House would feel. It seems to me to be rather risky to open up that subject at this time and in this way.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BARKLEY. Without the O'Mahoney amendment the 110 percent would not be in conference, and the October 1 base would not be in conference.

Mr. BANKHEAD. That is the point I make.

Mr. BARKLEY. The adoption of the O'Mahoney amendment would throw the whole question into conference.

Mr. O'MAHONEY. Mr. President, will the Senator yield? There is a great error in that statement which I wish to correct.

Mr. BARKLEY. Please let me conclude my statement. I do not know who the conferees from either House will be, but I should regard it as unfortunate to throw the 110 percent problem and the October 1 date into conference, if that would be the effect. I am inclined to think it would be, because it would set up a different basis.

Mr. BANKHEAD. Mr. President, if I were entirely free from any obligation growing out of the discussion in the committee of which I am a member, and which I think contributed to some extent to the agreement we finally reached in the Senate among the friends of the 110-percent provision, as well as those opposed to it, I think I might vote for the O'Mahoney amendment. But I do not like to do so at this time when, as has been stated, it would throw the whole question into conference.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. BANKHEAD. I yield.

Mr. O'MAHONEY. The Senator is in error. The date of October 1 is in my amendment; therefore the date of October 1 would not be in conference. The only matter which would be in conference would be the wage parity formula upon which my amendment is based.

Mr. CLARK of Missouri. Mr. President, will the Senator yield to me at that point on a parliamentary question?

Mr. BANKHEAD. I yield.

Mr. CLARK of Missouri. While I intend to vote against the O'Mahoney amendment, it seems to me that the Senate should be acquainted with the facts when it votes on the question, in view of the statements which have been made as to what would be in conference. As I understand the bill, the Senate committee struck out all after the enacting clause and inserted new language, in which case, according to numerous decisions of the presiding officers of both the House and the Senate, the whole subject matter of the bill will be in conference.

Therefore, the fact that there may be in the House bill a provision identical with a provision in the Senate bill on one particular subject, makes no difference. The whole broad subject of price fixing will be before the conference. While, as I say, I am opposed to the O'Mahoney amendment, I do not think the Senate should vote on the amendment with the idea that by putting in certain things it would send them to conference, or that by leaving them out they would be settled, because that is not the parliamentary situation.

Mr. BANKHEAD. I am sure the statement of the Senator from Missouri is entirely correct. We have had the same parliamentary question on more than one occasion, particularly when the Agricultural Adjustment Act of 1938 was under consideration.

The point of the matter is that moral pressure and influence, with the declaration of the two Houses on the subject, would have as much effect on one House as on the other.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me at that point?

Mr. BANKHEAD. I will yield in a moment. I have not said, and it is not my thought, that the committee does not have wide discretion. The fact is that the conference on this bill can throw out every word of it and can write in a new bill if the conferees see fit to do so.

I now yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, of course the statement of the Senator from Missouri is quite accurate. On numerous occasions the ruling of the Presiding Officer of the Senate has been that when everything after the enacting clause is stricken out when the bill comes from this body, the whole subject matter is in conference. That is true.

But, as I understood the Senator from Alabama, the point raised by him was that the date October 1 would be jeopardized, because he was under the impression that it was not included in my amendment. It is included in my amendment.

Mr. BANKHEAD. I knew that.

Mr. O'MAHONEY. So that if the amendment is adopted both the House and the Senate will have adopted the date October 1 as one of the standards; and if there is any moral obligation to be followed by the conferees in addition to any other kind of obligation, they will retain the date October 1. My amendment does not take it out.

Mr. BANKHEAD. I am aware of that. The Senator has two dates in his amendment. There is one date in the House bill; and in the proposed amendment there would be two dates. I did not make my statement in any spirit of hostility. My last statement was that if I did not feel a moral obligation growing out of the action taken in the committee and the declarations there I should feel inclined to vote as the Senator from Wyoming will vote. But under the circumstances and conditions I do not feel that I can do so.

Mr. O'MAHONEY. I understood quite clearly that the Senator from Alabama was discussing the matter from his own personal point of view. I desire to make it clear that I respect the moral obligation which exists. I desire also to make it quite clear to every Member of the Senate that there is no fundamental objection to the amendment, and that all Senators who did not give any pledge or did not give any indication of following the policy are under no obligation to follow the distinguished leader of the farm bloc on this question.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Wyoming to the amendment in the nature of a substitute reported by the committee. On this question the yeas and nays have been demanded and ordered.

Mr. BURTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BURTON. I understand we have before us the O'Mahoney amendment, printed under date of January 9. The Senator has accepted some minor modifications. I understand that there is also before us an amendment offered by the junior Senator from Georgia [Mr. RUSSELL]. Will the Chair have the pending amendment stated?

The PRESIDING OFFICER. The modified amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to the amendment of the committee will be stated.

The CHIEF CLERK. On page 29, after line 4, in the committee amendment, it is proposed to strike out all of section 3, relating to "agricultural commodities," and insert in lieu thereof the following:

SEC. 3. (a) No maximum price shall be established or maintained for any agricultural commodity below either (1) the then current emergency wage parity price or comparable price for such commodity, adjusted for grade, location and seasonal differentials, as determined and published by the Secretary of Agriculture in the manner hereinafter provided in subsection (b); or (2) the market price prevailing for such commodity on October 1, 1941, or December 15, 1941, whichever under clause (1) or (2) is the higher; or (3) the average price for such commodity during the period July 1, 1919, to June 30, 1929.

(b) For the purposes of this act, emergency wage parity prices shall be determined by the Secretary of Agriculture by constructing a combined index in which the purchasing power index now used by the Secretary to compute parity prices shall be given a weight of 80 and a factor representing an index of urban wage rates, as determined by the formula in use January 1, 1941, in the index of wage rates published in The Monthly Review of Credit and Business Conditions by the Federal Reserve Bank of New York, shall be given a weight of 20. This combined index shall have August 1909 to July 1914 as a base period. In applying this combined index the Secretary shall take such steps as in his judgment may be necessary to establish and maintain equitable price relationships, as among all agricultural commodities.

(c) Any maximum price established upon the resale price of any agricultural commodity, or any grade, regional or market classification thereof, or upon the price of any commodity processed or manufactured in whole or substantial part from any agricultural commodity shall not be below a price which will reflect to the producer of such agricultural commodity the emergency wage parity or comparable price therefor as determined pursuant to this section.

(d) Neither the provisions of section 5 nor any other provision of this act shall be construed to authorize any action contrary to the provisions and purposes of this section: *Provided*, That nothing contained in this act shall be construed to modify, repeal, supersede, or affect the provisions of the act of Congress cited as the Agricultural Marketing Agreement Act of 1937, as amended, or to invalidate any marketing agreement, license, or order, or any provisions thereof, or amendments thereto, which may be in existence or hereafter issued under the provisions of said act

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Wyoming to the committee amendment. On this question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the senior Senator from Montana [Mr. WHEELER], and I make the announcement that if present he would vote as I intend to vote. I vote "yea."

The roll call was concluded.

Mr. MCNARY. On this question the Senator from Kansas [Mr. REED] is paired with the Senator from Virginia [Mr. GLASS]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Virginia would vote "nay."

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from California [Mr. DOWNEY], the Senator from Virginia [Mr. GLASS], and the Senator from South Carolina [Mr. SMITH] are necessarily absent.

The Senator from Montana [Mr. WHEELER] is absent on important public business. I am advised that, if present and voting, he would vote "yea."

The Senator from Virginia [Mr. GLASS] is paired with the Senator from Kansas [Mr. REED]. I am advised that, if present and voting, the Senator from Virginia would vote "nay" and the Senator from Kansas would vote "yea."

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury.

The result was announced—yeas 55, nays 31, as follows:

YEAS—55

Aiken	Herring	Overton
Austin	Holman	Pepper
Bali	Hughes	Rosier
Bilbo	Johnson, Colo.	Russell
Brewster	La Follette	Schwartz
Brooks	Langer	Shipstead
Bulow	Lee	Smathers
Bunker	McCarran	Spencer
Butler	McFarland	Stewart
Capper	McKellar	Thomas, Idaho
Caraway	McNary	Thomas, Okla.
Clark, Idaho	Maybank	Thomas, Utah
Connally	Mead	Tobey
Doxey	Millikin	Van Nuys
Ellender	Murdock	White
George	Murray	Wiley
Gillette	Nye	Willis
Gurney	O'Daniel	
Hayden	O'Mahoney	

NAYS—31

Bailey	Davis	Reynolds
Bankhead	Gerry	Taft
Barkley	Green	Truman
Bone	Guffey	Tunnell
Brown	Hill	Tydings
Burton	Kilgore	Vandenberg
Byrd	Lodge	Wagner
Chandler	Lucas	Wallgren
Chavez	Maloney	Walsh
Clark, Mo.	Norris	
Danaher	Radcliffe	

NOT VOTING—10

Andrews	Glass	Smith
Barbour	Hatch	Wheeler
Bridges	Johnson, Calif.	
Downey	Reed	

So Mr. O'MAHONEY's modified amendment to the amendment of the committee was agreed to.

DAYLIGHT-SAVING TIME

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2160) to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450).

Mr. BARKLEY. I desire to interrupt the consideration of this "farm relief" bill long enough to move that the Senate disagree to the House amendment to Senate bill 2160, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. WHEELER, Mr. WAGNER, Mr. BARKLEY, Mr. BONE, Mr. WHITE, and Mr. AUSTIN conferees on the part of the Senate.

PRICE CONTROL

The Senate resumed the consideration of the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises,

price dislocations, and inflationary tendencies, and for other purposes.

Mr. TYDINGS. Mr. President, I have on the desk an amendment which I now offer and ask to have stated.

The VICE PRESIDENT. The amendment offered by the Senator from Maryland to the amendment reported by the committee will be stated.

The CHIEF CLERK. In the committee amendment, on page 33, line 7, it is proposed to insert the following:

Provided, That all appointees receiving $4,000 a year or more, and all chiefs of regional and State agencies established by the Administrator shall be appointed by the President and confirmed by the Senate.

Mr. TYDINGS. Mr. President, the amendment is quite simple. It merely provides that all regional and State administrators, if any there be, and all persons receiving compensation in excess of $4,000 a year shall be appointed by the President by and with the advice and consent of the Senate.

It would be useless for me to take the time to explain the amendment. Every one is familiar with it. I should like to say, in support of it, however, that I have heard repeatedly on the floor that this is one of the most far-reaching bills ever passed in the history of the country. It proposes to give to one man the power of life and death over all the economic life of the country; the power to fix the price of everything on the farm, in the factory, or wherever it may be. Certainly if we are going to surrender such vast authority, we should, at least, retain the power to consider who shall administer such a terrific, widespread, and revolutionary proposal, as compared with peaceful times, as the price-control bill is. For that reason, I offer the amendment.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Kentucky.

Mr. BARKLEY. I am wondering whether the Senator really thinks it is necessary for the Senate to confirm all appointees drawing $4,000 a year or more who are appointed to serve in Washington? I can understand that there may be some reason why State administrators, or regional administrators should be confirmed by the Senate, in order to give an opportunity to Senators or others to look into their qualifications in their respective States; but it is impossible to determine, in advance, the number of men who may be brought to Washington for the purpose, generally, of administering this act. So I wondered if the Senator would not be willing to eliminate that provision of his amendment which requires the confirmation of those who are brought to Washington in the administration of the act and are not in charge of any State or regional activity?

Mr. TYDINGS. The Senator from Maryland would like to accommodate the leader in any way he could, but this is what would happen if the suggestion of the Senator from Kentucky were adopted: The most important part of this whole administration will be in Washington, and, as a matter of fact, I think it would be more important to keep an eye on the central agency fixing prices than it would be on regional or State agencies which carry out policies determined in Washington by the central authority. I should be glad to modify the amendment in any way which would allow the Senate to keep reasonable control over the personnel of the administrative and price-fixing authority; the purpose of the amendment is to keep such control; and if I were to accede to the suggestion of the Senator from Kentucky, I am afraid my amendment would amount to nothing.

Mr. BARKLEY. I doubt very much whether the $4,000 limitation would cover State or municipal administrators, anyway. It seems to me the Senator has placed the figure a little low. Ordinarily, we have fixed $5,000 as the minimum compensation, although there have been one or two exceptions, requiring confirmation by the Senate of appointments.

Mr. TYDINGS. I had $5,000 in the amendment as I originally drew it, but several Senators, who knew of the amendment, came to me and asked me to lower the limit to $3,000. I thought, as the Senator from Kentucky thinks, that that was exercising a degree of control for incidental offices that had nothing to do with the matter of fixing policy per se. So, after talking to them, I persuaded them not to offer an amendment, but stated that I would lower the minimum in my amendment to $4,000. That is how the $4,000 figure appears in the amendment. I will compromise with the Senator on $4,500, and I hope my friends will not blame me for doing so.

Mr. BARKLEY. I am not seeking any compromise about it, and I do not think $4,500 would make any great difference compared to $4,000, but, evidently, many men who are experts in this field will have to be employed. They will not be political appointments, I hope; certainly no man's politics ought to take precedence over his qualifications and his experience in regard to the matters involved.

It seems to me that the necessity of having routine senatorial approval of the appointment of everybody who draws $4,000 a year or over is not of sufficient importance to justify the effort. So far as I am concerned, if this amendment should be agreed to at all, I should much prefer to have the salary $5,000 instead of $4,000. I think that is a reasonable limitation. If we should get down to three or four thousand dollars, we should get down into the region of heads of bureaus or divisions or groups in Washington as to which there is no particular occasion for senatorial scrutiny, unless we are to go all the way down and to say that we will investigate the qualifications of everybody.

I shall not offer any amendment to the proposal—I do not think I shall—but it seems to me $5,000 would be a more reasonable figure than $4,000, if the Senate is to agree to this amendment.

Mr. MALONEY. Mr. President——

Mr. TYDINGS. I yield to the Senator from Connecticut.

Mr. MALONEY. I very seriously hope the Senator from Maryland will not be persuaded by the sincere suggestion of the majority leader. I do not know to what extent the columnists are correct; I have not an intimacy with the departments downtown; but, like every other Senator, I read day after day of the overcrowding of defense agencies, of the confusion, of the overstaffing of the forces, of the industrial refugees who have come to us, of the corporate politicians who have taken over. I think the Senate and the Congress have permitted not only excessive salaries but the piling up of governmental expenditures in all these agencies. We have permitted them to get farther away from us all the time.

I am not at all concerned with the matter from a political standpoint; but I think it is extremely important—and I congratulate the Senator from Maryland upon his amendment—that we keep closely in touch with these appointments, if for no other reason than to discourage the constant streaming of people into Washington, many of whom ought to be back home.

Mr. TYDINGS. I thank the Senator from Connecticut for his suggestion. One of the reasons why the amount specified in the amendment was originally fixed at $4,000, after conferring with other Senators, was so that we could keep a check on the extent of the personnel who would administer this measure. It tended to put the Administrator on notice not to employ more persons than are necessary.

I am with the Senator completely. I was only trying to accommodate my purpose to the views of other Senators. My amendment will remain at $4,000 unless it is amended at the suggestion of some other Senator.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Tennessee.

Mr. McKELLAR. I call the attention of the Senator from Maryland to the last four words of his amendment—"and confirmed by the Senate." The wording ought to be "and by and with the advice and consent of the Senate."

Mr. TYDINGS. Certainly.

Mr. McKELLAR. I offer that amendment to the amendment of the Senator from Maryland.

Mr. TYDINGS. I accept the amendment of the Senator from Tennessee.

Mr. CLARK of Idaho. Mr. President, will the Senator from Maryland yield?

Mr. TYDINGS. I yield.

Mr. CLARK of Idaho. May I ask the Senator from Maryland what the effect of his amendment would be as to being retroactive?

Mr. TYDINGS. Frankly, I had not given that matter any thought, but I should imagine that it would be retroactive. When we establish a bureau, everything begins from there.

Mr. CLARK of Idaho. So the appointments of members of the present staff would have to be resubmitted?

Mr. TYDINGS. I think so.

Mr. DAVIS. Mr. President, as we consider the important measure now before us, it is necessary that we keep carefully in mind the main trends of current economic forces that are at work in the life of the Nation. No legislation in itself

will solve our price problems. Moreover, legislation of this nature will in itself create additional problems.

In times of peace, price-fixing holds inherent dangers to our American way of life. However, the pressure of war necessities calls for measures much more stringent than we ordinarily contemplate. I have followed very closely the debate on this bill; and, while I cannot accept all its provisions, I realize that some form of legislation in behalf of price stabilization is necessary. Price structures have gotten badly out of hand without it.

In ordinary times, workers in coal and steel are fortunate if they get 9 months' work a year. Many times they do not get that much. Now they are busy all the time; and with increased earning power some stabilizing top must be found for prices if their earnings are not to be completely sacrificed in sky-rocket prices.

The perils of inflation in a war economy constitute a trend of anarchy and confusion inexpressibly great. If we must choose—and the choice seems necessary—between the curbs on industry and agriculture, and the perils of inflation at a later time, unquestionably the choice of the lesser of these two evils must now be made.

As I now view this bill, particularly in the light of the safeguards secured through the Vandenberg amendment, I shall vote for it, although reluctantly, and with the thought that probably some modifications will be required at a later time.

With the view of obtaining facts on this subject, I have requested the Bureau of Labor Statistics of the Department of Labor to prepare the factual background of the present legislation. I have at hand a statement from Mr. A. F. Hinrichs, Acting Commissioner of Labor Statistics, which he has presented to me as a matter of his personal opinion. It does not express the official attitude of the Department of Labor. It does, however, contain many facts which will be helpful to all of us as we weigh the advantages and disadvantages of this legislation. I ask unanimous consent to have printed in the RECORD, as a part of my remarks, the statement of Mr. Hinrichs.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter is as follows:

DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, January 8, 1942.

Hon. JAMES J. DAVIS,
United States Senate, Washington, D. C.

DEAR SENATOR DAVIS: When the war in Europe broke out in August 1939, prices in the United States were at a relatively low level. The Bureau of Labor Statistics index for wholesale prices stood at 75 percent of the 1926 average. This was about the level of wholesale prices in 1934 and represented a substantial decline from the level of 88 in April 1937, reached during the boom of that year.

The cost of living in August 1939 stood at about the average of the period from 1935 to 1939, inclusive, and was about 4.5 percent under the peak level reached in September 1937, when the index stood at 104.3 percent of the average for the period 1935–39.

With the outbreak of the war there was a speculative flurry. A few commodities were affected in the retail market. For example, there was a sharp rise in the price of sugar, which lasted for a few weeks as housewives sought to lay in large stocks. The index for the cost of living, compiled by the Bureau of Labor Statistics, rose from 98.6 in June 1939 to 100.6 in September and declined again to 99.6 in December 1939. The advance from June to September 1939 reflected primarily the sharp advance in food prices. The decline from September to December reflected almost entirely a readjustment of retail food prices to approximately the levels which had prevailed in June. The general index of wholesale prices jumped from 75.0 in August 1939 to 79.1 in September, and reached an average of 79.4 in October before it began to recede. While the speculative flurry in September, therefore, affected both wholesale and retail markets, it was most conspicuous in the wholesale markets for basic raw materials. The Bureau of Labor Statistics index of wholesale prices for 28 basic commodities rose to 127.2 percent of the August 1939 average by September 22, 1939.

From that time until late in 1940 price movements indicated that the markets were readjusting themselves to the war outlook. Prices of basic commodities dropped until in August 1940 they stood only 5 or 6 percent above the average of August 1939. The general level of wholesale prices declined moderately so that in August 1940 the index stood at 77.4 percent of the 1926 level as compared with 75.0 in August 1939. The cost of living as late as November 1940 stood at the average level of living costs for the period 1935–39 and was little higher than it had been prior to the outbreak of the European war.

The general rise in prices in the United States began in the late summer of 1940, when the defense program began to take effect. The index for 28 basic commodities in the wholesale markets rose from 105.5 on August 19, 1940, to 118.0 on November 19, 1940. The general wholesale price index, based on some 900 commodities, rose from 77.4 in August 1940 to 80.8 in January 1941. The cost of living did not begin to rise until November and rose from 100.1 in November to 100.7 in December. The markets for basic raw materials were relatively quiet during the latter part of November and December and experienced some upward movement in January, though most of this gain was lost in the closing days of January and the early days of February. Wholesale markets generally were almost stationary from January to February, as was also the cost of living. In February 1941 a rapid movement of prices got under way which paralleled the rate of advance in World War No. 1. The index for 28 basic commodities rose from 119.2 on February 4, 1941, to 149.5 on June 27, 1941. The rise was almost uninterrupted and represents one of the longest and most severe increases in basic prices of which any record exists. The rise was interrupted for a few weeks in July and again for a few days in August. However, the fundamental movement in the basic commodity markets continued until the index reached 156.8 on September 13, 1941. The basic commodity markets reacted somewhat in October, but had recovered their September levels by the end of November and the index stood on January 7, 1942, at 162.4.

The wholesale price index of the Bureau of Labor Statistics, based on 900 commodities, has advanced from month to month and almost from week to week since February 1941. In February the index stood at 80.6. It rose to 92.4 by October. The movement from October to November was comparatively small but the wholesale price index for the week ending January 3, 1942, stands at 94.3. This is only one point lower than the average of wholesale prices for the year 1929.

It was in this period of sustained and general price advances that the cost of living began to rise rapidly. The Bureau of Labor Statistics' cost of living index stood at 100.8 in February 1941 and had risen to 110.2 by November 1941. The December figures are not yet available, but will show a further increase. As a matter of fact, since retail prices lag behind wholesale prices, it is inevitable that the cost of living shall continue to advance for several months even after wholesale prices are stabilized.

These movements of prices threaten of themselves to set in motion inflationary forces. The stabilization of living costs is almost prerequisite to a stabilization of wage rates. A rise in the cost of living is in fact a form of indirect taxation which falls especially heavy on the lower income groups. For a family with an increase of approximately $1,500, a 10-percent rise in the cost of living is equivalent to a 10-percent tax on the total income of the family For a family with an income of $2,500, a 10-percent rise in living costs results in a somewhat smaller tax on total income, perhaps to a tax of 7½ percent. The difference is due primarily to the fact that families at $1,500 are forced to spend virtually their entire income for current necessities, whereas families with higher incomes save a portion of their income. The rise in living costs only affects that part of the income which is spent.

A tax of 7½ percent of the total income of a family is a desperately severe tax. In order to lay an equally heavy tax burden through the process of progressive income taxes, it would be necessary to tax that portion of the family's income above $1,500 and below $1,600 at the rate of 4 percent, and to advance that rate of tax for each succeeding $100 until income from $1,900 to $2,000 was taxed at the rate of 20 percent An income between $2,000 and $2,500 would then be taxed at the rate of 25 percent. I do not suggest that these are desirable rates of taxation, but if we were to accomplish through direct taxation the sort of thing which happens through rises in cost of living, some such tax schedule would have to be devised. It is inevitable that families subjected to this sort of pressure should attempt to increase their earnings. The stabilization of prices this next year will require strong legislative sanction. The market forces will make for further price increases. The victory program calls for an all-out effort in the production of war materials. In order to accomplish this objective, it will be necessary to stop making many commodities which have ordinarily been sold to consumers and to turn the plants to the production of war materials. There will not be many lines in which it will be possible to increase production for the consumer market. At the same time more people will be employed in 1942 than were employed in 1941. The total amount of consumer purchasing power is therefore likely to be greater, though in the aggregate there will be no more goods for which that money can be spent. If consumers are allowed to bid prices up, we shall be headed for a vicious spiral, because the lower income groups will necessarily have to demand further increases of wages and of purchasing power in order that they shall not be shut out of the market to an unfair extent.

Price control is only part of our problem. It will also be necessary to reduce available consumer spending through the fiscal policy of the Federal Government. I presume that there will be substantial increases of taxes which will have to bear heavily even on families of moderate income. The Treasury's savings-bonds campaign will undoubtedly be extended.

We must also see to it that bottlenecks are not allowed to develop that will unnecessarily prevent the production of goods for consumers. As far as is consistent with the war effort we must maintain the total volume of goods and services available.

Finally, the consumer market will be so tight this next year that it will not be pos-

sible for large groups of the population to improve their economic conditions. This is true of farmers and wage earners as well as of other groups. There is serious danger that efforts to secure higher wages or higher farm prices may merely result in pumping additional purchasing power into the market.

Here and there wage increases will be justified by increases in labor productivity or will be made necessary in order to keep the necessary number of workers in areas which have paid low wages. Similarly, the prices of some farm products may have to rise.

If a general upward movement of wages is to be prevented, however, it will be necessary not only to assure workers that there will be no substantial increases in the cost of living. It will also be necessary to eliminate extraordinary profits arising from the war. The third quarter earnings, as published by the National City Bank of New York and others, indicate that the earnings of many corporations, even after allowance for taxes, are running at levels which permit the corporations to pay higher wages than are now being paid. So long as such a situation is permitted to continue, it must be assumed that the workers will seek a share in the profits. The most that could possibly be suggested would be that they should take their share of profits in the form of Treasury savings bonds rather than in the form of straight cash payments. Furthermore, since a general stabilization of wages would keep many families at a relatively low-income level, it would be necessary in order to justify this measure to have very sharply progressive income taxes from the $1,500 income level up.

Price control and price stabilization is therefore only one of the measures which needs to be adopted this next year in order to prevent a continuation of inflationary movements. It is, however, a measure of fundamental importance and should probably be taken before other steps that may become necessary.

This letter is written in response to your request that I give you my ideas with respect to inflationary forces now at work in our economy. I should prefer that you regard it as an expression of my personal opinion rather than as expressing the official attitude of the Department of Labor. I hope this is of service to you.

Very sincerely yours,

A. F. HINRICHS,

Acting Commissioner of Labor Statistics.

Mr. DAVIS. Mr. President, I shall vote for the passage of the bill.

Mr. BROWN. Mr. President, if I were to follow my own inclinations on this matter I should oppose the amendment of the Senator from Maryland, because I do not believe that in the case of a temporary agency which has an outside life of a year and a half, senatorial confirmation should be required. But I bow to the sentiment of many Senators as here expressed, and will accept the amendment and take it to conference, and there see what we can do with the Members of the House, who heretofore on similar matters have not been particularly favorable to this type of amendment on an emergency matter. But I recognize, in view of what has been said by Senators, that that probably is the best disposition to make of it.

Mr. TYDINGS. Mr. President, inasmuch as the amendment must go to conference, I ask the Senate to give us a record vote on it, so that it will not be considered as an individual proposition, but rather as the action of the entire Senate.

I ask for the yeas and nays on my amendment, as modified.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The Legislative Clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the senior Senator from Montana [Mr. WHEELER], and will vote. I vote "yea."

The roll call was concluded.

Mr. McNARY. The Senator from Kansas [Mr. REED] is unavoidably detained. If present, he would vote "yea."

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from California [Mr. DOWNEY], the Senator from Virginia [Mr. GLASS], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from South Carolina [Mr. SMITH] are necessarily absent.

The Senator from Montana [Mr. WHEELER] is absent on important public business.

Mr. GILLETTE. My colleague [Mr. HERRING] is unavoidably detained. I am advised that if present and voting, he would vote "yea."

The result was announced—yeas 72, nays 12, as follows:

YEAS—72

Aiken	Gerry	Radcliffe
Austin	Gillette	Reynolds
Bailey	Gurney	Rosier
Ball	Hill	Russell
Bankhead	Holman	Schwartz
Bilbo	Hughes	Shipstead
Bone	Johnson, Colo.	Smathers
Brewster	Kilgore	Spencer
Brooks	La Follette	Stewart
Bulow	Langer	Taft
Burton	Lee	Thomas, Idaho
Butler	Lodge	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capper	McCarran	Tobey
Caraway	McKellar	Truman
Chandler	McNary	Tydings
Clark, Idaho	Maloney	Vandenberg
Clark, Mo.	Maybank	Van Nuys
Connally	Mead	Wagner
Danaher	Millikin	Wallgren
Davis	Murdock	Walsh
Doxey	Nye	White
Ellender	O'Daniel	Wiley
George	Overton	Willis

NAYS—12

Barkley	Green	Murray
Brown	Guffey	Norris
Bunker	Hayden	Pepper
Chavez	McFarland	Tunnell

NOT VOTING—12

Andrews	Glass	O'Mahoney
Barbour	Hatch	Reed
Bridges	Herring	Smith
Downey	Johnson, Calif.	Wheeler

So Mr. TYDING's amendment, as modified, to the amendment of the committee, was agreed to.

Mr. GEORGE. Mr. President, I desire to call up an amendment which has been printed. I desire also to modify the amendment, but the modification is merely as to language. I had used the word "ceiling," following an amendment which was in the original House bill, but the word "ceiling" had been supplanted by the words "regulation or order," and I have modified the language of my amendment. I think there will be no objection to the amendment, and I desire to offer it at this time.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 24, line 11, it is proposed to insert the following after the period:

Before issuing any regulation or order under the foregoing provisions of this subsection the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order. In the case of any commodity for which a maximum price has been established, the Administrator shall, at the request of any substantial portion of the industry subject to such maximum price, regulation, or order of the Administrator, appoint an industry advisory committee, or committees, either national or regional or both, consisting of such number of representatives of the industry as may be necessary in order to constitute a committee truly representative of the industry, or of the industry in such region, as the case may be. The committee shall select a chairman from among its members, and shall meet at the call of the chairman. The Administrator shall from time to time, at the request of the committee, advise and consult with the committee with respect to the regulation or order, and with respect to the form thereof, and classifications, differentiations, and adjustments therein. The committee may make such recommendations to the Administrator as it deems advisable.

Mr. GEORGE. Mr. President, I think the distinguished Senator from Michigan, in charge of the bill, is familiar with the amendment. This amendment was inserted originally by the House committee. Subsequently, an amendment transferring the administration of the act to a board of five was adopted, and this provision was apparently left out because of that fact. But since the Price Administrator is a one-man board again, I have offered the amendment.

The amendment would not place any obligation upon the Price Administrator to follow it. It would not interfere with the Price Administrator's power to make a peremptory order, as is provided subsequently in the bill, which must within 60 days, however, be revised. It merely gives to any industry affected by an order of the Administrator the right to ask him to designate a representative committee of the industry and to consult with that committee. There is no command that he follow the recommendations of the committee. The amendment is purely advisory. The primary purpose in offering the amendment is exactly the same as the reason which I had in my vote yesterday on the Bankhead amendment; that is, that the ultimate success of this important legislation will depend upon the spirit of cooperation with which the industries of the country cooperate with the Price Administrator.

Since the old N. R. A. days, industry has been accustomed to deal with the administrators through their own committees, and while they have no power to bind, they have the power to present, and they have a recognized standing which permits them to present to the administrators their views on any order they may make.

I hope very much that the Senator from Michigan will be willing to accept the amendment.

Mr. BROWN. We might have a little discussion back and forth. I have the amendment before me, but I am not

familiar with the change the Senator has made in it.

Mr. GEORGE. The only change is that where I used the word "ceiling" in the original amendment, I have substituted the words "regulation or order," and in order to make it perfectly clear that the Administrator may act in fixing a price in the first place, without even asking any advice, or consulting with any industry committee, this provision is made applicable only to a permanent order or regulation of the Administrator. So that he would not be embarrassed if he found it necessary tomorrow to place a price limitation upon some commodity. He might do so under the emergency clause contained in the bill, with which the Senator is entirely familiar. But when he fixes the permanent order then the industry committee may submit such facts as it desires to submit to the administrator.

Mr. BROWN. I will say to the Senator from Georgia that I think his amendment will provide a very helpful aid to the administrator, and I am satisfied with the wording of the amendment as the Senator offers it.

I think I should say that the Senator from Minnesota [Mr. BALL] has a similar amendment.

Mr. GEORGE. I was about to say that the Senator from Minnesota [Mr. BALL] has a similar amendment, and I have conferred with him, and the changes made in my amendment were made upon his suggestion.

Mr. BROWN. I understand.

Mr. GEORGE. Because I had used the words "price ceiling" as the words were originally used in the House bill.

Mr. BROWN. The Senator from Minnesota is a member of the committee. and discussed the matter in committee. Does the Senator from Minnesota feel the amendment is in satisfactory shape?

Mr. BALL. Yes. It is the same amendment I offered in the committee, with the addition of the provision for industry committees.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Georgia [Mr. GEORGE] to the committee amendment.

The amendment to the committee amendment was agreed to.

Mr. TAFT. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 32 it is proposed to strike out lines 17 through the period in line 23 and to insert in lieu thereof the following:

SEC. 201. (a) There is hereby created an Office of Price Administration, the powers of which shall be vested in a board to be known as the Board of Price Administration (referred to in this act as the "Board"). Such Board shall be composed of five members, who shall be appointed by the President, by and with the advice and consent of the Senate. The term of said members shall continue during the period while this act is in force, except as otherwise provided by law. Each member of the Board shall devote his entire time to the duties thereof and shall receive a salary at the rate of $10,000 a year. Three members of the Board shall constitute a quorum. The President shall designate one member as Chairman and Price Administrator (referred to in this act as the "Administrator"). The President in his discretion may appoint as one or more members of said Board any Assistant Secretary of the Treasury, any Assistant Secretary of Agriculture, any Assistant Secretary of Commerce, and any Assistant Secretary of Labor, and, if directed by the President, any such appointee may retain his office without salary or obligation while serving as a member of the Board, and shall automatically resume the duties and salary of said office on the termination of his duties as a member of the Board. The President may also appoint as unofficial members of said Board any officers of the United States Army or the United States Navy and any other Government official or officials. Such appointees shall be entitled to sit with the Board at all meetings and hearings, but shall have no vote, and shall receive no salary other than that they are already receiving when appointed.

Make such other appropriate changes in the bill where the word "Administrator" appears as are made necessary by the creation of a "Board."

Mr. TAFT. Mr. President, I have voted against two amendments which were offered with regard to parity, for the reason that I felt we could not except one group from the general price-control provision without breaking down the entire price-control procedure. I feel that those amendments were adopted because the friends of the farmer feel that he must be protected against the arbitrary action of a single price administrator.

I feel that the same objection which has been made in behalf of the farmer applies to every business interest in the United States, and to every other individual in the United States. I do not see how we can help granting to somebody in the Government unlimited power, and it is a power which is absolutely the power of life and death over many industries in the United States.

Yesterday morning we heard of an order which was issued by Mr. Nelson at Mr. Henderson's request, regarding the automobile dealers, which provided that on the 1st of January their business shall come to an end, and 44,000 dealers, without any hearing on the question, are suddenly condemned to bankruptcy and extinction, and with them 500,000 employees in their particular industry.

The objection which the Senate by the adoption of these amendments has made to arbitrary action with respect to the farmers, applies to every other industry and to every other business in the United States.

The price-fixing function is not an administrative function. The question what the price is to be is partly a judicial and partly a legislative question.

Under the present procedure what happens is this: The Price Administrator issues an order, and after it has gone into effect, perhaps 60 days later, he gives someone a hearing on the question of whether the order is just or is not just. No one is going to get a hearing under such system. In the first place, a hearing conducted by one man is much more of an argument than it is a hearing. It always develops into an argument. That man has made up his mind on the basis of facts which have been placed before him. He has made up his mind on the recommendation of some assistant, and his mind is not easily changed.

Yes; Mr. Henderson's mind was changed by the Senator from Michigan [Mr. BROWN] and the Senator from Alabama [Mr. BANKHEAD], who went to see him about the cottonseed-oil order; but once the bill is passed, that kind of pressure never again can be brought. Ordinarily an individual, I do not care who he is, is not going to change his mind. If a real hearing is to be had, others must conduct the hearing.

Furthermore, after 60 days no man is going to open up a question previously decided. He has gone on from the commodity in question to a consideration of other commodities. He is too busy making new decisions to go back and open up something which took place 60 days ago.

Furthermore, a price fixed for 60 days is pretty well established. It is not possible to go back and unscramble the eggs. It is not like a legal case. It is not like the case of a prosecution of someone, in which the decision can be reversed in the upper court.

In this case the thing is done, and I doubt if it can ever be undone, and the only way it should be done is to have it done right in the beginning, and not 60 days later. I propose, therefore, that there be established a board of five men to determine the question.

A hearing was had before the Committee on Banking and Currency, and every witness who appeared before our committee, with the exception of Mr. Henderson himself, testified in favor of the establishment of a board. Every business association in the United States is in favor of the establishment of a board. The economists who appeared before the committee favor the establishment of a board. Mr. Herbert Hoover, who has been referred to by the proponents of the bill, and particularly by the Senator from Alabama [Mr. BANKHEAD], testified in favor of a board.

Mr. Baruch in the World War was the price fixer in one great field of commodities and after he had exercised the power for a while he created a price-fixing committee, to which could be referred the judicial question of the point at which price should be fixed. Mr. Hoover himself testified and I myself remember also, that every time a basic question came up of what a price ought to be he created a committee to go into the question and decide it and he abided by the decision of the committee.

Mr. President, I care not who the individual is, I say that an individual cannot give a judicial hearing in a matter of this kind. He can administer. The Administrator is to be a member of the Board I propose to create. He would sit in on the meetings of the board.

I may say that the House of Representatives, by a decisive majority, voted in favor of a board of five men, but that board is a board of appeals. The House provided that 60 days after Mr. Henderson has fixed the price a Board may reverse him. I do not believe that is a desirable kind of Board. I gathered from his testimony before the committee that

Mr. Henderson meant that the other kind of board would be a better board, because he could participate in the decision. If there were a board, a man would have a chance to have someone appear before the Board in his behalf. Industry would have a chance to have someone on the inside presenting its case, if it had a case worthy of any consideration at all.

There are plenty of instances, with relation to this very administration, to show how a one-man proposition works. I take only a few, from newspapers and otherwise.

With regard to the National Retail Hardware Association, I read the following account:

On December 13, 1941, Price Administrator Henderson issued order 49 governing resale prices of iron and steel products. The order became effective December 15. It was published in the Federal Register on December 16. Presumably newspaper releases were issued at the same time.

This order, perhaps unintentionally, established maximum prices in approximately 40,000 retail establishments; in addition to other thousands of wholesalers. These retail establishments are scattered over the entire country. The majority are in small towns and villages. The majority do not even know that the order has ever been issued. Yet they may be in violation, and under the proposed bill could be proceeded against.

When ignorance of the order was drawn to the attention of an Office of Price Administration employee, he is reported to have said:

"It was published in the Federal Register and newspaper releases were issued. That should be sufficient notice."

With regard to the manner in which lumber prices were fixed, I read from the New York Times of January 24, 1941:

Leon Henderson, National Defense Commissioner, shook the "big stick" of possible Government control in the face of the lumber industry today with a direct threat of price control and conscription of needed requirements if the price of ordinary lumber was not quickly reduced. Heretofore official statements suggesting that prices of some commodities were too high have been issued by the National Defense Advisory Commission. Mr. Henderson appeared before a meeting of the Lumber and Timber Products Defense Committee and told the lumber spokesmen:

"I have had all of the arguments, excuses, and explanations that I want, and a damned sight more than I need."

The gist of this statement was a warning that $25 a thousand board feet was a fair price for No. 2 southern pine, such as the Government uses in cantonment construction, and that the current quotation of $31.25 was unnecessary and unreasonable. When he had finished talking Mr. Henderson walked out of the meeting, disregarding an explanation which M. L. Fleishel, chairman of the committee, tried to make about the price situation.

I think the Senate might be interested in the kind of hearing that was held in connection with the oil industry in September:

Prior to June 7 of this year, Standard Oil Co. of California had increased the prices which it paid to producers of crude oil in California for various grades of crude oil in the different fields. Upon Standard's announcement of its action, other purchasing companies had followed suit. Thereafter Henderson telegraphed Mr. Collier, president of the company, to restore the preexisting prices. When he protested, Henderson announced that he would hold a hearing in San Francisco on June 7 and invited the Standard Oil Co. to be present. Other purchasing companies were also invited. Word of the hearing got around, particularly among the interested producers.

It is the small businessman who usually does not obtain a hearing. The amendment of the Senator from Georgia [Mr. GEORGE] may obtain a hearing for the industry, but the small fellows do not know anything about it.

They came in from the oil fields on the morning named. I did not go out to the hearing until just a short time before the hearing. I found the doors locked and the halls filled with profane producers. According to their story, they had gone into the room and sat down. Henderson's representatives appeared, asked them who they were, and, upon learning that they had not been invited to the hearing, ordered them to leave. They refused to do so. The police were called to put them out. The doors were locked. While we were talking, we saw through the transom the flashes of photographic bulbs. Naturally, this did not tend to appease anyone. In due time, the door was opened, and the announcement made that since the room was small, only those who had been invited could enter. The names of the companies were called in turn, and their representatives admitted. Subsequently, I saw in the room some of the irate producers, and assumed that they were admitted in one way or another. Possibly Henderson's representatives changed their minds and admitted some of them. Dr. Galbraith, who, I understand, is one of Henderson's leading assistants, presided. With him was a pleasant young man by the name of Shaughnessy, and a reporter, and various assistants, etc. The hearing lasted all day, with testimony from representatives of the oil companies, numerous figures, and documentary exhibits, etc. The Standard man was first. Toward the end of the day, when the oil companies had submitted all they cared to say, Dr. Galbraith handed to Shaughnessy a written decision prepared apparently before they left Washington and, pleading illness, asked Shaughnessy to read it. It was simply a reassertion of Henderson's original demand on Standard. The meeting broke into an uproar. There were cries of "Hitler," "Nazi," and similar expressions. One of the producers made a hot speech. Dr. Galbraith attempted to reply, perhaps in an academic vein. His reply was interrupted by unprintable interjections from the audience. At any rate, the close of the meeting was rather informal.

I do not think Mr. Henderson is different from any other administrator. When one man has the job of giving a hearing, there is no hearing. Particularly, the smaller fellows do not obtain a hearing. I do not know whether the automobile dealers would ever have obtained a hearing if the Senator from Montana (Mr. MURRAY) had not called together the little business committee and requested Mr. Henderson to appear before it and listen to the automobile dealers.

Of course, in wartime we must move fast; but I see no reason why a board cannot move as fast as an individual. We provide in the bill that a temporary order may be issued, good for 60 days, to hold the price where it is while we go on and have our hearing. I believe that would afford every protection needed. This is not like winning the war tomorrow. This is not a military matter. This is a matter of working out a long process of price control, which will last for three or four years. It would not hold things where they are, anyway. If we can prevent prices from increasing more than 10 percent a year, or 50 percent in the course of the war, we shall have done an extraordinary job. I do not think we can do that well.

There is no hurry which would justify the arbitrary extinction of some business or the arbitrary crucifixion of some small business man who had not had an opportunity to present his side of the case.

Germany is probably about as totalitarian a country as there is. I should like to read to the Senate a statement by Dr. Julius Hirsch, who was administrator of price control in Germany during the last war, as to the desirability of hearings. Dr. Hirsch said this:

It is always reasonable and proves to be desirable in the long run to fix prices or wages only after very complete, perhaps elaborate, hearings for the interested parties. Even in Germany's first war economy some attempts to fix prices without hearing the interested parties soon proved to be inefficient. Later, even when the cost calculations of all plants of an industry had been examined by certified public accountants, a price was never fixed without giving the representatives of the industries involved the opportunity to discuss their views at length.

* * * Without hearings there is no way of overcoming the natural doubt and suspicion of interested parties as to the impartiality and objectivity of the price-fixing authorities.

In the cases to which I have referred the unfortunate result is not so much the injustice which is done as the shaking of the morale of the people and their confidence in the fairness and justice of the United States Government.

Suspicion can be avoided only when the interested parties through their own representatives learn, as exactly and completely as possible, the facts and the reasons upon which the authority has fixed prices. Otherwise it would always be assumed that someone got something for himself through personal contacts. Public confidence in the impartiality of governmental regulation is much more needed in war or emergency times than under normal conditions. That confidence is sorely needed if emergency laws are to be loyally obeyed and executed by all subject to them.

Certainly if that is a principle which was applied in Germany during the World War, it is a principle which ought to be applied in the United States today.

There is one other claim. I do not need to refer to the numerous cases in which witnesses before our committee testified that in their opinion there ought to be a board, and that there ought not to be a single administrator. I think the distinction is well stated in Mr. Hoover's testimony.

In view of the farm situation, let me say that Mr. Brenckman, the head of the National Grange, appeared before the committee and said:

We believe that if the present bill is to pass it should be so amended as to provide for a board to control prices, with a chairman appointed by the President. In the nature of things, the people would have more confidence in the judgment of a well-selected board than they could possibly have in the judgment of one man. Then again, under one-man rule there is the constant danger that unwise or mistaken policies, neglect, or

a desire to conduct social experiments could result in irreparable damage. This danger would be lessened by the creation of a board.

Mr. Hoover explained his own power. So far as he had any real power to fix prices, it was an individual power. He said:

I am a convinced adherent of a single-headed responsible administrator for all executive functions. Likewise, I believe we should use boards or commissions for quasi-legislative and quasi-judicial functions and should separate these functions sharply from administrative functions and personnel. Boards and commissions cannot do sound administration, especially under war pressures. Because no one had experience with total war organization before World War No. 1, we had all these functions badly mixed at that time. * * * The Food Administrator had all the functions of administrator, quasi-legislator, and quasi-judge. I dissolved many of these conflicting functions by creating advisory committees from among the citizens, who checked upon regulations and who determined prices. We got by, but experience showed that these functions should be separated. * * * There should be an independent board for final decisions, for review, and for appeal in these fields.

The last argument made is that we must have a single control. If we could have a single control, I do not know that I should object. But we do not have a single control under the bill as the committees has reported it. What we have is a single administrator over prices; but it is far more essential, according to the witnesses, to coordinate the priorities and the buying and selling of wheat, let us say, with the fixing of the price of wheat, than it is to coordinate the fixing of the price of wheat with the fixing of the price of steel. No matter what the set-up is, we shall have a division of authority either vertically or horizontally. So this man is no over-all economic controller; he is no over-all commodity controller; but in that one field he is an absolute czar, and he is a czar practically without appeal to anybody, any board, any court, or anybody else in the Government of the United States.

So the only way in which we can coordinate these powers, it seems to me, is for either the President himself or some one immediately under him, like the S. P. A. B., the kind of board he has created for a somewhat different purpose, to coordinate the action of all those who are in. This board is not going to have any single head. In fact, the committee I propose has a representative from the Department of Agriculture, one from the Department of Commerce—Jesse Jones, who does most of the buying and selling and does most of the control of metals—a representative from the Department of Labor, in order that the consumer and the wage-earner may be represented, and a representative from the Department of the Treasury, because this is only part of a wider inflation control, and we should at least secure some coordination between the various departments of the Government.

Why was the amendment of the Senator from Alabama [Mr. BANKHEAD] adopted yesterday? Largely because Mr. Wickard came before our committee and said there was not proper consultation between Government departments, because he did not know what action Mr. Henderson was proposing to take with regard to lard prices; he knew that something was in the wind, but he could not find out what it was, and he did not know what action was to be proposed.

The board I propose will not only afford a hearing to every class of persons in the United States, but it also will coordinate the action and thought of the departments having to do with commodities.

So, Mr. President, it seems to me that the kind of price control worked out under this kind of a board will be infinitely better thought out, perhaps a week later, if in the meantime we hold the price; but when it is done it will be done in a better manner, in a sounder manner, in a manner which can be enforced, and in a manner which will meet with the approval and secure the confidence of the people, the businessmen, the industries, and the farmers of the United States.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LODGE. The Senator from Ohio has heard a great deal said about the importance of having unified control of various phases of the war effort; and I believe that he, like myself, has favored unified control of the production of war materials. I should like to be enlightened by him with regard to how his amendment relates to the general proposition, which I believe is very widely accepted, that there should be unified control, that that control should be made responsible, and that if it does not work we should be able to get rid of the individual and replace him with another individual who will have control.

Mr. TAFT. My answer is this, very clearly: We would not have an individual be the Supreme Court of the United States. I do not think anyone thinks that a judicial process should be controlled by an individual.

I do not think anyone proposes that one man should be the Congress of the United States. We think that a legislative process should be one in which everyone has a chance to be heard. In the quotation which I read from Mr. Hoover, he very clearly points out the distinction between administration, between carrying out a law, and the legislative or judicial function involved in fixing prices. The administrator appoints all the men and controls the operation of the food-control or price-control; but when the question arises as to what should be the price of wheat, whether it should be $1 or $1.10, or $1.20, that is not an administrative question. I think it is technically a legislative question. It partakes very largely of judicial characteristics. We could, of course, carry to an extreme the principle suggested by the Senator from Massachusetts. We might say today, "We will abolish the Congress. We will abolish the courts. In order to carry out this war effectively, we will give all the powers there are to the President of the United States."

Certainly I should oppose any such plan. I think it would involve a suspension of fair play, a suspension of justice in the operation of the war, which in the end would do far more damage to the success of the war than if we maintained those functions largely unimpaired. When the matter is a question of detail, when we cannot pass on it ourselves, but are delegating to someone else the authority to make decisions, I think the authority should be delegated to a board in which different groups are represented, in which the persons who appear before the board feel and know that they will get a judicial hearing, a hearing from men whose minds have not yet been made up. As long as we have a single administrator, his mind will be made up before the hearing starts.

Mr. LODGE. In other words, the Senator draws a distinction between fixing prices and supervising the industrial production effort, for example?

Mr. TAFT. They are very different indeed. The question "Shall I give a contract to so-and-so, and can we have certain things made?" is a single thing. Here is a function which affects 130,000,000 people at one time. One regulation affects 130,000,000 people throughout the entire United States. It is exactly the same kind of function that the Senate exercises when a law is passed in this legislative Chamber. It is a very different function from having 100,000 airplanes manufactured in a year.

Mr. LODGE. What does the experience of the World War teach us on this point?

Mr. TAFT. The Senator perhaps was not here when I mentioned that matter. Mr. Hoover's testimony is that he had all these powers scrambled together, but that he created committees to which he delegated the power of fixing prices. Mr Baruch for a while fixed prices, and at the end of the war and for some 6 months before the end of the war he established a price-fixing committee which did the fixing of prices even in his field. He is perhaps the strongest advocate of a single administrator, and yet he himself, after he had the power, created price-fixing committees which actually carried out that particular function.

Mr. LODGE. And without undue delay?

Mr. TAFT. I never heard any criticism whatever of delay against either the Hoover committee or the Baruch committee during the war. An order is to be made in 60 days; the committee would have to decide on a permanent price before the end of 60 days; and the committee could act, if it wanted to, just as a Senate committee or a House committee can act, very promptly, on very short notice.

Mr. BROWN. Mr. President, I regret that I feel impelled to oppose the amendment proposed by the Senator from Ohio [Mr. TAFT]. Much of the work in the committee by which this bill was put in the shape in which it was reported was the work of the Senator from Ohio. Many valuable suggestions were made, and many amendments were proposed by him and accepted by the committee. Both he and the junior Senator from Connecticut [Mr. DANAHER] were of great aid to us, and I wish to pay both those Senators tribute for the manner in which they helped us put this bill in the shape

it was when it was reported to the Senate. Of course, it has been materially changed, but this is a hot subject and a hot controversy, and I am a little comforted by the fact that our bill is not nearly so badly "shot up" as was the House committee's bill when it reached the floor of the House of Representatives.

So I say, because of the great assistance and aid the Senator from Ohio gave us, and because of his experience in the administration of this problem during the World War, I dislike to oppose his amendment. However, it was defeated in committee, and those in charge of the administration of the matter at the present time feel more strongly upon this particular subject than any other.

The President has written the majority leader of the Senate urging that we retain one-man control. I myself think it is vital to the success of this program.

During the World War, which is the only experience we had in this respect, there were three price administrators—Mr. Garfield, who controlled the prices of fuel, coal, oil, and so forth; Mr. Hoover, who controlled food; and Mr. Baruch, who controlled war materials. Each of those administrators was a single administrator unencumbered in any way by a board. Mr. Hoover says, on page 414 of the Senate committee hearings:

> Because no one had experience with total war organization before World War No. 1, we had all these functions badly mixed at that time. In that war every single administrative board blew up in disagreement and delay sooner or later. President Wilson finally solved these troubles by, in effect, making the chairman the whole board. That was the case of Mr. Baruch in munitions, Mr. McCormick in war trade, and Mr. Hurley in shipping. On the other hand, in the case of the industrial raw materials and munitions, it was finally necessary to separate the price question under a board headed by Mr. Brookings. The Food Administrator had all the functions of administrator, quasi legislator, and quasi judge.

Each one of these three main functions, war materials, fuel, and food, was controlled by one single administrator.

The testimony of Mr. Henderson, based upon his experience over the past several months, is to the same effect. I do not think that a price established, for example, by a 3 to 2 vote or a 2 to 1 vote by a board would be readily accepted. This is a case where we must substitute the judgment of one man, an administrator, for the judgment that has heretofore been given to those who fix the prices of food, of manufactured products, and the products of their industrial establishments. This is a case where we have to give up rights which we have heretofore enjoyed and turn them over to the Government of the United States.

Based solely upon the experience of Mr. Hoover, upon our experience in the World War, we, in the committee, thought that it was most vital that we should retain one-man control. The purpose of the Taft amendment is to substitute a board for one man. I sincerely hope that the amendment will be rejected and that we will retain in the bill the provision as now written.

Mr. BARKLEY. Mr. President, I do not intend to argue this amendment. I presume it is probably the last important amendment to be offered before the final vote on the bill.

Mr. BANKHEAD. I have another amendment to offer.

Mr. BARKLEY. I did not know that, but the amendment now pending is one of the most controversial in character.

We have tried in this bill to protect people who may have any complaint against a single administrator by setting up a special board of appeals, drawn from the Federal bench to act upon matters as to which the administrator may have exceeded his authority or as to which there may be any legal question involved. It is a case in which it is not possible to have administration by a town meeting. We can very well anticipate that if a board of five reached a decision by a vote of three to two, there would be a very strong incentive for the two in the minority to go before the public and attempt to justify their action by public statements or by further discussion, so that there would be the possibility, indeed, the probability, of having not only a divided board but, by reason of that a divided public opinion as to the wisdom of the action that might be taken by the board.

It seems to me that, in this crisis, when we are all seeking to concentrate power in the hands of some one man and hold him responsible so that we can point the finger at him and say, "Thou art the man," if anything goes wrong, we ought not divide this authority up and create a board which might, in the end, be a debating society, without unanimous action, and create more trouble and delay. Therefore, I hope the amendment will be rejected.

The PRESIDING OFFICER (Mr. CHANDLER in the chair). The question is on the amendment offered by the Senator from Ohio [Mr. TAFT].

Mr. TAFT. I ask for the yeas and nays.

Mr. CLARK of Missouri. Mr. President, I will detain the Senate only a moment on this matter, but I feel that I should like to express my opinion about the amendment of the Senator from Ohio, and, incidentally, on the present state of the bill.

Mr. President, this is a bill which is absolutely, or should be absolutely and peculiarly, a war measure. As I see it, the only justification for the Government of the United States ever to authorize a policy such as price fixing, which is entirely alien and antagonistic to our whole theory of government and of business and of our way of life, is as a war measure.

Mr. President, if it is to be adopted as a war measure, it should be put upon a war footing. We have authorized and directed the President of the United States to conduct a war, an all-out war, a war going to the utmost lengths against the powers with whom we are in disagreement and at war. We have pledged the faith of Congress and the American people to back up the President in that war. If the only justification for the passage of this bill at all is that it is a war measure, then it should be treated upon the war principle.

I dare say that a year ago a measure for price fixing would not have received a corporal's guard of votes in this body. I undertake to say that if war had not been declared we would have nothing like the unanimity, even in the consideration of this bill, that we now have. We have unanimity in the consideration of the bill, although, unfortunately, we have had a great lack of unanimity in regard to the various provisions which have gone into the bill. But if this is a war measure, it would be just as fair, just as reasonable, in my opinion, to propose a commission to act as commander in chief of the Army, to propose a commission to act as commander in chief of the Philippine Islands, to propose a commission to act as commander in chief of the Pacific Fleet or the Atlantic Fleet as to propose the provision which is now under consideration.

Mr. President, my objection to the bill originally was not that it went too far, but that it did not go far enough; not that it included agriculture as well as industry, but that it did not also include wages and rents. My theory is that there should be an over-all control of all the elements going into the fixing of prices, and that no less control will be effective.

As a matter of course, I am merely following the views of such great exponents of price-control in time of war as Mr. Bernard M. Baruch. I was willing, however, to vote for the bill as it came into the Senate Committee on Banking and Currency, because I believed that leaving certain elements out of the price control would so speedily demonstrate the necessity for putting them in that once the system was established they might be brought in.

Mr. President, the bill has been completely emasculated in the Senate. The bill reported from the Senate Committee on Banking and Currency—a much improved bill over the measure as it passed the House—has been completely emasculated by the removal of the agricultural elements, in addition to the elements which were already left out. Upon the adoption of those amendments, it was my first impression as to my duty to vote against the bill in its emasculated form; but, in view of the fact that as a result of striking out all after the enacting clause and sending the bill to conference the whole subject matter will be before the conferees for review, I think it is the duty of the Senate to send the bill to conference, afford the conferees an opportunity to improve both the Senate measure and the bill as it passed the House, and then take final judgment on the bill as it is reported from the conference committee.

For that reason I intend to vote for the passage of the bill; but I believe that to establish the principle embodied in the amendment of the Senator from Ohio would be to make the bill worse than nothing at all. In other words, unless we can have some responsibility; unless we can say to the President, "This is an Executive function; it is not a legislative function; it is not a semijudicial function"; unless we can say, "We will give to you what you have asked for; we will

give to you an efficient deputy who has your confidence," I believe it would be better not to pass the bill at all; and I very sincerely hope the pending amendment will be defeated.

Mr. TAFT. Mr. President, I entirely deny the parallel which the Senator from Missouri has drawn between the Army and the administration of price control. As a matter of fact, they have no relation whatever. Price control is based on the war power; but I say now that if we are to say, simply because a measure is passed for war purposes, that we are to deprive the people of the United States or individuals of their right under the Constitution to be heard, if we are to say that they shall have no means of getting justice, then I think we shall have gone a long way, and that we might just as well suspend the Senate and the Congress of the United States. It is not true. It is just as important; and I read even from the Germans, who say it is more important in time of war to see that people have their rights and are permitted to be heard than it is in time of peace, because if we are simply to put people under the arbitrary administration of a single man, the people very soon will be dissatisfied with that administration, and we shall not have anything like support for the real war effort.

This thing can be done if we get people to cooperate, if we give them a chance to be heard, if we listen to them, if we take into consideration the things they can present which no administrator can know. We have heard that Mr. Henderson does not know anything about the farm business; that he does not know anything about the automobile business, or any other business; that he has been an economic adviser.

Mr. BREWSTER. Mr. President——

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from Ohio yield to the Senator from Maine?

Mr. TAFT. I prefer to finish, if I may.

No man can know all those facts. That is the reason why we cannot get justice from a man until he has granted a hearing, until there has been a chance for people to present their views. We cannot hope to find anybody who can successfully administer this bill without the cooperation of the people, which is the only way in which it can be enforced. The general of an army can order anybody to do anything. He can direct an army. He has to have single control; but when we come to deal with 130,000,000 people, it is just as necessary in time of war as it is in time of peace to deal with them in substance according to the methods of law, to eliminate red tape, but to give them the substance of their rights.

It is suggested by the Senator from Kentucky that we have a court of appeals. That is true; but, so far as I am concerned, I would just as soon have it taken out of the bill. Today, under the present rules of law, the decision of an administrative official or an administrative board is final on questions of fact. Every price-fixing question is a question of fact. So far as any appeal to the courts in this bill is concerned, it will not give a man practically a single iota of protection more than he would have if we should eliminate the court review altogether from the bill; so I do not feel that that makes any difference.

Mr. President, the committee have felt that they must give safeguards to the farmer. They have said that the Price Administrator cannot possibly fix the price of farm products at less than 20 percent above where they are today. We know that the farmer must be protected against arbitrary action. I say that everybody ought to be treated on the same basis. If we want to give that protection, I believe we must give the protection by granting the powers, yes, but saying that those powers must be exercised by five men who will give every consideration to every interest in the United States.

I ask for the yeas and nays on the adoption of my amendment.

The yeas and nays were ordered.

Mr. CLARK of Missouri. Mr. President, to my mind the argument of the Senator from Ohio that this situation is not to be differentiated from a peace situation—which is essentially what his argument amounts to—fails when we regard the situation with which the country is already confronted. The failure in production, such as it is—and there has been a partial failure, as every man on this floor must admit—which we have had in this country since we have been engaged on this great production program has come from having too many commissions. I think everyone realizes that, and I think everyone is in agreement with that statement. We have had the O. P. M. with two heads, we have had the S. P. A. B., and so many more that I cannot remember the names of them, various commissions passing on various matters, and the effort of the American people, the tremendous expenditures of money and of time, and of treasure which cannot be reproduced, have been dissipated to some extent on account of the number of conflicting commissions.

I dare say that Mr. Knudsen would have made a more efficient head of the O. P. M. if he had not had Mr. Hillman to jog his elbow. I dare say that Mr. Hillman would have made a more efficient head of the O. P. M. if he had not had Mr. Knudsen to jog his elbow. Wars are not conducted by councils of war. Wars require executives. The only justification for the enactment of the pending bill at all is that the function to be performed is a very important war function. We should turn it over to the President of the United States, we should turn it over to the Executive, because it is an executive function, or we should turn it over to such authority as the President himself can best rely on.

The President wants a one-man authority. I hope that is a forerunner of the abolition of many of the conflicting commissions which now exist, and that we may sooner or later come to one central authority, in whom the President himself will have confidence, who can act as a deputy for the President, as Mr. Baruch was to President Wilson during the last war.

Mr. BREWSTER. Mr. President, it would seem to me unfortunate if the vote should be had in the shadow of the statement of the Senator from Ohio that a vote against his proposal would be a mandate to Mr. Henderson, or to whoever may be the Price Administrator, that he is to have and to exercise absolutely autocratic authority in the determination of price control.

I, at any rate, shall vote upon his question confident that the Price Administrator, exercising this great responsibility, will act with the same sense of justice and fairness that was exhibited by Mr. Hoover, who created price advisory committees to assist him in the exercise of his office.

It is quite true that Mr. Henderson does not know everything about anything, and it is equally true that the five members of the proposed administrative board would not know everything about anything. They themselves would have to delegate power to advisory price committees, exactly as I anticipate the Price Administrator himself will do.

At any rate, I wish to vote with the confidence that the President will make a selection, and that his selection will administer these enormous, almost revolutionary, powers with full regard for those Anglo-Saxon conceptions of justice which the Senator from Ohio has so properly portrayed.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT] to the amendment of the committee. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the senior Senator from Virginia [Mr. GLASS] and will vote. I vote "nay."

The roll call was concluded.

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senators from Virginia [Mr. BYRD and Mr. GLASS], the Senator from California [Mr. DOWNEY], and the Senator from South Carolina [Mr. SMITH] are necessarily absent.

The Senator from Illinois [Mr. LUCAS] is detained in a committee meeting. I am advised that if present and voting, he would vote "nay."

The Senator from Montana [Mr. WHEELER] is absent on important public business.

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is necessarily absent. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury. The Senator from Pennsylvania [Mr. DAVIS] has been called from the city.

The Senator from Indiana [Mr. WILLIS] would vote "yea" if present. He has been called from the Senate to fill an important engagement.

Mr. CHANDLER (after having voted in the negative). I have a general pair with the Senator from Pennsylvania [Mr. DAVIS], which I transfer to the Senator from Iowa [Mr. HERRING], and permit my

vote to stand. The Senator from Iowa is necessarily absent.

Mr. McNARY. The senior Senator from California [Mr. JOHNSON] is unavoidably absent. If he were present he would vote "yea." He is paired on this question with the Senator from New Mexico [Mr. HATCH], who I am advised would vote "nay" if present.

The result was announced—yeas 17, nays 65, as follows:

YEAS—17

Brooks	Lodge	Taft
Burton	McNary	Thomas, Idaho
Butler	Millikin	Tobey
George	Nye	Vandenberg
Holman	Reed	Wiley
Langer	Shipstead	

NAYS—65

Aiken	Gerry	O'Mahoney
Austin	Gillette	Overton
Bailey	Green	Pepper
Ball	Guffey	Radcliffe
Bankhead	Gurney	Reynolds
Barkley	Hayden	Rosier
Bilbo	Hill	Russell
Bone	Hughes	Schwartz
Brewster	Johnson, Colo.	Smathers
Brown	Kilgore	Spencer
Bulow	La Follette	Stewart
Bunker	Lee	Thomas, Okla.
Capper	McCarran	Thomas, Utah
Caraway	McFarland	Truman
Chandler	McKellar	Tunnell
Chavez	Maloney	Tydings
Clark, Idaho	Maybank	Van Nuys
Clark, Mo.	Mead	Wagner
Connally	Murdock	Wallgren
Danaher	Murray	Walsh
Doxey	Norris	White
Ellender	O'Daniel	

NOT VOTING—14

Andrews	Downey	Lucas
Barbour	Glass	Smith
Bridges	Hatch	Wheeler
Byrd	Herring	Willis
Davis	Johnson, Calif.	

So Mr. TAFT'S amendment to the amendment of the committee was rejected.

Mr. BUTLER. Mr. President, I send to the desk an amendment, which I ask to have stated.

The VICE PRESIDENT. The amendment proposed by the Senator from Nebraska to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 49, line 24, after the word "station", it is proposed to insert "or outdoor advertising facilities,".

Mr. BROWN. Mr. President, the committee has no objection to the amendment.

The VICE PRESIDENT. Without objection, the amendment offered by the Senator from Nebraska [Mr. BUTLER] to the committee amendment is agreed to.

Mr. BUTLER. Mr. President, I send to the desk another amendment, which I ask to have stated.

The VICE PRESIDENT. The amendment proposed by the Senator from Nebraska to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 28, line 22, it is proposed to change the period after "amended" to a comma and insert the following: "nor the prohibition of futures trading in any agricultural commodity subject to the provisions of the Commodity Exchange Act, as amended."

Mr. BUTLER. Mr. President, section 2 of the bill gives the Price Administrator rather large and far-reaching powers over speculative and manipulative practices in commodity markets. It should be remembered that many of the powers granted in this section are already exercised by the Commodity Exchange Administration, which has built up a staff and acquired a wealth of experience in the handling of the problems arising from these market practices. I assume that the Administrator, in issuing regulations under this section, will consult the Commodity Exchange Administration and draw on its technical knowledge so that such regulations will not involve conflict by the two agencies, and will permit control of the markets to proceed smoothly.

I have proposed an amendment which will limit the Administrator's power to some slight extent. It would simply prevent the Administrator from prohibiting futures trading. It will be observed that the amendment limits the power of the Administrator only very slightly. The amendment is simply designed to make sure that our marketing machinery is kept in working order, even though it may be on a restricted basis, so that it can take up where it left off and resume full operations after the war.

I wish especially to call attention to the fact that the amendment does not interfere with any ceilings the Price Administrator may set, nor does it take away the power of the Price Administrator to set ceilings or to make such other regulations of market practices as he finds necessary. In other words, all futures trading, supervised by the Commodity Exchange Administration, must of necessity be subject to the maximum prices published by the Administrator.

Mr. BROWN. Mr. President, the Senator from Nebraska submitted that amendment to me, and the amendment is satisfactory to the committee.

The VICE PRESIDENT. Without objection, the amendment offered by the Senator from Nebraska [Mr. BUTLER] to the committee amendment is agreed to.

Mr. BROWN. Mr. President, on behalf of the committee, I offer an amendment, which I ask to have stated.

The VICE PRESIDENT. The amendment offered by the Senator from Michigan to the committee amendment will be stated.

The CHIEF CLERK. On page 25, it is proposed to strike out all after the word "about" in line 16, through the word "act" in line 20, and to substitute the following: "April 1, 1941 (or if defense activities have already resulted in an increase in the rents for housing accommodations on such date inconsistent with the purposes of this act, then on or about the nearest date, not earlier than April 1, 1940, which in the judgment of the Administrator do not reflect such increases)."

Mr. BROWN. Mr. President, I will explain the amendment. I may say that I consulted with the Senator from Ohio regarding the amendment. It was felt upon the subject of rents, which we have discussed very little here, that the bill had not provided proper standards. It is somewhat indefinite. It says:

So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about the date (not earlier than April 1, 1940) on which, in the judgment of the Administrator, defense activities have resulted or threaten to result in an increase.

We felt that that was giving a little too much leeway. Therefore by this amendment we fix April 1, 1941, as the date upon which the Administrator should base his judgment unless, because of intense defense activities, that date is not considered by him to be a fair and a reasonable one.

Mr. NORRIS. Mr. President, I call the attention of the Senator to the fact that the clerk in reading the amendment read "1940" instead of "1941."

Mr. BROWN. The clerk read "1941," but in no event earlier than 1940.

Mr. NORRIS. It would be quite difficult to be earlier than 1940.

Mr. BROWN. Yes; it would.

Mr. NORRIS. I wonder if the clerk read the amendment correctly.

Mr. BROWN. I think the clerk read it correctly, and it is in good grammatical form, I will say to the Senator.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. BROWN] to the committee amendment.

The amendment to the committee amendment was agreed to.

Mr. OVERTON. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment offered by the Senator from Louisiana to the committee amendment will be stated.

The CHIEF CLERK. On page 34, after line 18, it is proposed to insert the following new subsection:

(e) The Administrator shall not have any authority to fix or regulate prices or rents except such authority as is conferred by this act and exercised in accordance with its provisions.

Mr. BROWN. I have no objection to that amendment.

The VICE PRESIDENT. Without objection, the amendment to the committee amendment is agreed to.

Mr. MURRAY. Mr. President, I submit an amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment offered by the Senator from Montana to the committee amendment will be stated.

The CHIEF CLERK. On page 35, line 8, before the period, it is proposed to insert a colon and the following:

Provided, That the production of books or documents shall not be required in any case in which the desired information may be obtained through the inspection of books or documents or through copies of such book entries or documents, or in cases in which the Administrator is satisfied that the production of particular documents would result in undue hardship to the person from whom such production has been requested.

Mr. BROWN. Mr. President, the Senator from Montana took this matter up with me, and I think his amendment is desirable. Under the bill the Administrator would have the right to take the books and records of a merchant in a

community and remove them from his place of business for examination. The amendment provides that he may not do so without a subpena being issued from the court, but he may examine the books at the place of business.

I am glad to accept the amendment.

The VICE PRESIDENT. Without objection, the amendment of the Senator from Montana [Mr MURRAY], to the committee amendment, is agreed to.

Mr. McNARY. Mr. President, I submit an amendment, on page 22, line 21, after the word "or", to strike out "upon the date of enactment of an act of Congress terminating such authority" and to insert "until such time as the Congress by concurrent resolution may designate."

Mr. BROWN. Mr. President, I will say that the Senator from Oregon called that amendment to my attention. I understand it proposes to terminate the bill by concurrent resolution rather than by act of Congress, and that will agree with the practice which has arisen here. In all events, of course, the act expires in 18 months from the present.

Mr. McNARY. The amendment conforms to the bill passed a few days ago, which was introduced by the Senator from Indiana [Mr. VAN NUYS].

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. McNARY] to the committee amendment.

The amendment to the committee amendment was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, on a former date I submitted an amendment and discussed it at some length. I asked that the amendment lie on the table.

At this time there are two good reasons for my not calling up the amendment. The first reason is that the amendment adopted this afternoon, known as the O'Mahoney amendment, is more favorable to some agricultural products than was the amendment which I suggested. As to others, the two amendments were about 50–50. For that reason I consider the O'Mahoney amendment a better amendment for a temporary purpose than the one suggested by myself.

The second reason is even better. Because of the adoption of the O'Mahoney amendment, which is a substitute for section 3, under the parliamentary situation I could not call up my amendment.

Mr. DANAHER. Mr. President, a clarifying amendment is felt by some to be required with reference to the language on page 49, line 11. We have taken the matter up with Senators on the committee who have fully familiarized themselves with the intendment of the proposed language. I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment offered by the Senator from Connecticut to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 49, line 11, after the first comma, it is proposed to insert "and materials furnished for publication by any press association or feature service."

Mr. BROWN. Mr. President, that amendment is in line with the general purposes of the bill, and I think it is a proper amendment. I am happy to accept it.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the committee amendment in the nature of a substitute, as amended.

Mr. O'MAHONEY. Mr. President, a few days ago when the Senator from Michigan [Mr. BROWN] was explaining the bill there was some discussion about section 5. That is the provision of the measure as reported by the committee which authorizes the Administrator to enter into voluntary agreements as to prices and other conditions. I raised the question as to whether that section, as reported by the committee, would have the effect of authorizing price-fixing agreements contrary to the antitrust laws.

I was satisfied, by what the Senator from Michigan said and by what was said by the Senator from Ohio [Mr. TAFT], who was the author of section 5, that it was not the intention to do so.

The Department of Justice, through Assistant Attorney General Arnold, sent a suggested modification of this section to the Senator from Michigan. It was not satisfactory to the Senator from Michigan. I felt also that it would not accomplish either the purpose which the Department of Justice had in mind or the purpose which the committee had in mind. Accordingly, I had a telephone conversation with Mr. Arnold yesterday and suggested a certain modification of that amendment. I have just now had the opportunity to present the modification to the Senator from Ohio. I am merely trying to hold the floor while he has an opportunity to read it.

Mr. TAFT. Mr. President, I do not think it ought to be limited strictly to maximum prices fixed by the Administrator. I wonder if the Senator from Wyoming would be willing, on page 32, line 13, to strike out the word "otherwise" and insert "other purposes of this act." I think the criticism relates largely to the general term "otherwise." I shall be very glad to agree to such an amendment. I think it would accomplish all the purposes which the Senator has in mind.

Mr. O'MAHONEY. Mr. President, I am inclined to believe that the Senator from Ohio is quite correct. I make the suggestion that, inasmuch as section 5 was added in the Senate, regardless of any other parliamentary rule it would be a matter for consideration in the conference.

Mr. CLARK of Missouri. Mr. President, I think the Senate as a whole ought to have some understanding of the amendment. The whole Senate is concerned about it, and the whole country is concerned about it. It is not a matter between the Senator from Ohio and the Senator from Wyoming.

Mr. TAFT. Mr. President, I move on page 32, line 13, to strike out the word "otherwise" and insert the words "other purposes of this act."

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 32, line 13, after the word "or", where it occurs the second time, it is proposed to strike out the word "otherwise" and insert "other purposes of this act."

Mr. TAFT. If other suggestions are made, certainly the conference committee will have full power to modify it further, if it seems to be necessary in any specific way.

Mr. BROWN. Mr. President, I think, as the Senator from Missouri [Mr. CLARK] says, that the Senate ought to have a little understanding of what this is all about.

This is the section on page 32 which has to do with the right of the Price Administrator to arrange with various producers to enter into voluntary agreements. The amendment was originally offered by the Senator from Ohio, and we on the committee felt that some such provision should be made.

The Assistant Attorney General called my attention to the fact that there ought to be reference of this subject matter to the Department of Justice when a voluntary agreement is presented to the Price Administrator, because the section contemplates lifting the restrictions under the Sherman Act.

After talking with Mr. Arnold, I came to the conclusion that the difficulty could be covered by a simple sentence providing that any voluntary agreement made should be subject to the approval of the Department of Justice. I still feel that that is the simple solution of this question. Everything that Mr. Arnold seeks to do could be done by the inclusion of that simple sentence.

In the confusion of the last moments of the consideration of the pending legislation I am unable to ascertain to my own satisfaction whether this amendment is a wise one or not. I referred the Senator from Wyoming to the Senator from Ohio, who is the author of the section; but I will say to the Senator from Wyoming and the Senator from Ohio that I do not see how anything can be gained by changing this section now. There is no such section in the House bill. At a time when we can know better than we now know what this language means and what we ought to do, we can perhaps make some changes in this section. In view of all the circumstances, and in view of the fact that I have had to keep in mind a great many minor amendments, I believe it would be better to leave the section as it is. I give assurance to the Senator from Wyoming and to the Department of Justice that we will give very careful consideration to providing the necessary and proper restrictions, to be certain that the Department of Justice is consulted when any agreement of that kind is entered into. I believe that would be a better solution of the problem.

The VICE PRESIDENT. The question is on agreeing to the amendment offered

by the Senator from Ohio to the amendment reported by the committee.

The amendment to the amendment was rejected.

Mr. O'MAHONEY. Mr. President, I was about to explain to the Senate the proposal which was embodied in the draft sent to me by Mr. Arnold after I had suggested to him what I thought would be a proper solution of the question. I rose not at all for the purpose of offering an amendment, but for the purpose of acquainting the Members of the Senate with the amendment, because, having conferred with the Senator from Michigan and with the Senator from Ohio, I was quite satisfied that in conference the Senate conferees, together with the House conferees, would be willing and ready to frame language which would carry into effect the purposes which the committee had in mind.

So, Mr. President, in order that there may be no doubt about it, let me read section 5 as reported by the committee:

SEC. 5. In carrying out the provisions of this act, the Administrator is authorized to confer with producers, processors, manufacturers, retailers, wholesalers, and other groups having to do with commodities, and with representatives and associations thereof, to cooperate with any agency or person, and to enter into voluntary arrangements or agreements with any such persons, groups, or associations relating to the fixing of maximum prices, the issuance of other regulations or orders, or otherwise.

When I read the section I felt very doubtful about the wisdom of approving it, because it seemed to me clearly to give to the office of Price Administrator the right to enter into private agreements with private agencies to fix prices. The modification which was first sent up to the Senator from Michigan did not seem to be satisfactory. The modification which I now have received reads as follows:

SEC. 5. In carrying out the provisions of this act, the Administrator is authorized to confer and cooperate with producers, processers, manufacturers, retailers, wholesalers, and other groups having to do with commodities, and with representatives and associations thereof, relating to the fixing of maximum prices, the issuance of other regulations or orders, or otherwise, and to enter into voluntary arrangements or agreements with any such persons, groups, or associations providing for their adherence to maximum prices fixed by the Administrator.

The Senator from Ohio has said that the modification seemed to him to be a little too narrow. All I desire to do now is to have the amendment printed in the RECORD, together with the letter explaining it, which I have received from Mr. Arnold. I make the request in the knowledge that, as the Senator from Michigan has said, the matter will be given attention in the conference.

There being no objection, the amendment and accompanying letter were ordered to be printed in the RECORD, as follows:

SEC. 5. In carrying out the provisions of this act, the Administrator is authorized to confer and cooperate with producers, processers, manufacturers, retailers, wholesalers, and other groups having to do with commodities, and with representatives and associations thereof, relating to the fixing of maximum prices, the issuance of other regulations or orders, or otherwise, and to enter into voluntary arrangements or agreements with any such persons, groups, or associations providing for their adherence to maximum prices fixed by the Administrator.

DEPARTMENT OF JUSTICE,
Washington, January 9, 1942.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

DEAR SENATOR: I gathered from my conversation with you over the telephone and also from a subsequent conversation with Senator TAFT that the reason for his insistence upon section 5 is a desire that the Administrator should, wherever possible, consult with business groups in order that he might be guided by their suggestions and assisted by their cooperation.

In other words, I take it that he feels that cooperation is better than force and that the suggestions of the group should be sought wherever possible.

No one could have any quarrel with Senator TAFT in seeking such objectives; indeed, if section 5 were not in, the Administrator ought to adopt such a procedure voluntarily.

Our objection to section 5 as it appears in the original draft comes from the fear that it might be interpreted as authorizing a delegation of power by the Administrator to private groups and as sanctioning the arrangements they might later make pursuant to such delegation of power. Our experience in investigating trade associations indicates that a very large number of voluntary agreements, innocent enough on their face, are cloaks for illegitimate price fixing or unlawful restraints of trade.

We have, therefore, changed the language of the section 5 in such a way as to make the voluntary arrangements deal only with adherence to maximum prices fixed by the Administrator. We have retained the first part of the section authorizing the Administrator to confer and cooperate with private persons and groups in carrying out the general powers conferred upon him by the act. This amendment should not interfere in any way with Senator TAFT'S objectives and at the same time it would remove our fear of the abuse of trade association agreements. The change is slight but, nevertheless, appears to us to be very important.

Sincerely,

THURMAN ARNOLD,
Assistant Attorney General.

Mr. BROWN. Mr. President, I desire to assure the Senator from Wyoming that he has made a valuable contribution to the subject matter; and my only purpose in asking the Senate to insist upon section 5 was because I did not want to accept the amendment now.

There is a minor correction to be made in section 205 of the bill; and for that purpose I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 47, in lines 22 and 23, it is proposed to strike out "the license after the person to whom such license was issued has received a warning notice," and to insert in lieu thereof, "such license, regulation, order, price schedule, or requirement after receipt of such warning notice."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Michigan to the committee amendment.

The amendment to the amendment was agreed to.

Mr. GILLETTE. Mr. President, again referring to section 5, which was recently the subject of discussion, in whatever form it may take in either the Senate or the conference committee, I want it understood that I sincerely hope the House will not accept the provision. I think it carries possibilities for abuse greater than those which are carried in any other provision of the bill; so I sincerely hope the House conferees will not accept it.

Mr. O'DANIEL. Mr. President, early in the debate on the pending bill I expressed opposition to it because I considered it an antiagriculture bill, and I wanted to have final consideration postponed until after the Senate could consider an excess-profits and excess-earnings bill which I believe would accomplish our purpose in a less expensive and more constructive manner. Since that time the bill has been greatly improved by amendments, and I do not now believe it can be classed as an antiagriculture bill. I therefore intend to support the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee, in the nature of a substitute, as amended.

The amendment, as amended, was agreed to.

The VICE PRESIDENT. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The bill having been read three times, the question is, Shall it pass?

Mr. BARKLEY. I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GILLETTE (when Mr. HERRING'S name was called). My colleague, the junior Senator from Iowa [Mr. HERRING] is unavoidably detained. I am authorized to say that, if present and voting, he would vote "yea."

The roll call was concluded.

Mr. CHANDLER (after having voted in the affirmative). I have a pair with the senior Senator from Pennsylvania [Mr. DAVIS], who is unavoidably detained from the Senate. I am informed that, if present, he would vote "yea." I therefore permit my vote to stand.

Mr. MCNARY. The junior Senator from New Jersey [Mr. BARBOUR] is unavoidably absent. If present and voting, he would vote "yea."

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent because of illness. I am advised that, if present and voting, he would vote "yea."

The Senator from Florida [Mr. ANDREWS], the Senator from California [Mr. DOWNEY], and the Senator from Virginia [Mr. GLASS] are necessarily absent. I am advised that, if present and voting, they would vote "yea."

The Senator from Montana [Mr. WHEELER] is absent on important public business.

The Senator from South Carolina [Mr. SMITH] is necessarily absent. I am advised that if present and voting he would vote "yea."

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury.

The Senator from Pennsylvania [Mr. DAVIS] has been called from the city. If present, he would vote "yea."

The result was announced—yeas 84, nays 1, as follows:

YEAS—84

Aiken	Gillette	Overton
Austin	Green	Pepper
Bailey	Guffey	Radcliffe
Ball	Gurney	Reed
Bankead	Hayden	Reynolds
Barkley	Hill	Rosier
Bilbo	Holman	Russell
Bone	Hughes	Schwartz
Brewster	Johnson, Colo.	Shipstead
Brooks	Kilgore	Smathers
Brown	La Follette	Spencer
Bulow	Langer	Stewart
Bunker	Lee	Taft
Burton	Lodge	Thomas, Idaho
Butler	Lucas	Thomas, Okla.
Byrd	McCarran	Thomas, Utah
Capper	McFarland	Tobey
Caraway	McKellar	Truman
Chandler	McNary	Tunnell
Chavez	Maloney	Tydings
Clark, Idaho	Maybank	Vandenberg
Clark, Mo.	Mead	Van Nuys
Connally	Millikin	Wagner
Danaher	Murdock	Wallgren
Doxey	Murray	Walsh
Ellender	Norris	White
George	O'Daniel	Wiley
Gerry	O'Mahoney	Willis

NAYS—1

Nye

NOT VOTING—11

Andrews	Downey	Johnson, Calif.
Barbour	Glass	Smith
Bridges	Hatch	Wheeler
Davis	Herring	

So the bill (H. R. 5990) was passed as follows:

TITLE I—GENERAL PROVISIONS AND AUTHORITY

PURPOSES; TIME LIMIT; APPLICABILITY

SECTION 1. (a) It is hereby declared that it is in the interest of the national defense and security and necessary to the effective prosecution of the present war, and the purposes of this act are, to stabilize prices and to prevent speculative, unwarranted, and abnormal increases in prices and rents; to eliminate and prevent profiteering, hoarding, manipulation, speculation, and other disruptive practices resulting from abnormal market conditions or scarcities caused by or contributing to the national emergency; to protect persons with relatively fixed and limited incomes, consumers, wage earners, investors, and persons dependent on life insurance, annuities, and pensions, from undue impairment of their standard of living; to prevent hardships to persons engaged in business, to endowed schools, universities, and other institutions, and to the Federal, State, and local governments, which would result from abnormal increases in prices; to assist in securing adequate production of commodities and facilities; and to permit voluntary cooperation between the Government and producers, processors, and others to accomplish the aforesaid purposes. It shall be the policy of those departments and agencies of the Government dealing with wages (including the Department of Labor and its various bureaus, the War Department, the Navy Department, the Office of Production Management, the National Labor Relations Board, the Railway Labor Board, the National Defense Mediation Board, and others), within the limits of their authority and jurisdiction, to work toward a stabilization of prices and cost of production.

(b) The provisions of this act, and all regulations, orders, price schedules, and requirements thereunder, shall terminate on June 30, 1943, or upon the date of a proclamation by the President that the further continuance of the authority granted by this act is not necessary in the interest of the national defense and security, or until such time as the Congress by concurrent resolution may designate, whichever date is the earlier; except that as to offenses committed, or rights or liabilities incurred, prior to such termination date, the provisions of this act and such regulations, orders, price schedules, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

(c) The provisions of this act shall be applicable to the United States, its Territories and possessions, and the District of Columbia.

PRICES, RENTS, AND MARKET AND RENTING PRACTICES

SEC. 2. (a) Whenever in the judgment of the Price Administrator (provided for in section 201) the price or prices of a commodity or commodities have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this act, he may by regulation or order establish such maximum price or maximum prices as in his judgment will be generally fair and equitable and will effectuate the purposes of this act. So far as practicable, in establishing any maximum price, the Administrator shall ascertain and give due consideration to the prices prevailing between October 1 and October 15, 1941 (or if for any reason such period reflects abnormal market conditions for a particular commodity, then during the nearest 2-week period which is not abnormal as determined by the Administrator) for the commodity or commodities included under such regulation or order, and shall make adjustments for such relevant factors as he may determine and deem to be of general applicability, including the following: Speculative fluctuations, general increases or decreases in costs of production, distribution and transportation, and general increases or decreases in profits earned by sellers of the commodity or commodities, during and subsequent to the year ended October 1, 1941. Every regulation or order issued under the foregoing provisions of this subsection shall be accompanied by a statement of the considerations involved in the issuance of such regulation or order. As used in the foregoing provisions of this subsection, the term "regulation or order" means a regulation or order of general applicability and effect. Before issuing any regulation or order under the foregoing provisions of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order. In the case of any commodity for which a maximum price has been established, the Administrator shall, at the request of any substantial portion of the industry subject to such maximum price, regulation, or order of the Administrator, appoint an industry advisory committee, or committees, either national or regional, or both, consisting of such number of representatives of the industry as may be necessary in order to constitute a committee truly representative of the industry, or of the industry in such region, as the case may be. The committee shall select a chairman from among its members and shall meet at the call of the chairman. The Administrator shall from time to time, at the request of the committee, advise and consult with the committee with respect to the regulation or order, and with respect to the form thereof, and classifications, differentiations, and adjustments therein. The committee may make such recommendations to the Administrator as it deems advisable. Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he may, without regard to the foregoing provisions of this subsection, issue temporary regulations or orders establishing as a maximum price or maximum prices the price or prices prevailing with respect to any commodity or commodities on the date of issuance of such temporary regulations or orders; but any such temporary regulation or order shall be effective for not more than 60 days, and may be replaced by a regulation or order issued under the foregoing provisions of this subsection.

(b) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he shall issue declarations setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for defense-area housing accommodations within defense-rental areas. If within 60 days after the issuance of any such recommendations rents for any such accommodations have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations, the Administrator shall by regulation or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of this act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about April 1, 1941 (or if defense activities have already resulted in an increase in the rents for housing accommodations on such date inconsistent with the purposes of this act, then on or about the nearest date, not earlier than April 1, 1940, which in the judgment of the Administrator do not reflect such increases), and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs, subsequent to such date and for the preceding 12 months. In designating defense-rental areas, in prescribing maximum rents for such accommodations, and in selecting persons to administer such maximum rents, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area.

(c) Any regulation or order under this act may be established in such form and manner, may contain such classifications and differentiations, and may provide for such adjustments and reasonable exceptions as in the judgment of the Administrator are necessary or proper in order to effectuate the purposes of this act. Any regulation or order under this section which establishes a maximum price or maximum rent may provide for a maximum price or maximum rent below the price or prices prevailing for the commodity or commodities, or below the rent or rents prevailing for the defense-area housing accommodations, at the time of the issuance of such regulation or order.

(d) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he may, by regulation or order, regulate or prohibit speculative or manipulative practices (including practices relating to changes in form or quality) or hoarding, in connection with any commodity, and speculative or manipulative practices or renting or leasing practices (including practices relating to recovery of the possession), in connection with any defense-area housing accommodations, which in his judgment are equivalent to or are likely to result in price or rent increases, as

the case may be, inconsistent with the purposes of this act.

(e) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act, he may, in order to obtain the maximum necessary production of any commodity, whether by purchase from marginal or high-cost producers or others, or to prevent price increases inconsistent with the purposes of this act, buy or sell at public or private sale, or store or use on behalf of the United States, any commodity, upon such terms as he shall deem necessary without regard to any provision of law requiring competitive bidding: *Provided*, That any materials which have been heretofore or may hereafter be defined as strategic and critical materials and supplies by the President pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, may be bought or sold or stored or used, in order to carry out the purposes of this act, only by corporations created or organized pursuant to said section 5d, upon such terms and conditions as they may determine, and only with the approval of the President and the Federal Loan Administrator; except that in the case of the sale of any commodity by any such corporation, the sale price therefor shall not exceed any maximum price established pursuant to subsection (a) of this section which is applicable to such commodity at the time of sale or delivery, but such sale price may be below such maximum price or below the purchase price of such commodity, and the Administrator may make recommendations with respect to the buying or selling, or storage or use, of any such commodity In any case in which a commodity is domestically produced, the powers granted to the Administrator by this subsection shall be exercised with respect to importations of such commodity only to the extent that, in the judgment of the Administrator, the domestic production of the commodity is not sufficient to satisfy the demand therefor. The proceeds of any sale by the Administrator under this subsection shall be used as a revolving fund for carrying out the provisions of this subsection. Nothing in this section shall be construed to modify, suspend, amend, or supersede any provision of the Tariff Act of 1930, as amended, and nothing in this section, or in any existing law, shall be construed to authorize any sale or other disposition of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938, as amended, nor the prohibition of futures trading in any agricultural commodity subject to the provisions of the Commodity Exchange Act, as amended.

(f) No power conferred by this section shall be construed to authorize any action contrary to the provisions and purposes of section 3

(g) Regulations, orders, and requirements under this act may contain such provisions as the Administrator deems necessary to prevent the circumvention or evasion thereof.

(h) The powers granted in this section shall not be used or made to operate to compel changes in the business practices or cost practices or methods, means or aids to distribution established in any industry, except to prevent circumvention or evasion of any ceiling established under this act.

AGRICULTURAL COMMODITIES

SEC. 3. (a) No maximum price shall be established or maintained for any agricultural commodity below either (1) the then current emergency wage parity price or comparable price for such commodity, adjusted for grade, location, and seasonal differentials, as determined and published by the Secretary of Agriculture in the manner hereinafter provided in subsection (b); or (2) the market price prevailing for such commodity on October 1, 1941, or December 15, 1941, whichever under clause (1) or (2) is the higher; or (3) the average price for such commodity during the period July 1, 1919, to June 30, 1929.

(b) For the purposes of this Act, emergency wage parity prices shall be determined by the Secretary of Agriculture by constructing a combined index in which the purchasing power index now used by the Secretary to compute parity prices shall be given a weight of 80 and a factor representing an index of urban wage rates as determined by the formula in use January 1, 1941, in the index of wage rates published in The Monthly Review of Credit and Business Conditions by the Federal Reserve Bank of New York, shall be given a weight of 20. This combined index shall have August 1909 to July 1914, as a base period. In applying this combined index the Secretary shall take such steps as in his judgment may be necessary to establish and maintain equitable price relationships, as among all agricultural commodities.

(c) Any maximum price established upon the resale price of any agricultural commodity, or any grade, regional or market classification thereof, or upon the price of any commodity processed or manufactured in whole or substantial part from any agricultural commodity shall not be below a price which will reflect to the producer of such agricultural commodity the emergency wage parity or comparable price therefor as determined pursuant to this section.

(d) Neither the provisions of section 5 nor any other provision of this act shall be construed to authorize any action contrary to the provisions and purposes of this section: *Provided*, That nothing contained in this Act shall be construed to modify, repeal, supersede, or affect the provisions of the act of Congress cited as the Agricultural Marketing Agreement Act of 1937, as amended, or to invalidate any marketing agreement, license, or order, or any provisions thereof, or amendments thereto, which may be in existence or hereafter issued under the provisions of said act.

(e) Notwithstanding any other provision of this or any other law, no action shall be taken under this act by the Administrator or any other person with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture.

PROHIBITIONS

SEC. 4. (a) It shall be unlawful, regardless of any contract, agreement, lease, or other obligation heretofore or hereafter entered into, for any person to sell or deliver any commodity, or in the course of trade or business to buy or receive any commodity, or to demand or receive any rent for any defense-area housing accommodations, or otherwise to do or omit to do any act, in violation of any regulation or order establishing a maximum price or maximum rent, or of any other regulation, order, or requirement under this act, or to offer, solicit, attempt, or agree to do any of the foregoing. As used in this subsection, the term "maximum price" shall include (1) any price schedule issued by the Administrator of the Office of Price Administration or the Administrator of the Office of Price Administration and Civilian Supply, prior to the date upon which the Administrator provided for by section 201 of this act takes office, which is effective in accordance with the provisions of section 206 of this act, or (2) any maximum price established by a regulation or order issued by such Administrator after he takes office; and the term "maximum rent" shall include any maximum rent established by a regulation or order issued by such Administrator after he takes office.

(b) It shall be unlawful for any person to remove or attempt to remove from any defense-area housing accommodations the tenant or occupant thereof or to refuse to renew the lease or agreement for the use of such accommodations, because such tenant or occupant has taken, or proposes to take, action authorized or required by this act or any regulation, order, or requirement thereunder.

(c) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Administrator in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this act, or to use any such information, for personal benefit.

(d) Nothing in this act shall be construed to require any person to sell any commodity or to offer any accommodations for rent.

VOLUNTARY AGREEMENTS

SEC. 5. In carrying out the provisions of this act, the Administrator is authorized to confer with producers, processors, manufacturers, retailers, wholesalers, and other groups having to do with commodities, and with representatives and associations thereof, to cooperate with any agency or person, and to enter into voluntary arrangements or agreements with any such persons, groups, or associations relating to the fixing of maximum prices, the issuance of other regulations or orders, or otherwise.

TITLE II—ADMINISTRATION AND ENFORCEMENT

ADMINISTRATION

SEC. 201. (a) There is hereby created an Office of Price Administration, which shall be under the direction of a Price Administrator (referred to in this act as the "Administrator"). The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $12,000 per annum. The Administrator may, subject to the civil-service laws, appoint such employees as he deems necessary in order to carry out his functions and duties under this act, and shall fix their compensation in accordance with the Classification Act of 1923, as amended. The Administrator may utilize the services of Federal, State and local agencies and may utilize and establish such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed: *Provided*, That all appointees receiving $4,000 a year or more, and all chiefs of regional and State agencies established by the Administrator shall be appointed by the President, by and with the advice and consent of the Senate. Attorneys appointed under this section may appear for and represent the Administrator in any case in any court. In the appointment, selection, classification, and promotion of officers and employees of the Office of Price Administration, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

(b) The principal office of the Administrator shall be in the District of Columbia, but he or any duly authorized representative may exercise any or all of his powers in any place. The President is authorized to transfer any of the powers and functions conferred by this act upon the Office of Price Administration with respect to a particular commodity or commodities to any other department or agency of the Government having other functions with relation to such commodity or commodities, and to transfer to the Office of Price Administration any of the powers and functions conferred by law upon any other department or agency of the Government with respect to any particular commodity or commodities other than agricultural commodities, including the power to order priorities, purchase, sell, store, handle, or otherwise deal with any such commodity or commodities.

(c) The Administrator shall have authority to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere; for

lawbooks and books of reference; and for paper, printing, and binding) as he may deem necessary for the administration and enforcement of this act. The provisions of section 3709 of the Revised Statutes shall not apply to the purchase of supplies and services by the Administrator where the aggregate amount involved does not exceed $250.

(d) The Administrator may, from time to time, issue such regulations and orders as he may deem necessary or proper in order to carry out the purposes and provisions of this act.

(e) The Administator shall not have any authority to fix or regulate prices or rents except such authority as is conferred by this act and exercised in accordance with its provisions.

SEC. 202. (a) The Administrator may make such studies and investigations, and obtain or require the furnishing of such information under oath or affirmation or otherwise, as he deems necessary or proper to assist him in prescribing any regulation or order under this act, or in the administration and enforcement of this act and regulations, orders, and price schedules thereunder. For such purposes the Administrator may administer oaths and affirmations, may require by subpena or otherwise the attendance and testimony of witnesses and the production of documents at any designated place, may require persons to permit the inspection and copying of documents, the inspection of defense-area housing accommodations, and the inspection of inventories, and may, by regulation or order, require the making and keeping of records and other documents and the making of reports: *Provided*, That the production of books or documents shall not be required in any case in which the desired information may be obtained through the inspection of books or documents or through copies of book entries or documents, or in cases in which the Administrator is satisfied that the production of particular documents would result in undue hardship to the person from whom such production has been requested. No person shall be excused from complying with any requirements under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (U. S. C., 1934 ed., title 49, sec. 46), shall apply with respect to any individual who specifically claims such privilege.

(b) The Administrator shall not publish or disclose any information obtained under this act that such Administrator deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information, unless he determines that the withholding thereof is contrary to the interest of the national defense and security.

PROCEDURE

SEC. 203. (a) Within a period of 60 days after the issuance of any regulation or order under section 2, or in the case of a price schedule, within a period of 60 days after the effective date thereof specified in section 206, any person subject to any provision of such regulation, order, or price schedule may, in accordance with regulations to be prescribed by the Administrator, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections. At any time after the expiration of such 60 days any person subject to any provision of such regulation, order, or price schedule may file such a protest based solely on grounds arising after the expiration of such 60 days. Statements in support of any such regulation, order, or price schedule may be received and incorporated in the transcript of the proceedings at such times and in accordance with such regulations as may be prescribed by the Administrator. Within a reasonable time after the filing of any protest under this subsection, but in no event more than 30 days after such filing or 90 days after the issuance of the regulation or order (or in the case of a price schedule, 90 days after the effective date thereof specified in section 206) in respect of which the protest is filed, whichever occurs later, the Administrator shall either grant or deny such protest in whole or in part, notice such protest for hearing, or provide an opportunity to present further evidence in connection therewith. In the event that the Administrator denies any such protest in whole or in part, he shall inform the protestant of the grounds upon which such decision is based, and of any economic data and other facts of which the Administrator has taken official notice.

(b) In the administration of this act the Administrator may take official notice of economic data and other facts, including facts found by him as a result of action taken under section 202.

(c) Any proceedings under this section may be limited by the Administrator to the filing of affidavits, or other written evidence, and the filing of briefs.

REVIEW

SEC. 204. (a) Any protestant who is aggrieved by the denial or partial denial of his protest may, within 30 days after such denial, file a complaint with the Emergency Court of Appeals, created pursuant to subsection (c), specifying his objections and praying that the regulation, order, or price schedule protested be enjoined or set aside in whole or in part. A copy of such complaint shall forthwith be served on the Administrator, who shall certify and file with such court a transcript of such portions of the proceedings in connection with the protest as are material under the complaint. Such transcript shall include a statement setting forth, so far as practicable, the economic data and other facts of which the Administrator has taken official notice. Upon the filing of such complaint the court shall have exclusive jurisdiction to set aside such regulation, order, or price schedule, in whole or in part, to dismiss the complaint, or to remand the proceeding: *Provided*, That the regulation, order, or price schedule may be modified or rescinded by the Administrator at any time notwithstanding the pendency of such complaint. No objection to such regulation, order, or price schedule, and no evidence in support of any objection thereto, shall be considered by the court, unless such objection shall have been set forth by the complainant in the protest or such evidence shall be contained in the transcript. If application is made to the court by either party for leave to introduce additional evidence which was either offered to the Administrator and not admitted, or which could not reasonably have been offered to the Administrator, or included by the Administrator in such proceedings, and the court determines that such evidence should be admitted, the court shall order the evidence to be presented to the Administrator. The Administrator shall promptly receive the same, and such other evidence as he deems necessary or proper, and thereupon he shall certify and file with the court a transcript thereof and any modification made in the regulation, order, or price schedule as a result thereof; except that on request by the Administrator, any such evidence shall be presented directly to the court.

(b) No such regulation, order, or price schedule shall be enjoined or set aside, in whole or in part, unless the complainant establishes to the satisfaction of the court that the regulation, order, or price schedule is not in accordance with law, or is arbitrary or capricious. The effectiveness of a judgment of the court enjoining or setting aside, in whole or in part, any such regulation, order, or price schedule shall be postponed until the expiration of 30 days from the entry thereof, except that if a petition for a writ of certiorari is filed with the Supreme Court under subsection (d) within such 30 days, the effectiveness of such judgment shall be postponed until an order of the Supreme Court denying such petition becomes final, or until other final disposition of the case by the Supreme Court.

(c) There is hereby created a court of the United States to be known as the Emergency Court of Appeals, which shall consist of three or more judges to be designated by the Chief Justice of the United States from judges of the United States district courts and circuit courts of appeals. The Chief Justice of the United States shall designate one of such judges as chief judge of the Emergency Court of Appeals, and may, from time to time, designate additional judges for such court and revoke previous designations. The chief judge may, from time to time, divide the court into divisions of three or more members, and any such division may render judgment as the judgment of the court. The court shall have the powers of a district court with respect to the jurisdiction conferred on it by this act; except that the court shall not have power to issue any temporary restraining order or interlocutory decree staying or restraining, in whole or in part, the effectiveness of any regulation or order issued under section 2 or any price schedule effective in accordance with the provisions of section 206. The court shall exercise its powers and prescribe rules governing its procedure in such manner as to expedite the determination of cases of which it has jurisdiction under this act. The court shall have a seal, hold sessions at such places as it may specify, and appoint a clerk and such other employees as it deems necessary or proper.

(d) Within 30 days after entry of a judgment or order, interlocutory or final, by the Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a circuit court of appeals as provided in section 240 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, sec. 347). The Supreme Court shall advance on the docket and expedite the disposition of all causes filed therein pursuant to this subsection. The Emergency Court of Appeals, and the Supreme Court upon review of judgments and orders of the Emergency Court of Appeals, shall have exclusive jurisdiction to determine the validity of any regulation or order issued under section 2 of any price schedule effective in accordance with the provisions of section 206, and of any provision of any such regulation, order, or price schedule. Except as provided in this section, no court, Federal, State, or Territorial, shall have jurisdiction or power to consider the validity of any such regulation, order, or price schedule, or to stay, restrain, enjoin, or set aside, in whole or in part, any provision of this act authorizing the issuance of such regulations or orders, or making effective any such price schedule, or any provision of any such regulation, order, or price schedule, or to restrain or enjoin the enforcement of any such provision.

ENFORCEMENT

SEC. 205. (a) Whenever in the judgment of the Administrator any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of section 4 of this act, he may make application to the appropriate court for an order enjoining such acts or practices, or for an order enforcing compliance with such provision, and upon a showing by the Administrator that such person has engaged or is about to engage in any such acts or practices a permanent or temporary injunction, restraining order, or other order shall be granted without bond.

(b) Any person who willfully violates any provision of section 4 of this act, and any

person who makes any statement or entry false in any material respect in any document or report required to be kept or filed under section 2 or section 202, shall, upon conviction thereof, be subject to a fine of not more than $5,000, or to imprisonment for not more than 2 years in the case of a violation of section 4 (c) and for not more than 1 year in all other cases, or to both such fine and imprisonment. Whenever the Administrator has reason to believe that any person is liable to punishment under this subsection, he may certify the facts to the Attorney General, who may, in his discretion, cause appropriate proceedings to be brought.

(c) The district courts shall have jurisdiction of criminal proceedings for violations of section 4 of this act, and, concurrently with State and Territorial courts, of all other proceedings under section 205 of this act. Such criminal proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred. Except as provided in section 205 (f) (2), such other proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred, and may also be brought in the district in which the defendant resides or transacts business, and process in such cases may be served in any district wherein the defendant resides or transacts business or wherever the defendant may be found. Any such court shall advance on the docket and expedite the disposition of any criminal or other proceedings brought before it under this section. No costs shall be assessed against the Administrator or the United States Government in any proceeding under this act.

(d) No person shall be held liable for damages or penalties in any Federal, State, or Territorial court, on any grounds for or in respect of anything done or omitted to be done in good faith pursuant to any provision of this act or any regulation, order, price schedule, requirement, or agreement entered into thereunder, or under any price schedule of the Administrator of the Office of Price Administration or of the Administrator of the Office of Price Administration and Civilian Supply, notwithstanding that subsequently such provision, regulation, order, price schedule, requirement, or agreement may be modified, rescinded, or determined to be invalid. In any suit or action wherein a party relies for ground of relief or defense upon this act or any regulation, order, price schedule, requirement, or agreement thereunder, the court having jurisdiction of such suit or action shall certify such fact to the Administrator. The Administrator may intervene in any such suit or action.

(e) If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, the person who buys such commodity for use or consumption other than in the course of trade or business may bring an action either for $50 or for treble the amount by which the consideration exceeded the applicable maximum price, whichever is the greater, plus reasonable attorney's fees and costs as determined by the court. For the purposes of this section the payment or receipt of rent for defense-area housing accommodations shall be deemed the buying or selling of a commodity as the case may be. If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, and the buyer is not entitled to bring suit or action under this subsection, the Administrator may bring such action under this subsection on behalf of the United States. Any suit or action under this subsection may be brought in any court of competent jurisdiction, and shall be instituted within 1 year after delivery is completed or rent is paid. The provisions of this subsection shall not take effect until after the expiration of 6 months from the date of enactment of this act.

(f) (1) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this act and to assure compliance with and provide for the effective enforcement of any regulation or order issued or which may be issued under section 2, or of any price schedule effective in accordance with the provisions of section 206, he may by regulation or order issue to or require of any person or persons subject to any regulation or order issued under section 2, or subject to any such price schedule, a license as a condition of selling any commodity or commodities with respect to which such regulation, order, or price schedule is applicable. It shall not be necessary for the Administrator to issue a separate license for each commodity or for each regulation, order, or price schedule with respect to which a license is required. No such license shall contain any provision which could not be prescribed by regulation, order, or requirement under section 2 or section 202: *Provided*, That no such license may be required as a condition of selling or distributing (except as waste or scrap) newspapers, periodicals, books, or other printed or written material, or motion pictures, or as a condition of selling radio time: *Provided further*, That no license may be required of any farmer as a condition of selling any agricultural commodity produced by him: *Provided further*, That in any case in which such a license is required of any person, the Administrator shall not have power to deny to such person a license to sell any commodity or commodities, unless such person already has such a license to sell such commodity or commodities or unless there is in effect under paragraph (2) of this subsection with respect to such person an order of suspension of a previous license to the extent that such previous license authorized such person to sell such commodity or commodities.

(2) Whenever in the judgment of the Administrator a person has violated any of the provisions of a license issued under this subsection, or has violated any of the provisions of any regulation, order, or requirement under section 2 or section 202, or any of the provisions of any price schedule effective in accordance with the provisions of section 206, which is applicable to such person, a warning notice shall be sent by registered mail to such person. If the Administrator has reason to believe that such person has again violated any of the provisions of such license, regulation, order, price schedule, or requirement after receipt of such warning notice, the Administrator may petition any State or Territorial court of competent jurisdiction, or a district court subject to the limitations hereinafter provided, for an order suspending the license of such person for any period of not more than 12 months. If any such court finds that such person has violated any of the provisions of such license, regulation, order, price schedule, or requirement after the receipt of the warning notice, such court shall issue an order suspending the license to the extent that it authorizes such person to sell the commodity or commodities in connection with which the violation occurred, or to the extent that it authorizes such person to sell any commodity or commodities with respect to which a regulation or order issued under section 2 is applicable; but no such suspension shall be for a period of more than 12 months. For the purposes of this subsection, any such proceedings for the suspension of a license may be brought in a district court if the licensee is doing business in more than one State, or if his principal place of business is located in or within 50 miles of a city or community in which a district court regularly convenes, or if his gross sales exceed $50,000 per annum. Within 30 days after the entry of the judgment or order of any court either suspending a license, or dismissing or denying in whole or in part the Administrator's petition for suspension, an appeal may be taken from such judgment or order in like manner as an appeal may be taken in other cases from a judgment or order of a State, Territorial, or district court, as the case may be. The Administrator may modify or rescind the requirement of a license at any time. Upon good cause shown, any such order of suspension may be stayed by the appropriate court or any judge thereof in accordance with the applicable practice. Any such order of suspension shall be affirmed by the appropriate appellate court if, under the applicable rules of law, the evidence in the record supports a finding that there has been a violation of any provision of such license, regulation, order, price schedule, or requirement after receipt of such warning notice. No proceedings for suspension of a license, and no such suspension, shall confer any immunity from any other provision of this act.

SAVING PROVISIONS

SEC. 206. Any price schedule establishing a maximum price or maximum prices, issued by the Administrator of the Office of Price Administration or the Administrator of the Office of Price Administration and Civilian Supply, prior to the date upon which the Administrator provided for by section 201 of this act takes office shall, from such date, have the same effect as if issued under section 2 of this act until such price schedule is superseded by action taken pursuant to such section 2. Such price schedules shall be consistent with the standards contained in section 2 and the limitations contained in section 3 of this act, and shall be subject to protest and review as provided in section 203 and section 204 of this act. All such price schedules shall be reprinted in the Federal Register within 10 days after the date upon which such Administrator takes office.

TITLE III—MISCELLANEOUS

QUARTERLY REPORT

SEC. 301. The Administrator from time to time, but not less frequently than once every 90 days, shall transmit to the Congress a report of operations under this act. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate, or the Clerk of the House of Representatives, as the case may be.

DEFINITIONS

SEC. 302. As used in this act—

(a) The term "sale" includes sales, dispositions, exchanges, leases, and other transfers, and contracts and offers to do any of the foregoing. The terms "sell", "selling", "seller", "buy" and "buyer", shall be construed accordingly.

(b) The term "price" means the consideration demanded or received in connection with the sale of a commodity.

(c) The term "commodity" means commodities, articles, products, and materials (except books, magazines, motion pictures, periodicals and newspapers, and materials furnished for publication by any press association or feature service, other than as waste or scrap), and it also includes services rendered otherwise than as an employee in connection with the processing, distribution, storage, installation, repair, or negotiation of purchases or sales of a commodity, or in connection with the operation of any service establishment for the servicing of a commodity: *Provided*, That nothing in this act shall be construed to authorize the regulation of (1) compensation paid by an employer to any of his employees, or (2) rates charged by any common carrier or other public utility, or (3) rates charged by any person engaged in the business of selling or underwriting insurance, or (4) rates charged by any person engaged in the business of operating or publishing a newspaper, periodical, or magazine,

or motion pictures or other theater enterprise, or operating a radio-broadcasting station, or outdoor advertising facilities, or (5) rates charged for any professional services.

(d) The term "defense-rental area" means the District of Columbia and any area designated by the Administrator as an area where defense activities have resulted or threaten to result in an increase in the rents for housing accommodations inconsistent with the purposes of this act.

(e) The term "defense-area housing accommodations" means housing accommodations within any defense-rental area.

(f) The term "housing accommodations" means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes (including houses, apartments, hotels, rooming or boarding house accommodations, and other properties used for living or dwelling purposes) together with all privileges, services, furnishings, furniture, and facilities connected with the use or occupancy of such property.

(g) The term "rent" means the consideration demanded or received in connection with the use or occupancy or the transfer of a lease of any housing accommodations.

(h) The term "person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing: *Provided*, That no punishment provided by this act shall apply to the United States, or to any such government, political subdivision, or agency.

(i) The term "maximum price," as applied to prices of commodities, means the maximum lawful price for such commodities, and the term "maximum rent" means the maximum lawful rent for the use of defense-area housing accommodations. Maximum prices and maximum rents may be formulated, as the case may be, in terms of prices, rents, margins, commissions, fees, and other charges, and allowances.

(j) The term "documents" includes records, books, accounts, correspondence, memoranda, and other documents, and drafts and copies of any of the foregoing.

(k) The term "district court" means any district court of the United States, and the United States Court for any Territory or other place subject to the jurisdiction of the United States; and the term "circuit courts of appeals" includes the United States Court of Appeals for the District of Columbia.

SEPARABILITY

SEC. 303. If any provision of this act or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

APPROPRIATIONS AUTHORIZED

SEC. 304. There are authorized to be appropriated such sums as may be necessary or proper to carry out the provisions and purposes of this act.

APPLICATION OF EXISTING LAW

SEC. 305. No provision of law in force on the date of enactment of this Act shall be construed to authorize any action inconsistent with the provisions and purposes of this act.

SHORT TITLE

SEC. 306. This act may be cited as the "Emergency Price Control Act of 1942."

Mr. BROWN. Mr. President, I ask unanimous consent that the clerks be authorized to renumber sections, correct punctuation, and so forth.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BROWN. I move that the Senate insist upon its amendment, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. BROWN, Mr. GLASS, Mr. BARKLEY, Mr. BANKHEAD, Mr. TAFT, and Mr. DANAHER conferees on the part of the Senate.

ADJOURNMENT

Mr. BARKLEY. I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 3 minutes p. m.) the Senate adjourned until Monday, January 12, 1942, at 12 o'clock meridian.

SENATE

MONDAY, JANUARY 12, 1942

Capt. Menicos N. Menicon, chaplain, United States Army, offered the following prayer:

Almighty and everlasting God, from whom cometh every good and perfect gift: Send down upon our President, Vice President, the Members of Congress, especially upon these Thy servants here present, upon our Army, Navy, and Air Corps, and upon all loyal Americans, the healthful spirit of Thy grace; and, that they may truly please Thee, pour upon them the continual dew of Thy blessings of unity, courage and loyalty to the Cross of Christ and the Stars and Stripes, so that this Nation of the people, by the people, for the people shall not perish from the earth. Grant this O Lord, for the honor of our Advocate and Mediator, Jesus Christ. Amen.

ATTENDANCE OF SENATORS

CHARLES O. ANDREWS, a Senator from the State of Florida and W. WARREN BARBOUR, a Senator from the State of New Jersey, appeared in their seats today.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Saturday, January 10, 1942, was dispensed with, and the Journal was approved.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL:

S. 2190. A bill for the relief of Mrs. Marilla C. Gray; to the Committee on Claims.

By Mr. MCNARY:

S. 2191. A bill for the relief of Clara Wrobliski; to the Committee on Claims.

By Mr. WALSH:

S. 2192. A bill to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy; and

S. 2193. A bill to amend the act approved October 24, 1941, "to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act; to the Committee on Naval Affairs.

By Mr. TRUMAN:

S. 2194. A bill for the relief of Mrs. Leona McMinn; and

S. 2195. A bill conferring jurisdiction upon the United States District Court for the Western District of Missouri to hear, determine, and render judgment upon the claim of Charles E. Salmons; to the Committee on Claims.

By Mr. MCCARRAN:

S. 2196. A bill to relieve entrymen on the public domain from the necessity of compliance with residence and similar requirements during the period of the war and for 6 months immediately thereafter, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. BREWSTER:

S. 2197. A bill relating to the acceptance of gifts of money for the purchase of defense materials; to the Committee on Naval Affairs.

DECENTRALIZATION OF GOVERNMENT AGENCIES — REMOVAL OF OFFICES FROM THE DISTRICT OF COLUMBIA

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The CHIEF CLERK. A resolution, Senate Resolution 216, by Mr. MCCARRAN, opposing the removal of certain governmental agencies from Washington, D. C.

Mr BARKLEY Mr President, I think the resolution ought to go over. I will talk to the Senator about it.

The VICE PRESIDENT. The question is on agreeing to Senate Resolution 216.

Mr. BARKLEY. I asked that the resolution go over.

The VICE PRESIDENT. It will require a majority vote or unanimous consent for it to go over.

Mr. BARKLEY. I am asking unanimous consent that it go over.

The VICE PRESIDENT. Is there objection?

Mr. MCCARRAN. Mr. President, may we have an understanding. I am not familiar with the practice in the matter. Will the resolution come up later?

Mr. BARKLEY. It merely goes over, and comes up automatically each day when we have a morning hour.

Mr. MCCARRAN. Very well.

The VICE PRESIDENT. The resolution will go over.

JOSEPH F. MCDONALD, JR.

Mr. BUNKER. Mr. President, the courage and heroism of the defense of Wake Island is indelibly impressed in history and in the memory of man. Those who gave their lives as a sacrifice for American ideals have not died in vain, for their spirit and valor will light the path to victory.

Nevada, too, has felt the tragedy of war. To her sons who have died on the eastern front we of Nevada pay tribute. As a monument to all of them, I ask to have inserted in the RECORD as part of my remarks an editorial written by one of the West's most prominent editors and one of my most highly esteemed personal friends, Joseph F. McDonald, in memory of his son, Joseph F. McDonald, Jr., who lost his life in the defense of Wake Island.

The VICE PRESIDENT. Without objection, the editorial will be printed in the RECORD.

The editorial is as follows:

HIS HERITAGE

(Joe F. McDonald, in the Nevada State Journal)

Something in the great scheme of things, far beyond our understanding, brings to us at some point in the few fleeting years that hold forth for each of us, the great realization that somewhere, somehow the sorrows and the joys, the daydreams, and the realities of life in free America are not ours for the asking but are ours to be cherished and protected. It is to the youth of the land that we turn.

Such is the heritage of the typical American boy, born under the freedom of the Stars and the Stripes.

The world unfolds before him. It is his to conquer, not by the sword but by perseverance, integrity, kindliness, and the will to work and to give and take.

His faults may be many, but, mingled with his virtues, they only serve to bring into greater relief those qualities of manhood which down through the years have made America great.

In the placid waters of Hawaii, on the barren coral isles of the Pacific, in the Philippines, in the air and on the sea, everywhere the flag of freedom flies, the American boy today sees his plans and his daydreams shattered, but he does not hesitate to risk or give his life that those who are to follow him may enjoy the same God-given heritage, that is America.

It is in memory of an American boy that these few lines are written. Words cannot express, nor cold type denote, the feelings of those to whom he was near and dear, nor can they express the feelings of other American fathers and mothers throughout this vast land whose memories span the years from babyhood to Boy Scout to soldier.

His country will never let him down. Victory will be inscribed on his gravestone.

ANNIVERSARY OF THE BIRTH OF CARL A. LOEFFLER

Mr. WHITE. Mr. President, it has just been brought to my notice that one of the older employees of the Senate today celebrates a birthday. I know from personal knowledge that he has long been associated with this body. At least 40 years ago, when I was here as a clerk, Carl Loeffler was employed in the Senate. I think all Senators, especially those on the minority side, know that at all times and under all conditions he has met the responsibilities of his office with courtesy to us all, with intelligence, and with great fidelity. For myself, and I am sure for all my colleagues, I wish to offer Mr. Loeffler my heartiest congratulations.

Mr. BARKLEY. Mr. President, I take occasion merely to join the Senator from Maine in his timely and eloquent remarks. The only modification I would suggest would be in his reference to Mr. Loeffler as one of the older employees of the Senate. It may be that the calendar is against Mr. Loeffler, but certainly his appearance would not justify the description of him as being one of the older employees. The description would not fit except in the sense that he is old in service to the Senate and to his country.

I am happy to join the Senator from Maine not only in congratulating Mr. Loeffler upon the age which he has attained, but for the physical deception he has been able to work with respect to his appearance, so that no one would suspect his age. I wish him many more birthdays in the future. I am sure that so long as he lives he will enjoy the confidence and the affection of those with whom he labors here.

EXCERPT FROM REMARKS OF SENATOR THOMAS OF UTAH AT BANQUET IN HONOR OF WOODROW WILSON'S BIRTHDAY

[Mr. HILL asked and obtained leave to have printed in the RECORD an excerpt from the remarks of Senator THOMAS of Utah at the banquet in honor of Woodrow Wilson's birthday, at the Willard Hotel, Washington, D. C., on January 10, 1942, which appears in the Appendix.]

IMMORTAL WORDS OF FAMOUS AMERICANS

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an article from the New York Times of January 11, 1942, entitled "Creed for Democrats: Our Ideal, as Expressed by Famous Americans," which appears in the Appendix.]

REGISTRATION OF PROPAGANDISTS

Mr. KILGORE. Mr. President, on December 19, the Senate passed Senate bill 2060 amending the act requiring the registration of persons disseminating propaganda in the United States on behalf of foreign governments.

On the same day the House of Representatives passed House bill 6269, which is identical with the Senate bill except for the Dies amendment. Neither bill has passed both Houses. I ask unanimous consent that the House bill be laid before the Senate and that the Senate proceed to its consideration.

The VICE PRESIDENT. Without objection, the Chair lays before the Senate House bill 6269, which will be read by title.

The bill (H. R. 6269) to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, as amended, was read twice by its title.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. KILGORE. I move that all after the enacting clause of the House bill be stricken out and that the Senate bill 2060, as passed, be substituted therefor, in order that the bill may go to conference.

The VICE PRESIDENT. The question is on the motion of the Senator from West Virginia.

The motion was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. KILGORE. I move that the Senate insist on its amendment, ask for a conference with the House thereon; that the conferees on the part of the Senate be instructed to insist upon the Senate version of the bill, and that the conferees be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. HUGHES, Mr. KILGORE, and Mr. DANAHER conferees on the part of the Senate.

CONSIDERATION OF MEASURES ON THE CALENDAR

The VICE PRESIDENT. The routine morning business is closed. The calendar under rule VIII is in order. The clerk will state the first business on the calendar.

RESOLUTION PASSED OVER

The resolution (S. Res. 30) amending rule VIII so as to prohibit action by unanimous consent on bills in cases where a Senator has given written notice of his objection to their consideration, was announced as first in order.

Mr. McNARY and Mr. McKELLAR asked that the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

Mr. BARKLEY. Mr. President, I think we ought to have a quorum. I did not realize that the calendar would be called automatically today.

The VICE PRESIDENT. This is Monday, and the session follows an adjournment.

Mr. BARKLEY. Yes; being Monday, the call of the calendar is in order.

I ask unanimous consent that the calendar be called merely for the consideration of bills to which there is no objection.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Daniel
Andrews	Gillette	O'Mahoney
Austin	Glass	Overton
Bailey	Green	Pepper
Ba i	Guffey	Radcliffe
Bankhead	Gurney	Reed
Barbour	Hayden	Reynolds
Barkley	Herring	Rosier
Bilbo	Hill	Russell
Bone	Holman	Schwartz
Brewster	Hughes	Shipstead
Brooks	Johnson, Colo.	Smith
Brown	Kilgore	Stewart
Bulow	La Follette	Taft
Bunker	Langer	Thomas, Idaho
Burton	Lee	Thomas, Okla.
Butler	Lucas	Thomas, Utah
Byrd	McCarran	Truman
Capper	McFarland	Tunnell
Caraway	McKellar	Tydings
Chandler	McNary	Vandenberg
Chavez	Maloney	Van Nuys
Clark, Idaho	Maybank	Wagner
Clark, Mo.	Mead	Wallgren
Connally	Millikin	Walsh
Danaher	Murdock	White
Doxey	Murray	Wiley
Ellender	Norris	Willis
George	Nye	

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from New Jersey [Mr. SMATHERS] and the Senator from Arkansas [Mr. SPENCER] are necessarily absent.

The Senator from Montana [Mr. WHEELER] is absent on important public business.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent because of a recent hip injury.

The Senator from Pennsylvania [Mr. DAVIS] and the Senator from

Massachusetts [Mr. LODGE] are necessarily absent.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

The clerk will state the next business on the calendar.

RESOLUTION AND BILL PASSED OVER

The resolution (S. Res. 96) making rule XVI applicable to amendments to relief and work-relief bills was announced as next in order.

Mr. LA FOLLETTE (and other Senators). Let the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments was announced as next in order.

Mr. LA FOLLETTE. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

REHABILITATION OF ANTHRACITE-COAL INDUSTRY

The bill (S. 357) to provide for the rehabilitation of the anthracite-coal industry was announced as next in order.

Mr. GUFFEY. Mr. President, this bill was reported from the Committee on Mines and Mining. It provides for a study of the anthracite-coal situation. Since it has been on the calendar the Senate has passed a joint resolution providing for the appointment by the Vice President and Speaker of the House of a joint committee of seven, three Members to be appointed from the Senate. So I no longer see the necessity of passing this bill. I therefore move that it be recommitted to the Committee on Mines and Mining.

Mr. McNARY. Mr. President, we are operating under a unanimous-consent agreement. That agreement affects any disposition made of the bill. The able senior Senator from Pennsylvania [Mr. DAVIS] is absent. He introduced the bill. He has tried on several occasions to have the bill brought up for consideration. It certainly is not fair in his absence to try to make a disposition of it; and I object.

The VICE PRESIDENT. Objection being made, the bill will be passed over.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (H. R. 4837) to safeguard the confidential nature of Board of Public Welfare of the District of Columbia case records in all types of relief cases, and for other purposes, was announced as next in order.

Mr. McNARY. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1358) to amend section 1 of the act entitled "An act to provide that funds allocated to Puerto Rico under the Emergency Relief Appropriation Act of 1935 may be expended for rehabilitation and for other purposes" approved February 11, 1936, was announced as next in order.

Mr. GILLETTE. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 35) proposing an amendment to the Constitution of the United States providing for national representation for the people of the District of Columbia was announced as next in order.

Mr. McNARY. Let the joint resolution go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 1365) to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended, for the purpose of providing vocational training in Civilian Conservation Corps camps in the interest of national defense was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1831) to prohibit the purchase of foreign-grown cotton with public funds was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

PENSION BILLS PASSED OVER

The bill (H. R. 1095) to amend the act of March 3, 1927, entitled "An act granting pensions to certain soldiers who served in the Indian Wars from 1817 to 1898 and for other purposes" was announced as next in order.

Mr. BYRD. Mr. President, I have asked the Veterans' Bureau to make a report on each of the pension bills from Calendar No. 707, House bill 1095, to Calendar No. 733, House bill 3312. Until the reports are received, I ask that the bills be passed over.

The VICE PRESIDENT. The bills referred to by the Senator from Virginia will be passed over.

BILLS PASSED OVER

The bill (S. 2054) relating to the use and operation by the United States of certain plants in the interest of national defense was announced as next in order.

Mr. BARKLEY. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 683) to expedite the national-defense program by providing a method for the settlement of labor disputes in defense industries without resort to hasty strikes and lock-outs was announced as next in order

Mr. BARKLEY. Let the bill go over.

The VICE PRESIDENT The bill will be passed over.

INDIAN CLAIMS COMMISSION

The bill (S. 1111) to create an Indian Claims Commission, to provide for the powers, duties, and functions thereof, and for other purposes, was announced as next in order.

Mr. McNARY. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. THOMAS of Oklahoma subsequently said: Mr. President, I understand objection was made to the consideration of Calendar No. 945, Senate bill 1111. The bill came up a few days ago, and at that time objections were made to its immediate consideration.

This bill was introduced almost a year ago, at a time when we were not in active warfare. In response to a suggestion made some days ago, the Chief Justice of the United States Court of Claims wrote me a letter about the status in which several Indian claims find themselves before his court. I ask that the letter received from the chief justice of the Court of Claims be printed in the RECORD at this point.

The VICE PRESIDENT. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CHAMBERS, UNITED STATES COURT OF CLAIMS,
Washington, D. C., January 8, 1942.

Senator ELMER THOMAS,
Chairman, Committee on Indian Affairs,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: In the CONGRESSIONAL RECORD of January 6, 1942, on pages 26 and 27, during a discussion of the Indian Claims Commission bill (S. 1111) it was indirectly charged or strongly intimated that the United States Court of Claims is totally or partly responsible for the delay in the trial of the case of the *Indians of California* v. *The United States*, which has been pending in this court for some years.

The court has always felt reluctant to inject itself into a discussion in Congress but the intimation that the court is responsible in this case, or in the delay in the trial of other cases, and is behind on its docket is so unfair to the court that I feel it incumbent upon me, as the head of the court, to bring this matter to your attention, feeling assured that you will willingly correct the error into which unintentionally you have fallen.

After repeated efforts to bring the above-mentioned case to trial, in 1939 a rule was issued by the court returnable in January 1940 to show cause why the case should not be dismissed because of lack of prosecution. The attorney general of California, the Honorable Earl Warren, immediately made a return which clearly showed to the court that the case should not be dismissed but a further extension of time allowed for the prosecution of the case. In his letter of December 26, 1939, the attorney general of California states:

"I fully appreciate your reasons for issuing the rule to show cause and wish to express my sincere thanks for your kindness in accepting my letter as a reply to the rule and for your statement that the rule will be discharged during the January term.

"Everyone familiar with the facts of this case knows that the court is entirely blameless in its not being brought to trial and that criticism of the court is wholly unwarranted and unjustified."

The case was brought to trial at the May term and a decision would have been rendered by the court in October. However, on September 17, 1941, the Senate passed Senate bill 1112, introduced by Senator THOMAS of Oklahoma, which materially changed several features of the original jurisdictional act, and this bill was sent to the House and has been reported by the Committee on Indian Affairs of the House and is now pending on the calendar of the House of Representatives.

At the earnest request of certain lawyers who claim to be representatives of the Indians and the consent of the Attorney General of California, the court has delayed rendering a decision pending the outcome of this bill in the House of Representatives. It has been for this reason, and this reason alone, that a decision of the case has not been rendered.

May I call to your attention that in October 1939 there were pending in the Court of Claims 76 Indian cases. Since that date there have been filed 7 new cases, making a total of 83 cases.

During the period from October 1939 to January 7, 1942, inclusive, the court has disposed of 44 Indian cases, leaving a balance of 39 Indian cases not tried.

In addition, there are in the hands of the judges six cases awaiting decision. There are also six cases in which decisions were rendered under rule 39A, which disposed of the legal questions and recovery allowed. An accounting has to be made before final judgment.

It has always been the policy of the Court of Claims to dispose of all cases as rapidly as possible, and every pressure has been brought to bear in order to have an early determination of these Indian cases.

It may be of interest to you to know that the Court of Claims is up on its work and that the judges are up on their calendars.

With the exception of a few Indian and patent cases, the general docket of the Court of Claims is up to 1938, and cases filed during 1938, 1939, and 1940 are being disposed of as rapidly as possible. There are no other old cases on the Court of Claims docket.

A litigant can get a trial in this court as quick, if not quicker, today as in any trial court in the United States.

I shall appreciate it, if you see proper, to have this letter inserted in the RECORD.

With high personal regards.

Sincerely yours,

RICHARD S. WHALEY,
Chief Justice.

Mr. THOMAS of Oklahoma. I now ask, Mr. President, that Senate bill 1111 to create an Indian Claims Commission, and so forth, be recommitted to the Committee on Indian Affairs for further consideration.

The VICE PRESIDENT. Without objection, the bill will be recommitted to the Committee on Indian Affairs.

BILLS PASSED OVER

The bill (H. R. 3487) to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended, was announced as next in order.

Mr. McNARY. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2112) authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics was announced as next in order.

Mr. McNARY. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over

PUBLIC OFF-STREET PARKING FACILITIES IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 1945) to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments, in section 1, page 2, line 2, after the words "as to", strike out "constitute a public nuisance" and insert "interfere seriously with the primary use of such highways for the movement of traffic"; on line 15, after the word "that", to insert "it may be necessary to supplement"; and on line 16, after the word "spaces", to strike out "now existing must be forthwith supplemented."

The amendment was agreed to.

The next amendment was, in section 3, page 3, line 20, after the name "Columbia", to insert "approved March 3, 1901 (31 Stat. 1265-1266)"; on page 3, after line 23, to insert "Before acquiring any area for parking facilities the Commissioners shall request the National Capital Park and Planning Commission for its recommendations, and it shall be the duty of said Commission to report thereon within 30 days of such request"; on page 6, line 1, after the figure "11", to strike out "page 40, of Public, No. 458, of the Seventy-fifth Congress, third session, approved April 4, 1938)" and to insert "of the District of Columbia Appropriation Act, 1939, approved April 4, 1938 (52 Stat. 192)."

The amendment was agreed to.

The next amendment was, in section 4, page 6, line 21, before the word "resident", to insert "bona fide"; and on line 23, after the word "Commissioners", to insert "without regard to race or creed."

The amendment was agreed to.

The next amendment was, on page 7, after line 16, to strike out section 5, as follows:

SEC. 5. Parking facilities may be established in any section or portion of the District, any provision of the zoning regulations to the contrary notwithstanding: *Provided, however,* That no parking facilities shall be established upon any property zoned residential without the approval of the Zoning Commission of the District.

And to insert:

SEC. 5. Parking facilities may be established in any section or portion of the District except that no parking facilities shall be established upon any property zoned residential without the approval of the Zoning Commission of the District. The Zoning Commission may grant such approval only after public notice and hearing in accordance with section 3 of the act entitled "An act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes," approved June 20, 1938.

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments.

Mr. DANAHER. I now ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 1968) to amend section 13 (c) of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, as amended, so as to permit the sale of certain publications not published or sold for profit, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2063) to authorize certain officers and enlisted men of the Army of the United States to accept emblems, medals, orders, and decorations that have been tendered them by governments of the Western Hemisphere, was announced as next in order.

Mr. McNARY. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

OVERTIME PAY FOR CERTAIN EMPLOYEES

Mr. REYNOLDS. Mr. President, I ask unanimous consent to return to Order of Business 961, Senate bill 2112. When the bill was called I was reading another bill, and my attention was diverted.

The VICE PRESIDENT. Is there objection to the request of the Senator from North Carolina? The Chair hears none, and the clerk will state the bill by title.

The CHIEF CLERK. A bill (S. 2112) authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics.

Mr. McNARY. Mr. President, when the bill was called, I objected to its consideration, and I shall still object unless some reasonable explanation shall be made of the bill.

Mr. REYNOLDS. Mr. President, the Committee on Military Affairs received an urgent recommendation that authority be granted to pay overtime rates to certain employees of the National Advisory Committee for Aeronautics. They advised the committee, through a communication directed to the chairman, that, in view of the fact that the employees of other branches of the Government, particularly those allied with national defense, and the employees of the advisory committees thereof, were obtaining overtime pay for work done in excess of 40 hours a week, their committee was having extreme difficulty in maintaining a staff to engage in national defense work, since employees were being offered larger salaries in other branches of the governmental service wherein civil duties were being performed.

As a result of the recommendation, the Committee on Military Affairs reported the bill favorably, in order that for overtime work in excess of 40 hours employees of the Advisory Committee for Aeronautics could be paid one and a half times the regular rate.

My only reason for respectfully requesting that the matter be passed upon now is that we have received this recommendation from the National Advisory Committee for Aeronautics. All I can say in regard to the matter is by way of a repetition of the letter of the National Advisory Committee for Aeronautics, which appears in the report of the committee. There are two paragraphs which I wish to bring to the attention of the Senate. I read from the report:

The bill provides that compensation for employment in excess of 40 hours in any administrative workweek computed at a rate of one and one-half times the regular rate shall be authorized to be paid under such regulations as the President may prescribe to those employees in the field service of the National Advisory Committee for Aeronautics whose overtime services are essential

to the national-defense program and whose duties are determined by the President to be comparable to the duties of those employees of the War Department, the Navy Department, and the Coast Guard for whom overtime compensation is authorized under existing law and regulations.

I also wish to read a portion of the letter directed to the President of the United States Senate under date of December 15, 1941, as follows:

The impact of the aircraft program upon the committee has confronted it with the imperative need for more speed in the study of the numerous and increasingly difficult technical problems presented by the Army and the Navy in connection with their need constantly to improve the performance of American aircraft to the highest degree attainable. The committee's recommendations for improvement in aircraft must be made in time for incorporation in new designs before they go into production. This involves not only an increased force, which has been authorized, but also the extension of working hours of present personnel, in order immediately to increase their productivity and in order to retain them in the face of higher earning opportunities in navy yards and private industries, chiefly resulting from overtime pay.

The National Advisory Committee for Aeronautics is merely asking authorization to pay overtime rates to certain employees in order that they may be able to compete with the Army and the Navy.

Mr. McNARY. When I read the title only as it appears on the calendar, I was curious to know whether this pattern was followed by other agencies of the Government, or is this a special group which is to receive overtime pay?

Mr. REYNOLDS. I am not in a position to respond to the Senator's inquiry intelligently, but I may say that the evidence presented to our committee was to the effect, as I have stated, that this agency of the Government, the National Advisory Committee for Aeronautics, could not continue to function as it should, and as it is presumed it will function in the future in view of the speed-up, because of the necessity that they must compete with the Army and the Navy.

Mr. McNARY. Does not the Senator think Congress should adopt a plan which would be applicable to all agencies, rather than single out a few? This may be the proper course to pursue, but I do not like to see discrimination practiced toward any particular department.

Mr. REYNOLDS. This particular request came to our committee, according to my interpretation of the argument presented, because the employees of this agency are being taken away from them by the Navy and by the Army, which are engaged in similar work.

Mr. McNARY. I am advised that a great many of the other bureaus and agencies of the Government are having their experts taken away from them, depending on how valuable one agency may think the employees of some other agency may be. It seems to me there should be a plan applicable to all the different agencies involved in activities of the Government. That is the only point I am making.

Mr. REYNOLDS. I think that, in all probability, the Senator's point is well taken.

Mr. McNARY. I rather think so.

Mr. REYNOLDS. But at the present time the National Advisory Committee for Aeronautics is encountering difficulty in functioning, and consequently we have been forced to ask that this bill be given immediate consideration, in order that they may perform their duties, in view of the fact that they now find themselves compelled to compete with the Army and the Navy. I agree with the distinguished Senator from Oregon that we must eventually devise some plan by which the tremendous competition among different divisions of the Government can be handled.

Mr. HILL. Mr. President, will the Senator from North Carolina yield?

Mr. REYNOLDS. I yield.

Mr. HILL. I am not sure the Senator has not made the point clear, but the effect of the bill would be to do exactly for the employees of the National Advisory Committee for Aeronautics what Congress has already done for the employees of the War Department, the Navy Department, and the Coast Guard.

Mr. REYNOLDS. Exactly.

Mr. HILL. In other words, to put these employees who are engaged in national-defense work on the same basis with the employees of the other three main agencies doing defense work.

Mr. REYNOLDS. Precisely.

Mr. HILL. Mr. President, I think it should be added that this agency, the National Advisory Committee for Aeronautics, not only has been losing its personnel to the Army and Navy and Coast Guard, but it has been losing its personnel to private corporations which are engaged in the manufacture of products in connection with which the technical knowledge of these employees would fit in, and make them eligible and desirable in private industry.

Mr. REYNOLDS. Quite so.

Mr. HILL. I think I can understand exactly what is bothering the Senator from Oregon, because every time the question of overtime comes up it disturbs me. Where are we to draw the line?

Mr. McNARY. Where are we to draw the line as to who is doing national-defense work?

Mr. HILL. I agree with the Senator's suggestion.

Mr. McNARY. I do not think there are simply two or three agencies which are indispensable.

Mr. HILL. No; I agree with the Senator.

Mr. McNARY. Last week we had before us a controversial subject regarding farm products. I think farmers are doing their part, and that their work is just as essential as is the work of those in munitions plants. Where are we going to stop or draw the line? Who are to be considered to be in the favored classes?

Mr. HILL. I agree with the Senator. So far as the farmers are concerned, they are not paid directly by the Government.

Mr. McNARY. I appreciate that. I only use them by way of illustration. It seems to be a common assumption that simply a small group is doing this defense job. Everyone ought to be trying to do it.

Mr. HILL. Yes; everyone ought to be trying to do it, and most are. We know that the scale of wages in industry today is very high, which makes it difficult for agencies of Government, in which the pay is low, to compete and get the kind of men they need. There is no doubt that this advisory committee is doing a most important work in the matter of designing airplanes, a most imperative job, and they need good, intelligent technical men, and they cannot get them unless they can pay them adequately.

Mr. REYNOLDS. They cannot get them unless they are in a position to compete with the wages paid by the Army, Navy, and Coast Guard.

Mr. McNARY. Under the bill does the overtime pay apply to the technical men, or does it apply to the stenographer and clerk?

Mr. REYNOLDS. No; it applies only to the technical men, to those, according to my understanding, who are working actively in the field.

Mr. HILL. Yes. Those men are primarily technical men. If my information with respect to the advisory committee is correct, they have few employees except technical men. The organization is just what the name connotes, an advisory committee, composed of technical men, who devote their time to working on plans and specifications and things of that kind, and the organization has very few other employees.

Mr. McNARY. Are not the committee's employees compensated by the month?

Mr. REYNOLDS. Yes; they are. The provision, however, applies only to per annum employees.

Mr. McNARY. How does the overtime itself affect these men? Will they receive time and one-half if they work Saturday afternoons and Sundays?

Mr. HILL. If they work over 40 hours they would be entitled to the overtime exactly as the War Department employees.

Mr. McNARY. Their compensation is based on an hourly wage rather than a monthly wage?

Mr. HILL. No.

Mr. REYNOLDS. This provision applies only to per annum employees.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. McKELLAR. If we pass the bill will we not have to accede to hundreds of similar requests?

Mr. McNARY. Mr. President, I shall object to the measure until I have had a chance to look into it and see how far it is applicable.

The VICE PRESIDENT. The bill will be passed over.

ACCEPTANCE OF MEDALS AND DECORATIONS BY CERTAIN OFFICERS AND ENLISTED MEN

The Senate proceeded to consider the bill (S. 2063) to authorize certain officers and enlisted men of the Army of the United States to accept emblems, medals, orders, and decorations that have been tendered them by governments of the Western Hemisphere, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 7, after "Hemisphere", to

strike out the comma and the words "excluding Canada", so as to make the bill read:

Be it enacted, etc., That the following-named officers and enlisted men of the Army be, and they are hereby, authorized to accept such emblems, medals, orders, and decorations as have been tendered them to the date of approval of this act by foreign governments of the Western Hemisphere:

Gen George C. Marshall; Lt. Gen. Daniel Van Voorhis; Maj. Gen. Herbert A. Dargue; Maj. Gen. John N. Greely; Maj. Gen. Edwin M. Watson; Brig. Gen. John A. Crane; Brig. Gen. Willis D. Crittenberger; Brig. Gen. Leigh C. Fairbank; Col. Lester D. Baker; Col. Enrique M. Benitez; Col. Charles B. Elliott; Col. Charles B. Lyman; Col. Charles H. Mason; Col. Charles L. Mullins, Jr.; Col. Joseph B. Pate; Col. John A. Weeks; Col. William C. Young; Lt. Col. Mark A. Devine, Jr.; Lt. Col. Uzal G. Ent; Lt. Col. Charles P. Gross; Lt. Col. George H. Weems; Maj Darr H. Alkire; Maj. Paul C. Ashworth; Maj. Cornelius W. Cousland; Maj. Millard L. Haskin; Maj. John T. Murtha, Jr.; Maj. John L. Nedwed; Maj. Elwood R. Quesada; Maj. Frank H. Robinson; Maj. Douglas B. Smith; Capt. William B. Bunker; Capt. Thomas L. Crystal, Jr.; First Lt. Ryder W. Finn.; First Lt. Robert W. Strong, Jr.; Second Lt. George S. Brown; Master Sgt. Leonard A. Baker; Master Sgt. Gib Bradley; Master Sgt. Lewis H. Burger; Master Sgt. Dwight M. Capps; Master Sgt. William J. Duffy; Master Sgt. Walter W. Fry; Master Sgt. Clarence D. Green; Master Sgt. Donald E. Hamilton; Master Sgt. Henry P. Hansen; Master Sgt. Lawrence L. Henry; Master Sgt. George C. Iknar; Master Sgt. Ralph R. Illick; Master Sgt. August W. Keuhl; Master Sgt. Eugene W. Latham, Jr.; Master Sgt. Troy V. Martin; Master Sgt. John A. Mauro; Master Sgt. John A. Piper; Master Sgt. Raymond F. Tucker; Technical Sgt. Leroy S. English; Technical Sgt. Archie R. Jester; Technical Sgt. Russell E. Junior; Technical Sgt. Jacob E. McDonald; Technical Sgt. Aubrey C. Moore; Technical Sgt. William A. Withers; Staff Sgt. Norbert D. Elinn; Staff Sgt. Donald F. Lowney; Staff Sgt. Paul F. Rochetti; Staff Sgt. George C. Snyder; and Staff Sgt. Joseph H. Walsh.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM MITCHELL

The Senate proceeded to consider the joint resolution (S. J. Res. 109) to restore the rank of brigadier general to the late William L. Mitchell, which had been reported from the Committee on Military Affairs with an amendment, on page 2, line 2, after the name "William" to strike out "L.", so as to make the joint resolution read:

Resolved, etc., That the Secretary of War is authorized and directed to make the records of the War Department indicate that the late William Mitchell's rank of brigadier general has been restored as of the effective date of his resignation from the Army; and the President of the United States is hereby authorized to issue the necessary commission or documents incident to the restoration of such rank: *Provided*, That no pay, allowances, or other financial benefit shall be held to have accrued or to accrue by reason of the enactment of this joint resolution.

The amendment was agreed to.

Mr. CLARK of Missouri. Mr. President, I certainly have no disposition to object to the consideration of the joint resolution, but I desire to offer an amendment to it in the nature of a substitute. My amendment proposes to strike out all after the enacting clause and to insert the language which I send forward and ask to have read.

The VICE PRESIDENT. The amendment will be read.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and to insert in lieu thereof the following:

That the President is authorized to issue posthumously to the late William Mitchell, late a colonel, United States Army, a commission as a major general, United States Army, as of the date of his death in 1936.

SEC. 2. The Secretary of War is authorized and requested to amend the records of the War Department so as to carry the said William Mitchell as a major general, United States Army, at the time of his death in 1936.

Mr. CLARK of Missouri. Mr. President, as I have said, I certainly have no disposition to object to the consideration of the joint resolution, and therefore I do not object to its consideration; but if the Congress of the United States intends to do justice to the memory of General Mitchell, it seems to me that simply to restore him to the temporary rank he held ex officio as a brigadier general, as Assistant Chief of the Air Corps, is a pitifully meager recognition.

General Mitchell was the oustanding exponent of the development of air power in this country. He came into conflict with the brass hats, the highest superior officers, the general staffs of the Army and the Navy, because he advocated and had the courage and patriotism to advocate something which has since been completely demonstrated in the history of warfare—namely, that air power is certainly equivalent to military power or naval power and possibly is the predominant factor in warfare. If General Mitchell's advice had been followed, if he had been allowed to complete his demonstration of the potentialities of air power and the possibilities of the development of air power, many of the disasters which have overcome many nations of the world might have been avoided. Instead of that, he was tried, he was court-martialed for the statements he made in his patriotic efforts. He had already been reduced to a colonelcy, an entirely legal procedure, because of the fact that he held a temporary rank of brigadier general. As the result of his court martial he was demoted many files in the United States Army; and, exercising the decent self-respect which any Army officer under such circumstances in time of peace would naturally exercise, he resigned from the Army. To those who knew General Mitchell there is no question on earth that he died of a broken heart.

Mr. President, I say the only justification for this joint resolution at all is to do justice to General Mitchell in some small degree and simply to restore his name to the temporary rank he held without taking into consideration the fact that he was driven out of the Army in more or less disgrace, and left to die of a broken heart is very meager recognition. If the Congress of the United States desires to pay tribute to General Mitchell, it seems to me it ought to do it in a generous way, at least to the extent of recognizing the fact that if he had lived and had not been cashiered, in effect, for the patriotic expression of his views, at the time of his death he would undoubtedly have been at least a major general, and that in the present time he would have been much more than a major general, because several air officers occupying the most responsible positions in the United States Army are lieutenant generals, entrusted with the defense of the United States at the most vital spots. Therefore, Mr. President, I say that if we are going to extend this recognition at all we ought to do it at least to an appreciable extent, make it a recognition of his outstanding services, and provide for the rank he would undoubtedly have held at the time of his death.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. CLARK].

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was rejected.

The title was amended so as to read: "Joint resolution authorizing the President to issue posthumously to the late Colonel William Mitchell a commission as a major general, United States Army, and for other purposes."

Mr CLARK of Missouri. Mr. President, what I tried to do was to combine, so far as possible the bill introduced by the Senator from Wisconsin [Mr. WILEY] and the bill which I have introduced in several Congresses, the essential difference between the two measures being the difference between the rank of major general and that of brigadier general.

Mr. WILEY. Mr. President, at long last I think that is the phrase that is appropriate on this occasion—the Senate of the United States, by the passage of this joint resolution, has honored itself and given official recognition to the courage and vision of a great American, "Billy" Mitchell.

I said that the Senate has now given recognition to the courage of this man. Mr. President, it takes courage for a man to put himself up against the majority when he knows he will be martyred; but General Mitchell, because of his convictions, could do nothing else. He loved his country and saw the danger to its way of life. If there ever was a man who sacrificed himself on the altar of America, it was "Billy" Mitchell, of Wisconsin.

He had nearly everything that life could give him. He demonstrated by his action in the World War that he was a great leader of men. He was highly regarded by the leaders of the Republic. He was in line for promotion, but when he saw his country's need he sacrificed everything—even his life—in the hope that he could awaken America to the danger she was in because of men without vision.

With the seer's eye he scanned the future and saw what we know today—that the only way that America could be successfully attacked or conquered would be by air fleets. He demonstrated the effectiveness of bombers by sinking the unsinkable *Von Tirpitz*, and yet the closed

minds who were supposed to be the guardians of America's safety poohpoohed his ideas.

The average man would have let well enough alone. But not "Billy" Mitchell. He sacrificed his rank. He tried to awaken America to the realities of the situation. He spoke against the smugness, complacency, and lack of vision of leaders in the Army and Navy, whose minds were in a rut and who could not and would not see.

Let me digress from my trend of thought and ask this question: If "Billy" Mitchell's advice had been followed, what untold suffering might have been spared this world. No one can tell what course history might have taken if his pleading voice had been heeded.

Someday someone will write the story of what might have been, and relate how, if Mitchell's ideas had been adopted by America instead of by Goering, history's flank would have been turned. The sage has said, "Beware of a man with an idea. He may turn the flank of history."

"Billy" Mitchell was a martyr to ignorance, smugness, and complacency. The reason I have insisted that this recognition be given him is not that he needs it. "Billy" Mitchell has been dead since 1936. His soul goes marching on; and if after men cast off this mortal coil they are cognizant of what transpires here, he may have some satisfaction in knowing that America now says to him a belated, "Well done, thou good and faithful servant."

"Billy" Mitchell would say to America now—and I believe he is saying it through me—"I care not for recognition. I only want my beloved America to be awake, to be constantly on the alert." He would tell us that we have much of value here to guard and protect and transmit to untold generations unborn. Such a task, he would say, requires men who are on the job; men who fully realize that the weapons of today are inadequate to meet the battle situation tomorrow; unselfish men; men with great souls—for only such men have vision—who see the job that is to be done and will not falter or hesitate to pay whatever the price may be.

I have espoused this cause not because "Billy" Mitchell's name, by legislative action, needs to be carved in the Parthenon of America, but so that when other "Billy" Mitchells of today and tomorrow come along, men with ideas and vision, men who love their country, they will not be "cashiered," court martialed, degraded, and martyred, but will be recognized. Let us hope that America, this great puissant Nation, will be ready through her leaders to see and to grasp whatever is needed for her security and the welfare of her people.

Yes; "Billy" Mitchell had courage. As time goes on his particular type of courage will provide for Americans something fine and noble to think about.

Right now America needs farsighted men of the "Billy" Mitchell type. We have been told that where there is no vision the people perish. "Billy" Mitchell's voice was the voice in the wilderness. He rebelled at the criminal blindness of his superiors. He blasted the Army and Navy "mossbacks" with scorching broadsides "for their criminal negligence and their bungling incompetency."

He was so far ahead of his time—advocating aerial torpedoes, parachute troops, troop-transport planes, heavy gun combat planes, and air bases in in Alaska—that the laggard brains could not comprehend what he was talking about. But let us remember, to the shame of those who should have comprehended, that Mitchell backed his statements with facts and demonstrations; but the rocking-chair admirals and the swivel-chair generals scoffed at his ideas. They could not see, even after he had demonstrated by sinking a submarine, a cruiser, a destroyer, and a former German dreadnaught.

Mr. President, are we creating a military caste system in America which crucifies the exploratory mind and the man with courage and vision? There is no better time to find out than now. Are we continuing to deny an opportunity to men with ideas? What was done to "Billy" Mitchell points to the existence of a very serious situation.

I am not talking about individuals. I am talking about a dangerous situation and condition which affects the very liberty of my country.

Petain said when France fell:

> It was due not to the failure of her soldiers, but because France failed to comprehend the realities of the situation years before.

In the midst of war it is important that we have men with brains who will scrap outmoded ideas, red tape, and, above all, "mossback" thinking—men who know that the last page is never written in humanity's book.

Life is growth. Life is constantly in flux. Today's textbook in every human science is outmoded tomorrow.

I believe that if "Billy" Mitchell were alive, or if men like "Billy" Mitchell were permitted to use their ideas, they would in this day seek out new antidotes for the Axis plan. He would seek improved methods; and if he were in command, he would get rid of outmoded minds and antiquated brains which might be serving America. He would reach for the best inventive minds we have. He would use the men who have the greatest genius for doing things, perhaps by means of some unorthodox mechanical, explosive, or electrical force.

Mr. President, I am hoping that the tens of thousands of flyers who are soon going to take to the ocean of the air to win victory for America will form a great air corps called the "Billy Mitchell Air Division," and thus carry into the battle for the liberation of the world the vision and the spirit of a great and a martyred American.

The VICE PRESIDENT. The clerk will state the next business on the calendar.

JOINT RESOLUTION AND BILL PASSED OVER

The joint resolution (S. J. Res. 126) authorizing appropriations for the purpose of providing additional office space and additional housing facilities in or near the District of Columbia was announced as next in order.

Mr. GILLETTE. Let the joint resolution go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (H. R. 5591) to amend the District of Columbia Revenue Act of 1939, and for other purposes, was announced as next in order.

Mr. McNARY. Mr. President, does the Senator from Nevada [Mr. McCARRAN] wish to consider that bill today? I am not familiar with the purposes of the bill. Is it a long bill?

Mr. McCARRAN. It is somewhat lengthy.

Mr. McNARY. We probably could not give it adequate consideration at this time.

Mr. McCARRAN. I prefer that it go over until the next call of the calendar, although it is quite important that it be dealt with promptly.

The VICE PRESIDENT. The bill will be passed over.

PRODUCTION OF RUBBER FROM GUAYULE

The bill (S. 2152) to provide for the planting of 45,000 acres of guayule in order to make available a domestic source of crude rubber for emergency and defense uses was announced as next in order.

Mr. McNARY. Let the bill go over.

Mr. DANAHER. Mr. President, if the Senator who voiced the objection will withhold his objection for a moment, I should like to offer two amendments to the bill and have them stated in the RECORD so that the reasons therefor may appear.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Is the objection withheld so that the amendments may be offered?

Mr. McNARY. Yes, Mr. President.

Mr. DANAHER. On page 7, at the beginning of line 24, in the committee amendment, I move to strike out the words "except that the total acreage of all plantings of rubber-bearing plants other than guayule shall not exceed 15,000 acres." That language extends over onto page 8, to the end of line 2.

Mr. McNARY. Mr. President, in the absence of the Senator from California [Mr. DOWNEY], I think the amendments should be offered and go over with the bill to which objection has been made.

Mr. DANAHER. I agree, Mr. President.

The PRESIDING OFFICER. The amendment to the amendment will be regarded as pending. Does the Senator wish to offer another amendment?

Mr. DANAHER. I thought I made it clear, Mr. President—if I did not I wish the RECORD to show it—that I have objection to the bill in its present form, but would have no objection if the proposed amendments should prevail.

We are trying to increase the available sources of possible rubber substitutes; yet according to the very language in the bill to which I have referred we might restrict one of the very fertile sources if the Department of Agriculture should find it to be such. Therefore, if the Secretary of Agriculture, as his own report indicates, feels that he should have wider latitude and greater flexi-

bility in his efforts to procure for us new sources of crude rubber, we should not limit him in any sense whatever to a given amount of planting of the wild rubber shrub called guayule.

Mr. President, another amendment which it seems to me is fundamental and requisite relates to page 5, line 24, in the committee amendment, from which I seek to strike the words "now held by the Intercontinental Rubber Co. or any of its subsidiaries, or by other companies or individuals," the language extending into line 1 on page 6.

In the first place, Mr. President, in general legislation we should not assume that a particular rubber company has any patents which are to be the subject of legislation. The language to which I refer is directed peculiarly and solely to the Intercontinental Rubber Co., whatever that is, and wherever it is. Rather than pass general legislation applying solely to any patents held by this particular company, we should authorize the Secretary to acquire, by purchase, condemnation, or otherwise, patents held by anybody relating to the growing or harvesting of guayule and the extraction of rubber therefrom.

Having offered the amendments and briefly stated the reasons for them, I have no objection to whatever further action the Senate may choose to take with reference to the bill. I assume it will be passed over.

Mr. McNARY. Mr. President, I should like to ask for some information about the bill. Some weeks ago the bill was before the Senate, and considerable discussion was had on the floor with reference to it. It was then withdrawn and recommitted to the committee. I understood that hearings were to be held on the bill. I ask now whether hearings were held, and if so, whether the hearings have been printed and are available for the information of the Senate. The reason I ask the question is that there are a great many questions with reference to this bill and the motives of those behind it which I, for one, would like to have answered.

Mr. WILEY. Mr. President, I call for the regular order.

The PRESIDING OFFICER. The bill will be passed over, and the amendments offered by the Senator from Connecticut to the committee amendment will be considered as pending when the bill comes up for consideration.

The clerk will state the next business on the calendar.

BILL PASSED OVER

The bill (S. 1869) for the relief of certain claimants against the United States who suffered property losses as a result of the failure of the Big Porcupine Dam on the Fort Peck project, Montana, was announced as next in order.

Mr. McNARY. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

CROATAN NATIONAL FOREST, N. C.

The bill (S. 2089) to authorize the transfer of the custody of a portion of the Croatan National Forest, N. C., from the Department of Agriculture to the Department of the Navy was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized and directed to transfer to the control and jurisdiction of the Secretary of the Navy a portion of the Croatan National Forest, N C., containing approximately 465 acres: *Provided*, That in the event the area transferred pursuant to the provisions of this act shall cease to be used for military purposes it shall revert to its former national-forest status.

PROMOTION OF CERTAIN NAVAL OFFICERS

The bill (S. 2095) to further amend the act approved June 23, 1938 (52 Stat. 944), as amended, was announced as next in order.

Mr. McNARY. Mr. President, I should like to have the able Senator from Massachusetts [Mr. WALSH], chairman of the committee, explain this bill and the next three or four bills.

Mr. WALSH. Mr. President, I shall be pleased to do so.

The purpose of Senate bill 2095 is to further amend the act approved June 23, 1938, as amended. That act refers to the matter of promotions through the selective system of the Navy. The act provides that officers of the Navy who are selected for promotion but not for retention on the active list shall be retired.

When the emergency became acute the Navy appropriation bills provided money to keep on active duty certain naval officers who had been selected for promotion but not for retention on the active list. They are now on active duty because of the emergency. Otherwise, they would have been retired. The bill permits them to be considered, while they are on active duty, for further advancement and promotion, the same as any other naval officer. The bill is recommended by the Navy Department.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act approved June 23, 1938 (52 Stat. 944), as amended, is further amended by striking out subsection "(j)" of section 12 and inserting in lieu thereof the following:

"(j) No officer on the active list of the Navy on the date of approval of this act shall be retired in his present grade by reason of the provisions of subsection (b) of this section or in the next higher grade by reason of the provisions of subsection (f) of this section sooner than he would have been retired by reason of service ineligibility for consideration for selection under the provisions of law in effect on the date of approval of this act: *Provided*, That officers promoted by reason of adjudgment as fitted for promotion, but not retained on the active list pursuant to subsection (d) of this section, who are nevertheless continued on the active list, shall, during such continuance on the active list and subject to the provisions of subsection 7 (a) of this act, be eligible for consideration for selection for promotion to the next higher grade, as best fitted only, and, subject to the provisions of subsection 11 (c) of this act, may be promoted consequent to such selection: *Provided further*, That such officers, while being so continued on the active list, who twice fail of such selection shall thereafter be ineligible for consideration for selection: *And provided further*, That officers of the grades of captain and commander, subject to retirement under subsection (b) of this section and retained on the active list under the provisions of this subsection, who have or shall have twice failed of selection as best fitted shall thereafter be ineligible for consideration for selection."

CONVEYANCE OF LAND TO SCHOOL DISTRICT NO. 20, CHARLESTON COUNTY, S. C.

The bill (S. 2097) to authorize the Secretary of the Navy to grant to the board of trustees, school district No. 20, Charleston County, S. C., a parcel of land situated in the city of Charleston, S. C., was announced as next in order.

Mr. WALSH. Mr. President, a very small parcel of land is involved in this bill. The bill does not involve any cost to the Navy Department, and is approved by the Navy Department. I think the amount of land is half an acre.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to grant to the board of trustees, school district No 20, Charleston County, S. C., for use in connection with the Murray Vocational School in the city of Charleston, S. C., all right, title, and interest of the United States in and to the naval radio station site in the city of Charleston, S. C., recently used as a Naval Reserve armory adjacent to the said Murray Vocational School, containing approximately three hundred and forty-four one-thousandths acre.

PERFORMANCE OF DUTIES OF CERTAIN INCAPACITATED NAVAL OFFICERS

The Senate proceeded to consider the bill (S. 2139) to provide for performance of the duties of chiefs of bureau and the Judge Advocate General in the Navy Department, and the Major General Commandant of the Marine Corps, and for other purposes.

Mr. WALSH. Mr. President, the present law provides that when a chief of bureau becomes incapacitated his duties shall be performed by the chief clerk of his bureau. The law reads as follows:

In case of the death, resignation, absence, or sickness of the chief of any bureau, or of any officer thereof, whose appointment is not vested in the head of the department, the assistant or deputy of such chief or of such office, or if there be none, then the chief clerk of such bureau, shall, unless otherwise directed by the President, as provided by section 6 of this title, perform the duties of such chief or of such officer until a successor is appointed or such absence or sickness shall cease.

Since the enactment of the law the expansion of the Navy has resulted in a corresponding expansion of all activities of the Navy Department and its bureaus, with a resultant increase in the complexity of administration. Heading the divisions of the various bureaus in the Navy Department are officers of high rank who, by virtue of wide experience afloat and ashore, are considered best qualified to act for the chiefs of bureau

during their absence and in the absence of the the assistants to the chiefs of any such bureaus. In a word, the bill modifies the law giving the chief clerk power to act when the head of a bureau is absent by reason of sickness or otherwise, and requires that the duties of the office be performed by an officer of more experience and higher rank than a chief clerk.

Mr. McNARY. The bill does not create a new office?

Mr. WALSH. No; it involves no additional expense.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 2139) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That during the absence, disability, or a temporary vacancy in the office of the chief of any bureau of the Navy Department or the Judge Advocate General of the Navy, when the assistant to such chief of bureau or the Judge Advocate General is absent or disabled, the heads of the major divisions of such bureau or office shall, unless otherwise directed by the President, perform the duties of the chief of bureau or the Judge Advocate General, in such order as the Secretary of the Navy may direct.

SEC. 2. A line officer on the active list of the Marine Corps may be detailed as assistant to the Major General Commandant of the Marine Corps and shall, while so serving, receive the highest pay of his rank. Such assistant to the Major General Commandant, and then the line officers of the Marine Corps on duty at the headquarters of the Marine Corps in the order of seniority, shall, unless otherwise directed by the President, perform the duties of the Major General Commandant during his absence, disability, or in the event of a temporary vacancy in that office.

ADDITIONAL SHIPBUILDING AND SHIP-REPAIR FACILITIES

The bill (S. 2153) authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes, was announced as next in order.

Mr. WALSH. Mr. President, this is a bill of considerable importance. I ask that the identical House bill, which has been reported to the Senate with an amendment, be substituted for the Senate bill and be now considered. The House bill is found on the next page of the calendar. It is House bill 6304.

The PRESIDING OFFICER. Without objection, the House bill will be substituted for the Senate bill.

The House bill will be stated by title.

The CHIEF CLERK. A bill (H. R. 6304) authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes.

Mr. WALSH. Mr. President, a word of explanation.

From time to time the Navy Department has been asking Congress to authorize the appropriation of large sums of money for increasing shipbuilding and ship-repair facilities. Since 1940 we have passed four bills for such purposes, and this is the fifth.

It may be interesting to Senators to know how far we have gone in the direction of providing ship-repair and shipbuilding facilities.

On June 14, 1940, we authorized for shipbuilding facilities $35,000,000; on June 19, 1940, $150,000,000; on January 31, 1941, $315,000,000; and on July 29, 1941, $300,000,000 for shipbuilding facilities, and $160,000,000 for ship-repair facilities.

So, apart from this bill we already have appropriated $900,000,000 for expanding shipbuilding and ship-repair facilities, not only in public yards but in private yards.

The pending bill increases these authorizations, as follows:

$500,000,000 for essential equipment and facilities at either private or naval establishments for building or equipping any complete naval vessel or portion thereof heretofore or hereafter authorized; $275,000,000 for essential equipment and facilities at either private or public plants for repairing, altering, or converting any vessel operated by the Navy or being prepared for naval use, of which $50,000,000 shall be available for essential equipment, tools, and facilities at such plants for the repair, alteration, and upkeep of ordnance material; and $70,000,000 for tools, equipment, and facilities for the manufacture or production of ordnance material, munitions, and armor at either private or public plants.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. JOHNSON of Colorado. The Senator stated that some of the money authorized by these various bills goes to private facilities. What are the methods of recovery of such money, or is it simply a grant to private facilities?

Mr. WALSH. There is a provision that at the termination of the emergency the private company may purchase the facility from the Government at the investment made by the Government, the amount of money expended. The private industry is not compelled to do so, and the Government may have to take a loss; but there is a provision that the facility may be purchased for the amount of the investment or at some other price. It is an expenditure which is considered and added to the cost of building ships as a wartime necessity.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. McNARY. This is merely an authorization bill. It follows a number of other authorizations for the same purpose. I do not think it would be fair to the Senate or to the country to try to pass the bill after a 5-minute opportunity for presentation during the calling of the calendar. I think the bill should go over until there is opportunity for a fuller discussion.

Mr. WALSH. I have no objection to that, although I think I suggested the Navy Department desires prompt action on the bill, so I request that the bill be taken up as early as possible, because it is one of the bills that the Navy Department feels it essential to have passed speedily.

Mr. McNARY. I have no objection at the proper time to the passage of the bill, but the consideration of such a large measure as this under the 5-minute rule is hardly fair to the Senate or to the people who have to pay the bill; that applies to much other legislation as to which there seems to be a disposition, not upon the part of the able Senator but on the part of others, to rush through. There are only a few Senators now present; the calendar has been brought up without prior notice; the bill is very important, and some consideration must be given to such measures.

The PRESIDING OFFICER. On objection the bill will be passed over. The clerk will state the next bill on the calendar.

LIMITED SERVICE MARINE CORPS RESERVE

The Senate proceeded to consider the bill (S. 2169) to create the Limited Service Marine Corps Reserve, and for other purposes, which was read as follows:

Be it enacted, etc., That there is hereby established as a part of the Marine Corps Reserve a class to be known as the Limited Service Marine Corps Reserve, for duty as guards at naval shore activities within the continental United States, to be subject to the laws and regulations, except as may be necessary to adapt the same hereto, applicable to the Marine Corps Reserve: *Provided*, That the provision of section 12 (a) of the Selective Training and Service Act of 1940, that the monthly base pay of enlisted men with less than 4 months' service during their first enlistment shall be $21, shall not apply to members of the Limited Service Marine Corps Reserve who are veterans of the World War: *Provided further*, That all enlisted men of the Limited Service Marine Corps Reserve shall be entitled to allowances for quarters and subsistence and to transportation of dependents and of household effects in the same manner and under like conditions as are now or may hereafter be authorized for enlisted men of the first three pay grades of the Marine Corps Reserve.

Mr. WALSH. Mr. President, this bill proposes to establish a new branch of the Marine Corps, the Limited Service Marine Corps Reserve, about which Senators will be interested in knowing.

There are now approximately 4,000 marines stationed as guards at naval shore establishments through the country. There are, as Senators have probably observed, some in the Washington Navy Yard, and at other navy yards. The Navy Department, and particularly the Marine Corps, want to be relieved justly of that guard duty, so that members of the Marine Corps, who are trained to combat duty, may be called back to combat service with the marines.

This bill will permit that to be done by setting up Marine Corps guards who would not necessarily be combat units of the Marine Corps. They would wear the uniform and perform the duties of Marine Corps guards and of enlisted men at the various naval shore establishments, and the number of this Reserve corps would be about 6,000.

It is also thought that it may not be necessary to require the severe physical and age qualifications which are now required for entrance into the Marine Corps.

I may take this occasion to say what I wanted to say at another time.

Mr. CONNALLY. Mr. President, before the Senator proceeds to another matter, I should like to ask him a question on the pending subject.

Mr. WALSH. What I was about to say would relate to the whole subject.

Mr. CONNALLY. I wanted to ask a question, but I will wait.

Mr. WALSH. Many Senators, I am sure, have had their advice sought as to enlistments in the Navy and in the Marine Corps. Inquiries have come to them as to what branches of the service are available, what are the age requirements, what are the physical requirements, and are waivers made, so that young men who do not meet the exact physical requirements may be inducted into various branches of the naval service. This thought comes to me now, because if this bill is passed it may be possible for the Navy to remove some of the very exacting and strict requirements and limitations in its regulations.

I have had printed for the benefit of Members of the Senate a pamphlet which will give concise and ready information to every Senator as to where to go and what positions, commissions, and enlistments are available in various branches of the Navy and Marine Corps. I hope some one will have similar information prepared in reference to the Army. Incidentally, the pamphlet to which I refer will include also the personnel of the Coast Guard.

A great deal of pressure has been brought upon me, as I am sure it has upon all other Senators, to secure for applicants certain kinds of commissions, particularly commissions in the intelligence unit and in the supply corps. I have found—and I make the statement to the Senate for their information—that opportunities for applicants in the intelligence unit are practically closed. There is no plan now in the Navy for enlarging this personnel.

Mr. CONNALLY. Mr. President, the Senator says "practically closed." He does not mean quite closed, but merely partly closed for those who want to get in. What does the Senator mean by "practically closed"?

Mr WALSH. I have been trying very hard to be able to say "completely closed," but I would not be authorized to use that expression.

Mr. CONNALLY. The way men are getting into it the naval intelligence service has become almost a scandal, I will say to the Senator.

Mr. WALSH. The Senator has anticipated what I was about to say. By "practically closed" I mean this: If someone who appears to have special investigating ability, such as a former F. B. I. agent——

Mr. CONNALLY. And a very able-bodied Senator to push his case. Does not that go along with it?

Mr. WALSH. No; I am glad to say that it has not been so in the case of Members of the Congress. It may be that commissions have been obtained through other influences and pressure. Time will give us the facts. In certain cases I think the Navy would say the list for commissions in the intelligence service is not closed for a man of outstanding ability along certain lines. For example, there are very few persons in the country who could fill positions as investigators and detect sabotage in the construction of naval vessels and works. Outside such limited cases, I am informed, all other positions in the Navy intelligence are closed.

The Senator has said something indicating favoritism. I have heard rumors that there are or have been commissions given in the Intelligence Unit through influence Personally I do not know of any, but I do know that there have been commissions given and there are cases where waivers have been granted. But to show to the Senator that I am in full accord with what he says, in the pamphlet, which will be ready for distribution in a few days, is a statement by the Naval Affairs Committee that we are opposed to waivers; that in a democracy there ought not to be any waivers, except for the benefit to the country and not for the benefit of individuals, and that those who seek waivers are those who often seek to avoid service in the combat units. I want to repeat that I myself do not know of a commission granted or a waiver being made because of the action of any Member of the Senate or anyone of whom I know. I have noted in the press of some waivers being made. I have heard of some; but their number, I believe, is limited. Personally I think even one is too many if the motive is not solely to the best interests of the service rather than the comfort and welfare of the individual.

Mr. CONNALLY. Mr. President——

Mr. WALSH. I wish to say to the Senator with his permission, that I have said to the Department just what he has said here. I have told them that I do not want to be put in the position of saying that the Intelligence Unit is closed unless it is really closed, and I do not want to be put in the position of saying there is no such thing as a waiver if there is such a thing.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Under the 5-minute rule the time of the Senator from Massachusetts has expired.

Mr. CONNALLY. I ask unanimous consent that the Senator from Massachusetts may have 5 minutes longer. I wish to ask him a question about this matter.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the time is extended.

Mr. WALSH. The pamphlet to which I have referred will be available in a few days, and I am sure it will deal with all the various requirements. I am glad the Senator suggested the question about preferences. In the pamphlet to which I have referred warning to the Navy and to officers of the Navy is indicated, and the possibility of an investigation some day of the waivers in the Army and Navy and the acceptance of applications of men of draft age and their placement in the Intelligence Unit and the Supply Corps. I am sure the Senator agrees that I am heartily in accord with the position which he takes.

Mr. CONNALLY. I thank the Senator very much. I am not a member of the Naval Affairs Committee, but I am interested in the Navy, and I trust to the Senator, who is a member of the Naval Affairs Committee, to give us the information. That is why I am interrupting him now.

This particular bill covers men who are to do guard duty around naval stations and other naval establishments. Is that correct?

Mr. WALSH. Yes; that is correct.

Mr. CONNALLY. Does the Senator recall that he had another bill before the Senate some time ago touching this same subject in connection with which a special organization was provided?

Mr. WALSH. Yes.

Mr. CONNALLY. The Senator may recall that at that time I took the position that these men ought to be in the naval service somewhere, so as to be subject to discipline and so as to be amenable to naval regulations, rather than being civilians. Does this measure meet that situation, or shall we still have a civilian corps of guards?

Mr. WALSH. The Senator has in mind a bill recommended by Secretary of the Navy Knox, which passed the Senate and the House and which provided for a civilian detective force, if I may use that term, of 325 men to act as investigators in the naval-shore establishments. The House Appropriations Committee never appropriated the money for it, and it never came into being.

Mr. CONNALLY. I understand.

Mr. WALSH. Even under the earlier bill I spoke of, the marine guards were to remain at their posts of duty; but this bill will remove combat-trained marines and substitute a new group of marines who are not of a combat type and who are suitable for guard work.

Mr. CONNALLY. Probably old-time marines who have been out of the service and such men as that?

Mr. WALSH. Yes; and possibly some veterans of the World War.

Mr. CONNALLY. The point I am concerned about is, will they be under naval discipline and subject to orders?

Mr WALSH. Absolutely. They will be marines.

Mr. CONNALLY. I ask the question because if they are to guard Government property and Government establishments they ought to be within the naval disciplinary arrangements, so that they will not be quitting their jobs and wanting to have a meeting of the employees and telling the commandant what he may or may not do. They ought to be under naval restrictions. That is what this bill does, as I understand.

Mr. WALSH. Absolutely.

Mr. CONNALLY. Very well. I thank the Senator.

Mr WALSH. Before I close, I desire to say again that no Member of this body is more determined than I am to prevent favoritism and personal influence or political influence being used to obtain waivers or commissions for men who are trying to duck the combat requirements of the draft law I abhor such methods and sincerely hope the naval authorities will not be found, as some suspect, of being tainted with favoritism or undemocratic methods in giving commissions.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 2169) was ordered to be engrossed for a third reading, read the third time, and passed.

CAPT. PORTER M. HOIDALE, UNITED STATES MARINE CORPS

The bill (H. R. 5135) to appoint Capt. Porter M. Hoidale, United States Marine Corps, a lieutenant, senior grade, in the United States Navy Medical Corps, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF COMMUNICATIONS ACT OF 1934

The bill (H. R. 6263) to amend section 606 of the Communications Act of 1934 for the purpose of granting to the President, in time of war or threatened war, certain powers with respect to communications by wire was announced as next in order.

Mr. TAFT. Mr. President, a reading of this bill indicates to me that it would authorize the President to take over tomorrow the telephone and telegraph companies of the United States. I do not know whether that is the purpose of the bill; but certainly it seems to me the bill is of such importance that it ought not to be considered under the 5-minute rule. I therefore object to its consideration.

The PRESIDING OFFICER. Objection is heard.

Mr. WHITE. Mr. President, will the Senator withhold his objection for a moment?

Mr. TAFT. Certainly.

Mr. WHITE. I am not in charge of this bill, but I am generally familiar with it; and I can, if the Senator desires, make a brief explanation of it.

Of course, it is true, as the Senator says, that while we are in this war the President might, under the authority of this proposed legislation, take over the telegraph and telephone systems of the country. In that respect the bill is not essentially different from provisions which have been on our statute books for all of 30 years with respect to the radio-communication facilities of the country. If my recollection is correct, in the 1912 Radio Act—the first radio act passed—we authorized the President to take over those facilities, or to close all stations, not only if we were in war but if there were a threat of war, or if a national emergency of any character were found and declared by the President. That provision was carried in the 1927 act, and it again had the approval of the Senate and of the House of Representatives when we passed the 1934 act.

While it is true that the language of this proposed legislation is broad enough to do precisely what the Senator from Ohio says, the testimony before the committee was that the purpose is very much narrower than that general authority, although, of course, it is recognized that in time of war it may be necessary to do the whole thing.

Today we find this situation: For instance, we are having maneuvers at various points in the country. Three or four or five hundred thousand men of the Army are engaged in maneuvers spreading over large parts even of a State. I think it must be recognized that communication is vital to the efficient carrying-on of maneuvers of that character. It seems to me absolutely necessary that there shall be authority to subordinate for the time being the communication interests and even the public interests to this major and immediate requirement so that troops may be moved from point to point with intelligence and with efficiency. It clearly appears in the record that the Communications Commission has no purpose to take over these facilities generally. A limit of time is provided in the bill. I may say that the companies involved, or those which might be involved, offered no objection to the bill before the committee.

I have the same reluctance that the Senator from Ohio has; but I regard the granting of this authority, if I may so express it, as a necessary evil. I think the authority should be and must be granted if the communication facilities of the Nation are to be mobilized in the Nation's interest.

Mr. TAFT. Mr. President, of course, the analogy to radio is not complete. A radio station may communicate during war with places outside the Nation, whereas today we certainly have complete control and complete censorship over the telephone and telegraph wires. I do not think the two are analogous. All I am concerned about is that it seems to me that, without further action by Congress, the American Telephone & Telegraph Co., say, might be taken over, at a cost of something over a billion dollars, as I remember, as the President took over the railroads in the World War. I do not know whether there is any necessity for such action; but it seems to me that this authority could be properly qualified so that the proper uses needed for military purposes might be authorized, and leave any question of taking over the telephone company or the telegraph companies until Congress itself should debate that question and determine it.

I therefore object to the present consideration of the bill. I shall have no objection if the bill is modified. If that is not going to happen, if it is not intended to authorize that, and the bill says so, I certainly shall withdraw any objection to it.

Mr. BARKLEY. Mr. President, if the Senator will withhold his objection for a moment, I simply wish to reiterate what the Senator from Maine [Mr. WHITE] has said.

The bill passed the House on the 19th of December, and it has been considered by the Senate committee. In order that there might be no fear or misapprehension with respect to the purposes of the bill, the committee specifically suggested to the chairman that in his report he set out certain excerpts from the testimony given by the chairman of the Commission, Mr. Fly, regarding the purposes of the bill. Mr. Fly stated in his testimony that there was no intention to take over these facilities permanently or primarily or for any other purpose, except as it might develop from time to time to be necessary; and it is difficult to outline those necessities in a bill. In order that any suspicion or fear might be allayed, those excerpts from his testimony were included in the report.

Mr. TAFT. I understand that; but, if the Senator will yield for a moment——

Mr. BARKLEY. Yes; I yield.

Mr. TAFT. I do not see why we should pass legislation giving broad authority on the statement of somebody that he is not going to use the authority. It seems to me that is an unnecessary thing to do. I think qualifications could be made that would meet any objection I have to the bill.

Mr. BARKLEY. Of course, the Senator knows that in order to accomplish even a small purpose in regard to facilities of this kind or other kinds it is necessary to give broad powers, not that they will ever be exercised, but that it is almost impossible to write into a bill the exigencies or circumstances under which the President might make use of these facilities—not only take them over, but make use of them at all. The difficulty is in writing into a statute all the conditions under which the authority may be exercised, without handicapping the Government in such a way as not to bring about the desired result.

Mr. TAFT. In any event, it seems to me the matter is of such vital importance that I insist on my objection at the present time.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

INTER AMERICAN STATISTICAL INSTITUTE

The Senate proceeded to consider the joint resolution (S. J. Res. 96) to enable the United States to become an adhering member of the Inter American Statistical Institute, which had been reported from the Committee on Foreign Relations with an amendment, on page 2, line 14, after the word "is", to strike out "made" and the period and to insert "made: *Provided further*, That the total cost to the United States shall not exceed $35,000 in any one year", so as to make the joint resolution read:

Resolved, etc., That to enable the United States to become an adhering member of the Inter American Statistical Institute, there is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be required for expenditure under the direction of the Secretary of State, for the payment of the share of the United States toward the support of the institute: *Provided* That the share of the United States each year after the second year shall not exceed 50 percent of the total contribution made for the same purposes by all adhering member governments during the year preceding the one for which payment is made: *Provided further*, That the total cost to the United States shall not exceed $35,000 in any one year.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

MAINTENANCE OF SECRECY OF MILITARY INFORMATION

The joint resolution (S. J. Res. 124) to maintain the secrecy of military information was considered, ordered to be en-

grossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That effective as of May 27, 1941, section 12 (h) of the Neutrality Act of 1939 (Public Resolution No. 54, 76th Cong.) is amended by adding at the end thereof the following new sentence: "Any reports required by this section may be omitted or dispensed with in the discretion of the Secretary of State during the existence of a state of war."

BILL PASSED OVER

The bill (H. R. 5249) to amend section 7 of the Natural Gas Act was announced as next in order.

Mr. TAFT. May we have an explanation of the bill?

Mr. BARKLEY. The Senator from Montana [Mr. WHEELER], chairman of the Committee on Interstate Commerce, is absent from the city temporarily, and perhaps the bill should go over.

The PRESIDING OFFICER. The bill will be passed over.

DISTRIBUTION AND PROMOTION OF OFFICERS OF THE COAST AND GEODETIC SURVEY

The Senate proceeded to consider the bill (H. R. 5837) to regulate the distribution and promotion of commissioned officers of the Coast and Geodetic Survey, and for other purposes, which had been reported from the Committee on Commerce with an amendment in section 8, on page 7, line 5, after the name "Coast and Geodetic Survey," to insert a colon and "*Provided*, That the provisions of this section shall be effective from December 8, 1941."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The PRESIDING OFFICER. That completes the calendar.

AUTHORIZATION TO RECEIVE MESSAGES AND SIGN BILLS AND JOINT RESOLUTIONS

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to receive, during any recess or adjournment of the Senate, messages from the House, and that the Presiding Officer of the Senate be authorized to sign enrolled bills and joint resolutions ready for his signature.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr CONNALLY, from the Committee on Foreign Relations:

Laurence A Steinhardt, of New York, now Ambassador Extraordinary and Plenipotentiary to the Union of Soviet Socialist Republics, to be Ambassador Extraordinary and Plenipotentiary to Turkey; and

Harold S. Tewell, of North Dakota, now a Foreign Service officer of class 3 and a secretary in the Diplomatic Service, to be also a consul general.

By Mr McKELLAR, from the Committee on Post Offices and Post Roads:

Several postmasters

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). If there be no further reports of committees, the clerk will state the nominations on the calendar.

UNITED STATES COAST GUARD

The legislative clerk proceeded to read sundry nominations in the Coast Guard.

Mr. BARKLEY. I ask unanimous consent that the Coast Guard nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY I ask that the Army nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

LAURENCE A. STEINHARDT

Mr. CONNALLY. Earlier in the session today I reported favorably from the Committee on Foreign Relations the nomination of Mr. Laurence A. Steinhardt, at present Ambassador Extraordinary and Plenipotentiary to the Union of Soviet Socialist Republics, to be Ambassador Extraordinary and Plenipotentiary to Turkey. I ask unanimous consent for the present consideration of the nomination.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the nomination.

Mr. CONNALLY. Mr. Steinhardt was Ambassador to Russia until a short time ago, and it is desired that he now be transferred to Turkey. Those who are familiar with our foreign relations will no doubt see the significance of the assignment.

Mr. McNARY. I do not find the nomination on the calendar.

Mr. CONNALLY. I reported it only a few minutes ago. Were Mr. Steinhardt a new figure in our international relations, the situation would be a little different, but he has been serving as the Ambassador of the United States in Russia, and is well known, I am sure, to the Senator from Oregon. His record is, of course, familiar to us in all its aspects. Otherwise I should not have attempted to call the nomination up at this time.

Mr. McNARY. To what country is he to be transferred?

Mr. CONNALLY. To Turkey. He is being transferred from Russia to Turkey.

Mr. McNARY. It is an emergency, in the interest of national defense, I assume.

Mr. CONNALLY. The senior Senator from New York [Mr. WAGNER] is very anxious that Mr. Steinhardt's nomination be immediately confirmed, and I cannot resist any request the Senator from New York may make, he has been so kind to me in the past.

Mr. McNARY. After the explanation, I make no objection.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

HAROLD S. TEWELL

Mr. CONNALLY. I now ask that the Senate act on the nomination of Harold S. Tewell, of North Dakota, to be a consul general of the United States, which I also reported today.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the nomination.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be forthwith notified. There are no further nominations on the calendar.

ADJOURNMENT TO WEDNESDAY

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn until 12 o'clock noon Wednesday next.

The motion was agreed to; and (at 1 o'clock and 28 minutes p. m.) the Senate adjourned until Wednesday, January 14, 1942, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 12, 1942:

DIPLOMATIC AND FOREIGN SERVICE

Laurence A. Steinhardt to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Turkey.

Harold S. Tewell to be a consul general of the United States of America

UNITED STATES COAST GUARD

TO BE LIEUTENANTS (JUNIOR GRADE) (TEMPORARY)

John R. Shuman
Robert E. Reed-Hill
Norman L. Oleson
Preston L. Taulbee

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE LIEUTENANT GENERALS

Stanley Dunbar Embick
George Howard Brett

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 12, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

How beautiful upon the mountains are the feet of them that bringeth good tidings, that publisheth peace, that giveth salvation. Grant, O God, that the joy of the Lord may be our strength, living in the spirit and laboring in Thy love. There is resting down upon the sacred gift of life the obligation of the Golden Rule. We pray Thy richest blessing upon all agencies which are so essential to the redemption of this shattered world.

Strength is never so mighty as when it stoops to the weak, and culture is never so divine as when it soothes the pathway for some weary feet. O Father, this darkened earth, in all its majesty, how incomplete without our sacrifice. Thou art waiting for us to bear the sacrificial cross that Thy long purpose for humanity may be redeemed.

In all our endeavors to spread the kingdom of truth, justice, and righteousness, we beseech Thee to give us Thy guiding help. May we stand and falter not, hope and fear not, trust Thee and never be dismayed. The blessed Lord knoweth the way we take; there are no lonely coast lines where He is not. The wings of the morning are not strong enough to hide us from His hovering care. In our dear Redeemer's name. Amen.

The Journal of the proceedings of Friday, January 9, 1942, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5990. An act to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BROWN, Mr. GLASS, Mr. BARKLEY, Mr. BANKHEAD, Mr. TAFT, and Mr. DANAHER to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2160) entitled "An act to amend section 3 of the act of March 19, 1918, entitled 'An act to save daylight and to provide standard time for the United States' (40 Stat. 450)," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WHEELER, Mr. WAGNER, Mr. BARKLEY, Mr. BONE, Mr. WHITE, and Mr. AUSTIN to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1936) entitled "An act to provide protection of persons and property from bombing attacks in the United States, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. REYNOLDS, Mr. THOMAS of Utah, and Mr. AUSTIN to be the conferees on the part of the Senate.

The message also announced that the Vice President had appointed Mr. BROWN to serve with Mr. BAILEY, Mr. HILL, and Mr. BURTON from the Committee on Commerce as members of the Board of Visitors to the United States Coast Guard Academy on the part of the Senate for the year 1942, pursuant to the act of July 15, 1939.

The message also announced that the Vice President had appointed Mr. HERRING, Mr. HUGHES, Mr. SMATHERS, and Mr. BREWSTER to serve with the chairman of the Senate Committee on Naval Affairs as members of the Board of Visitors on the part of the Senate to the United States Naval Academy for the year 1942, pursuant to the act of August 29, 1916.

BOARD OF VISITORS TO MILITARY ACADEMY

The SPEAKER laid before the House the following communication, which was read:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON APPROPRIATIONS,
Washington, D. C. January 9, 1942.

Hon. SAM RAYBURN,
Speaker of the House of Representatives.

MY DEAR MR. SPEAKER: Pursuant to the provisions of the act approved May 17, 1928 (U. S. C., title 10, 1052a), I have designated Hon. J. BUELL SNYDER, Hon. DAVID D. TERRY, Hon. JOE STARNES, Hon. D. LANE POWERS, and Hon. ALBERT J. ENGEL, members of the Committee on Appropriations, as members from this committee to the Board of Visitors of the United States Military Academy for the calendar year 1942.

With assurances of my regard, I am,
Sincerely yours,
CLARENCE CANNON,
Chairman, Committee on Appropriations, House of Representatives.

SWEARING IN OF MEMBER

The SPEAKER. The Chair lays before the House the following communication from the Clerk of the House:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D C., January 8, 1942.

The honorable the SPEAKER,
House of Representatives.

SIR: The certificate of election in due form of law of Hon. THOMAS J. LANE as a Representative-elect to the Seventy-seventh Congress, from the Seventh Congressional District of Massachusetts, to fill the vacancy caused by the death of Hon. Lawrence J. Connery, is on file in this office.

Very truly yours,
SOUTH TRIMBLE,
Clerk of the House of Representatives.

Mr. LANE appeared before the bar of the House and took the oath of office.

DAYLIGHT SAVING

Mr. LEA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S.2160) to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" that the House insist on its amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. LEA, CROSSER, and WOLVERTON of New Jersey.

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from Henry Ford to Sigmund Livingston, national chairman of the Antidefamation League of B'nai B'rith, repudiating anti-Semitism. I also ask unanimous consent to extend an article on this matter which appeared in this morning's issue of the New York Times, Monday, January 12, 1942.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mrs. BOLTON. Mr. Speaker, inasmuch as the steel supply of the country is an imperative necessity during wartime, and inasmuch as one of the key places in the possible curtailment of that supply is the danger of sabotage of the locks at the Soo, a vital part of our Great Lakes waterways, I am asking unanimous consent to place in the RECORD an editorial from the Cleveland Press regarding the necessity for protecting the present locks at the Soo and for giving serious consideration to the building of a second set.

I ask unanimous consent to revise and extend my remarks and include the editorial to which I have referred.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WILSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. WILSON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein a statement made by Mr. L. Clare Cargile, president of the National Automobile Dealers' Association.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from a constituent having to do with Mr. Henderson's tire-rationing program and its effect on the farmer.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CIVILIAN DEFENSE

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, last week after due deliberation this body decided that our civilian defense program should be turned over to the Secretary of War and should be regarded as a military function to coordinate it with the military defense over our Nation. In our debate it was clearly shown that it was the intent of the House that a military man should and could best head up our civilian defense organization.

The President reacted promptly to that action of this Congress and reached up into the Harvard Law School and brought down here Dean Landis, whose chief claim to fame is his exoneration of the famous Harry Bridges. I would like to know why the President did not reach out and get an outstanding military man who could have immediately brought to his aid every militarily trained man and woman in this country. Surely he could have picked a man whose integrity, whose patriotism, and military ability is unquestioned. He could have picked Gen. John J. Pershing for the job of Director of Civilian Defense. The approval would have been Nation-wide, spontaneous, and unanimous.

[Here the gavel fell.]

THE PLIGHT OF THE AUTOMOBILE DEALERS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, last Friday I returned from 10 days spent in my district. The day before I left a large number of automobile dealers met with me and explained the way in which the tire-freezing order and the car-freezing order are affecting the automobile industry. May I say to the Members of the House that the car dealers of the country are confronted by a desperate situation. Many of them have long leases with rents fixed, they have pay rolls to meet, their stock and business have been frozen. Parts they cannot get, tires they cannot sell, cars they cannot sell, and even the used-car market has been stymied by the suggestion that the Government may commandeer used cars.

Since returning to Washington I have received a flood of letters and telegrams on the subject. I discussed the matter with Mr Jesse Jones, Administrator of the Federal Loan Agency, and with officials of the reserve subsidiaries of the Reconstruction Finance Corporation, and also with officials in the Office of Price Administration. I am glad to say that I found a universal recognition of the fact that these dealers are entitled to action. As one official put it, "They have been put out of business by Government decree." The problem, however, is one that has many angles and is going to take some days to work out In the meantime interest and rent charges and pay rolls are piling up on these people. It is important that relief be extended just as soon as possible.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include some telegrams.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

Mr. BENNETT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article from Grace and Truth magazine.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. BENNETT]?

There was no objection.

Mr STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include an editorial taken from the La Crosse (Wis.) Tribune and Leader-Press.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. STEVENSON]?

There was no objection.

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an address of my own, and I further ask unanimous consent to extend my remarks in the RECORD and to include an address of Milo Perkins.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. ELLIS].

There was no objection.

Mr. WEISS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from the Croatian Beneficial Association.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. WEISS]?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a column from the Washington Herald of January 12.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island [Mr. FOGARTY]?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

[Mr. HOFFMAN addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was objection.

Mr. LELAND M. FORD. Mr. Speaker, I should like to refer to the remarks of my colleague from Michigan in connection with the appointment of Dean Landis. Dean Landis is very "pink"; you would have a hard time getting somebody "pinker"; but, nevertheless, we might have had Madam Perkins, with whose record you are all familiar. If we did not get Madam Perkins, we might have gotten Mr. Reuther, because they are all in the same class, or Harry Bridges. Harry Bridges might have been the "pinkest." It looks to me as if the administration in such instances is going out of its way to pick out these "ultra pinks," these ultra Socialists, these ultra Communists, to put at the head of our program. They might have gotten in Mr. Reuther, with his Moscow education, or Mr. Frankensteen or the alien, Mr. Balint. We could have a few more aliens. The Americans do not seem to have a place in our picture. I do not know what the whole program is, but we had better be looking into this placing of all these "reds" and "pinks" in our high Government positions.

So far as I am concerned, I still am for a few real, red-blooded Americans, because I know they can really perform.

[Here the gavel fell.]

PRODUCTION OF ALCOHOL

Mr. McKEOUGH. Mr Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6325) to amend certain provisions of the Internal Revenue Code relating to the production of alcohol.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. RANKIN of Mississippi. Reserving the right to object, Mr. Speaker, may we have the bill read? I should like to have the bill read before I agree to its consideration. I want to know what it is about.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2883 of the Internal Revenue Code (relating to transfer of spirits at registered distilleries) is amended by adding at the end thereof the following:

"(c) Transfer of spirits for industrial uses: Distilled spirits of 160 degrees of proof or greater may be withdrawn from registered distilleries (including registered fruit distilleries), and stored in and withdrawn from internal-revenue bonded warehouses, pursuant to the applicable provisions of subsection (a): *Provided*, That such distilled spirits may also be withdrawn without payment of tax from registered distilleries (including registered fruit distilleries) and internal-revenue bonded warehouses for all the tax-free purposes authorized by part II of subchapter C of this chapter, and when so withdrawn shall be subject to all applicable provisions of such part. Under such regulations as the Commissioner may prescribe, the manufacture, warehousing, withdrawal, and shipment of distilled spirits of 160 degrees of proof or greater may be exempted from the provisions of section 2836. This subsection shall cease

to be in effect upon the termination of the unlimited national emergency proclaimed by the President on May 27, 1941."

With the following committee amendment:

Page 2, line 12, after "2836", insert "and section 2870."

Mr. RANKIN of Mississippi (interrupting the reading of the bill). Mr. Speaker, I understand that there is a unanimous report on the bill, and I withdraw my request that the bill be read.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman from Illinois kindly explain the measure?

Mr. McKEOUGH. In answer to the inquiry of the distinguished minority leader, I may say that this bill was originally introduced by my colleague the gentleman from Illinois [Mr. DIRKSEN]. A similar bill was subsequently introduced by the distinguished gentleman from California [Mr. GEARHART]. The purpose of the bill is merely to accommodate the needs of the War Department with reference to the needed added production of alcohol for the purpose of manufacturing powder. The Secretary of War, the Office of Production Management, and the Treasury Department have all approved the bill as amended and as just read by the Clerk. This bill refers to a situation that has grown up as a result of the inability of the industrial-alcohol manufacturers of the country to produce a sufficient amount of alcohol to accommodate the War Department's needs in the manufacture of powder for war purposes and defense.

Mr. MARTIN of Massachusetts. There is a unanimous report from the committee?

Mr. McKEOUGH. Yes; and there were full hearings by the committee.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER. This is District day. The Chair recognizes the gentleman from West Virginia [Mr. RANDOLPH].

COLUMBUS UNIVERSITY

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent that the bill (H. R. 6046) to amend the charter of Columbus University be withdrawn from the calendar and referred back to the Committee on the District of Columbia for further consideration.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

REGULATION OF SMALL-LOANS BUSINESS IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 4643) to provide for the regulation of the business of making loans of $500 or less in the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. HULL. I object, Mr. Speaker.

Mr. RANDOLPH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 4643; and pending that motion, I ask unanimous consent that general debate be limited to 40 minutes, one-half to be controlled by the gentleman from Illinois [Mr. DIRKSEN] and one-half by myself.

Mr. RICH. Reserving the right to object, Mr. Speaker, this means that we shall have only 20 minutes to discuss this bill.

Mr. RANDOLPH. The bill will be read for amendment, when there will be further opportunity for debate.

Mr. RICH. To give us only 20 minutes does not seem right.

The SPEAKER. The request was that there be 20 minutes on each side, or 40 minutes of general debate altogether.

Is there objection to the request of the gentleman from West Virginia?

Mr. HULL. I object, Mr. Speaker.

Mr. RANDOLPH. Mr. Speaker, I modify the request so that there will be allowed 30 minutes on each side.

Mr. HULL. I object, Mr. Speaker.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia.

The question was taken; and on a division (demanded by Mr. HULL) there were—ayes 67 noes 2.

Mr. HULL. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 360, nays 3, not voting 67, as follows:

[Roll No. 4]

YEAS—360

Allen, Ill.	Bell	Bulwinkle
Allen, La.	Bennett	Burch
Andersen, H. Carl	Bishop	Burgin
	Blackney	Butler
Anderson, Calif.	Bland	Byrne
Anderson, N. Mex.	Bloom	Camp
	Boehne	Canfield
Andresen, August H.	Boggs	Cannon, Fla.
	Boland	Cannon, Mo.
Andrews	Bolton	Capozzoli
Angell	Bonner	Carlson
Arends	Boren	Carter
Arnold	Boykin	Case, S. Dak.
Baldwin	Bradley, Mich.	Casey, Mass.
Barden	Brooks	Chapman
Barnes	Brown, Ga.	Chenoweth
Barry	Brown, Ohio	Chiperfield
Baumhart	Bryson	Clason
Beam	Buck	Claypool
Beckworth	Buckler, Minn.	Clevenger
Beiter	Buckley, N. Y.	Cluett
Cochran	Hope	Plumley
Coffee, Nebr.	Houston	Poage
Coffee, Wash.	Howell	Powers
Cole, Md.	Hunter	Priest
Cole, N. Y.	Imhoff	Rabaut
Collins	Izac	Ramsay
Colmer	Jackson	Ramspeck
Cooper	Jacobsen	Randolph
Copeland	Jarman	Rankin, Miss.
Costello	Jarrett	Rankin, Mont.
Cox	Jenkins, Ohio	Reece, Tenn.
Cravens	Jenks, N. H.	Reed, Ill.
Crosser	Jennings	Reed, N. Y.
Crowther	Jensen	Rees, Kans.
Cullen	Johns	Rich
Cunningham	Johnson, Calif.	Richards
Curtis	Johnson, Ill.	Rivers
D'Alesandro	Johnson, Ind.	Rizley
Davis, Ohio	Johnson	Robertson,
Davis, Tenn.	Luther A.	N. Dak.
Day	Johnson, Okla.	Robertson, Va.
Delaney	Jones	Robinson, Utah
Dewey	Jonkman	Robsion, Ky.
Dickstein	Kean	Rockefeller
Dies	Kee	Rockwell
Dingell	Keefe	Rodgers, Pa.
Dirksen	Kelly, Ill.	Rogers, Mass.
Disney	Kennedy,	Rogers, Okla.
Ditter	Martin J.	Rolph
Domengeaux	Kennedy,	Romjue
Dondero	Michael J.	Russell
Doughton	Keogh	Sabath
Downs	Kerr	Sanders
Duncan	Kilday	Sasscer
Durham	Kinzer	Sauthoff
Dworshak	Kleberg	Schuetz
Eaton	Klein	Schulte
Eberharter	Knutson	Scrugham
Elliot, Mass.	Kocialkowski	Secrest
Elliott, Calif.	Kramer	Shafer, Mich.
Ellis	Kunkel	Shanley
Elston	Lambertson	Sheppard
Engel	Landis	Short
Englebright	Lane	Sikes
Faddis	Lanham	Simpson
Fellows	Lea	Smith, Maine
Fenton	Leavy	Smith, Ohio
Fish	LeCompte	Smith, Va
Fitzgerald	Lesinski	Smith, Wash.
Fitzpatrick	Lewis	Smith, W. Va.
Flaherty	Ludlow	Smith, Wis.
Flannagan	Lynch	Snyder
Fogarty	McCormack	Somers, N. Y.
Folger	McGehee	South
Forand	McGranery	Sparkman
Ford, Leland M.	McGregor	Spence
Ford, Miss.	McKeough	Springer
Ford, Thomas F.	McLaughlin	Starnes, Ala.
Fulmer	McMillan	Steagall
Gale	Maas	Stearns, N. H.
Gathings	Macielewski	Stefan
Gavagan	Maciora	Stevenson
Gearhart	Mahon	Stratton
Gerlach	Manasco	Sullivan
Gibson	Marcantonio	Sumners, Tex.
Gifford	Martin, Iowa	Sutphin
Gilchrist	Martin, Mass.	Taber
Gillette	Mason	Tarver
Gillie	May	Tenerowicz
Gore	Merritt	Terry
Gossett	Meyer, Md.	Thill
Graham	Michener	Thomas, Tex.
Granger	Mills, Ark.	Thomason
Grant, Ala.	Mills, La.	Tolan
Grant, Ind.	Monroney	Traynor
Gregory	Moser	Treadway
Guyer	Mott	Vincent, Ky.
Gwynne	Mundt	Vinson, Ga.
Haines	Murdock	Voorhis, Calif.
Hall	Murray	Wadsworth
Edwin Arthur	Nelson	Walter
Hall,	Nichols	Wasielewski
Leonard W.	Norrell	Weaver
Halleck	O'Brien, Mich.	Weiss
Hare	O'Brien, N. Y.	Welch
Harness	O'Connor	Wheat
Harris, Ark.	O'Leary	Whelchel
Hart	Oliver	Whitten
Harter	O'Toole	Whittington
Hartley	Pace	Wickersham
Healey	Paddock	Wigglesworth
Hébert	Patman	Williams
Heffernan	Patton	Wilson
Heidinger	Pearson	Winter
Hendricks	Peterson, Ga.	Wolcott
Hess	Pfeifer	Wolfenden, Pa.
Hill, Colo.	Joseph L.	Wolverton, N. J.
Hill, Wash.	Pheiffer,	Woodruff, Mich.
Hinshaw	William T.	Woodrum, Va.
Hoffman	Pierce	Young
Holbrook	Pittenger	Youngdahl
Holmes	Plauché	Zimmerman
Hook	Ploeser	

NAYS—3

Crawford	Gehrmann	Hull

NOT VOTING—67

Bates, Ky.	Johnson, W. Va.	Scott
Bates, Mass.	Kefauver	Shannon
Bender	Kelley, Pa.	Sheridan
Bradley, Pa.	Kilburn	Smith, Pa.
Burdick	Kirwan	Sumner, Ill.
Byron	Kopplemann	Sweeney
Cartwright	Larrabee	Talle
Celler	McIntyre	Thom
Clark	McLean	Thomas, N. J.
Cooley	Magnuson	Tibbott
Courtney	Mansfield	Tinkham
Creal	Mitchell	Van Zandt
Culkin	Myers, Pa.	Vorys, Ohio
Douglas	Norton	Vreeland
Drewry	O'Day	Ward
Edmiston	O'Hara	Wene
Gamble	O'Neal	West
Green	Osmers	White
Hancock	Patrick	Worley
Harrington	Peterson, Fla.	Wright
Harris, Va.	Sacks	
Hobbs	Satterfield	
Johnson, Lyndon B.	Scanlon	
	Schaefer, Ill.	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Magnuson with Mr. Vreeland.
Mr. Cooley with Mr. Van Zandt.
Mr. Drewry with Mr. Osmers.
Mr. Mansfield with Mr. Douglas.
Mr. Hobbs with Mr. Thomas of New Jersey.
Mr. O'Neal with Mr. Hancock.
Mr. Satterfield with Mr. Tinkham.
Mr. Creal with Mr. Scott.
Mr. Harris of Virginia with Mr. Kilburn.
Mr. Courtney with Mr. Talle.
Mr. Peterson of Florida with Mr. Culkin.
Mr. West with Mr. McLean.
Mr. Cartwright with Mr. Tibbott.
Mr. Green with Mr. Vorys of Ohio.
Mr. Kefauver with Mr. Bender.
Mr. Wright with Mr. O'Hara.
Mr. Larrabee with Mr Burdick.
Mr. Clark with Miss Sumner of Illinois.
Mr. Lyndon B. Johnson with Mr. Gamble.
Mr. Bates of Kentucky with Mr. Bates of Massachusetts.
Mr. Johnson of West Virginia with Mr. Myers of Pennsylvania.
Mr. Mitchell with Mr. Bradley of Pennsylvania.
Mr. White with Mr. Edmiston.
Mr. Harrington with Mr. Kelley of Pennsylvania.
Mr. Patrick with Mr. Celler.
Mr. Byron with Mr. Kopplemann.
Mrs. Norton with Mr. McIntyre.
Mr. Ward with Mr. Sacks.
Mr. Kirwan with Mr. Wene.
Mr. Schaefer of Illinois with Mr. Sweeney.
Mr. Sheridan with Mrs. O'Day.
Mr. Thom with Mr. Worley.
Mr. Shannon with Mr. Scanlon.

The result of the vote was announced, as above recorded.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4643) to provide for the regulation of the business of making loans of $500 or less in the District of Columbia, and for other purposes, with Mr. SANDERS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the reading of the bill is dispensed with.

There was no objection.

Mr. RANDOLPH. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, the District of Columbia Committee, I feel certain, is gratified at the opportunity to debate thoroughly this proposal. I say this because there are, of course, in this bill, as in practically all legislation that comes before us, many viewpoints and approaches.

I want it clearly understood at the outset that the District Committee offers this legislation so that we may correct a condition in the District of Columbia and on the fringes of the District of Columbia which is outrageous.

At the present time we are operating in the District of Columbia under the Small Loan Act of 1913. Conditions have arisen which make it absolutely necessary, we believe, to bring about changes in the provisions of that organic law. That act is inoperative. The purpose of this legislation is to supply authority for the regulation of all types of small loans in the District of Columbia. It broadens the base rate of interest that may be charged and yet provides control so that loans may be secured at reasonable rates. The bill provides for an interest rate of 1 percent per month on loans up to $200 and a rate of not more than 2 percent on loans up to $500. There is a belief that the top amount should be reduced to $300.

I am going to yield time to the chairman of the House Subcommittee on the Judiciary, the gentleman from Mississippi [Mr. MCGEHEE], and others of the District Committee who have gone into this matter thoroughly by hearings and by discussions of the problem with all the interested parties. I am going to yield, too, to those in opposition to the measure; and I want the House, of course, as always, to consider this proposal on its merits. Before I take my seat I want to say that the people of Washington are now giving to the loan sharks of nearby Maryland and Virginia a lucrative business, drained out of the District of Columbia. This business comes from those who do not have the money to pay the interest rates charged on such loans. There has arisen a chaotic condition which your committee is attempting to rectify.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Chairman, I yield 15 minutes to the gentleman from Mississippi [Mr. MCGEHEE].

Mr. MCGEHEE. Mr. Chairman, let me preface my remarks by saying that I have had a little experience in the passage of small-loan acts in my own State, where I fostered one at the instance of labor and the small-loan borrowers of the State of Mississippi. This was several years ago. Since coming to Washington and being a member of the District Committee some 2 years ago, through an investigation made by one of the newspapers of the District as to the conditions existing here, we realized that Washington should have some regulatory act controlling this business. I am sure the membership remembers some of the pathetic stories that were published by this newspaper as a result of its investigation. Hence the judiciary subcommittee of the District Committee, of which subcommittee I am chairman, held hearings on this bill and today brings before you the measure we are now considering which we think is a good bill. I realize there is opposition to it by many Members on the floor who have small-loan operators back in their districts. I realize that this opposition, in my opinion, is based on the fact we are reducing the rate of interest that exists in 35 States of the Union, and those small-loan operators are of the opinion that when the Congress does this for the District of Columbia, no doubt it will be taken as a criterion for the legislatures of the different States to pass amendments to their present acts, reducing the rate of interest likewise.

There is a condition prevailing in and around the District of Columbia whereby the employees of the Government and other people who have not the money or the security or the borrowing power at banks and other institutions, can go out across the line into Virginia or Maryland that have small-loan companies in operation and are able to charge 3½ percent a month. During our hearings it developed that many of them were collecting from 100 percent to 150 percent, and perhaps larger sums. So I think the matter should be regulated in the District by an act of Congress, and so regulated at a rate of interest that is going to permit people who would like to enter this line of business to invest their money in it and make a little profit.

It is not necessary, I am sure, to call the attention of the House to the necessity for the passage of a small-loan act for the District of Columbia except in a general way, for we are all familiar with the abuses that are practiced and will continue to be practiced unless this phase of business is properly regulated. The general purpose of doing this is, first, to free a class of borrowers who are without bank credit or orthodox credit resources from exorbitant interest rates which are exacted of a borrower; second, to provide these borrowers who are without property and means with an opportunity to go to regular organized institutions for the securing of money when the necessity arises, such institutions being carefully regulated sources of cash credit.

I shall call attention now to the provisions of the bill, and state what it does. In the first place, it creates a new office of supervisor of loan agencies, and provides that the incumbent shall administer the provisions of the bill. Second, it requires licensees who engage in the making of these loans of $500 and less, to post a bond. It prohibits a charge of excessive interest by means of subterfuge. In fact, under this bill, there could be no application charge, and no prizes given, as are given in Maryland and Virginia, by loan sharks, which are added to the loan interest, such as radios and other things. Under this bill they can charge only 2 percent per month. I have had a good many Members say to me, "My God, that is 24 percent a year," but Members should not forget that 35 States in this Union have passed small-loan acts whose interest rates run from 3 to 3½ percent per month, following the recommendations of the Russell Sage Foundation, which started their investigations about 1907. Their first recommendation was made around 1916. They have made several other recommendations to the State legislatures since that time, in conformance with the existing conditions of the times.

Mr. JOHNS. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. Yes.

Mr. JOHNS. Does the gentleman really think that a rate of interest of 2 percent a month ought to be charged to anybody when you can borrow money in New York City for less than 1 percent?

Mr. McGEHEE. Absolutely, to those borrowers who have not an avenue to the banks and other loan agencies to get this money. It is absolutely necessary to charge a greater rate of interest because of the hazard of this business, because 99 percent of the loans are made without any security whatsoever, and, gentlemen, you can readily appreciate the fact that the losses are proportionately large. Hence those who engage in this kind of business must receive a larger income than do the banks or other loan agencies from people who have security to offer or who have assets to justify the loan. As I stated to you, 35 States in the Union have passed the Russell Sage Foundation Act, which permits 3 to 3½ percent per month. This bill invalidates loans made in violation of the act and provides that there shall be incorporated on the face of the note a statement that it is made in conformance with the Small Loan Act. Next the law declares that loans at excessive rates of interest are against public policy, and such loans made outside of the District of Columbia are unenforceable in the District of Columbia unless made in conformance with the interest charges applicable there.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. Yes.

Mr. COCHRAN. I assume that it is impossible for us to pass legislation that would make the loans the gentleman speaks about, actually made outside of the District of Columbia, void in the District of Columbia, if the interest charge exceeded the amount stated in this bill.

Mr. McGEHEE. That is true.

Mr. COCHRAN. It would be impossible for us to do that?

Mr. McGEHEE. It would be impossible for us to regulate that.

Mr. DIRKSEN. But what we can do is what we do here and that is to make it unenforceable if in the District of Columbia.

Mr. COCHRAN. That is what I mean, take the loans that will be made in Virginia or Maryland or any other State, unenforceable in the District of Columbia, if the amount of interest involved exceeded the amount carried in the legislation.

Mr. McGEHEE. That is true, but we cannot regulate loans made in Virginia.

Mr. COCHRAN. In that way you could reach them. They might be enforceable in those States, but not here, and we are trying to protect the borrowers, who are here.

Mr. McGEHEE. The purpose of this act is to establish within the District of Columbia loan agencies that will take care of the people of the District of Columbia, so that they will not have to go across the line and pay the exorbitant interest charges made by loan sharks in adjoining States.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. Yes.

Mr. KEEFE. This proposed bill has constant reference throughout to title 17, chapter 1, sections 1, 2, and 3 of the Code, and provides that there can be no rate of interest charged in excess of the interest rate provided for by that reference. I note that the bill itself in section 9 on page 12 specifically provides for an interest rate not exceeding 2 percent a month on the unpaid principal of the loan. What does this reference refer to—title 17, section 1, which is found throughout all of the bill? I am unable to identify it in the Code. Title 17 of the act has no reference whatever to this subject matter. It has reference to appeals?

Mr. McGEHEE. It has reference to appeals. I may say to the gentleman it has been some 4 or 5 months ago since we held hearings. Just at this moment the provisions of title 17, subsections 1, 2, and 3 have slipped my memory as to just what they apply to.

Mr. HÉBERT. Section 17 of the District Code provides for a charge of 1 percent per month, which has been inoperative. That has been on the statute books for some years.

Mr. McGEHEE. Oh, yes; it has reference to the Small Loan Act passed by the Congress in 1913.

Mr. KEEFE. It refers in this bill to title 17, chapter 1, and it cannot be identified in the code. I just went to the library to try to find it. You set forth the act of 1913 in your report and you refer to this legislation all through, to this particular reference. I am wondering if that is correct. You cannot find it in the new code.

Mr. HÉBERT. I do not know whether you can find it in the revised code or not. It is in the old code of the District of Columbia.

Mr. KEEFE. In the adoption of this bill, in view of the fact that you have adopted a new code, and the old code has been replaced recently, the reference throughout this bill should be accurate and correct, so that a person can find it and know what they are talking about. You cannot do it from reading this bill.

Mr. McGEHEE. This bill provides for a minimum capital of $25,000 to be established before anyone can start in business.

It provides that a $50 investigation fee be paid by the applicant for a license.

It provides that the licensee shall furnish bond in the sum of $5,000, and said bond shall be renewed annually.

It provides that the license shall show the names of all licensees and places of business; that licenses cannot be transferred, and that no other business shall be conducted at or in conjunction with a small loan agency, and that business can only be conducted at the place named in the license. The license shall run for 1 year, but may be revoked on a 10-day notice to the licensee for any violation of the provisions of the act. The licensee is empowered to surrender his license at any time on filing written notice with the supervisor.

The licensee is authorized to make loans in the sum of $500 or less and to charge an interest rate of not more than 2 percent per month on the unpaid principal; the loan interest is not to be compounded or deducted in advance.

Hence by that provision the committee was trying to confine those who loan under this law to not making any charge whatever except that 2 percent per month, and only that on the unpaid balance. In fact, they cannot require the borrower to pay any interest in advance.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. I yield.

Mr. COCHRAN. Assume that a man borrows $500. Due to illness in his family or any other cause which may require all the money he has earned or can raise, he is not able to pay the interest at the end of 30 days. Under the provisions of this bill they cannot charge 2 percent on that unpaid interest?

Mr. McGEHEE. No; they cannot.

Mr. COCHRAN. But the unpaid interest might go on for 6 months. Suppose it is $60 that has accumulated. That is added to the principal but no interest is chargeable on that $60 of unpaid interest; is that right?

Mr. McGEHEE. That is the way I understand it. They can only collect the 2 percent on the unpaid balance. Of course, if the payments were to mature and run for a period like that, no doubt the loan agency would take some steps to collect it or otherwise charge it off.

Mr. COCHRAN. Suppose there was no collateral. How would they collect?

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. COCHRAN. If there was no collateral, how would they collect?

Mr. McGEHEE. They would charge it off.

Mr. COCHRAN. Charge it off under a profit-and-loss account?

Mr. McGEHEE. Yes.

Mr. COCHRAN. And make the fellow who pays pay for the fellow who does not pay?

Mr. McGEHEE. That would be true, no doubt, in any hazardous business like this. That is the reason you must allow a greater rate of interest than in the ordinary loan business.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. I yield.

Mr. COX. Do I understand the gentleman is undertaking by this bill to combat the loan sharks around Washington that prey upon the poor people who have to borrow small amounts?

Mr. McGEHEE. That is correct.

Let me call your attention to some of the States and the rates of interest that now prevail under their small-loan acts. Arizona, Florida, Louisiana, Maryland, Michigan, Virginia, Kentucky, West Virginia, Hawaii, Vermont, Oregon, Ohio, Maine, Utah, New York, Illinois, Iowa, Massachusetts, and Pennsylvania have small-loan acts, and their rates of interest run from 3 to 3½ percent, the majority of them 3½ percent.

Mr. RANDOLPH. How many States is that?

Mr. McGEHEE. About 21.

Mr. RANDOLPH. Twenty-one States?

Mr. McGEHEE. Twenty-one States. They run from 2½ to 3½ percent.

Mr. MILLS of Louisiana. What is the rate in Louisiana?

Mr. McGEHEE. Three and one-half percent. Missouri, 2½ percent; Wisconsin, 2½ percent on the first $100, 2 percent on the second, and 1 percent thereafter. In New Hampshire it is 2 percent and $1 fee for all loans. That is the way many of the loan sharks in different States collect even a higher rate than 3½ percent. They are permitted to charge an application fee or some other fee of some kind; insurance or something else. That is what we are trying to regulate here—to pass an act that will invite people who want to engage in this business to make these hazardous loans and give them a rate of interest that will justify them in engaging in this kind of business.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. I yield.

Mr. SPRINGER. If this act is passed, will it be possible to charge an exorbitant fee for obtaining the loan?

Mr. McGEHEE. They cannot charge any fee or bonus whatever; not even a commission on insurance.

Mr. SPRINGER. Then, as I understand, the 2 percent per month is the total charge that may be made?

Mr. McGEHEE. That is the total charge they can make under this bill.

Mr. RANDOLPH. I desire to bring out, in answer to the gentleman from Indiana, that the reason the measure is here today is an attempt to meet competition from Maryland and Virginia where the actual borrowers are from the District of Columbia.

Mr. SPRINGER. I thank the gentleman.

Mr. McGEHEE. The committee has another provision that I would like to call attention to in the moment that I have remaining.

It provides that the collection of wage assignments is limited to 10 percent of the borrower's wage at the time of payment. Today, when they go across the line to these loan sharks and pay this exorbitant rate of interest, many times the wage earner with the Government will place one-half or two-thirds of his salary to stop the annoyance of probably being reported to his department for owing money and not paying it. Each member of the House is, I am sure, familiar with the procedure of the different departments of the Government here that when a department employee owes a debt and his creditor reports him to the department a time or two his superiors call the employee in and notify him that he must make arrangements to take care of it or otherwise—well there are many instances in which they lose their jobs. So you can imagine the harassment to a Government employee if sickness overtakes him and he is unable to meet these payments.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. Gladly.

Mr. HEALEY. How does the rate of interest provided in this bill compare with the rate charged in nearly Maryland and Virginia?

Mr. McGEHEE. The bill provides for 2 percent. In Maryland the rate is 3½ percent with the further proviso in the Maryland law that a charge can be made for application and bonuses, and all that.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. I yield.

Mr. WHITTINGTON. How does it compare with the rate in Mississippi?

Mr. McGEHEE. In Mississippi the rate is 3½ percent.

Mr. WHITTINGTON. Is an application fee permitted in Mississippi?

Mr. McGEHEE. I believe not. I fostered that act some years ago.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. I yield.

Mr. GWYNNE. How does the rate of interest carried by the pending bill compare with the rate recommended by the Russell Sage Foundation?

Mr. McGEHEE. It is less. That foundation after years of study of the subject, recommended the rate of 3½ percent.

[Here the gavel fell.]

Mr RANDOLPH. Mr. Chairman, I yield 2 additional minutes to the gentleman from Mississippi.

Mr. CANNON of Florida. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. I yield.

Mr CANNON of Florida. What is the prevailing rate of interest provided by law for small loans in the District of Columbia?

Mr. McGEHEE. One percent a month, but no small-loan businesses have ever been organized under the 1913 act. There are no small-loan agencies in the District of Columbia, unless they operate under cover.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. I yield.

Mr RICH. Why does not that act of 1913 grant banks the right to lend at an interest rate of 1 percent a month?

Mr. McGEHEE. As a businessman the gentleman from Pennsylvania will readily realize that if a person came to the bank, a newcomer to the city from the State of Mississippi, or Pennsylvania, unknown to anybody, and asked for a loan of $100 that the bank would turn him down. Banks do not do that kind of business. They are not allowed to enter into this hazardous business, especially could they not afford to do it at an interest rate as low as 1 percent a month.

Mr RICH. But the same bank would lend $500 to an individual if he had proper security, would it not?

Mr. McGEHEE. Yes; but you cannot secure it in the small-loan business. Under this bill no real estate can be given for security. This takes care of those people who are unknown, who have no security, yet have to have $100 or $200 for a little while—people who have no property for security.

Mr. RICH. How much would the present legal rate in the District of Columbia have to be raised in order that the bankers would make loans to these people?

Mr. McGEHEE. I do not believe any banker would consider a loan of the character that would be made under this bill.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. McGEHEE. I yield.

Mr. EBERHARTER. Is it not a fact that people securing loans from banks must have security?

Mr. McGEHEE. The gentleman is correct. Otherwise the bank will be taken to task by the State bank examiner or the F. D. I. C. people; they would make them get rid of such loans.

Let me call attention to a story that was revealed by the paper which made this investigation 2 years ago. A little girl by the name of Martha came here from a western State. She had been reared on a farm. Her father was a hard-working man. Her mother was ambitious that her daughter should enjoy some of the things of life that other girls were enjoying. The mother struggled to put the daughter through high school. After finishing high school the parents were able by further struggle to put her through business college, and the girl finally secured a job in Washington. She came here and through thrift managed finally to have a little furnished apartment and some nice clothes and was living well. She had a little savings account of $200. One day a letter came from her father saying that mother was almost blind, that she had cataracts on both eyes, that he was not able to pay for the treatment: "Daughter, can you help?" She remembered the $200 she had in the savings bank and she wondered where she could get the other $300 to help save mother's sight.

She picked up a paper and noticed a most inviting invitation to all people who needed money to come over into Maryland. "We will lend you money and you can pay it back as you please."

This little girl walked over to the loan shark, who took her in and let her have the $300. You can imagine how happy that little girl was when she realized that she was in a position to send home $500 to save that dear mother's eyesight.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. McGEHEE. Mr. Chairman, finally through sickness and other misfortunes she was unable to keep up the payments. To make a long story short this loan agency hounded that little girl until one day they found her in her bed with an empty carbolic-acid bottle by her side. There was a note telling why she had taken this drastic step. It was the continued hounding by the loan agency when she failed to meet the payments. She even sold her furniture, coats, and everything else to keep up with it. They drove her to suicide and death.

That is what I am trying to correct, Mr. Chairman, in bringing before the House this act, and I hope the House will pass it.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Chairman, I yield 4 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman, it is very seldom that I have anything to say with reference to District legislation, but I am inclined to at least express myself on this bill. I am not in favor of a policy of appeasement with those who champion wrong anywhere, nor am I in favor of a policy of appeasement with the loan shark. To me in this day and time, when we are right on the brink of what has been referred to as inflation, to begin to establish a 24-percent rate on small loans, when the average big businessman and the average big lending man gets his money at anywhere from 1½ to 3 percent is wrong.

This same kind of legislation was presented to the State Legislature of the State of North Carolina. It was my pleasure to oppose it there and I oppose it here. We have a limit of 6 percent in that State and it is observed. The average person can get a loan, whether they be big folks or little folks. It takes good character and a good reputation. When we begin to put a law on the statute books here in the District setting a high average of 24 percent, to me it is unconscionable.

If these sharks are driving people to commit suicide why, then, the remedy should not be a policy of appeasement but a policy of driving those moneychangers and their type from our midst. We should write a law and make it 6 percent. Do not worry, they will make the loans and they will be able to get their money, because when you take a 6-percent loan and pay the interest on the unpaid balance in advance, and add it up at the end of the year, you will find that you have paid a fairly good rate of interest. Take 24 percent and do the same thing, and see what it amounts to.

Mr. McGEHEE. Will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Mississippi.

Mr. McGEHEE. Does the gentleman realize that the Congress has no power whatever to pass a law regulating the rate of interest in Maryland, Virginia, and the surrounding States?

Mr. BARDEN. Certainly I do, but the Congress has a right to pass a law saying what shall be enforced in the District of Columbia.

Mr. McGEHEE. There was an act passed in 1913 permitting 1 percent per month and it is inoperative.

Mr. BARDEN. Why do we not put it in operation?

Mr. McGEHEE. That is what we are trying to do. It is to keep these employees and folks from going over and paying 3½ percent, together with application fees, bonuses, and everything else, to those sharks in the adjoining States.

Mr. BARDEN. Is not the answer then that loans at 3, 4, and 5 percent per month have been winked at to the extent that the man in the 1-percent business cannot survive and compete with them? Is not that the answer to it?

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Chairman, I yield the getleman 1 additional minute.

Mr. BARDEN. Mr. Chairman, in conclusion, may I say that I do not believe we are doing these young folks any favor by letting them become involved. I think you are encouraging the opposite of thrift. We should do something to encourage thrift, to encourage the building of good character, a good name, and a good reputation, and not encourage a system whereby the good folks pay these exorbitant rates of interest in order to pay bills or to pay back the money that the bad folks have borrowed.

Mr. COCHRAN. Will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Missouri.

Mr. COCHRAN. The Congress has done just exactly what the gentleman advocates by providing Federal Credit Unions, but the people who borrow from the loan agencies are of a class or desire a class of loan they cannot get from the Federal Unions. They will want it for some purpose which the policy of the Federal Unions will not permit that union to loan money for.

Mr. BARDEN. Very well. That is no argument to lift the rate of interest.

Mr. COCHRAN. I admit that it is no argument at all, but the Congress, I want to point out, has already done just exactly what the gentleman advocates.

Mr. BARDEN. Personally I would like to see the rate of interest staked at 6 percent and enforced, and I do not understand that this has been done by Congress.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, my very good friend from North Carolina raises a very interesting question, but one highly academic, and it does not deal with the condition which confronts either the District of Columbia or any other jurisdiction in the country. The fact of the matter is that there are about 250,000 people on the Federal pay roll in the Nation's Capital. This embraces young men who like to buy automobiles, when they can be bought. It embraces young ladies who like to buy fur coats and diamond rings. It embraces householders in straitened circumstances who like to borrow money when necessary to pay a doctor bill. It also embraces people who are in extreme need, from whom every other reservoir of credit is cut off; and you have to make provision for them.

The bill we present today is a vast improvement over the condition which now prevails in the Nation's Capital, and is in the interest of the poor people, the clerks and workers who need a source of credit in time of need.

That is the situation which confronts us at the present time, and it has been recognized ever since I can remember. Congress recognized it in 1913, when it enacted the One Per Cent Law in February of that year. It has never been amended since that time. There was to be no loan over $200 under that act, with a 1-percent interest rate to include all fees. When the act was signed by President William Howard Taft, he expressed the belief that it would not work and that it was not feasible, and his prediction has proved true.

In consequence, you have a One Percent Act today, but the loan agencies do not operate under it. The net result is that they set up in the adjoining districts, like Maryland, where they have a law to provide a maximum of 42 percent a year, and in Virginia, which permits 42 percent a year, and those loan agencies are doing an aggregate business of $8,000,000 per year. That is the answer.

Go down on Eleventh Street, Tenth Street, Ninth Street, or Seventh Street and see the offices where loans are procured. Go and make application for a loan, and they will take care of you and will pay your taxi fare over across the District line to Maryland or Virginia so that the loan may be procured; and that money is running into staggering figures today, and the Committee on the District of Columbia know it.

There is a certain class of people who cannot go to the Morris Plan Bank, who cannot go to the banks that operate under the supervision of the Comptroller of the Treasury, and who cannot go to any other source of credit and get the money they need in an extreme hour. As a result, we bring here a bill to provide, not 2 percent a month—no; do not make that mistake—but 2 percent on the unpaid balance. When you borrow a stated amount of money, the interest rate as applied to the diminishing balance will eventually figure out to be less than 2 percent on the aggregate.

Mr SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Virginia.

Mr SMITH of Virginia. The gentleman said that they cannot borrow money from the Morris Plan Bank. That bank operates very largely along those very lines. I am wondering why the gentleman says that.

Mr. DIRKSEN. For the very good reason that the Morris Plan Bank, like every other bank, is rather selective in the type of credit risks it takes. You have to open up a reservoir of cash to people who have no access to existing credit facilities.

Mr. SMITH of Virginia. I think the gentleman would find that the Morris Plan Bank is doing just exactly that.

Mr. DIRKSEN. They are doing a good job within limitations, but the very fact that the people are borrowing $8,000,000 in Maryland and Virginia at 42 percent a year is the best answer as to whether or not they can get the money from the Morris Plan Bank and the banks of the District of Columbia.

The loan agencies do not operate under the One Percent Act in the District of Columbia today simply because they say that by virtue of the hazards involved in this type of business and by virtue of the losses which must be taken, they cannot make a profit on a 1-percent basis. The result is that the act, which was enacted in February 1913 and signed by William Howard Taft and pronounced by him at the time as unworkable, is not working in the District of Columbia today.

In consequence we bring here this bill. We have been laboring at it a long time. We have had a lot of witnesses. I will read you a list of them.

When Elwood Seal was still Corporation Counsel of the District of Columbia

he appeared in behalf of this bill. This bill was drawn by the office of the Corporation Counsel of the District of Columbia and has the approval of the Commissioners of the District.

We had a Mr. August H. Moran, of the District of Columbia Bar Association, befor the committee; Mr. Francis Addison, of the District Bankers Association; Mrs. Feldt; Mr. John A. Evers, of the Institute of Knowledge; Mr. Max Tendler, of the Shoreham Building; Mrs. S. T. Muchmore, of the Better Business Bureau; Mr. J. O. Burnham; Mr. Charles Smoot; Mr. H. Ralph Burton; Mr. Simon Fleischman; Mr. Evan Tucker, of the Citizens Association; Mrs. Esther Dodd; Mr. J. Fischler; Mr. V. Fields; and Mr. Chester H. Gray, Assistant Corporation Counsel. Also the Citizens Association of the District of Columbia have begged us for this legislation.

Homes everywhere are constantly flooded with these many allures. Get yourself a $100 loan and you will get a free floor lamp or a free radio or a free this, that, or the other thing that is thrown in by way of inducement. Oh, how alluring it really is. It reminds me of that little piece of poetry gotten out by one of the loan sharks in Minneapolis, as uncovered by the Better Business Bureau of Minneapolis. This is the way they used to get it out in lyrical form:

Vacations come but once a year.
Let's have a good time while they're here.
A little broke? A little blue?
Don't worry; we know what to do.
If northern lakes and fish you'd see,
You'll find you need some DOREMI.
For taxes and for bills all due,
You'll need a little extra, too.
Let's make a deal—your bills we'll pay
And give you cash to smooth the way.
Your payments here are small you'll find
And with these old bills off your mind—
You cannot help but rest and play
And have a perfect holiday.
Take our advice—now don't delay;
Come in, begin your plans today.
Borrow the ———— finance way!
P. S.—When you come in, bring this, too.
This jingle's worth two bucks to you.

They have filled the District of Columbia with tons of literature like that, and every morning the homes of the householders in the District of Columbia are filled with literature, "Come and borrow $100 or $150 or $200—a free radio if you make your loan on Tuesday; a free floor lamp if you get your loan prepared and completed on Wednesday." This is the kind of thing that this bill is designed to stop, with 2 percent on unpaid balances. It is low enough for them to make money, it is high encugh for them to make money and still be within the limits of the capacity of the people to pay. It is on a workable basis and, in fact, much lower than you will find in most of the jurisdiction of the country. In my State we have a 3-percent to 3½-percent law.

Now the question may arise as to why we set the outside limit of the amount to be borrowed at $500 instead of $300. There are a number of States that have a $500 limit, although not many, but the latest practice it seems to me is to raise the limit in line with increasing living costs. The latest statement that is all-inclusive that I could find on the subject was by the Dominion of Canada. There they have a 2-percent statute with a $500 limit, and it seems to me that is good practice, is a sound policy, and is a tremendous improvement over what we have here at the present time.

Now, you may be interested to know about some of the other States and the rates they charge.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. DIRKSEN. I yield.

Mr. CRAWFORD. If I understood the gentleman correctly, at the present time he states they are unable to make money here on a 1-percent rate.

Mr. DIRKSEN. Yes; the best answer to that argument is that they just do not operate here, that is all.

Mr. CRAWFORD. Who is operating here at the present time? Who is putting out this literature?

Mr. DIRKSEN. It comes in from Maryland and Virginia. Has the gentleman ever been to Rosslyn or across the river to the end of the Fourteenth Street Bridge, or across the Maryland State line? You will see them there, with great neon signs, "Come over and borrow to your heart's content—let life take on a roseate hue."

Mr. CRAWFORD. What is there to prevent them from making the loan here?

Mr. DIRKSEN. If they charge a similar rate, they cannot enforce that kind of loan because it is contrary to the law here. They could make the loan here, and so long as they are within the provisions of the pending bill, then they can enforce them, and rightly so.

Mr. CRAWFORD. Practically speaking, I would have to disagree with that kind of conclusion because I believe they will continue to operate and they will charge these high rates. Why do we not fix it so they cannot operate here under any consideration if we want to protect these people?

Mr. DIRKSEN. We have no authority over Maryland and over Virginia when we are legislating for the District of Columbia. Consequently, the only way we can get at that situation is to make an excessive or exorbitant loan unenforcible within the jurisdiction of the District of Columbia, and that is what the bill does if such a loan is made at an excessive rate of interest. If they will operate on a 2-percent basis, based on diminishing balances, they can operate here just like anybody else. The objective, however, is to make this money available to the people who need this type of credit at a reasonable rate.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman.

Mr. BARDEN. Can you not make an interest rate in excess of 6 percent nonenforcible in the District just as well as you can a rate in excess of 2 percent a month?

Mr. DIRKSEN. You could, but we are dealing not with a theory but with an actual condition in the District of Columbia, and as I have said, the very fact that $8,000,000 of these loans are made on the outside is the best evidence that we are not furnishing that type of credit in the District of Columbia where it is needed.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman.

Mr. GWYNNE. Under present law are these contracts made in Maryland and Virginia enforcible in the District of Columbia?

Mr. DIRKSEN. They seem to be, and when we try to deal with the nonenforcibility of it, it becomes a difficult matter, indeed.

Mr. GWYNNE. Have we a law prohibiting the enforcement of such loans?

Mr. DIRKSEN. As I recall the statement of the Corporation Counsel, the enforcement of any such law has been very inactive and very ineffective and therefore we have dealt with it here in a summary fashion.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman.

Mr. CURTIS. The gentleman referred to 2-percent interest on a diminishing balance. What rate does that figure out in straight, simple interest?

Mr. DIRKSEN. I do not know. I have not taken the trouble to find out, but the gentleman knows that if you take 2 percent on the original amount of the loan and with no extra fees or charges of any kind to hoodwink the people, it diminishes progressively as the balance gets smaller. I have not taken the trouble to look at the interest table to find out just what that amounts to.

Mr. CURTIS. To be computed once a month?

Mr. DIRKSEN. It may be computed over a period, with regular payments at stated periods. It must be computed on the diminishing balance.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield again?

Mr. DIRKSEN. Yes.

Mr. CRAWFORD. I do not want to be technical about this, but I just want information. In the hearings that were presented did those who support this bill fail to show what the actual interest rate will be to the people who borrow this money?

Mr. DIRKSEN. Did they fail to show? Does the gentleman mean those who supported the bill?

Mr. CRAWFORD. Yes.

Mr. DIRKSEN. It seems to me that the testimony concerned itself principally with the fact that there are abuses here at 3½ percent a month; that there are abuses in recapturing property often in the District of Columbia; that there is a need for a diminishing rate of interest on unpaid balances; and that there had to be some correction of the abuses of loading on insurance charges, collection charges, legal fees, and so forth. That is the testimony that was presented here so completely to the committee, that we are meeting it in this bill.

Mr. CRAWFORD. Are there any public hearings of the testimony taken on this bill?

Mr. DIRKSEN. I do not believe they are published, but they are available in the office of the committee.

Mr. CRAWFORD. Here is what I do not want to do: I do not want to vote for a bill in the District of Columbia or anywhere else which enables any kind of a loan shark operating in any kind of a case at from 24 to 42 percent interest on loans to poor people. If those people want to borrow in that way, of course, that is their own business, but I do not want to support a bill which makes it legal for people to borrow at a high rate of interest. What I want to know is what rate of interest a man will have to pay who borrows from the type of folks I speak of?

Mr. DIRKSEN. If they operate in the District of Columbia, it will be at less than 2 percent a month.

Mr. CRAWFORD. That is 24 percent a year. What was shown in the testimony in the way of certified balance sheets, and so forth, to prove that that rate of interest is necessary in the District of Columbia, a nonindustrial outfit, where pay rolls are fixed by the Government? Based on what I have been able to see, I think it is highway robbery, and I do not want to support a bill of that kind for that reason.

Mr. DIRKSEN. We had testimony here from those who are best calculated to have knowledge of the fact, and who also laid before us as near as they could get it, the aggregate business being done at 42 percent rate of interest at the present time outside of the District of Columbia, paid by people who reside within the District of Columbia. That is the answer to the gentleman's question, and if this bill does not pass, you are just perpetuating the condition that prevails at the present time, the old racket of three and a half percent per month, or 42 percent a year, and that is why it is imperative that this bill should be passed.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RANDOLPH. Mr. Chairman, I yield 8 minutes to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. I could not possibly state my opposition to this bill in 8 minutes, but I do wish to protest its passage.

It seems to be taken for granted by some that this is a new proposition; that somebody with a heart full of charity has discovered some poor people who want to go out on some street and make loans freely of those who would grant credit to any person that came along, let them borrow any sum under $500 and run the risk of collecting it at some time, without security. That is what one might think from the statements that we have heard here today. There have been similar small-loan bills before Congress for 20 years. The issue has been before the American people 37 years. All over the United States promoters of such loan institutions have gone out to State legislatures, and they have fastened this form of legislation on the people of many States. In some instances the lobbying methods have been the cause of no little legislative scandal when similar legislation has been under consideration.

I am opposed to any system anywhere at any time that enables any man or set of men to move into the District of Columbia and charge the poorest kind of people desiring small loans 2 percent a month, or 24 percent a year. It is just unholy to think, in this day and age, when the Government is borrowing money at 2 percent per annum, and less, that Congress will even consider legalizing loans to people at a rate of 24 percent per annum.

Mr. McGEHEE. Mr. Chairman, will the gentleman yield?

Mr. HULL. If I can get time; yes.

Mr. McGEHEE. Will the gentleman state to the House what rate of interest is charged in the State of Wisconsin under their small-loan act? Is it not 1½ to 2½ percent, or an average of 2 percent?

Mr. HULL. Yes. They started out with a 3½-percent rate. That was the game 10 years ago—3½ percent per month, with the same financial loan agents as were even then pushing to get into the District of Columbia. We had 3½-percent-per-month rates in Wisconsin, and one legislature after another proceeded to cut it down.

Now, there is something else about this bill in regard to small loans. In a way it is an original measure. There is no State in this Union that allows any small-loan company to loan $500 at 2 percent per month. They can make loans up to $300, and that is the limit. One of the purposes of this bill is to raise the ante to $500, so the small-loan lobbies can go out to the various State legislatures and say that a beneficent Congress permits loans up to $500 instead of $300, and they get the borrowers in a little bit bigger and a little deeper under the system.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HULL. I yield.

Mr. CRAWFORD. Can the gentleman conceive of any type of slavery that is any worse than authorizing a loan shark to put a $500 claim against my family?

Mr. HULL. No; I cannot.

Mr. CRAWFORD. I do not believe there is any worse type of slavery on the face of God's earth than to authorize him to put a $500 claim against me. If you could hold it down to $200, I might get out from under, but when you place it at $500 I give up all hope.

Mr. DIRKSEN. Will the gentleman yield? I am sure the gentleman wants to be correct?

Mr. HULL. I yield.

Mr. DIRKSEN. The State of Arizona and the State of Delaware both permit $500 and the Dominion of Canada permits $500.

Mr. HULL. The Dominion of Canada is not yet a part of the United States. As far as the other States are concerned, I was not correctly informed. But if the gentleman from Illinois is correct, I stand corrected.

It has been stated here that the rate on $500 is only 1 percent per month. Read the section on page 10 and you will find it is $500 or less, and the interest rate fixed is not to exceed 2 percent per month.

I want to call your attention to another thing about this bill. There is this talk about loaning money to the poor fellow who has no credit anywhere. Look at the bottom of page 15, section 11, and notice how cunningly and how cutely it is provided how you may make collection, by an order on the wages or the salary of a man; how the assignment and the chattel mortgage and loans on household furniture are set out, which simply implies that is what they will have for security. Notice that the wife must also sign the note in order to make it legal. That is all right probably, but a little further along you will find that the fellow who has jumped his home and left his family in distress, after he has been away from home for 5 months, can go to one of these proposed loan institutions and borrow $500 and then the small-loan banker can enforce collection of the $500 by selling out the family and letting the District of Columbia take care of what happens. That is in this bill. You will find it on page 16.

As I said before, I do not have time to discuss this completely, but a similar bill was here in 1931. At that time the gentleman from Georgia, Judge TARVER, and myself filed a minority report against the bill. I well recollect how the labor unions at that time came up here and helped us make the fight. The leader in the fight in opposition at that time was Mayor LaGuardia, who was then a Member of the House. The House defeated the proposition, and from that time until now that was the end of it. That was a 3½-percent-per-month proposition. They were not talking about the small-loan companies in Maryland and Virginia at that time. They were talking about the 10-percent loan shark in the District of Columbia. Now it is the same old story, rewritten and revised for the purposes of this particular measure.

Mr. ANGELL. Mr. Chairman, will the gentleman yield for a question?

Mr. HULL. I yield briefly.

Mr. ANGELL. I have here what purports to be a resolution adopted by the Central Labor Council of the District of Columbia, in which they are opposed to the bill, in which they say that the passage of this bill would set up a monopoly in the hands of one out-of-town gigantic money-lending institution which would induce our workers to borrow the limit of $500 at interest of 24 percent a year, and would make no real small loans. What is the gentleman's understanding of that?

Mr. HULL. My understanding is just the same; just as this resolution reads. For the benefit of the House, I would like to call your attention to the resolution adopted by the District of Columbia laboring people in convention. They have been against this proposition for 20 years. They helped fight the scheme to put the small-loan companies into the District of Columbia. Here is what they said about it at their meeting the other day:

Whereas the passage of the said bill would be an invitation to "loan sharks" to set up business in the District of Columbia and extort excessive interest on small loans; and

Whereas the existing law permitting interest at 12 percent a year on small loans up to $200 and the lending facilities of the

banks, building-loan associations, the Morris Plan, and the 100 and more credit unions in the Goverment departments are adequate to meet all the needs of real "small" borrowers; and

Whereas the passage of said bill would set up a monopoly in the hands of one out-of-town gigantic money-lending institution which would induce our workers to borrow the limit of $500 at interest of 24 percent a year, and would make no real "small loans" under $200.

Referring to the small-loan-bank monopoly, I understand that in one of those subsidiary banks, possibly a member of the so-called monopolistic system, they pay the president $75,000 a year and give him a bonus of $50,000 a year.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Chairman, I yield 3 additional minutes to the gentleman from Wisconsin.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. HULL. I yield.

Mr. GIFFORD. I am greatly interested in the security the gentleman speaks of; but I ask the gentleman what the difference is between these loan sharks and the legitimate banker who forecloses on a $7,000 mortgage, bids the property in at the sale at $2,000, and sues on the deficiency of $5,000, which is very common? I do not see that these loan sharks are a bit worse than the legitimate banks under such conditions.

Mr. HULL. I am sorry; I cannot take time to discuss the entire banking situation.

Mr. GIFFORD. They are all tarred with the same stick.

Mr. HULL. Why encourage them?

Mr. GIFFORD. I am talking about the legitimate savings bank which does that even today.

Mr. HULL. I continue reading from the resolution:

Whereas no State in the Union permits small loans of over $300 at more than 6 percent interest.

The gentleman from Illinois corrected me as to that. I got my information from this resolution. I may have been mistaken on that point.

Whereas the enactment of such a law would be against the best interest of organized labor, Government employees, and all workers in the District of Columbia: Therefore be it

Resolved, That the Central Labor Union of the District of Columbia hereby registers its protest against the passage of H. R. 4643, the District of Columbia Small Loan Act, and respectfully requests the friends of labor in Congress to vote against the passage of the bill and against any such high rate of interest or any amount of such loans in excess of $300.

That is in large part the resolution. When we get right down to brass tacks, this bill is nothing but an effort to get Congress to do something it should not do. The Morris Plan Banks are lending a great deal of money to the class of people who have no credit elsewhere. According to the statement of the gentleman from Illinois $8,000,000 is now being borrowed from outside small-loan concerns in Maryland and Virginia. Pass this bill and it means that some of the $8,000,000 will come into the hands of some lending company in the District. In order to get that privilege here under this bill we are asked to authorize that lending company to take $2,000,000 in profit on the lending of $8,000,000.

When you come to vote on this bill just remember that there is one proposition involved and it is simply whether this Congress is going to force a 24 percent per annum interest rate upon poor people who really cannot afford to borrow at all.

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired; all time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc.,

DEFINITIONS

SECTION 1. As used in this act—

(a) The term "person" means an individual, firm, voluntary association, joint-stock company, incorporated society, or corporation.

(b) The term "loan" includes (1) the loan, use, or forbearance of any money, goods, or things in action, and (2) the loan, use, or sale of credit.

(c) The term "supervisor" means the supervisor of loan agencies in the District of Columbia as hereinafter provided for.

(d) The term "District" means the District of Columbia.

(e) The term "code" means the Code of the District of Columbia, 1929, as amended.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have listened to this debate because the States of Virginia and Maryland have been brought in and sob-sister stories told about what is happening to small-loan borrowers in these States, and I was naturally interested. All I can say is that I have lived around here about 40 years. It is passing strange to me that if these outrages have been going on in the adjoining territory I have never heard a word about it; so I was interested. I sent for the hearings on this bill, and I learned that not even the hearings are available to Members of Congress, who are asked to vote on this bill.

There is just one thing here today and that is that this Congress is asked to do something that no other legislative body has ever done, namely, to permit the so-called loan shark to charge 24-percent interest on loans up to $500; that is, you are going to allow these poor Government clerks to be soaked over $125 a year for the use of $500.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. No; I have not time.

If you know anything about the banking business, you know that a man who is entitled to a credit of $500 can go into any of the legitimate banking institutions and get it at 6 percent. For those of you who do not know anything about recent developments in banking, let me say I have had some little experience with the subject, and know that in the last few years there has been developed through the National Banking System what is known as personal-loan departments. Right across the river in Alexandria one of the established institutions under the Federal Reserve Act has opened such a personal-loan department and is lending money on just this type of loans to people who have nothing but their jobs, their salary, and a good reputation. Anyone with a job and a good reputation can go into that bank now and without collateral—just on the showing of a job and a good reputation—can borrow money at 6-percent discount.

This means that on a year's loan the 6 percent is taken out at the beginning of a loan, which I understand makes about a 10 percent a year rate of interest. I think we would be making a rather grave mistake in complaining about what is happening in some 35 other States of the Union and permit the lending of money at the rate of 24 percent a year on money that I know can be gotten from legitimate institutions for a much less rate.

Let us take the Morris Plan Bank. Everybody knows about the Morris Plan Bank. That bank has built its business upon that type of proposition, personal loans to people who have a good moral standing, and if they have not a good moral standing you can bet your last nickel these loan sharks are not going to lend them any money. I think we are doing a rather remarkable thing when under the cover of some complaints that we cannot get hearings on we proceed to say that we are going to authorize the loan sharks of the District of Columbia to prey upon Government clerks in the District at the rate of 24 percent a year. I hope the House will think this over and be careful, perhaps asking the District Committee to let us see the hearings about these terrible things that are said to be happening that I, who have lived here for 40 years, have never heard of.

Mr. CRAWFORD. Will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Does the gentleman know of any activity in the regular commercial banks that has grown more rapidly or that has been more successful during the last 3 or 4 years than the personal character loan business which they have instituted?

Mr. SMITH of Virginia. No; I do not, and it is revolutionizing the banking business of the country.

Mr. CRAWFORD. And if we will keep this kind of business out of the way of legitimate business, it will proceed much more rapidly.

Mr. SMITH of Virginia. It will work itself out so that that type of people can get loans at legitimate interest rates.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the gentleman from Virginia [Mr. SMITH] says he has been here for 40 years and he evidently does not know what is going on. I have been here for only 30 years, but I have known for 30 years what has been going on.

Mr. SMITH of Virginia. I said I did not know anything about what was not going on.

Mr. COCHRAN. What I say in reply is, I have been here nearly 30 years, and I know just exactly what has been going on so far as small loans are concerned. The gentleman from Virginia says we are

making a grave mistake that we are doing a remarkable thing. By doing what? Passing legislation to enable people who are in the hands of money lenders to borrow money at 24 percent a year rather than at 36 or 42 percent a year. That is the issue in this bill. You are reducing the rate of interest in this bill from 36 and 42 percent to 24 percent.

I have been very fortunate in that I have lived within my income all of my life. I have never had to borrow a dollar upon which I had to pay interest, but I have had some experience with money lenders. How? Back in my home city, St. Louis, I have on two occasions advanced money without interest to friends in order to get them out of the hands of money lenders. I know how they operate.

We are setting up a method here by which we are going to let the loan sharks, as they are called, do business, provided they do not charge more than 2 percent a month. Now they negotiate the loan in the District of Columbia, but they do not advance the money in the District of Columbia. They make the people go across the river to Virginia, or they make them go out to Silver Spring or some other place in Maryland to get the money. I am wondering how the gentleman from Virginia [Mr. SMITH] has crossed the Fourteenth Street Bridge all these years and has failed to see that pawnbroker's shop just as you get off the bridge, set up back in 1913 when the present act was made law. I remember when it was set up.

Mr. KEEFE. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Will the gentleman indicate in his discussion what justification he assumes for raising the amount of the loan to $500?

Mr. COCHRAN. I will vote to reduce it to $300.

Mr. KEEFE. The gentleman feels a maximum loan of $300 ought to take care of these small borrowers that the gentleman is so solicitous for?

Mr. COCHRAN. Absolutely, in an emergency. If possible, if it would work, I would like to reduce the interest below 2 percent a month.

Mr. KEEFE. Does the gentleman feel he could support an amendment to reduce the maximum amount down to $300 from $500?

Mr. COCHRAN. I will.

Mr. KEEFE. I am glad to note the gentleman has that attitude.

Mr. COCHRAN. Here is the situation with reference to the borrowers: We have our Federal Credit Unions here, but they have a policy. You can only borrow money for certain purposes. The people who patronize the money lenders that lend to individual Government employees and other citizens of the District of Columbia, want this money to be used for purposes which the Federal Credit Unions will not lend the money for. There is the situation.

Throughout the United States that same situation exists. As I said, if it were possible to get this interest rate down and still operate and give unfortunate people who must have money the opportunity to borrow money, I would be willing to do it. However, these concerns lend this money mostly without collateral, they could get money from a bank if they had collateral and naturally the money lenders have their losses which reduces the rate of interest. In the end you will find that they are getting at least 12 or 15 percent rather than 24 percent a year after they charge off the losses. Money they loan they do not collect.

Mr. EBERHARTER. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. As I see this proposition, the only question is whether conditions will be better if we pass this bill than if we do not pass the bill. We want to look out for these Government employees and other persons who are compelled sometimes to borrow small amounts of money. If we pass this bill those people will be able to borrow the money at a lesser rate of interest, and for this reason I cannot see why we should not pass the bill.

Mr. COCHRAN. Why, certainly, that is the only issue. It is whether you want to enable these people to get a loan at 24 percent rather than requiring them to pay as they do now 36 or 42 percent. There is the whole issue.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The gentleman made the statement that these loans are made without collateral. That is not exactly correct, is it?

Mr. COCHRAN. Seven out of ten of them are, yes; based on reputation, or past record.

Mr. KEEFE. The lenders may accept wage assignments and chattel mortgages on furniture or other property.

Mr. COCHRAN. Yes; but you cannot garnishee a Government employee's salary, except where the employee works for a corporation such as the H. O. L. C., the R. F. C., or similar corporations.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: On page 2, line 6, after "Columbia", strike out "1929" and insert in lieu thereof "1940."

Mr. DIRKSEN. Mr. Chairman this is only a clarifying amendment The original bill contained reference to the 1929 code, but since that time a new code has been issued. This amendment merely refers to the 1940 code, so it is clarifying.

While I am on my feet let me make one reference to the crocodilian tears which were spread around so profusely by my good friend from Virginia about a 24-percent loan-share rate. The interesting thing is that the attorney for all of the so-called loan agencies over on the Virginia side came before the committee and spent hours and hours convincing the committee that no loan agency could operate on 24 percent on diminishing balances; that they had to have 42 percent a year, which they get in Virginia. I would suggest to my good and genial friend from Virginia that if his heart is so much in this business he ought, like charity, to begin at home and sort of clean up that 42-percent situation before he undertakes to throw rocks at a bill that is designed to reduce the rate to 24 percent on diminishing balances, which will be less than 2 percent a month.

Mr. RICH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I had to say that I rise in opposition to this amendment in order to get the floor, but that is not the question before us now. I am interested in this legislation.

In the first place, I feel a good bit like the gentleman from North Carolina [Mr. BARDEN]. I think when you charge a 6-percent rate of interest for money, that is sufficient for anyone to pay for the use of money. I would hope that everybody in this country who wanted to borrow could borrow at that rate, or less, especially the poor people, but that does not seem to be the case. In various States they charge as much as 30 to 45 percent. I believe that is terrible. If I could stop it, I would eliminate all those laws that permit such a rate. But if I were hungry and somebody said. "You cannot go get a good dinner." and somebody else gave me a sandwich, I would eat the sandwich. I would not do without, altogether. I would take what I could get in order to try to correct a bad situation in hunger; so I will do the same with this legislation. A vote for the bill does not say I approve of the charge of 24 percent per year. I do not approve of such a rate. It is to cut down these small loans interest rates from 45 percent to 24 percent that are made to people in the District.

I have had some experience since I have been in Washington with people who were ready to lose their furniture because they were in the hands of loan sharks charging them 36 percent plus. I happen to have had the privilege of buying out loans from two such loan sharks in order to save two families their furniture. I thank God that I had the means to buy those loans and save the furniture for those families. There are other families in the District who are in the same circumstances.

The point in issue is this. If in Virginia and in Maryland they are charging 35 to 40 percent, and if by enacting this law we can drive those people to reduce their interest rates to 24 percent a year—and to me, 24 percent a year is a terrible rate of interest to pay—we are not only going to help the people in the District, we are going to help the people in Virginia and in Maryland. That is what I am trying to do now by supporting this legislation.

I do hope the committee will put into this bill a limit of $300 on these loans. I hope the committee will offer such an amendment. If the committee does not do so, then I shall offer an amendment proposing to reduce the limit to $300. In that way we shall do something to drive the loan sharks down to 24 percent a year. After we do that and get this rate established in the District, I hope the District Committee will within the next 2

years reduce this interest rate from 24 percent to something that is within reason. In that way we shall help not only the people in the District who are in trouble and caught in the loan-shark net—and I know they are in trouble—but we shall help everybody who is compelled to go to the loan sharks to get money.

I have heard announcements over the radio of how easy it is to get a loan and how inviting it is if people will only come to see the loan agent. Such persons ought to be stopped from making announcements of that kind. I cannot blame the radio companies for trying to get a little money for making such announcements, but it does seem to me very unjust that we should permit such alluring radio programs to go on the air. I think we ought to stop them somehow. I hope the chairman of the District Committee will bring in a bill prohibiting the radio companies from making announcements intended to induce people to go to these loan sharks with the idea that it is easy to get a loan and easy to pay the loan. No loan charging 24 percent or more is easy to pay. When the people go to the loan sharks, they get their loans and then they are preyed on after that until they pay it with the exorbitant rate charged.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the mayor of the city.

Mr. RANDOLPH. I appreciate the suggestion of possible legislation other than that which we have presented today. Of course, if the Committee on the District of Columbia were to bring in all the measures suggested to it those bills would flood the Congress and we would never have any other subjects before us. However, I do say in all sincerity that I appreciate the position taken by the gentleman from Pennsylvania. We present here a bill in which the interest charge on a loan is smaller than in practically all the other States of the Union, the gentleman's State included.

Mr. RICH. Will the gentleman, as chairman of the committee, be sympathetic to reducing this rate when and if it can be done? I will support the bill to get some good, and in the future I hope I can vote to reduce the interest rate further and further.

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I could not imagine the Congress taking a bigger step backward than would be taken if this legislation were enacted. A few years ago all of the national banks in this Nation set up small-loan departments. I have been reliably informed that this business has grown by leaps and bounds. If you will pardon a personal reference, I would like to tell you that in the typical country bank that I have been connected with for many years the small-loan department set up to take care of the people who would patronize these loan sharks has had a smaller percentage of loss than any other branch of the bank. Now, certainly, with the means available for people who have no collateral to secure loans at a time of distress, it certainly seems to me we are playing into hands of these vicious loan sharks that all of us despise, and I sincerely trust this bill will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The amendment was agreed to.

The Clerk read as follows:

SUPERVISOR OF LOAN AGENCIES

SEC. 2. There is hereby created in the government of the District of Columbia the office of Supervisor of Loan Agencies. Said office shall be filled by appointment by the Commissioners of the District of Columbia without recourse to civil-service requirements for the purpose of administering the provisions of this act and any other duties prescribed by the Commissioners, and said official shall be compensated in accordance with the Classification Act of 1923, as amended.

LICENSE REQUIRED FOR MAKING SMALL LOANS

SEC. 3. No person shall, except as authorized in this act and without first obtaining a license from the supervisor as hereinafter provided, engage in the District of Columbia in the business of making loans in the amount or of the value of $500 or less and charge, contract for, or receive, directly or indirectly, or by any device, subterfuge, or pretense whatsoever, a greater rate of interest, discount, or consideration therefor than that provided by title 17, chapter 1, sections 1, 2, and 3 of the code.

Mr. SAUTHOFF. Mr. Chairman, I have an amendment to section 3, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SAUTHOFF: Page 2, line 22, strike out "$500" and insert "$300."

Mr. SAUTHOFF. Mr. Chairman, I have objected to the $500 limitation on the ground that, to my mind, that is not a small loan; and if you include people who are able to negotiate a loan of $500, then you simply increase the financial difficulties they will get into, and you are taking it out of the small-loan field and putting it into the banking field. You and I know if a creditor will make a loan of $500 he is going to have ample security for such a loan. Secondly, he ought not to be entitled to charge 40 or 42 percent on loans amounting to $500 which, of course, no creditor would accept unless he received ample security for that substantial amount. I therefore offer the amendment to hold this field down to what I would call the field of small loans, which, in my judgment, does not exceed $300.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. SAUTHOFF. I yield to the gentleman.

Mr. RANDOLPH. Mr. Chairman, I would like to say to the gentleman from Wisconsin, who has been a close student of this subject in the District of Columbia Committee, we know his position, which he is simply reiterating here today, as stated in the subcommittee and in the full committee, and I should like to accept the amendment of the gentleman from Wisconsin.

Mr. SAUTHOFF. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

Mr. RANDOLPH. Mr. Chairman, I ask unanimous consent that the figure "500", as it may appear in other parts of the bill, be changed to "300" in accordance with the amendment just adopted.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, I offer a clarifying amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: Page 2, lines 25 and 26, after the word "title", strike out "17, chapter 1, sections 1, 2, and 3" and insert "28, chapter 27, sections 1, 2, and 3."

Mr. DIRKSEN. Mr. Chairman, this is only a clarifying amendment to make the code reference conform to the new code. But once more, while I am on my feet, I want to read just a few words from a New York newspaper dated February 21, 1941, which contains this headline:

Lehman again demands cut in small-loan interest.

Special message urges legislature to slash rate to 2½ percent on the first $100 and to 2 percent on the next $200.

I assume that about 40 percent of all the small-loan business is done in the State of New York. They have come down, and we are coming down now, and we are below the rate that is established by the new recommendations of the Governor of New York, and I think it is very salutary.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr RANDOLPH. Following out that thought, I believe that the Congress, by the passage of this bill, will actually be serving notice on the States that the membership of the Congress of the United States feels that within the jurisdiction of the District of Columbia, for which we can legislate, we are bringing the interest rate lower than the interest, practically, in any State of the Union.

Mr. DIRKSEN. I also want to make an observation about the statement made by the gentleman from Oregon [Mr. ANGELL] relative to the action of the Central Labor Union here. We have had no end of testimony from the labor folks over a period of years that they want this bill. A few years ago President Green, of the American Federation of Labor, definitely went on record in favor of a small-loan bill and at a rate of interest much higher than what we are providing today. If this needs verification, I have a photostat of the letter of President Green in my case. I wanted that clarified. There may be one or two who have come time and again to testify for some personal or special reason, but, generally, those people are for this bill.

Mr. ANGELL. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman.

Mr. ANGELL. This item appears in the International Labor News Service,

and it says that this resolution was passed by the Central Labor Union of the District of Columbia opposing this bill.

Mr. DIRKSEN. I say right here and now that it does not represent the laboring folk here, and is not in conformity with the testimony that we have had before us over a period of 2 or 3 years.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. WHITTINGTON. The gentleman spoke of a rate of interest not to exceed 2 percent on the remaining principal. What is the maximum interest on the original loan, say of $100?

Mr. DIRKSEN. Two percent, and it diminishes by the month, so that the aggregate interest rate can be calculated only upon the unpaid balance, so that in no case can it be over 2 percent.

Mr. LECOMPTE. Two percent on the unpaid balance.

Mr. DIRKSEN. Yes; so that the interest rate upon the entire amount will be less than 2 percent per month in the aggregate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. RANDOLPH. Mr. Chairman, I ask unanimous consent that wherever the words "title 17, chapter 1" appear in the bill they be modified to conform with the amendment just adopted.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GIFFORD. Mr. Chairman, I move to strike out the last word. I was requested this morning to pay some attention to this bill. Personally, I am not so greatly interested except in one phase of it. I think for this class of borrowers the rate is fair. Certainly safeguards enough seem to have been thrown around this bill as to the restraint of the parties who may carry on such business. I was interested in the security demanded of the borrower, and the results of foreclosure. I take this opportunity, as I often have before, to call attention to something that ought to have been done by this Congress long ago. It is with reference to a practice by so-called legitimate bankers relating to deficiency mortgages. I have had several cases brought to my attention. I will cite you one case, where the property was assessed at $10,000—the mortgage $7,500. The property was foreclosed upon and as usual only the mortgagee was present and bid in the property for $2,000, and who then proceeded to secure a deficiency judgment of $5,500. That is what legitimate bankers are doing, and we have refused to take any action to protect the borrower in such cases. We have criticized the Farm Mortgage Corporation for doing this and I think they use this power very sparingly. But when we talk about regulating these people who take on this small-loan business, I think it is time that we took notice and protected people from these deficiency judgments.

Mr. JOHNS. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. JOHNS. I notice the gentleman speaks about the Government taking these deficiency judgments against the borrowers of money. Is it not true that practically every State has a law providing for a deficiency judgment, and that puts the Government on a different basis than individuals in the States?

Mr. GIFFORD. Probably we could not interfere with the States. New Jersey has a very fair law relating to deficiency judgments. Certainly our Government is now the greatest mortgage lender of all, and I think we ought to definitely do something about these deficiency judgments. This bill reaches a class of people who need to be taken care of. Even though they may belong to these voluntary Federal-loan agencies, they have to get endorsers. Sometimes people do not want to tell their neighbors why they need to borrow money.

Mr. DONDERO. Is it not true that under foreclosure of H. O. L. C. mortgages the Federal Government now takes deficiency decrees?

Mr. GIFFORD. Yes; and speaking of those particular mortgages, many poor fellows back in 1934 to 1937 were forced to go to these companies to get money to keep up those H. O. L. C. mortgages. I have many times been asked to loan money or to sign notes for such purpose. Some people can feel righteous and say, "Oh, I never sign a note with anybody." You get out of it in that way, but I cannot so appease my neighbors. We are in a sense our brother's keeper, but not his bookkeeper. He does not always want to divulge his troubles. The Morris Plan Bank often comes to their rescue. These agencies relieve us very often of assisting our friends and neighbors from our own pockets. I think this is a poor man's bill, and I certainly am for it. It is not a bill granting favors to so-called money sharks. They are restrained under its provisions.

Mr. CRAWFORD. I wish the permission of the House to read a few comments by Mr. Leon Henderson on this subject. He says:

> One very real evil of consumer credit, and one which can be measured in any family, is the loss in standard of living occasioned by the high cost paid for credit. Interest, finance charges, bonuses, and discounts all decrease the purchasing power of family income.
>
> Barring the undue advantage which loan sharks, mortgage sharks, and installment sharks take of their strong bargaining positions, the price of family credit tends to approach a business cost. In other words, the automobile buyers pay from 28 percent to 35 percent for credit (and insurance) because the legitimate cost of doing this type of business in our specialized finance company way is about that. The second-mortgage borrower pays from 15 percent to 60 percent—often higher—because usury laws prevent second mortgages from freely finding their market worth. The customer of the industrial bank, who furnishes endorsers, pays from 17 percent to 35 percent, and often more because this type of business cannot be done with commercial profit for less except by banks of deposit, which are now entering the field. If the borrower has nothing but wages or chattels to offer as security, he is charged even more, usually from 3 percent to 3½ percent a month on unpaid balances, because this is the rate necessary, under present conditions, to bear the costs of money, investigation, risk, collection, and the like. In many communities there are no industrial bankers or chattel lenders or personal-loan departments of banks, so the loan shark takes the risk—and the borrower, as usual, pays the freight, usually at the rate of 20 percent a month.
>
> We have checked cases in which interest charged by loan sharks absorbed 10 percent of family income, whereas even the most expensive legitimate loan will seldom divert more than 1½ percent of income for interest.
>
> None of the legitimate credit costs just mentioned will ruin the average family, unless its credit is overextended. No scheme of borrowing ever devised will correct an unbalanced budget or save the weak from indulgence. In the university of hard knocks two new courses for family financiers ought to be added, under competent professorships, on 'judicious use of credit" and "cost of family credit."
>
> Interest rates are not particularly significant in family finance; what counts is the amount of wasted purchasing power.

Mr. Henderson, there, is discussing two types of rates, the legitimate rate and the illegitimate rate. Of course, as we move into this new Budget of the Federal Government with $26,000,000,000 tax to be contributed by the citizens to the Federal Government and $10,000,000,000 to the States, or a total of thirty-six billion out of a national income of one hundred and five billion, we are really going to have some taxes to pay, without putting a 10-percent burden on the family budget in the form of loan-shark interest take-off.

I am glad the chairman of the committee accepted the $300 limit. I think that is enough. I do not think we should go any higher. If I had my way I would cut it to $150, but I understand that the loan laws throughout the States are based on a $300 basis, and I am glad to see it held that low.

Mr. SMITH of Ohio. Will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. SMITH of Ohio. What percent of the loans made by these high-rate loan companies are actually enforced by court action?

Mr. CRAWFORD. I do not suppose one-tenth of them get into court. When you get into the toils of the loan shark he sweats the living life out of you. You never get to court. You do not have anything to go to court with. You have no money to pay an attorney to represent you. You pay and pay and pay to the sharks.

Mr. SMITH of Ohio. So, really, they do not operate so much under the law, once a legislative body has given sanction to making these loans at these high rates?

Mr. CRAWFORD. Surely. That is the reason I dislike to vote for any kind of a bill that gives them 12 or 18 or 24 percent, because they just ruin the people who come to them to negotiate a loan.

Mr. JOHNS. Will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. JOHNS. I do not see anything in this bill that provides that the supervisor has anything to do with fixing the rates for these loans. I am wondering if it would not be a good thing for the supervisor to listen to testimony on cer-

tain classes of loans and be able to fix the rate which would be sufficient to compensate the loaning agency.

Mr. CRAWFORD. With the small-loan laws, engineered in the State legislatures primarily by the Russell Sage Foundation, with which Mr. Henderson was connected for years, I do not think we have scratched the surface in this bill. I think we could draw a bill that would be 10 times as good as this one. It may be a choice between evils, take the best you can get. But we are not doing anything to protect these people. It is stock in trade to say, "Take this or force a fellow to pay 40 or 50 percent." I do not care anything about that kind of an argument. I say, Why not fix it so he only has to pay 6 to 9 percent as a maximum?

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

LOANS INVALIDATED

SEC. 4. (a) No person except as authorized by this act shall directly or indirectly by any device, subterfuge, or pretense whatsoever, ask, demand, charge, contract for, or receive, or participate, as agent, broker, procurer, intermediary or volunteer, or in any other capacity, in asking, demanding, charging, contracting for, or receiving, any interest, discount, fee, charge, or other consideration which in the aggregate is greater than the interest which is permitted by title 17, chapter 1, sections 1, 2, and 3 of the code, upon any loan or application for loan in the amount or of the value of $500 or less, whether or not such loan is made.

(b) No person engaged in the business regulated by this act shall pay, directly or indirectly, to any person, any money, service, or thing of value for the doing of any of the acts prohibited in subsection (a) of this section: *Provided*, That this subsection shall apply only to acts done or performed with reference to loan transactions or applications for loans in sums of $500 or less, or in inducing or seeking to induce any person to borrow in sums of $500 or less.

(c) No instrument evidencing a loan made within the District in violation of the provisions of this act shall be valid or enforceable in the District by the lender or by any other holder thereof who acquired the same with actual knowledge that said loan was made in violation of the provisions of this act or with knowledge of such facts that his action in taking such instrument amounted to bad faith.

(d) Any loan in the amount or of the value of $500 or less for which there has been charged, contracted for, or received a greater rate of interest, discount, or consideration than licensees are permitted to charge, contract for, or receive under this act is hereby declared to be against the public policy of the District. No such loan made outside the District shall be enforced in the District and every person in anywise participating therein in the District shall be subject to the provisions of this act, except that the provisions of this subdivision shall not apply to loans legally made in any State under and in accordance with the provisions of a small-loan loan law the regulatory provisions of which are similar in principal to those contained in this act.

APPOINTMENT OF ATTORNEY AND APPLICATION FOR LICENSES

SEC. 5. (a) No license shall be issued to any person unless and until such person shall, in writing and in the form prescribed by the supervisor, appoint the supervisor as his true and lawful attorney upon whom all judicial and other process or legal notice directed to such person may be served. The said supervisor shall, within 24 hours after any such service, forward by registered mail to the last-known address of such person a copy of such process or notice.

(b) Each application for a license under this act shall be made in writing, under oath or affirmation, to the supervisor in such form as he may prescribe. Such application shall contain (1) in the case of an individual, his name and the address of his residence and place of business, (2) in the case of a firm or voluntary association, the name and address of every member thereof and the address of the place where such business is to be conducted, (3) in the case of a joint-stock company, incorporated society, or corporation, the names and addresses of the officers and directors thereof and the address of the place where such business is to be conducted, and (4) such additional information as the supervisor may prescribe.

(c) Each applicant shall prove to the satisfaction of the supervisor that he has available, for use in the business of making loans authorized by this act at the location specified in his application, cash capital of at least $25,000.

(d) Upon the filing of any such application the applicant shall pay to the supervisor the sum of $50 as a fee for investigating the application, which sum shall be retained by the supervisor whether such application is approved or disapproved.

BOND PROVISIONS

SEC. 6. (a) Each applicant shall file with his application a bond running to the District in the sum of $5,000 with two or more sufficient sureties, whose liability as such sureties shall not exceed the said sum in the aggregate; except that the execution of any such bond by a fidelity or surety company authorized by the laws of the United States to transact business in the District shall be equivalent to the execution thereof by two sureties, but such company, if excepted to, shall justify in the manner required by law of fidelity and surety companies. Such bond shall be approved by the supervisor and conditioned upon the compliance by the applicant with all the provisions of this act and all rules and regulations lawfully made pursuant thereto. Any person injured by the noncompliance with any such provision, rule, or regulation by any licensee under this act may maintain a suit in his own name in any court of competent jurisdiction and recover on the bond such damages as shall be adjudged by such court, together with costs of such suit. Recovery upon any such bond shall not preclude recovery against such licensee for any liability in excess of the amount recovered upon the bond, and such recovery shall not be held to extinguish any remedy under other law.

(b) The bond or bonds which the licensee is required to file hereunder shall be renewed and refiled annually at the time of making payment of the annual license fee. If the supervisor shall find that any such bond has for any reason become insecure or exhausted, an additional bond in the sum of not more than $5,000 shall be filed by the licensee within 10 days after written demand therefor by the supervisor.

ISSUANCE OF LICENSE

SEC. 7. (a) If the supervisor approves the bond filed by the applicant and the form of the application, and finds after investigation (1) that the financial responsibility, experience, character, and general fitness of such applicant, and of the members thereof if the applicant is a firm or voluntary association, and of the officers and directors thereof if the applicant is a joint-stock company, incorporated society, or corporation are such as to command the confidence of the community and to warrant the belief that the business of the applicant will be operated honestly, fairly, and efficiently in accordance with the purposes of this act, (2) that permitting such applicant to engage in such business will promote the convenience and advantage of the community, and (3) that the applicant has available for use in such business at the location specified in the application cash capital of at least $25,000, the supervisor shall, upon payment by the applicant of a license fee of $250, issue to the applicant a license to make loans in accordance with the provisions of this act at the location specified in such application; except that if any such license is issued after the 30th day of April of any year the fee for such license shall be $125. If the supervisor does not so find after investigation he shall notify the applicant thereof and return the bond filed with the application. Within 60 days from the date of filing the application for license, accompanied by the investigation fee and bond required by this act, the supervisor shall either issue or refuse to issue such license, but no applicant shall be denied a license until after a due hearing by the supervisor, at which the applicant shall have a reasonable opportunity to be heard and to produce evidence in support of his application. If the application be denied the supervisor shall within 20 days thereafter prepare a written decision and findings with respect thereto containing a summary of the evidence and the reasons supporting the denial and forthwith serve upon the applicant a copy thereof.

(b) Each license issued under this act shall state fully the name of the licensee and the place at which the business is to be conducted under such license. Such license shall be kept conspicuously posted in such place of business. No such license shall be transferable or assignable. Not more than one place of business shall be maintained under the same license, but the supervisor may issue more than one license to the same licensee upon compliance for each such license with all the provisions of this act applicable to the original issuance of licenses. Whenever a licensee shall desire to change his place of business to another location within the District he shall immediately give written notice thereof to the supervisor. Upon receipt of such notice the supervisor shall attach to the license a statement of the change of location and the date thereof, which shall be authority for the operation of such business under such license at the new location.

(c) No licensee shall conduct the business of making loans under this act within any office, room, or place of business in which any other business is solicited or engaged in, or in association or conjunction therewith, except as may be authorized in writing by the supervisor upon his finding that the character of such other business is such that the granting of such authority would not facilitate evasions of this act or of the rules and regulations lawfully made hereunder.

(d) No licensee shall transact such business or make any loan provided for by this act under any other name or at any other place of business than that named in the license.

REVOCATION, SUSPENSION, AND RENEWAL OF LICENSES

SEC. 8. (a) Each license shall remain in full force and effect until the 1st day of November following the date of issuance unless sooner surrendered by the licensee or suspended or revoked as hereinafter provided. Upon the payment by any licensee, within 20 days prior to the 1st day of November, of a license fee of $250, the supervisor shall renew his license for the year commencing on the 1st day of November following the date of such payment. The requirements of section 5 relating to the issuance of original licenses shall not apply to any such renewal.

(b) The supervisor shall, upon 10 days' notice to the licensee stating that he contemplates the revocation or suspension of his

license, and, in general, the grounds therefor, revoke or suspend such license, after reasonable opportunity has been afforded to the licensee to be heard, if the supervisor finds (1) that the licensee has failed to maintain in effect the bond or bonds required under this act, or (2) that the licensee has either knowingly or without the exercise of due care to prevent the same, violated any provision of this act or has failed to comply with any rule or regulation lawfully made pursuant thereto, or (3) that any fact or condition then exists which clearly would warrant the supervisor in refusing to issue a license on an original application. If the license be revoked or suspended the supervisor shall, within 20 days thereafter, prepare a written decision and findings with respect thereto containing a summary of the evidence and the reasons supporting the revocation or suspension and forthwith serve upon the licensee a copy thereof

(c) The supervisor may revoke or suspend only the particular license with respect to which there are grounds for revocation or suspension; but if the supervisor finds that such grounds for revocation or suspension apply or extend to more than one license issued to any person under this act, he shall revoke or suspend all the licenses affected thereby.

(d) The licensee may at any time surrender any license issued to him under this act upon filing written notice to that effect with the supervisor.

(e) No revocation, suspension, or surrender, of any such license shall impair or affect the obligation of any preexisting lawful contract between the licensee and any borrower, or any bond given by such licensee.

LOAN PROVISIONS

SEC. 9. (a) Every licensee under this act may lend any sum of money in the amount of $500 or less and may charge, contract for, and receive thereon, interest at a rate not exceeding 2 percent per month on the unpaid principal balance of the loan. Interest shall not be compounded and shall be computed only on unpaid principal balances. No amount whatsoever shall be paid, deducted, or received in advance. No licensee shall, directly or indirectly, charge, contract for, or receive, in addition to the interest herein permitted, any amount or consideration from any borrower or any other person for any examination, service, brokerage, commission, fee, bonus, insurance, or for any other purpose whatsoever. The maximum interest permitted on loans made under this act shall be computed on the basis of the number of days actually elapsed for the purpose of which computations a month shall be any period of 30 consecutive days.

(b) No person who is a licensee under this act shall permit any one borrower, or any husband or wife individually or jointly, to become indebted to him under more than one contract of loan or loan transaction at the same time if the amount loaned to and receivable by the debtor on any one of the contracts or transactions is in the amount or of the value of $500 or less and there is charged, contracted for, or received thereon, directly or indirectly, by any device, subterfuge, or pretense whatsoever, any interest, discount, or consideration greater than that permitted by title 17, chapter 1, sections 1, 2, and 3 of the code.

(c) If any interest, consideration, discount, or amount in excess of the interest authorized by this section is charged, contracted for, or received by any licensee under any contract of loan or loan transaction, such contract or transaction shall be void and the licensee shall have no right to collect or receive any principal, interest, or charges whatsoever.

(d) Nothing in this act shall be construed to authorize licensees to charge, contract for, or receive, directly or indirectly, any interest, discount, or consideration greater than that permitted by title 17, chapter 1, sections 1, 2, and 3 of the code, upon any loan in the amount or of the value of $500 or less, except upon a loan of money.

(e) Every licensee shall—

(1) Deliver to the borrower at the time of making a loan under this act a statement in English containing a copy of the provisions of subdivisions (a), (b), (c), and (d) of this section and showing in clear and distinct terms the amount and date of the loan and the date of its maturity, the nature of the security, if any, for the loan, the name and address of the borrower and of the licensee, and the agreed rate of interest on such loan;

(2) Give to the borrower a plain and complete receipt for each payment made on account of any such loan at the time such payment is made, specifying the amount applied to interest and the amount, if any, applied to principal, and stating the amount of the unpaid principal balance of the loan; and

(3) Upon the repayment of the loan in full, mark indelibly with the word "paid" or "canceled" every obligation and security signed by the borrower and release any mortgage, restore any pledge, and cancel and return every note and assignment given to the licensee by the borrower.

(f) The borrower may pay all or any part of any loan at any time before the date of maturity thereof, but any such payment may first be applied by the licensee to all interest unpaid up to the date of such payment.

(g) No licensee shall take any confession of judgment or any power of attorney. Nor shall any licensee take any note, promise to pay, or security that does not accurately disclose the actual amount of the loan, the time for which it is made, and the agreed rate of interest; nor take any instrument in which blanks are left which are to be filled in after the execution of such instrument.

(h) Each such licensee shall maintain at all times assets of at least $25,000, either in liquid form available for use in the business of making loans under this act at the location specified in the license, or actually used in the conduct of such business.

(i) No such licensee shall take any lien upon real estate as security for any loan under this act, except such lien as may be obtained by virtue of a judgment or decree under title 24, chapter 11, section 323 of the code.

LOANS BY LICENSEES IN EXCESS OF $500

SEC. 10. No licensee shall, directly or indirectly, charge, contract for, or receive any interest, discount, or consideration greater than that provided by title 17, chapter 1, sections 1, 2, and 3 of the code, upon all or any part of any loan in the amount or of the value of more than $500, or in any case in which the licensee permits any individual, as borrower or as endorser, guarantor, or surety for any borrower, or otherwise, to owe directly or contingently, or both, to the licensee at any time the sum of more than $500 for principal.

VALIDITY AND PAYMENT OF ASSIGNMENTS

SEC. 11. No assignment of or order for payment of any salary, wages, commissions, or other compensation for services, earned or to be earned, given to secure any loan made by any licensee under this act, shall be valid unless the amount of such loan is paid to the borrower simultaneously with its execution; nor shall any such assignment or order, or any chattel mortgage or other lien on household furniture then in the possession and use of the borrower, be valid unless it is in writing, signed in person by the borrower, nor if the borrower is married unless it is signed in person by both husband and wife, provided that written assent of a spouse shall not be required when husband and wife have been living separate and apart for a period of at least 5 months prior to the making of such assignment, order, mortgage, or lien.

AMOUNT COLLECTIBLE UNDER ASSIGNMENT

SEC. 12. Under any such assignment or order for the payment of future salary, wages, commissions, or other compensation for services, given as security for a loan made by any licensee under this act, a sum not to exceed 10 percent of the borrower's salary, wages, commissions, or other compensation for services shall be collectible from the employer of the borrower by the licensee at the time of each payment to the borrower of such salary, wages, commissions, or other compensation for services, from the time that a copy of such assignment, verified by the oath of the licensee or his agent, together with a similarly verified statement of the amount unpaid upon such loan, is served upon the employer.

WAGE ASSIGNMENTS

SEC. 13. The payment of $500 or less in money, credit, goods, or things in action, as consideration for any sale or assignment of, or order for, the payment of wages, salary, commission, or other compensation for services, whether earned or to be earned, shall for the purposes of regulation under this act be deemed a loan secured by such assignment, and the amount by which such assigned compensation exceeds the amount of such consideration actually paid shall for the purposes of regulation under this act be deemed interest or charges upon such loan from the date of such payment to the date such compensation is payable. Such transaction shall be governed by and subject to the provisions of this act.

ENFORCEMENT

SEC. 14 (a) The provisions of this act shall be enforced by the supervisor, who is authorized to make such rules and regulations, subject to the approval of the Commissioners of the District, in addition hereto and not inconsistent herewith, as may be necessary for the enforcement of this act. The supervisor shall make an annual examination of the affairs, business, office, and records of every licensee, and such further examinations or investigations as he shall deem necessary for the purpose of discovering violations of this act or of securing information necessary for its proper enforcement. For the purpose of making such examinations or investigations the supervisor and his duly designated representatives shall have authority to require the attendance of and to examine under oath all persons whomsoever whose testimony he may require relative to the loans or business of any such licensee, and shall have free access to the accounts, papers, records, files, safes, vaults, offices, and places of business used in connection with any business conducted under any license issued in accordance with this act.

(b) Each licensee shall annually on or before the 15th day of March file with the supervisor a report giving such information as the supervisor may require, relevant to the business and operations during the preceding calendar year, of each licensed place of business conducted by such licensee in the District. Such report shall be made under oath and in the form prescribed by the supervisor. The supervisor shall make and publish annually an analysis and recapitulation of such reports.

(c) Each licensee shall keep and use in his business and shall preserve for at least 2 years after making the final entry on any loan recorded therein, such books, accounts, records, or card systems as will enable the supervisor to determine whether such licensee is complying with the provisions of this act and with the rules and regulations made pursuant thereto.

(d) The Commissioners of the District are authorized to appoint in, or assign to, the office of the supervisor such assistants, clerks, or employees as the supervisor may require for the purpose of carrying out the provisions of this act.

(e) Any person aggrieved by any action, decision, or ruling of the supervisor under this act may, within 20 days thereafter, or within 20 days after the service upon such person of any written decision and findings

required by this act, appeal to the Commissioners of the District for a review thereof. Upon any such review, the Commissioners may affirm, set aside, or modify such action, decision, or ruling. In any such case the Commissioners shall, within 10 days thereafter, prepare a written decision and findings with respect thereto, containing a summary of the evidence and the reasons supporting the affirmance, setting aside, or modification, and forthwith serve upon the aggrieved person a copy thereof.

ADVERTISING

SEC. 15. No licensee or other person, firm, voluntary association, joint-stock company, incorporated society, or corporation shall advertise, print, display, publish, distribute, or broadcast, or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast, in any manner whatsoever, any statement or representation with regard to the rates, terms, or conditions for the lending of money, credit, goods, or things in action in the amount or of the value of $500 or less, which is false, misleading, or deceptive, or, in the case of a licensee, which refers to the supervision of such business by the District of Columbia, or any department or official thereof. The supervisor may order any licensee to desist from any conduct which he shall find to be a violation of the foregoing provisions.

The supervisor may require that rates of charge, if stated by a licensee, be stated fully and clearly in such manner as he may deem necessary to prevent misunderstanding thereof by prospective borrowers.

PENALTIES

SEC. 16. (a) Any individual or any member, officer, director, agent, or employee of any firm, voluntary association, joint-stock company, incorporated society, or corporation, who shall violate or participate in the violation of any of the provisions of this act, shall, upon conviction thereof, be punished by a fine of not more than $500 or by imprisonment for not more than 6 months, or both.

(b) Any contract of loan in the making or collection of which any act shall have been done which constitutes a violation of any of the provisions of this act, shall be void and the lender shall have no right to collect or receive any principal, interest, or charges whatsoever on account thereof.

NONAPPLICABILITY OF PROVISIONS

SEC. 17. Nothing in this act shall apply to any person, firm, joint-stock company, incorporated society, or corporation doing business in the District of Columbia under the supervision of the Federal Reserve System, or the Comptroller of the Currency, or the Federal Deposit Insurance Corporation, or to loans made by them.

REPEALS

SEC. 18. The act entitled "An act to regulate the business of loaning money on security of any kind by persons, firms, and corporations other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real-estate brokers, in the District of Columbia," approved February 4, 1913, as amended, and all other acts or parts of acts inconsistent with the provisions of this act are hereby repealed.

SEPARABILITY OF PROVISIONS

SEC. 19. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances shall not be affected thereby.

EFFECTIVE DATE OF ACT

SEC. 20. This act shall take effect at the expiration of — days after the date of enactment.

SHORT TITLE

SEC. 21. This act may be cited as the "District of Columbia Small Loans Act."

With the following committee amendment:

On page 3, line 21, strike out all of subsection (c) and insert:

"(c) Every promissory note or other evidence of a loan made under the term of this act shall have printed on the face thereof in type not smaller than 12-point full face gothic capitals the following statement: "Evidence of a loan made under the terms of the District of Columbia Small Loan Act." No loan made within the District in violation of the provisions of this act shall be valid or enforceable in the District."

The committee amendment was agreed to.

The Clerk read the following committee amendment:

On page 4, line 22, strike out the word "principal" and insert "principle."

The committee amendment was agreed to.

Mr. SAUTHOFF. Mr. Chairman, I have an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SAUTHOFF: On page 12, line 3, strike out "$500" and insert "$300."

Page 12, line 5, after the word "month", add the following: "On all sums up to $100, and 1½ percent per month on all sums $100 and over and not to exceed $200, and 1 percent per month on all sums over $200."

Mr. SAUTHOFF. Mr. Chairman, I have offered this amendment for this reason: In my State we have had a small-loans act for many, many years. We have gone through probably all the phases of experimentation in small-loan matters. We have had the loan sharks and have tried to drive them out. We have found that we can charge 2½ percent on $100, 2 percent up to $200, and 1½ percent up to $300, and accredited companies can do a profitable business—companies that will post proper bonds and have a standing of responsibility. These companies are licensed. I feel that in the District of Columbia, which is far better off from the earning standpoint than my State, it should be possible to provide an even lower interest rate than in my State, which ranks about thirteenth in the States of the Union in wealth. I have therefore suggested one-half of 1 percent less than prevails in Wisconsin.

I have in my hand the letter of Mr. Doyle, supervisor of the small-loan business in Wisconsin. He says they are very well satisfied with the law, that companies of standing, probity, and integrity are operating in the State at a legitimate profit. The District of Columbia is outstanding in that it has so many Government employees with Government checks which are regular. The District has very little unemployment. Small-loan companies should therefore be able to operate in this District at less expense and cheaper than in any other place in the United States. I have not the slightest doubt but what small-loan companies can make a legitimate profit in the District if they operate at 18 percent a year. Realizing that it costs considerably more money to make a loan of $100 than it does of $200 or $300, I have graduated the interest rate.

I trust the amendment will be adopted.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I sincerely hope the Committee will not adopt this amendment, for if you do we shall be back about where we are at the present time and we shall have no act at all that is workable.

My good friend the gentleman from Wisconsin is a member of the committee and a very able member. He has stated that Wisconsin is satisfied with their law, which is a staggered law and provides 2½ percent on the first $100, 2 percent on the second $100, and 1½ percent on the third $100. Hence the aggregate return on loans in Wisconsin is 2.25 percent; and they ought to be satisfied, because they have a greater return than the aggregate we are proposing here. The gentleman, by his amendment, proposes now 2 percent on the first $100, 1½ percent on the second $100, and 1 percent on the third $100. When you get down to considering the hazards and risks involved it means that we shall continue to have the situation we do at present over the Maryland line and over at the end of the Fourteenth Street Bridge and down at Rosslyn, where they are syphoning about $8,000,000 a year out of this District.

This amendment, in my judgment, will torpedo the bill. I sincerely hope it will not be adopted.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RANDOLPH. In other words, the adoption of this amendment would continue this crowd of usurers that are hanging about the fringes of the District of Columbia.

Mr. DIRKSEN. I am afraid so. What we propose here today is in the aggregate the lowest rate anywhere in the United States, not excluding Wisconsin. Their aggregate return will be less than the one that is proposed in the bill at the present time.

Mr. JENKS of New Hampshire. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, 25 years ago, when I was president of the board of trade, I bought an industrial bank in my city as a civic benefit to our industrial people, and for 25 years I have been president of that bank. I have seen industrial companies come and industrial companies go. We had an interest rate during the most of that period of 3 percent a month. The legislature finally cut that down to 2 percent, and three-quarters of all the companies moved out of the city because they said they could not do business successfully with an interest rate of 2 percent. I think they can. In the meantime a good many of those companies have come back.

It has been my experience that no industrial company can do business in any city, whether it be the city of Washington, New York, Chicago, or anywhere else on an interest rate of less than 2 percent. This has been my experience over a period of 25 years.

Mr. RANDOLPH. Mr. Chairman, I ask unanimous consent that all debate on this

amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time merely to ask a few questions in reference to the bill and try to get an answer, if I can, before I am compelled to vote on it. There has been much said here as to the character of the loan agencies that are operating outside the District of Columbia and preying upon the people of the District. It is stated that if this bill becomes law any contract made outside the District of Columbia at an interest rate greater than that provided in this act will not be enforceable in the District of Columbia. That statement has been made repeatedly and repeatedly by members of the committee. My first question is, and I will direct it to the chairman of the subcommittee, as to whether or not this law as written so provides. May I call your attention to the following language:

> No such loan made outside the District shall be enforced in the District and every person in anywise participating therein in the District shall be subject to the provisions of this act, except that the provisions of this subdivision shall not apply to loans legally made in any State under and in accordance with the provisions of a small-loan loan law the regulatory provisions of which are similar in principle to those contained in this act.

As I interpret this act, a loan made in the State of Virginia where the State law of Virginia permits a monthly interest charge of 3½ percent is a loan made legally in the State of Virginia. If such a loan is made and this law is passed, cannot the lender enforce such a loan in the District of Columbia despite what has been said on this floor?

Mr. McGEHEE. In answer to the gentleman's question I so stated that on the floor in my presentation of the bill. That is my understanding, because I seriously doubt that the Congress could invalidate for the District of Columbia acts that are legal in another State.

Mr. KEEFE. In other words, despite the attempt to restrict those borrowings and to place some restriction upon them, the gentleman as a lawyer will concede that a contract made in the State of Virginia, legal and lawful and in accordance with the laws of the State of Virginia, the contracting parties being fully competent to contract, could be enforced under comity between the States in the District of Columbia?

Mr. McGEHEE. That is the law generally.

Mr. KEEFE. That is as the gentleman understands it?

Mr. McGEHEE. It was the intention of the committee, if possible, of course, to make them unenforceable in the District of Columbia where they did not comply with the interest rates and the provisions of this act, but I doubt if that can be done.

Mr. KEEFE. The gentleman uses the terminology that unless they are made in accordance with the provisions of a small-loan law, the regulatory provisions of which are similar in principle to those contained in this act. It may be safely said, then, that the loose statements that were made on the floor to the effect that a loan made under a 42 percent a year interest rate over here in Virginia is not enforceable in the District of Columbia is not in accord with the facts.

Now, let me call attention to page 13. If someone can answer this question, I wish they would. I seem to be too obtuse to understand it.

I refer to subsection (d) of section 9, which reads as follows:

> (d) Nothing in this act shall be construed to authorize licensees to charge, contract for, or receive, directly or indirectly, any interest, discount, or consideration greater than that permitted by title 17, chapter 1, sections 1, 2, and 3 of the code, upon any loan in the amount or of the value of $500 or less, except upon a loan of money.

Just what does this section mean?

Mr. McGEHEE. As I understand that, it was to take care of a situation as follows, and I may illustrate by saying that if you were going to purchase an automobile or a piece of property and were borrowing the entire amount, the seller would try to add an additional fee to it so as to make it more than what is provided in this act. That is what we were guarding against.

Mr. KEEFE. I confess that that is not very clear to me. I would like to know what I am voting on when I vote. As I interpret the situation, you have two methods of borrowing money in the District of Columbia today. One is under the general provisions of the Code with respect to usury and permits an interest rate of 6 percent in cases where there is no agreement to the contrary and an interest rate of 8 percent where there is a specific agreement to pay 8 percent.

The other provision is the small-loan law of 1913, with a 1 percent per month interest charge. It seems to me that this is so definitely obscure in its meaning that I cannot intelligently vote for it. Many of these laws have language calling for interpretation which frequently permits the legislative intent to be completely changed. This section may be such a case, and until it is explained, I cannot support the legislation. I do not now understand its meaning. Nobody has explained what this section means and I will not knowingly vote for legislation the purpose of which is not clear.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SAUTHOFF].

The amendment was rejected.

Mr. RANDOLPH. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House, with sundry amendments thereto, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SANDERS, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 4643) to provide for the regulation of the business of making loans of $500 or less in the District of Columbia, and for other purposes, had directed him to report the same back to the House, with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. RANDOLPH. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Chair being in doubt, the House divided; and there were—ayes 44, noes 67.

Mr. RANDOLPH. Mr. Speaker, I object to the vote on the ground a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER. A quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 109, nays 191, not voting 130, as follows:

[Roll No. 5]

YEAS—109

Anderson, Calif.	Ellis	O'Brien, N. Y.
Anderson, N. Mex.	Fellows	Pace
Arnold	Gibson	Patton
Baldwin	Gifford	Plauché
Bennett	Gore	Ploeser
Boehne	Gossett	Poage
Bogge	Gregory	Priest
Boland	Harris, Ark.	Randolph
Bonner	Harter	Reece, Tenn.
Brown, Ga.	Hartley	Rich
Buck	Hébert	Richards
Burgin	Hinshaw	Rivers
Butler	Holmes	Robertson, N. Dak.
Byrne	Hunter	Rockefeller
Camp	Jacobsen	Rogers, Mass.
Cannon, Fla.	Jarman	Rogers, Okla.
Carter	Jenks, N. H.	Russell
Chapman	Johnson, Luther A.	Sanders
Claypool	Jonkman	Schulte
Cochran	Kee	Secrest
Coffee, Nebr.	Kefauver	Sikes
Colmer	Kerr	Simpson
Cooper	Kilday	Smith, W. Va.
Copeland	Lanham	Sparkman
Costello	Leavy	Stearns, N. H.
Courtney	Lesinski	Sullivan
Cox	Lewis	Sutphin
Crowther	Ludlow	Tolan
Curtis	McCormack	Wadsworth
Davis, Tenn.	McGehee	Wheichel
Dirksen	McMillan	Whitten
Ditter	Maciora	Whittington
Dondero	Mahon	Wickersham
Duncan	Manasco	Wigglesworth
Eberharter	Martin, Mass.	Wolverton, N. J.
Edmiston	Michener	
Eliot, Mass.	Mills, La.	

NAYS—191

Allen, La.	Blackney	Carlson
Andersen, H. Carl	Bloom	Cartwright
Andresen, August H.	Bolton	Case, S. Dak.
Andrews	Boren	Casey, Mass.
Angell	Bradley, Mich.	Chenoweth
Barden	Brooks	Chiperfield
Barnes	Brown, Ohio	Clason
Bates, Ky.	Bryson	Clevenger
Baumhart	Buckler, Minn.	Coffee, Wash.
Beam	Bulwinkle	Cole, Md.
Beckworth	Burdick	Collins
	Byron	Crawford
	Canfield	Crosser

Cunningham	Jarrett	Rizley
D'Alesandro	Jenkins, Ohio	Robertson, Va.
Davis, Ohio	Jennings	Robinson, Utah
Dingell	Johns	Robsion, Ky.
Downs	Johnson, Ind.	Rockwell
Drewry	Johnson, Okla.	Rodgers, Pa.
Eaton	Jones	Rolph
Elliott, Calif.	Keefe	Romjue
Elston	Kelly, Ill.	Sabath
Engel	Kinzer	Sauthoff
Englebright	Kleberg	Schuetz
Faddis	Knutson	Scrugham
Fenton	Kocialkowski	Shafer, Mich.
Fish	Kopplemann	Shanley
Fitzgerald	Kunkel	Sheppard
Fitzpatrick	Lambertson	Smith, Maine
Flannagan	Landis	Smith, Ohio
Fogarty	Lane	Smith, Va.
Folger	Lea	Smith, Wash.
Forand	LeCompte	Smith, Wis.
Ford, Leland M.	McGregor	Snyder
Ford, Miss.	McKeough	South
Fulmer	McLaughlin	Spence
Gathings	Maciejewski	Springer
Gearhart	Mansfield	Starnes, Ala.
Gehrmann	Martin, Iowa	Stefan
Geriach	Meyer, Md.	Stevenson
Gilchrist	Mills, Ark.	Sweeney
Gillette	Moser	Talle
Gillie	Mott	Tarver
Graham	Mundt	Tenerowicz
Granger	Murdock	Terry
Grant, Ala.	Murray	Thill
Grant, Ind.	Nelson	Thomas, Tex.
Guyer	Norrell	Thomason
Gwynne	O'Brien, Mich.	Traynor
Hall, Edwin Arthur	O'Connor	Treadway
	Oliver	Vincent, Ky.
Halleck	Patman	Voorhis, Calif.
Hancock	Pearson	Walter
Hare	Peterson, Ga.	Wasielewski
Harness	Pheiffer, William T.	Weaver
Healey		Weiss
Hendricks	Pierce	Welch
Hill, Wash.	Pittenger	Williams
Hoffman	Rabaut	Wilson
Holbrock	Ramsay	Wolcott
Hope	Ramspeck	Wolfenden, Pa.
Houston	Rankin, Miss.	Woodrum, Va.
Hull	Rankin, Mont.	Wright
Imhoff	Reed, N. Y.	Young
Jackson	Rees, Kans.	Youngdahl

NOT VOTING—130

Allen, Ill.	Harris, Va.	O'Leary
Arends	Hart	O'Neal
Barry	Heffernan	Osmers
Bates, Mass.	Heidinger	O'Toole
Beiter	Hess	Paddock
Bell	Hill, Colo.	Patrick
Bender	Hobbs	Peterson, Fla.
Bishop	Hook	Pfeifer, Joseph L.
Bland	Howell	
Boykin	Izac	Plumley
Bradley, Pa.	Jensen	Powers
Buckley, N. Y.	Johnson, Calif.	Reed, Ill.
Burch	Johnson, Ill.	Sacks
Cannon, Mo.	Johnson, Lyndon B.	Sasscer
Capozzoli		Satterfield
Celler	Johnson, W. Va.	Scanlon
Clark	Kean	Schaefer, Ill.
Cluett	Kelley, Pa.	Scott
Cole, N. Y.	Kennedy, Martin J.	Shannon
Cooley		Sheridan
Cravens	Kennedy, Michael J.	Short
Creal		Smith, Pa.
Culkin	Keogh	Somers, N. Y.
Cullen	Kilburn	Steagall
Day	Kirwan	Stratton
Delaney	Klein	Sumner, Ill.
Dewey	Kramer	Sumners, Tex.
Dickstein	Larrabee	Taber
Dies	Lynch	Thom
Disney	McGranery	Thomas, N. J.
Domengeaux	McIntyre	Tibbott
Doughton	McLean	Tinkham
Douglas	Maas	Van Zandt
Durham	Magnuson	Vinson, Ga.
Dworshak	Marcantonio	Vorys, Ohio
Flaherty	Mason	Vreeland
Ford, Thomas F.	May	Ward
Gale	Merritt	Wene
Gamble	Mitchell	West
Gavagan	Monroney	Wheat
Green	Myers, Pa.	White
Haines	Nichols	Winter
Hall, Leonard W.	Norton	Woodruff, Mich.
	O'Day	Worley
Harrington	O'Hara	Zimmerman

So the bill was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr Magnuson with Mr. Vreeland.
Mr Cooley with Mr. Van Zandt.
Mr Flaherty with Mr. Osmers.
Mr McGranery with Mr Douglas.
Mr Hobbs with Mr. Thomas of New Jersey.
Mr Satterfield with Mr Tinkham.
Mr Creal with Mr. Scott.
Mr Harris of Virginia with Mr. Kilburn.
Mr Peterson of Florida with Mr. Culkin.
Mr West with Mr McLean.
Mr Barry with Mr. Tibbott.
Mr Green with Mr Vorys of Ohio.
Mr Keogh with Mr. Bender.
Mr Cullen with Mr. O'Hara.
Mr Clark with Miss Sumner of Illinois.
Mr Lyndon B. Johnson with Mr. Gamble.
Mr Martin J. Kennedy with Mr. Bates of Massachusetts.
Mr Bland with Mr. Allen of Illinois.
Mr Cannon of Missouri with Mr. Kean.
Mr Boykin with Mr. Plumley.
Mr Delaney with Mr Arends.
Mr Cravens with Mr Maas.
Mr Gavagan with Mr. Cluett.
Mr Burch with Mr. Bishop.
Mr May with Mr. Mason.
Mr Monroney with Mr Stratton.
Mr Vinson of Georgia with Mr. Hess.
Mr Steagall with Mr. Woodruff of Michigan.
Mr Lynch with Mr Cole of New York.
Mr Izac with Mr Paddock.
Mr Joseph L. Pfeifer with Mr. Dewey.
Mr O'Neal with Mr Powers.
Mr Hart with Mr Gale
Mr O'Leary with Mr. Short.
Mr Sumners of Texas with Mr. Heidinger.
Mr Buckley of New York with Mr. Winter.
Mr Beiter with Mr. Johnson of Illinois.
Mr Heffernan with Mr. Wheat.
Mr Dies with Mr. Howell.
Mr Doughton with Mr. Johnson of California
Mr Merritt with Mr. Taber.
Mr Domengeaux with Mr. Jensen.
Mr Michael J Kennedy with Mr. Dworshak.
Mr Durham with Mr Leonard W. Hall.
Mr O'Toole with Mr. Reed of Illinois.
Mr Somers of New York with Mr. Day.
Mr. Capozzoli with Mr. Hill of Colorado.
Mr Sasscer with Mr. Marcantonio.
Mr. Johnson of West Virginia with Mr. Myers of Pennsylvania.
Mr. Mitchell with Mr. Bradley of Pennsylvania
Mr Harrington with Mr. Kelley of Pennsylvania.
Mr Patrick with Mr. Celler.
Mrs Norton with Mr. McIntyre.
Mr Ward with Mr. Sachs.
Mr Kirwan with Mr. Wene.
Mr Sheridan with Mrs. O'Day.
Mr Thom with Mr. Worley.
Mr. Shannon with Mr. Scanlon.
Mr Barnes with Mr. Haines.
Mr Schaefer of Illinois with Mr. Bell.
Mr Dickstein with Mr Nichols.
Mr Klein with Mr. White.
Mr Larrabee with Mr Zimmerman.
Mr Disney with Mr. Kramer.

The result of the vote was announced as above recorded.

The doors were opened.

ELECTION TO COMMITTEES

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution (H. Res. 404) and ask for its immediate adoption.

The Clerk read the resolution, as follows:

Resolved, That Robert F. Rockwell, of Colorado, be, and he is hereby, elected to the following committees of the House of Representatives: Committee on Irrigation and Reclamation, Committee on Mines and Mining, Committee on Indian Affairs, and Committee on War Claims.

The resolution was agreed to.

ALCOHOLIC BEVERAGE LICENSES, DISTRICT OF COLUMBIA

Mr. SCHULTE. Mr. Speaker, I call up the bill (H. R. 4971) to prohibit the issuance of alcoholic beverage licenses in certain localities in the District of Columbia, to prohibit advertising the price of such beverages, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 7 of the District of Columbia Alcoholic Beverage Control Act is amended by inserting after the third paragraph thereof the following new paragraph:

"No license under this act of any class shall be transferred to, or issued with respect to, premises which on the date this paragraph take effect are not licensed, if such premises are within 600 feet of the nearest boundary of premises on which is located a school, church, playground, public library, eleemosynary institution providing housing for the indigent, soldiers' home, Army post, Navy Yard, or Marine Barracks."

SEC. 2. Section 9 of such act is amended by inserting at the end thereof the following new subsection:

"(g) No holder of a retailer's license, class A, or retailer's license, class B, shall, with respect to alcoholic beverages covered by such license—

"(1) advertise, by any means or through any medium, the price for which such alcoholic beverages are for sale;

"(2) distribute, sell, or give away any price list or information with respect to the price of such alcoholic beverages;

"(3) display in his place of business any price list or sign with respect to the price of such alcoholic beverages if any price on such list or sign is visible from the street; or

"(4) display, or leave in his place of business, in a place where customers may take it away, any price list or information with respect to the price of such alcoholic beverages."

SEC. 3. The amendments made by this act shall take effect 31 days after the date of its enactment.

The bill was ordered to be engrossed and read a third time, was read the time, and passed, and a motion to reconsider was laid on the table.

ADJUSTMENT OF SALARIES OF METROPOLITAN POLICE AND OTHERS

Mr. SCHULTE. Mr. Speaker, I call up the bill (H. R. 4419) to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia, and also to conform with wages paid in many cities of the Nation, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That Public Law No. 489 of the Seventy-first Congress (S. 2370) approved July 1, 1930, is hereby amended by striking out sections 1, 2, and 3 thereof, and inserting in place thereof the following new sections:

"SECTION 1. That the annual basic salaries of the officers and members of the Metropolitan Police, the United States Park Police, and the White House Police shall be as follows: Major and superintendent, $8,500; assistant superintendents, $5,500 each; inspectors, $5,000 each; captains, $4,200 each; lieutenants, $3,650 each; sergeants, $3,350 each; privates, a basic salary of $2,000 per year with an annual increase of $200 in salary for 5 years, or until a maximum salary of $3,000 is reached. All original appointments of privates shall be made at the basic salary of $2,000 per year, and the first year of service shall be probationary.

"SEC. 2. That the annual basic salaries of the officers and members of the Fire Department of the District of Columbia shall be as follows: Chief engineer, $8,500; deputy chief engineers, $5,500 each; battalion chief engineers, $5,000 each; fire marshal, $5,500; deputy fire marshal, $3,600; inspectors, $3,060 each; captains, $3,600 each; executive officer (captain), $3,600; lieutenants, $3,440 each; sergeants, $3,200 each; superintendent of machinery, $5,500; assistant superintendent of machinery, $3,600; pilots, $3,200 each; marine engineers, $3,200 each; assistant marine engineers, $3,060 each; marine firemen, $2,700 each; privates, a basic salary of $2,000 per year with an annual increase of $200 in salary for 5 years or until a maximum salary of $3,000 is reached. All original appointments of privates shall be made at the basic salary of $2,000 per year, and the first year of service shall be probationary.

"SEC. 3. That privates of the Metropolitan Police, the United States Park Police, and the White House Police, and privates of the Fire Department shall be entitled to the following salaries: Privates who have served less than 1 year, at the rate of $2,000 per annum; privates who have served more than 1 year and less than 2 years, at the rate of $2,200 per annum; privates who have served more than 2 years and less than 3 years, at the rate of $2,400 per annum; privates who have served more than 3 years and less than 4 years, at the rate of $2,600 per annum; privates who have served more than 4 years and less than 5 years, at the rate of $2,800 per annum; privates who have served more than 5 years, at the rate of $3,000 per annum."

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I will be mighty glad to yield to my friend from Tennessee.

Mr. REECE of Tennessee. May I ask if the committee has given consideration to increasing the salaries of the teachers of the District of Columbia in order to harmonize with the increase in the cost of living?

Mr. SCHULTE. No; may I say to my good friend that there has never been a bill before the Congress which would give the committee any right to go into that question. The bill we are now considering is one that was introduced by me at the request of the members of the police and fire departments of the District, in view of the fact that they feel they are being underpaid because of the increased cost of living.

Mr. REECE of Tennessee. I am in sympathy with the bill now before the House, but I wanted to make inquiry on this other subject. It seems to me that is a subject to which the committee might well give consideration. If there is lacking only the introduction of a bill to bring about such consideration, I will assume the responsibility of seeing that such a bill is introduced.

Mr. SCHULTE. We would be mighty happy to look into that situation, realizing and appreciating the terrific increase in the cost of living here in the District of Columbia.

Mr. KOPPLEMANN. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Connecticut.

Mr. KOPPLEMANN. Mr. Speaker, on Saturday last I attended a meeting of the League of Nations Association, at which a profound and masterly address was delivered by Senator PEPPER, of Florida. Because of its importance, I ask unanimous consent to extend my own remarks in the RECORD and include therein this address for the benefit of the Members of the House and the people of the country.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Just a moment ago we passed a measure by unanimous consent without even having an explanation of the bill. Members of the House probably had no objection to that bill; I do not know. However, as I understand it, this bill provides for the expenditure of an additional $1,500,000 by the District of Columbia. Is that correct? If so, it is only fair that it be explained.

Mr. SCHULTE. This bill increases the cost of operating the District of Columbia by $1,400,000.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Minnesota.

Mr. PITTENGER. The purpose of the bill is to recognize the increased cost of living for our policemen, fireman, and other employees, to take care of the increased costs they have had to undergo, and to prevent them from going somewhere else and getting better jobs?

Mr. SCHULTE. The purpose of the bill is to increase the salaries of these men here in the District of Columbia in an amount commensurate with the increase in the cost of living.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Pennsylvania.

Mr. RICH. What percentage of increase will this be over the wages they are getting at the present time?

Mr. SCHULTE. For the benefit of the House, I shall read the increases asked. The chiefs of both the police and fire departments get $8,000. They are asking for an increase to $8,500. The assistant chief gets $5,000, and he asks an increase to $5,500. The captains get $3,000 a year, and he asks an increase to $3,600. The lieutenants get $2,840, and he asks an increase to $3,440. The sergeants get $2,600 and want an increase to $3,200. The privates get $2,400 a year and they want an increase to $3,000. After you get below the rank of assistant chief, this is a flat increase of $600 a year.

Mr. RICH. Is the increase you are granting in this bill greater than the increase in the cost of living?

Mr. SCHULTE. We all appreciate and agree that the cost of living has gone up tremendously.

Mr. ENGEL. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Michigan.

Mr. ENGEL. The basic salary of a private to start with is $2,000 with an annual increase of $200 until the salary reaches $3,000. As I understand, these men are starting now at $1,900.

Mr. SCHULTE. Yes; nineteen hundred dollars. That is for 1 year, and then they are increased to the maximum of $3,000.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman.

Mr. PITTENGER. As I understand, these proposed increases bring the rates of pay to what is paid in other cities of the country.

Mr. SCHULTE. Oh, no. I will say to my good friend, and I am not going to lie to him, there will be only four other cities in the United States that will have a higher rate or where the policemen and firemen get more wages if this bill is passed. After all, this is not a bad job when you stop and think about it.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield my to my good friend from Kentucky.

Mr. ROBSION of Kentucky. I notice in the report it is stated that the pay at the present rate is 64 cents per hour and the proposed adjustment will raise it to 80 cents per hour, so that this would mean then an increase of around 20 percent and not 30 percent.

Mr. SCHULTE. A 20-percent increase.

Mr. ROBSION of Kentucky. It is 64 cents an hour now and if it is raised to 80 cents that is an increase of 16 cents, which would be an increase of 25 percent.

Mr. ENGEL. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Michigan.

Mr. ENGEL. The gentleman made the statement that Washington stood fourth or fifth in this respect. I have a statement here that Washington ranks thirty-fifth in salaries paid to policemen and firemen.

Mr. SCHULTE. I did not understand that statement.

Mr. ENGEL. The statement is that Washington stands thirty-fifth in salaries paid to firemen and policemen.

Mr. GRAHAM. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Pennsylvania.

Mr. GRAHAM. Will the gentleman state how many days annual leave is al-

lowed each one of these officers and how many days sick leave?

Mr. SCHULTE. They are allowed 26 days vacation with pay and also allowed 30 days sick leave.

Mr. GRAHAM. Then out of the year they are allowed 56 days, or practically 2 months for holiday and sick leave?

Mr. SCHULTE. Yes.

Mr. GRAHAM. With pay?

Mr. SCHULTE. Yes.

Mr. GRAHAM. Do they buy their own uniforms, or are the uniforms provided by the District?

Mr. SCHULTE. They are supplied by the District.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Evidently, the gentleman being the author of the bill, he must have gone into the matter rather carefully. Does not the gentleman really believe that the firemen and policemen in the District of Columbia are being pretty much favored over employees in similar places throughout the country? I want it understood that I think firemen and policemen should be well and amply paid because of their hazardous duties and the responsibility of their jobs.

Mr. SCHULTE. I will say to my good friend there is no question about that.

Mr. REES of Kansas. What would be the occasion or the argument for justifying this difference? I am sure there must be a good reason for it.

Mr. SCHULTE. That is justified in view of the fact that rents have increased here, and the cost of living in general has gone up tremendously, which I believe every Member of this House realizes and appreciates in view of the fact that our expenses here have been increased tremendously. There is no question in the minds of all of us that some sort of increase would be welcomed, and that they should be granted some sort of increase.

Mr. GRAHAM. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman.

Mr. GRAHAM. Would the gentleman be willing to accept an amendment that would grant a basic increase of $25 a month, or $300 a year, for every grade of officer?

Mr. SCHULTE. The boys have instructed me to bring this in here, and I am going to be brutally frank. We will stand on this and either win or lose on it.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman.

Mr. GORE. Does the gentleman strongly recommend the passage of the bill?

Mr. SCHULTE. Is the gentleman trying to embarrass the gentleman from Indiana? I will say I do.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman.

Mr. BROOKS. Will the gentleman state that it is his own belief that the cost of living in the District of Columbia has risen to such an extent as to require this increase in pay?

Mr. SCHULTE. I am in favor of anyone getting an increase in pay; I do not care who it is. I am in sympathy with anyone who can get more money for their labor. Certainly they are entitled to it.

[Here the gavel fell.]

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent that I may continue for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SCHULTE. I believe in a great many instances increases are justified. We have a great many cities throughout the United States in which the pay is extremely and shamefully low. I believe we are all agreed as to that, and in other cities I feel they are getting the maximum that they should receive. But in the District of Columbia I feel this way about it: These men are giving their time and everything else they have, doing everything humanly possible to protect life and limb, and in view of the fact that they are in the Nation's Capital—a city that has the most expensive hotels and the most expensive apartments and the most expensive food and the most expensive homes, and also in view of the fact that living in general is higher here—they are entitled to some sort of increase.

Mr. SAUTHOFF. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to my friend, a member of the committee, the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Speaker, I point out to the membership of the House that the firemen and the policemen of the District are paid so little that their wage scale is the thirty-fifth among the larger cities of the United States, at the present writing, while the cost of living in the District is higher than it is in any city in the United States, presumably.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield on that?

Mr. SAUTHOFF. No. In addition to that, firemen average over 72 hours a week, as against 40 hours for men in industry, and the policemen average over 60 hours a week. They are paid at the present time 64 cents an hour. That certainly is no high scale of pay.

Mr. SCHULTE. And I say this in defense of the policemen in the District of Columbia. I know of no other police department in the United States, and I say this without any reservation, where the men work longer or harder than they do here in the District of Columbia, in view of the fact that the House and the Senate have seen fit not to grant any increase from time to time as they have been asked to, with the result that burdens fall on the police department so that the major of police will tell any Member of the House, that every man on the police force here in Washington puts in from 80 to 90 hours a week, without any question, and some in excess of 100 hours a week, and I say to the Members that there is no question in my mind that they are justified in asking for an increase in wages.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. Yes.

Mr. MAHON. I wonder what the report of Commissioners Young and Mason and General Kutz has been on this bill?

Mr. SCHULTE. They have opposed it bitterly, saying they could not find the money. The Commissioners, as a rule, have always opposed any increase in pay for police and firemen. They have been consistent in that. In fact, the present Commissioners have inherited that tendency from Commissioners who have gone before. They have always opposed any increase in pay to the police and the firemen, and I think they have been quite unfair.

Mr. JOHNS. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. Yes.

Mr. JOHNS. I see by the report of the committee that these men have had no increase in wages for 11 years.

Mr. SCHULTE. That is correct.

Mr. JOHNS. Does the gentleman know of any other class of people in the country who have had no advance in wages in that time?

Mr. SCHULTE. No; outside of police and firemen in some of the other cities.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. Yes.

Mr. CRAWFORD. If this bill is enacted into law, then what would be the relative position, insofar as pay of police force is concerned, with the other cities of the country? I believe the gentleman said it is thirty-fifth now.

Mr. SCHULTE. It would be about fourth or fifth.

Mr. SAUTHOFF. Also, they live in the highest price city in the United States.

Mr. CRAWFORD. And with reference to the increase in the cost of living, will the recent rent bill that we have enacted give these people any relief?

Mr. SCHULTE. It would in time, but these men cannot afford to live in $60 or $70 apartments, and they have to be protected. There is not any question in the mind of any Member of this House that in the near future this House will be called upon to pass a pay-roll tax, and when that happens these men will really suffer. I want to see this bill pass for the simple reason that in my city the police and the firemen are among the poorest paid in any city of its size throughout the country, and that pay situation is true of other cities in the United States. Another reason I want to see it passed is because of the effect it will have on the cities throughout the country where firemen and policemen are receiving too low pay. They can point to this as a model.

The SPEAKER. The time of the gentleman from Indiana has again expired.

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes more.

The SPEAKER. Is there objection?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. Yes.

Mr. REES of Kansas. I think the gentleman said that this is going to cost about a million and a half dollars additional.

Mr. SCHULTE. That is true.

Mr. REES of Kansas. What provision, if any, has been made for the raising of this one and a half million dollars here? Has any provision been made for that in advance, or are we here just attempting to raise these salaries and then later on figure out a way to pay the increases?

Mr. SCHULTE. Frankly that is what we are going to do—raise the salary and then the appropriations will come later.

Mr. REES of Kansas. It seems to me that that is a rather peculiar way of handling legislation. It seems to me that it would be better first to find some means to raise this money before we pass legislation to pay it out. I think the whole situation should be thoroughly explained and handled in an orderly manner. Just from what I have heard explained, I would especially be interested in seeing that those in the lower brackets are properly and fairly compensated for their services.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield.

Mr. CASE of South Dakota. Under the language proposed here is it not a fact that if this bill should become law, the raises in salary will be automatic and that the policemen and firemen will be entitled to the pay set forth here, regardless of whether the money is appropriated or not? They would, in effect, have a cause of action against the Government if the money were not appropriated?

Mr. SCHULTE. Of course, what would be necessary would be that we would have to come back with a deficiency bill appropriating this amount of money to pay the increases.

Mr CRAVENS. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield.

Mr. CRAVENS. When did the present law go into effect under which you are operating now?

Mr. SCHULTE. Eleven years ago. It is 11 years since they have had a raise.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield.

Mr. MUNDT. In view of the fact that our firemen and policemen are capable, well-trained individuals, and are receiving only 64 cents an hour, is it not true that many of them today could step into a defense industry and double his pay?

Mr. SCHULTE. No; they do not want to do that but they may be forced to do it.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield.

Mr. CRAWFORD. A moment ago I did not mean to say that the recent rent law would help them. I was inquiring whether it would. Let me ask this question: Would it be reasonable for us to assume that their actual cost of living from September 1939 to August 1 will reach an increase of at least 20 percent?

Mr. SCHULTE. Yes. I would say so absolutely.

Mr. CRAWFORD. I think it will myself.

Mr. SCHULTE. I do not think there is any question about it. As I say, I am thinking of the fellows in the lower brackets. I am not so much concerned about the officers. After all, when this little buck private goes in to get a pound of steak he pays the same amount as the chief, who gets $8,500. I am not so much concerned about those in the upper brackets, although I want them to get the increase, as I am these little fellows. He pays the same amount for his steak or for his shoes that the chief does. The point I make is this: With this pay-roll tax coming in—it may be 10 percent or 15 percent; no one knows; but suppose it is 15 percent, it hits this man in the $2,000 bracket. He is definitely hurt, and I mean hurt. In addition to that, there is an increase in the cost of living of 20 percent, so he loses about 40 percent.

Mr. SAUTHOFF. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Wisconsin, a member of the committee.

Mr. SAUTHOFF. I think this fact should be pointed out, that while these boys at the present time are getting only 64 cents an hour, the increase provided for in this bill will raise it to only 80 cents an hour, and the increased cost of living alone will more than wipe that out.

Mr. SCHULTE. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I want to discuss briefly the bill that has just been presented to the House, providing that intoxicating liquors may not be sold within 600 feet of any school, church, or other educational institution.

Mr. Speaker, so far as I am concerned, I favor this restriction; but I would go still further and prohibit, at least during the duration of the war, the sale of intoxicating liquors in the District of Columbia as well as throughout the country.

Let me call your attention to some facts that may be of interest to you. Do you know that in the District of Columbia in 1940 the sum of $50,000,000 was spent for intoxicating liquors, and that the total appropriation of expenditures for the District of Columbia in 1940 was just a little over $40,000,000? In other words, it is estimated that $10,000,000 more was spent for alcoholic beverages than for general government, protection of life, property, health, sanitation, highways, public welfare, education, and recreation during the year.

Let me call your attention to something else. The District of Columbia in 1940 consumed more spirits per capita than any State in the Union. The average for the States was 1.7 gallons, and the average for the District was 4 18 gallons; and for all liquors the District average per capita was 21 gallons, and for the States, 14 gallons.

Here are some other facts that may be of interest to you: The District of Columbia jail reports for the fiscal year ending June 30, 1941, shows that 18,556 persons were committed during the year, of which 11,800, or 64 percent, were for intoxication. Also, there were 125 arrests for drunken driving. Think how much could have been saved, not alone in suffering and disappointment and danger but in actual money, if the use of intoxicating liquor could have been prevented.

During the year 1940, 44,000 wage earners and 7,500 salaried employees were engaged in making all kinds of alcoholic liquors in this country. They received salaries amounting to approximately $100,000,000 and made 1,852,000,000 gallons. The retail cost to the consumer of these products was $4,500,000,000. Last year, 1941, the cost and amount of retail liquor were considerably more. Just think how that four and a half billion dollars could have been used if applied in taking care of the Red Cross and other worthy organizations; or suppose it could have been invested in defense bonds or even applied on the debt of our country.

Mr. Speaker, I think we need legislation by which the President or someone in authority should take control of all the liquor-manufacturing concerns throughout the country and put them into operation for the manufacture of chemicals and materials of various kinds that are needed in the prosecution of the war. Then go one step further and withhold the sale of liquor during the war period at least, and provide rigid rules and regulations for the prevention of sale and use of intoxicating liquors in and around our training camps. We need the grain for food, we need the manufacturing concerns for war industries, and we need the labor to help prosecute the war. Surely no one should regard it a sacrifice to do without liquor at least during the war period.

The President has already been given power and authority to take over some of our most essential industries for the purpose of carrying on the war program. Here is one that is not essential, but an industry that provides for the waste of human energy as well as money and loss of time that is so much needed in this critical hour.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield.

Mr. CASE of South Dakota. The argument that the gentleman uses is very persuasive about the proposed increase of taxes; but is not the gentleman suggesting that this be a precedent, that we are going to take care of every salary, so that we will advance every salary to take care of the proposed increase in taxes?

Mr. SCHULTE. Well, I will say to the gentleman, here is the situation: They have not had an increase in 11 years. I reiterate that statement. I am not so much concerned about those in the upper brackets; they will get plenty to live on; but I am worrying about the buck private down in the ranks.

Mr. CASE of South Dakota. I recognize that, and I have the same feeling of sympathy which the gentleman has. I do not see, however, where we are going to come out if every time we put on a salary tax we try to raise the salary to take care of it. We are just chasing around in a circle, like a dog trying to catch his tail.

Mr. SCHULTE. The gentleman refers to this pay-roll tax. I am just stating that something like that may happen.

In the event that pay-roll tax is passed and it does affect these men, you can imagine what it will do to them. It will ruin them. They will not be able to stay in the department. We have a police and fire department today that ranks with the best. We have cleaned out our police department, and I say that today we have one of the best police departments in the United States. The members of the District Committee are all proud of the department.

Mr. CASE of South Dakota. Will the gentleman yield further?

Mr. SCHULTE. I yield further.

Mr. CASE of South Dakota. Has the gentleman compared the salary that the policemen and the firemen are now getting with the salary of the soldiers who are now on guard around the Capitol and the House Office Building?

Mr. SCHULTE. You mean the boys who are getting $21 a month?

Mr. CASE of South Dakota. Yes.

Mr. SCHULTE. The gentleman is dragging me out into the Atlantic. They get $21 a day, 1 day a month.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield.

Mr. KEEFE. Did I understand the gentleman to say that the firemen are working an average of 60 hours a week and policemen are working an average of 70 on up to 80 and 90 hours a week?

Mr SCHULTE. Yes, sir.

Mr. KEEFE. Is there not a law in the District of Columbia that specifies and stipulates an 8-hour day for policemen and firemen?

Mr. SCHULTE. That may be true. I am glad the gentleman brought up that question.

Mr. KEEFE. Why is it not enforced?

Mr. SCHULTE. Because of the fact that the police department finds itself unable to get sufficient men to run the department, so that the city itself may be safe, with the ultimate result that Major Kelly has found it absolutely necessary that every man is brought back after he has served 8 hours and he puts in an additional 4 or 5 hours, with the detectives sometimes 6 and 7 hours We have the pleasure of going with some detectives who have been on over 100 hours a week.

Mr. KEEFE. In the case of firemen, for instance, the basic law in the District of Columbia specifically provides for an 8-hour day, 8 hours on and 16 hours off; or if it is a staggered platoon system, as in some cities, they may work a little longer but will have a little longer time off. The basis is 8 hours a day. Why is it that in the fire department you are compelling them to work 60 hours a week in violation of law?

Mr. SCHULTE My friend, I do not know anything about that; but I do hope that the bill passes this House and sets an example to the other cities to follow.

[Here the gavel fell.]

Mr. RAMSPECK. Mr. Speaker, I move to strike out the last three words.

The SPEAKER. The Chair desires to recognize the gentleman from Illinois [Mr. DIRKSEN].

The gentleman from Illinois is recognized for 5 minutes.

Mr. DIRKSEN. Mr. Speaker, I am rather reluctant to address myself to the bill before us at the moment for the very good reason that the bill considered earlier this afternoon came here with a recommendation by the Board of Commissioners that it do pass and a recommendation by the District of Columbia Committee that it do pass; but the House, in its infinite and unencompassed wisdom, saw fit to dispose of that bill via the willow archives, and it is quite all right. I would, however, feel derelict in my duty as a member of the District of Columbia Committee unless I at least pointed out to the House that the bill before you now does not have the recommendation of the Board of Commissioners of the District. I would feel derelict if I failed to point out that this bill will gross $1,475,000. I would be derelict in my duty if I failed to point out that no provision has been made for this matter in the 1943 Budget which is now pending before the Appropriations Committee. And so, with these facts in mind, if you feel in your wisdom, notwithstanding, that this bill ought to pass, it will be all right with me.

Mr. SCHULTE. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill

The question was taken; and on a division (demanded by Mr. SCHULTE) there were—ayes 50, noes 58.

So the bill was rejected.

Mr. RANDOLPH. Mr. Speaker, this concludes the legislation from the District of Columbia Committee for today.

EXTENSION OF REMARKS

Mr. ROBERTSON of Virginia. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including therewith a resolution adopted by the Chamber of Commerce of the State of New York.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a telegram I addressed to Dr. H. A. Morgan, Director of the T. V. A., his answer addressed to me, and a statement by William L. Batt, Director of Materials for the O. P. M.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by incorporating a letter written by the Postmaster General to the Speaker.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Under the previous order of the House the Delegate from Alaska [Mr. DIMOND] is recognized for 1 hour.

HIGHWAY TO ALASKA

Mr. DIMOND. Mr. Speaker, the subject of the remarks that I propose to make this afternoon is what I consider the pressing need of the building of the highway to connect the main body of the United States with the Territory I have the honor to represent in this body. In order to make a part of what I have to say more clearly understandable I have prepared and brought here, and there are now before you, two charts of the North Pacific Ocean, including the Gulf of Alaska, and the Bering Sea, and in one of them a part of the coast line of Asia, including the islands which constitute most of the Empire of Japan. The charts from which these were made were prepared by the United States Coast and Geodetic Survey. They are authentic in every respect. The upper one, the one near the top of the easel, is what is known as a transverse polyconic projection. A transverse polyconic projection, in spite of its terrifying name, is simply a scientific effort by the geographers to represent upon a flat surface, without undue distortion, a part of the curved surface of the earth. So if you will look at the chart at the top of the easel, the tranverse polyconic projection, you will see drawn horizontally through the middle of that chart a line from San Diego, Calif. to Manila, a straight line which is the basis of the chart. This line is a true line in every respect. As one goes north or south from that line there is some distortion, but as far north as the Aleutian Islands the distortion is so slight as to be negligible. The chart at the bottom of the easel is what is known as a Lambert conformal conic projection. The same idea is here carried out, the representation of a part of the curved surface of the globe without undue distortion.

On this chart I have marked the proposed highway to Alaska. The lower part of the highway marked by a blue line, which extends from Seattle or Tacoma, Wash., northerly to Prince George, in British Columbia, a distance of 634 miles, is already in existence. The line marked in red from Prince George, British Columbia, to Fairbanks, Alaska, or nearly to Fairbanks, is the part of the road still to be built. From Prince George to Fairbanks is about 1,500 miles, and along this route at intervals some road has been built; so that the total roads already in existence on this line amount to something around 449 miles, which would leave 1,051 miles of new road to be built through the wilderness. I shall discuss this and other routes at length later.

Geographically, of course, Alaska is firmly and irrevocably attached to the North American Continent, and is a part of the continent, integrated by land connection 700 miles broad, but economically and strategically Alaska is an island as difficult to defend as a real island would be. What I propose here, if it is brought into accomplishment, namely, the building or completion of a highway to Alaska, will weld the Territory of Alaska, both economically and strategically, into the body of the Nation. No engineering difficulties are involved in this suggestion.

The only obstacles are of a political nature, and those arising from the singular disinclination of most men everywhere to take necessary and seasonable action to avoid the ever-recurring menace of too little and too late.

Mr. GORE. Will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Tennessee.

Mr. GORE. Before the gentleman becomes too far removed from the distances which he is giving us, will he tell us how far it is from Fairbanks out to the Bering Straits, having in mind the military objective?

Mr. DIMOND. It is about 525 miles from Fairbanks to Nome. I will point out Nome on this map. It is not quite opposite the Bering Straits, but nearly so. From Fairbanks to Bering Straits would be about 600 miles.

Mr. GORE. Would a highway be feasible in that vicinity?

Mr. DIMOND. Oh, yes; a highway would be feasible in that area. As a matter of fact, a highway has been surveyed through the entire country from Fairbanks to the Bering Straits. May I say to the gentleman further that a highway would be equally feasible in Siberia, and by building 2,500 miles through Siberia one would arrive at Vladivostok, the great Russian seaport in that region. In fact, I think about 2,000 miles of road building in northeastern Siberia would connect the Bering Straits with the Trans-Siberian Railroad.

May I say to the gentleman, it is impossible to find out what the Russian Government has done with respect to road and railroad building in northeastern Siberia in recent years. In the press not long ago, however, I read an account by a reputable journalist which said that it had been discovered the Soviet Government had built a railroad about 1,200 miles long to connect the Trans-Siberian Railroad near Lake Baikal with the west side of the Okhotsk Sea, but I have not been able to get any confirmation of that story. I also had a report that a highway had been extended up through northeastern Siberia and that it was not very far from the Bering Straits, but I have not the slightest confirmation of that either.

Mr. WHITE. Will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Idaho.

Mr. WHITE. I would like to know how long the road would be open?

Mr. DIMOND. I am glad the gentleman asked that question, because people in this part of the Nation particularly have a most erroneous idea about it. The road to Alaska, if built, can be operated and can be kept open at reasonable expense during every day of the year. The snowfall in that part of the country, away from the coast, is light.

May I give you an illustration of that. Some years ago one of the big motion-picture companies sent a whole outfit of high-priced people to Alaska to take a picture which afterward resulted in a showing called The Eskimo. I do not know whether any of you saw it or not. They sent their people up north of Nome, somewhere close to Bering Straits, in October, but they did not get enough snow to take the pictures until early in February. They complained about this, because they said they had a $5,000-a-day pay roll. They could not take any pictures in November, December, or January, and it was not until February that there was snow enough to cover the ground. A similar condition usually is not true in the region where I have marked in red the route of the road to be built. Ordinarily snow will fall there in November or December, but I think I am safe in saying that at no time during the winter—there may be exceptional seasons of course—will the snow on any part of that route be more than 3 feet deep. The road could be kept open easily to permit traffic on the highway. This, too, is a matter which I shall discuss further later on.

Mr. PIERCE. Will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Oregon.

Mr. PIERCE. The gentleman said something about Alaska being an island. I would like to have him talk longer on that subject. Is that not literally true, if our boat line going to the North is cut which is dangerous? A few submarines might operate there and accomplish that. Also, how many people are there in Alaska who have no means of communication or no way of getting out except through the air, which at this time is exceedingly difficult.

Mr. DIMOND. The gentleman raises a very important point.

Mr. PIERCE. We are liable to have another Pearl Harbor there, are we not?

Mr. DIMOND. Without being an undue alarmist, and I realize what has occurred is likely to give apprehension to my friends and constituents who live in Alaska, I am fearful that there may be another occurrence of what happened at Pearl Harbor. There is the further possibility with respect to all parts of Alaska lying to the west, that we shall be confronted not only with what happened at Pearl Harbor, but with what later happened at Wake and at Manila. The gentleman brought up a point that I think deserves special emphasis here, that economically and strategically Alaska is an island, because there is no overland communication between the States and Alaska or between Canada and Alaska, except by air.

We have one air line flying to Alaska now. Its southern terminus is at Seattle, Wash., proceeding north through British Columbia to Prince George and thence to Juneau and to Fairbanks. It goes first to Juneau, the capital of Alaska in the southeastern part, and finally to Fairbanks. It is operated by Pan American Airways. I think there are five flights a week each way on this line. The general manager, the famous Joe Crosson, who was in my office a few days ago, said if they could get the ships they would have two flights every day out of Seattle north bound and out of Fairbanks coming south. The Canadians run an airline from Edmonton, in the Province of Alberta, to White Horse, in the Yukon territory. White Horse is at the northerly terminus of the White Pass and Yukon Railroad. I do not know the frequency of their service.

Recently three things happened with respect to Alaska which illustrate, more powerfully than any words of mine can possibly do, the exposed position of Alaska.

In the first place, although Alaska is a part of the North American Continent, it was treated in the War Department orders just as outlying possessions of the United States were treated, in that the wives and children of all men in the military and naval services were ordered from Alaska to the States.

Not only that, but the steamships serving Alaska were practically taken under command by the War Department and the Navy Department in order to get these women and children out of Alaska. I must assume that the order was thought necessary in view of the hazards faced by the people living in Alaska, not only the hazard of injury or death by reason of direct enemy action, but also the hazard of the interruption of the sea transport service so that supplies could not be shipped into Alaska.

May I interpolate here to say that in Alaska we produce very little of the supplies we consume, either of food, of clothing, or of anything else.

The second thing that happened was that Congress not so many days ago passed bills to provide for the storage of provisions of various types in the Territories and possessions, Alaska included. I think the total appropriations amounted to $50,000,000, of which $35,000,000 was generally thought to be earmarked for Hawaii, and the other $15,000,000 for the Virgin Islands, Puerto Rico, and Alaska. Of course, that appropriation was made at the request of the Executive branch of the Government and had the approval of the Bureau of the Budget.

The third occurrence of a few days ago, and only a few days ago, somewhat shocked and startled me, as indicating the grave risk which all the people must face in the Territory, and they must face it largely only because we have no overland communication with Alaska.

The Alaska Steamship Co., which provides most of the steamship service to Alaska—I suppose it carries three-fourths of the traffic moving between the States and Alaska—increased its rates in order to take care of various types of war-risk insurance. This increase of rates—and the rates were already high, higher than anything we know of elsewhere on the Atlantic and on the Pacific—was 45 percent. This increase of 45 percent in rates was made necessary because when the steamship company asked for war-risk insurance the insurance companies would not grant insurance for less than an amount which made it necessary for the steamship company, as it says, to raise its freight and passenger rates 45 percent.

This was not only the act of the insurance companies—this increase was also approved by the United States Maritime Commission. In 1940 Congress passed and the President approved a bill which authorized the United States Maritime Commission to grant marine insurance where the other insurance was not available, or where the United States

Maritime Commission thought that the rates charged for other insurance by private companies were too high.

In its application to the United States Maritime Commission the company asked the Maritime Commission to give insurance at lower rates so there would not be any necessity of raising rates by such a stupendous amount as 45 percent.

Right here may I say that this increase means there will be taken largely out of the pockets of the people of Alaska for every year that this 45-percent increase remains in effect a sum which would amount to $400 for every man, woman, and child in Alaska. It is a simply stupendous sum for us to pay. It is economically almost insupportable by the people of the Territory; yet we have to take it, because we must have transportation, and this is the only transportation we can get—transportation by sea. The United States Maritime Commission said of the increase that it may be done. We must keep the sea supply line open. But you can imagine the estimate of the United States Maritime Commission and of the underwriters of marine insurance of the risks that must be run in the transportation between the States and Alaska when they have to charge such fantastic sums for insurance.

Mr. SANDERS. Mr. Speaker, will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Louisiana.

Mr. SANDERS. I was interested in the question asked by my distinguished friend, the gentleman from Oregon, and I have also been very much interested in the statement the gentleman is making. However, pursuing the thought that Alaska is an economic and strategic island, would the gentleman care to point out the nature of the terrain over which the boundary between Alaska and the balance of the continent runs? What is the nature of it? Is it mountainous? It is a desolate and unpopulated area, I take it from the gentleman's statement.

Mr. DIMOND. Does the gentleman refer to the boundary between Canada and Alaska?

Mr. SANDERS. Yes.

Mr. DIMOND. There is a variety of terrain. In the lower part for a considerable distance from the sea the country is extremely precipitous. There are plenty of mountains which run between 10,000 and 18,000 feet in elevation. There is a great mountain range extending all the way up the coast. You would have to use one of these 4-star Hollywood blurbs to describe it. It is simply colossal.

Farther north, about the point to which I am pointing on the chart now, where the highway would cross into Alaska, there is a broad, open plain that extends for hundreds of miles, clear up to and beyond the Yukon. The elevation above sea level of the terrain at that exact point is not above 2,100 or 2,200 feet, so that there is plenty of opportunity to fly into Alaska and out of Alaska, between Alaska and Canada, over this route, and equally good terrain for the construction of a highway. A little bit farther north we come to the valley of the Yukon River, which is only dimly shown on this map. Of course, that is all open country. Farther north there is another high range of mountains which runs up to 10,000 or 12,000 feet and up along the Arctic coast to which I am pointing now near the mouth of the Mackenzie River, there is a considerable region that is quite low. Near the Arctic coast the Rocky Mountains become just low, rolling hills.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Oregon.

Mr. PIERCE. Will the gentleman give us the elevation if he can of the road all the way through there and the cost of it, about?

Mr. DIMOND. The highest point of the road on the route that is marked on the map is 4,200 feet. That point occurs just about at the place to which I am pointing here in Canada. There is another place where the elevation, according to the engineers, would be about 3,800 feet, but both of these elevations are in relatively open country. So the building of a road there does not mean it would be buried so deeply in snow that we could not get through it or that it would be impassable at any season of the year. Fairbanks is about 550 feet above sea level, and as we proceed southeast on the road from Fairbanks to the Canadian border, the highway is a gentle upgrade. So we go from Fairbanks at 550 feet to the boundary between Canada and the United States, which, as I said, is about 2,100 feet. From that boundary it is downhill again to Whitehorse, then easy grades until quite a way down in British Columbia, where we have these two passes to go over—one is 3,800 feet and the other is 4,200 feet above sea level, but neither one of them offers any insuperable obstacle to the building of the road.

As to the cost of the road, I am not an engineer but I have taken counsel with engineers on the subject and, particularly, with Mr. Donald McDonald, who is an experienced engineer, who worked for the Alaska Road Commission, the road-building agency in Alaska, for a good many years, and before that worked for years in the building of the Alaskan Railroad. He is known in Alaska as the father of the International Highway, because with Donald McDonald the highway has been a subject of such intense interest that I suppose, like Cato, who never began or ended a speech without saying "delenda est Carthago," Donald never began or ended an address without saying, "The highway to Alaska must be built." From him and other engineers I received the information which I incorporated in the bill, H. R. 3095, now before the Committee on Roads, authorizing the construction of a highway to Alaska. In that bill I estimated its cost at $25,000,000, and if the road were to be built over a period of 3 years, that estimate is still good. A good deal of it, I am told, could be built for $10,000, some of it for $15,000, and some for $9,000 a mile, but $25,000,000, under the normal course of road building, would serve to build the road if we constructed it over a period of several years. If we built the road in 1 year, or 10 months, instead of 3 years, it is likely the cost would be doubled, just because it costs more to gain that much time in the building of anything. We found that out in the building of the Army cantonments.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. DIMOND. I yield to the gentleman.

Mr. GORE. I was going to inquire of the gentleman if it could be built in a year's time or in less time.

Mr. DIMOND. It can be built, I think beyond question, in a year's time. It could be built, probably, in 10 months if we started now. If say "if we started now" because it is highly important in the building of this road that the supplies and the materials and the equipment be delivered along the route of the road before the frost goes out of the ground in the spring. If that is done and if it is put under the control of men who know how to build roads like some of these old logging outfits—the gentleman from Oregon, Governor PIERCE, will know about them—who operate in the Northwestern States, the road can be easily finished in 1 year. I think a still better suggestion would be to take an engineering division of the United States Army, of something like 15,000 men, and with this force the highway could be built in 10 months easily.

Mr. GORE. I want to say to the gentleman I make no claim to being a military strategist, but it does occur to me, a layman, that the road should be built, and immediately; and if it was built now it would be worth many times the $25,000,000 which the gentleman mentions.

Mr. DIMOND. I thank the gentleman. He is entirely correct.

Mr. SHANLEY. Mr. Speaker, will the gentleman yield?

Mr. DIMOND. I yield to the gentleman.

Mr. SHANLEY. Is it the Delegate's intention to go into the military investment we have already made in Alaska?

Mr. DIMOND. Only briefly. I cannot go into that fully for national-defense reasons. Up until the present moment Congress has appropriated sums that can be found by looking at the appropriation acts, in the total amount of more than $140,000,000. I reveal no secret in my stating here that fact. Anybody can select the various items in the appropriation bills and total them up. I hope and believe that a much larger expenditure is under way.

Mr. SHANLEY. And it is no secret that we have at least five air bases and one submarine base there.

Mr. DIMOND. Yes; we have three naval bases; one is at Sitka, in the southeastern part of Alaska, another at Kodiak, and there is one at Dutch Harbor.

Mr. SHANLEY. And Unalaska?

Mr. DIMOND. Unalaska and Dutch Harbor are about a mile and a half apart. There is an air station at Fairbanks, and an air base and military post at Anchorage, which is 114 miles from the southern terminus of the Alaska Railroad, at Seward. As a matter of fact this military

post is really near salt water, the head of Cook Inlet.

Mr. SHANLEY. And it is no secret that we need to make a triangle between Honolulu, Alaska, and San Diego.

Mr. DIMOND. And the Panama Canal.

Mr. SHANLEY. Yes; but the smaller triangle there.

Mr. DIMOND. Quite right.

Mr. SHANLEY. And the thing that seems to be important is the tremendous military investment we have already placed there and that we must place if we have this so-called island, and because for the first time we find the predominence of the Pacific changed, so that we need this road more than ever, and if we can get the figures on that, that are not confidential, it will be clear that unless we get this road, it will be an island. I hope the gentleman will put that in, because I think all of those who have exhibited an interest in this matter think that that is the bottleneck of the Pacific, insofar as our Norhwest defense is concerned.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. DIMOND. Yes.

Mr. PIERCE. I would like to have the gentleman put in the RECORD the stake we have there, how many white people there are, how many Indians, and how many are dependent upon us. Let the gentleman state how big is the stake.

Mr. ANGELL. As I understand the gentleman, approximately half of the entire length of this road has been built.

Mr. DIMOND. About a half of it altogether, between Seattle to Fairbanks.

Mr. ANGELL. Including the 400 miles.

Mr. DIMOND. Yes.

Mr. ANGELL. The gentleman spoke about snow conditions. What about the temperature along that road?

Mr. DIMOND. The temperature in winter in some places at some times is pretty low. The extreme range of temperature in Alaska and in the Yukon territory—it does not extend to British Columbia—is between 120° Fahrenheit in the summer, and I think the lowest temperature recorded in Alaska was 86 below, somewhere in the Yukon Valley. You have, therefore, a wide range of temperature, more than 200°. However, we have found in Alaska, with respect to the operation of trucks, tractors, and airplanes, that the low temperatures do not prevent operation. Airplanes fly just as well in cold weather as in warm weather. In fact, although it is not relevant to the present discussion, the temperature, 5,000 feet above the ground in midwinter is usually from 20° to 30° warmer than it is on the ground itself.

Mr. PIERCE. And it is true that this road is located sufficiently far from the coast and protected by the high mountain ranges, to be fairly well protected against bombing.

Mr. DIMOND. Yes. The precipitous and high coast range follows the coast clear down through British Columbia, and the road itself is 100 miles from the coast. The gentleman from Oregon [Mr. PIERCE] asked me a question about the stake we have in Alaska. I would like to comment on that. We have in the Territory something like 80,000 civilians. I don't know how many troops are in Alaska and, if I did, I should not be free to say on this occasion; but we have 80,000 people in Alaska who are civilian residents, of whom about 32,000 are native Indians, Eskimos, and Aleutes. Their safety is my prayerful concern, but it is also my concern that the military forces in Alaska be protected to the fullest possible extent. What will happen to them all if the sea route be completely blocked?

I yield to the gentleman from Louisiana.

Mr. SANDERS. The importance of this road, it seems to me, should be apparent to everyone. As far as Panama is concerned, of course, we have access in the Atlantic as well as in the Pacific, but if we should lose the sea route to Alaska, the gentleman's observation that it is an island is very impressive. You spoke of $25,000,000 being the cost to complete the road. What type of surfacing does that contemplate?

Mr. DIMOND. That contemplates crushed rock and gravel surfacing. Probably gravel 90 percent of the way and crushed rock in other places where it could be provided more cheaply. It contemplates a good foundation and at least a foot of gravel or crushed rock on the surface.

We have checked up with the trucking companies to find out whether they can operate over the road. They say they can haul supplies from Prince George—incidentally, Prince George is on the Canadian National Railroad. That would be the rail head to any large quantities of supplies that must be moved into Alaska over the road. The trucking companies say that with this road gravel surfaced, with the facilities furnished in the way of buildings and stations along the road, they can haul supplies of all kinds from Prince George to Fairbanks for 3 cents a pound, or $60 a ton, which is not exorbitant considering the conditions. Of course, this is not so low as the rate for the carrying of sea-borne traffic, but the principal military purpose of this road, as we all realize, is to take care of Alaska, both the civilian population and the military population, if our sea lane should be cut. It is economically indispensable otherwise, as I shall explain later.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. DIMOND. I yield.

Mrs. BOLTON. Did you tell us how many lanes wide the road would be?

Mr. DIMOND. It will be 24 feet wide. That would be two lanes. We think two lanes are sufficient at the present time.

The importance of Alaska from a military standpoint—I want to say this before I overlook it—has been recognized for a great many years. In fact, when we had under consideration the other day the bill to build a highway to Panama, I remember that several Members, the gentleman from Tennessee [Mr. GORE] and the gentleman from New Jersey [Mr. EATON], each urged the building of the highway to Alaska, as well as building a highway to Panama. I know that the gentleman from Oklahoma [Mr. JOHNSON] and the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN], and the gentleman from Pennsylvania [Mr. RICH] on other occasions have spoken about the real need, economic as well as military, of building a highway to Alaska.

Ordinarily I do not believe in bringing to bear upon this question the opinions of anyone else; but one man saw the importance of the strategic position of Alaska a great many years ago, the late great Gen. William Mitchell, who, as you will recall, was court-martialed for insubordination, or something of the sort, and was convicted and resigned from the Army. General Mitchell had served in Alaska in a military capacity many years ago, about 1901 or 1902. He had made a thorough study of the country. He had looked into and considered the effect of adequate military development of the chain of Aleutian Islands stretching out toward Japan, and he foresaw more clearly than most people that ultimately we might come into conflict with the Japanese. He also saw clearly—and it was his comment upon that which led to his expulsion from the Army—the effect of air power in future wars. I quote briefly first from General Mitchell's book, called Winged Defense, which was published in about 1925. He said:

> Much, if not most, of the present equipment for making war is obsolete and useless and can be replaced by much more economical and useful arrangements and agencies. Nations nearly always go into an armed contest with the equipment and methods of a former war. Victory always comes to that country which has made a proper estimate of the equipment and methods that can be used in modern ways.

In that last sentence you can almost see the power that used modern equipment rolling down through Belgium, through France, through Poland. Yet the ideas of General Mitchell were so little thought of that he was consigned to oblivion.

In 1934 he wrote an article which appeared in the magazine Liberty, from which I quote:

> An air offensive against Japan from Alaska could be decisive. They know this full well, and they know that we are preparing for it in no way whatever. They are misleading us with naval preparation which really will be quite secondary to air power, that ultimately will decide the contest between East and West, while with the greatest secrecy they are developing long-range bombers for an attack on the United States.

Certainly that is an accurate forecast.

Then when General Mitchell appeared before the Military Affairs Committee on February 13, 1935, he was asked about Alaska, and he said this, among other things:

> Alaska is the most central place in the world of aircraft, and that is true either of Europe, Asia, or North America, for in the future I think whoever holds Alaska will hold the world, and I think it is the most important strategic place in the world.

So far as the present war with Japan is concerned, I suggest that prophecy today is found accurate, and the best way to see

the accuracy of what General Mitchell said is to look at the map. Every lawyer will remember that in the Art of Cross-Examination, by Francis Wellman, he told a story of Daniel Webster. Webster was trying a lawsuit in which expert witnesses on the other side tried to prove that two wheels were different from each other. The experts proceeded to tell about the "concavities" and "convexities" of the wheels, and all the technical things about them. When they got through Webster rose and turned to the jury and said, "Gentlemen, just look at them; just look at them." All I say to you to do is just to look at the map to see the strategic importance of Alaska. You will notice, for example, that the short line from Seattle, Wash., to Yokohama goes right through the Aleutian Islands. The last island in the chain, Attu, which I point out to you, is 1,730 nautical miles from Tokyo. If on the 7th day of December we had on station in the Aleutian Islands at Attu, or nearby, 1,000 planes, including a suitable number of bombing planes, is it not pretty plain that there never would have been the attack of that day on Pearl Harbor?

Mr. PIERCE. Did I understand the gentleman to say it was only 1,700 miles from Dutch Harbor to Tokyo?

Mr. DIMOND. No; it is 2,500 miles from Dutch Harbor to Tokyo, but it is only 1,730 from Attu to Tokyo.

Mr. PIERCE. Is that the last feasible island for an air base?

Mr. DIMOND. It is the last feasible island in our possession. A little to the northwest is another island as you can see from the chart, Bering Island, of the Komandorski group, belonging to Russia.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. DIMOND. I yield.

Mr. CANFIELD. Will the gentleman tell the House what interest Canada is taking in the development of this highway?

Mr. DIMOND. I can only answer that by saying very little, if any, but I expect to give the history of our negotiations with Canada before concluding.

The Canadians say they are in favor of building the highway. As I shall explain later, they appointed a commission to correspond to our Alaska International Highway Commission to look into the subject but we have never been able to get the Canadian commission, or any other authorities of the Canadian Government down to the point of saying they would agree upon any particular plan for building the highway. They have not submitted a plan of their own and they have not concurred in any plan that we have submitted to them. I think I can say that the Canadians just are not much interested in it at the present time. In the early days, years ago, they had good reason not to be interested in it, before we undertook any defensive works in Alaska, for we had in Alaska, as our defensive and offensive force, 300 infantrymen who were stationed at the Chilkoot Barracks in southeastern Alaska. You can imagine what good they would be in case of an attack. At that time the Canadian military authorities are said to have advised the Canadian Government that it would be a piece of folly to build the highway to Alaska unless the United States Government had sufficient power in Alaska to be capable of repelling an invader; that the building of such a road might make the entry into Canada by such an invader easy. This, however, is no longer the case for we now have a substantial number of troops in Alaska, and our force, I believe, will be increased as speedily as possible until we have an adequate power there. The force may be adequate now for all I know, but that reason which formerly impelled the Canadians not to take an interest in the highway no longer exists; and in fact the Canadian Prime Minister, according to the press, some time ago said he was favorably disposed toward the highway.

We must remember, of course, that the Canadians are making a prodigious effort to help win the war. I passed over Canada recently en route to Alaska, and I could see evidence of that effort on every hand. The war was the principal business in Canada, a most heartening situation. I have been told since by a man who probably knows about it that nearly 50 percent of the total national income of Canada is going into the war effort. So we cannot expect much more from them. Under the circumstances, it is our job to build this highway to Alaska because it is for the protection of our own troops and our own civilian population in the Territory, who are just as much citizens of the United States and entitled to protection as the Members of this House.

Mr. BEAM. Will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Illinois.

Mr. BEAM. What amount of money would be required to construct a road of the type the gentleman has described?

Mr. DIMOND. If we proceded in the usual way, it would cost about $25,000,000. If we built it in a year, as I am urging, I am told that the cost would be about $50,000,000.

Mr. BEAM. The United States to build it?

Mr. DIMOND. I think the United States ought to build it. We know it will not be built otherwise, because the Canadians have their hands full now with respect to carrying on their part of the war and we cannot expect them to put up either $25,000,000, or $50,000,000, or $20,000,000, or $40,000,000 to build an artery which is largely for the advantage of the people of the United States.

May I say further it is reasonable, if we provide all the money, as I suggest, to insist that the Canadians, instead of stubbornly standing in the way and refusing to agree to any plan for the building of the road, should give us carte blanche as to route or anything else we want so far as it can be done without expense to them. This road runs for 99.999 percent of its distance through public domain where there are no private claims to speak of. I still hope the Canadians will do just that, and I hope they will finally see that their safety as well as our safety depends upon the adequate defense of Alaska.

Mr. ANGELL. Will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Oregon.

Mr. ANGELL. It would require considerable negotiation, would it not, in the matter of sovereignty over the operation and maintenance of the road?

Mr. DIMOND. I think not. We ought to be able to arrange such things at this time without any great difficulty. Ten years ago or 3 years ago or 2 years ago the answer might have been different. There would have been all kinds of questions about sovereignty. We cannot expect the Canadians to give up their sovereignty. The Canadians will want, and should have, full sovereignty over the highway in Canada, with our rights fully protected, but we do think they ought to agree, if we want to build it at our own expense, that we may build it on any route we choose, provided we do not interfere with them.

I much regret that the high command of the Army, and the Secretary of War, did not take any greater interest in this project. In a letter dated August 2, 1940, a long time ago, addressed to Hon. WILBURN CARTWRIGHT, chairman of the Committee on Roads, the Secretary of War had the following to say:

> It is the opinion of the War Department that the value of the proposed highway as a defense measure is negligible and that the legislation proposed in the attached bill should not be favorably considered.

On October 6, 1941, we have another letter from the Secretary of War addressed to Mr. CARTWRIGHT, in which the following is stated:

> There are certain military limitations in connection with the proposed highway, which, from the viewpoint of national defense, may justify its construction only under a low priority.

What "low priority" means, I do not know—1 year, 2 years, 5 years, 10 years, 50 years perhaps. He continues:

> From an evaluation of the trend in international affairs, however, the construction of the highway now appears desirable as a long-range defense measure.

Mr. PIERCE. Is the letter written by the Secretary of War? Marshall knows the West. He was long stationed in the Northwest. I cannot believe he has any such notions as has this New York lawyer who is at the head of the War Department.

Mr. DIMOND. I assume this letter came from the General Staff of the Army.

Mr. PIERCE. I cannot believe it.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Has the gentleman had any expression from the Secretary of War since Pearl Harbor?

Mr. DIMOND. No; not since Pearl Harbor. I say this with the greatest deference to the men in the War Department and the Army and Navy, for whom I have profound respect. They are great men. They have given a lifetime of study to military problems. Of course, they are burdened not only with

the problem of Alaska but with the problem of the Caribbean, of Iceland, of Newfoundland, of Hawaii, of Manila, of Singapore, and of everything else under the sun. But this is one of the most important of all, because if the enemy ever becomes established in Alaska, remember, he is then on the North American Continent, and it will be a job to get him out again.

Mr. CANFIELD. I do not want to take too much of the gentleman's time, but I may say that I believe the gentleman is well on his way to winning his fight.

Mr. DIMOND. I thank the gentleman. Even at the risk of repetition, I should like to present in logical form a brief history of the highway project and a more comprehensive statement of the reasons why I believe, for both economic and strategic reasons, the highway should be built immediately.

With me the building of this highway is not a new thought or a recently acquired opinion. In fact, during all of the considerable number of years that I have had the honor, through the approval of my own Alaska people, of serving in this body, it has seemed that among the principal obligations pressing upon me, both in conscience and in judgment, were to have adequate military and naval installations set up in Alaska for the defense of the Territory and of the Nation, and as a vital and indispensable part of that defense program and for the most convincing economic reasons, to bring about the construction of the highway to connect, through the Dominion of Canada, Alaska with the United States, and a corresponding expansion of the internal road system of the Territory.

The first action taken by Congress with respect to the highway was in 1930. In that year, by act approved May 15, Public Law No. 228, Seventy-first Congress (46 Stat. 335), the President was authorized to have a study of the subject made. The complete act reads as follows:

Be it enacted, etc., That the President of the United States is hereby authorized to designate three special commissioners to cooperate with representatives of the Dominion of Canada in a study regarding the construction of a highway to connect the northwestern part of the United States with British Columbia, Yukon Territory, and Alaska, with a view to ascertaining whether such a highway is feasible and economically practicable. Upon completion of such study the results shall be reported to Congress.

SEC. 2. The sum of $10,000 is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of carrying out the provisions of this act.

Approved, May 15, 1930.

Pursuant to that authority, the President appointed as commissioners to inquire into the highway project, Mr. Herbert H. Rice, of Detroit, Mich., chairman; Mr. Ernest Walker Sawyer, then Assistant to the Secretary of the Interior; and Maj. (now Colonel) Malcolm Elliott, Corps of Engineers, United States Army, then president of the Alaska Road Commission, now stationed at St. Louis, Mo., and there engaged in engineering work of the Army.

It will be noted from the act that the commissioners were directed to cooperate with representatives of the Dominion of Canada in a study regarding construction of the highway. The Dominion Government of Canada at that time declined to directly cooperate, taking the position that as the route likely to be selected would lie in British Columbia and Yukon Territory, the Canadian Government should consider the matter as one of essential interest to the provinces. Accordingly, with the assent of the Dominion Prime Minister, representatives of the provinces were named to act with the Commission.

The Commission made quite a thorough study of the subject and reported to the President under date of March 1, 1933, in such report stating that the highway was a feasible project, and could probably be completed for about $14,000,000. The Commission recommended that negotiations be conducted with the Government of Canada and, the Canadian Government should agree, that specifications and reliable estimates of costs, and resulting benefits of the project should be compared and plans for financing the project made.

Following that report, Congress enacted a law, approved August 26, 1935, Public Law No. 345, Seventy-fourth Congress (49 Stat. 869), authorizing the President to negotiate and enter into an agreement with the Government of Canada for the construction of the road. The act reads as follows:

Be it enacted, etc., That the President of the United States is requested, through such channels as he may deem proper, to negotiate and enter into an agreement or agreements between the Governments of the United States and of the Dominion of Canada, for the survey, location, and construction of a highway to connect the Pacific northwestern part of continental United States with British Columbia and Yukon Territory, in the Dominion of Canada, and the Territory of Alaska; in cooperation with the Government of the Dominion of Canada to cause a survey or surveys to be made to determine the most practicable route for such highway, as well as specifications and estimates of the probable cost thereof, and plans for financing its construction and maintenance.

SEC. 2. The President is hereby authorized, upon the conclusion of the negotiations and the execution of the agreement or agreements herein authorized, to designate such existing agency of the Government of the United States as he may select for the purpose, or such officials or agency as he may specially appoint or create for the purposes of this act, to carry on the work of survey and location of the route for such highway, and of the construction thereof after the route shall have been determined and approved by the President. And such agency or officials, so designated or appointed by the President hereunder, shall be, and they are hereby, authorized and empowered to communicate directly with a like agency or officials to be appointed by the Government of the Dominion of Canada, for the purpose of coordinating and expediting the work of such survey, location, and construction of such highway.

Approved August 26, 1935.

Promptly upon the passage of this act, the representatives of our State Department had extended conferences with the representatives of the Government of the Dominion of Canada, but totally without results. The Government of Canada plainly was not interested in the construction of the road under any conditions. At that time, however, it is only fair to remember that the total United States military forces in Alaska consisted of 300 infantry, stationed at Chilkoot Barracks. It is commonly, and I believe truly, thought that the military advisers of the Canadian Government were then reluctant to see a road built into Alaska through the Dominion of Canada, having in view the then state of unpreparedness of Alaska to resist any aggression, because the construction of such a road might conceivably facilitate the entry into Canada of hostile forces which might easily, at that time, in case of war, have overrun Alaska.

At all events, no matter what the reason was, nothing was done. The negotiations came to a futile end principally because the Canadians either had no interest whatever in the project or, as is more probable, were definitely opposed to it.

Negotiations under the act of August 26, 1935, being thus at a virtual standstill, another attempt looking toward the building of the highway was made and is being continued. The gentleman from Washington, Representative WARREN G. MAGNUSON, of Seattle, Wash., introduced in the House, and Congress finally passed, and the President approved, a third act authorizing the creation of a commission to be known as the Alaskan International Highway Commission—act of May 31, 1938, Public Law No. 564, Seventy-fifth Congress, Fifty-second Statutes, page 590. The act reads as follows:

Be it enacted, etc., That the President of the United States, within 90 days from the passage of this act, shall appoint, and he is hereby empowered to appoint a commission to be known as the Alaskan International Highway Commission, to be composed of five members, one a citizen of the Territory of Alaska, one a Member of the Congress of the United States, and three citizens of the United States of America, said commissioners to be appointed for a 2-year term and to serve without salary or other compensation. Said Commission shall be authorized by the President to cooperate and communicate directly with any similar agency which may be appointed in the Dominion of Canada in a study for the survey, location, and construction of a highway to connect the Pacific Northwest part of continental United States with British Columbia and the Yukon territory in the Dominion of Canada and the Territory of Alaska. Said Commission may cooperate with any such agency in the Dominion of Canada in the study of specifications, estimates, and plans for the financing of the construction and maintenance of said road. Said Commission shall, within 2 years after their appointment, report to the President of the United States the extent and results of their activities and of any conferences relative to such highway, and the President of the United States shall transmit said report to the Congress of the United States.

Approved May 31, 1938.

While the Magnuson bill was pending, and continuously thereafter, until shortly after it was passed and approved, but before any action had been taken under it, an attempt was made to speed the building of the highway through the cooperation of the government of the Province of British Columbia. The prime

minister of the Province at that time was the Honorable Thomas D. Patullo, a man of outstanding ability. Mr. Patullo was earnestly enthusiastic in support of the construction of the highway without delay. Of course, our Government could not negotiate with the provincial government of British Columbia relative to the construction of the road because British Columbia is only a Province of the Dominion of Canada. Moreover, several hundred miles of the road must be built in Yukon Territory, which has never been erected into the status of a Province and is thus directly under the control of the Dominion Government. However, Mr. Patullo came to Washington in the early summer of 1938 and repeatedly stated that the Province of British Columbia would cooperate to the fullest extent in the construction of the highway, provided the Dominion Government would agree to any plan for such construction. While in Washington Mr. Patullo called upon the President and expressed his active interest in the highway and his ardent desire to see it built at an early date.

Accordingly, in May and June 1938, with the full support of the Department of the Interior, I suggested an amendment to the then pending relief bill which would set aside a sum not to exceed $20,000,000, to be used under the direction of the President for the construction of the highway. Of course, this was contingent upon the agreement of the Government of the Dominion of Canada. The matter was presented to the President who expressly approved the proposed appropriation, but so much delay had ensued before the approval of the President was secured that the bill had passed the House and the hearings on it before the Senate Subcommittee on Appropriations had been closed. Nevertheless, the matter was presented to the Senate subcommittee, but without results. The greatest difficulty to favorable action then lay in the fact that there was no assurance that the Canadians would ever agree to the building of the road under any condition. The President's approval of the appropriation then asked for is indicated by the following letter, dated June 2, 1938:

MY DEAR MR. DIMOND: I have your memorandum of May 25, 1938, asking me to support an amendment to the relief bill which would set aside a sum not to exceed $20,000,000 to be used for the construction of the proposed International Highway connecting the continental United States and Alaska.

As you know, I am interested in the project and have repeatedly so stated.

We have taken the matter up with the Canadian Government on various occasions and have had no favorable response from them despite the interest of the Premier of British Columbia.

I nevertheless feel that the amendment should be supported and am glad to so state. As drawn, it would become effective only in the event we were able to get the Canadians to agree. Since we expect to continue our efforts in that direction, it would be useful to have the funds available should we obtain their consent.

FRANKLIN D. ROOSEVELT.

Pursuant to the Magnuson Act, the President named Mr. MAGNUSON as Chairman of the Commission and appointed four other members. They are Hon. Thomas Riggs, former member of the Alaska Engineering Commission, former Governor of Alaska, now Chairman of the United States-Canadian Boundary Commission; Hon. Ernest Gruening, then Director of the Division of Territories and Island Possessions, Department of the Interior, now Governor of Alaska; Mr. Donald MacDonald, "the father of the International Highway," of Fairbanks, Alaska; and Mr. James W. Carey, consulting civil engineer, Seattle, Wash. Shortly thereafter the Canadian Government appointed a similar commission, with limited powers, consisting of the following: Hon. Charles Stewart, chairman, Canadian section, International Joint Commission; Brig. Gen. T. L. Tremblay, Quebec; Mr. J. M. Wardle, Department of Mines and Resources, Ottawa; Mr. Arthur Dixon, Public Works Department, Victoria, B. C.; and Mr. J. W. Spencer, Vancouver, B. C.

The people of Alaska, with rare exceptions, ardently favor construction. The Alaska Territorial Legislature, at several of its biennial sessions, has adopted resolutions and memorials requesting immediate building of the road. Small amounts of money have been appropriated from time to time by the legislature to pay the expense of collecting and printing material about the highway and to aid in paying the necessary expenses of Mr. Donald MacDonald in his work as the Alaskan member of the Alaskan International Highway Commission.

Ever since 1933, and perhaps prior to that time, the President has been favorable to the construction of the highway and has so expressed himself on numerous occasions. He approved the highway acts of 1935 and 1938, appointed the members of the present Alaskan International Highway Commission, and under his general direction, and by his authority, negotiations have been carried on with the Canadian Government for the construction of the highway. His continuing interest is further indicated by an Associated Press report originating in Washington, D. C., on July 31, 1941, reading as follows:

Mayor LaGuardia announced today that President Roosevelt was anxious to see a real survey started as soon as possible to determine the route of the proposed highway from the American Northwest to Alaska.

LaGuardia, who conferred with the President in the mayor's capacity as chairman of the joint United States-Canadian Defense Board, said Roosevelt wanted the road as a defense measure to facilitate the movement of men and equipment to Alaska in case of emergency.

While it is possible that the funds committed to the care of the President for military purposes may be used to build a highway to Alaska, in order to avoid any doubt upon the subject I am now urging the enactment of a bill for that purpose which I introduced February 5, 1941 (H. R. 3095), which reads as follows:

Be it enacted, etc., That it is in the public interest and for the promotion of national defense to connect the United States with the Territory of Alaska by a substantial highway usable during the entire year.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary, not exceeding $25,000,000, for the construction of a highway through the northwestern part of Canada and into Alaska so as to connect existing roads in the United States and Canada with the Richardson Highway of Alaska.

SEC. 3. The President is authorized to expend all or any part of said sum, in such manner as he may deem expedient, for the prompt construction of the highway, and such expenditures with the consent of the Government of the Dominion of Canada, may be made in Canada, as well as in Alaska. The President is authorized to cooperate in every respect with the Government of the Dominion of Canada and with the governments of the several Provinces of the Dominion in the construction of such highway.

SEC. 4. In such construction all of the laws relating to procurement and contracts in the construction of public projects are suspended for the period of 2 years from the date of the enactment hereof with a view of having the proposed road constructed and completed at the earliest practicable date.

SEC. 5. The President shall cause such highway to be located and built on the route that in his judgment will best serve the needs of national defense.

Our Commission has spent much time and effort endeavoring to work out plans for the construction of the highway. Various routes have been investigated and several conferences have been held with the members of the Canadian commission. All agree, both our Alaskan International Highway Commission and the Canadian commission, that the highway is a feasible project and that the cost will not be excessive. I think that all agree, too, that the highway will not be only economically useful but will be of benefit to both Canada and the United States. However, the authority of the Canadian commissioners is so strictly limited that they have been able to say little officially except that the project is feasible.

That the road itself can be built readily, without serious difficulty, and at moderate cost, are, I believe, facts beyond dispute. In any event, I have found nobody possessing even a superficial knowledge of the subject in recent years who has expressed a contrary opinion.

As before noted, there is already in existence a road, mostly unpaved, extending northerly from the southern boundary of the province of British Columbia, first to a settlement called Prince George on the Canadiar National Railroad, 526 miles northerly from Vancouver, British Columbia, and 634 miles northerly from the city of Seattle, Wash., the home of Chairman MAGNUSON, of the Alaskan International Highway Commission. Parenthetically, may I state that the distance between Seattle and Vancouver direct is 152 miles. From Prince George this existing road, here of rather low grade, extends 302 miles farther northwesterly, paralleling the Canadian National Railroad, to another settlement called Hazleton, which is also on the railroad.

While several routes for the highway have been proposed, one seems clearly superior to all the others. This route, commonly called the A route, the route chosen by the Alaskan International Highway Commission as the highly preferable one, would not touch Hazleton at all. Departing from Prince George, it

would run northwesterly, following an existing road, first to a place called Vanderhoof on the Canadian National Railroad, thence to a place called Fort St. James which is 114 miles from Prince George. From Fort St. James, this preferred route proceeds northwesterly through a lake country and a series of valleys roughly paralleling the coast and about 100 miles therefrom, touching the shores of Atlin Lake and thence running to White Horse in Yukon territory which is the northern terminus of the White Pass and Yukon Railroad. That railroad extends from Skagway, a seaport in Alaska at the head of Lynn Canal to White Horse, a distance of 111 miles. White Horse is at the head of navigation of one of the tributaries of the Yukon River. From White Horse the highway route again proceeds northwesterly over an existing low-grade road about 145 miles to Kluane Lake, thence again northwesterly across the headwaters of the Donjek and the White Rivers and into the watershed of the Tanana River, following the north bank of the Tanana to Delta on the Richardson Highway, and then on that highway, 100 miles farther to Fairbanks, Alaska. The total distance between Prince George and Fairbanks is about 1,500 miles.

On this preferred route between Prince George and Fairbanks, Alaska, there are about 449 miles of some type of road already in existence, of which 100 miles of good though unpaved road, and another 114 miles is road of fair type. The remaining 235 miles of road are of low grade and would require rebuilding or rehabilitation. The details follow: Prince George to Fort St. James, 114 miles of fair road; near Atlin Lake, 25 miles of fair road; Tagish to Whitehorse, 65 miles of low-grade road; Whitehorse to Kluane Lake, 145 miles of low-grade road; and Delta to Fairbanks, 100 miles of good road.

Another route, which is commonly called B route, proceeds northwesterly from Prince George and lies about 100 miles east of the A route and about 200 miles from the coast. This road, as projected, would not touch Whitehorse at all but would, instead, pass through Dawson, in Yukon Territory, about 350 miles northerly from Whitehorse. From Dawson the road would follow an existing road about 60 miles to the Canada-Alaska boundary and thence a few miles in Alaska approaching Jack Wade Creek. From there it would be necessary to build new road southwesterly to the north bank of the Tanana River, and follow the bank of that river to Delta, and thence to Fairbanks. The B route is considerably longer than the A route.

East of the province of British Columbia in Canada lies the province of Alberta, the capital of which is Edmonton, about 350 miles north of the boundary line between the United States and Canada. Edmonton is connected with the United States by paved highway and a road, largely unpaved, extends northwesterly from Edmonton to a place called Fort St. John, in the Peace River country, and thence farther about 35 miles westerly from Fort St. John. It has been proposed by some that this road be extended northwesterly to Dawson, in Yukon Territory, and thence into Alaska, although its exact route has, to my knowledge, never been disclosed. To this route may be interposed all the objections to the B route and some additional ones. The air distance between Fort St. John and Prince George is 175 miles, and it seems highly probable that Fort St. John could be connected with Prince George by building not more than 225 miles of new road.

Still another route, to which I have referred, has been proposed extending northerly from Edmonton, following the MacKenzie River Valley almost to its mouth in the Arctic Ocean, and thence turning southwest over the mountains, which are there very low—in fact, only rolling hills—and on the western side of the summit to proceed down the valley of the Porcupine River into the valley of the Yukon. However, the distance to be traversed on this route is so great that at the present time it cannot receive serious consideration.

Both the proposed A and B routes follow trenches, or a series of connected valleys, running generally northerly and southerly in the Rocky Mountain area, cut off from the coast by a high and precipitous range which parallels the coast and is broken only by a few rivers and serves to take most of the moisture out of the winds coming from the ocean. The highest elevations on the B route in Canada are little, if any lower than the highest elevations on the A route in Canada, while in Alaska a considerable part of the B route is much higher than the corresponding section of the A route and much more difficult of construction and operation. Except for two places, where the road reaches elevations of 3,880 and 4,200 feet, respectively, the A route does not go any great distance above sea level in Canada, while in Alaska the highest elevation on the A route is 2,100 feet at the boundary and thence goes down to 550 feet at Fairbanks. Nowhere on the A route will be found any precipitous road or any high elevations.

Practically all Alaskans and, I believe, most of the people of the United States who are familiar with the subject prefer to have the road built through British Columbia on the A route, as recommended by the Commission. The A route is sufficiently close to the coast that connections might eventually be made with the Alaska coast cities of Ketchikan, Wrangell, Petersburg, Juneau, and Skagway, whereas if the B route is followed such connections will be expensive and difficult and may be prohibitive. Moreover it seems plain that the A route will give superior defense value because it is sufficiently close to the coast—about 100 miles—that not only bomber but pursuit planes based on airfields along that route could effectively patrol the coast-wide steamship lanes of southeastern Alaska and of British Columbia.

One of the most compelling and convincing reasons for the adoption of the A route on the line marked out by Mr. MacDonald, via Vanderhoof and Fort St. James, is that between Prince George and Whitehorse, an air distance of 668.2 miles; the A route of the highway follows closely and with only slight divergencies the line of the air transport route which is now being flown almost daily. This air service, operated by Pan American Airways, was established more than a year ago, and has constantly expanded. At the present time, between Prince George and Whitehorse, there is no airplane landing field, not even one of an emergency nature. Nowhere in the States is such a condition to be found. It is obvious that the building of the road on the A route would greatly facilitate the construction of landing fields which would be almost directly under the line of flight of the airplanes and thus promote the safe operation of the air lines. In fact, a few landing strips, physically connected with the highway, would serve all present air transport purposes. A road connection on the B route would be too far away from the airplanes' line of flight, with a range of mountains intervening, to make it of the slightest use or to furnish the slightest factor of safety to the air operations.

Incidentally, this air service really extends from Seattle, Wash., to Juneau, Alaska. Out of Seattle it proceeds north to Prince George, thence over the line of the A highway route to Whitehorse, and thence to Juneau. Another connecting air service, also operated by Pan American Airways, operates between Juneau and Fairbanks, Alaska, via Whitehorse.

In discussing the highway, the question is continually asked and was asked today, as to how many months of each year it may be used. The answer is that the highway can be used on every day of the year. On any of the routes suggested, the highway will lie in a country of comparatively low precipitation, both winter and summer. Mr. Clyde C. "Slim" Williams, who prospected, hunted, and trapped in Alaska for many years, has made two trips over the proposed "A" route of the highway, one in the winter with the aid of a dog team and the other in the summer, accompanied by Mr. John T. Logan, each of whom was equipped with a motorcycle. Mr. Williams has said that at no place along the line of the highway during the winter season did he find snow more than 3 feet deep, and that the reports he had from the permanent residents of the area were to the effect that the snow fall is uniformly comparatively light. We know from our experience in Alaska, under similar conditions, that there is no difficulty in keeping roads open for traffic all the time, even in the depths of winter. I have in mind especially a road about 75 miles long, extending from Seward, on the southern coast of Alaska, to Hope on the southerly shore of Cook Inlet. Years ago we thought it impracticable to keep this road open but in recent years it has been kept open without trouble and at a small expense. No more difficulty would be encountered in keeping the highway to Alaska open all winter than is now had in keeping clear the roads between Chicago and Minneapolis.

May I say again, that the time required for construction of the road depends to a large degree upon the need and the desire as to the date of its completion. Beyond question, the road can be readily

built in two summer and one winter seasons. Mr. MacDonald, a member of the Commission, and who, as I have stated, has had much experience in similar work, advises me that, if necessary, it can be completed within the next 12 months, provided we start now and have all our materials and equipment on the ground before the frost goes out of the ground in the spring, and provided the work is prosecuted with an adequate force of men and with sufficient equipment and supplies. Within certain limits, the more speedy the construction the greater the cost, but, in any event, the cost would not be prohibitive. Most of the route lies through terraced valleys or rolling plains, with gravel foundation, where ordinary road-building equipment can operate with maximum efficiency. Comparatively few bridges are required and still fewer long spans. In fact, as I recall, on the "A" route there are only five rivers which require bridges of any considerable size. If we were enabled to start construction today the road would be in shape to carry traffic by the end of 1942. It is to be remembered in this connection that the road may even be much more readily serviceable in the winter than it is in the summer season. In the winter the ground in that area is frozen to a depth of several feet so that the heaviest equipment can be moved over it rapidly and without danger of breaking through the surface. Winter would be the ideal time to move into Alaska, when the road is completed, the additional heavy armament which may be required for the defense of the Nation in Alaska.

The justification of the road can be based upon two principal grounds: One economic and the other military. But in order to make either one of them fully understandable it is necessary to give attention to Alaska as a Territory and as a potential state, its size and configuration, its climate, its resources, and its general capacity for sustaining a large population.

As will be seen from the map, Alaska has considerable extent, both north and south and east and west. From south to north, Alaska, at its greatest extremities, lies between the fifty-first and seventy-first degrees of north latitude, an interval of 20° or 1,200 nautical miles. Reduced to statute miles, the figure would be somewhat greater, nearly 1,400. From east to west, including the Aleutian Islands, Alaska starts at about 130° west longitude and proceeds westerly for 50° across the one hundred eightieth meridian and then 7° farther west to the meridian which marks 173° east longitude. The distance from tip to tip east and west in the shortest line is about 1,900 nautical miles, or 2,400 statute miles, which is, roughly, equal to the distance between Los Angeles, Calif., and Jacksonville, Fla.

Although size, of itself, is of no particular consequence, the area of Alaska is sufficiently vast—589,000 square miles—and it extends over a really considerable part of the earth's surface. Alaska is more than twice the size of the great State of Texas and is more than equal in area to all that part of the United States which lies east of the Mississippi River and north of a line drawn midway, east and west, through North Carolina and Tennessee. That particular region in the United States has more than 240 Representatives in this House.

While the common conception of Alaska is that of a cold and barren country, a land of ice and snow and bitter Arctic winds, in which life is unendurable except for polar bears and Eskimos, the truth is that most of Alaska lies in the North Temperate Zone, and that in climate, as well as otherwise, Alaska may be compared, not unfavorably to the Territory, with three nations of Europe the people of which have attained to a high degree of civilization and culture and made magnificent contributions to the welfare of the world. I refer, of course, to Norway, Sweden, and Finland; and I might also include, though I do not, the Kingdom of Denmark.

Let me press the comparison a little further. The three nations which I have mentioned have a combined area less than that of Alaska and a total population in excess of 13,000,000. Before the outbreak of the present war those people as a whole were probably materially better off than the people as a whole of any other three nations to be found in all the world. As I observed a moment ago, not only materially but spiritually their accomplishments have been vast. The Scandinavians and the Finns are indisputably great races, measured by their achievements. What people of that kind have done in those three countries could be done by people of similar character and stamina in the Territory of Alaska.

In Norway, Sweden, and Finland, passing by for a moment the character of the people, the material development has been founded upon the natural resources such as farm lands, forests, fish, minerals, and water power. Alaska surpasses all three of those countries, taken together, in most of the natural resources that I have mentioned. The farm and grazing lands in Alaska are vaster in area and certainly equally fertile. The fisheries of Alaska are richer and more varied and more extensive than those of Norway, Sweden, and Finland. The forests of Alaska, while not so great as those of the three northern European countries, are yet really considerable, and officials of the United States Forest Service have conservatively estimated that the forests of southeastern Alaska can easily produce, upon a permanent and sustained yield basis, at least 1,000,000 tons of pulpwood per year, of the value of $50,000,000—truly a rich heritage. The minerals of Alaska are of value enormous beyond comparison when placed beside the mineral resources of Norway, Sweden, and Finland. Alaska has produced to date approximately $600,000,000 in gold, $200,000,000 in copper. It produces considerable platinum. Its tin production is small, but the occurrence of that mineral in the Territory is widespread. It is now furnishing chrome to vital needs of the Nation. Alaska contains billions and billions and billions of tons of coal. Nobody knows precisely how much. While its oil fields are practically undeveloped, and most of the more promising areas are reserved, there is at least fair prospect that considerable quantities of oil may be found in the Territory. Alaska has large bodies of iron ore. The 40,000,000 acres and upward of farm and grazing lands in Alaska could readily produce the more than 200,000,000 bushels of grain and 100,000,000 bushels of potatoes which are now grown yearly in Norway, Sweden, and Finland. Alaska has another great resource, not to be found to the same extent in northern Europe, and that is in the 100,000 square miles and more of reindeer pastures capable of sustaining large herds of reindeer. The Territory has produced to date $150,000,000 in furs and more than $1,200,000,000 in fishery products on a sustained-yield basis.

Most of this Territory, as I have said, lies below the Arctic Circle; in fact, some of it so far below that if we should take the Aleutian Islands, most of which lie between 51° and 54° north latitude, and slip them easterly between the same parallels of latitude until they come directly over Great Britain, we would find that these islands would lodge upon all that area of England and Ireland between London and Cork in the south and Leeds, Lancaster, Cavan, and Carrick in the north all of which is more than 300 miles south of Scapa Flow, the former great naval base of the British Empire in that area.

If the city of Juneau were similarly moved east on its parallel of latitude to Sweden it would come to rest a bit south of the city of Stockholm, the capital of that great country. The city of Seward, Alaska, would similarly cover the capital of Norway, Oslo, and if projected still farther to the east would fall upon Helsinki, the capital of Finland. In fact, the main body of Finland lies between 60° and 70° north latitude, just as does the main body of Alaska. Anyone familiar with both countries knows that in soil and climate and natural resources Alaska far surpasses Finland, and yet we know that until the brutal and unprovoked assault upon it Finland supported in comfort and culture a population of more than three and one-half million.

Alaska has a variety of climates almost as great as that of the several States. On the southern coast, warmed by the waters of the Kuro Shio current, which may be called the gulf stream of the Pacific, the climate is mild both in winter and in summer, with ample precipitation. Farther inland and beyond the coastal chain of mountains the weather is hot in summer and quite cold in winter, and the rainfall and snowfall comparatively light.

While the summers are relatively short, Alaska lies far enough to the north so that the main body of the Territory enjoys well nigh perpetual summer sunshine. In fact, it is well to remember, as we think of climate, that every part of the earth receives the same number of hours of sunlight during each year. The sunlight in Alaska is largely concentrated in the summer months, and hence in the comparatively short growing season—varying from 90 days in the

Yukon Valley to 130 days in the Matanuska Valley, or 160 days on the shores of lower Cook Inlet—ordinary grains of all kinds, such as wheat, rye, oats, and barley, not only grow but mature, and berries and garden vegetables produce bountifully and are of high quality.

Considering the really substantial natural resources of Alaska, the question occurs as to why Alaska has not now a greater population. The answer to that question lies largely, I think, in the fact that up until this moment Alaska has no overland connection by road or railroad with the United States, the principal source of immigration. We know how the West was settled by those who came across the plains in the covered wagons. In the case of Alaska there are two reasons why that cannot occur. First, the covered wagon is no more; and second, covered wagons, or their modern counterpart, the automobiles, cannot be driven through the wilderness of northwestern Canada into Alaska unless a highway is provided. Of course, the journey can be made by sea. In fact, practically all the traffic between Alaska and the States is now carried by sea. A little is carried by air, but under present conditions the cost of transporting freight by air is almost prohibitive. For several reasons the transportation charges for freight and passengers carried by sea are also prohibitively high for most immigrants. Whatever the reasons may be, however, the fact is that people of ordinary circumstances, such as those who crossed the plains in the covered wagons, are not able to get to Alaska. Their finances will not permit of any such extravagant outlay. With a road to Alaska the Territory could avail itself of the pioneer spirit which still exists in these United States. Only instead of traveling in covered wagons they travel in the modern mode of locomotion, the automobile.

I suspect there are some people in Alaska who do not want to see immigrants of this type, just as there must have been people in the West, in the early days, who did not care for the advent of the covered-wagon folk. And yet, if Alaska is to be settled with the same kind of rugged, hardy people who plowed the plains and settled the West, it is necessary, it is vital that a road should be built to the Territory so that people of that type can enter Alaska. Surely, it cannot be desirable on any ground that Alaska remain so sparsely populated. I shall touch upon that presently when I talk about the strategic position of Alaska in consideration of questions of national defense.

It is no phantasy of the imagination to visualize that with a road from the States to Alaska, and thus Alaska be made available to the people of the Nation, and with the equally necessary extension of the internal roads of Alaska, there will be a steady stream of sturdy settlers coming into Alaska, homesteading its farm lands and putting those lands under cultivation or using them in grazing, and engaging in other associated industries possible in the Territory, so that we shall have in Alaska a large and permanently and firmly settled population attached to the soil, and not only content but determined to make their homes in the Territory.

In the early days of white settlement, Alaska was largely peopled by men, and men only, who came to Alaska to make a fortune if they could, and then to go to the States to spend it. There is a remnant of that thought still in the Territory, but more and more Alaska is becoming a land of homes, and most of the best and most valuable citizens of the Territory at this time are happy not only to spend their lives in Alaska but desirous to do so, and they believe that Alaska offers to their children advantages substantially equal to those which can be obtained elsewhere.

While our particular concern in this House is for Alaska, as a part of the United States, it is entirely appropriate to remark that the region through which the road on route A will pass in British Columbia and Yukon territory is reported to be equally rich in natural resources, and therefore the building of the highway will militate in favor of the development and settlement of all of that area in Canada through which the road will pass. In fact, it is probable that in the beginning many settlers will be so attracted by the advantages for settlement in Canada that they will not arrive in Alaska at all. However, it seems certain that a goodly proportion of the settlers will proceed to Alaska in the first instance, and in any event the land available along the road in Canada will be exhausted, and then we in Alaska can look for a steady stream of hardy and desirable citizens who will settle in Alaska.

Aside from the economic significance of our northern Territory, and the advantages and benefits for its development which would result from the building of a highway to connect that Territory with the States, there is, at this moment, an even more potent and compelling reason why the highway should be built at the earliest possible moment. That reason is founded upon considerations flowing from the geographic position of Alaska and the necessary effect of that position upon our plans for national defense.

Let us first consider Alaska in its aspect of proximity to the United States. The most casual inspection reveals that the southeastern part of Alaska is only about 650 nautical miles distant from Seattle, in the State of Washington, which is the home of the distinguished chairman of the Alaskan International Highway Commission. The development of modern aircraft has made that distance intervening between Seattle and Alaska a virtually insignificant one.

The coast of Alaska is unique in more ways than one. First, in its extent; second, in the depth, and the prodigality—if I may use that term—of its indentation. The coast line of Alaska is longer than the combined coast lines of the Atlantic and Pacific Oceans and the Gulf of Mexico, of the United States. The length of the coast line, of course, is the result of the many bays and sounds and harbors, which are to be found along the entire coast, particularly in the south fronting on the Pacific Ocean. The coast supplies to all who may need to use them a perfect wealth of harbors and anchorages. Few indeed are the places in the world where such a condition exists. That condition has its disadvantages for us as well as its advantages. The condition is all to our advantage if we maintain a firm and strong possession—armed possession—of all of Alaska including its coast. The condition would be sharply to our disadvantage if that possession should fall to a hostile power.

Alaska fronts, as I have said, for upward of 1,900 miles on the warm and never frozen waters of the North Pacific Ocean. A glance at a map, or better still, a globe, will show the enormous strategic advantage of the possession of that entire area with abundance of arms and power. We have, therefore, the situation, and the strategical factor, of a long coast, several thousand miles in extent, and a coast that affords ample harborage almost its entire length.

In one other feature Alaska, and particularly the coast of Alaska, is noteworthy. The Territory is situated sufficiently far to the north that the great circle route, which is the short route, for vessels plying between the main ports of the western part of the United States and the main ports of the Orient, pass near to the coast of Alaska and, indeed, the route between Seattle and Yokohama, actually intersects the Aleutian Islands passing north of some of that archipelago and south of others. Many persons have the impression that the short route between Seattle, or Portland, or San Francisco, or Los Angeles, in the United States, and Vladivostok, or Yokohama, or Manila, on the other side of the Pacific would naturally fall in the vicinity of the Hawaiian Islands. That idea, though widely entertained, is all fiction. The fact is that the great circle, or short route, from San Francisco to Yokohama passes more than 1,700 nautical miles north of Honolulu and less than 300 miles south of Dutch Harbor in the Aleutian Islands. It is a further fact that if one should proceed from either San Francisco, or Portland, or Seattle, to the Island of Guam, it would be considerably shorter, in any case, to touch at Dutch Harbor, in the Aleutians, than it would to touch at Honolulu.

Similarly the several great circle routes from our Pacific coast ports to Manila run close to the coast of Alaska, and far north of the Hawaiian Islands. The short great circle air route from Chicago to Yokohama would go through almost the center of Alaska, following the valley of the Yukon River.

The strategic importance of Alaska, with respect to the nations of eastern Asia, and particularly Japan and Russia, is even more important than would be indicated by anything I have heretofore said. At Cape Prince of Wales, the mainland of Alaska is only 54 miles from the mainland of Siberia and in the middle of the Straits are two islands called Little Diomede and Big Diomede, the former belonging to the United States and the latter a part of Russia. It is in the Aleutian Islands, however, which on

the map appear to be like stepping stones between the western and eastern continents, that we may have the really decisive strategic area. At the western extremity of the Aleutians lies Attu Island. This island is only about 200 miles from the heavily fortified Bering Island, of the Komandorski group, belonging to the Russians, and only about 635 miles from the most northerly island of Japan, an island called Chishimo Netto. Only 20 miles from Chishimo Netto is a much larger Japanese island, called Paramushiru, which is equipped with a substantial naval and air base. Approximately 1,130 miles to the south of Paramushiru is the Japanese capital, Tokio, and its great seaport, Yokohama. So we see that at the extreme westerly end of the Aleutians, our territory not only approaches within 635 miles of Japanese territory, but that it is less than 1,800 miles from our territory at Attu Island to the heart of the Japanese Empire at Tokio.

Seven hundred and twenty miles east of Attu Island, on the eastern end of Unalaska Island, almost at the extreme easterly end of the Aleutians, are two large harbors, respectively known as Unalaska and Dutch Harbor. In these harbors, the Navy is now building air and submarine bases, the degree of completion of which has never been announced. From Dutch Harbor to Tokyo by air is a little less than 2,500 miles.

As elsewhere, perhaps more than elsewhere, it seems plain that whether the posts in Alaska be used for defensive or offensive action, air power will be the predominant element. With adequate air power we can easily defend Alaska, and with adequate air power, properly placed in the Territory, it will be possible to carry the war into the enemy's camp. It is, therefore, I submit, of the highest consequence that every provision be made for the establishment and the strengthening and the full equipment, and, indeed, the expansion of the Military and Naval Establishments in Alaska. Whatever is done there promotes the safety of the United States and greatly increases our chance of speedily winning the war in the Pacific.

Up until the present moment practically all the traffic between the United States and Alaska had moved, and is now moving, by sea. No railroad has been built to connect the United States and Alaska, or even to connect Canada and Alaska, and there is no highway connection between either Canada or the United States and Alaska. The traffic by sea can be maintained as long as we have sure control of the surface and the underwaters of the Pacific Ocean. Either surface craft, or aircraft, or submarines, operating off our coast, may make it impossible to transport the needed supplies safely from the United States to Alaska. It is true that from Seattle, Wash., to Juneau, the capital of Alaska, the route can follow "inside" waters—narrow channels protected by a succession of islands from the open sea—in which the danger of attack from surface craft or submarine may not be so great. But the city of Juneau and those inside waters have no overland connection by road or railroad with the rest of Alaska, which is the main body of the Territory, and in order to carry supplies to the military posts at Anchorage and at Fairbanks, and to at least two-thirds the civilian population of Alaska, it is necessary to go out in the open waters of the Pacific Ocean and to sail on those waters for several hundred miles across the Gulf of Alaska. The difficulties of adequate convoy or protection in that area are bound to be serious ones. In fact, having in mind what was recently reported in the newspapers about the shelling and torpedoing of our merchant vessels literally in sight of the California coast, one wonders how long it will be that sea-borne traffic in the North Pacific to Alaska can be safely continued.

We must realize, too, that there is always the chance that "far called, our navies melt away," and that at no distant day the main part of our fleet may be required for service in the Philippines, or at Singapore, or in the Atlantic. Indeed, it may be at any of those places now for all that I know. If the fleet should be obliged to go to the Atlantic to carry out a task in that area, there is always the hazard that the Panama Canal will be temporarily blocked by skillfully aimed bombs, so that great delay will be encountered in bringing the fleet back to the Pacific.

It is no answer to say that no such combination of unfortunate events could happen. Without blaming anybody, it is sufficient to remark that a similarly unfortunate, and unheard of, and unthought of combination of events happened at Pearl Harbor, and another happened again a few days later off the coast of Malaya when British dreadnought *Prince of Wales* and armored battle cruiser *Repulse* were sunk in about 30 minutes of fighting by Japanese airplanes. The road to Alaska can be built for not more than the cost of such a battleship as the *Arizona*, which now lies a total wreck in Pearl Harbor after only 15 minutes of combat. The same amount of money, or less, put into a highway to Alaska may well provide the lifeline by which the Territory is retained in the possession of the United States, for the highway, when built, cannot be bombed out of existence or destroyed or lost by any 1 or 2 or 10 or 1,000 hits by bombing planes.

Can we inertly contemplate the possibility, and it is unfortunately a possibility, that Alaska may be cut off by sea, her armed forces in that area isolated and left beyond our power to adequately reinforce or supply, forced to wage another one of those heroic but hopeless battles that we have just witnessed at Wake, Hong Kong, and Manila? Can we complacently refuse to provide the only alternative that may assuredly and beyond all doubt avoid the grave risk of destruction of the cities of Alaska and the at least temporary oppression and degradation of the Alaskan people? Have we forgotten what has happened and is now happening in Manila? No grand strategy requires such a sacrifice. The solution is too simple, the price of safety too low to justify us in taking any such risk. Alaska, once connected with the resources of America by land, could never be conquered. Alaska calls for help. We have delayed dangerously long. Let us complete this task while there may yet be time.

Supplies brought into Alaska over the highway when it is completed, can be readily distributed in the interior of Alaska and in several of the coast cities. There is now in existence a road, called the Richardson Highway, which connects Fairbanks in the interior with Valdez on the southern coast of the Territory. Last year Congress authorized the construction of a road to connect the Richardson Highway with the Army air and military posts at Anchorage at a cost of approximately $2,000,000 when completed. That road will be finished this year. Hence with the building of the road between the States and Alaska it will be possible to supply all the needs of the Anchorage military establishments by highway, if the sea lanes should be blocked. It is true, of course, that none of the cities in southeastern Alaska is connected with the interior by highway. However, I again invite your attention to the railroad extending southerly from Whitehorse to Skagway on the coast, a distance of 111 miles. From Skagway to Juneau, the capital of Alaska, by sea is about 90 miles. In case of stress it would be much easier to patrol the interior waters of the coast of Alaska and thus facilitate the distribution in the cities of that area of supplies brought over the highway, than it would be to patrol the considerably longer distance between Ketchikan and Seattle.

It will be said that the road will be of little use in supplying the naval bases at Sitka, at Kodiak, and at Unalaska, or Dutch Harbor. As to Dutch Harbor, the point is well taken. But even Sitka and Kodiak might under some circumstances be much more readily and easily supplied by the highway to Whitehorse, thence by rail to Skagway, and thence by the use of aircraft, then they could be by ships or by aircraft coming out of the northwestern part of the State of Washington. Moreover, it is to be remembered that the requirements of the civilian population of Alaska are just as great a moral responsibility as the requirements of our armed forces in the Territory. Most of the civilians were there before the Army and Navy came into Alaska. Two-thirds of the people of Alaska can in any event be readily supplied over the highway in case of necessity, which would make the burden much lighter of supplying the remaining one-third by sea or by air.

It must be obvious that the defense of Alaska, or its use as an offensive outpost would be greatly simplified by the presence in the Territory of a permanent population of several millions of our citizens. Accordingly, the peopling of Alaska in that respect, also, tends directly and mightily to the promotion of the national defense in that area. In that event, Alaska would undoubtedly be a State and could make its own more powerful contribution to the defense and

welfare of the entire country. If statesmanship really involves the quality of being able to look ahead and prepare for the future, then it is plainly the duty of this Congress to make such preparations for the national defense of the future by undertaking the only work that is likely to bring any substantial population to Alaska within the next hundred years, namely, the immediate building of the highway to the Territory.

What I propose here is that we build our own "Burma Road" for the safety and security of the Territory of Alaska and thus of the Nation. No one, unless animated with a defeatist or retreatist outlook will say that the job cannot be done and done soon if we set our hands to it. Let us make a comparison.

The Burma Road is almost identical in length with the proposed Alaskan Highway. It differs, however, in every other respect.

First. The terrain is characterized by tremendous obstacles: Mighty gorges, great rivers, range after range of mountains, passes reaching an elevation of 10,000 feet, and hundreds of miles of precipitous rock mountains along the sides of which the road must be cut.

Second. A complete absence of construction materials except those existing on the ground. There was no steel for bridges, no machinery, nothing but the human energy of thousands of men and the materials that existed along the route.

Third. The climate in the lower elevations generated malaria and the death rate reached as high as 80 percent annually. Confronted with this desperate problem the Chinese workingmen solved it with their bare hands and their unquenchable spirit, a miracle of engineering achievement, and in a single year.

Certainly, the need for the Alaskan Highway is just as desperate as was the need for the Burma Road.

Can we say that American workmen, equipped with the power and driving force of American road-building machinery equal to the energy of thousands of men, with steel tools and construction materials at hand, working in a simple terrain with no stupendous obstacles, in a markedly healthy country, cannot equal the record of the heroic Chinese and complete this job in a single year? It could be done with one-third of a properly equipped Engineers Division of the United States Army. All that we need is wisdom and calm courage and understanding. This is an opportunity for statesmanship.

EXTENSION OF REMARKS

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and include therein some brief statutes, letters, and other items.

The SPEAKER pro tempore (Mr. SULLIVAN). Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. CROWTHER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter and resolution from one of my constituents.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ADJOURNMENT

Mr. SHANLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 45 minutes p. m.) the House adjourned until tomorrow, Tuesday, January 13, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization on Wednesday, January 14, 1942, at 10:30 a. m., on H. R. 4743.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, January 20, 1942, to resume hearings on the proposed amendments to the Securities Exchange Act of 1934.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1265. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy; to the Committee on Expenditures in the Executive Departments.

1266. A letter from the Administrator, Federal Security Agency, transmitting a detailed report of the receipts and expenditures made during the fiscal year ending June 30, 1941; to the Committee on Expenditures in the Executive Departments.

1267. A letter from the Chairman, United States Coronado Exposition Commission, transmitting the report covering Federal participation in the Coronado Cuarto Centennial, including a detailed statement of expenditures and allocations; to the Committee on Foreign Affairs and ordered printed.

1268. A letter from the Secretary of Agriculture, transmitting a report of the Extension Service for the fiscal year 1940–41; to the Committee on Agriculture.

1269. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to amend the act approved October 24, 1941, to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes (Public Law No. 280, 77th Cong.) so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act; to the Committee on Naval Affairs.

1270. A letter from the adjutant general, Veterans of Foreign Wars of the United States, transmitting the officers' reports of the forty-second national encampment for the fiscal year ended August 31, 1941; to the Committee on Military Affairs.

1271. A letter from the Assistant Secretary, United States Maritime Commission, transmitting its report for the period ended October 25, 1941; to the Committee on the Merchant Marine and Fisheries.

1272. A letter from the Secretary of the Navy, transmitting a report of the contracts negotiated by the Bureau of Yards and Docks, Navy Department, on a cost-plus-a-fixed-fee basis, for the period January 1, 1941, to December 31, 1941, inclusive; to the Committee on Naval Affairs

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. NICHOLS: Select Committee to Investigate Air Accidents. House Resolution 125. Resolution creating a Select Committee to Investigate Air Accidents; without amendment (Rept. No. 1575). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARDEN:

H. R. 6353. A bill to provide for the adjustment of tobacco-marketing quotas in certain cases where farm land is acquired by the United States for defense purposes; to the Committee on Agriculture.

Mr. BRADLEY of Michigan:

H. R. 6354. A bill authorizing the transfer to the Lake Shore District Summer Trails Council, Boy Scouts of America, for recreational and training camp purposes certain surplus Federal property; to the Committee on the Merchant Marine and Fisheries.

By Mr. VINSON of Georgia:

H. R. 6355. A bill to amend the act entitled "An act to expedite national defense, and for other purposes," approved June 28, 1940; to the Committee on Naval Affairs.

H. R. 6356. A bill to amend the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act; to the Committee on Naval Affairs.

By Mr COLLINS:

H. R. 6357. A bill increasing by 6 percent the amount of annuity or pension payable under the Railroad Retirement Act; to the Committee on Interstate and Foreign Commerce.

By Mr. BOLAND:

H. R. 6358. A bill to amend the Internal Revenue Code with respect to capital gains and losses; to the Committee on Ways and Means.

By Mr. FULMER:

H. R. 6359. A bill granting relief to certain agricultural producers in stricken areas who suffered crop failures in 1941 because of adverse weather conditions, insect pests, or other uncontrollable natural causes; to the Committee on Agriculture.

H. R. 6360. A bill to amend the act known as the Perishable Agricultural Commodities Act, 1930 (46 Stat. 531), approved June 10, 1930, as amended; to the Committee on Agriculture.

By Mr. McKEOUGH:

H. R. 6361. A bill to amend the National Life Insurance Act of 1940 so as to grant insurance benefits to dependents of certain civilian employees at military, air, and naval outposts; to the Committee on Ways and Means.

By Mr. RANDOLPH:

H. R. 6362. A bill to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929; to the Committee on the District of Columbia.

By Mr. SCHUETZ:

H. R. 6363. A bill to amend the Federal Alcohol Administration Act in order to conserve materials, labor, and transportation in connection with the packaging and marketing of whisky, protect the revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. WEISS:

H. J. Res. 266. Joint resolution to require military training in the high schools and colleges of the country; to the Committee on Military Affairs.

By Mr. NICHOLS:

H. Res. 403. Resolution amending section 2 of House Resolution 125, Seventy-seventh Congress; to the Committee on Rules.

By Mr. McLAUGHLIN:

H. Res. 405. Resolution authorizing the Committee on the Judiciary of the House of Representatives to have printed additional copies of the hearings held before a subcommittee of said committee on the bill (H. R. 4394) to amend an Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and Acts amendatory thereof and supplementary thereto.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 6364 (by request). A bill for the relief of Sigel Lipot; to the Committee on Claims.

By Mr. BOYKIN:

H. R. 6365. A bill for the relief of Commander Cato D. Glover; to the Committee on Claims.

By Mr. DOWNS:

H. R. 6366. A bill for the relief of Alex Lawson; to the Committee on Claims.

By Mr. LELAND M. FORD:

H. R. 6367. A bill for the relief of Jerry Kearney; to the Committee on Naval Affairs.

By Mr. LEA:

H. R. 6368. A bill for the relief of J. V. and Zena Mendoza; to the Committee on Claims.

By Mr. RODGERS of Pennsylvania:

H. R. 6369. A bill for the relief of William R. Jarrett; to the Committee on Naval Affairs.

By Mr. SULLIVAN:

H. R. 6370. A bill for the relief of Mrs. Ching Shee (Ching Toy Wun); to the Committee on Immigration and Naturalization.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 13, 1942

The House met at 12 o'clock noon.

Rev. Henry F Wolfe, pastor of Sacred Heart Church, Charleston, S. C., offered the following prayer:

O my God, I believe in Thee; may I believe more firmly.

I hope in Thee; may I hope more surely.

I love Thee; may I love Thee daily more and more.

I am sorry that I have offended Thee; do Thou increase my sorrow.

I adore Thee as my first beginning; I aspire after Thee as my last end.

I give Thee thanks as my constant benefactor; I call upon Thee as my sovereign protector.

Vouchsafe, O my God, to conduct me by Thy wisdom, to restrain me by Thy justice, to comfort me by Thy mercy, to defend me by Thy power.

To Thee I desire to consecrate all my thoughts, words, actions, and sufferings, that henceforth I may think of Thee, speak of Thee, refer all my actions to Thy greater glory, and suffer willingly whatever Thou shalt appoint.

Lord, I desire that in all things Thy will be done, because it is Thy will and in the manner Thou willest.

I beg of Thee to enlighten my understanding, to inflame my will, to purify my body, and to sanctify my soul.

Give me strength, O my God, to expiate my offenses, to overcome temptations, to subdue my passions, and to acquire the virtues proper for my state.

Fill my heart with tender affection for Thy goodness, hatred of my faults, love of my neighbor, and contempt of the world.

Let me always remember to be submissive to my superiors, courteous to my inferiors, faithful to my friends, and charitable to my enemies.

Assist me to overcome sensuality by mortification, avarice by almsdeeds, anger by meekness, and lukewarmness by devotion.

O my God, make me prudent in my undertakings, courageous in dangers, patient in affliction, and humble in prosperity.

Grant that I may ever be attentive at my prayers, temperate at my meals, diligent in my employments, and constant in my resolutions.

Let my conscience be ever upright and pure, my exterior modest, my conversation edifying, and my deportment regular.

Assist me that I may continually labor to overcome nature, to correspond with Thy grace, to keep Thy commandments, to work out my salvation.

Discover to me, O my God, the nothingness of this world, the greatness of heaven, the shortness of time, and the length of eternity.

Grant that I may prepare for death; that I may fear Thy judgments, escape hell, and in the end obtain heaven. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Baldridge, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5135. An act to appoint Capt. Porter M. Hoidale, United States Marine Corps, a lieutenant, senior grade, in the United States Navy Medical Corps.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6269. An act to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, as amended.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon and appoints Mr. HUGHES, Mr. KILGORE, and Mr. DANAHER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5837. An act to regulate the distribution and promotion of commissioned officers of the Coast and Geodetic Survey, and for other purposes.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 2063. An act to authorize certain officers and enlisted men of the Army of the United States to accept emblems, medals, orders, and decorations that have been tendered them by governments of the Western Hemisphere;

S. 2089. An act to authorize the transfer of the custody of a portion of the Croatan National Forest, N. C., from the Department of Agriculture to the Department of the Navy;

S. 2095. An act to further amend the act approved June 23, 1938 (52 Stat 944), as amended;

S. 2097. An act to authorize the Secretary of the Navy to grant to the board of trustees, school district No. 20, Charleston County, S. C., a parcel of land situated in the city of Charleston, S. C.;

S. 2139. An act to provide for performance of the duties of chiefs of bureau and the Judge Advocate General in the Navy Department and the Major General Commandant of the Marine Corps, and for other purposes;

S. 2169. An act to created the Limited Service Marine Corps Reserve, and for other purposes;

S. J. Res. 96. Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute;

S. J. Res. 109. Joint resolution authorizing the President to issue posthumously to the late Col. William Mitchell a commission as a major general, United States Army, and for other purposes; and

S. J. Res. 124. Joint resolution to maintain the secrecy of military information.

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address made last evening over the radio by the gentleman from Massachusetts [Mr. MARTIN].

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent that at the end of all legislative business today, and following any previous special order, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. McLAUGHLIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a speech delivered over the radio on January 11, 1942, by Wendell Berge,

Assistant Attorney General of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an article written by Mr. Nicholson.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I should think that my colleagues in the House would begin to stop, look, and listen with respect to the Communists and Socialists who are being appointed to high Government positions. Today I understand that two more have been appointed, one Cowley, an editor of a Communist newspaper, who is being employed as a statistician and analyst by O. P. M., at $8,000 a year, and one Lash, designated by the Dies committee as one of the outstanding Communists of the country, who is being put into Civilian Defense. Day after day these Communists and these Socialists are constantly being appointed. I cannot see how a real Democrat can accept them, and I know that the real Republican cannot accept these people. Our danger, as I have repeatedly stated, has been from within as well as from war from without.

Let us not be lulled to sleep and lose this war from within while we are fighting a war from without, by reason of the slow-down sabotage efforts of these Socialists and Communists. December 7 did not change a bit any of these subversive interests so far as I am concerned.

[Here the gavel fell.]

Mr. ELIOT of Massachusetts. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative business and following any previous special order, I may address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ROLAND BOUCHER

Mr. SECREST. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4250) to provide for the presentation of a medal to Roland Boucher in recognition of his bravery and heroism in rescuing five children from drowning in Lake Champlain, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 6, strike out "such sum as may be necessary" and insert "a sum not to exceed $675."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

A motion to reconsider the vote by which the Senate amendment was agreed to was laid on the table.

EXTENSION OF REMARKS

Mr. WOODRUM of Virginia. Mr. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include two short poems.

The SPEAKER. Is there objection?

There was no objection.

NATIONAL AUTOMOBILE ASSOCIATION

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. BRADLEY of Michigan addressed the House. His remarks appear in the Appendix.]

LEAVE TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that at the expiration of the other special orders today I be permitted to address the House for 7 minutes on the same subject referred to by the gentleman from California [Mr. LELAND M. FORD].

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter from the Honorable John W. Bricker, Governor of Ohio, and a copy of some telegrams addressed by the Governor to the President of the United States, relative to the Government taking over the employment service in Ohio.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks by printing a short editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to extend my remarks and include a statement on the war situation by Mr. John Barr.

The SPEAKER. Is there objection?

There was no objection.

PRICE-CONTROL LEGISLATION

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. STEAGALL, Mr. WILLIAMS, Mr. SPENCE, Mr. WOLCOTT, and Mr. GIFFORD.

AMENDING THE NATIONALITY ACT OF 1940

Mr. SABATH. Mr. Speaker, I call up House Resolution 393 (Rept. No. 1505), which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6250) to amend the Nationality Act of 1940. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, I shall take a few minutes, and then yield to the gentleman from New York 30 minutes.

This resolution makes in order H. R. 6250, an amendment to the Nationality Act of 1940. It is not an immigration bill and it will not permit a single immigrant into the United States, but it makes certain amendments to the act of 1940 for the protection of our country, and at the same time to provide easier naturalization for the many thousands of aliens that are now in our armed forces. A similar bill was passed in 1917, and I think this legislation is in the right direction. The rule provides for 2 hours of general debate on the bill. The rule is broad and liberal and will permit amendments to be offered and considered by the House.

I understand that this bill comes with the unanimous report from the Committee on Immigration and Naturalization, and I cannot refrain from congratulating that committee on once bringing in a bill by a unanimous vote. It must be a very meritorious bill and, therefore, deserving of the favorable consideration of the House. I was informed some time ago that the gentleman from New York [Mr. FISH], the ranking minority member of the Committee on Foreign Affairs, as well as of the Committee on Rules, sought an amendment to one of the provisions of the bill. A hearing was held after the bill was reported by the Committee on Immigration and Naturalization, and I understand that by agreement an amendment will be offered to the bill.

Mr. Speaker, the bill will give the Attorney General the right to recall the citizenship papers of such aliens who have obtained their issuance under false pretenses. It will apply principally to the many Gestapo agents and their tools sent to this country and the nations in Central and South America for the purpose of doing their dirty work to bring about discord and resentment against our country, to disunite our people, to weaken us, and to aid Hitlerism. You will remember that I called attention several times

on the floor of the House to the then Member from Montana, Mr. Jacob Thorkelson, who was glutting the CONGRESSIONAL RECORD daily with insertions of anti-American and subversive statements and articles. The evidence as now given in the Hill trial discloses such articles and statements as having been written by many Gestapo agents. This was not only true as to Thorkelson but also as to the late Senator Lundeen, of Minnesota, who also became a victim of Hitler intrigue and propaganda. Of course, I could mention many others, but for the time being I shall not do so because I found that many of these men who permitted themselves to be used did not realize that they were being duped by the Hitler propagandists.

It is contended by some that they fear that the bill is so broad it may bring about the cancelation of citizenship of persons who may only express their views and that it may restrict free speech. If such were the case, I would be the last man to favor this legislation. All the Department of Justice is privileged to do under the provisions of the bill is to file an information, and the matter will be passed upon by our courts. However, I feel that many aliens who have come to our country in the last 8 or 10 years at the instigation of the Gestapo have fraudulently obtained their naturalization. For them I hold no brief. They should be deprived of their citizenship and sent back to their countries without unnecessary delay. However, we have some Members of the House and people in our country who look with suspicion upon every alien, which is manifestly unfair and unjust. I recall that in the last World War the aliens in our country enlisted in large numbers and demonstrated beyond any doubt their loyalty to our country. I feel today that those aliens of Polish, Czech, Slovak, Dutch, Norwegian, Greek, Belgian, and Yugoslav descent and the peoples of those countries which have been overrun by the Nazis and now under their domination are most desirous of doing their part to protect the country in which they now live, which affords them the liberty and opportunities which they never enjoyed in their own countries. They fervently seek to aid in destroying the Hitler-Nazi gangsters. Yes; it is also true of the Ukranians and Russians. Up to a few months ago Russia was unmercifully assailed and attacked on this floor and in our press with the charge that the people in that country were subjugated and that a vast majority were opposed to Stalin and the present form of government, only awaiting an opportunity to free themselves of his rule. Notwithstanding that they were forced to consummate a treaty with Hitler in order to gain time. I always felt certain that they would not subscribe to Hitler's scheme of world domination. There is no one today, I hope, that thinks the accusations or charges were based on facts or truth, because Russia in combating the German hordes gives the lie to these charges. I hope they will continue in their great struggle to free themselves from the Hitler scourge.

Mr. Speaker, I also feel that with the exception of a very small percentage of the newer immigration, the Germans in this country will do their part to protect our country. Unfortunately, the newer German immigrants have the Nazi ideology instilled in them and for them, as I have stated before, I hold no brief if they have obtained their citizenship under false pretenses or for the purpose of spreading Nazi propaganda.

I am pleased that I have found the Italians in our country proving and showing their loyalty and are doing their part to aid our country. They resent Mussolini forcing the Italians to join the Nazi-Jap war lords in their scheme for world domination, and they realize that he is only a tool of the bloodthirsty, tricky, lust-for-power murderers.

I feel I should not take any more time of the House in view of the fact that the Department of Justice, the State Department, the War Department, the Navy Department, and all other departments which know anything about this legislation have recommended and asked for its passage. I am satisfied that the chairman and members of the Committee on Immigration and Naturalization will in much more detail explain the provisions of the bill and the need for the enactment of this meritorious legislation. In view of that I shall conclude my remarks and reserve the balance of my time.

I now yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, this bill came up before the Christmas holidays and there was some opposition to it at that time. Since then there has been a special hearing before the Committee on Immigration and Naturalization, and the committee has adopted two committee amendments, one of which I understand is to limit the provisions of the bill to the duration of the war, and, to a certain extent, a short time after the war is over.

If the purpose of the bill is to make it easy to take away the citizenship of men like Fritz Kuhn and bundist leaders and Communists who would overthrow the Government by force and violence, who have come into this country recently, I think the bill is constructive and should be adopted, with the committee amendments. But if it is to be wide open and take in some 20,000,000 naturalized citizens and place their citizenship in jeopardy by abridging free speech, or because they might have desired to keep out of war or favored one country against another in the war, then of course the bill should not pass. That would be a denial of American democracy and copying the brutal and totalitarian methods of the Nazis, Fascists, and Communists.

This bill requires court action to determine the conduct of the individual as to loyalty and allegiance. That protection of the court should be a fairly strong guaranty against war hysteria and hatreds, but nevertheless it should be understood, as has been told me by members of the committee, that the real purpose of the bill is to go after those foreign agents presumably sent over here in the last 10 years by Hitler since he came into power, to become naturalized American citizens, and who then conduct themselves not as loyal American citizens but as naturalized citizens acknowledging allegiance to another country. If that is the purpose of the bill, which I think it is, then I hope the bill will pass without delay.

The chairman of the committee has stated to me that that was the main purpose—to go after those foreign agents sent over here to become naturalized citizens but not in good faith, and that they are over here to represent the Nazis or the Fasists, or Communists to destroy our free institutions and to urge the overthrow of the Government by force and violence.

It is true the bill is very loosely worded, because it just refers to "conduct." "Conduct" may mean anything, but I want to go on record that if "conduct" has anything to do with freedom of speech or of the press or if it means that someone wanted to keep out of war or criticized the administration or the President, or even asked on what terms there might be peace, that should not be included under the definition of the word "conduct" in this bill.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. DICKSTEIN. I think the committee, in its desire to bring about unity and a better and stronger America with regard to citizenship, has fully explained to the gentleman from New York the purpose of the word "conduct." It means just what it says—namely, that a person has conducted himself since he has taken the oath of allegiance as an American, not as an American but as a Gestapo agent in disguise, not for 1 or 2 days, but continuously has conducted himself so as to show that he was adverse to this country not only during the war but even before we were in the war. We also call the attention of the gentleman from New York [Mr. FISH] to the fact that under the proceedings the Attorney General will go into court by petition served on the defendant, giving him his day in court at the proper time.

Mr. FISH. Am I correct in understanding the gentleman who told me that the main purpose was to get rid of these foreign agents, now naturalized Americans, who were sent over here by Hitler after he came into power?

Mr. DICKSTEIN. That is true; they were sent here under the guise of businessmen, under the guise of friends, and other subterfuges. They came here a number of years ago, whether from Hitler's country or Italy or any of the other Axis countries—they came here under the pretense of business, and as a result of that business their business was to become American citizens, and their business was after that to do the things that an alien could not do but which they could do because they were American citizens. Under the present law there is no way by which we can cancel, other than by due process of law, their papers. Therefore, this simply gives the Attorney General some sort of right under statute by which he may, if the evidence warrants it, institute proceedings.

Mr. FISH. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr MICHENER].

Mr. MICHENER. Mr. Speaker, the purpose of the bill, as stated, is to accomplish a certain thing. That purpose is laudable. What some of us are vitally interested in is the possibility that undesirable objectives may be reached which are not comprehended within the announced purposes of the act. We all know that the purpose of the bill is very little safeguard if the bill is so drafted that undesirable things can be done under it. As I understand, the interpretation of the word "conduct" must be made by a court.

Mr. DICKSTEIN. That is correct.

Mr. MICHENER. And that before anyone may be deprived of the citizenship he has acquired the whole matter must be adjudicated by a court and not by the Attorney General.

Mr. DICKSTEIN. That is correct.

Mr. MICHENER. And not by any administrative board or functionary.

Mr DICKSTEIN. That is correct.

Mr. MICHENER. So if any of these persons at whom this bill is aimed is to be deprived of his citizenship the matter must be taken before a regular court, and after a legal and regular hearing adjudication must be made by the court.

Mr. DICKSTEIN. The gentleman has stated the case correctly; and, furthermore the defendant may appeal to a higher court.

Mr. MICHENER. Yes; it goes before the lower court with the right of appeal to the higher court.

Mr. DICKSTEIN. That is correct.

Mr. FISH. Mr. Speaker, I want to make sure that the gentleman from New York [Mr. DICKSTEIN] has a definite understanding of the purpose of the bill and of the meaning of the word conduct. I take it from what the gentleman says that he is opposed to any witch-hunting expeditions.

Mr. DICKSTEIN. Certainly I am.

Mr. FISH. And he is opposed to interfering with the right of freedom of speech and of a free press and practicing Nazi methods in America.

Mr. DICKSTEIN. The gentleman from New York knows I am just as much opposed to witch hunting as he is or any other Member of this House; and I am opposed to anyone's being deprived of the right of free speech or free press.

Mr. FISH. That is precisely what I wanted to know.

Mr. DICKSTEIN. That is not the purpose at all. This bill is presented to the House after careful investigation and study by the Department of Justice and other departments of this Government, and after more than usual careful consideration by the committee, for we want to save ourselves the embarrassment of a lot of trouble, but those people who are parading in this country under the guise of citizenship, yet engaging in subversive activities ought to be put in their place by letting the Attorney General institute legal proceedings in courts of competent jurisdiction.

Mr. FISH. The real purpose of the bill, therefore, is to check up on naturalized citizens who advocate the overthrow of this Government either by force or violence or who engage in espionage or who preach mutiny against our armed forces, but not to interfere with right of free speech.

Mr. DICKSTEIN. Or does anything that is obnoxious to any American with any red blood whatever in his veins—those who under the guise of citizenship are trying to destroy democracy, if you want to put it that way.

Mr. FISH. The word "obnoxious" is pretty broad and general. It might include free speech, free press, or propaganda to keep out of war.

Mr. DICKSTEIN. Strike that word out if you want to.

Mr. FISH. I think I understand.

Mr. MARTIN J. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. MARTIN J. KENNEDY. I understand this bill was introduced at the request of the Department of Justice.

Mr. DICKSTEIN. That is correct.

Mr. FISH. Mr. Speaker, I yield 3 minutes to the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CLERGYMEN ENTITLED TO PRIOR CLAIMS TO TIRES

Mr. MUNDT. Mr. Speaker, I have just returned from spending the morning over in a committee room listening to some highly interesting facts presented by officials of the National Automobile Association who appeared before the House committee charged with protecting the interests of the small businessmen. I think these dealers presented one of the best organized and most influential cases that has ever been presented before a congressional committee in a like period of time, and I believe that as a result something is going to be done to protect the interests of the 1,500,000 automobile dealers and their employees who are threatened with bankruptcy and unemployment as a result of Mr. Henderson's rulings on the sale of automobiles and tires. My reason for mentioning of this is because it is closely allied with the subject of tire rationing, which is the subject I wish to discuss at this time.

We have all received notice of the tire-rationing orders sent out to our various States. Exceptions have been made in the case of doctors, law-enforcement officers, police cars, fire trucks, passenger busses, and trucks engaged in the hauling of materials essential to national defense and cases of that kind, all of which is very commendable. However, there is one highly important omission in this list to which I wish to call attention. For some reason or other, probably from oversight under the pressure of speed, they have failed to place among the list of prior eligibles for tires the members of the clergy—the preachers, the priests, the supervisory church officials—and the home missionaries who have to serve the churches out in the rural areas, such as South Dakota, where ministers of the gospel have to travel many miles between churches where they serve several churches in one parish. An exception should be made in their behalf; they should be entitled to tires under a high priority rating.

To fail to make automobile tires available to the clergy might well mean the closing of literally hundreds, if not thousands, of churches throughout this great God-fearing Nation of ours.

Take, for example, the case of the Episcopal bishop of South Dakota, who has to supervise many of the Indian churches and spends most of his time in a car visiting either Indian or white parishes. Unless we can provide tires for the bishops, priests, and other people who serve these Indian churches and our rural white churches and who visit the sick and minister to the dying, one of the "four freedoms" for which this war is being fought, the freedom of religion, is going to be curtailed right here in America because of a failure to provide automobile tires to the preachers and ministers of the gospel.

I have called this matter to the attention of Mr. Henderson in a letter which I sent him today, and I hope that others of you will write Mr. Henderson, as I have, and urge him to give the clergy a high priority claim to automobile tires in this emergency. I am confident that if some of you will join with me in this matter we can secure a modification of the tire ruling as it applies to members of the clergy.

Mr. Speaker, I now insert herewith as a portion of my talk a copy of my letter to Mr. Leon Henderson:

HOUSE OF REPRESENTATIVES,
Washington, D. C., January 13, 1942.

Mr. LEON HENDERSON,
Administrator, Office of Price Administration, Washington, D. C.

MY DEAR MR. HENDERSON: The purpose of this letter is to call your attention to a very important classification in the matter of tire rationing.

I have noticed that in connection with the current rubber shortage your office has listed several classifications of prior claimants to automobile tires in an effort to see to it that what tires are available may be made to serve the best public interest. This is a commendable effort, and I am sure that the Members of Congress will gladly cooperate with you on any program destined to reach this objective.

I note you have listed among prior claimants to automobile tires the autos owned by physicians, visiting nurses, and veterinarians. You also include ambulances, fire-fighting machines, police cars, passenger busses, trucks hauling material important in national defense and to public health, farm tractors, and some other classifications.

The purpose of this letter is to respectfully call your attention, Mr. Henderson, to one highly important classification of prior claims to automobile tires to whom you have as yet, however, given no special consideration. I refer to the clergy of America, including not only preachers, priests, and home missionaries serving churches in sparsely settled areas but also such church officials as district superintendents and bishops, who necessarily do considerable traveling by automobile in order to fulfill the obligations of their positions. In such States as the one I represent many of our smaller churches are served by preachers who have to travel many miles in order to meet with their congregations, since one clergyman frequently serves several churches. This is also emphatically true with regard to the vast number of coun-

try churches located in rural areas throughout America.

To bar ministers of the gospel from any such claim to automobile tires might well mean the closing of literally hundreds, if not thousands, of churches throughout this great God-fearing Nation of ours. I am sure you agree with me that it would be a highly incongruous and unhappy eventuality if, in a war which is aimed, in part, at preserving freedom of religion throughout the world, we were to fail to make adequate provisions for the unhampered maintenance of the religious program in America. I hope you will write me that you will include necessary travel of clergymen in connection with the maintenance of the religious institutions of this country along with physicians and law-enforcement officers as prior claimants to automobile tires.

In South Dakota we have a special problem added to the serious one I have described above and which is pretty generally applicable in all but the most highly urban areas of America. I refer to the matter of our Indian churches in the West. These Indian churches are almost invariably served by preachers or priests who have to drive a considerable distance in order to bring the advantages of religious services to the Indian people. This is also true of these same clergymen in their visitations to the sick and to the dying, both among the white and Indian population of our section of the country. Under your existing regulations, unless they are modified in their application to members of the clergy, it is conceivable that in the near future many of our citizens will be denied these religious services when they are most badly needed.

The impact of war upon any country always tends to bring with it, as an aftermath, a let-down in public and private morals. In America it is vitally important now that we permit nothing to further increase the difficulties under which our churches are operating during this serious period of our national history. I shall appreciate hearing from you in this connection, Mr. Henderson, and I look forward confidently to your favorable reaction to the suggestions proposed herein.

With best wishes, I am

Cordially yours,

KARL MUNDT.

Mr. FISH. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, the Congress exhibits a solicitous concern for the aliens in our midst and endeavors to make it easier for them to become citizens; at the same time that they become citizens they are eligible for defense jobs. I have been considerably disturbed lately over the requirements that American citizens must fulfill in order to establish their own inherent citizenship in order that they may work on these same defense jobs. Every Member of this body has received requests from constituents in his own district to try to help them establish the fact of their birth in the United States.

I do not know that the Committee on Immigration and Naturalization is the proper committee, but some committee of this House should give consideration to the problem of these people who are American born, who were born in places where vital statistics and records were not kept at the time of their birth, and who are having considerable difficulty in establishing their actual nativity and citizenship in the United States, and who are endeavoring to get positions in defense industries. I know that every Member of this body has received these applications from his own constituents. I would like to know if there is not some way we can simplify this procedure and get these records or get some truth of some means of establishing citizenship by birth of these people who are unquestionably true Americans born in the United States. If that is a function of the gentleman's committee, then I wish he would take it up. If it is the function of some other committee, I would like to know what committee it is.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from New York, chairman of the committee.

Mr. DICKSTEIN. I did not get the point the gentleman raised. Is it under this bill that he is raising the point?

Mr. HINSHAW. No. I am speaking of American citizens who were born in places where vital statistics were not kept at the time of their birth, in the United States, the gentleman will understand, and who cannot prove their American citizenship in order to obtain defense jobs that alien-born citizens are now getting hand over fist.

Mr DICKSTEIN. I think the gentleman has raised a very nice point. The committee's attention has been called to a number of similar cases. I think something ought to be done, which we will do very soon.

Mr. HINSHAW. I hope the committee will get busy on that matter quickly because I know hundreds and hundreds of people are having very serious difficulty in establishing proof of their birth in the United States, as is now required of them.

Mr. RAMSAY. Will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from West Virginia.

Mr. RAMSAY. I agree with the gentleman that it is a serious matter. The whole trouble comes about because the board will not comply with evidence that is sufficient to establish date of birth in a court. Of course, we all understand that the best evidence must be offered and that ordinarily hearsay evidence is not admissible in court; but as to proof of age in court the two outstanding exceptions in reference to the admission of hearsay evidence is proof of one's age or his relationship. I introduced a bill, which is now before the proper committee, asking that these boards be compelled to accept legal evidence as to the proof of a man's age.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. HINSHAW. Mr. Speaker, it seems to me that a person who was born in the United States, who is known by his relatives to be the child of certain parents, who is known by other people to have been a voter ever since he was 21 years of age, and who is known to speak, write, and read the English language as it is spoken, read, and written in the United States, with a few other qualifications of that nature, ought to be able to get himself a certificate to prove citizenship without too much trouble, so that it can be offered to these people who hire workers in defense industries without going through a lot of rigmarole and red tape in order to do it. I am thoroughly tired of it and I hope something will be done about it.

Mr. RICH. Will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Pennsylvania.

Mr. RICH. I agree with the gentleman from California. I realize the difficulty that a lot of people have in getting certificates. I have tried to figure out what I would do myself. I know that there are no statistics in Pennsylvania filed at Harrisburg in reference to my own birth. The only way I would know today besides getting evidence from people who knew me at that time would be to go to the family Bible, and there we would find the record. But a lot of people will not accept that.

Mr. HINSHAW. A lot of these people have moved around, and their relatives have died; houses have burned containing Bibles, and they do not know a soul in the place where they are residing presently. They cannot locate anybody a thousand or two thousand miles away who may have known them in childhood in order to testify. I think it is a shame that a man who has a record of voting since he was 21 years of age, who was born at a place and at a time when vital statistics were not being kept, should be unable to obtain a position in the defense industries on such prima facie evidence that he is an American citizen, while he is running around in a daze, bewildered that he, an old-line American, should have to search out and obtain proof that he is not an alien, the foreign-born, naturalized citizen and even those with first papers can step in and take the most confidential defense jobs that industry and even the Government have to offer. As have others here, I have helped many persons obtain from the Bureau of the Census certificates in lieu of birth certificates, but that is a tedious process at best, and requires considerable time and labor on the part of the Bureau, to say nothing of requiring a very good memory on the part of the applicant.

How silly it all is, Mr. Speaker. Just supposing that one wanted to obtain a birth certificate fraudulently, or even go into the business of obtaining them fraudulently. One could take an obituary list from a metropolitan paper and learn the names of the parents of the deceased, the place and date of birth, write the county clerk, and ask for a copy of the birth certificate. A fraudulent affidavit perhaps, and one or two dollars would do the trick, and then one could walk into any defense plant and get a job on the strength of being a native-born American. Only a smart alien enemy would do that; but if it can be done at all, then what protection to defense is a birth certificate? We ought to change the system.

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

COAST AND GEODETIC SURVEY

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5837) to regulate the distribution and promotion of commissioned officers of the Coast and Geodetic Survey, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 7, line 11, after "Survey", insert ": *Provided*, That the provisions of this section shall be effective from December 8, 1941."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

DAYLIGHT-SAVING BILL

Mr. LEA. Mr. Speaker, I ask unanimous consent that the conferees on the bill S. 2160, the daylight-saving bill, may have until 12 o'clock tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDING THE NATIONALITY ACT OF 1940

Mr. DICKSTEIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6250) to amend the Nationality Act of 1940.

The motion was agreed to; accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6250, with Mr. LUTHER A. JOHNSON in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. DICKSTEIN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the bill under consideration, H. R. 6250, is one that we need and need urgently and expeditiously to enact into law, because it has a number of features which this country needs at this time when we are at war. Let me explain at this point in outline form what the bill proposes to accomplish.

The bill really has three major objectives: (1) To amend the Nationality Act of 1940 in order to materially aid the Government in national defense, (2) to make a few desirable changes in our nationality laws, and (3) to make a number of grammatical and typographical corrections in the act.

Sections 1, 3, 8, and 9 deal with national defense, sections 4, 7, and 10 represent certain desirable changes, and sections 2, 5, 6, 11, and 12 involve grammatical and typographical corrections.

SECTION 1

Section 1 provides that an alien applicant for citizenship who is in the military or naval forces of the United States shall not be required to reside for 6 months prior to filing his petition in the State in which the petition is to be filed. In other words, he may file his petition in any naturalization court where he happens to be located in connection with his military service.

SECTION 3

In the interest of unity of American citizenship, it is provided that aliens who are 50 years of age or over may be naturalized without being required to speak the English language, sign his petition in his own handwriting or meet other educational tests if they have valid outstanding declarations of intention to become citizens or make such declarations within 2 years after the enactment of the act and provided they have been resident aliens of the United States since prior to July 1, 1924. Most of the persons affected by this section will be elderly folks who were lawfully admitted to the United States prior to the time literacy was a condition of admission to the country. They must prove good character, loyalty, and meet all other requirements for naturalization.

SECTION 8

Section 8 gives the Government authority to revoke the citizenship of a naturalized person on the ground that his conduct establishes that his political allegiance is to a foreign state or sovereignty. This will materially aid the Government in taking away the citizenship of disloyal naturalized persons who have acquired United States citizenship. It will not only take away their citizenship but, as to alien enemies, it will give the Government jurisdiction over such persons in times of war or national emergency. In other words, they may be incarcerated, kept under strict surveillance, or required to meet such other conditions as the Government may set forth, which would not be possible if they retained citizenship.

SECTION 9

Section 9 speeds up the process of revocation of citizenship. It reduces the period from 60 to 30 days in which a person whose cancelation of naturalization is sought may be permitted to answer.

SECTION 4

This merely extends the date of the so-called misinformation clause from July 1, 1920, to July 1, 1925. Under existing law, an alien who resided in the United States continuously from July 1, 1915, to July 1, 1920, and who, during or prior to that period, in the mistaken belief that he was a citizen, exercised or performed the rights or duties of citizenship, may become a naturalized citizen of the United States without making a preliminary declaration of intention. The proposed amendment would change existing law by making the required time of residence the 5-year period from July 1, 1920, to July 1, 1925. This result seems desirable, inasmuch as there appear to be some women who, although they lived in the United States from 1915 to 1920, were unable during that period to exercise certain privileges of citizenship, such as the right to vote, due to the fact that women were not enfranchised until after August 26, 1920, the effective date of the nineteenth amendment. Moreover, the date of July 1, 1925, appears to be sufficiently remote to preclude abuse of the provisions of this section.

SECTION 7

Section 7 merely reduces the period from 60 to 30 days prior to general elections in which persons may be naturalized. Experience shows that there is no particular reason why a period of 60 days should elapse before a general election. Furthermore, so many types of elections have been held to be general elections that the naturalization process is greatly retarded.

SECTION 10

Section 10 would amend section 338 of the Nationality Act of 1940 (54 Stat. 1158) which relates to revocation of naturalization by adding a new subsection which would permit the United States to maintain an action for the cancelation of the certificates of naturalization of those persons who lose their nationality by reason of residence abroad. While section 404 of the Nationality Act, which relates to loss of nationality as a result of residence abroad, is self-operative, it appears to be desirable in the interests of the Government to permit it to secure a court decree making such loss of nationality a matter of judicial record.

SECTION 2

This section, like the remaining sections discussed herein, merely makes desirable grammatical and typographical corrections. We merely substitute the word "absence" for the word "residence" in describing a person's absence from the United States. There is no substantive change.

SECTION 5

In subsection (c) of section 328 we particularly specify that the authorization referred to in subsection (c) of the section is by virtue of subsection (b) thereof and not of the entire section. This is merely a more accurate reference.

SECTION 6

The period of 10 years as contained in section 332 is made 7 years to conform with the 7-year period of the validity of the declaration as provided in section 331. It was clearly the intention of the committee and the Congress in passing the Nationality Act to leave the period of validity of the declaration of intention to become a citizen at 7 years.

SECTIONS 11 AND 12

The changes in these sections, as will be seen by reference to the report, merely involve typographical and grammatical errors.

We find that in many years gone by people acted as and believed themselves to be citizens of the United States. Some of them held public office, not only in Texas and Michigan but in other parts of the country. After a survey, however, it was found that they are not citizens at all, that some technicality has arisen by reason of which they are found to be simply aliens, although they have acted as citizens, voted, paid taxes, and owned property. One provision of this bill takes care of people who find themselves in such a predicament.

On the question of the cancelation of citizenship you have heard the gentle-

man from New York [Mr. FISH], the gentleman from Michigan [Mr. MICHENER], and I shall discuss only what the Attorney General proposes to do.

I do not want to disclose at this time the names and the number of people who will be affected, but there are certain persons in this country who came here for the sole and only purpose of becoming naturalized as citizens of this country so that they could undermine our Government, the more so in anticipation of this war.

As the statutes now stand, it is almost impossible to bring about the cancelation of the citizenship of persons of this kind. This provision, if enacted—and I hope you will enact it—will give the Attorney General the right to go into court and establish certain elements which we have prescribed, by which and under which these persons can be brought into court and their papers canceled by a proper tribunal.

A citizen is very bad when he is here to undermine this Government, and we have quite a number of bad ones on whom we are unable to put our hands unless we enact this legislation.

Under another section of the bill we are trying to help out the aliens who volunteer to serve in the Army or Navy of the United States. Under the law, such a person is required to have a certain number of days of residence in the county in which he lives, and he must have 30 days' additional residence when he takes the oath. In view of the war situation and because many such men have seen fit to offer to serve in the armed forces of the United States, the committee has seen fit to give them the right to become citizens even if they are drafted or volunteer or are taken from one county to another. In other words, although such a man is supposed to take his oath of allegiance in Trenton, for instance, he may be sworn in in Georgia if he has been drafted or assigned to duty in a certain camp in Georgia. Under the present set-up there is no possible way by which this man can be given the right of citizenship under those circumstances.

Mr. Chairman, this legislation received a great deal of study not only by the Department of Justice and by other departments of the Federal Government but by the committee itself and great care and patience have been taken to see to it that this legislation, if enacted, will greatly benefit this country.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from New Jersey.

Mr. CANFIELD. How about that class of good citizens, veterans of the World War, who derived citizenship through the naturalization of their parents, and yet have to wait months before they can get their derivative citizenship certificates?

Mr. DICKSTEIN. I agree with my colleague. There has been much trouble about it, and the committee's attention has been called to it. I believe there may be some amendments offered on this question today by the majority leader with the approval of the committee, and I think there is a bill pending, offered by one of our colleagues the gentleman from West Virginia [Mr. RAMSAY] to cure that situation.

Mr. CANFIELD. It ought to be expedited.

Mr. DICKSTEIN. Yes; it ought to be expedited.

Mr. RAMSAY. It has been passed by the House. It is now in the Senate.

[Here the gavel fell.]

Mr. MASON. Mr. Chairman, the bill H. R. 6250 comes to us from the office of the Attorney General with the urgent request that it be passed. The Committee on Immigration and Naturalization gave the bill very serious consideration and made some changes in the bill. We adopted in committee two or three amendments. With those changes adopted, the committee is unanimously in favor of the bill.

What does the bill do? It changes the substantive law in only three fundamental particulars, as I see them. All the other amendments are clarifying or technical amendments. The three fundamental changes are included in section 1, section 3, and section 8 of the bill. Sections 1 and 3 liberalize the present law. Section 8 of the bill is certainly a very restrictive section and is really the heart of the bill.

What does section 1 do? Section 1 waives the requirement of 6 months' residence in a State before a person can apply for naturalization papers, but this applies only to soldiers and sailors, because they, under orders of the Army and Navy, are moved around and cannot stay in one State 6 months.

This was done during the World War to facilitate the applications of soldiers and sailors for their naturalization papers. I think there is no objection to this. It is a liberalizing section.

Section 3 is practically similar to a bill we passed in this House about a year ago. It liberalizes the naturalization laws insofar as they apply to 50-year-old aliens, and over, who have lived in this country continuously since 1924. This will be in the amendment. It waives only one requirement of the present naturalization laws in their favor, and that is what is known as the literacy test. A certain alien comes to this Nation before 1924. He is 40 or 50 years of age when he comes and he brings his family. He has very little, if any, knowledge of English. He is required to be able to read and write English quite fluently as a requirement for his papers. He is too old to take on that added burden of learning a new language, particularly to read and write. So in the interest of these old people, most of whom are 60 or 70, and some of them past 70 years of age, we have omitted the literacy test.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield at that point?

Mr. MASON. I yield to the gentleman.

Mr. DICKSTEIN. And most of them had sons in the last war.

Mr. MASON. Oh, yes.

Mr. DICKSTEIN. And have grandchildren in this war.

Mr. MASON. We do not waive any of the qualifications of the naturalization law that require good citizenship, and so forth; in fact, practically all of them have raised their families and lived in this country for years and have sent them to school, and all that sort of thing.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. Let me ask the gentleman this question: I notice in the original law you have the words "eligible for naturalization" in one place and you change it in this proposed amendment to another place. Of course, the gentleman will appreciate that that phrase "eligible for naturalization" is a pretty broad one, and I presume you have seen to it that it is placed in the proper section and would have the same application that was intended in the first instance.

Mr. MASON. Yes; and that was done for clarifying purposes and not for any change in the meaning or in its application.

Mr. JENKINS of Ohio. If the gentleman will permit me one further interruption, the date of 1924 is very significant for this reason: It was at that time that we passed the first quota laws for controlling immigration. In other words, it was at that time we laid down some very basic principles. We had many parliamentary battles in those days over immigration matters.

Mr. MASON. That is the reason the 1924 date was set in this bill.

Mr. JENKINS of Ohio. And it is true that a lot of people then had come into this country who may not have complied with all the laws applying to legal entry, but they were not criminals. Some probably had come across the border to save the head tax or had violated some other law, but many of them were pretty fine people. If they had tried at that time to secure naturalization papers, they would not have been able to do so because that charge of illegal entry would have been against them. The reason I raise this question of whether or not that phrase with respect to eligibility to naturalization is sufficient is this: The purpose of the law is a very laudable one, and that is to give these people a chance to become naturalized so their children can be naturalized. There are many fine people in this country who, if they were compelled to trace back the citizenship of their ancestry, would find that their father had not been legally admitted into the country and therefore their citizenship is clouded. This has changed the tendency to correct that situation if that phrase means what you intended it to mean, and I hope it does.

Mr. MASON. Yes.

Mr. MARTIN J. KENNEDY. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield to the gentleman from New York.

Mr. MARTIN J. KENNEDY. Will the gentleman be good enough to explain section 8, and can the gentleman visualize for me just what sort of procedure the Attorney General is going to prescribe and what evidence he is going to offer?

Mr. MASON. I expect to explain that now because that is the heart of the bill.

Section 8 deals with that section in the present law with respect to taking

away citizenship papers of naturalized citizens. Under the present law you can only take them away when you prove in court fraud in obtaining them or prove that the obtaining of such papers was illegal. Section 8 in our bill amending the present law adds one more reason for taking it away and that is if his conduct since he received his papers proves that his allegiance is to a foreign country and not to this country. That proof must be made in a court of law and it is up to the Department of Justice of this Government to prove that before the papers can be taken away.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield there for an observation?

Mr. MASON. Yes.

Mr. DICKSTEIN. Under the present statute the Federal district attorney of each State or county must serve a summons or complaint, which he will do under this procedure, and the only thing that is changed is that we cut the time down and instead of giving him 60 days we cut it down to 30 days within which he must answer.

Mr. MASON. That is in the other provisions of the bill, and not in section 8. It was section 8 to which objection was made before Christmas, when we tried to bring this bill up at that time. At that time it was stated on the floor of the House that section 8 was a resurrection of the alien and sedition laws of 1798. There is no parallel at all between section 8 and the alien and sedition laws. The alien and sedition laws gave the President power to deport or send out of the country any alien whom he personally considered to be dangerous, and if the alien failed to go, then he was put in jail, without any trial in any court or anything else. The sedition laws stated that any person who spoke against the Government, maligning the Government, who spoke falsely against the Government, the President, or the Congress, was punishable under a heavy fine. This bill has nothing to do with that. It simply removes the citizenship papers, after a court has determined his conduct shows and proves he is loyal to another nation and not to ours. He has been using his citizenship papers as a cloak to cover up his subversive activities. He has been acting as a wolf in sheep's clothing, and the sheep's clothing consisted of his citizenship papers. The purpose is to remove the sheep's clothing and show him as he is, a wolf, a Quisling in this country today.

Mr. MARTIN J. KENNEDY. Mr. Chairman, will the gentleman yield?

Mr. MASON. Yes.

Mr. MARTIN J. KENNEDY. Would that have to cover any definite period or a month or a year, or a period of 5 years?

Mr. MASON. This says whose conduct proves that he is loyal to another nation. Is loyal today. He might have been disloyal 10 or 15 years ago, but it is his present conduct toward this Nation and toward other nations.

Mr. MARTIN J. KENNEDY. If he is an active member of the Communist Party, would he be considered in that category?

Mr. MASON. I would think so myself. It would be up to the court to determine that.

Mr. MARTIN J. KENNEDY. Would a man have the right to a trial by jury?

Mr. MASON. Oh, yes; he has all of the rights of the court.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. MASON. Yes.

Mr. KEEFE. Does not the language of the bill, which reads:

or on the ground that his conduct establishes that his political allegiance is to a foreign state or sovereignty—

mean exactly what it says in the bill—that in order to effect a cancelation of his citizenship papers a showing would have to be made in court, not that he perhaps shows some manifestations of loyalty to Communist Russia or to Germany but there would have to be a definite showing under that language that he, in fact, owes allegiance to a foreign country?

Mr. MASON. An amendment has been prepared and adopted by the committee to remove the word "political," so that it is allegiance in any of its forms to a foreign country because that is in conformity to the oath that he takes when he becomes a citizen.

Mr. KEEFE. Do I understand that you propose to offer an amendment from the committee to strike out the word "political"?

Mr. MASON. Yes.

Mr. KEEFE. So that it would then read:

or on the ground that his conduct establishes that his allegiance is to a foreign state or sovereignty.

Mr. MASON. Yes.

Mr. KEEFE. May I ask further, in connection with the question asked by the gentleman from New York [Mr. KENNEDY], did the Attorney General's office, when they appeared before the committee, indicate the quantum of proof they thought would be necessary in order to effect a revocation of citizenship under such a very broad provision in this statute?

Mr. MASON. They accepted the committee amendment, after full discussion and hearing, removing the word "political."

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. MASON. Yes.

Mr. GRAHAM. As the gentleman knows, I have been a United States district attorney, and I know something about the prosecution of these cases. This thought has occurred to me—embodying this proposed language—

or on the ground that his utterances, writings, actions, or course of conduct establish his allegiance, etc.

That would meet the question raised by the gentleman from Wisconsin as to the quantum of proof necessary. The word "conduct" is an all-inclusive word, and you would have to break that down by showing what he said—what he uttered.

Mr. MASON. That is a further specification, and the Attorney General's office did not want it to be too particular—too specified.

I yield back the remainder of my time and yield 10 minutes to my colleague the gentleman from Kansas [Mr. REES], who was practically the author of the present law and who has gone into this carefully. He ought to be able to give you a clear picture of what this amendment does.

Mr. REES of Kansas. Mr. Chairman, I believe the important features of this bill have been pretty well explained. A considerable part of this measure is more or less noncontroversial, but there are some sections that are rather far-reaching if enacted into law. The bill is presented by a unanimous report of the Committee on Immigration and Naturalization. There is some controversy whether or not certain amendments that will be submitted should be adopted. I should also tell you that section 8 of this bill not only has the approval of the committee but also that it is requested by the War Department and the Department of Justice.

For the benefit of the membership of the House, I shall submit a brief explanation of this bill and will be glad to try to answer any questions that may be submitted during the time that has been allotted to me.

The bill really has three major objectives—(1) to amend the Nationality Act of 1940 in order to materially aid the Government in national defense, (2) to make a few desirable changes in our nationality laws, and (3) to make a number of grammatical and typographical corrections in the act.

Sections 1, 3, 8, and 9 deal with national defense; sections 4, 7, and 10 represent certain desirable changes; and sections 2, 5, 6, 11, and 12 involve grammatical and typographical corrections.

Section 1 provides that an alien applicant for citizenship who is in the military or naval forces of the United States shall not be required to reside for 6 months prior to filing his petition in the State in which the petition is to be filed. In other words, he may file his petition in any naturalization court where he happens to be located in connection with his military service.

In the interest of unity of American citizenship, it is provided that aliens who are 50 years of age or over may be naturalized without being required to speak the English language, sign his petition in his own handwriting or meet other educational tests if they have valid outstanding declarations of intention to become citizens or make such declarations within 2 years after the enactment of the act and provided they have been resident aliens of the United States since prior to July 1, 1924. Most of the persons affected by this section will be elderly folks who were lawfully admitted to the United States prior to the time literacy was a condition of admission to the country. They must prove good character, loyalty, and meet all other requirements for naturalization.

Section 8 gives the Government authority to revoke the citizenship of a naturalized person on the ground that his conduct establishes that his political allegiance is to a foreign state or sover-

eignty. This will materially aid the Government in taking away the citizenship of disloyal naturalized persons who have acquired United States citizenship. It will not only take away their citizenship but as to alien enemies it will give the Government jurisdiction over such persons in times of war or national emergency. In other words, they may be incarcerated, kept under strict surveillance, or required to meet such other conditions as the Government may set forth, which would not be possible if they retained citizenship.

Section 9 speeds up the process of revocation of citizenship. It reduces the period from 60 to 30 days in which a person whose cancelation of naturalization is sought may be permitted to answer.

Section 4 merely extends the date of the so-called misinformation clause from July 1, 1920, to July 1, 1925. Under existing law, an alien who resided in the United States continuously from July 1, 1915, to July 1, 1920, and who, during or prior to that period, in the mistaken belief that he was a citizen, exercised or performed the rights or duties of citizenship, may become a naturalized citizen of the United States without making a preliminary declaration of intention. The proposed amendment would change existing law by making the required time of residence the 5-year period from July 1, 1920, to July 1, 1925. This result seems desirable inasmuch as there appear to be some women who, although they lived in the United States from 1915 to 1920 were unable during that period to exercise certain privileges of citizenship, such as the right to vote, due to the fact that women were not enfranchised until after August 26 1920, the effective date of the nineteenth amendment. Moreover, the date of July 1, 1925, appears to be sufficiently remote to preclude abuse of the provisions of this section.

Section 7 merely reduces the period from 60 to 30 days prior to general elections in which persons may be naturalized. Experience shows that there is no particular reason why a period of 60 days should elapse before a general election. Furthermore, so many types of elections have been held to be general elections that the naturalization process is greatly retarded.

Section 10 would amend section 338 of the Nationality Act of 1940 (54 Stat. 1158), which relates to revocation of naturalization, by adding a new subsection which would permit the United States to maintain an action for the cancelation of the certificates of naturalization of those persons who lose their nationality by reason of residence abroad. While section 404 of the Nationality Act, which relates to loss of nationality as a result of residence abroad, is self-operative, it appears to be desirable in the interest of the Government to permit it to secure a court decree making such loss of nationality a matter of judicial record.

Section 2, like the remaining sections discussed herein, merely makes desirable grammatical and typographical corrections. We merely substitute the word "absence" for the word "residence" in describing a person's absence from the United States. There is no substantive change.

In subsection (c) of section 328 we particularly specify that the authorization referred to in subsection (c) of the section is by virtue of subsection (b) thereof and not of the entire section. This is merely a more accurate reference.

The period of 10 years as contained in section 332 is made 7 years to conform with the 7-year period of the validity of the declaration as provided in section 331. It was clearly the intention of the committee and the Congress in passing the Nationality Act to leave the period of validity of the declaration of intention to become a citizen at 7 years.

Sections 11 and 12 merely involve typographical and grammatical errors.

The provisions of section 8 of the bill have been very ably explained by the distinguished gentleman from Illinois [Mr. MASON]. He did a splendid job of it. I would like to make this further comment: That it is not the intention of this committee in submitting this bill to in any wise interfere with free speech. That we must preserve at all times. Section 8, if enacted into law, will not interfere with that fundamental right.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I shall be glad to yield to the distinguished gentleman from Ohio, who has through the years given immigration and naturalization problems his most earnest and careful study.

Mr. JENKINS of Ohio. As far as I can see, the real issue is in section 8.

Mr. REES of Kansas. That is correct. It is the most important one.

Mr. JENKINS of Ohio. What were the developments before your committee and what has been the history of this proposition before the Attorney General? In other words, did he cite any instances where we need this new provision in the law?

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. MASON. Twenty-three of the twenty-six who were tried recently in this New York spy trial were naturalized citizens, and it was in that respect that this provision was brought before us.

Mr. JENKINS of Ohio Just in what respect? I do not suppose that the absence of this provision in the law prevented the conviction of those individuals, because they were tried for violations of the law that would convict them whether they were citizens or aliens?

Mr. MASON. That is true; but it showed the necessity of removing their citizenship papers, which cannot be done now

Mr. JENKINS of Ohio. Personally I think this is probably a good thing, but I cannot conceive how you will ever be able to use it and where the occasion will arise. Has any case arisen yet that indicates the necessity for this? In other words, after you give citizenship to a man, how are you going to take citizenship away from him by challenging his allegiance? The usual reason you have to reach out after him is that he has violated some other law, and you proceed against him. As far as I am concerned, if he has been guilty of any serious violation of the law, you may take citizenship away from him; and I do not object to it. But I just wonder how you are going to accomplish it.

Mr. REES of Kansas. Let me suggest to the gentleman, first, as has already been suggested by the distinguished gentleman from Illinois [Mr. MASON], the only means by which citizenship papers can now be canceled is by showing that fraud was committed by the alien when he obtained them. It gets to a place where the burden of proof is on the Government to show that fraud was in the applicant's mind when he obtained his citizenship papers. What he determined to do afterward cannot be taken into consideration. After he is granted citizenship, nothing more is to be done about it. It is pretty difficult to prove what was in a person's mind when he obtained his certificate. Now, this provides that if it can be shown after a hearing in the court, and subject to right of appeal, that any individual who had citizenship papers granted to him, and his conduct would demonstrate that his allegiance is to a foreign government or sovereignty, then the Government will have a right to revoke his right of citizenship.

Mr. JENKINS of Ohio Will the gentleman yield further?

Mr. REES of Kansas. I yield.

Mr. JENKINS of Ohio. It has been said that a bill similar to this would cover the case of Fritz Kuhn. He is in the penitentiary now. He was convicted and put in the penitentiary without this amendment.

Mr. REES of Kansas. Oh, yes; certainly; but under the present law he will have a right to citizenship after he serves his time. We cannot cancel his right of citizenship without a measure of this kind

Mr. JENKINS of Ohio. He ought to be there; and I do not care how long he stays there, as far as I am concerned; but I just want you to know that in my judgment I cannot see the necessity for this; but if there is necessity for it, let us pass it.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. In just a moment. The office of the Attorney General explained to us that there are a number of cases that are pending at this time that they know about—they are not exactly pending, but they know about them—which they could take hold of if a measure of this kind were enacted into law.

Mr. JENKINS of Ohio. If that is the case, I am satisfied.

Mr. REES of Kansas. That is correct.

Mr. LESINSKI. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. LESINSKI. I just wanted to remind the gentleman that both the Army and Navy Intelligence Divisions have had representatives at the hearings, and this is the amendment these branches of the armed services want in the law.

Mr. REES of Kansas. Certainly; in fact, that is the reason the measure is

before us today. Not only have the War Department, the Navy Department, and the Department of Justice approved this measure, but they are asking that it be adopted.

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I am glad to yield to the gentleman from New York, a valuable member of the committee.

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, I believe I can throw some light on the question asked by the gentleman from Ohio with regard to the practical application of this measure. Under the present law, even though Fritz Kuhn and all his ilk might have been convicted of the most heinous crimes known to our law, yet when they serve their sentences they come out and are still American citizens and have the right of exercising the privileges of citizenship. It is not an inalienable right by any means, and should not be; but with this bill enacted into law, we shall be able to take away that privilege, strip him of that immunity.

[Here the gavel fell.]

Mr. MASON. Mr. Chairman, I yield 5 additional minutes to the gentleman from Kansas.

Mr. WILLIAM T. PHEIFFER. In that important respect alone I believe this bill is justified.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. GIFFORD. I am particularly interested in section 11 regarding the length of time a naturalized citizen can stay abroad. Suppose such a person, the representative of an American firm, has overstayed his time in China. There is nothing in here so far as I can see that remedies that matter. He has now lost his citizenship; he could not come home if he wanted to, yet for various reasons beyond his control he has not been able to return to this country during the time limit.

Mr. REES of Kansas. I appreciate the gentleman's position. During the last session Congress extended the time in such cases for the period of a year. I believe that is what the gentleman has in mind.

Mr. GIFFORD. I have in mind a very sad case which cannot be helped even by that extension—the case of a man whose family is in this country. He is in China. He has overstayed his time, and he cannot come back I doubt if he could get back under existing war conditions, anyway; but this bill does not help him.

Mr. REES of Kansas. I agree that our citizens who are abroad and cannot return by reason of war conditions should have their citizenship rights protected. I am sure they will be properly protected.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. DICKSTEIN. I believe I can satisfy my colleague from Massachusetts. In the particular case he mentions, if his constituent was a citizen at the time he went to China but could not get back within the time limit because of shipping conditions or war, he would be covered by the resolution passed by Congress only a few months ago extending the time for people in his status to return. I feel sure that it is the intention of the committee to take some action and notice of conditions in the East, action which will protect the citizenship of such people.

Mr. REES of Kansas. Congress still has control of the situation, and if circumstances a year from now continue as they are at this time undoubtedly such people will be granted a further extension.

Mr. GIFFORD. I was hoping something would be done in this bill to meet such cases.

Mr. REES of Kansas. I appreciate the gentleman's observation on the matter.

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. FORAND. Can the gentleman inform the House whether or not the committee has taken into consideration the effect on children or those who acquired derived citizenship through another individual of adverse action against that individual's citizenship?

Mr. REES of Kansas. It is my judgment that each case would be considered on its own merits. It would affect only the party directly involved.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished chairman of our committee.

Mr. DICKSTEIN. I believe I can answer the gentleman by saying that I do not think the derived citizenship would be affected at all unless the children of the parent were themselves engaged in seeking to help the enemies of this country.

Mr. FORAND. In other words, each individual would be treated by himself?

Mr. DICKSTEIN. That is right.

Mr. REES of Kansas. I am sure that is correct, for we are dealing only with individuals.

Mr. Chairman, when this measure came up for consideration during the last session, some Members of the House felt that section 8 was rather drastic—that some unfair use might be made of it. The committee, therefore, by a majority but not unanimously, adopted an amendment that provides that so far as section 8 is concerned it shall remain in force for only 1 year after the termination of the war. If Congress at that time determines that it wants to make it permanent legislation, it can then act, but as the bill is amended this section will expire 1 year after the termination of the war.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. ZIMMERMAN. I ask my colleague whether or not it would not be well to make this section permanent legislation rather than have it terminate a certain time after the war is over? Does not the gentleman believe American citizenship is sufficiently valuable that we should impose certain obligations on the one who acquires it? That if he ceases to be worthy of it the Government should have the right to take it away from him, for instance, should he become an enemy or ally himself with another power?

[Here the gavel fell.]

Mr. MASON. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. REES of Kansas. Mr. Chairman, personally, I am in accord in a general way with the gentleman from Missouri. That is to say, if legislation, generally speaking, is good temporarily, it ought to be good permanently. On the other hand, during a war period we do pass a considerable amount of legislation that is more drastic than we would pass in peacetime. Furthermore, this is taking quite an advance step. That is to say, we allow a man to become a citizen of the United States; we give him the same right and authority that anybody else may have. In this measure we tell him that if, after hearing, it is determined his allegiance swings over to a foreign power, we cancel it out. So there is some argument on that side, too; but, as I stated, I am in accord generally with the gentleman's views. We are trying to take care of an objection without injury to the legislation, at least during the war period.

Mr. ZIMMERMAN. Does not the gentleman think we have permitted too many people to abuse their citizenship rights, a privilege that has been conferred upon them, and that we sit by without doing anything about it?

Mr. REES of Kansas. Yes; I think that is true. We should have attended to a lot of these matters a long time ago. We are just beginning to realize our negligence in that respect.

[Here the gavel fell.]

Mr. MASON. Mr. Chairman, I yield the gentleman an additional half minute.

Mr. REES of Kansas. Mr. Chairman, I want the House to be familiar with this legislation, and every bit of it. It is important legislation, and I think we ought to be in accord with it. If you do not understand any particular part of it, let us find out about it now and not later on.

Mr. MASON. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Chairman, I thought we were going to have plenty of time to discuss this bill today because we have not much else to do. There is no press of legislation on today's calendar. I do want to call attention to a few matters. We have come a long way in immigration since I became a member of that committee 17 years ago. In those days we were writing the fundamental law, and we had many a battle. As I said before, we have come a long way. I am not going to oppose this legislation today. While I think that it does not add anything to the restrictive legislation now on the statute books, still it does not change things much. The principal change is that it will admit to citizenship those aliens who are over 50 years of age and who were here before 1924 and who cannot read or write. It will enable that many more to be eligible to W. P. A. aid and to draw old-age pensions.

I want to call something to the attention of the chairman of the Committee on Immigration and Naturalization and

to the attention of the distinguished gentlemen from Illinois and Kansas, the immigration experts. A few days ago I visited an immigration station in this country, one of the large ones, and I had a conversation with the inspector in charge. Now, I do not want to give his name and I do not want to say anything definite about it because somebody might cause him trouble.

His conversation with me has verified what I have said repeatedly, and that is that we ought to be careful when we amend these laws. I discussed with the gentleman a situation which I deplore, and that is that it is being made too easy for some of our aliens to become citizens. I know there must be literally thousands of people in this country who have no right to stay here, and they are clamoring for citizenship. They have not any real right to ask for citizenship. They have come in as visitors. I asked him if it was not true that persons who had come in as visitors were seeking naturalization. He advised me that they were.

You know, everybody who comes to this country is not legally and technically an immigrant. There are two classes of these people. One class is designated in the law as immigrants and the other is designated in the law as nonimmigrants. There are many times more nonimmigrants coming to this country than immigrants. The quota law limits immigrants to about 153,000, but there are not that many who come in as immigrants. Because of the war conditions not many can come. More have been coming from Germany than from any other country. They are principally refugees. Germany's quota is pretty well up, but the quotas from other countries are small. There are 3 or 4, maybe 10 times, as many nonimmigrants come over here. Who are they? They are the students, visitors, businessmen, ministers, and church attachés who come in here under visitors' visas. Before the war conditions intervened nearly 300,000 of these came during a year. Most of these visitors are supposed to stay only 6 months. They are required in most cases to give a bond conditioned that they will leave. What do they do? They lose their identity in our population. Thousands of them do this; refuse to leave. We do not send them back because Madam Perkins' crowd has never been very keen about that and because in many instances there is no country to which they can be sent. And in many cases they will not be accepted by the countries from which they come. In former days certain of the foreign countries encouraged their undesirables to come to America. I am not complaining against any person for wishing to become an American citizen. But I am opposed to those who come in ostensibly as visitors, overstaying their time, and then scheming to get citizenship while there are others from the same countries who would like to come in regularly under the quotas. It was against this practice that I complained to the immigration authorities and was advised that this was being done. I presume that this is accomplished by reason of a claim that the quota may not have been exhausted, or some similar reason. I want you experts to find just what the facts are. If the law needs amending so as to restrict this situation, I should like to see it done.

(Here the gavel fell.)

Mr. DICKSTEIN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. JENKINS of Ohio. May I say to the gentleman, in thanking him, that while he and I have had many battles on this floor, he has been consistent and I have been consistent. He has been consistent one way and I have been the other way. However, I have great respect and fondness for him.

Mr. REES of Kansas. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Do I understand the gentleman to say from the information he thinks he has at hand that the naturalization authorities are permitting individuals to file petitions for declaration of citizenship who are here on temporary visas?

Mr. JENKINS of Ohio. That is what I say—who have come here as visitors.

Mr. REES of Kansas. Is that the charge?

Mr. JENKINS of Ohio. I am not making any charge. That is what I say. I am asking that we find out about it.

Mr. REES of Kansas. The gentleman well knows that such a thing is in violation of the law, if that is his charge.

Mr. JENKINS of Ohio. Now, just a minute.

Mr. REES of Kansas. The gentleman is an expert on this problem himself, and I have the highest regard for his opinion on this question.

Mr. JENKINS of Ohio. No; I am not an expert. Here is what I say—and it is nothing new: They admit people to citizenship who have violated the law. Many of them have gotten in that way, and we pass special bills here often to give citizenship to people who have violated the law; we allow people to come in who ought not to come in; we allow them citizenship by special bills when we should not do so. That is nothing new in immigration. Let me clarify my position.

Mr. REES of Kansas. I think the gentleman from Ohio ought to clarify his position pretty well.

Mr. JENKINS of Ohio. I want to clarify it. It is so startling that I want to know what the facts are. My position is this: The gentleman knows, as I said, that many times more people come in as nonimmigrants than as immigrants. They come in as visitors. They lose themselves in our cities. Our immigration agents cannot find them. There is no question that thousands of them do that. Where are they? You may say that the fault is with somebody else; but where are they? It is not the fault of the immigration agents. They cannot find them. Why do we not send them out? Because there is no country that will take many of them, and we do not have the money to send them all out. We cannot cope with the proposition because they are too numerous. We are too lenient. We let the people come in as visitors; we do not follow them through at the end of 6 months. There are thousands of these people here that have overstayed their time, and the gentleman knows it. He will not argue that with me. Thousands of them have overstayed their time, and I understand they then step up and make application for naturalization. Here is the way they may be doing it: The quotas for some of the countries are not oversupplied, and these visitors who have overstayed their time ask to be naturalized. We cannot help this when they come here and lose themselves in the cities, but they can. The fault is theirs. They come up and ask to be substituted for somebody else on the quota. I shall look into it further, and I hope the gentleman will do the same.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I am in sympathy with the gentleman's discussion about the question of immigration, and I admit and say that we do have thousands and thousands of undesirable individuals in this country, but I should like to go back to the point the gentleman made a moment ago. I just do not believe that the gentleman can cite any cases where individuals have been permitted to become citizens by naturalization except when they have been admitted legally, that is, as far as the immigration is concerned.

Mr. JENKINS of Ohio. The gentleman is talking about admission and I am talking about becoming naturalized.

Mr. REES of Kansas. That is correct. I say that an individual does not become naturalized unless he has been admitted legally.

Mr. JENKINS of Ohio. I agree that he should not, but I do not admit that he does not in many instances. I leave it to the gentleman from Kansas and the gentleman from New York, to whom I look as being probably the experts of the House on this subject. You find out whether or not I am right. If I am not right, then I shall report it back to this man, who I think knows more than any of us, and who is right, from what I believe about it.

Mr. REES of Kansas. I am sure that in view of the charge the gentleman from Ohio has made and in view of his interest in the question, also because of his knowledge of this problem, the Committee on Immigration and Naturalization will be more than glad to have the gentleman come before the committee and submit the proposition he is submitting before the House today.

Mr. JENKINS of Ohio. We might see about that later.

Mr. SCHULTE. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Indiana, who has always shown a great interest in these matters.

Mr. SCHULTE. I agree with the gentleman from Ohio in a great many respects. May I say that just a few short months ago I called to the attention of the House a very serious situation that existed in Hawaii. I made the statement

that some day this country would pay the price because of the dual citizenship that existed at that particular time. I told the House then of the number of Japanese who had dual citizenship and were then serving in the Army, the Navy, or the Marine Corps of Japan. The Delegate from Hawaii then undertook to chastise me because he questioned my statements. He said that the Japanese of dual citizenship would be loyal. The answer came on December 7. Yet I was told when I made that statement before that we had to be very careful and very passive for fear that we might offend the Japanese.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, no man in this House or in this country can show any single case where any person became a citizen who had no right to become a citizen under our revised statutes.

I also call your attention to the fact that this committee has been struggling very hard and has many problems before it, yet we do not even have an assistant clerk to help us. We are struggling day and night with several hundred bills and with problems affecting the defense of this country, yet it is difficult to get an assistant clerk for the committee, whereas other committees which have not had a bill before them in 5 years have three or four clerks.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman is not referring to the Committee on Expenditures in the Executive Departments, or the Labor Committee, or the Committee on War Claims, is he? We do not have any bills before us.

Mr. DICKSTEIN. I do not know, but the record speaks for itself.

This committee has done a very fine job, both the minority and the majority members of the committee. We all work together.

I call attention to the fact that a year ago there was a registration of aliens in this country. We do not know yet and it is rather difficult to find out the number of investigators conducting the investigation, the number of aliens who were segregated into certain classes and to find out when they came here and how they came here, but the committee hopes to get that information. They hope to get to the Bureau of the Budget and other officials who are a little slow in getting information before the committee.

I think this is a bill that ought to be passed and passed in a hurry. I do not believe I have any further requests for time.

Mr. SAUTHOFF. Mr. Chairman, I would like to ask the gentleman a question.

Mr. DICKSTEIN. I yield to the gentleman.

Mr. SAUTHOFF. After a court action has been held under the terms of this bill and a naturalized citizen is deprived of citizenship by action of the court, what power rests then to punish him or move him from the United States?

Mr. DICKSTEIN. In the first place, unless he takes an appeal, which he has a right to do like any other litigant, he can be punished under a number of provisions of the immigration law. He may be ordered deported; he may have a hearing before a special board of inquiry as to how he entered the United States, whether he entered by subterfuge or a false passport or by a misleading document.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Chairman, I yield myself 1 additional minute to answer any further questions.

Mr. SAUTHOFF. I would like to ask the gentleman this further question: Would it not be a good idea if the court were instructed either to take action or refer the matter to the Department of Justice?

Mr. DICKSTEIN. The court has the right to request the Department to order such a man deported, and I am sure that the procedure outlined will be in accordance with democratic principles.

Mr. MARTIN J. KENNEDY. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman.

Mr. MARTIN J. KENNEDY. Has any procedure been set up to enforce the provisions of this act?

Mr. DICKSTEIN. Yes; we have discussed the matter off the record with the Attorney General as to just what is in his mind and what we believe ought to be done, but there are no rules yet formulated. This will be done after the passage of the act.

Mr. MARTIN J. KENNEDY. There is no sense in ordering a man deported under the present existing situation.

Mr. DICKSTEIN. No; we cannot order a man deported, because we have no power.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Chairman, I yield myself 1 additional minute to answer the question of the gentleman from Arizona.

Mr. MURDOCK. There are in this country many aliens, and I think some of them undesirable and dangerous aliens. Does this bill make easy provision for them to become citizens? We must be on our guard in this respect.

Mr. DICKSTEIN. No; all the dangerous aliens, I would say, are in the station at Ellis Island or in other places in this country, far removed from any danger to this country. I am referring, of course, to the very undesirable aliens.

Mr. Chairman, I yield such time as he may desire to the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Chairman, I am very much concerned with the act under consideration by this House, H. R. 6250.

I have in my district a great many men and women who in fact are excellent Americans, but who unfortunately, are not American citizens. Hard workers, good providers, honest, clean mothers and fathers, they are deprived of the blessing they seek most earnestly—that of American citizenship—because of their inability to read and write the English language.

Having come here from European countries many years ago, they know the real meaning of Americanism. Having been deprived of schooling in their home countries because of the system that prevailed there, they are unable, at an advanced age, to acquire sufficient knowledge of the language to meet the requirements of the law as it now stands.

These aliens have lived and learned the American way of life through long and hard experience. They appreciate, far more than so many of us who take its protection for granted, just what a privilege American citizenship is.

These aliens pay taxes; they raise families who owe, and who give, to this their true homeland the same measure of loyalty as those who are the sons and daughters of native-born Americans; they give their sons to die on the battlefields in our wars; and to punish them by withholding American citizenship is not only short-sighted but unjust.

Passage of this act will be an acknowledgment of our country's faith in them and will be a means of inspiring in them a still greater faith in the justice and honor of America, and it will go a long, long way toward making certain that unity of purpose which is of such vital importance today.

Mr. DICKSTEIN. Mr. Chairman, I yield such time as he may desire to the gentleman from Maryland [Mr. D'ALESANDRO].

Mr. D'ALESANDRO. Mr. Chairman, on April 18, 1941, I introduced H. R. 4417, which provides that any alien eligible for citizenship who is 50 years of age or older, who has made a declaration of intention or filed a petition for naturalization, and who was lawfully admitted to the United States for permanent residence prior to February 5, 1917, and has ever since said lawful entry maintained a bona fide residence in the United States, may be naturalized upon full and complete compliance with all requirements of the naturalization laws, with the following exceptions: Petition for naturalization may be filed without regard for the 7-year limitation on the declaration of intention and the applicant shall not be required to sign his petition in his own handwriting or to speak the English language and he shall be exempt from all educational requirements. Nothing herein shall be held to waive or in anywise relax the requirement for good moral character.

H. R. 6250, which is now before the House, is a similar bill and contains most of the provisions in my bill. I therefore ask the membership of this House to vote for the passage of this bill, because it gives relief from the stringent naturalization laws, to the real forgotten people of our Nation. Some of these people came to this great America in the 1880's and 1890's, young, honest, industrious people, who never really had the time or the opportunity to learn how to read and write. They married, had large families, and have given their best years in honest labor. Many are property owners and taxpayers. Many had sons and daughters who served our great country in the World War and

are today giving their lives in the great battle we are now engaged in for the preservation of our free institutions. The sons and daughters of others are today in the vanguard of America's progress. Yet these same clean-living people of America cannot become citizens unless they pass an examination that would probably "flunk" a high-school graduate or perhaps a college graduate. If the only requirements for citizenship were contributions to national wealth through honest labor and love for democracy, almost all of our noncitizens could easily become citizens.

There are thousands of people in the United States who have made application for their first and second papers but who failed to pass the examination. In making application they renounced allegiance to their native countries, and yet they are not citizens of the United States. They love America; they belong to America; they are willing to fight to defend America and keep it democratic and free, so why deny them citizenship?

The Committee on Immigration and Naturalization to whom this bill was referred to amend the Naturalization Act of 1940, so as to strengthen our national defense, approved it with the recommendations of the Attorney General and the Navy and War Departments. Therefore, Mr. Chairman, I hope the House accepts the bill in its present form.

Mr. DICKSTEIN. Mr. Chairman, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, throughout American history we have thrown our doors open to the peoples of all lands, especially the oppressed peoples of all lands, and have made America the home of freedom. This means that we have changed our law on immigration and naturalization very often and have a multiplicity of regulations, perhaps some good and some bad, and no doubt all confusing. Recognizing as I do the contribution in blood and culture to America through the unnumbered hosts who have turned their eyes toward the Promised Land, yet, in spite of all this, I feel that we have been as a government too lenient in remedying the situation.

It is late now, but not entirely too late to remedy or improve it. This country has been greatly harmed by individuals who ought not to have ever been admitted here. However, the same thing can be said of the immigration from heaven, or whatever may be the source of the stork-borne migration. Undoubtedly the world would be better off if some individuals had not been born. However, that reflection does little good. The more suitable thing is to act so as to prevent the harm they might do.

The matter of dual citizenship ought never to be permitted here. I read a statement only a few days ago from a recently returned eyewitness at Pearl Harbor on December 7 last, saying some of the Japanese flyers shot down in that treacherous attack were former students at an American high school in the islands and were personally recognized by fellow Americans. In some instances, it is said they wore American high school fraternity rings on their fingers. How many such do we have in this country and its possessions?

It is true we cannot take away American citizenship from the native-born entirely, but we do take it away in part from criminals convicted of felonies. I can conceive of cases where citizenship obtained by naturalization ought to be taken away from those who have forfeited such a privilege by nonfidelity to our Republic. I favor that part of the bill before us.

Mr. DICKSTEIN. Mr. Chairman, as there are no further requests for time, I ask that the Clerk may read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 307 (a) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1142), be, and it hereby is, amended by adding the following: *"Provided*, That the requirement that a person shall have resided for a period of 6 months within the State in which the petition is filed shall not apply to members of the military and naval forces of the United States."

Mr. DICKSTEIN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. DICKSTEIN: On page 1, line 9, strike out the period and add the following: *"And provided further*, That any member of the military or naval forces of the United States may file his petition for naturalization in any naturalization court regardless of his place of residence, and such petition may be heard immediately by the naturalization court if the petitioner and his witnesses shall have appeared before, and been examined by, a representative of the Immigration and Naturalization Service."

Mr. DICKSTEIN. Mr. Chairman, this is simply a clarifying amendment to aid and assist the veterans and soldiers of the Navy and Army who are still aliens and seek to become citizens so their proceedings may be expedited in accordance with due form of law.

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. Subdivision (1) of subsection (b) of section 307 of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1142), is hereby amended to read as follows:

"(1) Prior to the beginning of such period (whether such period begins before or after his departure from the United States) the alien has established to the satisfaction of the Attorney General that his absence from the United States for such period is to be on behalf of such Government, or for the purpose of carrying on scientific research on behalf of such institution, or to be engaged in the development of such foreign trade and commerce, or whose absence abroad is necessary to the protection of the property rights in such countries of such firm or corporation."

SEC. 3. Section 308 of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1143), is hereby amended by adding at the end thereof a new subsection to be lettered "subsection (a)", and reading as follows:

"(a) Any alien who is 50 years of age or over and who has resided in the United States continuously for a period of at least 10 years may, if eligible for naturalization, file petition for naturalization within 2 years from the effective date of this subsection and thereafter be admitted to citizenship upon full and complete compliance with all requirements of the naturalization laws, except that no declaration of intention shall be required, and he shall not be required to speak the English language, sign his petition in his own handwriting, or meet other educational tests."

With the following committee amendment:

Page 2, line 13, strike out all of section 3 and insert in lieu thereof the following:

"SEC. 3. The Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1137), is hereby amended by adding, immediately following section 304 thereof, a new section to be numbered 304A and reading as follows:

"'SEC. 304A. An alien, if eligible to naturalization, 50 years of age or over, who has resided in the United States continuously since prior to July 1, 1924, and who, on or prior to the effective date of this section, has made a declaration of intention to become a citizen which is not more than 7 years old, or who, within 2 years from the effective date of this section, shall make a declaration of intention may thereafter file petition for naturalization and be admitted to citizenship upon full and complete compliance with all requirements of the naturalization laws, except that he shall not be required to speak the English language, sign his declaration or petition in his own handwriting, or meet other educational requirements.'"

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 4. Section 320 of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1148), is hereby amended to read as follows:

"SEC. 320. A person not an alien enemy, who resided uninterruptedly within the United States during the period of 5 years next preceding July 1, 1925, and was on that date otherwise qualified to become a citizen of the United States, except that such person had not made a declaration of intention required by law and who during or prior to that time, because of misinformation regarding the citizenship status of such person, erroneously exercised the rights and performed the duties of a citizen of the United States in good faith, may file the petition for naturalization prescribed by law without making the preliminary declaration of intention, and upon satisfactory proof to the court that petitioner has so acted, may be admitted as a citizen of the United States upon complying with the other requirements of the naturalization law."

With the following committee amendment:

Page 4, line 13, strike out the word "law" and insert the word "laws."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 5. Section 328 (c) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1152), is hereby amended to read as follows:

"(c) For the purposes of the immigration laws and naturalization laws an alien, in respect of whom a record of registry has been made as authorized by subsection (b) of this section, shall be deemed to have been lawfully admitted to the United States for permanent residence as of the date of such alien's entry."

SEC. 6. The first paragraph of section 332 (a) of the Nationality Act of 1940, approved October 14, 1940 (64 Stat. 1154), is hereby amended to read as follows:

"SEC. 332. (a) An applicant for naturalization shall, not less than 2 nor more than 7 years after such declaration of intention has been made, make and file in the office of the clerk of a naturalization court, in duplicate, a sworn petition in writing, signed by

the applicant in the applicant's own handwriting if physically able to write, and duly verified by witnesses, which petition shall contain substantially the following averments by such applicant."

SEC. 7. Section 334 (c) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1156), is hereby amended to read as follows:

"(c) Except as otherwise specifically provided in this act, no final hearing shall be held on any petition for naturalization nor shall any person be naturalized nor shall any certificate of naturalization be issued by any court within 30 days after the filing of the petition for naturalization, nor within 30 days preceding the holding of any general election within the territorial jurisdiction of the naturalization court."

SEC. 8. Section 338 (a) of the Nationality Act of 1940 is hereby amended by substituting a comma for the period at the end thereof and by adding the following: "or on the ground that his conduct establishes that his political allegiance is to a foreign state or sovereignty."

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WILLIAM T. PHEIFFER: Page 5, line 23, after the words "that his", strike out the word "political."

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, this is an amendment which has been approved by the committee and has likewise been approved by the lawyers representing the Department of Justice, who sat around the table with us during the consideration of this bill. In our judgment it makes the bill more effective from the standpoint of clarity and enforceability. It takes out a qualifying word, which really has no proper place in the bill, and which prevents the bill from actually dovetailing with the oath of allegiance, which an alien takes when he becomes a naturalized citizen. Here is the wording of that oath:

I hereby declare, on oath, that I absolutely and entirely renounce and abjure all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty, of whom or which I have heretofore been a subject or citizen.

There is no limitation in that oath to political fealty or allegiance. It is simply allegiance. Now we find that the definition of "allegiance" as such—and I quote from Funk & Wagnall's New Standard Dictionary—is as follows:

Obligation of fidelity and obedience that an individual owes to his government or sovereign in return for the protection he receives.

The same dictionary defines the word "political" as follows:

Pertaining to public policy, concerned in the administration of government, belonging to the enactment and administration of the laws, etc.

Mr. MARTIN J. KENNEDY. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM T. PHEIFFER. Yes.

Mr. MARTIN J. KENNEDY. Of course I do not know the background of the preparation of this bill, but it seems to me that a man coming here from a foreign country renounces his allegiance to the body politic, does he not, from which he came?

Mr. WILLIAM T. PHEIFFER. As well as his allegiance and devotion to any foreign ruler, prince, or potentate, to whom he might have owed allegiance prior to his coming here.

Mr. MARTIN J. KENNEDY. Does the gentleman think there could be a line of demarcation there between the state itself or the government and some individual within the government?

Mr. WILLIAM T. PHEIFFER. I think that might be possible under the circumstances existing throughout the world today. Of course, there is a twilight zone between allegiance to a government and allegiance and fidelity to a sovereign, but there might be both or either in the case of a given individual.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM T. PHEIFFER. Yes.

Mr. McCORMACK. I think I can enlighten my friend from New York [Mr. MARTIN J. KENNEDY] by stating that up until about a little over a year ago the renunciation was not only general, but specific, not only to a state, but to a specific king or prince or potentate, but we eliminated the specific renunciation a little over a year ago. I introduced a bill feeling that the general renunciation was adequate and completely met the situation. One of our distinguished Members in the other body introduced a bill to eliminate the renunciation of the specific oath of allegiance to the King of England in the case of those of Irish blood, and I felt that he was on the right track, but that it should apply to everyone, and about a year ago or a little over, the bill was passed, eliminating what was called the specific oath of renunciation, and it is now general, as read by the gentleman from New York [Mr. WILLIAM T. PHEIFFER].

Mr. WILLIAM T. PHEIFFER. I thank the gentleman from Massachusetts for his contribution.

Mr. MARTIN J. KENNEDY. I do not want to create the impression that we are introducing some new theory of foreign allegiance. That is, as to the government or the head of that government. I am glad to accept the suggestion of the majority leader.

Mr. WILLIAM T. PHEIFFER. I appreciate the sincerity of the motive of my colleague in making that observation.

Mr. Chairman, the compelling reason for eliminating the word "political" from section 8 of this bill is found in the following lines penned by the great American poet and essayist, James Russell Lowell:

We owe allegiance to the state; but deeper, truer, more
To the sympathies that God hath set within our spirit's core.

Individually, and in behalf of the committee, I urge the adoption of this amendment by the House.

[Here the gavel fell.]

Mr. KEEFE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment offered by the gentleman from New York [Mr. WILLIAM T. PHEIFFER] proposes to strike out the word "political" as a qualifying word contained in section 8, so that the section would permit the revocation of citizenship papers upon proof in court that the person complained of by the Department of Justice owed "allegiance" to a foreign state or sovereignty.

In speaking in support of his amendment the gentleman from New York indicated that the Attorney General's office before the committee approved this proposed amendment. I have before me the committee report, which contains a letter from the Attorney General, in which he specifically asked that this bill be passed with the words "political allegiance" involved in this particular section.

I was inclined to the belief, when I first studied this situation, that the gentleman's amendment would perhaps be very proper, but upon giving it some further thought and upon discussing it with some Members of Congress who have had large experience in handling cases of this character in court, I think the Attorney General's office is going to be very definitely hamstrung if we are to accept the amendment offered by the gentleman from New York.

The situation is simply this: When an alien is admitted to citizenship today he takes an oath of allegiance in which he says, "I hereby declare on oath that I absolutely and entirely renounce and abjure all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty," and so forth. He abjures and renounces his allegiance to a foreign state. If this bill is passed in the form in which it will be, including the amendment offered by the gentleman from New York, the duty and burden upon the United States district attorney in order to secure revocation of citizenship papers, will be to demonstrate to a jury as a matter of fact that that naturalized citizen has retaken his allegiance to the country whose allegiance he has abjured when admitted to citizenship.

Mr. MASON. Mr. Chairman, will the gentleman yield right there?

Mr. KEEFE. Yes; I yield.

Mr. MASON. He will only have to prove that the gentleman did not renounce when he uttered the words of renunciation, and this is to make it identical with the oath that he takes renouncing. He renounces allegiance in words. Then his actions later on prove that he did not do it at all. Actions speak louder than words, and that is what he has to convince the court.

Mr. KEEFE. Now, I want to say it is an easy thing to write that into legislation, but I am looking at it from a practical point of view of a man who is compelled to go into court and administer this law and seek the cancelation of a certificate of naturalization. I am here to tell you that there is no district attorney in the United States who can go into court and bring proof to bring about the cancelation of a certificate of naturalization if you strike out the word "political." You cannot make out a case that will satisfy the requirements of the law to prove that he now owes allegiance to a foreign nation, even though he may have made speeches, written letters and documents, and everything else approving

the political philosophy of the foreign government.

I just have this to say: Listen to the amendment that will be offered by the gentleman from Pennsylvania [Mr. GRAHAM] immediately following this. I think he will offer an amendment that will satisfy this situation. I cannot support the present amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. WILLIAM T. PHEIFFER].

The question was taken; and on a division (demanded by Mr. WILLIAM T. PHEIFFER) there were ayes 6 and noes 45.

So the amendment was rejected.

Mr. GRAHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM: On page 5, line 23, after the word "his", where it occurs the first time, insert "utterances, writings, actions, or course of."

Mr. GRAHAM. Mr. Chairman, may I say at the outset that I speak from the angle and viewpoint of a former United States attorney. I do not want to worry the Members of this House by constantly referring to it, but I do think it is wise to have it before you in this instance. Many of you have been prosecuting attorneys in your counties. Few men have been United States attorneys handling the matter of cancelation of naturalization papers. Frankly and honestly, I have had considerable experience in that matter in the western judicial district of Pennsylvania at Pittsburgh, where we had a very large foreign population. I have gone through it a number of times.

The amendment I have offered is a clarifying amendment. It is offered for this purpose: The language of the bill submitted by the committee simply calls for the word "conduct." In its narrow sense the word "conduct" means behavior; but when a United States attorney begins his proceeding on a petition to cancel a naturalization declaration he is instantly confronted by a judge upon the bench who may seek to offer his own interpretation of the word "conduct."

One judge may say it relates to the man's personal and private character. Another judge may establish another standard. I want to give you an illustration: A number of years ago I served as deputy attorney general of the State of Pennsylvania, charged with the enforcement of a particular act. I appeared in 42 of the State's 67 counties. To my utter amazement I found almost 42 different interpretations and viewpoints of judges on that act, for there had never been a decision by the Supreme Court of Pennsylvania. I cite this to you at this point to show you what I am striving at, to wit, a uniform standard.

Let me read you what the district attorney is going to be confronted with:

It shall be the duty of the United States district attorneys for the respective districts, upon affidavit showing good cause therefor, to institute proceedings in any court specified in subsection (a) of section 301 in the judicial district in which the naturalized citizen may reside at the time of bringing suit, for the purpose of revoking and setting aside the order admitting such person to citizenship and canceling the certificate of naturalization on the ground of fraud or on the ground that such order and certificate of naturalization were illegally procured, or on the ground—

Then I add:

that his utterances, writings, action, or course of conduct—

And the remainder of the paragraph reads:

establishes that his political allegiance is to a foreign state or sovereignty.

What do I mean by that? The minute a United States attorney goes into court he has to establish certain facts to show this conduct on which the judge is going to make his findings and determination. As a consequence, he will have to go back and get the man's utterances. It does not mean a single statement, but it means a course of statements—public statements or writings which constitute a course of conduct such as to make it plain that his allegiance and loyalty is to another jurisdiction, another country, king, or potentate.

I think much of the discussion which took place in connection with the amendment offered by the gentleman from New York and the answer given by the gentleman from Wisconsin was on the ground that there is a difference between a narrow political partisanship on the one hand and general political allegiance or loyalty on the other.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield for a question?

Mr. GRAHAM. I yield.

Mr. DICKSTEIN. The Attorney General, if this law is enacted, will formulate and promulgate rules and regulations. Would not the adoption of the pending amendment restrict the things he can consider as entering into a course of conduct?

Mr. GRAHAM. Answering the question of the gentleman from New York, I may say that we do not tie him down. A man first gives utterance to his thoughts; he writes them, speaks them, or his actions carry them out. He can do no more than that.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. I yield.

Mr. McCORMACK. As I understand the gentleman's amendment, it is intended to bring about a uniformity of interpretation by the courts and in no way interferes with the administrative duties that must be performed by the Attorney General. It is an instruction by the Congress to the courts on some of these things and does not leave the uncertainty the gentleman encountered in the situation he related to us.

Mr. GRAHAM. The gentleman's statement is exactly correct.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. May I first say another word in answer to the gentleman from Massachusetts, the distinguished majority leader? As the gentleman well knows, we have 10 circuits in the United States, and I believe there are 85 separate districts. You will have judges in each of the 85 districts interpreting this law and 10 circuits passing on it until it finally reaches the Supreme Court; and remember that whenever there is a finding in a circuit court that finding becomes binding in that circuit. There may be one interpretation in one circuit and quite a different interpretation in another circuit.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 3 additional minutes. He has offered a very important amendment.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. GRAHAM. I yield to the gentleman from New York.

Mr. DICKSTEIN. I wish to ask the gentleman, with reference to the word "utterances", whether or not the inclusion of that word does not violate the constitutional guaranty of freedom of speech.

Mr. GRAHAM. No; frankly.

Mr. DICKSTEIN. I promised the gentleman from New York [Mr. FISH] and my committee to prevent that thing from happening, and I wish the gentleman would clear it up.

Mr. GRAHAM. This is my answer to the gentleman: Course of conduct does not hinge on a single utterance. A man in the heat of emotion may say something he regrets, something which might, standing by itself, be interpreted as a sign of disloyalty. What is meant is a continued course of utterances that wind up in a course of conduct, the accumulation of the whole thing. In other words, you do not bring a man into court on a single utterance, but you take the whole course of his utterances, statements, speeches, actions, everything he does, which rolls up into a course of conduct.

Mr. McCORMACK. For information, may I suggest that the amendment of the gentleman is definitely connected up with utterances and conduct, and so forth, relating to political allegiance to a foreign state or sovereignty. That is different from utterances of a general nature.

Mr. GRAHAM. The gentleman is correct.

Mr. WILLIAM T. PHEIFFER. Will the gentleman yield?

Mr. GRAHAM. I yield to the gentleman from New York.

Mr. WILLIAM T. PHEIFFER. I would like to ask the gentleman's opinion on a situation such as this, which is entirely hypothetical: Suppose we have two given aliens. One of them gets up and shouts in a public place, "Hurray for Hitler."

The other one shouts, "Hurray for the Nazi government." Which one of those men, either or both, could be prosecuted and convicted under this law as it now stands?

Mr. GRAHAM. My answer is neither of them.

Mr. BECKWORTH. Will the gentleman yield?

Mr. GRAHAM. I yield to the gentleman from Texas.

Mr. BECKWORTH. What the gentleman's amendment does is to actually give

the prosecuting attorney something to go by or tie to.

Mr. GRAHAM. That is just exactly right.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. GRAHAM. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. I think the gentleman's amendment is very appropriate and should be adopted. Let us take the word "allegiance." If you hold to that, you could never prove anything. The word "conduct" might by some judges be interpreted to mean physical conduct. The gentleman has elaborated on that and he clarifies that so everybody can understand it and the district attorney knows what he is doing.

Mr. GRAHAM. That is true.

Mr. REES of Kansas. Will the gentleman yield?

Mr. GRAHAM. I yield to the gentleman from Kansas.

Mr. REES of Kansas. I appreciate the viewpoint of the distinguished Member from Pennsylvania and it is interesting. On the other hand, I am not going to object to the amendment. It seems to me a man's course of conduct would include his utterances, writings, and so forth. As I understand, the gentleman's amendment provides for writings and it provides for utterances, then he also provides for course of conduct?

Mr. GRAHAM. His actions and course of conduct, which is all-inclusive. It includes all of it.

Mr. JENKINS of Ohio. It seems to me that the word "conduct" would include them all, too.

Mr. MICHENER. Will the gentleman yield?

Mr. GRAHAM. I yield to the gentleman from Michigan.

Mr. MICHENER. I appreciate the seriousness of the gentleman's amendment, and I also appreciate that the gentleman was an outstanding district attorney.

Mr. GRAHAM. I thank the gentleman.

Mr. MICHENER. And that he appreciates what it means to prove things in court. I believe that he has applied that principle to this amendment.

Mr. GRAHAM. I thank the gentleman.

Mr. DICKSTEIN. Mr. Chairman, under the circumstances, I do not think the committee can have any objection, as long as this does not deprive a man of his right of free speech. That should be the sole test of the cancelation.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GRAHAM].

The amendment was agreed to.

Mr. REES of Kansas. Mr. Chairman, I offer a committee amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Committee amendment offered by Mr. REES of Kansas: After the quotation marks in line 24, page 5, insert "The amendment made by this section shall cease to be in effect upon the expiration of 1 year from the date of the termination of the present war in which the United States is engaged, except for the purpose of sustaining any proper proceedings instituted by reason of such amendment before the expiration of such 1 year."

Mr. TALLE. Will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Iowa.

Mr. TALLE. This amendment grows out of a suggestion which I made in committee when it was proposed that this measure, if enacted into law, expire 30 days after the war comes to an end. My point is that following the war, and God grant that it may end soon, there will be many problems to deal with, many problems of administration and legislation. If this measure is to have a post-war time limit, a year rather than a month will not be too long a period in which to permit the committee to consider the advisability of enacting it on a permanent basis.

Mr. REES of Kansas. I appreciate the contribution of the gentleman from Iowa. This amendment is the one that we discussed a few moments ago. It limits section 8 to a period of 1 year after the war. The amendment comes about because of a feeling on the part of a number of Members of the House at the time this measure was brought up some 2 or 3 weeks ago that since it is somewhat drastic in its nature, and since it comes principally at the instance of the War Department and the Department of Justice by reason of the present war emergency, this section should expire at the end of 1 year after the war is over.

There are some members of our committee who feel this ought to be permanent legislation. Let me suggest that we adopt this amendment. We can try it out and if Congress, after the war is over and after a year has expired, feels it ought to be permanent legislation, it can then make it so at that time. There are some Members who feel it is a rather drastic piece of legislation. Under this particular section after a person has been allowed the full right of citizenship, just the same as those of us who are natural born, we come along and enact a law that says under certain circumstances, and I think they are right, we will cancel the naturalization papers of this fellow who became a citizen by operation of law and, of course, not permit him to become a citizen again.

I am in favor of the legislation. Personally, I have no objection to making it permanent, but in view of the fact it is rather stringent in its nature, and since we can continue to keep our hands on it all the time, and for the purpose of harmony at least, we should pass the bill with this amendment. I remember very well that the leadership on both sides of the House got together when this matter came up before and said, "Let us not quarrel over this particular thing, because it appears to involve or restrict to some extent the rights of individuals to free speech and things of that kind. Let us make this part of it to that extent temporary."

I therefore submit the amendment for your consideration.

[Here the gavel fell.]

Mr. RAMSAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I speak not only for myself as one of the members of the committee but for other members as well.

It is said that this is drastic legislation. We cannot understand how any legislation could be drastic that requires a naturalized citizen to be for America always, not only in time of war but in time of peace. We also believe that any naturalized citizen who is opposed to this measure is not and cannot be a good American. To make this law apply only in time of war, to make a man be a good citizen during time of war but not in time of peace, and to let him inveigh against this country in time of peace seems to me to be silly. It is just like making a New Year's resolution good for the day, or a Hitler treaty.

If a man is an American citizen, he is an American citizen, and if he is not an American citizen, he is not an American citizen, whether there is war or whether there is no war; therefore, we ought to have some legislation not only in time of war but in time of peace that will make it possible for the Government to deport those people who are opposed to the American Republic.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. RAMSAY. I yield to the gentleman from Kansas.

Mr. REES of Kansas. The gentleman fully realizes, of course, that the occasion for this proposed legislation is the war situation?

Mr. RAMSAY. I do not agree with that. We have had occasion for this legislation ever since we have had naturalization in this country. All the sabotage, all the things that have been done to injure this country, were done by these people before the war and not after the war started. After the war started they were put in concentration camps, but in time of peace they were running all over this country doing everything they could against us. In time of peace is when they prepare, when the Quislings start to overthrow our Government, before war is declared—not after war is declared, because wars are not declared any more, but before a war is started.

We feel that this is necessary legislation and should be permanent, that every American ought to be for it whether he is naturalized or not.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. RAMSAY. I yield to the gentleman from Texas.

Mr. BECKWORTH. I think it might well be emphasized that this bill is directed at people who took advantage of the leniency of our country allowed them in peacetime.

Mr. RAMSAY. The gentleman is correct.

Mr. BECKWORTH. Defeating this amendment will take care of those people who took advantage of the leniency this Government gave them during peacetime.

Mr. RAMSAY That is right. More than that, if this law is destroyed after the war, then the Kuhns can go on without loss of their naturalization papers.

Mr. REES of Kansas. If the gentleman will yield further, the gentleman realizes now that if we pass this legislation it will be in effect until at least 1 year after the war. Does not the gentleman agree with me that then, if the Congress finds this to be the kind of legislation we ought to have, we can continue it? We are not defeating it; we are enacting it into law to be in effect from now until a year after the war is over, under the terms of this amendment. If we then find out we want to continue it, we can do so.

Mr. RAMSAY. It is plainly obvious that there is no necessity to require legislation insisting upon the performance of a plain American duty to come before the Congress time after time. We are acting on it now, and now is the time to make the law and make it impossible for the Kuhns and all other such people who have done everything they can against our Government to say, "I did not feel that way at the time I got my papers. I feel that way now, but I did not feel that way at the time I got my papers; therefore you cannot deport me." Let us make it possible for us to deport alien enemies of America now and all the time.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this amendment came about because our colleague the gentleman from New York [Mr. FISH] thought the legislation to be too drastic and to give the Attorney General too much power in pursuing the cancelation of citizenship under the proceedings outlined in the bill.

The Attorney General did not request this legislation as temporary legislation. He requested it as written in the original bill. Because of certain representations made by the gentleman from New York [Mr. FISH], the committee saw fit to authorize the distinguished gentleman from Kansas [Mr. REES] to offer this as a committee amendment. The committee was not unanimous on this amendment. There was a division in the committee. Quite a number of the members were in favor of leaving the provision as it is, without trying to make it temporary, to end after the war. We thought that the matter should be presented to the House, and here you have it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The amendment was rejected.

The Clerk read as follows:

SEC. 9. Section 338 (b) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1158), is hereby amended by adding the following sentence at the end thereof: "When the United States is at war or during the existence of a national emergency proclaimed by the President, a naturalized person shall in any proceeding brought under subsection (a) of this section have 30 days' notice in which to answer the petition of the United States, if such notice is served upon him personally in the continental United States."

With the following committee amendment:

On page 6, in line 7, after "to", insert "make", and after "answer", insert "to."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 10. Section 338 of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1158), is amended by relettering subsections (d), (e), (f), and (g) to read subsections (e), (f), (g), and (h), respectively, and by adding thereto a new subsection to be lettered "subsection (d)" and reading as follows:

"(d) An action may be maintained under the provisions of this section to secure a judgment canceling the certificate of naturalization of any person whose loss of nationality has occurred under the provisions of section 404 of this act."

With the following committee amendment:

Page 6, line 11, after "1158", insert "-1159."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 11. The first sentence of the second proviso of section 401 (a) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1169), is hereby amended to read as follows:

"(a) *Provided further*, That a person who has acquired foreign nationality through the naturalization of his parent or parents, and who at the same time is a citizen of the United States, shall, if he is abroad, and has not theretofore expatriated himself as an American citizen by his own voluntary act, be permitted within 2 years from the effective date of this act to return to the United States and take up permanent residence therein, and it shall be thereafter deemed that he has elected to be an American citizen."

With the following committee amendment:

Page 6, line 22, before "1169", insert "1168-."

The committee amendment was agreed to.

The Clerk read as follows:

SEC 12. Section 403 (a) of the Nationality Act of 1940, approved October 14, 1940 (54 Stat. 1169), is hereby amended to read as follows:

"SEC. 403. (a) Except as provided in subsections (g) and (h) of section 401, no national can expatriate himself, or be expatriated, under that section while he is within the United States or any of its outlying possessions, but expatriation shall result from the performance by him within the United States or any of its outlying possessions of any of the acts or the fulfillment of any of the conditions specified in that section if and when the national thereafter takes up a residence abroad."

With the following committee amendment:

Page 7, line 9, following "1169" insert "-1170."

The committee amendment was agreed to.

Mr. McCORMACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MCCORMACK: On page 7, after line 19, insert a new section, as follows:

"SEC 13. The Nationality Act of 1940 is hereby amended by inserting therein a new section immediately following section 316, to be known as section 316 (a):

"SEC. 316 (a) A person born of alien parents in a foreign country, who entered the United States as a minor prior to July 1, 1924, and who on or before the effective date of this act was a registered voter in any State and a bona fide resident in any State or of the District of Columbia and who claims citizenship through the naturalization of a parent, upon proof satisfactory to the Immigration and Naturalization Service, of the naturalization of such parent, shall be held to have been legally admitted into the United States for permanent residence.'"

Mr. McCORMACK. Mr. Chairman, I want to make a brief explanation of this amendment, and I may say that in a sense the amendment is offered not only by myself, but by the distinguished gentleman from Massachusetts [Mr. MARTIN] the minority leader. Several months ago the secretary of Commonwealth of Massachusetts called to see our distinguished minority leader and myself. A case arose where a person in Massachusetts was seeking naturalization and one of his witnesses was a gentleman about 45 years of age. Of course, he certified that he was a citizen and the naturalization officials looked into it and found that he came into this country as a child and his father had become naturalized while he was a minor, but in his father's application for naturalization he had overlocked inserting this child's name. If he had done this, this party would have become what is known as a derivative citizen through the naturalization of the father while the child was still a minor. Of course, this person has been exercising his duties as a citizen, including voting, upon the assumption he was a citizen. There are countless thousands of cases like this throughout the country, so I am informed.

This amendment has been very carefully drafted and very carefully gone into and will meet this situation. There are quite a number of thousands of persons who are similarly situated throughout the United States where their parents have neglected to insert their names in their applications for citizenship.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes, I yield.

Mr. DICKSTEIN. There are also cases where the clerks failed to insert the names or did not take the trouble to insert the names of the children who were born here or were legally in this country.

Mr. McCORMACK. Exactly. This amendment was drafted by the Committee on the Judiciary. They went into it very thoroughly and the matter has been very carefully examined and I hope the amendment will be adopted.

Mr. DICKSTEIN. Mr. Chairman, the committee agrees to the amendment.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. REES of Kansas. Was the amendment submitted to the Department of Justice?

Mr. McCORMACK. Yes; I may say that I took it up myself with the Immigration and Naturalization Bureau and have taken it up with the Department of Justice and they have assented to it. The amendment has been very carefully gone into and is identical with the provision acted upon favorably by the Judiciary Committee.

Mr. REES of Kansas. I thought the record should show that.

Mr. McCORMACK. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. McCORMACK].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LUTHER A. JOHNSON, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 6250) to amend the Nationality Act of 1940, pursuant to House Resolution 393, he reported the same back to the House with sundry amendments adopted in Committee.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL PERMISSION TO EXTEND REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their own remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address delivered by Maj. Gen. John A. Herr, Chief of Cavalry, United States Army, on the subject Why Should the United States Lag Behind Other Great Powers in the Military Use of Animals? before the Horse and Mule Association of America, Inc., December 3, 1941. This address slightly exceeds the amount allowed ordinarily, and I ask unanimous consent that it be printed notwithstanding.

The SPEAKER. Is there objection?

There was no objection.

WASHINGTON-LINCOLN-GETTYSBURG BOULEVARD

The SPEAKER. Pursuant to the provisions of Public Resolution 19, Seventy-fourth Congress, the Chair appoints as a member of the United States Commission for the construction of a Washington-Lincoln Memorial-Gettysburg Boulevard the gentleman from Pennsylvania [Mr. HAINES] to fill the vacancy thereon.

BOARD OF DIRECTORS, COLUMBIA HOSPITAL

The SPEAKER. Pursuant to the provisions of the act of June 10, 1872 (17 Stat. L. 360), the Chair appoints as members of the Board of Directors of the Columbia Hospital for Women the following Members of the House: Mrs. NORTON and Mr. ROBSION of Kentucky.

ENEMY ALIENS—WE ARE AMERICANS

The SPEAKER. Under special order of the House heretofore agreed to, the Chair recognizes the gentleman from New York [Mr. MARTIN J. KENNEDY] for 10 minutes.

Mr. MARTIN J. KENNEDY. Mr. Speaker, today we passed a bill which affects, in two ways, our foreign-born citizens. It aids persons over 50 years of age to become citizens, and secondly, it makes it possible for the Attorney General to institute proceedings to cancel the naturalization of citizens proven to have an allegiance to a foreign government.

Recently, President Roosevelt addressed an appeal to the employers of the Nation pleading with them not to discharge men and women in their employ because they are foreign-born. That request of the President met with general approval. At this point I ask unanimous consent to insert a brief editorial appearing in the New York Enquirer of January 12 on the subject. The editorial follows:

CHIEF EXECUTIVE IS RIGHT

The President of the United States performed a truly American and most pressing act when he publicly condemned the practice resorted to by employers in discharging employees happening to be aliens or naturalized citizens. Of course, the employers in question were actuated by a patriotic spirit. Theirs, however, was mistaken Americanism. Mr. Roosevelt's declaration on this very serious matter could not be improved upon. Said he:

"I am deeply concerned over the increasing number of reports of employers discharging workers who happen to be aliens or even foreign-born citizens. This is a very serious matter. It is one thing to safeguard American industry, and particularly defense industry, against sabotage; but it is very much another to throw out of work honest and loyal people who, except for the accident of birth, are sincerely patriotic.

"Such a policy is as stupid as it is unjust, and on both counts it plays into the hands of the enemies of American democracy. By discharging loyal, efficient workers simply because they were born abroad or because they have "foreign sounding" names, or by refusing to employ such men and women, employers are engendering the very distrust and disunity on which our enemies are counting to defeat us.

"Remember Nazi technique: 'Pit race against race, religion against religion, prejudice against prejudice. Divide and conquer.'

"We must not let that happen here. We must not forget what we are defending—liberty, decency, justice. We cannot afford the economic waste of services of all loyal and patriotic citizens and noncitizens in defending our land and our liberties.

"I urge all private employers to adopt a sane policy regarding aliens and foreign-born citizens, and to remember that the sons of the 'foreigners' they discharged may be among those who fought and are fighting so valiantly at Pearl Harbor or in the Philippines.

"There is no law providing against employment of aliens except in special defense work of a secret nature, and even in such work the employer may hire an alien with the permission of the Army or Navy, depending on the contract."

It is to be hoped that the words of the President of the United States have stopped the misguided practice against which they were so reasonably and forcefully directed.

Mrs. Roosevelt, speaking on Sunday night at a reunion of colored troops, emphasized the importance of national unity and better understanding between every race, creed, and color, for which she must be applauded. In my opinion, we have reached that point in our national life when we must emphasize equality, national unity, brotherly love, and mutual understanding of our problems.

At the present time it is impossible for a man classified as an enemy alien to obtain employment in defense activities. If he happens to be of Italian or German birth, he finds himself in this classification. In New York the International Ladies Garment Workers Union, representing hundreds of thousands of workers, adopted a resolution asking the President to correct that unfair and harmful branding of good people. Placing men and women in that category stigmatizes them in a shameful way. On November 18 I spoke in the House on the then pending legislation entitled "alien detention bill," and pointed out that while the German bund had a small office in a loft building in my district it drew its membership from other sections of the city and country and did not reflect the attitude of the vast majority of German-born citizens and noncitizens living in New York.

Unfortunately, many of these persons born in Italy and Germany and labeled as enemy aliens never became citizens for the reason that they could not meet our legal requirements. The bill H. R. 6250, just passed, attempts to ease the literacy condition in existing law so that they may be able to comply with our present requirements. Many of the sons of these enemy aliens have achieved eminence in the professions, and what we have done today in voting for H. R. 6250 is by way of belated compensation to them for the work of their kin.

I have in mind many fathers and mothers who have sons in our armed forces, and yet cannot obtain positions in defense work because they are classed as enemy aliens. This discrimination is most unfortunate, because no parent who has a child in the service can be other than most enthusiastic and loyal to our Government. The tie of blood can never be dissolved. The welfare and interests of one's child are bound to make every parent loyal to the cause for which his son wears the uniform. There has come to my attention the case of an old man who was denied a license to sell newspapers in my city because he was considered an enemy alien. At the same time the license was refused he had three sons, all volunteers in the United States military service. Regardless of the contribution of his most priceless possessions, this father is listed as an enemy alien. These illustrations of gross injustice are given for the express purpose of directing attention to what I believe to be a grave mistake on the part of our Government in dealing so unkindly with helpless people.

Unless we find some way to fit every employable person into our scheme of things they may become a menace instead of a help to us in the present national emergency. They are disheartened, disappointed, and in many cases disillusioned about our great country.

Can you understand the mental attitude of the men or women who have given their flesh and blood to the Government to discover that, despite their great sacrifice, they are not permitted to file an application for work in national defense? By refusing their application we deny them an opportunity of establishing their great loyalty and devotion to the Stars and Stripes.

As a result of this procedure there are thousands of fine men and women who are relegated to idleness. This should and must be corrected at once. This foul play should be remedied, because we need their skill, their enthusiasm, and their great desire to serve Uncle Sam. Simply because someone here in Washington has unthinkingly decided to brand them as enemy aliens is not, in my opinion, a valid reason why we should permit it to continue a minute longer.

When you have grown up in a city like New York, where you have gone through the schools, where you have lived a whole life among the same people, as I have, it is a disagreeable task to explain to my neighbors why Congress does nothing about this ruling which excludes them from participation in defense activities so essential to insure the success of the efforts of their children in military service.

I hope that the wish recently expressed by the President will be observed by employers who have been discharging aliens from their employment.

I think the policy of our Government in this direction is wrong. I respectfully disagree with it, whether it be the Army, Navy, or executive department. I hope that the President's wishes will be observed by the employers who have been sending aliens away, contributing further to the hardships of the same families. Often we are met with the question, "Well, why did these people you speak for not become American citizens?" That is beyond the point. We have demonstrated today, by passing House bill 6250 that we recognized the fact that they could not qualify for naturalization because of their inability to pass the literacy test. We have now corrected that in a limited manner. It will help a little, but we should help even more. I think we should approach this whole question from an academic point of view. I think we might be philosophical about the issue and go back and study the part played in the development of our national life by the foreign-born.

Practically every man who has achieved eminence in the professions came to us directly or by his forbears from other countries. Consider medicine and we find the W. J. Mayos of Rochester, Minn., the William F. Verdis of New Haven, the J. B. Murphys of Chicago, and the George H. Semkens of New York City. Consider law and we find the Brandeises, the Edward Whites, and the Ignatius M. Wilkinsons and many other outstanding men. In the legislative branch we find many distinguished men who owe their origin to fathers and mothers born abroad and a number of our Members themselves were born abroad. Go down to the other end of Pennsylvania Avenue and you find a President who proudly boasts of his Dutch origin—and properly so. Both of my parents were born in Ireland and were well known for their loyalty to their adopted land.

Those folks that I now plead for happen to have been born in countries now at war with us. That is the offense for which we shunt them aside. Unless we take some corrective action in the near future, I am fearful lest that great body of men and women that have been stigmatized as enemy aliens will be lost to us forever. We need them, and we need them now! We need their talents and their industry. As someone recently said, "You cannot win this war with a Phi Beta Kappa key." You need brawn, muscle, skill, training, and experience, and those folks possess such qualities. Let us here and now resolve to cleanse this blot from our national escutcheon and declare openly and firmly to invite every person of demonstrated loyalty to play his part in the winning of the terrible war that has been forced upon America.

We will make history by our efforts to wipe out forever from our borders every vestige of intolerance and racial discrimination. It is our duty and opportunity. Do not delay longer.

I appreciate the splendid and sympathetic response of the membership to my address and I sincerely hope that every Member of Congress will aid me in removing from countless neighbors and friends the mean stigma, "Enemy Alien," and replace it with the title of affection and esteem, "Loyal Alien."

[Here the gavel fell.]

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 7 minutes.

WE DO NOT NEED COMMUNIST LEADERS

Mr. HOFFMAN. Mr. Speaker, it is all very well to have the Russian military forces aid us by waging war upon Hitlerism. But the fact that every blow they strike at Hitler is a benefit to us is no reason why we should either retain or call into the Government service those who have the slightest leaning toward the communistic theory of government.

The Dies committee pointed out long ago that more than a thousand Communists were on the Federal pay roll. The administration has done nothing to remove them.

The other day Leon Henderson, who seems to be power drunk, told us that his staff under the N. R. A. was out of balance because it did not have enough of what he was pleased to term "battle-ax people" on it.

That cannot be said of his present outfit. The other day your attention was called to the attitude of a Mr. Wickwire, whose telephone extension in the O. P. M. is 3881, who does not seem "to give a damn" whether farm co-ops, organizations which serve the farming communities, get the necessary motor equipment to enable the farmers to supply the Army and the Navy with the food they need.

What Mr. Henderson may have meant by "battle-ax people" were more people like Mr. Wickwire, who would use the ax on all business enterprises.

Day by day it becomes clearer that more and more people, greedy for power, obsessed with the idea that this Government should be made over, are being placed in positions of authority.

Henderson, if permitted to go ahead, would make slaves of the farmers, compelling them to cultivate the soil with a wooden plow or a second-hand hoe, and to market their products either by mule, horse-drawn vehicle, wheelbarrow, or on their backs. He would put all of those engaged in the motor industry out of business, even though they have always met every demand for production, and would now, if given a Government contract and permitted to buy supplies, produce in the shortest possible time everything the Army and the Navy need.

But that is not the program. They must be hampered by advice and, in the end, by the demands of such men as Frankensteen and Reuther, who when in Russia sent back the message to his Detroit associates to "work for a Soviet America."

The noon press carries the story that the President is appointing a war labor board. It is stated that one of the first issues to be settled is that of the closed shop.

While we are fighting for the establishment of the "four freedoms" in all parts of the world, just why should there be submitted to any board—war labor board or other board—the question of an American's right to work at any job which will further national defense, which he can procure for himself?

If this board decides, as the President's other arbitration board did decide, that in order to work to furnish the tools of war to the men who are on the fighting lines a man must pay tribute to a labor organization, and if the establishment of that rule is followed by like procedure in other instances, will there be anything left of democracy here in America after this war is over?

If once we recognize and legalize the proposition that the national defense cannot be carried on without the consent of, or the payment of tribute to, some organization other than a governmental body, are we not then on the same road which led to the overthrow of the French Government?

There are some things which cannot be safely bartered away through arbitration, and one of those things is the right of the American citizen to defend his Government—to earn a livelihood.

The unions are asking for a share in the management of the motor industry. If they are to be granted a share in management, is there any reason why they should not be required to assume part responsibility for operation? If they are to assist in the management of the motor industry, why not go the full length and not only give them representation on a board which is to control industry but give industry and the public representation on a board which is to control the labor unions?

If Reuther and Frankensteen and some others are to sit on the board of control of General Motors, let Wilson and some

of his associates sit on the executive committee of the C. I. O. and aid Mr. Lewis and Mr. Murray and Thomas and a few others in deciding when and where strikes shall be called and what hours shall be worked and when the provisions of the wage-hour law shall be suspended and what the initiation fees and the dues of the unions shall be and who shall and who shall not become members of unions.

Now we are advised that one Malcolm Cowley, a former member of the editorial board of the Communist Daily Worker, has been appointed as a writer and analyst in the Office of Facts and Figures of the Office for Emergency Management at a reported salary of $8,000 a year—just another step in the program to entrench in Federal positions those who believe that our Constitution, including the Bill of Rights, has outlived its usefulness.

Another recent appointment is that of Joseph P. Lash as a member of the Advisory Committee of the Division of Youth Administration of the Office of Civilian Defense. Lash was a former head of the American Student Union and was accused by the Dies committee of being a Communist fellow traveler.

Lash, if memory serves correctly, is the man who the other day was with Mrs. Roosevelt when she refused to go through a picket line at a New York theater. You will recall that the picket line was established because the theater owner would not hire four union musicians, at a cost of more than $300, to operate a phonograph something like 2 minutes a performance. Mrs. Roosevelt stated in substance that she would not cross the picket line, even though it was an unfair one.

All these straws point the way. They show conclusively that the recent full-page ad in the Washington papers, which advocated that the United States of America surrender its independence and join a United States of the World, becoming one in a family of states where we would furnish the men and the money for the gambling politicians of the whole world, has the backing of the administration.

The time has come when those who advocate surrendering our independence; when those who insist that our only salvation lies in submerging our nationality and becoming a component part of a new supergovernment, a United States of the World, where what little remains to us of the four freedoms, will be taken from us, should be requested, if they are dissatisfied with our Constitution and our form of government, to migrate to some other land, become subjects of some other government, where the so-called blessings of those governments may be enjoyed by them to the fullest extent.

Let those who believe that salvation for us lies only in a United States of the World, where we furnish the stakes for the gambling politicians, move out and leave this country and this government to those who have faith and who believe in it and its future.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota [Mr. MUNDT] may include in his extension of remarks a letter addressed to Mr. Leon Henderson.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include a communication from Hon. Raymond Nunnery, of Chickasaw, Okla., in which he discusses the agricultural situation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. JOHNSON]?

There was no objection.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2063. An act to authorize certain officers and enlisted men of the Army of the United States to accept emblems, medals, orders, and decorations that have been tendered them by governments of the Western Hemisphere; to the Committee on Military Affairs.

S. 2089. An act to authorize the transfer of the custody of a portion of the Croatan National Forest, N. C., from the Department of Agriculture to the Department of the Navy; to the Committee on Agriculture.

S. 2095. An act to further amend the act approved June 23, 1938 (52 Stat. 944), as amended; to the Committee on Naval Affairs.

S. 2097. An act to authorize the Secretary of the Navy to grant to the board of trustees, School District No. 20, Charleston County, S. C., a parcel of land situated in the city of Charleston, S. C.; to the Committee on Naval Affairs.

S. 2139. An act to provide for performance of the duties of chiefs of bureaus and the Judge Advocate General in the Navy Department, and the Major General Commandant of the Marine Corps, and for other purposes; to the Committee on Naval Affairs.

S. 2169. An act to create the Limited Service Marine Corps Reserve, and for other purposes; to the Committee on Naval Affairs.

S. J. Res. 109. Joint resolution authorizing the President to issue posthumously to the late Col. William Mitchell a commission as a major general, United States Army, and for other purposes; to the Committee on Military Affairs.

ENROLLED BILL SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R 5135. An act to appoint Capt. Porter M. Hoidale, United States Marine Corps, a lieutenant, senior grade, in the United States Navy Medical Corps.

ADJOURNMENT

Mr. KEOGH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 45 minutes p. m.) the House adjourned until tomorrow, Wednesday, January 14, 1941, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization on Wednesday, January 14, 1942, at 10:30 a. m., on H. R. 4743.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, January 20, 1942, to resume hearings on the proposed amendments to the Securities Exchange Act of 1934.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1273. A letter from the Archivist of the United States, transmitting a report of the Archivist of the United States summarizing reports filed with him by agencies of the United States Government during the fiscal year ending June 30, 1941; to the Committee on the Disposition of Executive Papers.

1274. A letter from the Acting Secretary of the Interior, transmitting one certified copy of each of the ordinances enacted by the Public Service Commission of Puerto Rico; to the Committee on Insular Affairs.

1275. A letter from the Acting Secretary of the Interior, transmitting one copy each of the legislation passed by the Municipal Council of St. Thomas and St. John; to the Committee on Insular Affairs.

1276. A letter from the Acting Secretary of the Interior, transmitting one copy each of the legislation passed by the Municipal Council of St. Croix; to the Committee on Insular Affairs.

1277. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of State, for the fiscal year 1942 (H Doc. No. 556); to the Committee on Appropriations and ordered to be printed.

1278. A communication from the President of the United States transmitting a supplemental estimate of appropriation for the Public Health Service, Federal Security Agency, for the fiscal year 1942 (H. Doc. No. 557); to the Committee on Appropriations and ordered to be printed.

1279. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to an existing appropriation for the Treasury Department for the fiscal year 1942 (H. Doc. No. 558); to the Committee on Appropriations and ordered to be printed.

1280. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the District of Columbia for the fiscal year 1941, and supplemental estimates of appropriations for the fiscal year 1942, together with certain drafts of proposed provisions pertaining to existing appropriations (H. Doc. No. 559); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAAS: Committee on Naval Affairs. S. 2094. An act to provide for the rank and title of the Commandant of the Marine Corps; without amendment (Rept. No. 1576). Referred to the Committee of the Whole House on the state of the Union.

Mr. JOHNSON of California: Committee on Naval Affairs. S. 1677. An act authorizing subsistence allowance provided for aviation cadets to be paid to messes in manner as prescribed by the act of March 14, 1940 (Public, No. 433, 76th Cong.); without amendment

(Rept. No. 1577). Referred to the Committee of the Whole House on the state of the Union.

Mr. DREWRY: Committee on Naval Affairs. S. 1995. An act to amend the act approved June 23, 1938, entitled "An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes"; without amendment (Rept. No. 1578). Referred to the Committee of the Whole House on the state of the Union.

Mr. IZAC: Committee on Naval Affairs: H. R. 6305. A bill to further amend the act approved June 28, 1938 (52 Stat. 944), as amended; without amendment (Rept. No. 1579). Referred to the Committee of the Whole House on the state of the Union.

Mr. IZAC: Committee on Naval Affairs. S. 2090. An act to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes," approved March 3, 1909, as amended, so as to extend commissary privileges to such other persons as may be specifically authorized by the Secretary of the Navy; without amendment (Rept. No. 1580). Referred to the Committee of the Whole House on the state of the Union.

Mr. FLAHERTY: Committee on Naval Affairs. S. 1569. An act to prohibit payment of money allowance for subsistence and rental to retired officers of the Navy or Marine Corps for any period when not employed on active duty; without amendment (Rept. No. 1581). Referred to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 6333. A bill to authorize the Secretary of the Navy to proceed with construction of certain public works, and for other purposes; without amendment (Rept. No. 1582). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HOFFMAN:

H. R. 6371. A bill to stabilize prices and prevent inflation; to the Committee on Banking and Currency.

H. R. 6372. A bill to preserve employment for, and seniority rights of, persons enlisting or inducted into the military services of the United States of America; to the Committee on Labor

By Mr. LUTHER A. JOHNSON:

H. R. 6373. A bill to amend section 476 of the Revised Statutes; to the Committee on Patents.

By Mr. O'LEARY:

H. R. 6374. A bill to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy to the Committee on Expenditures in the Executive Departments.

By Mr. RANDOLPH:

H. R. 6375. A bill to amend subchapter 2 of chapter 19 of the Code of Law for the District of Columbia; to the Committee on the District of Columbia.

By Mr. VOORHIS of California:

H. R. 6376. A bill to provide for erection of an appropriate memorial to the men who engaged in the defense of Wake Island against the Japanese; to the Committee on the Library.

By Mr. CLASON:

H. R. 6377. A bill to permit voluntary reenlistment in the Army during wartime; to the Committee on Military Affairs.

By Mr. GREGORY:

H. R. 6378. A bill to provide for the giving of flags to widows and children of deceased Members; to the Committee on the Library.

By Mr. WHITE:

H. Res. 406. Resolution authorizing the printing of the pamphlet entitled "The Memorial of Premier Takana," as a public document; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. McCORMACK:

H. R. 6379. A bill for the relief of the Marden Construction Co., Inc.; to the Committee on Claims.

By Mr. LUDLOW:

H. R. 6380. A bill for the relief of Charles S. Smith; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred, as follows:

2272. By Mr. LUTHER A. JOHNSON: Petition of C. J. Owen, J. A. Daniel, Joe Sheppard, A. L. Bain, and 59 others, of Kerens, Tex., and also R. L. Stanley, of Whitney, Tex., favoring House bill 6120; to the Committee on Rules.

2273. By Mr. KEOGH: Petition of the Chamber of Commerce of the State of New York, concerning federation of unemployment insurance; to the Committee on Ways and Means.

2274. Also, petition of the county board of Queens, N. Y., Ancient Order of Hibernians in America, pledging its unswerving loyalty of its members to the United States of America; to the Committee on Military Affairs.

2275. Also, petition of the Chamber of Commerce of the State of New York, concerning the Nation at war—the chamber's pledge; to the Committee on Foreign Affairs.

2276. Also, petition of the Chamber of Commerce of the State of New York, concerning labor during war crisis; to the Committee on Labor.

2277. By Mr. KRAMER: Petition of the State of California, through its legislature, respectfully urging that the Congress of the United States refrain from the enactment of House bill 6049 or any similar measure designed to exempt from State and local taxes the sale, purchase, storage, use, or consumption of tangible personal property acquired for use in the performance of defense contracts; to the Committee on Ways and Means.

2278. Also, petition of the Los Angeles Building and Construction Trades Council of the American Federation of Labor, in regular meeting, requesting that the President of the United States and the Congress of the United States, enact a Federal law to enable American-born citizens to obtain citizenship papers, so that thousands of workers will be eligible to obtain employment in the national-defense industries; to the Committee on Immigration and Naturalization.

2279. Also, petition of the Los Angeles Building and Trades Council of the American Federation of Labor, in regular meeting assembled, petitioning the President of the United States and the House of Congress to enact Federal law to enable American-born citizens to obtain citizenship papers, so that thousands of workers will be eligible to obtain employment in national-defense industries; to the Committee on Immigration and Naturalization.

2280. By Mr. MARTIN of Iowa: Petition of Leonard Wolf, secretary, Iowa chapter, American Institute of Architects, Iowa State College, Ames, Iowa, urging that the Federal administration confine their construction activities to administrative and technical fields; that all competent architectural and engineering firms available to prepare the contract drawings and specifications for all defense construction, under proper supervision of the aforesaid Federal agencies, should be utilized; that the Federal agencies cooperate in the formation of groups of smaller firms, in larger units where it seems advisable; that all qualified small contracting firms that are available be organized into larger units to handle larger contracts; that the Iowa chapter stands ready to support and become part of such a program; to the Committee on Military Affairs.

2281. By Mr. MERRITT: Resolution of the county board of Queens County, N. Y., Ancient Order of Hibernians in America, pledging the unswerving loyalty of its members to the United States of America; approving wholeheartedly the actions taken by the Government of the United States against these aggressor nations; and, furthermore, pledging its wholehearted support and cooperation by all means to the United States Government to the end that our country shall be victorious; to the Committee on Military Affairs.

2282. Also, resolution of the Chamber of Commerce of the Borough of Queens, N. Y., unalterably opposing any mandatory investment plan, as any mandatory investment plan is similar to methods used in countries dominated by a totalitarian form of government; to the Committee on the Judiciary.

2283. By Mr. ROLPH: Assembly Joint Resolution No. 6 of the State of California, relative to memorializing Congress to oppose federalization of State unemployment insurance and employment services; to the Committee on Interstate and Foreign Commerce.

2284. Also, resolution of the Reclamation Board of the State of California, requesting Congress to set aside the sum of $2,645,000 for the control of floods and other purposes in the Sacramento River, Calif.; to the Committee on Flood Control.

2285. By Mr. SHAFER of Michigan: Resolution of the city commission of the city of Battle Creek, Mich., protesting against passage of Senate bill 2015 and House bill 5949; to the Committee on Interstate and Foreign Commerce.

2286. By Mr. TENEROWICZ: Resolution of the Detroit Finnish Democratic Club, pledging unflinching support to the President of the United States in his all-out efforts to unite our country and to smash the attack upon us; to the Committee on Military Affairs.

2287. By Mr. THOMASON: Petition of the Lions Club of Midland, Tex., pledging full support to the President and the Government to the end that the war against all enemies of the United States shall be prosecuted to victory; to the Committee on Military Affairs.

2288. By the SPEAKER: Petition of the Newark Lodge, No. 21, Benevolent and Protective Order of Elks, Newark, N. J., petitioning consideration of their resolution with reference to the national defense program; to the Committee on Military Affairs.

2289. Also, petition of the Macomb County Board of Supervisors, Mount Clemens, Mich., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

2290. Also, petition of the Evening Star Rebekah Lodge, No. 5, Haddonfield, N. J., petitioning consideration of their resolution with reference to House bill 1410; to the Committee on Ways and Means.

SENATE

WEDNESDAY, JANUARY 14, 1942

The Very Reverend Z. Barney T. Phillips, D. D., Chaplain of the Senate, offered the following prayer:

Eternal God and Heavenly Father, who standest between the mysteries of life and death to love and guide Thy children through life's sorrows, as with inexorable power they sweep with desolation o'er this mortal plane: Hearken, we beseech Thee, to the silence of each soul with its voicelessness of self-contempt and blame, and breathe the spirit of Thy beneficent

care upon us as we bow our heads in Thy holy presence.

Grant to us this day, and in the days that are to come, courage to endure life's lesser ills unshaken, and to accept loss, and even death, with calm serenity, if it be Thy blessed will for us. For all who are near and dear unto us, we implore Thy loving kindness, that they may be kept in life with a sense of growing honour, and do Thou make us ever worthy of their love and the confidence and respect of all our countrymen. And, as each problem presseth sore upon us, help us to remember that now the thorn-crowned brow of Christ betokens power, and that in every darkened hour His pierced hands will lead the way. We ask it in His name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Monday, January 12, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on January 12, 1942, the President had approved and signed the following act:

S. 2149. An act to amend the act approved April 22, 1941 (Public Law 39, 77th Cong.), so as to increase the authorized enlisted strength of the Navy and Marine Corps.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House insisted upon its amendment to the bill (S. 2160) to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450); agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LEA, Mr. CROSSER, and Mr. WOLVERTON of New Jersey were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STEAGALL, Mr. WILLIAMS, Mr. SPENCE, Mr. WOLCOTT, and Mr. GIFFORD were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 4250. An act to provide for the presentation of a medal to Roland Boucher in recognition of his bravery and heroism in rescuing five children from drowning in Lake Champlain; and

H. R. 5837. An act to regulate the distribution and promotion of commissioned officers of the Coast and Geodetic Survey, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4971. An act to prohibit the issuance of alcoholic beverage licenses in certain localities in the District of Columbia, to prohibit advertising the price of such beverages, and for other purposes;

H. R. 6250. An act to amend the Nationality Act of 1940; and

H. R. 6325. An act to amend certain provisions of the Internal Revenue Code relating to the production of alcohol.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 4250. An act to provide for the presentation of a medal to Roland Boucher in recognition of his bravery and heroism in rescuing five children from drowning in Lake Champlain;

H. R. 5135. An act to appoint Capt. Porter M. Hoidale, United States Marine Corps, a lieutenant, senior grade, in the United States Navy Medical Corps; and

H. R. 5837. An act to regulate distribution and promotion of commissioned officers of the Coast and Geodetic Survey, and for other purposes.

REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL-DEFENSE PROGRAM—NOTICE

Mr. TRUMAN. Mr. President, I should like to announce that as soon as I can get the floor tomorrow, if the Senate is then in session, I desire to present an interim report from the Special Committee to Investigate the National Defense Program, of which I am chairman.

ADDRESS TO THE PEOPLE OF THE PHILIPPINES BY HON. HARRY B. HAWES

Mr. AUSTIN. Mr. President, on January 12 the Honorable Harry B. Hawes, former Senator of the United States from the State of Missouri, delivered an address to Filipinos and Americans in the Philippine Islands by short-wave broadcast. The address I regard as of importance historically. It expresses eloquently and with restrained sentiment the fidelity of the United States to the obligations it has undertaken with respect to the Philippine people and the Philippine Islands, but, more important than that, it transmits to them an interest, a feeling of sympathy and concern, and a great promise which I feel sure will uplift them and sustain them in their tremendous effort and ordeal.

I ask that the address be inserted in the RECORD at this place.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Filipinos and Americans, in this battle of supreme trial, requiring fortitude and courage of the highest degree, your friends in America are watching, working, and praying for you.

For over a year, your preparation for defense, your loyalty to the United States, your devotion to the flag has made you millions of new friends in America. There is a better understanding, a promise of better relations in the future, of closer ties, of more business and greater prosperity.

Provision has been made for your many citizens residing here and in Hawaii to join our Army and become part of its defense program.

The office of the Philippine Government in Washington, under Commissioner ELIZALDE, is working on a 24-hour basis. Their hearts are sad. They feel they should be and wish they were back home, enduring the same hardship and trial which has come to their families, their friends, their country.

I disagree with them. They can render greater service here than there. "Mike" is everywhere. He and his staff are devotedly, energetically, intelligently securing the cooperation and the assistance of our Government—Interior, State, Army, and Navy.

In 1776 there was division in the Colonies. There was some division and uncertainty in 1812. From 1861 to 1865 our Nation was divided. In 1898, during the Spanish-American War, there was division of sentiment. There was a difference of opinion whether to hold or release the Philippines after the Spanish-American War.

In 1917, during the first World War, some uncertainty and disunity prevailed, but today, thoroughly, most emphatically, there is absolute unity.

Where a year ago there was some disagreement in the press, some division in Congress, today, without exception, every newspaper in America, great and small, daily, weekly, and monthly, is making one appeal for unity and victory.

Union labor in all its branches was having internal disputes and troubles with employers. Today that is all over, labor marches with capital in one solid phalanx.

Pearl Harbor and Manila closed the ranks between the Democratic and Republican Parties. Now they march as one, with but a single purpose, the defeat of Japan.

Our women are organizing. Churches of every denomination are demanding that peace shall come and, if there is no other way, that it shall come through war.

Our children are taught system and regularity. They are having their drills, their patriotic exercises. There is no single element in our public life that is halting or impeding the march to complete victory.

For 5 years the Japanese have tried to shoot their trade into China through the cannon's mouth. They failed. Years ago they treacherously seized Korea, enslaved its people, and made of it a mercantile sales agency for Japanese goods. They despoiled Manchuria, stole railroads, natural resources, and property for the enrichment of their war lords and to provide machinery for war so that their gangster operations might be extended into other lands.

But having no understanding of democratic principles or the philosophy of Christianity, because of Pearl Harbor and Manila, they have united America for arms, for planes, for ships which could not have been produced in any other way.

This mighty American force, aroused, has been joined by 26 other nations, an irresistible power, with a unity of purpose, a certainty of success.

Japan has struck once too often. Her doom is sealed. Her ships and her Navy will be driven from the ocean. Her misguided people will discover the truth; that in all Asia she stands alone. Instead of being a leader in Asia, she is now without a single friend.

Neither Hitler nor Mussolini can give her assistance. They have their hands full in Europe, far away, and on the ocean and on the land her two partners in crime are facing certain defeat.

But what of the Philippines—the immediate problem? As surely as the sun shines, the Japanese will be driven out of or forced to withdraw from the Philippine Islands. There is no more certain event in the future. Our great President Roosevelt has said so. He means what he says. He is not a bluffer; he is a fighter.

There may be delay, but that is all. It may be a matter of time, but the Philippines and every one of its islands will be redeemed; every Jap will be driven out.

Your friends in America have only one concern: They are not doubtful about the outcome, but they are disturbed at times by the attempt of the Japanese to deceive thoughtless persons in your civilian population. They are telling them that they are of the same ethnic stock; that they are blood cousins.

You know this is not true. They are not of the same race or the same blood lines as the Filipinos. Asia is divided into races. Europe is divided into races. There is a difference of language in Asia amongst the Asiatics. There is a difference of language and customs and racial characteristics in the European countries.

Hitler wants to become overlord of the white men in Europe. Japan wants to become the overlord of the different races in Asia.

Today the Philippines has its peso, which is good throughout the world. It has its factories, its farms, its labor enterprises, its churches.

It is not the war on land and sea which disturbs your friends in the United States. It is the danger of lying Japanese propaganda that may destroy your civil morale or create dissension or arouse pecuniary ambitions amongst your citizens. Promises of reward, promises of profit, promises of special benefit in payment for disloyal conduct.

They will even promise independence and self-determination. They now say they are your brothers. Where were they, if they were your friends and brothers, when Filipinos were fighting for their freedom? Where were these new-found cousins when Rizal faced the firing squad? Where were these new-found champions during 33 Philippine revolts stretching over 200 years?

Are you to be fooled now with promises for the future? Think of the past! Think of Rizal, when he stood before the firing squad and asked that he might face them, and, being refused, he made one other request—that they shoot at his heart and not at his head.

May I ask, Are not Chinese orientals? Nearly a quarter of a million of them reside in the Philippines. They intermarry with the Filipinos. They amalgamate. They have joint property interests. They are part of your people.

What of the Japanese? Do they intermarry with the Filipinos? No. Only in Davao, and only there for the single, sole purpose of securing the right to purchase property. In all the years, marriage of Filipinos with the Japanese has been a cold-blooded commercial transaction. Now they would have you believe they come to you as liberators, as friends, as one race.

You, my friends, know this is untrue. Your thinking men know it. Men like Quezon, Osmena, Aguinaldo, and a long list of patriotic leaders know these facts and the great body of your people understand them.

But there may be a few avaricious citizens who may stealthily give aid and comfort and, more important still, information to the invaders.

Mark these down, watch the Quislings, remember their names so that when the war is over and the invaders are driven out, these traitors shall be driven out with them, sent to Japan to finish their lives in that serfdom and slavery that Japan always gives to any other nationality than her own.

My friends in the Philippines, I have but one voice and one body, but what I have is yours. I have visited nearly every province and nearly every one of your great island cities. I have abiding confidence in your desire for democratic government, in your ability to fight, in your steadfast adherence to the Christian religion.

There is no more certain thing in the future, but in the trying days ahead, keep the civil morale clean, keep it patriotic, watch every infected spot as you would leprosy. Tell them your entire annual reciprocal trade of 180,000,000 will be lost; that the Japanese Emperor is not the Son of Heaven, descended from a god, but a puppet in the hands of a military clique.

Mark down the men and women who weaken or soften when they should be firm and hard and strong, waiting for the certainty of Japanese defeat on both land and sea, with head up and chin out, with the martyred courage of a Rizal.

Special greetings to President Quezon, General MacArthur, High Commissioner Sayre, Vice President Osmena, and close personal friends of many years.

God will be with you.

Mr. CONNALLY subsequently said: Mr. President, it had been my purpose today to ask that an address by former Senator Harry B. Hawes be inserted in the CONGRESSIONAL RECORD. The Senator from Vermont [Mr. AUSTIN] has already performed that pleasing office. I simply wish to say that Senator Hawes is a distinguished former Member of this body. He has visited the Philippines on numerous occasions, and perhaps is more intimately acquainted with Philippine conditions than is any other man in the country. The address which he broadcast over a national hook-up relating to Philippine affairs, and the attitude of that dependency of ours with respect to the war, supplies the membership of the Senate with very interesting and informative material. I commend the reading of the address to all Members of the Senate.

Not only was Senator Hawes a very distinguished public servant while in the Senate and in the House of Representatives, but he is a man of very rare and attractive personal qualities. He is personally known, no doubt, to practically every Member of the Senate. His address, which will be published in the RECORD, is particularly appropriate and timely, and I commend it to the careful reading of all Members of the Senate, for I am sure his utterances will have a very profound effect upon the morale and the attitude of the people of the Philippine Islands, and will react favorably throughout the country.

Mr. CLARK of Missouri. Mr. President, I desire to add a word to what the distinguished Senator from Vermont [Mr. AUSTIN] and the distinguished Senator from Texas [Mr. CONNALLY] have said about this address, for, as the Senator from Vermont has so well stated, the address delivered by my distinguished predecessor in the Senate, Senator Harry B. Hawes, broadcast by short-wave radio, seems to me to have not only immediate but historic importance. Senator Hawes, as we all know, and as the people of the Philippines all know, is the father of Philippine independence. He was the author of the original independence bill which was passed by the Congress of the United States in 1933, which was later reenacted in the form of the Tydings-McGuffie bill.

Better than anyone else in the United States, certainly than anyone in private life in our country, Senator Hawes is qualified to interpret to the people of the Philippine Islands the feelings of friendship, affection, and confidence entertained toward the people of the Philippine Islands by the people of the United States, and better than any other person he is qualified to interpret to the people of the United States the character, the aspirations, and the rights of the people of the Philippine Islands.

I join the Senator from Texas, therefore, in urging that every Member of this body take the time to read this very fine speech, which, incidentally, was not made on Senator Hawes' own initiative, but at the special request of Colonel Donovan, one of the heads of the bureau of the United States Government having to do with the subject covered by the speech.

ADJUSTMENT OF PRIVATE TORT CLAIMS AND BRIDGE CONSTRUCTION

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, as follows:

To the Congress of the United States of America:

In these critical days of our national-defense effort, I feel there should be a joint endeavor on the part of the Congress and of the heads of the executive branch of the Government to divest our minds as far as possible of matters of lesser importance which consume considerable time and effort. We should grant the responsibility for handling such matters to those equipped with year-around facilities and time to dispose of them.

For instance, it is well known to the Congress and to me that more than 2,000 private claim bills are introduced in each Congress, and that a substantial percentage of these bills present claims for property damage or personal injury. While the executive departments and establishments may now settle claims up to $1,000 for property loss or damage and in a few instances claims for personal injury up to $500, a great number of cases not falling within these classifications are introduced in the Congress as private claim bills.

They consume a great amount of the time of the Congress and the President, and give rise to considerable expense.

During the last three Congresses, almost 6,300 private claim bills were introduced, an average of more than 2,000 per Congress, of which less than 20 percent became law. And of all the bills which I vetoed during these Congresses, fully one-third was made up of private claim bills.

It is estimated that the expenses of the executive and legislative branches in considering the claim bills of each Congress, excluding salaries of Congressmen, are in the neighborhood of $125,000; that the printing costs alone of the claim bills which fail to become law are almost $19,000 per Congress; and that it costs almost $200 to pass a single bill. When it is considered that some claim bills are enacted in amounts much less than $200, the wisdom of our present procedure is questionable.

As the Congress knows, this question has been considered many times before. During the past 20 years, Members of the Congress have frequently pointed out that the procedure for relief of tort claims by special act is slow, expensive, and unfair both to the Congress and to the claimant, and several attempts have been made to enact legislation submitting all negligence claims to administrative or judicial determination.

The question arises why the Congress and the President should continue to devote so much time to the consideration and approval of these numerous individual cases.

I suggest that the executive departments and independent establishments be authorized to adjust and determine tort claims up to $1,000, with review by the Attorney General of awards over $500. I also suggest that the United States district courts be given jurisdiction over claims of this nature up to $7,500, with a right of appeal to the Court of Claims. The passage of such legislation would be of real assistance to the Congress and to the President at a time when matters of grave national importance demand an ever-increasing share of our attention. It would also make available a means of dispensing justice simply and effectively to tort claimants against the Government and give them the same right to a day in court which claimants now enjoy in fields such as breach of contract, patent infringement, or admiralty claims.

I should point out that the Congress, if this procedure were adopted, would, of course, retain every right to enact legislation granting relief, or further relief, in the event that in any special case the Congress felt that justice had been denied.

There is another class of legislation with respect to which I recommend a simplification of procedures. I refer to the legislation governing the construction of bridges over navigable waters of the United States. During the Seventy-sixth Congress more than 100 public enactments authorized the construction or extended the permissible time of construction of bridges affecting navigation. The passage of each one of these acts unquestionably costs the taxpayers several hundred dollars and consumes a large amount of time in the Congress, in the War Department, and at the White House. Under prevailing law, the Secretary of War and the Chief of Engineers are responsible for approving location, engineering plans, and other important features of such bridge enterprises as may be authorized by the Congress, so that administrative action is essential to the execution of the enterprise after Congress grants its authorization. I suggest that, in order to save time and money, Congress consider passing an enabling act delegating to the Secretary of War the responsibility for authorizing the construction and maintenance of bridges over navigable waters in accordance with such general policy as may be prescribed by the Congress. The Secretary of War would, of course, render periodic reports on all applications made.

These two matters may seem of little importance in these difficult days, but I am certain that the Congress will sympathize with the efforts I am making to save motion in the conduct of the Government.

FRANKLIN D. ROOSEVELT.
THE WHITE HOUSE, *January 14, 1942.*

The VICE PRESIDENT. The message will be referred to the Committee on Expenditures in the Executive Departments.

Mr. DANAHER. Mr. President, I was about to address the Chair with regard to the reference of the message which has just been read

As a member of the subcommittee of the Committee on the Judiciary before which is pending at this very minute an enabling act to deal with tort claims against the sovereign, it would seem to me appropriate that the message be sent to the Committee on the Judiciary. I will say to Senators who may not be familiar with the intricate phases of the legislation before us that we have devoted many hours to extended hearings on this very subject. The extent to which the sovereign should consent to be sued in tort claims is one of extreme delicacy, particularly since it will reverse our long-standing procedure as a matter of substantive right on the part of persons who have pursued tort claims against the Government. I will say further that I am certain that the proposed legislation now before the Committee on the Judiciary can be evolved before too long a time. Some of the Senators most interested in the consideration of the matter are detained at the present time because of illness. I can assure Senators that there will be legislation along this very line.

The VICE PRESIDENT. The Chair will ask the Senator from Connecticut to confer with the Senator from Alabama [Mr. HILL] and see whether an agreement can be reached between them.

Mr. BARKLEY. Mr. President, in that connection, if I may be permitted, it seems to me the message might go to any one of two or three committees. The portion of it dealing with the authority of the Secretary of War to grant permission to build bridges over navigable streams might go either to the Committee on Commerce or to the Commiteee on Interstate Commerce. In the Senate the Committee on Commerce has always handled such legislation, while in the House it has been handled by the Committee on Interstate and Foreign Commerce. The portion of the message dealing with setting up machinery for the adjustment of claims against the Government might properly go to the Committee on Claims. Inasmuch as I suppose the Vice President has to refer the message to one committee, it might even go to the Committee on Expenditures in the Executive Departments. I myself am not concerned about where it goes; but there are two or three committees to which the message might properly be sent.

REPORT ON DEVELOPMENT OF NATIONAL RESOURCES

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying documents, referred to the Committee on Education and Labor:

To the Congress of the United States:

Plans and programs to win the war and to win the peace must grow out of our common national purpose and with democratic participation in planning by all of us. Through efforts to state our objectives and public discussion of their merits, we play our parts as free citizens. In that spirit, I am transmitting herewith for the information of the Congress the Development of National Resources—Report for 1942, prepared by the National Resources Planning Board, continuing the series begun last year and establishing the custom of an annual planning report as a companion document to the Budget of the United States.

The National Resources Planning Board, as the planning arm of my Executive Office, is charged with the preparation of long-range plans for the development of our national resources and the stabilization of employment. At my direction, it is correlating plans and programs under consideration in many Federal, State, and private organizations for post-war full employment, security, and building America. In this report the Board outlines some of our major objectives in planning to win the peace.

To facilitate its use by the Congress, I recommend that this report on these plans and programs be printed, together with supporting illustrations and tables, in conformity with similar reports by the Board.

FRANKLIN D. ROOSEVELT.
THE WHITE HOUSE, *January 14, 1942.*

REPORT OF ALLEY DWELLING AUTHORITY FOR THE DISTRICT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on the District of Columbia:

To the Congress of the United States:

In accordance with the provisions of section 5 (a) of the District of Columbia Alley Dwelling Act, approved June 12, 1934, I transmit herewith for the information of the Congress the report of the Alley Dwelling Authority for the District of Columbia for the fiscal year ended June 30, 1941.

FRANKLIN D. ROOSEVELT.
THE WHITE HOUSE, *January 14, 1942.*

[Note: Report accompanied similar message to the House of Representatives.]

FINANCIAL REPORT, FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State showing all receipts and disbursements on account of refunds, allowances, and annuities for the

fiscal year ended June 30, 1941, in connection with the Foreign Service retirement and disability system, as required by section 26 (a) of an act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor, approved February 23, 1931, as amended.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1942.*

[Enclosure: Report concerning retirement and disability fund, Foreign Service.]

ERECTION OF MEMORIALS AND ENTOMBMENT OF BODIES IN ARLINGTON MEMORIAL AMPHITHEATER

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Military Affairs:

To the Congress of the United States:

In compliance with the requirements of the act of March 4, 1921, I transmit herewith the annual report of the Commission on the erection of memorials and entombment of bodies in the Arlington Memorial Amphitheater for the fiscal year ended June 30, 1941.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1942.*

[NOTE: Report accompanied similar message to the House of Representatives.]

REPORT OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Naval Affairs:

To the Congress of the United States:

In compliance with the provisions of the act of March 3, 1915, establishing the National Advisory Committee for Aeronautics, I transmit herewith the twenty-seventh annual report of the committee covering the fiscal year ended June 30, 1941.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1942.*

[NOTE: Report accompanied similar message to the House of Representatives.]

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON CONTRACTS NEGOTIATED BY NAVY DEPARTMENT

A letter from the Secretary of the Navy, submitting, pursuant to law, a report of the contracts negotiated by the Bureau of Yards and Docks, Navy Department, on a cost-plus-a-fixed-fee basis, for the period January 1, 1941, to December 31, 1941 (with an accompanying report); to the Committee on Naval Affairs.

ORDINANCES OF PUBLIC SERVICE COMMISSION OF PUERTO RICO

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of ordinances enacted by the Public Service Commission of Puerto Rico (with accompanying papers); to the Committee on Territories and Insular Affairs.

LEGISLATION BY MUNICIPAL COUNCILS IN VIRGIN ISLANDS

Two letters from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of legislation enacted by the municipal councils of St. Croix and St. Thomas and St. John, V. I. (with accompanying papers); to the Committee on Territories and Insular Affairs.

REPORT OF COOPERATIVE EXTENSION WORK IN AGRICULTURE AND HOME ECONOMICS

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report of the Extension Service for the fiscal year 1940–41 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORT OF THE MARITIME COMMISSION

A letter from the Assistant Secretary of the United States Maritime Commission, transmitting, pursuant to law, the report of the Commission for the period ended October 25, 1941 (with an accompanying report); to the Committee on Commerce.

REPORTS OF FEDERAL POWER COMMISSION

A letter from the Chairman of the Federal Power Commission, transmitting, pursuant to law, a classified report showing the permits and licenses issued by the Commission during the fiscal year ended June 30, 1941, the parties thereto, the terms prescribed, the moneys received, if any, and an account thereof, and a statement showing the names and compensation of the persons employed by the Commission as of June 30, 1941 (with accompanying papers); to the Committee on Commerce.

SUMMARY OF REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a summarization of data contained in the reports filed by him during the fiscal year ended June 30, 1941, by heads of agencies of the Government in accordance with law (with accompanying papers); to the Committee on the Library.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate or presented and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Benevolenza Associazione S. Maria, of Kingston, N. Y., recording its support of and cooperation with the Government in the conduct of the war; to the Committee on Military Affairs.

Resolutions adopted by the State Council of Pennsylvania, Junior Order United American Mechanics, at Reading, Pa., as follows:

A resolution opposing the enactment of Senate bill 1313, and any other legislation providing for, or opening the door to, Federal control of education in the United States; to the Committee on Education and Labor; and

A resolution favoring the enactment of House bill 4861, providing for the exclusion and deportation of members of all subversive groups, the suspension of all immigration for 5 years, and the ultimate reduction of quota immigration to one-third of the present figures, etc.; to the Committee on Immigration.

A letter in the nature of a petition from Carroll D. King, of Menoken, N. Dak., praying that the proceeding involving the right of the Senator from North Dakota [Mr. LANGER] to a seat in the Senate be dismissed; ordered to lie on the table.

Joint resolutions of the Legislature of the State of California, as follows:

To the Committee on Agriculture and Forestry:

Assembly Joint Resolution 4

Resolution relating to priorities for the manufacture of farm machinery

Whereas the United States Government has requested the farmers of this country to embark upon a program of greatly increased agricultural production in order to provide food for those nations resisting the Axis Powers and to maintain the health and well-being of the Army and the people of this country; and

Whereas a serious shortage of agricultural labor has developed, due to the demands upon the manpower of the Nation by the Army and by the rapidly expanding defense industries; and

Whereas due to the conditions of farming in this State, the heavy types of soil, including peat, the rolling contour of the land, the specialty crops, and the planting of crops during rainy weather, heavy track-laying crawler-types of tractors and other special kinds of farm equipment are a necessity; and

Whereas manufacturers of farm equipment are not able to obtain sufficient raw materials to meet the needs of the farmers of this State for farm machinery and parts; and

Whereas during 1941 all surplus production of farm equipment which had accumulated from former years plus the production of that year was completely sold out and a huge backlog of unfilled orders was accumulated, especially in labor-saving equipment; and

Whereas farm equipment parts are urgently needed to effect repairs so that machinery may be kept in use when it breaks down, in order to avoid situations similar to that which caused the loss of thousands of tons of beans in California during the 1941 season; and

Whereas farmers in California at the present time are canceling, and refusing to enter into, contracts for the raising of crops due to the inability to secure labor-saving equipment and parts therefor, to take the place of the former supply of agricultural labor; and

Whereas the expected change from a priority to an allocation basis for the manufacture of farm machinery has been postponed to February 14, 1942, which will be too late to enable California farmers to secure the needed machinery for the coming season; and

Whereas if the types of machinery required by California farmers to replace their customary labor supply are no longer available, such farmers may be compelled to enter upon the production of crops which under ordinary conditions are more economically produced by farmers in other parts of the Nation; and

Whereas the slowing down of supplies urgently needed by specialty farm-equipment manufacturers for the manufacture of special types of equipment is compelling their customers to rely upon equipment which is not suited to their needs; and

Whereas manufacturers of farm machinery are foregoing the opportunity of making profits in the production of war materials in order to keep available their manufacturing facilities for the production of farm machinery, thereby safeguarding the raising of crops; and

Whereas it is reported that farm-equipment manufacturers are to be requested to cut their production during 1942 20 percent of their 1940 production, which was 25 percent less than 1941 production; and

Whereas at the same time as the supply of farm machinery is to be decreased the farmers are requested to increase their production; and

Whereas the farm machinery manufacturing industry only consumes 2 percent of the steel produced in the United States; and

Whereas it is urgently necessary to provide food for defense, to offset the farm labor shortage, to relieve the lack of machinery and parts experienced by farmers during the year 1942 and to avoid falling short of the goal set by the food-for-defense program, abandoning diversified farming and the soil-conservation program, and lowering farmer morale to a dangerous point: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the President and the Congress of the United States be hereby respectfully memorialized to take such steps as will insure that supplies sufficient to meet the needs of the farmers of this State for agricultural equipment during the coming season, which has already begun, will be furnished the farm machinery manufacturing industry; and be it further

Resolved, That a copy of this resolution be sent to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Member of the House of Representatives from California in the Congress of the United States, to the Secretary of Agriculture and to the Office of Production Management, and that the Senators and Representatives of California are hereby respectfully requested to urge such action.

To the Committee on Commerce:

Senate Joint Resolution 6

Resolution relative to flood control on the Sacramento River

Whereas the levee on the west side of the Sacramento River between Glenn and Ord's Ferry, part of the project for flood control on the Sacramento River, is still in an incomplete state; and

Whereas the original survey and plans called for the complete construction of the levee between those two points, approximately 7 miles apart, and the work already taken in hand will be of no avail unless carried through to its termination, since when the river overflows its banks about Glenn it will cause widespread floods not only to the north but also as far to the south as Princeton; and

Whereas the State of California through the Reclamation Board has recently loaned $950,000 to the Federal Government for levee construction work and has not sufficient funds on hand to make further loans for that purpose; and

Whereas the cost of the completion of the levee, exclusive of costs of rights-of-way, will be approximately $150,000: Now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the legislature of this State hereby respectfully urges the President and Congress of the United States to enact suitable legislation appropriating sufficient funds for the purposes specified in this resolution; and be it further

Resolved, That the Secretary of the Senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, the Secretary of War, and to each Senator and Representative from California in the Congress of the United States.

To the Committee on Finance (three joint resolutions of the Legislature of California):

Senate Joint Resolution 4

Resolution relative to memorializing the President and the Congress of the United States to refrain from action calculated to exempt from State and local taxes the sale, purchase, storage, use, or consumption of tangible personal property acquired by contractors in the performance of certain contracts with the United States

Whereas Representative COCHRAN, of Missouri, introduced on November 18, 1941, at the first session of the Seventy-seventh Congress of the United States a bill numbered H. R. 6049, designed "to exempt from State and local taxes the sale, purchase, storage, use, or consumption of tangible personal property for use in performing defense contracts"; and

Whereas the Supreme Court of the United States has recently reaffirmed that there is no violation of the constitutional immunity of the Federal Government from State taxation in the imposition of nondiscriminatory State taxes with respect to transactions of those who contract with the United States; and

Whereas many of the States of the United States, including the State of California, rely in substantial part upon sales or use taxes for their revenues; and

Whereas other States not employing such methods of public finance impose other forms of taxation which of necessity must be reflected in the prices of tangible personal property acquired by contractors for use in performing contracts with the United States; and

Whereas enactment of H. R. 6049 would result in an unwarranted preference in favor of those States not employing sales or use taxes for their support as against those States which employ these methods for raising revenue; and

Whereas enactment of H. R. 6049 would result in serious disturbance to the revenue structures of a large number of the States of the United States, including California, in which sales and use taxes are imposed; and

Whereas it is imperative to the welfare of the United States, as well as of all of the States within the Union, that nothing be done at this time to impair the national unity or to show any unjust preferment of a State or States over another State or States: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the State of California through its legislature hereby respectfully urges that the Congress of the United States refrain from enactment of H. R. 6049 or any similar measure designed to exempt from State and local taxes the sale, purchase, storage, use, or consumption of tangible personal property acquired for use in the performance of defense contracts; and be it further

Resolved, That the Governor is requested to transmit copies of this resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, and to the Senators and Representatives of the State of California in the Congress of the United States.

Assembly Joint Resolution 6

Resolution relative to memorializing Congress to oppose federalization of State unemployment insurance and employment services

Whereas proposals have been made and plans projected for the taking over by the Federal Social Security Board or other Federal agencies of the unemployment insurance and employment services now administered by the several States; and

Whereas the detailed administration of unemployment insurance and employment services is essentially a State function, dependent as it is upon local conditions of living and employment which often vary widely according to the locality, and is best carried on locally with only general advice and assistance from Washington instead of direction in detail; and

Whereas the proposed federalization of the unemployment insurance and employment services calls for the pooling in one common fund of all the trust funds which have been established in the several States in the administration of their unemployment insurance and employment services, from which common Federal fund money may be withdrawn without regard to source for use in States which may not have contributed their proper share to the fund; and

Whereas federalization will mean to California, which has built up a substantial fund from the contributions of its workers and employers, the likely diversion of a good portion of the fund for use in other States which have lower rates of contributions, resulting in injustice and hardship to California employees; and

Whereas it has been clearly established that federalization of unemployment insurance would completely eliminate experience rating provisions which are now a basic part of the California Unemployment Insurance Act and which preserve the insurance principle and maintain employer interest in unemployment insurance, thus preventing the program from becoming a mere dole; and

Whereas this is not the first instance wherein agencies of the Federal Government have made attempts under the guise of national emergency to usurp functions and duties of the sovereign States; and

Whereas the employment service as administered in California in spite of excessive domination by Federal agencies is able to render adequate service in connection with the fulfillment of its program: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That we, the members of the Legislature of the State of California, do hereby express our disapproval and condemnation of any plan to federalize State unemployment insurance and employment services, and do hereby urge that the Congress of the United States refuse to enact into law any federalization scheme; and be it further

Resolved, That the chief clerk of the assembly is hereby instructed to deliver copies of this resolution to the Representatives in Congress and the Senators from the State of California and to the Governor of this State together with the request that each and all of them do their utmost to oppose federalization of the unemployment insurance and employment services.

Assembly Joint Resolution 8

Resolution relative to memorializing the Social Security Administration to reexamine and readjust old-age-pension schedules

Whereas since establishment of present old-age-pension schedules by the Social Security Administration there has been a substantial increase in the cost of living: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California jointly, That the Legislature of the State of California does hereby urge and request the Federal Social Security Administration to reexamine present old-age-pension schedules with the objective of making such adjustments in the schedules as may be deemed proper to meet the changes in the cost of living; and be it further

Resolved, That the Speaker of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and the Members of the House of Representatives and Senators from California.

To the Committee on Military Affairs (two joint resolutions of the Legislature of California):

Assembly Joint Resolution No. 2

Resolution relative to sporting events held in the State of California

Whereas in view of the state of war existing between the Governments of the Japanese Empire and the United States, the people of the United States in general and the people of the State of California in particular suddenly, and unexpectedly, find their ordinary routine of daily living placed under more or less strict supervision and control; and

Whereas the people of the State of California have shown by their actions that they are willing and anxious to cooperate with all the regulations of the military and civil authorities, and, if necessary, to sacrifice not only their property but, even their lives, in defense of the United States; and

Whereas it is essential that public spirit be kept at the highest possible level in order not to impair this expression by the people of the State of California of their devotion and willing cooperation; and

Whereas in view of the sudden events which have thus far transpired, the civil authorities of the State, together with the military authorities, have ordered the cancelation of various sporting events usually indulged in during ordinary times, and it appears that due principally to that reason we are experiencing apprehension which is gradually undermining the public morale in California and in some cases has already caused hysteria among the civilian population; and

Whereas in England, a country easily within reach of enemy shells and bombs, all sporting activities, including such sports as boxing, tennis, football, and horse racing were restored within a few weeks after the outbreak of the war in order to build the morale of its civilian population. During the trying times recently passed there were held such events as the Wembley Football Finals on May 10, 1941, with an estimated attendance of 60,000 persons, the football game between Scotland and England at Glasgow on May 4, 1941, at which an estimated crowd of 75,000 attended, and Derby Day at Newmarket on July 22, 1941, which found a crowd close to 100,000 in attendance. A recapitulation of the 1940 racing season, run at a time when England was in its direst state, reveals that approximately 2,246 horses ran in 519 races; and

Whereas the cancelation of sporting events in the State of California has the direct result of throwing into unemployment many thousands of persons who otherwise would be employed in arranging for and conducting such sporting events, the reducing of many millions of dollars of tax revenues and license fees which otherwise would have been received by the State of California and which could be used for national and local defense purposes, and prevents the encouragement of agricultural, horticultural, and livestock raising activities in the State of California due to the cutting off of the sources of funds from which premiums at agricultural fairs are paid: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That unless it is absolutely necessary to curtail such activities herein mentioned, all of our normal activities should be restored as much as possible, and the ban on conducting of sporting events should be raised, in order to maintain the present high level of public morale and prevent its undermining; and be it further

Resolved, That the chief clerk of the assembly transmit copies of this resolution to the Secretary of War and the Secretary of the Navy of the United States.

Assembly Joint Resolution 9

Resolution relative to the full utilization of the Nation's skills and resources in the national-defense program and the building of national unity, irrespective of race or color

Whereas our Nation is presently engaged in a comprehensive program of national defense which requires education, training, and employment of its citizens in the military, industrial, and civil phases of our national life; and

Whereas racial discrimination has no place in this vital program or in our concept of American democracy, as the building of national unity rests upon the existence of liberty and justice for all Americans: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the President and the Congress of the United States of America are hereby respectfully urged to prevent any and all racial discriminations in the national-defense program, including admittance into the armed forces, employment in defense industries and with governmental agencies, and in the vocational-training program; and be it further

Resolved, That the chief clerk of the assembly is hereby directed to send a copy of this resolution to the President of the United States and to each Senator and Congressman from California in the Congress of the United States.

To the Committee on Post Offices and Post Roads:

Assembly Joint Resolution 5

Resolution relative to memorializing the President and the Congress of the United States in relation to the fitness of California highways for military purposes

Whereas the United States of America has been attacked militarily by an Axis foreign nation and other Axis foreign nations have declared war on this country; and

Whereas such nations will do all things in their power to destroy our ability to protect ourselves in such an all-out war of destruction as they may be able to launch against us; and

Whereas California is so situated geographically as to receive the first shocks of bombing from airships which may be launched against the Nation; and

Whereas numerous Federal defense facilities are located within this State; and

Whereas all Federal defense projects depend more or less upon adequate highway transportation facilities for the movement of troops and munitions of war; and

Whereas the highways of the State and of the counties are inadequate to handle the war traffic already imposed upon them; and

Whereas numerous strategic highways are comprised of only two lanes where four lanes are sorely needed to carry the extra traffic imposed by war conditions; and

Whereas, in numerous places, especially in mountainous regions, such highways would be subject to bombing destruction which would blockade the movement of troops and munitions; and

Whereas the State is not financially able to improve such highways to support the extra traffic imposed by war conditions; and

Whereas all such defense highways should be brought up to the highest efficiency at the earliest time possible: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the President and the Congress of the United States be, and they hereby are, respectfully memorialized and urged to do all things possible at an early date to make available to the Department of Public Works of the State of California sufficient funds to put the highways of California in an adequate condition for national defense; and be it further

Resolved, That the chief clerk of the Assembly is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to the Senators and Representatives from California in the Congress of the United States.

Ordered to lie on the table:

Assembly Joint Resolution 1

Resolution relative to memorializing the Congress of the United States to enact pending legislation providing for civilian defense facilities

Whereas the United States is at present engaged in a relentless war with the Axis nations of Japan, Italy, and Germany; and

Whereas this is a total war, in which civilians and noncombatants are not spared from military and naval attacks, particularly bombing raids; and

Whereas it is necessary that adequate facilities be provided for the protection of the lives of civilians and the maintenance of the morale of the Nation at large, such as air-raid shelters, first-aid stations, and similar defense facilities; and

Whereas there is now pending before the Congress of the United States proposed legislation (H. R. 5727) which calls for an appropriation of $100,000,000 to be expended in the providing for defense facilities such as those previously described: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Congress of the United States is hereby respectfully urged to enact into law the provisions of H. R. 5727; and be it further

Resolved, That the chief clerk of the assembly forward copies of this resolution to the Speaker of the House of Representatives of the Congress of the United States and to each Senator and Member of the House of Representatives from California in the Congress of the United States.

By Mr GREEN:

A joint resolution of the General Assembly of Rhode Island; ordered to lie on the table:

House Joint Resolution 543

Resolution memorializing Congress in favor of the enactment at the earliest possible moment of appropriate legislation for the establishment of daylight saving throughout the United States as a means of promoting safety, increased production, and the conservation of electrical energy

Whereas it has seemed advisable, as a means of promoting safety, increased production, and the conservation of electrical energy, to take action upon a matter which has already received favorable accord by the executive committee of the New England Council which has recently voted to recommend the immediate enactment of appropriate legislation for the establishment of daylight saving throughout the United States: Now, therefore, be it

Resolved, That this general assembly respectfully requests the Senators and Representatives from Rhode Island in the Congress of the United States to give wholehearted support of and to work for the immediate enactment of appropriate legislation for the establishment of daylight saving throughout the United States; and be it further

Resolved, That the secretary of state is hereby authorized and directed to transmit duly certified copies of this resolution to the Senators and Representatives from Rhode Island in the Congress of the United States

CANAL FROM BEAVER, PA., TO STRUTHERS, OHIO—RESOLUTION OF CITY OF SHARON, PA.

Mr. DAVIS. Mr. President, I present and ask to have referred to the Committee on Commerce, a resolution adopted by the council of the city of Sharon, Pa., disapproving of the construction of a canal between Beaver, Pa., and Struthers, Ohio.

I also ask unanimous consent to have the letter of transmittal, signed by Mr. Fred S. Williams, city clerk of Sharon, Pa., printed in the RECORD and referred to the Committee on Commerce.

There being no objection, the letter and resolution were referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

CITY OF SHARON, PA.,
January 6, 1942.

The Honorable JAMES J. DAVIS,
United States Senate,
Washington, D. C.

DEAR SENATOR DAVIS: I am enclosing herewith, a copy of Resolution No. 2909 of the city of Sharon, Pa., passed by council at a meeting held January 5, 1942, and submitted to you for your consideration.

Very truly yours,

FRED S. WILLIAMS,
City Clerk.

[Enclosure.]

Be it resolved by the Council of the City of Sharon, Pa., and it is hereby resolved by the authority of the same:

SECTION 1. That the council of the city of Sharon be on record as opposed to the construction o a canal from Beaver, Pa., to Struthers, Ohio, as proposed in a bill now under consideration in the Congress of the United States, for the following reasons:

1. The principal influence for the building of this canal comes from the steel industries of the Youngstown, Ohio, district. These interests would obtain the greatest proportion of the benefits derived from the canal and the Government would be subsidizing the industries of a small restricted area to the detriment of similar industries of Sharon, Pa.

2. We understand that no tolls are to be charged on the proposed canal and the public will pay all maintenance costs.

3 We believe that railroad facilities are adequate to take care of all traffic.

4. We believe the maintenance cost of the canal as borne by the taxpayers will exceed the railroad charge per ton-mile as borne by the users of railroads.

5. We believe that this canal could not be completed in time to be of any use in this national-defense emergency and would only displace workmen and material from the national-defense effort.

SEC. 2. That a copy of this resolution be sent to our United States Senators, JAMES J. DAVIS and JOSEPH F. GUFFEY, and to Congressman BENJAMIN JARRETT.

Adopted in council this 5th day of January A. D. 1942.

RESOLUTION OF THE WISCONSIN COLLEGE WORK COUNCIL

Mr. WILEY. Mr. President, I present a resolution adopted by the Wisconsin College Work Council in relation to the matter of Federal assistance to certain college youth. I ask that it be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

Whereas funds have been made available through the National Youth Administration equalizing educational opportunities for Wisconsin youth attending college; and

Whereas the continuance of these youth in college is dependent upon a continuance of financial assistance, because of commitments already made; and

Whereas, as shown conclusively by surveys of college authorities, recent curtailment of funds for this purpose is working handicap and hardship on these college youth, and possible necessity of withdrawal from college because of the lack of funds on which they had planned for the second semester; and

Whereas the future of American democracy is dependent upon the educational opportunity of the present generation of youth, and the building and maintenance of proper morale among youth, to the end that intelligent leadership may be provided for the future: Therefore be it

Resolved by the Wisconsin College Work Council, That adequate funds should be provided through the Federal agency specifically charged with this responsibility during the last half of the current school year, if possible, and in any event during the coming college terms for the many youth who do not qualify for specific military services; be it further

Resolved, That a copy of this resolution be sent to the President of the United States, to the Wisconsin Members of Congress, to the chairman of the regional college work council, and to the chairman of the national college work council, and to the Administrator of the Federal Security Agency.

JNO. T. KENDRIGAN,
Registrar, Northland College, Ashland.
REXFORD S. MITCHELL,
President, State Teachers College, La Crosse.
L. R. EVANS,
Director, Vocational School, Sheboygan.
J. F. WADDELL,
Asst. Superintendent, Department of Public Instruction, Madison.
VOLMER H. SORENSEN,
Field Representative, University of Wisconsin Extension Division, Madison.
C. E. RAGSDALE,
Associate Professor of Education, University of Wisconsin, Madison, Chairman.

PROTECTION OF SUPERIOR, WIS.—EDITORIAL FROM THE SUPERIOR EVENING TELEGRAM

Mr. WILEY. Mr. President, I have an editorial from the Evening Telegram of Superior, Wis., of the issue of January 10, 1942, on the subject Superior Needs Protection. I ask that the editorial be printed in the RECORD and referred to the Committee on Military Affairs.

There being no objection, the editorial was referred to the Committee on Military Affairs and ordered to be printed in the RECORD as follows:

[From the Superior (Wis.) Evening Telegram of January 10, 1942]

SUPERIOR NEEDS PROTECTION

Just what caused the two and one-quarter million dollar grain elevator fire in Superior early this morning has not been definitely determined, but there's bound to be considerable suspicion of sabotage. That's only natural in view of war conditions throughout the world.

One thing is certain, however. The fire demonstrates conclusively how vulnerable are Superior's water-front properties, all of them extremely vital to the Nation's war program.

Within a few hours a million and a half bushels of grain went up in smoke. It's too late now to do anything about elevator X, but the fire ought to serve as a warning to governmental authorities that there must be immediate and adequate protection for Superior's other grain elevators, its huge iron-ore docks, the coal docks, the shipbuilding yards, the oil tanks, the utility plants, the railway yards, and the various industries now at work on war contracts.

The Telegram for some time has stressed the need for guarding the city and its harbor. Governor Heil was recently aroused to the point where he charged that Superior hasn't as much as a 10-gage shotgun to protect its vital water front. Yet, in Washington, nothing has been done.

This newspaper hopes there was no sabotage involved in today's elevator fire. On the other hand, the explosion demonstrates what could happen if saboteurs were to worm their way into the huge structures that dot the water front. There has been enough evidence of "fifth column" activity throughout the world during the last few years to show that the United States cannot afford to take a chance in any locality that provides the Nation with necessary war materials and food supplies.

The danger does not lie only in saboteurs. This harbor needs protection from the skies as well. It requires no great imagination to visualize what destruction a lone airplane could cause were it to descend upon the city from any number of easily accessible points in the head of the Lakes area.

Every American should shudder at the thought of even a temporary break in the flow of vital materials from the head of the Lakes. It doesn't take a technician or an Army man to figure out the importance of iron and steel in our war effort. Yet 83 percent of all the Nation's iron ore comes from this area where there is no Federal protection.

The city of Superior is doing the best it can to guard its plants, but the job is so big that only the Federal Government can afford the protection that must be provided. Only yesterday boat owners of the region were told that the Coast Guard may be reduced to two men because the remaining personnel is required elsewhere. That is an attitude the Government must do away with. It's not a case of cutting down on protection, it's a case of increasing it vastly.

Superior's fire loss today was tremendous. The city and the Nation cannot afford more destruction of that kind. There is only one answer: Washington has to be jolted into a realization that the head of the Lakes needs protection, and lots of it. Let's hope the elevator fire provides that jolt.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HILL:

From the Committee on Expenditures in the Executive Departments:

S. 1526. A bill to amend the act approved October 10, 1940 (54 Stat. 1105), to permit such responsible officers as may be designated by the heads of departments or establishments to authorize or approve the allowance and payment of expenses incident to the transportation of the household goods of civilian officers and employees when transferred from one official station to another for permanent duty; without amendment (Rept. No. 950).

From the Committee on Military Affairs:

S. 2182 A bill to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps; with an amendment (Rept. No. 953).

By Mr. GREEN, from the Committee on Public Buildings and Grounds:

S. 1817. A bill to authorize the President to purchase certain lands in Arlington County, Va.; with an amendment (Rept. No. 951).

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

S. 2167. A bill to authorize the Secretary of War to make available for the purposes of civilian defense such arms, munitions, supplies, and equipment for instructional and demonstrational purposes only, as can be spared by the War Department, and for other purposes; with an amendment (Rept. No. 952).

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on January 9, 1942, that committee presented to the President of the United States the enrolled bill (S. 2149) to amend the act approved April 22, 1941 (Public Law 39, 77th Cong.), so as to increase the authorized enlisted strength of the Navy and Marine Corps:

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. WAGNER:

S. 2198. A bill to provide for the financing of War Insurance Corporation, to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. DOWNEY:

S. 2199. A bill to amend the act approved March 3, 1931, relating to the rates of wages of mechanics and laborers employed on Government construction projects, for the pur-

pose of providing for redeterminations by the Secretary of Labor of prevailing wage rates, and for other purposes; to the Committee on Education and Labor.

By Mr. CLARK of Missouri:

S 2200 A bill for the relief of Mrs. Ching Shee (Ching Toy Wun); to the Committee on Immigration.

By Mr CAPPER:

S. 2201. A bill relating to the production of birth certificates in certain cases; to the Committee on the Judiciary.

By Mr. AUSTIN:

S. 2202. A bill to reinstate Paul A. Larned, a major, United States Army, retired, to the active list of the Regular Army; to the Committee on Military Affairs.

By Mr. HAYDEN:

S. 2203. A bill for the relief of Bayard M. Atwood; to the Committee on Claims.

TRANSPORTATION OF IRON ORE ON THE GREAT LAKES

Mr. BROWN. Mr. President, I introduce a bill and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The bill will be read.

The bill (S. 2204) authorizing vessels of Canadian registry to transport iron ore on the Great Lakes during 1942 was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That, by reason of emergency conditions in transportation on the Great Lakes, notwithstanding the provisions in section 27 of the act of Congress approved June 5, 1920 (41 Stat. 999), as amended by act of Congress approved April 11, 1935 (49 Stat. 154), and by act of Congress approved July 2, 1935 (49 Stat. 442), or the provisions of any other act of Congress or regulation, vessels of Canadian registry shall be permitted to transport iron ore between United States ports on the Great Lakes during the 1942 season of navigation on the Great Lakes.

Mr. McNARY. Mr. President, I understand from a conversation with the able junior Senator from Michigan that the bill simply extends the operation of the present statute.

Mr. BROWN. The Senator is correct.

Mr. McNARY. I have no objection.

Mr. VANDENBERG. Mr. President, let me ask my colleague a question. Does the bill propose purely an extension of the legislation in the form in which it was previously enacted?

Mr. BROWN. The Senator is correct.

Mr. VANDENBERG. For how long?

Mr. BROWN. For the season of 1942. The authority granted by the bill will expire on December 31, 1942.

For the benefit of the Senate as a whole, I think I should briefly say that under existing law, without the modification which now is in existence, Canadian ships may not carry any commodity from one American port to another. A large number of Canadian freighters are equipped to handle iron ore, and during the latter part of each sailing season, from roughly July 1 on to December, such Canadian ships can greatly aid in carrying American ore from Lake Superior ports to Lake Erie ports. A year ago we lifted the restriction, and permitted that to be done. The restriction was lifted for 1 year. This bill, as my colleague intimates, merely extends the lifting of restrictions for the sailing season of 1942.

I may say, generally, that heretofore the largest amount of ore we ever carried down the Lakes has been 80,000,000 tons. Through the assistance of the Canadian carriers—some 20 large ships—that amount may be increased to 88,000,000 tons for the year 1942; and it is very vital that the ore should be transported from the upper Lakes to the lower Lakes.

I may say that my action in introducing and asking for the passage of the bill has the approval of the chairman of the Committee on Commerce, the Senator from North Carolina [Mr. BAILEY], and of the chairman of the subcommittee in charge of this legislation, the Senator from Maryland [Mr. RADCLIFFE].

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BROWN. I yield to my colleague

Mr. VANDENBERG. Let me say that obviously, if the action was justified last year, it is doubly justified now that we find ourselves in a state of war.

Mr. BROWN. Yes; the Senator is entirely correct about that.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BURTON. Let me say that from the Lake Erie end it is of the utmost importance for the manufacture of steel that ore shall continue to come down the Lakes in the quantities it reached during the past year, so that during the war we may have the continuous production we need. Therefore, the movement to the Lake Erie end is essential.

Mr. BROWN. I thank the Senator.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill S. 2204 was considered, ordered to be engrossed for a third reading, read the third time, and passed.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R 4971. An act to prohibit the issuance of alcoholic beverage licenses in certain localities in the District of Columbia, to prohibit advertising the price of such beverages, and for other purposes; to the Committee on the District of Columbia.

H. R. 6250. An act to amend the Nationality Act of 1940; to the Committee on Immigration.

H. R. 6325. An act to amend certain provisions of the Internal Revenue Code relating to the production of alcohol; to the Committee on Finance.

AMENDMENT OF COMMUNICATIONS ACT—AMENDMENT

Mr. TAFT submitted an amendment intended to be proposed by him to the bill (H. R. 6263) to amend section 606 of the Communications Act of 1934 for the purpose of granting to the President, in time of war or threatened war, certain powers with respect to communication by wire, which was ordered to lie on the table and to be printed.

WITHDRAWAL OF BRANDY FOR FORTIFICATION OF WINES, ETC.—AMENDMENTS

Mr. DOWNEY submitted amendments intended to be proposed by him to the bill (H. R. 5802) to amend certain provisions of law relative to the withdrawal of brandy for fortification of wines and production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions, which were referred to the Committee on Finance and ordered to be printed.

COMMITTEE SERVICE

On motion of Mr. BARKLEY, and by unanimous consent, it was

Ordered, That the Senator from New Mexico [Mr. HATCH] be excused from further service as chairman of the Committee on Privileges and Elections, and that he be assigned to service as chairman of the Committee on Public Lands and Surveys; and that the Senator from Rhode Island [Mr. GREEN] be assigned to service as chairman of the Committee on Privileges and Elections.

TAXATION OUTLOOK—ADDRESS BY SENATOR GEORGE

[Mr. BROWN asked and obtained leave to have printed in the RECORD an article from the New York Times of January 14, 1942, containing a portion of an address by Senator GEORGE on January 14 on the subject of the taxation outlook, which appears in the Appendix.]

PRIVATE JOHN ALLEN—EDITORIAL FROM ST. LOUIS COUNTY LEADER

[Mr. TRUMAN asked and obtained leave to have printed in the RECORD an editorial entitled "Private John Allen," published in the St. Louis County Leader, which appears in the Appendix.]

DOUGLAS C. WATSON—ARTICLE FROM THE PHILADELPHIA RECORD

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an article from the Philadelphia Record of December 21, 1941, relating to the work of Douglas C. Watson in aviation engineering, which appears in the Appendix.]

LABOR DISTURBANCES

[Mr. O'DANIEL asked and obtained leave to have printed in the RECORD an editorial from the St. Paul Pioneer Press entitled "The Battle of Minneapolis," and also an article entitled "Our Minneapolis Members Victims of Brutal Teamster Attacks," published in the Brewery Worker of January 7, 1942, which appear in the Appendix.]

PRIORITY SITUATION ON PACIFIC COAST—LETTER FROM OSCAR R. FUSS

[Mr. DOWNEY asked and obtained leave to have printed in the RECORD a letter addressed to him by Oscar R. Fuss, of Los Angeles, Calif., relative to the priority situation on the Pacific coast, which appears in the Appendix.]

DEVELOPMENT OF POWER IN WYOMING

Mr. SCHWARTZ. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address delivered over a national hook-up January 10, by Attorney General Francis Biddle, in connection with the opening of the Cherokee and Watts Bar Dams of the Tennessee Valley Authority. These great dams, in addition to their aid to navigation and the economic development of the Tennessee Valley and adjacent areas, provide additional electric power needed in that area in the successful conduct of the war in which we are now engaged.

Mr. HILL. Mr. President, I do not rise to object to the request, but earlier in the session I obtained permission to have the address of the Attorney General printed in the RECORD.

Mr. SCHWARTZ. I am glad to receive the information that the address has already been ordered to be printed in the RECORD.

In this connection, Mr. President, I wish to point out that we have in the State of Wyoming several large irrigation and power dams, and at present some unusued power of both electrical and coal generation. This power could be used if, through some fortuitous circumstance, the O. P. M. and the War Department should be able to locate the State of Wyoming as a part of the Union of States situated in an area not accessible to enemy attack. Near the city of Casper there is a site ideal for installation of another great dam which could furnish additional electrical energy at a relatively low cost. This site has been approved by the Reclamation Service as suitable for a power and irrigation project. In the vicinities of Rock Springs, Sheridan, and Gillette there are vast deposits of coal, by the use of which electrical energy can be produced at a cost not greater than the cost of power production by use of falling water.

We have vast deposits of iron ore at Sunrise, at Iron Mountain, and near the great Seminoe Dam; immense deposits of domolite with favorable magnesium content, trona, lucite, potash, aluminum clays, and other nonmetallic minerals. Unfortunately for us, great corporations have preempted production of most of these strategic minerals useful in our war efforts and are unwilling to operate outside the sources already owned and controlled by themselves. Thereby they can cash in and secure a greater money return with the assistance of Government advancement of nonrepayable loans.

Mr. President, if the war is won soon enough, if the bloody contest does not last too long, the entrenched business giants may supply our war needs. If the contest drags, we may later be calling for the development of western resources when it is too late. We cannot afford to take that chance. Now is the imperative time to get out of the well-worn and crystallized and ossified path in which we have been moving.

While we are all thrilled by the slogan "Remember Pearl Harbor," let us look to the future lest in that future greater evils come to us at a time when we can only lament "It might have been."

Mr. President, I trust these few remarks may come to the attention of the Office of Procrastinating Mistakes.

PRODUCTION OF WAR SUPPLIES

Mr. WILEY. Mr. President, in reading the newspaper this morning I was forcibly struck by several statements in a column written by Westbrook Pegler. Among other things, he calls attention in no uncertain language to the fact that we are not getting production, that we are not getting results. Then he makes this significant statement:

> When we have developed a minute imitation of the Russian efficiency it might be all right to begin to look at our muscles in the glass and say how well we are doing.

In the few remarks I am about to make, Mr. President, it is not my purpose to start anything in the nature of "buck passing." In fact, my intention is just the opposite. This is no time for any of us to say, "Well, we let George do it," or "We failed to let George do it."

I feel that if we do not get production within the next 60 days it will be time enough to start a campaign of criticism. Let us not get into a buck-passing spree. That has already started in high places.

Mr. CONNALLY. Will the Senator yield?

Mr. WILEY. I yield.

Mr. CONNALLY. Is the Senator speaking about production under the O. P. M.?

Mr. WILEY. I am speaking of that.

Mr. CONNALLY. Does not the Senator from Wisconsin believe that the recent appointment, announced in the press last night, of Mr. Donald Nelson will have a very wholesome effect on all the production program? I regard Mr. Nelson as probably the strongest man in the whole O. P. M. organization, and if he is given sufficient authority to administer his new office, to organize it and direct it, I feel sure we will see quite a changed situation.

Mr. WILEY. I am very happy to have that assuring word from the distinguished Senator from Texas.

Mr. CONNALLY. My reason for making the statement is that as a member of the Truman committee I have observed Mr. Nelson before the committee and have been impressed by his testimony. I have had opportunity to confer personally with him on a number of matters, and, in my opinion, he has a grasp of the whole production situation which few, if any, other persons in the organization possess. I have very great faith in his accomplishing substantial and beneficial results in the high place to which he has been appointed. The only fear I entertain is that he may not be given broad enough authority—I will not say he will not be—and will not be authorized to extend his activities over as wide a scope as I should like to see them extended.

Mr. McCARRAN. Mr. President, will the Senator from Wisconsin yield in order that I may propound a question to the Senator from Texas?

Mr. WILEY. I yield to the Senator.

Mr. McCARRAN. My recollection is that Mr. Donald Nelson is a part of the organization of O. P. M. at this time.

Mr. CONNALLY. He is, but his scope is limited, and he has limited authority. He is supposed to be head of the Priorities Division.

Mr. McCARRAN. I do not know anything about limits, but I know there has been no limitation of the criticism which has been directed to O. P. M., and I am wondering whether Mr. Nelson may be able to limit such criticism.

Mr. CONNALLY. I will say to the Senator from Nevada that I think he will. I know there has been much criticism of the O. P. M., and much of it probably justified, because of the overlapping of so many agencies through which it is necessary to clear, and all that sort of thing, but I believe that of all the men I have had any acquaintance with in the O. P. M., Mr. Nelson has the widest and most comprehensive grasp of the whole situation. The Senator from Missouri [Mr. CLARK] suggests that it is because he came from Missouri, but for some reason or other he left Missouri.

Mr. McCARRAN. Mr. President, if he is from Missouri, then he must be "shown," and for that reason he will have to learn from now on.

Mr. CONNALLY. I am sure he is a man who does learn, and that he will learn from now on, because he is a very able man, a very clear-cut man. He was formerly connected with Sears Roebuck in its purchasing department.

Mr. CLARK of Missouri. He was executive vice president.

Mr. CONNALLY. I am told he was executive vice president.

Mr. WILEY. Mr. President, I know Mr. Nelson. I have been privileged to know him quite intimately. I know his make-up. What provoked me to rise to make these remarks was that Pegler's article said, "We need a tough guy We need a guy who will spit on his hands and get results." That "tough guy" must have power. If we may indulge in any criticism, it is because power has not been delegated to individuals so they can do the job.

Mr. President, America wants results. We cannot take time now for anything except to get results. When the Axis Powers are defeated we can examine the situation, and find who was to blame for this or who was to blame for that. We can determine then who was to blame for the lag in production. What we need now is unity of effort. We cannot get unity if we indulge in verbal throat cutting, in back biting, and "passing the buck."

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. VANDENBERG. How can we hope for unity in the country if there is none in the Cabinet? How can we get unity if the President of the United State and the Secretary of Agriculture go in different directions simultaneously? When the first lieutenant says, "Column right," while the captain is saying "Column left," how can there be any unity in the forward march?

Mr. WILEY. The answer is that if they keep traveling long enough in opposite directions they may finally come together. It may take a long time.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. BARKLEY. It might be observed that the Senate of the United States is as much responsible for the division as is anyone else.

Mr. McNARY. It might also be observed that anyone familiar with the situation and with the farm problem would not make such a statement as was made a moment ago.

Mr. WILEY. Mr. President, the very thing I tried to avoid when I rose is apparently coming to pass. I prefer to have Senators take their own time and make their comments, because it is very apparent that one cannot make a consistent statement while being interrupted a great deal of the time.

I wish to emphasize one idea. We need unity in getting the Government into action. I do not care about our differing

on minor matters. I do not care about our seeing along different lines in relation to questions of administration, but I do not want Senators to do what is being done in the larger public forum even by persons in high places. Spending our energies in that way will not aid us in getting the airplanes, tanks, and munitions which we should have.

Mr. Donald Nelson, I believe, if given full and complete power, can reconcile all interests and obtain results, but if he is simply given a position and must account for all his minor and major acts he will not get the results which the situation demands.

The other night I heard over a national hook-up an example of what I am speaking of. One speaker blamed the automobile industry for lack of defense production. Another speaker blamed the Army, the Navy, and the Government. He said the automobile industry had never been requested or ordered to turn its facilities over to the Government for defense production. The speaker said that the men whose business it was to know—I am now quoting his language—had not known, had not foreseen what they should have known and foreseen. In other words, Mr. President, we have in the picture now the same situation that existed when Billy Mitchell was trying to anticipate results and to bring what was needed to the attention of the leaders in the Army and the Navy.

Up to the time of Pearl Harbor no one apparently grasped what would be needed if we became involved in the war. In spite of the fact that we had appropriated $56,000,000,000 for defense, and in spite of the fact that we had made contracts to the extent of about $30,000,000,000, and spent only $16,000,000,000, and in spite of the fact that the Lord gave us 2 years and 3 or 4 months before we were actually in the battle—in spite of all that no one seems to have comprehended, at least those in high places do not seem to have comprehended, what was really needed for a war effort.

Mr. President, it does not do any good to talk about spilled milk, unless in doing so our attention is awakened to a comprehension of what is needed.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. McCARRAN. The Senator has extolled, and properly so, the memory of Billy Mitchell, who was court-martialed, and who died of a broken heart, but I wonder whether it has been brought to the Senator's attention that the Senate of the United States is not going to hold hearings on pending measures which embody the doctrine which was in the first instance promulgated by Billy Mitchell?

Mr. WILEY. Does the Senator refer to the proposal for a separate air force?

Mr. McCARRAN. I refer to the proposal for a separate air force, which was the child of William Mitchell.

If I may use the Senator's time for a moment, I will say that it is unfortunate, and that is as far as I shall go—it is unfortunate that the Senate does not care to have brought to one of its standing committees, facts which General Mitchell would have presented were he living at this time, and which he did present when he was living, and for doing so he was court-martialed and cashiered out of the Army.

Mr. WILEY. Mr. President, I am extremely sorry to hear that the Senate will not even give consideration to that great idea. I think it is something which merits consideration. I myself am not in a position to say on which side of the question I would vote were the question to come before the Senate, but I feel it would be a wise thing for us to give consideration to the question at this time.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. CHANDLER. I think it should be said that during peacetime, acting upon a motion I made before the Senate Committee on Military Affairs, agreement was entered into to give hearing before that committee, and to undertake to decide the question whether we should have a separate air force, as distinguished from the other armed services of the United States. The situation has entirely changed. We are at war, and we must fight the war with what we have.

The Chief of Staff of the United States Army, General Brett, who is in charge of all the air forces of the Allies in the Pacific, and General Arnold, who is the chief of the air forces of the United States, all agree that they do not have the time now to consider the question which has been raised; nor would they be able, if the Congress should vote that we must immediately establish a separate air force, to do so now. Undertaking to do so might result in disaster to the people of the United States. In my opinion at this juncture it would be a serious mistake now to bring General Brett back from the Pacific, where he is at the present time, and take his time and the time of other Army officials to testify on the merits of a separate air force. What we need is unity of command; and we must depend upon those in command of our Army, Navy, and Marine forces, as well as our air forces, to fight this war.

Yesterday the Military Affairs Committee voted unanimously, after consultation with the distinguished Senator from Nevada, not that it would never consider the subject if it should again become an academic question to be decided in the future on its merits, but that for the time being we should not agitate the Army or the people by indicating a lack of confidence in what we have.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. CHANDLER. I shall be glad to yield, if the Senator from Wisconsin will permit me to do so.

Mr. WILEY. Certainly.

Mr. McCARRAN. Would it be agitating the question to have the committee receive authentic information?

Mr. CHANDLER. Mr. President, the committee has no disposition to try to force the Chief of Staff of the Army, and General Brett, and General Arnold to stop their very important work in trying to win the war by compelling them to establish a separate air force.

In my opinion, if one were to criticize the policy of a separate air force in England he would get into trouble, because in the protection of the British Isles the separate air force did such a magnificent job that the British think it is the greatest air force in the world. But if one were to go to Crete, Libya, and other places where there is not unity of command, and where the air force is separate and independent of all other ground forces, including the artillery, he would find that it did not make such a good showing.

There is much to be said for unity of command, which we now have. We all know that in a war we must have coordination of our land, naval, and air forces. Each cannot be such a separate and distinct unit within itself that it does not feel the necessity of coordination with every other branch.

At the present time we have an air officer in charge of the Far East, an air officer in charge of the Panama Canal Zone, and an air officer in charge of Hawaii. Each of those officers is in charge of all the air and ground forces, which indicates that our people think highly of the importance of air defense.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. McCARRAN. If there had been a unified air force at Crete, Germany with her unified air force would not have been able to take Crete. The fact of the matter is that the unified air force of Great Britain did not see fit to send its forces into Crete, and therefore a unified air force under the German command took Crete, because the unified air force under Hitler saw fit to provide aircraft whereby 35,000 men were transported by air from the mainland of Greece to Crete, and vertical supply lines were established.

If the Senator is relying on Crete as an illustration he must remember that in the case of Crete there was a departure from the policy of a unified air force. If the Senator is relying on the example of other nations, let me say to him that today the United States is the only nation in the world that does not have a unified air force. If we can combat the nations of the world which have unified air forces, then perchance the Senator's theory may be proved to be correct.

After all, would it have impaired the efficiency of the policy to have the Committee on Military Affairs listen to the facts? Would it have taken anything from either side of the question to have had the facts presented to the Military Affairs Committee?

Mr. CHANDLER. Yes; I think it would be a great mistake now——

Mr. McCARRAN. What would the mistake have been?

Mr. WILEY. Mr. President——

The VICE PRESIDENT. The Senator from Wisconsin has the floor.

Mr. CHANDLER. Mr. President, will the Senator from Wisconsin permit us to conclude?

Mr. WILEY. Mr. President, I realize how wide the subject of separate air force is; and when I permit two such

energetic young men to take the floor I realize that before long there will not be room for me. [Laugnter.] I do not want to be discourteous, but I know how each of the Senators feels about his respective side.

I did not rise to talk about the question of a single air-force command. I rose to talk about production. I want to see production of bombers and other types of airplanes, as well as airplane carriers. Mr. Pegler says that the fact is that the rate of production today is a disgrace to the greatest industrial nation on earth and a menace to life and liberty.

There is no man who cannot profit by his own mistakes; and I trust that America can profit by her mistakes. I do not want to talk about those mistakes unless it is necessary. What I want is to get production. Right now we must obtain the services of men who can produce. I pray that Mr. Nelson is the man who can do the job. He undoubtedly understands the subject, but he must have authority. There is some difference between talking and performing the tremendous task which faces us. The point is not whether there was or was not a unified air force in the east, under an air commander or under General MacArthur. The point is that there was an utter lack of planes over there, and that is why General MacArthur is fighting to the death.

Let us get men who understand. Understanding will get things done. Is there any doubt about the problem we are facing? Many persons are smug and complacent and do not realize the real challenge. Read the Japanese plan, the Tanaka memorial, about which our Government has known for a long time. Read the report placed before the Naval Affairs Committee of the Senate in 1940 by Rear Admiral Taussig. That was ignored. If we read that report in the light of past and present events, we can learn something about our job. We should do the same with Hitler's writings and his acts, past and present. Then we shall know that we have a job.

We cannot permit our boys in the Army, the Navy, and the air force to attempt to do the job in accordance with outmoded concepts and methods of 1917. As has been suggested by the distinguished Senator from Kentucky, the battle now requires a coordinated battle front. There must be coordination of air and land forces, organized in accordance with the German concept of a blitz. There must be coordination also with the sea forces. This is no time for recriminations among ourselves. This is the time for action. I hope and pray that we will get it. I hope that the Senate will not be split by dissension such as is being manifested in other places. Certain newspapers are provoking Members of this body to open up a torrent of abuse and "buck passing" A few blind leaders of the public who have the great special privilege of writing editorials and columns are now adding to the situation the dynamite of provocation.

Let us show that we in the Senate at least can keep our heads. I hope it will never be necessary to open up a program of recrimination or justification.

Mr. President, I desire to say that constructive criticism, however, is not "buck passing"; there is a distinction. If we do not get results pretty soon, we shall see the biggest buck-passing era this country has ever known. The job before us is so big that it requires the concerted effort of 131,000,000 of us.

I ask that the article by Westbrook Pegler be printed in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post of January 14, 1942]

FAIR ENOUGH

(By Westbrook Pegler)

TOUGH GUY NEEDED

Note to Editors:

Let's quit printing those poisonously optimistic cut lines under the news service photographs of tanks, bombers, and the like, shot in long perspective so as to create an illusion of plenty, which speaks of these vehicles as "rolling off the assembly lines." They aren't rolling off the assembly lines, and these pictures, and especially the cut lines, give a dangerously false impression If the pictures come with ready-made cut lines, edit the cut lines 'way down. You don't need to say the tanks and bombers are stationary on the assembly lines, because, of course, they are inching along slowly, but they aren't rolling off like flivvers as the pictures have suggested they are, and nobody knows it better than Hitler, and the only people who are deceived by the exaggeration are the Americans who shouldn't be hopped up with such habit-forming encouragement.

The fact is that the rate of production to date is a disgrace to the greatest industrial nation on earth and a menace to life and liberty.

It wouldn't be the worst idea, or a false one, either, to put across the suggestion that it is no dead sure thing that the United States is going to be on the winning side of this war. The beating we have taken in the Pacific is not comparable to other set-backs in other wars, because there is no basis of comparison, but there is not a single ray of consolation and it might prove to have been the worst in American history and one of the worst in all history.

If we don't spit on our hands, pull up our socks, and begin to realize those fatuous lines about heavy war stuff "rolling off the assembly lines," this country might get licked and never mind what the Russians are doing to Hitler or how many German generals get fired or how much the Italians really hate the Heinies in their hearts.

When we have developed a minute imitation of the Russian efficiency it might be all right to begin to look at our muscles in the glass and say, "How well we are looking," but that ain't yet and it won't be tomorrow or 6 months from now.

Do you want a one-word description of our rate of production? You don't want to be kidded, do you? All right, then; the word is "awful," which is short for bloody-awful awful.

Who is to blame? You, me, us, everybody—and that goes for the President of the United States as well as for John Lewis and the dirty bolos who were holding back production until Hitler struck Russia. But the only people who are reduced to blame placing as a national sort are losers, as we may observe in France, where they are blaming the Communists, the Jews, the Masons, the 200 families, and even the British and us. Victorious nations don't place blame for their victories, and this country still can turn to and make the stuff, although there has been a horrible waste of time already and we are still wrangling and haggling over degrees of authority and the closed shop.

A lot of our trouble has been just apathy, personal, individual, let-George-do-it indifference, and we have been retarded also by the dreadful confusion and headlessness of the effort here in Washington, which, I am afraid, is the President's rag doll.

There is just no head man, no tough guy with authority to make brutal decisions, issue orders, and compel obedience. Just to show you how the whole disorganized mess admires and pines for such a tough guy I can report that at this writing the man who commands most respect in the Capital, next to the President himself, of course, is Leon Henderson, who had the gumption to say that, with small reservations, there would be no more tires for pleasure cars.

DECENTRALIZATION OF GOVERNMENT AGENCIES—REMOVAL OF OFFICES FROM THE DISTRICT OF COLUMBIA

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The Chief Clerk read Senate Resolution 216, submitted by Mr. MCCARRAN on January 10, 1942, as follows:

Whereas it has come to the attention of the Senate of the United States that the Bureau of the Budget has directed certain agencies and offices of the Federal Government to move their organizations and their personnel from the District of Columbia; and

Whereas the Committees on the District of Columbia of both the Senate and the House of Representatives have been meeting in almost daily joint sessions with a view to determining the advisability and feasibility of moving such agencies and offices from the District of Columbia; and

Whereas such committees have been unable to obtain a citation of any statutory authority for any person or Government agency to order such removals; and

Whereas such committees have obtained and have in their possession certain information and data which should be considered by the Bureau of the Budget in connection with the proposal to move such agencies and offices; and

Whereas the said committees have endeavored to obtain on several occasions but without success, through personal appearance at public hearings of responsible officials of the Bureau of the Budget and through telephone calls and correspondence with the directing heads of the said Bureau, information as to the basis for the orders issued and pertinent data regarding selection of sites, buildings, equipment, cost of moving agencies and personnel, and provisions for the accommodation of offices and personnel in other localities; and

Whereas numerous letters and telephone calls have been received by the said committees to the effect that the personnel have been charged with disloyalty and lack of patriotism if they oppose the move of their respective agencies; and

Whereas the removal of such personnel involves monetary losses of incalculable amounts, as well as the disruption of home and civic life; and

Whereas in the opinion of the representatives of the agencies affected, expressed in public hearings before the committees, the efficiency of the Federal Government will be seriously impaired; and

Whereas in the opinion of the representatives of the agencies affected, expressed in public hearings before the committees, the increase in cost of maintaining the offices away from Washington will result in tremendous increase in appropriations to carry on the work of the agencies; and

Whereas the work of the Congress of the United States in connection with such agencies and offices will be seriously impaired, and the cost of communicating with such agencies and offices will be tremendously increased; and

Whereas the whole fabric of civil and governmental life in Washington will be adversely affected if such agencies and offices are moved from the District of Columbia: Therefore be it.

Resolved, That it is the sense of the Senate that the action taken by the Bureau of the Budget in ordering certain Government agencies and offices to move from the District of Columbia is without authority of law and contrary to the will of the Congress and without knowledge of the Congress, and that the execution of such order will result not only in vast increases in expenditures but also in increased inefficiency in governmental operation and the actual impairment of good government; be it further

Resolved, That it is also the sense of the Senate that no agency or office of the Government be moved or transferred from the District of Columbia, the seat of government, without the consent of the Congress of the United States; be it further

Resolved, That it is also the sense of the Senate that the execution of such order should be stayed immediately; and be it further

Resolved, That the Senate hereby directs that the Director of the Budget, before taking any further steps toward removing any agency or office of the Government from the District of Columbia, submit a report to the Senate giving full and detailed information as to the reasons for the issuance of such order, the statutory authority upon which it is based, and a full and complete disclosure of all facts in connection with each and every agency or office directed to move under the provisions of said order.

Mr. BARKLEY. Mr. President, let me ask the Senator from Nevada a question. I have no objection to the consideration of his resolution, although I will say frankly that I am opposed to it.

Mr. McCARRAN. I thought the Senator was in favor of it.

Mr. BARKLEY. No; I am not in favor of it. I never indicated that I was. I told the Senator in conversation several times that I would do what I could to help iron out the situation; but I never even remotely committed myself to the resolution. It is a Senate resolution expressing it as the view of the Senate that we should go forward with an investigation of the movement to decentralize agencies now located in Washington.

Mr. McCARRAN. Does the Senator oppose consideration by the Senate of matters of this kind?

Mr. BARKLEY. No; I do not.

Mr. McCARRAN. That is all there is to the resolution.

Mr. BARKLEY. In my judgment, that is not all there is to it. I may be wrong about it. In the first place, I do not think the Senate has the information upon which it can intelligently vote.

Mr. McCARRAN. That is exactly what the Senate is desirous of obtaining, and that is what the resolution calls for.

Mr. BARKLEY. In the next place, I think this is a matter over which the Committee on the District of Columbia has not exclusive, if any, jurisdiction. As I said the other day——

Mr. McCARRAN. Will the Senator indicate what committee would have jurisdiction?

Mr. BARKLEY. As I said a few days ago, the agencies that have been created by Congress——

Mr. McCARRAN. Will the Senator indicate what committee would have jurisdiction?

Mr. BARKLEY. I do not have to answer categorically. I am not certain. It may be that matters dealing with the various agencies would go to different committees. If the Senator will permit me to express my view about it——

Mr. McCARRAN. I have no objection to having the Senator do that.

Mr. BARKLEY. The bills resulting in the legislative enactments establishing the several bureaus came out of various committees. For instance, the legislation establishing the Farm Security Administration——

Mr. McCARRAN. Mr. President, I will yield to the Senator in time. I desire to have this matter presented to the Senate as it should be presented. I think I have the floor; and, having the floor, I wish to present the matter in orderly fashion.

Mr. BARKLEY. The Senator has the floor.

Mr. McCARRAN. Then I refuse to yield.

Mr. BARKLEY. The Senator refuses to yield. However, I ask him whether he would be willing to have the resolution go over for a day or two.

Mr. McCARRAN. The Senator from Kentucky made that request of me the other day, and I yielded, and the resolution went over. Then I found that some of the departments were sending out word, "Move before the McCarran resolution goes through the Senate." With that situation in mind, I am not willing to yield any further.

Mr. BARKLEY. The Senator knows that his resolution, if adopted, would have no binding effect upon any department.

Mr. McCARRAN. That may be true; but at least it would express the will of the Senate of the United States. If it would have no binding effect, then perhaps a law will have some binding effect, and we can try that course.

Mr. President, I send to the desk and ask to have read by the clerk a copy of a letter, which I addressed to the head of the Bureau of the Budget.

The VICE PRESIDENT. Without objection, the letter will be read.

The Chief Clerk read as follows:

JANUARY 8, 1942.

Hon. HAROLD D. SMITH,
Director, Bureau of the Budget,
Washington, D. C.

MY DEAR MR. SMITH: The Senate Committee on the District of Columbia has been inquiring into the matter of the transfer of various agencies and offices of the Federal Government from Washington. Many witnesses have been heard, and today representatives of the affected agencies appeared before the committee to testify in response to certain questions propounded by members of the committee.

This committee has invited the chairman and members of the House Committee on the District of Columbia, and others, to meet together again at 10:30 tomorrow morning, January 9, in the Senate Committee Room in the Capitol and resume the hearings.

The committee requests that you and Messrs. Blandford, McNamara, and Madden come before the committee at that time and bring with you a copy for the files of the committee of the Executive order authorizing the issuance of instructions to the various bureaus to move, together with all other papers and studies which have been made by your Bureau on the subject of decentralizing the Federal Government.

Kindest regards.

Very sincerely yours,

PAT MCCARRAN,
Chairman of the Committee.

Mr. McCARRAN. Mr. President, I now send to the desk a letter purportedly signed by the head of the Bureau of the Budget, and ask that it be read by the clerk.

The VICE PRESIDENT. Without objection, the letter will be read.

The Chief Clerk read as follows:

EXECUTIVE OFFICE
OF THE PRESIDENT,
BUREAU OF THE BUDGET,
WASHINGTON, D. C., *January 9, 1942.*

Hon. PAT MCCARRAN,
United States Senate, Washington, D. C.

MY DEAR SENATOR MCCARRAN: Your letter of January 8, conveying to me a request of the Senate Committee on the District of Columbia to appear before the committee at 10:30 o'clock this morning with certain members of my staff, and to bring with me the records of the Bureau which pertain to the decentralization of the Federal Government, was received by me at 4:30 o'clock yesterday afternoon.

Owing to a previous engagement with the House Committee on Appropriations for this morning, I am unable to comply with the committee's request. Even were this not the case, however, I would have some hesitancy about complying with the request, in view of the fact that I have acted in this matter at the direction of the President, and the papers in question are records of the Executive Office and to some extent confidential in character. I believe this is in accordance with the opinion rendered by the Attorney General in a letter to the Chairman of the House Committee on Naval Affairs dated April 30, 1941, a copy of which is enclosed.

Nevertheless, I should like to cooperate with the committee, and while the situation in the District has apparently been pretty well canvassed already by your inquiry, I should be glad to make available to the committee any additional data it may desire concerning space needs of the Federal Government in the District of Columbia.

Very truly yours,

HAROLD D. SMITH,
Director.

[Enclosure.]

Mr. McCARRAN. Mr. President, I send forward a letter addressed to Mr. Smith, Director of the Bureau of the Budget. The letter is somewhat lengthy. It follows the letter just read by the clerk. It calls for certain specific information. It was promulgated and put out by a majority of the Committee on the District of Columbia. In view of its length, it might be well to have it go only into the RECORD, but if any Senator wishes that it be read, I shall be glad to have it read.

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Without objection, the letter will be printed in the RECORD.

The letter is as follows:

JANUARY 9, 1942.

Hon. HAROLD D. SMITH,
Director, Bureau of the Budget,
Washington, D. C.

MY DEAR MR. SMITH: At the joint meeting of the Committees on the District of Columbia of the Senate and House this morning it was

unanimously regretted that you could not be present, so as to provide the members with the information which it seeks and so the members might have opportunity to transmit to you information which has come to us through testimony of various Government agency heads, which should have a distinct bearing on the advisability of retaining or removing Government agencies from and near the District of Columbia. We respectfully renew our request for the information as set forth in the letter of Chairman McCARRAN to you, dated January 8.

Testimony before the Joint Committees on the District of Columbia of the Senate and House by Mr Reynolds, Commissioner of Public Buildings, and by the heads of various agencies likely to be affected by any removal order shows that the proposed removal of such agencies:

(a) Can be avoided in many cases without great difficulty, and without injuring the objects such proposed removals sought to accomplish.

(b) That in many cases the personnel of the agencies proposed to be removed from the District to a large extent have stated their unwillingness or refusal to follow the agency for which they have been working to its new seat of operations. In most cases the percentage of personnel that states it will remain in the District of Columbia, if the agency for which it works is removed, averages about 50 percent of those now employed.

(c) Testimony before the committees by Mr Reynolds and his assistant, Mr. Guthridge, shows that the cost of moving agencies from the District of Columbia to other places, including the construction of living units for the families of personnel employed, approximates the cost of new space and living quarters are provided in and near the District of Columbia. Hence, there would be no saving in money if the agencies are removed.

(d) Mr. Reynolds likewise stated that a survey by his office shows that additional space is available in and near the District of Columbia for the construction of additional space and that if the money is made available he can provide 5,000,000 extra square feet of office space in a period of not more than 6 months from the time he was given the "go" signal. Therefore, there is no difficulty in providing the additional office space now requisitioned, and which is likely to be needed in the conduct of the war in the future, in a very short period of time.

(e) Testimony, too, before the committees from the United States Housing Coordinator indicates strongly that there is much of living quarters for Government personnel in and near the District which has not up to the present been fully utilized and that other living quarters can be provided in a short space of time to take care of the agencies proposed to be removed and any expansion of other agencies in and near the District of Columbia.

(f) We likewise have learned from testimony before the committees that many of the heads of the agencies proposed to be removed have not been interviewed or given but little opportunity, and in some cases none at all, as to the scope of their operations, which requires much conference with other governmental departments before any action can be taken. In this connection, using the Fish and Wildlife Service as an illustration, which it is proposed to remove to other quarters, it was clearly shown that the vast majority of the work of this Bureau, insofar as its District of Columbia personnel is concerned, is with the War Department, the Navy Department, the Department of Agriculture, the Department of the Interior, the State Department, the Reclamation Bureau, public lands, rivers and harbors, Civilian Conservation Corps camps, and the like. Before a Civilian Conservation Corps camp, to illustrate, can drain a swamp, it is necessary that it do so in such manner as will not destroy the wildlife which inhabits the same. This is but a short illustration of many, many other cases affecting not only the Fish and Wildlife Service but most of the agencies which it is proposed to move.

Therefore, when the committees asked you to come before them and give the data it requested, it had two purposes in mind: (1) To offer for your consideration, and in order that you might submit the same to the President, what the committees believe is both a more economical and efficient plan of dealing with the expansion program, both as to office space and as to living quarters, and (2) to ascertain the views of your bureau, together with such information as might properly be presented.

The committees will, of course, be glad to meet with you in executive session in order that all information be treated as confidential.

It would be a very serious and expensive error, in our judgment, if you were to proceed further without being in possession of the facts and testimony adduced by our committees. As this is a serious matter, affecting not only the efficiency of the Government and the change in our national policy without legislation to authorize the same as it affects the seat of government and deals with the welfare of thousands of Government employees, many of whom are buying homes in the District, we again renew most respectfully our request as contained in the chairman's letter of January 8, 1942, and further request that no action looking to the removal of the agencies be taken until you can confer with our committees and see whether or not the alternate proposals which we have developed would not more efficaciously dispose of the matter than the plan which seems to be contemplated.

Very sincerely yours,

PAT McCARRAN,
Chairman, District of Columbia Committee, United States Senate.

JENNINGS RANDOLPH,
Chairman, District of Columbia Committee, House of Representatives

Mr. McCARRAN. Suffice it to say that to the last letter just referred to no response has been received.

Mr. President, I think the Senate should know what is going on here, and, therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Mahoney
Andrews	Gillette	Overton
Austin	Glass	Pepper
Bailey	Green	Radcliffe
Ball	Guffey	Reed
Bankhead	Gurney	Reynolds
Barbour	Hayden	Rosier
Barkley	Herring	Russell
Bilbo	Hill	Schwartz
Bone	Holman	Shipstead
Brewster	Hughes	Smathers
Brown	Johnson, Colo.	Smith
Bulow	Kilgore	Stewart
Bunker	La Follette	Taft
Burton	Langer	Thomas, Idaho
Butler	Lee	Thomas, Okla.
Capper	Lucas	Thomas, Utah
Caraway	McCarran	Truman
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Clark, Idaho	McNary	Vandenberg
Clark, Mo.	Maloney	Van Nuys
Connally	Mead	Wagner
Danaher	Millikin	Wallgren
Davis	Murdock	Walsh
Downey	Murray	White
Doxey	Norris	Wiley
Ellender	Nye	Willis
George	O'Daniel	

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Virginia [Mr. BYRD], the Senator from South Carolina [Mr. MAYBANK], and the Senator from Arkansas [Mr. SPENCER] are necessarily absent.

The Senator from Montana [Mr. WHEELER] is absent on important public business.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

The Senator from Illinois [Mr. BROOKS] is absent on official business.

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

Mr. McCARRAN. Mr. President, in order that Senators may know what is going on here with reference to the Federal Government, may I hold the time of the Senate for a few moments to say that I speak for a majority of the District of Columbia Committee? This is not a matter that affects me individually. Only by reason of my position as chairman of the Committee on the District of Columbia do I present it to the Senate of the United States.

In view of the fact that the Bureau of the Budget has refused to bring before a standing committee of the Senate facts which the Bureau of the Budget should have had, and I think did have, in its hands, and in view of the letter from the Bureau of the Budget, just read to the Senate by the clerk, we went forward in the District of Columbia Committee with the holding of hearings, in order that we might be fortified with facts upon which we might base any action which the District of Columbia Committee might see fit to take.

With that idea in mind, we called before the committee responsible individuals and held hearings and took testimony, the record of which in some four volumes I hold in my hand. In every one of those volumes there is presented decided, emphatic opposition to the removal of Federal bureaus from the seat of government.

Let me bring to the attention of the Senate one thing which to my mind is outstanding. I might recite to the Senate that employees or representatives or heads of departments have come before the committee and have objected to the proposed removal upon various grounds. Some of them were largely personal. Some of them were legal. Some of them were from the standpoint of efficiency. But the statements of the liaison men, the men who act between other departments and the departments that were about to be removed, would to my mind be most appealing to the Senate from the standpoint of cold-blooded, real contact, and the necessity for these Government agencies remaining in the District. So the liaison men acting between the Patent Office and the other departments of government voluntarily came before the committee. An Army officer and a Navy officer, acting between the Army and the Navy and the Patent Office, came before

the committee and showed distinctly how impossible it was from the standpoint of efficiency to remove the Patent Office from the District of Columbia, because the Departments of War and Navy were constantly demanding the action of the Patent Office. So they stated that to remove the Patent Office from the District of Columbia would greatly impair the efficiency of the Navy Department and the War Department.

The record is made in the hearings. It is quite clear. It is emphatic. I mention that fact because I do not want to hold the Senate long enough to lay before it all the record as made; but the various departments and bureaus are indispensable one to the other.

Let me illustrate: I take it that those who do me the honor to listen to me now would believe that of all the bureaus, the one that might be removed from the District with the greatest ease and the least impairment would be the bureau which has to do with fish and wildlife. Immediately every Senator probably would say, "We can send the bureau having supervision of fish and wildlife into a wild section of the country. It will not impair anything." But when the representatives of that bureau come before the Committee on the District of Columbia and recite the fact that time after time, day after day, week after week, and month after month the Department of War, the Department of the Navy, and other Departments are calling for data that are within the hands of the Fish and Wildlife Service, we see that it also is indispensable to our national defense at this moment and at every other moment.

These facts come to the Committee on the District of Columbia. My good friend the Senator from Kentucky [Mr. BARKLEY], the majority leader, says there is a question as to whether we had jurisdiction. I have no desire to retain jurisdiction. It is not anything that I wanted. I did not seek the chairmanship of the District Committee. I am speaking now for a majority of the committee. I did not want that place, and I do not want it now; and any time the Senate wants to take the chairmanship away from me I shall hand it over with good grace. But while I hold that chairmanship I shall try to carry out the will of the majority of my committee. We may not have jurisdiction, but tell me some committee that has more appropriate jurisdiction than the committee that has at heart the welfare of the District of Columbia. If this committee does not have at heart the welfare of the District of Columbia, what, in God's name, was the committee created for? Why not put it out of business, and do so quickly? If this subject matter does not belong to the jurisdiction of the Committee on the District of Columbia, then I want some one to tell me to what committee it should be assigned, and I shall be perfectly willing to relinquish jurisdiction of it now.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER (Mr. RUSSELL in the chair). Does the Senator from Nevada yield to the Senator from Kentucky?

Mr. McCARRAN. Certainly.

Mr. BARKLEY. What I said a while ago, and said the other day, about the jurisdiction of the Committee on the District of Columbia over this matter of course was not intended to constitute and I do not think constituted any reflection on the Committee of the District of Columbia. I will state what I had in mind.

Take the case of the Patent Office. Under the rules of the Senate, the Committee on Patents has absolute jurisdiction over all legislation dealing with patents, and over the Patent Office itself insofar as not only its functions but its buildings are concerned. I have no doubt that the Committee on Patents could report any sort of resolution or bill it desired pertaining to the location of the Patent Office Building. What I had in mind was that it seems to me the mere fact that these buildings are located in Washington does not give the Committee on the District of Columbia jurisdiction over legislation pertaining to the Patent Office. The same statement applies to the Rural Electrification Administration, which is a part of the Department of Agriculture, and to the Farm Security Administration, which was created by legislation fostered by the Committee on Agriculture and Forestry. Undoubtedly that committee would have jurisdiction over legislation dealing with those services.

The question I raised was whether the Committee on the District of Columbia, simply because the buildings are located in Washington, would have an over-all jurisdiction over what should happen to the buildings in which the various activities are housed. I had no intention to reflect on the Committee on the District of Columbia. The Senator from Nevada has been and is a very competent and very able and very industrious and diligent chairman of that committee, and I am not blaming the Senator from Nevada at all. I know what the pressure is in the District of Columbia about moving anything out of Washington. I am in sympathy with that attitude; and I have expressed publicly and privately my view that if any of these agencies have to be moved out of Washington in order to make room for war activities, I hope that as soon as the war or the emergency is over they will be brought back to Washington. I always have thought, and I think now, that Washington ought to be in the real sense of the word the capital of the United States, and the activities of the Government ought to be centered here.

The point I made was that we are not now in a normal situation. We are bringing thousands upon thousands of new employees to this city. The housing situation in Washington is even worse than the office-space situation. I regret that the President, or the Director of the Budget as the agent of the President, has found it advisable and necessary to suggest the removal of any bureaus or departments. If they are moved, I hope they will be brought back at the earliest possible date. But we are now at war. Congress may be responsible as much as anybody for not having provided by appropriations and by authority for the construction in Washington of enough buildings to house all our agencies and bureaus all the time, no matter what the emergency might be. But Congress has not done so. It has not authorized the construction of buildings sufficiently large and spacious to house all governmental agencies at a time of great emergency such as this, when thousands upon thousands of persons are coming here. The question is whether Congress could provide for building them in time. It takes a good while to construct buildings. Temporary buildings are now going up.

Mr. McCARRAN. Mr. President, the Senator is utilizing a good deal of my time.

Mr. BARKLEY. I beg the Senator's pardon. I sometimes have poor terminal facilities, especially when I am engaging in conversation with the Senator from Nevada; but I wanted to place before him the fact that I have no slightest reflection to make upon the Committee on the District of Columbia. I can understand exactly why it has taken this action; but when we get right down to the core of the matter, it seems to me that the committees which fathered these various activities would have jurisdiction over the disposition of the activities and their location to a larger extent than, probably, the Committee on the District of Columbia.

Mr. McCARRAN. Let me say, in that regard, that if that were the case, we would then have a multiplicity of committees considering the matter and a multiplicity of action, and in the meantime the drive is being made. Only yesterday in one department a questionnaire was sent around to the employees with the direction, "Answer these questions before you leave the building." In the Patent Office a communication was sent around yesterday saying that "Those who comply with the order of removal, and who want their children sent to Richmond to be put into the schools there now, the Government will furnish transportation for the children now," implying that "if you do not do it now, if you do not transfer your family to Richmond now, your children will not be transported at Government expense later on."

All kinds of pressure is being put on the unfortunate employees of the Government in the affected departments and bureaus so as to compel them to comply with an order, not of the President, because, if the President had issued the order, it would have been published in the Federal Register; it is not an Executive order but an order made by a creature which was brought into existence by the Congress and by none other, namely, the Bureau of the Budget, a creature which is now setting itself up to be a supergovernment, which will take over all the prerogatives of the Congress, if we sit idly by and permit it. If in the far-distant future Congress should find itself shorn of those prerogatives which the Constitution ordained should be its prerogatives, it should not blame those who brought this to our attention. The Bureau of the Budget is today setting itself up as a supergovernment. It does not even wait for an Executive order.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. AIKEN. The Senator from Nevada has spoken about the removal of the Patent Office to Richmond, and the removal of other bureaus to other cities in the United States. I assume he knows what facilities are available in the other cities to which the bureaus may be removed, and whether arrangements have already been made for any facilities which they can utilize. If the Patent Office is to be moved, does the Senator know whether there have been provided in Richmond facilities adequate for the Patent Office?

Mr. McCARRAN. So far as the Patent Office is concerned, I am advised, and I think my advice is fairly reliable, that already a lease has been either entered into or negotiated for taking over a tobacco warehouse in Richmond in which to house the Patent Office. I am advised, and I think my advice is sufficiently reliable to justify me in repeating it to the Senate, that a number of employees of the Patent Office have gone to Richmond with the idea of trying to find housing facilities to which they might move their families. I shall not repeat the report which was given to me, because if I did so I might be casting some kind of a criticism on a fair city, but suffice it to say that many of these Federal employees have their homes and their families here, they do not want to move to Richmond or anywhere else, and the statement coming from the heads of departments is to the effect that 40 percent of the employees—and that is putting it at the minimum—will not move, will not go with their departments. The question has been asked, Would a man with a salary of $3,000 give up his position? The answer is that he would, because if he goes to Chicago, or to Richmond, or to St. Louis, or to Philadelphia, there will be a breaking up of the family which has had its existence here in the District of Columbia. Many of these families are buying their homes on time. Many of them have centered their whole life here.

Continuing my answer to the Senator from Vermont, the question of the facilities is not the vital question. If the District of Columbia was created for any purpose or by any authority, it was created under the authority of the Constitution of the United States.

Mr. NORRIS. Mr. President, will the Senator yield to me?

Mr. McCARRAN. Has the Senator from Vermont concluded?

Mr. AIKEN. I have another question I wish to ask the Senator: Does the Senator from Nevada know whether the tobacco warehouse in Richmond is privately or publicly owned?

Mr. McCARRAN. My information is—and I get it from the press—that it is privately owned by a corporation whose name I have not in mind; and I am informed that the R. F. C. has loaned $40,000,000 on the assets of a holding corporation, of which assets this abandoned tobacco warehouse is one. That is information which comes to me from the press.

Mr. AIKEN. To what extent has this tobacco warehouse been used since it was constructed?

Mr. McCARRAN. I cannot answer.

Mr. AIKEN. It has been unoccupied for some time, has it not?

Mr. McCARRAN. It is my information that the upper stories of the warehouse are occupied.

Mr. AIKEN. Does the Senator understand that it was built with money loaned by the R. F. C., but is not now paying dividends or profits?

Mr. McCARRAN. The information my committee has is that a $40,000,000 loan has been made by the Reconstruction Finance Corporation on the assets of a holding corporation, of which assets this building is a part.

Mr. AIKEN. And the Federal Government is not now collecting on the loan which was made for the purpose of constructing the warehouse?

Mr. McCARRAN. I do not understand that the loan was made for the purpose of constructing the warehouse, but I think the loan was made, as I can best advise the Senator, on the assets of a holding corporation, of which assets this warehouse is a part; but the warehouse is of some considerable extent.

Mr. AIKEN. But the Patent Office will be required to pay a considerable amount in rent to the holding company which owns the warehouse, which was probably built with part of the $40,000,000 loan from the R. F. C.?

Mr. McCARRAN. My understanding is that the Government will pay about $1.25 a square foot.

Mr. NORRIS. Mr. President——

Mr. McCARRAN. I apologize to the Senator from Nebraska for not having yielded sooner.

Mr. NORRIS. As I understand, the pending resolution is merely a Senate resolution.

Mr. McCARRAN. The Senator is correct.

Mr. NORRIS. And merely expresses our opinion?

Mr. McCARRAN. May I read it to the Senator?

Mr. NORRIS. I shall be glad to hear it.

Mr. McCARRAN. I shall read only the resolving part. It is as follows:

Resolved, That it is the sense of the Senate that the action taken by the Bureau of the Budget in ordering certain Government agencies and offices to move from the District of Columbia is without authority of law and contrary to the will of the Congress and without knowledge of the Congress, and that the execution of such order will result not only in vast increases in expenditures but also in increased inefficiency in governmental operation and the actual impairment of good government; be it further

Resolved, That it is also the sense of the Senate that no agency or office of the Government be moved or transferred from the District of Columbia, the seat of government, without the consent of the Congress of the United States; be it further

Resolved, That it is also the sense of the Senate that the execution of such order should be stayed immediately; and be it further

Resolved, That the Senate hereby directs that the Director of the Budget, before taking any further steps toward removing any agency or office of the Government from the District of Columbia, submit a report to the Senate giving full and detailed information as to the reasons for the issuance of such order, the statutory authority upon which it is based, and a full and complete disclosure of all facts in connection with each and every agency or office directed to move under the provisions of said order.

Mr. NORRIS. Mr. President, I should like to say to the Senator, if he will permit me to do so in his time, that what impresses me more than anything else in respect to the proposal, is that if the resolution is adopted, the Senate's action will not, in my opinion, be a legal action to which anyone will be obliged to pay any attention.

Mr. McCARRAN. I may say to the Senator that if I correctly construe the power of the Senate, the Senate at least has the right to ask for a statement of the reasons why the order in question was made?

Mr. NORRIS. But the last resolving clause which the Senator read goes a little further than that. As I remember, it directs that such and such a thing be done. We find in it this provision:

Resolved, That the Senate hereby directs that the Director of the Budget—

And so on.

Mr. McCARRAN. Yes, the Senate directs that the Director shall furnish certain information.

Mr. NORRIS. Mr. President, I am not arguing that we ought not to have such information, but it seems to me that if we take action, we should take such action as would have legal effect. The Senate has no more right to express an opinion and expect to have it followed by a bureau of the Government, than has the House of Representatives.

Mr. McCARRAN. That is correct.

Mr. NORRIS. It seems to me that if we take any steps we should take steps by way of appropriate legislation.

Mr. McCARRAN. I may say to the able Senator from Nebraska that, inasmuch as the Committee on the District of Columbia asked for the information from the Bureau of the Budget, and was denied the information, there remained no other road for the committee to travel, save the road which led back to its parent body, and to say to its parent body, "Give us the order."

Mr. NORRIS. Yes, but in my opinion it is very doubtful whether the Senate itself has authority to act on such a resolution.

Mr. McCARRAN. Does the Senator mean that the Senate of the United States would not have that authority?

Mr. NORRIS. I doubt it very much.

Mr. McCARRAN. I will say that has been the custom since I have been here.

Mr. NORRIS. I know it has, and previously, in connection with other cases, I have spoken, though my voice has not been heeded, against taking such action. I have said that the Senate should not get into the habit of agreeing to Senate resolutions expressing the Senate's opinion with respect to various things.

Mr. McCARRAN. There is no opinion expressed in the resolution.

Mr. NORRIS. It is proposed by the resolution to direct the Bureau of the Budget to furnish the Senate with certain information.

Mr. McCARRAN. I will say to the Senator, if I may interrupt him, that the direction is proposed to be made be-

cause the Director has refused to furnish the information to a standing committee of the Senate.

Mr. NORRIS. Very well. I doubt very much whether either the Senate or the House, acting alone, is able to force the furnishing of such information.

However, that is not the particular matter to which I am addressing myself at the moment. It seems to me we are pursuing a course which is unjustifiable. As I said to the Senator, in answer to his suggestion that the Senate had heretofore taken similar action, I realize it has, and I think the Senate was wrong in what it did. If we continue to follow such a practice it seems to me we shall get into difficulties.

Mr. McCARRAN. If it is wrong for the Senate to take such action, then I must say that it is the most impotent body in the world. This body has a right to authorize its creature to come before it and render a report. If the Senate does not have that right, then I do not know what the rights of the Senate are.

Mr. NORRIS. I would agree to that proposition, I will say to the Senator, but the Bureau of the Budget is not a creature of the Senate.

Mr. McCARRAN. No; but it is a creature of the Congress, and the Senate is a part of the Congress.

Mr. NORRIS. That is correct; and if we had before us a measure on which both bodies of the Congress had to act, the proposition would be entirely different. I concede that if the Senate, by resolution, appoints a committee to investigate a certain matter, or to do a certain thing, the Senate would have a right to control the committee's activities, and to discharge it or to give it more power.

I desire to say to the Senator that my objection is not captious. I am not trying to avoid the issue. I should like to see the proposal come before us, and to have the issue decided by the passage of an effective law, but the action proposed to be taken will not lead us in that direction.

Mr. McKELLAR. Let me ask the Senator a question at that point. Does the Senator object to an expression being made of the sense of the Senate?

Mr. NORRIS. No.

Mr. McCARRAN. That is the purpose of the resolution.

Mr. NORRIS. I do not think we should do it, however, because it would not accomplish anything. It would accomplish nothing in a legal way.

Mr. McCARRAN. It would at least result in bringing a report to the Senate, or in a refusal to render a report.

Mr. NORRIS. I do not know whether it would or not. Even if the adoption of the resolution should result in bringing a report before the Senate, I will say to the Senator that the passage of the resolution in itself cannot have any legal effect. If we take any action with respect to the matter, we should take action which is legal, and which will have a legal effect.

In one of the resolving clauses proposed by the Senator, it is alleged that the Bureau of the Budget has no authority to do certain things. I am inclined to agree with the Senator that, simply as an abstract proposition, the Bureau does not have authority to do what is proposed to be done. But if anything is to be done about that matter, it seems to me the action should be taken in a legal way, so that when we get through we shall have accomplished something in a legal way. The pending proposal will not get us anywhere.

Mr. McCARRAN. Let me ask the Senator if he would not like to know from the Bureau of the Budget what its authority is, and would not the resolution bring forth such information?

Mr. NORRIS. Even though the Bureau of the Budget said it had authority, or if it said it did not have authority, I do not think that statement would be binding upon us. We would be obliged to investigate and examine the statutes, which I have not done. I do not know whether such authority exists or not. But I think if no such authority exists, we ought not to legislate on the subject. If we find that what has been done has been done illegally, I would not try to take any steps to have it carried out.

Mr. McCARRAN. I may say to the Senate that this is the only method by which the District of Columbia Committee can bring facts before the Senate. We have no authority to say to the House of Representatives that it shall force certain facts to be brought before the Senate.

Mr. NORRIS. The Senator claims, I presume, that even if there were no legislation pending before it, the District of Columbia Committee would have the right to require any bureau to furnish whatever information was demanded of it.

Mr. McCARRAN. Most certainly.

Mr. NORRIS. I doubt that very much.

Mr. McCARRAN. The law is the law, and if the Bureau has any authority, it can present the evidence of it.

Mr. NORRIS. Certainly. But the only way the District of Columbia Committee or any other committee can act to bring about the passage of a law, or the repeal of a law, is to have a measure pending when investigation is being conducted.

Mr. McCARRAN. If there is no law now on the books which authorizes the order, then there can be no authority for the order to be made.

Mr. NORRIS. I do not know whether such authority exists.

Mr. McCARRAN. That is what the District of Columbia Committee wants to know, and we were denied that information.

Mr. NORRIS. It would not get us anywhere to have that opinion. It would not be a legal conclusion.

Mr. McCARRAN. At least we should know on what authority the Bureau of the Budget was acting when the order was made.

Mr. NORRIS. The Senator can ask for that authority.

Mr. McCARRAN. I have asked for it, and it has been denied.

Mr. NORRIS. The situation would be different if we had something pending upon which we could legally act.

Mr. McCARRAN. Does the Senator oppose the resolution at this time?

Mr. NORRIS. I should not oppose it if it were in such shape that when we finish with it we shall have accomplished something. As it stands I am opposed to it.

Mr. McCARRAN. I desire to present it.

Mr. NORRIS. The Senator is becoming agitated about it.

Mr. McCARRAN. No; I am not becoming agitated at all.

Mr. NORRIS. Mr. President, I am not approaching this question in any spirit of enmity, criticism, or anything of that kind. I believe that the proposed step is one which we ought not to take, because it would not have any legal effect.

Mr. McCARRAN. If we do not take it, we shall have bureaus moved away from Washington before we can prevent it.

Mr. NORRIS. And if we do take it, a bureau can be moved away from here notwithstanding the fact that we have taken such action. The executive department does not have to pay any attention to the opinion of the Senate.

Mr. McCARRAN. I deny that.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. McNARY. I may have something to say on the general subject later. I do not wish to intrude at this time if it would distract the able Senator from Nevada in any way.

It seems to me—and I say it in the best of good will toward the Senator and his proposal—that the proposal is too comprehensive, and attempts to embrace too many things at one time in a Senate resolution.

The resolution resolves, after a long statement of whereases, that there is no authority for this action, and that for that reason the Senate is opposed to the efforts of the Director of the Budget. Do I correctly understand the able Senator to mean that the Director of the Budget is acting without authority of law at all?

Mr. McCARRAN. I do.

Mr. McNARY. How can the Senator make that statement, in view of the bill which we passed the other day, which is now an act of Congress, known as the Van Nuys Act, and which was really a restatement of the old Overman Act, passed 20 years ago? That act gave very large and almost unbridled authority to the President to do things of this nature. I assume that the President is acting through a delegation of power to the Bureau of the Budget. I ask the question in the best of faith. If I am mistaken, I shall be glad to be corrected.

Mr. McCARRAN. Let me say to the Senator from Oregon that as a member of the Judiciary Committee I had occasion to consider that measure as carefully as I knew how. I say now, without fear of contradiction, that there was not a word or a sentence in that bill which permitted either the President or any agency under the President to transfer a department of government from the District of Columbia to some remote point.

Let me be specific about that. In that act there is the word "transfer."

Mr. McNARY. Yes.

Mr. McCARRAN. As the word "transfer" was discussed before the committee and in the House and Senate, and as it was understood even under the Overman Act, it never contemplated transfer away from the seat of government, because there were specific statutes which could not have been repealed and were not repealed by the general statute giving war powers.

Let me cite one of the statutes which I have in mind. I refer now to the language of section 475, United States Code, title 35, section 1:

> There shall be in the Department of Commerce an office known as the Patent Office, where all records, books, models, drawings, specifications, and other papers and things pertaining to patents shall be safely kept and preserved.

Section 1, United States Code, title V, section 591, reads as follows: .

> There shall be at the seat of government an executive department to be known as the Department of Commerce, and a Secretary of Commerce, who shall be the head thereof.

One paragraph lodges the authority in the Department. The other locates the Department at the seat of government. Was there anything in the War Authority Act known as the Van Nuys Act, formerly known as the Overman Act, which gave the President of the United States the right to abrogate that statute? I say there was not. I say more. I say again without fear of contradiction that if it had ever been suggested to the Committee on the Judiciary of the Senate that the President or the Bureau of the Budget intended to move departments away from the seat of government and scatter them all over the country, the bill could not have been passed. It could not have been passed through this body or through the Committee on the Judiciary.

Mr. McNARY. Mr. President, I do not claim to have the power of prophecy, and I do not know what the Senate would have done, but when we had that bill before the Senate within the past 2 weeks I thought that the President had ample authority to do the very thing he is doing. I was not enamored of the proposed legislation. I supported it as a war measure. I did not know what the President would do under it. I assume now, if my opinion is worth anything, that he has such authority. I do not want to get into a controversy with the Senator on that question because he has given his time to it. There is a difference of opinion. He may be correct. I am not so sure about that. But it seems to me that the Senator's position is that there is no law extant which would authorize the President to move any bureaus or departments out of the District of Columbia.

Mr. McCARRAN. Out of the seat of government.

Mr. McNARY. The Senator is basing his argument on a want of authority in the Director of the Budget, whose authority stems from the White House. The Senator's contention really is that there is no warrant of law for the President to transfer any department, bureau, or division of government out of the District of Columbia. Is that correct?

Mr. McCARRAN. Let me answer the Senator's question as much in detail as I can.

First of all, if there is an Executive order issued by the President for the transfer of certain bureaus, it has not been brought to the attention of the Senate or of the committee; nor has it been published in the Federal Register, as the law provides that it shall be. If there were an Executive order, it would not be a confidential paper. The Director of the Budget says that his order was made on the basis of confidential papers. So I say that there is no Executive order directing the removal of governmental agencies from the seat of government. That answers a part of the Senator's question.

Mr. McNARY. Only a part.

Mr. McCARRAN. The law does not exist in the Overman Act or in the Van Nuys Act; nor is there an Executive order pursuant to law, or at all. That being true, the whole thing comes down to the Bureau of the Budget. The Bureau of the Budget has made the order without authority of law. The Senator says that the Bureau of the Budget is a stem of the Executive Office. I think I caught his word. I do not know whether I quote him correctly.

Mr. McNARY. That is close enough.

Mr. McCARRAN. The Bureau of the Budget is a creature of the Congress and exists by authority of Congress, having been created by Congress By this resolution the Senate is taking the most innocent method it can take in asking the Bureau of the Budget, a creature of Congress, "What, in God's name, is your authority for moving 12 departments out of the seat of government?"

Mr. McNARY. I thank the Senator for his explanation of his position. It does not quite explain the matter to me, however.

Mr. McCARRAN. If there is anything which is not clear, I shall be glad to go further into it.

Mr. McNARY. Let me state this proposition to the Senator. In the main it is legal, or semilegal: The Director of the Budget was not acting upon his own authority. Doubtless he was acting as the agent of the President, whose authority was based, if at all, on the Van Nuys Act, passed within the past few weeks.

Mr. McCARRAN. It is not so evinced.

Mr. McNARY. It is useless to state that there is no authority for the Director of the Budget to act. The authority must rest with the President; and if he has the authority, he has the right to detail some agency to carry it out.

Mr. McCARRAN. I agree to the last statement.

Mr. McNARY. That is what I thought I was saying before.

Mr. McCARRAN. But he has no authority in the first instance.

Mr. McNARY. Then, the able Senator states that, in his judgment, there is no law on the statute books which justifies the President in attempting to remove any division, department, or bureau of Government from the District of Columbia.

Mr. McCARRAN. That is my first statement.

Mr. McNARY. That is clear to me.

Mr. SCHWARTZ. Mr. President will the Senator yield?

Mr. McNARY. I have not the floor; I am speaking by the grace of the Senator from Nevada.

Mr. McCARRAN. If agreeable to the Senator from Oregon, I yield to the Senator from Wyoming.

Mr. SCHWARTZ. Mr. President, I simply desire to ask if in seeking to ascertain the authority we have considered whether the President in his capacity as Commander in Chief of the Army and Navy in time of war has such authority, and not in his capacity as President in time of peace.

Mr. McCARRAN. If the Senator relies upon and subscribes to the proposition of law that in time of war the Commander in Chief under the constitutional provision can take away civil rights, and that in time of war there are no civil rights over which the Commander in Chief, as authorized by the Constitution, does not have authority, of course, I do not agree, and I say the Senator will have to justify such a position.

Mr. SCHWARTZ. I was not expressing my belief. I was out of the Chamber for a short time, and now that I have returned and have listened to some of the debate I am simply asking whether the suggestion made by me had been considered. Of course, if we were in the immediate vicinity of an actual battle, undoubtedly the Commander in Chief, under the authority he has over the Army, would have authority to move a bureau or anything else.

Mr. McCARRAN. That is correct, under the Articles of War.

Mr. SCHWARTZ. I ask whether in the present situation the President in his capacity as Commander in Chief of the Army and the Navy has authority to move governmental organizations.

Mr. McCARRAN. If the Bureau of the Budget rests on such authority, it can come before Congress and say, "We rest on that." It would be a very simple matter. All they would have to do would be to say, "We rest on the fact that the Commander in Chief of the Army and Navy has made this order." They could lay that before the Senate of the United States or before any properly constituted committee of Congress, and the whole matter would be given an entirely different status. But they do not rest it on that basis.

I do not want to interrupt further the Senator from Oregon, if he has anything more to say.

Mr. McNARY. Let the Senator from Nevada proceed in his own way, and when he finishes I shall ask him some questions.

Mr. McCARRAN. I thank the Senator.

Let me say, in response to the suggestion of the able junior Senator from Wyoming, that the question does not arise out of war. The testimony before the committee shows that the matter was considered as early as April of last year. There are further facts on which I personally rely when I say that it is a matter which has been considered for

years. The decentralization of the Federal Government and the setting up of five great regional governments in the United States is not a matter which has been unknown to some who try to keep abreast of the times. There are in this country those who desire to tear down the Government and to put over it a supergovernment. This is one of the steps which is about to be taken. The situation does not come about by reason of war. It comes about by reason of a study which has been made. Before the matter is concluded I hope to present to the Senate the whole history of the subject from beginning to end, if we may have something in the nature of this resolution acted on by the Senate. If it be possible that men have testified, before Federal bureaus capable and susceptible of receiving the testimony, that the plan was to spread apart or decentralize the Federal Government and to spread various Federal agencies out over the United States, thus to set up a bureau—whether it be the Bureau of the Budget or some other bureau similarly constituted—as a supergovernment over all, would it not be well to have such testimony brought before the Senate of the United States?

Mr. McNARY. Mr. President, will the Senator yield?

Mr. McCARRAN. Yes, indeed.

Mr. McNARY. I have some feeling of sentiment for the philosophy expressed by the able Senator a moment ago; but let me ask him a question in regard to the structure of the resolution he proposes. Of course, if the Senator desired to have a joint resolution agreed to, it would require the signature of the President, and it would take as long to enact a joint resolution as it would take to pass an act of Congress.

Mr. McCARRAN. That is correct.

Mr. McNARY Of course, a concurrent resolution may be acted upon by either branch of the Congress, and that would be a more expeditious route. The Senator now is seeking the sense of the Senate.

Mr. McCARRAN. That is correct.

Mr. McNARY. The Senator is seeking the sense of the Senate, which is an expression of its judgment and of its views. It is a gesture which does not have any legal force whatever, I think the Senator will concede; will he not?

Mr. McCARRAN. It has no legal force, but it has a moral force.

Mr. McNARY. I am speaking now to a great lawyer, and in a legal sense.

Mr. McCARRAN. I would omit the first part of the Senator's statement.

Mr. McNARY. So we shall agree, as we did a moment ago, after questioning the Senator, that it has no force legally, but probably it has some moral force, or some force which might be laid up in the realms of reciprocity between the Director of the Budget and the Congress.

Mr. McCARRAN. No; it has the force as against the creature which is dependent for its existence upon the dominant authority; and the dominant authority in this case is the Congress of the United States.

Mr. McNARY. I think the Senator could very much improve his resolution by removing some of the resolving clauses and by modifying most of the whereases. Personally I am not opposed to decentralization of the Federal Government.

Mr. McCARRAN. I understand that.

Mr. McNARY. I do not know why we should keep all our agencies locked up on one side of the Union. In my opinion, there are certain agencies which could operate more efficiently and with greater convenience to the people of the country outside Washington than they can operate in Washington. I can give many illustrations of that point. Therefore I am not in sympathy with some of the provisions set forth in the resolution.

However, the part with which I can sympathize is that relating to testimony by the Director of the Bureau of the Budget. I think the Director of the Bureau of the Budget or any other personal agency of the Government should come before a committee and testify and disclose such facts as he may have in his possession. I am amazed that the head of any bureau or department of the Government should refuse to answer the call of the chairman of any committee of the Senate or of the House.

Mr. McCARRAN. I desire to have my position clearly understood. Because it is possible that I may be misunderstood in regard to the matter, let me again bring to the attention of the Senate the fact that I am acting only for a majority of the Committee on the District of Columbia. The matter is not a personal one with me.

Mr. McNARY. So I understand.

Mr. McCARRAN. It is not an individual matter with me.

Mr. McNARY. I understand that. Knowing the reputation and the character of the Senator from Nevada, that goes without saying; that is assumed to start with.

The resolution contains a recital of facts in which I cannot concur in any way. I think it might be well to adopt a resolution expressing it as the sense of the Senate that the Bureau of the Budget submit to the Senate a full disclosure of the law and the facts upon which the Director of the Bureau of the Budget relies in his operations and in making his decisions.

Mr. McCARRAN. Right there let me say that if I were to present such a resolution to the Senate, probably the able senior Senator from Oregon immediately would ask me, "Upon what do you base the resolution?" So I have set forth the facts upon which I base it. The Senator does not have to agree with everything I set up as reasons; but I do set up reasons which I believe are sufficient. If any one of them possesses sufficient cogency to cause the senior Senator from Oregon to become enlisted in support of the resolution itself, then I am entitled to set forth all of them, for I want the Senator and the other Members of the Senate to know the facts which the Committee on the District of Columbia had brought before it; and they are written in the "whereases."

Mr. McNARY. I understand the reasons why the Senator did what he has done; but the whole gist of the matter is the refusal of the Director of the Bureau of the Budget to submit to the committee certain data which the members of the committee desired to have. I think the committee should have the information. On the other hand, I am inclined to believe that under existing statutes the President has plenary power to authorize the Director of the Bureau of the Budget to make such changes and transfers; and, second, I think that the Government should be decentralized. I think there are agencies which can operate better in Nevada, in Montana, in Missouri, in Illinois, in Vermont, and elsewhere.

Mr. McCARRAN. Let me say to the Senator that the whole Federal Government would function better if it were located in Nevada; and if we could move it there, I should vote to do so.

Mr. McNARY. But we must do the best we can by taking some of these instrumentalities of Government and locating them with an eye to the convenience of the public. I feel sorry for some of the employees who have bought homes and want to live in the chosen circle, but I have in mind also many of the best people of this country who must pay a goodly part of their income to travel hundreds and even thousands of miles to come here and participate in conferences which are held in Washington. Not a day passes but that the Senator will see men, and sometimes women, from various sections of the country coming to Washington—a beautiful city, located on the eastern side of the country—to visit some bureau, when, if the particular bureau were located somewhere else nearer the center of the country, it would be more readily accessible and involve less expense on the part of those interested in government. After all, the Government is not maintained to satisfy and to meet the convenience of the employees in Washington. It is a business institution that is organized and conducted for the convenience of the people and the taxpayers of the country

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. McNARY. I was about to make one further remark, but I yield.

Mr. McCARRAN. These agencies are set up by the Government, are they not?

Mr. McNARY. Oh, yes, indeed.

Mr. McCARRAN. Who constitutes the Government?

Mr. McNARY. The people, I am told.

Mr. McCARRAN. And who are the representatives of the people?

Mr. McNARY. Congress represents the people under a republican form of government.

Mr. McCARRAN. And Democratic, too.

Mr. McNARY. That is a question the Senator and I could discuss quite at length, historically and legally.

Mr. McCARRAN. That is correct, but may I ask the able Senator from Oregon who calls upon the departments most frequently—the people or their representatives?

The PRESIDING OFFICER (Mr. McFARLAND in the chair). The hour of 2 o'clock having arrived, and the morning hour having therefore terminated, the resolution, under the precedents, will have to be placed on the calendar.

Mr. McNARY. Mr. President, may I say that this is a resolution coming over from a previous day? It has not the same parliamentary status as has a bill on the calendar but automatically continues until finally disposed of.

Mr. McCARRAN. It came before the body immediately after the routine morning business.

The PRESIDING OFFICER. The precedents are uniform in that respect, and the resolution will have to go to the calendar unless a motion is made to take it up. Such a motion is in order.

Mr. McCARRAN. I move that the Senate proceed to the consideration of Senate Resolution 216.

Mr. McNARY. Mr. President, I do not want to take the time of the distinguished Senator. I think I have made my position clear. The resolution, at best, is only an expression of a group of Members of the Senate. I think the Senator ought, instead of using the word "directs" use the word "requests," so as to request the Director of the Budget to do what is desired.

Mr. McCARRAN. I did that once, and it was refused.

Mr. McNARY. But that was through the committee.

Mr. McCARRAN. The committee is the arm of Congress.

Mr. McNARY. The Senator knows the only justification for the resolution is the fact of the refusal of the Director of the Budget to respond to an invitation of the able Senator, who is chairman of the Committee on the District of Columbia. Therefore, the Senator comes forward with a resolution expressing the sense of the Senate.

Mr. McCARRAN. That is correct.

Mr. McNARY. Well, the Senate cannot direct.

Mr. McCARRAN. It certainly can direct its servants, and the Budget Bureau is the servant of the Congress.

Mr. McNARY. I say the Senate and the House, acting jointly by means of a joint resolution, can direct, but a Senate resolution can only request. I am not hanging on that, but I think if the Senator will eliminate from the resolution the statement that the action taken is without authority and expressing it as the sense of the Senate that all bureaus should be centered in Washington for all time, and simply go to the heart of this matter, namely, that the Director of the Budget submit his data and the law and the facts, he would meet the situation without nearly so much controversy as we are getting into.

Mr. McCARRAN. I may say to the able Senator that we proceeded along that line, and we were, to use a homely expression, spurned with contempt from the foot of the throne. They did not even do us the courtesy of coming before the committee. They simply said that what they held and what they had was confidential, and therefore the committee was not entitled to it; that is to say, the Senate of the United States, speaking through its committee. If we do not have a right to call for information, then we cannot function; we are lost. If the Senate will not back up the committee, let the committee go out of existence, so far as I am concerned.

Mr. McNARY. That is true; but the practice which has been followed here without interruption has been, if a board or commission refuses to respond to a request of a committee, for the committee to come before the Senate, and ask for the adoption of a Senate resolution; and that always brings results.

Mr. McCARRAN. That is exactly what I am asking for.

Mr. McNARY. I would gladly support a proposal specifically requesting the Director to come here and express his views, but when the Senator attempts to deny any statutory authority on the subject and to say that we do not want any of these changes made, he is in the expression of his views going far beyond the action I think the Senate should take.

Mr. McCARRAN. I say the Committee on the District of Columbia, speaking through myself, says there is no statute, and the Bureau of the Budget contradicts my assertion.

Mr. McNARY. The Senator wants the Director to come here and state if there is such authority?

Mr. McCARRAN. I asked him to do that and he would not do it.

Mr. McNARY. He could bring the law and the facts in a basket and let us look at them.

Mr. McCARRAN. That is exactly what I have tried to have him do.

Mr. McNARY. There are other things in the resolution to which many of us could not agree or in which we could not concur.

Mr. McCARRAN. They merely state the reasons for the resolution.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nevada that the Senate proceed to the consideration of Senate Resolution 216.

Mr. McNARY. Mr. President, I have no objection to the consideration of the resolution. Does the Senator want final disposition on the resolution today?

Mr. McCARRAN. Yes; I do.

Mr. McNARY. I do not intend to delay it; I do not intend to call a quorum. I think the Senator is entitled to have his motion prevail, so far as that goes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider Senate Resolution 216.

Mr. McNARY. Mr. President, I inquire if the Senator from Nevada has concluded?

Mr. McCARRAN. No; I have not.

Mr. McNARY. Very well.

Mr. McCARRAN. Mr. President, I desire to go back into the history of this matter and show that the movement at which the resolution is directed does not emanate from an Executive order. If it emanates from an Executive order, then someone within the sound of my voice should contradict me. We have called for the Executive order, if any exists. An Executive order is not effective under the law until it is published in the Federal Register. It does not exist; it did not exist, at least, when this matter was presented to the Senate. If it does exist now, it has been promulgated since yesterday.

The framers of the organic law designated and directed the Congress of the United States to select a place for the seat of government. Pursuant to that provision, the Congress of the United States selected an area 10 miles square, located in what is called the District of Columbia.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. McNARY. That was written a long while ago, when practically all the people lived either in Massachusetts or Virginia or elsewhere along the Atlantic coast. There are some good people living in Nevada now, and several in Oregon and elsewhere.

Mr. McCARRAN. Let me say to the Senator from Oregon that I will support a proposal to remove the seat of government any time it is presented, so that it may be more centrally located, but, so long as the Constitution exists, and so long as this designated territory is the seat of government, I shall contend that the government should be maintained here.

Mr. McNARY. Mr. President, may I ask the Senator some further questions? I do not want to bother him

Mr. McCARRAN. I am glad to have the Senator question me.

Mr. McNARY. I ask the questions in the best of good humor as I always do.

Mr. McCARRAN. I know that.

Mr. McNARY. Does the Senator think there is any inhibition in the Constitution which will prevent Congress from acting upon its own authority to send any of these agencies out of the District?

Mr. McCARRAN. None at all, and that is exactly what I want.

Mr. McNARY. The inference was plainly deducible, from what the Senator said, that Congress was without authority.

Mr. McCARRAN. Not at all, but Congress has not acted.

Mr. McNARY. I appreciate that fact.

Mr. McCARRAN. I want Congress to act.

Mr. McNARY. Very well.

Mr. McCARRAN. If Congress will transfer these agencies away from the seat of government, there will then be no question of the propriety of the action.

Mr. McNARY. Then the Senator is not relying wholly on the Constitution. He admits that the Congress has authority to act in that field if it so desires?

Mr. McCARRAN. I say Congress has the right to do anything within the Constitution; but, so long as Congress has not acted, no creature of Congress has a right to act in this matter.

Mr. McNARY. I think the Senator is right. The only thing I was questioning a while ago was this: While I had not before me the Van Nuys Act, passed within the past 2 weeks, I was satisfied that it is very comprehensive in its application, and contains within its provisions large and elastic authority, and probably conveys to the President authority to do through the Director of the Budget the particular things he is now doing.

Mr. McCARRAN. Let me say again, as I said before, that if such a provision had been in the act to which the Senator refers, I venture the assertion that the

measure could not have received the approval of the Judiciary Committee, and I venture the further assertion that it could not have passed this body. It is not in that act. There is in that act a provision authorizing the transfer of one department into another, or, vice versa, authorizing the transfer of employees of one department into another.

With the permission of the Senator from Kentucky [Mr. BARKLEY], I take from his desk—because it is a little more convenient—what I think is a copy of the act to which reference has been made. There are in the act provisions whereby employees of one department may be transferred into another; but nowhere is there even an intimation that a department of Government belonging to the Government itself may be transferred from the seat of Government and located elsewhere in the country.

The able Senator from Oregon [Mr. MCNARY] has given me many thoughts for discussion. I come back now to the proposition before the Senate Committee on the District of Columbia. Let us dispose of the proposition that it is unconscionable, not to say inhuman, to transfer these bureaus to other places in the country, hundreds, if not thousands of miles from the seat of Government. To my mind, that is something that appeals only to sentiment. We may destroy families if we want to do so; we may disrupt homes if we want to do so; we may ruin lives if we want to do so; we may disrupt the careers of men and women who have given the best part of their lives to the Federal Government if we want to do so, and still not violate the law. So I dispose of those considerations because they appeal only to sentiment; but I take the proposition from a legalistic standpoint and from a factual standpoint as well.

Mr. McNARY. Mr. President, may I again interrupt the Senator?

Mr. McCARRAN. Certainly.

Mr. McNARY. I stated a moment ago that I have very deep sympathy with those who are compelled to leave their homes. I have very great concern for the inconvenience of those who must travel hundreds and even thousands of miles from Washington. The criticism I have in my mind of the action here is because of taking an old-established bureau such as the Patent Office, which has been here for 40 or 50 years, and transferring it, when the persons who have been in the service probably 35 to 40 years have raised families here, have become accustomed to the environment here, have their children in school here, and what not. Some of the new bureaus which are coming here and crowding the city with group upon group and throng upon throng are the ones that ought to be kept somewhere else, rather than in Washington. Their coming here increases the problems of those who are already here. It forces rentals up. It is inconvenient. Congestion follows. The cost of living ascends. The whole thing is incongruous, unfair, and cruel.

What I should like to see done is to let the old established bureaus remain here until some other time, until we can legislate in that field with a little more intelligence and a great deal less emotion, and take a hand in keeping at home some of the great crowds that are coming here, or localizing them in certain other restricted areas of the country. That is what I think should be done.

Mr. McCARRAN. The Senator from Oregon is on my side and does not know it. That is exactly what I want done.

Mr. McNARY. The Senator from Oregon is giving the Senator from Nevada some very good ideas. [Laughter.]

Mr. McCARRAN. I think the Senator from Oregon is exactly right. I am glad to get them. The new departments and new bureaus and new set-ups can be brought to the District of Columbia, housed and maintained and kept here, at less expense than it will entail to remove the old, permanent bureaus away from the District of Columbia. Those are the facts laid before the Committee on the District of Columbia which we are desirous of presenting to the Senate so that legislation may be enacted to put a stop to this wholesale removal.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. McCARRAN. Yes.

Mr. DAVIS. Can the Senator state the cost of removing the Patent Office from Washington to New York or Richmond?

Mr. TYDINGS. Mr. President, if the Senator from Nevada will allow me to interject, the testimony before our committee, adduced by our able chairman, was based on a unit of 1,450,000 square feet of office space, with the personnel necessary to man it, and living quarters for the personnel. The question was how much would it cost to transfer the equivalent of that space to another city without living quarters for the personnel, or how much would it cost to keep it in this city in new temporary buildings, with housing accommodations. Substantially it can be kept in the District of Columbia, and living quarters provided for the personnel, for the same figure for which mere office space can be provided in another city, all things considered, the cost of moving, and so forth.

Those figures were submitted to the chairman and the committee by the Commissioner of Public Buildings after a very comprehensive study, and after testimony running over several weeks before the House committee, as well as before the Senate committee.

Mr. McCARRAN. Does that answer the question of the Senator from Pennsylvania?

Mr. DAVIS. That answers my question.

Mr. McCARRAN. Mr. President, this matter is one that should not be brushed lightly aside. It is not a question of the removal of 12 departments. It was announced through the press yesterday that other departments are about to follow. I have not any doubt in my mind as to what is behind this whole proposition. I have not any doubt in my mind that these are the initial steps for a decentralization of the Federal Government. I have not any doubt in my mind that this is the initial step to set up a new organization in this country. I have no doubt in my mind that these departments, when they are removed, will not be returned to the seat of government. I have no doubt of that from things I have heard and seen and understand. I am appealing to the Senate of the United States, not to pass a law now but to stay this movement, and to ask for the presentation of information, in order that the Senate of the United States may act intelligently upon a vital subject in its initial stages.

If the Senate or the Congress of the United States desires to move the Federal Government as a whole, the time may come when that will be proper; but the Congress should do it, and not a creature of Congress. The Congress should act in these matters, not its creatures, if you please. If, on the other hand, Congress shall see fit at some future time to move certain bureaus or departments, that will be the business of the Congress, and it should be done in that way. But, for God's sake, let Congress hold on to the Federal Government, let us not lose control of the Federal Government, for if Congress loses control, then the people lose control, and if the people lose control, then we will have lost the basis of the Government that was founded by those who met in Philadelphia and wrote the organic law.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. DANAHER. There has been much merit in the argument of the Senator from Nevada, yet there is so much of the material in the resolution before us with which I personally do not concur that while the objectives sought by the Senator from Nevada are wholly meritorious, in a desire to be helpful I have drafted a proposed form of resolution which I ask the Senator from Nevada to permit me to read, and I send him a copy that he may follow it. I direct his attention to page 3. As amended, the proposed resolution would read:

Resolved, That it is the sense of the Senate that the action taken by the Bureau of the Budget in ordering certain Government agencies and offices to move from the District of Columbia is without adequate knowledge of the Congress; and

Resolved, That the Senate hereby directs that the Director of the Budget, before taking any further steps toward removing any agency or office of the Government from the District of Columbia, submit a report to the Senate giving full and detailed information in connection with and as to the reasons for the issuance of such order, the statutory authority upon which it is based, and the full and complete disclosure of all facts in connection with each and every agency or office directed to move under the provisions of such order; and

Resolved, That it is also the sense of the Senate that the execution of any such order should be stayed immediately until the Congress shall have made inquiry into the reasons therefor pursuant to the foregoing resolution.

I ask the Senator from Nevada whether, with such a statement, we would not achieve everything he has in mind in making inquiry not only into the authority for the proposed action, and the facts upon which the proposed action is based, but providing obviously

for an inquiry by the Congress itself; and, if the facts then do not justify it and the law will not sustain it, the Congress will be in a position to act as it may see fit.

Mr. TYDINGS. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. I yield.

Mr. TYDINGS. I am in hearty accord with the general purpose and wording of the counterproposal submitted by the Senator from Connecticut, but I wish to call his attention to a fact which has also been adduced before our committee.

The Director of the Budget primarily deals with finance, the appropriations, and requests for appropriations. He has not the equipment, the background, and the knowledge to enable him to deal with office space or with housing conditions. The Commissioner of Public Buildings and his staff have prepared maps; they have made surveys all around Washington, inside and out; they have coordinated the facts they have found with other facts gathered from the housing units of the District; they have been constantly in attendance where testimony has been adduced; and I should like to suggest to the Senator from Connecticut that if his proposal should be adopted the facts should come either through the Bureau of the Budget, after the Director has contacted the Commissioner of Public Buildings, or from the Commissioner of Public Buildings, because it has been our experience up to the present—and I think the chairman of the Committee on the District of Columbia will agree with me—that the Bureau of the Budget has not had sufficient facts on which to predicate the hasty action it has assumed will further the best interests of the Government. As a matter of fact, it is doubtful, and in my opinion it will work just the opposite, as will develop when they are in possession of all the facts. So, unless we are to have the actual facts presented to the Senate, we will accomplish nothing. Therefore I suggest that the Senator incorporate a provision calling on the office of the Bureau of the Budget and the Commissioner of Public Buildings, so that the whole picture may be before the Senate.

Mr. DANAHER. Will the Senator from Nevada yield further?

Mr. McCARRAN. I yield.

Mr. DANAHER. I thank the Senator from Maryland. Let the RECORD show that I have not offered any proposed substitute for the pending resolution. What I have sought to have the Senator from Nevada and other Senators know is that I would not support a resolution which at the moment declares, for example, that it is the sense of the Senate that the law is being violated, or that the action being taken is without authority of law; nor am I able to say that there is to be incalculable loss to the people who are to be affected. Things of that kind find me definitely counter to the resolution in the form in which it came before us. But I agree with the Senator from Maryland that if there be any source in addition to the Bureau of the Budget, from which adequate facts should be drawn, by all means let that other source be added, and let the language necessary to do that be incorporated in the proposed substitute, which I am sure most of us gladly and willingly would support.

Mr. McCARRAN. With the suggestion of the Senator from Maryland incorporated in the proposed change offered by the Senator from Connecticut, I gladly accept his change and his substitute, if he desires to offer it as such.

Mr. DANAHER. I ask the Senator from Nevada whether, to meet the point he has in mind fully, we may not in line 2, page 3, after the word "Budget," insert "or such other departments and agencies as may be called for"?

Mr. TYDINGS. If I may suggest it, I would specifically mention in the resolution the Commissioner of Public Buildings.

Mr. DANAHER. The Commissioner of Public Buildings?

Mr. TYDINGS. Yes; because that official has all the information, and I would not leave it to the Budget Bureau to decide whom they should ask.

Mr. McCARRAN. If the suggestion of the Senator from Maryland is followed, all the information the Commissioner of Public Buildings has will be sufficient to cover what we want. I gladly accept the suggestion of the Senator from Connecticut, and I hope he will offer his suggestion as a substitute.

Mr. DANAHER. Pursuant to the suggestion of the Senator from Nevada, I offer and send to the desk a proposed substitute for the pending resolution, and ask that it be stated.

Mr. TYDINGS. Mr. President, I should like to say a very brief word. The chairman of the committee covered the subject, but I think record should be made. This subject is so ramified that no one person can get even a fair grasp of the difficulties involved without much factual matter adduced as evidence.

Mr. Reynolds, the Commissioner of Public Buildings, has been making a study of this problem for years. He knows the available sites in the District of Columbia and near the District, and he knows what the cost will be outside the District—in Philadelphia, New York, Baltimore, and elsewhere. He has presented to the committee a statement of the facts he has gleaned as a result of long study.

Taking the unit of 1,450,000 square feet of office space, if that amount of office space is made available by removing an agency now in the District to some other city, the cost of moving the agency, the rent, and the cost of maintenance and operation, will be approximately equal to the cost of building 1,450,000 square feet of temporary office space here, and providing homes at a unit cost of $4,800 per family in which to house the people in and near the District. The reason is that when the houses are built as living quarters for the personnel, they have a salvage value of about 70 percent of the original cost. So that the two figures, one including the living quarters in the District of Columbia and the other not including living quarters in other cities, are approximately equal.

Mr. Reynolds has been kind enough on several occasions to bring his maps before the committee, and I could see, as I know any committee could see, or the Senate could see, that this is not a matter of 1 or 2 days' study.

Mr. Reynolds knows where acreage can be had, how much will have to be paid for it, whether schools are available, whether churches are available, whether sewers, water, and electricity are available, what the result will be on the traffic in the city, how much it will cost in an all-around figure, and he can compare that cost with the rent of the Penn Athletic Club in Philadelphia, which is about to be taken over by the Government, and the rent of a large storage building and of another club in Philadelphia, and ascertain whether the cost in the one case will be no more than the rental in the other.

Let me say a word about the President. Obviously the President is a very busy man. It is obvious that he will not have time to go into this matter. Neither will the Bureau of the Budget have time to go into it. Their fields of operation have nothing to do with office space and housing facilities.

The trouble with the proposition is that moves have already been made without adequate acquaintance being had with the facts, and without giving those who know the facts an opportunity to bring them to the attention of the ones who are making the decisions.

The chairman of the Committee on the District of Columbia, the Senator from Nevada [Mr. McCARRAN], who is working very diligently on this matter, has frequently tried to get the ear of the proper authorities, particularly the Bureau of the Budget, to acquaint them with the facts, but they have been so busy they have not had time to give the interested parties a hearing.

I therefore hope that, regardless of the legality of this matter, the resolution proposed by the Senator from Nevada will be adopted, because, in my opinion, if it is adopted, millions of dollars will be saved, which will otherwise be expended; convenience will be served which otherwise will not be served, and hundreds of employees in the District of Columbia will be protected, all without any loss whatever of efficiency in the Federal Government, but on the contrary, it will result in an increase of efficiency.

Mr. President, this is not the time to go into the detailed facts; but we have had long hearings in the District of Columbia Committee on this matter. We have received the best advice obtainable from officials of the Federal Government. We know that it would be a grievous error if the proposed action were taken without a consideration of the facts, and if the facts are considered, the solution arrived at by the Federal authorities, who have studied the whole problem, will be much better than the quick decision which is now being offered by persons who have not had the opportunity to absorb the facts.

I hope the Senate, therefore, will agree to the resolution, for I know that when they get the facts Senators will be glad they have taken such action.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BUNKER in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Mahoney
Andrews	Gillette	Overton
Austin	Glass	Pepper
Bailey	Green	Radcliffe
Ball	Guffey	Reed
Bankhead	Gurney	Reynolds
Barbour	Hayden	Rosier
Barkley	Herring	Russell
Bilbo	Hill	Schwartz
Bone	Holman	Shipstead
Brewster	Hughes	Smathers
Brown	Johnson, Colo.	Smith
Bulow	Kilgore	Stewart
Bunker	La Follette	Taft
Burton	Langer	Thomas, Idaho
Butler	Lee	Thomas, Okla.
Capper	Lucas	Thomas, Utah
Caraway	McCarran	Truman
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Clark, Idaho	McNary	Vandenberg
Clark, Mo.	Maloney	Van Nuys
Connally	Mead	Wagner
Danaher	Millikin	Wallgren
Davis	Murdock	Walsh
Downey	Murray	White
Doxey	Norris	Wiley
Ellender	Nye	Willis
George	O'Daniel	

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

Mr. BARKLEY. Mr. President, I wish to take only a few minutes of the time of the Senate to discuss this question. I think it is extremely unfortunate—and I say that without in any way questioning the sincerity or the motives of the Senator from Nevada or of his committee—that so soon after we have entered this war we are beginning to question the authority, if not the good faith, of the President of the United States in dealing with problems which have been brought to our door by the war.

I realize that it is inconvenient to Federal employees to be transferred to Richmond, Philadelphia, Pittsburgh, St. Louis, or even Baltimore. It is also inconvenient for a man to be drafted and taken into the Army of the United States to fight for his country. If we were left to our personal desires and preferences, we should not have to undergo that inconvenience; but if we think this war is to be won without somebody undergoing some inconvenience, not only in Washington but all over the United States, if not all over the world, we have not yet realized what we did when we declared war against Japan, Germany, and Italy.

If Congress had had the foresight to know years ago that we should need more buildings in Washington it would have appropriated the money and given the authority to somebody to build them. Yet I dare say that if 2 years ago or 5 years ago anybody had proposed that Congress erect enough buildings in the District of Columbia to house all the agencies which it might be necessary to bring here in the event we should get into war or a great emergency, Congress would not have adopted any such law or provided any such appropriation.

This is all done under the authority of the President of the United States. He knows what has been done. He gave instructions to the Director of the Budget. The Director of the Budget did not initiate this movement. The President selected him as his agent to look into the matter because he was in touch with all the departments and the financial relations existing among them, and in all probability was in a better position than anybody else, unless it be the Commissioner of Public Buildings referred to by the Senator from Maryland [Mr. TYDINGS], to know what agencies could be moved without interfering with the efficiency of the Government.

Personally I do not know which of those two agencies is better qualified by immediate touch with the various activities to pass upon that question. But we all know that the situation in Washington has been growing desperate ever since before we got into the war. It is a matter of widespread knowledge that housing accommodations here are inadequate. They were inadequate during the World War, which, by comparison to this war in its world-wide phases and in the expenditure of money, was a small affair. Housing conditions were desperate then. We had to build in every public park and every unoccupied square. Even in front of the Union Station temporary buildings were erected in order to house Government employees.

I hear, as we all hear, very distressing stories about the difficulty of Government employees obtaining accommodations in Washington. If we had had the foresight—if that is what it would have been—years ago to erect enough public buildings and enough houses to accommodate all the agencies of the Government and their employees, we should not now have this problem before us. But if we had pursued that course, after this war we should have a ghost city in Washington. We should have many empty buildings, unless we should immediately provide a sufficient increase in the number of Government employees to fill them all.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MALONEY. I realize that when the distinguished Senator from Kentucky makes a comparison with the young men who have been drafted for war service he presents an argument which simply cannot be answered. But I recall that the distinguished Senator from Maryland [Mr. TYDINGS] stated earlier that the Government was taking over, at least in part, the athletic club in Philadelphia. I am wondering if the majority leader thinks it might not be wise for the Government to take over some of the large buildings in Washington which are used for nongovernmental purposes. I have not given much study to the question; but, for example, the Smithsonian Institution building, the United States Chamber of Commerce Building, or some of the commercial buildings here which are largely occupied by lobbyists might be used by the Government. I wonder if we could not find locations for the various agencies where they belong, at the seat of government.

I am wondering whether, in connection with his study of the matter, which I assume must necessarily have been brief, the majority leader has given any thought to the question of the right to take such agencies away from the seat of government. I wonder if he has given thought to the wisdom of moving out of the District of Columbia not only private institutions, the buildings of which might be used, but individuals. I cannot make myself believe that it is wise to permit private individuals and private corporations to occupy locations in the District of Columbia while the Government itself, for which the District of Columbia was created, is compelled to scatter itself over the land.

Mr. BARKLEY. Let me say to the Senator that the suggestion has been made to me privately on the floor that the Government might take over the building of the United States Chamber of Commerce, and that it might even utilize the Mellon Art Gallery on Constitution Avenue. If the Government were to take over any of the buildings which are used for nongovernmental purposes, I doubt very much whether it would obtain facilities sufficient to house the additional agencies which are being brought to Washington, or the additional employees who are employed here by the Government. Not all the agencies are going to Philadelphia; not all the agencies are going to New York; not all the agencies are going to St. Louis; not all of them are going to Richmond; not all of them are going to any one place; and I dare say that if the President of the United States were to seek to send all of them to any one city in the United States he would find that it would be impossible to secure space in which to house them

Therefore I am led to suggest that even if we were to take over the buildings to which the Senator has referred, we still should be short of space in which to house the additional agencies of the Government.

Mr. MALONEY. Mr. President, will the Senator yield to me again for a moment?

Mr. BARKLEY. I yield.

Mr. MALONEY. What the Senator has just said would be true unless we were willing to spend more money, as I think we should, for the construction of temporary buildings.

Mr. BARKLEY. We are doing so now.

Mr. MALONEY. But above and beyond that, I cannot find any clear authority for the President or the Director of the Bureau of the Budget or anyone else to move the agencies outside the District of Columbia.

Mr. BARKLEY. If the President originally had the right to locate one such agency outside the District of Columbia, certainly he would have the right to move it.

Mr. MALONEY. Some recently enacted laws provide that agencies of government may at least in part be located outside the District of Columbia. Unusual as it may seem, the President may order the Congress to convene in any part of the country; but outside of the Congress, which he does have the authority to move, I fail to find, clearly enough to satisfy me, the existence within the meaning of any of the acts of the founders of our Government, of the right to remove the agencies, or the great majority of them.

Mr. BARKLEY. I think the President has such authority. Of course, that is a

statement about which lawyers will disagree. I think that the revived Overman Act gives him authority to order such transfers.

But let us take the Naval Medical Center as a case in point. As I recall, Congress authorized and passed an appropriation for the creation of a new naval hospital or medical center, as it is now called. Congress did not tell the President where to locate it; but he located it in Maryland, beyond the limits of the District of Columbia. He had a right to do so; but if he had a right to do so he had a right to move it into Maryland.

The same thing occurred with respect to the new War Department Building, to be built across the Potomac River. I do not recall that the act appropriating the money for the new War Department Building specified where it should be located. There was quite a controversy as to whether it should be located on this side of the river, within the District of Columbia, or on the other side of the river, without the District of Columbia; but the President, exercising his authority under the law, located it in Virginia.

Mr. MALONEY. I may be able to clear up the situation on that point, or to help the Senator clear it up. In some instances we have provided that buildings shall be located in or near the District of Columbia. I suppose that by some far-fetched interpretation we might find that the President had a right to locate the War Department Building in Virginia; at least, we have done so. I think we have done so in violation of fundamental law, and at that time I so stated on the floor of the Senate. As the Senator knows, I resisted the attempt to move the War Department over there, but without success. I simply do not know what Congress can do in such a situation.

In recent legislation we have used the language "in or near the District of Columbia"; and in this great exodus of governmental agencies, I do not think Richmond or New York, or any place similarly remote from Washington can be called near the District of Columbia.

Mr. BARKLEY. No; I make no such contention. The Senator referred to the Department of Commerce, in which is located the Patent Office. The organic act provides that the Department of Commerce shall be located at the seat of government; it also provides that the Patent Office shall be a part or a bureau of the Department of Commerce. The law creating the Patent Office did not state that it had to be within the confines of the District of Columbia. Of course, the Department of Commerce is headed by a Cabinet member, and that is also true of the Department of Agriculture. The fundamental law requires that the Department of Agriculture shall be located in the District of Columbia or at the seat of government; but over the years the Department of Agriculture has engaged in decentralization of many of its agencies. One of them is located in the city of St. Louis, the home of my good friend, the Senator from Missouri. The Department has made such transfers, and it has done so, I think, in response to the authority of law that such departmental agencies may be located in various places in the United States without violating the law which requires that the Department itself shall be located at the seat of government.

Mr. MALONEY. Mr. President, will the Senator yield to me for one moment further?

The PRESIDING OFFICER (Mr. MURRAY in the chair). Does the Senator from Kentucky yield to the Senator from Connecticut?

Mr. BARKLEY. I yield.

Mr. MALONEY. I think that in many instances the question is largely one of interpretation of the law.

Mr. BARKLEY. Yes.

Mr. MALONEY. I think it is a question of keeping within the spirit of the law. I cannot understand how the spirit of the law is observed when an agency which heretofore, at least, has been an important branch of the Government—an agency such as the Securities and Exchange Commission—is moved to Philadelphia. Obviously, one does not need to stretch his imagination very far in order to understand how it might be fair and proper to locate a part of the Department of Agriculture in the agricultural areas of the country, or to understand why some 9,000 employees of the Indian Bureau have been moved closer to or on Indian reservations, leaving in Washington only some 380 employees of that Bureau.

But when an agency or department of Government such as the Patent Office is sent far afield, I simply cannot understand the justification.

Mr. BARKLEY. I do not know that the Patent Office is any more important than the Rural Electrification Administration or the Farm Security Administration or many other branches.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McCARRAN. The reason I interrupt the Senator at this time is that a moment ago the Senator referred to me, and, as I understood him, he said that I stated that it is not provided that the Department of Commerce shall be located at the seat of government. Let me say that the law exactly and specifically provides that the Department of Commerce shall be centered at the seat of government.

Mr. BARKLEY. Yes; I quoted the Senator as saying that the Department of Commerce shall be located at the seat of government, and, by analogy, that the Patent Office, which is a part of the Department of Commerce, shall be located at the seat of government.

Mr. McCARRAN. Of course, that is the law.

Mr. BARKLEY. Yes; that is the argument I understood the Senator from Nevada to make.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TYDINGS. It is quite obvious that the Senator from Kentucky, not being a member of the committee, and being kept very busy in connection with his many duties, would not be in possession of information had by the committee. Let me point out a suggestion made by the Senator from Connecticut [Mr. MALONEY]. There are about 9,000 employees in the Office of Indian Affairs. They are already decentralized. Only some 385 employees of the Office are in Washington. The Indian Office employs that small force here for the obvious reason that Indians have to do with forestry, which is handled in the Department of Agriculture, and with reclamation and drainage, with wildlife, with game treaties with other countries, and in some cases with the Immigration and Naturalization Service of the Department of Justice.

In other words, the small force of 385 persons simply cannot be made very much smaller, because it has to confer with various departments and bureaus located in Washington, and its operations are interlocked with them. That is the reason why its headquarters are kept here.

When we examine into these things we find that what looks to be a simple operation of picking up one bureau or agency and putting it somewhere else is not so simple. The members of the headquarters staff will have to come back to Washington—commute here, take airplanes here—from wherever they are, in order to transact business and in order to sit on interdepartmental committees.

In other words, if the Indian Affairs Bureau were moved, a total of only 385 people would be moved, the other 8,700-odd employees being already in the field. But no sooner would the members of the headquarters staff be moved than they would have to come back here to sit on interdepartmental committees or interagency committees in order to transact their business.

If I may transgress a little further upon the Senator's time in order to give him one more suggestion, let me say that, strange as it may seem, one would suppose that the Fish and Wildlife Service might very easily be transferred without consideration of the location of other bureaus or departments. Here is the situation exactly:

It is impossible to drain a swamp by C. C. C. boys without getting the approval of the method by the Game and Wildlife Commission, else the swamp will be so drained as to kill the desirable wildlife. That Commission has constant dealings with the State Department, because it administers three or four treaties with Canada, and frequent controversies arise about hatching seasons, open seasons, the game limit, and so on, which must tie in with that treaty. Therefore, the Commissioner and his staff must work at the State Department.

The agricultural problem also ties in with it, involving the National Parks and the Forestry Division. There is absolutely no end to it. So what I assumed would be the easiest committee to transfer from Washington, after we had adduced the testimony in the case, became the most interlocked committee of them all; and that committee, with a head here in Washington, is already decentralized. It has a very small staff in Washington; most of its employees are scattered over the United States. So when

we go into these matter, we will find that while an agency may be transferred from Washington, its officials, in many cases, will have to come back and room here. What we are confronted with is not a shortage of office space; it is more a shortage of living space. So we are not going to accomplish, as we will find if we will examine into it, the very thing we seek to accomplish.

Mr. BARKLEY. Mr. President, I appreciate the contribution made by the Senator from Maryland, but what he says still, it seems to me, does not go to the heart of the situation. The District of Columbia is, undoubtedly, crowded both from a housing standpoint and from the standpoint of office space.

Mr. NORRIS. Mr. President, will the Senator yield there?

Mr. BARKLEY. I yield.

Mr. NORRIS. I had a conversation a few minutes ago with a Senator who lives at the Dodge Hotel. The statement of the Senator from Kentucky as to Washington being overcrowded reminds me of it. The Senator to whom I referred stated that last night when he went into the hotel he was informed by the clerk that last night alone the hotel had already, at that time, turned away more than 40 people who had no place to go and did not know where they were going to stay all night. It is a recognized fact, if that has anything to do with the resolution—I do not think it has, but it is a fact—that the city of Washington is overcrowded. People come to Washington when they might, for instance, if some Government offices were removed settle their business somewhere else. It seems to me we are going to continue to be overcrowded, and—I have been told—I do not know whether it is accurate—that it is estimated that 40,000 more people within the next 90 days will come into Washington and will have to be housed.

Mr. TYDINGS. The number will be 45,000 before the end of this year, according to the testimony before our committee.

Mr. BARKLEY. Mr. President, there is no doubt about the housing situation. I do not think the hotel situation is so important as is the housing situation. It can easily be said that people have not any business coming to Washington; that if they did not come here they would not have any trouble about getting rooms at a hotel; but many persons are required to come here on public business Only within the last few days I have heard of enormous and outrageous rents being charged for houses in Washington city; merely because people that came here had to have houses, they were charged outrageous rents, in some cases five hundred or six hundred or eight hundred or a thousand dollars a month for a house. It may be that the rent authority we have conferred on the Price Administrator may cure that situation. It is useless to throw this off on the Budget Director; he acted under the authority of the President of the United States.

Mr. TYDINGS. That is correct.

Mr. BARKLEY. The President asked the Budget Director to make a list of certain agencies which might be moved. The Budget Director made up the list, and the President approved it. So that is where the responsibility lies.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BARKLEY. Yes.

Mr. TYDINGS. I think the Senator has stated the case correctly. The President himself did not make any examination; he called on the Director of the Budget to make such an examination as he could, and to relieve the situation in Washington. The trouble is the Budget Director had neither the facilities nor did he have the time to inquire into the facts.

Mr. BARKLEY. I do not know about that.

Mr. TYDINGS. Let me say to the Senator, if he will let me conclude, that I am not objecting to this solution if it is the best solution. I thought it was myself when I first went into the matter. It was only after I talked with those who had made a comprehensive study of it, and realized what the limitations were in time and money and in convenience, that I became convinced that a grave mistake would be made, and that in 3 or 4 months it would only make more confusion than there was at present.

I do not blame the President in the slightest. His impulse would have been mine or any other man's, to do the first thing that could be thought of; but I was going to ask the Senator a question. Let us assume we were going to employ 40,000 people more in and around the District of Columbia in the first months of the prosecution of the war; let us assume that we are going to need office space; let us assume we are going to need new living quarters. Then, question No. 1 is, When can space and quarters be provided; how much will they cost? The other point is, If bureaus are moved from Washington, where can we move them; where is there space available; how much will it cost; and what are the living conditions in the places to which the bureaus will be moved? That is all there is to this question. If Senators want to pass on that, without going into the facts, on the assumption merely that the easy thing to do is to move a bureau, that it will save money, and that it will add to the convenience of the Government, in my humble judgment, they make a very sad mistake.

I do not think there is a member of our committee, so far as I know, who has listened to the testimony—and a good many of them were there—who will not substantiate in thought what I have said in words.

Our leader is doing his rightful job here; he is backing up the President. I am not criticizing the President; I think his impulse was an understandable one; but I do not believe that the Budget Bureau has given the President the right picture as we ourselves have got it over months, and that great harm will result from this movement, that greater expense will be involved, and there will be no increase of efficiency. Therefore, the able chairman of the committee, in order to get the facts, to stop this injustice, to stop this program of inefficiency, has offered this resolution until such time as the real facts can be transmitted to the Chief Executive, the President; and we are confident that when he knows them, he will act in accordance with the logical conclusions which flow therefrom.

Mr. BARKLEY. Mr. President, I suppose no Senator will assume that the President acted simply on an impulse?

Mr. TYDINGS. I did not mean that in a belittling way.

Mr. BARKLEY. I understand the Senator did not.

Mr. TYDINGS. But the President had this problem to meet; he is busy, and so he sought to get rid of it.

Mr. BARKLEY. This is a hard-boiled situation. If we could take over every private building in Washington in which to house Government agencies, we would still not have solved the housing problem that faces the Government of the United States, and that must have been taken into consideration along with the shortage of space for Government agencies.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield; yes.

Mr. TYDINGS. The committee has gone into the housing question, and we know housing can be provided; we know it can be provided at places near the temporary buildings where there will be no extra congestion in the city of Washington. We have had maps made; we have had surveys made; and I am here to tell the Senator that, as the testimony will show, the housing facilities can be provided abundantly within the next 6 months for 45,000 new employees, if necessary, and that can be done at no greater cost, strange as it may seem, than that involved in the removal of the bureaus from this city to other cities.

Mr. BARKLEY. I am not a member of the Committee on the District of Columbia, and do not know who appeared before them, whether the District Commissioners or any of their employees.

Mr. TYDINGS. They did.

Mr. BARKLEY. Or whether the Commissioner of Public Buildings appeared.

Mr. TYDINGS. He did.

Mr. BARKLEY. Or whether they appeared at the invitation of the committee or appeared voluntarily.

Mr. TYDINGS. There came on the invitation of the committee, the District Commissioners, the Commissioner of Public Buildings, representatives of the Housing Authority and some of the Budget Bureau personnel; and we found that the only people who did not know anything about it was the Budget Bureau that had ordered the removal; all this was new to them.

Mr. BARKLEY. Mr. President, that prompts me to remark, as I did at the outset, that if, every time the President does something in pursuance of his duty as the head of this Nation and as the Commander in Chief of the Army and Navy to win this war, subordinate Government employees, whether appointed by him or whether appointed by the District of Columbia government, undertake to nullify what the President has done, instead of having any unity we shall have in this country such a division not only of authority but of public opinion as will make it very difficult to bring about the

unity of which we talk here, but which it seems most difficult to obtain.

Now, let me get down to the resolution. All the "whereases," or most of them, have been eliminated; but, even as the resolution has been amended by the substitute of the Senator from Connecticut [Mr. DANAHER], I do not think it has been improved.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. DANAHER. I have stricken out the "whereases" entirely.

Mr. BARKLEY. Yes; I said that.

Mr. DANAHER. No; the Senator said that almost all of them had been stricken out.

Mr. BARKLEY. The Senator still has one "whereas" in the resolution.

Mr. DANAHER. No; let me say to the Senator from Kentucky that the correct draft of the substitute is at the desk. Because of the Senator's continued argument, I have not had a chance to delete from the copy he holds in his hand the material in question. There are no longer any "whereases" in the resolution.

Mr. BARKLEY. Very well. I will amend my remarks, then; but the copy handed me by the Senator still contains a "whereas" or two. Still, if he has eliminated all the "whereases," I will get down to the resolution itself.

I shall not make any question about the jurisdiction of committees, although I think that for instance, if the Patent Office, which is under the jurisdiction of the Committee on Commerce, or the Rural Electrification Administration or the Farm Security Administration, which are under the jurisdiction of the Committee on Agriculture and Forestry——

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BARKLEY. Certainly.

Mr. TYDINGS. The District of Columbia Committee is not dealing with the functions of the various bureaus.

Mr. BARKLEY. I understand that.

Mr. TYDINGS. It is dealing with the seat of government.

Mr. BARKLEY. But the mere location of a function in the District of Columbia is not purely a District of Columbia matter.

Mr. TYDINGS. Neither is a Rural Electrification Administration matter purely a matter of the Department of Agriculture, nor is a Patent Office matter purely a matter of the Department of Commerce.

Mr. BARKLEY. They are more matters of the committee which originated the legislation than of the District of Columbia Committee, which is speaking only for the District of Columbia, and naturally wants all these functions to remain in Washington, as I do. I should like to see all of them remain here.

Mr. TYDINGS. Certainly the Senator would.

Mr. BARKLEY. I regret the necessity of moving anybody out of Washington. My office has been crowded, as every other senatorial office has been crowded, with appeals to do something to stop it, or to get persons transferred into a bureau that is not going to move.

Mr. TYDINGS. Mr. President, may I interrupt the Senator again?

Mr. BARKLEY. Yes.

Mr. TYDINGS. I know the Senator's fairness. I hope the Senator will realize that all of us who are on the District of Columbia Committee, in trying to keep the Government here, are not impelled by sentimental reasons as a matter of philosophy. We are only taking issue with the proposed removal because after days and days and days of testimony the facts themselves showed the terrible mistake that was about to be made, facts which the branch of the Government ordering the removal—I mean the Budget Bureau—did not have before it when it more or less peremptorily said, "Take this and that and the other bureau out of the District of Columbia." It is only because we are absolutely convinced that when these facts are made known to the Senate, or the President, or the Budget Bureau, or any other bureau, there can be only one conclusion—that we have taken this action in order to stop a multiplication of the confusion already existing.

Mr. BARKLEY. I, of course, fully appreciate the good faith of the committee and all members of the committee in the matter; but, of course, it would be fantastic to say that all of us have not been importuned by persons in the District of Columbia and by Government employees against being moved away from Washington.

Mr. TYDINGS. That is true.

Mr. BARKLEY. I sympathize with every one of them. I know the hardship it will work on some of them; but if we are going forward in the enterprise we have undertaken on the theory that we must not work a hardship on anybody, we might as well make peace tomorrow with Japan and get out of this business.

Mr. TYDINGS. Certainly. The committee is in absolute accord with the Senator. The hardship feature is an important one, but it is incidental to the Government's prosecution of the war. That is the thought that is impelling our action.

Mr. BARKLEY. Mr. President, as has already been said by the Senator from Nebraska [Mr. NORRIS] and by the Senator from Oregon [Mr. MCNARY], and conceded, I think, by all Senators, the resolution, of course, has no legal effect. It is not binding on anybody.

Mr. TYDINGS. That is true.

Mr. BARKLEY. I tried in good faith to bring about some arrangement in regard to this matter. I met out here a few days ago with members of the Committees on the District of Columbia of the House and of the Senate. I think inadvertently the Senator from Nevada seems to have gotten the impression that I committed myself to this resolution. I did not do so.

Mr. MCCARRAN. No, Mr. President; I did not say the Senator was committed to the resolution. I said he was opposed to the movement.

Mr. BARKLEY. I said I would try to arrange, in the first place, a conference with the President, which was arranged, and which was held yesterday. I do not know what happened at the conference, because I was not there, and I suppose no one who was there would be at liberty to say what happened; but, it seems to me, this resolution is a futile thing. In effect, it says to the President, "You do not know what you are doing in moving any of these agencies from Washington." That is what the resolution really means, although it does not say that.

Mr. TYDINGS. It says it to the Budget Bureau.

Mr. BARKLEY. Do not throw off on the Budget Bureau. The President accepts responsibility for the action of the Bureau.

Mr. TYDINGS. I know he does; but I do not think we would be loyal supporters of the President if we felt that a bureau was acting unwisely and did not try to call it to his attention and stop the action. I do not consider it the part of patriotism to withhold all thought, to keep silent when wrongs are being done, to goose-step as the people do in Germany; and while I am in the Senate I propose to speak when occasion demands.

Mr. BARKLEY. Nobody doubts that, and nobody desires to interfere with the right of the Senator from Maryland to do that; and, if any one desired to do so, the effort would be futile. But a joint committee of the two Houses went to confer with the President, and brought these matters to his attention; and, so far as I know, the President has not changed his mind about the subject. I have not talked to the President since the conference, but evidently the committee was unable to convince the President of his error in regard to these matters. I suppose we may assume that to be the case. Otherwise, the Senator from Nevada would not be pressing his resolution today.

Mr. MCCARRAN. Mr. President, the President neither admitted his error nor denied his error, so far as that is concerned.

Mr. TYDINGS. He said he would look into the subject further.

Mr. MCCARRAN. He said he would look into it further, and that is what we want to have done.

Mr. BARKLEY. The Senator has not given the President much time to look into the subject further.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TYDINGS. One of the reasons why we should like to have this resolution passed is that we all realize that after these bureaus are removed, after space is rented, and after commitments are made by the Government, if we have made a mistake, and if it is desired to change the policy, we shall be committed so that it cannot be changed; or, if it is changed, we shall have assumed an expense which would have been avoided if a delay of just another day or two had been permitted to enable the facts to be obtained.

I may say to the Senator that the resolution does not prevent the departments from being transferred. I agree to that. We do not want to do that; but, having tried vainly for weeks to get the Budget Bureau to come before us so that we

should show them the facts, there is no alternative but to do this. To my personal knowledge the Senator from Nevada [Mr. McCARRAN] on two or three occasions did everything he could to bring the Budget Director up here and to show him these conditions and facts, including the testimony of the Commissioner of Public Buildings. We were unable to get the Budget Director up here. Therefore, we have the option of sitting down and seeing this confusion multiplied, in our judgment, or of trying to stop it. I will say, too, that for 3 weeks the Senator from Nevada [Mr. McCARRAN] and Chairman RANDOLPH, of the House committee, have been trying to get an audience with the President. The President is a busy man, and understandably he could not give them time. Therefore the committee asked him if they could not treat with the majority leader, the Senator from Kentucky [Mr. BARKLEY].

So we have exhausted every possible avenue to get these facts to the deciding parties who could deal with this matter. Having failed all along the line to get an adequate hearing—because, obviously, the President could not take an hour off for the matter—there was no alternative but to bring up this resolution, and then get the representatives of the Budget Bureau to come up here, and say to them, Gentlemen, you ought to talk with your Commissioner of Public Buildings, who has been studying this question for 3 years, before you make a decision like this, which will only cost us money and multiply inefficiency. You have not advised the President correctly on this matter. You have not explored all the solutions. Here they are. Now we are going to submit them to you, and the next time this comes up with the White House, won't you tell the President these facts? That is all we ask. If he thinks that in spite of these facts the Bureaus should be removed, all well and good; but it would be a big mistake, in our judgment, for this action to be taken without a consideration of these facts. I am as reluctant to delay any vital program a second as I can possibly be, and the only thing that is actuating me in this matter is a desire to avoid a costly mistake involving inefficiency, expense, and duplication.

Mr. BARKLEY. Mr. President, I do not know who has been before the committee, or who has talked to the chairman or any member of the committee; I do not know anything about what occurred between the committee and Mr. Smith, the Director of the Budget, but the Senator from Maryland makes a statement which would lead me to suppose that there is some sort of disagreement between the Budget Director and the Commissioner of Public Buildings.

Mr. TYDINGS. No; the Director of the Budget, in response to the request of the chairman of the committee that he come before the committee, first sent one of his subordinates, who, with all due respect to him, knew practically nothing about the matter, and who was reluctant to tell us anything about it if he did know; and my opinion is he had not been working long enough on this proposal to know much about it.

Then the chairman tried to get the Director of the Budget to come, and finally he could not come. Then, after repeated efforts, about 2 days ago, as I recall, the Director of the Budget said he would come before the committee and testify, but in executive session, to which the Senator from Nevada agreed, stating that he would be glad to have an executive session if the Director of the Budget wanted it. All we wanted was to show him the evidence which had been brought out by our committee, and which he did not have.

Unfortunately, in the meantime, buildings are being rented, space is being bought by the thousands of square feet here, there, and everywhere. So what are the chairman and the committee to do? Are they to see a gross mistake made, without protest? We tried in every way possible to stop this thing by reason, to get a hearing, but we failed all along the line, and there was no other alternative than to at least serve notice that the sense of the Senate is that the authorities have these facts before they make this policy ironclad and irrevocable.

Mr. BARKLEY. Mr. President, I desire now to conclude my remarks, and I wish to refer very briefly to the resolution itself.

It is proposed that we adopt a resolution providing:

Resolved, That it is the sense of the Senate that the action taken by the Bureau of the Budget—

It should read "the action taken by the President," for that is what it really is—

That it is the sense of the Senate that the action taken by the Bureau of the Budget in ordering certain Government agencies and offices to move from the District of Columbia is without adequate knowledge of the Congress.

I suppose we might assume it is without adequate knowledge, or what Congress might regard as adequate knowledge, if it has to have knowledge on the subject. One might even present a resolution stating that the disposition of the fleet in the Pacific Ocean, or of the Army of the United States, is without adequate knowledge of the Congress. I do not know how Congress is to obtain adequate knowledge for its own purpose as to why anything is done with regard to winning the war.

Then the resolution proceeds:

That it is the sense of the Senate that the execution of such orders should be stayed immediately—

That it should be stopped right now. It does not say how long it is to remain nullified, but it is just to be stopped now. It does not say whether we are to wait until Congress passes some law on the subject, or when it is to be resumed, or what is to happen after it is stopped. Then it says:

Resolved, That the Senate hereby directs that the Director of the Budget—

I do not know what power the Senate of the United States has, by Senate resolution, to direct the Director of the Budget to do anything. We may request agencies of the Government to furnish to the Congress, or even the Senate, information, when such action is not inconsistent with public policy, or inconsistent with their duties. But here we are asked to direct by Senate resolution, which has no legal effect, which cannot have any except in the case of a joint resolution, to be signed by the President—we are asked to adopt a resolution directing, "That the Director of the Budget, before taking any further steps toward removing any agency," and so on. We first order him to stop, and then direct him, "before taking any further steps toward removing any agency or office of the Government from the District of Columbia, to submit a report to the Senate giving full and detailed information," and so forth.

That proceeds on the assumption that no one is entitled to this information but the Senate. The House of Representatives is out of the picture. We are to be the masters of this removal situation.

Mr. President, this is not a resolution by the two Houses, and even as a simple Senate resolution, it might have a better standing if it were asking the Budget Bureau to do something. But it does not do that. It directs the Director of the Budget to report, before any further steps are taken, to the Senate of the United States, and I presume that if he reported to the Senate of the United States, he would then be authorized to go ahead with these removals as he has contemplated, if anyone felt under any moral obligation to suspend them while a report was being made to the Senate of the United States.

It seems to me the adoption of the resolution would be a mistake. We have to trust the President of the United States. If we cannot trust him, we are in a bad way. That does not reflect upon ourselves in any way. We are to legislate, we are to grant authority and provide appropriations, but the responsibility for carrying out policies which we adopt by legislation and by the expenditure of money must be carried out by the Chief Executive of the United States. It cannot be done in a town meeting, it cannot be done in a political convention, where resolutions may be offered and adopted. It must be done by the head of the Government.

Now, just as we are getting started on this enormous enterprise, which may last longer than any of us contemplate, certainly longer than any of us would wish, almost before we have warmed our seats in this great war movement of ours we are asked to adopt a resolution which in effect says to the President, "You have acted here either without authority or without information, and we therefore ask you to suspend operations until we get information, then we may pass it on to you, and let you act according to the information we get under this resolution."

Mr. LA FOLLETTE. Mr. President, I wish to say just a few words about the resolution. The Senator from Kentucky [Mr. BARKLEY] has stated that he thinks it unfortunate that the Senate of the

United States early in this war should indicate that it has a seat in the organization of the Government for purposes of the conduct of the war. I think it unfortunate that the Senator from Kentucky should feel it necessary to raise a question of confidence in the President, so to speak, in connection with the resolution. In my opinion, the Congress already has granted, and will no doubt have to grant in the future, extraordinary powers to the Executive. It seems to me, however, that the executive branch of the Government, in all cases in which military secrets or procedure are not involved, should in reciprocity, insofar as the legislative arm of the Government is concerned, in the exercise of its extraordinary powers, in every possible instance lean over backward in making information available to the legislative branch of the Government, insofar as the exercise of the extraordinary powers which that branch of the Government has conferred upon the Executive are concerned.

Who will say that in the transfer of the physical placement of the various agencies involved in this matter it was not purely a question of civil organization, and not one concerning which a committee of Congress or a branch of Congress should not have been accorded all the information which it requested?

So I say, Mr. President, that I favor the adoption of the modified resolution, although I could not have supported the resolution in its original form. I favor the adoption of the substitute. I hope it will be adopted, and I hope that the Director of the Bureau of the Budget will respond to the resolution, and will lay before the Senate all the information which he has upon this subject.

In my opinion, it will be of great advantage in the future if we have such cooperation and exchange of information as is compatible with the public interest between the executive branch of the Government and the Congress, which is compelled under the necessity of war to strip itself of so much of its power.

Mr. TYDINGS. Mr. President, I do not want to prolong the debate, but I should like the Senate to have before it certain facts with respect to the situation. At the meeting of the joint committees of the Senate and House on this subject, the Commissioner of Public Buildings was asked to present the available sites where temporary buildings could be erected for office purposes, and plans for living quarters, and the cost of each, assuming that the expansion took place wholly in the District of Columbia or in its vicinity, and to give us the alternative cost of moving agencies from Washington to other cities, without including living quarters for the personnel. He came before the committee and submitted figures covering one unit of 1,450,000 square feet of floor space, which would take care of a certain number of Federal employees, and assuming the employees all had to be brought in from the outside, and that living quarters would have to be built as well, figures were submitted showing the combined cost of the 1,450,000 square feet of floor space in the District, and the living quarters of the persons who would work in that space. Then he showed the cost of moving from the District agencies which would free 1,450,000 square feet of floor space here by transferring the operations to other cities.

The break-down of the individual items which went into each finding showed that it would cost as much to move the 1,450,000 square feet of floor space from the District, say to New York, as it would cost to build 1,450,000 square feet of new floor space in the District, as well as to put up living quarters for the personnel which would work there. That is the fact. One simply cannot talk that fact down. It stands out.

Mr. NORRIS. Mr. President, will the Senator be able to give us the figures covering those two items? Can he say how much in dollars and cents each would cost?

Mr. TYDINGS. Yes. It would cost $25,304,000 to decentralize 1,450,000 square feet of floor space, and $31,810,000 to build 1,450,000 square feet of new office space and provide houses for the personnel that would work in that space.

It almost seems it cannot be so, but the reason is that the houses have a salvage of 70 percent. They can be readily sold. So the Government would lose only 30 percent if it sold them instantly after it built them. That has been the experience of the housing officials who cooperated in making that report.

Mr. President, we have acreage here in the District of Columbia which already belongs to the Government. In his summation Mr. Reynolds allowed $10 a square foot for office space, including land, if he has to purchase it, including sewers, roads, and facilities of all kinds. He told us $10 was more than he would need, but that he was not going to tell the Senate it would cost a certain figure when afterward it might be found to cost more.

The other day I asked Mr. Reynolds how many new employees he could take care of in the District in 6 months. I noticed he was rather hesitant to answer the question, and shortly after the meeting was over he called me on the telephone and asked if he could come up the next day, which he did. He then said they had been making a survey for years of all the sites in the District and adjoining the District, and, for obvious reasons, he did not want to answer questions which would show what the Government would do in any real-estate locality, unless the Government agency was told to go ahead with a project; otherwise, the price of land would skyrocket. He said, "So long as you have asked me, Senator, here in strict confidence is the picture." He showed me how he could build all the office space which is needed, and house all the personnel that is needed, with their wives and children, providing for a new population of over 100,000 in the District, and do it all in 6 months, and at no greater cost than decentralization would cost. Mr. Reynolds had his figures. He had his facts. He said, "To show you that there will be no congestion if we do this, here is the way the buildings will be arranged. The housing will be built right around the buildings in which the employees in the expanded agency are going to work. So, instead of driving down through the arterial highways of Washington, they will only have to walk out of their houses, and across the street, and into the very buildings in which they work."

I do not know that the plan which he showed me will be adopted, but I only mention it to show the great amount of study which this very fine public servant has made, and he certainly impressed us as knowing more about the subject than any other man on the face of the earth.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BREWSTER. What the Senator has said interests me greatly in connection with the question I am about to ask. Leaving out the question of office space in other cities to which it has been suggested certain governmental agencies be removed, is there any one of these cities in which a tremendous housing problem does not exist, as exemplified in the figures which have been made available? So far as I know, a tremendous housing problem exists in each of the cities to which it is proposed to move certain agencies. In addition thereto the transportation problem in those cities will become more and more acute

Mr. TYDINGS. Mr. President, I do not wish to go into that matter, but I will say one thing briefly. Last night I happened to be in Philadelphia attending a meeting, and while I was speaking there several men said that the Penn Athletic Club and one other men's club up there, each of 8 or 10 stories, were to be taken over by the Federal Government. I asked one man, who is a representative citizen:

Have you such office space available?

He said:

Senator, we can give you office space in places like that, but we have a critical housing condition right here in Philadelphia.

He said:

The Baldwin Locomotive Works, the Sun Shipbuilding plant, the Cramp Shipbuilding yard, and the Kearny plant, where there was a strike sometime ago, the Midvale Steel Co., the du Pont Powder Works, and other industries around Philadelphia have mushroomed our population. We can give you office space, but we have to put on a housing program if you come up here.

Senators who read the Baltimore Sun know of the industry at Sparrows Point, the Glenn L. Martin Airplane Co. About a year ago it employed ten or twelve thousand men. Now it employs 50,000 men. The roads have all broken down. The newspapers are full of complaints. It takes a man 2 or 3 hours to get to work. The State has built emergency roads to a large extent, and the congestion is somewhat alleviated. The Fairfield Shipbuilding plant, with 13 or 14 ways, now employes 20,000 persons, whereas normally it employs only a few hundred. The other day Mr. Willis, in a front-page article, attacked both the Governor of the State and the mayor of Baltimore. He said that it took him 40

minutes to go a distance of only 10 squares, because the impact of the traffic comes on one street. I do not wish to use that as an illustration; but, Mr. President, the information which has come before the committee should be in the hands of the administrative officials.

I believe we are doing something which will add to the confusion of the war effort. If I did not believe so I would keep my thoughts pretty well locked up, in line with what our leader has said. I know he does not mean to say that in doing what I am doing I am seeking to hinder the President in trying to win the war. I am trying to relieve him of some of his burdens. I am trying to get the thing straightened out. Luckily our committee has all the facts. I know that the Budget Bureau has not had the facts. Mark my words, if we decentralize these bureaus and remove them to the cities now indicated, we shall have to appropriate millions of dollars for new roads and facilities of all kinds, which we do not now picture, in order to take care of the people

Mr. NORRIS rose.

Mr. TYDINGS. I now yield to the Senator from Nebraska.

Mr. NORRIS. I have been so carried away with the Senator's eloquence that I have forgotten the question which I originally intended to ask him; but if he will permit me to do so I will ask him one about something which just occurred to me.

I realize, as I think everyone else does, that we could pick out cities which are as much overcrowded as is Washington, and perhaps more so. I assume that if more bureaus are moved from Washington care will be exercised so as not to put them in a city which is already overcrowded.

With regard to the first order which was issued, I have always felt that, so far as I knew, the Government had not made the investigation which it ought to have made in selecting the cities to which the bureaus were to be transferred. I believe that the bureaus were transferred to some cities which are as much overcrowded as is Washington. I do not think that ought to be done. From my limited knowledge of the general condition of cities over the country, I think there are a great many cities which would be able to take care of any reasonable number of new residents, so there would be no difficulty in selecting cities which are not overcrowded. The Senator has cited the city of Baltimore as an example of an already congested city.

Mr. TYDINGS. If the agencies are to be moved, I should like to see Baltimore get its share of them. I am human.

Mr. NORRIS. It seems to me it would be a great mistake for the Government to move them to Baltimore.

Mr. TYDINGS. The benefit to Baltimore would not be worth the harm to Baltimore when compared with the national good.

Mr. NORRIS. That is correct.

Mr. TYDINGS. Let me make a few further observations, and then I shall conclude, if there are no further questions.

We asked Mr. Reynolds how much floor space in the District is owned by the Government, and how much is rented by the Government in buildings owned by private owners. My recollection is that he said that the latter figure ran around 25,000,000 feet. We then asked Mr. Reynolds how much space was requisitioned, which he could not provide between now and June 30, 1942, and he told us. We then asked him, based on his experience, how many new requisitions for space would be likely to come in between now and June 30, 1942, and he told us. This is the picture:

The Government now has slightly more than 5,000,000 square feet of office space coming into being in the District. As I recall, most of that space will be available before June 30, and the remainder by the end of the year. I think the dates are correct. I know that the figure 5,000,000 is correct.

Then I said:

Mr. Reynolds, from your experience, allowing for the 5,000,000 square feet of new space you will have available, and taking into consideration the expansion you already see taking place, taking into account the new War Department building over in Arlington, which will soon be completed, and this, that, and the other new building, how much additional space would you like to have to satisfy the needs of the Government in the District of Columbia for the war?

He said:

Gentlemen, if we had 5,000,000 square feet in addition to what we have in sight, building, rented, or what not, we could take care of the wants of the Government very nicely. I make the figure high because I know that departments do not think they want much, and want more as the expansion takes place.

Then this question was asked Mr. Reynolds:

From your long study of this problem, from your weeks of testifying before the House Committee on decentralizing the Government, could you provide that space in or near the District of Columbia in 6 months?

He said:

Yes, I could.

He was then asked:

How much money would be required?

He told us the amount of money which would be required. So we know that for a certain sum of money all the space the Government needs could be provided, together with the necessary housing, in or near the District of Columbia, so placed that the employees would not have to go down town in the daytime. They would live near the buildings where they work.

Consider the advantages of such a situation. The whole Government should be together. If we want to win a war, we must have our general staff pretty well together. One of our troubles today is that we have English friends in England, Chinese friends in China, and Dutch friends in the Dutch Indies. It is difficult, on a world canvas, to coordinate world strategy. That observation applies to the National Government on a smaller scale.

Then we asked Mr. Reynolds:

If you were to move these bureaus and decentralize to a sufficient extent to realize a similar amount of space, how much would it cost?

Mr. President, the saving would be $24,000,000 if we should decentralize to the extent now contemplated, and that figure does not take into consideration money for roads, or the incidental things which might flow from such action.

Mr. Reynolds knows where he can get the lumber. He has made a survey of the available labor. We have asked the American Federation of Labor, Building Trades Council, "Can you supply the labor?" They say, "Yes; and we will guarantee to finish every one of those buildings 30 days ahead of the time you set."

Mr. President, all those are facts. They are not opinions. The Budget Bureau does not have those facts. It has never had the time to get them. I do not wish to reflect on the Budget Bureau; but these facts have been deduced from weeks and weeks of hearings. I feel that in bringing them to the attention of the Senate and supporting the resolution of the Senator from Nevada I can render the Government some service by acquainting the Senate with the facts and stopping a move which in my judgment would be costly and inefficient and would add to the confusion of the war effort, whereas the alternative would make for efficiency and economy in winning the war.

Mr. REED. Mr. President, I shall not detain the Senate very long. I wish to approach this question from a different angle than most of the discussion has covered.

I have long been for decentralization of the administration of the Government of the United States. I am now speaking for a section of the country far removed from Washington and the District of Columbia.

Much has been said about hardships upon certain individuals. What about the hardship on those of us who come 1,500 miles by train, requiring 2 nights and a day by the fastest trains, to transact business in Washington, much of it administrative detail which could be transacted much better in some city more conveniently located with reference to the administration of the particular project?

I shall not undertake to analyze the functions of the Government further than to give a few examples. There is not a man from the West who does not know that it would be more convenient to deal with an irrigation service located in Denver, for example, or with a forestry administration located at Salt Lake City, or with a grain grading administration located in Chicago. After all, 95 percent of the grain sold on the market is graded at Chicago, Minneapolis, Omaha, Kansas City, and St. Louis—not one of them convenient to Washington. Yet if we in the grain section have anything to bring up we must come here to see the Grain Grading Administration.

All the Indian tribes are in the West. So far as I know none of them are located on the Atlantic coast. Yet anyone who

has any business to transact regarding Indian affairs must come to Washington to transact it.

Mr. President, the Capital of the United States was located in the tidewater area when the country was new. At that time there were few people west of here. The center of population has moved from where it was, and is now at a point in Indiana. The Government should be permanently decentralized. The present war condition is temporary. I am speaking from the long-range standpoint of fairness to the citizens of the country in dealing with these important matters; it is their convenience and economy which would be served by a decentralization. In addition, the congestion in Washington would be lessened.

Mr. LEE and Mr. CHAVEZ addressed the Chair.

Mr. REED. I shall be delighted to yield first to the Senator from Oklahoma, and then to the Senator from New Mexico.

Mr. LEE. The argument the Senator makes is good, and I wish the departments could be influenced by its logic. For example, there are more Indians in Oklahoma than are found in any other State in the Union; 27.9 percent of the Indian population of the United States is located in Oklahoma. The Office of Indian Affairs argues that it does not want to go to Oklahoma because there are so many Indians there. The officials of the Office of Indian Affairs prefer to go to Chicago because there are no Indians there at all. On that theory, why not locate in Oklahoma the Bureau of Fisheries, with the idea of getting the Bureau of Fisheries as far as possible from the fish? [Laughter.] That is the argument which seems to be persuasive with the bureau heads who want the bureaus located here.

Mr. REED. I now yield to the Senator from New Mexico.

Mr. CHAVEZ. I was about to suggest to the Senator from Kansas that, in addition to the Office of Indian Affairs and the other agencies of government which he has mentioned, the National Park Service has all its activities in the West, and very few of them in the East.

Many other agencies of the Government, such as the Forest Service, the Bureau of Grazing, the Bureau of Public Lands, and the Bureau of Reclamation, have their activities located entirely in the West.

Mr. REED. The Packers and Stockyards Act should be administered in the West.

Mr. CHAVEZ. Employees of various bureaus are constantly making trips to the West. We could save the Government a great amount of railroad fare by having many Government bureaus in the West.

Mr. VANDENBERG. The Capital is in the wrong place.

Mr. REED. Mr. President, I have dealt very briefly and hurriedly with some of the features of this question. As I said in the beginning, I have long been in favor of decentralization of administrative functions. Great savings in time would result if the administrative agencies were located where their duties are, and where the people who need the services are located. That is the long-range view. I would urge it upon any administration.

I know the pressure to put things in Washington. I know that the longer the Government stays in the District of Columbia, and the longer Members of Congress stay here, the more tender they become about the susceptibilities of the District of Columbia. Mr. President, I am not in the least sensitive to the susceptibilities of the District of Columbia. The District of Columbia is the least representative community in the country. The people of the District have very little understanding of the motives, emotions, and feelings which move the people of the United States. They live upon Government. In no other country in the world that I know of is there a situation similar to this. London is a great capital; it is also a great industrial city. Paris is, or was, a great capital. It is also a great fashion center, a great industrial city, and a great manufacturing city. That is true of Berlin; it is true of Moscow; it was true of St. Petersburg, now Leningrad. This is the only capital of any first-class nation in the world that is devoted entirely to government; and it is unfortunate that that is so. It is unfortunate for the Government; it is unfortunate for the people who live here; it is unfortunate for administration.

I desire to repeat, Mr. President, that there is no community in the United States of which I have knowledge—and I am familiar with most of them, I think—that is as blind to the emotions which move the American people as are the people who live in the District of Columbia. If any Member of this body or of the other House of Congress comes here and remains here long enough and permits himself to do so, he will soon become more influenced by the false atmosphere in the District of Columbia than is good for him or his constituents. That is the long-range view of the matter.

I desire to touch briefly upon the immediate situation. I voted for the so-called reorganization bill when it was before us. I happened to be one of the few Senators on this side of the Chamber who did so. I did so because I thought the various departments and bureaus should be reorganized; that Congress could not reorganize them; and that it was an executive and not a legislative task. I still think so. I voted to give the President of the United States authority to reorganize the bureaus of the Government. Every President, beginning with President Taft, has asked for such authority—Republicans and Democrats alike. I happen to be a Republican. Coming to the Senate at a time when a Democrat was President, when that question came up I voted as I would have voted had a Republican been President. To me the question is not a political one. It is a question of efficiency and of saving the time, effort, and money not only of those in the District of Columbia but of the people of the United States, who are entitled to our first consideration, and who so often fail to receive it.

With reference to the pending resolution, Mr. President, let me say that I was absent from the Chamber for perhaps an hour. I am informed that the original resolution has been greatly changed. I am very glad of that. I have so much admiration and affection for the distinguished Senator from Nevada that I am glad he agreed, as I understand he did, to a change in the wording of the resolution.

I do not think that a proper decentralization would mean less efficiency or more expense. I think that decentralization properly carried out would mean less expense, more efficiency, and greater convenience to the people who have to come here—some of them all the way across the United States and some of them halfway across the United States.

Personally, I have made 200 trips from the Missouri River territory to Washington, some of them for personal interviews on matters which I could settle in an hour after reaching Washington. Yet I have had to pay railroad fare for 1,500 miles, and have had to take time out to come half way across the continent to Washington.

I have depended upon my very good friend, the Senator from Connecticut [Mr. DANAHER], for a written copy of the resolution in the form in which it is now before the Senate. I desire to refer to it briefly. It has been greatly improved and made less offensive; but I do not think it yet is in the form in which it should be. Let me refer to it.

In the first place, the resolution recites that it is the sense of the Senate that so and so, and then that the execution of any such order should be stayed until the Congress shall have made inquiry into the reasons therefor.

After the adoption of the resolution, if it should be adopted, let us assume that what they suggested is acceded to, and then we go ahead and make an inquiry; it is wholly up to us. I think this resolution, while greatly improved, is not yet in the form in which it ought to be.

Mr. TYDINGS. Will the Senator yield?

Mr. REED. I yield.

Mr. TYDINGS. The Senator was out of the Chamber, I believe, when it was brought out that the chairman of the Committee on the District of Columbia and the chairman of the joint committee, the chairmen of both committees, on many occasions attempted to get Mr. Smith, or whoever seems to have this matter in charge, to come before us to show him the data the committee had and to ask him whether he had such data, but we were unable to do it. That is one of the purposes of this resolution, so that we will make sure that when this action is final, all the factors will be before those who have charge of it.

Mr. REED. I hope that the members of the Committee on the District of Columbia will not take offense at what I am about to say.

Mr. TYDINGS. Certainly not.

Mr. REED. I have the utmost affection for the chairman of the committee, the Senator from Nevada [Mr. MCCARRAN], and for the Senator from Maryland [Mr. TYDINGS], who, I claim, at least, is one of my very good friends.

Mr. TYDINGS. The Senator is correct.

Mr. REED. I do not think the District of Columbia Committee has any business

with this question. The District of Columbia Committee was created by this body with the intention of dealing with local questions affecting the District of Columbia, and the relation of those problems to the conduct of government. This question, Mr. President, goes to the policy of government itself.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. REED. Certainly.

Mr. TYDINGS. The Senator is absolutely correct in his generalization, but let me suggest this thought: We are not dealing here primarily with the advisability of decentralizing the Government in Washington; what we are dealing with is providing office space and housing facilities, if they are feasible, about the city and its environs. If this were a policy of decentralizing the Government, as a matter of national welfare, the debate would take on an entirely different plane. This is only a matter of dealing with a temporary emergency in the District of Columbia, and has nothing to do with permanent policy.

Mr. REED. Mr. President, I shall conclude in a few moments. I think I have enough differences of opinion with the President of the United States upon questions of importance to my people and to my State, and I express those differences with my vote; I always am reluctant to vote contrary to what seems to be the policy of the President; but I sometimes do so. I do not, however, want to put myself in the attitude of criticizing the President of the United States upon any matter of detail of administration such as this, which, in my opinion, is properly within his authority.

I voted, as I have said before, for the reorganization bill, so as to give the President full authority to take this kind of action. I have not examined into the details. I do not want to apply the remarks I am making to any particular detail of this situation; but I do not think the Senate ought to take a step that seems to be a reflection upon the judgment of the President of the United States in administrative matters that are within his authority—certainly not without the most careful consideration.

The resolution as originally offered has been entirely changed. I should not have been willing to vote for the original resolution under any circumstances, and I am sure my friend the Senator from Nevada, chairman of the committee, will not take offense at that statement. It has been changed, softened, made less offensive; and yet, Mr. President, it is not in proper shape now. So I hope, after due consideration, the resolution will not be adopted. If we have not been given ample information, we ought to have it. The Congress of the United States, the Senate alone, or the House of Representatives alone, may inquire into matters of Government whenever they so desire. That is their right under the Constitution. I do not want to waive that right for a moment, but I would not make any criticism of the President of the United States for acting within his authority. If we want information we ought to ask for it by resolution, if that is the best way to get it; but certainly we ought not to take the hasty action which was contemplated here.

Mr. DANAHER. Mr. President, in view of the fact that in an effort to be helpful I offered a substitute for the resolution before us, which substitute has posed the pending question, it seems to me that just a word may be added to what has been said.

In the first place, the resolution in no way whatever engages the issue of whether there should be decentralization. It in no way goes into the question of permanent policy; it in no way makes inquiry, even on its face, as to whether there is a housing condition or a lack of office quarters in the District. None of that is involved in the pending resolution. The only thing that is involved in the resolution is this: Is a committee of the United States Senate, seeking information for its guidance, to be denied such information? If it is, if it is not to have the help of Government agencies in framing legislation which should guide and control us, then we ought to find that out.

The resolution calls for an inquiry through the Director of the Budget for information from him as to the reason for the issuance of an order of removal f any agency or department. That is the first inquiry. If the reasons be sufficient, we next pass to the second phase of the information called for in the pending resolution, and that is the statutory authority on which the order of removal is based. If there be no statutory authority, and the facts require that there should be, then it becomes, Mr. President, our plain duty to legislate to effectuate the desirable end.

The next point is that, since it is claimed that many agencies already are under order of removal, pending a disclosure of either the factual situation or the statutory situation, or both, the Senate requests respectfully--and that is all it can do, and that is all it does—that the order of transfer or removal be stayed.

Mr. President, in substance, that is all the resolution means. The Senator from Kentucky, in objecting to the pending resolution, offered really two grounds for his opposition. The first was, he said, since the resolution simply voices the sense of the Senate, it is meaningless. As a strictly logical statement of the situation, there could be no quarrel whatever with that utterance by the Senator from Kentucky. In the 3 years I have been here I have time and again seen a resolution submitted, on the other hand, in behalf of the majority to effectuate some statement of policy, and, in every instance, it has been supported by the Senator from Kentucky and urged upon us.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DANAHER. Yes; of course.

Mr. BARKLEY. I do not recall that we have ever offered a resolution simply declaring that it is the sense of the Senate that something ought to have happened. I have no recollection of that.

Mr. DANAHER. Let me refresh the Senator's recollection, then.

Mr. BARKLEY. It may be I have done so.

Mr. DANAHER. Let me give the Senator an illustration. I recall when the question was before us of whether the gallant Republic of Finland in fighting for its life should receive assistance from the United States, the then chairman of the Senate Committee on Finance, the late Senator from Mississippi, Mr. Harrison, reported a resolution which came from the Committee on Foreign Relations, of which the distinguished majority leader is a member. The resolution declared it to be the sense of the Senate that the Republic of Finland, if and when it filed application for registration of its bond issues with the Securities and Exchange Commission, should have its application expedited and early consideration had thereon, and so on. I recall that the Senator from Nebraska joined with me and I think there was one other Senator who did likewise, in expostulating at that time as to the meaningless vacuity, for various reasons, of adopting a resolution declaring the sense of the Senate.

In the first place, there was not then pending any application by the Republic of Finland to register a bond issue, and there never has been since that time. In the second place, we had not any right to tell the S. E. C. in what order it should take up applications pending before it. In the third place, we had nothing to say as to whether or not the application was sufficient to justify a license and registration anyway. We might just as well have asked the Supreme Court of the United States to advance a case from No. 15 to No. 10 or to No. 5 on the docket.

Mr. NORRIS and Mr. BARKLEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Connecticut yield, and if so to whom?

Mr. BARKLEY. I desire to ask one more question.

Mr. DANAHER. I should like to have the Senator from Nebraska interrupt me first if he will, please.

Mr. NORRIS. Mr. President, I distinctly remember the case referred to by the Senator, although I did not remember it when I spoke briefly on this resolution; but it was one of the things I had in my mind. I had forgotten the name of it. I cited that instance as a reason why we should not now pass a similar resolution. The Senator evidently cites it as a reason why we should, does he not?

Mr. DANAHER. Oh, no. Let me say to the Senator from Nebraska that the Senator from Kentucky had said that never within his recollection had there been any such instance.

Mr. NORRIS. I am very glad the Senator referred to that instance. It seems to me it brings out distinctly the inconsistency of Senators in adopting resolutions declaring so and so to be the sense of the Senate.

Mr. DANAHER. As if we had any? [Laughter.]

Mr. NORRIS. As though we had any authority to do it.

Mr. DANAHER. I appreciate, of course, and coincide in full with the

declaration of the Senator from Nebraska as to the legal effect of the pending resolution. It is absolutely meaningless. It is a perfect vacuity. It is a legal nonentity. In fact, Mr. President, it can have no greater effect than to constitute, if it constitutes anything, a request from the Senate that the District Committee, or whatever committee is hearing this matter, shall not be disregarded by one of the Government agencies. To that extent we have a perfect right to resolve, I am sure, irrespective of the effect to be given to our action in case the Attorney General or anyone else chooses to advise the Director of the Budget that he may disregard the resolution without penalty.

But let me say to Senators that the second ground upon which the Senator from Kentucky based his objection is, to me, the least tenable of anything he said. He implied that anyone who chose to go along in support of the committee in the assertion of its prerogatives in effect was expressing a dissension as against the President himself. That not only is not expressed in any way in the resolution, but it is not implicit in it, either. It is simply an unjustified argument, and cannot be imported into this discussion.

Mr. President, let us go on, however. If the Senator from Kentucky chooses to talk about that sort of thing, let me call to the attention of Senators the anomalous position in which I find myself this very day.

We were told all last week of the expedition, the haste with which we must act in connection with price-control legislation. We stayed here all day long, day after day and up until the late evening on Saturday, after having started the session at 11 o'clock in the morning, in our efforts to conclude the consideration of the bill. In the course of the hearings before the Committee on Banking and Currency I had opposed the Bankhead amendment. It did not come into the Senate reported by the Banking and Currency Committee. On the floor it was adopted. I objected to it. I voted against it. Later, the O'Mahoney amendment was brought in here. That amendment, too, was the subject of opposition on my part, and I voted against it. Nonetheless, I found myself appointed on the committee of conference on behalf of the Senate to consider that bill.

It will be recalled that in the course of the argument and debate here on the floor there had been submitted to us a letter from the President of the United States injecting into the issue before us the view of the President in the particular in question. The fact that his position and mine completely coincided in every aspect in no way detracts from the fact that he had sent a letter to the Senate, then considering legislation. What do we find since? I find myself, as one of the minority conferees, together with the Senator from Ohio [Mr. TAFT], to this day without having participated in any respect in any conference whatever. I am told that there is to be a conference sometime tomorrow morning. The press reports that the House conferees have been called to the White House, and the views of the President have there been expressed, I assume to the House conferees. I know that as a result of the conference the newspapers reported exactly what position the President had asserted with respect to the Bankhead amendment and exactly what he said with reference to the O'Mahoney amendment, and with his predictions and his conclusions as to both such amendments I heartily concur, if the press correctly reports what is attributed to him. But when we go into a conference, if and when we do go into one, are we to be handed some kind of a program that has been already agreed upon by somebody without the Senate conferees even being parties to it? I am told that there are Senators on this floor who have even been consulted during the day by legislative draftsmen or others seeking to reconcile their views with reference to proposed language which is not even before any Senate conferees as yet. They have not even met.

Mr. President, it now becomes my duty under the rules, as I understand, when I go into the conference, to do everything I can to represent the position of the Senate in the conference. I most certainly shall do it. I shall do everything within my power to carry out the view of the Senate, insofar as it was voted. I do not know in what anomalous position I shall find myself if some influences and some forces outside the Congress itself have already made some strides toward, if not an actual agreement to, a concord entered into without our presence and without our knowledge.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. DANAHER. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. I have heard a great deal that the Senator has said as to the propriety of minority conferees being excluded from conferences. I do not know what the facts are about this particular conference; but the Senator would not by any manner of means, I take it, state that it is without precedent. Under the late Republican administrations in Congress it was entirely customary, as was done in the case of the Smoot-Hawley bill, for instance, for the majority conferees of the two Houses to meet together and agree on a conference report before they even called in the minority conferees and told them what the conference report was to be.

I do not know what the facts are about the particular bill referred to, because I am not a member of the Banking and Currency Committee, and therefore am not a conferee; but I hope the Senator will not set up this action as an innovation, even if the majority conferees were to meet without any consideration being given to the minority members.

Mr. BANKHEAD. Mr. President——

Mr. DANAHER. Just a minute. I want to ask the Senator from Missouri a question.

Mr. BANKHEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Alabama?

Mr. DANAHER. No; I will not yield now, with the Senator's permission.

Mr. BANKHEAD. I want to have a quorum present.

Mr. DANAHER. Does the Senator from Missouri expect that when I do go into a conference, even if I have not been a participant in any meetings up to this time, I shall be duty bound to represent the position of the Senate in the conference?

Mr. CLARK of Missouri. I certainly think the Senator must follow out his own convictions as to his duty at any time. As I said, I never approved in principle the practice I have mentioned; but I simply wanted to say to the Senator from Connecticut that it is by no means an innovation in legislative history, for it has been done repeatedly, time after time, and on some of the most important bills.

Mr. DANAHER. I do not know anything about the Smoot-Hawley bill. I was not here when it was enacted, and I do not know anything about the conferences attendant upon it. I do know that if it was the iniquity that I have heard charged, it is still on the books, nearly 12 years later. The Smoot-Hawley bill, however arrived at, is still the law of the United States, notwithstanding the overwhelming control of the Government by a party which purports to be in opposition to its intendment, and which brings it up here every little while. I know nothing about how it was arrived at; I am not justifying it on any such account; and I am not going back into the precedents.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. DANAHER. Yes; I yield.

Mr. CLARK of Missouri. Mr. President, that is not the question which I propounded to the Senator. I asked him whether he thought there was any innovation in the practice of the majority conferees holding a meeting preliminary to the admission of the minority conferees to the conference. I could stand here and repeat a number of other instances in which the same thing has been done. I am not approving the practice, and I do not know that the practice has been followed in this case, as I have stated, but I do not think there is any new discovery, or any new practice, even if that was done.

Mr. DANAHER. Answering the Senator's question as to whether I think there is an innovation involved, I will say that I am quite willing to believe that there is not, but I will say it is the first time it has happened to me, to read in the papers all about what is going to happen to me, in effect, tomorrow morning. [Laughter.] That is the situation of which I am giving the Senate appropriate advice at this time, because in the event the conference has the matter so fixed that the O'Mahoney amendment is out of the draft of the conference report, I do not want the Senator from Wyoming [Mr. O'MAHONEY] to rise and say, "Why did not the Senate conferees back us up? Why did they not insist on the Senate amendment, and mine particularly, which prevailed by such a large margin, expressing the sense of the Senate"—which we have been discussing.

Mr. BANKHEAD. Mr. President, there are many Senators who I am sure would like to hear the discussion now proceeding, but who are not on the floor

at this time. Therefore I wish to suggest the absence of a quorum, and give them an opportunity to be here.

Mr. DANAHER. I may say to the Senator from Alabama, if he will withhold his request a moment, I shall conclude the point I was particularly discussing and refer back to the argument presented by the Senator from Kentucky. What started me on this line was his imputation that we were in effect seeking to raise dissension in connection with the action of the President, when I rose to try to be of assistance to the Senator from Nevada and the Senator from Maryland, and present the pending resolution in a form which many of us can accept. I merely wanted to make it clear that, quite contrary to our ignoring the President in these particulars, it may well be the converse of that; and that is how it all came about.

I now yield to the Senator from Alabama.

Mr. BANKHEAD. If the Senator is through with his discussion, I have no interest in suggesting the absence of a quorum. Is the Senator through? If the Senator intends to continue his discussion, I wish to make the point of no quorum.

Mr. CHANDLER. Mr. President——

Mr. DANAHER. I yield to the Senator from Kentucky.

Mr. BANKHEAD. Does the Senator intend to proceed with his discussion?

Mr. DANAHER. No; except as comment is called forth by those who are eager to join the fray. [Laughter.]

Mr. BANKHEAD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Austin	Gillette	O'Daniel
Bailey	Green	O'Mahoney
Ball	Gurney	Pepper
Bankhead	Hayden	Reed
Barbour	Hill	Reynolds
Barkley	Holman	Smathers
Brewster	Johnson, Colo.	Smith
Brown	Kilgore	Stewart
Bulow	La Follette	Taft
Bunker	Langer	Thomas, Okla.
Burton	Lee	Thomas, Utah
Butler	McCarran	Tunnell
Capper	McFarland	Tydings
Caraway	McNary	Vandenberg
Chandler	Maloney	Van Nuys
Chavez	Mead	Wallgren
Clark, Mo.	Millikin	Walsh
Danaher	Murray	White
Ellender	Norris	Wiley
Gerry	Nye	Willis

The PRESIDING OFFICER. Sixty Senators having answered to their names, a quorum is present.

Mr. BUTLER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Nebraska?

Mr. DANAHER. I yield.

Mr. BUTLER. Somewhat out of order, but nevertheless in strict keeping with the sentiment which was being expressed just before the absence of a quorum was suggested, I should like to insert in the body of the RECORD at this point a brief statement I made today, the subject of which is, The Farm Price Is the Farmer's Wage.

The PRESIDING OFFICER. Witnout objection, it is so ordered.

The statement is as follows:

THE FARM PRICE IS THE FARMER'S WAGE

President Roosevelt's opposition to fair prices for farmers under the price-control bill is highly disappointing to me and is in marked contrast to his favoritism toward labor.

According to the views of the administration, farm prices should be held down while wages and salaries are pushed higher and higher. But if we have inflation, it will be due to the upward spiral of wages and salaries, which make up practically two-thirds of the national income. The farm price is the farmer's wage and it is the only wage rate that is to be limited by this bill. The O'Mahoney amendment is simply an attempt to tie farm prices to this rising level of urban wages.

In addition, some adjustment up and down of prices of individual farm commodities is essential if farm production is to be directed into the proper channels. We are undertaking a terrific readjustment of agriculture out of surplus crops and into meat and other food products our allies will need. This readjustment can be accomplished only through price controls administered by the agency directing agricultural production the Department of Agriculture. For these reasons, I hope the Senate will reject the conference report if it does not contain the Bankhead or O'Mahoney amendments.

I doubt if those who oppose these amendments realize fully the importance of our food-production program.

Mr. CHANDLER. Mr. President, will the Senator from Connecticut yield to me?

Mr. DANAHER. I am glad to yield to the Senator from Kentucky.

Mr. CHANDLER. The point I was about to make is that I hope the Senator will not commit himself with respect to the measure, for, as a member of the conference committee, he may have an invitation to go to the White House to discuss it before it is acted upon. I agree that Senators who are members of the conference ought to have an opportunity to discuss it, and understand, if possible, what is best to be done. But it is no new thing, after the Senate has taken action by a sizable majority, for a conference committee to bring back a report adverse to the Senate's action.

Mr. DANAHER. Mr. President, I thank the Senator from Kentucky for his interest in my behalf, and particularly on the social side of the matter. But let me say to the Senator from Kentucky, I have no doubt whatever that we are frequently at fault ourselves when we allow a bill to come before us in the form of the measure in question, with all after the enacting clause stricken out and new language inserted, thus constituting what we choose to call a new bill, and leave, after conference, nothing for the respective Houses to do but to vote the whole thing up or down.

The situation which is going to confront the conferees on the price-control bill apparently is one in which some interest, some group outside our ken entirely, in fact without our presence, agrees upon some proposition which in the new form will constitute the conference report which we will be asked to accept, either to vote it up or down. Then, Mr. President, there will be no recourse for us but to come in here, let us assume—I am making the assumption only on the basis of newspaper reports, I hasten to add—with a report which cannot be accepted on the ground, let us say, that it does not represent the view of the Senate as its vote has been taken, and, be subject, as I have heard Senators subjected on this floor, to the charge that we have relaxed our vigilance, or our insistence on the Senate position. The anomaly thus created is such that it is not pleasant, to say the least, and in view of that situation, Mr. President, I have taken the occasion to advise Senators exactly what the situation is, as I see it, not only with reference to that subject, but by way of reply, let me recall, to an observation made by the Senator from Kentucky to the argument made on the pending substitute for Senate Resolution 216.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. BARKLEY. I do not think there is any analogy between the illustration given by the Senator and the argument I made that the adoption of this resolution, if it had any effect at all, was intended to interfere with what the President had already ordered to be done regarding the removal of bureaus.

So far as any conference on the price-fixing bill is concerned, there have been no secret meetings. The Senate conferees have not met, they have not talked about it; they have not met with the House conferees; they have not met with one another. My understanding is that the President called the House conferees to the White House to discuss with them the Senate amendments. Of course, it was assumed that the Senate conferees knew what those amendments were. We fought the question out in the Senate. We threshed it out on the Senate floor. Whether any commitments were made in the White House conference I have no information. The newspapers carried a report of what transpired in the conference, or at least the President made certain statements at the press conference. But if the Senator from Connecticut has the idea that he has been left out of anything which other senatorial conferees have been let in on, he is entirely mistaken, because we have had no meetings and no discussion with respect to what would be our attitude in the conference on the Senate amendments.

Mr. DANAHER. Mr. President, I am very happy to have that assurance from the Senator from Kentucky, particularly in the light of the fact that I know that one Senator at least has been consulted this very afternoon by the legislative counsel to know whether certain language of the reported amended bill to be submitted to the conference would meet his objection, and whether he, in the light of the position he has hitherto taken, would accept that particular language.

Mr. BARKLEY. Mr. President, so far as that is concerned, we are all open to suggestion. I have been called from the Chamber by representatives of farm interests and talked to about what the conference ought to do, or what it will or will not do. Is there any objection to that? Such representatives have a right to talk with me about things of that

sort. The mere fact that we are approached privately with a suggestion is no indication that there has been any private agreement entered into. Of course, we all realize that differences have to be worked out. There has to be the policy of give and take in every conference; otherwise, there cannot be any legislation. I myself welcome any suggestion from any source which is reliable and respectable with respect to any legislative proposal with which I have to deal.

Mr. DANAHER. The Senator from Kentucky will certainly understand my position when as a minority conferee——

Mr. BARKLEY. The Senator from Missouri [Mr. CLARK] has just made a suggestion, which, of course, I adopt as my own, though I did not think of it. Any Senator has the right to ask the legislative counsel to draw up any sort of proposal for his own use on the floor, in a conference, or in a committee, or anywhere else. Certainly there can be no objection to that. That is why we have the legislative counsel.

Mr. DANAHER. I think it would be desirable to take such action more often.

Mr. REED. Mr. President will the Senator yield?

Mr. DANAHER. I yield to the Senator from Kansas.

Mr. REED. I wanted to ask the Senator from Kentucky a question, while interrupting the Senator from Connecticut, but I shall ask for the floor in my own right as soon as the Senator from Connecticut shall have concluded.

Mr. DANAHER. Mr. President, briefly concluding, I respectfully revert to the pending Senate Resolution 216, and ask that the substitute now pending be adopted.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as modified.

Mr. O'MAHONEY. Mr. President, I desire to ask the Senator a question before he takes his seat. I understood the Senator from Connecticut to say a moment ago in his colloquy with the Senator from Kentucky that he had personal knowledge of some formula or language that had been agreed upon with respect to the bill which is in conference.

Mr. DANAHER. No; I tried to make clear, and I hope I did, and I hope the RECORD will show that I did, that a Senator had been consulted as to whether he would agree that certain language proposed could be made the basis of acceptance on his part.

Mr. O'MAHONEY. Does the Senator know from what source the proposed language came?

Mr. DANAHER. No; I do not, except that it came from the legislative counsel, the Senate's own draftsman.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. BARKLEY. The Senator knows that the legislative counsel would not take the liberty of initiating a suggestion unless there had been a request made by some Senator.

Mr. DANAHER. Oh, by all means that is so. I want that made perfectly clear. I fully agree that that is so. There is no finer group of assistants in the city of Washington than the legislative counsel. I would not have any imputation made against them.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as modified.

Mr. BANKHEAD. Mr. President, before the subject is disposed of I wish to make a very brief statement. I am, of course, as everyone knows, one of the conferees. I have not been approached by any other member of the conference committee, nor by any legislative draftsman, about the action to be taken, either in substance or in language, by the conference committee.

Mr. REED. Mr. President, this discussion has rather wandered off the main subject; but having done so, I wish to take 2 or 3 minutes in my own right as a Senator to discuss or comment upon some of the things that have been said.

A little while ago, even though a Republican, I took the side of the President of the United States. I now want to challenge his statement made yesterday that the adoption by the Senate of the so-called Bankhead amendment and the so-called O'Mahoney amendment would make for inflation or would be a very important factor in inflation. I resent, as a Member of this body, the interference by the President in the legislative processes to the extent that he has interfered in them.

He sent to this body while we were discussing those questions a direct letter advising us how we should vote. He now is credited in the public press with sending for the conferees on the part of the House. Until the Senator from Kentucky disclaimed it, I had assumed that he might also have sent for the conferees on the part of the Senate.

Mr. President, I do not think that is proper conduct on the part of the President of the United States with regard to the rights, privileges, and duties of the legislative body. He can communicate with us by message, and he has done so. Presidents often have informal conferences with members of their party; but when it comes to sending for a conference committee after both Houses have acted, but before the conference committee has met, I for one do not think that is proper. Particularly and especially do I wish to challenge the statement that was given Nation-wide publicity yesterday that the action of the Senate in adopting the two amendments is an important factor in inflation. As a matter of fact, it is much less of a factor than wages, which were discussed on the floor of the Senate.

I do not happen to be one of those who, as they so frequently express themselves, voted for those amendments because of disappointment that the President had not moved in any effective way to handle the wage question. I would have voted for the amendments anyway. Nevertheless, those factors are related.

I stand here to speak for the farmers of the United States. I deny what the President said yesterday, that a great majority of the farmers of this country are not favorable to the action taken by the Senate. He did not express it in just those terms, but that was the sense of his statement. I say that that action on behalf of the farmers of the United States—those in the cotton section, the Wheat Belt, the dairy regions country, and the wool section—was a justifiable action. I do not think it was good taste on the part of the President of the United States to make the statements made yesterday, and to send for conferees on the part of one House or the other while these questions were being handled in the duly authorized constitutional legislative process.

Mr. BARKLEY. Mr. President, let me reply briefly to the Senator from Kansas. I appreciate the sincerity of his views. I do not see any impropriety in the President conferring with Members of either House on legislation. The President is a part of the legislative machinery. No bill can become a law without his signature, unless it is passed by a two-thirds vote over his veto. Frequently the President calls into conference members of committees of the House or Senate with respect to proposed legislation even before it is introduced. Certainly he has the right to do so and cannot be accused of impropriety in trying to direct proposed legislation, which he must sign or veto after it has been enacted.

I see no impropriety in the President talking informally with a committee or with a single member or with parts of committes or even with conference committees, with respect to legislation which will be put on his doorstep and which he must either sign or veto. I therefore cannot agree with the Senator from Kansas that there is any impropriety in his discussing such matters with a Member of the House or of the Senate or with committees of the House or Senate.

What the President said in his press conference about the effect of the amendments may be a matter of opinion; but the President is a part of the legislative process, and he cannot avoid that responsibility.

Mr. REED. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. REED Does the Senator from Kentucky think it is an informal matter, to be passed over lightly, when, after both Houses have taken action, and after much debate, at least in the Senate, the President of the United States sends for conferees on the part of one House?

Mr. BARKLEY. Whether we call it formal or informal is immaterial. Evidently the President thought it of enough importance to ask the conferees on the part of the House, who had not considered the matters which we considered in the Senate, to talk over the situation.

Mr. REED. Under the rules of both Houses there is a fixed way in which these matters may be considered, is there not?

Mr. BARKLEY. Oh, yes.

Mr. REED. The President of the United States is no part of the consideration of those questions. When the time comes, and the bill is laid before him to receive his approval or his veto, as he may elect, he becomes a part of the legis-

lative process. Otherwise, what becomes of free legislative processes?

Mr. BARKLEY. If that theory were carried to its logical conclusion, the President would be barred even from recommending a bill to Congress.

Mr. REED. The Constitution not only recommends, but directs that the President initiate legislation, and it prescribes the way in which he shall do it.

Mr. BARKLEY. I do not agree to the theory that the President ought to send a message to Congress and then, from that time on, remain aloof on an island of safety, which no one can approach to discuss anything with him, or on which he may not invite anybody to approach to discuss the details of legislation which he has instigated by a message or by any other method by which legislation is inaugurated.

Mr. REED. Does the Senator from Kentucky approve the indictment of a majority of the Senate, as made by the President of the United States yesterday?

Mr. BARKLEY. I am not going to discuss what the President said, or whether he was correct. I did not read very closely the report of the conference, but the President was entitled to his view regarding the amendments which were adopted by the Senate. I expressed my view of them in my vote, as did other Senators.

The PRESIDING OFFICER. The question is on agreeing to the resolution as modified, which will be stated for the information of the Senate.

The modified resolution was read, as follows:

Resolved, That it is the sense of the Senate that the Director of the Budget, before taking any further steps toward removing any agency or office of the Government from the District of Columbia, submit a report to the Senate giving full information as to the reasons for the issuance of any order of removal, the statutory authority upon which it is based, and the facts in connection with each such agency directed to move under the provisions of said order, and that execution of any such order be stayed until the Congress shall have made inquiry into the reasons therefor pursuant to the foregoing resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution as modified.

Mr. BARKLEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the junior Senator from Arkansas [Mr. SPENCER] and will vote. I vote "nay."

Mr. VAN NUYS (when his name was called). On this question I have a pair with the senior Senator from Virginia [Mr. GLASS]. If he were present and permitted to vote he would vote "nay." If I were at liberty to vote I should vote "yea."

The roll call was concluded.

Mr. CHANDLER (after having voted in the negative). I have a pair with the Senator from Pennsylvania [Mr. DAVIS]. I transfer that pair to the Senator from South Carolina [Mr. MAYBANK] and permit my vote to stand.

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] and the Senator from Louisiana [Mr. OVERTON] are absent from the Senate because of illness.

The Senator from Montana [Mr. WHEELER] is absent on important public business.

The Senator from Florida [Mr. ANDREWS], the Senators from Mississippi [Mr BILBO and Mr. DOXEY], the Senator from Washington [Mr. BONE], the Senators from Virginia [Mr. BYRD and Mr. GLASS], the Senator from Idaho [Mr. CLARK], the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr GEORGE], the Senator from Iowa [Mr HERRING] the Senator from Delaware [Mr. HUGHES] the Senator from South Carolina [Mr MAYBANK], the Senator from Tennessee [Mr. MCKELLAR], the Senator from West Virginia [Mr. ROSIER], the Senator from Wyoming [Mr. SCHWARTZ], the Senator from Arkansas [Mr. SPENCER], the Senator from Missouri [Mr. TRUMAN], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Texas [Mr. CONNALLY], the Senator from Pennsylvania [Mr GUFFEY], the Senator from Illinois [Mr LUCAS] the Senator from Utah [Mr. MURDOCK], and the Senator from Georgia [Mr RUSSELL] are detained in Government departments on matters pertaining to their respective States.

The Senator from Louisiana [Mr. OVERTON] is paired with the Senator from Minnesota [Mr SHIPSTEAD] I am advised that if present and voting, the Senator from Louisiana would vote "yea."

Mr. SMATHERS. On this question I have a pair with the Senator from Vermont [Mr. AIKEN]. I transfer that pair to the Senator from Mississippi [Mr. BILBO], and will vote. I vote "nay."

Mr. TYDINGS. My colleague [Mr. RADCLIFFE] is absent on important public business. If present and voting, I am advised that he would vote "yea."

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital due to a recent leg injury.

The Senator from Illinois [Mr. BROOKS] is absent on official business.

The Senator from Pennsylvania [Mr. DAVIS] has been called from the city on public business.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

The Senator from Minnesota [Mr. SHIPSTEAD] is unavoidably absent. If present he would vote "yea."

The result was announced—yeas 26, nays 33, as follows:

YEAS—26

Austin	Gurney	Reynolds
Ball	Holman	Smith
Bankhead	La Follette	Stewart
Barbour	Langer	Taft
Brewster	McCarran	Tydings
Bulow	McFarland	Vandenberg
Burton	Maloney	White
Butler	Nye	Willis
Danaher	O'Mahoney	

NAYS—33

Bailey	Capper	Clark, Mo.
Barkley	Caraway	Ellender
Brown	Chandler	Gerry
Bunker	Chavez	Gillette
Green	Mead	Smathers
Hayden	Millikin	Thomas, Okla.
Hill	Murray	Thomas, Utah
Johnson, Colo.	Norris	Tunnell
Kilgore	O'Daniel	Wallgren
Lee	Pepper	Walsh
McNary	Reed	Wiley

NOT VOTING—37

Aiken	Glass	Rosier
Andrews	Guffey	Russell
Bilbo	Hatch	Schwartz
Bone	Herring	Shipstead
Bridges	Hughes	Spencer
Brooks	Johnson, Calif.	Thomas, Idaho
Byrd	Lodge	Tobey
Clark, Idaho	Lucas	Truman
Connally	McKellar	Van Nuys
Davis	Maybank	Wagner
Downey	Murdock	Wheeler
Doxey	Overton	
George	Radcliffe	

So the resolution (S. Res. 216), as modified, was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1677. An act authorizing subsistence allowance provided for aviation cadets to be paid to messes in manner as prescribed by the act of March 14, 1940 (Public, No. 433, 76th Cong.);

S. 1995. An act to amend the act approved June 23, 1938, entitled "An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes";

S. 2090. An act to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes," approved March 3, 1909, as amended, so as to extend commissary privileges to such other persons as may be specifically authorized by the Secretary of the Navy;

S. 2094. An act to provide for the rank and title of the Commandant of the Marine Corps;

S. 2095. An act to further amend the act approved June 23, 1938 (52 Stat. 944), as amended; and

S. 2169. An act to create the Limited Service Marine Corps Reserve, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 5095) to set aside certain lands in Oklahoma for the Cheyenne-Arapaho Tribes of Indians.

The message further announced that the House insisted upon its amendment to the bill (S. 1936) to provide protection of persons and property from bombing attacks in the United States, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAY, Mr. THOMASON, Mr. HARTER, Mr. ANDREWS, and Mr. SHORT were appointed managers on the part of the House at the conference.

DAYLIGHT-SAVING TIME—CONFERENCE REPORT

Mr. BARKLEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2160) to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United

States" (40 Stat. 450), having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same

That the title of the bill be amended to read as follows: "An act to promote the national security and defense by establishing daylight-saving time."

BURTON K. WHEELER,
ROBERT F. WAGNER,
ALBEN W BARKLEY,
HOMER T BONE,
WALLACE H. WHITE, Jr.,
WARREN R AUSTIN,
Managers on the part of the Senate.

CLARENCE F. LEA,
ROBERT CROSSER,
CHARLES A. WOLVERTON,
Managers on the part of the House.

Mr. BARKLEY. Mr. President, I ask unanimous consent for the waiving of the rule with reference to action upon this conference report by the House first, for the reason that we have the papers. Technically, the House should act first; but, inasmuch as the Senate has the papers, I am asking that the technicality be waived, and that the Senate act first.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none.

Mr. McCARRAN. Mr. President, what does the request mean? I should like to have an explanation of it.

Mr. BARKLEY. The conference report is on the daylight-saving bill. The House passed a bill advancing time all over the country 1 hour, making the advance uniform. The Senate passed a bill authorizing the President to advance or retard time in all the country or in any portion of it. The Senate conferees have accepted the House version, which provides for a uniform advancement of 1 hour all over the country, to begin 20 days after the President signs the bill.

Mr. NORRIS. Mr. President, I desire to ask the Senator from Kentucky a question, if he will yield to me.

Mr. BARKLEY. I yield.

Mr. NORRIS. Does the Senator believe the Senate has a legal right to take the action requested by the Senator from Kentucky without the consent of the House? Does not the House have just as much to say about it as we do?

Mr. BARKLEY. No; the question as to which House shall first pass upon a conference report has nothing to do with its legality. It has been customary for the House agreeing to the conference to act first upon the report.

Mr. NORRIS. I understand that.

Mr. BARKLEY. I have conferred with the House conferees about the course I have proposed, and it is entirely agreeable that the Senate act first.

Mr. NORRIS. Very well.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report? The Chair hears none. The question is on agreeing to the conference report.

The report was agreed to.

PRICE CONTROL

Mr. BROWN. Mr. President, I ask unanimous consent to have printed in the RECORD a letter received by me from Mr. Edward A. O'Neal, president of the American Farm Bureau Federation, in which he fully sustains the position taken by the senior Senator from Alabama [Mr. BANKHEAD] in the discussion and votes taken upon the farm section of the price-control bill. I call the particular attention of Senators who are interested in the matter to paragraphs 10, 11, and 12 of the letter. The letter was sent to all the conferees on the price-control bill, and I think it is very illuminating as to the attitude of the American Farm Bureau Federation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION:
Washington, D. C., January 13, 1942.

Hon. PRENTISS M. BROWN,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR BROWN: Please permit me again to call your attention to the position of the American Farm Bureau Federation on certain phases of the price-control bill (H. R. 5990) now being considered by the conference committee of which you are a member. We have consistently urged the enactment of effective legislation to control farm prices as well as industrial prices and wages to the extent necessary to prevent inflation.

We strongly urge that the conference report include the Bankhead amendment. As you know, the effect of this amendment is to provide for coordination of the control of prices with the farm and food-for-freedom programs of the United States Department of Agriculture.

We believe that the Bankhead amendment is imperatively necessary to keep faith with the pledges of Congress and the administration to millions of farmers who are mobilizing in an all-out effort to produce adequate food and fiber to win the war. Unless this amendment is included in the price-control legislation, we believe that the entire program of producing food for the war effort of the united nations will stand in serious jeopardy.

An adequate supply of food is as essential to winning the war as munitions. If the Department of Agriculture is to get farmers to produce the needed food, it must have something to say about prices. Unless price curbs are properly coordinated with the food-for-freedom program to secure adequate food supplies, they will greatly impede production. The Department of Agriculture knows the agricultural problems and knows the prices needed to get the increased production. The Department of Agriculture and the farmers of America will supply this food provided their efforts are not hampered by unsympathetic price-control administrators. It is essential to the war effort that farmers be assured that the agency which is asking them to increase their production is in a position to control prices on a basis that will be fair both to producers and to consumers. If increased production is secured, consumers need not fear high prices, because abundant supplies are a more certain assurance against inflation than arbitrary price ceilings.

Congress and the farmers of this Nation, together with the present executive administration, have spent many years in developing a great national farm program. This program includes many price-fixing powers. The authority for the administration of these programs should remain in the United States Department of Agriculture, where Congress placed it. The powers given the Secretary of Agriculture under the price-fixing acts already adopted should not be taken from him simply because the Price Control Administration desires more power over the economic life of the Nation.

We also respectfully urge that the conference report on the price-control bill contain provisions to protect the parity principle as between labor, industry, and agriculture. In a resolution adopted at our last annual meeting, held in Chicago in December, we stated our position as follows:

"In order to prevent the average price received by farmers for any agricultural commodity being depressed below parity through the operation of price controls, no price ceiling should be established on any agricultural commodity, or the products thereof, at a price less than 110 percent of parity."

The parity price referred to in this resolution is the parity price defined in the Agricultural Adjustment Act of 1938. As stated in our resolutions, we wish to "reemphasize the soundness and justice of its parity price goals for agricultural commodities, together with the factors upon which parity prices for basic soil crops are determined." Our resolution on this subject also stated:

"We also recognize that the factors which determine parity prices for basic soil crops do not, in some cases, give equitable treatment to some of the other important farm commodities; therefore we hereby commit the federation to give its support of the acceptance of other factors for the determination of parity prices for such commodities to the end that they may have the same relative purchasing power as basic soil crops.

"We deplore efforts that are being made to raise the parity prices of farm commodities through a revision of the formula upon which parity prices are determined. If these efforts are successful, the sound and defensible basis of present parity, which is intended to give farm commodities a price structure representing a fair exchange value with the products of industry, would be destroyed, and agriculture would be breaking faith with the masses of the people. The federation has never asked for more than a square deal. We reassert that the best interests of agriculture and of the Nation will be served by establishing and maintaining a true balance between industry, labor, and agriculture. Such a balanced price and wage structure should be on a level that will encourage and permit of the largest production and consumption of the products of both industry and agriculture."

You will notice that our resolutions endorse the "110-percent provision" and the determination of more equitable and comparable parity prices for certain commodities as was provided for in section 3 (b) of the price-control bill as it passed the House and was reported from the Senate Banking and Currency Committee.

The farmers of America will soon begin the most important spring planting season in the history of this Nation. They have made their plans and are ready and willing to produce sufficient food and fiber for our total war effort. We earnestly request that the bill reported by the conference committee on price control safeguard this effort by the inclusion of the Bankhead amendment and the price protection herein advocated.

Respectfully yours,

EDW. A. O'NEAL,
President.

AMENDMENT OF ACT PERTAINING TO HOUSING IN CONNECTION WITH NATIONAL DEFENSE—CONFERENCE REPORT

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6128) to amend the Act entitled "An Act to expedite the provision of housing in connec-

tion with national defense, and for other purposes", approved October 14, 1940, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 4, 5, 6, 10, 13, 14, and 19.

That the House recede from its disagreement to the amendments of the Senate numbered 8, 12, 16, 17, 18, 20, 21, and 22, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "; (4) officers of the Army and Marine Corps not above the grade of captain, and officers of the Navy and Coast Guard, not above the grade of lieutenant, senior grade, assigned to duty at naval or military reservations, posts, or bases, or to duty at defense industries"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: Restore the matter proposed to be stricken out by such amendment and on page 3, line 25, of the House bill strike out "shall" and insert "may"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: Omit the matter proposed to be inserted by such Senate amendment; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by such Senate amendment insert the following: "with power during the emergency, in exceptional cases, to adjust the rent to the income of the persons to be housed,"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by such Senate amendment insert the following:

"SEC. 11. The first proviso of section 1 (b) of such Act, as amended, is amended by inserting before the colon at the end thereof the following: 'and so far as is consistent with emergency needs, contracts shall be subject to section 3709 of the Revised Statutes'."; and the Senate agree to the same.

ALLEN J ELLENDER,
DENNIS CHAVEZ,
CLAUDE PEPPER,
ROBERT M. LA FOLLETTE, JR.,
ROBERT A. TAFT,
Managers on the part of the Senate.

FRITZ G. LANHAM,
C. JASPER BELL,
PEHR G. HOLMES,
Managers on the part of the House.

Mr. ELLENDER. I ask unanimous consent for the immediate consideration of the report.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana?

There being no objection, the Senate proceeded to consider the report.

Mr. ELLENDER. Mr. President, by way of explanation, permit me to state that the following are some of the changes made to the existing Lanham Housing Act:

(1) Three hundred million dollars additional has been authorized for defense housing, and $150,000,000 for defense public works, making a total of $450,000,000.

(2) The average cost of permanent family dwelling units is increased from $3,500 to $3,750 within the United States, and from $4,000 to $4,250 for those located elsewhere; and the cost of a family dwelling unit is increased from $3,950 to $4,500 within continental United States, and $4,750 elsewhere, except in the Territory of Alaska, where the maximum cost is fixed at $7,500.

(3) In erecting temporary units, the discretion is left to the Administrator of Federal Works rather than to the President.

(4) The Senate proposal to permit the building of housing for employees of the United States Government whose duties are essential to national defense has been eliminated; and the Senate provision to permit the erection of housing for officers of the Army and Marine Corps not above the grade of captain, and officers of the Navy and Coast Guard not above the grade of lieutenant, senior grade, assigned to duty at naval or military reservations, posts, bases, or defense industries, has been agreed to.

(5) The declaration of policy with respect to the disposition of housing as expeditiously as possible has been made permissive rather than obligatory on the part of the Administrator.

(6) The Administrator shall fix fair rentals based on the value of each unit, with the exception that during the emergency, in exceptional cases, the rent may be adjusted to the incomes of the persons to be housed.

(7) The Administrator is given full authority to construct the projects through such agencies as he chooses. Consultation with local public officials and local housing authorities is made mandatory, and, so far as may be practical, the Administrator must conform in location and design to local planning and tradition.

(8) The Administrator shall pay, from rentals, annual sums in lieu of taxes to any State or political subdivision thereof, with due allowance for expenditures made by him for streets, utilities, or other public services to serve such property.

(9) Any agency designated by the President to provide for temporary shelter shall have the same powers with respect to the management, maintenance, operation, and administration of such temporary shelters as are now granted to the Administrator.

(10) The cost-plus-fixed-fee form of contract is recognized insofar as is consistent with emergency need; otherwise, contracts shall be subject to Section 3709 of the Revised Statutes, which means competitive bidding.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MURRAY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

Mr. WAGNER, from the Committee on Banking and Currency, reported favorably the nomination of Ronald Ransom, of Georgia, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 1942 (reappointment).

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

That completes the Executive Calendar.

ADJOURNMENT

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate adjourned until tomorrow, Thursday, January 15, 1942, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 14, 1942:

POSTMASTERS

The following-named persons to be postmasters:

ALASKA

Harold T. Jestland, Bethel, Alaska. Office became Presidential July 1, 1939.

ARKANSAS

Hazel B. Carlock, Joiner, Ark., in place of Hazel Carlock. Incumbent's commission expired August 19, 1941.

CALIFORNIA

Edna E. Cobb, Cathedral City, Calif. Office became Presidential July 1, 1941.

Madge M Kearns, Sunland, Calif., in place of M. M. Kearns. Incumbent's commission expired February 6, 1941.

COLORADO

Edgar I. Crutchfield, Akron, Colo., in place of E. I. Crutchfield. Incumbent's commission expired August 13, 1941.

FLORIDA

Charles S. Ashbrook, Brooksville, Fla., in place of Adelaide de Lauzanne. Incumbent's commission expired January 17, 1939.

Carrie Bowers, Lake Placid, Fla., in place of Carrie Bowers. Incumbent's commission expired June 2, 1941.

Clara D. Wheeler, Seffner, Fla. Office became Presidential July 1, 1940.

GEORGIA

Norma Kate Rogers, Cusseta, Ga. Office became Presidential July 1, 1941.

Odessa M. Shepherd, McIntyre, Ga., in place of O. M. Shepherd. Incumbent's commission expired November 30, 1941.

IDAHO

Agnes G. Barry, Ketcham, Idaho, in place of A. G. Barry. Incumbent's commission expired July 29, 1941.

John H. Clay, Riggins, Idaho, in place of J. H. Clay. Incumbent's commission expired August 23, 1941.

ILLINOIS

Dorsey Berry Anderson, National Stock Yards, Ill., in place of D. B. Anderson. Incumbent's commission expired May 29, 1939.

INDIANA

Grant A. Kelley, Waterloo, Ind., in place of R. J. Dunn, transferred.

Eugene G. Turner, West Terre Haute, Ind., in place of S. I. Crews, deceased.

IOWA

James C. Kennedy, Akron, Iowa, in place of A. J. Claeys, removed.

Lorenz C. Goettsch, Bennett, Iowa, in place of H. D. Butterbrodt, resigned.

Laurence C. Smith, Dyersville, Iowa, in place of L. C. Smith. Incumbent's commission expired March 30, 1941.

KENTUCKY

Polk L. McGraw, Clay, Ky., in place of P. L. McGraw. Incumbent's commission expired February 18, 1941.

Roy F. Williams, Lexington, Ky., in place of R. F. Williams. Incumbent's commission expired December 16, 1941.

Elva Peyton, Pleasureville, Ky., in place of G. A. McGowan. Incumbent's commission expired June 17, 1940.

LOUISIANA

Charles C. Collier, Campti, La., in place of C. C. Collier. Incumbent's commission expired August 19, 1941.

Amos V. McLanahan, Florien, La., in place of A. V. McLanahan. Incumbent's commission expired August 2, 1941.

John M. Carville, Plaquemine, La., in place of E. J. Lefebvre. Incumbent's commission expired February 18, 1941.

MAINE

Edward N. Hartnett, Bath, Maine, in place of C. H. Cahill, retired.

George A. Wood, York Harbor, Maine, in place of F. T. Eaton, deceased.

MARYLAND

Melvin L. Ridgely, Gaithersburg, Md., in place of M. L. Ridgely. Incumbent's commission expired July 29, 1941.

MASSACHUSETTS

James J. Hunt, Jr., Winchendon, Mass., in place of T. F. Webber, removed.

MICHIGAN

James R. Burnett, Dimondale, Mich. Office became Presidential July 1, 1941.

Ewart L. Gardiner, Midland, Mich., in place of E. L. Gardiner. Incumbent's commission expired February 9, 1941.

MINNESOTA

Mathew T. Huss, Fairmont, Minn., in place of M. T. Huss. Incumbent's commission expired February 16, 1941.

Margaret Mahoney, Morris, Minn., in place of J. J. Gaffney, resigned.

Amelia M. Eddy, Orr, Minn., in place of A. J. Lindgren, removed.

Mike J. Leonard, Plainview, Minn., in place of C C. Gallagher, deceased.

Maurice A Marchand, Rice, Minn., in place of M A. Marchand. Incumbent's commission expired July 28, 1941

Evelyn A. Swenson, Warren, Minn., in place of E. E. Swenson, deceased.

MISSISSIPPI

Virginia C. Welborn, Electric Mills, Miss., in place of V. C. Welborn. Incumbent's commission expired August 4, 1941.

MISSOURI

Dorothy E. Marcum, Bridgeton, Mo. Office became Presidential July 1, 1941.

Fannie McClintock, Gower, Mo. Office became Presidential July 1, 1941.

Otis W. Christian, Oakwood, Mo. Office became Presidential July 1, 1941.

George Puchta, Rockaway Beach, Mo. Office became Presidential July 1, 1941.

Walter S. Wiseman, Unionville, Mo., in place of Clare Magee, resigned.

NEBRASKA

Gust F. Carlson, Loomis, Nebr. Office became Presidential July 1, 1941.

Emanuel J. Fikar, Swanton, Nebr. Office became Presidential July 1, 1941.

NEW JERSEY

Clyde E. Miller, Ashland, N. J. Office became Presidential July 1, 1941.

Howard A. Roberts, Deepwater, N. J. Office became Presidential July 1, 1941.

Valentina C. Waldron, Martinsville, N. J. Office became Presidential July 1, 1941.

Helen M. Koller, Ocean Gate, N. J. Office became Presidential July 1, 1937.

James W. Potter, Riverdale, N. J. Office became Presidential July 1, 1941.

Fred J. Butterworth, Rochelle Park, N. J., in place of E. J. Shea, removed.

James J. Allen, Teaneck, N. J., in place of J. J. Allen. Incumbent's commission expired August 11, 1941.

NEW MEXICO

Fannie E. Stearman, Hurley, N. Mex., in place of G. R. Holman. Incumbent's commission expired July 30, 1941.

Charles E. Gibbs, Madrid, N. Mex., in place of C. E. Gibbs. Incumbent's commission expired April 22, 1941.

NEW YORK

Edward J. Mulvaney, Conesus, N. Y. Office became Presidential July 1, 1941.

Naomi C. S. Garritt, Cragsmoor, N. Y. Office became Presidential July 1, 1941.

Joseph C. English, Depew, N. Y., in place of J. C. English. Incumbent's commission expired November 30, 1941.

Earl L. Benjamin, Derby, N. Y. Office became Presidential July 1, 1941.

Darius P. Mariette, Fultonville, N. Y., in place of D. P. Mariette. Incumbent's commission expired August 2, 1941.

Catherine V. Freeman, Jericho, N. Y. Office became Presidential July 1, 1941.

Valentine W. Morrow, Maplecrest, N. Y. Office became Presidential July 1, 1941.

Gerald G. McQuaid, Norwood, N. Y., in place of G. G. McQuaid. Incumbent's commission expired February 4, 1941.

Henry W. Sprague, West Webster, N. Y. Office became Presidential July 1, 1941.

NORTH CAROLINA

Carl E. Curtis, Oriental, N. C., in place of W. J. Smith, Jr. Incumbent's commission expired July 1, 1940.

Daniel F. Mosteller, Vale, N. C. Office became Presidential July 1, 1941.

NORTH DAKOTA

Albert James Gilman, Beach, N. Dak., in place of A. J. Gilman. Incumbent's commission expired August 23, 1941.

Ethel J. Hinschberger, Sanborn, N. Dak. Office became Presidential July 1, 1941.

OHIO

Hazel J. Brown, Edgerton, Ohio, in place of H. J. Brown. Incumbent's commission expired February 3, 1941.

Wayne W. Miller, Sherwood, Ohio, in place of W. W. Miller. Incumbent's commission expired February 3, 1941

OKLAHOMA

James Travis Watson, Wetumka, Okla., in place of J. T. Watson. Incumbent's commission expired August 14, 1941.

OREGON

William E. Logan, Hermiston, Oreg., in place of W. E. Logan. Incumbent's commission expired August 19, 1941.

PENNSYLVANIA

Thomas H. Coll, Brackenridge, Pa., in place of L. F. Matthews, removed.

Charles L. Richert, Cecil, Pa. Office became Presidential July 1, 1941.

Myron L. Wyckoff, East Stroudsburg, Pa., in place of N. B. Gregory. Incumbent's commission expired May 27, 1940.

Winifred M. Kerr, Freeport, Pa., in place of C. M. McLaughlin, removed.

Kenneth F. Eakin, Harrisville, Pa., in place of K. F. Eakin. Incumbent's commission expired July 28, 1941.

Annie M. Schaner, Linglestown, Pa. Office became Presidential July 1, 1941.

Grace E. Lovett, Trafford, Pa., in place of T. H. McKiveen. Incumbent's commission expired August 27, 1939.

SOUTH CAROLINA

Marie H. Minshew, Johns Island, S. C. Office became Presidential July 1, 1941.

TENNESSEE

Alfred J. Gipson, Decherd, Tenn., in place of L. G. Gill, transferred.

TEXAS

Minor C. Strother, Bessmay, Tex. Office became Presidential July 1, 1941.

Wenzel P. Skarda, Bloomington, Tex., in place of W. P. Skarda. Incumbent's commission expired November 27, 1941.

Henry Allen Jones, Cayuga, Tex., in place of H. A. Jones. Incumbent's commission expired November 27, 1941.

Douglas P Cain, Hallsville, Tex., in place of I. S. Koon, deceased.

Merrill L. Carlton, Ringgold, Tex., in place of M. L. Carlton. Incumbent's commission expired November 27, 1941

Thomas M. Sherman, Rusk, Tex., in place of T. M. Sherman. Incumbent's commission expired August 2, 1941

Donald D. Oxford, Springtown, Tex. Office became Presidential July 1, 1941.

Ralph A. Guthrie, Sundown, Tex. Office became Presidential April 1, 1941.

VIRGINIA

Ross P. Wible, Cape Henry, Va. Office became Presidential July 1, 1941

Mable M. Sessoms, West Norfolk, Va. Office became Presidential July 1, 1941.

WASHINGTON

William F. Gorman, Burlington, Wash., in place of W. F. Gorman. Incumbent's commission expired August 6, 1941

Oscar A. Carlson, Burton, Wash., in place of O. A. Carlson. Incumbent's commission expired April 27, 1941.

WISCONSIN

Harry A. Martens, Coleman, Wis., in place of H. A. Martens. Incumbent's commission expired March 16, 1941

Alma O. Showers, Mazomanie, Wis., in place of A. O. Showers. Incumbent's commission expired August 11, 1941

John Schippers, Twin Lakes, Wis., in place of John Schippers. Incumbent's commission expired July 1, 1940.

RECONSTRUCTION FINANCE CORPORATION

The following-named persons to be members of the board of directors of the Reconstruction Finance Corporation for terms of 2 years from January 22, 1942 (reappointments):

Charles B. Henderson, of Nevada.
Sam Husbands, of South Carolina.
Howard J. Klossner, of Minnesota.
Henry A. Mulligan, of New York.
Charles T. Fisher, Jr., of Michigan.

UNITED STATES ATTORNEY

Victor E. Anderson, of Minnesota, to be United States attorney for the district of Minnesota. He is now serving in this office under an appointment which expired December 10, 1941.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE MAJOR GENERAL

Brig. Gen. Lorenzo Dow Gasser, United States Army.

TO BE BRIGADIER GENERALS

Col. Redmond Francis Kernan, Jr., Field Artillery (National Guard of the United States)

Col. Maxwell Abraham O'Brien, Cavalry (National Guard of the United States).

Col. Cornelius Wendell Wickersham, Infantry (Reserve)

TO BE MAJOR GENERALS

Brig. Gen. Fred Clute Wallace (colonel, Field Artillery), Army of the United States

Brig Gen Fred Livingood Walker (colonel, Infantry), Army of the United States.

Brig. Gen Clarence Leonard Tinker (colonel, Air Corps), Army of the United States.

Brig Gen Joseph Taggart McNarney (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

TO BE BRIGADIER GENERALS

Col. Geoffrey Keyes (lieutenant colonel, Cavalry), Army of the United States

Col. Paul Woolever Newgarden (lieutenant colonel, Infantry), Army of the United States.

Col. William Henry Harrison Morris, Jr., Infantry.

Col. Willis Henry Hale (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Col. Ira Clarence Eaker (lieutenant colonel, Air Corps; temporary colonel, Air Corps) Army of the United States.

Col. Francis Bernard Mallon (lieutenant colonel, Infantry), Army of the United States

Col. Charles Lawrence Bolté (lieutenant colonel, Infantry), Army of the United States

Col Robert Olds (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Col John Henry Hilldring (lieutenant colonel, Infantry), Army of the United States.

Col Charles Wolcott Ryder (lieutenant colonel, Infantry), rmy of the United States.

Col Roscoe Barnett Woodruff (lieutenant colonel, Infantry), Army of the United States

Col. Matthew Bunker Ridgway (lieutenant colonel, Infantry), Army of the United States

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

TO JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. Irvin Schindler, Field Artillery (temporary major, Army of the United States), with rank from June 30, 1936

TO QUARTERMASTER CORPS

Maj. Arthur Cecil Ramsey, Infantry (temporary lieutenant colonel, Army of the United States), with rank from May 10, 1941

TO FINANCE DEPARTMENT

Maj. Carl Eugene Anderson, Infantry (temporary lieutenant colonel, Army of the United States), with rank from July 3, 1940.

TO CORPS OF ENGINEERS

Capt. Robert Edwin Cron, Jr., Quartermaster Corps, with rank from June 12, 1940

First Lt. Archibald William Lyon, Quartermaster Corps (temporary captain, Army of the United States), with rank from August 1, 1935.

TO ORDNANCE DEPARTMENT

First Lt. Elmer John Gibson, Field Artillery (temporary captain, Army of the United States), with rank from June 12, 1938

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

TO BE COLONEL WITH RANK FROM DECEMBER 24, 1941

Lt. Col. Charles Wilbur Thomas, Jr., Infantry (temporary colonel, Army of the United States).

TO BE COLONELS WITH RANK FROM JANUARY 1, 1942

Lt. Col. Roscoe Campbell Crawford, Corps of Engineers (temporary brigadier general, Army of the United States)

Lt. Col. Milo Pitcher Fox, Corps of Engineers (temporary colonel, Army of the United States).

Lt Col. Lewis Andrews Nickerson, Ordnance Department (temporary colonel, Army of the United States)

Lt. Col Philip Ries Faymonville, Ordnance Department (temporary colonel, Army of the United States)

Lt Col. Russell Lamonte Maxwell, Ordnance Department (temporary brigadier general, Army of the United States)

Lt. Col John Shirley Wood, Field Artillery (temporary brigadier general, Army of the United States)

APPOINTMENTS AND PROMOTIONS IN THE NAVY

The following-named captains to be rear admirals in the Navy, to rank from the 1st day of November 1941:

Robert C Giffen.

Jonas H Ingram

The following to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), to rank from the 5th day of January 1942:

Francis G. Soule, Jr	John L. Messersmith
Howard G Roberts	Florian J Santini
William T Carleton	Eli R. Crews
Joseph Coudon	Joseph W Weaver
Paul F. Dickens, Jr.	John M. Hogan, Jr.
James L. Wells	Raymond F Higgins
William H Walker	Edward C Allis, Jr.
Robert V Hill	Joseph R. Blair
Wayne S. Hansen	Felix B. Long, Jr.
Rodney K Peterson	Frederick W. Armington
John B. Toepfer, Jr.	Jack C. Lunderman
Raymond D Little	
Alfred G Sherman	

Lt. (junior grade) George G. Prahl, United States Naval Reserve, to be an assistant civil engineer in the Navy, with the rank of lieutenant (junior grade), to rank from the 17th day of November 1941

Boatswain Charles M. Lewis to be a chief boatswain in the Navy, to rank with but after ensign, from the 1st day of September 1941

Gunner Robert G. Stahlheber to be a chief gunner in the Navy, to rank with but after ensign, from the 2d day of December 1941

Electrician Charles W Moody to be a chief electrician in the Navy, to rank with but after ensign, from the 2d day of December 1941

Machinist Kenneth R. Kee to be a chief machinist in the Navy, to rank with but after ensign, from the 4th day of December 1941.

The following-named carpenters to be chief carpenters in the Navy, to rank with but after ensign, from the date stated opposite their names:

Theodore C Stewart, September 1, 1941.

Walter E. Hutchens, December 2, 1941.

Carl V. Hall December 2, 1941

Pharmacist Claude L. Boles to be a chief pharmacist in the Navy, to rank with but after ensign, from the 2d day of December 1941

Pay Clerk Charles B. Cotton to be a chief pay clerk in the Navy, to rank with but after ensign, from the 1st day of October 1941

Dr John F Brierton to be an assistant surgeon in the Navy, with the rank of lieutenant (junior grade), from the 5th day of January 1942.

Midshipman David L. House, Jr., to be an ensign in the Navy, to rank from the 19th day of December 1941

The following medical inspectors to be medical directors in the Navy, with the rank of rear admiral for temporary service to rank from the date stated opposite their names:

Edward C. White, March 1, 1937.

Edgar L. Woods, March 1, 1937.

James M. Minter, April 1, 1938.

MARINE CORPS

Col. Raymond R. Wright to be the Paymaster of the Marine Corps, with the rank of brigadier general, for a period of 4 years from the 1st day of February 1942.

Brig. Gen. Ross E. Rowell to be a major general in the Marine Corps for temporary service from the 1st day of January 1942.

Col Harry Schmidt to be a brigadier general in the Marine Corps for temporary service from the 21st day of December 1941.

Col. William H. Rupertus to be a brigadier general in the Marine Corps for temporary service from the 1st day of January 1942

Col. Harry K. Pickett to be a brigadier general in the Marine Corps for temporary service from the 1st day of January 1942.

NATIONAL MEDIATION BOARD

George A. Cook, of Illinois, to be a member of the National Mediation Board for the term expiring February 1, 1945. (Reappointment.)

CONFIRMATIONS

Executive nominations confirmed by the Senate January 14, 1942:

POSTMASTERS

MISSOURI

Thomas G. Douglass, Senath.

Ethel L. Lauderdale, Wellington.

OKLAHOMA

Laura Lonnie Dolphin, Boley.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 14, 1942

The House met at 12 o'clock noon.

Rev. Arthur J. Hagan, assistant, St. Margaret's Church, Dorchester, Mass., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

Almighty and eternal God, look down upon us humbly assembeld here before Thee. Bless our beloved President with health and strength that he may continue to lead our great Nation toward peace and happiness for all mankind. Bless the Speaker and the Members of this Congress, enlighten them with wisdom and understanding that they may conduct their office according to Thy holy will. O, Almighty God, we believe in Thee, we love Thee, and our hope and trust is in Thee. Guide and protect us all, and keep us closely united to Thy loving and sacred heart.

May the blessing of Almighty God, the Father, the Son, and the Holy Ghost descend upon us and remain with us always. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on Monday, January 12, 1942, the President approved and signed a bill of the House of the following title:

H. R. 4365. An act to give additional powers to the Board of Public Welfare of the District of Columbia, and for other purposes.

DAYLIGHT-SAVING BILL

Mr. LEA submitted a conference report and statement on the bill (S. 2160) to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450).

EXTENSION OF REMARKS

Mr. ANDERSON of New Mexico. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article by an editor of a New Mexico paper.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

REEMPLOYMENT OF VOLUNTEERS IN THE ARMED FORCES

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, the people of this Nation are now engaged in the greatest war of all history, calling for sacrifices upon the part of every person—man, woman, and child. We are building the largest and mightiest armed force ever conceived. Much of the personnel of this armed force is being provided by the operation of the Selective Service and Training Act and the Army Reserve and Retired Personnel Service Act of 1940. However, since the vicious attack upon Pearl Harbor and the publishing of the brave exploits of our naval and marine forces in the far-flung islands of the Pacific, the loyalty and patriotism of our youth has been fired as a result of which the recruiting offices of these services, as well as those of the Army, have been working overtime to accommodate the record-breaking number of men seeking to enlist.

What is to become of these loyal volunteers after the successful termination of this great war? We have already made provision in the Selective Service Act and the Reserve Personnel Act for the reemployment of men who have had to leave permanent positions in order to take up arms in the defense of our country under the terms of those acts. But nowhere is there any provision for the reemployment of these brave volunteers. I repeat—what is to become of them?

I have introduced a bill—H. R. 6318—providing for these men rights as to reemployment similar to those granted under the two acts I have mentioned. I earnestly solicit the support of the membership of the House for my bill so that when the forces of evil now rampant in the world have been finally and completely crushed these men will not be compelled to return to civilian life to form a new army—the army of the unemployed.

PERMISSION TO ADDRESS THE HOUSE

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, recently the distinguished minority leader the gentleman from Massachusetts [Mr MARTIN] advocated the selection of Herbert Hoover as Price Administrator and urged that many of the other outstanding leaders of the country be brought in and given responsible posts in the all-out war effort the Government is now conducting.

I am in absolute agreement with a statement of that kind. I feel that not only should Herbert Hoover be recognized in this war effort but also men like Tom Dewey, Wendell Willkie, and many of the other outstanding leaders of our time, who in my opinion have been deliberately excluded from or neglected in this effort. I advocate at this time that the administration immediately consider these men for important posts in our Government, and offer them such positions.

[Here the gavel fell.]

AUTOMOBILE DEALERS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. VOORHIS of California. Mr. Speaker, the first major casualties in a business group as a result of America's war mobilization are the automobile dealers and their employees and salesmen. I have not received a single protest from one of these people as to the basic fact that they have to go without their business through this war period, but I have received what seem to be very reasonable requests from them with regard to their getting some assistance on warehousing expenses on cars which they are not able to sell in normal channels, and with regard to obtaining some assurance that they can make a reasonable profit on the cars they still have on hand. It seems to me that arrangements with regard to these matters should be made. I appreciate the general patriotic attitude this group has taken, and I hope the matter will be handled in such a way as to lighten the blow as much as possible.

[Here the gavel fell.]

TENNESSEE VALLEY AUTHORITY

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein an address by Hon. Francis Biddle, Attorney General of the United States, on the subject of power for victory.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN of Mississippi addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article from the Los Angeles Times entitled "Bridges Case Needs Investigation."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I want to call further attention to the two appointments made yesterday, one of Mr. Cowley and the other of Mr. Lash. Mr. Cowley is to be appointed as Chief Analyst of the Office of Facts and Figures. In 1932 he served on a writers' committee for the election of William Zack Foster, Communist candidate for President. Later he appeared on speaking platforms before radical audiences with Earl Browder, Communist leader now in prison. In 1939 he served on a citizens' committee for the election of Israel Amter, a Communist.

Mr. Lash said yesterday, when they were going into his background, "You might say there was a time when Communists were Democrats."

Now, you Democrats want to listen to that. I do not believe it, but I do not think Mr. Lash should identify the Communists as Democrats and neither should he try to so identify any real Republican, but I think it is the duty of all good Democrats and of all good Republicans not to be blinded in any adjournment of politics to let these subversive interests get in and do their boring from within.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. DOWNS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a letter from Bishop Budlong.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. THOMASON. Mr. Speaker, on yesterday I obtained unanimous consent to include an address made recently by Maj. Gen. John K. Herr. The Public Printer advises that the cost will run slightly over the limit; and notwithstanding that fact, I ask unanimous consent that the address may be included in the RECORD as an extension of my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a brief article appearing upon the editorial page of the New York Times this morning.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. HOFFMAN addressed the House. His remarks appear in the Appendix.]

PROTECTION OF PERSONS AND PROPERTY FROM BOMBING ATTACKS IN THE UNITED STATES

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1936) to provide protection of persons and property from bombing attacks in the United States, and for other purposes, with a House amendment; insist on the House amendment; and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MAY, THOMASON, HARTER, ANDREWS, and SHORT.

LEAVE TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent that after the other special orders of the day are concluded I be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to extend my remarks in two particulars, in one to include an editorial, and in the other a resolution, each endorsing the Arkansas Valley Authority.

The SPEAKER. Is there objection?

There was no objection.

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Milwaukee Journal of January 12 on the collapse of the price control.

The SPEAKER. Is there objection?

There was no objection.

Mr. CAPOZZOLI. Mr. Speaker, I ask unanimous consent to extend my remarks by including a letter from the grand master of the Sons of Italy Lodge on the subject of Mussolini and Hitler.

The SPEAKER. Is there objection?

There was no objection.

DEVELOPMENT OF NATIONAL RESOURCES—REPORT FOR 1942 (H. DOC. NO 560)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed, together with the illustrations:

To the Congress of the United States:

Plans and programs to win the war and to win the peace must grow out of our common national purpose and with democratic participation in planning by all of us. Through efforts to state our objectives and public discussion of their merits, we play our parts as free citizens. In that spirit, I am transmitting herewith for the information of the Congress the Development of National Resources Report for 1942, prepared by the National Resources Planning Board, continuing the series begun last year and establishing the custom of an annual planning report as a companion document to the Budget of the United States.

The National Resources Planning Board, as the planning arm of my Executive Office, is charged with the preparation of long-range plans for the development of our national resources and the stabilization of employment. At my direction, it is correlating plans and programs under consideration in many Federal, State, and private organizations for post-war full employment, security, and building America. In this report the Board outlines some of our major objectives in planning to win the peace.

To facilitate its use by the Congress, I recommend that this report on these plans and programs be printed, together with supporting illustrations and tables, in conformity with similar reports by the Board.

FRANKLIN D. ROOSEVELT,
THE WHITE HOUSE, *January 14, 1942.*

DISPOSITION OF MATTER OF LESSER LEGISLATIVE IMPORTANCE (H. DOC. NO 562)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed:

To the Congress of the United States of America:

In these critical days of our national-defense effort, I feel there should be a joint endeavor on the part of the Congress and of the heads of the executive branch of the Government to divest our minds as far as possible of matters of lesser importance which consume considerable time and effort. We should grant the responsibility for handling such matters to those equipped with year-around facilities and time to dispose of them.

For instance, it is well known to the Congress and to me that more than 2,000 private claim bills are introduced in each Congress, and that a substantial percentage of these bills present claims for property damage or personal injury. While the executive departments and establishments may now settle claims up to $1,000 for property loss or damage and in a few instances claims for personal injury up to $500, a great number of cases not falling within these classifications are introduced in the Congress as private claim bills.

They consume a great amount of the time of the Congress and the President, and give rise to considerable expense.

During the last three Congresses almost 6,300 private claim bills were introduced, an average of more than 2,000 per Congress, of which less than 20 percent became law. And of all the bills which I vetoed during these Congresses, fully one-third was made up of private claim bills.

It is estimated that the expenses of the executive and legislative branches in considering the claim bills of each Congress, excluding salaries of Congressmen, are in the neighborhood of $125,000; that the printing costs alone of the claim bills which fail to become law are almost $19,000 per Congress; and that it costs almost $200 to pass a single bill. When it is considered that some claim bills are enacted in amounts much less than $200, the wisdom of our present procedure is questionable.

As the Congress knows, this question has been considered many times before. During the past 20 years, Members of the Congress have frequently pointed out that the procedure for relief of tort claims by special act is slow, expensive, and unfair both to the Congress and to the claimant, and several attempts have been made to enact legislation submitting all negligence claims to administrative or judicial determination.

The question arises why the Congress and the President should continue to devote so much time to the consideration and approval of these numerous individual cases.

I suggest that the executive departments and independent establishments be authorized to adjust and determine tort claims up to $1,000, with review by the Attorney General of awards over $500. I also suggest that the United States district courts be given jurisdiction over claims of this nature up to $7,500, with a right of appeal to the Court of Claims. The passage of such legislation would be of real assistance to the Congress and to the President, at a time when matters of grave national importance demand an ever-increasing share of our attention. It would also make available a means of dispensing justice simply and effectively to tort claimants against the Government, and give them the same right to a day in court which claimants now enjoy in fields such as breach of contract, patent infringement, or admiralty claims.

I should point out that the Congress, if this procedure were adopted, would, of course, retain every right to enact legislation granting relief, or further relief, in the event that in any special case the Congress felt that justice had been denied.

There is another class of legislation with respect to which I recommend a simplification of procedures. I refer to the legislation governing the construction of bridges over navigable waters of the United States. During the Seventy-sixth Congress, more than 100 public enactments authorized the construction or extended the permissible time of construction of bridges affecting navigation. The passage of each one of these acts unquestionably costs the taxpayers several hundred dollars and consumes a large amount of time in the Congress, in the War Department, and at the White House. Under prevailing law, the

Secretary of War and the Chief of Engineers are responsible for approving location, engineering plans and other important features of such bridge enterprises as may be authorized by the Congress, so that administrative action is essential to the execution of the enterprise after Congress grants its authorization. I suggest that in order to save time and money, Congress consider passing an enabling act delegating to the Secretary of War the responsibility for authorizing the construction and maintenance of bridges over navigable waters in accordance with such general policy as may be prescribed by the Congress. The Secretary of War would, of course, render periodic reports on all applications made.

These two matters may seem of little importance in these difficult days, but I am certain that the Congress will sympathize with the efforts I am making to save motion in the conduct of the Government.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1942.*

REPORT OF COMMISSION ON ERECTION OF MEMORIALS

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Public Buildings and Grounds:

To the Congress of the United States:

In compliance with the requirements of the act of March 4, 1921, I transmit herewith the Annual Report of the Commission on the Erection of Memorials and Entombment of Bodies in the Arlington Memorial Amphitheater for the fiscal year ended June 30, 1941.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1942.*

DISTRICT OF COLUMBIA ALLEY DWELLING ACT

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on the District of Columbia:

To the Congress of the United States:

In accordance with the provisions of section 5 (a) of the District of Columbia Alley Dwelling Act, approved June 12, 1934, I transmit herewith for the information of the Congress the report of the Alley Dwelling Authority for the District of Columbia for the fiscal year ended June 30, 1941.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1942.*

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committees on Military Affairs, Naval Affairs, and Interstate and Foreign Commerce and ordered printed, with illustrations:

To the Congress of the United States:

In compliance with the provisions of the act of March 3, 1915, establishing the National Advisory Committee for Aeronautics, I transmit herewith the Twenty-seventh Annual Report of the Committee covering the fiscal year ended June 30, 1941.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1942.*

FOREIGN SERVICE RETIREMENT (H. DOC. NO. 563)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State showing all receipts and disbursements on account of refunds, allowances, and annuities for the fiscal year ended June 30, 1941, in connection with the Foreign Service retirement and disability system as required by section 26 (a) of an act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor, approved February 23, 1931, as amended.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1942.*

[Enclosure: Report concerning retirement and disability fund, Foreign Service.]

ACQUISITION OF LAND BY UNITED STATES MARITIME COMMISSION

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 260, to authorize the United States Maritime Commission to acquire certain lands in Nassau County, N. Y., which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, etc., That the United States Maritime Commission is hereby authorized, with funds in the construction fund of the Commission, to acquire on behalf of the United States by purchase, condemnation, or otherwise, and pay all costs incident to the examination, transfer, and perfecting of title to certain tracts, lots, or parcels of land situated and being in the county of Nassau, State of New York, together with the structures thereon, described as follows:

All that lot or parcel of land with the buildings and improvements thereon, situate at Great Neck, in the county of Nassau, State of New York, and more particularly described as follows, to wit:

Beginning at a point at the intersection of the southerly side of Steamboat Road and the easterly side of First Street, and running thence south thirty-six degrees thirty-one minutes thirty seconds west along the easterly side of First Street, three hundred and forty-one and five one-hundredths feet to the southerly termination of said street; thence north fifty-three degrees thirty minutes west two hundred and twenty-four and ninety one-hundredths feet to a point on the high water line of Long Island Sound; thence south twenty-seven degrees twenty-four minutes west one hundred and eight-tenths feet along the line of high water; thence south twelve degrees thirty minutes west three hundred and forty-nine and two-tenths feet still along the line of high water; thence south sixty-four degrees twenty-two minutes east seven hundred and fifty feet; thence north eleven degrees 18 minutes thirty seconds east three hundred and twenty-three and sixty-seven one-hundredths feet to a point on the northerly boundary line of land formerly belonging to the Whitehead Hewlett estate, said point being distant along said northerly boundary line of said Whitehead Hewlett estate seven hundred and fifty feet from a point on high water line; thence north thirty-six degrees twenty-seven minutes thirty seconds east three hundred and thirty-four and seventy-five one-hundredths feet to a point on the southerly side of Steamboat Road; thence along the southerly side of Steamboat Road, north fifty-three degrees thirty-one minutes thirty seconds west one hundred and eighty and eleven one-hundredths feet; thence still along the southerly side of Steamboat Road, north fifty-four degrees fifty-nine minutes twenty seconds west three hundred and fifty-one and two-tenths feet to the point and place of beginning.

Being the same premises conveyed to Walter P. Chrysler and Della V. Chrysler, his wife, by Henri W. Bendel by deed dated February 16, 1923, and recorded in the office of the clerk of the county of Nassau on March 5, 1923, in Liber 770 of Conveyances, at page 216, and thereafter conveyed by Walter P. Chrysler to Della V. Chrysler by deed dated May 12, 1932, and recorded in the aforesaid clerk's office on May 13, 1932, in Liber 1669 of Conveyances, at page 260.

And also all that parcel of land now or formerly under the waters of Long Island Sound, in the village of Kings Point, county of Nassau and State of New York, bounded and described as follows:

Beginning at the point of intersection of the high-water line of Long Island Sound and the boundary line between the property of the town of North Hempstead and the property formerly of Della V. Chrysler, deceased, said point being north 65 degrees thirteen minutes thirty seconds west two hundred and twenty-six and fifty-eight one-hundredths feet from a point at the southerly end of the eastern boundary line of First Street; thence along said high-water line the following bearings and distances: South twenty-three degrees eighteen minutes fifty seconds west eighty-seven and forty-one one-hundredths feet; south seventeen degrees fifty-one minutes ten seconds east ninety-eight and twenty-five one-hundredths feet; south one degree thirty-seven minutes twenty seconds west one hundred and seventy-two and forty-seven one-hundredths feet; south twenty-eight degrees forty-five minutes west thirty-one and five-tenths feet south eleven degrees fifteen minutes east eighty-three and seventy-five one-hundredths feet to an intersection with the boundary line between the property formerly of Della V. Chrysler, deceased, and the property of Nicholas M. Schenck; thence into the waters of Long Island Sound due west one hundred and seventy-one and eighty-four one-hundredths feet; thence due north three hundred and forty and ninety-five one-hundredths feet; thence due west three hundred and twenty feet; thence due north one hundred and fifteen feet; thence due east five hundred feet to the point of beginning, containing one hundred and twelve thousand six hundred and fifty-six square feet, more or less.

All bearings are referred to the true meridian.

Being the same premises which were granted by The People of the State of New York to the parties of the second part by Letters Patent dated June 22, 1940, and recorded in Book of Patents Numbered 70, at page 185.

And also those lots or parcels of land, with the buildings and improvements thereon, in the county of Nassau, State of New York, more particularly described as follows:

Parcel numbered 1: All that certain plot, piece, or parcel of land, situate, lying, and being at Great Neck, Nassau County, and State of New York, shown and designated as lots numbered 27 and 28, on a certain map entitled "Map of 168 plots, belonging to James Blackwell, Esq., at Great Neck Landing, Long Island, surveyed by L. F. Greather, Esq., civil engineer, Whitestone, May 1873, and filed in the clerk's office in the county of Queens on the 7th day of July 1873, and which plot is bounded and described as follows:

Beginning at a point on the northwesterly side of Fourth Street as laid down on said map one hundred feet southwesterly from the corner formed by the northwesterly side of said Fourth Street with the southwesterly side of First Avenue, as laid down on said map; running thence northwesterly and along the southwesterly side or line of lot numbered 26 as shown on said map one hundred feet; running thence southwesterly and along the southeasterly side or line of lots numbered 23 and 24 as shown on said map two hundred and five feet; running thense southeasterly and along the southwesterly side of lot numbered 26 as laid down on said map about one hundred and twenty-six feet to the northwesterly side of said Fourth Street as laid down on said map; running thence northeasterly and along the northwesterly side of Fourth Street aforesaid one hundred and eighty-nine and ninety-two one-hundredths feet to the point or place of beginning.

Together with all the right, title, and interest of the parties of the first part of, in, and to the land in front of the said premises to the center line of Fourth Street, and also to a certain strip of land about eight feet in width, lying between any part of the said premises and the lands now or formerly of the estate of Whitehead Hewlett, deceased.

Parcel numbered 2: Also all that certain plot, piece, or parcel of land, situate, lying, and being at Great Neck, in the town of North Hempstead, county of Nassau, and State of New York, bounded and described as follows:

Beginning at a point on the southerly side of Elm Point Road formerly known as Steamboat Road, distant thirty-five feet easterly from the easterly side of lands now or formerly belonging to Henri W. Bendell; and running thence along said Elm Point Road, south fifty-three degrees thirty-one minutes thirty seconds fifty-three and seven-tenths feet; thence south thirty-six degrees thirty-five minutes twenty seconds west one hundred and fifteen and four hundred and eighty-five one-thousandths feet to premises known on Map of Grenwold; running thence along said land north fifty-three degrees thirty-two minutes thirty seconds west fifty-three and forty-four one hundredths feet; and thence north thirty-six degrees twenty-seven minutes thirty seconds east one hundred and fifteen and five-tenths feet to the southerly side of Elm Point Road, at the point or place of beginning.

Together with all the right, title, and interest of the parties of the first part of, in, and to any land lying in the bed of any street or road in front of or adjoining the said premises.

Parcel numbered 3: Also all that certain lot, piece, or parcel of land situate, lying, and being at Great Neck, in the county of Nassau, and State of New York, shown and designated as lot numbered 26, in block D, on a certain map entitled "Map of 168 Plots, belonging to James Blackwell, Esq., at Great Neck Landing, Long Island, surveyed by L. F. Graether, Esq., civil engineer, Whitestone, May 1873," and filed in the clerk's office of the county of Queens on the 7th day of July 1873, and which said lot is bounded and described as follows, to wit:

Beginning at the corner formed by the intersection of the northwesterly side of Fourth Street with the southwesterly side of First Avenue, as shown on said map; running thence northwesterly and along the southwesterly side of First Avenue, as shown on said map, one hundred feet to lot numbered 25; thence southwesterly and along the boundary line between lots numbered 25 and 26, on said map, one hundred feet; thence southeasterly and along the boundary line between lots numbered 26 and 27, one hundred feet to the northwesterly side of Fourth Street, as shown on said map, and thence northeasterly along the northwesterly side of said Fourth Street one hundred feet to the point or place of beginning.

Being the same premises which were conveyed by Walter P. Chrysler to Della V. Chrysler, by deed dated June 2, 1932, and recorded in the aforesaid clerk's office on June 6, 1932, in Liber 1669 of Conveyances, at page 420.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. This is one of the first bargains that I have heard where the country really gets something. Will the gentleman be good enough to explain the bill?

Mr. BLAND. Mr. Speaker, the purpose of the bill is to enable the Maritime Commission to acquire real estate located at Kings Point, Great Neck, Long Island, N. Y., opposite Fort Schuyler, comprising about 15 acres, for use as a site for a school for the training of cadets. The Commission conducts its largest cadet school for the training of officers for the merchant marine in borrowed facilities at the New York State Merchant Marine Academy at Fort Schuyler. The Commission has there approximately 100 cadets in training now, but must take them away.

The facilities of the academy at Fort Schuyler are now needed for its own expanding enrollment, and, in addition, for the Navy Department School of Indoctrination for new ensigns, a school most important to national defense. The Commission is therefore forced now to find other quarters for the cadets now being trained at Fort Schuyler. The Commission is able to acquire the property described in the bill, which is a part of the Chrysler estate, and is located very close to Fort Schuyler. I think it is within 5 minutes of the New York State Merchant Marine Academy. The owners have expended about $2,000,000 on the property, and it can be acquired for the sum of $100,000, which is very low in relation to its intrinsic value, to the cost and value of existing improvements, structures, and facilities available for the instruction of cadets. There is a suitable pier, and the houses, garages, and other structures can be used immediately as quarters, classrooms, and shops.

Mr. MARTIN of Massachusetts. I understand it comes with the unanimous report of the committee.

Mr. BLAND. Yes; the report is unanimous. The matter was investigated fully and it is necessary for the training of officers to supply the ships that are to be provided. Approximately 11,000 officers will be required to man about 1,400 merchant vessels which will be completed before the end of 1943. Additional tonnage called for by the President in his message on January 6, 1942, will increase the total number of officers required to approximately 15,000. The cadet training system of the Commission must be one of the main sources of supply for these officers. The Commission expects to train at least 8,500 of the officers needed. In the report this figure is given as 85,000, but 8,500 is the correct figure. Though it may be somewhat larger than 8,500, the figures 85,000 are incorrect.

Mr. WALTER. Mr. Speaker, I reserve the right to object to ask the distinguished chairman of the committee, who has worked so hard on this nautical-school program, whether or not any provision has been made for graduates of these school ships and these schools to take care of their families in the event their lives are lost while they are in purely military service?

Mr. BLAND I cannot answer that, but I am glad the gentleman brought it up. I think it is well worthy of consideration.

Mr. WALTER. I call the gentleman's attention to the fact that recently a mine-layer was sunk off the coast of New Hampshire, with all on board. Those men were doing military work. No provision has been made for their dependents.

Mr. BLAND. I am glad the gentleman has brought that to my attention. The matter will be looked into. I am in sympathy with the views expressed by the gentleman.

Mr. BRADLEY of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. BRADLEY of Michigan. I would like to point out that all of these graduates are automatically taken into the Naval Reserve, as Naval Reserve ensigns. If they are called into active duty I presume the regular provisions made for their families in that case would apply.

Mr. BLAND. I should think so.

Mr. RICH. Mr. Speaker, reserving the right to object, if they get this acreage for $100,000, do they intend to construct buildings on it? If so, what kind and character, and what is the cost going to be?

Mr. BLAND. That is a matter that may arise later. The site is ideal for the permanent Atlantic Cadet School which is authorized by existing law and is necessary. The present buildings are adequate to house about 250 of the quota of 500 cadets proposed to be trained there. In order to accommodate the remainder of the quota, temporary buildings have been borrowed from the Civilian Conservation Corps, and the only Commission expense will be the cost of moving and setting up these buildings on the new site. There are located on this site three large garage buildings suitable for classrooms and machine shops, a large recreation house—60 by 36—suitable for classrooms and recreation, a house for the superintendent and apartments over garages, all suitable for quarters of cadets, and the main house itself has space for quarters, instruction, and messing of over 100 cadets. It is contemplated to make it a permanent school later and then some additional buildings would be needed.

Mr. RICH. Now, let me ask the gentleman this question: Last year in Connecticut they were offered property for nothing, near New London where they now have a school for the Coast Guard, but it was necessary for the Government to spend $3,500,000 to build a school within a mile and a half of where the present Coast Guard Academy is located. If we had accepted that ground in Connecticut, which the Coast Guard was very anxious for us to do, then it was going to be necessary to raise three and one-half million dollars. We ought to know what we are going to do here in the line of building a school, because the committee which had that in charge felt that the request for $3,500,000 to construct this school was exorbitant. We may find ourselves in the same position here. Before we permit this to go through by unanimous consent, I think we should have a final and definite conclusion offered to the Congress. I cannot do it.

Mr. BLAND. I hope the gentleman may reserve his objection, because it is necessary——

Mr. RICH. I would like to have some definite information as to what the program is for the construction of a school here.

Mr. BLAND. The buildings are there at present. Temporary buildings will be put on the ground.

Mr. RICH. Is there another Coast Guard school located there now?

Mr. BLAND. No.

Mr. RICH. Then we would have to have a new one.

Mr. BLAND. Not Coast Guard; it is for the Maritime Commission, and the cadets that are now being trained must leave the New York State Marine Academy at Fort Schuyler. There is no place available to train them. The Commission will lose the men urgently needed for service as officers on the new ships.

Mr. RICH. Are those schools for training men for the Coast Guard and for the Navy, under the supervision of the Navy Department, or has the Department its own school?

Mr. BLAND. This is for the merchant marine. This has no reference to the Navy or the Coast Guard. This is to train cadets to become officers in the merchant marine. The plans of the Commission as outlined before the committee contemplate a quota of 500 cadets in training at one time in the Atlantic coast area. The Commission has been seeking a suitable location to train these men in this area. It appears that 70 percent of the cadets come from the North Atlantic States and a school with adequate facilities in the vicinity contemplated is both logical and desirable.

Unless these training facilities can be provided for the eligible candidates and for the cadets in training who have completed the required sea duty and are ready for the school on shore, many of the advanced cadets will be unable to secure licenses until after 1943, and only a small portion of the eligible candidates will be able to receive preliminary training at cadet schools. The balance of the eligible candidates are almost certain to be lost to the Navy, Coast Guard, or defense industries, all of whom are anxious to secure men with the character and education of these men who have been selected as eligible for cadet training.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. RICH. Mr. Speaker, I object.

ORDER OF BUSINESS

The SPEAKER. The Chair desires to make this statement. This is Calendar Wednesday. The Committee on Indian Affairs has been at the top of the list for weeks. The Chair will recognize Members for unanimous-consent requests which will not take up any time. Otherwise the Chair will recognize the gentleman from Oklahoma [Mr. ROGERS].

EXTENSION OF REMARKS

Mr. BOEHNE. Mr. Speaker, I ask unanimous consent to extend my remarks and include a short story in the New York Times this morning.

The SPEAKER. Is there objection?

There was no objection.

LIMITED SERVICE MARINE CORPS RESERVE

Mr. VINSON of Georgia. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. VINSON of Georgia. In view of the statement made by the Chair, and recognizing that this is Calendar Wednesday, and, rightly so, the calendar should not be dispensed with to any material extent, I have spoken to the distinguished chairman of the Committee on Indian Affairs and he has no objection if I propound a unanimous-consent request.

The SPEAKER. The Chair has recognized the gentleman for that purpose.

Mr. VINSON of Georgia. I ask unanimous consent, Mr. Speaker, for the present consideration of the bill (S. 2169) to create the Limited Service Marine Corps Reserve, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman make a short explanation of the bill?

Mr. VINSON of Georgia. Mr. Speaker, this bill permits the Marine Corps to enlist approximately 6,000 ex-service men of the World War, whose physical condition is such that they cannot meet the rigid requirements for active service, to place them in the navy yards so that they can get rid of the able boys who are on guard duty there.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby established as a part of the Marine Corps Reserve a class to be known as the Limited Service Marine Corps Reserve, for duty as guards at naval shore activities within the continental United States, to be subject to the laws and regulations, except as may be necessary to adapt the same hereto, applicable to the Marine Corps Reserve: *Provided*, That the provision of section 12 (a) of the Selective Training and Service Act of 1940, that the monthly base pay of enlisted men with less than 4 months' service during their first enlistment shall be $21, shall not apply to members of the Limited Service Marine Corps Reserve who are veterans of the World War: *Provided further*, That all enlisted men of the Limited Service Marine Corps Reserve shall be entitled to allowances for quarters and subsistence and to transportation of dependents and of household effects in the same manner and under like conditions as are now or may hereafter be authorized for enlisted men of the first three pay grades of the Marine Corps Reserve.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROMOTION OF OFFICERS RETAINED BY SELECTIVE BOARD

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2095) to further amend the act approved June 23, 1938 (52 Stat. 944), as amended.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. VINSON of Georgia. Mr. Speaker, this bill simply permits officers who have been found by the selection board as fitted officers and retained in the service to have the same opportunity for promotion as if they had been classified as the best-fitted officer.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act approved June 23, 1938 (52 Stat. 944), as amended, is further amended by striking out subsection "(j)" of section 12 and inserting in lieu thereof the following:

"(j) No officer on the active list of the Navy on the date of approval of this act shall be retired in his present grade by reason of the provisions of subsection (b) of this section or in the next higher grade by reason of the provisions of subsection (f) of this section sooner than he would have been retired by reason of service ineligibility for consideration for selection under the provisions of law in effect on the date of approval of this act: *Provided*, That officers promoted by reason of adjudgment as fitted for promotion, but not retained on the active list pursuant to subsection (d) of this section, who are nevertheless continued on the active list, shall, during such continuance on the active list and subject to the provisions of subsection 7 (a) of this act, be eligible for consideration for selection for promotion to the next higher grade, as best fitted only, and, subject to the provisions of subsection 11 (c) of this act, may be promoted consequent to such selection: *Provided further*, That such officers, while being so continued on the active list, who twice fail of such selection shall thereafter be ineligible for consideration for selection: *And provided further*, That officers of the grades of captain and commander, subject to retirement under subsection (b) of this section and retained on the active list under the provisions of

this subsection, who have or shall have twice failed of selection as best fitted shall thereafter be ineligible for consideration for selection."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SELECTION BOARD FOR MAJOR GENERALS IN MARINE CORPS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1995) to amend the act approved June 23, 1938, entitled "An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes."

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. VINSON of Georgia. Mr. Speaker, this bill permits major generals to sit on the selection board for the promotion of brigadier generals in the Marine Corps to major generals. Under present law this board must consist of nine admirals. This bill is to permit a representative of the Marine Corps to sit on the board to select major generals for the Marine Corps.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 15 of the act entitled "An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes," approved June 23, 1938 (52 Stat. 953), is hereby amended by inserting at the end thereof the following new subsection:

"(h) Selection boards to recommend brigadier generals of the line for promotion to major general shall be composed of officers of the permanent grade of major general on the active list of the Marine Corps to the extent that such officers are deemed available for this duty by the Secretary of the Navy, and the remainder of the board shall be composed of rear admirals on the active list of the line of the Navy, not restricted by law to the performance of shore duty only."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMISSARY PRIVILEGES OF NAVY EXTENDED TO CERTAIN PERSONS NOT MEMBERS OF THE NAVY PERSONNEL

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2090) to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes," approved March 3, 1909, as amended, so as to extend commissary privileges to such other persons as may be specifically authorized by the Secretary of the Navy.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. VINSON of Georgia. Mr. Speaker, this bill permits employees of contractors who are engaged in the construction of island bases and bases in Alaska to have the privilege of purchasing supplies in the Navy commissaries. It applies particularly to Wake, Palmyra, Johnston, Kodiak, and other islands where civilians have been carried to do the work.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That such part of the act of March 3, 1909 (35 Stat. 768; U. S. C., title 34, sec. 533), as amended, which provides "That hereafter such stores as the Secretary of the Navy may designate may be procured and sold to officers and enlisted men of the Navy, Marine Corps, and Coast Guard; to the widows of such officers and enlisted men; and to civilian officers and employees of the United States at naval stations and post exchanges beyond the continental limits of the United States or in Alaska, under such regulations as the Secretary of the Navy may prescribe", is hereby further amended to read "That hereafter such stores as the Secretary of the Navy may designate may be procured and sold to officers and enlisted men of the Navy, Marine Corps, and Coast Guard; to the widows of such officers and enlisted men; to civilian officers and employees of the United States, and to such other persons as may be specifically authorized by the Secretary of the Navy, at naval stations and post exchanges beyond the continental limits of the United States or in Alaska, under such regulations as the Secretary of the Navy may prescribe."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUBSISTENCE ALLOWANCE OF AVIATION CADETS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1677) authorizing subsistence allowance provided for aviation cadets to be paid to messes in manner as prescribed by the act of March 14, 1940 (Public, No. 433, 76th Cong.).

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. VINSON of Georgia. Mr. Speaker, this bill undertakes in the Navy what might be classified as the check-off system. In other words, instead of having the aviation cadet get his money for his mess the Government pays it over to the mess.

Mr. MARTIN of Massachusetts. Does the gentleman favor the check-off system?

Mr. VINSON of Georgia. I am not in favor of the check-off system as practiced in industry, but this saves the cadet the bother of receiving his mess money and having to pay it right over to the mess. It takes care of that for him.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the subsistence allowance provided for aviation cadets in the act of April 15, 1935 (49 Stat. 157; U. S. C., title 34, Supp. V, sec. 843), may be paid to messes in the same manner as prescribed in the act of March 14, 1940 (Public, No. 433, 76th Cong.).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTABLISHMENT OF RANK AND TITLE OF THE COMMANDANT OF THE MARINE CORPS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2094) to provide for the rank and title of the Commandant of the Marine Corps.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. VINSON of Georgia. Mr. Speaker, this bill authorizes the designation of the office of Major General Commandant of the Marine Corps as Commandant of the Marine Corps, the officer occupying this office to carry the rank of a lieutenant general.

Mr. WADSWORTH. Mr. Speaker, if the gentleman will yield, is this permanent legislation?

Mr. VINSON of Georgia. This is permanent legislation.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That hereafter the office of Major General Commandant of the Marine Corps shall be known as Commandant of the Marine Corps. The officer occupying that office shall be known by that title and shall, while so serving, have corresponding rank and shall receive the same pay and allowances as are now or may hereafter be prescribed by or in pursuance of law for lieutenant general in the Army.

SEC. 2. All laws or parts of laws inconsistent with the provisions of this act are hereby amended accordingly

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALLOWANCE FOR SUBSISTENCE AND RENTAL WITHHELD FROM RETIRED OFFICERS OF NAVY AND MARINE CORPS WHEN NOT ON ACTIVE DUTY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1589) to prohibit payment of money allowance for subsistence and rental to retired officers of the Navy or Marine Corps for any period when not employed on active duty.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to withdraw the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief description of the very fine work of the Forestry Service in connection with national defense.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

PROGRAM FOR THE BALANCE OF THE WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. MARTIN]?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I inquire of my distinguished friend, the majority leader, as to the program for tomorrow and the rest of the week?

Mr. McCORMACK. The conference report on the daylight-saving bill has just been brought in. That will be brought up tomorrow. There is nothing else set for tomorrow and Friday. If a conference report does come in on the price-control bill, so that Members will know, it will not be brought up before Monday. That is, if it comes in before that time, it will not be brought up before Monday.

Mr. MARTIN of Massachusetts. Outside of this conference report on daylight saving time, there will be no other business this week?

Mr. McCORMACK. That is so.

Mr. MARTIN of Massachusetts. Is there any disposition to ask unanimous consent to adjourn over from Thursday to Monday?

Mr. McCORMACK. I intend to ask unanimous consent tomorrow that when the House adjourns on tomorrow it adjourn to meet on Monday next under the present situation.

Mr. MARTIN of Massachusetts. I appreciate if anything turns up the gentleman might change his mind.

Mr. McCORMACK. There is no other legislation except the conference report on the price-control bill, and that will not come up before Monday.

[Here the gavel fell.]

SETTING ASIDE CERTAIN LANDS IN OKLAHOMA FOR CHEYENNE-ARAPAHO TRIBES OF INDIANS

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5095) to set aside certain lands in Oklahoma for the Cheyenne-Arapaho Tribes of Indians, with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 3, after line 4, insert:

"SEC. 2. That any person duly enrolled as a member of an Indian tribe who received in pursuance of a tribal treaty or agreement with the United States an allotment of land which, by the terms of said treaty or agreement was exempted from taxation, restricted against alienation, or which by the terms of any act of Congress was continued under the supervision of the United States during the minority of such allottee, and from which land the restrictions have or have not been removed, and any such enrolled member of an Indian tribe having restricted money in the custody and control of the United States, prior to April 26, 1931, and who was required or permitted to pay any Federal income tax on such lands or on the rents, royalties, or other gains arising from such lands during such restricted or tax-exempt period or on income from such restricted funds while in the custody or control of the United States, or on income from any allotment during the minority of the allottee, or any such person who has been erroneously or illegally taxed by reason of not having claimed or received the benefit of any deductions or exemptions permitted by law, and who would be entitled under this or previous acts or rulings of the Treasury Department in similar Indian cases to a refund of the taxes so illegally or erroneously collected, but for the fact that he failed to file a claim for such refund within the time prescribed by law, shall be allowed 2 years after the approval of this act within which to file such claim, and if otherwise entitled thereto he may recover such taxes in the same manner and to the same extent as if such claims for refund had been theretofore duly filed as required by law, it not being the policy of the Government to invoke or plead a statute of limitations to escape the obligations of agreement solemnly entered into with its Indian wards, or prior to April 26, 1931, to exact for its own use and benefit an income tax from them while their property continued under the supervision of the United States and/or during the minority of any such allottee: *Provided, however*, That in the case of the death of a member of an Indian tribe his heirs who succeeded to his allotment of lands be permitted to file claims and recover refunds in the same manner as duly enrolled member of an Indian tribe: *Provided further*, That in the case of the death of any enrolled member of an Indian tribe any such illegal taxes paid by him or on his account may in like manner be claimed and recovered by the person or persons who would have received such money had it constituted a part of his estate at the time of his death.

"That all acts and parts of acts in conflict herewith are modified for the purpose and only for the purpose, of carrying into effect the provisions hereof."

Amend the title so as to read: "An act to set aside certain lands in Oklahoma for the Cheyenne-Arapaho Tribes of Indians; and to carry out certain obligations to certain enrolled Indians under tribal agreement."

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. ROGERS]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, has this amendment been considered by the Indian Affairs Committee of the House?

Mr. ROGERS of Oklahoma. Yes, and was agreed to unanimously by the committee. The bill was passed by the House some time ago.

Mr. MARTIN of Massachusetts. Has this Senate amendment been considered by the gentleman's committee?

Mr. ROGERS of Oklahoma. Yes.

Mr. MARTIN of Massachusetts. What does the amendment do?

Mr. ROGERS of Oklahoma. It merely gives the Indians 2 more years in which to recover taxes which were erroneously and illegally paid. It does not do anything at all except extend the time 2 years.

Mr. MARTIN of Massachusetts. It does not give them any additional rights?

Mr. ROGERS of Oklahoma. No more rights except extending the time.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. ROGERS]?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday. The Clerk will call the committees.

AUTHORIZATION OF APPROPRIATION FOR ROADS ON INDIAN RESERVATIONS

Mr. ROGERS of Oklahoma (when the Committee on Indians Affairs was called). Mr. Speaker, by direction of the Committee on Indian Affairs, I call up the bill (H. R. 4937) to amend an act entitled "An act to authorize an appropriation for roads on Indian reservations" and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. ROGERS]?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I think there should be full discussion of this bill. As I have frequently said when the bill was on the Consent Calendar, it not only trespasses upon the jurisdiction of the Roads Committee of the House but it also establishes a precedent which might result in the expenditure ultimately of hundreds of millions of dollars in a manner which is not provided by the present machinery of the House.

I think, under the circumstances, because of the importance of the bill from the standpoint of legislative procedure, I should object to its consideration in the House as in Committee of the Whole.

Mr. ROGERS of Oklahoma. Mr. Speaker, will the gentleman withhold his objection for a moment?

Mr. WOLCOTT. I reserve the right to object, Mr. Speaker, and yield to the gentleman from Oklahoma.

Mr. ROGERS of Oklahoma. The only reason I asked unanimous consent that this bill be considered in the House as in Committee of the Whole is that this is the only bill we have on our calendar that we knew would not force us into Committee and take a lot of time in debate, and we were eager to get the bill passed. We hated to take the 2 hours on the bill because we knew we were going to have to go into Committee on other bills.

Mr. WOLCOTT. In view of the colloquies the gentleman and I have had during calls of the Consent Calendar in connection with this bill, I do not see how the gentleman can assume that this bill could be passed by unanimous consent.

Mr. ROGERS of Oklahoma. The gentleman misunderstands. We did not as-

sume it would be passed, we were just hopeful that we might be able to pass it. We were mindful of the gentleman's objection.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Pennsylvania.

Mr. RICH. I may state here that the Department of the Interior has within the last 5 or 6 years built more roads in Indian reservations than at any time in all the history of this Nation. With the aid and assistance of C. C. C. and W. P. A. work, they have put more money into roads on Indian reservations than ever before. It seems to me that with the demands that are being made on this country at this time this bill ought to be delayed until some future time.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. WOLCOTT. I object, Mr. Speaker.

Mr. ROGERS of Oklahoma. Mr. Speaker, I would rather withdraw this bill than go into Committee of the Whole to consider it and fight for 2 hours.

The SPEAKER. The gentleman withdraws the bill.

EASTERN AND WESTERN CHEROKEES

Mr. ROGERS of Oklahoma. Mr. Speaker, by direction of the Committee on Indian Affairs, I call up the bill (H. R. 10) to reinstate in the Court of Claims the suits entitled "Eastern or Emigrant Cherokees against the United States," numbered 42077, and "Western or Old Settler Cherokees against the United States," numbered 42078.

The SPEAKER. This bill is on the Union Calendar.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10, with Mr. COLE of Maryland in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Oklahoma is recognized for 1 hour. Does any Member desire to be recognized in opposition to the bill?

Mr. GILCHRIST. Mr. Chairman, I desire to be recognized in opposition.

The CHAIRMAN. The gentleman from Iowa is recognized for 1 hour and the gentleman from Oklahoma is recognized for 1 hour.

Mr. ROGERS of Oklahoma. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, as the title of this bill indicates, it is to reinstate in the Court of Claims the suit entitled "Eastern or Emigrant Cherokees against the United States," numbered 42077, and also the suit entitled "Western or Old Settler Cherokees against the United States," numbered 42078.

We hope to show during the debate on this bill, despite what we expect the opposition to say, to the effect that this matter has been adjudicated, that we have a just claim.

There has been quite a little controversy in the RECORD from time to time on this bill. On October 23, 1941, I made a statement on this bill which appears in the CONGRESSIONAL RECORD, and I referred at that time to a statement that had been made by the gentleman from Oklahoma [Mr. NICHOLS]. There have been statements made by the opposition from time to time which have appeared in the CONGRESSIONAL RECORD.

If the opposition wants to use some time now, we should like to hear their opposition to the bill and try to meet it. There is really not much we can say until we know the points on which they are going to oppose us because we contend that this is a just claim, and we think we can refute the arguments they present.

Mr. GILCHRIST. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred Members are present, a quorum.

Mr. COCHRAN. Mr. Chairman, this is the first bill that has to do with referring Indian claims to the Court of Claims for consideration. The gentleman from Oklahoma [Mr. ROGERS], the chairman of the committee, states that he feels the committee is justified in asking the House to pass this bill and that they will be able to refute any arguments that may be advanced in opposition to the bill. I may say that this bill has been before the Congress for years but they have never succeeded in having it enacted despite the fact that a very prominent and honorable gentleman, formerly a Member of another body, has approached probably seven-eighths of the Members of this House in support of this bill.

Please bear in mind this case has been decided on two occasions at least. The argument that will be presented in the case was never considered on its merits.

The proposed legislation would reinstate in the Court of Claims the suits entitled "Eastern or Emigrant Cherokees against the United States," numbered 42077, and "Western or Old Settler Cherokees against the United States," numbered 42078. These suits were instituted pursuant to the jurisdictional act of April 25, 1932 (47 Stat. 137), and were dismissed by the court on December 2, 1935, and February 3, 1936, respectively (82 Ct. Cls., 180; 82 Ct. Cls., 556). The amounts claimed were in round numbers $5,000,000 by the Eastern Cherokees and $950,000 by the Western Cherokees. The Court of Claims in dismissing the petitions held that the issues involved had previously been adjudicated and determined on the merits. A petition for a writ of certiorari was denied by the Supreme Court (299 U. S. 551). In its original form the bill under consideration proposed to authorize the reinstatement of these cases with a specific waiver of the effect as res judicata of the prior decisions of the Court of Claims and the Supreme Court.

I should have said at the outset that I present the views of the Attorney General of the United States whose duty it is to protect the Government against such suits.

As originally introduced, the bill contained a provision granting to either party the absolute right of appeal to the Supreme Court of the United States as to both findings of facts and conclusions of law in lieu of the right to apply for a writ of certiorari.

I have contended along with others for a long time that no group of people in this country should be given the right of direct appeal to the United States Supreme Court when the citizens of our country must apply by a writ of certiorari.

This provision was amended so that either party would have the alternate right to appeal to the Supreme Court or apply for a writ of certiorari.

By treaties concluded in 1835 and in August 1846, the United States undertook to pay certain sums of money to these Indians pursuant to a resolution adopted by the Senate in 1850.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. In just a second; I want to go right along with this statement.

Mr. LEWIS. Is that 1842?

Mr. COCHRAN. Yes; these cases date back to treaties of over 100 years ago, and they are the treaties under which they want to recover money in accordance with an accounting rendered.

Subsequent to the treaty of 1846, the Eastern Cherokees, mind you, were paid the sum of $1,506,388.78 in 1852, and the Western Cherokees received $887,480.15.

In September 1851, both the Eastern and Western Cherokees signed receipts for their payments, acknowledging them to be in full of all claims against the United States, although the Western Cherokees filed a written protest with their receipt.

Now, approximately 40 years later, the claims of these Indians were reopened as a result of an accounting relative to their claims based upon treaty provisions in a subsequent jurisdictional act, and in all treaty claims the Eastern Cherokees recovered a judgment for the items listed in their accounting. This is the second judgment they recovered.

Pursuant to another jurisdictional act, the Western Cherokees recovered a judgment for additional amounts to them under the provisions of the 1846 treaty.

In accordance with additional judgments, they recovered in these suits, and there was paid to the Eastern Cherokees the sum of $5,098,361.08 on March 15, 1910, and payments totaling $830,237.05 were made to the Western Cherokees on August 23, 1894, and March 3, 1899. These payments to both the Eastern and Western Cherokees included interest at 5 percent per annum from 1838.

By the act of April 1932 jurisdiction was conferred upon the Court of Claims to hear and determine all claims of both the Eastern and Western Cherokees which had not theretofore been determined and adjudicated on their merits.

In the suits instituted pursuant to this act it was contended that since the Indians were entitled to recover interest from June 1838, the accounts which had previously been stated had not made a proper allocation of the payments by the United States. It was asserted that the payments had not been complete in compliance with the law governing partial payments. That is, first against accrued interest as of the date of payment and

then the balance, if any, against the principal. The Court of Claims held that the question raised by the plaintiffs which related to the correctness of the accounting of moneys to the Indians under the 1846 treaty, had been previously adjudicated and determined on the merits.

Although the court did not agree to hear the case over again, the court further stated that in any event the prior statement of the account had been correctly made.

Now, here is the issue, you want to send to the court again to have considered again, and yet when the court refused to consider the matter under the jurisdictional bill I just referred to the court did state at the time that in any event the prior statement of the account had been correctly made. Now, what is the use of sending the claim back when the court has already announced that it has been correctly adjudicated? Is there any use sending this matter to the Court of Claims? Why certainly not when the bill proposes to confer jurisdiction on the court to reconsider and render judgment on claims which the court has already held to have been previously adjudicated and determined.

It is understood to be the contention of the Indians that the question of the correctness of the application of partial payments was not considered by the court on its merits in the earlier decisions. The same contention, I insist, was presented to the court and the matter was thoroughly briefed and argued in the matters instituted under the jurisdictional act of 1932, in which the court not only held that the claims had been heretofore adjudicated, but discussed their merits at length and concluded that the prior adjudication had been made on a correct statement of the account. It thus appears that the plaintiffs have had their day in court on the issue which they now desire to relitigate.

Mr. Chairman, you have heard the amount of money that has already been paid to these Indians. In 1852 the Eastern Cherokees received $1,506,388.78, and in 1851 the Western Cherokees were paid $887,480.15. Then, coming back to the court again, they received a judgment with interest from 1838, and that was received in 1910. They got this additional sum, the Eastern Cherokees, $598,000 plus, and that makes a total for the Eastern Cherokees in round numbers, $5,600,000, and the Western Cherokees, getting $830,237, received a total up to not quite $2,000,000.

It seems to me that the Government of the United States has been perfectly fair to the Indians, but, as I say, a very prominent and determined man, a former Member of the other body, a man whom I have always respected, has continually pushed these bills, appealing to practically all of the Members of the House to send the case back to the Court of Claims, despite the fact it is a case which the Court of Claims says has already been adjudicated, and that the accounting was correct. When the Court of Claims is on record as saying that these claims have been adjudicated, it seems to me that the House should not pass this legislation.

As I said, this is the first jurisdictional bill that will be called up today. There are others to follow. I am sorry there is not a larger attendance of the House here, to look into the bills, because I can tell you that one of the bills that is to follow here, according to the statement of the President of the United States, involves $100,000,000, and in that case the Indians never had a treaty with the United States. It is nothing more than a pure gratuity. The President withheld his signature to that bill on one occasion, and he made the statement I have just referred to in explanation of his act. I hope the Members of the House will give careful consideration to this legislation and not send a case back to the Court of Claims that has already been adjudicated, where the money has been paid to the Indians, and where the court itself says that the accounting was correct.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. WALTER. Do I understand the gentleman to say that this bill was vetoed?

Mr. COCHRAN. Not this bill, another one, at which time the President of the United States made the statement that there was probably $100,000,000 involved. The purpose of making that statement now is not in any way to reflect upon the merits of this bill. The opposition to this bill stands upon its own argument, but I wanted the House to know the importance of the legislation pending before this body today, with only about 100 Members present.

Mr. ROGERS of Oklahoma. Mr. Chairman, I yield 15 minutes to the gentleman from Oklahoma [Mr. NICHOLS].

Mr. NICHOLS. Mr. Chairman, this bill comes to the floor with the unanimous report of the committee of the House and with the unanimous report of the Committee on Indian Affairs in the other body The bill has passed the other body twice. It has come to this body for consideration and has failed of passage Further, the Government's record of dealing with the Indians in settlements of claims against the Government by the Indians for lands taken from them by the Government is not a very pretty picture. Despite the fact that in individual cases—that is, with individual tribes—one can pile up millions of dollars that have been paid in settlements by the Government in payment to the Indians in damages they received; yet when you stop to consider the things that the Indians gave up, the settlements do not seem very large. I could cite this membership to instances—one instance in particular with this same tribe—where a commission was appointed by the Congress of the United States to make a survey of damages that the Cherokees had received in the Civil War when they were brought across what is described as the Trail of Tears from the Southern States up into Oklahoma. That commission went down there and fixed a figure of—I do not remember how much. That was sent back to the Congress with a recommendation to pay that amount of money in settlement of the damages. A certain Member of the other body away back there got up on the floor and said, in the face of the investigation that had been made by the commission, "I think this is too much; can we not compromise this matter?" So they threw all of the work of the commission in making the survey as to the amount of money that should be paid these Indians out of the window and cut it in half.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. O'CONNOR Is it not true that the records in the Court of Claims show that recoveries that have been had in claims in favor of Indians against the United States Government amount to less than 3 percent of what the Indians claimed were due them?

Mr. NICHOLS. My recollection of the figure was that it was less than 2 percent. Less than 3 percent may be correct.

Mr. Chairman, in this case, what is it that these people are asking for? Is it anything unreasonable? It is useless for me to stand here and debate and argue the merits of this lawsuit. You are not to judge it. It is beyond the scope of your authority. You cannot judge it. The records and exhibits in this case will be voluminous. So it is useless to argue the merits of this case. What do these folks want? They are simply asking for their day in court—nothing else; nothing else under the sun but their right to be heard, to have their case heard on its merits. That is all. Res adjudicata, says the Court of Claims when this case was heard before. I could make a strong argument, believe me, that it should not have been held as res adjudicata, but there is a better authority and better opinion than that which has addressed itself on the subject, in the person of the Attorney General of the United States at the time this was hot, at the time it was current, at the time there were men in the Attorney General's office who had taken part in the trial of the litigation. I think his remarks are pertinent, in view of the fact that my distinguished friend from Missouri [Mr. COCHRAN], quoted from a letter which he had from the Attorney General. I now read:

When the Eastern Cherokees attempted to obtain a settlement of their claim against the United States, under the ninth article of the Treaty of 1846, from 1900 to 1902, the House of Representatives by resolution requested the Attorney General to advise the Congress as follows—

And I read the resolution:

"*Resolved*, That the Attorney General of the United States is hereby requested to advise the House of Representatives with all convenient speed in the case of the Eastern Cherokees against the United States whether or not the award rendered under the Cherokee agreement of December 19, 1891, ratified by act of Congress approved March 3, 1893, as set forth in House Executive Document No. 182 of the Fifty-third Congress, third session, and the findings of fact of the Court of Claims of April 28, 1902, is res adjudicata; to review the opinion of the Department of Justice of December 2, 1895, and advise the House of Representatives whether the reasons set forth in that opinion now constitute a valid defense to the payment of said award."

Under this resolution the Attorney General, on January 22, 1903, reporting to the House of Representatives, said:

"Neither the agreement nor the provision appropriating money to meet the expense of the accounting authorized an accounting with the Eastern Cherokees or between parties other than the United States and the Cherokee Nation, and if the accounting as had extended to matters outside of the authorization, it is surely in that respect not obligatory upon the United States. Nor is there anything in the findings of the Court of Claims which changes or enlarges the effect of this accounting, or makes it res adjudicata between the United States and the Eastern Cherokees."

Now, this meant simply one thing——

Mr. SAUTHOFF. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. SAUTHOFF. I am trying to get myself straightened out on this question. I take it that it is the intention of the committee that there were certain matters material to the case that were not at all considered by the Court of Claims?

Mr. NICHOLS. As a matter of fact, it is worse than that. Here is what happened: The Cherokee Nation, representing among others some 16,000 intermarried white Cherokees, Cherokees who had intermarried with Negroes, called Cherokee freedmen, adopted members to the Cherokee Tribe from the Delaware Tribe and other tribes adopted, and the Western Cherokees, had filed suit against the Government of the United States. The Eastern Cherokees, numbering some 15,000, were not in that group and would never permit themselves to become a part of the group. They had a claim against the Government of the United States, not in the same suit, but when the Western Cherokees' claim was being tried the court demanded that the Eastern Cherokees intervene. They never warted in the suit, but the court directed them to intervene. So by counsel they did intervene. Never one scintilla of testimony was taken by that court as to the merits of the claim of the Eastern Cherokees, and, because the court held against the Western Cherokees, after the court had compelled the Eastern Cherokees to intervene—remember, the Eastern Cherokees never had a minute in court after they were compelled to intervene—but when the Court of Claims held against the Western Cherokees, because these men were brought in here as interveners at the direction of the court, but who had never had an opportunity to present their case on its merits, when the case of the Eastern Cherokees was then presented to the Court of Claims, the Court of Claims said, "No; you have had your day in court by reason of your intervention in the suit of the Western Cherokees."

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. ROBSION of Kentucky. Do I understand the gentleman to say that the Eastern Cherokees were not permitted to offer testimony or present their case?

Mr. NICHOLS. Yes.

Mr. ROBSION of Kentucky. Why not? On what basis?

Mr. NICHOLS. I cannot tell the gentleman because I do not know. Suffice it to say, and no one will dispute this, the only claim that can be made here that the Eastern Cherokees have had their day in court is by reason of the fact they were compelled to intervene in the Western Cherokee suit. That is the only argument anybody can advance against them. In the name of common sense, do you fear your Court of Claims? Do you fear the Supreme Court of the United States? These Indians are not asking for money, they are asking for the right to prove that the Government owes them some money, that is all.

Mr. GILCHRIST. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. Gladly.

Mr. GILCHRIST. It is the gentleman's position that the plea of res adjudicata would not be available or a good plea in this case?

Mr. NICHOLS. That is right.

Mr. GILCHRIST. Let us understand that.

Mr. NICHOLS. That is exactly what I mean. It is useless of course for me to argue that because I am prejudged. The Eastern Cherokees are prejudged. The Court of Claims has already held that res adjudicata stands against them. It does not make any difference what I think about it.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. COX. Does the gentleman know any reason, and if he does, will he please inform the House, as to why the doors of the court should not be thrown wide open for the admittance of any person to have his day in court, even against the Government?

Mr. NICHOLS. I can offer none.

Mr. COX. Is it not the purpose of the bill to give these unfortunate people in whose behalf the gentleman is making this appearance that day in court?

Mr. NICHOLS. That is absolutely all there is in the bill. It is a jurisdictional bill.

Mr. COX. In other words, if they had a just claim, a claim that is supported by good morals, and by reason, then by every rule of justice they ought to have the opportunity to present it.

Mr. NICHOLS. That is right.

Mr. COX. In other words, we are simply giving them an opportunity to go to the tribunal which is expected to give people an official determination of their problems.

Mr. NICHOLS. That is absolutely correct. Let me say further to my friend from Georgia that these people have been kept out of court on a technicality, not on the technicality of res adjudicata, after evidence had been presented, but they have never once been allowed to come into court upon the merits of this case—not on the technicality, if you please, after the evidence was in, not a technicality, if you please, after they had had an oportunity to present their case, but the technical ruling of the Court of Claims before they ever had opportunity to present their case on its merits.

The only thing I am pleading for them is the right to present their case. If it is bad, if they ought not to win, hold against them. I am not afraid that the Court of Claims is going to give away any money, I am not afraid that the Supreme Court, should it take the case on review, is going to give away any money if they have not a good and just claim. I do not think there is a Member of this body who wants them denied justice. If they have not got a just claim, if on its face, on the merits of the case they cannot sustain their position, then who is hurt? Is the Government? No; just the Indians. They want only the right to prove that they have a just and equitable case.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. KEEFE. It is a fact, is it not, that the Attorney General—and I have just hastily read his letter—contends that the merits of these claims has been heretofore determined by the Court of Claims and that the adjudication is res adjudicata in the present controversy?

Mr. NICHOLS. Yes.

Mr. KEEFE. So that in this present bill, while it authorizes the Court of Claims again to review these claims, the right of the Government to present the defense of res adjudicata is still in the bill, is it not, by reason of the committee amendment?

Mr. NICHOLS. I am not familiar with the amendment, but certainly this bill takes away from the Government none of its defenses.

Mr. KEEFE. The bill as originally reported by the committee, according to the original print I have before me, specifically waived the defense of res adjudicata.

Mr. NICHOLS. Yes.

Mr. KEEFE. And the amendment as I interpret it now preserves to the Government the right to raise that defense?

Mr. NICHOLS. That is right.

Mr. KEEFE. So if it is a valid defense, it can be successfully asserted in this proceeding.

[Here the gavel fell.]

Mr. ROGERS of Oklahoma. Mr. Chairman, I yield the gentleman 5 additional minutes. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Oklahoma.

Mr. ROGERS of Oklahoma. May I say the statement that the Speaker made at the outset relative to reporting this bill was the reason that the bill was amended and is in the form it is in now, in order that we might get a unanimous report by the committee.

Mr. NICHOLS. Yes; I remember that. When this bill was before the committee originally and as originally written, it said to the Court of Claims in effect: "You have to hear this case on its merits. You will not be heard to once more say there is res judicata." So that in the wisdom of the committee, and probably good wisdom, I think at the request of my distinguished friend from Iowa [Mr. GILCHRIST], the committee said, "No; let us not do that. Let us not tell the Court of Claims you cannot hold res judicata. Let us send the Indians back to the Court of Claims and let them argue with the

court as to whether or not the former ruling of res judicata was a good one."

In the name of common sense, what else can you ask for? Maybe there have been jurisdictional bills which this committee and this House should be afraid of, but this is not one of them.

Mr. KEEFE. If the court upon consideration of the claims should again determine that the prior determination was res judicata, that would end the whole controversy?

Mr. NICHOLS. That is all there would be to it.

Mr. KEEFE. So that the question of res judicata is still before the court, if this bill passes?

Mr. NICHOLS. By provision of the act itself.

I appeal to the Members in all seriousness and in a spirit of fairness and justice to pass this bill and give these folks their chance for at least a minute in court where once more res judicata may be held against them, even though I feel sure that ably and properly presented the Court of Claims cannot hold that there is res judicata in light of the fact that the Eastern Cherokees by their counsel were forced into the case of the Western Cherokees as interveners.

[Here the gavel fell.]

Mr. GILCHRIST. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I think we have more Indian fighters in Congress than Custer had at the Battle of the Little Big Horn in 1876. All we want to do is to give these Indians the first chance they have ever had to have their case decided upon its merits.

When these cases were dismissed in 1935 the court dismissed them on the grounds that the matter was res adjudicata, if you know what that means. I am sure I do not. As near as I can come to it, it comes from the Latin words "res," the thing, and "adjudicata," to judge. The thing has been judged before.

As applied by the courts of the United States, before a case can be thrown out on the ground it is res judicata, there must be a meeting of certain points. There must first be the same subject matter; there must be the same parties in another suit before it can be said in this case that the matter decided in the former case should apply. Right here the Secretary of the Interior says "the court dismissed these cases on the ground that the claims asserted were res judicata."

Was there a meeting of these essential points in this case? Was it the same subject matter? Was it the same parties? No.

The suit that the court referred to was the Cherokee Nation, not the Eastern Cherokees, which is a separate organization, but the Cherokee Nation against the United States. When they came into court with their claim, the court said, "You have had your day in court," and they took the case of the Cherokee Nation, with which these Eastern Cherokees had no relations before, and applied the holding in that case to their case, and their case, I may say to the Members of the House, has never been decided upon its merits up to this moment.

The Attorney General says that is all we ask. Would you be afraid of it if it was your personal matter? If this bill is passed, it merely gives the Indians the right to be heard in court, irrespective of what has taken place before.

Mr. NORRELL. Will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Arkansas.

Mr. NORRELL. I would like to hear the gentleman discuss the case from the standpoint of the settlement that was made with these Indians. I believe it has been stated the settlement was made with both tribes.

Mr. BURDICK. There are about 8,000,000 acres involved. The suit of the Cherokee Nation against the United States was the case in which the money payments were found to be due, and that is the only case I can find in the record where the Indians received any money. That was in the case of the Cherokee Nation, but that did not include the Eastern Cherokees or the Western Cherokees.

Mr. NORRELL. Has it not been stated they also received settlement and executed receipts?

Mr. BURDICK. There is no statement here made that the Eastern Cherokees ever executed any receipt for the entire settlement of their claims. In a former suit the question of partial payment was considered and the application of payment first went to payment of interest and the balance to the principal. When the Cherokees objected to being thrown out of court on the ground of res judicata, they made the point that this matter of partial payment had never been considered by the court in the original case. So how could you apply the principle of res judicata?

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I understood from our colleague from Oklahoma that the Eastern Cherokees were required by the court to intervene?

Mr. BURDICK. No; the Western Cherokees were required by the court to intervene.

Mr. ROBSION of Kentucky. Well, this claim is for the Eastern or the Western Cherokees?

Mr. BURDICK. Both.

Mr. ROBSION of Kentucky. Both. This bill covers both?

Mr. BURDICK. To reinstate in the Court of Claims suit entitled "Eastern Emigrant Cherokees, No. 42077, and the Western or Old Settler Cherokees, No. 42078."

Mr. ROBSION of Kentucky. I am clear now. As I understand it, the people who have been aggrieved by this action here are the Western Cherokees, the Old Settler Cherokees?

Mr. BURDICK. Both.

Mr. ROBSION of Kentucky. Both have been?

Mr. BURDICK. Yes; because their claims have never been before any court.

Mr. ROBSION of Kentucky. But the Western Cherokees were turned down by the Court of Claims on the ground of res judicata.

Mr. BURDICK. They were turned down on the ground that the court said, "You appeared in this other case."

Mr. ROBSION of Kentucky. Did the Western Cherokees after they had been made parties to the case file any pleadings or offer any testimony?

Mr. BURDICK. No; none whatever.

Mr. ROBSION of Kentucky. Did the court refuse to permit them to do that, or did they decline to plead or offer testimony?

Mr. BURDICK. What information could an Indian nation serve in a case against the United States? The case in which they were brought in was the case of the Cherokee Nation against the United States. What business had these Indians to bolster up the United States in that suit? So they did not do anything, naturally.

Mr. ROBSION of Kentucky. That is what I was trying to get at. Did the Western Cherokee Indians or their counsel feel that they were not proper parties to that action and, therefore, they filed no pleadings and offered no testimony?

Mr. BURDICK. I presume they not only felt that way but they actually did that.

Mr. ROBSION of Kentucky. They acted that way.

Mr. BURDICK. There was nothing they could do.

Mr. ROBSION of Kentucky. Did they take any steps to get relief in a higher court from this improper order of the lower court?

Mr. BURDICK. Yes. Every time the Eastern Cherokees came along, they said, "Why, you are out of business because of res judicata. This has all been settled."

Mr. ROBSION of Kentucky. It seems to me, though, that if they had appealed from that order it could have been determined whether or not they were proper parties in that suit.

Mr. BURDICK. Whoever invented that term "res judicata" ought to be ashamed of himself, and those who assert the principle as has been done in this case, are obviously unfamiliar with what the term means.

Mr. ROBSION of Kentucky. I did not do it, I know. Do not lay it on me.

Mr. BURDICK. It can only apply, and every lawyer who ever appeared in a justice court knows it, where the same subject matter and the same parties are involved.

Mr. ROBSION of Kentucky. That is the point I am making. If the court made the Western Cherokees a party to the case, the assumption is that they were proper parties. If they were proper parties, then it was up to them to plead and to offer evidence. If they were not proper parties, it seems to me they could have taken steps to go to a higher court to have that order set aside and to have the judgment that was entered against them set aside.

Mr. BURDICK. When a court compels you to do something you cannot do, you do not do it, do you?

Mr. ROGERS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Oklahoma.

Mr. ROGERS of Oklahoma. These jurisdictional bills usually govern as to whether or not the parties will have the right to appeal. Unless you insert in the jurisdictional bill that a tribe may appeal from the Court of Claims, it is impossible to get to the Supreme Court.

Mr. ROBSION of Kentucky. If the gentleman will permit, I got the impression that this suit was brought in the first instance in the United States District Court. Am I wrong about that, or was it first tried in the Court of Claims under an act passed by the Congress?

Mr. ROGERS of Oklahoma. It was in the Court of Claims under an act passed by the Congress. Unless they were given the privilege of appealing, they had no appeal.

Mr. ROBSION of Kentucky. That clears up the point about which I was disturbed.

Mr. BURDICK. Anyhow, what is there about the case you are afraid of? You are allowing these Indians to go into court for what they say is the first time they have ever been in court to prove their claim. Why is the gentleman from Missouri so afraid of letting the Indians go to the court? It must be that in his own conscience he knows they have some money coming.

[Here the gavel fell.]

Mr. GILCHRIST. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, there ought not to be any dispute about the facts concerning the plea of res judicata. The plea of res judicata is an honest and equitable one, one that all courts ought to observe. If I sue you and get a judgment against you for $100, you ought not to have the right to say, "Well, that amounts to nothing; I am going to have another trial." If you sue me and get a judgment against me, I ought not to be allowed to ignore it and go right ahead and say, "I won't pay that judgment you have against me because you did not get it right, there was something unfair about the way the courts decided it, and I did not present the testimony I should have presented or could have presented; therefore, I will get another trial." Anybody knows that that is not a good way to run our courts. The plea of res adjudicata in all jural societies is a highly important, honorable, and equitable one.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. I yield for a question.

Mr. NICHOLS. Will not the gentleman agree that the Western Cherokees to this good hour have never presented one syllable or scintilla of evidence or testimony in the court?

Mr. GILCHRIST. I cannot so agree, and I shall point out why as I proceed. For example, I have here in my hand the case of the Cherokee Nation in which the Western Cherokees were interveners.

Mr. NICHOLS. Yes, sure; that is right.

Mr. GILCHRIST. Any court has the right on its own jurisdiction and because of its own equitable powers to bring in interveners, and to cause third parties to be brought into the litigation in order that the case can be fully tried and finally determined. What is the reason an intervener cannot be brought in? These people did intervene and they were in court and fully heard.

In the case of Cherokee Nations against the United States Western Cherokee or Old Settler Indians, interveners, decided by the Court of Claims on February 3, 1936, these people were in court and given a full hearing on the proofs and they were then represented by some of the very attorneys who now are presenting this bill including Senator Robert L. Owen. I cannot read the case. I cannot read the whole case, of course, but the headnote states in part:

> The claims in suit under the special jurisdictional statute held to have been adjudicated on their merits by the Court of Claims and the Supreme Court in an earlier case prior to the enactment of the jurisdictional statute. (See 82 Court of Claims 456.)

The letter the gentleman from Oklahoma read was dated long before these cases were decided in 1936.

And then again and a second case entitled "Western or Old Settler Cherokees against the United States," was decided in February 1936. That is not the case of the intervention, either, please get that, it is the case decided at that time in which the Court made the same observation.

I will not read it except to read an extract from the headnotes, as follows:

> The claims in suit under the special jurisdictional statute held to be the same as claim against the Government in an earlier suit adjudicated on their merits by the Court of Claims and the Supreme Court. (See 82 Court of Claims 566.)

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. I yield for a question.

Mr. O'HARA. Does the decision show that there was actual evidence offered?

Mr. GILCHRIST. Yes; it shows that and in addition the court made special findings of facts and it was fully argued and the court examined testimony in these cases although I cannot here state what the testimony was.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. Yes.

Mr. COCHRAN. If the gentleman will refer to page 5 of the report, the letter written to the Director of the Budget by the Attorney General, he will find this language:

> It is the contention of the Indians that the question of the correctness of the application of partial payments was not considered by the court on its merits in the earlier decisions upon which the Court of Claims relied. The Secretary of the Interior states that this contention does not appear to be "wholly without foundation."

Now, the Attorney General says further:

> Irrespective as to whether the question was before the court in the suits decided in 1891 and 1905, the matter was thoroughly briefed and argued in the suits instituted under the Jurisdictional Act of 1932, and the court not only held that the question had been theretofore decided, but discussed the merits at length and concluded (82 C. Cls. at pp. 208-209) that the adjudication had been made on a correct statement of the account. It thus appears that the plaintiff has had his day in court on the issue which it desires to relitigate.

There is the language here in the committee report.

Mr. ROGERS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. The gentleman has his own time, and I feel that I do not have the time to yield.

Mr. ROGERS of Oklahoma. I want to clear up a point right there.

Mr. GILCHRIST. I will say to the Committee that in 1936 in these three cases, long after the other cases were decided, you have this same Court of Claims deciding and finding and stating exactly what I have read to you, and this was as late as 1936. This prior discussion is not relevant because it concerns earlier dates, but it also holds with my present contentions.

These folks had their day in court. On December 2, 1935 (82 Court of Claims 691), the Eastern Cherokees' petition was dismissed, and as I have told you, the other cases were dismissed in 1936, and at that time the court after discovering and going through the facts in the case, said that the whole matter had already been tried and that the cases were res adjudicata.

Mr. NICHOLS. In fairness, will the gentleman yield to me? I believe the gentleman from Oklahoma will yield the gentleman 2 minutes.

Mr. ROGERS of Oklahoma. I will be glad to yield to the gentleman whatever time may be necessary.

Mr. GILCHRIST. All right, yield me 2 minutes and I shall be glad to yield for a question from the gentleman from Oklahoma.

Mr. NICHOLS. I think the House is entitled to know the facts.

Mr. ROGERS of Oklahoma. I will yield to the gentleman whatever time is necessary. I will yield 5 minutes, if necessary.

The CHAIRMAN. Does the gentleman from Oklahoma yield 2 additional minutes to the gentleman from Iowa?

Mr. ROGERS of Oklahoma. Yes, Mr. Chairman, I will do that.

Mr. NICHOLS. The gentleman from Missouri [Mr. COCHRAN] has just read a statement from the report stating what the Attorney General said. The Attorney General's letter said, "Irrespective as to whether the question was before the court," and so forth—that is what he said—but the following paragraph should be read because the paragraph that the gentleman from Missouri read is quoting in the Attorney General's letter from a contention by the court, and here is what the Attorney General said about it in the following paragraph:

> This statement is not justified by the facts. The Court of Claims merely recited what the contention of the plaintiffs was and this was done only in the opinion of the court. The merits of the contention were never denied on the ground that the claim had previously been adjudicated.

Mr. COCHRAN. What is the gentleman reading from?

Mr. NICHOLS. I am reading from the report on page 7.

Mr. COCHRAN. The gentleman is construing the report and reading from an argument submitted by the Indians' attorney.

Mr. NICHOLS. I am reading what the Attorney General said.

Mr. GILCHRIST. If the gentleman is reading from page 7, that is not what the Attorney General said at all. That is what Robert L. Owen said on page 7 of this report.

Mr. NICHOLS. It says here "the Attorney General's letter."

Mr. GILCHRIST. But you are reading a statement made by the attorney for the Indians.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. No; I am going to use some of my own time now.

Mr. NICHOLS. Here is exactly what the gentleman from Missouri said——

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. I yield for a question.

Mr. COCHRAN. The gentleman from Oklahoma was reading from a memorandum by Hon. Robert L. Owen, attorney for the Indians, appearing on page 6 of the report?

Mr. NICHOLS. No; I was reading from page 7.

Mr. COCHRAN. The memorandum appears on pages 6 and 7, and not only pages 6 and 7 but also page 8, where the attorney for the Indians is commenting upon the Attorney General's letter.

Mr. NICHOLS. That is right.

Mr. COCHRAN. If you want to read what the Attorney General said in his letter, read page 5 and part of page 6.

Mr. GILCHRIST. That is what I was just remarking. The gentleman from Oklahoma was reading a statement by the attorney for the Indians and not reading the statement of the Attorney General, and I am telling you that these cases were decided on their merits after testimony, as I have proven by the cases to which I have cited you, and as contained in the report of the cases in the book that I hold in my hand and have read from.

The bill itself shows on its face that the proponents are afraid of the plea of res adjudicata, and that is why I asked the gentleman from Oklahoma [Mr. NICHOLS] a while ago if he contended that the plea of res adjudicata was not a good one, and he said he did. All right. This bill starts out in the very first lines to say that these cases are hereby reinstated. They do not want to come in with a new case—oh, no; because they know that if they come in with a new and third case they will be defeated by the plea of res adjudicata, so that right at the start they state that they want to reinstate these old cases which the court has decided on such a voluminous record. Still you will notice that in line 4, page 1, they are to reinstate these cases. They are afraid of res adjudicata. They have put this idea all through the bill.

On page 2, line 4, they say that they want these suits to be tried de novo, which language, of course, means from the beginning, all over again and on new testimony. Throughout the bill that thought occurs over and over again. These gentlemen are not willing to bring in a jurisdictional bill and say that the Court of Claims shall try this question and leave open every defense that the Government may have. They are not willing to do that, and they do not do it. They want to reinstate those cases because they are not satisfied with the ruling that they got in these very cases, and they want to try them all over again so that both under the facts of the case and under the bill as originally written and as it now appears the plea of res adjudicata is taken away from the Government even after the Indians have had two or three different trials already. It is not fair to the United States to say that they shall continue to try these cases over and over again until they get a favorable decision, and if they do get that, then I suppose they will be satisfied to quit.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. Yes.

Mr. ROBSION of Kentucky. I have understood that those sponsoring the bill here claim that they are willing that the Government may have the right of the plea of res adjudicata.

Mr. GILCHRIST. Not if these cases are to be reinstated. They want to reinstate these cases, being two cases that are in this lawbook; but as to the reinstatement of the cases, they would not be willing to waive the plea of res adjudicata. They want the effect of these cases to be waived entirely. That is the purpose of the bill. I hope the House understands that.

Now, concerning the amendment that is in italic on page 2, it does not obviate this matter or cover the point involved in the reinstatement, because, in the two cases set forth in the lawbook, the plea of res adjudicata is not to be allowed. It is these cases here as to which the plea of res adjudicata shall not apply.

There is a clerical error in lines 14 and 15 on page 2 of the bill where the language is:

and prove if it can the defense of its adjudication.

That does not mean anything, and it should be amended to read "res adjudicata" instead of "its judication." It occurred, I think, because of some miserable writing up in the Indian Affairs Committee. I was trying to get through the idea that the Government should have the right to the plea of res adjudicata, and the Clerk evidently could not read it. I do not blame him in any way. I am not finding any fault, because he did not correctly interpret the hieroglyphics of the gentleman who wrote it in longhand.

This is the fact, both on the proof of the cases that have been before the Supreme Court and before the Court of Claims, and this is the third or fourth time these Indian attorneys will be allowed to come into court if you pass this bill. I do not know how many times they want us to give them the right to try these cases. They will probably want it five or six times and keep wanting it until they run out of money or patience.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GILCHRIST. Mr. Chairman, I yield myself 5 minutes more. On the merits, this claim has been tried. It was a question as to how they should apply the money that the Government paid, either on the interest or the principal under the accounting made on leave of this Congress, and that is the only question that will come before the court. It is a question of how that interest should have been applied. But that has already been tried. They have been given their day in court. The gentleman from Oklahoma [Mr. NICHOLS] said that all they are asking for is to have a day in court. Two or three times they have already been given that day in court. These cases run back for 100 years or more. Can you get the facts; can you get the truth, when you try to dig up testimony that relates to treaties and to acts more than 100 years ago? During all these years this Government has been treating with these Indians and has been giving them many rights and privileges and money and support and even the right of the Government to offset or counterclaim for some of that has been cut off by the language of the bills. I shall not refer to that now. I think, as does the gentleman from Missouri [Mr. COCHRAN], that if this case is tried—and it ought not to be tried—then the right of review in the Supreme Court of the United States should be, as provided in the act of February 13, and not simply an outright appeal to the Supreme Court.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. For a brief question; yes.

Mr. O'CONNOR. The gentleman understands, of course, that the duty of Congress to do justice by the Indians is a continuing one; and if for any reason the Indians have not had a fair trial it is the duty of this Congress to see to it that they get a fair trial.

Mr. GILCHRIST. I will say it is the duty of this Congress to see that the taxpayers of this country are not despoiled and injured by such phony claims as is now presented for the third or fourth time.

Mr. O'CONNOR. Will the gentleman yield further?

Mr. GILCHRIST. No; I do not yield further. This Congress should do right by the Indians. It should do right by the people of your district and my district and by the taxpayers in California, New York, or Iowa. That is all we are asking for. It is not a pleasant duty that some of us have sometimes to stand up here and object to such bills as this. The merits of the bill seem to me to be in favor of the Government. Just think of requiring the Government to go back and dig up testimony over all of the years, and over a hundred years ago when these treaties were first made. The Indians have been treated justly and fairly. They have been in court, not only in the Court of Claims, but in the Supreme Court. The Court of Claims so determined as late as 1936.

Now, let us not go off on a tangent by saying that they have not had their day in court or that they did not have justice.

As my friend has pointed out, it was their duty, if they were not satisfied with these decisions, and if they were wrong and erroneous, to take the case to the Supreme Court and try to get that Court to remedy and change the decision. That is exactly what they did do, but the Supreme Court threw out the cases, evidently satisfied that the Court of Claims had done justice in the premises.

If we allow such claims as this to be brought forward you might as well turn over the Treasury to these people. If these folks are destitute, I would much rather give them an appropriation, as has been proposed in other bills, and not be compelled to hire and pay their attorneys.

[Here the gavel fell.]

Mr. GILCHRIST. Mr. Chairman, I yield myself 1 additional minute in order to answer the gentleman from Indiana.

Mr. SPRINGER. Will the gentleman yield?

Mr. GILCHRIST. I yield.

Mr. SPRINGER. I just wanted to ask the gentleman how many times these cases have been tried before this bill was presented to this Congress?

Mr. GILCHRIST. I think they were tried at least twice through the Court of Claims and once in the Supreme Court, where that Court found against them, because it held that the cases were previously adjudicated.

Mr. SPRINGER. And they were defeated in each trial?

Mr. GILCHRIST. Yes, sir. They have been defeated each and every time.

Mr. SPRINGER. And if this matter should come by way of legislation from this Congress permitting them to have another trial of this case, it would mean in substance a review of this judicial decision by this House, would it not?

Mr. GILCHRIST. Yes; I suppose so, and it would amount to three trials. They do not dare go to the Court of Claims on the merits of this case.

[Here the gavel fell.]

Mr. ROGERS of Oklahoma. Mr. Chairman, I yield myself 1 minute.

The gentleman from Iowa [Mr. GILCHRIST] wrote the amendments in this bill, but it seems that he is writing another one since it left the committee. There is nothing in the bill with reference to paying an attorney 10 percent of the recovery.

Mr. GILCHRIST. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. KEEFE] 5 minutes.

Mr. KEEFE. Mr. Chairman, I am taking this time to see if it is possible, in an orderly way, to collect together some of the arguments that have been made, to see if we can understand just exactly what the problem is before the House in the consideration of this bill.

As I read the report of the committee, which contains the letter from the Attorney General addressed to the Director of the Budget, it appears that these suits originated out of certain treaties concluded in 1835 and 1846: That pursuant to a resolution adopted by the Senate, certain settlements were made with this Cherokee Indian Tribe in 1850 and in 1852, respectively. It was claimed after those settlements were made, pursuant to the original Senate resolution adopted in 1850, that the settlements were not made in accordance with the provisions either of the resolution or the treaty, and thereafter, pursuant to that suit, it appears that special jurisdictional acts were passed by the Congress permitting these Indians to file claims in the Court of Claims. Such claims were filed by the western Cherokee Indians, and the eastern Cherokees intervened or interpleaded in the suit of the Cherokee Nation against the United States. That was in 1891. As a result of those claims and an adjudication made in 1891 by the Court of Claims, certain provisions were made for payment in the amount of interest, it being claimed that there had been a mistake made by the Government in the matter of the allocation of interest payments on the original claims.

Those decisions were made again after full hearing in the Court of Claims in which the Cherokee Indian Nation, consisting apparently of the Western Cherokee Indians with the Eastern Cherokees, interpleaded in one of these suits, fully presented their respective claims.

It now appears that further contention was made that mistakes were made in the matter of allocations of interest payments. Again in 1932 they came to the Congress and I suppose had a very capable attorney representing them, and another jurisdictional act was passed on April 25, 1932, by which jurisdiction was conferred again on the Court of Claims to hear and determine all claims of both the Eastern and Western Cherokees which had not theretofore been determined and adjudicated on their merits. Pursuant to that jurisdictional act passed on April 25, 1932, these various tribes again commenced suits in the Court of Claims for the purpose of further having their claims determined. In accordance with the provisions of the jurisdictional act which authorized the Court of Claims to hear these claims, the Court of Claims was authorized to hear only those matters that had not theretofore been determined and adjudicated on their merits. The Court of Claims had before it in these two suits claims by these tribes that there had been a further mistake in the allocation of the payments of interest. This was their contention and it was fully tried. The Court of Claims said that the claimants were not raising a question under this jurisdictional act which had not theretofore been determined, and definitely held that that question had theretofore been determined by the Court of Claims.

[Here the gavel fell.]

Mr. GILCHRIST. Mr. Chairman, I yield 2 additional minutes to the gentleman from Wisconsin.

Mr. KEEFE. The court said: "That question has been decided in your prior actions before the Court of Claims. That question therefore is res adjudicata." But I will say this, and I have looked at the decisions in those two cases, the court did hold, however, in these cases that were decided in 1936 and 1938, that the prior payments had been made on a correct statement of account. It therefore appears that the matter which we now have before us involves a petition on the part of these Indians in the face of a first determination carried to the Supreme Court of the United States, and determined there; another jurisdictional act giving the Court of Claims the right to hear and determine this matter again, and the case decided against the Indians; and now they are before the Congress asking for another jurisdictional act to reopen the whole subject matter, to have a trial de novo of the whole proposition. To me it is the height of absurdity, and if it were permitted in any court of justice or any system of jurisprudence in any other place in the United States I would want to tear up my law books and my license to practice law and just say we have reached a state of complete chaos where judicial findings, judicial determinations made and entered after full opportunity for presentation of a client's case can be set aside ad infinitum to give them 1 day after another in court.

I personally cannot support this type of legislation.

[Here the gavel fell.]

Mr. ROGERS of Oklahoma. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. DISNEY].

Mr. DISNEY. Mr. Chairman, this, of course, is a reopening of the whole subject, as the gentleman from Wisconsin just said. These Indians, however, are wards of the Government. I should think we would be more liberal with the wards of the Government than with other people. In the famous 30,000 land suits that principle was laid down, and the attempt is made here to see that these people have their complete day in court. I would judge from the arguments made here today that if the matter had not been better presented somewhere else than here, the Indians did not have their complete day in court.

The Committee itself went into this matter much more thoroughly than I or the gentlemen who preceded me; and the members of the committee have a better view, the majority of them, than any of us here who did not study the matter with the committee. If the Committee of the Whole will bear with me I want to read a few lines, for I feel that in so doing I can be of assistance. I am not asking merely for the purpose of addressing the House or the Committee. Here is what the committee says:

> The plaintiffs' claim is that, in an amount of money legally due them as compensation for land taken from them by the United States—

And, of course, you know we did that in those early days with a vengeance in the West—

> an error of accounting was made. They claim—

That is, the Indians—

> with justice—

This is your committee talking, the committee that studied it thoroughly—

> that until the act of April 25, 1932, their group, as a group, had never appeared in court; and that until the error of fact had been found in court as stated in 202 United States—

The first and only time they went to the Supreme Court of the United States—

> they had no judicially ascertained facts upon which the present suits could be predicated.

They claim that in the accounting of the United States by its executive officers, and by Congress based upon executive recommendations, a grave wrong had been done them in failing to correctly state the account and to make the payments legally due in accordance with law.

In a report to your committee in the Seventy-sixth Congress the Secretary of the Interior—

Another source of information that undoubtedly would not go into the subject matter superficially. In addition to your committee's statement about the claim, the Secretary of the Interior makes this statement.

Referring to the present claim of the plaintiffs that they had not been heard in full in court, here is what the Secretary of the Interior says:

Inasmuch as the argument concerning partial payments was not presented to or considered by the courts in the earlier cases—

He evidently states that as a fact. If I may be permitted to repeat, here is his language, and I am trying to get over to the Committee the statement of the Secretary of the Interior.

Inasmuch as the argument concerning partial payments was not presented to or considered by the courts in the earlier cases, their contentions in this respect do not appear to be wholly without foundation.

This whole contention relates to the Slade-Bender accounting, and here let me read to you a short statement. I could state it as a fact, but I will read the article because it is more succinctly stated. This ought to be enlightening to gentlemen who are called upon to vote on this subject.

The Cherokee Nation filed suit in the Court of Claims in 1903 and did not contemplate any review of the treaties and accounts of the Cherokee Nation by court. It contemplated only bringing suit for an indebtedness acknowledged by the United States in the so-called Slade-Bender account.

We will come to that in a minute and find out what the Slade-Bender account is.

The Slade-Bender account arose under the contract of the Cherokee Nation to quitclaim the Cherokee outlet in Oklahoma to the United States. The outlet contained over 8,000,000 acres of land.

That is very valuable land now. Those were the days when the United States was in the habit of making good, shrewd trades with the Indians.

[Here the gavel fell.]

Mr. ROGERS of Oklahoma. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DISNEY. Mr. Chairman, continuing the quote:

The payment of the account was an essential part of the purchase price to be paid to the Cherokee Nation for the land.

Eight million acres is a right sizable parcel of land.

The United States agreed as part compensation for this quitclaim to make a statement of the amount due the Cherokee Nation. The Secretary of the Interior employed Slade and Bender to make the account. It was not a judicial proceeding. It was an account made under the direction of the Secretary of the Interior.

He was trying to solve this whole problem.

The account when made was accepted by the Secretary of the Interior. It was presented to the Cherokee Nation May 21, 1894, and accepted by the Cherokee government December 1, 1894, on condition that the amount acknowledged to be due should be immediately paid by the United States. It was not paid and suit was permitted by the act of July 1, 1902, known as the Cherokee Allotment Act, as heretofore recited.

Let us see what this bill does. As I understand it, the original bill waived for the Government the right to interpose the defense of res judicata. The gentleman from Iowa, as I understand it, a member of the committee, drew the amendment to take that issue out. Here is what the bill provides:

Application must be made within 1 year after the approval of this act and jurisdiction is conferred on the Court of Claims to hear and determine the claims asserted in the suit de novo.

In other words, try the subject and put behind us forever the contentions that are taken cognizance of by the Secretary of the Interior, accepted by him obviously in the report of the committee, as a matter of fact, that this matter has never been settled finally in court.

The bill goes on:

and on the merits with findings of fact and conclusions of law based thereon, giving to both the plaintiffs and the defendant their legal and equitable rights and defenses under the laws of the United States to the end that the substance of the right shall be given to both the plaintiffs and the defendant, including the right of the Government to plead and prove if it can the defense of res judicata.

Evidently there was some doubt in the mind of the committee whether the Government could do that or not.

What has been lost to the Government? As has been asked before, are we not going to trust the Court of Claims? The work is all on the part of the Indians. We have a staff in the Department of Justice to defend these claims. The work has to be done by the plaintiffs. Can we not trust the rest of the courts to determine this issue? All on earth these Indians are asking is to have their day in court.

Your committee, charged with responsibility to do the labor of reporting to you, recommends that these Indians have their day in court, should have their day in court, and that is all that this bill does. It gives them their day in court. They contend they have not had their day in court. A majority of your committee agrees with them and reports a bill asking you to give these Indians their day in court, without loss to the Government of one dime, unless the courts of the United States determine that they are due money from the Government. I take it for granted in the dealings I have heard of, from what I have read, and from what I know of the Government and the Indians in the West, that the Indians have not been paid.

Mr. THOM. Will the gentleman yield?

Mr. DISNEY. I yield to the gentleman from Ohio.

Mr. THOM. I notice in the last paragraph you seem to be broadening the right to carry this case further; in other words, you are giving the right to appeal instead of confining the plaintiff to a writ of certiorari.

Mr. DISNEY. Yes.

Mr. THOM. Why should that change be made?

Mr. DISNEY. That amendment was drawn by the gentleman who was today opposing the bill.

[Here the gavel fell.]

Mr. ROGERS of Oklahoma If the gentleman from Iowa [Mr. GILCHRIST] desires to use any more time, he may use it now, but we want to close.

Mr. GILCHRIST. What did the gentleman say?

Mr. ROGERS of Oklahoma. If the gentleman desires to use balance of his time, he should do so now.

Mr. GILCHRIST. I would prefer that the gentleman use the balance of his time. After the gentleman uses his, I will use mine. I only have 5 minutes.

Mr. ROGERS of Oklahoma. If the gentleman does desire to use any more time, he may do so. We do not care to use any more time.

Mr. GILCHRIST. The gentleman does not care to use any more time?

Mr. ROGERS of Oklahoma. No.

Mr. GILCHRIST. Then I will not use any more time.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Court of Claims is hereby authorized and directed to reinstate the suits entitled "Eastern or Emigrant Cherokees against the United States," No. 42077, and "Western or Old Settler Cherokees against the United States," No. 42078, heretofore dismissed by that court on December 2, 1935, and February 3, 1936, respectively: *Provided*, That application therefor is made within 1 year after th approval of this act, and jurisdiction is hereby conferred on the Court of Claims to hear and determine the claims asserted in said suits de novo and without regard to any prior adjudication of the claims asserted therein, it being the intent hereby specifically to waive the effect as res judicata of the prior decisions of such court and of the United States Supreme Court on the claims asserted in said suits. The Court of Claims shall reinstate and retry said suits under such provisions of the act of April 25, 1932 (47 Stat. 137), as are not in conflict herewith. The Court of Claims is hereby directed to consider and offset all sums expended gratuitously by the United States for the benefit of the Eastern and Western Cherokees in accordance with the provisions of section 2 of the act of August 12, 1935 (49 Stat. 596), which the court may find equitable and just, and where such offsets are not in conflict with the treaties under which the claims arose. In lieu of the right to apply for a writ of certiorari, the defendant and the plaintiff shall have the absolute right of appeal to the Supreme Court of the United States in such cases on both findings of fact and conclusions of law.

With the following committee amendment:

Page 2, line 4, after "de novo", strike out down to and including line 8, and insert the following: "and on the merits with findings of fact and conclusions of law based thereon, giving to both the plaintiffs and the defendant their legal and equitable rights and defenses under the laws of the United States to the end that the substance of the right shall be given to both the plaintiffs and the defendant, including the right of the Government to plead and prove if it can the defense of its adjudication."

Mr. GILCHRIST. I suppose it may be agreed that the words "its adjudication" in this amendment may be changed to read "res judicata"?

Mr. ROGERS of Oklahoma. The gentleman will have to ask unanimous consent that the words "its adjudication," which are in error, be stricken and the words "res judicata" be inserted in lieu thereof.

Mr. GILCHRIST. I ask unanimous consent that that be done, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 22, after the parenthesis, strike out the remainder of the bill and insert "Either party shall have the right to appeal to the Supreme Court, or to apply for a writ of certiorari according to and as provided by the laws, rules, regulations, limitations, and practices of the Supreme Court at the time application is made."

Mr. GILCHRIST. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. GILCHRIST to the committee amendment: Strike out all of lines 4, 5, 6, and 7 on page 3 and insert in lieu thereof the following: "review by the Supreme Court of the United States as provided in the act of February 13, 1925 (43 Stat. 939)."

Mr. GILCHRIST. Mr. Chairman, this amendment provides that the proceedings in the Supreme Court shall be as provided in the act of February 13, 1925, which is the act that applies to all civil procedure in the Supreme Court. That is all. They will have the right of review in that Court exactly the same as you or I or any other person would have in going up to the Supreme Court.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. I yield to the gentleman from Oklahoma.

Mr. DISNEY. The gentleman means that the case would go up by a writ of certiorari?

Mr. GILCHRIST. Yes; they would have to apply for a writ of certiorari.

Mr. DISNEY. Then the Court could allow the writ or not, as the case might be?

Mr. GILCHRIST. The Court could allow the writ and allow an appeal if it wanted to. Then there would be an appeal to the Supreme Court.

Mr. DISNEY. Then why not leave the bill as it is, without this amendment?

Mr. GILCHRIST. Because it is not the procedure at this time.

Mr. DISNEY. I know it is not.

Mr. GILCHRIST. Simply to say offhand that you can appeal to the Supreme Court is not according to the procedure at this time, and that Court does not have time nor inclination to try all the cases that litigants might want to bring up to it.

Mr. DISNEY. It may not be according to the channels now, but tell me a good reason why the bill should not be left as it is, the way the committee brought it in. By the gentleman's procedure they get to the Supreme Court, do they not?

Mr. GILCHRIST. On a writ of error or certiorari. If the Court grants your writ, then you do have your appeal, and if it does not, you do not have it.

Mr. DISNEY. By the procedure in the bill you get to the Supreme Court. Just what is the gentleman's reason for wanting to do it a different way?

Mr. GILCHRIST. By the provisions of the bill they might have ar appeal offhand. There is no reason for giving them an appeal any more than there is for giving an appeal in any other case, and the Supreme Court does not have time or opportunity to investigate every and all cases that involve no questions but those of facts only.

Mr. DISNEY. They are wards of the Government.

Mr. GILCHRIST. They are wards of the Government, but these Indians have had the best lawyers in these courts that money can buy. The lawyers have had the prospect of gaining millions of dollars, probably, if they won the case. When I hear this talk about wards of the Government in connection with cases tried for Indians in the Supreme Court or in any other court, I know that they are not going to be hurt but will be protected by the best lawyers that money can buy, or that a prospect of winning can hold out as an inducement.

Mr. DISNEY. May I offer one other suggestion. The term "wards of the Government" is not a phrase I pulled out of a hat; it is a term laid down by the courts themselves, and it ought to be sacred in this Chamber.

Mr. GILCHRIST. I suppose the "wards of the Government" idea has been the thought of the Congress during all the years, but there is nothing to be gained by saying that the Indians have not been fully cared for and that they are poor babies who have not had protection in the courts.

Mr. Chairman, I think the amendment ought to carry so that these Indians can have the right to a writ of error the same as other people have.

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, may I ask the gentleman from Iowa whether or not if this amendment is adopted he will support the bill?

Mr. GILCHRIST. I reply to the gentleman from Oklahoma by saying that I shall support this bill or not when it is finally amended. If the gentleman will write into this bill some other amendments I should like to put into it, then I shall support the bill, but why should I be limited and asked to declare myself on this one amendment?

Mr. NICHOLS. It seemed to me a pertinent question because the gentleman from Iowa wrote the amendments which are now in the bill as the committee amendments, and voted for the bill and its passage out of the committee. Then he came to the floor and opposed the bill.

Mr. GILCHRIST. The gentleman is mistaken in saying that I voted for the bill in the committee.

Mr. NICHOLS. Then I am misinformed, because the report states that it is a unanimous report from the committee.

Mr. GILCHRIST. There was no adverse vote.

Mr. NICHOLS. In any event, as I said in my opening remarks, it would be impossible to argue the merits of this case here. You cannot argue them here. The only question is whether you want to let these Eastern Cherokees go to the Court of Claims, and now they are not even guaranteed the right to present their case on its merits under this bill. Even yet the Court of Claims may at any point raise the question of res adjudicata against them.

Now, if the bill is to pass, the pending amendment wolud take away one other right from them. We have attempted to say that if you have been prejudged in the Court of Claims we are trying to give you the right to get to the Supreme Court, where your case can be heard on its merits, but this amendment would take that away and leave them only certiorari. I do not think certiorari is ever apt to be granted to them when the Court of Claims says that it is res adjudicata. And here is another funny thing. A letter from the Attorney General has been read and reread here this afternoon giving reasons why this bill should not pass. I guess there is nothing wrong with it, but it is strange The Attorney General, if you please, defended these suits, and the Attorney General now is charged with the duty of defending this suit if it goes to the Court of Claims, and the man who is going to make the defense and the man who has heretofore made the defense is heard to plead his own case over again in the House of Representatives by reading his letter in support of a contention that he has heretofore made in the Court of Claims and in support of the contention that he will make if this case goes to the Court of Claims for trial again. Now, I say maybe it is not wrong, but I want to say to you that if I were being tried for a crime——

Mr. GILCHRIST. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. In just a minute I will be happy to yield to the gentleman.

I would hate to be tried where the man who prosecuted me was, on appeal, going to use his judgment to determine whether or not I should be entitled to an appeal, while I could not be heard.

I now yield to the gentleman.

Mr. GILCHRIST. But the gentleman himself read from the Attorney General's opinion, or at least what he said was the Attorney General's opinion.

Mr. NICHOLS. In that connection, I do not think there is a Member here, and I do not think the gentleman from Iowa can think that I willfully——

Mr. GILCHRIST. Certainly not.

Mr. NICHOLS. All right, then, what is the inference the gentleman cares to make by his statement?

Mr. GILCHRIST. As to one part, you do agree with what the Attorney General did say in that letter?

Mr. NICHOLS. No; I do not agree with it at all. I was attempting to show to the House that the Attorney General's statement was not based on fact. I read it and said it was in the Attorney General's own letter. It was not; it was a statement made by ex-Senator Owen, which I still think was a good statement, and if the gentleman is going to try to take me to task for making an honest mistake, which was corrected immediately, I will call the gentleman's attention to the fact that he stated to the House that this bill provided for a 10-percent attorney's fee. I ask anybody to read it and find such a provision in the bill. There is none there.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the House will now be asked to vote on this bill. If necessary to defeat it I will demand a roll call.

When I made my remarks about 2 hours ago there were only a few Members on the floor, and for the benefit of those who were not here at that time and have heard the arguments that this case was never properly considered by the Court of Claims, let me repeat what I previously said, that the Eastern Cherokees have received, in round numbers, $6,604,000 from the Government and the Western Cherokees have received $1,717,000 from the Government. Now, if the case was not heard by the Court of Claims, and if the matter was not determined, how would they ever have obtained the money? This money was not paid all at one time, but on two different occasions, which clearly indicates the case was not only considered once but twice. The amount received was more than they originally claimed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GILCHRIST] to the committee amendment.

The amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. ROGERS of Oklahoma. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

Mr. GILCHRIST. Mr. Chairman, I have another amendment to the bill.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to return to the consideration of the bill in order that he may offer an amendment. Is there objection?

Mr. NICHOLS. Mr. Chairman, I object.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. MCCORMACK, having assumed the chair as Speaker pro tempore, Mr. COLE of Maryland, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill H. R. 10 to reinstate in the Court of Claims the suits entitled "Eastern or Emigrant Cherokees against the United States," No. 42077, and "Western or Old Settler Cherokees against the United States, No. 42078, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. ROGERS of Oklahoma. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en grosse. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The question was taken; and on a division (demanded by Mr. COCHRAN) there were—ayes 41, noes 34.

So the bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question now is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. COCHRAN) there were—ayes 45, noes 44.

Mr. COCHRAN. Mr. Speaker, I make the point of order that there is no quorum present and object to the vote upon the grounds that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Missouri makes the point of order that there is no quorum present. Evidently there is no quorum present. This is an automatic call. The Clerk will call the roll.

The question was taken; and there were—yeas 116, nays 232, not voting 82, as follows:

[Roll No. 6]

YEAS—116

Allen, La.	Granger	O'Connor
Andersen, H. Carl	Guyer	O'Hara
Anderson, N. Mex.	Hall, Edwin Arthur	Oliver
Beiter	Harris, Ark.	Pace
Bennett	Hart	Patman
Boggs	Hébert	Patrick
Boren	Hendricks	Patton
Brooks	Hill, Wash.	Peterson, Ga.
Brown, Ga.	Hinshaw	Pittenger
Buck	Hull	Plauché
Buckler, Minn.	Izac	Ramspeck
Burdick	Jackson	Rankin, Miss.
Byrne	Jacobsen	Rankin, Mont.
Camp	Jarman	Richards
Capozzoli	Jennings	Rivers
Cartwright	Johnson, Okla.	Rizley
Case, S. Dak.	Kerr	Robertson, N. Dak.
Casey, Mass.	Kirwan	Robinson, Utah
Coffee, Wash.	Kleberg	Rogers, Okla.
Cox	Knutson	Sanders
Crawford	Kocialkowski	Sauthoff
Cullen	Lambertson	Scrugham
Curtis	Lane	Secrest
Dingell	Lea	Shanley
Disney	Leavy	Shannon
Domengeaux	Lynch	Sheppard
Dworshak	McCormack	Smith, Wash.
Eberharter	McGehee	Smith, W. Va.
Eliot, Mass.	McMillan	Sparkman
Elliott, Calif.	Maciora	Spence
Ellis	Mansfield	Steagall
Fitzpatrick	Mills, Ark.	Stefan
Flaherty	Mills, La.	Vinson, Ga.
Fogarty	Monroney	Voorhis, Calif.
Gathings	Mott	Walter
Gehrmann	Mundt	Weaver
Gifford	Murdock	Whelchel
Gossett	Nichols	White
	O'Brien, Mich.	Wickersham

NAYS—232

Allen, Ill.	Andrews	Baldwin
Anderson, Calif.	Angell	Barden
Andresen, August H.	Arends	Barnes
	Arnold	Bates, Ky.
Bates, Mass.	Grant, Ala.	Pfeifer, Joseph L.
Baumhart	Grant, Ind.	Pheiffer, William T.
Beam	Green	Ploeser
Beckworth	Gregory	Plumley
Bell	Gwynne	Poage
Bender	Haines	Powers
Bishop	Halleck	Priest
Blackney	Hancock	Rabaut
Bland	Hare	Ramsay
Boehne	Harness	Rees, Kans.
Bolton	Harrington	Rich
Bonner	Harris, Va.	Robertson, Va.
Bradley, Mich.	Harter	Robsion, Ky.
Bradley, Pa.	Hartley	Rockefeller
Brown, Ohio	Healey	Rockwell
Bryson	Heffernan	Rodgers, Pa.
Burch	Heidinger	Rogers, Mass.
Burgin	Hess	Rolph
Butler	Hoffman	Romjue
Byron	Holbrook	Russell
Cannon, Mo.	Holmes	Satterfield
Carlson	Hope	Scanlon
Carter	Hunter	Schuetz
Celler	Imhoff	Schulte
Chapman	Jenkins, Ohio	Scott
Chenoweth	Jenks, N. H.	Shafer, Mich.
Chiperfield	Johnson, Calif.	Sheridan
Clason	Johnson, Ill.	Short
Claypool	Johnson, Ind.	Simpson
Clevenger	Johnson, Luther A.	Smith, Maine
Cluett	Jones	Smith, Ohio
Cochran	Jonkman	Smith, Wis.
Coffee, Nebr.	Kean	Snyder
Cole, Md.	Keefe	Somers, N. Y.
Cole, N. Y.	Kefauver	South
Colmer	Kelley, Pa.	Springer
Cooley	Kelly, Ill.	Stevenson
Cooper	Kennedy, Martin J.	Stratton
Copeland	Kennedy, Michael J.	Sullivan
Crowther	Keogh	Sumner, Ill.
Cunningham	Kilburn	Sutphin
Curkin	Kilday	Sweeney
D'Alesandro	Kinzer	Talle
Davis, Ohio	Kunkel	Tarver
Davis, Tenn.	Landis	Tenerowicz
Day	Lanham	Terry
Delaney	LeCompte	Thill
Dewey	Lesinski	Thom
Dirksen	Lewis	Thomas, Tex.
Ditter	Ludlow	Thomason
Dondero	McGranery	Tibbott
Downs	McGregor	Treadway
Drewry	McKeough	Vincent, Ky.
Durham	McLaughlin	Vorys, Ohio
Edmiston	McLean	Wadsworth
Elston	Maas	Ward
Engel	Maciejewski	Wasielewski
Englebright	Mahon	Welch
Faddis	Manasco	Whitten
Fellows	Martin, Iowa	Whittington
Flannagan	Martin, Mass.	Wigglesworth
Folger	May	Williams
Forand	Merritt	Wilson
Ford, Leland M.	Meyer, Md.	Wolcott
Ford, Miss.	Michener	Wolfenden, Pa.
Fulmer	Moser	Wolverton, N. J.
Gale	Myers, Pa.	Woodruff, Mich.
Gamble	Nelson	Woodrum, Va.
Gearhart	Norrell	Wright
Gerlach	O'Brien, N. Y.	Young
Gibson	O'Leary	Youngdahl
Gilchrist	O'Toole	Zimmerman
Gillette	Pearson	
Gillie		
Gore		
Graham		

NOT VOTING—82

Barry	Hill, Colo.	Pierce
Bloom	Hobbs	Randolph
Boland	Hook	Reece, Tenn
Boykin	Houston	Reed, Ill.
Buckley, N. Y.	Howell	Reed, N. Y.
Bulwinkle	Jarrett	Sabath
Canfield	Jensen	Sacks
Cannon, Fla.	Johns	Sasscer
Clark	Johnson, Lyndon B.	Schaefer, Ill.
Collins	Johnson, W. Va.	Sikes
Costello	Kee	Smith, Pa.
Courtney	Klein	Smith, Va.
Cravens	Kopplemann	Starnes, Ala.
Creal	Kramer	Stearns, N. H.
Crosser	Larrabee	Sumners, Tex.
Dickstein	McIntyre	Taber
Dies	Magnuson	Thomas, N. J.
Doughton	Marcantonio	Tinkham
Douglas	Mason	Tolan
Duncan	Mitchell	Traynor
Eaton	Murray	Van Zandt
Fenton	Norton	Vreeland
Fish	O'Day	Weiss
Fitzgerald	O'Neal	Wene
Ford, Thomas F.	O'Toole	West
Gavagan	Owens	Wheat
Hall, Leonard W.	Paddock	Winter
	Peterson, Fla.	Worley

So the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Johnson of West Virginia for, with Mr. Murray against.
Mr. Douglas for, with Mr. Johns against.
Mr. Peterson of Florida for, with Mr. Wheat against.

General pairs:

Mr. Cannon of Florida with Mr. Eaton.
Mr. O'Neal with Mr. Taber.
Mr. Crosser with Mr. Van Zandt.
Mr. Pierce with Mr. Osmers.
Mr. Worley with Mr. Vreeland.
Mr. Hobbs with Mr. Canfield.
Mr. Bulwinkle with Mr. Mason.
Mr. Cravens with Mr. Fish.
Mr. Bloom with Mr. Reece of Tennessee.
Mr. Randolph with Mr. Jensen.
Mr. Boland with Mr. Winter.
Mr. Dickstein with Mr. Fenton.
Mr. Fitzgerald with Mr. Jarrett.
Mr. Magnuson with Mr. Thomas of New Jersey.
Mr. Barry with Mr. Paddock.
Mr. Smith of Virginia with Mr. Reed of New York.
Mr. Boykin with Mr. Hill of Colorado.
Mr. Sikes with Mr. Tinkham.
Mr. Courtney with Mr. Reed of Illinois.
Mr. Starnes of Alabama with Mr. Howell.
Mr. Doughton with Mr. Stearns of New Hampshire.
Mr. Creal with Mr. Leonard W. Hall.
Mr. Clark with Mr. Marcantonio.
Mr. Gavagan with Mr. Mitchell.
Mr. Sumners of Texas with Mr. Buckley of New York.
Mr. Kramer with Mr. Wene.
Mr. Tolan with Mr. McIntyre.
Mr. Larrabee with Mr. Collins.
Mr. Houston with Mr. Weiss.
Mr. Traynor with Mr. Klein.
Mr. Kopplemann with Mr. Hook.
Mr. Costello with Mrs. Norton.
Mr. Duncan with Mrs. O'Day.
Mr. Sacks with Mr. Lyndon B. Johnson.
Mr. Dies with Mr. Sasscer.
Mr. Kee with Mr. Schaefer of Illinois.

The result of the vote was announced as above recorded.

On motion of Mr. COCHRAN, a motion to reconsider the vote by which the bill was rejected was laid on the table.

Mr. ROGERS of Oklahoma. Mr. Speaker, I move to dispense with further proceedings under Calendar Wednesday.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a letter addressed to me by Hon. Robert P. Patterson, Under Secretary of War, being a chronological statement of the transactions in connection with the procurement of fair contracts, and a letter addressed by myself to the chairman of the Military Affairs Committee of the House of Representatives.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. McGRANERY. Mr. Speaker, I ask unanimous consent to extend my remarks and include a resolution by the Order of the Sons of Italy.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein two tables.

The SPEAKER pro tempore. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHANNON. Mr. Speaker, I ask unanimous consent that on Thursday, January 15, 1942, immediately after the reading of the Journal and the disposition of business on the Speaker's desk, I be permitted to speak for 15 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

NATIONAL DEFENSE—BOMBING ATTACKS

Mr. MAY. Mr. Speaker, I ask unanimous consent that the conferees may have until midnight to file a report on the bill S. 1936.

The SPEAKER pro tempore. Is there objection?

There was no objection.

HOUSING IN CONNECTION WITH NATIONAL DEFENSE

Mr. LANHAM. Mr. Speaker, I ask unanimous consent that it may be in order for the conferees on the bill (H. R. 6128) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to file a report at any time up to midnight tonight for printing under the rule.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. ELIOT] is recognized for 15 minutes.

PROCUREMENT AND PRODUCTION FOR VICTORY

Mr. ELIOT of Massachusetts. Mr. Speaker, I had planned and prepared to address the House today on the subject generally of procurement and production for victory. I had hoped to make a constructive contribution. Happily, since the Members of the House yesterday granted me permission to address them, events have occurred which make my prepared address totally unnecessary. I therefore have only to say that I hope Members will join with me in congratulating the country on the appointment of Mr. Donald Nelson and hope further that should occasion and necessity arise, we will be ready to give him every assistance that we as a legislative body can, in the performance of his most arduous duties.

I yield back the balance of my time.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. RICH] is recognized for 10 minutes.

SUPPLIES FOR JAPAN

Mr. RICH. Mr. Speaker, the United States is now at war. It probably does not come with good grace to come on the floor of the House and say, "I told you so; I told you so." Sometimes people might think that one is trying to blow his own horn or do something in order that he might get some particular praise—that is not the motive, however—for something he had seen in the past that ought to be remedied by the administration. But you will find that if we are going to win this war, some of the statements that have been made by us who have objected to the New Deal and the New Deal way of doing things should be given a little more credit, and for some of the criticisms that we may make in the future, consideration should be given on the part of the administration.

If we must refrain from calling this administration a New Deal administration, because of the war, and if we cannot criticize your wrongs, then we are going to find out that eventually we may go on the rocks so badly that this Nation will suffer, because they do not take into consideration some of the advice that we may have to offer.

On January 3, 1939, I offered House Joint Resolution 45. On January 6, 1941, I introduced the same resolution.

Mr. Speaker, I ask unanimous consent that I may insert that in the RECORD at this point.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The resolution is as follows:

Resolved, etc., That the President of the United States be, and he is hereby, directed to cause to be suspended commercial relations with the Empire of Japan by prohibiting the importation into the United States from or by Japan and the exportation from the United States into the Empire of Japan of goods and merchandise of every kind and character during the occupation of Chinese territory by armed troops of the Imperial Government of Japan.

Mr. RICH. Mr. Speaker, that resolution dealt with trading with Japan during the time they were at war with China. I wanted this Government to stop shipping materials to Japan such as oil and scrap iron during the time they were engaged in that undeclared war with China. Had we and Great Britain done so there would be no war with Japan today.

Then on September 26, 1940, I called it again to the attention of the Members of the House of Representatives. On June 16, 1941, page 5198 of the CONGRESSIONAL RECORD, when we were dealing with the oil situation and Mr. Ickes was appointed Oil Coordinator and we were considering a bill with reference to it, I made this statement to the gentleman from Utah [Mr. ROBINSON] on the floor of the House:

Mr. RICH. The reason I bring that to the attention of the gentleman from Utah is because of the fact that today the Secretary is permitting 42,000 barrels of oil, 15,000,000 gallons of gasoline, and 3,500 barrels of machine oil to be shipped to Japan. It would seem to me if the administration wanted to conserve our oil and gasoline they would stop shipping it out of the country to a place where it might eventually be used against us.

Let me express the hope also that the gentleman will recommend to the Secretary of the Interior that he stop this practice. I have already done so.

Not only did I call that to the attention of the House on the 6th of May, as you will see by page 3639 of the RECORD, but I called attention to it again, and on the 13th of May 1941, page 3998 of the RECORD, I made further remarks on the subject.

Last February when Secretary Ickes was before our Committee on the Interior I asked him:

Mr. Secretary, for the year 1939 you shipped 72,000 barrels of oil a day and 15,000,000 gallons of gasoline to Japan each and every day, on the average. If you do not look out, that material you are shipping to them will be used against this country

And the Secretary said he agreed with me, but that it was up to the Secretary of State to handle the situation.

Then you will remember Mr. Ickes was made Oil Coordinator. In his capacity of Oil Coordinator I wrote him a letter on the 2d of June reading as follows:

JUNE 2, 1941.

Hon. HAROLD L. ICKES,
Secretary of the Interior,
Washington, D. C.

MY DEAR MR. ICKES: I note in the papers that the President has appointed you Petroleum Coordinator for the National Defense.

You will recall that when we had the hearings on the Interior Department appropriation bill we spoke to you in reference to the fact that 42,000 barrels of oil a day, 15,000,000 gallons of gasoline, and 4,500 barrels of machine oil were being shipped to Japan daily. Before we conserve the supply for our own use, it seems to me we should discontinue our shipments to Japan, not only because we may need the oil here but that it may be used against us in case of war. What is your thought in this respect, and will the oil supply be curtailed, and to what extent?

I will appreciate any information you can give me on this subject, and wish to thank you in advance for same.

Very respectfully,

ROBERT F. RICH.

I did not receive a reply from Secretary Ickes and I was unable to get in touch with him by telephone. On the 24th of June I wrote him again and asked for a reply. On June 25 he wrote me as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF PETROLEUM COORDINATOR FOR NATIONAL DEFENSE,
Washington, June 25, 1941.

Hon. ROBERT F. RICH,
House of Representatives,
Washington, D. C.

MY DEAR MR. RICH: I am sorry that I have been so late in replying to your letter of June 2, and hope that you will not construe this delay as any lack of interest or courtesy on my part.

I am glad to have your views on the conservation of oil and exports to Japan. As the policies and regulations concerning foreign shipments of petroleum products fall under the jurisdiction of the Secretary of State, I have taken the liberty of calling your letter to his attention.

Sincerely yours,

HAROLD L. ICKES,
Petroleum Coordinator for
National Defense.

Secretary Ickes referred my letter to the Secretary of State and the Secretary of State sent me the following letter:

DEPARTMENT OF STATE,
July 9, 1941.

The Honorable ROBERT F. RICH,
House of Representatives.

MY DEAR MR. RICH: The Secretary of the Interior has recently referred to me your letter of June 2, 1941, regarding exports of oil to Japan.

Since June 20, 1941, the export of all petroleum products has been prohibited except when authorized by license. No license is issued until after a consideration of many factors related to the national defense, both those bearing on the domestic supply and consumption of petroleum and those affecting our relations with other powers. You may be sure that the problems you suggest are receiving most careful attention.

Sincerely yours,

SUMNER WELLES, *Acting Secretary.*

Mr. Speaker, I ask unanimous consent to incorporate these letters as part of my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. RICH. Maybe we do not know anything; maybe the present administration could see nothing wrong in such a course as they were pursuing. Now it should be all clear and they know they made a mistake. The point I do make is that had this Government stopped shipping oil to Japan 2 years ago—oil they have been storing—they would not now be able to use that oil and those materials against American sailors and soldiers whom we are sending by the thousands across the vast expanse of the Pacific; we would have averted that and kept them from warring upon us. Our Government, by permitting American oil interests to fill Japanese requests for oil at the expense of the American stockholders of these oil companies, enabled Japan, within 1 year, to double her supply. Surely it cannot be said the Secretary of State did not know something was brewing; and we certainly might have known when the Secretary of State made the demands of Japan that he did just prior to Pearl Harbor that some such result as Pearl Harbor would flow from the demand.

I am behind the President of the United States to win this war. This is about the only thing I am behind him in, because I do not agree with his political policies at all. I am for the American people and the American form of government, but if we do not use some of the knowledge that is given to the administration by those who oppose the policies of the administration, God help America, for it will then be too late. Many wasteful and extravagant things are being done at public expense, and the Treasury of the United States will not be able to stand the drain if we continue the way we are going and also at the rate the President says he is going to spend, and spend, and spend for the war for the coming year. The thing that counts is not how many dollars we spend but what results we get for each dollar that is spent. That is what will accomplish most for the stability of the American Army and the American Navy. We want the utmost amount of airplane produced for every dollar of cost to the American taxpayer. We want every gun, every vessel, and everything that will aid and assist our armed forces in being victorious, but in the interest of the American Treasury and taxpayer we must see that for every dollar spent we get 100 cents' worth of value received.

If we do not, I do not know how the chairman of the Ways and Mean Committee, the gentleman from North Carolina [Mr. DOUGHTON] is going to raise the money to carry on, if we are extravagant. I know that he and the Ways and Means Committee have their hands full trying to determine what kind of taxes to impose on the American people. If he thinks that will be an easy job and if the Members of the Congress themselves think it is an easy job, you wait until the taxpayers find out about it. Of course, if they present a tax bill that is at all reasonable we will have to support it, but you are going to be responsible.

Let us not be wasteful and extravagant in the expenditure of our funds. Cut down unnecessary expenses so that we can make it easier for the Ways and Means Committee and easier for the taxpayers, so that the men the President appoints and gives authority to go out and win this war will win it and the American flag will wave over the land of the free and the home of the brave. We want to save America from the domineering influence of Japan, Italy, or Germany, or any country under the control of Mr. Hitler. I am for licking Mr. Hitler and licking him soundly, but but it is going to try the American people to the very limit of their ability, not only in the mustering of soldiers, sailors, and men, but in a financial way. Our people are going to pay for it in sweat, blood, and tears.

Let us do everything we can now, but do it in a way that is the American way. Let us do the right thing at the right time. I hope the American Congress and the present administration will recognize the fact that some of the criticism aimed at the present administration is not because we want to criticize and hamper the progress of the war but because we want to win the war, and we want to do it in a good, sound way. Just criticism should be welcomed. I hope we will not have to say again—I told you so.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent that on tomorrow after the disposition of the legislative business in order for the day and at the conclusion of any special orders heretofore entered the gentleman from Texas [Mr. DIES] may be permitted to address the House for 1 hour.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. BECKWORTH]?

There was no objection.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4250. An act to provide for the presentation of a medal to Roland Boucher in recognition of his bravery and heroism in rescuing five children from drowning in Lake Champlain; and

H. R. 5837. An act to regulate distribution and promotion of commissioned officers of the Coast and Geodetic Survey, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 4250. An act to provide for the presentation of a medal to Roland Boucher in

recognition of his bravery and heroism in rescuing five children from drowning in Lake Champlain;

H. R. 5135 An act to appoint Capt. Porter M. Hoidale, United States Marine Corps, a lieutenant, senior grade, in the United States Navy Medical Corps; and

H. R. 5837. An act to regulate distribution and promotion of commissioned officers of the Coast and Geodetic Survey, and for other purposes.

ADJOURNMENT

Mr. BECKWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 29 minutes p. m.) the House adjourned until tomorrow, Thursday, January 15, 1942, at 12 o'clock noon.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, January 20, 1942, to resume hearings on the proposed amendments to the Securities Exchange Act of 1934.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1281. A letter from the Chairman, Federal Power Commission, transmitting a classified report showing the permits and licenses issued by the Commission during the fiscal year ended June 30, 1941, and a statement showing the names and compensation of the persons employed by the Commission as of June 30, 1941; to the Committee on Interstate and Foreign Commerce.

1282. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Security Agency for the fiscal year 1942 (H. Doc. No. 561); to the Committee on Appropriations and ordered to be printed.

1283. A letter from the Attorney General, transmitting a report showing the special assistants employed during the period from July 1, 1941, to January 1, 1942, under the appropriation "Compensation of special attorneys, etc., Department of Justice"; to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOEHNE: Committee on Ways and Means. H. R. 6273. A bill to amend the provisions of the Internal Revenue Code by setting new maximum limits on allowances for losses of distilled spirits by leakage or evaporation while in internal revenue bonded warehouses, and for other purposes; without amendment (Rept. No. 1584). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee on Ways and Means. House Joint Resolution 257. Joint resolution to amend section 124 of the Internal Revenue Code to simplify the procedure in connection with amortization of certain facilities; without amendment (Rept. No. 1585). Referred to the Committee of the Whole House on the state of the Union.

Mr. SUTPHIN: Committee on Naval Affairs. H. R. 4151. A bill to authorize the acquisition by the United States of lands lying between the present boundary of the Naval Air Station, Lakehurst, N. J., and the new boundary of Fort Dix, in the county of Ocean and State of New Jersey; with amendment (Rept. No. 1586). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 6190. A bill to provide identification badges for Senators, Representatives, Delegates, and Resident Commissioners; with amendment (Rept. No. 1587). Referred to the Committee of the Whole House on the state of the Union.

Mr. NICHOLS: Select Committee to Investigate Air Accidents. House Resolution 125. Resolution creating a Select Committee to Investigate Air Accidents; without amendment (Rept. No. 1588). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANHAM: Committee of conference on the disagreeing votes of the two Houses. H. R. 6128. A bill to expedite the provision of housing in connection with national defense, and for other purposes (Rept. No. 1589). Ordered to be printed.

Mr. MAY: Committee of conference on the disagreeing votes of the two Houses. S. 1936. An act dealing with national civilian defense, and for other purposes (Rept. No. 1590). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DIMOND:

H. R. 6381. A bill providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska; to the Committee on Mines and Mining.

By Mr. STEAGALL:

H. R. 6382. A bill to provide for the financing of War Insurance Corporation, to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr FLAHERTY:

H. R. 6383 A bill providing for the incorporation of the United American Veterans; to the Committee on the Judiciary.

By Mr. O'LEARY:

H R. 6384. A bill to amend the act of February 14, 1931, as amended, so as to permit the compensation on a mileage basis, of civilian officers or employees for the use of privately owned airplanes while traveling on official business; to the Committee on Expenditures in the Executive Departments.

By Mr. OLIVER:

H. R. 6385. A bill to remove limitation on carrying more than $10,000 national service life insurance and United States Government life insurance; to the Committee on Ways and Means.

By Mr VINSON of Georgia:

H. Res 407 Resolution to provide for the consideration of H. R. 6333, a bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; to the Committee on Rules.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2291. By Mr. JOHNSON of California: Assembly Joint Resolution No. 6, adopted at the recent extraordinary session of the California Legislature, memorializing Congress to oppose federalization of State unemployment insurance and employment services; to the Committee on Ways and Means.

2292. By Mr. ROLPH: Assembly Joint Resolution No. 8 of the State of California, relative to memorializing the Social Security Administration to reexamine and readjust the old-age pension schedules; to the Committee on Ways and Means.

2293. By Mr. SMITH of West Virginia: Petion of Rev. Perry Robinson and numerous other citizens of Boone County, W. Va., praying for the enactment of Senate bill 860, prohibiting the sale of intoxicating liquor in Army camps; to the Committee on Military Affairs.

2294. By the SPEAKER: Petition of the Benevolenza Associazione S. Maria, Kingston, N. Y., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

2295. Also, petition of the State council of Pennsylvania, Daughters of America, Washington, Pa., petitioning consideration of their resolution with reference to House bill 3, known as the Hobbs bill; to the Committee on the Judiciary.

2296. Also, petition of the State council of Pennsylvania, Daughters of America, Washington, Pa., petitioning consideration of their resolution with reference to House bills 1435, 2791, and 3865; to the Committee on Immigration and Naturalization.

SENATE

THURSDAY, JANUARY 15, 1942

The Very Reverend Z. Barney T. Phillips, D. D., Chaplain of the Senate, offered the following prayer:

Dear Lord and Father of mankind, from whom we receive strength needful for our tasks and healing medicine in quiet hours, inclining our hearts to prayer: Bring us ever nearer to Thyself and closer to our fellow men, and make us to be receptive of that true culture of the spirit that may be ours, if we will, though mediated through sorrow and through pain.

Help us, above all else, to love with the love that is always ready to give, to spend and to be spent, for in Thy Holy Word it is revealed that such love is of Thee, and that he in whom it dwells abides in God and God in him. Work in us to our finer chastening, to our truer discerning of Thy will, that, being consecrated to our duty, we may find joy in every difficult obedience, and come at last to where Thou art waiting for us, to the height of our coveted perfection in Thee. In our Saviour's name we ask it. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, January 14, 1942, was dispensed with, and the Journal was approved.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE

A letter from the Secretary of War, transmitting, pursuant to law, the annual report of the activities of the National Board for the Promotion of Rifle Practice for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on Military Affairs.

REPORT OF THE CIVIL AERONAUTICS BOARD

A letter from the Acting Chairman of the Civil Aeronautics Board, transmitting, pursuant to law, the annual report of the Board for the fiscal year ended June 30, 1941 (with

an accompanying report); to the Committee on Commerce.

REPORT OF GEORGETOWN BARGE, DOCK, ELEVATOR & RAILWAY CO.

A report, submitted pursuant to law, of the Georgetown Barge, Dock, Elevator & Railway Co.; to the Committee on the District of Columbia.

PETITIONS AND MEMORIAL

Petitions, etc., were laid before the Senate by the Vice President and referred as indicated:

Petitions of Mrs. B. B. Bryan, of Hortense, Ga., praying that honey be classified as an essential food product and that tires be made available to bee keepers for the conduct of their business; to the Committee on Military Affairs.

A letter in the nature of a memorial from Creighton W. Shopp, of Sidney, Ohio, remonstrating against the imposition of a tax upon wage earners unless a similar tax be placed upon store and property owners, etc.; to the Committee on Finance.

The petition of Mrs. Josephine Terhune, of Pacific Grove, Calif., praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

RESOLUTIONS BY THE NATIONAL ASSOCIATION OF COMMISSIONERS, SECRETARIES, AND DIRECTORS OF AGRICULTURE

Mr. THOMAS of Oklahoma. Mr. President, I ask permission to have printed in the RECORD and appropriately referred copy of resolutions adopted by the National Association of Commissioners, Secretaries, and Directors of Agriculture in annual convention held at Columbia, S. C., December 8–12, 1941.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

AGRICULTURAL RESOLUTIONS

Resolutions adopted by the National Association of Commissioners, Secretaries, and Directors of Agriculture, in annual convention, Columbia, S. C., December 8–12, 1941, also the names of the 1942 officers of the association, the membership of which includes the 48 States.

Officers, 1942: President, R. A. Trovatten, St. Paul, Minn.; vice president, W. C. Sweinhart, Denver, Colo.; secretary-treasurer, Jewell Mayes, Richmond, Mo.

District vice presidents: (1) George G. Schweis, of Nevada; (2) Math Dahl, of North Dakota; (3) Harry D. Wilson, of Louisiana; and (4) Carl R. Smith, of Maine.

Executive committee: J. Roy Jones, Columbia, S. C., chairman; Howard Leonard, of Illinois, at large; (1) R. H. McFarland, of Wyoming; (2) Math Dahl; (3) Joe C. Scott, of Oklahoma; (4) Ralph C. Wilson, of Delaware, also ex officio, R. A. Trovatten, W. C. Sweinhart, and Jewell Mayes.

"*(1) War-time resolution*

(This resolution sent by telegraph to President Franklin D. Roosevelt, Monday morning, December 8, 1941)

"The National Association of Commissioners, Secretaries, and Directors of Agriculture, this day in convention assembled at Columbia, S. C., hereby extend to you our wholehearted and every support in our great national crisis. We hereby pledge to you our unstinted support, and assure you that, as representatives of the farmers of this Nation, we will back the Government in every and any possible way. You have only to call upon us for anything, any time, anywhere, and we assure you that our response will meet your every demand.

"*(2) For patriotic parity*

"At this time of war, the National Association of Commissioners, Secretaries, and Directors of Agriculture is firmly convinced that all agriculture has already placed itself squarely and loyally behind the President and the Congress. We believe that this is now a period when all of the democracies must band themselves together in the common cause of ridding this world of ruthless dictators seeking to destroy our democracies and our democratic institutions. We must not lose sight of the fact that we must at all costs preserve the well being of our people.

"Attaining a fair-price parity is one of the most important wartime problems confronting agriculture and the Nation. Our organization and the American farmers loyally support our Government to the limit in necessary sacrifices. We wish to point out that no war has yet been successfully waged on low prices, low income, and low wages.

"Fair and reasonable prices, income, and wages should be our goal. To attain this end, the National Association of Commissioners, Secretaries, and Directors of Agriculture urges Congress to adopt legislation providing a new, up-to-date definition and formula of price parity based in part upon the rates of urban labor.

"This association hereby endorses and commends the action taken on October 9–10, 1941, at the conference called by United States Senator ELMER THOMAS, of Oklahoma, and presided over by Commissioner J. Roy Jones, of South Carolina, our association president. We commend the work done by the special committee appointed at that conference, and we do now assure that committee of our wholehearted appreciation and support. Further, we direct that a copy of this resolution be transmitted to Senator THOMAS and the members of the Subcommittee on Agriculture of the United States Senate.

"*(3) Taxation committee report, as adopted*

"*Be it resolved,* That all manufacturers and Federal or State agencies supplying feed, seed, fertilizer, and fertilizer materials to farmers meet the requirements, including inspection fees, as provided in the laws of each respective State; be it

"*Resolved, further,* That the contents of this resolution be placed in the hands of proper congressional leaders, and the same be incorporated in the Federal appropriation bills. Further, that the further distribution of this resolution be as follows: Secretary of National Association of Commissioners, Secretaries and Directors of Agriculture; chairman of United States Senate and House Agricultural Committees; chairman of the Senate Ways and Means Committee, and to the Senators and Congressmen of each State in the Union

"*(4) Resolution on House Resolution 5204*

"The National Association of Commissioners, Secretaries and Directors of Agriculture joins in requesting that Senator ELMER THOMAS obtain open hearings on House Resolution 5204 now in the Senate, so that the purpose of the resolution may be better understood, and amended if needs be.

"*(5) Land-grant college coordination*

"This association hereby creates the Land-Grant College Coordinating Committee, for the purpose of studying the relationships existing between State Departments of Agriculture, land-grant colleges, and other agricultural groups, and appoints Joe C. Scott, president of the State Board of Agriculture of Oklahoma, as committee chairman.

"*(6) Recommendation on agricultural statistics*

"*Be it resolved,* Statistical facts concerning the production, supply, and processing of agricultural products and related data in the various States are essential at all times for the development of sound agricultural policies, and particularly in times of great emergency such as now exists. These facts can best be obtained through the joint efforts of State and Federal agencies; and the State departments of agriculture and the Agricultural Marketing Service of the United States Department of Agriculture are the logical agencies, in most States, working together to collect and disseminate such facts. In 26 States, such agencies are already cooperating; therefore be it

"*Resolved,* That it is the sense of this association that similar cooperation arrangements between State departments or boards of agriculture and the Agricultural Marketing Service, covering the collection and dissemination of agricultural statistics, should be concluded in other States having departments or boards of agriculture as rapidly as possible; be it further

"*Resolved,* That a copy of this resolution be sent to the Secretary of Agriculture and the Chief of the Agricultural Marketing Service at Washington, D. C.

* * * * * *

"*(8) State-Federal marketing legislation*

"The National Association of Commissioners, Secretaries, and Directors of Agriculture hereby reorganizes and appoints a committee on State-Federal marketing legislation, with power to act for the association. This association recognizes the increasing need for Federal and State teamwork in more efficient marketing of farm products, and hopefully looks forward to the formulating of a congressional measure that all the agricultural forces can and will support. (Commissioner W. Kerr Scott, of North Carolina, is chairman.)

"*(9) Insect pests and plant diseases*

"Whereas the farmers of America continue to face serious losses of production from the ravages of insect pests and plant diseases; and

"Whereas from time to time new insects and diseases of plants are discovered threatening economic production of farm commodities: Be it

"*Resolved,* That the National Association of Commissioners, Secretaries, and Directors of Agriculture go on record strongly urging that every effort be taken to see that the present insect and plant disease programs of the Federal Bureau of Entomology and Plant Quarantine be maintained, and that adequate funds be appropriated.

"*(10) White-fringed beetle*

"Whereas a new insect pest, the white-fringed beetle, has been found in limited and restricted areas of four Southern States; and

"Whereas this pest has demonstrated its ability to do serious damage to basic agriculture crops, under certain conditions of soil types that prevail throughout the Nation; and

"Whereas this pest is a serious menace to agriculture and to the national-defense agricultural program; and

"Whereas the Bureau of Entomology and Plant Quarantine, in cooperation with State agencies of the States where the pest is found, have effectively suppressed and/or controlled this pest, in areas where the white-fringed beetle population had reached damaging proportions, and have progressively reduced beetle population in other areas to the point of eradication, in some instances: Therefore be it

"*Resolved,* That the National Association of Commissioners, Secretaries, and Directors of Agriculture commend the efforts and accomplishments of the Bureau of Entomology and Plant Quarantine and cooperating agencies in suppressing and preventing the spread of this pest;

"Further, that Congress be requested by the Secretary of the United States Department of

Agriculture to provide adequate and sufficient funds to the Bureau of Entomology and Plant Quarantine for the purpose of preventing the spread, suppression, and eradication of the white-fringed beetle wherever found;

"Further, that the Bureau of Entomology and Plant Quarantine is urged to accelerate research work in more effective and efficient means of combating the white-fringed beetle; be it further

"Resolved, That copies of this resolution be sent to the Secretary of the United States Department of Agriculture and to the chairman of the Agricultural Committee of the United States Senate and the House of Representatives.

"*(11) On certain bills dealing with inspection and fumigation on Mexican border*

"Whereas the insect pest and plant disease control and eradication activities of the Federal Bureau of Entomology and Plant Quarantine are vitally important and necessary to the agriculture of the country; and

"Whereas the legislative authority for many of the activities of said Bureau has been set forth only in the specific annual appropriations, a procedure not fully commensurate with the recognized importance of such activities, and

"Whereas there have been introduced into the House of Representatives of the United States certain proposed laws whereby the said Bureau would be given continuing general legislative authority for certain of its activities: Now, therefore, be it

"Resolved by the National Association of Commissioners, Secretaries, and Directors of Agriculture, That our strong and wholehearted support and endorsement be given to the said bills, further identified as H. R. 4849, H. R. 5115, and H. R. 5302, and dealing respectively with inspection and fumigation on the Mexican border, export certification and cooperative arrangements for control of insect pests and plant diseases between the said Bureau and agencies of State and local Government; and be it further

"Resolved, That copies of this resolution be forwarded to the honorable members of the appropriate committees of the Senate and the House of Representatives of the United States.

"*(12) On review of quarantines*

"Whereas the quarantine committee of the commissioners, secretaries, and directors of agriculture has presented a recommendation to the association, at their last annual meeting, that all quarantines in effect in their respective States be reviewed and those quarantines that are not sound from a biological viewpoint be revoked or modified at an early date. We again urge that consideration be given this recommendation for a review of quarantines, and that appropriate action be taken, as owing to the national emergency now confronting us all impediments to the moving of agricultural products should be removed, other than those needed by the agricultural industry as a protection from insect pests and plant diseases.

"*(13) On Mediterranean fruit fly in Florida*

"Whereas Senate Report No. 777, first session, Seventy-seventh Congress, relating to claims of growers incident to Federal campaign for the eradication of Mediterranean fruit fly in Florida, proposed an appropriation of not to exceed $10,000,000, and

"Whereas such appropriation is intended for the payment of damages on account of the destruction of citrus and other trees, for additional spraying and pruning costs, for picking and burying citrus drops and splits, and for other miscellaneous losses: Now, therefore, be it

"Resolved by the National Association of Commissioners, Secretaries, and Directors of Agriculture, that we hereby reaffirm our wholehearted support of ample Federal appropriations for purposes of control or eradication of insect pests and plant diseases, but that we most strongly disapprove of the said Senate Report No. 777, for the reason that the basic premises thereof do not appear either sound or tenable and will establish a dangerous and impracticable precedent."

"*(14) Standardization and shipping point inspection*

"Whereas it has been brought to the attention of the Commissioners, Secretaries, and Directors of Agriculture that the fumigation of agricultural products for insect pests is being done by private concerns, without the sanction and supervision of legally recognized pest-control inspectors, and certificates are being issued by these agenices which are accepted by some States as being authentic, and whereas this is a reprehensible practice and will tend to discredit pest-control work, which is vested in the respective State Departments of Agriculture: Now, therefore, be it

"Resolved, That the Commissioners, Secretaries, and Directors of Agriculture condemn such practices, and urge that all States accept only fumigation certificates for agricultural products that have been issued by accredited inspectors of the pest-control agencies of the States of origin, and that this policy be made uniform for all States, and for all commodities."

"*(15) Loan stocks and farm-price ceiling*

(Motion of Robert Moore of Texas, representing Commissioner J. E. McDonald, adopted from the floor, as amended.)

"Be it resolved, That no loan stocks owned by the Commodity Credit Corporation be sold until Congress works out a formula, whereby these stocks can be disposed of without depressing farm prices in the domestic markets.

"Be it resolved, further, That no ceiling be fixed on farm prices, and we favor that during the time of crisis the farmer be treated fairly with labor and industry."

RESOLUTION OF WISCONSIN STATE INDUSTRIAL UNION COUNCIL

Mr. WILEY. Mr. President, I present for printing in the RECORD and appropriate reference a letter embodying a resolution adopted by the Wisconsin State Industrial Union Council.

There being no objection, the letter embodying the resolution was referred to the Committee on Public Lands and Surveys and ordered to be printed in the RECORD, as follows:

WISCONSIN STATE INDUSTRIAL UNION COUNCIL,
Milwaukee, Wis., January 13, 1942.

DEAR SIR: The resolution quoted below was passed by the executive board of the Wisconsin State Industrial Union Council at its meeting of January 4, 1942.

We trust it will receive your early and favorable consideration.

Respectfully yours,
WALTER J. BURKE,
Secretary-Treasurer.

"Whereas the future welfare of the members of the International Woodworkers of America depends upon the continued operation of the camps, mills, and factories employing them; and

"Whereas the future welfare of millions of other men and women employed in contingent factories, mills, and serving industries; and

"Whereas unrestricted and destructive logging practices are endangering the future productivity of our remaining forest lands: Now, therefore, be it

"Resolved, That we, the executive board members of the Wisconsin State Industrial Union Council, go on record as follows:

"(1) As urging the passage of the peeler-log bill, which would prohibit the exportation of high-grade logs, as is the practice today, which is robbing American workmen of a pay roll of millions of dollars annually.

"(2) As urging that the Congress of the United States make adequate and immediate provision for the replenishing of our logged-off forest lands through reforestation.

"(3) As urging that the Congress of the United States enact legislation with appropriations sufficient to provide for an adequate and comprehensive program of research, protection against fire and disease, and experimentation; and be it further

"Resolved, That we place before the Congress of the United States a recommendation that forest lands be consistently acquired for public ownership, to be maintained under a broad program of sustained-yield management; and be it further

"Resolved, That copies of this resolution be sent to the Congressmen and Senators of all timber-producing States, to the Congress of Industrial Organizations State councils of all timber-producing States, to the President of the United States, and to the United States Forest Service."

ORDER OF BUSINESS

Mr. TRUMAN obtained the floor.

Mr. DOWNEY. Mr. President, I ask the Senator from Missouri to yield to me, although he has a very important matter, because I have a matter to present which I consider of vital importance, and which I hope will take but a very brief time. I now move that the Senate proceed to the consideration of Senate bill 2152, which is upon the calendar, which provides for the planting by the Department of Agriculture of guayule rubber shrubs.

The VICE PRESIDENT. The motion is not in order at the present time.

Mr. McNARY. Mr. President, the motion of the Senator from California should be deferred until after the routine morning business is disposed of. I shall object at this time. A few days ago when the matter came up I made inquiry of the able Senator from California which was called forth by inquiries of the Senator from Nevada [Mr. MCCARRAN], who is not present at this time. It may be that he has spoken to the Senator from California and has withdrawn his opposition to the bill?

Mr. DOWNEY. Yes.

Mr. McNARY. Very well; I have no objection; but I should like to have the bill come up at the proper time, and the proper time, of course, is after the routine morning business.

The VICE PRESIDENT. Reports of committees are in order. The Senator from Missouri [Mr. TRUMAN] has the floor.

Mr. TRUMAN. Mr. President, I should like to submit a report from the Special Committee to Investigate the National Defense Program covering matters considered by the committee during the year which has just passed. I should like to have the consent of the Senate to make a few remarks in reference to the report.

Mr. McNARY. Mr. President, I could not very well hear the statement of the Senator, but if he desires to address the Senate on a very important subject—I understand it is important—I should object during the consideration of the routine morning business.

Mr. TRUMAN. I asked unanimous consent to make a few explanatory remarks on the report.

Mr. BARKLEY. Mr. President, may I suggest to the Senator that he withhold his remarks until the conclusion of morning business, for, under the morning business, he would be limited to 5 minutes, anyway, except by unanimous consent, and we are all anxious to hear the Senator and his report.

I suggest also, if it does not take too much time, that we permit the bill of the Senator from California [Mr. DOWNEY] to be considered and disposed of. If it should involve considerable time, I would not make the suggestion.

Mr. TRUMAN. Very well.

The VICE PRESIDENT. Reports of committees are in order.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HILL, from the Committee on Expenditures in the Executive Departments:

H. R. 6220. A bill to amend section 3 of the Subsistence Expense Act of 1926, as amended; without amendment (Rept. No. 954).

By Mr. BROWN, from the Committee on Commerce:

S. 2132. A bill authorizing the construction of a new lock at St. Marys Falls Canal, Mich., in the interest of national defense; without amendment (Rept. No. 956).

By Mr. McNARY, from the Committee on Agriculture and Forestry:

H. R. 5833. A bill to extend the time during which orders and marketing agreements under the Agricultural Adjustment Act, as amended, may be applicable to hops; with an amendment (Rept. No. 957).

BILL INTRODUCED

Mr. THOMAS of Oklahoma introduced a bill (S. 2205) to authorize the Postmaster General to provide for the free transmission in the mails of personal correspondence of members of the land and naval forces who are on active duty, which was read twice by its title and referred to the Committee on Post Offices and Post Roads.

RESERVE OFFICERS' TRAINING CORPS UNITS

Mr. BILBO. Mr. President, I introduce a bill which is a matter of emergency, modifying section 40 of the National Defense Act of June 3, 1916, as amended, which provides that no R. O. T. C. unit may be maintained in a college unless there is a minimum average attendance of 100. My bill proposes to reduce the minimum number to 50. The draft law has taken many boys out of college, and it becomes necessary to reduce the minimum required enrollment. I understand that the same thing was done during the World War.

It is necessary to have the bill acted on at once in order to save the R. O. T. C. units in a great many of the schools. The War Department has no choice. It must act if the enrollment falls below 100.

I ask unanimous consent that the bill be printed in the RECORD and lie on the table until tomorrow, subject to call, because it is a matter of emergency.

There being no objection, the bill (S. 2206) to reduce the number of students required to be maintained under military instruction at educational institutions having Reserve Officers' Training Corps units from 100 to 50 for the period of the war and 1 year thereafter was read twice by its title and ordered to lie on the table and to be printed in the RECORD, as follows:

Be it enacted, etc., That during the continuance of the war in which the United States is now engaged and for the period of 1 year immediately thereafter, the minimum number of physically fit male students required to be maintained under military instruction at educational institutions in which Reserve Officers' Training Corps units of any type are maintained shall be 50 rather than 100, as provided in section 40 of the National Defense Act of June 3, 1916, as amended.

CHANGE OF REFERENCE

Mr. VANDENBERG. On December 7 the House passed House bill 5545, a private-claim bill relating to the Diplomatic Service. A companion Senate bill is in the Committee on Foreign Relations. With the consent of the chairman of the Committee on Claims, I ask that the Committee on Claims be discharged from the further consideration of the bill H. R. 5545, for the relief of H. Earle Russell, and that it be referred to the Committee on Foreign Relations.

The VICE PRESIDENT. Without objection, it is so ordered.

EXEMPTION OF MINISTERS OF THE GOSPEL FROM O. P. M. ORDER PROHIBITING PURCHASE OF TIRES AND TUBES

Mr. BILBO. Mr. President, I submit a concurrent resolution favoring the inclusion of ministers of the gospel in the classes of persons permitted to purchase new automobile tires and tubes.

In issuing its order the O. P. M. designated certain persons who would be exempted from its provisions in connection with the sale of new automobile tires and tubes. I ask that the concurrent resolution lie on the table, subject to call.

The resolution would exempt from the order ministers of the gospel who are actually in the service. If there ever was a time when the people needed the consolation and services of ministers of the gospel, it will be from now on. I think that ministers of the gospel should be exempted from the order of the O. P. M. The purpose of the concurrent resolution is to express the sense of the Congress.

The concurrent resolution (S. Con. Res. 23) was ordered to lie on the table, as follows:

Whereas the united nations have committed themselves to the successful prosecution of a war for the purpose of establishing the four freedoms, including the freedom to worship God; and

Whereas successful prosecution of that war is dependent upon maintenance of the faith of the American people in God; and

Whereas it is essential to the maintenance of that faith that they should be taught and guided by His servants, the members of the ministry; and

Whereas in many instances the members of the ministry are dependent upon automobile transportation to enable them to reach their churches and the homes of those committed to their spiritual care; and

Whereas the continued used by them of automobile transportation will be impossible, if they are unable to obtain automobile tires and tubes; and

Whereas the tire-rationing regulations issued on December 30, 1941, by the Administrator of the Office of Price Administration do not include motor vehicles operated by members of the ministry among the classes of motor vehicles for which new tires and tubes may be purchased: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Administrator of the Office of Price Administration should so amend the tire-rationing regulations issued by him on December 30, 1941, as to include motor vehicles operated by ministers of the gospel actually serving as such among the classes of motor vehicles for which new tires and tubes may be purchased.

THE INDUSTRY-LABOR CONFERENCE

Mr. THOMAS of Utah. Mr. President, heretofore I have had inserted in the Appendix of the RECORD three documents in relation to the industry-labor conference which has recently been held. I now ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, the following documents, because they are of public interest and because the Senate should have the information which they contain:

First, a memorandum report of the deliberations of the war-labor conference convened by the President in the city of Washington on December 17, 1941. This report has been signed by the moderator and the associate moderator, and was drawn up by the secretary of the conference.

Second, marked "Exhibit A," the proposal for the establishment of stable industrial relations offered by the joint submission of the two labor groups;

Exhibit B, recommendations of employer members of the President's conference on wartime labor relations;

Exhibit C, the resolution which was adopted in keeping with the recommendations made by myself;

Exhibit D, the resolution which was offered by the employer group;

Exhibit E, the Murray resolution, which I am including as a matter of interest, as no action was taken upon the resolution.

Exhibit F, list of the members of the labor-industry committee.

Exhibit G, the President's acceptance of the plan.

Then, there follows the President's executive order establishing the War Labor Board which is the result of the third proposition.

In addition, I prepared an outline of what I thought the executive order would cover. It, therefore, may not be entirely correct, but I think that, in this outline, Senators will have an opportunity to review the manner in which the executive order will function. I ask that the outline may also be printed in the RECORD.

The VICE PRESIDENT. Without objection, the documents presented by the Senator from Utah will be printed in the RECORD.

The documents referred to are as follows:

MEMORANDUM REPORT OF THE DELIBERATIONS OF THE WAR-LABOR CONFERENCE CONVENED BY THE PRESIDENT IN THE CITY OF WASHINGTON ON DECEMBER 17, 1941

The conference met at 10 a. m. on Wednesday, December 17, 1941, in the board room of the Federal Reserve Building. After photographs were taken for the press, the members of the conference proceeded to the White House, where the President impressed upon them their duties and responsibilities.

The conference then reconvened in the Federal Reserve Building, where the invocation was pronounced by the Reverend Monsignor Francis J. Haas, of Catholic University.

The deliberations of the conference then commenced. The moderator and the associate moderator spoke briefly, outlining the scope of the conference's work.

The conference then recessed for luncheon, at which the members were guests of the Secretary of Labor.

The afternoon session was consumed entirely with a general discussion of the problems confronting the conference. Each member was called upon for a statement. The only specific proposal brought forward was a resolution proposed by Mr Murray calling for the creation of joint industry councils in all war industries.

Upon the morning of Thursday, December 18, the representatives of management presented a proposed declaration of principles, but did not suggest the creation of any specific machinery to settle industrial disputes. The American Federation of Labor representatives presented a rather detailed proposal for the creation of a War Labor Board to settle by conciliation, mediation, and arbitration all industrial disputes.

On Thursday afternoon the representatives of the Congress of Industrial Organizations presented a proposal similar in many respects to that made by the representatives of the American Federation of Labor. At this point the representatives of labor requested a recess in order that a subcommittee from the American Federation of Labor and the Congress of Industrial Organizations might meet jointly. Later in the afternoon the representatives of both labor groups presented a joint proposal, attached hereto as exhibit *A*. From this proposal the representatives of labor did not at any time depart during the remainder of the conference, and it remained their joint and basic declaration.

The representatives of management then requested a recess until Friday morning in order that they might consider the labor proposal.

The conference reconvened on Friday, December 19, at 10 a. m. The representatives of management stated that they were not ready to report to the full conference, and requested a further recess until 2 p. m.

The conference reconvened at 2 p. m. and representatives of management brought to the full conference a proposal which substantially reiterated the declaration of principles previously put forward, and proposed a War Labor Board of 11 members.

Some time was consumed in the discussion of the two proposals then before the conference. It was apparent that upon all issues, except one, the conference would be able to reach a substantial agreement.

Upon one issue, however, the conferees seemed in hopeless disagreement. The representatives of management insisted that neither the closed shop nor any alternative device for union security could be made an appropriate subject for arbitration, except in connection with the extension of existing union security agreements.

The representatives of labor, on the other hand, took the position that, since the closed shop was specifically made by the Wagner Act a legitimate subject for collective bargaining, labor should have the right to submit its claims for union security to arbitration in the same manner as any other grievances.

When this disagreement began to assume the character of a deadlock, some members of the conference suggested that the moderators wait upon the President and inform him of the disagreement, transmitting to him copies of the conflicting proposals.

The moderators informed the conference that the President expected an agreement from them, and that he expected them to remain in session until such an agreement was reached.

It was finally agreed that the conference should recess until Monday, December 22, and that the representatives of management should attempt at that time to present a proposal to the full conference.

When the conference convened on December 22, the representatives of management presented a paper to the full conference which set forth a procedure for settlement of disputes by the proposed War Labor Board, but retained the reservation of their previous proposals. A copy of this proposal is appended as exhibit B.

After some discussion, Senator THOMAS spoke forcefully and earnestly, setting forth the three propositions which he thought presented a basis for agreement.

At the conclusion of Senator THOMAS's remarks, Mr. Meany moved that the conference adopt these three propositions set forth by Senator THOMAS as its unanimous recommendation to the President. A copy of Mr. Meany's motion is appended as exhibit C.

The representatives of industry thereupon asked for a recess, during which they conferred first with Senator THOMAS and afterward with Mr. Davis, and after consultation among themselves, brought in a proposed substitute for Mr. Meany's motion. A copy of this substitute is appended as exhibit D.

At this point Mr. Murray offered a resolution suggesting the elimination of all profits from war contracts. This was discussed and rejected by equal division. The representatives of labor voted to accept it, and the representatives of management took a contrary view. A copy of this proposal is appended as exhibit E.

Thereafter the substitute for Mr. Meany's motion was put to a vote and rejected by equal division, the representatives of industry voting for it and the representatives of labor against it. Then Mr. Meany's motion was put to a vote and was rejected by equal division, the representatives of labor voting for it and the representatives of industry voting against it.

On the afternoon of Monday, December 22, the conference recessed to meet again in the conference room of the Department of Labor at 2 p. m. on Tuesday, December 23, 1941.

The conference reconvened on Tuesday at the designated time and place. The moderators then presented to the conference the President's letter, which was accepted as the basis of agreement by the entire membership of the conference. The conference then adjourned subject to recall by the President.

Appended hereto is exhibit F, a list of the members of the conference, and a copy of the President's letter of December 23, 1941, marked exhibit G.

WILLIAM H. DAVIS, *Moderator.*
ELBERT D. THOMAS,
Associate Moderator.
EDWARD F. PRITCHARD, Jr.,
Executive Secretary.

EXHIBIT A

PROPOSAL FOR ESTABLISHMENT OF STABLE INDUSTRIAL RELATIONS

Joint submission of labor groups, December 18, 1941

This conference desires to express its deep appreciation of the need of establishing cooperative relations between labor and management as the best guaranty for achieving the maximum production of war materials required in the victory war program.

Toward this end this conference recommends the establishment of the following machinery for the peaceful adjustment of industrial disputes and endorses the following principles as being most conducive toward the attainment of stabilized industrial relations:

(1) Conciliation, mediation, and voluntary arbitration shall be the method relied upon for the achievement of industrial peace.

(2) Disputes arising between employers and labor unions representing the employees shall be adjusted in the following manner:

(a) Disputes may arise either under a collective-bargaining agreement, or in regard to terms and conditions of a renewal thereof, or in connection with the consummation of an initial collective-bargaining agreement where none has existed theretofore.

(b) In the case of any such dispute, the provisions of a collective-bargaining agreement, where existing, must first be completely exhausted in connection with the settlement of any such dispute, including arbitration, if so provided therein.

(c) The President of the United States shall establish by Executive order a national war labor board comprised of an equal number of representatives of industry and organized labor and one representative of the public, who shall act as chairman. Any dispute which has not been settled in the foregoing manner may be certified to the National War Labor Board by the chairman either upon the request of the Secertary of Labor or upon application of either party to the dispute. The Board, in accordance with the rules and regulations which it shall promulgate, shall make every reasonable effort, including voluntary arbitration, to assist the parties to adjust and settle the dispute and make the necessary arrangements therefor. In the event the Board cannot adjust the dispute, it shall submit to the parties and make public its findings and recommendations.

(d) In no event shall the National War Labor Board attempt to adjust a controversy when there is by agreement or Federal law a means of settlement.

(e) In the case of any labor dispute not adjusted under a collective bargaining agreement, the Conciliation Service of the Department of Labor, operating under the direction of the National War Labor Board, shall attempt to bring about a mutually satisfactory adjustment between the parties. Increased appropriations should be made available to the Conciliation Service of the Department of Labor in order that it may be able to function on an expanded basis and provide the necessary and adequate facilities.

(f) Cases within the jurisdiction of the Board shall be brought to final adjustment as expeditiously as possible. In all cases final adjustment of all issues in dispute shall be secured within 30 days

(g) Except as hereinbefore provided, all labor matters involving conciliation or mediation shall be within the exclusive jurisdiction of the National War Labor Board.

(3) The guiding principles of the National War Labor Board in the adjustment of disputes shall be determined by the following basic policies:

(a) It is hereby declared that all workers have a right to a living wage, as a minimum, sufficient to maintain full efficiency, good health, and well being for themselves and their families.

(b) The labor policies as established in the National Labor Relations Act, the Wages and Hours Act, the Walsh-Healey Act, the Davis-Bacon Act, and the Norris-LaGuardia Act shall continue unimpaired.

(c) The normal processes of collective bargaining between employers and labor unions shall continue with respect to wages, hours, and other terms and conditions of employment. One of the basic and justified aspirations of organized labor to be achieved through collective bargaining is the establishment of union security. It is only through the processes of such collective bargaining on a voluntary basis that the necessary conditions can be established which will assure the maximum production without any undue sacrifice on the part of one group for

the sake of enhancing the interests of another.

(d) It shall be the accepted policy on the part of management and organized labor that there shall be no stoppages of work or lock-outs during the present war.

EXHIBIT B

RECOMMENDATIONS OF EMPLOYER MEMBERS OF THE PRESIDENT'S CONFERENCE ON WARTIME LABOR RELATIONS

The conference on Wartime Labor Relations appointed by the President on December 13, 1941, expresses its deep appreciation of the need of establishing cooperative relations between labor and management as the best guaranty for achieving the maximum production of war materials required in the victory war program.

Toward this end, this conference agrees that:

(1) There shall be no strikes, lock-outs, or work stoppages of any kind for the duration of the war.

(2) Employers shall recognize and accept without reservation the right of labor to organize and bargain collectively; and neither employers, nor employees, nor labor organizations shall, in the exercise of their rights, use coercive measures of any kind.

And recommends that:

(3) A National War Labor Board shall be promptly established as hereinafter provided.

Labor disputes, which interfere with the effective conduct of the war, whether they arise under a collective-bargaining agreement, or in regard to terms and conditions of a renewal thereof, or in connection with the consummation of an initial collective-bargaining agreement, or in any other way, shall be settled in the following manner:

1. In the case of any dispute arising under a collective-bargaining agreement, the procedures for adjustment, if any, provided under such agreement shall first be completely exhausted.

2. In disputes which cannot be settled by negotiations between the parties, the Conciliation Service of the United States Department of Labor or other appropriate public agencies shall attempt to bring about a mutually satisfactory adjustment.

3. In case a dispute is not settled by the methods described above it may be certified by the Secretary of Labor to the National War Labor Board to be appointed by the President.

4. The National War Labor Board shall consist of 11 members appointed by the President, after nomination in the following manner: Four members shall be representative of employers and shall be nominated by the Secretary of Commerce; 4 members shall be representative of labor and shall be nominated by the Secretary of Labor; 3 members shall be appointed by the President from the general public. One of the public members shall be designated as chairman by the President.

In order to insure effective operation of the Board, there shall be provided a sufficient number of alternates in each classification. Such alternates shall be nominated and appointed in the same manner as the members of the Board.

5. The functions and powers of the Board shall be as follows:

(a) The Board, in accordance with the rules and regulations which it shall promulgate, shall make every reasonable effort, including voluntary arbitration when and in such manner as agreed upon between the parties, to assist in adjusting and settling disputes certified to it.

(b) Cases within the jurisdiction of the Board shall be brought to final adjustment as promptly as possible. Every effort should be made to secure final adjustment of a dispute within 30 days after the Board takes jurisdiction.

(c) If the Board shall fail to bring about an agreed settlement, it may make findings and recommendations, which it may publish.

If the recommendations of the Board in any case are not accepted by one or more parties to the dispute, then an umpire appointed in the manner provided in the next subsection shall hear and consider the controversy under rules of procedure to be prescribed by the Board. The findings and recommendations of the umpire shall be made public in the same manner and with the same effect as findings and recommendations of the Board.

In any case where one or more parties to a dispute before the Board shall fail or refuse to accept the recommendations of the Board, then by agreement of the parties an umpire may be appointed, and in such instances the award of the umpire shall be final and binding upon the parties.

(d) The members of the Board shall, if possible, choose an umpire by unanimous vote. Failing such choice, the name of the umpire shall be drawn by lot from a list of qualified persons to be nominated for the purpose by the President of the United States.

(e) The Board shall refuse to take cognizance of a dispute in any field of industrial or other activity where there is by agreement or law a means of settlement which has not been invoked.

(f) The Board shall have power to appoint a secretary, and to create such organization under it as may be in its judgment necessary for the discharge of its duties.

(g) The Board should have authority to issue subpenas to require the attendance and testimony of parties to disputes before it and the production of relevant documentary evidence

(h) The Board may from time to time promulgate such administrative rules, regulations, and procedures, as it deems necessary to the discharge of its functions.

6. The Board and the umpires shall be governed by the following basic policies:

(a) Every effort shall be made to maintain the high standards of American wages and working conditions. In the determination of wages, hours, and conditions of labor, full consideration shall be given to local labor standards, wage scales, and living costs.

(b) Since the right to work should not be infringed by Government order through requirement of membership in any organization, whether union or otherwise, the issue of the closed shop is not a proper subject for consideration or arbitration by the Board and shall not be included as an issue in any dispute certified to it. The term "closed shop" includes any provision which requires a person to become or remain a member of a labor organization in order to get or hold a job, or have preference in respect of employment.

For the duration of the war employers shall not attempt to change the terms, in present contracts, which provide for the closed shop or any of its modifications, except where such change is necessary to conform to the law. Where a closed shop contract does not now exist it may be arrived at by voluntary negotiations between the employer and the labor organization concerned.

7. The Nation is entitled to adequate assurance that these policies and procedures will be observed by employees, labor organizations, and employers. It is of vital importance that voluntary acceptance be accompanied by a forthright declaration of public policy, whether in the form of legislation or an Executive order, which will secure general compliance.

EXHIBIT C

RESOLUTION

Move that this conference send to President Roosevelt as our unanimous recommendation the three-sentence message suggested by Senator THOMAS:

1. There shall be no strikes or lock-outs.

2. All disputes shall be settled by peaceful means.

3. The President shall set up a proper War Labor Board to handle these disputes.

EXHIBIT D

RESOLUTION

We offer the following substitute motion:

1. There shall be no strikes or lockouts.

2. All disputes shall be settled by peaceful means.

3. The President shall set up a proper War Labor Board to handle these disputes.

4. The Board shall be governed by the following basic policy:

Since the right to work should not be infringed by Government order through requirement of membership in any organization, whether union or otherwise, the issue of the closed shop is not a proper subject for consideration or arbitration by the Board, and shall not be included as an issue in any dispute certified to it. The term "closed shop" includes any provision which requires a person to become or remain a member of a labor organization in order to get or hold a job, or have preference in respect to employment

For the duration of the war employers shall not attempt to change the terms, in present contracts, which provide for the closed shop or any of its modifications, except where such change is necessary to conform to the law. Where a closed-shop contract does not now exist it may be arrived at by voluntary negotiations between the employer and the labor organization concerned.

EXHIBIT E

MURRAY RESOLUTION

It is hereby resolved that industry in America in a wholesome desire to make a contribution toward America's war effort, offer to the Government of the United States that they shall not extract from the public purse profits of any kind from defense contracts secured during the course of the war.

EXHIBIT F

LABOR-INDUSTRY COMMITTEE

Moderator William H. Davis, chairman, National Defense Mediation Board.

Associate Moderator Senator Elbert D. Thomas of Utah, chairman, Senate Labor Committee.

Industry

Lawrence D. Bell, president, Bell Aircraft Corporation.

W. Gibson Carey, Jr., president, Yale & Towne Manufacturing Co., New York.

C. S. Ching, vice president, United States Rubber Co.

Donald Comer, board chairman, Avondale Mills, Birmingham.

Robert M. Gaylord, president, Ingersoll Milling Machine Co., Rockford, Ill.

Paul G. Hoffman, president, Studebaker Motor Co.

Charles R. Hook, president, American Rolling Mill Co.

Thomas R. Jones, president, American Type Foundry, Inc.

Roger D. Lapham, board chairman, American-Hawaiian Steamship Co., San Francisco.

Reuben B. Robertson, president, Champion Fiber Co., Canton, N. C.

Charles E. Wilson, president, General Electric Co.

W. P. Witherow, president, Blaw-Knox C., Pittsburgh.

Labor

American Federation of Labor: William Green, president, American Federation of Labor; John P. Coyne, president, building trades department; John P. Frey, president, metal trades department; George Meany, sec-

retary-treasurer, American Federation of Labor; Daniel J. Tobin, president, International Brotherhood of Teamsters; Matthew J. Woll, vice president, American Federation of Labor.

Congress of Industrial Organizatons: Philip Murray, president, Congress of Industrial Organizations, and chairman, Steel Workers' Organizing Committee; John L. Lewis, president, United Mine Workers of America; R. J. Thomas, president, United Automobile, Aircraft & Agricultural Implement Workers of America; Joseph Curran, president, National Maritime Union; Emil Rieve, president, Textile Workers of America; Julius Emspak, secretary-treasurer, United Electrical Radio & Machine Workers.

EXHIBIT G

THE WHITE HOUSE,
Washington, December 23, 1941.

GENTLEMEN OF THE CONFERENCE: Moderator Davis and Senator THOMAS have reported to me the results of your deliberations. They have given me each proposition which you have discussed. I am happy to accept your general points of agreement as follows:

1. There shall be no strikes or lock-outs.

2. All disputes shall be settled by peaceful means.

3. The President shall set up a proper War Labor Board to handle these disputes.

I accept without reservation your covenants that there shall be no strikes or lock-outs and all disputes shall be settled by peaceful means. I shall proceed at once to act on your third point.

Government must act in general. The three points agreed upon cover of necessity all disputes that may arise between labor and management.

The particular disputes must be left to the consideration of those who can study the particular differences and who are thereby prepared by knowledge to pass judgment in the particular case. I have full faith that no group in our national life will take undue advantage while we are faced by common enemies.

I congratulate you—I thank you, and our people will join me in appreciation of your great contribution.

Your achievement is a response to common desire of all men of good will that strikes and lock-outs cease and that disputes be settled by peaceful means.

May I now wish you all a Merry Christmas

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

EXECUTIVE ORDER

ESTABLISHMENT OF THE NATIONAL WAR LABOR BOARD

Whereas by reason of the state of war declared to exist by joint resolutions of the Congress, approved December 8, 1941, and December 11, 1941, respectively (Public Laws Nos. 328, 331, 332, 77th Cong.), the national interest demands that there shall be no interruption of any work which contributes to the effective prosecution of the war; and

Whereas as a result of a conference of representatives of labor and industry which met at the call of the President on December 17, 1941, it has been agreed that for the duration of the war there shall be no strikes or lock-outs, and that all labor disputes shall be settled by peaceful means, and that a National War Labor Board be established for the peaceful adjustment of such disputes: Now, therefore, by virtue of the authority vested in me by the Constitution and the statutes of the United States, it is hereby ordered:

1. There is hereby created in the Office for Emergency Management a National War Labor Board, hereinafter referred to as the Board. The Board shall be composed of 12 special commissioners to be appointed by the President. Four of the members shall be representative of the public; four shall be representative of employees; and four shall be representative of employers. The President shall designate the Chairman and Vice Chairman of the Board from the members representing the public. The President shall appoint four alternate members representative of employees and four representative of employers, to serve as Board members in the absence of regular members representative of their respective groups. Six members or alternate members of the Board, including not less than two members from each of the groups represented on the Board, shall constitute a quorum. A vacancy in the Board shall not impair the right of the remaining members to exercise all the powers of the Board.

2. This order does not apply to labor disputes for which procedures for adjustment or settlement are otherwise provided until those procedures have been exhausted.

3. The procedures for adjusting and settling labor disputes which might interrupt work which contributes to the effective prosecution of the war shall be as follows: (a) The parties shall first resort to direct negotiations or to the procedures provided in a collective-bargaining agreement. (b) If not settled in this manner, the Commissioners of Conciliation of the Department of Labor shall be notified if they have not already intervened in the dispute. (c) If not promptly settled by conciliation, the Secretary of Labor shall certify the dispute to the Board, provided, however, that the Board in its discretion after consultation with the Secretary may take jurisdiction of the dispute on its own motion. After it takes jurisdiction, the Board shall finally determine the dispute, and for this purpose may use mediation, voluntary arbitration, or arbitration under rules established by the Board.

4. The Board shall have power to promulgate rules and regulations appropriate for the performance of its duties.

5. The members of the Board (including alternates) shall receive necessary traveling expenses, and, unless their compensation is otherwise prescribed by the President, shall receive in addition to traveling expenses $25 per diem for subsistence expense on such days as they are actually engaged in the performance of duties pursuant to this order. The Board is authorized to appoint and fix the compensation of its officers, examiners, mediators, umpires, and arbitrators; and the chairman is authorized to appoint and fix the compensation of other necessary employees of the Board. The Board shall avail itself, insofar as practicable, of the services and facilities of the Office for Emergency Management and of other departments and agencies of the Government.

6. Upon the appointment of the Board and the designation of its Chairman, the National Defense Mediation Board established by Executive Order No. 8716 of March 19, 1941, shall cease to exist. All employees of the National Defense Mediation Board shall be transferred to the Board without acquiring by such transfer any change in grade or civil-service status. All records, papers, and property, and all unexpended funds and appropriations for the use and maintenance of the National Defense Mediation Board, shall be transferred to the Board. All duties with respect to cases certified to the National Defense Mediation Board shall be assumed by the Board for discharge under the provisions of this order.

7. Nothing herein shall be construed as superseding or in conflict with the provisions of the Railway Labor Act (act of May 20, 1926, as amended, 44 Stat. 577; 48 Stat. 926, 1185; 49 Stat. 1169; 45 U. S. C. 151), the National Labor Relations Act (act of July 5, 1935, 49 Stat. 457; 29 U. S. C. 151 et seq.), the Fair Labor Standards Act (act of June 25, 1938; 52 Stat. 1060; 29 U. S. C. 201 et seq.), and the act to provide conditions for the purchase of supplies, etc., approved June 30, 1936 (49 Stat. 2036; 41 U. S. C., secs. 35–45), or the act amending the act of March 3, 1931, relating to the rate of wages for laborers and mechanics, approved August 30, 1935 (49 Stat. 1011; 40 U. S. C., sec. 276 et seq.).

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 12, 1942.*

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1. The National War Labor Board is created in the Office for Emergency Management. It is composed of 12 persons, 4 representing, respectively, the public, employees, and employers. Twelve alternate members similarly represented are provided to serve on designation of the chairman in the absence of regular members.

2 The Board is authorized to settle all disputes which interrupt activities required for the effective prosecution of the war, except that disputes for which procedures for adjustment or settlement are otherwise provided shall not be within the jurisdiction of the Board until those procedures have been exhausted. The procedure is as follows:

(a) If a dispute is not settled between the parties, they shall promptly give notice to the Conciliation Service.

(b) If the dispute is not promptly settled by conciliation, the Secretary of Labor shall certify it to the Board, provided that the Board may take jurisdiction on its own motion after consultation with the Secretary.

(c) The Board shall seek to settle the dispute by mediation or by voluntary reference to an arbitrator chosen by the parties. Mediation panels of one or more persons may be used, composed of members, alternate members, and associate members (appointed by the President for this purpose only) of the Board.

(d) If the dispute is not thus settled, it shall be referred to the full Board, which shall either (1) make a final determination or (2) refer the dispute for final determination to a mediator or mediators to be selected by the Board from a list of persons appointed by the President.

3. The Board is authorized to promulgate rules and regulations. Its members receive per diem and traveling expenses. The personnel and the property of the National Defense Mediation Board is transferred to this Board.

4. Nothing in the order is to be construed as superseding or in conflict with the Railway Labor Act or the National Labor Relations Act.

FEDERALIZATION OF SOCIAL-SECURITY PROGRAM—LETTER FROM INDIANA BANKERS' ASSOCIATION

[Mr. WILLIS asked and obtained leave to have printed in the RECORD a letter addressed to him by W. W. Gasser, president of the Indiana Bankers' Association, on the subject of federalization of the social-security program, which appears in the Appendix.]

THE TRUMAN COMMITTEE—EDITORIAL FROM THE ST. LOUIS POST-DISPATCH

[Mr. LEE asked and obtained leave to have printed in the RECORD an editorial from the St. Louis Post-Dispatch of January 13, 1942, in commendation of the Truman committee, which appears in the Appendix.]

The VICE PRESIDENT. The routine morning business is concluded.

PRODUCTION OF RUBBER FROM GUAYULE

Mr. DOWNEY. Mr. President, I now move that the Senate proceed to the consideration of Senate bill 2152, to provide for the planting of guayule rubber shrubs.

The VICE PRESIDENT. The question is on the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill (S.

2152) to provide for the planting of 45,000 acres of guayule in order to make available a domestic source of crude rubber for emergency and defense uses, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of Agriculture (hereinafter called the "Secretary") is authorized—

(1) To acquire by purchase, license, or other agreement, or by condemnation, the right to operate under processes or patents, now held by the Intercontinental Rubber Co. or any of its subsidiaries, or by other companies or individuals, relating to the growing and harvesting of guayule or the extraction of rubber therefrom, and such properties, processes, records, and data as are necessary to such operation;

(2) To plant, or contract for the planting of, not in excess of 75,00 acres of guayule in areas in the Western Hemisphere where the best growth and yields may be expected 'n order to maintain a nucleus planting of guayule to serve as a domestic source of crude rubber as well as of planting material for use in further expanding guayule planting to meet emergency needs of the United States for crude rubber; to establish and maintain nurseries to provide seedlings for field plants; and to purchase necessary equipment and facilities;

(3) To acquire by purchase, lease, or other agreement, or by condemnation, rights to land for the purpose of making plantings of guayule; to make surveys, directly or through appropriate Government agencies, of areas in the Western Hemisphere where guayule might be grown; and to establish and maintain records indicating areas to which guayule cultivation could be extended for emergency production;

(4) To construc' or operate, or to contract for the operation of, factories for the extraction of rubber from guayule; and to purchase, operate, and maintain equipment for the harvesting, storing, transporting, and complete processing of guayule;

(5) To conduct studies, in which he may cooperate with any other public or private agency, designed to increase the yield of guayule by breeding or by selection, and to improve planting methods; to make surveys of areas suitable for cultivating guayule; to make experimental plantings; and to conduct agronomic tests;

(6) To conduct tests, in which he may cooperate with any other public or private agency, to determine the qualities of rubber obtained from guayule and to determine the most favorable methods of compounding and using guayule in rubber manufacturing processes;

(7) To improve methods of processin guayule shrubs and rubber and to obtain and hold patents on such new processes;

(8) To sell guayule or rubber processed from guayule and to use funds so obtained in replanting and maintaining an area of 75,000 acres of guayule inside the Western Hemisphere; and

(9) To exercise with respect to rubber-bearing plants othe' than guayule the same powers as are granted in the foregoing provisions of this section with respect to guayule; except that the total acreage of all plantings of rubber-bearing plants other than guayule shall not exceed 15,000 acres.

SEC. 2. (a) The Secretary is authorized to appoint such employees, including citizens of countries in the Western Hemisphere, as may be necessary for carrying out the provisions of this act. Such appointments may be made without regard to the provisions of the civil-service laws, and the compensation of the persons so appointed may be fixed without regard to the provisions of the Classification Act of 1923, as amended. All appointments so made by the Secretary shall be made only on the basis of merit and efficiency.

(b) Notwithstanding the provisions of any other law governing the expenditure of public funds, the General Accounting Office shall not disallow credit for, nor withhold funds because of, any expenditure which the Secretary shall determine to have been necessary to carry out the provisions of this act.

(c) The Secretary may delegate any of the powers and duties conferred on him by this act to any agency or bureau of the Department of Agriculture.

(d) The Secretary, with the consent of any board, commission, independent establishment, corporation, or executive department of the Government, including any field service thereof, may avail himself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this act.

(e) The Secretary may allot to bureaus and offices of the Department of Agriculture, or may transfer to such other agencies of the State and Federal Governments as may be requested by him to assist in carrying out this act, any funds made available to him under this act.

SEC. 3. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this act. Any amounts so appropriated, and any funds received by the Secretary under this act, shall remain permanently available for the purposes of this act without regard to the provisions of any other laws relating to the availability and disposition of appropriated funds and the disposition of funds collected by officers or agencies of the United States.

Mr. DANAHER. Mr. President, I send to the desk an amendment, which I offer and ask to have stated. I think it comes in order at this time.

The VICE PRESIDENT. Two amendments are already pending. The clerk will state the amendment offered by the Senator from Connecticut.

The CHIEF CLERK. In the committee amendment, on page 5, commencing with line 24, it is proposed to strike out, down to line 1 on page 6, the following words:

Now held by the Intercontinental Rubber Co. or any of its subsidiaries, or by other companies or individuals.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut to the amendment reported by the committee.

Mr. DOWNEY. Mr. President, I have no objection to the amendment.

The amendment to the amendment was agreed to.

Mr. DANAHER. Mr. President, I offer another amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 7, commencing in line 23, it is proposed to strike out the semicolon and insert a period and to strike out all of line 24 and lines 1 and 2 on page 8, in the following words:

Except that the total acreage of all plantings of rubber-bearing plants other than guayule shall not exceed 15,000 acres.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut to the amendment reported by the committee.

Mr. DOWNEY. Mr. President, I have no objection to that amendment, either. I think it is a perfectly proper amendment.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. AUSTIN. Mr. President, I should like to ask the Senator from California what will be the effect of striking out line 24 on page 7 and lines 1 and 2 on page 8, in view of the fact that they constitute a limitation of the acreage which other rubber planting plants may have.

Mr. DANAHER. Mr. President, I did not elaborately state the purposes of the proposed amendments at this time, for I had done so for the RECORD the other day; and it was in that way that the matter came to the attention of the Senator from California and procured his concurrence in the suggested amendments.

Mr. AUSTIN. I did not understand the situation at all.

Mr. DANAHER. So that the Senator from Vermont will understand my purpose, let me say to him that under the bill the Secretary of Agriculture will be authorized to condemn or otherwise acquire certain guayule seeds, and he will be authorized to conduct experimental plantings of such seeds, all in the direction of acquiring a larger domestic rubber source. As clause (9), on page 7, had been worded hitherto, it would have limited the Secretary of Agriculture in his planting of guayule seeds on the one hand, and, on the other, it would have prevented him, under line 24, from planting other rubber-bearing plants to an acreage of not to exceed 15,000.

Mr. President, I would have the Senator from Vermont know that I feel that if the Secretary of Agriculture is to experiment in rubber plantings at all, he should be given free latitude within the language of the bill to plant goldenrod, for instance, or any other source of rubber, and not in any way be limited simply to the planting of guayule seeds. Therefore, by eliminating the limiting language which appears in subclause (9), line 24, page 7, and lines 1 and 2 on page 8, he would be authorized to exercise with respect to rubber-bearing plants other than guayule the same powers as are granted in the preceding provisions of the section with respect to guayule.

Does that answer the Senator's question?

Mr. AUSTIN. Mr. President, it is responsive, but it does not quite answer the question that is in my mind. I have this question about the effect of the change: Does not striking out the words leave the Secretary of Agriculture without any power at all to experiment with other rubber-bearing weeds than the guayule plant?

Mr. DANAHER. I am quite certain that that is not so, and I will answer the Senator categorically "No." For example, if the Senator will look at subclause (5), on page 7, he will find that the Secretary will be authorized—

To conduct studies, in which he may cooperate with any other public or private agency, designed to increase the yield of guayule by breeding or by selection, and to improve planting methods; to make surveys of areas suitable for cultivating guayule; to make experimental plantings; and to conduct agronomic tests;

And—

(6) To conduct tests, in which he may cooperate with any other public or private agency, to determine the qualities of rubber obtained from guayule and to determine the most favorable methods of compounding and using guayule in rubber manufacturing processes.

If we are not to limit the Secretary of Agriculture, we ought in clause (9) on page 7 to authorize the Secretary to exercise with respect to rubber-bearing plants other than guayule the same powers, those to which I have just referred, which he is being granted with respect to guayule.

Does the Senator now see what is intended?

Mr. AUSTIN. That also is responsive, but it does not quite fill the void.

Mr. DANAHER. I shall be happy to try further.

Mr. AUSTIN. One further question, and then I think I will get the complete answer. With these words stricken from the bill, is not the effect to leave entirely to the discretion of the Secretary of Agriculture the determination of what acreage, under the total grant of power here, can be appropriated to experiments with weeds other than the guayule weed?

Mr. DANAHER. I will answer that question "Yes," and I think properly. In other words, if we refer to clause (2) on page 6, we find that the Secretary is authorized to plant, or to contract for the planting of, not in excess of 75,000 acres of guayule in certain areas; but he is not in any way limited, and should not be limited, in the event that he should find that some other rubber-bearing weed or plant will serve as a greater source of rubber. Suppose his experiments disclose that he can procure far more rubber from some other substance than from guayule. He should not be limited if in the course of his experiments he finds that the economy will be bettered by additional plantings in excess, say, of 75,000 acres; and, in any case, he will not be restricted in his total plantings of other rubber-bearing weeds.

Mr. AUSTIN. Mr. President, I agree with the Senator from Connecticut in the policy. I think that is a good policy; and, if the amendment will accomplish what he says about it, I am for it.

Mr. DANAHER. Mr. President, let me say by way of conclusion to the Senator from Vermont that when I first saw this bill on the calendar I did not like the way in which it appeared to give legislative sanction to the patents of the Intercontinental Rubber Co., whatever it is, or wherever it is. I do not know that its patents are good. I do not know that anybody can make them work; yet, because of the way the bill was drawn, one would be led to think that Congress was authorizing the Secretary to deal only with that one company.

I objected, therefore, when the bill came up by unanimous consent, with that thought in mind. Since then I have talked with certain officials of the Department of Agriculture in an effort to expand my own very limited knowledge of the subject, but in the direction of accomplishing the policy of the Secretary of Agriculture, which, it seemed to me, was eminently proper. I find that, roughly, this is a statement of fact which should answer the thoughts in the mind of the Senator from Vermont:

That guayule experiments have been conducted by the Intercontinental Rubber Co. for a period of many years; that they have extensive plantings, and they have seeds which they have produced after many years of experimentation and treatment, which seeds constitute the only source available—so far as I know, at least—to the Secretary of Agriculture, upon which he may draw to conduct further experimental plantings. It is contemplated, I believe, that either through negotiation or condemnation, if necessary, the properties of the Intercontinental Rubber Co., including its seeds, may be taken by the Secretary of Agriculture.

I am informed that the land and the goodwill as well as the seeds and trade secrets of the Intercontinental Rubber Co. are worth somewhere in the neighborhood of a million dollars. They may be worth more. At any rate, the company in question, I believe, has been seeking to negotiate a sale of all its interests and its trade secrets and its seeds to the Department of Agriculture, for the reason that hitherto rubber from natural sources imported from the East Indies, particularly, could be had in this country at a price far cheaper than that for which it can possibly be produced from guayule.

Be that as it may, when we are faced with a rubber shortage, whatever means we can take reasonably and properly to expand our rubber supply should be taken. The Secretary concurs in that view, as will be found from a letter dated December 16, addressed to Representative FULMER on this very subject, which appears in the committee report. The points made by the Secretary, speaking through Under Secretary Appleby, as reported, have been confirmed to me in my investigation since the matter first came on the calendar.

I think that with this brief additional background for the pending bill and the reasons for the amendment, whatever views I had on the matter, at least, have been explained and, I hope, to the satisfaction of the Senator from Vermont.

Mr. AUSTIN. I thank the Senator from Connecticut.

Mr. BREWSTER. Mr. President——

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Maine?

Mr. DOWNEY. I yield.

Mr. BREWSTER. Addressing myself for the moment to the proposal of the Senator from Connecticut, I think it should be clear that in striking out the limitation on other plants there is no implication that there is no authority. The authority for guayule is apparently limited to 75,000 acres. Does that limitation apply to other plants?

Mr. DANAHER. As I read it, I should say "Yes" for the simple reason that the language in lines 21 to 23, inclusive, on page 7, expressly states that the Secretary shall "exercise with respect to rubber-bearing plants other than guayule the same powers as are granted in the foregoing provisions of this section with respect to guayule." I would interpret that language to mean that if there are powers, there are also limitations, and if there be limitations—and we find a limitation in clause 2 to 75,000 acres—then I say the same limitation would apply to other rubber-bearing plants.

Mr. BREWSTER. And that is the intent of the Senator's amendment?

Mr. DANAHER. That is the intent of my amendment.

Mr. O'DANIEL. Mr. President, I should like to offer an amendment to the bill, if it will meet no objection from the Senator from California. In view of the shortage of rubber, which has been brought to our country heretofore by water transportation, I am wondering whether it would not be better to confine our activities in the raising of guayule to continental United States. If the Senator from California has no objection, I should like to offer an amendment, that wherever the words "Western Hemisphere" appear in the bill the words "continental United States" be substituted.

Mr. DOWNEY. I hope the distinguished Senator from Texas will not press the amendment. It would be entirely satisfactory to me personally, and the bill as originally drafted contained that language, but the majority leader, the distinguished Senator from Kentucky [Mr. BARKLEY], asked that we substitute the words "Western Hemisphere" in place of "continental United States," and I consented to the amendment being made, and it was made when the bill was recommitted to the committee. I should prefer that the Senator not press the amendment.

Mr. O'DANIEL. Will not the Senator from California explain why he believes the proposed law should apply to the Western Hemisphere instead of to continental United States?

Mr. DOWNEY I think the majority leader, the Senator from Kentucky [Mr. BARKLEY], made the request of me upon the possibility that we might wish to proceed with this development in northern Mexico, or at some other place outside the United States in the New World. Frankly, I have no partiality toward any particular form of bill. We vitally need guayule rubber, and whether all the guayule is planted in the United States, or some in northern Mexico, is not important so far as I can see. I could not consent to the Senator's amendment, because I did change the bill as it was originally at the suggestion of the majority leader, and unless he were here to consent to the change I could not do it.

Mr. REYNOLDS. Mr. President, will the Senator from California yield?

Mr. DOWNEY. I yield.

Mr. REYNOLDS. In particular reference to the matter under discussion by the distinguished Senators from California and Texas, I may add that it is my recollection that in the Committee on Military Affairs, where this question was gone into very thoroughly at the instance of the junior Senator from California, it was stated that at the present time a considerable amount of this product was being grown in our sister republic of Mexico, and for that reason, I

think, consideration was given to the utilization in this country of the plants grown in Mexico.

My recollection is that another theory advanced for embodying in the bill the words "Western Hemisphere" is that at the present time we are endeavoring with all our might to bring about a solidarity which is desired between continental United States and the Latin American countries. Some of us rather felt that in the development of rubber-producing plants we might create a little dissension or ill-feeling if we limited the production, under our law, to continental United States, when at the present time the guayule plant is being grown in Mexico.

Furthermore, we all know that in a number of Latin American countries, particularly Brazil, there is produced some natural rubber, which we are desirous of acquiring, and it would probably be better from the standpoint of diplomacy not to limit the production of the guayule plant.

Mr. O'DANIEL. Of course, I am in hearty agreement with the good-neighbor policy, and would offer no objection whatever to the production of guayule in old Mexico or any other republic. However, inasmuch as the United States of America is to finance the production, I should think the planting should be confined to continental United States. However, inasmuch as the majority leader, the Senator from Kentucky, has just arrived in the Chamber, I should very much appreciate the Senator from California asking him to explain the reason for including the entire Western Hemisphere.

Mr. DOWNEY. I may state to the distinguished leader that the Senator from Texas has just asked me to consent to an amendment to the bill by changing the words "Western Hemisphere" to "continental United States" I informed the Senator from Texas that I could not consent to such an amendment because I had changed the bill from that form originally to its present form at the suggestion and request of our majority leader and some other Senators.

Mr. BARKLEY. Mr. President, if the Senator from California will yield, I may state that as the bill was originally introduced it confined the planting of the guayule shrub to the United States. There are certain diplomatic and good-neighbor reasons which we all understand, I think, which made it seem to me that we should not limit it to continental United States. There are certain sections of South and Central America where experimental rubber production has already been inaugurated. Not only American citizens have been interested in that, but the Government of the United States is vitally interested in the production of rubber all over the Western Hemisphere, and there are certain sections of South and Central America where the climatic conditions really are as propitious for the production of rubber as they are in the Dutch East Indies and in Malaya.

But, for reasons which it is not necessary to explore here, the production of rubber has largely been centered in the Pacific region, and it occurred to me and to other Senators that in order not to display any selfish motive on the part of the United States, it would be well to conduct the proposed experimentation throughout the Western Hemisphere wherever climatic or other conditions made it advantageous to do so. At the suggestion I made to the Senator from California a few days ago, he agreed to enlarge the bill so as to include the Western Hemisphere. I think it would be a mistake now to limit the planting to continental United States, because it may be desirable and it might become necessary to experiment with the plant in warmer regions, or in more propitious climates than may be afforded anywhere in the United States. At least it seems to me to be in harmony with our continental program of cooperation with all the other nations of the Western Hemisphere, and that it would be bad policy for us now to limit this experiment to the territory of the United States. That is the reason I suggested the change, and that is why I hope the provision will not now be changed again.

Mr. O'DANIEL. Mr. President, will the Senator from California yield to me?

Mr. DOWNEY I yield.

Mr. O'DANIEL. Inasmuch as the United States Government is favoring the project, I am wholeheartedly in favor of conducting the experiment, as a practical proposition, in the continental United States However, the war now takes precedence over everything, and if the State Department is of the opinion that it will aid in the prosecution of the war to have the bill include the entire Western Hemisphere, I shall gladly accede to the wishes of the Senator from California and not press the amendment.

Mr. DOWNEY. I appreciate the attitude taken by the distinguished Senator.

Mr. CHAVEZ. Mr. President, I should like to make a brief statement to supplement what the Senator from Kentucky has already so well stated. This very day, in Rio de Janeiro, a conference begins whose purpose is to obtain hemispheric solidarity. Some of the countries to the south of us have some things which we do not have, in some cases geographical features, in others climatic conditions, and in other cases land on which certain plants whose products go into strategic materials may be grown to advantage. It seems to me that any amendment of the bill which would in any way injure its purpose to have the United States cooperate in raising this particular plant throughout the Western Hemisphere, would be detrimental to the hemispheric solidarity we are now trying to accomplish. We are trying to show that we mean what we say, and that we really are good neighbors. We are trying to show the world that the countries of the Western Hemisphere are as one against the common enemy. It would be exceedingly undesirable for the Congress of the United States to say with respect to guayule, "We want it all for ourselves," on the very day of the opening of the Rio de Janeiro conference, by means of which an effort is being made to strengthen and solidify the bonds between the countries of the Western Hemisphere.

Mr. DOWNEY. I thank the distinguished Senator.

Mr. ELLENDER. Mr. President, will the Senator yield to me for a question?

Mr. DOWNEY. Does the question relate to the bill, may I ask the Senator?

Mr. ELLENDER. Yes; it does.

Mr. DOWNEY. I yield to the Senator.

Mr. ELLENDER. What I wish to say probably is not directly connected with the object of the bill itself, but I received a letter this morning from a constituent whose name is Frank L. Dusenbury. I do not suppose Mr. Dusenbury knows that the Senator from California has introduced a bill dealing with guayule. Mr. Dusenbury writes as follows:

> Mr. W. D. Owens and the writer own 60-percent interest in a synthetic rubber process, our source being the sap or gum of weeds, grass, and vegetables.
>
> This was perfected by an old gentleman named Henry Wilson, and we obtained a patent in 1940 and tried to make the start in production here, but failed, due to two causes:
>
> First, we did not have enough money; and, secondly, no great dependable source from whence suitable sap or gum might be obtained.
>
> It is possible to grow enough weeds or the kinds of grass that have yielded gum or latex to produce a satisfactory product.
>
> We had the authorities in Washington to analyze our product, and they declared it to be rubber, and Dr. Wilson made representation to us that he could produce it in quantity at a cost of about 3 cents per pound.
>
> With enough help, both physical and mental, and, above all, financial, we might complete a set-up to produce in quantity what we call herball latex, which can be used by tire makers and others now needing synthetic rubber.

I have not studied the Senator's proposal, but, should the Senator's bill be passed, I wonder whether the gentlemen referred to in the letter from which I have just read could obtain help in order to operate their factory for the production of synthetic rubber.

Mr. DOWNEY. Yes, Mr. President; I may say to the distinguished Senator from Louisiana that I am sure the Department of Agriculture would be very happy to give full consideration to their process. Likewise, the Rubber Division of the O. P. M. is assiduously seeking every possible means to produce synthetic rubber. I am sure either the O. P. M. or the Department of Agriculture would be very happy to consider the process referred to.

Mr. ELLENDER. So the operation of the Senator's bill is not confined to guayule?

Mr. DOWNEY. No; it is not.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. LA FOLLETTE. I note that the report of the committee indicates that the recommendations of the Secretary of Agriculture and the Comptroller General have been incorporated in the substitute measure, and I note that subsection (b) of section 2 on page 8 provides in effect that the General Accounting Office shall have nothing to do with the ex-

penditures under this bill. That prompts me to ask the Senator from California what reason the General Accounting Office or the Comptroller General advanced for eliminating the expenditures under this bill from review by the General Accounting Office.

Mr. DOWNEY. I will say to the distinguished Senator from Wisconsin that I do not understand that to be the condition under the bill in its present form.

Mr. LA FOLLETTE. Let me read from page 8, subsection (b) of section 2, line 12:

(b) Notwithstanding the provisions of any other law governing the expenditure of public funds, the General Accounting Office shall not disallow credit for, nor withhold funds because of, any expenditure which the Secretary shall determine to have been necessary to carry out the provisions of this act.

Mr. DOWNEY. I may say that that provision was drafted by Mr. Wood so as to be in conformity with the wishes of the General Accounting Office.

Mr. LA FOLLETTE. Does the Senator know what reasons they advanced for not wanting to have any power to disallow expenditures made under this bill? In my experience it has not been the habit of the Comptroller General or the General Accounting Office voluntarily to suggest that they should not have power concerning expenditures made by other departments of the Government. On the contrary, it has always been my understanding, and I think quite properly so, that they have felt that expenditures should be reviewed by them.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. CONNALLY. Does the bill of the Senator from California contemplate the acquisition and operation of plants for the production of rubber from guayule?

Mr. DOWNEY. Yes.

Mr. CONNALLY. It is my opinion that it would not be practicable to submit to the General Accounting Office a statement of expenditures every time certain workmen were paid in connection with the operation of a plant.

Mr. LA FOLLETTE. The General Accounting Office does not prevent the disbursement of money. Its duty is to review expenditures after they have been made; and if it finds that any have been made which, in its opinion, are contrary to the statutes relating to them, they disallow such expenditures.

I have had no opportunity to look into this matter, but my curiosity was aroused, first, by the statement that the substitute was in conformity with the recommendations of the General Accounting Office and the Secretary of Agriculture, and then to find that in carrying out such recommendations the General Accounting Office for the first time, so far as we know, has suggested that it should not have power to disallow expenditures under the bill.

Mr. DOWNEY. I may say to the distinguished Senator from Wisconsin that my mind has been principally occupied with the rubber phases of this matter, because our situation will become so desperate and critical within 12 months that we can hardly exaggerate it. I must admit that probably I did not give the amount of consideration to the financial part of the bill that I should have given. The bill was originally drafted by the Department of Agriculture, and I presented it in that form. I may say to the distinguished Senator that the Comptroller's office made certain objections. I turned over the letter from the Comptroller's office to Mr. Wood, and, with the consent of the Department of Agriculture, the bill was drawn in conformity with the desires of the Comptroller's office.

Mr. LA FOLLETTE. That statement completely satisfies me, Mr. President, because I have great confidence in Mr. Wood and his associates.

Mr. DOWNEY. I appreciate the Senator's remarks, and I will say to the distinguished Senator that if the bill passes both Houses and goes to conference, I shall study the particular point made by the Senator, and see that it is again reviewed.

The VICE PRESIDENT. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The bill (S. 2152) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for the planting of guayule and other rubber-bearing plants in order to make available a source of crude rubber for emergency and defense uses."

PRODUCTION OF ALCOHOL

Mr. GEORGE. Mr. President, from the Finance Committee I report favorably, without amendment, House bill 6325, to amend certain provisions of the Internal Revenue Code relating to the production of alcohol, and I submit a report (No. 955) thereon. Out of order, I ask unanimous consent for the immediate consideration of the bill. In this connection let me say that I have conferred with both the majority leader and the minority leader, and neither objects to the present consideration of the bill.

Mr. BARKLEY. Mr. President, not only do I not object, but I urge immediate consideration of the bill, because it authorizes the production of industrial alcohol concurrently with the production of distilled liquors. Alcohol is absolutely essential in our national defense; and I hope the bill will be passed without delay.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. NORRIS. I do not feel that I ought to object to the present consideration of this bill, because I realize its great importance. Yet I am not familiar with it. For some time I have been studying the production of alcohol. I am not able to suggest any amendments, because I have not gathered together the documents which I have been considering. The situation is a little embarrassing to me. Let me ask the Senator if there is any real necessity for expedition.

Mr. GEORGE. Yes; I was about to make such a statement.

The Director General of O. P. M. has issued an order requiring distilleries to produce industrial alcohol for use by the Army and Navy in the making of munitions. That order required the production to begin at midnight last night. Under the law a distiller who in the same plant is making alcohol for beverage purposes and also industrial alcohol must carry on separate operations, that is, in point of time. They may not be made concurrently. This bill does only one thing. It enables the distillers to produce industrial alcohol concurrently with alcohol for beverage purposes, and it would not interfere with anything else. It amends the code section. It is intended in the distilleries to use corn and other grains for the purpose of producing the alcohol now needed for war purposes, and, of course, to relieve the strain which is placed upon sugar and molasses to that extent, to prevent shortage.

The bill comes before us with the full recommendation of the Secretary of War, the Secretary of the Navy, the O. P. M., and all the other agencies of Government concerned.

Mr. NORRIS. Mr. President, I am satisfied with the Senator's explanation. So far as I am concerned, I shall make no objection.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 6325) to amend certain provisions of the Internal Revenue Code relating to the production of alcohol.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

WAR PRODUCTION BOARD

Mr. TAFT. Mr. President, yesterday the President announced that he was setting up a new War Production Board with a chairman who would have full authority over the procurement and production of war materials. The President is to be greatly commended for this tremendously important step. The form of organization is one which was extremely successful during the World War under the chairmanship of Mr. Baruch.

It seems to me proper to call attention to the fact that on June 15, 1940, I offered an amendment providing for exactly this set-up—a war-resources administration with a single head and an advisory council. It is the organization called for by the industrial mobilization plan which for years had been approved by the War and Navy Departments. My amendment was defeated. A somewhat similar amendment was offered by the senior Senator from Vermont [Mr. AUSTIN] on June 6 and was defeated by a vote of 46 to 31, largely because a letter from the President was read on the floor of the Senate maintaining that the legislation was unnecessary because of the formation of the old Council of National Defense, made up of seven men without even a chairman. Subsequently I introduced a bill to provide for a war-resources administration, and I reintroduced that bill in April 1941.

The Executive order providing for the Nelson Defense Board has not yet been

issued, but I venture to suggest that legislation should still be enacted providing for this defense board with a single administrator. Mr. Nelson will be on much sounder ground if he has statutory authority for his position.

I should also like to suggest at this time that similar action might well be taken in connection with the control of commodities for civilian supply. Regardless of the outcome of the price-control bill, the various powers relating to commodity control are divided between at least four departments of the Government. Mr. Henderson has charge of prices; Mr. Nelson of priorities; Mr. Jones of buying and selling; and Mr. Wickard of many other functions relating to agricultural commodities. I believe another agency should be set up with an over-all Administrator of Commodity Control, and an Advisory Council made up of the Price Administrator, the Director of Priorities, the Federal Loan Administrator, the Secretary of Agriculture, and perhaps other Government officials. The question of civilian supply, commodity control, prices, and rationing is distinct from that of war production, but it is of equal importance and of equal difficulty. It might well be handled in exactly the same manner and by the same organization to which we finally have come in the matter of war production.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. TAFT. I have not the right to yield to the Senator. The Senator from Missouri [Mr. TRUMAN] has the floor.

Mr. AUSTIN. I beg the Senator's pardon. I desired to ask a question of the Senator from Ohio respecting the statement in which he has referred to me. Will the Senator from Missouri yield to me?

Mr. TRUMAN. I yield.

Mr. AUSTIN. I desire to ask the Senator from Ohio if it is not true that a board corresponding to the War Production Board which now has been set up by Executive order was set up by Executive order during the World War, and that it had no sanction whatever except the voluntary consent of those upon whom it operated.

Mr. TAFT. I do not know, frankly, whether the Board was a board authorized by statute; but certainly it had almost no legal sanction for any powers. I am sure of that. Its operation was almost entirely without legal sanction.

Mr. AUSTIN. I should like to ask a further question, and I shall not long delay the Senator from Missouri.

In practice, is it not true that the pressure was brought or was threatened to be brought through such influences as the exercise of priorities—priorities regarding materials, priorities regarding transportation—and priorities really became the sanction behind the operations of the War Industries Board, with Mr. Baruch at its head?

Mr. TAFT. Certainly that was the main sanction.

Mr. AUSTIN. I thank the Senator from Missouri.

FEDERALIZATION OF SOCIAL SECURITY PROGRAM

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mr. WILLIS. Communications from leaders among my constituents have brought to my attention a widespread fear that Indiana's employment-stabilizing merit system and its entire reservoir of $65,000,000 in unemployment compensation funds are in danger of being absorbed into a federalized pool. I ask a few moments of the Senate's time in order to outline the basis of these fears, and to point out the dangers which would follow the federalization of unemployment compensation services.

There is good reason to believe that Federal administration of State unemployment compensation funds has been anticipated and planned by the administration for at least a year, notwithstanding repeated denial in high administration quarters.

When State and other employment services were federalized on January 1, for the declared purpose of increasing the speed and efficiency with which skilled and unskilled labor might be made available to war industry, there quite naturally arose much new suspicion that it was a long step toward complete federalization of unemployment compensation as well.

This was again denied by administration officials. Federal Security Administrator McNutt was quoted in a Social Security Board press release of December 19 as stating that "the unemployment-compensation systems in each State would remain State-operated, as heretofore."

If Social Security Administrator McNutt is still willing to leave unemployment compensation in the hands of the States, then the interest in federalization must stem from some quarter of the administration intent upon a more extensive practice of the New Deal philosophy of collectivism.

More than 4 months ago a provision was slipped into the Labor and Federal Security appropriation bill appropriating $65,500,000 "for grants to States for unemployment compensation administration."

The Senator from Connecticut [Mr. DANAHER] unsuccessfully endeavored to have the provision stricken out, declaring that "without any notice whatever to the Congress, this legislation was attached to an appropriation bill, and fundamentally the entire program of administration of the State employment services was altered."

Before the bill went to conference, an amendment by the Senator from Arizona [Mr. HAYDEN] was substituted for the Danaher amendment, virtually restoring the Federal-control feature to which the Senator from Connecticut had objected. The conference committee took no action at that time, announcing that "due to difficulties of working out a suitable provision, action on the merits was deferred with the understanding that it would be considered in a later bill."

But it is extremely interesting to note that the conference report states that "the conferees were impressed with the purpose of the amendment"—that of the Senator from Arizona [Mr. HAYDEN]—which embodied the principle of Federal control.

Meanwhile John J. Corson 3d, thoroughgoing advocate of the New Deal's economic philosophy, has been named to the position of Director of the United States Employment Service from a directorship of the Bureau of Old Age Insurance, the only federally controlled branch of the Social Security Board. Obviously the administration is as intent upon securing federalization of State unemployment compensation funds as it was upon federalizing the employment offices.

For the federalization of employment services as a wartime measure there was at least a plausible argument. For the federalization of State compensation funds there is not. It would mean, among other things, the end of Indiana's merit system, whereby employers are credited with their contributions to employment stability.

It may be this very stability which is objectionable to the newly federalized employment service, which has declared its intention to move many employees from their present positions.

With the employment problem certain to be worse after the war than now, it is obvious that there will be no administration move at that time toward decentralization. The present decentralized administration of unemployment compensation funds must be preserved by successfully combating any move to extend and consolidate the Federal Government's control of the life strings of the Nation's economy.

INTERIM REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM

Mr. TRUMAN. Mr. President, the special committee of 10 Members of the Senate, appointed pursuant to Senate Resolution 71 to make a full and complete study and investigation of the operation of the national defense program, herewith submits an interim report (Rept. No. 480, pt. 5) covering the matters which have been considered by it during the year 1941.

The VICE PRESIDENT. The report will be received and printed.

Mr. TRUMAN. Mr. President, the committee has held public hearings, commencing April 15, 1941. To date, 252 witnesses have testified, some of them on a number of different occasions. The printed record of such testimony comprises more than 3,000 pages. The committee also privately considered a number of matters as to which the committee was unable to schedule public hearings.

The committee's principal purpose is to ascertain that the billions of dollars being allocated to the national defense program are being efficiently and economically expended so as to obtain a maximum of production with a minimum of expense and a minimum of dislocation to the civilian economy.

The committee believes that the war and defense program not only will produce sufficient supplies for the defense of the Nation, but that it will produce enough supplies to enable the United States to take the offensive and to win the war. We must take the offensive, because wars are not won on the defensive. The committee, however, wants the war to be won as soon as possible, and at a minimum expenditure of life and property. Carelessness and inefficiency have already cost us a great deal, and, if continued, may cost us much more, even though in the long run we shall win the war because of the sheer extent of our resources

We are only just commencing to receive the benefits of the national defense program, and can confidently expect that each month will find us becoming stronger.

The committee, in the investigations which it has already conducted, has found numerous instances of gross inefficiency, and still more instances in which the private interests of those concerned have hindered and delayed the defense program. A considerable quantity of supplies and material which we should have today has not been produced, and as a result the war effort has been seriously handicapped.

Many of the inefficiencies and wastes which have been brought before the committee have been eliminated; still others have been partially corrected; but all too many others, the committee is sorry to say, continue. The committee believes that no constructive purpose would be served by investigations after the war for no other reason than assessing the blame. Numerous such investigations were conducted after World War I, as a result of which a great deal of valuable information was obtained as to how not to conduct a war; but little heed was paid thereto. For this reason the committee believes that a constant check should be made into the activities of the defense agencies during the actual course of the war when it is possible for the Congress to require remedial action to be taken before it is too late. The very fact that such a check is being made is of incalculable value. It restrains and modifies the more intemperate and unjustified requests of business or labor for special treatment to which they are not entitled. Public officials constantly have before them the knowledge that their acts or failures to act may be subjected to public scrutiny. This has already prevented the doing of many things which otherwise might have been done.

A defense and war program by its very nature requires a tremendous dislocation in the business economy of the Nation and in the relations between business and government. The Government in war must determine what is to be produced, the quantities and the materials to be used, and even the exact methods by which the articles are to be produced. In order to insure adequate supplies of war materials it is necessary for the Government to go even further and to determine the quantities and kinds of raw materials which should be produced, and the extent to which such materials can be used for civilian economy.

The civilian economy cannot be treated as a separate problem. There are certain minimum and basic needs of the civilian population which must be met in order to keep up morale and the ability to continue producing war materials in the quantities needed.

Moreover, government cannot neglect the fact that fundamentally the whole defense and war program was embarked upon for the purpose of preserving from Fascist aggressors the American way of living and that little will be gained if in winning the war we destroy the ability of the country to readjust itself and to resume the American way of living.

To do this we must preserve to as great an extent as possible a sound civilian economy. But the civilian population must be prepared to make sacrifices. Those of us behind the lines must remember that ships, guns, tanks, food, and clothing have to reach the fighting front, and reach it promptly. That fighting front is world-wide, and it will take an all-out effort to win the victory. We have been so in the habit of expecting the Federal Government to pick us up every time we fall downstairs that we shall find it difficult to become the stoics that it will be necessary to become in order to win this war. When we reach the point of expending 50 percent of our national income for war purposes everybody in the Nation will feel the pinch. We must relearn the fundamental lesson that the Government is to be supported, and supported with all we have, if we are to win; and win we must.

Under a war program the Government also has the responsibility for making long-range plans to cope with the emergencies which may arise, so that the shifts that are made necessary by the defense and war program may take place, to the end that plants and labor may be transferred from civilian work to defense work with a minimum of dislocation and unemployment.

OFFICE OF PRODUCTION MANAGEMENT

The task of correlating and administering most of the defense and war production program has been entrusted to the Office of Production Management, which was especially created for that purpose. Its record has not been impressive; its mistakes of commission have been legion, and its mistakes of omission have been even greater. It has all too often done nothing when it should have realized that problems cannot be avoided by refusing to admit that they exist.

Apologists for the Office of Production Management have stressed the lack of authority on its part to require the other agencies of Government with whom it must deal to follow its decisions. There has been a very real effort to cooperate, even though such cooperation has required tremendous sacrifices on the part of tens of thousands of small businessmen. The public has wholeheartedly supported the defense program, and has considered no sacrifice to be too great, when all have been treated alike. The Office of Production Management, therefore, has had at its disposal at all times the most effective weapon which could be given to it, namely, the weapon of public opinion.

In those instances where it has failed the failure has not been due so much to the lack of power as to the ineptitude of the officials of the Office of Production Management and their unwillingness to use the weapon which they had. The usual procedure was to refrain from raising the issue and to avoid responsibility by claiming lack of authority, and, if possible, by referring the matter to some other agency of Government. Fundamentally the disappointing record of the Office of Production Management is not so much due to its lack of power as to its failure to perform the functions for which it was created.

The principal positions of the Office of Production Management were assigned to persons holding important positions with large companies who were willing and anxious to serve on a dollar per year, or without compensation—W. O. C.—basis. They usually did not sever their business connections, but, instead, obtained leave of absence. In many instances they continued to act for their companies, publicly announcing that their Government work was part-time work only. Their companies continued to pay their salaries. In some cases their compensation was even increased.

Although the contracts obtained by the companies loaning the services of dollar-a-year and without-compensation men are not passed upon by the men so loaned, such companies do obtain very substantial benefits from the practice. The dollar-a-year and without-compensation men so loaned spend a considerable portion of their time during office hours in familiarizing themselves with the defense program. They are, therefore, in a much better position than the ordinary man in the street to know what type of contracts the Government is about to let and how their companies may best proceed to obtain consideration. They also are in an excellent position to know what shortages are imminent and to advise their companies on how best to proceed, either to build up inventories against future shortages, or to apply for early consideration for priorities. They can even advise them as to how to phrase their requests for priorities. In addition, such men are frequently close personal friends and social intimates of the dollar-a-year and without-compensation men who do pass upon the contracts in which their companies are interested.

It is only natural that such men should believe that only companies of the size and type with which they were associated have the ability to perform defense contracts; that small and intermediate companies ought not to be given prime contracts; that the urgencies of the defense program are such that they have no time to consider small companies for defense contracts; that the large companies ought not to be required to subcontract items which they could profitably manufacture and as to which they express lack of confidence in the productive facilities of smaller concerns; that

the procedure of strategic materials should not be expected or required to increase their capacities, even at Government expense, where that might result in excess capacity after the war and adversely affect their post-war profits; and that large companies should not be expected or required to convert their existing facilities into defense plants, where they prefer to use their plants to make the profits from their civilian business and, at the same time, to have additional plants directly or indirectly paid for by the Government, which they can operate profitably on terms dictated by themselves.

The committee has been trying for months to force a greater use of our existing facilities, of both large and small plants, and believes that a belated but serious effort has been made to make progress in this direction. The past cannot be undone, but it is vitally important that the same mistakes should not be repeated in the future.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mr. O'MAHONEY. Inasmuch as the Senator has apparently concluded the opening part of his statement, I assume it would not interrupt him if I should venture to ask him a question?

Mr. TRUMAN. I am glad to be interrupted, but I have not concluded.

Mr. O'MAHONEY. There has come to my attention on numerous occasions, from various sections of the country, from Chicago, from Boston, and particularly from New York, the charge on the part of small contractors that they have been unable to receive any consideration at the hands of those who have given out the contracts for the construction of various projects. For example, it is alleged that the Turner Construction Co., of New York or Massachusetts, has more than $200,000,000 in contracts, and that in the same vicinity there are smaller contractors who have the equipment and the facilities, the engineering ability, the knowledge, and the experience also to do similar work but they are disregarded.

It is alleged that the Fuller Construction Co., for example, has received contracts totaling about $150,001,000, all over the country, and some outside of the country—in the bases in Newfoundland, for example, and in Greenland, and elsewhere—and that all these contracts, or most of them, at any rate, were awarded without competitive bidding on the cost-plus basis. Has the Senator any information dealing with that problem?

Mr. TRUMAN. The Senator's conclusion is correct. The large contracting companies have been very decidedly favored by those who have the letting of the contracts, and the little contractors have been seriously neglected. That condition is set forth in the report on camp construction which has already been filed by the committee.

Mr. O'MAHONEY. If I may interrupt again, to cite another instance that was reported to me only today, for example, that there is one firm of architects in the city of New York which has drafting contracts amounting to more than $100,000,000.

Mr. TRUMAN. There is one in Detroit that has contracts five times that amount.

Mr. O'MAHONEY. I was speaking of the situation in New York. Of course, I do not know anything about the facts, and, therefore, I am not using the name in this connection, but it is alleged that this particular firm of architects, doing more than $100,000,000 worth of business, is putting on two or three shifts, and that there are scores of other architects in the city of New York who do not know where their next job is coming from.

Mr. TRUMAN. That is true of architects all over the country. The architectural business situation is like the contract situation. A favored few have been getting nearly all the work.

Mr. O'MAHONEY. Has the committee come to any conclusion as to how it comes about that there is such inequality in the awarding of contracts?

Mr. TRUMAN. We have not; there will have to be further investigation and further hearings on that subject before we can make a statement and recommendation regarding it.

Mr. O'MAHONEY. I was glad to have the Senator say in his report that the preservation of civilian morale is essential. One of the elements of preserving civilian morale is to make certain that contracts of this kind shall be given to all those who are competent to discharge them, and I feel it will be a very definitely helpful effort if the committee goes thoroughly into that matter.

Mr. TRUMAN. I thank the Senator from Wyoming.

The committee is opposed to a policy of taking free services from persons with axes to grind, and the committee believes that the Government should not continue to accept the loan of dollar-a-year and W. O. C. men from companies with so large a stake in the defense program. The committee therefore suggests that steps should be taken by the Office of Production Management to offer Government salaries to the dollar-a-year and W. O. C. men within the range which the Government has paid for positions of similar responsibility in other departments, and that such persons should be required, during the duration of their employment by the Government, to dissociate themselves from any employment by or payment from companies with which they were formerly associated, which have obtained defense contracts.

There is a tendency within the Office of Production Management itself for each division or department to hold some other division or department responsible. For example, persons charged with increasing the production of strategic materials seem to believe that they have sufficiently performed their duty when they refer the matter of price increase to the Office of Price Administration and the matter of labor to the Labor Division.

The ultimate responsibility for such matters must be so assigned, but responsibility still exists in the Strategic Materials Division to make certain that the problem is speedily and properly met. Businessmen need the basic facts in order to plan for increases in production. There is no excuse whatever, in the example assumed, for persons in charge of strategic materials to fail to insist upon a speedy decision regarding matters of price or labor which they have referred elsewhere. After the committee's report was printed the Office of Production Management finally decided to follow the committee's recommendation that higher prices be paid for increases, but only for increases in production.

There has been too much dissension within the Office of Production Management; dissension which has caused uncertainty to business and which has been a hindrance to increased production.

Instead of assuming the responsibility of presenting a clear-cut program to the businessmen, the Office of Production Management in almost every important instance, as, for example, automobiles, aluminum, steel, copper, lead, zinc, and numerous others, either has failed to foresee the nature and extent of problems or has tended to minimize the difficulties and to take half-hearted measures in the vain hope that the problem would solve itself. This has not only created uncertainty for businessmen, but has meant also that nothing much is done about problems until businessmen evolve solutions of their own.

The committee suggests that the Office of Production Management determine generally the terms under which production can be increased, so as to give a maximum of information to small producers as to the treatment which they would receive if they should attempt to create new production or to increase existing production. A pound of lead or zinc, which would otherwise not be produced, is just as valuable to the defense program whether it is produced from the largest mine as part of a 5,000-ton increase or from a newly opened mine with only a 50-ton annual capacity. Certainly, in this respect, it is even more important to the small producer than it is to the large producer, because, generally speaking, the former operates on a very small capital and must interest others in any new venture or expansion of an old venture.

That is along the line of the remarks of the Senator from Wyoming [Mr. O'MAHONEY]. There is no reason in the world why small businesses, small contractors, small manufacturers could not just as well have been considered as to have jammed the contracts into the hands of about 70 or 80 firms.

The Office of Production Management has already taken some steps to reorganize its divisions in order to fix lines of responsibility and obtain action on the important problems with which it must deal. The committee believes that such reorganization should be far more drastic, and that we cannot expect full benefits until there is a clear realization on the part of everyone in the Office of Production Management that he will be held responsible for the success or failure of the work he deals with, and that the Government wants results and not explanations that blame failure on others. The practice of diffusing responsibility, so prevalent in military matters

as to be commonly referred to as "the old Army game," must not be tolerated.

The committee in its report recommended that the Supply Priorities and Allocations Board—S. P. A. B.—should act with more initiative and with more force. The committee realized that the men in charge were able, but that it was difficult for eight men, most of whom could give only a fraction of their time, to act with the proper speed and initiative. The committee stated that unless substantial progress in this direction was made soon, it would be necessary to create an entirely new department or agency under one man responsible for the entire defense and war program, insofar as it related to production of military supplies and to civilian economy. The committee also recommended that such an agency, moreover, should have full authority to coordinate the activities of all the existing agencies and departments of the Government insofar as they relate to the war program or the civilian economy.

Since this report was written the President has announced an intention to create such an agency, to be called the War Production Board. It will be headed by Donald Nelson. The exact authority of Mr. Nelson has not yet been determined. It should be very broad. Even so, it will not be completely effective unless the Office of Production Management is reorganized in order to correct the evils previously referred to.

ALUMINUM

With respect to aluminum, the committee held hearings at which for the first time it was developed that we would be short more than 600,000,000 pounds of aluminum per year, and that this shortage exists despite a drastic civilian curtailment. Efforts since then to increase the aluminum capacity have been unsatisfactory.

The committee criticized, as taking undue advantage of the Government, the contract made between the Defense Plant Corporation and the Alumium Co. of America. After the committee had made this criticism, Alcoa and the Defense Plant Corporation negotiated a supplemental agreement dated December 12, 1941, which corrected many but not all of the defects in the original contract.

The committee believes that its efforts have resulted in a substantial improvement of the contract.

More important, in the committee's opinion, is the realization by business interests seeking contracts of this kind that their acts may be subjected to investigation, and that they may be called upon to explain why they drive such hard bargains with the Government at a time when most people are making substantial sacrifices for the prosecution of the war.

COPPER, LEAD, AND ZINC

The committee has examined into the situation with respect to the principal nonferrous metals, namely, copper, lead, and zinc. The actual production of the three metals—lead, copper, and zinc—has been most disappointing.

The committee concludes that the Office of Production Management failed to realize the necessity of increasing the production of copper, lead, and zinc until long after the probability of shortage was apparent, and that it did not then take, and has not yet taken, adequate steps to increase the production so as to assure (1) sufficient quantities for military use, and (2) as great a quantity as possible for the civilian economy. In the opinion of the committee, the Office of Production Management should have acted much more expeditiously in this matter, instead of taking the position that there could never be a shortage of materials, and that small businesses by the thousands would not have to close their doors and discharge their employees for lack of materials with which to operate. However, the least that the Government owed to such businessmen and their employees was an early and vigorous attempt to increase the production of the materials upon which they were dependent. This duty was not fulfilled.

STEEL

With reference to steel, a sharply divergent view was evidenced within the Office of Production Management as to need for increasing existing steel capacity. Eventually, the Office of Production Management embarked on a program for increasing existing capacity by 10,000,000 tons per year.

The contract proposed by the Bethlehem Steel Corporation to the Defense Plant Corporation to obtain financing for steel expansion is outrageous.

I desire to urge the Members of the Senate to read this report. It will be in print in a day or two, and copies of it will be sent to the office of every Senator, together with the appendixes which go with it. I hope Senators will look at it and at least glance through it. It is a voluminous thing, but it covers the activities of the committee, and I think the suggestions made are at least constructive so far as the war effort is concerned.

AUTOMOBILE INDUSTRY

Automobile companies have scarcely even begun to produce defense articles. Automobile companies were not required to utilize their existing plants for the defense program, but were permitted not only to continue but to increase their regular production of automobiles. Before the actual declaration of war the automobile industry took the position that their tooling facilities that could be used were about 10 percent of the gross total. Now, when it is impossible to make automobiles, they take the position that the plants can be converted in a relatively short time. The committee believes that the latter position was correct all the time.

SMALL BUSINESS

One of the problems that have given the committee the most concern is the plight of the small businessmen. They have been almost completely ignored in awarding defense contracts. Their existing facilities have not been utilized. They have been unable to obtain the necessary materials to continue in business because of priority restrictions, and they have been put in competition for labor with large contractors who operate with Government contracts.

Mr. Floyd Odlum, Director of the Division of Contract Distribution of the Office of Production Management, testified before the committee shortly after assuming his duties, and requested its forbearance until he had time to complete his staff. The time he stated would be required has almost elapsed, and the committee plans to hold hearings within the next few weeks to ascertain the progress made by the contract services of the War and Navy Departments, and by the Division of Contract Distribution of the Office of Production Management.

TAX AMORTIZATION

The committee has been engaged in a study of the methods by which the Army and Navy have allowed tax-amortization deductions to manufacturers who build new plant facilities for defense production.

The committee informed Mr. Odlum on October 27, 1941, that it thought his Division of Contract Distribution should take care to see to it that no necessity certificates should be issued to duplicate existing facilities that are not in use. Mr. Odlum assured the committee that this would be done.

During the committee's study it has become apparent that in many cases certifying authorities have approved applications for certificates of necessity without sufficient investigation. The committee feels that reviewing officials not only should be careful to consider the desirability and necessity of expansion of production capacity within an industry, but should examine the necessity of the construction of particular facilities in order to expand such capacity.

LABOR

The committee believes that when labor matters affect the defense program, and when there is indication that the executive agencies have been unable to deal satisfactorily with the matter, the committee should afford such assistance as it can and develop the facts with respect to the labor question and attempt to ascertain whether there is any fair means of settling the dispute that has not been fully explored.

In connection with its investigation of the War Department's camp and cantonment construction program, the committee checked into the labor situation as it affected the construction of camps and cantonments, primarily practices with respect to the collection of permit fees. The committee's interest in this matter was to explore the income to the various locals as a result of work-permit fees, and the extent to which this affected the excessive labor turn-over found in camp construction. In many instances large amounts were collected. Union locals should be required to show what became of these large collections, and they should be made publicly to account therefor. No man should be required to pay a racketeer a fee for the privilege of working for the Government.

CURRIER CASE

The Currier Lumber Co., of Detroit, Mich., made the lowest bid to the Mutual Home Ownership Division of the Federal Works Agency to construct 300 houses for defense workers at Wayne, Mich. The

bid was low by more than $200,000—more than $600 a house.

Mr. Sidney Hillman, Associate Director of the Office of Production Management, took upon himself the responsibility of telephoning Mr. John M. Carmody, Federal Works Administrator, advising him not to award the contract to the lowest bidder because Mr. Patrick J. Currier employed C. I. O. labor and did not employ A. F. of L. labor.

Mr. Hillman was asked by the committee whether his advice was in any way based on doubt as to the ability of the Currier Lumber Co. to construct the 300 houses. He replied that it was not, that he was not interested in that question, and that he had no responsibility which required him to investigate that phase of the controversy. He had never met Mr. Currier, and admitted that he had never seen the proposed contract.

Mr. Carmody, the then Federal Works Administrator, and Col. Lawrence Westbrook, the Director of the Mutual Ownership Division, testified that they were satisfied that Mr. Currier could perform his contract.

Briefly stated: A responsible company had made a low bid, which it had prepared to perform and was capable of performing if not illegally interfered with, and Mr. Hillman had advised that it be denied that contract and that the taxpayers pay several hundred thousand dollars more because Mr. Hillman feared trouble from what he called irresponsible elements of the A. F. of L.

Colonel Westbrook testified that Mr. Carmody had reserved to himself the power of decision in this case.

For many weeks the committee tried to ascertain from Mr. Carmody what decision he would make in this matter, but no decision was made, probably because he expected to resign as Federal Works Administrator, and did not desire the responsibility of deciding a subject over which so much controversy had been raised.

The committee believes that Mr. Carmody was derelict in his duty for failing to decide this matter after he had expressly reserved to himself the power of decision.

The matter has still not been decided because Mr. Carmody's successor, Mr. Philip B. Fleming, has been in ill health, and no one else desires to assume the responsibility for the decision. When Mr. Fleming is able to resume his duties the committee expects him to decide this matter, and from time to time will check to see if it has been decided.

We went into several of these cases—the coal strike and the strike of the shipbuilders out in California—and I think the public hearings had a very salutary effect on the difficulties which were encountered.

There is no question that the defense program has been very seriously handicapped by reason of strikes and threatened strikes, and, furthermore, that many of such strikes ought not to have taken place.

Labor, as well as industry, must assume responsibility for the production of defense articles. Leadership in both labor and industry have been too much concerned with their own interests, and too little concerned with the national welfare. Larger wages and profits will be of no use to either labor or industry if the war is lost.

The committee believes that many of the strikes for wage increases were inspired by noting the tremendous profits being reported by companies having defense contracts. Labor representatives believe that they owe a duty to labor that is just as real a duty as that which industrialists owe to their stockholders. The trouble is that too little attention is given to the duty they both owe to their country.

Problems as important as the labor problem should not be left to solve themselves, and small groups of labor leaders must not be permitted to set at naught agreements made by labor after months of negotiations with industry and Government and approved by the majority. For that reason the committee believes that all legislation with respect to the labor problem should be given careful consideration.

I can give a concrete example of what will happen.

Twelve or fifteen hundred laborers were sent to Guam to build the defenses on Guam. They were paid $15 a day and transportation, and time and a half for overtime. They used to brag to the soldiers over there that they got in one day what the soldiers got in a month. Guam now has changed hands. Those men still are going to work, and will have to be happy and satisfied to get a little rice to eat. That is what will happen to all of us if we do not win this war.

AVIATION PROGRAM

The committee for several months has been engaged in an inquiry into the adequacy of the aviation program and its administration. At the outbreak of the war our production of aircraft was such that the armed forces possessed only enough airplanes to furnish skeleton forces with equipment, a great deal of which was of inferior quality. We have not had a great quantity of planes in action, and many of the ships used were of types long considered to be obsolete.

We investigated every plane-manufacturing company in the country. The committee visited the plane factories in California and elsewhere on the west coast, the Martin plant near Baltimore, and the Wright engine plant at Buffalo, and went into the subject in some detail; so I think the committee is informed when it speaks.

Our services have merely purchased what the manufacturers had to offer, instead of planning to use available facilities to produce what they needed at maximum capacity. There is no planned and coordinated program for the production of aircraft.

All the aircraft manufacturers complained that they would no sooner get a plane in production than some man would come running down and change the specifications; and in one specific instance 165 planes were held up while some little piddling thing was done to a carburetor, which ought to have been figured out in the first place.

Though it was created to organize and manage production facilities, including aircraft, the Office of Production Management has acted as a rubber stamp for the service agencies, allowing them to follow their own policies of procurement.

Many manufacturers and experienced groups, because of priorities or official indifference to their possibilities, are entirely idle, or are operating as technical schools, repair stations, parts manufacturers, experimental plants, and so forth, despite the fact that facilities of these companies are already existing and available.

There are in this country at least 20 or 25 little airplane companies that could make at least 1 or 2 airplanes a week, but that are not being utilized at all. The same policy is being followed as with contracts; the authorities are letting the big men get bigger, and putting the little fellows out of business. The mere fact that these companies exist is of no importance to the country unless they are actually producing military airplanes or parts therefor.

PLANT FINANCING

One method of financing new-plant construction for the defense program is through the Defense Plant Corporation, a subsidiary of the Reconstruction Finance Corporation.

The Defense Plant Corporation has had an enormous task before it, and has been placed in a very bad bargaining position. It has been very difficult for the Defense Plant Corporation to protect the Government's interests, and at the same time to make certain that money is provided as quickly as possible for plant expansion which the Office of Production Management has found to be necessary. The committee is critical of some of the contracts that were entered into, but appreciates the difficulty involved, and believes that in spite of the circumstances under which it has had to work, the Defense Plant Corporation has made a valuable contribution to the defense program.

LOBBYING

The spending of billions of dollars necessarily attracts those who seek to use influence or friendship to obtain contracts. Big business has had its lobbyists in the form of dollar-a-year and W. O. C. men. Small and intermediate businessmen have sought to obtain the same benefits by hiring those who they think have influence. In some cases the persons are hired to render legitimate services, and are paid so handsomely as to lead many to think that their employers must have expected to receive added benefits. In others, no legitimate services are rendered, and the payments that are made can be treated only as compensation for influence.

Sometimes those seeking contracts take the initiative, and employ persons, who they expect to use influence in their behalf. For obvious reasons, no contract is made between them, and in most instances there is no express conversation with respect to the use of influence. Those who seek to take unfair advantage of their Government are no more likely to say so, even to their intimates, than criminals are likely to admit their crimes or to characterize their acts. Consequently, they frequently pay for what is neither promised nor delivered to them.

In many such cases they get only what they would have been entitled to had they not resorted to lobbying; but their actions in attempting to purchase influence weaken the public confidence in the integrity of Government officials, and cannot be too severely condemned.

A direct result thereof is the widespread belief, especially among small and intermediate businessmen, that Government officials can be "reached," which makes them credulous dupes of "peddlers of influence," who approach them furtively with stories of their close connections in Washington and promises of contracts if they are paid a commission, usually 5 or 10 percent of the contract price. In most instances the Washington connections are nonexistent, and the "peddlers of influence" are simply acting on the chance that the businessman in question could obtain a contract without help if he would make a serious and determined effort. In many instances, all the peddlers do is to disclose information as to contracts about to be negotiated, which they have gleaned from Government sources available to all. The practice is difficult to expose and eliminate, because the businessmen who are duped by it hate to admit that their avarice led them to attempt what they thought was bribery of Government procurement officers. In cases in which they obtain no contracts, they seldom have a way of proving the attempted extortion.

The committee suggests that when businessmen are approached by such peddlers the committee be informed, so that the exact facts with respect to such peddlers and their activities can be obtained, and appropriate action taken.

The commitee believes that legislation to alleviate the evils inherent in lobbying should be carefully considered.

NAVY SHIPBUILDING

As of September 1, 1940, the Navy had made arrangements for about $4,000,000,000 of shipbuilding, at a ratio of 70 percent in private yards and 30 percent in naval yards. The scope of the program has since been increased. Before the emergency the ratio had been about 50-50; but Admiral Robinson testified that it had not been possible to increase naval-yard capacity as much as that of the private shipyards. One of the principal reasons was that the navy yards were located many generations ago, and are mostly in congested areas where it is impossible, except at very high cost, to acquire more land.

Admiral Robinson stated that it was almost impossible to compare the costs of private with navy-yard shipbuilding because of the Navy's method of keeping its books. The committee believes that in a matter of this importance the Navy should take steps to ascertain the actual facts. The Navy should be able to build ships as efficiently as private enterprise is able to do so; and if there is a wide disparity between the cost of building ships in Navy yards and the prices charged for similar ships in private yards, the Navy should require a reduction of profit to a reasonable amount.

There is pending in the Committee on the Judiciary proposed legislation introduced by the Senator from New Mexico [Mr. HATCH], who is a member of our committee. The committee believes that legislation to alleviate the evil inherent in lobbying should be carefully considered. By the way, at this point I desire to say that the committee is not through with its lobby hearings as yet, and some of the prime lobbyists have not been before it.

The Navy was extremely liberal with private shipbuilders. Nine of the 13 companies which had cost-plus-fixed-fee contracts are entitled to receive fees plus possible bonuses which exceed the amount of their net worth on December 31, 1939, as estimated by them.

The fees plus possible bonuses bore no relation whatever to the average net profits of the companies during the period from 1936 to 1940. In one case they exceeded by nearly 800 times the average annual net profits, in other cases by 20, 30, and 40 times the average annual net profits.

The committee believes that these fees and bonuses are excessive, and that it should not have been necessary to give so huge a reward to the private shipbuilding companies.

Companies such as the Bethlehem Steel Co. and the Federal Shipbuilding Co., which took fixed-price contracts, probably will make even larger profits, because the contract price is considered to be comparable, and they have a large number of ships to build, on which they should be able to effect the savings incident to mass production. In addition, they and their affiliated companies have the profits incident to supplying the materials.

The profits for repair-ship-conversion work are even more staggering. The Navy permitted the shipyards to charge their regular hourly rates for repairs, despite the fact that such rates had been fixed at a time when there was very little business, and when the entire overhead of the organization had to be charged to a comparatively small volume of work. The representatives of the Todd Shipbuilding Corporation testified that Navy ship-conversion contracts—

> gave us a profit of $1.80 a day on every man we had, and I think we had around 35,000. If it hadn't been for taxes we couldn't have handled our profits with a steam shovel.

After the committee had indicated its intention to investigate ship-conversion work, a number of companies voluntarily requested the Navy to reduce the payments to be made to them. This ridiculous situation should never have been permitted to exist in the first place, and necessarily has greatly increased the cost of the shipbuilding program.

Mr. MURRAY. Mr. President——

The PRESIDING OFFICER (Mr. DOXEY in the chair). Does the Senator from Missouri yield to the Senator from Montana?

Mr. TRUMAN. I am glad to yield.

Mr. MURRAY. I should like to inquire whether the committee made any investigation into the excessive profits the farmers of the country are making in connection with the defense effort?

Mr. TRUMAN. No; we left that to the Committee on Agriculture.

Mr. MURRAY. I should also like to ask a question in connection with the contracts to which the Senator has been referring. I understand that one firm was given the contract for the building of the Trinidad base. There are some contractors in Montana who sought to get subcontracts in connection with that work, contractors who had complete organizations, equipment, and were ready to go to work, but they were refused subcontracts, and I understand the theory of the prime contractor was that he could benefit more by buying the equipment, because he was working on a fixed-fee-plus basis, or something of that character.

Mr. TRUMAN. And when he was through, he would sell his equipment to the Government at a profit.

Mr. MURRAY. Therefore one concern in Montana was refused a subcontract, a firm which was unable to get any other contract work whatever from the Government.

Mr. SMITH. Mr. President, did the Senator from Missouri, who is making the report, say that one company asked the Navy Department to reduce its profits?

Mr. TRUMAN. Not one, but several did so.

Mr. SMITH. They asked that their profits be reduced?

Mr. TRUMAN. They paid back to the Navy Department at least $4,000,000. That is a matter of record.

Mr. SMITH. Are they to be put in the Smithsonian Institution? [Laughter.]

Mr. TRUMAN. They should be.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mr. VANDENBERG. I should like to know what happens when such a situation as that develops. It involves a definite and specific responsibility in the procurement section of the Army or the Navy or the O. P. M., or some other instrumentality of the Government. I want to know what happens to the man who is identified as the one who is responsible for such a scandal.

Mr. TRUMAN. He usually gets a promotion.

Mr. VANDENBERG. Is that what happens?

Mr. TRUMAN. Yes, sir.

Mr. VANDENBERG. Is that situation satisfactory to the Senator's committee?

Mr. TRUMAN. Not at all.

Mr. VANDENBERG. What should be done about it?

Mr. TRUMAN. I am laying this matter before the Senate, and I think we will suggest a remedy which, in the long run, should cure that very situation. The Senator from West Virginia [Mr. KILGORE], who is a member of the committee, has introduced a bill which would put all procurement under one head, and so arrange the program that people who know how to buy would be responsible to the Government; and I do not think such things as have been indicated could happen under such an arrangement.

Mr. VANDENBERG. If the Senator will permit me a further observation, I should like to say that I think the work which he and his able colleagues have

done is of tremendous importance, and makes a significant and indispensable contribution to the national-defense situation; but the thing I miss all the time is the final personification of these errors and wastes and exploitation, and the final identificaton of someone who should either be demoted or put in jail, one or the other.

Mr. TRUMAN. In some specific instances we have called attention to the fact that certain men should be court martialed. Nothing has been done about it, and one in particular whom we thought should be court martialed was promoted and sent to Puerto Rico.

MARITIME COMMISSION

In 1937 the Maritime Commission embarked upon a long-range program which contemplated the construction of 500 vessels over a period of 10 years. This original program has now become a series of programs which can be summarized as follows:

First, the long-range program of 500 ships in 10 years; second, the accelerated long-range program which increased production from 50 to 100 ships per year; third, the emergency liberty fleet of 200 cargo ships; fourth, the lend-lease program of approximately 300 ships of both emergency and standard types; fifth, the first national defense program of 541 large ships of both emergency and standard types, which includes the Great Lakes ore vessel program of 16 ore carriers; and sixth, a miscellaneous type program for the construction of 26 harbor tugs, 60 coastal cargo vessels, 16 coastal tankers, and 25 large seagoing tugs, and 15 reinforced concrete barges.

From this statement it may be seen that the original program for the construction of 500 vessels in 10 years has now been increased to a composite program contemplating the construction of in excess of 1,600 units by the end of 1943, without taking into account the acceleration of shipbuilding required under the victory program.

The cost of the shipbuilding program is great, but considering the necessity for ships, the conditions under which they had to be built, and the high prices paid simultaneously by the Navy Department in connection with its program, the committee is of the opinion that the Maritime Commission has done a good job.

DEFENSE HOUSING

The committee investigated the Defense Housing program and found many mistakes, gross waste, extravagance, inefficiency, and petty jealousies on the part of the administrative heads of the program. The cause of some mistakes can be corrected only by legislation. The committee has recommended amendments to the Lanham Act, the basic defense housing statute, before a subcommittee of the Senate Committee on Education and Labor considering H. R. 6128, and before the United States Senate on December 19, 1941.

The causes of many mistakes can be corrected only by administrative action. The committee hopes that its findings will assist in preventing, in the future, a recurrence of those mistakes which have hampered the program in the past.

ORDNANCE PLANTS

The committee has begun a Nationwide investigation of Army ordnance plant construction. Hearings have been held on the cost of construction of the Wolf Creek Ordnance Plant and the Milan Ordnance Depot. It has been found that the cost is far in excess of a reasonable value for the facilities turned over to the Government. No plans were available at the outset, inasmuch as the design for a modern ordnance plant had to be developed as it was built, and the best the War Department could supply was a cost estimate based on 1917 experience. Careless construction, a vast amount of roads at an exorbitant cost, improper practices in purchasing and in the handling of pay rolls by placing relatives and friends in sinecure positions, and the improper establishment of accounting records, were the principal causes of the excessive cost. The War Department failed to conduct an adequate investigation of this project simultaneously with its construction, and even after the committee had instituted its investigation, refrained from making a thorough check of the matters referred to. The committee has received similar complaints with respect to a number of the other ordnance projects, and will continue its investigation of ordnance plant construction until practices such as those found at Wolf Creek and the Milan Ordnance Depot have been eliminated

The ordnance-plant program was conducted by the same people who conducted the plant-construction program, and the same difficulties were encountered that were encountered in the camp-construction program, a report of which was made to the Senate.

In the opinion of the committee, the General Accounting Office should make a complete and thorough audit of every one of these ordnance-plant and camp-construction jobs, and the Government should proceed to recover from contractors the funds wastefully and inefficiently spent. These fixed-fee contractors are in an entirely different position from their usual one with the Government. In the committee's opinion, they are the agents of the Government, and are hired for what they know, and it is their business to see that the Government gets an economical and efficient performance for its money. Those whose projects the committee has investigated have not followed that idea at all. They have taken the attitude that the Government is paying the bill and they do not have to watch the costs. That is the principal reason for these unconscionable costs of camps and ordnance plants.

I think these contractors are in a fiduciary relationship to the Government when they operate on a fixed-fee basis, and that they are responsible for the expenditures made just as any other agent would be, and when they do not exercise the same due care which they would exercise in their own business, they should be liable, and I hope some effort will be made to make them liable.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mr. MEAD. At this point, in partial reply to the pointed statement made by the distinguished Senator from Michigan, I think it should be said that, perhaps as a result of the work of our committee, construction hereafter will be under the direction of the Board of Army Engineers, and of the particular engineer in the district where the construction is being carried forward. Heretofore the construction has been under the direction of an imported representative of the Quartermaster Corps, who may in some cases have been recalled, as a result of being a Reserve officer, from a position in a private enterprise. But, due to the fact that there was no plan to begin with, and, as one officer testified before our committee, they did not expect another war, there were no plans, there were numerous changes after plans were available, and there was a total lack, in some instances, of a proper inspection of the job. The committee felt that someone should look after the construction program. I believe that as a result of the committee's diligence the Board of Army Engineers, the career men of the service, the men acquainted with construction in the various sections of the country, will hereafter be charged with the responsibility for the work. In every case we investigated their work was superior to the work that was done by those representing the Quartermaster Corps.

Mr. TRUMAN. That is correct; and the overhead cost has been very materially reduced under the engineers.

Mr. VANDENBERG. I should like to pursue the subject a little further. The observations of the Senator from New York would indicate that in this particular limited field of action, then, some progress has been made in the direction of conserving the public welfare.

Mr. TRUMAN. That is correct.

Mr. VANDENBERG. But how about the procurement section of the Navy, which was responsible for awarding contracts so fabulous that even the contractors themselves were ashamed to keep the proceeds? Are the same procurement officers still letting contracts?

Mr. TRUMAN. I cannot answer the question, but I judge they are, and the Navy's attitude in the matter resulted in the Maritime Commission having to pay more for their ships than they otherwise would have paid.

Mr. VANDENBERG. Surely it is not satisfactory to permit such a condition to continue without interruption.

Mr. TRUMAN. Not at all.

Mr. VANDENBERG. How is it to be disciplined?

Mr. TRUMAN. We are hoping to find a way to remedy it.

Mr. VANDENBERG. Would not the Commander in Chief, as well as the Congress, be interested in the committee's report?

Mr. TRUMAN. I sent him a copy.

Mr. KILGORE. Mr. President, will the Senator from Missouri yield?

Mr. TRUMAN. I yield.

Mr. KILGORE. I should like to say to the Senator from Michigan that my reason for introducing the bill was that

in peacetime the Army and Navy have no experience in large-scale buying. Their buying is on a contract basis on a bid basis. At this time, when buying "cost plus," as compared with buying under bids, they do not have the safeguards they have under a bid basis, when numerous persons are seeking the business. It has been my opinion all the way through that the only cure for this difficulty is a department which will handle the actual purchasing of everything required. Let the purchasing be done by those who are able to visualize purchasing on a large scale, and not by those who do the small peacetime purchasing.

Mr. VANDENBERG. I think the Senator is sound in his viewpoint.

Mr. KILGORE. That is the purpose of the bill.

Mr. VANDENBERG. All I want to say in conclusion is that whenever there is a military debacle, the Commander in Chief puts his finger on the responsibility, and something happens, and I am just as much interested in seeing something happen in a personified fashion when we have economic debacles in connection with the defense procurement program.

Mr. TRUMAN. I agree with the Senator from Michigan.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mr. NORRIS. I wish to ask the Senator if the committee has reached any conclusion at all, or, if the committee has not reached a conclusion, what investigation it has made to ascertain whether officials in the Navy, for instance, or in other departments, are liable criminally for their conduct.

Mr. TRUMAN. The committee has not concluded its investigation of this subject, and can make no statement, I will say in answer to the question of the Senator.

Mr. NORRIS. Did the committee reach any conclusion as to whether the contractors who obtained such fabulous sums are responsible?

Mr. TRUMAN. They are responsible.

Mr. NORRIS. What would be the limit of their responsibility, so that the Government might legally sustain an action for recovery?

Mr. TRUMAN. They are rated all the way from one and one-half billion dollars down to fifty million dollars.

Mr. NORRIS. The Senator did not understand my question. Of course, the contractor would be entitled to a reasonable compensation, but is there a limitation on profits in the contract above which there would not be any legal doubt as to their responsibility for repayment of the vast sums involved?

Mr. TRUMAN. Oh, yes; that is the customary contract, but the contracts which the Navy made were so liberal that the contractors admitted before the country that they would have to carry their profits away with a steam shovel if it were not for the taxation imposed.

Mr. NORRIS. I am wondering if the committee has reached any conclusion with respect to whether the contract should contain a provision fixing a limit of profit above which the Government could legally recover.

Mr. MEAD. If I may interject, with the consent of the Senator who has the floor, let me say for the RECORD, and as an answer to a question which has been asked——

Mr. BREWSTER. I rise to a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. BREWSTER. I insist that this side of the Chamber is equally interested in delinquencies, and I am sure the Senator from New York [Mr. MEAD] and the Senator from Missouri [Mr. TRUMAN] will not contend or claim that only Democrats are guilty of anything of this kind. I will say that it is difficult for us on this side of the Chamber to hear what is going on on the other side.

Mr. TRUMAN. Mr. President, I yield now to the Senator from New York [Mr. MEAD], and then I shall yield to the Senator from Maine [Mr. BREWSTER].

Mr. MEAD. As I was saying a moment ago, the committee pointed out the discrepancies and publicized them, and we brought persons before us who, we thought, were responsible and elicited from them the evidence which is contained in the report submitted by the Senator from Missouri. We feel that the publicity which we have given the matter will have a very salutary effect upon those who will audit the accounts for the Army and the Navy, and, above all, it will no doubt have a desirable effect upon the auditors in the General Accounting Office who will have to go into this subject when it becomes their responsibility.

Furthermore, let me say that we have not as yet finished with the subject, but will go back to it. Let Senators understand, however, that we gave the matter such publicity as surely will be helpful; that the auditors of the Army and the Navy have yet to discharge their responsibility and that we are looking to the General Accounting Office to see to it that the Government is protected.

Mr. TRUMAN. That is correct.

Mr. BREWSTER. Mr. President, I did not rise to raise a point of order on that score, but I rose to make the point that we on this side of the Chamber are interested in hearing the discussion which is taking place. I understood the Senator from Nebraska [Mr. NORRIS] to ask about the matter of fixing responsibility, and I think the Senator used the word "criminal," which I think may well have a bearing on the matter. So in addition to what the Senator from New York [Mr. MEAD] has said respecting the General Accounting Office and auditors in the War Department and the Navy Department, is it not also the fact that the committee in many instances, through its counsel, brings to the Department of Justice any evidence brought before it which might seem to indicate criminal responsibility either on the part of any contractor or any agent of the Government?

Mr. TRUMAN. Yes; that is true.

Mr. BREWSTER. So we are seeking to bring to the attention of the proper authorities any irregularity which would seem to warrant further action.

Mr. VANDENBERG. Has anything happened to anyone as a result?

Mr. BREWSTER. Some have gone to jail. I think, but not in sufficient numbers yet to satisfy either the requirements of the situation or possibly the sadistic desires of the Senator from Michigan. [Laughter.]

Mr. BONE. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mr. BONE. I wish to ask the Senator from Missouri about one matter, but preliminary thereto I wish to say to the Senator from West Virginia [Mr. KILGORE], who spoke about the departments probably not having the necessary experience to enable them at the moment to meet some of the very pressing problems, that the War Department and the Navy Department had the experience of World War No. 1 before them.

Mr. TRUMAN. Those books were thrown away. The plans and training officer of the War Department informed us in the committee that three big volumes of the experiences and plans of the last war were published, but they threw them away because they did not think there was going to be any more war.

Mr. BONE. Mr. President, that is very enlightening. It seems we do not give a damn whether we profit by experience or not, but start each war afresh, and throw away all the grim experiences of the past, ignore the fact that the Senate Munitions Committee, the servant of this body, spent 2 years looking into the subject, and wrote some 35 volumes, showing precisely what was done in World War No. 1 from which we might well profit.

When I came to the Senate one of the first things I learned was that the War Department had made elaborate plans for another war, the famous M-day plans, and every mother's son of us had heard about them and read about them. We have had one and perhaps two pamphlets published on the subject, and I assume those are the things which the Senator from Missouri now suggests were thrown away by the War Department. We have spent a vast fortune accumulating all this information, and had our top flight boys in the brains division of the War and Navy Departments work night and day preparing comprehensive plans which were offered as a form of military and naval salvation in case of another crisis, and now we are advised they are all thrown away and we are without chart or compass.

Mr. TRUMAN. The military authorities have made some new plans, and they are working on new plans, but the experiences and plans of the last World War were not consulted, as I understand.

Mr. BONE. We were assured in the Naval Affairs Committee that these plans were being brought down to date week by week and month by month, and were being refurbished.

Mr. TRUMAN. The plans and training officer of the War Department appeared before the committee and made the statement that they had no plans because they did not think there would be any more war.

Mr. BONE. That is certainly an enlightening statement. For several years everyone in the country has been advising us that we were surely going into a war. Am I mistaken about that? There are 96 Senators, and I know very well that each one of them has felt in his or her heart for the last 3 or 4 years that we were headed straight to war, and it is certainly illuminating now to understand that the Navy Department and the War Department thought we were not to have any more war.

Mr. TRUMAN. I did not say the Navy Department. The representative of the Navy did not testify.

Mr. BONE. Only the War Department representative testified?

Mr. TRUMAN. Only the plans and training officer of the War Department testified.

Mr. BONE. That is certainly illuminating. I should like to ask the Senator from Missouri if the committee has been able to dig up any information about the so-called educational orders? I have heard a great deal about that subject. It has been discussed in the Naval Affairs Committee. I refer to the orders which the War and Navy Departments gave to various firms to educate them so that they could produce munitions of war.

Mr. TRUMAN. I know what the Senator is talking about; and it is anticipated that the committee will go into the subject. We have not as yet had an opportunity to do so.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. TRUMAN I yield.

Mr. KILGORE. The war mobilization plan which was started in the War Department, and on which some educational orders were let, was abandoned about a year ago, when the Under Secretaries of War changed.

Mr. BONE. We in the Senate were not advised of that fact.

I do not want to take too much of the Senator's time, but I should like to tell my brethren one little experience which I had——

Mr. TRUMAN. Mr. President, I can conclude in a few minutes, and then I will yield the floor to the Senator.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mr. THOMAS of Oklahoma. I wish to compliment the Senator and his committee for the valuable contribution they have made. Naturally I regret to know of these disclosures; but if facts exist we should know them. I understand that the Senator reports to the Senate that he has sent a copy of his report to the President. Is that correct?

Mr. TRUMAN. That is correct.

Mr. THOMAS of Oklahoma. In view of the fact that there is no limit on contracts, either by bid or otherwise, and no limit on wages, I should like to ask the Senator if he has some additional copies of his report.

Mr. TRUMAN. I shall ask the Senate to let me have 3,000 copies printed. I have before me a resolution which I shall submit as soon as I have finished.

Mr. THOMAS of Oklahoma. I suggest that the chairman of the committee procure sufficient copies to furnish the conferees on the price-control bill with one copy each.

Mr. TRUMAN. I will see that they have the first copies that come off the press.

Mr. O'DANIEL. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield to the Senator from Texas.

Mr. O'DANIEL. I should like to ask the Senator from Missouri if all the contracts, or most of the contracts let by the Federal Government for construction, were let on the basis of cost-plus.

Mr. TRUMAN. No. There is a distinction. It is not cost plus, but cost plus a fixed fee. For instance, the contract for the ordnance plant which we have been examining was let on the basis of a cost of $30,000,000. If I remember correctly, the fee was in the neighborhood of $450,000. The ordnance plant cost the Government $51,000,000, but the fee still stands at $450,000.

Mr. O'DANIEL. Was there any incentive whatever contained in that contract to cause the contractor to keep the cost of the project down?

Mr. TRUMAN. None whatever. That is what we are quarreling about.

Mr. O'DANIEL. That would mean that if higher wages were paid it would have no effect on the contractor. It would mean that much more money out of the pockets of the taxpayers.

Mr. TRUMAN. That is true. The contractor hired the men and the Government paid them.

Mr. O'DANIEL. I should like to ask the Senator if the committee went into the question as to whether anyone could work on these contracts without paying tribute to the labor leader racketeers?

Mr. TRUMAN. We have a long report on that subject which is contained in the general report. I am sure it will answer the Senator's question. I will send him a copy of the report.

Mr O'DANIEL. I am very much interested in receiving a copy of the report on that subject, because many American citizens have been deprived of the opportunity to work for their Government during this time of emergency unless they paid tribute to the labor leader racketeers. I am wondering if the committee endeavored to find out the total sum of money which has been paid to the labor leader racketeers by laboring men, against their will in order that they might work for their Government.

Mr. TRUMAN We have many figures on that subject which are not yet complete. We shall have a special report on that subject when the figures are available.

Mr. O'DANIEL. The sum total, as nearly as it can be arrived at, will be placed in the RECORD?

Mr. TRUMAN. Yes.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mr. JOHNSON of Colorado. I have not heard all of the Senator's very interesting statement. Has he covered the competitive-bidding situation?

Mr. TRUMAN. Yes.

Mr. JOHNSON of Colorado. Is he perfectly satisfied that competitive bidding on contracts answers the whole problem?

Mr. TRUMAN. The problem with regard to the competitive-bidding situation is this: Neither the War Department nor the Navy Department had plans and specifications by which it could let the contracts in the customary manner. The Departments let them on the basis of a cost-plus-a-fixed-fee contract, for the simple reason that they did not have time to make plans. They have not yet made plans, and they are still letting contracts on the basis of cost plus a fixed fee, on the ground that we are in an emergency and they have to hurry to get the job done. They have not the time to study and make plans. The fact is that they did not know what they wanted, anyway, except as they went along.

Mr. JOHNSON of Colorado. Some of my constituents in Colorado complain about the competitive-bidding situation on the ground that only a few contractors are eligible because of the high financial rating which is required by the Government before a contractor may bid on a contract.

Mr. TRUMAN. That is the matter which the Senator from Wyoming [Mr. O'MAHONEY] brought up awhile ago. The contracts awarded have been confined to a few contractors. The Senator is correct in that respect.

Mr. President, I shall conclude in just a moment.

CAMP CONSTRUCTION

In order to analyze the reasons for increased cost of camp facilities over that originally estimated, the committee made a study of the camp-construction program.

Various officials of the War Department have testified on general-construction procedure and policies, particularly with respect to nine camps which were subjected to special study. These were chosen not as an average group of camps, but because they most graphically present a picture of the factors to be avoided in future construction. All nine of these camps were erected on the cost-plus-fixed-fee contract method. Those cantonments which the War Department let upon lump-sum contracts were erected more cheaply and with less difficulties.

In the selection of sites, investigation disclosed that the War Department had given little or no attention to probable camp sites until after the Department decided to undertake the expansion of camp facilities and until after the bill to provide for camp construction was actually before the Congress. In its investigation of possible camp sites the War Department failed to utilize engineering and topographical data which could have been developed by the Corps of Engineers or obtained from other governmental agencies.

In the acquisition of land the War Department was found to have had no well-developed plan for leasing or purchasing camp sites. This caused considerable delay in acquiring the land and also delayed construction.

In the construction of the camps, speed was necessary in order that the housing

could be ready for the troops as they were inducted into service.

In the nine camps investigated by the committee, the contracts were all of the cost-plus-a-fixed-fee type. After the contracts were awarded, the architect-engineers and contractors were required to make preliminary surveys and tentative lay-out plans before new work could be started. This required a delay of some weeks, and resulted in construction being delayed until the attendant difficulties of winter construction were encountered. It also contributed to the contractors paying time and a half and double time for overtime, and the employment of very large numbers of men who could not be used efficiently.

The architect-engineers and contractors were provided with little or no information as to the problems they faced until they had already arrived at the sites of the proposed camps. The architect-engineers had little knowledge of the tactical requirements, which resulted in considerable confusion when troops arrived at the camp.

In the selection of architect-engineers and contractors for cost-plus-a-fixed-fee contract, a contract advisory committee was formed by the Construction Division of the Quartermaster Corps, which was guided by information submitted by those firms desiring fixed-fee contracts.

The fees applicable to the contracts were determined by referring to a set of figures which had been prepared by the Construction Advisory Committee to the Army and Navy Munitions Board. This method of fixing fees completely deprived the Government of any possible competition between competitors for the contract, and no effort was made to determine the minimum amounts for which responsible firms could be induced to take the contracts.

In its original report on camp construction, released on August 14, 1941, the committee made the recommendation that authority should be granted to the Secretary of War to assign additional construction work to the Corps of Engineers. Air Corps construction had been so assigned previously.

The committee believed that this would enable the Quartermaster Corps to concentrate on the problems of obtaining supplies for the Army for which it was originally organized. Acting on the recommendations of the committee in this regard, a bill was introduced in the Congress which authorized the Secretary of War to direct the Chief of Engineers of the Army to assume direction of all construction. This bill was passed by the Congress and approved on December 1, 1941

At the present time the transfer of officers and civilians in the Quartermaster Corps Construction Division is being carried out in accordance with the above-described legislation and the Corps of Engineers has assumed complete jurisdiction over all present and contemplated construction. The committee believes that this transfer of jurisdiction will bring about considerable improvement in the construction program and will make possible greater efficiency in the operation thereof.

The committee believes that the personnel of the Corps of Engineers will be better qualified to cope with problems involved in a construction program of such magnitude due to more specialized training of the officers of the corps and to the experience the engineers have had in construction work. There were many able men in the Construction Division of the Quartermaster Corps, but there were many others who should never have been assigned to the positions which they held. There was also too great a tendency to protect such persons when in the interests of efficiency they should have been weeded out.

I have mentioned, in a general way, some of the matters covered in the report which the Special Senate Defense Committee is submitting herewith. We believe that the very existence of the committee has led to greater efficiency and economy in the operation of the defense program.

Now that we are in war we believe that the committee can perform a very valuable function by attempting to assure that the necessary implements of war are produced speedily and efficiently and that each dollar expended for war purposes will produce a dollar's worth of the necessary war supplies.

Attention is called to one of the appendices to the report. It is a digest of the reports of the Select Committee of the House of Commons of Great Britain. That committee's reports show that Britain had almost exactly parallel problems to the ones we have faced in our war preparations. I hope Senators will read the appendix.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mr. LA FOLLETTE. I should like to ask the Senator from Missouri what is the present status of the committee's funds?

Mr. TRUMAN. I am now on the point of submitting a resolution asking for more money. We have funds enough to enable the committee to operate for about a month.

Mr. LA FOLLETTE. I should like to say, if the Senator will permit me, that having had some little experience in the conduct of investigations in the past, I think it is nothing short of remarkable that with the comparatively small sums of money which the Senator's committee has had, and the consequent shortage in adequate staff, the committee has been able to accomplish what it has accomplished. Speaking for myself, I feel certain that the welfare of the country and the morale of the country make it imperative that the committee be given an adequate appropriation and that it have an adequate staff in order to be able to perform its work more speedily and more thoroughly and keep more nearly abreast of the developments of the war procurement programs, thereby rendering a great service to this body and to the country.

I hope the Senator will submit his resolution, and that on the basis of the present showing, which is really in the nature of a preliminary report of the committee, the Committee to Audit and Control the Contingent Expenses of the Senate will speedily give consideration to it, and that the Senate will act promptly.

Mr. TRUMAN. I thank the Senator very sincerely.

Mr. President, I submit a resolution, which I ask to have referred to the Committee on Printing, providing that 3,000 copies of the report be printed for the use of the Senate.

The resolution (S. Res. 217) was referred to the Committee on Printing, as follows:

Resolved, That 3,000 additional copies of Senate Report No. 480, part 5, current Congress, as submitted to the Senate pursuant to the resolution (S. Res. 71, 77th Cong.) directing an investigation of the national defense program, be printed for the use of the Special Committee to Investigate the National Defense Program.

Mr. TRUMAN. I also submit a resolution asking for funds to continue the work of the committee, which I ask to have referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Let me say to the Senator from Wisconsin that the committee has had only $40,000 to expend over the past year. The committee was organized in March. We started to hold hearings on the 15th of April. We have had only four or five investigators, and only enough stenographers to take down what they brought in. We have only touched the edges. I hope the Senate will allow us sufficient funds so that we may continue adequately to perform the duty which the Senate has imposed upon us.

The resolution (S. Res. 218) was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the limit of expenditures under Senate Resolution 71, Seventy-seventh Congress, first session, relating to the investigation of the national defense program, agreed to on March 1, 1941, is hereby increased by $100,000.

Mr. LEE. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield.

Mr. LEE. I desire to add my word of approval and congratulation to the Senator's committee for the work it has done, and to assure the chairman of my enthusiastic support of his request for more funds with which to continue the investigation. I believe it much wiser that we now have an investigation to reveal the efforts at profiteering in this country in order that we can prevent them, rather than after the war have a hearing which will show what has happened after it is too late to do anything about it.

Mr. TRUMAN. I thank the Senator.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. TRUMAN. I yield the floor.

Mr. MEAD. I wish to make a brief comment or two on the report which has been submitted to the Senate by the chairman of our committee. I desire to say to my colleagues in the Senate that the able chairman of the committee, the distinguished junior Senator from Missouri, has been conscientious and

diligent in the discharge of his duties. He has worked tirelessly, and has made every effort to conform to the wishes of the Senate as set forth in the resolution creating our committee.

I desire to say to the Members of the Senate that, in reading the report, I hope they will bear in mind the province of our committee. It is not a committee to investigate monopoly; it is not directed at the labor organizations of the country; it is not specifically and primarily a committee to aid small business. We have had, and still have, committees whose specific tasks are the responsibilities I have just mentioned.

However, the defense program and its expeditious progress have been the responsibility of our committee, a responsibility capably discharged by the committee under the leadership of its distinguished chairman. I believe the record will prove that our work has resulted in economy of construction, dissemination of contracts to a marked degree, elimination of certain shortages, and the reduction of other shortages. In a word, Mr. President, it has speeded the program. Surely we are not satisfied with the speed, nor will we overlook the fault of those who in the past have been guilty of neglecting the program. But I may say that directives have been issued by both the Army and the Navy calling for the dissemination of contracts, and insisting that small business be given some consideration. A new defense contracts' distribution service has been created by Executive order. It has more power than that possessed by the agency which preceded it, but, in the estimation of our committee, it does not have sufficient power.

I believe, Mr. President, that until Mr. Odlum's division is able to exercise authority to the extent of granting educational orders and making loans and grants for the conversion of idle plants, we shall not have an all-out, Nationwide mustering of industry in the defense program.

Therefore our committee, and, I am sure, the committee headed by the able junior Senator from Montana [Mr. MURRAY] will study the problem of dissemination of contracts, so that every small enterprise in the country will be able pridefully to take its position in the defense program.

In reading the report, Mr. President, it will be found that there is a statement that, as a result of strikes, a certain number of workdays have been lost to the defense program. However, as I said a moment ago, the committee is not a special committee created to investigate labor and labor organizations. One must remember that whatever happened, occurred in what is now known as the prewar period. But Since Pearl Harbor all that has changed. We are united and labor and industry are going forward, arm in arm, doing their full share of the job.

There will probably be found in the record the statement that big business has been favored through fixed fees, liberal loans by the R. F. C., tax exemptions by the Congress, and the safeguarding of monopoly by those who are in responsible positions in emergency defense units. There will be charges that labor went on strike altogether too frequently. But we should have in mind the fact some of the strikes were caused by wages and working conditions so low and so contrary to the policy announced by Congress as to represent a disgrace in American industry.

When Senators read in the report a statement regarding the North-South coal controversy, I trust that they will remember that there was no justification for the conditions which existed in some of the coal fields of the country and also will remember that in the North-South coal fields South may be North and North may be South; the name is a misnomer, and it has no geographical justification.

In connection with the Currier case, mention of which will be found in the RECORD, it will be well to bear in mind that Currier has been a notorious labor baiter all his life, and that it was hard, difficult—perhaps impossible—for Mr. Hillman, of O. P. M., or Mr. Carmody, of F. W. A., to agree to approve or to sanction a contract with Mr. Currier at a time when he was in the courts in response to charges of violation of the wage and hour law and when he was known to be a violent objector to the policy enacted by Congress, as set forth in the National Labor Relations Act.

So, while we regret that there was even one strike, while we regret that any favoritism was shown to monopoly or big business, we must bear in mind the fact that the committee was not appointed for the purpose of investigating monopoly or wages but, rather, was created by the Senate to consider the defense program in its over-all picture and to do whatever it possibly could do to expedite the program. Having in mind the authority contained in the resolution creating the committee, I am sure the committee's report will be found to be of very great interest.

Mr. BALL. Mr. President, I shall not detain the Senate long, but I desire, as a member of the Truman committee, to express my appreciation for the fine job done by the chairman of the committee. I think he has been scrupulously fair to all members of the committee, to all witnesses, and to all agencies which have appeared before us.

Before the committee began its hearings we met and decided on a policy and approach to the investigation. We decided that we did not want to make it either a smear committee or a whitewash committee, and, while we would pull no punches in exposing shortcomings of the defense efforts wherever found, we would try always to combine our criticisms with constructive suggestions designed to improve the program. I believe that policy and approach have been followed out largely because of the hard work put in by the chairman of the committee, the Senator from Missouri [Mr. TRUMAN], and by the fact that he has always considered the matter immediately before the committee in its true perspective, having in mind the immensity of the defense program.

In one consideration I would go a little further than the report filed today. The section on O. P. M. quite rightly criticizes the officials of O. P. M. for their many sins of omission and commission. They certainly failed, and failed miserably, to foresee the shortages of raw materials which are now plaguing us; and there are many things that they could have done which they did not do. I make no apology for them, but I believe that the most fundamental weakness, the greatest mistake in our defense effort, as revealed by the months of hearings held by the committee, was less the shortcoming of any individual than the inherent error in the set-up itself, in that no one agency or individual was given the authority to make decisions and to see that things were done that needed to be done. As an example, when they finally realized we were facing a shortage of aluminum, various projects for increasing production were kicked around from pillar to post, from the War Department to the Federal Power Commission, to the O. P. M., to the T. V. A., and back again, and nobody had the authority to cut through departmental differences and red tape and see that aluminum was produced.

The same condition has hampered the effective work of the contract-distribution division of the O. P. M., which was set up to see that a greater number of small plants participated in the defense program. The officials of that agency have worked out policies and procedures which they think will accomplish that end, but then they have to "sell" them to half a dozen other agencies, and when they finally get through, unless they can overcome the prejudice of the two services against dealing with small business, they get nowhere.

Therefore it has been perfectly obvious that what was needed was one "over-all" authority to make decisions, so that all the various disputes between departments and divisions and various agencies would not all have to go to the President's desk to be decided.

I think the report, to some degree, overemphasizes the failures of individuals in O. P. M. and does not sufficiently criticize the fundamental weakness in an administrative sense of the set-up itself.

So far as I am concerned, the best news I have read since the attack on Pearl Harbor was that in the newspapers on Wednesday morning announcing that the President was creating a War Production Board with Don Nelson as chairman, and that, according to the press release, Nelson's "decisions as to questions of procurement and production will be final." I hope the Executive order creating the Board will fully implement that statement.

I may add that of all the officials concerned in the defense program who have appeared before the committee I think Don Nelson has impressed many of us the most favorably. From the beginning he has realized what a tremendous program it was, and he has had the drive and the energy, and has fought for more authority to do the job. But the personality of the individual who is appointed chairman of that Board is far less important than that the chairman be given the authority and responsibility to do the

job. Then if Don Nelson does not do it, there is no way the responsibility for failure can be dodged; and, in that event, we can soon get someone else who will do the job.

Mr. BROWN. Mr. President, I wish to make one very brief comment which is suggested to me by the remarks of the chairman of the Special Committee to Investigate the National Defense Program, the Senator from Missouri [Mr. TRUMAN]. During the discussion of the matter of employing engineers and architects, much was said by the Senator from Wyoming [Mr O'MAHONEY] about confining employment of engineers and architects to large firms and denial of such business to many others. I desire to give an example of the high-minded attitude which William S. Knudsen, O. P. M. Director, has taken with respect to his former associates. Mr. Knudsen was substantially interested in one of the largest engineering and architectural firms in the automobile construction business. Upon assuming his position as O. P. M. Director, he immediately divested himself of all interest in this concern. The president of the concern, which, as I have said, is one of the largest firms engaged in the construction of factories and plants in the automobile world, came to me and said that he was unable to get any of the engineering business to which he thought his firm was entitled from the Office of Production Management, and he attributed it quite directly to the fact that the Director, Mr. Knudsen, did not feel that any of his former associates should in any way presume upon his position as Director of the O. P. M. In discussing the general situation with the Senator from Missouri [Mr. TRUMAN], he stated to me that he had found a most high-minded attitude in Mr. Knudsen, and highly commended him for it. Of course, it is readily to be recognized that when it comes to contracts with the great General Motors Corporation, it would be impossible to carry on our defense effort without using a great concern of that kind. I desired to give this bit of testimony as being contrary to some of the cupidity discovered by the committee.

Mr. BREWSTER. Mr. President, I desire to supplement what the Senator from Minnesota [Mr. BALL] has just said regarding the fine work of the Senator from Missouri [Mr. TRUMAN], chairman of the committee investigating defense activities. It will stand, I feel, as a monument to his devotion to the very great responsibility placed upon him by the Senate at this time in the exercise of its its investigatory function, which has usually followed a war, but in this instance is being carried on while the war itself is in progress.

The Senator has at no time been enticed by the idea that the function of the committee went beyond the scope of investigating primarily the domestic activities incident to defense. I believe this is of very great importance, because the responsibility of the President as the Commander in Chief and as the one charged with the conduct of foreign relations must be jealous of the undue intervention of Congress in the conduct of the war. History records what happened in the War between the States, so far as the North was concerned by reason of the activities of the committee called the Committee on the Conduct of the War that constantly harassed President Lincoln, summoning generals before it to determine the strategy of the campaign. Whether any Members of the Senate conceive an activity of that character to be appropriate, it certainly has not seemed the purpose of this committee of which the Senator from Missouri is the chairman, and I feel that in any continuation of the committee powers such a limitation may very well be recognized as the scope within which the committee will seek to function.

The committee and its agents cannot enter any contest for popularity. Over the doorway of the Truman committee, as it has sometimes been properly called, is inscribed the motto, "All hope abandon, ye who enter here," because it is constantly our necessity to ask agencies of the Government and outside interests concerned with contracts to give us information which they always conceive to be not a matter of our immediate concern. In all this conflict which necessarily arises with administrative agencies and with outside contractors, the chairman of the committee on the part of the Senate has never, in my observation, yielded one iota to influence of any character, however high. That, to my mind, is a tribute to the character of the work that he has tried to carry on.

Now a word about the work of the committee in pursuing individual delinquencies.

That there is dishonesty in humankind is not a discovery of this day. One may read the history of every war, and always it is true that there are those who would prostitute the country's crisis to the purpose of private gain. So the committee cherishes no delusion that what we are learning regarding human nature constitutes anything more than one additional chapter in the sordid history of procurement in time of war. In every war in which we have been engaged the same thing has occurred, and under every administration.

It seems, however, proper to recognize that our function goes beyond the mere exposure of delinquencies, and the report of those delinquencies to the Department of Justice or to other competent Government agencies for prosecution and redress. It seems to me that it goes to the broader question of the organization that shall most effectively coordinate our procurement program to avoid irregularities and difficulties, but above all else to carry out the accepted policy of the Congress and of the country that dominates this situation, that we want with all the speed and efficiency and power of America at an early date to win this war. We are primarily concerned with how that shall be brought to pass. In justice to this administration, it has seemed to me proper at various times publicly and privately to state in the presence of high-ranking officers of the Army and Navy that in my judgment America never has entered any war so nearly adequately prepared as in this case. That may perhaps seem undue tribute, coming from this side of the Chamber, and yet it seems to me that the country now faces a crisis when all of us should try to face the facts. The only exception or comment of a critical character I have had to that statement came from my own son, who happens to be in the armed service, who said that the same statement probably could be made regarding the other fellow; and that probably is correct. In other words, we face a foe more fortified by preparation for conflict than any other we have ever known. But, at any rate, as the result of all the struggles of the past 2 or 3 years, this country has progressed to a position more nearly ready for the crisis we face than probably at any other of the major crises of our history. I say that with full consciousness of our shortages at this time, particularly in planes. I have been distressed for many years by the failure of America even to recognize the tremendous requirements for airplanes; but we have one lesson that we have not yet learned, and it seems to me that it emerges from all the studies of the committee throughout the past 8 months. To it we have constantly addressed ourselves in seeking to learn whether we have yet accomplished the organization that can most efficiently prosecute the responsibilities of our defense. We look back only that we may seek wisdom by which to guide our feet in the perilous path ahead.

What is the situation today? The President day before yesterday announced the appointment of Mr. Donald M. Nelson with what were apparently to be full powers of procurement. That, at any rate, was the purport of the statement which he made. That is profoundly gratifying to those of us who have consistently contended throughout the past 2 years that action of that kind should be taken. The Executive order determining the powers of Mr. Nelson is still in process of formulation. I read last night with great gratification that Mr. Nelson is to be consulted in the determination of its form and scope. That is altogether good; and I trust that Mr. Nelson, bearing that responsibility as he now does—a responsibility in which Mr. Knudsen, one of his predecessors, was not consulted—will see to it that the scope of his powers is sufficiently broad so that on his shoulders may rest what will be almost the superhuman weight of carrying out this procurement program. I say we look back only that we may determine the pitfalls that have hitherto hampered our journey toward our goal.

A little over a year and a half ago, when the first great appropriation was made for defense—a billion or more dollars that we were appropriating in May and June of 1940—this very problem arose. At that time the Advisory Commission on National Defense had just been reconstituted under the authority of the war legislation of 1916—seven men on an advisory commission, with advisory powers to the Committee on the National Defense, composed of the Secretaries, with final power in the President. Mr. Knudsen at that time accepted the office under what he and the country apparently assumed was to be the responsibility

of carrying out cur production. At that time the matter was discussed in both the House and the Senate; and I call attention to certain language then used simply that we may have in mind the very great necessity of giving Mr. Nelson adequate power in the present day and in the present order.

Speaking in the House on June 12, 1940, I said:

CENTRALIZED CONTROL

I think there has been very general recognition in the country that in order to accomplish the problem of industrial coordination and production there must be a centralized control. I have no doubt that Mr. Knudsen in accepting his responsibility understands that he is to be given ample authority to cope with the terrific problem with which he is faced. On the other hand, business and politics do not use words with the same meaning. What I very much fear is that while Mr. Knudsen understands that he is to have full authority, he will find ultimately that he is tied up in the laws of this country, and will perhaps find it necessary to ask to be relieved rather than to precipitate an issue I fear that Mr. Knudsen will some day walk into the White House and say to the President: "It just does not seem to be working out, and you will have to excuse me because, after all, we must still be governed by the law. The law under which this fund is to be expended directs first "in the discretion of the Secretary of War," concerning whom there has been abundant controversy, who returned only this past week from an excursion to discover that very essential transfers were being held up in his absence, and who is supposedly involved in a controversy with his assistant

COUNCIL OF NATIONAL DEFENSE

Second, after his discretion has been determined, it must then be recommended by the Council of National Defense, composed of six Secretaries. Madam Perkins, Mr. Hopkins Mr. Ickes, Mr. Morgenthau, and the others. Then we come to the Advisory Commission, whose only functions under the law are to advise the Council of National Defense, whose only powers are to investigate and recommend to the President. That is the law.

ADVISORY COMMISSION

The Advisory Commission—

To which I have referred—

is composed of seven members, without a chairman, but with an executive secretary, one of the White House "anonymous assistants," who calls them together. Four of these seven members are not industrialists. There is an eminent lady from North Carolina who I have no doubt is very competent in her own line. Mr. Sidney Hillman, vice president and chairman of the Committee of Industrial Organizations, is to handle all labor problems and the recruiting for our Air Corps, and two other gentlemen, Mr Chester Davis, of the former Farm Board, and Mr. Leon Henderson, a very competent statistician. They are a majority of the Advisory Commission. Mr. Stettinius, Mr. Knudsen, and Mr. Budd are the business minority. It may be that this will work, but if it does it will defy all the lessons of human experience. It would seem impossible to make a success of an amorphous mass of that character handling the intricate problems of coordination with which the Nation is now faced.

Each one of these four agencies has a complete power of veto. Nothing can be done without the approval of everyone concerned. This is perfectly designed to do nothing. But the object is action, not vetoes. This will serve for Mr Hitler as a perfect example of the futility of a democracy.

I would wish that the President, with his Executive responsibility, would ask this body to authorize him to appoint a man, approved, if you wish, by the Senate who should have full power and authority to carry out industrial coordination—to whom the Army, the Navy, and the Air Corps could say what they want, and whose responsibility it would be then to see that those desires are effectively and efficiently carried out.

Let us also remember that every one of these various groups holds office simply at the pleasure of the President. They serve simply as a convenient camouflage.

If the object were to confuse the country as to where the responsibility lies for any failure of our defense effort to function, the set-up could not be more beautifully designed.

If anything goes wrong, Mr. Knudsen can, of course, be blamed, as the country understands he is the one who is to do the job.

The limitation on the expenditure of these funds "in the discretion of the Secretary of War upon the recommendation of the Council of National Defense and its Advisory Commission and with the approval of the President" falls far short of the industrial coordinator that is required with full authority to go ahead.

Dispersion of authority and responsibility among four groups is not the way to get planes or guns. That is distinctly a one-man job for which Mr Knudsen is ideally fitted. The country should clearly understand that up to the present he has no legal authority whatsoever.

CONGRESS COOPERATES

Congress has shown its readiness to furnish any funds or authority that the emergency requires. This situation must shortly be clarified if results are to be secured.

LET CONGRESS STAY IN SESSION

Here is an additional reason for Congress to remain in session. Who wishes Congress to adjourn, and why?

Certainly there has rarely been a more critical period in the history of the world.

The resolutions of the Virginia and Oklahoma delegations against adjournment are a gratifying indication that Congress is going to stay on the job.

The Advisory Council, of which Mr. Knudsen is merely a minority member as a representative of industry has only the power to advise the Council of National Defense composed of various Cabinet officers which in turn has only the power to investigate and recommend.

Certainly so hydra-headed a set-up can never be expected to coordinate American industry

My fear is that Mr. Knudsen may not continue unless soon his legal powers and responsibility are cleared.

The country asks and expects action, and that without delay.

The advisory committee was nevertheless recognized as the authority. That was in May 1940. In November 1940 the advisory committee was wiped out, and there was created the Office of Production Management, composed of four members with correlative powers. The members were the Secretary of War, the Secretary of the Navy Mr Knudsen, and Mr. Hillman—the Knudsen-Hillman combination, as it was known We have had before our committee a procession of all these men We have asked each of them how they were able to function.

In May of last year, 1 year after this first discussion, Mr. Stimson, the Secretary of War, testified before our committee that they were not instituting the industrial mobilization plan of the War and Navy Departments, carefully studied over 20 years, because he said the situation was not as yet critical enough. That was in May 1941. The next morning the President of the United States announced, curiously enough, that the country apparently did not realize how critical the situation was Certainly if the Secretary of War did not recognize it, it was not to be wondered at that the country did not.

Mr. Knudsen testified before us, and I asked him the specific question, "What about the functioning of the Advisory Committee and of the O. P. M.?" Mr. Knudsen made this very interesting reply, with a brevity and succinctness characteristic of the man: "Well," he said, "there were seven, and now there are five." And there passed over his face the little smile that is characteristic of him, which spoke a volume.

I did not wish to embarrass Mr. Knudsen by asking him as to who was the fifth member of the O. P. M. Board, which is composed of only four members, the Secretary of War, the Secretary of the Navy, Mr. Knudsen, and Mr. Hillman. I thought I knew pretty clearly whom Mr. Knudsen had in mind, but I did not embarrass him by asking him as to the fifth wheel of that O. P. M. coach.

Mr. President, I have referred to the history of the Advisory Commission of seven members, and of the O. P. M. of four members. Then we had the creation of S. P. A. B.—the Supply Priorities and Allocations Board—which was an over-all agency composed of several members, with the addition of Mr. Jones recently. Mr. Nelson was the executive director.

All these agencies failed, however, to embody the lessons of the last war, and the lessons of all the studies since that time directed to the concentration of power in procurement. Those who have studied it hope very earnestly that Mr. Nelson's authority is to be coordinate with his responsibility.

There is in the press this morning a column by Mr Walter Lippmann, who, I am sure, is considered as a friend of the administration and its current policies, addressed directly to the point I am now discussing, and I wish to read from the article. I ask at this time that the whole article may be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit A.)

Mr. BREWSTER. Mr. President, in his article Mr. Lippmann points out that the success of the appointment of Mr. Nelson must depend upon the powers accorded him. He proceeds:

That the President has meant to move forward a long way in the right direction is evident. But the conception of Mr Nelson's office is at bottom as unsound and is crossed with the same fundamental defect as the conception of the other emergency offices. They are all of them like the moon, able to reflect light, and cold light at that, only when their faces are turned toward the sun. There is not enough energy in the White House to light up all the emergency satellites.

Mr. Lippmann proceeds to plead very earnestly for the creation of the power in Mr. Nelson to carry out his task.

A story is told that during the last war, when Mr. Baruch was asked by President Wilson to assume a responsibility comparable to that of Mr. Nelson's at this time, Mr. Baruch replied, "Mr. President, I accept it upon one condition, that is, that you become a 'yes' man." Mr. Baruch is supposed to have developed to the President that when Mr. Baruch said "Yes" the President should say "Yes," and when Mr. Baruch said "No" the President should say "No." In other words, there could not be a constant succession of appeals to the President over the head of Mr. Baruch. Whether there is any truth in that story I do not know, but certainly it illustrates a conception of the responsibility laid on Mr. Nelson which must exist if he is to be held responsible for the successful carrying out of his task.

Whether there shall be a further step, the creation of statutory authority and Cabinet recognition, as Mr. Lippmann pleads, is a matter for further consideration. But the more Mr. Nelson is clothed with power the more directly he can be held responsible for results.

Mr. Nelson must have power to reconcile differences within the Cabinet as has been shown in the aluminum controversy between Secretary Ickes and Secretary Jones. It may be queried whether this does not require a super-Cabinet rank.

Mr. President, I wish to read at this point from an address I made in the House of Representatives on May 28, 1940:

The unanimity of the House today with only a single dissenting vote indicates America is now aroused.

May our voices now be heeded in urging that an industrial coordinator of competent abilities shall be placed in charge of procurement.

The task is a tremendous one. The labor of thousands of men must be brought into efficient operation in plants all over the United States. Thousands of men must be trained to operate and care for all the intricate creations that are a part of a modern mechanized defense.

There might be argument as to whether this task should be entrusted to the Army and the Navy and the Air Corps or to an industrial coordinator.

There can be no argument that the task cannot be properly entrusted to the Secretary of the Treasury whose entire industrial experience is confined to operating an apple orchard at Hyde Park.

The chairman of the committee has pointed out that every measure we would desire for defense is not possible. Selection must be made. Our defense program must be unified. Competition between the Army, the Navy, and the Air Corps must be controlled both in the matter of appropriation and procurement.

The renewed consideration of a Department of National Defense is an encouraging indication that the lessons of Europe are having their effect. Defense must be totalitarian. Lack of liaison between the various branches of the service apparently explains many of the difficulties of the Allies.

To suggest that such unified control exists in the Chief Executive is placing far too much responsibility for detail in the lap of one already overburdened man.

Pending such unification of control of our armed forces there can be no doubt as to the imperative necessity of an industrial coordinator of the first caliber.

The tremendous task of prompt procurement of planes and tanks and all the other paraphernalia of modern war must have a single responsible head if a tragic failure is not to be the inevitable result.

An advisory committee without even a chairman such as is now proposed cannot possibly supply the need.

Any competent businessman will recognize the fundamental principle of organization that is necessarily involved.

It is to be hoped that 2 years from today it will not be necessary to call attention to this warning when time may not then suffice to repair the errors of our course.

Mr. ANDERSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BREWSTER. I yield.

Mr. ANDERSON of Missouri. Who would the gentleman suggest as an industrial coordinator?

Mr. BREWSTER. The gentleman asks whom I would name. There are a dozen industrial leaders of the highest competency and patriotic purpose to whom the task might properly be assigned.

One thing I would not do. I would not appoint an advisory committee and then refuse to let its report see the light of day.

Napoleon said a long time ago, "One bad general is better than two good generals." That is a profound truth which has been exemplified in the functioning of our procurement program down to the present date. The committee has run into a confusion of authority, culminating in the illustration of two members of the President's Cabinet, Mr. Jones and Mr. Ickes, being at open issue over the procurement of aluminum, which is absolutely vital for our plane program. Mr. Ickes sent a letter to the Truman committee denouncing the contract entered into by Mr. Jones. The net result is that certain aluminum factories have not been started in the West, although their establishment has been long contemplated. I do not know who is right in that controversy. I am not particularly concerned, except as I recognize that it means we shall have more arguments instead of more aluminum, and aluminum is what the country must now have.

Mr. Nelson testified before us that he hoped the Vice President could call Mr. Jones and Mr. Ickes in and get the matter straightened out, but up to the present time that has not been accomplished. After 6 months of delay we have just received a copy of a new contract. Whether Mr. Ickes approves of it is not yet clear, although Mr. Ickes controls the electric power which is absolutely essential to the production of the aluminum. Whether Mr. Nelson shall have Cabinet rank, he at any rate must have the power to impose his views upon conflicting Cabinet officers. A separate board of price control is contemplated in the industrial mobilization plan and does not involve conflict.

A word about Mr. Nelson and I am done. As both the Senator from Missouri [Mr. TRUMAN] and the Senator from Minnesota [Mr. BALL] said, Mr. Nelson, I think, created a more favorable impression with respect to his qualifications for this highly responsible office than any of those who have come before our committee, because of the modesty of his approach, and his concept of the crisis we face and the responsibilities of the position. After all, it is not merely a production program. It is a problem of supply. Mr. Nelson in private life has been running one of the greatest service organizations in the country to accommodate the capacities of the country to the needs of the people whom he served.

I say that the needs of the Army, the Navy, and the air force—the question whether or not in this crisis they shall receive 50 percent of the production of the country, as is demanded in the program of the President—may well be entrusted to a man who has devoted most of his life to an accommodation of those elements. I hope very earnestly that when the history of this war is written, apart from those individual delinquencies which we must always contemplate with the charity that is necessary toward human nature, and the vigilance that is required of the Government, there shall be recognized also that not merely were we more nearly ready for this crisis than ever before, but that promptly, within 2 months of the war's inception, the industrial mobilization plan was effected. In the last war it was 12 months before Mr. Baruch was invested with adequate power. In the Civil War it was 2 years before the President could accomplish anything in the essential organization of supply. But within 2 months, if it may be, let us hope there has been created the responsible authority contemplated in the industrial mobilization plan, that shall enable Mr. Nelson, clothed with ample power, to go out and do the job that must be done if American power is to be mobilized. I am sure that the Congress will watch with intense interest the formulation and the phraseology of the Executive order creating Mr. Nelson's office and empowering him to act, and the Congress will consider very carefully whether or not legislation shall be considered further implementing his power.

In May 1940 I concluded my discussion of this industrial mobilization problem in these words:

It is to be hoped that 2 years from today it will not be necessary to call attention to this warning when time may not then suffice to correct the errors of our course.

The time is getting very late.

In addition to Mr. Lippmann's article, I ask to have printed at the conclusion of my remarks an editorial appearing in the Washington Post this morning dealing with Mr. Nelson's appointment.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit B.)

EXHIBIT A

TODAY AND TOMORROW

(By Walter Lippmann)

MR. NELSON'S APPOINTMENT

The President has now charged Mr. Donald Nelson with a responsibility second in importance only to his own. The question is whether Mr. Nelson is also to be given authority equal to his great responsibility. Judging from the White House announcement, there

is grave doubt whether he will be given the necessary authority.

For awhile the President may by his Executive order delegate to Mr. Nelson various powers, and while he may declare that Mr. Nelson's "decision as to questions of procurement and production will be final," Mr. Nelson will be in the contradictory position of being the theoretical commander of a large number of officials who in fact outrank him. Though he is not to be a member of the Cabinet nor the head of a statutory Government department, in matters of procurement and production his decisions are supposed to be superior to those of members of the Cabinet.

Mr. Nelson's superior authority will rest on nothing more substantial, therefore, than the President's personal opinions, and this will inevitably mean—as we can see by the example of the controversy between Mr. Henderson and Secretary Wickard—that, in spite of the announcement, it will be the President and not Mr. Nelson who makes the final decisions.

That the President has meant to move forward a long way in the right direction is evident. But the conception of Mr. Nelson's office is at bottom as unsound and is crossed with the same fundamental defect as the conception of the other emergency offices. They are all of them like the moon, able to reflect light, and cold light at that, only when their faces are turned toward the sun. There is not enough energy in the White House to light up all the emergency satellites.

If Mr. Nelson is to have the authority which he is charged with in the advertisement, he will need the rank and the statutory position which his duties will require. His position will remain ambiguous, dependent upon the accidents of personal favor and personal access to the White House, unless his office is made by statute a department of government and he is given a full Cabinet rank.

Until that is done, it is misleading to say that Mr. Nelson's position will be comparable with that of Lord Beaverbrook, and it will be vain to pretend that the President has in fact set up a department of supply. Nor can the weakness of Mr. Nelson's position be remedied by inviting him to attend Cabinet meetings along with Mayor LaGuardia and other visitors from out of town. Mr. Nelson will not be able to do his work as it needs to be done unless he is a member of the Cabinet in his own right on a footing of full equality of rank and title, of the flourishes and ruffles, with the Secretary of War, the Secretary of the Navy, the Secretary of Commerce, and the others.

Anyone who knows Washington, or for that matter any other capital, knows that rank, departmental pride, and bureaucratic resistance, are prime elements in the conduct of government; an outsider, which is what Mr. Nelson will continue to be, cannot push and finesse his way to "final decisions" that really stick, no matter how highly favored he may be by the White House. Washington today is full of men who are wearing themselves out wrestling with departmental inertia and vested bureaucratic interests because, having been given a big task to do, they have not been given the rank and the authority to do it.

Mr. Nelson has a task which requires that he should give orders to the procurement branches of the Army and the Navy, to loan establishments operated by Secretary Jones, to the Maritime Commission, to sections of the State Department, and to many agencies. He will, for example, have to have a lot to say about the specifications which the military services set, and probably also about their testing requirements, for it is generally known, I think, that some of the specifications have come down from an era where there was no shortage of anything. A great deal of rank and authority will be needed by Mr. Nelson if he is to deal with matters of this sort. He will need to outrank legally, politically, symbolically the procurement officials whom he is supposed to direct. Otherwise, on every knotty question an appeal will be taken to the President, and we shall be back where we started from—trying to conduct a total war from under one man's hat.

How unsatisfactory it is to give men a job to do without giving them the tools has been demonstrated over and over again, rather vividly in recent days. One of the emergency offices recently set up was designed, so one gathered, to see to it that the Government information was correct and coherent. It is called the Office of Facts and Figures.

On Tuesday of this week, just when the country at large had begun dimly to realize the profound seriousness of the rubber situation, Secretary Jesse Jones issued an announcement which to the ordinary reader seemed to say that our worries are over and that there is going to be plenty of synthetic rubber, and that now we can all become complacent again. A few hours after the Jones announcement an important representative of the automobile industry telephoned to a leading expert on rubber, saying how fine it was that that was settled.

As a matter of fact, nothing is settled, and the rubber position is so desperately bad that much more drastic restrictions must be imposed, and Mr Jones' synthetic rubber is not in sight, and only by a miracle can it all be produced, and even if it is produced, it will not be nearly enough. Now the point of the matter is that while it is, and has been, Mr. Jones' responsibility to prepare for the rubber shortage that any war in the Pacific was certain to entail, it is not Mr. Jones' business to speak out on a question of such critical importance, not knowing how his words will be understood by the people.

That surely is the business of the Office of Facts and Figures, to see to it that Government announcements do not mislead the public. But how can a department of information, which is not under someone of Cabinet rank, expect to edit or even to be consulted about the press releases of a Cabinet officer?

The President, will all his qualities, has never seemed to grasp the truth that great affairs cannot be conducted casually, by improvisation and personally. And thus, though the appointment of Mr. Nelson is very promising, indeed, it will be a mistake to accept it as a solution. The basic errors have not yet been corrected; they have not even been recognized clearly.

And since so much, indeed, everything, is at stake on the success or failure of Mr. Nelson's work, there seems to be but one thing to do: to press on and to ask the President and Congress to take up immediately the project of putting a firm foundation under Mr. Nelson by creating a statutory Department of Supply with full Cabinet rank.

EXHIBIT B

[From the Washington Post of January 15, 1942]

NELSON'S JOB

The appointment of Donald M. Nelson as head of a new War Production Board is a belated recognition of the paramount need for real industrial direction of the war effort. But it does not go far enough. Mr. Nelson, doubtless, will be ranked only by the President in the wartime importance of his job. He should therefore be related to the other executive departments as a department head with a seat in the Cabinet. That is what this newspeper has had in mind in pleading for the setting up of a Department of Supply. It is not enough to get rid of our present sprawling organization which most persons, even in that organization, can hardly understand. The new body should be endowed with the authority of a department so that the man in charge can be given the prestige of a Cabinet official in a board which includes not only Cabinet members but the Vice President as well.

This reform is the more necessary because of the tussle which has been in progress between the military and civilian branches of government. Procurement has hitherto been vested in the service departments. When war broke out, and the Allies began to coordinate their strategy, it was obvious that there must be a similar tie-up on the supply side. Another need also became apparent. Both the strategists and the directors of supply of the anti-Axis powers (chiefly the Americans and the British) had to be linked in order that supplies could be swiftly and smoothly moved to the places designated by the strategists. The service departments in both London and Washington sought to coordinate and keep both the strategic and supply jobs in their own hands. Thus the Presidential order represents a victory for the civilian direction of the industrial effort. But the victory would be more complete if Mr. Nelson were given equal rank in the Executive branch with Secretaries Knox and Stimson. Moreover, Mr. Nelson needs to have a maximum of prestige because he will have to link and coordinate his work with ministers of supply in other countries.

The step so far taken should be of incalculable benefit both in saving time in Washington and in spurring production. Red tape in managing the war effort had become endless. Requisitions for lend-lease contracts, for instance, had to pass through so many hands that they took longer to O. K. than to fulfill. Personal problems added to the complications of red tape. They sometimes seemed to cost more time and energy than the job in hand, and were the inevitable concomitant of the Presidential system of leaving most of the defense appointees in a twilight zone of authority. The result was seen when the automobile industry had to be enlisted for war work, and no plan for converting the facilities of that industry was forthcoming from the Office of Production Management.

Certainly the new set-up should solve all such problems. Under Mr Nelson will now be concentrated the supervision for procuring the goods, allocating the raw materials, giving out the contracts, and seeing that the goods are made and delivered speedily At least, that is the impression that is given out. There is a vagueness in the terminology of the announcement which leaves some room for doubt as to the degree of Mr. Nelson's supervision of the procurement agencies in the service departments. It is said that the decision of Mr. Nelson as to "questions of procurement and production will be final." If this leaves another twilight zone, the filling of which is left to Mr. Nelson's personality, that may promote more friction than coordination. That is another argument for elevating the War Production Board into a department of Government

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2160) to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450).

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R.

6120) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes", approved October 14, 1940, as amended.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5095) to set aside certain lands in Oklahoma for the Cheyenne-Arapaho Tribes of Indians; and to carry out certain obligations to certain enrolled Indians under tribal agreement, and it was signed by the Vice President.

UNEMPLOYMENT IN MICHIGAN

Mr. BROWN. Mr. President, Michigan is faced with an unemployment crisis of enormous magnitude. Some 260,000 production workers are unemployed now, with another 50,000 to 60,000 to be laid off in February. A large part of the 30,000 persons engaged in the sale and distribution of automobiles in Michigan must be added to the total. Furthermore, thousands of workers in other lines have lost their jobs because of the disruption of the automobile industry and the scarcity of materials.

The automobile industry in Michigan, including auto plants, body plants, and parts plants, employed some 400,000 people in the middle of 1941. Less than 20 percent of these workers—75,000 workers—are engaged in war production in Michigan now.

The impact of the unemployment problem is especially severe in the major production centers. During December more than 80,000 workers lost their jobs in Detroit alone, and this number will reach 150,000 by February.

Other areas have been affected proportionately even more severely than Detroit. In Flint, 41 percent of all workers eligible for unemployment compensation—67 percent of all automobile workers—lost their jobs during December. In Alpena, 34 percent were displaced, and more than one-fourth of the workers in Pontiac, Royal Oak, Mount Clemens, and Iron Mountain. Lay-offs in both Saginaw and Lansing totaled more than 6,000. In addition to automobile lay-offs, severe displacement already has occurred in Grand Rapids and Muskegon among refrigerator, metal furniture, and other metal-using industries, and it is anticipated that from 3,000 to 4,000 additional workers in these industries will be disemployed in the next 3 months.

During the 4 weeks ending December 27, 1941, there were 161,418 workers in Michigan who filed claims for unemployment compensation and thousands more did so during the following week. However, not all the workers who are losing their jobs are eligible for unemployment compensation. The Unemployment Compensation Commission estimates that 10 percent of the currently displaced workers are ineligible for benefits, and another 10 percent have only partial benefits which will be exhausted quickly. The Michigan State Welfare Commission accordingly estimates that from 35,000 to 50,000 workers will need W. P. A. jobs as soon as possible, or more than the total now employed on W. P. A. projects—33,062 on December 23.

At the present time 3,000 workers each week exhaust their unemployment-compensation benefits. This number will increase sharply in the months from February to April as the workers laid off in November and December exhaust their benefits. A large proportion of these workers also will need W. P. A. employment. While this number cannot be estimated accurately, it will probably range between 75,000 and 125,000. This is over and above the immediate need for 35,000 to 50,000 W. P. A. jobs.

Anticipated increases in war employment in the next several months are clearly inadequate to reemploy any but a small proportion of the displaced workers. The absence of a definite conversion plan will obviously impede the absorption of labor. Union estimates indicate that the rate of absorption is only 5,000 a month.

Government, industry, and labor representatives testifying before the House Committee to Investigate National Defense Migration were in essential agreement that a lag of 12 to 15 months probably will occur before absorption of the unemployed is completed. General Motors was scheduled to hire 23,000 additional workers in all its plants between November and February. Ford will add the same number by June 1942. A substantial proportion of the General Motors hires will be made outside Michigan, in new plants not affected by the current lay-offs Cities like Detroit and Flint, in which the automobile industry is the principal source of employment and in which defense employment has lagged, will be especially hard hit. Unless defense contracts are augmented and conversion of existing plants to war production is greatly accelerated, a significant number of automobile workers will remain unemployed throughout 1942.

The disruption of the automobile industry, as well as the curtailment of other industries in other States, will cause an acute unemployment problem in many parts of the country. Michigan is especially hard hit; other areas have a similar but less severe problem.

The situation will require a major increase in W. P. A. employment. The 40,000 increase in Michigan to take care of the immediate problem must be followed shortly by a substantially greater increase. If the displaced worker is to be cared for, as the President said he would be, W. P. A. employment quotas will have to be increased in many places.

W. P. A. funds are not sufficient to finance any increase. Present money will carry only the group now employed. The increase in the Michigan quota will necessitate a very sharp reduction in the near future. In short, to handle this new problem in Michigan and elsewhere will require additional money.

TYPES OF W. P. A. DEFENSE WORK

Nearly 324,000 W. P. A. workers, or about one-third of the total number, are now employed on defense projects. This employment is shown, by type of project, in the following tabulation:

Type of defense project and number of persons employed

Airports	43,756
Buildings	44,875
Highways, roads, and streets	103,605
Water and sewer systems and other utilities	22,522
Other construction	31,941
National-defense vocational training	84,553
Other nonconstruction	43,095
Total	323,847

First. W. P. A. is working on 336 airport projects at the present time. This work has been increased considerably since the Japanese attack. With the expanded airplane program announced by the President, W. P. A. can greatly increase its airport work. As of last June, W. P. A. had built, improved, and enlarged 648 airports, which involved the building of 2,600,000 feet, or about 500 miles, of new runways, and the completion of about 900 new airport buildings. In addition, a large number of buildings and other airport facilities were improved and enlarged, and many boundary lights, airway markers, and beacons were installed.

Second. The buildings newly constructed or improved by W. P. A. workers on defense projects include hospitals and infirmaries, storage buildings, armories, dining halls, mess halls, and a variety of other structures. A total of more than 3,000 new buildings had been erected for the Army, Navy, Coast Guard, and National Guard by the end of June, and more than 14,000 had been improved or reconstructed.

Third. W. P. A. workers have constructed and improved access roads to military establishments designated by the War Department and to industrial plants doing defense work. They have constructed and improved streets, bridges, and highways to naval establishments and to locations considered of importance by the Navy. Much road work has also been completed within military and naval reservations.

Fourth. Sewer systems and water-supply systems for Army and Navy reservations and for towns greatly expanded by the influx of new workers for defense industries have accounted for most of the W. P. A. defense work on public utilities. Other W. P. A. defense projects have been undertaken to perform a variety of construction work, such as malaria-control activities, the building of target ranges, and the improvement of grounds at military establishments.

Fifth. Nonconstruction defense projects have resulted in widely varied services in such fields as education, recreation, and public health. W. P. A. workers have also prepared maps, models, and posters to aid in the training of troops. They have assisted in camouflage research, in weather studies needed for the selection of airport sites and the location of runways; and in the computation of navigation tables; and have served in other clerical, technical, and professional capacities needed by defense agencies.

Sixth. The defense vocational training program enables persons certified as in need of W. P. A. employment to learn new skills or perfect old skills needed by defense industries. Through employment on this project, thousands of persons have received W. P. A. wages to support themselves while they were receiving training.

W. P. A. has spent $122,000,000 for national-defense projects during the first 4 months of the current fiscal year. This amount represented nearly 40 percent of all W. P. A. expenditures for project activities. In addition, sponsors spent approximately $46,000,000 for W. P. A. defense projects in this period. Total W. P. A. and sponsors' funds spent on national-defense work during the entire period since the summer of 1935 when the W. P. A. program was initiated amounted to more than $1,057,000,000.

All these types of work can be expanded. Additional work for State and local defense councils is coming to the fore quickly. Large numbers of salesmen and other displaced white-collar workers could quickly be put to work by W. P. A. on this type of project.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Alfred J. Gipson to be postmaster at Decherd, Tenn., in place of L. G. Gill, transferred.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). If there be no further reports of committees the nomination on the calendar will be stated.

FEDERAL RESERVE SYSTEM

The legislative clerk read the nomination of Ronald Ransom, of Georgia, to be a member Board of Governors, of the Federal Reserve System.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask that the President be immediately notified of the nomination just confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

That completes the calendar.

ADJOURNMENT

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn.

The motion was agreed to; and (at 2 o'clock and 36 minutes p. m.) the Senate adjourned until tomorrow, Friday, January 16, 1942, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 15, 1942:

FEDERAL RESERVE SYSTEM

Ronald Ransom to be a member of the Board of Governors of the Federal Reserve System.

HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 15, 1942

The House met at 12 o'clock noon.

The Very Reverend Charles P. Deems, D. D., dean of the Cathedral Church of St. Mark, Minneapolis, Minn., offered the following prayer:

Almighty God, in whom the people of this Nation put their trust, grant unto us all the awareness that Thou art and that Thou hast created us to do Thy will.

Help us in these days of war and confusion to perceive and know what things we ought to do and give us grace and power faithfully to fulfill the same.

Save us from the curse of selfishness, the blight of dishonesty, and the shame of disloyalty to our loved ones, to our colleagues, to those whom we represent, to our Nation, or to Thee.

Prosper all our endeavors to administer wisely the affairs of the United States, to protect its people, to preserve its institutions, and to perpetuate those liberties which Thou has bestowed upon us and over which Thou hast made us guardians.

Forgive, O Lord, whatever we may do that is displeasing unto Thee and grant us Thy peace both now and evermore. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2204 An act authorizing vessels of Canadian registry to transport iron ore on the Great Lakes during 1942.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6128) entitled "An act to amend the act entitled 'An act to expedite the provision of housing in connection with national defense, and for other purposes,' approved October 14, 1940, as amended."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2160) entitled "An act to amend section 3 of the act of March 19, 1918, entitled 'An act to save daylight and to provide standard time for the United States' (40 Stat. 450)."

UNITED STATES MARITIME COMMISSION

Mr BLAND Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 260) to authorize the United States Maritime Commission to acquire certain lands in Nassau County, N. Y.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the United States Maritime Commission is hereby authorized, with funds in the construction fund of the Commission, to acquire on behalf of the United States by purchase, condemnation, or otherwise, and pay all costs incident to the examination, transfer, and perfecting of title to certain tracts, lots, or parcels of land situated and being in the county of Nassau, State of New York, together with the structures thereon, described as follows:

All that lot or parcel of land with the buildings and improvements thereon, situate at Great Neck, in the county of Nassau, State of New York, and more particularly described as follows, to wit:

Beginning at a point at the intersection of the southerly side of Steamboat Road and the easterly side of First Street and running thence south thirty-six degrees thirty-one minutes thirty seconds west along the easterly side of First Street, three hundred and forty-one and five one-hundredths feet to the southerly termination of said street; thence north fifty-three degrees thirty minutes west two hundred and twenty-four and ninety one-hundredths feet to a point on the high-water line of Long Island Sound; thence south twenty-seven degrees twenty-four minutes west one hundred and eight-tenths feet along the line of high water; thence south twelve degrees thirty minutes west three hundred and forty-nine and two-tenths feet still along the line of high water; thence south sixty-four degrees twenty-two minutes east seven hundred and fifty feet; thence north eleven degrees eighteen minutes thirty seconds east three hundred and twenty-three and sixty-seven one-hundredths feet to a point on the northerly boundary line of land formerly belonging to the Whitehead Hewlett Estate, said point being distant along said northerly boundary line of said Whitehead Hewlett Estate seven hundred and fifty feet from a point on high-water line; thence north thirty-six degrees twenty-seven minutes thirty seconds east three hundred and thirty-four and seventy-five one-hundredths feet to a point on the southerly side of Steamboat Road; thence along the southerly side of Steamboat Road, north fifty-three degrees thirty-one minutes thirty seconds west one hundred and eighty and eleven one-hundredths feet; thence still along the southerly side of Steamboat Road, north fifty-four degrees fifty-nine minutes twenty seconds west three hundred and fifty-one and two-tenths feet to the point and place of beginning.

Being the same premises conveyed to Walter P. Chrysler and Della V. Chrysler, his wife, by Henri W Bendel by deed dated February 16, 1923, and recorded in the office of the clerk of the county of Nassau on March 5, 1923, in Liber 770 of Conveyances, at page 216, and thereafter conveyed by Walter P. Chrysler to Della V Chrysler by deed dated May 12, 1932, and recorded in the aforesaid clerk's office on May 13, 1932 in Liber 1669 of Conveyances, at page 260

And also all that parcel of land now or formerly under the waters of Long Island Sound, in the village of Kings Point, county of Nassau and State of New York, bounded and described as follows:

Beginning at the point of intersection of the high-water line of Long Island Sound and the boundary line between the property of the town of North Hempstead and the property formerly of Della V. Chrysler, deceased, said point being north sixty-five degrees thirteen minutes thirty seconds west two hundred and twenty-six and fifty-eight one-hundredths feet from a point at the southerly end of the easterly boundary line of First Street; thence along said high-water line the following bearings and distances: South twenty-three degrees eighteen minutes

fifty seconds west eighty-seven and forty-one one-hundredths feet; south seventeen degrees fifty-one minutes ten seconds east ninety-eight and twenty-five one-hundredths feet; south one degree thirty-seven minutes twenty seconds west one hundred and seventy-two and forty-seven one-hundredths feet; south twenty-eight degrees forty-five minutes west thirty-one and five-tenths feet; and south eleven degrees fifteen minutes east eighty-three and seventy-five one-hundredths feet to an intersection with the boundary line between the property formerly of Della V. Chrysler, deceased, and the property of Nicholas M. Schenck; thence into the waters of Long Island Sound due west one hundred and seventy-one and eighty-four one-hundredths feet; thence due north three hundred and forty and ninety-five one-hundredths feet; thence due west three hundred and twenty feet; thence due north one hundred and fifteen feet; thence due east five hundred feet to the point of beginning, containing one hundred and twelve thousand six hundred and fixty-six square feet, more or less

All bearings are referred to the true meridian

Being the same premises which were granted by the People of the State of New York to the parties of the second part by Letters Patent dated June 22, 1940, and recorded in Book of Patents No. 70, at page 185.

And also all those lots or parcels of land, with the buildings and improvements thereon, in the county of Nassau, State of New York, more particularly described as follows:

Parcel Numbered 1: All that certain plot, piece, or parcel of land, situate, lying, and being at Great Neck, Nassau County, and State of New York, shown and designated as lots numbered 27 and 28, on a certain map entitled, "Map of 168 plots, belonging to James Blackwell, Esq., at Great Neck Landing, Long Island, surveyed by L. F. Greather, Esquire, civil engineer, Whitestone, May 1873," and filed in the clerk's office in the county of Queens on the 7th day of July 1873, and which plot is bounded and described as follows:

Beginning at a point on the northwesterly side of Fourth Street as laid down on said map one hundred feet southwesterly from the corner formed by the northwesterly side of said Fourth Street with the southwesterly side of First Avenue, as laid down on said map; running thence northwesterly and along the southwesterly side or line of lot No. 26 as shown on said map one hundred feet; running thence southwesterly and along the southeasterly side or line of lots numbered 23 and 24 as shown on said map two hundred and five feet; running thence southeasterly and along the southwesterly side of lot numbered 28 as laid down on said map about one hundred and twenty-six feet to the northwesterly side of said Fourth Street as laid down on said map; running thence northeasterly and along the northwesterly side of Fourth Street aforesaid one hundred and eighty-nine and ninety-two one-hundredths feet to the point or place of beginning.

Together with all the right, title, and interest of the parties of the first part of, in, and to the land in front of the said premises to the center line of Fourth Street, and also to a certain strip of land about eight feet in width, lying between any part of the said premises and the lands now or formerly of the estate of Whitehead Hewlett, deceased.

Parcel Numbered 2: Also all that certain plot, piece, or parcel of land, situate, lying, and being at Great Neck, in the town of North Hempstead, county of Nassau, and State of New York, bounded and described as follows:

Beginning at a point on the southerly side of Elm Point Road formerly known as Steamboat Road, distant thirty-five feet easterly from the easterly side of lands now or formerly belonging to Henri W. Bendell; and running thence along said Elm Point Road, south fifty-three degrees thirty-one minutes thirty seconds fifty-three and seven-tenths feet; thence south thirty-six degrees thirty-five minutes twenty seconds west one hundred and fifteen and four hundred and eighty-five one-thousandths feet to premises known on Map of Grenwold; running thence along said land north fifty-three degrees thirty-two minutes thirty seconds west fifty-three and forty-four one-hundredths feet; and thence north thirty-six degrees twenty-seven minutes thirty seconds east one hundred and fifteen and five-tenths feet to the southerly side of Elm Point Road, at the point or place of beginning.

Together with all the right, title, and interest of the parties of the first part of, in, and to any land lying in the bed of any street or road in front of or adjoining the said premises.

Parcel Numbered 3: Also all that certain lot, piece, or parcel of land, situate, lying, and being at Great Neck, in the county of Nassau, and State of New York, shown and designated as lot numbered 26, in block D, on a certain map entitled, "Map of 168 Plots, belonging to James Blackwell, Esquire, at Great Neck Landing, Long Island, surveyed by L. F. Greather, Esquire, civil engineer, Whitestone, May 1873." and filed in the clerk's office of the county of Queens, on the 7th day of July 1873, and which said lot is bounded and described as follows, to wit:

Beginning at the corner formed by the intersection of the northwesterly side of Fourth Street with the southwesterly side of First Avenue, as shown on said map; running thence northwesterly and along the southwesterly side of First Avenue, as shown on said map, one hundred feet to lot numbered 25; thence southwesterly and along the boundary line between lots numbered 25 and 26, on said map, one hundred feet; thence southeasterly and along the boundary line between lots numbered 26 and 27, one hundred feet to the northwesterly side of Fourth Street, as shown on said map, and thence northeasterly along the northwesterly side of said Fourth Street one hundred feet to the point or place of beginning.

Being the same premises which were conveyed by Walter P. Chrysler to Della V. Chrysler, by deed dated June 2, 1932, and recorded in the aforesaid clerk's office on June 6, 1932, in Liber 1669 of Conveyances, at page 420.

With the following committee amendment:

Page 7, line 4, after "premises", strike out "known" and insert "shown."

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 10 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I desire to announce that the conference report on the civilian defense bill will be considered on Monday.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Can the gentleman tell us anything further about the program for next week?

Mr. McCORMACK. I am unable to state the program at the present time. The independent offices appropriation bill is expected to be reported on the 22d. There will also be a conference report on the price-control bill, but I am unable to give any information on that now.

Mr. MARTIN of Massachusetts. The gentleman does not now expect that the conference report on the price-fixing bill will be considered on Monday?

Mr. McCORMACK. No; because if the conferees agree between now and Monday the report will be filed on Monday, and, under the rules, it will have to lie over 24 hours.

DAYLIGHT SAVING DURING WAR EMERGENCY

Mr. LEA. Mr. Speaker, I call up the conference report on the bill (S. 2160) to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450), and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2160) to amend section 3 of the act of March 19, 1918, entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450), having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same.

That the title of the bill be amended to read as follows: "An act to promote the national security and defense by establishing daylight-saving time."

CLARENCE F. LEA,
ROBERT CROSSER,
CHARLES A. WOLVERTON,
Managers on the part of the House.

BURTON K. WHEELER,
ALBEN W. BARKLEY,
H. T. BONE,
ROBERT F. WAGNER,
WALLACE H. WHITE, JR.,
WARREN R. AUSTIN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2160) to amend section 3 of the act of March 19, 1918 entitled "An act to save daylight and to provide standard time for the United States" (40 Stat. 450), submit

the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The House struck out all after the enacting clause of the Senate bill and inserted in lieu thereof the text of the bill (H. R. 6314) to promote the national security and defense by establishing daylight-saving time.

The committee of conference recommends that the Senate recede from its disagreement to the House amendment, and that the title of the House bill be substituted for that of the Senate bill.

CLARENCE F. LEA,
ROBERT CROSSER,
CHAS. A. WOLVERTON,
Managers on the part of the House.

Mr. LEA. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, my views on this question have been stated before. I shall not repeat them. I think repetition would not accomplish anything.

A communication which may be of interest to the Members here present came to me from a gentleman in Rochester, N. Y., who had a suggestion to make. He said:

> While you are at it, why don't you pass a bill to lower the zero mark on thermometers 20° or 25°? Then you will seldom have any zero weather, and you can save a lot of woolen clothing and fuel.

Mr. LEA. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. BUCK].

Mr. BUCK Mr. Speaker, I know this conference report is going to be adopted. I rise merely to express my opposition to the conference report and to the bill on behalf of the thousands of farmers in my district. You cannot make the cows give milk any earlier; you cannot make the dew get off the grapes any earlier; you cannot do any of these things that are necessary for agricultural production of the United States by setting the clock back. I regret that this bill will be enacted into law in such form that it will affect the agricultural sections. I believe the bill should have been confined to the industrial sections of the United States, if it is wanted there.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Sheboygan Press of December 26, 1941.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Sheboygan Press of January 12, 1942.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MACIORA. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief editorial on the subject of Government advertising.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

INDIANA RALLIES TO THE COLORS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[Mr. LUDLOW addressed the House. His remarks appear in the Appendix.]

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks by including copy of a telegram I have received and my answer thereto.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a short statement by a constituent memorializing Pearl Harbor.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to address the House for 7 minutes after the regular business of the day and following any previous special order.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

EXTENSION OF REMARKS

Mr. FORAND Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a letter and resolutions adopted by the New England Conference on Social Security.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on three distinct subjects—one, Capital Gains and Losses Tax; secondly, to include in my remarks A Soldier's Creed, by R. M. Werblow; and, thirdly, to include a letter written to the President by the Italian National Catholic Union.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, the House has just approved the daylight-saving-time measure, disregarding the protests of the American farmers. I think for a moment we should consider the effect of daylight-saving time upon the Washington Government personnel. The President has ordered the removal from Washington of 10,000 Federal employees engaged in the regular departments. Daylight-saving time will give an additional hour to regular employees not engaged in national defense. They now work 39 hours a week. They will begin working in the morning and be through with their work at 2:30 in the afternoon. The President proposes to move 10,000 regular employees out of the Capital so that we can find more room for national-defense employees. If we consider the different departments, we will find there will be at least 43,000 Federal employees engaged in Washington who will get out of their offices at 2:30 in the afternoon . If we want to save money, we can use those same offices for the rest of the day for national-defense workers, and thereby save the jobs here in Washington for those who are about to be moved out of town.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. SAUTHOFF. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a clipping from the Washington Star.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. CHIPERFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech I recently made in my district.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include two articles, one a resolution of the Wisconsin College Work Council pertaining to the National Youth Administration, and the other a resolution of the Wisconsin State Industrial Union Council pertaining to the lumber industry in Wisconsin.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WEISS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REMOVAL OF GOVERNMENT BUREAUS FROM WASHINGTON

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. DIRKSEN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the New York Herald Tribune, on the proper etiquette in case the national anthem is played on the air.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on Monday next, after the legislative business and special orders have been concluded, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOPE. Mr. Speaker, in line with the remarks just made by the gentleman from Missouri [Mr. CANNON], I would like to call attention to the fact that there seems to be a prevalent impression over the country, fostered by the metropolitan newspapers, that farm prices are entirely out of line with other prices and that we are bound to have inflation because of this. I challenge that contention. I have in my hand a letter from the Bureau of Agricultural Economics showing that during the first 11 months of this year a factory worker's dollar would buy 26 percent more food than in 1929. That was a year of good wages, full employment, and no inflation of commodity prices. In addition, this letter states that the average factory worker today is receiving weekly wages which are 18.7 percent higher than they were in 1929. Therefore he is not only getting more for his food dollar but he has more dollars to spend. If we have inflation it is much more likely to come from high wages than high farm prices, yet the price-control bill does not touch wages.

I submit this as something that should be taken into consideration by the conferees on the pending price-control bill.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. THOMASON. Mr. Speaker, on yesterday the House granted me permission to revise and extend my remarks and include an address made by Maj. Gen. John K. Herr. I find from the Public Printer that the total cost will be $135, which is slightly in excess of the limit allowed. Notwithstanding that, I ask unanimous consent that the address may be included in the Appendix of the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PRICE-CONTROL LEGISLATION

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GIFFORD. Just a remark, following two appeals for the farmers—price per hour; yes. Mechanics get a good price when they get it. But the yearly wage is not so far out of line with the farmers.

Secondly, I have a hundred automobile dealers in my city alone that are not getting parity. They are, or will be, out of business. We know other people that are out, or will be, because of priorities or other reasons. They will not understand parity.

As one of the conferees, I am rather anxious that you think of some of these conditions before you give too much previous notice as to what you expect of the conferees.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

HOUSING IN CONNECTION WITH NATIONAL DEFENSE

Mr. LANHAM. Mr. Speaker, I call up the conference report on the bill (H. R. 6128) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, and I ask unanimous consent that the Clerk may read the statement in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6128) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes", approved October 14, 1940, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 4, 5, 6, 10, 13, 14, and 19.

That the House recede from its disagreement to the amendments of the Senate numbered 8, 12, 16, 17, 18, 20, 21, and 22, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "; (4) officers of the Army and Marine Corps not above the grade of captain, and officers of the Navy and Coast Guard, not above the grade of lieutenant, senior grade, assigned to duty at naval or military reservations, posts, or bases, or to duty at defense industries"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: Restore the matter proposed to be stricken out by such amendment and on page 3, line 25, of the House bill strike out "shall" and insert "may"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: Omit the matter proposed to be inserted by such Senate amendment; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by such Senate amendment insert the following: "with power during the emergency, in exceptional cases, to adjust the rent to the income of the persons to be housed,"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by such Senate amendment insert the following:

"SEC. 11. The first proviso of section 1 (b) of such Act, as amended, is amended by inserting before the colon at the end thereof the following: 'and so far as is consistent with emergency needs, contracts shall be subject to section 3709 of the Revised Statutes.' "

And the Senate agree to the same.

FRITZ G. LANHAM,
C. JASPER BELL,
PEHR G. HOLMES,
Managers on the part of the House.

ALLEN J. ELLENDER,
DENNIS CHAVEZ,
ROBERT M. LA FOLLETTE, Jr.,
ROBERT A. TAFT,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H. R. 6128) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes", approved October 14, 1940, as amended, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendments numbered 1, 2, and 3

The House bill increased to $3,750 the average limit of cost per permanent family dwelling unit for all types of construction within the continental United States, and to $4,250 the average limit of cost per permanent family dwelling unit for such construction elsewhere, exclusive of Alaska. The House bill also increased to $3,950 the individual limit of cost per family dwelling unit within the continental United States, and to $4,750 elsewhere, except in Alaska.

Senate amendments numbered 1, 2, and 3 struck out the increases just described proposed by the House bill.

The conference agreement adopts the provisions of the House bill in these respects.

Amendments numbered 4, 5, and 6

The House bill provided that where the Administrator considered that there was no reasonable prospect of disposing of housing to meet a need extending beyond the emergency, he was to construct temporary units.

Senate amendments numbered 4, 5, and 6 provided that where the President considered that there was no reasonable prospect of such disposition, temporary units were to be constructed.

The conference agreement adopts the provisions of the House bill in this respect.

Amendment numbered 7

Senate amendment numbered 7 added to the class of persons included within the definition of persons engaged in national defense activities (1) employees of the United States whose duties are essential to the national defense, and (2) officers of the Army and Marine Corps not above the grade of captain and officers of the Navy and Coast Guard not above the grade of lieutenant, senior grade.

There were no comparable provisions in the House bill.

The conference agreement proposes that there be included in such definition officers of the Army and Marine Corps not above the grade of captain, and officers of the Navy and Coast Guard not above the grade of lieutenant, senior grade, assigned to duty at naval or military reservations, posts, or bases, or to duty at defense industries.

Amendment numbered 8

The House bill authorized the appropriation of an additional $300,000,000 for the purposes of title I of the act, to remain available until expended in such amounts as the Congress from time to time should make appropriations therefor.

Senate amendment numbered 8 struck out the limitation "in such amounts as the Congress from time to time shall make appropriations therefor".

The conference agreement adopts the Senate amendment in this respect.

Amendment numbered 9

The House bill added to the act a new section declaring it to be the policy that housing constructed thereunder be sold and disposed of as expeditiously as possible, consideration being given in such sale or other disposition to the full market value. The House bill also provided that unless specifically authorized by Congress no housing constructed under the act should be conveyed to any agency organized for slum clearance or to provide subsidized housing for persons of low income. The Administrator was given power, upon request of the Secretary of War or Navy, to transfer to the jurisdiction of the War or Navy Departments housing considered to be permanently useful to the Army or Navy.

Senate amendment numbered 9 struck out these provisions of the House bill.

The conference agreement adopts the provisions of the House bill, except that it makes the sale of the housing discretionary instead of mandatory.

Amendment numbered 11

The House bill provided that after the termination of the emergency property acquired or construed under the act which had not been previously sold or disposed of should be disposed of as promptly as might be advantageous. This provision of the House bill simply made a technical amendment to existing provisions of the act relating to such sales.

Senate amendment numbered 11 struck out this provision of the House bill and inserted in lieu thereof a provision directing the Administrator, upon request of the Secretary of War or the Secretary of the Navy, to transfer to the jurisdiction of the War or Navy Departments such housing as might be considered permanently useful to the Army or Navy.

Under the conference agreement the provisions of the House bill stricken out by the Senate amendment remain stricken out, but the matter inserted by the Senate amendment is omitted for the reason that corresponding provisions are included in the conference agreement with respect to Senate amendment numbered 9.

Amendments numbered 13, 14, and 15

The House bill directed the Administrator to fix fair rentals on projects developed under the act, which were to be based on the value of such projects as determined by the Administrator. Rentals to be charged for Army and Navy personnel were to be fixed by the War and Navy Departments.

Senate amendments numbered 13, 14, and 15 required the Administrator to fix rentals which insofar as practical were to be based on the value of the projects as determined by him, consideration being given when necessary to the incomes of the persons intended to be housed. Rentals to be charged for Army and Navy personnel were to be fixed by the War and Navy Departments.

Under the conference agreement, the Administrator is directed to fix fair rentals based on the value of the projects, as determined by the Administrator, but he is given power during the emergency, in exceptional cases, to adjust the rent to the income of the persons to be housed. No change is made in the provisions relating to rentals to be charged Army and Navy personnel.

Amendment numbered 18

The House bill directed the Administrator, in the construction of defense housing, to act through the Public Buildings Administration or, in his discretion, the War Department and Navy Department. The Public Buildings Administration was authorized to utilize the services of local housing authorities in such construction. In carrying out the other provisions of the act, the Administrator was authorized to utilize and act through the Federal Works Agency and other Federal agencies and any local public agency with the consent of such agency.

Senate amendment numbered 18 struck out these provisions of the House bill.

The conference agreement adopts the provisions of the Senate amendment.

Amendment numbered 19

The House bill directed consultation should be had with local public officials and local housing authorities so that projects might, so far as practical, conform in location and design to local planning and tradition.

Senate amendment numbered 19 directed that this be done only insofar as consistent with emergency needs.

The conference agreement adopts the provisions of the House bill.

Amendment numbered 22

Senate amendment numbered 22 provided that any agency designated by the President to provide temporary shelter under the various acts making appropriations for such purposes should have the same powers with respect to the management, maintenance, and administration of such temporary shelters as are granted to the Federal Works Administrator under section 304 and section 306 of the Defense Housing Act with respect to projects constructed thereunder, and the provisions of section 307 of that act were made to apply to such temporary shelters and the occupants thereof. There were no corresponding provisions in the House bill.

The conference agreement adopts the provisions of the Senate amendment.

Amendment numbered 23

Senate amendment numbered 23 directed that all contracts hereafter entered into under the act should be subject to the provisions of section 3709 of the Revised Statutes (relating to competitive bidding). There were no corresponding provisions of the House bill.

Under the conference agreement, it is provided, by amendment to section 1 (b) of the act, that so far as is consistent with emergency needs, contracts shall be subject to section 3709 of the Revised Statutes.

Amendments numbered 10, 12, 16, 17, 20, and 21

Senate amendments numbered 10, 12, 16, 17, 20, and 21 were merely technical amendments consisting of changes in section numbers of the bill and other technical changes made necessary by the other Senate amendments.

FRITZ G. LANHAM,
C. JASPER BELL,
PEHR G. HOLMES,
Managers on the part of the House.

Mr. LANHAM. Mr. Speaker, this is the conference report on the defense-housing bill which passed the House on the 11th day of December. It was amended in the Senate, the Senate amendments were disagreed to, and conferees appointed. We have had several discussions in the conference and have been able to bring in a complete report.

The Senate amended the bill in a great many particulars, and I feel that we have come as near to accomplishing the purposes that we had in view in the House bill as was possible in the conference. Some compromise is always necessary in such conferences, but, in my judgment, the bill as it stands, and with the assurance given by those who will administer this act with reference to these provisions, the principal original purposes of the House bill will be carried out.

I shall be glad to yield to anyone who wishes to ask questions.

Mr. McGREGOR. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. McGREGOR. I wonder if the chairman would advise the House the difference in the administration under the report of the conferees as he has given it and the present law?

Mr. LANHAM. In response to the inquiry of the gentleman from Ohio, I will say that we retained in this bill the section which was stricken out by a Senate amendment, providing for the sale of such housing as expeditiously as possible, and that in disposing of it consideration should be given to its full market value, and that no part of it should be sold, unless it was so specifically authorized by the Congress, to any public or private agency organized for slum clearance or to provide subsidized housing for persons of low income. That was a cardinal principle of the bill as it passed the House. We succeeded in retaining such provision in that regard. That being the case, regardless of the agencies that may do the construction, it cannot be done for any purpose except those enumerated in the law. The Administrator requested that he be not restricted in the use of the various agencies that have to do that construction, but he expressed the purpose of reducing them to the minimum. There is a great deal of housing that must be done and be done quickly. One agency cannot do all the housing. One of the agencies that heretofore existed, and concerning which there has been some controversy, has been abolished—an agency within the Federal Works Agency—and that will no longer be employed.

Mr. LEWIS. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. LEWIS. Could the gentleman from Texas state what that agency is?

Mr. LANHAM. That was the Defense Housing Agency under the direction of Mr. Foreman.

Mr. SABATH. That was the new agency which was created only a few months ago.

Mr. LANHAM. Created within the Federal Works Agency itself.

Mr. SABATH. Instead of reducing the agencies it really added one more agency, and that has been eliminated.

Mr. LANHAM. That has been eliminated.

Mr. SABATH. That is what I say.

Mr. LANHAM. Yes.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. DONDERO. Is there any information the gentleman can give the House as to the policy the Government intends to pursue either in the construction of these houses for the Government itself or through building construction firms and through the lowest bidder?

Mr. LANHAM. I shall be glad to reply to the gentleman. In the first place it has been contemplated by the administration that it will use the Public Buildings Administration as extensively as it possibly can in the completion of these homes. Their work has been very satisfactory in the construction of this character that they have done They will use also, where they can, competent local housing agencies where this can be done economically and quickly

With reference to competitive bidding the bill carries an amendment that competitive bidding shall be used whenever possible in view of the emergency. Some of this housing must be built very rapidly. In view of the fact that it requires a month of advertising for competitive bids, and in view of the further fact that contractors bidding under the competitive system are unable to anticipate prices of labor and material, such bids usually are naturally high

That construction which must be done promptly through negotiated contracts will of course, be undertaken, but it is the purpose of the Administration to use, insofar as it possibly can, local contractors in carrying on the work.

Mr. DONDERO. That was exactly the point I had in mind and desired to have the gentleman bring out.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield? I should like to ask him a couple of questions.

Mr. LANHAM. I yield.

Mr. VOORHIS of California. In the first place, is it the opinion of the gentleman from Texas and his committee that this bill will facilitate the use of already organized local housing agencies wherever they are competent to do the job instead of setting up new Federal groups to do it?

Mr LANHAM. That is the purpose; and in our conferences with the Administrator we were assured that local housing agencies will be used where they are competent, and that no new agencies will be established.

Mr. VOORHIS of California. It is not their intention to go into these communities that have competent local agencies and set up an entirely new Federal agency with new personnel to do the job.

Mr. LANHAM. They will not; and we provide further for the use of local labor whenever that can be done.

Mr. VOORHIS of California. One further question, if the gentleman will permit.

Mr. LANHAM. Yes.

Mr. VOORHIS of California. What is the reason for making a hard-and-fast provision against the possible use of some of this housing after the emergency is over for the housing of low-income people?

Mr. LANHAM. As a matter of fact, we leave that to the discretion of the Congress when the emergency is over and say that it shall not after the emergency be turned over to private or public agencies for such purpose except as authorized by the Congress. We feel that it is impossible now to look ahead to the end of the emergency and know just what will be the best disposition to make of some of this housing. It will still be left in the discretion of Congress.

With reference to slum clearance, of course, there will be some incidental slum clearance in the carrying out of these housing projects, for some of them will be built on sites that naturally will be more or less slum areas.

Mr. VOORHIS of California. But Congress will still have control over the disposition of these houses and can say how they may be used.

Mr. LANHAM. It is expressly provided in the bill.

Mr. VOORHIS of California. In the matter of sale the prohibition is not against sale to a home owner himself, but to a company for the purpose of resale.

Mr. LANHAM. That is correct; and that is permissive rather than mandatory.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. LANHAM I yield.

Mr. McCORMACK. In connection with the general subject of the low-cost housing problem, is it intended that the construction of these houses to meet the immediate situation of national defense shall be of such character that it would not be ghost building after the emergency is over but could be used to meet this other problem that confronts the country in certain sections?

Mr. LANHAM. We provide very definitely in this measure and make it mandatory that consultation must be had from the beginning with the local authorties and the local housing authorities; and insofar as possible the building is to be done in accordance with the regular city planning and traditions.

Mr. McGREGOR. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. McGREGOR. If the gentleman will permit a further answer to the majority floor leader, I would refer him to page 400 where the conference report is printed. It reads as follows:

> The conference agreement adopts the provisions of the House bill, except that it makes the sale of the housing discretionary instead of mandatory.

Mr. LANHAM. I so stated to my colleague from California.

Mr. McGREGOR. It was mandatory that the local authorities had to be taken into consideration before they were sold. Now, under the conference report, it is entirely up to the Federal authorities, as defined on page 400.

Mr. LANHAM. I think the gentleman from Ohio [Mr. McGREGOR] misunderstood the question propounded by the gentleman from California.

Mr. HOLMES. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Massachusetts.

Mr. HOLMES. It is true that in our bill we used the word "shall." Of course, that made it mandatory that they be disposed of. We provided "shall be disposed of." The Senate objected to the word "shall" and suggested that the word 'may" be used instead of the word "shall." The House conferees could not have any objection so long as the intent of Congress was carried out, and it did not make much difference in that event whether the word "shall" or "may" was used. We are convinced that the houses will be disposed of in accordance with the intent of Congress.

Mr. LANHAM. That is correct, and I so stated in response to the inquiry of the gentleman from California.

Mr. HARNESS. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Indiana.

Mr. HARNESS. That is the question I wanted to ask, whether under this proposal they were to be disposed of. Existing law, as I understand it, provides that they must sell these houses.

Mr. LANHAM. No; it is made discretionary, not mandatory.

Mr. HARNESS. Within whose discretion is it?

Mr. LANHAM. It is in the statement of policy:

> It is hereby declared to be the policy of this title to further the national defense by providing houses in those areas where they cannot otherwise be provided by private enterprise. Such housing may be sold and disposed of as expeditiously as possible.

And so forth.

Mr. HARNESS. In that connection may I say that I have been in contact with members of the Federal Works Agency handling some of these projects, and I was advised that they had no idea of ever offering any of these for sale—that it was not their policy to offer them for sale.

Mr. HOFFMAN. What are they going to do with them?

Mr. HARNESS. Keep them.

Mr. LANHAM. As a matter of fact, there has been some doubt whether under the law as it heretofore existed they could do that.

Mr. HARNESS. This will clear that up?

Mr. LANHAM. This clears it up so that an individual, if he wants to buy one of these homes where he is working and live there permanently, may do so.

Mr. HARNESS. It is the intent of the Congress that they shall be sold?

Mr. LANHAM. To be sure. We wish them sold as rapidly as possible. To the extent that they can be sold, we obviate the trouble that will arise from the housing situation after the emergency. None of this housing is supposed to be done except that which cannot be provided for by housing already available and by that which private capital can furnish.

Mr. HARNESS. I am glad to hear the gentleman say that because I believe they should be sold, too.

Mr. LANHAM. I believe the administrators are going to carry it through in that way.

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I notice, on page 4 of the statement on the part of the managers with respect to amendment No. 8, reference is made to the authorization for an additional appropriation of $300,000,000. Has that already been made in one of the bills recently passed?

Mr. LANHAM. The appropriation has been made to become available on the passage of this measure.

Mr. CASE of South Dakota. Yes. In the statement here it is suggested that the House bill provided that this money should remain available until expended, whereas the Senate amendment apparently struck out the additional language, referring to such amounts as the Congress from time to time should make appropriation therefor. In the appropriation as it was made, was that appropriation to be available until expended or would it revert at the end of the fiscal year if not expended?

Mr. LANHAM. I do not recall the exact terms of the appropriation measure that we passed, but my recollection is that it remains available until expended.

Mr. SPRINGER. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Indiana.

Mr. SPRINGER. In my home city we have a 300-house project under this law, and it is also a defense area. I am anxious to know whether or not these houses will be available only to those who come into that community to work in defense projects or whether they will be available during the emergency for use by the low-income groups living there at this time.

Mr. LANHAM. As a matter of fact, the whole purpose of this act is to make provision in these congested areas of national defense for the enlisted men of the Army and the Navy that may be there, the personnel of the Army and Navy that may be assigned to that area, and the industrial workers engaged in defense production. To that we have added in this bill officers of the Army, Navy, or Coast Guard that may be assigned to that defense area. It is not the purpose of this bill to go into a community and provide dwellings to be rented to low-income groups already living there. We are providing simply for those classes that are connected with defense production at these various industries who are brought in to serve those congested areas.

Mr. SPRINGER. It is the purpose, as I understand it, that the low-income groups will not have these houses made available to them during the emergency?

Mr. LANHAM. No; the gentleman is not quite accurate in that. We provide in this measure that there shall be fair rentals determined by the Administrator upon the value of the property, but that during the emergency in exceptional cases the Administrator will have power to adjust the rent to the income of the person to be housed.

Mr. SPRINGER. I thank the gentleman for the explanation.

Mr. LEWIS. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Colorado.

Mr. LEWIS. The gentleman will recall that during the consideration of this bill in the House the gentleman from Oklahoma [Mr. NICHOLS] made a statement regarding the character of construction of these houses. The gentleman from Oklahoma correctly stated that it was the understanding of some of us, based upon statements made both before the Committee on Rules and on the floor, that there were not to be included in these houses built for emergency purposes a lot of accessories which most of the citizens in many cities are not able to buy. In other words, under the former law, arrangements were made to provide these men, employed at high wages, with electric refrigerators, electric ranges, and other accessories of that sort which most citizens, who pay the taxes, are not able to buy for their own houses. The feeling was that if these highly paid employees wish to have these accessories they should buy and pay for them out of their own wages and not call upon the Federal Government to pay for them. We felt that although assurance had been given to the Committee on Rules and to others, individually and in groups, that such accessories would not be provided in these houses built with public money for the housing of persons receiving high wages for work in defense industries, this assurance it was alleged had been violated. What has been done to safeguard that situation in connection with this bill?

Mr. LANHAM. It is not involved in this particular measure. The gentleman will recall that the matter was brought up when this measure was before the House formerly and that we placed in the bill a provision with reference to that matter. Very naturally, in some of the congested communities these families cannot be put into these houses to live without providing some of the things that are necessary for them to carry on their usual, ordinary life. Of course, that is a matter of administration in accordance with the provision that we have already written into the law. It is not involved in this particular measure.

Mr. LEWIS. Does the gentleman think that that understanding is going to be carried out?

Mr. LANHAM. Of course, the understanding will have to be carried out through the administration.

Mr. LEWIS. That is exactly what I am inquiring about. Will that understanding be carried out under this bill?

Mr. LANHAM. This bill does not touch that particular feature because we have heretofore written into the law an amendment in that regard. The matter has not been brought up in connection with this particular measure.

Mr. LEWIS. Does the gentleman believe the agreement will be carried out?

Mr. LANHAM. I have all the trouble I need trying to look after the legislative end of it, and I must confess that I could not possibly know all the details of the administration.

Mr. LEWIS. We thought we had covered that in the other bill.

Mr. LANHAM. We did place an amendment in there which I understood at the time was agreeable to the gentleman from Oklahoma, to whom my distinguished friend refers.

Mr. LEWIS. To many of us it seemed that the agreement was not carried out and that the express provisions of the bill and the assurances to us were ignored by the persons who were in charge of the administration of the bill.

Mr. LANHAM. I may say to my friend that a good many things that were done under the former law have been subjected to criticism, and we have tried to correct a great many of them under this legislation. I think we are doing it, so much so that one organization has already been abolished.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Illinois.

Mr. SABATH. As I observe, the cost has been reduced from the amount stated in the House bill. In the House bill the cost in the first bracket was to be $3,750, and that has been reduced to $3,500.

Mr. LANHAM. No, I may say to the gentleman from Illinois that the Senate receded on that amendment and left the provisions of the House bill.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Mississippi.

Mr. RANKIN of Mississippi. May I say to the gentleman from Texas and the gentleman from Colorado that the amendment to which the gentleman from Colorado referred was a terrible mistake. I believe the House would reverse itself on the proposition if it had an opportunity to do so. There is no reason on earth for building houses of this kind and denying their occupants the use of electric refrigerators or electric ranges. I hope that at least we shall have a liberal construction of the law that will enable the administration to provide these houses with some of the conveniences and comforts of life. A house of this kind is not complete today without a refrigerator; and the time is not far distant when the same thing can be said of the electric range.

Mr. LANHAM. May I suggest to my friends that they take this matter up with the Administrator, in view of the fact that it is not involved in this particular bill. We tried to look after it heretofore.

Mr. LEWIS. Another point the gentleman from Oklahoma [Mr. NICHOLS] brought up was the use of most expensive materials. He spoke about copper

screens, for instance, and the use of expensive hardware made of metals which should be devoted exclusively for manufacture of munitions, airplanes, and other necessary implements of war.

Mr. LANHAM. I recall that, but I can assure the gentleman that we are assured by the administration that most of those objections have been eliminated and that they are seeking now to use plastics and a great many other materials which were not formerly used. Of course, with reference to those matters that are details of administration, it is necessary to take them up with the Administrator. With all the construction that has been done all over this country, necessarily, working day and night in my duties here from a legislative angle, I cannot be familiar with all of the details of administration.

Mr. LEWIS. What we are interested in is whether when a provision is placed in a statute or in an appropriation bill or in an authorization bill these bureaucrats are going to carry out what they are directed to do and expend this money as directed by the Congress or whether they will ignore the mandate of the Congress.

Mr. LANHAM. Of course, this particular feature is not involved in the measure now before us.

Mr. ANGELL. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Oregon.

Mr. ANGELL. Is there any provision in the bill requiring the employment of local architects, a matter we had up when the bill was before us earlier?

Mr. LANHAM. No; nothing further than the statement that was made at that time that they would be used. I think the gentleman will recall the statement I made regarding the assurance given by Mr. Reynolds that the first step he would take in going into these urban communities would be to employ local architects.

Mr. ANGELL. The gentleman, as chairman of the committee, can assure us from what he understands from those in charge of the administration of this law that they will employ local architects where they are available?

Mr. LANHAM. That is my understanding from the assurance mentioned with reference to housing that is not purely temporary out in some rural community.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. I suggest to the gentleman that he might save a good deal of money by not building garages in connection with these houses, because the chances are they will not need many garages. That is one thing that can be done, and there will be quite a saving there.

Mr. LANHAM. We want to save all along the line. Of course, none of this housing is supposed to be done if there is housing available or if private capital will undertake it.

Mr. JENKINS of Ohio. If the gentleman will yield further, it will be more sensible than the other, I hope. What proportion, just generally speaking, of these houses are going to be really salable houses? In other words, the gentleman will appreciate that in some instances you build a long row of houses all tied together and, of course they will not be very salable after the war, while in other cases you will probably build some pretty fair houses. I am interested in this matter because we have a project like that in our territory and I am wondering what will be your expression about that.

Mr. LANHAM. It is the purpose of this measure that we provide for permanent as well as temporary housing and to have many of the houses salable, and I think we will fail in the purpose if they are not salable. Of course, there will be a great many that will have to be salvaged because necessarily they will be temporary.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Illinois.

Mr. DIRKSEN. As I understand, the funds now will be apportioned by the Federal Works Administrator among the component agencies of the Federal Works Agency for the purpose of constructing these houses.

Mr. LANHAM. Yes.

Mr. COLE of Maryland. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. COLE of Maryland. Knowing how very important this program is, because of the admitted need for it in the great district I represent where thousands of new employees engaged in defense work are in need of and entitled to decent homes, my main concern is to what extent we are ready to go ahead with this program today instead of it being delayed further by a lot of fiddling or fooling around by people back home as well as in Washington as to what should be done tomorrow. I hope all of the funds provided by this legislation are ready to be spent immediately. We are in war and it is highly important to make this contribution to our effort available promptly.

Mr. LANHAM. As a matter of fact, that is one reason we are providing here that it can be done now, because it is very much needed.

Mr. COLE of Maryland. To what extent are they ready to go ahead now?

Mr. LANHAM. They are ready to go. The message presenting this proposition to us came to the House in June and here we are in January, and we have been trying ever since the message to give them the green light to go ahead with this housing.

Mr. COLE of Maryland. I hope the gentleman means by that statement that plans are available for the immediate use of practically all the funds provided under this legislation.

Mr. LANHAM. I think that is true.

Mr. HOLMES. Mr. Speaker, will the gentleman yield to me?

Mr. LANHAM. I yield to my distinguished colleague on the committee.

Mr. HOLMES. I may state in reply to the question of the distinguished gentleman from Maryland that sometime ago, I imagine 6 or 7 weeks ago, we were assured by the Federal Works Administration, in anticipation of this appropriation, over 50 percent of the money had already been allocated and plans and specifications were prepared and they were ready to go to work and build these houses.

Mr. COLE of Maryland. I thank the distinguished gentleman from Massachusetts. That is what I was interested in, because I think it is most important to handle this program expeditiously. The gentleman knows from personal visits by the hard-working committee of which he is a member, many of whom visited my district, how necessary this legislation is, provided we are to have early results from it.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Is there any prohibition in this bill against the expenditure of public funds for housing projects in communities where local capital is ready and willing to construct the housing?

Mr. LANHAM. We provide for, and make mandatory, consultation with local authorities before the housing is ever done and, as a matter of fact, it is quite conceivable that the War Department or the Navy Department, in the interest of national defense, might sometime have to go into a community where the community did not desire it.

Mr. BROWN of Ohio. I have in mind a community in Ohio where they were told that they needed about 250 housing units. In cooperation with the Government the local community arranged to raise the money, had their plans made, and were ready to build the housing units, when suddenly they were notified from Washington that the Government would construct them regardless of the willingness of local capital to do it and that they had the money now or would soon have it under the Lanham Act.

Mr. LANHAM. It is certainly the purpose of this law for private capital to do this building in every instance where it can, and these funds are supposed to take care only of the excess over available housing or the housing that can be supplied by private capital.

Mr. BROWN of Ohio. I would like to advise the gentleman that in this particular case, upon which I sat and heard all the evidence, local capital was ready and had the funds available and were told they would not be permitted to do it because the Defense Housing Administration wanted to do it themselves and that they now had the money available.

Mr. HOLMES. Mr. Speaker, will the gentleman yield there?

Mr. LANHAM. I yield to my colleague on the committee.

Mr. HOLMES. In reply to the statement of my colleague from Ohio, one of the greatest difficulties the Committee on Public Buildings and Grounds has had is with reference to the complaints from municipalities that 11 or 12 or 14 different organizations are building homes, and every one of them trying to get into the community to get the job of doing the

building. They ride roughshod over the community. They do not consult with the city officials or the housing authorities. They just go in there and make a survey and then say "This community has got to have 200 houses or 1,000 houses."

Then, peremptorily, after they have decided what they want, they will make an overture along this line—"as a matter of fact, you take these houses, whether you like them or not," and in the interest of the Congress, and in the interest of the administration of this law, which is very, very important to provide homes for people working in defense plants, we have tried in this legislation to do away with this arrogance on the part of anybody to demand compensation from the local housing authorities, because we know, just as well as we are standing here today, that they can sit around a table with a municipality, and the housing authorities, the local architect, the local landscape gardener, and the contractors, and all of them work out to the mutual satisfaction of everyone this housing problem, and we know that in many cases, as the gentleman from Ohio [Mr. BROWN] has said, there has been available private capital with these various organizations, because they are so numerous and want to get the job, and we found that condition, and we hope, after this study of months, and consultation with the authorities here and the municipal authorities all over the United States, that from now on we will not have any more trouble of that kind.

Mr. BROWN of Ohio. In this particular instance, the civic authorities did confer with the Government officials, and a civic committee was formed upon which was represented all of the different interests of the city, as a community project, and they raised approximately $1,250,000 for the construction of these homes out there and they had their land option, and their complete plans prepared, and were ready to proceed, when suddenly we read in the newspapers that the Government was going to build this project regardless. Then they came to Washington and were told in my presence that notwithstanding that, they now have the money and that they would complete it.

Mr. McGREGOR. Mr. Speaker, I am very happy to hear my colleague from Massachusetts [Mr. HOLMES] and the distinguished chairman of the committee bring out the intent of this committee and House in an endeavor to make the Federal authorities cooperate with our local authorities, but, Mr. Speaker, there is nothing in this bill that makes it mandatory except "so far as practical" and those words "so far as practical" leave it entirely up to the Federal authorities, and if they, the Federal authorities, deem it not practical to take into consideration the local authorities they will not do it, but I do believe and have faith in the gentleman from Massachusetts, and my distinguished chairman, today we are putting into the RECORD the intent of this Congress, regardless of whether we make it mandatory or not in this bill, that we are going to insist, as Members of Congress, that the bureaucracy in Washington, telling our local people they are going to build the houses whether they want to or not, is going to stop, and in that way I am glad to go along with the bill; but may I point out one thing. In the discussion of this bill on December 11, it was proven that we had a good bill, and I fully realize that the House conferees have done everything they can to bring out the bill as we passed it. We conceded at that time that there were discrepancies in the past, and for that reason we decided to put it under one head. The bill went to the distinguished body on the other side, and they have taken out our recommendations, and now the conference committee comes back and the bill as recommended by the conferees is exactly the same law and will have the same officials governing it, with the exception of one unit, as we had prior to the passage of the bill on December 11. So we are liable to run up against these same discrepancies, with 10 or 11 different agencies, but I am happy to say I shall go along with the bill, because I think our distinguished chairman and the other members have stated to this House that from this time on we are going to watch and watch carefully these individuals who have charge of this housing program, and I am sure that my distinguished chairman, whenever he finds they are not doing what is the intent of Congress, will bring on this floor a new bill, and we will make it mandatory with these officials to take into consideration our local authorities.

Mr. LANHAM. Mr. Speaker, may I say this to my friend from Ohio, that with the discussions and the conferences we have had with the administrators, I think he will find it is going to be carried out very much in accordance with the ideas he and the others of our committee have in mind.

Mr. COLMER. Has the gentleman any renewed assurances that the mandate of the Congress with reference to all of these gadgets and unnecessary expenditure of defense materials, copper, and various materials that are so necessary for defense, will not be further wasted? Of course, I refer, as the gentleman knows, to the prohibition that was written into the bill against putting in ice boxes, electric refrigerators, stoves, and things of that sort that were regarded as unnecessary.

Mr. LANHAM. If the gentleman was here a moment ago, we devoted quite a bit of this discussion to that particular subject in spite of the fact that this bill has no reference to that. We placed an amendment in the law in the previous consideration of it along that line. However, I can say that the testimony before us is to the effect that they are using just as little as possible of materials that are necessary for national defense and they are resorting to plastics and other articles to take the place of the various defense materials that have been used heretofore.

Mr. COLMER. I must confess I was not here while that discussion was being had, but I am sure the gentleman realizes more forcibly than ever the necessity of abandoning that sort of procedure and getting down to a realistic basis.

Mr. LANHAM. I think it is necessary to obviate as much as possible the use of necessary materials for defense in this construction. I do not think it is fair to the workers of this country who are working on defense to put them in a house and say, "You shall not have any convenience that anybody else enjoys." We placed an amendment in the law along that line. To what extent it is being carried out, consultation with the administrator will give you the information, but this particular measure now before us does not have anything to do with that.

Mr. COLMER. Of course, I do not understand the gentleman has changed his position about that at all? That he still thinks those things are not necessary in order to rent a house—to put things into a house that ordinarily do not go into a house that is rented by private capital.

Mr. LANHAM. As a matter of fact, that particular matter is not in controversy insofar as the pending bill is concerned.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield to me?

Mr. LANHAM. I yield to the gentleman from Michigan.

Mr. HOFFMAN. I wanted to ask the gentleman from Ohio [Mr. MCGREGOR], who just told us that these administrative boys are going to be good or he is going to do something with them, if he really swallows that stuff?

Mr. McGREGOR. I will say that I believe that with information we have of what has happened, we are going to be more watchful. I have the word of the chairman that if they do not do what they promise to do, we will endeavor to make it mandatory.

Mr. HOFFMAN. You will slap them on the wrist.

Mr. LANHAM. I will say further that one agency has already been abolished and another has been very materially modified since this bill was before us on the 11th of December. So, insofar as we can, we are looking to the carrying out of the provisions of this bill in accordance with the terms and purposes of the law.

Mr. HOFFMAN. I do not have any doubt, and I have the utmost confidence in the gentleman, but I suppose you have both heard about locking the door after the horse was stolen.

Mr. LANHAM. We are trying to prevent that by this measure and obviate in the future the criticism that has been brought against the administration.

Mr. BROWN of Ohio. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Has there not been another new agency created while you were cutting off this one?

Mr. LANHAM. I do not know of any.

Mr. BROWN of Ohio. How many more do you have to cut off before you get down to a sensible basis of running this thing?

Mr. LANHAM. As a matter of fact, this law does not provide for any of those agencies. They were all created by the Congress or in some other way, and you cannot hold our committee responsible for their creation. What we are trying to do is to limit this construction to as few agencies as possible.

Mr. BROWN of Ohio. How many agencies are left?

Mr. LANHAM. Too many, I will say to the gentleman.

Mr. BROWN of Ohio. I will support any legislation your committee brings in to reduce the number.

Mr. DEWEY. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Illinois.

Mr. DEWEY. Has any consideration been given to modifying the building codes in connection with this construction? In my own city of Chicago they are extremely rigid and it is practically impossible to build any buildings for low-cost rental or low-cost housing under the existing building code. Is that situation at all concerned?

Mr. LANHAM. We have had consultations with the Commissioner of the Public Buildings Administration in that regard in the past. He says that, though it is not mandatory that they must conform to them, they seek to conform to them as far as possible, and that in many instances, in many cities, and in many communities the code of the Public Buildings Administration is far superior to that of the local code.

Mr. DEWEY. In Chicago—and my colleague from Chicago will bear me out—they are extremely rigid, and it makes it very hard to construct any low-rental houses or low-cost houses. I was just wondering if that had been taken into consideration in this matter.

Mr. LANHAM. It is not necessary to conform absolutely and strictly to everything that is required in that regard, though they endeavor to do it to the extent that it is feasible and practicable.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. Yes; briefly.

Mr. RANKIN of Mississippi. Mr. Speaker, in reply to what has been said here I call attention to the fact that the amount of copper allotted for the manufacture of refrigerators, ranges, or other "gadgets," as they call them, is regulated by the Priorities Division of the O. P. M. It takes just the same amount to supply a refrigerator whether that refrigerator is supplied by the individual who rents the house or the man who builds it. In this day, apartments without refrigerators are as obsolete as tallow candles. We see that right here in the city of Washington. Wherever they build apartment houses or other houses for rent they also build in or supply the refrigerators. If you go to rent an apartment you will find the refrigerator already installed and you are charged rent on that basis.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. JOHNSON of Oklahoma. Let me state to the gentleman that in my judgment this is very urgent legislation that ought to have been approved several months ago. I personally know that the housing situation at some of the military posts and forts of the country is extremely serious. I have in mind especially the situation at Fort Sill, Okla. Now, if the gentleman will permit, I should like to propound a question to the chairman. I believe $300,000,000 is provided in this bill; is that not correct?

Mr. LANHAM. The gentleman is correct.

Mr. JOHNSON of Oklahoma. Will this amount be sufficient to adequately care for all the military posts and forts where housing is urgently needed?

Mr. LANHAM. That is the amount requested for housing under this act. The gentleman should bear in mind also that, in addition to these funds, very considerable amounts have been appropriated for temporary housing in defense areas.

Mr. JOHNSON of Oklahoma. I presume the gentleman has information with reference to the very urgent need for housing at the various military areas now overcrowded, like, for instance, Fort Sill, Okla.

Mr. LANHAM. I do not have all the detailed information with reference to every place over the United States, of course; but information has been given to the committee with reference to these various places where such housing is necessary. I cannot remember the details of each place, but we are assured that they can be taken care of by the funds we are appropriating here.

Mr. JOHNSON of Oklahoma. I thank the gentleman, and will say that I have discussed this distressing situation with high officials of the War Department today—as I have many times in the past—and have been told that the housing situation is acute at several places and that at no place is it more so than at Fort Sill.

Mr. WILSON. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. WILSON. I wanted to make this observation in regard to the sufficiency of the $300,000,000 to take care of urgent needs since this shortage of rubber has come about and it has become quite difficult for ordinary people to get automobile tires—people who have to drive long distances. As time passes the problem will become much more difficult, much more serious, and I doubt very much if $300,000,000 will begin to supply what we are going to have to have for defense housing. We may have to choose between rubber for defense and houses for defense workers. Just last week the temperature in my home district dropped to 22 below zero. We have four large defense industries there but have built less than 300 houses. We have the largest plant in the world there, and we are building a cantonment now for approximately 75,000 people.

Mr. EATON. How about the Fifth District of New Jersey?

Mr. WILSON. I still insist that we have the largest powder plant in the world in my district. Some of the boys who work there drive 87 miles to work each day and 87 miles back. Last week when the temperature dropped so low some of them had difficulty getting their cars started and did not get to work. The result was that that much powder could not be produced. We are going to have to have housing for these workers, and it seems to me that the time is not far distant before this appropriation will have to be increased.

Mr. CLASON. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. CLASON. I should like to ask the gentleman about the building of housing in northern districts, without cellars.

Mr. LANHAM. In our hearings that matter was very carefully considered. One of the reasons for increasing the cost here is because of the fact that in those climates we are insisting that they build houses with cellars. Cellars are not necessary in some of the southern parts of the country, but they are very necessary in some sections.

Mr. CLASON. In western Massachusetts the temperature last week got as low as 40 below zero, as indicated by a newspaper clipping I have in my hand. I am wondering if the chairman is satisfied that all new construction in that area hereafter will have cellars provided?

Mr. LANHAM. That is our understanding; and, in our judgment, it would be folly in the building of houses in climates of that character not to provide them with cellars.

Mr. WICKERSHAM. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. WICKERSHAM. I hold in my hand a list of the houses that are about to be built in the immediate future in the United States—31,000 houses—and half of them are to be built right here in nearby Virginia. It seems to me it would be the wise thing to decentralize this housing.

Mr. LANHAM. I may say to the gentleman from Oklahoma that the testimony before us shows that the construction contemplated by this measure is to be built in 43 of the 48 States, and in some of our dependencies as well.

Mr. McINTYRE. I thank the gentleman.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. MURDOCK. My question does not relate to the country as a whole, but does refer to certain districts and sections where the climate is warm. Has the gentleman or his committee considered the question of air conditioning in connection with this housing?

Mr. LANHAM. Our committee has not, because that would be a matter of administration within the cost limitations under the act. The gentleman would have to get his information from the Federal Works Administration in that regard. First, we merely legislate and do not administer. I am unable to give the gentleman that information. It may be that in some sections they have done that. I do not know.

Mr. MURDOCK. My question is prompted on the ground that other Federal agencies have had to struggle with this problem recently as, for instance, the Post Office Department and also the War Department. Some post-office buildings and some military camps should be air cooled. I do hope any encouragement the gentleman can give will be given to

proper air conditioning of homes in those hotter parts of our country where life is almost unbearable in summer without it.

Mr. LANHAM. Of course, in these individual dwellings we are building I imagine they are in sections where air conditioning is not in vogue very extensively among the inhabitants of the communities themselves.

Mr. RANKIN of Mississippi. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Mississippi.

Mr. RANKIN of Mississippi. May I say to the gentleman from Arizona [Mr. MURDOCK] that when the American people wake up, realize what electricity should cost them, and demand that they be provided with electricity at the proper rates, they will not only air condition the homes of this country but they will heat those homes with electricity much more cheaply than they are being heated today. That is being done now by large numbers of people in the district I represent and in other localities where electricity is supplied at the proper rates.

Mr. SABATH. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Illinois.

Mr. SABATH. Believing these homes and houses and dwellings will not be needed after 1943, hoping that by that time Hitler and the Japanese war lords and Mussolini will be defeated, these buildings of course, can be utilized, and in view of the fact that many municipalities that are now suffering because of the new plants that are being established here and there and away from the municipalities, many of them may need these houses for their own use, for slum clearance, for example, and for the people when they come back.

Mr. LANHAM. The municipalities can buy them under the present law and under the terms of this bill.

Mr. SABATH. What I want to know is if the provision in your original bill has been amended to make it possible for municipalities to purchase these houses for slum clearance the same as any private individual, or will these sales have to be approved first by the Congress?

Mr. LANHAM. No.

Mr. SABATH. The gentleman knows what I have in mind.

Mr. LANHAM. May I say to the gentleman from Illinois that the houses cannot be purchased by anybody until after they are built, but after they are built the municipality can purchase them. The municipality can purchase them under the law as it now exists and also if we agree to this conference report.

Mr. SABATH. There was no restriction as to private owners or private purchases, but there was a restriction in the bill as to the acquiring of these dwellings by municipalities for slum clearance.

Mr. LANHAM. We have in writing an opinion from the general counsel of the Federal Works Administration that the municipalities can buy them.

Mr. SABATH. I thank the gentleman.

Mr. FORAND. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Rhode Island.

Mr. FORAND. I am very much disturbed over a report I received yesterday and which I have not had a chance to check. I am wondering if the chairman of the Committee on Public Buildings can give us some information on it. I understand that in this particular defense-housing project down in the southeast part of Washington, near the Washington Navy Yard, we have not only a number of mechanics employed at the navy yard but also a great many enlisted men living there. When the enlisted men who are stationed here in Washington are transferred to sea duty, immediately their families are notified to vacate within 30 days. My understanding is that these men are in defense all the more by virtue of being on sea duty than these other men who are employed in the factories.

Mr. LANHAM. The gentleman will have to take that up with the Administrator or with the War or Navy Departments, because I am unable to advise him.

Mr. FORAND. The gentleman has not that information?

Mr. LANHAM. I do not know the details of all these various projects. The Administrator can give the gentleman the information.

Mr. GRANT of Indiana. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Indiana.

Mr. GRANT of Indiana. The chairman has stated that the pending bill requires consultation with the local authorities before a housing project is begun.

Mr. LANHAM. Yes.

Mr. GRANT of Indiana. Will that also require approval of the local community before a given location is selected within a city, or are they going in there and put the houses wherever they please, as they have done in the past?

Mr. LANHAM. I will read the gentleman what this measure provides.

Mr. MASON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Texas [Mr. LANHAM] yield for that purpose?

Mr. LANHAM. As soon as I have replied to the question of the gentleman from Indiana [Mr. GRANT].

Mr. MASON. I want to know how much time remains.

The SPEAKER pro tempore. The gentleman declines to yield.

Mr. LANHAM (reading):

> Consultation shall be had with local public officials and local housing authorities to the end that projects constructed under the provisions of this act shall, so far as may be practicable, conform in location and design to local planning and tradition.

I do not see how in legislation you can go any further than that.

Mr. GRANT of Indiana. I understood the chairman to say that it is the intention of the committee to see that that is followed?

Mr. LANHAM. It will be the law, and certainly they will have to follow it or else violate the law.

Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MILLS of Arkansas). The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

DONALD NELSON

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN of Mississippi addressed the House. His remarks appear in the Appendix.]

RESIGNATION FROM COMMITTEES

The SPEAKER pro tempore laid before the House the following resignation from committees:

JANUARY 15, 1942.

Hon. SAM RAYBURN,
House of Representatives,
Washington, D. C.

SIR: I hereby resign from membership in the following committees of the House: Claims, Revision of the Laws, World War Veterans' Legislation, and Elections No. 2.

With assurance of my highest regard and esteem, I am

Yours respectfully,

LOUIS J. CAPOZZOLI,
Thirteenth District, New York.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that at the conclusion of all other special orders today the gentleman from Michigan [Mr. BRADLEY] may be permitted to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. NELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein extracts from a sermon delivered by the pastor of Christ Church, Alexandria, Va.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

THE LATE GEORGE R. DURGAN

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, it is with sorrow that I announce to the House the death of a former highly esteemed Member of this body, George R. Durgan, who represented the Second District of Indiana in the Congress from 1933 to 1935. He passed away in the city of Indianapolis, night before last.

Mr. Durgan, a Democrat, residing in a city and a district predominantly Republican, was so universally beloved that he was repeatedly elected to important offices, and he enjoyed in remarkable degree the confidence and friendship of all who knew him.

He was elected mayor of La Fayette, Ind., five times and was nationally known as the perennial mayor. As mayor he initiated many civic enterprises, including public swimming pools, municipal playgrounds, and parks. He will be widely missed and mourned in our State.

EXTENSION OF REMARKS

(Mr. BURDICK asked and was given permission to extend his own remarks in the RECORD.)

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Binghamton Press.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

FINANCING OUR NATIONAL DEBT WITHOUT PAYING TRIBUTE TO MONEY CHANGERS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I take this opportunity to suggest to the Members of the House that now is the time to adopt some definite policy for the future regarding the financing of our national debt. We have $23,000,000,000 of gold, most of it buried in the hills of Kentucky, yet we continue to borrow "bookkeeping money," "fountain-pen money," "pencil-mark money"—money which has nothing to support it except the Government's own credit. It does not make sense. We pay tribute to money changers for the privilege of using the Government's own gold and own credit. A sordid story, but true. I earnestly ask the Members of this Congress to study this question, and I believe you will arrive at one conclusion—that we can finance this war debt by the use of our own gold and our own credit and retire it at 2½ percent each year, so that in 40 years we shall have it all paid. Otherwise we will pay 2½ percent interest each year or more, and at the end of 40 years will still owe the same amount of national debt.

We should continue to sell bonds to the public, but not to banking institutions that create the money out of thin air.

[Here the gavel fell.]

COMMITTEE ON REVISION OF THE LAWS

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, on behalf of the Committee on Revision of the Laws, I am happy to announce that the second of the two-volume edition of the District of Columbia Code has been completed and is now available for the Members.

I am also informed by the Government Printing Office that the fourth of the four-volume United States Code will be made available during the coming week.

I take this opportunity to express the appreciation of the committee, as well as my own, for the splendid cooperation we have received not only from the Government Printing Office and the officials thereof but from the technical staffs of the law-publishing companies that cooperated in the compilation of these new editions of the codes. I also wish to express my appreciation for the cooperation I have received from the members of the Committee on Revision of the Laws. We are, of course, hopeful that those who have occasion to use the codes will give us the benefit of their experience, to the end that we shall continue to improve and make more useful these two codes.

[Here the gavel fell.]

PREVIOUS ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. DIES] is recognized for 1 hour.

Mr. DIES. Mr. Speaker——

Mr. REED of New York. Mr. Speaker, will the gentleman yield for a question?

Mr. DIES. I yield to the gentleman.

Mr. REED of New York. Would the gentleman like to have a quorum here to listen to his speech?

Mr. DIES. I do not think that is necessary.

Mr. REED of New York. The gentleman would not object to it, would he?

Mr. DIES. I think, perhaps, it is best to proceed with the speech as a point of no quorum would delay the Members and delay the proceedings.

Mr. REED of New York. I suspect the gentleman has something that is quite good and, Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

Mr. COCHRAN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 7]

Arnold	Gillette	Lea
Baldwin	Gossett	McGehee
Barnes	Grant, Ala.	McGranery
Burdick	Hancock	McIntyre
Cartwright	Harrington	McKeough
Clark	Hill, Colo.	Magnuson
Courtney	Hobbs	Marcantonio
Crosser	Howell	Mitchell
Cunningham	Jenks, N. H.	Monroney
Domengeaux	Jensen	Murray
Douglas	Johnson, Lyndon B.	O'Connor
Fish	Johnson, W. Va.	O'Day
Fogarty	Kee	Osmers
Ford, Thomas F.	Kilburn	Paddock
Gale	Klein	Peterson, Fla.
Gamble	Kramer	Pierce
Gavagan	Lane	Rich
Gerlach	Larrabee	Robinson, Utah
Sacks	Steagall	Rogers, Okla.
Sasscer	Stearns, N. H.	Voorhis, Calif.
Satterfield	Sutphin	Vreeland
Schaefer, Ill.	Terry	Weaver
Scrugham	Thomas, N. J.	Wene
Sheridan	Tinkham	West
Short	Tolan	Wheat
Smith, Pa.	Traynor	White
Somers, N. Y.	Van Zandt	Winter
		Worley

The SPEAKER pro tempore. On this roll call 348 Members have answered to their names, a quorum.

Further proceedings, under the call, were dispensed with.

Mr. DIES. Mr. Speaker——

Mr. DOUGHTON Mr Speaker, will the gentleman yield to me to offer a resolution?

Mr. DIES. I yield to the gentleman.

Mr. DOUGHTON. Mr Speaker, I offer a resolution, which I send to the Clerk's desk.

The Clerk read House Resolution 408, as follows:

Resolved, That the following-named Members be, and they are hereby elected members of the following standing committees of the House of Representatives, to wit:

Post Office and Post Roads: LOUIS J. CAPOZZOLI, New York.

Flood Control: SAMUEL A. WEISS, Pennsylvania; THOMAS J. LANE, Massachusetts.

Insular Affairs: THOMAS J. LANE, Massachusetts.

Education: THOMAS J. LANE, Massachusetts.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Chair lays before the House the following communication:

HOUSE OF REPRESENTATIVES,
Washington, D. C., January 15, 1942.

Hon SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Public Lands Committee.

Sincerely yours,

SAMUEL A. WEISS.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. DIES] is recognized for 1 hour.

Mr. DIES. Mr. Speaker, we are all deeply cognizant of the fact that this administration has resting upon its shoulders a responsibility the like of which no previous administration in the whole history of America has ever borne. The magnitude of this burden is appalling. The organization of our vast resources for the winning of this war requires an unprecedented degree of national unity. We have barely reached the threshold of a national effort which is unequaled in American history. This effort demands that every loyal American give everything that is within his power to thwart the Axis ambitions and plans for world domination.

At such a time as this no man would wish to be guilty of adding to the burdens of the executive branch of our Government. In the fulfillment of what I conceive to be my own duty as a Member of the legislative branch of Government, I pray for the wisdom that will enable me to contribute my full share to the

support of those on whom rests directly the burden of the administration of our national war effort. It is for the defense of America today and for the perpetual security of our American way of life that I raise my voice. It is not to embarrass but to aid the administration that I speak.

Within a few hours of the dastardly Japanese attack upon Pearl Harbor the Secretary of the Navy boarded a plane for Hawaii to make a preliminary investigation of the unparalleled losses which our armed forces suffered in that attack. When Secretary Knox returned to Washington a few days later he reported that a Japanese fifth column was second only to that which the Nazis had organized as a part of their preparation for the seizure of Norway. It is evident from the statement of the Secretary of the Navy that we had heard too little instead of too much about the menace of the "fifth column" as an instrument of conquest in the hands of totalitarian dictators.

From time to time during the past 4 years I have stood in the Well of this House to call your attention to the sinister menace of the "fifth column." Again and again I have tried to say that the totalitarian dictators have organized their fifth columns on American soil in a way and to an extent that was commensurate with the importance of this country in the family of nations. Some may have grown weary of my warnings, and some may have thought that my fears were exaggerated. Be that as it may, I am convinced that I have said too little instead of too much about the fifth columns which have been organized on American soil.

Knowing as I do the nature and extent of the Nazi and Communist "fifth columns," I solemnly declare that we are still not on the alert against these foes that are within our borders. I do not mean to say that we are altogether unmindful of the threat of the "fifth columns" in our midst. On the contrary, I am satisfied that some steps have been taken to cope with this threat to our security. My position is that much remains to be done by way of defense against our internal enemies.

For a long time our committee has been gathering documentary evidence on the Nazi "fifth column" in this country. Years ago we held public and closed hearings on such organizations as the German-American Bund, the Kyffhauserbund, the Knights of the White Camellia, and the Silver Legion of America. Our committee published complete documentary evidence on the subversive activities of the German consulates, the German Library of Information, the German Railroads Information Office, and the Transocean News Service. In more recent months we have been gathering a vast amount of documentary evidence on scores of pro-Nazi organizations whose specialty has been the dissemination of religious hatred.

Beginning today our committee held closed hearings on these pro-Nazi organizations, which constitute a dangerous "fifth column" in our midst. We subpenaed a number of witnesses to come to Washington for these hearings. A preliminary examination of the evidence in our possession reveals the following facts:

First. Our country has been flooded with a literature of hatred which is inspired by and which apes the Nazi theories of race and religion.

Second. This literature is a brutal assault upon that racial and religious tolerance which is an essential part of Americanism.

Third. This literature promotes national disunity and strives to weaken our power of resistance to the Axis aggressors.

Fourth. Some of the leaders of these pro-Nazi groups have solicited financial aid from official German sources.

Fifth. Some of the leaders of these groups have expressed sentiments which in wartime are nothing short of treasonable.

It is our purpose to acquaint the American people with the essential facts regarding these pro-Nazi cults of hate in order that all may be on guard against their insidious and subversive activities. Our committee is determined that no stone shall be left unturned in the business of exposing every form and expression of the Axis "fifth column."

In one of the cities in this country an organization of this kind has been operating secretly for some time. The organization has approximately 500 members, most of them citizens of the United States. It has been occupying the position of an agency of the Nazi propaganda machine in this country. When our agent seized the records of this secret organization a few days ago we found a great deal of Nazi propaganda and literature, a large amount of correspondence, and a considerable sum of money in $100 bills. I believe that these hearings will reveal that the Nazi "fifth column" in the United States has been well organized, well financed, and that it has already succeeded in disseminating tons of pamphlets and literature throughout the country.

The very fact that we are at war with the Axis Powers probably means that our alertness is better organized against the Nazi fifth column than it is against the Communist fifth column. There are those who feel that it has become indelicate even to speak of the Communist fifth column. Such persons seem to think that the Russians' heroic fight against the invading Nazi hordes is good ground for closing our eyes to the nature and ultimate aims of the Communist Party of the United States. Such a view is, in my opinion, wholly devoid of logic. Hitler's complete annihilation at the hands of the Russian armies would not make communism one iota more compatible with the American way of life. Now is the time to look that fact squarely in the face. In concert with many and varied peoples and governments throughout the world, we have undertaken the task of destroying Hitlerism. It is no part of that enterprise that we embrace communism. Neither is it any part of that enterprise that we permit Communists to entrench themselves more deeply in our life and institutions.

The determination of the Russian people to drive Hitler's armies from their soil is a thing which we applaud wholeheartedly. The assistance of the Russian armies in destroying Hitlerism is a matter which we welcome unreservedly. But these things have nothing whatever to do with our firm conviction that the spread of communism to new territories would be in the nature of unmitigated tragedy. Communism as an international movement reaching its tentacles into our own land is a thing which we condemn as much in 1942 as we did in 1938.

The whole matter may be viewed with the frankest realism. Stalin is not fighting Hitler because he has been converted from communism to democracy. He is fighting Hitler because Hitler invaded Russia. That is Stalin's interest in the destruction of Hitlerism. We, too, have staked everything upon the destruction of Hitlerism, but for reasons which are strictly our own and not Stalin's. The destruction of Hitlerism is the one and only point on which the interests of the Soviet Union and the interests of the United States converge, and we may be sure that Stalin himself views the matter in this light.

Let us then proceed with the grim business of destroying Hitlerism, joined in that enterprise with all those who share that single purpose—including Stalin and the Russian people—but let us also be on the alert lest the Communist Party of the United States utilize the present situation to lay better its foundations for a future Soviet America. The Communist Party has not renounced communism, and I at least want the record to show that I have not renounced my opposition to communism.

More than 4 months ago I submitted to the President detailed documentary evidence concerning the Communist views and connections of several highly paid employees in the Office of Price Administration. Among those employees were Robert A. Brady and Mildred Edie Brady. Brady was chief consultant in O. P. A. at a salary of $7,500. His wife, Mildred Edie Brady, was principal specialist in consumer education in O. P. A. at a salary of $5,600. The President wrote me that my evidence was being turned over to the Civil Service Commission for further investigation. Mr. Henderson stated publicly that he would be guided by the recommendations of the Civil Service Commission. I have just been informed that the Civil Service Commission has recommended the dismissal of Robert A. Brady and Mildred Edie Brady from their positions in the Office of Price Administration. The evidence would not permit the Civil Service Commission to reach any other conclusion. Nevertheless, I believe it will be understood when I say that the Commission reached its conclusion courageously, and in so doing has given the American people new grounds for confidence in our Government.

Naturally I do not intend to leave the impression that a very big problem has been solved by the recommended dismissal of two persons who should never have been on the Government pay roll. There are yet many other persons of provable

connections with un-American activities who hold key positions in Government.

The house cleaning in the Office of Price Administration has not been completed. I confess that I was shocked the other day when I learned that the senior business specialist in O. P. A. is one Harold Loeb. It is only natural for one to assume that an employee holding such a title would have gained some distinction in the field of business. Our investigations, however, have shown that Harold Loeb's sole claim to distinction is the authorship of several unsuccessful novels, which veered somewhat to the pornographic side of things and several slightly more successful books on technocracy, which veered emphatically to the crackpot side.

All of you will remember—vaguely at least—the unlamented movement known as technocracy which had this country by the ears in the latter part of 1932. Rarely in American history has so much discussion, confusion, bewilderment, and awe centered around a charlatan and crackpot as centered around Howard Scott and his fearsome pronouncements of national doom 10 years ago. On September 16, 1932, Scott made a preliminary report on a so-called Energy Survey of North America, in which he wrote, in part, as follows:

> The American worker, on a production basis, is the poorest paid in the world, surpassing even the Chinese coolie, long the symbolic victim of economic oppression, who, in comparison, is richly rewarded for what he produces. If America is to continue to operate this system, she must break entirely with the past. All social, political, economic theories must be thrown away. They are not even good points of departure for the formulation of the rules of the new game.

Scott's statement started the technocratic snowball which grew into a veritable avalanche in the ensuing weeks. A commitee on technocracy was set up with Scott at its head. The committee was composed of eight members. I hesitate to tell this House who one of these eight members of this committee on technocracy was, because I do not want him to offer to eat all the books on technocracy if I prove his association with one of the craziest economic propositions that was ever hatched in a crackpot's brain. The member of the committee on technocracy to whom I refer was none other than our distinguished and energetic Price Administrator, Mr. Leon Henderson. I hasten to assure the House that four of the members of the committee on technocracy, including Mr. Henderson, severed their connection with the organization on January 23, 1933, and thereby brought about the final liquidation of the committee on technocracy.

Before the demise of the Committee on Technocracy, Harold Loeb published a volume in support of its theories under the title of "Life in a Technocracy." Among other things, Loeb—now senior business specialist in O. P. A.—proposed the complete abolition of money and the substitution of certificates of ergs as evidence of purchasing power, every citizen to receive willy-nilly 20,000 ergs at the beginning of each year. I am prepared to support a measure to put Loeb and some of his associates in O. P. A. on erg salaries instead of those which they now receive from the Public Treasury.

I do not mean for one moment to say that Harold Loeb is or ever has been a Communist. I cite him as a glaring example of extreme carelessness in the selection of the personnel to man our vital defense agencies. Surely there are thousands of loyal and able men who have acquired outstanding competence in business enterprise who could and should fill the Government positions which are now held by men who lack both competence and a vigorous faith in the American way of life. National defense demands that we staff our defense agencies with the most competent and unswervingly loyal of our citizens. I have reliable evidence, which I am not at liberty to disclose at the present time, that some of those who hold key positions in our defense agencies consider themselves strategically placed for purposes of revolutionary change in our form of government and economics if and when some great crisis engulfs us.

I regret to say that the flow of Communists and Communist sympathizers into Government positions has not entirely ceased. Only last week the Office of Facts and Figures took on its staff as chief information analyst one Malcolm Cowley, at a salary of $8,000 a year. For at least 10 years Cowley was one of the most ardent Communist intellectuals in this country. The files of our committee show 72 connections of this high-salaried Government employee with the Communist Party and its front organizations.

I have had reproduced, for the inspection of those who wish to see it, some of the evidence of Cowley's Communist activities and associations. This documentary evidence covers only 20 of his connections with Communist enterprises. I challenge anyone to deny that this is evidence of the most conclusive character.

Cowley was a member of the League of Professional Groups for Foster and Ford. (See exhibits No. 1 and No. 2.) Foster and Ford were the Communist Party's candidates for President and Vice President, respectively.

In 1938 Cowley was a member of the Citizens Committee for Amter. Amter was a candidate for Congress on the Communist Party ticket in New York. (See exhibit No. 24.)

He has been connected with two Communist publications. He was on the staff of the Sunday Worker, which was the official Sunday newspaper of the Communist Party (see exhibit No. 16), and he was a member of the advisory editorial council of the Communist magazine Soviet Russia Today (see exhibit No. 17).

When the first preparations were made for the setting up of the World Congress Against War, out of which eventually grew the American League for Peace and Democracy, Malcolm Cowley was the secretary of the American Committee for the World Congress Against War (see exhibit No. 3).

When the American League Against War and Fascism was set up in 1933, Cowley became a member of the organization's national executive committee. (See exhibits No. 4 and No. 5.)

In 1939 he was listed as a member of the advisory board of the New York City division of the American League for Peace and Democracy. (See exhibit No. 8.)

In 1935 the Communist Party set up a front which was known as the National Congress for Unemployment and Social Insurance. Cowley was a member of the national sponsoring committee of this organization. (See exhibits No. 6 and No. 7.) This national sponsoring committee reads like a roster of the leading Communists in the United States: William Z. Foster, Earl Browder, Israel Amter, Max Bedacht, Herbert Benjamin, Ben Davis, Ben Gold, Roy Hudson, and many others.

Cowley was a sponsor of Consumers Union, an organization headed by Arthur Kallet, who used the alias of Edward Adams to edit the Communist Party magazine Health and Hygiene. (See exhibit No. [illegible].)

When Alexander Trachtenberg was a witness before our committee, he testified that he personally organized the Book Union. Trachtenberg is one of the leading avowed Communists in this country. Malcolm Cowley's name appears as a member of the editorial board of the Book Union. (See exhibit No. 10.)

One of the principal propaganda activities of the Communist Party is the issuance of public statements signed by party stooges and sympathizers. Cowley's name appears on the following such documents:

Golden Book of Friendship With the Soviet Union. (See exhibit No. 11.)

An Open Letter to American Liberals. (See exhibits No. 12 and No. 13.)

Statement Supporting the Appointment of Simon W. Gerson. (See exhibit No. 23.)

A Statement by American Progressives on the Moscow Trials. (See exhibit No. 22.)

Cowley was a sponsor of a banquet given in honor of Ella Reeve Bloor, leading woman Communist in this country. (See exhibits No. 14 and No. 15.)

He was a sponsor of the North American Committee to Aid Spanish Democracy. (See exhibit No. 18.)

He was also a sponsor of the American Relief Ship for Spain, another of the numerous Communist Party fronts organized around the Spanish civil war. (See exhibit No. 21.)

Cowley was a member of the National Committee for People's Rights, which is nothing more than an auxiliary of the Communist Party. (See exhibit No. 20.)

Cowley signed the call for the Congress of American Revolutionary Writers out of which grew the League of American Writers. (See exhibit No. 19.) In this call, Cowley subscribed to the following declaration:

> The capital system crumbles so rapidly before our eyes that, whereas 10 years ago scarcely more than a handful of writers were sufficiently farsighted and courageous to take a stand for proletarian revolution,

today hundreds of poets, novelists, dramatists, critics, short-story writers, and journalists recognize the necessity of personally helping to accelerate the destruction of capitalism and the establishment of a workers' government.

I could proceed at much greater length with the simple tabulation of Malcolm Cowley's record of Communist activities and associations, but I believe the foregoing will establish beyond any possibility of dispute that his labors on behalf of communism have not merited the substantial reward of $8,000 a year in a key position in our Government. I make the assertion without any hesitation that no reputable publisher in America would enlist the journalistic or news-analyzing services of Malcolm Cowley at half that figure. Surely there are thousands of capable newspapermen in this country with records unstained by long service to communism who are far more competent to fill the position of chief news analyst in the Office of Facts and Figures than is this energetic campaigner for Communist Party candidates.

It is a distasteful thing to me to be compelled to deal with a large problem of government by going into the record of an individual. I derive no pleasure from assembling the evidence which results in the dismissal of men and women from their positions. But I cannot, I dare not, relax the vigilance for which this House holds me responsible. I would be more popular in many quarters, but I also know that it is by means of the concrete and the specific that we come to grips with a problem so grave as this one.

When I remember Pearl Harbor, I remember among other things the words of the Secretary of the Navy about the "fifth column." I know that the lives of more than 2,000 American boys were snuffed out because, in part at least, we were not on the alert against the operations of un-uniformed enemies behind our lines. I remember that France fell not only because there were millions of hostile Nazis in front of the Maginot Line, but also because there were thousands of disloyal Frenchmen behind the Maginot Line.

I want to read the penetrating description of communism which was written by one of the world's greatest statesmen of today. He is one of the two men upon whom the hopes of the United Nations rest in a degree almost unparalleled in the struggles of this planet. That man wrote these words:

> Communism is not only a creed. It is a plan of campaign. A Communist is not only the holder of certain opinions; he is the pledged adept of a well-thought-out means of enforcing them. The anatomy of discontent and revolution has been studied in every phase and aspect, and a veritable drill book prepared in a scientific spirit for subverting all existing institutions. The method of endorsement is as much a part of the Communist faith as the doctrine itself. At first the time-honored principles of liberalism and democracy are invoked to shelter the infant organism. Free speech, the right of public meeting, every form of lawful political agitation and constitutional right are paraded and asserted. Alliance is sought with every popular movement toward the left.
>
> The creation of a mild liberal or Socialist regime in some period of convulsion is the first milestone. But no sooner has this been created than it is to be overthrown. Woes and scarcity resulting from confusion must be exploited. Collisions, if possible attended with bloodshed, are to be arranged between the agents of the new government and the working people. Martyrs are to be manufactured. An apologetic attitude in the rulers should be turned to profit. Pacific propaganda may be made the mask of hatreds never before manifested among men. No faith need be, indeed may be, kept with non-Communists. Every act of good will, of tolerance, of conciliation, of mercy, of magnanimity on the part of governments or statesmen is to be utilized for their ruin. Then when the time is ripe and the moment opportune, every form of lethal violence from mob revolt to private assassination must be used without stint or compunction. The citadel will be stormed under the banners of liberty and democracy; and once the apparatus of power is in the hands of the brotherhood, all opposition, all contrary opinions must be extinguished by death. Democracy is but a tool to be used and afterward broken; liberty but a sentimental folly unworthy of the logician. The absolute rule of a self-chosen priesthood according to the dogmas it has learned by rote is to be imposed upon mankind without mitigations progressively forever. All this, set out in prosy textbooks, written also in blood in the history of several powerful nations, is the Communist's faith and purpose. To be forewarned should be to be forearmed.

The man who wrote these words was Winston Churchill.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. DIES. Yes.

Mr. RANDOLPH. Mr. Speaker, the committee of which the gentleman is the energetic and capable chairman, is a creature of the House of Representatives. Speaking only for myself, but I believe reflecting the opinion of many of my colleagues, I state for the RECORD that the continued perseverance of the gentleman from Texas as an individual, and his committee as a group, deserves the commendation of all of us.

Mr. DIES. I thank the gentleman.

RESIGNATION FROM COMMITTEES

The SPEAKER pro tempore laid before the House the following communication which was read:

WASHINGTON, D. C., *January 15, 1942.*

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: I hereby tender my resignation from the following committees: Education, Patents, Pensions, and Revision of the Laws.

Sincerely yours,

FRANCIS J. MYERS.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that at the close of the other special orders today, I be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

JUST A LITTLE JUSTICE FOR THE FARMER

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, a more unfair libel was never put in printer's ink than the following two paragraphs by Raymond Clapper in the press of yesterday. He wrote:

> The pity about Secretary of Agriculture Wickard's fight to get control of farm price fixing is that it inflames the appetite of one of the most greedy and overbearing of all pressure groups—the farm bloc.
>
> Its twin is the labor bloc. They feed each other. Unless President Roosevelt is successful in his courageous fight to break up that game the country is apt to be whipsawed into vicious inflation, with wages and farm prices climbing up on each other's back.

Mr. Clapper was once awarded some sort of a prize because he was considered one of the most fair and unbiased columnists and commentators. But whatever his prior record may have been, his statement that the farm bloc is "one of the most greedy and overbearing of all pressure groups" shows that he is willing to condemn without knowledge of the facts—for certainly he would not intentionally misrepresent—a large number of our people.

He then states that the twin of the farm bloc is the labor bloc.

In the Fourth Congressional District of Michigan, which I represent, we have industry and agricultural interests in about equal proportion. All the farmers of that district have ever asked is that they be given a fair deal.

Does Mr. Clapper think it is fair or right or just that farmers and their adult sons should work to feed this Nation in wartime as well as in peacetime and receive for a 10-hour day no more than a dollar, while the Government in some instances pays as much as $1.10 per hour for common labor; while some mechanics get $25 a day; while the average wage in the motor industry in Michigan is $1 an hour, with $1.50 for all hours over 40 a week, and $2 an hour when the men work on Sundays or holidays?

Is it greed for the farmer to ask, when he knows the Government is paying this $1.10 an hour for common labor, while the farmer gets $1 a day and his wife throws in her services for as much as 8 hours a day, 6 days in the week—for the farmer to ask that, while this administration, through its boards and agencies has time after time boosted the wages of the industrial worker 10 cents an hour, that he, too, the farmer, receive compensation somewhere near equal to that which the Government is paying by the use of the farmer's tax dollar to men who work on a 40-hour-a-week schedule?

It would do Mr. Clapper and many another columnist, commentator, and editorial writer a world of good to spend a month or two on a farm, following the farmer in his daily routine.

For at least four generations, our family has owned, operated, and worked upon farms. My own experience and my personal knowledge of the farmers in the Fourth District proves to me that the average farmer receives for his daily toil but a fraction of the sum paid industrial workers.

Mr. Clapper writes that there is but one side to this question of price fixing and that is Mr. Roosevelt's side. That is the difficulty. Mr. Roosevelt can see but one side. Mr. Clapper and the Washington editorial writers apparently see but one side.

For months now, Mr. Roosevelt has been aiding the unions in boosting their wages. He has done this through his Mediation Board and other administration agencies. He has stood by while union racketeers carried on right here in Washington the most shameful criminal extortion.

Now, when the farmers are asking that, if prices are to be fixed, wages be regulated and they receive for the things they grow a sum that bears some proportion to the increases granted others, immediately Mr. Roosevelt and the Washington newspapers start their campaign of name calling against the farmer.

Who feeds this Nation anyway? If the farmers ever followed the union tactics of striking, tying up production, until their demands for an increase in prices were granted, a policy consistently pursued by the unions and supported by Mr. Roosevelt, there would be many an empty stomach in Washington and elsewhere.

No one can accuse me of asking for undue favors for the farmers. But it is about time that the President, the Washington press, and men like Clapper quit slandering and libeling the honest, patriotic men and women, upon whose daily toil Mr. Roosevelt, these newspaper editors and publishers, and men like Clapper depend for the things they eat.

If a few of these "city fellers" could spend a month or two, 7 days a week, milking cows twice a day, doing the chores cleaning out the stables before daylight, following a walking plow or a drag through the dirt and the dust of the fields, going down to the wood lot when the thermometer was below zero and cutting up a few cords of stove wood, we would hear less about the paradise in which the farmer lives.

If some of these factory workers who ride to and from their jobs in heated automobiles; who work in steam-heated factories, where they have hot and cold water, finely equipped lunchrooms, would take their turn on the farm and put in just one 7-day week, they would go back home better satisfied and perhaps convinced that they were not the most misused people in the world.

It is about time that some of the farmers take their pitchforks in hand, walk up to some of these white-collar boys and say, "Here, brother, is a fork you never used before. Come out to the farm. Get out in the barnyard and help me haul this manure out for the spring plowing, so I can grow a little wheat in order that you may have something to eat next winter."

Let the President haul out a price-fixing bill which, if it regulates the prices of the things the farmers are to buy, also gives them a fair price and regulates the wages of the men who produce the things the farmers must buy.

The President has been very, very careful to protect his political allies in the ranks of organized labor.

The present indoor sport of the administration and its spokesmen seems to be to slander the men and women—the farmers—who furnish it with food, forgetting the old statement that we should not "bite the hand that feeds" us.

The SPEAKER pro tempore. Under special order heretofore made, the Chair recognizes the gentleman from New Jersey [Mr. CANFIELD].

THE GRATITUDE OF JAPAN

Mr. CANFIELD. Mr. Speaker, I rise briefly to tell the House a story about America and Japan. On Saturday night, September 1, 1923, representatives of the Salvation Army stood on the street corners of New York City shouting "Save Japan," and selling artificial cherry blossoms to raise funds for the relief of the homeless, destitute, and injured victims of the greatest earthquake, tidal wave, and conflagration in world history, which 12 hours earlier had devastated the Land of the Rising Sun.

Our Nation, under the leadership of President Calvin Coolidge, responded at once to the calls for aid. The Navy's Asiatic Squadron sailed with all possible dispatch to Tokyo, where it remained for 20 days, aiding in the evacuation and relieving the suffering, and more than $2,000,000 of naval supplies were turned over to the Imperial Government for relief work. The United States warship *Black Hawk* was sent immediately from the United States with relief materials and was the first foreign aid to arrive from abroad. The United States Army sent $7,000,000 worth of supplies to the stricken island and an Army Medical Corps under Brig. Gen. McCoy was sent from the Philippine Islands to ease the overtaxed medical facilities.

Within 6 weeks, the American Red Cross had raised $10,448 000 and had sent more than 30 ships loaded with supplies, including more than 6,000,000 pounds of provisions as well as hundreds of thousands of tons of clothing medical supplies, tents, and other necessary equipment.

Sunday, September 2, 1923, the workmen of New York City voluntarily reported for work and donated their day's pay to the relief fund. Samuel Gompers, then president of the American Federation of Labor, called on every laboring man in the United States to contribute at least 25 cents to the fund. The railroads transported across the country free of charge all relief supplies destined for Japan.

Despite the fact that the American Embassy buildings were totally destroyed in the catastrophe, American Ambassador Cyrus E. Woods, his own mother seriously injured, opened a relief department in the Imperial Hotel and at the Emperor's Palace, provided transportation facilities and gave so unstintingly of his time and energy that the Japanese Bureau of Social Affairs reported that "The activities of Ambassador Wood are too numerous to be described." President Coolidge and Secretary of State Charles Evans Hughes sent immediate messages of condolence to the Emperor on behalf of the American people. Secretary of Commerce Herbert Hoover offered the full facilities of the American market to the Japanese for the securing of necessary materials and Secretary of the Treasury Andrew Mellon indicated the willingness of banking circles in this country to finance on the most favorable terms the reconstruction of the cities of Tokyo and Yokohama and other damaged areas. "The relief and aid that came from the United States," the Social Bureau declared, "were characterized by promptness and greatness of scale."

Not only did continental United States respond, but the Territory of Hawaii raised $381,000 and furnished 170 tons of clothing. The relief fund in the Philippine Islands was oversubscribed 300 percent and the island government sent three transports loaded with doctors, nurses, and supplies. Even the island of Guam made its contribution in cash and material. In contrast to the generosity of the United States and its possessions, the donation from Germany was so infinitesimal that it is not even officially reported in the Japanese accounts.

The response of the United States was so magnificent that it drew an official statement from the Japanese Cabinet which emphasized it "would ever be remembered with much pleasure by the Imperial family" and was an act which would contribute to "the preservation of international peace to a considerable degree." Both Houses of the Diet unanimously passed resolutions giving assurance "the bountiful help will ever be remembered by our people with a feeling of deep thankfulness."

The Prime Minister of Japan, conveying the thanks of the Imperial family to President Coolidge, wrote:

> I wish to add that the genuine friendship of the United States Government and people demonstrated toward us at the time of our sorrow and distress will increase the intimacy of our two peoples and eventually strengthen the links of world peace.

But Japan forgot and now by its awful treachery at Pearl Harbor on Sunday morning, December 7, 1941, it invites us to destroy the cities we rebuilt and the people we rehabilitated in September 1923.

The SPEAKER pro tempore. Under previous order heretofore made, the Chair recognizes the gentleman from Michigan [Mr. BRADLEY] for 5 minutes.

W. P. A. AND DEER HUNTING EXPEDITIONS

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend my remarks by the inclusion of three letters, to which I shall refer.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I am taking this time partially at request of the State Administrator in the State of Michigan for the Work Projects Administration of the Federal Works Agency. On December 10 in the Well of this House I called the attention of the membership to the fact that in Sault Ste. Marie, Mich., W. P. A. had organized a tourist guide project, and I also called attention to the fact that that guide project had taken some 80 soldiers and a number of the officers

from Fort Brady out on a deer-hunting expedition. At that time I questioned the wisdom of spending the W. P. A. funds for the purpose of providing hunting trips for the soldiers in the Fort Brady area, charged, as they are, with the vital responsibility of protecting the Soo Locks through which flow 85 percent of the Nation's ore supply. The State Director, Mr. Abner E. Larned, takes some exception to my remarks and feels that perhaps they were an unfair criticism. So in order that all Members may better understand both sides of this question I am taking this time this afternoon at his request to put into the RECORD as part of my remarks a letter from him dated December 16 and a letter from Col. N. L. Soderholm, in command of Fort Brady, to Mr. Larned, dated December 6, and one from him to Mrs. Bessie M. Garner, State Director, Division of Community Service, W. P. A., dated December 1. In both of these letters Colonel Soderholm, whom I consider a splendid officer, praised the W. P. A. quite highly for their cooperation in providing essential instruction for the soldiers at Fort Brady, that instruction to consist of compass reading, ability to live alone in the woods, if they happened to become detached from their command, and also which I do not consider quite so important, ability to make fly-casting flies for fishing. Then he calls attention to the fact that this winter, as part of their morale-building program, they are asking the W P. A. to build them a bunch of fishing shacks so that they can enjoy the great northern Michigan sport of fishing through the ice with hook and line or spearing through the ice.

Now, I want to be perfectly fair about this matter. I have no particular desire to criticize the W. P. A. As a matter of fact, I have on numerous occasions praised some of their projects and the ability with which those projects were consummated, very highly. I do however want to say that in the second paragraph of Mr. Larned's letter he makes this statement to which I take exception:

> My dear Congressman, I believe you have allowed the superficial observations of a newspaper editor to influence your judgment in this matter.

May I say that the gentleman who published the newspaper article to which I referred on December 10 was Mr. Elmer J. Hanna, World War veteran, who served many months overseas, and I believe was decorated for bravery. He is past commander of the Department of Michigan American Legion and Veterans of Foreign Wars and is at the present time Deputy Secretary of State of the State of Michigan. I believe that Mr. Hanna, in company with many more World War veterans, would certainly not take exception to the W. P. A. project described by Mr. Larned as a morale-building project if he did not feel justified in doing just exactly that, and perhaps feel, especially in view of the fact that we are now at war, that the soldiers at Fort Brady might perhaps have been spending their time to better advantage than going out deer hunting in that area. In all fairness to Colonel Soderholm, also, let me point out, that both his letters were written before we went to war, and doubtless his program has undergone considerable change since.

Mr. Hanna also was motivated, as a citizen of Harbor Springs, by a desire to learn why a small sewer project in his city should remain shut down for 5 months, presumably under a plea of lack of funds, while W. P. A. took soldiers hunting elsewhere. Happily, Mr. Larned now advises that sewer project will be resumed very shortly and completed so that Harbor Springs streets will not be torn up longer and the community may resume its normal existence.

The letters to which I have just referred are as follows:

FEDERAL WORKS AGENCY,
WORK PROJECTS ADMINISTRATION,
Lansing, Mich., December 16, 1941.

Hon. FRED BRADLEY,
United States Representative,
Washington, D. C.

DEAR CONGRESSMAN BRADLEY: My attention has been drawn to your address recorded in the CONGRESSIONAL RECORD of December 10, headed "Use of Work Projects Administration funds," in which you quote from an article in the Emmet County Graphic of December 4, entitled "Guides For Hunters But No Work Projects Administration Funds for Sewers."

My dear Congressman, I believe you have allowed the superficial observations of a newspaper editor to influence your judgment in this matter, and in substantiation of my thought I am enclosing herewith copies of two communications from the commanding officer at Fort Brady, Lt Col N. L. Soderholm. Better than any words of mine, these letters of Colonel Soderholm express an Army man's opinion of the value of Work Projects Administration work in connection with our military establishments and comment specifically upon this guide project.

It is unnecessary for me to remind you of the importance of Fort Brady in connection with our defense program, guarding as it does the great Soo Locks, through which flows the iron ore that feeds the steel mills of the Nation. In my opinion these locks are as vital to our defense as is the Panama Canal.

Now as to the guide project in connection with the hunting, you will note that Colonel Soderholm has this to say: "Briefly, I wish to express my thanks for the splendid manner in which Mr. MacSwain and his assistants arranged and carried out the deer hunt for members of this command. The men participating profited not only because of the outdoor recreation, but also by the military knowledge gained. This included the use of the compass, day and night, scouting and winter operations in open and wooded country." In his other letter the Colonel states: "The tourist guide project has rendered a very valuable service to Fort Brady in the training of soldiers in reconnaissance work, such as compass details, woodcraft, using of wild native food, etc., and in the training of technicians for the care and repair of snow equipment, such as snowshoes, skis, and toboggans."

The letter further states: "We expect to utilize these trained Work Projects Administration technicians even further this winter in the outdoor training at the Fort Brady Rifle Range, where we will carry on our winter maneuvers. There they will assist in training our supply troops in snowshoe maneuvers, winter camouflage, and intensive reconnaissance operations. In addition to the military training, the project is greatly assisting the morale office with classes in snowshoe making, fly-tying, and in outdoor hunting and fishing trips such as the recent Fort Brady deer-hunting camp at the rifle range, which not only did a lot for the officers and men, but also assisted general Army morale work through its fine attendant publicity in local, State, and national newspapers."

I believe you will agree with me that the commanding officers are in a better position to judge as to the value of these projects than could be any newspaper editor, no matter how erudite he might be.

Here, again, let me remind you, in all friendliness, that the Work Projects Administration does not initiate projects. These are presented in the form of applications from sponsors, and at the present time this agency, the Work Projects Administration, is working with the fullest cooperation with our Army and Navy in its various establishments in this State, and I am sure you will be pleased to know that at each location where numerous Work Projects Administration projects are in progress we are receiving not only the heartiest cooperation from military authorities but their most outspoken commendation on the character of the work that we are doing.

I wish, Congressman, that you would feel constrained to make another speech upon the subject of the Work Projects Administration's participation in our military program and include in your remarks the letters addressed to this office by Colonel Soderholm.

With reference to the Harbor Springs sewer project, I believe you will be interested to know that negotiations have been under way for some time for the reopening of this work. This situation, which was occasioned not by lack of funds, as was stated in the newspaper article, but by a reduced labor quota based upon a total reduced Work Projects Administration program, was brought to the attention of this office as early as the middle of November. With a reduced labor quota, it was necessary to suspend certain work in order to keep other equally important operations under way, and it had been agreed that certain other work in the area might properly be curtailed for the amount of time necessary to complete the sewer construction at Harbor Springs at a time of year when this work would lend itself to efficient Work Projects Administration operation much more than the improvement of necessary county roads, which could better be done during the nonfreezing months. For your information, and on the basis of the agreements reached, necessary transfers of workers are being made to complete the work in question.

Sincerely yours,

ABNER E. LARNED,
Administrator.

HEADQUARTERS, FORT BRADY, MICH.,
OFFICE OF THE COMMANDING OFFICER,
Sault Ste. Marie, Mich., December 6, 1941.

Mr. ABNER E. LARNED,
Administrator, Work
Projects Administration,
Lansing, Mich.

DEAR MR. LARNED: For your information I wish to outline the Work Projects Administration Recreational and Tourist Guide activities here at Fort Brady.

These two projects are indispensable to us. The recreation projects consists of two female leaders—one as a preschool leader and the other as acting hostess. The preschool play center is accommodating approximately 50 children in a 2-week period. Future plans for an enlarged program include an art class and a service-club information bureau. The acting hostess assists with the social dances and other special events of the post program. She is at present located in the service club and will establish an information bureau there. This bureau will list all data pertaining to activities throughout the county wherein Fort Brady personnel will be invited to participate.

The physical-training program is handled by two capable men. They conduct classes

and assist in basketball and football games and instruct boxing classes. Plans are being presented to the supervisor here to engage two more leaders to assist with the enlarged program.

The area recreation office has now moved into the Battalion Headquarters Building. This office serves Mr. Clifford Frasher, area recreation supervisor; Mrs. Maybelle O'Dell, office clerk, and serves as a station for the interservice training meetings.

The present recreational program now set up here at Fort Brady is one to be thankful for, and I sincerely hope that it can be continued.

The tourist-guide project has rendered a very valuable service to Fort Brady in the training of soldiers in reconnaissance work, such as compass details, woodcraft, using of wild native food, etc., and in the training of technicians for the care and repair of snow equipment, such as snowshoes, skis, and toboggans.

We expect to utilize these trained Work Projects Administration technicians even further this winter in the outdoor training at the Fort Brady rifle range, where we will carry on our winter maneuvers. There they will assist in training our supply troops in snowshoe maneuvers, winter camouflage, and intensive reconnaissance operations

In addition to the military training, the project is greatly assisting the morale office with classes in snowshoe making, fly tying, and in outdoor hunting and fishing trips, such as the recent Fort Brady deer-hunting camp at the rifle range, which not only did a lot for the officers and men but also assisted general Army morale work through its fine attendant publicity in local, State, and National newspapers.

The project is at present engaged in arranging for 10 fishing huts on the ice for both spearing and line fishing during the winter months, and this should be a big assistance in maintaining proper morale during this period.

The services of Dexter MacSwain, the chief guide of the tourist-guide projects at Fort Brady, have been of great value in conducting programs which are both instructive and morale building. Mr MacSwain has been extremely cooperative, has exercised considerable initiative, and has taken great trouble to insure that the projects under his direction operate smoothly, receive the desired publicity, and meet with the needs of this post. We place a high reliance in his ability and reliability and sincerely wish, if it is at all possible, to insure continuance of the guide projects under his supervision at the fort.

Sincerely,

N. L. SODERHOLM,
Lieutenant Colonel, Infantry,
Commanding.

HEADQUARTERS, FORT BRADY, MICH.,
OFFICE OF THE COMMANDING OFFICER,
Sault Ste. Marie, Mich., December 1, 1941.

Mrs. BESSIE M GARNER,
State Director, Division of Community Service, Work Projects Administration, Lansing, Mich.

DEAR MRS. GARNER: Briefly, I wish to express my thanks for the splendid manner in which Mr. MacSwain and his assistants arranged and carried out the deer hunt for members of this command.

The men participating profited not only because of the outdoor recreation but also by the military knowledge gained. This included use of the compass, day and night scouting, and winter operations in open and wooded country

Mr MacSwain and I already are making plans for spearing and fishing through the ice during February and March This should be enjoyable and inexpensive to a great number of the members of the garrison.

Mr Birger Birg has written me of his transfer. I very much would like to have an instructor with his qualifications assigned here as ski instructor during January, February, and March. Is it possible?

I cannot praise too highly the splendid work of your unit here. It is indispensable.

Cordially yours,

N. L. SODERHOLM,
Lieutenant Colonel, Infantry,
Commanding.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. WOODRUFF] may extend his own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 10 minutes.

ECONOMIC CRISIS FOLLOWING THE WAR

Mr. VOORHIS of California. Mr. Speaker, my speech will not be as interesting and obviously it is not going to be listened to by as many people as was the speech delivered a short time ago by the gentleman from Texas [Mr. DIES]. But I have profound confidence that the things I am about to say have a certain element of prophecy about them and one day they will be proven to be of great importance.

In my judgment, no American today can view the situation that his country faces without having sincere and great admiration for the effective and valorous defense of their homeland which the Russian people are putting up; nor can he fail to feel a deep thankfulness for their success in stopping the march of Hitler's legions. On the other hand, I agree with the gentleman from Texas [Mr. DIES] in his position when he says that he does not believe that those facts should be occasion for taking into positions in our Government anyone who is under the discipline of the national organization known as the Communist Party.

But the most important thing which the gentleman from Texas [Mr. DIES] said is perhaps one of the things that passed least noticed by the House. For he pointed out that the time when there might be opportunity to strike on the part of forces which are hostile to our system of freedom and constitutional liberty was the time when a profound economic crisis is over the land. What I asked for these few minutes today to do was to try to speak to the question of what we should do about the problem. There is great interest in what should be done immediately about the specific cases that may be presented, but it seems to me there is all too little interest in what needs be done over the long run, in order that such crisis may not come and such danger may not confront our Nation.

Mr. HOFFMAN. Will the gentleman yield right there?

Mr. VOORHIS of California. I yield.

Mr. HOFFMAN. What do you think about this situation in the motor industry, this demand of Reuther and Frankensteen and Thomas to have a part in management?

Mr. VOORHIS of California. I think that if a plan similar to the one proposed by one of the men the gentleman mentions, Mr. Reuther, had been adopted a year ago by the automobile industry we might have had a much closer approximation to the supplies of war materials the American forces need.

Mr. HOFFMAN. Does the gentleman believe that plan is workable?

Mr. VOORHIS of California. I do not know; but I do know that the automobile industry should have been converted to the production of war material long ago, and that it was the opposition of the industry that prevented it. I did not propose to speak about this. The speech I want to make is constructive.

Mr. HOFFMAN. I will get the gentleman more time. Will the gentleman name one motor industry official who has refused to follow the Government's orders?

Mr. VOORHIS of California. I could not name for the gentleman——

Mr. HOFFMAN. No one else can.

Mr. VOORHIS of California. But I know, and the gentleman knows the fact that there was universal opposition to any such proposal at that time and that the automobile industry proceeded to manufacture more cars in 1941 than it manufactured in 1940.

Mr. HOFFMAN. Just a moment ago the gentleman said he did not know what the Reuther plan was.

Mr. VOORHIS of California. I said I was not in a position to say what the details of the plan were, but what I am saying is that the automobile industry which is largely one of machine tools, should have been converted to war production long ago, but the opposition of the industry prevented it. I am sorry to go into that, but that is my honest opinion.

I believe there are two things of the utmost importance if we are to guard against danger to the American system of free government and individual liberty. The first is that in the conduct of the war it is basically important that all the people of America should feel that the burdens to be borne in connection with the war are equally shared. Each Member of the House should read with care the report that the Truman committee has released. I do not believe profiteering should be possible. I do not believe any group should be able to profit as a result of national need. We are going to be asked to enact tax legislation in the near future, and it is with this basic principle of ability to pay in mind that we have got to enact the biggest tax bill in all history.

The second thing I want to bring to you is that a crisis should not be permitted to come about in the future. When this war is over there will be a group of heroes coming home; they will be men who when they were young men knew in many, many instances the experience of being unable to find the kind of job they were prepared to do, if any at all; and then they know they were called on by their country to defend her and her institutions; and they did, and they are, and they will. It is our job to see to it that when they come back there

will be jobs. It is our task to be sure that there shall at that time be full employment; yes, full employment with the preservation of free enterprise—and it can be done. But it cannot be done if we fail to face this problem and face it realistically. It cannot in my judgment be done just by saying we must return to the easy ways of the 1920's. It can only be done if some people have the courage to think through some of these problems courageously. I am going to say I do not believe it can be done unless there are some modifications made in the system that we generally have known in its full-blown expression as finance capitalism. I think as this country produces it must be able to consume, and I believe there has got to be a system of distribution of purchasing power which will be broad enough to enable the consumers of the Nation to take the full production of the farms and industries. I believe if this is done you will not need to have Government control to anything like the extent that will be necessary otherwise. I have heard Members state on many occasions: "We have got to vote for this, there is nothing we can do." We saw that situation arise in connection with the price-control bill. We have seen that situation arise at other times. Why is it that Congress confronts a situation like that at times? It is because we have not anticipated the problem and taken the initiative to meet it beforehand.

I have put forth a proposal myself that we should create right now a national commission to sit down and make its deliberations bear solely upon the problem of how we are going to meet the situation when this war is over and peace returns and when we lose the impetus of $50,000,000,000 or $60,000,000,000 of Government expenditures on armaments if we are to maintain the employment of the people or the prosperity of our agriculture. I think it is not too soon to do it. And, mind you, unless the Congress takes that responsibility, and sees that capable and responsible people are placed in the responsible positions in American agriculture, labor, and every other group in this country, we shall have them out of work, we shall not succeed.

I would say to every one of those groups, including labor, I may say to the gentleman from Michigan, that they cannot have their way completely if we are ever really to solve this problem for the welfare of all Americans.

This, it seems to me, is an appropriate sequel to the speech that the gentleman from Texas just made. My speech cannot be taken care of in a moment's time, nor the things I am appealing for, but they must be done.

I want to read from the Newsgram edited by David Lawrence. Here is what he says:

> Questions being asked more and more frequently are these:
>
> Can the country afford the war bill? Can it carry a debt that will rise to $150,000,000,000 or $200,000,000,000? Won't it go flat broke in the process?

The answer to those questions is that the country can carry any amount that is necessary to win the war. We can, because we must, and there is no question but what we will do it.

Then he goes on to say:

> Answers are these: Lack of money never lost any modern war. War can go on as long as labor and materials are available. And in war, Government has power to draft both labor and materials. Money means little while war lasts.

That is true. Then further on he says:

> But: Problems are these: How far will the public go in sacrificing its living standard during war? How big an interest loan can be carried in the post-war period without undermining the system of private capitalism?
>
> It's not the money problem during war that worries. It's the problem that is left over once the war ends.

Down a little bit farther on he speaks of a carrying charge on a public debt of $5,000,000,000. I am not going to make a speech about that question today. I am only going to say that now is the time to begin to think about the multiplication of this public debt, now is the time to say it is absolutely necessary, if that debt itself is to be valid and the bonds already issued valid, that we make a distinction between real borrowing on the one hand and false borrowing on the other hand and a distinction between the private creation of private credit and the proper exercise of Congress of its constitutional duty to coin money and regulate the value thereof. [Applause.]

[Here the gavel fell.]

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes and to revise and extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr HOFFMAN]?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the gentleman from Texas [Mr DIES] called attention to a real danger which now threatens us, when he referred to the well-known fact that the Communists in this country were on the alert to inaugurate a rebellion, bring about a successful revolution, for the overthrow of our Government by taking advantage of the present war crisis.

In spite of the warning of the gentleman from Texas [Mr. DIES], the administration has retained in Federal positions more than a thousand individuals who sympathize with Communists.

As was pointed out today by the gentleman from Texas—a situation to which your attention was called by me on yesterday—the fact that every blow struck by Russia aids in the defeat of Hitlerism is no justification for placing in positions of trust, in key positions where they can destroy us, former Communists. There are plenty of good Americans who can perform every necessary duty which will be required by this administration.

And it is time, if the administration will not clean house that this body, the House of Representatives do it for the administration by doing away with the particular position held by or by withholding appropriations from such appointees. We were forced to follow that course in the cases of Mr. Saposs and Mr Lasser. We can and we should do it in the cases of Mr. Cowley and Mr Lash.

Mr. Speaker, the only reason for taking additional time is to keep the record straight. We have heard not a little about the motor industry. When the gentleman from California [Mr. VOORHIS] was speaking I asked him to name any responsible official of the motor industry in Michigan who failed to comply with every request made by the Government.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from California.

Mr. VOORHIS of California. I do not think that the Government itself or the officials of O. P. M. acted with regard to this matter with anything like the vigorous fashion in which they should have. I am not so sure but what the gentleman is right, that there are not officials of the automobile industry who refused to comply with any order of the Government. I doubt if there are any who did.

Mr. HOFFMAN. Or any request, express or implied, of any defense organization. I would like to have somebody name me one. They can do it today, tomorrow, or next week. I will be glad to get it at any time. I do not believe it can be done.

Mr. VOORHIS of California. I am grateful to the gentleman because I would like to say at this time that I honestly believe the colloquy between himself and me today is rather unfortunate.

Mr. HOFFMAN. Oh, no.

Mr. VOORHIS of California. I think so for the reason that at the moment we have a new set-up in our defense program. Mr. Nelson has been appointed by the President to head the whole works. I believe we are going to go forward now as never before, and I do not think very much is going to be gained by crying over spilled milk.

Mr. HOFFMAN. I think that is a good appointment. If Mr. Nelson is permitted to go along in his own way, I believe we will get production, but the moment Nelson steps on someone's political toes——

Mr. VOORHIS of California. Or industrial toes.

Mr. HOFFMAN. He will be hampered and perhaps asked to quit.

The gentleman is right; there is no use of crying over spilt milk. You cannot get that milk back, but you may be able by calling attention to that spilling keep some fellow,—and the same fellow, especially—from spilling any more. Take this fellow Reuther, for example, and Frankensteen. Reuther, you will recall, is the fellow who sent back that message from Russia, "Work for a Soviet America."

We do not need any Soviet America here. But he is the kind of a man this administration tried to place in a position of power. That man is in this thing yet. That is the man that had the so-called Reuther plan. He and Frankensteen and Addis and Thomas are not to be trusted.

Mr. VOORHIS of California. I hold no brief for any individual whatever. I was talking about the conversion of the automobile industry to war production, and that is all I am talking about.

Mr. HOFFMAN. Yes; and talking about the Reuther plan, and what would have happened if it had been adopted.

I have no quarrel with the gentleman; the gentleman knows that. I respect

him. His sincerity I admit. His patriotism, of course, as that of every other Member, is not questioned. I am not finding fault. This is not personal. I am just trying to get on the record the fact that these men had behind them a record of lawlessness and violence and the use of force to stop production.

Mr. VOORHIS of California. As I recall, it was Mr. Frankensteen who was in California at the time of the North American strike, and he certainly stood behind the President in the action he took there and kept production going.

Mr. HOFFMAN. I thought the gentleman was not defending him.

Mr. VOORHIS of California. I am trying to state a fact, and that happens to be one.

Mr. HOFFMAN. Because a fellow happens to have one good spot does not make him white all over. I am telling you now that those are the men who held up the General Motors plants at Flint in the sit-down strikes for 44 days. For 52 days they stopped Chrysler. They have always been wreckers of production.

So much for what happened when the motor industry was trying to produce production. Now get down to the war. For 76 days the organization of these men held up production over at Allis-Chalmers which was trying to produce for the Army and Navy. They are the same men who were behind the Curtiss-Wright strike up here at Dayton, Ohio. They are the same men who were behind the C. I. O. in Detroit when it defied the Navy of the United States and held up production on motors for airplanes that were needed at the Philadelphia Navy Yard, for 42 days in some factories and 24 in the others. They are the same men who would not let the ships roll off the ways down here until the work was done by C. I. O. men, their own members. They are the same men who were behind not only the Kearney Shipbuilding strike but the Air Associates trouble over at Bendix.

What is the use of trying to tell us that if we would listen to those men we would have production? There is nothing to it. We who are familiar with the situation in Michigan and with these strikes and the record of these men know that you cannot by adopting their plan or following their course get production anywhere. It would be just as reasonable for the motor-industry officials to suggest that the President appoint a committee consisting of two members of the labor union, two industrialists, and two members representing the public, to run the internal affairs of the union as for them to insist that they be permitted to run industry. Would they accept industry on their executive committee? They would yell their heads off if such a thing was suggested.

That is all I care to say about that, except this one thing. If this Government of ours will give the motor industry the orders for the things it wants, see that they get material, and keep them free from stoppages of work by slowdowns, sit-downs, and strikes, the motor industry of Michigan will turn out what the Government asks them to turn out without delay.

[Here the gavel fell.]

ENROLLED BILL SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5095. An act to set aside certain lands in Oklahoma for the Cheyenne-Arapaho Tribes of Indians; and to carry out certain obligations to certain enrolled Indians under tribal agreement.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 1 minute p. m.) under its previous order the House adjourned until Monday, January 19, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, January 20, 1942, to resume hearings on the proposed amendments to the Securities Exchange Act of 1934.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications, were taken from the Speaker's table and referred as follows:

1284. A letter from the acting chairman, Civil Aeronautics Board, transmitting the Third Annual Report of the Civil Aeronautics Board, covering the fiscal year 1941; to the Committee on Interstate and Foreign Commerce.

1285. A letter from the Secretary of War transmitting the Annual Report of the activities of the National Board for the Promotion of Rifle Practice, for the fiscal year 1941; to the Committee on Military Affairs.

1286. A letter from the Georgetown Barge, Dock, Elevator & Railway Co., transmitting their annual report for the calendar year of 1941; to the Committee on the District of Columbia.

1287. A communication from the President of the United States transmitting a supplemental estimate of appropriations for the legislative establishment, fiscal year 1942, including the Library of Congress, $203,000, and the Government Printing Office, $2,000,000, in all $2,203,000 (H. Doc. No. 565); to the Committee on Appropriations and ordered to be printed.

1288. A communication from the President of the United States transmitting a supplemental estimate of appropriation for the Tennessee Valley Authority for the fiscal year 1942 in the amount of $30,000,000 (H. Doc. No. 566); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAAS: Committee on Naval Affairs. H. R. 4808. A bill to authorize the appointment of certain Reserve officers to the line of the Regular Navy, and for other purposes; with amendment (Rept. No. 1591). Referred to the Committee of the Whole House on the state of the Union.

Mr. NICHOLS: Select Committee to Investigate Air Accidents. House Resolution 125. Resolution creating a Select Committee to Investigate Air Accidents; without amendment (Rept. No. 1592). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULMER: Committee on Agriculture. H. R. 6359. A bill granting relief to certain agricultural producers in stricken areas who suffered crop failures in 1941 because of adverse weather conditions, insect pests, or other uncontrollable natural causes; with amendment (Rept. No. 1593). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SCHULTE:

H. R. 6386. A bill to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the fire department of the District of Columbia, to conform with the increased cost of living in the District of Columbia, and also to conform with wages paid in many cities of the Nation; to the Committee on the District of Columbia.

By Mr. CROSSER:

H. R. 6387. A bill to extend the crediting of military service under the railroad retirement acts, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HILL of Colorado:

H. R. 6388. A bill for the relief of certain personnel of the National Park Service, Department of the Interior, on account of loss of personal property as a result of a fire on August 13, 1940, at Yellowstone National Park, Wyo.; to the Committee on Claims.

By Mr. COSTELLO:

H. R. 6389. A bill providing national service life insurance for certain civilians employed outside the continental United States in the maintenance or repair of military or naval equipment, aircraft, or munitions pursuant to contracts entered into by the Secretary of War or the Secretary of the Navy; to the Committee on Ways and Means.

By Mr. EDMISTON:

H. R. 6390. A bill to provide compulsory allotments and allowances for enlisted men with dependents in the active military and naval services of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. BARRY:

H. Res. 409. Resolution to create a select committee to investigate the manner in which deferments have been granted under the Selective Training and Service Act of 1940; to the Committee on Rules.

SENATE

FRIDAY, JANUARY 16, 1942

Rev. Flynn G. Humphreys, B. D., pastor, Central Presbyterian Church, Huntsville, Ala., offered the following prayer:

Almighty God, our Heavenly Father, Thou creator and giver of life, Thou spirit of wisdom and source of all thought, look down upon us in Thy loving kindness and tender mercy. Teach us the things that belong to peace, brotherhood, and love. Lift us up, we beseech Thee, to Thy presence, O Lord, that we may see Thee more clearly, serve Thee more faithfully, and love Thee more fully.

Let Thy blessings be upon everyone who at this hour is in the service of defense and guidance of our Nation. Remember, O Lord, those who are discouraged, unhappy, and afraid, that they may more surely build Thy kingdom. Bless all who are in authority over us and cheer with hope Thy children everywhere

This we ask in the name of Him who came preaching the gospel of glad tidings and good will toward men, who, in lowly service, revealed to us the fullest life, Thy Son. Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, January 15, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 260) to authorize the United States Maritime Commission to acquire certain lands in Nassau County, N. Y., in which it requested the concurrence of the Senate.

NOMINATION OF WALTER A. KEELING—NOTICE OF HEARING

Mr. CONNALLY. Mr. President, the Committee on the Judiciary has received the nomination of Hon. Walter A. Keeling, of Texas, to be United States district judge, western district of Texas.

As chairman of the subcommittee considering this nomination and as required by a rule of the committe, I announce that January 24, at 10:30 a. m., has been set as the time for a public hearing on this nomination in the Judiciary Committee room.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Davis	McKellar
Andrews	Downey	McNary
Austin	Doxey	Maloney
Bailey	Ellender	Mead
Ball	George	Millikin
Bankhead	Gerry	Murdock
Barbour	Gillette	Murray
Barkley	Glass	Norris
Bilbo	Green	Nye
Bone	Guffey	O'Daniel
Brewster	Gurney	O'Mahoney
Brown	Hayden	Pepper
Bulow	Hill	Radcliffe
Bunker	Holman	Reed
Burton	Hughes	Reynolds
Butler	Johnson, Colo.	Rosier
Capper	Kilgore	Russell
Caraway	La Follette	Schwartz
Chandler	Langer	Shipstead
Chavez	Lee	Smathers
Clark, Idaho	Lodge	Smith
Clark, Mo.	Lucas	Stewart
Connally	McCarran	Taft
Danaher	McFarland	Thomas, Idaho
Thomas, Okla.	Tydings	Wheeler
Thomas, Utah	Vandenberg	White
Truman	Van Nuys	Wiley
Tunnell	Wagner	Willis

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH], the Senator from Louisiana [Mr. OVERTON], and the Senator from Washington [Mr. WALLGREN] are absent from the Senate because of illness.

The Senator from Virginia [Mr. BYRD], the Senator from Iowa [Mr. HERRING], the Senator from South Carolina [Mr. MAYBANK], the Senator from Arkansas [Mr. SPENCER], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury.

The Senator from Illinois [Mr. BROOKS] is absent on official business.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following report and letter, which were referred as indicated:

REPORT OF THE AMERICAN WAR MOTHERS

A report, submitted pursuant to law, of the American War Mothers covering the period October 1939 to October 4, 1941; to the Committee on Military Affairs.

MODEL HOUSING BOARD FOR PUERTO RICO

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend section 4 of the act of March 2, 1934 (48 Stat. 361), relating to the Model Housing Board for Puerto Rico, and for other purposes (with an accompanying paper); to the Committee on Territories and Insular Affairs.

PETITIONS

Petitions, etc., were laid before the Senate by the Vice President and referred as indicated:

A resolution by members of Local No. 205, United Automobile Workers of America (C. I. O.), being employees of National Automotive Fibres, Inc., of Detroit, Mich., favoring the prompt placement of an order for the assembly of aircraft carburetors with National Automotive Fibres, Inc., for the Detroit plant; to the Committee on Military Affairs.

A resolution adopted by committeemen of Local No. 235, United Automobile Workers of America (C. I. O.), representing 7,000 members of the Chevrolet gear and axle division of General Motors Corporation, of Hamtramck, Mich., favoring action by the Government giving their union a full voice in the planning and direction of war production; to the Committee on Military Affairs.

Resolutions adopted by a meeting of the board of managers of the Sons of the Revolution in the State of New York, held at Fraunces Tavern, New York City; the Hosiery Mill Representatives Club of Chicago, Ill.; Local No. 174 of the Butchers' Union of Greater New York and Vicinity; and the Municipal Assembly, of Ponce, P. R., pledging aid and support to the Government and American institutions in the war effort; to the Committee on Military Affairs.

PROHIBITION OF LIQUOR SALES AND SUPPRESSION OF VICE AROUND MILITARY CAMPS—PETITIONS

Mr. BONE. Mr. President, I present a petition signed by numerous citizens of the city of Seattle, in the State of Washington, petitioning Congress for favorable action on Senate bill 860, which is commonly referred to as the Sheppard bill, and which deals with the question of the sale of intoxicating liquors in the vicinity of military camps. In view of the fact that the bill is on the calendar, I presume the reference will not be as is usually made, but, in any event, I presume it should go to the committee that had the bill in charge or lie on the table.

The VICE PRESIDENT. The petition will be received and lie on the table.

Mr. JOHNSON of Colorado. Mr. President, I have received a large number of petitions, signed by 4,763 citizens of the State of Colorado, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments. I ask that a list of the cities and towns where the petitions originated in my State, with the number of signers to each petition, be printed in the RECORD.

There being no objection, a list of cities in Colorado in which the petitions originated, together with the number of signers thereof, was ordered to be printed in the RECORD, as follows:

City and number of signers	
Antonita	12
Austin and Eckert	31
Bellvue	28
Boulder	317
Briggsdale	20
Brighton	14
Bristol	27
Brush	41
Canon City	55
Center	29
Clifton	68
Colorado Springs	312
Craig	39
Delta	86
Denver	1,282
Denver and vicinity	136
Dolores	212
Durango	39
Evans	46
Fleming	109
Fort Collins	57
Fort Lupton	28
Fort Morgan	100
Fruita	15
Golden	35
Grand Junction	124
Grand Valley and Rifle	27
Greeley	70
Gunnison	56
Hartman	20
Haxton	74
Holyoke	73
Jarosa	36
Keensburg	55
La Junta	234
La Porte	38
Littleton	56
Longmont	173
Mancos	38
Olathe	79
Otis	103
Palisade	162
Paonia	13
Pueblo	53
Sterling	50
Wiley	46
Yuma	45
Total signers	4,763

RESOLUTION OF THE WISCONSIN SCHOOL WORK COUNCIL

Mr. WILEY. Mr. President, I present a resolution of the Wisconsin School Work Council pertaining to the National Youth Administration, which I ask may be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

Whereas the National Youth Administration was created by Executive order of President Franklin Delano Roosevelt in 1935, to provide funds for the equalization of educational opportunity for underprivileged youth; and

Whereas the National Youth Administration, through the proper allotment of these funds, has provided educational work experience and built up the morale of American youth to the end that they will become conscious of the principles of democracy through sharing in the American way of life; and

Whereas the funds available for school work for 1941–42 have been reduced approximately 50 percent for the remainder of the school year; and

Whereas this reduction of school-work funds has resulted in hardship and handicap to the underprivileged Wisconsin youth in continuance of their education and the possibility of better preparing themselves for citizenship and employment; and

Whereas the maintenance of youth morale in times of emergency is more necessary than in normal times; and

Whereas the problems of youth adjustment in the post-war period will be far greater than at present or have been in the past: Therefore be it

Resolved by the Wisconsin School Work Council, That we urge that the Congress of the United States and the proper administrative officials of the Federal Government provide adequate funds for the maintenance of equal educational opportunity for underprivileged youth during the present emergency and the post-war period through a Federal agency specifically charged with this responsibility; be it further

Resolved, That copies of this resolution be sent to the President of the United States, to the Wisconsin Members of Congress, to the Administrator of the Federal Security Agency, and to the Chairman of the National School Work Council.

JAMES F. LUTHER,
Superintendent of Schools, Delavan.
ARMAND T. KETTERER,
Superintendent of Schools, Lodi.
EDMUND J. GOEBEL,
Superintendent of Catholic Schools.
ROLAND A. KLAUS,
Superintendent of Schools, Edgerton.
H. J. UMHOLZ,
Superintendent of Schools, Spooner.
J. E. WORTHINGTON,
Principal, High School, Waukesha, Chairman.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SMITH, from the Committee on Agriculture and Forestry:

S. 1691. A bill to authorize the Department of Agriculture to make open-market procurements where the aggregate amount involved does not exceed $100; without amendment (Rept. No. 958);

H. R. 4849. A bill to provide for regulating, inspecting, cleaning, and, when necessary, disinfecting railway cars, other vehicles, and other materials entering the United States from Mexico; without amendment (Rept. No. 959); and

H. R. 5171. A bill to amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1- and 2-percent limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes; without amendment (Rept. No. 960).

By Mr. THOMAS of Utah, from the Committee on Education and Labor:

S. 1617. A bill to amend the Employment Stabilization Act of 1931; with amendments (Rept. No. 961).

By Mr. PEPPER, from the Committee on Education and Labor:

S. Res. 178. Resolution creating a special committee to investigate unemployment and relief (submitted by Mr. PEPPER on October 9, 1941); with amendments (Rept. No. 962), and, under the rule, referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

By Mr. CLARK of Missouri, from the Committee on Finance:

S. 1935. A bill to amend section 602 (m) of the National Service Life Insurance Act of 1940 (Public, No. 801, 76th Cong.) to provide for a person in the military service to secure insurance effective as of date of application by payment of the first premium within 30 days thereof; with amendments (Rept. No. 963); and

S. 2180. A bill to provide for the continuation of Government life insurance of aviation cadets subsequent to their being commissioned and for the continuation of such insurance of enlisted pilots, and for other purposes; without amendment (Rept. No. 964).

By Mr. GEORGE, from the Committee on Finance:

S. 2075. A bill to authorize the Secretary of the Treasury to order to the United States on their statutory leaves of absence officers and employees serving abroad, and to govern the payment of traveling expenses and duties while on leave, and for other purposes; without amendment (Rept. No. 965);

H. R. 3330. A bill to authorize the sale, exchange, or other disposition of certain securities held by the Secretary of the Treasury; without amendment (Rept. No. 966); and

H. R. 5802. A bill to amend certain provisions of law relative to the withdrawal of brandy for fortification of wines and production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions; with amendments (Rept. No 967).

By Mr. KILGORE, from the Committee on Military Affairs:

S. J. Res. 24. Joint resolution for the relief of W. K. Richardson; with amendments (Rept. No. 968).

ADDITIONAL COPIES OF REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM

Mr. HAYDEN. Mr. President, from the Committee on Printing I report back without amendment Senate Resolution 217 and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 217), submitted by Mr. TRUMAN on the 15th instant, was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That 3,000 additional copies of Senate Report No. 480, part 5, current Congress, as submitted to the Senate pursuant to the resolution (S. Res. 71, 77th Cong.) directing an investigation of the national-defense program, be printed for the use of the Special Committee to Investigate the National Defense Program.

ASSISTANT CLERK, COMMITTEE ON ENROLLED BILLS

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report back with an amendment Senate Resolution 215 and ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 215), submitted by Mrs. CARAWAY on the 6th instant.

The amendment of the Committee to Audit and Control the Contingent Expenses of the Senate was, in line 5, after the name "January", at the end of line 4, to strike out "5" and insert "3", so as to make the resolution read:

Resolved, That the Committee on Enrolled Bills hereby is authorized to employ during the present session an assistant clerk to be paid from the contingent fund of the Senate at the rate of $1,800 per annum, to be effective as of January 3, 1942.

The amendment was agreed to.

The resolution as amended was agreed to.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

Mr. REYNOLDS, from the Committee on Military Affairs, reported favorably the nominations of sundry officers for appointment and promotion to rank as general officers in the Army, and also sundry officers for appointment, by transfer, in the Regular Army.

BILLS INTRODUCED

Mr. VAN NUYS introduced the following bills, which were read twice by their titles and referred to the Committee on the Judiciary:

S. 2207. A bill to provide for the adjustment of certain tort claims against the United States and to confer jurisdiction in respect thereto on the district courts of the United States, and for other purposes; and

S. 2208. A bill to further expedite the prosecution of the war.

TRANSFER OF C. C. C. AND N. Y. A. PROPERTY TO WAR DEPARTMENT

Mr. BILBO. Mr. President, on behalf of my colleague the junior Senator from Mississippi [Mr. DOXEY] and myself, I introduce a bill to provide for the transfer of certain Civilian Conservation Corps and National Youth Administration property to the War Department for the use of the Army motor transport training force. In passing I wish to make a brief observation.

I might say there is a "bottleneck" in the war machinery at this time for the lack of soldiers trained in the operation of automobiles and their overhauling and repair. There are in the C. C. C. and N. Y. A. machine shops, motor vehicles, and other equipment. To those shops selectees and draftees could be sent by the War Department for immediate training, utilizing the personnel in many cases of the two agencies as well as the hundreds of thousands of mechanics over the United States who have been recently thrown out of employment.

Before we get through with the present Army of 3,600,000 as provided by the recent order, it will take half a million soldiers trained in this line of work, and before we get through the army that will be necessary in the end it will take 2,000,000 men.

The purpose of the bill is to meet an emergency. Men now in the armed forces and others as they are drafted could be sent to the camps which are already built and already equipped, and there would be no lost motion but speedy action could be obtained.

I ask that the bill be referred to the Military Affairs Committee, where I know it will receive patriotic and judicial consideration.

The VICE PRESIDENT. The bill will be received and referred as requested by the Senator from Mississippi.

The bill (S. 2209) to provide for the transfer of certain Civilian Conservation Corps and National Youth Administration property to the War Department for use in connection with the Army motor transport training program was read twice by its title and referred to the Committee on Military Affairs.

RESERVE OFFICERS' TRAINING CORPS UNITS—REFERENCE OF BILL

Mr. BILBO. Mr. President, yesterday I introduced Senate bill 2206, to reduce the number of students required to be maintained under military instruction at educational institutions having Reserve Officers' Training Corps units from 100 to 50 for the period of the war and 1 year thereafter, and I had the bill placed on the table subject to call. After consultation with the majority leader, I desire to ask that the bill be referred to the Committee on Military Affairs.

The VICE PRESIDENT. Without objection, the bill will be so referred.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 260) to authorize the United States Maritime Commission to acquire certain lands in Nassau County, N. Y., was read twice by its title and referred to the Committee on Commerce.

INVESTIGATION OF RUBBER SUPPLIES AND PRODUCTION

Mr. DOWNEY submitted the following resolution (S. Res. 219), which was referred to the Committee on Military Affairs:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete study and investigation of (1) the supply of rubber available for the needs of the national defense, (2) the supply of rubber available for general civilian needs, (3) the extent to which rubber or substitutes therefor can be produced in the continental United States for each of such purposes, (4) the necessity of formulating a permanent national policy with respect to the domestic production of rubber or substitutes therefor, and (5) such other matters relating to the production and distribution of rubber and substitutes therefor as the committee deems appropriate. The committee shall report to the Senate, as soon as practicable, the results of its study and investigation, together with its recommendations.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-seventh and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to make such investigations, to administer such oaths to take such testimony, and to incur such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $———, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

THE LEAGUE: DEAD AND REBORN—EDITORIAL FROM THE NEW YORK TIMES

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an editorial published in the New York Times of January 10, 1942, entitled "The League: Dead and Reborn," which appears in the Appendix.]

PROHIBITION OF LIQUOR SALES AND SUPPRESSION OF VICE AROUND MILITARY CAMPS

Mr. O'DANIEL. Mr. President, in discussing this bill, S. 860, I first want to honor its author, the late Senator Morris Sheppard, by paraphrasing that great poem, A Psalm of Life, by the immortal poet Henry Wadsworth Longfellow:

> Lives of great men all remind us
> Of their human deeds, sublime;
> They, departing, leave behind them
> Footprints on the sands of time.

Truly, the late lamented and beloved Senator Morris Sheppard, of Texas, was a great and noble man, and he has left behind him "footprints on the sands of time." Those footprints were left pointing in the right direction toward peace and happiness. Those footprints ended suddenly and abruptly. Surely it is the duty of those who trod with him and who now tread on to lend a helping hand and strengthening arm to the unfinished work left by him, and for which he so untiringly labored, that legislation known as S. 860 which was authored, introduced, and sponsored by him.

This bill, S. 860, was introduced in the Senate on February 13, 1941, and was referred to the Committee on Military Affairs, of which Mr Sheppard was the distinguished chairman. Its very authorship ought conclusively to recommend it to the Senate and to the Congress and to the Nation for, undoubtedly, history will accord to the author the just rating that in him were combined the qualities of a great humanitarian, an able, constructive statesman, and a highly trained student of military affairs, who served his country with unsurpassed ability during the periods of both the first and second World Wars. As we all well know, it is not too much to say that he gave his life to the cause of national defense. His early sponsorship of this bill speaks well for his keen foresight. It may be that he envisoned this war. At any rate our actual entry into the war makes his bill more urgently needed now than before.

At the outset, Mr. President, I would like to make it clear that this bill cannot be construed as a stepping stone to that highly controversial subject of national prohibition. Mr. Sheppard very wisely worded the bill to confine it to national defense. I ask that all Senators carefully read the bill from an unbiased standpoint. If that is done and the bill is carefully scrutinized and studied I believe it will gain many new friends.

I intend to discuss the issue wholly as a war measure. I believe its enactment will go a long way toward helping us win the war. Surely our one job now is to win the war.

The purpose of the bill is fairly stated in its caption:

> To provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments.

Section 1 of the bill provides that it shall be a criminal offense, punishable by a fine of not less than $100 or more than $1,000 and/or imprisonment for not less than 30 days nor more than 12 months, to—

> sell, supply, give, or have in his or its possession any alcoholic liquors, including beer, ale, or wine, at or within any military camp, station, fort, post, yard, base, cantonment, training or mobilization place which is being used at the time for military purposes.

But the bill provides that the Secretary of War or the Secretary of the Navy—and all its provisions are made applicable alike to both Departments—

> may make regulations permitting the sale and use of alcoholic liquors for medicinal purposes.

Section 2 provides "that in the interest of the common defense" it shall be unlawful to sell, supply, give, or have in possession any intoxicating liquors, including beer, ale, or wine, "within such reasonable distance of any military camp, station, fort, post, yard, base, cantonment, training, or mobilization place," as the Secretary of War or the Secretary of the Navy, having supervision, "shall determine to be needful to the efficiency, health, and welfare of the Army and/or Navy, and shall designate in general orders or bulletins"; and it is provided that such violations of such general orders shall likewise be punished by a fine of not less than $100 nor more than $1,000 and/or imprisonment for not less than 30 days nor more than 12 months.

Section 3 of the bill provides expressly that its provisions shall apply alike to naval posts and camps, including those of the Marine Corps, to the same extent and in the same manner as to Army posts and camps, and that "the aviation units of both the military and naval service shall be subject to the provisions of this act."

Section 4. At least a part of the substance of this section has already been enacted into law by H. R. 2475.

In substance, the issue presented by this bill is whether or not the powerful and ruthless organized liquor traffic shall be allowed to pursue for profit the business of making alcoholic addicts of the American boys who are called to the colors for training in the Army and Navy camps and other units of service, or whether the plying of such nefarious occupation shall be made a criminal offense within such limits as the War and Navy Departments

shall prescribe. The issue presented by the bill is not a new one, and it is not alone a question of morals, or of health conservation, or of humanitarian treatment of our young soldiers and sailors, but, undoubtedly, it is a question of conserving the indispensable efficiency of the military and naval service for saving our very Nation. Just 1 year ago, on January 16 of last year, on the floor of the Senate, the lamented author of this bill, among other things, said:

I condemn beverage alcohol as a threat to the health, happiness, and prosperity of our citizenship. I condemn it as a contributing factor in the premature death of hundreds of thousands of our people. I condemn it as a charge upon the public, intolerable in an era of strenuous effort toward national security and defense. I condemn it because an alcoho-drinking democracy cannot develop the maximum strength for national defense.

And he also said:

The year 1940 was another year of continued prosperity and activity for the liquor industry. While millions of our people struggled against privation, want, and misery; while America began to call forth its material resources to prepare against modern aggressors, and while American youth prepared to leave their homes and occupations to enter upon a period of preparation and training in defense of a civilization which they believe to be worth preserving, a golden stream of profits continued to pour into the coffers of the liquor industry as constantly as relegalized liquor poured incessantly out of its vats, its casks, its barrels, and its bottles to undermine and cripple the human resources of this Republic.

This stream of liquor began to pour forth legally 7 years ago after a lapse of 13 years, during which its manufacture, sale, and possession constituted an illegal activity under the Constitution. Since then it has risen to floodtide, threatening to deluge the Nation and leaving in its wake a wreckage of human lives.

In offering this bill, Senator Sheppard was not submitting a novel proposal. On the contrary, he was proposing what the unparalleled record of efficiency and accomplishment of the glorious American Army and Navy during the World War No. 1 had demonstrated to be indispensable to efficient and safe national defense.

In the earliest days of the World War, before America was drawn into its vortex, Woodrow Wilson's great Secretary of the Navy, Josephus Daniels, with his approval, issued an order which went into effect on July 1, 1914, prohibiting the introduction or use for drinking purposes of any alcoholic beverage on board ship or within the limits of a navy yard or station, and this order was strictly enforced in the American Navy throughout the World War.

Then, after the United States was compelled to enter the war in 1917, the War Department and the Congress of the United States left nothing undone to protect the boys in the Army, as well as those in the Navy, from ruthless exploitation by the organized liquor traffic.

We Texans are proud of the fact that, with the indispensable approval and support of the War Department, Texas led the van as a pioneer in the movement to protect the millions of youths, in Army and Navy training camps, from the same ravages of the same liquor traffic that are threatening today. Gov. William Pettus Hobby, in view of the fact that numerous large soldiers' training camps were located in Texas, at San Antonio, Fort Worth, Dallas, El Paso, and elsewhere, shortly after he became Governor, in the fall of 1917, issued a call for a special session of the Texas Legislature, and in view of this action, on February 9, 1918, Hon. Newton D. Baker, Woodrow Wilson's great Secretary of War, sent Governor Hobby the following telegram:

In view of the special session which you have convened in Texas at this time it may be stated that owing to conditions now prevailing in Houston, Fort Worth, and elsewhere, the War Department will be deeply interested in any effective measure which will make it more difficult for soldiers in the camps of Texas to obtain liquor, and which shall further safeguard their health from the diseases growing out of commercialized vice.

This was followed some weeks later by a letter from Secretary of War Baker to Governor Hobby, which read as follows:

I have received numerous complaints concerning the sale of alcohol to soldiers in the various camp cities of Texas. Only this week a Texas Federal judge told me that there had been tried in his court more than 300 cases for selling liquor to soldiers in the last few months. In one Texas camp city 80 arrests of soldiers for drunkenness were reported in a period of 10 days. Various measures have been suggested and tried in the various camp cities to improve these conditions. Some of them have brought about improvement, such, for instance, as the San Antonio ordinance prohibiting the sale of liquor to be consumed on the premises. Even in that city, however, the number of arrests for drunkenness of soldiers continues too high.

I am therefore inclined to believe that the only effective measure to control this traffic is the establishment of zones of considerable size around military camps where no liquor is allowed, regardless of whether such territory includes cities and towns.

If, therefore, you decide to recommend to the Legislature of Texas the establishment of zones with a radius of 10 miles around all military camps in Texas, within which liquor shall not be allowed, and the legislature should pass a bill, the State of Texas will have made a contribution to the welfare of the Army of no mean proportions.

Pursuant to this recommendation of the Secretary of War, Governor Hobby at once recommended, and the Texas Legislature promptly enacted, a law prohibiting, under felony penalties of not less than 2 nor more than 5 years imprisonment in the penitentiary, the sale or introduction or transportation of intoxicating liquors for beverage purposes "within 10 miles of any part of the land or buildings occupied or controlled by the Government of the United States, or any part thereof * * * in time of war between the United States and any other country."

This Texas statute, which was rigidly enforced from the time it became effective, had a constructive effect upon the development of the great World War Army and Navy because regardless of residence or State lines a large proportion of the American soldiers and sailors and marines were being trained on Texas soil, subject to the protection of this act.

In the meantime the Congress of the United States became active along similar lines. On January 9, 1917, shortly before our entry into the World War, but when it was inevitable, by a vote of 55 to 32 the United States Senate passed a bill, of which Senator Morris Sheppard, of Texas, was the author, prohibiting the sale and manufacture of intoxicating liquor within the District of Columbia, which bill was promptly passed by the House and was signed by President Woodrow Wilson.

Then, under the act of November 21, 1918, the wartime Prohibition Act, the manufacture of intoxicating liquor in the United States after May 1, 1919, and the sale of intoxicating liquor after June 30, 1919, was prohibited for the duration of the war.

Now, what was the effect of this State and Federal legislation to protect the armed forces of the United States against the ravages of the liquor traffic? I am sure that every American must be proud to recall the indispensable service rendered with such notable efficiency by the American Army and Navy during the World War. It is only necessary to call attention to the historic, recorded fact that during the period of less than a year and a half that intervened between our entry into that war and the signing of the armistice, under the leadership of Woodrow Wilson as President and Commander in Chief of the Army and Navy, Newton D. Baker as Secretary of War, Josephus Daniels as Secretary of the Navy, Franklin Delano Roosevelt as the surpassingly able and brilliant Assistant Secretary of the Navy, and the other great leaders too numerous to mention, an armed force of nearly four and a half million soldiers and sailors and marines was created and trained for service and thrown into the fight, and more than 2,000,000 of them were transported across the seas to the battle line in Europe, in a most commendable manner. That record speaks for itself, as it will for all time. It is the record of the greatest wartime accomplishment, the maximum wartime effort, all things considered, in world history. Undoubtedly it saved civilization at that time, for without this stupendous contribution of the United States of America in support of the Allies during the first World War the Kaiser would have won, more than 20 years ago, the victory for world domination by German autocracy for which Hitler is so ruthlessly striving today. We won that war. Let us adopt the same system to help win this war.

Undoubtedly, one of the greatest military authorities of American history or of world history was Robert E. Lee. It is unnecessary to argue before the American people in support of his qualification to speak on any military subject. In Carl Sandburg's Life of Abraham Lincoln, speaking of Gen. Robert E. Lee, he says:

With a physical frame "solid as oak," trained to hardships and loneliness, Lee sipped wine occasionally, drank no hard liquor, cared nothing for tobacco, once wrote a son: "I hope you will always be distinguished for your avoidance of the 'universal balm,' whisky. Its temperate use is so difficult." Knowing the boy had heard this before, he apologized for giving advice: "You must pardon a fault which proceeds from my great love and burning anxiety for your welfare and happiness." He gave an odd incident of himself and whisky through the Mexican War. "A lady in Virginia prevailed on me to take a bottle of fine old whisky, which she thought I could not get on without. I carried that bottle all through the war, and on my return home I sent it back to my good

friend, that she might be convinced that I could get on without liquor."

Henry Ford, some years ago, broadcast the declaration that alcohol and gasoline will not mix. In these days of mechanized warfare, of tanks and airplanes and motor transports, this is tantamount to saying that alcohol and our world mechanized war will not mix; that the men or the traffic which seeks to induce American soldiers, sailors, airmen, or marines, in any branch of service, to drink intoxicating liquors is seeking directly to minimize the efficiency of American national defense.

The liquor problem of the American Army and Navy—and it is an ace problem of our national defense—is very similar to the liquor problem fearlessly faced and efficiently solved by the American railroads a quarter of a century or more ago, although it is a problem of infinitely greater size and importance. The united railroads of the Nation met this liquor issue and solved it by adopting, and by constantly promulgating and rigidly enforcing throughout the years, its well-known rule G, which reads as follows:

Rule G. The use of intoxicants while on or off duty, or the visiting of saloons or places where liquor is sold, incapacitates men for railroad service, and is prohibited. Any violation of this rule will be sufficient for dismissal.

If the use of intoxicating liquors by railroad operatives is dangerous to safety and to efficiency, who can doubt that its use by soldiers, sailors, marines, and men in the Air Corps in our training camps in these days of mechanized and motorized warfare, and training for warfare by land and sea and air, is infinitely more dangerous to safety and efficiency?

The pending bill is not in any sense an unreasonable or extreme measure. It does not make it a criminal offense for soldiers or sailors or marines to buy or drink intoxicating liquors, or for purveyors of liquor to sell intoxicating liquors to soldiers or sailors or marines, as for many years the law of most of the States made it a criminal offense to sell intoxicating liquors to minors or to habitual drunkards. It only makes it a criminal offense to sell intoxicating liquors or to introduce them within "any military camp, station, fort, post, yard, base, cantonment, training or mobilization place which is being used at the time for military purposes," or "within such reasonable distance" thereof as the Secretary of War or the Secretary of the Navy "shall determine to be needful to the efficiency, health, and welfare of the Army and/or Navy and shall designate in general orders or bulletins."

Let it be borne in mind that the bill does not prohibit men in the armed forces from buying or drinking liquor. These officers and men will have the same rights and privileges as civilians to purchase and drink liquor wherever it is for sale. It is not a prohibition measure as far as buying and drinking liquor is concerned. It only provides for keeping the liquor out of the workshops and training places, and such adjacent places as may be specified by the Secretaries of War and Navy. It only places our Army and Navy working shops and training places on a parity with workshops, schools, and training places of civilians. One seldom finds liquor in automobile factories, airplane factories, other successfully operated factories, or places where men work and train. Why should it be made conveniently available in Army and Navy camps?

The effect of the pending bill is merely and simply to empower the War Department and the Navy Department of the United States, or either of them, to prohibit the sale of intoxicating liquors in our training camps and other places to be specified by the Secretary of War or the Secretary of the Navy.

It should not be necessary to argue, here or elsewhere, in support of such a proposal. It should not be necessary to labor to prove the obvious. The mere statement of the case should be sufficient to end the argument. There should be .o opposition to the proposals contained in the bill.

Within recent years there was sent broadcast a notable booklet, issued by what was claimed to be one of the largest and oldest members of the liquor traffic—certainly an important, if not the largest, factor in the whisky trust—entitled "Some Men Should Not Drink," in which it said:

WE WHO MAKE WHISKY SAY: "DRINKING AND DRIVING DO NOT MIX"

This statement may seem to work directly against our self-interest. But actually it does not.

It is very much to our self-interest to see that the privilege of drinking is not abused. It is to our interest to see that liquor is consumed as it should be consumed. Whisky is a luxury and should be treated as such. When taken moderately * * * with a true appreciation of its taste, bouquet, and character, fine whisky brings a sense of friendliness and fellowship to social gatherings. But neither whisky nor any other alcoholic liquor has any place at the wheel of an automobile. Drinking and driving do not mix.

This conviction must be shared by everyone who reads the newspapers and by every thinking person who drives a car.

Therefore, we invite you—in the interest of public safety—to join us in the crusade for safer, saner driving.

If you expect to be at the wheel of a motorcar, we say to you: Think before you drink! Don't drink before you drive!

Certainly the proper handling of airplanes, tanks, submarines, and other motive equipment used in warfare is more important than merely driving an automobile. In one case the drinking driver's life and the lives of others are in danger; in this case the very existence of our Nation is at stake.

Certainly no one entertaining these views would oppose any reasonable plan to keep intoxicating liquors away from American soldiers, sailors, flyers, and Marines in these days of motorized warfare by land, air, and sea.

Mr. President, I also want to read to you a frank, patriotic, and most admirable advertisement published in a newspaper by a liquor dealer on the 4th of this month. This ad which I am about to read will surely put to shame any opposition to this bill. Here is the advertisement:

[From the St. Louis Post Dispatch of January 4 1942]

POOR OLD ROEBOCK SAYS: "DON'T BUY LIQUOR, BUY UNITED STATES DEFENSE BONDS"

We are loyal Americans and it is your duty and mine to bend every effort to win the war against the foes of democracy. We must buckle down to the dark days that lie ahead until final victory is achieved over the hordes of cruel, inhuman races.

We at Poor Old Roebock's have always believed that liquor is a luxury to be enjoyed moderately but never bought at the expense of the necessities of living.

Today, we have a new necessity: The necessity of defending our beloved land against the forces of aggression that would destroy us. We can help by buying United States defense bonds. The call is being sounded. Let us respond—on the double.

Poor Old Roebock is in the liquor business, but he does not want one penny of your money that should go for our country's defense. So he is urging you to buy United States defense bonds first. Afterwards, if you can afford it, you can give thought to luxuries like good liquor.

That, Mr. President, is the case of a liquor dealer putting patriotism above profit. That man has beaten Congress to the draw. He has set a patriotic example for the Congress of the United States to follow by enacting legislation that will cause all liquor dealers to put patriotism, the Army, sailors, marines, and the Air Corps ahead of profit. This dealer says that liquor is a luxury. Certainly the meager $21 per month or more that we pay our soldier boys will not enable them to purchase more than the bare necessities of life for themselves and their dependents. Certainly they can afford no luxuries, and if their meager salaries are spent for liquor they and their dependents will suffer for want of the necessities of life, to say nothing of the ill effect the liquor will have on them.

Yes, Mr. President, how much better it would be for these soldier boys to invest their money in defense bonds and savings stamps, instead of liquor, as advised by the man who sells liquor. This bill, if enacted, will help these boys to do that, by removing from their camps the temptation to buy liquor.

The German Government issued a sane and unanswerable argument on the question of the mixing of alcohol with the operation of motorized vehicles, in the form of a leaflet, printed, of course, in the German language, published by the police headquarters of the city of Berlin, entitled "What Must the Motorist Know About Alcohol?", in which it said:

He must know:

1. The difficult and responsible profession of motor driver forbids the use of all alcoholic drinks (beer, wine, fruit wine, brandy, and the like) before as well as also during driving.

2. Even small amounts of alcohol are harmful to the motor driver. It is a widespread error to assume that such amounts are not dangerous. On the contrary, they first lead to indiscretion due to intensifying the desire for action, but result in premature fatigue and imperfect power of observation, and thereby weaken the capacity for rapid decision and action in the moment of danger.

3. A large portion of the motor accidents arises from the use of even small quantities of alcohol.

4. Greater quantities of alcohol increase the danger and lead finally to drunkenness

accompanied with unpremeditated or foolish actions and transgressions.

5. Persons who are inclined to drinking will in all cases be denied the permission to drive.

6. A drunken driver is not permitted to drive a motor vehicle under any circumstances. If a motor driver is caught in a drunk condition while on duty then he will be constrained by the police, and the vehicle will be secured. Moreover, the driving license will be taken away.

7. The most serious accidents happen on so-called joyrides which are regularly associated with the use of alcohol. Heavy punishment for the driver and withdrawal of the driving license are the consequences.

8. Every motor driver who does not relinquish alcohol for at least an extended time before the ride and during the same endangers not only his fellow men and himself, but he also brings his family into misfortune.

9. For all these reasons the motor driver has the most urgent cause to shun spiritous drinks, and to resort to really refreshing and thirst-quenching drinks in summer, and in winter to nonalcoholic drinks that are effectively warming and at the same time nourishing, above all, excellent grape juice.

Mr. President, today we are at war with Germany. With all of their deficiencies, nobody can deny their military success so far in this World War No. 2, and it is well to note their policy regarding the effects of liquor on those who operate motorized equipment.

Mr. President, permit me to also quote a very pertinent statement made by Theodore Roosevelt during the World War No. 1:

The same reasons that render it necessary to prohibit the sale of liquor to soldiers in uniform, or within a given number of miles of a military camp, and to stop its use on battleships, apply to extending similar protection to all citizens engaged in the work of railroads, factories, mines, and shipyards. My sons, who are now in the Army in France, write me most strongly (just as General Pershing has expressed his public opinion unstintingly) as to the harm done to the men of the Army by permitting the sale of liquor to them, stating that they believed in absolute prohibition for the Army in wartime—and one of them adding that his experience has made a permanent prohibitionist of him.

Mr. President, in a serious crisis like this we surely cannot afford to turn a deaf ear to those words of wisdom and experience spoken by such a distinguished statesman as Theodore Roosevelt.

Mr. President, let me quote from other reliable sources.

An Army officer, Col. George E. Skinner, Medical Corps, United States Army, retired, says the Army definitely does not need alcohol:

Today our development is so largely mechanical and our equipment moves at such speed that even the most ordinary routine of daily life requires the clearest brain and most accurate and rapid muscular action possible. This is demonstrated daily by the number of traffic injuries, and as traffic is now mostly automobile, the injuries and deaths from this cause are appalling. A large percentage of them are the direct result of the use of alcoholic drinks. Why? We have just mentioned that life now depends largely upon the quick action of the mind and a rapid response of the muscles to the needs of the body. The first action of alcohol is to break up the connection between the mind and body, to confuse the mind, and to slow muscular action. Hence, even if the mind notes that the body is in danger and orders the muscles to act, the order is badly mixed up in reaching the muscles, and the response may be directly opposite from what it should be. The worst of it is that the owner of the mind does not realize the difficulty and proceeds serenely on his destructive way until he is either killed, injured, or taken out of circulation in some other way.

These reactions to alcohol operate as surely in the Army as in civil life. In our present defense needs, the protective armament is very largely mechanical and often exceedingly complicated, requiring the finest training and muscular response (coordination) possible. As a man's life—and the lives of others—in an airplane depends upon the accurate judgment and coordination of the pilot—and both judgment and coordination are badly disturbed by alcohol—it stands to reason that a man who indulges in alcohol is not going to be trusted with such an important assignment.

The same is true in practically every other part of the modern Army, and if our country is to survive in a crisis depending upon defense, we must have a trained defense force that is relatively free from the disturbances of alcohol.

An air pilot who has alcoholic inclinations is not going to last long on his job, for not only is there danger to the lives of others besides himself but he is in charge of a very expensive machine, which takes months to replace if damaged or destroyed, and one on which the safety of our country may largely depend. He would promptly be grounded and, if his course were not immediately and radically altered, he would be removed entirely from his assignment. Not only does he not have to drink to be a soldier, but if he does drink he cannot occupy any responsible position.

Dr. Haven Emerson, of the College of Physicians and Surgeons at Columbia University, told a gathering at Atlantic City, on December 25, that at a time like the present, when precision, speed, alertness, endurance, competence of mind and body are at a premium, in the face of forces of disintegration and brute use of criminal power—

It must be evident that tolerance of alcohol, which invariably dulls the mind and slows the body, weakens the conscience, and makes men vulnerable to disease, is at least unpatriotic and under some circumstances actually treasonable.

Mr. President, with all due respect to those who may differ, I submit that there can be no sane or justifiable reason assigned for opposing the pending bill. It is not a national prohibition measure, but only an emergency measure indispensable to the efficient and successful prosecution of our war.

In urging the enactment of this bill I want to call attention especially to this fact: That the bill is certainly reasonable in every particular. The only thing that it does is to place in the hands of the Secretary of War the power to take such action as he shall determine to be needful to protect the efficiency, the health, and the welfare of the Army or Navy. I want to read to you again a portion of section 2 of this bill:

That in the interest of the common defense it shall be unlawful within such reasonable distance of any military camp, station, fort, post, yard, base, cantonment, training or mobilization place as the Secretary of War shall determine to be needful to the efficiency, health, and welfare of the Army and/or Navy and shall designate in general orders or bulletins for any person, corporation, partnership, or association to sell, supply, give, or have in his or its possession any alcoholic liquors, including beer, ale, or wine.

In other words, when this bill is enacted into law, we thereby place in the hands of the Secretary of War the authority to control the sale of alcoholic liquors around those areas where the young men of this Nation are being trained or mobilized for military service. Certainly the Secretary of War should have the power to do those things which he deems necessary to protect the efficiency, health, and welfare of the young manhood of this Nation who are being trained for military service. To me it would seem very strange that we would vest in the Secretary of War all the power which he does have to direct the Army and Navy and withhold from him the power to prevent the sale of intoxicating liquors around Army camps. Such action would be equivalent to saying that the liquor traffic must be permitted to go on even though the Secretary of War believes that it is harmful to the health, efficiency, and welfare of our boys. It would be equivalent to saying that in order that the liquor traffic may go on undisturbed, we will not permit the Secretary of War to prohibit the sale of liquor at and near these Army camps even though he believes it is essential for national defense. In my opinion, it would be a position extremely difficult to defend before the American people if we here today by our votes should say that we are not willing to allow the Secretary of War, even though he may deem it necessary, to take action to stop the sale of liquor in these areas. To my way of thinking, the sale of liquor is indefensible under any conditions and certainly the position that this must go on, even though the health, the efficiency, and the welfare of the Nation may be imperiled, would be to take a position wholly and totally indefensible from every standpoint. From every standpoint of which I can conceive, this legislation is essential and necessary. I am very frank to tell you that the bill in its present form does not go as far as many people might like to see it go, but I feel that if we should attempt to make this bill as drastic as some would like to see it made, we would thereby jeopardize the opportunity of passing the legislation. My position, therefore, shall be to contend for the passage of the bill in the form in which it was introduced by the late chairman of our Senate Military Affairs Committee, Morris Sheppard, who for many years was considered to be the outstanding friend of the Army and the man who during his life probably did more than any other man in public life to promote the cause of temperance and to regulate effectively the liquor traffic in both peacetime and in wartime.

Permit me again to say that the issue presented by the pending bill is a simple one, not difficult to understand. It is whether the War Department and the Navy Department of the Government of the United States, the greatest democracy the world has ever known, shall be

given the power and be charged with the duty to protect the boys in our Army and Navy training camps against the dangerous use of intoxicating liquor, which endangers not only their own lives, but the lives of 130,000,000 American citizens by interfering with the efficient carrying on of our war activities. Undoubtedly, in a large measure, the health, happiness, and economic welfare of millions of American citizens, and the efficiency of America's armed forces and the value of her contribution to the preservation of democracy and of Christian civilization throughout the entire world depend upon this issue. What shall the answer be? As for me, I support this bill.

I am going to cast my vote in favor of this piece of constructive legislation because it is my honest opinion that unless such legislation is enacted we are actually rendering a very great service to Hitler and the Japs. Furthermore, should this Nation meet with serious reverses in this great war—which God grant we shall not—or if any battle should be lost, and any of our brave young soldiers killed, and it should later be positively proven that such battle was lost because there was too much liquor used by our men in the service, I certainly want to be able to look the mothers of those lost boys straight in the eye and say, "I did everything within my power to keep liquor away from the Army, Navy, Air Corps, and Marines."

Yes; Mr. President, if this bill fails to pass, somebody else must take the full responsibility—not I. I am for the bill.

Mr. President, I move the immediate consideration of Senate bill 860. I ask for the yeas and nays on my motion.

Before the question is put, I desire to ask to have printed in the RECORD, not the voluminous pile of petitions which have come to my office from good citizens throughout the United States, but a record of the petitions. The record gives the places from which the petitions have come, and the number of signers.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Petition from Circle No. 13 of the First Baptist Church, Dallas, Tex., signed by 14 citizens.

Petition from citizens of Poland, State of New York, signed by 21 citizens.

Petition from citizens of Andover, State of New York, signed by 136 citizens.

Petition from citizens of Lowville, N. Y., signed by 25 citizens.

Petition from citizens of Castile, N. Y., signed by 53 citizens.

Petition from citizens of Ripley, N. Y., signed by 30 citizens.

Petition from New Rochelle, Westchester County, signed by 56 citizens.

Petition from Lima, N. Y., signed by 35 citizens.

Petition from Avon, N. Y., signed by 47 citizens.

Petition from Batavia, N. Y., signed by 74 citizens.

Petition from Rochester, N. Y., signed by 69 citizens.

Petition from Westfield, N. Y., signed by 29 citizens.

Petition from Pleasant Valley, N. Y., signed by 32 citizens.

Petition from Ithaca and Tompkins County, signed by 81 citizens.

Petition from Otego, N. Y., signed by 43 citizens.

Petition from Canisteo, N. Y., signed by 21 citizens.

Petition from East Worcester, County of Otsego, N. Y., signed by 24 citizens.

Petition from the State of New York, signed by 24 citizens.

Petition from Brooklyn, N. Y., signed by 29 citizens.

Petition from Nassau County, N. Y., signed by 34 citizens.

Petition from Northville, N. Y., signed by 38 citizens.

Petition from Grace Baptist Church, Brooklyn, N. Y., signed by 21 citizens.

Petition from Waddington, N. Y., signed by 18 citizens.

Petition from Ithaca, N. Y., signed by 77 citizens.

Petition from members of Woman's Club, Richmond Hill, Borough of Queens, N. Y., signed by 31 citizens.

Petition from Hicksville, N. Y., signed by 23 citizens.

Petition from New York, signed by 44 citizens.

Petition from Chautauqua County, N. Y., signed by 25 citizens.

Petition from Montour Falls, N. Y., signed by 20 citizens.

Petition from Auburn, N. Y., signed by 14 citizens.

Petition from Carthage, N. Y., signed by 22 citizens.

Petition from Galway, Saratoga County, N. Y., signed by 20 citizens.

Petition from Hagaman, N. Y., signed by 42 citizens.

Petition from Painted Post, N. Y., signed by 50 citizens.

Petition from Montour Falls, N. Y., signed by 22 citizens.

Petition from Clarence, Erie County, N. Y., signed by 16 citizens.

Petition from Auburn, N. Y., signed by 46 citizens.

Petition from pastors in the Wichita Falls District of the Methodist Church, Texas, signed by 19 citizens.

Petition from Gouverneur, N. Y., signed by 253 citizens.

Petition from Brooklyn, N. Y., signed by 32 citizens.

Petition from Brooklyn, N. Y., signed by 18 citizens.

Petition from Huntington, N. Y., signed by 38 citizens.

Petition from Huntington, N. Y., signed by 32 citizens.

Petition from the members of the Woman's Culture Club of Commerce, Tex., signed by 30 members.

Petition from Oneida, N. Y., signed by 21 citizens.

Petition from West Oneonta, N. Y., signed by 37 citizens.

Petition from Nanuet, N. Y., signed by 5 citizens.

Petition from Mt. Vernon, N. Y., signed by 40 citizens.

Petition from Pine Bush, N. Y., signed by 36 citizens.

Petition from Gloversville, N. Y., signed by 22 citizens.

Petition from Brooklyn, N. Y., signed by 19 citizens.

Petition from Coahoma, Tex., signed by 26 citizens.

Petition from Ithaca, N. Y., signed by 31 citizens.

Petition from Fort Montgomery, N. Y., signed by 18 citizens.

Petition from Lackawanna, N. Y., signed by 14 citizens.

Petition from Trumansburg, N. Y., signed by 25 citizens.

Petition from Highland, N. Y., signed by 22 citizens.

Petition from Woman's Christian Temperance Union, Ithaca, N. Y., signed by 81 citizens.

Petition from Amsterdam, N. Y., signed by 59 citizens.

Petition from Coxsackie, N. Y., signed by 12 citizens.

Petition from Leonardsville, N. Y., signed by 32 citizens.

Petition from Westford, N. Y., signed by 55 citizens.

Petition from Treadwell, N. Y., signed by 60 citizens.

Petition from Gowanda, N. Y., signed by 17 citizens.

Petition from Kingston, N. Y., signed by 18 citizens.

Petition from Waterport, N. Y., signed by 15 citizens.

Petition from Amsterdam, N. Y., signed by 35 citizens.

Petition from Flushing, N. Y. signed by 16 citizens.

Petition from Salem, N. J., signed by 351 citizens.

Petition from Maplecrest, N. Y., signed by 44 citizens.

Petition from Chautauqua, N. Y., signed by 60 citizens.

Petition from Fredonia, N. Y., signed by 30 citizens.

Petition from Schenectady, N. Y., signed by 21 citizens.

Petition from Freeport, N. Y., signed by 26 citizens.

Petition from Islip, N. Y., signed by 7 citizens.

Petition from Poughkeepsie, N. Y., signed by 34 citizens.

Petition from Towners, N. Y., signed by 41 citizens.

Petition from New Rochelle, N. Y., signed by 14 citizens.

Petition from Southampton, N. Y., signed by 68 citizens.

Petition from Oyster Bay, N. Y., signed by 39 citizens.

Petition from Batavia, N. Y., signed by 67 citizens.

Petition from Brooklyn, N. Y., signed by 62 citizens.

Petition from Brooklyn, N. Y., signed by 34 citizens.

Petition from Albany, N. Y., signed by 16 citizens.

Petition from Limerick, N. Y., signed by 26 citizens.

Petition from Stanfordville, N. Y., signed by 11 citizens.

Petition from New Berlin, N. Y., signed by 6 citizens.

Petition from Wainscott, Long Island, N. Y., signed by 6 citizens.

Petition from Burlington, N. J., signed by 38 citizens.

Petition from Burlington, N. J., signed by 20 citizens.

Petition from Keeseville, N. Y., signed by 5 citizens.

Petition from Castle Creek, N. Y., signed by 31 citizens.

Petition from Westdale, N. Y., signed by 19 citizens.

Petition from Rockville Centre, N. Y., signed by 23 citizens.

Petition from Bainbridge, N. Y., signed by 49 citizens.

Petition from Patchogue, N. Y., signed by 80 citizens.

Petition from Sloansville, N. Y., signed by 25 citizens.

Petition from citizens of Middleburgh, N. Y., signed by 102 citizens.

Petition from citizens of Brooklyn, N. Y., signed by 25 citizens.

Petition from members of the Chalk Church and community of Big Spring, Tex., signed by 31 citizens.

Petition from citizens of South Otselic, N. Y., signed by 22 citizens.

Petition from citizens of Corning, N. Y., signed by 76 citizens.

Petition from citizens of Warsaw, N. Y., signed by 32 citizens.

Petition from citizens of Beaver Dams, N. Y., signed by 25 citizens.

Petition from citizens of Norwich, N. Y., signed by 40 citizens.

Petition from citizens of Houghton, N. Y., signed by 36 citizens.

Petition from citizens of Castile, N. Y., signed by 23 citizens.

Petition from citizens of Meridale, N. Y., signed by seven citizens.

Petition from citizens of Randall, N. Y., signed by 19 citizens.

Petition from citizens of Belleville, N. Y., and vicinity, signed by 22 citizens.

Petition from citizens of New Rochelle, N. Y., signed by 69 citizens.

Petition from citizens of Broome County, N. Y., and Binghamton, N. Y., signed by 20 citizens.

Petition from citizens of Schenectady, N. Y., signed by 41 citizens.

Petition from citizens of Watervliet, N. Y., signed by 55 citizens.

Petition from citizens of Galway, N. Y., signed by 33 citizens.

Petition from citizens of Brooklyn, N. Y., signed by 24 citizens.

Petition from citizens of Houghton, N. Y., signed by 20 citizens.

Petition from citizens of Brooklyn and Queens, N. Y., signed by 17 citizens.

Petition from citizens of New York, N. Y., signed by 41 citizens.

Petition from citizens of Middletown, N. Y., signed by 34 citizens.

Petition from citizens of New Rochelle, N. Y., signed by 23 citizens.

Petition from citizens of Livingston, N. Y., signed by 28 citizens.

Petition from citizens of Copenhagen, N. Y., signed by 14 citizens.

Petition from citizens of Stanford, N. Y., signed by 12 citizens.

Petition from citizens of Ravena, N. Y., signed by 14 citizens.

Petition from citizens of Hadley, N. Y., signed by 17 citizens.

Petition from citizens of Steuben County, Wallace, N. Y., signed by 39 citizens.

Petition from citizens of Allegany County, Belmont, N. Y., signed by 20 citizens.

Petition from citizens of Cuba, N. Y., signed by 66 citizens.

Petition from citizens of Ithaca, N. Y., signed by 17 citizens.

Petition from citizens of White Lake, N. Y., signed by 26 citizens.

Petition from citizens of Nassau County, N. Y., Lynbrook, signed by 53 citizens.

Petition from citizens of Boonville, N. Y., signed by 100 citizens.

Petition from citizens of Round Lake, N. Y., signed by 65 citizens.

Petition from members of the West Avenue Methodist Church, of Rochester, N. Y., signed by 80 citizens.

Petition from citizens of Apalachin, N. Y., signed by 54 citizens.

Petition from citizens of Madison County, N. Y., Hamilton, signed by 20 citizens.

Petition from citizens of Brooklyn, N. Y., signed by 47 citizens.

Petition from citizens of Manlius, N. Y., signed by 43 citizens.

Petition from citizens of Lowville, N. Y., signed by 25 citizens.

Petition from citizens of Moravia, N. Y., signed by 22 citizens.

Petition from citizens of Brooklyn, N. Y., signed by 42 citizens.

Petition from citizens of Westfield, N. Y., signed by 17 citizens.

Petition from citizens of Schenectady, N. Y., signed by 8 citizens.

Petition from citizens of Esperance, N. Y., signed by 17 citizens.

Petition from citizens of Amsterdam, N. Y., signed by 25 citizens.

Petition from citizens of New Paltz, N. Y., signed by 10 citizens.

Petition from citizens of Granville, N. Y., signed by 18 citizens.

Petition from Penn Yan, N. Y., signed by 18 citizens.

Petition from citizens of Brooklyn, N. Y., signed by 5 citizens

Petition from citizens of Brooklyn, N. Y., signed by 47 citizens.

Petition from citizens of Roland, N. Y., signed by 19 citizens.

Petition from citizens of Moira, N. Y., signed by 23 citizens.

Petition from citizens of Milton, N. Y., signed by 37 citizens.

Petition from citizens of Oneonta, N. Y., signed by 4 citizens.

Petition from citizens of Waverly, N. Y., signed by 37 citizens.

Petition from citizens of Port Ewen and Ulster Park, N. Y., signed by 61 citizens.

Petition from citizens of Brooklyn, N. Y., signed by 39 citizens and 11 members of the Beverly Presbyterian Church of Brooklyn.

Petition from citizens of Cobleskill, N. Y., signed by 101 citizens.

Petition from citizens of Newfield, N. Y., signed by 24 citizens.

Petition from citizens of Nassau County, Inwood, N. Y., signed by 77 citizens.

Petition from members of the First Methodist Church, Horseheads, N. Y., signed by 58 members.

Petition from members of the First Baptist Church, Horseheads, N. Y., signed by 14 members.

Petition from citizens of New Paltz, N. Y., signed by 15 citizens.

Petition from citizens of Binghamton, N. Y., signed by 49 citizens.

Petition from citizens of North Granville, N. Y., signed by 18 citizens.

Petition from citizens of Dallas, Tex., signed by 355 citizens.

Petition from citizens of Ilion, N. Y., signed by 118 citizens.

Petition from citizens of Portville, N. Y., signed by 87 citizens.

Petition from citizens of Nyack, N. Y., signed by 93 citizens.

Petition from members of Centenary Methodist Church, Bath, N. Y., signed by 83 members.

Mr. LEE. Mr. President, will the Senator yield to me?

Mr. O'DANIEL. I yield.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). The Senator from Texas has moved the immediate consideration of the bill. Such a motion is not debatable.

Mr. LEE. Mr. President, I asked the Senator to yield to me because I know that the question is not debatable before 2 o'clock. Will the Senator withhold his motion until I have made an observation?

Mr. O'DANIEL. Yes; I shall withhold the motion until the proper time.

The PRESIDING OFFICER. The motion of the Senator from Texas is withdrawn.

Mr. LEE. Mr. President, it seems to me the Senator from Texas has made a very strong argument in favor of the legislation embodied in Senate bill 860. I wonder if all Senators here know just what the bill provides. It is very simple; but, of course, sometimes simplicity almost complicates matters. There is no reason for anyone to misunderstand the bill.

I have heard the statement made that the bill is an effort to bring back national prohibition. Mr. President, there is nothing like that in the bill. Let me read just a portion of it:

Be it enacted, etc., That in the interest of the common defense no person, corporation, partnership, or association shall sell, supply, give, or have in his or its possession any alcoholic liquors, including beer, ale, or wine at or within any military camp, station, fort, post, yard, base, cantonment, training or mobilization place which is being used at the time for military purposes, * * *.

A second provision is that the Secretary of War shall designate a distance which shall be determined with respect to the efficiency, health, and welfare of the Army, and that no liquor shall be sold or brought nearer to the camp than the distance so designated.

Further, the bill applies to vice—that is, prostitution—in the same manner.

If the Senator will further yield——

Mr. O'DANIEL. I yield.

Mr. LEE. I wish to point out that a man in uniform who is intoxicated is a sad spectacle to any American. Many private businesses will not allow their employees while on duty to drink intoxicating liquors. When a man puts on the uniform of the United States the feeling of embarrassment is even greater when we see him intoxicated or see him under the influence of liquor or even see him drinking while he has on the uniform, because, for the time he has on the uniform, in one sense, he is on duty. Liquor has no place in an army; it has no place in a military camp.

This is a very mild provision, simply prohibiting liquor and vice in the vicinity of military camps. We are in war; there is no need for liquor. But every reason from the standpoint of military efficiency, to say nothing of moral conduct, why this bill should be passed now.

To me the argument of the Senator from Texas is very persuasive; to me there is no good argument why this bill should not be passed.

The Secretary of War has written a letter opposing it, but his arguments are not at all impressive to me. His best argument seems to be that the passage of the bill, unless we have national prohibition, would put the soldier under a different government than that applying to civilians; but when a man is in the uniform of the United States he is in a different category with respect to many things.

Mr. O'DANIEL. Mr. President, will the Senator yield?

Mr. LEE. The Senator from Texas has the floor.

Mr. O'DANIEL. Very well. Since the Senator mentioned that the Secretary of War had objected to this bill, I merely wanted to call attention to the fact that his objection was filed a long time before we got into war. I wish also to call attention to the fact that this bill would not, in any way, shape, manner, or form put the men in the armed forces, the men in uniform, in a different category from civilians. It would not prohibit a man in the service from buying liquor and drinking liquor wherever it is legally for sale, and drinking it there. It would

prevent civilians from going into military camps and buying liquor just as it would prevent men in uniforms, members of the armed forces, from buying liquor in the same place. It would simply remove liquor from the workshop of the American Army, Navy, and air force.

Mr. LEE. Mr. President, I think this is a very good bill and, if enacted, would constitute the mildest possible law the Federal Government would be expected to have on its statute books with respect to this problem. Yet the passage of this bill would protect the boys in the military camps throughout our land. Therefore I shall support it.

Mr. BARKLEY. Mr. President, will the Senator from Texas yield for a question?

Mr. O'DANIEL. I yield.

Mr. BARKLEY. I should like to have the Senator's interpretation of sections 1 and 2 of the bill. Section 1 provides that—

> No person, corporation, partnership, or association shall sell, supply, give, or have in his or its possession any alcoholic liquors—

And so forth—

> within any military camp, station, fort, post, yard, base, cantonment, training or mobilization place—

And a penalty is provided including a fine "of not less than $100 nor more than $1,000 and/or imprisonment for not less than 30 days nor more than 12 months."

Would that penalty apply to a soldier who was found with any quantity of liquor on his person inside a camp?

Mr. O'DANIEL. My interpretation of that is that it would prohibit the handling of liquor in military camps.

Mr. BARKLEY. The penalty would apply to a soldier——

Mr. O'DANIEL. I understand it would apply to anyone who had liquor.

Mr. BARKLEY. It would apply to a soldier who had any quantity of liquor in his possession?

Mr. O'DANIEL. That is my understanding of the bill.

Mr. BARKLEY. And that, of course, would be in addition to any other penalties administered by the War Department for any violation of its rules and regulations, would it not?

Mr. O'DANIEL. That would be my understanding.

Mr. President, I now renew my motion that the Senate proceed to the immediate consideration of Senate bill 860, and on that motion I ask for the yeas and nays.

Mr. CLARK of Missouri. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bulow	Davis
Andrews	Bunker	Downey
Austin	Burton	Doxey
Bailey	Butler	Ellender
Ball	Capper	George
Bankhead	Caraway	Gerry
Barbour	Chandler	Gillette
Barkley	Chavez	Glass
Bilbo	Clark, Idaho	Green
Bone	Clark, Mo.	Guffey
Brewster	Connally	Gurney
Brown	Danaher	Hayden
Hill	Millikin	Smith
Holman	Murdock	Stewart
Hughes	Murray	Taft
Johnson, Colo.	Norris	Thomas, Idaho
Kilgore	Nye	Thomas, Okla.
La Follette	O'Daniel	Thomas, Utah
Langer	O'Mahoney	Truman
Lee	Pepper	Tunnell
Lodge	Radcliffe	Tydings
Lucas	Reed	Vandenberg
McCarran	Reynolds	Van Nuys
McFarland	Rosier	Wagner
McKellar	Russell	Wheeler
McNary	Schwartz	White
Maloney	Shipstead	Wiley
Mead	Smathers	Willis

The PRESIDING OFFICER. Eighty-four Senators have answered to their names. A quorum is present.

The question is on the motion of the Senator from Texas [Mr. O'DANIEL] that the Senate proceed to the consideration of Senate bill 860.

Mr. LEE. Mr. President, we ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from Texas. [Putting the question.] The "noes" have it, and the motion is rejected.

Mr. JOHNSON of Colorado. Mr. President, I call for a division.

Mr. BONE. Mr. President——

Mr. BARKLEY. Mr. President, did the Chair announce the result of the vote?

The PRESIDING OFFICER. The motion was rejected.

Mr. JOHNSON of Colorado. The Senator from Colorado was calling for a division——

The PRESIDING OFFICER. The motion was lost.

Mr. JOHNSON of Colorado. Before the Chair announced the vote.

The PRESIDING OFFICER. All in favor of the motion——

Mr. CLARK of Missouri. I make the point of order that the Chair had announced the result before the demand for a division was made, and therefore the demand came too late.

Mr. JOHNSON of Colorado. I beg to differ with the Senator; the Chair did not announce the result before I called for a division.

Mr. NORRIS. Mr. President, I wish to say that I heard the Senator from Colorado demand a division. The Chair may not have heard him; I judge the Chair did not hear him, but I am sure he distinctly made such a demand.

Mr. CLARK of Missouri. I withdraw the point of order, if there is any dispute about the fact of the matter. It seemed to me that the Chair announced the result before the demand for a division.

The PRESIDING OFFICER. The Chair did not hear the Senator from Colorado asking for a division, but since there was a misunderstanding, all in favor of the motion will stand and be counted.

On a division, the motion was rejected.

WAR CONTRACTS

Mr. BONE. Mr. President, the American people are notoriously tolerant and long suffering. To that characteristic only can be attributed the patience and forbearance exhibited by them in dealing with war profiteering in World War No. 1. In common with other Members of the Senate, I read with the regret which the average citizen would entertain the sordid story of greed, graft, and corruption which characterized the purchasing of war materials during World War No. 1. Many books have been written about the subject. It probably is as dark and ominous a page of American history as may be found in our annals. So tolerant and so patient were the American people that there resulted very few prosecutions of those guilty of the graft and corruption which clouded the operations of World War No. 1.

One of the cases which got into court and pursued its weary and seemingly unending way through the labyrinthine maze of the American judicial system was a case against the Bethlehem Steel Co. outfit. The catalog of profiteering horrors which was detailed yesterday to us in small part by the Truman committee is strangely reminiscent of the doings of our wayward brethren during World War No. 1, resulting in the creation of a vast number of great fortunes which were coined out of widows' sighs and orphans' tears. At least one and possibly more elements characterized the Bethlehem Steel contract with our Government as an unconscionable thing. It was savagely denounced by one court. But, as I recall the case, the court said that the Government signed the contract, was bound by it, entered into it at arm's length, and that, however bad the contract was, however much it betrayed every single element of decency, it was, nevertheless, binding. The conditions were nominated in the bond, and, with Shylock impudence, the Bethlehem Steel Co. insisted on the performance of the letter of the contract.

MADE ENORMOUS PROFITS

The case against the Bethlehem concern was brought in April 1925 by the United States Government to recover excessive profits already paid to Bethlehem. A United States district court in Pennsylvania held that the United States could not recover the profits already paid and that Bethlehem was entitled to $5,270,000 as profits due but not yet paid. The circuit court of appeals of Philadelphia affirmed this decision.

Under the contracts Bethlehem was to be repaid the cost of constructing certain vessels plus a fixed profit of about 10 percent of the estimated cost, plus a further "bonus for savings" equal to one-half of the amount by which the actual cost was less than the estimated cost. The Government petition charged that Bethlehem submitted inflated estimates of cost, with the result that it would receive over $25,000,000 profit for doing work which cost about $93,000,000, without running any possible risk of loss.

In a petition for a hearing before the Supreme Court, Solicitor General Biddle said that the question raised was "of immediate national concern" because of the Government's defense program. This petition states that Judge Dickinson, of the United States District Court for the Eastern District of Pennsylvania, while deciding against the Government, called the transaction a "daylight robbery," and said that the Bethlehem's conduct reminded him of Rob Roy, "who admitted

he was a robber but proudly proclaimed that he was no thief." The Government's petition to the Supreme Court further set forth that the matter was of such concern that there should be an authoritative determination of the extent to which the country's need should place it at the mercy of its contractors, and added:

In times of national emergency the men charged with preparing the Nation's defenses have no time for haggling with a contractor who refuses to perform his indispensable function unless he be assured of an exorbitant profit.

COLLECTED 27 PERCENT

The petition also stated that the Government cannot agree that the law sanctions as a matter of good conscience profits amounting to more than 27 percent of the cost of constructing vessels when these profits were secured without the slightest risk of loss to the contractor and were obtained by the threat of withholding essential service to the Government in wartime.

After the suit was brought by the Government against Bethlehem, that concern brought suit in January 1926 to recover over $7,500,000 in profits not yet paid to it. The lower court held finally that the United States could not recover any of the profits already paid to Bethlehem and that the private company was entitled to $5,270,000 as profits due but not paid. This judgment was examined by the circuit court of appeals at Philadelphia. The circuit court of appeals, according to press reports, described Bethlehem's attitude one of "commercial greed" which "took advantage of the Nation's necessities to secure inordinate profit."

Perhaps the mothers and fathers of the boys who are to die in this war will find consolation in the pronouncement of Mr. Eugene Grace, president of Bethlehem Steel Corporation, as reported by the Associated Press on August 5, 1940, while all the publicity concerning the Bethlehem case was in the public prints. On that date Mr. Grace announced to the public through the Associated Press that:

No true patriot will seek to enhance his position at the cost of national need and national welfare.

It is too bad that Mr. Grace did not make this beautiful sentiment retroactive. But to further reassure you he goes on to add:

Industry today is more farsighted than ever before. * * * The defense dollar should be made to stretch as far as possible. * * * The economic system should be kept in balance by self-government and self-control. * * * I believe we shall continue to operate on the same principle with costs, prices, and earnings on a reasonably stabilized basis. * * * This is no time to take advantage of a distressing situation.

In the petition of Solicitor General Biddle before the Supreme Court, it was pointed out that Bethlehem's shipbuilding facilities were the largest in the world when this contract was let and its cooperation was indispensable to the prosecution of the World War so the Government was forced to take its terms. When Mr. Grace says "that this is no time for anyone to take advantage of a distressing situation," meaning thereby the conditions confronting us in the present crisis, one can only heartily wish that his firm had entertained such noble impulses toward our Government during World War No. 1.

Mr. President, that case is still in court. It is a hang-over, a shameful residue of World War No. 1, and, if we cherish any illusions that we are going to be real mean and vigorous in treating the "bad boys" of this war, that case rises like Banquo's ghost to remind us of the fact that we have been recreant. Our public servants have not always been very vigorous in pressing such cases, and now, strange to say, we are presented with the peculiar picture of a number of the Supreme Court Justices excusing themselves from trying the case. It is my recollection that four members of the Court have excused themselves, disqualified themselves, having had some connection with some phase of the case as it passed through the courts, and, therefore, feeling disqualified to sit in final judgment in the disposition of the issues in the case. Therefore there are only five members of the Court left, which is not a quorum, and so this judicial culde-sac exists. Lilliput is revived. Gulliver is tied down with the invisible strands of the Lilliputians. We admit to ourselves that we are helpless, and there the case rests.

NEED CONGRESSIONAL ACTION

I was unfortunate enough to have to go to a hospital, and to remain there a long time, and then I left the hospital and tried to get a little sunshine so that I could return and bring some sunshine into this body, as I know I always succeed in doing by my ever-present sweetness of disposition and temperament [laughter], and it hurts me so badly to have to bring this matter to the attention of my brethren that I may never feel good about it again. But it seems to me it is going to be necessary for Congress immediately to enact legislation in some fashion authorizing the Chief Justice to call in the presiding judges of the circuits or retired Justices, in order that this case may be disposed of, for if it remains in its present status—and I am not advised that its status has changed—the people of the United States confront the fact that the Bethlehem Steel Co. has finally whipped them, that one private munitions outfit, whose contracts were highly profitable during World War No. 1, has finally gotten poor old Uncle Sam in a corner, and so effectively put the screws on this Government of ours that it now finds itself helpless.

There is a fair assumption, and I think many of us indulge it justly and properly, that if we are not very thoughtful we are merely going to repeat the experiences of World War No. 1, but this time the effect upon the morale and upon the patriotism and the normally wholesome attitude of mind of the American people toward their own Government will undergo shocking changes, if what has been stated be true. We are taking millions of boys into our Army, and paying them what to them may seem a small amount of money, and they are going to look with jaundiced eye upon the creation of new fortunes out of our war activities. I doubt if there is anyone who would not share the view that will be entertained by every soldier in the American Army.

PLANS ARE ABANDONED

I know it is impossible to correct all abuses. The lawyers in this body know that to be so. I think all want to accomplish a correction of abuses, but where so many men have the same viewpoint and are all trying to do something, it frequently happens that nothing is done, because men cannot unite their efforts and bring them to a focus against the evils they would correct.

We have been told, as was indicated yesterday by the Senator from West Virginia [Mr. KILGORE] that the War Department and other officials have abandoned their so-called defense plans. I know that since I came into this body, and as far back as the end of the World War, we have been told that most elaborate plans have been made by the War Department to organize American industry in such fashion that it would be impossible to repeat the ghastly financial blunders of the last war. In order to eliminate the incoordination, the failure of direction, the utter lack of intelligence which characterized the letting of contracts during the last war, vast plans were prepared, modified from time to time, and I was assured, as other Members of this body were assured, that when war broke out the plans already on file would be applied in a sort of cut-and-dried formula, that they were complete in themselves, and that they would eliminate the troubles and scandals which developed in the last war. Therefore the operations of recent months which have been characterized by the Truman committee in its report, come as a shock to the whole country. Unless there be a more complete explanation than has been offered, they constitute a grievous challenge to the War Department, because it has assured us over the years that such a situation could not recur and would not recur in another war.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BONE. I yield.

NO COMPETITIVE BIDDING

Mr. TYDINGS. The Senator will recall that Congress repealed the provisions of the law which called for competitive bidding, for the giving of a bond by a contractor to insure honest and true and good performance, and so forth. Some necessity for such action existed, because there were many phases of defense activities in connection with which competitive bidding could not be economically and speedily employed if production was to come forth without great delay. But it seems to me that that very situation has to a large extent created the conditions which the Senator points out.

In my judgment, we should have continued competitive bidding in all governmental undertakings connected with national defense, except when a certificate of real emergency might give those who were awarding contracts the right to proceed without competitive bidding, and that many other safeguards should have

been thrown around such operations. I said so at the time on the floor of the Senate.

While I recognize that we cannot have competitive bidding in connection with all government work, I believe the very largess which Congress has handed over to the contracting parties has in many cases been misunderstood and abused, and that Congress may well rewrite the law and make competitive bidding applicable in all cases in connection with which there are not certificates of necessity attached to the contracts.

Mr. BONE. Mr President, the Senator from Maryland has frequently adverted to some aspects of this problem on the floor of the Senate, and I have listened very attentively to his statements, and I think they have been accurate. This is not his first contribution to the subject by long odds. He is a member of the Naval Affairs Committee of the Senate, and some phases of this question have been discussed there.

Mr. President, I do not wish to be harsh in dealing with this situation, but let us understand that the men to whom Congress entrusted this job are not Members of Congress. They are in a class by themselves, a rather select class. We provide them with retirement pay. We give them the most coveted posts in the country. They are the top-flight men in the Army and the Navy. They are not politicians, and they would spurn and repudiate the imputation that they are. They probably look upon some of the operations of Congress as being very crude and maladroit, and certainly not purposeful, but to them, Mr. President, was entrusted the job of getting rid of the bad operations in World War No. 1, and the job passed out of our hands.

HIRED BEST BRAINS

We hired the best men we could find, who are in a class by themselves—a select class, if you please—to frame the program and to prescribe the formula that would eliminate the financial monstrosities of the first World War. And yesterday, for the first time, I heard, as we all heard, that those plans had been junked. This is not an indictment of ourselves, Mr. President. I did not know that such was the case. I was astonished to learn that things we had bought and paid for at an enormous cost to the people of the Nation were thrown into the ashcan, that they were passé, and yet since World War No. 1, we have been continually assured by the bigwigs in the War and Navy Departments that they had formulated plans which were as perfect as could be devised by the brains divisions of the Army and Navy.

Mr. President, there is something about that which is very disturbing, because, if we cannot trust the men to whom we have committed the whole task of defending the country in time of war, if we cannot trust them to do a good job, forsooth, to whom are we to turn? Shall we pick out some others and say to them, "Now, you do the job all over"? Yet the Senator from West Virginia [Mr. KILGORE] said yesterday that all the material which had been gathered, all the work which had been done, all the formulas which have been prescribed and laid out so patiently and painstakingly over the years, were now abruptly thrown to one side and we are to start all over again. I do not know what that implies, but if the results developed by the Truman committee are an example of what is to happen, it will not be a pleasant picture.

I had supposed that the so-called educational orders were playing a more important part than they have played in the war program. I think it was the Senator from Maine [Mr. BREWSTER] who yesterday suggested that the War Department wanted to start anew and give out a great number of educational orders so as to enable businessmen and firms to educate themselves to engage in the production of war materials. Several years ago the members of the Naval Affairs Committee were advised that such educational orders were being given very liberally all over the country, and I had supposed that we were educating a great many business firms in the country to turn out vital war material. I know that each Senator had the same idea in mind. If I am in error about that, I should be glad to be corrected. I think I am repeating what every Senator believed to be true when I say that educational orders were being placed, that thousands of firms were being trained and taught to produce specific items so that all war-production operations would dovetail one into another and we would have a completed whole. But no; now we are told that the Department is going to start afresh and place educational orders.

Mr. President, I am constrained to mention these things because 4 or 5 years ago I felt in my heart what probably was in the hearts of many others in the United States, that our country was in grave danger of being thrust incontinently into war. I had seen private munitions makers make our foreign policy instead of Congress making it. I had seen them given absolute freedom to sell munitions to any country in the world, and, in spite of what we were trying to do, they were helping to shape a foreign policy, call it, Mr. President, what you please.

ARMED OUR ENEMIES

Mr. President, in my desk I have the story of a young man who came from Germany in October 1939, 1 month after the present war started. He was in Germany servicing, as an expert, the motors of the Pratt & Whitney Co., of the United States, which were then in use in Germany in the German air fleet. Thousands and thousands of the finest airplane engines in the world had been supplied to Mr. Hitler by American airplane manufacturers, who provided his great air armada, and made him a menace to the peace of the world. I, for one, objected to that, and wanted the Congress alone to say when this country or any of its nationals could sell war munitions to anybody, which would put the burden on us. But, instead of doing so we left that matter to be adjusted in the conscience of the Pratt & Whitney Co. and the Du Pont Powder Co.

That is not the way to operate a sane, intelligent governmental policy. If policies are to be shaped, let Congress shape them, and let us not permit the Pratt & Whitney Co. or the Du Pont Powder Co. to shape them. If there be any burden upon the conscience of anyone under the American flag, it must rest upon those who armed Hitler in the air, who sent munitions by the thousands of tons to Japan, so that the sales might contribute further to the private profit of some American munition dealers. That is making foreign policy, no matter what one may call it, and it is coming back to us now in blood and tears.

So I return to what I was saying a moment ago, that several years ago, having this fear in my heart, I introduced a bill which went to the Naval Affairs Committee, of which I am a member. The bill called upon the Government immediately to expand its arsenals and navy yards to such a point as that they could at least take care of all our peacetime needs. That would have meant the complete revamping and rehabilitation of every navy yard and arsenal in the United States so that they could vastly increase their then output.

In some of our navy yards and arsenals there were lathes 20 years old. They were outmoded and obsolete. The buildings should have been revamped and placed in proper juxtaposition so that in the operations in the big navy yards it would not have been necessary to carry stuff all around a building, but it could have been shifted from one building to another, thus simplifying operations.

My proposal called for graving docks, building ways, and slips that would have enabled the Government to complete all the vessels it was proposed to build under the Vinson-Trammell Act. When objection was registered to the proposal, I said to the objectors, "Obviously, gentlemen, this proposal would not be a drop in the bucket in case of war, but at least we should have a great backlog of vast additions to our building facilities and the finest of new machinery in the buildings."

LACK OF FORESIGHT

Furthermore, I suggested in my proposal that the Government lay in a great stock of jigs, dies, tools, machine tools, and fixtures. Let me say, parenthetically, that those words have a definite meaning in trade parlance. Fixtures, jigs, and dies mean certain kinds of tools to make nuts and bolts, to bore rifle barrels, and to do other things that are of the very essence of the preparedness program we now confront. My proposal was to lay in a stock of those things large enough to tool all the private plants in the country which we might want to tool in case of an emergency.

I shall now state something publicly which I have never heretofore told anyone publicly. A man connected with the machine-tool industry came to me and said, "BONE, if your bill should pass it would be manna from heaven. Our plants are down. A $30,000,000 or $40,000,000 order for machines, lathe tools, and things that make defense materials would be manna from heaven to us; but if we should open our mouths we should be accused of some sinister motive. It is a little odd for a fellow like you to want to buy all this stuff." I replied, "My dear fellow, I want my Government

not to run into a bottleneck in the machine-tool business in case of another war."

At that time I had a very grave suspicion in my mind that if we were catapulted into a serious difficulty and a great demand were made on the machine-tool industry we should have a very difficult time in obtaining the necessary amount of machine tools. Today that is the bottleneck. I, for one, believed that we might become involved in war. I wanted my country to be as well prepared for it as possible. I believed in a large navy, a huge air force, and every particle of defensive equipment we could get with which to defend America and the things we cherish and believe in.

To my astonishment I found opposition to this proposal, because, first, the departments apparently wanted the educational orders to go out so that private industry could get practically all the business when war came, and the Government would not take too much of it. Bless your soul, Mr. President, the needs of the Government would be so great that what I proposed would be a mere drop in the bucket. But we should have had arsenals two or three times as large as those we now have, and we should have had them when we needed them. We should have had vast stocks of machine tools with which to drill rifle barrels, to make nuts and bolts, to help make armor, and to do the other things which are so vital in a moment of peril.

Mr. President, I wish to call attention to something else which is rather difficult to understand. It is going over the old field again, but I should rather go over it now than to have someone go over it after the war, when it is too late. A long time ago our Navy Department set up in Philadelphia a so-called naval aircraft factory. I confess that I cannot understand how it came about, in view of the attitude the Navy Department has so frequently expressed in its communications. The naval aircraft factory in Philadelphia became quite a sizable plant. It was making trainer planes. It was one yardstick the Navy might employ to measure the value of the material which it was buying in the way of aircraft engines, and the like.

Time after time appropriation bills originating in the House and providing money for the Navy came over from the other body, and time after time contained this little joker clause:

> No part of this appropriation shall be used to maintain the Philadelphia Aircraft Factory.

To allow that little joker clause to remain in the act, Mr. President, at a time when this country was facing the uncertainties of Europe was to doom the Philadelphia aircraft factory to extinction and to leave this country without a single yardstick by which it might measure the correct value of engines and airplane equipment made by private companies.

TRIED TO DESTROY FACTORY

I confess that that provision shocked me. I objected to it time after time on the floor of the Senate. The bill did not come to the Naval Affairs Committee. I think it went to the Appropriations Committee. So I could not meet the issue in the Naval Affairs Committee, but I did meet it on the floor, and objected to that monstrous provision in appropriation bills. Two or three times it was stricken out by the Senate and went back to conference, and the appropriation was allowed to shield and preserve intact the Philadelphia Aircraft Factory. I have never been able to understand why it was that men were apparently so eager to destroy the Government airplane plant at a time when Hitler himself was beginning to cast his ominous shadow over the earth, when the airplane was coming into its own, and when we knew that the airplane was probably the most potent weapon other countries were developing. Yet there was one thing with which we might help our Navy, and that was apparently being purposely destroyed.

I sincerely hope that we are not entering upon another tragic era in which the greed of men will not be restrained. This war gives every evidence of being a long war unless something unusual happens. We are being so warned by the highest officials in the land. The President has said to us that not only may it be a long war but that it may be a cruel and bloody war. We shall befoul the memory of every boy who dies in this war if we allow any man to make a profit out of it.

I want to speak what is in my heart at the beginning. In so doing I do not reproach any of my brethren. I merely speak what is in my heart. My own family suffered cruelly in the fierce fires of a terrible conflict. My father carried tattered blankets and wore shoes that fell off his feet so that those back home, who did not have the "guts" to fight could get rich out of it. My mother had three young brothers who did not come home, and a young husband who did not come home, but who lies buried in the Wilderness Battlefield. She married my father after the war ended. He, too, had been in the war to preserve the Union.

I do not know, Mr. President, what may have happened in the Confederacy in the way of graft and corruption in connection with the letting of contracts; but I suspect that if certain individuals in the South were able to get away with that wretched business they, too, visited the wrath of their breed upon the helpless Confederacy.

TAX PROFITS HEAVILY

We went through so much of this miserable, wretched business in the first World War that it will rise to reproach us if we tolerate it now. We have the power to stop it. We have the thunderbolts of the law in our hands. There are men in this body who have been criminal prosecutors and who practiced law before coming here. I should be guilty of offending them if I were to suggest that they do not know how to invoke the processes of the law to put an end to this wretched business. We can do it through taxation. I think that is one of the most effective methods. That hurts the profiteer more than anything else. He does not mind being called crooked so long as he can get away with the money; but when we take it away from him in taxes of the most drastic kind we have found at least a part of the answer, and I think a very effective part. In viewing this problem I think we should be moved by only one consideration. Let us view the problem as dispassionately as we can when our own flesh and blood are in the Army. When the Government, Mr. President, takes your boy and mine into the Army it takes 100 percent of the boy. When the Government drafts him it does not say to him, "Sir, you were making $200 or $300 a month before you went into the Army; and, of course, out of consideration for your capital, which is your health and your body, we are going to guarantee you a substantial portion of your $200 a month."

TAKE BOY'S CAPITAL

Perhaps all the capital the boy has is his intelligence, his health, and his flesh and blood. How far would we get with a drafted army on that basis? Of course, all those who are supposed to be wise would say, "That is an utterly impossible formula."

In dealing with business, to preserve which a boy may die—for we are certainly assured that we are trying to preserve the American way of life, and the American way of life is invested capital—the boy must yield up 100 percent of his capital; but we are very timid in going after the other fellow's capital. Let me say in passing that I do not consider a 60 percent or 70 percent excess profits tax anything to fill us with the divine afflatus or a feeling of wild enthusiasm. We can approach the tax problem without a single impulse in our hearts to harm anyone. Senators would spurn with indignation the suggestion that they are willfully trying to harm a boy because they say he must go into the Army to serve his country in its hour of peril, but when it is suggested that they might hurt a big business outfit such as the Bethlehem Steel Co. if they tax it too much, somehow they begin to wonder if that might not be true. It is that sort of perverted logic that does so much violence to the standards of decency, clear thinking, and patriotism which ought to animate us.

I have in mind the army of boys who are going into military forces to fight to preserve America. If America is our homes, our business enterprises, and all the things which we have come to cherish, then, certainly, if to preserve those things is worth dying for, it is manifest that the thing for which the boy is to give his life must yield up a corresponding share of sacrifice in this vast and horrible thing which we call war.

If all our boys should be killed, the soul of America would be killed. The Civil War almost ruined the South. It put it back 75 years. There is not a Senator from the South in this Chamber who does not know that to be true. The Civil War set back America as a whole many years, because it killed off the best of our young manhood.

But if this war goes through a long and bloody course, the damage which will be done to the soul of America will be incalculable. Therefore we owe to our boys a high sense of responsibility to see that they get a square deal and that when they are making sacrifices in the

Army we do not permit anyone who remains at home to enrich himself out of their sacrifice.

Mr. President, I do not want to continue this discussion any longer. I was very much moved by the statement presented yesterday by the Truman committee. I am glad the committee has done a good job. The Senate Munitions Committee gave the Senate 34 or 35 volumes of the sordid history of World War No. 1 operations in the financial world; and certainly we now owe it to ourselves to set our faces like flint against a repetition of any such things, the beginning of which is now evident as a result of the presentation of the Truman committee report.

NEW LOCK AT ST. MARYS FALLS CANAL, MICH.

Mr. BROWN. I ask unanimous consent that Senate bill 2132, Calendar No. 992, be taken up and disposed of. I am very anxious that my colleague the Senator from Michigan [Mr. VANDENBERG], who I know is interested in the bill, should be present, and I have sent for him. I am sure that we can dispose of the matter in a very short time.

The PRESIDING OFFICER (Mr. BUNKER in the chair). The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2132) authorizing the construction of a new lock at St. Marys Falls Canal, Mich., in the interest of national defense.

Mr. McNARY. Mr. President, is the Senator from Michigan asking unanimous consent to take up the bill?

Mr. BROWN. Yes. I note my colleague the Senator from Michigan [Mr. VANDENBERG] is now here.

Mr. McNARY. The bill was reported by the Committee on Commerce. As a member of that committee, I recall that there was no opposition whatever to the bill.

Mr. BROWN. The Senator is correct.

Mr. McNARY. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BROWN. Mr. President, I shall make a very brief comment upon the subject of the bill. The bill would authorize the construction of a new lock in the Soo Canal at St. Marys Falls, Mich. The War Department, the O. P. M., and the President's Office for Emergency Management have urged that the bill be given prompt and early consideration. The lock will cost roughly $8,000,000. It will be part of the connecting link between Lake Superior and the lower lakes. It will be constructed upon the site of a present lock which is practically unserviceable.

The situation at the Soo Canal is about as follows: Through the canal is carried about 90 percent of all the iron ore which is produced in the United States. I know of no artery of commerce which is more important to our combat war effort than is this canal. At the present time there are but two locks, the Davis and so-called fourth lock, capable of taking care of ore carriers. The Poe lock has a draft of about 16 feet and the Weitzel lock has a draft of about 11 feet but is not serviceable. On the Canadian side there is a lock which is not of very great size. These locks are the busiest in the world. The combined tonnage passing through the Panama, Suez, and Kiel Canals, the three largest canals in the world other than the Soo Canal, does not equal the total tonnage passing through Soo Canal in ordinary times. At the present time the tonnage is, of course, very much greater than in ordinary times. Our steel and iron production is dependent upon the maintenance of these locks, the most important single artery in our defense production. Through this canal and these locks flow in raw state every battleship, every cruiser, every submarine, every great cannon, and every infantryman's rifle. The airplanes, the shells, the tanks, in short, our whole combat power is dependent on sure and certain transportation through this most vital of all arteries. Duluth-Superior Harbor is the largest export shipping point in the world. All of this traffic goes through the canal. In addition to this traffic, ore is shipped in large quantities from Two Harbors in Minnesota, Ashland, Wis., and Marquette, Mich., through the Sault Canal.

Rail transportation is available to carry ore from the iron ranges to Lake Superior, but rail companies do not have cars in sufficient quantity to carry ore on a 1,000-mile journey from the head of Lake Superior to the Lake Erie ports, where most of it is discharged. Immense vessels carrying from two to three hundred cars of ore each trip are the sole available carriers of ore for the steel mills in the Ohio, Pennsylvania, Michigan, and Chicago steel-producing areas. Rail transportation cannot meet the demand. In 1941 80,000,000 gross tons of iron ore were carried through the locks, being all the Lake Superior area ore except for a comparatively small amount carried from Escanaba, Mich., to Gary, Ind. This is practically all of the iron ore produced in the United States. It is expected that close to 90,000,000 tons will be carried in 1942 and a similar amount in 1943. These amounts probably exceed the capacity of the present locks. In 1941 the collapse of a rail bridge blocked this channel for 4 days and cut the total tonnage carried by approximately 500,000 gross tons. It is the opinion of all concerned, the Office of Production Management, and the War Department, as well as the shippers and consumers of ore that this additional lock is essential to our war effort.

In addition to ore, there is a very heavy grain movement from the Northwest through the harbors at the head of Lake Superior to Buffalo and other lower lake points and the St. Lawrence River. The principal commodities other than ore and grain are coal, lumber, oil, and stone. There is a substantial passenger traffic in addition.

It is anticipated that if this bill is promptly enacted, that the lock can be completed for use at the time when the defense effort reaches its peak. Prompt enactment of the bill is urged by the Government departments concerned. The bill has the approval of the Bureau of the Budget.

Funds already appropriated and carried in appropriation bills which have passed the Congress and have been approved by the President are available, and, I am advised, will be used for this purpose. Therefore I ask that the bill be passed.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the existing project for the Great Lakes and connecting channels be, and is hereby, modified to provide for a new lock about 800 feet long, 80 feet wide, and 30 feet deep, at St. Marys Falls Canal, Mich., together with suitable approaches thereto, said lock to replace the present Weitzel lock and approaches, all in accordance with the recommendations contained in House Document No. 218, Seventy-seventh Congress, first session.

This improvement is hereby adopted and authorized and shall be prosecuted in the interest of national defense under the direction of the Secretary of War and supervision of the Chief of Engineers, subject to the conditions set forth in said document.

INVESTIGATION OF RUBBER SUPPLIES AND PRODUCTION

Mr. DOWNEY. Mr. President, I have earlier today submitted a resolution (S. Res. 219), calling for the appointment of a committee of five Senators to investigate and consider the rubber problem of the United States. Upon this I now desire to speak. In connection with the resolution, and, in order to explain to Senators my design in presenting it, I will detain the Senate for a period of only 5 or 10 minutes to express my opinion on what, to me, is the most critical problem now before the American people, a problem which, if it cannot be satisfactorily solved, may seriously impair the defense program of the Nation and very injuriously affect our civilian life.

Mr. President, in order that we may orientate ourselves in connection with this problem, let us first consider the rather unhappy fact that Japanese armies are now in control of about 4,500,000 acres of rubber plantations, comprising one-half the plantation lands of the whole world. Ninety-seven and a half percent of our crude rubber, hevea, comes from middle Asia; 40 percent of the total comes from Malaya, and already the Japanese have taken practically all the rubber lands of that area. There are a few thousand acres on the island of Singapore, a limited amount in Johore, but practically all the Malaya rubber plantations are now in the hands of the Japanese Army, constituting, as I have said, almost 40 percent of the rubber supply of the whole world.

Also there is a considerable quantity of rubber grown in French Indochina, Thailand, in Formosa, in Sarawak, and in other places in middle Asia now under the control of the Japanese Army.

What is more alarming is that the remaining acreage in rubber plantations is now direly imperiled by the Japanese advance, and it is very possible, Mr. President—although I do not predict it as a

fact, it is very possible—that after the few thousand remaining tons of rubber now afloat reach the United States, we may not, for an indefinite period, receive any more crude rubber.

I may say, in this connection, Mr. President, that I have no desire to condemn or to hold a post mortem, but when the incredible record of our inadequate preparation for war in the accumulation of strategic stock material is written, a most important and startling volume could be written upon the lack of policy that has brought this great Nation into a perilous position because of the lack of rubber.

Mr. President, we ordinarily consume in the United States in a normal year for civilian purposes about 750,000 tons of rubber, of which 150,000 tons are from reclaimed rubber and about 600,000 tons from the crude which is principally imported from Asia. We now have in the United States including some afloat, which will probably arrive unharmed, approximately 600,000 tons of crude rubber, the Hevea product.

I think it is optimistic to hope, Mr. President, that this stock pile of rubber will last for more than 18 months. I say that upon the assumption that we may approximate the President's victory program. I think it is very possible that the entire military schedule, as outlined by the President, may be tremendously handicapped and impaired by the lack of rubber, even assuming the optimistic viewpoint that we can approximate the program enunciated by the Chief Executive in his joint message to the Congress.

Assume that we take care of our vital rubber needs, including provision for policemen, firemen, doctors, heavy trucks, and some light trucks, we may "get by" for 18 months and we may "get by" for 2 years. At the end of the 2 years, it is the hope of some of our governmental leaders, who have expressed themselves in headlines, that within 18 months or 2 years we will be producing 400,000 tons of the so-called synthetic rubber. I wish to say, Mr. President, I think it is possible for this Government to provide for the production of 400,000 tons of synthetic rubber within 2 years, but heaven help us if we have a failure in that respect. While, from my investigation, I believe that can be done, yet knowing what is happening in Washington this very day, knowing of the controversies between great corporations, of the rivalry between different departments of the Government, and of the inertia of governmental leaders, I say that it is very doubtful that we will measure up to what Mr. Jones has so optimistically announced. I believe we can produce a capacity of 400,000 tons of rubber in 18 months or 2 years, but, unless we totally and entirely change our methods, unless we increase our energy and our devotion to the state, we will not do it.

Let us assume that Mr. Jones' statements will be justified, still we are in a situation so critical that it can hardly be exaggerated. I say the American people should know it, we should face it, and the Senate of the United States should take its part in helping in the solution of the problem.

Mr. President, suppose we do reach a production of 400,000 tons of synthetic rubber within 2 years: That 400,000 tons a year will not be sufficient even to take care of our military needs at that time. So, looking ahead 2 years, if the hopes of Mr. Jones—which have not yet even been reduced to written form—are borne out, we still shall not be producing in the United States enough rubber to provide the requirements of our arms program.

Yesterday we passed the so-called guayule rubber bill, but unfortunately we cannot certainly hope for great relief from that source until the beginning of the fourth year. If 3 years ago what was clearly indicated had been done and we had invested $25,000,000 in guayule rubber shrub culture, we would have no problem today. If we had invested $250,000,000 in synthetic rubber factories, we would have no problem today. Or if we had invested another $250,000,000 in stock-pile rubber, we would have no problem today.

I heard the Senator from Utah [Mr. THOMAS] declare 3 years ago on the floor of the Senate that the wisest kind of business judgment—if we want to reduce national defense to that sort of a standard—required the buying of these stocks of strategic war materials in advance of war because of the tremendous money saving in purchasing commodities cheaply. Let me say that while we debated about whether rubber would cost us 8 or 9 or 10 or 11 or 12 cents a pound now, we are going in the future to measure its cost in dollars per pound and perhaps in human lives. Bernard Baruch, who has for many years been pointing out to this Nation the folly of not laying in stocks of strategic materials, could have been paid a million dollars a day—yes, Mr. President, a million dollars a day for 5 years—and had this policy been carried out we would have saved tens of billions by his employment.

But, Mr. President, I have no desire to indulge in post mortems or condemnation except that, as the President of the United States has said, nothing is so dangerous to us as complacency; and I say that today, here in the city of Washington, energy and intelligence in sufficient amount are not being applied to the rubber crisis.

While I have stated the general judgment here in Washington that our present rubber resources may last us 18 months or 2 years for military purposes and vital civilian needs, and while 2 years from now our synthetic rubber factories may give us 400,000 tons a year—not enough even then for military purposes—the allocations now being planned do not cover a single tire for the workers of America—not a single tire. It is my belief that within 1 year from now at least 25 percent of the workers who travel to and from their work by automobile will have tremendous difficulty in transporting themselves.

Mr. BROWN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Michigan?

Mr. DOWNEY. I yield.

Mr. BROWN. In confirmation of what the Senator says, I may say that it is estimated that 70,000 workers are employed at the Ford bomber plant in Ypsilanti, Mich. There are no adequate housing facilities for those workers at Ypsilanti. The only way in which they can be transported with any efficiency is through the use of automobiles from Detroit, 26 miles away. How they are to carry on the construction of those bombers in the Ford Ypsilanti plant without the use of automobiles belonging to the workers is more than I can see.

I make that comment for the Senator's information.

Mr. DOWNEY. Mr. President, I appreciate very much the comment of the distinguished Senator from Michigan. Let me say now that I think, outside of my own State—and this may be sorry satisfaction to him—the most hazardous condition will arise in Detroit. Hundreds of thousands of our workers in the Los Angeles district live 3, 5, 10, 15, 20, and 30 miles from their places of work. I do not say that some vast project of regrouping the workers may not be helpful. I do not say that the workers may not be encouraged to conserve their tires. I do not say that the American people may not again become walkers. I only say that if we do not prepare for the calamity that is coming in the future incomparably better than we have prepared for it in the past our whole military program is apt to break down.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Wyoming?

Mr. DOWNEY. I yield.

Mr. O'MAHONEY. The nature of the Senator's remarks very emphatically points up, I think, the effort which has been made for more than a year by a subcommittee of the Committee on Public Lands and Surveys to induce the executive arm of the Government to take the initiative in developing the raw materials of this country.

Last January a resolution on the subject was submitted following numerous discussions and numerous reports. In July last, when the committee began its hearings, there was talk of cutting down automobile production. Mr. Leon Henderson gave out a statement last July that in all probability 50 percent of the automobile production would have to be cut. At the beginning of those hearings occasion was taken to point out the fact that the German armies were invading Russia for the purpose of securing the raw materials of the Donets Basin. It was thundered at from every radio. It was written about in every column. We knew that that was what Germany was after in Russia; and now we know that Japan was seeking to gain control of the raw materials of the southern Pacific. We know now that the Japanese attack was made for the purpose of securing rubber and tin and oil, and expelling the Dutch and the British and the Americans from that area—Germany invading Russia for raw materials, Japan invading China and Thailand and the Dutch East Indies in search of raw materials, and we

paying no attention to the raw materials in our own backyard—in California, in Oregon, in Washington.

Senators will remember the story that was printed in the newspapers about a month or two ago of a number of local residents in a couple of counties between the States of Washington and Oregon who were proposing to erect a new State in order that something might be done to develop the raw materials which they had in abundance in that area, minerals for which we are starving. As I say, last July it was pointed out that if we would undertake to develop our own additional and untouched deposits of iron we might have enough steel to keep the automobile industry going. But the Navy Department was insisting upon building huge new battleships. Indeed, as a matter of fact, not 3 days after Pearl Harbor the Navy Department sent to Congress a proposal for expanding the fleet, and that proposal contained a suggestion for the construction of six or seven new battleships. That was after the *Repulse* and the *Prince of Wales* had been sunk by a few Japanese bombing planes. Enough steel went to the bottom of the sea in that attack to keep the automobile industry going for a very long period.

But we have not opened our eyes. I agree with the Senator that we should not criticize the mistakes of the past except to the degree that our criticism may spur us to adopt a better policy in the future. Certainly the time is now here for the executive arm of the Government to undertake to lay down a policy for the development of the resources to which we have been referring.

I see the chairman of the Committee on Finance present in the Chamber listening to the discussion, and I should like to suggest what, to my mind, is one of the primary reasons why we have not been able to develop these raw materials.

Mr. DOWNEY. Mr. President, will the Senator yield a moment?

Mr. O'MAHONEY. Certainly.

Mr. DOWNEY. I have agreed with the distinguished senior Senator from Pennsylvania [Mr. DAVIS] to conclude before 2:30 o'clock; so if the Senator from Wyoming will yield a moment, he can take the floor after I conclude. I must yield to the distinguished Senator from Pennsylvania before 2:30 o'clock, and I merely wish to conclude my discussion of the rubber situation.

Mr. REYNOLDS. I wonder if the Senator from California will not permit the Senator from Wyoming to conclude the remark he was making when he was interrupted.

Mr. O'MAHONEY. If the Senator from California will bear with me, I will make one concluding remark.

Mr. CHAVEZ. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CHAVEZ. Can the Senator from California agree with the Senator from Pennsylvania as to who is to have the floor next?

Mr. DOWNEY. Of course not. I merely told the Senator from Pennsylvania that I would be through at 2:30.

Mr. CHAVEZ. As I recall, when the Senator from Delaware [Mr. TUNNELL] was in the chair I was supposed to follow the Senator from California.

Mr. DOWNEY. Has the Senator from Wyoming concluded?

Mr. O'MAHONEY. I was just about to conclude.

Mr. NORRIS. Mr. President——

Mr. DOWNEY. I yield to the Senator from Nebraska.

Mr. NORRIS. I suggest that all Senators engaged in this controversy read the Rules of the Senate and see whether the Chair should have on his desk a list of Senators whom he is to recognize next.

Mr. O'MAHONEY. Will the Senator from California yield?

Mr. DOWNEY. As always, I abide by the admonition of the distinguished Senator from Nebraska. I yield to the Senator from Wyoming.

Mr. O'MAHONEY The Senator from Nebraska is undoubtedly correct; no Senator has a right to stake out a claim on the next opportunity to speak. However, I appreciate that, having made a promise to another Senator, the Senator from California does not want me to keep him on the floor unduly. So now I shall conclude the remark I was about to make.

One of the principal obstacles to the development of the resources we have been discussing arises from the fact that it requires the investment of a huge amount of money. When a large corporation—without giving any names—has been engaged in the production of a particular kind of raw material, it is very difficult to induce any competitive enterprise to go into the field, because the danger of loss is tremendous. We all know that there is, nevertheless, a vast amount of capital savings available for investment. It is not invested because the tax system is such that it constitutes an impediment to the investment of new funds.

The result is that, instead of private money going into the development of new enterprise, we have to have the R. F. C. undertake it by lending out of the deficit What the R. F. C. lends is not the savings of the past; what the R. F. C. lends is borrowing against the future. The loans can never be repaid except by future production. So it seems to me that instead of searching for difficult and ingenious methods of starting new enterprise, we should go back to an old fundamental concept, that we should make it worth while for the person who has savings and is capable of investing money to make the investment, so long as it is made in a free, independent enterprise and is not part of any monopolistic scheme. Unless that is done we shall continue to see the progress of concentration, first in big business, then immediately following concentration in big government, and when that is done democracy is also done.

Mr. DOWNEY. Mr. President, I yield the floor to whomever the Presiding Officer may recognize.

BLACKLISTING OF AXEL WENNER-GREN

Mr. CHAVEZ. Mr. President, it is my purpose at this time to call attention to a person whom I do not know, but whose name appeared in the press of the country yesterday and today. I shall not occupy the time of the Senate for long. I rise merely because I am one of those who actually believe that continental solidarity is essential at this particular time, and that good will throughout the continents at this time will do much to bring about the victory which we all so much desire.

It is because I am interested in the welfare of the United States, it is because I believe in the philosophy of the President of the United States in seeking to bring about an understanding as between the people of this country and those south of the border, that I rise this afternoon to express my opinion on an incident which has occurred within the last 24 or 36 hours.

Mr President, yesterday the American neswpapers published the new official State Department blacklist. Greatly publicized was the name of Axel Wenner-Gren, the famous Swedish multimillionaire. The list is made up of those the State Department deems "to be acting for the benefit of the enemy or those to whom the export of various goods might be detrimental to American defense." The press also made much of the fact that Mr. Wenner-Gren is an intimate friend of Gen. Maximino Avila Camacho, the Minister of Communications in Mexico and the brother of the President of Mexico, Don Manuel.

In my humble opinion, as a student of Mexican affairs, Mr. Wenner-Gren should be removed immediately from the blacklist, and his name cleared, or facts to the contrary should be presented. A cruel mistake has been made. It is one which seriously embarrasses our relations with Mexico.

The action of placing him on the blacklist, knowing that he was an intimate and personal friend of Gen. Maximino Avila Camacho, and also of his brother, the President of Mexico, represents a direct slap at the constituted authorities of a friendly nation. It is common knowledge that this gentleman is a close friend of General Maximino. It is common knowledge that he is in Mexico for the purpose of heading a syndicate to invest immediately over $100,000,000 for the purpose of developing the natural resources of the country. Everyone knows that capital is badly needed in Mexico at this time, and that most capital is afraid to go down there. Everyone knows that the United States has been the beneficiary of the consistently friendly policy established by the present administration. At a time when friends are scarce and badly needed, Mexico has, prior to the Pan American Conference at Rio de Janerio, severed her relations with the Axis nations, and announced her determination to face the future on our side. The President and his brother are to be thanked for this policy.

It seems unjust, stupid, and shortsighted publicly to embarrass these men, our friends, without presenting facts. We Americans take pride in our sense of fair play. Our courts are constituted to hold a man innocent until he is proven

guilty. Mr. Wenner-Gren in Mexico City yesterday made public a statement in which he asked that the American Government either state its reasons for the blacklisting or clear his name of what he says is a cruel and unfounded charge. In a statement Mr. Wenner-Gren said:

I want to say simply and directly that a serious mistake has been made by the State Department, and that I am confident a public examination of the evidence on which the State Department acted in my case will quickly clarify the error.

It also will reveal that I am in fact, as I always have been, a friend of the United States and British Governments and peoples.

In the spirit of fair play and justice toward Mexico, one of our friendliest neighbors, a country that needs capital which this man can provide, in fairness to the President and to General Maximino, who are sincere friends of the United States, in fairness to the individual Americans who might be dealing with this man, facts must be presented or the injustice rectified.

It is my understanding that Mr. Wenner-Gren has large financial holdings in the United States and Canada. His wife is an American. She was born in Kansas City. Because of his wife he considers the United States his second home after his native Sweden. He has donated a laboratory at the University of Kentucky for aeronautical research. This is now being utilized by the United States Army engineers. He has always considered himself a friend of the United States and of the British. I also understand that he heads many an American enterprise.

So far as I am personally concerned, I have no interest in Mr. Wenner-Gren. I have never met the man. I have never corresponded with him. I do not know what he looks like. I am no more interested in him than I would be in a small merchant in Habana, Cuba, who erroneously is placed on the blacklist; but I am sincerely interested in the affairs of Mexico and the United States, and anything that tends to disturb the friendship which now exists between our two countries will meet my opposition. I know General Maximino Avila Camacho and his brother, the President, Don Manuel. They are my personal friends, and I resent and decry anything which tends to cause them embarrassment. If it is a mistake on the part of our Government, the mistake must be rectified.

As an American I appreciate the help which the Mexican Government is giving our country. I appreciate the friendly attitude of the Mexican administration. I appreciate the work which the Foreign Minister of Mexico, Lic. Esequiel Padilla, is doing right now in Rio de Janeiro to insure hemispheric solidarity at the Pan American Conference. I do not want to see this spirit of friendship destroyed. As a friend of the Mexican people, I should like to see an investment of $100,000,000 in that country. I should like to see wealthy individuals interested in building up their economy. If someone is prevented from doing this because of a mistake, that mistake should be rectified.

I am certain that neither the President of Mexico nor his brother would tolerate for one minute the presence of anyone who was working in a manner detrimental to the interests of the United States, Great Britain, and the other democracies. They are entitled to the facts. If the State Department cannot produce these facts, in the name of fair play and justice, Mr. Wenner-Gren's name must be cleared and he be allowed to go to work for the benefit of our good friend and neighbor.

PENNSYLVANIA'S WAR PRODUCTION

Mr. GUFFEY. Mr. President, the Nation's response to the President's address and the Declarations of War by the Congress, has been an example of national unity such as has not been experienced in our country up to this time. It is most inspiring and gratifying, and this great unity definitely means victory for the Allied forces.

The American people have responded as a whole, by States, and as individuals. I know that Senators are proud of the war activities in their own States, but I wish to call their attention to a statement appearing in the Philadelphia Inquirer, written by an able political journalist, John M. Cummings, who has so well pointed out Pennsylvania's contribution, the results of which, when joined with the activities of the collective States, will in my opinion, be most gratifying.

Referring to Pennsylvania's activities, Mr. Cummings says:

Day and night the steel mills are in full production. Airplanes and plane parts, tanks and guns, ammunition, clothing, all are being turned out in mass quantities in the Philadelphia area.

He further states that the Pennsylvania picture is one of which the State may well be proud, and I, as one of the representatives of the State, am proud that it has responded so nobly and effectively to the call to arms. Mr. President, I ask that excerpts from the article be printed in the RECORD at this point as part of my remarks.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[From the Philadelphia Inquirer of January 4, 1942]

VAST ARSENAL OF PENNSYLVANIA LEADS UNITED STATES WAR SPURT—STATE HITS HIGH GEAR AS FACTORIES HUM GRIM WARNING TO DICTATORS

(By John M. Cummings)

What's going on in wartime Pennsylvania? This State is in high gear. From one end to the other mines, mills, and factories are turning out the raw or the finished goods which will play such an important part in sealing the doom of the Axis.

In the area covered by the Philadelphia district of the Federal Reserve bank (46 Pennsylvania counties, 9 in New Jersey, and 3 in Delaware) industry is fulfilling contracts in an aggregate value of more than $2,000,000,000. What this means in terms of tanks, guns, munitions, and all other paraphernalia of war is something for Hitler, Mussolini, and the Japs to consider. And to give them additional food for thought they might take into account that all over America the story is similar to that of Pennsylvania.

Although the Nation is in high gear, it has not as yet developed the speed or the productive capacity of which it is capable. Even so, you read that in the last quarter of 1941 American production exceeded the combined output of the Axis Powers.

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It is interesting to note that the Philadelphia area, and by this we mean the Federal Reserve district, is turning out virtually everything necessary to the equipment of a modern army. Shipyards along the Delaware River, including the Government-owned navy yard, are bristling with activity. From the ways of these yards will come the fighting ships that will play such an important role in the final victory and the cargo carriers to keep our allies supplied.

Day and night the steel mills are in full production. Airplanes and plane parts, tanks and guns, ammunition, clothing, all are being turned out in mass quantities in the Philadelphia area.

When you contemplate the present and the potential output of American industry you begin to appreciate the frenzy of the Japs, the concern of Hitler. Mussolini may be dismissed as a minor factor, for when Hitler cracks Benito will blow up.

The Japs, probably more than Hitler, know what America can do in the way of production. America taught Japan how to produce, and it was to this country the Nipponese looked for much of their raw materials. Fully realizing the meaning of the smoke-belching chimneys of America, the Japs know that to win they must do it in a matter of weeks compared to our ability to wage a long war.

* * * * *

Many kinks in our productive effort will have to be straightened out before we will be able to say we are anywhere near the peak. This is no private fight. It's a war in which every citizen can take a hand. You don't have to be on the actual firing line to be of use in this war. It's an all-out effort and nothing short of maximum production will suffice.

Recent events, aside from military operations, have brought home to Americans the meaning of the war we are in. Rationing of tires, the ban on the production of passenger automobiles are only samples of what we may expect in the future.

The Pennsylvania picture is one of which the State may well be proud. All over the Commonwealth plants are expanding, new ones are being erected. In this phase of the wartime endeavor we lead the Nation, according to the Office of Production Management.

THE ANTHRACITE INDUSTRY

Mr. DAVIS. Mr. President, last Monday, I was necessarily absent from the Senate at the beginning of the day's session. I came to Washington by airplane from Pittsburgh and found that the session had been short, as it adjourned at 1:30. I arrived shortly thereafter, but too late to state my point of view on the matter brought up by my colleague the Senator from Pennsylvania [Mr. GUFFEY]. I was informed as soon as I arrived that my colleague had made a few remarks concerning Senate bill 357, which provides for the rehabilitation of the anthracite industry. As my colleague then said, the bill was reported from the Committee on Mines and Mining. It provides for practical research, with a view to increased utilization of anthracite. Beyond all doubt this is necessary.

The calendar was called Monday, and I expected to learn that my colleague had objected to this bill, as usual. Instead he moved that it be recommitted to the Senate Committee on Mines and Mining. Mr. President, I am indebted to the minority leader, the Senator from

Oregon [Mr. MCNARY], for the statement he made at that time, which I ask to have printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. MCNARY. Mr. President, we are operating under a unanimous-consent agreement. That agreement affects any disposition made of the bill. The able senior Senator from Pennsylvania [Mr. DAVIS] is absent. He introduced the bill. He has tried on several occasions to have the bill brought up for consideration. It certainly is not fair in his absence to try to make a disposition of it, and I object.

Mr. DAVIS. Mr. President, the objection was sustained, and the bill was passed over. I shall be glad to confer with any of my colleagues as to what might properly be done with this important measure, which was reported by the Senate Committee on Mines and Mining unanimously.

The bill has been on the calendar since July of last year. I have attempted at different times to have it called up from the calendar, but each time objection was made.

I brought the matter to the attention of the President, and received a letter from him saying that he had no objection to the bill, and, if it did not call for an appropriation at this time, he would favor it as a post-defense measure. At the present time we are spending billions of dollars for various industrial developments in connection with national defense. We are seeking to direct the flow of these funds where they will be most effective. Certainly coal is one of the most essential of all defense commodities. The efficient utilization of anthracite is an integral part of our defense program.

Not only is anthracite necessary to the defense program, and its further utilization required, but we have an ever-recurring problem in the anthracite region of relief and work relief. The economic suffering of the northeastern section of Pennsylvania, particularly in the coal-producing counties, is beyond my power to describe. We have been appropriating vast sums of money for relief and work relief in that area. A dollar now spent for an anthracite research laboratory would finally be repaid a hundredfold in savings for the Government, for it must be obvious that if means can be found to use anthracite in industry, employment and work opportunities in this area will so increase that the heavy burdens of work relief may largely be reduced.

Mr. President, I have this week been in conference with the mayors of Scranton and Hazleton, Pa. They have told me of the unusual opportunities for the location of defense plants in that area. I know, personally, that the land is level enough and that there are many miles of acreage which have never been used for any mining purpose. Therefore, the dangers which sometimes are found in land that has been mined do not exist in the areas to which I refer.

Mr. President, there are more than 35,000 unemployed workers in the anthracite coal field, of whom 18,000 are registered with the offices of the Employment Service located at Wilkes-Barre, Pittston, and Nanticoke. At least 17,000 of them would be suitable for defense-production work. The decline in anthracite production has led to increased unemployment in that region. For a long time I have been active seeking a way to alleviate this condition. Industry in this area is operating generally at a rate much lower than its present capacity. Railroad service in the area includes the Delaware, Lackawanna & Western, the Lehigh Valley, the Central Railroad of New Jersey, the Pennsylvania, and the Delaware & Hudson. All of these railroads have extensive track and roadbed facilities branching from their main lines, providing considerable siding facilities for both the anthracite-producing companies and the industrial plants located there. This section of Pennsylvania is generally receiving very little in the way of defense contracts. Only 32 contracts to 10 firms for $4,000,000 have been allocated in this section. It is evident that a survey relative to the plans of the War Department might serve a very useful purpose.

Mr. President, I am in receipt of statements from the Honorable James W. Kilner, mayor of Hazleton, Pa., and the Honorable Howard J. Snowdon, mayor of Scranton, Pa., concerning conditions in those cities. I ask unanimous consent to have their statements included in the RECORD as a portion of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

JANUARY 13, 1942.

DEAR SENATOR DAVIS: As mayor of the city of Hazleton, Luzerne County, Pa., which is the heart of the anthracite coal regions, I have been in Washington making a determined effort to do something about the unemployment situation in our community. While defense industries and plants are being built all over the country, we in the anthracite coal regions are suffering a depression.

We have manpower, skilled labor, electric power, and every facility necessary and available for the establishment of heavy industry in the city of Hazleton, but, for reasons beyond my comprehension, the Federal Government refuses to look into the matter or give us our share.

We have more than 700 available homes for housing which are empty because our population is emigrating to other communities where there are defense industries. Now we want our people to come back and we want to provide them with good jobs, which the Federal Government can surely and easily do with all of these billions that are being spent. The anthracite region, and particularly the city of Hazleton, is entitled to its share.

Anything that you can do for our community will, of course, be appreciated.

Yours very truly,

JAMES W. KILNER,
Mayor, City of Hazleton.

[Remarks by the Honorable Howard J. Snowdon, mayor of Scranton, Pa., to the Honorable JAMES J. DAVIS, United States Senator from Pennsylvania, concerning the industrial situation and the advantages of the city for defense industries]

1. FEMALE LABOR CONDITIONS

Most of the women who desire or need to work are employed. Although many are able to type and take dictation, they cannot find office jobs. The majority of the women are working as waitresses in restaurants, sales clerks, and domestic workers.

2. MALE LABOR CONDITIONS

Unemployment among males is very extensive. The women have become the money earners. In many homes the husband is forced to permit his wife to support him and the family because he is unable to find work.

3. ADVANTAGES OF THE CITY FOR DEFENSE INDUSTRIES

(a) Housing facilities: 500 families could be housed immediately. The homes available now range from 9-room to 4-room domiciles. The rents range from $18 to $20 and $75 per month. Additional housing facilities can be made available within a short time.

(b) Labor available: Most of the men who are now unemployed in the city could be used in the factories. Within 10 days or 2 weeks about 8,000 skilled workers now in Baltimore, Newark, etc., could be called back to Scranton and would come to the city to work.

The claim that Scranton is well unionized is erroneous. Having spoken on numerous occasions to labor, the mayor learned that the workers are satisfied not to unionize if they can only get the work. There has not been a strike of any consequence for 20 years. Scranton has a good will committee which has ironed out all differences between capital and labor.

(c) Advantages of the location: The claim that Scranton is undermined is not true. To the east and west of the city there are several thousand acres of land that will be absolutely suitable for industries.

As far as sanitary conditions and healthful conditions are concerned, the best proof of Scranton's superiority in this respect can be found in the action and comments of the priest from Pittsburgh who chose Scranton, of all the cities available in Pennsylvania, for establishing the Greek orphanage. His reasons for doing this were because of the superior water, air, and sanitary conditions in the city.

(d) Transportation facilities: The transportation facilities are A-1. There are direct and short routes to important large cities.

The above facts show that not only is Scranton meritorious and in great need of defense industries but also that the city has the facilities to make it an ideal location.

Anything which you, Senator, can do to bring these industries to Scranton will not only be appreciated, but will never be forgotten. In behalf of the city of Scranton, I thank you.

Hon. HOWARD J. SNOWDEN,
Mayor, Scranton, Pa.

Mr. DAVIS. Mr. President, the newly appointed commission gives prospect of effective action in behalf of the anthracite industry. Director R. R. Sayres, of the Bureau of Mines and Mining; E. I. Lewis, of the Interstate Commerce Commission; Ralph J. Watkins, of the National Resources Planning Board; and the congressional members of the commission have an intimate knowledge of the problems involved. It is expected that one of the first tasks the Commission will set for itself will be to survey what has been done recently in behalf of the anthracite industry. Unquestionably consideration will be given to the bill which I have introduced, which has been pending on the Calendar for the past 6 months. In my judgment, the Commission will want to ascertain the value of this legislation, and what action may be expected from it.

In passing, Mr. President, permit me to say that the cost of the laboratory for 1 year would not exceed 1 percent of the cost of work relief in the anthracite region.

Let me emphasize that the cost of the laboratory for 1 year would not exceed 1 percent of the cost of work relief in the anthracite region.

With the naming of a strong seven-man commission to study the problems in this field, my hope is that constructive action will be taken promptly. I trust that the final report of the commission, after it has satisfied itself through visitation and research, will be made as soon as possible, so that the needs of this area shall be met effectively.

Again, Mr. President, I wish to state a few outstanding facts concerning the anthracite region.

First, the anthracite-mining population of one and a half million has been suffering from a loss of tonnage demand over a period of years.

Second, the importance of the anthracite industry is shown by the fact that the number of men employed in the anthracite mines is greater than the number employed in all the metal mines of the United States and is also greater than the total number of men employed at all mines and quarries producing nonmetallic minerals other than coal.

Third, the decline in employment has caused major relief problems in the anthracite region. In the past 4 years more than $125,000,000 has been spent for relief and work relief in the four principal anthracite-producing counties of Lackawanna, Luzerne, Northumberland, and Schuylkill.

Fourth, the bill which I have introduced, Senate bill 357, is still on the Senate calendar, and I ask that in any consideration given to this problem the advantages of technical research, as suggested in the bill, be advanced by the Government in behalf of this industry.

Mr. GUFFEY. Mr. President, when I made the motion the other day to recommit the Davis bill to the Committee on Mines and Mining I did not know that my colleague was going to be absent in Pennsylvania campaigning for the Republican nomination for Governor. I do not know why he goes to that trouble, because he has it "in the bag," anyway. I do not know why he wants it or what good it will do him after he gets it.

In the meantime, while the bill was on the calendar, there was a joint resolution appointing a committee of seven, two from the Senate—of whom my colleague is one—two from the House, and three experts from the various departments, to make a study of this situation without any cost to the Government.

The bill which my colleague introduced would involve the expenditure of $350,000 to erect a building and $175,000 a year for operation. In times such as these, when we are trying to eliminate unnecessary expenditures, I can see no reason for passing the bill. I notify the Senator now that the next time the calendar is called I shall move to recommit the bill.

Mr. DAVIS. Mr. President, let me say to my distinguished colleague that I have spent very little time in campaigning for the governorship or any other office. If I spent half as much time as the junior Senator from Pennsylvania spends in campaigning and looking after political matters I should be doing nothing else.

Mr. GUFFEY. Mr. President, I think my record of attendance and my votes on various measures for the past 7 years will compare very favorably with that of my colleague. I am sorry, indeed, that the vote which he cast on the lease-lend bill is causing him a good deal of trouble with his Welsh friends in the anthracite region. That is why he is so busy in connection with the bill.

Mr. DAVIS. With regard to the matters which the Senator is discussing, when he leads the Democratic hosts through Pennsylvania I hope he will raise the question which he has just brought up. He and I will then have it out without taking up the time of the Senate, which costs the taxpayers so much to keep in session.

Mr. BARKLEY. Mr. President, that is exactly what I was about to suggest. I think that the fight for the governorship of Pennsylvania ought to be carried on within that great commonwealth, and not in the United States Senate.

Mr. DAVIS. I should appreciate it very much if the Senator would speak to his colleague on the other side of the Chamber. He probably has a great deal more influence with him than I have.

Mr. BARKLEY. I am not in a position to attend to any colleague of mine on either side of the Chamber; but the suggestion coming from a Senator on the other side of the Chamber was so welcome to me that I grabbed it like a hen grabbing a June bug. [Laughter.]

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BUNKER in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting nominations (and withdrawing a nomination), which were referred to the appropriate committees.

(For nominations this day received and nomination withdrawn, see the end of Senate proceedings.)

CONFIRMATION OF NOMINATION OF POSTMASTER AT DECHERD, TENN.

Mr. BARKLEY. Mr. President, there is only one nomination on the executive calendar, the nomination of a postmaster in the State of Tennessee. I ask unanimous consent that as in executive session, the nomination of the postmaster in the State of Tennessee be confirmed and that the President be immediately notified. I hope that in the commission which is issued to the postmaster at Decherd, Tenn., whose nomination is the only nomination on the calendar today, it will be recited that the executive session on this particular day was held especially for his benefit.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TYDINGS. Likewise, I think the RECORD should show that all Senators were in their seats, and approved most heartily the action taken.

Mr. BARKLEY. It should also be stated that the special executive session held today would not have been held in his behalf had it not been for the high estimation and esteem in which we hold the junior Senator from Tennessee [Mr. STEWART], who is the sponsor of the nominee.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. STEWART. For the extreme magnanimity, graciousness, and courtesy of the Senator from Kentucky I am profoundly grateful.

The PRESIDING OFFICER. The nomination will be stated.

The Chief Clerk read the nomination of Alfred J. Gipson to be postmaster at Decherd, Tennessee.

The PRESIDING OFFICER. Without objection, as in executive session, the nomination is confirmed, and the President will be notified forthwith.

ADJOURNMENT TO MONDAY

Mr. BARKLEY. If there be no further business to be transacted, I move, as in legislative session, that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 2 o'clock and 52 minutes p. m.) the Senate adjourned until Monday, January 19, 1942, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 16, 1942:

UNITED STATES DISTRICT JUDGE

Walter A. Keeling, of Texas, to be United States district judge for the western district of Texas, vice Hon. Robert J. McMillan, deceased.

UNITED STATES ATTORNEYS

Carl W. Feickert, of Illinois, to be United States attorney for the eastern district of Illinois, vice Hon. Arthur Roe, term expired.

Carl A. Sackett, of Wyoming, to be United States attorney for the district of Wyoming. He is now serving in this office under an appointment which expired December 7, 1941.

COLLECTOR OF INTERNAL REVENUE

William J. Pedrick, of New York, N. Y., to to be collector of internal revenue for the second district of New York to fill an existing vacancy.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named assistant surgeons to be passed assistant surgeons in the United States Public Health Service, to rank as such from the dates set opposite their names:

Curtis G. Southard, January 17, 1942.

Daniel J. Daley, March 29, 1942.

APPOINTMENTS TO TEMPORARY RANK IN THE AIR CORPS, IN THE REGULAR ARMY OF THE UNITED STATES

TO BE COLONELS

Lt. Col. Harvey Hodges Holland, Air Corps.

Lt. Col. Russell Lowell Maughan, Air Corps.

Lt. Col. Eugene Benjamin Bayley, Air Corps.

Lt. Col. Dache McClain Reeves, Air Corps.

Lt. Col. Leo Fred Post, Air Corps.

Lt. Col. John Carroll Kennedy, Air Corps.

Lt. Col. Edmund Pendleton Gaines, Air Corps.

Lt. Col. Harvey William Prosser, Air Corps.

Lt. Col. Clayton Lawrence Bissell, Air Corps.

Lt. Col. Horace Simpson Kenyon, Jr., Air Corps.

Lt. Col. Leland Charles Hurd, Air Corps.

Lt. Col. Robert Victor Ignico, Air Corps.

Lt. Col. Leland Ross Hewitt, Air Corps.

Lt. Col. Clifford Cameron Nutt, Air Corps.

Lt. Col. Isaiah Davies, Air Corps.

Lt. Col. Arthur William Vanaman, Air Corps (temporary colonel, Army of the United States).

Lt. Col. Franklin Otis Carroll, Air Corps.

Lt. Col. Frederick William Evans, Air Corps.

Lt. Col. Harry Gage Montgomery, Air Corps.

Lt. Col. Fred Cyrus Nelson, Air Corps.

Lt. Col. Edward Moses Morris, Air Corps.

Lt. Col. Burton Frederick Lewis, Air Corps.

Lt. Col. Elmer John Bowling, Air Corps.

Lt. Col. Orin Jay Bushey, Air Corps.

Lt. Col. Fred Sidney Borum, Air Corps.
Lt. Col. George Washington Polk, Jr., Air Corps.
Lt. Col. Alfred Warrington Marriner, Air Corps.
Lt. Col. Guy Harrison Gale, Air Corps.
Lt. Col. Muir Stephen Fairchild, Air Corps (temporary brigadier general, Army of the United States).
Lt. Col. James Gradon Taylor, Air Corps.
Lt. Col. Leland Wilbur Miller, Air Corps.
Lt. Col. Raphael Baez, Jr., Air Corps.
Lt. Col. Don Lee Hutchins, Air Corps.
Lt. Col. Clarence Herbert Welch, Air Corps.
Lt. Col. Ennis Clement Whitehead, Air Corps.
Lt. Col. Alfred Jefferson Lyon, Air Corps (temporary colonel, Army of the United States).
Lt. Col. Harold Lyman Clark, Air Corps.
Lt. Col. Sam Love Ellis, Air Corps.
Lt. Col. George Godfrey Lundberg, Air Corps.
Lt. Col. Eugene Lowry Eubank, Air Corps.
Lt. Col. Lawrence Augustus Lawson, Air Corps.
Lt. Col. Bayard Johnson, Air Corps.
Lt. Col. Frank Martyn Paul, Air Corps.
Lt. Col. Samuel Martin Connell, Air Corps.
Lt. Col. John Edwin Upston, Air Corps.
Lt. Col Reuben Curtis Moffat, Air Corps.
Lt. Col. Paul Langdon Williams, Air Corps.
Lt. Col. Clarence Peyton Kane, Air Corps.
Lt. Col. Harry Weddington, Air Corps.
Lt. Col. Samuel Custer Eaton, Jr., Air Corps.
Lt. Col. Leonidas Lee Koontz, Air Corps.
Lt. Col. Albert Carl Foulk, Air Corps.
Lt. Col. Edward Vincent Harbeck, Jr., Air Corps.
Lt. Col. Edward Ernest Hildreth, Air Corps.
Lt. Col. Samuel Gordon Frierson, Air Corps.
Lt. Col. Phillips Melville, Air Corps.
Lt. Col. John Gordon Williams, Air Corps.
Lt. Col. Albert Brown Pitts, Air Corps.
Lt. Col. Bernard Scott Thompson, Air Corps.
Lt. Col. Willis Ratcliffe Taylor, Air Corps.
Lt. Col. Robert Duane Knapp, Air Corps.
Lt. Col. William Bettencourt Souza, Air Corps.
Lt. Col. Alfred Lindeburg, Air Corps.
Lt. Col. Joseph Alexis Wilson, Air Corps.
Lt. Col. Clements McMullen, Air Corps.
Lt. Col. Ames Scribner Albro, Air Corps.
Lt. Col. Milo McCune, Air Corps.
Lt. Col. Benjamin Buckles Cassiday, Air Corps.
Lt. Col. Charles Yawkey Banfill, Air Corps.
Lt. Col. Myron Ray Wood, Air Corps.
Lt. Col. Robert Theodore Cronau, Air Corps.
Lt. Col. Walter Raymond Peck, Air Corps.
Lt. Col. Arthur Girard Hamilton, Air Corps.
Lt. Col. Emil Charles Kiel, Air Corps.
Lt. Col. Harold Lee George, Air Corps (temporary colonel, Army of the United States).
Lt. Col. Lewis Allegeo Dayton, Air Corps.
Lt. Col. Younger Arnold Pitts, Air Corps.
Lt. Col. Howard Zabriskie Bogert, Air Corps.
Lt. Col. Charles Hale Dowman, Air Corps
Lt. Col. Thomas Welch Blackburn, Air Corps.
Lt. Col. Harry Anton Johnson, Air Corps.
Lt. Col. Bob Edward Nowland, Air Corps.
Lt. Col. Barney McKinney Giles, Air Corps.
Lt. Col. Bernard Joseph Tooher, Air Corps.
Lt. Col. Claude Edward Duncan, Air Corps.
Lt. Col. Albert Francis Hegenberger, Air Corps.
Lt. Col. Max Frank Schneider, Air Corps.
Lt. Col. Donald Gardner Stitt, Air Corps.
Lt. Col. Glenn Charles Salisbury, Air Corps.
Lt. Col. Harold Ralph Wells, Air Corps.
Lt. Col. Malcolm Stoney Lawton, Air Corps.
Lt. Col. Jasper Kemper McDuffie, Air Corps.
Lt. Col. Howard Knox Ramey, Air Corps.
Lt. Col. Lionel H. Dunlap, Air Corps.
Lt. Col. Harold Daniel Smith, Air Corps.
Lt. Col. James Pratt Hodges, Air Corps.
Lt. Col. Oakley George Kelly, Air Corps.
Lt. Col. Bernard Tobias Castor, Air Corps.
Lt. Col. James Alexander Mollison, Air Corps.
Lt. Col. Harold Webster Beaton, Air Corps.
Lt. Col. Edgar Eugene Glenn, Air Corps.
Lt. Col. John William Monahan, Air Corps.
Lt. Col. Cortlandt Spencer Johnson, Air Corps.
Lt. Col. Charles Carl Chauncey, Air Corps.
Lt. Col. Carl Weston Pyle, Air Corps.
Lt. Col. John Myers McCulloch, Air Corps.
Lt. Col. Charles Wesley Sullivan, Air Corps.
Lt. Col. Melvin B. Asp, Air Corps.
Lt. Col. George Clement McDonald, Air Corps.
Lt. Col. Peter Emanuel Skanse, Air Corps.
Lt. Col. Malcolm Nebeker Stewart, Air Corps.
Lt. Col. Arthur George Liggett, Air Corps.
Lt. Col. Westside Torkel Larson, Air Corps.

(All officers listed below except William J. Hanlon and Bennett E. Meyers hold temporary rank as lieutenant colonel, Air Corps, and lieutenant colonel, Army of the United States.)

Maj. Newton Longfellow, Air Corps.
Maj. Lloyd Barnett, Air Corps.
Maj. John Arthur Laird, Jr., Air Corps.
Maj. Charles William Steinmetz, Air Corps.
Maj. John Myrddin Davies, Air Corps.
Maj. Walter Thomas Meyer, Air Corps.
Maj. Wendell Brown McCoy, Air Corps.
Maj. James Edward Duke, Jr., Air Corps.
Maj. Martinus Stenseth, Air Corps.
Maj. James Bernard Carroll, Air Corps.
Maj. Thomas Lonnie Gilbert, Air Corps.
Maj. James Douglas Givens, Air Corps.
Maj. William Cushman Farnum, Air Corps.
Maj. William Turnbull, Air Corps.
Maj. Joseph Williams Benson, Air Corps.
Maj. Frederick Dan Lynch, Air Corps.
Maj. James Atwater Woodruff, Air Corps.
Maj. William Warren Welsh, Air Corps.
Maj. Arthur Ignatius Ennis, Air Corps.
Maj. Caleb Vance Haynes, Air Corps.
Maj. Harold Arthur Bartron, Air Corps.
Maj. John Frederick Whiteley, Air Corps.
Maj Guy Lewis McNeil, Air Corps.
Maj. Clarence Prescott Talbot, Air Corps.
Maj. Alfred Liljevalch Jewett, Air Corps.
Maj. Louis Clifford Mallory, Air Corps.
Maj. Lewis Selwyn Webster, Air Corps.
Maj. Roy William Camblin, Air Corps.
Maj. Robert Theodore Zane, Air Corps.
Maj. LeRoy Allen Walthall, Air Corps.
Maj. Lucas Victor Beau, Jr., Air Corps.
Maj. Newman Raiford Laughinghouse, Air Corps.
Maj. James Milligan Gillespie, Air Corps.
Maj. Frederick von Harten Kimble, Air Corps.
Maj. William Jones Hanlon, Air Corps (temporary lieutenant colonel, Air Corps).
Maj. Howard Arnold Craig, Air Corps.
Maj. David Robert Stinson, Air Corps.
Maj. Joseph Theodore Morris, Air Corps.
Maj. William Robert Sweeley, Air Corps.
Maj. George Allan McHenry, Air Corps.
Maj. Carlyle Howe Ridenour, Air Corps.
Maj. Bennett Edward Meyers, Air Corps (temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States).
Maj. Paul Hyde Prentiss, Air Corps.
Maj. Warren Arthur Maxwell, Air Corps.
Maj. Frederick Mercer Hopkins, Jr., Air Corps.
Maj. Leonard Dickson Weddington, Air Corps.
Maj. Edward Michael Powers, Air Corps.
Maj. Dale Vincent Gaffney, Air Corps.
Maj. Paul Edmund Burrows, Air Corps.
Maj. Kenneth Bonner Wolfe, Air Corps.
Maj. John Vernon Hart, Air Corps.
Maj. Richard Hartnett Magee, Air Corps.
Maj. Henry Harold Reily, Air Corps.

TO BE LIEUTENANT COLONELS

Capt. Milton Miles Murphy, Air Corps (temporary major, Air Corps; temporary lieutenant colonel, Army of the United States).

Capt. Lee Quintus Wasser, Air Corps (temporary major, Air Corps; temporary lieutenant colonel, Army of the United States).

Capt. Benjamin Thomas Starkey, Air Corps (temporary major, Air Corps; temporary lieutenant colonel, Army of the United States).

Capt. George Vernon Holloman, Air Corps (temporary major, Air Corps; temporary lieutenant colonel, Army of the United States).

Capt. Glenn Oscar Barcus, Air Corps (temporary major, Air Corps; temporary lieutenant colonel, Army of the United States).

(All officers listed below except Charles H. Deerwester, Edward H. Porter, Wilbur Erickson, Robert D. Johnston, and William C. Bentley Jr,. hold temporary rank as major, Air Corps, and major, Army of the United States.)

Capt. Turner Ashby Sims, Jr., Air Corps.
Capt. Samuel Wallace Van Meter, Air Corps.
Capt. Alfred Henry Johnson, Air Corps.
Capt. James Roy Andersen, Air Corps.
Capt. Samuel Russ Harris, Jr., Air Corps.
Capt. Shelton Ezra Prudhomme, Air Corps.
Capt. John Paul Doyle, Jr., Air Corps.
Capt. Leon William Johnson, Air Corps.
Capt. Guy Beasley Henderson, Air Corps.
Capt. Henry Raymond Baxter, Air Corps.
Capt. Morris Robert Nelson, Air Corps.
Capt. Kenneth Perry McNaughton, Air Corps.
Capt. James Bell Burwell, Air Corps.
Capt. Charles Herman Deerwester, Air Corps (temporary major, Air Corps; temporary lieutenant colonel, Army of the United States).
Capt. Charles Winslow O'Connor, Air Corps.
Capt. Bernard Alexander Bridget, Air Corps.
Capt. Charles Arthur Bassett, Air Corps.
Capt. Narcisse Lionel Cote, Air Corps.
Capt. George Hall Sparhawk, Air Corps.
Capt. John Felix Guillett, Air Corps.
Capt. Dixon McCarty Allison, Air Corps.
Capt. Joel G. O'Neal, Air Corps.
Capt. Alva Lee Harvey, Air Corps.
Capt. James William Andrew, Air Corps.
Capt. George J. Eppright, Air Corps.
Capt. Clarence Daniel Wheeler, Air Corps.
Capt. Walter Sylvester Lee, Air Corps.
Capt. Manning Eugene Tillery, Air Corps.
Capt. Gerald Geoffrey Johnston, Air Corps.
Capt. Elmer Joseph Rogers, Jr., Air Corps.
Capt. John Caswell Crosthwaite, Air Corps.
Capt. Clarence Shortridge Irvine, Air Corps.
Capt. Ralph Emerson Holmes, Air Corps.
Capt. Darr Hayes Alkire, Air Corps.
Capt. Thurston H. Baxter, Air Corps.
Capt. John Albert Tarro, Air Corps.
Capt. John Titcomb Sprague, Air Corps.
Capt. Frederick August Bacher, Jr., Air Corps.
Capt. Yantis Halbert Taylor, Air Corps.
Capt. Clatte Stroh, Air Corps.
Capt. Francis Edgar Cheatle, Air Corps.
Capt. Arthur Joseph Lehman, Air Corps.
Capt. Oscar Frederick Carlson, Air Corps.
Capt. George Edley Henry, Air Corps.
Capt. Signa Allen Gilkey, Air Corps.
Capt. Clinton William Davies, Air Corps.
Capt. Reuben Kyle, Jr., Air Corps.
Capt. Harvey Flynn Dyer, Air Corps.
Capt. Earl Clinton Robbins, Air Corps.
Capt. Andrew Joseph Kerwin Malone, Air Corps.
Capt. Russell Keillor, Air Corps.
Capt. Ernest Harold Lawson, Air Corps.
Capt. John Edward Bodle, Air Corps.
Capt. Russell Scott, Air Corps.
Capt. Burton Murdock Hovey, Jr., Air Corps.
Capt. Richard Eastman Cobb, Air Corps.
Capt. Dale Davis Fisher, Air Corps.
Capt. Henry Weisbrod Dorr, Air Corps.
Capt. Carlisle Iverson Ferris, Air Corps.
Capt. Elwood Richard Quesada, Air Corps.
Capt. Willard Roland Wolfinbarger, Air Corps.
Capt. George Woodburne McGregor, Air Corps.
Capt. Charles Albert Harrington, Air Corps.
Capt. Maurice Francis Daly, Air Corps.
Capt. Laurence Sherman Kuter, Air Corps.
Capt. George McCoy, Jr., Air Corps.

Capt. John Mills Sterling, Air Corps.
Capt. Orrin Leigh Grover, Air Corps.
Capt. Milton Merrill Towner, Air Corps.
Capt. Fay Roscoe Upthegrove, Air Corps.
Capt. Charles Bertody Stone 3d, Air Corps.
Capt. Neil Bosworth Harding, Air Corps.
Capt. Robert Lewis Easton, Air Corps.
Capt. Henry Malone Bailey, Air Corps.
Capt. Walter William Gross, Air Corps.
Capt. Otto Clyde George, Air Corps.
Capt. John N. Jones, Air Corps.
Capt. Leo William De Rosier, Air Corps.
Capt. Gordon Philip Saville, Air Corps.
Capt. Charles Bernard Overacker, Jr., Air Corps.
Capt. George Henry Macnair, Air Corps.
Capt. James Arthur Ellison, Air Corps.
Capt. Hoyt Leroy Prindle, Air Corps.
Capt. James Franklin Walsh, Air Corps.
Capt. George Richard Geer, Air Corps.
Capt. Donald Wright Benner, Air Corps.
Capt. Lawrence Henry Douthit, Air Corps.
Capt. George Robert Acheson, Air Corps.
Capt. Frank Hamlet Robinson, Air Corps.
Capt. Waldine Winston Messmore, Air Corps.
Capt. Herbert Melvin Newstrom, Air Corps.
Capt. Allen Ralph Springer, Air Corps.
Capt. Franklin Calhoun Wolfe, Air Corps.
Capt. Ford Larimore Fair, Air Corps.
Capt. Ivan Maurice Palmer, Air Corps.
Capt. Joseph Gerard Hopkins, Air Corps.
Capt. Elmer Perry Rose, Air Corps.
Capt. Ford J. Lauer, Air Corps.
Capt. Fay Oliver Dice, Air Corps.
Capt. Herbert Everett Rice, Air Corps.
Capt. Edward Harold Porter, Air Corps (temporary major, Air Corps; temporary lieutenant colonel, Army of the United States).
Capt. Joseph Hampton Atkinson, Air Corps.
Capt. Robert Leonard Schoenlein, Air Corps.
Capt. Frederick William Ott, Air Corps.
Capt. Wentworth Goss, Air Corps.
Capt. James Leslie Daniel, Jr., Air Corps.
Capt. Budd John Peaslee, Air Corps
Capt. John Franklin Egan, Air Corps.
Capt. Edgar Russell Todd, Air Corps.
Capt. Arthur LaSalle Smith, Air Corps.
Capt. Donald Dewey Arnold, Air Corps.
Capt. Clarence Thomas Mower, Air Corps.
Capt. Louie Percy Turner, Air Corps.
Capt. William Tell Hefley, Air Corps.
Capt. Robert Scott Israel, Jr., Air Corps.
Capt. Donald Bertrand Smith, Air Corps.
Capt. James Elbert Briggs, Air Corps.
Capt. John Stewart Mills, Air Corps.
Capt. George Warren Mundy, Air Corps.
Capt. Alfred Rockwood Maxwell, Air Corps.
Capt. Paul Harold Johnston, Air Corps.
Capt. Roscoe Charles Wilson, Air Corps.
Capt. Walter Edwin Todd, Air Corps.
Capt. Bryant LeMaire Boatner, Air Corps.
Capt. Nathan Bedford Forrest, Air Corps.
Capt. Robert Frederick Tate, Air Corps.
Capt. Samuel Robert Brentnall, Air Corps.
Capt. Charles Franklin Born, Air Corps.
Capt. Frank Fort Everest, Air Corps.
Capt. John Jordan Morrow, Air Corps.
Capt. Frank Jerdone Coleman, Air Corps.
Capt. Robert Loyal Easton, Air Corps.
Capt. Norris Brown Harbold, Air Corps.
Capt. George Raymond Bienfang, Air Corps.
Capt. Russell Alger Wilson, Air Corps.
Capt. David Raymond Gibbs, Air Corps.
Capt. Charles Grant Goodrich, Air Corps.
Capt. Alvord Van Patten Anderson, Jr., Air Corps.
Capt. Frederick Lewis Anderson, Jr., Air Corps.
Capt. Thayer Stevens Olds, Air Corps.
Capt. Robert Falligant Travis, Air Corps.
Capt. William Henry Tunner, Air Corps.
Capt. Ralph Edward Koon, Air Corps.
Capt. Howard Graham Bunker, Air Corps.
Capt. Stuart Glover McLennan, Air Corps.
Capt. John Alexander Samford, Air Corps.
Capt. Fred Obediah Tally, Air Corps
Capt. Roger Maxwell Ramey, Air Corps.
Capt. Forrest Gordon Allen, Air Corps.
Capt. John Thomas Murtha, Jr., Air Corps.
Capt. Samuel Egbert Anderson, Air Corps.
Capt. Joseph Arthur Bulger, Air Corps.
Capt. George Ferrow Smith, Air Corps.
Capt. Allen Wilson Reed, Air Corps.
Capt. Arthur William Meehan, Air Corps.
Capt. Truman Hempel Landon, Air Corps.
Capt. Maurice Clinton Bisson, Air Corps.
Capt. Harry Edgar Wilson, Air Corps.
Capt. Robert Williams Warren, Air Corps.
Capt. John Francis Wadman, Air Corps.
Capt. Delmar Taft Spivey, Air Corps.
Capt. August Walter Kissner, Air Corps.
Capt. LaVerne George Saunders, Air Corps.
Capt. Emmett O'Donnell, Jr., Air Corps.
Capt. Donald Winston Titus, Air Corps.
Capt. Emmett Felix Yost, Air Corps.
Capt. Robert Kinder Taylor, Air Corps.
Capt. James Wilson Brown, Jr., Air Corps.
Capt. William Columbus Sams, Air Corps.
Capt. Robert Harper Kelly, Air Corps.
Capt. James Francis Olive, Jr., Air Corps.
Capt. Edgar Alexander Sirmyer, Jr., Air Corps.
Capt. Thomas Webster Steed, Air Corps.
Capt. Wilbur Erickson, Air Corps (temporary major, Air Corps).
Capt. Lilburn Dimmitt Fator, Air Corps.
Capt Archibald Meyer Kelley, Air Corps.
Capt. Ralph Orville Brownfield, Air Corps.
Capt. Joel Edward Mallory, Air Corps.
Capt. Donald Russell Lyon, Air Corps.
Capt. Warren Herbert Higgins, Air Corps.
Capt. Stanley Keith Robinson, Air Corps.
Capt. Willard Reno Shephard, Air Corps.
Capt. George Washington Hansen, Air Corps.
Capt. Minton William Kaye, Air Corps.
Capt. Aubry Lee Moore, Air Corps.
Capt. Ronald Roosevelt Walker, Air Corps.
Capt. Lloyd Harrison Tull, Air Corps.
Capt. Francis Marion Zeigler, Air Corps.
Capt. Frederic Ernst Glantzberg, Air Corps.
Capt Eugene Herbert Rice, Air Corps.
Capt. Leland Samuel Stranathan, Air Corps.
Capt. Ernest Keeling Warburton, Air Corps.
Capt. LeRoy Hudson, Air Corps.
Capt. Roland Ogden Strand Akre, Air Corps.
Capt. Paul Ellis Shanahan, Air Corps.
Capt. Roger Vincent Williams, Air Corps.
Capt. Frederick Archibald Pillet, Air Corps.
Capt. William Hugh McArthur, Air Corps.
Capt. Reginald Heber, Air Corps.
Capt. Homer LeRoy Sanders, Air Corps.
Capt. Draper Frew Henry, Air Corps.
Capt. Robert Dilger Johnston, Air Corps (temporary major, Air Corps).
Capt. Walter Robertson Agee, Air Corps.
Capt. Hansford Wesley Pennington, Air Corps.
Capt. Guy Frost Hix, Air Corps.
Capt. Murray Clarke Woodbury, Air Corps.
Capt. Paul Bernard Wurtsmith, Air Corps.
Capt. William Alexander Robert Robertson, Air Corps.
Capt. Robert Edward Lee Choate, Air Corps.
Capt. Edwin Roland French, Air Corps.
Capt. John Williams Persons, Air Corps.
Capt. William Chamberlayne Bentley, Jr., Air Corps (temporary major, Air Corps; temporary lieutenant colonel, Army of the United States).
Capt. Sam Williamson Cheyney, Air Corps.
Capt. Max Harrelson Warren, Air Corps.
Capt. Edwin Lee Tucker, Air Corps.
Capt. Ralph Rhudy, Air Corps.
Capt. Isaac William Ott, Air Corps.
Capt. Edward Holmes Underhill, Air Corps
Capt. Trenholm Jones Meyer, Air Corps.
Capt. John Joseph Keough, Air Corps.
Capt. William Houston Maverick, Air Corps.
Capt. William Pryor Sloan, Air Corps.
Capt. George Frost Kinzie, Air Corps.
Capt. Albert Boyd, Air Corps.
Capt. James Wayne McCauley, Air Corps.
Capt. Edward Harrison Alexander, Air Corps.
Capt. Frank Alton Armstrong, Jr., Air Corps.
Capt. William Albert Matheny, Air Corps.
Capt. John Patrick Kenny, Air Corps.
Capt. Reginald Franklin Conroy Vance, Air Corps.
Capt. William Lecel Lee, Air Corps.
Capt. Davis Dunbar Graves, Air Corps.
Capt. Haywood Shepherd Hansell, Jr., Air Corps.
Capt. William Truman Colman, Air Corps.
Capt. Paul Mueller Jacobs, Air Corps.
Capt. Dudley Durward Hale, Air Corps.
Capt. Herbert Leonard Grills, Air Corps.
Capt. Benjamin Scovill Kelsey, Air Corps.
Capt. Thomas Lee Mosley, Air Corps.
Capt. Raymond Lloyd Winn, Air Corps.
Capt. Leonard Franklin Harman, Air Corps.
Capt. Kingston Eric Tibbetts, Air Corps.
Capt. Richard Henry Lee, Air Corps.
Capt. Robert Wilson Stewart, Air Corps.
Capt. Lewis R. Parker, Air Corps.
Capt. William Maurice Morgan, Air Corps.
Capt. Richard Irvine Dugan, Air Corps.
Capt. Edwin Minor Day, Air Corps.
Capt. Jack Weston Wood, Air Corps.
Capt. James Herbert Wallace, Air Corps.
Capt. Don Zabriskie Zimmerman, Air Corps.
Capt. Frederick Rodgers Dent, Jr., Air Corps.
Capt. Harold Huntley Bassett, Air Corps.
Capt. Howard Moore, Air Corps.
Capt. Harry Gage Montgomery, Jr., Air Corps.
Capt. Roger James Browne, Air Corps.
Capt. Joseph Jennings Ladd, Air Corps.
Capt. Clayton Earl Hughes, Air Corps.
Capt. Thomas Ludwell Bryan, Jr., Air Corps.
Capt. Harold Quiskie Huglin, Air Corps.
Capt. Charles Sommers, Air Corps.
Capt. John Coleman Horton, Air Corps.
Capt. Marshall Stanley Roth, Air Corps.
Capt. Rudolph Fink, Air Corps.
Capt. Sidney Andrew Ofsthun, Air Corps.
Capt. William Evens Hall Air Corps.
Capt. Frederic Harrison Smith, Jr., Air Corps.
Capt. Donald John Keirn, Air Corps.
Capt. Dwight Bahney Schannep, Air Corps.
Capt. John Jackson O'Hara, Jr., Air Corps.
Capt. Emery Scott Wetzel, Air Corps.
Capt. William Ernest Karnes, Air Corps.
Capt. William Gilmer Bowyer, Air Corps.
Capt. Ezekiel Wimberly Napier, Air Corps.
Capt. Thomas Benton McDonald, Air Corps.
Capt. Charles Theodore Arnett, Air Corps.
Capt. Melie John Coutlee, Air Corps.
Capt. Thomas Jefferson DuBose, Air Corps.
Capt. Daniel Campbell Doubleday, Air Corps.
Capt. Jerald Worden McCoy, Air Corps.
Capt. Pearl Harvey Robey, Air Corps.
Capt. Charles Glendon Williamson, Air Corps.
Capt. John Nicholas Stone, Air Corps.
Capt. Phineas Kimball Morrill, Jr., Air Corps.
Capt. Thomas Richard Lynch, Air Corps.

(All officers listed below except Edwin S. Perrin hold temporary rank as majors, Air Corps.)

Capt. George Elston Price, Air Corps.
Capt. Richard Clark Lindsay, Air Corps.
Capt. John Gordon Fowler, Air Corps.
Capt. John Lyle Nedwed, Air Corps.
Capt. Paul Thomas Cullen, Air Corps
Capt. George Graham Northrup, Air Corps.
Capt. Thomas Sarsfield Power, Air Corps.
Capt. Lloyd Harold Watnee, Air Corps.
Capt. Philip David Coates, Air Corps.
Capt. Talma Watkins Imlay, Air Corps.
Capt. John Herold Bundy, Air Corps.
Capt. Mills Spencer Savage, Air Corps.
Capt. Harold Webb Bowman, Air Corps.
Capt. Lorry Norris Tindal, Air Corps.
Capt. Merlin Ingels Carter, Air Corps.
Capt. John Walker Sessums, Jr., Air Corps.
Capt. Charles Kenneth Moore, Air Corps
Capt. Austin August Straubel, Air Corps.
Capt. Wycliffe Eugene Steele, Air Corps.
Capt. Roy Henry Lynn, Air Corps.
Capt. Robert Bruce Davenport, Air Corps.
Capt. Donald Leander Putt, Air Corps.
Capt. William Ball, Air Corps.
Capt. Carl Rose Storrie, Air Corps.
Capt. Merrill Davis Burnside, Air Corps.
Capt. Hollingsworth Franklin Gregory, Air Corps.
Capt. Eugene Harold Beebe, Air Corps.
Capt. Harold Winfield Grant, Air Corps.

Capt. Kenneth Alfred Rogers, Air Corps.
Capt. Reuben Columbus Hood, Jr., Air Corps.
Capt. Leslie Oscar Peterson, Air Corps.
Capt. Irving Remsburg Selby, Air Corps.
Capt. Floyd Bernard Wood, Air Corps.
Capt. Theodore Mathew Bolen, Air Corps.
Capt. Norman Delbert Sillin, Air Corps.
Capt. Flint Garrison, Jr., Air Corps.
Capt. James Leroy Jackson, Air Corps.
Capt. Chester Price Gilger, Air Corps.
Capt. Hugh Arthur Parker, Air Corps.
Capt. Thomas David Ferguson, Air Corps.
Capt. Thomas Lawson Thurlow, Air Corps.
Capt. William Basil Offutt, Air Corps.
Capt. John Hugh Fite, Air Corps.
Capt. James Arthur Ronin, Air Corps.
Capt. Norman Bert Olsen, Air Corps.
Capt. Curtis Emerson LeMay, Air Corps.
Capt. Kenneth Ross Crosher, Air Corps.
Capt. Stuart Phillips Wright, Air Corps.
Capt. William Charles Dolan, Air Corps.
Capt. Ivan Lonsdale Farman, Air Corps.
Capt. William Alexander Schulgen, Air Corps
Capt. Daniel Beckett White, Air Corps.
Capt. Donald Harvey Baxter, Air Corps.
Capt. Roy Thomas Wright, Air Corps.
Capt. Edward Wharton Anderson, Air Corps.
Capt. John Coleman Covington, Air Corps.
Capt. Winslow Carroll Morse, Air Corps.
Capt. Casper Perrin West, Air Corps.
Capt. William Leroy Kennedy, Air Corps.
Capt. Jesse Auton, Air Corps.
Capt. John Paul Ryan, Air Corps
Capt. Robert Shuter Macrum, Air Corps.
Capt. Charles Lawrence Munroe, Jr., Air Corps.
Capt. Llewellyn Owen Ryan, Air Corps.
Capt. William Richard Morgan, Air Corps.
Capt. Philo George Meisenholder, Air Corps.
Capt. John Waldron Egan, Air Corps.
Capt. Hanlon H. Van Auken, Air Corps.
Capt. Robert Oswald Cork, Air Corps.
Capt. William Courtney Mills, Air Corps.
Capt. Herbert Henry Teliman, Air Corps.
Capt. John Koehler Gerhart, Air Corps.
Capt. Harold Loring Mace, Air Corps.
Capt. Elder Patteson, Air Corps.
Capt. Francis Hopkinson Griswold, Air Corps.
Capt. Leon Ray Brownfield, Air Corps.
Capt. Robert Whitney Burns, Air Corps.
Capt. Daniel Webster Jenkins, Air Corps.
Capt. William Marshall Prince, Air Corps.
Capt. Clarence Frank Hegy, Air Corps.
Capt. James Presnall Newberry, Air Corps.
Capt. Stoyte Ogleby Ross, Air Corps.
Capt. Joseph Wiley Baylor, Air Corps.
Capt. William John Clinch, Air Corps.
Capt. James McKinzie Thompson, Air Corps.
Capt. Gerald Hoyle, Air Corps.
Capt. Arthur Francis Merewether, Air Corps.
Capt. Jarred Vincent Crabb, Air Corps.
Capt. Tom William Scott, Air Corps.
Capt. John Hubert Davies, Air Corps.
Capt. Anthony Quintus Mustoe, Air Corps.
Capt. Edwin William Rawlings, Air Corps
Capt. Julius Kahn Lacey, Air Corps.
Capt. Theodore Bernard Anderson, Air Corps.
Capt. George Frank McGuire, Air Corps.
Capt. Oliver Stanton Picher, Air Corps.
Capt. Dyke Francis Meyer, Air Corps.
Capt. Hugh Francis McCaffery, Air Corps.
Capt. Minthorne Woolsey Reed, Air Corps.
Capt. Morley Frederick Slaght, Air Corps.
Capt. Roy Dale Butler, Air Corps.
Capt. Berkeley Everett Nelson, Air Corps
Capt. Archibald Johnston Hanna, Air Corps.
Capt. Richard August Grussendorf, Air Corps.
Capt. John Hiett Ives, Air Corps.
Capt. Frederick Earl Calhoun, Air Corps.
Capt. Carl Ralph Feldmann, Air Corps.
Capt. Ralph Powell Swofford, Jr., Air Corps.
Capt. Paul Ernest Ruestow, Air Corps.
Capt. George Fletcher Schlatter, Air Corps.
Capt. Howard Monroe McCoy, Air Corps.
Capt. Charles William Haas, Air Corps.
Capt. Aubrey Kenneth Dodson, Air Corps.
Capt. Mark Edward Bradley, Jr., Air Corps.
Capt. Douglas Mitchell Kilpatrick, Air Corps.
Capt. Wiley Duncan Ganey, Air Corps.
Capt. Thetus Cayce Odom, Air Corps.
Capt. Walter Campbell Sweeney, Jr., Air Corps.
Capt. Morris John Lee, Air Corps.
Capt. Marvin Lewis Harding, Air Corps.
Capt. Birrell Walsh, Air Corps.
Capt. David Hodge Baker, Air Corps.
Capt. James Sylvester Sutton, Air Corps.
Capt. Edwin Sanders Perrin, Air Corps (temporary major, Air Corps; temporary lieutenant colonel, Army of the United States).
Capt. Neal Edwin Ausman, Air Corps.
Capt. Troup Miller, Jr., Air Corps.
Capt. William Dole Eckert, Air Corps.
Capt. Lauris Norstad, Air Corps.
Capt. Millard Lewis, Air Corps
Capt. Othel Rochelle Deering, Air Corps.
Capt. John Chesley Kilborn, Air Corps.
Capt. Carl Amandus Brandt, Air Corps.
Capt. Harold Lester Smith, Air Corps.
Capt. Norman Ray Burnett, Air Corps.
Capt. Richard Joseph O'Keefe, Air Corps.
Capt. Ephraim Melmoth Hampton, Air Corps.
Capt. Joseph Arthur Miller, Air Corps.
Capt. Kurt Martin Landon, Air Corps.
Capt. Gerry Leonard Mason, Air Corps.
Capt. Hubern Paul Dellinger, Air Corps.
Capt. Daniel Anderson Cooper, Air Corps.
Capt. Sory Smith, Air Corps.
Capt. Paul William Blanchard, Jr., Air Corps.
Capt. Elvin Freestone Maughan, Air Corps.
Capt. Jergen Bernhardt Olson, Air Corps.
Capt. Daniel Francis Callahan Air Corps.
Capt. Marcellus Duffy, Air Corps.
Capt. Robert Alan, Air Corps.
Capt. Gordon Aylesworth Blake, Air Corps.
Capt. Joseph Francis Carroll, Air Corps.
Capt. A. J. McVea, Air Corps.
Capt. Julian Merritt Chappell, Air Corps.
Capt. Donald Norton Yates, Air Corps.
Capt. William John Bell, Air Corps.
Capt. Ernest Moore, Air Corps.
Capt. Royden Eugene Beebe, Jr., Air Corps.
Capt. Enrie William Hockenberry, Air Corps.
Capt. John Edwin Barr, Air Corps.
Capt. Louis Augustine Guenther, Air Corps.
Capt. Milton Wylie Arnold, Air Corps.
Capt. Millard Chester Young, Air Corps.
Capt. Henry Keppler Mooney, Air Corps.
Capt. Robert Merrill Lee, Air Corps.
Capt. Robert Freeman Fulton, Air Corps.
Capt. Dean Coldwell Strother, Air Corps.
Capt. George Frederick Hartman, Air Corps.
Capt. Carl Wilbert Carlmark, Air Corps.
Capt. Richard Hungerford Wise, Air Corps.
Capt. Charles Francis Densford, Air Corps.
Capt. John Robert Skeldon, Air Corps.
Capt. Jacob Edward Smart, Air Corps.
Capt. Lester LeRoy Hilman Kunish, Air Corps.
Capt. Robert Edward Lee Eaton, Air Corps.
Capt. Carl Fillmore Damberg, Air Corps.
Capt. Wendell Washington Bowman, Air Corps.
Capt. Hilbert Fred Muenter, Air Corps.
Capt. John Autrey Feagin, Air Corps.
Capt. Raymond Taylor Lester, Air Corps.
Capt. John Clarence Gordon, Air Corps.
Capt. Charles Bowman Dougher, Air Corps.
Capt. David William Hutchison, Air Corps.
Capt. Gerald Evan Williams, Air Corps.
Capt. Edward Julius Timberlake, Jr., Air Corps.

(All officers listed below hold rank as temporary captains, Army of the United States, and temporary majors, Air Corps.)

First Lt. Stanley Tanner Wray, Air Corps.
First Lt. Stanley Ronald Stewart, Air Corps.
First Lt. James Hutchings Cunningham, Jr., Air Corps.
First Lt. Leo Peter Dahl, Air Corps.
First Lt. Torgils Grimkel Wold, Air Corps.
First Lt. John Bevier Ackerman, Air Corps.
First Lt. Benjamin Jepson Webster, Air Corps.
First Lt. James Forsyth Thompson, Jr., Air Corps.
First Lt. Loren Boyd Hillsinger, Air Corps.
First Lt. John Paul McConnell, Air Corps.
First Lt. Joe William Kelly, Air Corps.
First Lt. John Morgan Price, Air Corps.
First Lt. John Joseph Hutchison, Air Corps.
First Lt. Daniel Stone Campbell, Air Corps.
First Lt. Kenneth Burton Hobson, Air Corps.
First Lt. John Reynolds Sutherland, Air Corps.
First Lt. Donald Linwood Hardy, Air Corps.
First Lt. Richard Tide Coiner, Jr., Air Corps.
First Lt. Charles Albert Clark, Jr., Air Corps.
First Lt. Harvey Porter Huglin, Air Corps.
First Lt. George Dowery Campbell, Jr., Air Corps.
First Lt. Charles Hardin Anderson, Air Corps.
First Lt. Hunter Harris, Jr., Air Corps.
First Lt. Charles Albert Piddock, Air Corps.
First Lt. David Hamilton Kennedy, Air Corps.
First Lt. Nicholas Earnest Powel, Air Corps.
First Lt. Andrew Meulenberg, Air Corps.
First Lt. Edwin Guldlin Simenson, Air Corps.
First Lt. Robert Haynes Terrill, Air Corps.
First Lt. Thomas Connell Darcy, Air Corps.
First Lt. Clifford Harcourt Rees, Air Corps.
First Lt. Arnold Leon Schroeder, Air Corps.
First Lt. Richard Henry Smith, Air Corps.
First Lt. Eugene Porter Mussett, Air Corps.
First Lt. Edward Willis Suarez, Air Corps.
First Lt. Herbert Bishop Thatcher, Air Corps.
First Lt. Robert Broussard Landry, Air Corps.
First Lt. Frank Greenleaf Jamison, Air Corps.
First Lt. Romulue Wright Puryear, Air Corps.
First Lt. William Madison Garland, Air Corps.
First Lt. James Walter Gurr, Air Corps.
First Lt. Robert Lee Scott, Jr., Air Corps.
First Lt. Marshall Bonner, Air Corps.
First Lt. Percival Ernest Gabel, Air Corps.
First Lt. Thomas Samuel Moorman, Jr., Air Corps.
First Lt. William Livingston Travis, Air Corps.
First Lt. Thomas Burns Hall, Air Corps.
First Lt. Edward Joseph Hale, Air Corps.
First Lt. Travis Monroe Hetherington, Air Corps.
First Lt. John Glenn Armstrong, Air Corps.
First Lt. William Oscar Senter, Air Corps.
First Lt. Vernon Cleveland Smith, Air Corps
First Lt. Harry Stephen Bishop, Air Corps.
First Lt. Jack Wellington Turner, Air Corps.
First Lt. Frank Patterson Hunter, Jr., Air Corps.
First Lt. Harold Roth Maddux, Air Corps.
First Lt. Dwight Divine 2d, Air Corps.
First Lt. Edward Deane Marshall, Air Corps.
First Lt. Harry Nelson Burkhalter, Jr., Air Corps.
First Lt. Laurence Browning Kelley, Air Corps.
First Lt. Douglas Moore Cairns, Air Corps.
First Lt. Milton Frederick Summerfelt, Air Corps.
First Lt. Gabriel Poillon Disosway, Air Corps.
First Lt. Franklin Stone Henley, Air Corps.
First Lt. Cordes Fredrich Tiemann, Air Corps.
First Lt. Samuel Abner Mundell, Air Corps.
First Lt. Bruce von Gerichten Scott, Air Corps.
First Lt. Felix Louis Vidal, Air Corps.
First Lt. Earl Francis Signer, Air Corps.
First Lt. Richard Thomas King, Jr., Air Corps.
First Lt. Stephen B. Mack, Air Corps.
First Lt. Nelson Parkyn Jackson, Air Corps.
First Lt. Karl Truesdell, Jr., Air Corps.
First Lt. Sydney Dwight Grubbs, Jr., Air Corps.
First Lt. Millard Loren Haskin, Air Corps.
First Lt. Richard Mattern Montgomery, Air Corps.

First Lt. Charles Hoffman Pottenger, Air Corps.
First Lt. John Burroughs Cary, Air Corps.
First Lt. Paul Carter Ashworth, Air Corps.
First Lt. Edward Walter Moore, Air Corps.
First Lt. Curtis Delano Sluman, Air Corps.
First Lt. Byron Elias Brugge, Air Corps.
First Lt. William Sebastian Stone, Air Corps.
First Lt. George Bernard Dany, Air Corps.
First Lt. Lawson S. Moseley, Jr., Air Corps.
First Lt. Jean Paul Craig, Air Corps.
First Lt. William Jack Holzapfel, Jr., Air Corps.
First Lt. Gene Huggins Tibbets, Air Corps.
First Lt. Paul Tompkins Hanley, Air Corps.
First Lt. Jack Edward Shuck, Air Corps.
First Lt. John dePeyster Townsend Hills, Air Corps.
First Lt. William Monte Canterbury, Air Corps.
First Lt. Jerome Edward Blair 2d, Air Corps.
First Lt. Edward Flanick, Air Corps.
First Lt. Charles John Bondley, Jr., Air Corps.
First Lt. William Milton Gross, Air Corps.
First Lt. Dale Orville Smith, Air Corps.
First Lt. Hudson Hutton Upham, Air Corps.
First Lt. Perry Bruce Griffith, Air Corps.
First Lt. Wilson Hawkes Neal, Air Corps.
First Lt. Elvin Seth Ligon, Jr., Air Corps.
First Lt. Charles Burton Winkle, Air Corps.
First Lt. John Monroe Hutchison, Air Corps.
First Lt. Arno Herman Luchman, Air Corps.
First Lt. Paul Lawrence Barton, Air Corps.
First Lt. Raymond Judson Reeves, Air Corps.
First Lt. William Harvey Wise, Air Corps.
First Lt. Richard Andrew Legg, Air Corps.
First Lt. Harvey Thompson Alness, Air Corps.
First Lt. Albert Theodore Wilson, Jr., Air Corps.
First Lt. John William White, Air Corps.
First Lt. Stanley Joseph Donovan, Air Corps.
First Lt. Joseph Edward Barzynski, Jr., Air Corps.
First Lt. Albert Joseph Shower, Air Corps.
First Lt. Jack Wallis Hickman, Air Corps.
First Lt. Leighton Ira Davis, Air Corps.
First Lt. George Rosse Smith, Air Corps.

NOTE: The dates of rank are omitted as the death or other unforeseen change in status of a senior officer might require a change in the dates of rank and necessitate the renomination of these officers.

WITHDRAWAL

Executive nomination withdrawn from the Senate January 16, 1942:

DIPLOMATIC AND FOREIGN SERVICE

David J. Winton to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to New Zealand.

CONFIRMATION

Executive nomination confirmed by the Senate January 16, 1942:

POSTMASTER

Alfred J. Gipson, Decherd, Tenn.

SENATE

MONDAY, JANUARY 19, 1942

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

Eternal God and Heavenly Father, who knoweth our private cares and crosses and the inmost life of every soul: Let us not fail of our noble aspirations, and enable us to order our steps aright, that we may live more nearly as we pray. Give to these Thy servants the clear, firm logic of the statesman, the fiery enthusiasm of the prophet, and grant that, somehow, through the commanding utterance which appeals to the intellect, sharpens the conscience, and drives men to duty, their gifts may be consecrated to the creation in their fellow men of a life, a discipline, the end of which is personal and social righteousness, so absolutely essential to the maintenance of our freedom as a Nation.

Help us thus to realize that our world is in darkness and conflict insofar as it has spurned the light that never fails and the voice of the Son of God. But, in spite of all this, the morning cometh, for that Divine Lover and His stupendous act of love must yet dispel all darkness and draw the world to heavenly victory, to everlasting peace. In our dear Redeemer's Name, we ask it. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of Friday, January 16, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Glass	O'Daniel
Andrews	Green	O'Mahoney
Austin	Guffey	Pepper
Bankhead	Gurney	Radcliffe
Bilbo	Hayden	Reed
Bone	Herring	Reynolds
Brewster	Hill	Rosier
Brown	Holman	Russell
Bulow	Hughes	Shipstead
Bunker	Johnson, Colo.	Smathers
Burton	Kilgore	Smith
Butler	La Follette	Stewart
Byrd	Langer	Taft
Capper	Lee	Thomas, Idaho
Caraway	Lodge	Thomas, Okla.
Chandler	Lucas	Thomas, Utah
Chavez	McCarran	Truman
Clark, Idaho	McFarland	Tunnell
Clark, Mo.	McKellar	Tydings
Connally	McNary	Vandenberg
Danaher	Maloney	Van Nuys
Davis	Maybank	Wagner
Downey	Mead	Wallgren
Doxey	Millikin	Wheeler
Ellender	Murdock	White
George	Murray	Wiley
Gerry	Norris	Willis
Gillette	Nye	

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] and the Senator from Louisiana [Mr. OVERTON] are absent from the Senate because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Kentucky [Mr. BARKLEY], the Senator from Wyoming [Mr. SCHWARTZ], the Senator from Arkansas [Mr. SPENCER], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] and the Senator from Illinois [Mr. BROOKS] are absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury.

The Senator from Minnesota [Mr. BALL] is absent because of illness.

The VICE PRESIDENT. Eighty-three Senators having answered to their names, a quorum is present.

CAROLE LOMBARD

Mr. WILLIS. Mr. President, war communiques which follow successes at the front are always tempered with sadness and with grief. The week-end brought such a communique to the people of my State and to the people of all our Nation. Carole Lombard, a great actress and a loyal citizen, and 15 American Army pilots, were among 22 Americans killed in an airplane crash in the mountains of Nevada.

Private Lombard, who, like National Selective Service Director Brig. Gen. Lewis B. Hershey, is a soldier-native of my own Indiana district, was sent into action on the Indianapolis front by her husband-captain, Mr. Clark Gable, chairman of Hollywood's Victory Committee.

Her objective had been explained to her: The sale of half a million dollars' worth of Defense Savings bonds.

Miss Lombard stood in front of the Indiana State House, unfurled the flag which had flown over the House of Representatives when the Members of that body declared a state of war to exist with Japan, and she went over the top to attain an objective nearly five times as great as that assigned to her. The Treasury Department reports that her sale of more than $2,000,000 in Defense bonds is the greatest single total credited to any individual in our country.

Mr. President, a story in an Indianapolis newspaper last Friday states that "Carole and Mrs. Peters, her mother, were to board a plane at the somewhat dismal hour of 4:23 a. m. and head back for Hollywood, where Miss Lombard will keep on doing Defense bond work for the coming year."

That report is wholly correct. Miss Lombard will be doing Defense bond work during the coming year. She had done more than anyone else to assure increased sales from now on.

Last week, during the reception, at which Miss Lombard appeared clad entirely in black, an Indianapolis bond-sales chairman said:

> The Indiana rally is a big success. Bring her back again.

She will be back. Her unseen hand will continue to hand out defense bonds throughout the year.

Another distinguished fellow Hoosier now living in Hollywood and New York, Mr. Will Hays, who was with her in Indianapolis last week, has commented:

> She was gay and radiant, but tears came to her eyes as she voiced her appreciation of the reception she had received from the people of her home State. Miss Lombard wanted to serve and help our Nation in this hour of its greatest crisis. She gave her life for the cause. I am shocked and grieved and saddened. * * * Carole Lombard has given her life in the service of America. She is a first-line casualty of the war.

The Secretary of the Treasury has spoken similarly:

> She died in the service of our country. Her brilliant work for the Treasury this week in selling defense bonds in Indianapolis will be long remembered and honored by us all.

I feel it highly appropriate that the Senate of the United States should include in its RECORD this statement expressing the entire Nation's debt of gratitude to Carole Lombard for her great service to her Nation.

Miss Lombard left her native Indiana in 1916 in the midst of the first modern World War. She came back home to play a great role in the midst of another, more horrible and ghastly than the first. Her part was played, more than fourfold. Let us pray that her sacrifice, which came on her journey back to headquarters to report, will not once more have been in vain.

And let us pray that the 15 young American Army pilots, en route with her to their own sacrificial posts of duty, will receive the deep-felt thanks and honor which they have so rightly earned.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON SPECIAL ASSISTANTS AND THEIR COMPENSATION, DEPARTMENT OF JUSTICE

A letter from the Attorney General, transmitting, pursuant to law, a report showing the names of persons employed under the appropriation "Compensation of special attorneys, etc." with rates of compensation or fees paid during the period from July 1, 1941, to January 1, 1942 (with an accompanying statement); to the Committee on the Judiciary.

REPORT ON CANAL ZONE BIOLOGICAL AREA

A letter from the Board of Directors of the Canal Zone Biological Area, transmitting, pursuant to law, the report of that Board for the period from February 1, 1940, to June 30, 1941 (with an accompanying report); to the Committee on Interoceanic Canals.

PRICES OF GAS TO RESIDENTIAL CUSTOMERS IN NEW ENGLAND (PT. 2 OF S. DOC NO. 122)

A letter from the chairman of the Federal Power Commission, transmitting, pursuant to Senate Resolution 177 (agreed to October 9, 1941), a statement showing the prices charged to residential customers for gas service in all communities in the New England States, and stating that a similar statement for other geographic areas, as required by the resolution, is now being completed and will be forthcoming at an early date (with accompanying papers); to the Committee on Commerce and ordered to be printed.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented and referred as indicated:

By the VICE PRESIDENT:

The petition of C. Elliott, of Pittsburgh, Pa., praying that employees of the War Department compelled to work over 40 hours per week be granted increased compensation; to the Committee on Civil Service.

A resolution of the Former C. W. A. and Unemployed Workers Association of Atlantic City, N. J., favoring the enactment of the bill (S. 643) conferring jurisdiction upon the United States District Court for the District of New Jersey to hear, determine, and render judgment upon the claims of Charles J. Culligan; to the Committee on Claims.

A resolution of the Oakland (Calif.) Chamber of Commerce, protesting against the enactment of legislation providing for improvement of the St. Lawrence River, the completion of the Florida Ship Canal, and other projects which may not be essential to the national defense; to the Committee on Commerce.

Resolutions adopted by the National Social Science Honor Society Pi Gamma Mu in convention assembled at New York City, reaffirming the loyalty of the society to the Nation and to the Constitution, and pledging support to the Government in the prosecution of the war; to the Committee on Military Affairs.

A resolution of the board of directors of the Louisiana Sugar & Rice Exchange, New Orleans, La., stating that the organization has invested a large percent of its assets in defense savings bonds and offering the services of the exchange and its members in the existing war emergency; to the Committee on Military Affairs.

By Mr. TYDINGS:

A resolution of the Women's Club of Takoma Park, Md., favoring the enactment of such price-control legislation as will limit the war profits of any particular group in the Nation; ordered to lie on the table.

A petition of sundry citizens of the State of Maryland, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

RESOLUTION OF THE SANTEE SIOUX TRIBAL COUNCIL, NEBRASKA

Mr. BUTLER presented a resolution adopted by the Santee Tribal Council of the Santee Sioux Tribe of Indians of Nebraska, which was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Whereas the President of the United States has told the American people that a state of war does exist between our Nation and the Empire of Japan;

Whereas the Congress of the United States have declared war on the Empire of Japan; and

Whereas our Commander in Chief of the United States has asked all Americans to unite in this conflict: Be it

Resolved, That the Santee Tribal Council of the Santee Sioux Tribe of Nebraska, here assembled in their regular called meeting on December 11, 1941, at Parker Hall, Santee, Nebr., reaffirm their faith in the ideals and principles of this Nation, to pledge their allegiance to the liberties enjoyed under its Government, and to consecrate our all to the fight to maintain these principles and ideals. We have confidence that our victory will bring lasting peace based on the Christian way of life, with its abundant life, wholesome progress, and prosperity.

RESOLUTIONS OF NATIONAL FARM LOAN ASSOCIATIONS OF BARRON COUNTY, WIS.

Mr. WILEY. I present resolutions adopted by the National Farm Loan Associations of Barron County, Wis., which I ask may be printed in the RECORD and appropriately referred.

There being no objection, the resolutions were referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Whereas the Congress of the United States as a measure of economy in the defense program have considered discontinuing the present appropriation to defray the difference in interest between the contract rates and the present 3½ percent interest rate, which would further increase the cost of production and add more burden to the farmers' plight where there are large debts and heavy taxes, which will be increased greatly to meet this present defense program;

We, the National Farm Loan Associations of Barron County, Wis., representing 1,200 farmers of this vicinity, hereby petition our Congress to continue this present interest rate of 3½ percent.

Whereas Secretary of Agriculture Wickard has made an appeal to the farmers of the Nation to make an all-out effort for the production of farm commodities which are so essential for national defense; and

Whereas the ability of the farmers to produce the commodities necessary for national defense depends primarily on the experienced farm help which rural conditions of recent years have developed; and

Whereas such experienced help is now being called into military service, leaving an inadequate supply of experienced farm help which is vitally necessary to meet the food supply necessary for national defense: Now, therefore, be it

Resolved, That we, the National Farm Loan Associations of Barron County, Wis., representing 1,200 farmers, go on record requesting the Selective Service Board to consider the plight of the Nation in case too many of such experienced farm boys are called to the service. Because of the demand for increased production, we are of the opinion that these experienced farm boys render a better service to their country in their present positions than by induction into the armed forces of the Nation; be it further

Resolved, That copies of this resolution be sent to the State and Federal Selective Boards.

LEGISLATIVE PROGRAM OF AMERICAN FARM BUREAU FEDERATION

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred resolutions adopted by the American Farm Bureau at its national convention in Chicago, December 11, 1941, setting forth the legislative program of that organization.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED AT TWENTY-THIRD AMERICAN FARM BUREAU FEDERATION CONVENTION

MOBILIZATION FOR ABSOLUTE VICTORY

With all efforts toward peaceful negotiation exhausted, and seeking no selfish gain, America finds herself at war. Overnight our program of all-out defense has been displaced by actual warfare. The treachery of a nation whose doors were first opened to western civilization by America has led to war. America's destiny of Christian leadership in world affairs is defied by an imperialistic rising sun and a contorted cross. By reason of an unprovoked attack upon our peace and security the one-time expedition of good will to a receptive people is now to be followed by an expedition to avenge the high crimes of a militaristic clique.

The realities of our position can no longer be a matter of debate. Our democracy must wage unceasing war upon the arrogant tyrannies that seek to crush and dominate. We must continue all aid and support in the fight against the common foe. We must unrelentingly gird ourselves in this struggle to achieve a peace that will outlaw treachery and rampant force as instruments of national policy throughout the world.

An America at war demands the untiring labor and sacrifice of all. The blood, sweat, and tears of America now commingle with the blood, sweat, and tears of Britain. We must devote renewed energies to the battle of production. Any lagging by industry, by labor, or agriculture will not be tolerated. We must recognize that modern warfare is waged by civilians as well as by men under arms.

The farmers of the American Farm Bureau Federation, here and now, throw themselves into the struggle that will be waged upon the battle front by our Army and our Navy. We dedicate ourselves, our fortunes, and our sacred honor to the cause. We commit our-

selves to the stern labor and unselfish sacrifice required if our hallowed Christian heritage is to endure. We pledge ourselves wholly and unreservedly to the victory that must be won, so help us God.

PRICE CONTROL, INFLATION, TAXATION

Inflationary forces are being set in motion which, unless Congress acts, will prove disastrous to all economic groups. Uncontrolled inflation must be avoided at all costs. Agriculture knows from bitter experience the disastrous consequences of inflation of prices, wages, and profits, and the inevitable deflation that follows.

In order to prevent disastrous inflation, we urge prompt action by Congress to establish, for the period of the national emergency and for an adequate time thereafter, a Federal authority to establish maximum prices for commodities on a selective basis to the extent necessary to prevent inflationary price increases. We insist that such legislation recognize the parity principle as between labor, industry, and agriculture. In order to prevent the average price received by farmers for any agricultural commodity being depressed below parity through the operation of price controls, no price ceiling should be established on any agricultural commodity, or the products thereof, at a price less than 110 percent of parity.

To be effective, such legislation must include authority to control inflationary wages as well as inflationary prices. We cannot give our support to any legislation to control prices which does not provide for control of inflationary wages comparable to the control of industrial and farm prices.

Tax powers should be used to a greater extent to control inflation and to meet the current fiscal needs of the Nation by recapturing excess earnings and excess profits due to defense expenditures, and by lowering exemptions and levying increased taxes based upon ability to pay. Safeguards should be provided to assure that all such powers granted be terminated at the close of the emergency.

In view of the inevitable effects of war upon monetary and exchange relationships and price levels—both nationally and internationally—we renew our insistenc at this time for the establishment of a monetary authority which shall be charged with maintaining a stable price level. In the meantime every legitimate means available to the administrators of fiscal and monetary policy should be used so as to maintain a stable price level and avoid inflation.

NONDEFENSE SPENDING AND ECONOMY

In view of the great expansion of all Government bureaus, and since the emergencies for which many were set up have largely decreased or ceased to exist, we recommend that the activity of such agencies and bureaus as have served their major function be curtailed in proportion to the reduction in necessity for the work they have been performing.

The mounting public debt and the necessities of war require that every administrator of Government be unusually zealous in his efforts to eliminate waste, extravagance, duplication, and unnecessary expenditure.

Agriculture is setting the example by reducing substantially its request for appropriations in line with the improvement in agricultural conditions. It calls upon all economic groups and all administrators responsible for the expenditure of public funds to seek, through every legitimate means, the highest degree of efficiency and economy.

AGRICULTURAL ADJUSTMENT ACT, PARITY GOALS, LOANS, AND APPROPRIATIONS

We reassert our unqualified endorsement of the basic principles and purposes of the Agricultural Adjustment Act and reemphasize the soundness and justice of its parity-price goals for agricultural commodities, together with the factors upon which parity prices for basic soil crops are determined. We also recognize that the factors which determine parity prices for basic soil crops do not, in some cases, give equitable treatment to some of the other important farm commodities; therefore, we hereby commit the federation to give its support of the acceptance of other factors for the determination of parity prices for such commodities, to the end that they may have the same relative purchasing power as basic soil crops.

We deplore efforts that are being made to raise the parity prices of farm commodities through a revision of the formula upon which parity prices are determined. If these efforts are successful, the sound and defensible basis of present parity, which is intended to give farm commodities a price structure representing a fair exchange value with the products of industry, would be destroyed, and agriculture would be breaking faith with the masses of the people. The federation has never asked for more than a square deal. We reassert that the best interests of agriculture and of the Nation will be served by establishing and maintaining a true balance between industry, labor, and agriculture. Such a balanced price and wage structure should be on a level that will encourage and permit of the largest production and consumption of the products of both industry and agriculture.

We renew the federation's support of the continuance of 85 percent of parity loans on basic soil crops and of such appropriations as are necessary to bridge the gap between loan levels and price levels of basic farm commodities, whichever are the higher, and parity prices We commend the federation for its successful effort in obtaining from the Congress legislation that assures producers of at least 85 percent of parity price for any nonbasic farm commodity for which the Government publicly requests an increase in production, such protection to continue after the present emergency for such a time as is necessary, after due notice, for farmers to readjust their production plans. This legislation also was intended to give comparable protection to other nonbasic crops. We urge that the federation take whatever steps are necessary to make the intent of this legislation effective and ask only for such appropriations as are necessary to make effective the mandate of Congress in carrying out these programs.

COORDINATION OF AGRICULTURAL PROGRAMS

We view with deep concern the growing tendency of Government agencies to set up special field personnel to contact farmers every time a new program is to be developed or a new job is to be done. Farmers want coordination of these agencies and efforts, consistency in administration without duplication and overlapping, and, above all, efficiency with the least possible expenditure of Government funds.

The Secretary of Agriculture will continue to have the aggressive support of the federation in all efforts to bring about such coordination. The extension service of our land-grant colleges has definitely proved itself the best qualified agency to carry out and conduct the educational work in connection with Federal farm programs affecting rural people. We recommend and urge that greater use be made of the extension service in coordinating the educational and informational work of the various programs designed for farmers, and that adequate funds be provided or transferred to the extension service for the proper performance of these functions.

The federation has consistently supported appropriations for the extension service, experiment stations, land-grant colleges, 4-H Clubs, and vocational agricultural training. The increased responsibility now resting on these service agencies resulting from present conditions necessitates some increase in appropriations. In order that the federation may be consistent in urging the strictest economy, we request the federation to seek a conference with recognized leaders of these agencies to determine the amount of appropriations necessary for the discharge of the responsibilities and duties vested in these agencies and to seek only such appropriations as are then believed necessary for these purposes.

NATIONAL IMPORTANCE OF EXPERIENCED FARM LABOR

The importance of agriculture in meeting the national emergency is recognized by Government and by all thoughtful citizens. Farmers always have responded and will again respond to the call of their Government. It must be recognized, however, that in large measure present-day farming requires experienced and skilled workers. If adequate and efficient production is to be maintained and the large increase in the volume of production obtained, it is essential that all authorities charged with the administration of the Selective Service Act give the same consideration to essential farm labor as is being given to skilled industrial workers—particularly in the case of farm workers who by initiative, training, experience, and application are peculiarly fitted for efficient farm production.

FARM EQUIPMENT PRIORITIES

It is imperatively necessary that the importance of agriculture in our national-defense effort be properly recognized. Agriculture has been asked to make very substantial readjustments in its production plans so as to provide a large increase in the supply of many farm products. If this is to be accomplished, it is essential that the proper Government authorities take immediate steps to assure agriculture necessary supplies of repair parts, replacements, and new equipment. Recognition must be given to supplying the equipment that is essential in the preparation and processing of needed farm commodities for market. The Nation cannot safely ignore the fact that the greatly reduced supply of experienced farm labor will require a larger quantity of labor-saving machinery; and that as a result of the long period of low farm income, much machinery and equipment has become obsolete and must be substantially repaired or replaced.

LABOR AND INDUSTRIAL POLICIES

The Nation is at war. In this emergency all true Americans will unite to attain one supreme objective, the preservation of our liberties and our institutions. All-out production in all lines is an immediate necessity.

American farmers have pledged the Nation an adequate supply of farm products to meet every need. There are not now and there will not be any bottlenecks in agriculture.

In the name of our country, its institutions, and its ideals, farmers challenge American industry and American industrial workers to announce an immediate and continuing moratorium on all work stoppages, strikes, or other industrial strife for the duration of this emergency.

Number of hours worked daily should be determined solely by the necessities of the situation. Excessive over-time rates have no justification and should be immediately discontinued.

If American industry and American labor will immediately step up industrial production to the full extent of American resources and the ability of labor—as farmers have already stepped up farm production—a wholly adequate national defense can be speedily assured, and the Nation can look forward to an honorable and effective settlement of the present world conflict.

We are unalterably opposed to the policy of administrative agencies which assume to include agriculture in the enforcement of wage-and-hour and labor-relations legislation.

We resent all efforts of any industrial labor group which attempts to organize farmers or farm labor, or which in any way interferes with production or the orderly flow to market and to the consumer of any farm commodity.

FARM CREDIT

We recognize the need for further improvement and strengthening of our cooperative farm credit system. Such improvements should be designed to provide the lowest possible interest rate consistent with the cost of money and the maintenance of a sound and efficient farm credit system; to preserve, rehabilitate, and strengthen the cooperative features of this system to the end that the system shall be independent and self-sustaining; and to preserve local initiative and responsibility.

We are unalterably opposed to the centralization of control of our cooperative farm credit system and insist that adequate safeguards be provided to prevent such centralization.

We renew our insistence that the farm credit system belongs to agriculture and its farmer borrowers.

ANTITRUST LAWS

We endorse the policy governing enforcement of the antitrust laws and believe these laws should be expanded to include any organized group which exercises monopolistic practices of any character.

We favor appropriations necessary for the full enforcement of these laws.

LEADERSHIP RESPONSIBILITY

We urge farm-bureau leaders in the respective States, in the counties, and in the communities soberly to consider the solemn responsibility which every leader must carry in these crucial days. To get truthful information to the people, to aid them in distinguishing fact from propaganda, to do everything possible toward building and maintaining morale and confidence, is both a privilege and a sacred duty. As a Nation, we face a grim task. The moral fiber of the people will undergo the supreme test in the months ahead. We must do everything in our power to encourage and to help farm people to meet their great responsibilities with courage, with determination, with understanding, and with faith in the final outcome of a righteous cause.

WAR—AND PEACE

We have pledged everything we possess to aid the national all-out drive against the forces of evil. We deeply appreciate the fact that President Roosevelt recognized, in his message to our convention, the vital importance of agriculture in meeting this challenge to our national security. We appreciate also the assurances the President has given us that agriculture will be recognized and will be given fair treatment and the protection necessary to prevent a repetition of the collapse that followed the first World War.

Since the importance of agriculture has been adequately recognized, and since we have pledged our all toward the success of the national effort, we urge the federation to use every rightful influence to see that when the ultimate peace is finally written agriculture be represented around the peace table in proportion to its contribution in winning the war and in proportion to its vast interest in a fair and permanent peace.

REPORTS OF A COMMITTEE

The following reports of the Committee on Military Affairs were submitted:

By Mr. THOMAS of Utah:

S. 2151. A bill to suspend the operation of the act of May 12, 1917 (40 Stat. 74), as to the requirement of submitting detailed estimates, for the approval of the Secretary of War, of expenditures exceeding $5,000 upon any building or military post or grounds about the same; with amendments (Rept. No. 969).

By Mr. AUSTIN:

S. 2202. A bill to reinstate Paul A. Larned, a major, United States Army, retired, to the active list of Regular Army; without amendment (Rept. No. 970).

BILL INTRODUCED

Mr. TYDINGS introduced a bill (S. 2210) to amend section 4 of the act of March 2, 1934 (48 Stat. 361), relating to the Model Housing Board for Puerto Rico, and for other purposes, which was read twice by its title and referred to the Committee on Territories and Insular Affairs.

COMPENSATION OF CIVILIAN OFFICERS AND EMPLOYEES FOR TIME ON MILITARY DUTY—INDEFINITE POSTPONEMENT OF BILL

Mr. DAVIS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a letter I have received from Hon. Robert G. Woodside, controller of Allegheny County, Pittsburgh, Pa., together with an attached letter from R. M. Vail.

I also ask, for the reasons set forth in Mr. Woodside's letter, that the Committee on Military Affairs be discharged from the further consideration of Senate bill 2164, relating to the payment of compensation of officers and employees of the United States Government for time spent on duty as members of the military forces (other than the National Guard) of a State, Territory, possession, or the District of Columbia, and that the bill be indefinitely postponed.

The VICE PRESIDENT. Without objection, it is so ordered.

The letters presented by Mr. DAVIS are as follows:

HEADQUARTERS, THIRD REGIMENT,
PENNSYLVANIA RESERVE DEFENSE CORPS,
Pittsburgh, Pa., January 13, 1942.

Subject: Federal employees enlisted in State guards.

To Hon. JAMES J. DAVIS,
United States Senate,
Washington, D. C.

DEAR JIM: I find the attached communication from Acting Adjt. Gen. R. M. Vail upon my arrival at the armory today.

You will note that for the reasons set forth in the directive from the Secretary of War the general has ordered immediate requests from company commanders of the Third Infantry for the discharge of such employees under the category set forth in the communication.

This being the case, we would no longer be interested in the bill you have recently sponsored providing for the adjustment of pay of Federal employees enlisted in this or similar units.

I want to thank you personally for your interest and prompt attention to our request.

Sincerely yours,

ROBERT G. WOODSIDE,
Colonel, Third Infantry, Commanding.

THE ADJUTANT GENERAL'S OFFICE,
COMMONWEALTH OF PENNSYLVANIA,
Harrisburg, Pa., January 12, 1942.

Subject: Duty with State guards.

To all Regimental, Battalion, and Company Commanders:

1. The following directive from the Secretary of War is remimeographed and is published for your information:

"1. It has been brought to the attention of the War Department that employees of the different departments of the Federal Government have enlisted in the various State guards. These employees are subject to being called to active duty by State executive order, thereby retarding the administrative function of these departments.

"2. Moreover, under existing law, such Federal employees are not entitled to the reemployment benefits provided for those Federal employees who enter active military service under the Federal Government.

"3. Commanding generals, western defense command, eastern theater of operations, all corps areas and departments, will bring this matter to the attention of the various State Governors and ask that they cooperate by having such personnel discharged from the State guards."

2. Company commanders will immediately initiate requests for discharge of such members of their command who are Federal employees and come under the category quoted in this communication.

E. M. VAIL,
Acting Adjutant General.

INTERIM REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM—SUPPLEMENTARY REMARKS

Mr. TRUMAN. Mr. President, last Thursday the Special Senate Defense Committee reported to the Senate on the progress of the defense program. Since that time two encouraging changes have taken place: First, the centralization of authority for war production, and, second, the reorganization of the Air Corps.

The committee reported that it might be necessary to make one man responsible for the entire war production program. The committee found that our defense effort thus far has been unsatisfactory. Those who have been charged with responsibility for bringing about an all-out effort have failed either through lack of authority, lack of vision, or incompetency.

On Friday last the President, by Executive order, placed Donald M. Nelson in supreme command of our entire war production and procurement effort. The members of our committee are greatly encouraged by the concentration of this authority under a single head.

It is hoped that with the authority he has been given Mr. Nelson will take swift and decisive action to eliminate every factor—and there are many—that has retarded the defense program in the past.

The committee has found that the quantity of aircraft produced in this country has been inadequate, and that, according to production schedules, only about 25 percent of our total production has been of combat types considered by military experts to be equal or superior to the best types produced in other nations.

In view of this fact, it is encouraging that the War Department has announced the complete reorganization of the Air Corps. This branch of the air forces is responsible for the procurement of aircraft, the training of personnel, and other administrative functions. It was announced that the reorganization is primarily intended to speed up the production and delivery of combat planes. This change came about shortly after Maj. Gen. Walter R. Weaver was appointed Acting Chief of the Air Corps. The committee believes that the appointment of General Weaver, and the subsequent reorganization under his command, will contribute greatly to both the quality and quantity of planes necessary to achieve control of the air on all war fronts.

ADDRESS BY SENATOR WILEY BEFORE PHILADELPHIA REAL ESTATE BOARD

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address delivered by him on January 17, 1942, before

the Real Estate Board of Philadelphia, Pa., which appears in the Appendix.]

WAR GARDENS AND STATE COUNCILS OF DEFENSE—ADDRESS BY THE GOVERNOR OF TENNESSEE

[Mr. McKELLAR asked and obtained leave to have printed in the RECORD an address delivered by Hon. Prentice Cooper, Governor of Tennessee, on December 19, 1941, at the National Defense Gardening Conference in Washington on the subject War Gardens and State Councils of Defense, which appears in the Appendix.]

ADDRESS BY CHINESE AMBASSADOR

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an address delivered by the Chinese Ambassador to the United States before the Philadelphia Real Estate Board at the Bellevue-Stratford Hotel, Philadelphia, Pa., January 17, 1942, which appears in the Appendix.]

HEROES—EDITORIAL FROM PM

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an editorial from PM of January 16, 1942, entitled "Heroes," which appears in the Appendix.]

FARMERS ARE FAIR—EDITORIAL FROM HASTINGS TRIBUNE

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial from Hastings (Nebr.) Tribune of January 12, 1942, entitled "Farmers Are Fair," which appears in the Appendix.]

ORDER DISPENSING WITH CALL OF CALENDAR

The VICE PRESIDENT. The routine morning business is concluded. The calendar, under rule VIII, is in order.

Mr. HILL. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT OF COMMUNICATIONS ACT OF 1934

Mr. WHEELER. Mr. President, I move that the Senate proceed to the consideration of House bill 6263, to amend section 606 of the Communications Act of 1934 for the purpose of granting to the President, in time of war or threatened war, certain powers with respect to communications by wire.

The VICE PRESIDENT. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate Commerce, without amendment.

Mr. WHEELER. Mr. President, I wish to make a brief explanation of the bill. At the request of the Communications Commission I introduced Senate bill 2123, giving the President the same right to take over telegraph and telephone companies which he now possesses with reference to the radio. At the same time Representative LEA, chairman of the House Committee on Interstate and Foreign Commerce, introduced House bill 6263. His bill passed the House of Representatives, but the House practically rewrote the bill as it was originally introduced. House bill 6263 came to the Senate and was referred to the Committee on Interstate Commerce. The committee immediately took it up for consideration, and reported it to the Senate unanimously.

When the bill was pending before the committee, both the telegraph and telephone companies were given an opportunity to be heard, but they suggested no amendments which were not already provided for in the bill as it passed the House. The only additional matter in which they were interested was that certain statements which were made by Mr. Fly, the Chairman of the Communications Commission, should be included in the report, and we inserted those statements in the report.

If enacted, the legislation would give the President the same power over wire and cable facilities which he now has—and has had for years—over radio facilities. The measure specifically provides that the President, if he deems it necessary for national security, during a state or threat of war, and for not more than 6 months after the termination of the war or threat of war, may, in the language of the bill:

(1) Suspend or amend the rules and regulations applicable to any or all facilities or stations for wire communication within the jurisdiction of the United States as prescribed by the commission; (2) cause the closing of any facility or station for wire communication and the removal therefrom of its apparatus and equipment; or (3) authorize the use or control of any such facility or station and its apparatus and equipment by any department of the Government under such regulations as he may prescribe, upon just compensation to the owners.

From statements made before the committee, my understanding is that there is no intention that the Government shall take over the properties of the telephone and telegraph companies, except in case of emergency, when it may be absolutely necessary, as in the event the country should be invaded, or when it may become imperative that the companies be taken over for defense purposes.

Mr. VANDENBERG. Mr President, will the Senator yield for a question?

Mr. WHEELER. I yield.

Mr. VANDENBERG. In spite of the Senator's statement regarding the intent, does the language of the bill authorize the President to take over completely the control of these wire facilities and operate them under Government control?

Mr. WHEELER. Oh, yes; during the period of the emergency and for 6 months thereafter; but it was the understanding of the committee, which is borne out, I think, by the statement of Mr. Fly, that the intent is to take over only the use and control of the facilities.

The question was asked before the committee whether it was the intention to leave in control those who were in charge of the companies. My understanding is that they are to be left in control, unless for some reason it might become necessary to dispense with the services of some particular individual.

In all fairness to the telephone and telegraph companies, I wish to say that they have shown every indication of intention to cooperate with the Government in every way in our national defense. There has not been any question at all about their cooperating with the Government. They have shown and have stated that they were perfectly willing to do anything the Government requested, and that they had no objection to what was proposed, because they realized that it might be necessary for the Government, under emergency conditions, to take over the control of the companies during the period of emergency.

Mr. VANDENBERG. I can understand the exigent necessity for control under certain circumstances, but, having a rather profound respect for the efficiency with which the telephone systems of the country are operated, I should not like to see happen anything which indicated that the physical management of the properties was to be subordinated to Government management and control, because I think it would be a step backward.

Mr. WHEELER. As the Senator may recall, I introduced a resolution providing for an investigation of the telegraph companies. I am frank to say to the Senator that we have in the United States probably the most efficient telephone system to be found anywhere in the world, not saying anything about the cost of the service. Any Senator who has visited any other country and has had to use a telephone will recognize that statement to be correct.

In my talks with Mr. Fly, and also in the testimony before the committee, it did not appear there was any present intention of taking over the companies. The thought was that in the event it became absolutely necessary to take over control of the companies, we should have some such legislation on the statute books as is here proposed.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. DAVIS. Is there anything in the present law or in the bill we are now discussing granting any power to the Government to consolidate, let us say, the Western Union and the Postal Telegraph Cos. without having hearings and additional legislation?

Mr. WHEELER. My own view is that that could not be done without further legislation on the subject. In connection with that matter, as the Senator perhaps knows, the Senate Committee on Interstate Commerce has conducted an investigation of the entire communications situation, the investigation extending over a period of some time, and having reference to consolidation of the two telegraph companies. I am of the impression that one of the Members of the Senate intends to introduce a measure along that line.

Mr. TAFT. Mr. President, is it not evident that under the proposed act the two telegraph companies could be consolidated? It seems clear to me that the Government could take over both telegraph companies, and take the course of closing any station it did not want, and that it could therefore set up a single system, which could never under any circumstances be unscrambled. I do not say whether it should or should not be done, but it seems to be perfectly clear that under the proposed act it could be done.

Mr. WHEELER. I do not agree with the Senator that the Government could take them and consolidate them. In the

event of emergency it could take them over, but my understanding is there is not any such proposal in the mind of the Communications Commission or of the administration, and I must say that I should be completely shocked if anything of that kind were attempted, because there is no intention in the proposed legislation to do anything of the kind. In my judgment, there is nothing in the bill which would permit the consolidation of the two companies. If it were found necessary, the Government might take over the use of the companies, and might temporarily abandon the use of a station here or a station there; but nothing of the kind suggested by the Senator was even intimated or suggested to the committee, and I do not believe there is any intention on the part of anyone to do anything of the kind.

Mr. TAFT. Mr. President, I am not speaking of intentions. Of course, intentions may be changed.

Mr. WHEELER. I do not think the Government could take such action.

Mr. TAFT. Under the provisions of the bill it seems clear to me that the Government may take over both telegraph companies, and may take over the telephone company at any time while the war lasts.

Mr. WHEELER. But there is no provision in the bill that the Government may consolidate the telegraph companies or, for instance, take away from the telephone company something which belongs to it, and turn it over to some other company. The measure simply provides for taking over the use of the companies, not the properties themselves. The only intention is to take over the use of the telephone and telegraph companies during the period of the emergency.

Mr. TAFT. Is it not clear that if the Government, for instance, were to take over the telegraph companies it would take them both? The Government would want a unified system, so the Government would unify all facilities, and would dispose, as it is authorized to do, of all duplicate stations, and when the time came to hand back the properties to the telegraph companies it would be practically impossible to separate them? I do not say that would be a bad thing. I am interested only to know whether the Senator thinks that would be the effect of the powers conferred by the bill?

Mr. WHEELER. If the Government wanted to go to the length of taking over the use of the Western Union and Postal Telegraph Cos., and if it wanted to stretch the law, it could say, "We will close the Postal Telegraph station here, and the Western Union station there, during this particular period of time." But it seems to me it would be a stretching of the law if the authorities should attempt to do anything of the kind, because there is nothing in the proposed legislation which contemplates such action.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. WHEELER. I yield.

Mr. TAFT. Would the Senator object to an amendment making perfectly clear that without further action by the Congress neither the telephone company nor any telegraph company may be taken over? I have had printed an amendment, which I shall offer when I have the opportunity to do so.

Mr. WHEELER. I have read the Senator's amendment.

Mr. TAFT. In view of the fact that it is not intended to give the power indicated, I thought perhaps the Senator might be willing to accept some such amendment.

Mr. WHEELER. I have read the Senator's amendment, and I must confess that I think the amendment would very greatly hamper the Government under certain conditions, upon which I shall be glad to touch. When I find myself in disagreement with the distinguished Senator from Ohio, I sometimes feel that I may be wrong, but in reading the Senator's amendment I find this provision:

> That except in case of invasion or in connection with the movement of military or naval forces no such authorization shall be given for the use and control of property costing more than $10,000,000 without prior appropriation by the Congress.

When we come to dealing with the telephone company or the telegraph companies, $10,000,000 is a very small amount. I do not expect, and I think no one else expects, that the enemy will take over California or that there will be an invasion of New England.

Mr. TAFT. My amendment provides that in case of invasion there shall be no such restriction.

Mr. WHEELER. If the Senator will read the testimony of Mr. Fly, he will find that Mr. Fly stated repeatedly that there is no intention to take over the companies.

Mr. TAFT. If the Senator will further yield to me, I will say that Mr. Fly, in his testimony, said:

> The Board's approval of this bill does not mean that it has a general plan to take over wire and cable communications broadly.

The mere fact that the Board does not have a general plan to take over the companies does not imply that a month from now it will not have such a plan, or that it will not change its intention once the bill is passed. When the bill is passed the power then will be gone from Congress. The only purpose I had in mind was that, at least in order to obtain the money it would cost the Government to take over these systems, the authorities should come back to Congress before any general expropriation of telephone or telephone companies was undertaken. During the World War it cost the Government hundreds of millions of dollars to take over the railroads, and it seems to me Congress ought to be willing to appropriate the money before involving the Government in any such tremendous obligation.

Mr. WHEELER. Mr. President, I am one of those who have never believed that the Congress ought to abdicate its powers and turn them over to someone else, but, as a matter of fact, we are now in the war, and in order properly to conduct the war I think we must give the broadest possible powers to the President of the United States, and I, as one who opposed our entrance into the war and who felt that it was a mistake to get into it in any way, shape, or form until we were attacked, am now prepared to say that we must give to the President of the United States all power that is necessary to carry on the war. I do not think the Congress of the United States desires to be placed in such a position as that it can be said we did not give the President the power he wanted, and by reason thereof the administration was hampered in conducting the war. That is the way I feel about the matter.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BREWSTER. I invite the Senator's attention to the language of the bill on page 3, line 3, as follows:

> Nothing in subsection (d) shall be construed to authorize the President to take any action the force and effect of which shall continue beyond the date after which taking of such action would not have been authorized.

If the merger of the Postal Telegraph and Western Union Cos. were accomplished, certainly the force and effect of that provision would continue after the expiration of the emergency.

Mr. WHEELER. But there will not be any merger.

Mr. BREWSTER. I was trying to suggest that there was a small limitation to the broad language of the bill. Would not the provision cited constitute at least some implication of a limitation upon the Presidential power?

Mr. WHEELER. I think so. I think the Senator is clearly correct. As I said a moment ago, the Government is not going to take over the properties permanently or seize them. The bill simply provides for the use of the properties. There is now such a law upon the statute books with respect to radio companies. I think the Senator from Maine [Mr. WHITE] probably had more to do with that legislation, which was passed some years ago, than any other person. The pending bill would simply give to the President, with respect to telephone and telegraph companies, the same power the President has over radio. There has never been any complaint with respect to the legislation dealing with radio.

When this measure was in contemplation I wrote to the officials of the telephone company and gave them an opportunity to be heard. There was no objection on their part to the provisions in the bill, except that they wanted the report to contain the statements which were made by Mr. Fly before the committee showing the Government's intentions with respect to the proposed legislation. Those statements were placed in the report, and the report was submitted to the Senator from Maine [Mr. WHITE] and the Senator from Vermont [Mr. AUSTIN], and both Senators were satisfied with the statements as set forth in the report. Those affected by the proposed legislation were satisfied with the measure as it was passed by the House and as it was reported by the Senate committee.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. DANAHER. Inviting the Senator's attention to the language in line 14 on page 2, particularly the words "upon just compensation to the owners," does the

Senator understand that phrase to apply to all three subsections which precede line 14?

Mr. WHEELER. Yes.

Mr. DANAHER. I wanted to know, as the statement of the Senator's opinion, that that is so.

Mr. WHEELER. Yes; exactly.

Mr. DANAHER. Now, inviting the Senator's attention to line 9, on page 1, the words "or threat of war." I wish to ask the Senator why it is necessary to include the words "threat of war." We are perfectly satisfied that we are in war, and we are all perfectly satisfied to give the President the powers sought under this bill for the purpose of attaining all the objectives of the war. This would be permanent legislation, would it not?

Mr. WHEELER. The law would operate only during the period of the war.

Mr. DANAHER. Once it goes on the books it stands as permanent law, does it not?

Mr. WHEELER. Yes.

Mr. DANAHER. So henceforth, if and when the present war shall be concluded, the phrase "threat of war" would carry forward in perpetuity unless we should repeal the act. Consequently it would be a matter of construction at any time when a threat of war might be said to exist, to bring the powers granted by the act into operation again. Is not that so?

Mr. WHEELER. That is correct.

Mr. DANAHER. Why should we put in the words "threat of war"?

Mr. WHEELER. I do not know why they are in. I do not think they are particularly important. They were put in in the other House. It is the same language which is in the radio law. I assume that is the reason why it was put in. The radio law says "in case of war or threat of war." The language in the present radio law was followed.

Mr. DANAHER. I am not one to cavil over something the House has done; but I see no reason why we should perpetuate error simply because it comes highly recommended.

Mr. WHEELER. I agree with the Senator; but we have had such a provision in the law with reference to radio as long as that law has been on the statute books. In case of war or threat of war certain facilities may be taken over. I presume there may be circumstances, after this war is over, in which a threat of war may be said to exist, and that some future administration may feel that it is important, in case of a threat of war, to take over cables or some portion of the wire services of the United States.

Mr. President, the amendment proposed by the Senator from Ohio [Mr. TAFT] would seriously weaken this important bill. The Defense Communications Board, the Army, and the Navy have all strongly urged that the President be given the same power to use or control wire facilities that he now has with respect to radio. It was pointed out that communications are the nerve center of the fighting forces and that it is necessary in time of war that the President act swiftly and effectively to insure the best possible communication. The House of Representatives has recognized this need and has unanimously approved the proposed bill. At the hearing before the Senate Committee on Interstate Commerce testimony by Chairman Fly and by Army and Navy officials likewise unanimously urged the speedy enactment of the bill.

The amendment offered by the Senator from Ohio might well make it impossible for the President to meet vital wartime needs in communications. Under the proposed amendment Presidential action to use or control wire facilities would be limited to property costing less than $10,000,000 except in cases of invasion or in connection with a movement of military forces. Of course, it would be absurd to introduce a $10,000,000 limitation on this power. Ten million dollars is but a drop in the bucket in the communications field. The figures on file with the F. C. C. clearly demonstrate that to be so. The Commercial Pacific Cable Co., which has strategic lines across the Pacific Ocean and is controlled largely by foreign interests, could not be taken over under the proposed $10,000,000 limitation, since its investment in plant and equipment is well over $22,000,000.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. TAFT What company is that?

Mr. WHEELER. The Commercial Pacific Cable Co.

Mr. TAFT. Does the Senator know by whom the Commercial Pacific Cable Co. is owned?

Mr. WHEELER. I do not.

Mr. TAFT. Is there any intention on the part of the Government to take over the Commercial Pacific Cable Co.?

Mr. WHEELER. Frankly, I think there may be. At the present time the Commercial Pacific Cable Co. is cut off, as the Senator may know. My understanding is that it has been practically cut to pieces beyond Honolulu. We cannot go much farther than Honolulu with the Commercial Pacific Cable Co. I think that is one of the things which it is felt imperative to take over.

Mr. TAFT. I have no objection to taking over any cable line or any line of communications running from this country to another country. I do not understand that the bill includes any such power.

Mr. WHEELER. Oh, yes.

Mr. TAFT. My impression is that the Government may do so with or without further legislation.

Mr. WHEELER. The Commercial Cable Co. has an investment of over $26,000,000 and All-American Cables & Radio an investment of over $30,000,000. In the case of telephone companies, the $10,000,000 limitation would make it almost utterly impossible to act even in a limited area. For example, the valuation of the New England Telephone & Telegraph Co. is approximately $325,000,000; and that of the New York Telephone Co. almost $800,000,000. On the Pacific coast, which has already been declared a theater of operations, we find that the Pacific Telephone & Telegraph Co. has an investment of more than $286,000,000 and the Southern California Telephone Co. an investment of $192,000,000. These huge figures show how insignificant a cost of $10,000,000 is in this field.

It cannot be overemphasized that the proposed bill is a wartime measure, that the President must be given power to act immediately, and that the essential purpose of the bill is to remove the delay necessarily involved in negotiation and the execution of contracts. If the President's power is shackled by any monetary limitation, delay is inevitable. No doubt Senators are well aware of the complexities and delays involved in determining the valuation of telephone property. Protracted litigation in the field has almost become legendary. We need only refer to the Chicago telephone rate case, which began in 1921 and continued for at least 13 years, or the New York telephone rate case, which lasted for about 16 years, or the Wisconsin telephone rate case, which continued for about 10 years. Those cases are perhaps the bad examples, but they demonstrate the impossibility of easily arriving at a decision regarding valuation in the wire communication field.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. TAFT. My amendment does not in any way limit his authority to act. It merely provides that he must obtain an appropriation from Congress to pay for what he is taking before he takes it, except in case of invasion, which, of course, may be an emergency. Frankly, I think that if the President desires to take over the Commercial Pacific Cable Co. he ought to come to Congress and obtain an appropriation to pay the cost of such action. I see no reason why he should not do so.

Mr. WHEELER. I assume, of course, that he would have to come to Congress sooner or later in order to get the money to pay for it.

Mr. TAFT. No. I do not so understand the bill. It seems to me that under the terms of the bill the President might proceed to take over such a facility, leaving for later determination the question of just compensation and the appropriation therefor.

Mr. WHEELER. That is correct.

Mr. TAFT. I see no reason why the President should not come to Congress for an appropriation if he intends to spend $186,000,000 in taking over a telephone company in California.

Mr. REED. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. REED. I ask the Senator from Ohio if he is really in earnest in making the suggestion that if the President finds it necessary in wartime to take over a railroad, a telephone line, or a radio facility, he must wait until the value is determined by the courts and then wait until he can obtain an appropriation from Congress? Surely the Senator from Ohio does not mean that.

Mr. TAFT. I did not propose any such thing. However, I said that if the President wants to take over a company which is likely to cost so much he ought to have an appropriation for that amount. After all, Congress determines the policy of taking over such property. If subsequently it is determined that the cost is greater than was anticipated he can then obtain a supplemental appropriation. I

am certainly in earnest in making that proposal.

Mr. REED. Surely the Senator from Ohio cannot be in earnest. If there is an emergency requiring the Government to take over anything, surely the taking over ought not to be deferred until the damage has been determined and Congress has appropriated money.

Mr. TAFT. I say it should be.

Mr. WHEELER. I must disagree with the Senator from Ohio. If we are to take over a telephone company in an emergency, everybody who has had anything to do with rate and valuation cases, as the Senator from Kansas has had, knows the length of time the litigation would require. The parties would fight interminably over the value of the property. I say that we must give the President such authority whether we like it or not. When we are in war we must do many things which we do not like to do. We must give the President the power to take over such facilities, leaving for later determination the question of value. If the value of the property, or the use of the property during a given period of time, cannot be agreed upon, the question must go to the courts or to the Congress for determination. If we do it in any other way, it seems to me we shall very definitely hinder the President's powers in taking over such facilities in time of emergency.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. TAFT. Of course, when we appropriate for tanks and guns we do not know that the appropriation will be the exact amount required. We do not know what the tanks and guns will actually cost. Later we may have to appropriate more money for tanks and guns; but we can get a reasonable estimate of the cost, and we can appropriate a sum which is presumably sufficient to accomplish whatever property seizure the President wishes to undertake. I realize that in case of invasion we might have to do anything. My amendment excepts cases of invasion and military movement of troops.

Mr. WHEELER. Mr. President, I think the officials and employees of the telephone company are as patriotic as anyone else in the United States.

Mr. TAFT. Let me say that I have not heard a word from the telephone or telegraph companies. I have not heard any complaint from anybody. I merely say that I think it is vitally necessary that we maintain our system of private property as close to what it was as we possibly can.

We should not grant powers unless they are really to be used or are actually needed for carrying on the war.

My interest is not at all a private interest in any telephone company. It is a matter of principle. I do not think the United States Government should seize property unless it becomes absolutely essential to do so; and I do not think the President should be given power to seize any substantial amount of property unless Congress passes on the question whether the Government should take over the property, except in cases of real emergency.

Mr. WHEELER. I am sure the Senator has not heard from any of the telephone companies. If he thought I so implied, he is mistaken, for I know that no telephone company has objected to the proposed legislation in its present form. Representatives of the telephone companies have talked with me, as the chairman of the committee, and with other members of the committee, and they have expressly said that while they would prefer to have no legislation at all enacted upon the subject, yet they recognize the fact that in time of war it may be necessary to do so; and they are perfectly satisfied with the bill as it is, with the report which we made on the bill, embodying the statements made by Mr. Fly. So I know perfectly well that the Senator has not heard from any of the telephone companies.

Mr. TAFT. Mr. President, will the Senator yield for a moment?

Mr. WHEELER. Yes; I yield.

Mr. TAFT. Is it not probably true that the telephone companies would like to have the Government take over their plants and do for them what the Government did for the railroads during the World War?

Mr. WHEELER. I think the owners of the Postal Telegraph & Cable Co. undoubtedly would be delighted to have the Government take over their property and pay them what they think it is worth. All of us know that the owners of a company never want the Government to take over their property unless it is losing money. Some time ago, when I first came to the Senate, a measure was introduced for the purpose of taking over a canal across Cape Cod. The owners of the canal never wanted the Government to take it over until they were losing money, but when they were losing money they wanted the Government to take it over. The owners of any property are never in favor of Government ownership until the property does not pay. When it does not pay, and when it is losing money, they are in favor of Government ownership of the property.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. VANDENBERG. Let us see if we can approach from a somewhat different angle the matter about which I was talking. I understand the Senator to say that there is no intention—at least, none at present in sight—to use this legislation as authority for taking, for instance, the entire telephone system into Government operation as a Government unit, with Government employees, but that the intention is purely one of control and use, with reliance upon existing operating personnel.

Mr. WHEELER. That is correct.

Mr. VANDENBERG. So long as that is the intention, and so long as that intention is fulfilled, I completely agree with everything the Senator says about the necessity for the legislation, but I am wondering if it is necessary to rely upon a few words in a committee report in order clearly to demonstrate that that is also the congressional intent. On page 2, line 14, after the authorization for the use and control of the facilities, after the phrase "upon just compensation to the owners," would the Senator object to the addition of the following words:

Provided, That the operation of these facilities shall continue under existing operating personnel unless the President finds it to be incompatible with the public interest.

Mr. WHEELER. As a matter of fact, I do not think it is necessary. Frankly, I think what would happen would be that we should simply be putting certain language in the bill after we have expressly said that is the intention. After all, I think the Government is bound by the intention expressed with reference to this particular matter by the committee and by the Congress of the United States.

Mr. VANDENBERG. Mr. President, I am perfectly willing to vote for an emergency reliance, which is all the Senator is addressing himself to; but I do not want to find out 6 months from today that, under that guise and in the form of this rather innocent legislation, I voted for Government ownership and operation of all the telephone systems of the United States.

Mr. WHEELER. The Senator certainly would not be doing that. Let me read to him a portion of the testimony before the committee.

Mr. Fly said:

There is no plan to take over the communications facilities permanently; for that matter, there is no current plan to take over the communications facilities at any time broadly and generally, so we are not concerned with the amendments.

* * * * *

The CHAIRMAN. As I understand it, then, Mr. Fly, there is no present intention of taking over either the radio, the telephone, or the telegraph companies?

Mr. FLY. In a broad sense, that is right, sir; there is not.

The CHAIRMAN. There is no intention of taking them over primarily under this bill?

Mr. FLY. That is right, sir.

In addressing the committee, Chairman Fly said:

By the way, you gentlemen will recall that the Government took over the whole telephone system in the last war. I do not think if we had to make that decision again under the same circumstances we would make it that way. I think under those circumstances it would be definitely better to have the private operation continue.

That is a quotation from the statement of the Chairman of the Communications Commission.

Mr. VANDENBERG. The intentions are fine; but the Senator is familiar with the fact that intentions sometimes are proclaimed, and subsequently default occurs; is he not?

Mr. WHEELER. Oh, yes; I am very familiar with it.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. DANAHER. I respectfully suggest to the Senator from Montana that almost all the fear which has been expressed here could be obviated if we were to strike out the two words "or threat" in the two places where they appear. There is not a Senator present who will not agree that the President, whenever war has actually been declared and has been found to exist, should have whatever powers are necessary in connection with the purposes expressed in the bill.

But if the emergency involved in the present war shall terminate—let us assume a date—on January 1, 1943——

Mr. WHEELER. The Senator is optimistic.

Mr. DANAHER. And the powers under the bill should thereupon expire, the law would continue on the books; and if, 6 months thereafter, the President should again say that a threat of war exists, and should thereupon step in and take over the systems involved, it seems to me the Senator from Montana should recognize that there is a threat; and we can obviate that difficulty by simply eliminating the two words "or threat."

Mr. WHEELER. Let me call the Senator's attention to the fact that the bill provides that it can be repealed by a concurrent resolution of both Houses of Congress, which does not have to have the President's signature. The radio law has been upon the statute books for a number of years with a provision identical with the one in this instance. We have had a threat of war for the past 3 or 4 years; everyone has recognized that there was a threat of war; but there has not been any attempt on the part of the Government to take advantage of that provision of law to say, "Because there is a threat of war we are going to take over the radio." So I do not think there is anything at all to worry about because of the use of the words "threat of war." On the other hand, I can readily understand that there might be conditions under which, if there were an immediate threat of war, it would be necessary for the administration perhaps not to take over the telephones, but to take over some of the communications which are connected with foreign governments, such as our cables and radios.

Mr. DANAHER. Mr. President, will the Senator further yield?

Mr. WHEELER. Yes; I yield.

Mr. DANAHER. Simply to correct a statement which I am sure the Senator did not really mean, let me say that he implied that we, by concurrent resolution, could repeal—those were his words—the effect of the bill, if and when it becomes law. There is no such thing, either implicit or expressed, in the bill. What it says is that the Congress, by a concurrent resolution, may designate a given date, which is the equivalent of a finding of fact that the emergency no longer exists.

Mr. WHEELER. Yes; that is correct.

Mr. DANAHER. And to that extent the operation of the law would be suspended. Is not that so?

Mr. WHEELER. That is correct. As I said, it seems to me it amounts to the same thing if we suspend the operation of the law, or if we fix a date on which the operation of the law is to be suspended. If we suspend the provision which says that the systems may be taken over if there is a threat of war, it is stating the matter in different language, but it amounts to the same thing.

Mr. DANAHER. Mr. President, will the Senator further yield?

Mr. WHEELER. I yield.

Mr. DANAHER. I should not want to have that construction stand unchallenged insofar as giving effect to a concurrent resolution which would operate legislatively. Under our rules and under the construction of a concurrent resolution it could have no such effect. I should like the record to show that we can do no more by a concurrent resolution than to find the facts in a given state of affairs to exist, and, under no circumstances, can we actually legislate by means of a concurrent resolution.

Mr. WHEELER. Probably there are some who disagree with the Senator's view; but I must confess I am inclined to the opinion he has expressed.

Mr. REED. Mr. President, will the Senator yield

Mr. WHEELER. I yield.

Mr. REED. I have to leave the Chamber in 2 or 3 minutes to see the doctor, and so I want to clear up the point I was making concerning the suggested amendment, as I understand, of the Senator from Ohio [Mr. TAFT].

In 1917 the President of the United States, under his war powers, took over all the railroads. In 1918 he turned back some of them, known as the short lines. As to the length of time necessary to determine what should be done with these railroads, the Transportation Act of 1920 contained a formula for a settlement. The cases first had to go to the Interstate Commerce Commission, from which there was an appeal to the courts. The Interstate Commerce Commission construed one section applying to the short lines in a certain way, and followed that construction for 3 or 4 or 5 years. Then the Commission changed its mind and said it had been wrong. As the chairman of the Interstate Commerce Committee will remember, for we have had the matter under consideration since I have been here, when the Interstate Commerce Commission said it was wrong, and then followed a different policy, the railroads went to the courts, and finally to the Supreme Court of the United States. That Court handed down a decision, and, of course, the Interstate Commerce Commission was bound by that decision.

The chairman of the committee will remember that in the Seventy-sixth Congress, 22 years after the short lines had been taken over, and 20 years after they had been turned back, and 20 years after the 1920 Transportation Act was passed, we in the Seventy-sixth Congress, in the Interstate Commerce Committee were dealing with a bill having to do with the amount of compensation due the short lines.

I mention that only to how the entire impractibility of trying on short notice to determine what to do in the case of any of the great railroads or power utilities or telephone companies or radio companies if the President finds it necessary to take them over.

I share the views of the Senator from Michigan and the Senator from Connecticut that it is about time it was done if it be necessary, but I am utterly out of sympathy with the attempt to limit the authority by stating the amount of money that would be involved or by trying to delay action until the President could come to Congress and secure an appropriation.

Mr. TAFT. Mr. President, will the Senator yield for a moment to enable me to ask a question?

Mr. WHEELER. I yield.

Mr. TAFT. Does the Senator feel that this bill gives the President the authority, for instance, to take over tomorrow the American Telephone & Telegraph Co.?

Mr. WHEELER. Yes, sir.

Mr. TAFT. Does the Senator from Montana feel that tomorrow the President could take over the American Telephone & Telegraph Co.?

Mr. WHEELER. To take over the use and control of it.

Mr. TAFT. As he took over the railroads in the World War?

Mr. WHEELER. That is correct; that is the intention of the bill.

Mr. REED. Mr. President, with the permission of the Senator, I tried merely to elucidate from practical experience the details of administration. I am not sure but that there is still pending some litigation growing out of the Government operation of the railroads during the first World War. I know, as I have said, that since I have come to the Senate, in the Seventy-sixth Congress we dealt with and had a long discussion about a bill to compensate the short lines, due to Government operation back in the first World War.

Mr. WHEELER. That is correct. The trouble with the amendment of the Senator from Ohio, it seems to me, is that he proposes that the Government come to Congress and ask Congress for a certain amount of money to compensate for taking the communications over, when the amount involved is in excess of $10,000,000. Suppose the Government took them over for $9,900,000; it would not have to come to Congress. But if the amount involved were in excess of $10,000,000, it would have to come. Then the telephone company could come in and say, "You have got to appropriate $10,000,000 or $20,000,000 or $30,000,000." Suppose we provided the $30,000,000; they could come back in 2 years or 5 years, when the war was over, or, perhaps, 5 years later, and do exactly the same as the railroads did, and say, "You did not pay us enough." That is what happened with reference to the short-line railroads. As the Senator says, they came back in 2 or 3 years and said, "You did not pay us enough money."

Mr. REED. If the Senator will permit me, in 1940 the Senate passed the short-line railroad bill to which I have referred when it was sitting in the old Supreme Court room.

Mr. WHEELER. I must say that, at first, I opposed that bill. The interested roads said, "It is true that once you made a settlement with us, but now we are coming back and claiming that there was injustice done, and we want still more money." So Congress gave them more money than the amount for which the claims were first settled. If we should do that in this case, there would result an interminable controversy with the public utilities which might be taken over. We have got to say, it seems to me, that the President shall have the power to take them over, and then afterward, whatever the amount may be, we have got to figure it out and say, "Here is the amount that is owing to you," and have it fixed by the court or by some commission or by the Congress of the United States. When it is done, it ought

to be done once and for all; and after that settlement is made the communications systems ought not to be permitted to come back to Congress 10 or 12 years afterward and say, "You did not give us enough money, and now we want more money."

Mr. WHITE. Mr. President, will the Senator yield?

Mr. WHEELER. I yield to the Senator from Maine.

Mr. WHITE. I am quite sure the Senator has in mind that what he is just advocating is precisely what the law is with respect to compensation for taking over radio services. The law authorizes the taking of radio services; then it provides that the President may offer compensation therefor; and, if it is not satisfactory, the owners of the property may go into court and proceed to collect damages or compensation which may be fixed by judicial process.

Mr. WHEELER. That is correct. I thank the Senator.

Mr. WHITE. That, I take it, is precisely what the Senator is contending?

Mr. WHEELER. That is correct; it is exactly so.

Mr. REED. Mr. President, I want to be properly modest in the presence of lawyers such as the Senator from Maine and the Senator from Montana, but I do not think the Congress of the United States could deprive any of these companies or corporations of the privilege of going into court to determine whether it received reasonable compensation.

Mr. WHEELER. I do not think there is any doubt about that at all. They could go into court, because, under our Constitution, property cannot be taken by the Government without due process of law. They have a right to go into court, of course, and, if their property is taken, they are entitled to compensation, whether we write it into the bill or do not write it into the bill. We have written it into the bill; but that right would exist, anyway, of course, unless we changed our form of government.

Mr. HILL. Mr. President, will the Senator yield?

Mr. WHEELER. I yield to the Senator from Alabama.

Mr. HILL. With reference to the question of a concurrent resolution, of course, we know that Congress cannot repeal a statute by a concurrent resolution; but under this bill what we attempt is to give the President power—to do what? To make a proclamation if there exists a state of war or a threat of war, and if he proclaims the fact to exist, then the bill gives him the power to take over the communications services. There is no provision with reference to a concurrent resolution, as I understand. What it provides is simply that the President may proclaim a certain fact to exist. We can come along afterward and proclaim another fact to exist or proclaim that the fact the President proclaimed as existing does not exist, and that, of course, would terminate his power. Is not that true?

Mr. WHEELER. Yes; I thank the Senator.

Mr. President, as I have said, I introduced the bill at the request of the Department; there was no serious objection to the bill as I introduced it at that time from the telephone or telegraph companies. But when it went to the other House that body went further than the Senate did, rewrote the bill, and put in some amendments which they felt would further protect the telephone and telegraph companies. Everyone has been perfectly satisfied with the bill as it is written, particularly in view of the statements in the report; and I hope that the bill will pass, for the administration has been very anxious to have it passed promptly because of conditions which exist or which they are afraid might exist which would make necessary the use of some of the provisions of the bill in certain sections of the world.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. VANDENBERG. The Senator's last statement might carry the implication that some of the questions which have been asked have been asked in the interest of the companies. I have not any interest whatever in the companies, but I have a great deal of interest in the quality of telephone service this country has. I can get the wrong number often enough under private management; I should hate to have to tackle it under public management. I do not want to wake up and discover that the great telephone systems of this country have become Government monopolies as a result of a relatively inoffensive piece of legislation.

Mr. WHEELER. Let me say to the Senator that I should hate to see the radio taken over by the Government of the United States. I think it would be one of the worst things that could possibly happen to the United States if the radio in this country were owned by the Government, as it is in Germany and as it is in Russia, and as it is in Italy, or as it is in England, because everybody recognizes that while the radio in England is Government-owned, the English have a far poorer service than we have here in the United States. I have been a critic of the radio broadcasting companies on numerous occasions; but everything is relative, and, with all due respect to them, when we compare their service with the service that is given in other countries, the service is better over here. But if the radio were owned by the Government, of course we should have the Government saying who could speak over the radio, and the Government would absorb the time with nothing but propaganda, as is done in Germany and in Italy and in Russia.

For the same reason I believe that if the Government were to take over the telephone companies, and they were run by some bureau in Washington, we probably should have more inefficient telephone service than we have today. I do not think there is any doubt about it. I think it is one of the things that it would be difficult for the Government to handle and give good service all over the country. But we have the radio law on the statute books, and we have had the threat of war, and there has not been any attempt to take over the radio. If there had been any attempt to take it over because of the threat of war I am sure I would have been one of the first to speak against it upon the floor of the Senate, because I am afraid that if the Government had taken it over prior to our getting into the war I might not have been permitted to speak.

Mr. TAFT. Mr. President, will the Senator yield for a moment?

Mr. WHEELER. I yield.

Mr. TAFT. The Senator recognizes, however, that if he had spoken on the floor after the radio had been taken over, it would have been too late; does he not?

Mr. WHEELER. I think the Congress of the United States would have very promptly passed a law on the subject.

Mr. HILL. Mr. President, will the Senator yield?

Mr. WHEELER. I yield to the Senator from Alabama.

Mr. HILL. As the Senator has well said, so far as this bill is concerned, it does not change in any way whatever the situation in connection with radio.

Mr. WHEELER. That is true.

Mr. HILL. The provision authorizing the Government to take over the radio has been in the law for some years. So far as taking over the telephone lines is concerned, we took them over during the World War, and we gave them back to the private owners after the war; did we not?

Mr. WHEELER. That is correct.

Mr. HILL. And the Senator knows that if we have to take them over during this war, we will turn them back.

Mr. WHEELER. There is not any danger of the Government taking them over and keeping them unless the complexion of the Congress of the United States completely changes, any more than there was danger of the Government taking over the railroads and keeping them after the war was over.

Mr. HILL. Mr. President, will the Senator further yield?

Mr. WHEELER. I yield.

Mr. HILL. If the complexion of Congress should change so much that we would keep the telephone lines if we took them over, it would mean that even if we did not take them over now we would go ahead and take them over if Congress were to change to that extent.

Mr. WHEELER. That is true.

Mr. HILL. It is not necessary to have war power to take them over.

Mr. WHEELER. Not only that, but the bill provides that within 6 months' time after the end of the war they must be turned back to their owners.

Mr. HILL. The bill automatically returns them.

Mr. WHEELER. That is correct.

Mr. VANDENBERG. Mr. President, if the Senator is to rely on the complexion of the Congress I will concede that he has something, because if there is any change in the complexion of Congress I think the complexion will change in a totally different direction.

Mr. HILL. Is that a question of opinion or of prayerful hope?

Mr. WHEELER. Or a statement of fact?

Mr. TAFT. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). The amendment

offered by the Senator from Ohio will be stated.

The LEGISLATIVE CLERK. On page 2, line 14, it is proposed to insert the following:

Provided, however, That except in case of invasion, or in connection with the movement of military or naval forces, no such authorization shall be given for the use and control of facilities or stations for domestic wire communication costing more than $10,000,000 without prior appropriation for such purpose by the Congress.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

Mr. TAFT. Mr. President, this amendment is printed and on the desks of Senators, with two changes which I made in view of the Senator's suggestion that it may be necessary to take over the cable companies of the Pacific. It reads as follows:

Provided, however, That except in case of invasion, or in connection with the movement of military or naval forces, no such authorization shall be given for the use and control of facilities or stations for domestic wire communication—

Instead of the word "property"—

costing more than $10,000,000 without prior appropriation for such purpose by the Congress.

Mr. President, I am interested only in the general policy of whether the Government shall take over the telephone and telegraph companies. It is admitted by the Senator from Montana [Mr. WHEELER] and by the Senator from Kansas [Mr. REED] that the bill authorizes the Government tomorrow, if it wishes to do so, to take over all the telephone companies in the United States and all the telegraph companies in the United States. There is no doubt about the language, and I think they admit that that is its effect. I do not care how much emergency stuff is taken over. It makes no difference to me whether the Government takes over a station here or somewhere else where some military question is involved; but it seems to me that under the bill, merely because we want to give power for that purpose, we do not have to give the President power to take over the entire telephone and telegraph systems of the United States without further action by Congress. I do not care whether that action is by way of another authorization or by way of an appropriation. It seems to me easiest and quickest to say that the Government shall not be able to take over these systems without appropriation by Congress except in the case of small companies.

In the first place, the action authorized would involve the companies and the United States in tremendous cost. Taking over the railroads cost the taxpayers hundreds of millions of dollars in the World War. In the second place, I do not feel that the Government ought to take over the telegraph and telephone companies unless we debate the question as to whether they should be taken over when we are actually considering that question, and unless we decide that they should be taken over. It is a legislative question. So far as it is a military question, I have excepted it from my amendment. In case of invasion, or in case of the movement of troops, the Government may take over the telegraph and telephone companies. I have not any doubt about the President's power as Commander in Chief, if you please, in the case of any military action, to take over these systems without any further authority from Congress; but it seems to me it ought to be possible to impose some limitation that will say that Congress shall decide whether we want to take over the telephone and telegraph companies.

It is said that the proposed taking over is only temporary; but I venture to question, Mr. President, if the telegraph companies are ever taken over by the Government, whether they ever will be returned to private ownership. True, the railroads were returned to private ownership after the World War, but there was considerable discussion of the matter at the time; and if they are once again taken over, with all the tremendous complications involved in that action today, and the tremendous number of railroads now in bankruptcy, I question whether they would be actually returned to private ownership. It seems to me we ought not to change, because of the war, the basic elements of the American system without express consideration of the change by Congress, and a debate as to whether or not it ought to be done.

There is not a Senator on the floor today who thinks that tomorrow the Government ought to take over the telephone and telegraph companies. There is not a Senator who envisions the circumstances under which those companies may be taken over; and yet, if this power is granted to the executive department, the President, because he cannot make a wire connection, or because somebody complains of something the companies have done, may sign a single order that will commit the United States to hundreds of millions of dollars and perhaps billions of dollars of obligation, and will commit the United States, perhaps permanently, to a Government-owned telegraph and telephone system. I would make the same opposition as to the railroad statute and as to the radio statute. Of course, the radio is far more under Government control, and perhaps necessarily has to be; but I see no reason why domestic wire communication should be seized by the Government under any circumstances that I can think of.

There is not the slightest difficulty in getting 100 percent cooperation from the companies. They have not, so far as I know, refused one request. They are even willing to have the pending bill enacted and have their properties taken over by the Government. I say that it it to our interest, and it is in the interest of the rights of congressional action, that we should determine whether or not the companies should be taken over.

So far as concerns the objection to the particular language of the amendment, which provides that the action shall not be taken without a prior appropriation by Congress, it does not mean that Congress would have to determine the exact amount. It merely means that if the President should say tomorrow that it was necessary to take over the California Telephone Co., for instance, which is capitalized at $280,000,000, perhaps we could get it for $200,000,000. In that case I should want an appropriation made. The amendment does not provide that the appropriation shall be in any exact amount; it shall be an appropriation merely for the purpose of giving congressional authority to perform that particular act of taking over the California Telephone Co. We can pass an appropriation measure in a very short time, if it shall become necessary.

I cannot see any justification for authorizing the President to take over the telephone and telegraph companies of the United States at this time. Every legitimate purpose of the pending bill can be carried out with the limitation I propose included, requiring that Congress itself shall pass on any general taking over of telegraph and telephone companies before it is actually consummated.

Mr. WHEELER. Mr. President, I do not wish to add anything to what I have stated already, but if the pending amendment should be included in the bill, it would mean that the President would have to come to Congress and ask for an appropriation whenever he thought there was necessity for action, and we might have a dispute as to the amount of money that was to be paid, and probably become involved in interminable controversies and delays. I do not see any reason why the bill should not be passed in its present form, and I hope the amendment will be defeated.

Mr. HILL. Mr. President, I call to the attention of the Senate the fact that the bill provides that in the event the lines of the telegraph or telephone companies, or any part of them, should be taken over, the companies should be compensated in exactly the same manner we have provided for compensation in the event any other property should be taken over. We passed the so-called property-seizure bill, and went to the very communications act which has been referred to, and took out of that act the provision for compensation of owners. Subdivision (d) of section 606 of the act provides that, when the President has been forced to take over any of these lines:

The President shall ascertain the just compensation for such use or control and certify the amount ascertained to Congress for appropriation and payment to the person entitled thereto If the amount so certified is unsatisfactory to the person entitled thereto, such person shall be paid only 75 percent of the amount and shall be entitled to sue the United States to recover such further sum as added to such payment of 75 percent will make such amount as will be just compensation for the use and control. Such suit shall be brought in the manner provided by paragraph 20 of section 24, or by section 145, of the Judicial Code, as amended.

Under this provision the owner of the plant, if a plant has to be taken over by the Government, is given his day in court. If he does not wish to accept what the President fixes as a fair and just price, the owner can go into court and have the court adjudicate, determine, and fix what is a fair and a just price. That is the provision we put into the property-seizure measure, and it is the provision which the Committee on Military Affairs has put

into all bills it has reported whenever any question of taking over property is involved.

There is no more reason why in time of war the Government should not take over a telephone line than that it should not take over an armament plant, or any other piece of property necessary to waging the war.

Mr. TAFT. If the Senator will yield, let me say that he misunderstands my position. I do not say there should not be adequate compensation. I say that, so far as the telegraph company owners are concerned, they would like to have their property taken over and paid for by the Government. My point is that, from the standpoint of governmental policy, I do not believe in taking over the telephone and telegraph companies at this time. Six months from now I might be in favor of it. I do not say that when the appropriation comes before us I may not be in favor of it, but I say that I am opposed to taking over the telephone or telegraph companies, or the railroads, or the radio stations, at this time; and if we are opposed to such action today, it seems to me we might well reserve the granting of any powers to enable the President to carry that action into effect until the time comes when it shall be necessary to do it. That is all my amendment provides. My amendment makes the bill an authorization measure, but it provides that there must be an appropriation before the taxpayer shall be subjected to the tremendous cost which would be involved, and that Congress shall determine the question. That would be the only effect of my amendment.

Mr. HILL. It is not a question at all whether we believe in taking over the telegraph companies, or in taking over American industry, or in taking over anything, in normal times of peace. We are at war. We are confronted with perhaps the greatest war, the most challenging and terrific war this country was ever called upon to face, and we have to be able to act, and to act at once, to meet any situation which may arise. The administration can take over an industry—it can take over an armament plant—without first coming to Congress for an appropriation. To my mind, it is ridiculous and absurd to stand on this floor and say that the Commander in Chief cannot take over the necessary lines of communication in a theater of operations in time of war without coming to Congress to get some kind of an appropriation for that purpose.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HILL. Let me finish my statement. If it had been necessary when the attack came on Pearl Harbor to take over the telephone lines, and to take them over immediately, the President could not have done so under the Senator's amendment without first coming to Congress and getting an appropriation. Who knows but that tomorrow on the west coast, in California or in some other State, or in some other theater of operations, it may be absolutely necessary, for the protection of that theater of operations, for the protection of the lives of our men whom we have not hesitated to draft and to send into the front lines, for the protection of our Allies, to take over some line of communication? To stand on this floor and say that the Commander in Chief would have to wait and come to Congress before he could act seems to me to be absurd.

Mr. TAFT. In the first place, my amendment makes an exception in case of invasion. In such an instance the Commander in Chief could take over the telephone companies anyway, whether we gave him power to do so or not.

Mr. HILL. He certainly should have that power.

Mr. TAFT. I may say that I think it is ridiculous and absurd for the Senator to stand on this floor and say that we must grant to the President, in time of war, any power he asks.

Mr. HILL. The Senator from Alabama did not say that we should grant the President any power he asks, but the Senator from Alabama does say that we should grant him any power which may be necessary to the successful prosecution of the war.

Mr. TAFT. My contention is that, in order to prosecute the present war successfully, it is not necessary to take over the telephone and telegraph lines of the United States; and the bill authorizes exactly that to be done.

Mr. HILL. The Senator from Alabama does not say it is necessary, in order to wage this war, to take over all the telegraph and telephone lines. The Senator from Alabama hopes it will not become necessary to take over these lines, but the Senator from Alabama does say that if it should become necessary the President should have the power to take over the lines.

Mr. TAFT. Mr. President, I wholly agree that the President should have the power to do anything that is necessary. I cannot conceive of circumstances under which it is going to be necessary to take over these lines, and I say that if Congress is prepared to grant to the President the power to do anything without any further action by Congress, we might just as well adjourn and go home. It seems to me we should not grant the President power to do things which are not necessary—things which, it is admitted, are not necessary today. It seems to me perfectly clear that we should limit the bill, and provide that when it is necessary, when there is an invasion, for instance, then the power shall be granted, but we should not give the President discretion to take over the lines of the telephone and telegraph companies of the United States, at a cost of millions and perhaps billions of dollars to the taxpayers of the United States, without the slightest vestige of an appropriation by Congress.

Mr. WHITE. Mr. President, I wish very briefly to associate myself with the Senator from Montana [Mr. WHEELER] in support of the proposed legislation, and in opposition to the pending amendment.

Mr. President, I doubt if any Senator on the floor views with more reluctance the impact by government upon the industrial life of this Nation than do I, but it seems to me we are here confronted not with a theory of government but with a necessity which requires action by the Congress of the United States.

Reference has been made to the radio legislation, and it has been said that the powers granted by the pending bill are substantially the same as the powers granted by the radio legislation. That is true, but there is a very much broader basis for authority in the radio law than there is in the bill now before the Senate. The radio law gives the President authority to take over the radio-communication facilities of the country in time of war, or in time of threat of war, as this bill does, and then it proceeds to say that the President may take over those facilities in the event of public peril or disaster—I think I am quoting that language correctly—or during any other national emergency. So there are with respect to radio, three bases for the exercise of authority by the President that do not exist in the proposed legislation. In that respect the proposed legislation goes a much shorter distance than the Congress went in the radio legislation. That language of the radio law has been on the statute books of the United States for approximately 30 years.

It is true, as has been pointed out by the Senator from Montana [Mr. WHEELER], that the authority proposed to be given in the pending bill is limited in time. It is an authority limited also to certain specific acts which may be performed.

Two or three Senators have disclaimed having had any contact with officials of the telephone company while the proposed legislation has been pending. As a matter of fact, Mr. President, I have talked with one of the most prominent officials of the telephone company, and I think I know the attitude of the telephone company toward the proposed legislation. I think the attitude of the telephone company is precisely my attitude—regret that there may be a necessity for doing what the proposed legislation authorizes to be done, but recognition that the necessity may come upon us in the twinkling of an eye, and that there must exist in the President power to do this thing. I think the telephone authorities, recognizing the possibility that it must come, are entirely satisfied with the proposed legislation in its letter, and are entirely satisfied with the assurances which have been given in the testimony of those urging the legislation and in the report of the committee with respect to it.

Mr. President, it is just as utterly inconceivable to me as it is to the Senator from Alabama [Mr. HILL] that, with the United States at war, it shall not be within the power of the President of the United States to take over these communication facilities and bend them to military necessities as such necessities may from time to time arise.

The Senator from Ohio [Mr. TAFT] in his amendment places a limitation of $10,000,000 upon the value of the property which may be taken Mr President, that seems to me to be wholly illogical. It seems to me there is no justification in communication facts for any such limitation. I think we must all recognize

that the time may come when the entire communication facilities of the great communication center of this country, New York—facilities up and down the eastern seaboard—may have to be taken by the Government and utilized in behalf of the Government and of the people of the United States. The same thing is true with respect to the Pacific coast. I venture the assertion that the taking, perhaps, of a few thousand dollars or hundreds of thousands of dollars of value of some of the instruments in these communication centers would be more devastating to the communication company involved than would be the taking over of other property of a value of $100,000,000. I can see no reason for fixing that sum of $10,000,000.

Mr. REED. Mr. President——

The PRESIDING OFFICER (Mr. LEE in the chair). Does the Senator from Maine yield to the Senator from Kansas?

Mr. WHITE. I yield.

Mr. REED. The Senator from Maine, I am sure, would add—"or any other sum of money, or requiring delay until an appropriation has been made by the Congress."

Mr. WHITE. I completely agree with the Senator.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHITE. I yield.

Mr. TAFT. Is it not true that after an authorization is made with respect to the building of battleships the Navy cannot proceed with their building until Congress shall appropriate the necessary money? Is it not the universal practice that all expenditures must be preceded by appropriations made by the Congress?

Mr. HILL. Mr. President, when the United States has a battleship it is not necessary for the authorities to go to Congress to obtain an appropriation before the battleship can be used. That is the analogy here.

Mr. WHITE. I think the analogy is sound. While I regret the necessity for the pending legislation, I think I recognize that the necessity confronts us, and I hope the bill will be passed by the Senate in the form in which it came from the committee, and that it will speedily become law.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio [Mr. TAFT].

The amendment was rejected.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading and read the third time.

The PRESIDING OFFICER. The bill having been read three times, the question is, Shall it pass?

Mr. TAFT. Mr. President, I should like to have it recorded that I am opposed to the passage of the bill in its present form. I suppose there will be no record vote.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (H. R. 6263) was passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bill and joint resolutions of the Senate:

S. 2204. An act authorizing vessels of Canadian registry to transport iron ore on the Great Lakes during 1942;

S. J. Res. 96. Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute; and

S. J. Res. 124. Joint resolution to maintain the secrecy of military information.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 3193) validating certain conveyances heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, involving certain portions of right-of-way, in the city of Tracy, in the county of San Joaquin, State of California, and in the town of Elk Grove, in the county of Sacramento, State of California, acquired by Central Pacific Railway Co. under the act of Congress approved July 1, 1862 (12 Stat. L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat. L. 356).

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 6269) to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, as amended, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses, and that Mr. SUMNERS of Texas, Mr. MCLAUGHLIN, and Mr. HANCOCK were appointed managers on the part of the House at the conference.

PLEDGE OF ALLEGIANCE AND SUPPORT TO THE PRESIDENT BY SOUTHERN BAPTIST CONVENTION

Mr. LEE. Mr. President, I hold in my hand a copy of a telegram addressed to the President of the United States from representative officials of the Southern Baptists.

I ask unanimous consent to have it included at this point in the RECORD as a part of my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

JANUARY 3, 1942.

To the PRESIDENT,
The White House, Washington, D. C.:

For our country in this crisis, for you as our President and Commander in Chief, and for all associated with you at this critical moment of an age on ages telling, special prayers were offered at a New Year fellowship conference attended by 200 workers from the 25,000 churches in the 18 States of the Southern Baptist Convention. Prayer was also pledged day by day that you may have divine guidance and help in your manifold labors for the defense of the democracies and the ultimate release of all nations into the more abundant life of a Christian civilization. And may the day speedily come when the Prince of Peace shall sway his scepter over all peoples and be acknowledged as King of Kings and Lord of Lords.

T. L. HOLCOMB,
Executive Secretary, Sunday School Board.
J. O. WILLIAMS.
P. E. BURROUGHS.
JOHN L. HILL.
HIGHT C. MOORE.

Mr. LEE. Mr. President, I call attention to the fact that this pledge of prayerful allegiance to the President comes from the leaders of a group of Christian people who have not in any organized manner whatever addressed "peace at any price" resolutions to the President or Members of Congress.

The Christian men and women represented by this pledge of allegiance constitute a group who utterly abhor war and love peace but have never purchased it at the price of slavery.

WHAT SHOULD BE THE ATTITUDE OF THE CHRISTIAN TOWARD WAR

The world today is in the period referred to in the Scripture, "When there shall be wars and rumors of wars," but I am confident that if we keep the bright light of Christian faith burning in our hearts we shall eventually emerge from the storm into the sunlight of a new day, as Isaiah said:

When people shall beat their swords into plowshares and their spears into pruning hooks. Nation shall not lift up sword against nation, neither shall they learn war any more.

For that bright day Christians must watch and pray, but in the meantime, we must use all of the intelligence which God gives us as realists in a practical, every-day world in an effort to make that world as good a place in which to live as it is possible to make it.

God's people have always placed religious freedom above economic security. We have always held that liberty is more dear than life itself. The pages of history are colored with the blood of Christians who have been willing to die for principle. Christians have always loved peace but they have never advocated "peace at any price."

The church and the civil government are two separate and distinct institutions. Both are necessary.

If we are to have a government, we must be willing to fight for it. If we are to have a flag, we must be willing to defend it as soldiers.

Although the mission of Jesus in the world was to set up a church, yet he recognized the existence of civil government. He even went further than that and advocated its support by telling the people to pay tribute to the state.

The Pharisees asked Jesus the following question—Matthew 22: 17:

"Tell us, therefore, what thinkest thou? Is it lawful to give tribute to Caesar, or not?"

Jesus answered:

"Shew me the tribute money." And they brought unto him a penny.

And He saith unto them, "Whose is this image and superscription?"

They say unto Him, "Caesar's." Then saith He unto them, "Render, therefore, unto Caesar the things which are Caesar's; and unto God the things which are God's."

This makes it clear that a Christian is expected to pay his taxes and support his civil government. Not only is it scriptural for a Christian to support his government and pay taxes but it is also contemplated that the Christian shall himself take part in the civil government

by holding public office, for in Proverbs 29: 2 it says:

When the righteous are in authority, the people rejoice but when the wicked beareth rule, the people mourn.

Now, therefore, let us suppose the Christian is elected to the office of sheriff or holds the position of police officer or United States marshal. Is it not his duty to protect the people from indignities, to protect their property from destruction, and to protect their persons from violence and injury even if he must use force to do so?

What difference is there then in the principle involved if instead of being a policeman, he is a soldier and finds it necessary to exercise force in order to protect the lives of the citizens of this country?

There are those who argue that it is un-Christian for a person to use force to defend his country against its enemies, but it is significant that when Peter defended Jesus against the mob which had come to crucify Him and smote off the soldier's ear with his sword, Jesus did not rebuke Peter for the use of force but instead he only said:

Peter, put up thy sword. Let them live to witness my power.

It is even more significant that Jesus Christ, the Son of God, with his own hands used force to drive the money changers from the temple—John 2: 13:

And the Jews' passover was at hand and Jesus went up to Jerusalem and found in the temple those that sold oxen and sheep and doves, and the changers of money sitting:

And when he had made a scourge of small cords, he drove them all out of the temple, and the sheep and the oxen; and poured out the changers' money and overthrew the tables.

Here we see Jesus with his own godly hands exercising physical force against wrong and evil.

But the strongest argument that I have seen giving scriptural support why a Christian should serve his flag as a soldier is given by Dr. William L. Pettengill in the Sunday School Times of January 10.

Dr. Pettengill first shows where the church and the state occupy separate fields. He points out that the functions of the church deal with spiritual life. He also shows that many of the scriptural injunctions which are often quoted as proof that a Christian should not fight for his country apply as between one Christian and his brother, but not between the individual and his government.

Then Dr. Pettengill devotes his argument directly to the proposition that good citizens must support their government in peace and war. I quote a portion of his article:

[From the Sunday School Times of January 10, 1942]

THE BEGINNING OF CIVIL GOVERNMENT

Civil government had its beginning immediately after the flood. When Noah came forth out of the ark, he received at God's hand a new commission—including the institution, for the first time, of human government—the rule of man by man. "And surely your blood of your lives will I require; at the hand of every beast will I require it, and at the hand of man; at the hand of every man's brother will I require the life of man. Whoso sheddeth man's blood, by man shall his blood be shed" (Genesis 9: 5, 6). Here is the magna charta of civil government. Capital punishment was here authorized and commanded by God Himself, and this authority and commandment have never been withdrawn or modified. They are in full force today. And as Dr. C. I. Scofield, in his reference Bible, points out, "The highest function of government is the judicial taking of life. All other governmental powers are implied in that."

We have seen that the principle of conduct for the church is grace. In civil government the ruling principle is not grace, but justice. Mercy is always to be exercised by the church—and also by the individual Christian so far as his personal interests are concerned; but righteousness is the basic principle of government. This is seen in the judicial system. Our courts are established, not to show mercy but to administer justice. If a judge on the bench should forget this and should freely forgive every prisoner arraigned before him for trial, he would be impeached and removed from office, and rightly so. To forgive a murderer is gracious, but to execute him is righteous. Forgiveness is a church function, justice is a state function. Forgiveness is Christian; righteousness is governmental.

"God forbid," said a Christian recently, "that I should ever stain my hands with the blood of my fellow man." Yet it might become that same Christian's duty, in simple obedience to God's Word, to act as sheriff in hanging a murderer. It surely is somebody's duty, and the man who performs that duty should not be stigmatized as a wrongdoer, but rather honored for faithfulness in office.

Another important contrast between church and state is that, while the church is forbidden to use force in the performance of its mission, the government is divinely authorized to compel obedience to its decrees. During the Middle Ages the church forgot or ignored this distinction, and the bloody scenes of the Inquisitions, as well as the unscriptural exploits of the crusades resulted. In modern days the state forgets or ignores this distinction whenever she moves to abolish capital punishment. Men need to have a care lest they seem to set themselves up as being more merciful, if not wiser, than God.

The New Testament Scriptures do not set aside these distinctions between the Christian church and civil government. It is still true that "the powers that be are ordained of God. Whosoever therefore resisteth the power, resisteth the ordinance of God: and they that resist shall receive to themselves damnation [judgment]. * * * For he is the minister of God to thee for good. * * * He beareth not the sword in vain: for he is the minister of God, a revenger to execute wrath upon him that doeth evil. * * * For this cause pay ye tribute also: for they are God's ministers, attending continually upon this very thing." (Romans 13: 1–6.)

Every government official, then, is an ordained minister of God. He himself may forget it, but that does not alter the fact. He may be an unfaithful and unworthy official, but for that he must in the last analysis answer to God. From the king, or president, or ruler of whatever name or title to the policeman on your beat—every public servant is a minister of state in the service of God. And in his hand God has placed not an olive branch but a sword. This word, "He beareth not the sword in vain," is God's warrant for the policeman's club or revolver, the soldier's bayonet or rifle, the army's big siege gun, the modern equipment of an efficient navy, and indeed anything and everything that is necessary for the full performance of the work assigned to the government by God Himself. The government is set in the world to maintain itself in righteousness. It is to be not "a terror to good works, but to the evil * * * a revenger to execute wrath (that is, the wrath of God) upon him that doeth evil." (Romans 13: 3, 4.)

THE CHRISTIAN CITIZENSHIP

But now someone objects. "What you have said," he remarks, "is all true, but it has nothing to do with the Christian's relation to war. The Christian is a citizen of heaven, and he therefore ought to have nothing to do with civil government at all. Human government is a thing of the world, and Satan is the prince of the world. The Christian is a stranger and pilgrim here. He ought to detach himself from all governmental affairs. He ought not to hold office, and he ought not even to vote."

There are many who take this position, and it is an unscriptural position. True it is that Satan is the prince of this world, and that the Christian is called to a life of separation from everything under Satan's control. But it does not follow that the Christian is therefore to separate himself from all participation in civil government. Civil government is not a satanic institution. We have already seen that it is divine; it is from God, it is His gift. And a wonderful gift it is. Any government at all is better than no government, or anarchy. The thirteenth chapter of the Epistle to the Romans, from which we have quoted, was written when Paul, who wrote it, was under the government of Nero, yet he even then declared that the power was of God.

According to the reasoning of our objector, no Christian ought to accept public office of any kind, or even vote. And if it should happen—as, thank God! it often does—that a public official should become a Christian, he ought straightaway to resign. If a soldier in the trenches should turn to God, he ought immediately to desert. There were Christian soldiers in the apostolic churches, why were they not commanded to leave the army? Why did not the Apostle Peter tell Cornelius the centurion to resign his commission? It is true that John the Baptist told soldiers to "do violence to no man;" but that he was referring to their personal dealings with men rather than to their acts as soldiers is clearly shown by the words he immediately added, "and be content with your wages."

CHRISTIANS IN GOVERNMENT POSITIONS

According to our objector, no Christian ought to be a public school teacher, for the public school is a government institution, and the teacher therefore is a minister of the state Following out this logic, no Christian should become President of the United States, and if while in office the President should become a Christian, he should immediately resign, giving way to an enemy of the cross of Christ. And, of course, this reasoning would apply to the Vice President, the Cabinet members, Senators, Congressmen, and public officials all down the line.

The objector would likely shrink from this conclusion, for he is himself probably thankful if he is able to send his children to a Christian teacher, and that this Nation, in the present time of crisis, is, at least nominally, a Christian nation.

"Do you believe in war?" asked one man of another.

"What do you mean?" asked the person addressed "Are you asking me whether war is ever necessary or right?"

"Yes," said the first questioner; "that is what I mean."

"Well," said the other, "I will answer your question by asking you one If you were walking down the street with your wife and children, and a gang of thugs were suddenly to rush out of an alley and begin beating your wife and children, would you do anything to stop it?"

"Why, certainly, I should."

"Would you employ force or would you confine yourself to moral suasion?"

"I shouldn't stop for 'moral suasion.' I should use a club if I had one."

"Would you use a gun?"

"Certainly, if I could get one."

"Well, then, you believe in war, for that would be war on a small scale. If a policeman were near, he would, as he should, help you in your effort to protect your dear ones from death or injury, and also in arresting the thugs and seeing that they were punished. You have only to multiply the number of thugs to make the affair a riot or an insurrection or civil war or international war."

Every prison or jail, every brass button on a policeman's uniform, every courthouse or judge or constable or bailiff—all these are the insignia of war—the necessary and legitimate occupation of civil government in the protection of its people in their rights. That is the ruler's job.

Let it be remembered that it was not to an unbeliever that God first committed the authority to govern his fellow men. Noah was a man of faith. He was as much a citizen of heaven as is the New Testament Christian, but that did not prevent him from being also a citizen of earthly government, nor did it deliver him from the responsibilities connected therewith.

The United States is in the midst of war. Through no fault of our own, we have been thrust into conflict with a malicious and dangerous foe. The Government at Washington is obligated by the authority derived from God himself to protect its citizens from the dangers which threaten them.

And Christians ought to help. It is inconsistent and unscriptural to have enjoyed the blessings of peace under the Stars and Stripes, and then refuse to help in lifting the common burden pressing upon the Nation in time of war. To be perfectly consistent, the Christian who thus refuses to do his share ought to live on a desert island, where there would be no government to assist him should he need assistance or protection.

The Government is acting under the sanction of divine authority, and it must maintain itself in righteousness, or it will surely be repudiated and destroyed by divine power. It need not, and it ought not, to wait for its subjects to "volunteer" to come to its help. It would be just as reasonable to expect the Government to wait for its citizens to "volunteer" to pay their taxes. Universal service is the righteous method, for under it every man must "do his bit."

WILMINGTON, DEL.

AMENDMENT OF THE CIVIL-SERVICE RETIREMENT LAW

Mr. MEAD. Mr. President, I move that the Senate proceed to consider House bill 3487 to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3487) to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended, which had been reported from the Committee on Civil Service with amendments.

PRICE CONTROL

Mr. O'MAHONEY. Mr. President, on Saturday morning Mr. Albert Goss, master of the National Grange, and formerly an important official in the Farm Credit Administration, delivered a radio address upon the price-control bill. In his address he discussed many of the current misapprehensions with respect to the purposes and objectives of the organized and unorganized farmers of the country. He discussed in particular certain amendments which were added to the price-control bill in the Senate. The matter is of such immediate moment, in that the conferees on the part of the Senate and of the House are now concerned with the bill, that I ask unanimous consent that Mr. Goss' address be printed in full in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

There has been a lot of loose talk about the issue of price control, and it is about time for a few plain facts.

The price-control bill has been under consideration for months, and many efforts have been made to draft it or amend it so that it would do equity to all. It is now in conference and the strongest efforts are being made to kill the provisions for protecting agriculture. Four points stand out in its troubled course through two committees and through each House.

VAST DELEGATION OF POWER

First. The demand that vast powers of life or death over business and agriculture should be placed in one man; and it is assumed by all that that man would be Leon Henderson. Every attempt to provide checks against the possible abuse of those vast powers has been most vigorously fought by Mr. Henderson himself.

Second. Labor, which is one of the chief factors in all costs, is left out, and every attempt to include it has been vigorously opposed by Mr. Henderson.

Third. Every effort to protect agricultural production against the possibility of ruinous control has been vigorously opposed by Mr. Henderson.

Right here it should be noted that prices of farm products have increased but 35 percent in the past 30 years, while wages generally have increased 185 percent and wages in factories nearly 300 percent. The ruinous price received by farmers has reduced farm wealth nearly $4,000,000,000 below where it was 30 years ago, although we have as many people on the farms as we had then. Prices have been so low for 10 years that the Government has had to subsidize farmers to avoid complete collapse. Until the past few days farm prices have not once touched parity in the past 20 years, while labor has been far above parity. We are not deploring high wages, but we call attention to the fact that controls are sought on the industry whose prices are lowest and whose followers have produced most willingly and in the greatest abundance, and controls are opposed where prices are highest and where strikes and slowdowns, boycotts, and hot-cargo practices have done the most damage in retarding production. Why all the abuse of agriculture, unless it is to hide the fact that labor is left out, and left out at the demand of the very people who are refusing protection for farmers?

Fourth. At no time have farmers asked for guaranteed prices under the bill. All they have sought is a rule or definition which would prevent clapping a ceiling on prices which might make it impossible to produce the food expected of them. Statements that the bill would increase food costs 25 percent are without foundation, for there is nothing whatever in the bill to increase prices or food costs. Such statements are misleading. They create prejudice and divert the attention of the public from the fact that those who make them will not permit the drafting of a measure which includes labor or which would treat all alike.

BRIEF OUTLINE OF GRANGE POLICY

Let me tell you what the farmers have asked for and see if you do not believe it is in the public interest. At its seventy-fifth annual session last November the National Grange asked that a number of economic remedies be applied before arbitrary price fixing be employed. If it became necessary to resort to arbitrary price fixing, they asked five measures of protection against possible abuse.

First. That control should extend to all groups, including labor, for if one group were permitted to advance its price without control, the other groups would have to bear the additional burden. This request for equity for all has been denied.

Second. That the administration of the act should be under a board, so that all groups could be represented by men who understood their problems. This has also been denied.

Third. A court of appeal should be provided where anyone aggrieved could be heard. This is provided in the Senate bill.

Fourth. That arbitrary control be limited to profiteering, for most increases lie between the farmer and the consumer.

Fifth. That a minimum ceiling of parity be provided, with parity based on income, under a formula which would assure agriculture an equitable share in the national income This formula has not been developed, and when I point out that in 1940 farmers, who comprised nearly one-fourth of our population, received from all their farm production only 6.3 percent of our national income, it is very apparent that a just formula for parity is needed. No such formula has been provided. and with wages allowed to run wild the farmer's only protection appears to be to relate any ceiling on farm prices, in some degree at least, to the wage scale, so that wages and farm prices may be kept in balance. This the O'Mahoney amendment does. It should be clearly understood that this amendment is in no sense a substitute for parity. It merely prevents establishing a ceiling which is unrelated to a possible runaway wage situation and is necessary solely because of the failure to include wages in the bill. Mr. Henderson wants the right to hold farm prices to a static base, as provided in the measure reported out by the Senate committee. This is thoroughly unsound.

Let me give you the picture of what farmers are up against in trying to do their part. Because an unsound marketing system resulted in piling up huge surpluses of certain crops during a protracted period of depression, and because the American farmer did not stop to bicker over plant expansion, hours of labor, or working conditions, but pitched right in to do a 100-percent job, most people have assumed that we need have no fears about adequate farm production.

DIFFICULTIES CONFRONTING AGRICULTURE

The farmer's willingness to do all he can has not been overestimated, but war conditions have completely changed the picture, and he cannot be expected to do the impossible.

In addition to a great increase in the demand at home, we are called on to furnish a large part of the food for our Allies, whose combined total population is many times larger than our own. Shipping conditions demand that this food be produced in the most concentrated form, and shortages have arisen in dairy, poultry, and meat products, which cannot be expanded overnight. These branches of agriculture not only require the most labor, but that labor must be the most experienced and skilled. The higher wages and shorter hours of industry, combined with the draft, have served to strip our farms of a large part of its experienced young men at the very time when we are asked for great increase in our production. We have had little protection against this. I particularly call attention to the fact that every increase in the farmer's wage cost increases his cost of production. If he cannot get prices sufficient to meet these increased costs, he cannot hire the help, and without the help he

cannot produce what is expected of him. Compensatory farm prices are absolutely essential to adequate production.

SPEAKING OF MR. HENDERSON

But, it may be asked, is not agriculture willing to trust Mr. Leon Henderson to set farm prices on a fair basis? The answer is "no," and farmers have three very good reasons for saying "no."

First, if the real purpose of the price-control bill is to avoid inflation, and it becomes necessary to abandon economic means and resort to arbitrary price fixing, all should be treated alike. Any effort to protect any single group from the impact of rising costs due to war will mean that the burden will fall more heavily on the other groups. Mr. Henderson has openly advocated just such an unsound policy in insisting that labor be exempted. Agriculture cannot maintain production under fixed prices with rising labor costs.

Agriculture must plan and finance its production months and, in the case of livestock, years ahead. Farmers can neither plan nor finance their production under such conditions.

Second, Mr. Henderson demands absolute power for himself. As I have said, farmers want a board comprised of men familiar with the problems of our essential industries. Such a board would be in a position to establish well-coordinated policies designed to prevent the confusion resulting from decisions based on insufficient information. They could then employ an administrator having the ability and the zeal of Mr. Henderson to administer the policies thus established. Although practically every successful large business in America operates under this sound principle, Mr. Henderson demands the powers of a dictator, and farmers do not believe any man is wise enough to be granted the vast dictatorial powers delegated in the price-control bill. They question the wisdom of abandoning the policies which have promoted economy and success in business. Very bluntly, they fear costly mistakes, and they fear the powers given to the administrator might be used to conduct some far-reaching social experiments.

Third, Mr. Henderson has already clearly demonstrated that he does not understand the problems involved in farm production and that he does not consider it necessary to take adequate steps to find out. Witness the recent order on fats and oils. The Secretary of Agriculture is charged with the responsibility of securing large increases in fats and oils as an essential war supply. Without approval of the Secretary, Mr. Henderson recently promulgated an order setting a ceiling on lard so low that it would result in sharply curtailed production rather than increased production. Farmers cannot help wondering if the fact that he was seeking the enactment of the bill granting to himself such broad dictatorial powers was not largely responsible for the change in the regulation which was finally made.

The Secretary of Agriculture is charged with the responsibility of administering a program of adequate farm production. Since no board is provided to assure that agriculture's problems have adequate consideration, the Secretary should have the right to veto any proposals which would interfere with such a program of production.

DANGERS OF DICTATORIAL POWER

Farmers do not believe in this type of dictatorial legislation. They consider it dangerous. If, however, it is to be enacted, they believe that reasonable safeguards should be included so that ill-advised action will not cause irreparable damage to the farm production program.

The dangers of placing such absolute power in the hands of any one man are almost beyond belief. In the case of Mr. Henderson, he has already demonstrated his willingness to plunge into ill-advised action, which, if not checked, might wreck our whole production program. The farmers understand this clearly and are 100 percent behind Secretary Wickard in his courageous stand for the right to prevent the wrecking of the food program for which he is responsible. Secretary Wickard is one of the strongest opponents of inflation in the Government. Is it reasonable to assume that he would curb Mr. Henderson's efforts unless they threatened his production program? Such an assumption is ridiculous. Requiring the Secretary's approval on farm price ceiling is merely a safeguard to which those who depend on our increased production are entitled. Summarizing, farmers want five safeguards:

1. The Board; 2. The court of appeals; 3. The right of Congress to revoke the powers granted by joint resolution; 4. The right of the Secretary of Agriculture to prevent ceilings which will curtail needed production; 5. The inclusion of all groups, including labor, but if labor is not included, they want farm prices kept in balance by a direct relation to wages.

1. The Board has been defeated

2. The court of appeals has been provided.

3. The right to revoke the authority thus granted is included in the Senate amendments.

4. The right of the Secretary of Agriculture to prevent destructive price ceilings is included in the Bankhead Senate amendment.

5. Wages are left out, but the O'Mahoney Senate amendment gives a fair measure of protection by relating farm prices to wages.

The bill is dangerous enough at best because of its dictatorial powers. Surely the public is entitled to this much protection.

In conclusion, farmers are not fighting for special privileges. They have demonstrated their good faith by increasing their production to the utmost without first demanding a host of guaranties. Justice requires that the Government keep faith with them. We have been asked for an enormous expansion in production of those foodstuffs which are most difficult to increase. This cannot be done without adequate labor, transportation, supplies, and compensatory prices. Since Agriculture is not represented on the administering boards and commissions, the farm organizations have had to speak plainly to let Congress know what must be done if we are to produce the food expected of us. We challenge any industry to show a record of longer hours, harder work, less delay or stoppage of production than will be found on our farms. All we ask is assurance of conditions which will enable us to plan for, to finance, and to produce the crops expected of us.

We have seldom seen such a volume of propaganda as has been launched against the measure, as finally passed by the Senate. The full story has not been told, and many false statements have been made. To the farmers of America I want to say that if you want to protect your industry from another trimming such as we got last time, wire your Senators and Congressmen to stand by the Senate amendments to the price control bill. To the general public I would say, if you believe in a fair deal to agriculture, and if you want to keep farmers in a position where they can produce plenty of food for ourselves and our Allies, advise your Senators and Congressmen to stand by the Senate amendments to the price control bill.

AMENDMENT OF CIVIL SERVICE RETIREMENT LAW

The Senate resumed the consideration of the bill (H. R. 3487) to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended.

Mr. MEAD. Mr. President, the bill which the Senate is now considering, House bill 3487, commonly referred to as the amendments to the Civil Service Retirement Act in the main, provides that the compulsory retirement age, which is now 62, 65, or 70, be made uniformly 70 years of age. One of the principal provisions of the bill requires compulsory retirement at 70 instead of 62, 65, or 70, as under the present law.

At the option of the employee or at the option of the Government, if the employee is disqualified to perform his duties he may be retired at the age of 60 after 30 years of service, or at the age of 62 after 15 years of service, with full retirement benefits. The employee may be retired at his option at the age of 55 after 30 years of service, with immediate annuity, actuarially equivalent to his regular annuity based on the age of 60.

The Government option is not available, however, so far as retirement is concerned, in the case of any elective officer or any officer or employee in the legislative branch. Such persons may work as long as they see fit, or as long as their work is satisfactory. Nor does it apply to any employee of the Office of the Architect of the Capitol. In those instances there is no compulsory retirement age. So, in the main, Mr. President, section 1 of the bill sets the age of 70 as the compulsory age hereafter. Heretofore it has been 62, 65, or 70.

Section 2 of the bill provides automatic separation from the service at the age of 70 years, and it applies to all except those in the elective, judicial, and legislative services. The automatic separation at the age of 70 applies, in the main, to the executive departments of the Government, but not to the elective, judicial, or legislative services.

Mr. DAVIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BUNKER in the chair). Does the Senator from New York yield to the Senator from Pennsylvania?

Mr. MEAD. I yield.

Mr. DAVIS. May the time be extended when the age of 70 is reached, or is the retirement compulsory?

Mr. MEAD. It is compulsory, except that there is in the bill a provision whereby there may be reemployed any retired annuitant who has special qualifications for a special task. So, while automatic separation is compulsory at the age of 70, there is still the provision that the Government may continue to enjoy the services of a specialist in any given line.

Section 3 of the bill applies to retirement membership coverage. This is the section of the bill which expands the present coverage. It includes all officers and employees in or under the executive, judicial, and legislative branches of the Government, including all elective and appointive officers, and all officers and employees in the District of Columbia. However, this coverage does not apply to elective officers or to officers and employees in the legislative branch until they elect, with certain limitations, to secure a retirement status.

The President is authorized to exclude any officer, employee, or group in the executive branch whose tenure is intermittent or uncertain or of very brief duration. There is an amendment in the bill which would allow the Architect of the Capitol to exclude from the provisions of the bill temporary employees who are engaged in the work of snow removal and the like.

Now, let us consider section 4. Section 4 applies to the additional minimum computation. The computation method under existing law applies rather unfairly to those who are in the average-pay brackets and higher-pay brackets. For instance, under existing law the total annuity may not be less than an amount equal to the average annual basic salary, not to exceed $1,600 per annum, received by the employee during any 5 consecutive years of allowable service, multiplied by the number of years of service, but not exceeding 30 years, and then divided by 40. That does not give adequate consideration to an employee whose salary is in excess of $1,600 per annum, and as his salary is increased above $1,600 per annum, his percentage of annuity proportionately diminishes, until a man with a salary of $10,000 a year would receive only about 12 percent in benefits, whereas a man with a salary of $1,200 a year would receive approximately 35 percent of his salary in benefits.

Mr. DAVIS. What effect would it have upon those who have entered the public service from a State which has an annuity plan or retirement plan of its own?

Mr. MEAD. It would not be compulsory for them to participate in this plan.

Section 5 of the bill pertains to deferred annuity benefits. It provides that any employee or any officer separated from the service after serving at least 5 years shall be paid a deferred annuity beginning when he reaches the age of 62, computed, as provided in the provisions of the law, in proportion to his years of service. If the separation is involuntary, not removal for cause on charges of misconduct or delinquency, the officer or employee "may elect to receive an immediate annuity beginning at the age of 55 or at the date of separation from the service if subsequent to that age having a value equal to the present worth of a deferred annuity" based upon age 62, computed as provided under the provisions of the bill. In other words, a new feature of the bill provides that the employee who has retired after 5 years of service shall not take his money from the retirement fund, but shall take in lieu thereof a deferred annuity payable to him when he reaches the age of 62. So all employees hereafter making payments into the fund for a period of 5 years or over will not withdraw their money, but will participate in an annuity when they reach the age of 62.

Section 6 of the bill makes provision for past service credit. It provides that the applicant in making deposit for past service in order to participate in the benefits provided by the bill shall pay at the rate of 3½ percent back until 1926. Beyond that he will pay at the rate of 2½ percent; but after the enactment of the bill he will pay at the rate of 5 percent.

The bill raises the employee's contribution from 3½ percent to 5 percent; and anyone hereafter participating in the retirement system will pay 5 percent of his salary. That will be the highest rate charged in any retirement system of which I know. For instance, the Army and Navy, the Public Health Service, the Coast and Geodetic Survey, and the Coast Guard provide pensions for their officers, under which they receive 75 percent of their salaries and to which they make no payments whatsoever. The State Department provides a retirement service for employees in the Foreign Service. They draw 60 percent of their salaries, and they pay a modest sum into the retirement fund. When United States judges retire they draw 100 percent of their salary and pay nothing into any retirement fund. Persons participating in social-security benefits pay 1 percent of their salaries. Employees of the railroads pay 3 percent in order to participate in railroad retirement benefits. But in the civil-service retirement fund we are raising the assessments from 3½ percent to 5 percent, making it the largest assessment charged by any fund now in existence of which I know.

Section 8 pertains to refunds. It provides that any officer or employee who, after serving less than 5 years, is transferred to a position not within the act, or is absolutely separated from service, may receive a refund of the sum credited to his individual account with interest. In other words, he will not lose anything. Whatever he has paid he will receive as a refund unless he has been over 5 years in the service; and in that event he is given a deferred annuity benefit which he draws after he reaches the age of 62.

Section 9 defines the annuitant. The section would permit the Civil Service Commission to adjudicate the annuity claim and determine the rights of a former employee who has met the requirements for annuitable title but who dies before final administrative action is taken by the Commission. In such case there has been much difficulty in the past, and this section of the bill is an attempt to safeguard the estate of the annuitant, and to provide an opportunity for the orderly repayment of such moneys as may be due him.

Summing it up, Mr. President, in the main, the bill will allow Federal employees to enjoy from 5 to 8 years additional service. Persons who under existing law would be retired at the age of 62, will now be able to remain in the service, if their health and the quality of their work permit, until they are 70 years of age.

In that connection, let me say that this is an economy measure. The provision raising the assessment from 3½ percent to 5 percent will result in an annual payment into the Treasury of $27,000,000 more than is being paid under existing conditions. During this period of emergency, when it is difficult to recruit new employees, it will make it possible for the Government to use well-trained and capable men who otherwise might be retired.

Under existing law, civil-service employees pay $68,000,000 annually into the fund. Under the proposed law they will pay $95,000,000 annually into the fund. At the present time there is in the fund approximately $751,000,000.

Another matter that is worthy of note is that this money may be used by the Government in an emergency, as it has been used in the past, and it may be restored, as it has been restored in the past, at a later date.

So, Mr. President, our committee, and, so far as that is concerned, the committee of the House of Representatives and the House itself, believe this is a good bill by the affirmative action which they have taken on it. It is recommended by the departments of the Government affected and it is, in my judgment, the very best legislation bearing upon this vital subject which can now be framed. I trust that the bill, with the committee amendments, will receive the approval of this body.

Now, Mr. President, I ask the committee amendments be stated.

The PRESIDING OFFICER. The clerk will state the committee amendments.

The first amendment of the Committee on Civil Service was in section 1, paragraph (c), page 3, line 5, after the word "hereof", to insert "Nothing in this subsection shall be deemed to authorize any person to request the retirement of any elective officer, any officer or employee in the legislative branch of the Government within the classes of officers and employees which were made eligible for the benefits of this act by the act of July 13, 1937, or any employee of the office of the Architect of the Capitol", so as to read:

(c) The head of a department or independent Government agency concerned may request the retirement of any such officer or employee described in subsection (b) of this section who, by reason of a disqualification is unable to perform satisfactorily and efficiently the duties of his position or some other position of the same grade or class as that occupied by the employee and to which he could be assigned. No such request shall be submitted to the Civil Service Commission unless and until the said officer or employee has been notified in writing of the proposed retirement. Each such officer or employee shall, upon request by him, have opportunity for a hearing before the Civil Service Commission, at which hearing the officer or employee may appear in person or he may be represented by a person of his choice. No such officer or employee shall be so retired unless the Civil Service Commission after examination finds that he is so disqualified. The determination of the Civil Service Commission as to whether the officer or employee shall be retired under this subsection shall be final and conclusive. Any person so retired shall be paid an annuity computed as provided in section 4 hereof. Nothing in this subsection shall be deemed to authorize any person to request the retirement of any elective officer, any officer or employee in the legislative branch of the Government within the classes of officers and employees which were made eligible for the benefits of this act by the act of July 13, 1937, or any employee of the office of the Architect of the Capitol.

The amendment was agreed to.

The next amendment was, in section 2, paragraph (b), page 4, line 19, to strike out "Except as may now or hereafter be provided by law, no", and insert "No", so as to read:

No person separated from the service who is receiving an annuity under the provisions

of section 1 of this act shall be eligible again to appointment to any appointive office, position, or employment under the United States or of the government of the District of Columbia—

And so forth. The amendment was agreed to.

The next amendment was, in the same section and paragraph, page 4, line 24, after the name "District of Columbia", to insert "unless the appointing authority determines that he is possessed of special qualifications, in which event payment of his annuity shall be terminated during the period of his appointment. Any such person whose annuity is terminated shall, upon the termination of his appointment, have his subsequent annuity rights determined under the provisions of law in effect at the time of such termination."

Mr. NORRIS. Mr. President, will the Senator from New York yield?

Mr. MEAD. I am glad to yield to the Senator from Nebraska.

Mr. NORRIS. As the Senator will recall, I submitted to him several days ago an amendment to this bill which he said he would take up with his colleagues on the committee.

Mr. MEAD. In reply to the question submitted by the distinguished Senator from Nebraska, I will say that I did take it up, and I am informed that an amendment which was adopted by the committee provides that, although retirement is compulsory at the age of 70, any employee may be retained in the service or his service may be extended if in the judgment of his superior officers he possesses superior or essential qualifications. So we have opened the door for the continued employment of employees having special talent. The committee felt that that would adequately take care of the amendment which was suggested to me by the Senator from Nebraska who has now the floor.

Mr. NORRIS. Has the committee offered such an amendment?

Mr. MEAD. Yes; that is one of the committee amendments.

Mr. NORRIS. Very well.

Mr. MEAD. It opens the door for all employees having special talent to be retained in the service or to be brought back into the service at the suggestion or request of their superiors. That is the amendment now under consideration which I trust will be approved.

Mr. NORRIS. I thought that might be the one I had in mind. I have never heard of the amendment before. It may be the Senator is entirely correct and that it is an improvement over the amendment I suggested to him. I cannot say positively as to that, but at first blush and on merely hearing it read, some doubt arose in my mind. Perhaps the amendment fully takes care of the cases I wanted to cover by the amendment I suggested to the Senator. Does the Senator think it does?

Mr. MEAD. Yes; I do. If the Senator will read the language preceding the amendment I think he will obtain a clear idea of it. The language preceding the amendment reads:

No person separated from the service who is receiving an annuity under the provisions of section 1 of this act shall be eligible again to appointment to any appointive office, position, or employment under the United States or of the government of the District of Columbia—

Our committee felt that was quite harsh. So the suggestions the Senator from Nebraska made to me were brought to the attention of the committee, and the committee added the words:

unless the appointing authority determines that he is possessed of special qualifications, in which event payment of his annuity shall be terminated during the period of his appointment. Any such person whose annuity is terminated shall, upon the termination of his appointment, have his subsequent annuity rights determined under the provisions of law and in effect at the time of such termination.

That, together with the authority given to the President to issue an Executive order, will take care of any employee in the Government service having special talent or possessing special qualifications.

Mr. NORRIS. I was not thinking so much about employees having special qualifications, although it would, of course, apply to them; I was thinking about the ordinary employee who had reached the age of 70 years and was not incapacitated because of his age—perhaps an exception to the general rule—but still retained all his ability and his vitality and who wanted to continue in the service, and the Government wanted men of qualifications such as those possessed by him. It seems to me that to terminate his service absolutely without any qualification was rather a cruel way to treat him, especially when the Government of the United States might be very anxious to utilize services such as he could render and ability such as he possessed.

Mr. MEAD. The Senator will realize the problem that confronted the committee. If we consider an amendment which would allow an employee to remain in the service regardless of his age, we would simply destroy the actuarial benefits of the act.

Mr. NORRIS. I do not want to do that.

Mr. MEAD. Under existing law only the President by Executive order may continue an employee in the service, but the committee placed in the bill a provision to the effect that the superior officer of the employee may continue him in the service.

Mr. NORRIS. Why is it necessary to use the language which appears there and which I do not quite understand? It reads:

Unless the appointing authority determines—

What does that mean?

Mr. MEAD. That means the personnel officer of the agency or the employee's immediate superior, the chief of the bureau or of the section or the head of the department.

Mr. NORRIS. I should like to read a little further. What does this language mean:

Unless the appointing authority determines that he is possessed of special qualifications, in which event payment of his annuity shall be terminated during the period of his appointment.

I do not quite understand what that means.

Mr. MEAD. That means that although the employee has arrived at the age of 70, when his annuity begins——

Mr. NORRIS. Yes.

Mr. MEAD. The annuity can be terminated at the same instant if his immediate superior, or any superior, for that matter, over him in the department wishes to retain his services and notifies the retirement commission that the employee has special qualifications. Therefore his annuity at 70 is suspended until he retires, say, at 75, and if during the intervening years his annuity benefits have been raised by law he will, when he retires at 75, enjoy the increased benefits which may have accrued during his 5 years of added service.

Mr. NORRIS. Does it mean, then, that if he should retire, let us say, at the age of 75, he would not get the benefit of any increase to which his additional service had entitled him—he would get the same benefit as though he had retired at the age of 70?

Mr. MEAD. He would get the benefit of any increase that resulted from legislation, and he would get the actuarial benefit resulting from his increased years of service. He would have, then, 5 years more of his own contributions to enjoy as well as 5 years more of the Government's payments to him.

Mr. NORRIS. Would he have to go through the formality of being reappointed?

Mr. MEAD. Not necessarily; no.

Mr. NORRIS. The bill says, reading further from the amendment:

Any such person whose annuity is terminated—

I do not understand that it is actually terminated. It is merely suspended; is it not?

Any such person whose annuity is terminated shall, upon the termination of his appointment—

What appointment does that mean?

Mr. MEAD. It means his subsequent continuation in the service.

Mr. NORRIS. Then, that is construed to be an appointment, I should judge.

Mr. MEAD. That is correct; and we use the word "terminated" because it applies more generally to all the others who have gone out of the service, who will not come back into the service. It is merely technical language. The information given to the committee by the retirement experts was that it covers the case we had in mind—the case of the man with special talent or special qualifications—and it adds to the authority of the President to continue him in the service the authority of his superior. If his superior does not want him in the service, the chances are that he will not want to remain in the service and cannot remain in the service, because I presume his superior may find other provisions of this bill or other laws that will enable him to terminate the employee's service. So I really believe that we go as far as it is possible to go and, at the same time, protect the retirement law in its actuarial soundness.

Mr. NORRIS. Of course, I do not want to offer any amendment that would in any way make the bill unworkable, nor do I want to ask anything unreasonable. While I do not quite understand the matter, I know that the Senator has given it a great deal of attention, and so has his committee. I think they are entitled to a good deal of praise because of their work; so, whether I ought to do so or not, I shall accept the action of the committee in the matter referred to.

Mr. MEAD. Mr. President, I ask for the adoption of the amendment.

Mr. DANAHER. Mr. President, before the Senator leaves that point, will he permit me to ask him whether under this optional retirement program men who, for example, have been employed for 15 years, and have reached the age of 62, but who still may continue in service at their option——

Mr. MEAD. That is, unless they are disqualified physically or in some other manner.

Mr. DANAHER. Yes. So long as they continue in service beyond that age, will they not be blocking the rate of promotion of persons all along the line back of them?

Mr. MEAD. The chances are that they will be; but, for instance, right now it is desired to have all these men remain in the service. The President, by Executive order, has extended for another year the service of all the men in the postal service, because it is difficult to get men to replace them. There may, in the future, be times such as there were when we passed the Economy Act, when there was a surplus of labor; and at that time, under that bill, everybody who could be forced out of the service was arbitrarily forced out after he had a minimum of thirty years of service. It was a very expensive procedure. It cost the retirement fund a tremendous sum of money. But I will say to my distinguished colleague that the longer a man is kept in the service, the more difficult it is for someone below him to receive a promotion. Right now it is very necessary that we keep these employees in the service, and it is also very necessary that we arrive at some fair and just age for their automatic separation from the service. Seventy years seems to be a fair and just age from the standpoint of the employee and from the standpoint of the Government, and it is the age arrived at more commonly by every retirement system that we know about. So far as our committee was informed, it is the best age and that is why we approved that age.

Mr. DANAHER. Mr. President, will the Senator further bear with me?

Mr. MEAD. Certainly.

Mr. DANAHER. I thank the Senator. The Senator will realize that we who are not on the committee are at quite a disadvantage in trying to construe this measure.

As I look at page 2, lines 1 to 9, inclusive, let me read the language upon which to base one more question:

> Any officer or employee to whom this act applies who shall * * * hereafter—
>
> Now I go to line 5—
>
> attain the age of 62 years and have rendered at least 15 years of such service may, upon his own option, retire and shall be paid an annuity computed as provided in section 4 of this act.

If such a person does not exercise his right to retire, he not only will block the promotion of all persons below and back of him, but will it not also cost the latter group an additional sum of money each year paid into the retirement fund under this measure?

Mr. MEAD. No. He certainly will block promotions; but by adding to the years that he will pay into the fund, rather than to the years that he will draw out of the fund, he will make the fund more self-sustaining, he will reduce the cost of the fund so far as the Government is concerned, and the Government will get from the employee his very best years so far as efficiency and capability are concerned.

Mr. DANAHER. Will not all the younger men below the age of 62 who are not yet eligible even for optional retirement have to pay under this bill more into the retirement fund than they are paying now?

Mr. MEAD. No. I should say on the contrary, as a result of this bill, that, while employee's annuity will be raised from 3½ to 5 percent of his basic salary, the younger men will have the older men paying into the fund which the younger men some day will enjoy, whereas if the older men stepped out they would be drawing benefits which only the younger men would pay.

Mr. DANAHER. I thank the Senator.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. MEAD. I shall be glad to yield to my distinguished colleague, whose interest in the civil service has always been exemplary.

Mr. WHITE. I am very glad I interrupted the Senator. What I wanted to find out was the application of this proposed legislation to the employees of the House and Senate. Are all employees of the House and Senate who meet the age requirements and the specified length of service covered by the bill?

Mr. MEAD. All of them.

Mr. WHITE. Specifically, my interest is in the person who I think is called the indexer of the CONGRESSIONAL RECORD, who has been employed, I think, for more than 50 years. I wondered whether the benefits of this bill would reach him.

Mr. MEAD. They will reach him. Such persons may elect, even under present law, to join the retirement. It does cover him.

Mr. President, may the amendment be adopted?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 4, beginning in line 24.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment reported by the committee will be stated.

The CHIEF CLERK. In section 3, page 5, line 19, after the word "said", it is proposed to strike out "governments, nor to any elective officer until such officer gives notice in writing to the Civil Service Commission of his or her desire to come within the purview of this act. Said notice must be given in the case of any such person in the legislative branch of the Government on the effective date of this date of this act, within 6 months from such effective date, and in the case of any such person elected and serving after the effective date of this act, within 6 months from the taking of the oath of office", and to insert "governments: *Provided further*, That this act shall not apply to any elective officer or to any officer or employee in the legislative branch of the Government within the classes of officers and employees which were made eligible for the benefits of this act by the act of July 13, 1937, until he gives notice in writing to the disbursing officer by whom his salary is paid of his desire to come within the purview of this act. In the case of any elective officer serving in the legislative branch of the Government on the effective date of this act and in the case of any officer or employee in the service of the legislative branch of the Government on the effective date of this act, such notice must be given within 6 months after such effective date. In the case of any elective officer elected to and serving in the legislative branch of the Government after such effective date, such notice must be given within 6 months after the taking of the oath of office; and, in the case of any officer or employee of the legislative branch of the Government who enters the service after such effective date, such notice must be given within 6 months after the date of entrance to the service. No provision of this or any other act relating to automatic separation from the service shall have any application whatever to any elective officer."

Mr. MEAD. Mr. President, I offer an amendment to the amendment, on page 6, line 14, and I should like to have it stated and adopted.

The PRESIDING OFFICER. The clerk will state the proposed amendment to the committee amendment.

The CHIEF CLERK. On page 6, line 14, it is proposed to strike out "6 months after such effective date" and to insert in lieu thereof "the calendar year of 1942."

Mr. MEAD. I ask that that be made a part of the amendment just read at the desk.

Mr. GEORGE. Mr. President, to the particular part of the bill now under discussion I had offered an amendment, which has been printed, but if the modification suggested by the Senator from New York should be made, then the amendment I previously offered to this part of the bill would be withdrawn.

Mr. MEAD. My amendment covers the amendment which the Senator from Georgia has presented. I ask that the amendment of the committee be amended as I have suggested.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. McKELLAR. Mr. President, I call the Senator's attention to page 6, line 9, where it is desired that the period after "Act" be changed to a semicolon, followed by the words "and any such officer or employee may, within 60 days after the effective date of this subsection, withdraw from the purview of this act by giving similar notice of such desire." Has the Senator from New York any objection to an amendment of that kind?

Mr. MEAD. Offhand, and at first blush, I should not have objection, but I do not know what the effect of the amendment would be, and I should like to take it up with my colleagues before accepting it.

Mr. BYRD. Will not the Senator from Tennessee explain the amendment?

Mr. McKELLAR. It is to take care of an employee whom we all know, Mr. Wold, who would like to have the privilege of withdrawing.

Mr. MEAD. Withdrawing from the provisions of the act?

Mr. McKELLAR. Yes. I ask the Senator from New York to take the amendment to conference.

Mr. MEAD. I do not know whether it would have a disastrous effect on the bill or not. The Senator from Virginia [Mr. BYRD] has an amendment to offer to the provision now before the Senate, and I think we should have a little time to discuss and consider the amendment offered by the Senator from Tennessee.

Mr. McKELLAR. I am willing to have that done.

Mr. BYRD. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. In the committee amendment, on page 6, line 24, after the word "officer" it is proposed to insert the following:

No annuity shall be paid any elective officer unless he shall deposit the applicable percentage deduction with interest covering service for at least 5 years next preceding the effective date of retirement: *Provided*, That if deposits are not made for the entire period of the service of such elective officer, said annuity shall be based only on the period of service for which deposits are made, and on any period of service prior to August 1, 1920: *Provided further*, That deposits of such applicable percentage deductions may be made in installments as fixed by the Civil Service Commission.

Mr. BYRD. Mr. President. the purpose of the amendment is to place the elective officers of the Government, who are for the first time being taken in under the Retirement Act, on the same basis with those in the civil service who have been paying into the retirement fund for many years. The Senator from New York [Mr. MEAD], the Senator from Ohio [Mr. BURTON], and I were on a subcommittee which considered the proposed legislation, and this amendment is presented to the Senate with the approval of the subcommittee.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. McKELLAR. When the Retirement Act was passed in 1920, were not the elder employees taken in without paying any amount for previous service?

Mr. BYRD. I think so.

Mr. McKELLAR. After having taken care of the older employees at the beginning of the retirement system, would it not be unfair to require now that the older employees who would come in under the pending bill should not have the benefit of the act until they made back payments?

Mr. BYRD. The amendment applies only to elective officials. It applies to Members of the House of Representatives and of the Senate, to the President of the United States and the Vice President. I think it is a very different proposition when we are confronted by a proposal to vote what are in effect pensions to ourselves.

I call the attention of the Senator from Tennessee to the fact that if a Representative or Senator came into Congress on March 4, 1907, under the bill as it is now written that Representative or Senator could pay into the fund $200, and if he retires on January 1, 1943, if he has served 5 years, and if he is 62 years of age, he will receive $4,175.44 a year as long as he lives, without making any further payments.

Mr. McKELLAR. I may say to the Senator, before discussing the amendment, that it is my present intention to vote against the bill. However, when we started the retirement system for civil-service employees, just as we are asked to start it now for the legislative branch, we took in the older employees, and we did not require that they make back payments in order to get the advantage of the law, although some of them would receive payments comparable to those which the Senator now says Senators and Representatives would receive. I do not believe in the system of pensioning legislative officers, and I expect to vote against the bill; but if we are to do it, we should be fair to them, and not treat them in a way different from that in which we treated the civil-service employees when the system was originally established. In other words, we should apply the same rule. We are asked to start a system of retiring legislative officials, and we should treat them just as we treated the civil-service employees in 1920, when we started the retirement system.

Mr. BYRD. Then the Representatives and Senators should have been included in the retirement system in 1920. They were not included, and under the provision before us as it now stands a Senator or Representative who came into office in 1907 could, as I have stated, draw $4,175.44 a year for life by the payment of $200, merely the first payment for this year. That figure of $200 is arrived at on the consideration that one is given 6 months to exercise his option, then he has to pay only 5 percent of the balance of his salary for the rest of this calendar year, which would be approximately $200.

Mr. BURTON. Will the Senator yield?

Mr. BYRD. I yield.

Mr. BURTON. Responding particularly to the question propounded by the Senator from Tennessee [Mr. McKELLAR], as to placing Members of Congress on precisely the same basis with other officials of the Government, I will say the amendment does precisely that, by providing that payment by elective officers shall not be made prior to the 1920 date. That puts them on exactly the same basis as the civil-service employees.

Mr. BYRD. Mr. President, under the bill as it now stands a Representative or a Senator who came into office in 1915, by paying $200 and retiring on January 1, after having served 5 years and being 62 years of age, would draw $3,139 a year for life.

Mr. President, all my amendment does is to put the Representatives and the Senators, the elective officers themselves who appropriate the money, on the same basis as those who are in the civil service and who have been paying into the retirement fund all through the years.

I am not opposed to a proper and sound retirement plan. I am in favor of the bill, with the exception I have stated. I think the Congress of the United States would place itself in a very unfortunate position if at this time, when the country is in the perilous condition which now confronts it, we were to vote ourselves what is the equivalent of substantial pensions by the payment simply of one single payment for the balance of this year, approximately $200, assuming, of course, that the Representative or Senator retires on the 1st of next January. I hope my amendment will be adopted. It has the approval of the subcommittee and of the Senator from New York [Mr. MEAD] and the Senator from Ohio [Mr. BURTON].

Mr. MEAD. Mr. President, the conference which was referred to by the distinguished Senator from Virginia [Mr. BYRD], and in which I was a participant, considered the amendment and approved it. I wish to say for the RECORD that we have a retirement system in my State of New York. It has been of long standing. Its actuarial soundness is exemplary, and is studied by those interested in retirement systems all over the Nation. I do not feel that I am in a position to participate in the proposed retirement system because I am already in one. Therefore, I can speak as a disinterested party.

Mr. President, I wish to say that by this amendment—and I think this statement ought to go into the RECORD and into the press—we are penalizing Members of Congress as no other group covered by retirement privileges in this bill or by any other retirement system that I know of, has ever been penalized. The day the Retirement Act went into effect—and I was a Member of the House at the time and interested in its passage—6,000 persons went on full retirement. When amendments to the Retirement Act covering other groups of civil-service employees became effective, every individual in those particular groups was entitled to the full benefits of the law.

I wish to mention another thing for the RECORD. The day this bill goes into effect, covering as it does some 535 Members of the House and Senate, and Delegates, if we should all elect to join we

will pay into that fund $267,000 annually. If 2 Members, participant in the fund, should decide to retire within the next year, there would be a charge of only seven or eight thousand dollars made against the $267,000 we would pay into the fund.

Mr. President, that is an illustration of the actuarial soundness of a system by which all groups, when covered in, receive 100-percent benefits the first day. It is a case of the young in the service carrying the load for the old and the veterans. It is a case of rewarding with our own contributions men whose services in the legislative body, and in every other department of the Government, have been exemplary and are appreciated.

Mr. President, we, by our collective contributions, which are actuarially sound, as the figures are given to us by the actuaries, would pay into the fund 5 percent of our salaries, thereby making the system capable of carrying the load which some day we may place upon it. We would pay in an amount of money which likewise would be sufficient to take care of the older legislators who may retire within the next few years.

While the amendment offered by the Senator from Virginia [Mr. BYRD] was agreed upon by the subcommittee mentioned by the Senator, I want the RECORD to note that, so far as I know, we are the only group covered by any retirement system which is penalized by being called upon to go away back to the very beginning of each individual's service, or to the time of the application of the act, whichever, by reason of length of service, we may choose to do, and to pay the sum represented by the time in question.

Mr. President, there are officials in the executive branch who receive more pay than we in Congress receive, who will be able to retire on the day after the bill is passed, without making any contribution of note to the fund, and yet when you or I retire, if we want to participate in the benefits of the retirement fund, we will receive the full impact of the provisions of the Senator's amendment, and will have to reach down into our pockets and make substantial contributions. High-ranking officials in the Army and Navy will be able to retire, as they have been in the past, without paying one cent into any retirement system. That applies to the Public Health Service and to the Coast and Geodetic Survey, but it will not apply to us.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. McKELLAR. If officers of the classes mentioned by the Senator, in the Army and in the Navy, and high executive officials in various departments, judges of the Supreme Court, and other officials, can be retired without making up back payments for a considerable time, why cannot Members of Congress? Why should we make a distinction between such officials and Members of Congress? It seems to me the law ought to apply to all alike.

Mr. MEAD. Mr. President, I will say to my distinguished colleague that the provision carried in the amendment of the Senator from Virginia was not contemplated in the bill approved by the House committee, it was not in the bill which received House approval, but it was considered to be exemplary, and as I said before, the subcommittee agreed to it.

Mr. McKELLAR. As I understand the Senator from New York himself opposes it, and I think very wisely opposes it, and I am glad to hear his opposition expressed. I think the argument the Senator from New York makes is correct. If we are going to establish a retirement system, I cannot see why we should discriminate against the legislative body while we make it very easy for other departments of the Government.

Mr. MEAD. I will say to the Senator from Tennessee that I feel we ought not to delay the passage of this bill 1 day. The bill is so vitally important from the standpoint of the departments of Government, as a means for the retention of efficient employees in the service, and it is so just actuarily as it applies to the departments of Government, that I do not want to delay its passage 1 day, but I believe, and I wanted to make the statement for the RECORD, that we are discriminating, as the Senator from Tennessee points out, against the legislative branch, and against no other group in the Federal service.

Mr. BYRD. Mr. President, I think the Senator from New York should make it clear that every employee of the Government under civil service has been required to make these payments since the establishment of the retirement plan.

The Senator's reference to Army and Navy officers has no significance, because they are not under the retirement system. All the Senator from Virginia is asking is that the elective officers of the Government, those who vote the funds, should be placed on an equality with the civil-service employees who have been making payments regularly. There is no injustice in that proposal.

Mr. MEAD. The Senator is both right and wrong. When the retirement legislation was enacted in 1920 I said that every employee covered by it, without paying anything back, received the full benefits of the retirement law; and 6,000 of them participated in those benefits on the very first day.

Mr. BYRD. Does the Senator from New York think it is a matter of good public policy for Senators and Representatives to vote themselves a pension, which could be as much as $4,000 a year, upon the payment of $200? Is that a matter of good public policy?

Mr. MEAD. I think it is good public policy for the legislative branch to enact, on the advice and counsel of the actuarial experts of the retirement system, an actuarially justifiable retirement system.

Mr. BYRD. Did the Civil Service Commission recommend that the elective officers of the Government be placed under the retirement fund?

Mr. MEAD. The Civil Service Commission recommended, as it recommended in connection with the House bill and with every preceding amendment to the bill which went into effect, that assessments be sufficiently high to take care of all employees in a given group from the very first day the law went into effect.

Mr. BYRD. Does not the Senator think that if the elective officers should be placed under the bill they should have been placed under it in 1920? It is proposed to give them the benefit of the act for the past 20 years without requiring them to make any payments, practically putting them on an equality with the civil-service employees who have made the payments.

Mr. MEAD. In 1920 we gave the applicant who retired, even though he retired the day after the law went into effect, the full and complete maximum benefits of the Retirement Act, just as though he had worked for the Government for 50 years.

Mr. BYRD. Does the Senator see no distinction between Senators voting for benefits for themselves and voting for benefits for other employees of the Government?

Mr. MEAD. I am very much opposed to a Member of Congress voting for a pension for himself. I am in favor of Members of Congress diligently looking into the question, provided that whatever bill is passed for a retirement system—not a pension system—be actuarially sound, and that the contributions be high enough. I should make them 10 percent, if that were necessary to make the system actuarially sound.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. McKELLAR. Let me say to my good friend from Virginia that my views with regard to pensioning members of the legislative branch of the Government are quite similar to his. Having those views, I do not see how he can do anything else but what I expect to do, and that is to vote against the bill. I do not think they ought to be retired.

Mr. BYRD. The Senator from New York was speaking of a system which is actuarially sound. Does he think it is actuarilly sound to pay a pension of $4,000 a year upon a deposit of $200? Is that actuarially sound. Could any insurance company in America survive 30 days under such a system?

Mr. MEAD. I know of applicants for insurance who have filled out their applications and sent in their first payments, and within 24 hours have participated in a benefit in excess of $4,000.

Mr. BYRD. By reason of death.

Mr. MEAD. Mr. President, there is confusion between pensions and retirement, between what is actuarially sound and what is a subsidy. Let me illustrate.

Suppose the 96 Members of the Senate should decide to form a pool with their own personal contributions, the benefits at $100 a month, to go to any Senator involuntarily separated from the service. That would not be a pension if the Members of the Senate decided to dig down in their own pockets and maintain that little insurance or retirement system for Members of the Senate.

What we are doing collectively, Mr. President, is participating in a system set

up by the Government. We are participating, to the fullest degree recommended by the actuaries, in a system to be initiated with the enactment of the bill, just as the original system was initiated. We are to participate in it to the full extent—and no further—that any member of the Cabinet or the head of any bureau or section of the Government will participate in it. However, the amendment would not permit us to do so. It would require us to do something we do not require from any other participants. It would require each Member of the Senate or the House who wishes to enjoy the benefits of the act to pay all the back premiums which would have been required had he joined the fund when he became a Member of the Senate or House.

Mr. GEORGE. Mr. President, will the Senator yield.?

Mr. MEAD. I yield.

Mr. GEORGE. There seems to be no force whatsoever in the objection raised by my very good friend the distinguished Senator from Virginia. Even applying the ordinary life insurance rule, any man who pays one premium may take a policy for any amount he pleases. He may pay one premium, die within a week, and receive the full amount.

Mr. BYRD. He would not receive it, would he?

Mr. GEORGE. His family would receive it.

Mr. BYRD. He would not receive it. A death is a risk taken by the insurance companies. That is very different from a retirement or annuity plan.

Mr. GEORGE. No. It is not a risk taken by the insurance company. The insurance company sets up a system under which it is possible to write and pay insurance. The Senator from Virginia is taking the most extreme case, that of a Senator who has been here for 30 years, and who, after making a single payment, retires. We might take the most extreme example in the case of life insurance.

Mr. BYRD. Premiums for life insurance are vastly greater than the amounts paid into the annuity or retirement fund under this plan.

Mr. GEORGE. They are different because the system is different; but at an insurable age one can buy a great deal of insurance on an ordinary life basis for $200. He can buy an amount of insurance greater than the amount anyone would ever receive out of this system after serving 30 years.

Mr. BYRD. This is an annuity. It is not paid in a single sum. A man may live 10 or 20 years longer, and receive $4,000 a year under the plan.

Mr. GEORGE. That is correct.

Mr. BYRD. The Senator's comparison is not logical. He is comparing an annuity with insurance death benefits. In the case of insurance a single payment is made, but an annuity is paid during the lifetime of the beneficiary.

Mr. GEORGE. I did not say that the comparison was logical. What I am saying is that the insurance system is built up on an actuarial basis, as is the retirement system. The Senator from Virginia is not at all logical. He is decidedly unfair—which is no compliment to him, because usually he is fair—when he takes the most extreme case, that of a man who has been here 30 years and who pays one payment and then retires.

Mr. BYRD. What does the Senator think would be a reasonable case to take?

Mr. GEORGE. We must consider all cases. We must consider those who have been here for only 1 year as well as those who have been here for 30 years.

Mr. BYRD. Those who have been here for 1 year are not eligible. They are not eligible until they have been here for 5 years. Let us begin with the year 1925, if the Senator thinks I am unfair. Under the terms of the bill, if a man were 62 years old, for a payment of $200—assuming that he retires on January 1, next—he would receive $1,800 a year for life. He might live for 20 years longer. He would receive $36,000 for a payment of $200.

If the Senator wishes to take another example, let us take the year 1927. In that case, by the payment of $200 for the remainder of this year, assuming that he retires on the 1st of January, next, the beneficiary would receive $1,663 a year for life. In the case of the year 1929, he would receive $1,478 for the payment of $200; and in the case of the year 1931, he would receive $1,284.

Mr. GEORGE. I understand, Mr. President; but I am pointing out that the Senator took the most extreme case.

Mr. BYRD. But all that is in proportion, Mr. President, to the length of service; and if it is in proportion it is one-seventieth of the salary of the service.

Mr. GEORGE. What the Senator is now doing is arguing against any retirement system.

Mr. BYRD. The Senator from Georgia either has not paid attention to what the Senator from Virginia said——

Mr. GEORGE. I have paid very strict attention.

Mr. BYRD. Or else I have not been able to make myself clear. What I am arguing for is to have Senators and Representatives who vote appropriations placed on a basis of equality with civil-service employees who have been making payments into the retirement fund for all these years. I say that if Senators and Representatives should have been placed under a retirement system they should have been placed under it in 1920, and not come in at this late hour when they would benefit from the past payments made by others to a fund to which they have not contributed.

Mr. GEORGE. But the retirement system was commenced in 1920 and anyone who fell into the classification was included.

Mr. BYRD. Why were not Senators and Representatives taken in at that time?

Mr. GEORGE. I do not know.

Mr. BYRD. The Senator from Georgia was here at that time, was he not?

Mr. GEORGE. No; I was not here as long ago as that.

Mr. BYRD. What the Senator apparently now favors is the giving to Senators and Representatives practically the same benefits as those received by civil-service employees who have been making payments all during the years—in other words, to provide that from the salaries they have received in former years Senators and Representatives shall not pay back anything in the way of contributions to the retirement fund.

Mr. GEORGE. We did not require those who were brought in in 1920 to pay back anything; because we were starting the system. From time to time we have placed other persons under the system. In 1937 we did so. We did not require them to make any back payments.

Mr. BYRD. Is there not a difference, however? That was the commencement of the system, or the first part of it.

Mr. GEORGE. Oh, no; in 1937 it had been going on for 17 years.

Mr. BYRD. In 1920?

Mr. GEORGE. In 1937.

Mr. BYRD. I am speaking of 1920.

Mr. GEORGE. I know; but in 1937 we brought in other persons, and we did not require them to make any back payments.

By the bill we simply apply the system to Congress—to the Members of the Senate and of the House.

The argument of the Senator from Virginia is good as against any retirement system. If he entertains that view I thoroughly appreciate the fact. But if we are going to institute a retirement system, it seems to me there is no reason why we cannot apply it to elective officers, even legislative officers.

Mr. BYRD. My amendment, Mr. President, does not exclude elective officers. It simply requires them to make a payment for which they will receive additional benefits.

Mr. GEORGE. Here is what the Senator's amendment does; I will take a personal case: In order for me to pay back to the date when I entered the Senate I should have to pay something in the neighborhood of $9,000 or a little more.

Mr. BYRD. In what year did the Senator come in?

Mr. GEORGE. In 1922.

Mr. BYRD. Let us take 1921: The Senator would have to pay $9,600; and for the $9,600 the Senator would receive $800 more than he would now receive under the bill. From that date he would receive about 9 percent of the payment. Is that unfair?

Mr. GEORGE. Yes; it is unfair, for this reason: A Member of Congress who has rendered honest service, who has dealt fairly with himself and his country, and who has been here 20 years is not able to pay $9,000 out of his pocket. He would have to forego every single dollar of benefit under the bill.

Mr. BYRD. If he could not pay it in a lump sum, could he not pay it in installments?

Mr. GEORGE. No; he could not pay it in installments.

Mr. BYRD. He could not pay it in installments out of the annuity itself?

Mr. GEORGE. No; he could not. Because he would not have the money to pay in the first instance.

Mr. BYRD. In this instance the annuity would be $2,800, out of which he eventually would have to pay $9,600.

Mr. GEORGE. Yes; but in order to receive the annuity he would have to

leave this body, and he would have to be a certain age. Unfortunately, I can meet the age requirement, because I am beyond 62. But what the Senator is beginning to say is that a man who is now elected to the Senate may, by paying 5 percent per annum, receive both the Government contribution and the benefit of his payment. But Senators who have been here for 15 or 20 years and who did not come here as wealthy men simply could not participate in the insurance. Because even to go back for 5 years, which is the shortest period for which payments may be made, a Member of Congress would have to pay practically $2,000 in cash, plus 5 percent per annum, and that would exclude many men who have had honorable careers in this body for 20 or 25 years.

Mr. McKELLAR. Mr. President, will the Senator yield, so that I may ask the Senator from Georgia a question?

Mr. MEAD. Yes; I yield.

Mr. McKELLAR. My attention has been called to the fact that in 1939 there was another amendment to the Civil Service Act by which fourth-class postmasters were brought into the system.

Mr. MEAD. That is correct.

Mr. McKELLAR. Those who were about to retire were not required to make back payments; but, on the contrary, as I recall the number, about 3,000 were retired on that very date without ever having to pay anything into the fund. That has been done each time additions to the civil service have been made. Why should we treat all other classes differently, and not require them to make back payments, but requires Senators and Representatives to pay large sums? I think it is unfair. I do not think it is a proper course to take toward one's colleagues.

Mr. BYRD. Was the other plan fair? The Senator does not think that any pension plan is fair. Merely because we make a mistake once we should not make it twice.

Mr. McKELLAR. This would be the fourth time.

Mr. BYRD. The fifth time.

Mr. McKELLAR. But it is the same plan we started out with, and I do not think it should be changed as against ourselves.

Mr. GEORGE. Mr. President, will the Senator from New York yield to me again?

Mr. MEAD. I am glad to do so; I yield.

Mr. GEORGE. I think the Senator from Tennessee is quite correct. I can understand that if the view is entertained that a retirement system should not have been adopted at all, of course it should never be applied to a legislative officer. However, I believe that the retirement system is sound. I believe it is sound not only in government, but I think it has been very properly applied from time to time in leading industries of the country. I think it is sound as applied to elective representatives. It seems to me that we should be willing to establish a good system, and, if it is a good system, a sound system, and a proper system, we should apply the same rule to Federal employees, whether they are elective or appointive, whether they hold office for life, or whether they are elected for stated periods.

I should not quarrel with the Senator from Virginia on the basis of his opposing any retirement system; but I do think that if we establish a system to be applied to the legislative branch it should be one which will not exclude those who are most in need of the benefits of the system.

Mr. LA FOLLETTE. Mr. President, will the Senator yield to me?

Mr. MEAD. I yield.

Mr. LA FOLLETTE. I wish to ask the Senator from Georgia if he knows of a single retirement plan set up for teachers or for other groups of public employees in this country that has not covered on the basis of equality at the time the system was inaugurated those who were already in the service?

Mr. GEORGE. I do not know of any, I will say to the Senator.

Mr. LA FOLLETTE. I do not see how we could start a retirement system unless we called upon the Government or the group inaugurating it to make additional contributions, so to speak, for those who have been in the service and who are in the service at the time the system is inaugurated.

Mr. GEORGE. That is quite true. Not only is that true, but whenever a new group is brought within the system, we should, if we applied the rule that is sought to be established here, put a burden upon the persons who come in under the system—a burden which never has been employed in private industry or by Government, so far as I know.

Mr. LA FOLLETTE. In other words, what the amendment would do, if agreed to, would be to deny to those in the legislative branch of the Government who are proposed to be brought in under the retirement system the opportunity to come into the system and to make contributions from the time they are taken into it out of their salary, without any back payments.

Mr. GEORGE. That is quite true.

Mr. LA FOLLETTE. That choice, that privilege, has been given to every group which has been brought under the system from the time of its inception, including the 40,000 postmasters the Senator from Tennessee mentioned.

On what basis should those who are in the legislative branch of the Government be treated any differently than those who have been brought into the system since 1920 have been treated? It seems to me that it would be absolutely unjust and that it would deny to Senators and Representatives who are most in need of it the opportunity to avail themselves of the retirement proposal. Those who can make contributions to the extent of one-fifth of the amount of their capital assets are not those who would be most likely to be in need of the retirement privilege.

Mr. GEORGE. The Senator is correct. They would probably buy an annuity and take care of themselves on that basis.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. MEAD. I yield to the Senator from Ohio.

Mr. BURTON. May I call the attention of the Senator from Georgia to the experience along this line of the State of Ohio during the past 2 or 3 years? There had been a retirement system in effect for some time for State employees. By recent enactment it was made compulsory and applied to municipal employees. When it was brought into effect as applying to municipal employees precisely this method was adopted. Municipal employees then in service had not expected to be included when they went into the service and had not been counting on a pension at all; nevertheless, realizing the fairness of doing so, they were put on the same basis as State employees, on condition that they pay the back premiums for such number of years of their service as they desired, back to the date when the State employees began to pay under their act. Therefore the same principle applied here that was applied there. Municipal employees did not have to pay the back premiums unless they wished to, but it was intended to put them on the same basis as State employees and to give them permission to pay as far back as they wished, in order that they might be placed on the same basis as State employees.

Mr. GEORGE. I am not familiar with the law to which the distinguished Senator refers, but that is not the Federal system. That principle has never been applied by the Congress in any retirement act so far as I know.

Mr. MEAD. Mr. President, while this is a marked departure from the legislative enactments of the past, and the retirement practices of the past, in the interest of expedition, I ask for the adoption of the committee amendment, as amended, and with the addition of the amendment submitted by the Senator from Virginia [Mr. BYRD].

Mr. McKELLAR. Mr. President, I hope the amendment offered by the Senator from Virginia will not be adopted. It ought not to be adopted. We ought not to take a different position with ourselves than that which we take as to the employees of the Government. As we have been fair to them, we ought, in passing the bill, to be fair to ourselves. I expect to vote against the bill in its entirety, but however that may be, if we are to pass such a measure we ought to pass a fair one and not one that will be different from the bills which have been passed for the other employees of the Government.

SEVERAL SENATORS. Question!

The PRESIDING OFFICER. The question is on the adoption of the amendment offered by the Senator from Virginia [Mr. BYRD] to the amendment reported by the committee, as amended.

Mr. BYRD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is the demand seconded,

Mr. BYRD. I make the point of no quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Brown	Caraway
Austin	Bunker	Chandler
Bankhead	Burton	Chavez
Bilbo	Butler	Danaher
Bone	Byrd	Davis
Brewster	Capper	Doxey

Ellender	Lucas	Russell
George	McCarran	Shipstead
Gerry	McFarland	Smathers
Green	McKellar	Smith
Guffey	Maloney	Stewart
Gurney	Maybank	Taft
Hayden	Mead	Thomas, Utah
Hill	Millikin	Truman
Holman	Murray	Tunnell
Hughes	Norris	Vandenberg
Johnson, Colo.	Nye	Wallgren
Kilgore	Pepper	Wheeler
La Follette	Radcliffe	White
Lee	Reynolds	Wiley
Lodge	Rosier	Willis

The PRESIDING OFFICER. Sixty-three Senators have answered to their names. A quorum is present.

Mr. LUCAS. Mr. President, I was unavoidably detained from the Senate when this bill was debated in the early part of the afternoon. I wish to inquire from the able Senator from Virginia [Mr. BYRD] just what his amendment does. I do not want any long discussion of it, but I should like to have a brief explanation of the amendment.

Mr. BYRD. Mr. President, the amendment offered by the Senator from Virginia requires the elective officers of the Government, the President and Vice President, Senators, and Representatives to make certain back payments that are on a comparative basis to the payments that have always been made by employees under the civil service in order to obtain retirement benefits. I will say to the Senator from Illinois that these payments are not at all excessive. The provisions of the amendment are very liberal. By reason of making the payments, the Members of the House and Senate will receive additional compensation, more than they would receive under the bill as it now stands.

As the bill now stands, it would permit any Senator, for example who has served 5 years, to pay $200 for this calendar year, and receive a large annuity as long as he lives in proportion to his service, when he is 62 years of age.

Mr. LUCAS. May I inquire from the Senator what is the retroactive date of his amendment when Senators would be required to start payments? In other words, how far back from the present date does the Senator's amendment go?

Mr. BYRD. It requires 5 years' payments as a minimum. Of course, the bill itself provides that no one is eligible until he has served for 5 years

Mr. LUCAS. How much money payment would that entail?

Mr. BYRD. $500 a year.

Mr. LUCAS. For how many years?

Mr. BYRD. The minimum is 5 years. It all depends upon how long he has served. I have here a table of the various figures, and if the Senator will give me any particular date I will tell him what the table shows.

Mr. LUCAS. Assuming that it was necessary to go back 10 years, how much would it cost?

Mr. BYRD. Take, for example, the year 1923: There would be a payment of $8,847, and the annuity would be $2,821 a year. That payment could be made in installments, in accordance with the provisions of the Civil Service Commission.

Mr. LUCAS. This money would come directly out of the pockets of the individual Senator, depending upon the length of time he had served? Is that correct?

Mr. BYRD. No; it would come out of the retirement fund, which is a Government fund.

Mr. LUCAS. Who is to pay this money under the Senator's amendment, or even under the original bill?

Mr. BYRD. The United States Government is to pay it.

Mr. LUCAS. Is the Government to pay a Senator money in the way of a pension or a bounty for service here?

Mr. BYRD. This bill is based on the Retirement Act of 1920, which is supposed to be on a 50–50 basis—50 percent to be paid by the beneficiary and 50 percent by the Government. This bill for the first time takes in Senators and Representatives; but, under the bill as it now stands, Senators and Representatives are not required to make back payments. For example, a Representative or a Senator could pay $200, and if he were 62 years of age, and if he had served since March 4, 1907, the benefits he would receive would be $4,175 a year as long as he lived. I use that figure because it is the first figure given me by the Civil Service Commission; and the figures go down to the present day. I can give the Senator the figures for any date as to the benefits that would be received. I will say to the Senator from Illinois that my amendment merely requires that the members of the elective branch of the Government, those who are voting these appropriations, shall be required to make reasonable back payments in accordance with what has already been paid through the years by civil-service employees.

Mr. LUCAS. In other words, the Senator attempts to place Members of Congress on the same basis as the civil-service employee who has been making these payments all these years?

Mr. BYRD. That is exactly correct.

Mr. LUCAS. If I understand the matter correctly from the Senator's previous answer, a Government employee, or a Member of Congress if this bill becomes a law, will pay into the retirement fund 50 percent of the money involved, and the other 50 percent will be paid by the Government?

Mr. BYRD. I say to the Senator that that is the basis of the bill. The beneficiary does not necessarily pay that amount. He is limited to 5 percent a year of his salary.

Mr. LUCAS. I may not have made myself clear. I want to get definitely in my mind just how much the Government is to pay under the bill itself to a Senator after he retires, or what the Senator has to pay, together with the Government, during his service here.

Mr. BYRD. The Senator will have to give me some date.

Mr. LUCAS. Take my own case. I came here on January 3, 1939.

Mr. BYRD. The Senator from Illinois would not be eligible until he had been here 5 years.

Mr. LUCAS. I would not have to pay anything, then, because I would not be eligible?

Mr. BYRD. If the Senator had been here 5 years, he would pay, under my amendment, $1,951, and receive $857 a year.

Mr. LUCAS. I would pay $1,951?

Mr. BYRD. One thousand nine hundred and fifty-one dollars.

Mr. LUCAS. What would the Government pay in addition to the $1,951?

Mr. BYRD. That is a very complicated question. The whole basis of the bill, as I understand, is a 50–50 basis. The Government puts up 50 percent and the contributions by employees of the Government are supposed to aggregate 50 percent.

Mr. LUCAS. If the Government of the United States is paying anything toward the retirement fund of a United States Senator, I cannot support the bill.

Mr. BYRD. I will say that it is doing so in this instance. I think the total appropriation is around $100,000,000 yearly.

All I am asking in regard to this amendment is a yea-and-nay vote upon it. I ask the Senate to do me the courtesy of having a yea-and-nay vote.

The PRESIDING OFFICER. Is the demand for the yeas and nays seconded?

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD] to the amendment reported by the committee.

Mr. BYRD's amendment was, on page 6, line 24, after the word "officer", to insert "No annuity shall be paid any elective officer unless he shall deposit the applicable percentage deduction with interest covering service for at least 5 years next preceding the effective date of retirement: *Provided*, That if deposits are not made for the entire period of the service of such elective officer, said annuity shall be based only on the period of service for which deposits are made, and on any period of service prior to August 1, 1920: *Provided further*, That deposits of such applicable percentage deductions may be made in installments as fixed by the Civil Service Commission."

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] and the Senator from Louisiana [Mr. OVERTON] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Kentucky [Mr. BARKLEY], the Senator from South Dakota [Mr. BULOW], the Senator from Idaho [Mr. CLARK], the Senator from Missouri [Mr. CLARK], the Senator from Texas [Mr. CONNALLY], the Senator from California [Mr. DOWNEY], the Senator from Virginia [Mr. GLASS], the Senator from Utah [Mr. MURDOCK], the Senator from Wyoming [Mr. SCHWARTZ], the Sen-

ator from Arkansas [Mr. SPENCER], the Senator from Indiana [Mr. VAN NUYS], the Senator from New York [Mr. WAGNER], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

The Senators from Iowa [Mr. GILLETTE and Mr. HERRING], the Senator from Texas [Mr. O'DANIEL], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are detained in various Government departments on business pertaining to their respective States.

On this question the Senator from Kentucky [Mr. BARKLEY] has a pair with the Senator from Oregon [Mr. MCNARY]. I am not advised how either Senator would vote if present and voting.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury.

The Senator from New Jersey [Mr. BARBOUR], the Senator from Illinois [Mr. BROOKS], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Oregon [Mr. MCNARY] is unavoidably detained on public business.

The Senator from Minnesota [Mr. BALL] is absent because of illness.

The result was announced—yeas 28, nays 34, as follows:

YEAS—28

Austin	Davis	Mead
Brewster	Ellender	Millikin
Brown	Gerry	Norris
Burton	Green	Radcliffe
Butler	Gurney	Taft
Byrd	Hayden	Vandenberg
Capper	Johnson, Colo.	Wiley
Chandler	Lodge	Willis
Chavez	Lucas	
Danaher	Maybank	

NAYS—34

Aiken	Kilgore	Russell
Bankhead	La Follette	Shipstead
Bilbo	Lee	Smathers
Bone	McCarran	Smith
Bunker	McFarland	Stewart
Caraway	McKellar	Truman
Doxey	Maloney	Tunnell
George	Murray	Wallgren
Guffey	Nye	Wheeler
Hill	Pepper	White
Holman	Reynolds	
Hughes	Rosier	

NOT VOTING—34

Andrews	Gillette	Schwartz
Bailey	Glass	Thomas, Idaho
Ball	Hatch	Spencer
Barbour	Herring	Thomas, Utah
Barkley	Johnson, Calif.	Thomas, Okla.
Bridges	Langer	Tobey
Brooks	McNary	Tydings
Bulow	Murdock	Van Nuys
Clark, Idaho	O'Daniel	Wagner
Clark, Mo.	O'Mahoney	Walsh
Connally	Overton	
Downey	Reed	

So Mr. BYRD'S amendment to the amendment of the committee as amended was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The LEGISLATIVE CLERK. On page 7, line 2, after the words "in the", it is proposed by the committee to insert the words "executive branch of the", so as to make the subsection read:

"(b) The President shall have power, in his discretion, to exclude from the operation of this act any officer or employee or group of officers or employees in the executive branch of the service whose tenure of office or employment is intermittent or of uncertain duration."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment.

Mr. MCKELLAR. Mr. President, I believe my amendment has already been stated, but I ask that it be stated again.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 6, line 9, after the word "Act", it is proposed to strike out the period and to insert a semicolon and the following: "and any such officer or employee may, within 60 days after the effective date of this subsection, withdraw from the purview of this act by giving similar notice of such desire."

The PRESIDING OFFICER. Without objection, the committee amendment on page 6, beginning in line 2, will be reconsidered.

Mr. MEAD. Mr. President, I have not had opportunity to consider this amendment. In view of the fact that it is general legislation and will permit any employee to enjoy its provisions, it occurs to me that it should not be adopted. Under existing law, if a person is in the retirement fund, he can retire and be reinstated in the service the same day, and then he would not have to pay any more into the retirement fund, and he could remain in the service so long as he wanted to. In other words, there is ample provision now for the individual to retire, be reinstated, and freeze his retirement pay. If the proposed provision is written into the law I am told it will be general in its application.

Mr. MCKELLAR. Mr. President, Mr. Wold is clerk to the Joint Committee on Printing, and as an employee of that committee he has been paying into the retirement fund for a number of years. All the amendment does is to permit Mr. Wold to withdraw from the retirement fund if he sees fit to do so. It seems to me the committee could take the matter to conference, at any rate, and iron it out there.

Mr. MEAD. Mr. President, the provision is general in its application, and under existing law an employee can take his retirement and be reinstated the same day and then his retirement remains static until such time as he re-retires, and he will not have to pay anything into the fund.

Mr. MCKELLAR. Mr. Wold desires to withdraw from the retirement fund in which he now is and take such course as he sees fit. It seems to me we should give him the privilege of doing so without forcing him to make a choice in the matter.

Mr. HAYDEN. Mr. President, it is only a matter of providing a statute law for 60 days, the way the amendment reads. I hope the Senator will permit the provision to be taken to conference.

Mr. MEAD. It was hoped we would not have to take the bill to conference.

Mr. HAYDEN. But the provision will remain in effect only for 60 days after the measure is acted upon.

Mr. MCKELLAR. Mr. President, the provision gives Mr. Wold something he ought to have. He has been a faithful servant of the Government. He occupies a position with the Joint Committee on Printing, of which the Senator from Arizona [Mr. HAYDEN] is chairman. It seems to me this privilege should be extended to Mr. Wold under the circumstances.

Mr. MEAD. Of course, the Senator understands that Mr. Wold can take his retirement now, and he could be reappointed. Then he could go back into the service and would not have to pay anything more into the retirement fund, and he could apply for retirement at any time in the future he wanted to. That is his privilege now.

Mr. HAYDEN. But he would have to retire from service.

Mr. MEAD. And then he could be brought right back into it the same day.

Mr. HAYDEN. Why not let him get out of the fund if he wants to? I do not see a particle of difference.

Mr. MEAD. That is perfectly satisfactory to me, but by taking this action we open the field to all civil-service employees.

Mr. HAYDEN. The application of the provision is limited to 60 days.

Mr. MEAD. Yes, but it is open to all others for the same period of 60 days.

Mr. HAYDEN. Yes.

Mr. MCKELLAR. I suggest the Senator take the matter to conference.

Mr. MEAD. Mr. President, after consultation with members of the committee I will accept the amendment, and take it to conference.

Mr. MCKELLAR. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. MCKELLAR] to the committee amendment.

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

Mr. GEORGE. Mr. President, I desire to offer two amendments. The first amendment relates merely to the effective date of the measure. I have discussed the measure with some persons who will have connection with its administration, and it is thought that July 1 would be an appropriate effective date. The bill, as reported, provides for the effective date as of January 1, 1942. That date has already passed, and, of course, the bill would have to be amended in that respect. I suggest that the effective date be fixed as of July 1. If that date be fixed it will be necessary to make a corresponding change in line 16.

Mr. MEAD. Mr. President, I will say that that amendment is acceptable to the committee.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 9, in lines 11 and 13, it is proposed to strike out "January 1, 1942" and to insert "July 1, 1942."

On page 9, in line 16, it is proposed to strike out "December 31, 1941" and to insert "June 30, 1942."

The PRESIDING OFFICER. Without objection, the amendment proposed by the Senator from Georgia is agreed to.

Mr. GEORGE. Mr. President, I have a second amendment, to make inapplicable the provisions of the act to employees of the Senate or the House of Representatives whose employment is purely temporary, or of uncertain duration, and it also authorizes the Architect of the Capitol to exclude from the operation of this act any employees under the Office of the Architect of the Capitol whose tenure of employment is temporary or of uncertain duration. The same rule is applied to temporary employees in the executive branch. The amendment applies to those who are temporarily employed from time to time in order to meet certain situations which arise and whose terms of employment are intermittent. It applies the same principle to the employees in the legislative branch that is already applied in the executive branch.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 7, after line 4, it is proposed to insert the following:

(c) The provisions of this act shall not apply to employees of the Senate or the House of Representatives whose employment is temporary or of uncertain duration; and the Architect of the Capitol is authorized to exclude from the operation of this act any employees under the Office of the Architect of the Capitol whose tenure of employment is temporary or of uncertain duration.

Mr. MEAD. That amendment is acceptable to the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. McKELLAR. Mr. President, I desire to give as a further reason for voting against the bill that I do not think legislative officers ought to be retired.

Mr. MEAD. I wish again to make the statement that, while I voted in favor of the amendment submitted by my distinguished colleague the Senator from Virginia [Mr. BYRD], I did so as a member of the subcommittee which considered that propsal. The subcommittee agreed to the amendment, and as a member of the subcommittee I agreed to bring it to the floor of the Senate.

I am pleased with the action taken by the Senate. I wish to make clear that in the development of the retirement system, the coverage of new groups began coincidentally with the enactment of the law, and the coverage of the new groups was based actuarially on the assessments levied against those covered by the law. I think it is a good bill, and I think it will improve the retirement service generally.

Mr. BYRD. Mr. President, I simply wish to make a statement in regard to the action taken by the subcommittee. This is the first information I have had that the Senator from New York was opposed to the amendment suggested by the Senator from Virginia. To the contrary, he undertook to have the amendment written. During the past few days I have been absent from the city. He prepared an amendment and submitted it to the Senator from Ohio and myself. If he was opposed to the amendment he did not indicate his opposition at the meeting of the subcommittee. I will ask the Senator from Ohio if that is not his recollection.

Mr. MEAD. Mr. President, I think the Senator from Virginia will agree that the arguments which I advanced from the beginning to the end of that conference, in which I mentioned the names of Senators and the debt the country and the Senate owed to those Members, and the fact that this was a deviation from the original coverage of the law, indicated my opposition to the amendment. The bill was reported by a very close vote. I wanted it expedited. I agreed to the Senator's amendment only because I thought it was the proper thing to do under the circumstances.

Nevertheless, Mr. President, while I was outvoted in the subcommittee, those two members of the subcommittee asked me to confer with them. They told me their attitude, and I agreed, in order to expedite the passage of the bill, to have their amendment printed and referred to the retirement system, and to have the figures necessary for this discussion available. Nevertheless, as I pointed out when we met, I thought that the amendment was unfair to certain Members of the Senate who will be forced to retire in the immediate future. If they want to enjoy a pension, they will be forced to pay large sums of money in back assessments. In my opposition to the proposal I mentioned specifically two Members of the Senate, but I kept my word and voted for the amendment.

Mr. NORRIS. Mr. President, I have always felt favorable to a retirement bill. I feel that way now. I have always believed in the extension of the civil service as far as possible. Nevertheless, it seems to me that as the bill now stands it has in it an injustice favorable to ourselves.

The so-called Byrd amendment provided that Members of the House and the Senate who desired to take advantage of the retirement benefits might do so by paying what they would have paid if the provision had been law during the past years and retire at once. It seems to me that that is fair and just. The Senate voted down the Byrd amendment.

As the bill now stands, as I understand, without the payment of the percentages we should have been required to pay during past years if the law had been on the statute books during those years, we can get the same retirement benefit as though we had paid those sums. It does not seem to me that that is fair. I do not believe it is just. When we are voting retirement for ourselves, as compared with voting retirement for somebody else, I think we ought to look at the question a little differently. For that reason, and in view of the possibility that there may not be a yea-and-nay vote on the passage of the bill, I wish the RECORD to show that under the circumstances I feel impelled to vote against the passage of the bill.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the junior Senator from Arkansas [Mr. SPENCER] and will vote. I vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] and the Senator from Louisiana [Mr. OVERTON] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Kentucky [Mr. BARKLEY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. CLARK], the Senator from Missouri [Mr. CLARK], the Senator from California [Mr. DOWNEY], the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. McCARRAN], the Senator from Utah [Mr. MURDOCK], the Senator from Wyoming [Mr. SCHWARTZ], the Senator from Arkansas [Mr. SPENCER], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

The Senator from Iowa [Mr. HERRING], the Senator from Texas [Mr. O'DANIEL], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Oklahoma [Mr. THOMAS] are detained in Government departments on business pertaining to their respective States.

On this question, the Senator from Kentucky [Mr. BARKLEY] has a pair with the Senator from Oregon [Mr. McNARY]. I am not advised how either Senator would vote if present and voting.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury.

The Senator from New Jersey [Mr. BARBOUR] and the Senator from Illinois [Mr. BROOKS] are absent on official business.

The Senator from Oregon [Mr. McNARY] is unavoidably detained on public business.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business. If present, he would vote "yea."

The Senator from Minnesota [Mr. BALL] is absent because of illness.

The result was announced—yeas 42, nays 24, as follows:

YEAS—42

Aiken	Bulow	George
Austin	Bunker	Gillette
Bankhead	Capper	Guffey
Bilbo	Caraway	Hayden
Bone	Davis	Hill
Brown	Doxey	Holman

Hughes	Nye	Stewart
Kilgore	Pepper	Thomas, Utah
La Follette	Reynolds	Truman
Lee	Rosier	Tunnell
McFarland	Russell	Wagner
Maloney	Shipstead	Wallgren
Mead	Smathers	Wheeler
Murray	Smith	White

NAYS—24

Brewster	Gerry	Millikin
Burton	Green	Norris
Butler	Gurney	Radcliffe
Byrd	Johnson, Colo.	Taft
Chandler	Lodge	Tydings
Connally	Lucas	Vandenberg
Danaher	McKellar	Wiley
Ellender	Maybank	Willis

NOT VOTING—30

Andrews	Downey	O'Mahoney
Bailey	Glass	Overton
Ball	Hatch	Reed
Barbour	Herring	Schwartz
Barkley	Johnson, Calif.	Spencer
Bridges	Langer	Thomas, Idaho
Brooks	McCarran	Thomas, Okla.
Chavez	McNary	Tobey
Clark, Idaho	Murdock	Van Nuys
Clark, Mo.	O'Daniel	Walsh

So the bill (H. R. 3487) was passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Swanson, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1936) to provide protection of persons and property from bombing attacks in the United States, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1677. An act authorizing subsistence allowance provided for aviation cadets to be paid to messes in manner as prescribed by the act of March 14, 1940 (Public, No. 433, 76th Cong.);

S. 1995. An act to amend the act approved June 23, 1938, entitled "An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes";

S. 2090. An act to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes," approved March 3, 1909, as amended, so as to extend commissary privileges to such other persons as may be specifically authorized by the Secretary of the Navy;

S. 2094. An act to provide for the rank and title of the Commandant of the Marine Corps;

S. 2095. An act to further amend the act approved June 23, 1938 (52 Stat. 944), as amended;

S. 2160. An act to promote the national security and defense by establishing daylight saving time;

S. 2169. An act to create the Limited Service Marine Corps Reserve, and for other purposes;

H. R. 6128. An act to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; and

H. R. 6325. An act to amend certain provisions of the Internal Revenue Code relating to the production of alcohol.

PROTECTION FROM BOMBING ATTACKS—CONFERENCE REPORT

Mr. REYNOLDS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1936) to provide protection of persons and property from bombing attacks in the United States, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That there is hereby authorized to be appropriated such sums, not exceeding $100,000,000, as may be necessary to enable the Director of Civilian Defense, appointed under authority of Executive Order Numbered 8757, dated May 20, 1941, to provide, under such regulations as the President may prescribe, facilities, supplies, and services to include research and development for the adequate protection of persons and property from bombing attacks, sabotage or other war hazards in such localities in the United States, its Territories and possessions, as may be determined by said Director to be in need of, but unable to provide, such protection: *Provided*, That such facilities and supplies may be loaned to civil authorities in accordance with said regulations: *Provided further*, That any department or agency of the Federal Government having equipment or supplies not required for its use may, subject to the approval of the Division of Procurement, Treasury Department, transfer the same without charge (notwithstanding the provisions of the Act of December 20, 1928, 45 Stat 1030) to the Director of Civilian Defense for the purpose herein authorized.

"SEC. 2. It shall be unlawful for any person to wear an insignia, arm band, or other distinctive article prescribed by the Director of Civilian Defense except in accordance with the regulations promulgated under the authority of section 1 hereof: *Provided*, That nothing in this Act shall be construed as authorizing the Director of Civilian Defense or any person or employee acting under him by authority of this Act, or in pursuance of the regulations prescribed thereunder to interfere with or usurp any of the rights or duties of any local district, municipal, county, or State official.

"Any person found guilty of violating the provisions of this section shall, upon conviction, be fined not more than $100 or imprisoned for not more than thirty days, or both."

And the House agree to the same.

ROBERT R. REYNOLDS,
WARREN R. AUSTIN,
ELBERT D. THOMAS,
Managers on the part of the Senate.

A. J. MAY,
EWING THOMASON,
DOW W HARTER,
W. G. ANDREWS,
DEWEY SHORT,
Managers on the part of the House.

The report was agreed to.

EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BUNKER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. VAN NUYS, from the Committee on the Judiciary:

Victor E. Anderson, of Minnesota, to be United States attorney for the district of Minnesota.

By Mr. McCARRAN, from the Committee on the Judiciary:

Edward C. Eicher, of Iowa, to be Chief Justice of the District Court of the United States for the District of Columbia, vice Alfred A. Wheat, retired.

By Mr. McFARLAND, from the Committee on the Judiciary:

J. Waties Waring, of South Carolina, to be United States district judge for the eastern district of South Carolina, vice Frank K. Myers, deceased; George Bell Timmerman to be United States district judge for the eastern and western districts of South Carolina, vice Alva M. Lumpkin, resigned; and Herbert W. Christenberry, of Louisiana to be United States attorney for the eastern district of Louisiana, vice Rene A. Viosca resigned.

By Mr. McKELLAR from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. HILL. I ask that the nominations in the Army be confirmed en bloc, and that the President be notified forthwith.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc, and the President will be notified forthwith.

That concludes the nominations on the calendar.

ADJOURNMENT

Mr. HILL. As in legislative session, I move that the Senate adjourn.

The motion was agreed to; and (at 3 o'clock and 53 minutes p. m.) the Senate adjourned until tomorrow, Tuesday, January 20, 1942, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 19, 1942:

UNITED STATES CUSTOMS COURT JUDGE

Hon. William A. Ekwall, of Portland, Oreg., to be judge of the United States Customs Court, vice Hon. Walter H. Evans, retired.

UNITED STATES DISTRICT JUDGE

John W. Delehant, of Nebraska, to be United States district judge for the district of Nebraska, vice Thomas C. Munger, retired.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE LIEUTENANT GENERAL

William Signius Knudsen.

TO BE MAJOR GENERAL

Brig. Gen. Julian Francis Barnes (colonel, Field Artillery), Army of the United States.

TO BE BRIGADIER GENERAL

Col. Patrick Jay Hurley, Infantry (Reserve).

CONFIRMATIONS

Executive nominations confirmed by the Senate January 19, 1942.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

Capt. Irvin Schindler to Judge Advocate General's Department.

Maj. Arthur Cecil Ramsey to Quartermaster Corps.

Maj. Carl Eugene Anderson to Finance Department.

Capt. Robert Edwin Cron, Jr., to Corps of Engineers.

First Lt. Archibald William Lyon to Corps of Engineers.

First Lt. Elmer John Gibson to Ordnance Department.

PROMOTIONS IN THE REGULAR ARMY

Charles Wilbur Thomas, Jr., to be colonel, Infantry.

Roscoe Campbell Crawford to be colonel, Corps of Engineers.

Milo Pitcher Fox to be colonel, Corps of Engineers.

Lewis Andrews Nickerson to be colonel, Ordnance Department.

Philip Ries Faymonville to be colonel, Ordnance Department.

Russell Lamonte Maxwell to be colonel, Ordnance Department.

John Shirley Wood to be colonel, Field Artillery.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE MAJOR GENERALS

Fred Clute Wallace
Fred Livingood Walker
Clarence Leonard Tinker
Joseph Taggart McNarney
Lorenzo Dow Gasser

TO BE BRIGADIER GENERALS

Geoffrey Keyes
Paul Woolever Newgarden
William Henry Harrison Morris, Jr.
Willis Henry Hale
Ira Clarence Eaker
Francis Bernard Mallon
Charles Lawrence Bolté
Robert Olds
John Henry Hilldring
Charles Wolcott Ryder
Roscoe Barnett Woodruff
Matthew Bunker Ridgway
Redmond Francis Kernan, Jr.
Maxwell Abraham O'Brien
Cornelius Wendell Wickersham

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 19, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord God, we praise Thee that Thou wilt keep him in perfect peace whose mind is stayed on Thee, like a melody from other spheres; we pray that Thy truth may inspire and strengthen our souls, clothing us with a deathless faith that humanity can never be shorn of its dignity and might Forbid that our lives should be exchanged for anything, for worldly ambition, for the lust of the flesh, but with spirits pulsing with the spirit of our uncreated Master, help us to experience that devotion and sacrifice which are the divine gifts.

Almighty God, we pray that our people may continue along their path with the majesty of a great cause in their souls, sweeping its righteous power through the arteries of our Nation's life. Grant that they may ever leave the lower levels of a complacent and comfortable existence and aspire to the heights of entire dedication to the eternal principles of human liberty; may they seek a closer walk with Him, under whose feet all things shall be put under subjection. In a sad world of want and sin, faith in the Christ means conviction and sacrifice.

Our little systems have their day:
They have their day and cease to be;
They are but broken lights of Thee,
But Thou, O Lord, art more than they.
Amen.

The Journal of the proceedings of Thursday, January 15, 1942, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 6325. An act to amend certain provisions of the Internal Revenue Code relating to the production of alcohol.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2132. An act authorizing the construction of a new lock at St. Marys Falls Canal, Mich., in the interest of national defense; and

S. 2152. An act to provide for the planting of guayule and other rubber-bearing plants in order to make available a source of crude rubber for emergency and defense uses.

EXTENSION OF REMARKS

Mr. RAMSAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial reporting on a bill that has been introduced in the House and explained fully in the contents of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

CONSTRUCTION OF PUBLIC WORKS FOR THE NAVY

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H Res. 407), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 6333, a bill to authorize the Secretary of the Navy to proceed with the construction of certain public works and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. YOUNGDAHL. Mr Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial from the Minneapolis Times-Tribune.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection

THE LATE MORRIS SHEPPARD

Mr. GUYER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GUYER. Mr. Speaker, it was a rule of Senator Morris Sheppard, on the 16th of January, to deliver an address upon the anniversary of the ratification of the eighteenth amendment. Senator Sheppard believed with Gladstone that the liquor traffic had caused more misery and suffering to the human race than war, pestilence, and famine combined, and what we admire about him was that he had the courage of his convictions.

Mr. Speaker, I ask unanimous consent to put in the RECORD a speech made by a former Member of Congress in eulogy of Senator Sheppard.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

EXTENSION OF REMARKS

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a statement I made before the Patman small-business committee.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. FADDIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Charleroi Daily Mail, published in my district.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two respects, and in one to include an editorial from the Santa Monica Outlook, of Santa Monica, Calif.; and the other extension of my remarks to include a speech by Robert A. Morton, of the Los Angeles bar, entitled "A Promise to Hitler."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include two items in the Appendix, one a statement by the executive council of the American Federation of Labor, pertaining to retooling of American industry for war production, and the other an editorial from the

LaCrosse (Wis.) Tribune and Leader-Press of January 15, 1942, entitled "The Formula at Last."

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMERICAN WAR MOTHERS

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I take this time to advise the Members of the House that I have introduced a bill today to amend the American War Mothers Act, by providing that eligibility for membership in that great organization is extended, also, to the mothers of sons and daughters who serve in the Army or Navy of the United States, or in the military or naval service of our Allies, in the present World War.

The mothers of those who now compose our Army and Navy, and those who have sons or daughters serving with our Allies, should be extended the right of membership in the American War Mothers. This right should be extended to all those mothers who had sons or daughters in the Army or Navy of our Nation, or who were serving with our Allies, on the 7th day of December 1941, the time Japan made the ruthless and unwarranted attack upon us, or who may so serve at any time thereafter until the termination of this war.

All mothers who have sons and daughters so serving in this great conflict are our War Mothers. They are entitled to membership in the American War Mothers, and the amendment which I have this day introduced will extend that right to them.

I hope the proper committee, to which this amendment is referred, will act promptly in this matter so this proposed legislation may be brought before the House for action within the next few days. I also hope that this proposed amendment to the American War Mothers Act may be adopted and passed by the House without a dissenting vote. Let us give the mothers of those now serving in our armed forces the same right that was extended to the mothers of those serving in our armed forces in the first World War.

EXTENSION OF REMARKS

Mr. ELIOT of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a newspaper article from the newspaper PM.

The SPEAKER. Is there objection?

There was no objection.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address I delivered on Robert E. Lee.

The SPEAKER. Is there objection?

There was no objection.

CAROLE LOMBARD

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and extend my remarks by the inclusion of a telegram signed by Secretary Morgenthau, and also an address delivered by Carole Lombard, at Indianapolis, last Thursday.

The SPEAKER. Is there objection?

There was no objection.

[Mr. LUDLOW addressed the House. His remarks appear in the Appendix.]

TAXES

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

[Mr. JENKINS of Ohio addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a resolution adopted by the United Slovak Fraternal Organization and Clubs of Gary, Ind., showing their loyalty and unity, under the leadership of the President of the United States.

The SPEAKER. Is there objection?

There was no objection.

REGISTRATION OF CERTAIN PROPAGANDISTS

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6269) to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, as amended, with Senate amendments thereto, and agree to the conference.

The SPEAKER. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. SUMNERS of Texas, Mr. MCLAUGHLIN, and Mr. HANCOCK.

EXTENSION OF REMARKS

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter.

The SPEAKER. Is there objection?

There was no objection.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent on behalf of myself and my colleague the gentleman from South Carolina [Mr. BRYSON] to extend my remarks in the RECORD and include a speech delivered by Senator Joe R. Hanley, of Albany, N. Y., commander in chief of the United Spanish War Veterans, at the Woman's Patriotic Conference on National Defense.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein the address delivered by the Honorable Sumner Welles, Under Secretary of State of the United States, at the opening session of the meeting of foreign ministers at Rio de Janeiro, Brazil, January 15, 1942; also, several editorials from leading newspapers relating to the meeting of foreign ministers at Rio de Janeiro.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a resolution of the grand jury of Los Angeles County.

The SPEAKER. Is there objection?

There was no objection.

THE LATE HON. WILLIAM E. ANDREWS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. CURTIS. Mr. Speaker, with a sad heart I rise to announce the death of a former Member of the House of Representatives, William E. Andrews, who died today at his home at 1225 Fairmont Street, Washington, D. C.

Mr. William Andrews represented the Fifth Congressional District of Nebraska with honor and distinction, first in the Fifty-fourth Congress, from March 4, 1895, to March 4, 1897. From June 9, 1397, to April 30, 1915, he served as auditor for the Treasury, being appointed by former President McKinley. He was elected to the Sixty-sixth Congress and reelected to the Sixty-seventh Congress.

Mr. Andrews served as a member of the faculty at Hastings College, Hastings, Nebr., from January 1885 to January 1893. He was private secretary to the Governor of Nebraska, Hon. Lorenzo Crounse, from 1893 to 1894, before being elected to Congress.

Mr. William E. Andrews had an outstanding career as an educator, statesman, executive, and orator. He was truly one of God's noble men. His high character, his personal integrity, and his steadfast Christian faith have been guideposts to all who knew him. In his passing Nebraska and the Nation have lost a most outstanding citizen and I have lost a very dear friend.

[Here the gavel fell.]

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. KNUTSON. Mr. Speaker, those of us who had the pleasure of serving with Mr. Andrews in this body in the Sixty-sixth and Sixty-seventh Congresses are saddened to hear of his passing. Mr. Andrews came up in life the hard way. He was a fine American, a good friend, and one whose counsel we invariably sought while he was a Member of this body. We extend to his survivors our sincere sympathy.

Mr. CROWTHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CROWTHER. Mr. Speaker, it is with a great deal of regret that those of us who served with him in years past have learned of the death of former Representative William E. Andrews of Nebraska.

There is now no Member in the House who was here when he served his first term in Congress, the fifty-fourth. The dean of our membership is Judge SABATH,

the gentleman from Illinois, who commenced his service in the sixtieth Congress. I came in the sixty-sixth when Mr. Andrews had again been elected to Congress, after a lapse of 21 years. He was a product of the great Middle West. He was a man of high educational qualifications, a zealous worker and a fluent speaker. His activities in Congress were divided about evenly between his abiding interest in agriculture and his interest in the state of Treasury finances. He had been an auditor in the Treasury Department for a long time, and even in those days when the financial affairs of the United States were not as problematic as they are now, he was concerned as to the monetary policy and the future fiscal stability of the Government.

In the Sixty-sixth Congress there were 147 new Members. Of those there are only 6 now in Congress who have had continuous service through that period. So times marches on, and adds to the list year after year of those who have passed on to the Great Beyond.

On behalf of myself and the remaining group who served with him, I extend to his immediate family our heartfelt sympathy in their bereavement. "Goodbye old friend, your name is scrolled on memory's page."

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a short poem written by a constituent.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a letter from a constituent.

The SPEAKER. Is there objection?

There was no objection.

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to extend my remarks in two particulars and in each instance to include an editorial.

The SPEAKER. Is there objection?

There was no objection.

RIGHT-OF-WAY IN ELK GROVE, CALIF.

Mr. BUCK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3193) validating certain conveyances heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, involving certain portions of right-of-way, in the city of Tracy, in the county of San Joaquin, State of California, and in the town of Elk Grove, in the county of Sacramento, State of California, acquired by Central Pacific Railway Co. under the act of Congress approved July 1, 1862 (12 Stat. L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat. L. 356), with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 4, line 1, strike out all after "under" down to and including "prescribe" in line 3, and insert "the applicable mineral land laws."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BOREN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article written by a very able young lawyer in the State of Oklahoma, Mr. Jeff R. Laird.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a resolution passed by the Chippewa Indians of Montana and likewise a resolution passed by the Japanese of Havre, Mont.

The SPEAKER. Is there objection?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

PUYALLUP TRIBE OF INDIANS, STATE OF WASHINGTON

The Clerk called the first bill on the Consent Calendar, H. R. 4578, to authorize certain corrections in the tribal membership roll of the Puyallup Tribe of Indians in the State of Washington, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

COTTON-MARKETING QUOTAS

The Clerk called the next bill, S. 2035, to amend sections 345 and 347 of the Agricultural Adjustment Act of 1938 with respect to cotton-marketing quotas.

Mr. FULMER. Mr. Speaker, I ask unanimous consent that this bill may be recommitted to the Committee on Agriculture.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WATER CONSERVATION AND UTILIZATION PROJECTS

The Clerk called the next bill, H. R. 4648, to amend the act of August 11, 1939 (53 Stat. 1418), entitled "An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States," as amended by the act of October 14, 1940 (54 Stat. 1119).

Mr. COCHRAN. Mr. Speaker, reserving the right to object, when this bill was called on the calendar 2 weeks ago I asked that it go over without prejudice in order that I might make a study of it. I have made an investigation. It is not my purpose to object to the bill, but I do want to call attention to the report, because I do feel that the committees of the House should comply with the spirit of the Ramseyer rule and when they bring before the House a bill amending an act that the amendments be placed in italics so we can see just exactly what the amendments amount to. In this instance the committee prints the existing law and then the amendments separately. In order to determine exactly what the bill does it is necessary to make a comparison of the two.

Mr. Speaker, I withdraw my reservation of objection.

Mr. LEWIS. Mr. Speaker, reserving the right to object, will the gentleman from Nebraska explain the bill?

Mr. CURTIS. I shall be pleased to explain the bill.

Mr. Speaker, when this bill was called on the Consent Calendar 2 weeks ago the gentleman from Missouri asked that it go over without prejudice in order that he might have time to check into the matter.

This is a bill which carries some clarifying language to what is known as the Wheeler-Case law.

Mr. LEWIS. With which I am familiar.

Mr. CURTIS. It is neither an authorization nor an appropriation. It has the approval of the Bureau of Irrigation and Reclamation. In detail this is what it does: The original act granted authority in the construction of these small irrigation projects to make certain allocations for municipal water supply and other uses and flood control. In all the items except flood control it set up the procedure for such a charge-off and placed a limit thereon. It did not do so with respect to flood control. The pending bill clarifies that.

Mr. LEWIS. To what extent?

Mr. CURTIS. It puts the same limit and the same terms on flood control as it does on the other items mentioned in the original act.

Mr. LEWIS. That is $500,000.

Mr. CURTIS. That is right. This means that the Federal Government may make a charge-off of not to exceed that amount, in the reimbursable farmers' costs, for flood control when the engineers' report shows a justification for it.

Mr. LEWIS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States," approved August 11, 1939 (53 Stat. 1418), as amended by the act of October 14, 1940 (54 Stat. 1119), is hereby amended so as to strike out the period at the end of the section, adding a comma, and the following language: "and that expenditures from appropriations made directly pursuant to the authority contained in section 12 (1) to meet costs allocated to flood control upon recommendation of the Chief of Engineers, War Department, shall not exceed $500,000 on any one project."

With the following committee amendment:

Page 2, line 4, strike out the words "upon recommendation of", and insert in lieu thereof "by the Secretary after consultation with."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF EMPLOYMENT STABILIZATION ACT

The Clerk called the next bill, H. R. 5638, to amend the act entitled "Employment Stabilization Act of 1931," approved February 10, 1931.

Mr. KEAN. Mr. Speaker, reserving the right to object, it seems to me this bill lays down a very broad policy. It authorizes an appropriation annually of such sums as may be necessary, and it looks to me as if it is a little too important a matter to be disposed of by unanimous consent. I therefore ask that the bill go over without prejudice.

Mr. BEITER. Mr. Speaker, will the gentleman withhold his request to permit an explanation?

Mr. KEAN. Certainly.

Mr. BEITER. This bill was called on the Consent Calendar 2 weeks ago. At that time the gentleman from Michigan [Mr. WOLCOTT] asked that it go over without prejudice in order that a further study could be made of it. It was the contention of the gentleman from Michigan, I believe, that several Members of the House wished to make a further study of the subject.

This is an important bill. It has the endorsement of the National Resources Planning Board and the Bureau of the Budget. It was unanimously reported from the Committee on Labor. On last Thursday the Senate Committee on Education and Labor unanimously approved a similar measure. It is a very simple bill, a simple authorization act.

The gentleman knows from our experiences after the first World War that lack of planning caused an employment slump which reached alarming proportions. This bill would permit examinations, surveys, and investigations of public-works projects, proposed as part of comprehensive plans for the protection and development of the resources of the Nation, to be undertaken by Federal, State, and local agencies as part of a post-defense planning program. I think you will agree that this is a worthy purpose. However, if we are to continue to have objections under the unanimous-consent rule I will be glad to ask for a special rule for the bill's consideration so that the entire matter can be discussed in detail. I would like to see the bill go through today and hope the gentleman will withdraw his objection, but if he does not want to do this I will act at once to request a special rule. If it is necessary to debate the merits of the bill, I will enter into such debate and furnish any additional information regarding it which is thought to be necessary.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. KEAN. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. The Federal Government has put much money into the State employment agencies, so-called, and now I understand the Federal Government is taking them over. Is there anything in that?

Mr. BEITER. No. If this bill is passed, it permits the National Resources Planning Board to confer with local planning agencies and with the mayors of cities and plan a program for the post-war period.

Mr. GIFFORD. I take this opportunity to warn the House that the Federal Government is reaching in now and taking over the employment agencies in the States.

Mr. BENDER. They are trying to do that.

Mr. GIFFORD. They are doing it, because they are putting up the money. They are walking in now and taking them over.

Mr. BEITER. I understand what the gentleman has in mind, but this bill does not do that.

Mr. GIFFORD. Will the gentleman help me oppose any such business?

Mr. BEITER. I certainly will help the gentleman oppose that.

Mr. KEAN. Mr. Speaker, I insist on my request that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

UNITED STATES NAVAL ACADEMY

The Clerk called the next business, Senate Joint Resolution 80, providing for the celebration in 1945 of the one hundredth anniversary of the founding of the United States Naval Academy, Annapolis, Md.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. ROBSION of Kentucky. Reserving the right to object, Mr. Speaker, I should like to have an explanation as to what the bill will cost and what it is contemplated to do.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from Ohio.

Mr. BENDER. This measure is a very simple one. The words of the title tell the whole story.

Mr. ROBSION of Kentucky. What will it cost?

Mr. BENDER. As far as I know, it will not cost anything.

Mr. ROBSION of Kentucky. Does the gentleman know it will not cost anything?

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from Michigan.

Mr. WOLCOTT. The bill provides for an authorization of $5,000.

Mr. ROBSION of Kentucky. I withdraw my reservation of objection, Mr. Speaker.

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, this anniversary will not be celebrated until 1945. Perhaps the amount involved in the bill before us may seem rather unimportant, in view of the billions we are spending in the war effort, but, after all, I think we should save wherever possible, whether it be a billion dollars or a thousand dollars. Perhaps the Treasury of the United States will be in a little better position next year to give consideration to the expenditure of even this small amount.

In view of the fact that we must pinch every penny in carrying on this war, I believe it does not look very well for us to be appropriating money to celebrate events, no matter how splendid and fine they are. For that reason I am compelled to object to the consideration of this bill.

Mr. COLE of New York. I object, Mr. Speaker.

Mr. KEAN. I object, Mr. Speaker.

UNITED STATES MARITIME COMMISSION

The Clerk called House Joint Resolution 231 to authorize the United States Maritime Commission to adjust certain obligations, and for other purposes.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That all payments heretofore made by the United States Maritime Commission on account of hospitalization, care, and medical or surgical services for injured employees, under an agreement or commitment made or assumed by the said Commission or the United States Shipping Board (Emergency) Merchant Fleet Corporation for the continuance of such services or payments during the disability of such employees, are hereby approved and confirmed. Such agreement or commitment shall effective July 1, 1937, be held and considered to be an existing contractual obligation on the part of the said Fleet Corporation under section 203 of the Merchant Marine Act, 1936, as amended, and the said Commission shall, effective July 1, 1940, continue such services and payments under such contractual obligation for the contemplated period, until and unless the Commission enters into an agreement or arrangement on such terms and conditions as it deems appropriate for the adjustment or termination of such services and payments, in which case payments shall be made in accordance with the new agreement or arrangement.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That all payments heretofore made by the United States Maritime Commission on account of hospitalization, care, and medical or surgical services for Leo Mulvey, under an agreement or commitment made or assumed by the said Commission or the United States Shipping Board (Emergency) Merchant Fleet Corporation for the continuance of such services or payments during the disability of the said Leo Mulvey, are hereby approved and confirmed. Such agreement or commitment shall, effective July 1, 1937, be held and considered to be an existing contractual obligation on the part of the said Fleet Corporation under section 203 of the Merchant Marine Act, 1936, as amended, and the said Commission shall, effective July 1, 1940, continue such services and payments under such contractual obligation for the contemplated period, until and unless the Commission enters into an agreement or arrangement on such terms and conditions as it deems appropriate for the adjustment or termination of such services and payments, in which case payments shall be made in accordance with the new agreement or arrangement."

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read

the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "Joint resolution to approve and authorize the continuance of certain payments for the hospitalization and care of Leo Mulvey, and for other purposes."

PAY FOR ARMY OFFICERS

The Clerk called the next bill, H. R. 5480, to provide pay for officers in accordance with the rank and grade in which they were inducted and served in the land forces.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That persons inducted into the land forces of the United States, or called to active duty therein, in grades or ranks to which not entitled under laws and regulations in effect at the time of said induction or call, shall, notwithstanding and administrative determination to the contrary, be entitled to the pay and allowances of the rank or grade in which inducted or called for the period during which they in fact served in said erroneous rank or grade, to be paid out of the appropriation available on the date of the enactment hereof for pay of the Army: *Provided*, That the Secretary of War determines that the induction or call of said persons in said erroneous grade or rank was without fault on the part of said persons so inducted or called.

SEC. 2. Payments heretofore erroneously made to such persons described in section 1 hereof are hereby ratified and validated and credit therefor shall be allowed by the Comptroller General of the United States in the accounts of disbursing officers making said payments: *Provided*, That any amounts collected from any person on account of payments which are herein validated shall be refunded to said person upon the presentation of a claim therefor to the Comptroller General of the United States who is authorized and directed to certify said claim to the Secretary of the Treasury for payment out of any money in the Treasury not otherwise appropriated.

With the following committee amendments:

Page 1, line 4, after "States", strike out "or called to active duty therein" and insert "as a part of the National Guard of the United States under Public Resolution No. 96, approved August 27, 1940."

Line 9, strike out "and" and insert "an."

Page 2, line 18, after "any", strike out "money in the Treasury not otherwise appropriated" and insert "funds available for pay of the Army."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BLAIR COUNTY, PA.

The Clerk called the next bill, H. R. 5481, to transfer Blair County, Pa., from the western judicial district of Pennsylvania to the middle judicial district of Pennsylvania.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Blair County, Pa., of the western judicial district of Pennsylvania, be, and it is hereby, detached from said judicial district and attached to the middle judicial district of Pennsylvania.

With the following committee amendment:

Page 1, line 6, after "Pennsylvania", insert a colon and the following: "*Provided*, That the transfer herein provided shall not affect any case or proceedings now pending."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF CLASSIFICATION ACT OF 1923

The Clerk called the next bill, H. R. 6217, to amend section 13 of the Classification Act of 1923, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MOSER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. RAMSPECK. Reserving the right to object, Mr. Speaker, I call the attention of my friend to the fact that the testimony before the committee, of which the gentleman is a member, was to the effect that this bill is definitely a help to national defense. The administration is very eager to have it passed, promptly, in order that the Navy Department may get a higher grade of personnel for guard positions and so other agencies may retain and secure mechanics in the Government service. True, it covers some other matters, but I hope my friend may be willing to let the bill go through.

Mr. MOSER. Mr. Speaker, practically everybody in the Government is trying to take a free ride at the expense of national defense, and we have embarked on the policy of cutting out nondefense spending. Here is a bill that will carry an increase in salaries to persons who are in the classified civil service drawing salaries from $5,600 to $9,500 a year. I do not mind increasing the wages of a guard and helping the Navy Department recruit a superior personnel to that which they presently have, but I do object to giving every bureaucrat in the Government of the United States and every person in the high brackets of salary under the classified service a free ride every time we do something for the under dog, for charwomen, guards, and so forth, of low salary. I spent 22 years in the classified service getting up just about half that high, and with the gigantic strides that we have been taking I am constrained to object and shall ever object to increasing anybody in the classified service to a point in such service where the salary of such positions will exceed the salary of a Member of the Congress.

Mr. RAMSPECK. The gentleman knows there is nothing in this bill that will permit anybody to draw a salary above $10,000 a year, and he also knows that the part of the bill he is discussing costs only $300,000, whereas the total cost of the bill is $15,000,000, the other money going to the lower-paid people who need it greatly and whose salaries are now far below the going rates in private employment.

Mr. MOSER. The aggregate of the increase in the bill will be something like $4,000,000 to the higher brackets. There are classifications there that will receive as much as $600. I am constrained to object to that part of the bill.

Mr. RAMSPECK. The testimony of all the officials of the Government was that the net increase for the higher grades would be $300,000 per year, and I furnished the gentleman with a statement to that effect showing the number of positions and the number that are already above this $9,000 limit either by an act of Congress or because they are not under the Classification Act. There are many of them outside the Classification Act receiving above $9,000 per year.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. MOSER]?

Mr. RAMSPECK. Mr. Speaker, I object to the bill being passed over.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MOSER. I object, Mr. Speaker.

MAINTENANCE OF SECRECY OF MILITARY INFORMATION

The Clerk called the next business, House Joint Resolution 264, to maintain the secrecy of military information.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that a similar Senate joint resolution may be considered in lieu of the House joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate joint resolution (S. J. Res. 124), as follows:

Resolved, etc., That effective as of May 27, 1941, section 12 (h) of the Neutrality Act of 1939 (Public Res. No. 54, 76th Cong.) is amended by adding at the end thereof the following new sentence: "Any reports required by this section may be omitted or dispensed with in the discretion of the Secretary of State during the existence of a state of war."

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The similar House joint resolution was laid on the table.

THE INTER AMERICAN STATISTICAL INSTITUTE

The Clerk called the next business, House Joint Resolution 219, to enable the United States to become an adhering member of the Inter American Statistical Institute.

Mr. KEAN. Mr. Speaker, reserving the right to object, may I ask the gentleman from New York [Mr. BLOOM] whether, in his opinion, the passage of this joint resolution will help in winning the war by improving relations with our South American friends? If that is so, I shall be very pleased to support the bill.

Mr. BLOOM. In answer to the gentleman, I will say yes, and, furthermore it will give us at this time information that will be valuable not only to this country but to the countries of this hemisphere. The measure is recommended by the President, the Secretary of State,

the Bureau of the Budget, the Census Bureau, and one other department.

Mr. KEAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the House joint resolution?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to substitute Senate Joint Resolution 96, a similar resolution.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate joint resolution.

The Clerk read as follows:

Resolved, etc., That to enable the United States to become an adhering member of the Inter American Statistical Institute, there is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be required for expenditure under the direction of the Secretary of State, for the payment of the share of the United States toward the support of the institute: *Provided*, That the share of the United States each year after the second year shall not exceed 50 percent of the total contribution made for the same purposes by all adhering member governments during the year preceding the one for which payment is made: *Provided further*, That the total cost to the United States shall not exceed $35,000 in any one year.

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

House Joint Resolution 219 was ordered to lie on the table.

The SPEAKER. This concludes the calling of the Consent Calendar, as the last four bills have not been on the calendar for 3 legislative days.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, it is expected that we will take up the conference report upon the price control bill on Thursday, if it is filed before that time. Even if filed tomorrow or today, it will not come up until Thursday.

We expect to take up tomorrow a bill from the Naval Affairs Committee. A rule has been reported today authorizing the consideration of that bill, which provides for an expenditure of $450,000,000 for shore construction.

AUTHORIZING VESSELS OF CANADIAN REGISTRY TO TRANSPORT IRON ORE

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 2204, authorizing vessels of Canadian registry to transport iron ore on the Great Lakes during 1942.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object, to have the gentleman from Virginia give us an explanation of the bill.

Mr. BLAND. Mr. Speaker, an identical bill was passed last year, applicable only to the year 1941, permitting the transportation of iron ore in vessels of Canadian registry. That bill was limited to the year 1941. This identical bill provides for the same thing for the season of 1942 It is important that an immediate arrangement be made, in order that we may get the benefit of the transportation of the ore.

Mr. MARTIN of Massachusetts. The extension is for 1 more year?

Mr. BLAND. The bill provides for 1 year. I have polled 16 out of the 21 members of the committee, and all of the members on the gentleman's side, except 1 I have seen, and they think this bill should be passed immediately.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, by reason of emergency conditions in transportation on the Great Lakes, notwithstanding the provisions of section 27 of the act of Congress approved June 5, 1920 (41 Stat. 999), as amended by act of Congress approved April 11, 1935 (49 Stat. 154), and by act of Congress approved July 2, 1935 (49 Stat. 442), or the provisions of any other act of Congress or regulation, vessels of Canadian registry shall be permitted to transport iron ore between United States ports on the Great Lakes during the 1942 season of navigation on the Great Lakes.

The Senate bill was ordered to be read a third time, was read the third, and passed, and a motion to reconsider laid on the table.

CIVILIAN-DEFENSE LEGISLATION

Mr. MAY. Mr. Speaker, I call up the conference report upon the bill S. 1936, to provide protection of persons and property from bombing attacks in the United States, and for other purposes, and ask unanimous consent that the statement of the conferees be read in lieu of the report.

Mr. MARTIN J. KENNEDY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present.

CALL OF THE HOUSE

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 8]

Barden	Ditter	Kee
Barry	Downs	Kelley, Pa.
Bell	Drewry	Kennedy,
Bishop	Fish	Michael J.
Boykin	Flannagan	Kilburn
Bradley, Pa.	Ford, Thomas F.	Kleberg
Buckley, N. Y.	Gamble	Klein
Bulwinkle	Gavagan	Kramer
Burch	Grant, Ind.	Kunkel
Byron	Hall,	Larrabee
Cannon, Fla.	Leonard W.	Leavy
Capozzoli	Harris, Va.	McGranery
Casey, Mass.	Healey	McIntyre
Clark	Hill, Colo.	Maciora
Claypool	Hope	Magnuson
Coffee, Nebr.	Houston	Marcantonio
Courtney	Howell	Merritt
Creal	Jensen	Monroney
Culkin	Johnson, Ill.	Myers, Pa.
Cullen	Johnson,	Norrell
Delaney	Lyndon B.	Norton
O'Day	Romjue	Taber
O'Leary	Sacks	Thom
Osmers	Sauthoff	Van Zandt
O'Toole	Schaefer, Ill.	Vreeland
Pfeifer,	Scott	Wasielewski
Joseph L.	Sheridan	Weiss
Reed, N. Y.	Short	Wene
Rizley	Smith, Pa.	West
Robertson,	Snyder	Wilson
N. Dak.	South	Winter
Robertson, Va.	Stratton	Worley
Rogers, Mass.	Sumners, Tex.	Wright
Rogers, Okla.	Sweeney	

The SPEAKER. On this roll call 332 members have answered to their names, a quorum.

By unanimous consent, further proceedings, under the call, were dispensed with.

CIVILIAN DEFENSE LEGISLATION

Mr. MAY. Mr. Speaker, I call up the conference report on the bill (S. 1936), to provide protection of persons and property from bombing attacks in the United States, and for other purposes, and I ask unanimous consent that the Clerk may read the statement in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky

Mr. MARTIN J. KENNEDY. Mr. Speaker, reserving the right to object, is it the intention of the gentleman from Kentucky to use any time to explain this report?

Mr. MAY. Yes; I expect to explain it.

Mr. MARTIN J. KENNEDY. Does the gentleman expect to use the hour provided under the rule?

Mr. MAY. Well, I do not think I shall use that much time. Gentlemen on the other side may use some time.

Mr. MARTIN J. KENNEDY. I hope the gentleman will find it possible to use all that time.

Mr. MAY. We will determine that when we come to it.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1936) to provide protection of persons and property from bombing attacks in the United States, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That there is hereby authorized to be appropriated such sums, not exceeding $100,000,000, as may be necessary to enable the Director of Civilian Defense, appointed under authority of Executive Order Numbered 8757, dated May 20, 1941, to provide, under such regulations as the President may prescribe, facilities, supplies, and services to include research and development for the adequate protection of persons and property from

bombing attacks, sabotage or other war hazards in such localities in the United States, its Territories and possessions, as may be determined by said Director to be in need of, but unable to provide, such protection: *Provided*, That such facilities and supplies may be loaned to civil authorities in accordance with said regulations: *Provided further*, That any department or agency of the Federal Government having equipment or supplies not required for its use may, subject to the approval of the Division of Procurement, Treasury Departr ent, transfer the same without charge (notwithstanding the provisions of the Act of December 20, 1928, 45 Stat. 1030) to the Director of Civilian Defense for the purpose herein authorized.

"SEC. 2. It shall be unlawful for any person to wear an insignia, arm band, or other distinctive article prescribed by the Director of Civilian Defense except in accordance with the regulations promulgated under the authority of section 1 hereof: *Provided*, That nothing in this Act shall be construed as authorizing the Director of Civilian Defense or any person or employee acting under him by authority of this Act, or in pursuance of the regulations prescribed thereunder to interfere with or usurp any of the rights or duties of any local district, municipal, county, or State official.

"Any person found guilty of violating the provisions of this section shall, upon conviction, be fined not more than $100 or imprisoned for not more than thirty days, or both."

And the House agree to the same.

A. J. MAY,
EWING THOMASON,
DOW W. HARTER,
W. G. ANDREWS,
DEWEY SHORT,
Managers on the part of the House.

ROBT. R. REYNOLDS,
WARREN R. AUSTIN,
ELBERT D. THOMAS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1936) to provide protection of persons and property from bombing attacks in the United States, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate bill contained no limitation on the amounts to be appropriated to carry out the purposes of the bill. The House amendment imposed a limitation of $100,000,000 on such amounts. The conference agreement adopts the House limitation.

The Senate bill provided that the facilities, supplies, and services to be furnished under the provisions of the bill should be furnished by the Director of Civilian Defense. The House amendment provided for the furnishing of such facilities, supplies, and services by the Secretary of War. The conference agreement adopts the Senate provision.

The Senate bill provided for the furnishing of facilities, supplies, and services only for protection from bombing attacks. The House amendment includes language to permit the furnishing of such facilities, supplies, and services for protection from sabotage, and other war hazards. The conference agreement retains this feature of the House amendment.

The House amendment added a proviso to section 2 of the Senate bill providing that nothing in the bill should be construed to authorize any person acting under authority of the bill to interfere with or usurp any of the rights or duties of any local district, municipal, county, or State official. The conference agreement retains this proviso.

The Senate bill provided for imprisonment for not more than 6 months of persons convicted of violating regulations prescribed by the Director of Civilian Defense with respect to the wearing of distinctive articles prescribed by him. The House amendment reduced the maximum imprisonment term to 30 days. The conference agreement adopts the House limitation.

A. J. MAY,
EWING THOMASON,
DOW W. HARTER,
W. G. ANDREWS,
DEWEY SHORT,
Managers on the part of the House.

The SPEAKER pro tempore (Mr. ZIMMERMAN). The gentleman from Kentucky [Mr. MAY], is recognized for 1 hour.

Mr. MAY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the statement of the conferees which has just been read to the House is a very clear statement of exactly what transpired in the conference. I understand, and you understand, of course, that the controversial features of the legislation were the question of whether the expenditure of the money and the administration of the agency that is to be provided under this legislation should be under the jurisdiction of the War Department or whether it should remain with the civilian director, whoever he may be. Your conferees and the Senate conferees have agreed upon a unanimous report. It was the contention of the House conferees that the amount of the appropriation should be limited as stated in the House bill, and that was done. Evidence before the House Committee on Military Affairs never did disclose the necessity for a larger expenditure than $92,000,000. We put over that a margin of about $8,000,000 to take care of any contingencies that might arise.

There was another question raised on the floor of the House among some of the membership and that was the question of whether or not there was going to be any protection to cities in the interior beyond the 300-mile border that had been testified to by the civilian director before the House committee. I have here, and it is too lengthy to take up the time to read it, a list of cities in the interior, reaching all the way from the Middle West back to the border line 300 miles in, which includes every city that has been so far determined to be engaged in national defense efforts. Another question that some Members have mentioned to me is the question of whether or not any of this money will be applied to aid cities like New York, Pittsburgh, Detroit, and Chicago. I would say with reference to that that the legislation itself settles that question by providing expressly that it is to be furnished only to those cities which need but are unable financially to procure equipment.

I regard this as a very important piece of legislation.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. MARTIN of Massachusetts. When the gentleman says the legislation provides for cities in need, does not that include every city?

Mr. MAY. Cities that need but are not able to buy.

Mr. MARTIN of Massachusetts. Do you not think that every one of them would be classified that way?

Mr. MAY. They could be classified if somebody wanted to say that Pittsburgh, for instance, with all of its wealth and defense industry was unable to do that, but I do not think anybody will take that kind of a stand.

Mr. MARTIN of Massachusetts. Who will do the classifying?

Mr. MAY. It is to be done by the civilian director.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. EBERHARTER. When the gentleman speaks of a particular city being able to buy all this equipment, even though the inhabitants of a city may be wealthy, perhaps the finances of the city are not in condition to purchase all this needed material. I may say that is the condition in Pittsburgh. I do not want that statement of the gentleman to remain unchallenged in the RECORD, because the finances of the city of Pittsburgh are not such that they can afford to spend a lot of money for civilian defense purposes.

Mr. MAY. I imagine that the city of Pittsburgh still has the power to levy and collect taxes.

Mr. EBERHARTER. Oh, yes; they can levy taxes, and they also have the power to issue bonds.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. CASE of South Dakota. In view of the fact that the mayor of the city of New York has come to Washington repeatedly with tin cup in hand, does the gentleman think that the Director of Civilian Defense will have any difficulty in finding that New York City is one of the cities in want?

Mr. MAY. Well, I do not think that question is for me to answer. The cities of the United States in many instances over a period of years have been running to Washington, hat in hand, after every dollar they can bleed the Federal Government for and I hope this activity shall not bring another era of that kind.

[Here the gavel fell.]

Mr. MAY. Mr. Speaker, I yield myself 5 additional minutes.

The SPEAKER pro tempore (Mr. ZIMMERMAN). The gentleman from Kentucky is recognized for 5 additional minutes.

Mr. MAY. All men, including the gentleman from South Dakota and myself, and the mayor of New York, are supposed to have some degree of honesty, especially when they occupy public office.

Mr. CASE of South Dakota. I am not questioning anyone's honesty.

Mr. MAY. We should start out on this program on the assumption that those in responsible positions will not make requests on bases that cannot be supported.

Mr. CASE of South Dakota. I am not questioning honesty in any quarter. I based my question on the well-known record that the mayor of the city of New York has been down here many times asking for various forms of Federal relief. My point is that if the city of New York is a city in need of financial

aid, certainly every other city in the country will seek to qualify as a city in need.

Mr. MAY. I do not think the city of New York has applied for any of this equipment so far except on its own account.

Mr. HARNESS. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. HARNESS. I wonder if the chairman of the Military Affairs Committee has any information as to how much of the $100,000,000 will be used in paying salaries of appointees of the Director for services throughout the country?

Mr. MAY. It is my information that the Director himself and all of these upper officers who have volunteered their services are not on salaries .

Mr. HARNESS. But in the field the Director may appoint any number of employees without any qualification, any number he wants to put on, and fix their salaries.

Mr. MAY. That is true of every department where we pass this type of legislation, and the gentleman from Indiana is a member of the committee that conducted the hearings and I wonder if he can answer his own question.

Mr. MARTIN J. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. MARTIN J. KENNEDY. I hope the gentleman does not intend to preclude New York from participation in this act, because the gentleman must know that the emergency tax now being collected in that city for unemployment is being used to pay the general expenses of the city; it is being diverted. So, the gentleman can see our pathetic position. His statement might place us in the unfortunate position of not being able to get any of this money. Certain salaries are not being paid in the city of New York at the present time.

Mr. MAY. I mentioned the city of New York merely as a means of answering indirectly the criticisms that were passed upon the mayor of New York here the other day in the discussion of the legislation.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. MAY. I cannot yield further at the moment. I shall be pleased to yield a little later if I have time.

On another question dealing with protection against bombing, the House bill as originally drawn was confined simply to that, but an amendment suggested, I believe, by one of the gentlemen from Virginia, was adopted which provided that the protection should extend also against fires resulting from bombing or damage from any other war efforts or activities. That was to broaden the legislation so as to protect for all purposes.

The principal reason which induced your conferees to yield on the question of giving the direction of this program over to the Civilian Director and not the Secretary of War was a second letter sent to the conferees, or to me, rather, as chairman of the Military Affairs Committee, under date of January 12, by the Secretary of War.

Secretary Stimson, you will recall, objected to being given the job in a letter early in the hearings. That letter was included in the hearings and was referred to on the floor of the House by the gentleman from Texas [Mr. THOMASON]. At the time of the meeting of the conferees we had a second message from the Secretary of War in which he said this:

> The House now would force upon the War Department duties not directly related to its basic military mission. They do this at the commencement of the greatest military expansion and development this country has ever known and during a time it is engaged in what may well be a war decisive of the possibility of the survival of Christian civilization. If agreed to, it will necessarily require the diversion for military activities of a large number of personnel that cannot be spared.

On receipt of that statement from the Secretary of War the conferees felt it was a duty they owed to this country not to cripple or add to the difficulties of the Chief of our Military Establishment.

In addition to that we provided—and I have a statement here from the Civilian Director—that all of this money is going to be spent through the War Department. So the Civilian Director is a mere person in a position. Here is what the Civilian Director himself said about it:

> All equipment will be purchased and inspected by the War Department. Specifications and plans have already been worked out by the Office of Civilian Defense and the Quartermaster of the United States Army. All medical supplies will be purchased by the War Department. Specifications have been prepared by the Office of Civilian Defense and the Surgeon General's Office of the United States Army. Of course, all of the gas masks and other supplies of that kind would be bought through the Chemical Warfare Service.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield to the gentleman from New York.

Mr. CELLER. I want to get clear and I think the other Members of the House want to get clear just what is meant by "Director of Civilian Defense" and what is meant by "Executive Director of the Office of Civilian Defense." Dean Landis was appointed Executive Director and Mayor LaGuardia is the Director. What is the difference between the two?

Mr. MAY. Frankly, I do not know what the difference is, except I would take it that the Executive Director exercises some executive duties, and the Civilian Director determines what shall be done.

Mr. McKEOUGH. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Illinois.

Mr. McKEOUGH. Does the gentleman's study of this legislation indicate through whom ambulances for civilian defense needs will be authorized and purchased?

Mr. MAY. I think that will be done through the office of the Surgeon General, and it will probably be put under the operation of the Red Cross.

[Here the gavel fell.]

Mr. MAY. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. ANDREWS].

Mr. ANDREWS. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, unfortunately the gentleman from Missouri [Mr. SHORT], one of the conferees, is detained at his home through illness today, but he has authorized me to say to those on the minority side that he concurs generally in the views which I shall express to you. We both signed this conference report with misgivings and reluctance.

I point out to the House that since the House acted upon this very important measure a number of matters have occurred which have some bearing on the situation.

In the first place, the House itself voted to place the administration of this measure under the War Department, but refused by a vote of 1 to authorize the appointment of an Assistant Secretary of War who would be charged with the administration of the act. It is true that the Secretary of War addressed the conferees in a letter at the time of the conference, but I can very easily imagine how the Secretary of War would not want the administration of the act when the Congress itself had not been willing to authorize an Assistant Secretary of War through whom civilian defense would be administrated.

In addition, our views were somewhat altered by the fact that the day following the House action on this measure the President saw fit to appoint an executive director, Dean Landis, of the Harvard Law School, and the chances are that, if given full opportunity, he would administer this act reasonably well.

On top of that, we have the direct statement from the mayor of New York that on the adoption of this measure and some minor legislation in connection with it he will resign either as mayor of New York or as the administrator of this act.

As far as the conference report is concerned, the Senate yielded on every point to the House, and the exact language of the House bill is retained, with the exception that "Civilian Defense Director" is substituted wherever the title "Secretary of War" occurs in the provisions of the House bill.

The limitation on appropriations is the same as in the House bill, $100,000,000.

Further, the Civilian Defense Administration reported to the conferees in a message which has just been read by the chairman of the committee that all purchasing, insofar as they were able to do it, was being done, and will be done, through the offices of the War Department, upon the recommendation of the Surgeon General, and otherwise.

For all of these reasons, the gentleman from Missouri and I saw fit, as I say, to sign the conference report reluctantly. We can see nothing particularly to be gained today by undue opposition to it unless there were to be an Assistant Secretary of War to administer it.

We do feel, however, that it should be the duty of Congress to point out faulty administration of this act. At the same time, we express the hope that sooner or later this act will be administered by one person, either Mr. LaGuardia or Mr. Landis, and that one of them alone will completely administer the act.

I received only this morning a report from the chairman of the national-defense committee of the American Legion of Erie County, which is in western New

York, which I wish to call to your attention:

As chairman of the national defense committee of the American Legion of Erie County, and as a citizen, the failure of cooperation between the Buffalo council of defense, the Erie County council of defense, and the other defense committees in the eighth judicial district, particularly along the Niagara frontier, has been a source of disgust and alarm Individual aims, petty bickerings, jealousies, and presumably politics, are a serious draw-back to the coordination of facilities for civilian defense.

There is now a move to have the Governor appoint a coordinator for Niagara and Erie Counties. In my judgment this is a job for the Army of the United States, to make certain that there will be no semblance or claim of politics entering into the matter.

I observed the black-out rehearsal on December 26, 1941, and the following occurred to me:

From Niagara Falls as far south as Pittsburgh, and as far west as Cleveland, is a section that is one of the most vital defense areas in America. It should be guarded as carefully as the Atlantic and Pacific coast lines, the Panama Canal, and an actual war section, for the only hope of the Axis Powers, and a scant one at that, of having this war end in a stalemate, is by crippling the industrial strength of America. This area should be in charge of an Army officer of high rank and ability, with disciplinary powers over local defense councils. Under him should be subordinate officers for that part of each State within the area. Unless this is done civilian and national defense in this locality will get nowhere. There will be conflicts of opinion and lack of coordination and poor functioning all along the line. Adequate defense measures should be adopted and enforced and it is only under military jurisdiction that it can be accomplished. The history of past wars has demonstrated this.

The Army officer in charge should collaborate with a similar officer in the area extending from Toronto to Buffalo and Cleveland. Whenever there is a black-out it should extend simultaneously from Toronto to Pittsburgh. On the night of the black-out rehearsal in Buffalo, the Canadian side of the Niagara River from Toronto to Fort Erie was brightly lighted. In an actual black-out what would the use of a black-out in Buffalo and vicinity if a target and guide is furnished the enemy to enable them to locate Buffalo?

To give you an example of overlapping and the lack of cooperation, the Erie County defense committee is about to set up a battery of direct telephone communications to warn the communities throughout the county. There will be 20 telephones in service, 24 hours a day, requiring not less than 80 volunteers for each 24 hours. They figure they will need 400 volunteers. This is a very amateurish scheme. The city will have a set-up to perform the same function in the city of Buffalo. I am informed by former Police Commissioner Roche that the set-up for the whole county, including the city of Buffalo, could be handled by the police department in conjunction with the telephone company under better methods of protection. This is more of a professional set-up, and it is perfectly obvious that this plan will work to the better advantage of the defense in this locality in the event of an air raid. Prompt and accurate warning of an air raid is the most vital part of defense against such a raid. Failing in this, all other preparation goes for naught.

Summarizing, my co-conferee, the gentleman from Missouri [Mr. SHORT] and I have signed this conference report and we believe that we may as well adopt it, but we believe just as strongly that Mr. LaGuardia should resign as soon as possible one of the two jobs he now fills and either take complete control of the administration of this act or else turn it over to Dean Landis.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from New York.

Mr. CELLER. I presume the gentleman from Missouri [Mr. SHORT] signed this report in reliance on Mayor LaGuardia's statement that he would resign one of the two offices?

Mr. ANDREWS. That is correct.

Mr. CELLER. The mayor has taken no action since that time in that regard, but in the interim Mr. Landis has been appointed executive director. What in the world is an executive director as distingushed from a director, and why was Mr. Landis appointed? Does the gentleman know? Did the conferees inquire into that?

Mr. ANDREWS. We did not.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Illinois, a member of the committee.

Mr. ARENDS. Has the gentleman any further information as to whether the executive director will be made director should the mayor of New York City, Mr. LaGuardia, resign?

Mr. ANDREWS. I think the gentleman will realize that I have no information about that.

Mr. ARENDS. Can the gentleman give me information as to whether the executive director will draw a salary of $10,000 a year?

Mr. ANDREWS. I do not know about that.

Mr. ARENDS. The reason I ask the question is that when we were having the vote here the other day several Members voted against the creation of another Assistant Secretary of War because it meant the creation of another $10,000-a-year job.

Mr. ANDREWS. In conclusion I want to state particularly to the Members on the minority side that we did not feel there was much point about putting this in the War Department after the House had refused to authorize an Assistant Secretary of War for the administration of the measure

[Here the gavel fell.]

Mr. MAY Mr. Speaker, I do not observe that there is any particular objection to the conference report——

Mr. MARTIN J. KENNEDY. Mr. Speaker, will the gentleman yield me some time?

Mr. MAY. Mr. Speaker, I yield the gentleman 5 minutes.

Mr. MARTIN J. KENNEDY. Mr. Speaker——

Mr. ANDREWS. Mr. Speaker, may I state to the chairman of the committee that I had requests for 30 minutes on this side, and I understand the gentleman from Kentucky yielded me 30 minutes?

Mr. MAY. Yes; the gentleman is correct.

Mr. MARTIN J. KENNEDY. Mr. Speaker, this conference report offers us another opportunity to discuss a matter of vital concern to every citizen in my city. Every newspaper published in New York City has pleaded, begged, and admonished the mayor, editorially, a few of which I shall attach to these remarks, to do one thing or the other—that is, to perform the duties required of him as mayor of New York City or act as the National Director of Civilian Defense. It is just impossible for one man to do justice to both these tremendous tasks. The newspapers that are now advising the mayor on his conduct are the same ones that have steadfastly supported him. Recently they emphasized his fine qualities and abilities, and at the same time failed to discover any impropriety in his attempting to fill two offices, one local and one national. They are now appealing, as friends, because they admit the fact that no one man—even LaGuardia—can perform, efficiently and well, the duties of mayor of New York City and Director of Civilian Defense. Regardless of the appointment of Judge Landis to the Office of Civilian Defense, we all know that Mr. LaGuardia will be the big boss and give orders.

Yesterday I listened to Mr. LaGuardia on the radio. The newspapers had led the public to believe that the mayor was going to make a startling statement of national interest. Instead, his statement was notable for what he failed to say. He told the people about scrap material, old rags, and bottles, and to beware of the junk man. He inferred that all the money provided under this bill had already been allocated. If any of you gentlemen expect to get any allowance for your home town, and do not have it now, I think you will get none for your defense problems. Yesterday, Fiorella said he was sending his fire commissioner down to Washington to pass upon the specifications for materials to be bought for your community. Today we are told it is the War Department that is the buyer of materials for defense. Yesterday the mayor also stated over the radio that "on Saturday a bill was introduced in the Senate to provide coverage for injured air wardens." We all know the Senate was not in session on Saturday, and up to this very minute no bill has been introduced on this subject, with the exception of H. R. 6316, which I offered on January 7.

There is entirely too much conflict between what we are told in the House by our Committee on Military Affairs and what we hear direct from the lips of the mayor. Is there not some way by which we may obtain the true facts? If not, why not? The city of New York, with more than seven and a half million people, has not had one real, honest air-raid drill. There have been some put on for the benefit of the movies—only make believe—seems to be the rule. The one siren that was delivered has been discarded because, after spending thousands of dollars, LaGuardia found that he had not planned for the pressure needed to make it function. I do not know what will happen to my city and my neighbors if we should have any serious trouble, but I hope and pray we correct the existing defects before much more time has been lost in playing house. Our New York State Legislature is in session working on

badly needed legislation. Both our Governor and the members of the senate and the assembly are in a dilemma on their legislative program because the mayor, by virtue of his being National Director of Civilian Defense, has created 48 districts, 1 for each State, and in addition he has created an extra or super district, making a total of 49 districts. The forty-ninth district, if you please, is located entirely within the limits of the city of New York, with headquarters at City Hall under the generalship of none other than Fiorella H. LaGuardia. Therefore our legislature is finding it difficult to do anything to advance wartime legislation because one part of the State, Long Island, is outside of New York City and runs from the city line to Montauk Point. The counties of Suffolk and Nassau, located on Long Island, are helpless. They are cut off from the rest of the State by the boundaries of New York City. Adjoining New York, on the north, we have Westchester County, with many busy cities and considered part of the metropolitan area. Each day more than a million people from these adjoining counties commute to New York City, but under the LaGuardia formula they are in no-man's land. Members of both houses, Democrats and Republicans, have done their best to prepare suitable legislation to meet the problems arising from the national emergency, but it is next to impossible to write a bill that will exclude New York City's seven and a half million people and at the same time make it workable and effective.

If you are going to support this conference report on the assurances of our Committee on Military Affairs that Mayor LaGuardia is going to change overnight from a blustering, arrogant person to a calm leader, inspiring confidence, you are mistaken. Personally, I do not care which job he elects to fill, mayor or director, but he should make up his mind, and make it up soon. Almost daily the newspapers of New York City are pleading with him to make a decision. They have lampooned him in cartoons in their efforts to make him see the light; one funster has him saying, "America, you love me and I think mighty highly of you." That quip reflects the attitude of F. H. LaGuardia. Unfortunately, the situation gets more ridiculous each day, with the result that the people have lost all respect for the present management of the Office of Director of Civilian Defense.

Let us send this bill back to conference and instruct the conferees to insist upon the position of the House as expressed in the vote on the 8th of January, this year.

The articles and editorials referred to in my remarks are as follows:

[From the New York Herald Tribune of January 3, 1942]

THE MAYOR AND THE OFFICE OF CIVILIAN DEFENSE

As stanch supporters of Mayor LaGuardia as chief executive of New York City, believing that he has given this city the best municipal government it has ever had, we regret greatly that his New Year's Day address showed in marked degree those weaknesses of intemperate utterance which his critics have so often held against him. At a time when the need for unity is compelling, he went out of his way to arouse fresh resentment. At a time when a clear and dispassionate recital of the tasks confronting the Office of Civilian Defense, of which he is still the Director, would have been helpful and constructive, he contented himself with blaming his critics for much of the confusion that exists in the public mind about the Office of Civilian Defense. He resorted to name calling and mud slinging instead of meeting fairly and frankly the objections that have been directed against having any one man—even one as able and energetic as Mayor LaGuardia—hold two such important executive offices as mayor of New York and National Director of the Office of Civilian Defense.

Nothing that has been said by the mayor's critics is as destructive of confidence in his fitness to serve as head of the Office of Civilian Defense as was the entire tone of his address. It is true that the mayor was ignored when, weeks before Pearl Harbor, he called for additional equipment. It is true that many persons refused to take seriously the need for civilian defense at a time when he was already vigorously fighting for it. It is true that there was—and still is—confusion in the public minds as to the precise function of civilian defense.

But the very fact that these things are so makes it more important than ever that the Office of Civilian Defense shall be in the hands of a man who not only can live it 24 hours a day, but who, by his example, can encourage calmness, confidence, cooperation, and unity in preparing the people for their civil defense tasks. Certainly the mayor has shown excited irritation instead of calmness. He has shaken instead of encouraged confidence. He has aroused fresh antagonisms and distrust instead of inspiring unity and a spirit of cooperation. The work of the Office of Civilian Defense cannot, in fairness to the Nation, be left in such hands.

[From the New York Daily Mirror of January 3, 1942]

MAYOR LAGUARDIA VERSUS HIS MANY CRITICS

Mayor LaGuardia's self-defense over the taxpayers' municipal radio station was explosive as he denounced critics of his administration of the Office of Civilian Defense; he called them "two-by-four editors" and "swivel-chair scribes" and "liars." (He was talking about an afternoon newspaper and a columnist on a morning newspaper—not the Mirror.)

He charged that those who doubt the Office of Civilian Defense is "magnificently organized" are deliberately and for un-American reasons using a "new technique to seek to create confusion—to continue fear and terror in the minds of our people."

We doubt seriously that the mayor's speech convinced anybody of anything, except that his temperament is hardly designed to create an atmosphere of calm on the civilian front.

Your "swivel-chair scribe," who writes this, first came in contact with Mayor LaGuardia's administration of civilian defense last summer, when, as unpaid director of the New York State Defense Information Committee, we sought vainly to convince the mayor that this city should be rehearsed in all defense activities that are now pretty thoroughly muddled in the mayor's own home town.

Air-raid drills were proposed—set up first for Rockefeller Center, then for the Empire State Building, then for a Federal housing project within the city limits, finally for a large hotel. The hotel went to the expense of buying black-out curtains in preparation for the drill.

In each instance, as Governor Lehman can testify, the projected drill died unborn because we could get no "green lights," nothing but "red lights" from Mayor LaGuardia. In every project that concerned itself with this city the mayor was an unpassable bottleneck of procrastination and indecision.

And if the mayor wants to "play rough" and dispute that statement, we are quite prepared to print the record in devastating detail.

But all that is gas gone with the wind. Two immediate questions demand all the wisdom and tact of the mayor's Commander in Chief, President Roosevelt; all the patience of the public; all the temperate language of the press and the mayor:

1. The work of Civilian Defense must immediately be divided logically between military functions and purely civilian activities. The spectacular job of air-raid defense, dear to the mayor's heart, must be placed under the United States Army Air Corps, synchronized with antiaircraft and fighter commands.

2. President Roosevelt must decide what job best suits the bristling energy and special talents of Mayor LaGuardia, and the shift to that job can be made without embarrassing the mayor.

The President must not leave the mayor in the Office of Civilian Defense through any mistaken sense of loyalty, as he has done in the case of the preposterous Miss Perkins. "Ma" Perkins and the mayor suffer more than the President does from that kind of loyalty—already, the mayor on the screen in newsreels, frenziedly advising the people to "be calm," draws more raucous laughs than Abbot and Costello.

That's bad. The value of a man capable of rendering great service to his country is being destroyed.

And there can be no question about the mayor's desire to serve his country.

[From the New York World-Telegram of December 29, 1941]

PLAINER AND PLAINER

Signs multiply to show that Mayor LaGuardia, in the matter of jobs, has, to put it bluntly, bitten off for more than he can chew.

New and conspicuous evidence is the sudden resignation of Markets Commissioner William Fellowes Morgan, Jr., outstanding member of the fusion municipal administration, whose constructive services and vigorous campaigns against racketeers in the market field have won him high measure of public confidence and respect.

Commissioner Morgan, who is no habitual quarrel-seeker, makes it perfectly clear that he resigns because of the mayor's arbitrary interference with appointments in the markets department. Significantly, also, pointing to the present difficulty of even conferring with the mayor, Mr. Morgan says:

"The mayor is bouncing around the country so much his commissioners can't get an opportunity to sit down and discuss the city's own affairs with him."

There it is.

Whether he acts as mayor of New York City or as Director of Civilian Defense, Mayor LaGuardia's well-known insistence that all initiative, orders, and directions must come from him has reached a point where both municipal administration and civilian defense seriously suffer.

Either city officials hesitate, sit back and say "it's up to the mayor"—which resulted in conflicting and jumbled air-raid precautions.

Or city officials resign—as in the case of Commissioner Morgan on the side of routine municipal administration.

Meanwhile, from Washington and Congress come criticisms and complaints of the mayor's part-time handling of his national civilian defense job. Crossfire of dissatisfaction.

The plain fact is—and it becomes more and more plain—that Mayor LaGuardia can never hope to do justice to his own city job plus the tremendous national civilian defense task he has taken on—least of all when he sticks to his favorite role of "do it all myself."

Nor is the mayor, despite his peacetime political gifts, temperamentally fitted to inspire confidence and calm in a public that needs, in wartime, something more than repeated nervous admonitions to "keep cool."

What civilians really require is the reassuring example of disciplined leaders and directors, of military type and temper, each of whom quietly gives his full time and energy to particular work assigned him.

Emphatically, the situation does not call for a dizzy show-off of one-man juggling with multiple jobs—which is pretty much all Mayor LaGuardia is now offering, and from which neither city nor Nation are getting what they urgently need.

Both begin to see it. How can the mayor be blind to it?

[From the New York Times of January 3, 1942]

MR. LAGUARDIA'S TWO JOBS

If there were only one man in the United States capable of running the Office of Civilian Defense, and if that man happened to be the already overburdened mayor of the greatest city in the Nation, no fault could be found with Mr. LaGuardia for continuing to hold both jobs. But the assumption that Mr. LaGuardia and Mr. LaGuardia alone can administer successfully the Office of Civilian Defense is unwarranted on its face. With all due credit, there are many other men in this large country whose ability, foresight, and energy justify the belief that they could handle the defense job as it should be handled, on a full-time and not a part-time basis.

The whole trouble with the present arrangement is that two great full-time jobs are being handled on part time. Mr. LaGuardia illustrates the disadvantages of this arrangement by one of his own remarks. Speaking of his presence in San Francisco on the day that that city, and New York as well, had their first air-raid alarms, he asks:

"Where would the people of this city want me to be when a neighboring city needed my help? Oh, I suppose some Jap will say, or friend of a Jap will say, 'We want you to be here.'"

Of course we want him to be here. One does not need to be a Jap, or a friend of a Jap, to believe that the place for the mayor of New York to be, in time of war, is in New York. One does not need to be a Jap, or a friend of a Jap, to believe that the office of mayor of New York is a great enough office to demand, and receive, the full-time attention of any man, particularly during the dangerous and trying days that lie ahead.

We have great admiration for Mr. LaGuardia. We have supported him three times for election to the office he now holds. We have many times expressed the opinion that he is the best mayor New York has ever had. We want him to continue to be the best mayor New York has ever had, and not a part-time mayor and a part-time defense official. We have no criticism to make of the way he ran the Office of Civilian Defense, up to the morning when war was declared. On the contrary, we think he showed in that office great energy, skill, and a realistic appreciation of the danger of our involvement in the war. We find no fault with the record before December 7. We praise that record. We simply believe—and we are more certain every day—that on December 7 the Office of Civilian Defense and the office of mayor of New York ceased suddenly, definitely, and irrevocably to be two offices that could be filled competently by a single man.

The sooner Mr. LaGuardia recognizes this incontestable fact, the sooner will his equanimity be equal to the demands now made upon it, and the sooner will his great ability be put to the best service of his city and his country.

[From the New York Sun of January 3, 1942]

LET'S GET GOING

When first I read of the imbroglio between New York's Mayor LaGuardia and his Commissioner of Public Markets, William Fellowes Morgan, Jr., I thought that the "Little Flower" had gone temperamental again. After all, apart from being mayor of the largest city on this continent, he runs the Office of Civilian Defense, manages the defense relations between the United States and Canada, directs orchestras on sundry occasions, leads the American Labor Party, and is a member of the President's War Cabinet. This is enough to raise the blood pressure of any man.

Then I smelled a hen fight. And I could not help wondering how adequately my children were being protected against air raids, black-outs, and fifth columnists by these excitable ladies in high society who have the time to quarrel among themselves as to how volunteers are to be appointed so that the credit will go to the right woman. After all, this is a war and not a coffee klatsch, and who in the name of all that is significant cares whether this or that organization or this or that woman takes the credit? What we need is leadership and efficient organization and sirens—yes; even sirens—not a hen fight as to whether the Junior League plus the Work Projects Administration is going to wear uniforms or the Red Cross ladies will wear uniforms. Who cares who wears the uniforms?

When one of these ladies told the press that fire departments and police departments had to clear their volunteers through her office in the Office of Civilian Defense, she was talking through her hat, because no one has the time now, or the inclination, to pass through tea-party bottlenecks Does one have to be in the social register to be an air-raid warden, or is it necessary to prove tenure in the Work Projects Administration?

This Office of Civilian Defense is a bit mixed up in its duties anyhow. I quote from its own pamphlet:

"Civilian defense has two tasks:

"1. The first is to prepare for the day we pray may never come, when bombs and artillery fire fall on our cities, towns, and the countryside, and when men, women, and children must stand prepared to defend their homes and liberties.

"2. The second is to better the health, economic security, and well-being of our people, to make our country strong."

No. 2 of these jobs takes in just about everything. It includes the work of the whole administration in Washington and in each of the several States; it includes the work of all the philanthropic and charitable organizations and institutions, also all the schools, churches, hospitals, and everything else. If the Office of Civilian Defense stuck to No. 1, it would be a full-time job and would require a terrifically large force of volunteer and paid workers.

Civilian defense means protection of the civilian population from the inevitable physical effects of total war And one of the dangers to the civilian is hysteria. As I read this manual of the Office of Civilian Defense, it seems to me that whoever composed it was pretty hysterical at the time. The American Red Cross, for instance, is one of the most respected and beloved organizations in all this world of ours. It has an experience that transcends anything that any rush-order show like the Office of Civilian Defense can possibly have. Yet on pages 18 and 19 of this manual I see that this Office of Civilian Defense has taken over the work of the American Red Cross. Nobody is going to like that—certainly not the millions of Americans who have been contributing to the Red Cross because they believe in it and its mission of nonpolitical humanity

The real trouble with the Office of Civilian Defense is that it is headed by Fiorello LaGuardia, who is too busy. He is doing too much. LaGuardia has no time to talk to anyone; he has been too busy to listen even before this.

What the Office of Civilian Defense needs is a first-class military organizer. I nominate Gen James Harbord or Gen. Frank McCoy as the type of man to put at the head of this business. We want not a politician running for office; not somebody who is trying to rescue the Work Projects Administration by hiding it behind the skirts of the Junior League. We want a military man who can do the job direct, straightforward, and with only one object in view—the protection of the lives of our civilian population in our large and congested cities.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. ANDREWS. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. CLASON].

Mr. CLASON. Mr. Speaker, I do not think this bill ought to be discussed and decided solely upon the question of personalities. So far as I know, Mayor LaGuardia has given, as a Republican, the best administration of the city of New York that has ever been given to that city. I believe it has been so stated by very high persons, perhaps by the President of the United States himself. Therefore, I hope that in voting on this bill no one on the majority side will base his vote on the proposition that this is a fight between Tammany and the Republican Party. It should not be considered in that narrow light.

Mr. COFFEE of Washington. Mr. Speaker, will the gentleman yield?

Mr. CLASON. Not now. Also, I call attention to the fact that in order to strengthen the situation a gentleman was brought in from the State of Massachusetts and made Executive Director of Civilian Defense. I feel that the whole matter should be discussed from the viewpoint of whether it is a good bill. First of all, I think we ought to spend some money on civilian defense. I think the limitation of $100,000,000 is wise, but undoubtedly this will cost a lot more than $100,000,000.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. CLASON. Not now. The chairman has stated that the total expenditure indicated here is $92,000,000. That is not in accordance with the evidence, because it is apparent that we are going to need 50,000,000 gas masks. The Chemical Warfare Service advises that outside of the cost of setting up 20 of these plants to make gas masks, the civilian gas masks will cost approximately $3.50 each. That indicates that they will have to come back here for more money. I feel that the House conferees yielded on the most important issue of the whole conference when they gave up on the question of putting the purchase of these supplies within the War Department.

Mr. ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. CLASON. Yes.

Mr. ANDREWS. If the House voted to establish an additional Assistant Secretary of War, we might have been able to keep it there.

Mr. CLASON. Mr. Speaker, if this House should vote today in a manner to

indicate that its only objection to this report is that the whole matter should be left with the War Department and insist that it be left with the War Department, I am not so sure that that would not be the wise way out of this situation. Otherwise I feel that we have got to go along for the protection of our civilians and furnish this sum of money in accordance with the terms of this conference report.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. CLASON. Yes.

Mr. FITZPATRICK. The gentleman just made a statement that he did not want this matter decided from the viewpoint of Tammany Hall Democrats on one side and Republicans on the other.

Mr. CLASON. That is true.

Mr. FITZPATRICK. If the gentleman will look at the vote, he will find that more Democrats from the city of New York voted to put it under civilian control than did Republicans. They did not inject any politics into it. Look at the vote.

Mr. CLASON. Does the gentleman mean more Democrats voted for LaGuardia than for the Tammany Hall candidate in New York?

Mr. FITZPATRICK. They voted not to send it to the War Department. We did not inject any politics into it. The Republicans voted the other way.

Mr. MARTIN of Massachusetts. You tried to put politics in it?

Mr. FITZPATRICK. Not at all.

Mr. CLASON. Mr. Speaker, I do not yield any further at this time. Obviously more Democratic Congressmen from New York City vote on both sides of most bills as there are only two Republican Congressmen from New York City. It will be interesting to see whether or not under this set-up money is paid out for services in every State in the Union and, if so, on what salary basis. One thing that has troubled us is the fact that the appointees in some States up to the present time have been largely political or largely of the same political faith. I hope that on this very important matter we can avoid partisan politics, and that the Governors or the persons who appoint the authorities will select persons regardless of whether they are from one political party or from another political party.

Mr. DEWEY. Mr. Speaker, will the gentleman yield?

Mr. CLASON. I yield to the gentleman from Illinois.

Mr. DEWEY. Does the gentleman know whether those who are employed and who will be paid out of this fund come under the Hatch Act?

Mr. CLASON. I would say "Yes"; but I would ask the chairman of the committee to answer that. He has undoubtedly looked into it. Will the chairman please answer the question of the gentleman from Illinois, who wishes to know whether persons in positions of authority under this act will come under the Hatch Act?

Mr. MAY. I think all Federal employees come under the provision of the Hatch Act.

Mr. CLASON. In other words, if anybody takes a salary for services, they will come under the Hatch Act?

Mr. MAY. They will be under the provisions of that act.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, when this measure was before the House originally I took it upon myself to express some views upon it. Now as it comes before us in the form of a conference report the bill, with one exception, closely resembles and approximates the original Senate bill. I think perhaps a remark or two upon that is justified.

The gentleman from New York [Mr. ANDREWS] has read to you extracts from a letter from a very high and responsible person in the civilian defense in Buffalo in Erie County. I am in receipt of similar letters, indicating utmost confusion, cross-purposes, jealousies, frictions, and here and there political performance—letters from various parts of the country; at the same time letters from serious-minded people whose sole desire is that this service be made effective, reaching the conclusion, every one of them, that it can never reach 100-percent efficiency unless it is put under the War Department.

I care not what the politics of Mr. LaGuardia is. I do not know whether he is a Republican or a Democrat.

Mr. BATES of Massachusetts. Nobody else does.

Mr. WADSWORTH. I do not know the politics of the executive director. That is not the point. The point is this: This sort of work must be organized, extended, and disciplined to a reasonable degree over areas which cross State lines and which cross municipal lines. It is impossible for the Governor of New York, for example, to be effective, no matter how hard he tries, across the Niagara River. Only an agent of the Federal Government, armed with some degree of military authority, may consult, for example, with the military authorities of the Province of Ontario, in Canada. And inevitably you must hook up certain elements of the Military Establishment in this development of civilian defense. The whole question of signaling, of warnings in many instances, is primarily a military undertaking, and the system must be perfected with some degree of discipline.

I would not urge that all these good volunteers in our cities, counties, and States who have offered their services as fire wardens and in other capacities should be subject to rigid military discipline, the clicking of heels and saluting. Not at all. I do believe, however, that the general direction of the efforts of those volunteers can best be accomplished if it is put into the hands of the military authorities. I have believed that from the beginning. I think Members of the House will not take it in bad part from me when I remind the House that upon too many occasions in the past, dating back 2 or 3 or 4 or 5 years the Congress of the United States, in facing newly arising problems has done the inadequate thing. We have failed upon too many occasions to do the job completely, to do it adequately in the legislation that we passed, and time and again I think you will all agree with me we have been compelled, sometimes at the eleventh hour, to repent of our sins of inadequacy by passing adequate legislation. My complaint against this measure is that it is inadequate. It does not suffice. It will probably pass. I know that prophets are not honored save somewhere else, but I venture to prophesy that it will prove to be inadequate, and that before we have gone much longer into this war, which will grow more and more tense, we will be called upon to correct our error and to do this thing right.

[Here the gavel fell.]

Mr. HARNESS. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I am in complete agreement with the gentleman from New York [Mr. WADSWORTH] who has just spoken. I believe the administration of civilian defense should be under the jurisdiction of the War Department. I urged that in the committee and here on the floor when the bill first came before us.

I do not like this measure because it gives a blank check to one individual for $100,000,000 and he can spend that money any way he sees fit, without any check by this Congress or anyone else. It gives him the right to select the cities and towns in the country that may benefit by this legislation.

He can pick the cities on the coast or he can go inland and pick them and he can provide fire-fighting equipment and other supplies for some cities and deny the same benefits to others. He can purchase supplies and equipment anywhere he sees fit, without going through the regular procurement channels. He may or may not purchase gas masks and other equipment through the War Department where we are set up and organized to procure such items of defense. I think this is a tragic mistake, but recognizing the immediate need for legislation of this character there is little left that we can do except take this and hope for the best.

I should like to see this conference report recommitted with instructions to the conferees to insist upon the House amendment placing the Administrator of Civilian Defense under the War Department. This procedure would not unduly delay final action on the bill and would, I firmly believe, create a greater feeling of security on the part of the people of the country.

Did the gentlewoman from Illinois desire to ask a question?

Miss SUMNER of Illinois. Yes. I have had complaints from women in the city of Washington, both Democrats and Republicans, who have been in civil service a long time, who say there is a tea-party atmosphere down in the Office of Civilian Defense. I should like to know if this bill does anything to rectify that?

Mr. HARNESS. No. Under this bill, as it is now written, the Director runs the show just as he pleases.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. BRADLEY].

Mr. BRADLEY of Michigan. Mr. Speaker, I am in complete agreement

with the statements made and the reasoning advanced by the gentleman from New York [Mr. WADSWORTH], and I also was particularly interested in the excerpts from a letter written by the commander of the American Legion in Buffalo which was read by the gentleman from New York [Mr. ANDREWS], the ranking minority member of the Military Affairs Committee.

I happened to have been in Buffalo, N. Y., on the evening of December 26 when they had their practice black-out and, following that interesting experiment, I had occasion to discuss the civilian-defense picture in Buffalo with a number of those who had volunteered their services and were serving in various capacities.

I was convinced at that time, and I have been more convinced daily ever since then that we must have military control over this civilian-defense program. Now, that does not mean that we are going to tap our Army, either for experienced officers to administer the control in each city or each district, nor does it mean that I propose we shall tap our Army manpower to provide guards for defense plants or for other civilian-defense duties. It simply means that in wartime we must all take our orders from the Army and from the Army alone in matters pertaining to civilian as well as military defense, and it means that it is up to the Army to coordinate our efforts in civilian defense with our military defense. It means that leadership in civilian defense should be entrusted to military minds; to men who have been trained by, and are experienced in, the ways of our Army. It means that instead of appointing politicians for their political benefit, we should be appointing former Army men, regardless of their political label to positions of responsibility in our civilian-defense program. Those men not only will know how to coordinate their activities with those of the military but, furthermore, they have been trained to and will know how to accept and obey orders of the military who, after all, are charged with the responsibility of defending America and winning this war.

I am in full agreement with my colleague the gentleman from New York [Mr. WADSWORTH] when he proposes that we should reject this conference report and recommit this vital matter to further study by the conferees and that we should instruct the conferees on the part of the House to insist that the control of civilian defense be placed directly under the Secretary of War. I would go further than that and propose again that an additional Assistant Secretary of War be appointed to administer our civilian-defense program. I fully realize that if this is done, the President perhaps would appoint either Dean Landis or Mayor LaGuardia, or even Mrs. Roosevelt as that Assistant Secretary of War. That is beside the point. In fact, Mr. LaGuardia was a World War pilot officer and is said to be a Republican. The point I am making is that the responsibility for the conduct of our civilian defense program should be made a responsibility of the office of the Secretary of War. In that manner only, I feel, could we best coordinate our military and civilian defense programs.

I repeat the suggestions which I made when we debated this bill here originally 10 days ago. At that time, if you will recall, I suggested that the President could well consider the appointment of America's outstanding living war hero of the past, Gen. John J. Pershing. True, General Pershing is an old man. True, General Pershing's health is perhaps questionable. But equally true, my colleagues, General Pershing would prefer to die with his boots on and in the service of his country, and I repeat, if Mr. Roosevelt tomorrow would name General Pershing to head our civilian defense program, he would instantly command and receive the wholehearted patriotic response and service of every ex-service man and woman in the United States. They would rally to the cause. They would rally to another opportunity to serve under their "chief." They would know how to take orders. General Pershing would quickly mold around him an organization who would know how to give those orders, and he would bring order out of chaos. And politics would go out the window, and political appointees as well.

Now, let me give a concrete example of the necessity for coordination of our military and civilian defense programs:

The confusion that may exist between the military and civilian authorities on this very important question was brought to mind in the recent practice black-out in Buffalo, N. Y. The civilian-defense authorities had ordered a black-out of the city of Buffalo, yet under orders from the interceptor command at Mitchel Field just outside of New York City, 12 defense plants in the city of Buffalo were ordered not to pay any attention to the black-out but to keep in operation and to keep their lights on. I wish the chairman of the Military Affairs Committee would tell me in this all-important question who is going to have the deciding voice? Is the Army going to be able to say what plants shall keep their lights on? Or is the Office of Civilian Defense going to have real authority to order a full and complete black-out? I think this illustration shows how the entire question is linked up with the military and ought to be under the War Department.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Speaker, I agree perfectly with the statement made by my distinguished colleague the gentleman from New York [Mr. WADSWORTH]. It seems to me as we read the newspapers and learn what is happening off our east coast and off our west coast, we must realize we are in war, and no man in this country knows what may happen within an hour. It is difficult for me, and I know it is for others, to realize that we are in war, but the fact is we are in world-wide war to the hilt. I agree with the distinguished gentleman from New York [Mr. WADSWORTH] that in civilian defense it is necessary and absolutely necessary that the efforts of the Government of the country to the north of us and of countries to the south of us should be in perfect harmony in the conduct of a civilian defense program. This can come about only through placing civilian defense in the War Department.

If the House has been hasty—there are no partisan lines now, we are all Americans, all in this war, and we are in to win this war. Therefore, rather than go ahead and make a mistake by adopting the conference report we should take sufficient time here and now to do the job right. We should not drive this bill through when we know it is inadequate to the purpose for which it is intended.

[Here the gavel fell.]

Mr. MAY. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FADDIS].

Mr. FADDIS. Mr. Speaker, I have been one of those in the House of Representatives who all along believed that we would actually become engaged in this war. I have always believed that there were strong possibilities that this Nation could be, in one manner or another, invaded; and at the present time in the coastal waters off both the east and west coasts we are suffering some of the effects of invasion. I am one of those who believe that it is not at all improbable that we may at a not very distant future be forced to put into effect some of the agencies in connection with this legislation. As far as I am concerned I would feel a great deal better if it were entirely under the control of the War Department. To me the duties embraced in civilian defense are in a great manner inseparable from the duties of the War Department, and I fail to see how it can function efficiently and effectively unless it is part of the War Department. However that may be, I have reached the conclusion myself that it is almost an impossibility for us to get it there. There seem to be certain influences at work in this Nation to prevent any function getting under the control of the War Department if there is any way to keep it out. These influences seem to fear the War Department and, what is more alarming, desire to subtract some of the proper functions of the War Department from it and to place them in other hands and often in strange hands. I am suspicious. I am satisfied in my own mind that the day will come when we shall regret the action we have taken in this matter. I feel sure that if we are forced to rely upon the agencies we are establishing by this legislation, the day will come when we shall regret that we have not placed them under the War Department. We shall regret that we have not gone as far as we possibly could go in insuring that the civilian defense of this Nation is under the control of those who are really capable of organizing it for what it should be organized for. I fail to see where any of those who are mentioned in connection with the administration of this legislation today have ever exhibited any of the qualities of organizers to the extent that they should be charged with the administration of an agency of this kind.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. The gentleman who is addressing us is an able member of the Committee on Military Affairs. When this bill was originally before the House I supported the amendments, one of which the gentleman from Pennsylvania was the author, that would have placed the administration under the War Department and provided for the appointment of an Assistant Secretary of War for Civilian Defense. We expressed ourselves then. We were defeated on the Assistant Secretary proposal, and the conference report now before us is a further defeat. In what plight does the gentleman believe we who took that position a few days ago now find ourselves?

Mr. FADDIS. I shall say to the gentleman what I was about to conclude my remarks with, because I find myself in exactly that position. Having made our fight, and having endeavored with every means within our power to put it under the agency under which we believe it should be, I do not believe we should be justified in further opposing the enactment of this legislation, because it is high time something is done. I recognize in connection with this matter, as in all matters of this kind, that a poor plan carried into effect is a great deal better than no plan at all.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, my purpose in rising is to propound a parliamentary inquiry.

The SPEAKER pro tempore (Mr. ZIMMERMAN). The gentleman will state it.

Mr. WADSWORTH. Will the Chair state to the House the parliamentary procedure which would be in order under a condition of this sort: Am I correct in my understanding that the first question to come before the House will be a motion for the previous question?

The SPEAKER pro tempore. That is the opinion of the Chair.

Mr. WADSWORTH. In the event that the motion for the previous question is voted down, is it then within the province of the House to instruct its conferees to insist upon a certain House provision?

The SPEAKER pro tempore. In the opinion of the Chair, the House would have to recommit the bill before it could instruct conferees. Instructions to conferees should be included in a motion to recommit.

Mr. WADSWORTH. It would be a motion to recommit with instructions to the House conferees?

The SPEAKER pro tempore. That is the understanding of the Chair.

Mr. WADSWORTH. That is in the event the motion for the previous question is voted down?

The SPEAKER pro tempore. In either event, the motion to recommit would be in order.

Mr. WADSWORTH. The motion is in order at any time?

The SPEAKER pro tempore. That is the understanding of the Chair.

Mr. MARTIN J. KENNEDY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MARTIN J. KENNEDY. Is not the motion to recommit with instructions a preferential motion?

The SPEAKER pro tempore. After the previous question is ordered, that would be true.

Mr. MARTIN of Massachusetts. The motion to recommit is in order after the previous question has been ordered?

The SPEAKER pro tempore. That is correct.

Mr. MICHENER. It comes between ordering the previous question and agreeing to the conference report.

Mr. ANDREWS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. ANDREWS. Am I to understand that if the motion for the previous question is defeated, a motion may be offered to instruct the conferees in any way?

The SPEAKER pro tempore. As the Chair understands it, any germane instruction to the conferees may be included in the motion to recommit.

Mr. VORYS of Ohio. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. VORYS of Ohio. The voting up or down of the motion for the previous question has nothing to do with the submission of a motion to instruct conferees, does it? Is it not correct that no matter which way the motion for the previous question goes such a motion would be in order?

The SPEAKER pro tempore. That would depend on whether or not the motion for the previous question was voted up or down, and also on who made the motion.

Mr. VORYS of Ohio. If the motion for the previous question is carried, would not a motion then be in order to instruct conferees, that being a preferential motion?

The SPEAKER pro tempore. The motion to recommit with instructions would then be in order.

Mr. MARTIN J. KENNEDY. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MARTIN J. KENNEDY. As I understand, at the conclusion of this debate, regardless of the result of the vote on the motion for the previous question that will be offered by the chairman of the Committee on Military Affairs, a preferential motion is then in order to instruct the conferees?

The SPEAKER pro tempore. After the motion for the previous question is adopted, the motion to recommit is a preferential motion.

Mr BENDER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BENDER. After the motion for the previous question is voted on, must the motion to recommit with instructions to the conferees be in writing?

The SPEAKER. All motions must be in writing, but such a motion would not have to state anything except that it is a motion to recommit.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MICHENER. Mr. Speaker, we back here could not understand the ruling of the preceding occupant of the chair. As I understood his ruling, it was that the first motion to be before the House will be the motion for the previous question. If the motion for the previous question carries, debate is closed, and thereupon a motion to recommit the report to the comittee of conference is in order.

The SPEAKER. The gentleman is correct.

Mr. MICHENER. If the report is recommitted to the committee of conference, then a motion could follow instructing the conferees as to the attitude of the House on the conference report.

The SPEAKER. The Chair thinks the usual practice is that the motion to instruct is included in the motion to recommit.

Mr. MICHENER. It can be, but that is not necessary.

Mr. MAY. Mr. Speaker, I yield 7 minutes to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Speaker, I find it very difficult to disagree with the gentleman from New York [Mr. WADSWORTH] about any matter affecting the War Department or national defense. I regard him as the outstanding authority in this House on matters affecting legislation of this character. But I still feel that this matter of civilian defense is a civilian activity. I fail to understand how a matter of black-outs and air-raid warnings and more fire equipment and more fire extinguishers and more gas masks and things of that sort necessarily have to be handled by the Army. But even if I were not sure that I am right about that, I would still be influenced by what I think is a lot more important matter in connection with this legislation. These are critical times, as we all admit. I live way down in the Southwest, where, perhaps, my people are not in so much danger of attack, but in view of what has happened on the Atlantic coast, with the sinking of three ships by submarines within the last week, and threats along the west coast all the way from San Diego up to Alaska, I am convinced that the emergency is imperative, and something must be done quickly. When the Secretary of War sends us a second letter over his own official signature and tells us that he is busy with the fighting end of the war and that he is sure there are enough competent and patriotic civilians to protect our purely domestic interests, then I do not think we should force all this work on him, contrary to his will and wishes.

Mrs. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. THOMASON. In just a moment I will be happy to yield.

The chairman of the committee read, and I shall not take the time to reread,

a letter I hold in my hand on War Department stationery, signed by Henry L. Stimson, Secretary of War, written on January 15, last Thursday, after he had already written us one on January 6, pleading with us that this was a civilian activity and that the civilian authorities should attend to it. He said in this letter, and I will reread one paragraph:

The House amendments to the act force upon the War Department duties not directly related to its basic military mission. They do this at the commencement of the greatest military expansion and development this country has ever known, and during a time it is engaged in what may well be a war decisive of the possibility of the survival of Christian civilization. If agreed to they will necessarily require the diversion from military activities of personnel that cannot be spared.

This is not a time to overburden the Military Establishment. Now, simply because a kind of political row has developed here, growing out of a recent election for mayor of the city of New York, we discuss personalities rather than principles. Our eastern shore is threatened, our western shore is threatened, and simply because somebody does not like the mayor of New York it is proposed to recommit the bill which might mean its death. The Senate passed its bill unanimously. I am not sure of LaGuardia's politics, or if he has any party. During the time I served with him here in the House he sat on the Republican side, and I saw in the papers where the Republican convention of the city of New York endorsed him last fall for mayor of that city. Regardless of what has been said, I think he is a great and a patriotic American, and I believe him when he said recently he wanted to get this bill out of the way and that he would resign one of his jobs. I hope he does, and I think he ought to.

I now yield to the gentlewoman from Ohio.

Mrs. BOLTON. May I ask whether the Army of the United States and the War Department are no longer interested in the defense of America.

Mr. THOMASON. They are tremendously interested, and for the gentlewoman's information I may say that Maj. Gen. L. D. Gasser, of the War Department, is the active coordinator with the Civilian Defense Administration. He is a fine man and most competent officer in whom I have great confidence.

Mrs. BOLTON. Exactly.

Mr. THOMASON. General Gasser, of the Regular Army, is in charge of the military coordination in this very field and is doing a marvelous job, and I just think that these differences are going to be ironed out, and I believe it will be done in a hurry when this bill is passed. But I say there is a principle involved here that is a lot bigger than personalities.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman.

Mr. ARENDS. With respect to the statement the gentleman has just made that General Gasser is in charge of this work for the O. C. D., would it not be better if all of it were under the War Department?

Mr. THOMASON. I do not happen to be the Chief Executive——

Mr. ARENDS. I regard General Gasser just as the gentleman does.

Mr. THOMASON. As friendly as I am toward Mr. LaGuardia, which is a lot more than some of the expressions I have heard here about him, I wish he would quit one of his jobs. General Gasser will get the job done under Dean Landis, and yet it will be done by civilians. Our chairman has said that purchases will be made through the War Department. The Appropriations Committee and this House can place such restrictions as they wish on how and where the money is to be spent. I would like to see General Gasser in charge of it all. He has had much to do with all the preliminaries. Perhaps some mistakes have been made, but it must not be forgotten that Mr. LaGuardia took charge of this because he was the president of the United States Mayors Conference—a conference of mayors of a hundred cities, representing nearly every city of more than 30,000 population. He was the logical man to start the work, although before war was declared he was ridiculed as an alarmist. Much good has been accomplished.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. THOMASON. Yes.

Mr. FITZPATRICK. On the day the vote was taken here in the House a majority of the Democrats from the city of New York voted to retain this under civilian activities, and not to send it to the War Department, so they did not inject any politics into it.

Mr. THOMASON. And I am not injecting any politics into it now. I am trying to put the welfare of the country above every other consideration.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. THOMASON. Will the gentleman yield me 1 minute more?

Mr. MAY. I yield 1 minute to the gentleman from Texas.

Mr. THOMASON. I get back to the original proposition—that the War Department says that they do not want this job; that they cannot handle it if they are to do their full duty to the fighting forces of the country.

Mr. SPARKMAN. Is it not true that in England, where they have done such a splendid job, it has been left entirely to the civilian population and it has not even been tied into the military?

Mr. THOMASON. The mayors of the various cities of the United States, the fire and police chiefs, Legionnaires, local organizations, and hundreds of patriotic citizens in every city, will look after civilian defense, while our brave boys do the fighting. It is not necessary to put everybody and everything under the military. The civilian population want to do something. Everybody cannot do the fighting or go to the front. It will be an incentive for civilians to know they have a part in it. I think we should back up the wishes and judgment of the War Department in this matter.

Mr. MAY. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

Mr. MARTIN J. KENNEDY and Mr. WADSWORTH rose.

The SPEAKER. For what purpose does the gentleman from New York [Mr. KENNEDY] rise?

Mr. MARTIN J. KENNEDY. Mr. Speaker, I desire to make a preferential motion.

The SPEAKER. For what purpose does the gentleman from New York [Mr. WADSWORTH] rise?

Mr. WADSWORTH. Mr. Speaker, I have sent a preferential motion to the desk; a motion to recommit with instructions.

The SPEAKER. The gentleman is opposed to the conference report?

Mr. WADSWORTH. I am.

The SPEAKER. The Chair thinks that he should recognize a member of the minority to offer the motion to recommit. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WADSWORTH moves to recommit the conference report with instructions that the House managers insist on the provisions of the House bill relating to the jurisdiction of the War Department.

The SPEAKER. The question is on agreeing to the motion to recommit.

The question was taken, and the Speaker announced that the Chair was in doubt.

The House again divided; and there were—ayes 93, noes 74.

Mr. MAY. Mr. Speaker, I object to the vote on the grounds that a quorum is not present and I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present. This is an automatic call. The Clerk will call the roll.

The question was taken; and there were—yeas 167, nays 172, not voting 91, as follows:

[Roll No. 9]

YEAS—167

Allen, Ill.	Dworshak	Johnson, Ill.
Andersen, H. Carl	Eaton	Johnson, Ind.
Anderson, Calif.	Edmiston	Jones
Andresen, August H.	Elliott, Calif.	Jonkman
Andrews	Elston	Kean
Arends	Engel	Keefe
Bates, Mass.	Englebright	Kefauver
Baumhart	Faddis	Kennedy, Martin J.
Bender	Fellows	Kilday
Bennett	Fenton	Kinzer
Blackney	Ford, Leland M.	Kleberg
Bolton	Ford, Miss.	Knutson
Bradley, Mich.	Gearhart	Lambertson
Brown, Ohio	Gehrmann	Landis
Burdick	Geriach	LeCompte
Butler	Gifford	McGehee
Camp	Gilchrist	McGregor
Carlson	Gillie	McLean
Carter	Gore	Maas
Case, S. Dak.	Gossett	Martin, Iowa
Chenoweth	Graham	Martin, Mass.
Chiperfield	Guyer	Mason
Clason	Gwynne	Meyer, Md.
Clevenger	Hall, Edwin Arthur	Michener
Cluett	Hall, Leonard W.	Moser
Coffee, Nebr.	Halleck	Mott
Cole, N. Y.	Hancock	Mundt
Colmer	Harness	Murray
Cooley	Hess	O'Brien, N. Y.
Copeland	Hinshaw	O'Hara
Cox	Hoffman	Pace
Crawford	Holmes	Paddock
Crowther	Hull	Peterson, Ga.
Cunningham	Jarrett	Pittenger
Curtis	Jenkins, Ohio	Ploeser
Day	Jenks, N. H.	Plumley
Dewey	Jennings	Poage
Domengeaux	Johns	Powers
Dondero	Johnson, Calif.	Randolph
Douglas		Rankin, Miss.
		Rankin, Mont.

Reece, Tenn.
Reed, N. Y.
Rees, Kans.
Rich
Rizley
Robertson, N. Dak.
Robsion, Ky.
Rockefeller
Rockwell
Rodgers, Pa.
Satterfield
Sauthoff
Shafer, Mich.
Simpson
Smith, Maine
Smith, Ohio
Smith, Va.
Smith, Wis.
Springer
Stearns, N. H.
Stefan
Stevenson
Stratton
Sumner, Ill.
Sutphin
Talle
Tarver
Thill
Thomas, N. J.
Tibbott
Tinkham
Treadway
Vorys, Ohio
Wadsworth
Walter
Wheat
Whelchel
Whitten
Wickersham
Wigglesworth
Winter
Wolcott
Wolfenden, Pa.
Woodruff, Mich.
Youngdahl

NAYS—172

Allen, La.
Anderson, N. Mex.
Angell
Arnold
Baldwin
Barnes
Bates, Ky.
Beam
Beckworth
Beiter
Bland
Bloom
Boggs
Boland
Bonner
Boren
Brooks
Brown, Ga.
Bryson
Buck
Buckler, Minn.
Bulwinkle
Burgin
Byrne
Byron
Cannon, Mo.
Cartwright
Celler
Chapman
Cochran
Coffee, Wash.
Cole, Md.
Collins
Cooper
Costello
Cravens
Crosser
Culkin
Cullen
D'Alesandro
Davis, Ohio
Davis, Tenn.
Dies
Dingell
Dirksen
Disney
Doughton
Duncan
Durham
Eberharter
Elliot, Mass.
Ellis
Fitzgerald
Fitzpatrick
Flaherty
Flannagan
Fogarty
Folger
Forand
Ford, Thomas F.
Fulmer
Gathings
Gibson
Granger
Grant, Ala.
Green
Gregory
Haines
Hare
Harrington
Harris, Ark.
Hart
Harter
Healey
Rivers
Hébert
Robinson, Utah
Hill, Wash.
Rogers, Okla.
Hobbs
Rolph
Hook
Russell
Houston
Sabath
Hunter
Sanders
Imhoff
Sasscer
Izac
Schuetz
Jackson
Schulte
Jacobsen
Scrugham
Jarman
Secrest
Johnson, Luther A.
Shanley
Johnson, Okla.
Shannon
Johnson, W. Va.
Sheppard
Kelly, Ill.
Sikes
Keogh
Smith, Pa.
Kerr
South
Kirwan
Sparkman
Kocialkowski
Spence
Kramer
Steagall
Lane
Sullivan
Lanham
Sumners, Tex.
Lea
Tenerowicz
Ludlow
Terry
Lesinski
Thomas, Tex.
Lewis
Thomason
Lynch
Tolan
McCormack
Traynor
McKeough
Vincent, Ky.
McLaughlin
Vinson, Ga.
McMillan
Voorhis, Calif.
Maciejewski
Ward
Mahon
Wasielewski
Manasco
Weaver
Mansfield
Welch
May
White
Mills, Ark.
Williams
Mills, La.
Woodrum, Va.
Nelson
Wright
Norrell
Young
O'Brien, Mich.
Zimmerman
O'Connor

NOT VOTING—91

Barden
Barry
Bell
Bishop
Boehne
Boykin
Bradley, Pa.
Buckley, N. Y.
Burch
Canfield
Cannon, Fla.
Capozzoli
Casey, Mass.
Clark
Claypool
Courtney
Creal
Delaney
Dickstein
Ditter
Downs
Drewry
Fish
Gale
Gamble
Gavagan
Grant, Ind.
Harris, Va.
Hartley
Heffernan
Heidinger
Hendricks
Hill, Colo.
Holbrock
Hope
Howell
Jensen
Johnson, Lyndon B.
Kee
Kelley, Pa.
Kennedy, Michael J.
Kilburn
Klein
Kopplemann
Kunkel
Larrabee
Leavy
McGranery
McIntyre
Maciora
Magnuson
Marcantonio
Merritt
Mitchell
Monroney
Murdock
Myers, Pa.
Nichols
Norton
O'Day
Osmers
O'Toole
Peterson, Fla.
Pfeifer, Joseph L.
Reed, Ill.
Richards
Robertson, Va.
Rogers, Mass.
Romjue
Sacks
Scanlon
Schaefer, Ill.
Scott
Sheridan
Short
Smith, Wash.
Smith, W. Va.
Snyder
Somers, N. Y.
Starnes, Ala.
Sweeney
Taber
Thom
Van Zandt
Vreeland
Weiss
Wene
West
Wilson
Wolverton, N. J.
Worley

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Kunkel for, with Mr. Cannon of Florida against.

Mr. Scott for, with Mrs. Rogers of Massachusetts against.

Mr. Ditter for, with Mr. Larrabee against.

Mr. Reed of Illinois for, with Mr. McGranery against.

General pairs:

Mr. Robertson of Virginia with Mr. Grant of Indiana.

Mr. Richards with Mr. Van Zandt.

Mr. Barden with Mr. Short.

Mr. Harris of Virginia with Mr. Osmers.

Mr Peterson of Florida with Mr. Bishop.

Mr. Gavagan with Mr. Hartley.

Mr. Boykin with Mr. Hope.

Mr. O'Toole with Mr. Canfield.

Mr. Holbrock with Mr. Heidinger.

Mr. Barry with Mr. Gale.

Mr. Starnes of Alabama with Mr. Fish.

Mr. West with Mr. Hill of Colorado.

Mr. Burch with Mr. Taber.

Mr. Hendricks with Mr. Gamble.

Mr. Drewry with Mr. Howell.

Mr. Boehne with Mr. Wolverton of New Jersey.

Mr. Creal with Mr. Jensen.

Mr. Clark with Mr. Vreeland.

Mr. Joseph L. Pfeifer with Mr. Marcantonio.

Mr. Courtney with Mr. Claypool.

Mr. Delaney with Mr. Sheridan.

Mr. Bell with Mr. Heffernan.

Mr. Casey of Massachusetts with Mr. Buckley of New York.

Mr. Magnuson with Mr. Kee.

Mr. Thom with Mr. Murdock.

Mr. Klein with Mr. Smith of Washington.

Mr. Capozzoli with Mr. Kelley of Pennsylvania.

Mr. Somers of New York with Mr. Kopplemann.

Mr. Myers of Pennsylvania with Mr. Merritt.

Mr. Sweeney with Mr. McIntyre.

Mr. Michael J. Kennedy with Mr. Smith of West Virginia.

Mr. Dickstein with Mr. Bradley of Pennsylvania.

Mr. Wene with Mr. Mitchell.

Mr. Maciora with Mr. Monroney.

Mr. Weiss with Mr. Romjue.

Mr. Snyder with Mr. Downs.

Mrs. Norton with Mr. Scanlon.

Mr. Lyndon B. Johnson with Mr. Nichols.

Mr. Sachs with Mr. Leavy.

Mr. Schaefer of Illinois with Mrs. O'Day.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on agreeing to the conference report.

Mr. MARTIN of Massachusetts. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 335, nays 2, answered "present" 1, not voting 92, as follows:

Roll No. 10

YEAS—335

Allen, Ill.
Allen, La.
Andersen, H. Carl
Anderson, Calif.
Anderson, N. Mex.
Andrews
Angell
Arends
Arnold
Baldwin
Barnes
Bates, Ky.
Bates, Mass.
Baumhart
Beam
Beckworth
Beiter
Bender
Bennett
Blackney
Bland
Bloom
Boggs
Boland
Bolton
Bonner
Boren
Bradley, Mich.
Brooks
Brown, Ga.
Brown, Ohio
Bryson
Buck
Buckler, Minn.
Bulwinkle
Burdick
Burgin
Butler
Byrne
Byron
Camp
Canfield
Cannon, Mo.
Carlson
Carter
Cartwright
Case, S. Dak.
Celler
Chapman
Chiperfield
Clason
Clevenger
Cluett
Cochran
Coffee, Nebr.
Coffee, Wash.
Cole, Md.
Cole, N. Y.
Collins
Colmer
Cooley
Cooper
Copeland
Costello
Cox
Cravens
Crawford
Crosser
Crowther
Culkin
Cullen
Cunningham
Curtis
D'Alesandro
Davis, Ohio
Davis, Tenn.
Day
Dewey
Dingell
Dirksen
Disney
Dondero
Doughton
Douglas
Duncan
Durham
Dworshak
Eaton
Eberharter
Edmiston
Elliot, Mass.
Elliott, Calif.
Ellis
Elston
Engel
Englebright
Faddis
Fellows
Fenton
Fish
Fitzgerald
Fitzpatrick
Flaherty
Flannagan
Fogarty
Folger
Forand
Ford, Leland M.
Ford, Miss.
Ford, Thomas F.
Fulmer
Gathings
Gearhart
Gehrmann
Gerlach
Gibson
Gifford
Gilchrist
Gillette
Gillie
Gore
Gossett
Graham
Granger
Grant, Ala.
Grant, Ind.
Green
Gregory
Guyer
Gwynne
Haines
Hall, Edwin Arthur
Hall, Leonard W.
Halleck
Hancock
Harness
Harrington
Harris, Ark.
Hart
Harter
Hartley
Healey
Hébert
Heffernan
Heidinger
Hendricks
Hess
Hill, Wash.
Hinshaw
Hobbs
Hoffman
Holmes
Hook
Houston
Howell
Hull
Hunter
Imhoff
Izac
Jackson
Jacobsen
Jarman
Jarrett
Jenkins, Ohio
Jenks, N. H.
Jennings
Johnson, Calif.
Johnson, Ill.
Johnson, Ind.
Johnson, Luther A.
Johnson, Okla.
Johnson, W. Va.
Jones
Jonkman
Kean
Keefe
Kefauver
Kelly, Ill.
Kennedy, Martin J.
Keogh
Kerr
Kilday
Kinzer
Kirwan
Kleberg
Kocialkowski
Kramer
Landis
Lane
Lanham
Lea
LeCompte
Lesinski
Lewis
Ludlow
Lynch
McCormack
McGehee
McGregor
McKeough
McLaughlin
McLean
McMillan
Maas
Maciejewski
Mahon
Manasco
Mansfield
Martin, Iowa
Martin, Mass.
May
Meyer, Md.
Michener
Mills, Ark.
Mills, La.
Moser
Mundt
Murdock
Murray
Nelson
Norrell
O'Brien, Mich.
O'Brien, N. Y.
O'Connor
O'Hara
O'Leary
Oliver
O'Neal
O'Toole
Pace
Paddock
Patman
Patrick
Patton
Pearson
Peterson, Ga.
Pheiffer, William T.
Pierce
Pittenger
Plauché
Poage
Powers
Priest
Rabaut
Ramsay
Ramspeck
Randolph
Rankin, Miss.
Rankin, Mont.
Reece, Tenn.
Reed, Ill.
Reed, N. Y.
Rees, Kans.
Rich
Rivers
Rizley
Robertson, N. Dak.
Robertson, Va.
Robinson, Utah
Robsion, Ky.
Rockefeller
Rockwell
Rodgers, Pa.
Rogers, Okla.
Rolph
Russell
Sanders
Sasscer
Satterfield
Sauthoff
Schuetz
Schulte
Secrest
Shafer, Mich.
Shanley
Shannon
Sikes
Simpson
Smith, Maine
Smith, Ohio
Smith, Pa.
Smith, Va.
Smith, Wash.
Smith, Wis.
South
Sparkman
Spence
Springer
Starnes, Ala.
Steagall
Stearns, N. H.
Stefan
Stevenson
Stratton
Sullivan
Sumner, Ill.
Sutphin
Talle
Tarver
Tenerowicz
Terry
Thill
Thomas, N. J.
Thomason
Tibbott
Tinkham
Tolan
Traynor
Treadway
Vincent, Ky.
Vinson, Ga.
Voorhis, Calif.
Vorys, Ohio
Walter
Ward
Wasielewski
Weaver
Welch
Wheat
Whelchel
White
Whitten
Whittington
Wickersham

Wigglesworth	Wolfenden, Pa.	Youngdahl
Williams	Woodruff, Mich.	Zimmerman
Winter	Wright	
Wolcott	Young	

NAYS—2

Johns	Wadsworth

NOT VOTING—94

Andresen, August H.	Hope	Plumley
Barden	Jensen	Richards
Barry	Johnson, Lyndon B.	Rogers, Mass.
Bell	Kee	Romjue
Bishop	Kelley, Pa.	Sabath
Boehne	Kennedy, Michael J.	Sacks
Boykin	Kilburn	Scanlon
Bradley, Pa.	Klein	Schaefer, Ill.
Buckley, N. Y.	Kopplemann	Scott
Burch	Kunkel	Scrugham
Cannon, Fla.	Lambertson	Sheppard
Capozzoli	Larrabee	Sheridan
Casey, Mass.	Leavy	Short
Chenoweth	McGranery	Smith, W. Va.
Clark	McIntyre	Snyder
Claypool	Maciora	Somers, N. Y.
Courtney	Magnuson	Sumners, Tex.
Creal	Marcantonio	Sweeney
Delaney	Mason	Taber
Dickstein	Merritt	Thom
Dies	Mitchell	Thomas, Tex.
Ditter	Monroney	Van Zandt
Domengeaux	Mott	Vreeland
Downs	Myers, Pa.	Weiss
Drewry	Nichols	Wene
Gale	Norton	West
Gamble	O'Day	Wilson
Gavagan	Osmers	Wolverton, N. J.
Hare	Peterson, Fla.	Woodrum, Va.
Harris, Va.	Pfeifer, Joseph L.	Worley
Hill, Colo.		
Holbrock		

ANSWERED "PRESENT"—1

Knutson

So the conference report was agreed to.

The Clerk announced the following pairs:

General pairs:

Mr. Larrabee with Mr. Ditter.
Mr. Cannon of Florida with Mr. Kunkel.
Mr. Richards with Mr. Van Zandt.
Mr. Barden with Mr. Short.
Mr. Harris of Virginia with Mr. Osmers.
Mr. Peterson of Florida with Mr. Bishop.
Mr. Boykin with Mr. Hope.
Mr. Barry with Mr. Gale.
Mr. West with Mr. Hill of Colorado.
Mr. McGranery with Mr. Taber.
Mr. Hare with Mr. Gamble.
Mr. Boehne with Mr. Wolverton of New Jersey.
Mr. Creal with Mr. Jensen.
Mr. Clark with Mr. Vreeland.
Mr. Joseph L. Pfeifer with Mr. Marcantonio.
Mr. Sumners of Texas with Mr. Mason.
Mr. Thomas of Texas with Mr. August H. Andresen.
Mr. Bell with Mr. Kilburn.
Mr. Woodrum of Virginia with Mr. Lambertson.
Mr. Worley with Mr. Plumley.
Mr. Drewry with Mrs. Rogers of Massachusetts.
Mr. Domengeaux with Mr. Mott.
Mr. Dies with Mr. Scott.
Mr. Courtney with Mr. Claypool.
Mr. Delaney with Mr. Sheridan.
Mr. Casey with Mr. Buckley of New York.
Mr. Magnuson with Mr. Kee.
Mr. Capozzoli with Mr. Kelley of Pennsylvania.
Mr. Somers of New York with Mr. Kopplemann.
Mr. Myers of Pennsylvania with Mr. Merritt.
Mr. Sweeney with Mr. McIntyre.
Mr. Michael J. Kennedy with Mr. Smith of West Virginia.
Mr. Dickstein with Mr. Bradley of Pennsylvania.
Mr. Wene with Mr. Mitchell.
Mr. Maciora with Mr. Monroney.
Mr. Snyder with Mr. Downs.
Mrs. Norton with Mr. Scanlon.
Mr. Lyndon B. Johnson with Mr. Nichols.
Mr. Sacks with Mr. Leavy.
Mr. Schaefer of Illinois with Mrs. O'Day.
Mr. Romjue with Mr. Holbrock.
Mr. Klein with Mr. Thom.
Mr. Scrugham with Mr. Sabath.
Mr. Gavagan with Mr. Sheppard.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNUITY OR PENSION UNDER RAILROAD RETIREMENT ACT

Mr. COLLINS. Mr. Speaker, I ask unanimous consent to withdraw the bill (H. R. 6357) increasing by 6 percent the amount of annuity or pension payable under the Railroad Retirement Act.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FINANCING OF WAR DEBT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for one-half minute, and to revise and extend my remarks and include therein a copy of a bill which I have introduced today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. PATMAN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a resolution from the Ishpeming Council of the Knights of Columbus.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VORYS of Ohio. Mr. Speaker, I ask unanimous consent to revise and extend my remarks by including two editorials from Columbus papers.

The SPEAKER. Without objection, it is so ordered.

There was not objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks and include an address made by Hon. Will H. Hays at the Indiana war rally on January 15, 1942.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to extend my remarks and include a bill that I have introduced for a four-lane highway down the Tennessee Valley.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROCKEFELLER. Mr. Speaker, I ask unanimous consent to extend my remarks and include a brief resolution adopted by an association in Kingston, N. Y.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMENDING INTERNAL REVENUE CODE

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 257, to amend section 124 of the Internal Revenue Code to simplify the procedure in connection with amortization of certain facilities.

Mr. VOORHIS of California. Mr. Speaker, reserving the right to object, this is a very important matter, and I should like to be heard on it.

Mr. DOUGHTON. How much time would the gentleman like?

Mr. VOORHIS of California. Eight or ten minutes, if possible.

Mr. DOUGHTON. I shall be pleased to yield the gentleman that much time if I have it.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc, That, effective as of October 8, 1940, section 124 (i) as amended, of the Internal Revenue Code, is hereby repealed.

Mr. DOUGHTON. Mr. Speaker, House Joint Resolution 257 was reported practically unanimously by the Committee on Ways and Means. It amends section 124 of the Internal Revenue Code by repealing subsection (i) of section 124.

The purpose of this resolution is to facilitate the national-defense program. Representatives of the War Department, the Navy Department, the Treasury Department, the Reconstruction Finance Corporation, the Office of Production Management, and all those agencies having to do with the administration of this act testified that it was necessary as a war defense measure. In other words, they testified that it would greatly facilitate the prosecution of the war.

Section 124 of the Internal Revenue Code of 1940 provides that a taxpayer in computing his annual tax may take as a deduction 20 percent of the cost of any war facilities he may have been authorized to construct. In the administration of the act, however, it was found that subsection (i) has resulted in delay, confusion, and misunderstanding, and has defeated the very purpose for which it was intended: To induce private business to invest its money in facilities necessary for national defense. On account of the confusion, delay, and misunderstanding resulting from subsection (i) those in charge of the administration of this act have found it very difficult and sometimes impossible to negotiate private contracts because the contractors would not invest their money, not knowing what their situation with respect to taxes would be after they had made the investment. It was testified before our committee that this confusion resulted in greatly delaying the national-defense program. More than that, the Government is being compelled to invest money where it was intended and desired that private concerns make the investment.

If we cannot rely upon the War Department, the Navy Department, the Treasury Department, the Reconstruction Finance Corporation, and the Office of Production Management to know whether this section has resulted in defeating its own purpose and delaying the national-defense program and preventing necessary war facilities being provided by private capital, I do not know upon whom we can rely for information. They have the experience, they have the knowledge, and have been trying to make it work for

months. They came before our committee and earnestly insisted that its repeal is necessary. In fact the committee held public hearings, and while the War, Navy, and Treasury Departments, the O. P. M., and the R. F. C. all were heard in favor of the legislation, not a single witness appeared in opposition.

I am fully satisfied, based upon the testimony adduced by our committee, that this legislation is necessary to expedite our national defense and war program.

Does anyone desire to ask any question?

Mr. HOFFMAN. Yes.

Mr. DOUGHTON. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Do I understand correctly from the gentleman's statement that when the legislation was before the gentleman's committee in the beginning that they favored it?

Mr. DOUGHTON. I do not recall, but when the pending resolution to repeal the subsection (i) of section 124 of the code was before us they unanimously favored its repeal.

Mr. HOFFMAN. Does the gentleman recall how they stood on the original act?

Mr. DOUGHTON. I do not recall how they stood on the original act.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. TREADWAY. Mr. Speaker, I want to supplement what the gentleman has said relative to the hearings that were held on this measure by the Ways and Means Committee. Some of the hearings were in executive session, but there was an open hearing. Among the various witnesses who appeared at the open hearings in favor of the legislation was the honorable Robert P. Patterson, Under Secretary of War, and Colonel Greenbaum; Hon. Jesse Jones, Secretary of Commerce; Mr. Odlum, from the Office of Production Management; and Mr. Forrestal, Under Secretary of the Navy; and Mr. Sullivan, of the Treasury Department.

If the gentleman will yield I should like to read a portion of Mr. Sullivan's statement for the RECORD.

Mr. DOUGHTON. I yield.

Mr. TREADWAY. Mr. Sullivan in a report of the Treasury Department to the Director of the Budget on December 13, 1941, made the following statement:

> At the present time section 124 (i) embodies what essentially is a procurement policy, and this Department is strongly of the opinion that such procurement policy should be carried into effect wherever practicable However, based upon the representations made in the joint letter from the Secretary of War and the Secretary of the Navy, to the chairman of the Ways and Means Committee of the House of Representatives, which is dated December 10, 1941, and is attached to your letter, this Department has no objection to the elimination of requirements effectuating this policy now contained in section 124 (i) of the Internal Revenue Code.

Mr. MCKEOUGH. I would like to ask the Secretary a question:

> In the event of this deletion from the statute, whether it is in the tax bill or otherwise, you are satisfied that full protection of the Government's interest from a Treasury viewpoint is not in any way eliminated?

To that Assistant Secretary Sullivan replied as follows:

> I say that there can be full protection of the public interest, without the requirement of a certificate of nonreimbursement. I think that through their procurement policy, the service departments can accomplish the objective we all seek.

Therefore, the Treasury itself is on record as favoring this change in the matter of amortization.

We were informed by witnesses that there were 30,000 delayed contracts as a result of the red tape. We have just put into office a man who is supposed to cut the red tape and get action immediately, or as near immediately as possible. It seems to me it would be very foolish of Congress at this time to return to the old method and allow these procurement contracts to accumulate. Therefore, I hope the House will accept the report of the committee and the suggestion of the chairman that section 124 (i) be eliminated.

Mr. DOUGHTON. Mr. Speaker, some fears have been expressed that the Government interests would not be protected if this resolution were passed and subsection (i) were repealed. In that respect, let me quote from the testimony of Under Secretary Patterson before our committee when we had public hearings. This testimony is found on page 5 of the hearings:

> That the rights of the Government should be safeguarded in every case in which it has paid, in whole or in part, for the cost of the facilities is obvious. As indicated already, this is true, whether or not the taxpayer has a contract with the Government, or whether or not the taxpayer seeks special tax amortization. Such protection should be afforded in every case, as a matter of sound procurement policy—and I mean there, of course, on the part of the contracting officer for the War Department or the Navy Department who negotiates with the prospective contractor and arrives at the terms of the contract. It is the duty of contracting officers in all such cases to see that the Government's interests are adequately protected. The contracting officers in the War and Navy Departments have been directed to protect such interests, and these directions are being carried out. The War Department assumes direct responsibility for protecting the interests of the Government in the facilities under all of the War Department's contracts.

The War Department assumes direct responsibility. No one is in a position to know so well and so fully when the interests of the Government are protected and when the rights of the people are safeguarded as those who are in charge of the administration of the act. I contend that those on the outside, who know nothing of the details and the difficulties that have been encountered by the War Department and the delay and the confusion that has resulted, are not in position to understand this so well as the departments.

[Here the gavel fell.]

Mr. VOORHIS of California. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the bill before us proposes to do the following: It proposes to repeal subsection (i) of section 124. Section 124 of the Revenue Code is the 5-year amortization provision. Subsection (i) states that any corporation which receives reimbursement from the Government directly or through extra payments for the goods it delivers shall not be entitled to that extent to special 20 percent per year amortization allowances, unless there is given assurance by the contracting officer that the Government's interest in the future disposal and use of the facilities for which it has paid has been provided for. In other words, the present law states that the Government is not going actually to pay for a portion of the plant, then accompany that by the right on the part of the corporation to deduct 20 percent of its cost from its tax bill for 5 years, and in addition say that at the end of the time the company can do exactly as it pleases with the facility.

It seems to me that this is a minimum of protection of the public interest. I have the utmost respect for the remarks of the chairman to the effect that if this subsection is repealed you can then depend upon the contracting officials of the War and Navy Departments. I hope and trust that that can be done, but it seems to me that it puts the Congress in an extremely anomalous position for us to repeal this provision, which is the only safeguard for the Government under the present circumstances, and then say we are repealing it because we believe the contracting officials of the Government will do anyway what the subsection requires.

The amortization deductions of 20 percent per year by the few companies which are going to enjoy the major portion of this huge expansion due to Government orders will be an extremely substantial loss from a revenue standpoint. It will be an important item.

It seems to me that the risk run by most of these companies is comparatively small. We are in a very different position from what we were when this act was first passed, when we were trying to induce private money to go into the expansion of those facilities, and when those men who did put their money into them were not at all sure whether this country would become involved or what the future would bring.

At the present time it is certain that with this colossal program the President has set before the Nation, and which must be carried out, a tremendous lot of business will be done by a comparatively few companies. It is part of our job to prevent excessive profits being made, and that is involved here.

It seems to me that to give a concession of this sort, a 20-percent-per-year amortization deduction, with no regard to whether or not reimbursement is made by the Government, is only to encourage large companies to get the benefit out of all this business, not to subcontract the business but to build additional plant facilities themselves in order that they may have the advantage of this provision, where they might instead subcontract a part of the work to smaller concerns that have some of the material and machinery already available.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield just for a question?

Mr. VOORHIS of California. Not right now; I want to finish my statement.

Mr. HOFFMAN. I just wanted to know how the gentleman stood on it.

Mr. VOORHIS of California. I am against it, I may say to the gentleman.

Mr. HOFFMAN. I thank the gentleman.

Mr. VOORHIS of California. I hope to have a chance to vote against it.

I believe that with a program anywhere near as large as the President has laid out for us it is obvious that most of the plant expansion will be so directly for war production that it is just out of the question to make it a proper or safe investment, from the standpoint of the private financing itself. Up to date only 20 percent of this expansion has been financed by private money. The rest of it has been financed by Government money. I think that is inevitable under present circumstances. How in the world can it be profitable to a private enterprise to expand as much as will be necessary to build the tanks, the guns, and the rest of the things we are going to need in this war? If we were considering expansion for civilian production, my position would be a very different one from what it is. But in the field of war munitions I can see no other proper way but for Government to finance it and then to lease it to competent producers, but to retain title to it and in many cases to retain it as stand-by capacity against the future. Had this been done after the last war we should not have so great a problem today. I think we might as well face that fact, and I feel that for the protection of the competitive, free enterprise system in the future, the important thing is to try to see to it that we do not put into the hands of a comparatively few corporations such tremendous economic power as may be done under present circumstances unless we are careful.

Mr. CARLSON. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman.

Mr. CARLSON. The gentleman is making a very interesting statement as to the benefits to these corporations taking advantage of this 20 percent amortization. Would it not also be possible that it might work to their disadvantage because they destroy any benefits by reason of taking advantage of the longer-term amortization?

Mr. VOORHIS of California. I am glad the gentleman asked that question, because my belief is that if the taxes on corporations which are going to be levied at the present time by the gentleman's committee, and for which I shall probably vote, because I think we have got to levy those taxes not only on corporations but others too—if it were expected that the taxes that will be presently levied would be continued after the war, I would agree with the gentleman, but I think the gentleman would have to grant me that the same companies that are asking the concessions contained in this bill will be the same people who will be insisting after the war is over that these tax rates be substantially reduced, and if that happens at that time, which I believe to be not beyond the realm of possibility, then the advantage from taking the amortization at present would be very substantial indeed.

[Here the gavel fell.]

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and I would like to say that I fully realize I have not dealt with this matter adequately.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DUNCAN. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, the paragraph sought to be stricken out of this bill is a very complicated one. It was written into the 1940 tax bill in the Senate, or in conference, as I recall. I have not time in the 5 minutes I shall have to read it, but I do not know just how anybody in the War Department or the Navy Department can intelligently construe it and apply it. The provisions with respect to nonreimbursement certificates, as they are known, apply to contracts in excess of $15,000. In other words if the War Department seeks to have some manufacturing company make a particular type of shell or a particular type of equipment which the War Department may desire, and it becomes necessary for that company to buy a particular piece of machinery that may be of no value to it after it has performed the terms of its contract, the questions arising under this paragraph will have to be determined.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. DUNCAN. I only have 5 minutes, and I am sorry that I cannot yield, as I want to explain this as best I can.

So every contract that any corporation may have with the War Department has to be thoroughly investigated, if it is excess of $15,000, for the purpose of determining whether or not under the terms of that contract the contractor is receiving compensation for any additional equipment or expenditures he may have been required to make because of that particular contract. A company may have a dozen contracts with the War Department upon which there have been granted certificates of nonreimbursement, and then he comes along and gets another contract in excess of $15.000 and it is held by the War Department that he is receiving compensation. Then the whole thing becomes confused, and before that contractor, as I understand from the statement of Mr. Sullivan, can determine what his financial status is, they must go back and audit all of the accounts between this contractor and the War Department.

Unquestionably, this has resulted in great confusion. It has been more confusing to the businessmen than it has been to the War and the Navy Departments. They do not know what their status is, and it may take weeks for them to determine. They cannot afford to go out and spend thousands and thousands of dollars to add some new equipment which is absolutely essential to the performance of some particular contract entered into with the War Department unless they know they are going to have some reasonable opportunity of receiving compensation for it; and when there are many thousands of these contracts to be checked over and thoroughly investigated by the War or Navy Department, to be finally approved by the President, you can well understand what the confusion is likely to be. I have every confidence that the gentlemen who are responsible for the approval of these contracts will protect the interests of the Government. With 200 officers down in the War Department spending a large part of their time passing on these contracts, these certificates of nonreimbursement or reimbursement, one can imagine what a difficult task it must be. You man wonder what these certificates of nonreimbursement are. It was a rather hard thing for me to get through my head just what they mean, and in many cases it is quite difficult for those who are administering the act to definitely determine, but I may give you this example of it as it came to us on the committee.

Suppose a contract is let to make knapsacks at $5 apiece. If there is a reasonable profit in that $5 of 6 or 8 or even 10 percent, the War Department probably would not determine that there was reimbursement for the equipment necessary to carry out the contract, but if it cost $4.80 to make it, and the contract is for $5.50, the Department probably would determine that there was reimbursement for such necessary machinery and equipment as was necessary to carry out the terms of that contract, and that the amortization provision of the act would not apply, but if it found that the contractor had not received compensation under that particular contract, then a certificate of nonreimbursement would be granted. Mr. Speaker, we can see what a complicated situation it has produced, and if we are going to depend upon these men to spend billions of dollars which the Congress is providing then certainly I think we ought to give to them the right to pass on this sort of thing.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. TREADWAY. Mr. Speaker, I move to strike out the last word. The gentleman from Missouri [Mr. DUNCAN] who has just taken his seat, is in somewhat the same mental condition that I was. We did not understand the difference between reimbursement and amortization, and I think that was really the deciding factor in the opposition of some of us to the request made by the departments. The gentleman has explained it quite thoroughly. In other words, as I understand it, the knapsack proposition brought to our attention was that if the cost of manufacture was $5 apiece, and the contract provided for the knapsacks to be sold to the Government at $5.40, no question of reimbursement would be involved because there was no excessive profit. However, if the price at which the knapsack was sold to the Government was at $6.40, instead of $5.40, then there was excessive profit, which would involve reimbursement by the Govern-

ment for the cost of the facilities, and no amortization would be allowed. I think that is a correct explanation of what this reimbursement, so-called, is.

With reference now to the remarks made by the gentleman from California [Mr. VOORHIS], I do not blame him for taking the viewpoint he does, until he has thoroughly understood the situation. There was great opposition, the chairman will not hesitate to admit, when this matter was first proposed in committee, and we were not at all satisfied that it was proper legislation, whereas, after we thoroughly understood the situation, we approved it. Representing the Republican side, I think we are all in harmony in agreeing finally to the unanimous report. The gentleman from California to my mind made two mistakes in his remarks. One was that the contractors are anxious to have this liberalized amortization procedure. No contractor appeared before us whatever. The departmental people wanted it to hurry contracts through and they were the ones who asked for this amendment striking out subsection (l) of section 124. The contractors themselves were not a party to these hearings.

Mr. COFFEE of Washington. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. In a moment. The testimony that was brought before our committee was all to the effect that there was a bottle-neck in the negotiation of war contracts. These examinations on the part of the various departments of Government to see if there was any reimbursement could not be handled rapidly enough, so that the contracts were accumulating and lying on the table and not being fulfilled over a period of time. We were told that at one time at least 30,000 contracts had piled up that could not be passed on by the method of procedure at that time. Therefore, I think the gentleman from California is in error in saying that he thinks that the several different methods of examination should be followed out. I, for one, want to say that I have confidence, and I am sure that he has, in the officials who appeared before our committee, and I quoted in particular Under Secretary Sullivan, who testified very distinctly that the interests of the Government were not in jeopardy if we carried out the program provided for in this amendment.

Mr. VOORHIS of California. I do not want to be in the position of indicating any lack of confidence in our Government officials.

Mr. TREADWAY. I realize that.

Mr. VOORHIS of California. But I do feel that the position of the Congress should not be simply to say that we think such and such ought to be done, and we are going to rely on these officials to do it.

Mr. TREADWAY. We must rely on somebody. Now, the President has set up a particular organization to hurry these contracts through——

Mr. VOORHIS of California. That is correct.

Mr. TREADWAY. To get it under way and get it done.

Mr. VOORHIS of California. Will the gentleman yield to me once more?

Mr. TREADWAY. Certainly.

Mr. VOORHIS of California. Does not the gentleman agree with me, generally speaking, that if a private company goes out and spends money and expands facilities for the construction of tanks, by and large, the amount of compensation that that company would have to get out of that would be almost the total amount that it spent on it?

Mr. TREADWAY. There are certain provisions under which he can get that total amount.

Mr. VOORHIS of California. I agree with the gentleman because it seems to me, if he does get that much, the property should belong to the United States.

Mr. TREADWAY. It will belong to the United States if they reimburse him for the entire cost of production.

I hope the bill will be accepted by the House.

[Here the gavel fell.]

Mr. McKEOUGH. Mr. Speaker, I move to strike out the last four words.

Mr. Speaker, when this matter was last before our committee we listened, as has been indicated, to the testimony of the Assistant Secretary of War, Mr. Patterson, the Assistant Secretary of the Navy, Mr. Forrestal, Secretary of Commerce, Mr. Jones, and Assistant Secretary of the Treasury, Mr. Sullivan. I do not share the views that have been expressed by the other members of the committee today with relation to the advisability of striking this particular section from the tax law. I do not agree for the simple reason that it was indicated to us by those who testified as to the need for this action resting entirely on the ability of those in charge of the War and Navy Departments to produce the necessary defense material in the shortest possible time. If you will read the hearings I am confident you will agree that while everybody who was called in to attempt to convince the committee as to the necessity of the action that is now about to be taken, was given every opportunity to do so, but in all candor I must say that those who testified completely failed, in my humble judgment, to make a case of their position.

I want to point out it was indicated that if we strike this from the law it is the proposal of the War and Navy Departments to incorporate like provisions in the individual contracts that are being executed for the production of material. If that is so, then one or two of us on the committee could not see any particular reason why they should strike it from the law, if they indicate they are going to propose such protective clauses in contracts to protect the Government. I do not think I am violating any confidence when I say to the Members of the House today there have been some contracts at least that have been awarded by the War and Navy Departments where the contractor has earned sufficient remuneration in the way of net profit not only to pay for his plant expansion, but to have a considerable reserve over and above, paying 100 percent for the plant expansion incident to the production of the items called for in the contract. It is the desire of those who are going to hold the responsibility of this program to have this eliminated from the law. I in no way want to interfere with them.

On the other hand, I could not, in conscience, permit this situation to be presented today without at least indicating my attitude toward it, not that I think it will influence anybody in the House, but I do say in all candor that I see no necessity for eliminating this from the law. I do not think the War or Navy Departments or Mr. Jesse Jones or anybody else connected with the administrative side of this Government will be any less positioned to do a good job and in no way sacrifice protection to the Treasury of this country if we insist on it being retained in the present tax law. After all, this requirement was incorporated in the tax law for the purpose of protecting the Treasury against exorbitant profits that may be made by contractors of this country to whom are delegated the responsible task of producing the defense requirements of the hour. I think they are being very generously treated. I do not think any of them are going to go broke. I do not think any of them that have any prime contracts on the generous terms that are entered into are going to wind up with a net deficit at the end of the fiscal year. The best evidence of that conclusion rests in the earnings that are now currently offered on the part of corporations that file their earnings statements with the New York Stock Exchange. I noticed in the National City Bank Bulletin a few days ago some 350 industrial corporations with a book value of $12,000,000,000 showed current earnings in spite of the heavy reserve set up for taxes, of 13.3 percent net, as against 9.9 percent for the same 9 months of 1940.

I cannot vote for this particular resolution.

[Here the gavel fell.]

Mr. HOOK. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, I fully realize the importance of the expansion program and the necessity of facilitating production, but I doubt very much whether this resolution will do it. I want to call your attention to the Truman report that was put out on the investigation of the national defense program. I call attention particularly to page 63 of that report where the statement is made that practically the whole airplane program has been handled by about 19 companies and that the inefficiency—well, let us not say inefficiency because those 19 companies have been efficient so far as their production is concerned—but the fact that we have not had the quantity production we sought comes about because those in charge of the program have limited the thing to 19 large companies. They have favored these 19 large companies. The profits and the amount of money that has been paid to these companies is out of proportion to the results secured.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield?

Mr. HOOK. I yield.

Mr. DOUGHTON. The gentleman has quoted from the Truman report. Does the Truman report favor the enactment of this resolution?

Mr. HOOK. I do not know whether it does or not.

Mr. DOUGHTON. The gentleman has taken the Truman report as his text to defend his position. The Truman report comes out for the passage of this resolution.

Mr. HOOK. They might favor the adoption of the resolution for the purpose of expediting war production, but that is the only reason I can see why this resolution should be passed. I cannot see where it is going to enlarge the production. The way to enlarge production in this country is to allow the small ordinary corporations a chance in the whole war program and not limit it, as is shown in this report, to 19 large companies. I know of one company, the Zephyr Aircraft Corporation, which was run out of business by the War Department, yet the company had equipment to produce at least 50 airplanes a day and in their bidding bid only $3,000 a plane against some $8,000 a plane by a large company. The Truman report cites this as a glaring example. I see on the floor of the House now my colleague, the gentleman from Michigan [Mr. DINGELL] who can vouch for the fact that we went down to the War Department, conferred with General Arnold and General Brett, and they passed it over as a light thing; whereas if they had put mass-production methods into the airplane industry of this Nation it would have saved billions of dollars and thousands—yes, millions of hours of training time. Ah, but if they did that they would have had to accept the thing that Ford did for the automobile industry, and the 19 big corporations controlling aviation in this Nation did not want that; and I say it advisedly.

Over in Pontiac, Mich., rests the equipment of this airplane company that is ready to do the work, to go into operation and with punch presses, dies, and jigs punch out 50 airplanes a day. But, no; they do not belong to the Big Six which controls the handling of this whole aviation war program. They dictate to the War Department instead of the officials of the War Department dictating to them.

It is about time we realized we are actually in a war. It is about time we realized that the President does want hundreds of thousands of planes and that the boys across the sea are crying for these planes. I hope that even if this legislation does pass those in authority will at least take into consideration the fact that we have small corporations in this country and realize that these comparatively small companies collectively will amount to a tremendous force when put into production.

I am informed that there is a possibility that the smaller companies do not want to take a chance of expansion unless they are given a certificate as provided in this legislation. I understand the large companies have taken a chance without waiting and therefore have controlled the whole of the business. If this is true that may help some. However, I cannot subscribe to any proposition that will again bring about a condition of creating war millionaires. The boys in uniform are giving their lives and all they ask is that we at home give our best efforts to give all-out production without profits. I plead with you, do not let the boys in uniform down. It means our freedom if you do. It means a loss of all we hold dear. Production without profit is all we ask. That is not too much.

Mr. MURDOCK. Mr. Speaker, I move to strike out the last four words, and do this principally to ask two or three questions of the chairman of the Ways and Means Committee.

First. I should like to ask the chairman whether this move to strike out subsection (i) will have the effect of reducing the chances of inordinate war profits?

Mr. DOUGHTON. I do not know that it would have any direct bearing on that. It certainly would not militate against inordinate war profits; but this is a matter of amortization or reimbursing companies for providing facilities for the production of war materials; that is what this is for—amortization. The fact of the matter is those in charge of the administration of the law unanimously and earnestly insisted that their work was being handicapped and delayed and that confusion has resulted because of the existence of subsection (i). If we believe what they say, if we believe they are intelligent and honest, then if we do not pass this resolution the responsibility rests on us; and I am not willing to take that responsibility.

Mr. MURDOCK. I am very much concerned about war profits and feel that this move has some bearing, directly or indirectly, upon war profits. The second question is this: Does the gentleman believe that the passage of the pending resolution will greatly facilitate war production?

Mr. DOUGHTON It will if one can believe the united testimony of those on whose shoulders falls the responsibility of executing the war program and who have had the experience of operating under this subsection. I have no doubt, based on their statements, that the war program will be greatly facilitated if this resolution is adopted. If it is not adopted, it will be continuously delayed. That is my honest opinion.

I believe if the gentleman had heard all the testimony, and I believe if my good friend from California, whom I very greatly admire, had heard the direct testimony, all the questions and all the answers, any reasonable doubt in their minds would have been removed.

Mr. VOORHIS of California. I should like to have heard the testimony, I may say to the gentleman.

Mr. MURDOCK. The third question I should like to ask the chairman is this: I understood the chairman to say that if we do not pass this resolution or make this change the responsibility for slowing up or delaying production will rest upon us. If we do make this change, the proper provision of these contracts will then rest squarely as a responsibility upon the War and Navy Departments. Is that not true?

Mr. DOUGHTON. That is the way I understand it. The resolution has two purposes. The first is to expedite the letting of these contracts to facilitate going ahead with the war program. At the same time another purpose is to induce private capital to build these facilities rather than the Government's having to furnish the money.

Jesse Jones, who is not only Secretary of Commerce but head of the Reconstruction Finance Corporation, a man in whose business capacity we all have unqualified confidence, testified very definitely that, in his opinion, the effect of it would be that it would get more private capital into these contracts and the Government would have to put up less money. That was the original purpose of the act.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from California.

Mr. VOORHIS of California. May I say to the gentleman, on the question he asked about profits, that I believe if the gentleman listened to the explanation of the gentleman from Missouri, it would be plain that the effect of this amendment would be that a company could still take advantage of the 5-year amortization period if this bill were passed, even though its profits were much more substantial than it would now be permitted to take advantage of.

May I also say to the gentleman that my point of view is that in the last analysis, with regard to trying to get private capital to finance something which is necessary for a nation, such as these huge tank plants and similar facilities, if you have to pay a price which amounts to paying back all they spend in order really to compensate them, I would rather see a clean-cut proposition whereby we recognize that that sort of construction almost has to be financed by the Government.

Mr. McKEOUGH. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from Illinois.

Mr. McKEOUGH. Following the colloquy with the distinguished chairman and the gentleman from Arizona, I should like the gentleman to turn to page 35 of the hearings, where he will find that I quizzed Mr. Jones on whether or not he thought that would make any great noticeable contribution to the flow of private capital to plant expansion. He did not very definitely go on record. He merely indicated that he hoped it would.

Incidentally, in quizzing him as to whether or not he had any serious objection to retaining this protective feature in the law, I found that he indicated he had no objection to retaining it.

The question resolves itself into whether or not we want to go ahead and give the green light to the Navy, the War Department, the Maritime Commission, and others, without retaining this protective feature in the law. I submit that it will in no way handicap the production program by reason of its being retained in the law, because the Navy and Army indicate they are going to retain it in the regulations that are to be issued in the event we strike it from the statute.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. The fact remains, in spite of the observation of my distinguished friend and able colleague on our committee, that Jesse Jones on his own volition appeared before our committee in advocacy of this joint resolution. He evidently had a purpose in it and evidently thought the resolution would work a good purpose.

Mr. McKEOUGH. I understand that; but I submit further that the gentleman will find, on reading the hearings, that he in no way strenuously urged that we do it.

Mr. DOUGHTON. That word "strenuously" is rather ambiguous.

Mr. McKEOUGH. I merely asked him whether or not it would make any difference, and he very frankly said "No."

Mr. DOUGHTON. Of course, he did not turn somersaults and break his neck, but he came out in favor of it.

Mr. McKEOUGH. He offered nothing constructive to the committee deliberations.

Mr. DOUGHTON. That word "constructive" is a matter of interpretation. The fact that he came out in favor of the resolution was a constructive act on his part.

Mr. McKEOUGH. If the gentleman will yield for one more observation, may I point out that I have no quarrel with Mr. Jones but I am one who does not genuflect every time his name is mentioned.

Mr. MURDOCK. May I say that I am now simply trying to get my own mind cleared in regard to this puzzling matter. As I view it today, our primary purpose is to increase and quicken production. That is the essential thing. I am willing to take some risk in order that we may meet that urgent need. However, I am just as unalterably opposed now as ever to permitting a crop of millionaires or multimillionaires to grow out of our war effort.

Ever since the very beginning of the second World War, I have been torn between two determinations, both of which are very important and likely to be conflicting. First, I wanted our Nation to be properly, thoroughly, and quickly prepared in a military way, and secondly, I wanted national defense attained without undue war profits and the creation of another crop of multimillionaires growing out of our defense efforts.

Accordingly, early in October 1939, I introduced a bill in the Seventy-sixth Congress—H. R. 7557—designed to tax excess war profits at that time, remembering the profiteering in this country growing out of our War between the States and out of the first World War to a much greater degree. I had the firm conviction then, as I do now, and so stated, that the American people would not stand for that sort of thing again.

However, being assured by high authority, that there would be no crop of millionaires created in this country in this emergency, I was not too insistent then on the immediate passage of such legislation as I had proposed in H. R. 7557. Instead, I brought myself to agree with those who understood the whole matter better than I did that the needed things in the line of national defense should be attended to first, and the prevention of excess profits could be attended to later. Of course, I was greatly pleased when the President soon afterward asked Congress for an excess-profits tax.

The question is, How can we obtain the greatest quantity of production of all war material without some excess profits being permitted? I am just as firmly opposed now as ever to our Nation's dire need being the opportunity for profiteering, but I realize also that our very national existence depends upon war goods being produced. If the War Department can bring about the desired results better by our changing this provision in existing law, let's change it.

[Here the gavel fell.]

Mr. KEEFE. Mr. Speaker, I move to strike out the last three words.

Mr. Speaker, I have listened with some interest to all of the arguments that have been made with reference to the pending legislation and I confess that, perhaps, I am no different than others who have spoken who are members of the committee when they have said that confusion reigns quite supreme in their minds as to the purpose and character of this legislation. My purpose in taking the floor at this time is to endeavor, if I may, at least to satisfy my own mind as to exactly what I am called upon to vote for.

If this bill means what I believe it means, and is to be interpreted and managed as I understand the evidence discloses it will be, I shall be glad to support the legislation as an effort to expedite our national-defense program, and because I am familiar with the fact that manufacturers in my own district have been plagued intolerably by the existing law that is sought to be repealed. Let me see if I understand the situation. In order to claim the benefit of the provisions of the existing law permitting a 60-month amortization for plant expansion and defense facilities, it is not necessary under the terms of existing law for a manufacturer to have a contract with the Government for the production of defense articles. Is that right?

Mr. DOUGHTON. He may have a contract.

Mr. KEEFE. He does not necessarily have to have a contract.

Mr. DOUGHTON. He must have a certificate of necessity from the War or Navy Department.

Mr. KEEFE. When he obtains a certificate of necessity from the War or Navy Department he may claim the 60 months' amortization that is provided in the law in lieu of ordinary wear, tear, obsolescence, and depreciation.

Mr. DOUGHTON. If he can demonstrate that he has not been reimbursed.

Mr. KEEFE. If he can demonstrate that he has not been reimbursed, all right. Now, as I understand it, this section (i) that we seek to repeal provides some measure of protection to the United States Government in this situation. I may have a contract for the manufacture of certain machines necessary in the war effort, and the price that I am to receive per unit of machine must take into consideration the reimbursable feature that is found here in this paragraph that is sought to be repealed. In other words, if it shall appear that the unit cost of the machines under my contract with the Government includes more than the ordinary compensation for normal exhaustion, wear, and tear on the facilities used to produce that machine, then I should not be entitled to amortization on account of the spending of my individual money for the building of the facilities. Is not that right?

Mr. DOUGHTON. The reimbursement will not only cover the necessary machines, but the plant is included as well.

Mr. KEEFE. I said whatever is necessary. Let me state that again so there will be no misunderstanding about it. If I am the builder of a tank and I enter into a contract with the Government by which I am paid a definite unit price per tank, the Government, in considering that contract, takes into consideration the normal wear and tear and obsolescence, and so on, on the facilities that my private funds have made possible to produce that tank. If the price which the Government has agreed to pay me is excessively more for that item of cost in determining the price of that tank, then I cannot obtain amortization from the Government under existing law.

Mr. DUNCAN. That is right.

Mr. KEEFE. Now, that seems like a sound proposition.

[Here the gavel fell.]

Mr. KEEFE. Mr. Speaker, I ask unanimous consent that I may proceed for 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. No; I do not want to yield yet. I want to state this other thought to see if I am right. This is a technical proposition and hard to understand.

Mr. DINGELL. I think it should be said that the gentleman is essentially correct in his deduction.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I do not care to yield, because I do not want to be disturbed right now. I will yield later if I have the time. I am trying to follow this through with my line of thought so that I will understand it, whether anybody else does or not.

The situation I just stated would apply to one contract. Now, suppose I start building my tanks under one contract and 3 months later I am awarded another contract. Then in order to take advantage of the amortization provisions of this law I must come down here, fill out a whole host of papers, and go through all sorts of rigamarole on every single contract that I enter into with the Government. Is not that correct?

Mr. DOUGHTON. You would have to show, of course, that the facilities you ask for are necessary before you can get a contract. You would have to show that the additional facilities are necessary.

Mr. KEEFE. That means I may have put in an additional machine to perform this additional contract or may have to do a little building or erect a temporary building, and it means that on every contract I take I have to come down here and go through the formalities of receiving an amortization certificate.

The result is that it has been the experience of those engaged in the defense industry, many of whom I know in my district, that the burden that is placed on these people has discouraged them from attempting to carry on under these circumstances. I understand that all there is to this proposition is an effort to see to it that the tremendous volume of red tape and efforts that must be put forward by the manufacturer to contribute to the defense effort may be swept aside to some extent, to enable them to go on producing goods, without spending all their time making out reports down here to the Government. Because I am convinced that those in authority in the War Department intend to protect the public interest and to see to it that unconscionable profits are not made by charging unreasonable obsolescence and depreciation under these contracts, I am going to support the legislation as an effort to stimulate our defense production. Any person who would read the hearings of those who testified and who are in charge, it seems to me, could come to no other conclusion. If we cannot trust those who are in charge of the war effort to protect the Government against gouging by unconscionable contractors under these contracts, then our Government certainly has reached a sad place. This procedure and this legislation should not be considered through the light of mere demogogic appeal. It is a technical and difficult situation to understand, but with the law before us as it is I am satisfied that the situation can be developed in the Department where the public interest will be protected, and that no manufacturer claiming amortization under a reimbursement certificate will succeed in obtaining a plant at the end of this work that the Government has paid for as a result of excessive profits earned by any corporation. I could not support this legislation if I believed that it would permit unconscionable profits to be made out of the war effort.

Mr. McKEOUGH. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. Yes.

Mr. McKEOUGH. Will the gentleman favor the House with an opinion as to how that protection will be secured at the time the contract is entered into?

Mr. KEEFE. The gentleman is a member of the committee, and he ought to be able to answer that question a whole lot more efficiently than I.

Mr. McKEOUGH. And that is why I am opposing the legislation.

Mr. KEEFE. I assume that the protection is going to be secured in the negotiation of the contract itself, and that is all there is to it.

Mr. McKEOUGH. Let us take a practical situation. I know the gentleman wants to be fair, and I am convinced that he thinks that I want to be fair.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. McKEOUGH. Mr. Speaker, I ask unanimous consent that the time of the gentleman be extended for 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. KEEFE. I want to be perfectly fair, and I want to understand it, and I do not think that I am to be accused of unfairness in a matter of understanding, when I am approaching it for the first time this afternoon, and the gentleman is a member of the Ways and Means Committee, and other Members have indicated that after months of study many of them do not understand it or know exactly what the situation proposes, when the gentleman asks me what is going to happen and how this will be interpreted.

Mr. McKEOUGH. Mr. Speaker, will the gentleman yield? I really obtained 3 minutes for the gentleman.

Mr. KEEFE. Yes.

Mr. McKEOUGH. I compliment the gentleman upon his modesty in that he assumes in a very few minutes to take the ball and indicate that he has all the answers. The gentleman stated that he is going to support this legislation.

Mr. KEEFE. I intend to.

Mr. McKEOUGH. And I assume the gentleman is pretty well convinced in his own mind that the support of this is the thing to do.

Mr. KEEFE. I am, and surely men who possess ordinary intelligence could disagree on a matter of this kind.

Mr. McKEOUGH. I agree with that, but I merely make the point that I compliment the gentleman because he has reached his conclusion in a few minutes when it has taken the rest of us months to do it.

Mr. KEEFE. Perhaps I do not maintain the same prejudice that the gentleman does.

Mr. McKEOUGH. I have no prejudice. I am attempting to protect the Government with the language that is written into the tax bill that the gentleman supported, because it was in the tax bill which the House passed and the Senate passed and everybody approved it. I suggest the gentleman read the hearings of the testimony of Mr. Patterson, the Under Secretary of War. He was the first witness.

Mr. KEEFE. I just finished reading it.

Mr. McKEOUGH. Did you find in his testimony that he said he had no objection to this provision if it were in any other statute other than a tax bill? That is one thing he said. Secondly, he said that in the event it is eliminated from the statute it would be provided in the regulations that the War and Navy Departments had then prepared. So that we are not going to eliminate the thing that they object to, according to their own testimony. Now, there is no particular objection, as I see it, to protecting the Government against the possibility of a contract resulting in remuneration, directly or indirectly——

Mr. KEEFE. Just let me indicate to you what Secretary Patterson did say. He said:

> It is proposed by the War and Navy Departments, with the concurrence of all interested agencies in the executive branch, that subsection (i) be repealed, because the subsection has created confusion and uncertainty, with the result that manufacturers refrain and will continue to refrain from acquiring or constructing new facilities at their own expense. Manufacturers delay and will continue to delay in the acquisition and construction of such facilities, and valuable time has been consumed and will continue to be consumed by military and naval personnel and manufacturers who are engaged in important war work.

I say to the members of this committee that from actual observation in certain war industries in my own district, I know that that situation prevails. Now, I ask the gentleman, has he not confidence in his Secretary of War, in the Under Secretary of War, and those charged with the administration of that agency of Government?

Mr. McKEOUGH. I have confidence.

Mr. KEEFE. Has not the gentleman confidence in the Secretary of the Navy and those charged with the administration of that agency of the Government?

Mr. McKEOUGH. Yes, I have.

Mr. KEEFE. Then you believe that these people, when they grant these reimbursable certificates, even though this section (i) is removed, will see to it that in the contracts entered into with contractors, the public interest is protected, do you not?

Mr. McKEOUGH. No. I disagree at that point, because I do not think they are in a position to know because they are very human people. I do not think they can write a contract to indicate what the cost of a new bomber is going to be of a particular type. I do not think they know today what a new battleship is going to cost. I do not think they are in a position to determine it. I will give you one example, if you will permit me.

Mr. KEEFE. Under the provisions of this law they have a right now, have they not, to grant or not to grant reimbursement certificates?

Mr. McKEOUGH. Surely, depending upon whether or not at the time the contract is made they know whether the contract will be sufficiently large to reimburse, directly or indirectly, and I submit they do not know and you do not know and nobody else knows.

Mr. KEEFE. They have under existing law——

Mr. McKEOUGH. There is no harm in leaving it here.

Mr. KEEFE. I just want to say in answer to the gentleman that they have a right under existing law to determine the question of reimbursement or nonreimbursement.

Mr. McKEOUGH. They have not the right. They are compelled under the law to adjust it. It is not a matter of right. It is a matter of law.

The SPEAKER. The time of the gentleman from Wisconsin has again expired.

Mr. JENKINS of Ohio. Mr. Speaker, I move to strike out the last word.

The gentleman from Wisconsin [Mr. KEEFE] has diagnosed the situation very accurately and has come to the only real conclusion that anybody can come to. I would like the attention of the gentleman from Wisconsin [Mr. KEEFE] for just a minute. Here is another argument in favor of his argument. You can go one step further. The principal reason this section (i) is in this bill is that when these

property owners, industrialists, came before the Ways and Means Committee in the first instance to ask for this concession of amortization, the members of the committee and the Treasury representatives tried to throw a cloak of protection around the interests of the Government. This cloak was this provision referring this matter to the Treasury. Under the law as it stands now there are three different groups who are interested in these contracts. One is the contractor; one is the Army or the Navy; and the other is the Treasury. As the gentleman so ably stated, this thing has developed to such an extent and there have been so many inconsistencies and so much trouble even with the two parties, with the contractor and the Army or the Navy, that it stands to reason that with the addition of a third party to the group the trouble will be increased. To bring the Treasury in with its necessarily exacting methods, the trouble would be interminable. You would never end it. You could not get anybody in private industry to put his money into it when a final adjustment would be interminable. Striking out this section takes the Treasury out of controversy. The gentleman from Illinois [Mr. McKEOUGH] maintains that this section should stay in. This can stay in the law, but those who operate the law will have to contend with it. They will always be confronted with it. They can see the Treasury in the background. They think that they can anticipate all these conditions and take care of them in the contract. If this section stays in the law, the Treasury may come in and reinvestigate everything that the Army or Navy has already passed upon. This causes a bottleneck. Industry is tied up. I was against this thing in the beginning because I did not want the War Department or the Navy Department to have anything to do with levying taxes. Levying taxes is the function of Congress. It is not the function of the Army or Navy. We are now seeking to take this matter out of the realm of taxation and consider it as properly a matter of contract. If it is a matter of contract then it is appropriately a matter to be handled by the War and Navy Departments. Then it follows that these two Departments should have a free hand to operate if the bottleneck is to be relieved and production speeded up. It, therefore, behooves those Departments to see to it that these contracts are carefully drawn so as to protect the best interests of the country.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. BOLAND. I listened to some of the testimony presented before our committee. I ask the gentleman if it is not a fact that some of these larger corporations or contractors have taken the gamble and the chance, have expanded their plants pending the certificate's being issued to them; whereas a lot of the smaller contractors would not take that gamble and could not take that gamble because of this red tape you have to unravel before you can get a certificate?

Mr. JENKINS of Ohio. The gentleman is absolutely right. The War Department and the Navy Department both have unqualifiedly recommended this change in the law. The danger is as stated by the gentleman from California, and the gentleman from Illinois: They are afraid somebody might not protect the Government. When we built this law we built it so the Treasury would protect the Government. It has developed from experience that this does not work well. If this section is stricken from the law it will be the policy of those in charge to have the contract to contain provisions and stipulations that will serve the Government better than the present provisions.

Mr. BOLAND. And the Treasury does not have any objection to this at all?

Mr. JENKINS of Ohio. No. They took the position they would not oppose it. If the Army and Navy fall down on their job then we have made a mistake, but if they are wise and careful and have an eye single to the best interests of the country, then we have not made a mistake.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. VOORHIS of California. The gentleman has no fear, then, that the action of Congress in repealing this subsection will be taken as an instruction by anybody to disregard it?

Mr. JENKINS of Ohio. I hope not. I am as strong today as I ever was against the Army and Navy levying taxes. But as I see it taxes are out of it. The Treasury will be out of it. The Army and Navy should be smart enough to protect the country and if not then they should not have the right to make any kind of contract. At present those agencies make many contracts. At the present time the Army and Navy have hundreds of officers now working on these complicated situations who would be relieved and permitted to go into active service where they are so badly needed.

Let these contracts state exactly what the parties agree to and then let the parties live up to the contract absolutely, literally, and in every detail. If this is done then what was intended will be accepted and that is all that is needed.

[Here the gavel fell.]

Mr. HOFFMAN. Mr. Speaker, I rise in opposition to the pro forma amendment and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, it is a very depressing situation for a loyal Member of the House who adjourned politics on the 7th of December and wants to join in a patriotic manner in supporting these various bills for he hardly knows what to do when he finds a bill brought in here by the chairman of the Ways and Means Committee and the majority of the committee which is labeled as a defense measure and then on the floor of the House finds the Republicans called upon to make an aggressive and continuous fight to get it through while it is opposed by so-called administration spokesmen.

What I wanted to know was this: Did I understand the gentleman from Michigan [Mr. HOOK] correctly to say that the War Department had put a Michigan corporation out of business when it was in a position to make planes for the Army. Am I correct in my understanding?

Mr. HOOK. If the gentleman will read the Truman report he will find that in the report.

Mr. HOFFMAN. But did not the gentleman say just a little while ago that the War Department put an aviation company out of business?

Mr. HOOK. The officials of the War Department in charge of handling contracts, or the program of airplanes, practically threw this company out of business.

Mr. HOFFMAN. And how many planes a day did the gentleman say that company was prepared to make?

Mr. HOOK. That company, with its punch presses and their equipment, is prepared to put out about 50 airplanes a day.

Mr. HOFFMAN. Fifty?

Mr. HOOK. Yes.

Mr. HOFFMAN. And the War Department officials put them out of business?

Mr. HOOK. The gentleman is correct.

Mr. HOFFMAN. Does not the gentleman as a member of the majority party think he ought to have something to say about that?

Mr. HOOK. How can I with Republicans in control of the War Department?

Mr. HOFFMAN. Oh, the Republicans are handling this, are they? I thought Democrats were in control here. The gentleman does not mean that the Republicans down there—the gentleman does not mean that Knox and Stimson are running Roosevelt, the administration, the Army, and Navy? The gentleman does not mean that, does he?

Mr. HOOK. I thought they were still Republicans.

Mr. HOFFMAN. You ought not let them run the War Department and the Navy contrary to the policies of the administration. You do not mean to tell me that the administration is not in control of our foreign policy—of our war moves; that the Commander in Chief is not in authority—is not responsible?

Mr. McCORMACK. Mr. Speaker, if the gentleman will yield, I think this has gone along pretty well——

Mr. HOFFMAN. I have finished if the gentleman has.

Mr. McCORMACK. I thought the gentleman had yielded.

Mr. HOFFMAN. I will yield if the gentleman wants to prolong the discussion.

Mr. McCORMACK. I think we are agreed that in war the men in responsible positions without regard to their political preferment are Americans, first and always.

Mr. HOFFMAN. To the best of their ability. There is no doubt about it. There is some question about the ability of some of them, according to the Truman report.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HOFFMAN asked and was given permission to extend his own remarks in the RECORD.

ANNOUNCEMENT

Mr. MOTT. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. MOTT. Mr. Speaker, I was unavoidably prevented from being present on the roll call on the adoption of the conference report on the civilian defense bill. Had I been present, I would have voted for the adoption of the report. I voted for the motion to recommit because I thought, and still think, that the House conferees should stand by the House amendment. Since that was not done, however, it was my intention to vote for the adoption of the report, and had I been present I would have done so.

TIRES PRIORITIES FOR CLERGYMEN

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MUNDT. Mr. Speaker, on January 13 I addressed the House briefly calling attention to a letter I had written to Mr. Leon Henderson suggesting that members of the clergy be granted priority claims for the use of automobile tires. In response to that letter I received a very courteous letter from Mr. Henderson.

I wrote him a second time suggesting that clergymen be granted the same classification as physicians, surgeons, and veterinarians. This afternoon over the phone Mr. Henderson's office told me that in the permanent order affecting the use of automobile tires they were arranging to grant members of the clergy the same priority given to doctors, surgeons, and veterinarians.

I simply wish to say that I believe this to be a satisfactory arrangement and as good as we could expect under the prevailing circumstances. I thought the Members of the House would be interested in learning about the outcome of my correspondence with Mr. Henderson on this point inasmuch as so many of you have spoken to me about it since my remarks on the floor on January 13.

FARMERS ALSO NEED TIRE PRIORITIES

Mr. Speaker, while I am on my feet I might also mention that in my second letter to Mr. Henderson I took up with him another problem which is likely to become acute if the present tire shortage long continues. I refer to the special need for automobile tires which obtains with the farmers of America. The only means of getting to town to transact business and do necessary shopping is the family automobile for thousands of American farm families. A big percentage of these families do not have buggies or wagons which can be horse drawn since their equipment has been completely motorized and they have neither the money nor the available buggies for switching from motorized to horse-drawn transportation. Hence when present tire resources become worn and when second-hand tires become unavailable special steps must be taken to provide America's farmers with tire priorities which will enable them to remain on the farm to produce the food essential to the winning of this war. To do this they must have means of travel from farm to town and home again. It is not too early, Mr. Speaker, to begin making plans for meeting the tire needs of American farmers and it may well be that city tire users for whom motor travel is simply a convenience will have to make concessions so that tires may be made available to farmers for whom motor travel is an absolute necessity.

I am sure that Mr. Henderson now has this problem before him and that any of you who may have a practical suggestion for solving this difficulty will find your proposals welcome in Mr. Henderson's office.

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a sermon by G. W. Allison, of Fort Wayne.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address by Colonel Rutherford, of Phoenix, Ariz.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

A REAL DEFENSE NEED

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Mr. Speaker, the House Rivers and Harbors Committee has included hundreds of miscellaneous projects in the bill which it is recommending for passage. Many of them are of doubtful defense value, to say the least. Some are urgent and absolutely vital. One of them is the appropriation for the building of a second set of locks through the Soo Canal in the Great Lakes region. Most of us probably are unaware of the fact that vastly more tonnage is shipped through the Soo Canal every year than through the Panama Canal. Moreover, through this canal there passes a tremendous portion of the raw materials necessary for the construction of our national defense.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the distinguished gentleman from New York.

Mr. REED of New York. I agree with the gentleman 100 percent. The locks at Sault Ste. Marie are one of the most vital arteries in this country. Practically all the iron and steel necessary for defense has to come through there. One disaster alone there would practically tie up 75 percent of our national defense.

Mr. BENDER. Today there is only one set of locks in this vital region. Enemy bombers engaged in either a suicidal attack or based upon unknown landing fields in the Hudson Bay region could seriously impair our war effort.

The construction of auxiliary locks is therefore a matter of the utmost urgency. I believe that Congress should separate the provisions of the omnibus bill so that we might pass upon those which are immediately necessary and postpone the consideration of those which are unrelated to national defense. The Soo Canal project belongs in the "hurry up" class. It must be passed now.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. KRAMER, for 3 weeks, on account of illness.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2132. An act authorizing the construction of a new lock at St. Marys Falls Canal, Mich., in the interest of national defense; to the Committee on Rivers and Harbors.

S. 2152. An act to provide for the planting of guayule and other rubber-bearing plants in order to make available a source of crude rubber for emergency and defense uses; to the Committee on Agriculture.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6128. An act to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; and

H. R. 6325. An act to amend certain provisions of the Internal Revenue Code relating to the production of alcohol.

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 1677. An act authorizing subsistence allowance provided for aviation cadets to be paid to messes in manner as prescribed by the act of March 14, 1940 (Public, No. 433, 76th Cong.);

S. 1995. An act to amend the act approved June 23, 1938, entitled "An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes";

S. 2090. An act to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes," approved March 3, 1909, as amended, so as to extend commissary privileges to such other persons as may be specifically authorized by the Secretary of the Navy;

S. 2094. An act to provide for the rank and title of the Commandant of the Marine Corps;

S. 2095. An act to further amend the act approved June 23, 1938 (52 Stat. 944), as amended;

S. 2160. An act to promote the national security and defense by establishing daylight-saving time; and

S. 2169. An act to create the Limited Service Marine Corps Reserve, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Tuesday, January 20, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, January 20, 1942, to resume hearings on the proposed amendments to the Securities Exchange Act of 1934.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10 a. m., Wednesday, January 21, 1942, to consider H. R. 1844 and private bills.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1289. A communication from the President of the United States, transmitting five emergency supplemental estimates of appropriations, fiscal year 1942, to remain available until June 30, 1943, for the military activities of the War Department (H. Doc. No. 567); to the Committee on Appropriations and ordered to be printed.

1290. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1942 in the amount of $7,000,000 for the Federal Works Agency (H. Doc. No. 568); to the Committee on Appropriations and ordered to be printed.

1291. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of Justice, for the fiscal year 1942 in the sum of $2,150,000, and for the fiscal year 1943 as an amendment to the annual budget in the sum of $3,800,000, amounting in all to $5,950,000 (H. Doc. No. 569); to the Committee on Appropriations and ordered to be printed.

1292. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Navy Department and naval service for the fiscal year ending June 30, 1942, amounting to $4,598,783,500 cash and $4,170,000,000 contract authorization $8,768,783,500, together with proposed provisions affecting certain existing naval appropriations for said fiscal year (H. Doc. No. 570) to the Committee on Appropriations and ordered to be printed.

1293. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to amend section 4 of the act of March 2, 1934 (48 Stat. 361), relating to the Model Housing Board for Puerto Rico, and for other purposes; to the Committee on Insular Affairs.

1294. A letter from the Attorney General, transmitting a draft of a proposed bill to amend subsection (c) of section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155, as amended); to the Committee on Immigration and Naturalization.

1295. A letter from the Secretary of the Navy, transmitting reports of negotiated contracts entered into by the Navy Department during the quarter ended December 31, 1941; to the Committee on Naval Affairs.

1296. A letter from the Secretary of the Navy, transmitting a report of contracts entered into for buildings, facilities, etc., for the quarter ended December 31, 1941; to the Committee on Naval Affairs.

1297. A letter from the national president, American War Mothers, transmitting report of the American War Mothers from October 1939 to October 4, 1941; to the Committee on World War Veterans' Legislation.

1298. A letter from the president, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill to provide for regulation of insurance rates against loss by fire and lightning, and for other purposes; to the Committee on the District of Columbia.

1299. A communication from the President of the United States, transmitting the General Accounting Office certificate of settlement No. 0654549, dated November 10, 1941, covering a claim in favor of the Maryland National Capital Park and Planning Commission in the sum of $90,000 (H. Doc. No. 571); to the Committee on Appropriations and ordered to be printed.

1300. A communication from the President of the United States, transmitting records of judgments rendered against the Government by the United States district courts, as submitted by the Attorney General through the Treasury Department, and which require an appropriation for their payment amounting to $54,650.01 (H. Doc. No. 572); to the Committee on Appropriations and ordered to be printed.

1301. A communication from the President of the United States, transmitting a schedule of claims amounting to $1,915,851, allowed by the General Accounting Office (H. Doc. No. 573); to the Committee on Appropriations and ordered to be printed.

1302. A communication from the President of the United States, transmitting estimates of appropriations submitted by the several executive departments and independent offices to pay claims for damages to privately owned property in the sum of $51,493.37 (H. Doc. No. 574); to the Committee on Appropriations and ordered to be printed.

1303. A communication from the President of the United States, transmitting an estimate of appropriations for payment of certain claims allowed by the General Accounting Office amounting to $165,483.36 (H. Doc. No. 575); to the Committee on Appropriations and ordered to be printed.

1304. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the National Mediation Board, for the fiscal year 1942, amounting to $22,500 (H. Doc. No. 576); to the Committee on Appropriations and ordered to be printed.

1305. A communication from the President of the United States, transmitting two supplemental estimates of appropriations for the Department of State, for the fiscal year 1942, amounting to $950,000 (H. Doc. No. 577); to the Committee on Appropriations and ordered to be printed.

1306. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Navy Department to pay claims for damages by collision or damages incident to operation of vessels of the Navy, in the sum of $771.41 (H. Doc. No. 578); to the Committee on Appropriations and ordered to be printed.

1307. A communication from the President of the United States, transmitting an estimate of appropriation in the amount of $151.20, submitted by the Department of Justice to pay claims for damages to any person or damage to or loss of privately owned property caused by employees of the Federal Bureau of Investigation (H. Doc. No. 579); to the Committee on Appropriations and ordered to be printed.

1308. A communication from the President of the United States, transmitting an estimate of appropriations submitted by the War Department to pay claims for damages due to military operations, amounting to $4,955.71 (H. Doc. No. 580); to the Committee on Appropriations and ordered to be printed.

1309. A communication from the President of the United States, transmitting an estimate of appropriations for payment of certain claims allowed by the General Accounting Office amounting to $90,015.85 (H. Doc. No. 581); to the Committee on Appropriations and ordered to be printed.

1310. A communication from the President of the United States, transmitting a list of judgments rendered by the Court of Claims which have been submitted by the Secretary of the Treasury and require an appropriation for their payment amounting to $714,206.80 (H. Doc. No. 582); to the Committee on Appropriations and ordered to be printed.

1311. A communication from the President of the United States, transmitting an estimate of appropriation for payment of a certain claim allowed by the General Accounting Office amounting to $475.53 (H. Doc. No. 583); to the Committee on Appropriations and ordered to be printed.

1312. A communication from the President of the United States, transmitting an estimate of appropriation for payment of a certain claim allowed by the General Accounting Office amounting to $49.40 (H. Doc. No. 584); to the Committee on Appropriations and ordered to be printed.

1313. A communication from the President of the United States, transmitting a record of judgment rendered against the Government by the United States District Court for the Western District of Washington, together with an indefinite appropriation to pay costs and interest amounting to $587.20 (H. Doc. No. 585); to the Committee on Appropriations and ordered to be printed.

1314. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the War Department to pay a claim for damages under river and harbor work in the sum of $100 (H. Doc. No. 586); to the Committee on Appropriations and ordered to be printed.

1315. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Treasury Department to pay claims for damages by collision or damages incident to the operation of vessels of the United States Coast Guard, in the sum of $1,243.57 (H. Doc. No. 587); to the Committee on Appropriations and ordered to be printed.

1316. A communication from the President of the United States, transmitting an estimate of appropriation for payment of a certain claim allowed by the General Accounting Office amounting to $20.49 (H. Doc. No. 588); to the Committee on Appropriations and ordered to be printed.

1317. A letter from the Acting Administrator, transmitting a list of employees of the Work Projects Administration, Federal Works Agency, in the Territory of Hawaii, receiving a per annum salary of $1,200 or more on December 1, 1941; to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 407. Resolution for consideration of H. R. 6333, a bill authorizing Secretary of War to proceed with construction of certain public works; without amendment (Rept. No. 1594). Referred to the House Calendar.

Mr. ANDERSON of New Mexico: Committee on Indian Affairs. S. 294. An act to authorize an appropriation for payment to the Middle Rio Grande Conservancy District of construction costs assessed against certain lands within such district acquired by the United States for the benefit of certain Indians in the State of New Mexico; without amendment (Rept. No. 1595). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Washington: Committee on Indian Affairs. S. 1412. An act to amend the act of June 11, 1940 (Public, No. 590, 76th Cong., 3d sess.), providing for the relief of Indians who have paid taxes on allotted land; without amendment (Rept. No. 1596). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. S. 1961. An act to eliminate the prohibition against the filling of the first vacancy occurring in the office of district judge for the district of New Jersey; without amendment (Rept. No. 1597). Referred to the Committee of the Whole House on the state of the Union.

Mr. SCHUETZ: Committee on Naval Affairs. S. 2139. An act to provide for performance of the duties of chiefs of bureau and the Judge Advocate General in the Navy Department, and the Major General Commandant of the Marine Corps, and for other purposes; without amendment (Rept. No. 1598). Referred to the Committee of the Whole House on the state of the Union.

Mr. GALE: Committee on Indian Affairs. H. R. 4321. A bill for the benefit of the Chippewa Indians of Minnesota; with amendment (Rept. No. 1599). Referred to the Committee of the Whole House on the state of the Union.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 5695. A bill to amend the Civilian Pilot Training Act of 1939 so as to provide for the training of civilian aviation mechanics; without amendment (Rept. No. 1600). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. H. R. 6270. A bill to amend subsections (b), (d), and (e) of section 77 of the Judicial Code so as to transfer the county of Meriwether from the Columbus division of the middle district of Georgia to the Newnan division of the northern district of Georgia, and to change the terms of the district court for the Macon and Americus divisions in the middle district of Georgia; without amendment (Rept. No. 1601). Referred to the Committee of the Whole House on the state of the Union.

Mr. HINSHAW: Committee on Interstate and Foreign Commerce. H. R. 6072. A bill authorizing the States of Arizona and California, jointly or separately, to construct, maintain, and operate a free highway bridge across the Colorado River at or near Needles, Calif.; without amendment (Rept. No. 1602). Referred to the House Calendar.

Mr. BATES of Massachusetts: Committee on Naval Affairs. H. R. 6356. A bill to amend the act approved October 24, 1941, entitled "An Act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act; without amendment (Rept. No. 1603). Referred to the Committee of the Whole House on the state of the Union.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 6387. A bill to extend the crediting of military service under the Railroad Retirement Acts, and for other purposes; without amendment (Rept. No. 1604). Referred to the Committee of the Whole House on the state of the Union.

Mr. TRAYNOR: Committee on the Territories. H. R. 3158. A bill to increase the period for which leases may be made of public lands granted to the State of Idaho for educational purposes by the act of July 3, 1890; without amendment (Rept. No. 1605). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HARRIS of Arkansas: Committee on Claims. H. R. 4354. A bill for the relief of D. H. Dantzler; with amendment (Rept. No. 1606). Referred to the Committee of the Whole House.

Mr. KLEIN: Committee on Claims. H. R. 4896. A bill for the relief of David B. Byrne; with amendment (Rept. No. 1607). Referred to the Committee of the Whole House.

Mr. CAPOZZOLI: Committee on Claims. H. R. 5652. A bill to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of certain disbursing officers, and for other purposes; with amendment (Rept. No. 1608). Referred to the Committee of the Whole House.

Mr. WEISS: Committee on Claims. H. R. 5865. A bill for the relief of Builders Specialties Co.; with amendment (Rept. No. 1609). Referred to the Committee of the Whole House.

Mr. HARRIS of Arkansas: Committee on Claims. H. R. 5887. A bill for the relief of Howard L. Miller; without amendment (Rept. No. 1610). Referred to the Committee of the Whole House.

Mr. GILLETTE: Committee on Claims. H. R. 6226. A bill for the relief of B. H. Wilford; without amendment (Rept. No. 1611). Referred to the Committee of the Whole House.

Mr. WEISS: Committee on Claims. H. R. 6328. A bill for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; without amendment (Rept. No. 1612). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 6334) for the relief of Ralph Adams and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PATMAN:

H. R. 6391. A bill providing for the issuance of nonnegotiable United States bonds to Federal Reserve banks and terminating the authority of the Treasury to issue other interest-bearing obligations of the United States to commercial banks, and for other purposes; to the Committee on Ways and Means.

By Mr. VINSON of Georgia:

H. R. 6392. A bill to authorize the construction of certain naval vessels, and for other purposes; to the Committee on Naval Affairs.

By Mr. SCHULTE:

H. R. 6393. A bill reducing the rate for transportation by railroad of members of the armed forces, and providing for transportation during certain emergency furloughs; to the Committee on Military Affairs.

By Mr. SUMNERS of Texas:

H. R. 6394. A bill to amend the act of May 28, 1896, as amended, relating to the appointment of assistant United States attorneys; to the Committee on the Judiciary.

By Mr. MUNDT:

H. R. 6395. A bill relating to the disposition of oil and gas royalties from endowment lands granted by the enabling act of North Dakota, South Dakota, Montana, and Washington; to the Committee on the Territories.

By Mr. DONDERO:

H. R. 6396. A bill making it a Federal offense to steal or embezzle certain articles, products, or materials subject to rationing or allocation under Federal law; to the Committee on the Judiciary.

By Mr. SASSCER:

H. R. 6397. A bill to provide leave of absence for employees of the Federal Government without loss of salary or annual leave in order to participate in civilian-defense activities; to the Committee on the Civil Service.

By Mr. IMHOFF:

H. R. 6398. A bill for the relief of the village of Carrollton, Ohio; to the Committee on Claims.

By Mr. RANDOLPH:

H. R. 6399. A bill to provide for increased facilities at Gallinger Municipal Hospital and Glenn Dale Sanatorium; to the Committee on the District of Columbia.

By Mr. SIKES:

H. R. 6400. A bill providing for the examination and survey of Chipola River, Ala. and Fla.; to the Committee on Rivers and Harbors.

By Mr. SPRINGER:

H. R. 6401. A bill to amend the act entitled "An act for the incorporation of American War Mothers," as amended, and matters relating thereto; to the Committee on the Judiciary.

By Mr. WHITE:

H. R. 6402. A bill to facilitate the construction of water conservation and utilization projects under the Interior Department Appropriation Act, 1940, approved May 10, 1939 (53 Stat. 685); to the Committee on Irrigation and Reclamation.

By Mr. SUMNERS of Texas:

H. R. 6403. A bill to further expedite the prosecution of the war; to the Committee on the Judiciary.

By Mr. WHITTEN:

H. R. 6404. A bill for the relief of the town of Coldwater, Miss.; to the Committee on Claims.

By Mr. RANKIN of Mississippi:

H. R. 6405. A bill to promote the national defense by providing for a four-lane highspeed highway from the District of Columbia to Memphis, Tenn., to be known as the Lee Highway; to the Committee on Roads.

By Mr. McGRANARY:

H. J. Res. 267. Joint resolution requesting the President to proclaim February 1 as National Freedom Day; to the Committee on the Judiciary.

By Mr. LEA:

H. J. Res. 268. Joint Resolution to extend the time for amending the petition of the Indians of California under section 4 of the act of May 18, 1928; to the Committee on Indian Affairs.

By Mr. LESINSKI:

H. J. Res. 269. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1942, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 6406. A bill for the relief of Orvie Matthew Ean; to the Committee on Naval Affairs.

By Mr. CLUETT:

H. R. 6407. A bill granting a pension to Eva Marquette; to the Committee on Invalid Pensions.

By Mr. COLLINS:

H. R. 6408. A bill for the relief of the estate of Mrs. Carl B. Burkes; to the Committee on Claims.

By Mr. HEIDINGER:

H. R. 6409. A bill for the relief of J. A. Fowler and the estate of Ola Fowler; to the Committee on Claims.

By Mr. KEFAUVER:

H. R. 6410. A bill for the relief of Alex Gamble; to the Committee on Claims.

By Mr. MAGNUSON:

H. R. 6411. A bill for the relief of the Puget Sound Bridge & Dredging Co.; to the Committee on Claims.

By Mr. POAGE:

H. R. 6412. A bill for the relief of O. R. Maxfield; to the Committee on Claims.

By Mr. SATTERFIELD:

H. R. 6413. A bill for the relief of the General Exchange Insurance Corporation, Richmond, Va.; to the Committee on Claims.

H. R. 6414. A bill for the relief of the General Exchange Insurance Corporation, Richmond, Va.; to the Committee on Claims.

By Mr. SABATH:

H. R. 6415. A bill authorizing the naturalization of Vaclav Rasin; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2297 By Mr. CUNNINGHAM: Petition of Nevada-Iowa Group Management Unit of National Farm Loan Associations, representing 1,324 Federal land-bank borrowers, urging Congress at the first opportunity give due consideration to the enactment of such legislation as will insure the continuance of a sound cooperative farm-credit system and especially the extension of the 3½-percent interest rate during the period of the emergency; to the Committee on Banking and Currency.

2298. By Mr. FOGARTY: Memorial of the General Assembly of the State of Rhode Island, relative to enactment of daylight-saving legislation; to the Committee on Interstate and Foreign Commerce

2299 By Mr. FORAND: Joint resolution of the General Assembly of the State of Rhode Island, favoring the enactment at the earliest possible moment of appropriate legislation for the establishment of daylight saving throughout the United States as a means of promoting safety, increased production, and the conservation of electrical energy; to the Committee on Interstate and Foreign Commerce.

2300. Also, resolution of the Gaspee Plateau Civic Club, Inc., of Warwick, R. I., memorializing Congress to so amend title 1 of the Social Security Act so as to make a minimum of $30 per month available, as a matter of right, to every retired citizen 60 years of age or older, who is not drawing annuities in that amount under any other Federal system, as provided in the General Welfare Act, H. R. 1410, now pending in Congress; to the Committee on Ways and Means.

2301. By Mr. KEOGH: Petition of Schroeder Bros., Inc., of New York City, opposing the passage of Senate bill 860 or any similar bill that may be introduced for adoption; to the Committee on Military Affairs

2302. By Mr. KRAMER: Petition of the Reclamation Board of the State of California, expressing its desire to do everything possible in the interest of successful military offensive by the United States of America, and to impress upon the Congress the supreme importance of providing the necessary funds to carry out the needed program for the State; to the Committee on Military Affairs.

2303. By Mr. LeCOMPTE: Petition of Searsboro Grange, No. 2183, Searsboro, Iowa, on price-control legislation; to the Committee on Banking and Currency.

2304. By Mr. TENEROWICZ: Resolution of the West Side Local 174, United Automobile Workers of America, Congress of Industrial Organizations, Detroit, Mich., asking for an appropriation for unemployment compensation, etc.; to the Committee on Ways and Means.

2305 By Mr. SHAFER of Michigan: Resolution of the Calhoun County (Mich.) Road Commission, opposing Senate bill 2015 and House bill 5949; to the Committee on Interstate and Foreign Commerce.

2306. By Mr. SMITH of Wisconsin: Petition of Local No. 1030, Steel Workers Organizing Committee, together with Communications Association, Congress of Industrial Organizations, demanding that appropriate congressional committees afford labor an opportunity to present its views on any legislation affecting communications workers by calling public hearings; to the Committee on Labor.

2307. By Mr. STEFAN: Resolution of the Santee Sioux Tribal Council; to the Committee on Indian Affairs.

2308. By the SPEAKER: Petition of the National Federation of Post Office Clerks, Indianapolis, Ind., petitioning consideration of their resolution with reference to the national defense program; to the Committee on Military Affairs.

SENATE

TUESDAY, JANUARY 20, 1942

The Reverend Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty and ever-blessed God, whose greatness is unsearchable and whose amazing love crowneth all our days, we are again approaching Thy throne, compelled not only by our necessities, but encouraged by every gracious invitation in Thy Holy Word.

Let Thy hand of blessing rest this day upon all whom Thou hast called to positions of leadership and service in the life of our Republic, granting unto them grace and wisdom to perform their duties with pure and steadfast devotion.

We pray that Thou wilt create within our hearts those desires which Thou dost delight to satisfy. Fill us with a high and holy aspiration to know and do Thy will more perfectly. May we hold our own wishes and decisions in suspense until Thou dost declare Thy will unto us.

Help us to cleave with increasing tenacity of purpose and with fond affection to that glorious promise when the kingdoms of this earth shall become the kingdom of our Lord.

In the name of the Christ we pray. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of Monday, January 19, 1942, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 4648. An act to amend the act of August 11, 1939 (53 Stat. 1418), entitled "An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States," as amended by the act of October 14, 1940 (54 Stat. 1119);

H. R. 5480. An act to provide pay for officers in accordance with the rank and grade in which they were inducted and served in the land forces;

H. R. 5481. An act to transfer Blair County, Pa., from the western judicial district of Pennsylvania to the middle judicial district of Pennsylvania;

H. J. Res. 231. Joint resolution to approve and authorize the continuance of certain payments for the hospitalization and care of Leo Mulvey, and for other purposes; and

H. J. Res. 257. Joint resolution to amend section 124 of the Internal Revenue Code to simplify the procedure in connection with amortization of certain facilities.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Overton
Andrews	Green	Pepper
Austin	Guffey	Radcliffe
Ball	Gurney	Reed
Bankhead	Hayden	Reynolds
Barkley	Herring	Rosier
Bilbo	Hill	Russell
Bone	Holman	Shipstead
Brewster	Hughes	Smathers
Brown	Johnson, Colo.	Smith
Bulow	Kilgore	Spencer
Bunker	La Follette	Stewart
Burton	Langer	Taft
Butler	Lee	Thomas, Idaho
Byrd	Lodge	Thomas, Okla.
Capper	Lucas	Thomas, Utah
Caraway	McCarran	Truman
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Clark, Idaho	McNary	Vandenberg
Clark, Mo.	Maloney	Van Nuys
Connally	Maybank	Wagner
Danaher	Mead	Wallgren
Davis	Millikin	Wheeler
Downey	Murray	White
Doxey	Norris	Wiley
Ellender	Nye	Willis
George	O'Daniel	
Gerry	O'Mahoney	

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], the Senator from Utah [Mr. MURDOCK], the Senator from Wyoming [Mr. SCHWARTZ], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] and the Senator from Illinois [Mr. BROOKS] are absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON OPERATION OF SELECTIVE SERVICE ACT

A letter from the Secretary of War, reporting, pursuant to law, relative to the number of men in the land forces under the

provisions of law on the last day of a specified month; to the Committee on Military Affairs.

REPORT OF CONTRACTS FOR BUILDINGS, FACILITIES, ETC., NAVY DEPARTMENT

A letter from the Secretary of the Navy, transmitting, pursuant to law, a report of contracts entered into for buildings, facilities, etc., for the quarter ended December 31, 1941 (with an accompanying report); to the Committee on Naval Affairs.

REPORTS OF NEGOTIATED CONTRACTS AWARDED BY NAVY DEPARTMENT

A letter from the Secretary of the Navy, transmitting, pursuant to law, reports of negotiated contracts entered into by the Navy Department during the quarter ended December 31, 1941 (with accompanying papers); to the Committee on Naval Affairs.

REPORT ON LOANS TO INDIVIDUAL INDIANS AND INDIAN ASSOCIATIONS, ETC.

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report showing the status of credit operations as of June 30, 1941, with individual Indians and associations or corporate groups of Indians organized pursuant to law (with an accompanying report); to the Committee on Indian Affairs.

LAND FOR TESTING LABORATORY, ETC., PUBLIC ROADS ADMINISTRATION

A letter from the Administrator of the Federal Works Agency, transmitting a draft of proposed legislation to authorize the Federal Works Administrator to acquire title, on behalf of the United States, to not exceeding 35 acres of land, subject to certain reservations in the grantors (with an accompanying paper); to the Committee on Public Buildings and Grounds

LIST OF WORK PROJECTS ADMINISTRATION EMPLOYEES IN HAWAII

A letter from the Acting Administrator of the Federal Works Agency, transmitting, pursuant to law, a list of employees of the Work Projects Administration, Federal Works Agency, in the Territory of Hawaii, receiving a per annum salary of $1,200 or more on December 1, 1941, supplementing the list forwarded by letter of January 2, 1942 (with an accompanying paper); to the Committee on Appropriations.

IMPORTATION OF FILIPINO LABORERS TO HAWAII (S. DOC. NO. 156)

A letter from the Commissioner of Work Projects, reporting, pursuant to Senate Resolution 193, Seventy-seventh Congress (agreed to November 13, 1941), relative to an investigation made for the purpose of determining whether there are sufficient American workers available for employment in the Territory of Hawaii to satisfy the demands for labor in that Territory; to the Committee on Education and Labor and ordered to be printed.

PETITIONS AND MEMORIAL

Petitions, etc., were presented by Mr. VANDENBERG and referred as indicated:

A resolution of the Board of Supervisors of St. Joseph County, Mich., protesting against the enactment of legislation to change the size and weight of motor vehicles; to the Committee on Interstate Commerce.

Resolutions of the City Commission of Wakefield; the Muskegon Employers Association, of Muskegon; and Ishpeming Council No. 1541, Knights of Columbus, of Ishpeming; all in the State of Michigan, pledging loyal aid and support to the Government in the conduct of the existing war; to the Committee on Military Affairs.

THE RUBBER SHORTAGE

Mr. VANDENBERG. Mr. President, in the nature of a petition, I present a letter from Mr. Frank C. Morse, of the Browne-Morse Co., of Muskegon, Mich. Mr. Morse makes the interesting and significant point that when a rubber shortage is forcing the drastic curtailment of the use of rubber in civilian life and private industry, it is somewhat disconcerting to find the War Department advertising right now, and opening bids today, for 1,000 rubber cuspidor mats for the Quartermasters Supply Depot, requiring 1½ tons of rubber. This is a rather whimsical and relatively insignificant matter, but it suggests the larger inquiry as to whether rubber economy may not be helpfully pursued inside as well as outside the defense machine.

I ask that the letter be referred to the so-called Truman committee—the Special Committee Investigating the National Defense Program.

The VICE PRESIDENT. It will be so referred.

Mr. DANAHER. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. Yes; I yield.

Mr. DANAHER. Does the Senator proceed on the theory that the Quartermaster Corps cannot make mistakes? [Laughter.]

Mr. VANDENBERG. I might add, for the information of the Senator from Connecticut, that the writer of the letter suggests that the situation might be controlled by a course in straight spitting. [Laughter.]

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on January 19, 1942, that committee presented to the President of the United States the following enrolled bills:

S. 1677. An act authorizing subsistence allowance provided for aviation cadets to be paid to messes in manner as prescribed by the act of March 14, 1940 (Public, No. 433, 76th Cong.);

S. 1995. An act to amend the act approved June 23, 1938, entitled "An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes";

S. 2090. An act to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes," approved March 3, 1909, as amended so as to extend commissary privileges to such other persons as may be specifically authorized by the Secretary of the Navy;

S. 2094. An act to provide for the rank and title of the Commandant of the Marine Corps;

S. 2095. An act to further amend the act approved June 23, 1938 (52 Stat. 944), as amended;

S. 2160. An act to promote the national security and defense by establishing daylight-saving time; and

S. 2169. An act to create the Limited Service Marine Corps Reserve, and for other purposes.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMATHERS:

S. 2211. A bill for the relief of Louis T. Klauder, to the Committee on Claims.

By Mr. REYNOLDS:

S. 2212. A bill to suspend during a national emergency declared by Congress or by the President, the provisions of section 322 of the act of June 30, 1932, as amended, relating to certain leases; to the Committee on Military Affairs.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred as indicated:

H. R. 4648. An act to amend the act of August 11, 1939 (53 Stat. 1418), entitled "An act authorizing construction of water-conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States," as amended by the act of October 14, 1940 (54 Stat. 1119); to the Committee on Irrigation and Reclamation.

H. R. 5480. An act to provide pay for officers in accordance with the rank and grade in which they were inducted and served in the land forces; to the Committee on Military Affairs.

H. R. 5481. An act to transfer Blair County, Pa., from the western judicial district of Pennsylvania to the middle judicial district of Pennsylvania; to the Committee on the Judiciary.

H. J. Res. 231. Joint resolution to approve and authorize the continuance of certain payments for the hospitalization and care of Leo Mulvey, and for other purposes; to the Committee on Commerce.

H. J. Res. 257. Joint resolution to amend section 124 of the Internal Revenue Code to simplify the procedure in connection with amortization of certain facilities; to the Committee on Finance.

ADDRESS BY SENATOR TAFT BEFORE ECONOMISTS' NATIONAL COMMITTEE ON MONETARY POLICY

[Mr. DANAHER asked and obtained leave to have printed in the RECORD an address on the topic America at War, delivered by Senator TAFT on January 15, 1942, before the Economists' National Committee on Monetary Policy, which appears in the Appendix.]

INVESTIGATION OF RUBBER SUPPLIES AND PRODUCTION

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point a letter received from the able Comptroller General, Mr. Lindsay C. Warren, enclosing a copy of a letter addressed to the chairman of the Military Affairs Committee of the Senate under date of December 30, in relation to the bill which recently passed the Senate—S. 2152—to provide for the planting of 45,000 acres of guayule in order to make available a domestic source of crude rubber for emergency and defense uses. I hope this matter may be brought to the attention of any House Committee which may have the subject under consideration, or of a conference committee if the bill goes to conference.

The VICE PRESIDENT. Without objection, the letters will be printed in the RECORD.

The letters are as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, January 19, 1942.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senate.

MY DEAR SENATOR: Your remarks in the Senate (p. 379, CONGRESSIONAL RECORD of January 15, 1942) regarding the provision affecting audit and settlement, section 2 (b) of the bill S. 2152, entitled "A bill to provide for the planting of 45,000 acres of guayule in order to make available a domestic source of crude rubber for emergency and defense uses," prompts me to send you the attached

copy of my report of December 30, 1941, to the chairman of the Committee on Military Affairs in the thought that it may not have been made available to you.

You will notice that the provision was proposed as an alternate recommendation for use only in the event it should be determined to grant comparably broad authority to the Secretary. It was, of course, my hope that such determination would not be reached by the committee or the Senate and that the much less desirable original provision would be stricken entirely without the substitution of the alternate provision. When you recall that the bill as originally introduced by Senator DOWNEY was promptly reported by the committee on the following day and considered initially in the Senate on the same day it was reported, you will understand, I am sure, why I thought the rapid course indicated for the legislation made it advisable that I include an alternate recommendation in the report.

While I am not convinced that the nature of the business to be conducted by the Secretary of Agriculture requires that he have the authority contained in the provision in question, I do not regard the provision as seriously impairing an effective audit of the expenditures contemplated. Under it the accounts would come to the General Accounting Office for audit, and exceptions to any improper expenditures would be taken in the usual manner. Thereafter, with the exceptions of the General Accounting Office before him, if the Secretary should determine, nevertheless, that an expenditure was necessary to carry out the provisions of the act, the exception relating to that expenditure would not be included as a disallowed item in the settlement of the account of the disbursing officer. There would remain, in any event, the authority in the Comptroller General to report to the Congress any unlawful expenditure as provided in section 312 (c) of the Budget and Accounting Act.

I know well and appreciate greatly your interest in sound governmental audit procedure and good accounting practices and your efforts to prevent unwarranted inroads in this field. I hope I may be privileged to communicate with you when such questions arise in the future.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, December 30, 1941.

Hon. ROBERT R. REYNOLDS,
Chairman, Committee on Military Affairs, United States Senate.

MY DEAR MR. CHAIRMAN: There has been brought to my attention the bill S. 2152, recently reported by your committee, entitled "A bill to provide for the planting of 45,000 acres of guayule in order to make available a domestic source of crude rubber for emergency and defense uses." As to the general purposes of the bill I have no comments to make or criticism to offer, but there are certain accounting features of the bill which I consider undesirable, and since they will affect this office in the performance of its duties under the Budget and Accounting Act, 1921, I deem it appropriate to call them to your attention with the recommendation that they be eliminated from the bill, as more fully explained hereinafter.

Section 2 (b) of the said bill reads as follows:

"(b) The Secretary shall determine the character and necessity for the expenditures under this act and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any other laws governing the expenditure of public funds and such determinations shall be final and conclusive upon all other officers of the Government."

This provision evidently is intended to confer upon the Secretary much broader authority, in carrying out the purposes of this act, than that generally conferred upon Government officers and agents in the administration of authorized activities.

It is not readily apparent why such broad authority is necessary as the bill appears to provide in its other provisions ample authorizations for the Secretary of Agriculture to carry out its purposes. I am therefore inclined to recommend that subsection (b) of section 2 be eliminated entirely.

However, if the Congress, after fully considering the existing circumstances and the special nature and character of the program contemplated by the bill, should be of the opinion that comparably broad authority should be granted, then and in that event it is suggested that the provision quoted (section 2 (b)) is not well designed to effectuate its intent and might require the personal action of the Secretary of Agriculture on every expenditure, and it is urgently recommended that said subsection be amended to read as follows:

"(b) Notwithstanding the provisions of any other law governing the expenditure of public funds, the General Accounting Office shall not disallow credit for, nor withhold funds because of, any expenditure which the Secretary shall determine to have been necessary to carry out the provisions of this act."

As thus amended there will be no room for doubt as to what is intended by the provision, and it will be more satisfactory in other respects.

Also attention is specifically invited to the provisions of sections 2 (c) and 2 (d) of the bill, as follows:

"(c) The Secretary shall at all times maintain complete and accurate books of account and shall submit, as soon as practicable after January 1 of each year, an annual report to Congress of his activities under this act. The General Accounting Office shall audit the financial transactions of the Secretary under this act once each year for the sole purpose of making a report to Congress, together with such recommendations as the Comptroller General of the United States may deem advisable: *Provided, however,* That such report shall not be made until the Secretary shall have had reasonable opportunity to examine the report, to point out errors therein, explain any criticism contained therein, and to file a statement which shall be submitted by the Comptroller General with his report.

"(d) All money made available to carry out this act may be deposited with the Treasurer of the United States, in any Federal Reserve bank, or in any bank approved by the Secretary of the Treasury and shall be subject to withdrawal at any time."

It is also strongly recommended that these subsections of the bill be eliminated since it appears that they are unnecessary, undesirable, and would serve no useful purpose. The accounts of expenditures made under the act would be subject to the regular audit of this office pursuant to the Budget and Accounting Act, 1921, and funds made available to carry out the provisions of the act should be deposited in and withdrawn from the Treasury, in the usual manner, as now provided by law. Hence, the additional audit as contemplated by section 2 (c) of the bill would appear to be unnecessary and would impose a considerable burden and expense on the General Accounting Office. Also, it would result in additional work and difficulties in the administrative office with no compensating benefits.

The object of section 2 (d) of the bill is not apparent but said section evidently would serve no useful purpose and no reason appears why any funds made available to the Secretary of Agriculture to carry out the act should not be handled through the Treasury in the same manner as other funds made available generally for carrying on the many activities of the Government. It does not appear that the usual procedure in this respect would in any way interfere with the free and effective administration of the act.

Should you desire additional information with respect to any of the recommendations herein mentioned, I shall be glad to furnish it upon request.

A similar letter is being sent to the chairman, Committee on Agriculture, House of Representatives, with respect to the companion bill, H. R. 6262.

Sincerely yours,

LINDSAY C. WARREN,
Comptroller General of the United States.

THE RUBBER SHORTAGE

Mr. REYNOLDS. Mr. President, in view of the fact that this morning, on the floor of the Senate, two of my colleagues have incorporated in the RECORD matters pertaining to the rubber situation, and in view of the further fact that a good deal has been said about it in committee and out of committee and on the floors of the Senate and House, I ask that the attention of the Senate be focused upon a recent article in the New York Mirror, in the form of an editorial entitled "Who's to Blame for 'Rubber Crisis'?"; also, an article by Messrs. Pearson and Allen in reference to the rubber situation. I quote in part what they say, which I have marked for particular attention, and which I should like to read to the Members of this body now:

Latin American nations want to know whether this war-time trade will keep up after the Dutch East Indies, Malaya, and Africa come back to their own.

Continuing to quote:

In South America we produce the same things Yet you buy from Europe's colonies instead of from us. You haul half-way round the world. It is expensive, and in war you might not be able to get it at all.

Continuing:

Now the bulk of Latin Americans are as anxious over Singapore and the Indies as we are They see their fall as a great victory for Japan and a blow to democracy. But many cannot understand why we insisted on getting our tin and rubber from across the Pacific, against a Dutch and British international cartel to hold up prices, when we could have helped our good neighbors by getting tin and rubber close to home.

We all remember Mr. Kellogg, and we recall that he protested the Anglo-Dutch monopoly on rubber. Speaking of that subject, this article reads, in part:

"The Government is opposed to Government monopolies of the products in any country," Kellogg cabled Alanson B. Houghton, United States Ambassador. He pointed out that the British-Dutch monopoly tripled the price of rubber, and this was a terrific gouge on us, who consumed 70 percent of the world's rubber.

The article by Pearson and Allen concludes:

So Latin Americans have fingers partly crossed about investing in rubber plantations if we are going back to the coolie labor of Malaya and cooperate with British-Dutch control.

I ask that the entire article by Messrs. Pearson and Allen, under a date line from Rio, and likewise the entire editorial from the editorial page of the Daily Mirror, issue of Friday, January 16, 1942, entitled "Who's to Blame for 'Rubber Crisis'?" be published in full in the RECORD as a part of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The article and editorial are as follows:

[From the New York Daily Mirror of January 16, 1942]

WASHINGTON MERRY-GO-ROUND

(By Drew Pearson and Robert S. Allen)

RIO DE JANEIRO.—While weighty minds are concerned with declaring war or severing diplomatic relations with the Axis, another vital discussion is on, regarding war supplies and pan-American trade. Reciprocal trade, as Cordell Hull long pointed out, has everything to do with our political alliances.

It happens we cannot buy Argentine beef, wheat, corn, and butter because we produce enough ourselves. And Argentina is the chief nonconformist here. Chile, in ordinary times, competes with our copper and fruit. And Chile is lukewarm on too positive anti-Axis action.

The tropical countries produce rubber, coffee, cocoa, mahogany, oils, hemp substitutes, which do not compete with us, and these are the best friends we have.

Two trade discussions are going on in Rio. One is the attempt to get more vital war materials for the United States, Chilean copper, Bolivian tin, Brazilian rubber, Peruvian quinine, Brazilian manganese, quartz tungsten, tung oil, etc. The second weighs the future. Latin American nations want to know whether this wartime trade will keep up after the Dutch East Indies, Malaya, and Africa come back to their own.

AMERICAN TROPICS

In 1935, 4 years before war started in Europe and 7 before we began to worry about tin and rubber, Foreign Minister Oswaldo Aranha, then Brazilian Ambassador in the United States, urged, begged, cajoled our State and Commerce Departments to buy more tropical products from South America instead of Malaya, Dutch East Indies, and Africa.

"We should trade by hemisphere," he argued. "Europe has colonies in Africa and Asia, from which she gets coffee, rubber, tin, and other goods. Europe will always favor her own colonies.

"In South America we produce the same things. Yet you buy from Europe's colonies instead of from us. You haul half way round the world. It is expensive, and in war you might not be able to get it at all."

Many in high places wish they had taken Aranha's advice and begun then to build up rubber and tin supplies in South America instead of the South Pacific.

But when Aranha, then Brazilian Foreign Minister, came to Washington in 1938 and urged we send agricultural experts to Brazil to advise on increased rubber planting, our Agricultural Department balked at spending the necessary $40,000, wanted it paid by the State Department.

Now the bulk of Latin Americans are as anxious over Singapore and the Indies as we are. They see their fall as a great victory for Japan and a blow to democracy. But many cannot understand why we insisted on getting our tin and rubber from across the Pacific, against a Dutch and British international cartel to hold up prices, when we could have helped our good neighbors by getting tin and rubber close to home.

BRITISH MONOPOLY

Some Latin Americans suggest we might have saved ourselves some costly fighting on the far side of the Pacific. But they are now interested in whether we are going back to Dutch and British tin and rubber after this war.

A light shines back from the stormy diplomatic notes sent by the late Frank B. Kellogg, Secretary of State under Coolidge, to Britain protesting their Malayan rubber cartel in 1925. Kellogg sounded then much like Thurman Arnold, trust-busting Assistant Attorney General, in 1942.

"The Government is opposed to Government monopolies of the products in any country," Kellogg cabled Alanson B. Houghton, United States Ambassador. He pointed out that the British-Dutch monopoly tripled the price of rubber, and this was a terrific gouge on us, who consumed 70 percent of the world's rubber.

Houghton reported he had spent a weekend with Lord Salisbury and discussed the matter with Colonial Secretary Amery, to whom he suggested two United States representatives sit on the British rubber committee. But he doubted the suggestion would carry.

Houghton cabled Kellogg later that "Winston Churchill (then Chancelor of the Exchequer) proposed a banking syndicate composed of Americans to regulate the price of rubber."

Houghton subsequently wired Kellogg that Sir Austen Chamberlain (then Minister of Foreign Affairs and brother of the late Neville Chamberlain) "stated frankly he thought there was little hope his Government would change its position."

That ended the Kellogg protests. Rubber stayed high until the depression, which toppled it to 5 cents a pound. Since then an international committee on which the United States was represented regulated prices and exports.

So Latin Americans have fingers partly crossed about investing in rubber plantations if we are going back to the coolie labor of Malaya and cooperate with British-Dutch control.

[From the New York Daily Mirror of January 16, 1942]

WHO'S TO BLAME FOR RUBBER CRISIS?

First, just what is the rubber crisis? Answer: About 97 percent of the world's rubber supply comes from Malaya and the Dutch Indies, now seriously threatened by the Japs. Frankly, the whole area has been "written off" already in Washington as a source of raw materials to the United Nations.

The rubber crisis has been brought home to the American people more sharply than any other emergency of this war; the gasoline shortage was a fumbled hoax; the rubber shortage is serious. This Nation's entire economy is mounted on rubber tires.

And as soon as people find themselves with only three tires for four-wheeled vehicles you'll hear a howl; they'll be thirsting for somebody's blood. And where does the blame belong for this latest and most painful example of what happens when there is no preplanning for emergencies?

The "inner circle" has tried to smear Jesse Jones with all the blame; but the plain truth is that responsibility can be traced much higher and much broader. The simple truth is that another chicken has come home to roost.

Since 1938, in foresighted, detailed memoranda, Mr. Bernard Baruch has warned all high officials of the administration that we must prepare to face the loss of all our present sources of raw rubber.

But at this point it is useless to indulge in blame-calling. Let's understanding the crisis and seek a solution:

Our peacetime consumption of rubber last year was about 850,000 tons. Previous years averaged 550,000 tons. If the Japs strangle our Far East sources, this will be our position:

We have about 700,000 tons of rubber in hand; since we have to share with Russia, China, and Britain, there is a time limit on that stock pile.

Reclaiming can scrape up about 350,000 tons a year for a couple of years, but rubber can be reclaimed only three times before it loses its vital "bounce."

Guayule, the desert-growing plant native to Mexico and our Southwest, is a native source of rubber—the first all-guayule tire was presented to Jesse Jones last week. But the maximum production this year is only about 8,000 tons; and it takes 2 years from seeding before you can get a harvest. And seeds are scarce. Mr. Baruch here again has urged expansion of this crop for 10 years.

Latin America was once the world's only source—Brazil produced about 70,000 tons a year before 1910; now production is down to half that figure.

Because it takes 5 to 7 years after planting to tap a rubber tree, we can't expand that source rapidly enough to help much. If natives are sent to scour the Latin American jungles for wild rubber trees, we might get 45,000 tons this year.

This brings us to the basic solution—synthetic rubber as a byproduct of petroleum; this week Mr. Jesse Jones announced a $400,000,000 plant-expansion program that will produce about 100,000 tons a year within 18 months. That will be about half our normal needs.

And there is a big "if" hanging over that hope—an essential of the expansion program is special alloy steel for the high-pressure apparatus you need to convert the hydrocarbon gases into a solid rubber. You need as much strength in that steel as it takes to make big guns for our warships. And that brings back the old question of priorities.

Given the materials, there is no question of United States industry's ability to do the job—remember how we created a dye industry during the last war; remember how we made good our "declaration of independence" from Chilean nitrates; remember how the rayon industry made us independent of Jap silk. We can achieve independence of foreign rubber.

When planning is properly directed, even under war conditions, United States industry can work miracles; in the past 18 months the chemical industry has quietly built up a $500,000,000 smokeless-powder industry.

But what is needed now for rubber is that proper planning.

The ultimate solution may be for our commander in chief of the factory front to assign one general to the rubber crisis; let him follow through where his problem overlaps in the oil and rubber and steel industries, just as Beaverbrook was first made general of aircraft production, later given command of tanks. One man, one brigadier general, to one production job. With the whole factory front commanded by Gen. Donald Nelson. That may be the answer.

WARTIME CONSERVATION AND OTHER INSTRUCTIONS FOR POSTAL SERVICE

Mr. McKELLAR. Mr. President, the Post Office Department has issued two bulletins, one of December 20, 1941, and one of January 14, 1942. The first one contains wartime postal instructions. It is a matter of great importance, and, in my judgment, should be printed in the RECORD; and I make that request. I also ask that the second bulletin, entitled "Wartime Conservation Instructions for the Postal Service," be printed in the RECORD. These bulletins have been admirably planned and arranged, and I think will accomplish a great deal of good; and, in my judgment, they ought to receive as much publicity as possible.

The VICE PRESIDENT. Without objection, the bulletins will be printed in the RECORD.

The bulletins are as follows:

[From the Postal Bulletin of December 20, 1941]

WARTIME POSTAL INSTRUCTIONS—DUTIES, OBLIGATIONS, AND RESPONSIBILITIES OF EVERY POSTAL EMPLOYEE

It is the solemn duty, obligation, and responsibility of every postal employee to make certain that the inviolability of the mails is maintained at all times under any conditions that may arise, and that the mails be protected under any and all circumstances

During the present emergency, maintenance of uninterrupted postal service is vital to the successful prosecution of the war and to the morale of all our armed forces and the civilian population. With our country engaged in war, it is imperative that prompt, efficient, uninterrupted postal service be maintained, and that can only be done by each postal official and each postal employee fully accepting his responsibility.

All postal officials and employees must be on the alert.

In wartime it may be expected that emergencies will arise, either by direct enemy action or by subversive activities of enemy agents or sympathizers. Direct enemy attack and subversive agents may cause destructive action anywhere which might interfere with postal activities.

In order that the Postal Establishment may act as a unit in meeting any emergency, there has been established on a 24-hour basis in Washington an emergency departmental board with the responsibility of coordinating departmental assistance in emergencies. The coordination of the work of this board with the field service will be through the office of the Chief Inspector. The Post Office Inspection Service is the agency with responsibility to see that the postmasters have made proper preparations, and to act on behalf of the Postmaster General during an emergency to assure cooperation of all branches of the Service in reestablishing postal facilities in affected areas. Upon disruption of the postal service and continuing during the period until either: (a) service is reestablished or (b) until relieved, the designated inspector, while not assuming the responsibility of postal officials in the field will, on behalf of the Postmaster General, make such decisions as are required to restore service. All postal officials (i. e., postmasters, postal supervisors, and officials of the Railway Mail Service and Air Mail Service) are directed to cooperate in every way with the inspector during this period.

PREPARATIONS TO BE MADE IMMEDIATELY BY EACH POSTMASTER

The mails must be protected under any and all circumstances

It is the individual responsibility of each postmaster to make plans to meet emergencies which might disrupt the postal service in his community, to the end that the mails and Government property are protected, and that reasonable service is restored within the shortest possible time.

The instructions which follow are not intended to relieve a postmaster of individual responsibility for adequate preparation to meet emergencies, but represent measures which must be taken at once:

1. There has been, or soon will be, established in your community a local civil-defense council, the work of which—among other things—is the issuance of authoritative information and instructions as to precautions, rules of conduct, safety and civilian protection measures to be taken during a period of emergency. It is the postmaster's duty (a) to establish a working arrangement with his local council or the appropriate subdivision of it, and (b) to see that he and all employees under his jurisdiction familiarize themselves with available civil-defense information for his locality, so that the employees in the post office, on the streets, and operating motor vehicles will comply with all civil-defense regulations.

A complete file of civil-defense council instructions must be maintained by the postmaster in his office so that it will be available for use in instructing his personnel.

2. The postmaster must arrange for appropriate protective measures for buildings and other equipment, and must see that the detailed instructions on this subject in the Postal Bulletin, dated December 18, 1941, are observed.

The postmaster should consult the civil-defense council, or its appropriate responsible authority in the community, as to the adequacy of the post-office building as an air-raid shelter, and he should be guided by their decision whether it should be available for public use, and the manner and extent to which it is to be used in case of emergency. In admittance of the public under these conditions to space containing mail becomes necessary, precaution against unauthorized access to or handling of the mail should be observed.

3. The postmaster should give consideration to assuring an emergency supply of stamps in case of damage or destruction of the main stamp vault. Subject to proper financial safeguards and the fixing of responsibility, it may be possible in some post offices to keep a portion of the stamp stock apart from the main stock provided that equally as good vault protection is available elsewhere in the building. Similar arrangements may be made with regard to blank money-order forms, postal-savings certificates, blank Treasury checks, United States defense bonds and stamps, provided that equally as good vault protection is available elsewhere in the building.

4. The postmaster must make an immediate survey of first-aid facilities in the post office and stations. In cooperation with the Red Cross, the Public Health Service, and like agencies, arrangements should be made for first-aid facilities, and several members of each tour of duty should be instructed in first-aid and rescue work.

5. The owners of suitable buildings for temporary post-office or garage quarters should be consulted so that the postmaster will have information as to the availability of such quarters in event of damage or demolition of the post office.

6. The postmaster should instruct postal employees that in case of an emergency in the community all such employees, not then on duty, will promptly report to the post office for instruction.

7. The postmaster should make arrangements with qualified former personnel to report to the post office for voluntary assistance in case of need. Retired employees should be informed that their services necessarily must be gratuitous in order that their retirement benefits may not be impaired.

8. Postmasters at first- and second-class offices shall prepare a list describing the post-office equipment and furniture (excepting sacks, pouches, and locks) not in everyday use that would be available for use elsewhere in an emergency. These postmasters will also report the number of Government-owned motor vehicles on hand, indicating the number and capacity of such vehicles that could be made available for temporary use elsewhere by curtailment of service or maintaining service by extended use of a smaller number of vehicles. This information shall be transmitted promptly to the inspector in charge of the division in which the office is located.

9. Postmasters should familiarize themselves with the availability of local transportation facilities such as trucking concerns, fleet owners and operators, so that it will be known what emergency equipment may be available.

10. Postmasters should ascertain promptly from officials of the Railway Mail Service the name and location of the person in that service to be notified in cases of interruption of transportation.

11. The postmaster must anticipate the problems which may arise in his office in an emergency. Supervisors should be called upon to give this matter definite and continuing study. Postmasters are enjoined to give these matters immediate personal attention; assign definite duties to particular employees as may be necessary; ascertain that such selected employees are familiar with their respective assignments; and arrange that some such employee authorized and qualified to act in emergencies is on duty at all times in each postal unit.

Postmasters in control of Government-owned buildings will see that these instructions, insofar as they are applicable, are observed by all occupants, and instances of refusal to comply or cooperate shall be reported immediately to the inspector-in-charge of their respective divisions.

The postmaster should consult with the local civil-defense council or other responsible authority in respect to the most appropriate manner and method of carrying out the above instructions insofar as they relate to matters outside the postal service.

Do not write the Post Office Department concerning plans or arrangements or interpretations of these instructions. If the desired information cannot be obtained locally, address all such inquiries and communications to the inspector-in-charge of your division.

What a postmaster is to do following disruption of the Postal Service

Upon disruption of the postal facilities, the postmaster shall immediately:

1. Inform the inspector-in-charge of the division and the inspector designated to act in that area of the nature and extent of disruption of the postal facilities.

2. Give similar notice to the proper official of the Railway Mail Service.

3. Use all available facilities and personnel for the protection of the mail, the salvage of Government property, and the resumption of postal service at the earliest possible moment.

PREPARATIONS TO BE MADE IMMEDIATELY BY EACH DIVISION SUPERINTENDENT OF THE RAILWAY MAIL SERVICE

The mails must be protected under any and all circumstances

It is the individual responsibility of each division superintendent to make plans to meet emergencies which might disrupt that portion of the Postal Service under his jurisdiction.

The instructions which follow are not intended to relieve the division superintendents or the chief clerks of individual responsibility for adequate preparations to meet emergencies but represent measures which must be taken at once:

1. It is the duty of each division superintendent (a) to establish a working arrangement with the postmaster in each post-office building in which the Railway Mail Service occupies space; (b) to procure from each such postmaster the information that the postmaster has obtained from the local civil-defense council as to precautions, rules of conduct, safety, and civilian protective measures to be taken during periods of emergency in that particular locality; (c) to see to it that he and all employees under his jurisdiction familiarize themselves with civil-defense information applicable to the respective localities so that all such employees in each

post-office building will comply with all such civil-defense regulations; and (d) to see to it that such employees fully cooperate with the postmaster at each such post office.

2. The division superintendent shall see that his personnel not located in post-office buildings is informed concerning civil-defense-council precautions, rules of conduct, safety, and civilian protective measures to be taken during a period of emergency and that they comply therewith.

3. The division superintendent must arrange for appropriate protective measures for leased or rented quarters and equipment and must see that, insofar as applicable to the Railway Mail Service, the detailed instructions on the subject in the Postal Bulletin dated December 18, 1941, are observed.

4. Surplus sack, lock, and pouch equipment should be so stored that any contingency may be quickly met.

5. An up-to-date inventory must be kept of all surplus case and rack equipment in terminals that can be loaned for use in other terminals or post offices.

6. A study should be made of alternate transportation and space facilities to embrace terminals, railroads, air routes, steamboats, bus lines, regular and temporary star and mail messenger routes.

7. Every precaution should be taken to keep unauthorized persons from entering or loitering around posta' cars, transfer offices, air-mail field post offices, and terminal railway post offices.

8. Each division superintendent should arrange in his division for appropriate first-aid facilities in cooperation with the Red Cross, Public Health Service, and like agencies.

9. The division superintendent should instruct Railway Mail Service employees that in case of an emergency all such employees not then on duty will make immediate contact with the Chief Clerk for instructions.

10. The division superintendents should make arrangements with qualified former personnel to report to Chief Clerk's office for volunteer assistance in case of need. Retired employees should be informed that their services necessarily must be gratuitous in order that their retirement benefits may not be impaired.

11. Division superintendents shall furnish postmasters promptly with the name and location of the official or person in the Railway Mail Service who is to be notified by the postmaster in case of interruption of service.

12. Division superintendents must anticipate the problems which may arise in their divisions in an emergency. Chief clerks and other supervisors should be called upon to give this matter definite and continuing study. All officials of the Railway Mail Service are enjoined to give these matters immediate personal attention, assign definite duties to particular employees as may be necessary, ascertain that such selected employees are familiar with their respective assignments, and arrange that some such employee authorized and qualified to act in emergencies is on duty at all times in each designated post or crew.

What the division superintendent is to do following disruption of the postal service

Upon disruption of transportation facilities, the division superintendent shall immediately:

1. Inform the inspector in charge of the division of the nature, extent, and location of the disruption of postal facilities.

2. Use all available facilities and personnel for the protection of the mail, salvage of Government property, and resumption of postal service at the earliest possible moment.

3. In cases of emergency the division officials and employees of the Railway Mail Service are directed to cooperate with the inspection service in the affected area.

Postmasters and other postal employees may perform a great public service by setting an example of calm and deliberate action under all circumstances. They will keep continuously in mind that, no matter what the emergency—the mails must go through.

Dated December 20, 1941.

FRANK C. WALKER,
Postmaster General.

[From the Postal Bulletin of January 14, 1942]

WARTIME CONSERVATION INSTRUCTIONS FOR THE POSTAL SERVICE

"We must convert every available plant and tool to war production. That goes all the way from the greatest plants to the smallest, from the huge automobile industry to the village machine shop.

"Production for war is based on metals and raw materials—steel, copper, rubber, aluminum, zinc, tin. Greater and greater quantities of them will have to be diverted to war purposes. Civilian use of them will have to be cut further and still further—and in many cases completely eliminated."—President Roosevelt to the Congress, January 6, 1942.

"These huge expenditures for ships, planes, and other war equipment will require prompt conversion of a large portion of our industrial establishment to war production. These estimates reflect our determination to devote at least one-half of our material production to the war effort."—President Roosevelt to the Congress, January 7, 1942.

DUTIES, OBLIGATIONS, AND RESPONSIBILITIES OF EVERY POSTAL EMPLOYEE

The Postal Establishment, while carrying out its responsibility to the Nation, the armed forces, and to those engaged in war production, to maintain a prompt, efficient, and uninterrupted postal service, is a large consumer of equipment, supplies, and materials. The mails must go through. Nevertheless, it is the individual duty of every person in the Postal Establishment to make certain that in his daily work postal-service equipment, supplies, and materials are so conserved and so used as to lessen in every possible way material and production demands upon industry.

To Postal Service equipment, supplies, and materials must be given constant and intelligent attention, so that by careful planning and use orders for replacements will not impede, delay, or conflict in any way with the first claim on production which the Nation has reserved for its military forces.

By the proper appreciation of the seriousness of the emergency, and by the sincere and intelligent discharge of this duty to conserve in every post office, great and small, by every official, supervisor, and employee throughout the length and breadth of the great Postal Establishment, without impairment of the postal service, a substantial, essential, and effective portion of the industrial production of the Nation may be devoted to war production.

By careful planning; by the judicious expenditure of funds and available resources; by conservation in the use of materials, supplies, furniture and equipment, electric light and power, fuel and utilities; by close supervision of preventive maintenance on all electrical, mechanical, and manually operated conveyors, machines, machinery, and automotive equipment, the necessities of the Postal Service for equipment, materials, and supplies can be held to the absolute minimum.

The Post Office Inspection Service is the agency with responsibility to see to it that postmasters, division superintendents of the Railway Mail Service, and other postal officials in the field have made and have in effective operation a conservation program designed to intelligently and practically carry out the intention of these wartime conservation instructions.

The instructions which follow are not intended to relieve postmasters, division superintendents of the Railway Mail Service, and other postal officials in the field of individual responsibility for the conservation of equipment, supplies, and materials, but represent the methods and measures which have been or must be inaugurated at once, and strictly observed.

GENERAL CONSERVATION

To see to it that the war needs of the Nation are met first, and in orderly fashion, certain agencies of the Government establish such restrictions and regulations as will accomplish this end. It is the duty of every postal official and employee to comply with the letter and the spirit of all such restrictions and regulations. Therefore, during the war period it will not be possible to make available for use by the Postal Service, either the normal quantities of some supplies and equipment, or any quantity of certain other supplies and equipment. Wherever possible the Department will provide substitutes. Hence, if requisitions are not approved or filled in whole or in part, it will be because of the unavailability of the material or supply, or of an effective substitute.

It is the individual responsibility of every postal official in the field, each postmaster, and each division superintendent of the Railway Mail Service, and each inspector in charge, in addition to maintaining efficient postal service: (1) To see to it that existing inventories of supplies, materials, and equipment of every nature are conserved, and that withdrawals from existing inventories are held to an absolute minimum; (2) to see to it that supplies, materials, and equipment are used sparingly and that the ultimate in their usefulness is obtained; and (3) to see to it that all equipment is periodically inspected so that minor repairs, when needed, may be made promptly, and thus prevent the necessity of major repairs or replacements. Repairs, in many instances, can and should be made by employees.

The Public Buildings Administration, Federal Works Agency, has jurisdiction of the repair and preservation of Government-owned post-office buildings and fixed equipment, such as heating plants, elevators, and the like. All additions to buildings and facilities are being deferred during the war period unless it can be shown definitely that the work is necessary and essential to the business of the Government. Do not make requests for structural changes unless imperative to the needs of the service.

CONSERVATION OF OFFICE SUPPLIES AND OFFICE EQUIPMENT

Exercise strict economy in the issue and use of all types of stationery items. Use short letterheads wherever possible.

Conserve stationery and paper. Official communications should be at all times courteous, but as concise and brief as practicable. Official reports should be full, clear, and complete, but terse and to the point.

Printed blanks, forms, and books

Exercise strict economy in the issue and use of all types of printed blanks, forms, and books furnished by the Department.

Each postmaster should make an immediate survey of all forms in use which have been improvised locally, eliminate all such forms which are not absolutely necessary, and discontinue the use of improvised forms where stock forms are furnished.

Official and registry envelopes

Wherever possible and practicable see that communications to one addressee are enclosed in one envelope. Use the smallest size envelope which will accommodate the enclosure.

Envelopes and folders are furnished for the enclosure of official communications and they should not be used for other enclosures. For example, do not use envelopes and folders with which to enclose Defense Savings bonds and stamps where hand-to-hand delivery is made to purchasers.

Envelopes should not be stored where there is any possibility of damage from heat or moisture.

Rubber and steel postmarking equipment

Keep this equipment clean at all times. Clean rubber stamps with a brush moistened with water; clean steel stamps with gasoline, benzine, or coal oil. Steel-stamp ink must not be used with rubber stamps as the oil in the steel-stamp ink destroys rubber. Keep all stamp pads covered or closed when not in use.

Office appliances

The useful life of office appliances, such as typewriters, adding machines, addressograph machines, mimeograph machines, electric fans, time recorders, and the like, can be lengthened by systematic cleaning and oiling. See to it that employees to whom office appliances are assigned for use keep them cleaned, oiled, and covered when not in use. Drop-center and pedestal types of typewriter desks do not provide sufficient covering.

CONSERVATION OF MAIL HANDLING EQUIPMENT

Satchels and straps

Leather satchels and straps used by city, village, and rural letter carriers become dry and brittle when not in use. See to it that the satchels are hung up when not in use, and that they are kept away from heat.

Scales

The scales in use at post offices contain sensitive mechanisms, the replacement or repair of which will be exceedingly difficult. See to it that scales are properly protected and not abused.

Letter boxes, collection boxes, and storage boxes

This equipment, because of its constant exposure to the elements, should be periodically inspected, and repairs made at the first signs of deterioration or breakage. They should be painted at regular intervals to preserve the equipment and lengthen its useful life.

Baskets, hampers, and gurnies

While this equipment is subjected to great wear and tear, every precaution must be taken to prevent damage through careless handling. Stack canvas baskets, hampers, and gurnies when not in use. See that casters are frequently cleaned and oiled. See that waste-paper receptacles are protected against damage.

Platform trucks

This equipment should be periodically inspected and repairs made at the first sign of damage. See that the wheels and bearings are frequently cleaned and oiled.

It is the responsibility of supervisory officials to see to it that trucks are not slammed about, and are not run into furniture, equipment, or parts of the building. Careless handling of trucks is not only likely to damage other equipment or property which cannot be replaced, but, of greater importance, injury may be caused to other employees by such carelessness.

Canceling machines

Instructions for the operation and maintenance of these machines have been furnished. See to it that these instructions are complied with by employees.

Mechanical pick-up tables

This equipment should receive frequent cleaning and oiling; the oil in the gear trough must be changed from time to time to prevent undue wear on gears and bearings.

Belt-conveyor equipment

Keep this equipment clean and properly lubricated at all points and see that the bearings are greased regularly. Conveyor belts must be kept in proper alinement to prevent edge abrasion. Periodically inspect this equipment so that such minor repairs will be made, when needed, and to prevent the necessity for major repairs, replacements of parts, and to avoid shut-downs.

Mail sacks, pouches, locks, and keys

Exercise strict economy in the issue and use of this equipment. When not in use, see that it is properly stored so as to prevent deterioration. Careless handling of this equipment causes damage and lessens its useful life. Every possible measure to conserve it and make it last longer must be taken.

CONSERVATION OF SCREEN LINE, FURNITURE, AND WORKROOM FLOOR EQUIPMENT

Screen line

See to it that the lobby and screen line are inspected daily and are kept clean and in order. Remove promptly any defacement of the screen line or the lobby.

Furniture

Furniture and floors should be kept clean and inspected periodically so that minor repairs will be made, when needed, and thus prevent the necessity for major repairs or replacements.

Workroom equipment

Workroom equipment, such as carrier cases and tables, distribution cases and tables, dumping and stamping tables, swing and locker room equipment, terminal case and rack equipment, etc., should be kept clean and inspected periodically so that minor repairs will be made, when needed, and thus prevent the necessity for major repairs or replacements.

CONSERVATION OF UTILITY SERVICES AND SUPPLIES

Heat

Keep the heating plant and related equipment in first-class operating condition at all times; tubes and flues must be cleaned frequently as soot deposits lessen the efficiency of the system. See that no fuel is wasted. Effect every possible economy, and maintain no higher temperatures than are essential to proper working conditions.

In a Government-owned building where there are other tenants, the postmaster should obtain cooperation of all such tenants to the end that heat will be conserved in every possible fashion. Where rooms become too warm the tenants should turn off the radiators instead of opening windows.

Light and power

Keep continuous supervision over the use of light and power so that only the absolute minimum of electric current will be consumed. Do not permit lights to burn in offices, workrooms, storage rooms, corridors, swing and locker rooms, and supply rooms not in use. By frequent observation, see to it that lamps of excessive wattage are not used and that good lamps are not discarded. Where belt conveyors or ventilating and air-conditioning systems are used, see to it that the operation is confined to actual service requirements.

In Government-owned buildings where there are other tenants, the postmaster should obtain their cooperation to the end that light and power will be conserved in every possible fashion. Use artificial illumination only when absolutely essential, and turn off lights, electric fans, and other electrical appliances when not required for actual service.

Water

Inspect plumbing and repair all leaks promptly. Reduce water pressure wherever possible, as excessive pressure is wasteful.

CONSERVATION OF BUILDING EQUIPMENT

Elevators

Inspect all elevator equipment periodically to see that all parts are kept clean, properly lubricated, and in good operating condition. Systematic inspection will avoid serious break-downs and the necessity for repairs.

Schedule the operation of elevators in such a manner as to render adequate service. Where cars are equipped with motor generators, cut off the generators when the cars are idle.

Motors and pumps

Make frequent inspections of every motor and pump; see that they are kept clean, properly lubricated, and in good operating condition. Systematic inspection will avoid serious break-downs and the necessity for repairs.

CONSERVATION OF CUSTODIAL MATERIALS

Supplies and materials

Maintain close supervision over the issuance and use of brooms, brushes, mops, floor sweeps, other cleaning implements and cleaning materials, and operating tools, so as to prevent waste and at the same time extend the useful life of such articles. Do not discard them until the utmost service has been obtained.

Equipment

Inspect periodically all floor scrubbing and polishing machines, and vacuum cleaners, to see that all parts are kept clean, properly lubricated, and in good operating condition.

CONSERVATION OF AUTOMOTIVE EQUIPMENT

Automotive parts

Exert every possible effort to conserve the present stock and inventory of automotive parts, lubricating oils and greases, brake lining, spark plugs, batteries, flashlights and batteries, electrical equipment, sundry supplies, and miscellaneous items. No part which is serviceable or repairable should be discarded. Every part removed from a truck should be carefully examined to determine whether it is serviceable and fit for reuse, or, if damaged, whether it can be repaired and made serviceable. No part, accessory, or any other article of value is to be replaced or discarded unless absolutely necessary.

Tires and tubes

Exercise constant and careful supervision over the use of tires and tubes, as great care must be given to conserving the present stock. Maintain close supervision over the issuance and use of tires and tubes so as to prevent undue wear and damage and at the same time extend the useful life. Some of the causes of premature tire and tube failure are under and over inflation, overloading, misalinement of front wheels, improper toe-in and pitch, bent axles and frames, improper brake adjustments and faulty steering systems, excessive speeds and severe application of the brakes, fast starting and quick stopping, curbing and striking objects, and nonrotation of tires on wheels. See to it that such causes are eliminated.

Do not discard or change tires and tubes until the utmost mileage has been obtained. Change position of wheels and tires at about 5,000 miles. However, no tire should be continued in active service after it has been worn smooth. Do not wait until the breaker strip is visible. The tire should be removed and retreaded in accordance with existing specifications relating to that subject. A careful inspection of the carcass by an experienced tire man will reveal whether the tire is suitable for retreading. Satisfactory service is had from retreaded tires, and the mileage obtained compares favorably with that of a new tire. The cost of retreads is not only considerably less than the cost of a new tire but the use of retreaded tires will conserve the rubber supply of the Nation.

All tires in service should be carefully inspected for nail holes, cuts, cracks, fractures, tread and side-wall damage, or other evidence of weakness and possible failure. When such defects are observed, immediate repairs should be made to prevent further damage and total tire failure.

See to it that every employee assigned to the operation of a Government-owned motor vehicle gives constant attention to its proper maintenance and operation. See to it that employees drive at reasonable speeds. High speeds are dangerous and adversely affect all working parts of a vehicle, including tires and tubes. Reduce the speed of the vehicle when going around curves. Start in low gear. Fast starts and sudden stops cause excessive wear and tear. Avoid striking curbs, ruts, holes, and other objects.

Service, maintenance, and repair

There has been in operation for some time past a preventive maintenance program for automotive equipment in each post office. It is the postmaster's individual responsibility to see that every possible beneficial result from such program is achieved.

Careful adherence to this program will eliminate the need for frequent major overhauls and unit replacements; will prevent the untimely failure of gears, bearings, valves, pistons, tires, and tubes, the cooling, electrical, and ignition systems, the engine, transmission, and clutch, the rear axle and differential assemblies, and will restrain deterioration of the running gear, chassis, body, and related equipment. A material saving in the use of supplies, materials, and par' can be made by seeing to it that supervisors give continuous attention to preventative maintenance work.

Check frequently for short circuits and defective wiring. They are a cause of fires, and might result in the destruction of the mails and vehicle.

A truck in excellent mechanical condition will not only operate at a higher degree of efficiency, but will also show a decided improvement in the miles per gallon of gasoline and per gallon of cylinder oil. Proper driving at reasonable speeds, proper starting and stopping, will increase the miles per gallon. Every possible saving in the use of gasoline and oil must be made.

The primary cause of premature failure of automotive equipment and allied machinery is improper lubrication. Lubrication must not be neglected or performed by other than those experienced and skilled in the handling of lubricants. Excessive lubrication is not only wasteful, but causes unnecessary wear and tear, and if permitted to continue, will result in serious damage to the equipment.

The mechanical work in the overhauling department requires diligence, skill, and precision work. Exceptional care must be taken to insure the finished job being the equal of and substantially as good as a new piece of equipment.

Care should be exercised in the selection of employees assigned to the operation of machinery and automotive equipment. Only those who have clearly demonstrated that they are efficient and possess the necessary qualifications should be assigned to this work.

General mechanics assigned to "set work" have an important duty to perform and are responsible for daily and periodic inspections of equipment and minor servicing and maintenance work. A thorough inspection and check-up of each piece of equipment and the immediate correction of all defects found will obviate the need for excessive and costly replacements, repairs, and major overhauls. See to it that the inspections and check-ups are thorough and that the corrective mechanical work is performed promptly and properly.

Major inspection and repairs must be performed to assure the continued use of all trucks in daily service for not less than the prescribed minimum—2 and 3 years, respectively—before a major overhaul becomes necessary.

CONSERVATION OF OUTSIDE COMMUNICATION FACILITIES

Telephone, telegraph, radiotelegram, and radio

Because of war conditions, tremendous burdens have been imposed upon the telephone trunk lines, wire systems, telegraph, and radio facilities. The Nation demands that the military and naval forces and war industries have first call on these services.

Each postal official must see to it that the use of such services is held to an absolute minimum in order that the burden on these systems may not be increased. Do not use long-distance telephone, telegraph, radiotelegram, or Army-Navy communication facilities except in case of the most urgent emergency. Ordinary mail is rapid enough for most communications. Air-mail schedules are such as to give less than 24 hours' service between most points in the continental United States for communications of a more urgent character.

SALVAGE OF UNSERVICEABLE PROPERTY AND WASTE MATERIALS

War conditions require that postmasters give more personal supervision to the accumulation, preservation, and disposition of unserviceable property and waste materials. Carefully observe the standing instructions of the Post Office Department on this subject (par. 4, sec. 98, P. L. and R., 1940).

CONSERVATION OF EQUIPMENT, SUPPLIES, AND MATERIALS BY SPECIAL DELIVERY MESSENGERS, RURAL CARRIERS, STAR ROUTE, AND SCREEN-WAGON CONTRACTORS, AND MAIL MESSENGERS

The foregoing conservation methods and measures are not only for officials and employees in the Department, in the Railway Mail Service, and in the post offices, but all persons engaged in the delivery, distribution, and transportation of the mails, such as special-delivery messengers, rural carriers, star-route and screen-wagon contractors, and mail messengers must observe similar or otherwise appropriate and practical conservation methods and measures.

In view of the fact that special-delivery messengers, rural carriers, star-route and screen-wagon contractors, and mail messengers operate directly out of post offices, and as postmasters and their supervisors come in daily contact with them, it is the duty of each postmaster (a) to see that all such persons under their jurisdiction engaged in the delivery, distribution, and transportation of the mails (special-delivery messengers, rural carriers, star-route and screen-wagon contractors, and mail messengers) familiarize themselves with these conservation methods and measures, (b) to see that they understand the urgency and necessity for conservation, and (c) to obtain their genuine and continuous cooperation with the spirit and intent of this general conservation program of the Postal Establishment.

From time to time certain agencies of the Government will establish restrictions and regulations as to the availability, priority, rationing, quota, restriction on use, and methods and procedures for obtaining various articles of equipment, supply, and material. Where the article so restricted or regulated is not furnished by the Post Office Department, but is furnished by the contractor or carrier, there must be full and bona fide compliance with all such restrictions and regulations. For example, Tire Rationing Regulations have been promulgated by the Office of Price Administration, December 30, 1941. The procedure, conditions, and requirements as to the purchase of new tires are set forth in these regulations, and they are to be observed.

It is the duty of each postmaster, official of the Railway Mail Service, and other postal field officials to see to it that those under his official jurisdiction abide by the letter and spirit of all such restrictions and regulations which may hereafter be promulgated by Federal authority in respect of equipment, supplies, and materials not furnished by the Post Office Department.

Each postmaster and each division superintendent of the Railway Mail Service and each inspector in charge must give immediate study to the prompt inauguration of the foregoing methods and measures and other appropriate and practical means for conservation. Supervisors should be called upon to give the matter of conservation definite and continuing study. All postal officials, supervisors, and postal employees are enjoined to give these matters immediate personal attention. Definite plans and arrangements should be made in the light of local conditions and circumstances. Specific duties should be assigned to particular employees as may be necessary in carrying out the intent of this conservation program.

Postal officials, postal employees, and all personnel engaged in operations under the jurisdiction of the Postal Establishment will perform a great public service by setting an example of intelligent, practical, and genuine conservation. They should be mindful of the requirements of the emergency, not only in their official postal work but also in their activities outside the Postal Service.

While insuring that the mails must go through, conserve for victory.

Dated January 13, 1942.

FRANK C. WALKER,
Postmaster General.

The VICE PRESIDENT. The routine morning business is closed.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS—OVERTIME PAY

Mr. REYNOLDS. Mr. President, several days ago, during a call of the calendar, I brought to the attention of this body Senate bill 2112, authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics. Objection was made by some of the Senators, who desired to look into the merits of the bill. I now move that the Senate proceed to the consideration of the bill.

Mr. McNARY rose.

Mr. REYNOLDS. I yield to the distinguished Senator from Oregon.

Mr. McNARY. Mr. President, at the time of the last call of the calendar I interfered with the consideration of this bill by an objection. I did not like the principle of paying overtime to employees of the bureau affected. I find upon further investigation that the principle involved was established some time ago in the Army and Navy. How it occurred, I do not know, but inasmuch as it has occurred and is the practice, it is very difficult for the National Advisory Committee for Aeronautics to operate without the same privilege. I shall, therefore, not object to the consideration of the bill.

I have a statement from Mr. Victory, secretary of the National Advisory Committee for Aeronautics, the first paragraph of which reads:

The National Advisory Committee for Aeronautics is opposed in principle to paying time and a half for overtime, but it is confronted with conditions that make it necessary.

This, with the other paragraphs, explains the whole situation, and I should

like to have the statement inserted in the RECORD as a part of my remarks.

The VICE PRESIDENT. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS,
Washington, D. C., January 14, 1942.

Subject: S. 2112—Overtime pay for field employees of the National Advisory Committee for Aeronautics.

1. The National Advisory Committee for Aeronautics is opposed in principle to paying time and a half for overtime, but it is confronted with conditions that make it necessary.

2. The work of the National Advisory Committee for Aeronautics is of vital importance to the Nation in its determination that America shall have supremacy in the air. The committee's laboratories are working night and day on urgent problems for the Army and Navy. The Congress has authorized approximately 100 percent expansion in National Advisory Committee for Aeronautics personnel. Extreme difficulty is encountered in recruiting additional competent personnel and work of vital urgency is being delayed. The existing force must be worked longer hours.

3. In the vicinity of the National Advisory Committee for Aeronautics laboratories other large employers, including the Army and the Navy, are offering overtime pay for hours over 40 per week. The result is the National Advisory Committee for Aeronautics is losing some of its best and most experienced employees. The legislation provides the National Advisory Committee for Aeronautics with authority of law to enable it partially and temporarily to meet employment conditions in the vicinity of its laboratories and thus to check the growing losses of experienced personnel. This matter is more serious than it appears, for the Army and the Navy in their efforts to develop aircraft superior to those of the enemy are placing great trust in the National Advisory Committee for Aeronautics. The ability of the National Advisory Committee for Aeronautics to render its vital essential services to the Army and Navy depends upon its ability to hold its personnel and to recruit the additional personnel authorized. This it cannot do unless it is enabled to offer earning opportunities larger than regular per annum salaries. The alternative is substantially to increase salaries. This has the disadvantages of setting a bad example; of not giving the Government any additional hours of labor for the additional pay; and of being more difficult to rescind later on than merely to eliminate overtime.

4. It is a surprising fact that although the bill provides for time and a half pay for overtime, the personnel being paid on a per annum basis, the additional hours are worked at a rate of 10.4 percent less per hour of service actually rendered than the Government is already paying for the same services.

5. The plan has had the careful consideration and approval of the Bureau of the Budget. The authority will expire June 30, 1943, unless otherwise provided by the Congress.

J. F. VICTORY, *Secretary.*

The VICE PRESIDENT. The question is on the motion of the Senator from North Carolina to proceed to the consideration of Senate bill 2112.

The motion was agreed to; and the bill (S. 2112) authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That compensation for employment in excess of 40 hours in any administrative workweek computed at a rate of one and one-half times the regular rate is hereby authorized to be paid, under such regulations as the President may prescribe, to those employees in the field service of the National Advisory Committee for Aeronautics whose overtime services are essential to the national defense program and whose duties are determined by the President to be comparable to the duties of those employees of the War Department, the Navy Department, and the Coast Guard, for whom overtime compensation is authorized under existing law and regulations: *Provided*, That in determining the overtime compensation of per annum employees the base pay for 1 day shall be considered to be one three-hundred-and-sixtieth of the respective per annum salaries.

SEC. 2. The provisions of this act shall be effective during the national emergency declared by the President on September 8, 1939, to exist, and shall terminate June 30, 1943, unless the Congress shall otherwise provide.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

William J. Pedrick, of New York, N. Y., to be collector of internal revenue for the second district of New York, to fill an existing vacancy; and

Several assistant surgeons to be passed assistant surgeons in the United States Public Health Service.

By Mr. REYNOLDS, from the Committee on Military Affairs:

Sundry officers for appointment to temporary rank in the Air Corps, Regular Army, under the provisions of law.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Edward C. Eicher, of Iowa, to be Chief Justice of the District Court of the United States for the District of Columbia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of J. Waties Waring to be United States district judge for the eastern district of South Carolina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of George Bell Timmerman to be United States district judge for the eastern and western districts of South Carolina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Herbert W. Christenberry to be United States attorney for the eastern district of Louisiana.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Victor E. Anderson to be United States attorney for the district of Minnesota.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the postmaster nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the postmaster nominations are confirmed en bloc.

Mr. ELLENDER. Mr. President, I ask that the President be immediately notified of the confirmation of the nomination of Herbert W. Christenberry to be United States attorney for the eastern district of Louisiana.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the President will be notified forthwith.

Mr. BARKLEY. I ask that the President be advised of all confirmations of today.

The VICE PRESIDENT. Without objection, the President will be notified forthwith of all confirmations of nominations today.

ADJOURNMENT TO THURSDAY

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn until 12 o'clock noon Thursday next.

The motion was agreed to; and (at 12 o'clock and 22 minutes p. m.) the Senate adjourned until Thursday, January 22, 1942, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 20, 1942:

DISTRICT COURT OF THE UNITED STATES FOR THE DISTRICT OF COLUMBIA

Edward C. Eicher to be chief justice of the District Court of the United States for the District of Columbia.

UNITED STATES DISTRICT JUDGES

J. Waties Waring to be United States district judge for the eastern district of South Carolina.

George Bell Timmerman to be United States district judge for the eastern and western districts of South Carolina.

UNITED STATES ATTORNEYS

Herbert W. Christenberry to be United States district attorney for the eastern district of Louisiana.

Victor E. Anderson to be United States district attorney for the district of Minnesota.

POSTMASTERS

ALASKA

Harold T. Jestland, Bethel.

ARKANSAS

Hazel B. Carlock, Joiner.

FLORIDA

Charles S. Ashbrook, Brooksville.
Carrie Bowers, Lake Placid.
Clara D. Wheeler, Seffner.

GEORGIA

Norma Kate Rogers, Cusseta.
Odessa M. Shepherd, McIntyre.

INDIANA

Grant A. Kelley, Waterloo.
Eugene G. Turner, West Terre Haute.

MARYLAND

Melvin L. Ridgely, Gaithersburg.

MICHIGAN

James R. Burnett, Dimondale.
Ewart L. Gardiner, Midland.

MISSISSIPPI

Virginia C. Welborn, Electric Mills.

MISSOURI

Charles O. Pool, Bowling Green.
Margaret H. Stewart, Mexico.

NEBRASKA

Ethel L. Talcott, Crofton.
Gust F. Carlson, Loomis.
Emanuel J. Fikar, Swanton.

NEW YORK

Edward J. Mulvaney, Conesus.
Naomi C. S. Garritt, Cragsmoor.
Joseph C. English, Depew.
Earl L. Benjamin, Derby.
Darius P. Marlette, Fultonville.
Catherine V. Freeman, Jericho.
Valentine W. Morrow, Maplecrest.
Gerald G. McQuaid, Norwood.
Henry W. Sprague, West Webster.

NORTH CAROLINA

Carl E. Curtis, Oriental.
Daniel F. Mosteller, Vale.

SOUTH CAROLINA

Marie H. Minshew, Johns Island.

VIRGINIA

Ross P. Wible, Cape Henry.
Mable M. Sessoms, West Norfolk.

WASHINGTON

William F. Gorman, Burlington.
Oscar A. Carlson, Burton.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 20, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, our Father, we thank Thee for that temper of hope which Thou hast established in the human breast; it assures us that Thou hast not forgotten, and it prompts us to penitence and faith. Indifferent and neglectful though we may be, do Thou disturb our fancied contentment, and may we see how worthy, how firm, and how sovereign the manhood that looks and breathes through the Man of Galilee. Rising out of our threatened selfishness, diligently following His precepts, ever enable us to be severely true with ourselves.

O Thou on whom in affliction we call, we pray for all lonely ones under the shadow; for those in failure, in discouragement, and weakness; bless them with Thy tender communion and let Thy love flow through their passing hours. From Thy abundant gifts may we learn that it is more blessed to give than to receive. Oh, keep before us the vision of our Saviour, who saw the hungry and fed them, the thirsty and gave them drink, and wrapped the stranger in the folds of His comfort, and bestowed health upon the sick.

"Who gives himself with alms, feeds three—
Himself, his hungering neighbor, and Me."

Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 6263. An act to amend section 606 of the Communications Act of 1934 for the purpose of granting to the President, in time of war or threatened war, certain powers with respect to communications by wire.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3487. An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1936) entitled "An act to provide protection of persons and property from bombing attacks in the United States, and for other purposes."

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the calling of the committees on Wednesday next be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES REQUESTING EXTENDED UNEMPLOYMENT COMPENSATION BENEFITS

The SPEAKER laid before the House the following communication from the President of the United States, which was read and referred to the Committee on Appropriations and ordered to be printed:

The Speaker of the House of Representatives.

SIR: The conversion of industrial plants from the production of peacetime goods to the production of war materials, and the drastic curtailment of civilian consumption required for the successful prosecution of the war, have already thrown thousands of persons out of work. Eventually these workers will be absorbed in war industries. In the meantime, there will be widespread distress unless the Federal Government takes appropriate action to cope with the situation which is directly attributable to the war program.

The present State and Territorial unemployment compensation laws furnish some protection to these displaced workers, but the benefits provided under these laws are quite inadequate. Prompt and appropriate action by the States and Territories to meet this emergency problem cannot be depended upon, although they have accumulated 2½ billion dollars reserves and have reduced their contribution rates because of small benefit disbursements. Only eight States have regular sessions of their legislatures this year and only five other States have already called special sessions of their legislatures.

I am convinced that the best solution of the problem would be a uniform national system of unemployment insurance with adequate benefit provisions. Such a system would be financed by pay-roll contributions, obviating the necessity for appropriations from general funds. I have already recommended such a system in my budget message. However, permanent legislation of this character should be considered in relation to other social security legislation, and this would take more time than the present emergency will permit.

Therefore, I recommend that the Congress appropriate the sum of 300 million dollars to supplement and extend the protection now afforded by the State and Territorial unemployment compensation laws, so that not only may employees insured under these laws receive an additional war-displacement benefit, but employees not now insured under these laws, either because they work for small employers or for some other reason, may also be afforded protection.

I suggest that the appropriation be made in such a way that the expenditures would be controlled by plans approved by the President. These regulations would provide that displaced employees receive in total weekly benefits approximately 60 percent of their average weekly wage, but in no event more than $24 a week for 26 weeks. Such plans would also provide that no displacement benefit be paid to any person who refuses to accept vocational training to better qualify himself for employment in a war industry or who refuses to accept suitable employment. The administration of this plan would be carried out by the Social Security Board in the Federal Security Agency. The Social Security Board is now operating directly all the offices of the United States Employment Service and is also charged with the responsibility of supervising the State unemployment compensation agencies whose administrative expenses are paid entirely by the Federal Government.

I recommend that the appropriation act indicate that this is temporary and emergency legislation covering at most the balance of the present calendar year.

The detailed appropriation recommended is set forth in the letter of the Director of the Bureau of the Budget, transmitted herewith, with which recommendation I concur.

Respectfully,

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
January 19, 1942

PRODUCTION OF SUGAR

Mr. MILLS of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. MILLS of Louisiana. Mr. Speaker, I noticed in yesterday's press where the Secretary of Agriculture, Mr. Wickard, in answer to a question propounded by Mrs. Roosevelt, stated or predicted a shortage of sugar oil and fats. I believe the increasing of the continental cane acreage will help solve the sugar question.

TRANSFER OF EMPLOYEES FROM CIVILIAN TO DEFENSE WORK

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr Speaker, we all listened with a great deal of interest to the President's message with reference to giving aid to those who are losing their positions because of the transfer of industries from civilian to defense work. There arises in that connection some questions concerning the Social Security Board. I want to point out to the Members that there have been efforts made by the Secretary of the Treasury and the Social Security Board to wipe out State lines in the administration of the Social Security Act, and I am asking all Members from the various States to be very watchful of this situation; otherwise State lines in the administration of the act will be completely obliterated. If we are to appropriate moneys for the relief of workers thus dislocated, as pointed out by the President, we must see to it that legislation thereupon is temporary and not permanent. Furthermore, the Secretary of the Treasury is siphoning out of the Treasury for ordinary expenditures of the Government social-security funds. There is over $5,000,000,000 of surplus in the unemployment fund and the old-age fund, and it is not being properly earmarked by the Secretary of the Treasury. Instead of paying off, say, Federal indebtedness heretofore incurred, new bonds are issued. I do not quarrel with that practice, but I do quarrel with any attempt to increase the social-security tax, in the light of the existing social-security surplus and in the light of using these security funds for ordinary expenses of Government. It means that those paying these taxes, and who thus pay a great deal of Government expenses, bear undue burdens not shared by those who do not pay social-security taxes, like farmers, farm hands, domestics, self-employers, doctors, lawyers, and other professionals, and so forth.

In any event, I urge you to watch and scrutinize carefully all activities of the Social Security Board and watch the process of wiping out State lines.

[Here the gavel fell.]

WILLIAM GORDON

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. YOUNG. Mr. Speaker, it is with regret that I report the death of a former outstanding Ohio Congressman, William Gordon, who passed away suddenly at his home in Cleveland. Mr. Gordon served with honor and distinction in the House of Representatives for 3 consecutive terms from 1913 to 1919, representing the Twentieth Ohio District. He was born December 15, 1862, in Oak Harbor, Ohio. He was a prominent and well-beloved citizen of my State. He served two terms as prosecuting attorney of his county. He was a lawyer of ability and energy. He founded the Gordon Lumber Co. and served as its president for 25 years. William Gordon was not only a colorful citizen of the State of Ohio; he was a man distinguished by strong character and intellectual honesty. He was impressive in appearance and had a deep, booming voice. He was outspoken in expressing his opinions and he was unyielding and uncompromising in his beliefs. In politics former Congressman William Gordon was a Jeffersonian Democrat. He served as a member of the Democratic State central committee and as a delegate to various Democratic conventions. As a Member of the House of Representatives in 1917, he was outspoken in his opposition to our involvement in the war. In Ohio, back in the days when Tom Johnson was leading a crusade for good government in Cleveland and in our State, William Gordon was one of his most active and influential supporters. He is survived by his wife, a son, and a daughter, and we extend our sympathy to them.

William Gordon was a fine American and a conscientious public servant. The Cleveland Plain Dealer, in an editorial tribute to former Congressman Gordon, stated:

> If it is aptly said of some men that they are made of putty, it would be apt to say that Gordon was made of stone.

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short article on Carole Lombard, from my home State, and also to extend my remarks by including an editorial from the Fort Wayne Journal Gazette of January 18, 1942.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

JAMES M. ROBINSON

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GILLIE. Mr. Speaker, it is with a keen sense of sadness that I rise to inform the House of the death of a former Congressman from Indiana, James M. Robinson, who passed away at Los Angeles on Friday, January 16, 1942, in his eightieth year.

Mr. Robinson, whose death is mourned by countless friends from Maine to California, served as a Democratic Representative from the old Twelfth Indiana District for four consecutive terms, 1896 to 1904, retiring from Congress 2 years before the present dean of the House, ADOLPH J. SABATH, began his tenure of service.

Although Mr. Robinson was of another generation, I remember him from my boyhood days as a kindly and friendly soul, whose followers in northeastern Indiana were legion. He was a close personal friend of my late father who, although of the opposite political faith, had a great admiration for Jimmy Robinson as a leader of men.

Mr. Robinson's innate friendliness was combined with outstanding strength of character. And yet the thing that clings to memory the longest, and for which his friends loved him the best, was the fact that he possessed in its highest and fullest form that great virtue of kindness. He understood the philosophy of kindness and practiced it. That is his best epitaph.

Under leave to extend my remarks in the RECORD, I include at this point an editorial from the Fort Wayne Journal-Gazette, commenting on the life, character, and public service of James M. Robinson:

[From the Fort Wayne (Ind.) Journal-Gazette of January 18, 1942]

JIMMY ROBINSON

James M. Robinson, former Congressman from this district, whose death occurred Friday in Los Angeles, already had become a legendary figure during his own lifetime.

He was not known personally to the younger generation because he had resided in California for the past 30 years, but the story of his mastery of the art of winning friends was handed down by the old-timers in politics They said that none who ever ran for public office here equaled Jimmy Robinson as a good mixer. He did not sit around in political headquarters and wait for the people to come to him. He went out and met the people. He shook hands. He smiled. He turned on the charm. And the charm was irresistible. Men flocked to his banner and deemed it a privilege to vote and work for his election.

Since his time many political leaders have sought to emulate him, but they just did not have the touch. His success came from an inner warmth in dealing with his fellow human beings. He liked people and he enjoyed letting them know it.

Mr. Robinson was immensely popular as a public speaker. He himself said that he had addressed 100 audiences a year for 30 years on every conceivable occasion—from a pumpkin fair to a funeral. That was no exaggeration.

During his four terms in Congress he held important committee assignments and sponsored several important measures.

He will live long in the memory of the citizens of northeastern Indiana as a man who made friendship the cornerstone of his life.

EXTENSION OF REMARKS

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an excerpt and report issued by the Industrial Commission of the United States.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

[Mr. FULMER addressed the House. His remarks appear in the Appendix.]

Mr. HARE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARE. Mr. Speaker, following the remarks of my colleague the gentleman from South Carolina [Mr. FULMER], the dean of our delegation, in announcing the death of former Senator Cole L. Blease, I rise to say that he was born and reared in Newberry County, in my district. It was there he began his political career, being elected to the State legislature at the age of 21. Later he served as mayor of his home city, Newberry. He was State senator, speaker of the house of representatives, president of the State senate, Governor of the State for two terms, then United States Senator. In early boyhood he attended the public schools of his home city; later a student at Newberry College, the University of South Carolina, and Georgetown University Law School. He was an able lawyer and a strong advocate. He was looked upon by some as being extremely radical in many of his ideas, particularly with reference to the race problem, and yet he was the friend of the colored people. He was their friend at home and in court. They always went to him for counsel and aid when their rights were at stake in court. He was a man of strong convictions, determined and courageous, yet genial in his associations. He was accommodating and always ready to assist a friend. While many disagreed with him in some of his political ideas they admired him personally, because he was always true, courageous, and devoted to his friends.

From early manhood he was active in political life until the day of his death. He loved politics; he was a political leader; and at his death had the honor of having represented the people of his State in more elective positions than any man within my recollection.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent that at the conclusion of the day's business, I be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

CONDUCT OF JAPANESE IN CALIFORNIA

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I rise to draw to the attention of my colleagues in the House just what some Japanese are doing in California. I have here a clipping from the Los Angeles Times showing that one Charles Yoshii, a native-born Japanese who attended the University of Oregon, is now a Japanese radio announcer, imitating the Lord Haw-Haw in Germany.

In addition to this, there are other native-born Japanese who have attended our colleges doing the same thing. This matter is of pressing moment to our people in California, and I shall put into the RECORD tomorrow a letter that I have written to the State Department, to the War Department, to the Navy Department, and to F. B. I., with reference to concentrating these people. I believe that a patriotic native-born Japanese, if he wants to make his contribution, will submit himself to a concentration camp as his contribution, as against the native-born American, who lays his life down for his country. If these Japanese are patriotic and have the welfare of our country at heart, they should not object to that small sacrifice.

EXTENSION OF REMARKS

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Pittsburgh Press of yesterday.

The SPEAKER. Is there objection?

There was no objection.

JIU-JITSU FOR THE UNITED STATES ARMY AND NAVY

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. HINSHAW addressed the House. His remarks appear in the Appendix.]

HONOR PROPOSED FOR CAROLE LOMBARD

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Speaker, I have asked for this minute of time in order that I may read to the House a letter I have written to Secretary of the Treasury Morgenthau. It is as follows:

Hon. HENRY MORGENTHAU,
Secretary of the Treasury,
Washington, D. C.

DEAR MR. SECRETARY: I am sure the entire Nation applauded the fine recognition you extended to the late Carole Lombard in your telegrams to Mr. Clark Gable and Mr. Will H. Hays expressing your appreciation as head of the Treasury Department, charged with financing the war, of the remarkable and wholly unprecedented services rendered by Miss Lombard when on last Thursday she sold at Indianapolis over $2,000,000 worth of defense bonds. The hearts of all Americans were touched with grief and sorrow the next day when she met a tragic death. I am writing to ask if it is not possible to name one issue of the Victory Bond Series the "Carole Lombard Victory Bond." I believe that such action by our Government would be most appropriate and that it would be universally approved throughout America. Will you please give this matter your thoughtful consideration and advise me your conclusion in regard to it?

Very sincerely yours,
LOUIS LUDLOW.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. PEARSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include a communication received from a constituent.

The SPEAKER. Is there objection?

There was no objection.

Mr. SANDERS. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a brief resolution from the Dairy Farmers' Protective League of Louisiana.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein two resolutions adopted by the State Legislature of South Carolina.

The SPEAKER. Is there objection?

There was no objection.

Mr. STEARNS of New Hampshire. Mr. Speaker, I ask unanimous consent to extend my remarks and include a copy of a letter addressed to the President of the United States pledging the cooperation of New Hampshire industry and labor in the service of the Nation.

The SPEAKER. Is there objection?

There was no objection.

NEW LOCK AT SAULT STE. MARIE

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I have several times called attention to the necessity for an additional new, modern, bombproof lock at Sault Ste. Marie, Mich. The urgent need for this lock has been recognized by the Corps of Engineers in a report to the Congress on or about May 19 last. It has been repeatedly urged by the O. P. M. and every vessel operator, mine and quarry operator, and steel producer on the Great Lakes. It has been recognized by the Committee on Rivers and Harbors, who, however, have reported the measure for the authorization of that lock in two separate items in the rivers and harbors omnibus bill. But that measure should be taken out of that bill and promptly submitted to the floor of this House. On last Friday the junior Senator from the State of Michigan, Senator BROWN, succeeded in obtaining the passage of a separate bill in the Senate authorizing the immediate construction of that lock. I find this morning that that bill has not yet been reported to the Rivers and Harbors Committee; but when it is I sincerely hope the chairman of that great committee will ask unanimous consent to take it from the Speaker's table and let it be passed by unanimous consent. I have every confidence that this Congress will do that, because it should recognize that in order to meet the tremendously increased demand for iron ore for our victory production we must have that lock without further delay.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial.

The SPEAKER. Is there objection?

There was no objection.

ARKANSAS POWER AND LIGHT

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks, and to withdraw that statement and insert it in the Appendix.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. ELLIS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made a few moments ago.

The SPEAKER pro tempore (Mr. COLE of Maryland). Is there objection?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to extend my remarks and include a resolution by the Independent Businessmen's Association of Iowa relating to national defense.

The SPEAKER pro tempore. Is there objection?

There was no objection.

DISCHARGE PETITIONS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I am in receipt of a petition signed by nearly 1,000 loyal and patriotic Americans in my district asking me to take legislative steps to change the House rule which provides that 218 signatures shall be required on discharge petitions and reduce this number to 145 signers.

I take the floor at this time to announce that I am introducing a resolution today so that these good people back home will realize that steps are being taken to make way for legislation which they wish to see brought before the House. I hope that such a resolution will receive the approval of the committee so that only 145 signers will be necessary instead of a majority of the membership of the House. This will bring to the floor many vital measures which are in the interest of the rank and file of the American people.

The resolution follows:

Resolved, That clause 4 of rule 27 of House of Representatives is hereby amended by striking out "A majority of the total membership of the House" and inserting in lieu thereof "145 Members."

THE WARNER & SWASEY CO. OF CLEVELAND

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. BENDER addressed the House. His remarks appear in the Appendix.]

NUMBER OF SIGNERS ON DISCHARGE PETITION

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, the gentleman from New York [Mr. LEONARD W. HALL] just announced that he had introduced a resolution which had for its purpose changing the number of signatures required on a discharge petition from 218 to 145. I may say for his information that for many years, I have advocated the same proposition, namely, that a petition should not require a majority of the vote of the House and, in fact, at one time, if my memory serves me right, it required only 150 signatures, but after it had been tried for a couple of sessions the practice was discontinued.

Mr. Speaker, permit me to say to the gentleman from New York and the other Members that the statement that committees cannot obtain consideration of bills they have reported is not founded on fact, because the Rules Committee has so far given hearings and consideration to all committees requesting a rule and has invariably favorably reported rules requested and required to expedite the business of the House. In fact, in the last, as well as this Congress, the Committee on Rules has brought in more rules upon bills than any other Committee on Rules in the past. For the information of the gentleman from New York, I wish to say that there are many ways to bring a bill on the floor. It can be by unanimous consent, by suspension of the rules and on Calendar Wednesday. As the chairman of the Committee on Rules I have not received a single complaint from any member or chairman of a committee who has been unable to obtain consideration of any meritorious bill.

EXTENSION OF REMARKS

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by printing a short article.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

INVESTIGATION OF AIR CRASHES

Mr. SABATH, from the Committee on Rules, submitted the following resolution (H. Res. 403, Rept. No. 1614) for printing, under the rules:

Resolved, That section 2 of House Resolution 125, Seventy-seventh Congress, is hereby amended to read as follows:

"SEC. 2. It shall be the duty of the committee to make a full and complete investigation of air crashes and other accidents in the United States in 1940, 1941, and 1942 occurring on commercial air lines with the view to ascertaining all pertinent facts relating to the construction of flying and ground equipment and facilities, the management and operation of such air lines, the laws and regulations and the administration of laws and regulations, relating to operation and inspection of airplanes and safety equipment and devices, the liability of such air lines on account of loss of life or injury to persons or property, and any other matters which such committee may deem it necessary to investigate for the purpose of obtaining adequate information to enable it to recommend action. In carrying out its powers and duties the committee or any subcommittee thereof may call upon any department, agency, or establishment of the United States, to perform clerical, stenographic, and statistical work and to furnish facilities and assistance to aid in such investigation."

Mr. SABATH. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 403.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read House Resolution 403

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois for the present consideration of this resolution?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I listened to the reading of the resolution. The last section of the resolution contains a provision calling upon the executive branch of the Government to furnish clerical help, and so forth, to an investigating committee of Congress. The President, through the Director of the Budget, has stated that this is being overdone; in other words, during the last year congressional committees of the House and the Senate have used help from the executive departments where the salaries have been paid from the appropriations for these departments amounting to over $350,000. The Budget Bureau has notified me as chairman of the Committee on Accounts that if this practice does not stop the President is going to insist that the various Government agencies affected be reimbursed in the amount of the salaries paid their employees who assist the congressional committees.

There is one congressional committee that has received $45,000 to make an investigation. This committee at one time had 66 employees of the executive departments of the Government. This is not right.

In bringing in resolutions from the Committee on Accounts we no longer include that proviso which was carried for many years directing executive departments of the Government to detail employees to these committees.

I have no objection to the consideration of this resolution, and I will say that from my long experience in connection with special committees I know of no committee that has rendered better service than this special committee; but I am going to object to the consideration of the resolution, if it is possible, unless that section is stricken out.

Mr. SABATH. Let the resolution be called up for consideration. An amendment to strike out that section would be in order.

Mr. COCHRAN. Will the gentleman from Illinois agree to strike out that section?

Mr. SABATH. I have no authority to agree to that. I am sure the chairman of the special committee will explain the matter fully, and I feel sure that when he has done so the gentleman will withdraw his objection.

Mr. NICHOLS. Mr. Speaker, if the gentleman will yield, let me say in that connection that we have only one stenographer.

Mr. COCHRAN. Why not pay him from the money allotted to the committee?

Mr. NICHOLS. We can pay him if that is the desire of the House.

We were directed to do it. If it is the will of the House that we should not do it, it is perfectly all right. I hope the gentleman will not object to the consideration of the resolution.

Mr. COCHRAN. I shall not object to the consideration of the resolution if the gentleman will strike out that paragraph. I may say that similar sections have been

left out of other resolutions at the request of the Speaker.

Mr. NICHOLS. It does not make any difference to me. Take it out if you want to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. COCHRAN. Mr. Speaker, I reserve the right to object to find out if the gentleman from Illinois is willing to yield to strike out that section.

Mr. SABATH. I am willing to yield; in view of what the chairman of the committee has stated, I am willing to agree that that provision in the resolution be eliminated.

Mr. NICHOLS. If the gentleman will yield further, may I say that rather than strike out that section I will discontinue the employment. That is what I would rather do, because we need much information from the agencies of the Government that this section gives us authority to ask for. It does not involve any other employees.

Mr. COCHRAN. You can ask for information and get it, but you want to take employees and pay them from the appropriations for that department, and use them for the work of a congressional committee, when you get money from the House to hire your help.

Mr. NICHOLS. I believe probably it will satisfy the gentleman if instead of taking out of this resolution the section to which he refers we pay the one stenographer we have out of our funds.

Mr. COCHRAN. Certainly it will, but why not strike out this paragraph?

Mr. NICHOLS. The only reason is that we need assistance particularly from the Civil Aeronautics Administration and the Civil Aeronautics Board every day. This is simply a direction to them to give us not employees but information and assistance that it is proper they should give us.

Mr. COCHRAN. If the paragraph is worded that way, I have no objection.

Mr. NICHOLS. It is difficult to amend the section on short notice. If the gentleman will not object, but will hold it for a future time, I may say to the gentleman that the committee will use no more employees of the executive branch in the committee's actions but will pay any employees out of our funds.

Mr. COCHRAN. I may say to the gentleman from Oklahoma that the last six resolutions brought here on the floor have had that very paragraph eliminated.

Mr. NICHOLS. I am willing to eliminate it. It does not make any difference to me.

Mr. SABATH. I may say to the gentleman from Missouri that the Committee on Rules has unanimously reported the rule.

Mr. COCHRAN. The Committee on Rules had no business putting that paragraph in the resolution. That paragraph should be in the resolution, if included at all, asking for the appropriation of money to support the committee. It does not belong in this resolution.

Mr. SABATH. I agree that one or two committees have abused that privilege.

Mr. COCHRAN. One or two?

Mr. SABATH. Yes.

Mr. COCHRAN. The gentleman does not know what he is talking about when he says one or two.

Mr. SABATH. I may be in error, and the gentleman is probably in better position than I to know the facts about whether there have been greater abuses than I know of. However, if the gentleman insists upon his objection, we shall have to take the resolution up tomorrow

Mr. COCHRAN. Again I say to the gentleman from Illinois that I have stricken that paragraph from the resolution at the request of the Speaker of the House.

Mr. NICHOLS. If the gentleman will yield further, may I say to the gentleman from Missouri that this is not new in this particular resolution. The only thing this resolution does is add the year 1942 to the previous resolution. This section was in the original resolution, and this committee has no disposition to abuse that right. I hope the gentleman will not object to the consideration of the resolution.

Mr. COCHRAN. I have the resolution before me now. It states:

In carrying out its powers and duties the committee, or any subcommittee thereof, may call upon any department, agency, or establishment of the United States to perform clerical, stenographic, and statistical work.

What are you going to do with the money the Committee on Accounts gives you to run your committee?

Mr. NICHOLS. Will it satisfy the gentleman to strike out the words "clerical, stenographic, and"? It is perfectly agreeable to me to strike out those words, but do not take our statistics away from us.

Mr. COCHRAN. You can get all the statistical data you want from the departments.

Mr. NICHOLS. Do not take away our statistics. It is just the clerical and stenographic assistance the gentleman wants to stop, and I will agree to strike out those words.

Mr. COCHRAN. I will not object to the consideration of the resolution if the gentleman will offer an amendment at the proper time to strike out "clerical, stenographic, and."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. FISH. Reserving the right to object, Mr. Speaker, due to this controversy and due to the fact that we of the minority did not know that this rule was coming up today, and because the rule was reported this morning and in the ordinary course would come up tomorrow, I reluctantly object. We can consider the resolution tomorrow.

Mr. SABATH. Will the gentleman withhold his objection?

Mr. FISH. No.

CONSTRUCTION OF CERTAIN PUBLIC WORKS

Mr. SABATH. Mr. Speaker, I call up House Resolution 407 for immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 6333, a bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, this rule makes in order the naval authorization bill, H. R. 6333, authorizing the expenditure of $450,000,000. As I understand, the bill has unanimously been reported by the Naval Affairs Committee and this rule has been granted by a unanimous vote.

I understand this authorization is needed and of great importance and is required for the naval shore activities and for permanent and temporary construction. When the chairman of the Naval Affairs Committee appeared before us he was questioned as to the proviso in the bill which starts at the bottom of the page and reads as follows:

Provided, That contracts for construction may be entered into without regard to the provisions of section 3709

We questioned whether this was conducive to economy or whether it would authorize the Department to enter into contracts without calling for bids.

The chairman of the committee testified that his committee, which has the power to investigate and is doing a great deal of investigation of all contracts let, assured the Committee on Rules that the evidence discloses that there has been much smaller profit made on negotiated contracts than on the contracts let as a result of bids. Furthermore, this will aid in expediting this much-needed construction. In view of his explanation and the unanimous report on the part of his committee, I feel that the rule should be granted and that the bill should receive your favorable consideration. You all know the hard-working, able, and efficient gentleman who is the chairman of the Naval Affairs Committee, and I know that he can satisfy each and every Member of the House of the immediate need for this authorization.

Mr. Speaker, I may say that this is an open rule, giving the Members the right to offer amendments. The rule provides for 1 hour of general debate, but I feel that after the explanation of the chairman there will be no need for even taking the hour which the Rules Committee has provided for general debate.

Mr. Speaker, I reserve the balance of my time and now yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, this bill is part of the war program. It calls for an authorization of $450,000,000 for shore facilities, for wharves and docks and buildings for the Navy. This is part and parcel of the Navy war program. It comes with a unanimous report from

both the Committee on Rules and the Committee on Naval Affairs.

This bill, calling for such a large appropriation, shows the intent of the Congress to be prepared for a long war. This appropriation to build these Navy establishments which will not be completed for several years shows the intent of the American people and of the Congress at least to be prepared to carry on this war for 5 years. The same thing applies to the bill that will come up in Rules Committee tomorrow for an authorization for an appropriation of over $3,000,000,000 to increase our Navy and to provide a number of ships of various descriptions which also may not be built for several years.

Japan, in its treacherous attack upon Pearl Harbor, won the first round. We have not yet begun to fight. We are preparing to fight, and we are preparing through appropriations to make sure that we win the last round After all, that is the only round that counts. We are in an all-out war—all out in appropriations, all out in building docks and building warships, and also we will be in an all-out war in fighting We are in the war to win, and to win requires certain things. It requires men and ships and supplies, and we cannot win this war unless we shoot harder and faster than the enemy. We cannot win this war unless we kill more of the enemy than they kill of us, and therefore we need these implements of war, and we have not enough of them now to destroy the enmy To win a battle you must have superiority of fire power, whether it is an infantry battle or a naval battle. You must have superior ships and superior fire power. Today we are not powerful enough to carry the offensive to Japan and also police at the same time the Atlantic and our own coast; but there is no reason for anyone to lose faith in our Navy We still have the greatest navy; possibly not great enough after Pearl Harbor to carry the attack to the enemy, but we propose to have it. We cannot win this war by passing resolutions. We cannot win this war by just merely making speeches, and we cannot win this war just by our will to win. We have got to go further. The only way any war is won is by fighting, and that means bigger and better guns; and from the very beginning, before we got into the war there were many of us who were opposed to the war who always said that if we got into the war we were bound to win in the long run because this war is down our alley.

With our industrial system we can build bigger ships and bigger guns and bigger and better and faster airplanes, and bigger and better armament and when it comes to manpower, we have an almost unlimited reservoir of manpower. The American youth, morally, mentally, physically, and courageously is the equal if not the superior of any youth in the world, but we must realize that we have not yet won the war, and we will not win this war until we can show that we have fighting power that is superior to that of the enemy, both in ships and men, and that means blood and death and plenty of it, and the destruction of property. This is part of the war program, maybe a 3- or 4- or 5-year war program. Many of these buildings will not be constructed for a year or more, and many of the ships that we will provide for tomorrow or next day will not be built for several years. We will win the war. We have not yet begun to fight, except in the Philippines and Wake Island, but it takes money and men. It takes blood and death, sacrifice and tears, and in the long run, as we train men and get equipment, we will win this war. The Bureau of Yards and Docks of the Navy Department, under Admiral Moreell, is doing a good job in using the appropriations made by Congress, and has been getting the necessary work completed by civilian contractors without delay.

Mr. SABATH. Mr Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

INVESTIGATION OF AIR CRASHES

Mr. SABATH. Mr. Speaker, I understand that the gentleman from New York who originally objected to House Resolution 403, extending the time of the committee to make full and complete investigation of air crashes, and so forth, has decided to withdraw his objection.

Mr. FISH. Mr. Speaker, I withdraw my objection.

Mr. SABATH. Mr. Speaker, I renew my request for unanimous consent to consider House Resolution 403 at the present time. The resolution has already been reported to the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider the vote by which the resolution was agreed to was laid on the table.

CONSTRUCTION OF CERTAIN PUBLIC WORKS

Mr. VINSON of Georgia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6333) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6333, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

Mr. VINSON of Georgia. Mr. Chairman, I yield myself 15 minutes. In the past a great many very important naval bills have been considered on the floor of the House involving large expenditures, by unanimous consent. I think this is the proper way to consider legislation by the House, where large expenditures are involved. Therefore, I am glad that the Rules Committee is functioning and will function to orderly present to the House measures for our consideration, and I shall continue to go to the Rules Committee and ask for rules so that there will be full opportunity for discussion on the part of the committee members on each one of these important bills. While we are at war, and while we are very much concerned about the successful prosecution of that war, the House must not in its haste be too anxious to enact legislation without the closest scrutiny.

Mr. Chairman, this is an authorization calling for the expenditure of $450,000,000 to be expended by the Bureau of Yards and Docks of the Navy for the purpose of expanding existing naval facilities. In only one instance, as I recall, is a new establishment laid down. These items referred to have all been approved by the Budget, have all been carefully scrutinized by the Naval Affairs Committee, and are broken down and are set forth in these documents here. In the document which I hold in my hand there is a complete break-down of how the Navy Department proposes to expend the $450,000,000. This bill and report is different from bills and reports of this character submitted in the past because, on account of the national emergency, we do not think it necessary to go into such detail in the report and give information as to the particular construction and its character in each one of these places.

These items have also been sent to the Appropriations Committee by the Budget. The Appropriations Committee has also had an opportunity to make careful inquiry into the justifications for each of these expenditures. If they reach the conclusion, in all probability they will carry in their appropriation bill the authorization which we are now providing for in this bill.

In that connection I want to say to the members of the Appropriations Committee that the Committee on Naval Affairs is endeavoring to bring in authorizations in sufficient time so that the general appropriation can carry what has heretofore been incorporated in a supplementary appropriation bill, because I think it is far better for the subcommittee on naval appropriations to handle everything relating to naval matters if it possibly can do so without referring it to deficiency committees of the Appropriation Committee.

So, Mr Chairman, that is all this bill does. It merely carries out the existing Naval Establishment, which is absolutely necessary to be expanded to meet war emergencies.

If there are any questions any of the members of the Committee wish to ask, I will be glad to yield.

Mr. DITTER. Mr. Chairman, will the distinguished gentleman yield?

Mr. VINSON of Georgia. I yield to the distinguished gentleman from Pennsylvania.

Mr. DITTER. I am taking the statement of the gentleman from Georgia at its full face value when he suggests that we should examine into these proposals and not make them a matter of unanimous consent. I approach the observation I am about to make not with a critical attitude but, rather, in line with that invitation.

May I direct the distinguished gentleman's attention to that clause in the bill

which provides that contracts for construction may be entered into without regard to the provisions of section 3709, Revised Statutes? Then may I direct the gentleman's attention further to that particular statute and point out to him that I believe the statute itself provides for the emergency situation and that the provision in this instance may be looked upon as surplusage? In section 3709 provision is made—

When immediate delivery or performance is required by the public exigency, the articles or services required may be procured by open purchase or contract at the place and in the manner in which such articles are usually bought and sold or such services engaged between individuals.

Now, it seems to me that the statute itself provides for the very condition which is sought in this particular clause of the bill. I cannot see why we should add one additional invitation.

Mr. VINSON of Georgia. I doubt whether the Judge Advocate General's office will interpret the section which the gentleman has read to mean that negotiated contracts of the character necessary for this work would fall within the purview of that statute. Therefore the Navy Department feels that we should explain that if it becomes necessary to make it absolutely positive and make no doubt about it. That is the only theory of it. May I say this—and this is very important—tomorrow there will be released the partial findings of the Naval Affairs Investigating Committee, a copy of which I hold in my hand. In an examination of some 19,000 contracts by auditors I was amazed and the committee was amazed to find that the Government gets a far better cost and lower construction cost and more economical construction out of a negotiated contract that it does out of a competitive-bid contract. But in our report we do not advocate doing away with the competitive bid, because on standard articles there must be competitive bids instead of negotiated contracts. But all through this document you will find where negotiated contracts have been the proper ones instead of the competitive-bid contracts. The profits run far higher in the competitive-bid contracts than they do in the negotiated contracts, and it is to the credit of the Bureau of Yards and Docks.

Let me read:

Questionnaires were distributed to 463 construction contractors holding a total of 803 construction contracts. Reports were received on a total of 359 construction contracts, divided into 247 competitive bids and 112 negotiated cost-plus-fixed-fee contracts. The total of these contracts amounted to $726,327,491, on which profits of $30,800,465 were reported, amounting to an average profit of 4.43 percent.

That is the type of record that is being made by the Bureau of Yards and Docks, where they are applying the section just called to the committee's attention by the distinguished gentleman from Pennsylvania [Mr. DITTER], and also giving them discretion not to follow that section if the facts and circumstances justify them to do otherwise.

Mr. DITTER. Mr. Chairman, will the gentleman yield further?

Mr. VINSON of Georgia. Yes; I yield.

Mr. DITTER. I think a very large measure of the credit for the record that the gentleman has just referred to is due to the splendid work that the distinguished chairman of the Naval Affairs Committee has done in connection with the relationship between the legislative branch of the Government and the particular services that we have under consideration. But I still submit that the answer of the gentleman to the inquiry that I made does not convince me, unless he can tell me that the Judge Advocate General has ruled. It seems to me that the first part of section 3709 embraces negotiated contracts, as well as every other competitive or other type of contract that we may enter into, for it provides "all purchases and contracts for supplies or services." "All purchases and contracts." That takes in negotiated contracts. It takes in competitive contracts. It just seems to me that if we have already provided in the law for the exigencies that we now face, and in line with the distinguished gentleman's statement that we want to try to keep as much of a hand on this thing as possible, without embarrassment to the establishment or to our own national welfare, then it seems to me we should be hesitant to just add one more clause in here by way of suggestion, let us call it, that all bars are down; that we hand over completely everything in connection with contractual relationships to be entered into by the Government with those who are to provide the services and that we of this branch of the Government no longer feel that the responsibility is ours.

Mr. VINSON of Georgia. We are not by any means relaxing the general provision of law.

Mr. DITTER. What is the purpose of that section, may I ask the gentleman?

Mr. VINSON of Georgia. That language has been in every bill providing for either ship or shore construction since the President issued the Executive order calling attention to the emergency. They feel they can make better contracts in some instances. In our report we warn that while competitive bids in a great many cases have proven very satisfactory because we have had a constant watch over them, yet under no condition were we advocating the repeal of the law with reference to competitive bids.

I say to my distinguished friend that this bill was prepared by the Judge Advocate General's office. That language has been in every bill dealing with shore construction and shipbuilding; and while he may be technically correct, and while it may not be necessary to add these few lines, yet it is not going to hurt anything, because, if what he says is true, they can do it anyhow, and we merely go ahead and say that if it is that true we have no objection to doing it.

So I hope with this explanation and the explanation set out in section 2 of the bill which emanated from the thought of the gentleman the other day, and which I am putting in every bill in which there is a provision for the acquisition of land which is not enumerated, that the Secretary must make the report, I hope this bill may now have the gentleman's support.

Mr. DITTER. Mr. Chairman, will the gentleman yield further?

Mr. VINSON of Georgia. I yield.

Mr. DITTER. The gentleman knows, of course, that because of my confidence in him and his committee that I follow him in any bill he brings to the floor.

Mr. VINSON of Georgia. I thank the gentleman; that is true.

Mr. DITTER. I made this inquiry only because I wanted the personal assurance of the gentleman that he felt no danger was involved in continuing this exception to section 3709. That was the only reason I asked for the explanation and amplification.

Mr. VINSON of Georgia. I may say this: The Bureau of Yards and Docks have made more competitive-bid contracts than negotiated contracts; but when you read this document you will be thoroughly convinced that what they have done with reference to competitive bidding was a proper course to pursue; but at the same time we must not relax or repeal the law requiring competitive bids, because it is proper in a great many cases to have competitive bids.

Mr. Chairman, unless there are questions by members of the Committee, I shall reserve the balance of my time.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. ROBSION of Kentucky. I know the contents of the Truman report only by press reports concerning it; but does the Truman committee make any criticism of the practice the gentleman referred to?

Mr. VINSON of Georgia. In reply to the distinguished gentleman from Kentucky, I may say that I have been so busy working on this report, and the staff has been so busy on it, that I have not had an opportunity to read the Truman report except what has appeared in the newspapers about it; but I commend to the gentleman and to other Members of Congress the conclusions and recommendations we will submit to the public tomorrow of our views with reference to the $10,000,000,000 or $12,000,000,000 that has been spent by the Navy.

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, I ask unanimous consent that I may speak out of order.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Chairman, when I called up House Resolution 403 extending the time of the so-called Nichols committee the gentleman from Missouri [Mr. COCHRAN] and the gentleman from New York [Mr. FISH] reserved the right to object, and the gentleman from New York finally objected.

After I had called up the rule for the pending bill the gentleman from Oklahoma [Mr. NICHOLS], chairman of the special investigating committee, came to me and stated that the gentleman from New York had withdrawn his objection,

and that he felt the same applied to the gentleman from Missouri [Mr. COCHRAN]. Consequently I asked unanimous consent for the consideration of House Resolution 403.

I want to make it clear to the gentleman from Missouri that I did not violate any agreement or promise I had made. I did state to him that it was satisfactory to me to strike out that provision giving the special committee the right to use employees of various departments. I was, however, under the impression that the matter had been adjusted between the gentleman from Oklahoma and the gentleman from Missouri. I regret exceedingly, if he feels I deliberately violated any agreement, promise, or assurance that I would move to strike out that provision. Had I felt the situation was not entirely clear I would not have asked consent for its consideration and passage at that time, as I understand the gentleman from Missouri was not on the floor.

In connection with that resolution, let me say that the Committee on Rules held 2 days of hearings on this request to extend the life of that committee, and after 2 days of consideration the Committee on Rules unanimously reported this resolution favorably.

I know that if the gentleman from Missouri or any other Members of the House had been present and heard the evidence of the five members of that committee they would have done likewise. Never before in my many years of service have I known of a committee that has done such a splendid piece of work as has this committee. If you had listened to the evidence of the gentleman from Oklahoma [Mr. NICHOLS], the gentleman from Texas [Mr. KLEBERG], the gentleman from Illinois [Mr. DIRKSEN], the gentleman from California [Mr. HINSHAW], and the gentleman from Tennessee [Mr. PEARSON], you would have felt that at no time has a committee worked more diligently and accomplished a greater amount of good than this committee. Personally, I feel that the gentlemen who have devoted their time to this investigation should know that the House does appreciate real, honest service. I compliment each and every one of the members of that committee on the splendid work they have done, and I know a great deal of good will be accomplished by their efforts.

The committee have already reported three bills. They are preparing their report. They are ready to report two additional bills, which will safeguard the lives of American citizens and improve the air-transportation service, which I feel will be of tremendous benefit to the Nation.

Mr VINSON of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN], and ask unanimous consent that he be permitted to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COCHRAN. Mr. Chairman, this select committee needs absolutely no defense. I said on the floor a few minutes ago that I knew of no committee that had rendered better service than this Select Committee to Investigate Air Accidents. It is one investigating committee of the House of Representatives that has not sought publicity, but it has got results. The same applies to the select committee of the gentleman from Georgia [Mr. VINSON]. He is not breaking into print every day, but he has brought about results. He has saved this Government millions and millions of dollars, as his report he files today will show.

When I was on my feet a few minutes ago the gentleman from Illinois and the gentleman from Oklahoma agreed to strike out certain words. If the gentleman from Illinois wants to play fair, he will ask for reconsideration of the resolution and strike out the objectionable language.

The reason I asked that that language be stricken out is this: The President of the United States, through the Director of the Budget, notified the Speaker of the House, as well as myself, as chairman of the committee that handles the resolutions appropriating money for select committees, that if we did not cease calling upon the executive branch of the Government for clerical help, they wanted $360,000 to pay the salaries of the men the committees have taken from that branch of the Government. The committee of the gentleman from Oklahoma [Mr. NICHOLS] is not at fault. That committee has secured only one person, according to the chairman. As I said a moment ago, one investigating committee of this House at one time had 66 employees of the executive branch of the Government working for it.

One committee of the House went to an administrator of a Government agency and had that administrator appoint 3 men, not one of whom had ever been employed by that agency, and pay those men out of the appropriation for that agency, which the administrator had absolutely no right to do. I stopped them from doing that. I served notice I was going to call on the Comptroller General and he would stop it.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Illinois.

Mr. SABATH. The gentleman from Missouri states that if I wanted to play fair I would ask unanimous consent for the reconsideration of the vote by which this resolution was agreed to May I say that when I finally obtained unanimous consent for the consideration of the resolution I made no speech on it and before I knew it the Speaker had put the question and the resolution was agreed to. I had no opportunity to offer an amendment, even if I had not understood from the gentleman from Oklahoma [Mr. NICHOLS] that the matter had been thoroughly explained to the gentleman from Missouri. I did not wish to offend the gentleman. I always try to play fair. This is the first time that anyone has stated or felt that I have not played fair.

Mr COCHRAN. I am not doing this on my own account; I am doing it at the request of the Speaker of the House. He is the one that asked me to discontinue placing in those resolutions the section providing for the calling of clerical help from the Government agencies.

Mr SABATH Does the gentleman now request that I ask unanimous consent for the reconsideration of this resolution? It applies to only one person, as the gentleman admits.

Mr. COCHRAN. When we go back into the House, I ask the gentleman from Illinois to comply with the agreement made with the gentleman from Oklahoma that certain words be stricken out of that resolution, and ask unanimous consent for the reconsideration of the resolution. I believe the gentleman should keep faith with me. I went over to the Committee on Appropriations to get this paper after the gentleman from New York objected, and while I was over there the resolution was again called up and was agreed to I withdrew my objection because the gentleman from Oklahoma agreed to strike out these words.

Mr. COX. Mr Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Georgia.

Mr. COX. I know the gentleman from Illinois does not wish to take any advantage of the gentleman from Missouri. I am certain that after we do go back into the House the gentleman will ask unanimous consent to do that which the gentleman from Missouri believes should be done

Mr. COCHRAN. I believe the gentleman from Illinois should recognize the agreement that was made with the gentleman from Oklahoma.

[Here the gavel fell.]

The Clerk read as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, $450,000,000 for the establishment or development of naval shore activities by the construction of such temporary or permanent public works as the Secretary of the Navy may consider necessary, including buildings, facilities, accessories, and services, with which shall be included the authority to acquire the necessary land: *Provided*, That contracts for construction may be entered into without regard to the provisions of section 3709, Revised Statutes.

SEC. 2. The Secretary of the Navy shall transmit to the Congress on or before January 10, 1943, a statement by projects of the obligations incurred pursuant to the authorization provided in this act.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WHITTINGTON, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H R. 6333) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, pursuant to House Resolution 407, he reported the same back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

ACQUISITION OF LAND BETWEEN NAVAL AIR STATION, LAKEHURST, AND THE NEW BOUNDARY OF FORT DIX, N. J.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4151) to authorize the acquisition by the United States of lands lying between the present boundary of the Naval Air Station, Lakehurst, N. J., and the new boundary of Fort Dix, in the county of Ocean and State of New Jersey, which I send to the Clerk's desk.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to acquire, by purchase or otherwise, for use in connection with the Naval Air Station, Lakehurst, N. J., certain pieces and parcels of land approximately 5,673 acres, more or less, situated in the county of Ocean, State of New Jersey, and lying between the westerly boundary of the Naval Air Station, Lakehurst, N. J., and the new northeasterly boundary of Fort Dix.

With the following committee amendment:

Page 2, after line 3, insert a new section as follows:

"SEC. 2. The act of June 6, 1940 (54 Stat. 234), is hereby repealed."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INVESTIGATION OF AIR CRASHES

Mr. SABATH. Mr. Speaker, I ask unanimous consent that the proceedings by which the resolution (H. Res. 403) was passed be vacated, so that I may offer an amendment.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, I offer an amendment striking out the language on page 2, following the word "action" in line 4.

The SPEAKER. The gentleman from Illinois offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SABATH: On page 2, beginning in line 4, after the period, strike out the remainder of the bill.

The amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3193. An act validating certain conveyances heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, involving certain portions of right-of-way in the city of Tracy, in the county of San Joaquin, State of California, and in the town of Elk Grove, in the county of Sacramento, State of California, acquired by Central Pacific Railway Company under the act of Congress approved July 1, 1862 (12 Stat. L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat. L. 356); and

H. R. 6263. An act to amend section 606 of the Communications Act of 1934 for the purpose of granting to the President, in time of war or threatened war, certain powers with respect to communications by wire.

BILLS PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 5095. An act to set aside certain lands in Oklahoma for the Cheyenne-Arapaho Tribes of Indians; and to carry out certain obligations to certain enrolled Indians under tribal agreement;

H. R. 6128. An act to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; and

H. R. 6325. An act to amend certain provisions of the Internal Revenue Code relating to the production of alcohol.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 34 minutes p. m.) the House adjourned until tomorrow, Wednesday, January 21, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Wednesday, January 21, 1942, to resume hearings on the proposed amendments to the Securities Exchange Act of 1934.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10 a. m., Wednesday, January 21, 1942, to consider H. R. 1844 and private bills.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1318. A letter from the Secretary of the Interior, transmitting a report of the Office of Indian Affairs showing the status of credit operations as of June 30, 1941; to the Committee on Indian Affairs.

1319. A letter from the Administrator, Federal Works Agency, transmitting draft of a proposed bill to authorize the Federal Works Administrator to acquire title, on behalf of the United States, to not exceeding 35 acres of land subject to certain reservations in the grantors; to the Committee on Public Buildings and Grounds.

1320. A letter from the Assistant Secretary, Department of Agriculture, transmitting the report on forest roads and trails for the fiscal year 1942; to the Committee on Roads.

1321. A letter from the Secretary of War, transmitting the draft of a proposed bill to suspend during a national emergency declared by Congress or by the President, the provisions of section 322 of the act of June 30, 1932, as amended; to the Committee on Expenditures in the Executive Departments.

1322. A communication from the President of the United States, transmitting a request for a $300,000,000 appropriation for extended unemployment compensation benefits (H. Doc. No. 589); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 6392. A bill to authorize the construction of certain naval vessels, and for other purposes; with amendment (Rept. No. 1613). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 403. Resolution amending section 2 of House Resolution 125, Seventy-seventh Congress; without amendment (Rept. No. 1614). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 351. Resolution expressing thanks for the cordial reception extended by the President of Honduras to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1615). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 352. Resolution expressing thanks for the cordial hospitality extended by the President of the Republic of Costa Rica and the Congress of that nation to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1616). Referred to the House Calendar

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 353. Resolution expressing thanks for the cordial reception extended by the Government of the Republic of Panama to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1617). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 354. Resolution expressing thanks for the cordial reception extended by the President of Mexico and by the Chamber of Deputies of that nation to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1618). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 355. Resolution expressing thanks for the cordial reception extended by the President of Uruguay to a delegation of members of the Committee on Appropriations of the House of Representatives of the United States; without amendment (Rept. No. 1619). Referred to the House Calendar.

Mr BLOOM: Committee on Foreign Affairs. House Resolution 356. Resolution expressing thanks for the cordial reception extended by the President of Cuba and the Congress of that nation to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1620). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 357. Resolution expressing thanks for the cordial reception extended by the President of Haiti to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1621). Referred to the House Calendar.

Mr BLOOM: Committee on Foreign Affairs. House Resolution 358. Resolution expressing thanks for the cordial reception extended by the President of Venezuela and the Congress of that nation to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1622). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 359. Resolution expressing thanks for the cordial reception extended by the President of Ecuador and the hospitality of the Congress of Ecuador on the occasion of a visit to Ecuador by a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1623). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 360. Resolution expressing thanks for the cordial reception extended by the President of Peru and the generous hospitality of the Chamber of Deputies of Peru on the occasion of a visit to Peru by a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1624). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 361. Resolution expressing thanks for the cordial reception extended by the President and by the Congress of the Republic of Colombia to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1625). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 362. Resolution expressing thanks for the cordial hospitality extended by the Government of the Republic of Chile and the Chamber of Deputies of that nation to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1626). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 363. Resolution expressing thanks for the cordial reception extended by the President, by the Acting President, and by the Congress of Argentina to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1627). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 364. Resolution expressing thanks for the cordial reception extended by the President of El Salvador to a delegation of Members of the House of Representatives of the United States; without amendment (Rept No. 1628). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 365. Resolution expressing thanks for the cordial hospitality extended by the President of Nicaragua to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1629). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 366. Resolution expressing thanks for the cordial reception extended by the President of Guatemala and for the courtesies shown by other officials and by the people of Guatemala to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1630). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 367. Resolution expressing thanks for the cordial reception extended by the President of the United States of Brazil, by other high officials, and by the people of Brazil to a delegation of Members of the House of Representatives of the United States; without amendment (Rept. No. 1631). Referred to the House Calendar.

Mr. MASON: Committee on Immigration and Naturalization. H. R. 4743. A bill providing for the naturalization of certain wives and children of citizens of the United States who lost citizenship through service in the Allied forces during the World War; with amendment (Rept. No. 1632). Referred to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Georgia: Special Committee on Naval Affairs to Investigate Naval Defense Program. House Resolution 162 (77th Cong., 1st sess.). Resolution authorizing the Committee on Military Affairs and the Committee on Naval Affairs to study the progress of the national defense program; without amendment (Rept. No. 1634). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MASON: Committee on Immigration and Naturalization. H. R. 1374. A bill to record the lawful admission to the United States for permanent residence of Rev. Julius Paal; without amendment (Rept. No. 1633). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DICKSTEIN:

H. R. 6416. A bill to amend the naturalization laws of the United States with reference to persons in the military and naval forces of the United States; to the Committee on Immigration and Naturalization.

By Mr. KNUTSON:

H. R. 6417. A bill to extend the time for filing income-tax returns in the case of prisoners of war, etc.; to the Committee on Ways and Means.

By Mr. SCHUETZ:

H. R. 6418. A bill to amend section 2800 of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. KOCIALKOWSKI:

H. R. 6419. A bill to amend section 4 of the act of March 2, 1934 (48 Stat. 361), relating to the model housing board for Puerto Rico, and for other purposes; to the Committee on Insular Affairs.

By Mr. PIERCE:

H. R. 6420. A bill to change the name of the "Pickwick Landing Dam" to "Rankin Dam"; the name of the "Watts Barr Dam" to "McKellar Dam"; the name of the "Chickamauga Dam" to "McReynolds Dam"; and the name of "Gilbertsville Dam" to "Barkley Dam"; to the Committee on Military Affairs.

By Mr. CANNON of Missouri:

H. J. Res. 270. Joint resolution making an additional appropriation for the Tennessee Valley Authority for the fiscal year ending June 30, 1942; to the Committee on Appropriations.

By Mr. VINSON of Georgia:

H. Res. 411. Resolution for the consideration of H. R. 6392, to authorize the construction of certain naval vessels, and for other purposes; to the Committee on Rules.

H. Res. 412. Resolution authorizing 1,000 additional copies of House Report No. 1634, current Congress, directing an investigation of the naval defense program; to the Committee on Printing.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States to consider their concurrent resolution relative to the farmers' relief bill; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BONNER introduced a bill (H. R. 6421) for the relief of Arch A. Brown, which was referred to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2309. By Mr. BISHOP: Petition of the Jackson County Producers, re national defense; to the Committee on Military Affairs.

2310. By Mr. LAMBERTSON: Petition of William C. Nieman and 17 others, lamenting the heavy drawing on actual farmers by the selective service to the ultimate serious situation on the life-line production end of our national defense, and urging legislation to secure recognition for the young farmer from the draft boards; to the Committee on Military Affairs.

2311. By the SPEAKER: Petition of the National Industrial Traffic League, Washington, D. C., petitioning consideration of their resolution with reference to House bill 5993, the omnibus rivers and harbors bill; to the Committee on Rivers and Harbors.

2312. Also, petition of the National Social Science Honor Society, Pi Gamma Mu, Inc., Winfield, Kans., petitioning consideration of their resolution with reference to their loyalty to our country and to the Constitution; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 21, 1942

The House met at 12 o'clock noon.

Rev. Sheridan Watson Bell, minister, Maple Grove Methodist Church, Columbus, Ohio, offered the following prayer:

O God beneath whose guiding hand all men may be led to peace we pray that we may turn to Thee for our guidance. We are mutely aware of our helplessness. To whom shall we go? Thou hast the words of eternal life. There is no power of man's great enough to determine the destiny of a nation. Thou alone may amply supply. Thou alone can instill men with spiritual depths deep enough to lead a people and a world to order and to justice. May Thy spirit descend upon our leaders. May prayer not be offered in vain. May they feel Thy hand, firm yet tender; strong yet loving, as it leads them to paths of wise decision, courageous action, infinite love. May we all place our hands in Thine, confident of Thy love and care. In the name of Jesus our Saviour we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the

following title, in which the concurrence of the House is requested:

S. 2112. An act authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics.

GOV. COLGATE W. DARDEN, JR.

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'BRIEN of New York. Mr. Speaker, it is with extreme pleasure that I announce to my colleagues in the House that a former distinguished Congressman is at this very minute the Governor of the great State of Virginia. I refer to none other than that able legislator, that patriotic citizen, that great all-American, the Honorable Colgate W. Darden, Jr.

I regret most sincerely my inability to be present at his inauguration, but I can express my delight in the fact that we were intimate friends. Our loss in Congress is the gain of the State of Virginia. Colgate, we will always remember you as a true gentleman, as one who will lead the people of Virginia in such a way that they, like all of us, will be extremely proud of you.

Governor, may you enjoy the best of health to carry on your strenuous duties. I am confident that Divine Providence will abundantly bless you, bless your work, your undertakings and the people of your State.

Gov. Colgate Darden, I salute you; we in Congress salute you, a true and great American.

EXTENSION OF REMARKS

Mr. EATON. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting a brief letter from the president of the New Jersey State Chamber of Commerce, on an important matter.

The SPEAKER. Is there objection?

There was no objection.

HOUR OF MEETING FRIDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Friday, January 23, 1942, at 11 o'clock a. m.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therewith a speech delivered by Lynn U. Stambaugh, national commander of the American Legion, on December 7, 1941, entitled "The American Legion Answers the Call."

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

THE FACTS VERSUS LEON HENDERSON

Mr. DIES. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIES. Mr. Speaker, in my statement to the House on January 15, I said that Leon Henderson had been a member of the Committee on Technocracy in the latter part of 1932 and in the beginning of 1933.

In an effort to be absolutely fair about the matter, I pointed out that Henderson had resigned from the Committee on Technocracy on January 23, 1933.

After I made my statement to the House, Henderson issued a formal denial to the press, in which he said:

I understand Congressman DIES indicated today that I have been a member of a Committee of Eight, which worked with one Howard Scott in promoting technocracy.

Again Mr. DIES is wrong. I never was a member of any committee associated with Mr. Scott in promoting technocracy. On the contrary, I frequently enjoyed disagreement by argument and debate with Mr. Scott as to his views.

When three members of the Scott committee resigned, I was asked to join them in undertaking a new study of technological unemployment, which I was proud to do.

My offer still holds good. I will eat on the Treasury steps any subversive organization to which Mr. DIES proves I ever belonged. Try again, Mr. DIES.

I offer for the inspection of those who care to peruse them a very small collection of the available documents to prove the accuracy of my original statements to this House. Henderson was a member of the technocrats at the time when that crackpot proposition was at its zenith. He was associated with Howard Scott.

Up to this time the most serious allegation which I have made concerning Leon Henderson is that he is an ex-crackpot. Now, however, his choosing to fly in the face of widely recorded facts raises a question concerning his responsibility. But that is his doing and not mine.

LOSS OF LIFE OF AIR CORPS OFFICERS AND MEN

Mr. CLUETT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. CLUETT. Mr. Speaker, every day our country is shocked at the loss of life sustained by our Air Corps officers and men. So frequently have these disasters occurred that only passing notice is given them, until a plane bearing a popular and honored citizen dives to its destruction in the western mountains. To her goes every public honor and distinction.

How about the 15 Air Corps men who met their deaths in the line of duty and service to their country?

Their loss and that of their comrades are almost irreparable, and the only message to their loved ones reads as follows: "The Secretary of War desires me to express his deep regret," and so forth, and so forth, from The Adjutant General of the Army; or "The Navy Department deeply regrets to inform you," and so forth, and so forth. This is war, and death to countless men in the service must be expected, but let us not single out one as the recipient of our respect and sorrow and ignore others equally entitled to such consideration.

These men gave their lives as bravely as those in actual combat and deserve the praise and gratitude of a sorrowing nation.

Honor to all to whom honor is due.

EXTENSION OF REMARKS

Mr. SANDERS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include a resolution of the Board of Commissioners for the Atchafalaya Basin Levee District.

The SPEAKER. Is there objection?

There was no objection.

HEARINGS ON BILL TO AMEND THE BANKRUPTCY ACT

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report back favorably (Report No. 1635), without amendment, a privileged resolution (H. Res. 405) authorizing the printing of additional copies of the hearings held before a subcommittee of the Committee of the Judiciary of the House on the bill (H. R. 4394) to amend an act entitled "An act to establish a uniform system of bankruptcy," and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on the Judiciary of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,800 additional copies of the hearings held before a special subcommittee of said committee during the current Congress on the bill (H. R. 4394) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

NEW LOCK AT THE SOO

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. YOUNG addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and include an editorial.

The SPEAKER. Is there objection?

There was no objection.

BIRTH-CERTIFICATE RECORDS

Mr. CLASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. CLASON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks and include therewith a letter from Dr. Hauser, of the Massachusetts Institute of Technology, on rubber.

The SPEAKER. Is there objection?

There was no objection.

Mr. ARNOLD. Mr. Speaker, I ask unanimous consent to extend my remarks and include a newspaper release entitled "Ever-Normal Granary Now Pays Tidy Profit."

The SPEAKER. Is there objection?

There was no objection.

FORESTRY CONSERVATION

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to speak for 1 minute, and to revise and extend my remarks and include a letter written by one of the foresters on the subject of second growth and its sacrifice at this time.

The SPEAKER. Is there objection?

There was no objection.

[Mr. PIERCE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HAINES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Philadelphia Record concerning agriculture in the State of Pennsylvania.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLOOM. Mr. Speaker, on Monday I obtained unanimous consent to insert in the RECORD an address delivered by the Honorable Sumner Welles at the opening session of the meeting of foreign minister at Rio de Janeiro, together with several editorials from leading newspapers relating to the Pan-American Conference now being held at Rio de Janeiro. I have received an estimate from the Public Printer that this will take 5 pages and will cost $225. Accordingly I wish to renew my unanimous-consent request, notwithstanding.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DESTRUCTION OF VALUABLE HISTORICAL DOCUMENTS

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and I ask unanimous consent to revise and extend my remarks and that they may be printed in the Appendix.

The SPEAKER. Is there objection?

There was no objection.

[Mr. BURDICK addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. JOHNS. Mr. Speaker, I ask unanimous consent that on tomorrow, after disposition of legislative business of the day and any other special orders, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

THE PLIGHT OF THE AUTOMOBILE DEALERS

Mr. ROBERTSON of North Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The Speaker. Without objection, it is so ordered.

There was no objection.

[Mr. ROBERTSON of North Dakota addressed the House. His remarks appear in the Appendix.]

ELECTION TO COMMITTEE

Mr. COOPER. Mr. Speaker, at the request of the gentleman from North Carolina, who is detained from the Chamber for the moment, I offer a privileged resolution (H. Res. 413) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That Hon. FRANCIS J MYERS, of the State of Pennsylvania, be, and he is hereby, elected a member of the standing committee of the House of Representatives on the Post Office and Post Roads, and rank fourteenth on said committee.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. ELLIS. Mr. Speaker, I desire to make two requests: First, to extend my own remarks in the RECORD, and, secondly to extend my own remarks and include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WEISS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a newspaper article from the McKeesport Daily News.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent that I may address the House for 15 minutes today after the conclusion of the legislative business for the day and any other special orders that may have been entered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a very splendid address by a member of the Civil Aeronautics Board.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ALLOWANCE FOR LEAKAGE AND EVAPORATION LOSS OF DISTILLED SPIRITS WHILE IN BONDED WAREHOUSES

Mr. BOEHNE. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 6273) to amend the provisions of the Internal Revenue Code by setting new maximum limits on allowances for losses of distilled spirits by leakage or evaporation while in internal-revenue bonded warehouses, and for other purposes.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Indiana explain what the bill does?

Mr. BOEHNE. This bill was introduced by the gentleman from Kentucky [Mr. O'NEAL]. It is a simple bill amending the provisions of the Internal Revenue Code by setting new maximum limits on allowances for losses of distilled spirits by leakage or evaporation while in internal-revenue bonded warehouses. It is brought to the House with a unanimous report of the Ways and Means Committee and with the approval of the Treasury Department.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BOEHNE. I yield.

Mr. RICH. In what way does this leakage of distilled spirits occur?

Mr. BOEHNE. By evaporation.

Mr. RICH. Is there any other way it might "leak" away from the bonded warehouses?

Mr. BOEHNE. The gentleman probably knows more about that type of leakage than I.

Mr. RICH. I have never seen any, but it is not beyond the realm of possibility that such leaks may have occurred. This is a serious question. I am not asking this to be funny. We all know there are many places where there could be illegal withdrawals of spiritous liquor. Has the gentleman investigated? This liquor may leak by some other means than evaporation, and I think it might be well for the Ways and Means Committee to give it serious consideration.

Mr. BOEHNE. I believe the collector of internal revenue has that matter well in hand, and the collector is not opposed to this bill.

Mr. RICH. Has any liquor gotten away from the authorities by leakage other than evaporation?

Mr. BOEHNE. The gentleman is asking me a question I cannot answer.

Mr. RICH. Does the gentleman believe that those in authority are giving every consideration to the matter of seeing that there is no leakage other than that which occurs by evaporation?

Mr. BOEHNE. I assure the gentleman they are.

Mr. SABATH. Mr. Speaker, reserving the right to object, in what way does this bill increase the allowance for evaporation?

Mr. BOEHNE. It simply changes the old Carlisle allowance table, which was passed probably 50 years ago.

Mr. SABATH. How does it increase the allowance?

Mr. BOEHNE. It conforms entirely to the experience table which the distillers have kept and which has been agreed to by the Treasury Department.

Mr. SABATH. And the Treasury Department approves of this bill?

Mr. BOEHNE. Entirely so; yes.

Mr. SABATH. It will not reduce the revenue?

Mr. BOEHNE. It will not.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2901 of the Internal Revenue Code, as amended, is amended to read as follows:

"SEC. 2901. LOSS ALLOWANCES.

"(a) LEAKAGE OR EVAPORATION: (1) Any distilled spirits on deposit in any internal-revenue bonded warehouse on the date this amendatory subsection takes effect, or thereafter deposited in any internal-revenue bonded warehouse, may, at the time of withdrawal of the spirits from such warehouse, upon the filing of an application for the regage of such spirits, giving a description of

the package containing the spirits, be regaged by a storekeeper-gager, who shall place upon such package such marks and brands as the Commissioner, with the approval of the Secretary shall by regulations prescribe. If upon such regaging it shall appear there has been a loss by leakage or evaporation of distilled spirits from any cask or package, without the fault or negligence of the distiller or warehouseman, taxes shall be collected only on the quantity of distilled spirits contained in such cask or package at the time of such withdrawal. The allowance which shall be made for such loss of spirits shall not exceed—

"1½ proof gallons for 2 months or part thereof;

"2½ gallons for more than 2 months and not more than 4 months;

"3 gallons for more than 4 months and not more than 6 months;

"3½ gallons for more than 6 months and not more than 8 months;

"4 gallons for more than 8 months and not more than 10 months;

"4½ gallons for more than 10 months and not more than 12 months;

"5 gallons for more than 12 months and not more than 14 months;

"5½ gallons for more than 14 months and not more than 16 months;

"6 gallons for more than 16 months and not more than 18 months;

"6½ gallons for more than 18 months and not more than 21 months;

"7 gallons for more than 21 months and not more than 24 months;

"7½ gallons for more than 24 months and not more than 27 months;

"8 gallons for more than 27 months and not more than 30 months;

"8½ gallons for more than 30 months and not more than 33 months;

"9 gallons for more than 33 months and not more than 36 months;

"9½ gallons for more than 36 months and not more than 39 months;

"10 gallons for more than 39 months and not more than 42 months;

"10½ gallons for more than 42 months and not more than 45 months;

"11 gallons for more than 45 months and not more than 48 months;

"11½ gallons for more than 48 months and not more than 51 months;

"12 gallons for more than 51 months and not more than 54 months;

"12½ gallons for more than 54 months and not more than 57 months;

"13 gallons for more than 57 months and not more than 60 months;

"13½ gallons for more than 60 months and not more than 63 months;

"14 gallons for more than 63 months and not more than 66 months;

"14½ gallons for more than 66 months and not more than 69 months;

"15 gallons for more than 69 months and not more than 72 months;

"15½ gallons for more than 72 months and not more than 75 months;

"16 gallons for more than 75 months and not more than 78 months;

"16½ gallons for more than 78 months and not more than 81 months;

"17 gallons for more than 81 months and not more than 84 months;

"17½ gallons for more than 84 months and not more than 90 months;

"18 gallons for more than 90 months from the date of original gage as to fruit brandy, or original entry as to all other spirits; and no further allowance shall be made for loss by leakage or evaporation.

"The foregoing allowance shall not apply to distilled spirits which on July 26, 1936, were 8 years of age, or older, and which on that date were in bonded warehouses.

"The foregoing allowance for loss shall apply only to casks or packages of a capacity of 40 or more wine-gallons, and the allowance for loss on casks or packages of less capacity than 40 gallons shall not exceed one-half the amount allowed on said 40-gallon casks or packages; but no allowance shall be made on casks or packages of less capacity than 20 gallons. The proof of such distilled spirits shall not in any case be computed at the time of withdrawal at less than 100 percent.

"(b) Loss: The Commissioner of Internal Revenue may, under regulations to be prescribed by him and approved by the Secretary of the Treasury, abate any internal-revenue taxes accruing on distilled spirits if he shall find that—

"(1) The distilled spirits were not stolen or intentionally destroyed but were lost, otherwise than by leakage or evaporation, while on the premises of a registered distillery, during or after production and prior to deposit in an internal revenue bonded warehouse.

"(2) The distilled spirits were not stolen or intentionally destroyed but were lost, otherwise than by leakage or evaporation while being transferred between buildings constituting the same internal revenue bonded warehouse or while being transferred by a common carrier from the premises of a registered distillery to an internal revenue bonded warehouse off such registered distillery premises, or while being transferred by a common carrier between internal revenue bonded warehouses

"(3) The distilled spirits were not stolen or intentionally destroyed but were lost, otherwise than by leakage or evaporation, while the same remained in an internal revenue bonded warehouse and such loss is not allowable under subsection (a) hereof

"(4) The distilled spirits were withdrawn for use in the fortification of sweet wines and were not stolen or intentionally destroyed but were lost, otherwise than by leakage or evaporation, prior to such use while being transferred to, or while stored in, the fortifying room on the bonded winery premises.

"(5) The distilled spirits were lost by theft from the premises of a registered distillery, or while being transferred between buildings, constituting the same internal revenue bonded warehouse, or while being transferred by common carrier to an internal revenue bonded warehouse off such registered distillery premises, or while being transferred by a common carrier between internal revenue bonded warehouses, and that such loss did not occur as the result of connivance, collusion, fraud, or negligence on the part of the distiller, owner, consignor, consignee, bailee, or carrier, or the employees of any of them.

"(6) The distilled spirits were lost by theft from an internal revenue bonded warehouse, and that such loss did not occur as the result of connivance, collusion, fraud, or negligence on the part of the distiller, owner, or warehouseman, or the employees of any of them

"(7) The distilled spirits were withdrawn for use in the fortification of sweet wines and were lost by theft prior to such use while being transferred to, or while stored in, the fortifying room on the bonded winery premises, and that such loss did not occur as the result of connivance, collusion, fraud, or negligence on the part of the distiller, owner, consignor, consignee, bailee, or carrier, or the employees of any of them.

"(8) The distilled spirits were unfit for use for beverage purposes and were voluntarily destroyed by the distiller, the warehouseman, or the proprietor of the bonded winery premises, pursuant to the written permission of the Commissioner in each case and under regulations which the Commissioner, with the approval of the Secretary, is hereby authorized to promulgate.

"(c) Refund of tax: When, in any case to which subsection (a) or (b) applies, the tax is paid subsequent to the loss or destruction, as the case may be, of the spirits, the Commissioner may, under regulations prescribed by him with the approval of the Secretary, refund such tax.

"(d) Insurance coverage: The abatement or refund of taxes provided for by subsections (b) and (c) shall only be allowed to the extent that the claimant is not indemnified against or recompensed for such loss.

"(e) Transfer of duties: For transfer of powers and duties of Commissioner and his agents, see section 3170."

SEC. 2. Section 2901 (a), (b), (c), and (d), as amended by this act, shall apply to any claim for taxes which may accrue after the date of enactment of this act. Claims for taxes or tax penalties that accrued on or before the date of enactment of this act shall be subject to section 2901 of the Internal Revenue Code as it existed prior to its amendment by this act. Nothing in section 2901, as hereby amended, shall be construed as in any manner limiting or restricting the provisions of part II, subchapter C, chapter 26, of the Internal Revenue Code.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE CONSTRUCTION OF CERTAIN NAVAL VESSELS

Mr. SABATH, from the Committee on Rules, submitted the following report (H. Res. 411, Rept. No. 1636) on the bill (H. R. 6392) to authorize the construction of certain naval vessels, and for other purposes, for printing, under the rule:

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 6392, a bill to authorize the construction of certain naval vessels, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the resolution.

Mr. SABATH. Mr. Speaker, this morning the chairman of the Committee on Naval Affairs appeared before the Committee on Rules and made a statement of such importance that the Committee on Rules, after hearing his testimony, unanimously reported this rule. The rule makes in order the consideration of a bill authorizing the construction of 1,799 combatant, auxiliary, and patrol vessels of various types, in addition to those heretofore authorized, and directing the Secretary of the Navy to provide, at a cost not exceeding $750,000,000, essential equipment, facilities, and land at either private or public establishments for the construction of ships and the production of ordnance material for the ships authorized. This bill is recom-

mended by the Navy, and its early consideration and passage is urged. The Committee on Rules came to the conclusion that I should ask, as I have done, for the immediate consideration of the rule, so that the bill might be passed without delay.

I am sure that the chairman of the Committee on Naval Affairs will, as usual, explain the need of immediate action. For that reason I shall not detain the House longer, believing that the rule will be adopted by a unanimous vote. It is a broad and liberal rule. It provides for 1 hour of general debate, the bill then to be considered under the 5-minute rule.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Georgia.

Mr. COX. I approve the gentleman's statement to the effect that the chairman of the Committee on Naval Affairs made a very interesting and informative statement before the Committee on Rules this morning. I have asked for this time simply to make the observation that the chairman of the Committee on Naval Affairs, my long-time and devoted friend, is not only one of the best legislators I have ever known, but, I believe, knows more about naval affairs than any man in this country.

I am wondering if there is any real objection to the rule or if our friends on the minority side would like to prolong this discussion. If not, I think it would be well that we end this discussion, adopt the rule, and get the benefit of the knowledge the Committee on Naval Affairs have on the proposal they expect to submit.

Mr. SABATH. I am immensely pleased that the gentleman from Georgia agrees with me——

Mr. COX. I agree with my friend very well.

Mr. SABATH. And that I can agree with him at this point as to the ability of the gentleman who happens to be the chairman of the Committee on Naval Affairs, who has rendered to the House and to the country such valuable service. I feel that he can explain to the House the need for the immediate consideration of the rule and of the bill.

I now yield 30 minutes to the gentleman from New York [Mr. FISH], and hope he will not use the entire time.

Mr. FISH. Mr. Speaker, this rule comes before the House by unanimous consent. The Committee on Rules were themselves unanimous in asking that the the bill be brought up outside of the regular order. It is now before you on that basis without waiting for 1 day after filing of the rule.

The bill provides for the construction of 1,799 war vessels of all kinds and descriptions. The bill has been approved by the Director of the Budget and unanimously reported by the Committee on Naval Affairs.

No one knows how long this war will last—whether it will last 1 year or 5 years. The bill is aimed to enlarge and expand our Navy so that we will be victorious on the high seas. We took a licking at Pearl Harbor. We are mindful of Pearl Harbor and we remember it. I believe the Congress, by a unanimous vote, will pass this bill that will make our Navy so powerful in the future that it will be able to lick the stuffing out of the Japanese and the German Fleets and also what remains of the Italian Fleet.

There is no use crying about spilt milk and what happened at Pearl Harbor. This is a war measure to build up a great Navy and insure victory. I hope the bill will be rushed right through by both the Committee on Rules and the House.

I, too, join in the tribute accorded the chairman of the Committee on Naval Affairs, the gentleman from Georgia [Mr. VINSON]. He not only knows more about the Navy than any one man in this country but for years he has been advocating a two-ocean navy. He has succeeded, with the help of the Congress, in building the largest single Navy in the world. In spite of the losses at Pearl Harbor, we still have the finest Navy in the world. This House cannot pay a high enough tribute to the foresight of the chairman of the House Committee on Naval Affairs, who is responsible and has been responsible for the last 10 years in building up our Navy and making it the most powerful Navy on the seven seas.

Mr. Speaker, I have only one request for time. I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, under this rule, we shall give consideration to the construction of a great many more naval vessels. Probably we shall need them before we win this war.

I could not help but call the attention of the House to an article I read in the newspapers yesterday with regard to an Army officer being tried for court martial for making certain criticisms. I still say honest criticism is warranted. It is helpful, and it will do much to win the war.

COLUMBUS, OHIO, January 19.—Col. H C. Kress Muhlenberg, of the Air Corps, was accused at a court martial today of wrongly criticizing shipment of American-produced airplanes to foreign powers. He was the first high-ranking officer called before a court martial since war was declared against the Axis Powers.

Then the article goes on to say:

Muhlenberg, who has applied for retirement after 38 years in the Army, went on trial before 10 Army officers at Fort Hayes.

Among statements which Muhlenberg was said to have made in a speech December 17 before the Curtiss-Wright Flying Club while in uniform were:

"You can't send your planes all over the world and have them in Hawaii when they're needed"; and "The United States Navy is a gone gosling which has its place, but it is a bad, bad second to air power"; and "The Japanese attack was successful more because of the lack of United States planes rather than because of its surprise."

I cannot see anything wrong about an Army officer making that statement. You Members of the Congress all know what happened to "Billy" Mitchell when he criticized the brass hats a few years ago. Now, are they going to accuse an Army officer and set him aside because some other brass hats in the Navy think they should not say anything about the Air Corps?

I think Army officials should be very, very careful today, and this Army officer, Muhlenberg, who was speaking before the Curtiss-Wright Flying Club, as well as the other officers there, were all interested in aviation, and surely when a man is thinking about what aviation means to our defense the Navy should not feel bad if someone in the Air Corps or some air club thinks we ought to laud such men. This man was interested in that particular field of our national defense, and I may say to the Army officials or Navy officials who are trying this man that they ought to be very, very careful before they compel such an officer to give up his commission at a time like this. Remember "Billy" Mitchell. This case is not unlike the Mitchell episode. I say he spoke the truth.

Mr. YOUNG. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Ohio.

Mr. YOUNG. The Colonel Muhlenberg statement was made while the colonel was in uniform and was made in a city of the State that I represent, and, in my judgment, Colonel Muhlenberg's statement was not true and Colonel Muhlenberg had no business whatever to make it——

Mr. RICH. I am not asking the gentleman for his opinion. I think the statement was all right. Now, that is just a difference of opinion between two Members of the Congress.

Mr. YOUNG. The gentleman from Pennsylvania is expressing his opinion, and I say it is for the court martial to determine the facts about this matter.

Mr. RICH. I do not yield any further. If the gentleman wants time he can get it in his own right.

The fact is we ship our air forces over to Africa and over to England and to Russia, and we did not have them for our national defense.

Mr. YOUNG. We would now be fighting this war against dictatorship aggression alone if we had not done that.

Mr. RICH. If we had sent more planes to Hawaii and the Philippines, he would not have made this statement, and I agree with him. We would have had planes for our own national defense, which is much needed, and we all know it.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. COX. Does not the gentleman feel that all questions of discipline in the Army or in the Navy should be left to the Army and the Navy themselves?

Mr. RICH. That is just the point. No, I do not; because the Army and the Navy are thinking only in terms of the Army and the Navy, and the gentleman knows what happened to "Billy" Mitchell. The same thing might happen here, and I do not want it to happen, although I do not know this gentleman at all. The Air Corps should have some say in our national defense, and not leave it all to the Army and Navy. It has been proven the Army and Navy are jealous of the air

force and it should not be so for efficient fighting force of our country. That is just the point I want to make. Do not crucify Col. H. C. Kress Muhlenberg, of the Air Corps. That is what I fear in the court-martial trial.

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, it is my intention to vote for the rule and for the bill, as I will for every authorization or appropritaion that is necessary successfully to prosecute this war. Regardless as to how we feel about normal expenditures, national defense items must be passed without delay.

A short while ago the Supreme Court of the United States, in what was called the Alabama case, rendered an opinion that national defense expenditures are subject to the sales tax of the various States.

I have been unable to get a figure as to the exact amount this is going to cost the Treasury of the United States, but I do have information to the effect that, based upon expenditures already made and those that are coming, including a bill this week which will call for around $15,000,000,000, the States of this Nation, if the Congress does not take action to exempt such expenditures at the source, are going to collect from the Treasury of the United States between $300,000,000 and $500,000,000.

My State so far has not collected the sales tax at the source on national defense expenditures, but I do know that as a result of the amount of money spent in my State, paid to personnel, which spends the money in the retail trade, our sales tax for the year 1941 increased over $10,000,000.

The States are going to get the benefit of the expenditures from the personnel. Therefore, my question is, Why should the Government of the United States be required to pay sales taxes for the construction of ships, tanks, and other necessary equipment for this war?

Let us remember the large percentage of contracts are what is called negotiated or cost-plus contracts; and if sales taxes must be paid, then the Treasury must pay them, or the contracting department, which means in the end the Treasury, as it handles the money. It is my understanding that up to the time of the decision this question was not considered; but if Congress does nothing, then it will be considered and the necessary amount advanced on the contracts. You can see the importance of the question.

Just stop and think how much money this tremendous amount will buy in ships, planes, tanks, guns, ammunition, and so forth.

Let us remember also where this money will come from. It is the same old case of taking it out of the pockets of the taxpayers and turning it back to the States. Do not forget also we are making all kinds of grants to the States and will continue to do so. Only yesterday we provided a hundred million dollars for civilian defense. That eventually finds its way to the State and local organizations. There is a limit beyond which we should not go, and surely the States should cooperate and not want sales taxes for national defense expenditures.

I have introduced a bill exempting those expenditures from State sales taxes, and that bill is pending before the Committee on Ways and Means. I have endeavored to get an expression from the Treasury authorities in reference to the legislation, and so has the committee, but up to this time that expression of opinion has not been forthcoming. Regardless of policy in the past, it does seem to me, at a time when we are at war, when we are bleeding the people of this country for money to carry out a program and successfully prosecute the war, it is folly on the part of the United States to permit the States to collect sales taxes at the source in connection with national-defense expenditures.

Mr. HOBBS. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. HOBBS. I thank the gentleman for yielding. My purpose in requesting him to do so is simply to call attention to the line of demarcation which the Supreme Court drew in the case cited.

Alabama levied a tax of 2 percent against the seller of tangible personalty, requiring him to add this to the price and collect from the buyer. The buyer in the cited case was a contractor building a camp for the Government on a cost-plus-fixed-fee basis. The Supreme Court of Alabama held that as the Government was bound by its contract with the contractor to reimburse him for all amounts he paid out for materials and taxes, the tax was violative of the Government's constitutional immunity from taxation, since it would eventually have to pay this tax. But the Supreme Court of the United States reversed the decision of the Supreme Court of Alabama and held that the tax must be paid by the contractor, even though the Government would reimburse him therefor later.

So this sales tax is not levied on sales to the Government directly.

I shall ask leave to extend my remarks and include the pertinent parts of the decision in the Alabama case.

Mr. COCHRAN. I thank the gentleman. It was my purpose to speak on that very subject, because I do not want the contractors to benefit in any manner, shape, or form. It is my understanding that in the contracts that were made most of them were negotiated on cost-plus contracts. Here the very question is reflected, because it was not expected that the contractors were going to be charged sales taxes in connection with the manufacture of these various commodities. Already I have heard that two corporations have moved out of a State that collects sales taxes into an adjoining State that does not collect sales taxes, so it may be seen that even in those State where sales taxes are in force their industries are jeopardized if this practice is carried out.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. TREADWAY. In connection with the bill that he has introduced and which has been referred to the Committee on Ways and Means, I may say that the Committee on Ways and Means expect in the near future to take up the question of a general tax bill—must do so. Does the gentleman consider that his bill is of sufficient importance to secure its consideration before the general subject of more taxes is brought before the committee?

Mr. COCHRAN. I do so consider it because from three hundred million to five hundred million dollars are involved. Bear in mind what I say. If we decide not to permit them to charge the sales taxes, then in the contracts we make, by all means, that should be reflected, so that no contractor will benefit by this legislation, but that the Treasury of the United States alone will benefit by it. The money that would otherwise go to the States will remain in the Treasury.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. SABATH. Mr. Speaker, I yield the gentleman 1 minute more.

Mr. TREADWAY. I understand from the gentleman's statement that he would like to have the Committee on Ways and Means take up this measure ahead of the general tax bill.

Mr. COCHRAN. I certainly would, if the committee has the time to do so, and I think at the moment it is waiting for Treasury recommendations on a general tax bill.

Mr. TREADWAY. Has the gentleman consulted the chairman of the committee?

Mr. COCHRAN. The chairman of your committee has been trying to get an expression on my bill for several weeks, and so have I. I know why that expression has not come down, and if some expression does not come down from the Government agency, then I shall tell on the floor of the House why it has not come down, and I think the gentleman from Massachusetts knows why it has not come down also. Let the Congress have a chance to pass on this most important question. Too much money is involved to not give the matter proper consideration.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. VINSON of Georgia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6392.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6392, with Mr. MCLAUGHLIN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. VINSON of Georgia. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill authorizes the construction of 1,799 auxiliary vessels. It is recommended by the President, approved by the Budget, has been carefully

considered by the Naval Affairs Committee, has been carefully considered by the Appropriations Committee, and carefully considered by the Rules Committee.

The Committee will observe that the bill designates the number of ships, 1,799. That is a departure from the usual way we present bills authorizing ship construction. In the past we have dealt in tons, saying "so many tons," but for military reasons we prefer to designate now the number of ships instead of the number of tons. You can readily understand that anyone could easily figure out the type and character of ships if a certain number of tons were given.

The Navy Department, the Appropriations Committee, the Naval Affairs Committee and the entire establishment having anything to do with this bill consider it highly important that secrecy be maintained as to the type and character of ships proposed to be constructed. But I may say that we have gone into that most carefully, and those committees charged with the responsibility know the type and character of ships.

Mr. JOHNS. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Wisconsin.

Mr. JOHNS. Would it be disclosing any military secret if I asked whether any of those ships could be built on the Great Lakes or not?

Mr. VINSON of Georgia. It would not. Anticipating that question, I have a letter from the Bureau of Ships, which states:

> The type of some of the vessels now under consideration is especially adapted for Great Lakes and inland rivers. The Bureau of Ships expects to make a drive to place as much of the construction of these ships as is possible in those locations.

May I say to the House, all of you from the Great Lakes area, the admiral stated that he is going to do everything humanly possible to see that every shipyard in Cleveland, Detroit, and all that great industrial area is given full opportunity to build some of these ships.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mrs. BOLTON. Are the contracts to be competitive or negotiated?

Mr. VINSON of Georgia. It all depends. It depends upon the character of the ship whether it will be competitive bidding or a negotiated contract. If a negotiated contract can be worked out, it will be worked out. If it is necessary to have competitive bids, we will have them. The competitive-bid contract involves a delay, and therefore I would say to the gentlewoman from Ohio that in all probability the vast majority of these will be built by negotiated contracts.

The committee does not feel that in the interest of the successful prosecution of the war we should go into any further detail as to the type and characterization of these ships. It is necessary to expand the shipbuilding facilities approximately $750,000,000. That is set out in the bill. We are not enumerating in the bill what it will cost to carry out this program, because to do that would also probably give information that would not be to the best interests of our defense program.

Mrs. BOLTON. Are any of these to be wooden ships?

Mr. VINSON of Georgia. A portion of them may be of wood, but a portion of them will probably be of steel. The $750,000,000 will go for the expansion of the industrial yards making component parts that go into the ships, and also for the expansion of yards so that they will have the facilities with which to build the ships.

I think that covers about all that I can say, but I want to impress this one fact, that while this is a large program it has been most carefully gone into by these committees, the Naval Affairs Committee, the Appropriations Committee, and the Rules Committee.

If there are no further questions I will reserve the balance of my time.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. ROBSION of Kentucky. Would it be against the public interest to indicate approximately what these 1,799 ships would cost?

Mr. VINSON of Georgia. It would. It would be disclosing a very important military secret as to what these ships are.

Mr. ROBSION of Kentucky. I do not mean as to each ship or category, but as to the total amount involved. I do not want it answered if it will conflict with the public interest.

Mr. VINSON of Georgia. I have stated all that I think I am justified in stating, in view of the war situation.

Mr. HESS. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the distinguished gentleman from Ohio.

Mr. HESS. I believe it was testified before the committee on the consideration of this bill that all available facilities along the Ohio River and the Mississippi River will be used in the construction of the ships?

Mr. VINSON of Georgia. That is correct. I think that everybody who has a shipyard, who has industries that can carry on shipbuilding, will at least have an opportunity to participate in this national defense program or this war program. It is essential that these ships be built at the earliest possible date in order to prosecute the war.

Mr. Chairman, I reserve the balance of my time.

Mr. HESS. Mr. Chairman, there are no requests for time on this side.

Mr. VINSON of Georgia. I ask that the bill be read for amendment, Mr. Chairman.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to undertake the construction of one thousand seven hundred and ninety-nine combatant, auxiliary, and patrol vessels of various types, in addition to those heretofore authorized.

With the following committee amendment:

Page 1, line 5, after the words "ninety-nine", insert the word "minor."

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. The Secretary of the Navy is hereby authorized to provide, at a cost not exceeding $750,000,000, essential equipment, facilities, and land at either private or public establishments, for the construction of ships, and the production of ordnance material for the ships herein authorized.

With the following committee amendment:

Page 1, line 10, after the word "ships", insert "or portions thereof."

The amendment was agreed to.

The Clerk read as follows:

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this act.

With the following committee amendment:

Page 2, line 6, after the word "Act", insert a new section as follows:

"SEC. 4. The Secretary of the Navy from time to time, but not less frequently than once every 6 months, shall transmit to the Congress a full report of all acquisitions of land effected under the authority of this or any subsequent act."

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and Mr. MCCORMACK having assumed the chair as Speaker pro tempore, Mr. MCLAUGHLIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6392) to authorize the construction of certain naval vessels, and for other purposes, pursuant to House Resolution 411, he reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The question is on the committee amendments.

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3487) to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended, with Senate amendments and agree to the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Without objection, the Senate amendments will be printed in the RECORD at this point.

There was no objection.

The Senate amendments follow:

Page 3, line 5, after the word "hereof", insert "Nothing in this subsection shall be deemed to authorize any person to request the retirement of any elective officer, any officer or employee in the legislative branch of the Government within the classes of officers

and employees which were made eligible for the benefits of this act by the act of July 13, 1937, or any employee of the office of the Architect of the Capitol."

Page 4, lines 13 and 14, strike out "Except as may now or hereafter be provided by law, no" and insert "No."

Page 4, line 18, after "Columbia", insert "unless the appointing authority determines that he is possessed of special qualifications, in which event payment of his annuity shall be terminated during the period of his appointment. Any such person whose annuity is terminated, shall, upon the termination of his appointment, have his subsequent annuity rights determined under the provisions of law in effect at the time of such termination."

Page 5, line 6, strike out all after "said" down to and including "office" in line 14, and insert "governments: *Provided further*, That this act shall not apply to any elective officer or to any officer or employee in the legislative branch of the Government within the classes of officers and employees which were made eligible for the benefits of this act by the act of July 13, 1937, until he gives notice in writing to the disbursing officer by whom his salary is paid of his desire to come within the purview of this act; and any such officer or employee may, within 60 days after the effective date of this subsection, withdraw from the purview of this act by giving similar notice of such desire. In the case of any elective officer serving in the legislative branch of the Government on the effective date of this act and in the case of any officer or employee in the service of the legislative branch of the Government on the effective date of this act, such notice must be given within the calendar year of 1942. In the case of any elective officer elected to and serving in the legislative branch of the Government after such effective date, such notice must be given within 6 months after the taking of the oath of office; and, in the case of any officer or employee of the legislative branch of the Government who enters the service after such effective date, such notice must be given within 6 months after the date of entrance to the service. No provision of this or any other act relating to automatic separation from the service shall have any application whatever to any elective officer."

Page 5, line 17, after the word "the", insert "executive branch of the."

Page 5, line 19, strike out "duration'" and insert "duration.

"'(c) The provisions of this act shall not apply to employees of the Senate or the House of Representatives whose employment is temporary or of uncertain duration; and the Architect of the Capitol is authorized to exclude from the operation of this act any employees under the Office of the Architect of the Capitol whose tenure of employment is temporary or of uncertain duration.'"

Page 7, line 25, strike out "January 1" and insert "July 1."

Page 8, line 2, strike out "January 1" and insert "July 1."

Page 8, line 5, strike out "December 31, 1941" and insert "June 30, 1942."

Mrs. ROGERS of Massachusetts. Mr. Speaker, reserving the right to object, and I shall not, I am sure the gentleman will explain the effect of the Senate amendments, that they do not change the sense of the bill in any way as it passed the House.

Mr. RAMSPECK. Mr. Speaker, the first Senate amendment is a clarifying amendment to make certain that the application of this bill to elected officials does not impose any mandatory requirement upon them or the employees of the legislative branch of the Government.

The second amendment strikes out certain language.

The third amendment provides for the reemployment of persons who have been retired, where they have special qualifications. We have already given this authority to the War and Navy Departments and this extends it to other agencies of the Government.

The fourth amendment provides with reference to the elected officials of the Government that they shall have the calendar year 1942 in which to make their election under the terms of the bill as to whether or not they shall come under the act. It also contains a provision limited to legislative employees, permitting those now under the act to withdraw during a period of 60 days. The Senate put this in in order to take care of one particular case in which they were interested.

The fifth amendment is a clarifying amendment in regard to the power of the President to exclude from the coverage of the act persons or groups whose tenure of employment is of uncertain duration.

The sixth amendment provides that this act shall not apply to persons whose employment is temporary or of uncertain duration, and permits the Architect of the Capitol to exclude temporary employees from the coverage of the act.

The seventh and eighth amendments change the effective date of the increased contribution from January 1 of this year to July 1 of this year. The ninth amendment likewise deals with dates and provides that future contributions after June 30, 1942, shall be at the rate of 5 percent.

There are no amendments which change the substance of the act, and the bill is in substantially the same form as it was when it passed the House.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman.

Mr. ROBSION of Kentucky. I saw a statement, I believe in yesterday's Washington News, stating that this pension would be paid by the Government out of the pockets of the taxpayers of the country.

Mr. RAMSPECK. That statement was misleading. The Civil Service Retirement Act sets up a contributory system, and everybody who participates in it pays for part of the cost.

Mr. ROBSION of Kentucky. How much money is now in the civil-service retirement fund?

Mr. RAMSPECK. I do not remember the exact figures, but I believe it is over $600,000,000. It has been accumulating for more than 20 years.

Mr. FITZPATRICK Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. FITZPATRICK I understand there is now about $750.000,000 in the retirement fund

Mr ROBSION of Kentucky. That is the report I saw in the press.

Mr. FITZPATRICK. About three-quarters of a billion.

Mr. ROBSION of Kentucky. If Members of the House and Senate are included, would they be required to contribute?

Mr. RAMSPECK. They will be put on exactly the same basis that we put the postmasters 2 years ago when we brought them under. They can contribute for their back time or they can start paying now.

Mr. ROBSION of Kentucky. Would what they would pay take care of the retirement fund?

Mr. RAMSPECK. That would take care of their part of it. Of course, it is a mutual proposition. The Government is in the place the employer occupies under social security. The employer contributes and the employee contributes. This system is similar in principle to the social-security system. The Government contributes to the fund, and the persons who benefit by it contribute. We are raising the rate of contribution of the persons covered by the act from 3½ percent to 5 percent under this bill, so as to make them contribute more.

Mr. ROBSION of Kentucky. Under the present law the contribution is 3½ percent of the employees' salaries?

Mr. RAMSPECK. That is correct.

Mr. ROBSION of Kentucky. This measure raises the contribution to 5 percent?

Mr. RAMSPECK. That is correct.

Mr. ROBSION of Kentucky. Then that will fully take care of the retirement fund and create a surplus in the fund?

Mr. RAMSPECK. I think that is unquestionably true.

Mr. ROBSION of Kentucky. Are there persons in the employ of the Government now, not in elective offices but in the executive branch of the Government, who receive more than $10,000 a year and yet come under the present Retirement Act who will come under this bill?

Mr. RAMSPECK. Yes; that is true.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Is the primary purpose of this bill to increase the contributions to the retirement fund from 3½ to 5 percent?

Mr. RAMSPECK. That is one of the primary purposes. Another equally important purpose, in my judgment, is to extend the age limits at which mandatory retirement is required for two groups, one from 62 to 70 and one from 65 to 70. This enables us to use these experienced employees longer and reduces the cost of the system in respect to that particular group.

Mr. WHITTINGTON. As far as I am personally concerned, I should like to vote for those provisions, but I am opposed to embracing elective officers within the terms of the Retirement Act. For that reason I shall be compelled to vote against the gentleman's bill, as I have always opposed their inclusion heretofore.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Mississippi.

Mr. RANKIN of Mississippi. I want to express my thorough agreement with the gentleman from Mississippi [Mr. WHITTINGTON]. I was not in the House when this measure went through before, or I

should have opposed it. I think it is a terrible mistake to provide retirement benefits for elective officers.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, the debate in the other body on this matter has resulted in some mistaken ideas, and as a result some newspaper stories about it have been misleading.

Some of the newspaper stories would lead one to believe that we were doing something which gave us an advantage over others covered by this act. Such is not the case.

When the original act was passed in 1920, about 6,000 persons were retired after having paid 2½ percent of their salaries for a period of only 1 month. It is an interesting fact that more than a hundred of these persons are still alive and receiving annuities.

As the act was extended to 40,000 postmasters January 1, 1940, the same treatment now being accorded to elective officials was then applied. On January 1, 1940, more than 2,000 postmasters who were at or beyond retirement age, after paying 3½ percent of their salaries for only 1 month, were retired.

When the Railroad Retirement and Social Security systems were inaugurated, the same principle was applied.

Since the civil-service retirement system is only 21 years old, almost all of the 60,000 persons now on the annuity rolls are being paid for years of service during which no contribution was made.

Therefore, the statement that this amendment gives us preferential treatment is not correct.

Another wrong idea gained from newspapers following the debate in the other body is that this system will provide pensions of large amounts.

This system is a contributary system. The Government as the employer pays a part of the cost, and the persons covered by the law also pay a part.

We have provided a pension system for the armed forces and for judges. The former receive three-fourths of their salaries and the latter full salaries after retirement. They pay nothing.

This system will not provide more than a moderate annuity for the vast majority of the elected officials. The average service in the Congress is not long enough to provide any large amount except in a very few cases.

No elected official can be paid an annuity if his service is less than 30 years until he reaches age 62. He must have a minimum of 5 years of service. If his service terminates after 5 years, but before he reaches age 62, he will get a deferred annuity at age 62.

It is interesting to note, from a hasty look at the service records of the present Congress, that of the 531 Members only 10 could retire at the end of this term with an annuity of as much as $3,000 per annum. Only 41 could retire with annuities of as much as $2,000. Only 66 could retire with as much as $1,500. Only 112 could receive as much as $1,200, and only 164 as much as $1,000 per year.

This indicates that the vast majority of the membership will have to serve many years yet before they can attain even a modest annuity under this system, during which time they will be paying into the civil-service retirement fund 5 percent of their salaries.

Mr. Speaker, it is my belief that the extension of this system to the elected officials will free many of them as they get older from the worry incident to advanced age. Many of them have no other source of income. The longer they serve here the more difficult it is for them to reestablish themselves back home in a position to earn an adequate income.

The assurance of some measure of security in their advanced age will, I believe, tend to make possible more independent action by the legislative branch.

I wish to express my appreciation to the many Members who interested themselves in this matter and to the various organizations of employees who gave support to these amendments.

The extension of the mandatory ages of retirement from 62 and 65 years for two groups to 70 will make it possible to retain many valuable and experienced employees who are vital to the operation of the Postal Service during the war.

These amendments to the Retirement Act tend to improve the system and to make more attractive the public service as a career. That means better service to the public.

The amendments contained in this bill extend the retirement law to many persons who heretofore have not had coverage under any act providing for advanced age, including the elected officials. All of these persons, whether elected or appointed, to get the full annuity provided by the system, must make payment for each year of their service. If payment for service prior to the effective date of this act is not made, the annuity will be reduced by the amount such payments would have provided.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia that the House concur in the Senate amendments?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

VETERANS' ADMINISTRATION

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4787) to provide that the unexplained absence of any ex-service man for 7 years shall be deemed sufficient evidence of death for the purpose of laws administered by the Veterans' Administration, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Amend the title so as to read: "An act to provide that the unexplained absence of any individual for 7 years shall be deemed sufficient evidence of death for the purpose of laws administered by the Veterans' Administration."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LELAND M. FORD] is recognized for 15 minutes.

ORGANIZING FOR WAR

Mr. LELAND M. FORD. Mr. Speaker, there is no question but that the people of this country are 99 percent for a real organization to win the war. In order, however, to win this war a real organization must be had in which the personnel are selected entirely on their ability to perform in whatever their respective positions may be. Unfortunately, there are two kinds of organization. The first would be an organization in fact which is real, is active, aggressive, knows what it is doing, correlates and coordinates their plans, carries those plans out, functions properly, and delivers. In other words, they efficiently plan their work and then they work their plan.

The second kind of an organization is only a so-called organization. This one is noisy, wordy, has no real ability, makes lengthy reports, appoints subcommittees, is entirely theoretical, publicizes individuals who have no real ability, and theoretically accomplishes nothing but publicity, misleads people into a false sense of security that they are performing, but they never deliver anything but excuses and reports. As far as actual production is concerned, and the translation of appropriations and reports into final munitions—shells, guns, ships, and so forth—it never produces anything but conversation.

To thinking people it is self-evident as to which organization we ought to have.

To thinking people, again, it is evident that if we are going to win this war we must immediately get rid of the noisy, conversational playboy, selfish interests who are only getting in the way of and destroying the efforts of those who really can accomplish things.

In addition to this, there is no question but that many anti-American subversive interests will attempt to crowd themselves into any organization in order to destroy any real program that will permit this country to win the war and permit it to continue under our American form of government as we have known it. This should not be permitted.

There is no question but that all politics of every kind, character, and description should be definitely and positively and in reality be adjourned. I am for this, and I will do everything that I possibly can to assist and help this administration build the finest fighting organization that the world has ever known. As evidence of this I will point to my record in support of this defense program.

At the same time, however, I do not believe it is my duty nor the duty of any other American to become a "yes" man.

I do, on the other hand, believe that it is my duty to tell the administration and the American people the things they ought to know, whether these things are good, bad, or indifferent, and not the things that are pleasant for their ears to hear. With that thought in mind, I believe I am a friend of the administration when I present to their attention and to the attention of the American people the things that I believe to be wrong, and I believe that if these things are wrong, if they are corrected it will strengthen the administration and the American people in winning the war.

In that same adjournment of politics, however, I do not believe that we should become so blinded in an all-out program so far as Republicans and Democrats are concerned that we should let subversive interests take advantage of any such adjournment in order that they should then and there take that opportunity of furthering and promoting their boring from within in order to destroy not only our defense program but the United States of America itself, together with its form of government and all that we hold dear under the head of liberty.

With these thoughts in mind, I am going to criticize our defense program set-up and make suggestions, and I hope the spirit in which I do it will be accepted in the spirit in which I offer these things, and that is with the idea of helping the program and not injuring it. In order to do this, we will have to discuss some things that it is not pleasant for some people to hear. First, let us go back over the last 2 years and see what we have accomplished. Without going into too much detail, I believe it safe to say that the great bulk of our people had confidence in the ability of our industrial machine to perform and fulfill its full duty in the defense program. This country had a right to except that, as our industrial machine has always been capable of rising to any emergency and, if necessary, out-produce our competitors. That was true and still is true, if they are permitted to proceed in an organized, American way; but they cannot do it if garrulous publicity seekers, political stooges, politically prominent people, so-called economists, theorists, and self-styled supermen and subversive interests of all kinds are placed in positions for which they are not qualified by their experience or by their ability.

Fortunately, our productive machine has been able to make some headway with some efficiency. Unfortunately, through these above-named influences, that efficiency in production has not been permitted to work fully, and there has been much interference by those, in some instances, who may have been sincere and honest, but did not know, and by those who had a sinister motive at heart to start with. The answer to this should be to clean out all those who cannot perform, who will not perform, and who do not perform, regardless of whose friend he may be, what political influences he may have, or despite his publicity and ability as a rabble rouser and a preacher of class hatred, strife, and dissension.

A thorough house cleaning should be made, with particular reference to the present personnel, to immediately discharge those who are not really functioning and to retain those who are. This personnel would come under two classes.

The first would include those who have had real, practical experience in production, whose judgment is sound, whose organizing ability is proven, and who have made real sacrifices to come here to Washington and really, sincerely, patriotically try to help this country. These competent people should be retained and given the authority to carry on our program.

The second group would consist of the type of person who has misrepresented his real ability, who has been built up falsely in the minds of the people by publicity agents and other means; those persons who think that this emergency was put on for their benefit to come to Washington and stage a Roman holiday, that raise hell all night, turn night into a nightmare, and feel that so long as they get by and get their money they have accomplished their purpose. Those self-centered theorists and supermen who have been failures in everything they have undertaken, and this whole group who contribute nothing but confusion, destroy the efforts of those who really can accomplish things and break the confidence of our people in the ability of a democracy to deliver. It may be hard to discharge these people in some instances, but believe you me, before this war is over the American people are going to find many things hard, and they will find it less hard if these people are discharged now, before it is too late.

The greatest thing that this administration can have is the confidence of its people. They can have and retain the confidence of its people if these same people know that this program is being fully manned by a personnel made up of those whose judgments, abilities, and patriotism, and ability to perform are unquestioned.

This country cannot have confidence in a program wherein this program, or any part of it, is in the hands of a drunken, rioting, Roman-holiday personnel who have no ability, whether they are dollar-a-year men or whether they are $10,000-a-year men. To those who are not blind, both within Washington and without, it is evident that both types of these people are present, and it is also the opinion of those who have the welfare of this country at heart that in every single instance this personnel in group No. 2 should immediately be cleaned out, definitely and positively. This will certainly save much money to an already heavily taxed people.

We have been told time and again that the most precious thing we have is time. I believe this, and I believe that if the above program is carried out much time and money can be saved and much can be accomplished, and if it is not carried out it is going to be the most costly thing this country has ever done.

Many of us can look back to the time that Knudsen was appointed and Mr. Hillman was appointed as cochairman with him. What was the result? The result was a fight between industry and labor, with a tremendous loss of time and a tremendous loss of production that we are now feeling the need of. Instead of Mr. Hillman concerning himself with the problem of having labor give their all-out aid, and which 95 percent of labor itself was willing to do, he had to put his nose into the question of management. This, in turn, brought on a fight from management in order to protect themselves. The total result was that we had a slow-down in our production program, which was the object to be accomplished by those who did not want this country to be prepared.

It does not do any good to indulge in incriminations for the things that have happened in the past. The only thing constructive that may come out of any such thing should be to benefit by those mistakes that we have made in the past and not make them again. Therefore, is it not proper to suggest that labor and the leaders of labor, if they mean what they say, that they confine themselves, at least for the war period, to the functions of labor only, with further and particular reference to having labor give an all-out production in the way of seeing how much they can produce and how quickly and efficiently they can produce it, without squabbling for the rights, all of which they will certainly lose if this country loses the war?

On the other hand, business and industry should confine itself to the efficient planning of production and not be diverted from their business by encroaching upon the problems that are strictly within the labor group.

This can only be done, however, if the administration will see that two things are done. First, that labor of any kind, character, or description does not attempt to seize this opportunity in this emergency of war production to go ahead with any more demands of any kind, but that they do confine themselves to production; and secondly, that business and industry do the same thing with their side of the program.

The administration can proceed along this line in a fearless, courageous manner if the program is entirely fair for all, including the public. It can be assured of public support and confidence, according to the fearlessness and fairness that they display. If this program is one sided in any respect, the defense program is going to be injured, and if the administration wants to win this war, which I believe they do, they certainly must recognize this and not indulge in any vacillating policies on either side of this question.

Regardless of what may have happened in the past, the time has come when we now need an all-out support from every single individual within this country. If every single individual in this country would do the particular job assigned to him, perform 100 percent on his own job and keep his nose out of the other fellow's job, many things would be solved.

Selfishness on the part of both labor and industry will have to be laid aside.

We have had the shake-up in our military and naval organizations. This is not sufficient. That shake-up and reorganization should go further and should go right into the heart of this organiza-

tion here in Washington and should be done now, without 1 minute's delay.

I have plenty of confidence in the ability of the armed forces of our country to protect us providing the production program is carried out, but I would have more confidence in the whole picture if this organization here in Washington was better organized and cleaned up, and I believe that 95 percent of the men on this floor and the people of this country are behind me in this statement.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered I may be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today and include therein certain excerpts from the case referred to by the gentleman from Missouri [Mr. COCHRAN].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. WASIELEWSKI. Mr Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Milwaukee Journal of January 16.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SMALL BUSINESS AND NATIONAL DEFENSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on Monday at Lowell an industrial clinic was held with a view to speeding the national defense and aiding the small business men. I requested some time ago that a clinic be held at Lowell, and my request was granted

The clinic was held. It was considered a huge success. The O. P. M. secured exhibits from large manufacturers working on national-defense orders. These manufacturers displayed the component parts of commodities needed to win the war. The result was that prime contractors let subcontracts to small business men on the spot.

Although rain poured in torrents that day, there must have been fully 10,000 people attending this clinic. Over 5,000 filed cards making suggestions as to what they could do. This shows the intense interest people have today in these matters. The small business men are anxious to do their part in the war. They are very anxious to have an opportunity to do their part in winning the war.

Mr. Hickey, the head of the Boston office of O. P. M., set up an extremely successful clinic. The arrangements were perfect—very easy for the exhibitors and very easy for the manufacturers. Mr. Stanwood and the personnel of the Lowell office of the O. P. M. were extremely helpful.

I should like to pay tribute, Mr. Speaker, to the people of Lowell, who secured the armory; the manufacturers, who gave their time and their money; the mayor and the chamber of commerce, who worked tirelessly. Some of the manufacturers gave work and others gave other things for the exhibit. I should like to pay a special tribute to Lowell labor, who gave their time for nothing in the erection of the booths, and so forth. The citizens of Lowell showed their usual fine community spirit.

Mr. Speaker, I feel very much encouraged by what the O. P. M. did on Monday and will do, I know, in the future under the leadership of Mr. Nelson and Mr. Knudsen.

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. O'TOOLE, indefinitely, on account of illness.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table, and, under the rule, referred as follows:

S. 2112. An act authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics; to the Committee on Naval Affairs.

SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 1936. An act to provide protection of persons and property from bombing attacks in the United States, and for other purposes;

S. 2204. An act authorizing vessels of Canadian registry to transport iron ore on the Great Lakes during 1942;

S. J. Res 96. Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute; and

S. J. Res. 124. Joint resolution to maintain the secrecy of military information.

ADJOURNMENT

Mr. SIKES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 28 minutes p. m.) the House adjourned until tomorrow, Thursday, January 22, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Thursday, January 22, 1942, to resume hearings on the proposed amendments to the Securities Exchange Act of 1934.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1323. A letter from the Secretary of War, transmitting a draft of a bill to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places; to the Committee on Military Affairs.

1324. A letter from the president, Board of Commissioners of the District of Columbia, transmitting a report of the official operations of the government of the District of Columbia for the fiscal year ended June 30, 1941, pursuant to the requirement of section 12 of an act approved June 11, 1878; to the Committee on the District of Columbia.

1325. A letter from the Acting Secretary of the Treasury, transmitting a proposed bill to provide for the orderly transaction of the public business in the event of the death or of the resignation or separation from office of the Chief Disbursing Officer; to the Committee on Expenditures in the Executive Departments.

1326. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the national defense activities of the Federal Communications Commission, amounting to $587,195, for the fiscal year 1942 (H. Doc. No. 590); to the Committee on Appropriations and ordered to be printed.

1327. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the District of Columbia, fiscal year 1942, in the amount of $98,055 (H. Doc No 591); to the Committee on Appropriations and ordered to be printed.

1328. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the United States Employees' Compensation Commission for the fiscal year 1942, amounting to $752,500 (H. Doc. No 592); to the Committee on Appropriations and ordered to be printed.

1329. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department for the fiscal year 1942, amounting to $3,420,670 (H. Doc No. 593); to the Committee on Appropriations and ordered to be printed.

1330. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year ending June 30, 1942, for the Department of Agriculture in the sum of $2,050,000 (H. Doc. No. 594); to the Committee on Appropriations and ordered to be printed.

1331. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the fiscal year 1941 of $425,000, and supplemental estimates of appropriations for the fiscal year 1942 of $2,681,555, in all, $3,107,055, together with a provision affecting an existing appropriation for the Post Office Department for the fiscal year 1942 (H. Doc. No. 595); to the Committee on Appropriations and ordered to be printed.

1332 A communication from the President of the United States, transmitting supplemental and deficiency estimates of appropriations for the Department of the Interior for the fiscal years 1941 and 1942, amounting to $15,000,668.53 (H. Doc. No. 596); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk

for printing and reference to the proper calendar, as follows:

Mr. JARMAN: Committee on Printing. House Resolution 405. Resolution authorizing the Committee on the Judiciary of the House of Representatives to have printed additional copies of the hearings held before a subcommittee of said committee on the bill (H. R. 4394) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; without amendment (Rept. No. 1635). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 411. Resolution for the consideration of H. R. 6392, a bill to authorize the construction of certain naval vessels and for other purposes; without amendment (Rept. No. 1636). Referred to the House Calendar.

Mr. RANKIN of Mississippi: Committee on World War Veterans' Legislation. S. 1889. An act authorizing the Administrator of Veterans' Affairs to grant an easement for highway purposes to the county of Macon, Ala., in a strip of land located at Veterans' Administration facility, Tuskegee, Ala.; without amendment (Rept. No. 1637). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANKIN of Mississippi: Committee on World War Veterans' Legislation. S. 2012. An act authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration facility, Togus, Maine, to the State of Maine, for road-widening purposes; without amendment (Rept. No. 1638). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANKIN of Mississippi: Committee on World War Veterans' Legislation. S. 2080. An act authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration facility, Murfreesboro, Tenn., to Rutherford County, Tenn., for highway purposes; without amendment (Rept. No. 1639). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 5306. A bill to amend the District of Columbia Alley Dwelling Act; without amendment (Rept. No. 1640). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 6107. A bill to authorize the Commissioners of the District of Columbia to permit the vestry of Rock Creek Parish to utilize for burial sites certain land within its present holdings in Rock Creek Cemetery; without amendment (Rept. No. 1641). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 6375. A bill to amend subchapter 2 of chapter 19 of the Code of Law for the District of Columbia; without amendment (Rept. No. 1642). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK:

H. R. 6422. A bill to provide for protection, preservation, and service of private and personal sources of the history of the United States of America by establishment of a National Historical Manuscript Repository, and for other purposes; to the Committee on the Library.

By Mr. RANDOLPH:

H. R. 6423. A bill to provide for regulation of insurance rates against loss by fire and lightning, and for other purposes; to the Committee on the District of Columbia.

By Mr. WEISS:

H. R. 6424. A bill to allow enlistment of specialists and technicians over the age of 35 years; to the Committee on Military Affairs.

By Mr. SACKS:

H. R. 6425. A bill to provide for investigating the matter of the establishment of a national park in the old part of the city of Philadelphia, for the purposes of conserving the historical objects and buildings therein; to the Committee on the Public Lands.

By Mr. EDWIN ARTHUR HALL:

H. Res. 414. Resolution to amend clause 4 of the rule 27 of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. SHANLEY:

H. R. 6426. A bill for the relief of Dr. Paul Roger Zahlmann; to the Committee on Claims.

By Mr. THOMAS of New Jersey:

H. R. 6427. A bill for the relief of George E. Smith; to the Committee on Claims.

By Mr. WILLIAMS:

H. R. 6428. A bill granting a pension to Oscar James Callier; to the Committee on Invalid Pensions.

By Mr. WOLFENDEN of Pennsylvania:

H. R. 6429 (by request). A bill for the relief of Frank Raymond West; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2313. By Mr. LUTHER A. JOHNSON: Petition of R. M. Richardson, of Franklin, Tex., opposing pay-roll tax but favoring sales tax; to the Committee on Ways and Means.

2314. Also, petition of L. A. Gray, of Franklin, Tex., favoring a sales tax; to the Committee on Ways and Means.

2315. By Mr. MOTT: Petition signed by Hattie Hatcher and other residents of Coos County, Oreg., urging the enactment of Senate bill 860, to prohibit the sale of intoxicating liquor in Army camps; to the Committee on Military Affairs.

2316. By the SPEAKER: Petition of the National Lumber Manufacturers Association, Washington, D. C., petitioning consideration of their resolution with reference to the Bureau of Plant Industry investigations for control of sap staining of wood; to the Committee on Appropriations.

SENATE

THURSDAY, JANUARY 22, 1942

The Reverend Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou who hast been our dwelling place in all generations, grant unto us this day a more vivid and inspiring assurance of Thy presence.

We humbly confess that when we turn away from Thee we begin to experience anxious days and troubled nights, and become stricken with fears. Forgive us for being so faithless and so unfaithful.

We pray that Thou wilt be very gracious unto these Thy servants, whom our country has accounted worthy of the high vocation to be leaders in the affairs of government. May they continually come with clear minds and courageous hearts to the sacrament of public service. Kindle within their souls the light of Divine truth, that they may direct the course of our Nation toward a fuller measure of justice, love, and peace.

Fill us with a passion to bring our imperfect human ways into a blessed harmony with the Eternal Will. Equip us with wisdom and strength for the sacred enterprise of building a better world. Awaken within us a sense of stewardship, and may our souls be responsive to the appeals of all who are finding the struggle of life so difficult.

Hear us in the name of the Christ, whose spirit we are seeking to incarnate. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, January 20, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that on January 20, 1942, the President had approved and signed the following acts:

S. 1677. An act authorizing subsistence allowance provided for aviation cadets to be paid to messes in manner as prescribed by the act of March 14, 1940 (Public, No 433, 76th Cong.);

S. 1995. An act to amend the act approved June 23, 1938, entitled "An act to regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes";

S. 2094. An act to provide for the rank and title of the Commandant of the Marine Corps;

S 2095. An act to further amend the act approved June 23, 1938 (52 Stat. 944), as amended;

S 2160. An act to promote the national security and defense by establishing daylight saving time; and

S. 2169. An act to create the Limited Service Marine Corps Reserve, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3487) to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4787) to provide that the unexplained absence of any ex-service man for 7 years shall be deemed sufficient evidence of death for the purpose of laws administered by the Veterans' Administration.

The message further announced that the House had passed the following bills,

in which it requested the concurrence of the Senate:

H. R. 4151. An act to authorize the acquisition by the United States of lands lying between the present boundary of the naval air station, Lakehurst, N. J., and the new boundary of Fort Dix, in the county of Ocean and State of New Jersey;

H. R. 6273. An act to amend the provisions of the Internal Revenue Code by setting new maximum limits on allowances for losses of distilled spirits by leakage or evaporation while in internal-revenue bonded warehouses, and for other purposes;

H. R. 6333. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; and

H. R. 6392. An act to authorize the construction of certain naval vessels, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 1936. An act to provide protection of persons and property from bombing attacks in the United States, and for other purposes;

S. 2204. An act authorizing vessels of Canadian registry to transport iron ore on the Great Lakes during 1942;

H. R. 3193. An act validating certain conveyances heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, involving certain portions of right-of-way in the city of Tracy, in the county of San Joaquin, State of California, and in the town of Elk Grove, in the county of Sacramento, State of California, acquired by Central Pacific Railway Co. under the act of Congress approved July 1, 1862 (12 Stat. L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat. L. 356);

H. R. 6263. An act to amend section 606 of the Communications Act of 1934 for the purpose of granting to the President, in time of war or threatened war, certain powers with respect to communications by wire;

S. J. Res. 96. Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute; and

S. J. Res. 124. Joint resolution to maintain the secrecy of military information.

READING OF WASHINGTON'S FAREWELL ADDRESS

The VICE PRESIDENT. The Chair designates the Senator from Rhode Island [Mr. GREEN] to read Washington's Farewell Address on Monday, February 23, next, under the order of the Senate of January 24, 1901.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

TRANSACTION OF PUBLIC BUSINESS IN EVENT OF DEATH, RESIGNATION, OR SEPARATION FROM OFFICE OF CHIEF DISBURSING OFFICER

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to provide for the orderly transaction of the public business in the event of the death or of the resignation or separation from office of the Chief Disbursing Officer (with an accompanying paper); to the Committee on Expenditures in the Executive Department.

REPORT ON NATIONAL FOREST ROADS AND TRAILS

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, the annual report on national forest roads and trails for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on Post Offices and Post Roads.

REPORT OF GOVERNMENT OF THE DISTRICT OF COLUMBIA

A letter from the president of the Board of Commissioners of the District of Columbia, transmitting, pursuant to law, a report of the official operations of the government of the District of Columbia for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on the District of Columbia.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents in the files of the Department of the Treasury (2), the Navy, the Interior (2), and Agriculture (13), the administrative office of the United States courts (U. S. Customs Court of New York City), and the Federal Security Agency (Social Security Board), which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITION AND MEMORIAL

Petitions, etc., were presented and referred as indicated:

By Mr. TYDINGS:

A petition of sundry citizens of Baltimore, Md., praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

By Mr. GREEN:

A joint resolution of the General Assembly of the State of Rhode Island; to the Committee on Interstate Commerce:

"House Joint Resolution 570

"Resolution requesting the Senators and Representatives from Rhode Island in the Congress of the United States to use their earnest efforts to prevent the passage of Senate bill 2015, namely, a bill to amend the Interstate Commerce Act, as amended, to provide for the regulation of the sizes and weights of motor vehicles engaged in transportation in interstate or foreign commerce

"Whereas there is now pending in Congress a bill (S. 2015) to amend the Interstate Commerce Act, as amended, to provide for the regulation of the sizes and weights of motor vehicles engaged in transportation in interstate or foreign commerce; and

"Whereas the proposed bill (S. 2015) will take away from the States the authority to regulate the traffic insofar as the weight and dimensions of the trucks used are concerned, not only on the roads that are built partially by Federal funds but also by all other roads as well; and

"Whereas, inasmuch as the commission on interstate cooperation, through its regional committee on motor-vehicle problems, has already made the definite change in some of the laws of the States so that there will be uniformity between States relative to this problem and are continuing to work along this same direction; and

"Whereas any cooperation necessary with the Federal Government to facilitate the speedy transportation of defense material through any and all States will not be impeded in any way: Now, therefore, be it

"*Resolved*, That the Senators and Representatives from Rhode Island in the Congress of the United States be, and they hereby are, respectfully requested to make every effort to stay the program which is pushing the passage of said Senate bill 2015 in the Congress of the United States and to express to the proper authorities, including the chairman of the Senate Committee on Interstate Commerce, the feeling of the General Assembly of the State of Rhode Island and Providence Plantations that this proposed measure is not essential even in view of the present emergency; and be it further

"*Resolved*, That the secretary of state be authorized to transmit duly certified copies of this resolution to the Senators and Representatives from Rhode Island in the Congress of the United States and to Senator CHARLES O. ANDREWS, chairman of the Senate Committee on Interstate Commerce."

RESOLUTIONS OF NATIONAL SOCIAL SCIENCE HONOR SOCIETY, PI GAMMA MU

Mr. THOMAS of Utah. Mr. President, as a matter of public interest, and at the request of the officers of the organization, I ask unanimous consent that resolutions adopted by the National Social Science Honor Society, Pi Gamma Mu, adopted at the eighth national convention in New York City on December 29–30, 1941, be printed in the RECORD and appropriately referred.

There being no objection, the resolutions were referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Whereas the Congress of the United States, upon request of the President, has declared that a state of war exists between the United States and Japan, Germany, and Italy; and

Whereas upon the result of this war depend the safety of our country and the perpetuation of those cherished rights set forth in our Constitution and which make us a free people, insuring our American way of life: Be it

Resolved, That the National Social Science Honor Society, Pi Gamma Mu, Inc., reaffirm their loyalty to our country and to the Constitution upon which it rests, pledge our support to the Government and assure the President and Congress of our readiness to respond to whatever call may be made upon us by those in authority to help bring this conflict to a triumphant conclusion and for the successful maintenance of our liberties and the restoration of the freedom of peoples now enslaved by the enemies of democracy and Christianity; be it further

Resolved, That this society be vigilant in preventing, uncovering, and reporting to the proper authorities any acts of sabotage and espionage to the duly constituted authorities and any other subversive activities that would weaken our national defense or slacken the prosecution of the plans for the conflict in which our Nation is engaged; be it further

Resolved, That the National Social Science Honor Society, Pi Gamma Mu, Inc., by the encouragement it gives to the study of human relationships contribute all within its power to help build a post-war world order, with protective safeguards, which will make impossible, or less likely, the recurrence of such a catastrophe as that which has now involved the world; be it further

Resolved, That a copy of these resolutions be sent to the President of the United States

of America, to our Representatives in the Congress of the United States, to any other governmental bodies as deemed advisable, and to the secretary or president of each chapter of the society.

RESOLUTION OF OUTAGAMIE CITIZENS ECONOMY COUNCIL, WISCONSIN—NONDEFENSE SPENDING

Mr. WILEY. Mr. President, I present and ask to have printed in the RECORD and appropriately referred a resolution adopted by the Outagamie Citizens Economy Council of Wisconsin.

There being no objection, the resolution was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

Whereas the authorizations of more than $65,000,000,000 for national defense have been made by the Federal Government alone; and

Whereas the expenditures of the Federal, State, and local governments totaled more than $18,000,000,000 prior to the beginning of the Federal armament program; and

Whereas this Nation cannot meet the cost of the defense program and continue to spend for other governmental activities at the old rate; and

Whereas officials of State and local government have been urged by Federal officials to delay all spending which is not absolutely necessary in order to give priority of materials, men, and money for the national-defense program; and

Whereas Federal spending for nondefense purposes has not been decreased: Therefore, be it

Resolved, That this organization hereby calls upon the Members of Congress to take immediate steps to reduce Federal nondefense spending so that the armament program will not be retarded and so that citizens will be better able to stand the great financial strain they are facing.

IMPOSITION OF TAXES ON WAGES—MEMORIAL

Mr. WILEY. Mr. President, I also present a paper in the nature of a memorial signed by a number of citizens of Milwaukee, Wis., which I ask to have printed in the RECORD, without all the signatures attached thereto, and appropriately referred.

There being no objection, the paper in the nature of a memorial was referred to the Committee on Finance and ordered to be printed in the RECORD without all the signatures attached, as follows:

To Hon. ALEXANDER WILEY,
United States Senator from Wisconsin,
Washington, D. C.

HONORABLE SIR: We, the undersigned citizens of the United States of America, being opposed to any legislation or condition tending to concentrate the money and wealth of our country into the hands of a few, and being firmly convinced that interest on money, being unearned, will by its very nature accomplish this, do hereby declare ourselves to be unalterably opposed to the levying and collecting of any and all taxes on earned wages until such time as the Government suspends the payment of interest on Federal indebtedness, and we request that you take such immediate action as is necessary to bring before your honorable body the proper resolutions and bills required to effect the discontinuance of such payments.

MARTIN H. STAHL,
JOSEPH FRIED,
(And other citizens).

PRICE CONTROL—MEMORANDUM OF NATIONAL ASSOCIATION OF COMMISSIONERS, SECRETARIES, AND DIRECTORS OF AGRICULTURE

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately disposed of a memorandum prepared by the National Association of Commissioners, Secretaries, and Directors of Agriculture asking the Congress to protect the interests of the American farmer in the enactment of price-control legislation.

They ask that wages and farm prices be kept more nearly in balance, as proposed in the O'Mahoney amendment, and that the machinery of the price-control bill be administered by one who is familiar with the problems of agriculture, as proposed by the Bankhead amendment. I am strongly in favor of both these amendments and hope the conference report on the price-control bill will include them in the bill.

There being no objection, the memorandum was ordered to lie on the table and to be printed in the RECORD, as follows:

In order that our farmers and stockmen may be left in a position to do their full share in helping to win the war, the following facts are summarized for your earnest consideration:

1. Full agricultural production is vitally important to our national defense efforts.

2. Prices for our major agricultural commodities are below the cost of production. Using cotton as an example, current prices represent only 18 cents per hour to the farmers for their toil producing it, compared to 75 cents to $1 or more per hour for industrial workers.

3. Defense workers are making as much in a month as a large portion of our farmers and their families earn in an entire year.

4. Due to the scarcity of farm labor and high production costs, it will be economically impossible for farmers generally to make or attain maximum production at existing low prices.

5. To fix maximum or ceiling prices for farm commodities or freeze prices to existing low levels, as compared to the income of industrial workers, would not only do the American farmer a gross injustice but from an economic point would prove disastrous to the national defense and war program.

6. For Government agencies to sell farm commodities at prices below the ceilings established in price-control legislation is economically unsound, and naturally has a direct tendency to curtail production of certain agricultural commodities that will later be vitally needed.

We believe you will agree there is no more patriotic group than the American farmers; they have demonstrated their good faith by increasing their production to the utmost without first demanding a host of guaranties; and they are confidently expecting the Congress to protect their interests.

We hope and urge that you please do all in your power:

1. That no price ceilings over farm commodities be approved that do not relate at least 20 percent to the wage scale, so that wages and farm prices may be kept more nearly in balance. This the O'Mahoney amendment (including the Russell-Brown amendments) does.

2. Desperate attempts are being made to eliminate not only the O'Mahoney amendment but also eliminate, or greatly modify, the Bankhead amendment, which provides the machinery for effective administration by one familiar with the problems of agriculture. It gives the Secretary of Agriculture prior approval on any price ceilings which the Administrator might contemplate setting.

The position of the National Association of Commissioners, Secretaries, and Directors of Agriculture, functioning in the 48 States under constitutional authority and statutory rights, speaking for their clientele, in conjunction with other farm groups, support the contention that farmers everywhere are solidly behind the Secretary of Agriculture in his fearless stand for the power to prevent the possibility of jeopardizing the "food for freedom" program.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Claims:

S. 2022. A bill for the relief of certain claimants who suffered losses and sustained damages as the result of the campaign carried out by the Federal Government for the eradication of the Mediterranean fruitfly in the State of Florida; without amendment (Rept. No. 971);

H. R. 1914. A bill for the relief of the Coppel Coal Co.; without amendment (Rept. No. 972);

H. R. 2183. A bill for the relief of Hiram O. Lester, Grace D. Lester, and Florence E. Dawson; with amendments (Rept. No. 976);

H. R. 2780. A bill for the relief of O. C. Ousley; with an amendment (Rept. No. 975);

H. R. 3403. A bill for the relief of Louis M. McDougal; without amendment (Rept. No. 973); and

H. R. 5291. A bill for the relief of Helen Rauch and Max Rauch; without amendment (Rept. No. 974).

By Mr. WILEY, from the Committee on Claims:

H. R. 2372. A bill for the relief of Paul E. Cook; without amendment (Rept. No. 977); and

H. R. 5164. A bill for the relief of Arthur W. Jorgenson, and the legal guardian of Robert R. Jorgenson, a minor; without amendment (Rept. No. 978).

By Mr. STEWART, from the Committee on Claims:

H. R. 2376. A bill for the relief of Ethel Ray Sowder; without amendment (Rept. No. 979).

By Mr. CAPPER, from the Committee on Claims:

S. 1898. A bill for the relief of the heirs of Mrs. Nazaria Garcia, of Winslow, Ariz.; with an amendment (Rept. No. 980).

By Mr. TUNNELL, from the Committee on Claims:

S. 984. A bill for the relief of Mr. and Mrs. James C. Loard; with an amendment (Rept. No. 981); and

H. R. 2712. A bill for the relief of the Branchland Pipe & Supply Co.; with an amendment (Rept. No. 982).

By Mr. ROSIER, from the Committee on Claims:

S. 1801. A bill for the relief of Eugene Jackson; with an amendment (Rept. No. 983);

H. R. 257. A bill for the relief of Edna La Blanche Gillette; without amendment (Rept. No. 983);

H. R. 3118. A bill for the relief of the State compensation insurance fund of California; without amendment (Rept. No. 984);

H. R. 4182. A bill for the relief of Mollie S. McHaney; without amendment (Rept. No. 985);

H. R. 5046. A bill for the relief of Mr. and Mrs. R. L. Saunders; without amendment (Rept. No. 986); and

H. R. 5390. A bill for the relief of G. T. Elliott, Inc.; without amendment (Rept. No. 987).

By Mr. GEORGE, from the Committee on Finance:

H. J. Res. 257. Joint resolution to amend section 124 of the Internal Revenue Code to simplify the procedure in connection with amortization of certain facilities; without amendment (Rept. No. 990).

SECOND WAR POWERS BILL—REPORT OF THE JUDICIARY COMMITTEE

Mr. O'MAHONEY. Mr. President, on behalf of the Judiciary Committee I report back favorably from that committee, with amendments, the second war powers bill (S. 2208) to further expedite the prosecution of the war, and I submit a report (No. 989) thereon.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

S. 2213. A bill for the relief of Mr. and Mrs. Russell L. Patton; to the Committee on Claims.

By Mr. NYE:

S. 2214. A bill for the relief of the North Dakota-Montana Wheat Growers Association; to the Committee on Claims.

By Mr. McKELLAR:

S. 2215. A bill to amend section 107 of the Judicial Code, to change the statutory terms for the District Court for the Middle District of Tennessee; to the Committee on the Judiciary.

Mr. DOXEY. Mr. President, I introduce a bill prepared by me to provide for court stenographers in the United States district courts, and fixing their duties and compensation, and ask that it be referred to the Judiciary Committee.

The VICE PRESIDENT. The bill will be received and referred as requested by the Senator from Mississippi.

By Mr. DOXEY:

S. 2216. A bill to provide for court stenographers in the United States district courts and to fix their duties and compensation; to the Committee on the Judiciary.

By Mr. REYNOLDS:

S. 2217. A bill to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places; to the Committee on Military Affairs.

By Mr. WALSH:

S. 2218. A bill to authorize the construction of certain naval vessels, and for other purposes; and

S. 2219. A bill to provide for continuing payment of pay and allowances of personnel of the Army of the United States, Navy, Marine Corps, and Coast Guard, including the retired and reserve components thereof, and civilian employees of the War and Navy Departments, during periods of absence from post of duty, and for other purposes; to the Committee on Naval Affairs.

By Mr. KILGORE:

S. 2220. A bill for the relief of Frank Sheppard; to the Committee on Claims.

By Mr. GUFFEY (for himself, Mr. HUGHES, and Mr. TRUMAN):

S. J. Res. 128. Joint resolution requesting the President to proclaim February 1 as National Freedom Day; to the Committee on the Judiciary.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 6273. An act to amend the provisions of the Internal Revenue Code by setting new maximum limits on allowances for losses of distilled spirits by leakage or evaporation while in internal-revenue bonded warehouses, and for other purposes; to the Committee on Finance.

H. R. 4151. An act to authorize the acquisition by the United States of lands lying between the present boundary of the naval air station, Lakehurst, N. J., and the new boundary of Fort Dix, in the county of Ocean and State of New Jersey;

H. R. 6333. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; and

H. R. 6392. An act to authorize the construction of certain naval vessels, and for other purposes; to the Committee on Naval Affairs.

SECOND WAR POWERS BILL—AMENDMENT

Mr. TRUMAN submitted an amendment intended to be proposed by him to the bill (S. 2208) to further expedite the prosecution of the war, which was ordered to lie on the table and to be printed.

CHARLOTTE INGERSOLL TUCKER—WITHDRAWAL OF PAPERS

On motion of Mr. THOMAS of Oklahoma, it was

Ordered, That the papers accompanying the bill (S. 3609, 70th Cong., 1st sess.) granting an increase of pension to Charlotte Ingersoll Tucker be withdrawn from the files of the Senate, no adverse report having been made thereon.

THE RUBBER SHORTAGE—RUBBER MATS FOR QUARTERMASTER CORPS

Mr. VANDENBERG. Mr. President, at the Senate's last session I presented a communication complaining of a contemplated purchase of rubber mats by the Quartermaster Corps of the Army—the suggestion being that this relatively inconsequential matter indicated that there should be the same vigilant economy respecting strategic materials in defense activities as is imposed upon civilian use.

I now want to complete the record. I am glad to report that the War Department has been completely and commendably responsive. As soon as the matter thus came to light, the invitation for bids was immediately withdrawn. No such purchases will be made. Indeed, the invitation itself contravened previous conservation orders already initiated by the Quartermaster Corps.

The incident demonstrates the necessity for constant vigilance in the efficient administration of our far-flung war effort.

RESULTS OF RECOMMENDATIONS OF SPECIAL COMMITTEE TO INVESTIGATE THE DEFENSE PROGRAM

Mr. TRUMAN. Mr. President, I ask to have inserted in the RECORD, as a part of my remarks, a memorandum, copy of which has already gone to the desk, in reference to legislation which has been affected by certain reports and recommendations of the Special Committee to Investigate the Defense Program, of which I am chairman.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

On August 14, 1941, the Special Committee to Investigate the Defense Program, in submitting its report to the Senate on the War Department's camp and cantonment construction program, recommended, first, that the Quartermaster Corps should be relieved of all construction activities; and second, that the Corps of Engineers should be assigned additional construction work. Acting on the recommendations of the committee in this regard, S. 1884 was introduced on September 3, 1941, providing for the transfer of all construction activities from the Quartermaster Corps of the War Department to the Engineer Corps. This transfer became law on December 1, 1941.

The committee made an investigation and study of the entire defense housing program. As a result of this study, Senator TRUMAN recommended several changes in H. R 6128, authorizing an additional $300,000,000 expenditure for public defense housing units to the subcommittee of the Senate Committee on Education and Labor. Among the recommendations which were adopted on final passage were (1) continued participation of the United States Housing Authority in the defense housing program; (2) rents to defense workers are based on the value of the unit occupied and not on the income of the occupant; (3) local officials must be consulted by Federal officials before defense housing units are erected in order that such units may conform with the architectural characteristics of the locality.

PURCHASE BY W. P. A. WORKERS AT NAVY YARD, CHARLESTON, S. C., OF SAVINGS BONDS AND STAMPS

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the RECORD a letter addressed to me by the Federal Works Agency, Work Projects Administration, Columbia, S. C., stating that the workers on W. P. A. projects at the navy yard, Charleston, S. C., have taken up a collection among themselves and have turned over to the Government in the form of Defense Savings bonds and stamps the funds thus derived.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL WORKS AGENCY,
WORK PROJECTS ADMINISTRATION,
Columbia, S. C.

Hon. BURNET R. MAYBANK,
United States Senator,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR MAYBANK: The workers on the W. P. A. projects at the navy yard, Charleston, S. C., decided that they wanted to take up collection among themselves and turn the funds over to the Government in Defense Savings bonds and stamps.

This decision was made by them without any knowledge by anyone in this office.

At their request I am transmitting the bonds and stamps to you with the request that you forward them to the President of the United States.

The enclosures are as follows:

Series E Defense Savings bond D725428E	$500.00
Series E Defense Savings bond C4477497E	100.00
Series E Defense Savings bond Q3933941E	25.00
Series E Defense Savings bond Q3933942E	25.00

Series E Defense Savings bond Q3933943E	25.00
Three $1 Defense Savings stamps	3.00
One 50-cent Defense Savings stamp	.50
One 25-cent Defense Savings stamp	.25
Total face value	678.75

Yours very truly,

E. P. GRICE, JR.,
District Manager, District No. 2,
Work Projects Administration.

MESSAGE FROM FEDERAL COUNCIL OF THE CHURCHES OF CHRIST IN AMERICA

[Mr. BYRD asked and obtained leave to have printed in the RECORD a message from the Federal Council of the Churches of Christ in America, which appears in the Appendix.]

NATIONAL YOUTH ADMINISTRATION

[Mr. ROSIER asked and obtained leave to have printed in the RECORD an editorial entitled "N. Y. A. Succeeds," published in the Charleston (W. Va.) Gazette of January 11, 1942, which appears in the Appendix.]

25 YEARS AFTER—EDITORIAL FROM NEW YORK TIMES

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an editorial from the New York Times of January 21, 1942, entitled "Twenty-five Years After," which appears in the Appendix.]

ORDER FOR CONSIDERATION OF BILLS ON THE CALENDAR

The VICE PRESIDENT. The routine morning business is concluded.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of bills on the calendar to which there is no objection, beginning with Calendar No. 987, Senate bill 1817. There are on the calendar many bills which are called from day to day and which go over. There may be one or two which we shall wish to take up separately; but for the present I ask that, beginning with Calendar No. 987, the Senate proceed to consider bills to which there is no objection.

Mr. McNARY. Mr. President, I think the request is a very proper one, but there may be a few bills before No. 987 to which we shall wish to return.

Mr. BARKLEY. Yes; I understand that to be the case. My attention has been called to two bills which it is desirable to consider, and which ought to be passed today.

Mr. McNARY. In other words, the calendar will not be called so far as those bills are concerned, but they may be recurred to if any Senator desires.

Mr. BARKLEY. Yes.

Mr. McNARY. With that understanding I have no objection.

The VICE PRESIDENT. Without objection, the request of the Senator from Kentucky is agreed to.

PRICE CONTROL

Mr. LEE. Mr. President, I ask unanimous consent to proceed for a few minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. LEE. Mr. President, the conferees who have been appointed to work out the differences between the Senate price-control bill and the House price-control bill are still working on the matter and have not come to an agreement. From the newspapers it appears that the conferees have about decided to surrender the O'Mahoney amendment. I wish to address myself for a few minutes to that subject.

Mr. President, everything the Government does at this time should be controlled by the primary purpose of winning the war.

While the question of primary importance is to win the war, the question of secondary importance is to equalize the burdens of war as nearly as is humanly possible.

On the question of the price-control bill, my position is determined by the over-all welfare of the Nation as a whole.

No one has been more zealous than I in our efforts to have this country prepared for the crisis which Pearl Harbor brought upon us. For years I have been aggressively urging our Government to increase our air forces.

Two years ago I said from the floor of this Chamber:

> We should do everything now that we would do if we were actually catapulted into war. We should place our defense industries on a 24-hour schedule.

That was said in 1940.

Not only that, but I was one of those who wanted to fortify Guam; and I have supported every military and naval measure in Congress and out, publicly and privately, including both draft measures.

I have done this because I realized, as I have said on the floor of the Senate, that the totalitarian powers are out to conquer the world, and I wanted America to be ready.

And now, since the war has actually come to us, I certainly am going to do everything possible toward winning that war, and will not lend my support or influence to any measure that will serve as a hindrance to final victory.

Mr. President, I make these remarks so that it may be understood that I am fully aware that the most important task before this country today is to win the war, and that all other questions must take secondary place.

But, Mr. President, I realize how necessary it is that the farmers of the United States maintain and increase production in order that we ourselves, as well as the Allies, may be supplied with the necessaries of life.

Therefore, for the United States Government to allow the farmer a fair price for his commodities will not only not hinder the war effort but will actually help it. If I had the least fear in my mind that the adoption of the O'Mahoney amendment would hinder the war effort of the United States I would not support it; but I am as sure as I was ever sure of anything that the O'Mahoney amendment, if agreed to, would help win the war. We had a slogan in 1918, "Food will win the war." That slogan is just as appropriate today.

I said that the secondary purpose which should guide our actions is to distribute the burdens of war as equally as is humanly possible. No doubt there will be many injustices resulting from this war, but certainly the Government does not want any injustices to occur which can be prevented without hindering the war effort.

It is my honest opinion that the rank and file of the people of the United States are willing for the farmer to have a fair price for his commodities. The whole question before us is one of understanding what constitutes a fair price.

It is my purpose to show that parity so-called, does not constitute a fair price, and further to show that even under the O'Mahoney amendment, if farm prices should rise to the maximum, the income of the farmer would not be on a parity with that of the non-farm population.

The O'Mahoney amendment has been criticized as being inflationary; but inflation cannot result from farm prices until the farmer's dollar reaches the level of the non-farm dollar. We might have "reflation" until we reach the baseline where the farmer's dollar is equal to the non-farm dollar. So what the critic evidently had in mind, when he said that the O'Mahoney amendment was "inflationary," was that it would "reflate" the farmer's dollar up to the ceiling of the O'Mahoney amendment. But there is no guaranty that that would happen. There is no guaranty that the farmer's dollar would rise to the ceiling set by the O'Mahoney amendment. It certainly would not rise to that ceiling unless there should appear a shortage of some farm commodity; and, if such a shortage should appear, the only remedy for it would be to increase the price of that commodity so that the farmer himself would increase the production of the commodity, and thereby serve the purpose of furthering the war by furnishing the necessary food and clothing.

Mr. President, I recently heard a well-known commentator, while discussing the price-control bill, make the statement that 110 percent of parity was "10 percent above a fair price."

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. LEE. Let me finish this sentence.

I have always considered this commentator a fair-minded news analyst, and still do, for that matter; but, judging from his position on this question, I very seriously doubt if he knows much about farming.

I now yield to the Senator from Wyoming.

Mr. O'MAHONEY. I ask the Senator to yield because I have here a quotation from the testimony presented to the House Committee on Banking and Currency by Mr. Henderson, which I think is very appropriate to what the Senator from Oklahoma is saying, and which I also think is a complete answer to the charges which have been made against the amendments added by the Senate to the price-control bill. If the Senator from Oklahoma will bear with me, I will read the testimony into the RECORD at this point, in the middle of his speech.

Mr. LEE. I shall be glad to have the Senator do so.

Mr. O'MAHONEY. I shall not read everything I have; I shall read only a portion of it.

On August 15, Mr. Henderson was testifying to the House Committee on Banking and Currency. The testimony I am about to read will be found on page 623 of the transcript of the hearings, and as

I read it I wish to remind Senators that in speaking to a conference of mayors immediately after the Senate had acted Mr. Henderson told those present that if the action of the Senate were sustained it would mean national suicide—national suicide because farm prices, which even under the Senate action would be controlled, would be tied in a minor manner to the uncontrolled element of industrial wages, as provided in the bill sponsored by the Committee on Banking and Currency.

Representative PATMAN, of Texas, was examining Mr. Henderson, and he asked:

Mr. Henderson, if you were requested to select one particular group that you fear the most, from an inflation standpoint, which group would you select?

Mr. HENDERSON. Metals, and next I would say, looking at it from here, chemicals. I think some of the fats and oils——

Mr. PATMAN (interposing). That is the third; what is the fourth?

Mr. HENDERSON. I do not want them in that rank, if you do not mind.

Mr. PATMAN. All right. What is next?

Mr. HENDERSON. I would say building materials, at the present level of operation; then finished textiles, and then paper and pulp products.

Mr. PATMAN. Those are the ones you fear most?

Mr. HENDERSON. I would say in a general classification, imports.

Mr. PATMAN. You do not fear a rise in agricultural prices so much?

Mr. HENDERSON. No; I do not feel that there is a fear of the rise in agricultural prices so much as a group, as I do of some of the others.

That, Mr. President, is precisely what the sponsors of the Senate amendments have contended from the very beginning.

A little later on the same day Representative KEAN, of New Jersey, was interrogating the Price Administrator; and this testimony is found on page 650 of the House committee record. This is the question:

Maximum prices usually wind up as minimum prices; and do you figure, if all those farm prices get to parity, or 110 percent of parity, that it will increase the cost of living sufficiently to make necessary—not make necessary, but cause demands for wage increases which would probably be justifiable?

Mr. HENDERSON. Yes. But the premise, the strong leg of your premise, does not seem to me to be there—that is, that they would all go up to parity. Now, some of them have been atrociously below parity for a long, long time, and here we are at the highest level of production and the highest level of pay rolls we have ever had, and still they are many many cents below

Below parity, he meant.

Now, as long as that supply-demand situation remains, we are not going to have a great deal of difficulty.

"As long as that supply-demand situation remains," he said Why, precisely the objective of the amendments added in the Senate was to help the administration increase the production of agricultural commodities, and thereby increase the supply, and every primary student of economics knows that when the supply is increased there is very little danger, not, as Mr Henderson testified, of an increase of prices, but very little danger of spiraling. But let me finish Mr. Henderson's testimony:

I do not want to pick out one of those; you are familiar with some of them, but I would like to know under what circumstances you could get up to 110 percent of parity without some kind of shenanigan—drawing the supply off the market, or pegging the price, or some overnight demand; that is, I think in a number of agricultural commodities what you are going to have, rather than the difficulty of their being too high, is that they are still going to think they are too low.

I thank the Senator from Oklahoma for permitting me to interrupt him. I cite the testimony of the Price Administrator in support of the amendments adopted by the Senate.

Mr. LEE. I thank the Senator from Wyoming. That testimony shows that the Price Administrator did not believe that farm prices would result in "suicide" at that time by causing inflation.

It is true that one injustice does not justify another; it is true that one abuse does not justify another abuse. This morning I considered whether or not I should place in the RECORD an editorial from the St. Louis Post-Dispatch, which pointed out some of the abuses and injustices which have already happened during our present war effort—pointed out some things which caused me to feel embarrassed that they should have happened under our very noses. They have happened because the whole pattern has been so large that it has been difficult for us to scrutinize all of the war contracts. But in the editorial it was pointed out that, since the defense effort began, certain corporations have made profits 20 times, 40 times, 800 times greater than their normal profits. The writer of the editorial repeated the statement of one of those who testified before the Truman committee when he said, "If it had not been for taxes, we could not have taken care of the profits with a steam shovel." As I have said, one abuse does not justify another.

I believe I have seen more space given over to criticism of the farm bloc than I have seen given to the report of the Truman committee. When that report first came out there was a flurry. The commentators referred to it in one or two articles. The newspapers referred to it for a while. But there has been a running, rapid-fire attack made in an attempt to show that the farmers are unpatriotic, and are willing to jeopardize the war effort in order to obtain so-called inflationary prices.

Mr. President, I think most of the misunderstanding comes from a misinterpretation of the word "parity."

The truth is that this is a common misconception which is believed by most of the non-farm population, but parity does not mean "equality," as so many believe.

Parity is a word which has come into common use recently because so many farm leaders and economists have used it to designate the ratio between the purchasing power of the farmer's dollar over a period from 1909–14 as the best period to represent the relative purchasing power of the farmer's dollar.

But in spite of the fact that this base period is looked upon as the period of fairest prices to the farmer, the average net income per capita for the farmer was $135 a year, while the income of the non-farm population for the same period averaged $487 per person.

One hundred and thirty-five dollars a person for the farm population and $487 per person for the non-farm population. Would anyone dare say that constituted parity or equality or fairness?

The misconception has grown out of the use of the word "parity." People have come to think of parity as meaning "100 percent" or "perfect" or "fairness" or "equality," but that is not the case.

The facts are that during the period 1909–14 farm prices came more nearly being fair to the farmer in relation to all the farm prices than during any other general period, but it is obvious from the income of the farmers and the non-farm population which I have just cited that the farmer's income was not on a parity with the non-farm population even during this most favorable period.

Mr. President, most of the newspaper writers and radio commentators who are so free with their criticism of the farmers for opposing a price ceiling on farm commodities which would work a great injustice on the farmers have assumed that all farm prices will immediately rise to the ceiling, which is not the case, because the law of supply and demand would prevent it.

This might be the case with the price of steel, the price of meat as controlled by the four big packers, the price of oil as controlled by the big oil companies, or the price of any other commodity which is controlled by monopoly or quasi-monopoly. But it is not true with respect to farm commodities, because they are sold in open competition on the world market. The law of supply and demand operates freely with respect to farm commodities until those commodities leave the hands of the farmer. Then I grant you that the price is artificially controlled in many cases.

Therefore, Mr. President, if the Price Administrator wishes to insure fair prices for food and clothing he should begin his control with that price spread between what the farmer receives for the raw product and what the consumer pays in the retail market.

Let me give you a few items to prove that any profiteering which is done on food and clothing is done after the commodity leaves the hands of the farmer.

For example, in the period from December 15, 1940, to November 15, 1941, eggs advanced 9 cents a dozen to the farmer and 12 cents a dozen to the consumer.

Next, let us take bread. It takes a pound of wheat to make a pound of bread. In that same period wheat advanced three-tenths of a cent per pound to the farmer and eight-tenths of a cent per pound to the consumer.

That means that a pound loaf of bread advanced in price one-half of 1 cent more to the consumer than it did to the producer.

Next, let us take oranges, which advanced 3 cents a dozen to the producer and 11 cents a dozen to the consumer.

Potatoes advanced 24 cents a bushel to the producer and 42 cents a bushel to the consumer.

Apples advanced 10 cents a bushel to the producer and 20 cents a bushel to the consumer.

Now, Mr. President, those who are so willing to accuse the farmer of profiteering should consider some of these figures.

For example, in 1927 the farmer received an average of $1.20 a bushel for his wheat. During this same year the consumer paid 9 cents for a loaf of bread. In 1932, the low year in wheat prices, the farmer received only 39 cents a bushel for wheat and the consumer paid 8 cents for a loaf of bread, and in many communities he paid 10 cents a loaf.

In 1937, when wheat returned to $1.07 a bushel, the average price throughout the year, the consumer paid 8½ cents for a loaf of bread.

In 1937 to 1938 the farm price of wheat declined 38 percent while the cost of bread decreased only 2 percent.

PRICES UNDER O'MAHONEY AMENDMENT

The following figures were furnished me by the Bureau of Agricultural Economics and are figured on the basis of December 15, 1941. They show what maximum prices would be under the O'Mahoney amendment.

The price of wheat was $1.022 per bushel. Under the O'Mahoney amendment the price ceiling would allow wheat to go to $1.46. This would be an increase of 43 percent to the farmer, but since the cost of the raw wheat constitutes only about 17 percent of the retail price, it would be necessary to increase the price of bread only 6 percent.

This would mean that in the event we had a shortage of wheat, and that if the price should advance to the full ceiling, that it would be necessary to increase the price of bread only one-half of 1 cent a loaf. I submit to you, would not that be a reasonable premium to pay the farmer for increasing the production of this important commodity in case we faced a shortage?

I submit that the fairest and simplest and surest method of guaranteeing that increase would be to allow the price to advance according to the O'Mahoney amendment.

Now let us consider corn under the O'Mahoney amendment.

The price of corn December 15, 1941, was 66⁹⁄₁₀ cents a bushel. The price ceiling under the O'Mahoney amendment is $1.01 a bushel. That would mean an increase of 51 percent. But since the cost of the raw product constitutes only about 38 percent of the processed product, it would be necessary to increase the processed product only 19 percent.

In other words, it would mean that corn meal would be 1 cent a pound more under the O'Mahoney amendment if there developed a shortage in corn and the price of corn advanced to the maximum of $1.01 a bushel.

Now let us consider oats under the same circumstances. The cost to the consumer, providing oats advanced to the maximum under the amendment, would be a 5-percent increase, which would mean that oatmeal would advance less than one-half of 1 cent a pound.

A pair of overalls selling for $1 would increase a nickel. Beef would increase 1⅕ cents a pound.

Mr. President, I ask unanimous consent to have inserted at this point as a part of my remarks a table prepared by the Bureau of Economics of the Department of Agriculture.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Approximate relation of farm-price changes under proposed price-control bill (with O'Mahoney amendment) to retail prices of finished products

Commodity	Prices for farm products			Percent farm price is of retail price [1]	Percent increase in retail price due to increase in farm price
	United States price, Dec. 15, 1941	Price ceiling under Senate bill	Percent increase, ceiling over actual price		
Wheat, dollars per bushel	1.022	1.46	43	16–18	6
Corn, dollars per bushel	.669	1.01	51	35–40	19
Oats, dollars per bushel	.452	.54	19	25–30	5
Cotton, cents per pound	16.23	21.47	32	15	5
Beef Cattle, dollars per hundredweight	9.38	9.95	6	50	3
Hogs, dollars per hundredweight	10.21	12.35	21	70	15

[1] Approximate average for recent years.

The above increases in retail price are those attributable to the rise in prices of the raw product; i. e., assuming no pyramiding. Applying the percentages to selected retail prices, the rises in actual values would be as follows:

	Arbitrary current price	Rise due to increase in price of raw product
Bread, 1-pound loaf	8 cents	0.5 cent.
Cornmeal, 1 pound	5 cents	1.0 cent.
Oatmeal, 1 pound	8 cents	0.4 cent.
Cotton overalls, 1 pair	$1	5.0 cents.
Beef, 1 pound	40 cents	1.2 cents.
Pork, 1 pound	30 cents	4.5 cents.

Mr. ELLENDER. Mr. President, will the Senator yield to me for a question?

Mr. LEE. I yield.

Mr. ELLENDER. In connection with the total revenues of farmers, I invite the attention of the distinguished Senator from Oklahoma to an exhibit which was incorporated in the Appendix of the RECORD by me, at page A5099, showing the distribution of the so-called cash income to the farmer. It has often been pointed out that the farmers of the Nation received a stated percentage of the national income each year. Beginning in 1910, they received from the total national income 13.53 percent, in 1911 12.13 percent, and so on, down to 1940, when they obtained 7.19 percent thereof.

When we analyze those figures—and by the way those figures may be obtained by any of you from the Bureau of Agricultural Economics—we find that we must deduct from the so-called total income the value of the crops produced and consumed on the farm, the livestock produced and consumed on the farm, the rental value of farm dwellings, and farm wages paid to hired labor, in order to obtain the actual cash received. When that is done, gentlemen, the farmers of the Nation receive but a pittance for their labor.

Let us take, for example, the year 1940, when it is said that the farmers received 7.19 percent of the total national income. As a matter of fact, after deducting the items which are consumed on the farm, farm wages to hired labor, and rental value of farm dwellings, they received, in actual cash, only 2.98 percent of the total income. In other words, out of a total national income of $76,470,000,000, the farmers of the Nation received $2,277,000,000 in cash for their labor, out of which they must pay taxes and other expenses. By using the same method of calculation for the years 1936 to 1940, I desire to point out for the RECORD the figures to show the actual cash which the farmers of the Nation received for those years. I will give the percentages of net farm cash income as related to the total amount of income for the entire Nation.

In 1936 the total national income was $65,734,000,000. Of that amount, the farmer received in cash $2,940,000,000, or 4.47 percent of the total national income. In other words, the farmers, who constitute about 25 percent of the people of our Nation, who feed and clothe us, received but 4.47 percent of the entire income of the Nation for that year.

For 1937 the total income of the Nation was $71,655,000,000. The farmers received $2,968,000,000, or 4.14 percent of the entire income.

For 1938 the entire income was $66,446,000,000, and the farmers received $2,169,000,000, or 3.26 percent of the entire income. It sounds fantastic and unbelievable.

In 1939 the national income was $71,134,000,000. The farmers received $1,983,000,000, or 2.79 percent of the income of the entire Nation. I think it is shameful.

In 1940 the entire national income was $76,470,000,000, of which the farmers received the paltry sum of $2,277,000,000, or 2.98 percent of the entire national income. Compare that measly, insignificant sum with the huge net corporate profits for the same year of $11,500,000,000. I repeat, it is a disgrace, and I wonder why the farmers of our country have tolerated such conditions for so long a time. And yet, Mr. President, with such inequities, columnists and others who do not seek the truth are saying that the farmers are receiving too much. As a matter of fact, when we boil it down, it is the in-betweens—that is, the brokers, merchants, retailers, the railroads, and so forth—who make the profits, and the farmer usually gets barely enough to provide clothing and shelter for his family and money to pay taxes.

I invite the columnists and editorial writers of the country to analyze the actual returns received by farmers and then I challenge them to write the truth on the subject.

Mr. President, I ask consent to print in the RECORD at this point tables A, B, and C, to which I have been referring.

The VICE PRESIDENT. Without objection, it is so ordered.

TABLE A.—*Showing farm income, cost of production, and actual net cash received by farmers for years shown*

Year	Total cash farm income from sale of all crops and livestock, etc. (1)	Total cost of production, including wages (2)	Actual net cash to farmers (column 1 less column 2) (3)
	Millions of dollars	*Millions of dollars*	*Millions of dollars*
1910	5,793	3,575	2,218
1911	5,596	3,620	1,976
1912	6,017	3,863	2,154
1913	6,248	3,999	2,249
1914	6,050	4,091	1,959
1915	6,403	4,189	2,214
1916	7,750	4,805	1,945
1917	10,746	6,082	4,664
1918	13,461	7,520	5,941
1919	14,602	8,400	6,202
1920	12,608	9,079	3,529
1921	8,150	6,854	1,296
1922	8,594	6,797	1,797
1923	9,563	7,088	2,475
1924	10,221	7,449	2,772
1925	10,995	7,415	3,580
1926	10,564	7,475	3,089
1927	10,756	7,501	3,255
1928	11,072	7,814	3,258
1929	11,296	7,748	3,548
1930	9,021	6,997	2,024
1931	6,371	5,598	773
1932	4,743	4,543	200
1933	5,314	4,359	955
1934	6,317	4,663	1,654
1935	7,042	5,010	2,032
1936	8,284	5,344	2,940
1937	8,809	5,841	2,968
1938	7,648	5,479	2,169
1939	7,851	5,868	1,983
1940	8,354	6,077	2,277

TABLE B.—*Showing actual net income to farmers and items added to actual net income by Bureau of Economics in order to arrive at Government figures of net income*

Year	Actual net cash to farmers (million dollars) (1)	Government benefit payments (million dollars) (2)	Crops produced and consumed on farm (million dollars) (3)	Livestock produced and consumed on farm (million dollars) (4)	Rental value of farm dwellings (million dollars) (5)	Farm wages to hired labor on farm (million dollars) (6)	Change in value of inventory on farm (7)	Government figures of net farm income (sum of columns 1 to 7) (million dollars) (8)	Percent of national income received by farmers according to Government figures on net farm income (million dollars) (9)
1910	2,218	----	340	837	382	546	+151	4,474	13.53
1911	1,976	----	362	730	393	547	−67	3,941	12.13
1912	2,154	----	370	770	404	568	+96	4,362	12.66
1913	2,249	----	338	815	420	575	+26	4,423	11.71
1914	1,959	----	346	815	427	572	+426	4,545	12.50
1915	2,214	----	337	794	434	577	+73	4,429	11.58
1916	1,945	----	423	886	473	634	−266	4,095	9.12
1917	4,664	----	617	1,244	540	797	+321	8,183	15.34
1918	5,941	----	622	1,531	618	747	+39	9,498	16.34
1919	6,202	----	727	1,668	713	1,078	−450	9,938	15.03
1920	3,529	----	848	1,558	894	1,242	+348	8,419	11.47
1921	1,296	----	506	1,062	760	805	−613	3,816	6.54
1922	1,797	----	548	1,007	734	775	+18	4,879	8.06
1923	2,475	----	581	1,042	781	841	−75	5,645	7.99
1924	2,772	----	547	1,075	780	844	−412	5,606	7.94
1925	3,580	----	590	1,191	791	856	−93	6,915	9.20
1926	3,089	----	615	1,222	803	893	+25	6,647	8.27
1927	3,255	----	552	1,143	800	867	−259	6,358	8.10
1928	3,255	----	545	1,122	811	856	+136	6,728	8.30
1929	3,548	----	565	1,134	829	863	−166	6,773	7.88
1930	2,024	----	530	1,007	830	774	+12	5,177	6.87
1931	773	----	442	811	754	588	+250	3,518	5.88
1932	200	----	381	627	655	313	+39	2,315	5.31
1933	955	131	416	607	587	317	−36	3,010	7.17
1934	1,654	446	399	701	616	404	−664	3,556	7.20

TABLE B.—*Showing actual net income to farmers and items added to actual net income by Bureau of Economics in order to arrive at Government figures of net income*—Continued

Year	Actual net cash to farmers (million dollars) (1)	Government benefit payments (million dollars) (2)	Crops produced and consumed on farm (million dollars) (3)	Livestock produced and consumed on farm (million dollars) (4)	Rental value of farm dwellings (million dollars) (5)	Farm wages to hired labor on farm (million dollars) (6)	Change in value of inventory on farm (7)	Government figures of net farm income (sum of columns 1 to 7) (million dollars) (8)	Percent of national income received by farmers according to Government figures on net farm income (million dollars) (9)
1935	2,032	573	444	803	616	456	+63	3,077	5.46
1936	2,940	287	436	969	615	490	−297	5,440	8.28
1937	2,968	367	471	981	648	557	+230	6,222	8.68
1938	2,169	482	408	875	632	528	+4	5,098	7.67
1939	1,983	807	425	806	636	515	+208	5,372	7.55
1940	2,277	706	430	799	666	525	+38	5,500	7.19

TABLE C.—*Statement showing national income compared with actual net cash farm income, also percent of national income actually received by farmers*

Year	National income (1)	Actual net cash farm income (2)	Percent of national income actually received by farmers (3)
	Millions of dollars	*Millions of dollars*	
1910	33,064	2,218	6.71
1911	32,490	1,976	6.08
1912	34,356	2,154	5.25
1913	37,762	2,249	5.96
1914	36,367	1,959	5.39
1915	38,254	2,214	5.79
1916	44,913	1,945	4.33
1917	53,360	4,664	8.74
1918	58,121	1,941	3.34
1919	66,136	6,202	9.38
1920	73,393	3,529	4.81
1921	58,333	1,296	2.22
1922	60,517	1,797	2.97
1923	70,675	2,475	3.50
1924	70,634	2,772	3.92
1925	75,187	3,580	4.76
1926	80,396	3,089	3.84
1927	78,502	3,255	4.15
1928	81,044	3,255	4.01
1929	85,954	3,548	4.13
1930	75,385	2,024	2.68
1931	59,867	773	1.29
1932	43,620	200	.46
1933	42,006	955	2.27
1934	49,416	1,654	3.35
1935	56,366	2,032	3.61
1936	65,734	2,940	4.47
1937	71,655	2,968	4.14
1938	66,446	2,169	3.26
1939	71,134	1,983	2.79
1940	76,470	2,277	2.98

Source: Bureau of Agricultural Economics, U. S. Department of Agriculture. Statement showing farm income and expenditures released July 25, 1941.

Mr. LEE. I thank the Senator for his contribution.

Now, Mr. President, all of these figures are based on the contingency that these commodities will rise to the maximum ceiling under the O'Mahoney amendment, which, as I have repeatedly pointed out, will happen only in case of an approaching shortage of these commodities, and in that case it would be highly desirable—yes; it would be necessary—that the farmers increase production of these commodities in order to supply our needs during the war.

Therefore I submit again that the increased cost of one-half a cent for a loaf of bread and 5 cents for a pair of overalls is a very small premium to pay in order to guarantee ourselves an adequate supply of these essential commodities.

Just here I wish to quote from the very splendid address made over the radio night before last by Senator O'MAHONEY, in which he said:

> As the sponsor of the O'Mahoney amendment, I want to say now that it is not inflationary. It will not cause any prices to rise. It does not require the Administrator to increase the price of any commodity. It would not bring about an automatic advance in the cost of living nor a rise in the price of any farm commodity.

There is a misconception over the country to the effect that if we should enact into law the O'Mahoney amendment, automatically upon its enactment into law prices would all immediately rise to the ceiling, which would not be the case at all. There has been no evidence that such would be the case; and no one has even offered an argument pointing out that prices would rise immediately on the enactment into law of the O'Mahoney amendment. There is nothing about the price-control law that would cause them to rise. There is only one law that would cause them to rise, and that is the law of supply and demand. If there should appear a shortage of these necessary commodities, there would be an increased demand, and the increased demand would raise the price. The price rise would be an incentive to the farmer to increase production, and the process would work automatically to supply our needs.

Further, I wish to point out that this amendment, after 1 entire day of debate, was approved by the Senate by a vote of 55 to 31.

Now, Mr. President, in the beginning I referred to a remark which I heard on the radio recently, that 110 percent of parity is 10 percent above a fair price.

I submit to you that this is not true. The word "parity" in this connection is a misnomer. It does not represent a fair price. The farmer has never been on a parity with the nonfarm population of the United States.

When the farmers who represent over 30,000,000 people, or almost 25 percent of the population of the United States, receive less than 8 percent of the national income as was the case in 1941, it is obvious that the farmer is not receiving his share of income in comparison to the non-farm population of the United States.

If the farmer received his fair share of the per capita income, he would receive 24.3 percent instead of 8 percent of the national income. If such a golden year for the farmer should ever come, that would be the year on which to figure parity, and until that comes, the farmer is not receiving parity. It has been a misnomer all the time.

Mr. Leon Henderson gave an estimate in his testimony before a Senate committee that the profits of the corporations of the United States amount to eleven and

a half billion dollars in 1941. Eleven and a half billion dollars represent the profits, not the income, but the "gravy," the "velvet," the amount which they received above all costs. That was net to them, and I point out that that figure of eleven and a half billion dollars is greater than the total income to all of the farmers of the United States during that same year.

Now, out of that income the farmer must deduct all of his expenses. He must take out of that income the cost of his farm labor; he must subtract his taxes; he must deduct his running expenses, his repairs, his necessary expenditures, including interest on borrowed capital. Furthermore, this does not take into account the many things the farmer has denied himself which the corporations would have declared absolutely necessary and included under the heading of expenses.

Yet the same commentator which I heard say that the farmers wanted more than a fair price spoke apologetically about the Truman report, even hinted and indicated that the report could not all be taken as being true, thus actually covering up for the corporations.

Can it be said that the farmer is on a parity with industry? Can it be said that he is asking for more than fairness? I dare say that if the farmer received 100 percent maximum under the O'Mahoney amendment for a whole year, the farm income would not be, in percent, equal to the income of the nonfarm population.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. GILLETTE. In connection with the very helpful and able presentation of the Senator, he has referred to the either abysmal ignorance or entire misconception of this problem on the part of some of our editorial writers, and has called attention to the fact that of course there is no guarantee of the price of 110 percent of parity or even 100 percent of parity. Does not the Senator feel that some of that misconception has resulted from the continual use in congressional debate and elsewhere of the word "floor" in connection with the price level, when as a matter of fact the farmers comprise the only industrial group which has no floor under its prices? Labor has a floor, the minimum-wage law.

Mr. LEE. And no ceiling.

Mr. GILLETTE. Yes; and no ceiling. Industry has a floor in our tariff laws and in the control which it has over production. The farming group has absolutely no floor under its prices.

Mr. LEE. Labor has been given a floor but no ceiling. This bill will give the farmer a ceiling but no floor.

Mr. GILLETTE. The O'Mahoney amendment and any similar proposals pending are but attempts to fix a floor.

Mr. LEE. That is correct, because the price-control bill, before the Senate amended it, placed the farmer's ceiling where the floor ought to be, a ceiling so low that the farmer cannot stand up straight without bumping his head against it.

Mr. GILLETTE. Yes; and to leave farm prices entirely out of relation to the uncontrolled elements.

Mr. LEE. I thank the Senator for his remarks.

Mr. President, farm prices constitute a long story in the history of the United States. It is interwoven with the tariff laws, all of which have militated against fair farm prices.

Cotton, for example, has never been on a parity. Cotton production was begun in this country as a slave crop. It still is a slave crop. It still is produced by those whose standard of living is forced below that to which Americans are entitled.

The same commentator who said on the radio that the farmers wanted more than a fair price slept that night between cotton sheets in a snug, warm bed, and yet the cotton that went into the manufacture of those sheets was picked by the bleeding fingers of children who were not in school, to whom child-labor laws have never been applied, and who themselves in many cases slept on the floor with no better bed than a pile of straw, and whose best meal is sidemeat, beans, and cornpone; and yet well-groomed, well-fed, and well-housed commentators charge that those people want more than a fair price for cotton.

Well, Mr. President, if parity is a fair price, then my commentator has for years been enjoying the fruits of the farm without paying a fair price for those commodities; for last year, even with the help of the Government, the farmer received considerably less than parity, and the year before that he received less than parity, and the year before that he received less than parity.

The food which this commentator has been enjoying the farmer sold for less than a "fair price." The bread which made the toast for the commentator's breakfast was bought from the farmer at less than a "fair price."

For years the farmer has fed and clothed the people of the United States for less than a "fair price." Twenty-five percent of the people of the United States have fed and clothed the other 75 percent for about 8 percent of the national income.

Therefore I hope that the radio commentators and newspapers will put more facts and less prejudice in their comments on this question.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. LEE. I yield to the Senator from Georgia.

Mr. RUSSELL. I think that the Senator from Oklahoma might further point out that on yesterday the Interstate Commerce Commission granted an order allowing the railroads a 10-percent increase in passenger fares. There is likewise pending an application providing for an increase of 10 percent in freight rates, and I dare say that the application will soon be granted.

I took occasion this morning to look through the editorial pages of the great metropolitan press which have made this simple amendment appear as the greatest raid on the Treasury the Nation has ever seen, and I fail to find one word of criticism because of the allowance of the 10-percent increase in passenger fares or one statement opposing a 10-percent increase in freight rates. We all know that in the case of many agricultural commodities the freight charges for moving such commodities to market are as great as the price which the farmer receives for the agricultural commodities so shipped. There is nothing unusual, however, in this great campaign in which the newspapers indulge against any effort that is made here to assist the farmers or place them in a better position than that which they now occupy with respect to their crops.

I recall very well that when I offered the first amendment providing for parity payments to the farmers, which was approved by the committee and approved by the Senate, I was pilloried in every daily newspapers of this Nation. Next year the same amendment was approved, and, after having been defeated in the other House, the daily newspapers likewise played the matter up. However, in the third year the President sent a recommendation for parity payments in the Budget estimates, and there was not a single word in a single daily newspaper complaining about parity payments.

It so happens that the editors of the great metropolitan newspapers, or most of them, at any rate, who would not know a cornstalk from a jimsonweed, do not want to know anything about the agricultural situation of this country, and what they do know they distort in presenting the facts to their readers.

Of course, we realize that there has been an increase in the cost of operating the railroads which, perhaps, justifies an increase in their rates, but there have likewise been increases in all the costs that accrue to the farmers in many items that do not appear in making up the old parity on the 1909–14 basis. For example, the daily wage scale of farm labor in the South Atlantic States has increased during the past year from $1.26 a day—and I point out that I said "a day" and not an hour, for that is about the average of the industrial wage per hour in the higher scales—to $1.50 a day during the past year, 1941, and that increase in wages and cost of production of the commodities, of course, must be borne by the farmer.

So the Senator need not be sensitive about the criticism of commentators and editorial writers. So long as he has the temerity to raise his voice for any piece of legislation that is calculated to put the farmer somewhere within shouting distance of the position which other groups in this country occupy, he may depend upon it he will be "panned" by commentators and by editorial writers. As he has already pointed out, such was not the case when the law limiting the profits of those who are engaged in defense production was repealed. When there was passed legislation which repealed the law which limited profits on Navy contracts to 8 percent in the case of ships and guns, and 12 percent in the case of airplanes, I do not think a single one of the daily newspapers complained in the slightest about the repeal of that fair and just limitation of profits. When, however, we vote for a proposition which might increase the income of the farmer by about 5 percent, our action is denounced on every editorial

page and by practically every radio commentator as a raid on the Treasury.

Mr. LEE. I thank the Senator from Georgia for his contribution.

Mr. O'MAHONEY. Mr. President, will the Senator from Oklahoma permit me to make a comment on what the Senator from Georgia has just said?

Mr. LEE. I yield.

Mr. O'MAHONEY. One need not be surprised that the metropolitan press makes no comment whatsoever editorially upon the 10 percent increase in passenger rates, because that is an increase going to industry and to the highly organized corporate economy.

I wish to call attention to the fact that in the debate on the Senate amendment I stood here and recited the testimony of Mr. Henderson that, according to his estimate, corporations of the United States will have a profit, before taxes, of $11,500,000,000 this year.

Mr. President, there is not a single radio commentator or a single metropolitan newspaper that published that amazing fact, although $11,500,000,000 is more than the gross income, including benefit payments, of the entire agricultural population of the United States.

Mr. President, not only is that true, but I stood here upon the floor, and I read the statistics from the late lamented O. P. M. showing that of fifteen and one-fourth billion dollars in contracts awarded by the Army and Navy more than 50 percent had gone to 15 corporations and 82.6 percent had gone to 100 corporations. There was not a single metropolitan newspaper in this country, save one, that made any reference whatsoever to that statement, and that one newspaper was PM, which is published in New York. In no other newspaper did I see a single line.

It all illustrates the growing disparity between agriculture and industry. The point the editors and commentators do not understand is that the parity of which we talk is really a disparity. When we talk of requiring the farmer to be content with parity, all we are saying is that he shall be content with the disparate condition into which he was driven during the last 25 years. I thank the Senator from Oklahoma.

Mr. LEE. I thank the Senator from Wyoming.

Mr. RUSSELL. Mr. President, will the Senator from Oklahoma yield to me for a moment further?

Mr. LEE. I yield.

Mr. RUSSELL. I may say that, in my opinion, much of the opposition by those opposing the so-called O'Mahoney amendment is based on the fact that the amendment may have a tendency to freeze industrial weges. That argument has not been urged against it, but I observe that many of those who are opposing this amendment most vigorously have been those who have been opposed to any limitation whatever on industrial wages. Of course, tying the price of farm commodities to industrial wages might have a tendency to reduce the upward trend in industrial wages. In my opinion, much of the opposition to the amendment may be due to that situation because such a result might follow in some degree from the fact that a weight of 20 percent is given to industrial wages.

Mr. LEE. Mr. President, I thank the Senators for their contributions, and I wish to say further that, while industrial prices and retail prices have been advancing since last April and June, I will give two illustrations of how farm prices have not kept up with them. I know, because every month I keep books on my place. I sold cream or butterfat last June at 36 cents a pound, and last December at 32 cents a pound, a decrease of 4 cents a pound. I sold hogs last April at $10 a hundred; and in December, only last month, in spite of all the advance we have had in the retail price of pork, I sold the same type of hogs to the same market at $10.80 a hundred—eight-tenths of 1 cent a pound additional to the farmer. Mr. President, that does not parallel the increased cost to the consumer. So I say to those who claim that the O'Mahoney amendment is inflationary, let them look somewhere else. If they would control inflation in this country, let them look somewhere else, and follow the commodity after it leaves the hands of the farmer.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. GILLETTE. Supplementing what the Senator has just stated, I direct attention to the fact that a short time ago the Federal Trade Commission, after 2½ years of study, published a report, which is available to us, in which they showed that out of the consumer's dollar paid for a processed product outside of the United States the producer of the raw material gets an average of 73 cents, while in the United States the average return to the producer of the food and fiber out of the dollar that the consumer pays is 47 cents.

Permit me to trespass on the Senator's time for just one additional remark in connection with the statements just made by the eminent Senator from Georgia [Mr. RUSSELL] and the eminent Senator from Wyoming [Mr. O'MAHONEY] as to the proposed increase in freight rates. That is another instance of a guaranteed price, another instance of a floor, when the workmen to whom the Senator has so feelingly alluded, working 14, 16, or 18 hours a day, do not have any floor or any guaranty; but when they take their product to market they are told, "We will give you so much. This is what we will give you"—not what they ought to have as a return—and they cannot strike. It is impossible for them to say, "We will not work these long hours unless you will guarantee us so much of a return." They have no floor, no protection; and now it is sought to deny us the poor benefits that we are asking under the O'Mahoney amendment.

Mr. LEE. I thank the Senator, and I thank the Senate.

THE PRICE-CONTROL BILL AND THE FARMER

Mr. O'MAHONEY. Mr. President, I am very glad indeed that the Senator from Oklahoma [Mr. LEE] has opened this discussion today, because the price-control bill is still in conference. The conference committee has not as yet reported, and it may be a very salutary thing to have the views of Members of the Senate conveyed to the conferees. It may be a salutary thing for the conferees to understand that the clamor which has been raised in the metropolitan press has not in any degree whatever intimidated the Members of the Senate and Members of the House who feel obliged to represent their constituents who are engaged in the agricultural industry.

It should be borne in mind that the farmer does not have the benefit of huge corporate organization to represent him. It is true that in recent years the farmer has been developing numerous organizations for the purpose of helping to give to the country an understanding of the position he occupies; but the farmer does not have an organization, as capital and industry have, to compel attention to his demands. The farmer is not so organized that he can have any spokesmen of effect except the spokesmen who are elected and sent to Congress to represent their constituents.

So, Mr. President, in a sense my remarks today are directed to the conference committee which is now at work reconciling the differences between the price-control bill as it passed the House of Representatives and as it was changed by the Senate. It is also a talk to consumers to workers and to farmers. It is addressed to housewives and to the heads of families and is intended to convey to all who find it convenient to listen an outline of some of the reasons which induced the Senate to adopt the so-called O'Mahoney amendment.

This provision was carried in this body by the overwhelming majority of 55 to 31. It was approved by a majority of both parties having been supported by the Democrats 35 to 24 and by the Republicans 19 to 6. The 1 Progressive Member of the Senate voted for it and the 1 Member who is classified as an Independent opposed it. The total vote was 55 to 31.

But the people of the country are asked to believe that this majority was persuaded to support the amendment by the guile of the so-called farm bloc which is represented as being more concerned with political considerations than with the welfare of the Nation.

AN EXTRAORDINARY GRANT OF POWER

This price-control bill is a measure designed to give legal authority to a price administrator to prevent the disasters which would flow from inflation. It is a far-reaching and extraordinary grant of power over the entire economic system. It is the function and the duty of Congress to determine the extent and the limits of this authority for when the bill is signed by the President, when it has become the law, it will then be too late for anyone, including Members of Congress, to complain about the powers which have been granted. So this is the time to examine these powers and to decide just what limits, if any, the Congress should place upon these powers.

As the sponsor of the O'Mahoney amendment, I desire to say now that it is not inflationary. It will not cause any prices to rise. It does not require the Administrator to increase the price of any commodity. It would not bring about an automatic advance in the cost of living nor a rise in the price of any farm commodity. It is the purpose of this amendment to prescribe the circumstances in which the Price Administrator may invoke authority to reduce or to put a ceiling upon the prices of farm commodities.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Iowa.

Mr. GILLETTE. I am obliged to leave the floor, but before I go I desire to interrupt the Senator briefly. I wish to spare the blushes of the Senator who is speaking as much as I can.

In his presentation he has just referred to himself as the sponsor of the O'Mahoney amendment. I have been much exercised in my mind during the past few days in reading the continuous references to the "iniquitous" O'Mahoney amendment in the press, hearing them over the radio, and reading them in the columns of commentators. I wish to assert that it would be the proudest day of my life if I could have my name connected with an amendment as fair and just and reasonable to the whole country, as well as to the farmers, as the O'Mahoney amendment which was considered by the Senate and which was voted into the bill by the majority to which the Senator has just referred. Let me say to him that so long as he serves the public he will never have a finer accolade bestowed upon him than to have his name connected with the O'Mahoney amendment as representing the so-called greedy farm bloc.

Mr. O'MAHONEY. Mr. President, I thank the Senator from Iowa. I desire to say to him that I shall be very glad to contribute the blushes if he will merely take over the condemnation which is thrown at us from the air and the editorial columns.

Mr. GILLETTE. I shall be very glad to take my share.

The PRESIDING OFFICER (Mr. BUNKER in the chair). The time of the Senator from Wyoming has expired, unless he obtains unanimous consent to speak longer.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that I may conclude my statement.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. O'MAHONEY. Members of the Senate who supported the amendment did so in the conviction that it is in the public interest not to give the Price Administrator the power to cut the price of agricultural prices below certain limits, because they believed that it would be unwise and unjust, in the light of increasing farm costs, to run the risk of depressing the agricultural industry at a time when we all know that increased production of agricultural commodities is essential in the war effort.

PARITY IS NOT EQUALITY

But the consumer is told that the farmer is now receiving prices which have almost reached parity. He is told that under the bill as passed by the House he might get 110 percent of parity, and under my amendment 120 percent of parity, and he is expected, in reacting to this information, to say, "Why surely the farmer must be greedy if he wants 110 or 120 percent of parity, for parity must be perfect." It does not surprise me that some persons, not knowing what this parity means, draw the expected conclusion, and fall into the erroneous belief that the sponsors of this amendment are seeking premium prices for agriculture.

Mr. President, such is not the case. Parity is not equality. Parity is a word which has come into common use here in the Government and among the statisticians and economists to denominate a ratio, that is to say, the relationship which existed from 1910 to 1914 between the prices received by the farmer and the prices he had to pay for certain commodities which he used on the farm for production and for his daily living.

The years 1910 to 1914 were selected when the Agricultural Adjustment Act was passed, in 1933, as the base period from which to measure prices because they preceded the World War. The parity formula was devised when Congress, realizing that agriculture was facing complete collapse, came to the conclusion that to save agriculture it would be necessary, with respect to a certain few crops, to make benefit payments out of the Treasury. So the thought was not equality, it was merely that the ratio of 1910 to 1914 should be the measure of Government aid. Obviously, it is not a measure of a self-sustaining industry.

No other industry is restricted to the ratio of 1910 to 1914. The prices which the Government is paying for defense contracts are not restricted to any such basis. The wages which are being paid in industry are not being restricted to the levels or the ratio of 1910 to 1914.

The urban worker and the business executive cannot be blamed for believing that farm prices have increased in the same degree that industrial returns have increased since there has been so much talk about this alleged parity. They have not been told, however, that the per capita net income from agriculture during the years 1910 to 1914 averaged only $135 for each year, while the income per person not on the farm for the same years averaged $487. Roughly speaking, that was almost one to four. The farmer was getting per capita a little more than one-fourth as much as the person not on the farm. If it is said that the farmer should be content with 100 percent of parity in terms of income, it is merely saying that he should be content to receive one-fourth as much as that which is received by persons not on the farm. I do not believe that any consumer or worker in this country has any desire to condemn the farmer permanently to a status three-fourths more miserable than that of those who are not on the farm.

LABOR FOR FLEXIBLE PRICES

If it be suggested to any union worker to whom my words may come that organized labor should be opposed to the amendment which I have offered for the farmer, I am glad to be able to say to you that I hold in my hand an announcement from the American Federation of Labor, dated January 15, 1942, in which it is announced that the executive council of that organization has just adopted a declaration on the price-control bill, from which I quote the following paragraph:

> Fair prices for farm products (should) be established, rather than premium prices. This provision should be flexible enough to prevent freezing of agricultural prices at a level which might in the future prove injurious to the Nation's farmers, but it should at the same time guard against unwarranted and dangerous increases in the cost of food on the part of jobbers, speculators, and middlemen.

With that declaration of the American Federation of Labor I am in complete accord. It is in effect an approval of the amendment which I have sponsored, and which has been endorsed by 11 of the leading farm organizations of the country.

My amendment does provide a flexible formula "to prevent freezing of agricultural prices at a level" which would be injurious to the farmers of the Nation and to the Nation itself. It provides for fair prices, and not for premium prices.

Agriculture has been one of the principal victims of our changing economy. For almost 50 years it has been steadily declining at such a pace that the position of agriculture is weaker today than it was 10 years ago.

LOW STATUS OF AGRICULTURE

The Bureau of the Census, on January 6 last, issued a statement which points out that 65 percent of all the farms of this country in 1939 had a gross income of less than $1,000 each, a gross income which, in the words of the Bureau of the Census, was derived "from the sale of farm products and from products used by farm households."

Senators will understand how shocking this condition is when I say that in 1929, 10 years before, the proportion of farms in this class was less than 50 percent. Bad as it was in 1929 with 48.8 percent of all the farms, not farmers, receiving less than $1,000 gross in the year, the state of agriculture has grown so much worse that 10 years later almost two-thirds of all the farms were in that classification.

Worse than that, whereas in 1929, 6.6 percent of all the farms in the country had a gross annual income of $250, or less, in 1939, 19 percent of the farms had fallen into that miserably low status.

Equally startling is the fact that whereas in 1910 to 1914, this magic period to which the farmer must be chained, the total value of all farm property ranged from forty-one to forty-eight billion dollars, in 1933 to 1940 values, had fallen off so that they ranged from thirty-six to forty-two billion dollars. Farm debt in 1910 to 1914 ranged from four to six billion dollars; in 1933 to 1940 it was from nine to ten billions. Property value decreasing, debt increasing, income falling off—that is the status

of the agricultural group, the defenders of which, in the Senate and in the House, must hear themselves called professional politicians and inflationists because they ask that the returns to the farmer be kept in some reasonable proportion to the returns to industry.

When it is understood that, as I have said, parity is a ratio and that it is measured by figures on an index, then it will be clear that this plea on behalf of the farmer to establish a bond between urban wage rates and farm prices is not unreasonable, for on the index of 1910 to 1914 urban wages have risen to approximately 280, while those who have attacked the O'Mahoney amendment ask the farmer to be satisfied because farm prices have reached something over 90 percent of parity as computed on the 1910 to 1914 index. The amendment which I have offered was designed to prevent a greater increase of this disparity, and I have no hesitation whatsoever in defending it even against the charge that it is inflationary.

BARUCH'S ADVICE

The price-control bill is an outgrowth of the experiences of the last war, and a great man, Bernard Baruch, a man so great that no act of his while he was head of the War Industries Board in World War No. 1 has ever been criticized, developed a formula for taking the profit out of war. For years he has been telling Congress and the Government that the way to prevent inflation is to apply price controls to all factors, rents, wages, interest rates, commissions, fees, in short, the price for every item and service in commerce. Today, as the Senator from Georgia [Mr. RUSSELL] pointed out, an increase of 10 percent in passenger rates is about to be granted to the railroads by an agency of the Government. Does the price-control bill control that situation? Yet any person who even dares to suggest that there should be a limit to the authority of the Price Administrator to control farm prices must be condemned as an inflationist.

The recommendation made by Mr. Baruch, which I have just read, was the recommendation of an expert whose expertness has been demonstrated by his success in the free-enterprise system and by his success as an industrial administrator in time of war.

The recommendation has not been followed by the Banking and Currency Committees of the two Houses with respect to wages and with respect to other matters. The element of wages has been left out of control. I do not quarrel with the reasons which persuaded the committees not to grant authority to the Price Administrator to place ceilings upon wages, but I do say that to criticize the O'Mahoney amendment, which accepts a ceiling upon farm commodities, as a cause of inflation when wages are left utterly without control is just putting the cart before the horse. It is the uncontrolled factor only which can cause inflation. Farm prices are not in the category of uncontrolled factors, and my amendment does not put them there. It provides only that a tenuous bond shall be created between urban wages and the price of farm commodities by giving a fractional consideration—only one-fifth—to the wage index in formulating the index which controls the prices that the farmer is to receive. It is my own belief that this formula, while doing justice to the farmer, would not do injustice to any other group, but would tend to preserve the level of all factors which, as Mr. Baruch has pointed out, is so highly desirable if inflation is to be prevented.

MORE FARM PRODUCTION NEEDED

It must not be forgotten that it is the considered policy of this Government to provide food to its allies. We have already sent large quantities of our foodstuffs abroad under the lease-lend bill. We shall have to send more. When this war is over we shall be shipping to all the stricken peoples of the world from our granaries. Food to Finland and food to France may win victories without the loss of men. This food can be obtained only upon the farms under a free enterprise system. Only last Friday Secretary of Agriculture Wickard, in a formal statement from the Department of Agriculture, called for the largest farm production in history.

The new 1942 goals revised in view of Pearl Harbor—

Said the Secretary—

call for the greatest production in the history of American agriculture and for putting every acre of land, every hour of labor, and every bit of farm machinery, fertilizers, and other supplies to the use which will best serve the Nation's wartime needs.

This was the administration speaking, calling to the farmers of the whole Nation to produce and produce and produce. Can it be said that in the face of this appeal we should, in Congress, erect obstacles to its accomplishment by clothing a price administrator with the power to reduce the prices which the farmer is to receive?

I said "reduce," because in the controversy between Administrator Leon Henderson and Secretary of Agriculture Wickard over the terms of the price-control bill, the fact is that Mr. Henderson, on December 13 last, issued an order by which he substantially cut the current going prices of fats and oils, the same fats and oils a shortage of which Secretary Wickard told Mrs. Franklin D. Roosevelt, in a radio interview last Sunday night, the Nation faces in 1942.

Mr. President, we cannot hope to stimulate the production of needed foodstuffs while at the same time clothing a Price Administrator with power to cut the prices of farm commodities below safe levels. The amendments which have been added to the price-control bill in the Senate merely constitute an effort upon the part of the elected representatives of the people to lay down certain limits to the authority we are about to grant over an industry in which one-fourth of our people are engaged, and which is now being asked to produce a new abundance of food for America and for the world.

NOMINATIONS OF MEMBERS OF BOARD OF DIRECTORS—RECONSTRUCTION FINANCE CORPORATION

Mr. WAGNER. Mr. President, as in executive session, from the Committee on Banking and Currency I report favorably the nominations of five persons to be members of the board of directors of the Reconstruction Finance Corporation for terms of 2 years from January 22, 1942. The nominations involve the terms of five members of the board of directors of the Reconstruction Finance Corporation whose terms expire today. Each is a reappointment. As in executive session, I ask unanimous consent for the present consideration and confirmation of the nominations.

The PRESIDING OFFICER. The nominations will be stated for the information of the Senate.

The Chief Clerk read the nominations of Charles B. Henderson, of Nevada; Sam Husbands, of South Carolina; Howard J. Klossner, of Minnesota; Henry A. Mulligan, of New York; and Charles T. Fisher, Jr., of Michigan, to be members of the board of directors of the Reconstruction Finance Corporation for terms of 2 years from January 22, 1942. (Reappointments.)

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York for the present consideration of the nominations?

Mr. McNARY. Mr. President, of course, the request requires a waiver of the rule. I have no objection; indeed, I join in the request made by the able Senator from New York. I have known the Chairman of the Board for many years. He was at one time a Member of this body, and rendered acceptable service as a Senator. He has done a fine job as a member of the Corporation and as Chairman of the Board. All five members who are now renominated are noted for their public service. I am very happy to express my concurrence and to join with the Senator from New York in the request he has made.

Mr. WAGNER. I thank the Senator from Oregon.

The PRESIDING OFFICER. Without objection, the nominations are confirmed.

Mr. WAGNER. I ask that the President be immediately notified.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

CONSIDERATION OF MEASURES ON THE CALENDAR

Mr. BARKLEY. Mr. President, inasmuch as the Senate is about to consider measures on the calendar, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Chavez	Hughes
Andrews	Clark, Idaho	Johnson, Colo.
Austin	Clark, Mo.	Kilgore
Ball	Connally	La Follette
Bankhead	Danaher	Langer
Barkley	Davis	Lee
Bilbo	Downey	Lucas
Bone	Doxey	Maloney
Brewster	Ellender	McFarland
Brooks	George	McKellar
Brown	Gerry	McNary
Bulow	Gillette	Maybank
Bunker	Green	Mead
Burton	Guffey	Millikin
Butler	Gurney	Murdock
Byrd	Hayden	Murray
Capper	Herring	Norris
Caraway	Hill	Nye
Chandler	Holman	O'Daniel

O'Mahoney	Smith	Van Nuys
Overton	Stewart	Wagner
Pepper	Taft	Wallgren
Radcliffe	Thomas, Idaho	Walsh
Reed	Thomas, Okla.	Wheeler
Reynolds	Thomas, Utah	White
Rosier	Truman	Wiley
Russell	Tunnell	Willis
Shipstead	Tydings	
Smathers	Vandenberg	

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. MCCARRAN], the Senator from Wyoming [Mr. SCHWARTZ], and the Senator from Arkansas [Mr. SPENCER] are necessarily absent.

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

The PRESIDING OFFICER. Eighty-five Senators have answered to their names. A quorum is present.

The clerk will state the first business on the calendar, under the unanimous-consent agreement.

ADDITION TO ARLINGTON NATIONAL CEMETERY

The Senate proceeded to consider the bill (S. 1817) to authorize the President to purchase certain lands in Arlington County, Va., which had been reported from the Committee on Public Buildings and Grounds with an amendment, to strike out all after the enacting clause and insert:

That the President is authorized to acquire by purchase or condemnation for addition to the Arlington National Cemetery a tract of land containing 25 acres, more or less, located in Arlington County, Va., and bounded on the south by the Arlington National Cemetery, on the north by Lee Boulevard, on the east by the Arlington Ridge Road, and on the west by North Meade Street: *Provided*, That, if such land is acquired by the President, he may provide for its use for any governmental purpose he may deem appropriate until any date not later than 6 months after the termination of the wars in which the United States is now engaged.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PAYMENT OF TRANSPORTATION COST OF HOUSEHOLD GOODS OF CIVILIAN EMPLOYEES

The bill (S. 1526) to amend the act approved October 10, 1940 (54 Stat. 1105), to permit such responsible officers as may be designated by the heads of departments or establishments to authorize or approve the allowance and payment of expenses incident to the transportation of the household goods of civilian officers and employees when transferred from one official station to another for permanent duty was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act approved October 10, 1940 (54 Stat. 1105), be, and hereby is, amended by inserting after the clause "when specifically authorized or approved by the head of the department or establishment concerned" the words "or by such responsible officer or officers of the department or establishment concerned as the head thereof may designate for that purpose."

SUPPLIES AND EQUIPMENT FOR CIVILIAN DEFENSE INSTRUCTION

The bill (S. 2167) to authorize the Secretary of War to make available for the purposes of civilian defense such arms, munitions, supplies, and equipment for instructional and demonstrational purposes only, as can be spared by the War Department, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War may, in time of war or during any national emergency declared by Congress or by proclamation of the President, in his discretion and under such regulations as he may prescribe, lend, without cost of packing, handling, and transportation to the United States, for instructional and demonstrational purposes only, to the District of Columbia, the several States or Territories, the outlying possessions of the United States, including the Philippine Islands and all territory over which the United States exercises rights of sovereignty, or political subdivisions thereof, such arms, ammunition, munitions, or implements of war, supplies, equipment, component parts thereof or accessories thereto, as may be in the possession or under the control of, and can be spared by the War Department.

The title was amended so as to read: "A bill to authorize the Secretary of War to make available for the purpose of civilian defense instruction such arms, munitions, supplies, and equipment for instructional and demonstrational purposes only as can be spared by the War Department, and for other purposes."

TEMPORARY PROMOTION OF CERTAIN ARMY OFFICERS

The Senate proceeded to consider the bill (S. 2182) to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps, which had been reported from the Committee on Military Affairs with an amendment, at the end of the bill, to change the period to a comma and insert the words "unless specifically so ordered by competent authority", so as to make the bill read:

Be it enacted, etc., That, in time of war or national emergency declared by the Congress or by the President, any officer of the Regular Army Air Corps, any officer of the Regular Army other than Air Corps who is assigned to duty with any tactical unit, or any installation, or any staff, of the Air Corps, any officer of the Air Corps Reserve or any other section of the Officers' Reserve Corps assigned to duty with any tactical unit, or any installation, or any staff, of the Air Corps, any officer of the National Guard of the United States ordered into the active military service of the United States with an Air Corps unit or assigned to duty with any tactical unit, or any installation, or any staff, of the Air Corps, and any officer directly commissioned in the Army of the United States and assigned to duty with any tactical unit, or any installation, or any staff, of the Air Corps, may be appointed to higher temporary grade not above that of colonel, without vacating his existing commission in the Regular Army, the Officers' Reserve Corps, the National Guard of the United States, or the Army of the United States, as the case may be. The provisions of this act shall not apply to officers of the arms and services other than Air Corps who are assigned to those units or detachments of such arms or services on duty with the Air Corps. Officers so appointed shall be appointed and commissioned in the Army of the United States and shall take rank in the grade to which appointed from the date stated in their commissions or letters of appointment. Such appointments shall continue until 6 months after the termination of the war or national emergency concerned unless sooner terminated by order of the President, or until relieved from assignment to the duty herein described, whichever is the earlier: *Provided*, That the temporary promotion of any officer under the terms of this act shall not prevent his subsequent permanent promotion nor, if eligible therefor, his subsequent temporary promotion under section 4 of the act of June 16, 1936 (49 Stat. 1525), or under section 127a of the National Defense Act, as amended: *Provided further*, That during the period described herein, and in order to preserve relative rank in grade, every Regular Army Air Corps officer shall take rank in grade within the Air Corps from the date of the earliest promotion to that grade under this or any other provisions of existing law. Officers temporarily appointed under this act shall be entitled to the pay, flying pay, and allowances pertaining to the grade to which temporarily appointed. No officer holding temporary rank under the provisions of this act shall be eligible to command outside the Air Corps, except by seniority under his permanent commission, unless specifically so ordered by competent authority.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INCREASE IN PER DIEM SUBSISTENCE ALLOWANCE OF CIVILIAN EMPLOYEES OF THE GOVERNMENT

The bill (H. R. 6220) to amend section 3 of the Subsistence Expense Act of 1926, as amended, was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF TIME FOR ORDERS AND MARKETING AGREEMENTS WITH RESPECT TO HOPS

The Senate proceeded to consider the bill (H. R. 5833) to extend the time during which orders and marketing agreements under the Agricultural Adjustment Act, as amended, may be applicable to hops, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

That section 3 of the act entitled "An act to amend the Agricultural Adjustment Act, as amended, by including hops as a commodity to which orders under such act are applicable," approved April 13, 1938, as amended, is amended by striking out "September 1, 1942" and inserting in lieu thereof "September 1, 1945."

SEC. 2. Subsection (6) of section 8c of the Agricultural Adjustment Act, as amended, is amended by deleting the comma after the word "hops" in the first paragraph thereof and inserting the words "and their products" and a comma.

SEC. 3. Subsection (6) of section 8c of the Agricultural Adjustment Act, as amended, is further amended by adding thereto the following new paragraph:

"(F) In the case of hops and their products, in addition to, or in lieu of, the foregoing terms and conditions, orders may contain one or more of the following:

"(i) Limiting, or providing methods for the limitation of, the total quantity thereof, or of any grade, type, or variety thereof, produced during any specified period or periods, which all handlers may handle in the current of or so as directly to burden, obstruct, or affect interstate or foreign commerce in hops or any product thereof.

"(ii) Apportioning, or providing methods for apportioning, the total quantity of hops of the production of the then current calendar year permitted to be handled equitably among all producers in the production area to which the order applies upon the basis of one or more or a combination of the following: The total quantity of hops available or estimated will become available for market by each producer from his production during such period; the normal production of the acreage of hops operated by each producer during such period upon the basis of the number of acres of hops in production, and the average yield of that acreage during such period as the Secretary determines to be representative, with adjustments determined by the Secretary to be proper for age of plantings or abnormal conditions affecting yield; such normal production or historical record of any acreage for which data as to yield of hops are not available or which had no yield during such period shall be determined by the Secretary on the basis of the yields of other acreage of hops of similar characteristics as to productivity, subject to adjustment as just provided for.

"(iii) Allotting, or providing methods for allotting, the quantity of hops which any handler may handle so that the allotment fixed for that handler shall be limited to the quantity of hops apportioned under preceding section (ii) to each respective producer of hops; such allotment shall constitute an allotment fixed for that handler within the meaning of subsection (5) of section 8a of this title."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

OPEN-MARKET PROCUREMENTS BY DEPARTMENT OF AGRICULTURE BELOW $100

The bill (S. 1691) to authorize the Department of Agriculture to make open-market procurements where the aggregate amount involved does not exceed $100 was announced as next in order.

Mr. TAFT. Mr. President, may we have an explanation of the bill?

Mr. SMITH. Mr. President, the bill is recommended by the Department of Agriculture. At present the Department must advertise for bids in connection with any expenditure above $50. The officials of the Department say that such a restriction causes more trouble than it is worth, and they wish to raise the limit to $100, which seems fair.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 (b) and section 1 (c) of the act approved October 10, 1940 (54 Stat. 1109), entitled "An act to consolidate certain exceptions to section 3709 of the Revised Statutes and to improve the United States Code," be, and hereby are, amended to read as follows:

"(b) Where the aggregate amount involved does not exceed the sum of $50—

"(1) The Administrative Office of the United States Courts.

"(2) The Federal Bureau of Investigation in the field.

"(3) The Federal Home Loan Bank Board.

"(4) The Federal Power Commission.

"(5) The Federal Trade Commission.

"(6) The General Accounting Office.

"(7) The Interstate Commerce Commission.

"(8) The National Advisory Committee for Aeronautics.

"(9) The National Archives.

"(10) The National Labor Relations Board.

"(11) The Navy Department or its bureaus and offices.

"(12) The Railroad Retirement Board.

"(13) The Securities and Exchange Commission.

"(14) The Tariff Commission.

"(15) The Treasury Department.

"(16) The Veterans' Administration.

"(c) Where the aggregate amount involved does not exceed the sum of $100—

"(1) The Civil Aeronautics Board.

"(2) The Department of Agriculture.

"(3) The Department of Labor.

"(4) The Federal Loan Agency.

"(5) The Federal Works Agency.

"(6) The Maritime Labor Board.

"(7) The Smithsonian Institution.

"(8) The United States Maritime Commission.

"(9) The District of Columbia."

REGULATION, INSPECTION, AND CLEANING OF RAILWAY CARS FROM MEXICO

The bill (H. R. 4849) to provide for regulating, inspecting, cleaning, and, when necessary, disinfecting railway cars, other vehicles, and other materials entering the United States from Mexico, was considered, ordered to a third reading, read the third time, and passed.

ADMINISTRATIVE EXPENSES OF AGRICULTURAL ADJUSTMENT ADMINISTRATION

The bill (H. R. 5171) to amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1- and 2-percent limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1617) to amend the Employment Stabilization Act of 1931 was announced as next in order.

Mr. McNARY. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF NATIONAL SERVICE LIFE INSURANCE ACT OF 1940

The Senate proceeded to consider the bill (S. 1935) to amend section 602 (m) of the National Service Life Insurance Act of 1940 (Public, No. 801, 76th Cong.) to provide for a person in the military service to secure insurance effective as of date of application by payment of the first premium within 30 days thereof, which had been reported from the Committee on Finance with an amendment, to strike out all after the enacting clause and insert:

That section 602 (m), title VI, of an act entitled "An act to provide revenue, and for other purposes," approved on October 8, 1940 (Public, No. 801, 76th Cong.), be, and the same is hereby, amended by striking out the period at the end thereof and inserting a colon and the following proviso: "*Provided*, That an amount equal to the first premium due under a national service life-insurance policy may be advanced from current appropriations for active service pay to any person in the active service in the Army, Navy, Marine Corps, or Coast Guard, which amount shall constitute a lien upon any service or other pay accruing to the person for whom such advance was made and shall be collected therefrom if not otherwise paid: *Provided further*, That no disbursing or certifying officer shall be responsible for any loss incurred by reason of the advance herein authorized: *And provided further*, That any amount so advanced in excess of available service or other pay shall constitute a lien on the policy within the provisions of section 5, Public Law No. 866, Seventy-sixth Congress, approved October 17, 1940."

Mr. O'MAHONEY. Mr. President, I wonder if the Senator in charge of the bill will make an explanation of its effect, as amended?

Mr. LA FOLLETTE. Mr. President, the senior Senator from Missouri [Mr. CLARK] is not present today; but as I understand the bill, it is simply to provide that there may be automatic insurance of those who are taken into the service, and that the premiums may be advanced by the department concerned and deducted from the pay. The difficulty is that many of the men do not take out insurance. While the bill is not in accord with the regular insurance practice, it is recommended by both the Army and Navy, and the Veterans' Bureau has no objection to it.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. GEORGE. The situation is that ordinarily the payment of the first premium on life insurance is necessary to the validity of the policy. That, of course, has been the rule of law followed by the Veterans' Administration with reference to Government insurance. The bill would make possible the issuance of a policy immediately upon induction into the service, when many of the inductees do not have the cash with which to pay the first premium. A lien would be created against the pay check of the man, and the policy would be valid, although there would be no actual cash payment of the premium until pay day.

As the Senator from Wisconsin says, no objection has been raised by the Veterans' Administration, and the bill is recommended by the Army and the Navy.

Mr. O'MAHONEY. Mr. President, I appreciate the explanation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend section 602 (m) of the National Service Life Insurance Act of

1940 (Pub., No. 801, 76th Cong.), as amended, to enable a person in active service in the Army, Navy, Marine Corps, or Coast Guard to secure such insurance effective as of date of application by advance of active service pay, and for other purposes."

LIFE INSURANCE FOR AVIATION CADETS

The Senate proceeded to consider the bill (S. 2180) to provide for the continuation of Government life insurance of aviation cadets subsequent to their being commissioned and for the continuation of such insurance of enlisted pilots, and for other purposes.

Mr. LA FOLLETTE. Mr. President, the bill now before the Senate relates solely to cadets who take the Air Corps training in the Army. During their training period they are automatically insured. Insurance is compulsory. But when they leave the schools and enter upon actual training in the service it then becomes optional whether they shall carry insurance. The proposal is to extend the compulsory insurance and deduct the premiums from their pay during all the time they are in active training, whether they be at an air school or with troops receiving practical training in the field.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Government life insurance issued in accordance with either of the acts of June 3, 1941 (Public Laws 97 and 99, 77th Cong.), shall continue when an aviation cadet is commissioned or when an enlisted man has successfully completed his course of training and instruction as an aviation student until such officer or enlisted man is permanently relieved from duty involving participation in regular and frequent aerial flights, and that the premiums on such insurance, during such additional period, shall be deducted from the pay of the officer or enlisted man concerned and paid, under such regulations as the Secretary of War may prescribe, to the Administrator of Veterans' Affairs: *Provided*, That upon permanent relief from duty involving participation in regular and frequent aerial flights, release from active duty, or discharge, such officers and enlisted men shall have the option of continuing such insurance at their own expense: *Provided further*, That an enlisted man who is discharged for the convenience of the Government and immediately reenlisted shall not be deemed for the purposes of this act to have been thereby permanently relieved from duty involving participation in regular and frequent aerial flights.

TREASURY FOREIGN SERVICE OFFICERS AND EMPLOYEES

The bill (S. 2075) to authorize the Secretary of the Treasury to order to the United States on their statutory leaves of absence officers and employees serving abroad, and to govern the payment of traveling expenses and duties while on leave, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized, whenever he deems it to be in the public interest, to order to the United States on his statutory leave of absence any officer or employee of the Treasury Department who has performed 3 years or more of continuous service abroad: *Provided*, That the expenses of transportation and subsistence of such officers and employees and their immediate families, in traveling from their posts to their homes in the United States and return, shall be paid under the same rules and regulations applicable in the case of officers and employees going to and returning from their posts under orders of the Secretary of the Treasury when not on leave: *And provided further*, That while in the United States the services of such officers and employees shall be available for such duties in the Treasury Department as the Secretary of the Treasury may prescribe, but the time of such work or duties shall not be counted as leave.

DISPOSITION OF CERTAIN SECURITIES HELD BY THE SECRETARY OF THE TREASURY

The Senate proceeded to consider the bill (H. R. 3330) to authorize the sale, exchange, or other disposition of certain securities held by the Secretary of the Treasury.

Mr. BROWN. Mr. President, I desire to make a very brief statement about the bill. I am very anxious that it should pass. The bill passed the House of Representatives, and was favorably reported by the Committee on Finance. There is one matter concerning it, however, which should be brought to the attention of the Senate before the passage of the bill. The bill relates to the payment by a large number of cities in the United States of loans which were made under the provisions of the Emergency Relief and Construction Act of 1932. The loans were made to cities for the purpose of aiding in taking care of the unemployed. The Acting Secretary of Agriculture, Mr. Sullivan, wrote identical letters to the Ways and Means Committee and to the Finance Committee, and in his letters the statement was made that the city of Detroit had made an offer along certain lines to take care of this situation.

The bill authorizes a compromise, on such terms and conditions as the Treasury shall deem proper, of the indebtedness of these cities to the Treasury. I desire to make it plain that the letters from the Acting Secretary of the Treasury to the Senate and House committees do not accurately set forth all the terms and conditions upon which the city predicated its offer to dispose of this matter; and I ask unanimous consent that a summary of the facts and offers and a statement of the city's position in a letter from the mayor of Detroit to Under Secretary Bell may be included in the RECORD so that there may be full understanding of the entire situation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 23, 1941.

The Honorable D. W. BELL,
Under Secretary of the Treasury,
Washington, D. C.

MY DEAR MR. BELL: I have been informed by Congressman JOHN DINGELL that House bill 3330 has received favorable action by the House and has been sent to the Senate for consideration. This measure, as you will recall, gives the Secretary of the Treasury certain discretionary powers in liquidating advances made by the Federal Government to municipalities under the terms of the Emergency Relief and Construction Act of 1932.

My particular attention has been called to the fact that when H. R. 3330 was in the House Ways and Means Committee, Mr. John L. Sullivan, Acting Secretary of the Treasury, endorsed the bill, but in his communication to the committee indicated that, if the measure becomes law, Detroit will be willing to deliver a bond in payment of the principal amount of the advance made by the Reconstruction Finance Corporation to Detroit in 1932, plus accrued interest in full from the time of the original advance to the present date.

Mr. Sullivan was in error.

The position of the city of Detroit in connection with this advance for a welfare emergency has been, and still is, that both the face amount and the interest should be canceled. A detailed history of this whole transaction reveals the logic of the city's contention and the consistency of the city's position since the money was first advanced by the Federal Government.

The full force of the depression was first felt in Detroit in the fiscal year 1930–31, in which year the city was obliged to spend more than $13,000,000 from its own revenues and borrowings to alleviate distress among its citizens. In 1931–32 the city spent almost $8,000,000 for the same purpose.

These large outlays were necessary in a period of rapidly falling tax collections and are sharply in contrast with the $2,000,000 or $3,000,000 appropriated annually for welfare purposes before the national collapse. These funds were required, not because Detroit itself had upset the economic equilibrium, but because the whole national system was paralyzed to such an extent that it was unable to consume the commodities that Detroit stood ready to produce. Much of the welfare load that Detroit supported throughout the depression was represented by individuals and families who had come to Detroit to benefit from the better wages and higher standards of living which prevailed here.

To relieve the critical conditions which had developed in Detroit and other industrial areas, Congress, in 1932, passed the Emergency Relief and Construction Act, which provided for advances of $300,000,000 to the several governmental levels and units. All but $20,000,000 of this total was made available for loans to States, repayment of which was pledged from subsequent Federal grants for highway purposes. The $20,000,000 was made available for loans to cities, repayment of which was pledged by obligations of the borrowing municipalities.

The city of Detroit made strenuous efforts to obtain funds from that portion made available to States, through the then Governor of Michigan. That individual rejected the city's pleas, solely on the basis that it was improvident for municipalities to be dependent on the Federal Government for welfare assistance, even though subsequently he did obtain relief money for Michigan under exactly the same section which Detroit wished to utilize.

The situation was so critical in Detroit that the city was, of necessity, obliged to seek assistance under the second alternative, and obtained $1,800,000 from the R. F. C., delivering therefor an interim receipt, to be subsequently exchanged for bonds in that face amount. There was no other choice.

In the months that followed, tax collections fell off drastically, the city exhausted every possible revenue and credit avenue, and, over and above the extraordinary welfare load, was compelled to meet a $32,000,000 debt service—the highest in the city's history.

Plans were well under way in February 1933, for an over-all refinancing of the city's floating obligations, totaling approximately $20,000,000 by Detroit industrialists and New York banks. These plans were virtually at the point of consummation when, by action

of State and Federal agencies, Detroit's banks were closed.

This not only terminated the plans for refinancing, but froze all the city's available cash in closed depositaries, as a result of which the city was thrown into technical default on all its general debt.

Within a year of the passage of the original Emergency Relief and Construction Act, the Seventy-third Congress passed a measure which, in effect, canceled the $250,000,000 in loans made to the States by prohibiting the use of Federal road grants to States for the repayment of such loans. So far as this office can learn, none of this $250,000,000 has ever been repaid.

It is because of all these circumstances that Detroit feels it will be a victim of rank injustice if it is required to reimburse the Federal Government for any of the advance in question.

The money was appropriated for a national emergency; the city had bled its revenue sources white before petitioning for assistance; the city was deprived, only through the political vagary of the then Governor, of obtaining the advance under procedures provided by law which would have eliminated any liability to repay; and Detroit was estopped from putting its own financial house in order by external agencies which, in closing the city's banks, completely destroyed the city's credit.

It also should be recalled that within a year of the original act the whole political and economic concept of unemployment relief was reversed when the Federal Government acknowledged its obligation to meet the problem. In executing this new policy Federal agencies disbursed billions of dollars to local communities for relief purposes without obligation to repay.

Beginning in 1934, city officials conducted a persistent campaign to have municipalities granted the same immunity from obligation to repay that had been given to the States.

In 1936, again in 1937, and still again in 1938, Michigan Congressmen introduced bills in either or both of the Houses, which provided for the cancelation of the advances. The records of this office indicate that on February 8, 1938, Chairman Jesse Jones, of the Reconstruction Finance Corporation, which agency was then in possession of the city's interim receipt, appeared before the House Banking and Currency Committee to support such a bill. However, it appears that this bill was never reported out of committee.

In the winter of 1940 market conditions appeared to be propitious for further refunding of Detroit callable bonds. The city had been severely penalized in prior sales because of a restricted market for Detroit, arising from the default in 1933, which, in turn, was caused by the closing of Detroit banks. At this time the interim receipt was in the possession of the Treasury Department as the result of legislation passed the year before.

One possible means of expanding Detroit's market was to have Detroit bonds declared eligible for use as collateral by banks acting as depositaries for postal-savings funds. The Treasury, however, took the position that it could not grant such clearance so long as it was in possession of a defaulted instrument of the city of Detroit. Moreover, the Treasury Department declared that it was legally prohibited from accepting anything but cash in full for the face amount and accrued interest.

Several offers were made by the city of Detroit, which included various combinations of bond and cash payments. These various offers were in no way contradictory with the city's fundamental position that the whole obligation should be canceled. They were made only with the thought that, if Nation-wide publicity could be given to an announcement by the Treasury Department that Detroit bonds are eligible as postal-savings collateral, the broadened market for Detroit would result in a saving in bond interest which would more than offset the cost of meeting the Treasury's demands.

For this reason, the city controller on January 12, 1940, offered to deliver a refunding bond in the face amount of $1,800,000 and to pay all the accrued interest since issuance of the interim receipt. The city of Detroit made this offer solely to obtain clearance for its bonds in connection with postal-savings deposits, despite its conviction that the 1932 obligation should be canceled. Detroit, once again, had been forced to extreme measures in an effort to protect itself against unfair discrimination.

However, in spite of the numerous offers and counter offers between the city of Detroit and the Treasury Department, no agreement was reached, because the Treasury insisted that legal strictures prohibited them from accepting anything other than cash in full.

The Treasury did say that if the city of Detroit could present a picture of imminent financial collapse, then the Treasury Department could give some consideration to a compromise settlement which would reduce the amount of money the city would have to provide. Quite obviously, the city did not care to, even if it honestly could, maintain that it was on the verge of bankruptcy at the very time it was attempting to strengthen its credit for the purpose of marketing refunding bonds.

However, on November 20, 1940, the city did submit a detailed analysis of its present and future financial condition which honestly reflected the present fiscal stringency under which the city is operating and impending burdens which will exaggerate existing problems, not the least of which arise from the national defense program. With that analysis, the city offered to pay the United State Treasury $1,800,000 in cash, in complete liquidation of the face amount of the interim receipt, provided the accrued interest was canceled. This offer, too, was rejected by the Treasury Department.

Fundamentally, we feel that this whole matter is not a question of the mayor or the common council or the controller dealing with the R. F. C. or the Treasury Department, or any other separate Federal agency. It is strictly a transaction between the city of Detroit and the Federal Government.

It should be remembered that while the interim receipt in question was still in the possession of the R. F. C., the city of Detroit did pass through a period which fulfilled the Treasury's requirement that the city of Detroit present a picture of insolvency. In 1933, in 1934, and in 1935 the city was required to refund and extend its bonded debt, to fund and extend its floating debt, to issue scrip, and to finance essential municipal services in the face of 65- and 70-percent tax collections, in doing which the city accumulated bills which were liquidated only after several years of drastic economies.

We do not feel that the city should be forced to repeat this experience in order to receive some consideration of its claim for adjustment of the obligation involved. We would feel the same way if possession of the interim receipt would again change hands within the Federal Government as a result of some further legislation.

In any event, the negotiations failed to produce a legal and mutually agreeable solution, and the city was compelled to proceed with its refunding without benefit of an expanded market. Having been deprived of the improved bond market which would have resulted if the city's offer had been accepted, the city of Detroit is not at all interested in renewing its offers of January 12, 1940, and November 20, 1940, for the reason that conditions which then prevailed no longer exist.

The failure of these negotiations to find a compromise was due entirely to legal interpretations by Treasury Department lawyers of the statutes under which that agency operates. A bill was then prepared for the present Congress which has the sole purpose of permitting the Treasury to make any compromise agreement the Secretary of the Treasury finds to be in the public interest. When this bill, which is now in the Senate, is finally passed and becomes effective, the Treasury Department then will have full power to accept any compromise it wishes.

Accordingly, the city will continue to press for a cancelation of the whole obligation, or at least for some compromise which would not require the city of Detroit to pay the Federal Government an exorbitant bonus for the use of funds which were originally appropriated for the welfare and security of distressed citizens wherever they happened to be located.

The existence of any obligation on the part of the city of Detroit to repay this advance is due to circumstances over which the city had no control, in addition to which the city has suffered cash and credit losses from such external influences which far exceed the total amount of the obligation.

These factors are summarized below:

1. It was only because of the personal obstinacy of one individual that Detroit was prevented from obtaining the money under conditions which have been subsequently modified in such a way as to eliminate any commitment to repay.

Of the original appropriation of $300,000,000, 93 percent still remains unpaid, and no effort is being made by the Federal Government to obtain such repayment.

2. The closing of all Detroit banks by the Federal and State Governments completely destroyed Detroit's credit for a number of years, and imposed extraordinary additional debt-service costs on the community which will run another 22 years.

3. Congressional action removed the interim receipt from the custody of the Reconstruction Finance Corporation, whose administrative head was in favor of canceling the obligation to the Treasury Department, whose lawyers have rejected any settlement other than payment in full of the principal amount and accrued interest.

4. This position by the Treasury Department has resulted in additional interest costs to the city of Detroit over the life of its bonded debt.

5. The Treasury Department has indicated that its position is not irrevocable in its offer to consider a compromise provided the city will profess imminent bankruptcy.

This is obviously undesirable and impossible on the part of the city, and the Treasury Department's position still fails to consider the heavy burden that will be thrown on the city's budget by the additional services required by the defense program.

6. It is certainly the understanding of the city of Detroit that the legislation now pending in Congress was written, introduced, and supported by the city with, at least, tacit approval by the Treasury Department, for the specific purpose of permitting the latter agency to legally accept a compromise settlement which would reduce the amount of money the city would have to provide to liquidate the interim receipt.

I hope these rather extended remarks will clarify the city's position and the reasons therefor.

Yours very truly,

EDWARD J. JEFFRIES, *Mayor*.

Mr. BROWN. As the bill empowers the Secretary of the Treasury to compromise the debt, I want to make certain that the bill is passed only with the understanding that the matter is open to compromise, and that the city is not bound by the offer referred to in the Secretary's letter.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. GEORGE. The Senator has made a very accurate statement of the situation. It might be added, I think, that conference with the Treasury officials justifies the statements of both the Senator from Michigan and the chairman of the committee that the language of the bill will permit settlements, whether payment of full amounts of interest or terms short of full payment are agreed upon.

Mr. BROWN. Yes; that is the statement I was about to make. I want it clearly understood that the entire matter will be open to compromise if the bill becomes law, and I do not want the bill passed under any misapprehension as to its intent and meaning.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

WITHDRAWAL OF BRANDY FOR FORTIFICATION OF WINES

The Senate proceeded to consider the bill (H. R. 5802) to amend certain provisions of law relative to the withdrawal of brandy for fortification of wines and production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions, which had been reported from the Committee on Finance, with amendments, at the end of paragraph (b), on page 2, to insert a semicolon and the words "and by inserting at the end of the first paragraph the following new sentence: 'The maximum penal sum of any bond required by this subchapter for any bonded winery or bonded storeroom shall be $50,000.'"; and following paragraph (g), on page 4, to add the following new paragraph:

(h) Clause (2) of section 5 (f) of the Federal Alcohol Administration Act (49 Stat. 984) is amended to read as follows: "(2) as will provide the consumer with adequate information as to the identity and quality of the products advertised, the alcoholic content thereof (except the statements of, or statements likely to be considered as statements of, alcoholic content of malt beverages and wines are prohibited), and the person responsible for the advertisement."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

W. K. RICHARDSON

The Senate proceeded to consider the joint resolution (S. J. Res. 24) for the relief of W. K. Richardson, which had been reported from the Committee on Military Affairs, with an amendment, to strike out all after the resolving clause, and insert:

That, notwithstanding the provisions of section 179 of the Judicial Code, as amended, or any statute of limitations or court rule, practice, or prior decision to the contrary, the Court of Claims of the United States is authorized and directed to take jurisdiction of, and to consider and render judgment on, the case known as No. A-200, W. K. Richardson against the United States, concerning the claim of W. K. Richardson for compensation for the use by the United States, between June 1, 1915, and June 1, 1932, of an invention with respect to which patent No. 1,141,415 was granted to the said W. K. Richardson.

SEC. 2. The judgment of such court, with respect to such case, shall be in accordance with law and equity and shall be based upon the evidence previously presented, the testimony heretofore taken, and the findings of fact made by the Commissioner designated for such purpose by such court in its order dated September 27, 1926, which findings of fact are contained in the report filed by him on March 5, 1928. The amount of any such judgment, if in favor of the said W. K. Richardson, shall not exceed an amount equal to 3 percent of the amount for which suit was originally brought in such court with respect to such claim.

SEC. 3. Such court is authorized and directed to forthwith place such case on its docket and trial calendar and to expedite consideration and the rendering of a decision with respect thereto.

SEC. 4. Proceedings with respect to appeals from and payment of any judgment thereon shall be in the same manner as in the case of other claims with respect to which such court has jurisdiction under the provisions of section 145 of the Judicial Code, as amended.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was rejected.

ESTIMATES REQUIRING APPROVAL OF THE SECRETARY OF WAR

The Senate proceeded to consider the bill (S. 2151) to suspend the operation of the act of May 12, 1917 (40 Stat. 74), as to the requirement of submitting detailed estimates, for the approval of the Secretary of War, of expenditures exceeding $5,000 upon any building or military post or grounds about the same, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert:

That the provisions of the act of May 12, 1917 (40 Stat. 74), reading: *"Provided further,* That hereafter no expenditure exceeding $5,000 shall be made upon any building or military post or grounds about the same without the approval of the Secretary of War, upon detailed estimates submitted to him." shall be, and the same are hereby, amended to read: *"Provided further,* That hereafter no expenditure exceeding $5,000 shall be made upon any building or military post or grounds about the same without the approval of the Secretary of War, upon detailed estimates submitted to him: *And provided further,* That, in time of war, in established theaters of operations approval of any expenditure exceeding $5,000 for the purpose in question, without regard to detailed estimates, may be granted by such commanders as may be designated by the Secretary of War, or by such officers as may be designated by such commanders."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the act of May 12, 1917 (40 Stat. 74), to authorize, in time of war, commanding officers of theaters of operations to approve expenditures exceeding $5,000 without regard to detailed estimates."

PAUL A. LARNED

The bill (S. 2202) to reinstate Paul A. Larned, a major, United States Army, retired, to the active list of Regular Army, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President of the United States be, and he hereby is, authorized to summon Paul A. Larned, a major, United States Army, retired (now on active duty), before a board of officers for physical examination to determine if he is incapacitated for full active service in the Regular Army at the present time, and if found physically qualified, the Secretary of War be, and he hereby is, authorized and directed to reinstate Paul A. Larned, a major, Regular Army, said reinstatement to be effected not later than 60 days following the finding of a board of officers that said Paul A. Larned is physically qualified for active service: *Provided,* That no back pay and allowances shall be held to have accrued by reason of this act.

The PRESIDING OFFICER. That completes the calendar.

ADDITIONAL SHIPBUILDING AND SHIP-REPAIR FACILITIES

Mr. WALSH. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 984, House bill 6304, authorizing appropriations for the United States Navy, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Massachusetts.

Mr. McNARY. Mr. President, when the bill was called for consideration on the call of the calendar about 10 days ago, I objected to its consideration under unanimous-consent procedure. It carries nearly a billion dollars, and I thought that was a very large sum to be considered under the 5-minute rule, and by unanimous consent. I stated to the able Senator in charge of the bill and to our distinguished majority leader that I had no objection to the bill if it were brought up in the orderly way, as is now being done, and brought before the Senate for full discussion.

In view of the action of the House Committee on Naval Affairs a day or so ago, and the action it probably will take in the future according to the morning press, I wonder if I may not inquire of the able Senator if it would not be better if there were some restrictions on profits, and if a little more care were exercised in the disposition of the funds proposed to be appropriated, amounting to nearly a billion dollars, than has characterized appropriations in the past. Of course, I shall not oppose the motion that the bill be taken up.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 6304) authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes.

Mr. WALSH. The Senator from Oregon will recall that I have militantly and repeatedly favored restrictions of profits on negotiated contracts let by the Navy for shipbuilding and for the manufacture of airplanes.

The history of the efforts to restrict profits is most illuminating. The fixing of profit limitations upon Government contracts for the building of naval vessels and airplanes was first promulgated

in the Vinson-Trammell Act which was enacted in 1934. It is to be noted that this limitation was only applied to naval vessels and naval aircraft and that it was incorporated in the law through an amendment proposed by the Senate Naval Affairs Committee.

The limitations of profits in this law were 10 percent.

Later it was made applicable to the manufacturers of Army aircraft. Later, through a rider attached to an appropriations bill, without recommendation upon the part of the Navy at least, the limitation of profits on aircraft, both Army and Navy, was increased from 10 percent to 12 percent.

The next change was made in the act of June 28, 1940, which was a law enacted "to expedite national defense" and which repealed the requirements for competitive bidding on naval vessels and airplanes, and authorized the making of negotiated contracts. In this act, the Senate Naval Affairs Committee reduced the profit limitation to 7 percent. This action was protested by the aircraft industry and the O. P. M. who claimed that the limiting of profits would curtail production, which all agreed should be speeded up as rapidly as possible for the Government was just starting on an intensive program of preparedness. The Senate Naval Affairs Committee insisted upon incorporation of profit limitations and the bill passed the Senate and went to conference. In conference the limitation of profits was changed to 8 percent on both vessels and aircraft, there being no provision in the House bill for limitation of profits.

Soon after this law was enacted, the agitation started to modify or repeal the profit limitations on such contracts. Powerful groups in and out of the administration finally succeeded in getting the law completely suspended on the claim that the general excess profit tax, which applied to all groups as well as those having Government contracts was adequate. The profits limitations therefore disappeared in the tax bill of 1940.

The Naval Affairs Committee then and always has protested this action and has felt from the outset that the profits on all munitions contracts ought to be strictly limited in view of the fact that most of them are negotiated contracts, and the contractor is certain to never encounter any losses. Furthermore, the Committee has felt, in view of the sacrifices during the emergency and in time of war made by those in military service, who are paid very meager compensation, there ought to be some disposition on the part of those receiving big Government contracts, without any chance of losses, to at least be willing to accept moderate profits.

The Senator from Oregon refers to the investigation conducted by the House Committee on Naval Affairs, and calls attention to the fact that the investigation should indicate the importance of restoring the restrictions and placing a limitation upon profits of all munitions makers. I have from the very outset favored such steps. I shall not cease from protesting the greed and selfishness of these war profiteers. I personally think it is a source of humiliation to the Congress and its Members to be confronted with the exposés which have been made in reference to war contracts, and to realize that, at the very time we are marching to the battle front millions of American youths we are allowing, without check or restraint, the accumulation of unconscionable profits. I have protested against it in the past, and I still protest, but, I dare say, if an attempt is made, as I sincerely hope one will be made, to remedy the situation, we will again have a bombardment of opposition on the theory that action to curtail profits would slow up production.

At the time the question of a limitation on the profits of airplane manufacturers was before the Senate the claim made by the manufacturers or contractors was that the subcontractors were able to get larger profits on their contracts for parts by reason of foreign contracts than the domestic contractors were willing to pay. Therefore there was a bottleneck in that respect. All that is past history.

I wish to say to the Senator from Vermont, and to every other Senator on the floor, that, so long as this war continues, so long as we continue to draft young men into the service of the country, so long as we continue to call upon the youth of the land to sacrifice their lives, thus bringing sorrow and sadness and grief to the homes of the loved ones of those who are defending our country, so long as we permit, without limit or restriction, vast profits to be made and great fortunes to be accumulated by those who are furnishing the weapons which our soldiers carry to the front, we will not be doing our full duty to those who are making the supreme sacrifices. The existence of such a condition certainly will not contribute to the morale of our country. If we are to win this war, we will not win it with money and dollars. Check books will not win this war; appropriations will not win it; words will not win it. A vast, spontaneous, far-reaching spirit of giving and sacrificing alone will bring victory. The fighting spirit and the self-sacrificing spirit of the American people to preserve our democracy alone will bring victory to our cause. That is basic. The war profiteers and all others seeking personal advantages must be made shame-faced. I sincerely hope that steps will be taken, as suggested by the Senator from Oregon, immediately to let the American people know and to let our soldiers who are receiving $21 a month know that, while they are pouring out their life's blood, wealth shall not be piled up and there shall not be an ever-increasing number of millionaires, nor will they be able to read next year, as they can read today in every newspaper they pick up, of greater profits made than ever before by those who are producing the instruments of war.

Mr. AUSTIN. Mr. President——

Mr. WALSH. I yield to the Senator from Vermont.

Mr. AUSTIN. I should like to observe that yesterday the Judiciary Committee of the Senate approved a provision in the second war powers bill of 1942 giving to those who have charge of contracts and subcontracts for the procurement of munitions in both the War and Navy Departments and in other agencies of the Government the right to inspect the books of the contractor for the purpose of ascertaining the cost of production. This action is something entirely new. No law has ever existed, so far as I know, to permit such an extraordinary check upon profits. It is occasioned by what was represented to the committee as being a particularly extortionate profit made by virtue of the estimated cost being much in excess of the actual cost of production, so that what was understood at the beginning to provide for a profit of 6 percent turned out to be a profit of 20 percent.

So the provision to which I have referred, adopted at the suggestion of Mr. Nelson, the Chairman of the War Production Board, is aimed at the objective to which the Senator from Massachusetts is addressing himself so eloquently.

Mr. WALSH. I thank the Senator. I am glad that the O. P. M. has changed its attitude and mind. They were among those who vigorously protested the policy of the reduction of profits in the manufacture of munitions. Let me state an instance that happened of which I heard only this morning. Recently some boys at a camp on Long Island were passing by an airplane factory. As they passed by, some of the employees came out of the airplane factory, got into their automobiles, took their pay checks—their excessive and large pay checks—and waved them in the face of the soldiers and said, "You poor suckers." What must those boys and their fathers and mothers think when they have waved in their faces figures showing excessive profits, such as the distinguished Senator from Vermont has pointed out, being permitted without check or restraint. What must they think of us here who remain silent and thereby acquiesce, while we are entrusted with the responsibility of creating in this country a spirit of loyalty and devotion and enthusiasm on the part of a united people, all willing to sacrifice, not merely their blood, which is the greatest of all sacrifices, but to sacrifice all the pelf, the miserable pelf, that comes out of the profits being made by unconscionable industrial leaders.

Mr. President, now I ask the Senator from Vermont if he has noticed—to me it is shocking—or if any Senator on this floor has read any number of editorials in a newspaper in this country approving the report of the Truman committee, or the Vinson committee, and commending it and calling attention to its importance and asking the Congress to take some action?

Mr. LEE. Mr. President, will the Senator yield?

Mr. WALSH. Yes; I yield.

Mr. LEE. Yes; I read two such articles, and put one of them in the RECORD. Both of them were from the St. Louis Post-Dispatch.

Mr. WALSH. I am very glad to hear that; but I have noticed an absence of a shocked state of mind upon the part of many persons in view of these reports. To me, the reaction is most alarming;

and I hesitate to express the feelings that have taken possession of me when I have read those reports and have seen what has been going on in the profit-making marts of industry.

Have any of you witnessed what I witnessed when I was at my own home a week ago Sunday night? Dusk, darkness had come over the earth. From my window, I witnessed a steady, apparently never-ending convoy of trucks carrying soldiers into the unknown from Camp Devens, where? Where? No one knew. No one could say, except some rumor was circulated around that the boys were going to a tropical climate, because they had been furnished, or were about to be furnished, with light clothing. Can anybody witness such a sight, and see these boys moving or marching, on and on, where?—to their doom, if necessary, to defend you and me, our institutions and our resources—and remain tearless and silent? How can we hesitate, under those circumstances, to enact measures that will take the money from these profiteers and give it, if necessary, to these first-line defenders of our country, and to their families, and to their loved ones?

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Maine.

Mr. BREWSTER. Before the Senator leaves completely the subject of the Truman report which he mentions in connection with the editorial comment, which in many cases seems to undertake to weasel the meaning out of it—the commentators first commend the general spirit of the report, and then distinguish—I want to make it clear in the RECORD that every critical comment I have seen by any newspaper would be completely answered by reading the report itself. The commentators obviously have read a very superficial account of the report, or they would know that the report is fully documented by details on which the conclusions of the committee were based.

Mr. WALSH. I am pleased to have the Senator's statement. I must not prolong the discussion, except to say this:

Let us act. Let us get together in a spirit of sacrificing by all Americans—not the poor, not the lowly, not the masses, the millions who are called upon to give their lives. Let those of wealth and of property and of large incomes, who up to this hour do not know the word sacrifice, join in making some sacrifice so that we shall have a united people vying with each other in their desire to win the war by making every possible sacrifice he or she is in a position to make in their respective field of activity.

Mr. McNARY. Mr. President——

Mr. WALSH. I yield to the Senator from Oregon.

Mr. McNARY. I was about to comment that I have been exhilarated and made happy by the forceful remarks of the able Senator from Massachusetts. A great deal has been said about nondefense appropriations and waste. For some time I have thought we should have more to say about defense appropriations and waste. That is the bung; the former is the spigot. Millions of dollars have been wasted; millions of dollars may be wasted; but by the fine attitude and courage of the able Senator from Massachusetts, the chairman of a great committee, some effort has been assured that will stop this waste.

I suggested a moment ago, when the discussion started, that there might be in this bill some provision that would carry out what the Senator had in mind 2 years ago, and which he referred to a few moments ago, namely, a limitation on profits. Probably that will come in later legislation and will be made applicable to this large appropriation of nearly $1,000,000,000.

I feel that the comments and observations of the distinguished Senator from Massachusetts will assure those who have heard his comments today of action in the future that will protect the people of this country against excessive profit taking and criminal profiteering that have been indulged in during this fateful emergency.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H. R. 6304) was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2153 will be indefinitely postponed.

Mr. WALSH. Mr. President, I ask that the report of the committee on the Senate bill be printed in the RECORD in connection with the passage of the House bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report (No. 942), submitted by Mr. WALSH on January 7, 1942, is as follows:

The Committee on Naval Affairs, to whom was referred the bill (S. 2153) authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of the bill is to authorize additional appropriations for shipbuilding and ship-repair facilities for the United States Navy, including manufacture and repair facilities for naval-ordnance material.

Facilities now authorized were sufficient before the United States became involved in war. The situation today renders them inadequate. The enlargement and acceleration of the national defense program is resulting in unexpected bottlenecks affecting the shipbuilding program which can be eliminated only through provision of additional facilities. Recently authorized additions to naval tonnage accentuate the need. In addition to this, it must be anticipated that operations at sea in time of war may lead to enlarged ship-repair requirements for which provision must be made. The Navy Department considers provision of the additional facilities contemplated by the bill to be essential.

In accordance with the terms of the bill:

(a) Five hundred million dollars may be appropriated for essential equipment and facilities at either private or naval establishments for building or equipping any complete naval vessel or portion thereof heretofore or hereafter authorized.

(b) Two hundred and seventy-five million dollars may be appropriated for essential equipment and facilities at either private or public plants for repairing, altering, or converting any vessel operated by the Navy or being prepared for naval use, of which sum $50,000,000 shall be available for essential equipment, tools, and facilities at such plants for the repair, alteration, and upkeep of ordnance material; and

(c) Seventy million dollars for tools, equipment, and facilities for the manufacture or production of ordnance material, munitions, and armor at either private or public plants.

The Secretary of the Navy is granted authority to acquire lands at such locations as he may deem best suited to the purpose, erect or extend buildings, acquire the necessary machinery and equipment, and in private establishments provide plant-protection installations.

The proposed plant protection would include the following, among others: Special fire protection, sabotage, protection, bomb splinter protection, black-out facilities, intraplant communications, lookout stations, and dull painting.

Security measures for naval establishments will be covered under Bureau of Yards and Docks appropriations.

Under previous acts, the Congress has provided for shipbuilding and ship-repair facilities in both naval and private establishments as follows:

Date of act	Shipbuilding facilities limitation on expenditures	Ship repair facilities limitation on expenditures
June 14, 1940	$35,000,000	
July 19, 1940	150,000,000	
Jan. 31, 1941	315,000,000	
July 29, 1941	300,000,000	$160,000,000
Total	800,000,000	160,000,000

Under prior acts of Congress, $425,000,000 has been authorized for the procurement and manufacture of ordnance manufacturing facilities.

The bill was introduced at the request of the Navy Department and has been cleared by the Bureau of the Budget.

ELIZABETH PAINTER MENOHER

Mr. McKELLAR. Mr. President, I move that the Senate proceed to the consideration of House bill 902, No. 723 on the calendar.

In explanation of the motion I will say that Gen. Charles T. Menoher was a general in the World War, and later was Chief of the Air Corps, and died a major general. He left a widow who has a very serious case of tuberculosis. She really is without the proper necessities of life. She is drawing a pension of only $55 a month. In this case the committee recommended an increase of the pension to $100 a month. If the increased pension is to be of any value to Mrs. Menoher in this life, the bill should be passed now; and I appeal to the Senate to let the bill be considered and passed.

Mr. McNARY. Mr. President, this bill, together with several others, was objected to heretofore upon a principle entertained by the able junior Senator from Virginia [Mr. BYRD]. I have no objection to the consideration of the bill, but that has been the history of action taken by the Senate and suggested by the able Senator from Virginia during the last two or three calls of the calendar.

Mr. McKELLAR. Mr. President, I desire to say to the Senator from Virginia that I hope he will not object in this case. I have made a motion that the Senate proceed to the consideration of

the bill. I do not want to take up the time of the Senate. I appeal to the Senator from Virginia to make an exception in this case because of the dire necessity of this widow of a distinguished general of the Army. It is a matter that appeals to the humanity of all of us, and I think the passage of the bill should be permitted. It provides for an increase of only $45 a month in her pension.

I hope the Senator from Virginia will allow the bill to be considered by the Senate.

Mr. BYRD. Mr. President, the Senator from Virginia has asked for a report on each of the pension bills on the calendar, of which there are 18. I have asked for a report from General Hines on each of the bills, and a statement as to whether the Veterans' Bureau approves the bill. I am sorry to say that the Senator from Virginia will be forced to object to any bill that is not approved by the Veterans' Administration. This particular bill has been approved by the Pensions Committee, but the record shows that it has been unfavorably reported on by the Veterans' Administration.

Mr. McKELLAR. Mr. President, if I am in order, I move that the Senate proceed to the consideration of the bill. Under the circumstances, I think the Senate ought to act on the bill. The report from the War Department is ample and fully sustains the merits of the bill. It shows the dire condition in which this lady is. It shows that she has tuberculosis, and that unless help comes quickly it need not come at all. For that reason I move that the Senate proceed to the consideration of the bill.

Mr. BYRD. Mr. President, a point of order: Are we not considering bills on the calendar by unanimous consent?

Mr. McKELLAR. No; the consideration of bills by unanimous consent has been completed, and I am now moving that the Senate consider this bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 902) granting an increase of pension to Elizabeth Painter Menoher, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Elizabeth Painter Menoher, widow of Charles T. Menoher, major general, United States Army, and pay her a pension at the rate of $100 per month in lieu of that she is now receiving.

AGRICULTURAL CONDITIONS—THE O'MAHONEY AMENDMENT

Mr. WILEY. Mr. President, I wish to say just a few words in relation to a matter which has been under discussion, first referring to the O'Mahoney amendment. Out of the discussion of this amendment there came a significant statement which we should consider. Secondly, I wish to refer to the discussion started by the distinguished Senator from Massachusetts [Mr. WALSH].

A few weeks ago a distinguished newspaperman stated:

> A part of our free press has developed a disgusting vice which has degraded the character of our journalism, and brought discredit on one of the most important institutions of the Nation—the free press.

Today it was brought out by the Senator from Wyoming [Mr. O'MAHONEY], by the Senator from Oklahoma [Mr. LEE], and by other distinguished Senators that there has been a campaign going on in this country—one of propaganda, false from the very beginning—against the O'Mahoney amendment. The papers which have indulged in that campaign say that the amendment would result in a spiraling of prices. I say it would not. All who had the intestinal fortitude to stand up for that amendment—and they were in a majority in the Senate—have been figuratively crucified as attempting to injure the war effort. In my opinion, the O'Mahoney amendment contemplates a sort of economic cement which would weld all our economic fronts together.

As everyone knows, until about 8 or 9 months ago the farm situation—and I am speaking about 85 percent of the farm segment—has been very unhealthy, whereas the wage situation has been comparatively healthy for a number of years. Those in the East apparently proceed on the theory that the urban wage situation in the East can remain healthy if the farm section is sick. Under the defense program we have contributed and shot into the economic life of the eastern section of the country literally tens of billions of dollars, with the natural result that there has been a pick-up in the economic life of the East.

No one can get away from the fact that all income is tied up with the general economic life of this country. Farmers constitute about 29 percent of the population of this country, and even now the figures show that the farmers have been getting only about 11 percent of the income. But if we consider that in that 29 percent, 15 percent is healthy, then we see that the 11 percent, which the whole group gets, is reduced to a minimum which the other percentage receives.

It was set forth by the Senator from Oklahoma that we are engaged in a great war effort. Yes; but we are engaged in something else also, we are engaged in a great peace effort, a great effort to insure that after the war shall be concluded this country and the world can remain at peace.

Are we, in building our program for a war effort, to neglect the 29 percent which constitutes the backbone of this country, are we going to close our eyes and listen to the smug, complacent columnists who do not know the A B C's of the economic life of this country, who do not know anything about the figures the truth of which have been demonstrated here today; who do not know that up to 8 or 9 months ago tens of thousands of the best farms of this country had been taken over by insurance companies, and by the Government itself? They do not seem to realize that this great segment is a part of the whole, so they write in opposition to those who stand for a healthy economic whole, not one segment, but a hundred percent of the national front.

What causes price spiraling? All the economists say it is caused by hoarding, speculation, monopoly, overexpansion of credits, and any unbridled returns to any segment of our economy. I wish to make it clear, so clear that I hope my voice will ring around this country, that the O'Mahoney amendment is not a measure begging for farm relief, it is not part of a farm-relief program, but it is an effort—only in part, to be sure, to the extent of 20 percent—to tie farm prices to the tail of industrial wage prices. We heard the Senator from Wyoming [Mr. O'MAHONEY] discuss this matter a few moments ago.

I feel that if the farm picture can get honest consideration here in Washington, if the farmer can get a more reasonable price, in case the spiral is upward—and when I say reasonable, I mean higher only insofar as we have to have it higher in order to plan for the future—the farmer, and the Nation as a whole, will be in such a position, when the tremendous war effort is over, that we will not have to deal with the farmer on the dole basis. The farmer is entitled to something else, not to be treated as an orphan, not to be looked upon as one who has to have things doled out to him.

Mr. President, these columnists, these folk who have written so learnedly on this subject, these folks who have been living in the lap of plenty all through the years when the farmers have been crucified, write now with a sense of omniscience which absolutely betrays their ignorance.

The papers today carry the news that the railroads are to have an increase in rail rates of 10 percent. No one says anything about that, that is all right; but the man who provides the foodstuffs for the country, the man who produces the something which provides the vitamins enabling us to live and exist, the 29 percent of our population in this great war planning—he is to be neglected. Let us see to it that the farm segment does not become sick again.

Let us remember that if this country gets into a price jam and costs are increased, the farmer—being at the original end of the process—cannot pass his additional cost on to someone else, but he has to absorb it.

First. Mr. President, I favor retention of the O'Mahoney amendment, covering the language on page 30, line 9, to page 32, line 2, inclusive, of the price-control bill. This amendment provides for (a) the flexible emergency wage parity price ceiling; (b) the market price prevailing October 1, 1941; (c) or December 15, 1941, whichever may be the highest of (a), (b), and (c); or, (d) the average price for such commodity during the period July 1, 1919, to June 30, 1929. The language of the amendment should be so changed that the Price Administrator's choice would be limited to whichever may be the highest of any of the four above described.

Second. I favor the retention of the Bankhead amendment, requiring prior approval of the Secretary of Agriculture in connection with actions by the Administrator with respect to agricultural commodities. This appears on page 32 of the bill, lines 3 to 7.

Third. I am willing to have restored 110 percent of parity, which was stricken from the House bill, provided it is also one of the choices in which the Administrator is required to take the highest computed price ceiling.

Fourth. I favor retention of the power of Congress to make the act inoperative at any time when both Houses by a majority vote pass a concurrent resolution to that effect. That is covered on page 22, lines 21 to 23, of the bill.

Fifth. I oppose that section of Senate version of the bill which allows the Price Administrator to buy and sell at public or private sale, or store or use, on behalf of the United States, any commodity, domestic or foreign, for purposes of controlling domestic prices. That appears on page 28, subsection (e). Such vast power is not in the best interest of the people of the United States.

Sixth. I ask rejection of conference report if it does not contain points 1 to 4, inclusive. I also ask rejection if the conference report contains, in substance, point 5.

FACTS TO FACE IN CONNECTION WITH PRICE-CEILING LEGISLATION FOR AGRICULTURE

First. The emergency wage-parity measure is temporary.

Second. This provision in the O'Mahoney amendment is not a farm-relief measure. It will help to prevent the need for future farm relief, dole, and subsidy.

Third. The administration version of price ceilings for agriculture is a consumer philosophy, not a practical, well-considered, fair, and equitable producer remedy.

Fourth. Farmers also want to avoid inflation. They believe that the administration program will badly handicap agriculture generally and will come no closer to preventing inflation than the O'Mahoney provisions.

Fifth. The O'Mahoney amendment will not cause price spiraling.

Sixth. Hoarding, speculation, monopoly, overexpansion of credit, and unbridled income rates can cause spiraling.

FACTS AND COMPARISONS

First. When war started in 1939 farm prices were still at an abnormally low level.

Second. After increasing 38 percent from September 1939 to November 1941, farm prices were still 22 percent less than in April 1917. Factory workers' weekly earnings increased 31 percent from September 1939 to November 1941. Compared with 1917, these weekly earnings were 125 percent higher, whereas farm prices in November 1941 were 22 percent lower than in 1917.

Third. From 1919 to November 1941 retail food prices as a whole decreased 27 percent, yet the composite wage rates of urban people increased 53 percent. Actually, in November 1941 the food purchasing power of all nonfarm people in terms of total earnings was 22 percent more than when the war started in September 1939. Since September 1939 the average per capita income of all nonfarm people increased 26 percent, while food as an item in the cost of living increased only 14 percent.

WHY THE EMERGENCY WAGE PARITY IN THE PRICE-CEILING BILL?

First. Because the greatest single factor contributing to price has been omitted in the administration measure—industry's cost factor.

Second. Because even with price ceiling set at 110 percent of parity agriculture cannot survive in the face of rising production and labor costs. Agriculture faces heavy production-increase burdens in the Nation's future war economy. Agriculture, particularly dairy, poultry, livestock, and truck farming, faces severe shortage of labor and equipment, which can be had only at drastically increased costs.

Third. Because industry may compensate itself for rising costs, but agriculture, being at the first end of the line, cannot pass these costs any further back, and hence must absorb them.

Fourth. Because even the United States Department of Agriculture parity began with actual disparity instead of equality during the base period 1909–14. The average per capita income for farmers, 1909–14, was $134, while the average per capita income for nonfarm groups during that time was $487.

Fifth. Because farming is a business and an industry that must make plans in advance and should have some assurance of returns comparable in part with inevitably rising costs.

I ask that there be printed at this point a table giving a comparison between the wage parity under the O'Mahoney amendment and the present Department of Agriculture parity index.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison of the emergency wage parity in the O'Mahoney amendment with the present United States Department of Agriculture parity version

	Official parity, U. S. Department of Agriculture index	Emergency wage, parity index
	Percent	*Percent*
Commodities purchased by farmers for production	37.3	29.8
Commodities purchased by farmers for living	48.7	39.0
Interest paid by farmers	7.2	5.8
Taxes paid by farmers	6.8	5.4
Wage rates paid directly or indirectly by farmers (agricultural, industrial, clerical, transportation, etc.)	0	20.0
Total	100	100

The actual difference is in the added factor reflecting wage rates which is given a weight of 20 with the present U. S. Department of Agriculture parity formula given a weight of 80.

Mr. WILEY. Mr. President, in conclusion let me bring out this fact. To the general public it may appear that the farmer is asking for 120 percent of a fair price. That is not accurate. The Department of Agriculture did not establish parity at real parity. Parity was fixed at a fictious price, which had little relation to actual parity, and today there is little relationship between the price which the farmer is receiving and the cost of farm products to the consumer.

In 1919 we hit a peak in high prices. In January of 1919 hogs were 17 cents and recently they have been 11 cents. Pure pork sausage was 24 cents a pound in the chain stores and today it is 25 cents a pound. In other words, the price of hogs went down and the price of sausage went up.

In 1919 beef steers were 16 cents a pound and recently they have been about 14 cents a pound. In 1919 steaks sold for 24 cents and today they cost 39 cents. The roasts that formerly cost 23 cents are today 27 cents.

Back in 1919 you could buy Irish potatoes for about 3 cents a pound and today you pay 4 cents a pound. In 1919 the chain stores were selling sweetpotatoes for 3 cents a pound and today they are 4 cents a pound. In 1919 sweetpotatoes on the farm were 2.4 cents a pound, while today they have gone down to 1.5 cents per pound.

Today corn on the farm brings only two-thirds as much as it brought in 1919, but the price of corn meal has remained just as high as it did in 1919. In other words, the price the farmer receives for his product appears to have no conclusive correlation with the ultimate price to the consumer, and, consequently, it is difficult to believe that the commodity minimums established by the Senate will directly bear on the cost of living.

At the present time, when millions of young men are being taken away from the farms and when farm implements and supplies and machinery are extremely scarce, it will be very difficult to maintain agricultural production even under fair prices.

The farmer's ability to produce his products is limited by the return he receives. At the present time the farmer must plan for this year's crops, and if he expects to produce a normal crop, he is now entitled to have some assurance that the price will be fair. If he cannot produce a normal crop in 1942, we will be faced with a shortage in 1943.

I should like to point out also that if future developments prove that our Senate amendments were wrong, they could still be altered. If, however, future developments established the fact that the farmer could not produce at lower prices and if our 1942 crop was inadequate, the country would be faced with a food shortage and there would be no remedy. It is my contention that the establishment of farm prices as outlined in the Senate amendments rather than causing inflation will merely insure that the farmer receives a fair return for his labor.

The Senator from Massachusetts spoke eloquently on the subject of excess profits that some folks have made in war contracts. I know nothing about the facts except as I have read the reports of the investigating committees in the newspapers.

In all the discussion had on the floor, no one has ever contended that the farmer was receiving any excess profits. He plods along from sunrise until sunset.

The Government has never seen fit to fix a minimum wage as a basis for compensation to this man who digs wealth out of the ground for the rest of us.

If the facts are as it is claimed, that contractors have been mulcting the Government in this war effort by making excess profits, we ought to be able, by the tax bill that we are to pass soon, to take care of that situation. However, we should also be utilizing the provision of the law mentioned by Senator AUSTIN—to see to it that in the future the people's money which pays for the war effort gets value in return for everything we buy with that money.

It has been said that the conference committee is going to "throw the O'Mahoney amendment out of the window." I hope this is not true. I hope the pressure from the other end of the Capitol and the propaganda effort reflected in editorials and columns of the papers, will prove ineffective.

Mr. President, the Senator from Massachusetts [Mr. WALSH] described very feelingly the sacrifices that are being made and will be made by the youth of this Nation. They may be required in large numbers to give their lives on the altar of their country to preserve this free Nation. Many of these youths come from the farms of this country. They are going into the service to receive $21 a month. Their voice demands that we cut out useless expenditures, that we demobilize many of our nonwar agencies, and they also ask that the 29 percent of our population which has never received much consideration—the farmers of the country—their parents, be given a square deal by the Congress.

DISTRICT OF COLUMBIA INCOME TAX

Mr. BURTON. Mr. President, I move that the Senate proceed to the consideration of House bill 5591, providing an amendment of the District of Columbia Revenue Act of 1939.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Ohio.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5591) to amend the District of Columbia Revenue Act of 1939, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments.

Mr. AUSTIN. Mr. President, will the Senator from Ohio please make an explanation of the bill so the RECORD will show what it is about?

Mr. BURTON. Mr. President, I have been asked by the chairman of the District of Columbia Committee, the senior Senator from Nevada [Mr. MCCARRAN], to state briefly in his absence the purpose of the bill. It relates to the District of Columbia income tax. In the year 1940 the District of Columbia raised about $3,400,000 by its local income tax, based on 1939 incomes. Last year it raised over $4,000,000 by its local income tax, based on 1940 incomes. The bill does not change the basis of that tax, but it does correct some of its details. The purpose is to correct several minor deficiencies and to improve the administration of the tax act. There is no change in the rate of tax, or in the class of individuals or corporations upon which the tax is imposed. The exemption provisions are amended so as to conform precisely to the exemption provisions in the regular Federal income tax.

The requirement of an affidavit to the tax return is removed, but there is inserted a penalty for making a false return, which is a little simpler procedure.

The requirement of a $25 filing fee for corporations is eliminated, and a $10 annual license fee substituted.

Additional provision is made for information returns as to payments made to foreign corporations, and for withholding at the source of payment the tax on payments made to foreign corporations.

The measure is approved by the Commissioners of the District of Columbia and by the Corporation Counsel, and is recommended by the District of Columbia Committee.

Mr. AUSTIN. Mr. President, will the Senator yield to me for a question?

Mr. BURTON. I yield.

Mr. AUSTIN. Has the Senator such a classification of the different groups who have to pay this tax in the District of Columbia as to bring out the fact that there is in the District of Columbia a group of taxpayers such as is rarely found in any other taxing district?

Mr. BURTON. Mr. President, the nearest I have to that is a table showing that last year, for example, of the $4,000,000 which was collected, $2,200,000 came from corporations, although the District of Columbia is not an industrial community, and approximately $1,800,000 came from individuals, many of whom are domiciled here, although they may vote elsewhere. Although, as I have said, the District of Columbia is not an industrial community, it contains a population that is providing, through this income tax, revenue for the local government, which would not be reached otherwise.

The PRESIDING OFFICER. The committee amendments will be stated.

The first amendment of the Committee on the District of Columbia was on page 6, to strike out lines 7 to 18, both inclusive, as follows:

(f) Section 18 of title II of said act is amended by adding thereto the following new subsection:

"(b) Federal deficiency assessments: Every person required to make a return under the provisions of this title shall, within 60 days after the date any income-tax-deficiency assessment (other than a deficiency assessment of only interest or penalties) is made by the Bureau of Internal Revenue of the Treasury Department of the United States for any taxable period covered by this title, file with the assessor a copy of such Federal deficiency assessment, together with a report showing the basis of such deficiency determination."

The amendment was agreed to.

The next committee amendment was, on page 9, line 22, after the word "rent", to strike out "salaries, wages"; and in line 24, after the word "income", to insert "to foreign corporations", so as to read:

(o) Title II of said act is amended by adding the following new section to be numbered "Sec. 44":

"SEC. 44. Information returns: Every person subject to the jurisdiction of the District in whatever capacity acting, including receivers or mortgagors of real or personal property, fiduciaries, partnerships, and employers making payment of dividends, interest, rent, premiums, annuities, compensations, remunerations, emoluments, or other income to foreign corporations, shall render such returns thereof to the assessor as may be prescribed by rules and regulations of the Commissioners."

The amendment was agreed to.

The next amendment was, on page 10, line 8, after the word "corporation", to strike out "or person not a resident of the District"; in line 13, after the word "corporation", to strike out "or other person not a resident of the District."; and in line 14, after the word "corporation", to strike out "or nonresident person", so as to read:

(p) Title II of said act is amended by adding the following new section to be numbered "Sec. 45":

"SEC. 45. Withholding of tax at source: Whenever the Commissioners shall deem it necessary in order to satisfy the District's claim for income tax payable by any foreign corporation, they may, by rules and regulations, require any person subject to the jurisdiction of the District to withhold and pay to the collector of taxes an amount not in excess of 5 percent of all income payable by such person to a foreign corporation. After such foreign corporation shall have filed all returns required under this title, and the same shall have been audited, the collector of taxes shall refund any overpayment to the taxpayer."

The amendment was agreed to.

The next amendment was, on page 10, line 25, after the word "year", to strike out "1941" and insert "1942", so as to read:

(q) Title II of said act is amended by adding the following new section to be numbered "Sec. 46":

"SEC. 46. Licenses: (a) Every corporation (except those expressly exempt from the tax imposed by this title) engaging in or carrying on any business, or receiving income from District of Columbia sources, shall obtain a license so to do on or before the 1st day of January of each year: *Provided*, That such license for the calendar year 1942 may be obtained within 60 days after the approval of this act. Applications for licenses shall be upon forms prescribed and furnished by the Commissioners, and each application shall be accompanied by a fee of $10.

The amendment was agreed to.

The next amendment was, on page 14, line 4, after the word "year", to strike out "1940" and insert "1941"; and in line 8, after the word "shall", to strike out "apply to the taxable year 1941, and succeeding taxable years", and insert "become effective January 1, 1942", so as to read:

SEC. 2. The provisions of section 1 of this act shall apply to the taxable year 1941, and succeeding taxable years, except that the provisions of subsection (q) thereof requiring licenses for corporations, and the provisions of subsection (e) thereof eliminating the requirement of payment of a fee for filing corporation returns shall become effective January 1, 1942.

The amendment was agreed to.

Mr. BURTON. Mr. President, I may state that the amendments, which are formal in character, are approved by the committee, and, as amended, I believe the

bill simply provides a corrected form of the Income Tax Act for the District.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill H. R. 5591 was read the third time and passed.

PUBLIC OFF-STREET PARKING FACILITIES IN THE DISTRICT OF COLUMBIA

Mr. BURTON. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 964, Senate bill 1945, which is also recommended by the Committee on the District of Columbia.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1945) to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments.

The PRESIDING OFFICER. The Chair will state that the committee amendments have heretofore been agreed to.

Mr. BURTON. The committee amendments to the bill, as has just been stated, were agreed to on January 12.

This bill relates to parking conditions, and provides authority for improving those conditions in the District of Columbia. At the preceding call of the calendar, when the bill was reached, objection was made by the junior Senator from Connecticut [Mr. DANAHER], but since then I have conferred with him in detail. He made several constructive suggestions and he has authorized me to state that he aproves the bill with certain amendments, which I will now send to the desk. These amendments also have been approved by the Corporation Counsel for the District of Columbia, and are recommended by the chairman of the District Committee and myself.

The PRESIDING OFFICER. The amendments offered by the Senator from Ohio on behalf of the committee will be stated.

The CHIEF CLERK. On page 4, in line 8, after the word "with", it is proposed to strike out "or without."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The CHIEF CLERK. On page 4, line 19, after the word "improved", it is proposed to strike out "which the agency shall have determined to be no longer necessary for the purposes of this act" and insert "*Provided*, That such action shall be in accordance with the general law covering the disposal of such property by the District of Columbia; and, *Provided further*, That the agency shall have first determined such property to be no longer necessary for the purposes of this act."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. BURTON. Mr. President, the amendment just agreed to is formal in character. However, since a question was raised by the Senator from Connecticut [Mr. DANAHER], it should be said that the amendment relates to the disposal of property which might be acquired under the act for parking purposes in the District of Columbia, and as amended the bill provides not only as the bill originally did, that before the property can be disposed of the approval of the parking agency must be obtained, but the District must also go through the regular procedure for the disposal of any real property of the District of Columbia, that is to say, the disposal must be aproved by the National Capital Park and Planning Commission and by the Commissioners.

The PRESIDING OFFICER. The next amendment offered by the Senator from Ohio for the committee will be stated.

The CHIEF CLERK. On page 5, line 6, after the word "regulation", it is proposed to change the period to a comma, and to insert "and to insure the maintenance and operation of such parking facilities in a clean and orderly manner and in such a manner as to provide efficient and adequate service to the public."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The CHIEF CLERK. On page 10, line 4, it is proposed to strike out "1941" and insert "1942."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. BURTON. Mr. President, I desire to make a brief statement as to the purposes of the bill itself. It has long been recognized that probably the most unique difficulty in connection with the traffic problem in the District of Columbia is its lack of parking facilities. Congress recently passed a bill increasing the gasoline tax in the District of Columbia by an amount which will raise one and one-half million dollars a year. This, with some Federal funds to be used on certain Federal projects, will enable the District to overcome many of its engineering difficulties in meeting the traffic problem. Parking is another phase of that same problem. It cannot be met merely by engineering. This bill will put into effect a recommendation made by the Commissioners of the District, and also by the highway director, Captain Whitehurst, who made the report on the engineering features.

This bill provides in substance that there shall be a separate parking agency appointed by the District Commissioners, responsible to them. That agency shall consist of seven members, one to be drawn from the Federal Works Agency, which includes the United States Highway Administration, one to be drawn from the National Park Service, which controls the parks in the District, one to be drawn from the Department of Vehicles and Traffic of the District, and the other four to be appointed at large, and responsible to the Commissioners. None of them shall receive a compensation greater than $500 a year. The agency shall have authority, subject to the Commissioners, and limited by the appropriations from Congress, to deal with the parking problem on a fundamental and long-view basis. The agency will have authority to control the placing and the purchasing of parking meters. It also will have authority, subject to the approval of the Commissioners and the appropriations of Congress, to purchase land and to operate off-street parking spaces. For example, there are so-called marginal or fringe parking spaces, which might be purchased in the outlying area of the city with the view of having people drive as far as such places and park there, and then proceed downtown by means of mass transportation.

This measure does not appropriate the money for that purpose. It does not specifically authorize the doing of what I have just described, but it creates an agency which I believe will be competent to give this subject the kind of attention it must have if we are to reach an intelligent solution of the parking problem in Washington.

The danger is that with no one having responsibility for studying parking on a long-view constructive basis, the matter will be neglected, and nothing of permanent value will be done about it. I believe this bill provides a sound way to approach the question, and in the meantime it places responsibility on an agency to control current parking problems, while also studying the long-view problem.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill (S. 1945) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That it is hereby declared that the free circulation of traffic of al kinds through the highways of the District is necessary to the health, safety, and general welfare of the public, whether residing in said District, or traveling to, through, or from said District in the course of lawful pursuits; that in recent years the greatly increased use by the public of motor vehicles of all kinds has caused serious traffic congestion on the highways of the District; that the parking of motor vehicles on the highways of the District has contributed to this congestion to such an extent as to interfere seriously with the primary use of such highways for the movement of traffic; that such parking prevents the free circulation of traffic in, through, and from said District, impedes rapid and effective fighting of fires and the disposition of police forces in the District, threatens irreparable loss in valuations of property in the District, which can no longer be readily reached by vehicular traffic, and endangers the health, safety, and welfare of the general public; that this parking nuisance can be reduced by providing sufficient off-street parking facilities conveniently located in the several residential, commercial, industrial, and governmental areas of the District; that adequate off-street parking facilities have not been provided by private enterprise; that it may be necessary to supplement private parking spaces by off-street parking facilities provided by public undertaking; and that the enactment of this act, as well as the use of land for the purposes set forth in this act, is hereby declared to be a public necessity.

SEC. 2. That, when used in this act, unless the context indicates otherwise—

The term "District" means the District of Columbia.

The term "Commissioners" means the Commissioners of the District of Columbia.

The term "agency" means the Motor Vehicle Parking Agency created in section 4 of this Act.

The term "parking facilities" means one or more public off-street parking areas for motor vehicles, including necessary structures.

SEC. 3. The Commissioners, within the limits of appropriations by Congress there-

for, are authorized to exercise all powers necessary and convenient to carry out the purposes of this Act, the said purposes being hereby declared to be the acquisition, creation, and operation, in any manner hereinafter provided, under public regulation, of public off-street parking facilities in the District as a necessary incident to insuring in the public interest the free circulation of traffic in and through said District. Such powers shall include, but shall not be limited to, the powers hereinafter enumerated:

(a) The power to acquire any property, real or personal, or any interest therein, by purchase, lease, gift, bequest, devise, or grant, or by condemnation under the provisions of sections 483 to 491, inclusive, of chapter XV, as amended, of the Code of Law for the District of Columbia, approved March 3, 1901 (31 Stat. 1265–1266) in any area of the District as to which the agency shall have made a determination that public parking facilities are necessary or expedient. Before acquiring any area for parking facilities the Commissioners shall request the National Capital Park and Planning Commission for its recommendations and it shall be the duty of said Commission to report thereon within 30 days of such request.

(b) The power to undertake, by contract or otherwise, the clearance and improvement of any such property as well as the construction, establishment, reconstruction, alteration, repair, maintenance, and operation thereon of parking facilities; to contract, by lease or otherwise, with competitive bidding, with any individual, firm, association, or corporation, private or public, for the operation of any parking facilities for such period, not exceeding 5 years, as the Commissioners shall determine, and to terminate, without prior notice, any contract in the event of any failure or omission of any party thereto to observe or enforce the rules or schedules of rates made under authority of paragraph (d) of this section.

(c) The power to sell, exchange, transfer, or assign any property, real or personal, or any interest therein, acquired under authority of this act, whether or not improved: *Provided*, That such action shall be in accordance with the general law covering the disposal of such property by the District of Columbia: *Provided further*, That the agency shall have first determined such property to be no longer necessary for the purposes of this act.

(d) The power to establish and from time to time to revise, with or without public hearings, uniform schedules of rates to be charged for use of space in each such parking facility; to provide rate differentials between said parking facilities for such reasons as the amount of space occupied, the location of the facility, and other reasonable differences; and to prescribe and promulgate such rules and regulations for the carrying out of the provisions of this act as may be necessary to keep said parking facilities subject at all times to public regulation, and to insure the maintenance and operation of such parking facilities in a clean and orderly manner and in such a manner as to provide efficient and adequate service to the public. The rates to be charged for parking of motor vehicles within said parking facilities shall be fixed at the lowest possible rates, consistent with the achievement of the purposes of this act, that will defray the cost of maintaining, operating, and administering the parking facilities; liquidate within such time as the Commissioners shall determine the cost of acquiring and improving the required property for parking-facility purposes; and provide for the acquisition and improvement of other necessary parking facilities, but without any purpose of obtaining for the District any profit or surplus revenue from the operation of said parking facilities. There shall be no discrimination in rates or privileges among the members of the public using said parking facilities.

(e) The power to secure and install mechanical parking meters or parking devices on the streets, avenues, roads, highways, and other public spaces in the District under the jurisdiction and control of the said Commissioners, in addition to those mechanical parking meters and devices installed pursuant to the authority conferred on the said Commissioners by section 11 of the District of Columbia Appropriation Act, 1939, approved April 4, 1938 (52 Stat. 192), such meters or devices to be located at such points as the Commissioners may determine, and the said Commissioners are authorized and empowered to make and enforce rules and regulations for the control of parking of vehicles on such streets, avenues, roads, highways, and other public spaces, and as an aid to such regulation and control of the parking of vehicles the Commissioners may prescribe fees for the parking of vehicles where meters or devices are installed.

SEC. 4 There is hereby created a motor-vehicle parking agency consisting of seven members, namely, a representative of the Federal Works Agency, to be designated by the Administrator thereof; a representative of the National Park Service, to be designated by the Secretary of the Interior; a representative of the Department of Vehicles and Traffic of the District, to be designated by the Commissioners, and four other members, each of whom shall have been a bona fide resident of the District for at least 3 years immediately preceding his appointment, to be appointed by the Commissioners, without regard to race or creed. The Secretary of the Interior, the Federal Works Administrator, and the Commissioners may from time to time, in their discretion, change their respective designates in office, and they shall name new designates to fill any vacancies caused by the death, resignation, or other inability to serve, of their respective designates in office. The terms of the other four members of the agency shall be 4 years each, except that in the case of the initial appointments, one shall be for a term of 1 year, one for a term of 2 years, and one for a term of 3 years. In the case of any vacancy in the position of the members appointed for definite terms the same shall be filled for the remainder of the term. The said agency shall perform the duties imposed upon it by this act and such other duties as the Commissioners may assign to it. The Commissioners are authorized to delegate to the agency any or all of the powers vested in the said Commissioners by this Act, except the powers set forth in paragraphs lettered (a) and (c) in section 1 of this act.

SEC. 5. Parking facilities may be established in any section or portion of the District except that no parking facilities shall be established upon any property zoned residential without the approval of the Zoning Commission of the District. The Zoning Commission may grant such approval only after public notice and hearing in accordance with section 3 of the act entitled "An act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes," approved June 20, 1938.

SEC. 6. The National Capital Park and Planning Commission and the Highway Planning Survey Unit shall make available such records and factual data and make such additional surveys as the Commissioners or the agency may deem necessary to carry out the purposes of this act.

SEC. 7. All fees and other moneys collected under this act, including all fees collected pursuant to section 11 of the District of Columbia Appropriation Act, 1939, approved April 4, 1938 (52 Stat. 192), and all moneys derived from the sale or assignment of any property, real or personal, shall be deposited in a special account in the Treasury of the United States entirely to the credit of the District of Columbia and shall be appropriated and used solely and exclusively for the purposes set forth in this act, including the reimbursement of the highway fund of the District for any moneys advanced therefrom to carry out the purposes of this act.

SEC. 8. Appropriations from the highway fund of the District are hereby authorized to carry out the provisions of this act for the fiscal year ending June 30, 1942, and thereafter the Commissioners are authorized and directed to include in their annual estimates such amounts as may be required from said highway fund and the fund created by this act for the purpose of carrying out the provisions of this act, including the payment of salaries and necessary administrative expenses. The Commissioners are authorized to employ a director and such other personal services as may be necessary to carry out the provisions of this act, and the salaries of such employees, other than members of said agency, are to be fixed in accordance with the provisions of the Classification Act of 1923, as amended. The Commissioners shall fix the compensation of the members of said agency without reference to the provisions of the Classification Act: *Provided, however*, That the compensation of any member shall not exceed $500 per annum: *And provided further*, That no compensation for services as a member of such agency shall be provided for any member who holds a salaried public office or position in the District of Columbia or the Federal Governments.

SEC. 9. If any provision of this act, or the application thereof to any person or circumstances, shall be held invalid, the validity of the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 10. This act may be cited as the "District of Columbia Motor Vehicle Parking Facility Act of 1942."

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BUNKER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. WALSH, from the Committee on Naval Affairs:

Sundry officers for appointment and promotion in the Navy, and several officers for appointment and promotion to rank as general officers in the Marine Corps; and

Col. Raymond R. Wright, to be the Paymaster of the Marine Corps, with the rank of brigadier general, for a period of 4 years from the 1st day of February 1942.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

COLLECTOR OF INTERNAL REVENUE

The legislative clerk read the nomination of William J. Pedrick to be collector

of internal revenue for the second district of New York.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk read the nomination of Curtis G. Southard to be passed assistant surgeon from January 17, 1942.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Daniel J. Daley to be passed assistant surgeon, to rank as such from March 29, 1942.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc, and that the President be immediately notified.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, it is so ordered.

That completes the calendar.

ADJOURNMENT

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn.

The motion was agreed to; and (at 2 o'clock and 40 minutes p. m.) the Senate adjourned until tomorrow, Friday, January 23, 1942, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 22, 1942:

SECURITIES AND EXCHANGE COMMISSION

Robert H. O'Brien, of Montana, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1945, vice Edward C. Eicher.

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

TO BE BRIGADIER GENERALS

Col. Philip Ries Faymonville, Ordnance Department.

Col. Arthur Riehl Wilson (lieutenant colonel, Field Artillery), Army of the United States.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

MARINE CORPS

Lt. Col. (temporary) William L. McKittrick to be a lieutenant colonel in the Marine Corps from the 8th day of December 1941.

Maj. (temporary) Robert B. Luckey to be a major in the Marine Corps from the 8th day of December 1941.

Capt. (temporary) Malcolm O. Donohoo to be a captain in the Marine Corps from the 1st day of March 1941.

Capt. (temporary) Ellsworth G. Van Orman to be a captain in the Marine Corps from the 8th day of December 1941.

Elbert S. Maloney, Jr., a citizen of the District of Columbia, to be a second lieutenant in the Marine Corps from the 28th day of May 1941.

Harold "K" Throneson, a citizen of California, to be a second lieutenant in the Marine Corps from the 31st day of August 1941.

Quintin A. Bradley, a citizen of Arizona, to be a second lieutenant in the Marine Corps from the 1st day of September 1941.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 22, 1942:

RECONSTRUCTION FINANCE CORPORATION

TO BE MEMBERS OF THE BOARD OF DIRECTORS OF THE RECONSTRUCTION FINANCE CORPORATION

Charles B. Henderson
Sam Husbands
Howard J. Klossner
Henry A. Mulligan
Charles T. Fisher, Jr.

COLLECTOR OF INTERNAL REVENUE

William J. Pedrick to be collector of internal revenue for the second district of New York.

UNITED STATES PUBLIC HEALTH SERVICE

TO BE PASSED ASSISTANT SURGEONS

Curtis G. Southard
Daniel J. Daley

POSTMASTERS

CALIFORNIA

Edna E. Cobb, Cathedral City.
Madge M. Kearns, Sunland.

NEW MEXICO

Charles E. Gibbs, Madrid.

TEXAS

Elsie G. Parker, Azle.
Minor C. Strother, Bessmay.
Wenzel P. Skarda, Bloomington.
Ruth B. Reeves, Boling.
Henry Allen Jones, Cayuga.
Douglas P. Cain, Hallsville.
George V. Norman, Hempstead.
Vernon R. Brooks, Joshua.
Alex Jones, Keller.
Frank J. Williams, Lipan.
Fowler Magee, Montague.
Ruby N. Hart, New Boston.
Tug S. Pfeuffer, New Braunfels.
Louis H. De Mouche, Portland.
Frederick A. Benedict, Randolph Field.
Merrill L. Carlton, Ringgold.
Hattie M. Sims, Ropesville.
Rose Franger, Runge.
Thomas M. Sherman, Rusk.
Dorothy B. Statton, Skellytown.
Donald D. Oxford, Springtown.
Ralph A. Guthrie, Sundown.
Steve R. Selleh, Thompsons.
Lillian M. Bradberry, Warren.

APPOINTMENTS TO TEMPORARY RANK IN THE AIR CORPS, IN THE REGULAR ARMY

The nominations of Harvey Hodges Holland et al. to be colonels, and the nominations of Milton Miles Murphy et al. to be lieutenant colonels, which appear in the CONGRESSIONAL RECORD for January 16, 1942, under the caption "Nominations," beginning on page 446.

HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 22, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lord God of all being, set our souls in that garden which is enriched by the flowing tides of the river of life; guard us against impatience. So often the hills are steep, the currents are strong, and the ordeals bitter. We praise Thee that Thou art "Emanuel, God with us"—our security, our hope, and our victory. The sacrificial spirit of service and a living faith cannot fail to understand the divine melody of the Psalmist: "In the time of trouble he shall hide me in his pavilion; in the secret of his tabernacle shall he hide me." Breathe into our souls Thy quickening presence that we may stand fully assured of Thy will.

Almighty God, Thy teaching has come down through the ages. He who has done a little, I will reward him greatly; he who has given a cup of water in my name, I will give him the water of life; he who has clothed the naked, I will give him the white raiment of a better world; he who has spoken the kindly word, I will put into his breast the song of Moses and the Lamb. Grant that Thy strength may be made perfect in our weakness. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of democracy at home, and to include a resolution passed by the Senate of the State of Illinois.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that I may be permitted to address the House for 10 minutes after the regular program of the day has been completed.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

AMENDMENT OF THE CIVIL SERVICE RETIREMENT ACT

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that I may address the House at this time for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I want to direct these remarks, if I may, to the gentleman from Georgia [Mr. RAMSPECK], the chairman of the Civil Service Committee of the House, and the remarks are with reference to the bill H. R. 3487, the conference report on which came up for consideration on yesterday. I was on the floor all day except that I was called from the floor for not more than 5 minutes when the conference report was called up by the chairman of the committee.

I realize it was not the obligation of the chairman to direct my attention to it, but he did know my feelings regarding the particular section that had to do with retirement for elective officials. In view of the fact that the chairman knew my position on this legislation, it seems to me I was entitled to the courtesy of being ad-

vised that the conference report would come up for consideration.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. In just a moment I will yield.

I am not so much concerned now about the remainder of the bill, but I do think that if a measure of this kind is to come before the Congress it should have been presented as a separate bill and not put into a civil-service retirement measure, because I do not feel that provision belongs in a measure of that kind. I opposed this legislation in the Seventy-fifth Congress. I opposed it in committee. I am opposed to a policy whereby elected officers may accept the advantages that are available to employees under the executive department of our Government. I realize it is not compulsory, and I appreciate the fact that contributions are made by those who are entitled to its benefits; even at that I am still opposed to it.

EXTENSION OF REMARKS

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a statement by Mr. J. B. Weede, of Des Moines, relating to national defense and peace; and, second, I ask unanimous consent to extend my remarks in the RECORD and to include therein a resolution by the Des Moines Garden Club.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an article by W. C. McClure.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

DONALD NELSON IS RUNNING THE WAR IN ARKANSAS

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

[Mr. ELLIS addressed the House. His remarks appear in the Appendix.]

TAXATION

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. YOUNG. Mr. Speaker, the senior Senator from Ohio, according to a Washington newspaper account, said "I would prefer the levying of a pay-roll tax, possibly of 10 percent, because it would be less inflationary in its effect than a sales tax." He stated "A 10 percent pay-roll tax would bring in $5,000,000,000." Of course, men whose wealth has been inherited would prefer taxes deducted from pay rolls instead of increased income taxes in the higher brackets and other forms of taxation. It is my view that nothing conceived of could be as unthinkable and atrocious as proposing to deduct 10 percent from the pay envelope, pay rolls, and salaries. This is taxing the poorest with a vengeance. Fortunately for ordinary folks, taxes must originate in the House of Representatives. Some men of great inherited wealth never overlook an opportunity to soak the poor. If a pay-roll tax is adopted the little fellow receiving $1,200, $1,500, and $2,000 a year would pay a tremendous tax. Persons who are urging a pay-roll tax, if they had to forego their inherited wealth, big incomes, and large salaries for a year and try living on $100 per month, might conclude it is better not to know so much than to know so much that is not so.

EXTENSION OF REMARKS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD by printing a speech delivered over the radio last Monday night.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

AMENDMENT OF THE CIVIL SERVICE RETIREMENT ACT

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, in response to the statement made by the gentleman from Kansas [Mr. REES] I wish to say that I am sorry the gentleman was not on the floor when the matter came up yesterday, but I followed the usual procedure of consulting the Speaker of the House, the majority leader, the minority leader, and the ranking Republican member of the Civil Service Committee, all of whom were advised that it was my purpose to ask for concurrence in the Senate amendments.

I wish to advise the membership of the House that when this bill is signed I expect to ask the Civil Service Commission to station an expert on the Hill for a while in order that the Members may be informed about the procedure under this bill and how it applies to the elective officials of the Government.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman.

Mr. REES of Kansas. Does not the gentleman think the matter was of such importance to the Congress, as well as to the country, that the whole problem should have had a little more consideration by the House even when it was brought up in the first instance, as well as on yesterday?

Mr. RAMSPECK. I do not agree with the gentleman. I think it was given full consideration and certainly it is not an obligation of the chairman of the committee to notify every member of the committee when he is going to bring up a matter of concurring in the Senate amendments. It would be utterly impossible to do that.

Mr. REES of Kansas. I appreciate that.

Mr. RAMSPECK. I have always tried to be courteous to the gentleman, and I think he will agree that I have been.

Mr. REES of Kansas. The gentleman knows that it was only for a few moments that I was away from the floor. Of course, I could not tell when it was going to come up and the gentleman knows my whole attitude toward the matter.

Mr. RAMSPECK. I could not know exactly when it would be taken up. You have to take such a matter up when you can.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an editorial from the St. Petersburg (Fla.) Independent.

The SPEAKER. Is there objection?

There was no objection.

PEANUTS

Mr. PACE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. PACE. Mr. Speaker, today marks the beginning of National Peanut Week. With the consent of the Speaker, I have had placed in the Republican and Democratic cloakrooms a small exhibit to try to demonstrate some of the wonders of the peanut industry and of the things we are doing with peanuts. I hope that all the Members will not only see the exhibit, which will open their eyes, but I hope also they will partake abundantly of the samples they will find there, because there are plenty more where they came from.

USE OF POWER IN COTTON GINS

Mr. POAGE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. POAGE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks and include a radio talk.

The SPEAKER. Is there objection?

There was no objection.

SPEECHES AGAINST INVOLVEMENT IN WAR

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the Washington Post this morning, continuing its efforts to smear the gentleman from New York [Mr. FISH] and all who opposed a policy the only result of which could be a war, prints a list of Congressmen whose speeches, as printed in the CONGRESSIONAL RECORD, were franked out through the mails. The remarks I put

in the RECORD were an argument against involvement in war.

With reference to the remarks which I inserted in the RECORD, entitled "We Burned Our Fingers Once," the Post states:

The records said Miss Boyer, HOFFMAN'S secretary, authorized the use of his frank.

It is quite true that Miss Boyer authorized the Public Printer to issue reprints to the gentleman from New York [Mr. FISH] upon the payment of the regular charge. But let it be understood that I authorized Miss Boyer to make such statement; that I am not hiding behind any woman's skirts; that I am not dodging responsibility for the act of any secretary in my office; that I have no apology to make for those remarks.

NEW LOCKS AT THE SOO

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. BRADLEY of Michigan addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, including an editorial from the Soo Evening News.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. SHANNON. Mr. Speaker, I ask unanimous consent that after the House has disposed of all other special orders today, I be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. MAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address delivered by the Honorable SAMUEL W. KING over station WWDC, January 18.

The SPEAKER. Is there objection?

There was no objection.

Mr. COFFEE of Nebraska. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a statement by Dr. Leo M. Christiansen, research chemist of the University of Nebraska, with respect to the possibility of developing rubber from agricultural commodities.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a speech by the national commander of the American Legion.

The SPEAKER. Is there objection?

There was no objection.

PILOT PLANT TO TEST LOW-GRADE BAUXITE

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein a bill which I have introduced and some excerpts from the Mead report.

The SPEAKER. Is there objection?

There was no objection.

[Mr. RANKIN of Mississippi addressed the House. His remarks appear in the Appendix.]

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, with reference to the observation just made by the gentleman from Mississippi [Mr. RANKIN], let me suggest that in the Interior Department appropriation bill last year we inserted an item for $60,000 for the building of a pilot plant for the purpose of testing new processes to reclaim aluminum from low-grade bauxite ores. The Bureau of Mines and Minerals has been busily engaged in pursuing that matter all during the last year. About 30 days ago they made their report. They built a pilot plant and they have tested the French flotation process for reclaiming this ore from low-grade clays, and it is an entire success. It occurs to me that that process is now ready for licensing.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman.

Mr. RANKIN of Mississippi. That is a different kind of ore; it is high in both silica and iron, and they inform me that they will have to have a different process, and for that reason they will have to have a new pilot plant to test it out.

Mr. DIRKSEN. My understanding, from discussing the matter with those in the forefront in securing development of that pilot plant, is that it will operate on any kind of bauxite ore that is found in the United States.

Mr. RANKIN of Mississippi. That is not the information they gave me.

Mr. DIRKSEN. That is the information they gave me.

[Here the gavel fell.]

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RICH. Mr. Speaker, I wanted to make the same statement that the gentleman from Illinois [Mr. DIRKSEN] just made with reference to the duplication of industry in government. The duplication in bureaus, the duplication of effort, the duplication of things in which the Government is interested. It is great. Its cost is large. It is not necessary. If the gentleman from Mississippi [Mr. RANKIN] had investigated what the Interior Department under the Bureau of Mines has been doing, he would have found out that we can test all of the bauxite that they have down in Mississippi and determine whether it is valuable without spending $100,000 to do this kind of work. That is the trouble with the Government. We are just duplicating and duplicating and duplicating all of our efforts. And the expense is increasing and increasing and increasing. That is the reason why we have such great cost of government as we have today, and unless and until this Congress stops this duplication of effort we will have a difficult time to prosecute the war, because we will be financially bankrupt, and we cannot continue. We must stop many things that the Members want and that the Government is now doing.

When I saw the statements made in the papers yesterday of the enormous profits being made by industries which are manufacturing boats, we ought to do something about it to stop those enormous profits. We had that up time and time again. It is time to get action. You promised the people it would not happen, but I say the New Deal promises for economy do not exist; they never did. You once promised a balanced budget; the New Deal will never have it; all they know is spend, spend, spend. Soon will be tax, tax, tax, and not long until it will be everybody broke and the Government go bust, bust, bust. I say, get some economy in government before it is too late.

[Here the gavel fell.]

INDEPENDENT OFFICES APPROPRIATION BILL, 1943

Mr. WOODRUM of Virginia, from the Committee on Appropriations, reported the bill (H. R. 6430, Rept. No. 1643) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1943, and for other purposes, which was read the first and second times, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. WIGGLESWORTH reserved all points of order on the bill.

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6430) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1943, and for other purposes, and, pending that, I ask unanimous consent that general debate be divided equally between myself and the gentleman from Massachusetts [Mr. WIGGLESWORTH], and at the conclusion of debate the bill be read for amendment.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER. The question is on agreeing to the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6430, with Mr. BEAM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Virginia is recognized for 15 minutes.

Mr. WOODRUM of Virginia. Mr. Chairman, the independent offices bill for 1943 is for the amount of $2,096,138,875. The bill, Mr. Chairman, provides the appropriations for the so-called independent establishments, numbering 43. In the back of the bill you will find enumerated the 43 agencies and departments included in this independent offices bill. You will see by scanning the bill and the hearings that very few of the agencies of the Government, even though they are the so-called old-line agencies, have not felt the impact of the tremendous defense effort we are making. For instance, a few years ago we were quite shocked when the amount of the independent offices bill gradually approached $1,000,000,000, but today it is $2,100,000,000. It is interesting to note in this connection, however, that 2 agencies of the 43 account for $1,500,000,000 of the $2,100,000,000; that is, $980,000,000 for the Maritime Commission, which is charged, as we know, with our vast shipbuilding program, and $600,000,000 for the Veterans' Administration to pay pensions, benefits, hospitalization, and so forth.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mrs. ROGERS of Massachusetts. Has any appropriation been made for increased hospital facilities which will undoubtedly be needed to house the wounded of this war?

Mr. WOODRUM of Virginia. General Hines testified that the Veterans' Administration has something like 5,000 hospital beds that would be available if needed. We have provided in the Army and Navy appropriations a sufficient amount to supply the needed hospital facilities in the Army and Navy for the increased strength of these establishments and take into account the fact we are in war.

Mrs. ROGERS of Massachusetts. I have talked with General Hines several times, and my understanding is that he is making a survey for the purpose of increasing further the hospital facilities under his Bureau.

Mr. WOODRUM of Virginia. That is correct.

Since we are discussing the Veterans' Administration, I will insert at this point for the information of the House a chart showing the various appropriations in the bill for this activity and the purposes for which the funds are made available for the fiscal year 1943:

Veterans' Administration, fiscal year 1943

Salaries and expenses		$110,909,088
01	Personal services	70,889,905
02	Supplies and materials	19,046,030
05	Communication service	304,860
06	Travel expenses	1,370,258
07	Transportation of things (service)	1,028,360
10	Heat, light, power, water, etc	2,097,850
11	Rents	267,250
12	Repairs and alterations	2,773,707
13	Special and miscellaneous current expenses	$510,000
2200	Grants to State homes	1,552,800
2250	Burial expense	5,030,820
30	Equipment	1,604,025
	Transfers to other Government departments	+4,718,223
	Transfers from other Government departments	−285,000
		110,909,088
Printing and binding		138,000
Army and Navy pensions		445,000,000
Military and naval insurance		12,821,000
National Service Life Insurance		$27,770,000
Hospital and domiciliary facilities		4,557,000
Total		601,195,088

It will be noted that the largest item of appropriation for the Veterans' Administration is for the payment of compensation and pensions and the statement following under this head shows the amounts that are included in the bill for that purpose compared with funds provided for the 2 preceding years.

Pensions

By projects	Fiscal year 1943	1942	1941
1. Yellow fever roll of honor	$15,000	$15,000	$15,000
2. War of 1812	240	240	240
3. Mexican War	47,520	56,352	66,052
4. Indian wars	2,440,940	2,677,499	2,911,107
5. Civil War	17,063,520	19,780,554	23,208,855
6. Spanish-American War	128,019,684	128,204,978	127,416,901
7. Regular Establishment (peacetime)	20,426,340	18,987,021	17,680,426
8. Compensation (World War, service connected)	171,581,472	171,764,663	169,223,769
9. Pensions (World War, non-service-connected)	32,612,693	27,931,161	23,421,306
10. Emergency Officers' retirement pay (World War)	4,239,739	4,326,597	4,114,931
11. Death compensation (World War, service connected)	54,010,316	55,317,212	55,482,980
12. Death compensation (World War, non-service-connected)	14,542,536	12,133,704	9,780,140
Grand total obligations	445,000,000	441,194,981	433,321,707
1941 appropriation obligated in 1940			+6,216,208
Net total obligations	445,000,000	441,194,981	439,537,915
Estimated savings and unobligated balance		12,402,019	16,954,389
Total estimate or appropriation	445,000,000	453,597,000	456,492,304

Five of the forty-three agencies in this bill account for 90 percent of the appropriation. The balance is distributed between the remaining agencies.

Notwithstanding the large amount involved in the bill, for the reason which I have indicated, it has not presented a very fertile field for savings. We have been able to deduct $5,029,115 below Budget estimates, but you will find as you go through these hearings and as you go through the bill that practically all of these agencies are feeling terrifically the impact of the defense program. For instance, the Civil Service Commission we all know has increased its work almost beyond comprehension because of the vast increase in the number of Federal employees, practically all of them being under civil service. We find that the General Accounting Office, because of the large expenditure of funds for defense purposes, has had to double and triple its auditing, clerical, and investigational force. The National Advisory Committee for Aeronautics, the Selective Service System, the Tennessee Valley Authority engaged in the power program with this greatly extended effort which we are making have all had to be provided with increased appropriations. So as you look through this bill and read the report—and this is a very carefully drawn report—for an explanation of these various items you will find that the Budget and the committee have held down the expenditures of these regular agencies of the Government to a minimum, taking into account, as I say, the effect of this defense effort on each agency. In addition to that there are in this bill, and there will be in every other bill coming before the House, reflected sums which are added to each agency to take care of the administrative within-grade promotions under the so-called Ramspeck bill. In this bill the increase amounts to $2,937,672.

The committee, Mr. Chairman, conducted very careful hearings for several weeks. We went into each agency carefully, and I want to express my appreciation of the fine cooperation given by the minority members of the committee. We think we have presented a bill to the House in as good form and with as much care and pains as it is possible under the circumstances.

I believe there are not more than one or two items in the bill that will be controversial.

Mr. RANKIN of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. RANKIN of Mississippi. I notice on page 77 this language:

Provided, That no part of this appropriation shall be expended for the purchase of oleomargarine or butter substitutes except for cooking purposes.

It seems to me at this late date when almost every doctor in the world, so far as I am able to find, recommends oleomargarine for certain patients—and certainly our doctors here do—and when this material is made from vegetable oils, largely cottonseed oil, soybean oil, or peanut oil, all produced in this country, when it has no ill effects, when it is free from tuberculosis germs, free from anthrax, cholera, cancer, and other infectious and contagious diseases, I cannot understand why the Congress of the United States should forbid the doctors in the veterans' hospitals from prescribing it for their patients, when other doctors in other hospitals throughout the world prescribe it for certain classes of patients.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from South Carolina.

Mr. HARE. Less than 6 weeks ago my physician recommended that to me as a substitute for butter.

Mr. RANKIN of Mississippi. Certainly, and the physician of this House—and we have one of the best physicians in the country—has recommended it for scores of Members of the House and of the Senate. It is recommended everywhere else, yet somebody sometime back slipped in this iniquitous provision to try to outlaw a product that some Members felt was in competition with the products of their own districts, and the provision has been carried on from year to year.

I say this as a representative of a dairy district. I represent probably more dairy farmers than any other Member from a Southern State. I am also chairman of the Committee on World War Veterans' Legislation. I know we have thousands of patients that, if other doctors are correct, need this food as a substitute for what they are now getting.

I hope the gentleman from Virginia and other members of the committee will agree to strike this provision from the bill.

Mr. WOODRUM of Virginia. Mr. Chairman, unless there are further questions, I yield the floor.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 20 minutes.

Mr. WIGGLESWORTH. Mr. Chairman, in the course of his recent Budget message to the Congress the President made the following statement, which I quote:

> In a true sense there are no longer nondefense expenditures.

This philosophy seems to me to be the perfect solution to the problem confronting the Congress, at least from the standpoint of many of the departments and agencies. Nondefense expenditures are not only reduced to a minimum; they are completely eliminated—all through a single sentence.

I am very much afraid that as we go along we shall find a tendency among those coming before us for appropriations to adopt this philosophy wholeheartedly. There is evidence of the adoption of this philosophy in the bill before us today. We find that many of the agencies covered in this bill, which formerly devoted themselves to nondefense activities, now take the position that they are working largely or wholly for defense purposes. This is true even in those instances where the Budget specifically sets up one fund for normal activities and another fund for defense activities.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Kentucky.

Mr. MAY. I intended to ask this question of the distinguished gentleman from Virginia, but I think it is pertinent to the remarks of the present speaker. To just what extent did it appear in the hearings before the Committee on Appropriations in connection with these numerous independent offices that there is a concerted effort on the part of all of them to undertake to make themselves national defense organizations and to be considered as engaged in national defense efforts rather than their proper and necessary legitimate functions?

Mr. WIGGLESWORTH. Generally speaking, I think the temptation to do this is apparent in the hearings in respect to a good many of the agencies under consideration in this bill.

Mr. MAY. I realize there are many things that are actually national defense that we have not heretofore considered to be such.

Mr. WIGGLESWORTH. That is, of course, true.

Mr. MAY. However, I got the impression from hearings of my committee—and I am unfortunate enough not to have time to read these hearings—that there is a general effort in all the agencies of the Government to try to make themselves instruments of national defense in order to get appropriations. I think that is true.

Mr. WIGGLESWORTH. Generally speaking, my impression is the same as the gentleman's impression, from the hearings we have had in connection with this bill.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Was there any agency whatever that came before the committee that did not in some large degree attempt to justify its request for funds on the ground that it is doing national defense work?

Mr. WIGGLESWORTH. It may not have been unanimous. It certainly was the general rule.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Pennsylvania.

Mr. DITTER. I wonder whether I may inquire of the gentleman from Kentucky whether he meant to infer that many of the needless agencies of the Government that have been created since 1933 are presently trying to assume the cloak of national defense in an effort to continue their existence? I rather got that inference from the pointed inquiry he made. I have had the same impression but have hesitated to express it. I am gratified to know that my very distinguished friend from Kentucky, the chairman of the Committee on Military Affairs, is just as much concerned as I am about this needless effort on the part of some of these useless agencies to perpetuate themselves at the expense of the taxpayers.

Mr. MAY. If the gentleman will yield, I should like to respond very briefly to the question of the gentleman from Pennsylvania.

Some 60 days ago, I think, the Secretary of the Treasury, Mr. Morgenthau, issued a statement in which he said we ought to begin to curtail expenditures for solely nondefense activities to the extent of about $1,000,000,000. Knowing this great committee of the House of Representatives has the great task it has, I feel that its Members are constantly being bedogged, bedeviled, and maybe bedamned a little by these agencies, just as we are. I think it is time we begin to look into the question of how to save some of the expenditures that are not necessary.

Mr. WIGGLESWORTH. Mr. Chairman, I am happy to hear the gentleman from Kentucky take that position. I express the hope that in spite of the enormous appropriations we are called upon to make for defense activities, and in spite of the extreme rapidity with which we are called on to make these appropriations, we shall not lose sight of our duty to the people to reduce nondefense expenditures to the minimum and eliminate waste and extravagance from all appropriations. It seems to me particularly important in view of the findings which have been made by our Military Affairs Committee, by our Naval Affairs Committee only a day or two ago, and by the so-called Truman committee over in the other body.

The TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. Very briefly.

Mr. TREADWAY. I wanted to call the gentleman's further attention to what I am sure he is aware of, that this effort to secure economy in nondefense items has been reported upon to a certain extent by the so-called Byrd committee, of which the gentleman from Virginia [Mr. WOODRUM] is a distinguished member. I hope the House, under the leadership of such able men as the gentleman now speaking, will be able to fall into line with the report of that committee. The preliminary report brings out items totaling $1,300,000,000 where a saving can be made in nondefense appropriations.

Mr. WIGGLESWORTH. I may say to the gentleman that I think it is vital to eliminate all possible nondefense expenditures.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. Briefly.

Mr. BROWN of Ohio. Most of this saving that is mentioned in this report comes out of the different emergency appropriations that have been made in other ways. I notice here $610,000,000 from the emergency funds appropriated to the President, and yet we have probably appropriated more money to the President in the last few months than at any other time in all history.

Mr. WIGGLESWORTH. Let me say to the gentleman in that connection that the statement from which he is reading, in my judgment, is misleading. The bill carries with it a total in appropriations of about $2,100,000,000. In addition to that, it carries $47,600,000, or thereabouts, in authorizations, and over and above that it carries about $375,000,000 for indefinite and permanent appropriations, giving us a total over-all figure of about $2,520,000,000.

When you compare that with the total in last year's bill, at the time that it passed the House, you will find the totals carried here are more than last year's totals. They exceed last year's appropriations by about $700,000,000. They ex-

ceed last year's over-all figure by $730,000,000.

If you compare the totals here with last year's totals including all supplemental and deficiency items you will find according to my figures a saving in respect to appropriations amounting to about $42,900,000 and in respect to the over-all figures amounting to about $12,900,000.

I may point out in this connection that the saving of $42,900,000 is more than accounted for by two items, that for Public Buildings Administration construction amounting to $34,700,000, and that for Public Roads Administration construction amounting to $36,500,000, a total of $71,200,000.

Of the 40 agencies covered by this bill, one shows no decrease, receiving exactly the same appropriation as last year, while 23 show actual increases. The chief reductions will be found in the Public Buildings Administration and the Public Roads Administration items just referred to; in the item for the President's emergency funds, as to the future of which no prediction can now be made; in the T. V. A. item solely because of the enormous supplemental appropriations made for T. V. A. after the passage of this bill last year, and in the Home Owners' Loan Corporation and Public Works Administration items, both agencies being in the process of liquidation.

The committee reductions amount to about $5,000,000 in appropriations and something less than half a million dollars in authorizations.

Now, Mr. Chairman, because of the position taken by many of these agencies in respect to alleged defense activities, it is difficult to bring about major reductions in the items now before us. There are various items, however, which, in my judgment, can be reduced or eliminated without hurting anyone and I hope that action to this effect will be taken under the 5-minute rule.

This bill covers, as always, a tremendous territory and develops, in the course of its consideration, a lot of information. Time, of course, does not permit me to go into detail, but I do want to take some time today to refer to some of the information developed by the committee in the course of the hearings.

GENERAL ACCOUNTING OFFICE

The recommendation for the General Accounting Office amounts to $16,900,000 as compared with $10,900,000 for the current fiscal year. The request to the Budget by this agency was about $20,000,000, the Budget seeing fit to reduce the request by about 20 percent, at the same time indicating that possibly at some time in the future further funds might be received out of lend-lease funds, and in respect to the relief work of the agency.

The cut is emphasized by the fact that there have been appropriated many billions of dollars since the estimate was submitted, and by the increase from about 11,000,000 vouchers in 1941, to an estimated 38,000,000 vouchers in 1943.

The General Accounting Office indicates that it is content to wait for further consideration from the Bureau of the Budget. Personally, however, I do not like to see the difficulty experienced by this agency is obtaining what seem to be essential funds either this year or in previous years. It seems to me the work of this agency is absolutely vital to Congress and to the people. It is the best assurance we have against waste and the illegal use of the people's money. The Congress I know has every confidence in the agency and its leadership. If there is any agency of the Government which, in my judgment, ought to be absolutely independent from Executive influence of any kind it is the General Accounting Office.

I point out incidentally that the report of this agency shows a suspension of accounts for the United States Maritime Commission to the extent of about $4,900,000 and for the W. P. A. to the extent of about $11,000,000.

The record indicates in connection with the latter that material was sent by this agency to the Department of Justice as a result of the W. P. A. investigation, with the anticipation that criminal action for embezzlement and conversion of materials would result. Up to the time of the hearings that action had not been taken.

The report also shows an abuse to a considerable extent of the use of Government automobiles, and brings out also the matter referred to on the floor 2 or 3 days ago, namely, the practice of taking persons not on the Federal pay roll at all and placing them on the rolls of this or that agency for the purpose of working and working solely for congressional investigating committees. This practice is condemned by the General Accounting Office and also by your committee.

BUREAU OF THE BUDGET

Passing now to the Bureau of the Budget, for which the recommendation is $1,982,000, as compared to $1,315,000 for the current fiscal year, as a result of the enormous increase of work for this agency, I want to speak for a moment on the cost of informational and propaganda work in the Government. As the members of the committee know, for a number of years I have done what I could on this floor to hold down this cost.

Two years ago in December 1939 I asked the Budget Bureau to give me a statement showing the cost in this connection by departments and agencies. I renewed that request in December 1940. The statement finally arrived about the close of the last fiscal year.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 15 minutes more.

I anticipated that I would receive a few typewritten pages. When the document arrived, it was 164 pages in length, and here it is.

It is prepared on the thinnest possible paper. It is about 15 inches wide, 20 inches long, and about half an inch thick. It shows a total expenditure for the fiscal year 1941 of $27,770,000, broken down into 14 items, which I shall insert in the RECORD at this point.

Publications	$13,751,800
Press service	1,170,700
Radio broadcasts	435,600
Group contacts	2,573,000
Paid advertisements	13,500
Exhibits	839,600
Motion pictures	600,600
Lantern slides and lecture materials	146,200
Photographs	$380,900
Correspondence	3,118,600
Individual contacts	3,577,300
Educational cooperation	510,800
Posters	99,600
Miscellaneous and other	551,800

Of this sum, the Department of Agriculture anticipates expending $11,887,700, or 42.9 percent of the total.

Of the total, $19,463,000 is for salaries and expenses and $8,306,000 for other obligations. It indicates full-time employment of this character for 2,995 people, and part-time employment of this character for 31,618 people, or a total of 34,613 people.

I think, Mr. Chairman, the report is all right as far as it goes. I am confident, however, that it does not give us anything like a complete picture in this connection.

For instance, it specifically states that the Office of Emergency Management is not included, because that agency was then in the formative stage. We all know that Mr. Horton, of the O. E. M., runs one of the largest publicity set-ups in the entire Government. In 1942 he has an organization of something like 249, at a cost of something like $705,000 annually. There are other agencies under O. E. M. which should be included here.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. CASE of South Dakota. Do I understand from the gentleman's figures that there are approximately 35,000 people now engaged in the information services of the various branches of the Government?

Mr. WIGGLESWORTH. On full or part time, yes.

Mr. CASE of South Dakota. I notice in the hearings that the Office of Government Reports proposes from the funds requested, to increase the number of employees considerably, and to add employees in States where they are not now operating?

Mr. WIGGLESWORTH. That is correct.

Mr. MICHENER. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. MICHENER. Just what is the nature of the information that these 35,000 people gather and disseminate?

Mr. WIGGLESWORTH. This is supposed to include information, propaganda, promotion, publicity, reporting political trends or whatever other description you want to use for that type of work. It is supposed to refer to approximately all the agencies of the Government for the fiscal year 1941.

Mr. MICHENER. In other words, then, if a new agency is set up by act of Congress or by Executive order, that new agency sells itself to the Government, to the people, through this propaganda agency? Is that correct?

Mr. WIGGLESWORTH. Well, I think that is a fair interpretation in many instances.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to my colleague from New York.

Mr. FITZPATRICK. Is it not a fact that many of the people throughout the country write in to these agencies and ask for information, and because of that they publish certain information that is distributed?

Mr. MICHENER. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. MICHENER. Is it not a fact that this agency does not answer any private correspondence other than to say that it is an agency of the Government and furnishes information to the various branches of the Government and puts out in behalf of the Government such propaganda information as the agency feels is most apt to sell the policy of the Government?

Mr. FITZPATRICK. It is information that has been requested by the people of the country and because of that they have sent it out.

Mr. WIGGLESWORTH. Of course, there is a certain amount of legitimate expenditure in this field, but this figure I am giving is for the entire Government, and in my judgment is a preposterous figure and entirely unjustified for the work in question.

Mr. CASE of South Dakota. Will the gentleman yield further?

Mr. WIGGLESWORTH. I yield.

Mr. CASE of South Dakota. On page 1154 of the hearings I note that "personal services in the Office of Government Reports" for the current year includes 531 employees, and it is proposed to add 404. Further, that offices are now maintained in 32 States. A table that follows indicates the present employment in different States and what is proposed to be added during the balance of the fiscal year 1942 and the fiscal year 1943. The Office of Government Reports will be expanded from 32 States to all of the States with a considerable increase of personnel in the offices where they already have offices.

Mr. WIGGLESWORTH. The expansion requested is very great.

Miss SUMNER of Illinois. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Miss SUMNER of Illinois. I would like to ask two questions: First, is this a new development and, if so, how long have we had this system of public relations, press agents, and so forth, to distribute propaganda? The second question is, Is this set-up similar to the one operated by Goebbels in Germany and, if not, in what way is it distinguishable?

Mr. WIGGLESWORTH. I will say to the gentlewoman in answer to the first question, that when I was in the Treasury Department, if the Secretary of the Treasury had some information for the press, he rang for a stenographer and dictated what he wanted to give out. The development of this enormous publicity set-up all through the Government, has been a development almost exclusively of the past 9 years, with a view to advising the people as to——

Miss SUMNER of Illinois. As to how to vote?

Mr. WIGGLESWORTH. This has no doubt been one objective. To a large extent, the work has been sheer propaganda, as distinguished from legitimate information in my judgment. Of course, it has been carried on by an enormous staff of expert writers and radio commentators placed in this or that agency or department of the Government and paid for by money of the taxpayers.

As to the second question, I am afraid I am not sufficiently versed as to the set-up in Germany but the objectives sought would seem to be similar.

Mr. DITTER. Mr. Chairman, will my colleague yield?

Mr. WIGGLESWORTH. I yield.

Mr. DITTER. Does the gentleman have time to permit of an observation in reply to the statement made by the gentleman from New York [Mr. FITZPATRICK]?

Mr. WIGGLESWORTH. I yield briefly to my colleague.

Mr. DITTER. As the gentleman from New York was trying to make that excuse for the existence of this over-all agency, I was reminded of that story when the woman was asked who broke the beautiful mantel mirror that adorned her living room. She said, "Why, my husband. He ducked when I heaved a large vase at him." I think the effect of my friend from New York to try to justify this thing is just the ducking, so to speak, that is breaking the mantel mirror.

Mr. FITZPATRICK. I do not have to justify it, because many Members of Congress receive letters from their constituents asking for those reports. No doubt the gentleman who just spoke has often taken advantage of the same service.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. TREADWAY. I understood the gentleman to say he considered the total of this item preposterous; that a certain amount was legitimate, but that much was preposterous. How does the gentleman differentiate between that which is necessary and that which is preposterous?

Mr. WIGGLESWORTH. That is a pretty difficult question to answer. I believe it is an expenditure which could be largely eliminated without impeding the proper functions of the Government to the advantage of the taxpayers of the country.

In this connection, let me point out that in the statement which was furnished by the Budget nothing is included for expenditure of mailing under the penalty privilege of this mass of propaganda.

The total cost of penalty mail in the year 1940 amounted, I am advised, measured in terms of loss of revenue, to $41,500,000.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield there?

Mr. WIGGLESWORTH. I cannot yield; I have not the time.

Adding a fair amount for the cost of mailing and the amount expended by O. E. M. in this connection to the total of $27,770,000 in the survey by the Budget, it seems to me that the over-all total might well amount to as much as $45,000,000 or $50,000,000 for the year in question.

It should be noted in this connection that the Budget specifically reports that none of the departments or agencies keep any records segregating costs for these activities; that they are found in various complex patterns, making it difficult for many of the agencies to arrive at any clear segregation of the expense involved.

It seems to me that at this time, when the legitimate press of the country and other paper users find themselves confronted with the prospect of not being able to obtain the paper they need, there is an added reason for curtailing this overdone activity of the Government.

I hope that the survey will help the Bureau of the Budget and the Congress to make some headway in reducing this expenditure to a reasonable point.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield at that point?

Mr. WIGGLESWORTH. I yield briefly.

Mr. FITZPATRICK. It appears from the report of the Post Office Department that from the year 1940 the use of the penalty privilege by all departments amounted to $16,986,112.02; our subsidy to the second-, third-, and fourth-class users in that year was $133,482,882.23. What is the gentleman going to do about that subsidy? Is he opposed to it?

Mr. WIGGLESWORTH. I do not see that that is in any way connected with this question.

Mr. FITZPATRICK. Yes; it is. It is a penalty on the taxpayers of this country of more than $133,000,000.

For the year 1941 the penalty of these subsidies was $124,826,996.86. How does the gentleman feel in that respect?

Mr. WIGGLESWORTH. I cannot yield further to the gentleman except to say that every subsidy, of course, is a burden on the taxpayers of the country. The question is whether it is justified or not justified.

Mr. BENNETT. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. BENNETT. With respect to the question raised by the gentleman from New York, I should like to inquire if this appropriation does not cover the cost of the many tons of stuff that is mailed out to the country papers of the Nation? I frequently receive letters from newspaper publishers in my district wanting to know if something cannot be done to lessen the vast amount of material sent by these departments to them. They tell me that they could not give space to one-thousandth part of the material they receive. They do give some space, which is their stock in trade, and this has something to do with the subsidy the gentleman speaks about.

Mr. WIGGLESWORTH. I may say to the gentleman from Missouri that the objective he has in mind is the same that I have.

Mr. BENNETT. It is a waste of costly effort and paper.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. CASE of South Dakota. I just want to add briefly that I received a letter from one of the papers in my State

saying that in one mail they received five identical copies of one release from one department. Apparently the information offices are more efficient in pouring the material out than in revising their mailing lists.

Mr. WIGGLESWORTH. I call attention to another survey made by the Budget Bureau at my request, a brief survey, which will be found on page 1108 of the hearings. This is a survey of the cost of personnel work in the various departments and agencies with particular reference to the increase since the Executive order of 1938.

This survey shows an increase in personnel as between 1938 and 1940 of 100 percent as compared with an increase in the number of Government workers of 55 percent and an increase in per capita cost of 29 percent. The total number of workers engaged in personnel work for the year 1940 was 15,005, at a cost of $25,400,000 or thereabouts.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 10 additional minutes.

The Bureau of the Budget states that the increase in per capita cost is not normal, and that the reasons for it are not apparent.

The Bureau points out that its Division of Administrative Management has been making studies of individual departmental operations. Surely, there is a tremendous opportunity in this field.

We have had a mass of red tape and lack of coordination in the whole O. P. M. set-up. We have had some eight different agencies charged with responsibility in respect to priorities. We have today some 12 different outfits contributing to the defense housing picture. We have a number of activities like the Office of Education, N. Y. A., and W. P. A., all engaged in what seem to be more or less duplicated training activities. We have 100 or more statistical units which the Bureau tells us are in many cases competing. I hope the Bureau will be able to contribute substantially in this field as a result of the increased appropriation which is carried in this bill.

The Bureau also reports the creation of a defense project unit, set up in November 1940 for the purpose of investigating all defense construction projects, and that this unit as of October 1, 1941, had actually examined 1,341 projects, including cantonments, air fields, ammunition plants, shipyards, and other kinds of construction, with great savings resulting. It is very difficult to reconcile this statement with the findings of the 3 investigating committees to which I have already referred.

EMERGENCY FUND OF THE PRESIDENT

The committee will find on page 1120 of the hearings a rather complete statement of the allocation of all emergency funds appropriated for expenditure by the President. This bill carries $25,000,000 more, plus unexpended balances, as compared with $100,000,000 of appropriations and $25,000,000 in contract authorizations a year ago.

My understanding of the general appropriation for this purpose is that the funds are to be expended for emergencies, and for emergencies affecting the national security and defense, and for these purposes only. I suggest that the Members consider the tables to which I have referred. To my mind, in instance after instance there are allocations which are apparently not of emergency character and which could just as well have come to this Congress for consideration before allocation. There are other instances for which, in my judgment, there is no basis for a strictly national defense classification.

It seems to me, Mr. Chairman, if further funds of this character are to be appropriated it should be done on the distinct understanding that they will be spent only for emergencies, and only for those emergencies affecting the national security and defense, in accordance with the original appropriating language. To go further is simply to surrender our proper responsibilities.

NATIONAL RESOURCES PLANNING BOARD

The recommendation of the committee for this agency is $1,108,845, as compared with $1,101,390, a reduction below the Budget estimate of $300,705.

I have never been sold on much of the work done by this agency. A certain amount of planning is, of course, vital; but it seems to me that much of the work involves duplicating or merely coordinating that done by other agencies, and that much of it also involves invading a sphere which properly belongs to the several States.

The Budget recommendation is in two parts, $708,845 for regular activities and $400,000 for defense activities. The attitude of the agency in this connection affords a good example of the philosophy referred to at the opening of my remarks.

Mr. Eliot, Director of the agency, states that—

> The whole thing is really one, as I interpret it; this separation of appropriation items makes a pretty artificial distinction between regular and defense where planning is concerned.

Again he says:

> The major activity for the next fiscal year will be the preparation for whatever situation may confront the Nation after the present war emergency

Again he attempts to justify the increase requested by "various special tasks" and for "unforeseen problems," and adds that—

> The only safe assumption to make is that other problems will arise and that funds should be available to cover these unforeseen requirements.

It is difficult to escape the feeling that the national emergency is resorted to as a basis for increased appropriations largely for nondefense purposes.

FEDERAL COMMUNICATIONS COMMISSION

Let me say a word about our old friend the Federal Communications Commission, for which there is a recommendation here of $4,991,219, as compared with an appropriation of $5,068,729 for the current fiscal year.

Time after time I have stood in the Well of this House and inveighed against the practice of the Commission of giving its approval to the transfer of stations or the control of those stations for considerations far in excess of the value of the physical assets so transferred—a practice, in other words, involving the sale of Government licenses, with all the possible dangers to the public that we have seen involved in the capitalization of licenses in other fields. May I point out in this connection that the tables furnished on page 334 of the hearings indicate clearly that this practice still continues.

There are a number of instances in which the figures establish this fact, including one transfer of a station valued at $425,000 for stock of the value of $950,000 plus and $175,000 in cash.

I call attention also to the authorization of the transfer of a station valued at $74,000 for a monthly rental of $1,125 for a period of 11½ years. This station reports a yearly profit of some $75,000. What possible authority there is for approving a lease for a period of 11½ years under existing law, I, for one, do not know.

There are other similar examples.

Under the general topic of the monopoly which the Commission has allowed to grow up under its jurisdiction in the broadcasting field, I may point out that the record indicates that 95 percent of the available nighttime power is now controlled by stations affiliated with networks.

Furthermore, in spite of the licensing jurisdiction of the Commission, practices seem to have the Commission's approval under which the affiliates are compelled to turn over to the networks as much as 40 percent of their time and earnings obtained from charges for their time to the extent of from 62½ to 100 percent.

Mr. Fly was rather vague on this matter, but a bill of complaint filed by N. B. C. in the Federal District Court for the Southern District of New York sets forth a standard contract under which the affiliate is compelled to turn over to N. B. C. 100 percent of the first 16 unit hours, 80 percent of the next 25 hours, 70 percent of the next 25, and 62½ percent from all time over 66 unit hours.

Mr. Fly apparently takes the position, in spite of his licensing power, that these matters are not within the jurisdiction of his Commission.

Several times on this floor I have advocated the imposition of a reasonable tax on those engaged in this industry who are making enormous profits out of franchises for which they pay not one red cent. A year ago, as the Members may recall, the Treasury Department made a study in this connection and as a result of that study it recommended an excise tax on the industry which would have amounted to about $10,000,000. The House approved that recommendation, but the Senate committee rejected it, after Mr. Fly had appeared before the committee in opposition to the proposed tax. It is my understanding that it was understood at the time that the Treasury and F. C. C. officials would get together and recommend a tax in lieu of that which was deleted by the Senate committee.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 10 additional minutes.

Mr. Fly, however, now apparently takes the position that it is entirely up to the Treasury, that it is hardly the job of the Federal Communications Commission to recommend revenue measures.

In a recent letter received from Mr. Fly he admits that the net profits of this industry for 1940 amounted to practically $33,300,000 on an investment or present worth of about $40,000,000. Therefore, even if the proposed tax of $10,000,000 had been imposed, there would still have been a return to the industry of approximately 50 percent. It seems to me entirely illogical and unreasonable to allow this industry to continue to obtain any such return from licenses for which they pay nothing under present conditions in this country.

Attention is also invited to page 343 of the hearings, telling of the pending litigation between the three big networks, the Federal Communications Commission, and the Department of Justice. The record indicates that N. B. C. is represented by Mr. John Cahill, former United States district attorney for the southern district of New York. It indicates also the recent appointment of Mr. Samuel Brodsky as Special Assistant Attorney General to represent the Government in this connection. Mr. Brodsky formerly served as an assistant in the district attorney's office under Mr. Cahill.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. BENDER. Was an appropriation approved for Dr. Goodwin Watson in connection with his activity as foreign broadcast agent for this Commission?

Mr. WIGGLESWORTH. The gentleman refers to the recent appointment of Dr. Goodwin Watson in a key position with the Federal Communications Commission. I wish every Member of this House would read the testimony before your subcommittee in this connection beginning at page 321 of the hearings conducted by the distinguished gentleman from Alabama [Mr. STARNES] and including the replies to his interrogations by Mr. Fly.

The evidence introduced in the RECORD by the gentleman from Alabama, unrefuted, leaves absolutely no doubt that Dr. Watson is totally unfitted for the position in question, both by reason of past subversive affiliations and by reason of past statements indicating his lack of sympathy with the American way of life and his belief in the totalitarian principles.

I may add in this connection the full committee, although opposed in general to this type of amendment, adopted this morning an amendment denying funds for the payment of any salary to Dr. Watson. This seems to be the only recourse open to the committee in view of the apparent unwillingness of Mr. Fly and the Federal Communications Commission to take any action in the matter. The testimony should be noted not only for the evidence in respect of Mr. Watson, but in respect of the statements made by Mr. Fly, as Chairman of the Commisison, in attempting to justify the appointment which he had made some 3 months ago.

Mr. STEFAN. Mr. Chairman, will the gentleman yield to me?

Mr. WIGGLESWORTH. I yield.

Mr. STEFAN. Was the Chairman of the Commission put on notice regarding documentary evidence in reference to this individual to whom the gentleman refers and what he had replied to those communications?

Mr. WIGGLESWORTH. The gentleman means Mr. Fly?

Mr. STEFAN. Yes.

Mr. WIGGLESWORTH. The gentleman from Alabama [Mr. STARNES], at the time of the hearings, which I think was December 10, placed in Mr. Fly's hands file after file, a mass of information, including quotations from the writings of Dr. Watson and other documentary evidence. Mr. Fly, as I understand it, had the evidence in his possession for a month. A message was sent to him recently indicating the probability of the adoption of such an amendment as was adopted in committee this morning and requesting to hear from him in that connection if he had anything to say. A second message was sent him, I am advised, 2 days ago. Up to this morning no word had been received from him.

Mr. STEFAN. Do I understand the gentleman to say that this documentary evidence has been sent to the Chairman of the Federal Communication Commission along with a message requesting some information and no reply has been received from him up to this moment?

Mr. WIGGLESWORTH. Chairman Fly was advised of the probable action of your committee and was asked to advise us if he had anything to say.

UNITED STATES MARITIME COMMISSION

The United States Maritime Commission is to receive, under this appropriation, $980,380,000 in addition to a contract authorization of $90,000,000, the latter due to increased construction costs. This sum compares with an appropriation for the current fiscal year amounting to $858,840,000.

The Commission has no less than 7 programs of ships to construct, including as of December 31, 1941, a total of some 1,422 ships. Of this total, 999 had been awarded or placed under contract, 272 had had keels laid, 154 had been launched, 123 had been delivered. The number of ships has been materially increased since the date in question.

The Commission is faced by a tremendous program of the most vital importance under present conditions.

Several times in committee the question has been raised as to the propriety of continuing to allow operating differentials. The record shows that this differential has been recently reduced arbitrarily from $19,000,000 to about $6,100,000. The question remains if any differential is justified hereafter under existing conditions.

The Commission has furnished the committee with many tables and statistics. As to some of these I confess that the picture is not entirely clear to me.

It is not clear to me, for example, why with a general average per termination of $8,100 for the contemplated operating differential in the table on page 252 of the hearings, the Oceanic Steamship Co. is to receive an average differential of $60,000 and the President Lines an average differential of $67,000. It is not clear to me why the builders of ships for the President Lines under contract for less than $3,000,000 per ship should be paid $3,891,000 per ship. It is not clear why the Commission, having paid a construction subsidy of $24,000,000 in respect to about 35 cargo ships, should reimburse itself from the Navy Department to the extent of $75,000,000. It is not clear to me why, with excess profits realized to the extent of $37,000,000, the Commission should have only recaptured $1,300,000. Nor is it clear to me, in spite of a recent letter from Admiral Land, why the steamship *Seneca*, sold by the Coast Guard on September 1, 1936, to the Boston Iron & Metal Co., of Baltimore, for $6,605, should be repurchased by the Maritime Commission on January 8, 1941, for $45,000.

There is probably an explanation of all these matters. The closest financial supervision of large operations seems to me highly important under present conditions, particularly in the light of the findings of the three committees to which I have already referred.

The record on December 9, 1941, at page 297, refers to the expenditures in the past in connection with launching ceremonies. A special release to the Herald Tribune under date of December 14, 1941, indicates the elimination of these expenses on that date.

The recent request by the President for the production by the Maritime Commission of 8,000,000 deadweight tons during 1942 and 10,000,000 deadweight tons during 1943 places a tremendous task on the Commission and on the shipbuilding industry of the Nation.

Knowing something of the shipbuilding industry and of the magnificient work done in the past and now being done by the workers in this industry in my own congressional district, I have every confidence that the ships essential in the present World War will be delivered on schedule or ahead of schedule.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Miss SUMNER of Illinois. I would like to ask the gentleman a question on housing in relation to the matter of cutting out nondefense expenditures. I notice here there are 77,000 units of United States defense housing and then there are 7,500 rural units and 4,500 other units. Will we have an opportunity to strike that out in a future bill? I notice this refers only to administrative expenditures. In what way can we attack the problem so as to eliminate the nondefense expenditures? It seems to me that 77,000 units is enough in the way of expenditure for low income housing.

Mr. WIGGLESWORTH. As I recall the testimony, there is a total of 89,000 units in the program, of which 12,000 have been stopped with the intention of diverting them to defense housing rather than nondefense housing, the balance of 77,000 units being for projects either in

critical defense areas or in nondefense areas so well along in construction that it seemed wiser to finish them than to discontinue them and for a small number for the so-called token program in rural areas.

Miss SUMNER of Illinois. What is a token program?

Mr. WIGGLESWORTH. I thought perhaps the gentlewoman could tell me that. I have not a very clear idea myself, but, apparently, there was some representation made that the program of this agency would be carried on both in the city and in the rural areas and, as a matter of fact, it has been largely in the city areas and these few units have been started in rural areas as a so-called token program to comply to some extent at least with the original representations.

Miss SUMNER of Illinois. Then I may take it that these units of nondefense housing mentioned in the report are not going to be constructed except as to those units that are so far along that it would not be economical not to finish them.

Mr. WIGGLESWORTH. That is my understanding.

Mr. KEAN. I notice on page 51 an appropriation for $1,350,000 for Foreign Service pay adjustment. In the hearings the justification for that seems to consist of about 50 percent for payment to people in Germany. Certainly the people we have in Germany now will be back in this country before the end of the fiscal year 1942.

Mr. WIGGLESWORTH. That item represents the loss in terms of exchange, as the gentleman probably knows, by our agents and representatives abroad. It is my impression that the specific answer to the gentleman's question is to be found in the contemplated transfer of those returning from Europe to Latin American countries, where there is a greatly increased need for representation at this time as a result of recent developments.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired. The gentleman has 5 minutes remaining.

Mr. WIGGLESWORTH. Mr. Chairman, I will take those 5 minutes.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. Yes.

Mr. STEFAN. I think I can answer the inquiry of the gentleman from New Jersey. It is very doubtful when our people who are interned in Germany will come back. They might be there for a longer period. I think the justification for this amount is all right, in view of the uncertainty of the future. There is negotiation going on now to bring these people here, but I am sure that this is justified.

Mr. KEAN. And may I ask one more question in respect to the Security and Exchange Commission. I notice the gentleman was active in questioning in that respect. The amount of trading on the security markets has been going down and down and down, so that now it is probably about only one-third of what it was 2 or 3 years ago. Yet I do not see that the appropriation for the Securities and Exchange Commission is going down in any way.

Mr. WIGGLESWORTH. The total is the same as for last year. I had the same reaction as the gentleman had when this item came before us. The justification presented was based on the fact that the Commission now has, I think, seven different acts to administer, and that while the work under one or two of them has admittedly decreased, the work under the Holding Company Act, for instance, has materially increased, that the work under one or two of the more recent acts has not yet become standardized, and that the net did not warrant a reduction in the total appropriation.

Mr. KEAN. Was the gentleman satisfied with that explanation?

Mr. WIGGLESWORTH. I think that the item might be somewhat reduced, in view of the obvious reduction of work under the 1933 act.

Mr. Chairman, I don't think I will take any further time. Under leave to extend my remarks I include at this point certain comments as to other agencies contained in the bill. I reserve the remainder of my time.

BITUMINOUS COAL CONSUMERS COUNCIL

The recommendation for this agency is $172,530, as compared with an appropriation for the current fiscal year of $205,000. The agency expires April 26, 1943.

Minimum prices under the Coal Act were made effective October 1, 1940. The record indicates an advance of 17 cents per ton over the average selling price prior to that date, or an added burden to the consumer of about $35,000,000 for the period from October 1, 1940, to April 1, 1941. It also states that—

> It is estimated that $33,000,000 went to the producers and $2,000,000 went to wholesalers and middlemen. From October 1, 1940, to April 1, 1941, there was no change in the rate of pay for coal miners and, therefore, labor did not participate in the foregoing amount.

CIVIL SERVICE COMMISSION

The amount recommended for 1943, exclusive of retirement funds, is $13,585,935, as compared with $12,895,460 for the current fiscal year. The basis offered for the increase is the increase in work in connection with the expansion of defense agencies and under the Ramspeck Act. The Commission estimates that 182,000 positions will be covered into the civil service under title 1 of the Ramspeck Act and that the classification system will be extended to between 281,000 and 317,000 positions in the field. It also estimates that boards of review, to be set up in connection with this act, will be called upon to pass upon 3,600 to 4,000 appeals as to efficiency ratings.

Attention is called to the fact that no one is entitled under the act as a matter of right to take the examination for civil-service status. The examination can only be taken with the approval of the Department or agency head. This would appear to be a serious defect in the law and to open the door to injustice and discrimination.

Attention is also called to the table appearing on page 808 of the hearings, showing the steady increase in appropriations for this agency from $1,617,805 in 1933 to the present level of $13,585,935.

The total civil personnel in the executive branch of the Government as of June 30, 1941, is given as 1,358,150 as compared with a total of 568,345 as of December 30, 1932.

HOME OWNERS' LOAN CORPORATION

The recommendation for this agency is $15,153,712 as compared with an authorization for the current fiscal year amounting to $19,400,000. The reduction would be $1,150,000 more but for the Ramspeck Act.

The record indicates a total of about 1,000,000 loans, amounting to about $3,200,000,000. Of this, there is outstanding about $1,500,000,000, or 50 percent. One hundred and nine thousand loans, or 10 percent, have been repaid in full; 342,000 loans, or 33 percent, have been extended under the Mead-Barry Act or otherwise. Foreclosures as of June 30, 1941, numbered about 195,000, or 19 percent; 48 percent of the loans are delinquent to the extent of 12 months or more; 30 percent to the extent of 18 months or more. The Corporation is in the red to the extent of about $70,000,000, having sustained a loss of about 25 percent, exclusive of commissions and selling expenses, on 140,000 properties carried at a book value of $652,000,000 and actually sold at $484,000,000. The properties now on hand are carried at a book value of $283,000,000, indicating a further loss of at least $70,000,000 on the same basis.

RECONSTRUCTION FINANCE CORPORATION

The recommendation for this agency is $10,355,292, as compared with an authorization for the current fiscal year of $9,890,680.

The Corporation gives roughly the following statement as of November 30, 1941:

Total authorizations	$15,900,000,000
Disbursements	9,600,000,000
Repaid (68.3 percent)	6,500,000,000
Outstanding	3,000,000,000

The status of the several classes of loans is described in detail as are the defense activities through the Rubber Reserve Company, the Metals Reserve Company, the Defense Plant Corporation, the Defense Supplies Corporation, and the Defense Housing Corporation. Total defense commitments aggregate about $6,000,000,000. Earnings of the Corporation to date amount to about $363,000,000.

Attention is called to the record, pages 1037 to 1038, in reference to the loan of $30,500,000 to the Todd-California Shipbuilding Corporation or its successors, in respect to which there has been recent discussion before the Truman committee in the Senate, with particular reference to security furnished and fees realized.

The security offered appears to consist chiefly of potential profits on work done for the Government.

The record indicates that the Commission attempts to regulate attorneys' fees by requiring in all applications an agreement on the part of the applicant that no fees will be paid without its consent, that consequently bills are normally submitted to the Commission for approval. In this instance, the corporation,

in executing the required applications represented that it had not "directly or indirectly paid or agreed to pay, or procured any person to pay or agree to pay any bonus, fee, or commission in any form in connection with the application for or the obtaining of the loan." It appears that the name of Tommy Corcoran was not submitted to the Reconstruction Finance Corporation by the corporation as having rendered any services for which it had paid or agreed to pay any compensation. In this connection, the record indicates that Corcoran, whose fee to date, according to his own testimony, is $65,000, with more to come, made this statement:

My compensation was paid to me by the lawyers who retained me to assist them and who, in turn, paid their own clients. No part of their compensation nor my compensation for my services in the enterprise was paid out of the proceeds of the loan from the Reconstruction Finance Corporation nor out of any other funds of the applicant to the Reconstruction Finance Corporation nor otherwise out of Government funds.

Attention is also directed to the fact that the Lafayette Building, in respect to the financing of which there was so much discussion in the past, is now the property of the Federal Government. It was acquired by purchase of the guaranteed 5-percent capital stock of the corporation at a discount from the four stockholders of the corporation; namely, the contractor, the heating engineer, the architect, and the architect's associate. This is the final step in a financial program in which the Reconstruction Finance Corporation, according to previous testimony by Secretary Jesse Jones, "played almost all the instruments in the band."

In this connection, I am including at this point copy of a letter to Mr. Jones dated April 30, 1941, copy of a letter from Mr. Jones dated October 29, 1941, and a brief extract from page 1039 of the committee hearings, allowing them to speak for themselves.

APRIL 30, 1941.

Hon. JESSE H. JONES,
Secretary of Commerce and
Federal Loan Administrator,
Washington, D. C.

DEAR MR. SECRETARY: Some time ago we exchanged some correspondence with reference to the financing and rental of the building on the corner of Vermont Avenue and H. Street, the details of which I was endeavoring to clarify.

Recently, the matter has again been brought to my attention. I have been informed, among other things, that The RFC Mortgage Company made two loans to the Lafayette Building Corporation in connection with the construction of the building, one in the sum of $5,610,000, the second in the sum of $400,000, and that subsequently the R. F. C. Corporation guaranteed the 5-percent stock of the Lafayette Building Corporation of the par value of $100. I am further advised that to secure repayment of the loans in question, the Lafayette Building Corporation executed two deeds of trust to employees of the Reconstruction Finance Corporation, or R. F. C. Mortgage Corporation, as trustees, under which the Lafayette Building Corporation undertook not only to repay interest and amortization on the loans, but taxes, assessments, water rents, repairs, premiums on fire insurance for the full insurable value of the building, premiums on windstorm insurance to a minimum of $100,000, and other items in connection with the operation of the building. I am also informed that under the lease executed by the Lafayette Building Corporation as lessor and The RFC Mortgage Company as lessee for a period of 10 years from August 1940, no specific rentals were specified, but that in lieu of stated rentals, The RFC Mortgage Company obligated itself to pay all interest charges, amortization payments, taxes, assessments, water rents, repairs, insurance, servicing charges for all incumbrances on the building, operating expenses of the building and of the Lafayette Building Corporation, including executive salaries, legal and accounting expenses, all income taxes of the corporation and, in addition, sums equal to 5 percent per annum as dividends to the stockholders of the corporation.

I should greatly appreciate it if you would be good enough to advise me—

1. If the foregoing information is correct; and if not, in what respect it is incorrect.

2. As to the total amount which the Federal Government, the Reconstruction Finance Corporation, or the R. F. C. Corporation has invested in the building.

3. As to the estimated value of the building at present and at the end of the amortization period, which is, I am told, 20 years.

4. As to the total amount paid to the Lafayette Building Corporation under the so-called rentals referred to above.

5. As to the amount of each item; taxes, assessments, insurance, etc., covered by the so-called rentals.

I should also like to have the name, address, and amount of stock held in the Lafayette Building Corporation by each of its stockholders.

With kindest regards, believe me
Sincerely yours.

FEDERAL LOAN AGENCY,
Washington, October 29, 1941.

Hon. R. B. WIGGLESWORTH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN WIGGLESWORTH: Receipt is acknowledged of your letter of October 16.

I have been fairly busy since our talk, but had intended to write you again when more pressing matters were out of the way.

There is little I can add to my letter to you of July 1, 1940, and my letter to Speaker Bankhead of March 15, 1939, which was printed in the CONGRESSIONAL RECORD.

For your convenience, I attach copy of my letter of July 1, 1940, and quote that part of my letter to Speaker Bankhead relating to the building:

"When this loan was tentatively applied for, we were told that the property (a large plot opposite the Veterans Building, fronting the entire block on Vermont Avenue from H to I Streets) could be bought for $3,000,000, or possibly a little less, and that the proposed building company could furnish a substantial cash equity, in addition to builders', engineers', and architects' fees. The applicants stated that they could readily rent the building for commercial purposes on a profitable basis.

"After consideration by our directors and a conference with the President, I advised the applicant that if the property could be bought for approximately $2,000,000, which upon investigation we thought would be a conservative but fair price, and the borrower would provide $500,000 cash equity, in addition to the builders', engineers', and architects' fees, the Reconstruction Finance Corporation Mortgage Company would lend the balance of the cost up to $5,600,000, provided it could lease the building at a satisfactory rental and have an option to buy it at cost. When the space is no longer needed for Reconstruction Finance Corporation activities, it can be rented easily for sufficient to pay interest and amortization on our mortgage.

"We have been badly in need of adequate quarters for several years, occupying space in 4 buildings, none of which is very well suited for our purposes, nor convenient and economical in the administration of the Corporation.

"After several months' negotiations, the court and the trustee for the estate owning the property approved the sale at $2,030,000, although the interested parties testified at the hearing before the court that it should be worth substantially more than this price.

"Mr. Corcoran Thom, president of the American Security & Trust Co., trustee, testified that members of the executive committee of his bank were of the opinion that $2,500,000 was a probable value; that an offer of $3,000,000 some years ago had been refused; and that the recent $2,000,000 offer submitted by the prospective borrower was originally declined. Mr. Thom further stated that his committee, in view of the heavy obligations of the estate owning the property, felt that while the price was not full value, taking everything into consideration, they should recommend the sale.

"Rear Admiral Mark L. Bristol, committee for Edward B. McLean, filed an answer in the proceedings stating that the price offered, $2,000,000, was inadequate. He testified at the hearing that since a trust of $1,500,000 had been placed on the property, it must have been considered by the people who had put that trust upon it as being worth close to $2,500,000 or $3,000,000.

"I recite these facts to show the value of the land securing our loan.

"Our directors regard the loan as a thoroughly sound investment and, in addition, it creates a substantial amount of work, both in its construction and in the preparation and fabrication of materials required, fully in keeping with the purposes of the act and the efforts of the administration.

"The architects' and engineers' fees aggregate only 5 percent of the cost of the building, which is 1 percent less than the standard rate fixed by the American Institute of Architects. The builder, one of the oldest and best-known construction companies in the country, is to have a fee of 8 percent of the actual cost of the building, which includes its overhead. This is a reasonable contractor's percentage and not all profit.

"The $500,000 cash provided by the building company, together with all fees and services by the contractors, architects, and engineers, and the conservative price at which the land was bought, gives the Mortgage Company a margin substantially in excess of $1,000,000.

"The rental on the building is to be sufficient only to cover interest on our mortgage, taxes, 5 percent per annum on the equity, plus approximately 1 percent per annum to cover depreciation on the building and amortization of the investment.

"The Mortgage Company has an option to buy the building at cost, the construction and cost of which will be at all times under the supervision of its engineers. Under these conditions and the terms of the trade, there can be only a moderate profit to the builders, engineers, and architects, and that will be invested in the equity of the building.

"In view of the crowded condition of many governmental agencies and the inadequate and uneconomical quarters that they are forced to occupy, we would be glad to finance the construction of other such buildings in Washington on similar terms."

After occupying the building for the better part of a year and finding it in every way satisfactory, we exercised the 5-year option taken when the loan and lease were negotiated and acquired the property May 26, 1941, through the purchase of the capital stock of the building company at some discount below the option price.

Including the architects' and builder's fees, the building cost $4,975,385.03 and the land $2,036,616.27, making a total of $7,012,001.30. With the saving through the purchase of the capital stock of the building company at a discount and the depreciation taken, the property stands The RFC Mortgage Company $6,896,344.34.

The Reconstruction Finance Corporation borrows its money at 1 percent per annum, which makes our space cost only $68,963.44 a year, plus taxes and service. The building contains 272,000 square feet of choice office space, 7,200 square feet of valuable store space, and 58,000 square feet of storage and garage space.

No more efficiently planned or better constructed building can be found anywhere. This fact, together with its excellent location and reasonable cost, makes it a sound investment either for the Government or for private interests. It could be sold or rented at a very handsome profit to the Reconstruction Finance Corporation.

With the exception of store rentals on Fifteenth Street, which bring in about $35,000 a year, the building is entirely occupied by the Federal Loan Agency, Reconstruction Finance Corporation, the RFC Morgage Company, Federal National Mortgage Association, Metals Reserve Company, Rubber Reserve Company, Defense Plant Corporation, Defense Supplies Corporation, Defense Homes Corporation, Electric Home and Farm Authority, Disaster Loan Corporation, and the Export-Import Bank. Due to expanding defense activities, we are having to occupy additional space in the Department of Commerce building.

The total amount of rent paid to Lafayette Building Corporation prior to the take-over was $407,806.94; $79,266.78 was for taxes, $3,361.45 for insurance, and $214,314.28 to meet interest on the mortgage, which amount was paid to RFC Mortgage Company, and, in effect, reduced the rent by that amount less the cost of the money to the Reconstruction Finance Corporation at 1 percent. The mortgage carried an interest rate of 4½ percent.

The entire capital stock of the Lafayette Building Corporation was held by Thompson-Starrett Co., Inc., for benefit of the contractor and architects.

As pointed out in my letter to Speaker Bankhead, the building was constructed and leased with the prior approval of the President, and he also approved the purchase.

Sincerely yours,

JESSE H. JONES,
Administrator.

JULY 1, 1940.

Hon. R. B. WIGGLESWORTH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN WIGGLESWORTH: The lease on the Lafayette Building calls for a rental of 5 percent on the cost of the property, plus a charge in lieu of amortization equal to approximately 1 percent of the cost of the building, which is substantially less than the depreciation allowance by the Bureau of Internal Revenue. Since the law provides that rents for buildings to be occupied for Government purposes shall not exceed 15 percent per annum of the fair market value of the rented premises, obviously the RFC Mortgage Company lease is an unusually favorable one.

The loan on the building bears 4½-percent interest, and store rentals on the ground floor amount to about $35,000 a year, so that it works out a very favorable rental arrangement for the Federal Loan Agency, the Reconstruction Finance Corporation, the RFC Mortgage Company, the Disaster Loan Corporation, the Export-Import Bank, the Federal National Mortgage Association, and the Electric Home and Farm Authority.

The building is being constructed under the supervision of the Public Buildings Administration. The contractors, Thompson-Starrett Co., Inc., receive cost-plus-a-fee of 8 percent, which includes its overhead. The architects, A. R. Clas Associates & Holabird & Root, receive a 5-percent architect fee.

The building will be operated by the Public Buildings Administration. The tenant pays taxes, water rents, insurance, and other such assessments.

The RFC does not ordinarily send its records out, but will be glad to have you call and examine the lease if you care to do so.

With best wishes.

Sincerely yours,

JESSE H. JONES,
Administrator.

LAFAYETTE BUILDING

Mr. WIGGLESWORTH. Mr. Mulligan, coming back to the Lafayette Building, I understand that when you took over that building in May, you took it over by purchasing the stock of the company at a discount. When you revise your remarks, will you insert in the record a statement indicating why the corporation was willing to sell that stock at a discount; and also break down the sum of $407,806.94 paid by The RFC Mortgage Company to the corporation as so-called rental during the period of occupancy, in terms of the rental agreement.

Mr. MULLIGAN. Very well.

SALE OF STOCK AT A DISCOUNT

The stock was not owned by the Lafayette Building Corporation, but by four stockholders—the contractor, the heating engineer, the architect, and the architect's associate. None of them were in the business of owning and operating office buildings. It is assumed that they deemed it preferable to sell at a discount for cash, the stock which they held in the Lafayette Building Corporation rather than retain it as an investment.

RENTAL

The lease provided that the rental to be paid by The RFC Mortgage Company to the Lafayette Building Corporation would be equal to the sum of the following items. For the period August 2, 1940, to May 25, 1941, inclusive, these items were as follows:

Taxes	$79,266.78
Insurance	3,361.45
Interest on loans (real estate)	214,314.28
Amortization of loans (real estate)	30,105.57
Interest on notes	20,937.50
Retirement of notes	45,138.89
Dividends accrued on capital stock	13,969.97
Trustees' fees	712.50
Total	407,806.94

FEDERAL POWER COMMISSION

The amount recommended for this agency is $2,303,125 as compared with an appropriation for the current fiscal year of $2,250,000.

This is another agency in respect to which appropriation items for normal activities and defense activities are apparently considered almost indistinguishable, although the Budget indicates a total of $519,255 for national-defense activities.

Under its general wartime responsibility to assure an adequate and dependable supply of power during the emergency, the Commission submitted to the President on July 16, 1941, a report embodying a complete program to provide the necessary power supply for the defense program through 1946, the program calling for an increase of 8,000,000 kilowatts to be produced by steam and 4,000,000 kilowatts to be produced by electric power.

The record indicates a total installed capacity for the Nation of 42,800,000 kilowatts, a dependable capacity of 36,500,000 kilowatts, a prospective deficit in 1942 of about 2,000,000 kilowatts and in 1943 of about 4,000,000 kilowatts. It also indicates that the percent of available power now utilized for defense purposes varies from 15 to 60 percent in different parts of the country. Under these conditions, with from 40 to 85 percent of all available power utilized for nondefense purposes, it would seem that anticipated deficits in the next 2 years could be easily supplied through proper rationing of available nondefense power with reduction of unnecessary lighting for residences, office buildings, show windows, signs, street lighting, duplication in broadcasting, and so on.

PUBLIC ROADS ADMINISTRATION

The recommendation for this agency is $88,500,000 as compared with an appropriation for the current fiscal year for comparable items of $126,000,000. The expenditure in respect to Federal-aid highways, secondary or feeder roads, public-land highways, and the elimination of grade crossings is all to be in respect to items deemed essential to national defense. There is at least $50,000,000 additional available from the recent appropriation in the Third Supplemental National Defense Act of 1942 for access roads.

The record indicates a tremendous variation heretofore in the number of miles constructed and in the average cost per mile in the several States. The tables furnished your committee a year ago, for example, indicate for the preceding year that New Jersey obtained only 15 miles of Federal-aid highway construction and 12 miles of secondary roads, that Massachusetts obtained only 25 miles and 9 miles, respectively.

The tables indicate an average cost per mile for Federal-aid highway construction running all the way from $15,000 per mile in Minnesota to $46,000 in Illinois, $54,000 in New York, $117,000 in New Jersey, and $126,000 in Massachusetts.

For feeder or secondary roads the average cost per mile runs all the way from $7,500 in Minnesota to $16,000 in Illinois, $20,000 in New York, $30,000 in New Jersey, and $40,000 in Massachusetts.

It is difficult to understand how any such variations can be justified, particularly in the light of the statement by Mr. MacDonald, public roads commissioner, appearing on page 846 of the hearings on the agricultural appropriation bill for 1940 to the effect that the highest type pavements of all widths of Federal-aid construction averaged then about $37,000 per mile.

PUBLIC WORKS ADMINISTRATION

The recommendation for this agency is $75,000 as compared with an appropriation for the current fiscal year of $620,000, the amounts in question being reappropriations.

This agency is in the process of liquidation, there being only 11 projects

which will not, in all probability, be completed by July 1, 1942.

Attention is called to the table appearing on page 553 of the hearings, showing during the period 1936–41 a total of 58,378 instances of kick-backs, underpayments, and improper rates involving recommended refunds to labor of over $1,000,000.

The agency also furnishes a statement as to the wide variation, both in percent of Federal loans plus grants in terms of projects and in percent of grants in terms of total Federal aid as between the several States.

UNITED STATES HOUSING AUTHORITY

The amount recommended for this agency is an authorization of $4,526,500 as compared with an authorization for the current fiscal year of $3,470,000.

The agency reports a program of 190,000 housing units, of which 89,000 units are not completed and occupied. Of the 89,000 units, 65,000 are in critical defense housing areas, 4,500 are in nondefense areas but well along in construction, and 7,500 are in rural areas and committed as a "token program." The balance of 12,000 units in nondefense areas have not yet gone into construction and have definitely been stopped.

The agency states that aside from a few rural units it is directly under control of the Office of Production Management and the Office of the Defense Housing Coordinator.

The record indicates the most detailed supervision in the field of the activities of the agency by the central office, including assisting in the selection of surveyors, appraisers, and title searchers, assisting in the negotiation of utility rates and even the maintenance of tenant selection advisers to assist in the selection of tenants. It would seem that economy and efficiency would both be served by a reduction in this detailed supervision.

The agency desires to maintain a racial-relations division at a cost of $43,520 and a labor-relations division at a cost of $72,180. It would seem that both might be eliminated. The racial-relations work would appear both unnecessary and un-American. The labor-relations work would appear to be a duplication of functions already provided for under the Labor Department and other labor set-ups.

Attention is directed to the table giving a recapitulation of completed land acquisitions and to the fact that in the past the amounts paid for land in instance after instance appear as very much in excess of the assessed valuations of the land for tax purposes, including land located in the larger cities of the country where assessed valuations are apt to be far in excess of market values. A more detailed explanation than is afforded by the record would appear to be necessary in this connection.

TENNESSEE VALLEY AUTHORITY

The recommendation for this agency is $136,100,000 as compared with an appropriation of $166,800,000 for the current fiscal year. The total is, roughly, broken down into $53,700,000 for normal activities and $82,400,000 for emergency activities.

The total cost for all projects is now given as $615,000,000.

An ultimate over-all installed capacity of 2,750,000 kilowatts with 1,500,000 kilowatts of continuous power is anticipated.

The recommendation includes funds for 7 additional dams authorized during the current fiscal year; 4 on the Hiwassee River and tributaries, 2 of which will be completed in the fiscal year 1942, the other 2 in the fiscal year of 1943; the Fontano Dam to be completed in 1945 and the South Holston and Watauga Dams recently authorized, the completion of which is hoped for in the early summer of 1943. It also covers 14 additional hydroelectric units, 3 additional steam units, and a diversion dam at Fort Lowden, across the Little Tennessee River. It also includes about $25,000,000 for transmission and other electric plant. The total for navigation, flood control, and power amounts to about $123,706,000 as compared with about $158,460,000 for the current fiscal year.

The amount requested for the fertilizer program is about $7,300,000 as compared with about $4,300,000 in the current fiscal year, the difference being accounted for by an item of $3,000,000 for a new phosphorus plant at Mobile, Ala., considered essential for immediate national defense needs.

The related property-operations program and the development-activities program call for $756,000 and $1,737,000, respectively, the identical amounts provided for the current fiscal year. These programs include, among other things, provision for fish and game readjustments, the development of recreational facilities, studies of forest resources and management, the reforestation of private lands, tree nurseries for private lands, studies of local government problems and community planning. It is believed that items in both these programs could well be eliminated as nondefense expenditure.

Attention is also called to the fact that the agency still maintains an information office at a cost of $205,691.44.

The reduction of $30,700,000 in the over-all recommendation for this agency as compared with the appropriation for the current fiscal year is, of course, explained entirely by the very large supplemental appropriations made since the passage of this bill a year ago.

SELECTIVE SERVICE SYSTEM

The amount recommended for this agency is $34,745,000 as compared with $33,500,000 for the current fiscal year.

The increase is due, for the most part, to the creation of personnel and research and statistical divisions regarded as essential to the work of the agency. It also reflects a change in the system of giving physical examinations prior to induction involving the expense of travel of the selectee from his home to the Army examining board and return and thereafter to the training center. Heretofore, between 13 percent and 25 percent of those passing local physical examinations have been subsequently rejected by the Army authorities.

The estimate was based on the induction of 688,000 men into the service during the year in question.

VETERANS' ADMINISTRATION

The over-all recommendation for the Veterans' Administration amounts to $601,195,088 as compared with $609,335,287 for the current fiscal year.

The over-all figure includes $110,909,088 as compared with $105,369,037 for administrative expenses, the increase being accounted for by additional personnel and supplies in connection with additional hospital beds, by additional personnel for the National Service Life Insurance work and by within-grade promotions under the Ramspeck Act.

The record indicates an increase in available hospital beds of 1,479 and in domiciliary beds of 14 during 1942 and 1943, making the total beds then available 63,328 and 19,120, respectively.

The over-all recommendation also includes $4,577,000 as compared with $3,500,000 for the current fiscal year for repair and new construction of hospital and domiciliary facilities. A list of contemplated projects appears on page 418 of the hearings.

The record indicates as of December 6, 1941, 727,000 applications for National Service Life Insurance, aggregating $2,444,744,000. It also indicates the placement of veterans in employment during the last year to the extent of about 150,000.

Mr. Chairman, I yield 30 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, I must confess difficulty in discussing a bill that contains so many agencies and such a variety of governmental interests. There are 43 agencies in this bill, and if within stated limitations of time one were to undertake a rather full discussion of every item, it is a matter that would run into days. I recognize also the difficulty on the part of the membership in wading through a thousand pages of hearings, including many tables in fine print, and of making an attempt to dig out the meaty portions of the hearings in the interest of the public welfare. That is a real problem. I remember the occasion many years ago of a debate between a celebrated divine, Dr. John A. Ryan, of the faculty of St. Thomas University, and a very eminent Socialist, Mr. Morris Hillquit, at one time a candidate for mayor of the city of New York. When they reached the rebuttal stage of this debate, Dr. Ryan said, "The arguments of my learned friend remind me a good deal of the modern diaphanous gown, which seems to be indigenous to the age of flaming youth, one of this class of gowns that touches everything and covers nothing." When it came time for Mr. Hillquit to make rebuttal he said, "The argument of my learned friend reminds me somewhat of the old Mother Hubbard gown, which covers everything and touches nothing."

So, if a person undertakes to analyze the 43 agencies that are dealt with in this bill, he will find himself on both sides of that anecdote.

I want to say what a pleasure it has been to serve on the subcommittee on independent offices under the chairmanship of the gentleman from Virginia [Mr. WOODRUM]. At best, this is arduous

work, dealing with figures day after day, which embraces hearings both morning and afternoon for a long period of time. There has always obtained in that subcommittee a kindly felicity which eased the work and detail. No politics ever enter into the deliberations of that committee. I am happy today to pay testimony to him as chairman of the subcommittee, for the generous, considerate, fair, and courteous way in which he has always dealt with the minority.

I would feel derelict if I did not pay testimony also to the other members on the majority side and also to that rather winsome, genial clerk, Mr. Duvall, who does so much for our subcommittee. So today it is a privilege to pay testimony to that fine fellowship that has prevailed year after year, that makes this arduous labor a happy and interesting service.

I shall ramify somewhat in these observations, but I hope perhaps I can classify some of the agencies of this bill so that one will get a better pattern. They almost beggar classification, of course, but first on the list one might put the Federal Works Agency, which is a consolidation under the Reorganization Act of those agencies of government that deal with work and construction. It excludes the Maritime Commission, which is a construction agency largely, but which is considered separately.

The second group would be the Federal Loan Agency, also provided for by Reorganization Plans Nos. III and IV, which embraces all the loaning agencies of the Government.

Another broad distinction would be those regulatory agencies, such as the Federal Power Commission, the Federal Trade Commission, the Securities and Exchange Commission, and many others that deal with the regulation of such instrumentalities, as public utilities, stock exchanges, and so forth, that now come within the purview of governmental regulation by reason of legislation enacted since 1933.

The fourth broad classification would be those agencies that subserve the Government itself. Office of Government Reports, the Budget Bureau, The National Archives, and some others render service to other agencies of government.

Another separate classification would be those agencies that more nearly serve the public rather than the Government.

I think those four or five broad classifications make it possible to give at least some little grouping to the 43 agencies with which this bill deals.

The measure contains something in excess of two thousand million dollars. When we say two thousand million instead of $2,000,000,000, I believe we get a more adequate appreciation of the astronomical figure that is here involved. Of course, it provokes sentiments of economy. I have wrestled with it as you have. The Byrd committee has wrestled with it for a long time. I find it difficult to come to any satisfactory conclusion as I look into the future, and I will tell you why. If we will analyze for a moment the heavy expenditures in this bill, we will find that 5 agencies account for 92 percent of the expenditure. The Tennessee Valley Authority calls for $136,000,000. The Maritime Commission for $980,000,000 for its ship-construction program. The Veterans' Administration calls for $601,000,000. The Bureau of Public Roads, $88,000,000. Civil-service retirement, $121,000,000. There are 5 of the 43 agencies, yet those 5 consume 92 percent of the entire appropriation.

As we project ourselves into the future a little in the hope that we can see some light on constructive and substantial economy, there is no ready, fulsome promise in those items. So long as the war continues, the Maritime Commission will continue. So long as vessels are torpedoed and sent to Davy Jones' locker, other vessels will be built. I do not know at what point we will finally get out from under the long-range program calling for thousands of vessels, calling for hundreds of millions of expenditures, but it will not be very soon. Nor would anyone wish to curtail this appropriation, since it involves defense and efficient pursuit of our war effort.

Look for a moment at the Veterans' Administration. Year after year the estimates increase. For 1943 it will be $601,000,000. If we examine the tables in the bill, we will find that there are on the rolls today 622,386 veterans. Just fasten that figure in mind for a moment—622,386. In addition, there are on the rolls today 237,953 dependents of veterans. There are, therefore, on the rolls as of January 1942, 860,839 veterans and dependents, and the number increases progressively as time goes by. This is grim testimony to the continuing effects of war.

Now, if there were any hope of substantial economy at that point let us not be unmindful of the fact that there will be another group of veterans fairly soon, and the boys who were in the slaughter at Pearl Harbor, those who were wounded at Wake, those who are being daily wounded in the operations in the Pacific, will have a just and legitimate claim upon the largesse of this Government, because they were willing to go forth as soldiers and patriots in the interest of the defense of this country and the preservation of the principle of democracy. In the language of Abraham Lincoln, having borne the brunt of battle, there will come a day not far distant when they will have a claim upon the benificence and generosity of our common country. So we can figure, as we move into the future, that this amount will increase and not diminish.

A few years ago Congress assumed the responsibility of matching funds with those who were on the Federal pay roll for the purpose of retirement. In the same proportion as there is collected from the pay check of every classified employee who comes within the jurisdiction of the civil service retirement provision we as a Congress appropriate and place into that fund an equivalent amount which for the year 1943 will be $121,000,000. As the Government pay roll expands and as more people are brought within the jurisdiction of the merit system is there any particular hope for diminution in this item?

I made note of the number of people who were on the pay roll and it is an interesting increase over the years. When the last World War ended, November 11, 1918, there were on the pay roll of the Federal Government 917,760 people. Let me repeat that figure—917,000 plus. There were on the pay roll of the Federal Government on June 30, 1941, 1,358,000 people. The number is more than 440,000 persons over and above the peak that was reached in the first World War on November 11, 1918, and that figure, mind you, is for June 30, 1941, which was almost 7 months ago. It has been indicated to us time and time again that not only have there been generous increases in the last few months but it is proposed to bring into the Nation's Capital between now and the 1st of July another 45,000 employees and their families. Thus for practical purposes when we arrive at June 30, 1942, we shall have 500,000 more Federal servants in the executive branch of the Government than we had in the peak period of the first World War. The provisions of the Ramspeck Act will apply to many; and so, as it expands, the retirement fund will grow and the amount of money that must be appropriated for the retirement fund will increase. There is therefore no hope whatsoever for a decrease in this item for it represents a definite obligation of government.

When on occasion hands have been laid upon the appropriation for highways for grade separations and for feeder roads, Members of Congress objected and challenged the President, and told him he must not touch the highway item. In other years it was always $150,000,000. Last year it was $80,000,000. May I venture to say that in the event we cut the fund substantially it would be defeated in the House and in the Senate. From these large items there is little hope for broad reductions. Thus, as I analyze 92 percent of the appropriations carried in the bill I see no substantial reductions in these items in the immediate future, but, rather, I see increases in some of these items as the inexorable result of the present conflict. This does not mean however, that we should be insensible to wasteful or extravagant spending; and I will point one extravagance which I think in a rather material way might be reduced:

There is included in the items listed in this bill the sum of $1,104,000 for printing and binding. This is for the printing and binding of books and pamphlets that go upon the reference shelves, that look so nice, but which so often are never read. They become a kind of dusty repository, and after a little while they are committed to the responsibility of those who dispose of waste and unnecessary and useless executive papers, and finally they find their way to some junk pile as waste paper. This does not include those agencies that come to justify their administrative expenditures but who utilize their own funds for printing and binding, and for whose printing and binding no separate amount is included in this total. If all the money chargeable to printing and binding were included in one item, it would probably amount to the sum of $1,500,000. This is an enormous sum.

Let me remind you in Washington, D. C., that in the humble city where I live and other cities in the land the school children and the Boy Scouts are going about after school gathering up paper in paper sacks and hauling it down to a central depository where it is sent away to the paper mills so they can continue to operate. The Government, however, is the most wasteful instrumentality there is when it comes to using paper. Here are great groups of patriotic youngsters with devoted hands going around to gather up paper to eke out a few cents for the school fund so they can have an entertainment or buy a flag or add a few books to their library, yet the Government wastes paper by the ton. I have assembled some figures this last week on this matter.

For the fiscal year 1939 the Government Printing Office used 91,000,000 pounds of paper, and that is by no means all. In 1941 it was 138,000,000 pounds, and when 1942 came along they entered an order for 94,000,000 pounds of paper for the first 6 months of the fiscal year. Think of it. Extend that for 365 days and it means 188,000,000 pounds of paper, or 94,000 tons. It would be possible for one to take that much paper and write a letter to every man, woman, and child of the 132,000,000 in our population on every working day in the week for an entire year.

The order was so huge that the paper manufacturers finally indicated that they can take care of only 60 percent of that order in the first 90 days of 1942. I am informed that the pulp and paper section of the O. P. M., before it felt the ax of decapitation a day or two ago, was instituting a special study to see what could be done about reducing the quality of paper so that the paper mills will have capacity to meet the needs of the country.

Paper is essential in the scheme of national defense and for the purpose of carrying on this grim conflict. Every agency ought to economize, and that includes the Congress of the United States. We can refrain from inserting some of the editorials in the CONGRESSIONAL RECORD. We can keep the bulk of the RECORD from assuming the proportions it does. Let us be the first, by precept and example, to set a lesson for some of the other agencies of the Government.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I do not want this bill to pass by without my asking my usual two questions. I see you have no justification printed here for the rudderless Securities and Exchange Commission. I am wondering if they did justify their work and existence. You comment on it not at all.

Mr. DIRKSEN. My good friend from Massachusetts raises the question of whether that agency, which he denominates the rudderless Securities and Exchange Commission, has justified the expenditure of some $5,000,000 carried in this bill. Well, it is a matter of opinion. I do know that, starting with 1933, we have laid in the lap of the Securities and Exchange Commission first one type of authority and then another. Not only have we authorized them, for instance, to clean up the securities market, to provide for registration statements, to examine and explore fiscal conditions of the dealers and the brokers of the country to make them give an accounting of their fiscal stability, to investigate reorganizations of corporations and reorganization plans, but we have added a great many other duties. We expect them to get results. They come before us and say, "This is what we have done and that is what we have done. As far as the money goes, we have examined the condition of the dealers and brokers of the country. We are trying to set up a policy whereby the conditions that prevailed in the securities market in former years under which people were bilked out of their money by virtue of blue sky stock and shaky bonds will not obtain again in this country." This agency has undertaken a huge, far-reaching, and delicate task and has in many respects performed a salutary service.

Mr. GIFFORD. The assignment of jobs is all right, but have they justified what they are doing?

Mr. DIRKSEN. I think they have done a good job. Let me make one further observation. I do say, however, that they have laid a tremendous burden upon the business structure of the country because of the involved statements and registration requirements they have demanded from year to year. I asked them to send to my office not so long ago some of the forms they use, and it would be a pile a foot high which must be executed and filled in before one can qualify under the provisions of some of the acts they administer now. However, the S. E. C. is cognizant of this matter and is working to simplify and streamline the required forms.

Mr. GIFFORD. I do not want to interrupt the gentleman too much, but I still have the suspicion that they have made more trouble than their accomplishments justify. I shall drop that, however. I simply bring it up at this time to let them know we are not forgetting them.

Let me speak of this other matter, and then I am done. I notice that the F. H. A. mortgages have vastly increased, with $300,000,000 here, and you are putting up money for administrative expenses to be taken not only from fees but from the insurance premiums. I am wondering if the insurance premiums are getting proportionately high enough to take care of that great volume. I speak of it simply to let them known that we are watching it a little bit, we are not forgetting it.

Mr. DIRKSEN. Let me say to my good friend from Massachusetts that I did raise that question with Mr. Ferguson of the Federal Housing Administration at the time he was before the committee. We may differ with him as to how much there must be in the reserve as a sort of future cushion against the possible dislocation of values of property. That will be a tax upon that fund. They contend that it is adequate, that it is growing progressively from year to year. The gentleman and I, who think in terms of more secure ways of financing the construction of property, may disagree, but the F. H. A. feels that the reserve is adequate.

Mr. GIFFORD. Yes; but we do not want to be fooled by appropriations for these purposes. It is supposed to take care of itself. There will be no boastful day here for me on the success of that when the figures are finally analyzed and we find we have actually appropriated money to hide those expenses, which ought to be met out of the fees and out of the services rendered.

Mr. DIRKSEN. With that I agree entirely, that they ought to be self-sustaining services.

Now let me say a word about the Maritime Commission. When one reads the Truman report on defense spending, he will find under the caption of "Maritime Commission" these significant words in the last paragraph.

The Maritime Commission has done a good job.

It is one of the few if it is not the only agency operating in the field of national defense for which the Truman committee said a kind word. Those are rather significant words and a fine recommendation for the work of this agency:

The Maritime Commission has done a good job.

Certain it is that they have had a job of real magnitude, beginning with the act of 1936 for the creation of a merchant marine, then extending through three additional acts which authorized the construction of 1,422 vessels. They now have 123 vessels completed, 876 under contract, and 423 that will be under contract by the 30th of June 1942.

I have been one of the first in years past to lay the whiplash of criticism on Admiral Emory S. Land for any inefficiency in that agency, and I would do it all over again, but I do believe he is eminently deserving of commendation for the speed with which he has operated the huge shipbuilding program authorized by the Congress. I am glad to add my encomium to those that were showered on him by the Truman committee only this month.

Let me bring to the attention of the House the question of decentralization of Federal agencies. Whether or not that issue will be raised in the future I do not know, but it has been raised acutely in recent days. The subcommittee of the Committee on Public Buildings and Grounds has taken testimony on the subject; a joint committee of the House and Senate District Committees has dealt with it; and we have closely explored the wisdom and the advisability of the policy of decentralizing and removing nondefense agencies from the Nation's Capital. There are many who take a view contrary to my own, but as long ago as 2 years, when it was reported to me by the Budget Bureau that the Federal travel allowance for a single year was $150,000,000 and that it was growing and would probably reach $200,000,000 as we went along, I felt that something ought to be done to bring those agencies closer to their work base, and I suggested at

that time the advisability of moving these agencies from the Nation's Capital. The situation became acute as new defense agencies came in and so the President, wisely and with firmness, insisted that there be 12 nondefense agencies moved out of Washington. I hope he increases the number because there is space in Chicago, there is space in Pittsburgh, there is available space in Philadelphia, and in Cleveland. There is available space in New York City and elsewhere that can be gotten at a price much cheaper than the price that must be paid in the Nation's Capital. Besides, if another 45,000 people come into the Capital what are we going to do with them? Where shall we find housing facilities? Where will they erect the office buildings where they shall work? It becomes one of those problems that can be met only by vacating a lot of those stations and moving them to other sections of the country. If one wants some authority on the subject, he will find in the hearings a rather extended statement by Mr. W. E. Reynolds, Commissioner of Public Buildings, whom I regard as the outstanding space expert in the service of the Government. He says that it is a thing that ought to be done, and I recommend that you read Mr. Reynolds' testimony.

The other day I had occasion to observe upon a matter that I would like to suggest to the attention of the House, and that is the consolidation of Federal power agencies. I would like my friend the gentleman from Mississippi [Mr. RANKIN] to listen.

It has occurred to me, since we have power agencies all through the Government, and that three separate subcommittees of the Appropriations Committee deal with these agencies, and since various legislative committees deal with the legislative authority, we will go nowhere in giving proper direction to the power policy of the country or setting up the kind of background of information that is necessary unless they be consolidated.

We have now, for instance, the National Power Policy Committee, on which there is representation from the R. E. A., the F. P. C., the T. V. A., and a great many other agencies. Then we have the Rural Electrification Administration. Then we have the Federal Power Commission, which ranges all over the country, makes studies of power development, power surveys, and handles the matter of licensing private power facilities on navigable streams. In addition we have Grand Coulee, we have Bonneville Dam in the Interior bill, and, finally, we have the Tennessee Valley Authority.

As we look at all of them, they deal, first, with power policy; secondly, they deal with the development of power sites and related interests. Next, they deal with the generation and transmission of power; and, finally, they deal with the setting up of cooperatives to take that power and distribute it among the farmers of the country.

We have under Reorganization Plans Nos. III and IV consolidated all the work agencies in the Federal Works Agency, set up an Administrator, and I believe it has worked out very well.

Secondly, the President by Executive order took the loan agencies and put them in the Federal Loan Agency under the administratorship of Mr. Jesse Jones. They, too, have given a good account of themselves, and I believe that that consolidation has been in the interest of economy.

I see no reason now why the Federal Power Policy Committee, the Federal Power Commission, the Rural Electrification Administration, the Tennessee Valley Authority, the Bonneville Dam Administration, Parker Dam, Fort Peck Dam, Grand Coulee Dam, and others should not be lumped under a Federal power agency, so that the matter gets good direction, good administration, and that we carry all those agencies in one basket.

It is my privilege as a member of this subcommittee to sit on the justifications of the Federal Power Commission and the Tennessee Valley Authority. A second subcommittee on appropriations for agriculture on which I serve deals with Rural Electrification Administration. After awhile the Interior Department subcommittee will take up an appropriation bill dealing with these various dams, scattered throughout the country, and as a consequence, there is no considered appropriation policy, and no considered legislative policy whereby we deal directly with the whole power matter. I suggest a study of that matter in the belief that we will subserve that interest best, that it will be made efficient, and that it will save money and will be in the interest of better administration if these agencies are lumped into one group. I yield now to the gentleman from Mississippi.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman from Illinois 10 minutes more.

Mr. RANKIN of Mississippi. Mr. Chairman, the gentleman from Illinois [Mr. DIRKSEN] left out the most important and the most dangerous one that ought to be taken over and regulated and controlled, and that is the Power Trust, that has assumed the prerogatives of a supergovernment, and now attempts not only to control national affairs, but tries to control all State and local affairs. Let me say to the gentleman——

Mr. DIRKSEN. Oh, wait a moment. After all, has not the Federal Power Commission been set up to deal with that very matter?

Mr. RANKIN of Mississippi. I am surprised by that question coming from the very erudite gentleman from Illinois, for the reason that Congress did not give the Federal Power Commission the right to regulate retail rates.

Mr. DIRKSEN. But the gentleman is now talking about authority that does not exist in the law.

Mr. RANKIN of Mississippi. I am talking about the fact that the Power Trust has been powerful enough to prevent any agency in this Government from regulating the retail rates, with the result that they are overcharging you people a billion dollars a year.

Mr. DIRKSEN. And let me remark to my friend that I would be the last to ever stand on the floor of this House and make a confession that your Government and mine is not big enough to deal with any agency in this country if it violates the law and if it does not follow certain guidelines laid down by the Government. I think a person never ought to make that kind of a confession, unless he is willing to confess that the whole democratic process is a failure—and that is what the gentleman is doing right now.

Mr. RANKIN of Mississippi. And let me say to the gentleman that if he had waited he would have seen the step that I propose to take. It is to give to the President of the United States the power now to take over the power dams and transmission lines in this country in the name of the Federal Government, pay whatever they are actually worth—not for the watered stock, but what they are actually worth—and then see to it that this power is distributed to the American people at rates based upon the cost of generation, transmission, and distribution. Will the gentleman vote for such a bill?

Mr. DIRKSEN. The gentleman asks about something that is not in the law. That authority does not exist, and the thing that I have been trying to delineate to the House is to take the agencies that do exist today that have authority, and lump them into one group, before you want to add to and expand their authority. That is another matter.

Mr. RANKIN of Mississippi. And none of them would have had authority if we had waited for the gentleman from Illinois to vote that authority, as the record will show.

Mr. DIRKSEN. Oh, let us look at that. I voted for rural electrification.

Mr. RANKIN of Mississippi. Not on a roll call.

Mr. DIRKSEN. Oh, yes.

Mr. RANKIN of Mississippi. Go back and look at it. The roll call will show that the gentleman is wrong.

Mr. DIRKSEN. It will show that the gentleman from Illinois is right; and if at any time I ever opposed it, it was not the principle but some separate item which seemed unsound and unfair.

Mr. RANKIN of Mississippi. And every time we have attempted to build a dam on the Tennessee River, on which we have had to call the roll, you will find that the gentleman from Illinois was on the opposite side—every time.

Mr. DIRKSEN. Wherever it appeared to be outrageous extravagance and unsound, I have opposed it. It was never a matter of policy; it was always a matter of the abuses that crept into the expansion of power or failure to proceed on a sound and fair basis.

Mr. RANKIN of Mississippi. The gentleman from Illinois can find more fault with righteous activities and do less to help to rectify wrong than any other man of his ability I ever knew.

Mr. DIRKSEN. Oh, my good friend drags a carload of red, white, and blue herrings across the trail and seeks to divert the issue. I leave to the gentleman whether or not he will go along with a proposal that is constructive and in the

interest of economy instead of indulging in opinions which he alone shares.

Mr. RANKIN of Mississippi. It will be constructive in the interest of the American people, as our power program has been from the very beginning, from the creation of the T. V. A. and the Rural Electrification Administration down to the present time.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CASE of South Dakota. I am very much interested in the proposal that the gentleman makes, because anyone who has attempted to look at what we are doing in the power field today will recognize that there are not only many agencies but that there is a struggle among those agencies to see who will be the top one. I did not notice that the gentleman included the Corps of Engineers, the Army engineers. In the control that they have over navigable streams they have authority to construct dams, and in that connection they have built dams with generating equipment for power. Would the gentleman also include the Army engineers?

Mr. DIRKSEN. I suppose that only those functions of the Army engineers directly relating to this matter of power and power exploitation ought to be put into an agency of that kind. As the gentleman knows, the Army engineers are used in an advisory capacity, and I doubt whether properly they should be taken out of the War Department. But every other function ought to be put into some such central authority.

Mr. CASE of South Dakota. For example, take Fort Peck, that was constructed by the Army engineers. You have got related problems there, so that it seems to me if you want to coordinate you have to recognize that there is an overlapping of purposes in a multiple-purpose dam, whether irrigation, navigation, or flood control. So that the power question does enter into the normal activities of many agencies.

Mr. RANKIN of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RANKIN of Mississippi. Let me say to the gentleman from South Dakota [Mr. CASE] that the Army engineers do a very splendid job building these dams. I am one of the Members who was largely responsible for retaining the Army engineers in charge of the operation of the Bonneville Dam.

Mr. CASE of South Dakota. I do not want the gentleman's reply, in saying the Army engineers are doing a good job, to infer that I might think they were not. I think they are doing a very good job. I do not want to see them eased out of the picture. That was why I mentioned them.

Mr. RANKIN of Mississippi. I did not intend to infer that. One reason why I preferred to leave the Army engineers in charge of Bonneville was that I knew it was rather close to the Pacific coast, and I wanted somebody in charge of that dam who, if anyone attempted to sabotage it, would have the right and the courage to run a bayonet through him and turn it around. I am a member of the Committee on Rivers and Harbors, and in the pending rivers and harbors bill we provide for the Army engineers to build the dams involved. We cannot take the Army engineers off of all their work, because we are at war now. They are needed in a great many other fields. So if we have other engineers, which we have, who can do this work, we should utilize them and not take the men who are needed for Army service.

Mr. DIRKSEN. Now, let me allude to another matter that was stricken from the bill by the subcommittee.

Mr. RANKIN of Mississippi. Will the gentleman yield right there just before he proceeds? The gentleman a moment ago referred to the appropriation for the Veterans' Administration. I want to call attention to the fact that we are going to have to expand our hospital program if this war continues and gets worse.

Mr. DIRKSEN. I do not believe there is any doubt about it.

Mr. RANKIN of Mississippi. In order to take care of the load.

Mr. DIRKSEN. I thank the gentleman.

An effort was made under an Executive order in 1939 and 1941 to set up a special committee for the purpose of qualifying lawyers who are now in the Government service or who might hereafter enter the service. That committee consists of 11 persons: 2 law-school deans, 2 practicing attorneys, 5 heads of Government legal establishments, and 2 members from the Civil Service Commission. They came before the committee this year and asked for an appropriation of approximately $86,000 for the purpose of getting this work started. The record is rather refreshing and rather interesting if you will take the trouble to examine it. As I indicated to the full committee this morning, there is more authority and more power in that proposal than anything that has come to my attention in a long while. If I wanted to shape the policy of the Government of the United States I would ask nothing more than to be executive director of a committee or commission that will sit on the qualifications and social viewpoint of the lawyers who are taken into Federal service.

If you will examine the record you will find that a very fine young man with a very brilliant mind has been at least tentatively selected as executive director of that Commission. He has been on the faculty of the law school at Columbia University. He was for a time clerk to one of the Justices of the Supreme Court. He speaks with a preciseness and fluency that is positively enamoring and intriguing, but when the gentleman from Alabama [Mr. STARNES] began to interrogate him about former affiliations with the international labor defense, with certain cases of one kind and another, and with the International Juridical Association, he was frank to say that he did have some identity with them, and then he proceeded to explain how it came about and furnished a statement for the record.

It is not my particular purpose to pass upon the qualifications of the gentleman in question for this particular position, but rather to submit to the Congress that if a special agency is to be created to qualify attorneys now in the Government service or who may hereafter make application for the Government service and to keep a minute record of the training, experience, viewpoint, and education of such attorneys, such an agency would wield a vast amount of power. The attorneys in the various departments of the Government pass on questions of policy. They indicate the limit of Federal jurisdiction in given matters. They advise the administrators. They counsel with policy-making officials and it would not be difficult to disqualify or discriminate against an attorney because he failed to share the governmental philosophy of the administration or an agency of the administration. I am not unaware of the fact that this matter needs attention because lawyers of competence and ability should at all times be secured. On the other hand, the method of selection and qualification should be surrounded with such safeguards as will assure to every attorney who may wish to enter the service of the Federal Government an equal opportunity to do so, even though he may not be a graduate of a law school with an impressive name or subscribe to a definite concept of governmental philosophy. The committee therefore deleted this item from the bill in the belief that it should have further study. It is important enough to merit special legislative treatment.

Mr. RANKIN of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RANKIN of Mississippi. Did the gentleman say this man made an argument before the Supreme Court of the United States?

Mr. DIRKSEN. Yes. That was the Herndon case.

Mr. RANKIN of Mississippi. Is that the same court before which Wendell Willkie argued the other day that being a Communist should not disqualify a man from becoming a citizen of the United States?

Mr. DIRKSEN. It is the identic court. Does my friend from Mississippi suggest that Mr. Willkie be made executive director of this commission we are now talking about?

Mr. RANKIN of Mississippi. I mention it only owing to the prominence of the case. I do not know where the commission will be located, but distance, of course, would have a great deal to do with my answer to that question.

Mr. DIRKSEN. It is scarcely necessary for me to make reply to the observation of my friend from Mississippi. I was really trying to point out to the Congress that here is a matter that really needs attention, and that if we are going to give direction to it then it is high time that we think in terms of legislation that will control that kind of situation.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. HARE. Does the gentleman not believe it would be better to have an

examining committee charged with the responsibility of inquiring into, you might say, the philosophy of every applicant, and determine collectively who should be chosen rather than to have them selected indiscriminately by this man or that man, or the other man as has been the case for the last few years?

Mr. DIRKSEN. I believe so. I think it is a matter which must have attention, but I want to be sure that the right kind of body is set up and that the policy that is adopted will be in the interest of the type of Government we have today and afford an equal chance to all.

Mr. RANKIN of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RANKIN of Mississippi. I agree with the gentleman that it depends on the kind of committee. Back in the old Southwest they were trying a horse thief. The jury was composed of 12 of his friends. After the evidence was in the jury brought in this verdict: "We, the jury, find the man who stole the horse not guilty."

Mr. CASE of South Dakota. Mr. Chairman, I yield the gentleman from Illinois 10 additional minutes.

Mr. DIRKSEN. There is only one other matter I want to allude to and it is a little divergent from the subject matter of the bill. We are passing on administrative appropriations in this bill for the Rubber Reserve Corporation, which is a subsidiary of the Reconstruction Finance Corporation. Rubber has assumed a very important place in the public mind today. We have heard a great deal about synthetic rubber in recent days, a great deal about the guayule plant, and about possible sources of synthetic rubber. I make so bold as to say that today in the light of recent experiments that are already in the pilot-plant stage it is not too much to believe that a portion of our rubber will be supplied by the corn fields and the soybean fields of the Middle West. One of the greatest things this Congress ever did was to make provision for the four regional agricultural laboratories in the Farm Act of 1938.

These laboratories managed to gather up the finest chemical talent in the country, men who have forsaken the laboratories of universities and industrial plants that they might delve around in research and give to the world the benefits of their findings. So, out of the laboratory in Peoria, for instance, there has come now that degree of experimentation in the field of deriving a rubber substitute or a rubber extendant from the fatty acids in corn oil, in soybean oil, and for that matter, in other vegetable oils, that gives fair promise that a good deal of the rubber substitute supply of the country might be produced in the areas of the Middle West.

Mr. RANKIN of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Mississippi.

Mr. RANKIN of Mississippi. I saw in the paper a day or two ago that Foreign Minister Aranha, of Brazil, said there was enough rubber in the forests of Brazil to supply the entire world at this time. Has the gentleman made any investigation of that subject and can he give us any information on it?

Mr. DIRKSEN. Yes. There is some difficulty. At the present time about 14,000 tons of para rubber are being produced in the Amazon Valley of northern Brazil. One of the difficulties there is the leaf blight. That was one of the reasons why as early as 1876 they took the seedlings of the so-called hevea tree to the Malay Peninsula and to the Dutch East Indies, because evidently the leaf blight was not a serious malady there. That is one reason why the whole rubber activity was transplanted to the expanses of the southern Pacific.

At the present time field stations are working on the development of the so-called disease-resistant type, with seeds from the Philippines and also from Liberia. That is a long way in the future. Not too much progress has been made.

In addition to that, about 7,000 tons of rubber are produced in Mexico. Less than 1,000 tons are derived from the guayule plant today. We have before us at the present time a known process for the derivation of synthetic rubber from the benzol in petroleum, which, I think, added to the expansion of the guayule culture and the other things that are now coming out of the laboratory, will ultimately take care of the rubber needs of the country.

Mr. RANKIN of Mississippi. May I say to the gentleman from Illinois that, according to Mr. Aranha, these trees in Brazil are already grown?

Mr. DIRKSEN. That is right.

Mr. RANKIN of Mississippi. He said, I believe, that there are 20,000,000 of them. Perhaps he said 20,000,000 acres. I know he used the figure 20,000,000. In all the East, the rubber plantations they are trying to protect now amount only to 9,000,000 acres, if I recall correctly. If the trees in Brazil are already grown, it seems to me we could make arrangements to utilize that rubber to take up the slack, shall we say, until we can develop our synthetic rubber or grow rubber trees in Puerto Rico, in Panama, in southern Florida, or in other tropical areas under the flag.

Mr. DIRKSEN. The gentleman must not forget the inaccessibility of the jungles of northern Brazil. That is one of the reasons, in combination with the labor problem there, that they had to get extremely high prices for that rubber and when the price dropped, the Brazilian rubber industry could not compete and gradually faded to its present extent.

Mr. RANKIN of Mississippi. Mr. Aranha said in that connection, if I recall correctly, that the rubber in the jungles of Brazil could be produced for 20 or 25 cents a pound.

Mr. DIRKSEN. It has never been produced for that price before, and it would be rather interesting to see the method by which that could be achieved. The rubber can be gotten out, but we may as well make up our minds that it will be done only at a price which is well above present levels. However, when the exigencies of the war are before us price is not a determining factor when we have to have the rubber. The action of the Rubber Reserve Corporation in moving toward an immediate expansion of the synthetic rubber capacity of this Nation plus the potentialities of the guayule plant plus the potentialities of deriving rubber substitutes from the vegetable oils derived from corn, soybeans, and other commodities gives every evidence that we shall meet this problem in a satisfactory way.

This has been a rambling discourse and let me end on the note which I expressed at the outset by expressing my appreciation and that of my minority colleagues to the gentleman from Virginia who has presided over the deliberations of this subcommittee for his considerate and courteous treatment. It has been the common aim of the committee to serve the interest of defense and war preparation, the interest of efficient Government operation, and make adequate provision for those functions of Government which the Congress has authorized.

PUBLIC POWER

Mr. FITZPATRICK. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN of Mississippi. Mr. Chairman, in reply to the gentleman from Illinois on the power question. I wish to say at the outset that we have come to a power economy in this country. There was a time when we considered ourselves as being on an agricultural economy. Later it was said that we had adopted an industrial economy. Today we are in a power economy, probably for all time to come. The industrial, the commercial, and the domestic life of every community from this day forward will be geared to a power economy. Its prosperity and its importance in the world will be measured to a large extent by the availability, the volume, and the rates the people have to pay for electric light and power.

I do not hesitate to say that I have been for public power practically ever since I have been a Member of Congress. It was my efforts in this House, in conjunction with the efforts of Senator NORRIS in the Senate, that resulted in the passage of the law creating the Tennessee Valley Authority in its present form.

If that policy had been spread to every section of the country the American people today would be saving $1,000,000,000 on their electric light and power bills alone—even on the present load. They would be using many times the amount of electricity now consumed, and they would be enjoying the use of those appliances necessary for the comforts and conveniences of every home and every business establishment.

Last year, 1941, we used about 160,000,000,000 kilowatt-hours of electricity in the United States. There are 230,000,000,000 kilowatt-hours of annual production of undeveloped water power alone in the United States that is absolutely going to waste. I am for developing every kilowatt-hour of it and using it for the benefit of the American people. In the States of Louisiana, Texas, Arkansas, and Oklahoma, there is enough natural gas going to waste to generate a sufficient amount of electric power to almost supply the entire Nation, and yet the very

elements in our national life that are opposed to the T. V. A. and to Rural Electrification are doing everything they can to keep the Government and the people from harnessing that gas and using it for the benefit of the people of the country.

I was largely responsible for the creation of R. E. A. It adopted the policies we had put into practice in the district I represent 2 years before the R. E. A. was created. It was my amendment that gave us the first $100,000,000 that really started R. E. A. on its way to successful operation, and if I had my way we would expand that service until we reached every home in America, every farm home, every home, if you please, that can be found by the tax gatherer or that we can reach by the draft. When you get that far, I am willing to slow down on rural electrification; but not till then.

Power can be produced with gas in Texas, Oklahoma, Louisiana, or Arkansas at around 1 mill a kilowatt-hour. It can be produced with water power throughout the Nation at from 1 to 2 or 2½ mills a kilowatt-hour. It can be produced with bituminous coal at the mouth of the mine at from 1 to 2 mills a kilowatt-hour. Every engineer that came before our committee who knew what he was talking about testified that you could transmit power for one-half a mill a kilowatt-hour for each 100 miles, 200 miles for 1 mill, 300 miles for a mill and a half. That included the line loss and paid for the amortization of lines. We can supply electricity to every person in this country at the T. V. A. yardstick rates. Remember that the power that is being sold by the Tennessee Valley Authority will not only amortize the power investment in those dams, but it will amortize the entire investment in the Tennessee Valley Authority within less than 50 years.

The gentleman from Illinois [Mr. DIRKSEN] asks about coordinating these facilities. I am willing to coordinate them and provide for a power department with the head of it in the Cabinet, provided he will vote for a law that I have introduced today to take over all the water power of the Nation, to take over the big generating plants, to take over the transmission lines, pay what they are worth, and coordinate and use them for the benefit of the people in every section of this great land, sell back the distribution systems to the municipalities or the local cooperative associations, and then sell them power at wholesale just as the Tennessee Valley Authority is doing now. But I notice that the men who are now clamoring for the centralization of these power agencies are opposing the rivers and harbors bill which provides 13,000,000,000 kilowatt-hours of electricity a year at a time when we are in need of more power, at a time when there is not only a scarcity of electric power, but at a time when there is little hope of meeting that scarcity except by the development of hydroelectric power in every section of this country.

The power business is a public business; it is not a private affair. These gentlemen talk about the power business being a private business. Electric power has become a necessity of life and it must be handled by a monopoly. You cannot have four or five different outfits distributing power in the same community. It must be handled by a monopoly. Being a monopoly of a necessity of life, it is a public and not a private business, especially when it is generating and distributing hydroelectric power from a navigable stream that already belongs to the Federal Government. It is a public business; and these private enterprises, these private interests, that are trying to drive out and destroy the Rural Electrification Administration, trying to destroy the Tennessee Valley Authority, trying to destroy the Columbia River set-up—these great, selfish interests are not fighting to keep the Government's hands out of private business, they are fighting to keep their hands in a public business that affects the economic and social life of every person under the American flag.

Mr. ELLIS. Mr. Chairman, will the gentleman yield?

Mr. RANKIN of Mississippi. Yes; I yield to the gentleman from Arkansas.

Mr. ELLIS. Is the gentleman familiar with the present fight that the Arkansas Power & Light Co. and 10 others who have united in a huge pool out there have been putting up to keep the Federal Government from delivering its own power from the Grand River Dam to its own aluminum plants in Arkansas?

Mr. RANKIN of Mississippi. Yes; and I congratulate the gentleman from Arkansas on the success he has had with Donald Nelson in that fight. Donald Nelson's actions in this matter justify what I said about him on the floor of the House a few days ago.

Mr. ELLIS. The House will be interested to know that the distinguished gentleman from Mississippi went with me to see Mr. Nelson.

Mr. RANKIN of Mississippi. Yes; and I shall be glad to go again, and if these gentlemen on the other side get religion and are willing to really serve the people they represent I will go with them. I have not been partisan or sectional in my fight for cheap electricity for the American people or for rural electrification.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. FITZPATRICK. I yield the gentleman 5 minutes more.

Mr. RANKIN of Mississippi. I understand that my friend, Senator NORRIS, is going to retire at the end of this session. God bless him. He has been the greatest friend the common people have had in the United States Senate in your day and mine. I wish he would stay there for 20 years longer, but I say now that without his help we never would have had the T. V. A. and the American people would be paying an extra billion dollars a year for what electricity they are using at the present time, and the farmers would still be in the dark.

Mr. KEFAUVER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN of Mississippi. Yes.

Mr. KEFAUVER. The gentleman discusses the great saving coming to the American people by the sale of power at reasonable prices. I think the gentleman overlooks sometimes the fact that by increasing the purchasing power of the people in a great many sections that helps business all over the country, even in those sections where the people are against public power.

Mr. RANKIN of Mississippi. Certainly; the people in my town use an average of twice as many electric refrigerators as do the people in New York City, Philadelphia, Boston, or Baltimore, because we have reduced electric rates down to where the people can afford to use refrigerators. Ninety-four percent of the people in my town have electric refrigerators in their homes. When we have cheap electricity in every home in America it will not only improve living conditions but it will give a market for these appliances, on the sale of which many enterprises must depend for their existence.

If I had my way, I would have the Government take over every dam on every navigable stream or its tributaries, and take over the great generating plants that generate power that goes into interstate commerce, take over the transmission lines and pay what they are worth, not for the watered stock but what they are actually worth, and then sell the distribution systems back to the local communities, develop the power on streams and their tributaries to the fullest extent, generate this extra 230,000,000,000 kilowatt-hours of electricity, and distribute it throughout every community in America. I would then have these lines built into the rural districts heavy enough to run such machinery as they must have in the years to come. I would build throughout this country whatever electric facilities as are necessary not only to furnish the sinews of war without having to pay all the graft that these huge enterprises are demanding, but to furnish the sinews of war now without such tributes, and then when the war is over make America the leading nation of the earth so far as the interests, the comforts, and the prosperity of the people are concerned.

I yield back the remainder of my time and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, I yield 7 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I rise at this time to call attention of this House to the great increase in the number of civilian employees on the rolls of our Government in order to carry on the war effort.

I shall propose a method to help alleviate the congested situation that is resulting from it, and that will help prevent a shortage of labor in the Government, as well as out of it.

The total number of Government employees, outside of armed forces, is approximately 1,800,000. It is 400,000 more than a year ago. The large group, as well as the increase, is in Washington. There are now about 210,000 persons employed in the executive departments in Washington. This is 50,000 more than a year ago. New ones are coming at the rate of 7,000 a month. It is estimated 60,000 more will be needed this year.

In addition to the 210,000 employees in the executive departments, we have 6,200 more in the legislative and 2,600 more in the judicial departments, and then we also have in Washington about 5,000 Army, Navy, and Marine Corps officers. This makes a total of about 223,000 Government workers in the District. Most of these people are white-collared workers. More than two-thirds are in clerical positions. A great share of the work is not strenuous or particularly difficult.

Until recently the employment in Washington has been 39 or 40 hours per week, the ordinary schedule being from 8:30 to 4:30, with Saturday afternoons off duty. Recently some of the departments have increased the period to 44 hours per week. The War and Navy Departments are scheduled soon to go on an 8-hour-day schedule for 6 days per week.

It is my proposal, Mr. Chairman, that all office workers employed in all departments in Washington, comprising about 180,000 of the entire 223,000, go on the 8-hour-day schedule during the war emergency. That would mean from 8 o'clock in the morning until 5 in the evening, with an hour at noon. They could be paid additional wages for the added time employed.

I believe, if the Government would follow this proposal, it could save the additional employment of forty or fifty thousand new people that are being brought to a city that is already overcrowded. If the same method were employed to about 600,000 or 700,000 office employees outside of Washington, where additional help is contemplated, it is easy to see that new employment, to a great extent, could be shifted to places where it is needed.

We could thereby save the employment of a lot of inexperienced people, and in many cases people who are not really efficient. Office congestion would be relieved.

Mr. Chairman, I submit the further proposal that a complete investigation be made of the departments in our Government, with a view of eliminating, or at least reducing, during the war emergency, every activity of the Government that is not really necessary at the present time. I know you will agree with me that there are many so-called services and gadgets that may have some use but could well be eliminated, without any injury to the people of this country, and are not necessary for carrying on the war program.

I do not want to cripple or injure any department that should be maintained, but you know very well that there are a number of these activities that should be curtailed, especially right now. Employees in these places could be transferred to departments where their work is needed.

Let me direct your attention to one of the activities I have in mind. Almost every bureau and department has its publicity division, from which tons of mail, largely propaganda, are sent every day. Some of this publicity mail may have some value, but volumes of it are certainly not needed now. There are many other places in our Government where we can economize in manpower as well as in expenditures, if we have the mind to do it. We must do it in order to carry on our war program.

I submit, Mr. Chairman, that since the heads of these departments of our Government are not prone to economize or curtail their activities, that an investigation and survey be made by a group of competent persons under the direction of this Congress with a view of cutting nonessential activities to the bone.

It is my judgment, Mr. Chairman, that as much as 15 or 20 percent of the present employment in Washington could well be diverted to places where their services are really needed, and save new employment to the extent of twenty-five or thirty thousand employees. We ought to do it.

Mr. Chairman, it is not my province to require anyone in government to perform more than a fair day's work. That is all that should be expected of anyone. He should receive a decent wage for his services. But, Mr. Chairman, no injury could be inflicted by asking this group of people to work 8 hours a day for 6 days a week, especially in view of the stress of the times. And that stress is going to get worse. I am informed that during the first World War the period of working hours in many cases was even longer than 8 hours. The Government must have all help that is necessary, but we must give our attention to doing the things necessary under a war program.

Mr. Chairman, we are advised that present plans include Army increases to 3,500,000 men this year. The Marine Corps and the Navy are to be strengthened tremendously. Our arms program is to be increased beyond our comprehension. There is bound to be an acute shortage in employment everywhere.

Mr. Chairman, the President has said that all people will find it necessary to work hard and to make some sacrifice in order to bring victory at the earliest possible date. He is right in that statement. It hardly comes even within the category of sacrifice for a person in a comfortable job at a fair wage to increase his working day for an hour. I think all employees will be glad to do it. The country will benefit by it.

Mr. Chairman, since we are asking millions of our men and boys to give their time, their energy, and their lives, if need be, for the sake of our beloved country, it behooves every one of the rest of us to put forth more effort and energy and thought in the prosecution of this war. It is the obligation of every man and woman in this country to do everything possible to contribute to the successful prosecution of this war. We have got to win it, and we will win it.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield for a question.

Mr. CURTIS. Does not the gentleman feel that if we eliminate some publicity agents on the part of the Government it will do a great deal to help out on the paper shortage, as well as lessen the burden on the United States mail?

Mr. REES of Kansas. The gentleman from Illinois [Mr. DIRKSEN] called attention to the fact that the demand for paper on the part of the Government is about 90,000 tons this year, and even the Government can only get about 60,000 tons.

[Here the gavel fell.]

Mr. CASE of South Dakota. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. GEHRMANN].

Mr. GEHRMANN. Mr. Chairman, the Subcommittee on Appropriations that handles this independent offices appropriation bill has done a good job in explaining the bill, and I am not going to attempt to talk on any phase of it. So I hope I will be permitted to talk about another matter that will soon be before us; that is, the conference report on the so-called price-fixing bill.

Very soon this House will have to vote upon the conference report on H. R. 5990, the so-called price fixing bill. The main controversy in that is whether or not the Price Administrator is to have the right to set prices on agricultural products without having at least a floor or a yardsick laid down by Congress. The House did put a yardstick into this bill which was not less than 110 percent of parity. The Senate evidently knows more about the way parity is figured than we do, and placed a new definition on how to figure parity by adopting the O'Mahoney amendment. That amendment should by all means be retained in the bill, and even then prices on most agricultural products would be less than the average cost of production. Really the only fair way to treat the farmer would be to provide in this bill that no ceiling shall be placed upon any agricultural product until it has reached a price at least equal to the average cost of production. Such an amendment was offered by Congressman STEFAN, of Nebraska, when the bill was up for discussion and he, as well as Congressman HULL and myself, spoke in support of that amendment. Those that opposed it gave no good reason why this should not be used as a yardstick in placing a floor under farm prices, the same as we have placed under wages. It will be worth your while to look up the debate on the cost-of-production amendment. It is in the RECORD of Friday, November 28, and I am sure that what Mr. STEFAN, Mr. HULL, and myself said that day is fair and reasonable and should be considered by all in a fair and impartial way. So many people do not seem to think that it is possible to figure the average cost of production, but I can assure you that it is just as simple to figure that as it is to figure parity; yes, I believe it is easier. The Department of Agriculture has those figures compiled each year and can be found in the Year Book statistical section. The RECORD of that day shows that by a rising vote the amendment carried 71 to 62, but then absent Members were brought in and on a teller vote we lost by a vote of 82 to 93. Sooner or later we will have to abandon all subsidies and artificial manipulation in an attempt to aid the farmer and adopt the only reasonable and fair yardstick, namely, the cost-of-production principle. No business large or small can

operate successfully for long without receiving cost of production.

Now, who clamors for this ceiling on farm prices? Naturally, all the consumers have been led to believe that the high prices they pay for many agricultural products are directly traceable to the farmer. The fact is that the speculators, brokers, and commission men blame the rise on the farmer, and the large metropolitan newspapers have the housewife believing that unless some one sets a top price on farm products, retail prices will skyrocket. Well, let me assure the worried consumer that retail prices will keep on climbing even with a price ceiling unless the Price Administrator sets a price on every single article and every single processing stage, as well as every transaction until it reaches the final consumer. Agricultural statistics show that in 1939 the farmer received 39 cents out of the consumer's dollar. That included 58 main items of food and clothing. That, you understand, is the average for the whole country, and it includes what the farmer and his family consume on the farm, which is charged up to the farmer the same as if he had bought it. It includes all the rural communities where the consumer gets a large proportion of food nearly direct, or not more than the retailer in between. No transportation, commission, brokerage, extremely high rents, or delivery charges have been added there. Therefore I feel certain that out of every dollar the housewife pays out for food in large cities the farmer does not get more than 25 cents. Those that bought meats during the war in 1917–18 will remember that meats, especially fancy cuts like chops and steaks, were no higher than they are now, but the farmer got nearly twice as much for his live hogs then. They went up to around 22 cents, while now they seldom have been over 11 cents. Why should canned goods climb continuously, when the farmers this past season got about as little for their vegetables as they have ever received? Of course, everything has gone up that makes up the finished product, including labor and materials, but why must that be taken out of the farmer? It is amusing to be in a store where a crowd of people are shopping, and when they discover that a can of tomatoes has gone up 2 cents over the previous week, or if pork chops are a couple cents higher, to hear them say, "Darn these farmers; they certainly are making the money now." It simply shows that the average housewife knows nothing about what the farmer gets out of that product, but all she can think about is that the farmer is getting this increase.

I believe that too many social-science workers, medical associations, boards of health, and other groups have educated the city consumer to demand certain sanitary services and packages that in no way are, or should be, chargeable to the producer. I am not arguing that they should be abandoned, but I am simply reminding the consumer that those things cost money and must be paid for by the people that demand them. Everything the large city consumer buys is put up in small, convenient, sealed packages. Butter and cheese is bought by the quarter pound or less. The wrapping and packaging of this takes as much time as it would 1 pound or more. Meats the same way; nearly everybody wants the fancy cuts. And then we have developed a system of distribution where we have altogether too many wholesalers, brokers, and commission men, all under a heavy business expense, and expecting a profit. I have stated this same thing on this floor and outside of here so many times that I hate to keep on repeating it, but a way must be found to bring producer and consumer closer together. Any one of you can look back, and you will find that gradually the farmer gets less for his product, while the consumer has to pay more and more.

We have become so used to this method of doing business that it will be hard for us to change. It appears almost impossible for us to even think that we may not have automobiles to use in a year or so, but I am sure we will find a way to get along. So it is with our entire standard of living we will have to find a way to serve ourselves and do away with some of the conveniences. But if we demand and get those convenient packages and services we must expect to pay for them; the farmer has not instigated them. What will happen to the national program of raising more and still more food? Yes; the farmers are as loyal as any group; but there is a limit to what the individual farmer can do. You cannot blame their sons for accepting a job in a factory at several times the wages dad could possibly pay him. Thousands of renters and small farmers are selling their livestock and accepting jobs in industry. They know that they can make some money for the next few years and are taking advantage of it. I wonder how many in the large cities that think the farmer is getting rich would change places with him, invest at least $10,000 or more to have a medium-sized dairy farm, then get up not later than 4 every morning and work until dark, and then run the chances of drought, disease, and prices which most of the time are less than it costs him to produce. Oh, yes; you say the farmer usually has something to eat; yes; as long as he is able to keep up the payments on the farm, interest, taxes, insurance, and wages for hired help—unless he has minor children that will work for their board and a few inexpensive clothes.

But how many thousands have struggled for years and were finally evicted and are now objects of charity, being too old to enter industry or to even rent a farm again. Remember there is no retirement pay for the farmer.

I feel certain that no one would have any objection to placing a floor under farm prices if they understood what it is all about. What I fear is because of the misunderstanding of the farmers' problems by the city folks and the lack of understanding of the workers' problem by the farmer, the two producing groups will drift still farther apart to the definite injury of both. If the laboring groups refuse to give the farmer the same protection that they enjoy—namely, a fair floor under farm prices—then agitation will continue to place a ceiling on wages; and while I am opposed to it, as my past record will prove, it may be brought in here and passed the same as the drastic antilabor bill passed not so long ago. I plead with you all to be fair, and therefore I hope you will support a provision in the price-control bill that will give the farmer the protection he is entitled to, and that is a price somewhere near what it cost him to produce the commodity.

[Here the gavel fell.]

Mr. CASE of South Dakota. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, I was very much interested in a press dispatch last night which quoted a statement made by one who has heretofore held high place in the Democratic Party and who, I believe, today commands the respect and esteem not only of large numbers of those identified with the Democratic Party, but who is regarded and esteemed by Republicans as well. I refer to the former chairman of the Democratic National Committee, Hon. James A. Farley.

The day was when Jim Farley, as he was affectionately known, had considerable influence in party councils. For some reason or other that day seems to have passed. Just when the passing was I cannot say, but I am rather inclined to think it was associated in some way with the days of the convention in Chicago in 1940.

I want to pay my personal respects to Jim Farley for the kind of things that he stands for, the principles of government that he espouses, and certainly for the declarations that he made at the Clover Club in Philadelphia a night or two ago when he said that the preservation of the two-party system of government was essential to the continuation of our representative scheme of government.

Fortified with that statement from the former distinguished chairman of the Democratic National Committee, I venture into a field today that in the past month or so has been looked upon with a degree of suspicion and characterized by some as unpatriotic. I have in mind the duty which I believe is the duty of the minority to check and audit and police the party in power. I believe today provides the opportunity for doing just that thing. In doing so I refuse to acknowledge that either patriotic purpose, devotion to country, or loyalty to its ideals can in any way be questioned by reason of constructive criticism of governmental policies. I repeat, buttressed with this very frank and positive declaration by the former Democratic national chairman, I approach this problem of critical analysis of the bill now before us.

The distinguished gentleman from Illinois [Mr. DIRKSEN] indicated 92 percent of the amount of the funds carried in the present appropriation bill represented the needs of five establishments of government, and he seemed rather pessimistic that any possible savings might be made. I am not taking issue with the gentleman from Illinois, but I am approaching this problem of Government cost in the light

of the established record of the Administration now in power.

The administration now in power has boasted, it has delighted, in carrying to the people of the country the idea that it is an easy spending outfit, that the matter of extravagances and wastefulness were secondary considerations. It seems to me that we might draw on a trite expression and apply it to the problem of today as the demand for economy presents itself. That trite expression is this: "Where there's a will there's a way." I question very much whether the administration now in power has demonstrated any real desire to bring about any economy in government. We can skim the surface, we can look at the veneer, but that means absolutely nothing until we get down underneath and determine basic philosophies which prompt the operations of the present administration. I submit the basic philosophies are not in the direction of economy. There is no will to save.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield at that point?

Mr. DITTER. I yield to my friend.

Mr. KNUTSON. I am sure every Member of the House is very much disturbed in reading the report of the Truman committee, the majority of the members of which were Democrats. According to this report profits on war contracts run all the way from 40 to 360 percent. Has the committee, of which the distinguished gentleman from Pennsylvania is such a valuable member, looked into these exorbitant profits that are going to result in this war's costing us perhaps 30, 40, or 50 percent more than it should?

Mr. DITTER. I am, of course, mindful of the care and scrutiny with which my distinguished friend from Minnesota approaches these problems. I recognize that as a result of his long years of experience here and the record he has established he speaks with authority. He has reached the conclusion that the load which is going to fall on the taxpayers' shoulders is a load which could have been avoided had the administration followed the admonition and suggestion of the gentleman from Minnesota and others on the minority side of the House. That Truman report will be looked into and I believe that savings will be effected because of the work of that committee.

Mr. KNUTSON. I am sure that with the gentleman from Pennsylvania a member of that committee it will be looked into and the extravagances wherever possible eliminated.

Mr. DITTER. The point I want to make today is that until there is a change and a demonstrated change in the approach to this problem we cannot expect to see any improvement. We can have these special committees of the House and the Senate, we can have the suggestions of the Brookings Institution, but until the basic philosophy of the administration in power is changed we shall continue to be an extravagant, wasteful people in our governmental operations.

[Here the gavel fell.]

Mr. CASE of South Dakota. Mr. Chairman, I yield 10 additional minutes to the gentleman from Pennsylvania.

Mr. DITTER. I believe there is another side of this problem that we should not overlook. It is not only economy in dollars and cents we should achieve, but I think that going hand in hand with this is the possible economy in effort which can be brought about. In other words, if we eliminate useless agencies or useless activities of agencies and save the productive hours, either brain or brawn, of those who are identified with them, we are making a contribution to the productivity of the country in this war effort in which we are engaged. I believe this matter has been lost sight of entirely as these stupendous figures come to us of an ever-increasing, ever-enlarging Federal pay roll. New clerks, new stenographers, new economists, new analysts, in every category and classification people added and pyramided on others in this centralization of power.

Let us look at this Office of Government Reports. What purpose does the Office of Government Reports really serve? Some have said that it dispenses information. I recall very well when the Director of this activity was before the committee approximately a year ago. I remember that in his frank, forthright way he admitted that the real purpose of this Office of Government Reports was to get the pulse of the public, to take the pulse of the public and tell the administration what the public was thinking on controversial issues. It seems to me that we can get the pulse without the millions of dollars that are being spent for it. Is pulse taking necessary? What goes for the Office of Government Reports goes also for every one of the activities where these publicity and propaganda agencies carry on their work. I was about to say, but I will not use the word—I was going to say "nefarious activities," but probably that would be a rather hard word, and so I will not use that word; but instead I will say they are subtle, and they are very insidious activities not for the interest of the taxpayers but for the interests purely of the party now in power.

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield.

Mr. WILLIAM T. PHEIFFER. I should like to call my colleague's attention to a striking example of exactly what he is talking about. The gentleman will recall that we were attacked ruthlessly. The following day we accepted the war challenge of Japan. On that very day the President approved this great, vital project, at a cost to the taxpayers of $254,628:

> To conduct engineering field surveys and prepare photographs of parcels of real property owned by the city of New York. Work includes preparing record drawings of the information obtained and filing, indexing, and transcribing these and other relevant records.

This is a survey of property that has been owned by the city of New York for perhaps the last 200 years, to prepare records that will simply be placed on shelves to gather dust. That was the very day we entered the greatest war this world has ever seen, and that is what the people are getting for $254,000.

Mr. DITTER. That is the tragedy of the thing. That with this problem, this critical national situation, before us, just at this time there seems to be a disregard of the principle that first things should be first and opportunities for political advantage relegated to the rear.

We are at war. Let us forget some of the things we were doing when luxury and ease and extravagance and elegance and wastefulness and prodigality characterized the operations of the present administration. Let us forget those things. Why not a complete about face? Sacrifice and extravagance do not go hand in hand.

I challenge the majority in this hour of national peril to redeem its own fair name, redeem the reputation of a Cleveland, redeem the reputation of a Wilson, redeem the reputation of—I venture into this because of the intrusion of my friend from Virginia—redeem the fair name of the distinguished gentleman from Virginia who is the chairman of this committee, none other than my friend, Mr. WOODRUM. Redeem his reputation before the country by the elimination not only of the waste in dollars and cents but the waste as well of the effort and endeavor which are necessary as a part of this profligacy, this wastefulness, and this extravagance.

I plead today for common sense and sanity, for honesty in government, and for care and caution in the expenditure not only of our money but our effort, as the peril of the country impresses itself upon us.

On December 24, 1941, the Joint Committee on the Reduction of Nonessential Federal Expenditures reported to Congress and the President that about $1,415,000,000 could be saved in nondefense expenditures during the next fiscal year. A few days later Mr. Henry P. Seidemann, of the Brookings Institution, published a pamphlet entitled "The Curtailment of Nondefense Expenditures," which asserted that $2,085,000,000 could be saved in nondefense expenditures. The President in his Budget message submitted to Congress early this month said that close to a billion dollars could be saved in nondefense expenditures. Now we have presented to us the first appropriation bill making funds available for the fiscal year 1943. This, of course, is for the independent offices. Does this appropriation bill indicate that there are being made adequate reductions in nondefense expenditures? On the basis of one appropriation bill it is hard to say whether during the forthcoming fiscal year nondefense expenditures are going to be reduced as much as the President said they could; as much as the joint committee of Congress said they could, or as much as the Brookings Institution recommended as possible. This bill, of course, covers only a few of the items that were set forth in the report of the congressional committee.

Expenditures of the Federal Government are classified in the Brookings report on the basis of functions, and the recommended reductions are made on a functional basis. Consequently to determine whether the recommendations of the Brookings Institution are being

carried out in this bill it is difficult to say. It will not be possible to tell whether the recommendations are being followed until all appropriations for the year are in and one has a chance to classify the appropriations on the basis of function.

Of course, it is impossible to compare appropriation bills for succeeding fiscal years to indicate any actual reduction in expenditures for what might appear to be a reduction now might ultimately be an increase because of supplemental appropriations.

In the report of the Appropriations Committee it is stated that the appropriation bill for 1943 carries an appropriation of $2,096,138,000 as against a Budget estimate of $2,101,167,000, which is a reduction of $5,029,000 below the Budget estimate. The report also goes on to state that the current bill is a reduction of $1,257,000,000 less than the same appropriations for the fiscal year 1942. But it should be noted that the report itself points out that all of these reductions are in defense appropriations. In 1942, $635,000,000 was appropriated for emergency funds for the President for national defense; $300,000,000 for defense public works and $300,000,000 for national defense housing. No comparable items are contained in the bill submitted for this. Consequently $1,235,000,000 of this bill in 1942 is not comparable to items contained in the current bill.

In the report of the Budget Bureau on October 15, 1941, to the joint congressional committee it was stated that if nondefense expenditures of the Federal Government were reduced one and a half billion, executive and administrative expenses would be reduced from $830,000,000 to $730,000,000 or a reduction of $100,000,000. The Brookings report asserts that if $2,000,000,000 were saved, $5,000,000 could be cut in executive and other general activities. How much does this present bill reduce administrative and other general expenditures?

Only a hasty analysis of the bill based upon the committee report has been made. This indicates that there is no reduction made in general executive and administrative expenditures but that actually some increases are made.

A number of agencies that have no clear connection with the defense program are permitted to have increases in this bill. For example, the Board of Tax Appeals is given an increase of $23,637. The Federal Power Commission, on the plea of defense activities, gets an added appropriation of $234,255. Now concerning the so-called defense activities of the Federal Power Commission the justification book for this establishment for the last previous year clearly indicates that these so-called defense activities are nothing but ordinary nondefense activities that the Commission has desired to carry on for years, and it is now able to carry them on under the guise of national defense. The Interstate Commerce Commission is receiving $128,165 in additional funds for 1943 on the grounds of national defense. It is hard to see how this can be justified when the President has created a special defense transportation agency with funds made available from defense appropriations.

Agencies attached to the executive office of the President are not suffering any reductions for the fiscal year 1943. An increase of $1,076,000 over the 1942 appropriation is being allowed for these agencies. Of course this is $300,000 less than the Budget estimate. The lion's share of this increase is going to the Bureau of the Budget which would receive $667,000 more than it is receiving for 1942. According to the committee report $387,000 of this is for its normal activities, that is for its nondefense activities; $280,000 of this increase is for national defense purposes. If it is so desirable to reduce nondefense expenditures, why should the Bureau of the Budget be given $387,000 additional funds for carrying on nondefense activities? This is certainly a bad example to set for agencies subject to the control of the Bureau of the Budget.

For the Office of Government Reports the committee is allowing $1,500,000 which is slightly under the amount allowed for the current year but the report clearly intimates that about $900,000 from emergency funds at the disposal of the President will be allocated to this agency during the fiscal year 1943. Consequently the slight reduction that appears in this appropriation bill from current expenditures is entirely misleading for more funds will be spent by this agency during 1943 than in 1942.

Of course, it should be remembered that in the fiscal year 1943 there will be a Congressional election. The work of this political agency has always increased tremendously during the fiscal years in which Congressional or Presidential elections take place.

Relative to the Federal lending agencies, the joint committee report recommends a reduction of $170,000,000 in loan activities. There is nothing in the appropriation bill that indicates any reduction in the lending activities of the Federal Government. In fact the funds made available to these establishments under Federal agencies are in many cases larger than they were during the fiscal year 1942.

One agency, the Electric Home and Farm Authority, will have its appropriation cut in half, being reduced from $402,000 to $200,000; but certainly, when there is such a scarcity of electrical appliances as we have at the present time it does not seem that we need any Federal agency to encourage the consumption or utilization of any such instrumentalities. Consequently it would seem that the whole appropriation could be terminated rather than merely cut in half.

The appropriation for the Export-Import Bank is being increased by $50,000, from $220,000 to $270,000. The Federal Home Loan Bank Board has a very slight increase over 1942.

For the Federal Housing Administration administrative expenses, $15,041,000 is being provided. This is $286,890 more than expenditures during the fiscal year 1942. The amount of the defense activities of the F. H. A. is very small and it would not seem that it would be necessary to increase the appropriation for administrative expenses. One million dollars more is being provided to cover payment of claims on guaranty of loans made under title I of the F. H. A. Act. For the Federal Savings and Loan Insurance Corporation administrative expenses, $450,000 is provided. This is an increase of $60,500 for this agency over 1942. No claim is made that this agency has any defense activities. The Home Owners' Loan Corporation, of course, is in the process of liquidation. Administrative expenses for this corporation for 1943 are $15,153,000.

For the Reconstruction Finance Corporation an increase of $444,612 for administrative expenses is being allowed. This brings the figure up to $10,335,000. The plea is made that the Corporation has many defense activities but certainly at the same time that its defense activities are increasing its nondefense activities are declining.

In the field of public works it is generally believed that extensive reductions could occur. Exactly how much of these reductions should take place in the Federal Works Agency is not clear, for not all of the appropriations for public works are contained in the appropriation for this item. There are a number of increases here which seem incongruous. For general administration of the public buildings administration there is an increase of about $400,000. For the repair and maintenance of public buildings there is practically no decline. An increase in the items for the administration of the protection of public buildings in the District of Columbia amounting to $1,974,000 is shown. Obviously there are more buildings in the District of Columbia at present than there were a year ago and obviously the number will increase during the course of the next year. It may be doubted, however, whether this item should be increased by almost $2,000,000. There is an increase of $145,000 in the comparable item for buildings outside the District of Columbia.

When it comes to public roads, the report of the Brookings Institution recommended a reduction could be made in this expenditure of about $171,000,000. Not all of the items for public roads are carried in the public roads appropriation. Some are carried in the National Parks and some in the Forestry Service appropriations. The joint committee report recommends that the amount be reduced by 50 percent, that is, by $64,000,000. How much is actually appropriated for grants-in-aid to States for public roads by this bill? The sum is $88,500,000. This is a reduction of only $37,500,000 below the amount carried in the bill for 1942. It is quite apparent that this is only about 50 percent of the reduction provided for in the joint committee report and it is but a small part of the reduction that is recommended in the Brookings Institution report. The Brookings report recommends that practically all public roads money of the Federal Government should be withheld during 1943.

For the United States Housing Authority an increase of $6,000,000 is provided

in subsidies to local housing authorities to provide for repayment of grants made by the U. S. H. A. Of course, some of this increase is really a consequence of contract obligations. It is difficult to eliminate all increase of this item but the item should be viewed in a most circumspect manner. The Brookings report recommends that practically all public works that are not connected with defense should cease at the present time. It does not appear from the appropriation contained in this bill for the Federal Works Agency that this policy is being followed at present. Similarly, the joint committee recommends:

> The committee believes all appropriations and authorizations for all public works * * * not directly essential to national defense should be deferred until after the emergency.

This recommendation, of course, is being ignored.

There is another large item in this bill for public works—that is the Tennessee Valley Authority; $136,000,000 is being requested for this establishment. During 1942 there is available for this agency about $166,000,000, of which it will spend about $145,000,000. For the fiscal year 1941 there was appropriated but $65,000,000. It is quite evident then that the appropriation for the T. V. A. has more than doubled in the course of 2 years. This agency now considers itself a defense agency engaged in producing power for manufacturing purposes. Consequently, all of its expenditures it regards as of a defense nature. On the plea of national defense its appropriations have been doubled in the past 2 years although in reality with this money the agency is only carrying out its long-time program that has been well demarcated for 5 or 6 years. Defense is but a plea for carrying out its regular nondefense activities. One thing to be noted is that an appropriation is provided for a fertilizer plant. An appropriation of $3,000,000 is made for this item and the report states that the plant will cost $4,800,000 to complete. With our present agricultural surpluses it is hard to see how a normal agricultural fertilizer plant can be justified as a defense undertaking. Apparently the dam for this agency is being constructed at more than the normal rate despite the need of materials for defense purposes. Ten new hydroelectric generating units are being installed despite the fact that it is very difficult to secure such equipment at the present time.

Mr. Chairman, I repeat, "where there is a will there is a way." If economy in government is an objective which it is sought to attain, efforts could be made to reach that end by a reversal of the policy, the free-spending policy of the administration. And it can be done in no other way.

Mr. CASE of South Dakota. Mr. Chairman, I yield 5 minutes to the gentleman from Vermont [Mr. PLUMLEY].

Mr. PLUMLEY. Mr. Chairman, I am not so strong for redeeming any individual's reputation as I am for saving my own and possibly that of the Committee on Appropriations. With all due respect to the distinguished gentleman who has just preceded me, and to whose remarks I add a ditto, I say that, although I may be criticized for following the recommendation of the subcommittee and full committee that we block out this man Watson by excluding him from the pay roll, although it may not be the right way, if it is the only way, then ipso facto it is the thing to do, and it should be done now.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. PLUMLEY. I yield to my colleague the distinguished gentleman from Pennsylvania.

Mr. DITTER. I should just like to make the observation that I think I speak the voice of the entire membership of the House when I say that the gentleman's reputation could never be hazarded.

Mr. PLUMLEY. I trust this may be so, but am so modest I do not know just what to do or say in response to my friend. I am blushing. That should be sufficient appreciation. But, as I was about to say when I was interrupted and embarrassed, I was reading the report last night of the scientists of the Smithsonian Institution with respect to the use of sulfanilamide, a most dangerous yet most effective drug—one of the wonders of the age. In connection with many things the scientists had to say, this particularly appealed to me. It—the drug—is a preventive, they said, as against certain types of pneumonia, but they cautioned that no patient ought ever to be submitted or subjected to the medication of that drug for whom you have any—even the slightest—hopes that without its use the patient will live. Now, that theory is one justification for my voting for this amendment to save my reputation. And I also feel, although I do know that it is unusual to do as we are undertaking to do, that to arbitrarily cut this man off the pay roll is the only way for us to proceed in order to save the life of this Republic.

Insidiousy, from all sources, from everywhere, we have had infiltrated into this Government, despite all our legislation to the contrary, a group which, as individuals, as a whole, and as a mass, are nothing but festers, sores, and cancers on this body politic. Desperate ills require that some desperate methods will have to be adopted to remove them from the body politic.

I am embarrassed, also, as a member of the legislative department of this Government in undertaking to do something which should have been long ago done by the executive department. I stand ready to do it, although I shall not offer an amendment to that effect, to cut this man Fly, as accessory, off the list, because in law and before a jury a man who would employ such a man as this man Watson, who, by his own language and from his own mouth, is condemned as one who would wreck this Government, and yet, at the hands of Fly, is at the head of the system which controls propaganda as section head of the Foreign Broadcast Monitoring Service, should be continued no longer in office. This man Watson was employed by this man Fly, why, I ask any man, why? He knew or ought to have known before he employed him to what un-American ideologies he was submitting us. "How long," as Cicero said, as against Cataline, "will we submit"? The situations are not too different, though the years are long. We still could learn something if we were so inclined.

I say this man Fly either knew, or should have known, more and better, than to have employed Goodwin Watson, or else he is an accessory both before and after the fact.

Now, Mr. Fly's skirts are not clean. He has treated the chairman of the subcommittee contemptuously. That is a matter of record. You do not have to take my word for it.

In days of old, "when men were bold," many a man was charged and found guilty of conspiracy for lesser things than could be brought and proven against this man Fly, as evidenced by what he has done and said and by what he has failed to do in the premises.

I make no charges, but could it be that he purposely afforded this exponent of communism, Watson, the opportunity to destroy us, deliberately and with malice prepense? Let him answer. That is what he has declined to do up to date. And why?

Are we like dumb, driven cattle? I ask you. All this procedure as recorded in the hearings and as resulting therefrom, and as evidenced by things which speak louder than words, show the artistic way these people who would undermine us and destroy us go about their sabotage.

I say I make no charges; yet I have been doing a lot of wondering. I wonder why Mr. Watson was employed when it is common knowledge that he is what he is. I wonder why he was employed without an investigation by the Civil Service Commission, which investigation would have disclosed more incriminating facts with respect to his un-Americanism and his hatred of everything that is American and his determination to undermine everything that is American and overthrow it, than anything which I have offered or suggested, and all and every one of these things out of his own mouth, and to be found of record with the Dies committee or in the record of the hearings. Why was he appointed without investigation to this most responsible, vital position? Was it because the investigation which the Civil Service Commission might have made would have disclosed his complete unfitness for the job at a time when only 100-percent Americans should have been on guard? Let Mr. Fly answer. And up to date he has contemptuously declined to do so.

My wondering assumes the character of more than idle curiosity for that it is a serious business in which we are involved, this saving of lives and liberties against the Hitler aggregation and from those who would destroy us from within. We cannot afford to have on guard those who are enemies within our gates, who can as effectually attack us as was the *Arizona* attacked by the same kind of people, although not of the same racial color.

In this bill wherein we undertake to protect ourselves by excluding this man from the Federal pay roll, we have struck

a trail which should be explored and followed to the very end in order to protect the things we cherish, for all these things are at stake. While the amount involved is small, the principle is great.

We cannot afford complacently to submit to the depredations of these official saboteurs. They are the peril within our gates. Watson is certainly one, and in permitting him to remain Fly is at least an accessory. I do not care how big he is or how great or how important. That is all the more reason that he should be suspected on the basis of the facts which anyone may read.

For one, I doubt his real Americanism. I challenge him to show the Congress why he is not equally as communistically inclined as the man he employed as his tool to do the job of sabotage of propaganda.

Now, I am not scared of free speech. I am scared of the attempt to put a man at the head of this department under consideration who can prevent free speech, who can do everything to obstruct the rights guaranteed to us because of the fact that he controls the situation, all the while not believing in our form of government or in our Bill of Rights.

As I said before, it is a serious matter. I make no charges, but this man Watson and his accessory Fly could easily be at the head of the most insidious, dangerous fifth column in this country. It is easy to believe that might be true about Watson by reason of what he says about himself and concerning his beliefs. He almost admits, and with effrontery suggests, it is true. Since this is so, we must be rid of him. We must get rid of him any way and in whatever way we may do so. We should send him to a concentration camp for the duration and watch him if we were not so complacent and so dumb as not to know enough to protect our own interests.

The peril of the Republic is found first in the fact that we are so dumb, and in just such men as this fellow Fly and his man Watson. We just cannot close our eyes to the situation any longer. This is the place and now is the time to let the ax fall; let the chips fly where they may.

So I am going to vote for this bill. I expect I will vote for any and all bills of this nature, providing this is the only way to rid ourselves of these bloodsuckers that have attached themselves to the body politic and these barnacles on the ship of state. I cannot tolerate them. I hate them.

Have not we Americans any rights in the United States, which we can protect?

Mr. CASE of South Dakota. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN.]

FOR WHAT IS A MAN PROFITED, IF HE SHALL GAIN THE WHOLE WORLD, AND LOSE HIS OWN SOUL?

Mr. HOFFMAN. Mr. Chairman, on Tuesday, January 20, President Roosevelt told a press conference that we were preparing to carry on war on every continent and in all the seven seas.

While a glance at a map of the world will show how far-flung this war will be; how, from our eastern coast, it crosses the ocean, skips England, overruns Europe, Africa, and Asia; crosses the China Seas, swings around the Indies, darkens Australia and comes on back around the world by way of the Philippines, Hawaii, continues eastward across the Pacific to the coasts of California, Oregon, and Washington, it brings not the slightest conception of the magnitude of that war nor of its cost.

This war which we are to wage throughout the whole world, on every continent and on every island of importance, on every sea, is to be fought, we are told, to carry the "four freedoms" to the uttermost corners of the world.

On the 4th day of July 1776, more than 165 years ago, our forefathers, "with a firm reliance on the protection of Divine Providence," declared the independence from British rule of the 13 United States of America and, in support of that declaration, the signers of that document mutually pledged to each other their lives, their fortunes, and their sacred honor.

By sacrifices and efforts which have seldom been equaled, never surpassed, after 8 long years of suffering and of bloodshed, success crowned their efforts and their independence was acknowledged.

In the twelfth year of our independence and on the 17th day of September 1787, George Washington, President of the Convention, and the delegates to that Convention, adopted a Constitution, which, with subsequent amendments, has for 150 years guided our destinies.

Of that Constitution, the great English statesman, Gladstone, in 1878 said:

> The American Constitution is, so far as I can see, the most wonderful work ever struck off at a given time by the brain and purpose of man.

A government under that Constitution, so accurately described, the Axis Powers and those who now advocate the surrender of our independence and the establishment of a United States of the World would destroy. What difference is there between those who would destroy our independence by force and those who would do it by argument?

The spirit, the courage, the endurance, the determination of our people, following the principles laid down in our Constitution, made these United States of America the citadel of liberty. From every corner of the earth, to this land of freedom were turned the eyes of every oppressed man, of every liberty-loving man, of every man who had thought for his children.

And so, when war came again, as come throughout the ages it always has recurrently to the people of Europe, dreamers of dreams conceived the idea, notwithstanding the lessons of the former World War, that we could accomplish the task which Christ and 2,000 years of Christianity had failed to accomplish—Peace on earth; good will toward men.

And so it was determined that we should carry the "four freedoms" to all the people of the earth; fight and win this war, no matter what the cost in material things or in lives and, after the war had been won, establish peace and police the world.

But what shall it profit our Nation if, in carrying the four freedoms to the world, we destroy our independence, lose all the freedoms which we have won?

Of what profit to these United States of America if, in establishing a form of representative, republican government or a form of democracy in China or in Russia, we learn that we have established a dictatorship here at home or have surrendered our independence to the mercies of a congress of a United States of the World and a president of a United States of the World?

To the winning of this war we have, as did our forefathers, pledged "to each other our lives, our fortunes, and our sacred honor." But this latter pledge is no justification for the violation of the pledge made by our forefathers, and to which we are parties, to maintain our independence and preserve our Government under the Constitution.

It has been said that the purpose of the Axis Powers is the destruction of our way of life and the acceptance of that statement at its face value is but added reason for the keeping of the pledge made by our forefathers and assumed by us.

Our duty now and the duty of every patriotic citizen is not only to devote our utmost efforts to the winning of this war, to the defeat of the Axis Powers, but to the preservation of our independence, of the four freedoms, and to see to it that, while spreading their blessings abroad, they are not lost to us.

Of what profit to us as a people, as a Nation, if, in carrying the four freedoms to the utmost corners of the earth, they are spread so thin that here at home a free press, freedom of speech, freedom from want, freedom from oppression, freedom of religion, the right and the opportunity to earn a livelihood, become as the morning mist before the rising sun and disappear in the glare of a world dictator or become submerged by the greed, by the intolerance, the quarrelsomeness, of the people of other nations?

Yes; we have enemies to fight, not only in Hawaii, in the Philippines, in Malaya, in Australia, in Japan, in Asia, in Africa, and in Europe; we not only have submarines off the Pacific coast and the Atlantic seaboard, but we have those who would destroy our independence here at home.

And those who would destroy our independence by false argument, by subtle sophistry, by boring from within, are just as dangerous and against their wiles we should be just as vigilant and just as active as against the armed forces of the Axis Powers.

The thing that the American people must remember, must never forget, is that they should preserve their independence, maintain for our guidance, the principles enunciated in our Constitution. It matters not at all to us if our independence be destroyed, if the Constitution be overthrown, how that comes about. The method, the manner, is of no consequence, if once the fact be accomplished.

It is now an established fact that, in this Government of ours, in positions of responsibility, paid from Federal funds, there are Communists, who do not believe in the principles of our Government. The party to which they owe allegiance has advocated the overthrow of this Government by force and, beyond question, that party, its members and its adherents in this country, some of whom are on the Federal pay roll, are seeking, and will continue to seek, as long as the opportunity offers, to destroy our constitutional form of government.

There are others, and among them some most distinguished men, who openly advocate that we should surrender our independence, join with China and Russia and other nations, and permit those other nations to determine our course of conduct.

In the Evening Star, published here at Washington, on Monday, January 5, appeared a full-page advertisement. The caption running across the page is in these words:

In union now lies power.

The word "now" is underscored to give it emphasis.

That advertisement is in the form of a petition and the first paragraph is in these words:

That the President of the United States submit to Congress a program for forming a powerful union of free peoples to win the war, the peace, the future.

The second paragraph reads as follows:

That this program unite our people, on the broad lines of our Constitution, with the people of Canada, the United Kingdom, Eire, Australia, New Zealand, and the Union of South Africa, together with such other free peoples, both in the Old World and the New, as may be found ready and able to unite on this federal basis.

Referring then to the Declaration of United Nations, put forth by President Roosevelt after his meeting with Churchill, and calling attention to the need of a united effort to win the war, the advertisement continues:

But in meeting this need let us, in the present formative period, take care to open—not close—the way to immediate union of the democracies within the broader anti-Axis coalition.

It further referred to the alliance between the British and French and called attention to the fact that an alliance was not enough, and then stated, and I quote:

There already exist carefully studied concrete plans for just the kind of emergency union that we need * * *. They work out the details and assure the American people a majority in the union congress at the start.

Reference is then made to the fact that the Soviet States have a common government and, after admitting that immediate extension of our democratic Federal principles to all our war associates is impractical, these words are used:

But common sense says to unite at once with those practiced in democracy while cooperating with the others in the best way we can, until they desire and can apply our principles.

We gain from the fact that all the Soviet Republics are already united in one government, as are also all the Chinese-speaking people, once so divided.

Here are a group of men who ask us to abolish the Declaration of Independence, to surrender our independence, and to join with, among others, China and Russia in the United States of the World.

Further down in the advertisement we find this sentence:

Let us begin Now a world United States.

And "now" is capitalized.

It concludes with this statement:

Inviting you to help create now a living, growing World United States.

The advertisement is sponsored by Federal Union, Inc., and it purports to be signed by A. J. G. Priest, chairman; Clarence K. Streit, president; P. F. Brundage, secretary; John Howard Ford, treasurer; E. W. Balduf, director; Patrick Welch, acting director.

It is endorsed by Robert Woods Bliss, Grenville Clark, Gardner Cowles, Jr., Russell W. Davenport, Harold L. Ickes, Owen J. Roberts, Daniel Calhoun Roper, William Jay Schieffelin, John Foster Dulles.

Hitler and Germany, Italy and Japan, all, according to the President of the United States, seek our destruction as an independent nation. Each one, and all, would destroy our independence. They are enemies, armed and recognized as such. Their purpose, according to the President, is the overwhelming by force of these United States of America. Their purpose is to wipe out what the President terms our democracy, which, in reality, is a representative, republican form of government, where the people rule.

The purpose of this advertisement, as set forth in its terms, is to destroy our independence by surrendering it to a United States of the World, with a president of the United States of the World.

These gentlemen, whatever may have been their standing in the past, are now advocating the surrender of our independence—the independence of the United States of America, as declared in the Constitution, as maintained by our people throughout the years, and the granting to a Congress of the United States of the World of the right to rule us.

Instead of remaining a free and independent nation, as established by our forefathers, as fought for by our people, these men—one of whom is a member of the President's Cabinet, Secretary Ickes—would surrender that independence to the tender mercies of the rulers of China, of Russia, and of other warlike peoples, who have everything to gain, nothing to lose, by the formation of a United States of the World.

What matters it to us whether our independence be taken from us by the force of Germany and Japan or stolen from us by a Streit, an Ickes, and their associates?

Let this war be fought. Let this war be won. The cost in material things the imagination of no man living can conceive. The cost in human suffering, not only to soldiers, but to widows and orphans, the cost in lives, no living man can tell. And, when that cost has been imposed, when the war has been won, when peace has been restored, shall the farmer following his plow in the furrow, as he looks to the rising sun, lift his eyes to see a world wherein there is no longer a free and independent United States of America, but, in lieu thereof, a United States of the World?

Shall the clerk behind the desk, the worker in the factory, the miner coming from the depths of the earth, all those millions who have toiled throughout the day, go to their homes at night only to remember that no longer have they a government of the people, by the people, for the people; but that perhaps in South America, in England, or on the continent of Europe, there sits a president and a world congress of the United States of the World, elected to govern us here in America—not by the votes of the people of these United States, but by the votes of the Chinaman, the Australian, the Russian, the Spaniard, the Belgian, the Englishman, and all the others who may be taken into this United States of the World?

What shall it profit us, if, in the days to come, the mothers of America, as they nurse their babies, as they rock them to sleep, as they dress their children for school, remember that we have lost our independence; that those babies and those children no longer owe allegiance to the government of a Washington or a Lincoln?

What shall it profit the fathers if, as they toil day after day to give to their sons and their daughters, as always Americans have toiled, greater opportunity for material, intellectual, and religious advancement, they are forced to remember that, however strenuously they may toil, however great their personal sacrifices, whatever they may accumulate, they must share the earnings of each day to maintain and aid the people of the other nations of the United States of the World?

What profit it the fathers and the mothers of America, if, under this new order, this United States of the World, their sons and their daughters are to march arm in arm, shoulder to shoulder, in business, in pleasure, and in religious activities, with the children of the Communists of Russia, with the Chinese, with the Indians of India, with all the peoples of Asia and of Africa and the islands of the sea, all equal as individuals in political power; all with equal voice in the unified government?

Of what profit to our people shall be all the toil and all the effort and all the sacrifices, if, in the opinion of the congress of the United States of the World or of the president of the United States of the World, another war is to be fought, and their sons must once again march forth to die wherever the warlords may play their game?

Yes, the task confronting our people is a stupendous one. It is one the magnitude of which we cannot conceive. It is one the results of which we cannot know.

The armed forces of the enemy must, and will, be courageously met and, if we do our full duty, we will nail this attempt

to create now a United States of the World as the treasonable plot that it is and fight it with as much vigor and as openly as we meet the armed forces of Germany and Japan.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. WOODRUFF].

Mr. WOODRUFF of Michigan. Mr. Chairman, within the past 2 weeks the necessity of supplementing our rubber imports by developing a synthetic rubber industry in the United States has been brought sharply before the Nation. We have on hand at this time barely a year's normal supply of the natural product. How long this will meet war needs is a problem. No one can logically question the necessity of having at all times a source from which our rubber needs can be supplied, regardless of what those needs may become and regardless of how the war terminates. At the moment the Japs are supposed to have taken over much of the rubber-producing areas in the Dutch East Indies, and apparently intend to complete their occupation of all those rubber-producing areas.

If the war program of the Allies is to be continued and the subjugation of Hitler is to precede that of the Japs, it naturally follows that our supply of outside rubber will soon depend entirely upon the amount procurable from countries to the south of us. Experts say we cannot hope to develop more than 100,000 tons a year from that source.

Today, because of the mechanization of armies throughout the world, they are moving on rubber. What the demands for rubber will be in our rapidly expanding war machine, or how long such demand will continue, no one knows.

Almost the entire population of this country moves on rubber Motor transportation, during the past few years, has caused literally millions of our people to move from the cities into the countryside. Many of them live 10, 15, and even 30 miles or more from their work. Practically all these people are faced with loss or jobs or change of residence because of Leon Henderson's freezing of automobiles and tire supplies, now no longer available to the general public. Obviously people cannot walk 10 or 20 miles or more in the morning to work and the same distance back home at night.

The situation is an exceedingly serious one. It is aggrevated by the ban on house building.

As I stated on January 8, all this rubber privation is unnecessary. That we can produce synthetic rubber in any quantity was admitted by the Secretary of Commerce in his statement of January 12, when he announced that the oil companies have perfected a process of making synthetic rubber from petroleum. He stated that he was setting aside $400,000,000 to build plants to accomplish this.

The Secretary either forgot or was not aware that synthetic rubber of superior quality can be produced in any quantity from both petroleum and agricultural products in this country. Corn is one great raw material for rubber. For instance, there is a carry-over of 900,000,000 bushels of corn from last year's crop. The chemists can produce 10 pounds of superior rubber from each bushel of corn. There are 160,000,000 bushels of wheat in storage in this country which must be moved to make way for this year's crop if it is to be properly stored when harvested. And I may say that the same number of pounds of synthetic rubber can be produced from a bushel of wheat as from a bushel of corn. Thus we find we can produce artificial rubber from various available materials. It is now vitally necessary that we utilize those sources from which the larger quantities can be manufactured. In the situation which confronts us the first consideration, of course, is speed of production. The second consideration must be quality. The third consideration should be cost at which it can be purchased.

Mr. GORE. Mr. Chairman, will the gentleman yield.

Mr. WOODRUFF of Michigan. Yes.

Mr. GORE. Will not the gentleman also recall that in the statement of the Secretary of Commerce referred to, it was pointed out that these plants to produce synthetic rubber from petroleum would not be ready for production before the middle of 1943?

Mr. WOODRUFF of Michigan. I have no means of knowing how long it will take the petroleum companies to provide the necessary facilities with which to produce rubber from petroleum. However, I do have information from sources that propose to manufacture synthetic rubber from agricultural products, that those facilities will be provided in much less time.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. WOODRUFF of Michigan. Yes.

Mr. FULMER. It may be of interest to state to the gentleman that we have had some witnesses before our committee stating emphatically that they have already perfected synthetic rubber, made out of corn and wheat, and that it can be done perhaps at a cheaper price than it can out of oil, and perhaps the rubber would be somewhat better than the type of rubber produced from petroleum.

Mr. WOODRUFF of Michigan. I am very familiar with the situation the gentleman speaks of, and I think I am justified in saying that synthetic rubber produced from agricultural products can be had for less money than we have been paying for the natural product itself.

Mr. FULMER. And in the meantime the refuse could be used in feeding?

Mr. WOODRUFF of Michigan. That is correct.

We are assured by the scientists that the finest quality of synthetic rubber can be produced from corn, wheat, sorghum, and so forth, at not to exceed 20 cents per pound, which is considerably below the regular market price for the natural product. And I am assured by these same scientists that securing this synthetic rubber at 15 cents a pound is not among the impossibilities. Quality considered, the cost of synthetic rubber would be much below the natural product. It is obvious that the 160,000,000 bushels of wheat which we must move to make way for this year's crop would produce 800,000 tons of rubber.

The $400,000,000 the Secretary of Commerce proposes to allocate to create new facilities may or may not be sufficient to do the job. If more is needed, it should promptly be made available and without quibbling about it.

Mr. WOODRUM of Virginia. Mr. Chairman, may I inquire how the time stands?

The CHAIRMAN. The gentleman from Virginia has consumed 25 minutes; the gentleman from Illinois [Mr. DIRKSEN] has consumed 2 hours and 52 minutes.

Mr. WOODRUM of Virginia. Mr. Chairman, the majority has taken only 25 minutes. The minority has taken 2 hours and 52 minutes. I state that to show that we have been extremely liberal with Members who wished an opportunity to speak on the bill, and I express the hope that the committee will permit the bill to be read expeditiously. I do not believe there is any controversy that will develop, but if there is I trust the members will cooperate in permitting the bill to be read as rapidly as possible.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. DITTER. I would like to say on behalf of the minority that the attitude of the distinguished gentleman from Virginia is only characteristic of his usual generosity.

Mr. WOODRUM of Virginia. I thank the gentleman from Pennsylvania for his kind reference to myself.

Mr. HOFFMAN. Will the gentleman yield to me?

Mr. WOODRUM of Virginia. I yield to the gentleman.

Mr. HOFFMAN. I just wanted to endorse that statement and say to the gentleman that undoubtedly those States represented by the Republicans will pay that tax in about the same proportion as the time consumed in debate.

Mr. WOODRUM of Virginia. I hope so.

Mr. HOFFMAN. Well, we will. We always have.

Mr. WOODRUM of Virginia. The Clerk may read, Mr. Chairman.

The Clerk read as follows:

For compensation of the Vice President of the United States, $15,000.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we Republicans are grateful for the time we have been allotted on this bill. I wanted to make one comment with reference to Col. H. C. Kress Muhlenberg which I made yesterday to the court-martial proceedings in the RECORD at page 513, and that my fears were all for nothing because of the fact that the court martial has exonerated Colonel Muhlenberg and has vindicated him. So I congratulate the 10 colonels who composed that court of court martial.

Now, the independent offices appropriation bill is before us. It contains 43 agencies of the Government. Over half of them have been set up by the present administration since they took office in 1933. This bill calls for the expenditure of over $2,000,000,000. Two billion dol-

lars is an awful lot of money. In a half a day we can appropriate the money, which may seem lax. I believe we should cut out a lot of the departments that have been set up since 1932. Certainly if we are going to economize in the operation of government, that is the only way to do it, because I think this committee tried to do a good job in cutting down. They will have to cut out. However, if you are going to try to keep this Government solvent you will have to eliminate a great many of these bureaus. It should be done. We have too much government today.

In 1932 the present administration said that in a couple of years they would balance the Budget. They were criticizing President Hoover, but every year since 1932 you have gone in the red on an average of three and one half billion dollars. This last year they went in the red five billion. This year they will go in the red about 15 billion. How are you going to keep this country solvent if we spend money that way? You are only wrecking our financial structure.

Now, you are going to get a tax bill shortly and you are going to tax the people of this country as they have never been taxed in all the history of this Nation. It will be one tax upon another and it will have to be so if this country is to survive. Tax! tax! tax! tax!

From July 1 last until January 19 this year you have gone in the red $8,542,782,355.89. That is a terrible sum of money. But the year is only half gone and by the time June 30 rolls around the deficit will be fifteen or eighteen billion dollars. A new tax bill which raises $9,000,000,000 certainly is not going to cure the situation when our expenses are growing faster and faster. Eventually they will reach such a proportion that we will not be able to go on. We will be bankrupt.

Yesterday I was talking about the Muhlenberg case and then I went down to lunch. While I was down at lunch they passed a bill granting Members of Congress and granting all government employees a pension after they had served a certain length of time. If I had been on the floor unanimous consent would never have been granted to agree to those Senate amendments and to pass that bill. I think it is terrible that you put a bill like that through, where you give everybody a pension. How will the poor folks back home pay the bill? You will kill them all with taxes. It is unjust in my judgment.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. I too, would have objected to the request for unanimous consent to agree to the conference report to which the gentleman referred which provided for the pensioning of Congressmen, had I been on the floor yesterday when it was brought up. Does the gentleman not think on an important measure like this every Member of the Congress should have been notified beforehand of the time that it was to be considered, instead of slipping it through the House as was done when apparently only a handful of Members was present?

Mr. RICH. Yes, certainly. There is too much legislation being slipped through now by unanimous consent. Members should have notice before such bills are called up. You cannot always be on the floor. It should not be. Gentlemen, you are tearing this Nation down. It is going by leaps and bounds. Unless you do something to stop this ruthless expenditure of funds, we will be wrecked. Where will you get all this money?

[Here the gavel fell.]

Mr. BENDER. Mr. Chairman, I move to strike out the last two words. I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BENDER. Mr. Chairman, at 12 o'clock noon today this volume was made available to the membership of the House. It is entitled "Independent Offices Appropriation Bill for 1943," and it contains over 1,160 pages. As a matter of fact, the distinguished gentleman from Virginia [Mr. WOODRUM] called attention to the fact that we consumed only 3 hours in the consideration of this bill on the floor. You know there is not very much glamor or "oomph" in a bill of this kind, yet it is so important to the people back home. As a matter of fact, most of my mail these days comes from constituents asking for a curtailment of nondefense expenditures.

Federal officials are considering a new 15-percent "withholding tax" designed to shock the Nation into the realization of gigantic defense expenditures. Once the people of America sense the magnitude of Federal spending through the direct levy upon their weekly salaries, they will stop wasteful private spending and prevent the long-feared inflation, runs the Treasury argument.

But before we get into that at all, Congress owes the people of our country a first responsibility. Before Congress passes a single additional tax measure it should demand that all nondefense spending, no matter how much it may disturb the political game being played in Washington, be cut to the bone. If we can stop unnecessary governmental waste, we may have a better argument to offer our constituents for cutting down needless private spending.

I had opportunity here today to read only a few pages of this book. I make it my business to stay on the floor of the House when appropriation bills are discussed and I try to get as much information as I can so that I may vote intelligently on appropriation measures.

The procedure of the House, in considering appropriation bills, should be changed to this extent: I believe that the bill and the hearings should be made available to the membership at least a week in advance of the time when the bill is taken up on the floor so the Members may know what is to be considered. It is difficult for one who is not a member of this committee to vote billions of the taxpayers' money without ample consideration. I listened today to members of the committee, especially minority members of the committee, criticize many of the items in the bill. I trust that these Members will submit amendments to the bill from the floor so that we might make the changes they suggest should be made in this committee print which was made available only at noon today.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield.

Mr. COCHRAN. The report and the hearings have been lying on the floor of the Appropriations Committee room for 3 days. I secured them myself 3 days ago.

Mr. BENDER. The gentleman was extremely fortunate to get them 3 days ago. He is a privileged character. I repeat again we did not see the report until noon today.

Mr. COCHRAN. They have been lying on the floor for anyone who desired them.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield.

Mr. RICH. The Appropriations Committee did not get this bill until 10:30 o'clock this morning. If the gentleman from Missouri knew they were there, then it was the duty of the majority to pass these reports out so the Members could have had them 2 or 3 days ahead of the time the bill was called up.

Mr. BENDER. I thank the gentleman for his contribution. Since this is a matter of such vital concern, I believe it is essential for the Appropriations Committee to make this information available to us so we may know what we are discussing here and what we are voting on in plenty of time.

On page 2 of the committee print occurs this statement:

> It is fair to state in summarizing the recommendations of the committee that the pending bill, with the exception of necessary expansions in connection with national defense, including construction work on defense activities, additional funds for within-grade promotions, and additional funds for the care and operation of public buildings, provides substantially no increase in appropriations for enlargement of the so-called normal activities.

They are telling us, in other words, that they are very proud of the fact there is no increase, but they point out that there has been a decrease in only two or three instances in nondefense appropriations.

This bill contains defense appropriations as well as nondefense appropriations. I want to vote for all defense appropriations, but I would like to see these items seperated so that we can vote for defense appropriations at one time and nondefense appropriations at another time.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I am just as much interested in holding down the normal expenditures as any Member of this House. In view of what was said a few moments ago I want to say that Members who will take the time to go into the Appropriations Committee office several days before the bill is called up on the

floor of the House, will find the hearings available there with a stamp on them, "Not to be released until the bill is reported." The hearings, I insist, are available from the Appropriations Committee and any Member can get them. The press get them and prepare their comments in advance.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. COCHRAN. I yield.

Mr. TABER. So that it may be clear in just what form appropriations are brought before the committee, let me say to the gentleman that the President sends up a Budget estimate which practically covers the language of every bill with the detailed break-down as to how each item is to be spent. This gives every Member of the House along about the 2d or 3d day of January a complete picture of what is going to be asked in the regular bills that come before the Congress. Therefore, the Members of Congress are not taken unaware when appropriation bills are brought in here, but are given notice long in advance.

Mr. COCHRAN. Certainly the gentleman is correct, and I add: Provisions are made for the printing of the Budget message at great expense, so that one copy at least is available in the Document Room for every Member of the House.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. Even though the President sends the Budget here at the beginning of the session, the Members of the House do not know what the Subcommittee on Appropriations or the full Committee on Appropriations will do with the request of the President and the Budget Bureau until after the committee acts upon it. The fact is that I do not know when the subcommittee had the bill, but the full Committee on Appropriations did not get the bill until 10:30 today, and it was acted upon at 12 o'clock.

Mr. COCHRAN. The gentleman being a member of the committee, knows just as well as I do that this subcommittee had the Budget estimate from the President of the United States in reference to this bill weeks before it was officially submitted by the President.

Mr. RICH. I made the statement that he sent it here at the first of the year, and that is the fact, but the Members do not know what any particular subcommittee will do until the bill is reported.

Mr. COCHRAN. Does the gentleman from Pennsylvania know of one case where the House Committee on Appropriations or a subcommittee thereof has not given a Member of the House an opportunity to appear before it to urge an increase or a decrease or the abolition of any item in an appropriation bill?

Mr. RICH. I will say that the Committee on Appropriations will give any Member of the House an opportunity to be heard.

Mr. COCHRAN. Why, certainly.

Mr. RICH. But any member on the committee uses up about all the time he has in the work of a particular subcommittee. How in the world are the Members of the House to know anything about these matters? It is entirely up to the Committee on Appropriations to cut down these expenses if they are going to be cut down. The House will not cut them down. We have not been in the habit of cutting down expenses since 1933. We have tried it time and time again, but we get no results. I have tried it on the floor until I was blue in the face and was sick and tired of trying, but could not do it.

Mr. COCHRAN. The gentleman knows that it is a lot of "bunk" to get up here——

Mr. RICH. No, that is not bunk. That is a fact. The records will prove it.

Mr. COCHRAN. I refuse to yield further.

It is a lot of bunk to get up here on the floor and say, "We cannot get information," when you know you had it, and so do I, in the Document Room the very day the President's message was read from the desk, because it was printed and released that day, and his committee had parts of it long before that date.

Mr. RICH. Mr. Chairman, will the gentleman yield for just one statement?

Mr. COCHRAN. No. I yielded to the gentleman twice.

Mr. RICH. The gentleman knows that the record is that you have not cut down appropriations.

Mr. COCHRAN. I do notice in the report that you have $1,257,899,349 less in this bill than you had in the bill last year.

Now, I am very anxious to know if the chairman of this subcommittee, a man in whom we all have confidence and who has demonstrated here time and time again his desire to reduce normal appropriations, is satisfied that this bill is cut to the minimum right now, or does the gentleman feel there are some items in this bill that could stand a further cut?

Mr. WOODRUM of Virginia. I think the committee has done a good job in holding down the normal expenditures. We did not make any attempt to cut purely defense expenditures because you cannot do it. You cannot cut items like the Maritime Commission and the Veterans' Administration, and the committee did not make any effort to do it.

Mr. COCHRAN. Those are practically fixed charges, and you cannot cut them. But the gentleman feels that the committee has done a good job, and on the first regular bill brought in, and you have tried to hold it down to a minimum?

Mr. WOODRUM of Virginia. That is exactly right.

Mr. COCHRAN. Then I am satisfied, and I shall go along with the gentleman, who has demonstrated his desire for economy.

[Here the gavel fell.]

The Clerk read as follows:

Salaries and expenses: For expenses necessary to enable the Office of Government Reports to perform the functions prescribed by the act entitled "An act authorizing expenditures for the Office of Government Reports in the Executive Office of the President," approved June 9, 1941, including personal services in the District of Columbia and elsewhere; contract stenographic reporting service; lawbooks, books of reference, directories, periodicals; newspapers and press clippings; and operation and maintenance of passenger-carrying automobiles, $1,475,000: *Provided*, That no part of this appropriation shall be used for the payment of compensation to any State director hereafter appointed unless such person is appointed by the President, by and with the advice and consent of the Senate.

Mr. WIGGLESWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: On page 6, line 23, after "automobiles", strike out "$1,475,000" and insert "$760,000."

Mr. WIGGLESWORTH. Mr. Chairman, I believe the members of this Committee know my general feeling about this agency of the Government, the Office for Government Reports. The recommendation of your committee in this instance amounts to $1,500 000, and in addition to that there is anticipated to be received from the President's emergency funds the sum of $902,000, giving the agency a total of $2,402,000. This compares with funds available for the current fiscal year of $1 093,730 by appropriation and $800,000 from emergency funds, making a total of $1,893,730.

This agency has made a fuller statement of its functions in connection with these hearings than previously, but it still has failed to justify the request, in my judgment. This is the largest appropriation ever made available to this agency. It exceeds the statutory maximum contemplated by Congress by some $900,000. It contemplates an increase in personnel here in Washington from 330 to 642, or about 100 percent, and in the field from 106 to 294, or almost 200 percent.

The field organization to which this amendment is directed calls for an expenditure of $715,000 over and above whatever may be its fair share of the other obligations of the agency.

What is the function of this agency in the field, and why this request for an enormous increase in the field? I quote in this connection the definition given by the Bureau of the Budget 1 year ago, and which appears on page 761 of the 1942 hearings on this bill as follows:

The Office for Government Reports is primarily concerned with channeling to the President information as to the reactions of the public to Government programs and activities.

Mr. Chairman, in my judgment, there is no justification for this increase. My amendment, if adopted, would limit the activities of the agency to those activities which are carried on here in Washington and would eliminate the unnecessary activities in the field. I hope the Committee will see fit to approve the amendment.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman.

Mr. DITTER. I wonder whether the gentleman would tell us what particular method this activity has followed in the way of wrapping a cloak of righteousness about itself under the guise of national defense.

Mr. WIGGLESWORTH. Well, I can only say to the gentleman, as I have already stated, that this is the largest recommendation ever made for this agency, and that the justification offered for the increase is based on the allegation that this agency is to be engaged in so-called national defense activities.

Mr. DITTER. But does the gentleman feel that that allegation is supported by the facts as the gentleman knows them to be out of his long experience with this activity?

Mr. WIGGLESWORTH. I cannot escape the feeling that this is merely a request for additional funds for the same activities that have been carried on heretofore, as the gentleman says, under the cloak of national defense.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, of course there has been some difference of opinion in the House for several years about the activities of the Office of Government Reports. It was originally set up by Executive order as the National Emergency Council and was financed by funds allocated out of the relief bill. Two years ago it was suggested by the Appropriations Committee that if the administration wished to have this agency continue, legislation should be offered and passed authorizing it as a matter of law. A bill was introduced, reported to the House, fully debated and passed both bodies, setting up the Office of Government Reports as a part of the President's set-up, and authorizing appropriations not exceeding $1,500,000 for its functions.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman.

Mr. HOOK. As I understand, this is an information service?

Mr. WOODRUM of Virginia. Yes.

Mr. HOOK. And as I also understand, a well-informed public is the best defense of America.

Mr. WOODRUM of Virginia. Mr. Chairman, the appropriation made in the bill is within the legislative authority. The Office of Government Reports told us frankly about their expanded activities and stated that if the appropriation were given they expected to ask for an allocation from the President's personal fund and that it was their desire, in view of the greatly expanded war program and the far-flung activities of the Government, to set up regional or State offices in a number of States where they did not now have offices.

They also stated that in addition to their press-clipping service, which is used not only by the Government agencies, but by many Members of Congress, that they furnished reports regularly to the Chief Executive of the activities of the various departments in the several States.

Mr. Chairman, I think, in a matter of this kind, the legislative body, to some extent, has to defer to the wishes of the Chief Executive. This is a part of the President's office. The Office of Government Reports is a part of his office, just as the National Resources and Planning Board, and I believe anyone who knows the job that the Chief Executive of the United States has today, in trying to keep track in some well-informed way about what is happening in this great effort we are making, would certainly not want in any way to prevent him from having the tools and the facilities which he thinks are absolutely necessary to carry on that job, and the President does feel very keenly and very intensely that this agency furnishes him with valuable information. The information is furnished not only to the President, but to the Army, the Navy, the Marine Corps, the Department of Justice, and all of the agencies of the Government interested in the Government's program.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think the position taken by the distinguished gentleman from Virginia is a sound one. I can recall when the wheels of political fortune were turning the other way and I took the position that I would not vote for any reduction in any appropriations that the President of the United States had asked insofar as the conduct of his own direct activities was concerned. I think the position of the gentleman from Virginia is absolutely sound and I hope the amendment will be defeated.

Mr. WOODRUM of Virginia. I think, sir, if you will figure what we are engaged in today and the amount of money we are spending and the program we are operating, and then figure out what is being used by the Chief Executive in his own office for the conduct of that business, you will find it is extremely small.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman.

Mr. COCHRAN. When this authorization was brought before the Expenditures Committee there was one member of the committee, the gentleman from Ohio, [Mr. BENDER] who opposed it, and when it was brought in here on the floor the gentleman from Ohio [Mr. BENDER] opposed it, but subsequent to that time I saw the gentleman from Ohio [Mr. BENDER] get up on the floor here and tell this House that he had made a mistake in opposing the authorization.

Mr. WOODRUM of Virginia. I thank the gentleman for that contribution.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH].

The question was taken; and on a division (demanded by Mr. WIGGLESWORTH) there were—ayes 39, noes 57.

So the amendment was rejected.

The Clerk read as follows:

Total, Civil Service Commission, $120,195,935.

Mr. BENDER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BENDER: Page 15, line 6, after the word "Commission", strike out "$120,195,935" and insert "$105,000,000."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio.

The amendment was rejected.

The Clerk read as follows:

Total, Federal Communications Commission, $4,991,219.

Mr. BENDER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BENDER: Page 17, line 21, after the word "Commission", strike "$4,991,219" and insert "$4,000,000."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio.

The amendment was rejected.

The Clerk read as follows:

Salaries and administrative expenses: Not to exceed $200,000 of the funds of the Electric Home and Farm Authority, established as an agency of the Government by Executive Order No. 7139 of August 12, 1935, and continued as such agency until January 22, 1947, by the act of June 10, 1941 (Public Law 108, 77th Cong.), shall be available for the fiscal year 1943 for all necessary administrative expenses of the Authority, including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the act of June 3, 1926, as amended (5 U. S. C. 821–833); not exceeding $3,000 for transfer of household goods and effects as provided by the act of October 10, 1940, and regulations promulgated thereunder; printing and binding; lawbooks and books of reference; not to exceed $200 for periodicals, newspapers, and maps; procurement of supplies, equipment, and services; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; and rent in the District of Columbia and elsewhere: *Provided*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, care, repair, and disposition of any security or collateral now held or acquired on or before June 30, 1943, by the Authority shall be considered as nonadministrative expenses for the purposes hereof.

Mr. CASE of South Dakota. Mr. Chairman, I reserve the point of order against the language on the paragraph.

The CHAIRMAN. Will the gentleman state his point of order?

Mr. CASE of South Dakota. Mr. Chairman, I make the point of order against the language on page 20, beginning in line 5, and reading:

Provided, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, care, repair, and disposition of any security or collateral now held or acquired on or before June 30, 1943, by the Authority shall be considered as nonadministrative expenses for the purposes hereof.

I make the point of order upon the ground that it is legislation on an appropriation bill.

Mr. WOODRUM of Virginia. Mr. Chairman, we concede the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. CASE of South Dakota. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 20, line 12, strike out the period and insert "*Provided*, That no part of the funds made available under this head shall be used to acquire any new securities or contracts on or after July 1, 1942."

Mr. CASE of South Dakota. Mr. Chairman, the purpose of this amendment is obviously to provide that the Electric Home and Farm Authority shall liquidate and shall not buy new securities or contracts. In the testimony before the committee in the hearings it was indicated that this would probably be the effect of the priority situation. The intent of my amendment is to make certain that that is what happens during the coming year. Lest someone might think that it is in any way directed at rural electrification, I read the testimony on page 670:

Mr. HOUSTON. Will not your activities be guided largely by the progress of rural electrification?

Mr. HOBSON. Oh, no; it has very little to do with that.

So the amendment is not going to injure the R. E. A. program. It merely seeks to wind up an agency now in liquidation. On page 672, I call attention to the further testimony of Mr. Hobson when the gentleman from Massachusetts [Mr. WIGGLESWORTH] interrogated him:

Mr. WIGGLESWORTH. Outside of your purchasing, your job is merely a collection agency on outstanding contracts, isn't it?

Mr. HOBSON. That is correct. At the present time, we are collecting about a million dollars a month, and buying about $250,000, so you see we are liquidating in the nicest way possible.

By that I mean we are liquidating while we are still in active business, and we have the cooperation of the dealers and the utilities in the collections. Once we stop purchasing paper, these people would lose interest, and we would have more trouble collecting what is coming to us.

I suggest to the committee that if the only reason for continuing the purchase of paper is to maintain the interest of the dealers who have previously sold paper, there is no justification for the agency continuing its activities. Normally, in refinancing installment paper, the dealer endorses the paper, and when it is endorsed by the dealer he has a very definite interest in the collection of that paper. His name is on it. If the collection is not made, the dealer has to make it good. So the argument of Mr. Hobson that if he stopped the purchasing of new paper the dealers would lose interest, seems to me very weak. The activity of the Electric Home and Farm Authority is the type of activity that almost every Member of Congress has condemned in principle. It is the Government in business. If every Member of Congress who has said that he is not in favor of the Government going into business would so express himself by his vote, this amendment would be adopted. There is no more reason why the Government should go into the business of selling electrical appliances than into selling groceries or clothing or typewriters or sewing machines or household furniture or anything else. This has nothing to do with the financing of public power projects in which a natural monopoly may exist. In this particular activity, however, the Government has ventured into a field of business which the ordinary citizen can enter. It is providing direct competition with private business. It is not regulation; it is competition.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. FITZPATRICK. Was it not brought out that the interest rates are about half of what the other loan companies were charging for the same service?

Mr. CASE of South Dakota. The testimony of Mr. Hobson was that his interest rates were lower than those of some private companies. But of course that does not take into consideration the expenses of the Government that are added to by reason of the Government going into this business and the loss of tax revenue. If the Government were to apply the same principle to typewriters, sewing machines, groceries, or clothing, undoubtedly there could be the same saving shown. But if the Government is to enter into the entire field of retail activity it simply means that we are not going to have anybody left to pay taxes. I ask for the adoption of the amendment.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 3 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, I am sympathetic with the objective of the gentleman from South Dakota [Mr. CASE], but I call attention to the fact that the Electric Home and Farm Authority had for this fiscal year $600,000 The Budget estimate sent to us for next year called for $400,000, and we cut it in half. So we are putting them by force into liquidation.

The Electric Home and Farm Authority does not take funds out of the Public Treasury. They operate on their own funds. They have made money, because they have sold on long-term payments electrical appliances to a great many citizens who could not have purchased the same and enjoyed the benefits of that improvement if they had to go to the regular old-line establishments. Under the circumstances it is difficult to operate that now, because of the rule that they cannot sell on time; but the amendment which the gentleman from South Dakota has offered may have a serious effect. We do not know what the effect of the amendment would be, providing that they could not take any new paper at all. It may be that there is some little operation they could carry on while in the process of liquidation that would be of great service. I think it would be unfortunate to put them out of operation by an amendment such as that offered by the gentleman from South Dakota.

Mr. RANKIN of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. RANKIN of Mississippi. Let me say to the gentleman from Virginia that the Electric Home and Farm Authority does not sell appliances at all, but merely finances local dealers. As the gentleman from Virginia has stated, it made it possible for untold thousands of people throughout the country to buy these appliances, and the Government not only did not lose a dollar on these transactions, but actually made money. It would be disastrous to kill this Electric Home and Farm Authority at this time.

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. CASE of South Dakota. I wonder if the gentleman from Virginia remembers the testimony of those people in the hearing a year ago, that they had a standardized type of refrigerator which they were selling or which they were promoting?

Mr. WOODRUM of Virginia. Yes; that is right.

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from South Dakota.

The question was taken; and on a division (demanded by Mr. WOODRUM of Virginia) there were ayes 39 and noes 52.

So the amendment was rejected.

The Clerk read as follows:

Not to exceed $450,443 of the funds of the Federal Savings and Loan Insurance Corporation, established by title IV of the National Housing Act of June 27, 1934 (48 Stat. 1246), shall be available during the fiscal year 1943 for administrative expenses of the Corporation, including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the act of June 3, 1926, as amended (5 U. S. C. 821–833); expenses (not to exceed $2,500) of attendance at meetings concerned with the work of the Corporation when specifically authorized by the Board of Trustees; transfer of household goods and effects as provided by the act of October 10, 1940, and regulations promulgated thereunder; printing and binding, lawbooks, books of reference, and not to exceed $250 for periodicals and newspapers; procurement of supplies, equipment, and services; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; use of the services and facilities of the Federal Home Loan Bank Board, Federal home-loan banks, Federal Reserve banks, and agencies of the Government as authorized by said title IV, and all other necessary administrative expenses: *Provided*, That all necessary expenses in connection with the liquidation of insured institutions under said title IV shall be considered as nonadministrative expenses for the purpose hereof: *Provided further*, That, except for the limitations in amounts hereinbefore specified, and the restrictions in respect to travel expenses, the administrative expenses and other obligations of the Corporation shall be incurred, allowed, and paid in accordance with the provisions of said act of June 27, 1934, as amended (12 U. S. C. 1725–1732).

Mr. BENDER. Mr. Chairman, I move to strike out the last word.

I rise at this time to ask how much has been lost by the Home Owners' Loan Corporation since its inception? I wonder if some member of the committee can advise me?

Mr. DIRKSEN. I do not have the cumulative figure in mind, but I believe it is carried in the report.

Mr. TABER. Seven hundred and eighty-six million dollars.

Mr. BENDER. On an investment of how much?

Mr. TABER. At the present time the balance of this loan is $2,307,000,000.

Mr. DIRKSEN. A little over $3,000,000,000.

Mr. FITZPATRICK. The total loss up to the present time is $70,000,000. That is what was testified by Mr. Fahey before our committee.

Mr. TABER. That is the net loss after reserves——

Mr. FITZPATRICK. That is the net loss to date out of a loan of $3,093,000,000 to 1,017,000 home owners. Otherwise the net loss up to date is only about $70,000,000. They have saved 81 percent of the 1,017,000 homes whose mortgages they took over. This I consider is a very fine showing for the Home Owners' Loan Corporation.

Mr. TABER. On page 950 it shows "unpaid balance on loans, $2,307,000,000; balance transferred to property or other account"—that is the way they cover up the losses—"$786,000,000," or over one-third of the total amount.

Mr. FITZPATRICK. On the contrary they claim they have a surplus of $30,000,000.

Mr. BENDER. I yield to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. I wanted to ask the gentleman from New York, has he not heard it in the committee, it was 34,000 foreclosures, averaging $1,700 each?

Mr. FITZPATRICK. I do not know just what the average loss on the foreclosures were, but there have only been 19 percent of foreclosures and the net loss up to date is $70,000,000 on an investment of $3,093,000,000.

Mr. BENDER. The H. O. L. C. idea is excellent, but I have had some complaints of the heartlessness and cruelty of this Government agency in dealing with clients. I was interested in another phase of this Corporation. I notice we are appropriating for more adding machines. If the figures are correct, we should be appropriating for subtracting machines.

Mr. DIRKSEN. The total number of foreclosures which the Home Owners' Loan Corporation reported is shown on page 983 of the hearings. Either through foreclosure or surrender they acquired 192,108 properties out of the whole number that was financed.

On page 986 of the hearings you will find that for the last fiscal year they sold 34,745 properties on which they had an aggregate loss of $61,000,000. That is a record.

Mr. BENDER. In other words, 192,000 home owners had their homes taken away from them by the Government, and the Government resold over 34,000 at a loss to the taxpayers and is holding the bag for the rest.

Mr. DIRKSEN. The average loss on each one of the 34,745 pieces of property sold by the Government in the last fiscal year was $1,767 plus.

Mr. BENDER. Has the gentleman from New York [Mr. FITZPATRICK] anything to say about that?

Mr. FITZPATRICK. As I stated before, I do not know what the average loss was. I will say, however, that the Home Owners' Loan Corporation handled over a million homes in the United States and up to date they have saved 81 percent of all of these homes from being foreclosed by banks and insurance companies. I think they did a fine job in saving that many homes, as the banks and insurance companies were ready to foreclose on all of them.

It is all right for some of my colleagues to talk about a $70,000 loss, but, as I stated earlier today, they do not object to making a contribution of $133,000,000 as a subsidy to the newspapers, magazines, and other users of the second-, third-, and fourth-class mail, but when it comes to saving the home owners of the Nation it is a different story.

I want to say that Mr. Fahey and his organization has done a fine job in saving the homes of 81 percent of 1,017,000 home owners.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio may proceed for 2 additional minutes.

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. DITTER. Mr. Chairman, will the gentleman from Ohio yield that I may ask a question of my friend from New York?

Mr. BENDER. I yield.

Mr. DITTER. What I take it then my friend from New York is pleading for is more time and some additional money in order that this large loss the gentleman from Illinois has given to us by exact figures can be further accumulated and the miserable record of mismanagement made all the more positive and emphatic.

Mr. FITZPATRICK. On the contrary, this money comes out of their own funds, and there is a comparatively small net loss.

Mr. DITTER. Let us get away from this bugaboo of "their own funds." They have not any funds except what the Congress gives them, and those funds came out of the Federal Treasury.

Mr. FITZPATRICK. After the first contribution it came out of their own funds.

Mr. DITTER. Mr. Chairman, I do not yield further.

The CHAIRMAN. The gentleman from Ohio has the floor.

Mr. DITTER. Mr. Chairman, will the gentleman yield further?

Mr. BENDER. I yield to the gentleman from Pennsylvania.

Mr. DITTER. I just want to get rid of this bugaboo that it is their own funds. None of these expenditures have been from their own funds. Their funds were provided by appropriations. When they get them under their control they call them their own funds because of their mismanagement of them. Yes; they are their own funds in mismanagement, but not one thin dime of it comes from their own fund; it comes from the dollars and cents of the taxpayers provided from the Federal Treasury through appropriations made by the Congress.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I move to strike out the last three words.

Does the gentleman from New York want me to yield to him?

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield to me?

Mr. McCORMACK. I shall be pleased to.

Mr. WOODRUM of Virginia. I wish to make this observation, if the gentleman from Massachusetts will permit: The Home Owners' Loan Corporation was never set up with the thought that it would make any money. It was never set up with the idea that it would anything like break even. It was essentially an emergency relief institution.

To qualify to get a loan from this institution the person must show that he could not get a loan anywhere else; that he was busted. I do not believe there is a financial institution in the United States that would go out and select the kind of clientele the Home Owners' Loan Corporation had to select, and then when they came to dispose of properties, get out with an average loss of only $1,700 per property.

Mr. DITTER. Mr. Chairman, will the gentleman from Massachusetts yield to me to make a brief observation?

Mr. McCORMACK. First, let me say that the gentleman from Virginia has expressed my thoughts much better than I could myself.

Mr. DITTER. That would hardly be possible, sir.

Mr. McCORMACK. The gentleman from Pennsylvania flatters me, as usual; but I will yield for him to make a brief observation.

Mr. DITTER. I intended neither flattery nor compliment.

Mr. McCORMACK. The gentleman is known for being a very pleasant exaggerator.

Mr. DITTER. My answer to the distinguished gentleman is that, of course, when the presentation of truth begins to prick, the one that is guilty will feel that it is an exaggeration.

Mr. McCORMACK. A very weak answer.

Mr. DITTER. Do I understand that my friend from Virginia and the majority leader say, then, that the appraisals that were made, with all their cost, and the examinations of these properties on which the loans were made, were but idle gestures, and that the Home Owners' Loan Corporation was intended purely as a relief agency and not as a business agency? Why, then, I ask, were the appraisals made? Why the idle gesture?

Mr. McCORMACK. The gentleman is asking two questions at one time.

Mr. DITTER. I know the gentleman is able to answer more than that.

Mr. McCORMACK. The gentleman accredits to the gentleman from Massachusetts greater ability than the gentleman from Massachusetts claims for himself. The gentleman from Virginia made no observation about appraisals. The gentleman from Pennsylvania in his usual clever way, being the principal advocate of our friends on our left—and I say that with all respect, and with a profound feeling of respect for him—reads into the statements made by the gentleman from Virginia something the gentleman from Virginia did not say.

However, I rose simply to make this observation. The gentleman from Ohio [Mr. BENDER] made a statement about the Home Owners' Loan Corporation being hard and heartless. I cannot take issue with the gentleman as far as Ohio is concerned, because I have no knowledge of Ohio affairs, but I do know in respect to Massachusetts that I received very few complaints. Of course, no public official, elective or appointive, can satisfy everybody, but the complaints I have received from Massachusetts have been few and far between; they have been almost negligible. In Massachusetts the Home Owners' Loan Corporation has done a wonderful job.

The gentleman from Virginia has stated the purpose of the Home Owners' Loan Corporation, which was to step into the breach at a time in the history of our country when the vicious forces of deflation were attacking the home life of our people. We stepped in not only for the home owners but for the farmers, to try to stop the foreclosure of home and farm. When we stepped in we did so because of the emergency. The sum and substance of the Home Owners' Loan legislation and of the farm legislation was to preserve homes and farms against foreclosure, to preserve the family life of America against the vicious attacks of the depression we underwent in those years.

Of course, there were bound to be mistakes and there was bound to be expense under those circumstances, but I think that as we look the whole picture over, despite the petty criticism that developed here and there—and I do not construe the purpose of the gentleman from Ohio to be to offer petty criticism—and despite the justification that might appear here and there of criticism of some isolated acts, if we look the whole picture over we find that the Home Owners' Loan Corporation has served a great purpose and accomplished a great objective.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, with his usual ability, and resorting to glib generalities, the distinguished majority leader attempts to condone the acts of both omission and commission of H. O. L. C.

I again come back to the question I asked before, which I believe to be pertinent, that if the statement of the gentleman from Virginia, joined in by the gentleman from Massachusetts, is sound, then why the expense of the appraisals, why the examinations of these properties, why all the idle gestures by which the pretense was made that there was to be collateral for the loans which were made?

In the ordinary operations of business, when an application is made for a loan an appraisal of the property is made. That was done in this instance. An examination of the title is made. That was done in this instance. A mortgage is created and put on record. That was done in this instance. To all intents and purposes the Federal Government was lending money on what was supposed to be collateral security. It now turns out, either by reason of the generosity, by reason of the mismanagement, by reason of the mistakes in appraisals, or by reason of possible favoritism we are faced with the fact that a lending agency of the Government, labeled at the time not as a charitable agency of the Government but as a business corporation of the Government, has sustained the colossal losses which have been presented to us. I say that neither the persuasive remarks of the distinguished majority leader nor the excuses offered by the distinguished gentleman from Virginia will condone the mismanagement that this record shows to exist.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield for one question?

Mr. DITTER. I could not refuse to yield to the gentleman from New York.

Mr. FITZPATRICK. They were lending 80 percent of the valuation placed on the property. Unfortunately, from about 1924 to 1929 we had the greatest inflation in the history of the United States. That was the time that most of these properties were bought. Then the deflation came along, the great crisis, and the owners were going to lose their homes. The valuation was decreased because of what took place in 1929. Therefore, when they valued these homes to loan money on them, certainly they could not bring the homes up to the value of the inflation period of 1929, and that was the reason they went out to make the investigations. Up to the present time they have lost $70,000,000,

Mr. DITTER. I feel that I have been generous in yielding. We are aware of the fact that we are in a rising real-estate market, that the war boom is on, and if there were anything like real values they could be liquidated now without such enormous losses. Instead of there being a loss of $1,700 per property there should be a gain.

Mr. FITZPATRICK. The market is going up. That is why they are not selling at the present time. There is no question but that they are going to come out in the clear in another 2 or 3 years.

Mr. DITTER. All I can say is that the enthusiasm of our distinguished friend from New York sounds very much better than the printed record of the Home Owners' Loan Corporation.

[Here the gavel fell.]

Mr. THOM. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close at the end of the remarks of the gentleman from Ohio.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. THOM. Mr. Chairman, it is unfortunate that partisanship impels some in this House to attack the great administration that administered well and efficiently this law for the home owners of the country. I represent a district in Ohio where we had 4,000 loans. Since I have been returned to the Congress, having served 1 year in this Congress, I have not had a single complaint about foreclosures. The office of the Home Owners' Loan Corporation in Canton, Ohio, has disposed of many, many properties and has done so very efficiently.

A few years ago this House clamored about the refusal of the Home Owners' Loan Corporation to extend loans to some home owners whose risks were considered too hazardous. Now, today, when there are some foreclosures in order to protect the solvency of the Home Owners' Loan Corporation someone gets on the floor and accuses the officers of the Home Owners' Loan Corporation of being cruel.

Despite these efforts to manage conservatively the H. O. L. C., another set of critics heaps abuse on the heads of the Corporation for permitting heavy losses. Well, if you liberalized the loans and prolonged the time of action for foreclosure as the first two sets of critics wanted, you would have incurred even larger losses. So the Home Owners' Loan Corporation is damned if it does and damned if it does not.

The truth of the matter is that the Home Owners' Loan Corporation has been a successful institution and those of us who voted for it are proud of the record it has made, and the officers of the institution ought to be praised instead of censured in a pure spirit of partisanship.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Total, Federal Trade Commission, $2,302,474.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word. I merely wish at this point to call the attention of the Members of the House to the fact that the Federal Trade Commission during World War No. 1 did a very important job in the field of price control. In our hearings there was considerable testimony on the subject. Members will find a résumé of the activities of the Federal Trade Commission in that field on pages 362 to 366 of the printed hearings. I think it would be worth the while of the Members who are interested in price control to look at this résumé and see what was done by a regularly established agency of the Government in that respect.

The Clerk read as follows:

For all expenses necessary for the operation and maintenance of the Selective Service System as authorized by the Selective Training and Service Act of 1940 (Public, No. 783); including personal services in the District of Columbia and elsewhere, lawbooks, periodicals; newspapers (not to exceed $2,700); books of reference; payment of actual transportation expenses and not to exceed $10 per diem in lieu of subsistence and other

expenses of persons serving while away from their homes, without other compensation from the United States, in an advisory capacity to the Director of Selective Service (not exceeding a total of $25,000); and purchase and exchange, and hire, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles, and printing and binding, $34,745,000: *Provided*, That such amounts as may be necessary shall be available for the planning, directing, and operation of a program of work of national importance under civilian direction, either independently or in cooperation with governmental or nongovernmental agencies, and the assignment and delivery thereto of individuals found to be conscientiously opposed to participation in work of the land or naval forces, which cooperation with other agencies may include the furnishing of funds to and acceptance of money, services, or other forms of assistance from such nongovernmental agencies for the more effectual accomplishment of the work; and including also the pay and allowances of such individuals at rates not in excess of those paid to persons inducted into the Army under the Selective Service System, and such privileges as are accorded such inductees: *Provided further*, That the travel of persons engaged in the administration of the Selective Service System, including commissioned, warrant, or enlisted personnel of the Army, Navy, Marine Corps, or their reserve components, may be ordered by the Director or by such persons as he may authorize, and persons so traveling shall be entitled to transportation and subsistence or per diem in lieu of subsistence, at rates authorized by law.

Mr. HOOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOOK: On page 63, after the word "inductees", in line 22, insert "*Provided, however*, That payments of insurance as provided in section 9, subdivision 2, of Public Law 360, Seventy-seventh Congress, be made to mother or father regardless of dependency."

Mr. WOODRUM of Virginia. Mr. Chairman, I shall have to make a point of order against the amendment as an amendment of organic law.

Mr. HOOK. Mr. Chairman, will the gentleman reserve his point of order?

Mr. WOODRUM of Virginia. I will reserve it briefly, if the gentleman wishes to make a statement.

Mr. HOOK. Mr. Chairman, I think this is rather important because of the fact that in Public Act 360, Seventy-seventh Congress, section 9, subdivision 2, we provide for automatic insurance for the service men, and in section 4 the reason for providing for such insurance reads as follows:

That the benefits and privileges extended by this section are hereby so extended by the Congress because many of the personnel of our armed forces were unable to comply with the prerequisites necessary to the granting of insurance by reason of extended duty in the north Atlantic, Hawaii, the Philippines and other outlying bases.

Now, it has been called to my attention that several of these boys who were killed in the attack at Pearl Harbor do not come under this provision for the payment of $5,000 of automatic insurance because of the fact that in section (c) it is provided, "if no widow or widower or child is entitled thereto, then to the dependent mother or father of the insured if living." Now, unless the father or mother of such a boy so killed in the service at that time is poverty stricken, the father or mother cannot be paid this automatic insurance. I think the word "dependent" should be stricken and that these fathers and mothers should be paid the automatic insurance that we have so provided.

We should not make it a condition precedent to the payment of that insurance, that they be dependent upon that boy, because of the fact that that boy may be only 18, 19, or 20 years of age and at the time he went into the service he may not have contributed to the support of that father and mother, but that father and mother in later years might have found themselves dependent upon the support of that child, and I think we should provide that they are entitled to this, regardless of dependency. I trust that the chairman of the committee will withdraw his point of order. If he does not see fit at this time to do so, I expect to offer an amendment to the act to clarify that situation.

Mr. WOODRUM of Virginia. Mr. Chairman, unfortunately the contribution of the gentleman from Michigan is to the organic law. We are considering an appropriation bill, and I am compelled to make the point of order.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

For salaries and expenses of the Tariff Commission (including personal services in the District of Columbia and elsewhere, purchase and exchange of labor-saving devices, the purchase and exchange of professional and scientific books, lawbooks, books of reference, gloves and other protective equipment for photostat and other machine operators, subscriptions to newspapers and periodicals, and contract stenographic reporting services, as authorized by sections 330 to 341 of the Tariff Act of 1930, approved June 17, 1930 (19 U. S. C. 1330–1341), $900,000, of which amount not to exceed $2,500 may be expended for expenses, except membership fees, of attendance at meetings concerned with subjects under investigation by the Commission; and not to exceed $7,500 for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (5 U. S. C. 118a), but not to exceed $1,700 for any one person: *Provided*, That no part of this appropriation shall be used to pay the salary of any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

Mr. CASE of South Dakota. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 67, line 18, strike out "$900,000" and insert $810,000."

Mr. WOODRUM of Virginia. Mr. Chairman, I have no objection to the amendment and we will accept it.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, the amendment to reduce funds for the tariff commission by 10 percent is a natural place to make a saving in nondefense expenditures. Last night's papers carried as a lead story the announcement of "a gigantic war-production plan for the Western Hemisphere." The very first major provision was described as follows:

1. Removal of all barriers, including tariffs, import duties, customs, and other regulations or restrictions of any character which prohibit or delay the free flow of necessary munitions, war or civilian supplies between the American nations. They will be eliminated for the duration of the war.

If all tariffs and import duties are to be removed from the Western Hemisphere for the duration of the war, certainly the work on the tariff commission will suffer a great shrinkage—far more than 10 percent.

This is not someone's wild dream. We were told in the story that—

The plan—known as the Joint War Production Plan—is being outlined at Rio by Under Secretary of State Sumner Welles, Assistant Secretary of Commerce Wayne C. Taylor, and Warren Lee Pierson, president of the Export-Import Bank.

The program, drawn up by the United States, was expected to be agreed on at the American Conference of Foreign Ministers, now in session at Rio de Janeiro. The Commerce official, who would not permit use of his name, predicted it would be applied to all nations subscribing to the plan.

Coming as it does on top of a previous announcement of an agreement to abolish duties on the flow of war materials between the United States and Canada, there is only one conclusion—that is that there will be less work for the Federal Tariff Commission in the coming year.

Yes; I know that the Tariff Commission like every other agency has sought to engage in national defense activities. In their justification they told of the reports they had prepared in the past year. One of them was on the Possibilities of Producing Rubber in the United States and Rubber Conservation. I presume that makes the "steenth" report on rubber by some Government agency. We have a research section in the Department of Agriculture working on the subject. The Reconstruction Finance Corporation has a Rubber Reserve Company. The Office of Production Management has had a committee of experts working on the subject. The Bureau of Foreign and Domestic Commerce in the Department of Commerce has conducted studies in the field. And the trouble is that the subject has been stretched and stretched so much that a tangle has ensued and it has taken a crisis to get action.

We have had too many agencies to coordinate properly. There has been a lack of fixed responsibility. Certainly we do not need a duplication of effort. There is too much to do. The Tariff Commission has able men. These men should be released to other agencies when they are not needed in the normal functions of a tariff commission in a

world where tariffs and trade are gone with the war.

Other reports of the past year have covered earthen floor and tiles, hogs and hog products, obviously subjects belonging to the Bureau of Standards and the Department of Agriculture. The only tariff increase reported as a result of the Commission's efforts was the duty on crab meat. Certainly these activities do not suggest a need for maintaining the Tariff Commission at its present level of personnel.

That is why I offered the amendment for a reduction in the appropriation from $900,000 to $810,000, a cut of 10 percent, and I am glad to see it adopted. It is a small saving as figures go these days, but it is still $90,000 and that means a lot of taxes out my way. It is still true that a penny saved is a penny earned. When we save a thousand dollars, we do not have to raise it either by taxes or by selling defense bonds. And we must not forget that the people are asking for a cut in these nondefense expenditures.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from South Dakota.

The amendment was agreed to.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent that the total be changed to conform to the amendment.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

For the purpose of carrying out the provisions of the act entitled "The Tennessee Valley Authority Act of 1933," approved May 18, 1933, as amended by the act approved August 31, 1935, and by the act approved July 26, 1939 (16 U. S. C., ch. 12A), including the continued construction of Kentucky Dam at Gilbertsville, Ky.; Watts Bar Dam and Steam Plant; Fort Loudoun Dam (including an extension to bring the waters of the Little Tennessee River within the pool of this project); Cherokee Dam; Apalachia Dam; Ocoee Dam No. 3; Fontana Dam; a dam on the south fork of the Holston River; a dam on the Watauga River; and an additional unit at the Sheffield steam plant; and the beginning of construction immediately of a fertilizer and elemental phosphorus manufacturing plant at or near Mobile, Ala.; and the acquisition of necessary land, the clearing of such land, relocation of highways, and the construction or purchase of transmission lines and other facilities, and all other necessary works authorized by such acts, and for printing and binding, lawbooks, books of reference, newspapers, periodicals, purchase, maintenance, and operation of passenger-carrying vehicles, rents in the District of Columbia and elsewhere, and all necessary salaries and expenses connected with the organization, operation, and investigations of the Tennessee Valley Authority, and for examination of estimates of appropriations and activities in the field, $136,100,000: *Provided*, That this appropriation and any unexpended balance on June 30, 1942, in the "Tennessee Valley Authority fund, 1942," and the receipts of the Tennessee Valley Authority from all sources during the fiscal year 1943 (subject to the provisions of section 26 of the Tennessee Valley Authority Act of 1933, as amended), shall be covered into and accounted for as one fund to be known as the "Tennessee Valley Authority fund, 1943," to remain available until June 30, 1943, and to be available for the payment of obligations chargeable against the "Tennessee Valley Authority fund, 1942": *Provided further*, That purchases may be made by the Authority during the fiscal year 1943 without regard to the provisions of section 3709 of the Revised Statutes and section 9 (b) of the Tennessee Valley Authority Act, as amended, when in the judgment of the Board of Directors of the Authority such a procedure will expedite the completion of projects determined by the President to be essential for defense purposes.

Mr. WIGGLESWORTH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: Page 69, line 11, after the word "field", strike out "$136,100,000" and insert "$135,700,000."

Mr. WIGGLESWORTH. Mr. Chairman, I offer no objection to the main items in the request of the Tennessee Valley Authority in connection with this bill. The amendment which I have offered is directed to items included in the so-called related property operations program, in the so-called development activities program, and in respect to the Office of Information, which is maintained by the Authority.

The amount included in the recommendation for the two programs to which I have referred is identical with the amount carried in the bill for this year. The amount carried for the Office of Information is something like $205,000.

Included in these incidental programs of the Authority which I have always felt should be reduced, and which it seems clear to me should be reduced at this time, being nondefense in character, are items for fish and game readjustments, $66,000; for development of recreational facilities, $40,000; for studies of forest research and management, $20,000; for reforestation on private lands, $185,000; for tree nurseries for private lands, $23,000; for studies of local government problems, $33,000; for community planning, $55,000; giving a total of $422,000. If we add to that total the $205,000 for informational work, we have a total over all of $627,000. My amendment would reduce this figure of $627,000, by $400,000, leaving the Authority free to make the application of the reduction within its discretion. I hope that the committee will adopt the amendment.

Mr. STARNES of Alabama. Mr. Chairman, I rise in opposition to the amendment. I can appreciate the desire of the distinguished gentleman from Massachusetts to economize in this and other bills, but I call attention to the fact that the testimony revealed that the economy in operations by the T. V. A. has been to a large extent as a result of the operations of these related activities. Although the sum total involved is a small amount of money, yet when the related information is collated in a proper way it has enabled the engineers and the construction division of the T. V. A. to make the best construction record of any governmental agency probably within the history of this Government.

They have constructed their dams and carried on a huge construction program ahead of schedule, and under the original estimated cost. These items may seem trifling in amount, but the adoption of the amendment would mean a complete abolition of certain activities of the Authority that have brought comfort, pleasure, and happiness to hundreds of thousands of people throughout this country and have furnished to people throughout the country information concerning the activities of the Authority.

I do hope the Committee will take cognizance of this fact and remember that there is no increase in the amount asked for over last year, although the burden placed on the T. V. A. during the past months has been unusually heavy. I trust the Committee will not adopt the amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. WIGGLESWORTH) there were ayes 41 and noes 48.

So the amendment was rejected.

The Clerk read as follows:

Total, Veterans' Administration, $601,195,088: *Provided*, That no part of this appropriation shall be expended for the purchase of oleomargarine or butter substitutes except for cooking purposes: *Provided further*, That no part of this appropriation shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans' Affairs.

Mr. RANKIN of Mississippi. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN of Mississippi: On page 77, line 23, after the figures, strike out down to and including the word "purposes", in line 1, on page 78.

Mr. RANKIN of Mississippi. Mr. Chairman, this provision which crept into the law many years ago forbids the use of oleomargarine, which means nucoa and other vegetable oil products, from being served in veterans' hospitals. This oleomargarine, as well as nucoa, today is made largely of cottonseed oil and soya bean oil. It is pure and wholesome. It has no anthrax, no cholera, no tuberculosis, no cancer, no infectious or contagious diseases. Every doctor of any note in the United States that I know anything about recommends it to certain patients.

Mr. KEEFE. Recommends oleomargarine?

Mr. RANKIN of Mississippi. Yes; nucoa, which is the same thing. The doctor downstairs recommended it to a hundred Congressmen and Senators, and many of them are eating it now. They do not have to brand it as butter. It is not branded as butter, but here in these hospitals, where we have untold thousands of men who are suffering from various maladies, you even forbid them to serve it at all. I submit that that provision should be eliminated.

I know that some people will say it is to protect the dairy interests. That is bunk. What little these veterans would eat would not affect the dairy industry

of a single district. I represent one of the outstanding dairy districts in the South. I probably represent more dairy farmers than any other Member from the Southern States, and I certainly would not do anything that I thought would injure them in the slightest. But it is absolutely ridiculous to put a provision of this kind in this bill and deprive these veterans in these hospitals of the use of these materials that are absolutely necessary in a great many instances, for their physical welfare and recovery.

I hope the amendment will be adopted.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. WOODRUM of Virginia. Will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. WOODRUM of Virginia. I wonder if we could agree on some time for debate on this amendment? I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes, the Chair to divide the time among the gentlemen now standing.

The CHAIRMAN. Without objection, the request of the gentleman from Virginia is agreed to.

There was no objection.

The CHAIRMAN. The gentleman from Minnesota is recognized for 5 minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I am somewhat surprised that the gentleman from Mississippi [Mr. RANKIN] would offer this amendment at the present time. As he has already stated, he represents one of the leading dairy districts of the Southern States, and I am sure he is interested in the welfare of the dairy farmers in his district. As a matter of fact, when you get down to dollars and cents, the farmers of the entire State of Mississippi in 1940 only received $453,000 for the cottonseed oil that was used in oleomargarine, as against $15,600,000 for their dairy products in the same year.

As a matter of fact there is nothing here to stop some sick patient in a veterans' hospital from getting oleomargarine. The doctor can prescribe anything he wants to for the diet of a sick patient. I doubt very much if there is any good argument to the gentleman's statement that hundreds of Members of Congress have been ordered to eat oleomargarine as a cure for certain disabilities. They must have serious trouble. Possibly this may account for the condition that some of them are in at the present time. But the amendment offered by the gentleman from Mississippi should be defeated. This provision should remain in the law so that men in the veterans' hospitals will get good, wholesome dairy products.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. JENNINGS. It really aids both the Holstein and Jersey cows as well as the veterans.

Mr. AUGUST H. ANDRESEN. There is no question about it, and at the same time sick veterans will get good butter.

Mr. RANKIN of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. RANKIN of Mississippi. I am more interested in the health of the veterans than I am in the health of the Holstein cows.

Mr. AUGUST H. ANDRESEN. I have never heard of any doctor prescribing oleomargarine as a medicine for anyone who was sick with any disability, but I do know that doctors frequently prescribe wholesome butter and other dairy products.

The provision in the bill permits the use of oleomargarine and butter substitutes for cooking purposes, but when we send these sick veterans to the table we want them to get good, wholesome 92-score butter.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. TREADWAY. What about the peanut supply out in the lobby today? That is wholesome, is it not?

Mr. AUGUST H. ANDRESEN. We are for peanuts. In fact, we voted to give them 85-percent parity. We hope the price will go up so that peanut growers will get on their feet.

The peanuts and peanut products exhibited here today by the gentleman from Georgia [Mr. PACE] astounded many of us to learn that this one product could be put to so many uses. They have about 57 varieties of peanut products.

I am asking you to vote down the amendment submitted by the gentleman from Mississippi. It is unwarranted at this time and it will be to the detriment of the veterans if it is passed.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. ROBSION of Kentucky. We have been sending a lot of good butter to Great Britain and other countries under the Lease-Lend Act. Is it not the idea to have oleomargarine served in the hospitals to save money?

Mr. AUGUST H. ANDRESEN. That may be one of the objectives; but as to his other statement I can say that no butter has been sent over to England. On the other hand, several million pounds of oleomargarine have been sent over to England as a part of the lend-lease program.

Mr. RANKIN of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. RANKIN of Mississippi. I would like to say to the gentleman from Kentucky that as chairman of the Committee on World War Veterans' Legislation, I am as much interested in the health of these veterans as anyone. We are not advocating the wholesale use of oleomargarine but only that it may be used where it is necessary in these hospitals for the benefit of these men who need it.

Mr. AUGUST H. ANDRESEN. There is nothing in the provisions of the bill that would prevent any doctor from prescribing oleomargarine if it is necessary for the diet of any sick veteran in the hospital.

I cannot believe the gentleman from Mississippi is serious about his amendment and so I ask my colleagues to vote it down and leave this provision in the bill.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Texas [Mr. KLEBERG] is recognized for 3½ minutes.

Mr. KLEBERG. Mr. Chairman, I take the floor to support the amendment offered by the gentleman from Mississippi. Certainly at this time this country has no business being kept divided. The presence of this provision in the appropriation bill in the first place should never have occurred because it is legislation in an appropriation bill. In the second place, it is one of the most definite evidences of class legislation we have on our statute books. Class legislation, in my earnest conviction, is the very essence of tyranny. The taxing power is being used here against one group of agricultural producers for the benefit of another.

There has never been a time in this country's history when we have permitted a continuity of the use of the taxing power for the benefit of one group to the detriment of another. There has never been a time like this to sweep the records clean of such legislation.

I am for the amendment offered by the gentleman from Mississippi. Never for one moment in the last several years has there been either rhyme or reason for any fear on the part of the dairy farmer of the production and sale of oleomargarine. What heretofore has been considered the best evidence that there was conflict has been wiped away by the fall of Denmark, a country that for many years enjoyed the highest per capita butter consumption and the best long-time price of any country in the whole world. Canada is an illustration on the other side where oleomargarine was completely outlawed; and during that period butter was cheaper than axle greese. So, the idea that the dairy farmers are hurt by the sale of oleomargarine does not stand up. These products are not competitive. Each is distinctly labeled. The American people should have the right to choose as between two clean farm products.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Texas yields back 1 minute.

The gentleman from Wisconsin [Mr. HULL] is recognized for 3 minutes.

Mr. HULL. Mr. Chairman, I am sorry the gentleman from Mississippi has sprung this question upon the House at this late hour in the afternoon. There is not a quorum present and evidently it will be necessary to have a quorum present should this amendment prevail. It does not seem to me that it is quite fair to us representatives of dairy people to bring this matter on the House in this manner.

This provision forbidding purchase of oleomargarine in veterans' hospitals was adopted 12 years ago. I happened to be its author. There was a hard fight made at the time it was adopted. I remember that Mayor LaGuardia, then a Member of the House from New York, took the floor on behalf of the veterans and insisted that the veterans in the hospitals were entitled to the best in the way of

food, and that they should not be fed oleomargarine.

The dairy farmers of the Northwest supply the larger part of the butter used in the United States and are very strongly opposed to oleomargarine, as you well know. We do not believe that it is a substitute for butter. We do not believe that there is a substitute for butter. The gentleman from Mississippi says that his amendment would permit the use of nucoa which is a coconut-oil and cottonseed-oil product. No matter what it is composed of, it is not in the same class as butter and it is not a substitute therefor.

Further, I would call attention to the fact that several cotton States levy taxes on oleomargarine, provided the oleomargarine is made out of coconut oil or other foreign oils. I presume that the State of Texas levies such a tax. I am not certain, but that is my recollection. However, other Southern States have also placed a tax on oleomargarine made of coconut oil or other imported oils.

I hope, without going into detail, for which I do not have the time, that this amendment will not prevail. I think it ought to be voted down. Our boys from the dairy districts are going into the Army just as are the boys from the Cotton States. Certainly should they ever become patients in veterans' hospitals, they would not like to be fed oleomargarine. The year before last—I do not know what last year's record shows—we did not use 25,000 pounds of oleomargarine in the State of Wisconsin. I think I can safely say there is not a physician in that State of 3,000,000 people that has ever prescribed or ever will prescribe oleomargarine as a diet, even for a Congressman.

I earnestly hope that the amendment of the gentleman will be voted down.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. HULL. I yield to the gentleman from South Carolina.

Mr. FULMER. May I say to the gentleman that I am very much interested in this proposition? About 4½ years ago, as the gentleman recalls, I was seriously ill in the hospital. I came back, and immediately Dr. Calver wanted me to eat Nucoa along with certain other items of diet. I have been eating it ever since, and I have been improving and have been doing splendidly so far with the trouble I have. I find that he has asked others to do it.

[Here the gavel fell.]

The CHAIRMAN The Chair recognizes the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Chairman, I am among those who believe that trade barriers, whether they have been enacted by the legislatures of the North or of the South, are unwise, and I oppose any sort of a trade barrier that would prevent or prohibit the use of any American product in any State of the Union, whether that product is grown in the North or the South or the East or the West. Such a policy is a shortsighted and unwise policy.

If we are to trust the administrators of veterans' hospitals in buying other foods, surely we can trust them in buying butter and oleomargarine as needed. Why prescribe that a veterans' hospital cannot buy the same sort of foods as any other hospital in the United States? I assert that when we are asking all the American people to make an appropriation for veterans' hospitals, all Americans should be treated alike, and there should be no discrimination in the appropriation bills against any American product.

I do not care when this prohibition was first inserted. It was wrong when inserted, and there is just one time to correct a wrong; that is, when it is brought to our attention.

It may be that oleomargarine is a good medicinal product, but I am speaking as an American citizen. I know it is an agricultural product just as butter is an agricultural product. I think it is unjust and unfair in an appropriation bill to undertake to promote the sale of any product by legislation.

I am from Mississippi. I want to use your cheese from Wisconsin and from Michigan; I want to have the right to buy it. I may favor a tax against the sale of any imported or foreign oils in my State or yours, but I shall continue to oppose any tax that would prohibit me from using any product made in Wisconsin or any other State in the Union. I maintain that such legislation should not prohibit the use of a product that is raised in the State that I represent in part.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I shall be glad to yield to the gentleman from South Carolina.

Mr. HARE. I am pleased to hear the gentleman say that he is unselfish enough to buy cheese from Minnesota or Wisconsin or any other State of the Union, but if the gentleman is like a number of people in my section, he would have to sell his cottonseed in order to buy it.

Mr. WHITTINGTON. I am sure of that, but be that as it may, I am speaking from a broad, national standpoint, from the standpoint of justice referred to by my good friend from Wisconsin, and I believe in justice to all that this provision is unfair and should be eliminated from the bill. I trust the amendment will be adopted.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE] for 3 minutes.

Mr. KEEFE. Mr. Chairman, there appear to be two arguments advanced, as I interpret them, why the amendment offered by the gentleman from Mississippi [Mr. RANKIN] should pass. One argument is advanced by the gentleman from Mississippi, the other by the gentleman from Texas [Mr. KLEBERG]. I address myself to the first argument. The gentleman evolved the rather unique argument that the sale of oleomargarine is frequently necessary in order to maintain the health of patients in veterans' hospitals and that it is being prescribed regularly to maintain the health of Members of Congress, by the House physician, Dr. Calver. Not being a physician, I cannot speak with authority, but I would venture the assertion that good clean butter has no superior. If there is anything in oleomargarine that is not found in butter that is health giving, I fail to find any recorded history of any such fact. I defy the gentleman from Mississippi to bring the evidence on the floor of the House. It may be that there are some people, perhaps, who are allergic to butter and who are compelled to eat an imitation just as some people use saccharine to replace sugar. It may be that certain individuals dare not take into their systems the nourishment that good, wholesome butter will give them. Such people accept a substitute that is made to look and taste like butter but which lacks the nourishment that butter has. That may be the reason why certain physicians are prescribing margarine. The substitute imitation may fool the eye, the nose, and the sense of taste, but the stomach knows the difference. If margarine is so wonderful a product, why try to imitate butter?

It seems to me if there were any such facts, other than those that are put out by the manufacturers of margarine and similar products, we would have the benefit of them here before the Congress and not have to take the ex parte statements of the gentleman from Mississippi.

Mr. RANKIN of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I fear he has been spending too much time listening to the high-pressure radio broadcasts extolling the wonders of margarine that come over the air every night or, perhaps, the gentleman has been carried away by reading in the magazines the great advertisements that appear there, and which are paid for out of the great profits of the great Oleomargarine Trust that is manufacturing this product and trying to drive the farmers and the creameries of this country out of business. I am surprised that the gentleman from Mississippi who, above all others in this Congress, cries out from day to day about the power and influence of the Power Trust and their expenditure of huge sums of money would be here on the floor defending the Oleomargarine Trust.

I now yield to the gentleman from Mississippi.

Mr. RANKIN of Mississippi. The gentleman spoke about the men in the hospital and he went on to say that they must not be robust. These men are not robust; they are sick men.

Mr. KEEFE. That is why the people in our hospitals get butter. That is why they get other dairy products. They want and they get wholesome butter because it is easily assimilable and because it does give them nourishment. I seriously doubt that the gentleman from Mississippi can bring a physician or a doctor of any standing who will say anything to the contrary.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. WOODRUM] for 3 minutes.

Mr. WOODRUM of Virginia. Mr. Chairman, I had not expected to take any time on this matter, but I will say

this. So far as the committee is concerned, the committee has no interest in this friendly but spirited controversy between the proponents of oleomargarine and the advocates of butter. I believe that a man should be permitted to spread his bread with whatever he wants to spread on it. If he has anything to spread on it, he is lucky these days.

So far as the amendment is concerned, I will say that it was put in the bill quite a number of years ago. I am not sure whether it is carried in any of the other appropriation bills or whether the hospitals of the Army and the Navy are restricted in this manner or not, but it has been in this bill, and there have been several instances, such as we now have before us, and the committee has carried the provision in the bill because every time we have had it up it has been put in the measure. I think it was stricken out of the bill once in the Senate and we had to put it back again.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman.

Mr. FITZPATRICK. About 2 or 3 years ago we carried the provision in the bill and the Senate struck it out, and almost every veterans' organization in the United States wanted it restored to the bill. We heard from the 48 States of the Union. The veterans are almost unanimously in favor of retaining this provision in the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The question was taken; and on a division (demanded by Mr. RANKIN of Mississippi) there were—ayes 29, noes 71.

So the amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. WOODRUM of Virginia. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMASON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 6430, and had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en grosse. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

PRICE CONTROL BILL—LEAVE TO FILE CONFERENCE REPORT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the conferees on the price control bill have until midnight tonight to file a report.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial on the conservation of rubber.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House the Chair recognizes the gentleman from Missouri [Mr. SHANNON].

BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN

Mr. SHANNON. Mr. Speaker, I ask unanimous consent to extend in connection with my remarks a letter from Mr. D. B. Robertson, president of the Brotherhood of Locomotive Firemen and Enginemen.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHANNON. Mr. Speaker, I wish at this time to attempt to rectify a grave wrong which has been done by the majority report of the Committee on Naval Affairs to the labor organizations of this country through the reference contained in that report concerning their trust funds.

In addition to the majority report of the committee there were two minority reports, one of which was submitted by me individually. I do not believe that any member of the committee was conscious at the time of signing these reports that the reserves of labor unions referred to in the majority report represent trust funds accumulated over the years for the protection of widows, orphans, and the disabled.

It has just been called to my attention that 75 to 90 percent of the so-called union reserves constitute accumulations for insurance purposes. This fact has been most strongly and clearly presented to me in a letter I have just received from Mr. D. B. Robertson, president of the Brotherhood of Locomotive Firemen and Enginemen, which I wish to read into the CONGRESSIONAL RECORD in order to rectify, insofar as possible, the wrong which has been done to the labor unions of this country.

Mr. Robertson's letter reads as follows:

WASHINGTON, D. C.,
January 21, 1942.

The Honorable JOS. B. SHANNON,
Representative, Fifth Congressional District of Missouri,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: As you are a member of the Naval Affairs Committee of the House of Representatives, which has just made public its report of investigation conducted pursuant to House Resolution 162, I am assuming to address you because I fear a misapprehension of the facts may be created as result of statements carried in the Washington papers this morning concerning that portion of the committee's report which deals with the subject of labor organizations and their funds—with particular reference to the Brotherhood of Locomotive Firemen and Enginemen. Some of these statements, if allowed to go unchallenged, would reflect discredit and disloyalty upon our brotherhood—a situation I am anxious to avoid by making this public statement of the truth concerning the Brotherhood of Locomotive Firemen and Enginemen and its funds.

The Washington Post article opens with the statement that "organized labor is named with big corporations as being among the principal offenders sharing in the excessive and unconscionable profits of American war production." This same paper also quotes—presumably from the committee's report—as follows:

"The tremendous financial gains made by labor organizations during the period of the defense effort and the vast amount of funds and assets in their treasuries present an astounding picture of concentration of wealth, a situation heretofore usually associated only with industry and finance."

The following further statement is made:

"One of the large independent unions covered by the report—the Brotherhood of Locomotive Firemen and Engineers—disclosed a gain in net assets of $1,254,492.

" 'These vast tax-exempt funds reposing in the treasuries of labor organizations, many of which by strikes and work stoppages have delayed and even obstructed the defense program, presents a problem which the committee feels should well be considered by Congress,' the report declared."

In commenting upon the committee's report, the Washington Times-Herald today stated:

"One independent labor organization, the Brotherhood of Locomotive Firemen and Enginemen, has assets alone of $25,997,034."

First, I want to most emphatically state that the Brotherhood of Locomotive Firemen and Enginemen has not received one cent of profits, either "excessive and unconscionable" or otherwise, as result of American war production.

We completed and filed a questionnaire received from the House Committee on Naval Affairs, and I submit that by no stretch of imagination can that questionnaire be construed as showing that our brotherhood received one cent of profit from American war production. It may be well to here point out that we were not called before the committee to explain the information we furnished in completing the questionnaire.

Furthermore, I want to deny that any of the funds of our brotherhood have been, or are being used in any manner to delay or obstruct the defense program. As president of our brotherhood and chairman of the Railway Labor Executives' Association, in 1926, I assisted in drafting and sponsoring the Railway Labor Act, which was enacted by Congress and has since provided machinery for the peaceful settlement of labor disputes in the railroad industry. This act has been pointed out as a model piece of legislation adequate for the settlement of labor disputes in other industries. Without qualification, I want to say on behalf of the Brotherhood of Locomotive Firemen and Enginemen—and I believe the same to be true of the other railway labor organizations—that if the same degree of cooperation will be forthcoming from management as may be confidently expected from railroad labor, prosecution of our war program will be carried out with the highest degree of efficiency that has ever been known in the history of the railroads.

Our brotherhood was organized December 1, 1873—more than 68 years ago. In those pioneer days of railroading the cost of life insurance for a locomotive fireman was prohibitive because of the hazards of the employment. There were many accidents

and many lives lost, and practically the only financial relief that was afforded to the widows and orphans came from funds raised by collections among fellow workers. One of the purposes for which we were organized was to provide some permanent means of relief in case of death or accident. The organization grew and expanded with the growth of the railroads on the American Continent until today, with its 100,000 members, it is recognized on practically every railroad in the United States and Canada.

All down through the years that our brotherhood has been in existence we have maintained our own insurance department and have provided insurance for our members at cost far below that at which they could secure it from other sources. This was made possible by reason of the fact that our insurance is administered by the officers of the brotherhood and is not operated for profit. The members pay their insurance assessments along with their union dues, and a full and complete accounting of all receipts and disbursements in every department is made to the membership each month through the columns of our magazine. A financial report is also furnished all local lodges each quarter. At the end of each year our accounts are audited by certified accountants, and a copy of the audit is furnished each officer and each lodge of the brotherhood for the information of the membership. A complete financial statement is also furnished, as a part of the report of the officers, to each international convention of the brotherhood. Our brotherhood consists of 936 lodges located at various points on the railroads throughout the United States and Canada.

From the date of organization to November 30, 1941, we have disbursed in death, disability, and benevolent allowances, $76,296,578.01. For the same character of claims we are currently disbursing among our members more than $200,000 per month. In life insurance alone we have ninety-two and one-half million dollars in force among our members. Only members of our brotherhood are eligible to participate in our insurance departments.

This information regarding the insurance departments of our brotherhood is given in order to show that a very great portion of our assets represents trust funds of our insurance departments and that any attempt to create the impression that the entire assets of our brotherhood are available and may be used for other purposes is wholly unwarranted.

Our 1941 financial audit is not quite completed, but our balance sheet for the quarter ending September 30, 1941, shows total assets of $25,975,959.98, with a surplus over liabilities of $25,237,993.65. There were contained in this surplus, beneficiary and mutual-insurance trust funds alone in the amount of $24,123,604.83, leaving a balance of $1,114,388.82 available for other purposes.

I should here like to refer briefly to the inference of disloyalty which the committee's report, according to the Washington press, seems to cast upon organized labor, with specific reference to the Brotherhood of Locomotive Firemen and Enginemen.

When Canada entered the first World War and our members were being called and volunteering for service in the armed forces, the Brotherhood of Locomotive Firemen and Enginemen decided, as a matter of policy, that it would pay the insurance assessments and union dues of every member who entered the armed forces of his country. The same policy prevailed when the United States entered the first World War. To meet this obligation a monthly assessment was levied on every member who was not in the service of his country. Of the several thousand members who entered the armed forces of the United States and Canada, 361 lost their lives, and we paid to their beneficiaries $453,000, in addition to the amount involved in the payment of their insurance assessments and union dues while they were in the service.

A similar policy was adopted by our brotherhood when Canada entered the present war, and is now in effect for all members of our brotherhood in the United States and Canada who have volunteered or have been inducted into the armed forces of their country. Already we have approximately 1,000 men in the armed forces, almost equally divided as between the United States and Canada. These members will have no cause to worry about their insurance and membership in our brotherhood while they are serving their country. The brotherhood will take care of that. As to those members who may make the supreme sacrifice, their insurance will be paid in full to their beneficiaries out of the $25,000,000 that has been so disparagingly paraded before the public through the Washington press.

If this be disloyalty, may I ask—in all fairness, and in the name of a labor organization that for 68 years has relieved society of the financial burden and responsibility of caring for its disabled members and for the widows and orphans of those who lost their lives in the service of the railroads—what is loyalty?

Yours very truly,

D. B. ROBERTSON.

EXTENSION OF REMARKS

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I make the same request, and to include a table and two letters and excerpts from the hearings on the bill.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. JOHNS] is recognized for 10 minutes.

FARM PRICES

Mr. JOHNS. Mr. Speaker, the hour is late and I do not want to take up too much time, but I do want to call attention to a matter that was brought to my attention by an article appearing in a newspaper on January 20. I was rather surprised in glancing over the Times-Herald for January 20, to find the following article reported by the International News Service under a New York date line, purporting to be an interview with Mr. Thomas D. Campbell, of Hardin, Mont., reputed to be one of the world's greatest wheat growers. The article is headed "Wheat king assails farm bloc stand." It reads as follows:

Thomas D. Campbell, of Hardin, Mont., one of the world's greatest wheat growers, today issued a statement assailing the "selfish and arrogant" attitude of some leaders of the farm bloc who are opposing price-fixing for agricultural products.

"Present prices are very satisfactory and profitable to the producer," said Campbell. "Some are even too high and almost beyond the consumer's ability to pay." Most of the farmers in the United States, in contrast to the "selfish and arrogant" group, stand "with our President in his war program and strategy," said Campbell.

Mr. STEVENSON. Mr. Speaker, will the gentleman yield?

Mr. JOHNS. I yield.

Mr. STEVENSON. I wonder if this is not the same gentleman by the name of Campbell who, during the early days of the present administration, is reputed to have leased many thousands of acres of Indian lands in the West at about 50 cents an acre and then received from the A. A. A. approximately $2 an acre for not raising any crops whatsoever on those Indian lands?

Mr. JOHNS. I do not know whether this was land that he owned himself, on which he and his company received large subsidies, but I will quote some figures in a few moments and you can draw your own conclusions as to whether this was part of it or not.

I am particularly interested in the background of this wheat king and agricultural patriot. I wonder if he feels the price of wheat is too high now. I wonder if this is the same Thomas Campbell whom I have read in magazine articles about making so much money out of wheat in the first World War when it was $2.26 a bushel because of a guaranteed Government price. Agriculture has never fully recovered from that experience. I am just wondering if this is the same Campbell who is the owner of the Campbell Farm Co., of Montana, which, the reports indicate, received a check for over $17,380 in the year 1939 and a check for over $17,120 in 1940, all of which came out of the United States Treasury for growing or not growing wheat under the Government farm program. Something was in the press recently about someone by this name acquiring some 100,000 acres in New Mexico, and I am wondering if this happens to be the same Campbell. It would take a pretty good farm program to produce enough money to buy 100,000 acres of land.

I was tremendously interested in the "selfish and arrogant" farmers of some of the States of the United States who now want to be sure that they are going to be taken care of in the passing of the price-control bill. I note that the farmers in North Carolina received cash income during the year 1940, including Government payments, of $796 on an average, and of this amount, $53 was Government payment. The farmers of Georgia received in 1940 an average of $778 each, and of this amount $113 came from Government payments. In South Carolina, the farmers received on an average of $843 in 1940, and of this amount $122 was paid to them by the Government. West Virginia farmers, in the same year, received on an average of $439, $19 of which was from the Government. Down in Alabama, the farmers received on an average of $499 for 1940 and $112 of this amount came from the Government. In Mississippi, they received an average of $505, with $112 coming from the Government. The average cash income for the farmers of Louisiana in 1940 was $747, with $146 of this coming from the Government. In Arkansas, the average cash income the farmers received in 1940 was $770, with $119 of it coming from the Government. I wonder if these are the selfish and arrogant people that Mr. Campbell had in mind. He must not have had in mind the farmers in Montana, who had an average cash income for 1940 of $2,679, with $348 of this coming from the Government. In the great dairy State of Wisconsin, the average

cash income for the farmers for 1940 was $1,690, and they did not get $348 from the Government to make up this income, but only $66. It is not surprising that this wheat king says that present prices are very satisfactory and profitable to the producer if he had Montana in mind when he was making that statement. If this is the Mr. Campbell of the Campbell Farm Co. which received such large checks in 1939 and 1940 for participation in the farm program, and if he received checks correspondingly large for previous years, I am not surprised that he is satisfied.

In Alabama the farmers received $32.25 each month in 1940; in Mississippi they received $32.75; in Louisiana, $20.83 a month. In other words, the amount that this man Campbell received for his checks, or his company, if he owns it, would supply 901 farmers in the State of West Virginia; in Massachusetts 901 farmers; in West Virginia 615 farmers; and in Pennsylvania 425 farmers.

We might test Mr. Campbell's patriotism if we asked him now to plant some other kind of crop that the Government is wanting very badly, instead of wheat where he can receive a subsidy, and then we will see just how patriotic this wheat "king" is. Wheat can be harvested much cheaper than it could back in 1918 or during the base period from 1909–14 when the crop had to be cut, shocked, and threshed by the old slow methods, prior to the day of the present combine. Mr. Campbell can very easily grow some other crop than wheat this coming year because we have about 2 years' supply on hand. To show just how patriotic he may be, and in order that he may have a better understanding of the problems of the so-called selfish and arrogant farmers, let him try producing oats and barley or products that can be converted into fats of which, we may assume, we have a shortage. This would be the best test of any that I know of for Mr. Campbell.

Eleven farm organizations, including the National Grange, are in favor of the amendments to the price-control bill put there by the Senate. The National Grange is one of the oldest farm organizations in the United States and can always be depended upon for sane, conconstructive, and fair leadership. Its 75 years of progress has made it a very desirable group to follow on any farm problem. This is also true of many of the other farm organizations that have been mentioned as favoring the O'Mahoney and Bankhead amendments in the Senate. The Secretary of Agriculture, Mr. Wickard, has said that he cannot carry on an increased food program if someone else is going to set the prices. This is especially so if the prices are going to be fixed by those who know nothing about the farm problem. Mr. Wickard has done a very splendid job in maintaining farm prices at a level, and if left alone to offer his advice as to the prices that farm products should bring, the country need have no fear about inflation so far as farm prices are concerned. He has the machinery and the funds all ready to control farm prices, if he cares to do so, and he has been very successful up to the present time. The best example that I know is cheese, which has been maintained at a price level of about 23¼ cents a pound for a period of almost 2 months.

It would be a good thing for Mr. Campbell to try out some crop other than wheat and let his checks stop coming from the Government for awhile, and then he will see how profitable it is to operate a farm without the help of money from the United States Treasury.

There has been a great deal said about the subject of 110-percent parity. I want to state briefly what 110-percent parity prices would mean to the farmer. In doing this I will quote prices on only a few products produced by the farmer, giving the actual price on December 15, 1941, and the 110 percent of parity in December, as computed by the United States Department of Agriculture.

Beef cattle on December 15, 1941, were $9.38 per hundredweight. A 110-percent parity price would be only $8.25. Chickens were 16 cents a pound on December 15, 1941, and if you had 110-percent parity on them, they would be 18 cents a pound. Cotton was 16.2 cents a pound on December 15, 1941, and 110 percent of parity on it would be 19.6 cents a pound. Eggs were 34 cents a dozen on December 15, and if the farmers received 110 percent of parity, they would still be 34 cents a dozen. Hogs were $10.21 per hundredweight on December 15, and if the farmers received 110-percent parity for them, they would be $11.44. Lambs were $9.86 per hundredweight on December 15, and a 110-percent parity price would be only $9 30. On December 15 the farmer received $2.66 for milk wholesale per hundred pounds. If he received 110 percent of parity on it, he would get only $2.08. He was getting 83 cents a bushel for potatoes on December 15, and if he got 110 percent of parity, he would get $1.11 a bushel. He was receiving 21 cents a pound for turkeys on December 15, and if he got 110 percent of parity, he would get 23 cents a pound. He was getting $11.22 per hundredweight for veal calves on December 15, and if he got parity of 110 percent it would mean $10.69. He was getting 37 cents a pound for wool on December 15, and if he got 110 percent of parity, he would get only 29 cents a pound.

With these figures before you, it must be evident that if the farmer got 110 percent of parity, he would not be any better off than he was on December 15, 1941. Besides, the price of farm products today is controlled almost entirely by the Agricultural Department of the United States Government. With the tremendous funds that they have for every purpose, they are able to regulate prices. The best evidence of this is that the price of cheese has not varied for approximately 8 weeks.

We need not fear inflation so far as farm prices are concerned. It is going to be necessary for the farmers to get a higher price for the products they have to sell on the farm or they will never be able to pay their taxes and interest on obligations that they may have on their farms. The following is the table of the average cash income plus Government payments received by the farmers in each State in 1940 and also the average Government payments to the farmers in the various States:

State	Average cash income plus Government payment per farm, 1940	Average Government payment per farm 1940
Maine	$1,414	$44
New Hampshire	1,369	24
Vermont	1,775	25
Massachusetts	2,389	19
Rhode Island	3,304	23
Connecticut	2,644	31
New York	2,184	41
New Jersey	4,098	43
Pennsylvania	1,649	40
Ohio	1,481	73
Indiana	1,662	123
Illinois	1,578	167
Michigan	1,313	68
Wisconsin	1,690	66
Minnesota	2,171	205
Iowa	3,414	231
Missouri	1,180	98
North Dakota	2,120	366
South Dakota	2,050	276
Nebraska	3,300	382
Kansas	1,881	249
Delaware	2,165	63
Maryland	1,718	66
Virginia	718	27
West Virginia	439	19
North Carolina	796	53
South Carolina	843	122
Georgia	778	113
Florida	1,823	65
Kentucky	632	53
Tennessee	571	65
Alabama	499	112
Mississippi	505	112
Arkansas	770	119
Louisiana	747	146
Oklahoma	1,117	143
Texas	1,386	207
Montana	2,679	348
Idaho	2,267	187
Wyoming	3,858	245
Colorado	2,759	197
New Mexico	1,747	136
Arizona	3,284	216
Utah	1,894	111
Nevada	3,817	63
Washington	1,882	79
Oregon	1,869	92
California	4,903	165
United States	1,496	126

I am sure that, with the figures before you, the House will be perfectly willing to see that the farmer gets justice when the conference report on the price-control bill is presented here for consideration. And after Mr. Campbell has had an opportunity to see a list of the incomes received by the farmers in the different States, I feel sure that he will be of the opinion that there is nothing to be selfish and arrogant about so far as they are concerned.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein a letter from a young boy in northern Wisconsin, who is about to go into the Army, Tom Mahoney, who wrote a letter "To my buddies at the roundhouse."

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HÉBERT to return to New Orleans to cast his vote in the municipal election there on January 27, 1942.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3487. An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended; and

H. R. 4787. An act to provide that the unexplained absence of any individual for 7 years shall be deemed sufficient evidence of death for the purpose of laws administered by the Veterans' Administration.

BILLS PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval bills of the House of the following titles:

H. R. 3193. An act validating certain conveyances heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, involving certain portions of right-of-way, in the city of Tracy, in the county of San Joaquin, State of California, and in the town of Elk Grove, in the county of Sacramento, State of California, acquired by Central Pacific Railway Co. under the act of Congress approved July 1, 1862 (12 Stat. L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat. L. 356); and

H. R. 6263. An act to amend section 606 of the Communications Act of 1934 for the purpose of granting to the President, in time of war or threatened war, certain powers with respect to communications by wire.

ADJOURNMENT

Mr. LANE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p. m.), pursuant to its order hertofore ordered, the House adjourned until tomorrow, Friday, January 23, 1942, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Friday, January 23, 1942, to resume hearings on the proposed amendments to the Securities Exchange Act of 1934.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 a. m., Friday, January 23, 1942, for consideration of H. R. 6139.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1333. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Office for Emergency Management for the fiscal year 1942 in the amount of $100,000,000 (H. Doc. No. 597); to the Committee on Appropriations and ordered to be printed.

1334. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment, House of Representatives, fiscal year 1942, amounting to $140,000 (H. Doc. No. 598); to the Committee on Appropriations and ordered to be printed.

1335. A letter from the Archivist of the United States transmitting a list of papers recommended to him for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WOODRUM of Virginia: Committee on Appropriations. H. R. 6430. A bill making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1943, and for other purposes; without amendment (Rept. No. 1643). Referred to the Committee of the Whole House on the state of the Union.

Mr. SCHUETZ: Committee on Naval Affairs. H. R. 6355. A bill to amend the act entitled "An act to expedite national defense, and for other purposes," approved June 28, 1940; without amendment (Rept. No. 1653). Referred to the Committee of the Whole House on the state of the Union.

Mr. BATES of Massachusetts: Committee on Naval Affairs. S. 1630. An act to provide for the advancement on the retired list of certain officers of the line of the United States Navy and Marine Corps; without amendment (Rept. No. 1654). Referred to the Committee of the Whole House on the state of the Union.

Mr. IZAC: Committee on Naval Affairs. S. 1521. An act to provide that the Navy ration shall include canned or powdered or concentrated fruit or vegetable juices; without amendment (Rept. No. 1655). Referred to the Committee of the Whole House on the state of the Union.

Mr. SASSCER: Committee on Naval Affairs. S. 1133. An act to authorize the transfer of lands from the United States to the Maryland-National Capital Park and Planning Commission under certain conditions, and to accept title to another tract to be transferred to the United States; without amendment (Rept. No. 1656). Referred to the Committee of the Whole House on the state of the Union.

Mr. SASSCER: Committee on Naval Affairs. S. 2028. An act to amend section 3 (a) of the act entitled "An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes," approved June 2, 1939 (53 Stat. 800), so as to transfer the administration of the Naval Supply Depot, Oakland, to the commandant, twelfth naval district; without amendment (Rept. No. 1657). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee of conference on the disagreeing votes of the two Houses. H. R. 5990. A bill to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes (Rept. No. 1658). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HARRIS of Arkansas: Committee on Claims. H. R. 2980. A bill for the relief of National Heating Co., Washington, D. C.; with amendment (Rept. No. 1644). Referred to the Committee of the Whole House.

Mr. CAPOZZOLI: Committee on Claims. H. R. 4409. A bill granting jurisdiction to the United States Circuit Court of Appeals for the Second Circuit to reopen and readjudicate the case of Robert L. Demuth; without amendment (Rept. No. 1645). Referred to the Committee of the Whole House.

Mr. FENTON: Committee on Claims. H. R. 4524. A bill for the relief of Blanche E. Broad; with amendment (Rept. No. 1646). Referred to the Committee of the Whole House.

Mr. FENTON: Committee on Claims. H. R. 4657. A bill for the relief of Floyd P. Moritzky; with amendment (Rept. No. 1647). Referred to the Committee of the Whole House.

Mr. WEISS: Committee on Claims. H. R. 5816. A bill for the relief of Max Geissler; with amendment (Rept. No. 1648). Referred to the Committee of the Whole House.

Mr. GILLETTE: Committee on Claims. H. R. 5857. A bill for the relief of Roy F. Lassly, former acting chief disbursing clerk, Department of the Interior, and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department; without amendment (Rept. No. 1649). Referred to the Committee of the Whole House.

Mr. KLEIN: Committee on Claims. H. R. 6145. A bill for the relief of Mason C. Brunson; with amendment (Rept. No. 1650). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. S. 1523. An act for the relief of the Portland Sportwear Manufacturing Co.; without amendment (Rept. No. 1651). Referred to the Committee of the Whole House.

Mr. KLEIN: Committee on Claims. S. 2011. An act for the relief of Willard R. Centerwall, formerly superintendent and special disbursing agent at the Tongue River Indian Agency; without amendment (Rept. No. 1652). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EDWIN ARTHUR HALL:

H. R. 6431. A bill relating to the training of Chinese aviators in the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. LANHAM:

H. R. 6432 (by request). A bill to provide for the acquisition of additional land along the Mount Vernon Memorial Highway in exchange for certain dredging privileges, and for other purposes; to the Committee on Public Buildings and Grounds.

H. R. 6433. A bill to authorize the Federal Works Administrator to acquire title, on behalf of the United States, to not exceeding 35 acres of land subject to certain reservations in the grantors, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. MAY:

H. R. 6434. A bill to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places; to the Committee on Military Affairs.

By Mr. MURDOCK:

H. R. 6435. A bill to authorize an appropriation for experimentation in revegetation and reforestation on the public domain; to the Committee on the Public Lands.

By Mr. O'LEARY:

H. R. 6436. A bill to suspend during a national emergency declared by Congress or by the President, the provisions of section 322 of the act of June 30, 1932; to the Committee on Expenditures in the Executive Departments.

By Mr. PADDOCK:

H. R. 6437. A bill to amend paragraph (1) of section 2 of the Securities Act of 1933, as amended, relating to the definition of the term "security" contained therein; to the Committee on Interstate and Foreign Commerce.

By Mr. RANKIN of Mississippi:

H. R. 6438. A bill to provide for investigations by the Bureau of Mines to determine the availability of certain low-grade bauxite for the production of alumina; to the Committee on Mines and Mining.

By Mr. REES of Kansas:

H. R. 6439. A bill to expedite the naturalization of persons who are not citizens, who have served or who hereafter serve honorably in the naval or military forces during the present war; to the Committee on Immigration and Naturalization.

By Mr. BRADLEY of Pennsylvania:

H. R. 6440. A bill to authorize the renewal of the lease of the old Naval Hospital in the District of Columbia for an additional period of 15 years; to the Committee on Naval Affairs.

By Mr. HARNESS:

H. R. 6441. A bill providing for the issuance of a certificate of citizenship to any person claiming to be a citizen of the United States at birth in whose case no official record of birth is available; to the Committee on Immigration and Naturalization.

By Mr. SUMNERS of Texas:

H. R. 6442. A bill to provide for the orderly payment of conflicting claims and demands against the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. VOORHIS of California:

H. R. 6443. A bill to prohibit the employment of persons by the United States at a compensation of $1 a year, and to provide that persons employed by the United States shall be compensated on a reasonably adequate basis; to the Committee on Expenditures in the Executive Departments.

By Mr. VINSON of Georgia:

H. R. 6444. A bill to provide for the registration of labor organizations, business and trade associations, etc.; to the Committee on the Judiciary.

By Mr. RANKIN of Mississippi:

H. R. 6445. A bill to authorize the President, during the present war, to take title to and possession of, and assume control of, privately owned facilities for the production of electric energy at hydroelectric plants located on navigable waters or any tributary thereof, and certain other privately owned facilities for the production of electric energy; to the Committee on Rivers and Harbors.

By Mr. VINSON of Georgia:

H. R. 6446. A bill to provide for continuing payment of pay and allowances of personnel of the Navy, Marine Corps, and Coast Guard, including the retired and reserve components thereof, and civilian employees of the Navy Department, during periods of absence from post of duty, and for other purposes; to the Committee on Naval Affairs.

By Mr. O'LEARY:

H. R. 6447. A bill to provide for the orderly transaction of the public business in the event of the death or of the resignation or separation from office of the Chief Disbursing Officer; to the Committee on Expenditures in the Executive Departments.

By Mr. McLAUGHLIN:

H. J. Res. 271. Joint resolution authorizing the President of the United States to proclaim October 11, 1942, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. VINSON of Georgia:

H. Res. 415. Resolution authorizing the printing of additional copies of the report (H. Rept. No. 1634) of the Committee on Naval Affairs relative to the progress of the national defense program; to the Committee on Printing.

By Mr. WHITE:

H. Res. 416. Resolution authorizing the printing of the hearings held before the special committee representing the Rocky Mountain States in the House of Representatives relative to the supply and domestic production of lead for national defense, as a document; to the Committee on Printing.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2317. By Mr. FORAND: Joint resolution of the General Assembly of the State of Rhode Island, requesting that the Congress of the United States use their earnest efforts to prevent the passage of Senate bill 2015, namely, a bill to amend the Interstate Commerce Act, as amended, to provide for the regulation of the sizes and weights of motor vehicles engaged in transportation in interstate or foreign commerce; to the Committee on Interstate and Foreign Commerce.

2318. By Mr. KRAMER: Petition of the council of the city of Los Angeles, Calif., urging that Congress give quick and complete consideration to the proper types of defense so that Japan cannot possibly invade or bomb the west coast of the United States; to the Committee on Military Affairs.

2319. By the SPEAKER: Petition of the Social Security League of Texas, Dallas, Tex., petitioning consideration of their resolution with reference to immediately issue an additional amount of currency equal to the full amount of gold and silver now owned by the United States of America; to the Committee on Banking and Currency.

SENATE

FRIDAY, JANUARY 23, 1942

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

Blessed art Thou, O Lord God of our Fathers, who, in the temple of Thy holiness and in the firmament of heaven, art praised and exalted above all forever: We lift up our hearts unto Thee, beseeching Thee, if there be in them aught of heaviness, that Thou wilt reanimate them to cheerfulness; if they are blurred with the stains of the world and of the flesh, do Thou cleanse them, and yield to us the secret of maintaining our life upon the highest levels, upholding us in simple fidelity to the light we see in steady adherence to our individual thought and vision of the Son of God.

So, if it be Thy blessed will, let us live today, and also in each tomorrow, with minds not overcharged with worldly cares, but trusting as our days go on, even with emptied arms and treasure lost, to learn that ofttimes grief may be but joy misunderstood, and that pain doth oft become the harbinger of the soul's wealth and peace. So, by these mysteries of life and revelation, do Thou keep us humble, and, as we learn from Christ that humility is a Divine condition of exaltation, hearken to our petitions, for His Name's sake. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, January 22, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting several nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed a bill (H. R. 6430) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1943, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 3487. An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended; and

H. R. 4787. An act to provide that the unexplained absence of any individual for 7 years shall be deemed sufficient evidence of death for the purpose of laws administered by the Veterans' Administration.

REPORT OF THE COURT OF CLAIMS—REIMBURSEMENT OF COTTON COOPERATIVES

The VICE PRESIDENT laid before the Senate a letter from the Chief Clerk of the Court of Claims of the United States, transmitting, pursuant to order of the court, certified copies of the report filed by the Court of Claims on January 20, 1942, in certain cases for the reimbursement of cotton cooperatives, the cases having been referred to the court by Senate Resolution 257, Seventy-sixth Congress (submitted by Mr. McKELLAR and agreed to April 12, 1940), all being in connection with Senate bill 2585, Seventy-sixth Congress, as follows: Congressional No. 17750, Alabama Cotton Cooperative Association as successor to Alabama Farm Bureau Cotton Association, a corporation, against the United States; Congressional No. 17751, California Cotton Cooperative Association, Ltd., a corporation, against the United States; Congressional No. 17752, Georgia Cotton Growers Cooperative Association, a corporation, against the United States; Congressional No. 17753, Louisiana Cotton Cooperative Association, a corporation, against the United States; Congressional No. 17754, Mid-South Cotton Growers Association, a corporation, against the United States; Congressional No. 17755, Mississippi Cooperative Cotton Association, A. A. L., a corporation, against the United States; Congressional No. 17756, North Carolina Cotton Growers Cooperative Association, a corporation, against the United States; Congressional No. 17757, Oklahoma Cotton Growers Association, a corporation, against the United States; Congressional No. 17758, South Carolina Cotton Cooperative Association, against the United States; and Congressional No. 17760,

Texas Cotton Cooperative Association, a corporation, against the United States (with accompanying papers); which was referred to the Committee on Agriculture and Forestry.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on January 22, 1942, that committee presented to the President of the United States the following enrolled bills and joint resolutions:

S. 1936. An act to provide protection of persons and property from bombing attacks in the United States, and for other purposes;

S. 2204. An act authorizing vessels of Canadian registry to transport iron ore on the Great Lakes during 1942;

S. J. Res. 96 Joint resolution to enable the United States to become an adhering member of the Inter American Statistical Institute; and

S. J. Res. 124. Joint resolution to maintain the secrecy of military information.

BILL INTRODUCED

Mr. VAN NUYS introduced a bill (S. 2221) to provide for the adjustment of certain tort claims against the United States and to confer jurisdiction in respect thereto on the district courts of the United States, and for other purposes, which was read twice by its title and referred to the Committee on the Judiciary.

HOUSE BILL REFERRED

The bill (H. R. 6430) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1943, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM—LIMIT OF EXPENDITURES

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably with an amendment, Senate Resolution 218, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The clerk will read the resolution for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 218) submitted by Mr. TRUMAN on the 15th instant.

The amendment of the Committee to Audit and Control the Contingent Expenses of the Senate was, on page 1, line 4, after the word "by", to strike out "$100,000" and insert "$60,000", so as to make the resolution read:

Resolved, That the limit of expenditures under Senate Resolution 71, Seventy-seventh Congress, first session, relating to the investigation of the national-defense program, agreed to on March 1, 1941, is hereby increased by $60,000.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LUCAS. Mr. President, the Committee to Audit and Control the Contingent Expenses of the Senate have had under consideration the resolution which is now before the Senate, involving an additional appropriation for the Special Committee to Investigate the National Defense Program, of which the junior Senator from Missouri [Mr. TRUMAN] is the chairman. The original resolution requested $100,000 for the continuation of this very important investigation. Upon due consideration by the members of the committee, it was unanimously agreed that $60,000 should be granted from the contingent fund to carry on this important work. I have discussed this matter with the able chairman of the special committee, and he agrees that $60,000 is a sufficient sum to carry on the work for possibly the remainder of 1942.

I should like also to say that in reducing the amount the committee is in nowise attempting to curtail what it believes to be a worth-while work from the standpoint of the national defense program, and should in the future the special committee deem it advisable to ask for more money, I am certain that the Committee to Audit and Control the Contingent Expenses of the Senate will lend a most sympathetic ear to any request which may be made.

In other words, the Committee to Audit and Control the Contingent Expenses of the Senate believe that it is absolutely indispensable that a committee such as the one of which the Senator from Missouri is chairman should continue to function, perhaps, during the duration of the emergency, or at least so long as they perform the valuable type of service they have performed, as disclosed in the reports submitted to the Senate last week and on previous occasions.

I think, Mr. President, the kind of report which was made last week is highly pleasing to the American people. The manner in which the members of the special committee went about their work seems to me to deserve the commendation of the Senate, as well as that of the patriotic people of the country. They have done a conscientious and a very thorough job with the limited amount of funds they have had at their command heretofore and with the limited amount of personnel that is now under their control. Furthermore, they have done their work without attempting to break into the headlines of the newspapers; they have done it in a systematic and careful way without any blare of trumpets. In other words, it is in reality the kind of investigation for which money from the contingent fund of the Senate should properly be appropriated.

The work of this committee was done primarily before the treacherous assault was made upon Pearl Harbor by the yellow man across the sea. That report of the committee demonstrates inefficiency and laxity and selfishness upon the part of a great many persons who have something to do with attempting to give this country the type of national defense that is so necessary if the American way of life is to continue.

Mr. President, I hope that since the debacle at Pearl Harbor, some individuals who seem to have nothing but selfishness in their minds in connection with these huge defense contracts and other phases of our defense program will at least remember that some other persons in this country are making tremendous sacrifices and are attempting to play the game in connection with winning this war in the way that they should. I hope the Truman committee will continue to operate in the future as it has in the past. If a committee of this kind is constantly in touch with what is going on throughout the country so far as defense problems are concerned, in my opinion, it will have a tendency to check in the future the very things that the able Senator from Missouri and his committee found to have occurred in the past.

If America is to win this war, selfishness in every walk of life must be banished. America must steel herself for every conceivable economic shock that is possible, because, as a result of our transfer practically overnight from a peacetime economy to a wartime economy controlled primarily by mechanized forces, we are going in the future to undergo experiences such as the American people, at least during the present generation, have never known before. It will take sacrifice; it will take all the patriotism, and all the industry that is in this country, in my humble opinion, to win this war. We cannot afford to have corruption and graft and laxity and inefficiency in the prosecution of the defense program if we are to win the war in the shortest possible time. As chairman of the Committee to Audit and Control the Contingent Expenses of the Senate, I again commend the able Senator from Missouri [Mr. TRUMAN] upon the type and kind of work he and his committee are doing.

Mr. President, let me make one further observation with respect to legislation that has grown out of this investigation. If I correctly understand the rules of the Senate, every resolution that comes from the floor of the Senate and is referred to the proper committee for study, and ultimately passed on to the Committee to Audit and Control the Contingent Expenses of the Senate, is presented on the theory that legislation may result from the investigation. The spending of money in connection with investigations has in view the idea that some evil, some defect, may be cured through proper legislation after the facts are ascertained.

In the supplemental memorandum that was submitted by the distinguished Senator from Missouri on yesterday, that is the very thing the committee has done. It has already found certain defects in the law as a result of its investigation, and has presented the cure for those defects through legislation which has passed the Senate and the House. Furthermore, three distinct bills are now pending before various committees—one introduced by the able Senator from New Mexico [Mr. HATCH], one introduced by the able Senator from West Virginia [Mr. KILGORE], and the third one introduced by the able Senator from New York [Mr. MEAD], all proposing legislation to cover conditions disclosed by this particular investigation. That is

the primary reason back of practically every investigation.

Let me say a word further—and I should like every Senator to hear me on this point—in connection with resolutions which are constantly being submitted in the Senate to provide for this or that type of investigation. I do not question the sincerity of any Senator in the proper submission of a resolution for the purpose of investigating something that he deems inimical or something that will aid the best interests and welfare of the American people; but there is one thing the Committee to Audit and Control the Contingent Expenses of the Senate is compelled to do in connection with a number of resolutions that come before it, namely, to exercise a sort of arbitrary authority to determine whether any money shall be provided for a particular committee, as requested in the resolution, without any facts to support the resolution which has been submitted.

I do not want to complain about any committee not doing its duty. I know every one is busy; but frequently a resolution will be submitted and referred to a committee, and the sponsor of the resolution will appear before the committee and make a speech, and the resolution will be passed on without any information, without any facts, without any hearing. Then it becomes the duty of the Comittee to Audit and Control the Contingent Expenses of the Senate to decide whether we shall allow five, ten, fifteen, twenty, or twenty-five thousand dollars for the purpose requested in the resolution.

It seems to me that such procedure is a little unfair to the Committee to Audit and Control the Contingent Expenses of the Senate, because we are charged with the responsibility of spending the money, and the disbursing clerk cannot pay a single voucher until the Chairman of the Committee to Audit and Control the Contingent Expenses of the Senate approves the voucher. When I put my name on a voucher in connection with the money that is being used in any investigation—in other words, when the Committee to Audit and Control the Contingent Expenses of the Senate reports a resolution saying, "You may spend $15,000 on this investigation" without any hearings at all back of the action of the committee—the responsibility is mine, as chairman of the Committee to Audit and Control the Contingent Expenses of the Senate, in spending $15,000 of the taxpayers' money. It is a real responsibility; and I dare say that if an individual were the treasurer or executive director of a private organization which spent money, sometimes in the thousands of dollars, the way we spend it here in connection with some of these matters, it would not be long until that executive director or the individual in charge of the purse-strings of the private organization would be looking for a new job because of his inefficiency and his spendthrift proclivities.

I make this statement in passing merely because the investigation of the Senator from Missouri on this most important matter involving national defense brought home to me forcefully the very things I am now discussing.

Mr. President, with this brief statement, I hope the resolution I have reported may be adopted.

Mr. NORRIS. Mr. President, I should like to inquire of the Senator from Missouri, who is chairman of the committee involved, whether the $60,000 allowed in the report on the resolution will, in his judgment, be sufficient to enable the committee to complete the investigation which it has in mind.

Mr. TRUMAN. With the statement of the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate that, should our committee find itself short of funds, another request would be favorably considered, I think the special committee can get along.

Mr. NORRIS. I should not like to see the time come when this investigating committee, which in my judgment has done such very good work so far, would feel embarrassed in coming to the Senate for additional funds, if the resolution now before us does not provide adequate funds. I do not want them to feel that the amendment made by the committee reducing the amount from $100,000 to $60,000 would make it necessary for the committee to curtail its activities. In my opinion, this committee should continue in existence until the war is over, and it should feel free to come before the Senate at any time for an extension of its authority.

Mr. TRUMAN. Mr. President, I have discussed the matter very carefully with the Committee to Audit and Control the Contingent Expenses of the Senate. We had only $40,000 with which to operate during the past year. There are a number of questions now pending before the committee which will require bringing a large number of people to Washington. That is the reason for our asking an increase in the appropriation. We do not expect to increase materially the number of men now in our employ, except that we will have to employ three or four additional investigators temporarily to meet the present situation. The witness fees are what really consume the money. We have to make thorough and complete investigations of everything brought before the committee in order that we may be sure that we get all the facts.

I am certainly very appreciative of what has just been said about the investigation by the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate and by the distinguished Senator from Nebraska. We have endeavored to do the job the Senate gave us to do.

Mr. NORRIS. I hope the committee will continue to make reports showing the progress of their work, as they have just reported on their progress so far.

Mr. TRUMAN. We intend to do so.

Mr. NORRIS. We read in the newspapers, in a roundabout way, of what has been ascertained by the committee, but we do not have any authoritative evidence or opinions on which we can base an unbiased judgment unless the committee follows the rule of making reports from time to time, not waiting until the investigation is all completed, and we have forgotten most of the evidence which has been adduced. The committee should report from time to time in order that the Senate and the country may know what is being done by the committee. I hope the committee will continue to submit reports showing the progress of the investigation.

Mr. LUCAS. Mr. President, in reply to the remarks of the very distinguished Senator from Nebraska [Mr. NORRIS], I may say that I want the able Senator and all other members of the Senate to understand thoroughly that the Committee to Audit and Control the Contingent Expenses of the Senate is in complete sympathy with what the Truman committee is doing at the present time, as I stated in my previous remarks. I do not want the Senator from Missouri to feel the slightest embarrassment in the future, if the time shall come when he may feel that he needs more money from the contingent fund in order to carry on the type and character of investigation he has made during the last year, because I am satisfied that there will be no question about the money being forthcoming. I agree with the Senator from Nebraska that a committee of this kind should remain in existence as a special committee to investigate national defense matters from time to time, probably throughout the war, or during the emergency, unless conditions as disclosed in the committee report materially improve.

Mr. McKELLAR. Mr. President, I endorse fully what the Senator from Illinois [Mr. LUCAS] and the Senator from Nebraska [Mr. NORRIS] have just said about the Truman committee. I think the continued existence of the committee would afford an excellent deterrent to extravagant expenditures. It would probably save the Government enormous sums by the prevention of waste, as well as along other lines. I hope the resolution will be agreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The resolution as amended was agreed to.

A PROGRAM OF DISTRIBUTION—ADDRESS BY R. R. GUTHRIE

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address by R. R. Guthrie, chief of the Textile, Clothing, and Leathergoods Branch of the Office of Production Management, before the National Retail Drygoods Association, at the Hotel Pennsylvania, New York, on January 12, 1942, which appears in the Appendix.]

THE WORK PROJECTS ADMINISTRATION AND ITS PROGRAM—ADDRESS BY HOWARD O. HUNTER

[Mr. BILBO asked and obtained leave to have printed in the RECORD an address delivered by Mr. Howard O. Hunter, Commissioner of the Work Projects Administration, before a meeting of the United States Conference of Mayors, in Washington, D. C., January 13, 1942, which appears in the Appendix.]

OLD-AGE PENSIONS—STATEMENT BY WILLIAM H. McMASTERS

[Mr. LODGE asked and obtained leave to have printed in the RECORD a statement before the Finance Committee by Mr. William

H. McMasters, of Boston, on the subject of old-age pensions, with particular reference to taxes therefor, which appears in the Appendix.]

REEMPLOYMENT AFTER THE WAR—LETTER FROM P. D. KIERNAN

[Mr. MALONEY asked and obtained leave to have printed in the RECORD a letter from P. D. Kiernan, president, to the employees of his organization, relative to reemployment after the war, which appears in the Appendix.]

The VICE PRESIDENT. The routine morning business is concluded.

RECESS

Mr. BARKLEY. Mr. President, I wish to advise the Senate that the conference report on the price-control bill will probably reach the Senate around 2 o'clock. The House met at 11 o'clock this morning, I understand, and were to have 2 hours of debate on the report, and then probably a roll call, so that I think the action of the House will be messaged over to the Senate around 2 o'clock. There is nothing to detain or entertain the Senate in the meantime, so far as I know; there is no proposed legislation to be taken up at this time, and therefore, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Thereupon (at 12 o'clock and 28 minutes p. m.) the Senate took a recess subject to the call of the Chair.

At 2 o'clock and 50 minutes p. m., the Senate reassembled, when it was called to order by the Presiding Officer (Mr. HILL in the chair).

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, word has come to me that the House will not be able to dispose of the conference report and send it to the Senate before late in the afternoon. Therefore, I have no desire to hold the Senate in suspense about it, but will, after a brief executive session, move that a recess be taken until 11 a. m. tomorrow.

I now move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HILL in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BARKLEY. I ask that the nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask that the nominations in the Marine Corps be confirmed en bloc and that the President be immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the Marine Corps nominations are confirmed en bloc, and the President will be notified forthwith of all nominations confirmed today.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 11 a. m. tomorrow.

The motion was agreed to; and (at 2 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Saturday, January 24, 1942, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate January 23, 1942:

UNITED STATES PUBLIC HEALTH SERVICE

The following-named assistant dental surgeon to be passed assistant dental surgeon in the United States Public Health Service, to rank as such from the date set opposite his name:

Clovis E. Martin, February 13, 1942.

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

Col. Earl Larue Naiden (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States, to be a brigadier general in the Army of the United States.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 23, 1942:

POSTMASTERS

IDAHO

Agnes G. Barry, Ketchum.
John H. Clay, Riggins.

IOWA

James C. Kennedy, Akron.
Lorenz C. Goettsch, Bennett.
Laurence C. Smith, Dyersville.

KENTUCKY

Polk L. McGraw, Clay.
Roy F. Williams, Lexington.
Elva Peyton, Pleasureville.

NEW JERSEY

Clyde E. Miller, Ashland.
Howard A. Roberts, Deepwater.
Valentina C. Waldron, Martinsville.
Joseph R. Johnson, Mount Arlington.
Helen M. Koller, Ocean Gate.
James W. Potter, Riverdale.
Fred J. Butterworth, Rochelle Park.
James J. Allen, Teaneck.
William Guy Weaver, Woodbridge.

OREGON

William E. Logan, Hermiston.

WISCONSIN

Harry A. Martens, Coleman.
Alma O. Showers, Mazomanie.
John Schippers, Twin Lakes.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

To be rear admirals

Robert C. Giffen
Jonas H. Ingram

To be assistant surgeons

Francis G. Soule, Jr.
Howard G. Roberts
William T. Carleton
Joseph Coudon
Paul F. Dickens, Jr.
James L. Wells
William H. Walker
Robert V. Hill
Wayne S. Hansen
Rodney K. Peterson
John B. Toepfer, Jr.
Raymond D. Little
Alfred G. Sherman
John L. Messersmith
Florian J. Santini
Eli R. Crews
Joseph W. Weaver
John M. Hogan, Jr.
Raymond F. Higgins
Edward C. Allis, Jr.
Joseph R. Blair
Felix B. Long, Jr.
Frederick W. Armington
Jack C. Lunderman

To be assistant civil engineer

George G. Prahl

To be chief boatswain

Charles M. Lewis

To be chief gunner

Robert G. Stahlheber

To be chief electrician

Charles W. Moody

To be chief machinist

Kenneth R. Kee

To be carpenters

Theodore C. Stewart
Walter E. Hutchens
Carl V. Hall

To be chief pharmacist

Claude L. Boles

To be chief pay clerk

Charles B. Cotton

To be assistant surgeon

John F. Brierton

To be ensign

David L. House, Jr.

To be medical directors

Edward C. White
Edgar L. Woods
James M. Minter

MARINE CORPS

Raymond R. Wright to be The Paymaster of the Marine Corps, with the rank of brigadier general, for 4 years from February 1, 1942.

APPOINTMENTS TO TEMPORARY SERVICE IN THE MARINE CORPS

To be major general

Ross E. Rowell

To be brigadier generals

Harry Schmidt
William H. Rupertus
Harry K. Pickett

HOUSE OF REPRESENTATIVES

FRIDAY, JANUARY 23, 1942

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Spirit of God, descend upon us and teach us the patience of unanswered prayer, helping us to realize that Thou art always nigh. We pray that this day may be a fresh disclosure of Thyself, endowing us with strength to do Thy will, to serve men and fear only sin, thus giving us a foretaste of a truly great life. Relieve the pain of the sad memory of this world of death and suffering, remembering that the sun shines for us; the tides ebb and flow for us; the earth and sky are ours and Christ is God's Son, appointed by Him to make straight a highway through the desert of human woe, driving the gloom and the shadow from the shame of the present plottings of wicked men.

In this day of adversity, our Father, may we consider and ponder its meaning and learn its lesson. We would not rejoice in the pride of life, nor cry for pity to leaden skies which are deaf to our appeals. We praise Thee that Thou hast promised light at eventide and in the dawning of the morning the horizon will redden with new hope. May we draw near to Thee and Thy gracious promises will assume new meaning and power in all the vicissitudes of life. Through Jesus Christ our Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 902. An act granting an increase of pension to Elizabeth Painter Menoher;

H. R. 3330. An act to authorize the sale, exchange, or other disposition of certain securities held by the Secretary of the Treasury;

H. R. 4849. An act to provide for regulating, inspecting, cleaning, and, when necessary, disinfecting railway cars, other vehicles, and other materials entering the United States from Mexico;

H. R. 5171. An act to amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1- and 2-percent limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes;

H. R. 6220. An act to amend section 3 of the Subsistence Expense Act of 1926, as amended; and

H. R. 6304. An act authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 5591. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes;

H. R. 5802. An act to amend certain provisions of law relative to the withdrawal of brandy for fortification of wines and production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions; and

H. R. 5833. An act to extend the time during which orders and marketing agreements under the Agricultural Adjustment Act, as amended, may be applicable to hops.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1526. An act to amend the act approved October 10, 1940 (54 Stat. 1105), to permit such responsible officers as may be designated by the heads of departments or establishments to authorize or approve the allowance and payment of expenses incident to transportation of the household goods of civilian officers and employees when transferred from one official station to another for permanent duty;

S. 1691. An act to authorize the Department of Agriculture to make open-market procurements where the aggregate amount involved does not exceed $100;

S. 1817. An act to authorize the President to purchase certain lands in Arlington County, Va.;

S. 1935. An act to amend section 602 (m) of the National Service Life Insurance Act of 1940 (Public, No. 801, 76th Cong.), as amended, to enable a person in active service in the Army, Navy, Marine Corps, or Coast Guard to secure such insurance effective as of date of application by advance of active service pay, and for other purposes;

S. 1945. An act to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes;

S. 2075. An act to authorize the Secretary of the Treasury to order to the United States on their statutory leaves of absence officers and employees serving abroad, and to govern the payment of traveling expenses and duties while on leave, and for other purposes;

S. 2151. An act to amend the act of May 12, 1917 (40 Stat. 74), to authorize, in time of war, commanding officers of theaters of operations to approve expenditures exceeding $5,000 without regard to detailed estimates;

S. 2167. An act to authorize the Secretary of War to make available for the purpose of civilian defense instruction such arms, munitions, supplies, and equipment for instructional and demonstrational purposes only as can be spared by the War Department, and for other purposes;

S. 2180. An act to provide for the continuation of Government life insurance of aviation cadets subsequent to their being commissioned and for the continuation of such insurance of enlisted pilots, and for other purposes;

S. 2182. An act to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps;

S. 2202. An act to reinstate Paul A. Larned, a major, United States Army, retired, to the active list of Regular Army; and

S. J. Res. 24. Joint resolution for the relief of W. K. Richardson.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. BREWSTER members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following Departments and agencies:

1. Department of Agriculture.
2. Department of the Interior.
3. Department of the Navy.
4. Department of the Treasury.
5. Administrative office of the United States courts, United States Customs Court of New York City.
6. Federal Security Agency, Social Security Board.

REGISTRATION OF FOREIGN AGENTS AND COMMUNIST PARTY

Mr. DIES. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DIES. Mr. Speaker, I am advised that the House and Senate conferees took out of the registration bill the amendments which I offered and which were adopted by the House, amendments requiring the Communist Party to register and give the names of officers and members.

I ask unanimous consent to have printed in the RECORD an article appearing in the Daily Worker, the official organ of the Communist Party, entitled "Dies Amendment Killed at Capital." This article set forth the numerous people and organizations who joined in the defeat of those amendments.

I serve notice that when this conference report comes before the House I shall oppose its adoption and insist that those amendments be retained in the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

FEDERALIZATION OF UNEMPLOYMENT COMPENSATION

Mr. WILSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WILSON. Mr. Speaker, powerful forces are making an effort at this time to federalize all unemployment compensation. This would mean a tremendous loss to the workers and employers in those States having a nice surplus and a real merit system. I am unalterably opposed to this move, and I would like it very much if Members of Congress coming from States having a merit system and a nice reserve of their workers' and employers' money would make every effort at this time to build up strong opposition to such a bill or amendment.

The workers in Indiana have toiled long and hard for the funds making up their portion of the reserve, which I understand to be about $60,000,000. This reserve is an incentive for steady employment by the employer. Are we going to let one stroke of the pen rob our workers of their savings? I hope, Mr. Speaker, all the Members from Indiana will vigorously oppose this measure in the interest of our thrifty Indiana workingmen.

Be on the lookout, fellow Members; this legislation is likely to be offered as an amendment to the bill to relieve the distressed auto workers.

EXTENSION OF REMARKS

Mr. NELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Kansas City Journal.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks on two subjects and in one to include a radio address by a Legionnaire, Mr. John Towle.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain excerpts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE SOLDIERS WHO DIED IN THE LOMBARD CRASH

Mr. FOLGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. FOLGER addressed the House. His remarks appear in the Appendix.]

FOURTH SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION BILL, 1942

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted a privileged report on the bill (H. R. 6448) making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes (Rept. No. 1659), which was referred to the House Calendar and ordered printed.

Mr. TABER reserved all points of order on the bill.

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6448) making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes; and pending that, Mr. Speaker, I would like to reach some sort of agreement as to general debate. I wonder if it will be agreeable to the gentleman from New York to let general debate proceed under an equal division of time, debate to be confined to the bill, and that at the conclusion of the debate we begin to read the bill.

Mr. TABER. I believe that will be satisfactory, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6448, the fourth supplemental national defense appropriation bill, 1942, with Mr. CLARK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON of Missouri. Mr. Chairman, this bill marks a milestone in appropriations for the national defense. It is the first appropriation bill for military purposes presented since the declaration of war. It carries the largest single appropriation ever presented to Congress for the procurement of military equipment in the history of the Nation. It involves the greatest dislocation of industry, the greatest program of readjustment and conversion of industries in the economic development of the country. Last, but not least, it has been handled with the greatest expedition and dispatch of any major appropriation bill within the memory of any now on the floor of the House.

The estimate came down on Monday. We completed hearings on Tuesday, and today, at the first opportunity which the routine of handling a bill and its report permits, we are given the right-of-way, according it precedence over an important conference report—the conference report on the price-control bill. The conduct of the bill by the committee and the House leadership serve to illustrate the unity in the Congress and among the American people in support of the administration and the defense program. Never before was such an amount provided for such purposes in so short a time as we are providing in the consideration of the bill before us today.

But the unusual character of the bill does not end there. Not only does this bill appropriate the largest single amount ever provided for the equipment of our military forces, but it is for one single branch of the service. It is for airplanes alone. A short time ago we considered the airplane a minor part of our military set-up, yet here today, in the first step taken to arm the Nation since war was declared, first emphasis is being placed upon the production of this one arm of our service—airplanes—for we realize now that the issue in the war depends upon achieving and holding control of the air in every theater of war. Until we have secured control of the air over the entire battle front, over the North Sea, the Mediterranean, and the Pacific, we cannot begin the first approach in the program of winning the war. Courage, patriotism, and morale are great forces, but they cannot win a war in and of themselves. They must be implemented. You will remember that Napoleon said in effect, "Right is on the side of the heaviest batteries." But time and experience have paraphrased the old adage. We realize today that success, at least, if not right, is on the side of the fastest and best-equipped airplanes, and we propose in this bill to make practical application of that basic principle of warfare through an unparalleled conversion of every adaptable American industry to the production of airplanes and airplanes and more airplanes until we darken the air above the predatory plunderers who are bombing, burning, ravaging, and massacreing in every section of the globe to which they can gain access.

Mr. DONDERO. Will the gentleman yield?

Mr. CANNON of Missouri. In just a minute if the gentleman will permit.

Mr. Chairman, we have the resources in America to do it. We have here the largest supply of raw materials, we have the largest number of trained workmen and the most efficient mass-production factories in the world. We produce in America more steel than is produced in all Europe. With the extension of the facilities for which provision is made in the second title of this bill we expect to produce also the largest and greatest supply of the second most important metal, aluminum, produced anywhere in the world.

But all these resources, all raw materials, all our facilities, must be mobilized. And the purpose of this appropriation is to finance that mobilization.

The automobile industry, the refrigerator industry, the electrical appliances industries of America are titanic activities which employ workmen by the million, which daily consume mountains of steel, aluminum, copper, coal, and petroleum with an insatiable appetite, turning out a vast and unending stream of products which congest the arteries of commerce and tax the transportation systems of the remotest hinterland and serve not only our own people but the civilized nations of the world.

But another week and these industries are dead, their fires drawn, their machinery silent, their millions unemployed. In their stead is to rise a new industry—the industry of arms.

Beginning on the 1st day of February we must be prepared to take over, recondition, retool, convert, readjust, and start these men, materials, and facilities in the production of war material, especially airplanes. That is what we propose to accomplish by this bill. That is the use to which we propose to put this more than twelve and a half billion dollars requested in this appropriation.

You may be surprised—I know I was surprised—to learn of the specific application of those funds. When word first came of the estimate for this enormous amount for airplanes. I took for granted, as some of you may have taken for granted, that it was in furtherance of the program announced by the President of the United States in his message to the Congress in which he set as our objective 60,000 airplanes in 1942 and 125,000 airplanes in 1943. But this appropriation will not achieve that objective. This appropriation provides a maximum of only 33,000 planes. If you have read the report of the committee, you have found that the purpose of this appropriation is not to carry out the full program;

it is not to produce what we ultimately expect to produce by the close of 1942 and 1943. The purpose of this appropriation is to continue the present rate of production; in other words, we shall reach the peak of production under existing appropriations by August, and unless this money is appropriated to continue production from August on, there will be a steady decline in the number of planes turned out. Instead of rising to new levels we will be falling further and further short of our program.

Under our present system or any practical system, there must be continuous production. We cannot have men in the factory one day and out on leave the next. We cannot run our factories one week and close them down the next week. In order to secure maximum results in both efficiency and excellence of product we must keep our men engaged, must keep our factories in operation, must keep our assembly lines moving. Therefore, we are providing here, $12,500,000,000, to supplement the present program so that after August we shall be providing planes at as rapid a rate and with as great facility as we are providing them up until August. Further, this money will put orders in airplane facilities that are being created with money heretofore appropriated when they are ready, and will also create some new facilities for airplane production. These are the first steps toward the President's objective.

But the one thing in which the House and the American people are at this time most interested is how effectively and efficiently this money is to be expended. There is a widespread feeling that our program has mired down, that we are not producing as rapidly as we should produce, considering the funds provided and the facilities available, and particularly that the airplanes produced are of substandard quality, that they do not measure up in performance with planes produced by either our allies or our enemies.

I am certain it will be a matter of deep gratification to everybody to note from the evidence given in the hearings which are before you and in the report of the committee, all of which I am glad to corroborate here on the floor, that we are producing at an ever-expanding rate of output, with ever-increasing speed and dispatch, the finest planes produced anywhere in the world.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I will consume 10 additional minutes.

Every type of plane we are producing today is the equal or the superior to those turned out in any factory of Europe by either Axis or Allies. This is demonstrated not merely by testimony adduced before the committee upon the authority or the dictum of any representative of the management of the industries but is demonstrated by the conclusive and authoritative test of those planes in actual service upon both the European and the Asiatic fronts.

According to the reports before the committee, in the action in Hawaii on the morning of December 7 over Pearl Harbor, in the engagements on the Russian front, on the North African front, and in the last few weeks in the Pacific area, our planes in actual combat have shown superior power, superior speed, superior maneuverability, and superior ability on the part of both the plane and the pilot to get their man. In the hardest fighting theaters of the war we have destroyed a vastly larger number of the enemy's planes than they have been able to bring down from our own squadrons. That is the final test, that is the only dependable test, and it is the test of planes which will win the war.

We do not deprecate criticism; we invite criticism. If there is ever a time in our production program when criticism is timely and pertinent it is now. Now is the time to discover any weak rivets in our armor, rather than in a post mortem after it is all over with and too late to remedy. So we invite criticism. And we agree that some of it may be justified. No doubt there has been some lost motion, some waste, some excessive profits. No doubt there has been here and there some personal lack of efficiency. But that is inevitable It would be a miracle, it would be superhuman, it would be expecting the impossible to expect that we would have 100 percent effectiveness by either management, workmen, or facilities of production, especially in times like these.

Economy and war do not go together; they do not harmonize. They are as far apart as the poles. War is not an economical proposition and it cannot be waged on an economical basis with success. We must expect here and there in this huge program, in this expenditure of unheard-of sums of money, in the procurement of unexampled quantities of materials, in the production of the hitherto undreamed-of amounts of equipment, that there will be some things which, when checked with a lead pencil after it is all over with, do not indicate 100 percent of perfection, but the objective of this program is not economy, not merely to produce a cheap airplane.

Our objective is not to produce as parsimoniously as we can, although we expect to produce with as little waste as possible. Our purpose and the purpose of this bill is to get that plane up on the front in time.

Over in the Philippines today MacArthur and his gallant force of Americans and Filipinos are fighting with their backs to the wall, upholding the Stars and Stripes in Luzon today against forces that outnumber them both in men and materials 10 to 1. They are not so much interested in what an airplane costs as they are in getting it there in time. They are not so much concerned as to whether there was a little too much profit in the manufacture of the gun on that plane as they are in having a gun that will operate and the munitions with which to operate it, and it is better to get an airplane there at the critical time that may cost $1,000 too much than to get an airplane over too late on which we saved $10,000. So, while we endeavor to see that there is as little waste as possible and as little lost motion as possible, the thing we are aiming at is to get the planes there in time to support our men, to back them up, to put in their hands tools with which to fight against overwhelming odds—weapons and munitions with which to win the war. And I have no doubt the House and the American people will approve that program.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to my friend from Wisconsin.

Mr. KEEFE. I note that the bill contains a total of twelve-billion-five-hundred-and-fifty-five-million-and-some-odd dollars. This sum is contemplated in the present and in the 1943 estimates, is it not, and is it not in addition to the expenditures contemplated in the existing and the 1942 and the 1943 Budgets as submitted by the President?

Mr. CANNON of Missouri. The gentleman is right. It was included in the Budget and was in contemplation at the time the Budget was issued——

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. DONDERO. I do not ask the distinguished gentleman to divulge anything that may have been adduced before his committee, but may I inquire whether or not the testimony that was given before the gentleman's committee had some influence on your committee to allow 75 percent of this $12,000,000,000 to go for airplanes based upon the events of this World War and recently upon air power in the Pacific? Were those two facts before your committee in coming to the conclusion that 75 percent of this bill should go to airplanes?

Mr. CANNON of Missouri. The gentleman is correct in his conclusion that all testimony given before the committee could not be published. But it is impossible to emphasize too strongly the importance of air power. If we had had sufficient airplanes, the Japanese could never have landed in the Philippines. We would have sunk their transports before they reached the shore.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. WOODRUM of Virginia. I do not believe the Chairman caught the suggestion in the question of the gentleman that 75 percent is for airplanes. All of these funds are for airplanes.

Mr. CANNON of Missouri. No; $30,000,000 is for the T. V. A. I will discuss that presently. If we had had sufficient airplanes, the enemy could never have landed in the Philippine Islands. If we had been supplied with sufficient airplanes, the enemy could never have sunk the two British capital ships which were lost. If we now had sufficient airplanes, Singapore would not be today fighting at close quarters. If we had had sufficient airplanes, the problem of defending Australia and the Indies would be a simple one and would by this time have been disposed of.

Specifically, these are five items in this bill for the War Department, and while these items are apparently for different purposes, one for increasing facilities, one for planes, one for the signal service,

one for ordnance and another for chemical warfare, all of them are integrated for the turning out of planes equipped and ready for combat service. The money for ordnance produces the gun and the armament and ammunition for the planes. The money for the signal service produces the radio and the telephone equipment for the planes. The money for chemical warfare produces ammunition and other essentials to make these planes effective. In other words, every dollar that is provided in the first section of the bill is to put upon the battle front a complete airplane armed, armored, ammunitioned, and equipped for instant service.

Now, there is another item which the gentleman may have had in mind.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I must take 5 additional minutes.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. With pleasure.

Mr. DONDERO. I just want to observe that I think it will be very gratifying and encouraging and heartening to our armed forces and to the House and the people of the country to know that the importance of air power is stressed in this bill.

Mr. CANNON of Missouri. I am certain the gentleman expresses accurately the sentiment of the country.

There is another item in this bill which has not yet been discussed. Thirty million dollars is carried in this bill for use by the T. V. A. in the construction of the Douglas Dam.

The one most essential item in the materials required for the construction of an airplane is aluminum. It requires 20,000 pounds of aluminum to build one bomber. That is the equivalent of 60,000 kitchen utensils of aluminum. The total consumption of aluminum in a program of this magnitude is enormous. Now, aluminum can be produced only through the expenditure of electric power. You cannot produce a pound of aluminum without heavy electric current, and our electric power, while sufficient for 1942, is not sufficient for 1943. According to the testimony before the committee, it will require the Douglas Dam and all other dams under construction to produce enough aluminum in 1943, the year this dam goes into operation, to supply this one indispensable essential in the manufacture of planes—the planes which must win hard-fought dog fights on every front in our world-flung battle lines. I shall include in my remarks at this point some excerpts from the testimony of the Federal Power Commission before the subcommittee on the independent offices appropriation bill on January 9, 1942, relative to the national power supply in 1942 and 1943 and the importance of the Douglas Dam to our power supply:

As a result of our actual entry into the war and the recent message (January 6, 1942) of the President to Congress setting a figure of $56,000,000,000 to be expended in the fiscal year 1943, the whole defense program will be considerably stepped up to such an extent that critical shortages in power supply will occur in various sections of the country both this year and next, in spite of the large additions to generating capacity that are being made. The scheduled additions to the major systems' plants, for installation and operation in 1942, amount to 3,256,000 kilowatts, of which 2,268,500 kilowatts are in fuel plants and 987,500 kilowatts in hydroelectric plants. During 1943 these scheduled additions to the major electric utility systems amount to 2,952,000 kilowatts, of which 2,128,000 kilowatts are to be installed in plants using fuel and 824,000 kilowatts in water-power projects.

The problem of meeting 1942 and 1943 loads therefore becomes one of:

1. Expediting the installation and operation of all new generating equipment planned for operation during these years.

2. Expediting the installation and operation of such transmission interconnections as are required and as can be brought into service during these years.

3. The rehabilitation, reconditioning, and overhauling of all electrical and mechanical equipment, in preparation for the still heavier loads to be experienced and the necessity of operating this equipment continuously.

4. Filling of all storage reservoirs insofar as rainfall and stream flows permit, and keeping them at as high a level as possible against the contingency of possible dry seasons, and for the greater loads to be experienced during the late summer and fall.

5. The pooling of all power resources in an area and between areas to secure maximum use of all existing facilities and to see that no generating capacity that can be utilized is allowed to remain idle.

6. The construction of such additional emergency interconnections as needed in any area and between areas as can be completed in time to be of service.

7. The adjusting of loads and switching the hours of operation in order to reduce peaks and to reduce the loads to such a point that existing generating capacity and that to be installed can successfully carry these loads.

8. After all of the above steps have been taken, and if curtailment becomes necessary, power should then be rationed to insure that all power needed for the war materials manufacture and military and naval establishments is assured, together with a power supply to all other essential uses, such as hospitals, fire and communication systems, airports and airway beacons, municipal plants and water supply systems, sewage disposal and sewage pumping plants, railroads and terminals, bridges, etc., and that unnecessary or nonessential uses be sufficiently curtailed so that war production will not be interfered with.

The present industrial loads vary from 10 to 15 percent in some areas which are not highly industrialized to as much as 60 percent in the Tennessee Valley region and to 95 percent in the Niagara Falls region, where the residential, domestic, and commercial loads only amount to about 5 percent of the total. While the entire industrial load is not all direct defense load there are, however, many industries in these areas operating on indirect defense orders, supplying parts to firms which have direct orders from the War and Navy Departments and other Government establishments, and there are many essential uses which cannot be curtailed without disrupting the welfare of the people. The amount of curtailment possible therefore varies from one community to another and must be worked out separately in each area.

* * * * *

Mr. STARNES. Is there sufficient power on hand or projected to meet this defense program of ours for 1943 and 1944?

Mr. OLDS. There is not sufficient to meet the defense load of either 1942, 1943, or 1944 without either additional capacity or a material curtailment in certain areas of the country.

Mr. WOODRUM. How short are you?

Mr. OLDS. What is the total shortage, Mr. Tate?

Mr. TATE. It will probably run in the neighborhood of a couple of million kilowatts this year and probably three or four million next year, on the basis of the President's message to Congress on January 6, whereby the whole program is being stepped up.

Mr. STARNES. How much of the 38,000,000 continuous power would you say is being used in purely defense production?

Mr. TATE. It varies from one area to another. In the Tennessee Valley area it is probably in the neighborhood of 60 percent; in the other Southeastern States it is in the neighborhood of 35 percent; in New England, about 25 percent; in some areas in the interior of the country about 15 percent or less; on the Pacific coast it will probably run in the neighborhood of 25 or 30 percent now; and in southern California as high as 50 percent.

Mr. STARNES. Mr. Olds, did you make a survey of the power situation with reference to places where single blocks of power or large blocks of power could be made most quickly available to meet this defense program during recent months?

Mr. OLDS. Yes; we have a continuous survey on that basis which deals with each of the 48 areas of the country. We issue a report every month as to the availability of additional power not only this year but projecting the situation 2 years ahead so that we either know there is likely to be a shortage in that area in the next 2 years or we can say to the Navy, the Army, or Office of Production Management, "You can put in additional production of munitions in these areas, because there is available a surplus of power."

Mr. STARNES. Is it not a fact the Tennessee Valley Authority has more and probably larger facilities for producing aluminum for defense purposes than found elsewhere in the country?

Mr. OLDS. You are talking about two aluminum companies?

Mr. STARNES. The Aluminum Co. of America and the Reynolds Aluminum Co.

Mr. OLDS. I think that is true. They are doing a good deal of expansion in other sections of the country, but I think the greatest concentration of aluminum production at present is in the Tennessee Valley and the southeastern area.

Mr. STARNES. You were asked by the Office of Production Management—and, of course, that meant the President—to make a study and recommendation as to where power could be produced most quickly in that area during the past year?

Mr. OLDS. We were asked to make a recommendation as to the best locations for the expansion of aluminum production; yes, sir.

Mr. STARNES. On the basis of that, did you recommend the Douglas project as the most desirable project throughout the country to produce power for the purpose of producing aluminum?

Mr. OLDS. I would not say the best throughout the country, but we indicated that was the best location for the development of additional power in the southeastern area. That is, we have to view each region and area by itself, because there is no interconnection of sufficient capacity between regions so that you can use power interchangeably in terms of the defense program to provide an adequate power supply in the Southeast. We recommended Douglas Dam as one which could be most expeditiously developed to provide the greatest power directly and indirectly for defense.

Mr. STARNES. In the shortest space of time?

Mr. OLDS. In the shortest space of time.

Mr. STARNES. You took into consideration not only the production of power by hydroelectric plants but also by steam?

Mr. OLDS. That is correct.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman says that we have sufficient power for 1942, but where in the hearings does it show that we are going to get these dams for power for 1943? The hearings do not disclose that.

Mr. STARNES of Alabama. Mr. Chairman, will the gentleman from Missouri permit me to answer that?

Mr. CANNON of Missouri. I yield to the gentleman from Alabama.

Mr. STARNES of Alabama. There is voluminous evidence in previous hearings before the Appropriations Committee—October, November, December of 1941, which cover that point very thoroughly. The request was made by the Office of Production Management, by the Federal Power Commission, by the Army itself, and by every known agency of government concerned with the construction of war matériel.

Mr. CANNON of Missouri. In conclusion, this is but the first step. The further we go the higher the expense and the greater the sacrifice. There has been some reference here to the excessive cost and the weight of the national burden, but when we compare our situation with that of England, where by day and by night, cities are strafed incessantly by bomb and shrapnel, where men, women, and children live in constant peril and terror—when we consider the wholesale migration of the Chinese people from the coastal provinces to the interior; the most productive and most highly industrialized areas of China overrun and plundered in carnage and a saternalia of destruction; when we see the Russian people driven back hundreds of miles before the ruthless and devastating march of the invader, we cannot fail to appreciate how fortunate we are—how little is asked of us. In comparison with what the British have endured, with what the Russians have experienced, with what the Chinese have suffered, the sacrifice asked of the American people is small indeed.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I will take 1 minute more. We are mobilizing both labor and industry with remarkable results and with the wholehearted cooperation of both. Labor is cooperating in the program and and already we are introducing wherever practical the 24-hour day and the 7-day week. It is a distinct contribution toward the winning of the war.

We have men in uniform, we have men in overalls and both are badges of distinction. And on the farms we have not only the few men left to till the fields, but we have women in overalls on tractors and harvesters. All the heroes are not on the front line. There are as great heroes driving machinery in the factories and in the fields as we have in airplanes and tanks. We have them here in the home, on the office staffs, and in the committee rooms working far into the night, rendering as important and as indispensable service as any man in shoulder straps and gold braid. And among them I cite the invaluable and patriotic service of two in particular—Marc Shields and John Pught, without whom we could not have as effectively presented the intricate and technical reports and summaries on this and every other military and naval bill of the last decade.

We face a long and costly war. It will have many headaches and many heartbreaks. We will have to pay for victory—for security—what at times will seem to be terrible prices but whatever the price it is cheap in comparison with the alternative, and in the language of the President of the United States, "We are determined to pay whatever price we must, to preserve our way of life."

Mr. TABER. Mr. Chairman, I yield myself 5 minutes. The critical situation that our forces in the Far East are facing is argument enough for the appropriation of a sum sufficient to implement our war activities to any needed extent. The $12,000,000,000 provided here for the Air Corps and for the Chemical Warfare Service, all of it incidental to war in the air, is the least that this Congress can do. That part of the bill, title I, will have my support. Title II contains an additional item of $30,000,000 for the T. V. A., designed to make that octopus a little more of a menace to the American taxpayer and the American public. They have gone ahead in that territory without proper planning and proper engineering and have loaded the outfit up with tremendous power dams without taking into consideration the ebb and flood tides of water power. They have figured their charges and costs on the basis of the flood-tide production. As a result, power is being sold for about 50 percent of what it costs to produce it.

It is a menace to the tax structure of America, and the people in your districts and mine are paying for this noble experiment and yardstick for power. There is $30,000,000 contained in this bill for the building of the Douglas Dam. Let me say to you there is absolutely nothing in the hearings to justify it. I will read one or two questions and answers on page 46 of the hearings, which are available now, to show what General Knudsen said when he was asked with reference to it:

Mr. TABER. Now, as to what the situation is with reference to 1943, you do not have much idea?

General KNUDSEN. We are plotting that now. In fact, I found about 60,000 kilowatts, but I need some more.

Mr. TABER. There is a tremendous lot of power that can be salvaged by cutting out a lot of this advertising, and that sort of thing?

General KNUDSEN. Yes, sir. We have already done that in one section. We had to do it in Atlanta last fall.

Mr. TABER. And you are doing it in other sections?

General KNUDSEN. We will do it as required; yes.

They are plotting it out, and they do not know what the situation is yet, and we are asked to provide $30,000,000 for something that they do not know whether they need or not. I am not in favor of doing business that way.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania, chairman of the Subcommittee on War Department Appropriations [Mr. SNYDER].

Mr. SNYDER. Mr. Chairman, my philosophy has always been that might only rules until right is ready. In a democracy it takes right sometimes a very long time to get ready, and especially in a case like that which confronts the nations now, to get ready for the biggest task that this Nation has ever been confronted with.

We are going to win this war. I mean the democracies are going to win this war in one of two ways. We are going to win it in the latter way that I am about to mention. We can win it by getting large groups of men with not adequate equipment and rush them to the battle front and thereby sacrifice many men in winning the war; or we can do it as we are doing—be deliberate, be thoughtful, prepare carefully, get adequate mechanized and armored equipment for the men to handle, and let this equipment, whether it be planes, tanks, or guns or what not do most of the killing of the "Jerries" and the Japs, instead of exposed manpower. It takes time to bring about this latter adjustment.

I did not like to hear on the radio last night the announcement that some columnist made that 600,000 of our armored forces, with equipment, were moved to the western tide of battle. It left the inference which we saw in the papers this morning, as though the eastern seaboard, the Panama district, was being slighted. I wish to make this statement, that if there are 600,000 armored units moved west, there are that many on the eastern front, the Puerto Rican and Panama side also, with equal and adequate armored equipment.

One further statement: As the chairman of the Appropriations Committee, our beloved colleague, the gentleman from Missouri [Mr. CANNON] has said, it is going to be a long war. How long you do not know and I do not know, but why some of our columnists or newspapers will insist on the contention that our airplanes are not equal to the airplanes fighting on the British front, I do not know. You will just have to take my own word for what I am about to say. I was on the fields in England, where planes like the Spitfires, the P–40–A, P–40–B, P–40–C were in action. I did not get it second hand. I got it from the English pilots as well as our own American Eagle Squadron pilots, that our bombers are superior to any bombers—and there are a lot of them over there on that side of the water. There is no fighting plane that is fighting over the battlefields of Europe and Asia today that is superior to our P–40–A, B, and C, and many of the boys will tell you there is none equal to it.

One of our American Eagle Squadron pilots who had made 40 trips fighting over the channel and was credited in the English records with bringing down 6 "Jerries," told me he would rather have a P–40 to cover the channel and fight the "Jerries" than any other plane made.

I could go on and enumerate other instances of our plane strength, but that

is sufficient to bring before you evidence from the boys who are out there doing the fighting, as compared with someone here who has a hearsay source of information.

In September 1939 the President of the United States declared a national emergency existed and called for appropriations to build certain additional national defense installations and equipment. Since that date, from time to time, Congress has made appropriations stepping up in number the production of installations and implements for national defense. As an example, the all-over set-up for airplane production prior to December 7, 1941, was 50,000. The Pearl Harbor incident necessitated the President calling for another step-up in the production of installations and equipment, raising, for example, the plane production for 1942 from 50,000 to 60,000 and from 60,000 to 100,000 in 1943.

In other words, this is the first increment since the President's address on the state of the Union on January 5, 1942, toward accomplishing the program outlined therein. How many more step-ups in appropriations will be necessary no one knows at this time.

The Axis Powers, with Hitler as the spearhead leader and Mussolini and Japan as left and right bowers, started out to destroy our way of life. Through underhanded and evasive procedures they took the initiative and struck the first blows against the democracies of the world.

To me it was evident from the beginning that Hitler would push the program so plainly outlined in Mein Kampf to a successful conclusion, if he could, which was the conquering of the entire world.

We now know that Japan has a program that was outlined at the same time, or shortly after Mein Kampf was outlined. For instance, we know that in Japan's program they gave themselves 4 months after Pearl Harbor to take Singapore, and so forth.

The RECORD and the Army appropriations hearings will show that I was deeply concerned about our national defense program for the last 5 years. I have been convinced right along that the cheapest insurance that the Nation could have was tens of thousands of airplanes, and thousands and thousands of tanks, and antiaircraft by the millions, and similar equipment. However, with a peace-loving people like we are, it always has been and always will be a difficult task for us to realize dangers until they overtake us.

In the last 5 years I have visited practically all of our Army posts and air bases, air installations, airplane factories, and engine factories, except the new ones set up in the last 6 or 8 months. The more I observed the more I was convinced that we did not have adequate equipment and facilities for the emergency if Hitler should break through, so on July 11, 1940, I set forth in the CONGRESSIONAL RECORD what I thought should be a program of production to meet the worst crises we could conceive. I say the worst, because we must this day prepare for the very worst war that our imagination can conceive. "Prepare for the worst and hope the worst will never come" is the slogan of the great warriors of the past.

What I set forth in the CONGRESSIONAL RECORD on July 11, 1940, was—I quote:

If we are to think in terms of protecting our country and the Western Hemisphere against foreign foes during the years to come, it goes without saying that the Government and industry must, and I feel sure will, speed up production at a rapid rate such as was never attempted or accomplished in this country. I hope I am wrong, but I am compelled to take into account recent acts and achievements of foreign powers who could and might be knocking on our back door, demanding admission to disturb our freedom and liberty-loving institutions as well as our very lives. I say I hope I am wrong, but taking these factors into consideration we must be prepared and keep prepared until such time that the war lords and conquerors across the water show us by their actions over a space of years that they no longer desire to disturb us. It will take at least five decades for them to show us this. Therefore we must prepare in a big way. I recommend that we equip the Nation with at least the following:

A. That we manufacture and have on hand by July 1, 1943, 100,000 airplanes of different types and kinds.

B. By July 1, 1943, we should have manufacturing facilities and plants in perfect maintenance and upkeep in order to be able to manufacture 500 airplanes a day if an emergency would arise.

C. We should have manufactured by July 1, 1943, 4,000,000 rifles, and facilities to manufacture 2,000 of them a day.

D. We should have by July 1, 1943, 4,000,000 machine guns of different types and kind, with facilities to manufacture 2,000 a day.

E. We should have on hand by July 1, 1943, 75,000 tanks and armored cars of different types and description, with manufacturing facilities to produce 100 a day if necessary in an emergency.

F. We should have on hand by July 1, 1943, 2,000,000 antiaircraft guns of the finest and best type, with facilities to manufacture 1,000 a day.

G. We should have on hand by July 1, 1943, 100,000 antitank guns, with a certain percent of them capable of piercing 3-inch armor plate, with facilities to manufacture 500 a day.

H. We should have on hand by July 1, 1943, clothing, tentage, shoes, and full field-service equipment for 4,000,000 men.

I. We should have by July 1, 1943, manufacturing facilities scattered throughout the Nation to manufacture sufficient replacements for all these commodities at a speed necessary to assure equipment on hand in case of an emergency invasion of our shores or institutions.

J. By July 1, 1943, we should have completed at least three transcontinental superhighways, as outlined in my bill, H. R. 8503; that is, an eight-lane highway, following the general route of the Old National Pike, or Route 40, across the Nation, built as straight as possible, and with a grade of not more than 4 percent at any one place. The same type of highway should be built up and down each coast, some 30 to 60 miles from each coast. Of course, the other six highways embodied in my bill should be and will be built in time; but these three should be built without fail, to be used for the transportation of the commodities of commerce as well as a military road in case of necessity. Experts think this would be the cheapest national defense installation, looking to the conservation of our whole Nation, that we could build. These three highways would cost about $4,000,000,000 to build them eight lanes, or 100 feet wide, with proper facilities along the highways.

K. We should have by July 1, 1943, about 2,000 air bases or air fields developed. In the interim the United States Army engineers should select throughout the Nation about 15,000 landing fields; that is, fields that, if an emergency day came, could be put into condition for landing planes within 48 or 120 or 168 hours. These should be circled within a radius of so many miles outside of each city that is considered a large industrial and manufacturing center.

L. By July 1, 1943, we should have several scores of underground hangars along our main highways, as well as underground storage facilities for our munitions. The hangars in time of battle are very essential, as discovered in the war now going on across the sea.

M. And, finally, we should have by July 1, 1943, sufficient munitions of all kinds in storage to use these guns and weapons for months, if necessary, without running out of munitions. The two things that hampered the French the most were traitors within her own ranks and, second, a shortage of munitions.

I have no doubt that some who read this will think that my estimates are exaggerated; that the program is too ambitious. Some will think it is not necessary to make such provisions. Others will think it is too expensive, and so forth.

But, Mr. Speaker, it seems to me that all of us are convinced that our way of life is worth preserving. We are convinced that our schools, our churches, and our homes are worth preserving.

We are convinced that this blessed endowment that we received from our forefathers called freedom of speech, freedom of press, and religious freedom, is worth fighting for. Yes; we are convinced that if we wish our children and our children's children to enjoy these blessings, we will have to build up a national defense that will insure their preservation. The partial recommendations that I enumerated above, I think we will find absolutely essential within the next score of years to defend our precious institutions. Yes, Mr. Speaker; we will have to eat fewer ice-cream cones, chew less chewing gum, burn less gasoline, deprive ourselves of a lot more things we classify as semiessential or pleasure and recreational adjustments, to provide this equipment. But it is better to have no equipment at all than to be one-fourth, one-half prepared.

We learned the lesson over and over again in the last year. We saw nation after nation in Europe that was one-fourth or one-half or one-tenth prepared, being ruthlessly run over, and, my fellow citizens, whenever a barbarous ruler directs his forces to run over a peaceful, God-fearing people like the people of Holland, Belgium, or similar nations, then it is time for us to prepare in a big way to see to it that no force will be able to run over us or to fly over us and destroy us.

The trouble is, my friends, that we here in America do not realize the horrors and hardships that result when a dictator takes over a country such as Poland, Czechoslovakia, etc. We do not seem to realize that they kill off the educated and intelligent people. We do not seem to be aroused over the fact that they close all of the schools except the very elementary schools. We do not seem to understand that all the precious things that are near and dear to us would be wiped out under a dictatorship such as now reigns over Poland, Czechoslovakia, Denmark, etc. We do not seem to realize that our Negro slavery was heaven compared with the slavery that these conquered people have to endure.

Yes, my friends, I believe if you were in possession of the facts and background that I have as chairman of the Appropriations Subcommittee for National Defense, you would agree with me that my suggestions or recom-

mendations, if you please, enumerated above are moderate compared with the value of our liberties and our free country.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman from Massachusetts is recognized for 10 minutes.

Mr. WIGGLESWORTH. Mr. Chairman, I shall support the main provisions of this bill. Under the conditions confronting the Nation at this time, no other course is possible.

The bill, as has been pointed out, carries a tremendous total. It is the largest bill ever presented to the Congress, $12,525,872,474.

Hearings were conducted before the members of the subcommittee on deficiencies and the members of the subcommittee on War Department appropriations, acting jointly.

Much of the hearings of necessity had to be entirely off the record, being highly confidential. That portion of the testimony which could be made public is before you in the printed hearings.

At the conclusion of those hearings the members of both subcommittees voted unanimously in favor of the principal provisions of this bill.

Meager as the printed hearings before you are, they are sufficient to establish by expert testimony certain vital facts. First, they establish the fact that the appropriations requested are absolutely essential if we are to carry out the great program of Army airplane expansion which is called for in this bill. Second, they establish the fact that manufacturing facilities are available to execute the program. Third, they establish the fact that the program before us can be executed in short order, that all the planes and other materials called for with a few exceptions can be converted into finished products before the end of the calendar year 1943. Fourth, they make clear that the expenditure required falls within the general program heretofore laid down involving 50 percent of the national income.

The appropriation is divided as follows:

OFFICE OF THE SECRETARY OF WAR	
Expediting production: For expediting production of equipment and supplies for national defense	$933,000,000
SIGNAL CORPS	
Signal Service of the Army: For Signal Service of the Army	$680,242,180
AIR CORPS	
Air Corps, Army: For Air Corps, Army	$9,041,373,090
ORDNANCE DEPARTMENT	
Ordnance Service and Supplies, Army: For Ordnance Service and Supplies, Army	$1,547,948,529
Chemical Warfare Service, Army: For Chemical Warfare Service, Army	323,308,675
Total	12,525,872,474

The total is subject to the following provision:

Whenever the President deems it to be in the interest of national defense, he may authorize the Secretary of War to sell, transfer title to, exchange, lease, lend, or otherwise dispose of, to the government of any country whose defense the President deems vital to the defense of the United States, any defense article procured from funds appropriated herein for the Military Establishment, in accordance with the provisions of the act of March 11, 1941 (Public Law 11): *Provided*, That the total value of articles disposed of under this authority shall not exceed $4,000,000,000.

The major item of $9,041,373,090 is wholly for military planes. It will produce 23,000 combat planes and 10,000 training planes, or a total of about 33,000 planes over all, and is a major step in the direction of realizing the objective laid down by the President of 60,000 planes to be manufactured in the calendar year 1942, 45,000 of them to be combat planes; and 125,000 planes to be manufactured in 1943, 100,000 of these to be combat planes. The funds required are essential to maintain at full capacity the facilities which are already available, plus those which will come into the picture in the near future.

The item of $933,000,000 for expediting production is for the expansion or construction of facilities essential to the airplane program referred to. The record indicates that the facilities program can be completed within the period of about 1 year.

The other items for the Signal Corps, Ordnance, and Chemical Warfare Service are all part and parcel of this great airplane program which forms the basis of the request for this appropriation.

As to all these items, I am in accord. I shall support them on final passage.

Now, Mr. Chairman, I want to say a word in reference to the inclusion in this bill under title II of the so-called Douglas Dam, involving an appropriation of $30,000,000 and a complete reversal of the position of your Subcommittee on Deficiencies.

This matter was first considered in October and November in connection with the second and third supplemental national-defense appropriation bills.

At that time a very strong protest was made to your committee against the construction of the dam. The protest was made personally by a delegation of gentlemen coming from Tennessee. The protest was said to reflect the views at that time of the Governor of Tennessee, of the president of the University of Tennessee, of local farm bureau presidents, and of other leading citizens in that part of the State.

The basis of the protest was that unless it could be established that this particular dam was essential for national-defense purposes, it was entirely unwarranted to exact the sacrifices entailed in the construction of this dam from the people of this part of the State.

The sacrifices involved include among others the flooding of 32,000 acres of very fertile land, the throwing out of house and home of some 3,000 residents, the destruction of work opportunities for about 4,000 people, and the destruction of an annual crop production amounting to approximately $1,200,000.

It was pointed out in this connection that in submitting a report to the President outlining a complete power program up to and including the year 1946, as late as July 16, 1941, Chairman Olds, of the Federal Power Commission, made no suggestion whatsoever that the Douglas Dam should be included in the program.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 5 additional minutes.

It was also pointed out that the same observation could be made in respect to testimony, I think in July, by officials of the T. V. A. appearing before a committee of the Senate. Two alternative dams, the so-called Watauga Dam and the so-called South Holston Dam were included in the report as important to the program referred to when the report was submitted to the President.

Your committee in its own report dated December 3, 1941, denied funds for the construction of the Douglas Dam. It did so, as stated in the report, first on the basis that the testimony clearly demonstrated that without the construction of this dam there would be available 87,000 kilowatts of continuous power in excess of the stated defense needs for the entire Tennessee Valley Authority area.

It did so also on the ground that alternative proposals suggested both hydroelectric and steam which would not have involved this great sacrifice by the people of this part of the State of Tennessee, had not been disposed of. In other words, your subcommittee denied the funds on the ground that those advocating the construction of this dam had not proved their case.

I might add that subsequent testimony by the Power Commission indicates that a total of thirty-six and one-half million kilowatts of continuous power is available to the Nation. Of this total, 40 percent in certain sections of the country and 85 percent in other sections is now utilized for nondefense power. It would seem that much of this power could be readily transferred and applied to defense needs by a reasonable system of rationing.

The bill went to the Senate, and the Senate inserted in the bill not the Douglas Dam but in lieu of the Douglas Dam the Watauga Dam and the South Holston Dam, to which I have already referred. The House approved the Senate amendment, with the result that $20,000,000 was made available for these two dams in lieu of the Douglas Dam, the two alternative dams to provide substantially the same amount of power as would have been provided by the Douglas Dam.

Mr. Chairman, I give these facts by way of background in respect to the Douglas Dam item included in the pending bill.

I do not wish to place myself in the position of opposing power that may be established as essential to national defense. I am sure no Member of this House wants to put himself in that position. On the other hand, I am opposed to lavish spending for power plant that is not essential for national defense, particularly if it inflicts needless sacrifice on any of our people.

One thing seems clear on the record today. If it is the judgment of the House that we should construct the

Douglas Dam with its resulting hardships, then as far as the record is concerned there is no justification for the construction of the two alternative dams. I do not think there has even been a Budget estimate for either of them.

Let us decide first which alternative is to be carried out. If we decide to construct the Douglas Dam, then let us reappropriate the funds made available for the Watauga and Holston projects and apply them to the Douglas Dam.

Any other course means an expenditure of $78,000,000 as compared with $45,000,000 for Watauga and South Holston and with $33,000,000 for Douglas. It means the creation of three new dams without any testimony whatsoever establishing the necessity of them.

The testimony of T. V. A. on January 8 before the subcommittee in charge of the independent offices indicates that only preliminary operations, such as the building of one access road, have been begun in respect to the two dams authorized in December.

If the verdict of the House is in favor of constructing the Douglas Dam, I propose to offer an amendment to permit the necessary reappropriation of funds.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, the measure now before the House provides, among other things, for the construction of Douglas Dam on the French Broad River, near Dandridge, Tenn. The construction of this dam is recommended by every governmental agency charged with the duty and responsibility of building an adequate number of airplanes for the defense of this Nation and victory over Germany, Italy, and Japan.

Prior to the attack on this Nation by Japan at Pearl Harbor on December 7 of last year, the maximum production of war planes set by the President was 40,000 per year. In his address to the Congress on January 6 of this year the President raised the number of airplanes requisite to the defense of this Nation and for the aid of our Allies to 60,000 this year, including 45,000 combat planes, bombers, dive bombers, pursuit planes, and he stated:

> The rate of increase will be continued, so that next year, 1943, we shall produce 125,000 airplanes, including 100,000 combat planes.

That air superiority has heretofore been decisive and will ultimately decide the victors in this World War has been demonstrated again and again—at Dunkirk, in Greece, Crete, Poland, Yugoslavia, North Africa, and Pearl Harbor. In the Philippines, in the battle for Singapore, for the Dutch East Indies, and for the mastery of all Asia, the issue of battle now hangs in the balance and will be decided by superior air power. Russia survives and is winning over Hitler today because she had not only equipment for her land soldiers but air power with which to back up her infantry, artillery, and armored units.

To win we must have an overwhelming superiority of air power. This bill provides for it.

At Alcoa, in Tennessee, the Aluminum Co. of America is today producing 75 percent of the aluminum and aluminum alloys out of which our war planes are constructed. This plant was located at Alcoa long before the first World War because of the availability of cheap hydroelectric power. The Alcoa, Tenn., plant of this company is at present supplied with electric current from dams heretofore constructed by it on the Little Tennessee River at Calderwood, Tenn., at Tapoco, N. C., and from a third, which is a storage dam known as Santeetlah, on the Cheoah River, a tributary of the Little Tennessee, and from a storage dam at Glenville, on the Tuckasegee River, and it will shortly be obtaining power from another dam constructed by it on the Nantahala River.

The President, in sponsoring the Tennessee Valley Authority, "builded wiser than he knew." Since the construction of the T. V. A.'s power dams on the Tennessee River and its tributaries it has made possible, through the increased production of electric energy and the sale thereof to the Aluminum Co. of America at Alcoa, a vast increase of aluminum, which, in turn, has made possible the increased production of airplanes for defense and offense by this Nation and its Allies.

On July 30, 1940, this House authorized the construction of the Cherokee Dam, on the Holston River, near Jefferson City, Tenn. That dam has now been completed, is closed, and is being filled with water, and, when put in operation, the water impounded by it will not only generate 90,000 kilowatts at the dam but will be used over and over again as it flows over the Fort Loudoun Dam, the Watts Bar Dam, the Chickamauga Dam, the Hales Bar Dam, the Guntersville Dam, the Wheeler Dam, the Wilson Dam, and the Pickwick Landing Dam. Thus it is used nine times at these dams in the production of increased power.

At the time of the authorization of the Cherokee Dam the plant of the Aluminum Co. at Alcoa, Tenn., covered 90 acres of ground and produced 500,000 pounds of aluminum and aluminum alloys daily. Since that time this plant has been expanded by the construction of additional buildings covering 55 acres of ground. The ultimate output of the company will be trebled. What it is now producing is a military secret, but we know that its output has been largely increased, and will be further tremendously increased by the construction of the dam now proposed and authorized by this measure.

There is but one method of producing aluminum, and that is by the use of electric current. And only by an increased supply of electric current can we obtain the necessary increased production of aluminum, without which we cannot attain the high-water mark in the production of war planes set by the President and promised by Donald Nelson, who has just been placed in charge of war production, clothed with unprecedented power. The construction of Douglas Dam immediately is imperative if the crucial needs of electric power to produce aluminum for airplanes in 1943 are to be satisfied. In response to a telegram from me, Dr. H. A. Morgan, one of the Directors of the Tennessee Valley Authority, a former president of the University of Tennessee and a man of unquestioned ability and integrity, on January 8 of this year, stated to me:

> In no other way can the power which the Office of Production Management and the President have called for be produced anywhere in the country. Every engineer—from private practice and from Government service—has so testified.

It is true that the construction of this dam was not recommended until the demands of the present war emergency left no alternative.

Dr. Morgan further stated to me:

> Chief Engineer T. B. Parker, of the Tennessee Valley Authority, and all other engineers who have studied the matter, states that power can be produced at Douglas Dam for from 1 to 1¼ mills a kilowatt-hour—the cheapest power that can be produced any place in the country by any means. To anyone who understands the Tennessee Valley Authority hydroelectric projects this will become apparent when it is realized that storage of this dam is above all the other dams on the main Tennessee River. The water it releases makes power at Douglas and at every other dam on the main stream of the Tennessee.

In this position Dr. Morgan is sustained by Mr. William L. Batt, Director of the Materials Division of the Office of Production Management. On December 4, 1941, Mr. Batt made this statement:

> Regardless of temporary surpluses in some sections, every important defense area of the country will be short of power in 1943. The Douglas Dam is one of the few projects which can be undertaken at this late date to relieve that shortage, and it is the only source in the whole country from which so much power can be obtained in 1943. This power is vitally needed, not for the development of the Tennessee Valley or the Southeast, but for the defense of the Nation.

This statement of Mr. Batt has been confirmed by the engineering staff of the Tennessee Valley Authority, headed by Col. Theodore B. Parker and by Mr. W. P. Creager, the eminent hydroelectric consulting engineer engaged by the Office of Production Management, to check Tennessee Valley Authority's engineering facts.

The facts relative to this situation are further developed by Dr. Morgan, and he states:

> The elimination of Douglas Dam, therefore, presents a dark picture for 1943. We have been forced to advise the Reynolds Metals Co. and Alcoa that the expansion program planned by Office of Production Management for aluminum production at two existing plants in this region is not feasible for the beginning of operation in 1943. The authorization of Douglas Dam would make it possible for those expansion plans to proceed forthwith.

Eminent engineers who have studied this proposition and gone thoroughly into it express their conclusions and advice in the following words:

> If construction is begun by February 1, 1942, Douglas can be counted on to produce a total of 85,000 or 90,000 kilowatts of continuous power by 1943 instead of 100,000 kilowatts. This loss is about one-half the requirements of an aluminum pot room, but Douglas would still provide a large block of

power, enough to produce some 85,000,000 pounds of aluminum, not available in any other way.

If this dam is now authorized, it can be completed for filling by March 1, 1943. This means that construction of the Douglas project will correct the serious situation with respect to a shortage of power which would otherwise exist in 1943.

Members of this House have recently been flooded with an article purporting to be the statement of Mayor Jarnagin, of Dandridge, Tenn., in opposition to the construction of Douglas Dam. Prior to our entrance into the present war there was a natural hesitancy on the part of many to authorize the construction of this dam in opposition to those opposed to its construction. The war and the imperative and desperate need for an increased production of aluminum has entirely changed the situation. The facts above stated completely refute the statement attributed to Mayor Jarnagin. The truth of it is his statement is a modern reproduction of the Biblical occurrence where the hands were Esau's but the voice was Jacob's.

To further demonstrate the absolute necessity for the construction of this dam, in response to questions propounded by me to Dr. H. A. Morgan, of the Tennessee Valley Authority, I received from him the following statement of facts, which, to my knowledge, cannot be disputed:

1. The physical characteristics of the Douglas Dam site that will make it possible to construct this project in so short a time may be summarized as follows: (a) The site itself is an excellent one from an engineering viewpoint, and all necessary preliminary drilling and exploration have been practically completed; (b) the quarry from which we would get the rock is a good one, and the dirt in the vicinity—which would be needed for the earth fills—also is good; (c) the site is virtually a twin of that at Cherokee, and the same designs for gates, turbines, generators, sluice gates, mixing plant, bridge, etc., may be utilized at Douglas. Thus, with a lay-out of the work and equipment similar to that of Cherokee, much of the construction equipment used at Cherokee can be transferred quickly to the Douglas site. The dam can be closed 13 months after it has been authorized. A major consideration is the fact that the Authority has a generator and turbine purchased and now being manufactured for the Cherokee Dam which may be utilized immediately at the Douglas Dam. This unit is scheduled for installation at Cherokee as a third unit to be used for peaking and reserve capacity; if transferred to Douglas, it can be used as the first installation there and used for generation of continuous energy.

2. Approximately 30,500 acres of land will be flooded by the reservoir behind Douglas Dam when the water is at normal pool level.

3. In addition to the French Broad, only a very short stretch of the Nolichucky River would be impounded by the Douglas Dam.

4. The total drainage area behind the dam would be 4,540 square miles, almost twice that of Norris Reservoir. The average annual rainfall is 47.4 inches.

5. You ask in this question how many kilowatts per year will be produced by Douglas. If the Douglas Dam is authorized by February 1, an additional 85,000 kilowatts of continuous power will be made available from the Tennessee Valley Authority system during most of 1943, if that year is a dry year, or 120,000 kilowatts of energy if 1943 is an average year.

6. If 1943 proves to be a dry year, then of the 85,000 kilowatts of continuous power which the erection of Douglas Dam would provide, approximately 30,000 would come from Douglas, and the balance would be generated at 8 dams on the main river in varying proportions. If 1943 is an average year, this would be increased to 120,000 kilowatts, of which 30,000 kilowatts would be generated at Douglas and the balance at the other dams (which include Fort Loudoun, Watts Bar, Chickamauga, Hales Bar, Guntersville, Wheeler, Wilson, and Pickwick). For 1944, of the 100,000 kilowatts of continuous power which would be available if that year proves to be a dry one, approximately 35,000 kilowatts would be generated at Douglas, and the balance at downstream dams. About 50,000 kilowatts would be available from Douglas if 1944 proves to be an average year. These 1944 Douglas figures are based upon two generators in service for 1944, whereas only one would be in service at Douglas in 1943.

7. If Douglas Dam is authorized by February 1, the additional power to be made available in 1943 would produce a minimum of 85,000,000 pounds of aluminum, if 1943 proves to be a dry year.

We are at war. Our armed forces on the land, on the sea and in the air, against overwhelming odds, are performing feats of valor that daily thrill the hearts of all patriotic Americans. Their heroism and their sacrifice is a challenge to the membership of this House. We will not fail them. We will give them guns and ships and planes, and more guns and more ships and more planes, until, in the words of the President, our superiority shall "be overwhelming." In terms of planes, the increased production of aluminum made possible by the construction of this dam will be from 1,200 to 1,500 bombers per year.

For the want of a nail a shoe was lost,
For the want of a shoe a horse was lost,
For the want of a horse a rider was lost,
For the want of a rider a battle was lost,
For the want of a battle a kingdom was lost—
All for the want of a horseshoe nail.

For the want of planes this war must not be lost. While our boys are fighting and dying is no time to quibble; is no time to resort to cheese paring tactics or to the splitting of hairs.

Time is of the essence. Every minute lost is being paid for in the needless, senseless sacrifice of our strongest, our bravest, and our best boys.

Pass this bill. Translate the power produced by this dam into aluminum and into fighting planes. Our boys are up against superior air power. Give them overwhelming superiority in the air. They will do the rest.

Adopt the battle plan of the Confederate wizard of the saddle, Nathan Bedford Forrest, whose slogan was "Git there fustest with the mostest men." Get there first with the most planes, the most of everything else. Give the Japs, the Nazis, something more indigestible than canned beans, tomatoes, and corn. Hasten the day when their banner shall bear a setting and not a rising sun. Remember Pearl Harbor in the way the Texans remembered the Alamo—in the true American way. Do it by taking this essential step toward air supremacy for our fighting men, wherever they be, anywhere in the world.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. Yes.

Mr. PRIEST. Is it not true that an estimate has been given that the additional aluminum that could be produced as a result of power made by the construction of this dam would be sufficient to increase the airplane production by 15,000 planes per year?

Mr. JENNINGS. That is true.

Mr. PRIEST. And that is the minimum, I believe?

Mr. JENNINGS. Yes.

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Mississippi [Mr. COLLINS] such time as he may require.

Mr. COLLINS. Mr. Chairman, the Secretary of Agriculture, a few days ago, warned that the United States faces a shortage of sugar. On this subject I shall present to the House some very interesting facts that I feel the American people should know.

Sugar a prime essential in the national dietary, supplies about 13 percent of the energy we obtain from foods. In wartime sugar moves to a place of new importance—it is a strategic, military requirement of armies in action; it and its byproducts are source materials for vital military supplies, especially industrial alcohol. In times of anticipated shortage of sugar the public reacts most violently, as witnessed by the housewife's panic at the outbreak of hostilities in Europe in 1939

Brushing aside the statistical position of world overproduction of sugar, the Nation now faces the cold, realistic fact that some sugar stocks once counted upon are in enemy hands, or other supplies are in distant lands that require shipping facilities desperately needed for other purposes. In the present emergency and as protection against possible future emergencies of one kind or another, we must look to the sugar crops produced in our own land, under our own flag, and under our own control as the backlog of our own national supply.

The domestic industries producing sugar and sirups from sugarcane and sugar from sugar beet grown in continental United States have supplied something over 30 percent of our normal national requirements of nearly 7,000,000 tons of sugar each year. These industries must be called upon for production of comestible sugars and sirups and for fermentable sugars from sweet sorghums and from cane molasses from which to produce industrial alcohol to give such measure of relief as possible from the shortages caused by the war. We must seek such immediate increase in American production as can quickly and efficiently be brought about by a policy of encouragement to these basic industries, which feel that they have in the past been restricted and controlled by the circumstances of international policy. If our domestic sugar production is increased so that it supplies 40 or more percent of our requirements of comestible sugars and sirups and if the supply of fermentable sugars is also increased, such development means that

new lands must be brought into cultivation and new growers must take part in the effort. An increase of a half million tons is believed possible without building new factories and with no great demands for strategic metals or other war materials. That increase is almost as great as the entire sugar production of Great Britain. To safeguard the crop and to give scientific direction in an expanded production with maintenance of current levels of productivity places a much greater load on the research agencies of the United States Department of Agriculture.

As a member of the Committee on Appropriations, I have been interested in the research agencies for a long time, and I have played some part in the decisions made in supporting them. At a time like this, when we must rely upon our internal efforts for a larger measure of supply of sugar, we may look with satisfaction on the tools that have been forged enabling our farmers rapidly to increase production. My purpose today is to review some of this work and show how our farmers can translate it into sugar in the bag or into molasses in the tank car and then into industrial alcohol, which is a solvent used in the manufacture of smokeless gunpowder. Yes; our sugar farmers will not only play a vital part in meeting increased demands for concentrated food for armies but also a large part in supplying those armies with weapons. That an increment of sugar almost equal to the total production of an important industry of our ally, England, is testimony to the prudent regard of our Government for the maintenance of research permitting us to keep abreast of current problems even when the philosophy of scarcity and "plow under" was in its heyday.

The domestic sugar industries, by their own grateful acknowledgment, owe their continued existence as an integral part of American agriculture to the research contributions of the Bureau of Plant Industry and the Bureau of Agricultural Chemistry and Engineering of the United States Department of Agriculture. From the Department's investigations have come the varieties of sugarcane which can grow and make a sugar or sirup crop under exposure to mosaic, root rot, and other diseases. Resistant varieties of sugar beet have saved the sugar industry of western United States, threatened with extinction because of the insect-borne virus disease, curly top. The Department is now introducing varieties of sugar beet so definitely improved in leaf-spot resistance as to reduce to a very considerable extent the serious menace of this leaf blight in areas east of the Rocky Mountains.

In July 1941 Congress has placed upon the Department responsibility for breeding sweet sorghums, together with development of improved methods of culture, whereby this plant may eventually become a new source upon which the Nation may depend for some portion of its sugar requirements. Technological advances in this new field by the Department have been signalized by recent far-reaching improvements in methods of processing sugar from sweet sorghum.

It is important to note that these advances in sugar agriculture, which have come from research, are not complete victories which eliminate the problems but they are significant in that they have been good enough to restore and rehabilitate the stricken farm industries. Nor is the ground that has been won in this scientific battle to make the plant better fit its environment to be held without constant effort. An improved variety must receive constant, uninterrupted attention by the breeder so that it does not retrogress with respect to the very qualities which make it valuable. As new and improved varieties are found, the old varieties must be replaced so the farmer may better meet his problems of crop growing. Thus, a continued, prosperous sugar agriculture requires new sorts as fast as these emerge as a product of the breeder's continued attention and skill. It is the experience not alone with sugar plants but with other crops that as the heritable characters of the plants ar manipulated to select and breed more resistant forms, account must be taken of the fact that, in nature, the parasites are also in the state of change. A variety, for example, may be extremely successful when first introduced but may eventually become of little value because of the natural changes in aggressiveness which occur in its parasites or other changes in conditions. Hence, in these studies, which seek to adapt the plant better to fit its place in agriculture, continuous breeding research must go on.

Many problems arise if one visualizes an increased domestic production of sugar. For example, increase in acreage of sugar beets brings up the problem of adequate domestic supplies of seed. As is well known, the success in introducing improved varieties of sugar beet which are now exclusively used in American fields—first the curly-top-resistant varieties and later the better adapted and the leaf-spot-resistant types—was possible because the Department discovered how to grow sugar-beet seed efficiently in the United States of America. From this has grown the American beet-seed enterprise which has freed the United States of its dependence on continental Europe for beet seed. The present requirements for enough sugar-beet seed to plant about 1,000,000 acres of sugar beets are crowding to the limit the available seed acreages in southwestern United States and in the Pacific Northwest. Seed crops on the largest acreage ever grown in the United States of America are experiencing serious reductions because of disease. The success of the ventures in some districts is threatened by new diseases, downy mildew and a new leaf spot. Soil deficiencies occasioned by inadequate natural supplies of boron and sulfur have been encountered in the soils of the Pacific Northwest. These deficiencies have also seriously reduced yields of many fields. Any expanded program which envisions 10, or even 20, percent more sugar-beet acreage immediately brings the disease and soil problems in the seed-growing districts sharply to the fore. These must be met if seed supply is not to become a bottleneck nullifying the whole problem. And, if greater demand for sugar-beet seed is to come from the United States, either in wartime or in the post-war period than that which has already come from England only a forward-looking program which finds new areas and determines their suitableness for seed production can meet these new and heavy demands.

Other lines of sugar-beet research have their duties in wartime and in the post-war period. Agronomic studies which take into account labor and machinery shortages must find, by research and practical experiments, ways and means whereby necessary short cuts in production can be introduced which will get the job of increased production done without jeopardizing the crop. Efficiency in use of our fertilizer supplies, always significant, takes a still more important place in the emergency situation in which fertilizer stocks are limited. As basic in the whole program, the breeding projects to which the industry looks for the foundation stocks from which to produce seed have a bigger job than ever in producing improved varieties, to safeguard the farmer from disease loss.

Nor is the situation different with sugarcane, be the crop grown for sugar or, as is done in Mississippi and in seven other Southern States, grown for sirup. Anyone experienced with that crop knows of the steady stream of introductions which have moved this industry from almost complete collapse, brought about by low acre-yields of cane, of sugar, and of sirup, to the high acre-yields which have far outstripped those in the good old days before mosaic and root rot came in to destroy our plantations. The business has been kept in a disease-safe condition because there has been this steady stream of new, improved varieties which have turned aside disease threats when they appeared. Only recently, a new disease, chlorotic streak, gave evidence of repeating the disastrous history of sugarcane mosaic, and, in spite of attempts to stamp it out and restrict its spread, this disease still remains a serious threat to sugarcane culture of the South. Chlorotic streak has not reached Mississippi, and if it does not reach our farms engaged in sirup culture, or if it is slowed up in getting into our fields, it will be due to the Department's guidance in the control efforts.

The cane farmer, both small and large, is confronted, as is the beet farmer, with the job of adapting his methods of culture and his fertilizer practices to wartime conditions. Who is to find for him the efficiencies in production, the new techniques whereby he can raise his production to higher levels if agronomic research—that is, practical field experiment—is lessened? The sirup growers of Mississippi cannot go it alone without the Department's research to help when needed.

One beet-sugar executive has stated that it is an inconceivable situation to him that at the same time that the O. P. M. urges more production of sugar another phase of Government is considering curtailing the research activities on which his factories must rely to accomplish the job of more production.

To me, it is just plain common sense to go along with the farmer and the factory man in their pleas for more, not less, of the kind of Government assistance that really affects the job to be done.

In these times, because of exceptional demands for sugar, we must not overlook the contributions that the producers of sugarcane sirup are already making to the national dietary. In 1939 nearly 25,000,000 gallons of cane sirup were produced in the United States, far exceeding the average of the preceding 10 years. In 1940 production fell off to about 15,000,000 gallons, whereas preliminary estimates for the past season show a strong rise to nearly 20,000,000 gallons. Of this very impressive production of a highly prized foodstuff for our people, Mississippi produced a very substantial percentage, 15 percent; our sister States, Georgia, Florida, and Alabama, made similar high contributions which, with the production from South Carolina, Arkansas, and Texas, and the heavy production from Louisiana, made up the grand total of this important food.

During World War No. 1, and immediately after, we found that the sirup industries of the Southern States immediately increased production, nearly doubling their previous output. These sirups, which are cane sugar in just another form, replaced nearly an equivalent amount of sugar and certainly eased the situation as to sugar shortage in all parts of our country where distribution of sirup was feasible. And the job was kept up after the war, when sugar was scarce. Thus, in 1919, Mississippi produced 6,675,000 gallons of sirup and in 1920 produced 7,497,000 gallons, contributing nearly 18 percent in each year to the national total.

The farmers in Southern States stand ready again to do their part in meeting the national emergency. They planted about 113,000 acres of sugarcane for sirup production in 1941. But, in the World War No. 1 period and shortly thereafter, the acreage reached nearly twice this figure, and when the call comes again cane will be put in the furrows by our planters.

Here, also, is an expanded program, and we need to know the best methods to follow, the best crop practices, and, above all, we want to use the right varieties so that every acre may do its full part. Our farmers depend on the United States Department of Agriculture and on State agricultural experiment stations for this information and for leadership.

Now, let me turn to another phase of this complicated subject—utilization of sweet sorghums, or the sorgos, as they are properly called. Sweet sorghums are grown extensively in the United States as a source of table sirups. Production of sorghum sirups is largely home industry in Mississippi and other Southern States. It has thrived because the price the farmer gets reflects intangible values which come from the flavor and other qualities of the product. The actual sugar in the sirup is worth a whole lot less than the Mississippi farmer gets for a clear, tangy sorghum sirup. Now, any plant which has a high sugar content is apart from other crop plants whose stored products commonly are starches or oils. Hence, our sweet sorghums have enormous potentialities as a sugar source. In normal times profitable production is, however, restricted because of low acre yields of sugar obtainable from existing varieties. For a war effort, sugar can be produced in quantity from sorghums in this country as early as next year if an energetic effort is made and funds provided to increase the seed of several suitable varieties this year. Sorghums, as we now grow them for sirup, produce rather small crops. The production of sugar per acre must rise because of enhanced tonnages for specially bred varieties in order to place the sweet sorghums on a competitive basis with sugarcane or sugar beets. This is recognized as necessary if we are going to capitalize fully on this crop. We have turned this job over to the Department's breeders and agronomists. The outlook in this work, which has just started under appropriation first made effective in July 1941, is hopeful. This work should not be cut down just when it is starting.

The sweet sorghums will be useful as a source of industrial alcohol in this emergency, and the job of producing them as a midsummer crop on farms near cane mills this year is being pushed.

Everything points to an almost unlimited demand for industrial alcohol for war purposes, not only in the United States but from our Allies. The fermentation industry, which formerly utilized low-cost byproducts and agricultural wastes, now steps into the picture as an avid competitor for very sorely needed foodstuffs. The sugar industries have another job to do.

The industrial chemical problems in making pure sugar from sorghums arise because sorghum juice contains starches and invert sugars along with the cane sugar. For the fermentation industries producing alcohol, starches and invert sugars are probably as usable as is the cane sugar itself. Hence, as the call arises for fermentable stuffs to supplement the inadequate supplies of blackstrap molasses from Cuba and domestic sources, the sirup obtainable from sorgo may fill a gap in supplies of fermentable sugars not otherwise to be met. At present alcohol prices, it is probable that the low price per sugar unit which can be paid may not be attractive enough so that producers of table sirup in Mississippi will want to enter this field. Furthermore, transportation costs are against extensive response to these proposals. It is doubtful if small mills used for table sirup production, and low acre productions, make existing sweet-sorghum areas a large factor in the situation. But, if the country finds it needs sorghum sirup to make powder to keep America free, it just has to say the word.

There is another large production area to which we may turn. If production problems can be met, acreages in Louisiana close to cane mills which can process and efficiently produce sirup without change in their existing mill set-ups may be asked to enter into sorgo production and a fairly large new source of fermentable sugars thus be developed wholly as a temporary emergency war measure. This can be done without change in mill capacity because sorghum is an early season crop and can be milled before the normal time for milling the sugarcane crop. To launch a new crop in the area puts a heavy load on directive research. The Department would need to be given the means to handle this job.

Those closely in touch with the research work of the Bureau of Plant Industry know that the projects undertaken are those authorized by Congress and supported year to year by its appropriations. These projects are those which have entirely to do with meeting some specific problem which was outlined in the beginning, carefully studied as to method of work, and ordered started. As the work has been continued by means of the annual appropriations, it means that satisfactory progress has been shown and that farmers and those in the industry have given it support. The constant recasting of work, beginning with cuts in appropriations from 1933 on, has eliminated those projects which could be terminated. It is not too much to say that the projects now being conducted are, in general, at such a point that further reduction in appropriations is tantamount to ordering discontinuance.

The projects dealing with sugar and sirup investigations are closely geared to the needs of the industry. There is no research for research's sake being carried on. In essence, all work is applied science, with only such fundamental investigations in cytology, genetics, physiology, and plant pathology as are directly needed to give practical breeders and field experimenters the necessary background that their work may be effective.

It is true that these jobs have long-time objectives. But to serve the Nation at war or to meet post-wartime problems, these research projects do not need to be torn down or revamped. One does not find here visionary or theoretical problems but straightforward, practical problems are being met with fidelity and close application. It has been stated that plant breeding must be forward looking and must keep abreast with a changing environment. But one cannot look backward in research or limit his ideals of plant accomplishment to bygone days. The agronomist does not find a single set of crop conditions for which he must develop a rule, but he must study and learn the principles of plant growth that he be a reliable guide indicating plant behavior. Otherwise, he is an empiric and his investigations make no lasting contribution.

There is a popular misconception that there are a lot of frills and floundering in research work. In the important and main investigations on crop plants, and in the sugar plants in particular, every project has a definite and entirely feasible purpose, and it sticks to its particular job. The impressive record of the accomplishments in meeting the problems of the sugarcane and sugar-beet industries could not be given if the research were otherwise than a clearly outlined, definitely planned march to an attainable goal.

Let us realize that we must keep pace in this day of rapid technological progress, stimulated and accelerated in all countries because of the war. The farmer has been asked to do his part by producing food. You and I know that the American farmer, true to his traditions, is going to do this job nobly and in full measure. He must, in this time of stress, accomplish his task, making the old tools and machinery do the work and more. He must disrupt the rotation system on the farm acres and break the regular ways of crop culture. He must grow more food when his sons and his field hands answer the country's call. The least we can do is to marshal all the forces of scientific agriculture to help him. The great work which the farmer is going to do will be crowned by greater success if he has been relieved of some of the uncertainties that beset agriculture at all times.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. STARNES].

Mr. STARNES of Alabama. Mr. Chairman, every dollar in this huge appropriation bill is for the Air Corps or directly related to the Air Corps of the United States Army. We have in this bill approximately a billion dollars for expediting the production of airplanes. We have ordnance, signal corps, chemical warfare service items, all related to the Air Corps production. The item for the Douglas Dam is just as directly related to this Air Corps program as is the money for the construction of new plants or conversion of present facilities from peacetime to wartime production in the automobile industry, or the production of bombs or armor plate, because planes cannot be produced in the first instance unless we have the power to produce aluminum. This bill provides money to maintain continuity of present planned capacity and to increase production of heavy bombers. Under existing orders maximum production will be reached in August 1942. Since continuity of production is necessary to attain maximum effort this bill is important. The expansion and full utilization of existing facilities plus the conversion of the automobile industry to war production will expedite the delivery of our bomber program. The heavy bombers being constructed will provide the striking power in the air force.

I shall now address myself to the one item that seems to be somewhat controversial, and that is the item for the Douglas Dam. Every competent governmental agency, authorized to speak in behalf of our war effort, implemented and supplemented by the evidence of all competent experts who have been called upon to make any statement with reference to it in private business and industry, states that there is an acute power problem involved in this war effort of ours. This problem of providing sufficient power will be acute to the *n*th degree in 1943, when our production will reach its height. According to all of the testimony given to various appropriation subcommittees begining in October, again in November, and lastly in December 1941, power at the Douglas Dam site can be produced in a larger quantity and more expeditiously and translated into terms of aluminum for planes than elsewhere in the whole United States of America. I challenge those who oppose this item to produce one single scintilla of competent testimony from private power sources, from public power sources, and governmental agencies, who say that we will not have a power shortage in 1943, and who also say that you can produce this power elsewhere more cheaply and more quickly and translate it into terms of war efforts than at Douglas Dam.

Mr. McLEAN. Mr. Chairman, will the gentleman yield?

Mr. STARNES of Alabama. Yes; I yield to the gentleman from New Jersey.

Mr. McLEAN. About a year and a half ago Mr. Lilienthal, before the Committee on Appropriations, stated that the Tennessee Valley Authority was studying and was about to provide a balance sheet which the average man could understand. Can the gentleman tell us what progress is being made in that respect?

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. CANNON of Missouri. Mr. Chairman I yield 5 minutes more to the gentleman from Alabama.

Mr. STARNES of Alabama. Mr. Chairman, I do not intend to be drawn into a controversy between Mr. Lilienthal and the gentleman from New Jersey.

Mr. McLEAN rose.

Mr. STARNES of Alabama. Wait a moment. I shall not yield any further, because I do not think, knowing Mr. Lilienthal as I do, and knowing the gentleman from New Jersey as I do, that I nor any other power, terrestrial or celestial, could reconcile the views of those two gentlemen with reference to the T. V. A.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. STARNES of Alabama. Certainly.

Mr. TABER. I have in my hand a statement from Mr. Kellog, president of the Edison Electric Institute, in yesterday's New York Herald Tribune, pointing to a present surplus of more than 9,000,000 kilowatt-hours above the greatest demand for power, and the construction of an equal amount in the next 3 years.

Mr. STARNES of Alabama. The gentleman may have such a statement. I do not dispute there is a surplus of power in areas where there is no war production and where there can be no war production due to lack of material and facilities, but in areas where war effort is under way, and where it will be carried on throughout the war, whether it be a long war or a short war, there is an acute power shortage, and there still is not one scintilla of evidence showing that we do not need the power in this particular area.

More aluminum is produced in the Tennessee Valley area than elsewhere. The necessity of speedy production of planes is acknowledged by everyone, regardless of position and regardless of politics. This power can be produced at Douglas Dam in 1943. The House and Senate, in its collective judgment, substituted two dams last month, which will cost $48,000,000 instead of $32,000,000, the original estimated cost of Douglas Dam, and will not produce power until 1944 or 1945. I make no criticism of that action, but call attention to the fact these two dams are not scheduled to produce power in 1943 when the shortage will become acute because of expanded production.

Mr. KEFAUVER. Mr. Chairman, will the gentleman yield?

Mr. STARNES of Alabama. I yield.

Mr. KEFAUVER. The gentleman from New York [Mr. TABER] has read a statement by Mr. Kellogg. I am not sure about it, but possibly the gentleman can tell us. It is my recollection that when Mr. Kellogg was with O. P. M. he reported there was a power shortage and would be one in 1943 and in 1944. I just wondered if the gentleman had any recollection of what he did say at that time.

Mr. STARNES of Alabama. In answer to what the gentleman has stated, the hearings on the supplemental national defense appropriation bill for 1942, the hearings on the third supplemental national defense appropriation bill for 1942, and the hearings on the independent offices appropriation bill for 1943 disclose voluminous testimony and voluminous evidence to the effect that in 1943 there will be a power shortage even though every existing facility is used to its fullest extent, and even though every new facility now being provided in the T. V. A. and throughout the entire country is used to its fullest extent.

Mr. KEFAUVER. I will ask the gentleman if those statements were not made before the tremendous rise in the plant-production program, after the attack on Pearl Harbor.

Mr. STARNES of Alabama. A portion of them were.

Now, particularly I want to call the attention of the gentleman from New York [Mr. TABER] and others to the testimony of Mr. Tate of the Federal Power Commission, given before the subcommittee of the Committee on Appropriations on the independent offices appropriation bill, found on page 1074 of the hearings on that bill, in which I asked this question:

> What is the total installed power capacity of the country at this time?

And Mr. Tate said:

> About 42,800,000 kilowatts in public utility plants. There are a number of installations in private industrial plants that have their own generating facilities.

And to read a statement he made, which was supplied by him in response to the question of whether or not there was any need, nationally, for all the power that we have and are providing for. You will find he states that there was, and that even after those facilities had been provided, there would still be a shortage of power in 1943:

> INSTALLED CAPACITY OF PUBLIC-UTILITY GENERATING STATIONS
>
> Mr. STARNES. Mr. Tate, what is the total installed-power capacity of the country at this time?
>
> Mr. TATE. About 42,800,000 kilowatts in public-utility plants. There are a number of installations in private industrial plants that have their own generating facilities.
>
> Mr. STARNES. What is the approximate annual continuous power?

(The following statement was later supplied by Mr. Tate for the record:)

"The present installed capacity in public-utility generating stations in the United States is approximately 42,800,000 kilowatts (as of December 31, 1941). Approximately 39,000,000 kilowatts of this is installed in the plants of the major power systems of the United States, which number about 200. The total dependable capacity of the major electric utility systems, which are the ones from which the Federal Power Commission obtains monthly reports on loads and capacity, amounts to about 36,500,000 kilowatts. This figure of dependable capacity, although commonly interpreted as representing continuous carrying capacity, obviously includes many waterpower plants which cannot operate continuously throughout the year, either because of low stream flow or because some of them are storage plants and of necessity must be shut down during periods of filling the reservoirs and then held as nearly full as possible until the normal dry season of the year begins or for emergency use. The continuous capacity of the electric generating stations of the Nation's systems is, therefore, not an easily ascertained figure and even if obtained, it does not have much significance as the power loads are greater during certain seasons of the year than at other times and some of this capacity, therefore, operates at very low load factors or for only a few hours use each day during the peak load season or critical period when reservoirs are being drawn down.

"The figures for the entire country, although significant from the standpoint of total capacity available, do not form a proper criterion to judge the power supply which must be determined separately for each area of the country, in accordance with the load conditions prevailing in the area at relative proportions of hydroelectric generating capacity and plants using fuel for electric generating, the amount of reserves required to maintain continuous service and the transmission network and the location of the power sources with respect to the power loads or markets and the interconnections available between areas.

"Before the United States entered the war the Commission's staff prepared estimates of the loads of the major electric-utility systems that might be realized during the years 1942 and 1943 and for several years subsequent thereto, on the basis of current annual expenditures for defense of $3,000,000,000 per month or $36,000,000,000 annually. These indicated that the demand to be planned for in 1942 would be 39,581,000 kilowatts and 42,715,000 kilowatts for 1943, as compared with 33,951,000 kilowatts to be expected in 1941.

"As a result of our actual entry into the war and the recent message—January 6, 1942—of the President to Congress setting a figure of $56,000,000,000 to be expended in the fiscal year 1943, the whole defense program will be considerably stepped up to such an extent that critical shortages in power supply will occur in various sections of the country both this year and next, in spite of the large additions to generating capacity that are being made. The scheduled additions to the major systems' plants, for installation and operation in 1942, amount to 3,256,000 kilowatts, of which 2,268,500 kilowatts are in fuel plants and 987,500 kilowatts in hydroelectric plants. During 1943 these scheduled additions to the major electric-utility systems amount to 2,952,000 kilowatts, of which 2,128,000 kilowatts are to be installed in plants using fuel and 824,000 kilowatts in water-power projects.

"The problem of meeting 1942 and 1943 loads, therefore, becomes one of:

"1. Expediting the installation and operation of all new generating equipment planned for operation during these years.

"2. Expediting the installation and operation of such transmission interconnections as are required and as can be brought into service during these years.

"3. The rehabilitation, reconditioning, and overhauling of all electrical and mechanical equipment, in preparation for the still heavier loads to be experienced and the necessity of operating this equipment continuously.

"4. Filling of all storage reservoirs insofar as rainfall and stream flows permit, and keeping them at as high a level as possible against the contingency of possible dry seasons, and for the greater loads to be experienced during the late summer and fall.

"5. The pooling of all power resources in an area and between areas to secure maximum use of all existing facilities and to see that no generating capacity that can be utilized is allowed to remain idle.

"6. The construction of such additional emergency interconnections as needed in any area and between areas as can be completed in time to be of service.

"7. The adjusting of loads and switching the hours of operation in order to reduce peaks and to reduce the loads to such a point that existing generating capacity and that to be installed can successfully carry these loads.

"8. After all of the above steps have been taken, and if curtailment becomes necessary, power should then be rationed to insure that all power needed for the war materials manufacture and Military and Naval Establishments is assured, together with a power supply to all other essential uses, such as hospitals, fire and communication systems, airports and airway beacons, municipal plants and water-supply systems, sewage-disposal and sewage-pumping plants, railroads and terminals, bridges, etc., and that unnecessary or nonessential uses be sufficiently curtailed so that war production will not be interfered with.

"The present industrial loads vary from 10 to 15 percent in some areas which are not highly industrialized to as much as 60 percent in the Tennessee Valley region and to 95 percent in the Niagara Falls region, where the residential, domestic, and commercial loads only amount to about 5 percent of the total. While the entire industrial load is not all direct defense load, there are, however, many industries in these areas operating on indirect defense orders, supplying parts to firms which have direct orders from the War and Navy Departments and other Government establishments, and there are many essential uses which cannot be curtailed without disrupting the welfare of the people. The amount of curtailment possible therefore varies from one community to another and must be worked out separately in each area."

SHORTAGE OF POWER FOR DEFENSE PROGRAM

Mr. STARNES. Is there sufficient power on hand or projected to meet this defense program of ours for 1943 and 1944?

Mr OLDS. There is not sufficient to meet the defense load of either 1942, 1943, or 1944 without either additional capacity or a material curtailment in certain areas of the country.

Mr. WOODRUM. How short are you?

Mr. OLDS. What is the total shortage, Mr. Tate?

Mr. TATE. It will probably run in the neighborhood of a couple of million kilowatts this year and probably three or four million next year, on the basis of the President's message to Congress on January 6, whereby the whole program is being stepped up.

Mr. STARNES. How much of the 38,000,000 continuous power would you say is being used in purely defense production?

Mr. TATE It varies from one area to another. In the Tennessee Valley area it is probably in the neighborhood of 60 percent; in the other Southeastern States it is in the neighborhood of 35 percent; in New England, about 25 percent; in some areas in the interior of the country about 15 percent or less; on the Pacific coast it will probably run in the neighborhood of 25 or 30 percent now, and in southern California as high as 50 percent.

Mr. STARNES. Mr. Olds, did you make a survey of the power situation with reference to places where single blocks of power or large blocks of power could be made most quickly available to meet this defense program, during recent months?

Mr. OLDS. Yes; we have a continuous survey on that basis which deals with each of the 48 areas of the country. We issue a report every month as to the availability of additional power not only this year but projecting the situation 2 years ahead so that we either know there is likely to be a shortage in that area in the next 2 years or we can say to the Navy, the Army, or Office of Production Management: "You can put in additional production of muntions in these areas, because there is available a surplus of power."

ALUMINUM PRODUCTION IN THE TENNESSEE VALLEY AUTHORITY AREA

Mr. STARNES. Is it not a fact the Tennessee Valley Authority area has more and probably larger facilities for producing aluminum for defense purposes than found elsewhere in the country?

Mr. OLDS. You are talking about the two aluminum companies?

Mr. STARNES. The Aluminum Co. of America and the Reynolds Aluminum Co.

Mr. OLDS. I think that is true. They are doing a good deal of expansion in other sections of the country, but I think the greatest concentration of aluminum production at present is in the Tennessee Valley and the southeastern area.

Mr. STARNES You were asked by the Office of Production Management—and, of course, that meant the President—to make a study and recommendation as to where power could be produced most quickly in that area, during the past year?

Mr. OLDS. We were asked to make a recommendation as to the best locations for the expansion of aluminum production; yes, sir.

DOUGLAS DAM RECOMMENDED BY COMMISSION FOR PRODUCTION OF ALUMINUM

Mr. STARNES. On the basis of that, did you recommend the Douglas project as the most desirable project throughout the country to produce power for the purpose of producing aluminum?

Mr. OLDS. I would not say the best throughout the country, but we indicated that was the best location for the development of additional power in the southeastern area. That is, we have to view each region and area by itself, because there is no interconnection of sufficient capacity between regions so that you can use power interchangeably in terms of the defense program to provide an adequate power supply in the Southeast. We recommended Douglas Dam as one which could be most expeditiously developed to provide the greatest power directly and indirectly for defense.

Mr. STARNES. In the shortest space of time?

Mr. OLDS. In the shortest space of time.

Mr. STARNES. You took into consideration not only the production of power by hydroelectric plants but also by steam?

Mr OLDS. That is correct.

I further invite the attention of the House to the statements of Mr. Knudsen, Mr. Batt, Mr. Olds, and the President of the United States as found in the hearings on the second and third supplemental national-defense appropriation bills for 1942.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. Mr. Chairman, it is unnecessary I am sure for me to add anything at this time to

what has been said by other members of the committee in support of the pending measure. It is the first bill that the Committee on Appropriations of the House has considered and presented to this body for the defense of the Nation since our recent declarations of war against the Axis Powers.

This appropriation of more than $12,500,000,000 is the largest of the many huge appropriations presented to the Congress in support of the present national defense program. The further fact that every dollar proposed to be appropriated in the pending bill is for the purpose of constructing airplanes of various types, airplane equipment, accessories, ordnance, and ammunition is also significant. This unheard of appropriation for one particular implement of military equipment would have appeared to be unreasonable and unthinkable a few months or even weeks ago, but, of course, Pearl Harbor has changed the theories and philosophies of national defense of our military experts. It has finally dawned upon men who claim to be military experts high up in the military and naval service, as well as a few Congressmen and other governmental officials who evidently think they are experts on the subject, that the United States must have superiority of the air and at the earliest possible hour.

At the committee hearings this week appeared the Under Secretary of War Patterson, General Arnold of the air force, Mr. Knudsen, and several other chiefs of the various branches and divisions in the War Department affected by this appropriation. Judging from the testimony of these gentlemen, this $12,500,000,000 would not accomplish what the President has in mind for the next fiscal year so far as airplane production is concerned. The committee was advised that the funds appropriated in the pending measure will make possible the procurement and construction of 33,000 airplanes, of which 23,000 are tactical types and 10,000 are the small training-type planes. You will recall that President Roosevelt in his message of January 6 announced his proposal of increasing the production of planes for both the Army and Navy to 60,000 for 1942, of which 45,000 would be combat planes and 125,000 in 1943, 100,000 of which are to be combat planes.

Although the program outlined in the present bill does not meet the War Department's proportion of that goal we were told that it will be a mighty forward step toward such a goal and that it will add very materially in meeting it. This bill provides funds to greatly increase the capacity for production of bomber types, a type that has not been especially emphasized in the past, but Pearl Harbor has taught one valuable lesson—that bomber types of planes are not only essential but absolutely indispensable in an all-out war to win the battle of the Pacific.

I want to say here, as I have stated in the past, that I am of the opinion that the average citizen and taxpayer of the United States wants this Congress to appropriate every dollar that is absolutely essential for equipment, planes, ammunition, guns, and so forth, to win this war at the earliest possible date, but I am also convinced that our people are disappointed, chagrined, and disgusted to know that some of the great corporations of the country are apparently more interested in making enormous profits from defense contracts than winning this war. In this connection let me say it is the moral duty of every Member of this House and especially members of the Appropriations Committee to leave no stone unturned to the end that every dollar appropriated and expended under the provisions of the pending bill, as well as all other appropriations for the defense of the country, shall be expended in the interest of national defense rather than those who seek to secure huge profits from the misfortunes of war.

There is another unsatisfactory situation that in my judgment ought to be corrected as soon as possible. No one seems to know how many planes of the various types we have sent to Great Britain, to Russia, China, and our other Allies. It may be that officials in charge have been justified in sending the enormous amount of planes and equipment to our allied nations who were in distress in the past. One thing, however, seems to be certain: that we have sent too many planes and too much equipment for our own welfare. Now that Great Britain has had a breathing spell for several months—in fact ever since Hitler made his fatal mistake of attempting to conquer Russia—testimony before our committee was to the effect that Britain has stepped up her production of airplanes of recent months very materially. It just occurs to me that in fairness to ourselves and to the little band of valiant fighters under General MacArthur, who are gallantly holding out against odds of 10 to 1 or more in the Philippines, that we ought to send every plane, gun, ship, and equipment that is possible to General MacArthur and his men now before it is too late. I feel confident, judging from the testimony given the committee, that our American fighting planes and bombers are superior to anything the Axis Powers have and as this war proceeds it seems also that it is becoming increasingly evident that we must have superiority in the air in order to win the war of the Pacific. This appropriation, added to others made by this Congress, will procure the planes, tools, and equipment that will give the United States by far the largest and best air force in all the world. With such an air force, backed by our other implements of warfare, our brave and brilliant young American aviators will drive the treacherous little brown men from the air, and make certain the winning of this war.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, as has already been pointed out by a number of the Members, this is the most gigantic appropriation that any Congress or any legislative body has been called upon in the history of the world to report. As the gentleman from Oklahoma [Mr. JOHNSON] and others, I, too, am supporting the bill. I am strong for it. I realize that the American people are going to be called upon to share tremendous sacrifices in blood and treasure in order to win this war. The amount of money required is very large, but I shall not hesitate one moment in voting for all necessary appropriations.

I think, however, that this is a good time to point out that national defense should not become the cloak for covering up inefficiency, bad judgment, and waste. Of all times this is the time when we need a wise expenditure of our money so that we may become so well prepared that the sacrifice of human life may be kept at a minimum. War profiteering is not only wasteful, extravagant, and dishonest, it is destructive of our national-defense effort. It increases the hazards of those who are bearing arms for this country. We in Congress can appropriate the money but the administrative branches of the Government will have the responsibility of spending it. Yet it is our duty to cooperate in every helpful way.

The Appropriations Committee is to be complimented upon some of the very searching questions that were asked in the hearings on this bill. It was developed very clearly by the gentleman from Kentucky [Mr. O'NEAL] and others, that the per unit cost of airplanes is still on the incline. As we go into mass production of fighting planes, we find the per-unit cost of the plane going up. To me this has been a very discouraging development. There are numerous reasons given why the per-unit cost has gone up. I am not critical of the War Department, because the War Department has a job to perform, and is operating under the laws of the land and under some very definite handicaps. Not only that, they have to act, and act promptly. Not only that, competition is almost outside the picture. For example, in the production of radio equipment there are not a large number of people qualified to produce the type of radio equipment required. You do not have the real competition which you ought to have. In other words, it appears to me that any large producer of radio equipment can sit by and mark time because he knows that he will get the contract and get it at a price which will be advantageous to him.

We are in great need of a tremendous production of planes and other equipment for war. The large manufacturing concerns know that the Government will have to use their facilities and even build others and they have made no adequate efforts to cut costs or to spare the taxpayer. They seem to have the country at their mercy and too many of them are exacting exorbitant prices from the Government. There is really not much competition and the manufacturer is not sufficiently interested in cutting costs and preventing waste.

Before this war started many of us were supporting legislation to take the profits out of war. There is a greater reason now than ever to prevent war profiteering. I am told that the British produce planes at about half the costs which we pay for comparable planes in this country. Of course, the British

standard of living is below ours and there may be other reasons.

In the hearings General Arnold points out the increase in unit costs and many of the reasons therefor. He also points out the increases in costs which have been brought about by certain refinements in the planes. I quote from page 19 of the hearings:

General ARNOLD. All of these airplanes have become more expensive for another reason that has not come out yet, and that is increased complexity and weight. We used to build the tanks entirely of metal. Now they are self-sealing. We had to put in armor protection. We have had to put new kinds of radio in our airplanes. We have had to have new identification signal devices in them. All of those increased the weight of the airplane. When you add the increased cost of labor and all of these new gadgets as well as the increased number of pounds of aluminum in the plane, the price goes up.

I am not critical of General Arnold. He is an officer of superior quality. I am convinced that General Arnold and other able officials in the War Department are doing the best they can. Certainly the Congress should do everything possible to expedite the defense program and prevent loss by wastefulness and war profiteering. To prevent waste and profiteering is to help win the war.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. COOLEY. Is it not natural to suppose that as we get over into mass production costs will go down substantially from the present cost?

Mr. MAHON. The War Department officials say that if we keep up this curve for a period of years it will eventually come down, but it will not come down within the life of the appropriations made in this bill.

By unanimous consent, I here insert for the RECORD page 18 of the hearings—a statement furnished by Mr. T. P. Wright, of the Office of Production Management:

DISCUSSION OF THE REASONS WHY PRICES TO THE GOVERNMENT FOR AIRPLANES AND COMPONENT PARTS HAVE, IN GENERAL, INCREASED DURING THE PAST YEAR AND A HALF TO 2 YEARS

At the hearing before the House of Representatives Appropriations Committee on January 20 the above question arose, and the writer was asked to set down the contributing causes of the situation with which the Government is confronted with respect to airplane prices. The following, therefore, gives the writer's views as to the reasons for the price increases which have maintained during the past period of expansion and which, to some extent, may be anticipated in the future.

The increases in airplane quantities which are contained in programs under succeeding appropriation bills have been such that under normal conditions, and with other things being equal, would have resulted in reductions in prices up to as much as 40 percent, depending, of course, on the particular quantities procured under each succeeding order.

The factors which have equalized such reduction, and, in fact, have made prices actually more than formerly, are the following:

1. Labor: The cost of labor has increased during this period by 20 or 25 percent, and as labor represents from 25 to 30 percent of the cost of airplanes (depending on the quantity under order) this price increase reflects proportionately as an increase in price. Coupled to this increase in hourly labor rates must be added the more extensive overtime which has been brought about by the justifiable requests from Government to accelerate deliveries. Assuming an average week of 46 hours now, there would result a 12 or 15 percent increase in labor cost incident to overtime at one and a half times straight rate for week days and Saturdays and double time for Sundays and holidays.

2. Overhead: In the aircraft industry overhead is usually computed as a percent of direct labor. It has run from 75 to 100 percent (for air frames) and as many items of cost have increased parallel with increasing labor rates this fixed percentage has continued to hold.

3. Material: Prices of material have advanced by at least 10 or 15 percent during the period in question and do not appear as yet to have stabilized. Material represents from 27 to 35 percent of the total cost, so that here again the increase reflects proportionately in the price.

4. Tools: Unit tool costs increase with size of order and represent from 7 to 12 percent of the total. As tools costs are made up of labor and material, they also have advanced in accordance with the general trend. The same applies for engineering.

Combining the above direct costs, it appears that approximately a 20-percent increase in price will be brought about by them alone.

5. To these direct costs, however, there must be added certain intangibles, including such items as: (a) Educational programs for inexperienced labor; (b) loss in efficiency due to thinned-out supervision; (c) recourse to higher percentages of subcontracting, involving not only more work on the part of prime contractors in educating and supervising subcontractors' efforts but also the inclusion of double profits and general lowering of efficiency. Although the effect of these intangible items is difficult to determine accurately, it is believed reasonable to estimate that their combined effect might easily represent a 15- or 20-percent increase in cost.

6. In addition to the above, there is the fact that the airplanes and engines have themselves grown, adding on new equipment, which, in turn, has increased the weight. Reference here is made to a specific type and not to the increase in size of airplanes, when going to four-engine bombers, which reflects increase in the over-all cost of a program. Within the period under discussion airplane specifications have been changed to include self-sealing tanks, armor plate, more extensive technical equipment, and inclusion of highly specialized power equipment. In the case of engines the more general use of modernized equipment has similarly affected the power-plant size. These items themselves have added at least 10 or 15 percent in cost of a specific model of airplane as it has evolved in this period.

From the above it appears that in the last year and half to 2 years there is a total increase in cost ranging from 50 to 60 percent above those which existed at the first of the period. When combining this with the decrease due to increased quantities, there remains a balance of 20- or 25-percent net increase, which, it is believed, approximates the condition that has actually confronted procurement officers.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Chairman, I am supporting this, the most gigantic appropriation an American Congress has ever passed for military purposes. We must have the planes we are told this money will provide in order to win. We must vote for this bill pretty much "sights unseen," because the hearings and the explanations of what is to be done with this money are very meager, due to considerations of military secrecy. The reports of our past performance are of necessity also meager at this time, for the same reason.

I urge you all to read carefully the report to the Nation issued today by the Office of Facts and Figures, called The American Preparation for War. It is an interesting and helpful summary of what has actually been done, with a candid recognition of what has not been done. The essential facts as to planes and arms produced are disappointingly vague or are omitted, presumably for reasons of military secrecy, but it gives an all-over picture of our other preparations. It shows this, however, that American preparation for war, although billions in appropriations have been available, is still largely in the "gonta" stage. We are "gonta" have production, we are "gonta" have planes, tanks, ammunition, and so forth. I submit that the question from now on is not promised future capacity but present production. To win we shall need preparation that results in "got" not "gonta."

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, this bill is summed up by the report of the committee, and from that report I read four lines as follows:

The sum of $12,525,872,474 is the largest single appropriation ever presented to Congress for the procurement of military equipment.

The entire amount is for one particular implement of military equipment—airplanes. I now read from page 2 of the bill, lines 23 and 24:

Air Corps, Army: For Air Corps, Army, $9,041,373,090.

To this item in the bill I subscribe, even though it is the greatest single appropriation I have ever voted for. While I am going to support this item, the fact is there have been appropriations for the Army and the Navy in the past several years presented on the floor of the House to which I objected strenuously because they did not build up the Air Corps. I wanted to vote more money for airplanes and less for 45,000-ton battleships at $100,000,000 to $125,000,000 each.

I said then that we should cut those items and increase our air power, but we could not get action on air power in those Army and Navy bills. Air power was cut down. Now, however, we have to come and raise them at much more expense. If your foresight was as good as your hindsight, you would be better off today. It is now going to cost us a lot more to get these vital necessities of war airplanes than it would have had they been included in the bills we passed during the last several years. As the chairman of the subcommittee said a few moments ago, had we had airplanes we would not have been driven practically out of the Philippines; we would not have to be fearful of what is happening over in the east by the yellow-bellied Japs.

Air power is what we need today; you all admit it now, but we are only appropriating the money. It is going to take a long time before we get the airplanes themselves. We ought to avoid some of the errors we have made heretofore. It is never too late to criticize; some of you fellows should take heed.

There is another item in this bill with which I do not agree at all: Title I, section 102, where we give the President power to sell, transfer title to, exchange, lease, lend, or otherwise dispose of to the government of any country whose defense the President deems vital to our own defense. That is all right in a sense, but we have placed up to this time about $19,000,000,000 in the hands of the President to give away. In my opinion, there is too much effort being made by other governments to get something for nothing out of our Nation, and too much will on the part of the President to give away that for which the American taxpayers have got to pay the bill. These governments are not assuming their obligations, and we are the ones who will be compelled to make the American people pay the bill. The noose is going to be placed about our necks because we did not look after the people of the United States and their interests properly. I think the President is too easy and too generous in looking after the other nations of the world and is not keeping his eye on America. I am for American national defense, and I am for the American form of government; but if we keep on the way we are going, I can see it get away from us; I can see that our liberties will soon be gone; I can see our form of government vanish. I can see the American people at the point where they are going to have such hardships of life as they have never had in all the history of this country.

It is mighty easy to think of bringing the other nations of the world up to our standard of living. That may be all right as a theory, but in doing so we should watch out that we do not drag America down to their level instead of raising them to ours. I fear the latter will happen. Certainly we will pay the bill with taxes, more taxes, and more taxes, less of the pleasures of life, less freedom, more sweat, more hard work, more hardships.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, although this is the largest appropriation bill ever passed by any legislative body in the history of the world, in view of America's present urgent need of the most superior equipment in the greatest possible quantity, I favor this huge appropriation. I wish to ask a few questions of the chairman of the Committee on Appropriations. I notice, on page 2, bottom of the page, an item for the Signal Corps. May I ask whether that appropriation is for equipment solely, or for equipment and training of men to use that equipment?

Mr. CANNON of Missouri. In response to the gentleman's question, may I say there is no appropriation in this bill for personnel. It is all for matériel. The item for the Signal Corps is exclusively for radio equipment and for telephone equipment as between planes and as between planes and the ground. Some of it is new, not having been used before, but it is mostly standard equipment for those purposes. All of it is for matériel.

Mr. MURDOCK. I notice that Col. Kirk B. Lawton testified before the committee. He is a very able and competent officer and I have profound respect for his judgment in his chosen military field. Has any provision been made for aircraft warnings and that sort of thing? To be forewarned is to be forearmed. To gain superiority in the air, as this bill intends, it is necessary that we be thoroughly equipped with the aircraft-warning devices which America can produce.

Mr. CANNON of Missouri. All electrical equipment which can be used and which is serviceable for a fighting plane is to be included in the equipment of these planes. They are going to be the latest model in that respect, either here or anywhere in the world.

Mr. MURDOCK. Of that fact I feel quite sure, especially now that we see the part played by aircraft in modern war and when we consider our own productive capacity. My hope is that this appropriation gives the Signal Corps officials power and latitude to make our aircraft-warning equipment superior to any in the world.

Mr. CANNON of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Chairman, I shall direct my remarks to title II of the bill, the appropriation of $30,000,000 to build Douglas Dam. I know it was with a great deal of reluctance that the Committee on Appropriations finally agreed and decided to recommend this appropriation. It was with a good deal of reluctance because of the protest and the facts that it would cover some 30,000 acres of good fertile land. But when we entered the war and it became necessary to have this additional power during 1943, and when everybody who had made a study of the situation said this was the one place in the United States where such power could be secured in such a short time, the Committee on Appropriations decided to include it, and I congratulate that committee for doing so. The members of the committee have shown real patriotism.

Likewise, this dam was opposed by the distinguished senior Senator from Tennessee, Senator MCKELLAR. He opposed it from the very beginning for the reasons I have stated; but when our Commander in Chief, and when those upon whom we must rely, said it is absolutely necessary to create power to produce the aluminum necessary for the construction of airplanes, Senator MCKELLAR withdrew his objection, as he felt that in time of war we had to follow our Commander in Chief. Mr. Chairman, in the beginning of this controversy there was also a great deal of opposition to this project by the people of Tennessee, because the people in this particular region, or a great many of them at least, did not want their farms covered up. They did not want to lose their businesses. When it was made clear to them by our leaders, upon whom we must rely, that it was absolutely necessary in our war effort, that this power could not be secured anywhere else so quickly and at such low cost, the great majority of the people of Tennessee who were opposed to the dam in the beginning now say, "Whatever the consequences may be, since it is needed for our war program, let us build the dam." They are good, patriotic people, and they want to do whatever is necessary to win the war.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. KEFAUVER. Mr. Chairman, whatever anyone may say about the Tennessee Valley Authority, I think it will be agreed that of all the agencies working in the defense program, whether they be public agencies or private agencies, there is no agency that has more consistently met its schedule or has been ahead of its schedule. Likewise, I do not think any similar organization has a better engineering staff working in the defense program and in its construction program than the engineering staff of the Tennessee Valley Authority.

This dam will not be a great asset to the State of Tennessee, and we are not selfish in supporting this section of the bill. I guess it will really be a liability to the State of Tennessee in the long run. But we are for it because it is necessary for defense, it is necessary for our war program, the Chief Executive says it is necessary, and the people of Tennessee are for it almost unanimously on that basis.

Mr. Chairman, I would like to refer to letter of November 17 from the President of the United States to the gentleman from Missouri [Mr. CANNON], chairman of the Appropriations Committee. The gentleman said he was going to include this letter in his remarks. Our Chief Executive, the President of the United States, has insisted again, again, and again that this dam had to be built for our war effort. He is supported by engineering experts.

I also ask unanimous consent to include in my remarks the letter dated October 7, 1941, to the gentleman from Missouri [Mr. CANNON] signed by Mr. Olds, Chairman of the Federal Power Commission, also letter dated November 17, 1941, to the distinguished gentleman from Missouri [Mr. CANNON] signed by William L. Batt.

The CHAIRMAN. The Chair will advise the gentleman that he may have permission to extend his own remarks in the RECORD, but he will have to secure permission in the House to insert other documents.

[Here the gavel fell.]

DOUGLAS DAM

Mr. CANNON of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN of Mississippi. Mr. Chairman, shortly after the provision for the Douglas Dam was turned down in the Senate, I started the drive to get that item included in the next appropriation bill. I introduced a bill for that pur-

pose. I did not offer an amendment to the bill at that time for the simple reason it was understood that the item would be inserted in the Senate.

This provision is absolutely necessary from the standpoint of national defense. We are going to need this power, and we can get it by 1943.

Let me call your attention to the fact that we face a very serious situation with reference to our aluminum production. If our bauxite supplies from South America should be cut off we should not have 2 years' supply of high-grade bauxite in the United States.

There are large deposits of low-grade bauxite in northeastern Mississippi and northern Alabama, as I said on yesterday, that are high in both iron and silica, but there is a process by which the bauxite can be developed and the aluminum extracted and used for the manufacture of airplanes. However, it will take a great deal of electric power, which renders the construction of this dam that much more necessary.

We realize today that the greatest fighting weapon of this war is the airplane. I wish we could sent General MacArthur and his brave men in the Philippines today enough airplanes, enough bombers, and pursuit planes, to blast the Japanese off the face of the earth. I wish it were possible, and God knows it must be possible, to send enough planes to Australia to keep the white people of Australia and New Zealand from destruction or humiliation at the hands of the Japanese. We must not permit, and we will not permit, those yellow reprobates to destroy the people of Australia and New Zealand.

Whenever you see in the paper that the Japs have invaded Australia and are murdering white men, women, and children, you will see the American people rise to a feeling of indignation never witnessed in this country before It is necessary for us to give every plane possible to the people of Australia now. They are our kind of folk; they are our flesh and blood. They are fighting this race war, this battle of civilization against the brutal Japanese, known as the yellow peril.

I want to do everything that is necessary to give them planes now, and to provide them with airplanes in the future in order that we may win this war, restore the peace of the world, and then guarantee to the world that such a war never occurs again.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 6 minutes to the gentleman from Texas [Mr. KLEBERG].

Mr. KLEBERG. Mr. Chairman, in considering this bill and its purpose, to build up the Army Air Corps, I think it would possibly be wise for the Members of the House to look a few background facts in the face. When men first started fighting with clubs, and from then on down to the time when they developed the catapult, projectile weapons, battleships, submarines, and the use of cavalry in its various forms, tanks, and so forth, we find that history shows that the development of certain implements and the development of the manner in which they were used were responsible for victory in all wars throughout history.

This war has indicated to us that the airplane is not only going to be the answer in our case but the answer made by Christian people everywhere to the attack upon their liberties by the Godless.

There have been all kinds of airplanes. The kind of airplanes we need most, in my candid opinion, are fast, long-range, heavy weight-carrying, high-flying bombers and transports, to supplement the combat planes that are being built.

May I ask the chairman of the committee this question: Does this bill provide for continued research and the development of planes of greater potential range, speed, weight-carrying capabilities, and so forth?

Mr. CANNON of Missouri. I may say to the gentleman that ample provision for research was made in the regular supply bill for this year and one of the supplementary bills. All the money that can be used for that purpose has been provided. Therefore, no funds are carried in this bill for the purpose.

Mr. KLEBERG. I thank the gentleman.

I call your attention to the situation that confronts us now. We are dealing with facts and following events on down to date. Before December 7, when this country was the victim of an unparalleled and utterly unprovoked attack of incredible savagery, we had a problem here which had to do primarily with the defense of the sanctity of our soil and the lives of our people. We had as a fundamental problem the prevention of the location of operating bases on the Western Hemisphere by foreign powers, and the implementation of many far-flung bases where troops and naval units were located. The quality of our defenses at that time had not been tested.

We are witnessing now the savage and destructive onslaught on one of the greatest soldiers that ever served in the American uniform. We are witnessing as valiant and as effective a defense as has ever been made in history against imponderable odds in one of these far-flung posts. The submarine-infested waters and the lack of properly equipped aircraft to transport troops and supplies with speed over there are our major frailty. Aircraft have been designed such as would enable us to transport the entire manpower that could be handled by our best marine transportation. For instance, it would take a marine transport 6½ days to cover a distance of 2,500 miles, but it would take aircraft, aircraft that is already designed and that will be produced under this bill, 6½ hours to deliver the same manpower that distance.

Mr Chairman, the quicker we get busy on the production under this bill of the kind of aircraft we must have, the quicker we recognize the absolute and utterly destructive speed of obsolescence which occurs on warcraft, which was the basis of my question with reference to research, the quicker we know our ability to produce better, faster, long-flying, heavier-weight-carrying and more effective aircraft, and the quicker we do produce them, the sooner we shall win this war.

Mr. Chairman, I am for this bill.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I ask that the Clerk read the bill for amendment.

The Clerk read as follows:

Air Corps, Army: For Air Corps, Army, $9,041,373,090.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to pay a brief tribute to the contribution that is being made to our fight by the gallant forces of the Chinese. I feel that some of the remarks that have been made during the debate could be misconstrued, and for that reason I want to call attention to the fact that the Chinese have not only put up a real fight in this war where they were the first victims of aggression, but they are today an important element in the war, and it is important that we cooperate with them.

If we are to attack the Japanese successfully by air forces, it means we must have land bases. At the present time our only chance of getting continental land bases to proceed against the Japanese rests upon the cooperation of the Chinese. From my district there is a young man now who is flying with some antiquated airplanes protecting the Burma Road. His name is Ralph Gunvordahl, of Burke, S. Dak. The other day we got a letter from his brother who had heard from him that on his first trip Ralph got one Jap plane and on Christmas Day he got five. He is flying with an antiquated airplane judged by modern standards. I am hoping that this appropriation of $9,000,000,000 for the Air Corps will help to give him and others who are with him protecting the Burma Road some modern airplanes, because this is essential to the successful prosecution of the war and the maintenance of the Chinese who constitute the greatest source of manpower in the present conflict.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr EDWIN ARTHUR HALL: Page 2, lines 23 and 24, after the word "Army", strike out "$9,041,373,090" and insert in lieu thereof "$9,046,373,090."

Mr. EDWIN ARTHUR HALL. Mr. Chairman, in submitting this amendment which calls for an increase of $5,000,000 for the Air Corps, I am posing a question before the House. It is my specific purpose in submitting this amendment to bring into the country some 10,000 Chinese aviators for their training under American supervision so that they may do their part in buoying and bolstering the comparatively weak army of Chiang Kai-shek. Mother China is eternal. Ever since a few centuries before Christ, when the Huns swept down from the eastern steppes destroying and sweeping the people and the country before them, China has been prostrated by foreign foes, has been invaded and has met with a great deal of opposition. After the Huns came the

Tatars on their shaggy ponies and trod the rice, which is the staff of life in China, under their feet. In quick succession thereafter, down through the centuries, has come invasion after invasion of Chinese soil. The teeming population has been exploited, massacred, and submitted to all kinds of debauchery. Yet in the face of all these obstacles and obstructions, Mother China has remained eternal and has kept on throughout the ages as a significant and a positive force of freedom throughout the world.

At this time I feel it is necessary to pose this question before the House, because it is the first time I have heard of a suggestion to utilize these lease-lend implements which have been placed at the disposal of the Chinese.

Gen. Chiang Kai-shek is putting on one of the most magnificent fights the world has ever seen. Whatever might be my personal attitude or opinion of certain others of the peoples who are engaged in this fight and the brunt of the burden they are bearing that must be America's, I want to pay the greatest tribute I possibly can to Gen. Chiang Kai-shek and his Chinese armies. He is conducting a wonderful fight. I have talked with various officials in the Chinese Embassy and have been unable to find out the exact strength of the Chinese air force, but of one thing I was assured, there is a lack of regularly trained men in that air force.

If, as the President says, lease-lend funds and implements are being placed in the hands of some 32 nations, of which China is one, then I feel that since China, which has represented a quicksand for people after people throughout the centuries, is putting up such a supreme fight to maintain her nationality and her prestige, the House should consider the training of at least 10,000 Chinese pilots, and I have introduced a bill which, if the House will accept this amendment, will clarify each and every objection that might be raised. It provides for the bringing in of these Chinese pilots and also provides for their training. This $5,000,000 increase which I propose is simply to start this program, so that China, the eternal mother Asia, will be able to keep on intact and in her great prowess throughout the ages. In the words of Lao-Tse, the Chinese prophet who lived some few centuries before Christ, I describe the Chinese Nation in these words:

> There is nothing in the world weaker than water, but with its ability to attack that which is hard and strong, that which is unrelenting, there is nothing that can take its place.

Mr. Chairman, I feel at this time that to take the burdens off the shoulders of the American air force, which are now even in this hour en route to the east and far Pacific, we can do no better thing than to place our funds and resources and our knowledge of training in aircraft and aeronautics at the disposal of those people who have shown throughout the ages that they are indomitable and impervious to attack. I ask that the House give every consideration to this amendment.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CANNON of Missouri. Mr. Chairman, I appreciate the attitude of the gentleman from New York [Mr. EDWIN ARTHUR HALL] and approve most heartily the tribute that he pays our Chinese allies. I can understand his attitude in offering this amendment. It has a very laudable purpose, but the amendment as drawn cannot accomplish the objective toward which it is directed. This bill is for the manufacture of arms and equipment and there is no provision here for personnel or for training of personnel, so even if the amendment were agreed to, not a dollar could be expended under it. I trust the amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

The Clerk read as follows:

> Tennessee Valley Authority Fund: For an additional amount for the Tennessee Valley Authority fund, fiscal year 1942, for (1) the construction of a hydroelectric project on the French Broad River near Dandridge, Tenn., (2) the purchase or building of transmission facilities needed to connect this project to the existing transmission system of the Authority, and (3) the acquisition of land necessary for and the relocation of highways in connection with the accomplishment of the above project; $30,000,000, to be available for the administrative objects of expenditure and subject to the conditions specified under this heading in the Independent Offices Appropriation Act, 1942.

Mr. LAMBERTSON rose.

Mr. CANNON of Missouri. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

> Amendment offered by Mr. CANNON of Missouri: Page 4, after line 9, insert:
>
> "DEPARTMENT OF STATE
>
> "Transportation, Foreign Service: For an additional amount for Transportation, Foreign Service, fiscal year 1942, including the objects specified under this head in the Department of State Appropriation Act, 1942, $800,000."

Mr. CANNON of Missouri. Mr. Chairman, the purpose of this amendment is to make provision for a deficiency which was not foreseen, and which has occurred as the result of the declaration of war. We have in all parts of Europe and Asia diplomatic and consular representatives and attachés who must be brought home, together with their families and clerks and office staffs. They have to be shifted as a result of a change in the status brought about by the declaration of war. In the original appropriation there was something in excess of $700,000 in this fund—an amount which would have sufficed under normal conditions, but under recent developments there have been such heavy expenditures that only about $17,000 remains, which is insufficient to carry the Service beyond the 1st of the month. I offer this amendment to make provision for the unexpected deficiency.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Missouri.

The amendment was agreed to.

Mr. LAMBERTSON. Mr. Chairman, I have an amendment at the desk.

The Clerk read as follows:

> Amendment offered by Mr. LAMBERTSON: Page 3, line 22, strike out lines 22, page 3, to and including line 9 on page 4.

Mr. CANNON of Missouri. Mr. Chairman, I make the point of order that the amendment comes too late. We have passed that paragraph. We have adopted an amendment since the paragraph was read and it is no longer subject to amendment.

Mr. LAMBERTSON. Mr. Chairman, I was on my feet standing alone before the gentleman from Missouri rose. The Chair recognized the gentleman from Missouri, but I had the floor ahead of him.

Mr. CASE of South Dakota. Mr. Chairman, it is my impression that the gentleman from Kansas was on his feet, and, seeing that the chairman of the subcommittee rose, he deferred to him to offer an amendment first.

The CHAIRMAN. The chairman of the committee was recognized by the Chair. The Chair asks the gentleman from Missouri if he insists upon his point of order.

Mr. CANNON of Missouri. Mr. Chairman, I regret that I must insist on the point of order.

Mr. TABER. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. Certainly.

Mr. TABER. The gentleman from Kansas was on his feet asking for recognition at the time and on top of that the amendment was offered by the gentleman from Missouri, but that would not preclude this amendment from being offered. This is an amendment to strike out the previous paragraph. The amendment that the gentleman from Missouri [Mr. CANNON], added was an amendment adding an additional paragraph.

Mr. CANNON of Missouri. Mr. Chairman, the gentleman did not address the Chair at all. He at no time addressed the Chair until after the clerk had concluded the reading of the new paragraph and the committee had adopted it.

Mr. LAMBERTSON. I beg your pardon; I did. I did stand and I did address the Chair. I was standing before he ever started to get up.

The CHAIRMAN. The Chair was aware of the fact that the gentleman from Kansas [Mr. LAMBERTSON] was on his feet, and the Chair would like to overrule the point of order, but feels that technically the point of order is well taken, and it being insisted upon by the chairman of the Committee on Appropriations, the Chair is constrained to sustain the point of order.

Mr. TABER. Mr. Chairman, I appeal from the decision of the Chair.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the Committee?

The question was taken; and on a division (demanded by Mr. TABER) there were ayes 75 and noes 62.

Mr. TABER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. CANNON of Missouri and Mr. TABER to act as tellers.

The Committee again divided, and the tellers reported there were ayes 126 and noes 89.

So the decision of the Chair was sustained.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to take this opportunity to address an appeal to the chairman of the subcommittee on the action just taken. It seems to me it would be unfortunate to have these proceedings go down in the RECORD and have them show that an amendment that was sought to be offered by the gentleman from Kansas [Mr LAMBERTSON] was shut out in this manner.

As I think was generally recognized, the gentleman from Kansas [Mr. LAMBERTSON] intended to offer an amendment to the paragraph dealing with the Tennessee Valley Authority, which proposes funds for the Douglas Dam. Personally I had intended to vote against the amendment which the gentleman from Kansas proposed to offer. I am willing to accept the recommendation of the production officials that this is needed in the expanding war effort and, regardless of what my previous position had been, I would have voted against the Lambertson amendment. But it seems to me extremely unfortunate that no opportunity was given at all for consideration of the Lambertson amendment. The fact is the gentleman from Kansas [Mr. LAMBERTSON], a member of the appropriations subcommittee handling this bill, was on his feet for several seconds before the chairman of the committee. The Chair stated that he saw the gentleman from Kansas on his feet, but that the chairman of the committee, when he arose, of course, was entitled to prior recognition.

I feel that the Committee of the Whole just now did not understand what they were voting on, in the appeal from the decision of the Chair. Many Members came in from the cloakrooms. Certainly the gentleman from Kansas, as a member of the Committee on Appropriations, was entitled to prior recognition if he was offering an amendment to the paragraph which had just been read. It was impossible for him to know that the chairman of the subcommittee was going to offer his amendment in the form of a new paragraph, which, of course, would foreclose debate on the preceding paragraph. The gentleman from Kansas thought that the gentleman from Missouri, chairman of the subcommittee, was offering an amendment to the same paragraph that he proposed to amend, and consequently deferred to him and did not insist upon his right of recognition.

It seems to me that the happy solution of the situation would be for the chairman of the subcommittee to ask to vacate the proceedings and give the gentleman from Kansas an opportunity to offer his amendment and let it be considered. It probably would be voted down, but at least the record would be better for this as a deliberative body.

I make that appeal to the chairman of the subcommittee, realizing his sense of fairness and also recognizing his knowledge of the parliamentary situation involved.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I always listen with attention and also with approval, when the situation permits, to any suggestion of my good friend from South Dakota [Mr. CASE], but as a matter of fact, from every point of view the decision of the Chairman was well taken.

It is true, as has been stated, that the gentleman did rise to his feet, but he at no time asked for recognition.

As far as the amendment which the Chairman offered was concerned, it was announced and agreed upon in the committee this morning that this amendment should be offered as a committee amendment. All members of the committee were apprised as to when it would be offered and where it would be offered, and all Members must have known that when the Chairman rose to offer it, it was to be offered as a new paragraph. Of course, in view of the fact that no request had been made for recognition, the Chairman had no alternative and could not have decided otherwise.

Mr. LAMBERTSON. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Kansas rise?

Mr. LAMBERTSON. To strike out the last 2 words.

The CHAIRMAN. The gentleman from Kansas is recognized for 5 minutes.

Mr. LAMBERTSON. Mr. Chairman, I am not a parliamentarian, neither do I claim to be a power authority, but the chairman knew I was standing and knew I was seeking recognition. If there was any misunderstanding about it, it is strange. He knew I had risen for just one purpose. The chairman of the subcommittee knew that my only purpose was to offer the amendment he knew I was going to offer.

Mr. CANNON of Missouri. I did not realize the gentleman had risen.

Mr. LAMBERTSON. Mr. Chairman, I do not yield at all.

The point is typical of exactly what I was going to say about this $30,000,000 Douglas Dam. A committee of 12, of which I happened to be a member, considered this thing at length, back at the time we had before us the other deficiency bill, and the vote against this dam was 11 to 1, the chairman of the subcommittee being the only one who had been sold on it. That is how it stood. In lieu of it, over in the Senate they put in two other dams. That is the point I was going to make. They got the two other dams, but they are not proposing to take them out. They come back here and want the third one with not one word in the hearings—you cannot find one word referred to as testimony that this dam should be put in this bill. A lot of expert power leaders from the South have made speeches, but there is not one line of evidence in the hearings in favor of this $30,000,000 expenditure. They wiggled this thirty million in without testimony and now they want to wiggle it out by sharp parliamentary practice. That is what I am talking about, the tactics of the gentleman from Missouri. It is just like this little dictatorship, or big dictatorship that brings this bill back and keeps the other two dams, tries to cut off debate and put it over.

This is what we have got to fear in this war, giving too much power where it is not necessary for national defense. We have got to watch out about communism here while we are accepting Russia as an ally, there. This, however, is a typical illustration of what happened on this item in this bill, with only one being for it, without any findings in the other hearings of any justification for it, yet it is put back in here through pressure from a well-known source. He will not be whipped. The only testimony we had on it here was that the Douglas Dam itself would not amount to four-tenths of 1 percent of the power developed in the United States. They want to build some kind of an experiment plant in Birmingham, the T. V. A. is spreading itself out somewhat similar to the Western Hemisphere in its new definition. The fact that they want to extend their authority into Kentucky shows they have quite a reserve.

Here you have the tactics that are to be used, as illustrated a minute ago. I claim that he knew, this chairman, that I stood up for recognition. This chairman knew that I was seeking recognition for this particular purpose, for it has been talked around here all the afternoon that I was going to offer this amendment. I did not hope particularly to have it win but I wanted to bring to your attention the fact that two other dams were provided for in lieu of the Douglas Dam; yet they come back and put the Douglas Dam in.

The President, in his speech on January 5, said that he and Churchill understood each other. I am wondering whether there are not some distinguished gentlemen around Capitol Hill who have this winter in all this discussion about these dams understood each other and made us the goats. They get their dams out of this thing with not one line in that little book of hearings to justify them.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, my good friend from Kansas and I have on so many times battled shoulder to shoulder as members of the committee and the subcommitee that it is a matter of especial regret that in his enthusiasm he mistakes the situation.

I did not know he was going to offer this amendment. He had not told me; I had never heard of it. I did not see the gentleman when he rose. I had my mind on the amendment I was offering. From every point of view the decision of the Chair is unquestionably correct; but the gentleman from Kansas has raised the merits of the question.

Mr. Chairman, the issue in this war depends upon planes. We must control the air. There is no hope of our winning

the war, there is no hope of our defending America, unless we can control the air. To control the air we must produce more airplanes than the enemy. This is the whole sum and substance of the matter. It is a battle of production. We cannot make a single plane without aluminum and we cannot make a pound of aluminum without power. Every authority in the Government, without a dissenting voice, who appeared before this committee in the hearings which were exhaustive upon the first estimates submitted on this item—every man who has appeared from any branch of the service has told us that even with the Douglas Dam and the two dams to which the gentleman from Kansas referred, there will still be a shortage of power in 1943. Exerting every resource, utilizing every possible dam site we can utilize by 1943, we still will not be able to produce sufficient power to produce the aluminum needed to give us the number of airplanes they ask us to produce to win this war.

Mr. MAY. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Kentucky.

Mr. MAY. I wonder if the gentleman agrees with me that the witnesses who testified that they would have a shortage of power in 1943 may have had in mind the fact they have just gone through a 5-month drought and that the reason they have a scarcity of power now is on account of lack of water down in the Tennessee Valley?

Mr. CANNON of Missouri. Not a single engineer appeared before us, not a single witness appeared before us who cited the report of an engineer against the proposed dam, and not one mentioned the situation to which the gentleman refers.

We had lobbyists and lawyers before us in behalf of interests who were opposed to the dam, but no engineers. No individual came before us to cite the report of any engineer in opposition to this appropriation. The report of every engineer presented to the committee, the report of every authority, civil, military, and naval, was that we must have this dam; that its construction is essential to national defense.

Mr. Chairman, on the other side General MacArthur is fighting with his back to the wall. Down in Singapore General Wavell is making a last desperate stand. They are crying for airplanes. Today newspapers report that Australia is appealing to the President for planes. This bill proposes to give them airplanes. I am surprised that any Member would quibble on this item in time of desperate national need which confront us today.

Mr. Chairman, I ask that the Clerk read.

Mr. TABER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I am very much surprised that the chairman of the Committee on Appropriations and the Chairman of the Whole Committee would lend himself to parliamentary trickery to prevent honest action by the Committee upon an item for the T. V. A. that is absolutely not needed and for which there is no justification whatever in the hearings. I am a little bit surprised that the gentleman from Missouri [Mr. CANNON] talks about the need for speed on this bill and the need of getting it to the Senate this afternoon when I am confronted with the rumor that he intends to use time for a yea-and-nay vote when the bill reaches the House, when he has taken up three-quarters of an hour of the time of the Committee with the parliamentary tactics that he has engaged in thus far. That is just the reverse of a plea for unity. It is a plea for disunity. I hope there may be on the part of the majority a realization that they must be fair, that they must let these things that are not defense items but antidefense items be voted on fairly and discussed fairly.

DOUGLAS DAM

Mr. RANKIN of Mississippi. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I was not in the Chamber when the gentleman from Kansas [Mr. LAMBERTSON] offered his amendment, but I do know the necessity for this provision in the bill.

If the Members on the other side of the aisle who are so viciously opposed to the Tennessee Valley Authority are willing to sabotage this dam now, they have a right to attempt it on a motion to recommit. This is the Douglas Dam that I have been contending for.

The gentleman from Kansas attacked the distinguished chairman of the Appropriations Committee, the gentleman from Missouri [Mr. CANNON] because of the fact that when this measure was before the committee the first time, when they had ample hearings, he says the gentleman from Missouri [Mr. CANNON] was the only one in favor of reporting it out; therefore he says we ought to throw it out now—or words to that effect.

The gentleman from Kansas must remember that since this matter was first before the committee the 7th of December 1941 has come and gone. He must remember that our Navy at Pearl Harbor has been disastrously attacked since this measure was formerly before the committee. He must remember that we are now at war. He must remember the fact that General MacArthur and those brave Americans in the Philippines are begging for help and asking us to send them those planes that are to be replaced by planes manufactured as a result of this legislation, and send them now: He must remember that those men at Singapore, who are also fighting our battle, have their backs to the wall and that every man who knows anything about it tells us that what they need is planes, more planes, and more planes.

In order to get those planes we are going to have to develop the low-grade bauxite in the Southern States in order to produce the amount of aluminum necessary to make those planes, or to replace the planes we must send them now. The picture has entirely changed since this matter was before the Appropriations Committee a few months ago or a few weeks ago.

But even then many members of the Committee thought it would be inserted in the Senate; but that was not done, unfortunately.

When it came before the Appropriations Committee they wisely placed it in this bill. If the gentleman from Kansas [Mr. LAMBERTSON] and the gentleman from New York [Mr. TABER] are so displeased with the development of the Tennessee Valley Authority that they want to vote against this appropriation and cripple our defense efforts at this time, they may do so on a motion to recommit, which they have a right to offer at the proper time.

Mr. CANNON of Missouri. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto do now close.

Mr. MAY. Mr. Chairman, I hope the gentleman from Missouri will not insist upon that motion. I would like to be heard for 5 minutes on the question.

Mr. CANNON of Missouri. Mr. Chairman, I insist on my motion.

Mr. MICHENER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. Had not the Chair recognized the gentleman from Illinois [Mr. DIRKSEN], a member of the committee? No one has spoken in opposition to the amendment.

The CHAIRMAN. The Chair had not recognized the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 67, noes 86.

So the motion was rejected.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, a situation of this kind is always distressing, and I hope I can clarify the matter so that the spleen that may have developed will vanish into thin air. First of all, I have great affection and esteem for the chairman of the committee and the chairman of this subcommittee. I do him no injustice, I think, if I relate the facts, because I was in attendance during all of the proceedings.

In the first place, I listened to the gentleman from New York [Mr. EDWIN ARTHUR HALL] offer his amendment and make his statement. I watched the gentleman from Kansas as he stood on his feet, not necessarily seeking recognition but indicating, at least, that he was interested in that part of the bill where this amendment could be properly offered.

We were not advised in the full committee this morning where the amendment would be offered that was offered by the chairman of the committee. As a matter of fact, half the committee members were out of the door of the Appropriations Committee room this morning when that matter was discussed. I was on my feet and moving in the direction of the door. It was adjusted as a matter of colloquy between the gentleman from Missouri [Mr. CANNON] and the gentleman from New York [Mr. TABER].

All the rhetorical vehemence and all the eloquence does not obscure the fact that we are not dealing with a substan-

tive matter here, it is just a matter of procedure. In all fairness, I think the gentleman from Kansas ought to be recognized. I say fairly I shall probably not support that amendment, but at least he ought to have been recognized, because every member of the subcommittee, and every member of the Committee on Appropriations, has known for weeks that that matter has been in controversy.

I do not mind relating to the House that I sought a little while ago to get my esteemed friend the chairman of the committee to vacate the proceedings and ask unanimous consent to go back. I think even now he ought to do it, as the chairman of the committee, so that temper will vanish and we will approach this problem with good grace, and the gentleman from Kansas will have an opportunity to offer his amendment.

Mr. Chairman, I do beseech you that you vacate those proceedings and let the gentleman from Kansas have a chance to submit his amendment in the interest of the integrity of the proceedings. What a terrible thing it would be if we insisted too closely on the rule that every word and every line of every appropriation bill be read at length from the title to the last period. If we must insist on it, obviously it is going to obstruct the legislative processes of this body. I hope the gentleman from Missouri will make that unanimous-consent request.

Mr. MAY. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I say now that the time will never come while I am chairman of the House Committee on Military Affairs that I shall insist on a motion to close debate as against my distinguished colleague and friend from Missouri.

Most of the Members of the House who have been here as long as I have know that I have convictions on the question of the Tennessee Valley Authority. If there is anybody here that does not know that I am against it and its program, he is either dumb or deaf. I have never hesitated at any time and I never expect to hesitate to state my position in opposition to it. That is based upon the fundamental belief that it is socialistic, un-American, and unsound in its activities, now rapidly becoming Nation-wide.

I was on the House Committee on Military Affairs in 1931 and I have been on it every day it has existed since then. I am now chairman of that committee, as you all know. In 1933 the first bill to create the Authority was before that committee. The only objective of that bill was to utilize the nitrate plants at Muscle Shoals, Ala., as national-defense instrumentalities, and to produce fertilizer for the southern farmers. We authorized a bond issue of $50,000,000, and it was the evidence then and the belief of the Congress that that was all that would ever be needed; yet we have reached today appropriations of more than $600,000,000 in a campaign to destroy the private industry of the country and the taxpaying people of our communities.

Today in the Kentucky Legislature there is the most vicious lobby that ever was fostered in any State, being paid out of the funds of the Tennessee Valley Authority, in an effort to override the will of the people of Kentucky and defy a court decision. No, these bureaucrats do not propose to be bound by the decision of any State court or tribunal. I have issued a statement on it and I am sending a copy of it to the Governor of my State.

I am eternally and everlastingly opposed to the destruction of the fundamentals of this Government and of the rights of a free people. I am still a believer in the sovereignty of the States and the principles of local self-government. I am going along with the president of the University of Tennessee at Knoxville, who said in a great statement, based upon fundamental principles, that he approached this subject and addressed himself to the question as a life-long resident of the State of Tennessee, thoroughly in accord with our defense efforts, and as a friend and supporter of T. V. A. and its great program. He said it was unsound to build the Douglas Dam and destroy 32,000 acres of fertile lands, and put out of employment 2,000 workers in canneries in that great area. Yet in the face of all of that, and the fact that the committee once turned it down, here we are today with $136,000,000 in this bill for its use and benefit, without strings on it, except limited to certain projects, all of which have been selected and agreed upon by the T. V. A., without the approval of Congress.

Last year we had a drought of more than 4 months. I took photographs of the Norris Dam which make it look like the Rock of Gibraltar, with not a drop of water pouring through it. The penstocks were as dry as the Volstead Act and the dynamos as silent as the tomb. That $36,000,000 white elephant stands there to haunt the unemployed coal diggers of my district and those other 400,000 mine workers in some 30 States of this Union. Everybody who has common sense, and most of us have that, knows that you can take steam power produced by the product of the great coal mines, and which gives steady employment to the people, and obtain an unchanging and a steady supply of power, whereas if you have to rely on the rain, God Almighty will take care of that, and not the American Congress.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield.

Mr. JENKINS of Ohio. And the gentleman also knows that it is a fact that a steam plant can be constructed in much shorter time than a dam like this can be built.

Mr. MAY. That is not all. They will never get this dam in until this war is over, and they can produce steam power with 0.65 of a pound of coal per kilowatt, which is the equivalent of one-half the cost of producing it by hydroelectricity, and a steam plant of equal capacity can be built for less than one-fourth the cost of this hydro plant, and not destroy a single dollar's worth of anybody's property.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto do now close.

Mr. McLEAN. I object, Mr. Chairman.

Mr. CANNON of Missouri. How much time does the gentleman desire?

Mr. McLEAN. None at all.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. If there is no one who desires time——

Mr. McLEAN. Mr. Chairman, I will use the 5 minutes.

Mr. Chairman, I am serious in my resistence to the adoption of this provision. I am very serious in my objection to the Tennessee Valley Authority. I am serious because of the character of the procedure which has always marked its every activity. I was a member of the Committee on Military Affairs at the time of the adoption of the Tennessee Valley Act. That act provided that there should be made surveys and plans to be used by Congress and the several States in guiding and controlling the extent, sequence, and nature of the development. Such plans were to be presented to Congress. Such plans or program have never been presented to Congress, but shortly after its creation the Tennessee Valley Authority caused to be introduced and referred to the Committee on Military Affairs a bill prepared by it which would expand its jurisdiction and confer upon it powers never contemplated under our system of government.

As the hearings on the bill progressed, the committee found hidden in it a number of things we thought we should look into, which we did. A number of surprising activities were brought to light, and severe public criticism resulted. After this there was never a single bill that came before the Committee on Military Affairs for the development of the Tennessee Valley Authority. Why? The answer was given to the President of the United States in his personal investigation of the affairs of the Tennessee Valley Authority. This was the first time in my recollection that a President of the United States has ever been called upon to personally conduct an investigation of this kind into one of his agencies. The testimony was given full publicity in the press. I read in that testimony that the Tennessee Valley Authority told the President that the reason it avoided the Committee on Military Affairs of the House of Representatives was because they knew that the committee which had created it, the committee that was supposedly shaping its program, was antagonistic. Thereafter all of their authorizations came out of the Committee on Appropriations.

Mr. RANKIN of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. McLEAN. No. If you will investigate the legislation on this subject, you will find that the thing has been built up as a sort of jigsaw puzzle. Never has there been any broad outline; never has there been anything in their report as to what they intended to do. They have never carried out half of the things

they promised to do, but the jigsaw puzzle has been built by provisions in appropriation acts, where every rule of orderly, legislative procedure has been violated by legislating through the medium of an appropriation bill. This is the way they have built this great enterprise down in Tennessee, piece by piece, dollar by dollar, until they have either spent or have obligated the American people for upward of a billion dollars.

There has been complaint that we have not been able to determine what it costs to produce a kilowatt of electricity in the Tennessee Valley. Mr. David Lilienthal—and as a member of the Authority he should know—before the Committee on Appropriations, about a year and a half ago, was asked how much it was costing, and whether there was any program under way whereby it could be determined how much it costs to produce electricity, how much for the program of navigation, and how much was being spent for flood control. He said that the Tennessee Valley Authority was making a study. As a matter of fact, making a study is the best thing the Tennessee Valley Authority does. If they ever get into a jam and they have not the answer to an inquiry, the answer is made, "We are studying that proposition," or "We are making a study of that." For 2 years, according to Mr. Lilienthal, they have been making a study to provide some sort of balance sheet which the average American taxpayer or the average American businessman can understand. These are not my words. If you will look at the testimony before the Committee on Appropriations, you will find there Mr. Lilienthal's admission of the need of a balance sheet which an average businessman can understand, and his promise to provide it.

[Here the gavel fell.]

The Clerk read as follows:

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation in this act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word. This bill presents an excellent opportunity to show to the Members of the House what I seek in offering the legislation to exempt national-defense expenditures from State sales taxes in the various States. Outside of the small amount of money appropriated for the Secretary of War's office and for defense aid in title I, we find nearly $12,000,000,000 is being appropriated to buy supplies for national-defense purposes. Your various departments do business only with the parent corporation, known as the main contractor. The Government does not want to do business with subcontractors. They make the contract with the parent corporation, and the parent corporation in turn buys its materials and supplies of all kinds that go into the manufacture of the articles that are eventually used to assemble the finished product Under a decision of the Supreme Court in the Alabama case, the sales taxes of the various States can be collected from the subcontractor who supplies the materials to make the finished product. There is no parent corporation that does not spend a tremendous amount of money out of the contract among small business men, manufacturers of parts, and suppliers of the material. Now, remember, all of the moneys paid the subcontractors are subject to the sales tax when that money is paid by the main contractor Exemption under the Constitution only applies when the Government pays direct and the parts or material are delivered to the Government.

Just look at the amount of money that will be saved, that we can put in ships, planes, tanks, and other kinds of materials, if the Congress will pass a law exempting national-defense expenditures from the sales tax in the various States.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. RICH. The States, as a rule, make laws in which they are interested, in trying to get money to conduct the affairs of the State. Is not that the fact?

Mr. COCHRAN. Certainly.

Mr. RICH. Then if the Federal Government is going to interfere with the rights of the States, how are they going to collect their taxes, and how are they going to operate? The Federal Government is interfering too much with State rights, and not only that, but it is interfering too much with the rights of the people in this country.

Mr. COCHRAN. Wait a moment. Do not use all my time. I will answer the gentleman. Whom is this war being fought for? Yes; the United States; but the 48 States compose the United States and it is their war. Where does the United States get its money but from the 48 States? Yes; we are fighting this war for the 48 States of the Union, which make up the United States of America. Why cannot the States do their part?

Now, another answer is—and I take my own State—as a result of expenditures by those engaged in war work in the various plants in the State of Missouri—defense work, mind you—the sales taxes in that State have jumped up during the last year $10,000,000 above what they were in 1940, due to the expenditures of war workers for necessities of life. That is enough for the State to be getting out of this national-defense plan. Let us devote this money to buying planes, tanks, and ships which will win this war, and then we will save the 48 States of the Union.

Let us make the dollar go just as far as we possibly can in manufacturing that which is necessary. The more we can save the more tanks, planes, ammunition, and so forth, we can buy. This is no little matter. It is going to run up in big money. Many of the States have not as yet tried to collect this tax. They are waiting to see what the Congress will do; but if Congress does not act, then all States will go after the tax, and remember this, the subcontractors who did not figure they would be required to pay sales taxes will be after the main contractor for the money, and in turn the main contractor will include the amount in his charges under the negotiated contract, which he has a perfect right to do. I come from a State that has a sales tax, but I am unwilling to have my State place a sales tax on defense expenditures.

If I was able, I would offer an amendment to this bill; but I realize such an amendment is not germane. Therefore, I hope the Ways and Means Committee will act on my bill, and if it does not, then I say the departments should deal direct with the subcontractors, which would under the Constitution prevent the collection of the sales tax. The easiest way is to pass legislation.

Mr. ROBSION of Kentucky. Mr. Chairman, I rise in opposition to the pro forma amendment. I do not rise to discuss the bill. This measure calls for something more than twelve and one-half billion dollars. I desire some information and I am addressing my inquiry to the chairman of the committee, the gentleman from Missouri [Mr. CANNON]. If this measure is finally written into law carrying the sums provided in the bill, what will be the total amount Congress has voted for national defense?

Mr. CANNON of Missouri. Mr. Chairman, there has been a lot put in evidence on the proposition, but it would amount in round numbers to approximately $70,000,000,000. Then there are contract authorizations in addition to that and I would estimate that the contract authorizations would amount to $14,000,000,000, so that the actual appropriations and the contract authorizations would amount to $84,000,000,000. It is a large price to pay, but it is a small price compared with the alternative presented to us.

Mr. ROBSION of Kentucky. I do not seek this information as a matter of criticism, because we are now in the war. We can and we must and we will win this war. With reference to the sum of $84,000,000,000 of appropriation and contractual authorizations, has that sum been voted since July 1, 1940? Will the chairman advise us? Have those sums been voted since July 1, 1940, aggregating around $84,000,000,000?

Mr. CANNON of Missouri. Since 1940; yes.

Mr. ROBSION of Kentucky. This bill calls for $4,000,000,000 for lease lend. If this bill should be written into law, including this $4,000,000,000, what will be the total amount that the Congress has

voted for lend-lease aid to other countries?

Mr. CANNON of Missouri. Including the $4,000,000,000 provided here, there is possible use of $19,000,000,000 which we have voted. That does not mean that that amount has actually been transmitted, but there would be possible, with this $4,000,000,000 an amount of $19,000,000,000. Of course, that is a part of the $84,000,000,000.

Mr. ROBSION of Kentucky. Yes; that is part of the $84,000,000,000. Now, how much of these lend-lease funds has been turned over to other countries?

Mr. CANNON of Missouri. The President is required under the lend-lease law to make a report to Congress at certain intervals. In the last report he made, which is now available in the document room, the whole matter is set out in detail.

Mr. ROBSION of Kentucky. Now, this bill is directed especially toward strengthening the Army Air Corps of the country.

Mr. CANNON of Missouri. Yes; this is entirely for the Army branch of the Air Corps. It does not provide for the naval branch of the Air Corps.

Mr. ROBSION of Kentucky. How much has our Government already expended for the Army Air Corps in providing planes and bombers?

Mr. CANNON of Missouri. Those figures are not available. I cannot answer the gentleman.

Mr. ROBSION of Kentucky. Mr. Chairman, the twelve and one-half billion carried in this bill is the largest sum ever carried in any bill considered by the American Congress. Nearly all of this great sum of money is to provide for facilities and manufacture of bombers, fighter, interceptor, and other planes and aircraft for the United States Army. It is most heartening indeed that the President and his associates in charge of our national defense program realize the tremendous importance of air power to our national defense.

The French and English at Dunkirk in June 1940; the British and Greeks in the Balkan War and on the island of Crete and our own country at Pearl Harbor and in the Philippines, and the British at Singapore and on the Malay Peninsula, and our Allies in the Dutch East Indies, have learned by bitter experience that even the most powerful battleships are not safe against air attack and an army must have air-power protection. It has taken our military and naval leaders and those in charge of our national defense a long time to learn this lesson.

The President announced, as we recall, early in June 1940 that this Nation could and would build 50,000 airplanes a year, but after more than 18 months and after the expenditure of billions of dollars we find that our output of airplanes to be only a fraction of what the President announced would be built, and according to the statement of the chairman of our committee, a large quantity of our planes have been sent to other countries and we find ourselves now without sufficient air power to protect our Navy and our armies.

General MacArthur and his brave men in the Philippine Islands find their position precarious because of the superior air power of the Japs. What it would mean to General MacArthur and his men if we had as many as a thousand bombers, fighter, interceptor, and pursuit planes in the Philippine Islands. This war cannot be won with ships and men. We must have the greatest air force in the world.

Many of us have been for more than 18 months urging that it was the first duty of the Congress to provide our own country with the best air force on the earth and such an air force that we could successfully defend the United States and her possessions and the Western Hemisphere, and we have urged that we have the best navy in the world and the best equipped army.

The President announced in a message a short time ago that this country would build 60,000 planes in 1942 and 125,000 in 1943. We must win superiority in the air. With our ships and armies properly protected with air power, we can then go forth with assurance to victory.

I have heretofore voted for every dollar that the President has requested of Congress for the defense of the United States, her possessions, and the Western Hemisphere, and it affords me a real pleasure to vote for this bill that has for its chief purpose the building up of a powerful air force, and no effort should be spared to give this Nation supremacy in the air. We have the resources and the constructive and organizing genius to accomplish this high purpose.

In view of all the billions that have been appropriated, it is most discouraging to read the report of the Truman committee of the Senate, made up entirely of those who have favored the foreign policy of the President, and to read the report of the Naval Affairs Committee of the House. Our defense program, according to these reports, has been held up in a very material sense by rackets, racketeers, politics, and profiteers.

One of these days the American people will rise up in their wrath and smite those who are responsible for these conditions. Our distinguished chairman of the Appropriations Committee of the House has just informed us that Congress has voted since July 1, 1940, including the amount in the present bill, the astronomical sum of $84,000,000,000. Nineteen billion of this sum has been and is to be given away in credits and materials to foreign countries. This would leave sixty-five billion for our own defense program. What a sum of money this is. It is more than double the cost of the first World War up to the signing of the armistice. It is also approximately double the value of all of the farms of the United States, including the improvements thereon, as shown by the Federal census of 1940, and this great sum of money is only the beginning. The President has asked for fifty-six billion for our national defense for the coming fiscal year, and it will require a greater sum, we are told, for the next year, and our national debt will likely reach the enormous sum of one hundred and ten billion by June 30, 1943.

In order to win this war it is going to require all of the resources and the united efforts of all the American people. In fact, before this war is over it will touch every heart and every hearthstone in this Nation. The American people have a right to demand that no part of this great sum of money shall be lost or wasted or grafted. Rackets, racketeers, partisan politics, and profiteering should find no place in this mighty effort to win the war.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to make this statement with reference to the gentleman from Missouri [Mr. COCHRAN] about taxes. The gentleman from Missouri thinks that the States should be prohibited from making taxes on sales in their own respective commonwealths. By the time we get through with taxes it is going to be necessary to have taxes to defray the expenses of the States, but where this Government is going to get the taxes to pay the bills that we are incurring is what worries me. It does not worry me half as much to know how to tax the people as it does to know how the people are going to pay the taxes that you put on them. The American people are going to see after the 15th of March when the tax bill we passed last year goes into effect, the greatest taxes that they have ever known in all the history of America. But the Ways and Means Committee is now busily engaged in working out a tax bill for $9,000,000,000 more. When the American people get that tax bill, in addition to what they already have, their backs will begin to bend. The only thing I am afraid of is that before we get through their backs will be broken, because they will have to sacrifice as they have never sacrificed before.

As far as the State taxing systems are concerned, I do not believe it is the duty of the Federal Government to interfere with the States. That is the statement I wanted to make to the gentleman from Missouri [Mr. COCHRAN], when it comes to the States regulating their taxes because they are necessary, and we are going to have more of them as the days go by.

[Here the gavel fell.]

Mr. HARE. Mr. Chairman, I move to strike out the last two words.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield to me?

Mr. HARE. I yield.

Mr. CANNON of Missouri. I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HARE. Mr. Chairman, the gentleman from Missouri [Mr. COCHRAN] has raised a very important question. It is one that will require a great deal of thought and a great deal of study. On the other hand, the gentleman from Pennsylvania [Mr. RICH] has suggested an equally important inquiry, because I can see that the increased taxes we are having to pay for this war will impose an extremely heavy burden on the people of this country. Of course, we must devise ways and means for getting funds, wherever it is possible, with the least possible

pain. Yet I can say, with the gentleman from Pennsylvania, when we begin to trespass upon the rights of the States in the collection of taxes, there is a possibility of destroying a morale among the States—a policy that may prove to be dangerous to the future security of our Republic.

As a matter of fact, I can vision a time when, by a continued trespass upon the taxable resources of the States by the Federal Government, we may reach the point where they may feel that their prerogatives, insofar as levying taxation is involved, have been trespassed upon to such an extent that they, in their right and in their might under the Constitution, may rise up and say, "We will amend the Constitution and take away from the Federal Government the power that we vested when we passed the sixteenth amendment."

That would be a tragedy, but it is within the realm of conjecture.

Mr. Chairman, I now want to address myself a little to the discussion earlier this afternoon with reference to the provision in this bill for the T. V. A. I hold no brief for the T. V. A. As a matter of fact, I made up my mind last year I would vote for no more appropriations to build other power dams in that area until we were able to build a dam or two to develop more electric power in my section of the country, where the Federal Power Commission last year said, in effect, there was greater need for electric power than any other part of the country. But I am vitally interested in making the necessary preparations for promoting and successfully terminating this war. And I take this opportunity to say I have two interests prompting me in this program, and two real interests in this proposed appropriation: One is an interest I owe to the 300,000 people I represent. I have another interest which is personal to me and possibly to every other father in this country similarly situated. This personal interest was emphasized today when I received a letter from one of my two sons. It was postmarked "Pearl Harbor, T. H." He said, in part:

> I have been here now 15 days and am prepared and ready to give the best I have got; but, Dad, I would like to have the best you have got to do it with.

To me this appropriation of $12,000,000,000 is a mere bagatelle when I think of the hundreds and thousands—yes, millions—of fathers and mothers who are willing to sacrifice their sons in defense of all we hold dear; and I feel we should give them the very best we have to do it with. I am glad, therefore, to have an opportunity to vote for this appropriation. I am glad it carries with it $9,000,000,000 to aid our air forces, because I am convinced from the testimony I have heard during the past 2 years before the committees of this House, given by men from every section of our country and practically every section of the world, that in the final analysis this conflict is going to be terminated by that country or those people who have superiority in air power.

[Here the gavel fell.]

The Clerk concluded the reading of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do rise and report the bill back to the House with an amendment with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CLARK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 6448) making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes, directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. CANNON of Missouri. Mr. Speaker, I ask to be recognized.

The SPEAKER. The gentleman from Missouri is recognized.

Mr. TABER. Mr. Speaker, I move the previous question.

Mr. CANNON of Missouri. Mr. Speaker, I have the floor.

The SPEAKER. The gentleman from Missouri has been recognized.

Mr. CANNON of Missouri. Mr. Speaker, there is an old saying that all experiences come to a Member of the House if he stays here long enough. While I have stayed here 20 years, I have had today a new experience. For the first time in my 20 years' service I have been charged with political trickery. I appreciate the action of my excited friend from New York in thus rounding out my congressional career by providing such an interesting if not enjoyable experience. But he is a lovable fellow and I am certain on a more considered review he will be inclined to be more charitable of my many shortcomings.

Mr. Speaker, I believe Members of the House must realize there is a duty devolving upon the Member in charge of a bill to observe the established procedure; to observe the rules of the House; to insist upon the application of those rules to the business under consideration; and any man in charge of a bill contributes to the integrity of the proceedings when he insists upon all points of order against opposition seeking to dismember the bill. It is his duty regardless of his personal preference, or his own individual views It is his responsibility to insist upon the enforcement and application of the rules of the House in protection of the bill which has been entrusted to his custody and he has no choice but to protect it. He is derelict in his duty if he permits personal friendships or personal bias to divert him from that course.

Mr. Speaker, it is not necessary to deny this charge of political trickery; it denies itself. I am not a partisan, and in the conduct of this bill today I have sought only to preserve it intact and pass it as reported from the committee as the best and quickest and most economical way of winning this war. I sought no partisan advantage. Certainly there is nothing political in the bill—the statement of the gentleman from New York to the contrary notwithstanding. The mere raising of the point of order to which the gentleman has objected so strenuously does not prevent a vote on the suggested amendment. There is still opportunity to vote on the question if they wish to. My good friend from New York now has the opportunity to move to recommit the bill with instructions to strike out the provision for the Douglas Dam.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MICHENER. The gentleman has made a speech that ill becomes any man to make on the floor of this House.

Mr. TABER. Mr. Speaker, I ask for recognition.

Mr. CANNON of Missouri. Mr. Speaker, I ask the Chair to recognize the gentleman from New York.

The SPEAKER. The Chair will recognize the gentleman from New York.

Mr. TABER. Mr. Speaker, the gentleman well knows that in order to qualify to offer a motion to recommit one must say that he is opposed to the bill. I am not opposed to the bill as a whole, although I am opposed to the T. V. A. item in itself. I do not propose to lie in order to qualify to offer a motion to recommit.

Mr. CANNON of Missouri. Mr. Speaker, after the interesting remarks made by the other side, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

Mr. LAMBERTSON. Mr. Speaker, I insist on the engrossed copy of the bill being read.

The SPEAKER. Does the gentleman from Kansas insist on the reading of the engrossed copy of the bill?

Mr. LAMBERTSON. Mr. Speaker, it would influence me a little if I knew whether the gentleman from Missouri [Mr. CANNON] is going to insist on a roll call on this bill.

Mr. CANNON of Missouri. Does not the gentleman want to vote on this bill?

Mr. LAMBERTSON. Everybody is for the bill. I would like to know if the gentleman wants to delay passage of the bill.

The regular order was demanded.

The SPEAKER. Does the gentleman from Kansas insist on the reading of the engrossed copy of the bill?

Mr. LAMBERTSON. In view of the fact we want to get to another bill, I withdraw my request.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. CANNON of Missouri. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 396, nays 0, not voting 34, as follows:

[Roll No. 11]

YEAS—396

Allen, Ill.	Delaney	Jenkins, Ohio
Allen, La.	Dewey	Jenks, N. H.
Andersen, H. Carl	Dickstein	Jennings
Anderson, Calif.	Dies	Johns
Anderson, N. Mex.	Dingell	Johnson, Calif.
Andresen, August H.	Dirksen	Johnson, Ill.
Andrews	Disney	Johnson, Ind.
Angell	Ditter	Johnson, Luther A.
Arends	Domengeaux	Johnson, Okla.
Arnold	Dondero	Johnson, W. Va.
Barden	Doughton	Jones
Barnes	Downs	Jonkman
Barry	Duncan	Kean
Bates, Ky.	Durham	Kee
Bates, Mass.	Dworshak	Keefe
Baumhart	Eaton	Kefauver
Beam	Eberharter	Kelley, Pa.
Beckworth	Edmiston	Kelly, Ill.
Beiter	Elliot, Mass.	Kennedy, Martin J.
Bell	Elliott, Calif.	Kennedy, Michael J.
Bender	Ellis	Keogh
Bennett	Elston	Kerr
Bishop	Engel	Kilburn
Blackney	Englebright	Kilday
Bland	Fellows	Kinzer
Bloom	Fenton	Kirwan
Boehne	Fish	Kleberg
Boggs	Fitzgerald	Klein
Boland	Fitzpatrick	Knutson
Bolton	Flaherty	Kocialkowski
Bonner	Fogarty	Koppelmann
Boren	Folger	Kramer
Boykin	Forand	Kunkel
Bradley, Mich.	Ford, Leland M.	Lambertson
Bradley, Pa.	Ford, Miss.	Landis
Brooks	Ford, Thomas F.	Lane
Brown, Ga.	Fulmer	Lanham
Brown, Ohio	Gale	Lea
Bryson	Gamble	Leavy
Buck	Gathings	LeCompte
Buckler, Minn.	Gearhart	Lesinski
Buckley, N. Y.	Gehrmann	Lewis
Bulwinkle	Gerlach	Ludlow
Burch	Gibson	Lynch
Burdick	Gifford	McCormack
Burgin	Gillette	McGehee
Butler	Gillie	McGranery
Byron	Gore	McGregor
Camp	Gossett	McKeough
Canfield	Graham	McLaughlin
Cannon, Fla.	Granger	McLean
Cannon, Mo.	Grant, Ala.	McMillan
Capozzoli	Grant, Ind.	Maas
Carlson	Gregory	Maciejewski
Carter	Guyer	Maciora
Cartwright	Gwynne	Mahon
Case, S. Dak.	Haines	Manasco
Casey, Mass.	Hall, Edwin Arthur	Mansfield
Celler	Hall, Leonard W.	Marcantonio
Chapman	Halleck	Martin, Iowa
Chenoweth	Hancock	Martin, Mass.
Chiperfield	Hare	Mason
Clark	Harness	May
Clason	Harrington	Merritt
Claypool	Harris, Ark.	Meyer, Md.
Clevenger	Hart	Michener
Cochran	Harter	Mills, Ark.
Coffee, Nebr.	Hartley	Mills, La.
Coffee, Wash.	Healey	Mitchell
Cole, Md.	Heffernan	Monroney
Cole, N. Y.	Heidinger	Moser
Collins	Hendricks	Mott
Colmer	Hess	Mundt
Cooley	Hill, Colo.	Murdock
Cooper	Hill, Wash.	Murray
Copeland	Hobbs	Myers, Pa.
Costello	Hoffman	Nelson
Courtney	Hook	Norrell
Cox	Hope	Norton
Cravens	Houston	O'Brien, Mich.
Creal	Howell	O'Brien, N. Y.
Crosser	Hull	O'Connor
Crowther	Hunter	O'Hara
Culkin	Imhoff	O'Leary
Cullen	Izac	Oliver
Cunningham	Jackson	O'Neal
Curtis	Jacobsen	Pace
D'Alesandro	Jarman	Paddock
Davis, Tenn.	Jarrett	Patman
Day	Patton	Patrick
Pearson	Sasscer	Tarver
Peterson, Ga.	Satterfield	Tenerowicz
Pfeifer, Joseph L.	Sauthoff	Terry
Pheiffer, William T.	Scanlon	Thill
Pierce	Schuetz	Thom
Pittenger	Schulte	Thomas, N. J.
Plauché	Scott	Thomas, Tex.
Ploeser	Scrugham	Thomason
Plumley	Secrest	Tibbott
Poage	Shafer, Mich.	Tinkham
Powers	Shanley	Traynor
Priest	Shannon	Treadway
Rabaut	Sheppard	Vincent, Ky.
Ramsay	Sheridan	Vinson, Ga.
Ramspeck	Short	Voorhis, Calif.
Randolph	Sikes	Vorys, Ohio
Rankin, Miss.	Simpson	Wadsworth
Rankin, Mont.	Smith, Maine	Walter
Reece, Tenn.	Smith, Ohio	Ward
Reed, Ill.	Smith, Pa.	Wasielewski
Reed, N. Y.	Smith, Va.	Weaver
Rees, Kans.	Smith, Wash.	Weiss
Rich	Smith, W. Va.	Welch
Richards	Smith, Wis.	Wheat
Rivers	Snyder	Whelchel
Risley	Somers, N. Y.	White
Robertson, N. Dak.	South	Whittington
Robertson, Va.	Sparkman	Wickersham
Robinson, Utah	Spence	Wigglesworth
Robsion, Ky.	Springer	Williams
Rockwell	Starnes, Ala.	Wilson
Rodgers, Pa.	Steagall	Winter
Rogers, Mass.	Stearns, N. H.	Wolcott
Rogers, Okla.	Stefan	Wolfenden, Pa.
Rolph	Stevenson	Wolverton, N. J.
Romjue	Sullivan	Woodruff, Mich.
Russell	Sumner, Ill.	Woodrum, Va.
Sabath	Sumners, Tex.	Wright
Sacks	Sutphin	Young
	Sweeney	Youngdahl
	Taber	Zimmerman
	Talle	

NAYS—0

NOT VOTING—34

Baldwin	Hinshaw	O'Toole
Byrne	Holbrock	Peterson, Fla.
Cluett	Holmes	Rockefeller
Crawford	Jensen	Schaefer, Ill.
Davis, Ohio	Johnson, Lyndon B.	Stratton
Douglas	Larrabee	Tolan
Drewry	McIntyre	Van Zandt
Faddis	Magnuson	Vreeland
Gavagan	Nichols	Wene
Green	O'Day	West
Harris, Va.	Osmers	Worley
Hébert		

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Magnuson with Mr. Vreeland.
Mr. Worley with Mr. Van Zandt.
Mr. Lyndon B. Johnson with Mr. Osmers.
Mr. Drewry with Mr. Baldwin.
Mr. Harris of Virginia with Mr. Crawford.
Mr. Gavagan with Mr. Cluett.
Mr. West with Mr. Hinshaw.
Mr. Holbrock with Mr. Rockefeller.
Mr. Green with Mr Stratton.
Mr. Larrabee with Mr Douglas.
Mr. Peterson of Florida with Mr. Jensen.
Mr. Nichols with Mr Holmes.
Mr. Tolan with Mr Byrne.
Mr. Hébert with Mr. O'Toole.
Mr. Davis of Ohio with Mr. Faddis.
Mr. McIntyre with Mrs. O'Day.
Mr. Schaefer of Illinois with Mr. Wene.

The result of the vote was announced as above recorded.

On motion of Mr. CANNON of Missouri, a motion to reconsider was laid on the table.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their own remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, and I shall not object, will the gentleman tell us the program for next week?

Mr. McCORMACK. On Monday the conference report on the price-control bill will be brought up. On Tuesday there will be the Navy Department appropriation bill. I am uncertain at this time as to whether on Calendar Wednesday the committees will be called. A rule has been reported on the bill (H. R. 6359) granting relief to certain agricultural producers in stricken areas who suffered crop failures in 1941 because of adverse weather conditions, insect pests, or other uncontrollable natural causes, and this bill will be considered some time next week. That is all the program I have to announce now for next week.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

RELIEF FOR CERTAIN AGRICULTURAL PRODUCERS IN STRICKEN AREAS

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 419) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6359) granting relief to certain agricultural producers in stricken areas who suffered crop failures in 1941 because of adverse weather conditions, insect pests, or other uncontrollable natural causes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AMENDMENT OF DISTRICT OF COLUMBIA REVENUE ACT OF 1939

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5591) to amend the District of Columbia Revenue Act of 1939, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 6, strike out lines 12 to 23, inclusive.

Page 10, line 4, strike out "salaries, wages."

Page 10, line 6, after "income", insert "to foreign corporations."

Page 10, line 14, strike out "or person not a resident of the District."

Page 10, line 19, strike out "or other person not a resident of the District."

Page 10, line 20, strike out "or nonresident person."

Page 11, line 6, strike out "1941" and insert "1942."

Page 14, line 9, strike out "1940" and insert "1941."

Page 14, lines 13 and 14, strike out "apply to the taxable year 1941, and succeeding taxable years" and insert "become effective January 1, 1942."

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. MICHENER. Reserving the right to object, Mr. Speaker, will the gentleman explain the Senate amendments?

This is a tax matter.

Mr. RANDOLPH. The bill is an amendment to the income-tax law of the District of Columbia. The measure which passed the House and the Senate did not go to the basis of the tax but simply to certain inequities and administrative difficulties in connection with the collection of same. The bill passed this body unanimously after having been unanimously reported by the House District Committee. It had the approval of the District Commissioners. The same was true in the other body. The Senate yesterday placed in the bill certain clarifying amendments which do not go to the fundamental text of the legislation. The House, I believe, should concur in the Senate amendments. It is vital that final disposition of the matter be made promptly.

Mr. MICHENER. Is this agreeable to the gentleman from Illinois [Mr. DIRKSEN] and other members of the committee?

Mr. RANDOLPH. Yes; it is agreeable to the gentleman from Illinois. He has been helpful in drafting this bill.

Mr. MICHENER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

WILLIAM GORDON

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SWEENEY. Mr. Speaker, last week at a time when I was experiencing a death in my immediate family there passed away in the city of Cleveland, Ohio, former Congressman William Gordon, who represented the Twentieth Ohio District in this body from 1913 to 1919. His passing has already been noted by my colleague the gentleman from Ohio [Mr. YOUNG].

I rise at this time to pay my tribute to the memory of a great liberal, and one who was in every sense a Jeffersonian Democrat. Mr. Gordon was Ohio born, having first seen the light of day in Oak Harbor, where he later served as a member of the board of the county school examiners, and later in the office of the public prosecutor.

He was a good lawyer, and in 1906 came to Cleveland where he built up an active law practice, and became active in the councils of the Democratic Party. He was his party's choice for delegate to the Democratic National Convention in 1896.

In 1912 he was nominated and elected to serve in Congress the district I now have the honor to represent. Many of the older Members of Congress will remember him because of his powerful voice. He was affectionately known in this body and throughout the district as "Roaring Bill" Gordon. Suffice to say that whenever he did roar he was always on the side of justice and against oppression. He made a special study of monopolies, and he was vociferous in condemning the vicious practice of the growth of monopolies in the country.

I counted him as my friend, and on many occasions I was delighted to consult with him on matters affecting the district and the Nation as a whole.

Mr. Gordon is survived by his wife, Elizabeth M. Gordon, his son, Walter S. Gordon, member of the bar of Cleveland, Ohio, a daughter, Mrs. Dorothy A. Deeks, and a sister, Mrs. Nora Kilmer, of Oak Harbor, Ohio; also surviving are three grandchildren and one great-grandchild.

He was coming close to his eightieth birthday when death closed his eyes. I am sure his family and his friends have the sympathy of many of the Members of Congress who were privileged to serve with him. May his soul rest in peace.

REGISTRATION OF FOREIGN PROPAGANDA AGENTS

Mr. McLAUGHLIN submitted a conference report and statement on the bill (H. R. 6269) to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes, approved June 8, 1938, as amended".

EXTENSION OF REMARKS

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement made by Mr. John Brandt.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

(Mr. SAUTHOFF asked and was given permission to extend his own remarks in the RECORD.)

SHIP PURCHASE PROGRAM

Mr. JONES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JONES. Mr. Speaker, a certain ship called the *Seneca* originally owned by the Coast Guard, was sold in 1936 to the Boston Iron and Metal Co. for $6,600. In January 1941 the Maritime Commission bought the same ship from the same junk yard for $45,000. It seems to me it is time we find out how many ships a billion dollars buys and how many ships $45,000 buys. If the ship was only worth $6,600 to the Coast Guard as a piece of junk in 1936 and was what the Maritime Commission calls a "good buy" for $45,000 in January 1941, an inquiry of what enhanced its value over 700 percent ought to be pertinent. The Maritime Commission says today the ship was repaired by the junk dealer. I then asked "how much did the repairs cost?" The Maritime Commission does not know. Apparently how much repair was not a factor in reaching present value to the Maritime Commission. We ought to investigate what then enhanced the *Seneca's* value from 1936 to 1941. This is just one deal where the junk dealer hits the war jackpot that comes to my attention. Let us see if we can stop these bloodsuckers on our war effort.

EXTENSION OF REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the price-fixing bill, especially in connection with the commodity milk.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that, to the remarks I made today, I be permitted to add certain excerpts from the hearings on the appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include therein a short poem written by Armistead Grady.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. STARNES of Alabama. Mr. Speaker, I ask unanimous consent that in connection with the remarks I made on the bill under consideration today I may include certain excerpts from the hearings before the committee.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

(Mr. WICKERSHAM asked and was given permission to revise and extend his own remarks in the RECORD.)

Mr. ROBERTSON of Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a letter pertaining to a petition of the Methodist Church of Harrisonburg, Va.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short editorial from the Sac Sun.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that on Wednesday next I may be permitted to address the House for 20 minutes after the legislative program of the day and following any previous special order.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. JENSON, for today, on account of illness.

To Mr. BOEHNE, for 1 week, on account of illness in his family.

To Mr. BUCK, for the week of January 26, on account of official business.

To Mr. BOGGS, for 5 days, on account of returning home to vote in municipal primaries.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1526. An act to amend the act approved October 10, 1940 (54 Stat. 1105), to permit such responsible officers as may be designated by the heads of departments or establishments to authorize or approve the allowance and payment of expenses incident to transportation of the household goods of civilian officers and employees when transferred from one official station to another for permanent duty; to the Committee on Expenditures in the Executive Departments.

S. 1691. An act to authorize the Department of Agriculture to make open-market procurements where the aggregate amount involved does not exceed $100; to the Committee on Expenditures in the Executive Departments.

S. 1817. An act to authorize the President to purchase certain lands in Arlington County, Va.; to the Committee on Military Affairs.

S. 1935. An act to amend section 602 (m) of the National Service Life Insurance Act of 1940 (Public, No. 801, 76th Cong.), as amended, to enable a person in active service in the Army, Navy, Marine Corps, or Coast Guard to secure such insurance effective as of date of application by advance of active-service pay, and for other purposes; to the Committee on Ways and Means.

S. 1945. An act to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes; to the Committee on the District of Columbia.

S. 2075. An act to authorize the Secretary of the Treasury to order to the United States on their statutory leaves of absence officers and employees serving abroad and to govern the payment of traveling expenses and duties while on leave, and for other purposes; to the Committee on the Civil Service.

S. 2151. An act to amend the act of May 12, 1917 (40 Stat. 74), to authorize, in time of war, commanding officers of theaters of operations to approve expenditures exceeding $5,000 without regard to detailed estimates; to the Committee on Military Affairs.

S. 2167. An act to authorize the Secretary of War to make available for the purpose of civilian-defense instruction such arms, munitions, supplies, and equipment for instructional and demonstrational purposes only as can be spared by the War Department, and for other purposes; to the Committee on Military Affairs.

S. 2182. An act to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps; to the Committee on Military Affairs.

S. 2202. An act to reinstate Paul A. Larned, a major, United States Army, retired, to the active list of the Regular Army; to the Committee on Military Affairs.

S. J. Res. 24. Joint resolution for the relief of W. K. Richardson; to the Committee on Claims.

BILLS PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 3487. An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended; and

H. R. 4787. An act to provide that the unexplained absence of any individual for 7 years shall be deemed sufficient evidence of death for the purpose of laws administered by the Veterans' Administration.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 15 minutes p. m.) the House adjourned to meet, in accordance with its previous order, on Monday, January 26, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, January 27, 1942, to resume hearings on the proposed amendments to the Securities Exchange Act of 1934.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 6448. A bill making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes; without amendment (Rept. No. 1659). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT of California: Committee on Public Buildings and Grounds. H. R. 6139. A bill to release reversionary rights of the United States to certain property in Stockton, Calif.; without amendment (Rept. No. 1660). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 419. Resolution for the consideration of H. R. 6359, a bill granting relief to certain agricultural producers in stricken areas who suffered crop failures in 1941 because of adverse weather conditions, insect pests, or other uncontrollable natural causes; without amendment (Rept. No. 1661). Referred to the House Calendar.

Mr. SUMNERS of Texas: Committee of conference on the disagreeing votes of the two Houses. H. R. 6269. A bill to amend the act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States (Rept. No. 1662). Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1663. Report on the disposition of records by various departments of the United States Government, Washington, D. C. Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1664. Report on the disposition of records by the United States District Court for the Western District of New York. Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1665. Report on the disposition of records by the United States marshal for the middle district of Tennessee. Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1666. Report on the disposition of records by the Social Security Board. Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1667. Report on the disposition of records by the Public Roads Administration. Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1668. Report on the disposition of records by the Department of Commerce. Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1669. Report on the disposition of records by the Department of Agriculture. Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1670. Report on the disposition of records by the Department of War. Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1671. Report on the disposition of records by the Department of the Treasury. Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1672. Report on the disposition of records by the Government Printing Office, Accounts Division. Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1673. Report on the disposition of records by the Panama Canal. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAAS:

H. R. 6449. A bill to provide the rank of admiral of the fleet for the Chief of Naval Operations and the commander in chief of the United States Fleet, and for other purposes; to the Committee on Naval Affairs.

By Mr. DICKSTEIN:

H. R. 6450. A bill to amend subsection (c) of section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155), as amended; to the Committee on Immigration and Naturalization.

By Mr. MAGNUSON:

H. R. 6451. A bill to amend section 115 (a) and (b) of the Internal Revenue Code, the Revenue Act of 1938, and the Revenue Act of 1936; to the Committee on Ways and Means.

By Mr. REES of Kansas:

H. R. 6452. A bill authorizing the refund of penalties paid with respect to the marketing of corn or wheat in cases where the planted acreage in subsequent years is less than the farm acreage allotment; to the Committee on Agriculture.

By Mr. SCRUGHAM:

H. R. 6453. A bill to provide for the harvesting of chrysohamus, known commonly as rabbit brush, in order to make available a source of crude rubber for emergency and defense uses; to the Committee on Agriculture.

By Mr. COFFEE of Washington:

H. R. 6454 (by request). A bill authorizing the Commissioner of Patents to extend the time for the payment of any fee for the taking of any action with respect to an application for patent, and for other purposes; to the Committee on Patents.

By Mr. PAGÁN:

H. R. 6455. A bill authorizing the naturalization, without filing of a declaration of intention, of persons who have resided in the United States for 15 years or more; to the Committee on Immigration and Naturalization.

By Mr. GRANT of Indiana:

H. R. 6459. A bill to provide for the increasing or decreasing of pension payments payable to veterans and to their dependents, under laws administered by the Veterans' Administration, by 10 percent for every 10-percent increase or decrease in the cost of living above the basic cost of living during the first 6 months of 1940, as computed each 6 months, provided that such pension payments shall not be reduced below the basic amounts provided for under such laws, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SAUTHOFF:

H. Res. 417. Resolution providing for an investigation with respect to farm implements and farm implement replacement parts; to the Committee on Rules.

H. Res. 418. Resolution to provide for expenses of investigation authorized by House Resolution 417; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRAVENS:

H. R. 6456. A bill reinstating Clyde H. Phillips to the position and rank of first lieutenant in the Army of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. McGEHEE:

H. R. 6457. A bill for the relief of Lacey C. Zapf; to the Committee on Claims.

H. R. 6458. A bill for the relief of H. H. Hood; to the Committee on Claims.

By Mr. POWERS:

H. J. Res. 272. Joint resolution granting permission to Frederick Dent Sharp, United States Army (retired), to accept a certain decoration and diploma bestowed upon him by the provisional government of Paraguay; to the Committee on Foreign Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII,

2320. Mr. MOTT presented a petition signed by Florence Evans and other residents of Arago, Oreg., urging enactment of Senate bill 860, to prohibit the sale of intoxicating liquor in Army camps, which was referred to the Committee on Military Affairs.

SENATE

SATURDAY, JANUARY 24, 1942

(Legislative day of Friday, January 23, 1942)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

God of our life, in whose hands is the governance of all things: Let Thy mercy be ever great toward us even the mercy of divine long-suffering for us, who receive so indifferently Thy instructions, who answer so tardily Thy call to discipline.

Inspire our people with such a spirit of devotion to our country as will lead them to those sources of strength necessary for the recruiting of our powers.

Quicken in us a passion for the Kingdom of God, wherein shall be found only truth and righteousness, justice and mercy; wherein men shall be at once self-confident and self-forgetful; wherein the bestowals of Thy love shall be always sufficient, both in great things and in small.

Pity our oft-repeated failures, pardon our manifold transgressions, fulfill the petitions of our soul for our highest good, and may the grace of our Lord Jesus Christ, the love of God, and the fellowship of the Holy Spirit be upon us now, and abide with us for evermore. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Friday, January 23, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Swanson, one of its clerks, announced that the House had passed a bill (H. R. 6448) making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes, in which it requested the concurrence of the Senate.

REPORT OF OFFICE OF FACTS AND FIGURES (S. DOC. NO. 157)

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed as a Senate document the Report to the Nation issued by the Office of Facts and Figures with reference to the American preparation for war. The report contains valuable information not only to Members of Congress but to the general public, and it is difficult to preserve it in convenient form by laying aside newspapers in which it is published. Therefore, I ask that the report be printed as a Senate document, with an illustration.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON EDUCATION AND TRAINING OF DEFENSE WORKERS

A letter from the Administrator of the Federal Security Agency, transmitting, pursuant to law, the first quarterly report of the United States Commissioner of Education on the education and training of defense workers, covering the period beginning July 1, 1941, and ending September 30, 1941 (with an accompanying report); to the Committee on Education and Labor.

LIST OF WORK PROJECTS ADMINISTRATION EMPLOYEES IN HAWAII

A letter from the Acting Administrator of the Federal Works Agency, transmitting an additional name to be added to the list of employees of the Work Projects Administration, Federal Works Agency, receiving a per annum salary of $1,200 or more on December 1, 1941, in the Territory of Hawaii; to the Committee on Appropriations.

PROHIBITION OF LIQUOR SALES AND SUPPRESSION OF VICE AROUND MILITARY CAMPS—PETITION

Mr. CAPPER. Mr. President, I present for appropriate disposition and ask unanimous consent to have printed in the RECORD without all the names attached thereto a petition addressed to me by citizens of Ramona, Kans.

They ask that the sale of intoxicating liquors be stopped around Army camps and naval bases as provided in Senate bill 860. I heartily agree with them on this subject, as I believe the elimination of the liquor traffic around our Army camps would give more chance for the production of necessary things to win the war.

There being no objection, the petition was ordered to lie on the table and to be printed in the RECORD without all the names attached thereto, as follows:

To Hon. ARTHUR CAPPER:

The undersigned, citizens of voting age, living in Kansas, are interested in and desire the passage of Senate bill 860, to prohibit the sale of liquors in and near Army camps and naval bases.

Rev. S. C. BURK,
GLENN S. STRICKLER,
FRIEDA SCHUBERT,
(And sundry other citizens of Ramona, Kans.)

RESOLUTION OF COUNCIL NO. 6, POLISH ROMAN CATHOLIC UNION OF AMERICA, MILWAUKEE, WIS.—RELIEF OF POLES IN SIBERIA AND RUSSIA

Mr. WILEY. Mr. President, I present for printing in the RECORD and appropriate reference a letter embodying a resolution adopted by Council No. 6, Polish Roman Catholic Union of America, of Milwaukee, Wis.

There being no objection, the letter embodying a resolution was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

COUNCIL NO. 6, POLISH
ROMAN CATHOLIC UNION OF AMERICA,
Milwaukee, Wis., January 18, 1942.

Mr. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR MR. WILEY: Council No. 6 of the Polish Roman-Catholic Union of America, representing the 27 Milwaukee Societies affili-

ated with that organization, at its last regular meeting adopted unanimously a resolution reading as follows:

"*Be it resolved*, That the President and the Congress of the United States of America, responding to our fervent plea, rush immediate aid to the 2,000,000 suffering starving Poles in Siberia and Russia. Removed from their homes, deprived of their belongings, they find themselves far from their homeland, hungry, ill-clothed, suffering from disease.

"By assisting them now, we shall strengthen their will, and the will of their brethren still held in the clutches of the brutal foe of all democracy, Nazi Germany, to fight back hard, relentlessly. By aiding them, we shall be aiding our own cause, hastening the day of victory for America."

Respectfully yours,

THADDEUS P. BORUN,
President.
HARRIETT M. NOWACZYK,
Secretary.

RESOLUTION OF AUXILIARY NO. 2 (LOCAL NO. 75), INTERNATIONAL UNION, UNITED AUTOMOBILE WORKERS OF AMERICA, MILWAUKEE, WIS.

Mr. WILEY. Mr. President, I also present for printing in the RECORD and appropriate disposition a letter embodying a resolution of Women's Auxiliary No. 2, International Union, United Automobile Workers of America (Local No. 75, C. I. O.), of Milwaukee, Wis.

There being no objection, the letter embodying a resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

WOMEN'S AUXILIARY NO. 2,
INTERNATIONAL UNION, UNITED
AUTOMOBILE WORKERS OF AMERICA,
C. I. O., LOCAL NO. 75,
Milwaukee, Wis., January 13, 1942.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SIR: We are a group of public-spirited women close to the problems encountered by labor.

We request that you do all in your power to adhere to the principles set forth in the following resolution, which was unanimously passed by us:

"Whereas, realizing that our Nation has been attacked, we proclaim our allegiance to our President, our country, and our Constitution

"Whereas we, together with our menfolk, pledge labor's fullest effort in producing the implements of war, not forgetting our democratic and constitutional right to rise in protest should such sincerity and loyalty be imposed upon.

"Whereas we protest the Connally, Smith, and Ball bills, feeling labor needs no legislation to force production for victory. We protest any and all bills which strike at the Nation's most precious resource—labor."

Yours very truly,

THE LEGISLATIVE COMMITTEE,
AUXILIARY NO. 2, UNITED
AUTOMOBILE WORKERS OF
AMERICA, CONGRESS OF
INDUSTRIAL ORGANIZATIONS,
MARGUERITE WEBB, *Chairman.*
RUTH M. EHLERS.
ROSETTA GRAVELLE.

HOUSE BILL REFERRED

The bill (H. R 6448) making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30 1943, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

PLIGHT OF SOUTHERN SHARECROPPERS—ARTICLE FROM SOCIAL JUSTICE

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD an article from the magazine Social Justice, with reference to the condition of southern sharecroppers, which appears in the Appendix.]

CONFIRMATION OF NOMINATIONS ON EXECUTIVE CALENDAR

Mr. BARKLEY. Mr President, the Senator from Georgia [Mr GEORGE] advised me he wanted to take up a bill reported from the Committee on Finance. He does not seem to be present. I ask that, as in executive session, the Senate take up the Executive Calendar and confirm the nominations thereon.

The VICE PRESIDENT. Is there objection? The Chair hears none.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The VICE PRESIDENT. Without objection, as in executive session, the postmaster nominations are confirmed en bloc, and, without objection, the President will be notified.

EXTENSION OF WAR POWERS

Mr. McNARY. Mr. President, I submit an amendment which I intend to propose to Order No. 1024, Senate bill 2208, to further expedite the prosecution of the war, and ask that it be printed and lie on the table.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

Mr. BARKLEY. Mr. President, it is my purpose on behalf of the Senator from Wyoming [Mr. O'MAHONEY] to ask that the Senate proceed to the consideration of the bill mentioned by the Senator from Oregon, not with a view of taking it up today but with a view to making it the unfinished business and taking it up on Monday next.

Therefore I ask unanimous consent that the Senate proceed to the consideration of Senate bill 2208.

The VICE PRESIDENT. The clerk will state the bil by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2208) to further expedite the prosecution of the war.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

Mr. BARKLEY. I do not desire to proceed with the bill now, but simply that it may have its status as the unfinished business when we meet on Monday next.

RECESS

Mr. BARKLEY. Mr. President, as the Senator from Georgia appears to be detained in committee, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 11 o'clock and 7 minutes a. m.) the Senate took a recess until Monday, January 26, 1942, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 24 (legislative day of January 23), 1942:

APPOINTMENTS IN THE REGULAR ARMY FROM THE RESERVE CORPS, NATIONAL GUARD, AND ARMY OF THE UNITED STATES

TO BE SECOND LIEUTENANTS, REGULAR ARMY, WITH RANK FROM DATE OF APPOINTMENT

Infantry

Ben Lamar Anderson
Claude Esmond Bailey, Jr.
John Streett Baldwin
William Waldorf Barnes
John William Barrett
Marshall Owen Becker
James Dunceith Beckett
Robert Leslie Bereuter
Donald Palmer Boyer, Jr.
Daniel Campbell Brawner
Hunter Marion Brumfield
George Edwin Bucklin
Philip Clare Calhoun
Archibald Branks Cameron
Donald Norman Cameron
George William Carter
Jesse Melvin Charlton, Jr.
Robert Ernest Conine
John Allen Coulter
William Cecil Crawford
Thomas Raymond Cross
Niels Marius Dahl
George Herbert De Chow
Arthur James De Luca
Arden Wirth Dow
Edmund Francis Driscoll
Dayton Willis Eddy
Kenny Walter Erickson
Robert Charles Forbes
George Irvin Forsythe
William Friedman
Robert John MacGregor Fyfe, Jr.
Patrick Joseph Gibbons, Jr.
James Richard Harvey
William Walter Harvey, Jr.
Calvin Aldrich Heath
Arthur Webster Hodges, Jr.
Maurice Clavelle Holden
James Grover Holland, Jr.
Richard Norman Jenson
Ralph Scott Johnson
James Virgil Johnston, Jr.
Maurice Katz
Henry Koepcke, Jr.
Robert Thomas Larson
Paul Frederick Lawson
Boylston Brooks Lewis
John McAdams
William Edward McBride
Carroll Bernard McElroy
Colin Hubbard McLaurin
Harold Vincent Maixner
Martin Jack Manhoff
Walter Leroy Miller, Jr.
Paul Millman Morrill
Jay Byron Mowbray
Henry John Muller, Jr.
Theodore John Francis Nowak
Samuel Lapsley Ogden
Robert Holmes Pettee
Carl William Plitt
Ira Christian Rumburg
Vincent Louis Ruwet

Elmer Schmierer
Carl Howard Schofield
James Elmer Simmons
Joseph Olai Stensland
Robert Clark Storey
Jack Wesley Streeton
Orwin Clark Talbott
Herman Martin Volheim
David Christy Warwick
Gene Richard Welch
Edward Nicholas Wellems

Cavalry

David Lane Aldinger
Leslie Allison
Frank Fairfield Carr
Thomas Charles Conroy
Carl Peden Croninger
Franklin Milton Davis, Jr.
Willard Olcott Foster, Jr.
Kenneth Lee Garrett
Frank Clifford Healy
Fredrick Kenneth Hughes
George Abbott Lucey
Thomas Ranson Opie
Raymond Elmer Smart, Jr.
Robert Louis Sweeney, Jr.
William Robert Tuck

Field Artillery

Roger Jerome Aull
Samuel Rees Blackman
Anthony Pierre Bonnaffon
Kenneth Loring Booth
Harry Babcock Brown
Thomas James Camp, Jr.
John Locke Cheney
Charles Parsons Clark, Jr.
Thomas Nugent Courvoisie
George Marcel Cummins
Joseph Briggs De Vennish
Richard Leo Dooley
Thomas Glen Ferguson
Frank Ovid Hamilton
James Edward Hammer
Robert Edmund Hand
William Timothy Hatter
James Arthur Hebbeler
Frederick Allen Hippey
John William Jennings, Jr.
Myron Thorne Johnston
Raymond Geyer Jones
James Beal Kelly
Vitaly Kovalevsky
Francis Xavier Leary
Clare Norton Lyke
Ernest Charles McInnis, Jr.
John Farwell Mitchell
Robert James Morgan
Courtney Byron Neilson
Joseph Alva Ogle
Gordon Buford Patton
Herbert Leonard Peavy
Walter John Rankin
Charles Gilliland Renfro
Allen William Rodeheffer
James Byron Scherer
William Leonard Shade
Clarence Frank Sills
George William Smith
Joseph Thornell Stephens
Hugh Porter Stubbs, Jr.
Bill Ritchie Tilley
Walter Ferson Tucker
Stuart Campbell Williams
Joseph Michael Williamson
Fredrick Claus Zumsteg

Coast Artillery Corps

Carl Morrison Allen, Jr.
Phillip Haines Baker
Emery Ellis Bellonby
Wilbur Craig Boyce, Jr.
Walter Eugene Burrell
Howell Edward Cobb
Andrew Lacock Cox
Richard French Cox
Joseph Francis Dunn
Howard William Engelman
Ferdinand Herman Flick
Robert William Frobach, Jr.
David Albert Gile
Ferdinand Frederick Giomb, Jr.
Paul V Hannah
Benjamin Edwin Johnson, Jr.
Adolph John Leocha
William Joshua Logan
Jack Carl Maldonado
Paul Julian Maline
Clinton Fort Matthews
George Thomas Mehalko
Edward Thielens Peeples
Robert Warren Perkins
Thomas Carlton Reddington
Jack Helm Remele
Andrew Rheude, Jr.
Henry John Schutte, Jr.
Wiley Freeman Shaver, Jr.
Tom Billie Strother
Louis Arthur Waple
William Jones Williams
Robert Harrison Zimmerman

Corps of Engineers

Alton Davis Arnold
Jerald Morris Davies
Leonard James Goodsell
Charles Albert Jones, Jr.
Robert Elwood Kimball
Samuel Meyer Lipton
William Numsen Lucke
John Kearns Muller
Harold Easton Nelson
Irvin Marshall Rice
William Walter Sedr
Robert McDonald Shannon, Jr.
Gregory Jackson Skinner
Robert Ellis Smotherman
Thomas Furman Spencer
Paul Leroy Sprout
Richard Monte Strong

Signal Corps

Wallace Erwin Bjornson
Benjamin Paul Blasingame
Glenn B. Daughton
Kenneth Mace Gonseth
Howard Marquard Hansen
Thomas Kleberg Hughes
Robert Maurice Johnson
Frederick Lincoln Kohler
John Charles Liggett
James Nelson Matteson
Maynard Clayton Raney

Quartermaster Corps

Victor Lee Cary
Joseph Louie Coleman
William Woodrow Cozad
John Arthur Ford
Milton Clark Hess
Leo Martin Kane
Daniel Francis Munster
Robert Callen Russell
Elbridge Lee Snapp
Albert John Wetzel, Jr.

Finance Department

Viron Edward Bird

Ordnance Department

Robert Rorbach Fisk
Charles Raymond Graham
Wayne Harold Lee
Warren Grant Leonard
Kenwood Ross
Edward George Uhl

Chemical Warfare Service

Jose Antonio Andino
Robert Frank Garner, Jr.
David Dorsey Hulsey
Philip Simon Isis
John Arthur Martin

TO BE FIRST LIEUTENANTS, MEDICAL CORPS, WITH RANK FROM DATE OF APPOINTMENT

Elwyn Nickell Akers
Walton Merideth Edwards
John Joseph Meany

TO BE FIRST LIEUTENANTS, DENTAL CORPS, WITH RANK FROM DATE OF APPOINTMENT

Norbert Corbin Kephart
Victor Clifford Tisdal, Jr.

TEMPORARY APPOINTMENT IN THE NAVY

TO BE REAR ADMIRAL

Capt. Howard L. Vickery to be a rear admiral in the Navy for temporary service, to rank from the 22d day of January 1942.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 24 (legislative day, January 23), 1942:

POSTMASTERS

LOUISIANA

John Allen, Denham Springs.

MAINE

Edward N. Hartnett, Bath.
George A. Wood, York Harbor.

MISSOURI

Dorothy E Marcum, Bridgeton.
George Puchta, Rockaway Beach.
Walter S. Wiseman, Unionville.

SENATE

MONDAY, JANUARY 26, 1942

(Legislative day of Friday, January 23, 1942)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

Most Holy and Merciful God, who art our refuge in every time of need: We humbly beseech Thee, by Thy never-failing providence, to save us from weakness of judgment, from indecision and irresolution, and give us the vision to see and the will to choose in our deliberations only those things which are right and best for our beloved country.

Remove from each one of us all infirmity of purpose, dullness of conscience, thoughtless disregard of others, and when we are tempted to follow pleasure instead of duty, strengthen us by Thy spirit in the inner man, that we yield not to the frailty of the flesh, but maintain the dignity of our high calling to serve this people in Thy faith and fear.

And now, O Blessed Christ, who hast worn the robe of our humanity, do Thou send the angel of Thy mercy to all those who need Thee most. Rest Thy weary ones, pity Thine afflicted ones, soothe Thy suffering ones, and take in Thine own arms Thy dying ones, for Thy tender love's sake. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Saturday, January 24, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that on January 23, 1942, the President had approved and signed the act (S. 2090) to amend the act entitled "An act

making appropriations for the naval service for the fiscal year ending June 30, 1910, and for other purposes," approved March 3, 1909, as amended, so as to extend commissary privileges to such other persons as may be specifically authorized by the Secretary of the Navy.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	Overton
Andrews	Glass	Pepper
Austin	Green	Radcliffe
Bailey	Guffey	Reed
Ball	Gurney	Reynolds
Bankhead	Hayden	Rosier
Barkley	Herring	Russell
Bilbo	Hill	Shipstead
Bone	Holman	Smathers
Brewster	Johnson, Calif.	Smith
Brooks	Johnson, Colo.	Stewart
Brown	Kilgore	Taft
Bulow	La Follette	Thomas, Idaho
Bunker	Langer	Thomas, Okla.
Burton	Lee	Thomas, Utah
Butler	Lodge	Tobey
Byrd	Lucas	Truman
Capper	McFarland	Tunnell
Caraway	McKellar	Tydings
Chandler	McNary	Vandenberg
Chavez	Maloney	Van Nuys
Clark, Idaho	Maybank	Wagner
Clark, Mo.	Mead	Wallgren
Connally	Millikin	Walsh
Danaher	Murdock	Wheeler
Davis	Murray	White
Downey	Norris	Wiley
Doxey	Nye	Willis
Ellender	O'Daniel	
Gerry	O'Mahoney	

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Georgia [Mr. GEORGE], the Senator from Delaware [Mr. HUGHES], the Senator from Nevada [Mr. MCCARRAN], the Senator from Wyoming [Mr. SCHWARTZ], and the Senator from Arkansas [Mr. SPENCER] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a recent hip injury.

The Senator from New Jersey [Mr. BARBOUR] is absent on official business.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

THE LATE SENATOR HOUSTON, OF TEXAS—LETTER OF APPRECIATION

The VICE PRESIDENT laid before the Senate a letter of appreciation, signed by the son of the late Senator Andrew Jackson Houston, which was ordered to lie on the table and to be printed in the RECORD, as follows:

TRINITY BAY BEACH,
La Porte, Tex., January 19, 1942.

Hon. EDWIN A. HALSEY,
Secretary of the United States Senate,
Washington, D. C.

MY DEAR MR. HALSEY: I have the honor to acknowledge herewith your letter, transmitting the enrolled parchment resolution of the Senate, expressing its profound sorrow and deep regret upon the death of our beloved father, Hon. Andrew Jackson Houston, late a Member of the United States Senate from the State of Texas.

My sisters and I highly appreciate the gracious expressions in regard to him.

Illness and grief in our great sorrow have prevented me from writing to you earlier.

Sincerely,

ARIADNE HOUSTON.

LAWS ENACTED BY NATIONAL ASSEMBLY OF THE PHILIPPINES

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying documents, referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

As required by section 2 (a) (11) of the act of Congress approved March 24, 1934, entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes," I transmit copies of laws enacted by the National Assembly of the Philippine Islands. Included are laws of the second national assembly, second session, January 22 to May 8, 1940; second national assembly, fourth special session, July 8 to August 10, 1940; and second national assembly, third session, January 27 to May 22, 1941.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 26, 1942.*

WITHDRAWALS AND RESTORATIONS OF PUBLIC LANDS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, reporting, pursuant to law, as to the withdrawals and restorations of public lands under the act of June 25, 1910 (36 Stat. 847), during the period January 1, 1941, to December 31, 1941, inclusive (with an accompanying report); to the Committee on Public Lands and Surveys.

PETITION

The VICE PRESIDENT laid before the Senate a petition of sundry citizens of the State of Maryland, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments, which was ordered to lie on the table.

RESOLUTION OF FIRST BAPTIST CHURCH OF LEOTI, KANS.—MANUFACTURE OF ALCOHOLIC BEVERAGES

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred a resolution adopted on January 11 by the First Baptist Church of Leoti, Kans., urging the Congress to enact legislation immediately diverting all grains and fruits now used for the manufacture of intoxicating liquors and malt beverages to the manufacture of foods and other materials for our common defense.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Whereas there are millions of people in the world hungry for bread; and

Whereas we are urged to save all waste paper, rags, and metals; and

Whereas all useful materials are needed for defense of liberty, justice, and the principles of democracy: Therefore be it

Resolved, That we recommend to the Congress and the President of the United States of America, that legislation be enacted immediately diverting all grains and fruits now used for the manufacture of all distilled, fermented, and malt beverages to the manufacture of bread and the preserving of fruit juices for food and convert all plants now used for the manufacture of liquors and malt beverages to the manufacture of materials for our common defense with adequate provisions for the compensation of the owners of such plants and the enforcement of such legislation.

Upon motion the above resolution was unanimously adopted by the First Baptist Church of Leoti, Kans., January 11, 1942.

FIRST BAPTIST CHURCH OF LEOTI, KANS.,
Rev. W. B. CAIN, *Pastor.*

ADMINISTRATION OF GOV. REXFORD G. TUGWELL, OF PUERTO RICO

Mr. TAFT. Mr. President, I present and should like to have inserted in the RECORD and appropriately referred a letter from the Joint Committee of the Coalitionist Parties of Puerto Rico, together with the resolution adopted requesting the recall of Governor Tugwell.

There being no objection, the letter, together with the resolution, was referred to the Committee on Territories and Insular Affairs and ordered to be printed in the RECORD, as follows:

JOINT COMMITTEE OF THE COALITIONIST PARTIES,
San Juan, P. R., January 21, 1942.

Hon. ROBERT A. TAFT,
United States Senator, Senate
Office Building, Washington, D. C.

SIR: We have the honor to transmit herewith a certified copy of a resolution approved by the Territorial Committee of the Union Republican and Socialist Parties of Puerto Rico at their joint session held on January 18, 1942, relative to Dr. Rexford G. Tugwell, Governor of Puerto Rico.

Very respectfully yours,

CELESTINO IRIARTE,
President, Union Republican Party.
LINO PADRÓN RIVERA,
President, Socialist Party.

[Incls. 1.]

We, Eugenio Lecompte and Santiago Carreras, secretaries of the Union Republican and Socialist Parties, do hereby certify that the following resolution was unanimously approved by the Territorial committees of above-mentioned political parties, at their joint session held on January the 18th, 1942:

The outrages, arbitrariness, and abuse of the executive power of which Gov Rexford Guy Tugwell has been guilty from the date of his inauguration in Puerto Rico have culminated in the most brutal attempt against the civic dignity of a group of men and women whose clean and noble achievements in life deserved the utmost respect and the utmost consideration. In addition to this outrage it is the will of the Governor to place civil defense of the island in the hands of his personal favorities, men whose personal history, principles, and oral and written statements mark them as hostile to the sovereignty of our Nation in Puerto Rico.

Being, as we are, the parties which compose a coalition in Puerto Rico, loyal to our citizenship and our flag to the point of absolute and unconditional sacrifice, we accepted in silence all that arbitrariness until a point has been reached where, over and above sober

reflection and Christian resignation, we have to defend our dignity and the safety of our people in the present hour; and very calmly, without the least personal prejudice in our hearts, but simply in the exercise of our civic rights, we declare that Gov Rexford Guy Tugwell has ceased to enjoy the confidence of the men of the coalition, not only as Governor but also as an American citizen. We deem him an enemy of our institutions and a supporter of institutions and persons hostile to the principles of American democracy; we charge him with being a disturber of the unity necessary to our people in order to contribute efficaciously to victory; and we will prove that in this hour of peril to our people because of war, he should not fill such prominent position as the governorship of our island, from which to impair the good name of liberty and make impossible the cooperation of the best citizens for the purposes of national defense.

And it being a fact that the Governor has publicly threatened to declare martial law in Puerto Rico as a means to silence the justified protest against his partisan actions, which are detrimental to civil and national defense, the Territorial committees of the coalition, who would protest against any such measure, declare that no member of the Army or Navy of the United States would be capable of maintaining in Puerto Rico an administration such as Rexford Guy Tugwell has created in the island, in open violation of the Constitution of the United States and to the prejudice of the highest national interests

That certified copy of this resolution be forwarded to the Honorable the President of the United States; to the Secretary of the Interior, Hon Harold L. Ickes; to the chairman of the Committee on Insular Affairs of the House of Representatives of the United States; to the chairman of the Committee on Territories and Insular Possessions of the Senate of the United States; to the Secretary of State, Hon Cordell Hull; to the President of the United States Senate; to the Speaker of the House of Representatives of the United States; to the Honorable ROBERT A. TAFT, United States Senator; to the Honorable FRED L. CRAWFORD, Member of the House of Representatives of the United States; to the Resident Commissioner of Puerto Rico in Washington, Hon. BOLIVAR PAGÁN; to the Honorable Oscar L. Chapman, Assistant Secretary of the Interior; to the Honorable John J. Dempsey, Under Secretary of the Interior; to the Chief of the Division of Territories and Insular Possessions, Department of the Interior, Hon. Guy J. Swope; and to all daily journals affiliated to the United Press and Associated Press of the United States

And for transmittal to the Honorable ROBERT A. TAFT, United States Senator, as per the provisions contained in the last paragraph of said resolution, we have hereunto set our hands and caused to be affixed the seals of the Union Republican and Socialist Parties, at our offices in San Juan, P. R., on this 21st day of January A. D. 1942

[SEAL] EUGENIO LECOMPTE,
General Secretary, Union Republican Party.
[SEAL] SANTIAGO CARRERAS,
General Secretary, Socialist Party.
EDUARDO ORTIZ REYES,
Secretary in Charge of the Journals.

REPORTS OF A COMMITTEE

The following reports of the Committee on Military Affairs were submitted:

By Mr. KILGORE:

S. 2217. A bill to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places; without amendment (Rept. No. 991); and

H. R. 5480. A bill to provide pay for officers in accordance with the rank and grade in which they were inducted and served in the land forces; without amendment (Rept. No. 992).

By Mr. AUSTIN:

S. 2212. A bill to suspend during a national emergency declared by Congress or by the President the provisions of section 322 of the act of June 30, 1932, as amended, relating to certain leases; with amendments (Rept. No. 993).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McKELLAR, from the Committee on Post Office and Post Roads:

Several postmasters.

By Mr. O'MAHONEY, from the Committee on the Judiciary:

Carl A. Sackett, of Wyoming, to be United States attorney for the district of Wyoming.

By Mr. CONNALLY, from the Committee on the Judiciary:

Walter A. Keeling, of Texas, to be United States district judge for the western district of Texas, vice Robert J. McMillan, deceased.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr MALONEY:

S 2222 A bill to authorize the Federal Works Administrator to acquire title, on behalf of the United States, to not more than 35 acres of land subject to certain reservations in the grantors; to the Committee on Public Buildings and Grounds

By Mr THOMAS of Oklahoma:

S. 2223 A bill to amend the laws of the District of Columbia relating to the recorder of deeds; to the Committee on the District of Columbia

By Mr McNARY:

S 2224 A bill granting a pension to Barbara Hubach; to the Committee on Pensions.

By Mr McKELLAR:

S. 2225. A bill to require that periodicals sent through the mails or introduced into interstate commerce contain the name of the publisher, the place of publication, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr LEE (for himself, Mr THOMAS of Oklahoma, and Mrs. CARAWAY):

S 2226 A bill to provide for the improvement of navigation, control of floods, and promotion of the national defense through the development and conservation of the resources of the drainage basins of the Arkansas, White, Ouachita, and St. Francis Rivers, and for other purposes; to the Committee on Agriculture and Forestry

By Mr WALLGREN:

S 2227 A bill to assure conservation of and to permit the fullest utilization of the fisheries of Alaska, and for other purposes; to the Committee on Commerce

EXTENSION OF WAR POWERS—AMENDMENTS

Mr. TAFT, Mr BROOKS, Mr. MURDOCK, and Mr CLARK of Missouri each submitted an amendment intended to be proposed by them, respectively, to the bill (S. 2208) to further expedite the prosecution of the war, which were severally ordered to lie on the table and to be printed.

ADDRESS BY SENATOR AIKEN BEFORE VERMONT DAIRYMEN'S ASSOCIATION

[Mr. BANKHEAD asked and obtained leave to have printed in the RECORD an address delivered by Senator AIKEN before the Vermont Dairymen's Association at Burlington, Vt., on January 15, 1942, which appears in the Appendix.]

WORK OF RIO DE JANEIRO CONFERENCE—ADDRESS BY HON. SUMNER WELLES

[Mr. BARKLEY asked and obtain leave to have printed in the RECORD the text of the speech delivered by Hon. Sumner Welles, Under Secretary of State, over the radio from Rio de Janeiro, Brazil, published in the New York Times of January 25, 1942, which appears in the Appendix.]

ADDRESS BY ASSISTANT SECRETARY OF THE TREASURY JOHN L. SULLIVAN AT DINNER IN HONOR OF GENERAL ASSEMBLY OF VIRGINIA

[Mr. BYRD asked and obtained leave to have printed in the RECORD an address delivered by Hon. John L. Sullivan, Assistant Secretary of the Treasury, before a dinner given in honor of the General Assembly of Virginia, at Richmond, Va., on January 19, 1942, which appears in the Appendix.]

SYNTHETIC RUBBER—ARTICLE BY PAUL W WARD

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD an article by Paul W. Ward relative to the synthetic-rubber situation, published in the Baltimore Sun of Sunday, January 25, 1942, which appears in the Appendix.]

UNITED AIRCRAFT CORPORATION—ARTICLE FROM THE HARTFORD COURANT

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an article from the Hartford Courant of January 23, 1942, containing a statement by Eugene E. Wilson, president of the United Aircraft Corporation, which appears in the Appendix.]

UNITED AIRCRAFT CORPORATION—EDITORIAL FROM THE HARTFORD TIMES

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an editorial from the Hartford Times of January 23, 1942, relative to the United Aircraft Corporation, which appears in the Appendix.]

ADDITIONAL SERVICE SCHOOLS FOR ARMY AND NAVY

[Mr. BILBO asked and obtained leave to have printed in the RECORD an editorial from the Washington Times-Herald of today relative to the proposed establishment of four additional service schools for the Army and Navy, which appears in the Appendix.]

IDEAS WILL WIN—EDITORIAL FROM CHRISTIAN SCIENCE MONITOR

[Mr. ROSIER asked and obtained leave to have printed in the RECORD an editorial from the Christian Science Monitor of January 24, 1942, entitled "Ideas Will Win," which appears in the Appendix.]

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 902. An act granting an increase of pension to Elizabeth Painter Menoher;

H. R. 3330. An act to authorize the sale, exchange, or other disposition of certain securities held by the Secretary of the Treasury;

H. R. 4849. An act to provide for regulating, inspecting, cleaning, and, when necessary, disinfecting railway cars, other vehicles, and other materials entering the United States from Mexico;

H. R. 5171. An act to amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1 and 2

percent limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes;

H. R. 6220. An act to amend section 3 of the Subsistence Expense Act of 1926, as amended; and

H. R. 6304. An act authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes.

COL. ARTHUR R. WILSON

Mr. TRUMAN. Mr. President, at a meeting this morning of the Special Committee Investigating the National Defense Activities Program, the Senator from Maine [Mr. BREWSTER] submitted to the committee a resolution commending Col. Arthur R. Wilson, who has been liaison officer between the committee and the War Department, and it was unanimously adopted by the committee. I should like to have the resolution printed in the RECORD as part of my remarks.

The VICE PRESIDENT. Without objection, the resolution will be printed in the RECORD.

The resolution is as follows:

Whereas Col. Arthur R. Wilson has served as liaison officer between the War Department and the Special Senate Committee Investigating Defense Activities under the chairmanship of Senator HARRY S. TRUMAN, of Missouri; and

Whereas a great number of difficult and delicate problems have necessarily been presented; and

Whereas Colonel Wilson is now to go to a new assignment: Now, therefore, be it

Resolved, That this committee formally records its appreciation of the devotion with which Colonel Wilson has performed his often exacting duties, and the industry and fidelity with which all requests of the committee have been performed; and be it further

Resolved, That a copy of this commendation be sent to the Secretary of War.

SHORT-WAVE BROADCASTS AS A WAR WEAPON

Mr. THOMAS of Utah. Mr. President, since the first radio short-wave talk which I delivered to the Japanese people went forth a number of Senators have asked me about the talk and the reason for its being delivered. The reason is that in total war the country should use every agency at its disposal in its effort to save life, shorten the war, and accomplish our military objectives. I felt that when the proper time came I should like to explain, as well as I could, what was being done in regard to short-wave broadcasts.

Since today is the anniversary of General MacArthur's birth, and since in the remarks I intend to make there will be a compliment to General MacArthur's ingenuity and ability, I think this date is a fitting time for my making this statement.

Lately an editorial appeared in the St. Louis Globe-Democrat which I wish to read to the Senate:

A short-wave radio offensive against Axis propagandists in the Far East is being conducted in eight languages—in English, Spanish, French, Dutch, Chinese, Japanese, Tagalog (the native Philippine language), and Thai—news and information are being disseminated on a 17-hour daily schedule by KGEI in San Francisco. It is the only short-wave in this country west of the Mississippi.

A few weeks ago a Tokyo short-wave station broke into a broadcast from KGEI with the announcement that Japanese bombers had caused great damage in San Francisco. Probably there is nothing they would desire more than an air raid that would silence this station, which continues to broadcast information and deny false reports circulated by the enemy.

Doubtless one of the most remarkable incidents in this radio offensive was an address delivered some days ago by Senator THOMAS of Utah. Addressing the Japanese people in their own language, he warned them that they were heading toward ultimate disaster by fighting the United States, and that their early victories would be followed by defeats from which they would never recover.

Station attachés of KGEI are probably right in their opinion that many Japanese heard this speech and other messages from San Francisco. Before the war, KGEI had many listeners in Japan.

The short wave may prove an important factor in the war, both in Europe and in Asia. Through this means, and by pamphlets dropped from airplanes the United States can reply to Axis propaganda and reports of accomplishments on land or sea which are not based on fact. It can deny that American cities have been bombed when they have not been bombed.

There is not and never will be any need for this country to imitate our enemies by broadcasting untruths. A short-wave offensive is no substitute for bombs on Japanese warships and cities. It is an excellent corrective for enemy propaganda, however, and it is a means of telling the Japanese people that war with the United States is a bigger undertaking than their leaders would have them believe.

Mr. President, I wish to express my agreement with the writer of this editorial regarding the value of our short-wave offensive. I have been glad to contribute to it, as far as I could, by messages which have been broadcast both to the Japanese and the Chinese people. I know what others are doing likewise. In the last few weeks my colleague the senior Senator from Georgia [Mr. GEORGE], and such men as Rear Admiral Yarnell; Maj. George Fielding Eliot; Delegate Samuel W. King, Resident Commissioner Joaquim M. Elizalde; Chinese Ambassador Hu Shih; Chairman Fly, of the Federal Communications Commission, and others have sent special messages by way of station KGEI to the people of Japan and of China.

To my knowledge, none of the Axis Nations has yet used this new technique of a barrage of personal special messages addressed to the people of the nations at war—messages which carry weight because they are authoritative, and because they come from the heart. It may be true that an enemy nation such as Japan may prevent most of its citizens from hearing these messages, but even an audience of one makes it worth while.

It is not only the Far East to which American short-wave messages are being sent. Our short-wave stations are continuously flashing through the ether news and messages that blanket Europe, Latin America, Africa, and the rest of the world. In Singapore and in Berlin, in Chungking and in Buenos Aires, the people of the world are hearing the facts about the United States and the war.

One of the most striking uses of the short-wave offensive is going on in the Philippine Islands, under the direction of Gen. Douglas MacArthur. I am informed by the War Department that General MacArthur has set up a powerful radio station somewhere in the territory under his control, and is now giving the Filipinos news direct from the United States. Both the armed forces, American and Filipino, and the civilian population are receiving a complete news service through the cooperation of the Navy Department.

When the Japanese occupied Manila, they captured the principal radio and newspaper facilities of the islands, and, except for short-wave radio, the Filipinos had no way of getting American news. One of the first steps taken by the Japanese was to forbid use of radio sets. But a good many sets are still in use. The Japanese concentrated on seizing the more powerful sets which could receive short-wave broadcasts. They could not confiscate ordinary sets without destroying the effect of their own propaganda broadcasts. Then General MacArthur stepped in, and, with typical Yankee ingenuity, succeeded in establishing his own radio station, which rebroadcasts American programs in long wave all over the Philippines.

How effective this is we can judge by the magnificent loyalty and fighting spirit of the Filipino people. There can be no doubt that the radio programs help to maintain their courage and confidence in the face of the disasters of the moment. The recent revelation of the Japanese orders to put to death Filipinos found guilty of any of a long list of actions by civilians in opposition to Japanese rule indicates what a seething mass of rebellion the Japanese are finding.

The imagination and resourcefulness of General MacArthur are well illustrated by the establishment of the radio station. A high military official of the Government has given me other information regarding the Philippine campaign and General MacArthur's brilliant defense, which I think should be known.

To understand what is happening in the Philippines, it is necessary to go back to the summer and fall of 1941, when the Japanese cries of encirclement were keyed to a frenzied pitch for the American-Japanese negotiations at Washington. According to the Japanese spokesman, the ABCD powers were concentrating large striking forces ready to pounce upon Japan from all points of the compass. The absurdity of these claims is seen in the true light of events. Everyone knows now that the encirclement was carried out by Japan. Her prepared bases in Indochina, Hainan, Formosa, and in the mandated islands closed in the Philippines on three sides, isolated Hong Kong, and wedged toward separating the Netherlands East Indies from Malaya. The concentrated striking forces were brazenly shown to the world by the coordinated and viciously executed Japanese attacks in all directions, beginning December 7. No further proof of intentions is needed than the treacherous blow at Honolulu, set in motion weeks before, and delivered while Japan's special envoy uttered his protestations for peace to the President of the United States.

What are the facts? Neither the Chinese nor Dutch forces in the Pacific were

equipped for offensive movements. British areas were inadequately prepared for defense. The Philippines were in the midst of strengthening their forces, and were unprepared to meet any major attack.

Seldom in all history has a military leader faced such insuperable odds as have confronted General MacArthur. Never has a commander or his troops met such a situation with greater and cooler courage; never with more resourceful or brilliant action. Man for man and gun for gun the United States troops have proved their superiority over the Japanese. The raw Filipino recruits, hastily organized, became veterans after a week of hard fighting and stood their ground in a most admirable way. Acts of daring heroism and individual initiative are beyond count.

The strategy of General MacArthur in employing his forces to the best advantage has been brilliant. When the Japanese pincers closed they found Manila, but they did not catch any of our forces. On Batan General MacArthur has established his holding positions, which are most advantageous from a military point of view. Batan controls his last avenue of retreat to the strongly defended island of Corregidor. This island base denies the use of Manila Bay and Harbor and may be held for weeks or months.

Little known but highly important actions have been taking place also on the other islands of the Philippines Units of Philippine Scouts, elements of Philippine regiments, and native guerrilla fighters are operating on the various islands to the great discomfort of the Japanese.

Thus as we send our prayers and our messages to General MacArthur and his forces, as well as to all the Philippine people, we can be proud that the traditions of our Nation in courage, in ingenuity, in brilliant strategy, are being carried on in 1942 and will be carried on until victory has been achieved.

EXTENSION OF WAR POWERS

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business.

The Senate resumed consideration of the bill (S. 2208) to further expedite the prosecution of the war.

Mr. O'MAHONEY. Mr. President, this bill has been unanimously and favorably reported by the Judiciary Committee. Although it seems rather bulky, I feel confident Members of the Senate will agree with the committee that there is nothing controversial in the measure, and that it contains various extensions of power which are necessary in connection with the war effort.

I shall briefly summarize the contents of the measure. First, let me say that a special committee on war legislation has been created in the executive departments. It is composed of representatives of the Department of Justice, of the Bureau of the Budget, and of the Office for Emergency Management. Various executive departments and commissions which feel that there should be extensions or changes in the law in order to facilitate the prosecution of the war, make their suggestions to this special committee. The suggestions, having been subjected to analysis by the special committee, are then embodied in a bill, which in this case, and in the case of the first War Powers Act, were presented to the Senate Judiciary Committee for consideration.

There are many instances of desirable extensions of power which will suggest themselves to Members of the Senate, as for example, the authority which should be given to the Government to take over patents. Several members of the Judiciary Committee raised this question during the hearing. They felt it was highly necessary and most important that the executive branch of the Government be given power to take complete authority over all patents. This matter, however, is now under study, and I am informed will be presented at an early date in another bill.

The first title of the bill now presented to the Senate is designed to give the Interstate Commerce Commission the same emergency powers with respect to motor carriers that it now has over railroads. Motor carriers now transport a very substantial amount of material needed in the war effort, and so it was deemed essential in order to minimize dangers and to expedite action, that the Commission should have the power to require that materials necessary in the war effort should be moved by motor carriers ahead of other materials, and that the Interstate Commerce Commission should have the same powers over motor carriers as it has over railroads.

The committee studied the title with a good deal of care in order to make certain that it was not intended to convey to the Interstate Commerce Commission any power to break down the States' regulatory statutes, and amendments were inserted in the bill to carry out this purpose. Members of the Senate will find the amendments on page 2, in lines 3 and 4, and in line 14.

Title II deals with the acquisition of property by the Government. Under the law as it now stands the Secretary of War has broad authority in this field. It was deemed essential that authority similar to that now exercised by the Secretary of War should also be exercised by the Secretary of the Navy and by other Government agencies to which the President should find it necessary to delegate authority.

Title III deals with priorities powers. It was reported to the Judiciary Committee that violations of the priority power, or the orders made under the priority power, had been noted, but that there is not sufficient authority to prevent such violations. It was urged that we should place effective penal provisions in the law. This title is intended to bring about that condition. To carry out the production program effectively, we say in the report, it is necessary that the power shall exist to require particular plants to take particular war orders.

Title IV deals with the power of the Federal Reserve banks to purchase Government securities. This power was in the old law. It was exercised by the Federal Reserve banks prior to and during the World War.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TAFT. I question the statement the Senator has just made. While it is true that in the World War the Federal Reserve banks could buy Government bonds direct from the Treasury, it was not true at that time that the Federal Reserve Board and the open market committee could make them buy bonds from the Treasury. That provision was inserted in 1935. At that time the restriction upon market purchases was inserted for the very purpose of preventing the Federal Reserve Board and the open market committee from ordering the Federal Reserve banks to buy Government bonds direct from the Treasury. So it seems to me perfectly clear that the power which is now sought to be granted is not a power which existed during the World War, as the Senator stated.

Mr. O'MAHONEY. Mr. President, I was about to point out that the act of 1935 did carry this power. The committee felt that in all the circumstances it is desirable to extend it at the present time. The suggestion was referred to the chairman of the Banking and Currency Committee and by him approved.

Mr. TAFT. Am I to understand that the committee heard Mr. Eccles, the representative of the Federal Reserve banks, the Treasury officials, or anybody else testify as to why the proposed change is necessary, or the reasons for it?

Mr. O'MAHONEY. The Treasury was represented on the general committee. All the interested agencies were represented.

Mr. TAFT. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. TAFT. It seems perfectly obvious to me that the effect of this amendment would be to give the Treasury power to make the Federal Reserve banks buy Government bonds direct from the Government at any rate of interest it may see fit to impose. The effect would be entirely to supersede the present system of marketing Government bonds and impose a danger to the soundness of the currency of the United States, which is exactly the danger which finally wiped out the French and German currency in the World War. It seems to me that the matter should be considered by the Banking and Currency Committee, and that experts should testify as to the effect of the proposed change and the adoption of such a policy.

Mr. O'MAHONEY. Mr. President, it is not my understanding that the bill would have the effect which is attributed to it by the Senator from Ohio. The provision which is restored in the pending bill was in the following language in the original law:

Provided, That any bonds, notes, or other obligations which are direct obligations of the United States or which are fully guaranteed by the United States as to principal and interest may be bought and sold without regard to maturities, but only in the open market.

The effect of the committee amendment is to strike out the phrase "but only in the open market." It is not my understanding that it would give any compulsory powers to the Federal Reserve Board with respect to the Federal Reserve banks or other institutions.

Mr. President, the next title, title V, deals with the navigation and inspection laws, and provides for a waiver of such laws. At the outbreak of the war—that is to say, after Pearl Harbor—the President issued an Executive order authorizing the Secretary of Commerce to waive the navigation and inspection laws. However, it was the advice of the Attorney General to the President that specific legal authority to this effect should be granted. The feeling of the Executive and of the Attorney General is that in the prosecution of war, when quick transportation is necessary and things may have to be done upon emergency notice, it is essential that the sailing of vessels should not be held back by laws which in peacetime are not only desirable but even necessary.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. VANDENBERG. Is the Senator familiar with the fact that the Senate legislated upon this precise subject in December, and passed a bill upon which the Commerce Committee had spent at least 4 weeks?

Mr. TAFT. Does the Senator refer to the act of October 16, 1941.

Mr. VANDENBERG. No. I am speaking about a bill which was reported on December 9, 1941, by the Commerce Committee, dealing with these precise exemptions.

The bill to which I refer is still pending for conference with the other House, so it has not reached the statute books; but I am reminding the Senator that the committee of the Senate which has jurisdiction of this subject spent months on it, under the supervision of a subcommittee headed by the able Senator from Maryland [Mr. RADCLIFFE]. We heard all the interested parties, including the Government itself. We came to the conclusion that no such general waiver was necessary, and that if there were to be a waiver, at least there should be the limitations fixed in the bill passed by the Senate in December, which preserve the laws requiring the division of crews of vessels into watches and limiting the hours of labor of seamen on such vessels, and which also provide that no waiver shall put a ship in an unsafe condition for maritime travel.

Furthermore, it was provided that only specific waivers should be made in specific instances, and that reports should be made periodically to Congress upon the subject. I remind the Senator, in all good faith, that there are a great many interests in this country—I do not use the word "interests" invidiously—there are a great many groups which, over a long period of years, have been building up the navigation and inspection laws. Those laws represent the culmination of years of controversy and effort to create fundamental protections not only for maritime labor but for maritime travel.

The Senator offers a proposal without a word of testimony that I can find in the only available statement on the subject, which is on our desks, and without a word of sustaining testimony to veto the conclusion of the Commerce Committee of the Senate within the past 3 weeks. I am wondering what the Senator has to say by way of justification for this complete waiver without any limitation whatsoever.

Mr. O'MAHONEY. Mr. President, much, if not all, that the Senator from Michigan says is quite true. The feeling of the Judiciary Committee in considering this particular title—and, indeed, all the other titles of the bill—may be simply stated. It is our feeling that we are in a very desperate war and that it is highly desirable to waive anything that might impede the effort; and that there should be no handicaps upon the President and those who are carrying on the war in doing what may be necessary at the time. Of course, we are absolutely dependent upon the Executive to exercise the broad powers, which are being granted, with discretion, and without destroying any of the necessary and desirable safeguards to which the Senator refers.

Our feeling was that, after all, war is an executive function; it is not a legislative function.

Mr. VANDENBERG. Mr. President, if the Senator will permit me to interrupt him, let me say that he overlooks the fact that the legislation I am talking about, which was passed by the Senate in December, was passed after the attack on Pearl Harbor, and for the purpose of doing precisely the thing the Senator now indicates; and it was the judgment of the Senate, based on a most careful investigation by the Commerce Committee, that only a limited waiver was necessary in order to achieve everything the Senator says he wants to achieve.

Mr. AUSTIN. Mr. President, will the Senator yield to me?

Mr. O'MAHONEY. I yield to the Senator from Vermont.

Mr. AUSTIN. I offer for consideration at this time, because I think it should be considered in connection with the question, the Attorney General's comment about title IV. I think it is about as good a brief statement of the reasons for the waiver as any I have seen. I am omitting the first half of his statement, and I read only a paragraph of it:

> We all know that the Federal Government is spending greater amounts of money in the prosecution of this war than have ever been spent before by any nation on this earth. There will be a corresponding need to borrow large sums. This may create disturbances in the money markets which will seriously impede financing of the war unless the Federal Reserve banks are given the power to make purchases of Government securities off the market.

Mr. VANDENBERG. That is not the title we are talking about now.

Mr. AUSTIN. I thought the Senator was inquiring about the waiver of public bidding.

Mr. VANDENBERG. We were discussing title V, Waiver of Navigation and Inspection Laws.

Mr. AUSTIN. I beg pardon. I had stepped out of the Chamber for a moment. However, I think the question with respect to the bonds has not been completely answered; so, if the Senator has no objection to my doing so, I shall finish reading the paragraph, so as to get it in the RECORD. There is just one more sentence:

> Accordingly, it is important to increase the ability of the Federal Reserve System to assist in maintaining a stable market for Government securities.

Mr. MALONEY rose.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. The Senator from Connecticut desires to interrupt, I believe. Therefore, I yield to him.

Mr. MALONEY. Mr. President, I simply desire to ask the Senator from Michigan a question. I went to the Commerce Committee, after the Senate convened, in order to get a copy of House bill 5111 and a copy of the hearings thereon. Upon my return I find the Senator discussing the meetings of the Senate committee on this subject. Has he a copy of House bill 5111?

Mr. VANDENBERG. Yes.

Mr. MALONEY. Then I shall not interrupt further, because I assume he will cover what I was about to say, and perhaps much better than I could do.

Mr. WHITE. Mr. President, will the Senator from Wyoming yield?

Mr. VANDENBERG. If the Senator will first let me respond to the Senator from Connecticut, that is precisely the point to which I now am calling the attention of the Senator from Wyoming; namely, that, while the bill which he submits is a total waiver of everything that has ever been written by way of protection into the navigation and inspection laws, the Senate itself has said within 3 weeks, by its vote approving the work of the Commerce Committee and its subcommittee, that only a limited waiver is necessary; and that limited waiver was satisfactory to the departments involved at the time we agreed upon it.

Mr. MALONEY. Mr. President, I should like to make a further observation, if the distinguished Senator from Wyoming will yield to me.

Mr. O'MAHONEY. I am very happy to yield to the Senator from Connecticut.

Mr. MALONEY. I had intended to make some remarks on this subject, but I am satisfied to associate myself with the remarks and views of the Senator from Michigan. We had extended hearings on this particular subject in connection with the consideration of House bill 5111, and we amended the House bill in that respect so as to provide, as the Senator from Michigan knows and probably has already stated, that there shall be more than one individual making the request.

Fully appreciative of the seriousness of the situation with which we are confronted, I simply desire to say that the Congress of the United States should not unnecessarily and too readily yield its powers over commerce, which are not easily recaptured; and in instances such as this particular one—and, as the very able Senator from Michigan has pointed out, men sweated for years in order to build up the navigation laws—I do not

think we should waive or repeal them on the say-so of one individual.

The language of House bill 5111 authorizes the action sought for in the war-powers bill, but with some reasonable restrictions. Before the pending bill is passed I think the restrictions, insofar as this particular matter is concerned, should be changed so as to be in accord, or nearly in accord, with the earlier bill considered and passed upon by the Commerce Committee and by the Senate.

Mr. VANDENBERG. Mr. President, let me ask the Senator from Wyoming if the Judiciary Committee ever heard of House bill 5111 in connection with its consideration of the pending measure?

Mr. O'MAHONEY. I cannot speak for all the committee with respect to that particular bill, because the question was not raised in the committee meetings. I am sure that at least some of the members of the committee must have heard of the bill at one time or another.

Mr. VANDENBERG. The Senator says there was no reference to House bill 5111 in the committee's consideration of the pending bill?

Mr. O'MAHONEY. No; there was not. If the Senator will bear with me, I will say that the Attorney General, in his statement to the committee, referred to the fact that the President had issued an Executive order with respect to the matter. I have before me a copy of the Executive order. It should be borne in mind that this is an Executive order issued by the Commander in Chief:

Executive order authorizing the Secretary of Commerce to waive compliance with the navigation and vessel-inspection laws for war purposes

By virtue of the authority vested in me by the Constitution and statutes of the United States as President of the United States and Commander in Chief of the Army and Navy, and to further the successful prosecution of the war, it is hereby ordered as follows:

1. The Secretary of Commerce is directed to waive compliance with the navigation and vessel-inspection laws upon the request of the Secretary of the Navy or the Secretary of War to the extent deemed necessary in the conduct of the war by the officer making the request.

2. The Secretary of Commerce is authorized to waive compliance with the navigation and vessel-inspection laws to such extent and in such manner and upon such terms as he may prescribe, either upon his own initiative or upon the written recommendation of the head of any other Government agency that such action is necessary in the conduct of the war.

(Signed) FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *December 12, 1941.*

The title was described by the Attorney General in the following words:

Title V of the bill relates to the waiver of navigation and inspection laws by the Secretary of Commerce where necessary for the prosecution of the war. Five days after the attack on Pearl Harbor ships needed to carry men and materials in the Pacific were faced with the necessity of complying with these laws. Acting under his constitutional powers as Commander in Chief, the President issued an Executive order giving the Secretary of Commerce this authority. Both the President and myself, however, were convinced of the advisability of obtaining legislation to this effect.

I am certain that it is not necessary to explain, at length, the need for vessels transporting men and materials to sail without delay of any kind. In many cases delay will necessarily occur if vessels engaged in transportation are required to comply with all applicable provisions of the navigation and inspection laws. These laws are so many and so varied that it is impossible to foretell which of them may stand in the way of expeditious sailing.

The proposed bill follows the provisions of the Executive order and provides that the Secretary of Commerce shall waive such laws upon the request of the Secretary of War or the Secretary of the Navy, upon his own initiative, or upon recommendation of the head of any other agency that such action is necessary to the conduct of the war.

Obviously, the purpose is to require that the waiver shall be made only when it is necessary in the prosecution of the war. The members of the Judiciary Committee felt, and certainly I felt, that while, of course, at any other time legislation of this kind would be objectionable, at this time it is highly desirable.

Mr. VANDENBERG Mr. President, will the Senator yield?

Mr O'MAHONEY Certainly.

Mr. VANDENBERG. Every request and demand contained in the Attorney General's statement just read is fully met by the Senate substitute for House bill 5111 which the Senate passed 3 weeks ago; and every waiver power for which there was any request by the departments is contained in the Senate bill. The Senator has yet to present any reasons why we should go beyond that point.

Mr O'MAHONEY. What provision of House bill 5111 to which the Senator refers, does he feel should be included?

Mr VANDENBERG I think House bill 5111 should be substituted for title V, because it is the considered action of the Senate committee which has jurisdiction of the subject and which spent 4 weeks in almost constant consultation with the departments in order to write the rule of conduct necessary for the emergency.

Mr MALONEY Mr President, will the Senator from Wyoming yield to me for a moment?

Mr. O'MAHONEY. I am glad to yield to the Senator from Connecticut.

Mr. MALONEY. May I ask the Senator from Micnigan if he will not have that very brief bill read, so that the Senate may thoroughly understand what it is?

Mr. VANDENBERG. I will be very happy to ask that it be read, and I send it to the desk for that purpose.

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Wyoming yield for that purpose?

Mr. O'MAHONEY I was about to read the bill myself, but I shall be very glad to have the bill read.

The PRESIDING OFFICER. The clerk will read as requested.

The Chief Clerk proceeded to read, as amended by the Senate, the bill (H. R. 5111) authorizing the waiver of the navigation and inspection laws during the national emergency, as follows:

That during the national emergency declared by the President on May 27, 1941, to exist, but not after June 30, 1943, for the purpose of securing the most expeditious transportation consistent with safety of men and materials that are necessary to national defense and to reduce delays in water-borne transportation——

Mr. O'MAHONEY. Mr. President, let me interrupt there to point out that there is a limitation on the time as of June 30, 1943.

Mr. VANDENBERG. Does the Senator mean by that implication that the proposal the clerk is reading is not so broad as the recommendation he has made? That is what I am complaining about.

Mr. O'MAHONEY. I mean that this grant is limited by its own terms to June 30, 1943. The bill which the Committee on the Judiciary has reported is for the period of the emergency.

Mr. VANDENBERG. That is one of the very reasons why I think the House bill is preferable and why the Committee on Commerce thought it was preferable. The Senator merely emphasizes the virtue of my position.

The Chief Clerk resumed the reading, as follows:

provide quicker turn arounds, expedite deliveries, and help to prevent shortages in defense or critical materials, and, when in the opinion of the Secretary of Commerce there is no other reasonable recourse—

Mr. O'MAHONEY. Let me interrupt there to say that the phrase which the clerk has just read was an amendment which, I understand, was inserted in the bill by the Senate.

The Chief Clerk resumed the reading, as follows:

the Secretary of Commerce is authorized, upon written recommendation of the Secretary of the Navy, and of the Secretary of War, and of the Secretary of the Treasury and of the Secretary of Labor, and of the Chairman, United States Maritime Commission, or any three of the above-named officials—

Mr. O'MAHONEY. I interrupt again at that point to call the attention of the Senate to the fact that in the lines which the clerk has just read there are six amendments.

Mr. VANDENBERG. All approved by the Senate.

Mr. O'MAHONEY. But not approved by the House.

Mr. MALONEY. The other body has never had a chance to approve them, let me say to the Senator.

Mr. O'MAHONEY. My understanding is that the bill is tied up in conference.

Mr. MALONEY. It is the Senate version of the House bill that is being read, and the conferees have never acted upon it.

Mr. O'MAHONEY. That is exactly the point I was making.

The Chief Clerk resumed and concluded the reading as follows:

to waive compliance with the navigation and vessel inspection laws of the United States, except laws requiring the division of crews of vessels of the United States into watches, or limiting the hours of labor of seamen on such vessels, but only to such extent and in such manner and upon such terms as he may find after investigation to be necessary or proper for the national defense: *Provided, however,* That the Secretary of Commerce shall not waive compliance with any of such

laws to such an extent as will permit the navigation of any vessel in an unsafe condition, nor with the coastwise laws of the United States where the service desired can be supplied promptly by American ships: *Provided further*, That in the exercise of authority granted by this act, the Secretary of Commerce shall waive compliance with any of such laws only by specific rulings for specific occasions, and shall in each case specifically state the particular laws with which compliance is waived and the reasons therefor: *And provided further*, That during the effective period of this act the Secretary of Commerce shall, at the convening of each session of Congress, and monthly while the Congress is in session, report to the Congress every action taken by him under authority of this act.

Mr. O'MAHONEY. Mr. President, up to the present moment, of course, I have been engaged merely in an attempt hurriedly to explain the full scope and purpose of the bill. Later, I shall ask, of course, the Senate to consider the committee amendments, and, after that, any amendments which may be proposed by any Member of the Senate. So far as I am personally concerned—and I feel that the committee itself would agree with this statement—I see very little difference between the purpose and effect of the bill already passed by the Senate and the provision which the committee has reported, except in the one respect to which I have already called attention, namely, the limitation to June 30, 1943. It occurs to me to suggest that, as I proceed with the discussion of the remaining part of the bill, I will be very glad to have the Senator from Vermont [Mr. AUSTIN], whom I see on the floor, and the Senator from Connecticut [Mr. DANAHER], and other members of the Judiciary Committee consider whether it would not be desirable to accept the substitution of House bill 5111, with a change in the limitation so that it may harmonize with the limitation contained in the bill. Personally, I would have no objection to that.

Mr. VANDENBERG. Mr. President, if the Senator will permit me, I appreciate very much the spirit in which he makes the suggestion, and I will be very happy to await any conferences which may be had that would produce the desired result. If I may say so to the Senator, all of us who joined in supporting the House bill 5111, as amended by the Senate under the able leadership of the Senator from Maryland [Mr. RADCLIFFE], were eager to achieve every aim the Senator has in mind with reference to the necessities of national defense, but we wanted to stop at the point beyond which it was not necessary to go. That is precisely the line which we think we rather judicially approved.

Mr. O'MAHONEY. I quite approve the general policy laid down by the Senator in that statement.

Let me refer to the next title, which is the power to requisition. This is, in effect, a modification of the act of October 16, 1941. Since the enactment of that requisitioning law it seems to have been made clear that authority should exist to take over machines and tools as well as plants in a little broader manner than that provided for in the law as it now stands. I call the attention of the Senate to the fact that the act of October 16, 1941, contains three restrictions upon the power. It is provided that:

Nothing contained in this act shall be construed—

(1) To authorize the requisitioning or require the registration of any firearms possessed by any individual for his personal protection or sport—

And so forth.

(2) To impair or infringe in any manner the right of any individual to keep and bear arms—

Both those restrictions are retained, but the original act also contained the following restriction:

(3) To authorize the requisitioning of any machinery or equipment which is in actual use in connection with any operating factory or business and which is necessary to the operation of such factory or business.

When that provision was written into the original law the country was at peace. It was the judgment of the committee and the judgment of the executive branches that in time of war the power should be broader; so the committee has recommended that elimination.

Mr. DANAHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Connecticut?

Mr. O'MAHONEY. I yield to the Senator from Connecticut.

Mr. DANAHER. What the Senator has just discussed is now tied in with language appearing in title II on pages 2 and 3 of the pending bill. I should like very much to ask the Senator a question which relates back to title II.

Mr. O'MAHONEY. I shall be very glad to have the Senator do so. I probably should point out to him that title VI relates exclusively to personal property, whereas title II relates primarily to real property; but it deals with personal property when related to the real property which is being taken over.

Mr. DANAHER. Mr. President will the Senator yield to me?

Mr. O'MAHONEY. Certainly.

Mr. DANAHER. I thank the Senator.

Inviting his attention to the report of our own committee on page 4, we purport to justify the amendment contained in title II on the ground that the War Purposes Act of 1917 was not sufficiently broad. We point out also that—

The Navy Department, in particular, has as urgent need of this authority as the War Department for such items as shipways, etc.

Mr. President, when we passed the act of October 16, 1941, to which the Senator from Wyoming has referred, we said that the President of the United States might requisition—

Military or naval equipment, supplies, or munitions, or component parts thereof, or machinery, tools, or materials necessary for the manufacture, servicing, or operation of such equipment, supplies, or munitions—

And the like. We expressly provided, in particular, that—

The President shall determine the amount of the fair and just compensation to be paid for any property requisitioned and taken over pursuant to this act and the fair value of any property returned under section 2 of this act, but each such determination shall be made on the basis of the fair market value of the property at the time it is requisitioned or returned, as the case may be. If, upon any such requisition of property, the person entitled to receive the amount so determined by the President as the fair and just compensation for the property is unwilling to accept the same as full and complete compensation for such property he shall be paid 50 percent of such amount and shall be entitled to sue the United States in the Court of Claims or in any district court of the United States in the manner provided.

Moreover, he might bring suit for an additional amount whenever he considered that the amount tendered did not represent fair and just compensation for the property.

Particularly, then, Mr. President, in section 2, we provided that—

Whenever the President determines that property acquired under this act and retained is no longer needed for the defense of the United States, he shall, if the original owner desires the property and pays the fair value thereof, return such property to the owner; but, in any event, property so acquired and retained shall, if the owner desires the property and pays the fair value thereof, be returned to the owner not later than December 31, 1943.

I have prefaced my comment to the Senator from Wyoming with the matter I have just read in order that he might the more readily follow the questions I should like now to direct to him.

On page 3 of the pending bill we discover that any governmental corporation—not only the Secretary of War or the Secretary of the Navy, but any governmental corporation or officer or board or commission authorized by the President—may acquire by purchase, donation, or other means of transfer, real property and any personal property associated therewith. He or it may also condemn any such property and take it for the purposes stated. But, Mr. President, I notice that the Senate Judiciary Committee has amended the proposed language in lines 11 and 12 and authorized the taking agency to dispose of such property or interest therein by sale, lease, or otherwise.

Mr. President, no limitation whatever is stated upon the manner and method of disposition of the property, is it?

Mr. O'MAHONEY. That, of course, is a power to sell under the restrictions which are contained in section 1 (b) of the act of July 2, 1940. In other words, the power was already granted in one act, and here it is conveyed in another. I am trying to get a copy of that specific statute.

Mr. DANAHER. Let me say to the Senator from Wyoming that unless there be restrictions stated in section 1 (b) of the act of July 2, 1940, this section imposes no restrictions. Is not that so?

Mr. O'MAHONEY. Of course, it must be remembered that there must be a finding that the action is in the interest of national defense; but I think the Senator is quite right.

Mr. DANAHER. Mr. President, will the Senator permit a further interruption?

Mr. O'MAHONEY. Certainly.

Mr. DANAHER. I am not talking about the taking in the first place. I am

talking about the disposition of the property afterward. The Senator finds no limitation in title II unless it be stated in line 13. Is not that so?

Mr. O'MAHONEY. That is correct.

Mr. DANAHER. Mr. President, let me say for the information of the Senate that section 2 (b) of the act of July 2, 1940, imposes no limitation whatever, but does say that property so disposed of shall be disposed of in accordance with an act which was passed in 1932. If we have not tired of looking up the matter by the time we get back to the 1932 act, we shall discover that the only limitation therein contained is one which says that no property shall be leased other than for a monetary consideration. In other words, it says that if the Government leases the property that it takes away from one of its citizens, it must give a money consideration for the lease, and must not assume and agree to repair the plant, or to put it in good condition, or make any other such additional condition a part of the deal.

That is the only limitation that is contained there. I submit to the Senator from Wyoming that when title II, coupled with title VI to which the Senator refers, becomes law, if it shall become law, there is nothing whatever to prevent any agency whatever, when authorized by the President, to condemn the property, let us say, of the Potomac Electric Power Co.—from turning it over to any agency he chooses, which may thereupon, without any limitation, without any restricton, make a lease of that property for 50 years, or for 100 years, on any terms it likes, so long as it is for a monetary consideration. Mr. President, war or no war, we certainly have not gone the length of finding a necessity in anything submitted to us in the hearing to justify a power of confiscation so broad as that.

I respectfully submit that the Senator from Wyoming himself would share my every view in this particular, I am sure, had I had the chance to call to his attention the omission of any limitation in this section. I have not had a chance to confer with him, because all the time of the hearing on this bill last week I was one of the conferees on the price-control legislation, and hence was not able to be present in the Judiciary Committee on the day of the hearing.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I shall be very glad to yield to the Senator from Vermont.

Mr. AUSTIN. It occurs to me that after the Government has condemned property and obtained title to it, both real and personal, if there is personal property on real estate, thereafter, during a period of war and 6 months thereafter, or until the earlier date provided for in the bill, it makes very little difference what the Government does by way of disposition of the property, provided it adheres to the public interest in disposing of it. These are war powers, and this particular title is a reenactment of the existing law, with the addition of the inclusion in it of authority in the Secretary of the Navy, who was not in the National Defense Act of 1917, and certain officers, boards, commissions, and so forth.

Before I sit down, I merely want to comment that the taking in of these boards was necessary if we were to carry out the theory which many of us, particularly on this side of the aisle, held, namely, that the power of production and procurement for military purposes should be centralized in one man—a civilian—who should have absolute authority over the subject of procurement for military and naval purposes. I do not know whether that statement satisfies the Senator from Connecticut.

Mr. DANAHER. Will the Senator from Wyoming yield to me further?

Mr. O'MAHONEY. I am very glad to yield, but let me first express my gratitude to the Senator from Vermont for his statement in explanation of his position in the committee.

Mr. DANAHER. I know that the Senator from Vermont has not met my objection. I also know that my objection can readily be met. I am certain that my objection, when properly stated, will find ready acquiescence among all three of us now engaged in this colloquy.

Let me now, with the permission of the Senator from Wyoming, turn to the observations of the Senator from Vermont and point out that the committee report itself states that one of the things the Navy wishes to do is to take shipways. One of the principal questions which arose after the enactment of the War Powers Act of 1917 was derived from the fact that then whole areas of wharves and warehouses and storage ways were taken and, under the powers then conferred, were leased for an indefinite period. It was not until years after the war that the Attorney General, in construing the leases, had to find a lack of authority at that time to dispose of the property as it was purported to be disposed of; and, in fact, that there was an invalid attempt to exercise the right to lease.

Consequently, when the Congress, in October 1941, gave the owner of property taken an option, a continuing option, under the statute, to recapture his own property after the war by paying the fair value thereof, we were doing what was no more than equitable and right and just.

I submit that if we now amend the pending title in such fashion as to include the same sort of protection which we imposed in the act of October 16, 1941, we could meet every phase of the objection offered by me. I have no objection to the taking; I want our Government to take whatever property our President says is necessary to be taken in order to execute his plans in furtherance of the war effort. I have no objection to that. But I say that if he takes property, the very least he can do, and the very least we can do, is to give the owner the option to recapture his own property after the war.

Let me say further to the Senator from Vermont that, while it is true that under the proposed statute the power to take is limited to the period for which the act will be operative, there will be no limitation in the interim upon the disposition of the property by lease or otherwise. The Senator from Vermont himself will agree with me that if the Secretary of the Navy, for example, takes a piece of property by condemnation, he may lease it, under the language of this section. Is not that so?

Mr. AUSTIN. Yes; and why not?

Mr. DANAHER. I agree he should. All I say is that any such lease should have as its extreme date a period to be fixed by us reasonably coterminus with the terminating date of the power under which the property was seized. Answering the Senator's question, "Why not?" I do not want the Secretary of the Navy empowered to take my property, turn it over to X under a lease for a term of 20 years, and I be precluded from even attempting to recapture it. Nor would the Senator from Vermont want that done.

Mr. AUSTIN. I think we are not talking about the same subject. Of course, if it is wrong, it is wrong fundamentally; but my understanding of title II, "Acquisition of Property," is that it relates to an entirely different thing from that requisitioning which is mentioned in the act of October 16, 1941. I understand this relates to the acquisition of property so as to own it, so that the Government becomes the owner of the title of it, and the words "other means of transfer" do not relate to a temporary title; they have reference only to the kind of transfer to the Government which conveys the whole title.

If that is an erroneous view of the title, then all I have to say is out the window; but if it is a correct view, then it seems to me that the owner from whom the property is taken, or by whom the property is given, is protected in the proposed act by what is in lines 8, 9, and 10, namely, "such proceedings"—meaning for condemnation, of course—"such proceedings to be in accordance with the act of August 1, 1888 (25 Stat. 357), and any other applicable Federal statute."

Mr. DANAHER. Will the Senator yield?

Mr. AUSTIN. I have not quite finished with the thought. If this is a title devoted to acquisition of the ownership of property, then I conceive that it will not be necessary to apply the act of October 16, 1941; but if I am wrong about it, then there is no reason in the world why we should not accept the suggestion of the Senator from Connecticut, because it is not in conflict with the spirit of the proposal. Indeed, I think that, without the amendment, the act of October 16, 1941, should be applied under the provision "and any other applicable Federal statute." I want the Senator from Connecticut to understand that I am thoroughly in sympathy with his objective.

Mr. DANAHER. Will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. DANAHER. I know that both the Senator from Vermont and the Senator from Wyoming will share my view as a matter of principle. There is no question about that. I do not object to the first 10 lines on page 3 in any way whatever. Those are the lines which deal with the taking of property. I agree with the Senator, those are the lines which deal

with proceedings under the act of August 1, 1888, "and any other applicable Federal statute." I agree with the Senator from Vermont; that is how we take the property, and that is how we proceed to the taking, and the statutes therein referred to deal entirely with the taking and the proceedings as to the taking. But lines 11, 12, and 13 have been imported into the bill by a committee amendment, and they are independent entirely of the first 10 lines. Lines 11, 12, and 13 provide that the seizing officer "may dispose of such property or interest therein by sale"—that is one way—by "lease," without limitation as to terms, "or otherwise," and no limitation whatever is stated; in accordance with section 1 (b) of the act of July 2, 1940, which merely provides that if there be a lease, it shall be for a consideration in money.

Let me say to the Senator from Vermont that there is no limitation as to the disposal of the property once it has been properly taken, and it is in respect of the disposal of the property that I level my criticism. I say that once there is a finding that property is needed for military or naval uses, we should take it, and I say that in the taking of it we should proceed under the act of August 1, 1888, or any other applicable Federal statute. So I am in complete conformity with the Senator from Vermont thus far. But I say that once we take the property from its owner, we certainly should give the owner the option of recapturing his own property, at a fair valuation, when the governmental need for its use has terminated. That is my whole contention.

Let me say to the Senator from Wyoming that my objection can easily be met by imposing as a condition of lease that the property shall not be leased for a period longer than 1 year, let us say, beyond the date of the expiration of the act; or, as an alternative, that if the property shall have been disposed of under the "or otherwise" clause, or if it still be held, the owner shall have the right, under option, to recapture his own property upon payment of fair value. That is perfectly reasonable; it is perfectly equitable, and it is surely American.

I thank the Senator from Wyoming for his forbearance and his cooperation. I know he will understand that I am attempting to remove an objection which is fundamental to the process of taking, and after we remove these objections, I should personally in no way whatever argue even against the applicability or the desirability of title II.

Mr. TAFT rose.

Mr. O'MAHONEY. Mr. President, before I yield further, I wish to comment on what the Senator from Connecticut has said. I take it his criticism is directed not so much against the bill which has been brought in by the committee as against the act of July 2, 1940, because, all in the world proposed to be done by the bill is to give to the Secretary of the Navy, and to other boards and commissions authorized by the President, the same power the Secretary of War now has. The amendment to which the Senator has called attention was inserted by the committee for the purpose of bringing this grant into harmony with the provisions of the act of 1940. I can conceive of circumstances in which an amendment such as the Senator has suggested, which would limit the powers at least to a year or to 2 years, might have the effect of preventing a very necessary lease to be made in connection with the war effort.

Mr. DANAHER. Mr. President, will the Senator again yield to me?

Mr. O'MAHONEY. Certainly.

Mr. DANAHER. I thank the Senator. If the Senator from Wyoming would simply strike out lines 11, 12, and 13 on page 3, we would not need my proposed amendment; for, then, once any Government agency took a property for a proper Government use, it would thereafter be disposable only under existing general law, and then there would not be a question of any limitation being necessary; and I think the Senator from Vermont [Mr. AUSTIN], able lawyer as he is, would agree that that is a declaration of good, applicable law.

Mr. AUSTIN. Mr. President, that sounds probative to me. I see no reason why we could not compose this difference very easily by taking out those words.

Mr. O'MAHONEY. Mr. President, I was about to suggest that we are still simply having a preliminary discussion of the measure, and the suggestion which the Senator makes will properly come before us when we come to act upon that part of the bill.

Mr. DANAHER. I thank the Senator.

Mr. TAFT. Mr. President, I wish to understand the breadth of the new section 2 in title II. Am I to understand that the President may delegate to anyone in the Government the power to make the finding that some property is needed for war purposes, or does the Senator think the President himself has to make the finding? It seems to me very objectionable to say that anyone in the Government, any clerk, or anyone else, can make a finding that some property is necessary for war purposes. The term "war purposes" is so broad that it covers almost anything one can think of.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. AUSTIN. I was curious about that very thing, and upon consideration of another matter in another committee I had an opportunity to interrogate Mr. Donald Nelson and the Under Secretary of War about that subject, and I am confident that the powers which we are now talking about, proposed to be contained in this Executive War Powers Act of 1942, will be within the jurisdiction of the War Production Board, of which Mr. Nelson has been made chairman.

Of course, in the vertical descent of authority the President is first, as Commander in Chief, but under him, the very next in line is the War Production Board, and Mr. Nelson in person, by virtue of Executive order, has been vested with authority, under all statutes prior to the measure before us. I particularly examined him with reference to the powers contained in this measure. I have a transcript of his testimony regarding those powers, which I shall be very glad to insert in the RECORD at the proper time, in which he makes the statement that there is now on the President's desk an additional Executive order which will charge him with the duty of exercising the powers in question.

Mr. TAFT. Mr. President, I am very glad to have that information, but, of course, it does not answer my question. The question I was asking was whether the Senator thought the President could simply say that a government agency shall have power to take any property, we will say, for example, manufacturing property, and then the same agency shall make the finding of necessity.

Mr. O'MAHONEY. If the Senator will permit me I shall endeavor to answer his question.

Mr. TAFT. Every condemnation case must be based somewhere on a finding of necessity for war purposes, and I am wondering whether the Senator thinks the President can delegate that power under this provision, or whether he must, as I think he should, make the finding himself in every case in which there is an actual requisitioning of real property.

Mr. O'MAHONEY. No, Mr. President, as the bill has been reported from the committee, it grants the President the authority to designate the agency, and when the agency has been so designated, the head of the agency will have to make the same finding which the Secretary of War does now under the present law.

Mr. TAFT. So it is practically a wide-open grant. Does the Senator see any reason why the Government should not proceed under this measure to seize any industrial plant in which there is a strike, so as to make unnecessary the Connally bill which is now pending on the Calendar of the Senate?

Mr. O'MAHONEY. Mr. President, it had not occurred to me that such interpretation would be placed upon the provision. I doubt very much whether there would be any such exercise of authority under this measure. I feel, as has already been demonstrated by events which have happened since Pearl Harbor, that the danger of strikes has been greatly lessened by reason of the outbreak of the war. I think the point of view with which the gerat majority of the people of the United States approach all these problems has tremendously changed since December 7. Prior to that time we very properly considered checks and balances upon the executive authority. Prior to that time we were anxious to see that no grant of power should be made which could be used against the interests or the privileges or the rights of citizens. In the prosecution of the war it seems to me we can depend only upon the good faith and the patriotism of all those to whom we grant power, and I feel that it is not as necessary now in a temporary emergency bill as it was previously to examine with meticulous care every grant which is made.

Mr. TAFT. Surely, the Senator admits that there is a point beyond which we should not go?

Mr. O'MAHONEY. Oh, certainly.

Mr. TAFT. So all we are discussing now is where that point is, as to how far the power should be given. It seems to me that in the Connally bill it was

rather carefully provided that if a plant were taken over by reason of labor disputes, the question of wages could be handled in a certain way, and that the plant was to be given back at the end of the war, but now, by granting this power, we go far beyond that, and provide that whenever labor disputes occur the Government may, so far as I can see, take over the whole plant the next day, and keep it forever, or rent it to somebody else. I should feel much better about the whole matter if the Senator would agree to eliminate the amendment, because while I can understand why the Government may have to take over a plant, and operate the plant itself, I cannot see why it should take away a plant from me and give it to the Senator from Wyoming, and have him operate the plant under the same conditions. If the Government needs the plant, it seems to me, it ought to take it. It does not seem to me it ought to take it for the purpose of giving it to somebody else, and I strongly urge the Senator to accept the suggestion made by the Senator from Connecticut [Mr. DANAHER] in that respect.

Mr. O'MAHONEY. Mr. President, I think the Senator from Ohio has reached his conclusion by considering only the effect upon plants. Let us consider shipways, for example. The Navy Department is particularly anxious to have this power because the Navy Department wants to engage immediately in the construction of ships. It wants to engage in the construction of shipways. It may be that condemnation proceedings would be effective with respect to bare, unimproved real property. It might be real property which had certain types of buildings upon it, or real property with which certain personal property was associated or to which it was attached. In order to carry out the power to build ships to carry on the war it might be desirable and necessary for the Secretary of the Navy to grant a lease. If such a lease were to b limited by act of Congress to 1 year or 2 years it might easily be that the Secretary of the Navy could not get anybody to agree to the lease. So, perhaps, the bill should be permitted to stand as it was reported by the committee.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. AUSTIN. In view of the discussion relating to who will pass upon the questions of fact upon which the power to appropriate private property for public use is based, I think it would be well to have inserted in the RECORD at this point the act which is referred to in the bill in lines 9 and 10 on page 3, namely, the act of August 1, 1888 (25 Stat. 357). The act points out what judicial body shall pass upon the questions of fact and determine what the pleadings are, and all the things which are necessary to protect private interests. I therefore ask unanimous consent that the act be inserted in the RECORD at this point.

Mr. O'MAHCNEY. I think that is a very valuable suggestion.

There being no objection, the act was ordered to be printed in the RECORD, as follows:

Public, No. 214

An act to authorize condemnation of land for sites of public buildings, and for other purposes

Be it enacted, etc., That in every case in which the Secretary of the Treasury or any other officer of the Government has been, or hereafter shall be, authorized to procure real estate for the erection of a public building or for other public uses he shall be, and hereby is, authorized to acquire the same for the United States by condemnation, under judicial process, whenever in his opinion it is necessary or advantageous to the Government to do so, and the United States circuit or district courts of the district wherein such real estate is located, shall have jurisdiction of proceedings for such condemnation, and it shall be the duty of the Attorney General of the United States, upon every application of the Secretary of the Treasury, under this act, or such other officer, to cause proceedings to be commenced for condemnation, within 30 days from the receipt of the application at the Department of Justice.

SEC. 2. The practice, pleadings, forms, and modes of proceeding in causes arising under the provisions of this act shall conform, as near as may be, to the practice, pleadings, forms, and proceedings existing at the time in like causes in the courts of record of the State within which such circuit or district courts are held, any rule of the court to the contrary notwithstanding.

Approved, August 1, 1888.

Mr. O'MAHONEY. Mr. President, if I may proceed quickly perhaps we can dispose of the other titles of the bill.

Title VII deals with political activity. It is intended merely to exempt from the provisions of the Hatch Act persons who are employed for part time, either as officers or employees, without compensation or with nominal compensation.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BROWN. Mr. President, I for one seriously object to title VII of the bill. I can think of no group of men in the service or employ of the Government to which the provisions of the Hatch Act should apply with greater certainty than the groups which it is proposed to exempt by title VII.

I should like to ask the Senator from Wyoming the source of the suggestion to the Judiciary Committee. Whence did it come?

Mr. O'MAHONEY. Mr. President, my first contact with what seems to me to be the desirability of such an exemption was last September, when I went home during a recess of the Senate. I found that the local selective-service boards throughout my State were about to be completely destroyed because certain members of the board were serving in some political or partisan capacity on local committees.

I think it is utterly wrong to say that because a man has accepted service upon a county committee, a State committee, or a national committee he shall not be permitted to take part in the war effort. To say, for example, that men shall not be eligible to be members of the tire rationing boards if, forsooth, they happen to be members of county committees is an utter and complete destruction, it seems to me, of any fair concept of citizenship. I object, and always have objected, to the implication that once a man associates himself with politics he somehow becomes unclean. I do not regard myself in any degree better than the members of the national committees, whether they be Republicans or Democrats.

Mr. BROWN. I have never heard a better argument against the Hatch Act in its entirety than the argument the Senator from Wyoming is now making. I think everything he says applies to the Hatch Act as a whole.

Mr. O'MAHONEY. We are not dealing here with the Hatch Act. If the Senator wishes to consider my statement as an argument against the Hatch Act I am willing that he shall so consider it. We are merely saying that when in this all-out effort we call upon the intelligence, ability, and patriotism of all our people we shall not bar from cooperation in that effort persons who, in my opinion, are rendering a patriotic service when they act upon county committees, State committees, and national committees of the respective political parties.

Mr. BROWN. I wish to call attention to the fact that the local draft boards are largely chosen by the Governors of the several States; and I think the Governors have done a very good job in making the selections. However, I do not know of any group of governmental employees which deals with a more tender subject than that of choosing which citizens of the United States shall be brought into the armed services of the United States. If we accept the principles of the Hatch Act—which I never have done—I think that the men who deal with the lives of our citizens and the contributions which the young men are making in the armed forces of the United States ought not to engage in management of partisan politics.

Second, I say that the great group of so-called dollar-a-year men who come into the Government of the United States ought to be required to live up to the same restrictions as are imposed upon all other employees of the Government. I think it is utterly unfair to allow any so-called dollar-a-year man to engage in politics to any extent he wishes, and to tell John Doe, a Government clerk in some department of the Government—let us say in the Archives Building—that he may not engage in politics.

Mr. O'MAHONEY. It was the opinion of the committee that the bill does not apply to dollar-a-year men; and we wrote into the report, in the first paragraph under "VII," the following language, which the Senator will find on page 6:

> The exemption does not apply to full-time employees of the Federal Government, whether paid a salary, a dollar a year, or no compensation at all.

Mr. BROWN. Let me call attention to the bill itself. It says:

> No officer or employee, except a part-time officer or part-time employee without compensation or with nominal compensation.

I assumed that that applied to dollar-a-year men.

Mr. O'MAHONEY. The dollar-a-year men are full-time employees.

Mr. BROWN. Some are and some are not. A great many of them are still drawing salaries from the corporations with which they are connected.

Mr. O'MAHONEY. I think that is a matter which ought to be handled in an entirely different manner. Suppose there were an expert living in the Senator's home town, whose advice, knowledge, and ability might be desirable in a consultative capacity. Suppose he were invited to Washington to consult with the War Production Board, with Mr. Nelson, or with the Secretary of War, the Secretary of the Navy, or the Air Corps. Would the Senator say that if that man also happened to be a member of the county committee he should be barred, and that he should first resign from his county committee before giving the Government the benefit of his advice? I cannot see it.

Mr. BROWN. If the expert happened to be an economist in the University of Michigan he would be already barred under the Hatch Act.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Vermont.

Mr. AUSTIN. If we should omit title VII we should expose the whole war effort to a great deficiency in the several States. I can illustrate that by what occurred between the two major parties in Vermont.

Mr. BROWN. I thought there was only one major party in Vermont. [Laughter.]

Mr. AUSTIN. There are really two. There was an exchange of letters between the chairman of the Republican State Committee and the chairman of the Democratic State Committee, in which it was agreed that the unity, harmony, and strength of the war effort of Vermont would be promoted if they should make a combined list of the Democratic and Republican town committees of the whole State, from which selections should be made for contributions of a civilian character to national defense. That was a very stimulating act, in which the unanimous consent of the whole State was reflected at once; and, although Vermont has been in the vanguard of the national-defense movement from the beginning, yet this particular act of the two parties in the State of Vermont gave great impetus to the unity which is absolutely necessary for an all-out effort on the part of Vermont and, I think, of every other State in the Union. Many men are needed in the civilian contribution to the war effort; and if we simply blank out the town committees, both Democratic and Republican, of every town in every State of the Union, we shall bar some of the men who are best qualified to act upon enemy-alien hearing boards, to act as special assistants to the Attorney General, designated by the Department of Justice as special officers to hear cases involving conscientious objectors, and to serve on local and appeal boards under the Selective Service System, and to perform numerous other acts. In my opinion it would be a blow to the defense effort to take title VII out of the bill.

Mr. O'MAHONEY. Mr. President, I am very grateful to the Senator from Vermont for his very clear statement of the position of the committee.

Mr. GILLETTE. Mr. President, will the Senator yield in order that I may make a brief statement?

The PRESIDING OFFICER (Mr. BUNKER in the chair). Does the Senator from Wyoming yield to the Senator from Iowa?

Mr. O'MAHONEY. I am very happy to yield.

Mr. GILLETTE. I am afraid the committee fails to keep in mind the basic purposes of the Hatch Act, as they have been demonstrated in its application over the term of years since it has been in effect, and especially during the past year. It is not a question of compensation; it is a question of utilizing an official position, and the power it gives, to influence political elections. No prohibition of such action is contained in section 9 of the Hatch Act. That section provides that all such persons shall retain the right to vote as they may choose, and to express their opinions on all political subjects and candidates; but the point is that they are in an official position to use their official influence and the power they have over subemployees. It is such action that we are endeavoring to prohibit.

Mr. O'MAHONEY. Oh, Mr. President, the exemption does not apply to the use of official positions.

Mr. GILLETTE. I am aware of that. The first sentence of the Hatch Act provides, as follows:

> It shall be unlawful for any person employed in the executive branch of the Federal Government, or any agency or department thereof, to use his official authority or influence * * *.

The provision we are considering applies to the second sentence, which reads:

> No officer or employee—
>
> Except these—
>
> shall take any active part in political management or in political campaigns.

But they are expressly permitted to vote, to speak, and to discuss in any manner they see fit a political campaign, a political issue, or a political candidate. They are in a position, whether under the first sentence or the second sentence, to use their official authority. The committee which I had the honor to head during the past campaign, uncovered time and again the indirect use of political influence. Oh, no; they did not say, "You are working for me, and if you do not vote for this man your job is going to be nonexistent tomorrow." Incidentally, let me say that such statements were made in some States, but not in Federal offices. But when a man is told by any officer "I am interested in JOE O'MAHONEY, the Senator from Wyoming, and I should like to see him reelected," it is notice to that man that he has to vote and to support JOE O'MAHONEY; and if a man in an official position is allowed to become a member of a party committee——

Mr. O'MAHONEY. Mr. President, I must insist upon interrupting the Senator at this point. The Senator certainly does not imply that any such injunction to any person anywhere would be a violation of any rule of good conduct; does he?

Mr. GILLETTE. On the contrary, as a matter of public interest, I should think it would be entirely advantageous to support the Senator from Wyoming anywhere and in any place. But as a matter for the welfare of the electorate, regardless of the Senator's own candidacy, I think it would be a fatal mistake, and would open wide the door for the destruction of the benefits of the act which we put on the statute books.

Mr. O'MAHONEY. I must call the attention of the Senate to page 12 of the report, in which we inserted the provision of the Hatch Act which is to be amended by this provision. It reads as follows:

> SEC. 9. (a) It shall be unlawful for any person employed in the executive branch of the Federal Government, or any agency or department thereof, to use his official authority or influence for the purpose of interfering with an election or affecting the result thereof.

We do not change that sentence in any way whatsoever.

The next sentence reads as follows:

> No officer or employee except a part-time officer or part-time employee without compensation or with nominal compensation in the executive branch of the Federal Government, or any agency or department thereof, shall take any active part in political management or in political campaigns.

It is that provision which we feel should be amended, because it is our judgment that the members of political committees, such as county committees, town committees, State committees, and national committees, who, because it is their duty—and in some cases such committees are set up by law—take an active part in political management, should not be barred from rendering the service they can render to the country in this great emergency. The committee, as I have said, had no doubt at all about the wisdom of the amendment which has been reported.

With that statement I shall proceed to the next title, which is title VIII. The title has been reviewed since the committee reported the bill. It is designed to provide for the compensation of persons who act in any of the protective capacities under the Office of Civilian Defense by extending to them the benefits the Employees' Compensation Act. I have consulted the senior Senator from Vermont, and I desire to send to the desk a substitute for the amendment as it is printed in the bill. The reason for the substitution is the desire to strike out the apparent limitation of the act to air-raid wardens, to eliminate the reference to fire wardens—because it is not likely that that would be a term which would cover any substantial number of persons, if any at all—and to insert, instead of "air-raid wardens and fire wardens," the phrase "any person in the protective services." That is the gist of the change made in the substitute amendment I have sent to the desk. There is a provision modifying the

committee amendment, authorizing the Compensation Commission to establish new regional offices, to utilize existing regional offices, to utilize the personnel and facilities of other governmental agencies, and to delegate thereto such authority as may be necessary for carrying out the provisions of this paragraph.

Title IX deals with shipping of the Great Lakes. It extends during the period of the war emergency the provisions of the act of May 31, 1941. That act authorizes vessels of Canadian registry to transport iron ore upon the Great Lakes during the year 1941. Congress has recently passed a bill granting the same extension for 1942. The purpose of the provision in title IX is merely that there shall be a blanket grant of this authority without the necessity of passing a new bill during each year of the emergency.

Mr. BROWN. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I am very glad to yield to the Senator from Michigan.

Mr. BROWN. I introduced the bill which became the act of May 31, 1941, which is the act to which section 901 is addressed, and this year I introduced the bill which has just passed both Houses, to cover the season of 1942.

I wish to explain the situation to the Senator from Wyoming, with the hope that he may agree to strike title IX from the bill. The situation is a peculiar one. The report shows that Canadian vessels in 1941 carried 700,000 tons of ore. I may say to the Senator that is less than 1 percent of the ore that was carried last year on the Great Lakes, when some 88,000,000 tons were carried by all ships.

In 1941, when the law now in effect came before the Committee on Commerce, it was met with considerable opposition from some of the interests involved. Primarily, other than the Government, two interests are involved, one the shippers—and by that I mean the steamship companies themselves—and the other, labor. The steamship companies dislike to give up the protection which the navigation laws have afforded them because Canadian ships can carry the ore cheaper than can American ships. The sailors dislike to give up the protection afforded them because wages on the Canadian ships are considerably below wages on the American ships. Furthermore, the American ships have what is known as a three-crew law, while the Canadian ships have a two-crew law. That means, with some slight exceptions, that it takes 50 percent more men to operate an American ship than it does to operate a Canadian ship. I may say, generally, that the living conditions, the quarters, the food, and so forth, are superior on American ships.

Therefore it is not surprising at all, Mr. President, that representatives of the men who appeared before the Commerce Committee at least wanted this suspension of the navigation laws with respect to the carriage of ore on the Great Lakes limited in point of time by the Congress. I therefore agreed, when the Interstate Commerce Commission and the O. P. M. discussed the matter with me, to limit my bill to 1 year. That bill was passed.

This year the same situation arose, and the matter was called to my attention again by representatives of the Interstate Commerce Commission, and particularly by Mr. Budd's organization in O. P. M., and by Mr. Knudsen, who was then the head of O. P. M. All they asked was that we suspend these laws for 1 more year. We did so by an act which a week or 10 days ago passed the Senate by unanimous consent, which was promptly taken up by Judge BLAND, the chairman of the House Committee on the Merchant Marine and Fisheries, which passed the House of Representatives, and is now, I believe, law.

The difference between the amendment contained in title IX and my bill is that before a third extension can be granted—we have covered this situation fully to the end of the navigation season of 1942—we can ascertain what the conditions will be at that time.

I have not had the slightest difficulty in putting that bill through the Senate and through the House, and it seems to me in this matter, when there is this great difference between wages, between rates of carriage, and between living conditions in the Canadian ships and the American ships, that we ought to leave the situation as the Senate and the House and the President have left it by the enactment of the legislation to which I have referred. I think it is somewhat unfortunate to put the matter in the condition in which it would be placed if the bill reported by the Judiciary Committee should be passed.

I want to say to the Senator from Wyoming that this is one subject with which I think I am thoroughly familiar. I believe we have adequately covered it and that there is no good reason why it is necessary to have title IX in the pending bill. We have taken care of the situation by other legislation, and I am sure that if conditions are such that a further suspension is needed in 1943, we will have no difficulty in writing it into law. I hope the Senator will agree to the amendment which at the appropriate time I will propose to strike out title IX.

Mr. O'MAHONEY. Mr. President, the Senator from Michigan is always very persuasive, but I may say that in this instance, as has already been stated, the powers terminate with the emergency, or 6 months thereafter, and, while we all hope that it may not be necessary to grant this exemption for the year 1943, we all know that, if the war is not terminated, it will be granted. The feeling of the committee was that it would be desirable, in the circumstances, to make as broad a grant as would be wise.

Mr. BROWN. My one point is that I think when the time comes to renew this suspension of the navigation laws with respect to the carriage of ore on the Great Lakes, we ought to give the shippers and sailors an opportunity to appear and present their views and determine whether it is necessary to take such action again.

Mr. O'MAHONEY. I was about to suggest that this bill will have to go to the Judiciary Committee of the House, and no doubt opportunity will be afforded there for any views which the persons for whom the Senator speaks may desire to present.

Mr. President, title X of the bill relating to free postage for soldiers, sailors, and marines, is the reenactment of the law as it existed in the World War. It is designed to provide free postage for those in the military service who are serving outside continental United States. The committee amended it so as to include all military and naval personnel, because, otherwise, it might be interpreted not to include officers and nurses.

Mr. BROOKS. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Illinois.

Mr. BROOKS. I understand that we are not to offer amendments now, but I contemplate offering one, and I thought it might save time if I might have an explanation, in case there is objection to it.

I intend to offer an amendment to substitute this language:

> Ordinary letters written and mailed by soldiers, sailors, marines, and other military and naval personnel assigned to duty in the United States and outside the continental United States may be mailed free of postage, subject to such rules and regulations as may be prescribed by the Postmaster General. Letter paper and postage-free envelopes shall be kept on hand and supplied to such soldiers, sailors, marines, and other personnel free of charge in military post offices.

Mr. O'MAHONEY. Mr. President, the committee considered that suggestion. As a matter of fact, the Senator from Arizona [Mr. MCFARLAND] called attention to it, because, as I understand, he has pending a bill on the subject.

The feeling of the committee was that the proposal which deals with mail within the United States should not be considered by the Judiciary Committee or in connection with this bill, but should be considered by the Post Office Committee, because the salaries of postmasters are dependent upon the sale of stamps. Many new post offices have been established in connection with cantonments; and the Committee on the Judiciary felt that it would be unwise for it to bring in such a provision as that without having thoroughly gone into the matter with the Post Office Department experts before the Post Office Committee. I will say to the Senator what was said to the Senator from Arizona in the committee meeting—that we feel that the proposal would be more appropriately considered by the Post Office Committee than here.

Mr. BROOKS. I thank the Senator very much.

Mr. O'MAHONEY. Mr. President, the next item, title XI, deals with the naturalization of persons in the armed forces. It is merely to provide for the naturalization, without regard to the present requirements of law, of persons who actually serve in the armed forces. It provides that the application for citizenship may be filed within 1 year after the war shall have terminated. Provision is made, by amendment added by the committee, that a complete record of any proceedings hereunder, together with a copy of the certificate of citizenship, shall be forwarded to and filed by the clerk of a naturalization court in the district of which the peti-

tioner is a resident and be made a part of the record of the court.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Michigan.

Mr. VANDENBERG. This naturalization privilege is confined, by the language of lines 5 and 6, on page 12, to those who serve in the military and naval forces of the United States during the present war. Why should it be limited to the present war? I have in mind some cases of men who served throughout the World War.

Mr. O'MAHONEY. They are covered by the law as it now stands.

Mr. VANDENBERG. They are covered?

Mr. O'MAHONEY. Yes. There are statutes granting this privilege to such persons. This is not a new grant, but, without this section, aliens who serve in this war would not have the same privilege that was extended to those who served in other wars.

Mr. VANDENBERG. The Senator is sure that the aliens of the previous war are covered?

Mr. O'MAHONEY. Oh, yes. Perhaps I should add that it is quite possible that the provisions which we added by way of amendment were not in the old statute, but these provisions merely operate as an enlargement of the statute. I am sure that all aliens who served in previous wars, and who desired to become citizens, have already taken advantage of existing law.

Title XII deals with the acceptance of conditional gifts by the Department of the Treasury. Under the law as it now stands, the Secretary of the Treasury may accept unconditional gifts. Any gifts of money or of other valuables go into the general fund of the Treasury, but in recent months there has been a wave of patriotic desire to make conditional gifts to the Treasury—that is to say, contributions of money for the purpose, say, of building airplanes; contributions for the purpose of building submarines or similar objectives which, in the minds of the donors, seemed to be desirable.

Under the law as it now stands, the Department of the Treasury has no recourse except to enter into long correspondence with the donor because conditional gifts cannot be accepted. The Treasury Department then undertakes to persuade the donor to make the gift without condition, and, as one would naturally imagine, that is not always very successful because the donor cannot understand why his desirable and patriotic objective should not be served. So the purpose of this provision is to give the Secretary of the Treasury authority to accept or to reject such conditional offers of money or other property, real or personal, or services.

Now we come to title XIII, dealing with the coinage of 5-cent pieces. It appears that the Bureau of the Mint has been coining nickels at such a rate that it has consumed nickel in recent months at the rate of 435 tons annually. We were told, for example, that in 1941 in coining the 5-cent pieces we used enough nickel to have produced 16,000 tons of armorplate. That would be enough armorplate for a thousand heavy tanks. Nickel has become one of the most scarce of all the strategic minerals; so the proposal was made to make a new coin which should be one-half silver and one-half copper. The present coin is made of three-fourths copper and one-fourth nickel; so silver would be substituted for all of the nickel and for one-third of the copper in the present 5-cent piece.

It is only proper to say that under the present coinage system, the Treasury makes a seigniorage profit of, I think, 4.8 cents in the coinage of every nickel. Under the new proposal, the seigniorage profit would be reduced to about 1.2 cents. That, of course, is figured upon the value of silver at about 35 cents an ounce. The silver, however, will not be newly acquired silver. The provision in the bill is that the bullion silver now in the Treasury shall be used for this purpose.

After the committee had reported the bill, I received several long-distance telephone calls from the representatives of some vending machines. A long-distance call came in from Chicago. The burden of the plea was that unless the bill were changed in some manner, certain vending machines now in use for selling chocolate bars and gum and other articles of that kind would be rendered useless, because the machines are so constructed as to reject all types of substitutes for the present nickel.

Copper slugs, brass slugs, Canadian nickels, Mexican nickels, and coins of that kind, are rejected in these vending machines. Some of the machines are so constructed as to reject a coin if it is too wide, some if it is too thick, and certain other factors enter into it. I asked the Director of the Mint to give me a statement of the devices which are used in the various vending machines, and they are six in number, depending on these factors:

First. Diameter.

Second. Thickness.

Third. Weight.

Fourth. Magnetic properties.

Fifth. A feeler device, which registers the relief on the face of a coin.

Sixth. A device which is based upon electrical resistance.

The feeler device will reject an ordinary liberty nickel, or a nickel which has been worn so thin through use that the feeler does not catch the relief.

It was not the desire of the committee to put any vending machines out of business, so, after some consideration, a new provision was devised, on page 17, in line 10, to strike out the period and add a colon and to insert the following proviso:

Provided, That the Director of the Mint, with the approval of the Secretary of the Treasury and the Chairman of the War Production Board, is authorized to vary the proportions of silver and copper and to add other metals if such action would be in the public interest.

The purpose of the amendment, which I send to the desk, which is to be regarded as part of the committee amendment, is merely to authorize the Director of the Mint, with the concurrence of the Secretary of the Treasury and the Chairman of the War Production Board, to introduce any new metal which will make the new coin subject to the factor of electrical resistance.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MURDOCK. It seems to me, with reference to this coinage provision, that we are overlooking something which should not be overlooked. Notwithstanding the fact that the Government buys silver and has bought silver at variable prices under the Silver Purchase Act and under the Gold Reserve Act, in the amendment we are considering today, including the modification now presented by the Senator from Wyoming, we are not taking into account at all the monetary value of the silver which goes into the proposed nickel. Perhaps I was a little derelict, as a member of the Committee on the Judiciary, in not calling that fact to the attention of the committee when we were considering the bill, but it seems to me that inasmuch as the content of the silver dollar is fixed by statute, certainly we should pass no law with reference to nickels or any other subsidiary coinage which does not take into consideration the monetary value of the silver going into the coin.

Mr. O'MAHONEY. Mr. President, I am informed that in the silver dollar there are 371.25 grains of silver. Of course, the monetary value of the silver is created by statute, and it is in excess of the actual intrinsic value of the silver.

Mr. MURDOCK. I would not agree with the Senator's statement. I think he is overlooking something.

Mr. O'MAHONEY. I may be in error about it.

Mr. MURDOCK. What we are all overlooking is the fact that, as the Senator has stated, the dollar has in it a fixed number of grains, I suggest to the Senator from Wyoming that if we adopt the amendment as it appears in the bill, or as it is now modified by his amendment, we may find, though I have not checked with the Director of the Mint on the matter, that we are putting more silver into a nickel than we have in the dime; and certainly the Congress of the United States does not want to do that.

I suggest to the Senator from Wyoming that we probably have not time to go into the technicalities of this matter today, but I hope that when the conferees consider the bill, or when the bill goes before the Committee on the Judiciary of the House, this subject will be called to their attention, and that consideration will be given to the monetary value of silver in fixing the weight of silver which goes into the 5-cent piece.

Mr. O'MAHONEY. I may say that I think the suggestion of the Senator is altogether appropriate, and if it is necessary to go into this matter further, of course the Judiciary Committee of the House will do so. But since the Senator referred to the dime, the fact of the matter is that, as I understand, the new nickel would contain more silver than the dime does. I am advised that the present silver content of the dime is 34.72 grains, while the new 5-cent piece would contain 38.58 grains. But the value of

the money is in the stamp placed upon it by the United States, and the purpose of the pending provision is to save nickel, which is highly important in the war effort, and the terms of the amendment place a specific limitation upon the period during which the power may be exercised.

Mr. REED. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. REED. I wish to ask the Senator if the report of the committee does not, as I am informed, also suggest that there will be about 2,000,000 pounds of copper saved?

Mr. O'MAHONEY. There will be 870,000 pounds of copper saved, and 870,000 pounds of nickel.

Mr. REED. Is the Senator sure he is correct in those figures?

Mr. O'MAHONEY. That is what the committee was advised, and I think the Senator will find that statement in the report.

Mr. REED. The Rural Electrification Administration is now contemplating building an unnecessary transmission line for sending electricity from the Pensacola Dam in Oklahoma to an aluminum plant in Arkansas. Every one, including the War Department, says the additional transmission line is absolutely unnecessary that the aluminum plant in Arkansas can secure otherwise all the power necessary to operate it; yet the Rural Electrification Administration, plus the Federal Power Commission, insist on their position in the face of objection by the State authorities of Arkansas, and in face of the belief by everyone competent to form an opinion that the additional transmission line is unnecessary. It will take more than 2,000,000 pounds of copper.

Mr. President, I ask the Senator from Wyoming, What is the use of saving a million pounds of copper if we can save that much by changing the composition of the nickel, and then turn around and waste 2,000,000 pounds of copper in the construction of a wholly unnecessary transmission line, something which was never contemplated in the creation of the Rural Electrification Agency?

Mr. O'MAHONEY. The Judiciary Committee had no connection with that particular activity, so, of course, we did not consider it.

Mr. REED. The able Senator from Wyoming is so fair and so candid, and generally has so much common sense, that I simply wanted to ask him the question.

Mr. O'MAHONEY. I thank the Senator for the qualified compliment. [Laughter.]

Mr. REED. Mr. President, I withdraw the qualification, and will say that the Senator always has so much common sense.

Mr. O'MAHONEY. Let the RECORD show that the word "generally" is stricken from the remarks of the Senator from Kansas. [Laughter.]

Mr. BROWN. Mr. President, will the Senator yield to me?

Mr. O'MAHONEY. I yield to the Senator from Michigan.

Mr. BROWN. A good many Senators are interested in knowing whether we shall take up the conference report on the price-control measure this afternoon. The majority leader and myself have just ascertained that it is probable the House will not finish debate until 3:30 or 4 o'clock, and there probably will be two roll calls, which will occupy roughly an hour and a half or thereabouts. Therefore, we have decided that we shall not take up the conference report on the price-control measure until tomorrow.

Mr. O'MAHONEY. Mr. President, I am very grateful to the Senator from Michigan for that announcement, because I should like to have an opportunity to read the House debate before we take up the report in the Senate.

Mr. BROWN. I will say the Senator from Wyoming knows too much about it now. [Laughter.]

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. ELLENDER. I was not in the Chamber when discussion took place with respect to title XI dealing with the question of naturalization. As I read the language of title XI of the bill, it provides that virtually all the naturalization laws on the statute books shall be suspended. Am I correct in that understanding?

Mr. O'MAHONEY. Oh, no; not at all.

Mr. ELLENDER. Mr. President, it strikes me that under title XI any alien who is in the United States on a visa, who wanted to become a citizen of the United States, would simply have to join the armed forces of the country, without any specified time being named, and he would become a citizen. Am I correct in that conclusion?

Mr. O'MAHONEY. No; I do not think so. I do not think the title is so broad as that. It merely provides that, notwithstanding provisions of other laws, any alien, regardless of age, who served or hereafter serves honorably in the military or naval forces of the United States during the present war may be naturalized. The committee felt that honorable service in the war under these circumstances was a sufficient application for citizenship.

Mr. ELLENDER. I understand there are in the United States today a goodly number of visitors from other countries. Those persons did not come here with the idea at first of becoming citizens, but if I interpret the title correctly, if such persons shall serve in the armed forces of the country for a week, then, by virtue of such service, they shall become citizens.

Mr. O'MAHONEY. Mr. President, I think the Senator is picking out an extraordinarily unlikely incident to condemn a broad grant which is very desirable. Any alien who enlists does not, by reason of the fact that he is an alien, have the right to leave the service, and any alien who may be drafted does not have the right to withdraw from the service. Such a person could not withdraw. Such a person would have to be discharged, and if he were honorably discharged for proper cause, then why should he be denied the privilege of becoming a citizen?

Mr. ELLENDER. Has the Senator any facts or figures to show about how many persons would be covered or affected by this title?

Mr. O'MAHONEY. I do not know.

Mr. ELLENDER. The Senator does not have the figures?

Mr. O'MAHONEY. I do not have any idea. But it was the unanimous feeling of the committee that any person who served in the armed forces, and who met the conditions herein set forth, and presented the affidavits which are required, should be granted the privilege of becoming a citizen.

Mr. ELLENDER. As I read the provision virtually the entire naturalization law is suspended.

Mr. O'MAHONEY. The requirements are suspended with respect to the particular persons, yes; but otherwise not.

Mr. ELLENDER. That is what I am speaking of. It is a good way for such aliens to become citizens.

Mr. O'MAHONEY. Mr. President, the final title, title XV, is merely the technical provision which places a limit on the powers granted, and provides for the short title of the bill. Unless otherwise specifically provided in the act itself, all the powers are to expire at least 6 months after the termination of the war.

Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of the committee amendments.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. VANDENBERG. The first committee amendment is at the top of page 2, and limits the exercise of authority over motor carriers to the extent necessary to facilitate the prosecution of the war. I wish to suggest to the Senator a further limitation at that point, and I am hopeful of hospitality, because I am substantially following the suggestion which the Senator himself made on page 11 of the hearings. The Senator is aware of the fact that there is very definite controversy at the present time in the Interstate Commerce Committee of the Senate with respect to legislation granting the I. C. C. authority to control the weights of trucks, and so forth, an authority which now rests with the States. It seems to me we may well await the conclusion of that controversy, when that particular proposed legislation shall be reported by the Interstate Commerce Committee.

It appears from the hearings that the spokesmen for the Government, particularly Mr. Cox, the General Counsel of the Office for Emergency Management, asserted that there was no intention of using this blanket power which we are now discussing in the bill for the purposes I have indicated. The Senator from Wyoming suggested in the committee that it would be a very simple matter to protect the situation by an amendment providing that nothing not in harmony with the State laws should be considered to be within the purview of the new authority. Therefore I am

asking the Senator whether he would object to an amendment to the pending committee amendment so that it would read:

To the extent necessary to facilitate the prosecution of the war and not in contravention of State laws or regulations.

Mr. O'MAHONEY. Mr. President, in reporting the bill the committee took cognizance of the situation to which the Senator refers, but only with respect to the weight of trucks, by writing into the report the sentence which the Senator will find on page 4:

This provision would not authorize the Commission to set aside State laws or regulations with respect to sizes and weights of motor carriers.

It was the judgment of the committee that that statement of interpretation, together with the amendment which appears on page 2, lines 3 and 4, would be sufficient. I did not pursue the suggestion which I made in the language quoted by the Senator for fear that in hastily drawing such a provision we might prevent the exercise of authority which really ought to be exercised. It is very difficult to envisage all the provisions of State laws with which it might be necessary to deal.

Mr. VANDENBERG. Mr. President, will the Senator again cite the language in the report to which he refers?

Mr. O'MAHONEY. It is on page 4 of the report, at the top of the page, the second paragraph:

This provision would not authorize the Commission to set aside State laws or regulations with respect to sizes and weights of motor carriers.

So, Mr. President, we have the statements of Mr. Cox and others in the hearings; we have the statement in the report; and we now have the statement made by myself upon the floor, a statement which I am sure will be concurred in by the able Senator from Vermont [Mr. AUSTIN] who sat throughout the consideration of this bill.

Mr. VANDENBERG. The statement made by the Senator is very helpful and persuasive; but if the situation which he defines is the fact, there is certainly no reason why it should not be textually stated. I renew my inquiry to him, and ask him whether he would object to adding, after the word "war" in line 4, on page 2, the words "and not in contravention of State laws or regulations with respect to sizes or weights of motor carriers." The law would then say precisely what the Senator says it says.

Mr. O'MAHONEY. As the Senator now reads the amendment, it is confined to sizes and weights.

Mr. VANDENBERG. That is correct.

Mr. O'MAHONEY. I see no objection to it in that respect. It contains the committee amendment.

Mr. VANDENBERG. That is correct.

Mr. O'MAHONEY. In other words, the Senator is now offering a perfecting amendment?

Mr. VANDENBERG. That is correct.

Mr. REED. Mr. President, let me make a suggestion to the Senator from Michigan with regard to his amendment. Does it say "sizes or weights of motor carriers"?

Mr. VANDENBERG. Yes.

Mr. REED. The language should be "motor vehicles."

Mr. VANDENBERG. Very well, Mr. President. I accept the modification.

I understand that the first committee amendment is pending.

The PRESIDING OFFICER (Mr. BUNKER in the chair). Without objection, the committee amendments will be first considered. The first committee amendment will be stated.

The first amendment of the Committee on the Judiciary was, under the heading "Title I—Emergency powers of the Interstate Commerce Commission over motor carriers," on page 2, line 3, after the word "authority" to insert "to the extent necessary to facilitate the prosecution of the war."

Mr. VANDENBERG. I move to amend the committee amendment by adding, after the word "war," the words "and not in contravention of State laws or regulations with respect to sizes or weights of motor vehicles."

Mr. ANDREWS. Mr. President, I happen to be chairman of a subcommittee which held extensive hearings on the bill to regulate the weights and sizes of trucks in interstate commerce. We have given the subject a great deal of study. As a result of that study one of the things we propose to do is to request the Senate to adopt an amendment to title I of the bill now being discussed by the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, if I may interrupt the Senator, I observe that the amendment which he holds in his hand is of considerable size.

Mr. ANDREWS. It is only a page and a half.

Mr. O'MAHONEY. It contains many words. I should like to read it before the Senator offers it. Will the Senator be good enough to withhold his amendment until after we shall have acted on the committee amendments?

Mr. ANDREWS. I shall be glad to do so; but I should like to have it considered along with the proposed amendment of the Senator from Michigan, because I believe it covers the situation, and might make it unnecessary further to pursue the bill which is before the Interstate Commerce Committee.

Mr. VANDENBERG. Mr. President, I should like to ask the Senator from Florida a question. Is the Senator proposing an amendment to settle this controversy by an amendment to the bill now before the Senate?

Mr. ANDREWS. I do not know that it would settle it, but it would probably make it unnecessary for us further to consider the other bill.

Mr. VANDENBERG. The Senator is proposing to determine the question of whether the States shall give up to the Federal Government their control over trucks in this aspect. That is a question of vivid controversy. The Senator is proposing that we shall settle that question in connection with the pending bill instead of waiting for the other bill.

Mr. ANDREWS. The amendment proposes to transfer to the President of the United States the authority asked for in the bill before the Interstate Commerce Committee. I should like to have the amendment read.

Mr. BARKLEY. Mr. President, let me inquire of the Senator from Florida whether the subcommittee of which he is chairman has acted upon the bill before it.

Mr. ANDREWS. Neither the subcommittee nor the full committee has acted upon this amendment, but it seems to me to offer a solution. I propose to offer it as an amendment to title I. If it should be adopted, it would have much to do with alleviating the situation.

Mr. O'MAHONEY. Mr. President, in this connection I feel that the amendment which the Senator proposes to offer—and I have glanced over it—is of such a nature that, in my opinion and, I am sure, in the opinion of the full committee, it should not be adopted without hearings and thorough study by the appropriate committee. I therefore feel obliged to object to the adoption of that amendment.

Mr. REED. Mr. President, let me suggest to the Senator from Florida that perhaps he is confusing two things. The bill which his subcommittee is considering would empower the Interstate Commerce Commission to remove undue discrimination against interstate commerce by any State regulation of the size of busses, trucks, and other motor vehicles. The bill before us in a war-powers bill. The bill, which the subcommittee of which the Senator from Florida is chairman is considering, has to do with permanent interstate-commerce law, war or no war. We are considering a war-powers bill. I agree with the Senator from Wyoming; and I hope the Senator from Florida will not confuse the situation.

Mr. ANDREWS. Mr. President, my amendment would be effective only for the duration of the war. However, if the Senator from Wyoming objects to the amendment I will withdraw it. We are trying to alleviate a situation on which we have worked for quite a long time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. VANDENBERG] to the committee amendment on page 2, line 3.

Mr. WHITE. Mr. President, I hope the amendment of the Senator from Michigan will have the approval of the Senate. The question of the regulation of the weights and sizes of motor vehicles has been the subject of extended study by a subcommittee of the Interstate Commerce Committee of the Senate. It is a highly controversial matter. Interested parties have come to Washington from all over the United States to testify before the committee. The problem deserves consideration by itself. I think it would be altogether in the interest of the pending legislation if the amendment of the Senator from Michigan were adopted.

Mr. AUSTIN. Mr. President, I shall take no time at all except to say that when the bill was under consideration by the subcommittee this very language was considered; and, as a matter of policy, the committee thought it better to put the language into the report rather than to put it into the bill. I think the original report contains the language in my handwriting, as an addition to it. I am

very much in favor of having it added to the bill.

Mr. BARKLEY. Mr. President, I merely wish to state that I was interested in the matter because my State is one of the States which have sent representatives here to testify before the subcommittee holding hearings on the bill referred to by the Senator from Florida [Mr. ANDREWS]. I was satisfied with the report of the committee and the expression of opinion of the representatives of the various departments through which the bill had been cleared, that the authority here conferred gave the Interstate Commerce Commission no jurisdiction over the weight and size of motor vehicles.

Inasmuch as an amendment has been offered, and it seems to me to be only a clarification of what was in the report, of course I favor the adoption of the amendment, and I am glad the Senator from Wyoming has agreed to its adoption.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Michigan [Mr. VANDENBERG] to the committee amendment is agreed to; and, without objection, the committee amendment, as amended, is agreed to.

The next amendment of the committee will be stated.

The CHIEF CLERK. On page 2, line 14, after the word "suspend" it is proposed to strike out the comma, the word "remove," and the comma following it.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The next amendment of the committee will be stated.

The CHIEF CLERK. On page 3, line 10, after the word "statute," it is proposed to strike out the colon and the words "*Provided*, That upon," and to insert a comma and the words "and may dispose of such property or interest therein by sale, lease, or otherwise, in accordance with section 1 (b) of the act of July 2, 1940 (54 Stat. 712). Upon."

Mr. DANAHER. Mr. President, I send to the desk a substitute amendment which I offer and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 3, line 10, after the word "statute," it is proposed to strike out the colon, in lieu thereof to insert a period, and to strike out the following words: "and may dispose of such property or interest therein by sale, lease, or otherwise, in accordance with section 1 (b) of the act of July 2, 1940 (54 Stat. 712)."

Mr. DANAHER. Mr. President, I have hitherto fully explained the reasons why I offer the proposed substitute amendment. With it not only should we fall back upon section 2 of the act of October 16, 1941, as to personal property and machinery, but we should otherwise be bound by the general law with respect to the disposition of real property or any interest therein.

Mr. BARKLEY. Mr. President, let me make an inquiry. As I understand the amendment offered by the Senator from Connecticut it is simply to strike out the committee amendment in lines 10 to 13. The question naturally and automatically arises in voting upon the adoption of the committee amendment; is that correct? It is not necessary to agree to an amendment in order to strike out a committee amendment.

Mr. DANAHER. I have offered the amendment as a substitute.

Mr. BARKLEY. But it is not necessary to offer a substitute to a committee amendment, simply for the purpose of striking out the committee amendment. The question is simply whether the committee amendment shall be adopted.

Mr. DANAHER. I think the Senator's point is well taken in that particular. So long as we carry out the full import of the understanding previously had in a colloquy which took place in the absence of the Senator from Kentucky, and as the Senator from Wyoming and the Senator from Vermont understood, I am sure my purpose is achieved. I think the point raised by the Senator from Kentucky is well taken.

Mr. O'MAHONEY. Mr. President, the question is presented on the committee amendment. Any Senator who desires to sustain the position taken by the Senator from Connecticut should vote "no" on the committee amendment. I rise merely to express the hope that no Senator will be so inclined to vote. As I said when the Senator from Connecticut originally stated his feeling upon the matter, the provision now before the Senate merely has the effect of conveying to the Secretary of the Navy and to certain boards, the power which the present law grants to the Secretary of War. The committee inserted the amendment in order to grant the power to dispose of property which may be taken over by condemnation. The amendment provides that the power of disposition shall be such as is already contained in the act of 1940 covering the powers of the Secretary of War. The committee was very strongly of the opinion that in the emergency it is necessary to grant such power, and the committee hopes that the amendment reported by it will be agreed to.

Mr. DANAHER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Doxey	Murdock
Andrews	Ellender	Murray
Austin	Gerry	Norris
Bailey	Gillette	Nye
Ball	Glass	O'Daniel
Bankhead	Green	O'Mahoney
Barkley	Guffey	Overton
Bilbo	Gurney	Pepper
Bone	Hayden	Radcliffe
Brewster	Herring	Reed
Brooks	Hill	Reynolds
Brown	Holman	Rosier
Bulow	Johnson, Calif.	Russell
Bunker	Johnson, Colo.	Shipstead
Burton	Kilgore	Smathers
Butler	La Follette	Smith
Byrd	Langer	Stewart
Capper	Lee	Taft
Caraway	Lodge	Thomas, Idaho
Chandler	Lucas	Thomas, Okla.
Chavez	McFarland	Thomas, Utah
Clark, Idaho	McKellar	Tobey
Clark, Mo.	McNary	Truman
Connally	Maloney	Tunnell
Danaher	Maybank	Tydings
Davis	Mead	Vandenberg
Downey	Millikin	Van Nuys
Wagner	Wheeler	Wiley
Wallgren	White	Willis
Walsh		

The PRESIDING OFFICER. Eighty-eight Senators have answered to their names. A quorum is present.

The question is on agreeing to the committee amendment.

Mr. DANAHER. Mr. President, in discussing the pending committee amendment it seems important for Senators to direct their attention to lines 10 to 13, inclusive, on page 3 of the pending bill. The language contained in those three lines authorizes any agency or any officer or any Cabinet head who has condemned property for war purposes to make any disposition whatever that he chooses of the property so taken. There is no limitation whatever upon the exercise of the power and authority that would be conferred by this language.

While the Senator from Wyoming has told the Senate that the disposition is to be made in accordance with section 1 (b) of the act of July 2, 1940, there is no limitation contained in section 1 (b) of the act of July 2, 1940. Quite the contrary, Mr. President, that language, insofar as it is pertinent, says:

When he—

Meaning the seizing officer—

deems it necessary in the interest of the national defense, to lease, sell, or otherwise dispose of, any such plants, buildings, facilities, utilities, appurtenances thereto, and land, under such terms and conditions as he may deep advisable, and without regard to the provisions of section 321 of the act of June 30, 1932.

Mr. President, if you will examine the act of June 30, 1932, you will find that the only restriction or limitation contained in section 321 provides that no property shall be leased except for a money consideration. The net result is that when, under the guise of the exercise of war powers—necessary war powers, I concede—there shall be a taking, a condemnation, of plant and structures, or facilities, and all the personal property therein, there is no limitation on the right of the seizing officer to lease that property to anybody in this wide world for any length of time he may desire. He can lease it indefinitely; he can lease it for 40 years; he can lease it for 50 years. The only requirement is that if he leases it he shall lease it for a money consideration. Otherwise, it is on whatever terms or conditions the seizing officer chooses to impose.

Mr. President, if the Defense Metals Corporation or the Rubber Reserve Corporation or any one of the R. F. C. agencies, or if some officer of a board or commission downtown decides that he wants to condemn some real estate, and he says it is necessary as a proper exercise of the war powers that he do so, he may take that property away from its true owner and may lease it or otherwise dispose of it—the bill uses the word "otherwise"—without any limitation, and, above all, there is not even the semblance of protection to the original, the true owner of the property to recapture it or the right of an option for him to get his own property back when the war is over. It seems to me that so enormous a scope of power,

so extraordinary a grant, ought to be made to coincide with the law which we ourselves have hitherto down through the years found necessary. There are over 50 statutes on the books which deal with the disposition of properties belonging to the United States Government. Limitations have been found necessary, through experience. We can envisage the situation of an officer of the Maritime Commission going to Philadelphia or New York or New Orleans and taking over all the docks and wharves and warehouses in a given area, and then turning around and leasing them to any person or corporation he chooses for an indefinite term. It is no answer to say that the pending bill would impose a limitation by virtue of the clause terminating the life of the bill. That in no way would affect the life of the lease to be given thereafter or thereunder as the case may be.

Moreover, Mr. President, if one of the seizing officers thinks that he wants all the machinery of the Ford Motor Car Co.'s plant, he can take all that machinery and turn it over to some creature Government corporation and allow that corporation to keep it indefinitely. He can turn it over to another manufacturer and the original owner of the dies and tools and jigs and gages and all the other machinery in the plant cannot even recapture the property.

When Congress considered last fall the act known as S. 1579, Public Law 274, Seventy-seventh Congress, chapter 445, the act of October 16, 1941, we recognized at that time what the equities of the owners of their property shall be. We expressly provided that—

> Wherever the President determines that property acquired under this act and retained is no longer needed for the defense of the United States, he shall, if the original owner desires the property and pays the fair value thereof, return such property to the owner; but, in any event, property so acquired and retained shall, if the owner desires the property and pays the fair value thereof, be returned to the owner not later than December 31, 1943.

Under the pending bill any property in the United States, real or personal or both, could be seized for any purpose whatever so long as it was for a wartime use, and turned over to any agency or any individual or any other Government department, without limitation.

Mr. President, we have some obligation in this situation. The Constitution, in article IV, section 3, provides:

> The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States.

Mr. President, it has become axiomatic in administrative law that the Executive has no authority to dispose of property of the United States or even to transfer it from one department to another without the consent of the Congress and without our fixing standards by which to gage and test such action, but here we have no such standards and no limitations of any kind. I submit that the grant of power sought in the pending legislation is wholly unconstitutional.

We have a duty, Mr. President, even though it be wartime, to see to it that the ordinary incidents of the ownership of property are protected. If we are going to disregard them, if we are going to have no interest whatever in the preservation of the principle of private ownership of property in this country, then let us have done with all of it; let us understand where we are headed once and for all; but when, in order simply to protect whatever is properly to be sought under this bill, we have to do no more than strike out these three lines, which would give the carte blanche power claimed in this committee amendment, it seems to me fundamental and necessary that we do just that—eliminate these harmful words—and then the Government will be obliged at least to confine itself and to conform itself to the standards which the Congress has hitherto fixed and found desirable and necessary down through the years, despite the wars in which we were engaged, and the emergencies and the exigencies of past situations.

I submit that the language of the pending committee amendment has not been adequately canvassed; it will not be found that any need for it has been established in the committee report; it will not be found that there is any justification whatever for it; and yet we are asked to turn over the entire control of any property whatever in the United States to some Government agency or corporation, limited solely by the condition that while owned by the Government, it is to be devoted to a war use; it is to be taken for a war purpose; but, once taken, there is no limitation whatever upon its disposition.

Mr. AUSTIN. Mr. President, I should like to ask the Senator from Connecticut a question.

Mr. DANAHER. I shall be happy to yield.

Mr. AUSTIN. The question has to do with the effect of the Senator's amendment, which I at once admit I favor; but I think the RECORD should show what the Senator's opinion is respecting the power of the agency after it has acquired both real and personal property. In other words, my question is, Would rejecting this committee amendment diminish the authority of the agency to use the property itself, or to lease it, or to put someone in control to operate the property without a lease?

Mr. DANAHER. Mr. President, the answer is, positively no. The powers of any agency which takes the property are limited solely by the language that the taking shall be deemed necessary for military, naval or war purposes—that is the first limitation—and that if it is taken pursuant to condemnation, then the proceedings shall be had in accordance with the act of August 1, 1888, or any other applicable Federal statute. Granted that any two of those three conditions are met—namely, the essential being the necessity for war purposes, and then the method may follow, either by condemnation under the act of 1888, or in accordance with section 9 of the Conscription Act, or some other applicable Federal statute—there would be no limitation on the use; there would be no diminution of the power to operate the property. Quite the contrary, the property could be devoted to whatever is a proper wartime purpose. The Senator from Vermont will find that there is no limitation in the bill in the event lines 11, 12, and 13 shall be eliminated. What is eliminated as a result of striking out those words is the unlimited power to dispose of the property irrespective of any congressional standard whatever—that is what is involved—and, in the event of disposition under lease, for a period without limitation of any kind.

I submit that that is a dangerous transgression of the constitutional prerogative, and that it flies straight in the face of our long-time experience in our effort at self-government in this country. I most certainly say that it is wholly contrary to the preservation of the private ownership of property in the United States in wartime or any other time; and I respectfully ask that the committee amendment be rejected.

I ask for the yeas and nays on the adoption of the committee amendment.

The yeas and nays were ordered.

Mr. O'MAHONEY. Mr. President, I have a feeling that the Senator from Connecticut [Mr. DANAHER] misconceives the purpose and effect of this provision. I think he is dealing in his mind with the Requisitioning Act rather than with the act which authorizes the acquisition of property.

It is true that the Requisitioning Act, namely, the act of October 16, 1941, contains a recapture clause. The reason for that is perfectly simple. The Requisitioning Act of October 16, 1941, was intended to authorize the requisitioning of personal property, and therefore it was provided, in section 2, that—

> In any event, property so acquired and retained shall, if the owner desires the property and pays the fair value thereof, be returned to the owner not later than December 31, 1943.

That had to do with the requisitioning of personal property, but here we are dealing with the condemnation of real property, and the taking of personal property that may be incident thereto.

When the property is condemned, it becomes the property of the United States. The committee bill provides that such property may be condemned when it is found that it is necessary to do so in the interest of the national defense, and for no other purpose.

Mr. DANAHER. Mr. President——

Mr. O'MAHONEY. In the act of July 2, 1940, we gave this precise power to the Secretary of War; and, as I said to the Senator from Connecticut, his quarrel is not so much with the bill now before us; his quarrel is with the power we have granted to the Secretary of War. The Judiciary Committee desires to extend the same power of condemnation to the Secretary of the Navy and to such others as the President may designate, because the committee was convinced that it is essential in the prosecution of the war that such power shall be granted.

The Senator from Connecticut objects to the fact that the committee amendment authorizes the agency which has taken it over to "dispose of such property or interest therein by sale, lease, or otherwise, in accordance with section

1 (b) of the act of July 2, 1940." The purpose of that amendment is plain. It may be necessary, it may be absolutely essential to the prosecution of the war, that the Secretary of the Navy enter into a lease. It may be necessary for him to sell part of the land he has taken over. Why should that power be withdrawn or denied to him—a power which is already exercised by the Secretary of War?

So, Mr. President, I hope that the argument of the Senator from Connecticut will not be too persuasive, and that the amendment of the committee will be accepted.

Mr. DANAHER and Mr. BARKLEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield, and, if so, to whom?

Mr. O'MAHONEY. I yield first to the Senator from Connecticut, since he rose first.

Mr. DANAHER. Mr. President, inviting the Senator's attention to the act of October 16, 1941, in section 1 thereof, did we not provide a method by which the President might condemn personal property or machinery whenever he wanted to do so?

Mr. O'MAHONEY. Certainly; but we were dealing with personal property.

Mr. DANAHER. That is true. In section 2 we provided that if property were so acquired, the owner, under a recapture clause, would have a certain limited period, at his option, in which to recover his own property did we not?

Mr. O'MAHONEY. That is correct.

Mr. DANAHER. Then, why did we provide that he should get his property back under section 2, except that we thought it would be fair and right and equitable?

Mr. O'MAHONEY. Because that act was dealing expressly with personal property, and with personal property only. The pending measure is dealing with real property, and with personal property only as an incident. The Senator now asks that the powers of the Secretary of the Navy to lease the real property which has been condemned shall be withdrawn because he thinks, forsooth, that in connection with some personal property there may be some technicality.

Mr. DANAHER. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. Certainly.

Mr. DANAHER. Why should there be any difference in principle? Why should we say that we will not now give to the owner a right to get his property back if taken under title 2 of the pending bill?

Mr. O'MAHONEY. In the case of personal property the need for the machinery, the need for the tools, was only temporary, and no great expenditure of money was involved; but in the case of the condemnation of real property the title has passed, and the owner has been paid a fair, proper price, determined in the regular way. Why, then, should we handicap the war effort?

Mr. DANAHER. There is no question of handicapping the war effort in any way whatever.

Mr. O'MAHONEY. There is, because the Senator wants to withdraw the power to dispose of, to sell, and to lease.

Mr. DANAHER. Assuming that under the act of October 16, 1941, we got all the machine tools which are in Pratt & Whitney's aircraft plant, and we wanted to give them to the Omaha plant of the Martin Co., could we have seized them in furtherance of the war purpose and turned them over to the Omaha plant under the act of 1941?

Mr. O'MAHONEY. That could not be done under the old law.

Mr. DANAHER. No; not under the old law, but under the act of October 1941. That was why we passed it, so that we could do just that; was it not?

Mr. O'MAHONEY. The Senator is again referring to machine tools.

Mr. DANAHER. The Senator from Wyoming may ask the lawyer seated at his side if he does not care to answer the question himself, but did we not pas the act of October 16, 1941, for the express purpose of making it possible to take machine tools from one plant, if we needed them, and devote them to a war purpose?

Mr. O'MAHONEY. Certainly; I have said that over and over again.

Mr. DANAHER. If it was fair and right that we give the owner the right to recapture, at his option, his own personal property, why is not the same principle applicable to title 2 of the proposed act, where we find the words "to acquire by condemnation any real property, temporary use thereof, or other interest therein, together with any personal property located thereon or used therewith"?

Why should he not have the same right to get back his own docks and wharves, his shipways and what is on them, to get back his own factory, his own machines, and to pay the fair value thereof at the end of the war, instead of having them turned over to some Government agency to operate, or instead of having them turned over to some competitor to operate? What is the difference in principle?

Mr. O'MAHONEY. The Senator misconceives the whole purpose of the bill. The power to take over personal property which is needed as personal property is extended in the act of October 16, 1941, and is not changed. If it were desired to do what the Senator has just described, the official involved, the Secretary of War or the Secretary of the Navy, would not proceed under the provision which the Senator seeks to change; he would proceed under the requisitioning act. The other provision is merely incidental, is merely designed to overcome certain deficiencies which appeared in the old act of 1917, when uncertainties arose because, for example, there was some personal property which the owner did not want, and it was on the real property. Was it in or was it out? How about this and how about that? We are just clearing the matter up. The Senator wants to go beyond that and strike out the provision giving the Secretary power to deal with real property.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. I desire to inquire of the Senator whether I understand the matter accurately. Heretofore, we have given the Secretary of War power to proceed to condemn property needed by the War Department for national defense. The Secretary of the Navy, and other agencies, do not have that authority to the same extent to which it is enjoyed by the Secretary of War. The pending bill confers upon the Secretary of the Navy and such other agencies as the President may designate the same authority to take over property which the Secretary of War now enjoys. That is true, is it not?

Mr. O'MAHONEY. That is correct.

Mr. BARKLEY. The amendment authorizes the Secretary of the Navy or the other agencies, after having taken over the property, to dispose of it by lease, sale, or otherwise, as provided for in the section of the law referred to. The difference between the present situation and the situation involved in the act of 1941, as I understand it, is that in that act we were giving the Government the authority to go out generally and take personal property independent of real estate. We might go into a factory and take machine tools, and either use them there, or remove them to some other place and use them. Now we are not dealing generally with the power of the Government to go out and take personal property, but wherever the Government, under the law, seeks to take over or acquire real estate, and finds personal property on the real estate, it would have the same power to take the personal property located on the real estate that it has to take the real estate itself. That is true, is it not?

Mr. O'MAHONEY. That is correct.

Mr. BARKLEY Having taken the real estate and the personal property located on it, the amendment merely gives them authority to dispose of it after the Government has finished its use of it.

Mr. O'MAHONEY. The Senator is quite right.

Mr. BARKLEY. It creates quite a different situation from the authority to go out and acquire personal property generally, without having any connection with real estate the Government might need.

Mr. O'MAHONEY. That is correct.

Mr. CHANDLER. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. CHANDLER. I should like to supplement what my colleague has said, and call to the attention of the Senator the act of October 16, 1941, which I reported from the Senate Committee on Military Affairs, and sponsored on the floor to its passage. As the Senator from Wyoming has said, that was a bill to requisition personal property. In it we required the President of the United States to exhaust himself by trying to make arrangements to get the property which the Government desired for the national defense. We went further and provided that the need must be so urgent and impending as to admit of no delay. It is an entirely different proposition from the one now before us, in which we seek to get real property, and if we find a building on it, or erect a building on it, then we cannot very well turn that back to the seller, after we put a War Department building on it, perhaps. We provided that in a case where personal property was requi-

sitioned and paid for, if it were still in existence up to a certain time—and we fixed the time—if the one whose personal property we took wanted it back, and paid a fair value for it at the time, he could get it back. I cannot see how we could deliver property back to a man if we had erected a building on it in the meantime. He might want the lot, but the Government might want the lot and the building. In the case of real property, there would be condemnation, and title would pass; but in the act of October 16, 1941, we expressly provided that the owner could have his personal property back if it were still in existence and he desired to have it and was willing to pay a fair market value for it. It was merely a recapture proposition, in fairness to the man who owned personal property and might prefer to have the property back rather than money.

Mr. O'MAHONEY. I understand exactly what the Senator from Connecticut has in mind, I think, but he is going altogether too far in his argument. I have no objection to the recapture of personal property. I should like to make a suggestion to the Senator from Connecticut and the Senator from Vermont, which would accomplish everything the Senator from Connecticut has in mind, without in any manner handicapping the essential war power of the Government. As I stated at the beginning, I feel that the Senator from Connecticut has confused the act of Congress dealing with personal property with the act dealing with real property. The pending bill gives the Secretary of War and the Secretary of the Navy and the others mentioned the authority to condemn certain attached personal property, together with the real property, where it is found essential to do so; but I have no objection, if the Senator from Vermont and the other members of the Committee on the Judiciary have none, to providing exactly the same recapture provision, as far as personal property is concerned, that is contained in the act of October 16, 1941. So that after we have disposed of the committee amendments, I should be very glad, if it shall be agreeable to the Senator from Vermont, to offer as an amendment a modification of section 2 of the act of October 16, 1941. The modification would read as follows:

Wherever the President determines that movable personal—

"Movable personal" are the only two words I am adding at that point—

movable personal property acquired under this act and retained is no longer needed for the defense of the United States, he shall, if the original owner desires the property, and pays the fair value thereof, return such property to the owner; but, in any event, property so acquired and retained shall, if the owner desires the property and pays the fair value thereof, be returned to the owner not later than the end of the war.

I am changing the date from December 31, 1943, to the end of the war. I may suggest that the Senator from Vermont [Mr. AUSTIN] and the Senator from Connecticut [Mr. DANAHER] consult with the expert here with respect to that language, and perhaps we may add it later on as an independent amendment.

Mr. AUSTIN. Mr President, the first thought which comes to me is that the subject matter of the act of October 16, 1941, was personal property of a tangible character—machine tools and similar things—whereas the personal property which is included in title II may extend to appurtenances which are intangible, easements, such as water rights, and riparian rights, and drainage—innumerable things that are appurtenant to the real estate, and the addition of section 2, adjusted to the text of title II, would not, I think, be capable of performance with respect to easements which are inseparable from the real estate, which are a part of it, such as access, egress, and water. I cannot think of them all, but there are many personal properties which are appurtenant to real estate or land which I think are incapable of being separated from the land and handled in the manner provided in the act of October 16, 1941.

Is that a valid objection to the Senator's proposal?

Mr. O'MAHONEY. Mr. President, I think the objection is a valid one. I made the conditional offer, let me say, simply in an excess of good nature and in recognition of the undoubted sincerity and good purpose of the Senator from Connecticut, and since the Senator from Vermont, who is a member of the Judiciary Committee, which gave a great deal of attention to this matter, has correctly pointed out that there are weaknesses in my suggestion, I think I shall withdraw the suggestion and merely ask the Senate to pass upon the amendment as it was offered by the committee.

Mr. DANAHER. Mr. President, before the Senator takes his seat, will he please tell me and tell the Senate what disposition of the property to be seized under section 2 would be interfered with if the language in lines 11, 12, and 13, on page 3, were stricken out?

Mr. O'MAHONEY. The leasing of real property for the purpose of having a private company operate a shipyard. The leasing of real property to the Defense Plant Corporation, or to some beneficiary of the Defense Plant Corporation, to construct and to operate a war plant. Numerous other instances would suggest themselves to mind.

Mr. DANAHER. The Senator, of course, is talking about a shipyard which the Government might seize under section 2, is he not?

Mr. O'MAHONEY. Not at all.

Mr. DANAHER. No?

Mr. O'MAHONEY. No; not at all.

Mr. DANAHER. That is what the section deals with—condemnation of the property.

Mr. O'MAHONEY. We are dealing with the condemnation of real property. It might be altogether unimproved, and there might be 2 or 3 acres on the outskirts which, as time passed on, were not perhaps needed, and they, having been condemned, and the owner having been paid, a proper consideration having been passed, there is no need whatsoever to attach the condition which the Senator has in mind.

Mr. DANAHER. Does the Senator understand that if the Government actually does seize property, whether it be shipyards or anything else, it may lease to private interests for operation the property so seized?

Mr. O'MAHONEY. Mr. President, I object to the use of the word "seize" in those instances——

Mr. DANAHER. Let us use the word "condemn" then.

Mr. O'MAHONEY. Because we are talking about war condemnation, and because we are engaged in a war which demands the complete and unified action of the people of this country. For my part, I feel that to raise obstacles of this kind to the exercise of power over real property is to lose sight of the ultimate objective, which must be before our minds always.

Mr. DANAHER. Mr. President, with all due courtesy and respect to the Senator from Wyoming, may we recur, please, to my question? If the Government condemns private property for Government wartime purposes, is it the Senator's understanding that it may lease the property so seized to a private corporation?

Mr. O'MAHONEY. That could be done. It could be leased to a Government corporation. It could be handled in innumerable ways. It would be impossible, I think, for the Senator and myself to take the whole afternoon and canvass all the possibilities under the words of this amendment.

Mr. DANAHER. Mr. President, I should not want the Senator from Wyoming to fear that we are obstructing the war effort while we do so, but I should like to canvass the only possibility we have discussed. I should like to know whether the Senator feels that there should be provided some limitation as to time in the leasing of the private property so condemned by the Government to some other operating agency.

Mr. O'MAHONEY. Mr. President, I do not think so, because I can easily conceive the desirability, indeed the necessity, of making a long-term lease in order to provide the proper incentive for the operation of the property which is condemned.

Mr. DANAHER. Will the Senator please tell the Senate where in existing law there is anything to prohibit a Government agency from doing that very thing.

Mr. O'MAHONEY. Mr. President, it is difficult for me to undertake to follow the Senator now. My argument all along has been that the act of 1940 gives the Secretary of War the power which under this amendment the Judiciary Committee recomends for other agencies of the Government.

Mr. DANAHER. Mr. President, of course, the Senator is asking us to adopt this language on the ground that it is needed for some purpose, is he not?

Mr. O'MAHONEY. Precisely.

Mr. DANAHER. And if the existing law already covers the point in question we do not need the language, do we?

Mr. O'MAHONEY. The existing law covers the situation only so far as the Secretary of War is concerned. The

Senator from Connecticut desires to deny the power to the Secretary of the Navy.

Mr. DANAHER. Mr. President, taking the floor in my own right now, I respectfully suggest to both the Senator from Kentucky [Mr. BARKLEY] and the Senator from Wyoming [Mr. O'MAHONEY], who exchanged acquiescence a few minutes ago on the point, that neither of them apparently has read, recently at least, the 1940 act. Neither of them apparently realizes that it has nothing whatever to do with this situation.

Mr. BARKLEY. Mr. President, will the Senator from Connecticut be courteous enough to yield to me?

Mr. DANAHER. Yes; I shall be glad to yield.

Mr. BARKLEY. I certainly should like to correct the Senator in his statement that I have not read the act to which he referred.

Mr. DANAHER. I said "lately."

Mr. BARKLEY. Well, lately. I have the act in question before me, and I finished reading it this very minute. I have previously read it on numerous occasions.

Mr. DANAHER. The Senator should have read it before he engaged in the colloquy with the Senator from Wyoming.

Mr. BARKLEY. No; not at all. The act refers—as the Senator knows, and he knows a great many things—to the authority conferred on the Secretary of War to dispose of property which he takes over under the act of 1940.

Mr. DANAHER. Mr. President, I ask the Senator to point out to the Senate one sentence in the act of 1940 under which the Secretary of war "takes over" any property.

Mr. BARKLEY. I am talking about the disposition of property.

Mr. DANAHER. Let the Senator find any section in the act of July 2, 1940, under which the Secretary of War may take over any property.

Mr. BARKLEY. There are none so blind as those who will not see. If the Senator desires to have me read the section, I shall read it.

Mr. DANAHER. Please do so.

Mr. BARKLEY. I read from subsection (b) of section 1:

(b) The Secretary of War is further authorized, with or without advertising, to provide for the operation and maintenance of any plants, buildings, facilities, utilities, and appurtenances thereto constructed pursuant to the authorizations contained in this section and section 5, either by means of Government personnel or through the agency of selected qualified commercial manufacturers under contracts entered into with them, and, when he deems it necessary in the interest of the national defense, to lease, sell, or otherwise dispose of, any such plants, buildings, facilities, utilities, appurtenances thereto, and land, under such terms and conditions as he may deem advisable, and without regard to the provisions of section 321 of the Act of June 30, 1932 (47 Stat. 412)

That subsection deals with the disposition of property which the Secretary of War has in his possession, because he could not lease it, sell it, or otherwise dispose of it unless he had taken possession of it under the law.

As I understand the section we are debating, it would authorize the Secretary of the Navy or other agencies which have taken over property under authority of the President to make the same sort of disposition of it as is provided in subsection (b) of section 1 of the act of 1940.

Mr. DANAHER. Mr. President, the Senator from Kentucky has been talking about an exercise of power by the Secretary of War over facilities, plants, and so forth, the construction of which the Congress authorized in accordance with section 1. If the Senator will read section 1, he will find that we were asked to appropriate, and did appropriate, several hundred million dollars for the Secretary of War to buy, build, or equip plants and facilities. Of course, if he bought them with our money, if he bought them under an appropriation and authorization by Congress, he had the power to deal with them under subsection (b) which the Senator from Kentucky has read; but in the whole act of July 1940 there will not be found a word about the Secretary of War seizing or condemning any plants, or converting them to Government use. There is not one such word in the whole act. Consequently everything that is said about subsection (b) authorizing the Secretary of War to dispose of property by lease or otherwise has nothing to do with the subject, for the simple reason that he is dealing with governmental property. I read again, with a little different emphasis, the same subsection which the Senator has just read:

The Secretary of War is further authorized, with or without advertising, to provide for the operation and maintenance of any plants, buildings, facilities, utilities, and appurtenances thereto constructed pursuant to the authorizations contained in this section and section 5—

There is nothing in it about condemnation. Consequently, Mr. President, we are not simply being asked to extend to the Secretary of the Navy the same powers we extended in that act to the Secretary of War. Quite the contrary. In the pending bill we propose to do something we have never done in wartime, either in the Civil War, the World War, or any other war. Why the insistence that we have the power indefinitely to lease the property we shall condemn from some private owner to another private owner, without any standard created by the Congress, without any advertising or competitive bidding, without any fair or equitable terms, and without any opportunity on the part of the true owner to get back his own property? Why this insistence? If we eliminate lines 11 to 13 inclusive, at least the Secretary of War, the Secretary of the Navy, and every other agency which properly condemns or takes property for Government use for war purposes will be bound by existing safeguards and existing law as to the disposition of the property. Therein lies our protection. Why should there be insistence that this particular language, written as an afterthought in some committee amendment, remain in the bill? I submit, Mr. President, that the Senator from Kentucky and the Senator from Wyoming have no business, as a matter of law or argument, to rely on the act of 1940. I have demonstrated that it has nothing to do with the subject.

In 1941 we provided in the act of October 16 that we were to have the right, in the name of the Government, to take personal property, machines, and the like, out of factories and turn them over to the Government. We provided machinery by which the Government could take title. We provided for just compensation to the owner. We gave him an option to recapture his own property. We gave him an expiration date—1943, I think. At any rate, we protected all the equities. Now it is proposed to authorize the Secretary of War, the Secretary of the Navy, or any other Government agency to take anybody's property, so long as it is asserted that it is for war purposes. The bill does not even say who is to assert what the war purpose is. It does not even say that the President will stand between us and confiscation.

I have no objection to taking property for war purposes. I have no objection to the Government taking the Potomac Electric Power Co. on the ground that it is needed to generate electricity to make aluminum, which would be a war purpose. I have no objection to the Government leasing the property of the Potomac Electric Power Co. for a hundred years. So far as I am personally concerned, I do not care if the company never gets it back. That is what could happen under the proposed language; and if that is what the Senate wants, let it vote for it.

Mr. BARKLEY. Mr. President, I am ready to vote, but I should like to call attention to section 1 of the act of 1940, inasmuch as the Senator from Connecticut challenged me to find anything in it that had any reference to the purchase or acquisition of land or property. I shall not read the whole section; but four or five lines of it will demonstrate that the Senator from Connecticut was not fully advised when he made that suggestion:

Be it enacted, etc., That (a) in order to expedite the building up of the national defense, the Secretary of War is authorized, out of the moneys appropriated for the War Department for national defense purposes for the fiscal year ending June 30, 1941, with or without advertising, (1) to provide for the necessary construction, rehabilitation, conversion, and installation at military posts, depots, stations, or other localities, of plants, buildings, facilities, utilities, and appurtenances thereto (including Government-owned facilities at privately owned plants and the expansion of such plants, and the acquisition of such land, and the purchase or lease of such structures, as may be necessary), for the development, manufacture, maintenance, and storage of military equipment, munitions, and supplies, and for shelter.

So section 1 of the act of 1940 did provide for the acquisition of lands; and in the sale, disposition, or lease of such lands, as well as the other appurtenances referred to therein, subsection (b) authorizes the Secretary of War to do what this amendment would authorize the Secretary of the Navy to do in similar circumstances.

Mr. DANAHER. Mr. President, again the language the Senator has read merely provides that out of appropriations, specifically referred to in the opening lines, the Secretary of War may provide for the necessary construction of

depots, military posts, and the like; for the acquisition of such land as may be necessary; and for the purchase or lease of such structures as may be necessary. There is nothing in there about condemnation, and let us not let the record stand otherwise.

Mr. TAFT. Mr. President, before voting I should like to ask the Senator from Wyoming whether, according to his interpretation, the officers or agencies could proceed to confiscate any property in the United States without any appropriation by Congress, or whether, in his opinion, there must be an appropriation for the purpose. We have provided many appropriations for the construction or acquisition of industrial plants, and I assume that, if the bill should pass, without further action such appropriations could be used to pay for such condemned plants. If, for instance, control of the railroad system or the utility systems of the country were desired by the Government—I notice that there is a plan for a Federal grid to connect all the utility companies—I wonder whether the Senator thinks that some appropriation, for general purposes at least, would be required, or whether condemnation could be made without an appropriation, even though it might cost the Government many million dollars.

Mr. O'MAHONEY. I do not believe that the power of condemnation proposed to be granted by the bill is in any degree broader than the power of condemnation which now exists. In the drafting of the amendment effort was made to make it clear that the power should be used solely for war purposes. The language on page 3 reads as follows:

> that shall be deemed necessary, for military, naval, or other war purposes * * *.

There can be no doubt that the broad powers which we have conveyed, are conveying, and shall convey could be used for the purposes the Senator has in mind; but I believe that they will not be so used. I have faith that they will not be so used. I do know, however, that unless the Congress clothes the Executive with the power efficiently and effectively to fight the war, it will not make any difference whether we grant them or surround them with ribbons of qualifications.

Mr. TAFT. I was interested only in the financial question, and in whether the Senator felt we could proceed, for instance, to appropriate the utilities properties or the railroads of the country without appropriation by Congress. That is the question in which I was interested. I somewhat doubt whether such a thing could be done, but I should like to know what the Senator thinks about it.

Mr. O'MAHONEY. That is my judgment. I think it is limited by the powers already granted and the appropriations already provided; but I do not want to say categorically that there are limitations which might not actually apply.

Mr. AUSTIN. Mr. President, I feel that the efforts of the Senator from Connecticut are patriotic and loyal, that his purpose is constructive, and that his objective is to preserve a fundamental principle notwithstanding the fact that we are in a state of war. I do not believe that any other Member of the Senate would sacrifice more or work harder for the cause of the United States than would the Senator from Connecticut.

With respect to the point he makes, I think he is reasonable, and that he is not carried away by any particular prejudice, bent, or bias. When he says, as he does say so eloquently, that all the things, save one, which are contained in the amendment of the committee can be done under existing law, I agree with him. Of course, it is nothing but our individual opinion, but it can be taken for what it is worth. We do believe it. I think the original text of the bill was so framed that it expressed that idea. I read from page 3, lines 14 to 22:

> That upon or after the filing of the condemnation petition, immediate possession may be taken and the property may be occupied, used, and improved for purposes of this act, notwithstanding any other law. Property acquired by purchase, donation, or other means of transfer may be occupied, used, and improved, for purposes of this section prior to the approval of title by the Attorney General as required by section 355 of the Revised Statutes, as amended.

Viewing the matter from a purely scientific point of view, I ask this question: For what purpose does the Government of the United States want this property? It is for the purpose of prosecuting the war. In the bill itself, before the amendment was inserted, there was contained language permitting leasing or other disposition of the property, with one exception, and that is the sale of the property.

The prosecution of the war does not require the sale of such property. If the property becomes a burden on the United States, rather than a benefit, there is a constitutional way of disposing of it; and, for one, I am ready to stand upon that basis. I think it is not necessary for the proper prosecution of the war that Congress now act in advance on the question of the sale of property. All other use of it is provided for in the bill without the amendment.

For that reason, Mr. President, I shall vote against the committee amendment, although I voted for it in the committee. I do not care to make any excuses whatever. I present at this moment my present view, after considering what I have heard in this debate.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 3, lines 10 to 14. On this question the yeas and nays have been demanded and ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. O'MAHONEY (when the name of Mr. SCHWARTZ was called). I announce the necessary absence of my colleague [Mr. SCHWARTZ]. If he were present, he would vote "yea."

The roll call was concluded.

Mr. RADCLIFFE. My colleague [Mr. TYDINGS] is prevented from being here by public business. He has been called to a meeting in Baltimore of the newly inducted members of the Naval Reserve in order to address them. Were he present, his vote would be in the affirmative.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is detained in a hospital because of a recent hip injury. He has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from New Jersey [Mr. BARBOUR] is absent on official business. He has a general pair with the Senator from Georgia [Mr. GEORGE].

The Senator from Kansas [Mr. REED] has been unavoidably called from the Chamber. He has a general pair with the Senator from California [Mr. DOWNEY].

The Senator from California [Mr. JOHNSON] is paired on this question with the Senator from Delaware [Mr. HUGHES]. If present, the Senator from California would vote "nay" and the Senator from Delaware would vote "yea."

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senators from Arkansas [Mrs. CARAWAY and Mr. SPENCER], the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], the Senator from Delaware [Mr. HUGHES], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Indiana [Mr. VAN NUYS] are necessarily absent.

The Senator from Utah [Mr. THOMAS] is detained on business in one of the Government departments.

The Senator from Florida [Mr. PEPPER] is absent on important public business.

The result was announced—yeas 47, nays 32, not voting 17, as follows:

YEAS—47

Aiken	Green	Norris
Andrews	Guffey	O'Daniel
Bankhead	Gurney	O'Mahoney
Barkley	Hayden	Overton
Bilbo	Herring	Radcliffe
Bone	Hill	Reynolds
Brown	Johnson, Colo.	Rosier
Bulow	Kilgore	Russell
Bunker	Lee	Smathers
Burton	Lucas	Stewart
Chandler	McFarland	Thomas, Okla.
Chavez	McKellar	Truman
Doxey	Maybank	Tunnell
Ellender	Mead	Wagner
Gillette	Murdock	Wallgren
Glass	Murray	

NAYS—32

Austin	Danaher	Smith
Bailey	Davis	Taft
Ball	Gerry	Thomas, Idaho
Brewster	Holman	Tobey
Brooks	La Follette	Vandenberg
Butler	Lodge	Walsh
Byrd	McNary	Wheeler
Capper	Maloney	White
Clark, Idaho	Millikin	Wiley
Clark, Mo.	Nye	Willis
Connally	Shipstead	

NOT VOTING—17

Barbour	Hughes	Schwartz
Bridges	Johnson, Calif.	Spencer
Caraway	Langer	Thomas, Utah
Downey	McCarran	Tydings
George	Pepper	Van Nuys
Hatch	Reed	

So the committee amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The next amendment was, in Title III—Priorities Powers, section 301, paragraph (C), page 5, line 4, after the words "acceptance of", to strike out "any" and insert "and", so as to read:

> Deliveries under any contract or order specified in this subsection may be assigned priority over deliveries under any other contract or order; and the President may require

acceptance of and performance under such contracts or orders in preference to other contracts or orders for the purpose of assuring such priority.

The amendment was agreed to.

The next amendment was, in the same section, paragraph (4), page 6, line 3, after the word "sections", to strike out "49" and insert "9"; in line 4, after the word "and", to strike out "50" and insert "10"; and in the same line, after the word "of", to strike out "title 15 of the United States Code" and insert "the act of September 26, 1914 (38 Stat. 722", so as to make the paragraph read:

"(4) For the purpose of obtaining any information, verifying any report required, or making any investigation pursuant to paragraph (3), the provisions of sections 9 and 10 of the act of September 26, 1914 (38 Stat. 722), are hereby made applicable to the jurisdiction, powers, and duties of the President.

The amendment was agreed to.

The next amendment was, in the same section, paragraph (6), page 6, line 24, after the word "under", to insert "whether heretofore or hereafter issued", so as to read:

"(6) The district courts of the United States and the United States courts of any Territory or other place subject to the jurisdiction of the United States and the courts of the Philippine Islands shall have jurisdiction of violations of this subsection or any rule, regulation, or order or subpena hereunder, whether heretofore or hereafter issued, and of all civil actions under this subsection to enforce any liability or duty created by, or to enjoin any violation of, this subsection or any rule, regulation, order, or subpena hereunder whether heretofore or hereafter issued.

The amendment was agreed to.

The next amendment was, in Title IV—Purchase by Federal Reserve Banks of Government Obligations, section 401, page 8, at the beginning of the section, to insert "Subsection (b) of"; in the same line to strike out the word "Section" and insert "section"; in line 4, after "Stat.", to strike out "270" and insert "265", so as to make the section read:

SEC. 401. Subsection (b) of section 14 of the act of December 23, 1913 (38 Stat. 265), otherwise known as the Federal Reserve Act, as amended, is hereby amended by striking out of the proviso the words "but only in the open market", so that the proviso will read as follows: "*Provided*, That any bonds, notes, or other obligations which are direct obligations of the United States or which are fully guaranteed by the United States as to principal and interest may be bought and sold without regard to maturities."

The amendment was agreed to.

The next amendment was, in Title VII—Political Activity, section 701, page 9, line 21, after the words "officer or", to insert "part time"; so as to make the section read:

SEC. 701. Subsection (a) of section 9 of the act of August 2, 1939 (53 Stat. 1148), entitled "An act to prevent pernicious political activities," is hereby amended by adding in the second sentence after the words "No officer or employee", the words "except a part-time officer or part-time employee without compensation or with nominal compensation."

The amendment was agreed to.

The next amendment was, in Title VIII—Compensation for Air Raid and Fire Wardens, section 801, page 10, line 24, after the word "death", to insert: "*Provided further*, That the Commission, in providing compensation to air-raid wardens and fire wardens, may utilize the services of other governmental agencies and of State and local agencies and their employees"; so as to make the section read:

SEC. 801. Section 40 of the act of September 7, 1916 (39 Stat. 750), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", as amended, is hereby amended by adding the following paragraph at the end thereof:

"The term 'employee' also includes air-raid wardens and fire wardens engaged in civilian defense, who have been duly appointed as such by an officer or agent of the United States acting under lawful authority. In the event that any air-raid warden or fire warden so appointed renders his services on a voluntary basis or for compensation amounting to less than $100 per month, for the purposes of computing the amount of compensation for death or disability, he shall be regarded as having received compensation for his services at the rate of $100 per month: *Provided*, That no compensation shall be paid in respect to the death or disability of any air-raid warden or fire warden in any case coming within the purview of the workmen's compensation law of any State, Territory, or possession, or in which the claimant has received, or is entitled to receive similar benefits for injury or death: *Provided further*, That the Commission, in providing compensation to air-raid wardens and fire wardens, may utilize the services of other governmental agencies and of State and local agencies and their employees."

Mr. O'MAHONEY. I ask that that amendment be passed over for the present. I shall offer a substitute for the entire section.

The PRESIDING OFFICER. On request of the Senator from Wyoming, the amendment will be passed over.

The next amendment reported by the committee will be stated.

The next amendment was, in Title X, Free Postage for Soldiers, Sailors, and Marines, section 1001, page 11, line 13, after the word "sailors", to strike out "and"; and in the same line, after the word "marines", to insert "and other military and naval personnel", so as to make the section read:

SEC. 1001. Ordinary letters written and mailed by soldiers, sailors, marines, and other military and naval personnel, assigned to duty outside of the continental United States may be mailed free of postage, subject to such rules and regulations as may be prescribed by the Postmaster General.

The amendment was agreed to.

The next amendment was, in Title XI, Naturalization of Persons Serving in the Armed Forces of the United States During the Present War, section 1101, page 11, line 21, after the word "The", to strike out "Nationality"; in the same line, after the words "Act of", to insert "October 14"; in line 22, after "54 Stat. 1137)", to insert "entitled 'An Act to revise and codify the nationality laws of the United States into a comprehensive nationality code'"; on page 12, line 25, after the name "United States", to strike out "and"; and on page 13, line 11, after the word "forces", to insert "and (3) the petition shall be filed not later than 1 year after the termination of the present war", so as to read:

TITLE XI—NATURALIZATION OF PERSONS SERVING IN THE ARMED FORCES OF THE UNITED STATES DURING THE PRESENT WAR

SEC. 1101. The act of October 14, 1940 (54 Stat. 1137), entitled "An act to revise and codify the nationality laws of the United States into a comprehensive nationality code," is hereby amended by adding thereto a new title as follows:

"TITLE III

"SEC. 701. Notwithstanding the provisions of sections 303 and 326 of this act, any person not a citizen, regardless of age, who has served or hereafter serves honorably in the military or naval forces of the United States during the present war may be naturalized upon compliance with all the requirements of the naturalization laws except that (1) no declaration of intention and no certificate of arrival and no period of residence within the United States or any State shall be required; (2) the petition for naturalization may be filed in any court having naturalization jurisdiction regardless of the residence of the petitioner; (3) the petitioner shall not be required to speak the English language, sign his petition in his own handwriting, or meet any educational test; and (4) no fee shall be charged or collected for making, filing, or docketing the petition for naturalization, or for the final hearing thereon, or for the certification of naturalization, if issued: *Provided, however*, That (1) there shall be included in the petition the affidavits of at least two credible witnesses, citizens of the United States, stating that each such witness personally knows the petitioner to be a person of good moral character, attached to the principles of the Constitution of the United States, and well disposed to the good order and happiness of the United States, (2) the service of the petitioner in the military or naval forces of the United States shall be proved by affidavits, forming part of the petition, of at least two citizens of the United States, members or former members during the present war of the military or naval forces of the noncommissioned or warrant officer grade or higher (who may be the witnesses described in clause (1) of this proviso), or by a duly authenticated copy of the record of the executive department having custody of the record of petitioner's service, showing that the petitioner is or was during the present war a member serving honorably in such armed forces, and (3) the petition shall be filed not later than 1 year after the termination of the present war. The petitioner may be naturalized immediately if prior to the filing of the petition the petitioner and the witnesses required by the foregoing proviso shall have appeared before and been examined by a representative of the Immigration and Naturalization Service."

The amendment was agreed to.

The next amendment was, in the same title, on page 14, line 11, after the word "naturalization", to insert "and to issue certificates of citizenship: *Provided*, That the record of any proceedings hereunder together with a copy of the certificate of citizenship shall be forwarded to and filed by the clerk of a naturalization court in the district in which the petitioner is a resident and be made a part of the record of the court."

The amendment was agreed to.

Mr. CLARK of Missouri. Mr. President, I should like to ask the Senator in charge of the bill what the expression "the termination of the present war" means. We are now at war with several different nations; we are at war with Japan; we are at war with Germany; we

are at war with Italy; and now we are at war with Thailand, as I understand. I should like to ask the Senator who reported the amendment on page 13, although the amendment has been adopted, if he does not object, to explain what he means by the term "after the termination of the present war."

Mr. O'MAHONEY. Mr. President, I am frank to say that in reporting the amendment referred to by the Senator from Missouri the committee did not take into consideration the possibility, which, of course, is quite apparent, that the war in which we are now engaged might be terminated with one nation and not with another.

Mr. CLARK of Missouri. That has happened in the past.

Mr. O'MAHONEY. The phrase we used was intended to mean that any person who is engaged in our military or naval forces shall have the rights granted by this section, and the amendment was merely intended to provide that a legal record shall be kept, and the period was extended to sometime in the future.

Mr. CLARK of Missouri. Then why does not the committee amendment say that the record shall be extended until a certain period after the conclusion of the present war with any country with which we are engaged in war? It is entirely possible that we might be able to hammer Japan into submission with Germany still on the offensive, or to hammer Germany into submission with Japan still active. Just what is the legal definition of this term?

Pending that, so that something may be before the Senate, I move that the amendment in which that term is used—which was the second one, I believe, before I interrupted—may be reconsidered, so that the Senator from Wyoming may have the opportunity of explaining the technical term which is used.

Mr. O'MAHONEY. Mr. President, does the Senator from Missouri desire to offer an amendment?

Mr. CLARK of Missouri. No; I do not desire to offer an amendment. I desire to have an explanation.

Mr. O'MAHONEY. I think I have already explained it. Will the Senator call attention in the bill to the language to which he is referring?

The PRESIDING OFFICER. Page 13, line 12.

Mr. O'MAHONEY. The language is on page 13, beginning in line 11.

Mr. CLARK of Missouri. Yes; that is precisely it:

> And (3) the petition shall be filed not later than 1 year after the termination of the present war.

What does "present war" mean?

Mr. O'MAHONEY. The Senator suggested some very apt language which I shall be glad to accept. What was the suggestion of the Senator?

Mr. CLARK of Missouri. I am not on the committee and have not had an opportunity to consider the matter.

Mr. O'MAHONEY. But this is a very simple matter.

Mr. CLARK of Missouri. I say the bill ought to have been considered by the Judiciary Committee in such a way that it would come before the Senate with proper terms in it. I have not had the opportunity of passing on the bill, because I am not a member of the committee. I say the committee is reporting a very indefinite amendment.

Mr. O'MAHONEY. I am doing my best to suggest to the Senator that if he will be good enough to offer the more exact language which he has in mind, I think there may be no difficulty in accepting it.

Mr. CLARK of Missouri. Mr. President, I move to reconsider the vote by which the committee amendment on page 13 was adopted. That will afford the committee an opportunity to bring in an amendment in better shape than the one heretofore considered.

Mr. O'MAHONEY. Mr. President, I feel that the committee has given very careful attention to this matter. I am perfectly willing to adopt, if it seems desirable, any suggestion offered by any Senator with respect to any part of the bill; and on several occasions this afternoon I have so indicated. If the Senator wants to offer a specific amendment, let it be done.

I suggest that consideration of this matter be deferred until we have completed action on all the other committee amendments.

Mr. BARKLEY. Mr. President, will the Senator yield? May I have the attention of the Senator from Missouri?

Mr. CLARK of Missouri. Yes; I am very glad to yield to the Senator from Kentucky.

Mr. BARKLEY. The language used in this bill is similar to the language which has been used in other bills as to the termination of legislation.

Mr. O'MAHONEY. Certainly.

Mr. BARKLEY. Some of it runs for 6 months after the termination of the present war. This runs for a year.

Replying to the point made by the Senator from Missouri that we are at war with three or four nations, all of which together makes the present war, my interpretation of that language would be that so long as we are at war with any one of them, it is the present war. Until we have made peace or terminated the war with all of them, we are still in war with some one of the nations with which we are now involved in war.

Mr. CLARK of Missouri. I have great respect for the opinions of the Senator from Kentucky, and great affection for him, but the term "present war" is a legal term, and, with all respect, the Senator from Kentucky will not have the opportunity of passing on that question. That is something that will be passed upon, possibly, by the Supreme Court of the United States.

Mr. BARKLEY. None of us here will have an opportunity to pass officially on our own acts.

Mr. CLARK of Missouri. Let me ask the Senator from Kentucky, what is the present war? Whom is it with? When is the termination of it?

Mr. BARKLEY. I am sure the Senator from Missouri knows with whom we are at war; but, if he does not, I will inform him. We are at war with Germany and with Italy and with Japan, and, I believe, with Thailand. Perhaps we are at war with one or two other nations.

Mr. CLARK of Missouri. With which ones is the present war?

Mr. BARKLEY. All of them. We are at war with all of them; and as long as we are at war with any one of them it is the present war.

Mr. HILL. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I believe I have the floor. I shall be glad to yield to the Senator from Alabama.

Mr. HILL. I wonder if it would be agreeable to the chairman of the committee, the Senator from Wyoming, to say, instead of "the termination of the present war," "the termination of any war in which the United States is now engaged"? That certainly would take care of the point raised by the Senator from Missouri. I do not see how there could possibly be any objection to that language.

Mr. O'MAHONEY. If that would be acceptable to the Senator from Missouri, it would be acceptable to me.

Mr. CLARK of Missouri. It occurs to me that in the meantime we might also get into a war with some other nation that might come in on behalf of Germany, and Italy, and Japan, and the Axis Powers. Suppose tomorrow Turkey were to declare war against us on behalf of the Axis Powers.

Mr. HILL. We should have to take care of that situation as it arose; should we not?

Mr. CLARK of Missouri. It seems to me the committee has been negligent in not using definite terms. I do not intend to be captious about the matter, but I think the committee, which has had the opportunity and the advice of eminent counsel, as appears now on the floor, certainly might have taken the trouble to work out the proper result about a thing which may be of very great importance in the final termination of the power we are granting. We are granting a very great power, and we cannot afford to do it carelessly, as, apparently, the committee has done.

I move to reconsider the vote by which the amendment on page 13 was adopted.

Mr. O'MAHONEY. Mr. President, I suggest that this matter be deferred until we have disposed of all the committee amendments; and I ask unanimous consent that that may be done. It may be, in the meantime, that language can be determined upon that will be satisfactory to the Senator from Missouri.

Mr. CLARK of Missouri. That is entirely agreeable to me.

The PRESIDING OFFICER. Without objection, the request of the Senator from Wyoming is agreed to.

The clerk will state the next amendment reported by the committee.

The next amendment of the Committee on the Judiciary was, on page 15, line 1, after the word "alienage", to insert "or"; in line 3, after the word "uniform", to strike out "or (3) any person who is under charges by the military or naval authorities, or has been convicted by a court martial and is under sentence of such court martial," and insert *"Provided,* That citizenship granted pursuant to this

title may be revoked as to any person subsequently dishonorably discharged from the military or naval forces in accordance with section 338 of this act", so as to read:

SEC. 704. The provisions of this title shall not apply to (1) any person who during the present war is dishonorably discharged from the military or naval forces or is discharged therefrom on account of his alienage, or (2) any conscientious objector who performed no military duty whatever or refused to wear the uniform: *Provided*, That citizenship granted pursuant to this title may be revoked as to any person subsequently dishonorably discharged from the military or naval forces in accordance with section 338 of this act.

The amendment was agreed to.

The next amendment was, in Title XII, Acceptance of Conditional Gifts to Further the War Program, section 1201, page 15, line 19, after the word "accept", to insert "or reject", and in line 21, after the word "personal", to insert "or services", so as to make the section read:

SEC. 1201. To further the war program of the United States, the Secretary of the Treasury is authorized to accept or reject on behalf of the United States any gift of money or other property, real or personal, or services, made on condition that it be used for a particular war purpose.

The amendment was agreed to.

The next amendment was, in section 1202, on page 15, line 23, after the word "may", to strike out "as soon as practicable", so as to make the section read:

SEC. 1202. The Secretary of the Treasury may convert into money, at the best terms available, any such gift of property other than money.

The amendment was agreed to.

The next amendment was, on page 17, after line 4, to insert:

TITLE XIII—COINAGE OF 5-CENT PIECES

SEC. 1301. Notwithstanding any other provision of law, the Director of the Mint shall cause the metallic content of all 5-cent pieces coined after the effective date of this act and prior to December 31, 1946, to be one-half silver and one-half copper. Such 5-cent pieces shall be deemed to be minor coins or coinage and not silver coins, subsidiary silver coins, silver coinage, or subsidiary silver coinage within the meaning of the monetary laws of the United States.

SEC. 1302. For the coinage of such 5-cent pieces the Secretary of the Treasury is hereby authorized to allocate to the Director of the Mint, at such times and in such amounts as the Secretary deems necessary, any silver bullion in the monetary stocks of the United States not then held for redemption of any outstanding silver certificates. Silver so allocated shall be accounted for by entries in the fund established for the purchase of metal for minor coinage: *Provided*, That the value of any silver bullion accounted for in said fund shall not be considered for the purpose of determining the statutory limit of said fund: *Provided further*, That the gain from the minor coinage provided for by this title shall be accounted for by entries in the minor coinage profit fund.

SEC. 1303. No silver-copper ingots shall be used for the minor coinage provided for by this title which differ from the legal standard by more than ten-thousandths. In adjusting the weight of such minor coins there shall be no greater deviation allowed than four grains for each piece.

SEC. 1304. For the purpose of section 3529 of the Revised Statutes (U. S. C., title 31, sec. 341), the 5-cent pieces provided for by this title shall be deemed to be copper.

SEC. 1305. Upon redemption any 5-cent pieces coined in accordance with the provisions of this title shall after December 31, 1946, be allocated to the Director of the Mint for melting and for subsidiary silver coinage. Any 5-cent pieces coined in accordance with the provisions of this title but not issued by the Mint may after December 31, 1946, be allocated, in such amounts and at such times as the Secretary of the Treasury in his discretion may determine, to the Director of the Mint for melting and for subsidiary silver coinage. All 5-cent pieces allocated to the Director of the Mint in accordance with this section shall be accounted for by entries in the fund established for the purchase of silver bullion for subsidiary silver coinage. Upon coinage into subsidiary silver coins of the metal contained in the 5-cent pieces so allocated, the gain shall be accounted for by entries in the silver-profit fund.

SEC. 1306. This title shall become effective 60 days after approval.

Mr. O'MAHONEY. Mr. President, the amendment which I send to the desk is applicable to title XIII.

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming to the amendment reported by the committee will be stated.

The CHIEF CLERK. On page 17, line 10, after the word "copper", it is proposed to strike out the period and insert:

: *Provided*, That the Director of the Mint, with the approval of the Secretary of the Treasury and the Chairman of the War Production Board, is authorized to vary the proportions of silver and copper and to add other metals if such action would be in the public interest.

Mr. TAFT. Mr. President, I question somewhat the wisdom of the grant of such wide discretion. Is it necessary to give this broad discretion to the Secretary? As I take it, he could make the 5-cent piece half silver and half copper, or perhaps make it of any other metal. He could make it out of aluminum, or magnesium, or of any other metal he chose to select. I should think that we might give him discretion to use some other metal to the extent of not more than 10 percent, or provide some limitation, not throw the matter wide open for him to use anything he may pick up in the scrap market.

Mr. O'MAHONEY. I am willing to accept the suggestion of the Senator from Ohio.

The PRESIDING OFFICER. Will the Senator from Ohio state his proposed amendment?

Mr. O'MAHONEY. The amendment is included in language which I shall later send to the desk, with respect to the power to add new metals in volume not to exceed 10 percent.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming to the amendment of the committee.

The amendment to the amendment was agreed to.

The committee amendment as amended was agreed to

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was on page 19, after line 4, to insert a new title, as follows:

TITLE XIV—INSPECTION AND AUDIT OF WAR CONTRACTORS

SEC. 1401. The provisions of section 10 (1) of an act approved July 2, 1926 (44 Stat. 787; 10 U. S. C. 310 (1)) (giving the Government the right to inspect the plant and audit the books of certain contractors), shall apply to the plant and books of any contractor with whom a defense contract has been placed at any time after the declaration of emergency on September 8, 1939, and before the termination of the present war: *Provided*, That, for the purpose of this title, the term "defense contract" shall mean any contract, subcontract, or order placed in furtherance of the defense or war effort: *And provided further*, That the inspection and audit authorized herein, and the determination whether a given contract is a "defense contract" as defined above, shall be made by the agency placing such contract or order or the contract or order under which such subcontract was placed, or by the Chairman of the War Production Board.

SEC. 1402. The provisions of sections 9 and 10 of the act of September 26, 1914 (38 Stat. 722), are hereby made applicable to the jurisdiction, powers, and duties of any agency or of the Chairman of the War Production Board acting hereunder. Any person who shall, without just cause, fail or refuse to attend or testify or to comply with any order or subpena issued under this title, shall be guilty of a misdemeanor and upon conviction shall be subject to a fine of not less than $1,000 nor more than $5,000, or to imprisonment of not more than 1 year or both.

The amendment was agreed to.

The next amendment was, on page 20, line 9, after the heading "Title", to strike out "XIII" and insert "XV", and in line 10, after "Sec.", to strike out "1301" and insert "1501", so as to read:

TITLE XV—TIME LIMIT AND SHORT TITLE

SEC. 1501. Titles I to X, inclusive, and title XII of this act shall remain in force only during the continuance of the present war and for 6 months after the termination of the war, or until such earlier time as the Congress by concurrent resolution, or the President, may designate, but no court proceedings brought under any such title shall abate by reason of the termination hereunder of such title.

The amendment was agreed to.

The next amendment was, on page 20, line 17, after "Sec.", to strike out "1302" and to insert "1502", so as to read:

SEC. 1502. This act may be cited as the "Second War Powers Act, 1942."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the amendments of the committee.

Mr. O'MAHONEY. Mr. President, after the committee had acted upon the bill, the Senator from Montana [Mr. WHEELER], chairman of the Committee on Interstate Commerce, received a letter from the chairman of the legislative committee of the Interstate Commerce Commission, suggesting that the power over water carriers should be brought into harmony with the power which is granted to the Interstate Commerce Commission over motor carriers, which is similar to the power over railroads. The provision already adopted eliminates a certain restriction which appears in the present law. Section 210 (a) of the Interstate Commerce Act provides that in order to bring about service by common carriers for which there is immediate and urgent need—

The Commission may, in its discretion and without hearings or other proceedings, grant temporary authority for such service by a common carrier, or a contact carrier by motor vehicle, as the case may be. Such temporary authority, unless suspended or revoked for good cause, shall be valid for such time as the Commission shall specify, but not for more than an aggregate of 180 days.

The provision "but not for more than an aggregate of 180 days" has been stricken out in the Motor Carrier Act. The Interstate Commerce Commission suggests an additional amendment to eliminate the same words from the Water Carriers' Act, and I now send to the desk such an amendment, and I shall ask that the letter received by the chairman of the Committee on Interstate Commerce, and which he handed me, be printed in connection with the amendment. The amendment is being offered at the request of the chairman of the Committee on Interstate Commerce, and at the request of the Interstate Commerce Commission.

The PRESIDING OFFICER. The clerk will state the proposed amendment.

The CHIEF CLERK. It is proposed to add to title I of the bill a new section, between lines 19 and 20, page 2, to read as follows:

SEC. 103. Subsection (a) of section 311 of said act is hereby amended by striking out the words "but not for more than an aggregate of 180 days."

Mr. WHITE. Mr. President, I did not hear the first part of the Senator's explanation. I should like to really know just what we are asked to do.

Mr. O'MAHONEY. I shall do my best to explain the matter to the Senator.

Mr. WHITE. No doubt the Senator made a clear explanation.

Mr. O'MAHONEY. Perhaps not. Let me suggest in the first place that the clerk read the letter from the Interstate Commerce Commission.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The Chief Clerk reads as follows:

HON. BURTON K. WHEELER,
Chairman, Committee on
Interstate Commerce,
United States Senate,
Washington, D. C.

MY DEAR CHAIRMAN WHEELER: Because of the exigencies of the present war the Interstate Commerce Commission is being called upon to make increasing use of its power to grant temporary authority for service by common and contract carriers by motor vehicle as well as by water "for which there is an immediate and urgent need to a point or points or within a territory having no carrier service capable of meeting such need." In its discretion the Commission may grant temporary authority in such cases without hearings or other proceedings.

In respect of both motor and water carriers at present such temporary authority is valid for not more than 180 days. From our experience with this subject we have found that the 180-day limitation is a distinct disadvantage. In S. 2208 it is proposed to remove the limitation from subsection (a) of section 210a, which relates to motor carriers, but the limitation would be retained as to water carriers. There is no reason for such a distinction. We therefore believe that the limitation should be removed from subsection (a) of section 311 and are enclosing a draft of an amendment which would accomplish this result.

Respectfully,
WALTER M. W. SPLAWN,
Chairman, Legislative Committee.

Mr. O'MAHONEY. I think the letter from the Commission explains the matter about as well as I could. I may add that we find in the hearings a statement of the Attorney General, which appears on page 6, as follows:

Title I seeks to fill this gap in the law to meet the war situation. The first provision would grant to the Commission, in general terms, emergency powers over motor carriers equivalent to those which it has with respect to rail carriers. The second proposed paragraph confers a broad regulatory power upon the Commission. It is needed because of the existence of certain restrictions, which, if not suspended, would prevent the flexibility necessary to emergency transportation. The third provision would permit extension of temporary operating authority over motor carriers beyond the present limit of 180 days, to the effective period of the second war-powers bill.

I may say to the Senator from Maine, to the Senator from Michigan, and to any other members of the Committee on Interstate Commerce who may be present, that I offer the amendment solely at the request of the chairman of the Committee on Interstate Commerce, but if any member of the committee feels any doubt about eliminating the phrase referred to with respect to water carriers, I shall be very glad to withdraw the amendment, and suggest to the Senator from Montana that it be presented to the House committee when the bill goes over to the House.

Mr. WHITE. It is almost impossible to understand the full implication and effect of an amendment by merely having it read on the floor, with a brief extract from a letter. I dislike to find myself in opposition to the views expressed by the chairman of the Committee on Interstate Commerce, but I should feel very much happier about the situation if the suggestion of the Senator from Wyoming were followed, and this matter were presented to the House committee, without it being pressed here now.

Mr. O'MAHONEY. I am very glad to accommodate myself to the suggestion of the Senator from Maine, and I withdraw the amendment. I am sure the Senator from Montana will understand.

Mr. VANDENBERG Mr. President, I now desire to offer an amendment, with which I think the Senator from Wyoming is in agreement. It is the subject we discussed at some length some time ago. My amendment is to strike out title V and to substitute the text of the bill upon this subject passed by the Senate last December, eliminating only the time limit contained in the bill. It is my understanding that the amendment is agreeable to the Senator from Wyoming?

Mr. O'MAHONEY. The Senator from Michigan has eliminated the date?

Mr. VANDENBERG. Yes.

Mr. O'MAHONEY. The amendment is quite satisfactory.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 8, in line 14, after "SEC. 501", it is proposed to strike out down to and including line 25 and to insert in lieu thereof the following:

During the national emergency declared by the President on May 27, 1941, to exist, for the purpose of securing the most expeditious transportation consistent with safety of men and materials that are necessary to national defense and to reduce delays in water-borne transportation, provide quicker turn arounds, expedtie deliveries, and help to prevent shortages in defense or critical materials, and, when in the opinion of the Secretary of Commerce there is no other reasonable recourse, the Secretary of Commerce is authorized, upon written recommendation of the Secretary of the Navy, and of the Secretary of War, and of the Secretary of the Treasury, and of the Secretary of Labor, and of the Chairman, United States Maritime Commission, or any three of the above-named officials, to waive compliance with the navigation and vessel inspection laws of the United States, except laws requiring the division of crews of vessels of the United States into watches, or limiting the hours of labor of seamen on such vessels, but only to such extent and in such manner and upon such terms as he may find after investigation to be necessary or proper for the national defense: *Provided, however,* That the Secretary of Commerce shall not waive compliance with any of such laws to such an extent as will permit the navigation of any vessel in an unsafe condition, nor with the coastwise laws of the United States where the service desired can be supplied promptly by American ships: *Provided further,* That in the exercise of authority granted by this act, the Secretary of Commerce shall waive compliance with any of such laws only by specific rulings for specific occasions, and shall in each case specifically state the particular laws with which compliance is waived and the reasons therefor: *And provided further,* That during the effective period of this act the Secretary of Commerce shall, at the convening of each session of Congress, and monthly while the Congress is in session, report to the Congress every action taken by him under authority of this act.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Michigan is agreed to.

Mr. O'MAHONEY. Mr. President, we have not quite completed the bill. It will be recalled that when we came to page 10 I asked that consideration of title VIII be deferred, because certain amendments have been proposed which it is better to offer as a whole. I therefore now offer on behalf of the committee the text of a new title VIII, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 10, beginning on line 1, it is proposed to strike out title VIII to and including line 3 on page 11, and in lieu thereof to insert the following:

TITLE VIII—COMPENSATION FOR CERTAIN CIVILIAN DEFENSE WORKERS

SEC. 801. Section 40 of the act of September 7, 1916 (39 Stat. 750), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, is hereby amended by adding the following paragraph at the end thereof:

"The term 'employee' also includes any person in the protective services engaged in civilian defense, who has been duly appointed as such by an officer or agent of the United

States acting under lawful authority. In the event that any such person renders his services on a voluntary basis or for compensation amounting to less than $100 per month, for the purpose of computing the amount of compensation for death or disability, he shall be regarded as having received compensation for his services at the rate of $100 per month: *Provided*, That no compensation shall be paid in respect to the death or disability of any such person in any case coming within the purview of the workmen's compensation law of any State, Territory, or possession, or in which the claimant has received, or is entitled to receive similar benefits for injury or death: *Provided further*, That the Commission may establish new and utilize its existing regional offices, utilize the personnel and facilities of other governmental agencies, and delegate thereto such authority as may be necessary, for carrying out the provisions of this paragraph.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MILLIKIN. Will the Senator from Wyoming advise me whether it is intended to cover by this amendment locally appointed persons in the civilian defense forces as distinguished from those appointed by Federal officials?

Mr. O'MAHONEY. The purpose of the amendment, as the committee reported it, is to cover all persons who under authority of law are brought into the service and, therefore, persons who are locally appointed and then are brought in to do any of the work of the kind involved here, the protective services under civilian defense, would be covered.

Mr. MILLIKIN. I ask the Senator whether that covers those members of the local civilian defense forces appointed by mayors and sheriffs who have not been inducted into any sort of Federal service.

Mr. O'MAHONEY. No.

Mr. MILLIKIN. It is not so intended?

Mr. O'MAHONEY. No, indeed.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McKELLAR. May I ask if it is the purpose to put all persons engaged in defense service under civil service, with retirement privileges?

Mr. O'MAHONEY. No. The amendment simply provides for compensation for injury suffered while serving in the defense effort.

Mr. McKELLAR. There are a few persons in the United States still outside the civil service, I believe.

Mr. O'MAHONEY. A small percentage.

Mr. MILLIKIN. Mr. President, will the Senator again yield?

Mr. O'MAHONEY. I yield.

Mr. MILLIKIN. I should like to invite the Senator's attention to the fact that most persons engaged in civilian defense at the present time are engaged under local appointment, and that this provision would not reach any of those persons. I am probing the matter so that if it is not intended to cover them by this section, later on I shall introduce a bill to cover the present situation.

Mr. O'MAHONEY. Mr. President, the feeling of the committee was that the benefits and privileges of the compensation act should not be extended by legislative enactment to all persons, regardless of whether they have been brought under the act. If the persons whom the Senator from Colorado has described should be brought in by the Federal agency, then they would benefit. But if they are not brought in, they naturally would not. The provision, of course, deals with the expenditure of Federal funds.

Mr. MILLIKIN. Mr. President, will the Senator yield to me again?

Mr. O'MAHONEY. I yield.

Mr. MILLIKIN. I should like to invite the Senator's attention to the fact that in the present state of affairs the greatest hazards involved to those in civil defense are training hazards. Is the language sufficiently broad to cover such hazards?

Mr. O'MAHONEY. Yes.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TAFT. Am I to understand that an air-raid warden who goes from house to house and who stumbles on a step in the course of his duties is entitled to $100 a month?

Mr. O'MAHONEY. No; not at all.

Mr. TAFT. Mr. President, what is the use or value of compensating air-raid wardens at the present time for any injury connected with their work, particularly when we can appoint an unlimited number of them and pay them nothing at all? Do we not thereby open the whole thing up to all kinds of claims against the compensation fund?

Mr. O'MAHONEY. Mr. President, the reference to $100 a month is not intended to, and the language does not result in providing, a payment. The reference to a salary of $100 a month is intended solely for the purpose of placing a limitation upon the compensation. It operates in this manner. If a person who has been duly appointed is injured in the course of his duty, and that person has no compensation, that is to say, no salary, then his compensation for injury shall be measured by the same standard that is applied to those who actually are getting $100 a month. In other words, he shall not have the compensation privileges that go to a person receiving $140 a month, or $180 a month, or $200 a month.

Mr. TAFT. As I understand, it is intended that if an air-raid warden visits my house, for instance, and goes down the cellar to see what facilities there may be for air-raid shelters, and if he stumbles and hurts himself, he then shall be entitled to compensation from the Federal compensation fund. Is that the conclusion to be drawn from this language?

Mr. O'MAHONEY. Mr. President, if the work was being done in accordance with the provisions covering civilian defense, that undoubtedly would be the case.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] in the nature of a substitute for title VIII.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, a moment ago the question was raised with respect to the committee amendment on page 13, lines 11 and 12. The Senator from Missouri [Mr. CLARK] questioned the meaning of the phrase "the present war." I asked that the amendment go over in the hope that we might agree upon a suitable and satisfactory substitute. I now suggest a perfecting amendment, striking out the words "present war" and inserting in lieu thereof the words "effective period of this act as provided in title XV" so that the amendment would read:

and (3) the petition shall be filed not later than 1 year after the termination of the effective period of this act as provided in title XV.

The PRESIDING OFFICER. Without objection, the vote by which the committee amendment on page 13, beginning in line 11, was agreed to, will be reconsidered.

Mr. CLARK of Missouri. Mr. President, I was temporarily absent from the Chamber. Will the Senator from Wyoming explain his amendment again?

Mr. O'MAHONEY. My amendment to the committee amendment would strike out the words "present war" and insert in lieu thereof the words "effective period of this act as provided in title XV." It would merely mean that the application may be filed 1 year after the termination of the act itself.

Mr. CLARK of Missouri. That is entirely satisfactory.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming to the committee amendment on page 13, beginning in line 11.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. GILLETTE. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Iowa will be stated.

The CHIEF CLERK. On page 9, beginning in line 16, it is proposed to strike out all of title VII, under the heading "Political Activity" and to renumber the succeeding titles.

Mr. GILLETTE. Mr. President, the amendment which has just been stated would strike out all of title VII of the bill, on page 9.

In the report of the committee on this measure attention is called to the fact that the purpose of the bill is to expedite the prosecution of the war effort. For some reason an amendment to the Hatch Act has found its way into the bill.

In reading the report of the committee as to the thought behind title VII, attention is called to some matters to which I wish to refer in a moment.

Title VII proposes to amend the Hatch Act by exempting from its provisions certain part-time officers and part-time employees who are serving without compensation or with nominal compensation.

Mr. President, the so-called Hatch Act and its amendments were adopted by the Congress for the purpose of meeting some of the most reprehensible practices that ever pertained to registering at the polls the wishes of the electorate

of the United States. There are some weaknesses in the Hatch Act, and, certainly, it is not necessary to point them out to the boys who want to violate the act. It is the experience of those of us who have come closely in contact with the subject since the enactment of the Hatch Act that such persons are sufficiently adroit to find any possible holes in the fence without our making holes through which they can take themselves out from under the provisions of the law.

Let me call attention to section 9 of the Hatch Act, which provides:

> It shall be unlawful for any person employed in the executive branch of the Federal Government, or any agency or department thereof, to use his official authority or influence for the purpose of interfering with an election or affecting the result thereof.

The proposed amendment would not change that particular sentence. It would continue as it is now in effect. The whole purpose of the Hatch Act is to prevent those in a position of authority or official control from exerting on the employees under them undue influence to control their action at the polls or interfere with their free exercise of the privilege of the ballot under our laws.

The second sentence is as follows:

> No officer or employee in the executive branch of the Federal Government, or any agency or department thereof, shall take any active part in political management or in political campaigns.

In its report the committee proposes to exempt from that prohibition part-time officers or those serving without compensation. The committee has stated that its purpose is to exempt the part-time officers and part-time employees who serve without compensation, or with nominal compensation.

Mr. President, I do not know what a part-time employee is. Without naming any names, I am wondering, for instance, if a man who is now in the Government employ, and who draws $10,000 a year from the Government, and is drawing $45,000 a year from an agency with which he was formerly connected, is now a part-time employee. Where is his allegiance? Where is his responsibility? Not only one man, but several men in the Federal employ at the present time are doing exactly that.

I care not whether they are drawing 10 cents a year or $10,000 a year, the fact is that they are in positions of authority; they are in positions where, by suggestion and innuendo, they can control the votes of underlings who are working for them. Our experience has been that it is done over and over and over again. A man is called in and told, "Now, I am not interfering with you in any way, shape, or manner; but we are very much interested in Bill Jones. I am on the central committee, and we should like to see him elected." The employee knows, as was testified before the committee of which I had the honor to be the head, that if he does not support the particular candidate his job is not worth a nickel.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. CHAVEZ. I know a gentleman who was a part-time employee of the Federal Government—I believe at a dollar a year. At the same time he was national committeeman for one of the political parties in my State. To whom did he owe his allegiance?

Mr. GILLETTE. That is exactly the question. Where is the divided allegiance?

In its report the committee says that it would be unfair to require patriotic citizens who ought to give their services to the Government to abstain from participation in the political life of their communities. Mr. President, there is no such purpose in the law. There is no such word in the Hatch law. The Hatch law specifically says that nothing in the law shall prevent any such official from exercising his right to vote as he may choose or expressing his opinion on all political candidates and all political issues. He has that right, and we are not curtailing the right; but it is proposed that the men who come to work for governmental agencies for a dollar a year or a nickel a year shall be exempted from the prohibition which applies to every other officer.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. CLARK of Missouri. As I understand, the whole theory on which the Hatch Act was based, and upon which all legislation of which the Hatch Act was the final culmination was based, had nothing whatever to do with the amount of compensation received by anybody, but had to do with the theory that the power of the Government of the United States itself, exercised by any agent, high or low, should not be used for political purposes. It might be just as possible for a man drawing only a dollar a year or drawing nothing whatever a year, if entrusted with the power of the United States Government, to exercise just as much influence—possibly in these parlous times more influence—than such a man as a Cabinet officer drawing $15,000 a year.

Mr. GILLETTE. The Senator from Missouri is absolutely correct. He has put his finger right on the point. The law was designed to prevent such men using their official positions, directly or indirectly, to coerce those who hold their jobs at their behest.

Mr. President, in a colloquy conducted, I believe, between the able Senator from Wyoming [Mr. O'MAHONEY] and my side partner, the Senator from Michigan [Mr. BROWN], some time earlier in the afternoon, it was suggested that the purpose of the amendment was to enable some members of local groups to perform services for the Federal Government in a patriotic way without requiring them to resign from political committees.

The Senator from Wyoming has stood all afternoon, and I do not ask him to stand while I ask a question of him. Let me call his attention to this point: The changes proposed by title VII would exempt these particular Federal officers from the prohibition contained in the second sentence of section 9 of the Hatch Act, but almost all local agencies are covered by section 12. I will read section 12:

> SEC. 12. (a) No officer or employee of any State or local agency whose principal employment is in connection with any activity which is financed in whole or in part by loans or grants made by the United States or by any Federal agency shall—

The section absolutely prohibits such persons from the specified forms of political activity.

If title VII remains in the bill, we shall not have done anything for State employees or local employees who are paid in part by Federal funds; we shall not have touched them. The only thing we shall have done is to exempt from the prohibition against political activity some of the dollar-a-year men and some of the part-time men who have come to Washington to serve the Federal Government, some of whom are drawing $10,000 from the Government and $45,000 from some outside agency.

It seems to me, without taking more time to discuss the matter, that this provision has no place in the bill; that not only would its inclusion in the bill weaken the Hatch Act, but, very clearly, it would permit those who wish to do so to vitiate the act and to use their official positions for political purposes.

Mr. O'MAHONEY. Mr. President, I shall not take any time to repeat the argument I made this afternoon when the discussion was opened by the Senator from Michigan, but I desire to say that if there are any dollar-a-year men who are abusing their powers, it should be and it is the task of Congress to put a stop to such abuse. I do not believe that this bill or this provision should be made the instrumentality of doing that.

It may be that there are some dollar-a-year men who desire to use their places for political purposes, but I doubt it. I seriously doubt whether 1 percent of the men in Washington whom we call dollar-a-year men have any political connection at all, and I am not concerned with them. The committee felt that the amendment was not dealing with them, and in our report we state:

> The exemption does not apply to full-time employees of the Federal Government, whether paid a salary, a dollar a year, or no compensation at all.

Of course it is true that if such a person comes here and gives only part of his time, although he has no compensation, or only a dollar a year, he would be exempt. What I am concerned about, and what the committee was concerned about, are not employees of State agencies—no—but local persons who are brought into the Federal service.

We just provided for the appointment of air-raid wardens. We just agreed to an amendment dealing with air-raid wardens. Are we to say that no member of a political committee may volunteer his services as an air-raid warden? We have selective service boards composed of men who give only a small part of their time to service on such boards. They are not full-time employees. Sometimes they are scarcely part-time employees, perhaps, for weeks at a time; but they sit occasionally, when the patriotic service of the Nation demands, and they give their time. When such boards were appointed, and when various other persons were brought into the war effort, no attention was given to the

question as to whether they happened to be on a political committee. So, Mr. President, the committee felt that there should not be such a penalty.

In the report we pointed out that—

> Outstanding examples of such citizens are the members of the local and appeal boards of the Selective Service System throughout the Nation, the members of the tire-rationing boards, special assistants to the Attorney General designated by the Department of Justice as hearing officers for conscientious-objector cases, and members of the enemy alien hearing boards created and established after the declaration of war.

Mr. President, it simply seems to me to be utterly unnecessary to say, "Because you belong to a political committee you may not serve unless you resign that position."

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Certainly; I yield.

Mr. BARKLEY. Let us take the case of some local person in a county who has been chosen by his party organization as a precinct committeeman. He is designated, let us say, as an air-raid warden in his locality. He receives no compensation for serving in that capacity, but he is part of the Federal set-up in the defense program. Is it true that technically he is violating the Hatch Act by remaining a member of a precinct committee so long as he is acting for the Federal Government in the matter of warning his neighbors of an air raid?

Mr. O'MAHONEY. Exactly; certainly.

Mr. BARKLEY. Is it also true that all members of selective draft boards, who receive no compensation—they may be paid some expenses, but I do not think they receive direct compensation—and those who are brought in voluntarily to serve with them in the administration of the Selective Service Act, who happen to have been, when they were chosen, members of some small county political committee, are technically violating the Hatch Act unless they resign from such committee or unless they resign from the position they are holding in carrying out the program, although they receive no compensation? Is that the Senator's interpretation of their status?

Mr. O'MAHONEY. There is no question about it.

This is the section of the Hatch Act which we are amending; I will read to the Senate the sentence as it now stands:

> No officer or employee in the executive branch of the Federal Government, or any agency or department thereof, shall take any active part in political management or in political campaigns.

That is the provision of the Hatch Act; and we say, by this provision, that it shall be amended to read:

> No officer or employee * * * except a part-time officer or part-time employee without compensation, or with nominal compensation—

And so forth.

Mr. CHAVEZ. Mr. President——

Mr. BARKLEY. Let me pursue my question a little further.

We have in the country an automobile situation in which cooperation between the automobile dealers and manufacturers and the Government of the United States, of course, is very essential and desirable. I am informed that the program will not necessarily be carried out—not for the present, at least—by employing a large number of persons in the various States, counties and cities, but that some one may be designated as an agent or representative of the agency here in Washington; it may be the Price Administration, or it may be the W. P. B., or whatever the authority here may be. They will be brought into the Federal set-up. They will get no compensation, but they will be expected to perform certain duties in regard to the observance of the rationing provisions of any order regarding automobiles or tires. It is my information that no paid employees are to be brought into the Federal service in any of the small towns or counties, or even the larger ones, to enforce the tire-rationing regulation, but that that is to be done, in part at least, through the men and women who have been selected under the Civilian Defense program. They get no compensation.

It was testified the other day before the conference committee on the price-control bill that many of these persons get no compensation, and that no State set-up of paid persons is to be created for the purpose of carrying out even the provisions of the price-control act, although regions will be set up for that purpose. Any of these persons who are serving the country without pay, but who happen to be members of some committee, would be technically violating the law, would they not?

Mr. O'MAHONEY. Exactly; and let me also say that the sentence immediately preceding the one I have read is, I think, sufficient guaranty that there shall be no violation of the intent and purposes of the Hatch Act. That sentence reads as follows:

> It shall be unlawful for any person employed in the executive branch of the Federal Government, or any agency or department thereof, to use his official authority or influence for the purpose of interfering with an election or affecting the result thereof.

That sentence is not affected by this amendment. All the committee had in mind when it brought in this amendment was that we are accepting the services of all the citizens of the United States in this war effort, and we ought to do so. We are making no limitations of any kind or character. We have just adopted a provision which extends the right of citizenship to aliens who are under age, who may not be able to read and write the English language, so long as they serve in the war effort. To say that because a man happens to be a member of a town committee or a local committee or a State committee of the Democratic Party or the Republican Party or any other party, he is by that fact disqualified from serving his country, seems to me to be nothing short of absurd.

Mr. CHAVEZ and Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield, and, if so, to whom?

Mr. O'MAHONEY. The Senator from New Mexico has been endeavoring to get the floor. I yield first to him.

Mr. CHAVEZ. Mr. President, I believe I can agree with everything the Senator from Kentucky has said and everything the Senator from Wyoming has said. That was one of the reasons I voted against the Hatch Act, and I would vote against it again. I am not worried about the particular section of the pending bill that the Senator from Kentucky and the Senator from Wyoming have in mind; but why should we allow the national committeeman of any particular party—our party or the other party—to come to Washington, work for a dollar a year, and then go back in December and be exempt from the Hatch law, while the poor little fellow is not exempt? Why should the national committeeman of any particular party, be he Democrat or Republican, come to Washington and work for a dollar a year, and say, "No; I will not resign the national committeemanship"? Is there any particular reason why he should be exempt under this proposed law, while the poor little fellow who works in the post office may not express his opinion?

That is what I object to. I do not see any particular reason for that.

Mr. O'MAHONEY. Of course, as the Senator well knows, the poor little fellow who works in the post office may express his opinion under the Hatch Act. He was expressly exempted.

Mr. CHAVEZ. Would the national committeeman of any party, if he had a dollar-a-year job in Washington, be exempt under this language?

Mr. O'MAHONEY. Not at all if he is not a part-time employee. If a member of a national committee or a State committee or a county committee comes to Washington and gives all his time to the Federal Government as a dollar-a-year man or otherwise, he is thereby covered, and this amendment does not exempt him.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Michigan.

Mr. BROWN. I do not object to the exemption of air-raid wardens and persons in that classification who volunteer for services of that kind in connection with the Government of the United States, but I think the very class of persons to whom the majority leader referred—the members of the local draft boards and of the appeal boards—certainly should not be connected with any political-party management. The Senator from Wyoming is right when he says that the prohibition from which he seeks to exempt these particular persons is not a prohibition against speaking in a political campaign or marching in a parade, as we discussed here at considerable length at the time we were considering the Hatch Act. It is against active participation in the management of a political campaign.

I do not think the chairman of the Democratic Party in Mackinac County, Mich., where I live, should be a member of the local draft board. I do not think any precinct committeeman of my party or of the Republican Party should be a member of the local draft board or of the appeal board. I think that if we

are to eliminate political activity on the part of all the citizens who are covered by the law—all who are remotely connected with the Federal Government, all who are remotely connected with the State government where Federal money is even remotely involved—certainly there are two classes that have been mentioned this afternoon that we should entirely remove from political activity. One class comprises the local draft boards and the appeal boards and all persons connected with the Selective Service Act in any manner whatever. Second, I think we ought to make certain that none of the so-called dollar-a-year men, none of the men who come to Washington and work half of the time or three-quarters of the time or full time for the Federal Government for a dollar a year or $10,000 a year, whether or not they get $75,000 a year from the corporations with which they are still connected, shall be exempted from the provisions of the Hatch Act.

How far have we gone in the Hatch Act? I think Senators did not recognize, when the bill was passed, just what it did. It does not let the streetcar conductors on the streetcar system in the city of Detroit if it has a loan from the Federal Government participate in politics. It does not let the little fellow who runs an engine in a powerhouse owned by a municipality, which has a loan from the Federal Government, participate in any way in politics. Are we to exclude that class of persons and then permit many persons who are connected with the O. P. M., or in similar activity, who have been heretofore connected with corporations and who still draw their salaries, participate in politics, while the streetcar conductor cannot do so?

Furthermore, we say to the professor in the University of Michigan, which may get a little money from some Federal funds—it may be only $1 in a $6,000 salary that could be attributed to the funds of the United States Government—that he may not participate in the management of a political campaign. That is how far we have gone. If we go that far with respect to the class of citizens I have mentioned, then certainly the dollar-a-year man should be under the law. Certainly the chairmen of the political parties in the smaller communities should not be on the draft boards. I do not know of any activity from which it is more important that men totally disconnected from politics should be used than on the draft boards. Therefore I support the amendment offered by the Senator from Iowa.

Every Member of the Senate knows that in 1938 the Senator from Iowa investigated the campaigns which were carried on at that time. I happened to be chairman of the Democratic senatorial campaign committee at that time, and he investigated me; but I am still a Member of the Senate.

The Senator from Iowa knows the situation, and I doubt that the Senator from Wyoming and members of the Committee on the Judiciary are as familiar with the general subject matter as is the Senator from Iowa.

I have just been looking over the bill. A hasty summary of it indicates that it is a bill which in the ordinary course of procedure should have gone to the Committee on Interstate Commerce, the Committee on Banking and Currency, and the Committee on Privileges and Elections, the Committee on Commerce, and the Committee on Post Offices and Post Roads, because it covers subjects which are ordinarily assigned to those committees.

It is my view that, because of the fact that the Committee on the Judiciary has brought in a bill which ordinarily would have gone, in the division of its subject matters, to several other committees of the Senate, the Senator from Wyoming should be quite willing to accept suggestions from those like the Senator from Iowa, who are very familiar with the situation in this particular case. I shall bring that argument up a little later in connection with another proposition.

Mr. O'MAHONEY. Mr. President, will the Senator from Michigan yield?

Mr. BROWN. I yield.

Mr. O'MAHONEY. The Senator implies that the Senator in charge of the bill is perhaps not familiar with the subject matter involved in the pending amendment. Let me say to the Senator that prior to the activity of the Senator from Iowa on the campaign investigating committee, I had the misfortune to be required to serve on a similar committee. I served on that committee, and in fact I served upon the committee which reported and recommended the provision which excluded political activity from the W. P. A. I am familiar with the subject, and I am also familiar with political activities, and I know that 99.99 percent of the political committee members in this country are just as clean as the committeeman from Michigan was. I am very glad to give testimony to my high respect for the Senator from Michigan. I know that he is an honor to his State, an honor to his profession, and he is an honor also to the calling of a politician. I have become utterly out of patience with the continuous charge that politicians must, somehow or other, be persons of low ethical standards, low moral standards; that what they touch may be seared. I know that is not true.

I know that some of the greatest men we have ever had in our history have voluntarily adopted political careers. As a matter of fact, on the 30th of January, we are to celebrate the birthday anniversary of a distinguished President of this country who voluntarily chose to adopt a political career. I know that, so far as I myself am concerned, there has never been a time since I had the intelligence to read and the intelligence to understand that I have not been interested in politics, and actively associated with politics, whenever my friends and neighbors would permit me to be.

Now when we are in the greatest war our democracy has ever undertaken I feel that we should be willing to invite the cooperation of everyone, and whether he happens to be a member of a political committee or not, to my mind, makes no difference at all. In the prosecution of the war I am as ready to accept the cooperation of a politician as of an alien, and I think it is utterly unsound and unwise to yield to all this clamor about politics, and to say, "If you desire to serve as an air warden, or on a retiring board, or a selective service board, or contribute your service otherwise, you must ipso facto cut yourself off from political committees."

Mr. President, one of the desirable effects of the adoption of the pending proposal will be to bring local people in and to keep them in the war effort. This country will profit more by lodging authority in the hands of politicians in the local communities, in towns, in counties, in States, than by having all the authority concentrated, as I sometimes think it is being concentrated. Let us not be afraid of dealing with the actualities. If any person, a dollar-a-year man or any other, violates any of the proprieties or ethics which should be followed, it will soon be found out. Let us not run like scared children before the wind. That is all I care to say.

Mr. BROWN. Mr. President, everything the Senator from Wyoming has said meets with my full and complete agreement. Everything he has said is an argument against the Hatch Act in its entirety. What I am protesting against is the exclusion from the provisions of the Hatch Act of two classes of persons whose political activity would be more dangerous than that of any other class of which I know in connection with pernicious political activity.

Mr. BARKLEY. Mr. President, obviously we cannot conclude the consideration of the bill today, as there will be further discussion of the pending amendment.

Mr. O'MAHONEY. I thought we were about to get a vote on the amendment.

Mr. BARKLEY. One or two other Senators have indicated they desire to speak on it, and I do not want to hold the Senate longer.

Mr. CLARK of Missouri. Mr. President, I wish to enter a motion to reconsider the vote by which the committee amendment, on lines 11 and 12, page 13, was agreed to, the amendment reading:

and (3) the petition shall be filed not later than 1 year after the termination of the present war.

The PRESIDING OFFICER. The motion will be entered.

Mr. CLARK of Missouri. I also desire to give notice of an amendment I propose to offer, on page 20, line 11, beginning after the word "only", to strike out the remainder of the line, and all the words in line 12, and the first three words in line 13, and to insert in lieu thereof "until January 31, 1944."

The PRESIDING OFFICER. The amendment will be received.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Swanson, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 5591) to amend the District of Columbia Revenue Act of 1939, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the

amendment of the Senate to the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes.

PRICE CONTROL—CONFERENCE REPORT

Mr. BROWN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—GENERAL PROVISIONS AND AUTHORITY

"PURPOSES; TIME LIMIT; APPLICABILITY

"SECTION 1. (a) It is hereby declared to be in the interest of the national defense and security and necessary to the effective prosecution of the present war, and the purposes of this Act are, to stabilize prices and to prevent speculative, unwarranted, and abnormal increases in prices and rents; to eliminate and prevent profiteering, hoarding, manipulation, speculation, and other disruptive practices resulting from abnormal market conditions or scarcities caused by or contributing to the national emergency; to assure that defense appropriations are not dissipated by excessive prices; to protect persons with relatively fixed and limited incomes, consumers, wage earners, investors, and persons dependent on life insurance, annuities and pensions, from undue impairment of their standard of living; to prevent hardships to persons engaged in business, to schools, universities, and other institutions, and to the Federal, State, and local governments, which would result from abnormal increases in prices; to assist in securing adequate production of commodities and facilities; to prevent a post emergency collapse of values; to stabilize agricultural prices in the manner provided in section 3; and to permit voluntary cooperation between the Government and producers, processors, and others to accomplish the aforesaid purposes. It shall be the policy of those departments and agencies of the Government dealing with wages (including the Department of Labor and its various bureaus, the War Department, the Navy Department, the War Production Board, the National Labor Relations Board, the National Mediation Board, the National War Labor Board, and others heretofore or hereafter created), within the limits of their authority and jurisdiction, to work toward a stabilization of prices, fair and equitable wages, and cost of production.

"(b) The provisions of this Act, and all regulations, orders, price schedules, and requirements thereunder, shall terminate on June 30, 1943, or upon the date of a proclamation by the President, or upon the date specified in a concurrent resolution by the two Houses of the Congress, declaring that the further continuance of the authority granted by this Act is not necessary in the interest of the national defense and security, whichever date is the earlier; except that as to offenses committed, or rights or liabilities incurred, prior to such termination date, the provisions of this Act and such regulations, orders, price schedules, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

"(c) The provisions of this Act shall be applicable to the United States, its Territories and possessions, and the District of Columbia.

"PRICES, RENTS, AND MARKET AND RENTING PRACTICES

"SEC. 2. (a) Whenever in the judgment of the Price Administrator (provided for in section 201) the price or prices of a commodity or commodities have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this Act, he may by regulation or order establish such maximum price or maximum prices as in his judgment will be generally fair and equitable and will effectuate the purposes of this Act. So far as practicable, in establishing any maximum price, the Administrator shall ascertain and give due consideration to the prices prevailing between October 1 and October 15, 1941 (or if, in the case of any commodity, there are no prevailing prices between such dates, or the prevailing prices between such dates are not generally representative because of abnormal or seasonal market conditions or other cause, then to the prices prevailing during the nearest two-week period in which, in the judgment of the Administrator, the prices for such commodity are generally representative), for the commodity or commodities included under such regulation or order, and shall make adjustments for such relevant factors as he may determine and deem to be of general applicability, including the following: Speculative fluctuations, general increases or decreases in costs of production, distribution, and transportation, and general increases or decreases in profits earned by sellers of the commodity or commodities, during and subsequent to the year ended October 1, 1941. Every regulation or order issued under the foregoing provisions of this subsection shall be accompanied by a statement of the considerations involved in the issuance of such regulation or order. As used in the foregoing provisions of this subsection, the term 'regulation or order' means a regulation or order of general applicability and effect. Before issuing any regulation or order under the foregoing provisions of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order. In the case of any commodity for which a maximum price has been established, the Administrator shall, at the request of any substantial portion of the industry subject to such maximum price, regulation, or order of the Administrator, appoint an industry advisory committee, or committees, either national or regional or both, consisting of such number of representatives of the industry as may be necessary in order to constitute a committee truly representative of the industry, or of the industry in such region, as the case may be. The committee shall select a chairman from among its members, and shall meet at the call of the chairman. The Administrator shall from time to time, at the request of the committee, advise and consult with the committee with respect to the regulation or order, and with respect to the form thereof, and classifications, differentiations, and adjustments therein. The committee may make such recommendations to the Administrator as it deems advisable. Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he may, without regard to the foregoing provisions of this subsection, issue temporary regulations or orders establishing as a maximum price or maximum prices the price or prices prevailing with respect to any commodity or commodities within five days prior to the date of issuance of such temporary regulations or orders; but any such temporary regulation or order shall be effective for not more than sixty days, and may be replaced by a regulation or order issued under the foregoing provisions of this subsection.

"(b) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he shall issue a declaration setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for any defense-area housing accommodations within a particular defense-rental area. If within sixty days after the issuance of any such recommendations rents for any such accommodations within such defense-rental area have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations, the Administrator may by regulation or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of this Act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about April 1, 1941 (or if, prior or subsequent to April 1, 1941, defense activities shall have resulted or threatened to result in increases in rents for housing accommodations in such area inconsistent with the purposes of this Act, then on or about a date (not earlier than April 1, 1940), which in the judgment of the Administrator, does not reflect such increases), and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs. In designating defense-rental areas, in prescribing regulations and orders establishing maximum rents for such accommodations, and in selecting persons to administer such regulations and orders, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area.

"(c) Any regulation or order under this section may be established in such form and manner, may contain such classifications and differentiations, and may provide for such adjustments and reasonable exceptions, as in the judgment of the Administrator are necessary or proper in order to effectuate the purposes of this Act. Any regulation or order under this section which establishes a maximum price or maximum rent may provide for a maximum price or maximum rent below the price or prices prevailing for the commodity or commodities, or below the rent or rents prevailing for the defense-area housing accommodations, at the time of the issuance of such regulation or order.

"(d) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he may, by regulation or order, regulate or prohibit speculative or manipulative practices (including practices relating to changes in form or quality) or hoarding, in connection with any commodity, and speculative or manipulative practices or renting or leasing practices (including practices relating to recovery of the possession) in connection with any defense-area housing accommodations, which in his judgment are equivalent to or are likely to result in price or rent increases, as the case may be, inconsistent with the purposes of this Act.

"(e) Whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year, he may, on behalf of the United States, without regard to the provisions of law requiring competitive bidding, buy or sell at public or private sale, or store or use, such

commodity in such quantities and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof or otherwise to supply the demand therefor, or make subsidy payments to domestic producers of such commodity in such amounts and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof: *Provided*, That in the case of any commodity which has heretofore or may hereafter be defined as a strategic or critical material by the President pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, such determinations shall be made by the Federal Loan Administrator, with the approval of the President, and, notwithstanding any other provision of this Act or of any existing law, such commodity may be bought or sold, or stored or used, and such subsidy payments to domestic producers thereof may be paid, only by corporations created or organized pursuant to such section 5d; except that in the case of the sale of any commodity by any such corporation, the sale price therefor shall not exceed any maximum price established pursuant to subsection (a) of this section which is applicable to such commodity at the time of sale or delivery, but such sale price may be below such maximum price or below the purchase price of such commodity, and the Administrator may make recommendations with respect to the buying or selling, or storage or use, of any such commodity. In any case in which a commodity is domestically produced, the powers granted to the Administrator by this subsection shall be exercised with respect to importations of such commodity only to the extent that, in the judgment of the Administrator, the domestic production of the commodity is not sufficient to satisfy the demand therefor. Nothing in this section shall be construed to modify, suspend, amend, or supersede any provision of the Tariff Act of 1930, as amended, and nothing in this section, or in any existing law, shall be construed to authorize any sale or other disposition of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938, as amended, or to authorize the Administrator to prohibit trading in any agricultural commodity for future delivery if such trading is subject to the provisions of the Commodity Exchange Act, as amended.

"(f) No power conferred by this section shall be construed to authorize any action contrary to the provisions and purposes of section 3, and no agricultural commodity shall be sold within the United States pursuant to the provisions of this section by any governmental agency at a price below the price limitations imposed by section 3 (a) of this Act with respect to such commodity.

"(g) Regulations, orders, and requirements under this Act may contain such provisions as the Administrator deems necessary to prevent the circumvention or evasion thereof.

"(h) The powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution, established in any industry, except to prevent circumvention or evasion of any regulation, order, price schedule, or requirement under this Act.

"(i) No maximum price shall be established for any fishery commodity below the average price of such commodity in the year 1941.

"AGRICULTURAL COMMODITIES

"SEC. 3. (a) No maximum price shall be established or maintained for any agricultural commodity below the highest of any of the following prices, as determined and published by the Secretary of Agriculture: (1) 110 per centum of the parity price for such commodity, adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials, or, in case a comparable price has been determined for such commodity under subsection (b), 110 per centum of such comparable price, adjusted in the same manner, in lieu of 110 per centum of the parity price so adjusted; (2) the market price prevailing for such commodity on October 1, 1941; (3) the market price prevailing for such commodity on December 15, 1941; or (4) the average price for such commodity during the period July 1, 1919, to June 30, 1929.

"(b) For the purposes of this Act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law. In the case of any agricultural commodity other than the basic crops corn, wheat, cotton, rice, tobacco, and peanuts, the Secretary shall determine and publish a comparable price whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

"(c) No maximum price shall be established or maintained for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to producers of such agricultural commodity a price for such agricultural commodity equal to the highest price therefor specified in subsection (a).

"(d) Nothing contained in this Act shall be construed to modify, repeal, supersede, or affect the provisions of the Agricultural Marketing Agreement Act of 1937, as amended, or to invalidate any marketing agreement, license, or order, or any provision thereof or amendment thereto, heretofore or hereafter made or issued under the provisions of such Act.

"(e) Notwithstanding any other provision of this or any other law, no action shall be taken under this Act by the Administrator or any other person with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture; except that the Administrator may take such action as may be necessary under section 202 and section 205 (a) and (b) to enforce compliance with any regulation, order, price schedule or other requirement with respect to an agricultural commodity which has been previously approved by the Secretary of Agriculture.

"(f) No provision of this Act or of any existing law shall be construed to authorize any action contrary to the provisions and purposes of this section.

"PROHIBITIONS

"SEC. 4. (a) It shall be unlawful, regardless of any contract, agreement, lease, or other obligation heretofore or hereafter entered into, for any person to sell or deliver any commodity, or in the course of trade or business to buy or receive any commodity, or to demand or receive any rent for any defense-area housing accommodations, or otherwise to do or omit to do any act, in violation of any regulation or order under section 2, or of any price schedule effective in accordance with the provisions of section 206, or of any regulation, order, or requirement under section 202 (b) or section 205 (f), or to offer, solicit, attempt, or agree to do any of the foregoing.

"(b) It shall be unlawful for any person to remove or attempt to remove from any defense-area housing accommodations, the tenant or occupant thereof or to refuse to renew the lease or agreement for the use of such accommodations, because such tenant or occupant has taken, or proposes to take, action authorized or required by this Act or any regulation, order, or requirement thereunder.

"(c) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Administrator in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this Act, or to use any such information, for personal benefit.

"(d) Nothing in this Act shall be construed to require any person to sell any commodity or to offer any accommodations for rent.

"VOLUNTARY AGREEMENTS

"SEC. 5. In carrying out the provisions of this Act, the Administrator is authorized to confer with producers, processors, manufacturers, retailers, wholesalers, and other groups having to do with commodities, and with representatives and associations thereof, to cooperate with any agency or person, and to enter into voluntary arrangements or agreements with any such persons, groups, or associations relating to the fixing of maximum prices, the issuance of other regulations or orders, or the other purposes of this Act, but no such arrangement or agreement shall modify any regulation, order, or price schedule previously issued which is effective in accordance with the provisions of section 2 or section 206. The Attorney General shall be promptly furnished with a copy of each such arrangement or agreement.

"TITLE II—ADMINISTRATION AND ENFORCEMENT

"ADMINISTRATION

"SEC. 201. (a) There is hereby created an Office of Price Administration, which shall be under the direction of a Price Administrator (referred to in this Act as the 'Administrator'). The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $12,000 per annum. The Administrator may, subject to the civil-service laws, appoint such employees as he deems necessary in order to carry out his functions and duties under this Act, and shall fix their compensation in accordance with the Classification Act of 1923, as amended. The Administrator may utilize the services of Federal, State, and local agencies and may utilize and establish such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed. Attorneys appointed under this section may appear for and represent the Administrator in any case in any court. In the appointment, selection, classification, and promotion of officers and employees of the Office of Price Administration, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

"(b) The principal office of the Administrator shall be in the District of Columbia, but he or any duly authorized representative may exercise any or all of his powers in any place. The President is authorized to transfer any of the powers and functions conferred by this Act upon the Office of Price Administration with respect to a particular commodity or commodities to any other department or agency of the Government having other functions relating to such commodity or commodities, and to transfer to the Office of Price Administration any of the powers and functions relating to priorities or rationing conferred by law upon any other department or agency of the Government with respect to any particular commodity or commodities; but, notwithstanding any provision of this or any other law, no powers or functions conferred by law upon the Secretary of Agriculture shall be transferred to the Office of Price Administration or to the Administrator, and no powers or functions conferred by law upon any other department or agency of the Government with respect to any agricultural commodity, except powers and functions relating to priorities or rationing, shall be so transferred.

"(c) The Administrator shall have authority to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere; for lawbooks and books of reference; and for paper, printing, and binding) as he may deem necessary for the administration and enforcement of this Act. The provisions of section 3709 of the Revised Statutes shall not apply to the purchase of supplies and services by the Administrator where the aggregate amount involved does not exceed $250.

"(d) The Administrator may, from time to time, issue such regulations and orders as he may deem necessary or proper in order to carry out the purposes and provisions of this Act.

"INVESTIGATIONS; RECORDS; REPORTS

"SEC. 202. (a) The Administrator is authorized to make such studies and investigations and to obtain such information as he deems necessary or proper to assist him in prescribing any regulation or order under this Act, or in the administration and enforcement of this Act and regulations, orders, and price schedules thereunder.

"(b) The Administrator is further authorized, by regulation or order, to require any person who is engaged in the business of dealing with any commodity, or who rents or offers for rent or acts as broker or agent for the rental of any housing accommodations, to furnish any such information under oath or affirmation or otherwise, to make and keep records and other documents, and to make reports, and he may require any such person to permit the inspection and copying of records and other documents, the inspection of inventories, and the inspection of defense-area housing accommodations. The Administrator may administer oaths and affirmations and may, whenever necessary, by subpena require any such person to appear and testify or to appear and produce documents, or both, at any designated place.

"(c) For the purpose of obtaining any information under subsection (a), the Administrator may by subpena require any other person to appear and testify or to appear and produce documents, or both, at any designated place.

"(d) The production of a person's documents at any place other than his place of business shall not be required under this section in any case in which prior to the return date specified in the subpena issued with respect thereto, such person either has furnished the Administrator with a copy of such documents (certified by such person under oath to be a true and correct copy), or has entered into a stipulation with the Administrator as to the information contained in such documents.

"(e) In case of contumacy by, or refusal to obey a subpena served upon, any person referred to in subsection (c), the district court for any district in which such person is found or resides or transacts business, upon application by the Administrator, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof. The provisions of this subsection shall also apply to any person referred to in subsection (b), and shall be in addition to the provisions of section 4 (a).

"(f) Witnesses subpenaed under this section shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States.

"(g) No person shall be excused from complying with any requirements under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (U. S. C., 1934 edition, title 49, sec. 46), shall apply with respect to any individual who specifically claims such privilege.

"(h) The Administrator shall not publish or disclose any information obtained under this Act that such Administrator deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information, unless he determines that the withholding thereof is contrary to the interest of the national defense and security.

"PROCEDURE

"SEC. 203. (a) Within a period of sixty days after the issuance of any regulation or order under section 2, or in the case of a price schedule, within a period of sixty days after the effective date thereof specified in section 206, any person subject to any provision of such regulation, order, or price schedule may, in accordance with regulations to be prescribed by the Administrator, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections. At any time after the expiration of such sixty days any person subject to any provision of such regulation, order, or price schedule may file such a protest based solely on grounds arising after the expiration of such sixty days. Statements in support of any such regulation, order, or price schedule may be received and incorporated in the transcript of the proceedings at such times and in accordance with such regulations as may be prescribed by the Administrator. Within a reasonable time after the filing of any protest under this subsection, but in no event more than thirty days after such filing or ninety days after the issuance of the regulation or order (or in the case of a price schedule, ninety days after the effective date thereof specified in section 206) in respect of which the protest is filed, whichever occurs later, the Administrator shall either grant or deny such protest in whole or in part, notice such protest for hearing, or provide an opportunity to present further evidence in connection therewith. In the event that the Administrator denies any such protest in whole or in part, he shall inform the protestant of the grounds upon which such decision is based, and of any economic data and other facts of which the Administrator has taken official notice.

"(b) In the administration of this Act the Administrator may take official notice of economic data and other facts, including facts found by him as a result of action taken under section 202.

"(c) Any proceedings under this section may be limited by the Administrator to the filing of affidavits, or other written evidence, and the filing of briefs.

"REVIEW

"SEC. 204. (a) Any person who is aggrieved by the denial or partial denial of his protest may, within thirty days after such denial, file a complaint with the Emergency Court of Appeals, created pursuant to subsection (c), specifying his objections and praying that the regulation, order, or price schedule protested be enjoined or set aside in whole or in part. A copy of such complaint shall forthwith be served on the Administrator, who shall certify and file with such court a transcript of such portions of the proceedings in connection with the protest as are material under the complaint. Such transcript shall include a statement setting forth, so far as practicable, the economic data and other facts of which the Administrator has taken official notice. Upon the filing of such complaint the court shall have exclusive jurisdiction to set aside such regulation, order, or price schedule, in whole or in part, to dismiss the complaint, or to remand the proceeding: *Provided*, That the regulation, order, or price schedule may be modified or rescinded by the Administrator at any time notwithstanding the pendency of such complaint. No objection to such regulation, order, or price schedule, and no evidence in support of any objection thereto, shall be considered by the court, unless such objection shall have been set forth by the complainant in the protest or such evidence shall be contained in the transcript. If application is made to the court by either party for leave to introduce additional evidence which was either offered to the Administrator and not admitted, or which could not reasonably have been offered to the Administrator or included by the Administrator in such proceedings, and the court determines that such evidence should be admitted, the court shall order the evidence to be presented to the Administrator. The Administrator shall promptly receive the same, and such other evidence as he deems necessary or proper, and thereupon he shall certify and file with the court a transcript thereof and any modification made in the regulation, order, or price schedule as a result thereof; except that on request by the Administrator, any such evidence shall be presented directly to the court.

"(b) No such regulation, order, or price schedule shall be enjoined or set aside, in whole or in part, unless the complainant establishes to the satisfaction of the court that the regulation, order, or price schedule is not in accordance with law, or is arbitrary or capricious. The effectiveness of a judgment of the court enjoining or setting aside, in whole or in part, any such regulation, order, or price schedule shall be postponed until the expiration of thirty days from the entry thereof, except that if a petition for a writ of certiorari is filed with the Supreme Court under subsection (d) within such thirty days, the effectiveness of such judgment shall be postponed until an order of the Supreme Court denying such petition becomes final, or until other final disposition of the case by the Supreme Court.

"(c) There is hereby created a court of the United States to be known as the Emergency Court of Appeals, which shall consist of three or more judges to be designated by the Chief Justice of the United States from judges of the United States district courts and circuit courts of appeals. The Chief Justice of the United States shall designate one of such judges as chief judge of the Emergency Court of Appeals, and may, from time to time, designate additional judges for such court and revoke previous designations. The Chief judge may, from time to time, divide the court into divisions of three or more members, and any such division may render judgment as the judgment of the court. The court shall have the powers of a district court with respect to the jurisdiction conferred on it by this Act; except that the court shall not have power to issue any temporary restraining order or interlocutory decree staying or restraining, in whole or in part, the effectiveness of any regulation or order issued under section 2 or any price schedule effective in accordance with the provisions of section 206. The court shall exercise its powers and prescribe rules governing its procedure in such manner as to expedite the determination of cases of which it has jurisdiction under this Act. The court may fix and establish a table of costs and fees to be approved by the Supreme Court of the United States, but the costs and fees so fixed shall not exceed with respect to any item the costs and fees charged in the Supreme Court of the United States. The court shall have a seal, hold sessions at such places as it may specify, and appoint a clerk and such other employees as it deems necessary or proper.

"(d) Within thirty days after entry of a judgment or order, interlocutory or final, by the Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a circuit court of appeals as provided in section 240 of the Judicial Code, as amended (U. S. C.,

1934 edition, title 28, sec. 347). The Supreme Court shall advance on the docket and expedite the disposition of all causes filed therein pursuant to this subsection. The Emergency Court of Appeals, and the Supreme Court upon review of judgments and orders of the Emergency Court of Appeals, shall have exclusive jurisdiction to determine the validity of any regulation or order issued under section 2, of any price schedule effective in accordance with the provisions of section 206, and of any provision of any such regulation, order, or price schedule. Except as provided in this section, no court, Federal, State, or Territorial, shall have jurisdiction or power to consider the validity of any such regulation, order, or price schedule, or to stay, restrain, enjoin, or set aside, in whole or in part, any provision of this Act authorizing the issuance of such regulations or orders, or making effective any such price schedule, or any provision of any such regulation, order, or price schedule, or to restrain or enjoin the enforcement of any such provision.

"ENFORCEMENT

"SEC. 205 (a) Whenever in the judgment of the Administrator any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of section 4 of this Act, he may make application to the appropriate court for an order enjoining such acts or practices, or for an order enforcing compliance with such provision, and upon a showing by the Administrator that such person has engaged or is about to engage in any such acts or practices a permanent or temporary injunction, restraining order, or other order shall be granted without bond.

"(b) Any person who willfully violates any provision of section 4 of this Act, and any person who makes any statement or entry false in any material respect in any document or report required to be kept or filed under section 2 or section 202, shall, upon conviction thereof, be subject to a fine of not more than $5,000, or to imprisonment for not more than two years in the case of a violation of section 4 (c) and for not more than one year in all other cases, or to both such fine and imprisonment. Whenever the Administrator has reason to believe that any person is liable to punishment under this subsection, he may certify the facts to the Attorney General, who may, in his discretion, cause appropriate proceedings to be brought.

"(c) The district courts shall have jurisdiction of criminal proceedings for violations of section 4 of this Act, and, concurrently with State and Territorial courts, of all other proceedings under section 205 of this Act. Such criminal proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred. Except as provided in section 205 (f) (2), such other proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred, and may also be brought in the district in which the defendant resides or transacts business, and process in such cases may be served in any district wherein the defendant resides or transacts business or wherever the defendant may be found. Any such court shall advance on the docket and expedite the disposition of any criminal or other proceedings brought before it under this section. No costs shall be assessed against the Administrator or the United States Government in any proceeding under this Act.

"(d) No person shall be held liable for damages or penalties in any Federal, State, or Territorial court, on any grounds for or in respect of anything done or omitted to be done in good faith pursuant to any provision of this Act or any regulation, order, price schedule, requirement, or agreement thereunder, or under any price schedule of the Administrator of the Office of Price Administration or of the Administrator of the Office of Price Administration and Civilian Supply, notwithstanding that subsequently such provision, regulation, order, price schedule, requirement, or agreement may be modified, rescinded, or determined to be invalid. In any suit or action wherein a party relies for ground of relief or defense upon this Act or any regulation, order, price schedule, requirement, or agreement thereunder, the court having jurisdiction of such suit or action shall certify such fact to the Administrator. The Administrator may intervene in any such suit or action.

"(e) If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, the person who buys such commodity for use or consumption other than in the course of trade or business may bring an action either for $50 or for treble the amount by which the consideration exceeded the applicable maximum price, whichever is the greater, plus reasonable attorney's fees and costs as determined by the court. For the purposes of this section the payment or receipt of rent for defense-area housing accommodations shall be deemed the buying or selling of a commodity, as the case may be. If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, and the buyer is not entitled to bring suit or action under this subsection, the Administrator may bring such action under this subsection on behalf of the United States. Any suit or action under this subsection may be brought in any court of competent jurisdiction, and shall be instituted within one year after delivery is completed or rent is paid. The provisions of this subsection shall not take effect until after the expiration of six months from the date of enactment of this Act.

"(f) (1) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act and to assure compliance with and provide for the effective enforcement of any regulation or order issued or which may be issued under section 2, or of any price schedule effective in accordance with the provisions of section 206, he may by regulation or order issue to or require of any person or persons subject to any regulation or order issued under section 2, or subject to any such price schedule, a license as a condition of selling any commodity or commodities with respect to which such regulation, order, or price schedule is applicable. It shall not be necessary for the Administrator to issue a separate license for each commodity or for each regulation, order, or price schedule with respect to which a license is required. No such license shall contain any provision which could not be prescribed by regulation, order, or requirement under section 2 or section 202: *Provided*, That no such license may be required as a condition of selling or distributing (except as waste or scrap) newspapers, periodicals, books, or other printed or written material, or motion pictures, or as a condition of selling radio time: *Provided further*, That no license may be required of any farmer as a condition of selling any agricultural commodity produced by him, and no license may be required of any fisherman as a condition of selling any fishery commodity caught or taken by him: *Provided further*, That in any case in which such a license is required of any person, the Administrator shall not have power to deny to such person a license to sell any commodity or commodities, unless such person already has such a license to sell such commodity or commodities, or unless there is in effect under paragraph (2) of this subsection with respect to such person an order of suspension of a previous license to the extent that such previous license authorized such person to sell such commodity or commodities.

"(2) Whenever in the judgment of the Administrator a person has violated any of the provisions of a license issued under this subsection, or has violated any of the provisions of any regulation, order, or requirement under section 2 or section 202 (b), or any of the provisions of any price schedule effective in accordance with the provisions of section 206, which is applicable to such person, a warning notice shall be sent by registered mail to such person. If the Administrator has reason to believe that such person has again violated any of the provisions of such license, regulation, order, price schedule, or requirement after receipt of such warning notice, the Administrator may petition any State or Territorial court of competent jurisdiction, or a district court subject to the limitations hereinafter provided, for an order suspending the license of such person for any period of not more than twelve months. If any such court finds that such person has violated any of the provisions of such license, regulation, order, price schedule, or requirement after the receipt of the warning notice, such court shall issue an order suspending the license to the extent that it authorizes such person to sell the commodity or commodities in connection with which the violation occurred, or to the extent that it authorizes such person to sell any commodity or commodities with respect to which a regulation or order issued under section 2, or a price schedule effective in accordance with the provisions of section 206, is applicable; but no such suspension shall be for a period of more than twelve months. For the purposes of this subsection, any such proceedings for the suspension of a license may be brought in a district court if the licensee is doing business in more than one State, or if his gross sales exceed $100,000 per annum. Within thirty days after the entry of the judgment or order of any court either suspending a license, or dismissing or denying in whole or in part the Administrator's petition for suspension, an appeal may be taken from such judgment or order in like manner as an appeal may be taken in other cases from a judgment or order of a State, Territorial, or district court, as the case may be. Upon good cause shown, any such order of suspension may be stayed by the appropriate court or any judge thereof in accordance with the applicable practice; and upon written stipulation of the parties to the proceeding for suspension, approved by the trial court, any such order of suspension may be modified, and the license which has been suspended may be restored, upon such terms and conditions as such court shall find reasonable. Any such order of suspension shall be affirmed by the appropriate appellate court if, under the applicable rules of law, the evidence in the record supports a finding that there has been a violation of any provision of such license, regulation, order, price schedule, or requirement after receipt of such warning notice. No proceedings for suspension of a license, and no such suspension, shall confer any immunity from any other provision of this Act.

"SAVING PROVISIONS

"SEC. 206. Any price schedule establishing a maximum price or maximum prices, issued by the Administrator of the Office of Price Administration or the Administrator of the Office of Price Administration and Civilian Supply, prior to the date upon which the Administrator provided for by section 201 of this Act takes office, shall, from such date, have the same effect as if issued under section 2 of this Act until such price schedule is superseded by action taken pursuant to such section 2. Such price schedules shall be consistent with the standards contained in section 2 and the limitations contained in section 3 of this Act, and shall be subject to protest and review as provided in section 203 and section 204 of this Act. All such price

schedules shall be reprinted in the Federal Register within ten days after the date upon which such Administrator takes office.

"TITLE III—MISCELLANEOUS

"QUARTERLY REPORT

"SEC. 301. The Administrator from time to time, but not less frequently than once every ninety days, shall transmit to the Congress a report of operations under this Act. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate, or the Clerk of the House of Representatives, as the case may be.

"DEFINITIONS

"SEC. 302. As used in this Act—

"(a) The term 'sale' includes sales, dispositions, exchanges, leases, and other transfers, and contracts and offers to do any of the foregoing. The terms 'sell', 'selling', 'seller', 'buy', and 'buyer', shall be construed accordingly.

"(b) The term 'price' means the consideration demanded or received in connection with the sale of a commodity.

"(c) The term 'commodity' means commodities, articles, products, and materials (except materials furnished for publication by any press association or feature service, books, magazines, motion pictures, periodicals and newspapers, other than as waste or scrap), and it also includes services rendered otherwise than as an employee in connection with the processing, distribution, storage, installation, repair, or negotiation of purchases or sales of a commodity, or in connection with the operation of any service establishment for the servicing of a commodity: *Provided*, That nothing in this Act shall be construed to authorize the regulation of (1) compensation paid by an employer to any of his employees, or (2) rates charged by any common carrier or other public utility, or (3) rates charged by any person engaged in the business of selling or underwriting insurance, or (4) rates charged by any person engaged in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio-broadcasting station, a motion-picture or other theater enterprise, or outdoor advertising facilities, or (5) rates charged for any professional services.

"(d) The term 'defense-rental area' means the District of Columbia and any area designated by the Administrator as an area where defense activities have resulted or threaten to result in an increase in the rents for housing accommodations inconsistent with the purposes of this Act.

"(e) The term 'defense-area housing accommodations' means housing accommodations within any defense-rental area.

"(f) The term 'housing accommodations' means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes (including houses, apartments, hotels, rooming or boarding house accommodations, and other properties used for living or dwelling purposes) together with all privileges, services, furnishings, furniture, and facilities connected with the use or occupancy of such property.

"(g) The term 'rent' means the consideration demanded or received in connection with the use or occupancy or the transfer of a lease of any housing accommodations.

"(h) The term 'person' includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing: *Provided*, That no punishment provided by this Act shall apply to the United States, or to any such government, political subdivision, or agency.

"(i) The term 'maximum price', as applied to prices of commodities means the maximum lawful price for such commodities, and the term 'maximum rent' means the maximum lawful rent for the use of defense-area housing accommodations. Maximum prices and maximum rents may be formulated, as the case may be, in terms of prices, rents, margins, commissions, fees, and other charges, and allowances.

"(j) The term 'documents' includes records, books, accounts, correspondence, memoranda, and other documents, and drafts and copies of any of the foregoing.

"(k) The term 'district court' means any district court of the United States, and the United States Court for any Territory or other place subject to the jurisdiction of the United States; and the term 'circuit courts of appeals' includes the United States Court of Appeals for the District of Columbia.

"SEPARABILITY

"SEC. 303. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

"APPROPRIATIONS AUTHORIZED

"SEC. 304. There are authorized to be appropriated such sums as may be necessary or proper to carry out the provisions and purposes of this Act.

"APPLICATION OF EXISTING LAW

"SEC. 305. No provision of law in force on the date of enactment of this Act shall be construed to authorize any action inconsistent with the provisions and purposes of this Act.

"SHORT TITLE

"SEC. 306. This Act may be cited as the 'Emergency Price Control Act of 1942.'"

And the Senate agree to the same.

PRENTISS M. BROWN,
CARTER GLASS,
JOHN A. DANAHER,
ALBEN W. BARKLEY,
J. H. BANKHEAD,
ROBERT A. TAFT,
Managers on the part of the Senate.

HENRY B. STEAGALL,
CLYDE WILLIAMS,
BRENT SPENCE,
Managers on the part of the House.

Mr. BROWN. I should like to have the attention of the majority leader and of the Senator from Wyoming. Would there be objection to making the conference report on the price-control bill the pending business at the present time?

Mr. BARKLEY. The conference report is a privileged matter, and the Senator can move to take it up at any time. It is not necessary to make it the unfinished business.

Mr. BROWN. I ask for the present consideration of the conference report, with the understanding that it will be taken up when the Senate meets tomorrow. I may say that the House has adopted the conference report, which is my reason for bringing it up at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the report.

ALLOCATION OF INCOME FROM CERTAIN PROPERTY TO SMITHSONIAN INSTITUTION

Mr. BARKLEY. From the Committee or the Library I report favorably the bill (H. R. 5895) to authorize the Library of Congress Trust Fund Board to allocate one-half of the income from certain property to the Smithsonian Institution. I ask unanimous consent for the present consideration of the bill.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The bill was read, as follows:

Be it enacted, etc., That the Library of Congress Trust Fund Board is authorized to allocate to the Smithsonian Institution one-half of the net income derived after June 30, 1941, from the rental of the property located at Sixteenth and I Streets NW., Washington, D. C., conveyed by Annie-May Hegeman to the Board by deed of December 20, 1938.

Mr. BARKLEY. Mr. President, I can explain the bill in a word. A very charitably inclined lady gave to the Library of Congress trust fund a valuable building in Washington located at Sixteenth and I Streets. In the deed of gift she provided that when the property was sold the proceeds should be divided equally between the Smithsonian Institution and the Library of Congress trust fund. The property has not been sold. She has indicated her desire that the income from the property shall be divided between these two institutions, and that is agreeable to the Library of Congress trust fund and also to the Smithsonian Institution. The bill carries out that intention.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

CONFIRMATION OF NOMINATION OF WALTER A. KEELING

Mr. BARKLEY. Mr. President, there is no Executive Calendar. The Senator from Texas [Mr. CONNALLY], however desires to have a nomination considered.

Mr. CONNALLY. Mr. President, as in executive session, I ask unanimous consent for the immediate consideration of the nomination of Walter A. Keeling, of Texas, to be United States district judge for the western district of Texas. A subcommittee of the Committee on the Judiciary held a hearing on the nomination, and the full committee made a unanimous favorable report. The Attorney General investigated Mr. Keeling very thoroughly and was enthusiastic in support of his nomination.

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of Walter A. Keeling, of Texas, to be United States district judge for the western district of Texas, vice Hon. Robert J. McMillan, deceased.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none, and, without objection, the nomination is confirmed.

Mr. CONNALLY. I ask unanimous consent that the President be notified immediatly.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 23 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, January 27, 1942, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate January 26 (legislative day of January 23), 1942:

UNITED STATES DISTRICT JUDGE

Walter A. Keeling, to be United States district judge for the western district of Texas

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HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 26, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Prince of Peace, bid our fears and doubtings cease; in suffering and hardship, be Thou our stay. We pray that all may behold the life that now is and in Thy graciousness give us power to believe that all things work together for good to them that love the Lord. Thy voice hath declared that love and truth alone endure and that throughout the great unknown which lies beyond, it is well with the good and ill with the wicked.

Heavenly Father, lay Thy hand upon us and bless us and let Thy holy Spirit inspire the hidden power of the soul. As deliverer and emancipator lift up the voice of righteousness and triumph, infusing in us a new-found courage in rich blessing to all. As debtors to the pioneers of free government, grant that the spirit of the prophets and the martyrs may be poured into the failures and weakness of man. Forbid that there should fall from our lips words which stir the flames of hate and resentment; but Almighty God, we pray for the open road and the sky above us that each day may be invested with knightly power, transfigured and lifted to the mount of consecration and prayer. In the blessed name of our Saviour. Amen.

The Journal of the proceedings of Friday, January 23, 1942, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On January 15, 1942:

H. R. 4077. An act to amend the District of Columbia License Act so as to permit the transportation of school children and occasional sightseeing operations in the District of Columbia without procurement of a license or payment of a tax in the case of certain vehicles performing such operations in connection with transportation to the District of Columbia;

H. R. 5135. An act to appoint Capt. Porter M. Hoidale, United States Marine Corps, a lieutenant, senior grade, in the United States Navy Medical Corps;

H. R. 5464. An act to authorize transfer of enlisted men of the Naval and Marine Corps Reserve to the Regular Navy and Marine Corps; and

H. R. 6163. An act to prohibit parking of vehicles upon public or private property in the District of Columbia without the consent of the owner of such property.

On January 19, 1942:

H. R. 5837. An act to regulate the distribution and promotion of commissioned officers of the Coast and Geodetic Survey, and for other purposes.

On January 20, 1942:

H. R. 4250. An act to provide for the presentation of a medal to Roland Boucher in recognition of his bravery and heroism in rescuing five children from drowning in Lake Champlain.

On January 21, 1942:

H. R. 6128. An act to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended.

GEN. DOUGLAS MACARTHUR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, on January 26, 1880, there was born one of the outstanding Americans of all times, and certainly of the present generation. I refer to Gen. Douglas MacArthur, who is so valiantly leading our forces in the Philippines at the present time. At this time he is waging the hardest fight of his great career, and the series of battles that he is waging will have a great bearing on the outcome of the war in the East, and the wars that are being waged throughout the world today. The Philippines are a vital outpost of the United States defense. General MacArthur recognized that years ago when other outstanding military leaders failed to recognize that important fact.

General MacArthur enjoys the confidence and the respect of the President of the United States, and equally the confidence and respect of the people of the United States. He is a great military leader who has always won the confidence and respect of the men in his command. He is a dramatic figure and a brilliant strategist. In General MacArthur we have a man whose feeling, whose determination is, "I must not fail." Today we pause to honor General MacArthur, a great American, and in honoring him today we also honor every officer and enlisted man in his command, American and Filipino alike. General MacArthur and the men under him are making history and their bravery and exploits will occupy a foremost page in American history. To General MacArthur and the men of his command, American and Filipino alike, the people of America extend a salute.

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, today is the sixty-second birthday of Gen. Douglas MacArthur, an experienced, brilliant, able, and courageous officer, who is a credit to the Army and to the American people.

General MacArthur is only the fifth full general to have received such recognition in the United States Army, beginning with General Grant and followed by Generals Sherman, Sheridan, and Pershing. General MacArthur is the son of Lt. Gen. Arthur MacArthur, who served with gallantry in a Wisconsin regiment in the Civil War and was later in command of the American forces in the Philippines.

Douglas MacArthur was born at an Army post in Arkansas on January 26, 1880, and graduated with highest honors from West Point in 1903. He served with distinction and bravery as commanding officer of the Forty-second or Rainbow Division in France and later became the youngest chief of staff in the history of the Army.

For the past 6 years he has been loaned to the Government of the Philippines to organize an army for their defense. How well he has succeeded has been amply demonstrated in the glorious and gallant battle he is fighting against overwhelming Japanese forces.

On this, his birthday anniversary, let us in the House of Representatives, including many who know him well and admire him, send a message over to him and his heroic American and Philippine soldiers of heartfelt congratulations and gratitude for his brave and magnificent stand, and with the fervent hope that he may survive to see America victorious in the Philippines and to lead our armies to victory not only against the treacherous Japs but against all their allies wherever the war may be waged.

Happy birthday to you, General MacArthur, and victory to your arms in carrying out the best traditions and ideals of America. Your leadership, devotion to duty, and resolute defense against great odds is an inspiration to the American people.

EXTENSION OF REMARKS

Mr. COX. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article by Frank C. Waldrop appearing in this morning's issue of the Times-Herald.

The SPEAKER. Is there objection?

There was no objection.

NAVAL APPROPRIATION BILL, FISCAL YEAR 1943

Mr. SCRUGHAM, from the Committee on Appropriations, reported the bill (H. R. 6460, Rept. No. 1676) making appropriations for the Navy Department and the Naval Service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes, which was read a first and second time, and with the accompanying papers referred to the Union Calendar and ordered printed.

Mr. TABER. Mr. Speaker, I reserve all points of order.

THE LATE GEN. "BILLY" MITCHELL

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, for years the American people have felt that a great injustice had been done to Gen. "Billy" Mitchell by the military machine that dominated the Army in his time. Congress, reflecting the sentiment of the people, has attempted to rectify this injustice, but "Billy" Mitchell is dead. It is unfortunate that this vindication could not have come while he was yet alive.

There is another case where a grave injustice has been done to a great soldier by the ruthless and cruel powers that dominated the Army at another time. That man's case has been before this Congress for several years. The distinguished Committee on Military Affairs of the House has recommended vindication for that man. The corresponding committee of the Senate has had exhaustive hearings on the matter, but has made no recommendation as yet. That man is yet alive, although nearly 85 years of age. He has fought for vindication for many years. His name is Capt. Oberlin M. Carter. He was appointed to West Point from my district by President Grant and received the highest grade ever received by any cadet graduating from the West Point Military Academy. He became one of the world's greatest engineers. When on the Panama Isthmian Canal Commission he favored the building of the Canal at its present location instead of on the Nicaragua route. Because of this fact powerful financial interests opposed him and conspired with those in the Army who were jealous of his superior ability and proceeded to ruin him. He fought back, and for many years he has been fighting for vindication. He deserves it and should receive it while he is yet alive.

RAILROAD EMPLOYEES AND NATIONAL DEFENSE

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection?

There was no objection.

[Mr. STEVENSON addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the Appendix to the RECORD and include therewith a radio address by the noted commentator H. V. Kaltenborn, on Sunday afternoon over the red network of the National Broadcasting Co., from 3:15 to 3:30 p. m.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REPORT OF THE ROBERTS' COMMISSION

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. O'TOOLE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HILL of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial on the conservation of tires.

The SPEAKER. Is there objection?

There was no objection.

NATIONAL DEFENSE

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. ARENDS. Mr. Speaker, there is something taking place today in my part of the country that I want to call to the attention of the wide world. It happens that I am from a section of this U. S. A. that, until the outbreak of the war, was characterized as the "Middle West, home of the isolationists." Right or wrong, these good people in my district, following the tragedy of Pearl Harbor, have put their shoulders to the wheel, determined to do their bit in every way in order that we win this war, and as quickly as possible.

Recently a group of leading citizens of Bloomington, Ill., McLean County, met together and decided that every individual should have a place in our defense program. They decided the best immediate thing that might be done was to promote, through organization, the selling of defense bonds and stamps. They then set a goal they felt was to be the objective of their combined efforts. That goal was placed at selling $300,000 worth of stamps and bonds each month, or enough money to buy Uncle Sam's fighting forces 12 flying fortresses per year.

Everyone in the community is asked to cooperate and accept a share of their responsibility toward winning the war. It is the teamwork of those back home, as well as those at the front, that bring victories.

Mr. Speaker, I am proud to represent such patriotic, loyal, sincere American citizens as these people are proving themselves to be. Their defense activities might well be something for all others to emulate.

With such cooperation and determination on the part of all the people of our land, there remains no doubt in my mind as to who will win the war now in progress.

[Here the gavel fell.]

LONGEVITY PAY FOR POSTAL EMPLOYEES

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. SWEENEY. Mr. Speaker, on July 23, 1941, the House by a unanimous vote passed the longevity pay bill for the postal employees. Previous to that date about 120 Members of this House appeared before the Committee on the Post Office and Post Roads of the House in support of that measure. On December 9, 1941, the Senate passed the bill with amendments. December 10, 1941, conferees were appointed by both Houses. Since that time no action has been taken. Many Members are receiving telegrams and letters from this large group of postal employees asking why the conferees do not meet. There may be some valid reason why they do not meet; if so, this body should be informed of the reason. I submit the integrity of this House is at stake when these conferees let 6 or 7 weeks pass without trying to call a meeting. This legislation is of great importance not only to this group but to the entire House. Let us have some action at an early conference.

[Here the gavel fell.]

GOVERNOR SCHRICKER PROPOSES HONOR TO LATE CAROLE LOMBARD

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I have asked for this minute to read to the House a letter which I have received from Governor Schricker, of Indiana. He says:

JANUARY 24, 1942.

Hon. LOUIS LUDLOW,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN LUDLOW: All Indiana people, who mourn the untimely death of Carole Lombard, following the wake of her patriotic service in the sale of defense bonds in Indianapolis just a week ago, heartily approve your suggestion to the Secretary of the Treasury that one issue of the Victory Bonds series be designated as the "Carole Lombard Victory Bonds," and I welcome this opportunity to lend my personal support to your proposal.

I have received scores of letters and telegrams from all sections of our State suggesting that something be done to honor the memory and service of this native Hoosier girl, and I do not know of anything that would win greater Nation-wide approval than the plan you have suggested to the Treasury Department. Our people will never forget the fine service that Miss Lombard brought to this first State-wide defense bond rally here in Indianapolis on January 15.

With best wishes and kindest personal regards, I am

Very cordially yours,
HENRY F. SCHRICKER, *Governor.*

[Here the gavel fell.]

PRICE-CONTROL LEGISLATION

Miss SUMNER of Illinois. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Miss SUMNER of Illinois. Mr. Speaker, under the price legislation passed today, Leon Henderson will be granted all the power anybody could need to fix prices if he would only adopt a theory of price control consistent with the law of supply and demand—an elementary economic principle he could not even remember when asked to state it before our committee.

If he would fix prices for the consumer at the retailers' profits, wages, and the selling price of the farmer would reduce accordingly. That is elementary. Instead, our little Leon chooses to lower prices to the farmer but lets those who handle the goods after it leaves the farmer charge as much as they can get from the consumer.

Result? Today cotton prices have been lowered by Henderson but prices of cotton shirts to the consumer skyrocket. Today corn prices to the farmer are held down by Government dumping, but ethyl alcohol used in munitions, which can be very cheaply made from corn, sells at $10 per ton more than the corn price.

Henderson's system is unjust to the farmers and a fraud upon consumers.

It is economic butchery. It is as if you would request your physician to help you reduce 30 pounds and instead of prescribing a course of diet and exercise he would amputate your two legs. You would weigh 30 pounds less, but you would not be any prettier.

If Henderson continues with his quackery, goodness knows what will become of us.

It is time some newspapers ceased to berate members of the so-called congressional farm bloc and began to expose blockheads in the administration.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and insert a very enlightening editorial by one of my local newspapers on the subject of curbing the nonexisting farm profiteering and hysteria in the East concerning that.

The SPEAKER. Is there objection?

jection?

There was no objection.

REPORT OF SPECIAL INVESTIGATING COMMITTEE OF THE MILITARY AFFAIRS COMMITTEE

Mr. MAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. MAY addressed the House. His remarks appear in the Appendix.]

Mr. MAY. Mr. Speaker, I desire to extend my remarks in the RECORD and include an editorial or an article from the United States News and one from the Pittsburgh Press.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in two particulars and include editorials.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent that on tomorrow after the disposition of the legislative calendar for the day and any other special orders I may address the House for 20 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WINTER. Mr. Speaker, I ask unanimous consent that on January 29 after the disposition of the legislative business for the day and other special orders that may have been entered I may address the House for 30 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. TOLAN asked and was given permission to extend his own remarks in the RECORD.)

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two editorials from the Chicago Sun.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a newspaper clipping.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PAGÁN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech I delivered last night.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter to the Secretary of Agriculture.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an Associated Press statement of last Thursday on what is going on in the South American countries.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FEDERALIZATION OF UNEMPLOYMENT COMPENSATION

Mr. GREEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to include in my remarks a telegram I received from the Governor of the State of Florida.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GREEN. Mr. Speaker, I feel sure the membership will be interested in a telegram I received from the Governor of the State of Florida with reference to an unemployment compensation proposal which may later come up for your consideration. His views as presented in this telegram reflect very well the views of a large number of people in our State. We feel that our State's prerogatives and rights should be preserved. The telegram from the Governor reads as follows:

It is my understanding that there will be an attempt to force federalization of unemployment compensation by attaching to revenue bill. Sincerely hope that if salary taxes are to be levied they be for revenue only and not involved with social security and further that proposals for federalization of unemployment compensation be embodied in a separate bill giving full opportunity to fight it. Southern Governors' conference recently held in Miami adopted strong resolution opposing federalization of unemployment compensation which would mean in our State the loss of the experience rating system and a large tax increase besides the other disadvantages. Likewise our unemployment compensation system in Florida covers many thousands of citrus packinghouse workers who are not included in the Federal program; also minimum requirements required for payment of benefits and minimum and maximum benefits vary in the different States; these benefits in our State are exceedingly favorable to the workers. I not only protest vigorously the federalization proposal described above but also strongly urge that you fight any attempt to federalize our unemployment compensation set-up even in a separate bill. Please bring to attention of proper authorities that Florida cooperated gladly and quickly in the transferring of the employment service to the Federal Government but that I feel unemployment compensation involves questions which vary in the different States.

SPESSARD L. HOLLAND, *Governor.*

PERMISSION TO ADDRESS THE HOUSE

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, the passage of the Ramspeck bill, H. R. 3487, which provides pensions for Congressmen was a terrible mistake, if not something much worse.

I hope the President vetoes it.

So important a measure as this should have been brought to the House under a rule permitting time for study and debate so that every Member could have had an opportunity to know what it contained.

I want to go on record in this Congress and with constituents that I am unalterably opposed to the provision in this bill which provides pensions for Congressmen. Furthermore, I want it to be known that no matter how long I may be in Congress I shall never participate in this grab.

I think two decidedly different principles are involved when Congressmen provide pensions for themselves and when they provide pensions for other persons.

In my opinion, this act is but a short step to Congressmen voting themselves a life tenure of office.

Now when our Nation is in its greatest struggle for life, when unlimited sacrifices are demanded of everyone of us, while our soldiers are dying by the thousands on the battlefield; aye, when justice cries to high heaven that we save every dollar to provide our soldiers with the necessaries to carry on, a bare handful of men in this body successfully manipulate through this measure which provides pensions for Congressmen.

And one of the fattest pensions of them all, at that—up to $5,000 per year. To me this is wrong and unpatriotic.

Why, if allowed to stand it will, in my opinion, go far in destroying what faith the people still have left in Congress and the last vestige of representative government in the United States.

LET US ISSUE VICTORY BONDS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MUNDT. Mr. Speaker, last Friday I read into the RECORD a highly significant little poem dedicated to what the author called the Victory stamp rather than the Defense stamp. If you read that poem in Friday's RECORD I feel certain you agree with me that the author built a splendid case for the Victory stamp and bond.

I have today sent a letter to Secretary of the Treasury Morgenthau, recommending that when existing supplies are consumed the new issues of war stamps and bonds be designated as Victory stamps and Victory bonds instead of Defense bonds and stamps. Defense was an appropriate name while America was at peace—now America is at war, victory is the goal, and we have both a war to win and a peace to promote and protect.

It is not enough that we ward off defeat by defending ourselves—we must seek that type of victory which will become the background of a permanent peace. To that end I suggest that you join me in recommending that the Treasury Department issue a series of Victory bonds and stamps as a logical successor to the Defense bonds and stamps which are now being issued.

EXTENSION OF REMARKS

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a statement made by the Secretary of the Interior before the Public Lands Committee this morning.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—INDEPENDENCE OF PHILIPPINE ISLANDS

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Insular Affairs:

To the Congress of the United States:

As required by section 2 (a) (11) of the act of Congress approved March 24, 1934, entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes," I transmit copies of laws enacted by the National Assembly of the Philippine Islands. Included are laws of the Second National Assembly, second session, January 22 to May 8, 1940: Second National Assembly, fourth special session, July 8 to August 10, 1940; and Second National Assembly, third session, January 27 to May 22, 1941.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 26, 1942.*

EMERGENCY PRICE-CONTROL ACT

Mr. STEAGALL. Mr. Speaker, I call up the conference report on the bill H. R. 5990, to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the full report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, this is one of the most important bills which the Congress will have before it. We have spent several months on the subject. I wonder if we may have some agreement as to time. I understand that under the rule we will have an hour's time, which I believe is under the control of the gentleman from Alabama. I have innumerable requests for time on this side and, to do justice to this subject, it does not seem to me that we can get along with very much less than 3 or 4 hours. I wonder if we cannot come to some agreement for reasonable time in which to discuss the controversial features of the conference report, which, I may say, are many and varied.

Mr. STEAGALL. Mr. Speaker, may I ask the gentleman from Michigan if he will indicate to the House just what the trend of the discussion will be and how wide a range will be covered? Of course, if we undertake to have a new discussion of the entire subject covered by this bill, we would need a great deal of time. I am wondering if we may not agree on 2 hours, one-half to be controlled by myself and one-half by the gentleman from Michigan? I should think that would be in accordance with the wishes of the gentleman from Michigan.

Mr. WOLCOTT. I will indicate to the gentleman the controversial matters in the conference report. There is the provision in respect to licensing, the provision in respect to some method for reviewing the maximum prices or ceilings placed by the Administrator; there is the section having to do with rents, and, more important to many Members and perhaps the majority of the Members, are the provisions having to do with floors under agricultural prices and ceilings on agricultural prices; the very new and novel labor provisions in the bill, the buying and selling provisions in the bill, transfer of Executive powers and functions, just to mention a few of them. It does not seem to me we can do credit to those subjects in much less than 3 or 4 hours' time.

Mr. STEAGALL. The gentleman does not seem to understand just what I meant by my inquiry. Of course, I understand the ramifications and the wide range of the measure and the interest in it, but I had hoped the gentleman might indicate the line of controversy that would be followed here today so that we might know just how much time would really be needed to dispose of this conference report.

Mr. WOLCOTT. I have suggested 3 or 4 hours. Three hours would be the very minimum. I may say to the gentleman that during the course of the debate it will probably be indicated that somebody, perhaps myself, will offer a motion to recommit. We have not definitely decided what that motion to recommit will embrace, but it surely will include two subjects most controversial and which are fundamental questions, that of licensing and some method of review. Whether other subjects will be covered in the motion to recommit I am not at this time in position to state definitely. I am of the present opinion that the motion to recommit will be inclined to those subjects and, of course, possibly to amendments to include several of the other features of the bill.

Mr. STEAGALL. Mr. Speaker, 2½ hours should be sufficient, one-half to be controlled by myself and one-half by the gentleman from Michigan.

Mr. GIFFORD. May I suggest to the gentleman that much ought to be said about the omissions in the bill. There have been scathing editorials during this past week and we should give the subject a little consideration this afternoon.

The SPEAKER. What is the request of the gentleman from Alabama [Mr. STEAGALL]?

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that the debate on this conference report be limited to 2 hours and one-half, one-half to be controlled by the gentleman from Michigan [Mr. WOLCOTT] and one-half by myself. I further ask that at the end of the debate the previous question be considered as ordered.

Mr. ROBSION of Kentucky. Reserving the right to object, Mr. Speaker, this is a tremendously important bill. Two hours and a half is a very brief time in which to debate it. How much of the time will be consumed by the members of the Committee on Banking and Currency, and will Members who are not on that committee have an opportunity to say anything on this bill?

Mr. STEAGALL. Of course, the allotment of time is in the charge of those in control of the time.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Alabama that the statement be read in lieu of the report?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I—GENERAL PROVISIONS AND AUTHORITY

"PURPOSES; TIME LIMIT; APPLICABILITY

"SECTION 1. (a) It is hereby declared to be in the interest of the national defense and security and necessary to the effective prosecution of the present war, and the purposes of this Act are, to stabilize prices and to prevent speculative, unwarranted, and abnormal increases in prices and rents; to eliminate and prevent profiteering, hoarding, manipulation, speculation, and other disruptive practices resulting from abnormal market conditions or scarcities caused by or contributing to the national emergency; to assure that defense appropriations are not dissipated by excessive prices; to protect persons with relatively fixed and limited incomes, consumers, wage earners, investors, and persons dependent on life insurance, annuities, and pensions, from undue impairment of their standard of living; to prevent hardships to persons engaged in business, to schools, universities, and other institutions, and to the Federal, State, and local governments, which would result from abnormal increases in prices; to assist in securing adequate production of commodities and facilities; to prevent a post emergency collapse of values; to stabilize agricultural prices in the manner provided in section 3; and to permit voluntary cooperation between the Government and producers, processors, and others to accomplish the aforesaid purposes. It shall be the policy of those departments and agencies of the Government dealing with wages (including the Department of Labor and its various bureaus, the War Department, the Navy Department, the War Production Board, the National Labor Relations Board, the National Mediation Board, the National War Labor Board, and others heretofore or hereafter created), within the limits of their authority and jurisdiction, to work toward a stabilization of prices, fair and equitable wages, and cost of production.

"(b) The provisions of this Act, and all regulations, orders, price schedules, and requirements thereunder, shall terminate on June 30, 1943, or upon the date of a proclamation by the President, or upon the date specified in a concurrent resolution by the two Houses of the Congress, declaring that the further continuance of the authority granted by this Act is not necessary in the interest of the national defense and security, whichever date is the earlier; except that as to offenses committed, or rights or liabilities incurred, prior to such termination date, the provisions of this Act and such regulations, orders, price schedules, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

"(c) The provisions of this Act shall be applicable to the United States, its Territories and possessions, and the District of Columbia.

"PRICES, RENTS, AND MARKET AND RENTING PRACTICES

"SEC. 2. (a) Whenever in the judgment of the Price Administrator (provided for in section 201) the price or prices of a commodity or commodities have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this Act, he may by regulation or order establish such maximum price or maximum prices as in his judgment will be generally fair and equitable and will effectuate the purposes of this Act. So far as practicable, in establishing any maximum price, the Administrator shall ascertain and give due consideration to the prices prevailing between October 1 and October 15, 1941 (or if, in the case of any commodity, there are no prevailing prices between such dates, or the prevailing prices between such dates are not generally representative because of abnormal or seasonal market conditions or other cause, then to the prices prevailing during the nearest two-week period in which, in the judgment of the Administrator, the prices for such commodity are generally representative), for the commodity or commodities included under such regulation or order, and shall make adjustments for such relevant factors as he may determine and deem to be of general applicability, including the following: Speculative fluctuations, general increases or decreases in costs of production, distribution, and transportation, and general increases or decreases in profits earned by sellers of the commodity or commodities, during and subsequent to the year ended October 1, 1941. Every regulation or order issued under the foregoing provisions of this subsection shall be accompanied by a statement of the considerations involved in the issuance of such regulation or order. As used in the foregoing provisions of this subsection, the term "regulation or order" means a regulation or order of general applicability and effect. Before issuing any regulation or order under the foregoing provisions of this subsection, the Administrator shall, so far as practicable, advise and consult with representative members of the industry which will be affected by such regulation or order. In the case of any commodity for which a maximum price has been established, the Administrator shall, at the request of any substantial portion of the industry subject to such maximum price, regulation, or order of the Administrator, appoint an industry advisory committee, or committees, either national or regional or both, consisting of such number of representatives of the industry as may be necessary in order to constitute a committee truly representative of the industry, or of the industry in such region, as the case may be. The committee shall select a chairman from among its members, and shall meet at the call of the chairman. The Administrator shall from time to time, at the request of the committee, advise and consult with the committee with respect to the regulation or order, and with respect to the form thereof, and classifications, differentiations, and adjustments therein. The committee may make such recommendations to the Administrator as it deems advisable. Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he may, without regard to the foregoing provisions of this subsection, issue temporary regulations or orders establishing as a maximum price or maximum prices the price or prices prevailing with respect to any commodity or commodities within five days prior to the date of issuance of such temporary regulations or orders; but any such temporary regulation or order shall be effective for not more than sixty days, and may be replaced by a regulation or order issued under the foregoing provisions of this subsection.

"(b) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he shall issue a declaration setting forth the necessity for, and recommendations with reference to, the stabilization or reduction of rents for any defense-area housing accommodations within a particular defense-rental area. If within 60 days after the issuance of any such recommendations rents for any such accommodations within such defense-rental area have not in the judgment of the Administrator been stabilized or reduced by State or local regulation, or otherwise, in accordance with the recommendations, the Administrator may by regulation or order establish such maximum rent or maximum rents for such accommodations as in his judgment will be generally fair and equitable and will effectuate the purposes of this Act. So far as practicable, in establishing any maximum rent for any defense-area housing accommodations, the Administrator shall ascertain and give due consideration to the rents prevailing for such accommodations, or comparable accommodations, on or about April 1, 1941 (or if, prior or subsequent to April 1, 1941, defense activities shall have resulted or threatened to result in increases in rents for housing accommodations in such area inconsistent with the purposes of this Act, then on or about a date (not earlier than April 1, 1940), which in the judgment of the Administrator, does not reflect such increases), and he shall make adjustments for such relevant factors as he may determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs. In designating defense-rental areas, in prescribing regulations and orders establishing maximum rents for such accommodations, and in selecting persons to administer such regulations and orders, the Administrator shall, to such extent as he determines to be practicable, consider any recommendations which may be made by State and local officials concerned with housing or rental conditions in any defense-rental area.

"(c) Any regulation or order under this section may be established in such form and manner, may contain such classifications and differentiations, and may provide for such adjustments and reasonable exceptions, as in the judgment of the Administrator are necessary or proper in order to effectuate the purposes of this Act. Any regulation or order under this section which establishes a maximum price or maximum rent may provide

for a maximum price or maximum rent below the price or prices prevailing for the commodity or commodities, or below the rent or rents prevailing for the defense-area housing accommodations, at the time of the issuance of such regulation or order.

"(d) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act, he may, by regulation or order, regulate or prohibit speculative or manipulative practices (including practices relating to changes in form or quality) or hoarding, in connection with any commodity, and speculative or manipulative practices or renting or leasing practices (including practices relating to recovery of the possession) in connection with any defense-area housing accommodations, which in his judgment are equivalent to or are likely to result in price or rent increases, as the case may be, inconsistent with the purposes of this Act.

"(e) Whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year, he may, on behalf of the United States, without regard to the provisions of law requiring competitive bidding, buy or sell at public or private sale, or store or use, such commodity in such quantities and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof or otherwise to supply the demand therefor, or make subsidy payments to domestic producers of such commodity in such amounts and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof: *Provided*, That in the case of any commodity which has heretofore or may hereafter be defined as a strategic or critical material by the President pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, such determinations shall be made by the Federal Loan Administrator, with the approval of the President, and, notwithstanding any other provision of this Act or of any existing law, such commodity may be bought or sold, or stored or used, and such subsidy payments to domestic producers thereof may be paid, only by corporations created or organized pursuant to such section 5d; except that in the case of the sale of any commodity by any such corporation, the sale price therefor shall not exceed any maximum price established pursuant to subsection (a) of this section which is applicable to such commodity at the time of sale or delivery, but such sale price may be below such maximum price or below the purchase price of such commodity, and the Administrator may make recommendations with respect to the buying or selling, or storage or use, of any such commodity. In any case in which a commodity is domestically produced, the powers granted to the Administrator by this subsection shall be exercised with respect to importations of such commodity only to the extent that, in the judgment of the Administrator, the domestic production of the commodity is not sufficient to satisfy the demand therefor. Nothing in this section shall be construed to modify, suspend, amend, or supersede any provision of the Tariff Act of 1930, as amended, and nothing in this section, or in any existing law, shall be construed to authorize any sale or other disposition of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938, as amended, or to authorize the Administrator to prohibit trading in any agricultural commodity for future delivery if such trading is subject to the provisions of the Commodity Exchange Act, as amended.

"(f) No power conferred by this section shall be construed to authorize any action contrary to the provisions and purposes of section 3, and no agricultural commodity shall be sold within the United States pursuant to the provisions of this section by any governmental agency at a price below the price limitations imposed by section 3 (a) of this Act with respect to such commodity.

"(g) Regulations, orders, and requirements under this Act may contain such provisions as the Administrator deems necessary to prevent the circumvention or evasion thereof.

"(h) The powers granted in this section shall not be used or made to operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution, established in any industry, except to prevent circumvention or evasion of any regulation, order, price schedule, or requirement under this Act.

"(i) No maximum price shall be established for any fishery commodity below the average price of such commodity in the year 1941.

"AGRICULTURAL COMMODITIES

"SEC. 3. (a) No maximum price shall be established or maintained for any agricultural commodity below the highest of any of the following prices, as determined and published by the Secretary of Agriculture: (1) 110 per centum of the parity price for such commodity, adjusted by the Secretary of Agriculture for grade, location, and seasonal differentials, or, in case a comparable price has been determined for such commodity under subsection (b), 110 per centum of such comparable price, adjusted in the same manner, in lieu of 110 per centum of the parity price so adjusted; (2) the market price prevailing for such commodity on October 1, 1941; (3) the market price prevailing for such commodity on December 15, 1941; or (4) the average price for such commodity during the period July 1, 1919, to June 30, 1929.

"(b) For the purposes of this Act, parity prices shall be determined and published by the Secretary of Agriculture as authorized by law. In the case of any agricultural commodity other than the basic crops corn, wheat, cotton, rice, tobacco, and peanuts, the Secretary shall determine and publish a comparable price whenever he finds, after investigation and public hearing, that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities.

"(c) No maximum price shall be established or maintained for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to producers of such agricultural commodity a price for such agricultural commodity equal to the highest price therefor specified in subsection (a).

"(d) Nothing contained in this Act shall be construed to modify, repeal, supersede, or affect the provisions of the Agricultural Marketing Agreement Act of 1937, as amended, or to invalidate any marketing agreement, license, or order, or any provision thereof or amendment thereto, heretofore or hereafter made or issued under the provisions of such Act.

"(e) Notwithstanding any other provision of this or any other law, no action shall be taken under this Act by the Administrator or any other person with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture; except that the Administrator may take such action as may be necessary under section 202 and section 205 (a) and (b) to enforce compliance with any regulation, order, price schedule or other requirement with respect to an agricultural commodity which has been previously approved by the Secretary of Agriculture.

"(f) No provision of this Act or of any existing law shall be construed to authorize any action contrary to the provisions and purposes of this section.

"PROHIBITIONS

"SEC. 4. (a) It shall be unlawful, regardless of any contract, agreement, lease, or other obligation heretofore or hereafter entered into, for any person to sell or deliver any commodity, or in the course of trade or business to buy or receive any commodity, or to demand or receive any rent for any defense-area housing accommodations, or otherwise to do or omit to do any act, in violation of any regulation or order under section 2, or of any price schedule effective in accordance with the provisions of section 206, or of any regulation, order, or requirement under section 202 (b) or section 205 (f), or to offer, solicit, attempt, or agree to do any of the foregoing.

"(b) It shall be unlawful for any person to remove or attempt to remove from any defense-area housing accommodations the tenant or occupant thereof or to refuse to renew the lease or agreement for the use of such accommodations, because such tenant or occupant has taken, or proposes to take, action authorized or required by this Act or any regulation, order, or requirement thereunder.

"(c) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Administrator in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this Act, or to use any such information, for personal benefit.

"(d) Nothing in this Act shall be construed to require any person to sell any commodity or to offer any accommodations for rent.

"VOLUNTARY AGREEMENTS

"SEC. 5. In carrying out the provisions of this Act, the Administrator is authorized to confer with producers, processors, manufacturers, retailers, wholesalers, and other groups having to do with commodities, and with representatives and associations thereof, to cooperate with any agency or person, and to enter into voluntary arrangements or agreements with any such persons, groups, or associations relating to the fixing of maximum prices, the issuance of other regulations or orders, or the other purposes of this Act, but no such arrangement or agreement shall modify any regulation, order, or price schedule previously issued which is effective in accordance with the provisions of section 2 or section 206. The Attorney General shall be promptly furnished with a copy of each such arrangement or agreement.

"TITLE II—ADMINISTRATION AND ENFORCEMENT

"ADMINISTRATION

"SEC. 201. (a) There is hereby created an Office of Price Administration, which shall be under the direction of a Price Administrator (referred to in this Act as the 'Administrator'). The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of $12,000 per annum. The Administrator may, subject to the civil-service laws, appoint such employees as he deems necessary in order to carry out his functions and duties under this Act, and shall fix their compensation in accordance with the Classification Act of 1923, as amended. The Administrator may utilize the services of Federal, State, and local agencies and may utilize and establish such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed. Attorneys appointed under this section may appear for and represent the Administrator in any case in any court. In the appointment, selection, classification, and promotion of officers and employees of the Office of Price Administration, no political

test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

"(b) The principal office of the Administrator shall be in the District of Columbia, but he or any duly authorized representative may exercise any or all of his powers in any place. The President is authorized to transfer any of the powers and functions conferred by this Act upon the Office of Price Administration with respect to a particular commodity or commodities to any other department or agency of the Government having other functions relating to such commodity or commodities, and to transfer to the Office of Price Administration any of the powers and functions relating to priorities or rationing conferred by law upon any other department or agency of the Government with respect to any particular commodity or commodities; but, notwithstanding any provision of this or any other law, no powers or functions conferred by law upon the Secretary of Agriculture shall be transferred to the Office of Price Administration or to the Administrator, and no powers or functions conferred by law upon any other department or agency of the Government with respect to any agricultural commodity, except powers and functions relating to priorities or rationing, shall be so transferred.

"(c) The Administrator shall have authority to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere; for lawbooks and books of reference; and for paper, printing, and binding) as he may deem necessary for the administration and enforcement of this Act. The provisions of section 3709 of the Revised Statutes shall not apply to the purchase of supplies and services by the Administrator where the aggregate amount involved does not exceed $250.

"(d) The Administrator may, from time to time, issue such regulations and orders as he may deem necessary or proper in order to carry out the purposes and provisions of this Act.

"INVESTIGATIONS; RECORDS; REPORTS

"SEC. 202. (a) The Administrator is authorized to make such studies and investigations and to obtain such information as he deems necessary or proper to assist him in prescribing any regulation or order under this Act, or in the administration and enforcement of this Act and regulations, orders, and price schedules thereunder.

"(b) The Administrator is further authorized, by regulation or order, to require any person who is engaged in the business of dealing with any commodity, or who rents or offers for rent or acts as broker or agent for the rental of any housing accommodations, to furnish any such information under oath or affirmation or otherwise, to make and keep records and other documents, and to make reports, and he may require any such person to permit the inspection and copying of records and other documents, the inspection of inventories, and the inspection of defense-area housing accommodations. The Administrator may administer oaths and affirmations and may, whenever necessary, by subpena require any such person to appear and testify or to appear and produce documents, or both, at any designated place.

"(c) For the purpose of obtaining any information under subsection (a), the Administrator may by subpena require any other person to appear and testify or to appear and produce documents, or both, at any designated place.

"(d) The production of a person's documents at any place other than his place of business shall not be required under this section in any case in which, prior to the return date specified in the subpena issued with respect thereto, such person either has furnished the Administrator with a copy of such documents (certified by such person under oath to be a true and correct copy), or has entered into a stipulation with the Administrator as to the information contained in such documents.

"(e) In case of contumacy by, or refusal to obey a subpena served upon, any person referred to in subsection (c), the district court for any district in which such person is found or resides or transacts business, upon application by the Administrator, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof. The provisions of this subsection shall also apply to any person referred to in subsection (b), and shall be in addition to the provisions of section 4 (a).

"(f) Witnesses subpenaed under this section shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States.

"(g) No person shall be excused from complying with any requirements under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (U. S. C., 1934 edition, title 49, sec. 46), shall apply with respect to any individual who specifically claims such privilege.

"(h) The Administrator shall not publish or disclose any information obtained under this Act that such Administrator deems confidential or with reference to which a request for confidential treatment is made by the person furnishing such information, unless he determines that the withholding thereof is contrary to the interest of the national defense and security.

"PROCEDURE

"SEC. 203. (a) Within a period of sixty days after the issuance of any regulation or order under section 2, or in the case of a price schedule, within a period of sixty days after the effective date thereof specified in section 206, any person subject to any provision of such regulation, order, or price schedule may, in accordance with regulations to be prescribed by the Administrator, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections. At any time after the expiration of such sixty days any persons subject to any provision of such regulation, order, or price schedule may file such a protest based solely on grounds arising after the expiration of such sixty days. Statements in support of any such regulation, order, or price schedule may be received and incorporated in the transcript of the proceedings at such times and in accordance with such regulations as may be prescribed by the Administrator. Within a reasonable time after the filing of any protest under this subsection, but in no event more than thirty days after such filing or ninety days after the issuance of the regulation or order (or in the case of a price schedule, ninety days after the effective date thereof specified in section 206) in respect of which the protest is filed, whichever occurs later, the Administrator shall either grant or deny such protest in whole or in part, notice such protest for hearing, or provide an opportunity to present further evidence in connection therewith. In the event that the Administrator denies any such protest in whole or in part, he shall inform the protestant of the grounds upon which such decision is based, and of any economic data and other facts of which the Administrator has taken official notice.

"(b) In the administration of this Act the Administrator may take official notice of economic data and other facts, including facts found by him as a result of action taken under section 202.

"(c) Any proceedings under this section may be limited by the Administrator to the filing of affidavits, or other written evidence, and the filing of briefs.

"REVIEW

"SEC. 204. (a) Any person who is aggrieved by the denial or partial denial of his protest may, within thirty days after such denial, file a complaint with the Emergency Court of Appeals, created pursuant to subsection (c), specifying his objections and praying that the regulation, order, or price schedule protested be enjoined or set aside in whole or in part. A copy of such complaint shall forthwith be served on the Administrator, who shall certify and file with such court a transcript of such portions of the proceedings in connection with the protest as are material under the complaint. Such transcript shall include a statement setting forth, so far as practicable, the economic data and other facts of which the Administrator has taken official notice. Upon the filing of such complaint the court shall have exclusive jurisdiction to set aside such regulation, order, or price schedule, in whole or in part, to dismiss the complaint, or to remand the proceeding: *Provided*, That the regulation, order, or price schedule may be modified or rescinded by the Administrator at any time notwithstanding the pendency of such complaint. No objection to such regulation, order, or price schedule, and no evidence in support of any objection thereto, shall be considered by the court, unless such objection shall have been set forth by the complainant in the protest or such evidence shall be contained in the transcript. If application is made to the court by either party for leave to introduce additional evidence which was either offered to the Administrator and not admitted, or which could not reasonably have been offered to the Administrator or included by the Administrator in such proceedings, and the court determines that such evidence should be admitted, the court shall order the evidence to be presented to the Administrator. The Administrator shall promptly receive the same, and such other evidence as he deems necessary or proper, and thereupon he shall certify and file with the court a transcript thereof and any modification made in the regulation, order, or price schedule as a result thereof; except that on request by the Administrator, any such evidence shall be presented directly to the court.

"(b) No such regulation, order, or price schedule shall be enjoined or set aside, in whole or in part, unless the complainant establishes to the satisfaction of the court that the regulation, order, or price schedule is not in accordance with law, or is arbitrary or capricious. The effectiveness of a judgment of the court enjoining or setting aside, in whole or in part, any such regulation, order, or price schedule shall be postponed until the expiration of thirty days from the entry thereof, except that if a petition for a writ of certiorari is filed with the Supreme Court under subsection (d) within such thirty days, the effectiveness of such judgment shall be postponed until an order of the Supreme Court denying such petition becomes final, or until other final disposition of the case by the Supreme Court.

"(c) There is hereby created a court of the United States to be known as the Emergency Court of Appeals, which shall consist of three or more judges to be designated by the Chief Justice of the United States from judges of the United States district courts and circuit courts of appeals. The Chief Justice of the United States shall designate one of such judges as chief judge of the Emergency Court of Appeals, and may, from time to time, designate additional judges for such court and revoke previous designations. The chief judge may, from time to time, divide the court into divisions of three or more members, and any such division may render judgment as the judgment of the court. The

court shall have the powers of a district court with respect to the jurisdiction conferred on it by this Act; except that the court shall not have power to issue any temporary restraining order or interlocutory decree staying or restraining, in whole or in part, the effectiveness of any regulation or order issued under section 2 or any price schedule effective in accordance with the provisions of section 206. The court shall exercise its powers and prescribe rules governing its procedure in such manner as to expedite the determination of cases of which it has jurisdiction under this Act. The court may fix and establish a table of costs and fees to be approved by the Supreme Court of the United States, but the costs and fees so fixed shall not exceed with respect to any item the costs and fees charged in the Supreme Court of the United States. The court shall have a seal, hold sessions at such places as it may specify, and appoint a clerk and such other employees as it deems necessary or proper.

"(d) Within thirty days after entry of a judgment or order, interlocutory or final, by the Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a circuit court of appeals as provided in section 240 of the Judicial Code, as amended (U. S. C., 1934 edition, title 28, sec. 347). The Supreme Court shall advance on the docket and expedite the disposition of all causes filed therein pursuant to this subsection. The Emergency Court of Appeals, and the Supreme Court upon review of judgments and orders of the Emergency Court of Appeals, shall have exclusive jurisdiction to determine the validity of any regulation or order issued under section 2, of any price schedule effective in accordance with the provisions of section 206, and of any provision of any such regulation, order, or price schedule. Except as provided in this section, no court, Federal, State, or Territorial, shall have jurisdiction or power to consider the validity of any such regulation, order, or price schedule, or to stay, restrain, enjoin, or set aside, in whole or in part, any provision of this Act authorizing the issuance of such regulations or orders, or making effective any such price schedule, or any provision of any such regulation, order, or price schedule, or to restrain or enjoin the enforcement of any such provision.

"ENFORCEMENT

"SEC. 205. (a) Whenever in the judgment of the Administrator any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of section 4 of this Act, he may make application to the appropriate court for an order enjoining such acts or practices, or for an order enforcing compliance with such provision, and upon a showing by the Administrator that such person has engaged or is about to engage in any such acts or practices a permanent or temporary injunction, restraining order, or other order shall be granted without bond.

"(b) Any person who willfully violates any provision of section 4 of this Act, and any person who makes any statement or entry false in any material respect in any document or report required to be kept or filed under section 2 or section 202, shall, upon conviction thereof, be subject to a fine of not more than $5,000, or to imprisonment for not more than two years in the case of a violation of section 4 (c) and for not more than one year in all other cases, or to both such fine and imprisonment. Whenever the Administrator has reason to believe that any person is liable to punishment under this subsection, he may certify the facts to the Attorney General, who may, in his discretion, cause appropriate proceedings to be brought.

"(c) The district courts shall have jurisdiction of criminal proceedings for violations of section 4 of this Act, and, concurrently with State and Territorial courts, of all other proceedings under section 205 of this Act. Such criminal proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred. Except as provided in section 205 (f) (2), such other proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred, and may also be brought in the district in which the defendant resides or transacts business, and process in such cases may be served in any district wherein the defendant resides or transacts business or wherever the defendant may be found. Any such court shall advance on the docket and expedite the disposition of any criminal or other proceedings brought before it under this section. No costs shall be assessed against the Administrator or the United States Government in any proceeding under this Act.

"(d) No person shall be held liable for damages or penalties in any Federal, State, or Territorial court, on any grounds for or in respect of anything done or omitted to be done in good faith pursuant to any provision of this Act or any regulation, order, price schedule, requirement, or agreement thereunder, or under any price schedule of the Administrator of the Office of Price Administration or of the Administrator of the Office of Price Administration and Civilian Supply, notwithstanding that subsequently such provision, regulation, order, price schedule, requirement, or agreement may be modified, rescinded, or determined to be invalid. In any suit or action wherein a party relies for ground of relief or defense upon this Act or any regulation, order, price schedule, requirement, or agreement thereunder, the court having jurisdiction of such suit or action shall certify such fact to the Administrator. The Administrator may intervene in any such suit or action.

"(e) If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, the person who buys such commodity for use or consumption other than in the course of trade or business may bring an action either for $50 or for treble the amount by which the consideration exceeded the applicable maximum price, whichever is the greater, plus reasonable attorney's fees and costs as determined by the court. For the purposes of this section the payment or receipt of rent for defense-area housing accommodations shall be deemed the buying or selling of a commodity, as the case may be. If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, and the buyer is not entitled to bring suit or action under this subsection, the Administrator may bring such action under this subsection on behalf of the United States. Any suit or action under this subsection may be brought in any court of competent jurisdiction, and shall be instituted within one year after delivery is completed or rent is paid. The provisions of this subsection shall not take effect until after the expiration of six months from the date of enactment of this Act.

"(f) (1) Whenever in the judgment of the Administrator such action is necessary or proper in order to effectuate the purposes of this Act and to assure compliance with and provide for the effective enforcement of any regulation or order issued or which may be issued under section 2, or of any price schedule effective in accordance with the provisions of section 206, he may by regulation or order issue to or require of any person or persons subject to any regulation or order issued under section 2, or subject to any such price schedule, a license as a condition of selling any commodity or commodities with respect to which such regulation, order, or price schedule is applicable. It shall not be necessary for the Administrator to issue a separate license for each commodity or for each regulation, order, or price schedule with respect to which a license is required. No such license shall contain any provision which could not be prescribed by regulation, order, or requirement under section 2 or section 202: *Provided*, That no such license may be required as a condition of selling or distributing (except as waste or scrap) newspapers, periodicals, books, or other printed or written material, or motion pictures, or as a condition of selling radio time: *Provided further*, That no license may be required of any farmer as a condition of selling any agricultural commodity produced by him, and no license may be required of any fisherman as a condition of selling any fishery commodity caught or taken by him: *Provided further*, That in any case in which such a license is required of any person, the Administrator shall not have power to deny to such person a license to sell any commodity or commodities, unless such person already has such a license to sell such commodity or commodities, or unless there is in effect under paragraph (2) of this subsection with respect to such person an order of suspension of a previous license to the extent that such previous license authorized such person to sell such commodity or commodities.

"(2) Whenever in the judgment of the Administrator a person has violated any of the provisions of a license issued under this subsection, or has violated any of the provisions of any regulation, order, or requirement under section 2 or section 202 (b), or any of the provisions of any price schedule effective in accordance with the provisions of section 206, which is applicable to such person, a warning notice shall be sent by registered mail to such person. If the Administrator has reason to believe that such person has again violated any of the provisions of such license, regulation, order, price schedule, or requirement after receipt of such warning notice, the Administrator may petition any State or Territorial court of competent jurisdiction, or a district court subject to the limitations hereinafter provided, for an order suspending the license of such person for any period of not more than twelve months. If any such court finds that such person has violated any of the provisions of such license, regulation, order, price schedule, or requirement after the receipt of the warning notice, such court shall issue an order suspending the license to the extent that it authorizes such person to sell the commodity or commodities in connection with which the violation occurred, or to the extent that it authorizes such person to sell any commodity or commodities with respect to which a regulation or order issued under section 2, or a price schedule effective in accordance with the provisions of section 206, is applicable; but no such suspension shall be for a period of more than twelve months. For the purposes of this subsection, any such proceedings for the suspension of a license may be brought in a district court if the licensee is doing business in more than one State, or if his gross sales exceed $100,000 per annum. Within thirty days after the entry of the judgment or order of any court either suspending a license, or dismissing or denying in whole or in part the Administrator's petition for suspension, an appeal may be taken from such judgment or order in like manner as an appeal may be taken in other cases from a judgment or order of a State, Territorial, or district court, as the case may be. Upon good cause shown, any such order of suspension may be stayed by the appropriate court or any judge thereof in accordance with the applicable practice; and upon written stipulation of the parties to the proceeding for

suspension, approved by the trial court, any such order of suspension may be modified, and the license which has been suspended may be restored, upon such terms and conditions as such court shall find reasonable. Any such order of suspension shall be affirmed by the appropriate appellate court if, under the applicable rules of law, the evidence in the record supports a finding that there has been a violation of any provision of such license, regulation, order, price schedule, or requirement after receipt of such warning notice. No proceedings for suspension of a license, and no such suspension, shall confer any immunity from any other provision of this Act.

"SAVING PROVISIONS

"SEC. 206. Any price schedule establishing a maximum price or maximum prices, issued by the Administrator of the Office of Price Administration or the Administrator of the Office of Price Administration and Civilian Supply, prior to the date upon which the Administrator provided for by section 201 of this Act takes office, shall, from such date, have the same effect as if issued under section 2 of this Act until such price schedule is superseded by action taken pursuant to such section 2. Such price schedules shall be consistent with the standards contained in section 2 and the limitations contained in section 3 of this Act, and shall be subject to protest and review as provided in section 203 and section 204 of this Act. All such price schedules shall be reprinted in the Federal Register within ten days after the date upon which such Administrator takes office.

"TITLE III—MISCELLANEOUS

"QUARTERLY REPORT

"SEC. 301. The Administrator from time to time, but not less frequently than once every ninety days, shall transmit to the Congress a report of operations under this Act. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate, or the Clerk of the House of Representatives, as the case may be.

"DEFINITIONS

"SEC. 302. As used in this Act—

"(a) The term 'sale' includes sales, dispositions, exchanges, leases, and other transfers, and contracts and offers to do any of the foregoing. The terms 'sell', 'selling', 'seller', 'buy', and 'buyer', shall be construed accordingly.

"(b) The term 'price' means the consideration demanded or received in connection with the sale of a commodity.

"(c) The term 'commodity' means commodities, articles, products, and materials (except materials furnished for publication by any press association or feature service, books, magazines, motion pictures, periodicals and newspapers, other than as waste or scrap), and it also includes services rendered otherwise than as an employee in connection with the processing, distribution, storage, installation, repair, or negotiation of purchases or sales of a commodity, or in connection with the operation of any service establishment for the servicing of a commodity: *Provided*, That nothing in this Act shall be construed to authorize the regulation of (1) compensation paid by an employer to any of his employees, or (2) rates charged by any common carrier or other public utility, or (3) rates charged by any person engaged in the business of selling or underwriting insurance, or (4) rates charged by any person engaged in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio-broadcasting station, a motion-picture or other theater enterprise, or outdoor advertising facilities, or (5) rates charged for any professional services.

"(d) The term 'defense-rental area' means the District of Columbia and any area designated by the Administrator as an area where defense activities have resulted or threaten to result in an increase in the rents for housing accommodations inconsistent with the purposes of this Act.

(e) The term 'defense-area housing accommodations' means housing accommodations within any defense-rental area.

"(f) The term 'housing accommodations' means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes (including houses, apartments, hotels, rooming or boarding house accommodations, and other properties used for living or dwelling purposes) together with all privileges, services, furnishings, furniture, and facilities connected with the use or occupancy of such property.

"(g) The term 'rent' means the consideration demanded or received in connection with the use or occupancy or the transfer of a lease of any housing accommodations.

"(h) The term 'person' includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing: *Provided*, That no punishment provided by this Act shall apply to the United States, or to any such government, political subdivision, or agency.

"(i) The term 'maximum price', as applied to prices of commodities means the maximum lawful price for such commodities, and the term 'maximum rent' means the maximum lawful rent for the use of defense-area housing accommodations. Maximum prices and maximum rents may be formulated, as the case may be, in terms of prices, rents, margins, commissions, fees, and other charges, and allowances.

"(j) The term 'documents' includes records, books, accounts, correspondence, memoranda, and other documents, and drafts and copies of any of the foregoing.

"(k) The term 'district court' means any district court of the United States, and the United States Court for any Territory or other place subject to the jurisdiction of the United States; and the term 'circuit courts of appeals' includes the United States Court of Appeals for the District of Columbia.

"SEPARABILITY

"SEC. 303. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

"APPROPRIATIONS AUTHORIZED

"SEC. 304. There are authorized to be appropriated such sums as may be necessary or proper to carry out the provisions and purposes of this Act.

"APPLICATION OF EXISTING LAW

"SEC. 305. No provision of law in force on the date of enactment of this Act shall be construed to authorize any action inconsistent with the provisions and purposes of this Act.

"SHORT TITLE

"SEC. 306. This Act may be cited as the 'Emergency Price Control Act of 1942'."

And the Senate agree to the same.

HENRY B. STEAGALL,
CLYDE WILLIAMS,
BRENT SPENCE,
Managers on the part of the House.

PRENTISS M. BROWN,
CARTER GLASS,
JOHN A. DANAHER,
ALBEN W. BARKLEY,
J. H. BANKHEAD,
ROBERT A. TAFT,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompany conference report:

Declaration of purposes

Section 1 of the House bill stated the purposes of the act and contained the general standards under which the powers granted were to be exercised. These purposes were (1) the preservation of the national currency, (2) the stabilization of prices and the prevention of unwarranted increases therein, (3) the prevention of economic and other disturbances which would result in such unwarranted increases, (4) the elimination of profiteering, hoarding, and other disruptive practices resulting from abnormal market conditions, (5) the prevention of prospects of price rises from impeding defense production, (6) the prevention of dissipation of defense appropriations by excessive prices, (7) the maintenance of maximum necessary production, (8) the protection of persons with fixed incomes, (9) the prevention of a post-emergency collapse of values, (10) the stabilization of agricultural prices in the manner provided in section 3, and (11) the protection of the interests of those subject to the act by providing procedures for administration and review.

Section 1 of the Senate amendment also stated the purpose of the act and contained the general standards under which the powers granted were to be exercised. The Senate amendment omitted the purposes described above in (1), (3), (5), (6), (7), (9), (10), and (11). To the purpose described in the House bill of protecting persons with fixed incomes, the Senate amendment added the category consumers. The Senate amendment also added as additional purposes (1) the prevention of hardships to persons engaged in business, to schools, and to Federal, State, and local governments which would result from unwarranted price increases, (2) the securing of adequate production, and (3) the permission of voluntary cooperation between the Government and others to accomplish the other purposes of the bill.

Section 1 of the conference agreement omits the purposes of the House bill described above in (1), (3), (5), (7), and (11) in connection with the discussion of section 1 of the House bill, but includes the other purposes specified in the House bill and also includes the purposes referred to in (1), (2), and (3) described above in connection with the discussion of the Senate amendment.

Labor policy

The Senate amendment (sec. 1) declared it to be the policy of those departments and agencies of the Government dealing with wages, within the limits of their authority and jurisdiction, to work toward a stabilization of prices and cost of production. There was no similar provision in the House bill.

The conference agreement contains the substance of the Senate amendment in this respect and directs these agencies to work toward a stabilization of prices, fair and equitable wages, and cost of production.

Termination date

The House bill (sec. 1 (b)) provided that the act should terminate on June 30, 1943, or upon the date of a proclamation by the President that its further continuance is not necessary, or upon the date of enactment of an act of Congress terminating it, whichever date was the earlier.

The Senate amendment also provided that the act should terminate at such time as the Congress by concurrent resolution might designate.

The conference agreement retains the substance of the Senate amendment with respect to termination of the act by concurrent resolution.

Authority to prescribe maximum prices and maximum rents

The authority granted under the Senate amendment (sec. 2) to issue regulations and orders prescribing maximum prices and maximum rents differs substantially from that granted in section 2 of the House bill only in the following respects:

(1) Under the House bill the "base period" which was to be used for the purpose of determining the price to be given consideration in fixing a maximum price was the period October 1 to October 15, 1941. Under the Senate amendment, if for any reason the period October 1 to October 15, 1941, reflected abnormal market conditions for a particular commodity, then the nearest 2-week period which was not abnormal was to be the "base period" for that commodity.

(2) Under the Senate amendment the Administrator was given specific authority to issue temporary regulations establishing a maximum price or prices. The maximum price so established was to be the price prevailing on the date of the issuance of the temporary regulation or order. The temporary regulation or order was to be effective for not more than 60 days.

(3) Under the House bill the "base period" for rents was the period "on or about April 1, 1940." Under the Senate amendment the "base period" for rents was the period "on or about April 1, 1941", except in cases where defense activities had already resulted in increases in rents inconsistent with the act's purposes. In such cases the "base period" was the period on or about the nearest date (not earlier than April 1, 1940) which did not reflect such increases.

(4) Under the Senate amendment the only maximum prices which were authorized to be established were those which might be established by regulations of general applicability and effect.

Section 2 of the conference agreement, insofar as it grants power to fix maximum prices and maximum rents, is substantially the same as section 2 of the Senate amendment in that respect, except that in the case of rents, if the rents for housing accommodations in any defense rental area had not on April 1, 1941, resulted or threatened to result in an increase in rents inconsistent with the act's purposes, the conference agreement gives the Administrator power to fix as the "base period" a date later than April 1, 1941.

Price schedules of Office of Price Administration

The Senate amendment (sec. 206) provided that any price schedule issued by the Administrator of the Office of Price Administration (established under the President's Executive order) prior to the date upon which the Administrator provided for in the bill took office, should, from that date, have the same effect as if issued under section 2 of the bill, until such schedule should be superseded by a regulation or order under the bill. Such price schedules to be effective in this manner were to be consistent with the standards contained in section 2 and the limitations contained in section 3 (relating to agricultural commodities) and were subject to protest and review in the same manner as a regulation issued under section 2. There were no comparable provisions in the House bill.

The conference agreement contains the provisions of the Senate amendment in this respect.

Speculative and manipulative practices

Both the House bill and the Senate amendment in section 2 (d) gave power to regulate or prohibit speculative or manipulative practices which were equivalent to or likely to result in price or rent increases inconsistent with the purposes of the Act.

The conference agreement (sec. 2 (d)) also grants this authority.

The power to buy and sell

No authority to buy or sell commodities for price control purposes was given under the House bill. The Administrator provided for in the House bill was authorized (sec. 2 (e)), if he deemed it necessary in order to obtain the production of marginal producers, to notify the President, who in turn was authorized to direct any existing agency of the United States to exercise, in accordance with the directions of the President, any powers conferred upon it by law to buy or sell commodities, with the following limitations:

(1) only domestic commodities produced by marginal producers were to be bought or sold under this authority;

(2) strategic and critical materials were to be bought or sold only by corporations created pursuant to section 5d of the Reconstruction Finance Corporation Act, and only with the approval of the President and the Federal Loan Administrator;

(3) no sale or other disposition of any agricultural commodity under the bill or under any existing law was to be made contrary to the provisions of the Agricultural Adjustment Act of 1938; and

(4) the provisions of the Tariff Act of 1930 were expressly declared not to be affected.

The Senate amendment (sec. 2 (e)) gave the Administrator direct authority to buy or sell any commodity either for the purpose of obtaining maximum production or to prevent inflationary price increases. Funds appropriated for this purpose were to constitute a revolving fund. The Administrator was not limited under the Senate amendment to the purchase or sale of domestic products or products of marginal producers, but was authorized to import only to the extent that in his judgment the domestic production was insufficient to supply the damage therefor. Other limitations on this authority under the Senate amendment were:

(1) As in the House bill, the authority to deal in strategic and critical materials was to be exercised only by corporations created under section 5d of the Reconstruction Finance Corporation Act. An additional limitation in the Senate bill subjected such corporations to applicable price ceilings in the sale of any commodity.

(2) As in the House bill, the power to deal in commodities was subject to the applicable provisions of the Tariff Act of 1930, and it was provided that nothing in the bill or in existing law was to be construed to authorize the sale of any commodity contrary to the provisions of the Agricultural Adjustment Act of 1938.

(3) Nothing was to be construed to authorize the prohibition of futures trading in any commodity subject to the Commodity Exchange Act. There was no similar provision in the House bill.

The conference agreement (sec. 2 (e)) does not give the Administrator any power to buy or sell for the purpose of preventing price increases. It provides that whenever he determines that the maximum necessary production of any commodity is not being or may not be obtained, he may buy or sell, or store or use, such commodity in such quantities and in such manner and subject to such terms and conditions as he determines to be necessary to obtain the maximum necessary production or otherwise to supply the demand therefor, or he may make subsidy payments to domestic producers of the commodity in such amounts as he determines to be necessary to obtain the maximum necessary production. In the case of strategic and critical materials (as defined by the President under sec. 5d of the Reconstruction Finance Corporation Act) the above determinations are to be made, notwithstanding any power of the President to transfer functions, by the Federal Loan Administrator with the approval of the President, and the powers granted to be exercised only by corporations organized under such section 5d. The other provisions of the Senate amendment relating to the buying and selling powers of these corporations, relating to importation, the Tariff Act, and trading in futures, are also contained in the conference agreement. The provisions of the Senate amendment providing for a revolving fund are omitted from the conference agreement.

The limitations contained in the conference agreement on the power to buy and sell agricultural commodities are as follows:

(1) No sale or disposition under section 2 of the bill or under any existing law is to be made contrary to the provisions of the Agricultural Adjustment Act of 1938, as amended.

(2) No sale of any agricultural commodity is to be made within the United States by any governmental agency under section 2 at a price below any of the prices specified in section 3 (a). The provisions of section 3 (f) of the conference agreement contain, in general terms, a similar limitation with respect to sales of agricultural commodities by any governmental agency under other provisions of law.

(3) No power under section 2 of the conference agreement (which includes most of the basic powers in the bill) is to be construed to authorize any action contrary to the provisions and purposes of section 3.

Provisions relating to regulations and orders establishing maximum prices and maximum rents

The House bill (sec. 2 (c)) provided that any regulation or order establishing a ceiling might be established in such form and manner, contain such classifications and differentiations, and provide for such adjustments, as in the judgment of the Administrator were necessary or proper.

The Senate amendment (sec. 2 (c)) extended this provision of the House bill to any regulation or order issued under the act, and provided that any such regulation or order could contain reasonable exceptions.

The conference agreement makes this provision applicable to any regulation or order under section 2, and also provides that such regulations and orders may contain reasonable exceptions.

The House bill (sec. 2 (h)) provided that regulations and orders under section 2 might contain such provisions as the Administrator deemed necessary to prevent their circumvention or evasion.

The Senate amendment made this provision applicable to all regulations and orders issued under the act.

The conference agreement (sec. 2 (g)) is similar to the Senate amendment in this respect.

Established means and aids to distribution

The House bill (sec. 2 (g)) provided that the powers granted in section 2 should not be used or made to operate to compel changes in certain established aids to distribution, except to prevent circumvention or evasion of a ceiling established under the bill.

The Senate amendment (sec 2 (h)) contained a similar provision.

The conference agreement provides that the powers granted in section 2 shall not be so used except to prevent circumvention or evasion of any regulation, order, price schedule, or requirement under the act.

Agricultural provisions

The House bill (sec. 3) provided that no ceiling could be established for an agricultural commodity below either (1) 110 per centum of the parity price, or (2) the price on October 1, 1941, or (3) the average price during the period July 1919 to June 1929. It further provided that any ceiling established for any commodity processed or manufactured in whole or substantial part from an agricultural commodity must be consistent with the purposes of the agricultural provisions and not be established so as to vitiate or to circumvent, or to prevent the effectuation of, the purpcses of these provisions.

The House bill further provided that nothing therein or in any existing law should be construed to authorize action contrary to these provisions, and that nothing in the section of the bill authorizing the buying and selling of commodities (sec. 2 (e)) or in existing law should be construed to authorize the sale of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938 (which prescribe the minimum price at which, and the maximum quantities in which, cotton may be sold by the Commodity Credit Corporation).

The Senate amendment provided that no maximum price should be established or maintained for any agricultural commodity below either (1) the emergency wage parity price, or (2) the price on October 1, 1941, or December 15, 1941, or (3) the average price during the period July 1919 to June 1929. "Emergency wage parity price" was to be determined by the Secretary of Agriculture by giving weight, in the manner described in section 3 (b) of the Senate amendment, to urban wage rates. The weight to be thus given was 20 per centum of the other factors. The emergency wage parity price took the place of 110 per centum of parity specified in the House bill, and the price on December 15, 1941, was added as an additional floor for any maximum price.

The treatment of commodities processed or manufactured in whole or substantial part from any agricultural commodity was virtually the same in the Senate amendment as under the corresponding provision of the House bill.

The provision in the House bill requiring that nothing in existing law was to be construed to authorize action contrary to the provisions and purposes of the agricultural provisions was omitted from the Senate amendment, and the Senate amendment simply provided that nothing in the act was to be so construed. The Senate amendment further provided, however, that nothing in the Act was to be construed to affect provisions of the Agricultural Marketing Agreement Act of 1937, or to invalidate any marketing agreement, license, or order heretofore or hereafter issued under that act. That act authorizes the Secretary of Agriculture, among other things, to issue orders prescribing minimum prices for certain specified agricultural commodities.

The section of the Senate amendment authorizing the buying and selling of commodities (sec. 2 (e)) provided, as did the corresponding provision of the House bill, that nothing therein was to be construed to authorize any sale of an agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938.

The provisions of the Senate amendment which authorized the Administrator to require licenses provided that no license might be required of any farmer as a condition of selling any agricultural commodity produced by him. There were no licensing provisions in the House bill.

Finally, the Senate amendment provided that no action was to be taken under the act with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture. There were no corresponding provisions of the House bill.

The conference agreement (sec. 3) provides that no maximum price shall be established or maintained for any agricultural commodity below (1) 110 per centum of the parity price, or in case a comparable price has been determined (under provisions discussed below), 110 per centum of the comparable price in lieu of 110 per centum of the parity price, or (2) the market price on October 1, 1941, or (3) the market price on December 15, 1941, or (4) the average price during the period July 1, 1919 to June 30, 1929.

The Secretary of Agriculture is to determine and publish a "comparable price" for any nonbasic agricultural commodity whenever he finds, after investigation and public hearing, that its production and consumption has so changed in extent or character since the base period as to result in a price out of line with parity prices on basic commodities.

Maximum prices on commodities processed or manufactured in whole or substantial part from any agricultural commodity are required to be so established or maintained as to reflect to producers of such agricultural commodity a price for such agricultural commodity equal to the highest price therefor specified above.

The conference agreement also retains the provisions of the Senate amendment under which the Agricultural Marketing Agreement Act of 1937, as amended, and licenses, marketing agreements, and orders heretofore or hereafter made or issued thereunder are not to be in any manner affected by the bill.

The provisions of the Senate amendment requiring action of the Administrator with respect to any agricultural commodity to have the prior approval of the Secretary of Agriculture is retained, but it is made clear that action which is thus subject to such approval does not include action to enforce compliance with a regulation or order of the Administrator previously approved by the Secretary of Agriculture.

The provisions of the House bill providing that nothing in the act or in any existing law is to be construed to authorize any action contrary to the provisions and purposes of this section (the application of which to the power to buy and sell is discussed above under that subject) is also contained in the conference agreement.

The licensing provisions of the conference agreement (sec. 205 (f)) deny the power to require of a farmer a license as a condition of selling any agricultural commodity produced by him.

The provisions of the conference agreement (sec. 201) which authorize the transfer of functions to the Price Administrator provide that no functions conferred by law upon the Secretary of Agriculture, and no functions conferred by law on any other governmental agency with respect to agricultural commodities, other than those with respect to priorities and rationing, shall be so transferred.

Fishery commodities

The House bill (sec. 2 (1)) provided that no price ceiling should be placed upon any fishery commodity below the average price for such commodity in the year 1941 nor below the average cost of production at the time the ceiling was set. There were no corresponding provisions in the Senate amendment.

The conference agreement provides that no maximum price shall be placed upon any fishery commodity below the average price of such commodity in the year 1941, and also provides in section 205 (f) that no license may be required of any fisherman as a condition of selling any fishery commodity caught or taken by him.

Prohibitions

The House bill (sec. 4) made it unlawful—

(1) to sell or deliver any commodity, or

(2) to demand or receive any rent, or

(3) otherwise to do or omit to do any act, in violation of any regulation or order under section 2, or any regulation, order, or requirement under section 202. The House bill also made it unlawful to remove or attempt to remove from any defense-area housing accommodations the tenant or occupant or to refuse to renew the lease, because the tenant or occupant took or proposed to take action authorized or required by the Act. The House bill also made it unlawful for any officer or employee of the Government to disclose, otherwise than in the course of official duty, any information obtained under the Act.

The Senate amendment (sec. 4) made it unlawful—

(1) to sell or deliver any commodity, or

(2) in the course of trade or business to buy or receive any commodity, or

(3) to demand or receive any rent, or

(4) otherwise to do or omit to do any act, in violation of any regulation, order, or requirement under the Act, or in violation of any price schedule effective in accordance with section 206. The other provisions of section 4 of the Senate amendment were the same as the corresponding provisions of the House bill.

The conference agreement follows the provisions of the Senate amendment except that the regulations, orders, and requirements it is made unlawful to violate are limited to regulations, orders, and requirements issued under section 2 and section 202 (b) (discussed below).

Voluntary agreements

The Senate amendment (sec. 5) authorized the Administrator to confer with producers, processors, manufacturers, retailers, wholesalers, and other groups having to do with commodities, to cooperate with any agency or person, and to enter into voluntary arrangements or agreements with such persons or groups, relating to the fixing of maximum prices or otherwise. There was no corresponding provision in the House bill.

The conference agreement (sec. 5) authorizes the Administrator to confer with producers, processors, manufacturers, retailers, wholesalers, and other groups having to do with commodities, to cooperate with any agency or person, and to enter into voluntary arrangements or agreements with such persons, relating to the fixing of maximum prices or the other purposes of the Act. A copy of each such arrangement and agreement is to be promptly furnished to the Attorney General, and no such arrangement or agreement is to permit any action contrary to any regulation or order under section 2 or section 206.

Administration and review

Both the House bill and the Senate amendment vested the administration of the bill in a single Price Administrator. The House bill, however, provided also for a five-man Board of Administrative Review with authority to affirm, modify, or reverse any regulation or order of the Administrator. Judicial review of decisions of the Board of Administrative Review might be had under the House bill by petition to the United States circuit courts of appeals.

In lieu of these provisions for administrative review by a five-man board followed by judicial review by the circuit courts of appeals the Senate amendment provided (1) for the formation of representative Industry Advisory Committees and for consultation by the Administrator with such committees, and (2) direct judicial review of regulations and orders of the Administrator by an Emergency Court of Appeals, composed of Federal judges, designated for service on such court by the Chief Justice of the United States. The Senate amendment also provided that a statement of considerations must accompany every regulation or order establishing a maximum price, that every such regulation or order should be subject to protest proceedings, that if any protest should be denied the Administrator must advise the protestant of

the grounds upon which such denial was based, and that the Administrator must include in the transcript before the Emergency Court of Appeals the economic data and other facts of which he had taken official notice.

Under the Senate amendment employees of the Administrator receiving $4,000 or more and all chiefs of regional and State offices were to be appointed with the advice and consent of the Senate.

The conference agreement contains the provisions of the Senate amendment with respect to administration and review except that the provisions discussed above requiring Senate confirmation of employees and chiefs of regional and State offices is omitted.

Transfer of functions

The Senate amendment (sec. 201 (b)) authorizing the President to transfer any powers of the Administrator under the bill with respect to any commodity to any other governmental agency having other functions with relation to such commodity, and to transfer to the Administrator any powers of any other governmental agency with respect to any commodity other than an agricultural commodity.

The conference agreement (sec. 201 (b)) contains a similar provision, but limits the functions of other governmental agencies which may be transferred to the Administrator to those relating to priorities and rationing. The conference agreement also provides that no function conferred by law on the Secretary of Agriculture, and no function conferred by law on any other governmental agency with respect to any agricultural commodity, other than functions relating to priorities and rationing, may be so transferred.

Obtaining information

The House bill (sec. 203) authorized the Administrator, the Board of Administrative Review, or any member thereof to administer oaths and affirmations and to subpena witnesses and require the production of documents.

The Senate amendment (sec. 202) authorized the Administrator to make such studies and investigations, and to obtain or require the furnishing of such information under oath or otherwise, as he deemed necessary in the administration and enforcement of the act. For these purposes the Administrator was authorized to require by subpena the attendance of witnesses and the production of documents, to require persons to permit the inspection and copying of documents and inventories, and to require the making and keeping of records and other documents. The production of documents was not to be required where undue hardship would result or where the desired information could be obtained from copies.

The conference agreement (sec. 202) follows the provisions of the Senate amendment except that—

(1) Subpenas issued to persons not engaged in dealing with commodities or renting defense-area housing accommodations may be enforced only by application to the appropriate court for an order. Subpenas issued to persons who are so engaged may be enforced in this manner and also through criminal prosecution for willful disobedience to the subpena.

(2) No documents are to be required to be produced in any case in which before the return date specified in the subpena the person concerned has either furnished a certified copy or has entered into a stipulation with the Administrator as to the information contained therein.

Enforcement

Under the House bill, in addition to criminal prosecutions, the Administrator was authorized to enforce regulations or orders issued by him by bringing suit to enjoin violations of such regulations or orders.

The Senate amendment and the conference agreement retain these provisions but also provide for the licensing of sellers of any commodity whenever such licensing is necessary to secure compliance with regulations and orders under the bill. No person may be refused a license. No license may contain any provision which cannot otherwise be prescribed by regulation or order under section 2 or 202. No license may be required of any farmer or fisherman. No license may be required as a condition of selling newspapers, or other printed or written material, or motion pictures, or radio time. No action can be taken for the first violation; a warning notice alone may be sent. In the event of further violation the license may be suspended, but only by a court, not by the Administrator, and then only for such period as the court may determine, in no event to exceed 12 months. The conference agreement adds a further provision that any license which has been suspended by the court may be reinstated, or the order modified, upon written stipulation of the parties, approved by the trial court, upon such terms and conditions as the court shall find reasonable. All such proceedings must be brought in a State court unless the licensee is doing business in more than one State or unless his gross sales exceed $100,000 per annum. In such cases suspension proceedings may also be brought in the Federal district courts. Every order of suspension is subject to review on appeal, and all such orders may be stayed in accordance with the applicable practice.

The Senate amendment also contains a further provision, retained in the conference agreement, which permits a civil action by noncommercial consumers for treble the amount of any unlawful overcharge (or a minmum of $50) made by any seller of any commodity subject to a price ceiling. The operation of this provision, however, is postponed until 6 months after the effective date of the bill.

Definition of commodity

Under both the House bill (sec. 302 (c)) and the Senate amendment (sec. 302 (c)) the powers of the Administrator with respect to commodities was limited by the definition of commodity. The House bill defines commodity to include services rendered otherwise than as an employee in connection with the processing, distribution, storage, etc. of a commodity, or in connection with the operation of any service establishment. Nothing in the bill was to be construed to authorize the regulation of (1) compensation paid by an employer to any of his employees, or (2) rates charged by any common carrier or other public utility.

The Senate amendment excluded from the definition of commodity books, magazines, motion pictures, periodicals and newspapers, and materials furnished for publication by any press association or feature service. It also provided, in addition to what was provided in the House bill, that nothing was to be construed to authorize the regulation of the rates charged (1) by any person selling or underwriting insurance, or (2) by any person engaged in the business of operating or publishing a newspaper, periodical, or magazine, or operating a broadcasting station or a motion picture or other theatre enterprise, or outdoor advertising facilities, or (3) for professional services.

The conference agreement adopts the provisions of the Senate amendment.

HENRY B. STEAGALL,
CLYDE WILLIAMS,
BRENT SPENCE,
Managers on the part of the House.

Mr. STEAGALL. Mr. Speaker, it will be recalled that the chief controversy when this bill was originally under consideration by the House related to the provisions of the bill reported by the House Committee on Banking and Currency providing authority in the administrator to license the sale of commodities, with power to revoke such licenses.

The report adopted by the committee of conference of the two Houses, embodied, without very substantial difference, the provision that was offered in the House as a committee amendment to the original bill by the Committee on Banking and Currency.

The controversy in the committee and in the House, with reference to the licensing provisions of the bill, hinged upon whether the administrator should be given authority to revoke a general license for the conduct of business or should be limited to the revocation of the license to sell a particular article.

The Senate bill follows substantially the provisions incorporated in the committee amendment offered by the House committee. As finally agreed upon, the provision in the bill would authorize the requirement that licenses be obtained by sellers of commodities and would authorize the revocation of such licenses only by a competent court upon petition of the administrator, after a warning to the seller had been disregarded; so I think it is fair to say that the licensing provision embodied in the conference report represents substantially the views of the House Committee on Banking and Currency.

In any event, there is no power to revoke a license except by a proceeding in a court of competent jurisdiction. An application for a revocation of license must be filed in a State court unless the seller does a business representing an annual gross income of $100,000 or is engaged in interstate business. The licensing provision is in addition to provisions that would authorize injunction proceedings and criminal prosecution.

Another provision that has been controversial throughout the entire consideration of the bill hinges on the question of the authority to be established for the administration of the law. The House bill provided for the administration of the law by a single administrator, whose office was created by the bill. There was included in the House bill as reported by the Committee on Banking and Currency a provision establishing a special appellate court of not less than three circuit or district court judges, named by the Chief Justice of the United States, with the right to add additional members whenever required, the court to be permitted to sit in divisions when necessary. The provision also gave anybody dissatisfied with any order, ceiling, or regulation of the Administrator the right to appear and protest the action of the Administrator. The Administrator was required to take action on such protest within 30 days. Thirty days would be allowed in which an appeal might be made to the Emergency Court of Appeals established under the bill, with the duty of the court to review the decision of the Administrator in establishing ceilings or other regulations under the bill.

The conference report follows substantially the bill reported by the House Committee on Banking and Currency. That

is the plan embodied in the conference report.

It will be recalled that the House adopted a plan to set up a Board of Review of five members, to be appointed by the President and to be confirmed by the Senate, the members to receive salaries of $10,000 annually, such Board to have the right to review the action of the Administrator. As indicated by the gentleman from Michigan [Mr. WOLCOTT] these are the principal differences that will be discussed in connection with this report today.

The conferees rejected a Senate provision which would have required all personnel in the office of the Price Administrator drawing salaries of as much as $4,000 a year to be confirmed by the Senate.

The conferees rejected the so-called O'Mahoney amendment to section 3, which is the section of the bill limiting the powers of the Administrator relating to farm commodities. I assume that Members are familiar with the history of that phase of the legislation.

The conferees accepted the so-called Bankhead amendment, which provides that any action by the Administrator relating to agricultural commodities shall first be approved by the Secretary of Agriculture. I wish to say in that connection that I do not believe that those of us who favored that provision in conference violated the sentiment of the House. Under the law, the Secretary of Agriculture has been directed to offer inducements and rewards to accomplish increased production of farm commodities essential to the Nation's defense program. To authorize some other agency or authority to nullify such action on the part of the Secretary of Agriculture, it seemed to us, would have been inconsistent and very unwise, so that provision of the Senate bill was accepted.

There are numerous changes that could be discussed as reported by the conferees, but I believe I have indicated the points of difference on matters of paramount importance.

Mr. COX. Mr. Speaker, will the gentleman yield to me?

Mr. STEAGALL. I yield to the gentleman from Georgia.

Mr. COX. May I inquire of the gentleman if it is still contemplated that Mr. Henderson will be named administrator under the law?

Mr. STEAGALL. Of course, the gentleman from Georgia has just as much information in that regard as I have. It is assumed and generally understood that the administration of the law will be lodged in Mr. Henderson. I have no direct word from the President that would enable me to answer specifically the inquiry of my friend from Georgia.

Mr. COX. Will the gentleman permit me to say that I do not know that I have ever agreed with Mr. Henderson in anything he has ever said except the appellation which he applied to himself, which, I think, is rather characteristic, yet statements made to me by the gentleman handling this bill, and other members of his committee who have been wrestling with the proposition for many months, have convinced me it is going to take just the sort of man that Mr. Henderson says he happens to be to administer this law and, therefore, so far as Mr. Henderson is concerned, I am rather disposed to withdraw my objection to the bill.

Mr. STEAGALL. I may say to the gentleman that the act, as reported by the conferees, would embody a provision for a court of appeals composed of the judges of circuit or district courts, appointed by the Chief Justice of the United States to sit upon the action of the Administrator, whoever he may be.

Mr. Speaker, I reserve the balance of my time.

Mr. JOHNS. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman.

Mr. JOHNS. How does the court expect to enforce its orders if it cannot issue restraining orders on the matters before it? I notice under subsection (c), on page 10, that the court shall issue no restraining orders. I am wondering how it is going to enforce its judgments.

Mr. STEAGALL. It cannot issue interlocutory orders, but the order stands unless set aside by the court, and there are in the bill provisions for injunctions and for criminal proceedings against violators.

Mr. JOHNS. Is that against the Administrator?

Mr. STEAGALL. I do not catch the gentleman's question.

Mr. JOHNS. The language is that the court shall have the powers of a district court with respect to the jurisdiction conferred on it by the act, except that the court shall not have power to issue any temporary restraining order or interlocutory decrees staying or restraining in whole or in part the effectiveness of any regulation or order issued under section 2.

Mr. STEAGALL. That is quite true and quite clear. It is not considered desirable that there should be such an order. It is the view of those who are responsible for the act that the power to set aside an order should be final action and that there should not be temporary injunctions or restraining orders pending final decision, but that the order of the Administrator should stand until set aside by order of a duly constituted court.

Mr. JOHNS. Then the court does have the power, in its final judgment, to set aside its order and restrain the Administrator?

Mr. SPENCE. Mr. Speaker, will the gentleman yield to me?

Mr. STEAGALL. I yield to the gentleman.

Mr. SPENCE. As I understand, a temporary restraining order is issued upon execution of a bond, and the language provides that no temporary restraining order or no temporary injunction is issued without hearing.

Mr. JOHNS. Then the court has the power to issue a final order restraining the Administrator if it wants to do so?

Mr. STEAGALL. That is correct.

Mr. PACE. Mr. Speaker, will the gentleman yield to me?

Mr. STEAGALL. I yield to the gentleman from Georgia.

Mr. PACE. I would like to get one thing definitely clear with regard to buying and selling. As I understand subsection (f) of section 2 of the bill, after the Administrator has put up any commodity, under this bill he cannot sell it on the market for less than the commodity selling price.

Mr. STEAGALL. That is correct. The law is very specific that no sale of any such commodity may be made contrary to the provisions of section 3 of the act. I am sure the gentleman is familiar with section 3. They are the provisions which limit the power of the administrator to establish maximum prices on farm commodities.

Mr. PACE. That is correct. When he offers them for sale he cannot offer them at less than those prices.

Mr. STEAGALL. That is correct. Otherwise we would be in the attitude of having conferred upon the Administrator through his buying and selling authority, a power to sell commodities contrary to the provisions of section 3 and which would nullify the provisions of that section. There is also a similar limitation, stated in general terms, that no action may be taken under authority of section 2 or any other law contrary to the provisions of section 3. That in itself would cover the situation, but we also have the specific provision in the bill, as indicated to the gentleman.

Mr. COFFEE of Nebraska. In that connection section 3 would also prohibit the Commodity Credit Corporation from selling any of their stock below the price fixed.

Mr. STEAGALL. Yes, and we also undertake in this bill to preserve, or at least to make sure that we do not destroy or nullify any of the protection for agricultural commodities embodied in the Agricultural Adjustment Act, which was passed as the deliberate action of the Congress, as a result of years and years of mature consideration by the committees of both the House and the Senate and by both Houses themselves.

Mr. COFFEE of Nebraska. The gentleman indicated that the O'Mahoney amendment had been rejected.

Mr. STEAGALL. We adopted two of the provisions of that amendment. I overlooked referring to them because, comparatively speaking, they are of minor importance. When I spoke of having rejected the O'Mahoney amendment, I meant, of course, the provisions of that amendment which undertook to draw urban wages into account, in determining the relationship of agricultural prices to other commodities. We did accept two provisions of that amendment. One was the provision which preserves and retains in full force and effect all marketing agreements that may be entered into by the Secretary of Agriculture under authority of law, and we adopted also in the conference report a provision of the O'Mahoney amendment which sets December 15 as the date on which prices must be observed by the Administrator in fixing the final price. In other words, that the Administrator could not go below the prices of commodities obtaining on the date December 15.

Mr. COFFEE of Nebraska. Or October 1, whichever is the highest.

Mr. STEAGALL. Yes; the two items to which the gentleman refers are in the O'Mahoney amendment.

Mr. COFFEE of Nebraska. That amendment is very important to the livestock interests.

Mr. STEAGALL. Yes; and I am sure there is no objection to the December amendment because it seems to be agreed by everybody familiar with the business that there would have been a comparative injustice done to the tobacco growers, and to some other commodities if such a provision had not been in the bill.

Mr. KLEBERG. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. KLEBERG. Is there any provision in this bill requiring the Administrator to examine into the costs that enter into the production of various commodities on which he is going to fix prices?

Mr. STEAGALL. The Administrator is required to take into consideration all of the factors that should enter into that calculation.

Mr. KLEBERG. Is there any direction in this bill to the Administrator as to how he shall arrive at those costs—any definite channelized effort by which he should arrive at a price?

Mr. STEAGALL. No; we did not set that out.

Mr. KLEBERG. In the present provision, the buying and selling provision in the bill, is there any reference made to the removal of tariffs affecting the imports of agricultural commodities from other countries?

Mr. STEAGALL. There is a specific provision in the bill to the effect that existing tariff laws are to be observed in all transactions.

Mr. KLEBERG. As well as the livestock sanitary regulations that exist, I presume?

Mr. STEAGALL. There isn't any such provision.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. O'CONNOR. Respecting the tariff, does it apply to any importation of wool?

Mr. STEAGALL. It applies to anything that may be done under the buying and selling provision of section 2 of the bill. What we tried to do was to preserve the law already adopted by the Congress representing the fixed policy of the Government, and not to nullify any such law.

Mr. O'CONNOR. Does the report in respect to the power given to the Secretary of Agriculture give him the last word in fixing the price on farm commodities?

Mr. STEAGALL. The gentleman does not quite express the provisions of the bill. He is given, not the last, but the first word. The provision is that no action with respect to agricultural commodities may be made effective by the Price Administrator without the prior approval of the Secretary of Agriculture.

Mr. O'CONNOR. Then he has veto power. Is that not correct?

Mr. STEAGALL. Well, it might be so called.

Mr. PACE. Mr. Speaker, will the gentleman yield further?

Mr. STEAGALL. I yield.

Mr. PACE. With reference to the tariff, I think many Members of the House are interested in this feature, that in order to carry out the proposed Rio agreement which was suggested last week it would be necessary to secure legislative authority, and it is not contained in this bill, to waive all import duties and tariffs.

Mr. STEAGALL. The provisions of this bill are the provisions of the original House bill reported to the House and were written without any contemplation of recent international agreements.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. MAY. Of course, I want the gentleman to understand I am at a disadvantage in connection with this legislation by reason of the fact that I received a copy of the hearings 15 days ago and have not had time to open them yet; but I am a little confused about one thing which I would like to know about. We have certain strategic war materials that are essential to our national defense at home undeveloped. There are large areas, both in some of the South American countries and in Cuba—for instance, manganese, chrome, tungsten, and tin—that already bear a tariff. Now, if the tariff remains against those products, how much encouragement or how much chance will we have to get any of those when in fact we are not getting any at home?

Mr. STEAGALL. The committee felt when this original bill was under consideration that the policy of the Government with respect to the tariff should not be disturbed by this legislation and such questions should be fought out on their merits just as had been the case in the establishment of the policy of the Government theretofore.

Mr. MAY. Just one other question and then I am through. Of course, I may be stepping on somebody's toes when I mention the subject of sugar, because there are beet-sugar producers and cane-sugar producers, and they have a vast amount of sugar in Cuba. I understand that has all been contracted for at about $2.60 per hundred pounds, which is probably 5 or 6 cents below the market, but that it bears a tariff nevertheless. Now, if sugar is essential to make alcohol for war purposes, and if we have got a shortage of sugar, where you and I can only get 2 pounds a week, what is the matter with taking the tariff off of sugar that comes from the outside?

Mr. STEAGALL. There is nothing the matter with taking any tariff off as far as my vote is concerned in this House, but we do think that matters of that kind should be settled on their merits and that we should not take advantage of this emergency dealing with the matter of prices, to nullify anything already done by the Congress, representing the deliberate policy of the people of the Nation.

Mr. FULMER. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. FULMER. I understand the bill carries a provision for fixing a ceiling at 110 percent of parity.

Mr. STEAGALL. That is correct.

Mr. FULMER. As a floor or a ceiling?

Mr. STEAGALL. The provision is that no ceiling may be established below 110 percent of parity; not authorizing a direct ceiling at 110 percent, but saying that no ceiling shall be established at less than 110 percent of parity.

Mr. FULMER. And in certain months?

Mr. STEAGALL. In certain months, also naming the 1st of October 1941, saying that no price ceiling or maximum price shall be established at less than the price prevailing on any agricultural commodity on the 1st day of October 1941. Then in addition we have December 15, whichever is higher. Then we have the period of 1919 to 1929, saying that no ceiling or maximum price should be established on any agricultural commodity at less than the average price prevailing during those years.

Mr. FULMER. Would Mr. Henderson be permitted under this bill to sell any farm commodity unless the price went beyond that floor?

Mr. STEAGALL. He would have no authority whatever to do so. Under section 2 of this bill there is a specific provision saying that he cannot sell any agricultural commodity acquired except within the limitations of the provisions of section 3 and within the limitations of the provisions of the Agricultural Adjustment Act.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield.

Miss SUMNER of Illinois. But there is nothing in this bill to prevent the Commodity Credit Corporation dumping its stocks and lowering the price, is there?

Mr. STEAGALL. Yes; and we have undertaken in this bill—and we think we have succeeded—in preserving in toto the benefits carried by the provisions of the Agricultural Adjustment Act, which does set up rules and limitations under which such commodities may be sold. I think the lady fully understands that provision of the bill.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. KEEFE. Does this bill contemplate in any way any action on the part of the Administrator to control the price of commodities that do not move in interstate commerce?

Mr. STEAGALL. Oh, certainly. The purpose of this bill is price control that will prevent inflationary tendencies, as far as may be done.

Mr. KEEFE. Does the gentleman contemplate that the Administrator will have the power and that Congress has the power to legislate giving him the power to control the price of commodities that are not moving in interstate commerce?

Mr. STEAGALL. Undoubtedly that is true under the war powers.

Mr. KEEFE. All right. I just want to have that statement appear. Now may I ask this question of the gentleman: On page 6 of the bill there is an exception providing that nothing contained in this act shall be construed to modify, repeal, supersede, or void the

provisions of the Agricultural Marketing Agreement Act of 1937. Under that act certain marketing agreements have been entered into in various milkshed areas throughout the United States. Yesterday on the air the Social Security Agency put on a program in which they advocated milk as the No. 1 cardinal diet for the people of the United States of America. Now, then, you are holding out to the people in the cities of America a control over the price of milk to the men, women, and children in these cities. Is there anything in this bill that will control the price of milk in the cities having the so-called marketing agreements under the Agricultural Marketing Agreement Act of 1937?

Mr. STEAGALL. There is conferred by this bill full authority with respect to all foods and all commodities except as limited by the specific provisions of this bill. One of those provisions is the marketing agreement provision of the Agricultural Act to which I have called attention. That legislation represents deliberate action on the part of Congress fought out here on its merits and conferred specifically upon the Secretary of Agriculture the power to fix minimum prices on certain commodities, including milk. It was not thought that these acts of Congress which I have repeatedly stated represent the deliberate action of the people of the United States should be nullified by anything in this bill dealing with the matter of price control.

Mr. KEEFE. Then the matter of fact is, is it not, that by the passage of this bill you in no way seek to control the price of any product that is controlled by the Agricultural Marketing Agreement Act; and this means principally milk?

Mr. STEAGALL. Not contrary to those agreements. Otherwise, the authority is ample.

Mr. KEEFE. Then if the gentleman will permit one further question, is it not true that in a community such as the District of Columbia that is subject to a milk-marketing agreement where the price is fixed, this price-control bill will in no sense control the price of milk, a cardinal item of diet?

Mr. STEAGALL. That is not true, but under this bill there cannot be any nullification of the action of the Department of Agriculture fixing minimum prices.

Mr. COLE of Maryland. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. COLE of Maryland. I have before me an article from a Baltimore paper of Saturday last which states that substantial price increases in many important foodstuffs are provided by the price-control bill now under consideration in Congress.

Mr. STEAGALL. To start with, of course, that is not true. We have not provided any price of any kind on anybody. We have only set limitations upon the Administrator.

Mr. COLE of Maryland. If the gentleman will permit me to finish my question—the article then stated definitely a number of important items, but I mention only three: Eggs, current price of 46 cents, potential price 62 cents; lamb, current price 25 cents, potential price 33 cents; rye bread, pound loaf, current price 9 cents, potential price 15.2; whole-wheat bread, current price, 6.5, potential price, 15.3.

I am wondering if the gentleman has any computation or any analysis, any figures either to contradict these outrageous increases or to give us the benefit of some information more accurate.

Mr. STEAGALL. I will insert in the RECORD a table that will give the authoritative figures from the Department of Agriculture that will supply the information the gentleman desires. Let me say in this connection that a great many misleading statements have been issued in connection with this legislation based upon partial figures that do not convey the real situation.

Mr. COLE of Maryland. I hope the gentleman will place that information in the RECORD.

Mr. STEAGALL. Let me also say in connection with the statement the gentleman has read that there is nothing in this bill which says there cannot be an increase in any price on any article on which the Administrator is authorized to establish limitations. Such criticism can be lodged against every possible commodity as to which any authority is conferred under this act.

Mr. COLE of Maryland. I assume that the paper which published this article had some experts working on the bill. I hope the gentleman in his remarks will give the Congress and the country the benefit of anything that might contradict these statements of terrific increases in price.

Mr. STEAGALL. I am going to insert in the RECORD figures supplied by the Department of Agriculture which will cover the subject to which the gentleman refers.

Farm price equivalent of alternative maximum price schedules for selected agricultural commodities under section 3 (a) of House and Senate versions of the emergency price-control bill, Dec. 15, 1941

Commodity	Farm price, 1909–14	Parity price, Dec. 15	Alternative ceiling measures				
			Emergency wage parity, Dec. 15 (basis 1931–40)	110 percent of parity, Dec. 15, 1941	Estimated farm price, Oct. 1	Farm price, Dec. 15	Average farm price, 1919–29
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Wheat, cents per bushel	88.4	127.3	146.0	140.0	93.4	102.2	132.5
Corn, do	64.2	92.4	101.0	101.6	67.8	66.9	88.9
Oats, do	39.9	57.5	54.0	63.2	39.4	45.2	47.4
Barley, do	61.9	89.1	80.0	98.0	50.5	56.1	69.3
Rice (rough), do	81.3	117.1	129.0	128.8	92.9	143.9	127.0
Flaxseed, dollars per bushel	1.69	2.43	2.65	2.67	1.74	1.78	2.34
Dry beans, dollars per hundredweight	3.37	4.85	5.42	5.34	4.31	4.93	5.77
Cotton, cents per pound	12.4	17.86	20.0	19.65	17.04	16.23	21.47
Cottonseed, dollars per ton	22.55	32.47	39.08	35.72	50.36	44.65	37.20
Potatoes, cents per bushel	113.8	101.3	118.0	111.4	65.8	82.7	124.5
Sweetpotatoes, do	87.8	126.4	135.0	139.0	90.2	86.6	134.4
Hay, dollars per ton	11.87	17.09	15.08	18.80	8.14	9.43	13.53
Burley tobacco, cents per pound	22.2	25.3	31.0	27.8	[1] 29.2	[1] 29.2	22.3
Flue-cured tobacco, do	22.9	26.1	31.0	28.7	[1] 28.5	[1] 28.5	24.0
Peanuts, do	4.8	6.9	5.6	7.6	4.4	4.79	5.8
Apples, dollars per bushel	0.96	1.38	1.52	1.52	0.86	1.09	1.46
Hogs, dollars per hundredweight	7.22	10.40	12.35	11.44	10.59	10.21	9.77
Beef cattle, do	5.21	7.50	9.95	8.25	9.27	9.38	7.18
Veal calves, do	6.75	9.72	12.15	10.69	11.20	11.22	9.65
Lambs, do	5.87	8.45	11.50	9.30	9.75	9.86	11.12
Butterfat [2], cents per pound	26.3	41.4	49.0	45.5	37.0	36.0	44.0
Chickens (live), do	11.4	16.4	23.0	18.0	16.2	15.8	21.1
Turkeys (live), do	14.4	20.7	28.0	22.8	18.2	20.9	28.8
Eggs [2], cents per dozen	21.5	38.4	42.0	42.2	31.0	34.1	33.2
Wool, cents per pound	18.3	26.4	37.0	29.0	36.3	37.1	34.1
Sugarcane [3], dollars per ton	3.73	(5.37)	----------	(5.91)	[4] 3.65	[4] 3.65	5.93
Sugar beets, do	5.50	(7.92)	----------	(8.71)	[4] 6.15	[4] 6.15	8.34

Columns 1 and 2: Average prices 1909–14 and parity prices Dec. 15 as reported in Midmonth Local Market Price Report, U. S. Department of Agriculture. Column 3: Wage parity plan as given in CONGRESSIONAL RECORD, Jan. 10, p. 229. Column 4: 110 percent of column 2. Column 5: Average of Sept. 15 and Oct. 15 reported prices. Columns 6 and 7: Reported in Midmonth Local Market Price Report, U. S. Department of Agriculture.

[1] Season average price, preliminary.
[2] Seasonally adjusted.
[3] Louisiana only.
[4] Season price for sugarcane estimated at $3.65 plus about $0.92 Government payments and $0.30 bonus from processors; sugar beets, estimated at $6 to $6.25, plus $1.90 Government payments.

Mr. KOPPLEMANN. Mr. Speaker, will the gentleman yield?

Mr. STEAGALL. Yes, Mr. Speaker, I yield to the gentleman from Connecticut, and then I must proceed.

Mr. KOPPLEMANN. Recalling the statement just made by the gentleman from Maryland that the potential price of eggs is 62 cents under this bill, may I say to the gentleman from Alabama, my distinguished chairman, that eggs are today 62 cents.

Mr. STEAGALL. They might go to $62 so far as any provision of this law is concerned, in the absence of action by the Administrator. That is true of every commodity. The Administrator fixes the ceiling maximum prices. This bill does not go further than that. It only authorizes price control by order of the Administrator. The bill does place limitations on his authority. Agriculture is not the only thing in this bill as to which there are limitations upon the power of the Administrator. There are limitations as to wages, and with reference to the press; it is true with reference to radio operations and other things.

Mr. SMITH of Ohio. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. With reference to the $12,000 salary provision in section 201, we all know that Leon Henderson is already the Price Administrator. Directly and indirectly he has perhaps exercised more power over prices than was exercised during the last World War. The bill before us is largely perfunctory anyway. Without it the Price Administrator would probably continue his present policy of arbitrarily extending his authority over the prices of more and more commodities until he has all of them under his control. I am wondering what justification there is for raising the Price Administrator's salary from $10,000 to $12,000 a year.

Mr. STEAGALL. I think the gentleman is familiar with the history of the matter of the salary of the Administrator. When the House adopted the provision in the original bill establishing an office of Administrator by law, the salary was placed at $10,000 without inquiry or thought on the matter of salary, or giving it any distinct consideration by the committee. The bill went through the House in that form. It turned out that the Administrator is being paid $12,000 a year under Executive order; so the Senate fixed the salary of the Administrator at $12,000 a year instead of $10,000 a year and the House conferees accepted that. There are so many things of transcendent importance in this legislation and the matter is so urgent I do not think the conferees on the part of the House felt that a great deal of time should be devoted to fighting over the question of salary when there is only $2,000 a year difference. This will operate for only 2 years under the present law, and possibly for a less time. Everybody recognizes it is an easy matter to make the salary $12,000, $15,000, or more, by Executive order. Under the circumstances we thought the matter too trivial for the House conferees to delay the report because of that provision.

Mr. SAUTHOFF. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Wisconsin.

Mr. SAUTHOFF. In the first paragraph on page 2 there is a declaration of policy which says of the departments and agencies of the Government dealing with wages, including a number of war bureaus, that within the limits of their authority and jurisdiction, they shall work toward stabilization of prices, fair and equitable wages, and cost of production. When this bill was before the House for consideration I offered an amendment that no ceiling could be fixed by the Price Administrator on any farm commodity below the cost of production. The committee turned that amendment down. Why one law for others and a different law for the farmers?

Mr. STEAGALL. The record speaks for itself. Mr. Speaker, I reserve the balance of my time.

Mr. WOLCOTT. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker, for almost 7 months now we have had before us this all-absorbing and very important economic question of price control. So far as the House is concerned, with the exception of some minor softening language in respect to licensing, we are back just where we started in July of 1941.

In this conference which we have just had those who believed that the House version should be adopted were strangely enough very much in the minority. The other body of the Congress was very willing at all times to yield in respect to the provisions of the Senate bill on those questions which the administration did not want and were adamant that there be written in the bill all of the provisions which the administration wanted. In consequence, the conferees were successful in nullifying the months of debate, discussion, and consideration which had been given to this matter by the House and they bring back to you now with the exceptions I have noted the bill as it was originally introduced last July.

It has frequently been discussed that because of Pearl Harbor there will be sufficient sentiment in the House to adopt this bill in substantially the same form as it was introduced last July. I want you to bear with me in the statement that there is very little relationship between this bill and the war effort. I see many confronted with the thought that this bill is essential to the war effort, it is essential to keep prices down because of the tremendous amount of money being appropriated and spent in behalf of the war, that there is danger of inflation. There is an affiliation, but it is economic and has very little relationship to our defense and war effort.

We all were solicitous of a price-control bill. If I may be pardoned for a personal reference, the afternoon that this bill was passed on the floor, I spent half of my time, as did other members of the committee who were anxious that some kind of a price-control bill be written, fighting off attempts to strike out the enacting clause. We felt that we should have a price-control bill, but we were conscious of the fact that as the bill was written there were strong indications that certain people were more concerned with the control of business, agriculture, and industry than they were in the control of prices. That thought prevailed in this House, and anything to the contrary notwithstanding, this House wrote and adopted a good price-control bill without giving these men, bureaucrats they have been called, but call them what you please, any more control over business, agriculture, and industry than was essential to carry out the purposes of the bill.

It was definitely decided on this floor that it was not necessary that the Administrator have the power to issue licenses to enforce these ceilings. It was thought essential that there be some method of review whereby an aggrieved person might be heard in respect to his grievance. This House, conceding that that was essential, wrote in a very desirable provision in the bill which set up the machinery for effective reviews. The boys downtown did not want either of those provisions.

In addition to that we were confronted in conference with an entirely new philosophy of price fixing; buying and selling in the open market for the purpose of stabilizing prices. You will recall that we very definitely decided that matter here on the floor; we decided to give the Administrator the power he had asked for, power sufficient to authorize him to buy and sell for the purpose of encouraging production—that had to do with marginal and high-cost producers—only to find that the Senate had written back into the bill this most obnoxious provision, which authorized him to go into the domestic market and the foreign market and buy and sell all commodities and even futures to control the prices of commodities.

We were confronted in the Senate, and we still are, with a provision which authorizes the transfer of the functions and powers of other executive agencies to the Price Administrator. I say categorically that under the provisions of this bill as it has been presented to you now, certain functions of the Securities and Exchange Commission, certain functions of the Reconstruction Finance Corporation, functions of the Federal Trade Commission, and functions of the Labor Department, to mention only a few of them, may be transferred to Mr. Henderson.

Mr. Speaker, I know that I stand here as one of a minority trying to do the best we can to safeguard democracy. That is why you wrote into the bill when it was before the House these limitations upon the authority of any bureaucrat who might be more interested in the control of business than the control of prices.

What did the other body do in that respect? They did not seem to have even as much confidence in the proposed Administrator as we did, because they compelled every one of his employees receiving more than $4,000 annually to be confirmed by that body. They did not trust Mr. Henderson very far or they would not have written into their bill the provision that all employees receiving a salary of more than $4,000 a year would have to be confirmed by the Senate.

They did not trust the Administrator very far because they wrote into this bill a provision that all his actions in respect to farm commodities must be subject to the review and the approval of the Department of Agriculture. Has not labor just as much right to be heard before some board of review after the action as agriculture has to be heard before the action is taken? Has not the businessman the same right to be heard after the action is taken that anyone else has to be heard before the action is taken? Why these two provisions? Why the provision limiting the transfer of executive powers and functions to others than the Department of Agriculture? Because the majority of the other body did not trust the Administrator of this act.

I do not speak for him, I do not speak against him. We are confronted with a situation, a plain, simple, parliamentary situation. If the people of this Nation, if the Congress of the United States, had the faith and confidence in Leon Henderson which they have in some other officers of the Government, this bill would have been a law 5 months ago, and we know it. The only reason we have not had a price-control bill, and I want the country to hear this and know it—and this is the reason why you have held it up, the reason why we have been fighting for 7 months here—is that we doubt that Leon Henderson is temperamentally fitted to do this job. That is the situation. He is a splendid fellow. I do not believe that he is a Communist; they did not make out their case against him in that respect. But I do say to you, and this is serious, that in the face of the fact that 44,000 businesses are closing, in the face of the fact that 5,000 to 6,000 industries are closing their doors and from 1,000,000 to 2,000,000 men are being laid off, in the face of the fact that little industries all over the United States in almost every district are closing their doors because of the maladministration or misadministration of this and other acts, no responsible administrator, no administrator in whom you and I should have confidence, has any business clowning on a bicycle with a blond down on Pennsylvania Avenue. That is serious. My mail has been full of protests against turning the administration of this act over to a man who can clown in the face of disaster. That is the condition which confronts us, and to which we must give consideration. I say that that furthers the argument that there should be some restraint upon the activity of this Administrator. There should be some restraint upon his authority without any method of review whatever, except the legal right to set the ceiling, to put business out of business. Can he do that? He has done it, and he justifies it in the name of economic discipline.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Speaker, I yield myself 5 additional minutes.

Under the licensing provisions of this bill he has the power, under a provision on page 15, subdivision (i), under the definition of "Maximum price," to set the margin of profit of any business. Mr. Ginsburg, who sat constantly throughout the sessions of the conference, told us that in all probability that was the manner in which prices would be controlled.

They are not going to put a ceiling on all the articles a hardware merchant sells or all the articles a grocer or a haberdasher sells. They are going to license his margin.

In the language on page 15, in subsection (i), you will note that—

> Maximum prices and maximum rents may be formulated, as the case may be, in terms of prices, rents, margins, commissions, fees, and other charges, and allowances.

That is the way they are going to do it.

I recall the storm of protest that came up in this House and in the other body when the Secretary of the Treasury a few weeks ago suggested—as a matter of fact, in the hearings on this bill—that the profits of any business be limited to 6 percent. Under this bill the Price Administrator can fix the margin of profit of every business in the United States at 1 or 1½ percent, if he thinks that kind of economic discipline is essential to carrying on the war effort.

Do you want to do it? It is a matter of policy, of course, which you have the legal right to adopt if you think it is the right thing to do.

There is no provision in the bill for any review whatsoever on that, although they will tell you they have got to go into court to take away any license. The only question before that court is whether the Administrator had the legal right to set the ceiling, to make the order or the regulation upon which the license is granted, and if the court finds that the Administrator had the legal right to establish a ceiling and did not act arbitrarily or capriciously, which means outside the law, then the court is bound to confirm the provisions of the license and to take it away if there is a violation of it, even though the violation of it seems necessary to keep that business going and, perhaps, keep thousands of men employed.

So we expect to make a motion to recommit this conference report to the conferees with the provision that we strike out licensing. Licensing is not necessary. In order to enforce it the Administrator must go into the court. All right. He can go into the court and ask for orders to show cause why an injunction should not issue. Now, he has a double-barreled thing there. If he asks for an order why an injunction should not issue, he can get a temporary order and the merchant can be compelled to put up a compliance bond. He can get a permanent injunction. He can put him out of business. He can forfeit the bond. He can send him to jail for contempt. He can have him fined $5,000 or go to prison for a year, under his jurisdiction in this bill. He has got to go into court anyway, so why does he not accept the injunction method instead of the licensing method? He has more to work on in that respect than he does with licenses. Now, all I have asked and all we have asked in respect of review——

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Speaker, I yield myself 2 additional minutes.

All we have asked in respect of the review proceedings—and do not misunderstand this—is that business and agriculture and labor and industry have some place to go to to review these ceilings, the justiciability of the proceedings, the equity of the ceilings, and, at least, there would be a certain psychological effect, and that is in keeping with everything which I think is republican or democratic.

During the review the ceiling stays on. The President very obviously was of the opinion that this review ipso facto removed the ceiling. It does not under the House bill. The ceiling stays there and the Board is given an opportunity to review it and then remove it. What is the psychology of it? The psychology of the Board is this: Mr. Henderson, respecting the fact that there is a board of review which will review his ceilings, undoubtedly will consult with that board before he sets the ceiling. And so we take care of the consulting features of this bill. And after he has made a mistake, if he makes one, it gives business, agriculture, and industry an opportunity to be heard, and invites a correction of the error.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I notice the statement that the conference report, as agreed upon, does not give the Administrator the power to buy for the purpose of preventing price increases——

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Speaker, I yield myself 5 additional minutes.

Mr. CASE of South Dakota. Or for the purpose of controlling production. Is there any limit in the bill as to the amount, in dollars, that the Administrator can make contracts for in buying or selling?

Mr. WOLCOTT. It is limited only by the appropriations of Congress, because, as I understand, that provision authorizes him to buy and sell; and in that provision, which you will find on page 4, there is an implied authorization, and the only limit on it is the amount which Congress appropriates for that purpose.

Mr. CASE of South Dakota. Suppose he made a contract to buy or sell before Congress made the appropriations. Would not Congress be obligated to make the appropriations in whatever amount he made contracts by his purchases?

Mr. WOLCOTT. I believe Congress would be morally bound to do so.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Kentucky.

Mr. MAY. I was under the impression the licensing feature had been left out of the bill; but what I want to ask the gentleman about is this: With the power that this Administrator will have under the licensing provision, plus the power to go out in the open market under the marketing provisions, would he not, in fact, have power to destroy just any industry or any business that he wanted to, if he desired to shut them down?

Mr. WOLCOTT. He has, and he has done that in the name of economic discipline. He is closing a little factory

in my district today up at Port Austin—the Mayes Tool Co. They are forced out of business, although they have ample raw materials to run for months. They are out of business, although that little town is dependent upon that industry. They have done this in the name of economic discipline, and it is expected they will do it again and again and again.

Mr. KOPPLEMANN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. KOPPLEMANN. I am very much interested in the gentleman's opening statement to the effect that this bill, as reported by the conferees, is very much like the bill as first introduced in July 1941. I was amazed at that statement, to say the least, because I see in the bill as reported by the conferees a considerable difference. Does not the gentleman know that there is a considerable difference?

Mr. WOLCOTT. What has the gentleman in his mind?

Mr. KOPPLEMANN. I have in mind particularly increases in food prices permitted. Is not that a big difference?

Mr. WOLCOTT. Yes; it is a very big difference, a difference with which I am in favor, because at least one branch of our economy in this country is having a little protection thrown around it.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. COOLEY. The gentleman made the statement that in all probability the Administrator would confer with the Board before imposing a ceiling. Does the gentleman realize that on former occasions when ceilings have been imposed, as, for instance, the price upon southern timber and upon cottonseed oil, the Administrator did not call his advisory committee together, and did not confer with it regarding the order?

Mr. WOLCOTT. The difference under this would be that the Board would have authority to set aside the ceiling, and under the situation referred to in the gentleman's statement the Board did not have that authority, so I think the psychology of the House bill would compel the Administrator to confer with the Board, before he sets the ceiling.

Mr. COOLEY. Under what circumstances would the Board have any authority to set aside the ceiling?

Mr. WOLCOTT. Where an inequity was being done, under which a price was set on one grocery in one town, and another price in another town, if one of the grocers considered himself aggrieved, he could come in before this Board.

Mr. COOLEY. Does the gentleman mean that the Board could issue an order that would have the effect of modifying the price set?

Mr. WOLCOTT. Yes; under the House bill.

Mr. COOLEY. Then under the House bill he may have one price prevailing in one store in one section and in another section a different price.

Mr. WOLCOTT. Under the present bill it is not contemplated that we would have a set price on commodities that would prevail throughout the United States. They have the power here to make adjustments, geographical and seasonal adjustments, so that the price of cotton textiles, for example, in one section of the country might be different from the price of cotton textiles in another section of the country.

Mr. COOLEY. The point is that he could have one price prevailing in a grocery store on this side of the street, and on the other side of the street a different price prevailing.

Mr. WOLCOTT. Yes; he surely could.

The SPEAKER pro tempore. The time of the gentleman from Michigan has again expired.

Mr. WOLCOTT. Mr. Speaker, I will take 5 minutes more.

Mr. JOHNS. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. JOHNS. I asked a question of gentlemen on the other side, and if I understand them correctly, a man who appeals to the court has no right of injunction to prevent somebody putting him out of business until the court has finally decided the matter.

Mr. WOLCOTT. The gentleman is absolutely correct.

Mr. JOHNS. On the other hand, the Administrator can go into court any time he wants to and put up a bond, so that he could put the man out of business.

Mr. WOLCOTT. The gentleman is correct.

Mr. JOHNS. What about this court that is going to be created?

Mr. WOLCOTT. This court can merely review the simple question of whether the action of the Administrator in setting a ceiling is in accordance with the law. If the court finds that the price was set in accordance with the law, it cannot disturb the price.

Mr. JOHNS. And this emergency court and the Supreme Court of the United States have exclusive jurisdiction of all of these matters. Does a man who lives in California have to come down here to Washington to have his case tried.

Mr. WOLCOTT. It would be possible to compel him to do so.

Mr. JOHNS. It is probable, is it not, that that would be what the situation is?

Mr. WOLCOTT. I think there is a provision in the licensing section which allows him to bring it in any court, and the language is that it may be brought in a court where the violation occurs or where a violator lives.

Mr. JOHNS. That is true where a penalty is inflicted, but where the price is fixed he can try it only before this emergency court and the Supreme Court?

Mr. WOLCOTT. I believe the gentleman is correct, because we cannot imagine that the emergency court of appeals is going to be traveling around throughout the United States conducting hearings.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. AUGUST H. ANDRESEN. Will the gentleman explain to the House why the O'Mahoney amendment affecting agricultural prices was not given consideration?

Mr. WOLCOTT. Because the President did not want it and because the Senate yielded before the House had an opportunity to accept it.

Mr. O'CONNOR. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. O'CONNOR. I would like to know if there is anything in this bill or conference report that protects a farmer in a case of this kind. I received an interesting card from a man in my State the other day. He said he had just gone to town and got 20 cents a dozen for his eggs. Then he asked me if I was in the market for a chicken farm. I want to point out that these high prices that the people are paying for the things they have to buy are not due to anything paid to the farmer. In many instances he is getting the lowest price for his products that he received during the past 10 years. In addition to that, I received a letter the other day stating that a farmer had sold some beef at 9 cents a pound over the scales when he went to town, and he bought some beef for his neighbor's supper; he paid 55 cents a pound. You can see what kind of a deal the farmer is getting. Is there anything in this bill that protects these men who produce the things we eat against profiteering by the people who sell to the consumer?

Mr. WOLCOTT. The only protection there is in the bill in that respect is the fact that if a ceiling is placed it must be according to the formula which has been adopted, and that constitutes a floor in respect to those products only which the Department of Agriculture controls. But as far as eggs and dairy products are concerned, I do not see anything in this bill which even encourages a reasonable return to the farmer.

Mr. O'CONNOR. In other words, he has not even been considered at all?

Mr. WOLCOTT. No. I might say that the way the Senate wrote this bill, after all of our talk about the O'Mahoney amendment and the Bankhead amendment and the Brown amendment, and so forth, the Administrator could buy and sell agricultural commodities other than basic commodities, to wholly defeat the purposes of the bill in respect to agricultural safeguards.

Mr. O'CONNOR. Exactly; and that is what he can do under this licensing system.

Mr. WOLCOTT. I am afraid he can.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield further?

Mr. WOLCOTT. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman states that the formula laid down for agricultural prices will be the floor. Does the gentleman imagine that Henderson will raise farm prices above that floor?

Mr. WOLCOTT. I sympathize with the conclusions that these so-called floors undoubtedly may become ceilings.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Speaker, I yield myself 2 additional minutes.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Miss SUMNER of Illinois. In the committee, the gentleman from Texas [Mr.

PATMAN] asked him if he would raise prices if there had been a strike and the employer had granted increased prices, and he said in that case he would raise prices. The gentleman from Texas [Mr. PATMAN] then asked him if wages were increased on the farm would he raise the ceiling, and he said no, he would not do it because the wage earner would not get it.

Mr. WILLIAM T. PHEIFFER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. WILLIAM T. PHEIFFER. As a matter of fact, is there not real danger under the licensing provisions of the conference report, that it can be used as an instrument of persecution as was done in the days of N. R. A., with your local committees fixing maximum prices, and consequently a man will be put out of business just because some of the local men forming this committee say that he is not complying with the law? We will have the same old horrible situation that we had in the days of the Blue Eagle.

Mr. WOLCOTT. I quite agree with the gentleman that that can be done.

I just want to say in closing that I have reason to believe that if this bill is sent back to conference with some indication that this House insists upon there being some restraints upon the activity of the Administrator, some protection given industry, agriculture, and labor, the conferees will be able to work out something which will be satisfactory. In respect to labor, have in mind, Mr. Speaker, that we have a labor provision in this bill, and I respectfully call it to your attention. In the purposes of the bill it says that it shall be the policy of those departments and agencies of the Government dealing with wages, within the limitations of their authority and jurisdiction, to work toward stabilization of prices, fair and equitable wages, and cost of production.

I do not know how much authority a declaration of policy carries with it, but I think we had better find out before we do anything about it.

The SPEAKER pro tempore. The time of the gentleman from Michigan has again expired.

Mr. WOLCOTT. Mr. Speaker, I yield 15 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Speaker, "a patriot is a man who won't let anybody loot his country, but sees no harm in getting his share."

There is nothing in this bill regulating wages. Labor organizations have seen to that.

The bill provides full protection for the farmer. The farmers' organizations have seen to that.

Labor asserts itself to be more patriotic than others. Farmers assert themselves to be more patriotic than all others.

"A patriot is a person who won't let anyone loot his country, but sees no harm in getting his share."

These point with some reason to the huge profits made by contractors in this hour of our Nation's peril. So the real patriots must be among the boys who have been "yanked" into the trenches, and the small business man and his employees, forced to patriotism by action and order of their own Government. This price-control bill is a "travesty of price control" and so recognized.

I might spend my time discussing the details of this bill; that would be easy; he who runs may read; others especially interested may excuse and explain in an endeavor to convince themselves, and perhaps you. It gives some authority to control prices, though grudgingly granted. We would perhaps get a worse bill if recommitted to the committee. Other powerful organizations demanding an umbrella would be loosed upon our Members.

Why are the consumers dumb to their impending danger? Scarce a word have we heard from them. Violent denunciations are plentiful enough in the editorial columns of the principal newspapers. It is of no avail. If a legislator is sent here from a "bean" section, he will—and seemingly must—protect beans. His constituents demand it to be his first interest. Difficult it is for most to sacrifice themselves and their "bean" constituents. If one thinks politics easy, "try sitting on top of a high rail fence and keeping one ear close to the ground."

Mr. HULL. Mr. Speaker, will the gentlemen yield?

Mr. GIFFORD. I yield.

Mr. HULL. I was very much interested in the gentleman's discussion of beans. I wonder if the gentleman would not go a little further and take up the matter of fish.

Mr. GIFFORD. Yes, I will; I have it here.

Miss SUMNER of Illinois. How can the gentleman say there is nothing in the bill tending to depress wages when the Administrator has the right to fix retail prices, and when he does they will be fixed and the wages will be lowered accordingly?

Mr. GIFFORD. I am at a disadvantage. I can argue with the lady only with my heart, not my brain.

This is rightly termed "a farm relief bill." We have passed many such. We are in complete sympathy with, and control of, the farmers, and they are well and fully organized. Both political parties find they could not remain in power or regain power without them.

They have found and coined the magic word "parity." Soon many other classes of citizens will select a period of their greatest prosperity and demand the same happy condition. This does not present a pretty picture to the ordinary citizen, sometimes termed "the forgotten man."

I trust that I may have a little political sense. I asked that fish and fishermen be granted about the same consideration as the farmers. This was most cheerfully granted. However, no fishermen or fishermen's organization appealed to me. I fancy they are really most patriotic. I know they are. But, of course, I should be expected to watch over their interests when others are getting theirs.

Mr. MURRAY. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. MURRAY. Does the gentleman realize that in this bill they have put a $1.55 strait-jacket ceiling, over a large group, the big group of dairy farmers in this country? And yet the farmers in Massachusetts still are enjoying the benefits of a $3.25 ceiling on their milk without any control over it.

Mr. GIFFORD. I am a farmer and I have now decided to enlarge those activities. If milk has the advantage the gentleman says it has, perhaps I will go into the milk business. I will plow up some 12 acres more. At least the farmers are going to be protected. I am sorry if we have any advantage over you, but if we do make any money, we will lend it to you western boys, as we generally have done.

Mr. MURRAY. I do not doubt that.

Mr. GIFFORD. The conference committee was very considerate. Several suggestions made by me were adopted. I have deep affection for each member. Lack of administration support prevented any real action on wages.

Only a weak statement of policy was placed in the bill. With wages having a free rein, the farmers had good reason to demand protection. The control of all prices, wages, and finance is of equal importance. No suggestion is made that any control will be sought except as to commodities. This has aroused a great fear "that any price-control bill will be useless" if limited to commodities only.

What other result could be expected than this travesty of a bill? Why give veto power to the Secretary of Agriculture? Why not give veto power to others? Give oil to Ickes! Give industrial products to the Secretary of Commerce! Why not? Is Henderson to be trusted in one more than the others?

I spoke of Mr. Henderson some weeks ago when I made an address here on this subject. He was treated rather roughly before our committee. I helped to do it. I was not impressed favorably heretofore; but he certainly won me over, and I am glad to confess it. I think, however, he will change somewhat his viewpoint. I think he has been told by business that it fears him. They distrust him, with good reason, from his past persecutions. But he has assured us that he will be reasonable. He has convinced me that he has real ability. He convinces me in that, like the President of the United States, much as I have criticized them both—that we should at this particular time thank God that we have two men who are willing to take full responsibility. The gentleman from Michigan [Mr. WOLCOTT], like myself, is interested in many features of this bill. We are minority members on the committee. I do not always agree with him, perhaps for the reason that when two men always agree, one is unnecessary. He brought in the bicycle anecdote this morning. That was good publicity, really. I have difficulty in criticizing Mr. Henderson in this matter. I think, myself, I would prefer that type of bicycle. The old bicycle built for two was not as good as his. What a thrill to lift her into that basket. But it was a good publicity stunt. It drew attention to the man. The worst thing is not that people will talk about you but that they will not talk about you. He says he will

administer the act with reasonableness. I believe him. I am ready to approve him as Administrator. I have confidence in him. He has been much abused. There have been many whisperings about him, without sufficient support of proof.

But this licensing business, "Compulsory loyalty will crack sooner than the genuine kind." During the last World War it was loyalty by cooperation. They had licensing, yes, on food products and on fuel, but little of anything else. If the licensee was punished, it was only a slap on the wrist. If he would contribute to the Red Cross he was forgiven. I have a compiled brief on the licensing methods that I could go into at length. An hour would be necessary to properly discuss it and to recite the experiences of ours and other nations. Canada now has it. Let me read to you their statement of policy. These restrictions are not designed to curtail business operations in any way. But by placing every person who in any way handles the commodities named in the order under license, the Board will have the machinery with which to make speedy checks on available stocks and to police more effectively any price-fixing order which may be instituted.

I have often posed the question, "If Chrysler continues to disobey, will they take away his license and throw some 25,000 men out of employment?" If a person disobeys, I want him punished, but I do not want his employees punished. I do not want that store closed that the community relies on. Licensing should be a last resort. It is to me a damnable contrivance. You can surely and easily frighten a person with the fear of losing his business. You should punish him, but do not take away his right to carry on. Therefore I have opposed this method of punishment which, unless most sparingly used, the public could not approve. This bill provides, of course, that one could seek the courts for remedy. Some claim that two-thirds of the curse of this feature is removed because one could rely on the judgment and leniency of the court. It is suggested that the court would probably suspend his license for perhaps only 3 days. Oh, yes; that whole law must be administered with reasonableness to be successful. Relating to the matter of a board, I supported my colleague the gentleman from Michigan, and I shall still support him; but, after all, I would prefer a board to act before a decision is made, and I want a board to make the diagnosis. I do not care much about an autopsy. I had secured an amendment to this bill that I thought to be in this conference report, relating to validating contracts made in accordance with Mr. Henderson's ceiling prices made before the enactment of this legislation. It does not appear in the form I expected. I hope this will be remedied this afternoon in the motion to recommit. The saving clause in this bill does not seem sufficient in this matter. I want those who have made contracts under Henderson's previous orders to be protected. I do not want the purchasers to be jeopardized by the threat of litigation. But that protection seems to have been eliminated from this report. I am both surprised and disappointed. I needed to have been watchful of that hasty action of rewriting in order to bring the bill in the following day.

Mr. MURRAY. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Wisconsin.

Mr. MURRAY. I have not got the answer to my question why the farmers up in Massachusetts and Connecticut and all other places that have a protection of three or four dollars a hundred for milk, while the rest of the farmers get only $1.55 a hundred for their milk. It is a fair question, and it deserves a fair answer.

Mr. GIFFORD. I do not know. Is not that a good answer? A boy once answered 10 questions. To all of them he replied, "I don't know." He received 100 percent. He answered them all correctly.

I have this report marked up for comments on its details. I might wish to speak of several sections, such as transfer of functions. We can transfer the functions that Henderson will have from him, but he is greatly limited in functions that can be transferred to him. You may take away from Henderson but you hesitate to give him anything. Agriculture surely does distrust him, as indicated throughout the bill.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. GIFFORD. Mr. Speaker, after reading section 3 carefully, you may agree with the commentator that it provides an "economic heaven" for the farmer. In many sections it reads, "Nothing in this section shall affect the provisions of section 3"—make yourself fully acquainted with this sacrosanct section 3.

I have complained a good deal on this floor. I have made many speeches representing the Expenditures Committee supposed to watch Government expenditures. May I now say that no discouraging prediction that I have ever made has been frightening enough; whether it has been on the size of the public debt, the lowering of the morale of people, or other trends. I can now reread those speeches which you once thought so vituperative, and I realize how mild my suggestions have been. I again pay my respects to the New Deal. If we keep on as we are going, like the march of women's apparel the New Deal will become the "nude deal." This Price Control Act will do little to prevent the spiral of inflation plainly now to our view. Consumers will be gradually stripped to that nude condition referred to.

Mr. PATMAN. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Texas.

Mr. PATMAN. Under section 3 to which the gentleman has referred, if the farmers were to receive the highest prices permitted they would not earn more than 25 cents an hour for the hardest kind of work. Is the gentleman willing for them to receive that much?

Mr. GIFFORD. I am willing for them to receive as much as they should. Suppose we all go into farming. Let us raise vastly more food than we can use or sell. Then let the Government, by relief or subsidies, challenge the laws of supply and demand and of the great Creator himself.

[Here the gavel fell.]

Mr. WILLIAMS. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a statement entitled "Parity Prices: What They Are and How They Are Calculated," prepared by the Department of Agriculture.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, this bill is a restrictive bill. It restrains men from the exercise of the ordinary liberties they may have under the Constitution of the United States. It, I have no doubt, will be an unpopular bill but it is a necessary bill.

I do not tell you it is a perfect bill. I do not tell you it might not be improved upon. However, the meeting of the conferees proceeded by conciliation and concession, no one of the conferees got all he wanted, it was a question of give and take, and I think we have arrived at the best bill that could be agreed upon under the circumstances.

I know that many people will feel that some of their rights and liberties have been taken away from them, that they have been oppressed by their Government because of the enforcement of this bill.

> No man e'er felt the halter draw,
> With good opinion of the law.

This bill or some similar bill must be passed to prevent a catastrophe beyond the imagination of the people of America.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from North Carolina.

Mr. COOLEY. Can the gentleman give the House any reason for his statement as it may apply to farm commodities? Has he any reason to believe that the major agricultural commodities under the present law could possibly reach inflationary prices?

Mr. SPENCE. Let me tell you something about the agricultural provisions of the bill. Some gentlemen have wanted the O'Mahoney amendment. Let me answer them by reading part of a resolution of the American Farm Bureau Federation:

> We deplore efforts that are being made to raise the parity prices of farm commodities through a revision of the formula upon which parity prices are determined. If these efforts are successful, the sound and defensible basis of present parity, which is intended to give farm commodities a price structure representing a fair exchange value with products of industry, would be destroyed, and agriculture would be breaking faith with the masses of the people.

For years agriculture has endeavored to establish a parity that is now firmly

imbedded in the national law. The conservative agricultural organizations feel that if you depart from that now you weaken the agricultural position.

What is parity? A great many of our friends talk about parity as a price. Parity is a relationship. As the price of consumers' goods rises, the price of farm products is bound to rise in proportion to the rise in the price of consumers' goods.

The 110 percent of parity that is provided in this bill will, in my opinion, eventually supplant the 1919–29 provision, the October 1 provision, and the December 15 provision, or the other provisions in the bill, because the farmers, it seems to me, are amply protected by this provision.

I saw this morning in the newspapers that Secretary Wickard said he did not believe the 110 percent of parity as provided by the bill should be passed but thought 100 percent of parity to be the proper figure. If the friends of the farmers think this is too favorable, how can the farmers feel they are not getting a fair deal under the provisions of this bill?

We have in the original bill as one of the bases of price October 1. Many commodities did not have any market on October 1. Tobacco, in which the gentleman from North Carolina is interested, had no market on October 1. We placed December 15, 1941, as one of the base periods for agricultural commodities, as this would establish a market price for Burley tobacco and some other commodities and give them the same privileges as other agricultural commodities had under this law.

Mr. Speaker, the statement prepared by the Department of Agriculture on parity prices, to which I referred at the beginning of my remarks, is as follows:

PARITY PRICES—WHAT THEY ARE AND HOW THEY ARE CALCULATED

The original definition of the parity device or principle is in the Agricultural Adjustment Act of 1933, which declares that it is the policy of Congress, among other things, to "reestablish prices to farmers at a level that will give agricultural commodities a purchasing power with respect to articles that farmers buy, equivalent to the purchasing power of agricultural commodities in the base period. The base period in the case of all agricultural commodities, except tobacco, shall be the prewar period August 1909 to July 1914. In the case of tobacco the base period shall be the post-war period August 1919 to July 1929."

While this formula has been amended and reenacted several times since 1933, it has not been essentially changed except that allowances for interest payments per acre on farm indebtedness, secured by real estate, and tax payments per acre on farm real estate have been added to the purchasing-power calculations for all commodities for which the base period is 1909–14, and the base period for burley and flue-cured tobacco has been shifted to August 1934–July 1939.

With this general parity formula in mind, we may now consider its meaning and the method by which parity prices are actually calculated. Essentially the parity device is simply a relationship or exchange ratio between prices paid by farmers and prices received. It applies only to those items for which the farmer pays cash and for which prices and rates can be rather easily determined, and to those items that the farmer sells for which prices can also be rather easily determined. It is not a cost-of-production or standard-of-living formula, except to the extent that it is devised to give farmers prices and farm families incomes that have the same relative purchasing power when compared with nonagricultural prices and the incomes of nonfarm families as existed in the base period.

Simply stated, the steps or methods used in calculating parity prices for agricultural commodities are:

(1) A base price is determined. For most commodities this is done by averaging the prices reported by farmers to the Department of Agriculture for the 60 months beginning August 1909 and ending July 1914. The average price of cotton during this period, for example, was 12.4 cents a pound, while wheat averaged 88.4 cents a bushel.

(2) An index of prices paid, including taxes on real estate and interest paid, is calculated. To begin with, the prices of 86 items used in family living and 88 items used in farm production are collected. These items include clothing, household supplies, food, furniture and furnishings, building materials, automobiles, trucks, tractors, gas, oil, and tires, feed, farm machinery, fertilizer, general equipment and supplies, and seed. The necessary data on real-estate taxes and interest on indebtedness secured by farm real estate are also included.

In computing the indexes of prices paid for commodities used in living or family maintenance and commodities used in production, the estimated quantity of each commodity used by farmers is used to weight both the prices paid in 1910–14 and current prices in order to obtain the necessary ratios or indexes of prices paid. The tax and interest data are calculated as rates per acre and converted into index form. This procedure gives an over-all index of 143 for November 15, 1941, which means that farm-commodity prices would need to be 143 percent of the base prices in order to have the same purchasing power as in 1909–14.

(3) The third step in calculating parity prices is to adjust the base-period prices by the index of prices paid, interest, and taxes. That is, the base-period prices are multiplied by 1.43 to calculate the parity prices for November 15, 1941. The parity price for cotton, for example, is 1.43 times 12.4 cents, or 17.73 cents a pound; and the parity price for wheat is 1.43 times 88.4 cents, or 126.4 cents a bushel. These parities compare with actual prices received of 15.78 cents a pound for cotton and 93.4 cents a bushel for wheat as of November 15.

Parity prices, of course, change as the index of prices paid, interest, and taxes change—that is, parity is a relative rather than a fixed-price concept. In fact, the parity index has been steadily rising since last spring. A year ago the index of prices paid, interest, and taxes stood at 127 percent, and a month ago at 141 percent of the 1910–14 level, as compared with 143 percent on November 15.

For several commodities, chiefly fruits and vegetables, which have only recently come into general use or for which earlier data are not available, the base period is August 1919–July 1929, or that part thereof for which satisfactory statistics are available, while for burley and flue-cured tobacco, as already mentioned, the base period is August 1934–July 1939. Parity for these commodities is calculated in exactly the same manner as for other commodities, except that allowances for interest and taxes are not included. Prices for burley and flue-cured tobacco, for example, averaged 22.2 cents and 22.9 cents a pound, respectively, in 1934–39. Adjusting these base prices for increases in prices paid by farmers gives parity prices of 25.1 cents a pound for burley and 25.9 cents a pound for flue-cured tobacco on November 15.

Parity prices calculated according to the method just described are published every month by the Department in its Price Report, which also carries prices received by farmers on the 15th of the month. The index of prices paid, interest, and taxes, it should be noted, does not include any allowance for sums spent for farm labor. Farm wages on October 15 were 165 percent of the pre-war average, and the current parity index would be raised about 3 points if an allowance for wage rates were included. Wages cannot be included without a legislative amendment.

Mr. WOLCOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, in all seriousness, I am greatly disappointed today, but I would not have you believe I am disappointed with the conferees that handled this bill. I think altogether they did a good job. I am disappointed in the Congress of the United States and its failure, along with the support of the administration, to bring to this final hour a bill which would prevent inflation in the cost of living, in the cost of conducting war, and in the other economic pursuits of our people.

In my opinion, this bill misses the mark. It goes entirely outside the target. I voted against the bill when it was reported out of our committee. I voted against it on the floor when it passed the House, because I felt deep in my heart at that time that when the final showdown came the administration would not face the political issue and permit being placed in the bill the fiscal and monetary and credit controls which must be dealt with in order to prevent inflation and a spiraling of prices upward. All my fears have been justified.

Last evening I listened to Mr. Walter Winchell. He announced that he would make a statement from Washington. As I recall, he said, "This is exclusive." Then he quoted a statement which Mr. Henderson had made to him for Mr. Winchell to make over the radio on his Sunday night broadcast, in which Mr. Henderson said that this bill will not prevent an increase in prices. Thus Mr. Henderson has established a perfect alibi for all of his future failures in administering this bill.

If this bill, administered in its present form, will not prevent an increase in prices, why do we bring it here at this time and why do we pump it off on the people of this country? It seems to me we are making an intellectually dishonest approach to our people. I think we have miserably failed as a Congress in this approach, and as an administration in doing what the times call for. God help our people in their sufferings under our folly.

I am very sorry that the bill is in such form that I cannot support it; and I will not support it. I will vote to recommit the bill, and then if there is a vote on agreeing to the report so that the bill will become law, I shall vote against that and take my chances with my people, whatever they may be. Our people die for lack of leadership. Their civilian rights and liberties are slipping away one by one and through our support. The state each day becomes more supreme and the people lose more of their historical power.

Mr. WOLCOTT. Mr. Speaker, I yield 2 additional minutes to the gentleman from Michigan.

Mr. PRIEST. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Tennessee.

Mr. PRIEST. I appreciate very much what the gentleman has said and I appreciate the position he has taken with reference to this legislation all along. I supported and I believe the gentleman supported the Gore bill, which embodied the Baruch plan, when it was before the House earlier, during the latter part of the first session of this Congress. Does not the gentleman believe today that if we could have adopted the Gore bill as it was then before the House it might have been the solution we seek?

Mr. CRAWFORD. Had the Gore bill carried the monetary and the fiscal and the credit-control features, I think it would have been just about as ideal as anyone could have designed, but at no time—and I want to repeat this because I feel it very keenly—at no time has the administration been willing to bring under control the wage ceiling, the monetary factors, the credit-control factors, and the fiscal-control factors which must be controlled, if inflation is to be prevented. Anyone who carefully studies our fiscal problem must realize if we would deflate our buying power by greater taxes and bond purchases, we would accomplish much toward a prevention of inflation.

Mr. PRIEST. I quite agree with the gentleman.

Mr. CRAWFORD. And I regret we did not do the job and go all the way necessary. To now contend we should approve this proposal and look forward to a future time to amend and doctor up the mistakes here made, does not appeal to me.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Miss SUMNER of Illinois. I would like to ask the gentleman, whose opinion I think all of us value, if he thinks it is possible to control the cost of living until you control retail prices.

Mr. CRAWFORD. No, I do not; and I think this bill is going to prove to be a travesty on all of our economy and is going to create more chaos than it will help avoid.

Miss SUMNER of Illinois. I would like to ask the gentleman another question, which is the same question I asked the gentleman from Massachusetts [Mr. GIFFORD]. Does not the gentleman believe that if we fix ceilings on retail prices, that would keep wages and farm prices down?

Mr. CRAWFORD. If you will fix them and hold them.

Miss SUMNER of Illinois. That is what I mean.

Mr. CRAWFORD. But if you are going to readjust them every time a little pressure comes along, what good does it do?

Miss SUMNER of Illinois. I thank the gentleman.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Speaker, it becomes increasingly evident that we are not going to have nearly sufficient time to discuss this report. As I understand, I have about 19 minutes remaining and I have requests for over 40 minutes in addition to that. I ask unanimous consent that the time be extended for another one-half hour.

The SPEAKER. The Chair cannot entertain that request in the absence of the gentleman from Alabama.

Mr. WOLCOTT. I withdraw the request until the gentleman is on the floor.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DEWEY].

Mr. DEWEY. Mr. Speaker, I would like to draw your attention to section 2 of the conference report. In this section are the various items that are to be taken into consideration by the Administrator in the licensing provisions. Among them are speculative fluctuations, general increase or decrease in cost of production, distribution, and transportation, and now, mark you, "a general increase or decrease in profits earned by sellers." I would like to ask when was that situation ever discussed in any of the hearings of the Banking and Currency Committee or where in this bill or in the definitions does the word "profits" appear? Under "definitions" we go to some extent in describing what are "sales," what are "prices," the term "commodity," the term "defense rental area," the term "defense area housing," "rents," "maximum prices," and so forth, but never a word about "profits." Yet in setting or granting licenses, "profits" may be taken into consideration.

Now, do we want to turn over to the hands of the Price Administrator the profits that may be made by an industry on which taxes will be based? What is the future of our economic system, what is the future of our tax system and Federal borrowings if the control of the national income is to be spread around in various agencies of the Government? Taxes and profits from which they come are a consideration of the Treasury Department and the Ways and Means Committee. I believe profits have no place in a price-control bill which is supposed to control inflation.

There is one other item I would like to mention.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield on that point?

Mr. DEWEY. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I think the only place in the entire hearings before the House Committee where that was contacted in the least bit was when Mr. Tolley was before the committee and the question of margins came up and we just shifted away from it just like a duck missing a blind that he has spotted. To me it strikes at the very foundations of our economy and proceeds to put us under the absolute control of the State, and I cannot understand why in the world we will support it.

Mr. DEWEY. I would like to call your attention to another section, and I particularly wish the attention of you gentlemen who are interested in the agricultural parts of the this bill.

Here are two items which are definitely in conflict one with the other. I call your attention to section 3 (e):

> Notwithstanding any other provision of this or any other act, no action shall be taken under this act by the Administrator or any other person with respect to any agricultural commodity without the prior approval of the Secretary of Agriculture.

Now, let us go over to section 201:

> Notwithstanding any provision of this or any other law, no powers or functions conferred by law upon the Secretary of Agriculture shall be transferred to the Office of Price Administration or to the Administrator, except powers and functions relating to priorities or rationing.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Speaker, I yield 2 minutes more to the gentleman from Illinois.

Mr. DEWEY. Mr. Speaker, I ask which of those two sections is going to take priority over the other. Can the Price Administrator take over from any other division of the Government certain powers? The bill says, "notwithstanding any other law" and so again in a prior section it says, "notwithstanding any other law." Which takes precedence, and when? Let us take sugar, as an example. There are priorities on sugar today. Has the Secretary of Agriculture lost all control over sugar? Under section 201 (b) of this bill, he has. The price of sugar may be put anywhere the Price Administrator may decide. The point is this. There are many conflicting ideas in this bill that will cause trouble. There are too many powers without controls, in the hands of one man, and I feel that our desire to have a workable price-administration bill, which will hold prices, will not be accomplished unless this bill is given further study.

Mr. WILLIAMS. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mr. KOPPLEMANN].

Mr. KOPPLEMANN. Mr. Speaker, for the better part of 8 years some of us have gone along on measures which received adverse criticism from the minority and adverse criticism from some parts of the country. Great fears were placed in the minds and hearts of people that those measures were bad. But after the legislation was adopted and put into effect, in the main it was found beneficial to the individual and the Nation as a whole. I have no great fear about the measure before us. But it is not the bill that this Congress should have enacted during these perilous times.

The measure has two purposes: Price control and the prevention of inflation. Neither purpose will be adequately served by the bill we are adopting. We are supposed here in this House to serve a great democracy in a democratic fashion, yielding to the will of the greatest number in our Nation. The greatest number approved the bill that was originally offered the Congress. That bill sought to protect the welfare of the greatest number. But we have yielded to the selfish wishes of small segments of our population.

Mr. MURRAY. Mr. Speaker, will the gentleman yield?

Mr. KOPPLEMANN. No. I have only 3 minutes. We are at a point in our history where we cannot consider the few, to the detriment of the many. Unfortunately, this bill does exactly that. Like many in this House, I am not satisfied with this measure which has come out of the conference committee. I was not satisfied with the bill which came out of the Committee on Banking and Currency. Were the times less perilous I would not support this make-believe measure for price control. But I must be practical in this hour of our greatest need; I will take the half loaf offered by the conference report, rather than get no loaf at all.

Mr. WOLCOTT. Mr. Speaker, now that the gentleman from Alabama [Mr. STEAGALL] has returned to the floor, I renew my request that the time for debate upon the conference report be extended for 30 minutes, to be equally divided.

The SPEAKER. Is there objection?

Mr. STEAGALL. As I understand the request, it is for 30 minutes additional, to be equally divided between myself and the gentleman?

Mr. WOLCOTT. Yes.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Speaker, I favor the Review Board which was provided by the House bill. Why ask business to make all the sacrifices?

This bill will not prevent inflation. On the contrary, it might be said to encourage inflation for those items which make up the largest part of the workingman's budget.

It is surprising that the administration has allowed it to come to us in this form for final passage. Their half-hearted protests cannot be taken seriously. Deeds by the strong administration majority in both Houses speak louder than words. The responsibility for a further rise in the cost of living is squarely on them.

In these days, when we look for national unity and sacrifices by all, the surrender of the majority to pressure blocs is lamentable.

The form in which we have this bill presented for final passage proves how right were those of us who voted last November for an over-all ceiling.

In a speech here then, I stated that the present bill would not do the job. Today I see Leon Henderson agrees as to this—but he gave no help at that time to those of us who tried to get truly effective legislation.

In spite of its weaknesses, I will probably vote for this report if we fail to recommit it, for price control is essential, and I feel that some price control is better than no price control at all. But those who suffer when living costs rise should remember to place the responsibility where it belongs—at the door of the administration and its majority in both Houses.

Mr. WILLIAMS. Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Speaker, as a farmer actively engaged in producing and selling farm products, and as chairman of the great Agriculture Committee of the House, being deeply interested in that most patriotic group, the farmers of the country, I want to take advantage of this opportunity to challenge the statements made in Congress and out of Congress, especially many editorials carried in the large newspapers of the country, newspapers representing the large cities and the industrial areas of this country.

From day to day, especially in these newspapers, the statement is made that the thing which is destroying consumers is the price received by farmers for their products. This is the most ridiculous, unfair, and outrageous statement ever made by anyone.

Those who are engaged in making such statements either do not know what they are talking about or they are definitely under the influence or the control of those groups who simply want to continue to graze on the farmers.

I would like for someone to name a single group other than the consumers who are not absolutely grazing on the farmers of this country.

Farmers today are marketing their farm products under an old, wasteful, and disgraceful marketing and distribution system. I want to ask you seriously how long would General Motors, the International Harvester Co., or any other manufacturer or dealer last if they had a marketing and distributing system like the farmer.

Manufacturers not only control their production in line with demand and the purchasing power of the consuming public but they absolutely control the marketing and distribution of their products when and where needed, and they actually fix the price.

You can take it or leave it.

Farmers operate as individuals; very few of their products are properly graded—in fact, in most instances they have to accept the grading of the buyer. They have no say-so whatsoever over the marketing and distribution of their products or the prices that they receive for same.

The type of marketing and distributing system used by farmers today have thousands of middlemen, many of whom are nothing but real parasites, sapping the very lifeblood out of farmers and consumers. But you never hear anything about that.

Let me give you just one concrete case: A few months ago I shipped some beautiful beans from my farm in South Carolina to Washington. I received 5 cents per pound, and the same beans were selling to the consumer here in Washington at 17½ cents per pound.

Do you think that I, as a farmer, was destroying the consumer?

My friends, to me it is pitiful. I want those of you who represent the industrial areas and large consumer districts to listen to me. It is not the prices that farmers receive for their products that are destroying the consumers, but, as stated, it is the retail price, which contains many additions and profits added thereon between the farmer and the consumer. But you never hear anything about that.

I challenge you to join with me in passing legislation creating an up-to-date marketing and distributing system from the county through State and National marketing agencies whereby we may be able to weed out these parasites, none of whom are producing a living thing.

Time and again I have had this matter up with the Department of Agriculture, but it is impossible to get action.

Many of the departments here in Washington, like many members of Congress, are under the influence and control of these selfish groups.

We talk about high farm prices. I want to state to you that during all the years that I have served in Congress, doing everything possible to be helpful, that the first time farmers have received anything like what we call parity prices has been during the past few months since the passage of the 85-percent-parity-loan bill by my committee.

It is a strange thing to me that most any other group in this country can come to the Congress and get whatever legislation they want: The Tariff Act, purely in the interest of manufacturers, costing consumers and farmers millions annually; the price-fixing act for the coal industry; wage-and-hour legislation that has increased the wages of textile employees from 12½ cents to 40 cents per hour; the Fair Trade Practice Act, which is nothing but a price-fixing act. Under this law Congress gave to certain manufacturers of this country who sell trademarked goods, or goods with their name labeled thereon, the absolute right to not only fix their price, which includes millions in advertising, in salaries, and everything else, but the actual right to fix the retail price through the retailer to the consumer; you can take it or leave it.

How about the Interstate Commerce Commission? Why, they have succeeded in having legislation passed taking over the regulation of not only the railroads of the country but bus, truck, and water transportation. Why, just a few days ago they gave to the railroads a 10-percent increase in transportation rates, and I can assure you that the days will not be many before there will be an increase in freight rates, and at a time when perhaps they are making more money than they have ever made. But you do not hear anyone making any statements or you do not see any editorials in the papers as to what these things are doing to the farmers and the consumers.

During the past months these same newspapers, day in and day out, have had much to say about labor strikes, what labor was doing to destroy our national defense program, and I am one who believes that something should be done about it, but you have not seen a single editorial giving the actual facts to farmers, consumers, and the taxpayers of the country as to just what these large monopolistic groups, manufacturers, and contractors, have been doing in the way of grabbing everything in sight, including outrageous profits, at the expense of the consumers and the taxpayers of the country. I charge that the price-fixing outfit under Leon Henderson is loaded with the representatives of industry and business, many of whom have resigned their positions for the purpose of taking

care of, to the fullest extent possible, the interests of those that they represent or that they are interested in.

The pulp and paper industry is making more money at this time than ever in the history of its existence, in the meantime, they are being permitted to rob our farmers out of their pulp wood, which is one of the greatest resources we have, as well as being permitted to pay starvation prices to those who accumulate and sell waste paper. Tons and tons, at least 75 percent of the total amount, of newsprint used in this country come from Canada duty free, as well as millions of tons of wood pulp, duty free, all of which as stated tends to fix the price of the farmers' pulpwood at a time when he is sadly in need of purchasing and debt-paying power, on a starvation basis.

Certainly you never hear the newspapers saying anything about this.

I want to say a word about this bill. Perhaps the bill does not contain everything that we would like to have in the bill, however, I believe it contains the best provisions dealing with farm prices that we will be able to get at this time.

In reply to my question a few moments ago by the chairman of the committee, the gentleman from Alabama [Mr. STEAGALL], he stated that Mr. Henderson could not interfere with farm prices by selling farm commodities for the purpose of depressing the price or in fixing a ceiling thereon until prices had advanced beyond 110 percent of parity prices. It is understood that from time to time the Secretary will have the right to name parity prices which will be accepted by Mr. Henderson. Under this arrangement, based on the present parity price of cotton, the price would be permitted to advance to 21½ cents per pound before Mr. Henderson would begin to do anything about it. While I do not believe that parity prices suggested by the Secretary of Agriculture are fair I do not know of anything that we can do about it unless and until we pass legislation establishing a real formula to be used in working out parity prices which will take into consideration every item of cost and a price which will give to farmers a just proportion of the national income. I expect to vote for the adoption of the conference report.

Mr. GIFFORD. Mr. Speaker, I yield 5 minues to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Speaker, when this bill came before the House I was among those who opposed it. I urged at that time an objection, which has not been remedied by anything that has been done in the other body or in the conference committee, that is, that this measure provides a system of cost of production plus profit for all manufactured commodities, and merely puts a ceiling on the prices on farm products. In other words, if this bill were to pass in the form it is in today, the Administrator of the Price Control Administration would not be able to drop the prices of industrial commodities which this bill covers so that they would be less than cost of production plus a profit to those who produce or distribute them. There is only one instance in this bill where there is any such guaranty for agricultural products, and that is regarding the milk marketing agreements.

The milk marketing agreements will be kept inviolate as far as this measure is concerned. As a matter of fact, the consumer in Washington, for instance, will continue to pay 14 or 15 cents, or he even may pay 20 cents a quart, and the farmers of Virginia will get not less than $3.56 per 100 pounds for their milk, while the Midwestern farmer who produces milk of just as good quality will be compelled to take, if Mr. Henderson so directs—and I assume that he will—not to exceed $1.55 per 100 for the same grade of milk at creameries at which the cream is made into butter. That is one little glaring example of the injustice of this price-control plan.

There is another reason assigned as to why we must pass some kind of price-control bill. That is, we will have inflation unless we do. Well, we are going to have inflation whether we do or not. The object of this bill, so far as the sponsors outside of the House are concerned, so far as the metropolitan press is concerned, is to put a ceiling on food prices. In 1940 the farmers of this country, comprising about 23 percent of the population, received about 10 percent of the national income. There was an increase of income for 1941. The national income has grown to approximately $100,000,000,000. In 1941, with all the so-called price increases, the farmers, representing 23 percent of the population, also received about 10 percent of the national income, and the other 90 percent of that increase, amounting to some $27,000,000,000, went to the nonfarming population. So, if there is inflation, and I think there is, and if there is going to be more inflation, and I think that there will be, you can see how little the farmer is going to share in the advance of national income.

I would like to call attention to this fact, that with all the endeavors of the farmers to insure our ample food supply, the Department of Agriculture has its agents busily engaged in urging the farmers to produce more and more food for our own purposes and for the nations to which we are to send food under the lend-lease program. The Department issues frequent statements as to the great work the farmers are doing toward winning the war. The farmers have not fallen down on the job. But farmers are facing new and additional difficulties. The problem as to obtaining hired help grows constantly more acute, and particularly so on dairy farmers. They also are finding that in the priorities orders they are handicapped to maintain their facilities for production and for getting their products to processing plants. Every day increases their own problems, and work as they will, and do, to keep up the pace demanded of them, they must receive prices which will enable them to carry on. Fixing ceiling prices on dairy products, for instance, without such products reaching the ceiling, is discouraging. Farm wages cannot compete with the high wages now being paid elsewhere. Ceilings on farm prices will mean eventually, as inflation continues, a bar to production.

In 1939, the last year for which we have the figures, there were 2,962,656 farmers in the United States who had an annual income of less than $1,000, out of which to pay all expenses, including taxes, interest, depreciation, and all other operation costs. There were over 2,000,000 more farmers who had an income of less than $500 a year. If this bill goes through, the object and the purpose will be to hold those farmers down to that kind of income at a time when you are asking them to increase production, at a time when many are leaving the farms and are going into defense areas, into the war-program projects and industries where wages are running from $1 to $1.50 an hour, or $8 to $10 per day. They are being forced by necessity to leave their farms and cease agricultural production. Compare the annual income of the farmers with such incomes in other fields, is it surprising that they are moving from the farms to towns to become industrial workers?

Last year, corporation dividends amounted to over eleven billions of dollars, an amount at least $1,000,000,000 more than the total farm value of all farm production. This measure will even protect that large dividend structure. It sets no ceilings on dividends nor on profits. It in no way restricts the huge salaries running into hundreds of thousands of dollars for officials of corporations which are making hundreds of millions in war profits. The reports of the Truman and Vinson committees indicate the volume, if not the extent, of such profiteering. If there is inflation, it is due more to such large financial gains than to any prosperity of farmers.

The farmers receive only 42 cents of the average dollar paid by consumers for foods. The other 58 cents are added on the way from the farm to the consumers' tables. Gigantic monopolies, some of which are under indictment and others which ought to be, reap large profits from the trade in foodstuffs. Nothing in this bill will serve to lessen costs to the consumers so long as such monopolies can continue such practices. Their cost-plus-profit systems are protected. Only the prices the farmers receive can be lowered by bureau regulations. In brief terms, the farmers who get the smaller part of the prices the consumers pay are to keep on producing under additional difficulties, while the monopolistic organizations are to continue to pile up larger profits and pay larger salaries to their top-salary people.

It is to be hoped that a vote to recommit the bill will prevail.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Speaker, in 2 minutes I want to second, if I can, the remarks made by the chairman of my Committee on Agriculture.

The farmers are getting little or no increase on whatever may be sold in the grocery store or the meat market. They are not responsible for any high cost of living.

They never sell anything. They haul their grain or produce to market and ask the dealer to please give them something for it. Then they take whatever the dealer or handler will allow them. Farmers do not sell. On the contrary, they accept what is given them. Local dealers are not responsible for this—speculators and city markets are.

How would an increase affect you folks in the cities? I have in my hand the menu from the House restaurant. Perhaps some of you have seen it before. All right. Sirloin steak is listed on this menu at $1.50 per portion. If you raise the price of beef out on my neighbor's farm in Iowa about $1 a hundred—and that is about all the bill will do and about all anyone has asked for—it will raise the cost of that order of steak one-half cent and it should not cost you more than $1.50½. An extra half cent only would be added. Jumping Jehosaphat, folks, is not that awful. Do you know what that is going to do? That is going to cause unlimited inflation. So we are told by city manipulators and writers. What silly rot such an argument is.

I have here a package containing what the restaurant serves as a wheat cereal product called Pep. Wheat is sold in this form at the rate of $25.60 a bushel, yet the farmer is getting not more than $1.10 or $1.20 per bushel for it. To give the farmer an increase of 10 cents a bushel will, they say, cause a rise in the price the city folks pay for food of 25 percent. How ridiculous. So it is with cornflakes, a package of which I have here in my hand. So it is with almost anything else you may want to talk about. I could give you scores of examples but my time is so limited I cannot do it.

Here is the label on a package of cornflakes. The corn when bought in this form or in this package costs about 1⅓ cents per ounce or $11.95 per bushel. Now if corn should happen to be raised 12 cents a bushel so as to bring it up to parity—and it now sells for 12 cents less than parity in my district—then this package would cost eight one-thousandths of one cent more than it does now. Let editorial writers for metropolitan newspapers weep about this. Let them gnash their teeth and tear their hair and become mad and delirious about this eight one-thousandths of a cent. They inflame city readers about it. Have they not cause to rave and beat their breasts? Certainly they have, because they are telling their readers that the bill will raise food prices 25 percent.

I confess myself provincial and old-fashioned because I have heretofore believed in a commandment that was graven upon stone and given to Moses for his people and which enjoined them that they should not "bear false witness." Now, however, I have learned that if certain people who sometimes write for newspapers have ever heard of Moses or of these graven injunctions, then they are just like the old blind mule who did not care a continental about it anyway.

Whatever is done for the farmers of this country will never cause inflation. If inflation comes to us—and it may, but I hope that it will not—it will not be because farmers get something like 1 or ½ cent more than is now charged for an order of food or the eight one-thousandths of a cent more than they do now for an order of cornflakes, or because of any increase in the farm part of it.

Parity as now defined and as based upon prices from 1909 to 1914 is not fair to the farmer, although it is made the basis of the bills and price controls. It is not fair to the farmer because during that period (1909 to 1914) farmers got an average income per capita of only $159, while nonfarm people got an average income of $396 per capita. During those years farm population averaged 34.3 percent, but farm income was not one-half of that percentage. And even during 1941—last year—farmers got less than 8 percent or 10 percent of the national income, although they had a population of 24.3 percent.

The spread between the prices paid to the producer of foods and the prices that are paid for the family dinner table is the thing that causes the trouble and causes the talk.

I am not satisfied with this bill. It provides the ground work for some little help to farmers, and is therefore probably better than nothing. It may do farm consumers and others some good. It may do the housewives on the farms some good. It will tend to hold down the prices on the things they buy. For example, percales last year sold for 11 cents a yard or 12 cents a yard; but this year they are selling for 21 cents or 22 cents per yard. This increase did not go to the cotton farmer. It went to the speculators and to the manufacturers. That is the point that I am making. Perhaps the bill will tend to hold down unfair increases in consumer goods. I do not think that it can do us farmers much good, but, on the other hand, it cannot do us much damage. It may do us some good when we come as consumers to buy the things that we need on the farms.

The bill is not what I should like to have it. It is probably better than nothing at all. Anyway, it is all that we are going to get. We are now in this war, and there is only one way to get out of it. We must fight out of it. So let us go ahead and win it.

Mr. WILLIAMS. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

PRICE-CONTROL BILL FAVORED

Mr. PATMAN. Mr. Speaker, if the farm prices are raised as high as this bill will permit, the price of a $2 cotton shirt will increase 1½ cents. If prices are raised, the maximum permitted under section 3 of this bill as amended in conference, the farmer will be allowed to receive for the hardest kind of work on earth under the most adverse circumstances 25 cents per hour. No one disputes that, yet Members come upon the floor of this House and honestly and conscientiously insist that section 3 of this bill is unreasonable. I believe if they study the problem they will come to the conclusion, the only one they can come to, that it is very reasonable indeed. We cannot hope to get more, and if this bill is not passed the farmers will probably get less.

The farm section of the bill reported in the conference report is very similar to that section of the bill as it passed the House. It does not take care of the farmers. In industry people receive 77 cents an hour and $1 an hour, yet because we are making it possible for the farmers to receive the small sum of 25 cents per hour for their labor they claim we are unreasonable.

This bill is a compromise. I am for it because it will go a long way. It will not do a complete job. I am opposed to any kind of price fixing. I would be opposed to this bill under normal conditions; but I am more opposed to the war. I am in favor of winning this war. I want to do what is necessary properly to prepare our country and properly protect the people while we are doing it, and if you protect the people you must have some kind of price-control bill.

This bill will control rent prices in defense areas, it will control prices of imports, it will control prices of commodities, and it will control the prices of even farm products notwithstanding the statements that have been made here. This buy-and-sell provision is very important. Today we are discussing the question of scrap iron. We need as much scrap as we have virgin metal in order to make the steel we need in national defense. We cannot bring that scrap iron out at $20 a ton in remote sections; it will take $30 or $40, and in order to give them that price for that small percent it is necessary that we have this buy-and-sell provision. Let us take the case of copper. We are buying copper for 12 cents a pound and the concerns producing this copper are making money at 12 cents a pound. But there is another 10 percent of copper that can be produced, copper that we need and must have that will cost 30 cents or 40 cents per pound. Therefore it is necessary that we have this buying-and-selling provision so that we may pay more than 12 cents a pound for copper.

This bill is very important. Delay is dangerous. This is a real war we are in. Many Members of this House have told their sons good-bye at the train when they were leaving for service in our armed forces. They realize a real war is on, and they are willing to back their sons, your sons, and the sons of American fathers and mothers in this emergency. In order to do that we must have control over prices and some way to acquire the metals that are needed to build the planes, tanks, guns, and to furnish the ammunition that is needed in this war.

After all, the question of enforcement is up to the President of the United States. Are you willing to trust him? He appoints all these people. Not only has he been right about this war in Europe, but if Congress had listened to him I do not believe we would have had a war in Europe. If Congress had listened to him, I doubt if we would have war with Japan, but the Congress did not listen to him. Now many people have changed their minds and believe he was right, and we are willing to listen to him. In addition to being Commander in Chief and a man whose heart is right on this question involving the national defense of this

country, he, too, has four young men in the combatant service of this country, who are out on the Pacific and the Atlantic facing dangers every day like the sons of other fathers in this country. So the President will be called upon to enforce this bill, and we will not make a mistake in trusting him.

It is true he has appointed Mr. Henderson. Yes; I have confidence in Mr. Henderson. I am glad to say that. I am willing to trust him. He does not agree with me always, and I am opposed to some of his views; but he will come as near fitting in on every proposition that is involved in this bill as any other one person you may find in America. Read his life and you will read a true story that will parallel a Horatio Alger story. I am perfectly willing to vote for this report, because I believe it is a good one.

Mr. WOLCOTT. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, it is rather difficult to comprehend what effect the President's sons who are serving in the Army and Navy will have in the administration of this bill. They are probably functioning in their respective capacities, but I doubt very much if they will have anything to do with the enforcement of price-control legislation.

Mr. Henderson appeared before the Committee on Agriculture some weeks ago and he led us to believe that he was not particularly interested in the price-control bill because he was operating under Executive authority. Therefore, it occurred to most of us on the committee that the reason he was advocating a price-control bill at all was because he wanted legislative power to license everybody engaged in the business of buying and selling of commodities and other products. He said definitely that he had authority now under Executive order to fix prices in this country, and he intimated that he did not care what Congress thought about it, since he was functioning under Executive authority.

Mr. Henderson is not satisfied with this bill. He so announced to the press and to the country. I am not satisfied with the bill. So I am going to recommend to my colleagues that we vote for the motion to recommit, and if we do not succeed in that motion then we should vote against the conference report and send it back to conference where they can get out a real price-control measure to stop inflation.

I am sorry that the House will not have a chance to vote on the O'Mahoney amendment which was adopted by a large majority of the Senate. That amendment sought to give some protection to our great basic industry, agriculture, so that our farmers would have an opportunity to base their prices upon a formula which took into consideration urban labor and all other elements that go to make up parity prices. The O'Mahoney amendment sought to give the farmers decent and fair prices. The gentleman from Iowa mentioned a moment ago about a small sirloin steak selling at $1.50 down here in the House restaurant, but that is not anything at all. When you do down town to buy potatoes in some of these high-class restaurants you pay at the rate of $40 a bushel for those potatoes, when the farmer only gets 30 or 40 cents a bushel in potato-growing sections.

The parliamentary situation prevents us from taking up the O'Mahoney amendment or to include instructions from the House that the conferees on the part of the House insist on that amendment. The O'Mahoney amendment was not discussed in the House. It was put on in the Senate. It was thrown out by the Senate conferees. Consequently we have a situation which stops us from offering it as a part of the motion to recommit. If we send the bill back to conference and if the Senate stands pat on its former vote on the O'Mahoney amendment, then we will again have an opportunity to reconsider the conference report. The dairy and livestock organizations, in fact all farm organizations, want this amendment adopted and made a part of the price-control bill. It is fair in every respect. It takes in labor and all other commodities that enter into the picture of the things that the farmer must buy as part of the formula which eventually fixes the maximum price he is to receive for his commodities.

The propaganda put out by the metropolitan press and over the radio that the O'Mahoney amendment would increase food prices 25 percent and cause a spiral of inflation, is the worst kind of libel intended to sabotage and injure American farmers. Farmers are patriotically producing to meet war demands. They are entitled to receive equitable consideration at the hands of Congress and the Government. Defense labor and industry are operating on a cost-plus-fixed-fee basis, thereby assuring cost of production plus a profit. American farmers are entitled to the same consideration, and therefore I am again urging the House to send the conference report back to the committee, so that the conferees may include the O'Mahoney amendment in the report for a definite vote in the House when the report is returned for final action.

I desire to call the attention of the House to the fact that all farm organizations in Minnesota, and many business and public-service organizations, have endorsed the O'Mahoney amendment. They recognize the need for just and fair treatment in the establishment of ceiling prices on farm products.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Speaker, I yield such time as he may desire to the gentleman from Missouri [Mr. BENNETT].

PRICES PAID THE FARMER WILL NEVER BRING INFLATION

Mr. BENNETT. Mr. Speaker, all are agreed that full agricultural production is absolutely necessary if we are to defeat our Axis enemies.

In a national broadcast Sunday evening, January 18, the Secretary of Agriculture, Mr. Wickard, said:

> Now we are one of the 26 united nations whose resources for winning the war are to be shared and placed wherever there is need. We do not know how many people we shall be called on to feed outside the borders of the United States.

It is unreasonable to expect the farmers to increase their yield unless the price of their products is permitted to go high enough for them to pay such wages as will enable them to employ the necessary help.

Farmers not only have the problem of increased cost of labor but, what is more difficult, they have the problem of getting labor at any price. And the so-called Daylight Saving Act will not help them.

The war is making a heavy draft on the sons of farmers, as war always does. The manpower of the farm is greatly reduced to build up the Army and Navy and nonagricultural industries which the Federal Government is now pushing to the maximum of production.

FARMERS PUNCH NO TIME CLOCK

Farmers and their wives work at least 70 hours per week with no time and a half for overtime and double pay on Sunday, and no such is expected. However, now that many workers are so favored and salaries of thousands of Government workers are being increased, it is not only unfair but it is foolish to think that the farmer will be able to employ help to greatly increase his production at prevailing prices.

I am opposed to placing a ceiling on farm products unless a ceiling is placed upon everything that enters into the cost of the farmers' shoes, clothing, furniture, harness, plows, mowers, and other equipment. Therefore, I cannot support this bill.

Agricultural products, on the one hand, and nonagricultural products, on the other hand, are in diametrically separate categories in the matter of price fixing.

No industrialist would be satisfied to have the farmer fix the price on his products. I do not believe that an industrialist should fix the price on farm products. For this reason, among others, I believe that if any ceiling on agricultural products is to be provided for, the authority should be placed in the Department of Agriculture.

Much misinformation is being sent out by big city newspaper correspondents and radio commentators who would not know a grain drill from a combine.

It is not the price that the farmer has received for products that has increased the cost of living; it is the increased spread between price paid to the farmer and the price paid by the consumer in our large cities. I object to the farmer being made the scapegoat for inflation. The prices he receives will never bring inflation.

Mr. Henderson has, so far, done nothing effective to reduce the high cost of food to the consumer. His only idea seems to be to depress the prices of the farm producer.

Today flour is selling in Washington at $5.95 per 100 pounds and according to the United States News, the Department of Agriculture is selling wheat at 75 percent of parity. If Mr. Henderson would be interested to know, I can give him the name of a local grocer and customers who paid him this week 8 cents per pound

for sugar which should have sold for 5 cents.

PARITY

One of the arguments most used by the smoke screener hinges on the suggested 110 percent of parity. This is, on the face of it, a weak spot. To the general public it looks like the farmer is asking for 110 percent of a fair price. Nothing could be further from the truth.

Today there is no relationship whatever between the price that the farmer is receiving and the cost to the consumer of farm products.

The year 1919 represented the peak of high prices. In January 1919 hogs were 17 cents per pound; today they are 11 cents per pound. Pork sausage was 24 cents per pound in retail stores; today it is 25 cents per pound. Hogs are down, sausage is up.

In 1919 prime beef steers were 16 cents per pound; today they are 11 cents to 11½ cents, while steak that sold for 35 cents in 1919 is today 55 cents. Roast that was 23 cents per pound, today is 49 cents per pound.

Irish potatoes sold at retail stores for 3 cents per pound in 1919; today they are 4 cents per pound. Sweetpotatoes in 1919 were 3 cents per pound; today they are 5 cents per pound. On the farm, sweetpotatoes in 1919 were 2½ cents per pound, while today they have gone down to 1¾ cents per pound.

Corn on the farm today is bringing only 65 percent as much as it brought in 1919; but corn meal is just as high as it was in 1919.

Mr. Speaker, it is a strain on the imagination to find much, if any, relation between what the farmer gets, and will continue to receive, for his products, and what the consumers in the large cities of our country pay.

I accompanied Mrs. Bennett to a grocery store here in Washington last Saturday afternoon. While there I made some notations. I found prices as follows: Sirloin steak, 55 cents per pound; rib roast, 49 cents per pound; lamb roast, 33 cents per pound; lamb chops, 60 cents per pound. We had to pay 40 cents per pound for a dressed hen; the farmer receives 17 cents. We paid 50 cents for butter; the farmer receives 33 cents. We paid 49 cents for eggs; the farmer today receives 32 cents.

Mr. Speaker, I think these figures are enough to justify my statement that what the consumer pays for food has little or no relation to the price the farmer receives for his product.

Suppose, for instance, that under the price-fixing bill the farm price of eggs is fixed at 34 cents per dozen, can you imagine that any retail store could sell them for more than 50 cents? There is a limit to how high the consumer can and will go.

Suppose the minimum price allowed by law for hogs is fixed at 12½ cents, do you imagine that any big-city consumer would pay more than the retail stores are now charging for pork?

And suppose cotton is fixed at 21 cents a pound, can you envisage a pair of cotton socks or a shirt costing any more than it does today? Not over a pound of cotton is needed to make the cloth for a shirt that sells for $3.50—20 cents for the material, the balance in profits to labor, industry, and distributors.

If the administration wants to be fair, let it agree to the passage of a genuine price-fixing bill covering all. Farmers are not asking the unreasonable. They do object to having the price of their products fixed so low as to make it impossible for them to earn over 30 cents per hour, while those who produce the articles they must buy are permitted to make three to five times as much per hour. Many defense workers are making as much in a month as a large portion of our farmers and their families earn in an entire year.

There is not now and never has been a combination among farmers. The farmers of this country have never robbed anybody and never will. If the administration will be fair to all groups and permit the farmers to produce food and clothing for the Nation and for our armies, it will have done a patriotic service and deserve the thanks of all citizens.

America is in greater danger today than ever before. It is vitally important to the national defense and war program that we have full and adequate agricultural production.

Even if farm commodities should advance 25 percent, it should not affect the cost of living over 2 or 3 percent, because the cost of raw material in the manufactured product represents on the average less than 10 percent of the total cost to the consumer.

The destruction of the farmers' foreign trade, as disclosed by the Department of Commerce, while the industrialists obtain the greatest export trade in history, is certainly sufficient reason for giving the farmers at least a square deal in the matter of price fixing.

Exports of the United States during the first 9 months of 1941 were:

Agricultural	$372,578,000
Nonagricultural	2,864,266,000

Imports of the United States during the first 9 months of 1941 were:

Agricultural	$1,217,513,000
Nonagricultural	1,098,275,000

Reciprocity trade pacts aimed to expand industrial exports while increasing agricultural imports into the farmers' home markets have had much to do with the present plight of the American farmer. Agricultural imports in 1941 were nearly three times the value of agricultural exports.

Mr. Speaker, the war cannot be won without food. Food cannot be produced without labor. Adequate farm labor cannot be secured under current agricultural prices. If the war is lost, all is lost.

"He who makes his country live makes all things live, and all things living bless him; but he who lets his country die lets all things die, and all things dying curse him."

Mr. WOLCOTT. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. JOHNS].

Mr. JOHNS. Mr. Speaker, one of the main purposes of the legislation which this conference report covers is to put a ceiling on the farmer's wages or his income, which income is made up principally of returns from his labor. In 1939, there were introduced into Congress more than a dozen bills known as "cost-of-production bills." The average cost of production was not considered at that time. Nobody paid much attention to these bills and they did not seem to be of enough interest to be brought out to the House floor for discussion. The principal argument at that time was that you could not fix any floor on agricultural prices because there were 3 groups of farmers—one group of farmers which produced efficiently, another group which produced fairly efficiently, and a third group which produced with little or no efficiency. As a result, nothing was done and these bills were never given any consideration.

Now we have a different situation today. Have we become any wiser or were we just as wise at that time as we are today? The Price Administrator and others today seem to know exactly where agricultural ceilings should be placed and I am wondering just how they have reached their conclusions—have they considered the ceiling for the efficient producer, do they have the farmer of average efficiency in mind, or are they thinking of the farmer who is below the standard of efficiency in everything that he does in the farming line?

If we are to fix price ceilings, it certainly will have considerable to do with the amount of food produced in the country. If we are to get maximum domestic production, it is going to be necessary for the least efficient producer to be stimulated to greater production, either by educating him or paying him more to produce.

I was interested in an article in the Times-Herald of January 22, 1942, under a United Press date line, which reads as follows:

> Unable to hire anyone to help him on his dairy farm, Myer Liskin sold 21 of his 22 cows and will work in a defense factory. He kept one cow for his family's use. Liskin said he would go back to the dairy business when the war is over and it will be easy to find someone to work on the farm.

Personally, I think that price ceilings may be established and I think it is just about as easy to fix farm prices for the farmer as it is to fix the cost of production in a factory. I have kept a record of my farm production and expenses connected with it for 25 years and I do not believe that a farm can be operated successfully unless it is operated on a business basis, the same as any other business is operated. I became interested in the cost of production on farms when I happened to be president of a local equity society in Wisconsin. Above everything else today, Congress should consider the best interests of our country and we should not, under any condition, allow price ceilings on agricultural products to be fixed so low that they will lead to a shortage of food.

Mr. WILLIAMS. Mr. Speaker, I yield 10 minutes to the majority leader, the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, several Members have spoken to me about a rumor they have heard about a possible Presidential veto of this bill if it passes in its present form. We all know how

rumors start. Most of them are entirely unfounded. Apparently this rumor has the same kind of origin as most rumors, there being no foundation for it. I have no hesitancy in expressing the opinion that such a rumor is entirely unfounded and unjustified. If I were to express an opinion, I think the President would probably state that the bill does not go the full distance it should go, and that subsequent legislation will be necessary to correct some of the defects which exist in the present bill.

We are confronted with the legislative situation of either accepting or rejecting a conference report. We must either vote for the report in its entirety or vote against it. The situation does not exist where amendments can be offered, because the bill has gone through that stage in both branches of the Congress.

We have heard our friends on the left express their love of the consumer and their desire to protect the consumer, yet if we believe what we hear and apply common sense to what their position is and visualize this bill in practical operation, we know that if what they want became enacted into law price-control legislation would be ineffective and meaningless.

They first say, "We want a review board." Only the other day they complimented the President on appointing one man, Mr. Donald Nelson, to be the head of the War Production Board.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The President is over Mr. Nelson. He certainly acts as a review board.

Mr. McCORMACK. There is no occasion for comment on what the gentlewoman says.

They complimented the President on one-man action the other day, and now they are against one-man action in connection with price control. A review board would defeat any price-control legislation we might enact into law. It would tie up the practical operation of any such legislation.

Mr. KUNKEL. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. With regard to a board of review, the action by the Price Administrator would be immediately effective and remain in effect until the board of review changed it.

Mr. McCORMACK. If the board of review were established by any law, I repeat, for all practical purposes it would defeat price-control legislation.

Second, they want to do away with the licensing provisions.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. WOLCOTT. Why? The gentleman made the statement that the establishment of a board of review would defeat price-control legislation. I think in fairness the gentleman should tell us why.

Mr. McCORMACK. The gentleman has been trying to explain for a long while why it would not, and he certainly has not satisfied most of his colleagues.

Mr. WOLCOTT. I think I made out my case. I do not believe the gentleman should make a broad statement without clarifying his stand.

Mr. McCORMACK. The gentleman certainly compliments himself when, while acting as a witness and the attorney arguing the case, he also acts as a judge and admits publicly he has made out his case. I certainly find difficulty in agreeing with the gentleman.

Mr. WOLCOTT. I may say to the gentleman that the jury found me to be correct; the House found me to be correct, without instructions.

Mr. McCORMACK. Of course, the jury is the House and has not acted yet.

Mr. WOLCOTT. I think the gentleman owes it to the House to explain why provisions calling for the establishment of a board of review would defeat the purposes of the bill.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Georgia.

Mr. COX. May I ask the gentleman if the difference is not that everybody is afraid of one and nobody is afraid of the other?

Mr. McCORMACK. That is not the way to legislate. The gentleman from Georgia is too fine a gentleman and is too close a friend of mine for me to undertake to comment on the observation just made. Certainly in times of war we must delegate power. To take the position that you are for legislation because you like a man and you are against legislation because you do not like another man who might be the head of an agency is rather an unwise if not an unsound position to take.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Kentucky.

Mr. SPENCE. I think the board of review would be additional machinery that would entail delay. Expeditious decision is essential to the interests of business in this country. I think justice delayed would be justice denied, in most cases.

Mr. McCORMACK. It is on that ground that I made the statement that for all practical purposes, if a provision establishing a board of review was put in this bill, any price-control legislation would be ineffective and meaningless.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Texas.

Mr. PATMAN. Is it not true that no one would ever know what the price was if they had to appeal it and keep appealing it?

Mr. McCORMACK. Of course; we all know why the provision establishing a board of review was put in the measure.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. No; I cannot yield further. I have not much more time and I cannot let all my time be taken up with questions.

The second ground on which the motion to recommit will be made is to do away with the licensing provisions.

I do not know of any other instructions that will be contained in the motion to recommit, but I do know that if the motion is so confined, my Republican friends will be doing everything they can to "job" the consumer, and I do know that any one who may be running next fall against any Member who voted to recommit those two provisions, in almost any district of the country, but particularly in the consuming districts, would have a proper argument to advance against any Member that they were voting adverse to the best interests of the consumer.

The farmer has been pretty well taken care of in this bill. One of our friends on the Republican side, the gentleman from Minnesota [Mr. ANDRESEN] said he is sorry he cannot have an opportunity to vote on the O'Mahoney amendment. If the gentleman's side wants to give him the opportunity they can do so by including that in the motion to recommit. This is the answer to that statement.

A motion to recommit in order to establish a review board and do away with the licensing provisions is a direct attack on the consumers.

I am not going to discuss the farmer provisions in the bill. All I may say is that under the circumstances they have received the maximum of consideration that they can expect in price-control legislation. The situation now is that the proposed motion to recommit is aimed entirely at the consumers of the country, and it is going to be interesting to see how the roll-call vote will be when the motion to recommit is offered.

Some of the Members have said they are going to vote against the bill because its provisions are not strong enough, but they qualify this statement by saying that they are going to vote for the motion to recommit and then if they are defeated they are going to vote for the passage of the bill. What legislative hypocrisy! What mental inconsistency! If the bill is not strong enough, then why say they are going to vote for the motion to recommit and then vote for the passage of the bill? Why? Do they not have the courage to go the full distance and vote against the passage of the bill if the motion to recommit is not carried?

From a practical angle, talking to my Democratic colleagues on the right side and those Republican colleagues on the left side who are anxious to get through price-control legislation, we are faced with this situation. To return this bill to the same conference committee that brought it in is not going to improve the condition of the farmer. Certainly, the farmer has received ample consideration. The Brown amendment is in the bill. To return this bill to the conference committee would not help the farmers and would be a blow at the consumers of the country.

The bill is not completely satisfactory, but it is important that we get legislation into operation as soon as possible,

and unless this bill is enacted into law and corrected later we are going to have uncontrolled inflation, and this will be extremely dangerous.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Speaker, I yield such time as he may desire to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I am opposed to the conference committee report on the price-control bill, in its present form, for the following reasons:

First. It has been stated in the press, over the radio, and on the floor of this House that Mr. Henderson says it will not control inflation. It is also my understanding that he gave similar testimony before the committee. If this bill, designed to control inflation, will not control it, then why pass it?

Second. It is discriminatory against certain of our citizens because the bill does not include all of them.

Third. It places an economic dictator over the people.

Fourth. It is charged that the failure to approve it will retard the prosecution of the war. I challenge this, and state that its passage will do more to retard the prosecution of the war because of the confusion, uncertainty, and disheartenment it will create among our people.

Fifth. It is unnecessary because our danger is not price inflation but monetary inflation, about which Congress has done nothing to date. I ask you, Mr. Speaker, what will happen when the receipts from taxes, plus the receipts from defense bonds and stamps, fall below our governmental expenditures? In my opinion, when that time comes—and it may come soon—there are only two things left to do—either make a capital levy or start the printing presses. The danger to America is monetary inflation and not price inflation.

Sixth. This bill, in its present form, will authorize the control, or attempted control, of prices from the top and not from the bottom. This will not work.

Seventh. It will put many small businesses out of existence.

Eighth. It will not be helpful to the farmer.

Ninth. It will create unemployment in many lines of endeavor.

Tenth. It will hinder rather than help labor.

This bill should either be corrected to be effective or discarded.

Mr. WOLCOTT. Mr. Speaker, I yield 4 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Speaker, I made a careful study of this measure when it was before the House, and I listened to many able speeches from members of the Committee on Banking and Currency, the committee that had this bill under consideration and reported it to the House. I have studied the conference report of the House and Senate and I have listened with interest to all the speeches made on the conference report. I must confess my disappointment. All of us desire to support some effective measure that will prevent inflation and the undue rise in prices.

This is a far-reaching and complicated problem. After hearing the members of the Banking and Currency Committee, as well as others, on this conference report, and having read press reports made by the Price Control Administrator, Mr. Leon Henderson, and editorials, I am more confused than ever. The members of the Banking and Currency Committee who have made a study of this whole problem are very much divided. Some of them frankly state that the bill, if enacted into law, will not control prices or prevent inflation, and will not accomplish the purposes that we seek to accomplish. Mr. Henderson, who is now Price Control Administrator, and who will be appointed administrator of this act, is quoted in the morning papers that this measure will not be effective. He says it will not prevent inflation and he has condemned the Senate bill, which, in the main, is adopted in this conference report. To add to my confusion, the Democratic majority leader the gentleman from Massachusetts [Mr. MCCORMACK], who professes to understand this legislation, says this measure will not accomplish all that we are seeking to do, but later on we will be called on to consider another bill to accomplish price control and to prevent inflation. Why is this conference report brought in here in this form when it is condemned in one way or another by the majority of the Committee on Banking and Currency—condemned by Mr. Henderson himself?

To add further to the confusion, the National Grange, America's oldest farm organization, claiming to have 1,000,000 or more members, urges me and other Members of the House and Senate to oppose the conference report and vote to send the report back to conference, with instructions to eliminate the licensing feature, as well as the power of the Administrator to buy and sell commodities. The Grange favors the retention of the O'Mahoney amendment.

In a telegram to me dated January 17, 1942, the American Farm Bureau expressed opposition to the O'Mahoney amendment. The Falls Cities Cooperative Milk Producers Association, Inc., of Louisville, Ky., in a telegram to me dated January 24, 1942, express opposition to the conference report and urge the inclusion of the O'Mahoney amendment. In another telegram from the Kentucky Farm Bureau, dated January 24, 1942, they favor the conference report, with the statement that the measure would be vastly stronger if it included labor with the other two major economic groups.

As this bill affects directly almost every man, woman, and child in this Nation, industry, agriculture, and labor, it seems to me we could, with profit to ourselves and the Nation, give the matter further study and work out some plan that we might feel assured would prevent inflation.

I think the conference report should be recommitted to the conference committee to make a more careful and extended study in the hope that they may bring out a bill that will accomplish the purposes which the Congress and the American people desire accomplished. I think the licensing provision and the provision giving the Price Administrator unlimited power to fix prices and the credit of the United States to buy and sell farm commodities and other products of the factory, shops, plants, and mines, as well as futures on the stock exchange, should be eliminated. The Senate took out the Board of Review set up in the bill as it passed the House. I think this Board should be restored to the bill as a protection to agriculture, industry, and labor, and as an aid to the Administrator himself, and if given an opportunity, I shall vote to recommit the conference report to the conference committee in the hope that this salutary provision for a review board may be included in the bill, and the licensing provision cut out. The price-control bills came to the House in July 1941. It has been well said on the floor of the House that a bill would have been passed months ago but for the lack of confidence in Hon. Leon Henderson, to whom the President gave a temporary appointment and power over the control of prices, and there appears to be a general understanding, if a price-control bill is passed, Mr. Henderson will become the permanent Price Control Administrator. Mr. Henderson's background, his attitude toward industry and private enterprise, his radical leanings, and the action he has taken in the last several months has added to this lack of confidence. Through his orders and direction, according to reports, nearly 6,000 industries have shut down or are in the process of being shut down and 1,500,000 to 2,000,000 men have been laid off. Thousands of so-called small industrial plants, factories, and shops throughout the country are closing their doors because of what is claimed to be the unwise action of Mr. Henderson. Nearly 45,000 automobile stores, service stations, repair shops, and agencies, with one and one-half million workmen and salesmen, have been, are, or in the near future will be, closed out and workmen thrown out of employment.

Few people really appreciate how far reaching the powers granted to the Price Control Administrator under this bill are. He becomes the economic czar of this Nation over industry, agriculture, and labor. He will possess greater power than that ever granted to any man in this Nation during peace or war except the great powers recently granted to the President. Under the power to license to do business and the power to go into the open markets of this country and the world and buy the products of the farm, factory, shops, and mines, he could destroy any business, any branch of industry, and wreck industry, banks, business, and the farmers of this Nation and with no board to review his acts. The aggrieved person would have the right to go to the courts but the limited relief that the court could give under the provisions of this bill would mean very little to the aggrieved person. The Administrator would simply make his order fixing the prices against any industrial or agricultural commodity and that would stand until and unless some court should grant relief against it and under the terms of this bill the court would have very little power to grant relief and the individual or firm might be destroyed before any relief could be granted. It was provided by the Board of Review in the

House bill that an aggrieved person could go before this Board and have an early review of the order fixing the price or taking away the license of some individual or firm to carry on business and if they should find that the aggrieved person had a just cause they could set the order aside, but at the behest of Mr. Henderson and the President the Board of Review was taken out of the bill and the powerful weapon of licensing was put into the bill. Neither labor, agriculture, nor industry wants Mr. Henderson. I am unwilling to give this extraordinary and unheard of power to any man, and especially to Mr. Henderson, in view of what I have heretofore said. I am in favor of industry and business receiving a fair return on their investments and the farmers should receive a fair price for their commodities so that industry might be able to pay decent wages and the farmer might receive a fair return on his investment and fair compensation for his own labor and pay just and fair wages to his workers on the farm.

We are in a great war. We must win the war and no group of people should have an advantage over another group and neither should the people nor our Government be the victims of rackets, racketeers, or profiteers. We should enact such legislation and adopt such a policy as will prevent inflation and protect all of our citizens, producers, and consumers alike, protect industry, agriculture, and labor. We should encourage industry and agriculture so they may attain their fullest productive capacity.

GIVE THE FARMER A SQUARE DEAL

If there has been an undue rise in the price of food to the consumer it should not be laid at the door of the American farmer. We must not forget that they are the poorest paid of any group of producers or workers in this Nation. They work longer hours and undergo greater hardships than any other group. In many industries, for many years, we have the 7-hour day. As a rule the workers for the United States Government have been required to work only 7 hours. In industry generally we have had and still have the 8-hour day and the 40-hour week. No farmer could operate his farm on that basis. He, his wife, and children must begin their labor early in the morning and work until late. They would be very happy if their working hours were limited from sunup to sundown. In industry those 16 years of age and in countless numbers others under 18 years of age are not permitted to work and help the father support themselves and the family. On the farm children 10 years of age, or even younger, and the mother with the father, all work for the support of themselves and the family. The recent reports show there are over 2,000,000 farm families in the United States whose total income per family is less than $500 a year. Their hours are not only long but their work is arduous. They toil in the cold of winter and in the burning heat of summer; late freeze and frosts in the spring; early frosts and freeze in the fall; floods, storms, droughts, and all manner of pests, worms, bugs, and weevils rob them of recompense for their toil. Many of our farmers receive no return on their investment and a bare living for their work.

On an average perhaps the farmers of America do not realize more than 2 to 3 percent on their investment. The great army of farm workers perhaps on an average do not exceed $1 per day and their meals, and, of course, there are hundreds of thousands who do not receive that much. If the American farmer received a return and the workers on the farm, including the wife and children, received pay comparable to that received on investment and the pay of workers in industry the price of our farm products would be more than double what they are today. Some of the speakers today were disturbed over what the farmers of the country might receive for their products under this bill.

Although we are in a great war, yet on an average the farmers of this country are receiving less for their products than the farmers received on an average in peacetime during the years 1919 to 1929 and the products of industry that the farmers must buy are much higher now on an average than they were from 1919 to 1929. I have always urged good wages for the workers in industry and a fair return on investments of those engaged in industry. No nation can be prosperous unless those engaged in industry can make money nor unless the workers in industry are receiving good wages. This, of course, means the purchasing power of those engaged in industry is such that they become the good customers of the farmers. The prosperity of industry and good wages for the workers is a matter of deep concern to all of us. All of those engaged in industry are a mighty factor in defending our country and in winning the war.

On the other hand, we must not forget that this war cannot be won without our farmers producing in great quantities, so that there may be an abundance to provide for our own armies and to help the nations associated with us in war to feed their armies. There has never been a more patriotic group in this Nation than the farmers. More than 2,000,000 young men have or will likely be called from the farms to take their places in the armed forces of our country.

On account of the billions being spent by the Federal Government, and the short working hours and the high wages paid, another 2,000,000 men will be drawn from the farms to work in industry. This presents the farmers of the Nation with a real problem. It will be impossible for them to secure an adequate supply of farm workers and those they do employ will demand higher wages than they have been or are now receiving. The farmer, his wife and children must increase their burden and put in additional hours and they must also pay the increased prices for the products of industry they must buy.

The farmers are paying their part of the taxes. They are making their full contribution of flesh and blood in defense of this country. We cannot expect them to expand their production and work longer hours without receiving a reasonable return on their investment and reasonable pay for the hard work done and the sacrifices made by them. There is no danger from inflation or an unreasonable rise in prices, in my opinion, so far as the farmers are concerned under this bill. There is a wide gulf between the price the farmer receives for his products and the price the consumer pays for them. Pyramiding of farm prices in times like these is generally brought about by the so-called middlemen and not by the farmer. To win this war our fighting men must be fed and clothed and the workers in industry providing ships, planes, guns, tanks, and other war materials must be fed and clothed. They, and all of us, must depend upon the farmer.

We should be willing to pay such a price for the things that we consume as food, shelter, and raiment as will provide for a reasonable return for those producing these products and an honest wage for those who work and produce these things on the farm and industry. I trust in the near future we may have before us a bill that will be fair to industry, agriculture, and labor and that it may be administered in a way that will promote the welfare and the best interests of the people of this country and contribute most to the winning of the great war we are now in.

Mr. WILLIAMS. Mr. Speaker, I yield now to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Speaker, the Government has requested an increase in most of the agricultural products except wheat and cotton.

The Government has requested that we raise more cattle, milk, butter, cheese, poultry, eggs, and so forth. This will require feed—and attention.

Farm labor is being withdrawn. Thousands of men are going to the Army and Navy and thousands are working in defense plants. Farm labor is becoming scarce. Urban wage rates are up.

Remember that the marketing and distributing costs are considerably higher, that the middleman charges and freight rates have increased.

The O. P. M. will allow farmers to purchase only 80 percent of their 1941 purchases. As a matter of fact 140 percent is needed.

Farmers must have an incentive to produce.

Farmers must be protected against a sudden decline following the war.

All that farmers have ever done was produce and deliver, allowing someone else to fix the price. The farmers never have sold anything.

The farmer is at the mercy of those from whom he buys and likewise at the mercy of those to whom he sells.

Little business is dependent on the farmer.

To you who are interested in the little farmers, little business, and small laborers, I want to point out the fact that the floor of today may be the ceiling of tomorrow insofar as agricultural products are concerned if this legislation is enacted.

Though this bill contains no provision for fixing retail prices, it will cause thousands of little businesses to have to secure a license and continue under the fear of compulsion and uncertainty.

Labor and industry are afforded and assured cost of production. The farmer has not had this guaranty.

Industrial wages are still an uncontrollable factor as far as a maximum is concerned.

The wheat surplus in England has been reduced from 500,000,000 to 300,000,000 bushels.

Much of our cotton surplus should be used to make gunpowder, plastics, and insulation. Much more will be used for hospital needs.

A large portion of our wheat should be used to make medical, commercial, and ethyl alcohol. Much should be used to manufacture rubber. More should and will be used as food and feed.

We no longer have any imports of silk; the amount of wool imports grows smaller daily.

Much of the rayon formerly used for clothing is used for other purposes during this war.

Will the farmer have to feed, clothe, and shoe the peoples of the world after the war?

Have you ever heard of the Biblical story of 7 years of plenty and 7 years of drought? Well, the farmer has had his full share of the 7 years of drought, and though we have full and ever-normal granaries right now, some day we may not have same. Farmers have to pull through the lean years.

Let us be prepared to win the peace after we win the war by being prepared to have the other countries see our way. We can do this if we have ample food supplies.

Food for Finland right now might mean peace with Finland; she might be fighting on our side. Food and clothing talk.

If increased production is secured, consumers need not fear high prices, because abundant supplies are a more certain assurance against inflation than arbitrary price ceilings fixed by an unsympathetic administrator.

Remember that in order for the farmer to receive what soil-conservation payments and parity payments he has received he has had to terrace, contour, and conserve the soil, and practice soil building; he has also had to cut his acreage in half.

We should have traded some of our surplus wheat and cotton during the last few years for surplus rubber and surplus strategic metals which other countries produced.

Several years ago Members of Congress had an understanding that the year 1926 would be used as a basis of parity instead of 1909–14 period; if this period were used, cotton would be 21 cents and wheat $1.40 until it reaches that level; cotton and wheat are in the deflation period instead of inflation.

Should cotton be increased to 21 cents, it would increase the content of a $2 shirt only 1½ cents.

If the best provisions of this bill are retained, it will mean that farmers will get not to exceed 25 cents per hour for their work, even the hardest kind of work.

During the other World War cotton reached 42 cents; wheat reached $2.50 per bushel, and now when cotton reaches 17 cents and wheat $1.10 a howl echoes like that of a timber wolf.

Had the O'Mahoney amendment been retained in this bill it would have provided a proper ratio of farm products to labor standards.

Naturally this price-control bill is not entirely satisfactory because the hearings were before the Banking and Currency Committee and not the Agricultural Committee.

This bill places too much power and control in the hands of one man.

Few men made in the image of God can fix all prices and administer such a law.

The provision allowing the Administrator to go out into the market and buy and sell farm products would be a dangerous provision. The chances are that he would not know how to do any horse trading much less barter with all agricultural products.

If you vote for this bill you will give up free enterprise, placing the destiny in the palms of one man who does not have to be bound by the wishes of the Congressmen who are the true representatives of the people. You will be forcing your people to submit to a regulated, regimented, economic dictatorship.

A chaotic and confusing condition will prevail. The hysteria and thoughts of a price-control bill have caused the middleman to raise the prices already, thus causing the consumer to pay a considerably higher price which is not reflected in the prices the farmer receives for his products.

The bill will discriminate against milk producers. It will guarantee the existing $3.25 rate per hundred in some States and hold Oklahoma and many others down to 1.57½ per 100.

This bill will restrain men from their liberties. It will be very unpopular.

Canada's control has proven that an act omitting labor will not be workable or satisfactory.

Sometimes the farmer and the consumer wonder what made the added costs, added from the time the raw products left the farm until they reached the consumer's table. Sometimes the middleman's profits eat up the value of a dollar like a tapeworm.

Farmers cannot cause inflation, since they represent only 23 percent of the population and receive only 10 percent of the national income or purchasing power.

How many millionaire farmers do you know?

Some accuse farmers of creating a spiral inflation. How about previous raises in wages without control, or a control fixing minimum and not maximum wages. How about contracts which have been let on a cost-plus-a-fixed-fee basis. How about the 10-percent increase in freight rates and increased transportation charges on farm products.

We cannot and will not have a satisfactory workable price control until the monetary, fiscal, and credit affairs of the country are controlled.

The $79,000,000,000 in spending, placed in the hands of a certain group has caused the threatened inflation and not the farmer.

There is nothing in this bill to protect existing contracts.

I believe we should allow the aged to supplement their pensions by allowing them to have a cow, sow, and their hens as well as a garden.

The control of farm products should remain in the Secretary of Agriculture who has every power necessary to control runaway prices of farm products and thus protect the consumer, through the use and exercise of his control powers contained in the A. A. A. and various agricultural agencies like the Farm Credit Corporation, Commodity Credit Corporation, and so forth.

Mr. WOLCOTT. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY. Mr. Speaker, I might take these few minutes to confine myself to just one industry, which happens to be the dairy industry. Of the national agricultural income the dairy industry represents an amount about equal to the basic commodities that we have heard so much about, and for which we have appropriated so many billions of dollars. I would like to know how many men here today realize what they are doing to the dairy business, when they vote for this bill. We just heard the majority leader tell us how we are only interested in the producer. We have heard our distinguished colleague from Massachusetts [Mr. GIFFORD] and the distinguished gentleman from Connecticut [Mr. KOPPLEMANN], and I am wondering why not one of them told you this afternoon that the farmers in their States are going to continue to have $3.50 per 100 price guaranteed minimum on their milk. Then they ask my colleague from Missouri [Mr. NELSON] and our friends from Nebraska and Oklahoma and all the great Midwest and the other dairy sections to vote for a $1.55 a 100 ceiling on the milk in their States. As far as the consumer of dairy products is concerned, the consumer is being deceived, because there is nothing in the bill which will help the consumer in any section where we have these milk-marketing agreements in effect.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. Yes; gladly.

Mr. SHORT. Of course, the farmer is always at a disadvantage. He is at the mercy of the man to whom he sells, and at the same time he is at the mercy of the man from whom he buys.

Mr. MURRAY. I guess I can agree with that, but the point that I am bringing out is, regardless of any partisan connection, the gentleman from Texas [Mr. PATMAN]—and I listened to most of the hearings—brought out the fact several times—and no one has disputed him—that the agricultural provisions of this bill do not provide over 25 cents per hour for any group of farmers in America.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. Yes.

Miss SUMNER of Illinois. There is complaint from the industrial areas about the 110 percent parity provision, but the Price Administrator has the power under this bill, if he wants to, which he does not, to set retail prices, in which

case that would reduce farm prices below the standard set in the bill, if he sets the retail price below it.

Mr. PATMAN. But the price must be set in accordance with the provisions of section 3 of the bill, which is the farm bill.

Mr. MURRAY. When this bill was before the House before, the gentleman from Nebraska [Mr. STEFAN] and the gentleman from Wisconsin [Mr. SAUTHOFF] each introduced an amendment asking that these farm ceilings be not placed below the cost of production. Those amendments were voted down, and yet if you will read the report on page 2, you will see that labor and industry are both guaranteed the cost of production. Anybody who votes for this bill will vote for a bill that he must know is not based on common sense, or on common justice. As far as I am concerned, any time I vote the power that goes with this bill it will be to a group that is more interested in making America strong than a group that is interested in making America over.

PRICE CONTROL OF DAIRY PRODUCTS

The dairy industry represents from 20 to 25 percent of our national farm income and about equals in agricultural value the basic commodities that have had billions of subsidies. This industry merits some careful consideration, as milk and milk products are recognized as the basis of all desirable diets.

No one can be accused of trying to obstruct the program of the administration, because nearly every one is favorable to the Henderson plan to control food prices by governmental edict, or are in accord with Secretary Wickard to protect the consumer by an abundance of food production. The latter plan appears safer, and insures the consumer a continuing supply of food and is based on principles that promote the public welfare. Most people feel that a bill as far reaching as this bill is should be placed in the hands of people known to be more interested in making America strong than they are in making America over.

First. What does it mean on page 2 of the report "equitable wages and cost of production"? Does not this mean that industry and labor are guaranteed cost of production and equitable wages? If so, why is not the farmer afforded this same protection afforded these other groups?

Second. In section 2 we find "administration can establish maximum prices to protect the consumer." If we grant the above, is not it fair to ask them why we should not include the following: "administration can establish minimum prices to the producer?"

Third. Why is the consideration and control of the price of fluid milk to the consumer in our big cities excluded from the provisions of this bill?

Fourth. Why should we pass legislation to control the producer and the consumer within a State, and exclude the control and protection in the big metropolitan areas?

Fifth. Is not it a fact that the organization representing the fluid milk producers has not asked to be excluded and receive consideration along with the producers of milk for butter, cheese, condensed milk, ice cream, and other dairy products?

Sixth. Why exempt one group of producers that are obtaining 75 cents to $1 per pound guaranteed minimum price and vote a 44-cents-per-pound butterfat ceiling price on another group of milk producers that represent a large percentage of the dairy industry?

Seventh. In other words, why guarantee one group of milk producers $2.50 to $4 per hundredweight for milk and now by this bill go out and put a $1.55 ceiling on another group of milk producers—100 pounds, 3.5 percent fat, at 44 cents per pound equals $1.55.

Eighth. Are we not passing legislation that puts a ceiling of between 3 and 4 cents per quart, according to its butter content, but exclude consideration of the producer getting twice as much?

Ninth. Are we not asked to pass legislation that puts a ceiling of 3 to 4 cents per quart on one group, but we do not attempt to control the 15-cent-per-quart retail price in many of our cities?

Tenth. Do you, my colleagues, wish to maintain the milk production in this country? Do you wish to provide dairy products for over 130,000,000 people, and do you wish to fulfill the commitments for dairy products to other countries?

Eleventh. Do you think you can accomplish this by putting a 44-cent ceiling on butterfat regardless of its cost? Do you know Secretary Wickard has had considerable difficulty in effectuating a program of increased production on the basis of 50–60-cent-per-pound butterfat?

Twelfth. Can increased cost of prodution be avoided by the producer?

Thirteenth. Do you want to pass legislation that puts a 44-cent-per pound butterfat ceiling on one group of milk producers that represents under normal times 42 pounds out of every hundred pounds of milk produced in the United States, and represents about two-thirds of the manufactured dairy products of the Nation?

Fourteenth. Do you not believe that the farmer is entitled to a ceiling not below cost of production that is afforded other groups?

Fifteenth. If you answer that, you cannot figure the cost of production of farm products, you will be confronted with two more questions. One question is, How can you figure the cost of production for other groups and not the farmer? The second is, If you admit you cannot figure the cost of production, how do you know where to place the ceiling in the first place?

Sixteenth. In the Washington Post of today, Senator O'MAHONEY is quoted as saying:

> It is not a price-control bill and it is not an anti-inflation bill. It makes absolutely no attempt to control commissions, fees, industrial profits, inflationary costs of war contracts, nor industrial wages.

Seventeenth. This bill is legislation for the few at the expense of the many. It is not based on common sense, nor is it based on common justice. It deceives the consumer, and it discriminates against certain groups of producers.

Mr. WOLCOTT. Mr. Speaker, I yield such time as he may desire to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Speaker, this bill provides no floor whatsoever for agriculture but does provide a ceiling. On the other hand, it provides a floor for labor but no ceiling; it assures industry cost of production, plus a profit—something which has never been given agriculture—and, moreover, it places no brake whatsoever on the excess profits of industry. How anyone can call this legislation price control is beyond my imagination. Surely all must be covered or the purpose of the act is lost. I cannot vote for it in its present shape. Had the O'Mahoney amendment remained in the bill, a good deal of my objections thereto would be removed.

There is nothing in this bill that assures the farmer 110 percent of parity, or even 75 percent of parity, yet everything he buys will be manufactured by labor earning far more than ever before and at a price that gives industry an assurance of profits.

The farmer is ready to eliminate all profits above cost of production during this war. At the same time he resents being made the goat and asked to make sacrifices when labor and industry march blithely on to the tunes of the highest wages in our history and the most excessive profits. Why not treat all groups alike?

Mr. WOLCOTT. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Speaker, I want to state my position on this bill. I have confidence in Donald Nelson because I believe he wants to make America strong. I lack confidence in Leon Henderson because I believe he is interested in making America over. That is the difference between them. It is not a question of like or dislike, as the majority leader suggested, or whether I am acquainted or not acquainted with the men. It is a question of lack of confidence. I am opposed to the bill because it places powers in the hands of a man who wants to make America over.

Mr. WOLCOTT. Mr. Speaker, I yield the balance of my time to the gentleman from North Carolina [Mr. COOLEY].

The SPEAKER. The gentleman from North Carolina is recognized for 3 minutes.

Mr. COOLEY. Mr. Speaker, it is to be regretted that the gentleman in control of time on the majority side is not willing to yield even a half minute to any Member of the House who may not agree with this conference report. I am in the position of having to depend upon the generosity of my Republican friend, the gentleman in control of time on the minority side, for this brief moment to speak to you about this report.

I am against this report, just as I was against the bill when it was before the House. The bill as written in conference is just as un-American as was the bill that passed the House. It is just as unworkable today as it was then. It is fundamentally un-American and a far departure from the traditions of this great Republic. It is alien to every concept of good democratic government, yet

I have heard many Members say, in the cloakroom and around the Chamber, "Yes; I know it is a bad bill but I shall hold my nose and vote for it."

This is the time for intelligent thinking. This is the time when men should realize that by a vote for this report they are giving up the institutions of free enterprise and individual initiative in America and accepting in lieu thereof a completely managed and controlled economy. By the adoption of this report you are placing the destiny of the American people in the palm of one man's hand, in the hand of a man who has already demonstrated that he is arrogant and arbitrary and has no regard for the wishes or views of either House of Congress. He recently appeared before the House Committee on Agriculture in connection with the order which he had placed upon fats and oils and in which order he had arbitrarily selected a date and had fixed a price below the current market. When his attention was called to the fact that the House, consisting of 435 Members of Congress, after much debate and consideration, had fixed October 1 as the date to be used in fixing price ceilings, and that notwithstanding this fact he had selected a different date, his reply was, "I am not administering an act of Congress. I am still administering an Executive order."

This bill is not necessary. We are not threatened with an inflationary rise in farm commodity prices. The present farm program adequately protects the consuming public, and the price-fixing features of this bill should not be applicable to raw agricultural commodities.

Vice President WALLACE, who was then Secretary of Agriculture, on May 27, 1937, made a statement before the House Committee on Agriculture, which committee was at that time considering general farm legislation, and in his statement Mr. Wallace said:

> The two fundamental purposes of this bill are, first, to safeguard the Nation's food supply and, second, to protect farm income. Under the terms of the bill, its aims would be attained through a system of loans to farmers to protect their prices and storage of reserve supplies against years of short crops, coupled with supplementary means to guard against accumulation of ruinous surpluses.
>
> The most vital parts of this bill are those calling for the establishment of an ever-normal granary in the great food crops of corn and wheat.
>
> These proposals make the bill one of great and permanent public interest. The plan of accumulating and maintaining reserves of wheat and corn in large crop years for use in short crop years is one that I have long advocated. I have held and will always hold that farmers owe a duty to consumers to provide them with sufficient food and fiber at reasonable prices and that consumers owe farmers an equal duty to protect them against price collapse. The bill recognizes the existence of this partnership between consumers and farmers and the mutual nature of the obligation that is involved.

Later in his statement Mr. WALLACE said:

> The purposes of the bill might be stated to be (1) to protect consumers against the disasters of such drought years as 1934 and 1936; (2) to minimize wide fluctuations in the prices of basic farm commodities in the interests of both consumers and producers; and (3) to stabilize farm income so far as possible at a fair level. These objectives logically go hand in hand. * * * .
>
> To keep agriculture producing on a basis that will afford ample assurance of national food supply it is necessary that farmers shall receive their fair share of the Nation's income. * * *
>
> Since the droughts of 1934 and 1936 the consumers have been heavily penalized for the lack of protection which such a plan as the ever-normal granary would afford. And in the case of the rise in wheat prices early this year, the lion's share of the consumers' increased expenditures did not go to the farmers. Out of $20,000,000 increase in the value of wheat sales in the first quarter of this year, I doubt if more than $5,000,000 went to the wheat farmers.
>
> The bill is broad enough to fit the special problems of cotton and tobacco better than a straight loan and storage measure could possibly do.
>
> It is a fact that in the case of crops that are heavily exported, domestic consumers are well protected against the danger of a domestic shortage by reason of production for export.
>
> The ever-normal granary principle has very definite benefits for labor. Wide swings in the production of agricultural products naturally lead to rapid changes in the demand for labor. A great deal of hardship among those employed in the handling trades would be eliminated if farm supplies moving to market could be better stabilized.
>
> In the case of the livestock branches of agriculture, such as hogs, cattle, dairy, and poultry, the contribution of the ever-normal granary principle comes from the fact that there would be greater regularity in the supply of feed crops at more stable prices. This would result in a more even supply of livestock and livestock products available to all of the groups that have a useful function in transporting, in processing, in warehousing, and in distributing livestock products.
>
> The producers of dairy and poultry products will gain from the application of the ever-normal-granary method to feed crops from the obvious fact that their feed costs would tend to be more nearly normal from season to season, and consumers of livestock products would be assured of a normal and regularly expanding volume of products to meet domestic requirements at prices more nearly fair to producers and more nearly in line with the consumer's purchasing power. * * *
>
> If the Nation is to have an ever-normal granary to protect itself against recurrent shortages of food—if it is to have a farm program based not upon scarcity but upon abundance—then, say the farmers, they should be able to back up this abundance plan with a marketing-control system that will protect agriculture from ruin by immense surpluses.

In advocating the ever-normal granary Mr. WALLACE went back to the days of Joseph, and after a rather lengthy discussion of the purposes of the ever-normal granary features of the bill then under consideration, Mr. Wallace said:

> Well, as I have said on several occasions and to you again this morning, that if there should be several years of favorable weather the ever-normal granary is full and overflowing, consumers are abundantly protected, in order to prevent a collapse, in order to protect the United States Treasury, in order to protect the farmer, and in order to protect the laboring man, and in order to protect the national economy and avoid a collapse like 1932, it is essential that there be some type of control.

What if agricultural prices have recently increased. Congress, for the past 8 years, has tried its dead level best, in almost every conceivable way, to force a rise in commodity prices. To force the commodity prices to reach present levels the farmers of the Nation have first filled the ever-normal granary to overflowing and then curtailed production to about 50 percent of normal. It seems ridiculous to impose price ceilings on agricultural commodities while farmers are only partially producing. If prices go too high, why would it not be wise for the Secretary of Agriculture to modify present restrictions upon production and let an increased production bring about the desired decrease in price?

I challenge those who advocate the fixing of price ceilings on agricultural commodities to point out, in the 21 minutes remaining, wherein the consumer safeguards in the present farm program are inadequate to prevent an inflationary rise in farm commodity prices.

I had an opportunity recently to ask Mr. Henderson the same question when he appeared before the Southern Policy Club a few evenings ago, and those of you who were present know that he did not give a satisfactory answer to the question. There just is not any answer. The present farm program contains all necessary control features, and there is not a man on this floor who can find a real weakness in the consumer safeguards which Congress has already provided in the present farm program. Yet we are asked to abandon the farm program and accept an economic dictatorship under which every phase of American life will be regimented and regulated. Even with the provisions written into the bill by the Senate, this is not a farm-relief bill. It is fundamentally un-American and should be defeated.

Mr. STEAGALL. Mr. Speaker, I yield to the gentleman from Kentucky [Mr. CREAL] 2 minutes.

Mr. CREAL. Mr. Speaker, did you ever hear about the fellow that cut off his nose to spite his face? Some of us are being advised that we do that today because we do not get everything that we wanted. Since when did any farm bill have everything that every farmer wanted? You court the danger when you pass this bill back of never seeing any other bill before this body. Mr. Henderson told you he did not need the power by legislation—that he had such power now—and this bill does place some restrictions on his present power.

There has been a considerable amount of objection to certain features of the bill; and notwithstanding what the majority leader said, there have been some rumors of a veto. Then what have you got? You people who are scared to death of Mr. Henderson, instead of having some restrictions, will have none. The gentleman from North Carolina [Mr. COOLEY] said it is dangerous to put all that power in his hands. Congress, by deadlock, have locked their own hands and given him the green light if we pass no bill at all or get one vetoed. That is one of the reasons why, if you have any fear, you should vote for this bill and procure subsequent legislation thereafter for other

things desired. That is what is likely to happen—a mere cutting off the nose to spite the face; a rejection of some things wanted because we could not get it all, and wind up with nothing.

For a man to say that the farmer has not got something here that he wants better than what he did have, even though it does not include every element, that he has not got some guaranties and restrictions of a ceiling below which he cannot go, to say that he will take the gambling risk of its all being passed by Mr. Henderson is playing with fire.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. WILLIAM T. PHEIFFER].

Mr. WILLIAM T. PHEIFFER. Mr. Speaker, if the conference report which is before us is adopted we shall have enacted into law a doctrine which is at cross-purposes with the American way of doing things. It will be for the benefit of but two segments of our population, the farmers and the bureaucrats, and this Congress will stand before the bar of public opinion justly indicted of having supinely yielded to the pressure of the farm bloc and of having tied the yoke of vicious bureaucratic government even more securely about the necks of the American people.

The rapacity of the demands of the farm bloc is amazing. It surpasseth all understanding. Apparently, the appetite of the bloc for a constant and increasing flow of Government bounties for the farmers was unappeased by the action of the House, when we passed the bill, in freezing farm prices at a minimum of 110 percent of parity, and thereby gave to the farmers a congressional guarantee of immunity from the hardships that all other elements of our population will have to endure until the war is won. This generous dispensation seems to have merely whetted their appetites, because now the bill comes back to us from the Senate and from conference with the new and scandalous provision in section 3 making it a condition precedent to the validity of any order or regulation affecting an agricultural commodity that the same shall first be given the blessing of the Secretary of Agriculture.

The transparency of the purpose of the farm bloc in writing this unheard of provision into the bill is so obvious as to border on the ridiculous were it not all so grimly serious. Is there anyone in this Chamber who is so naive as to believe that the Secretary of Agriculture will not exact the last pound of flesh for his farmer charges when it comes to handing down a decision on a proposed regulation of the Administrator with regard to the price of a farm commodity? We are confronted this afternoon by a challenge that must be met. No more than business, labor, or any other economic group are the farmers entitled to exploit the national emergency for their own advantage at the expense of the rest of the country. If, as in the case of farmers, every trade and profession in the country, from barbers to bankers, could look over the history of the country and choose the period in which their occupations had been most remunerative, and then decree that their average incomes during those golden eras should be the yardsticks for measuring the present and continuing value of their services, that would be an economic Utopia—but the fly in the ointment would be that our dollar bills would soon be inflated to the size of saddle blankets.

The action of the Senate and the conference committee in putting back into the bill the dangerous and un-American licensing clause is another challenge which must be courageously and decisively met by the House. In the very nature of things, the idea that our citizens must obtain licenses from their Government in order to carry on their legitimate private businesses does violence, and is repugnant to our system of free enterprise which has so largely contributed to the greatness of our country. If we smother free enterprise and tear the fabric of our domestic economy beyond repair during this period of emergency then, just as sure as today is Monday, we will be sailing stormy seas long after we have won the war. The importance of winning the war certainly transcends every other consideration, but I respectfully submit that breaking the spirits and stripping the cash registers and closing the doors of thousands of small business men throughout our country, by burdening them with a harsh and unreasonable licensing system, will hardly provide a stimulus for our all-out war effort. Let us not willfully and with our eyes open lead the country again through the vale of economic blundering, injustices, and business hardships which characterized the doleful period of the N. R. A. and the Blue Eagle. Instead, let us keep faith with the country by recommitting this bill to conference with instructions to the House conferees to insist on the eliminating of the grant of power to the Secretary of Agriculture and the eliminating of the licensing clause.

Mr. STEAGALL. Mr. Speaker, I yield the remainder of my time to the gentleman from Missouri [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, there has been a great deal said about establishing an economic dictator. Some of the Members of this House have spoken as if we were not in the midst of a very serious situation. To hear them talk you would think that we, from an economic standpoint, could go on as usual, that there ought not to be any restrictions placed upon anybody or anything, and no effort made to control prices.

It has been said here that if this bill is passed we shall set up an economic czar and that he wants to destroy industry. If those in charge in this administration wanted to destroy industry there have already been granted infinitely more powers to do that than ever were contained in any price-control bill. The power over priorities, of allocation, of rationing, and of commandeering are all powers that now exist in the executive branch of this Government. If they were used in an effort to destroy industry it could be destroyed overnight.

We have heard a great deal said about licensing and, in fact, it seems that the question has narrowed down on a motion to recommit, as I understand it, to do away with the licensing provision in the conference report and to restore the review provisions that the House passed in its bill. These are the only two matters involved in the motion to recommit. Licensing is not some new, monstrous contrivance that has been designed overnight to destroy industry. I do not have to tell you that licensing is not anything new. During the last war Canada, England, and the United States used the licensing system. At that time food, fuel, agricultural implements, exports, and imports were controlled by a licensing system; and Mr. Hoover, the gentleman in charge of the Food Administration, said in his report that it was the very backbone of the enforcement plan, and without licensing it could not have been successfully carried on. In this war England and Canada are employing the licensing system; and this is not all. If you will examine the Federal statutes you will find over 20 of them contain various licensing provisions, and impose upon those who are engaged in certain enterprises and in the sale of certain commodities restrictions and limitations not only during war but during peacetime as well. We already have had in peacetime a system of licensing that applied to many commodities and a great many different businesses. There is not a State in the Union but what has a licensing system, and yet we have heard the complaint and the charge made here that this bill sets up a licensing system that will destroy industry. There can be nothing farther from the truth than that.

There is not a single scintilla of power given to the Price Administrator under the licensing system that he does not already have under the other provisions of this act, and I challenge anybody to point out a single additional power which he has under the licensing provisions of the conference report. He already has authority to issue orders and fix prices and enforce them by injunction or by prosecution, yet we hear talk about what he is going to do under this licensing plan. What is it? What is the licensing provision in this bill we have heard so much talk about?

In the first place, any man engaged in any business as a matter of right and not in the discretion of the Administrator has the right to a license. In the next place, no license can be issued under any terms or any conditions which cannot be prescribed under the orders and regulations of the Administrator under other provisions of the bill. In the third place, if a person holding a license should violate it, the Price Administrator gives him a friendly warning, sends him a registered letter advising him of the fact and admonishing him against the continuance of a violation of the orders, regulations, or price ceilings to regulate or control under which the license was issued. Then if he persists in his conduct, if he continues to violate it, the Administrator may go into a court, into a State court, if you please, and ask that his license be suspended.

After a full and complete hearing in a court of justice, if the judge finds that the licensee has violated the provisions of

the license after he received the warning notice from the Administrator, then his license may be suspended for a period not exceeding 1 year and the suspension may be for a day or 2 days or a week. Even after all of that, the decree or judgment of the court may be modified, it may be suspended, pending appeal, and he is given the right of appeal to the highest court in this land.

There never was a bill presented anywhere in the world where the individual's rights were more safeguarded than they are in this bill. I cannot imagine anyone being in favor of the criminal provisions of this bill which would hale a man into court, into a Federal court, and compel him to face a criminal charge and conviction for the sale of an article in excess of the maximum price fixed by the Administrator, I repeat, I cannot imagine him being in favor of that kind of enforcement as distinguished from the license plan. The licensing feature is moderate, it is mild and considerate compared with the criminal provisions that are provided for in connection with the enforcement of this act.

The only other provision involved in the motion to recommit has reference to the establishment of an administrative board of review as provided in the House bill. This is an administrative board, not a court. I say that such a provision in this act will seriously handicap, if not absolutely destroy, the enforcement of it. It is not a question, Mr. Speaker, whether we should have a single price administrator or a board, it is not a question whether the authority should be placed in one man or in a board of five men; we have gone by that. This House repudiated that proposition when the bill was before it on an amendment which would have provided a board to administer this law. That was turned down. The bill, as we passed it, provided for the administration of the law by a single administrator. The Senate did likewise. That is in both bills. It is not a question now whether we want to return to a provision placing the administration of this act in the hands of one man—Mr. Henderson, if you please—or whether we will place it in the hands of three or five men with equal, coordinate powers to sit down around the council table, discuss and decide a price and issue an order in accordance with their finding.

Under this bill the Price Administrator has the power to go out and make an inspection, he has the power to get the information, he has the power, the right, and the duty to consider that price structure not only with reference to the industry the price of which he is fixing, but its relation to all other industries and its general effect on the whole economy of the entire country. After he has made that investigation, after he has reached a conclusion, it is suggested that an administrative board, not a court but an administrative board appointed by the Executive of this country and confirmed by the Senate, pass upon the orders and regulations of the Price Administrator, and substitute their judgment for his. That is what this bill would do with that provision in it.

As contrasted to that, under the provisions of the conference report, when the Price Administrator after all this investigation which he makes fixes a price, anyone who is aggrieved by reason of that decision has the right to enter a protest. He may file a protest and within 30 days he has the right to have a decision upon his protest. If that is denied, then he has the right of appeal to a court, not an administrative board but an independent court set up and established under the provisions of the conference report, the members of which court are appointed, if you please, by the Chief Justice of the United States Supreme Court. That Court has the right and it is its duty to review the proceedings under which the price ceiling was fixed by the Administrator. If the Administrator does not follow the law which this Congress lays down, he is reversed, and may I say that we are determining that policy. It is a legislative policy. We are passing this act. The responsibility is ours. It is the judgment, the decree, and the order of the Congress of the United States when this bill is passed. The Congress lays down the standards and establishes the procedure and tells and directs the Administrator what he shall do. If he does that in accordance with our mandate, it is not within the province of any administrative board or anybody else to set that order aside, because we as the legislative body determine the course that he is to pursue. We are establishing the standard. We would not get anywhere by permitting an administrative board down here somewhere to come along and say: "We do not think those standards are right and we are going to set them aside." If you want to give that kind of authority to an administrative board you will be giving something in direct violation of the order, the decree and the enactment of this Congress itself. The provision for appeal is thrown around this set-up that we have in the pending conference report. It is infinitely better, it is right, it is the only right course. It is absolutely inconceivable, I repeat, to have a Price Administrator fixing the ceiling on prices and issuing the orders and decrees, then have another administrative board, an appointive board, come along and set his order and decree aside simply because they do not like them. In that case, may I say, they would be setting aside the decree and the order, the directions, and standards established by the Congress of the United States.

Mr. GIFFORD. Will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. The gentleman's argument is overpowering when he assures us that a judge in a court would be much more liberal about the license than he would with the criminal provisions. I want the gentleman to confess that he must agree that a court would be more lenient with a slight criminal fine than a man would be with the power to take away his license and his business. He says he would prefer the license and that it is simple. It is far from being simple. I ask the gentleman, would not the judge be just as liberal and lenient relating to the fine as he would about the matter of suspension of license?

Mr. WILLIAMS. The criminal enforcement of this act involves, as it does upon conviction, a possible 2 years' imprisonment in the penitentiary and a fine of $5,000. Is that not a harsher remedy than a civil proceeding in a local court to determine whether or not the man, after he is given a friendly warning and admonition not to do so again, has violated a provision of a license? If he persists in his course of action, and after a full and fair trial he is found guilty, does not the gentleman believe there should be some restraint put upon him or does the gentleman believe that he should be permitted to go scot free regardless of how many times he has violated the law, and, if so, how would it be possible for the Administrator to enforce a price ceiling, rule or price regulation or in any way control inflation.

Mr. GIFFORD. It is the province only of a Yankee to answer a question by asking one, which the gentleman did, but I say that everybody knows that a man, if he were conducting a large business, would rather be in jeopardy only of a fine than be in jeopardy of having his license to do business taken away from him and all his employees made idle.

Mr. WILLIAMS. I would take my stand on the side of a licensing provision——

Mr. GIFFORD. And I will stand on the other.

Mr. WILLIAMS. Because it is much milder and much more considerate, and a man is given every opportunity in the world, rather than to yank him up and hale him into court for some minor violation of the law and send him to the penitentiary for 2 years and place a $5,000 fine on him.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman from Massachusetts is proceeding on the theory that the court will be harsh in the case of the suspension of a license and mild in a criminal proceeding.

Mr. GIFFORD. No; the other way around.

Mr. McCORMACK. The gentleman's question does not show that.

Mr. STEAGALL. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Alabama.

Mr. STEAGALL. I suggest to the gentleman from Missouri that the criminal provision of this bill would apply effectively to a businessman who was not equipped to conduct defenses in the courts of the country and employ counsel throughout the year. The average citizen would obey it readily. The only way you can enforce this law effectively against the large business man, with his attorneys hired by the year and equipped to conduct defenses in the courts of the country, is to invoke the licensing provision.

Mr. WILLIAMS. There is no question but that the licensing provisions of the

bill are the only effective, efficient, and fair way to administer it. I come back to the proposition that it is much more reasonable, much more conservative, much milder, and more considerate of the individual than the criminal provision, which would bring him into court and subject him to criminal punishment. When the motion to recommit is offered, it should be voted down.

[Here the gavel fell.]

The SPEAKER. All time has expired.

Under a previous order of the House the previous question is ordered.

Mr. WOLCOTT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. WOLCOTT. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WOLCOTT moves to recommit the conference report to the committee of conference with instructions to the managers on the part of the House to insist upon the disagreement to subsections (f) (1) and (2) of section 205 of the Senate amendment relating to licenses, and insist upon sections 201, 202, 203, and 204 of the House bill, relating to review by an administrative board.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were—ayes 125, noes 143.

Mr. WOLCOTT. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 189, nays 210, not voting 31, as follows:

[Roll No. 12]

YEAS—189

Allen, Ill.	Dirksen	Jarrett
Andersen, H. Carl	Disney	Jenkins, Ohio
	Ditter	Jenks, N. H.
Anderson, Calif.	Dondero	Jennings
Anderson, N. Mex.	Douglas	Johns
	Dworshak	Johnson, Calif.
Andresen, August H.	Eaton	Johnson, Ill.
	Elliott, Calif.	Johnson, Ind.
Andrews	Elston	Johnson, Okla.
Angell	Engel	Jones
Arends	Englebright	Jonkman
Arnold	Faddis	Kean
Bates, Mass.	Fellows	Keefe
Baumhart	Fenton	Kilburn
Bender	Fish	Kilday
Bennett	Ford, Leland M.	Kinzer
Bishop	Ford, Miss.	Kleberg
Blackney	Gale	Knutson
Bolton	Gearhart	Lambertson
Boren	Gehrmann	Lanham
Bradley, Mich.	Ger'ach	LeCompte
Brown, Ohio	Gifford	Ludlow
Buck'er, Minn.	Gilchrist	McGehee
Burdick	Gillette	McGregor
Butler	Gillie	McLean
Canfield	Graham	Maas
Carlson	Grant, Ind.	Martin, Iowa
Case, S. Dak.	Green	Martin, Mass.
Chenoweth	Guyer	Mason
Chiperfield	Gwynne	Michener
Clason	Hall, Edwin Arthur	Mott
Clevenger		Mundt
Cluett	Halleck	Murdock
Coffee, Nebr.	Hancock	Murray
Cole, N. Y.	Harness	Norrell
Cooley	Harrington	O'Brien, N. Y.
Copeland	Hartley	O'Connor
Cox	Heidinger	O'Hara
Cravens	Hendricks	Oliver
Crawford	Hess	Paddock
Crowther	Hill, Colo.	Pearson
Culkin	Hill, Wash.	Peterson, Fla.
Cunningham	Hoffman	Peterson, Ga.
Curtis	Holmes	Pheiffer, William T.
Day	Hope	
Dewey	Howell	Pittenger
Dies	Hull	Ploeser
Plumley	Scott	Tinkham
Powers	Shafer, Mich.	Traynor
Rankin, Miss.	Sheridan	Treadway
Rankin, Mont.	Short	Van Zandt
Reece, Tenn.	Sikes	Vorys, Ohio
Reed, Ill.	Simpson	Wasielewski
Reed, N. Y.	Smith, Ohio	West
Rees, Kans.	Smith, Wis.	Wheat
Rizley	Springer	White
Robertson, N. Dak.	Stearns, N. H.	Wickersham
	Stefan	Wigglesworth
Robsion, Ky.	Stevenson	Wilson
Rockefeller	Sumner, Ill.	Winter
Rockwell	Taber	Wolcott
Rodgers, Pa.	Talle	Wolfenden, Pa.
Rogers, Mass.	Thill	Wolverton, N. J.
Rolph	Thomas, N. J.	Woodruff, Mich.
Sauthoff	Tibbott	Youngdahl

NAYS—210

Allen, La.	Gossett	Patman
Baldwin	Granger	Patrick
Barden	Grant, Ala.	Patton
Barnes	Gregory	Pfeifer, Joseph L.
Barry	Haines	
Bates, Ky.	Hall, Leonard W.	Pierce
Beam		Plauché
Beckworth	Hare	Poage
Beiter	Harris, Ark.	Priest
Bell	Hart	Rabaut
Bland	Harter	Ramsay
Bloom	Healey	Ramspeck
Boland	Heffernan	Randolph
Bonner	Hobbs	Richards
Boykin	Hook	Rivers
Bradley, Pa.	Houston	Robertson, Va.
Brooks	Hunter	Robinson, Utah
Brown, Ga.	Imhoff	Rogers, Okla.
Bryson	Izac	Russell
Bulwinkle	Jackson	Sabath
Burch	Jacobsen	Sacks
Burgin	Jarman	Sanders
Byrne	Johnson, Luther A.	Sasscer
Byron		Satterfield
Camp	Johnson, W. Va.	Scanlon
Cannon, Fla.	Kee	Schuetz
Cannon, Mo.	Kefauver	Schulte
Capozzoli	Kelley, Pa.	Scrugham
Cartwright	Kelly, Ill.	Secrest
Casey, Mass.	Kennedy, Martin J.	Shanley
Celler		Shannon
Chapman	Kennedy, Michael J.	Sheppard
Clark		Smith, Maine
Claypool	Keogh	Smith, Pa.
Cochran	Kerr	Smith, Va.
Coffee, Wash.	Kirwan	Smith, Wash.
Cole, Md.	Klein	Smith, W. Va.
Collins	Kocialkowski	Snyder
Colmer	Kopplemann	Somers, N. Y.
Cooper	Kunkel	South
Costello	Lane	Sparkman
Courtney	Lea	Spence
Creal	Leavy	Starnes, Ala.
Crosser	Lesinski	Steagall
Cullen	Lewis	Sullivan
D'Alesandro	Lynch	Sumners, Tex.
Delaney	McCormack	Sutphin
Dickstein	McGranery	Sweeney
Dingell	McKeough	Tarver
Domengeaux	McLaughlin	Tenerowicz
Doughton	McMillan	Terry
Downs	Maciejewski	Thom
Drewry	Maciora	Thomas, Tex.
Duncan	Mahon	Thomason
Durham	Manasco	Tolan
Eberharter	Mansfield	Vincent, Ky.
Edmiston	May	Vinson, Ga.
Eliot, Mass.	Merritt	Voorhis, Calif.
Ellis	Meyer, Md.	Walter
Fitzgerald	Mills, Ark.	Ward
Fitzpatrick	Mills, La.	Weaver
Flaherty	Mitchell	Welch
Flannagan	Monroney	Wene
Fogarty	Moser	Whelchel
Folger	Myers, Pa.	Whitten
Forand	Nelson	Whittington
Ford, Thomas F.	Norton	Williams
Fulmer	O'Brien, Mich.	Woodrum, Va.
Gamble	O'Leary	Wright
Gathings	O'Neal	Young
Gibson	O'Toole	Zimmerman
Gore	Pace	

NOT VOTING—31

Boehne	Holbrock	O'Day
Boggs	Jensen	Osmers
Buck	Johnson, Lyndon B.	Rich
Buckley, N. Y.		Romjue
Carter	Kramer	Schaefer, Ill.
Davis, Ohio	Landis	Stratton
Davis, Tenn.	Larrabee	Vreeland
Gavagan	McIntyre	Wadsworth
Harris, Va.	Magnuson	Weiss
Hébert	Marcantonio	Worley
Hinshaw	Nichols	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Wadsworth for, with Mr. Romjue against.

Mr. Landis for, with Mr. Holbrock against.

Until further notice:

Mr. Boehne with Mr. Rich.

Mr. Harris of Virginia with Mr. Carter.

Mr. Nichols with Mr. Vreeland.

Mr. Boggs with Mr. Stratton.

Mr. Buck with Mr. Osmers.

Mr. Hébert with Mr. Jensen.

Mr. Bryson with Mr. Hinshaw.

Mr. Larrabee with Mr. Marcantonio.

Mr. Gavagan with Mr. Magnuson.

Mr. Buckley of New York with Mr. Weiss.

Mr. Kramer with Mr. Schaefer of Illinois.

Mr. McIntyre with Mr. Lyndon B. Johnson.

Mr. Davis of Ohio with Mrs. O'Day.

Mr. Worley with Mr. Davis of Tennessee.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on agreeing to the conference report.

Mr. WOLCOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 286, nays 112, not voting 32, as follows:

[Roll No. 13]

YEAS—289

Allen, La.	Cox	Harris, Ark.
Anderson, N. Mex.	Cravens	Hart
	Creal	Harter
Andrews	Crosser	Hartley
Angell	Cullen	Healey
Arnold	D'Alesandro	Heffernan
Baldwin	Davis, Tenn.	Hendricks
Barden	Delaney	Hess
Barnes	Dewey	Hobbs
Barry	Dickstein	Holmes
Bates, Ky.	Dingell	Hook
Bates, Mass.	Dirksen	Houston
Baumhart	Domengeaux	Hunter
Beam	Dondero	Imhoff
Beckworth	Doughton	Izac
Beiter	Downs	Jackson
Bell	Drewry	Jacobsen
Bender	Duncan	Jarman
Blackney	Durham	Jenkins, Ohio
Bland	Eaton	Jenks, N. H.
Bloom	Eberharter	Jennings
Boland	Edmiston	Johnson, Luther A.
Bolton	Eliot, Mass.	
Bonner	Ellis	Johnson, Okla.
Boykin	Elston	Johnson, W. Va.
Bradley, Pa.	Engel	Kean
Brooks	Englebright	Kee
Brown, Ga.	Fellows	Keefe
Bryson	Fish	Kefauver
Buck	Fitzgerald	Kelley, Pa.
Bulwinkle	Fitzpatrick	Kelly, Ill.
Burch	Flaherty	Kennedy, Martin J.
Burgin	Flannagan	
Byrne	Fogarty	Kennedy, Michael J.
Byron	Folger	
Camp	Forand	Keogh
Canfield	Ford, Miss.	Kerr
Cannon, Fla.	Ford, Thomas F.	Kirwan
Cannon, Mo.	Fulmer	Klein
Capozzoli	Gale	Knutson
Carter	Gamble	Kocialkowski
Cartwright	Gathings	Kopplemann
Casey, Mass.	Gavagan	Kunkel
Celler	Gibson	Lane
Chapman	Gifford	Lea
Clark	Gilchrist	Leavy
Clason	Gossett	LeCompte
Claypool	Granger	Lesinski
Cochran	Grant, Ala.	Lewis
Coffee, Wash.	Green	Lynch
Cole, Md.	Gregory	McCormack
Cole, N. Y.	Gwynne	McGranery
Collins	Haines	McGregor
Colmer	Hall, Leonard W.	McKeough
Cooper		McLaughlin
Costello	Hancock	McLean
Courtney	Hare	McMillan

Maas	Poage	Spence
Maciejewski	Powers	Steagall
Maciora	Priest	Stearns, N. H.
Mahon	Rabaut	Stevenson
Manasco	Ramsay	Sullivan
Mansfield	Ramspeck	Sumners, Tex.
Martin, Mass.	Randolph	Sutphin
May	Rankin, Mont.	Sweeney
Merritt	Richards	Talle
Meyer, Md.	Rivers	Tarver
Michener	Robertson, Va.	Tenerowicz
Mills, Ark.	Robinson, Utah	Terry
Mills, La.	Rogers, Mass.	Thill
Mitchell	Rogers, Okla.	Thom
Monroney	Rolph	Thomas, Tex.
Moser	Russell	Thomason
Mott	Sabath	Tinkham
Murdock	Sacks	Tolan
Myers, Pa.	Sanders	Traynor
Nelson	Sasscer	Treadway
Norrell	Satterfield	Vincent, Ky.
Norton	Scanlon	Vinson, Ga.
O'Brien, Mich.	Schuetz	Voorhis, Calif.
O'Brien, N. Y.	Schulte	Vorys, Ohio
O'Leary	Scrugham	Walter
Oliver	Secrest	Ward
O'Neal	Shafer, Mich.	Weaver
O'Toole	Shanley	Weiss
Pace	Shannon	Welch
Patman	Sheppard	Wene
Patrick	Sheridan	Whelchel
Patton	Sikes	Whitten
Peterson, Fla.	Smith, Maine	Whittington
Peterson, Ga.	Smith, Pa.	Wigglesworth
Pfeifer, Joseph L.	Smith, Va.	Williams
	Smith, Wash.	Wolverton, N. J.
Pheiffer, William T.	Smith, W. Va.	Woodrum, Va.
	Smith, Wis.	Wright
Pierce	Snyder	Young
Pittenger	Somers, N. Y.	Youngdahl
Plauché	South	Zimmerman
Plumley	Sparkman	

NAYS—114

Allen, Ill.	Gerlach	Paddock
Andersen, H. Carl	Gillette	Pearson
	Gillie	Ploeser
Anderson, Calif.	Gore	Rankin, Miss.
Andresen, August H.	Graham	Reece, Tenn.
	Grant, Ind.	Reed, Ill.
Arends	Guyer	Reed, N. Y.
Bennett	Hall, Edwin Arthur	Rees, Kans.
Bishop		Rizley
Boren	Halleck	Robertson, N. Dak.
Bradley, Mich.	Harness	
Brown, Ohio	Harrington	Robsion, Ky.
Buckler, Minn.	Heidinger	Rockefeller
Burdick	Hill, Colo.	Rockwell
Butler	Hill, Wash.	Rodgers, Pa.
Carlson	Hoffman	Sauthoff
Case, S. Dak.	Hope	Scott
Chenoweth	Howell	Short
Chiperfield	Hull	Simpson
Clevenger	Jarrett	Smith, Ohio
Cluett	Johns	Springer
Coffee, Nebr.	Johnson, Calif.	Starnes, Ala.
Cooley	Johnson, Ill.	Stefan
Copeland	Johnson, Ind.	Sumner, Ill.
Crawford	Jones	Taber
Culkin	Jonkman	Thomas, N. J.
Cunningham	Kilburn	Tibbott
Curtis	Kilday	Van Zandt
Day	Kinzer	Wasielewski
Dies	Kleberg	West
Disney	Lambertson	Wheat
Ditter	Lanham	White
Douglas	Ludlow	Wickersham
Dworshak	McGehee	Wilson
Elliott, Calif.	Martin, Iowa	Winter
Faddis	Mason	Wolcott
Fenton	Mundt	Wolfenden, Pa.
Ford, Leland M.	Murray	Woodruff, Mich.
Gearhart	O'Connor	
Gehrmann	O'Hara	

NOT VOTING—27

Boehne	Johnson, Lyndon B.	Osmers
Boggs		Rich
Buckley, N. Y.	Kramer	Romjue
Crowther	Landis	Schaefer, Ill.
Davis, Ohio	Larrabee	Stratton
Harris, Va.	McIntyre	Vreeland
Hébert	Magnuson	Wadsworth
Hinshaw	Marcantonio	Worley
Holbrock	Nichols	
Jensen	O'Day	

So the conference report was agreed to.

The Clerk announced the following additional pairs:

General pairs:

Mr. Romjue with Mr. Wadsworth.

Mr. Holbrock with Mr. Landis.

Mr. Boehne with Mr. Rich.

Mr. Nichols with Mr. Vreeland.

Mr. Boggs with Mr. Stratton.

Mr. Hébert with Mr. Jensen.

Mr. Larrabee with Mr. Marcantonio.

Mr. Magnuson with Mr. Osmers.

Mr. Harris of Virginia with Mr. Crowther.

Mr. Kramer with Mr. Dondero.

Mr. Schaefer of Illinois with Mr. Paddock.

Mr. Davis of Ohio with Mrs. Smith of Maine.

Mr. McIntyre with Mr. Hinshaw.

Mr. Lyndon B. Johnson with Mrs. O'Day.

Mr. Worley with Mr. Leavy.

Mr. CULLEN, Mr. LEA, and Mr. COLE of New York changed their votes from "no" to "aye."

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the conference report was agreed to was laid on the table.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 902. An act granting an increase of pension to Elizabeth Painter Mencher;

H. R. 3330. An act to authorize the sale, exchange, or other disposition of certain securities held by the Secretary of the Treasury;

H. R. 4849. An act to provide for regulating, inspecting, cleaning, and, when necessary, disinfecting railway cars, other vehicles, and other materials entering the United States from Mexico;

H. R. 5171. An act to amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1- and 2-percent limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes;

H. R. 6220. An act to amend section 3 of the Subsistence Expense Act of 1926, as amended; and

H. R. 6304. An act authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President for his approval bills of the House of the following titles:

H. R. 902. An act granting an increase of pension to Elizabeth Painter Mencher;

H. R. 3330. An act to authorize the sale, exchange, or other disposition of certain securities held by the Secretary of the Treasury;

H. R. 4849. An act to provide for regulating, inspecting, cleaning, and, when necessary, disinfecting railway cars, other vehicles, and other materials entering the United States from Mexico;

H. R. 5171. An act to amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1- and 2-percent limitations on administrative expenses and to provide over-all limitations in lieu thereof, and for other purposes;

H. R. 6220. An act to amend section 3 of the Subsistence Expense Act of 1926, as amended; and

H. R. 6304. An act authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes.

DISTRICT OF COLUMBIA BUSINESS—ROCK CREEK CEMETERY

Mr. RANDOLPH. Mr. Speaker, I call up the bill, H. R. 6107, to authorize the Commissioners of the District of Columbia to permit the vestry of Rock Creek Parish to utilize for burial sites certain lands within its present holdings in Rock Creek Cemetery.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Will the gentleman explain the legislation?

Mr. RANDOLPH. The purpose of this legislation is to authorize the Commissioners to permit the vestry of Rock Creek Parish to lay out and utilize for burial sites a parcel of land that it now owns as a part of Rock Creek Cemetery in which burials are now prohibited. The Health Officer of the District of Columbia states that the use of this land will not constitute a health menace.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized and directed, without regard to the provisions of section 84, chapter 4, title 5, of the Code of Law for the District of Columbia and notwithstanding any provision of law to the contrary, to permit the vestry of Rock Creek Parish to lay out and utilize for burial sites that parcel of land owned by the vestry in Rock Creek Cemetery in the District of Columbia shown on survey map numbered 2593, filed in the Office of the Surveyor of the District of Columbia on October 28, 1941, and to maintain perpetually such parcel of land as a part of Rock Creek Cemetery.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider laid on the table.

AMENDING THE DISTRICT OF COLUMBIA ALLEY DWELLING ACT

Mr. RANDOLPH. Mr. Speaker, I call up the bill H. R. 5306, to amend the District of Columbia Alley Dwelling Act, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. What is the bill about?

Mr. RANDOLPH. Mr. Speaker, the primary purpose of the bill is to clarify existing provisions in the District of Columbia Alley Dwelling Act with respect to the Alley Dwelling Authority power to borrow money. The present act is not clear as to the power to borrow either public or private funds under both titles of the law, and to pledge the rents and the income received from rentals, as security for the debt. In connection with this borrowing, the legislation which we present today provides that the debt shall not be an obligation of the United States or the District of Columbia, but is secured only by the property and the revenues therefrom.

Mr. MARTIN of Massachusetts. Are the Commissioners in favor of the legislation?

Mr. RANDOLPH. They are.

Mr. HOLMES. Mr. Speaker, I further reserve the right to object. Does this have anything to do with, or propose new legislation to build additional houses for defense workers in the District of Columbia?

Mr. RANDOLPH. No; although there is a relationship to that subject. Low-cost housing and slum clearance would be continued.

Mr. HOLMES. Does it take the Alley Dwelling Authority out of the control of Congress or any Executive department?

Mr. RANDOLPH. No.

Mr. HOLMES. If they are not responsible to any authority here in connection with the spending of money, are they not automatically taken out of the control of the Congress or any other Executive authority?

Mr. RANDOLPH. The Alley Dwelling Authority is directly responsible to the President of the United States.

Mr. HOLMES. Insofar as their funds are concerned, from now under this act they will be authorized to borrow money, to build buildings, and charge rent, and amortize them in any shape or manner they see fit. In other words, they will have a free rein on the question of how the money is collected and disposed of.

Mr. RANDOLPH. The Alley Dwelling Authority has that now. They establish their own rents, and report to the President of the United States their actions. In no wise do we change the basic legislation as it exists at the present time except as I said, to allow borrowing rights which they do not now possess. There are other slight changes to be considered, including travel allowance and use of a seal.

Mr. HOLMES. That is for new construction?

Mr. RANDOLPH. That is right.

Mr. HOLMES. In other words, the program is going to be expanded in the District of Columbia?

Mr. RANDOLPH. It is my understanding that there is a need for the program to be expanded.

Mr. HOLMES. Mr. Speaker, I will have to object. I would like to look into it a little further.

The SPEAKER. Objection is heard.

Mr. RANDOLPH. Mr. Speaker, I withdraw the bill.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. JENSEN (at the request of Mr. GILCHRIST) for today, on account of illness.

AMENDING CHAPTER 19 OF THE CODE OF LAW FOR THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, by the direction of the Committee on the District of Columbia, I call up the bill (H. R. 6375) to amend subchapter 2 of chapter 19 of the Code of Law for the District of Columbia.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman explain the purport of the bill?

Mr. RANDOLPH. The purpose of this bill is to make it a felony to steal from any vehicle in the District of Columbia any tires, or tubes, or wheels, or batteries, or any other equipment attached to a car. The measure is designed particularly to cover situations where thieves strip cars of their accessories or drain gasoline from automobiles in Washington, D. C. The sentence of the court may, in its discretion, be not in excess of 10 years, as the particular case may warrant.

Mr. MARTIN of Massachusetts. Does the gentleman mean 10 years for stealing a tire?

Mr. RANDOLPH. During the war period it is believed necessary to place a stiff penalty, but this would not exceed 10 years.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. COCHRAN. At the present time it is a misdemeanor?

Mr. RANDOLPH. That is correct.

Mr. COCHRAN. And the gentleman seeks to make it a felony?

Mr. RANDOLPH. That is correct.

Mr. COCHRAN. Since this order has gone out freezing tires, automobiles, and so forth, a racket has grown up all over the United States. In my own city they have already stolen off of machines several hundred tires. I have introduced a bill covering the whole United States, and I compliment the gentleman for bringing a bill of this character in here to stop thieves from taking parts of your automobile, as they are doing all over the Nation today as a result of that order. It will be worse as time goes on.

Mr. RANDOLPH. I thank the gentleman, and I trust his bill will be reported to this House. Effective transportation is a vital part of our defense effort, not only in the District of Columbia but the Nation, in this crisis. This problem is a growing one.

Mr. SHANNON. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Texas.

Mr. MAHON. The bill gives considerable leeway in the punishment which may be administered?

Mr. RANDOLPH. Yes; 10 years would be the maximum sentence. I would state also that the penalty is not mandatory. The court may, in its discretion, impose sentence as the violation in any given case may appear to merit.

Mr. MAHON. And what is the minimum?

Mr. RANDOLPH. There is no minimum, but the particular case would warrant the judgment of the court, which is bound by the provisions of the Indeterminate Sentence and Parole Act of the District of Columbia.

Mr. YOUNG. Will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Ohio.

Mr. YOUNG. The gentleman from West Virginia, who is the distinguished chairman of the Committee on the District of Columbia, will agree with me, I am sure, when I say that punishment, like a shadow, should follow the commission of any offense, but is it not a fact that under the gentleman's proposal here, a judge may in his discretion, if a tire is stolen from a bicycle or an automobile, inflict a punishment of 10 years' imprisonment or 5 years' imprisonment, and is it not a fact that if this becomes a law in one courtroom you may find for the commission of an offense the culprit will be fined $50 and in another courtroom he will be given 10 years' or 5 years' imprisonment? Is that not likely to happen under the gentleman's bill, and may I not ask this question, why was 10 years fixed as a maximum instead of 2 years or 3 years?

Mr. MAHON. Will the gentleman yield further?

Mr. RANDOLPH. I yield to the gentleman from Texas.

Mr. MAHON. Is it not true that in the prosecution, conviction, and punishment of people for crime there is a variation with the various crimes, and the degree, and it is in line with our judicial system to adjust the punishment to the particular offense, in view of all the circumstances?

Mr. RANDOLPH. The gentleman is correct, and specifically in answer to the inquiry of the gentleman from Ohio [Mr. YOUNG] I would state that of course discretion lies with the trial judge, not only in the sentence imposed under this law, but in other cases. It may be that the maximum of 10 years should be lowered.

Mr. YOUNG. But I think there is too great variance here, and I consider that if the Police Department of Washington would enforce the law at the present time there is enough law on the statute books.

Mr. RANDOLPH. I yield to the gentleman from Texas [Mr. RUSSELL], a member of the District Committee.

Mr. SHANNON. Mr. Speaker, I wish to make a motion. He has left out a form of punishment. He should have gone back to the common law and denied the benefit of clergy. I object.

The SPEAKER. There is nothing to object to. The gentleman calls up the bill in his own right.

Mr. SHANNON. Then I question the authority of this small body to pass on this bill at this time. If he insists upon it I want a call of the House.

Mr. RANDOLPH. The gentleman from Missouri has always had every courtesy from the gentleman from West Virginia. I am sincerely sorry I did not see the gentleman on his feet.

Mr. SHANNON. But I did not get it a few minutes ago from you. You gave the gentleman from Texas a second chance. I object to your bill because it has outrageous punishment. Mostly boys are engaged in this thing. I insist upon it, that if it is brought up here, you should go back to that old, ancient doctrine to confer the benefit of clergy upon fellows like yourself.

Mr. RANDOLPH. I have no desire to argue with the gentleman from Missouri whom I respect. I say to the Speaker and to House Members present, and particularly to the gentleman from Missouri,

that in my 9 years of service on this floor it has never been intimated or charged that I did not extend every courtesy and consideration to my colleagues. Disagreement, yes; but never has the gentleman from West Virginia failed to recognize or yield to a fellow Member. I shall now, as always, be considerate and courteous.

Mr. SHANNON. I stand by what I said.

Mr. RANDOLPH. The gentleman from West Virginia stands by what he said.

Mr. SWEENEY. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Ohio.

Mr. SWEENEY. Is the bill confined to the theft of rubber, or does it take in other commodities? Does the gentleman contemplate embracing in his bill the theft of rationed commodities, like brass, aluminum, paper, tin, and all the other strategic commodities, or is the bill just confined to rubber?

Mr. RANDOLPH. It includes tires, casings, rims, wheels, automobile accessories, and other equipment regardless of the value. Also oil or gasoline. Antifreeze solutions would also be included under the terms of the bill.

Mr. SWEENEY. We do not want to get hysterical and go too far in one direction.

Mr. BENDER. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. RANDOLPH. Mr. Speaker, I have no desire to keep Members here at this late hour.

The SPEAKER. A point of no quorum has been made. Evidently a quorum is not present.

ADJOURNMENT

Mr. MONRONEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 57 minutes p. m.) the House adjourned until tomorrow, Tuesday, January 27, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Tuesday, January 27, 1942, to resume hearings on the proposed amendments to the Securities Exchange Act of 1934.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a. m. Wednesday, January 28, 1942, for consideration of H. R. 6073, H. R. 6416 H. R. 6439, and H. R. 6450.

COMMITTEE ON INVALID PENSIONS

There will be a meeting of the Committee on Invalid Pensions at 10:30 a. m. Wednesday, January 28, 1942, in room 247, House Office Building, for the purpose of considering general pension bills.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 5, 1942, at 10 a. m., on H. R. 6020, granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Atlantic seaboard and creating the Atlantic States Marine Fisheries Commission.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1336. A letter from the Administrator, Federal Security Agency, transmitting first quarterly report of the United States Commissioner of Education on the education and training of defense workers, covering the period beginning July 1, 1941, and ending September 30, 1941; to the Committee on Expenditures in the Executive Departments.

1337 A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to provide for the retirement, rank, and pay of heads of staff departments of the Marine Corps; to the Committee on Naval Affairs.

1338. A letter from the Acting Administrator, Federal Works Agency, transmitting additional names to the list of employees of the Work Projects Administration, Federal Works Agency, receiving a per annum salary of $1,200 or more on December 1, 1941; to the Committee on Expenditures in the Executive Departments.

1339. A letter from the Secretary of the Interior, transmitting a copy of a letter from the Commissioner of the General Land Office dated January 15, 1942, transmitting report of the withdrawals and restorations contemplated by statute; to the Committee on the Public Lands.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 5892. A bill to regulate the placing of children in family homes, and for other purposes; without amendment (Rept. No. 1674). Referred to the Committee of the Whole House on the state of the Union.

Mr. SCHULTE: Committee on the District of Columbia. H. R. 6386. A bill to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia, and also to conform with wages paid in many cities of the Nation; without amendment (Rept. No. 1675) Referred to the Committee of the Whole House on the state of the Union.

Mr. SCRUGHAM: Committee on Appropriations. H. R. 6460. A bill making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes; without amendment (Rept. No 1676). Referred to the Committee of the Whole House on the state of the Union.

Mr. McLAUGHLIN: Committee on the Judiciary. H. R. 4812. A bill further to define the powers of a district judge in certain suits; with amendment (Rept. No. 1677). Referred to the House Calendar.

Mr. MAAS: Committee on Naval Affairs. H. R. 4869. A bill to provide for longevity credit for enlisted men of the Naval and Marine Corps Reserve; with amendment (Rept. No. 1678) Referred to the Committee of the Whole House on the state of the Union.

Mr McLAUGHLIN: Committee on the Judiciary H R 6005. A bill to authorize cases under the Expediting Act of February 11, 1903, to be heard and determined by courts constituted in the same manner as courts constituted to hear and determine cases involving the constitutionality of acts of Congress; with amendment (Rept. No. 1679). Referred to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 6446. A bill to provide for continuing payment of pay and allowances of personnel of the Navy, Marine Corps, and Coast Guard, including the retired and reserve components thereof, and civilian employees of the Navy Department, during periods of absence from post of duty, and for other purposes; with amendment (Rept. No. 1680). Referred to the Committee of the Whole House on the state of the Union.

Mr HEFFERNAN: Committee on Naval Affairs. S. 2112. An act authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics; with amendment (Rept No. 1681). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on the Merchant Marine and Fisheries. H. R. 6291. A bill to amend the Merchant Marine Act, 1936, as amended, to provide for the coordination of the forwarding of water-borne exports from the United States, and for other purposes; with amendment (Rept. No. 1682). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULMER: Committee on Agriculture. H. R. 6353. A bill to provide for the adjustment of tobacco-marketing quotas in certain cases where farm land is acquired by the United States for defense purposes; with amendment (Rept. No. 1683). Referred to the Committee on the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 6332. A bill to revise the boundaries of the Chickamauga-Chattanooga National Military Park in the States of Georgia and Tennessee; without amendment (Rept. No. 1684). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DIMOND:

H. R. 6461. A bill to authorize the incorporated city of Anchorage, Alaska, to purchase and improve the electric-light and power system of the Anchorage Light & Power Co., Inc., an Alaska corporation, and for such purpose to issue bonds in the sum of not to exceed $1,250,000 in excess of present statutory debt limits; to the Committee on the Territories.

By Mr. HOOK:

H. R. 6462. A bill to extend the insurance benefits granted by section 602 (d) (2) of the National Service Life Insurance Act of 1940 to parents of certain deceased members of the armed forces even though such parents are not dependent; to the Committee on Ways and Means.

By Mr. CELLER:

H. R. 6463. A bill to provide for the adjustment of certain tort claims against the United States and to confer jurisdiction in respect thereto on the district courts of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. ELLIS:

H. R. 6464. A bill to provide for the improvement of navigation, control of floods,

and promotion of the natural defense, through the development and conservation of the resources of the drainage basins of the Arkansas, White, Ouachita, and St. Francis Rivers, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. CANNON of Missouri:

H. R. 6465 (by request). A bill to provide for war displacement benefits to certain persons because of the war or the national war effort; to the Committee on Ways and Means.

H. R. 6466 (by request). A bill making an appropriation to carry out the provisions of the act entitled "An act to provide for war displacement benefits to certain persons because of the war or national war effort," Seventy-seventh Congress; to the Committee on Ways and Means.

By Mr. DIES:

H. Res. 420. Resolution for the continuation of the Special Committee to Investigate Un-American Activities; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Alabama, memorializing the President and the Congress of the United States to consider their resolution dated January 13, 1942, relative to federalization of unemployment compensation; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DISNEY:

H. R. 6467. A bill for the relief of M. C. Roberts and Robert Roberts; to the Committee on Claims.

By Mr. McMILLAN:

H. R. 6468. A bill for the relief of Benjamin F. Short; to the Committee on Military Affairs.

By Mr. SMITH of Virginia:

H. R. 6469. A bill for the relief of George Dewey Thomas; to the Committee on Claims.

PETITIONS ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2321. By Mr. ENGEL: Resolution of the Board of Supervisors of Mason County, Mich., urging the abolishment of the Work Projects Administration in the interests of our war effort; to the Committee on Appropriations.

2322. Also, resolution of the Board of Supervisors of Mason County, Mich., urging the abolishment of the Agricultural Adjustment Administration in the interests of our war effort; to the Committee on Agriculture.

2323. Also, resolution of the Mason County Board of Supervisors at Ludington, Mich., urging the abolishment of the National Youth Administration in the interests of our war effort; to the Committee on Appropriations.

2324. By Mr. MARTIN of Iowa: Petition of the Independent Business Men's Association of Iowa, Des Moines, Iowa, pledging support in bringing about victory to our Nation and tolerant, sane, and democratic government to the oppressed people of this world; to the Committee on Foreign Affairs.

2325. By Mr. SMITH of Wisconsin: Resolution of the 1942 session of the Wisconsin annual road school, Madison, Wis., protesting against the passage of House bill 5949, proposing to transfer to the Interstate Commerce Commission full powers to regulate sizes and weights of all motor vehicles engaged in transportation in interstate and foreign commerce, as another instance of a Federal bureau invading the field of State and local governmental rights; to the Committee on Interstate and Foreign Commerce.

2326. Also, resolution adopted by the common council of the city of Racine, requesting the Congress to amend title 1 of the Social Security Act so as to make a minimum of $30 per month available, as a matter of right, to every retired citizen 60 years of age or older who is not drawing annuities of that amount under any other Federal system, as provided in the General Welfare Act (H. R. 1410) now pending in Congress; to the Committee on Ways and Means.

2327. By the SPEAKER: Petition of the Ninth Corps Area, Commission on College Problems in Relation to National Defense. Special meeting at Stanford University on Monday, December 29, 1941, petitioning consideration of their resolution with reference to war problems; to the Committee on Military Affairs.

2328. Also, petition of the joint committee of the Coalitionist Parties, San Juan, P. R., petitioning consideration of their resolution with reference to Dr. Rexford G. Tugwell, Governor of Puerto Rico; to the Committee on Insular Affairs.

2329. Also, petition of the Partido Union Republic, San Juan, P. R., petitioning consideration of their resolution with reference to foreign affairs, and the national-defense program; to the Committee on Military Affairs.

2330. Also, petition of the Oak Cliff Chamber of Commerce, Dallas, Tex., petitioning consideration of their resolution with reference to the Trinity River improvement program; to the Committee on Rivers and Harbors.

SENATE

TUESDAY, JANUARY 27, 1942

(Legislative day of Friday, January 23, 1942)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God and Everlasting Father, from whom cometh every good and perfect gift, for all that is in the heaven and in the earth is Thine, and unto Thee we ascribe all might, majesty, dominion, and power, for Thine is the Kingdom, O Lord, and Thou art exalted as Head above all: Reveal to us now, in these bewildering days, the necessity for physical, moral, and spiritual discipline, by which alone our people can overcome their lethargy and indifference to those things which threaten the security, stability, and ultimate triumph of the ideals of our beloved America.

Give to us a deep and lasting appreciation of the stainless beauty of the moral law, from which men derive strength and courage, if they would be brave and noble, in the conflict with self and with the enemies of peace. If there be those among us who are weak, lead them, we beseech Thee, if only step by step, past the dread moment of uncertainty, into that glorious experience in which an undivided loyalty to God and country shall dominate their lives as Thou dost set their hearts at liberty.

We ask it in the Name and for the sake of Him who yielded up His life upon the Cross for the redemption of mankind, Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Monday, January 26, 1942, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 6107) to authorize the Commissioners of the District of Columbia to permit the vestry of Rock Creek Parish to utilize for burial sites certain land within its present holdings in Rock Creek Cemetery, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 5591. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes; and

H. R. 5895. An act to authorize the Library of Congress Trust Fund Board to allocate one-half of the income from certain property to the Smithsonian Institution.

NOTICE OF HEARING ON NOMINATION OF JOHN W. DELEHANT TO BE DISTRICT JUDGE

Mr. VAN NUYS. Mr. President, the Committee on the Judiciary has received the nomination of John W. Delehant, of Nebraska, to be a district judge for the district of Nebraska.

The Senator from Delaware [Mr. HUGHES], who is the chairman of the subcommittee considering this nomination, is necessarily absent from the Senate today, and has requested me in his behalf to give notice, as required by a rule of the committee, that Wednesday, February 4, at 10:30 a. m., has been set as the time for a hearing on the nomination in the Judiciary Committee room.

NOTICE OF HEARING ON NOMINATION OF WILLIAM A. EKWALL TO BE CUSTOMS COURT JUDGE

Mr. McFARLAND. Mr. President, the Committee on the Judiciary has received the nomination of Hon. William A. Ekwall, of Oregon, to be judge of the United States Customs Court.

As required by a rule of the committee, and as chairman of the subcommittee considering this nomination, I hereby give notice that Wednesday, February 4, at 10 a. m., has been set as the time for a hearing on the nomination in the Judiciary Committee room.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Bankhead	Brooks
Andrews	Barkley	Brown
Austin	Bilbo	Bulow
Bailey	Bone	Bunker
Ball	Brewster	Butler

Byrd	Johnson, Calif.	Reynolds
Capper	Johnson, Colo.	Rosier
Caraway	Kilgore	Russell
Chandler	La Follette	Shipstead
Chavez	Langer	Smathers
Clark, Idaho	Lee	Smith
Clark, Mo.	Lodge	Stewart
Connally	Lucas	Taft
Danaher	McFarland	Thomas, Idaho
Davis	McKellar	Thomas, Okla.
Downey	McNary	Thomas, Utah
Doxey	Maloney	Tobey
Ellender	Maybank	Truman
George	Mead	Tunnell
Gerry	Millikin	Tydings
Gillette	Murdock	Vandenberg
Glass	Murray	Van Nuys
Green	Norris	Wagner
Guffey	Nye	Wallgren
Gurney	O'Daniel	Walsh
Hayden	O'Mahoney	Wheeler
Herring	Overton	White
Hill	Radcliffe	Wiley
Holman	Reed	Willis

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Delaware [Mr. HUGHES], the Senator from Nevada [Mr. MCCARRAN], the Senator from Wyoming [Mr. SCHWARTZ], and the Senator from Arkansas [Mr. SPENCER] are necessarily absent.

The Senator from Florida [Mr. PEPPER] is detained on important public business.

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is absent on official business.

The Senator from Ohio [Mr. BURTON] is absent on public business.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

RESOLUTION OF COUNCIL OF THE CITY OF RACINE, WIS.—AMENDMENT OF SOCIAL SECURITY ACT

Mr. WILEY. Mr. President, I present for printing in the RECORD and appropriate reference a resolution adopted by the Common Council of the City of Racine, Wis., relative to amendment of the Social Security Act in connection with old-age assistance.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas under the present Federal Social Security Act no provision is made for retirement income for those who have already reached retirement age, or for those who will later attain that age, who have as farmers or business or professional men and women or in other capacities created jobs for themselves and others, nor for those who have been employed on farms or in homes, churches, public offices, or other employment excluded from title II of the Federal Social Security Act, except by submitting to poverty registration of themselves and all members of their families, while retirement income and widow's pensions are made available to all employed in business and industrial establishments without question as to their economic status:

Resolved, That the Congress of the United States of America is hereby requested to amend title I of he Social Security Act so as to make a minimum of $30 per month available, as a matter of right, to every retired citizen 60 years of age or older who is not drawing annuities of that amount under any other Federal system, as provided in the General Welfare Act, H. R. 1410, now pending in Congress; further

Resolved, That the city clerk is hereby authorized and directed to send a certified copy of this resolution to the United States Senators from Wisconsin and the Member of Congress from this congressional district.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MCKELLAR, from the Committee on Appropriations:

H. R. 6448. A bill making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes; without amendment (Rept. No. 994).

By Mr. WALSH, from the Committee on Naval Affairs:

S. 2192. A bill to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy; with amendments (Rept. No. 995);

S. 2193. A bill to amend the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act; without amendment (Rept. No. 996);

H. R. 4151. A bill to authorize the acquisition by the United States of lands lying between the present boundary of the Naval Air Station, Lakehurst, N. J., and the new boundary of Fort Dix, in the county of Ocean and State of New Jersey; without amendment (Rept. No. 997); and

H. R. 6333. A bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; with amendments (Rept. No. 998).

By Mr. THOMAS of Utah, from the Committee on Mines and Mining:

S. 2066. A bill to make permanently effective the act regulating interstate and foreign commerce in petroleum and its products; without amendment (Rept. No. 999).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WHITE:

S. 2228. A bill for the relief of Carl L. Jones; to the Committee on Claims.

By Mr. WALSH:

S. 2229. A bill to provide for the retirement, rank, and pay of heads of staff departments of the Marine Corps; to the Committee on Naval Affairs.

By Mr. GERRY:

S. 2230. A bill to provide for the transfer of all functions, operations, and activities carried on by the War Department in connection with the procurement, laying, maintenance, and control of submarine mines and mine fields, together with the property and facilities pertaining thereto, including the Army Mine Planter Service, to the jurisdiction of the Navy Department, and for other purposes; to the Committee on Naval Affairs.

By Mr. WHEELER:

S. 2231. A bill granting a pension to Nettie M. Clapp (with accompanying papers); to the Committee on Pensions.

HOUSE BILL REFERRED

The bill (H. R. 6107) to authorize the Commissioners of the District of Columbia to permit the vestry of Rock Creek Parish to utilize for burial sites certain land within its present holdings in Rock Creek Cemetery was read twice by its title and referred to the Committee on the District of Columbia.

REPORT ON REEXAMINATION OF THE SABINE-NECHES WATERWAY, TEX. (S. DOC. NO. 158)

Mr. BAILEY presented a letter from the Secretary of War, transmitting a report dated July 16, 1941, from the Chief of Engineers of the Army, together with accompanying papers and illustrations, on reexamination of the Sabine-Neches Waterway, Tex., which was referred to the Committee on Commerce and ordered to be printed, with illustrations.

ADDRESS BY SENATOR MEAD ON CIVIL-SERVICE RETIREMENT

[Mr. MEAD asked and obtained leave to have printed in the RECORD a radio address delivered by him on January 19, 1942, on the subject of civil-service retirement, which appears in the Appendix.]

ATHLETIC ACTIVITIES OF SENATOR CHANDLER—ARTICLE BY VINCENT X. FLAHERTY

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD an article by Vincent X. Flaherty, published in the Washington Times Herald of January 27, 1942, dealing with the athletic activities of Senator CHANDLER, which appears in the Appendix.]

INDUSTRIAL WAGES—LETTER FROM PHILIP N. BLADINE

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD a letter addressed to him by Philip N. Bladine, of McMinnville, Oreg., editor of the Telephone Register, which appears in the Appendix.)

PRODUCTION OF BUTTERFAT IN KANSAS

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD an article from the Parsons Daily Sun, of Parsons, Kans., relative to the production of butterfat from certain herds of cows in Kansas, which appears in the Appendix.]

PRICE CONTROL—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. BROWN. Mr. President, I shall make a very brief statement of changes made in the conference report from the provisions of the bill as it passed the Senate.

There were seven major points of difference.

The Senate bill provided for a full licensing system, which extended to all wholesale and retail outlets and other outlets for commodities. In conference no change was made in the substance of the Senate section relative to licensing.

It will be recalled that the Senate committee, as well as the Senate itself, approved the licensing provisions, which are substantially as follows:

First, the proprietor of every retail and wholesale outlet has a right as a matter of course to a license to do business; and

the license may be taken away only if he twice violates its provisions, or the regulations surrounding it. After the first violation a warning is to be sent. After the second violation the Administrator is empowered to go into court and ask for a cancelation of the license. The license may then be canceled by the court for a period not exceeding 12 months. If the violation was slight, it probably would be canceled for a week or a month, or any part of 12 months.

The only change made in conference was this: The bill as reported by the Senate committee and as it passed the Senate required that such proceedings should be conducted in the local State courts; but it also provided that if the place of business of the person against whom a violation was asserted was within 50 miles of a Federal court, the matter could be heard in the Federal court. At the request of the House confereees we struck out that exception; and all cases must be tried in the local courts unless the amount of total gross sales is $100,000, or unless there is interstate business.

Mr. McNARY. Mr. President——

Mr. BROWN. I yield to the Senator from Oregon.

Mr. McNARY. Is not that the same provision that was in the bill as it passed the Senate?

Mr. BROWN. The only difference is that in the bill as it passed the Senate there was jurisdiction in the Federal courts in any kind of a case if the store, for example, was within 50 miles of the Federal court. That provision was eliminated in conference.

Mr. McNARY. I am speaking with reference to the general topic. There has been no change in that feature?

Mr. BROWN. I will say to the Senator from Oregon that there has been no substantial change.

With respect to the second substantial question—a single price administrator instead of either a primary board charged with the administration, or an appeal board over and above the authority of the single administrator—the Senate provisions were agreed to. That is, the bill now provides for a single administrator with plenary authority over prices, subject only to the Bankhead amendment, which I shall discuss a little later, and to an emergency court of appeals, whose jurisdiction is confined to the legal question of whether a particular order before the court is within the purview of the act.

Mr. BONE. Mr. President——

Mr. BROWN. I yield to the Senator from Washington.

Mr. BONE. As I understand the bill, the licensing feature is sufficiently broad in its language to cover all transactions, both interstate and intrastate—business, great and small.

Mr. BROWN. The Senator is correct about that

Mr. BONE. I raised this question several days ago when the bill was under consideration; and I think someone on the other side of the aisle—I believe it was the Senator from Ohio [Mr. TAFT]—said that the question of rents was so broad that those who favored this type of legislation felt that they ought not to undertake to include rents within its terms, because of the tremendous field they cover. I know, however, that in my own experience—and I think it will be generally conceded to be the case—rent forms a very substantial part of the expenditures of the average man. The rent he pays may take 20 percent of his income, though probably not so much as food. I admit that food and clothing and the other necessary items of expense of the average family exceed rent; but rent is a tremendously large factor in itself. If there is justification for covering the price of food in intrastate commerce, and regulating by a licensing system the business of the little fellow, is there not justification for applying the provisions of the bill to rents everywhere, instead of merely in so-called defense areas?

For instance, an American citizen living in a city or town that does not have a defense industry, and which cannot be said to be a defense area, may be hurt just as badly by tremendous increases in his rent as a man living in a so-called defense area. I realize that that problem has not been touched; but I feel that if there is legal justification for taking jurisdiction of the purely intrastate operations of the little fellow everywhere, there is ample justification for tackling the rent situation everywhere in the country. I realize that it probably connot be done now, but I should like to have the Senator express his views about that particular point.

Mr. BROWN. Mr President, this is primarily a commodity-price bill. The bill does not undertake to give the Price Administrator original jurisdiction in any case. He operates only in the event of proper complaint if, in his judgment, the efforts of the local authorities have failed in the matter of regulation of the rents in a defense area

As I stated to the able Senator from Washington when he previously asked a similar question while the bill was under consideration in the Senate, I feel, and the members of our committee and the conferees felt, that rent was primarily a matter of State and local concern. We have clung to that theory throughout the consideration of the bill. Mr. Henderson, or whoever may be the Price Administrator if it be not Mr. Henderson, may take action as to rents only in defense areas when, in the judgment of the Administrator, the local authority has broken down. I am sorry we cannot more fully cover that matter, as I know the Senator from Washington wants us to; but, of course, at this stage of the proceedings it would be impossible to include in the bill such a provision as would meet the situation the Senator has a mind.

While I am on the subject of rent, I may say that we think we materially improved the rent section of the bill by making the base period substantially any time between April 1, 1940, and the time when the applicant applies for relief under the provisions of the act, still leaving April 1, 1941, as the suggested statutory base date. That change was made at the request of a great many who thought insufficient consideration had been given to the rent section. I may say that it seemed reasonable to satisfy those who felt we had not adequately covered the situation in the bill as it passed the Senate.

Mr. OVERTON. Is the base date for rent April 1, 1940?

Mr. BROWN. April 1, 1941.

Mr. OVERTON. The Senator first said 1940.

Mr. BROWN. I will say to the Senator what I did not state, that if April 1, 1941, is not considered to be truly representative, the Administrator may make his base date as far back as April 1, 1940.

Mr. OVERTON. But not beyond that?

Mr. BROWN. And as far the other way as the time when the application is considered by the Authority.

Mr. OVERTON. I understand.

Mr. BROWN. I shall now pass on to the third proposition in the bill, that is, the provision giving the Price Administrator power to purchase commodities. As the bill passed the Senate, the power was given to the Administrator to purchase on two bases: First, to affect prices; second, to increase production. The House conferees insisted very earnestly that the first test should be stricken from the bill, and that was done, so that the power to purchase commodities is based on the necessity for an increase of production. Of course, it naturally follows that an increase in production means an increase in the supply of a commodity, and has a very effective influence on price. Other than for that change, there is no substantial difference in the power to purchase commodities as covered in the bill as it passed the Senate.

The fourth proposition was the striking out of a portion of the O'Mahoney amendment. I may say that we struck out the portion of the O'Mahoney amendment which relates to the inclusion of certain calculations involving urban wages—or, as I have always contended, urban wage rates—in the calculation of parity.

We accepted two important provisions in the O'Mahoney amendment, the first being that fixing the floor on commodity prices based upon the market price of any particular commodity as of December 15, 1941. In other words, the Price Administrator may not exercise his controls until commodity prices have reached a level commensurate with the market price as of December 15, 1941.

Mr. LEE. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. LEE. There were several farm commodities which were shown in the table inserted in the RECORD by the Senator from Michigan which were above the 110 percent of parity.

Mr. BROWN. As of December 15, 1941?

Mr. LEE. As of December 15.

Mr. BROWN. We took care of that situation.

Mr. LEE. For instance, rice, cottonseed, calves, lambs, and wool were all above the 110 percent of parity price on that date. Does the action of the conferees mean that the Price Administrator will freeze the prices at 110 percent of parity, which would mean reducing the prices of these commodities?

Mr. BROWN. No. There are four tests provided in the bill. No. 1 is 110 percent of parity. No. 2 is the market price as of October 1, 1941. No. 3 is the market price as of December 15, 1941. No. 4 is the average price for the period from 1919 to 1929.

The test laid down by section 3, the agricultural commodities section, directs the Administrator to accept whichever of those tests gives the highest price for a commodity. For instance, if the market price of wool on December 15, 1941, was above 110, then the December 15, 1941, test would apply to wool.

Mr. LEE. That would then be the ceiling?

Mr. BROWN. That is correct; that would be the price at which the Administrator could commence to operate.

Mr. LEE. Then whichever one of these four periods or tests means the highest price would be the ceiling fixed for that commodity?

Mr. BROWN. The Senator has it very clearly in mind.

Mr. LUCAS. Is not the word "ceiling" misused in that connection?

Mr. BROWN. I myself do not use the word "ceiling."

Mr. LUCAS. In other words, is it not a floor?

Mr. BROWN. "Floor" is the correct word.

Mr. LUCAS. There is no ceiling, as I understand, depending upon conditions as they occur from time to time.

Mr. BROWN. I think, that in about a sentence, I can clear up that situation in the mind of the Senator from Illinois and the mind of the Senator from Oklahoma.

We have stricken out the words "ceiling" and "floor," and used what I think is a better term, namely, "price maximum." The meaning and intent of section 3 is that the Price Administrator may not exercise his control over prices until prices have reached a certain price maximum, which is definitely set down in the bill.

The word "ceiling" may be used in this connection; the Price Administrator may fix a maximum or a ceiling beyond which prices may not go. Let us say cotton is 20 cents, merely to give a simple illustration. My recollection is that the figure given is 21.40 or 21.47 cents a pound for cotton. When cotton reached that point the Administrator could say, "Because of the fact that we need greater production, and because of other factors in the situation, I think cotton should be permitted to go as high as 23 cents a pound." He would then be fixing what properly could be called a ceiling for cotton. That is the authority which the Price Administrator would have. He would have no authority until the price of a commodity reached what we call the "floor" upon his authority, or the figure in the Paul Brown amendment, so called, of 21.47 cents a pound. When the price reaches 21.47 cents, the Administrator may commence to act, and he may fix any ceiling which seems to him reasonable, within the standards laid down in the bill.

Mr. LEE. The explanation is very helpful, but it does not seem to prove that that is a floor instead of a ceiling. The manufacturer has a floor under the prices of his commodities, fixed by the tariff laws. The wage earners have a floor fixed under their wages by the wages-and-hours law. I grant that the farmer's ceiling is where the floor ought to be, but it certainly is not a floor, it is a ceiling in every sense of the word, because, as the Senator himself says, when the farmers' product reaches a certain price, the Price Administrator may commence to operate, which means that he can stop the price from advancing further. But I do not find anything in the bill which provides at what point the Price Administrator would commence to operate if the price were going down. Therefore it must be a ceiling and not a floor. In other words, we have a situation here under which labor has a floor and no ceiling, while agriculture has a ceiling and no floor.

Mr. BROWN. Mr. President, I do not wish to enter upon the extended discussion which would be required fully to answer the Senator from Oklahoma. I am trying to state in my own way what was done in the conference in contradistinction to what was done by the Senate and what was done by the House, and I again wish to refer to the amendment of the Senator from Wyoming [Mr. O'MAHONEY] in that respect.

Mr. LEE. Mr. President, will the Senator again yield?

Mr. BROWN. I yield.

Mr. LEE. What I said was not meant to discourage the Senator from Michigan. The fact is, I think he has done a fine job. I simply wanted to make a statement so the RECORD would show that while I do not approve placing agriculture under this bill, yet I shall vote for it because I believe that it contains more good than harm. That is what I think. But I do not want my vote to be interpreted as a belief on my part that we are fixing a floor under farm prices when we are actually fixing a ceiling on them.

Mr. BROWN. I will say to the Senator that there never was any intention on my part to state that there was a floor under farm prices until the time when the operation of the law of supply and demand and other factors had gotten farm prices up to the standard provided in section 3 of the bill. There is no difference between the Senator and me in our understanding of that matter. There is no guaranty that prices will fall below 110 percent or below any of the other standards. When they do, then the law of supply and demand determines, plus, of course, the provisions of the Agricultural Act.

In addition to the market prices on the October and December dates, which are limitations upon the power of the Administrator to operate, we have also included as subsection (d) that portion of the O'Mahoney amendment which places a further limitation upon the Administrator, and provides that nothing in the act shall be construed to modify, repeal, supersede, or effect the provisions of the Agricultural Marketing Agreement Act of 1937.

Mr. President, I ask that there be printed in the RECORD at this point a table showing price floors for selected agricultural commodities.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Price floors for selected agricultural commodities under the House price bill

Commodity and unit	Price floors under bill [1]			
	Actual price Dec. 15, 1941	110 percent of parity price, Dec. 15, 1941	Approximate price as of Oct. 1, 1941	Average price, July 1919–June 1929
Wheat, per bushel—cents	102.2	*140.0*	93.4	132.5
Corn, per bushel—do	66.9	*101.6*	67.8	88.9
Oats, per bushel—do	45.2	*63.2*	39.4	47.4
Barley, per bushel—do	56.1	*98.0*	50.5	69.3
Rye, per bushel—do	57.8	*114.1*	54.3	94.7
Buckwheat, per bushel—do	64.9	*115.6*	65.0	105.6
Flaxseed, per bushel—dollars	1.78	*2.67*	1.74	2.34
Cotton, per pound—cents	16.23	19.65	17.04	*21.4*
Cottonseed, per ton—dollars	44.65	35.71	*50.36*	34.44
Potatoes, per bushel—cents	82.7	111.4	65.8	*124.1*
Sweet potatoes, per bushel—do	86.6	*139.0*	90.2	136.2
Hay, per ton—dollars	9.43	*18.8*	8.14	13.53
Peanuts, per pound—cents	4.79	*7.6*	4.45	5.83
Apples, per bushel—dollars	1.09	*1.58*	0.86	1.46
Hogs, per 100 pounds—do	10.21	*11.44*	10.59	9.77
Beef cattle, per 100 pounds—do	*9.38*	8.25	*9.27*	6.87
Veal calves, per 100 pounds—do	*11.22*	10.69	*11.20*	9.65
Lambs, per 100 pounds—do	9.86	9.30	9.75	*10.98*
Butterfat, per pound—cents	36.0	*45.5*	37.1	44.0
Chickens, live, per pound—do	15.8	18.0	16.2	*21.4*
Turkeys, live, per pound—do	20.9	22.8	18.2	*28.8*
Eggs, per dozen—do	34.1	*42.2*	31.1	33.2
Wool, per pound—do	*37.1*	29.0	36.3	34.1
Sugar cane for sugar, per ton—dollars	[2] 3.61	5.91	[2] 3.61	*5.83*
Sugar beets, per ton—do	[2] 0.22	*8.71*	[2] 0.22	8.34

[1] Highest ceiling italicized.
[2] Preliminary figures based on contract prices.

Source: U. S. Department of Agriculture.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. AUSTIN. I should like to have the views of the learned Senator from Michigan about subsection (f) of section 3, which relates to subsection (d) to which the Senator has just referred. Subsection (f) provides:

> No provision of this act or of any existing law shall be construed to authorize any action contrary to the provisions and purposes of this section.

It seems clear to me that if that subsection (f) becomes effective, it operates with subsection (d) to protect the agreements for marketing now in existence, as well as the Agricultural Marketing Agreement Act of 1937, but the reason for my rising to inquire is that I notice on page 15 of the report, section 305, which apparently is in reverse of that subsection (f), because it reads as follows:

> SEC. 305. No provision of law in force on the date of enactment of this act shall be construed to authorize any action inconsistent with the provisions and purposes of this act.

I now inquire, and I should like the opinion of the Senator from Michigan. How can both acts go into operation? One of them seems to be diametrically in conflict with the other, and I should like to have the Senator's opinion as to whether that situation is intended to be created.

Mr. BROWN. I have a carefully prepared statement about that subject matter which I intend to give in a short time. It would divert me from the order of my remarks if I gave it now, but I do want to read it to the Senate, and I will take care of that subject matter.

Mr. AUSTIN. Very well.

Mr. BROWN. The same situation occurred to me in my examination of the conference report.

The fifth major controversy between the two Houses was, Should the provisions of the Bankhead amendment be incorporated in the bill? The Senate knows, of course, that I voted against the Bankhead amendment. I personally should have preferred the amendment offered by the majority leader, the Senator from Kentucky [Mr. BARKLEY], limiting the authority of the Secretary of Agriculture somewhat more than is done by the Bankhead amendment. However, it is my considered judgment that the Bankhead amendment will be beneficial in this respect: The Secretary of Agriculture is charged with increasing production, and I think it is entirely proper that he should be consulted, and that his determination relative to what prices are necessary in order to bring about a proper and sufficient production should be a potent factor in the make-up of the price of any commodity. The Bankhead amendment certainly assures him a voice. It also gives him a veto power. I should have preferred a single plenary authority in one price administrator. The Senate thought otherwise, and I fully accept the decision of the Senate in that respect. I am satisfied that the Price Administrator and the Secretary of Agriculture will have no great difficulty in getting together under the standards of the bill and giving to the country, consumers and producers alike, a fair price determination. The Senate conferees asked the House conferees to accept the Bankhead amendment, and they did so.

With respect to the Paul Brown amendment, which is the price standard of 1919–29, we found, of course, that that amendment had passed both Houses in substantially the same form. I think in identically the same form. Therefore, we accepted the Brown amendment. Very shortly I shall show what the result of the limitations in section 3 are.

The House conferees insisted upon the rejection of the power of confirmation on the part of the Senate as to officers other than the Price Administrator himself, and the Senate conferees yielded in that respect.

With respect to the standards set out in the bill, I wish to point out, both for the information of the Senate and the information of the country, that, after all is said and done, the original standard of 110 percent of parity is the substantial and over-all limitation that will be effective over the months and years during which the act will be in force.

With respect to 15 out of the 25 leading agricultural commodities the floors, standards, and price maximums are those in the section providing for 110 percent of parity. On 3 more important commodities—or 18 in all—the standard is 110 percent, and the tests with respect to the others are substantially the same—a few cents one way or the other.

Of the remaining 7 out of 25, only 2 are commodities of great Nation-wide importance. They are cotton and potatoes. It has been contended by those of us who faver 110 percent of parity that, because it is not a fixed and definite figure, but a constantly moving and readjusting standard, it will eventually be the base or standard with respect to agricultural commodities.

On cotton the standard set down by the Brown amendment is 21.47 cents a pound. Yesterday on the New York commodity markets cotton was selling for 20.87 cents a pound.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. SMITH. Does the Senator refer to spot cotton or futures cotton?

Mr. BROWN. As the Senator knows, I am not an expert on cotton. I have the commodity cash prices as given in the New York Times in this morning's issue, which says, "Cotton, Middling, 1⅛ inch, new, per pound, 20.87."

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. THOMAS of Oklahoma. I have before me a clipping from the Wall Street Journal, which, I think, is absolutely accurate. Under the present system of marketing cotton there are 10 main concentration places in the South for the sale of cotton. Yesterday the average price of spot cotton, 15/16 inch, at the 10 concentration points, was 20.05 cents a pound. At the 8 delivery points the average price was 20.08, which is somewhat different from the figure given by the Senator.

Mr. BROWN. The figure I gave was 20.87.

Mr. THOMAS of Oklahoma. At New York the price was 20.87, but New York is not one of the concentration points. The price of cotton there is considerably higher than it is in the South.

Mr. BROWN. I realize that; and I was about to state the situation. As is true of many other commodities, there are differences due to freight and other calculations; but I point out that the present price of cotton is so close to the standard set down in the Brown amendment that a matter of half a cent or a cent a pound would bring cotton within the powers of the Administrator under the bill. His powers with respect to cotton come into operation when it reaches 21.4 cents a pound; and it is pretty close to that figure at the present time.

The only other important commodity which is not covered by 110 percent of parity, and which is covered by the Brown amendment, is potatoes. I am advised by the experts in the Department of Agriculture, in whom I have the greatest of confidence, that the standards set down in the bill, the limitations in section 3, and particularly the right of the Secretary of Agriculture to readjust parity to care for seasonal fluctuations, are most important with respect to potatoes, a widely used vegetable. Naturally, when early potatoes come in from the farm of the distinguished Senator from Louisiana [Mr. ELLENDER] the price is very good. [Laughter.]

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. ELLENDER. I feel very much embarrassed. I trust the conferees did not have the junior Senator from Louisiana in mind when they recommended this more favorable legislation as to potato growers. I desire to say that my prowess as a potato grower has become very much blunted since I have been a Member of this distinguished body. I have learned of the impracticability of farming by remote control. [Laughter.] However, let me say to the Senator from Michigan that last year I sold my crop for an average of 72 cents a hundred, or less than three-fourths of a cent a pound, and in the city of Washington I was paying 4½ cents a pound for the same potatoes. From the 72 cents I had to deduct 14 cents for bags, 15 cents for selling charges, 16 cents for gathering, 5 cents for drayage, and 10 cents for washing, thereby leaving a net of 12 cents a hundred pounds to pay for the seed, fertilizer, labor of planting and cultivation, taxes, and so forth.

Mr. BROWN. I am sorry the Senator did not receive the Washington price; but let me say to him that there can be no control with respect to potatoes until the price is very much higher than 72 cents a hundred. The law of supply and demand will determine the price.

Mr. ELLENDER. I hope the benefits will inure to the farmers and not to the bloodsuckers or in-betweens, who

get most of the profits. The prices should be so fixed that both the growers of the commodities and the consumers will be protected.

Mr. BROWN. The Senator is no more opposed to that class than am I.

Therefore, I say, Mr. President, that with all the standards written into the bill the substantial and over-all limitation will be 110 percent of parity throughout the life of the act.

I desire to make a very brief statement with respect to certain other matters which I know are of interest to the Senate. On the subject to which the Senator from Vermont [Mr. AUSTIN] addressed himself, the issue was presented to the conferees. The question was this: Shall we prohibit existing agencies of the Government, such as the Commodity Credit Corporation, from selling agricultural commodities at prices below the price maximums fixed in section 3 of the bill? We decided to decline to do so. We declined to permit the restriction on existing agencies. That was the amendment in which the Senator from Illinois [Mr. LUCAS] was interested, and which he considered submitting to the Senate. It was pointed out that the President had vetoed a bill containing that provision, and that the Secretary of Agriculture was very much opposed to it. Therefore, so far as the general powers in the bill are concerned, we do not in any way restrict the Commodity Credit Corporation or any similar Government agency.

The language on page 21 of the House conference report might be misconstrued if I did not make this statement. Section 3 does not in any way affect prices of commodities now in existence and owned by these agencies. That issue was settled in the conference. Section 3 relates to the price floors below which the Administrator may not exercise control. Those are the provisions and purposes of the section. Its purpose is not to raise prices, but to prohibit action by the Administrator until causes—supply, demand, and others—bring any particular commodity within the purview of the act.

In this connection I found out that yesterday in the House Miss SUMNER of Illinois asked:

> But there is nothing in this bill to prevent the Commodity Credit Corporation dumping its stocks and lowering the price; is there?
>
> Mr. STEAGALL. Yes; and we have undertaken in this bill * * * and we think we have succeeded * * * in preserving in toto the benefits carried by the provisions of the Agricultural Adjustment Act, which does set up rules and limitations under which such commodities may be sold. I think the lady fully understands that provision of the bill.

There is no new control on the Commodity Credit Corporation in this bill.

As chairman of the managers on the part of the Senate of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to H. R. 5990, I find it necessary to call to the attention of the Senate a statement appearing in the statement of the managers on the part of the House at pages 20 and 21 of the conference report (Rept. No. 1658). This statement, after pointing out that no sale of any agricultural commodity is to be made within the United States by any governmental agency under section 2 at a price below any of the prices specified in section 3 (a), continues:

> The provisions of section 3 (f) of the conference agreement contain, in general terms, a similar limitation with respect to sales of agricultural commodities by any governmental agency under other provisions of law.

I desire to point out to the Senate that this inadvertent statement is not to be taken as a correct interpretation of section 3 (f) of the conference agreement. Section 3 (f) of the bill as agreed on in conference is identical with section 3 (d) of the bill as passed by the Senate, and reads as follows:

> No provision of this act or of any existing law shall be construed to authorize any action contrary to the provisions and purposes of this section.

The provisions and purposes of section 3 are clearly to prevent the establishment or maintenance of maximum prices for agricultural commodities at levels below those prescribed in the section. In conducting its proper and lawful selling operations a governmental agency such as the Commodity Credit Corporation is taking no action under any provision of this act or of any existing law which is contrary to the provisions of section 3, and hence will not be subject to the limitation made applicable by section 2 (f) only to those governmental agencies which are conducting their buying and selling operations pursuant to the provision of section 2 of the bill. Thus, it clearly appears that the part of the statement of the managers referred to above finds no support whatsoever in the actual language of section 3 (f).

Moreover, such statement is directly contrary to the understanding of the Senate when it passed the bill (H. R. 5990), which, as pointed out above, contained in section 3 (d) language identical with that now contained in section 3 (f) of the conference agreement. In the report of the Committee on Banking and Currency (Rept. No. 931) at page 11, the following appears:

> The bill expressly provides that the policy laid down by the Congress with respect to agricultural commodities remains paramount to any authority conferred by the Emergency Price Control Act of 1942. The committee bill does not and cannot be construed to limit, expand, or alter the existing powers and policies of the agencies charged with the administration of the Agricultural Adjustment Act of 1938, as amended. They remain exactly as presently constituted.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. AUSTIN. Does the Senator base his statement on section 305 as it appears on page 15 of the report?

Mr. BROWN. Yes. Section 305 might possibly appear to be somewhat in conflict with subsection (f) of section 3, on page 6. We wished to make it plain, and we took a clear-cut vote on that issue in conference. Under the section to which the Senator first referred, the purchasing section, no purchases or sales may be made below the standards set forth in the agricultural commodities section; but as to those agencies which are now in existence and have been in existence, such as the Commodity Credit Corporation and other agencies of similar character, they are not affected by the bill.

Mr. AUSTIN. I trust the Senator is correct in his opinion. I do not wish to challenge his statement, although the question has been raised as to the apparent conflict.

Mr. BROWN. I grant that what the Senator says is true; but I think that our construction is very clearly understood by everyone.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. LUCAS. In order to make the RECORD complete, let me ask a question upon the proposition which has just been discussed by the Senator.

If I correctly understand the bill, it absolutely in no wise prevents the Secretary of Agriculture from making disposition of the surpluses of commodities which now are on hand, nor does it prevent the Commodity Credit Corporation from disposing of such commodities at any price they care to make.

Mr. BROWN. The Senator is correct.

Mr. LUCAS. In other words, they may sell at a price below the market price. For instance, if they want to dump 100,000 bushels of corn or 100,000 bushels of wheat onto the market, they do not have to sell at the market price of the corn or the market price of the wheat, but they have the power to sell at any price they select, at any price they deem advisable under the circumstances. Is not that so?

Mr. BROWN. I think the chairman of the House Banking and Currency Committee stated the matter very well in the statement he made yesterday, in which he said:

> We have undertaken in this bill—and we think we have succeeded—in preserving in toto the benefits carried by the provisions of the Agricultural Adjustment Act, which does set up rules and limitations under which such commodities may be sold.

With that statement I fully agree.

Mr. LUCAS. I certainly hope it is true. I certainly hope the Secretary of Agriculture or the Credit Commodity Corporation will not use this threat over the market price because of the tremendous surplus that now exists in some of the basic commodities. I hope corn and wheat and cotton, those of which there are such large surpluses, will reach the parity price as it is expressed in this price-control bill under the law of supply and demand without interference by the surplus threat.

Mr. BROWN. We grant no such authority in the bill.

Mr. LUCAS. I know that no such authority is granted; but I am taking the position, in view of what has heretofore occurred, that the authority already exists; and the amendment which I discussed some time ago would do the very thing I am now discussing, insofar as prohibiting the Commodity Credit Corporation from dumping surpluses upon the domestic market.

Mr. BROWN. We do not go that far; but I will say that the general provisions of the bill indicate an intent that

Government officials shall not so act as to violate the general purposes of the bill. We make no specific prohibitions in that respect, however.

Mr. LUCAS. I know that.

Mr. BROWN. Mr. President, the subject of sugar has been one of great interest in this connection.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. BROWN. I yield to the Senator from Tennessee.

Mr. McKELLAR. Before the Senator takes up a new subject, let me ask why the Tydings amendment, providing for confirmation by the Senate of the appointment of officials under Mr. Henderson was eliminated from the bill in conference?

Mr. BROWN. It was eliminated because three or four members of the House conferees refused to accept the amendment, although the Senate conferees asked the House conferees to accept it. To be frank, as the Senator knows, in conference we had to have something to trade upon; and it was one of the amendments which were used in the negotiations between us for a little giving on our part and a little getting from the other side.

Mr. McKELLAR. Mr. President, it appears to me that when such unlimited and vital powers are given to any one man as are given to Mr. Henderson in this bill when he has unlimited power to appoint any one he pleases to fix prices in this country, the power to select his important subordinates certainly should be shared by persons whose known fealty to the Government cannot be questioned. It cannot be questioned that the Senate of the United States wants to do the very best it can for the people of the country. The Members of the Senate are charged by the Constitution with passing upon the appointment of important Government employees and giving their approval or disapproval to such appointments. In a case such as this, of such vast importance to every man, woman, and child in the country, it seems to me we should not give to one man, however able he may be, the absolute right to appoint anyone whom he pleases to appoint to fix prices in any one of our several States, disregarding the wishes of every person in our States. If he desires to appoint a price-fixer in my State or in the Senator's State he may do so regardless of fitness, regardless of ability, regardless even of honesty. It seems to me some approval should be given by some other body and that the appointment should not depend wholly on the sweet will of the administrator.

I believe it would have been helpful to Mr. Henderson to have had the advice and approval of the Senate. The amendment making provision to that effect should have been adopted by all means by the conferees. I think we shall yet have to adopt it. I think we shall have to change the law before we are through, because I do not think any one man, even if he is a Harvard man [laughter], has the marvelous ability which would be requisite to enable him and his subordinates to fix prices of products throughout the United States and the Territories thereof without let or hindrance. I am very sorry that the conference committee failed to retain the Tydings amendment in the bill.

So far as I am concerned, I doubt very much whether I can vote for the conference report containing much for which I should like to vote. This is not a one-man country. This is a democracy, or it is supposed to be. We are supposed to be fighting for democracy. When we give dictatorial powers over every particle of food which goes down the throats of our citizens, over everything that is bought, over everything that is used, I am afraid that we in the Congress are not doing our duty when we fail to provide some security as to the kind of men who will administer the law. I am exceedingly sorry that I shall have to vote "nay" on the Senator's bill. I should like to vote "yea;" but I am not going to vote to give Mr. Henderson any such power. Even if he were a graduate of Oxford [laughter], I would not do so.

Mr. BROWN. Of course, all of us cannot come from Tennessee.

Mr. McKELLAR. Nay, even if he were a graduate of the University of Tennessee [laughter] I would not give him this blanket authority to wield without let or hindrance, unlimited power over everything which affects every American. "I am the power," as somebody recently said, referring to a meeting of Mr. Henderson with a certain group of Senators not long ago. It was suggested that he would never appear before another meeting of Senators, and he will not. He will be too big, he will have too much power, he will be too arrogant and too disregardful of the rights of the plain people of the country ever to permit him to come before the representatives of the people of this country. I predict that was his last voluntary appearance before a body of Senators.

I think the action of the conferees is a great mistake; I think it is a fatal blunder; and I do not see how I can vote for a conference report that entrusts to Mr. Henderson, graduate of Harvard though he be, with all the wisdom of the universe in his head, these vast powers, to be used without let or hindrance.

I thank the Senator for allowing me to interrupt him.

Mr. BROWN. Mr. President, if the Senator from Tennessee will bear with me a moment, I would remind him that he and the senior Senator from Virginia [Mr. GLASS] are, respectively, the ranking Democrat and the chairman of the great Committee on Appropriations, which, undoubtedly, will be called upon many times by the Price Administrator for appropriations; and I have no doubt that with the known influence of the Senator from Tennessee in the affairs of Government, at least so far as the State of Tennessee is concerned, the Senator will not have any difficulty in making his wishes known.

Mr. McKELLAR. Ah, Mr. President, to impose a bad law on the people and then expect members of certain committees to negative the law or to change the law in any way is a bad way to legislate.

Mr. BROWN. I did not intend any such meaning.

Mr. McKELLAR. Of course, I know the Senator did not; the Senator is an able and splendid Senator and who has made a conscientious effort to secure a good bill; but I want to say to him that this bill gives vast powers to one man, and when he selects the important officials under him to carry out the powers, we ought to stand by the Constitution of the United States, which provides that important officers of this Government shall be appointed by the President, by and with the advice and consent of the Senate. This is no time to disregard such a fundamental constitutional provision as that.

Mr. BROWN. I thank the Senator from Tennessee. I may say, briefly, that the law does not require confirmation by the Senate of appointments in the office of O. P. M., and it has not been the policy of the Senate generally to require confirmation of appointees in the emergency agencies of the Government. I do not say there are no exceptions to that general statement, but I do say that in the bill which, by its very terms will expire in approximately 17 months from the present time, I think it would be unfortunate to include the requirement of confirmation by the Senate.

I will say to the Senator from Tennessee that on the amendment in question and every other amendment which the Senate adopted, whether I was in agreement with it or not, I, as chairman of the conference, asked the House conferees to agree; and, so far as we could, we used all the persuasive powers we could muster to get the House conferees to agree to the Senate amendments. On the vital question, the O'Mahoney amendment, very early in the conference, I requested the House conferees, after some considerable discussion, to adopt all the provisions of the O'Mahoney amendment, although the Senator from Wyoming well knows I was opposed to that amendment. We asked the House conferees to take a definite vote on the question of accepting or rejecting it; and they rejected the O'Mahoney amendment.

On the other important amendment, the Bankhead amendment, we fought just as hard, and we succeeded in getting the House conferees to accept it.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Alabama.

Mr. BANKHEAD. Mr. President, at that point I should like to take the opportunity to confirm what the Senator from Michigan has stated. He and I were very far apart in the subcommittee, and in the main committee, on many features of this bill, and on some of them in the Senate when the question came, but the Senator from Michigan as a representative of the Senate—and I take pleasure in stating the fact—faithfully, loyally, and persistently represented the views of the Senate as contained in the bill as it passed the Senate. In good faith he endeavored to sustain in the conference committee and to bring about the adoption by the conference committee of the position taken by the Senate on the various questions involved, whether or not they represented his personal views.

I desire further to say that the majority leader [Mr. BARKLEY], who is not now present and who was in very much the same position as the Senator from Mich-

igan with reference to his attitude before the committee and in the Senate except as to some of the agricultural provisions, took the same course as that followed by the Senator from Michigan.

No one has any cause to complain or to object or to feel in any way that the Senate conferees did not, in good faith and with full force and the greatest effectiveness they could bring to bear, represent the views of the Senate on every controversial feature of the bill.

Mr. BROWN. I thank the Senator from Alabama.

While the Senator from Wyoming is present, I desire, briefly, to repeat a few things I said during his absence on this very subject matter. The conferees did not reject the O'Mahoney amendment in its entirety; only one element in the four-pointed O'Mahoney amendment was rejected by the conferees, and that was the wage-parity section. We included the December 15 date, in which the Senator from Wyoming told me he had a particular interest. We included the so-called Russell-Brown amendment, in which both the Senator from Wyoming and the Senator from Georgia had great interest; and we included the amendment which the Senator from New York [Mr. MEAD] and the Senator from Vermont [Mr. AIKEN] were particularly interested, confirming all agricultural marketing agreements under the 1937 act. So of the four principal points in the O'Mahoney amendment the conferees adopted three, and only one was rejected.

I am not in agreement with those, particularly the editorial opinion in some of the great metropolitan newspapers, who hold that the O'Mahoney amendment, if it had been adopted in toto, would have brought about inflation in this country. The amendment of the Senator from Wyoming would have, in my judgment, permitted a rise of approximately 25 percent above the 99 percent of parity which prevailed at the time of the hearing in the Senate, about December 7 or 8, but the rise would be approximately only 10 or 11 percent above that possible under the provisions which are now in this bill, prescribing 110 percent of parity.

While I believe that it was best, all in all, that the O'Mahoney amendment with respect to wage parity be stricken from the bill, I nevertheless desire to say that even with that amendment in the bill we should have had a price-control bill that would have exercised effective price control over farm commodities as well as other commodities. I think they would have gone a little bit higher than I wanted them to go; but I say frankly that with the rise of 1 percent per month which it is generally felt will be brought about by the law of supply and demand—which, after all, is the fundamental thing in the bill—it is very likely that on many commodities the price ceilings which will be fixed by the Price Administrator will exceed the limitations established in the wage-parity section of the O'Mahoney amendment. I say that as one who, without attempting to boast, I feel has some knowledge of this subject matter, and I say it in justification of the position taken by the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SMATHERS in the chair). Does the Senator from Michigan yield to the Senator from Wyoming?

Mr. BROWN. I yield.

Mr. O'MAHONEY. I am perfectly well satisfied that the conferees on the part of the Senate made a very sincere effort to defend every provision of the Senate bill. I have only words of commendation for the chairman of the conference committee.

Mr. BROWN. I thank the Senator.

Mr. O'MAHONEY. I feel that in good faith he did the best he could for some provisions in which, perhaps, he did not altogether believe. It may be that the wage-parity provision was used as a little trading stock; but with respect to that matter I express no opinion.

Mr. BROWN. The Senator, in the parlance of the sport world, has an average of 750 percent on his amendment.

Mr. O'MAHONEY. I was about to say that I rise not only to express appreciation of what the Senator has done, but to ask his opinion about the statements appearing in the press during the past few days attributed to Mr. Henderson—who is about to be made Price Administrator—that the conference report results in a bill which will not be an effective price-control bill. Has the Senator any comment to make upon that repudiation of the work of his committee if it is a correct quotation?

Mr BROWN. The Office of Price Administration sent me a statement regarding the press comments that were made relative to the speech of Mr Henderson before the Federation of Women's Clubs here in Washington, which was the basis of the statements to which the Senator from Wyoming refers. I ask unanimous consent that the statement be placed in the RECORD at the conclusion of my remarks. In it Mr Henderson denies that his statements were nearly so broad as those which he was quoted in the public press as having made.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. BROWN. I also ask unanimous consent to have a short statement on the sugar question placed in the RECORD at this point as a part of my remarks, because I think I can rapidly conclude my argument with the subject matter to which the Senator from Wyoming has referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

SUGAR

In some instances it will be found that a commodity identical in all its characteristics may be extracted from two or more agricultural commodities. Sugar affords a case in point, this commodity being derived from sugar beets and from sugarcane. In addition to being produced from sugar beets and sugarcane grown in the continental United States, sugar is also brought in from the Territory of Hawaii, from Puerto Rico, the Virgin Islands, and the Commonwealth of the Philippines, and is imported from foreign countries.

Recently the Defense Supplies Corporation announced the purchase of the entire 1942 Cuban sugarcane crop, a large part of which is to be used for production of high-test molasses to be used in the manufacture of industrial alcohol. Under the terms of this contract and the operation of the price-control bill, the price of high-test molasses, and, therefore, the price of industrial alcohol, would be increased with every increase in the ceiling price of sugar.

Industrial alcohol is required in the manufacture of smokeless powder, plastics, and so many other war industries that great care must be taken in administering the agricultural price-ceiling provisions with respect to sugar to avoid imposition of a great and disproportionate burden on our war expenditures. This unfortunate result could come about if a ceiling price for sugar were to be established on the basis of parity data relating to the continental sugarcane industry, which area normally fills only about 6 percent of the Nation's requirements. Fortunately, however, since there are four times as many growers in the sugar-beet areas as are to be found in any other domestic area of sugar production, and since virtually the entire crop there is produced on family-sized farms as contrasted with the plantation-processor enterprises in the cane-sugar-producing areas, it is obvious that any ceiling price for sugar which may be established under the provisions of this bill will be based on data relating to sugar beets.

Some question has been raised regarding the applicability of the limitations of section 3 (a) to imported commodities. Of course, these limitations have to do only with domestic commodities, so that items such as coffee, cocoa, etc., are not subject to these limitations.

Parity for sugar beets and continental sugarcane in relation to the agricultural provisions of the price-control bill

	Beets	Mainland cane [1]
1909–14 average price per ton of beets or cane	$5.50	$3.73
Dec. 15, 1941, parity price per ton of beets or cane (index, 144):		
100-percent basis	$7.92	$5.37
110-percent basis	$8.71	$5.91
10-year average price per ton of beets or cane (1919–29)	$8.34	$5.93
Approximate raw sugar price per hundredweight, duty-paid, f.o.b. New York, required to return parity prices for beets and cane: [2]		
Dec. 15, 1941 basis	$3.20–$3.20	$3.75–$3.85
110 percent of Dec. 15, 1941, basis	$3.70–$3.80	$4.25–$4.35
10-year average price basis	$3.45–$3.55	$4.25–$4.35
Anticipated returns to growers, 1942 crop: [3]		
Amount per ton of beets or cane	$8.65	$5.35
Percent of Dec. 15, 1941, parity price	109	100
Anticipated 1942 crop production (short tons, raw value)	1,000,000	490,000

[1] Prices applicable to Louisiana only no sugarcane for sugar was grown in Florida during the base period 1909–14, Puerto Rico and Hawaii not included.

[2] These prices are the amounts estimated to be required to return, under existing purchase contracts, that portion of the parity prices for beets and cane not covered by Government payments under Public Law 386, 77th Cong. For the purpose of this study, Government payments are estimated at $2.50 for beets and $1.17 for cane, based on average sucrose quality and reductions in payments as provided in the Sugar Act of 1937, as amended, for large-scale producers; it is estimated that the small-scale Louisiana producer, getting the full $0.80 payment per hundredweight of "commercially recoverable sugar," would receive about $1.28 per ton of cane; participation in molasses proceeds has been estimated at $0.30 per ton of cane: at the quoted January 16, 1942, price for blackstrap molasses, f.o.b. plantation, of $0.18 per gallon, the grower would receive $0.325 per ton of cane.

[3] Based on the present ceiling price of $3.74 per hundredweight of raw sugar, duty-paid, f.o.b. New York.

Mr. BROWN. I also ask unanimous consent to have placed in the RECORD at this point a statement with reference to section 202 of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

Section 202 is intended solely to enable the Administrator to obtain relevant data to enable him properly to discharge his functions, preferably by requiring the furnishing of information under oath or affirmation or otherwise as he may determine. It is not intended, nor is any other provision of the act intended, to confer any power of inspection or examination which might conflict with the fourth amendment of the Constitution of the United States. See opinion of Justice Holmes in *Federal Trade Commission* v. *American Tobacco Co.*, 264 U. S. 298, 307.

Mr. BROWN. Not only in response to the criticisms made by the present Price Administrator, but in partial answer to those made in the editorial columns of the public press, that in the general consideration we have given to this bill and in the discussions which have taken place on the floor of the House and on the floor of the Senate we have been overlooking the all-important thing, I desire to say that we are not here so much concerned with the rise of a cent or 2 cents a pound in the price of butter, a few cents in the price of beef per hundred, or a few points in the price of cotton. What we want to do is to prevent the tremendous and excessive rise in prices which took place despite the somewhat inadequate controls which were used during the first World War period. It is the larger aspects of the matter which have been entirely overlooked, particularly in the comments of some of the metropolitan newspapers.

Mr. President, I do not claim that this is a perfect bill. I do not think anyone who is affected by it will be satisfied with it. It will fully satisfy no one. The consumer will feel that he is inadequately protected. The producer will feel that his prices are too low. The wholesaler, the retailer, the jobber, will resent inspection and investigation. They will call it "snooping." The President will not be fully satisfied with the bill. Mr. Henderson has stated that he is not fully satisfied with it. Secretary Wickard will recall the entire affair with no great measure of pleasure; and I myself do not like the bill in many respects. But, Mr. President, intelligently administered—as I believe it will be—this is, in an economic sense, one of the most beneficial pieces of legislation ever written upon our statute books. The bill will prevent runaway prices. It will stabilize prices. It will protect consumers. It will encourage production. It will alleviate after-war collapse for farmer and for wage earner. It will tend to stabilize our whole price and commodity economy. It is a series of compromises in which every group of consumers and producers join in varying degrees of sacrifice for the common good. The bill, in its process of evolution from its introduction to its passage today, exemplifies democracy in its weaknesses and in its strength, resulting in what I believe to be the judgment of the people of the United States.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BUNKER in the chair). Does the Senator from Michigan yield to the Senator from Wyoming?

Mr. BROWN. I yield to the Senator. I was ready to yield the floor.

Mr. O'MAHONEY. I desire to ask the Senator a question with respect to section 2 (e), which I think is one of the most important features of the bill, and one to which comparatively little attention has been paid.

There was a great deal of difference between the provision adopted by the Senate and the provision adopted by the House. As I understand, the conference report is a combination of the two. I think it is rather important for us to have a clear understanding of exactly what the effect of this provision will be.

Before asking the Senator to respond, let me say that I observe at the bottom of page 4 of the report the following language:

In any case in which a commodity is domestically produced, the powers granted to the administrator by this subsection shall be exercised with respect to importations of such commodity only to the extent that, in the judgment of the administrator, the domestic production of the commodity is not sufficient to satisfy the demand therefor.

Of course, the use of the word "only," seeming to convey a limitation upon the power of the Administrator, followed by the phrase "in the judgment of the Administrator," is a rather curious contradiction in terms. I take it that the Senator will agree that this sentence gives the Price Administrator complete and unrestricted authority to exercise the powers conveyed in this section. I read further:

Nothing in this section shall be construed to modify, suspend, amend, or supersede any provision of the Tariff Act of 1930, as amended.

Is it the intention of the conferees to sustain the provisions of the Tariff Act?

Mr. BROWN. Certainly. It was stated on the floor of the House yesterday by the chairman of the House Committee on Banking and Currency, who is in charge of the bill in the House and it is now stated by me, as the Senator in charge of the bill here, that nothing in this section or in any other part of the bill should in any way let down the barriers which are established by the tariff acts now in effect.

Mr. O'MAHONEY. Does the Senator believe that would constitute a limitation upon importations?

Mr. BROWN. I do not see how I can say anything but "Yes" in answer to the Senator's question; and I do not desire to say anything but "Yes."

Mr. O'MAHONEY. I thought that would be the Senator's point of view; but if it is provided in the sentence which I first read, as it appears to be, that the Administrator shall have unrestricted power to buy and sell commodities, even imported commodities, when in his judgment the domestic production of a commodity is not sufficient, then does not this provision with respect to the tariff mean only that the Administrator shall, out of the funds of the Treasury, pay to the producers in foreign countries prices which will include the tariffs? In other words, is it not a provision which would require the Treasury to pay the tariff?

Mr. BROWN. In my considered judgment, there is no such authority granted the Administrator under the provisions of the bill. In other words, if, for example, it were considered that the supply of beef was insufficient to supply the needs to the people of this country, he could not construe the proposed act as conferring authority upon him to pay a sufficiently high price for the importation of beef as to result in its being brought into the United States. Does that answer the Senator's question?

Mr. O'MAHONEY. That certainly clearly expresses the Senator's opinion, but I am wondering whether it is supported by the language of the section.

Mr. BROWN. I should think such action on the Administrator's part would be a circumvention of the Tariff Act, and if there is reason for difference in the construction of the two expressions, the usual legal rule, that the last expression of the legislature should determine, would certainly confirm the construction I have placed upon the bill.

Mr. O'MAHONEY. Of course, my feeling all along has been that the bill is a consumer's bill. It is not a producer's bill; it is not a farmer's bill; it is a consumer and industrial bill.

Mr. BROWN. I do not agree with the Senator in that respect.

Mr. O'MAHONEY. Of course, I shall not ask the Senator to do so; but that was merely a preliminary statement. Let us read the first sentence of paragraph (e). I may be wrong about this, and I am raising the question in order to have it clearly interpreted by the debate so that the Senator's interpretation may hereafter be followed, if the conference report shall become the law.

The first sentence of paragraph (e), on page 4 of the report, reads as follows:

Whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year, he may, on behalf of the United States, without regard to the provisions of law requiring competitive bidding, buy or sell at public or private sale, or store or use, such commodity in such quantities and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof or otherwise to supply the demand therefor—

The next phrase, of course, is directed toward the encouragement of domestic production:

or make subsidy payments to domestic producers of such commodity in such amounts and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof.

There is a clear grant of authority to buy, at public or private sale, any of the commodities, in order to provide the necessary amount for the market. Is not that correct?

Mr. BROWN. Yes; but the Senator recognizes that none of those powers may

be exercised so as to affect the maximum prices set forth in the agricultural section of the bill, section 3. In other words, it was our intention that such sales and purchases should be made only when the maximum provided for was reached.

Mr. O'MAHONEY. I think it is clear that the authority to buy and sell is restricted by that provision, so that the power may not be used as a device for depressing the price.

Mr. BROWN. That is correct.

Mr. O'MAHONEY. I think the Senator is quite right about that.

Mr. BROWN. The provision reads:

No power conferred by this section shall be construed to authorize any action contrary to the provisions and purposes of section 3—

Section 3 is the agricultural section—

and no agricultural commodity shall be sold within the United States pursuant to the provisions of this section by any governmental agency at a price below the price limitations imposed by section 3 (a) of this act with respect to such commodity.

Mr. O'MAHONEY. I am not concerned about that at all, and I think the conferees have amply covered that phase of the matter in the provision read. What I am discussing now is the condition which is likely to obtain, as I shall presently show, when, by reason of the failure to adopt the wage parity formula, the costs to the farmer rise, and the prices are limited, with the result that domestic production is curtailed. Then, when domestic production is curtailed, the Price Administrator would have no recourse except to resort to the power to buy, and he may buy foreign production, and when he buys it, by reason of this provision respecting the tariff, he buys it at the prices which the Congress thought would keep out foreign production. In other words, is there not the danger that we may upon the one hand stifle domestic production, and, upon the other, encourage the importation of agricultural commodities from other nations to take the places of the commodities production of which here has been cut down by operation of the law?

Mr. BROWN. I should say there are two answers to the Senator's proposition.

Mr. O'MAHONEY. I hope there is one good one.

Mr. BROWN. I think there are two good ones. First, under paragraph (f), if the Administrator were so unmindful of the primary interests of the people of the United States—and I mean by that the agricultural interests—as to purchase for the purposes set forth in the statement just made by the Senator, he would violate that portion of paragraph (f) which provides that—

No power conferred by this section——

And that is the only place where the Administrator is given any such power—

No power conferred by this section shall be construed to authorize action contrary to the purposes of section 3.

The purposes of section 3 are not merely to keep agricultural prices at the levels of December 15 or October 1, or the average of the period from 1919 to 1929; it contains the 110 percent of parity provision. If it operates according to the intent of Congress—and it operates not under the jurisdiction and control and direction of the Price Administrator, but under the jurisdiction and control and administration of the Secretary of Agriculture—and if the condition to which the Senator refers resulted, then I think the parity price of agricultural products would rise in relationship to the prices of all manufactured products—not as to wages, but as to all manufactured products. It has been my contention throughout the consideration of the bill that wages are effectively brought into the picture by including the price of the commodities which the wage earner produces. Therefore, I say that on the second proposition, not only in subsection (f), in which I think the authority is clear, but in the agricultural section, section 3, through the use of 110 percent of parity, farm prices could not be fixed by the Administrator at any figure below their fair relationship to the price of industrial commodities.

Mr. O'MAHONEY. Mr. President, I agree with the Senator on that point. Evidently I have not made myself clearly understood. Assuming for the purposes of the question, that under the operation of the price-control bill ceilings are fixed upon agricultural commodities, with no control over other elements which enter into the cost of production for the farmer, the production of agricultural commodities is discouraged—and I can read letters to the Senator showing that to be a real danger, and not merely a figment of the imagination—and assuming, therefore, that the farmer is caught between the rising cost of production, upon the one hand, and the selling price fixed under the bill upon the other, and that production is thereby cut down, does not the Administrator have the authority to buy and import agricultural commodities to take the place of those which have not been domestically produced?

Mr. BROWN. Yes; of course, subject to the limitations of the bill and the tariff act, which I mentioned, and the other limitations.

Mr. O'MAHONEY. And those limitations are merely (a) that he shall not pay less than the prices fixed in section 3——

Mr. BROWN. Which includes 110 percent of parity.

Mr. O'MAHONEY. Yes; and (b), the second one, of course——

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. GEORGE. I desire to suggest to the Senator it is very clear that Mr. Henderson could buy farm products in any foreign country for and on behalf of the United States, and bring in whatever he bought, because the Tariff Act does not apply to goods imported by the Government itself, which are owned by the Government itself. However, even though he were to buy and bring in agricultural commodities for the purpose of supplying a temporary deficiency, he could sell for less than the price fixed for the similar commodities which are domestically produced in the United States, so that the price fixed would in a measure protect the tariff duties or rates in the final analysis. I believe the Senator from Wyoming has very clearly pointed out that Mr. Henderson, or the Price Administrator, actually could go into the foreign market and buy farm products for and on behalf of the United States and in the name of the United States, and import them without regard to any tariff.

The other provision, that nothing is to be construed to modify, suspend, or amend, and so forth, must be given its natural construction, and that is——

Mr. BROWN. From what portion of the bill is the Senator reading?

Mr. GEORGE. I am reading from page 5 of the report. As I was saying, that provision must be given its natural construction, which is that any importer who imports merchandise to be resold on the American market is governed, of course, by all the provisions of the tariff act. However, it would seem to be true that, inasmuch as the Administrator is himself limited in fixing the price of the commodity, and inasmuch as he could not sell anything he imported, although the tariff did not affect it, below the ceiling or floor price—whichever is the correct term—we have a fair and adequate protection of our tariff structure.

Mr. BROWN. Would not the Senator tie that argument to the 110-percent-of-parity provision found in section 3 of the bill, which is a limitation?

Mr. GEORGE. Oh, yes.

Mr. BROWN. It is the limitation which varies and changes and goes upward with an increase in the price of the industrial commodities to which the Senator refers.

Mr. GEORGE. Yes.

Mr. BROWN. That is the best protection the farmer has.

Mr. GEORGE. I think the tariff protection would be actually maintained and retained, not because the collector at the port could levy or collect a duty on so many bushels of corn or wheat, but because of the other restrictions on the power of the Administrator to sell below 110 percent of parity, or a readjusted parity, as the case may be, under the terms of the bill.

Mr. BROWN. No one has any better knowledge of the general subject matter than has the distinguished chairman of the Finance Committee, the Senator from Georgia [Mr. GEORGE], who has tariff matters in charge.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BANKHEAD. I do not know whether subsection (f) of section 2 has been developed in the colloquy. Section 2 is the section under the provisions of which the Administrator may buy and sell, and it contains the only power he has to buy foreign products and to bring them into the United States.

Subsection (f) was intended—whether it is sufficient or not is another question—was intended by the committee and by the friends of the farmer to prevent the unfortunate difficulty which has just been suggested. That subsection provides:

No power conferred by this section—

That is the section providing the power to buy and sell, and there is no authority in the bill otherwise to do so, except as given in this section—

shall be construed to authorize any action contrary to the provisions and purposes of section 3—

Which is the section providing for permissible prices below which prices may not be fixed by the Administrator—

and no agricultural commodity shall be sold within the United States pursuant to the provisions of this section by any governmental agency at a price below the price limitations imposed by section 3 (a) of this act with respect to such commodity.

So there is an express prohibition against the purchase under this act by the Administrator or otherwise——

Mr. BROWN. Or sale.

Mr. BANKHEAD. He can buy, but he is expressly prohibited from selling at a price below that fixed under section 3 (a), which is the section giving the protection to the prices of agricultural commodities.

Mr. BROWN. And which section maintains the fair relationship between all prices in the United States, agricultural and otherwise.

Mr. BANKHEAD. Yes. Subsection (f) of section 3 provides:

No provision of this act or of any existing law shall be construed to authorize any action contrary to the provisions and purposes of this section.

That is section 3, which fixes a minimum price below which the Administrator cannot drive down the prices of agricultural commodities.

Mr. CLARK of Missouri. Mr. President, I am very much interested to know why this discussion is limited to the provisions of this bill and what the Price Administrator created by the bill could do to agricultural commodities. Under the Lease-Lend Act, heretofore passed by Congress, another Presidential appointee, the Lease-Lend Administrator, may bring in all the agricultural commodities he pleases from any place on the face of the earth, without paying any duty whatever on them, and dispose of them in any way he sees fit. So it seems to me that for the Congress in this bill to circumscribe the Price Administrator in his operations with respect to prices while the Lease-Lend Act is on the statute books, permitting another executive authority to affect the market in any way he sees fit, is more or less a moot question.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BANKHEAD. Subsection (f) of section 3, on page 6, provides that—

No provision of this act or of any existing law shall be construed to authorize any action contrary to the provisions and purposes of this section.

Mr. CLARK of Missouri. Does the Senator construe that provision as being a limitation on the Lease-Lend Act?

Mr. BANKHEAD. Of course.

Mr. CLARK of Missouri. If that be true, I am very much in favor of it.

Mr. BANKHEAD. I do so construe it, so far as the purchase of agricultural commodities by the Administrator is concerned.

Mr. CLARK of Missouri. I am glad to hear the declaration by one of the conferees that it is a limitation on the very reckless grant of power, as I see it, made in the Lease-Lend Act.

Mr. BANKHEAD. Without agreeing to the statement about its recklessness—I do no know about that—it is certainly clear in my mind, because it was discussed by the conferees, that subsection (f) prohibits any action which is contrary to the purpose of section 3, which is to maintain a certain level of prices for the farmers. That question was discussed on the floor of the Senate. I discussed it in dealing with the agricultural phases of the bill and the effect of the provisions of the Tariff Act. It seems clear to us that that provision is as ample protection as could possibly be given.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. TAFT. It is my impression that there is no provision in the Lease-Lend Act which would relieve the Government from paying the tariff on goods brought in if the goods are sold within the United States for general purposes. I do not think there is any removal of the tariff. An effort was made last year to take the tariff off anything bought by the Reconstruction Finance Corporation. The Banking and Currency Committee refused to do it, and Congress refused to do it.

Mr. CLARK of Missouri. It is an inherent power of Government to be able to import anything it pleases without paying a tariff.

Mr. TAFT. The law is not that. As I understand, the law is that if copper, for example, is imported for the Navy it is not subject to the tariff; but the tariff must be paid on any copper imported and sold to private interests in the United States.

Mr. CLARK of Missouri. That is an administrative ruling. There is no such provision in the law. It is an inherent power of Government to import whatever it pleases without paying a tariff on it.

Mr. TAFT. I do not think so. There is this difference: Mr. Jones said, "If we pay this tariff it is just taking money out of one pocket and putting it in another.' However, it was pointed out that at least the distribution of moneys under the Surplus Commodities Act would be affected by payment of the tariff. Mr. Jones testified distinctly that the Reconstruction Finance Corporation had been paying the tariff on copper imported from Chile right along.

Mr. CLARK of Missouri. The Senator does not understand that the Government has actually been paying a tariff on products imported under the Lease-Lend Act, does he?

Mr. TAFT. I do not know anything about the operations under the Lease-Lend Act.

Mr. CLARK of Missouri. My information is that the Government has not been paying the tariff.

Mr. TAFT. I was thinking of the operations by the Reconstruction Finance Corporation under the Strategic Materials Act.

Mr. BROWN. In that respect I distinctly recall that that issue was before the Banking and Currency Committee when considering the bill authorizing the Reconstruction Finance Corporation to set up metal reserves and rubber reserves in various corporations. The question was asked whether the Reconstruction Finance Corporation—not the Government—paid the tariff on copper. As the Senator from Ohio says, that is the practice.

Mr. CLARK of Missouri. Mr. President, the Senator has laid his finger on precisely the distinction which I was trying to make, not as to the Reconstruction Finance Corporation, not as to any of the subsidiary corporations, but as to the provisions of the Lease-Lend Act, which authorizes the President of the United States himself, either directly or through such agency as he may set up, to import articles into the United States. My impression as to the actual practice under the Lease-Lend Act is contrary to that of the Senator from Ohio; but certainly I am very clear that under the provisions of the Lease-Lend Act anything on earth can be imported into the United States by the President if he declares it to be useful for the defense of some country, the defense of which he finds is necessary to the defense of the United States. Such commodities may be imported into the United States without the necessity of paying any duty, and he may do as he pleases with them after they have been imported.

Mr. BROWN. But that power could not be used under subsection (f) of section 3 by the Price Administrator in any manner which might affect the prices of agricultural commodities as they are protected by section 3.

Mr. CLARK of Missouri. I entirely agree with the Senator from Michigan. I started by saying that it seems to me peculiar that we are so very meticulous and particular as to the power to be exercised by the Price Administrator, and so very careful to limit his powers, while the Lease-Lend Administrator, with no greater dignity as a Government officer, may do anything he pleases.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. O'MAHONEY. It is obvious, as the Senator from Michigan has well pointed out, and as the Senator from Alabama has pointed out, that subsection (f) of section 3 controls any authority which may be conveyed by the Lease-Lend Act or any other act; so that is not the point.

The statements made by the Senator from Michigan and by the Senator from Alabama in response to my few remarks have all been based upon a misapprehension of what I have been asking. I agree completely that under the terms of the conference report the price provisions are protected. The Price Administrator may not use the power to buy or the power to sell to depress prices. Neither may he use that power to change the tariff law.

The Senator from Georgia [Mr. GEORGE] saw what I was trying to make clear, namely, that the bill gives the Administrator the broadest possible power to buy agricultural commodities from foreign countries. We control the price at which he may resell them, surely; but he has the power to buy them. What I am pointing out to the Senate is that under this section it seems to me altogether clear that if the result of the operation of the price-control law, as it will be on the statute books if this report is adopted, is to hold farm prices down at a level too close to the cost of production, so that the farmer is unable to operate at a profit, and therefore abandons production, we shall be confronted with the necessity of the exercise by the Price Administrator of the power here granted to purchase, in his discretion, foreign agricultural commodities which, by the operation of the law, our farmers are prevented from raising.

That is not a mere imaginary threat. That is a present threat. I have in my hand a letter which was written from San Francisco on January 24, 1942. The writer says:

> The feed situation in California is very, very critical; the labor situation likewise. Hay is very scarce and high in price. Alfalfa hay is bringing $20 to $22 per ton at shipping points when it can be bought at all. The 1941 season was bad for hay. Late rains in the spring and early rains last fall cut the production of alfalfa hay in the State, as a whole, in an amount equivalent to one full crop plus. Volunteer hay, on which dairymen in the northern part of California depend, was ruined. Prices on grain, mill feeds, and other concentrates have advanced between 50 and 60 percent in the last 8 months.
>
> Man labor is practically unobtainable. The labor situation is far more critical in California than in the States east of the Rocky Mountains. It must be remembered that the concentration of shipbuilding and aircraft plants has drawn very heavily upon our labor supply. In this connection, too, it must be remembered that the three Pacific Coast States are on the western border of an area of sparsely settled States extending from the Canadian to the Mexican line, and having a distance of 1,500 miles eastward. The situation hits the poultry people hardest, the dairy people next, and the beef, sheep, and hog people in that order.
>
> Summed up, the situation of the poultry and dairy people is that they are willing to meet the production goals set up for California by order of the Secretary of Agriculture, but unless they can obtain the wherewithal, production will be lessened instead of increased. Present prices obtainable for dairy products do not cover the exceptionally high feed and labor costs, and many dairymen are sending cows to slaughter which should be kept for milk production.

I shall not read further from the letter. I read a part of it in order to cite the dangers with which we are confronted.

Mr. Henderson, in testifying before the Committee on Banking and Currency, presented, as shown on page 71 of the Senate hearings, a revision of the House bill. In the suggestion which he made to the Senate Committee on Banking and Currency he indicated he wanted to restrict farm prices to 100 percent of parity. In the statement which he sent to the Senator from Michigan today he repeated the opinion that 100 percent of parity should be the level upon which to grant him authority to fix ceiling prices, utterly overlooking the fact, which the Senator from Michigan understands, and as to which he agrees with me, that 100 percent of parity is not perfection; 100 percent of parity is merely the preservation of the miserable ratio which existed during the period 1910–14.

So we have a conference report which, in subsection 2 (e), gives an administrator who does not understand the farm problem the power to fix ceilings upon farm commodities in a manner which threatens the production of farm commodities in this country, and which then will compel the country in self-defense to dig further into the Treasury in order to buy agricultural commodities from foreign nations—commodities which we ourselves might have been producing in this country.

It seems to me, Mr. President, that the mere statement of the situation, clearly demonstrated by the language of the conference report, is sufficient to indicate the absurdity of the proposal which we are asked to approve.

I grant that the same subsection 2 (e) recognizes that perhaps we may have to subsidize the farmer; because it says that the Price Administrator shall have authority to "make subsidy payments to domestic producers of such commodity in such amounts and in such manner and upon such terms and conditions as he determines to be necessary."

Mr. President, has not the time come when we should recognize the importance of maintaining the agricultural industry as a self-supporting industry? Why should it be necessary for the conferees to submit a report which in its terms recognizes the imperfection of the proposed act by granting the Price Administrator authority to subsidize the production of agriculture? When are we going to realize that we cannot forever spend more money than we produce in commodities? When are we going to realize, if ever, that the Government cannot continue to borrow for the purpose of keeping the economic system operating? The economic system cannot be conducted upon borrowing, for when the Government borrows, it merely creates a debt for future generations to pay out of the production of the future. We could avoid the creation of the debt if only we had the will to stimulate production now.

So, Mr. President, it seems to me that in subsection 2 (e), which authorizes the importation of foods and the purchase of foods, and which places a limitation only upon the prices the Price Administrator shall pay and upon the prices at which he may sell, and requires the Price Administrator to pay the tariff when he is buying the product, is only perpetuating the unsound conditions which are increasing the national debt and are destroying the capacity of the people of America to produce.

Mr. BROWN. Mr. President, the Senator bases his entire argument upon the assumption that the Administrator would utterly disregard the express provisions of the law.

Mr. O'MAHONEY. If the Senator will be good enough to point out the express provision of the law which would have to be disregarded, I should very much appreciate it.

Mr. BROWN. That is what I was about to do. In the first place, no power can be exercised under subsection (e) for any purpose other than to increase production or increase the supply.

Mr. O'MAHONEY. Of course; to increase production or increase supply; but when the production has been cut down by the exercise of the other authority, then it is necessary to exercise the authority to which the Senator now alludes, and to increase the supply, and to go abroad in order to do it. That is exactly what I am saying.

Mr. BROWN. Mr. President, I did not interrupt the Senator when he made a long and connected argument.

Mr. O'MAHONEY. I beg the Senator's pardon.

Mr. BROWN. I cannot pack into one sentence the argument I wanted to make in response to the Senator's argument.

Mr. O'MAHONEY. Certainly; and I shall not further interrupt the Senator until he has concluded his statement.

Mr. BROWN. It is impossible for me and, I think, for anyone else to answer in one sentence the argument which has been made by the Senator from Wyoming; I have to have time in order to develop my thought.

I say that under subsection (e)—and the Senator can answer me when I am through—there is no power to buy directly for the purpose of affecting prices. Such a provision was in the Senate bill, and it was stricken out.

The Senator's argument is premised on the proposition that the Administrator will utterly refuse to be bound by the provision which reads—

> In any case in which a commodity is domestically produced, the powers granted to the Administrator by this subsection shall be exercised with respect to importations of such commodity only to the extent that, in the judgment of the Administrator—

And so forth. We have to repose the judgment in someone; and the Senator from Wyoming told us the other day that he thought Leon Henderson had done a pretty good job, and would do a good job under the bill.

Mr. O'MAHONEY. I repeat that statement, and I agree; I have the highest respect for him.

Mr. BROWN. I shall commence again to read the provision of law to which I was referring:

> In any case in which a commodity is domestically produced, the powers granted to the Administrator by this subsection shall be exercised with respect to importations of such commodity only to the extent that, in the judgment of the Administrator, the domestic production of the commodity is not sufficient to satisfy the demand therefor.

What is that intended to cover? It is intended to cover a situation in which we do not produce sufficient of some particular commodity to supply the demand in the United States. Let us take a commodity. The commodity that occurs to me first is sugar. Our Government has already endeavored to supply the scarcity in the United States, to supplement the production of the United States by buying the entire Cuban sugar crop. That is an exercise of authority under this bill.

The Senator from Wyoming, aided by the Senator from Michigan, can make a long argument upon that subject matter. We could say that the whole policy has been wrong through all the years and that if the advice of our departed colleague, the late distinguished Senator from Colorado, Mr. Adams, and the advice of the Senator from Wyoming, who has taken his place in the Senate in leadership in respect to this commodity with the assent of all of us, had been followed, we do not think the situation would have been as bad as it is now, but the advice of the late Senator from Colorado, of the Senator from Wyoming, and of the Senator from Michigan in that respect was not heeded. I am not satisfied, I will say to the Senator from Wyoming, even yet that sufficient encouragement is being given to the production of sugar in the United States. I wrote a letter to the Secretary of Agriculture along that line on January 7, but have not as yet received a reply. We face an actual condition. There is not sufficient sugar to supply the needs of the people of the United States, and there is not sufficient of the product of sugarcane in the United States to supply the needs for alcohol for munitions made out of that product. I say that it is right and proper that somewhere in the law there should be authority on the part of someone to exercise judgment with respect to that. So we give it to the Price Administrator in this section.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD copy of the letter addressed by me to the Secretary of Agriculture on January 7, and copy of the letter addressed to me, on January 3, by Mr. Arthur A. Schupp, which was enclosed in my letter to the Secretary of Agriculture.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JANUARY 7, 1942.

Hon. CLAUDE R. WICKARD,
Secretary of Agriculture,
Department of Agriculture,
Washington, D. C.

MY DEAR MR. SECRETARY: I will appreciate very much your furnishing me with the information to reply to the attached letter from Arthur A. Schupp, executive secretary of the Farmers & Manufacturers Beet Sugar Association of Saginaw, Mich.

As stated by Mr. Schupp, the contracting of beet-sugar acreage has now begun, and I have assumed that the Department of Agriculture will certainly want to encourage the production of beet sugar in the United States during the national emergency.

I will be grateful for your prompt response so that I may notify the beet growers of Michigan of your wishes and plans with regard to the 1942 crop.

Sincerely yours,

PRENTISS M. BROWN.

[Enclosure.]

JANUARY 3, 1942.

Hon. PRENTISS M. BROWN,
Senate Office Building,
Washington, D. C.

DEAR PRENTISS: Now that the Sugar Act has been extended and quotas have been announced for 1942, the beet growers are all asking whether there will be proportionate shares of acreage allotted to each grower this year, and on what basis.

The Secretary of Agriculture has made no announcement in this regard. Prior to the extension of the Sugar Act, the Sugar Division felt that it was without authority to make official statements regarding proportionate shares until Congress acted to prevent the expiration of the Sugar Act on December 31, 1941.

As you know, the period of contracting for beets is beginning, and neither growers nor processors have official information from the Department of Agriculture with regard to acreage allotments. The nearest thing to a statement was a table of production goals for 1942, published last fall, in which there was a notation, "No acreage limit expected." Of course, this was not an official announcement, and the word "expected" is far from being definite and was made at a time when sugar legislation would have expired on December 31, 1941.

All indications point to a shortage of sugar: First, because the acreage of beet growers was cut 17 percent instead of being expanded; second, because the Philippines are now eliminated as a source of supply, and Hawaii is a doubtful source; and third, the need for alcohol in defense will take one-third of the Cuban sugarcane crop.

Under these circumstances, the beet growers will appreciate very much your requesting the Secretary of Agriculture to make a public announcement of the desires of the Department of Agriculture with regard to the production of beet sugar in 1942, including a determination of the proportionate-share acreage allotments under the Sugar Act.

Thanking you for your uniform courtesy and service to the beet-sugar industry, I am

Yours very truly,

ARTHUR A. SCHUPP,
Executive Secretary.

Mr. BROWN. Mr. President, what the Senator from Wyoming fears is not proper administration of this section but maladministration of it. Of course, we, in the legislative branch of the Government, cannot always protect against that contingency, but I may say that I do not expect it. I expect that the Price Administrator will buy foreign commodities only when it is necessary to supply the demand in the United States, and that he will not, as he should not, buy them for the purpose of depressing prices of agricultural commodities in the United States.

Mr. O'MAHONEY. Mr. President, the Senator, by his closing remarks, clearly reasserts his misunderstanding of what I have been trying to say. I agree that the Administrator cannot use this power to depress prices. I do not contend for a moment that that would be the effect. On the contrary, I say as vigorously as does the Senator from Michigan that these powers are hedged about so that they cannot be used to reduce any of the prices fixed in section 3. Is that clear?

Mr. BROWN. It is.

Mr. O'MAHONEY. So we are not arguing on that subject at all, but the Senator says that I expect maladministration of this act and that my argument is a contention that the Administrator would violate the provisions of the law. So I requested the Senator to cite the provision of the law and he cited the very first sentence which I read when I rose to interrupt him. Let me read it again. This is the last sentence on page 4:

In any case in which a commodity is domestically produced the powers granted to the Administrator by this subsection shall be exercised with respect to importations of such commodity only—

Only what?—

only to the extent that, in the judgment of the Administrator, the domestic production of the commodity is not sufficient to satisfy the demand therefor.

That is precisely what I say. Under that sentence the Administrator can purchase foreign agricultural commodities when the domestic supply is not sufficient to meet the demand. Is not that correct?

Mr. BROWN. That is correct; that is what the provision says.

Mr. O'MAHONEY. It says that just as clearly as it could be stated.

My contention is simply that the price-control bill, operating as it does without any control of wages and without any control over the elementary costs which go into farm production, will inevitably decrease production in the United States and, since it will decrease production, it will make it necessary for the Price Administrator to purchase commodities in foreign markets. That is my contention.

Mr. GLASS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GLASS. What is the question before the Senate?

The PRESIDING OFFICER. The pending question is on agreeing to the conference report.

Mr. GLASS. Has the Senator from Wyoming moved to reject the conference report?

Mr. O'MAHONEY. I will explain to the Senator that the motion of the Senator from Michigan to agree to the conference report is before the Senate and, under parliamentary procedure, the motion is open to discussion.

Mr. GLASS. Well, it certainly has been discussed. [Laughter.]

Mr. BROWN. Mr. President, I was through, I will say to the Senator from Virginia, some time ago, but I thought it necessary to respond to the questions asked me by the Senator from Wyoming.

Mr. President, I desire now to give up the floor, and ask for the adoption of the conference report.

EXHIBIT A

LEON HENDERSON'S REMARKS ON PRICE-CONTROL BILL BEFORE THE GENERAL FEDERATION OF WOMEN'S CLUBS, JANUARY 24, 1942

I notice in some papers a confusion as to what I said last Saturday January 24, before the General Federation of Women's Clubs on the price-control bill. I said, first, that, taken by itself and without other anti-inflationary measures, the bill as it came from conference could not prevent inflation. I said, second, that, even with heavy savings through sale of savings bonds and the new tax program as it has been outlined, the bill could not prevent substantial increases in the cost of living—the prices of things women would buy as consumers were bound to increase. I said further that the agricultural provisions as they now exist forbid the Price Administrator to take any action on agricultural products until substantial increases had occurred. I

asked the women not to blame the Office of Price Administration if food and fiber costs went up, as I felt they surely would do, since the bill prohibits price ceilings on agricultural commodities until certain higher levels are reached.

I did not say that the bill was practically worthless as a price-control bill. Certainly the direct control of all commodities other than agricultural is improved by the standards and the provisions for enforcement of the bill. The statements I made are entirely consistent with my testimony on the bill before the Senate Banking and Currency Committee and with the recommendations I made for a revised bill, which was made in committee print dated December 9, 1941, showing certain proposed amendments to H. R. 5990 as it passed the House. This appears on page 72 and the following pages of the Senate hearings. Under section 3 (a), I recommended that the limitation on ceilings for agricultural commodities be (1) 100 percent of parity or (2) the October 1 market price, whichever should be higher.

On Wednesday, December 10, 1941 (p. 126, Senate hearings) I said, "If the price-control office is prohibited from controlling any runaway prices on agricultural commodities under the terms of the House bill, then it is inevitable that we shall get into the upward spiral."

Mr. SHIPSTEAD. Mr. President, the pending conference report, coming out of the conference between the House and the Senate, has, in my opinion, been explained in a few words by a Member of the House of Representatives better than by anyone else. I have the honor to quote from the remarks of a Member of the House of Representatives from my own district, an agricultural district, Mr. H. CARL ANDERSEN who said:

Mr. Speaker, this bill provides no floor whatsoever for agriculture but does provide a ceiling. On the other hand, it provides a floor for labor but no ceiling; it assures industry cost of production, plus a profit—something which has never been given agriculture—and, moreover, it places no brake whatsoever on the excess profits of industry. How anyone can call this legislation price control is beyond my imagination. Surely all must be covered or the purpose of the act is lost.

Mr. President, in considering this bill, and for years past in considering farm legislation, we have juggled with what seems to be a very mysterious word called "parity," and because of the fact that I think we have been led astray as to the meaning of the term we have misled many people, even ourselves.

According to Webster's International Dictionary, "par" means—

Equal to the standard; having the face value; equal (or equality of exchange value). (2) A standard, either natural or agreed upon, with which to compose variations; a normal condition, rule, rate—

And so forth—

of equal amount, value, or degree.

That is the old understanding of the word "par" and parity. If the farmer had, by law, that kind of parity, there would be no need of a real parity bill. That is the meaning of the term used in exchanges and used in every endeavor of which I know except in applying prices to farm products. When it comes to fixing prices on farm products, the farmer must take another standard of parity. A different meaning is given to the term when it applies to the farmer.

How has parity been applied to the farmer? It has been defined by law as meaning something entirely different than as defined by Webster. Under the Agricultural Adjustment Act, it was determined by the Congress and by the signature of the bill by the President that for the purpose of the farmer parity should mean something else than we have always understood it to mean. So Congress in its wisdom said, "For the purpose of fixing prices for the farmer we shall give him parity, but we shall give the term a different meaning, a different yardstick or measure than we give to it in the case of anybody else. We shall go back to the years 1909–14 and find the relation between the average farmer and the average city man as to income. What were the prices that the farmer got for his products that gave him his income; and, in return, what prices did he have to pay to furnish income for the urban population?"

The experts of the Department of Agriculture found that the farmer's income during that period in relation to the city man's income was as 1 to 4. That means that when the farmer averaged $1 in income the city dweller averaged $4. So Congress in its wisdom determined that it was about right for the farmer to have $1 of income when the city man had $4. So Congress said, "For the purpose of raising the farm income from the point where it now is, and giving the farmer a chance to live and buy the goods of industry and pay industry's labor cost, pay industry's taxes, pay the freight rates to support the railroads"—where the farmer pays the freight both ways, both on what he sells and on what he buys—"in order to make it possible for the farmer to pay not only the labor cost and the taxes and the overhead of industry but the profits of industry, we shall make it possible for him to go back to the glorious period of 1909–14, when he managed to do that on the basis of having $1 when the city man had $4." That was the foundation of the Triple A program.

How was the farmer able to carry the city population on his back? Prior to that period he had more real parity than he ever had under the Triple A, because in those days he could buy a grain binder for about $110 or $115. Wheat sold for anywhere from 70 cents to 85 or 90 cents or $1 a bushel. Something like 10 days ago on the Chicago terminal market wheat was quoted at $1.05. That meant about 90 cents on the farm. But today the farmer pays $250 for a grain binder, and he has to pay for it with the price of wheat on a parity with about what he paid when he could buy a binder for $110 or $115. He used to buy a gang plow for about $55. Now he pays $135. He used to buy a grain drill for $90. Now he pays about $300; and he has to pay for it in the commodity that he sells at the price that he received for his grain—if he is a grain farmer—at a time when he bought a drill for $90, a gang plow for $55, and a grain binder for from $110 to $115.

Does not that picture illustrate how the farmer has become the tenant of the country, and is no longer a freeholder, an independent citizen having a stake in the American Republic?

Mr. WHEELER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Montana?

Mr. SHIPSTEAD. Yes; I yield.

Mr. WHEELER. The Senator knows Tom Campbell, of Montana; does he not?

Mr. SHIPSTEAD. Oh, yes.

Mr. WHEELER. He made a speech the other day in which he said that the farmers are getting a high enough price now, and that they should not ask for any more; and he is quoted all over the country as being one of the outstanding farm leaders of the country.

In Montana, Mr. Campbell is known as a Pasadena, Calif., farmer. He lives in Pasadena. He generally does his farming by remote control up in Montana. If he has made a success of farming in Montana, I do not know anybody who knows anything about it; yet he is one of the leading farm advisers of the administration, and he is frequently called to Washington and other places for his advice with reference to the farm problem.

A few years ago, since the Agricultural Adjustment Act was passed, he leased a large amount of Indian land for 50 cents an acre, and then the Government paid him something like $1.50 an acre for not planting the land that he leased from the Indians.

Mr. SHIPSTEAD. That is true. And he pays no taxes on the land he rents from the Indians.

Mr. WHEELER. He made about a dollar an acre by the simple process of leasing the land from the Indians and then not plowing it; so, of course, he made a success of farming in that way.

Mr. SHIPSTEAD. Then he very likely had 110 percent of real parity. So far as parity is concerned, it has already been demonstrated by these charts that the period 100 means the period when the definition of parity for the farmer of one dollar to four was established by law, and that was to apply to five agricultural commodities. Under that law, however, those commodities did not bring enough income to bring parity even under that definition; so we have had to go into the taxpayers' pockets, and to some extent—not fully, but to some extent—we have tried, so far as we could, by taxation and subsidy, to make good our word to the farmer that on five commodities he should be on the parity that he had in 1909–14. On five products we promised him that he should have $1 when the city resident got $4. On the other commodities he was left where he was before, except that he was worse off than he was from 1909 to 1914.

Something has been said about 110 percent of parity. That would be 10 percent more than the parity figure in the original A. A. A., an act against which I

voted, by the way, because I did not think it would give real parity. I did not think it would give equality or mean real parity, according to the understanding of everyone, under Webster's definition. So I voted against the measure.

The newspapers and the commentators talk about the greediness of the farmer, say he is not satisfied with parity, that he wants 110 percent of parity. If the farmer had actual parity under the proposed law or any other law, or without law, and wanted 110 percent of what he was receiving, it would be outrageous. But he does not get 110 percent of real parity.

What does 110 percent of parity mean based on the ratio established in the years 1909 to 1914? It means that instead of having $1 when the city resident has $4, he will get $1.10 when the city resident will get $3.90. That is one of the outrages proposed, which make the industrial-center newspapers and commentators so indignant, though they have found no fault with the profits of the war contractors. That was illustrated by the Senator from Wyoming [Mr. O'MAHONEY] last week when he referred to a statement of the Office of Production Management. I read from his address:

Mr. President, in connection with the modified amendment, and with the whole problem which is being presented here, I wish to ask unanimous consent to print in the RECORD a press release which was given out by the Office of Production Management on December 30, 1941, together with a list of corporations to which certain war contracts have been given, and which I obtained from the Office of Production Management.

WAR-CONTRACT PROFITS EXCEED TOTAL FARM INCOME

The significance of this material is this: According to the statement of the Office of Production Management of December 30, 1941, there have been awarded by the Army and Navy up to September 30, 1941, more than fifteen and a quarter billion dollars in war contracts. Those contracts totaling fifteen and a quarter billion dollars-plus awarded during the period from June 1940 through September 1941 have been issued to 2,922 corporations. Of that stupendous total, 82.6 percent was awarded to 100 companies; 100 corporations out of 2,922 to which more than fifteen and a quarter billion dollars in war contracts have been awarded received more than 82.6 percent.

Another interesting and startling fact in connection with this situation is that Mr. Leon Henderson, head of the Office of Price Administration, in testifying before the Banking and Currency Committee gave the estimate that corporate profits before taxes this year will total about $11,500,000,000.

He proceeded:

It is only proper to say that Mr. Henderson did argue that price control will tend to hold down the cost of war production.

That is, by getting food below actual cost the industrial producer can make his profit at lower prices, for farm goods.

So far, their price control has been cost-plus. It is only fair to say that the profit figure of $11,500,000,000 is before taxes have been deducted.

If the farmer gets 110 percent of parity under the pending bill, he will have $1.10, whereas the urban resident's income, proportionately, as based upon our fundamental agricultural act, will be $3.90.

There is another formula. There is the period from 1919 to 1929. Something is said about these prices in the conference report. The prices from 1919 to 1929 were said to be rather high. They were higher than in the preceding period, except for some articles during the war.

What happened to the farmer? What caused those prices? We loaned hundreds of millions of dollars to European countries with which to buy agricultural products, and it was in the years from 1919 to 1929 that the farmer found it necessary to go out and borrow so much money that he went into bankruptcy when the crash came in 1930. In one of the most prosperous counties in my State of Minnesota, where the soil is as good as any soil anywhere in the United States, the farm mortgages increased in that period, in 3 years, 1925, 1926, and 1927, sufficient to average an increased mortgage of $3 an acre for every acre in the county, because the prices of what the farmers had to buy had risen so tremendously that while the prices of his commodities were higher than they had been prior to 1910–14, the prices of the things he had to buy had gone up so high that buying in this uncontrolled market, which condition still continues, it was necessary for him to mortgage his home in order to keep the farm going.

The farmer is not only the owner of a plant, he pays taxes, he must finance the machinery of the plant, he must invest capital to build buildings, he must hire labor, he must feed his family, he must do all these things, and then on top of them he must buy the necessities of life from the industrialist. When he does that, I repeat, he pays the taxes of the industrialist, he pays the total cost of labor, he pays his overhead expense, he pays his losses, he pays his profits, because they are all added to the price the farmer pays him for his goods.

If the farmer had an honest definition of parity and an honest yardstick of parity, he would have fixed by law a ratio which would be commensurate with prices of things he must buy, which would put him on a basis of equality; and that is what we have been discussing, but that is not what we have been legislating.

This is the finest piece of scientific legislation I have seen since I came to the Senate. We had a term in the Minnesota Legislature when I was a member years ago, that scientific legislation was something to give people something they thought they wanted and something that was entirely the opposite of what they wanted.

It is said there is a certain floor below which the Price Administrator cannot go. We hear talk about 110 percent of parity. We hear talk about parity of prices from 1919 to 1929. Then came the Senator from Wyoming [Mr. O'MAHONEY], in a very presumptuous way, it is implied, stating that 110 percent was not enough. So he came with his amendment providing that instead of 110 percent, 125 percent should be paid, based on the 1904–14 formula. That would mean that if the farmer got $1.25, the urban citizen would get only $3.75. The Senate said that was not too much for the farmer to get. But the conference and the newspapers say it would cause inflation. It would ruin the country, so they took the O'Mahoney amendment out of the bill. If the Senate agrees to the conference report, as the House did, we will be going on record as saying that if the farmer gets $1.25 and the urban citizen gets $3.75, the farmer will be getting too much. Is the Congress willing to go on record to that effect?

Mr. President, it is said that our proposed action will mean inflation. During the old World War we had higher farm prices than will be permitted under this bill, although it is said there is no ceiling provided by it. A minimum price was fixed on certain commodities during the World War. The minimum price of wheat at terminal markets was $2.25. When the Administrator of food prices came into power he said that $2.25 at the terminal market should be the maximum price. The farmer had to pay the transportation cost to deliver the wheat to the terminal market. The price of cotton was not fixed by the Administrator. It went to 44 cents a pound. With cotton selling for 44 cents a pound, wheat should have sold for $4 a bushel. Cotton was a commodity on which the price was not fixed, and it soared to 44 cents a pound. If wheat had followed the law of supply and demand it should have gone to $4 a bushel. That is how a price-fixing bill fixing the minimum and leaving the maximum to the Administrator was actually administered so that the minimum became the maximum, and because of the prices the farmers had to pay in those days for food, for sugar, for machinery, and for other things, it is no wonder they had to place mortgages on their farms.

Mr. President, a great deal has been said about inflation; the target for attack is the farmer. It is said that we shall have inflation, which will ruin the national credit and ruin everyone, unless the farmer is satisfied with receiving $1.10 as his income compared with the share received by the city man of $3.90. We are told that unless the farmer accepts that formula and that standard of income, there will be inflation which will ruin the country.

Mr. President, I have searched but can find no one who says very much about debts and taxes causing inflation. It is a peculiar school of economics which can see no danger of inflation in national bankruptcy and in taxation so heavy as to reduce production, with the resultant unemployment, but which can see only the danger of inflation from the fact that the farmer shall receive $1.10 whereas the city individual shall receive $3.90. There is nothing in the price-control bill to prevent the city dweller from receiving even more.

Mr. President, we are in dangerous days and dangerous times. The right of the freeholder is greatly threatened. The only man, comparatively speaking, who is a freeholder and owns his plant

and his property—while it may be mortgaged, he still has a ticket on it—is the farmer. The members of the city population, with investments in great corporate bodies, are not freeholders. They have no stake in the soil. They have no stake as freeholders. The foundation of the Republic was laid by freeholders, and it has been maintained by freeholders. If the freeholder who has a piece of property of his own and who can make a living for himself and his family on it, shall be eliminated, the foundation of the Republic will be gone.

Mr. President, the great concentrations of wealth represented by industrial corporations, are syphoning war contracts much faster than they can produce commodities. Those who let the contracts have given the contracts to the few corporations so fast that it has had the effect on production that choking a cow with a pumpkin would have—she could not eat it, and they have not been able to produce.

Mr. President, 50 corporations have received 80 percent of these war contracts. This concentration of capital and of wealth has resulted in dragging great sections of the population into the industrial centers, which will result in creating unemployment when the emergency is over. Where are those persons going to go? Who will keep them? Will the farmer who has to buy his necessities and his machinery in a World War market, on that basis of income proposed, be able to produce food enough to carry us through the emergency, and still have enough left to feed the hungry hordes who are coming back from the cities and industries begging for something to eat?

Mr. President, I shall not take the Senate's time any longer. I have felt it my duty to make these statements. I make them with all due respect to those Senators who do not agree with me. But I could not let this conference report go to a vote without expressing simply from the standpoint of my understanding of economics what dire results will follow. I cannot and will not vote for this thing. It is not fair to the farmer. At comparatively low prices to the farmer no control of industrial prices and labor, the farmer under this bill will suffer from lack of fair prices for farm products by having to pay unfairly high prices on what he buys. This is a bill to protect the profits of the manufacturer at the expense of the farmer.

Mr. TAFT. Mr. President, I desire to say only a word in support of approval of the conference report. I feel that I should like to answer the charge which is made in many newspapers, I think, without knowledge of the real situation, that this is a weak and powerless effort to control prices. It seems to me that the faults of the measure have been grossly exaggerated from that standpoint, and that, as a matter of fact, in this bill we are giving more power to the Price Administrator than any other officer has ever had in the history of the United States to control the economic relationship of prices and to control inflation.

I do not think there ever has been such a bill presented to Congress. There was no such bill in the World War. Herbert Hoover had no such power; Barney Baruch had no such power; Garfield had no such power. It seems to me we have given a plenary grant, with certain exceptions which are emphasized. One of those exceptions is the farm price limitations. As a matter of fact, it seemed to me that if we were to extend this power over everyone else it also ought to be extended over the farmer; but, so far as the actual limitations are concerned, I do not think anyone can successfully claim that the floor below which maximum prices cannot be fixed represents in any way an unfair figure. At least, in respect to any of the commodities I have studied, the price which must be fixed by the Administrator, if he fixes the price at all, it seems to me, is a price to which the farmers are thoroughly entitled.

The other fault alleged against the bill is that wages are in no way controlled. There is an express declaration in the bill that the Government departments dealing with wages shall endeavor to stabilize wages and cost of production just as the Administrator is supposed to stabilize prices. It is only a statement of policy; it is not binding; but I find no one who thinks that the control of wages can be put into a price-administration bill.

The whole method of controlling wages is different. There must be elaborate conciliation and mediation machinery. There must be methods of discouraging strikes. The system must be carried out by different departments, and under different legislation. If the bill is to work, the Government, through those other departments and agencies, must pursue a policy of stabilizing wages at the same time Mr. Henderson is pursuing a policy of stabilizing prices. If that is not done, the responsibility will be on the Government. It will not be on the Congress.

There is one other thing which I think is defective in the bill, and that is that there is still a great division of authority. Mr. Henderson controls prices. Other departments deal with various kinds of commodities. I feel very confident that in the end the President will come to the creation of a board representing all the departments dealing with commodities. Over such a board there may be one administrator to coordinate the policy of commodity control, just as we have now finally coordinated the policy of war production.

With those two supplemental measures, it seems to me that we have as effective and fair a bill imposing price control as we could possibly find. I should be the last person in the world to favor price control in time of war, or to favor the tremendous amount of regulation and inevitable arbitrary action which will result; but it seems to me that this is preferable to permitting the wide open rise of prices, which would destroy the welfare and happiness of all the various groups which make up the people of the United States.

Mr. SMITH. Mr. President, I have often heard the question of the welfare of the farmers discussed on the floor of the Senate. I wonder how many Senators realize the radical and fundamental difference between natural production and mechanical or artificial production.

The manufacturer operates under man-made laws. He establishes a plant for the production of whatever he proposes to manufacture. He puts his plant in operation, and buys his raw materials. He can contract with bankers or others for exactly the quality and the quantity he will deliver. He has no winter, summer, spring, or fall. He operates under conditions which are exempt from the weather. When he borrows money he can assure the party from whom he borrows that, everything else being equal, he can deliver a specified quantity and quality. Therefore he obtains his loan at the lowest possible rate of interest, because he is a good risk. Yet on the floor of the Senate we discuss the farmer in the same terms that we discuss the artificial producer.

I know from personal experience what the farmer must do. The cotton producer, the wheat producer, and the corn producer must produce and deliver at the other man's price. No Senator will contradict that statement.

When we are talking about price control we say that wheat is worth so much a bushel. How much does the farmer realize out of the market quotation? We say that cotton is worth so much a pound. How much does the farmer actually realize out of that price? Let us see.

The farmer plants his crop, borrowing the money to finance it. He cannot tell how much or what quality he will gather. He must buy fertilizer, if he is in a region where fertilizer is indicated, and farm utensils at fixed, stable prices. He must pay the freight to the market on every bushel of wheat or pound of cotton, because every contract which he makes so provides. I am familiar with the contracts with respect to cotton. I am not familiar with wheat contracts. The farmer must pay the cost, insurance, freight, and 6 percent for tare. All those items are deducted in the great markets where the prices are made, before the goods are passed on to the local broker.

In addition to taxes, the farmer must pay the freight, insurance, and cost to the man who purchases his cotton. Furthermore, he must pay the labor to cultivate the cotton; he must pay for picking, ginning, bagging, and tying. Every incidental expense is deducted from the price; and if anything is left after all the costs have been deducted, the farmer receives what is left.

Today spot cotton is selling for about 20 cents a pound. Anyone looking at that price would say that it ought to be a reasonable price to the farmer. It is better than what he has been receiving; but after deducting the cost of ginning, picking, labor, and taxes, I doubt if he clears a thing.

Mr. President, I have made a fair and critical study of the problem. In the last analysis, the farmer must pay the expenses of every city in America. He must pay the expenses of all insurance. We talk about wages. I have a rather large farm in Lee County. On Friday I had a statement from my overseer. We cannot afford to pay the wages which industry

is paying; and yet we are asked to produce so as to support the terrible situation in which we find ourselves. The producer of a manufactured product is assured of a profit, because he could not run his plant if he did not make enough to keep it up and pay the overhead charges. They are included in the price for which he sells his goods. What farmer has the privilege of fixing his costs? Of all the occupations in this country of ours, his is the only one in which the costs cannot be fixed. He is the man upon whom ultimately the whole of organized society is dependent; and yet he is not allowed to have a word to say as to the price of that which he sells.

We have heard of strikes. It is claimed that they have retarded the progress of our war industries. What would happen to America if the farmers of America were to strike? Suppose they should say, "We are not going to sell a thing, from an egg to a steer. We will sell no vegetables; we will sell nothing; we are going to live amongst ourselves." I wonder what would happen? Something of that kind was started in Iowa, but all the promoter of the movement got for his pains was denunciation from those who were dependent upon agriculture.

Mr. President, it should hardly be necessary for me to stand on the floor of the Senate and talk to an intelligent body of men about the radical difference between the man who has to take the chances against forces over which he has no control and the man who does not have to take such chances. If the machinery of the manufacturer's factory is out of order he can have it repaired, but the farmer cannot order the rain or the sunshine; he has to gamble with the forces of Nature. In my immediate community, and in other States, in this last year conditions were such that there was an absolute failure of crops. The farmer was not to blame. The Government was not to blame. The seasons were simply intolerable. Yet we stand on the floor of the Senate and have the callousness to denounce "the greedy farmer"; and we read such statements in the newspapers. If I felt that way about the farmers I am darned if I would go into a restaurant. I would eat what I produce, and I would not eat what these "dirty dogs" produce. I think every Senator should do likewise in justice to himself if he feels that the farmer is so greedy. God help us! I would actually desist from going into a restaurant. I sit in the Senate restaurant and see Senators who on the floor argue against helping the farmer "filling the radiator" with the proceeds of the farmer. [Laughter.] I would not do that.

A few days ago I was talking to a farmer and businessman. He was saying that the ban was being lifted, and that the farmers were being encouraged to plant more and more. He said, "We have been curtailed and curtailed." I said, "Yes—until you have not got any more tail to 'cur.'" [Laughter.] He said, "That is the trouble."

Why cannot we look at this matter as it is? Why cannot we see the facts as they are? Millions of people in the United States are dependent upon the exigencies of the weather, insects, and all the other factors over which the farmer has no control that constitute the uncertain chance of making a crop. We are trying to regulate daylight hours; I think we shall have to invite God to come down and consult with us as to winter and spring.

Mr. President, as a farmer let me say that it is useless to talk about fixing the farmer's price when he has no more control over it than the number of teeth in a hand saw has to do with the price of chickens. I do not know of a farmer in this country who has ever had a single word to say about the price of his labor. Suppose we were to pass the labor act provisions on to the farmer, and say, "You shall work only so many hours a day." I have seen the entire crop of a particular field lost because of the lack of 1 day's work. I have seen it lost because rain ensued or weeds got out of control. I am trying to get some Members of the Senate to realize that, so far as the farmer is concerned, in the economic organization he is not a factor at all.

Everything moves along the line of least resistance. The farmer pays the taxes; he pays insurance. I noticed that recently the railroads said they were not making as much money as they should be allowed to make, and immediately passenger rates were raised 10 percent. Why? Because the railroads are an organization which counts as a great element in modern American politics; through them we may get some votes. God bless my soul. If I could organize the farmers so that they counted as a factor in the ballot box, I could run this body and run the Government; but the farmers do not organize. I do not know what is the matter with them. The farmer does not look out for those in the law-making branch who will take care of his welfare.

I want to go on record as stating that the farmer pays practically the economic cost of the entire American population. If we will analyze the situation, we will find that to be true. The farmer pays the freight, he pays the insurance, he pays every incidental expense of the things he buys, and he pays every incidental expense of the things he sells. Yet we stand here and take hours and hours to discuss the farmer as a partner in the market. He is not even considered.

The Senator from Oklahoma developed an idea, and I think that after referring to it I shall have no more to say. He said that we fix a ceiling for the farmer's prices, but we do not fix any bottom for them. The prices may go up, or conditions may develop and prices may go down to a point at which he almost gives his crop away and pays Caesar something to boot to take it. There is nothing to stop the downward plunge, but we must not let the prices of the greedy devil go too high.

There is one thing about which we can all rest assured: If there had been any profit in farming there would be some millionaires among retired farmers. How many does the Senator from Alabama know of?

Mr. BANKHEAD. None.

Mr. SMITH. Exactly. It is said that "the greedy farmers" are robbing the Treasury; but I do not believe that in the State of South Carolina there is a really wealthy farmer who has made his wealth out of his farm. It is all very well for us to display charts and stand here and talk about the technicalities of economic figures. The truth of the matter is that the farmer does not have a show. The cotton market has gone up; the wheat market has gone up. Why? Because of the law of supply and demand. I feel very disgusted with all his effort. I had hoped that we should leave the farm element out of the question. The farmer is not a factor. He is not putting up his prices, nor will he put them down. He will pray God that he will get enough to live on; and that will satisfy him. Yet we hear it said, "Well, I think a price of so and so is enough for wheat." I should like to know how much the man who makes such a statement knows about the cultivation of wheat and the hazard of raising a crop of wheat. I wish every Senator would read the wonderful book entitled "Satan's Bushel," which describes the operation of the pit in Chicago. A book has been written describing the operation of the cotton exchange. I think the market places are very necessary under the order of things which we have, but I am utterly disgusted with our talking about the farmer as if he were an integral part of the economic market.

He has an inferiority complex; he thinks every other man is a little better than he. He will walk around feeding you and me and furnishing the raw material out of which our clothing is made, and humbly ask if we will not do this or that, when he ought to kick us and tell us to go to heaven. I cannot understand how we can stand here with the expression of great statesmen, when we do not know the A B C's of the real philosophy of the relation of the farmer to the other segments of organized society.

I think we ought to agree that when, according to the law of supply and demand, it is ascertained that the demand is just about equal to the supply, there shall be a certain return to the farmer. If we do not stand between him and the other elements of organized society and do it intelligently, we are in for the worst disappointment at the harvest time next fall that America has ever known.

The very essentials used in the production of grain, nitrate of soda, nitrogen, are now being parceled out, and there is not a man from the Southeastern States who does not know that there cannot be produced a grain crop such as we have been producing without the application of these ingredients. The South and Southeast will utterly fail in their grain crops, and it probably is true of production of other commodities, including cotton.

We are rationing things and giving priorities. I have had a terrible time to try to get steel enough to make flues for the flue-curing of tobacco. I have had to insist on the department seeing that enough of what is called tobacco cloth is made to cover the beds to protect them from the moth, so as to give tobacco plants an opportunity to become large enough to make a crop. Burlap has become so scarce that there is no sacking in which to ship fertilizer. An effort is now being made to substitute

paper. Paper was tried in the case of lime, and there was a terrific loss; and, of course, that incidental loss will be charged up in the price of the fertilizer.

I do not know what the outlook for the production of food crops this year is.

Mr. President, I think I will quit. I should like to say what I want to say, but I cannot do it.

IS THE FARMER JUST POOR RELATION?

Mr. NYE. Mr. President, allegedly, this price-control bill is the instrument through which administrators will prevent price inflation. Such a purpose is praiseworthy, to say the least, but inflation is not going to be prevented by curbing only a portion, as this bill does, of the influences that enter into the building of inflation. I voted against the price-control bill at the time of its passage by the Senate, for the reason stated, and for the further reason that it would bring injury and and disadvantage to the farm people of America and deny them a chance to hold their own in the mighty battle raging to determine who shall control the economy of America. This bill is going to make of the farmer "the goat," just as he was made "the goat" during and after the last war.

A primary factor entering into price making is the item of wages. This bill makes no effort to control wages, while it does undertake to control prices, particularly the prices to prevail for farm products. It puts the farmer in a price strait jacket, without doing the same with all other factors entering into price making.

IS FARMER DANGEROUS CITIZEN?

In following the debate which has taken place on this price-control measure one could not help but gather that some men were fearful that in this emergency of war the farmer would have to be watched and policed, that he was threatening to profiteer in this war emergency; that the farmer was going to "play hog" and get more than he needs "to just get by." While some in influential and favorable positions are turning defense and war to personal profit to the tune of millions of dollars while corporate profits are running wild—at a time like this we find ourselves quibbling over the prospect that the farmer might get more for his production, for instance, more than $1.20 for his bushels of wheat, and thus wreck the whole cost of living structure, and this while their country is at war. Some persons, especially the columnists and radio commentators who farm on the pavements of our great cities, would have the public believe that the American farmers were just so many scalawags bent upon plundering their own country in this hour of emergency.

The men and women who shoulder the responsibility of agricultural production for America are as devoted to their country and the preservation of democracy and liberty as are any other class. They might well become the teachers of America on the subject of what democracy and liberty really mean. They will go further than any other people in doing whatever falls to their lot to do in winning this war. They are not fussing over what road we followed into this war. They only care that we are in. They are giving of their sons to the prosecution of the war; they will rally with all the strength they possess in its winning; but that does not give others the liberty to take advantage of them, to discourage rather than encourage the farmer in this hour when so much depends upon American farm production.

FARMER FAR FROM ENJOYING PARITY

Our farm population is approximately 25 percent of the total. That one-quarter of our people, and a most essential part they are, too, are enjoying, not a proportionate 25 percent but less than 8 percent of the total national income. What is it men now fear in this effort to hold down farm prices? Are they afraid that the farm quarter of our population will increase its share of the total income to 8½ percent or 9 percent or perhaps 10 percent? What is this thing called inflation that we fear? Is it the chance that the American farmer may come into possession of a greater proportionate share of the national income? Would it not be a terrible condition of affairs if the farm population were to have more than 8 percent of the national income even though they constitute 25 percent of the population of our country? Is the farmer a profiteer, if he gets a larger share of the national income than he now has?

During the last war when a grain binder was costing the farmer just over $100, the Government declared $2.18 a bushel to be the fair price for wheat. Now men argue that $1.40 per bushel is too dangerously high a price to pay for the same commodity, with a binder costing between two and three times what it then cost. With 100 the index for machinery prices paid by the farmer in 1909–14, we find him paying 157 in 1940, according to the Agricultural Marketing Service. If wheat was worth $2.18 during the last war, why is it considered that $1.20 is a fair price now, with production costs higher now than then?

FLOOR BECOMES CEILING

Then, too, as though we were not really fixing prices for what the farmer will sell, we hear it said that this price-control program only undertakes to fix a guaranteed floor price for farm products; that in the case of wheat we are merely trying to say that the price shall not be less than $1.20 or $1.40 per bushel. What farmer who operated at the time does not remember how in 1917–18 the Government, in determining wheat prices, assured the farmer that $2.18 was to be the floor of price; that the price could go above that figure, but not below? The farmer found, however, that in operation the floor actually became the ceiling of prices. No farmer will be fooled now into believing that the present proposal will work out differently. Passing this legislation will have the effect of very definitely fixing the high mark that the farmer shall win as reward for his production.

FARMER MUST NOT TASTE PROFIT

Suppose, now, that demand for this great essential, wheat, were to become such as to command a price of $2 per bushel: What would be the resulting gain to the farmer over and above what would be his return at a price of $1.40? The 1941 production of hard wheat in the United States was 600,000,000 bushels. The difference of 60 cents per bushel then would mean that the producers of this wheat would have an average added income of $360,000,000 to divide among themselves, or approximately $25 for each one on the farms producing this wheat. In this hour, when we appropriate $60,000,000,000 a year which will go to the creation of millions in profits and increased consuming ability, shall we continue to shiver about $360,000,000, or any part of it, if wheat farmers are to have more than $1.40 a bushel for wheat?

THE REAL PROFITEERS

Let us observe for a fleeting moment what others are experiencing in the emergency confronting America.

Corporate profits this year are totaling about $11,500,000,000. Production is 40 percent or more above the peak of 1929. The profits of 808 industrial, commercial, and utility corporations for the first 6 months of 1941 were 33 percent above the like period of the preceding year, despite increased taxes. Untold profit increases are being recorded. United Aircraft, according to the Wall Street Journal of December 11, 1941, shows a 10-month 1941 profit of $59,000,000 after depreciation, amortizing, retirement of emergency plant facilities, and other deductions. General Motors, for the third quarter of 1941, showed income available for dividends of $42,000,000, as compared with $15,000,000 in the like quarter of 1940. Du Pont, for the third quarter of 1941, showed operating revenues of $130,000,000 as compared with $91,000,000 for the same period in 1940. To make a long story short, the Wall Street Journal of December 15 stated:

> Earnings of industrial corporations have made substantial gains this year despite much heavier taxes.

The Federal Reserve Board, in its December report, shows that 416 companies earned 31 percent more than in a corresponding period of 1940, after taxes. From June 1940 through September 1941 the Army and Navy awarded fifteen and a quarter million dollars in war contracts to 2,922 corporations. Eighty-two and six-tenths percent of this total went to 100 companies. But look out for the profiteering farmer.

With these startling facts, here we are fretting over a comparatively small added income for the American farmer, a quarter of our population, perhaps as much as $360,000,000 more for the thousands of farmers growing wheat. Watch the farmer, but do not be too watchful of anyone else. The farmer is the profiteer to keep an eye on. Is that the theory of the present consideration?

FARMER LOSES GROUND

Are we to build walls now that will prevent any substantial improvement for the farmer in his endeavor to improve his desperate lot? In 1939, two-thirds of all the farms in the United States had a gross farm income of less than $1,000. About one in every five farms had a gross income of less than $250 in that year. Ten years earlier, in 1929, those farms with incomes of less than $1,000 were only one-half the total farms. In 1929 those farms with gross incomes of

less than $250 were only 6.6 percent of the total. Shall we say that the farm condition is so much improved that we must now guard against the possibility of profiteering prices paid to the farmer?

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. NYE. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. Has the Senator the figures of income of the individual farm inhabitant for the period 1909–14?

Mr. NYE. I will say to the Senator that I have not those figures ready at hand.

Mr. SHIPSTEAD. The Senator from Wyoming [Mr. O'MAHONEY] had them from the Bureau of Agricultural Economics.

Mr. NYE. I think they have been made a matter of record in the Senate.

Mr. SHIPSTEAD. As I recollect, the average income of the individual farmer was $135; and, on the basis of the ratio on which we fixed so-called parity for the farmer, the average urban citizen at that rate would have had an income just four times that much.

Mr. NYE. Quite so.

Mr. SHIPSTEAD. That would be possibly between $450 and $500.

Mr. NYE. Somewhere in that vicinity.

Mr. SHIPSTEAD. And that is the ratio on which we intend to keep the farmer.

Mr. NYE. That is correct. It is the miserable pittance that was determined as being a parity price through a period of 5 years, 30 years ago.

Mr. SHIPSTEAD. If the Senator will permit me to interrupt him further——

Mr. NYE. I am glad to yield to the Senator.

Mr. SHIPSTEAD. On that income the farmer will have to continue to carry industrial labor, the entrepreneur, the processors, and persons in the avenues of sale and barter.

Mr. NYE. That is precisely what it comes to.

In the light of all this, I am led to ask the question: Where in the world is our sense of balance when we would curb farm prices without curbing all other prices and costs entering into price making?

WHEAT AND BREAD PRICES

Suppose, now, that the farmer were to have for his products beef, milk, wheat, and so forth, a price that approached an honest parity of prices: What would be the effect, for example, of a larger price for wheat? What effect would a larger price have upon the bread purchaser? The relationship between bread and wheat price through the last 20 years would seem to indicate that the price of bread was influenced by wheat prices in a most insignificant degree. I have here a table, which I ask leave to have printed in the RECORD at this point, showing the range of North Dakota average wheat price and the average white-bread prices prevalent in the 39 principal cities of the United States for the years 1920 to 1940, inclusive.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

	Average North Dakota wheat price per bushel	Average white-bread price in 39 principal cities
		Cents
1920	$2.03	11.5
1921	1.05	9.9
1922	.91	8.7
1923	.90	8.8
1924	1.20	8.9
1925	1.37	9.3
1926	1.31	9.3
1927	1.13	9.2
1928	.92	8.9
1929	1.00	8.8
1930	.67	8.6
1931	.49	7.7
1932	.35	7.0
1933	.61	7.1
1934	.84	8.3
1935	.82	8.3
1936	1.03	8.2
1937	1.01	8.6
1938	.56	8.6
1939	.64	7.9
1940	.70	8.0

Mr. NYE. Mr. President, a study of these figures shows how inconsistent are the prices of bread in comparison with wheat prices. With wheat price cut in half from 1920 to 1921, bread price changed only $0.006. When wheat price dropped from $1.01 in 1937 to $0.56 in 1938, bread price held to its level of $0.086 per pound loaf. With wheat at $1.05 in 1921, bread sold at $0.099; with wheat at $1.03 in 1936, bread sold at $0.082. With bread costing $0.089 in 1924 when wheat was at $1.20, we find bread costing the same in 1928 when wheat was down to $0.92. Study the comparative figures as one will, he must come to the conclusion that wheat price has but little effect upon bread price.

It is interesting to go back of this table of so-called parity days, and find that in 1913 wheat at 74 cents found bread at $0.056, while in 1930 wheat at 67 cents found bread at $0.086; in 1914, with wheat at 93 cents, bread sold at $0.063, while wheat at 92 cents in 1928 found the bread price at $0.089.

The facts do not contribute to the argument that increased farm prices greatly influence living costs.

Wheat, to be sure, is but one of many agricultural products that are involved in this price-fixing program and in the shaping of living costs. But what is effected in wheat price is generally true of the prices of other farm products.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. SHIPSTEAD. The Senator knows that freight rates have more than doubled in the period of so-called parity.

Mr. NYE. Certainly.

Mr. SHIPSTEAD. And taxes have doubled and trebled. There are better schools and better roads, and taxes are at least 3 times higher than they were 30 or 40 years ago, and all these things are taken into consideration. Still the farmer's ratio to industry is based upon the ratio of 4 to 1 in favor of the urban population.

Mr. NYE. Not only that, but, in spite of the increased cost of production and transportation, we find the farmer being asked, under the measure now pending, to be content with about half as much for his wheat as he received during the World War period, when price floors and ceilings were determined.

Mr. SHIPSTEAD. Without any compensatory control of prices of the things he has to buy.

Mr. NYE. None whatsoever. That the farmer is up against increasing production costs everyone knows. Without some price incentive it is questionable if agricultural production is going to be able to keep up with demand. However patriotic the farmer may be, and is, he is up against factors now that make production increasingly difficult. This bill is definitely not giving anything but added concern to the dairy farmer, and the beef producer sees in the legislation a very definite threat to his industry.

LAW WILL SLOW PRODUCTION

I am sure none desire interference with adequate agricultural production. But there is now already an alarming shortage of farm labor by reason of larger wages available in other industry. Industrial laborers are able to make from 4 to 10 times as much as the farm worker. Farm prices must be permitted to advance to a point that will permit reasonable farm wages, or we will gravely jeopardize production, and next year will find us with serious shortages of essential commodities. The farmer, often with his son or sons in the military service, is strictly up against a difficult labor problem for the duration of the war. Cutting down on prices is hardly going to be an incentive to him in these hours of difficulty occasioned by machinery shortage and transportation problems.

Positively, this is no time to be practicing restrictions upon any part of our American production machinery which are not practiced upon all alike. Curbing the influences that would create dangerous inflation is desirable, to be sure, but the curbs should be upon all those influences. However sympathetic one may be with the cause of American labor and the wage earner, knowing the part which wages play in every price structure, it just does not make sense to grant power to arbitrarily fix prices to be paid the farmer and others, while leaving wages uncontrolled.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. NYE. I yield with pleasure to the Senator from Michigan.

Mr. VANDENBERG. I should like to insert in the RECORD at this point—and I am sure the Senator from North Dakota will approve—the Associated Press statement from New York this morning upon yesterday's meeting of the C. I. O. executive committee. I read only the first paragraph:

Opposition to a general sales or a Federal wages tax was coupled today in expressions of the Congress of Industrial Organizations executive board with a recommendation that Congress of Industrial Organizations unions include demands for substantial wage increases and union security in current and future bargaining negotiations.

I suggest that the action in New York yesterday was calculated far more to effect a price spiral in the United States than anything that may happen in the Senate this afternoon.

I ask that the entire article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SALES, WAGE TAXES OPPOSED BY CONGRESS OF INDUSTRIAL ORGANIZATIONS—EXECUTIVE BOARD URGES HIGHER PAY AND UNION SECURITY

(By the Associated Press)

NEW YORK, January 26.—Opposition to a general sales or a Federal wages tax was coupled today in expressions of the Congress of Industrial Organizations executive board with a recommendation that Congress of Industrial Organizations unions include demands for substantial wage increases and union security in current and future bargaining negotiations.

Meeting with President Philip Murray, the board held that living standards of the Nation's workers were being "seriously threatened as a result of the spiraling cost of living and inequitably increased taxes upon the low-income group."

Murray said statisticians estimated the cost of living was increasing at the rate of 2 percent a month and that by March 15 living costs would be 20 percent greater than in January 1941.

"On the other hand," Murray said, "financial reports of corporations indicate extraordinary profits. There is ample justification for labor to present its wage-increase claim to American industry."

He said he believed these demands could be met without adding to or creating any spiral in "the so-called inflationary processes."

Asked for an interpretation of the board's "union security" stand, the Congress of Industrial Organizations chieftain expressed belief organized labor had a right to seek the closed shop before the new War Labor Board.

The board urged Congress to appropriate $300,000,000 for unemployment-compensation benefits to absorb the severity of priorities unemployment. Murray said Congress of Industrial Organizations and Government estimates indicated that between 3,000,000 and 3,500,000 would be forced out of jobs by the end of the year because of war industry conversion.

Other resolutions adopted urged Federal and State Governments to set up boards to handle problems created by the increased cost of living among Federal, State, and municipal employees and called upon Congress to enact a program "which will stop war profiteering and the creation of war millionaires, and protect the standard of living necessary to maintain American production at a maximum."

Federal revenue to finance the war should be obtained, the board said, from increased normal and excess-profits taxes on corporations, closing loopholes in the present individual and corporation taxes, and increased rates together with lowered exemptions on estate and gift taxes.

Mr. NYE. I thank the Senator very much for calling the article to my attention at this time. Surely it indicates what we may expect, and what we have a right to expect in the way of cooperation, in any endeavor to stabilize the price structure.

Mr. President, I favored and I voted for the Bankhead amendment, the O'Mahoney amendment, and other amendments which have sought to make for security against one-man control of the Nation's price structure. They would, of course, tend to raise the floor of prices which would be fixed. But these amendments do not in any degree remove the basic cause for my complaint against this price legislation.

FARMER IN PRICE STRAITJACKET

The American farmer is as patriotic and as willing to do his part in winning the war for his country as any other class of Americans, but it is not in me to blame him for objecting to restrictions and limitations not applicable to others. Because I object to placing agriculture in a price straitjacket which does not apply to all others who play a part in determining prices and the balance which should obtain in our economy, I shall vote against this so-called price-control bill conference report.

The loss of the O'Mahoney amendment in conference is to be regretted. In that amendment there was assurance of some ability to give the farmer a price that would be in step with other cost factors.

The Bankhead amendment, which remains in the bill, offers some safeguard for the farmer against arbitrary price fixing. The voice given the Secretary of Agriculture under this amendment is only a limited power, however. The amendment by no means affords a legislative restriction which cannot be gotten around if there is real wish to get around the Secretary's findings.

WAGES UNCONTROLLED

The question is asked: "If there is no price-control legislation, inflation will at once result; would you chance this in the name of upholding the interest of the farmer?" My answer can be direct: Inflation is already here and will continue to grow, and no material prevention of general inflation is provided in the bill so long as it leaves uncontrolled the item of wages—the largest factor in price making.

Experience dictates this vote of mine against this price-fixing bill. I cannot forget what happened to the farmer 25 years ago. Somehow many are given to feel that this time things are going to be different; this time a price floor is going to be a floor and not a ceiling. If it is any different this time, I fear the difference will be found in the increased intensity of the operation against the farmer and his proportionate share of the national income.

SHAMEFUL EXPERIENCE AGAIN

Now that war has become the lot of our Nation, I shall let no act or word or thought of mine lessen the chance of victory for my country; indeed, I shall contribute to the accomplishment of that victory with every energy I possess. I fought against the involvement of my country in this world madness with the same energy. I think nothing contributed so largely to this extended effort on my part as did my memory of what the last war did to the farm people and to farm communities in those States of my acquaintance, and particularly my own State, which is so completely agricultural. To put these farm people, often the same ones, through the wringer that bled them quite white starting in 1918, would be all but criminal. We in these places, who are offered the chance to serve and guard, owe it to ourselves to guard against repetition of that painful, shameful experience.

I wish we could more largely vision what is ahead of us and the importance to the future of our effort now to let the agricultural industry come through this emergency with such strength and stability as will give the Nation something reasonably strong to tie to when comes the day for rebuilding our economy.

We ought at least to try to profit by our memory of what followed the last war. The farmer during that war was given no such chance to build up profits and reserves as was enjoyed by others. His production was sold under a ceiling of prices during the inflationary period. His gain was limited. When the boom period ended and getting back to normalcy became the economic rule, the floor fell out from under the farmer; he was without the reserve created by profit which others had enjoyed, and he became the national football, to be kicked at pleasure. The country marched right over him when liquidation was demanded. For years he was trampled upon until his proportionate share of the national income became a disgrace. His proportionate share of the income fell from 16.7 percent in 1918 to 11.5 percent in 1920, then to 6.5 percent in 1921, since which time he has not in any year won more than 9 percent.

FINISH OFF THE FARMER

His weakness tended gradually to tear down other industry. By reason of lack of buying power in the agricultural third or fourth of our total population it was inevitable that the props under our whole economy would crumble—and crumble they finally did—bringing us the most challenging break-down our economic system had known. Years of legislative effort, solicitation, and spending have followed. The result is that today the 25 percent of our people on the farms are dividing less than 8 percent of the total national income. Now we start all over again; we are engaged in another war, and fear seems to exist that the farmer might somehow get more than 8 percent of the income, and we find the will exists to put him back in a strait jacket of price control, the selfsame jacket that all but destroyed him after the last war. Perhaps another war and some more price-control ceilings can finish off the American farmer this time, get him out of the income class completely, and let America feed herself with supplies from Canada, Argentina, the Philippines, China, Japan, and the East Indies.

LET AGRICULTURE BE STRONG

No single industry is as basic to American strength in an economic way as agriculture. When we say that this industry occupies one-fourth of our population we do not tell the whole story of American dependence upon it because we do not include the millions whose business dependence is first and last upon the farmer—the mechanics, the merchants and dealers, the insurance agents, the doctors, the lawyers—the entire populations of towns and cities in the agricultural communities. What is more basic

in our economy than agriculture? No other industry compares with it. Then why not treat it as the pillar upon which we must plan and build instead of treating it as poor relation who will somehow shift for himself?

If we are reasonably wise today we will count on a terrible day of reckoning when we shall have won this war and are confronted with the necessity of swinging back to a normal economy which is not inflated by the quick and expensive and inflationary demands of war, of swinging back to an economy that is dependent upon construction rather than destruction. If we count on this obvious necessity arising, then we shall be wise to give every encouragement we can to agriculture, to the end that it shall be a strong, healthy enterprise that will serve as a substantial base upon which we can rebuild and reclaim that thing called normalcy when the world's madness is ended; and do this rebuilding without the excuseless pain which must again result if we push agriculture to the bottom of the heap only to drag everything else down with it ultimately. One hundred and thirty million people are going to find recovery much easier if that one-quarter of them engaged in the single endeavor of producing our first essential requirements are able to carry on strongly through this war emergency and come out of it with a stability that will enable them to consume the products to the production of which the industrial part of our population will return when planes, guns, and armour plate are no longer in wartime demand.

FARMER THE GOAT

To me it seems that there need be no grave fears about any inflation to which the farmer may contribute, at least not until that farm one-quarter of our population is receiving something approximating one-quarter of the national income. That is what we ought to be talking about as honest parity. Until this price control is fastened upon all as it is fastened upon the farmer, the talk of preventing inflationary prices is just so much of what is commonly called fooling the farmer. This bill is going once again to make Mr. American Farmer the goat.

Mr. President, the figures and statistics which I have quoted are from tables compiled by the Department of Agriculture, which I now ask to have incorporated in the RECORD at this point.

One table shows the sales, home consumption, cash income, and gross income from wheat, 1910 to 1940, for the State of North Dakota.

The second table shows the index numbers of prices paid by farmers for machinery and for all commodities used in production, retail prices of bread, and farm debt in the United States, 1910–40.

The third table shows the average price per bushel for wheat in selected markets and grades from 1910 to 1940.

The fourth table reveals the incomes to persons on farms as percentage of national income and farm population as percentage of total population, 1910 to 1940.

There being no objection, the table were ordered to be printed in the RECORD, as follows:

TABLE 1.—*Sales, home consumption, cash income and gross income from wheat, by States, 1910–40*

Calendar year	North Dakota					
	Sales	Average price per bushel	Cash income	Home consumption		Gross income
				Quantity	Value	
	1,000 bu.	*Dols.*	*1,000 dols.*	*1,000 bu.*	*1,000 dols.*	*1,000 dols.*
1910	87,087	0.97	55,114	47	46	55,160
1911	58,058	.90	52,477	55	50	52,527
1912	114,215	.78	88,965	55	43	89,008
1913	105,190	.74	77,631	55	41	77,672
1914	84,963	.93	79,186	55	51	79,237
1915	116,194	.95	110,037	55	52	110,089
1916	75,309	1.19	89,822	52	62	89,884
1917	53,668	1.93	103,802	75	145	103,947
1918	82,698	2.04	168,379	78	159	168,538
1919	50,785	2.24	113,802	55	123	113,925
1920	61,344	2.03	124,484	60	122	124,606
1921	74,291	1.05	77,860	64	67	77,927
1922	94,458	.91	86,276	60	55	86,331
1923	77,071	.90	69,559	54	49	69,608
1924	104,976	1.20	125,464	55	66	125,530
1925	109,305	1.37	149,792	56	77	149,869
1926	62,716	1.31	82,437	55	72	82,509
1927	106,966	1.13	120,760	58	66	120,826
1928	123,543	.92	113,123	120	110	113,233
1929	94,090	1.00	93,991	116	116	94,107
1930	86,570	.67	58,003	660	442	58,445
1931	39,579	.49	19,476	540	268	19,744
1932	60,628	.35	20,998	1,265	443	21,441
1933	66,654	.61	40,514	1,404	856	41,370
1934	23,811	.84	20,077	693	582	20,659
1935	27,958	.82	22,934	1,000	820	23,754
1936	21,817	1.03	22,417	408	420	22,837
1937	35,059	1.01	35,416	516	521	35,937
1938	51,908	.56	29,325	583	326	29,651
1939	77,561	.64	49,621	560	358	49,979
1940	106,737	.70	74,761	700	490	75,251

Income parity for agriculture, pt. I, sec. 5—Income from wheat.

TABLE 2.—*Index numbers of prices paid by farmers for machinery and for all commodities used in production, retail prices of bread, and farm debt, United States, 1910–40*

Year	Index numbers		Total farm debt	Total number of farms	Total farm population	Farm debt	
	Prices paid for machinery [1] 1910–14=100	All commodities used in production [1] 1910–14=100				Per farm	Per capita
			Mill. dol.	*Thousands*	*Thousands*	*Dol.*	*Dol.*
1910	102	98	4,444	6,362	32,077	699	139
1911	101	103	4,816	6,390	32,110	754	150
1912	102	98	5,331	6,420	32,210	830	166
1913	98	102	5,890	6,450	32,270	913	183
1914	96	99	6,321	6,480	32,320	975	196
1915	100	104	6,677	6,520	32,440	1,024	206
1916	107	124	7,132	6,560	32,530	1,087	219
1917	126	151	8,062	6,540	32,340	1,233	249
1918	155	174	9,057	6,520	31,770	1,389	285
1919	161	192	10,107	6,470	30,930	1,562	327
1920	167	174	12,321	6,448	31,614	1,911	390
1921	156	141	13,634	6,500	31,763	2,098	429
1922	142	139	13,751	6,510	31,749	2,112	433
1923	146	141	13,729	6,400	37,130	2,145	441
1924	152	143	13,506	6,350	30,817	2,127	438
1925	153	147	12,677	6,372	30,830	1,989	411
1926	154	146	12,440	6,340	30,619	1,962	406
1927	154	145	12,269	6,260	30,170	1,960	407
1928	154	148	12,363	6,270	30,188	1,972	410
1929	153	147	12,363	6,290	30,220	1,966	409
1930	152	140	12,019	6,289	30,169	1,911	398
1931	150	122	11,500	6,390	30,497	1,800	377
1932	141	107	10,842	6,530	30,971	1,660	350
1933	137	108	9,963	6,720	31,693	1,483	314
1934	144	125	9,154	6,770	31,770	1,352	288
1935	148	126	8,935	6,812	31,801	1,312	281
1936	149	126	8,771	6,640	31,355	1,321	280
1937	154	135	8,628	6,460	30,846	1,336	280
1938	160	124	8,741	6,320	30,502	1,383	287
1939	157	122	9,025	6,210	30,305	1,453	298
1940	157	124	8,926	6,097	30,079	1,464	297

[1] Agricultural Marketing Service.
[2] Bureau of Agricultural Economics.
Division of Statistical and Historical Research, Bureau of Agricultural Economics.

TABLE 3.—*Agricultural statistics, 1941*

WHEAT: AVERAGE PRICE PER BUSHEL, SELECTED MARKETS AND GRADES, 1900–1940

Year beginning July	Minneapolis, No. 1 Northern Spring	Minneapolis, No. 2 Amber Durum	St. Louis, No. 2 Red Winter	Kansas City, No. 2 Hard Winter	Chicago, No. 2 Hard Winter	New York, No. 2 Hard Winter [1]	Liverpool, imported [2]
	Cents	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
1900	75	------	74	67	72	84	87
1901	72	------	72	68	71	82	87
1902	74	------	71	68	73	85	89
1903	87	69	87	77	81	98	90
1904	113	92	103	97	101	120	[3] 95
1905	84	70	90	80	86	96	[4] 98
1906	83	64	76	72	76	92	93
1907	107	85	94	93	96	116	110
1908	111	95	104	99	100	122	120
1909	109	90	113	107	109	120	120
1910	105	87	99	98	100	104	107
1911	107	98	94	97	94	110	112
1912	87	85	105	88	94	103	114
1913	88	83	89	84	89	99	107
1914	120	122	110	105	111	136	155
1915	109	104	120	110	114	128	174
1916	176	180	163	171	157	208	226
1917	220	218	223	233	228	240	235
1918	[5] 236	222	223	219	234	237	240
1919	300	249	230	242	227	265	215
1920	201	200	213	183	216	210	223
1921	148	119	127	120	128	135	151
1922	126	107	121	113	113	131	144
1923	124	106	107	105	106	121	[6] 127
1924	158	156	159	135	139	170	181
1925	165	144	169	163	161	180	176
1926	151	155	138	135	140	156	163
1927	141	132	149	135	138	153	152
1928	126	113	139	112	117	131	128
1929	130	119	130	120	130	126	129
1930	82	78	83	76	84	92	80
1931	71	76	52	47	53	68	59
1932	61	58	55	51	53	69	54
1933	91	103	94	88	94	106	68
1934	116	[7] 138	94	98	102	119	81
1935	126	113	95	105	104	125	90
1936	147	157	111	121	117	143	120
1937	128	107	113	111	118	116	124
1938	79	72	70	70	70	87	70
1939	97	92	75	74	78	112	[8]
1940	90	92	82	82	85	106	------

[1] 1900–1908 averages of monthly high and low from Annual Statistical Report, New York Produce Exchange, of No. 1 Northern Spring; 1909 to date averages of daily closing prices in the cash market from New York Journal of Commerce.
[2] Compiled from Broomhall's Yearbooks and Corn Trade News, 1900–1925, Imported Red; 1926 to date, average of all parcels at Liverpool.
[3] Average for 6 months.
[4] Average for 10 months.
[5] No. 1 Dark Northern Spring beginning 1918.
[6] Average for 11 months.
[7] Hard Amber Durum beginning 1934.
[8] Market closed September 1939.

Bureau of Agricultural Economics.
The prices at Chicago, Minneapolis, Kansas City, and St. Louis are weighted averages. New York and Liverpool are simple averages. The weighted average prices are compiled from daily trade papers of markets named.

TABLE 4—*Income to persons on farms as percentage of national income and farm population as percentage of total population, United States, 1910–40*

Year	Income to persons on farms as percentage of national income [1]	Farm population as percentage of total population [2]
	Percent	*Percent*
1910	13.5	35.1
1911	12.1	34.5
1912	12.7	34.1
1913	11.7	33.5
1914	12.5	32.9
1915	11.6	32.5
1916	11.3	32.1
1917	15.7	31.4
1918	16.7	30.5
1919	15.0	29.5
1920	11.5	29.9
1921	6.5	29.5
1922	8.1	29.0
1923	8.0	28.0
1924	7.9	27.2

[1] Including Government payments and value of changes in inventories. From table 1, columns 5 and 6.
[2] Jan. 1. From table 3.

TABLE 4.—*Income to persons on farms as percentage of national income and farm population as percentage of total population, United States, 1910–40*—Continued

Year	Income to persons on farms as percentage of national income	Farm population as percentage of total population
	Percent	*Percent*
1925	9.2	26.8
1926	8.3	26.2
1927	8.1	25.5
1928	8.3	25.2
1929	7.9	24.9
1930	6.9	24.6
1931	5.9	24.7
1932	5.3	24.9
1933	7.2	25.3
1934	7.2	25.2
1935	9.0	25.1
1936	8.3	24.6
1937	8.7	24.0
1938	7.7	23.6
1939	7.6	23.2
1940	7.2	22.9

Bureau of Agricultural Economics, U. S. Department of Agriculture.

Mr. THOMAS of Oklahoma. Mr. President, I shall detain the Senate for but a moment.

I shall vote against the enactment of the so-called price-control bill for the following reasons:

First. The measure is admittedly a consumers bill and has for one purpose—if not its main purpose—the holding down of prices of raw materials from which food and clothing are derived.

The bill provides an automatic plan for fixing definite prices for such products as wheat, corn, cotton, hogs, and cattle, yet leaves to the judgment of the Administrator the prices to be charged for the products derived or processed from such products as wheat, corn, cotton, hogs, and cattle.

The bill gives the Price Administrator the power to hold agricultural prices down to the limits prescribed, but places no comparable automatic limitations upon the prices of goods derived or processed from such raw materials.

Second. The bill, if enacted, will confer upon one man—the Price Administrator—full power to adjust, regulate, and control the domestic economy, not only of the people of the United States but in addition a large percent of the peoples of the world.

Mr. President, such power proposed and attempted to be delegated is too much power to be delegated to any one man irrespective of his ability, education, and experience.

Third. Under the Constitution, all legislative power conferred is vested in the Congress. The Congress may not delegate its legislative powers save under certain definite and specific conditions and within definite limitations. In order for the Congress to delegate its legislative powers the conditions upon which such powers are proposed to be delegated must be stated or such conditions must be found to exist by the agent before he may act and, second, definite limitations must be fixed in the law beyond which the agent cannot act.

This bill provides, save in a very few instances, that the Price Administrator may fix prices on any commodity at any figure "as in his judgment will be generally fair and equitable and will effectuate the purposes of this act."

I hold that the bill does not propose to delegate the legislative powers of the Congress in a constitutional manner, and that if the bill is enacted into law and tested in the courts the act will be held to be invalid, null, and void.

Mr. President, history shows that the only time the farmers have ever had an equality with industry has been during or just after a war of major importance. Now, after a decade of agricultural depression, we find ourselves engaged in another war of major importance; and at the same time we are called upon to enact legislation having for its main objective the holding down of prices of farm products.

In the absence of similar definite provisions and limitations respecting the prices of processed products, industrial goods, wares, commodities, services, fees, commissions, salaries, and wages, I hold that the bill, if enacted, will be unfair to agriculture and to producers generally.

For the reasons stated, I shall vote against its passage.

Mr. O'MAHONEY. Mr. President, I desire to make as simple and brief a statement as may be possible with respect to the reasons why I believe the conference report is not a satisfactory price-control bill.

It is my understanding that Mr. Henderson made a similar statement to the Federation of Women's Clubs in this city only a few days ago. He prepared a statement with respect to the published report of his remarks before that group, and placed it in the hands of the Senator from Michigan [Mr. BROWN], who has entered it in the RECORD of today's proceedings. I do not have it before me, but I glanced over it, and my understanding of it is that it was a declaration on Mr. Henderson's part that the bill, as agreed upon by the conferees, will not prevent inflation. He asked the members of the Federation of Women's Clubs not to blame him if inflation should result.

I am likewise of the opinion that the bill will not prevent inflation. Since the so-called O'Mahoney amendment, so far as it relates to wage parities, has been rejected, I wish the RECORD to be quite clear that if inflation comes it will not be because of the formula which I proposed, tying the prices of farm commodities to the rising prices of industrial wages.

It must be remembered that there is nothing in the bill to control that factor. As I said during the debate upon the bill itself, when I was explaining my amendment, I can understand and sympathize with the motives of the committee in avoiding placing a limit upon wages, because I know that a very large proportion of the people in industry, as well as upon the farms, are not receiving a fair return. So my proposal was simply that, since the committee had undertaken as a policy not to place any restraint upon this important factor, there should be recognition of the farmer's place in our economy.

However, altogether aside from that, it must be acknowledged that there is grave danger of inflation. The proposal was made many years ago that in case of war the Congress should undertake to prevent inflation. That was a wise suggestion. It was made over and over again, in document after document, article after article, and congressional hearing after congressional hearing, by Mr. Bernard Baruch, who was the head of the War Industries Board during the last war.

It may be worth while now to place in the RECORD a sentence or two from the statement of Mr. Baruch, which was submitted to the Joint Congressional and Cabinet Commission constituted pursuant to public resolution No. 98, of the Seventy-first Congress, on the subject of taking the profit out of war.

I want it clearly understood that, in my opinion, the vast majority of the people of this country want to take the profit out of war. I want to take the profit out of war; the farmers want to take the profit out of war; the people would like to see Congress pass a bill which would take the profit out of war; but, that is precisely what we refused to do. Why should we take the profit out of war? Mr. Baruch says, in this document:

> This process (of inflation) intensifies as time elapses, with the following inevitable results:

I shall not read them all, but shall ask that they be placed in the RECORD. Let me read only No. 3:

> Inflation enormously increases the cost of war and multiplies burdens on the backs of generations yet to come. The war debt of the Nation is necessarily incurred in terms of debased dollar values. In the inevitable post-war deflation the debt of course remains at the inflated figure. Thus the bonds that our Government sold in the World War for 50-cent dollars must be paid through the years by taxes levied in 100-cent dollars.
>
> For example, our total war expenditure was $39,000,000,000 incurred in terms of 1917, 1918, 1919, and 1920 dollars. In terms of the purchasing power of 1913 dollars it would have been only $13,000,000,000, or in terms of 1930 dollars probably not more than $15,000,000,000. Such a grotesque result would be almost unbelievable were the figures not living facts. If anything can be done to avoid this practical doubling of the economic burden of war certainly we should spare no effort to accomplish it.

That simple, straightforward statement by Bernard Baruch is one which is not open to refutation. If it were true that the cost of the World War might have been limited to $15,000,000,000 instead of a sum somewhat in excess of $39,000,000,000, as stated by Mr. Baruch—and it is true—then how much more true is it today that by intelligent and courageous action we can now keep down the cost of this war. The President has summoned Congress to expend $56,000,000,000 for defense and attack, and Congress has applauded that request and is willing to grant it.

This morning the Appropriations Committee filed its report recommending an appropriation of $12,000,000,000 or so for the construction of new airplanes. That expenditure should have been made before; but here we are making it. Such expenditures are the factors which bring about the need for a sane price-control

bill, one which will affect all elements of our economy. These are the facts which clearly indicate that Congress should undertake to take the profit out of war.

How is that to be done? Skipping to another paragraph in Mr. Baruch's memorandum to Congress, he said:

To measure inflation of price and profit we must have some norm. The obvious norm is the whole price structure as it existed on some antecedent date near to the declaration of war on which the normal operation of the natural law of supply and demand can be said to have controlled price. That determined, we need a method of freezing the whole price structure at that level. The obvious way to do this is simple—by proclamation to decree that every price in the whole national pattern as of that determined date shall be the maximum that may thenceforth be charged for anything—rents, wages, interest rates, commissions, fees—in short, the price for every item and service in commerce.

Ah, Mr. President, there is the summons from the man who was the head of the War Industries Board There is the finger pointing out the path down which we should walk in order to prevent any element of our economy, any element of our population, any farmer, any industrialist, any worker, any lawyer, any doctor, or any other person in our whole population from making any profit out of the war

Mr. President, it seems to me that the lessons of the last 12 months should have been sufficient to convince us that we ought to be through with half measures. How can we hope by such means to win a total war which requires the cooperation of all our producing facilities as well as the cooperation of all our fighting facilities? If we are, indeed, to wage a total war in this modern war of economies, we must make such an undertaking the effort of every single factor in the economy Does the bill do so? Does the bill undertake to control rents? Yes; in the defense areas, but nowhere else. Does it control wages? Not at all. Does it control interest rates? Not at all. Does it control commissions? It does not. Does it control fees? Certainly not. It controls only the prices of commodities. The great weight of our effort now and in the future will be directed toward the production of commodities to be used by the Government, and not commodities to be used by the people. So price control is to be exercised only upon the commodities used by the people; and, as the Senator from Oklahoma has just said, the bill, far from being an all-out price-control bill, as it should be, is only a consumer's bill, an industrialist's bill.

Mr. President, I ask that a longer extract from the memorandum submitted by Bernard Baruch to the Joint Congressional and Cabinet Commission be printed in the RECORD at this point.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

PREVENTING WAR INFLATION

The following sequence has attended every major conflict in history:

(1) Shortages of services and things develop rapidly.

(2) Competitive bidding among the procurement agencies of government and, in the last war, at least, other procurement agencies, and for the civil population send all prices into a rapidly ascending spiral.

(3) Expenses of government multiply. The abnormal need for money requires vast issues of certificates of governmental indebtedness. The inherent threat of destruction of government impairs national credit. The combination of all these things rapidly debases the exchange value of money thereby still further increasing the prices of things. The consequent destruction of buying power in the markets of the world begins almost immediately to impair the economic strength of the Nation in the conflict. This sapping of economic strength will, in future wars, be the determining cause of defeat. As Ludendorf has so bitterly complained, his military front remained impregnable long after what he called the home front had crumbled. Destruction of civil morale defeated Germany.

This process intensifies as time elapses with the following inevitable results:

(1) Destruction of domestic morale through a just and bitter resentment by soldiers, their families (and, indeed, by all persons of fixed income) at the spectacle of grotesquely exaggerated profits and income to those engaged in trade or in services for sale in competitive markets and the constantly increasing burden of bare existence to all those who are not so engaged. This is the greatest source of complaint of "unequal burdens." The present demands for "equalizing burdens" and "taking the profit out of war" both go back to this single phenomenon of war inflation. There is no more important problem to solve—whether we consider it purely as a means to maintain the solidarity and morale of our people or as the basis of our economic strength for war purposes, or to avoid war's aftermath of economic prostration, or on the broader grounds of humanity and even-handed justice.

(2) The inflationary process affords opportunity to individuals and corporations to reap profits so large as to raise the suggestion of complacency if not of actual hospitality toward the idea of war. That any human being could be persuaded, by prospect of personal gain, however magnificent, to invoke the horrors of modern war is almost unthinkable, nevertheless the certainty that war could never result in the enrichment of any man would give us all security and comfort.

(3) Inflation enormously increases the cost of war and multiplies burdens on the backs of generations yet to come. The war debt of the Nation is necessarily incurred in terms of debased dollar values. In the inevitable post-war deflation the debt of course remains at the inflated figure. Thus the bonds that our Government sold in the World War for 50-cent dollars must be paid through the years by taxes levied in 100-cent dollars. For example, our total war expenditure was $39,000,000,000 incurred in terms of 1917, 1918, 1919, and 1920 dollars. In terms of the purchasing power of 1913 dollars it would have been only $13,000,000,000, or in terms of 1930 dollars probably not more than $15,000,000,000. Such a grotesque result would be almost unbelievable were the figures not living facts. If anything can be done to avoid this practical doubling of the economic burden of war certainly we should spare no effort to accomplish it.

* * * * *

To measure inflation of price and profit we must have some norm. The obvious norm is the whole price structure as it existed on some antecedent date near to the declaration of war on which the normal operation of the natural law of supply and demand can be said to have controlled price. That determined, we need a method of freezing the whole price structure at that level. The obvious way to do this is simple; by proclamation to decree that every price in the whole national pattern as of that determined date shall be the maximum that may thenceforth be charged for anything—rents, wages, interest rates, commissions, fees—in short, the price for every item and service in commerce.

Mr. O'MAHONEY. Mr. President, there is no better way to find out what is proposed to be done by any measure than by reading it. The first section of the conference report tells us what it is proposed to do:

SECTION. 1. (a) It is hereby declared to be in the interest of the national defense and security and necessary to the effective prosecution of the present war, and the purposes of this act are, to stabilize prices and to prevent speculative, unwarranted, and abnormal increases in prices and rents; to eliminate and prevent profiteering, hoarding, manipulation, speculation, and other disruptive practices resulting from abnormal market conditions or scarcities caused by or contributing to the national emergency; to assure that defense appropriations are not dissipated by excessive prices; to protect persons with relatively fixed and limited incomes, consumers, wage earners, investors, and persons dependent on life insurance, annuities, and pensions, from undue impairment of their standard of living; to prevent hardships to persons engaged in business, to schools, universities, and other institutions, and to the Federal, State, and local governments, which would result from abnormal increases in prices; to assist in securing adequate production of commodities and facilities; to prevent a post-emergency collapse of values; to stabilize agricultural prices in the manner provided in section 3; and to permit voluntary cooperation between the Government and producers, processors, and others to accomplish the aforesaid purposes.

Now listen to the next sentence:

It shall be the policy of those departments and agencies of the Government dealing with wages (including the Department of Labor and its various bureaus, the War Department, the Navy Department, th War Production Board, the National Labor Relations Board, the National Mediation Board, the National War Labor Board, and others heretofore or hereafter created), within the limits of their authority and jurisdiction, to work toward a stabilization of prices, fair and equitable wages, and cost of production.

Here is an injunction to the various wage boards to make sure that wages shall be fair and equitable; but no effort is made anywhere in the bill to provide any power, authority, or control over that factor. Yet when Senators vote to attach the prices of farm commodities to the wage scale, they are denounced as seeking to bring about inflation.

Obviously, Mr. President, we are dealing with a bill which does not cover the situation. Turn to the next sections of the bill. Section 2 deals with prices, rents, and market and renting practices. It has nothing to do with anything except commodities which enter into normal business life.

We all know perfectly well that when the money supply increases, when there is more money to spend there is a natural and inevitable rise of prices. With all the tremendous expenditures which are about to be made out of $56,000,000,000 of appropriations, the money supply will be greater than it ever before was. Production of certain commodities will be cut down; so that the supply of such commodities is bound to be reduced, and there is brought into operation the normal law of supply and demand. We cut down the amount of commodities available; we increase the money that is in the market—and we have to increase it—and then propose a price-control bill which deals only with some of the factors and leaves the most important factors

out of consideration wholly and completely.

One would judge from the discussions that have taken place in the newspapers and on the air in the last few days since this bill was passed that, somehow or other, the agricultural sections of the bill as they were passed by the Senate would have brought about an undesirable inflation. All these discussions utterly and completely overlook the essential fact that the most important factors in creating inflation are not touched by this bill; they are not touched by the section dealing with prices, rents, and market and renting practices, and are not touched by section 3 dealing with agricultural commodities. The remainder of the bill is devoted only to prohibitions and voluntary agreements.

Let us consider agricultural prices for a moment. No one has denied that the total agricultural income, that is to say, the gross income received by farmers, all the farmers of the United States, last year was estimated to be only about eleven billion dollars. No one doubts that the entire national income for this year will probably be a hundred billion dollars or perhaps one hundred and ten billion dollars. In other words, the agricultural income is only one-tenth of the expected total national income; and yet we are asked to believe that this tail can wag the dog. The $110,000,000,000 income is the factor that is going to cause inflation, and unless we take steps such as Mr. Baruch advised "to place a muzzle upon the dog where he bites," we are not going to prevent inflation, and the price-control bill will be nothing more than a gesture.

Mr. GILLETTE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LUCAS in the chair). Does the Senator from Wyoming yield to the Senator from Iowa?

Mr. O'MAHONEY. I am glad to yield.

Mr. GILLETTE. I wonder, in connection with the point the able Senator is now discussing, if he will allow me to read very briefly from a statement made on the 26th day of November last by Mr. Louis H. Bean, counselor of the Bureau of Agricultural Economics. The statement is very brief, if the Senator will permit me to read it.

Mr. O'MAHONEY. I will be glad to have the Senator do so.

Mr. GILLETTE. Mr. Bean says:

> After paying for a standard food budget, factory workers had available during the first 9 months of this year $1,085 per worker on an annual basis. This was nearly $200 or 22 percent greater than in 1940 and also that much greater than in 1929.

Mr. Bean further points out that the Nation, as a whole, during the first 9 months of 1941, was getting its food for one and a half billion dollars less than it would have paid if 1929 price relationships had prevailed.

Mr. O'MAHONEY. I thank the Senator.

I now wish to call attention to a paragraph taken from the recent Report to the Nation, issued or written by the Honorable Archibald MacLeish, Director of the Office of Facts and Figures. It was rather a curious coincidence that this document came into my hands the day the Senate passed the price-control bill. I took it to my hotel with me and opened it. It opened at the paragraph I shall quote. This is not the farm bloc talking; this is not the author of any farm amendment talking, this is Archibald MacLeish telling, in his Report to the Nation, about the conditions which he has found:

> The Employment Service, too, is trying to place every available farm worker. With record crops in prospect, an acute shortage of agricultural labor threatens. Farmers on family-sized farms have been unable to pay wages high enough to compete with industry.

In that sentence is my whole argument, an argument furnished by the Office of Facts and Figures.

> Hundreds of thousands of young farmers are going into the armed forces. To fight this shortage, farm families, women and children as well as men, will have to work longer and harder.

If we adopt the conference report we are seconding the statement of Mr. MacLeish, and we are sending a message to the farmer, "You must work longer and harder." The farmers will be willing to do it, but when Senators say if wages increase let farm prices increase in a modest ratio with the wage increase—one-fifth as much—then we must be condemned as inflationists.

I continue the quotation from Mr. MacLeish's report:

> City youths probably will be organized to go out to the farms for seasonal jobs A woman's "land army" may be recruited

Mr. President, the purpose of those who supported the amendments offered in the Senate was merely to provide that in the normal operation of our economy the farmer should be able to get for his products a price which would enable him to keep pace with the increasing rate of wages. Not alone in industry is the wage rate increasing. The justification of what I say is recognized wherever this problem is studied. I have had occasion almost every day to read the daily newspaper PM, published in New York. That newspaper, in its report, at least of this debate, has not agreed with the position which I have taken upon this problem, and yet PM, in its issue of January 25, contains an article under the byline of Charlotte Adams, its expert upon food prices, from which I quote, as follows:

[From PM, New York, N. Y.]

SAYS CHARLOTTE ADAMS—OUTLOOK FOR FOOD PRICES IN 1942

The American Institute of Food Distribution, Inc., an agency maintained by industries manufacturing and distributing food, has issued a booklet for use by retailers and by salesmen for wholesale grocers called Outlook for Food Prices in 1942. Already, since it was issued on January 9, things have happened in Washington which may somewhat change the picture it presents, but its findings are of great interest to any consumer in attempting to see what's going to happen to this year's food budget.

FARM WAGES AND PRICES

When we entered the war, on December 7, prices being received by farmers for their crops were 36.4 percent higher than in November 1940. The United States Bureau of Agricultural Economics anticipated further advances in these prices of 10 to 15 percent in 1942. Wages paid by farmers for labor were up compared with November 1940. A report of the New York Agricultural Statistical Service states that on January 1 farm wages in this State were the highest since 1930, being up anywhere from 29 to 33 percent over last year's. These farm wage rates are, however, below the corresponding levels in 1925–27 by from 1 to 10 percent. (Industrial earnings, as measured by weekly earnings of New York factory workers, were about 19 percent higher than in 1925–27.) At the same time, the index of New York farm prices for December was 11 percent under the 1925–27 level. Wages of farm workers and industrial workers are, in other words, relatively higher than the price of farm products. This situation makes farm work less attractive than it might be to many workers.

ABUNDANCE OF FOOD

According to Outlook for Food Prices, in 1942 the United States of America has abundant food stocks to carry the country comfortably through the winter and well into the period of summer harvests. Present food stocks in the hands of the Government, importers, farmers, processors, wholesalers, retailers, and consumers are appreciably larger than normal, and this country has enough food to supply its own increased demands and to take care of British requirements until the harvests of 1942, the study says. We think that, as consumers, however, we should keep very much in mind the unfavorable situation of farm labor, plus the fact that farm labor may also be affected by drafting of men into the Army. The problem of food transportation added to this makes it likely that though we may be adequately fed for the next year we will not get the variety of foods to which we have been accustomed and we will almost surely pay increasingly higher prices for what we do get. Home growing and preserving of foods becomes increasingly more important as we view these possibilities.

MORE MONEY TO SPEND

The report predicts, and we think experience proves the speculation a sound one, that with the wage earners and farmers (three-quarters of the country's population) having more money to spend than in a long time, much more food will be bought, which will also tend to raise prices. This has already begun to work out in the last 6 to 8 months. Industrial pay rolls in October 1941 were 43 percent higher than in 1940. The tendency of most people is to expand their budgets first on food. Persons with incomes of $3,000 a year or more, however, will have their buying curtailed because of drastically higher income taxes. This means that those who fall into that category will have to spend a greater proportion of income on food than usual and will at the same time have to cut down on some of the luxury foods they've been accustomed to having.

Is it necessary to read further? The evidence is clear. The demand for workers in industry takes them from the farm. Wages increase; the cost of production increases; but we are told that we must have a ceiling upon farm prices and that we must give no recognition to those elements which go into the creation of the farmer's costs. Then we are asked to accept a bill which does not undertake in any slight way whatever to deal with the tremendous profits of industry—profits which will cause conditions which ought to be brought under control if the cost of this war effort to the Government is to be curtailed.

Mr. RUSSELL. Mr. President——

The PRESIDING OFFICER (Mr. LUCAS in the chair). Does the Senator from Wyoming yield to the Senator from Georgia?

Mr. O'MAHONEY. I yield to the Senator.

Mr. RUSSELL. I wonder if the Senator from Wyoming intends to place in the RECORD the per capita income of each person living on the farm as compared with the per capita income of those engaged in industry and the per capita income of all the people of the United States. Those figures are most interesting, and they certainly buttress the argument which the Senator is making.

Mr. O'MAHONEY. It had not been my intention to do that; but I have on my desk figures prepared by the Bureau of Agricultural Economics which compare the per capita income of the farmer with the per capita income of persons off the farm. At the suggestion of the Senator from Georgia, I shall be very glad to ask unanimous consent that that table may be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. O'MAHONEY. I may make this comment with respect to the table: It will show that in 1910–14 the average per capita income of persons on the farm was $135; that the average per capita income of persons not on the farm was $487. Roughly, that relationship of 1 to 4 is the "parity of income" of which we hear so much talk. A glance at the central chart on the rear wall of the Senate Chamber will show how that disparity between the two classes of incomes has been steadily spreading, and the per capita income of persons not on the farm has been growing larger and larger, out of proportion to the per capita income of persons on the farm. The result of the enactment of this price-control bill will be to increase that disparity and to make it constantly more and more difficult for the farmer to produce the agricultural commodities which we need.

Mr. President, I feel that the situation was very lucidly described a week or so ago by a member of the Farm Bureau Federation who came down to Washington from Connecticut and who engaged in some discussion with me. He said:

> The choice that is before us now with respect to agriculture is whether we shall have an abundance of food at reasonable prices, or a scarcity of food at low prices.

The result of the enactment of this price-control bill will be to give us a scarcity of food at low prices; and I venture to predict that from now on under this bill, if it shall become a law, we shall hear more and more of rationing cards, just as we hear of them now in regard to sugar.

The Senator from Michigan [Mr. BROWN], during his exposition of the conference report today, called attention to the fact that he and I and the late beloved Senator Adams, of Colorado, stood upon this floor last June and predicted that unless Congress agreed to our suggestion, made at that time, that any deficit in the amount of sugar that the Philippines could supply to the United States should be distributed to continental areas and to others, as provided in our bill, we should be confronted with a shortage. All the power of the Department of Agriculture and all the power of the Department of State were used to prevent the enactment of that measure. I stood here and pointed out the rising scale of shipping rates. I stood here and pointed out that the ships which were coming across the Atlantic at that time should be used for the transportation of rubber and of tin. I pointed out that unless that were done we should be facing a shortage of rubber and tin. The prophecy, unfortunately, has come true; and a million or more tons of sugar from the Philippines now cannot be received by us. So, because we did not encourage production as our farmers wanted to do, we are faced, as the Senator from Michigan has said, with a greater shortage than we otherwise in all probability would have had.

So I stand here today feeling that I am again making a sorrowful prediction that unless we sensibly view this problem and enact a price-control bill that deals with every subject of prices, we shall not only not prevent inflation but we shall be in great danger of bringing about a shortage of agricultural commodities which the whole community will sadly need.

EXHIBIT A

(From Material Bearing on Parity Prices, presented by Howard R. Tolley, Chief of the Bureau of Agricultural Economics, at a hearing on parity prices and income for agriculture before a subcommittee of the Committee on Agriculture and Forestry, U. S. Senate, July 1941, p. 21.)

TABLE 4.—*Income per farm, and income per person on farms and not on farms, 1910–40, United States*

EXCLUDING GOVERNMENT PAYMENTS

Year	Net income from agriculture per person on farms	Income per person not on farms	Percent of nonfarm
1910	$139	[1] $482	28
1911	[1] 123	[2] 468	28
1912	[1] 135	[2] 483	28
1913	[1] 137	[2] 521	28
1914	[1] 141	[2] 482	28
1915	137	502	28
1916	157	579	27
1917	259	638	40
1918	305	670	46
1919	321	762	42
1920	266	875	30
1921	120	718	17
1922	154	715	22
1923	181	812	22
1924	182	788	23
1925	224	810	----------
1926	217	856	----------
1927	211	818	----------
1928	223	828	----------
1929	224	870	----------
1930	172	760	----------
1931	115	605	----------
1932	75	442	----------
1933	91	417	----------
1934	99	487	----------
1935	144	540	----------
1936	165	626	----------
1937	192	670	----------
1938	154	625	----------
1939	154	657	----------
1940	161	700	----------

INCLUDING GOVERNMENT PAYMENTS

1933	$95	$417	----------
1934	112	487	----------
1935	160	540	----------
1936	173	626	----------
1937	202	670	----------
1938	167	625	----------
1939	177	657	----------
1940	183	700	26

[1] Total, $675; average, $135.
[2] Total, $2,436; average, $487.

Source: Bureau of Agricultural Economics, U. S. Department of Agriculture.

Mr. RUSSELL. Mr. President, in line with the Senator's suggestion that farm income would have to go quite a long way before it could possibly result in any inflationary tendency, I should like to point out that in the year 1940 the farm population of the 10 principal cotton-producing States was 13,037,000 persons. Their total cash farm income was $1,980,000,000, amounting to $152 per person cash income in the 10 cotton-producing States.

For the same year, 1940, the figures I obtained from the Department of Commerce show that the average wage of all those engaged in industry was $1,351 per person; yet this bill is presented here as a bill to prevent inflation by controlling the price of agricultural commodities, while not undertaking to do a thing on earth about industrial wages, which are already many times the average income of those on the farm.

One who knew nothing about the problem would have thought that the effort to eliminate the so-called O'Mahoney amendment, which tied agricultural prices to industrial wages, was a great move to prevent the dire results of inflation as well as to establish justice as between all the American people. From reading some of the editorials, one would have thought that to get a better distribution of ermine coats, and to keep them from all being monopolized by farmers' wives, in order that the owners of shipyards and others engaged in industry might be able to get ermine or mink coats for their wives, it was necessary to defeat the so-called farm amendments.

A study of the cold facts shows beyond any peradventure that the pending bill will regulate the prices, and control at a low level the income of the lowest income group of this Nation, while not undertaking in anywise to control industrial wages.

Mr. LA FOLLETTE. Mr. President, I do not care to take any of the time of the Senate on the pending conference report, but I ask unanimous consent that there may be inserted in the RECORD, as a part of my remarks, an editorial from The Progessive of Saturday, January 24, 1942, in relation to certain amendments to the price-control bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Progressive of January 24, 1942]

BOB LA FOLLETTE SAYS SIMPLE FACTS JUSTIFY FARM PROVISIONS OF PRICE CONTROL

By a decisive margin, the Senate last week wrote into the price-control bill several provisions to protect the farmer. The provisions are entirely reasonable and fully justified. Contrary to numerous false reports and unfair interpretations which have been spread widely and irresponsibly by those who have an ax to grind or a smoke screen to lay, these amendments would only carry out the assurances given the farmers by the Secretary of Agriculture, in order to get increased food production in the so-called food-for-victory program.

Despite this ample justification, the Senate action was immediately pounced upon from several quarters. Some administration officials objected because the provisions did not conform with prearranged plans for

one-man control. Some industrialists waxing fat on war profits welcomed the opportunity to divert attention from their profits and to brand someone else with greed.

Some of the nonfarm public, aware of continuous congressional efforts to aid agriculture, and not too well informed of the need for farm aid or of the economic status of the farmer, were willing to believe that the farm bloc received unreasonable concessions.

FACTS SPEAK FOR THEMSELVES

What has not received general attention are a few simple facts which speak for themselves:

1. The farm population constitutes about 23 percent of the total population, but in the last 10 years has secured only a 7-percent share of the national income.

2. The average net income from agriculture per person on the farm was $183 in 1940, including all Government payments. The comparable figure for those not on farms was $700.

3. Farm wage rates in 1940 average $1.59 per day. Average daily earnings in manufacturing were well above $4 per day.

4. Farm income in the last 10 years was in the aggregate almost $20,000,000,000 short of "parity" income. The five "basic" commodities, which constitute roughly one-third of the value of farm marketings, averaged less than 75 percent of parity value, even when including the parity payments, during the years 1938, 1939, and 1940.

5. Preliminary estimates of increased income in 1941 are: Increase in cash farm income over 1939, 29 percent. Increase in net corporate profits, after taxes, 101 percent.

FARMERS BUCKED POVERTY FOR YEARS

These facts illustrate the serious disparity the farmer faces. He has bucked unfavorable economic factors over such a long period with so little success that some have begun to accept his depressed condition as normal. It is, however, unreasonable and unjust that the farmer be frozen in a poverty status such as he has experienced in the past years. Rather, he should be given every opportunity to attain a decent standard of living. Without it the family-sized farm as an American institution is doomed.

Other charges have been leveled to the effect that regardless of the comparative status or need of the farmer, effective price control cannot be exercised without complete and unlimited authority over farm prices. The argument might have greater weight if it were consistent. The prices farmers receive are in effect their wages; yet, industrial wage rates are not within the scope of the bill.

WHAT THE FARMER GETS

The inflationary potentialities of lush profits, which at best can be controlled only indirectly or partially by price fixing, are more dangerous at the present than farm prices. The increase in corporate net profits in 1941 over 1939 (60 percent of the dividends of which, on the basis of past experience, will go to 1 percent of the income recipients of the country) would actually be sufficient to buy the entire farm output of about 80 percent of the farms of the country.

It is unfair to accuse the farmer of gouging the consumer in his food bill. The farmer receives less than 50 percent of the consumer's food dollar—as low as 33 percent in past years. The rest goes to the processors and middlemen, who in general have fared much better than he

There is little danger of inflationary tendencies arising from increased food costs, because nonfood living costs are still relatively higher than food costs, and food costs have lagged behind average increases in factory earnings.

The sponsors of the bill admit that there is no impelling reason to fix wage rates as long as wages can be reasonably adjusted within the cost structure of a commodity. By the same token it is equally true that farm prices and food costs can be reasonably adjusted without beginning an inflationary spiral when food costs lag behind earnings.

MILK COWS AND BATTLESHIPS

What is more, agriculture as an industry has certain characteristics which need special attention. Unlike other industries, agriculture cannot expand and contract production quickly. For example, it takes longer to raise a milk cow than to build a battleship. The major agricultural problems of the past two decades can be traced directly to production expansion during the last World War. The Department of Agriculture has now undertaken a similar program which is fraught with the same dangers.

The wisest and safest policy for the farmers and the country in the long run is to give the Department of Agriculture the closely related powers to fix prices and to influence production. In that way the job can be done more efficiently and the people can truly hold the Department responsible for food costs and supply during the war and for the economic status of the farmer when peace comes.

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram received by me from the Gove County Cooperative Association, one of the efficient agricultural organizations in western Kansas. This telegram urges Government protection for farm prices, and, in consideration of the higher wages and overtime payments obtained by labor, and also the shortage of labor on farms and the farm-production program made necessary by the emergency, it also urges that the floor level on wheat be not less than 120 percent of parity.

While I have the floor, Mr. President, I wish to say that I believe the Senate should face realities, and particularly realities in relation to agricultural production and prices, in considering the conference report on the price-control bill. The Senate placed the so-called O'Mahoney amendment in the measure, by a vote of 55 to 31, as I recall. It is my firm belief that the Senate should insist upon this amendment remaining in the measure, and I shall support such a position.

The bill itself is designed to put a brake on inflation; a price-control measure cannot stop the inflation. Inflation is certain when Government spending increases to 15 percent of the national income, then to 30 percent, and promises to go to 50 percent or more. This is being accompanied by hugely increased national income, in terms of dollars, at least, and by cuts in the things civilians can buy. The law of supply and demand will force greatly increased prices.

Greatly reduced supplies of manufactured goods and greatly increased purchasing power spell higher prices, and this situation can be met by heavier taxes, by loans taken from current income, and by price-control devices.

We should remember, however, that production of farm products is being increased, not decreased. Except as to a few commodities, the supply of foodstuffs is more plentiful than in preceding years. This means farm prices are relatively much lower than wage levels and finished-goods prices. So I say the Government not only is justified but, in the public interest, is obligated to take measures to insure farm prices more in keeping with the increased prices and wages received in other lines. So the Gove County Cooperative Association is justified in its position, as are the rest of us who are supporting the O'Mahoney amendment. I hope the conference report will not be approved.

I send to the desk the telegram and ask that it be printed as a part of my remarks at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

GRAINFIELD, KANS., *January 20, 1942.*

Hon. ARTHUR CAPPER, *Senator,*
Washington, D. C.:

Farmers of Gove County feel there should be a floor placed under wheat prices of not less than 120 percent of parity with no ceiling. At present farm prices are not in line with present wage scales. 1918 to 1920 farm prices were 300 percent higher than present grain prices with a $26,000,000,000 war debt 1920 against an estimated hundred billion dollar war debt now in the making. Farm labor prices will be much greater than last year and will no doubt be equal to 1917 to 1920. Average farmers cannot pay higher taxes, buy Government bonds and pay high farm labor wages on the present scale of farm prices. Every farmer feels that he should receive interest on his investment the same as other industries are asking. The farmer is not working an 8-hour day. His work is from daylight until dark and feels that he should also receive payment on the overtime basis for all over eight hours worked on the time and one-half basis the same as industrial workers are getting. Overproduction 1929 to 1934 was what crippled farm prices and was not due to inflationary conditions. Your cooperation in seeing that the farmers of Kansas secure prices in line with other industries and labor will be appreciated.

GOVE COUNTY COOPERATIVE ASSOCIATION.

Mr. CAPPER. Mr. President, I also ask unanimous consent to have printed a fine letter on the same subject from Mark W. Drehmer, secretary of the Topeka Chamber of Commerce, recognized as one of the influential members of the chamber of commerce group in Kansas. He recognizes that agriculture is the basic industry of the Middle West, and is strongly of the opinion that the price-control bill that was approved by the Senate carried a program that is vital to the future of our section of the country.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TOPEKA CHAMBER OF COMMERCE,
Topeka, Kans., January 23, 1942.

Senator ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Although I do not know all of the ins and outs of the price-control law, I am pretty firmly convinced that agriculture is still one of the basic and fundamental institutions of the State of Kansas, and if we are expected to do all of the things we have been asked to do, our farmers are going to have to have some consideration along the line. I do not believe they want unfair advantages but certainly it is the one way we can help to balance our economy in this country. While Mr. Henderson may be an estimable gentleman, I certainly doubt his ability to administer the affairs of the farmers of this country.

I know it is needless to tell you all of these things, but I do want you to know that it is

my personal feeling that about all we will have left will be our farmers and their productive capacity. This, of course, is not true of some of the larger towns in the State and I do not write this as one who might have a narrow view as far as Topeka is concerned or Wichita or Kansas City, Kans. I am thinking about the State of Kansas and what all this centralization is going to do to us.

I do not own a farm and have no relatives now who are engaged in farming, but unless we can keep our farmers fairly prosperous we are going to decline very rapidly in certain sections of this State. I think this is one issue upon which the people of the State will unite and this does not come from farmers.

Yours truly,

MARK W. DREHMER,
Secretary.

Mr. GILLETTE. Mr. President, I have no disposition at all to delay action on the conference report. I merely have sought recognition for 3 or 4 minutes for the purpose of putting into the RECORD statements emanating from the head of the American Farm Bureau Federation.

I have received various letters indicating that the American Farm Bureau Federation is opposed to the O'Mahoney amendment, which attempted to tie farm income with wage increases. I shall take the privilege of reading very brief excerpts from a letter from Mr. O'Neal, head of the American Farm Bureau Federation, addressed to me under date of December 18:

The present price-control bill, which prohibits any control over inflationary wages, is unfair, discriminatory, and ineffectual. To be effective, such legislation must control inflationary wages as well as inflationary prices.

Neither the bill proposed by Mr. Henderson nor any other bill will serve this purpose. The defect of these bills is that they provide no control whatsoever over inflationary wages, which constitute the greatest single factor in the cost of commodities and services.

Such legislation is unfair, discriminatory, and ineffectual. It is unworthy of the supreme effort which now must be made to win the war. This is no time to play favorites. We want to see controls applied equitably to all groups—agriculture, labor, and industry.

Price-control legislation, to be effective, must provide for the control of inflationary wages as well as inflationary prices. * * * Such legislation should recognize the parity principle so as to provide at all times a fair balance between farm prices, industrial prices, and wages. * * *

We cannot give our support to any legislation to control prices which does not provide for control of inflationary wages comparable to the control of industrial and farm prices.

If you allow wage increases to go unchecked, you are as sure to have industrial prices follow each wage increase as day follows night.

Wages constitute the greatest single factor in the cost of commodities and services.

Legislation which will not control inflation but will merely hold down the prices and income of some groups and leave uncontrolled the greatest single factor in the cost of commodities, namely, wages, is unfair and will inevitably tend to create disunity.

Price-control legislation without authority to control wages and inflationary wages, will fail to control inflation.

Just one other brief quotation. This is from the President of the United States in a letter addressed, under date of November 22, 1941, to the American Farm Bureau Federation meeting in national convention at Baltimore, I believe. I quote from the President:

It is heartening * * * to know that American farmers have produced and are producing abundantly Farmers set a record in 1941. They are preparing to produce even more abundantly to meet the greater needs of 1942. * * * I am confident that the farmers will produce this food.

I call attention to this quotation:

I am equally confident that the Nation will see to it that agriculture receives a fair return for its effort and also the protection necessary to prevent a repetition of the collapse that followed the last World War.

Mr. ELLENDER. Mr. President, I should like to have the attention of the Senator from Michigan [Mr. BROWN]. As I understand the bill as agreed to in conference, the possible price ceilings of farm commodities are determined by one of four methods, whichever is the higher, to wit: First, 110 percent of parity; second, the estimated October 1, 1941, farm price; third, the average farm price from 1919 to 1929; and fourth, the December 15, 1941, farm price. Am I correct?

Mr. BROWN. Yes.

Mr. ELLENDER. The Senator has placed in the RECORD in connection with his remarks a table which deals with the parity price of sugar beets and sugarcane per ton. I notice that according to this table the average price for sugar beets and sugarcane from 1909–14 was $5.50 and $3.73, respectively, and that 110 percent of parity, as of December 15, 1941, would make the price for sugar beets at $8.71 and $5.91 for sugarcane, per ton. The 10-year average price for sugar beets is $8.34 per ton, and for sugarcane, $5.93.

Now, at the bottom of the table appears this notation:

The anticipated 1942 crop returns to growers will be as follows: For sugar beets, $8.65 per ton, and sugarcane, $5.35.

How does the Senator reconcile those figures with the ones I have just indicated? In other words, the highest price for sugarcane is to be found in the 10-year average method, which is $5.93 per ton, and for sugar beets the highest price is found, according to the 110 percent of parity formula, which is $8.71 per ton, whereas the notation to which I have referred would make it $8.65 for sugar beets and $5.35 for sugarcane.

Mr. BROWN. I am unable fully to comprehend that rather fine-spun distinction, and I should not want to change the general statement I made at the time I discussed the bill. Generally speaking, I understand that the proposed law is very clear, that whichever minimum for any agricultural product is the highest, whichever ceiling is the highest, is the one which will be chosen.

Mr. ELLENDER. In other words, if the 10-year average price of sugarcane is the greater, then that will be the ceiling for that commodity, and likewise, if the 110 percent parity price for sugar beets is the greater, that will be the price ceiling for that commodity.

Mr. BROWN. That is my assumption.

Mr. ELLENDER. I thank the Senator and I feel certain that is the understanding of every Senator here present. Mr. President, I ask leave to have printed in the RECORD at this point in connection with my remarks a letter addressed to me by F. L. Thomsen, acting head of the Division of Statistical and Historical Research, Department of Agriculture, dated January 23, 1942, together with an attached table.

There being no objection, the letter referred to was ordered to be printed in the RECORD, as follows:

JANUARY 23, 1942.

Hon. ALLEN J. ELLENDER,
United States Senate.

DEAR SENATOR ELLENDER: This will confirm the prices given you over the telephone today by Mr. Randall:

Cottonseed oil—crude, f. o. b. southeastern mills: October 1, 12.62 cents per pound; December 12, 12.50 cents per pound; January 22, 12.62 cents per pound.

Cotton—Parity December 15 on the basis of United States average price received by farmers for all types and grades of cotton sold, 17.83 cents per pound.

Cotton—Average price of fifteen-sixteenths inch Middling at the 10 spot markets, October 1, 17.11 cents per pound; December 15, 17.19 cents per pound; January 22, 19.43 cents per pound.

Rice, rough—Parity December 15 on the basis of United States average price received by farmers, $1.171 per bushel, which is the equivalent of $4.21 for a barrel of 162 pounds.

Rice—Fancy Blue Rose at New Orleans: September 29, $4.15 per hundred pounds; December 15, $6.15 per hundred pounds; January 19, $6.65 per hundred pounds.

I am also enclosing the table I mentioned. You will note that the October 1 and December 15 prices in the table are farm prices. According to the CONGRESSIONAL RECORD, the conference report specifies market prices on October 1 and December 15. Since there are such a large number of market prices for the various commodities, we have included the farm price on the assumption that if ceilings were placed on the market prices at the levels of October 1 or December 15, prices to farmers would be equal to those indicated in the table, providing there was no change in the margin between the farm prices and the market prices for the various grades and markets.

Yours very truly,

F. L. THOMSEN,
Acting Head, Division of Statistical and Historical Research.

[Enclosure.]

Possible price ceilings

Commodity	Unit	110 percent of Dec. 15, 1941, parity price	Estimated Oct. 1, 1941, farm price [1]	Average farm price, 1919–29 [2]	Dec. 15, 1941, farm price
		Dollars	*Dollars*	*Dollars*	*Dollars*
Cotton	Pound	0.1965	0.1704	*0.2147*	0.1623
Cottonseed	Ton	35.72	*50.36*	37.20	44.65
Wheat	Bushel	*1.400*	.934	1.325	1.022
Corn	Bushel	*1.016*	.678	.889	.669

[1] Average of prices received by farmers on Sept. 15 and Oct. 15.
[2] Average of monthly prices received by farmers, July 1919 to June 1929.

Possible price ceilings—Continued

Commodity	Unit	110 percent of Dec. 15, 1941, parity price	Estimated Oct. 1, 1941, farm price	Average farm price, 1919–29	Dec. 15, 1941, farm price
		Dollars	*Dollars*	*Dollars*	*Dollars*
Oats	Bushel	.638	.394	.474	.452
Barley	Bushel	.980	.504	.693	.561
Rye	Bushel	1.141	.543	.947	.578
Rice (rough)	Bushel	1.288	.929	1.270	1.459
Flaxseed	Bushel	2.67	1.74	2.34	1.78
Beans, dry edible	Hundredweight	5.34	4.31	5.77	4.93
Potatoes	Bushel	1.114	0.658	1.245	0.827
Sweetpotatoes	Bushel	1.390	.902	1.344	.856
Hay, all	Ton	18.80	8.14	13.53	9.43
Peanuts	Pound	.0759	.0440	.0580	.0479
Apples	Bushel	1.52	.86	1.46	1.09
Hogs	Hundredweight	11.44	10.59	9.77	10.21
Beef cattle	Hundredweight	8.25	9.27	7.18	9.38
Veal calves	Hundredweight	10.69	11.20	9.65	11.22
Lambs	Hundredweight	9.30	9.75	11.19	9.86
Butter	Pound	.404	.330	.488	.339
Butterfat	Pound	[3] .455	.370	.440	.360
Milk wholesale	Hundredweight	[4] 2.53	2.48	2.53	2.66
Milk, retail	Quart	.108	.111	.113	.114
Chickens, live	Pound	.180	.162	.211	.158
Turkeys, live	Pound	.228	.182	.288	.209
Eggs	Dozen	[3] .422	.310	.332	.341
Wool	Pound	.290	.363	.341	.371

[3] Adjusted for seasonal variation.
[4] 110 percent of parity and average farm price 1919–29 are equal.

Mr. BARKLEY. Mr. President, I would not consume any time at all of the Senate in discussing the conference report were it not for the fact that I had some part in shaping the proposed legislation from the beginning, and was a member of the conference representing the Senate in an effort to adjust the difference between the two Houses. I would not do so even then if it were not for the fact that one or two misapprehensions seem to have been spread abroad in the land with reference to the effect of the bill, and its adequacy or inadequacy as a price-control measure.

Mr. President, from the very beginning, before the bill was introduced on the 1st of August by the Senator from Virginia [Mr. GLASS], who was then acting chairman of the Committee on Banking and Currency, and in the House by Representative STEAGALL, chairman of the House Committee on Banking and Currency, there were certain objectives sought to be accomplished by the proposed legislation. Those objectives had in view prices and the effect of prices not only on the way up but on the way down as a result of World War No. 1.

I think anyone who had any hand in framing the proposed legislation—and it was the result of many conferences of many interests prior to its introduction—had in mind the objective of preventing so far as humanly possible the inordinate increase in prices due to war to such a point that the excessive and precipitous decrease following war might be prevented. We all recall that following the last war all sorts of prices spiralled to the skies. I do not mean simply farm prices, though I think the result to the owners of farms was more disastrous than to any other class in the United States. In my own section of the country—and I know the statement is applicable to all localities in the United States—men who had all their lives been content to operate and to live on a reasonably small farm became ambitious, due to the rise of farm prices. Many of them believed that probably never again would there be low prices for farm products, for when we are on the way up in an era of prosperity, or so-called prosperity, we become enthusiastic and optimistic, we see a sort of mirage on the horizon and are soon convinced that the reaction will never occur. Many a farmer, thousands of them, if not millions, certainly hundreds of thousands of farmers in this country who had been content most of their lives to live on and cultivate a reasonably small farm, decided that the price of farm products justified the ownership of a larger farm. They either turned in the small farm as a first payment on a larger one, or sold the smaller one at inflationary prices and bought a larger one, and used, as a first payment, the sum which they thus obtained, and when finally the crash came these farmers found they not only had lost the small farm on which they had lived most of their lives, but they had lost both the small one and the large one.

That is what Secretary Wickard had in mind when, in testifying before the House committee, he endorsed the bill which was then pending before the committee, because he said he recalled with tragic memory what happened to the farmers of the United States as a result of World War No. 1.

When the bill was introduced by the Senator from Virginia [Mr. GLASS] and by Representative STEAGALL of the House, it undertook to recognize the agricultural situation. It did not deal with wages. There has been, I think, a considerable amount of honest misunderstanding among people generally and among newspapermen, who have criticized Congress for giving special treatment to the farmer in the form of a minimum below which the Price Administrator could not go, on the one hand, and an exemption of wages from the terms of the bill, on the other. I desire briefly, if I can, to clear up what seems to be a misapprehension with respect to these two matters.

The bill as introduced in the two Houses did not deal with wages, and during all the hearings in the House committee there was no substantial testimony urging the inclusion of wages to be controlled by the Price Administrator. In the committee the matter was not seriously considered; on the floor of the House it was not seriously considered; and as the bill came to the Senate it had no provision in it dealing with wages.

In our hearings before the Senate committee no one appeared to urge that wages be included. One of the most prominent witnesses who appeared before the committee, the former President of the United States, Herbert Hoover, who cannot, I presume, be described as a special pleader for the workingman or for labor, was emphatic in his statement that it would be utterly impracticable from his own experience as Food Administrator under the Wilson administration to try to control wages by a price administrator.

Mr. President, I now want, if I can, in just a moment, to show what would have been the result of giving the Price Administrator the authority to fix maximum wages in the United States. When we speak of maximum wages we must speak of all wages, because all wages go into the ultimate cost of every article we buy. We may call them wages or salaries, but the term takes in the clerk behind the counter who sells us our clothes, or shirts, or socks; it takes in the grocery clerk who sells us our food; it includes the dairy worker, the man who milks the cow, or the man who produces the butter. It includes the wages of men on our railroad system, for the cost of wages on railroads is a part of the ultimate price paid by the consumers for every article they buy. It would include the wages of every miner who goes into a bed of ore to produce iron, or tin, or aluminum, or any other mineral that goes into the things we buy. It would include the wages of the man on the farm who works by the day.

The provision to allow a price administrator to fix a ceiling on wages would have to apply to all wages, and to everybody in the United States who is paid wages or a salary. The difference between wages and salary is only euphemistic. Wisely or unwisely, we have set up in this country machinery, under Government supervision, by which wages are determined when there is any disagreement between employer and employee with respect to the wages of any group of employees in the United States.

In 1926 we set up the Railroad Labor Board, a board of mediation and conciliation. I had something to do with that legislation, because, as it was first introduced, it was known as the Howell-Barkley bill, fathered in the Senate by former Senator Howell of Nebraska, and introduced in the House by me. That act has been in operation ever since 1926. Although there have been one or two threatened strikes in our railroad transportation system, there has not been a strike of any consequence on our railroads since 1926. I think that result is very largely due to the fact that both the railroads and their employees accepted the law as a fair means of settling disputes. It has been amended once or twice—once under the guidance of the

Senator from Montana [Mr. WHEELER], chairman of the committee which handles such legislation. There has not been an important railroad strike in the United States since that law was enacted, and it has been discussed as a model for other industries to adopt in the settlement of disputes.

Recently an agreement was entered into between the railroads and the employees, under the law which we enacted in 1926, for mediation and arbitration. Under that agreement the employers and employees agreed on a scale of wages applicable to the transportation employees of the United States. I ask Members of the Senate, and I ask anyone in the United States, in all reason and fairness, what situation would be created in the minds of 1,000,000 employees in our transportation system if Congress, in a price-control bill, should give the Administrator the power to fix their wages, after they had agreed, under the law, and by the methods set up by Congress, on a scale of wages? How much uncertainty and dissatisfaction would be created in the minds of those men, who are the most conservative group of laboring people in the entire United States?

Much of the agitation for a wage provision in this bill grew out of the coal situation; but that was finally settled by arbitration and agreement. The agreement, which was entered into as the result of arbitration, relates not only to the captive mines, which involve only about 52,000 employees, but to the 400,000 or 500,000 employees in all mines. That agreement will not expire until the spring of 1943. So, for that period we shall have stability in the entire coal industry under agreements signed by both parties.

How much uncertainty and disturbance would be brought into that situation if Congress in this legislation should give the Price Administrator the power to fix a ceiling on wages, and if he should fix a ceiling, which he might think was fair under all the circumstances, below the wages already agreed upon? Such a situation would go a long way to disturb the labor and industrial peace we might otherwise enjoy, in order that a wage ceiling might be included within the powers given to an administrator of prices.

The same situation applies all over the country. The agreements in one form or another which have been entered into voluntarily have been entered into under the law through arbitration and negotiation. So it would be not only impracticable, as Mr. Hoover stated, but unwise from the standpoint of industry, labor, and the peace and accord which now exist in industry between employer and employee, for us to give to one man the power to interfere with agreements, if he should see fit to do so, or if he should think that the agreements entered into were not such as he would have justified if he himself had had the fixing of the wages.

So it seems to me that the position of both Houses in not attempting to include any power on the part of the Price Administrator to fix wages, and practically the unanimous verdict of all the witnesses who came before the two committees on this subject, have been justified. In my opinion, we are bound to assume that the wages which have been agreed to through governmental processes and by the superimposition upon the entire labor structure of the authority of the Government in some way—at least morally, if not absolutely legally—have been established in all fairness, and that wages will continue to be established in all fairness so long as the intention of both parties and the Government to try to arrive at fair wages is carried out. Those wages, when arrived at, ought not to be interfered with or disturbed by one man who has the power to fix prices of articles which go into consumption by the American people.

So much for that. I have before me an editorial or two from recent issues of newspapers. One is from the New York Times of last Saturday. I have the greatest respect and admiration for the New York Times. I read it daily; and I think it is one of the greatest newspapers not only in America but in the world. I have long been an admirer of the New York Times; and yet it has a full column editorial in last Saturday's issue entitled "Travesty of Price Control." The editorial castigates the bill because of what it contains and what it does not contain. I pay to the New York Times the tribute of believing that it is perfectly sincere and honest with respect to that matter; but, insofar as it or any other newspaper, or any person, might complain against the bill because it does not include wages, I respectfully ask consideration of all that has occurred with respect to wages, to which I have only briefly alluded, and also the utter impossibility of any one man, no matter how wise, able farsighted, and fair he may be, attempting to fix all the wages which are received by 40,000,000 people who work for wages in the United States.

With respect to the farm situation, the Senator from Michigan [Mr. BROWN] has explained what happened in the conference, and the result as it affects agriculture. What has happened to agriculture has not been the result of something which has been thrown in on the floor of the House or the Senate. When the bill was in process of formation, weeks before it was introduced, it contained a provision which limited the power of the Administrator with respect to agricultural prices. That limitation was solid and sound, because from 1933, in both Houses of Congress and in the administration, without regard to politics, we have endeavored to set a goal for agriculture. We call that goal parity

Parity did not then, and does not now, represent a static figure for any commodity grown on the farms of the United States. Parity is a sort of symbol. It represents a relationship between the income of the farmer and his outgo, measured by the prices which existed between 1909 and 1914, which was a period largely selected by the farmers themselves as the fairest and most representative 5-year period in recent American history upon which to base what they call parity.

Parity does not mean that the prices which prevailed for farm products between 1909 and 1914 should prevail now under the agricultural adjustment program, but that the relationship between the prices received by the farmer and the cost of things he must buy should be maintained as nearly as possible to the relation which existed between 1909 and 1914. That means that as the cost to the farmers went up for what they had to buy—their clothing, farm implements, automobiles, wagons, buggies, and furniture—the prices of farm products should also go up, under a plan of adjustment by the Secretary of Agriculture, so as to maintain perpetually, as nearly as possible, the relationship which existed during the 5-year period from 1909 to 1914, between the purchasing power of the farmer and his necessities.

I think I have fairly stated the objective which was in the mind of Congress and of agriculture itself in fixing the period from 1909 to 1914 as a measuring rod for maintaining the relationship between the farmer's income and his outgo.

When the price-control bill was first talked about, everyone recognizing that what we had been trying to do for agriculture as a peace measure should be recognized in the bill, the first figure which was placed as a floor below which the Price Administrator could not go was 85 percent of parity, because that had been agreed upon as the loan value. That was the percentage of parity which the farmer could obtain as a loan upon his basic products. The more the subject was discussed, the more clearly it was recognized that 85 percent of parity would not be fair in a war economy, because 100 percent of parity was our peacetime objective, and, therefore, if by implication we said that the Price Administrator could fix the price of a farm product as low as 85 percent of parity, we were not really carrying out the peacetime objective of Congress in writing the Agricultural Adjustment Act, which was 100 percent of parity. When we moved up from 85 percent to 100 percent of parity, we recognized further that as time had gone on since the beginning of war in September 1939 other prices had gone up, and therefore in this war economy the increase in the price of the things which the farmer had to buy had been sufficiently extensive to make even 100 percent of parity unfair as a wartime floor, in view of the peacetime objective of 100 percent.

So when the Senator from Virginia introduced his bill on the first day of August 1941 the agricultural provisions provided a floor of a minimum of 110 percent, and they also provided, I think, that July 29, 1941, should be the date as of which prices should be fixed. So as time has gone on since the introduction of the bill there has been no change in the provision of 110 percent of parity, a percentage which is not unfair, and which is not out of line with other prices, in view of the fact that as a result of the war the commodities the farmer is required to buy have gone up more than 10 percent, so when we add 10 percent to the parity of the farmer's purchasing power we are doing no more than keep-

ing his purchasing power in line with the increase in price of other products as a result of the war.

There has been no serious difference, I think, among members of the committee in the opinion that the 110-percent figure represents approximately preservation of the relationship existing between the present purchasing power of the farmer, as based on the prices of commodities he must buy, and his purchasing power in the base period of 1909–14. In some instances, as to individual commodities, there may be a difference between the price based on 110 percent of parity and the price which existed on October 1, 1941, or December 15, 1941. In individual cases there may be a difference between prices based on the two formulas; and, in accordance with the formula contained in the O'Mahoney amendment, which was eliminated from the bill, certain commodities probably would have been lower in price than they would have been under the 110-percent formula or the October 1 or December 15 formula; because there cannot always be a similarity of rise or fall in the prices of thousands of products which are produced on the farm or in the industrial enterprises of the United States. When, however, we consider the increase in other costs—which, of course, takes into consideration the increase in the cost of labor—even our formula of parity as written in the Agricultural Adjustment Act automatically hooks up wages with farm prices, because the Secretary of Agriculture is required periodically to adjust parity according to the purchasing power of the farmer based upon the increase in price of commodities other than those which he produces and sells. So if, by reason of increases in wages, there is an increase in the price of farm machinery, clothing, linens, or any other article of consumption which is bought by the farmers, which throws out of line the relationship between the farmer's present purchasing power and his purchasing power in the period 1909–14, it is the duty of the Secretary of Agriculture to readjust the parity in order to preserve the relationship. So, even without the O'Mahoney amendment, the formula of the conference report and the formula of the law as it has been since 1933, and especially since 1935, automatically require that the question of wages and cost of production shall be taken into consideration in determining, from time to time, what is parity for farm prices.

Therefore, in view of the situation to which I have only briefly alluded, and which could be gone into in much greater detail, I think the committee of conference has brought in a fair and reasonable bill. It may not satisfy everyone. It does not satisfy me, although I should not guarantee that if I myself were commissioned to write a bill I could write as good a one; and I doubt if any other Senator would assume that if he were commissioned to write one he could write as good a bill, and certainly not one any better. I think we have written the best bill we could write under the circumstances.

There has been complaint because of delay in completing this legislation. However, I believe we now have a better bill than we could have obtained in September or October, because we have given greater study to it. We have found out many things we did not know in September and October. We have been compelled to adjust the bill according to the rise of prices since August, when the bill was introduced. We have been compelled to adjust the bill first according to July 29 prices, then according to October prices, and then according to December prices. Certainly, for the farmer, we now have a better bill than we would have had if we had written it in September. June 29 is the date upon which we should have had to consider farm prices. So, although the delay has been exasperating and annoying, I think on the whole, in view of the conditions, it has produced a better bill than any which could have been written in the summertime or in the early autumn.

So, Mr. President, I feel that those who criticize the bill because it does not include labor have not thought through the entire problem. They have not recognized the difficulties encountered in trying to give 1 man power to fix the wages of 40,000,000 men who work in the United States; and I think those who complain because we have failed to give the farmer a recognition of what we did in peacetime also fail to comprehend the relationship which exists between agriculture as the one indispensable and fundamental occupation of mankind and those who depend upon the farmer to produce the raw materials which can be made into finished products.

Now, Mr. President, I desire only briefly to comment on an article referring to a speech made the other day by Mr. Leon Henderson. I do not comment on the article in any spirit of criticism. I think, if Mr. Henderson said what he is quoted as having said, it was an unfortunate speech.

I read a paragraph or two:

> Congress approaches the fourth week of its session tomorrow with action still uncompleted on its biggest current problem, a price-control bill. The conference agreement on the differing Senate and House versions is scheduled to come up in the House tomorrow, after having been put over from Friday. * * *
>
> When it is brought up Members will have in their minds, no doubt, the statement made yesterday before the General Federation of Women's Clubs by Leon Henderson, the Price Administrator, to the general effect that the bill in its final form was practically worthless as a price-control device.

I do not know whether Mr. Henderson said that. I hope he did not. He was quoted as having said that the bill was inadequate, and that it would be ineffective for the purpose of controlling inflation.

I think we may all assume that in any war of world-wide proportions, no matter what we do in the way of legislation, it will be impossible to control everything in the way of price. The law of supply and demand will have some effect upon prices. There never has been a great war in history which did not result in inflation of some kind; and I have no doubt that there will be some inflation in spite of this bill and in spite of any bill we might pass. I believe I am well within the truth, however, when I say that, compared to any control of prices in World War No. 1, this is a swell piece of legislation. We have given to Mr. Henderson practically everything asked in the original bill. We have provided for a one-man price administrator. As originally introduced, the bill did not provide for a price administrator. It conferred upon the President power to regulate prices. The provision for a price administrator was subsequently worked out.

The House passed the bill with provision for a board composed of five men, to be appointed by the President. I objected to that provision because the board might turn into a debating society, and, at any time, if prices were fixed on some commodity by a vote of 3 to 2, and those who were in the minority desired to do so, they might go out before the public and create dissension and dissatisfaction because there had not been a unanimous vote to fix the price on the commodity in question.

We have restored the Senate provision for a one-man price administrator, with a sort of special court of appeals taken from the Federal bench by designation of the Chief Justice of the United States. Certainly the Price Administrator cannot complain that we have not given adequate power in that respect.

The House eliminated from the bill the provision for licensing. It was Mr. Henderson's contention from the very beginning, and it was our conviction, that without a licensing provision in the bill the enforcement of it would be delayed and handicapped, because it would be necessary to go into a Federal court and indict somebody for violating the law or the regulations made under it, and it might result in cluttering up our courts with cases in which persons would take a chance on violation, and probably take a chance on delaying a trial until the war was over and the law became inoperative. So we felt that in order to enforce the law and carry with it the power of enforcement, we ought to confer power to license those engaging in business whose prices were to be fixed or controlled. So we have restored the provision for licensing, as the Price Administrator desired that it should be restored.

The House substantially eliminated the provision authorizing the Price Administrator to buy and sell commodities in order that he might either stimulate production or control prices. We have restored that provision practically as desired.

I realize that the Bankhead amendment sought to and does divide the authority of the Price Administrator with respect to fixing the price of farm commodities. I opposed that amendment in the Senate, as everybody knows. As a Senate conferee, I carried out my instructions and the obligation that goes with membership on a conference committee to stand by the bill that the Senate passed, as long as possible. We recognized, however, that we had to proceed on a give-and-take basis, and we found that a majority of the Members of the House were favorably inclined toward the

Bankhead amendment, so we have included it in the bill. I am not uneasy about the Bankhead amendment on the ground that the farmer may receive too high a price for what he may produce.

I think it is bad legislation to give power to a man who is an appointee of the President, and then give to somebody else power to say, "The power we have given you cannot be exercised without the consent of the second party." As a matter of practical fact, however, we know that unless Mr. Henderson—if he is to be the Price Administrator—and the Secretary of Agriculture get together and agree on farm prices, the result will be that they will both go hot-footing it up to the White House and lay the matter before the President, and in the final analysis the President will settle the matter. I imagine, too, that in order that the President may be relieved of the burden of having these controversies placed before him, he will give definite instructions to the Price Administrator and the Secretary of Agriculture to try to work out these matters by agreement, and not present a divided opinion before the American people regarding the price of some agricultural product about which one or both of them may have intimate knowledge. So my objection to that amendment is more on account of the division of authority than on account of any fear on my part that the two officials working together, both of them being subject to the President, will bring about any rise in the price of agricultural products that will be out of line with other prices in the United States.

So, Mr. President, I believe that Mr. Henderson was not justified if he said this bill was worthless; or, if he said it was inadequate and insufficient to control inflation, I do not believe he was justified in making that statement. I have not seen whether he repudiated it or reiterated his opinion with respect to that matter, but I have so high a regard for the ability and the integrity and the good faith of Mr. Leon Henderson, if he is appointed Price Administrator, as to believe and to say that if he will do as good a job under this law as he has done without any law, he will bring about effective control of prices in the United States. I believe he will do it.

For these reasons, Mr. President, I hope the conference report will be agreed to.

The House has adopted the conference report by more than a vote of 2 to 1 on a roll call. I have no hope that if we were to repudiate the work of the conferees and defeat the conference report today, we could get any better bill than the one we now present to the Senate. We might get a worse one. Nobody knows what the result would be. We know that the law, after it is passed, may be amended. We have frequently changed our laws as a result of experience. If any part of this measure turns out to be unwise, we may amend it at any time that experience demonstrates that fact.

I believe the conference report is wise in the main. I do not believe we would be justified in bringing about any further delay in the adoption of this program. It is as much a part of the defense set-up as is any other law we have passed, not only since war was declared but since war was precipitated in September 1939. With all its imperfections, which I frankly admit, and with the possibility of its being worked out in wise administration, I believe the conference report ought to be adopted.

We have sometimes been told, and we know it is true, that even a bad law, if well administered, may turn out to be wise. Even a good law, if badly administered, may turn out to be unwise. We shall have to be governed by the light of our experience as we go along on the highway toward the effective administration of this statute to control prices and to control inflation and to keep these things somewhat in line with the balance of our war economy. However undesirable, it is necessary in the situation which now faces us.

Mr. CLARK of Missouri. Mr. President, it had not been my intention to detain the Senate at this late hour on this subject, but the speech of the able and distinguished majority leader in explanation of his intention to vote for the conference report seems to me to make it necessary, from the standpoint of my own self-respect, to briefly explain to the Senate why I intend to vote for the conference report, as the Senator from Kentucky intends to vote for it. The reasons which actuate me are by no means the reasons which have been set forth by the distinguished majority leader, and in voting for the adoption of the conference report I am unwilling to rest under the assumption that I am influenced by the same considerations which have been advanced by the distinguished Senator from Kentucky.

I intend to vote for the conference report, but not because I think this is a good bill. I think it is a bad bill; I think it is an improvident bill; I think it is an incomplete bill. I think it is a bill which is so incomplete that it will almost immediately demonstrate the necessity, the imperative necessity, for its amendment.

I intended to vote for the conference report because I believe it is the best that can be done at this particular moment, and I believe that Congress has already dawdled in the passage of this very important measure altogether too long. I should rather vote for a bill—incomplete as this bill is, imperfect as it is, certain as I believe it to be that it will prove inadequate—which enables the Price Administrator at least to set up his machinery under some legal authorization, at least under some semblance of law, than to send the bill back to conference and start it back through the legislative mill of consideration by the two Houses, and compel the Price Administrator, or whatever other authority the President might designate, to continue to operate under no authority of law whatever.

Mr. President, in what I say about the bill I should like to have it distinctly understood that I am in no sense reflecting on the purposes, the ability, the diligence, and the perseverance of the Senatcrs who have represented this body on the conference committee, and the Members of the House of Representatives who have represented the body at the other end of the Capitol. I think they have done a remarkably good job, in the circumstances in which they were placed. I think the conference report represents a better bill than the bill as it was passed by the House or the bill as it passed the Senate.

When the bill was before the Senate on final passage I stated that my only reason for voting for it was the fact that I believed the conferees might improve it; and I believe they have done so. But when that is said it is only fair to state also that the whole history of this legislation does not cast great credit upon the Congress of the United States, and does not redound to the credit of our democratic processes. For more than a year, certainly for many months, after the enormous expenditures in the defense effort of the United States began to take form, it has been known by all thoughtful men and women that some price-control bill would be necessary if the worst menaces of inflation were to be avoided. More than 6 months ago the President of the United States, after vainly trying to handle this matter by a more or less voluntary nonlegal system, recommended to the Congress that a definite price control set-up be provided. More than 6 months have elapsed since that recommendation of the President before even this lame, halting, incomplete bill came on for consideration.

It seems to me to be so plain as to be undeniable that the only possible way by which inflation can be controlled or curbed is by an over-all control, a control which would take into consideration all the various elements going into our economic and price structure; and when I say that, I include wages, commodity prices, industrial prices, rent—all the other elements which go to make up prices.

Congress has shirked its responsibility in refusing to face this necessity. After 6 months' consideration in the two Houses we have a bill which does not include rents at all, or only to the most minor extent, which does not include wages, which includes agriculture with a divided and restricted control, and which includes industrial prices to a very dubious extent.

There has been a great deal of criticism of the so-called farm lobby, a great deal of criticism of the farmers of the United States because they have undertaken to protect themselves in this matter. Let me say that all the farm representatives whom I have seen or with whom I have had correspondence—and that includes not only the representatives of the great farm organizations, some of whom I have seen, but a great many ordinary, practical farmers, not farm leaders, but farmers, from my own State and from other States—have almost without exception taken the position that they were perfectly willing to have agricultural commodity prices subjected to control, provided the other elements, including organized labor, including rents, including industrial entrepreneurs, were subjected to the same over-all control.

I do not think the farmers have asked for anything unreasonable, at least the

ones with whom I have been in correspondence, because it should be remembered that the farmer himself is a laborer, just as much as is the man who works at a bench or at a lathe or anywhere else, the only difference being that that his wages are expressed in terms of commodity prices instead of cents or dollars per hour. I repeat I do not think the farmer has asked anything unreasonable.

I do say, Mr. President, that, in my opinion, the only merit which can possibly flow from the bill is in enabling the Price Administrator, whether he be Mr. Henderson or someone else, to set up some machinery to try this matter out, and to demonstrate to the country, as I believe it will be speedily demonstrated, that it will not work, except on a basis of over-all control. I think that sooner or later—and heaven knows how much the penalty may be to the people of the United States by reason of the delay—the Congress will have to face its responsibility of saying that we shall start out, not with piecemeal regulation, not regulation of one industry at a time, not regulation of one commodity price at a time, but start out by having the courage and the industry to set up a parity for agricultural commodities, for wages, including agricultural wages, for rents, and for every other economic interest which goes into our whole structure, and then by giving the Price Administrator the authority to take into consideration unusual circumstances in any particular industry, and make an exception to whatever extent may be necessary.

I shall, therefore, vote for the conference report, not because I believe, with the majority leader, that is a good bill, but because I believe more harm would be done through delay in setting up the legal machinery for price control than will be done through the inequalities of the bill which we are about to enact. But I predict now that it will be necessary to come back in the very near future and undo the work which we have been doing for the last 6 months, and in which we have been dawdling along, while the inflationary curve has been rising constantly, and we have been failing to look the situation in the face and impose over-all control.

Mr. THOMAS of Idaho. Mr. President, it is not my intention to delay the vote on the conference report, but inasmuch as I am a member of the Committee on Banking and Currency and find myself entirely out of harmony with the position taken by the committee, I think it only proper that I should state the reasons for my position.

The particular schedule in which I am interested is agriculture. We find that the Department of Agriculture, through the years, has adopted a policy of parity based on the years 1909 to 1914, figuring that all costs and all classes of agriculture could be taken into consideration and fairly dealt with on the basis of this parity. The Committee on Banking and Currency worked long and faithfully in trying to satisfy the various divisions of agriculture, but I am quite sure Senators will find that by this measure we shall have satisfied very few of the agricultural interests of the country. Considering the 1909 to 1914 period as a parity basis, we find that only a short time after that period was adopted, it became necessary to change the parity computations with respect to tobacco. The base period was therefore changed from 1909–14 to 1919–29.

When the committee was considering the provisions of the agricultural schedule, it found that the 1909–14 basis of 100 percent was not fair to any branch of agriculture. Then it was found necessary to increase the basis to 110 percent of parity.

Let us consider the great livestock industry of the Northwest. It would have been absolutely bankrupt if that sort of policy had been adopted. There is not a cattleman or a sheepman in the West who could have continued operation without this new program.

After having listened to the testimony, the committee was fair about the matter and tried to satisfy those who presented their views, but the committee was reluctant to sacrifice the parity principle. So the committee said, "We will adopt the 1919–29 basis." That satisfied the producers of some commodities. I think our good friend, the Senator from Georgia, was satisfied with that kind of amendment, covering certain commodities produced in his section. There was, however, still opposition to that basis, and in order to satisfy the cattle and sheep growers of the country it was finally decided to adopt a basis of October 1 or December 15, 1941, whichever was the highest. That basis was accepted, and is now in the bill, and to some extent it does help the agricultural interests.

Mr. President, I mention these things by reason of the fact that the Senator from Oklahoma, my namesake [Mr. THOMAS], who has been working for months on this matter, has realized the unfairness of the parity schedule as it has been formulated.

Why is it unfair? Because conditions have changed. The dollar has been devalued. Since 1909 all kinds of things have happened to farming. Farming methods have changed. We have mechanical farming now and we must provide for a different basis of parity computation if we are to satisfy the agricultural interests. Those things which go to make up the costs of production must be taken into consideration for any parity basis that is fair to the farmer.

The Senator from Wyoming [Mr. O'MAHONEY] has made a splendid fight for the farm organizations with his amendment, but the amendment has been rejected.

Mr. President, I wish to say to the Senate that I do not believe we have done the right thing by agriculture. So far as I am concerned I had hoped that a good bill, which I could support, would come out of the conference, but I cannot give my approval to the conference report.

In my estimation the whole program as developed for agriculture does not make sense. This is a question of securing the necessary margin of farm income between expenditures and receipts. That has not been done.

Mr. President, I am opposed to inflation. No Member of the Senate is more opposed to inflation than am I. The agricultural interests of the country are opposed to inflation. They have gone through inflation once and they know what it means, and they are now opposed to it as much as are Members of the Senate or anyone else.

Agriculture desires to do its part. It is back of the war effort, and it will do its part if it is given the protection to which it is entitled.

Mr. President, I can see no great danger of inflation by reason of increased farm prices so long as agriculture receives 9 percent of the national income. If the Senate will remember the report made by the Truman committee as to the large profits made by industry on war contracts, it will see a situation much more likely to result in inflation than any prices that may be paid farmers for their products.

Mr. AIKEN. Mr. President, I wish to assure Senators that I shall occupy the time of the Senate for only 5 or 6 minutes. Like the Senator from Missouri [Mr. CLARK], I feel that the bill we are considering is a poor bill, but, unlike the Senator from Missouri, I do not intend to vote for it. The argument that we should vote for a poor bill, a bad bill, because if we do not we shall be forced to vote for a worse bill later on does not sound very convincing to me.

It is with much reluctance that I feel obliged to protest the enactment of this bill, for I have profound respect for the Senator from Michigan [Mr. BROWN], who has worked so hard and earnestly to bring before us a measure which would accomplish the purpose of genuine and fair price control. I am satisfied that the Senate members of the conference committee did the very best they could to write into the bill the desires of the Senate.

In spite of the reluctance with which I protest the acceptance of the measure, I feel that I would not be fair to myself or to those folks back home who sent me here to represent them, if I did not protest the enactment of legislation which I firmly believe will not accomplish what it should accomplish, and may conceivably work to the detriment of part of our people now and most of our people later on.

The proponents of the bill seem to assume that the few controls which it contains will effectively control the cost to the consumer and afford fair returns to those who produce. I do not believe this to be so, particularly as it affects food which is produced by the American farmer to feed American consumers and American allies.

I do not believe the cost of food to consumers can be adequately controlled by the bill as it now stands. Most of the cost of the consumer's food is due to other causes than the cost of producing the raw material, costs which the bill does not control.

According to the Bureau of Agricultural Economics, the farmer now receives approximately 50 percent of the dollar which the consumer pays for 58 domestically produced foods. On only a very

few items does the farmer receive 50 percent or more of the consumer's dollar. In support of this statement I call the attention of the Senate to the fact that the Bureau of Agricultural Economics states that the oranges for which the consumer pays 38.1 cents a dozen bring to the farmer 9.1 cents; that rice, for which the consumer pays 9.1 cents a pound brings to the farmer only 4 cents; that white bread, as was pointed out by the Senator from North Dakota [Mr. NYE] earlier in the day, which costs the consumer 8½ cents a pound, yields the farmer only 1½ cents a pound, and so on down the list of 58 domestically produced foods which the Bureau uses in making its figures.

When it comes to clothing, the spread between producer and consumer is even more pronounced. Take cotton as an example.

Although cotton is selling for a considerably better price than it was, yet the spread between the producer of cotton and the purchaser of cotton goods has increased far more than has the price received by the farmer for cotton.

According to the Bureau of Agricultural Economics, the price of cotton last January was 9.4 cents a pound to the farmer, while the wholesale price of cotton cloth was 25.2 cents. By November 1941 the price of cotton had risen to 15.8 cents, but the wholesale cloth price had risen to 36.8 cents. So while the price for cotton had increased 6.4 cents in 11 months, the wholesale price of cotton cloth had increased 11.6 cents, or nearly twice as much in percentage.

I ask unanimous consent to have printed in the RECORD at this point in my remarks a table prepared by the Bureau of Agricultural Economics showing price spreads between the farmer and the consumer.

There being no objection the table was ordered to be printed in the RECORD, as follows:

Price spreads between the farmer and the consumer: Monthly statistical supplement, November 1941

Retail commodity	Table No.	Retail		Farm equivalent		Actual margin	Farm value as percentage of retail price
		Unit	Price	Quantity	Value		
58 foods combined	8	Annual family consumption	$365	Annual family consumption	$183	$182	50
			Cents		*Cents*	*Cents*	*Percent*
Pork products	11	1 pound principal pork products.	25.5	1.90 pounds live hog	18.4	7.1	72
Dairy products	12	100 pounds milk equivalent.	389.4	100 pounds milk equivalent	202.8	186.6	52
Hens	13	1 pound	31.7	1.11 pounds	17.2	14.5	54
Eggs	14	1 dozen	51.9	1 dozen	35.5	16.4	68
White flour	15	1 pound	4.8	1.41 pounds wheat	2.2	2.6	46
White bread	16	do	8.5	0.97 pound wheat	1.5	7.0	18
Corn meal	17	do	4.4	1.5 pounds corn	1.7	2.7	39
Rolled oats	18	do	7.5	1.78 pounds oats	2.3	5.2	31
Corn flakes	19	8-ounce package	7.1	1.275 pounds corn	1.5	5.6	21
Wheat cereal	20	28-ounce package	23.8	2.065 pounds wheat	3.2	20.6	13
Rice	21	1 pound	9.1	1.51 pounds rough rice	4.0	5.1	44
Navy beans	22	do	8.3	1 pound dry beans	4.8	3.5	58
Oranges	24	1 dozen	38.1	1/17 box	9.1	29.0	24
Potatoes	25	1 pound	2.6	1 pound	1.3	1.3	50
Apples	35	do	5.3	do	2.0	3.3	38
Lamb products	37	1 pound principal lamb cuts.	28.4	2.16 pounds live lamb	20.5	7.9	72
Sweet potatoes	38	1 pound	4.2	1 pound	1.5	2.7	36
Rye bread	39	do	9.1	0.39 pound rye and 0.64 pound wheat.	1.4	7.7	15
Whole wheat bread	40	do	9.9	0.92 pound wheat	1.4	8.5	14
Macaroni	41	do	14.0	1.72 pounds durum wheat	2.3	11.7	16
Soda crackers	42	do	15.2	1.085 pounds wheat	1.7	13.5	11
Peanut butter	44	do	19.6	1.73 pounds peanuts	8.0	11.6	41

Mr. AIKEN. Mr. President, this wide spread between prices to the farmers and cost to the consumers is due principally to the cost of transportation, of processing, including labor, and of distribution. Nowhere in the bill can I see that these costs are adequately controlled. It is true that theoretically some of them may be controlled by certain agencies, but actually they are mounting day by day, and will go still higher.

I feel that the Administrator of the authority granted by the bill cannot adequately control consumer costs, because the bill does not control transportation costs; it does not control processing or labor costs; it specifically exempts methods and practices of distribution from its provisions; and it does not control items, such as electric power, interest rates, insurance, and other costs, which to a great degree affect the cost of farm production.

Mr. President, I do not feel that I can conscientiously vote for any bill which exempts the interests which contribute most to retail costs. It does not seem to me that the Price Administrator can be expected effectively and fairly to control prices, under the provisions of this bill as it now stands.

I have no doubt that Mr. Henderson and his associates would do all they could effectively to carry out the purposes of proper price control; but I do not believe that the Administrator should be expected to effect this control adequately and fairly with the bill as it is. I venture the prediction that if it becomes a law within a short time it will be found ineffective and unjust.

Mr. President, the one thing that we need in this country now, and need desperately, is production of raw materials to feed our people and to keep our factories running. We must not discourage agricultural production. We must not become dependent upon other countries to feed and clothe us. If our country ever needed to be self-sufficient it must be so in the years directly ahead of us. I do not think we should plan to depend upon other nations for the things we need merely because we can now buy them cheaper elsewhere. Perhaps for a year or two American consumers would be favored by a lower production of some crops here and an increased importation from other countries, but in the long run such a course would be to the detriment of American consumers.

We can see what has already happened from depending upon other countries for our sugar. What has happened with respect to sugar will happen in the case of other necessities unless we watch out. Agriculture must not be depressed and discouraged now unless America wants to go hungry later.

This year American farmers are being asked to produce more than they have ever produced before. They will go as far as they possibly can to meet this demand; but they are not millionaires, and they cannot produce unless assured a reasonable recompense for their efforts. They see their own costs, including freight and labor, and prices of all kinds going up, and they are looking to Washington today to see what happens to this bill. Rightly or wrongly, they are afraid of it.

The increased farm production which is asked for must to a large extent come from so-called marginal producers who cannot produce as cheaply as our better farmers can produce a normal crop. As to some products, such as dairy products, an enforced overproduction cannot be brought about at parity, or even 110 percent of parity.

The farmers must have every assurance that they will receive as much protection in their effort to produce and overproduce as do other groups of our people. The bill does not put agriculture on an equal footing with transportation, processors, labor, and distributors. American farmers cannot stand much more discouragement. I must reluctantly protest against the enactment of a price-control bill which does not control prices equitably; and I must protest with my vote.

Mr. BANKHEAD. Mr. President, I have no intention of delaying the Senate. I recognize the desire to conclude this discussion. However, in view of the statements made by Senators who have recently spoken, I should like to make one small contribution to the discussion.

Earlier in the day, during the course of a running debate while the Senator from Michigan [Mr. BROWN] had the floor, I commended the action of the Senator from Michigan and the majority leader [Mr. BARKLEY] in the conference in endeavoring to carry out the will of the Senate.

Later it occurred to me that by implication my words might be construed to mean that a different statement might be applied to the senior Senator from Ohio [Mr. TAFT] and the junior Senator from Connecticut [Mr. DANAHER]. I wish to give to them the same commendation which I gave to the other two Senators. I was not 100 percent in accord with any of them; but I never saw in any conference at any time men more anxious to carry out the will of the body they were representing and to arrive at a workable bill, regardless of party politics and regardless of any other consideration except the welfare of the country. It gives me pleasure to make that statement about my associates on the conference committee.

Mr. President, let us look at the situation in a realistic way. Where would we be if the Senate should vote down the conference report? The House has already agreed to it. I am advised that by that action the House conferees are now discharged. If the Senate should vote down the report, the Senate conferees would be discharged. If new conferees should be appointed, or if the old conferees should be sent back to continue their work, what direction would they take?

In the House the real fight was not over the agricultural phases of the bill but over the licensing provision and the board features. In the Senate I do not know just what the fight is over. Some Senators who are real friends of the farmers think that the bill is not a good one for the farmers. In my judgment it is the best possible bill for the farmers that could be produced in the present legislative situation. As is well known, the conferees accepted the viewpoint of the farmers and their friends on every phase of this legislation except that part of the O'Mahoney amendment which displaced the old parity formula and the 110-percent declaration in the House bill and in the Senate bill as reported, and presented a formula which, as I have frequently stated, is of great interest and some day may be adopted.

That is the only thing any representative of the farmers or the farm groups has contended for before the committee of either House that is not included in the conference report. So where would we get if the bill were sent back to conference? What would the conferees do?

It is clear to me, Mr. President, that a vote to reject the conference report would not be a real service to the farmers, but would be a disservice, in effect, for if the conference report should be rejected, there would be no price-control law, and no direction to the conferees. The result would be that Mr. Henderson would proceed to carry out his price-fixing orders without statutory authority, as he has been doing, and without the limitations fixed in the bill on the prices received by farmers. I submit, therefore, that it is highly in the interest of the farmers to adopt the report, which contains satisfactory price limitations; and we cannot get anything better out of this situation.

I know that there is a group of Senators who are inclined to vote against the conference report because they do not want to entrust the administration of the bill to Mr. Henderson. To those who follow that line of thought I submit there is another constitutional way to reach the conclusion they desire—namely, by voting against confirmation when his nomination shall come to the Senate. Let us not mix the matter of confidence in an administrator who may be appointed with the merits of the legislation, with its splendid protective provisions in the interest of the farmers, but let those who object to Mr. Henderson take the orderly, regular legislative method of dealing with the matter in the event his nomination shall be sent to the Senate for confirmation.

In conclusion, Mr. President, I sincerely hope that the conference report will be adopted, not because it is perfect, but because it is the best measure we shall get at any time in the near future which will aid in any way to control the threat of inflation.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. SHIPSTEAD. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. MCNARY (when Mr. BURTON'S name was called). The junior Senator from Ohio [Mr. BURTON] is absent on official business. If present and voting, he would vote "yea."

Mr. CHANDLER (when his name was called) I have a general pair with the Senator from Pennsylvania [Mr. DAVIS], who is unavoidably detained from the Senate. If present and voting, he would vote "yea," as I intend to vote. So I am at liberty to vote. I vote "yea."

Mr. CHAVEZ (when Mr. HATCH'S name was called). My colleague, the senior Senator from New Mexico [Mr. HATCH] is absent because of illness. If present and voting, he would vote "yea."

Mr. MCKELLAR (when his name was called). On this question I have a pair with the senior Senator from Virginia [Mr. GLASS], who is unavoidably detained from the Senate. If present and voting, he would vote "yea"; and if I were at liberty to vote, I should vote "nay."

Mr. ANDREWS (when Mr. PEPPER'S name was called). My colleague the junior Senator from Florida [Mr. PEPPER] is absent on important public business. I understand that if present and voting he would vote "yea."

Mr. O'MAHONEY (when Mr. SCHWARTZ'S name was called). My colleague the junior Senator from Wyoming [Mr. SCHWARTZ] is necessarily absent. If present and voting, he would vote "yea."

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the junior Senator from Pennsylvania [Mr. GUFFEY], and will vote. I vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the senior Senator from South Carolina [Mr. SMITH] is absent from the Senate because of illness.

The junior Senator from California [Mr. DOWNEY] is unavoidably absent.

The Senator from Delaware [Mr. HUGHES], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Arkansas [Mr. SPENCER], are necessarily absent. I am advised that if present and voting these Senators would vote "yea."

The Senator from Pennsylvania [Mr. GUFFEY] is detained on important public business. I am advised that if present and voting he would vote "yea."

Mr. AUSTIN. The Senator from Pennsylvania [Mr. DAVIS] is absent pursuant to his duties as a member of the Anthracite Commission appointed by the President to study conditions in the industry.

The Senator from New Jersey [Mr. BARBOUR] is absent on official business. He would vote "yea," if present.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury.

The Senator from California [Mr. JOHNSON] has been called from the Senate. He is paired on this question with the Senator from Delaware [Mr. HUGHES]. If present, the Senator from Califronia would vote "nay," and the Senator from Delaware would vote "yea."

The result was announced—yeas 65, nays 14, as follows:

YEAS—65

Andrews	Gerry	O'Daniel
Austin	Green	Overton
Bailey	Gurney	Radcliffe
Ball	Hayden	Reed
Bankhead	Herring	Reynolds
Barkley	Hill	Rosier
Bilbo	Johnson, Colo.	Smathers
Bone	Kilgore	Stewart
Brewster	La Follette	Taft
Brooks	Langer	Thomas, Utah
Brown	Lee	Tobey
Bunker	Lodge	Truman
Byrd	Lucas	Tunnell
Caraway	McFarland	Tydings
Chandler	McNary	Vandenberg
Chavez	Maloney	Van Nuys
Clark, Idaho	Maybank	Wagner
Clark, Mo.	Mead	Wallgren
Danaher	Millikin	Walsh
Doxey	Murdock	Wheeler
Ellender	Murray	White
George	Norris	

NAYS—14

Aiken	Gillette	Shipstead
Bulow	Holman	Thomas, Idaho
Butler	Nye	Thomas, Okla.
Capper	O'Mahoney	Willis
Connally	Russell	

NOT VOTING—17

Barbour	Guffey	Pepper
Bridges	Hatch	Schwartz
Burton	Hughes	Smith
Davis	Johnson, Calif.	Spencer
Downey	McCarran	Wiley
Glass	McKellar	

So the report was agreed to.

Mr. BROWN. Mr. President, the American Farm Bureau Federation desire to have their position on this bill clearly stated. They have set it forth in a letter to the Senator from Nebraska [Mr. BUTLER] which, with his consent, I ask to have inserted in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

JANUARY 23, 1942.

Hon. HUGH BUTLER,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BUTLER: Replying to the inquiry in your letter of January 19 concerning our position on the price-control bill, I

wish to explain that we have consistently advocated effective legislation to control inflation; and have stated over and over again that to be effective, such control must include comparable control of inflationary prices of both agriculture and industry and inflationary wages. We have also insisted upon proper safeguards to farm programs.

As you know, when I appeared before both the House Banking and Currency Committee and the Senate Banking and Currency Committee, of which you are a member, during their hearings on the price control bill, I insisted very strongly upon the inclusion of a provision to control inflationary wages, as advocated in a resolution adopted by our annual meeting, but to no avail. Both the House and Senate refused to include control of wages.

Meanwhile, it became evident that our whole agricultural program, built up as a result of 20 years' effort on the part of farm people and Congress, and the "food for freedom" program, in which 6,000,000 farmers are cooperating in an all-out effort to produce adequate food and fiber to help win the war, stood in grave jeopardy unless additional provisions were added to this bill to safeguard the administration of these programs. Since it was evident that Congress would not include control of wages in this bill, and because of the grave threat to our whole farm program—including agriculture's total war effort—it became of paramount importance to secure proper safeguards for the administration of these agricultural programs. That became the immediate major issue. We didn't want a Pearl Harbor incident to strike agriculture.

Therefore, in order to properly safeguard agriculture and the administration of the farm programs, we insisted upon the retention of the 110 percent of parity provision and the Bankhead amendment to require the prior approval of the Secretary of Agriculture before the Price Administrator can take any action relative to agricultural commodities. We have never supported and are not now supporting the O'Mahoney amendment for the reasons set forth in my letter to the conference committee to which you refer in your letter The O'Mahoney amendment does not provide any control over industrial wages, and will likely encourage rather than retard inflationary wage increases.

We feel just as strongly as ever that there must be control of inflationary wages as well as prices if we are going to successfully control inflation. To the degree that legislation fails to control wages, it will not adequately control inflation but the bill as reported by the conference committee does provide some control of inflation through control of prices. Furthermore, the conference report, through the inclusion of the 110-percent-of-parity provision which we have vigorously advocated, protects agriculture's parity position, so that if industrial prices advance due to a rise in wages, farmers are protected by a proportionate increase in the parity-price goal. The conference report also includes the Bankhead amendment, which we strongly urged, and which will safeguard the administration of the farm program and the food-for-freedom program which is a fundamental part of our war effort.

I have tried to make clear to you the position of the American Farm Bureau Federation. While agriculture is safeguarded in the bill, the Nation is not safeguarded against inflation. Recognizing as we do the importance of the control of inflation, and also recognizing the weeks of effort that Congress has put forth to get this bill in shape, it would appear that it is the best that can be accomplished at this time from Congress.

Sincerely yours,

EDW. A. O'NEAL, *President*.

Mr. BROWN. Mr. President, during the debate very little discussion was had of the legal justification for this bill. There is in the Senate committee hearings a very excellent brief prepared by Mr. C. David Ginsburg, the General Counsel of the Office of Price Administration. In the long weeks and months that have been devoted to the consideration of the bill, Mr. Ginsburg has demonstrated a remarkable knowledge not only of the legal aspects of the subject but of the entire subject matter. In behalf of the Banking and Currency Committee and the Senate conferees, as well as the Senate itself, I desire publicly to acknowledge his valuable contributions to the form and substance of the bill.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations and a convention were submitted:

By Mr. REYNOLDS, from the Committee on Military Affairs:

William Signius Knudsen for temporary appointment as lieutenant general in the Army of the United States, under the provisions of law;

Brig. Gen. Julian Francis Barnes (colonel, Field Artillery), for temporary appointment as major general in the Army of the United States, under the provisions of law;

Col. Patrick Jay Hurley, Infantry (Reserve), for temporary appointment as brigadier general in the Army of the United States, under the provisions of law;

Col. Philip Ries Faymonville, Ordnance Department, and Col. Arthur Riehl Wilson (lieutenant colonel, Field Artillery), for temporary appointment as brigadier generals in the Army of the United States, under the provisions of law; and

Col. Earl Larue Naiden (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States, for temporary appointment as brigadier general in the Army of the United States, under the provisions of law.

By Mr. WALSH, from the Committee on Naval Affairs:

Several citizens for appointment as second lieutenants, and several officers for promotion, all in the Marine Corps.

By Mr. WAGNER, from the Committee on Banking and Currency:

Robert H. O'Brien, of Montana, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1945, vice Edward C. Eicher.

By Mr. GEORGE, from the Committee on Finance:

Clovis E. Martin (assistant dental surgeon) to be passed assistant dental surgeon in the United States Public Health Service, to rank from February 13, 1942.

By Mr. WHEELER, from the Committee on Interstate Commerce:

George A. Cook, of Illinois, to be a member of the National Mediation Board for the term expiring February 1, 1945 (reappointment).

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Several postmasters.

By Mr. THOMAS of Utah, from the Committee on Foreign Relations:

Executive I, Seventy-seventh Congress, first session, a convention between the United States of America and the United Mexican States, signed at Washington on November 19, 1941, providing for the adjustment and settlement of certain outstanding claims of nationals of each country against the government of the other country; without reservation (Executive Rept. No. 1).

The PRESIDING OFFICER (Mr. LUCAS in the chair). If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

THE JUDICIARY

The legislative clerk read the nomination of Carl A. Sackett to be United States attorney for the district of Wyoming.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc, and that the President be notified.

The PRESIDING OFFICER. Without objection, it is so ordered.

That completes the calendar.

LT. GEN. WILLIAM SIGNIUS KNUDSEN

Mr. BARKLEY. Mr. President, I understand that the Senator from Iowa desires to secure action, if possible, on a nomination which he will present.

Mr. HERRING. Mr. President, there is at the desk a nomination which has been unanimously approved by the Military Affairs Committee—the nomination of Mr. William S. Knudsen for temporary appointment as lieutenant general in the Army of the United States. It is important that the nomination be confirmed at the earliest possible date. I ask unanimous consent that it be now considered.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the nomination? The Chair hears none. The nomination will be read.

The legislative clerk read the nomination of William Signius Knudsen for temporary appointment as lieutenant general in the Army of the United States, under Public Law No. 252, Seventy-seventh Congress, approved September 22, 1941.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask that the President be immediately notified of all confirmations of nominations today.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, January 28, 1942, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 27 (legislative day of January 23), 1942:

UNITED STATES ATTORNEY

Carl A. Sackett to be United States attorney for the district of Wyoming.

POSTMASTERS

ILLINOIS

Dorsey Berry Anderson, National Stock Yards.

MISSOURI

Fannie McClintock, Gower.
Otis W. Christian, Oakwood.

NORTH DAKOTA

Albert James Gilman, Beach.
Ethel J. Hinschberger, Sanborn.

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

TO BE LIEUTENANT GENERAL

William Signius Knudsen.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 27, 1942

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord, our God and our Father, from whom nothing is hid, cleanse our hearts from all guile and open our eyes to the beauty and glory of the Christ life. We pray that we may resist the temptations which allure, enabling us to control our motives, for it is the wrath of man that worketh not the righteousness of God. Grant that we may hear the world's deeper meaning and need, so that we shall feel on increasing persuasion bursting from the fountain of eternal truth.

By gain and by loss, by joy and by sorrow, prepare us to rise above all things false and learn of Thee, whom to know is life everlasting. Encourage us to toil against every form of selfishness, laboring to make our land a realm of light, the inspiration of peace and the faithful guardian of the heroic memories which are founded on justice, unity, and honor to all. In the midst of suffering and sad expectancy. O Father of mercies, enfold the shadow of Thy guardian angels around about the little children and the distressed mothers of our fallen heroes. Teach us over and over that goodness is more than gold and character greater than intellect. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5895. An act to authorize the Library of Congress Trust Fund Board to allocate one-half of the income from certain property to the Smithsonian Institution.

PERMISSION TO ADDRESS THE HOUSE

Mr. DOWNS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut [Mr. DOWNS]?

There was no objection.

THE LATE DR. ALBERT E. AUSTIN

Mr. DOWNS. Mr. Speaker, it is my sad duty to inform the House of Representatives of the death of Dr. Albert E. Austin, a former Member of Congress and my predecessor. Dr. Austin served with distinction as a Member of the Seventy-sixth Congress. His accomplishments as a Member of this great body won for him a place of high esteem in the hearts of his constituents in the Fourth Congressional District of Connecticut.

Prior to his coming to Washington Dr. Austin served in several municipal capacities in the town of Greenwich. He was an outstanding physician. Perseverance to high principles in his professional practice and private life enabled him to grasp a keen insight, not only in the sick and injured bodies but also into the very souls of those to whom his healing hands administered.

Dr. Austin was a patriot. He understood and loved his country and its institutions. For many years, at great personal and domestic sacrifice, he gave loyal and generous service to his city, State, and Nation. He had great faith in the country to which he contributed so much. He had unwavering confidence in his fellow countrymen and in their attachment to the principles of liberty and their capacity to upright wrongs and uproot evils.

Connecticut has lost an outstanding citizen, but his deeds will live on as a memorial to his greatness. I know that the Members of this House join with me in extending heartfelt sympathy in this hour to his family and thousands of loyal friends.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. MARTIN]?

There was no objection.

[Mr. MARTIN of Massachusetts addressed the House. His remarks appear in the Appendix.]

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SMITH]?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I am grieved to hear of the death of Dr. Albert E. Austin, a former Member of Congress from the State of Connecticut. I had learned to know him well as a colleague of the House, but as he was also a member of my own profession, I had occasion to form a more intimate acquaintance with him. I have not met a more sincere and estimable gentleman in the Congress than Dr. Austin. He was honest and deeply devoted to the service of his district and country. I shall always remember him for these high qualities.

PERMISSION TO ADDRESS THE HOUSE

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SWEENEY]?

There was no objection.

[Mr. SWEENEY addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a statement from the Southern Illinois Normal University advocating and urging that proper appropriations be made for the National Youth Administration.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. CANFIELD]?

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of our sugar shortage and include therein a short editorial on the same subject.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

(Mr. TIBBOTT asked and was given permission to extend his own remarks in the RECORD.)

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two short excerpts from a magazine.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by my colleague the gentleman from New York [Mr. MARTIN J. KENNEDY] at the twentieth annual dinner of the Veterans Association of the New York Central System, on Thursday, January 22, at the Hotel Biltmore in New York City.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SUGAR SHORTAGE

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, the silk hat has been put on sugar by the First Lady of the land and by Mr. Henderson. In building up the philosophy of the ever-normal granary this highly important food item has been overlooked. There is utterly no excuse whatever for a shortage of sugar in the United States at the present time. The shortage is due entirely to the errors in managing the internal economy of this country com-

mitted by the administration during the last 7 or 8 years. We should have in this country today facilities for producing a minimum of 6,000,000 tons of sugar, but we have depended on offshore areas for sugar in our national sugar policy. As a result, the people of the country will have to go without the usual quantity of this highly important food item.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short quotation from the American Federationist.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CELEBRATION OF ANNIVERSARY OF BIRTH OF GEORGE WASHINGTON

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker, yesterday, here in the House, we paid deserved tribute to Gen. Douglas MacArthur. It was his sixty-second birthday. On Friday next the people of the Nation will gather in their home communities to celebrate the sixtieth birthday of our beloved President, Franklin Delano Roosevelt. During the month of February we shall observe the birthdays of two other great Americans, Abraham Lincoln and George Washington.

It has been the custom of each branch of the Congress to mark the birthday of George Washington by having a Member read Washington's Farewell Address, which was delivered on September 19, 1796.

Last year this House was not in session on February 22, but the usual practice was followed in the Senate.

Today, with our country at war and our minds beset by the many pressing problems connected with our national defense, it is especially important that we, the Members of the Seventy-seventh Congress, do our part to perpetuate the glorious ideals and examples of statesmanship displayed by George Washington.

Let us pay tribute to the father of our country by arranging appropriate ceremonies to mark the coming anniversary of his birth. As February 22 will fall on Sunday, the Congress will not be in session. By making plans now we may be sure, although the House is not in session, that we will fittingly observe Washington's Birthday.

Because of the inspiration and patriotic fervor that one gets from a visit to the tomb of Washington at Mount Vernon and because in the present world crisis we need courage and fortitude to meet the exigencies of the hour, I suggest to the membership of the Congress that a pilgrimage be organized for the purpose of visiting the last resting place of Washington at Mount Vernon, on the banks of the Potomac. As a result of that visit, I am sure we will absorb some of the courage and enthusiasm with which General Washington met his reverses before achieving ultimate victory.

If we should seek a further reason for the adoption of my proposal, we can find it in the following words of that English statesman, Lord Brougham:

> Washington was the greatest man that ever lived in this world uninspired by divine wisdom and unsustained by supernatural virtue.
>
> It will be the duty of the historian and the sage in all ages to let no occasion pass commemorating this illustrious man, and until time shall be no more will a test of the progress which our race has made in wisdom and in virtue be derived from the veneration paid to the immortal name of Washington.

We heartily agree with the words of Lord Brougham, and I personally feel we should keep before us constantly the story of George Washington. It is a story noble, a story ideal, and a story heroic. That story, as every American should know it, is the story of bravery that confronted peril, of courage that grappled with trepidation, of patience that surmounted adversity, of unyielding determination that carried through to victory, of military genius that performed the incredible and accomplished the unbelievable, and of statesmanship since it set a young nation on the path of greatness.

I hope that the Members of this House will find time to read the Oration of the Character of Washington, by Edward Everett, from which I quote:

> No gilded dome swells from the lowly roof to catch the morning or evening beam; but the love and gratitude of united America settle upon it in one eternal sunshine. From beneath that humble roof went forth the intrepid and unselfish warrior, the magistrate who knew no glory but his country's good; to that he returned, happiest when his work was done. There he lived in noble simplicity, there he died in glory and peace. While it stands, the latest generations of the grateful children of America will make this pilgrimage to it as to a shrine.

The Members of this Congress can set the example to the children of today by leading such a pilgrimage in 1942.

[Here the gavel fell.]

RETIREMENT BENEFITS FOR CONGRESSMEN

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, during consideration of several important bills a very short time ago, what appeared to be a rather minor bill was passed by the House by a voice vote. Very few Members knew that hidden in the bill was a provision for retirement benefits for retiring Congressmen. Taxes are high and the cost of living is increasing. I think it is a very inappropriate time for passage of such a bill, especially at a time when the people are doing everything they can and are making every conceivable sacrifice for defense, and at a time when the old folks are unable to secure any increase when they are drawing only $10 or $15 a month. They believe we are thinking of them and not of ourselves. I wrote the President asking him not to sign the bill, but to veto it. However, the bill has become a law, and I am today introducing a bill to repeal this provision.

[Here the gavel fell.]

POSTAL EMPLOYEES

Mr. FORAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FORAND. Mr. Speaker, I rise to ask for information. On yesterday my colleague the gentleman from Ohio [Mr. SWEENEY] made mention of the longevity pay bill for postal employees that was passed last June by the House and last December by the Senate. Conferees on this bill were appointed on December 10. As far as I have been able to ascertain, the conferees have not yet met. I should like to know just what the best procedure would be to obtain action on this bill. I do not know whether some one individual or some group is responsible for holding it up, but I sincerely hope action will be taken on it in the immediate future.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. McGREGOR. Mr. Speaker, I have two requests, one that I may extend my remarks in the RECORD and include a letter written by me to Leon Henderson and his reply thereto, and, second, that I may address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

RATIONING OF AUTOMOBILE TIRES AMONG THE CLERGY

Mr. McGREGOR. Mr. Speaker, I am happy to advise the House that this morning I am in receipt of a letter from Leon Henderson, Administrator, Office of Price Administration. This letter is dated January 26, 1942, and is as follows:

> DEAR MR. MCGREGOR: In reply to your letter of recent date regarding the effect of the tire-rationing program on the clergy, I am glad to report that the tire-rationing order and regulations will shortly be revised to include ministers among the eligible classes.
>
> Yours sincerely,
>
> LEON HENDERSON,
> *Administrator.*

[Here the gavel fell.]

EMPLOYMENT OF DOLLAR-A-YEAR MEN—THE AUSTIN AMENDMENT

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I rose to make another request, but, in passing, I want to call to the attention of the Members one thing for which Dr. Austin, who passed away, was responsible and for which he may well

be remembered by the Congress. During the consideration of the selective service bill it was Dr. Austin who proposed and secured the adoption of an amendment to provide that the boys who were called into service should not be called until facilities were adequate to provide them with proper housing and hospital care. I think in doing so he undoubtedly saved the lives of many boys, and that should be remembered in connection with his life and service here.

DOLLAR-A-YEAR MEN

The other matter to which I wish to direct attention is what the so-called Truman committee has said about the use of dollar-a-year men. During the consideration of the third supplemental defense bill on October 10 last I offered an amendment, the effect of which would have been to end the use of dollar-a-year and "without compensation" men. As I said at the time—

It is to keep anyone from getting on the pay roll of the Government, and there boring from within either to secure favoritism in the placing of contracts or to secure favoritism in the negotiation of working agreements for the benefit of any particular firm, corporation, or association of employers or employees. I want to see in such positions only men who have one loyalty. That should be to the United States, and they should be paid by the United States, when we are dealing with defense contracts.

I said:

We want men in office who are here to serve only one master, and that is the welfare of the United States.

At the time my amendment received some ridicule—and some support. It was beaten, 137 to 76. But if you will take the time to read pages 7 to 10 of the Truman report, part 5, I am sure you will agree with the report when it says—

No man can honestly serve two masters.

And, now, Mr. Speaker, I would like to ask unanimous consent to place in the Appendix some excerpts from the report of the Truman committee.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

EXTENSION OF REMARKS

Mr. CASE of South Dakota. I have one other request, Mr. Speaker, I should like to extend my remarks in the Appendix of the RECORD and to include therein the communique of the Navy Department which gives the story of the heroic defense of Wake Island by the United States marines.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix by including therein a letter from Mrs. Theodore Roosevelt, Jr., in regard to the maneuvers in the Carolinas.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a brief editorial with regard to the anti-church drive in Germany, which was published in the Detroit Free Press of January 25, 1942.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WILSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by the insertion of an editorial from the Mitchell Tribune on Does Progress Bring Complication?

The SPEAKER. Is there objection?

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by the insertion of a copy of a letter I have written to the Secretary of the Treasury, Mr. Morgenthau.

The SPEAKER. Is there objection?

There was no objection.

Mr. MUNDT. Also, Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the State song recently adopted by the State of South Dakota: Hail, South Dakota.

The SPEAKER. Is there objection?

There was no objection.

Mr. GUYER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by the insertion of an editorial by Clinton M. Howard, printed in Progress, on the Pearl Harbor massacre.

The SPEAKER. Is there objection?

There was no objection.

Mr. GUYER. Also, Mr. Speaker, to extend my remarks and include an editorial by Hon. Asa F. Converse, publisher of the Wellsville Globe.

The SPEAKER. Is there objection?

There was no objection.

SUPERHIGHWAYS

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNYDER. Mr. Speaker, in the years 1936, 1937, 1938, 1939, 1940, and 1941 I presented each year to the House a road program for superhighways, transcontinental highways, across the Nation. In that presentation I always called attention to the fact that in case of an emergency or war they would not only make our movements more flexible but that they would add to the efficiency 20 or 30 percent. Just the other day two big bombers were caught in a storm in my county, Somerset County, Pa., and were compelled to land on a meadow Afterward they pulled these planes out onto the Pennsylvania Turnpike, recently constructed; they were able to take off as easy as if they were on a first-class runway. We cannot build these highways at this time, but I hope that such a program will be prepared so that when this emergency is over and the munition factories are closed down we can put three or four million men to work on such roads.

THE LATE DR. AUSTIN

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I have just learned of the untimely death of our former colleague, Dr. Austin. The State of Connecticut will remember him as a man who gave a life of long devoted service to the commonweal, and we in the House, particularly those of us who were here during the passage of the draft bill, will remember him, as our distinguished colleague the gentleman from South Dakota [Mr. CASE] said, for his devotion to the proper housing of our soldiers. That will be a monument to him in a legislative sense. It was typical of his broad tolerant spirit. We have lost a real friend and a great statesman.

AMERICAN BOMBERS IN GERMANY

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. KLEBERG. Mr. Speaker, to be forewarned is to be forearmed. I notice in the morning paper in the headlines a statement attributed to Mr. Churchill, that American bombers would bomb Germany, and last week our newspapers called attention to the fact that the Navy was using a new implement to destroy submarines along our coast, referring to the use of blimps, giving a descriptive analysis as to how they were used. These items will be read with interest by the agents of our enemies in this country. I merely call this to the attention of the House.

THE RETIREMENT ACT

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GIFFORD. Mr. Speaker, apropos of retirement: this morning I read an editorial in my own newspaper in condemnation of the act. It was interesting to hear the young gentleman who is to attempt repeal of that legislation. I must remind him that the "infant mortality" here is very high.

I was not present when the vote was taken on the bill. Had a vote been demanded, I should have voted against it. I was in a conference committee. I think most of my friends would not object if some good from it came to me. Those who desire me to retire should have no objections to the bait offered. Few will avail themselves of it. I have talked so much against expenditures of the Government and voted against so many largesses that I have gotten the ill will of many pressure groups. I have never been on a so-called junket in my 20 years of service. I offer this defense:

JUDGE. Guilty or not guilty?

RASTUS. Not guilty, suh.

JUDGE. Have you ever been in jail?

RASTUS. No, suh; ah nevah stole nothin' befo'.

[Here the gavel fell.]

THE SOO LOCKS

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, the Roberts report points out that the primary and immediately contributing cause for the disaster at Pearl Harbor was the fact that the Army and Navy commanders over there took precaution solely against sabotage from within and neglected to provide protection against air raids from without. Again I want to call attention to the fact that the No. 1 air target in this country is the Soo locks at Sault Ste. Marie, Mich., through which 85 percent of the Nation's iron ore, vital to our defense program, travels today. Blow up those locks and you shut down the defense program. Today we are protecting those locks only against sabotage and neglecting to protect them against aerial attack, which is not only very possible but even probable. Today at the Sault we are committing the folly of Pearl Harbor again. It was Cicero who said "Any man may make a mistake; none but a fool will persist in it." Let not the Sault locks become a second Pearl Harbor.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my remarks and include a table showing my votes on defense bills.

The SPEAKER. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein the report made by the commission appointed by the President to investigate the attack by the Japanese forces upon the Territory of Hawaii. This report will cost $360. I ask unanimous consent that it be included notwithstanding.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(By unanimous consent, Mr. JARMAN was granted permission to revise and extend his own remarks in the RECORD.)

AID FOR GENERAL MACARTHUR, AUSTRALIA, AND NEW ZEALAND

Mr. RANKIN of Mississippi. Mr. Speaker, every Member of the House, I am sure, will join Senator BARKLEY in his message to the people of Australia on yesterday, in which he assured them of every possible assistance in their heroic struggle against the heathen Japanese.

By all means, we should send every possible assistance to our own brave men under General MacArthur, who are fighting our battles in the Philippines. We must not allow them to be destroyed. They are our heroes, fighting our battles, and we must get aid to them at all costs.

Aid should also be sent to Singapore. If it falls, it will be a terrible blow, especially to Great Britain.

But the greatest calamities that could happen to the British Empire would be the fall of Australia and New Zealand. We, the representatives of the civilization of mankind, cannot afford, under any circumstances, no matter what it costs, to see the white men of Australia and New Zealand murdered, their white women raped and their white children enslaved by the heathen barbarians of Japan.

I hope that every effort will be made, not only by this country but especially by the British Empire, to get help to Australia and New Zealand, so that those brave men who have fought the world's battles in every clime may defend their own homes and protect their women and children. Our hearts are with them, our prayers are with them, they are fighting the battles of our civilization, and we must not let them lose.

EXTENSION OF REMARKS

Mr. COLMER. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a resolution therein.

The SPEAKER. Is there objection?

There was no objection.

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to extend my remarks and include a brief editorial.

The SPEAKER. Is there objection?

There was no objection.

TOBACCO-MARKETING QUOTAS

Mr. BARDEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6353), to provide for the adjustment of tobacco-marketing quotas in certain cases where farm land is acquired by the United States for defense purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. HOPE. Mr. Speaker, reserving the right to object, does the gentleman intend to make a brief explanation of the bill?

Mr. BARDEN. Yes.

Mr. HOPE. I will say to the gentleman and to the House that this is a unanimous report from the Committee on Agriculture and appears to be an emergency matter.

Mr. BARDEN. Yes; it is. Mr. Speaker, if I may offer a word of explanation, this is a bill introduced to take care of an emergency situation created by the establishment of military camps throughout the country, where those camps were located on land upon which tobacco was being grown. Under the Allotment Act tobacco acreage is allotted to the farm or land, and when the Government took the land it, of course, took the tobacco allotment also. Of course, when you take tobacco land away from a tobacco farmer it means that he is handicapped and unless he can get other tobacco land then he must learn to earn a living in some other manner.

There was a unanimous report from the committee. It was thoroughly discussed with the assistance of the representatives of the Department of Agriculture. The committee decided to add a provision somewhat similar to the one which takes care of tobacco, for wheat, and cotton. They were added by way of amendments to this bill, which will be read to the House later.

I want to assure the membership of the House that this bill grew out of a very bad situation. It is being made worse by the establishment of more camps throughout the country. It applies only where the land is being taken for national-defense purposes.

Mr. KERR. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. KERR. It just means that the farmer whose land is taken transfers his acreage allotment to other land he may buy.

Mr. BARDEN. The gentleman is exactly right.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 313 of the Agricultural Adjustment Act of 1938 is hereby amended by adding at the end thereof the following new subsection:

"(h) Notwithstanding any other provision of this part 1, any person who owned a farm which in 1940 or thereafter was acquired by the United States for national-defense purposes, and who owns or acquires one or more other farms, shall, upon application to the local committee, be entitled to have an allotment for any one of such other farms owned by him for each of the 5 years succeeding the acquisition by the United States equal to the allotment which would have been made to such farm plus the allotment which would have been made to the farm acquired by the United States except for such acquisition: *Provided*, That such allotment shall not exceed 50 percent of the acreage of cropland in the farm in the case of flue-cured tobacco and 20 percent of the acreage of cropland in the farm in the case of kinds of tobacco other than flue-cured. Any farm for which the allotment has been determined under this subsection shall, after the end of such 5 years, have its allotment determined on the basis of past acreage of tobacco, land, labor, and equipment available for the production of tobacco, crop-rotation practices, and soil and other physical factors affecting the production of tobacco: *Provided further*, That the provisions of this subsection shall not be applicable so long as there is any penalty due and unpaid, or a failure to account for the disposition of tobacco produced on the farm acquired by the United States, or if the allotment next established for such farm would have been reduced because of the false or improper identification of tobacco produced on or marketed from such farm. Nothing in this subsection shall be construed as preventing the Secretary from operating any allotment pool from which allotments are made to share tenants or sharecroppers who move from farms acquired by the United States for national defense purposes to other farms purchased and operated by such persons."

With the following committee amendment:

Page 3, after line 4, add the following:

"SEC. 2. Section 334 of the Agricultural Adjustment Act of 1938, as amended, is hereby further amended by adding at the end thereof the following new subsection:

"'(d) Notwithstanding any other provision of this section, the allotments established, or which would have been established, for any farm acquired in 1940 or thereafter by the United States for national defense purposes shall be placed in an allotment pool and shall be used only to establish allotments for other farms owned or acquired by the owner of

the farm so acquired by the United States. The allotment so made for any farm, including a farm on which wheat has not been planted during any of the three marketing years preceding the marketing year in which the allotment is made, shall compare with the allotments established for other farms in the same area which are similar except for the past acreage of wheat.'

"SEC. 3. Section 344 of the Agricultural Adjustment Act of 1938, as amended, is hereby further amended by adding the following new subsection:

"'(j) Notwithstanding any other provision of this section, the allotment established, or which would have been established, for any farm acquired in 1940 or thereafter by the United States for national defense purposes shall be placed in an allotment pool and shall be used only for establishing allotments for farms owned or acquired by the owner of the farm so acquired by the United States. The allotment so made for any farm, including a farm which was not used for cotton production during any of the three calendar years immediately preceding the year for which the allotment is made, shall compare with the allotments established for other farms in the same area which are similar except for the past acreage of cotton, taking into consideration the character and adaptability of soil and other physical facilities affecting the production of cotton. Allotments established pursuant to this subsection shall not affect the allotments for other farms in the county and the acreage allotted to farms in the county shall be increased to the extent of such allotments.'

"SEC. 4 Section 8 (c) (2) of the Soil Conservation and Domestic Allotment Act, as amended, is hereby further amended by adding at the end thereof the following new sentences: 'Notwithstanding any other provision of this section, the allotments established, or which would have been established, for any farm acquired in 1940 or thereafter by the United States for national defense purposes shall be placed in an allotment pool and shall be used only to establish allotments for other farms owned or acquired by the owner of the farm so acquired by the United States. The allotments so made for any farm, including a farm on which wheat has not been planted during any of the 3 marketing years preceding the marketing year in which the allotment is made, shall compare with the allotments established for other farms in the same area which are similar except for the past acreage of wheat.'"

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to provide for the adjustment of tobacco, wheat, and cotton-marketing quotas and acreage allotments in certain cases where farm land is acquired by the United States for defense purposes."

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that all Members interested in this bill may for the balance of the day extend their remarks on the bill in the RECORD at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FOLGER. Mr. Speaker, I am very much interested in and in favor of H. R. 6353. To my mind, and in my opinion, the legislation provided for in the bill is necessary.

In my district a camp is shortly to be constructed. It is contemplated, and indeed determined, that between 40,000 and 60,000 acres of land will be acquired by the Government in one county, the county of Granville; in Person County, 15,000 to 20,000 acres; in Durham County, 10,000 to 15,000 acres. The larger part of this land constitutes a tobacco-growing section. There is produced the highest grade of flue-cured tobacco. The farmers depend on it very largely as a money crop. In Granville, 40,000 to 50,000 acres of the land will be taken by the Government, and the farmers must move off; in Person, 20,000 acres, and the farmers must move off; in Durham, probably 15,000, and they must move off. They are what we might say tobacco growers. The land itself and the climate are conducive to tobacco production.

Under law, and by authority of the Department of Agriculture, tobacco-acreage allotments have been made to this territory. The farmers who know how to grow tobacco must have other tobacco land. It will not be helpful that the lands can be secured unless tobacco-acreage allotments are provided for. It will not increase the total of tobacco acreage if a transfer of the allotment from the lands taken by the Government for defense purposes is made to other lands hereafter acquired by the farmers whose lands have been taken. This is true also as to cotton, which is handled largely in the same or a similar way.

It is desirable that the citizens be retained in their own several counties. As far as possible, this will be done if this bill is passed. Provision is also made in the bill for wheat and other commodities. This has been given attention to by Members of the Congress who have more information as to the manner of handling that problem than I do. Our people do not hope to make a money crop out of wheat or corn. They do try to make enough for their own use and, in some instances, to sell.

I believe it is not only advisable but an absolute necessity that this bill should become law.

Mr. DURHAM. Mr. Speaker, no one realizes the importance of this legislation unless he has had to go through with displacement brought about in his district by our defense program. I have endeavored to guide my people affected by such displacement and be helpful in all ways possible.

As it is a serious matter to ask our people to vacate their homes in which their parents and generations before them have lived, we, as Members of Congress, should protect them as far as possible. I believe this measure assures them and protects their rights under our farm program and hope this measure can be speedily enacted into law. As many of my people are today faced with securing new farms, it will be necessary for speed so that they will not be deprived of this year's income.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that Calendar Wednesday business for this week may be dispensed with.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

NAVAL APPROPRIATION BILL, FISCAL YEAR 1943

Mr. SCRUGHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6460, Rept. No. 1676) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes; and pending that I should like to reach an agreement with the gentleman from Pennsylvania as to time for general debate. Would 3 hours be sufficient?

Mr. DITTER. That will be agreeable.

Mr. SCRUGHAM. Mr. Speaker, I ask unanimous consent that general debate on the bill shall continue for 3 hours, the time to be equally divided and controlled by myself and the gentleman from Pennsylvania [Mr. DITTER].

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Nevada.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6460, the naval appropriation bill for the fiscal year 1943, including additional appropriations, fiscal year 1942, with Mr. BLAND in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SCRUGHAM. Mr. Chairman, I yield myself 25 minutes.

Mr. Chairman, this naval appropriation bill may be considered as America's major answer to the challenge made by the forces of autocracy. It carries out the intent expressed in the declarations of war made on December 8 and December 11.

The measure proposes a cash appropriation of the colossal sum of $17,722,565,500, plus contractual authorizations, which bring the total to approximately $20,000,000,000. Not excepting the record-breaking aviation appropriation passed by the House on Friday, this bill is by far the largest appropriation measure ever presented to a legislative body. It means far-reaching industrial readjustments as well as great shifts of population.

The vast sum to be appropriated is not only justified but it is necessitated if we are to insure the safety and integrity of our national existence. We face a fight to a finish with probably the most formidable military machine that mankind can create. It is a herculean task.

The figures given are not a blind guess at costs, nor do they constitute a blank check on the Treasury of the United States given to naval procurement authorities. They are offered to the Congress only after a careful study of detailed estimates made by members of the subcommittee and our committee clerk,

assisted by the Navy budget officer and numerous naval experts.

Much of the information on which details of this appropriation bill is based is of a highly confidential military nature. The report contains all of the information considered appropriate for release at this time.

The Navy, including its air component, is our first line of defense. Upon it also rests the grave responsibility of leading the offensive necessary for victory. In addition, it has a vast defensive task in patrolling the thousands of miles of our coast line and in constituting two great mobile arcs of fighting forces for the protection of sea lanes leading to the scenes of combat. From Iceland to the Straits of Magellan and from there to the Bering Sea, the Navy must defend the Western Hemisphere against enemy encroachments. It must guarantee our lines of communications east, west, north, and south. Never before in history has such a far-reaching and difficult problem been presented to any military organization. Such colossal requirements demand colossal appropriations.

The ultimate strength and efficiency of the Navy depends upon action by the Congress of the United States, in implementing it with money to provide all necessary mechanisms of warfare. Let it never be said that this Congress was neglectful of its task in any respect.

Nevertheless this statement does not mean that our responsibility ends when we vote vast sums of money for military uses. The legislative body is, and will continue to be, the elected representative of the people of the Nation. It is our duty and responsibility to give voice to their thoughts and desires as we interpret them.

The distressing debacle at Pearl Harbor actually had merit in the broad perspective of the world-shaking events that have followed. The incident has made the people of our Nation think, and to understand hitherto misunderstood things as they really are.

At Pearl Harbor was sounded the death knell of leadership of false prophets, who under delusions of keeping us out of war, would have stopped preparations for defense, and who chorused with Lindbergh that we should make friends with Germany, the probable winner of the conflict. Gone or quiescent are the influences that feared to offend Japan and encouraged their vast imports of war materials from the United States. A costly and tragic lesson in foreign relations has been given to us.

Clearly the greatest of all lessons from the Hawaiian disaster, however, is the positive demonstration of aerial supremacy in warfare. There we have received a most providential warning that we live in an epoch in which the mastery of the air is necessary for the mastery of the land and the sea.

Just as the old-line infantry and cavalry soldiers were shown to be impotent against mobile mechanisms, so we have proof that earth-bound mechanisms, including the costly battleships, are equally impotent against the armadas of the air.

The easy victory of Japanese air power over our first-line fighting ships at Pearl Harbor might have been charged to lack of preparation on part of the crews of the vessels, who were not expecting the treacherous attack. But no such excuse can be given in the case of the sinking of the two most modern exponents of British naval supremacy, the *Prince of Wales* and the *Repulse*, both equipped with every accepted device to withstand and repel assaults from the skies, and whose crews must have been on the alert in every sense.

Thus far the outstanding successful military activity of our military forces has been the sinking of the Japanese battleship *Haruna*. Was this done by the Asiatic Fleet? No; it was accomplished by a single airplane. Even the *Bismarck*, most modern of German dreadnoughts, which sank the 42,000-ton *Hood*, pride of the British Navy, was destroyed only after being tracked down and reduced to a helpless hulk by fierce air attacks. It is true that the final torpedo salvo was delivered by a British cruiser, but an airplane torpedo carrier or bomber could have finished the job with greater efficiency, if we are to believe accounts of the destruction of the *Repulse* and the *Prince of Wales*.

In navy yards in this country, I have personally seen many British warships, commencing with the *Warspite* at Bremerton, very much disabled by aerial bombing. The only reason they were not totally destroyed was because the attacking airplanes were not equipped with heavier torpedoes or bombs.

The Battle of Crete will probably be known as one of the great decisive battles of history, in that it demonstrated the supremacy of air power over sea power.

I dwell on these facts, because public opinion must be further aroused if we are to break the deadly inertia of military conservatism in the pending preparations for national defense.

The records of past hearings conducted by the Navy and Army subcommittees on appropriations, and by the Naval and Military Affairs Committees, will conclusively demonstrate this contention. Citations by the score can be quoted about "battleships being so heavily armored that very little damage can be done by bombs or other explosives dropped from an airplane," and that "airplanes cannot fly from overseas or carrier ships and drop any appreciable weight of bombs on United States territory." Such statements doubtless represent the honest, though somewhat moldy, opinions of many military leaders. Newspaper and magazine articles by high officers of the Navy, published since the conquest of France by the Nazis, reiterate "that the Navy is unanimous in its belief that the battleship is still supreme at sea," and that "exaggerated statements as to the effect of bombing planes upon battleships should be heavily discounted."

I present these quotations, not in a sense of carping criticism, but for the purpose of having them examined with a large question mark and to bring out into bold relief public opinion as to whether or not this war is to be decided essentially by air supremacy.

If this is to be primarily an aerial war, then, not only our military and naval strategy, but our manufacturing capacity and tooling for actual production must be planned and allotted accordingly. If, on the other hand, aviation is to be only supplemental to other military forces, primarily because of the inability of air forces to seize and hold enemy territory, then a lesser emphasis should be placed on airplane manufacture, and more productive capacity should be devoted to the land and sea components of national defense. Do we wish to seize and hold enemy territory? If not, what is the objective of our armed forces that cannot be better attained by a heavy preponderance of air power? These questions are of grave and transcending importance. Congress is prepared to do its part as evidenced by these huge appropriation bills, but in addition it must investigate and correct mistakes in military policy.

After all, as I have stated before, this war is fundamentally a phase of the age-old struggle for possession and control of the world's raw-material resources. We have these things in abundance. With 7 percent of the world's population, we own or control more than 50 percent of the world's known raw-material resources. This supply is a major asset in war.

While we are now fighting, economically and politically, a defensive combat, it can be won in a military way only by tactics of aggression. Given a united home front and clear-cut objectives, we have every advantage on our side. We must have only one primary national objective, that is, to win the war.

In this era of mechanized warfare, we admittedly have the marked preponderance of raw materials, inventive genius, manufacturing capacity; and technical aptitude needed to give us complete mastery. To achieve victory, we need only time for essential preparation, the adoption of a policy of audacious attack, and to take the leadership instead of following the enemy in military innovations.

In this connection, the committee has accepted the Navy's estimate and added more than $500,000 to the Budget estimates for the Naval Research Laboratory. This agency, in our judgment, is of inestimable value to the defense program. The laboratory personnel have already contributed in large part, to certain revolutionary advances made in the application of radio in warfare.

Other important innovations have been due to their painstaking scientific research. This country was formerly far behind the Germans in this respect, but are now again taking the lead. Additional important developments are now being evolved, and strong support should be given to the work of the talented research staff of the Navy.

At this point I wish especially to draw attention to the faithful and conscientious contributions of the members of the subcommittee: Messrs. CASEY, SHEPPARD, BEAM, THOMAS, DITTER, PLUMLEY, and JOHNSON, and especially of our indispensable Clerk, John Pugh, to the formulation of this bill. The results of their

combined efforts, insofar as can be properly recorded in print, are embodied in the report on the bill and accompanying hearings, which are available to all Members of the House.

The Budget submissions were so voluminous and involved that I was constrained to share the detailed work of studying the estimates and hearing the witnesses with all my subcommittee colleagues, whose names I have just given. They did a splendid job, and I wish publicly to again acknowledge my appreciation. I would also be remiss, Mr. Chairman, if I failed to speak of the splendid help we have had from the distinguished gentleman from Georgia [Mr. VINSON], who presides over the Naval Legislative Committee. We have had splendid teamwork with his committee. Let me say, further, please, that the Nation is indebted to this man and his Naval Affairs Committee for their vision and their determination in building up the United States Navy.

There is little that may be said publicly as to the details of this measure. The hearings, you will find, are practically devoid of any definite information as to programs or policies.

Obviously, the war declarations meant all-out readiness. Preparations going forward had to be hastened and are being hastened; thorough protection became instantly necessary of the seaboard, wherever potential attack or encroachment from surface and subsurface craft lay; additional provision for combat operations and combat maintenance of forces on, under, and over the sea became imperatively necessary; and the need became acute for additional craft of special types for fleet and coastal assignments. These general considerations called for a large increase in personnel, commissioned and enlisted, and a greatly augmented outlay for matériel. Speed-up constitutes no small part of the added expense. Additional labor, overtime pay, and additional productive capacity are costly factors. In addition, personnel and vessel expansion make necessary a further large number of public works projects, and the indefiniteness of fleet operations requires the immediate availability of funds for undertaking emergency projects wherever the need may arise.

This generalization applies to the amounts provided in the bill both for the fiscal years 1942 and 1943, and legislative authorization exists for practically all of them; some of quite recent origin. Exceptions, which apply to public works and ship construction, have been approved by the House in the bills H. R. 6333 and H. R. 6392, respectively, the former having passed January 20, and the latter on January 21.

The original Budget for 1943 was shaped while we were still at peace. The attack on Pearl Harbor precipitated new needs, the enlargement of going programs, and the greatest possible expedition. Consequently, the 1943 Budget was restudied and an integrated program was worked out, to be started immediately in the fiscal year 1942 and carried forward through and beyond the fiscal year 1943. Only in isolated cases did complete separability obtain, but even they formed a part of the all-out war basis movement. It was not possible under the new set-up for consideration to be given to a separation of the money needs for 1942 and 1943. That is why this bill is not confined to the fiscal year 1943, as would normally be the case.

We started our hearings on this measure the 12th of January—the scheduled starting date, and concluded them the evening of January 16. We marked the bill up the following Monday, the 19th, and were in readiness to report the 23d—11 working days all told.

There appeared before us the Secretary of the Navy, Mr. Knox; the Chief of Naval Operations, Admiral Stark; the new Commander in Chief of the United States Fleet, Admiral King; and all of the branch chiefs and office and division heads in the Navy Department. We were made thoroughly acquainted with the Navy's chief problems and of their relationship to operations as a whole, to the extent that they can be projected at this time.

The bill before us is the net result.

It carries appropriations aggregating $17,722,565,474, of which $4,292,225,000 is for the current fiscal year and $13,430,339,974 is for the fiscal year ending June 30, 1943.

The bill carries the total Budget estimate with the exception of $274,615. We made a half dozen minor changes, as shown at the top of page 3 of the report, and which are explained on page 6 of the report, resulting in a net reduction of the amount stated.

The major amounts of money for both years fall under five heads:

Personnel	$1,339,113,068
Fleet maintenance and operation	5,083,185,348
Aviation	1,668,281,470
New ship construction	8,206,760,385
Public works	585,525,246

Of course, all naval budgets, apart from building programs, may be said to be in response to two major factors—operating ships and operating planes.

The number of operating ships is increasing daily and will be added to very appreciably before the close of the next fiscal year. Through overtime and speed-up measures generally, the completion of combatant ships building will be advanced several months. Similarly, authorized auxiliary tonnage and miscellaneous light craft will be completed at a more rapid rate. On January 9, 1942, there were 383 combatant ships building, and 3,136 craft in the auxiliary and special-type categories. Above figures exclude 1,096,430 tons of the 1,350,000 tons of auxiliary types also recently authorized, all of which it is planned to proceed with just as rapidly as may be possible. The figures also exclude the 150,000 tons of combatant ships authorized last December 23. We are proposing in this bill to include the 1,799 special craft, combat and noncombat, which the House approved last Wednesday when it passed H. R. 6392.

The operating side of units built and of those being continually commissioned occasions a very appreciable additional amount in this bill, and by "operating" I refer to war employment. The added demands in the way of equipage of many kinds for ships in commission; for improved armament on old units and armament installations on new units not in the regular combatant categories; and for combat maintenance in the way of ordnance, fire control, radio, and other ship installations run into astronomical figures, but we are in this war to win, and not to temporize.

The personnel for the operation of such units as may be in service, for employment as armed guards on merchant vessels, and for filling essential shore billets must be very greatly expanded.

For the current year we have provided heretofore for an enlisted force of 369,000 men and approximately 58,000 officers.

Pay, subsistence, clothing, training, and transportation all contribute to the much larger expense.

For aviation we provide for additional program airplanes, for additional nonrigid airships, and for additional barrage balloons. We have been aiming at a total of 15,000 program airplanes for the Navy and Marine Corps. We have appropriated for considerably more than that number.

There is in the making, I understand, a program for a total of 27,000 naval airplanes.

The large increase in aviation funds ensues from a greater operating force. Deliveries are fast coming in, requiring cash payments.

I previously spoke of the construction program. Forty-six percent of the money in the bill is chargeable to that head, and we are told that the money will be spent, not merely obligated. The program is an enormous one, as I have previously pointed out.

There is included in the amount $1,888,600,000 on account of the newly approved program of 1,799 additional units, to cost a total of $3,900,000,000. This is a confidential program. It covers special types of vessels for employment in any number of possible theaters of action.

I probably shall be asked about battleships, so I shall anticipate the question. We are providing no funds for new battleship or capital ship undertakings. We have 15 of them actually under way, and the bill includes more than $300,000,000 for or toward their completion. Assuming that the present rate of ship loss should continue, the vessels now on the ways would be the only fleet left at the end of the war.

It is now the plan to slow down on the units the least advanced and to concentrate on expediting the ones slated for commissioning in the near future. In that connection, I might say that we canvassed the estimates very closely for projects not immediately necessary, projects that if undertaken or proceeded with might delay, directly or indirectly, getting the things most needed on the battlefronts.

I do not wish to be drawn into any argument about the capital-ship policy. The airplane has proven itself and will apparently lead ultimately to the complete effacement of the capital ship. We all have our own opinions about the matter, and it may be that they are not much

out of harmony. The fact of the matter is, though, we are at war and at war with powers that have both weapons—capital ships and airplanes. We must have acquisitions of ships to win the war.

Bear in mind we also have a tremendous transport job on our hands across thousands of miles of water. We cannot depend upon air protection over all of the routes. We must provide surface-ship protection composed of units fully as formidable as any that may attack our convoys. As long as our enemies may roam the seas with these heavily gunned and armored ships, we must have some suitable craft to pit against them, and to seek them out and destroy them in areas without the reach of aircraft.

All of you, no doubt, are fairly well acquainted with the extent of our set-back at Pearl Harbor. The rumors which have come to you and to me are not much at variance with the facts. The damage thus sustained must be made good. It is being made good, both through restoration and newly completed units. It is revolting to all of us, to see the initiative in other hands, and that situation must not long continue.

I still have the greatest of faith in our Navy. Among its manpower are those who will use the means we provide to strike hard and effectively, as soon as such means are adequate to sustain a concerted operation over the broad front on which we must operate.

The regular Budget for 1943 includes a long list of public works projects. In view of the acute war situation, some will be abandoned or deferred. For this reason some latitude of operation has been granted. We have to meet a world-wide problem of construction. We must provide funds to go into any area where there is a need for shore facilities to support our fleets in the air or on the sea. Under authority of H. R. 6333, we are appropriating $450,000,000 to meet such emergency situations. We have Budget estimates for the entire amount and for an additional $78,765,000 for carrying on with work under way. The entire amount is made available in a lump sum and will be available for expenditure or obligation upon approval of the bill.

As to the Marine Corps, its regular strength is to be increased to 104,000 men, instead of 60,000 as at present, as provided by recent law. Members of the Marine Corps Reserve will be on active duty in addition.

In conclusion, I repeat that this vast $20,000,000,000 appropriation authorization for the Navy is America's initial answer to the challenge of the Axis Powers in their declarations of war upon the United States.

The die is cast, and we are fully involved in a titantic life struggle for our existence as a free people. The far-flung battle line extends from the Arctic to the Tropics, and in war zones on the Atlantic and the Pacific.

New and audacious strategies of warfare must be devised, in which vast armadas for air attack will lead the offensive. Freedom of the skies is the first great objective.

Red tape in munitions production must be cut, and no mercy shown in retaining pompous incompetents in high positions. Results and results alone, must count as never before in the Nation's history.

Let each and every one do his allotted part, and inevitably America will be triumphant.

Mr. BEAM. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield to the gentleman from Illinois.

Mr. BEAM. As I understand the appropriations carried in this bill, they cover a complete over-all for airplanes and ships of every type for the successful conclusion of the war?

Mr. SCRUGHAM. That is correct.

Mr. DITTER. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, on behalf of the minority I want to express my appreciation to the chairman of the subcommittee for his many courtesies, and to compliment him for the very effective way in which the hearings were conducted. Every latitude was given the minority and every courtesy extended.

This is the largest bill that the House has ever been called upon to consider. Counting the contractual authorizations, this bill carries $20,000,000,000. That just staggers the imagination. It covers $20,000,000,000 for one activity in connection with this war effort. Of necessity, the care and the scrutiny that under ordinary circumstances should be directed by a subcommittee have not been possible in this instance. Time would not allow it. I believe the distinguished gentleman from Nevada said this was not a blank check, yet to a great extent this is a blank check.

We went through the hearings, we examined as far as we could the justifications, but of necessity there were limitations present at this time which under ordinary circumstances would not be present. Certain information the Navy officials very properly withheld. Many of the details which otherwise could have been explored with considerable care could not be inquired into by reason of the speed with which this program has been put on.

Speaking for myself, and I believe for the other Members of the minority, by approving this measure we are not condoning the practice of the issuance of blank checks. Let that be very definitely understood. On the other hand, our acquiescence in the program creates two responsibilities, and we intend to challenge those who are charged with those responsibilities. Commitments have been made from which serious responsibilities spring. We intend to see to it that those responsibilities are discharged faithfully.

We first charge the majority with the responsibility of the utmost good faith. The power which you are permitted to wield carries with it most serious obligations. You are trustees. The majority controls the program. The administration in power of necessity can do things which the minority cannot do, and in the measure by which delegations of authority have been made to the majority, by that same measure the responsibility of the majority will be determined. You will be called upon for a complete accounting of your stewardship. Only as candor, and frankness, and honesty are in evidence can that accounting be made.

The second responsibility which is created by the circumstances with which we are faced is a responsibility which vests in the Navy. We are giving to the armed forces of the country, to the Secretary of the Navy, the Secretary of War, the high command of both, unusual authority today and unusual power. An accounting will some day be demanded by the country and by the Congress of the stewardship with which they presently are chargeable. Both of these responsibilities create on the part of those who are charged with them a very high degree of care and the utmost good faith. My hope is that the majority will respond to that challenge. I feel confident the Navy will.

Seventeen billion dollars in appropriations and $3,000,000,000 in authorizations is a lot of money. I think there are some things which we should realize as we appropriate these sums.

Let us remember that the cost of this program is very materially affected by the general policies of government pursued by the administration in power. It is my own conviction that you cannot expect fighting men to be on the front lines for 48, 52, or 60 and more hours a week and have the working men back home operating on a program which is measured largely on the basis of the retention of certain social objectives. I am convinced this all-out war effort in which we are engaged is going to mean, and it had better mean it pretty soon, that some of these social objectives will have to be relegated, for the time being, at least, to the rear. If we want to win we shall have to work. The luxury, the ease, the contentment, of a quieter season and more pleasant surroundings, just do not fit into this all-out war effort in which we are presently engaged. We have been playing around with production, not working at it.

I am afraid that we have overemphasized for some years the importance of getting without giving. An easy way of life has been encouraged. Premiums have been paid for indolence while industry was being penalized. Instead of providing incentives for work—incentives for doing a better job, incentives for greater application, incentives for conscientious, painstaking, and thorough workmanship—I say, instead of incentives such as these, the Government has encouraged a minimum of effort with a maximum of benefit. I am convinced that we cannot coddle ourselves to victory in this war. It is going to mean working and fighting our way to win. Make no mistake about it, there will be no thought of or time for social objectives with the men at the front. Nonessentials, furbelows, and frills, the ornaments on which so much attention has been lavished for some years past, will have no place there. Every one of them will be at a discount.

We have a job at hand—a rebuilding job, the job of coming down out of the clouds, out of our daydreaming, and taking hold of the realities as they are. We have been brought abruptly and by

a tragic incident to stark realities. War is not a matter of words. It is a matter of work—hard work and plenty of it. For far too long the attempt has been made to impress upon our people the thought that social gains are more important than the strengthening of our defenses. Every effort is being made to ease us into the serious undertaking, involving as it does the most far-reaching obligations with which we find ourselves confronted. We can never make ourselves the arsenal of democracy by talking about, or, for that matter, by contenting ourselves with appropriating for it. An arsenal is a workshop, not a wishing well.

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to the gentleman from New York.

Mr. WILLIAM T. PHEIFFER. The gentleman will recall that in a colloquy with him on the floor the other day I pointed out that on December 8, the day following the attack by Japan, the President approved a project costing $254,000 under the jurisdiction and aegis of the Federal Works Agency, for a totally unnecessary work to be done in New York City, making photographs of city-owned property.

Here is another beauty that I think fits in exactly with what the gentleman is saying. This one was approved just last week. Under date of January 22, 1942, the President approved this Federal Works Agency project, which is costing the American taxpayers $485,431. Here it is:

To microphotograph essential municipal records, including surveying material to be processed, preparing material, finishing films and restoring original materials to required form and order, and performing appurtenant and incidental work.

May I ask the gentleman whether in his judgment a project of this sort, which is not necessary even in normal times, cannot wait until we have won the war?

Mr. DITTER. The gentleman knows, I believe, that I have opposed wastefulness since 1933. Of course, these microphotographs are not necessary; of course, they cannot be justified; but I am concerned now not only with the wasting of the money—as important as that may be—but I am concerned about the wastefulness of the effort and the energy and the time. I believe we had better get down to bedrock and put first things first. These nonessentials mean man-hours thrown away; effort and energy frittered away, lost, never to be reclaimed. That is the tragedy.

Let us be brutally frank with ourselves. Why is it that we are not on a 48-hour week? Because it might not be politically advantageous; it might not be popular to abandon these social objectives and come down to the brass-tack proposition that a greater amount of work will have to be done if this war is to be won. I repeat, if we are to win we must work.

This is a war of production. Production does not spring from phrases. Production is a very practical thing. It is neither idealogical nor sentimental. Production means plenty of brawn and plenty of sweat and plenty of hard work. You do not produce tanks or guns or planes or ships by making proclamations from this rostrum here in the House. Fancy phrases and optimistic promises are of no value in the assembly lines. It is performances, not promises, that we need.

Let us be courageous enough to tell the rank and file of our people that this job is going to be done in the shops and in the factories, at the forge and at the furnace, by the things that Churchill demanded of his people—by sweat and toil and tears and sacrifice. The responsibility for such a declaration rests on those who claim the privilege of leadership today. And the duty to put this doctrine into practice is in the self-same place. I do think there is one activity of the Navy that has not had the attention it should have had. I refer to the Intelligence Division. Circumstances will not permit me to disclose the complete confidences of the committee room, but I do feel that I can say that I think our all-out effort now, our position now, would be materially stronger if the Intelligence Divisions of the Navy and of the Army had done the job they should have done in the years that are past.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. DITTER. I hope the gentleman will withhold the point of order, Mr. Chairman.

Mr. TREADWAY. The gentleman is talking about a $20,000,000,000 bill. With the number of Members now on the floor, I think the point of order is well taken. However, if the gentleman prefers that I do not make it, I shall withdraw it.

Mr. DITTER. I prefer that the gentleman withdraw the point of order.

Mr. TREADWAY. I withdraw the point of order, Mr. Chairman.

Mr. DITTER. After all, we know that many of the Members have their committee meetings and are otherwise engaged. Undoubtedly it is not a lack of interest in the present measure which causes their absence from the floor but the fact that other duties press upon them; so I do appreciate the gentleman's withdrawal of the point of order.

It seems to me that the intelligence branch of the service could have done a better job than it did. Maybe the Congress is to blame, maybe the Committee on Naval Affairs is to blame, maybe the Committee on Naval Appropriations is to blame, or maybe the Secretary of the Navy is to blame, but somewhere there was a failure to use the means at hand to the best advantage in the days prior to Pearl Harbor. I think that is regrettable. There is certain information which we should have and which could have been secured and which we do not have today. The Intelligence Division of the Navy could have done some work in times past which was not done and which would be of inestimable value today.

I want to say a word or two about the Roberts report. First of all, I would be remiss and you would be surprised were I, as a Pennsylvanian, not to take pride in the fact that the chairman of that Commission is a distinguished Pennsylvanian. Justice Roberts came to the Court after proving his worth as a Federal investigator in the days of Teapot Dome.

I want to pay my respects to Justice Roberts in this new responsibility which he has undertaken and to say that Pennsylvania is proud of the way he has discharged that obligation. If there are any places where you and I might be critical of the report as such, it seems to me the criticism cannot be directed against the chairman, or, for that matter, against those who made up the commission. It may be that a force of circumstances required that some things be deleted, that some things be soft pedaled, that some things be touched upon lightly, and some things left to our imagination.

It is my conviction that the Roberts commission should not close whatever inquiry is to be made into the Pearl Harbor disaster. The commission is the creature of the executive branch of the Government. I believe this Congress owes it to the country to initiate its own inquiry. If that be the Naval Affairs Committee, well and good. Naturally I would hope that the Naval Affairs Committee might be gracious enough to include the appropriating committee in that inquiry when it is launched. Maybe it had better be a joint committee of the House and the other body. I know and you know from a reading of the newspapers of the last few days and from the editorial comment and from what the columnists have said there are some things which the people want to know and which they feel they have the right to know that have not been given in the report which has been made public. It is not a question of the amount of the damage. Nothing could be gained by such a disclosure. Much harm might be done.

Certainly we should not disclose what our losses were. It does seem to me that there are implications in that report which should not be ignored by this body. A very definite responsibility rests on the legislative branch of the Government to satisfy itself that the things which contributed to and were responsible for the disaster at Pearl Harbor will be corrected.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield myself 2 additional minutes.

I hope I can just challenge you with one last thought. I have asked one of the other Members from the Republican side to express her opinion with reference to the contribution that men can bring in this program. We are inclined today to put all emphasis on munitions and materials. I want you to be challenged by the inspiration that I believe will come as this Member brings her declaration that the men, the spirit of the men, will count most in the winning of the wa.. The courage, the fortitude, and the devotion of the manhood of America are the bulwarks of our defense.

Each of us will be called upon to shoulder a part of the burden. Day by day

the need for men will reach into more and more of the homes of our land. More and more will we feel the heartache of separation and come to know the sacrifices of loneliness. Hopes that had long been nurtured will be shattered. Memories will be prized possessions.

For this time of testing there can be but one sufficient source of strength—our faith in the God of our fathers. May that faith never fail us.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield 5 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, all will be in agreement that this is an unexpected moment for me. I think you will also be in agreement with me that the gentleman from Pennsylvania [Mr. DITTER] is right when he says that in the ultimate it is the men who are going to win the war, not the machines, necessary as these are.

This appropriation bill brings to us an immense responsibility. We must not only vote the needed funds but we must also raise the money to meet the appropriation. Two groups of men are therefore involved—indeed, three, because we must also build the ships and make the munitions. The responsibility rests equally upon all three; added up they include all the men of the United States of America; not one is left out. The group that is going to pay the bill includes all the rest, for are not all citizens of the United States responsible for their taxes?

Within this group are the men who work in our factories. I am glad to have an opportunity to say that I know from personal contact the loyalty to the United States of the workers in our factories. I know something of their attitude, I know something of the despair in some of their hearts when they have had to go out on strike, when it is really against the principle of their living, because they, too, want to do their bit. Some of them would much rather be in the fighting line, but they cannot get there. Some of them are too valuable in the production line. We can joyously trust that group if they are left free and if they will assume the responsibility for their leadership.

Like thousands of others who have sons in the Army, I want to feel that every man in every plant in this country recognizes his personal responsibility for those who speak for him. I want to feel that he will have the wisdom and the courage to change his spokesmen if they misinterpret his thinking and his desire to give complete cooperation to the war effort.

Then there are the men of the line, the men who are going to man the ships, who are going to shoot off the guns, who are going to have to kill people; not a pleasing thing in cold contemplation; but when that moment comes it brings with it a sense of exaltation. When you are fighting for something you believe in, life as such matters not at all. After all, it is only a transient thing—a little moment even at best, and then it is over, and death intervenes. And what is death but the opening of a door to a new life, a wider experience.

How our boys have demonstrated their capacity in the Pacific! It seems to me that we here in the Congress have a rare chance to make our fighting units feel that at this end everything is being done that can be done for America. We must first do it with money; then we must do it with watchfulness; and then we must do it with inspiration and with great care that everything we do is honest doing; that everything we do is fair to them first and then to the rest of us.

The gentleman from Pennsylvania made no mention of women when he asked me to speak for a moment of the human element that at long last will be the decisive factor in the victory that must and will be ours. I cannot do so, because women are already giving their best to assistance services with the Navy, the Army, the Marine Corps, and in defense plants. In one aviation plant that I visited I found that the very important final inspections were left to the women, because they were so careful, and it might mean a life if there were a crack in that particular little gadget. In addition to their defense work women continue to face death as they give birth to a never-ending flow of new generations of fighters and workers and dreamers and doers. In the actual united war effort women are doing all made possible to them. This may be a little limited by the restrictions of your apprehensions as to our capacity, but these restrictions are fast disappearing, and we hope that we shall measure up to everything you ask of us. Men and women together each doing that for which he or she is best fitted, all of us united in grim determination to win the war will mean assured victory.

Mr. DITTER. Mr. Chairman, I yield 30 minutes to the gentleman from Vermont [Mr. PLUMLEY].

Mr. PLUMLEY. Mr. Chairman, ever since I was born I have followed a woman. The first was my mother, then my sister, and then my wife, and on this day and at this time it is a very great pleasure for me feebly to represent our side, the male side of the aggregation, in stumbling through this presentation of what I believe ought to be said with reference to this bill.

We are considering a bill to appropriate approximately $20,000,000,000, or as the bill shows, exactly $17,722,565,474; a staggering, incomprehensible amount of money in a lump sum, the largest sum ever proposed in the history of Congress, made necessary in order to finance the objective of all Americans, to furnish the necessary money to fight this war, particularly to make possible the war objective of the Navy to attain overwhelming unquestioned supremacy above, below, and on the seas, and to maintain and to defend out traditional policy of the freedom of the seas.

What the Navy hopes and plans to do as evidenced by the testimony to be found in part in the hearings and as stated by Admiral Stark is to:

First. Increase its power to the point of unchallengeable supremacy wherever it may operate.

Second. Gain command of the sea by destruction of the enemies' sea-going forces.

Third. Cooperate with our own military forces and with the naval and military forces of our Allies.

Fourth. Destroy or shut off the enemy's commerce in order to effect economic strangulation, thereby promoting disaffection inside his borders.

There can be no question but that we have provided the necessary funds to enable the attainment of these objectives. It makes possible from a money standpoint the construction of 950,000 tons of warships, 500 smaller craft, and approximately 2,000 other vessels such as torpedo boats and the type of speedy boats for attack and patrol as have already been authorized. There will be aircraft carriers, light cruisers, 16 destroyers, and 23 submarines added to the fleet.

The money for all these necessary armaments and instruments of war has been appropriated It is now up to industry and management to deliver the goods. Naval air factory production of planes under plans to be put in operation at once will be speeded up from 500 to 1,500 a month Twenty-four-hour-a-day, around-the-clock production will deliver that number, and such action as is necessary to insure such delivery will be taken. The day for fooling around has passed. We will save or lose the fight in our factories and on our farms.

Millions of dollars in the appropriation go for ordnance, for research, and for maintenance and pay of Navy personnel. Increased ship commissioning, arming of merchantmen, and other demands undoubtedly will require an increase in Navy strength beyond its present authorization of 533,000 men.

A stupendous program is comprehended by this bill, true, but your committee is assured that it can be accomplished with unbelievable dispatch through the provision of additional facilities, overtime, extra shifts and acceleration of industry generally

We propose to make our Navy, second to none in the world, our first line of defense and to keep it there. We purpose and propose to supply men, money and material adeqaute in number and amount to meet any and all demands that may be made upon us in order to discharge the responsibility that is ours, and to save ourselves.

The subcommittee of which I have the honor to be a member has spent many anxious hours, day and night, studying the estimates and the testimony relating to this particular measure, and throughout the years has undertaken to present to the full committee and later to Congress, the consensus of its best judgment with respect to how much money has been and is needed by the Navy for adequate defense on the basis of representations made

We have not always agreed with the theories or figures which have been presented to us with respect to the necessities for larger expenditures of the taxpayers' money than we were inclined to make or to authorize, but as a rule we have relied upon the fundamental basis

on which the estimates have been made and presented to us.

It would be senseless to assert that the high command of the Navy were less patriotic than we or less concerned to protect and to defend the United States of America against all enemies. I have, however, sometimes quietly resented what seemed to be, in days gone by, a desire on the part of some to get all they could while the going was good; but as a general rule these men who have come before this committee have been very frank always, if pressed, to cut their requests to a minimum.

I have just been reading some of the hearings of other years. I cannot help adverting to the fact that times have changed since we were told:

A battleship is less vulnerable than any other vessel to air attack for the following reasons: Because of its size a battleship can be subdivided into a sufficient number of c mpartments to localize the damage that would be received from an aerial bomb.

It has sufficient size to carry armor which will make difficult the penetration of the decks of the ship by aircraft bombs.

It has sufficient size to carry a very effective antiaircraft battery which makes it difficult for the airplanes to make hits on the battleships. It would be extremely difficult to sink a battleship by aerial attack. It is not impossible to sink a battleship by aerial attack, but it would be extremely difficult.

I speak of this only in passing to call attention to the fact that if we are only half as well fitted to give advice looking to the future as we are looking back to criticize our lack of vision, we would be able to avoid many things which occur to upset our best-laid plans. In the face of facts and events, we shall realize how finite is our wisdom, and appreciate in all humbleness our limitations.

Then, again, I am reminded by my reading of the fact that I always resented it that the Navy never warmed up to the proposition of my subcommittee suggesting necessary acquisition of a stock pile of strategic material. We would recommend and include in our bill a sufficient sum to provide for such acquisition of strategic materials. The bill would pass the House, and then I have suspected with reason that the Navy used its influence with the Committee on Appropriations in the other branch of Congress, with the result to either eliminate the appropriation for strategic materials or to so mutilate it as to render it ineffective. I never liked this way of doing business, nor the result accomplished; and having said so privately, I propose to say so publicly. Now that the need for such strategic material is so desperate, the Navy points with pride to its belated attempt to acquire them. The fact is that, despite our attempts, they acquired too little too late.

The facts also are, as I have heretofore stated, that since this emergency came upon us, the Government has at long last been compelled to go into the markets of the world and to spend, unnecessarily, millions of dollars to buy strategic and critical materials, paying whatever price was demanded, when, had the committee's foresight been heretofore heeded, that material would have been on hand in a quantity sufficient to meet the needs of the exigency, procured either through the development of domestic resources or at prices well under those which obtain when an emergency prevails.

Much might well be said with regard to the mismanagement, the waste of time and money, the lack of use of funds placed at the disposal of those charged with responsibility for expending it, the partisan politics that played a prominent part prior to Pearl Harbor—but now is no time for crimination or recrimination. What has been done or has not been done will be disclosed by the record. Now is the time for action, and for the delivery of the products which America can manufacture in order to save itself.

The American people may have been—and I think have been—misled by high-sounding phrases and promises impossible of fulfillment. They should be told the truth. They should be given to know that this is going to be a grim, long, brutal, bloody war, not easily to be won.

Now, having got these two matters out of my system, I see no good to be gained from further undertaking the disinterring of the dead, or in "crying over spilt milk."

Some of us have felt that too much money was being spent along some particular line, and others have contended that not enough was being expended, but I assume that all of us have acted with but one controlling desire, and that was to prepare properly for all-out defense against any and all contingencies as we saw the need.

I will say that I resent any and all attempts on the part of anybody and everybody to point the finger of scorn or blame or to undertake to make a goat of the Secretary of the Navy or of the Committee on Appropriations for failure on the part of either or both to have prevented our entrance into this war as unprepared as we find ourselves to be.

If anybody is to be blamed for our lack of preparedness, it is the people of the United States. It has been impossible for some of them to believe or to comprehend that we could become involved in this war to the extent of ever having to make such preparations for defense against such involvement as we now know must be and should have been earlier made.

The complacent state of mind of the people has been reflected in the attitude of many Members of Congress, as a result of which, we have found ourselves unprepared and today are where we do not like to be. I do not impugn their motives, but time and events have proven their judgment poor and their arguments fallacious. They failed to face facts and declined to learn by the experience of others that which we must now learn at the cost of blood and treasure we can ill afford to sacrifice or lose.

However, I have but little use for the second-guessers and Monday-morning quarterbacks, whose hindsight is so much better than their foresight, who now undertake to tell us what to do and how to do it, after it is done. We might well profit now and for the future by their mistakes and never again permit ourselves to underestimate what it costs to maintain our form of government or to realize the responsibility to the world that is ours.

It will always be a blot on our escutcheon that there could be a Pearl Harbor catastrophe such as is listed in our history. It is unexplainable. The blame can never be placed fully and completely and fairly on any two men, or any small group. In the last analysis, of course, the ultimate responsibility rests on the Commander in Chief of the Army and Navy for the defense and protection of this country.

A lot of questions could be asked as to why there was no follow-up of the telegraphic warnings sent out of Washington frequently to the commanding officers of the Army and Navy in Hawaii, and those sent on the eve of that awful morning after.

Why, when the President and Cabinet had delivered an ultimatum to Japan which could mean nothing but war, were steps not also taken to put everybody on the alert No. 1, for war, undeclared.

And so on, one might go on ad infinitum, to come to the conclusion so well stated by David Lawrence to the effect that too much is required of and too much responsibility centers in the Commander in Chief of the Army and Navy, the only real and ultimate coordinator between the two armed services, with the man-killing responsibilities as President also on his hands. Says David Lawrence:

The system of uncoordinated command in Washington and in the field is obsolete. Three thousand American boys have paid with their lives to establish that fact.

So here we are. But where are we? We are facing a fight to a finish. The question, looking at appropriations, and as between the amount of money to be expended and the danger to us that may accrue therefrom in the number of lives to be lost if we do not expend it, can have but one answer. We cannot measure freedom and liberty in dollars. We must and shall have to make such sacrifices and submit to such deprivations of comforts and conveniences in the days to come as will protect our lives, our liberty, and our standards of living, no matter what the cost in dollars may be. Dollars can be earned. Lives lost cannot be restored.

The burden of our responsibility as a Congress is not so much found in the number of dollars of the taxpayers' money we spend in their behalf as in our responsibility for bringing home to the people of this country the fact that unless they are willing to work their fingers off to the knuckles and to the wrists to furnish that money our appropriations are idle gestures and the liberties they love are lost.

This bill which we are about to pass, which carries an appropriation for $20,000,000,000 in round numbers is but a drop in the bucket, as compared with the money measure of the taxpayers' effort which will be called for in sweat and blood and tears, if we are to win.

There is not an item in this bill, as it is submitted to you for your consideration, not a dollar, which we as Americans

can afford not to spend in our own behalf in this emergency.

The voting of this appropriation and the providing of the funds to meet it is only the beginning of things and expenditures unless and until the American people are shocked out of their conceit and complacency to fully realize the responsibility that rests on them and they gear themselves, and all their activities in order to cooperate and to coordinate and to devote all that they have or ever expect to be to the single, wholehearted, determined, sole purpose of winning this war.

The American people have not reached that point as yet, as we have who have come to a realizing sense of the fact that all our boasting and bragging with respect to our bigness and indefeatability up to this minute—has been put to a test, and has been broken down—that at this moment we are licked on paper, and only by the grace of God, and our own right arms can we hope to retrieve our losses and to go on to a victory we are now far from having achieved.

That is the plain, unvarnished truth, and that is what the American people are entitled to know. We can win if we will, but it will take a long time and all our ingenuity and power and the might of right to do it. Make no mistake.

"All that is needed," as the late President Calvin Coolidge once said, "is for us to give what we think America is worth.

"The resources of our country are sufficient if we use them to help each other."

The fate of the theory of Democratic-Republican government; the sanctity and the safety of all the rights of the individual citizen; of the freedom and the liberties guaranteed to us by our Bill of Rights, are in a balance which is weighted against us because, paradoxically, of the superiority of our intelligence, the high standards of living which we enjoy, the faith and the hope we have had. We must, nevertheless, fight or die.

Mr. CASEY of Massachusetts. Mr. Chairman, I yield 10 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, we are appropriating billions of dollars for the defense of our country. I do not believe there will be a vote against this appropriation bill. We are in this war, and we have got to fight our way out and win, regardless of the cost in money and human blood.

The subject that I wish to address the members on at the present time is not this bill. It is the question of providing for the aged and needy people of this country at this time. We cannot overlook our war here against poverty. We have want among the aged people throughout the United States. There are aged people who scarcely are able to get the bare necessities of life. The Government of the United States is committed to the establishment among the "four freedoms" of freedom from want everywhere. I think we should consider the matter of establishing freedom from want in this country first. I filed on the Speaker's desk on June 10, 1941, a petition numbered 7, to get before the House for consideration a bill that would make provision to take care of the aged people of this country who are in need.

Many of you members are under a misapprehension as to the nature of this bill. Some think it provides for a payment of $200 per month for those qualified to receive it. Others think it provides for a lesser sum. For your information I will state to you that on the best estimate available the amount that would be paid at the present level of our national income would be approximately $51 per month.

One of the outstanding features of the bill is that this payment would go to all people over 60 years of age. These annuities would be raised by a gross income tax of 2 percent of all incomes in excess of $250 per month or $3,000 per year; and thus the salaried man in the lower brackets would not be burdened. The collection of this tax would be done comparatively without cost as it would be payable through the revenue department.

One hundred and sixty-six Members of this House have signed the petition. Two hundred and eighteen names are required to discharge the committee that now has this bill.

I do not want to discuss the reasonableness of such a rule requiring as many signatures to take a bill out of committee as it would require to pass the bill were every Member of the House on the floor of the House at the time the bill came up for consideration. I made an attempt 3 or 4 years ago to amend this rule and provide for a reasonable number to sign a petition to get a bill up for consideration, but I did not succeed in getting anywhere with that proposed amendment to the rule. Others have tried and failed.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. HOFFMAN. Was the gentleman talking about the petition on the Townsend bill?

Mr. O'CONNOR. I am talking about petition No. 7, to bring up for consideration the bill that incorporates the Townsend plan.

Now, here is the situation: I am not asking anything unfair when I plead with the membership of this House for a sufficient number of Members who have not signed to sign. Your signature on the petition does not commit you to vote for the bill. It insures consideration of the bill. Of course, I am not telling you anything you do not already know. I am simply reminding you of it.

Now what is the primary purpose of this bill? I believe I can tell it to you in a very few words: It is to provide a means of decent livelihood for the senior citizens of this country. That is essentially all there is to it.

Mr. HOFFMAN. Will the gentleman yield further?

Mr. O'CONNOR. I yield.

Mr. HOFFMAN. Do you not think you would get more signatures on that petition if you had a lobby down here such as the A. F. of L. or the C. I. O., or these other organizations, or do you not have the money to finance that kind of a lobby?

Mr. O'CONNOR. I will say that as far as lobbies are concerned, they have never worked on me and I do not know whether they are here or not.

Mr. HOFFMAN. Let me add to that, your Townsend bill vote is not controlled in the way these others are, so that we are not afraid of it so much.

Mr. O'CONNOR. Millions of aged people are our lobby. Men and women throughout the United States are asking this Congress, by petition and otherwise, to have their Members from the various States sign this petition to bring this bill up for consideration. If you do not like the bill as it is written, when it comes up for consideration amend it so that it will meet with your ideas of justice. I want something done for the aged people of this country, and now is the time to do it.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from California.

Mr. SHEPPARD. I would like to ask the gentleman this question: In his statement he does not wish us to assume that he would take anything from this appropriation for the purpose of any other measure at this time?

Mr. O'CONNOR. Absolutely not.

Mr. SHEPPARD. I wanted that straight.

Mr. O'CONNOR. As I said, this appropriation bill should go through without a dissenting vote, because we are in this war. We have got to win it, regardless of cost in human beings and money. So that is settled.

Mr. HOFFMAN. Will the gentleman yield to me?

Mr. O'CONNOR. I yield.

Mr. HOFFMAN. The administration, as I understand it, has not given the green light to your pension for the aged. That may be one reason. Do you not believe that if the Townsend organization or whatever this organization may be, would contribute as the C. I. O. did, three-quarters of a million to the campaign fund, they would get much further?

Mr. O'CONNOR. Well, the gentleman can answer his own question.

Mr. HOFFMAN. I think you would. I think you must buy everything you get out of this administration.

Mr. O'CONNOR. I am not going to engage in a controversy of that kind with the gentleman at this time. The gentleman's statement, however, has reminded me of a statement made by the President of the United States in the fall of 1940 at the Mayflower Hotel, where he used these words:

> Our old-age-pension system must be improved and extended. The amount of the pension should be increased and above all these pensions must be given in a manner which will respect the dignity of the life of service and labor which our aged citizens have given to the Nation.

Continuing, he said:

> It is my hope that soon the United States will have a national system under which no needy man or woman within our borders will lack a minimum old-age pension which will

provide adequate food, clothing, and lodging at the end of the road without having to go to the poorhouse to get it, and I look forward to a system which, in addition to this bare minimum, will enable those who have faithfully toiled in any occupation to build up additional security for their old age which will allow them to live in comfort and happiness.

I believed the President of the United States when he uttered those words, and I believe him now. I think he will support us now.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. KNUTSON. I would not want to intimate that that was campaign oratory.

Mr. O'CONNOR. Of course, you want to ask Mr. Willkie about that. He knows more about campaign oratory than Mr. Roosevelt.

Mr. KNUTSON. Well, they both know plenty on that question.

Mr. JOHNS. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. JOHNS. Does the gentleman believe the President had Congress in mind at that time?

Mr. O'CONNOR. I doubt it. Now, I am going to bring this question up and what I say is not by way of criticism at all, because I am one of you, but the bill which the press is condemning us for today went through this House by unanimous consent.

Mr. RUSSELL. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. RUSSELL. That bill went through this House with only a handful of Members present. I want to go on record now as saying that if I had been here I would have opposed that bill.

I want to go on record now that if some other Member does not introduce a bill to repeal that atrocious act I will do so myself.

[Here the gavel fell.]

Mr. CASEY of Massachusetts. Mr. Chairman, I yield 5 additional minutes to the gentleman from Montana.

Mr. O'CONNOR. The bill brings within the provisions of the Retirement Act in the neighborhood of 1,000,000 persons who were not theretofore covered. It simply extends the same right to Members of Congress that the Congress extended to fourth-class postmasters and others a year or two ago in an amendment to the Social Security Act. That provision was acceptable to the country. The bill that contained the amendment including Congressmen could not be particularly criticized in the form in which it passed the House. It was drastically amended, however, in the Senate. But, all in all, the bill passed both Houses, has been signed by the President, and is now the law. I want to remind you that the Congress has provided for full retirement pay for Federal judges. Under the operation of the amendment including Congressmen no such amount is payable to any Congressman, regardless of the time he has served. I cannot say that I criticize the Congress for including its Members in the Social Security Act, but I do say that there are in the neighborhood of 27,000,000 people who are not covered by the above act whom we all know are more in need than certain other specified classes. This large number of citizens, numbering around 27,000,000, should have been considered first by the Congress, but it is not too late. We can still provide for these millions of people.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. CRAWFORD. Going back to the gentleman's statement a while ago with reference to the President's remarks in 1940, I want to get the gentleman's judgment on this question: Does the gentleman believe that the outpouring for this war and our war effort will leave the economy of this country in a position where those aged people referred to by the President can get those benefits?

Mr. O'CONNOR. If we ever reach a point where we cannot take care of our old people who are hungry and who are ill-clothed and ill-housed then we had better do something about it. We have pledged the resources of this country to establish freedom from want everywhere throughout the world. Now, let us apply it at home here. I can take the gentleman almost within the shadow of the dome of this Capitol and show him people who are in need. You cannot walk down the streets of Washington, you cannot walk down the streets of any city in the United States and not see people who are in need; and it is up to us to do something about it. This is the only forum to which they can appeal.

Mr. CRAWFORD. If the gentleman will permit, the point I am developing is this, that in our world-wide commitments in the material, financial, and military alliances which we are now forming, there is only one move for the old people of this country from the standpoint of living, and that is downward.

Mr. O'CONNOR. That applies to the gentleman, to me, and to everybody.

Mr. CRAWFORD. Certainly it does; and I am not going to mislead the old people in my district into believing that this will be given to them.

Mr. O'CONNOR. Oh, my God! Do not say to those old people that we refuse to consider a bill to extend to them a portion of the benefit we extend to ourselves.

Mr. CRAWFORD. I am not talking about the congressional pension bill at all, I am talking about the other proposition.

Mr. O'CONNOR. I am talking about the principle of the whole thing, what we have done and what we can do.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. KNUTSON. I understand there is a strong movement on foot now for a union of all the democracies under one government.

Mr. O'CONNOR. Oh, God, if that should ever happen our people would be sunk.

Mr. KNUTSON. Let us look at it from another angle. Suppose we gathered all the "have nots" under the Stars and Stripes.

Mr. O'CONNOR. Then we should go right down to their level.

Mr. KNUTSON. We shall be strong enough to put through the plan. Maybe we will not have the money to pay it, but we at least can adopt the plan.

Mr. O'CONNOR. Yes; I will tell the gentleman what will happen if we ever come to a union of nations as contemplated by some people: The standard of living in this country will go right down to the lowest level of any.

Mr. KNUTSON. There is no doubt about that.

Mr. O'CONNOR. And yet people are advocating union with nations whose standard of living is in some instances 300 percent lower than ours.

Mr. KNUTSON. I think the gentleman is absolutely right.

Mr. O'CONNOR. I thank the gentleman. Now, I am going to make one final appeal to Members who have not signed this petition to sign it. I want to see some bill passed by this House and by the Senate that will give the aged and needy people of this country the same consideration that Congress extended to its own Members. We cannot do less and be true to ourselves.

[Here the gavel fell.]

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, as has been stated by the chairman of the Subcommittee on Appropriations, we have a bill here for consideration today carrying approximately $20,000,000,000. This is the greatest money bill considered by any Congress or parliament in the world's history. Last Friday the House passed a bill for twelve and one-half billion. So all together in less than one week this House has passed two bills amounting to more than $32,500,000,000 Of course, this bill will pass by unanimous vote as did the twelve-and-one-half-billion bill.

That is more than it cost to fight and win World War No. 1.

According to the statement of the gentleman from Missouri [Mr. CANNON], chairman of the Appropriations Committee, Congress has voted for war purposes since July 1, 1940, eighty-four billion. The twenty billion included in this bill will pass the Senate and will make a grand total of one hundred and four billion voted since July 1, 1940 for war purposes. There are approximately 130,000,000 people in the United States. This means that when the pending bill is passed, Congress will have voted $800 for war purposes on an average for every man, women, and child, and $3,600 for every family living in this Nation. What a staggering sum. We are now in the war and no effort must be spared to win the war, but as was stated by the very able minority member of the committee, the gentleman from Pennsylvania [Mr. DITTER], turning over of these great sums of money, with the unheard of grants of power, presents a challenge to those who exercise these powers and expend these vast sums of money. If there is a shortage in planes, tanks, or ships, no one can point the finger of condemnation at the Congress of the United

States. The administration has been given every dollar that it asked for. It has been granted every power that it sought. Of course the American people and the Congress have the right to demand such use of this money and such exercise of these powers as will bring victory to our country.

This morning's papers are full of headlines telling us that an American Army has been landed in northern Ireland. More than 8 months ago when some of us pointed out that American mechanics were in northern Ireland preparing bases and quarters for another American Army to Europe, we were denounced. But it has finally come true and our words have been vindicated. What are they there for?

Mr. CASEY of Massachusetts. Will the gentleman yield?

Mr. ROBSION of Kentucky. Not just now.

Mr. CASEY of Massachusetts. I mean to answer the gentleman's question.

Mr. ROBSION of Kentucky. I am going to answer my own question I know it will be much more satisfactory.

Mr. CASEY of Massachusetts. I have no doubt about that.

Mr. ROBSION of Kentucky. I was joking about answering the question myself. I propose to let those answer the question who know more about it than my distinguished friend and colleague from Massachusetts or myself. Let the Prime Minister of Great Britain, Mr. Churchill, who is now and has been for a year or two in close touch with the Commander in Chief of our Army and Navy, President Roosevelt, and our high-ranking officers in the Army and Navy, answer this question. What did Mr. Churchill say in a speech to the British House of Commons today?—

> When I left President Roosevelt, he gripped my hand and said: "We will see this thing through to the bitter end whatever the cost may be"; that big American forces would follow the first expeditionary force to the British Isles, and that American planes would bomb Germany and defend Britain. Everything we can persuade the United States to do will be done to help Australia.

He said nothing about helping the Philippines.

The London Daily Mirror exults: "The Yanks are here." The News Chronicle headline says: "The Yanks are here once again." Sir Archibald Sinclair, in greeting the new A. E. F. landed in Ireland, said:

> You are the vanguard of the American armies—from here you will assuredly sally forth with us to carry the war into the enemy territory and free the oppressed peoples in Europe.

And he also says that—

> You will help to withstand the attacks from Hitler.

The British Isles cover about 80,000 square miles of territory. Ireland is separated from the British Isles by a narrow channel We have another American army in Iceland, not far from the British Isles. The British, with more than 3,000,000 trained men sitting on their bottoms in the British Isles in one of the best fortified sections of all the world, rejoice when another American army lands in northern Ireland, that part of Ireland that is still cooperating with the British Empire, and this new army is there to join in the defense of the British Isles.

Yes, the British are rejoicing, but General MacArthur and his patriots fighting for their lives in the Philippine Islands are not rejoicing. They are pleading for recruits, bombers, and planes. They must have these in order to protect their lives and save this possession of the United States. Perhaps the gentleman from Massachusetts [Mr. CASEY] can answer this question: Why do we send an army to the British Isles, with planes, bombers, and other equipment, when they have more than 3,000,000 trained soldiers with the very best of equipment right there in the British Isles, men who have been training for more than 2 years? They are armed to the teeth, backed by great numbers of American bombers, American fighting and pursuit planes which we have given them under the Lend-Lease Acts. Yet General MacArthur, in the Philippine Islands, with his small army of American and Filipino soldiers, maintaining the glory and honor of the American Army and the American flag, with magnificent courage and skill unsurpassed by any soldiers of any nation, or in any war, begging for recruits, are begging for planes, and begging for bombers, but we send them neither recruits, bombers, nor planes. We send our men and our supplies to the east on the Atlantic. We do not send them to the west, to the Philippines in the Pacific.

Mr. WOODRUFF of Michigan. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. May I ask the gentleman if in his examination of the morning papers, if he discovered any news of any landing of American troops, bombers, and planes to help General MacArthur and his Army?

Mr. ROBSION of Kentucky. I did not see any word of any help for General MacArthur and his men. How the minds of the American people are stirred, how their hearts are bleeding in their anxiety for General MacArthur and his heroic men in the Philippines.

The question of aid to General MacArthur at this time may mean success or defeat in the Philippines.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield the speaker 5 additional minutes.

Mr. ROBSION of Kentucky. We have the ships to send an army equipped with bombers, fighting planes, and other munitions of war to northern Ireland. Why send this army and all of this equipment to defend the British Isles when they are already defended by more than 3,000,000 trained, armed, equipped men? No one is now seriously threatening the British Isles. All reports I get from Britain indicate that they have thousands of bombers and fighting planes and great quantities of other munitions of war piled up and waiting for an attack that they think might be made upon them. I am not criticizing them for their great precaution and their desire to defend themselves and their own country, but is there not some just criticism for those in charge of the defense of our country when our own flesh and blood in the Philippine Islands are not given additional men, bombers, fighting planes, and other equipment to protect their lives and our possessions? Yes, we want to help Great Britain, China, and other countries that are fighting for freedom to win, but my first and greatest concern is to see that our own country is protected and defended. My first and deepest desire is to see developed for our own country the greatest air force, the mightiest navy, and the best equipped army of any country in the world so that our own country may be impregnable against attack. You cannot hear or read anywhere that the soldiers, sailors, or marines of any nation, or the ships, planes, guns, tanks of any nation have been sent to the Philippine Islands, or to any other part of the United States or the Western Hemisphere to defend our country or our people.

Although the British Isles are so well equipped with men and munitions of war, yet they have insisted that we send our Army, our ships, planes, tanks, and men to add to their defenses. I have no criticism of Great Britain for desiring to defend the British Empire and her citizens. Neither have I any criticism of Russia defending the Russian nation and her citizens. It is the paramount duty of each nation to first protect its own country and its own citizens, and I am pleading today for an American policy that will see to it that the United States, her possessions, and the Western Hemisphere be first protected, and prepared against the attack of any of our enemies. It is with this purpose in mind that I have voted within the last week for more than $32,000,000,000, and have voted for every dollar that the President has asked for for the defense of our country and the Western Hemisphere. I did not vote for the lend-lease bill. I believed that those acts would help to involve us in this war. I also believed that we were not ready to enter this World War, and I wanted to see our country first thoroughly prepared to defend itself.

Nineteen billion of the sums voted by Congress comes under the Lend-Lease Acts. Most of the money and materials of this nineteen billion will go to Great Britain. Our country embraces about three and a half million square miles. Our population is something over 130,000,000 The British Empire covers more than 16,000,000 square miles of the earth's surface and it has a population of more than 500,000,000. We have rendered wonderful help to Great Britain in money, credits, planes, guns, ships, and other munitions of war. What has Great Britain done for the United States?

While we have voted one hundred and four billion, according to a recent press report the British Empire has voted thirty-three billion. It can be said that the entire British Empire has not voted one-half as much for this war as we have. With one of our armies with equipment in Iceland to aid Great Britain I cannot see the wisdom of sending another army to North Ireland with bombers, fighting planes, and other equipment when Gen-

eral MacArthur and his men are in such dire need in the Philippines. There has been a lot of criticism of Prime Minister Churchill by his own people recently. I wonder if this army was not sent to Ireland to give the British people concrete evidence that his recent trip to the United States was bearing fruit. Mr. Churchill says more of our armies are to go to the British Isles. I might say here that the tax burden of the American people has surpassed tha of Great Britain according to a recent published statement. During the current year there will be taken from the British people a little less than $8,000,000,000. There will be taken from the American people in taxes twenty-two and a half billion. Twenty-five percent of our income goes for all kinds of taxes. Twenty-two percent of the British income goes for taxes, but the President and the Secretary of the Treasury have called for an additional nine billion in taxes from the American people. We are in this war to win, but Uncle Sam must not be made the "goat." It seems that some 30 or more nations now have their hands in Uncle Sam's pockets. The American people are willing to do their share and more to win the war, but we insist that this same spirit of sacrifice be shown by those associated with us in the war.

Mr. ARNOLD. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from Illinois.

Mr. ARNOLD. Would the gentleman take away from the Dutch the planes which we let them have and which they have been using so effectively?

Mr. ROBSION of Kentucky. No, indeed; the Dutch are really fighting. The Chinese are doing some wonderful fighting. I want us to keep some planes, tanks, ships, and guns for ourselves. The Russians have stopped the mighty German Army and have been driving it back for weeks. The success of the Russian arms is not due to contributions of men or equipment from Great Britain. I am complaining about sending our armies to the British Isles where they have 3,000,000 or more of trained, experienced, equipped fighting men. The small amount of fighting that has been done by Great Britain is a source of disappointment to the friends of the united nations throughout the world. They made a wonderful defense of their own island. The Australians and some other colonial troops of the Colonial Empire have made a wonderful record but the British themselves have not impressed the world with their fighting in this war. The British have for a year been marching back and forth over the desert sands of Africa. We shall be called on soon to send an army there. My plea is for help for General MacArthur and his men in the Philippines. I have stated on the floor of the House several times during the past year that the greatest danger to this country was in the Pacific and not from Hitler, and that this war against us would break out in the Pacific. The great struggle that confronts our country today is in the Pacific. If we lose the Philippine Islands and the Japes are able to take Singapore, the Dutch East Indies and some other territory in the far Pacific, and they are permitted to dig in and entrench themselves in those countries the cost to us in treasure and blood to dislodge them will be enormous. Instead of sending our men, bombers, and other equipment to Ireland would it not be wiser to send them to the Philippines and other parts of the Pacific to check the aggression of the Japs? Japan is our most dangerous foe and in the world picture Japan looms up as a real threat to all the united nations. Unless she is checked she may take the Philippines, the Dutch East Indies, Australia, Singapore, the Malay Peninsula—yes, she may take the Burma Road and cut off the supplies to China, and then she may go into India and cut the life line of the British Empire. I have never agreed with Secretary Knox, Mr. Churchill, and others who have looked upon the war in the Pacific as a secondary problem. It is of prime importance. I believe it is now the greatest threat of all these threats to our own country. We cannot be criticized when we look to the defenses of our own country, as does Great Britain, Russia, and every other nation.

Mr. CASEY of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. KILDAY].

Mr. KILDAY. Mr. Chairman, this bill appropriates approximately $17,000,000,000 to be expended on our Navy during the remainder of this fiscal year and during the next fiscal year, which will begin July 1, 1942. This bill will pass with very little, if any, opposition. No doubt we will appropriate additional funds for the Navy during the next fiscal year. We are yet to consider the other bills which will provide funds for the prosecution of this war. The total to be expended is staggering. Every resource of our Nation will be required to carry the burden. Our American people will gladly provide this money and bind themselves and generations yet to come to the payment of it.

This bill is but an indication of the total necessary for the war. It is a proper time for us to stop and consider what the total will be. It is time for us to realize that we cannot have the war effort and all of our peacetime programs as well. We must choose one or the other. Unless we choose to promote the war effort and abandon all other, our existence as a nation is rendered most doubtful. We are now formulating all of the appropriations for the new fiscal year. The other appropriation bills will be before the House during the next few weeks. This is the first full fiscal year of this war. As the new fiscal year approaches we find our troops engaged against overwhelming odds in the Philippines and the capital of the islands in the hands of the enemy. We hear of our pilots engaged against Japanese shipping in the China Sea. German submarines are in full campaign against our merchant shipping within sight of our Atlantic seaboard. A new registration of all men between 20 and 45 years of age is set for next month. Plans are being completed to more than double our existing Army of 1,700,000 men. All of this should be sufficient to impress us with the fact that we are at war. Still the Capitol Building looks just as it has looked during the opening weeks of other sessions, in that the high-pressure boys are all here again. They are here in an effort to prevent any reductions being made in the appropriations for nondefense projects, notwithstanding the war.

Our battle lines extend from Tokyo to Berlin, a distance of about 15,000 miles. We are fighting against nations which have been engaged in years of war; nations whose armies contain millions of hardened veterans of many campaigns. These nations have spent many years promoting a philosophy of life under which war is regarded as a highly noble venture, and their youth has been trained from infancy to expect war and accept it with enthusiasm. These nations have devoted practically their entire national income, over a period of 10 to 20 years, to military preparation. We have announced plans to turn 50 percent of our national income in the next year into our war effort. This transformation must be made within a period of months, and not years. Such a transition means that every effort and every resource of this Nation must be devoted to the war effort. In the face of all this, organized minorities and pressure groups continue their demands that there be no interruption to their pet programs and projects.

This is no indictment of certain elements or sections of our people, nor of any particular localities within our Nation. We are all at fault. The typical demand that nondefense expenditures be eliminated closes with very cogent reasons why the project in which the particular individual or community is interested comes within some defense program.

Almost 3,000 young Americans lost their lives within 30 or 40 minutes in the early morning of December 7 at Pearl Harbor. These young men came from every part of our Nation. They were the flower of our youth, physically, and most alert mentally. The greater portion of their lives was before them. Those given the opportunity sprang to their posts of duty and gave the last full measure of effort to the service of the Nation. Fifteen thousand American young men in the Philippines found themselves confronted by overwhelming forces of the enemy and met them with grim determination and courage. Not one of those young men stopped to inquire, as a condition precedent to the discharge of duty, whether his social gains would be preserved. None looked for assurance collective-bargaining rights would be protected. None demanded that first he should receive farm parity. None sought exorbitant profits before executing his war contract. To win this war every man and every woman in the United States must decide that service to the Nation is paramount and that all thought of personal gain must be eliminated.

Over a period of 8 or 9 years too many of our people have become accustomed to thinking of our Government as an

agency from which funds and other benefits flowed in a never-ending stream. Under such a concept of government there would have never been a Government of the United States in the first place and surely it could never have been sustained for more than 150 years. This Government was established by the sacrifice and service of the founding fathers and has been maintained by the patriots who came after them. Many years have passed and many things have changed, but the Government is still a beneficial agency to which service must be rendered rather than an agency from which personal advantage may be secured. The advantages which come from Government are the preservation of our enjoyment of the great freedoms and privileges which come to those who live within a democracy. The preservation of these liberties and privileges is possible only if democracy is preserved, and democracy is preserved by service and sacrifice in its protection.

During the past 9 years many projects and programs have been undertaken. It is not necessary now to discuss whether some of them should have ever been started. It is important to remember that those programs had their beginning in the midst of world-wide economic depression. None of the elements which justified those programs exists in a nation devoting all of its effort toward war production. One million seven hundred thousand men have been withdrawn from civilian pursuits. During the next fiscal year we will withdraw at least that many more from civilian life and place them in the Army. War industries are clamoring for more workmen and even more workmen. The great drain now facing the manpower of this Nation caused the War Department to come before us on the Military Affairs Committee of the House during the past week and endorse legislation to authorize the creation of a Women's Army Auxiliary Corps. This corps is to consist originally of 12,000 women between the ages of 21 and 45, and capable of being expanded to tens of thousands more. The object of the Women's Auxiliary is to relieve men now being used by the Army upon duties which women are capable of doing.

It is most depressing to find all of the old projects which have been rejected by the Congress and the people of this Nation now back on the doorstep of Congress. Each of these is accompanied by its retinue of advocates. However, the case now put forward for them is far different to the one made in previous days. Now these projects are dressed in brand new national defense clothes.

We can win this war, and we will win it. We will never win this war until we either abandon or postpone all projects which are not strictly and directly connected with our war effort. When we do abandon all nondefense appropriations and expenditures we will really get down to the serious business of winning this war, but until that time we have not started the program which will win it.

Our young men have responded freely and wholeheartedly. They are serving in far-flung outposts, and many are either in the theater of operations or on their way. They have not complained, and their parents have not complained. Many businessmen have seen their factories closed down because of inability to secure priority ratings for essential materials. At one stroke of the pen of an administrative agency, the tens of thousands of people engaged in the retail distribution of automobiles and tires have seen their means of livelihood taken from them. Restrictions and allotments have been established as to the distribution of some food products and many more may be expected. All of these must be accepted as a contribution to the preservation of our way of life. They are being accepted by the thousands of people affected. Organized minorities and pressure groups must withdraw the demands which they make for continued and increased appropriations.

Every patriotic man and woman in the United States can render an outstanding service to the Nation by ceasing to insist upon projects and programs in which they are especially or personally interested. Groups and organizations can serve by recalling their agents and ceasing the pressure exerted upon Congress. Congress must do its duty and reject all nondefense appropriations.

Mr CASEY of Massachusetts. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Chairman, I believe we may well dispense with criticizing Great Britain and others until we redeem the disaster of Pearl Harbor. In our program for national defense we boasted of our Navy and of the progress of our bombers and other airplanes. Then came Pearl Harbor, the greatest disaster ever suffered by the Navy of the United States.

Frequent reference has been made to that disaster during the course of this debate. Pearl Harbor will long be remembered in American history. There are some lessons to be learned from that disaster and some implications, if not direct lessons, from the Roberts report.

There was lack of responsibility among the leaders of our armed forces in Hawaii. There was dereliction on the part of general and admiral. I am not here to criticize, but that lack of understanding of the responsibility vested in the admiral of the Pacific Fleet and in the general commanding our armed forces in Hawaii means that more than 3,000 Americans have needlessly lost their lives.

These officers have been deprived of their command. I do not think that is sufficient punishment, although I can understand that their consciences must disturb and haunt them greatly.

There is, first of all, the lack of preparation to defend our country. It is said that additional men and additional weapons had been requested for Hawaii. What of it? Suppose more men had been out there and more airplanes. There was no readiness. The disaster would have been worse and the destruction would have been greater. There was dereliction in Hawaii, but I cannot escape the conviction and the conclusion that, while these so-called peace conferences were being prolonged by the State Department and by the representatives of Japan, there were also serious derelictions in the Army and in the Navy Departments in Washington.

Personally, I think we need more action and fewer words not only in the Navy Department but in a good many other departments in Washington. But, I repeat, our admirals and our generals, our Navy Department and our War Department are not altogether to blame.

The American people cannot escape their responsibility. We won the first World War. We had the greatest Army and the mightiest Navy in human history, with 5,000,000 men under arms. We determined to promote peace. We fostered disarmament. We took the leadership in the Washington Conference. We spent and we lent billions to rebuild Europe.

Then came the world-wide depression. We undertook to provide for distress in our own land, and while we were trying to relieve an economic disaster in our own country the dictators were providing for those disasters in their own countries by arming their peoples, and by building their navies. We, the people, must share in the responsibility, with the Army and Navy Departments.

But there is another lesson. The disaster at Pearl Harbor, bitter though it was and is, probably served as nothing else could have served to unify the American people. We are determined to win this war. It means blood, it means sacrifice, it means work, it means the preservation of our country before we think so much about the improvement of our social conditions. We may as well be frank.

We are called upon in the pending bill to appropriate $20,000,000,000. I have always supported a big navy. We have learned to think in terms of billions these latter days. Some of us act as if the appropriation of billions of dollars will win the war. We had appropriated billions before Pearl Harbor. Appropriations are not enough, authorizations are not sufficient. There must be the execution by trained armies and by efficient navies under trained and efficient leadership if we are to win the war—this or any other war.

I cannot escape the conviction that there is a lesson of lack of coordination and of unity in Pearl Harbor that the United States must profit from and by if we are to win this war. There must be a coordinated and a supreme authority in every theater of war if we are to fight efficiently and victoriously. There must be the leadership that is typified by MacArthur in the Philippines, the leader who not only takes orders but executes and plans for defense and offense.

For my part it is immaterial to me where the war is fought so long as we can keep war out of the United States. Our enemies are seasoned. They have been on the march for 2 years and for 4 years. I would rather that battles would be fought on other shores and in other lands than in our own.

I am for victory. As we consider this, the greatest appropriation bill for the

defense of our beloved country in the history of the Republic, I say to the Chief of Staff of the Army and to the Admiral of the Navy that the Members of the Congress of the United States are gladly voting for the appropriations for the support of our armed forced, for the manufacture of weapons, for battleships and planes, but at the same time we are demanding a coordination and a unity of our fighting forces that is absolutely essential to victory.

Neither Lt. Gen. Walter C. Short nor Admiral Husband E. Kimmel expected Japan to begin hostilities by attacking Hawaii. The general and the admiral overlooked and neglected a fundamental in warfare. Surprises are always to be expected in war. The unexpected attack is always made. The successful general, the successful admiral attacks unexpectedly. Such attacks are successful.

The Congress and the country demand and expect coordination among the Army, the Navy, and the Air Corps.

I extend my remarks by saying that there is a silvery lining to every cloud. There would be no light without darkness. We are united; we are determined to profit by Pearl Harbor. We will avenge the lives of the Americans snuffed out by the treachery of Japan; we will make good any deficiency in men and weapons.

There was sabotage from without in Hawaii. There is sabotage from without, as well as from within, today, in the United States. Subversive influences have done their deadly work. Often otherwise good citizens were misled. Peace societies were sometimes financed by foreign and enemy money. These societies appealed to Congress not to build cruisers, airplanes, and battleships. They urged peace. Such appeals were made after Hitler began his armament program, after Japan had attacked China and long after Mussolini had invaded Ethiopia.

Partisan criticism can now serve no good purpose. The need now is adequate preparation. The need is men and matériel. It is easy to say that if we had prepared through the years defense would not now be so expensive. Regardless of the cost, however, we must prepare. This does not mean that waste and extravagance are to be condoned. There should always be care not only in appropriations but in construction. There must be no delay. This means more expense. The profiteer whether a labor profiteer or an industrial profiteer must be curbed.

I have mentioned some of the lessons that the American people should learn from Pearl Harbor. I have referred to some of the implications of the Roberts report. There are other lessons. We might as well understand once and for all that America cannot do business as usual. We might as well understand once and for all that there will be delay in the solution of some of our social problems. I have always advocated in both peace and war bettering social conditions wherever possible; but it is time to put first things first. Some improvements in the home for lack of funds are often delayed. It is better to delay than to contract excessive debts. So in the state, some improvements must be delayed while we are engaged in war. The supreme thing is to win the war. All other measures must be subordinated.

And there is a lesson as we pass the pending bill to appropriate twenty billions of dollars. Appropriations can only be made by taxation. Taxes are already burdensome, but they are light compared to the taxes that will be levied before war has been concluded. As we vote for the pending bill we are reminded that we must forego luxuries, that we must give up some of the comforts of life. We know that we must give and give until it hurts. We know that we must sacrifice and sacrifice until the heart bleeds. We know that we must be taxed and taxed to the bone.

Finally, it is the unexpected that happens in war. Victory is always on the side of the alert. Tanks and airplanes are important but men are more important. Douglas MacArthur today is worth on any battlefield more than tanks or airplanes or cannon. He is supreme in his command. He not only plans but he executes, he is equal to the emergency that every successful general and every successful admiral must be prepared to meet if they are victorious.

I have constantly opposed combining the Army and the Navy into one department. Their functions are often separate and independent. If, however, there is to be a unity of command among the nations engaged in a common war there must be a unity of command in the departments of one nation at war. There must be coordination.

The final lesson that I bring to the attention of the Congress and the country today is that the Army, the Navy, and the Air Corps must redeem Pearl Harbor and must demonstrate to the country that successful warfare can be waged by the cooperation and coordination of the Army and the Navy rather than by combining these two departments, with a single head, into a department of national defense.

The existing system is on trial. There must be, if the two departments continue, a commander in chief of all forces in a given theater of war. The Army and Navy must demonstrate that the existing system has not failed. A repetition of Pearl Harbor means a unified military command.

At Pearl Harbor, the most needless defeat in our naval or military history, the Army did not know what the Navy was doing and the Navy did not know what the Army was doing, or to put it differently and better what neither was doing. The air force in Hawaii apparently was overlooked by both the Army and the Navy. There must be cooperation and coordination between the Army, the Navy, and the Air Corps if the United States is to win the greatest war in which it has ever engaged.

[Here the gavel fell.]

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, I want to endorse as expressing the sentiments of the people of the Fourth Congressional District of Michigan, the statement just made by the gentleman from Kentucky [Mr. ROBSION]. If I get the sentiment from the people at home correctly it is now, as it has always been before, that we should first make sure of our own security, for after all self-preservation is or should be our first concern.

There has been many a reference made to this Pearl Harbor incident, and a committee appointed by the President can pick out a couple of fellows, high commanding officers, or a couple of men for goats if he wishes, but for months the President has claimed all the credit for everything that he thought was good that has been done in this country. Then, too, did he not appoint both of these officers his committee now criticizes, jumping one of them 44 numbers to make the appointment?

The gentleman who just preceded me was talking about a unified control and a unified command. I wonder if he does not realize that the President of the United States is the Commander in Chief of the Army and the Navy and that in him we have had a unified command. Now the administration can pass the buck, but the fact remains that the administration has had every dollar for which it has asked. It has been given every grant of power for which it has asked. It has had complete, unified authority over the Army, the Navy, and the air force, and yet this thing happened, and it is mighty small to try to pass the responsibility for the disaster to some man down the line.

For months we have been told that the Commander in Chief of the Army and the Navy had exclusive and secret information about what was happening abroad. We have been told time and time again that we did not know and had no means of knowing what was happening in other lands, and that we were not qualified to speak as to our foreign policy. When the Commander in Chief of the Army and the Navy has the information at his command, as he has, and when he has authority, as he has had, it is extremely ungrateful for him, claiming the credit as he does from day to day for every good thing that happens, to shirk responsibility or refuse to admit his error when something goes wrong down the line. If that is to be his course, then when this bill comes before us asking for more authority for the Executive, it should be amended so that he will not be responsible for the exercise of that authority. Especially is this true when he appoints, as he does, to positions of responsibility, those who in days gone by have advocated the overthrow of this Government.

Mr. KNUTSON. By force.

Mr. HOFFMAN. By force; yes. And when he permits, as I made reference to a few days ago, a Member of his Cabinet, Secretary Ickes, to sponsor this movement to surrender our independence and become a part of the United States of the World. My understanding is the gentleman from Michigan [Mr. SHAFER] intended to speak on that subject today. So what I had to say on that subject I will extend in the RECORD.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. CRAWFORD. I want to ask the gentleman if he will go this far with me with reference to Pearl Harbor. Would the gentleman agree with me that the ineptitude which has been brought forth in the report that has been referred to, the ineptitude of the men in charge at Pearl Harbor, was simply a reflection of what was taking place in Washington, as pointed out by the gentleman from Kentucky [Mr. ROBSION], in that the administration took the position all along, and has consistently held the position, that there would be no wars on our soil, that we should prepare this equipment and send it away and furnish the equipment, the machinery, and the financial means to other countries to do the fighting there, and Pearl Harbor is simply a reflection of that sentiment all the way through? Does the gentleman go that far with me?

Mr. HOFFMAN. It is not my disposition to criticize any of the officers or the men in the armed forces of the United States because I do not know anything about the subject of fighting this war. That should be left to the Army the Navy, and the air force. That is to say, I do not feel competent to judge whether they did the right thing or the wrong thing in the Pacific, and so I have no criticism to make. But what I say is this, that as long as we have a Commander in Chief who claims all of the credit for all of the good things, he should not now shirk the responsibility when things go wrong nor to try to lay the fault on somebody down the line, especially some man who has served in the ranks, and who is an officer and has given the best years of his life in the performance of his duty. The Commander in Chief, of course, got us into this thing, when he himself had failed to prepare to meet it, and here we are. He said the other day that he is going to carry this war to every continent and to all the seven seas. I hope he realizes the magnitude of the task. I doubt that he does. I hope that every person in the United States capable of understanding it may look at a map of the world, and, if he can, get some idea of the stupendousness of the task which confronts us under that kind of a program. I voted against the two lend-lease appropriations because I believed that we should first prepare ourselves in our own way, and on our own soil, to meet whatever danger might come to us before we undertook to carry on a war all over the world. I have listened to the statements made time and again from the floor of this House that we were hiding behind Great Britain, that Britain was our first line of defense, but I have observed that all of the time England has been taking care of herself and that she and Australia are now asking us to save them while our own fighting men are dying on our own soil.

The papers last night told us about the landing of another A. E. F. in Ireland. Do you recall what Churchill said when it was suggested in the British Parliament that England send an expeditionary force across the Channel? He said that England was not going to send a suicide squad, but now they have the Americans over there, and the American boys are going to be the suicide squad, while over in the Pacific Ocean, under General MacArthur's command, we have another suicide squad left to fight alone while we send troops and equipment to Ireland.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. VORYS of Ohio. Along the line of the gentleman's discussion of Executive responsibility, I wonder if he noticed that Mr. Churchill in Parliament earlier today said as follows:

> If we have not got large and modern air forces and tanks in Malaya and Burma, no one is more accountable than I.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield the gentleman 2 minutes more.

Mr. HOFFMAN. Mr. Chairman, I saw the statement to which the gentleman from Ohio refers, and it is strange to me, as I stated before, that the Commander in Chief has not the courage to assume the responsibility which is his for our shortcomings here in the United States and in the Pacific. Getting back to this question of the suicide squad, I agree with the gentleman from Kentucky [Mr. ROBSION] that it is about time that our people begin to realize that we should take care of our own, preserve our own independence. That brings me to the thought that I wanted to stress in the beginning, namely, the subject I talked about the other day, and to which I shall call attention from day to day as time goes on. I am now talking about these Judases here in the United States, and I mean Mr. Streit and I mean Mr. Ickes and those who join with them in their request as published here in the newspapers, a full page ad, that we surrender our independence. How do you gentlemen on the Republican side, on the Democratic side, who voted for these lend-lease appropriations to maintain our independence, our constitutional form of government, intend to meet this demand that we surrender our independence? I say to you now, take a look at those who are asking us now, without protest from the President of the United States, to surrender our independence.

I ask you who advocated the lend-lease legislation and appropriations, Are you going along now with this group which is trying to make us a part of a united states of the world? Ever since this Churchill conference we have heard about these united nations, and that is a phrase that the commentators and columnists and all of these people in the administration, its spokesmen, are using. That is the beginning of this drive to have us surrender independence and our identity as a Nation, and become one of the united states of the world.

A JUDAS

On the assumption that, following the Declaration of Independence, guided by the principles enunciated in the Constitution, our people have established here a Nation where the average man enjoys a greater degree of material prosperity, intellectual advancement, and religious freedom than in any other part of the world, the people of these United States of America are fighting a war, so it is said, to carry those blessings to all other people.

That war, the cost of which no man can estimate and which, if carried on according to present plans, will take the lives of millions of American men, the President and his supporters tell us is being fought to bring to other peoples the same right of independence and self-government which we have enjoyed.

The hypocrisy of those who claim that to be the purpose of our present involvement in this war is clearly demonstrated when we receive from them a petition to repudiate our own independence, surrender our existence as an independent nation, and become a part of a United States of the World.

It is quite true that, under our Constitution, men have the right of a free press and free speech; that, under the provisions of that Constitution and the security granted by it, they may advocate its repudiation. Therefore, the man Streit and all those who join with him in asking us to surrender our independence and become a part of a world nation are within their legal rights.

However, Hitler, Mussolini, Hirohito are, it is said, also seeking to destroy our independence and make us a part of a world group. Streit and his associates seek to accomplish the same end—the destruction of our independence—by a more subtle and a peaceful method, and they say for a different purpose.

Our Constitution was adopted in order that there might be formed a more perfect union of the States. Streit and his adherents would destroy that union. This Nation of ours is a union of 48 States. The Civil War was fought to preserve that union. Most of us many times have said:

> I pledge allegiance to the flag of the United States and to the Republic for which it stands, one Nation indivisible, with liberty and justice for all.

THEY WOULD BETRAY US

Streit and his associates now repudiate that pledge of allegiance to the Republic, "one nation indivisible," and would make it a part—and only a part—of a world nation.

Misapplied ambition is a ruinous thing. Unchecked, it destroys everything it touches, tearing down the good with the evil it seeks to end.

> To reign is worth ambition, although in hell. Better reign in hell than serve in heaven.

This country of ours, for more than 150 years, has not only been the haven but the heaven of those who in other lands were oppressed, enslaved, and denied opportunity. Yet Streit and Ickes and their associates, however distinguished they may be, would rather form and reign in a hell made up of all the nations of the world, of all the people of the world, than serve under the Constitution to which they have pledged alle-

giance, in a land where all have equal opportunity.

Ever since the President had his conference with Churchill on the high seas, we have been hearing from editorial writers, radio commentators, and New Deal spokesmen of the United Nations. Now comes a member of the President's Cabinet, Ickes; a member of the United States Supreme Court, Roberts; both of whom have sworn to uphold and defend the Constitution, and add their endorsement to the Judaslike betrayal of our people into and as one of a United States of the World.

While Germany, Italy, and Japan seek by force of arms to overthrow us as a nation, to make us subservient to a group of world powers headed by themselves, Streit and his associates seek, through propaganda, to accomplish the same thing and make us a part of a United States of the World, dominated by England, Russia, China, and whatever other nations may seek to participate in a world redistribution of the wealth of the United States and its people.

Alexander the Great wept because there were no other worlds to conquer. Is not Franklin Delano Roosevelt satisfied with being a third-time President of the United States, an honor which the patriotism of Washington forbade him to accept? Is he not satisfied with his opportunity of conquering the whole world, far greater than in Alexander's day? Are his spokesmen behind this move to surrender our independence, our national existence; become a part of a United States of the World, and make Franklin Delano Roosevelt the president of that world nation?

Yes; ambition is a cancerous growth and often in the past, as history discloses, has destroyed the one who harbored it. Alexander was ambitious. Caesar was ambitious. Napoleon was ambitious. Hitler is ambitious. But the people who were the playthings of their ambition suffered and died. So, too, if this move to make us a part of a world nation—and a subservient part at that—goes through, will our people suffer, our independence, our nation die.

It is said that we are the richest nation in the world. It is undenied that the average citizen of these United States of America enjoys more of everything that goes to make man contented and happy than the people of any other land or nation. And yet these men, like Judas, who betrayed his Master, would, before we are fairly in this war, betray our people; surrender our independence; connive to destroy our liberty and our freedom. They would surrender that for which the war is being fought—our national existence—before the war is fairly begun.

Let them be stripped of their hypocrisy. Let us expose them for what they are—enemies of the Republic, boring from within. They seek to take advantage of our involvement in this war and while the attention of the people is directed to the winning of the war. They would do what the armies of the Confederacy could not accomplish—destroy us as a nation, one and indivisible; make us a part of a United States of the World, where the communistic Russian, who denies the existence of God, where the Chinese, the Hottentot, and the people of India would have equal voice in curtailing the liberties, spending the tax money, of American workers, farmers, and businessmen—a United States of the World where all the peoples of the world would be glorified participants in a W. P. A., a P. W. A., a Federal housing program, the triple A—a program to rebuild after the war all the cities, towns, and villages which may be destroyed in that war—and all at the expense of the American taxpayer.

Oh, that Streit and all his associates who are dissatisfied with our Declaration of Independence, with the working of our Constitution, with our country, would only go and take up permanently their residence in some one of the many countries whose system of government they evidently so greatly admire.

Let Streit go and live with the Chinese. Let Ickes go to Russia and live with the Communists, who tell us that religion is a fraud. Let Justice Roberts sojourn a while in India with Gandhi, who is demanding that Britain grant freedom to millions of the oppressed in his native land.

If the administration wants to win this war, let it put aside the ambition of the President's advisers to make him or one of themselves a president of the world. Let this administration get rid of the more than a thousand Communists on the Federal pay roll—bloodsuckers seeking to destroy our national existence.

Let the ambitious politicians remember that the first thing, the important thing, is the winning of the war, and that the American people will only devote themselves enthusiastically and wholeheartedly to that purpose as they believe in our own Government, the maintenance of our own freedom and independence.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER of Michigan. Mr. Chairman, aside from winning this war, the greatest task confronting this Nation is that of preserving our independence and our form of government. I am in complete agreement with the gentleman from Montana [Mr. O'CONNOR] and the gentleman from Michigan [Mr. HOFFMAN] that we must be always alert to the subversive movements that would destroy those things that have made America great.

In my opinion, the most un-American activity in the United States today is the movement known as Union Now. There is nothing American about it and nothing in its program to recommend it to any sensible person who takes the time to investigate the forces behind it. Union Now is just a special phase of European power politics designed to save the tottering British Empire, to maintain Great Britain's strangle hold upon the trade routes of the world, and to protect her right to exploit the teeming millions of India, Africa, and the Malay States.

As I stated before, this Union Now movement is not an American movement. It is a foreign importation. You can dress it up with big names and clothe it with the marks of decency, but I do not believe the American people will be deceived by either the big names or the full-page display advertisements that carry the recommendations of those big names to the public.

One of these full-page advertisements appeared in the December 18 editions of the New York Times and other eastern newspapers. The names of Grenville Clark, author of our peacetime conscription bill; Gardner Cowles, Jr.; Russell W. Davenport; John Foster Dulles; Harold L. Ickes, Secretary of the Interior; Owen J. Roberts, Associate Justice of the Supreme Court; Harry G. Scherman; and William Jay Schiffelin were used in these advertisements to recommend this Union Now proposal to public consideration. These are just a few of the big names that are being used to clothe this movement with the marks of decency.

But against these big names there are thousands of little names protesting against Union Now that are finding their way into the congressional wastebaskets. We have reached an extremely serious point in the affairs of this Nation, Mr. Chairman, and the time has come when Members of Congress must heed the voice of the little man, the little fellow, who either fights the Nation's wars or pays the Nation's bills with only one thought—my country.

Are we ready to admit that the Revolutionary War was all a mistake? Are we ready to admit that the toil, the sacrifice, and the blood that was shed by our forefathers was wasted? Are we ready to say that we were unfortunately ill-advised when we established our own American independence? Are we ready to give oath of allegiance to King George, Joe Stalin, and the rulers of all other nations to be included in this proposed federal union?

The proponents of Union Now, it seems, would have us believe so. They say our principles are good, but that they ought now to be shared by all the democracies of the world. But the democracies of the world, so far as I have been able to ascertain, do not want any union now with the British Empire or any other empire. France rejected Mr. Churchill's plea for a declaration of union even when she was on the verge of disaster and total military collapse, because France knew that this was only a gesture to save the French Navy for the war against Hitler. And this apparently was the real motive, judging by the later attack by the British upon the French Fleet at Oran, which was almost as unexpected as the assault upon our own fleet at Pearl Harbor by the Japanese.

So, Mr. Chairman, I have requested this time today and have taken the floor to inaugurate a wake-up-now movement in the United States to counteract this Union Now movement.

George Washington, when he was sorely pressed at Valley Forge, when fearing a secret night attack by the British, told his followers:

Let none but loyal Americans be placed on guard.

I am convinced the time has come when every loyal American must be on guard against this Union Now group.

Last Saturday, with all other Members of Congress, I received a letter from this Union Now organization signed by its promoter, Clarence Streit, asking me for my opinion on this issue, and implying that indifference and hostility to Union Now will win or lose elections in November.

These remarks I am now making is my reply to Mr. Streit's letter. At the same time I shall quote the words of a few of our great American statesmen, which, I am convinced, were good advice when they were given and are good advice to the American people today.

Thomas Jefferson once said:

For us to attempt to reform all Europe and bring them back to principles of morality and a respect for the equal rights of nations would show us to be only maniacs of another character.

George Washington in his Farewell Address said:

Against the insidious wiles of foreign influence (I conjure you to believe me, fellow citizens), the jealousies of a free people ought to be constantly awake, since history and experience prove that foreign influence is one of the most baneful foes of republican government.

And Thomas Jefferson, with prophetic vision, speaking, as it were, from the grave, said:

When all governments, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will become as venal and oppressive as the government from which we separated.

Thus did Jefferson advise against the concentration of power in Washington. Today all governments are rushing here for aid, and if we get into this Union Now scheme they will all be drawn here as the center of power.

George Washington gave his countrymen some additional sound advice when he said:

Europe has a set of primary interests, which to us have none, or a very remote relation. * * * Hence it must be unwise for us to implicate ourselves by artificial ties in the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient Government, we may defy material injury from external annoyance. Why forego the advantage of so peculiar a situation? Why quit our own to stand on foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the tails of European ambition, rivalship, interest, humor, or caprice?

Will you heed this advice of Washington? If not, then listen to what Jefferson also said:

And I am not for linking ourselves by new treaties with the quarrels of Europe; entering the fields of slaughter to preserve their balance. * * * The first object of my heart is my own country.

This whole Union Now movement is so brazen, so foreign to my conception of Americanism that I recall the advice of another great American who said:

The truth is: The issue cannot be compromised. We have to determine whether we want to be freemen living under a free government and enjoying the benefits of free enterprise, or whether we desire to submit to some form of collectivism.

President Warren G. Harding said:

It is better to be the free and disinterested agents of international justice and advancing civilization, with the covenant of conscience, than be shackled by a written compact which surrenders our freedom of action and gives to a military alliance the right to proclaim America's duty to the world.

From our own viewpoint, the program is specifically American, and we mean to be American first to all the world. (From a speech in the United States Senate, 1921.)

Mr. Chairman, the danger in this Union Now movement lies in our own indifference to it. Already there are signs which point to the handwriting on the wall, unless our people rise in protest. And I hope they rise with indignation instead of with anger, for that would be unfortunate. The people have a right to be indignant when any group in the Nation seeks to barter away the liberties and the prerogatives we now enjoy.

Some have suggested that Union Now means the giving of nothing that is vital to our own causes. One writer suggests that the independent rights which this Government now exercises and which we are called upon to pool with other nations involve only the following:

First. The right to maintain a defense force.

Second. The right to maintain tariff and custom barriers.

Third. The right to coin money.

Fourth. The right to conduct our own postal and communications systems.

But, Mr. Chairman, even the partial surrender and the pooling of these rights and the establishment of a common citizenship for all the nations in this Union Now movement or world federation would spell disaster to the United States. What then would protect our farmers and workingmen from the labor of the peons of Mexico and South America or from the coolie labor of China, India, and the Far East?

This Union Now movement is the acme of an economic internationalist's fondest dream. The idea of an international monetary standard, the breaking down of all customs and tariff barriers, the setting up of a common citizenship will only benefit others, not our citizens, but we in all probability will be called upon to share our wealth and our gold with these other nations and also pay their shares of the world federation's wars.

The proponents of Union Now claim to have 30,000,000 endorsers in the United States. I know they have plenty of endorsers in England and some in the British Parliament. But it will no doubt be a surprise to many of the Members to learn that the followers of this movement have gained some legislative support in the United States also.

As early as 1915, when the movement was as yet unnamed the legislature of the Commonwealth of Massachusetts adopted resolutions accompanying the petition of one R. L. Bridgman and others favoring the organization of all the nations into a world state. This resolution was adopted by the Massachusetts Senate February 23, and by the House, February 26, 1915.

The resolution follows:

[The Commonwealth of Massachusetts. In the year one thousand nine hundred and fifteen]

Resolutions requesting Congress to invite all the nations to unite in the formation of a world state

Whereas the incalculable cost and calamity of the European war have caused a strong public sentiment for the end of all war: Therefore be it

Resolved, That the general court of Massachusetts hereby respectfully requests the Congress of the United States to make a declaration in substance as follows:

"The United States of America affirms the political unity of all mankind.

"It affirms the supremacy of world sovereignty over national sovereignty.

"It promises loyal obedience to that sovereignty.

"It believes that the time has come for the organization of the world government, with legislative, judicial, and executive departments.

"It invites all nations to join with it in the formal establishment of that government."

Resolved, That this resolution be transmitted by the secretary of the Commonwealth to the senior Senator and the senior Representative in Congress from Massachusetts for presentation to the respective branches

This resolution is just one of the first of many attempts that have heretofore been made to make a national issue out of some kind of a world federation of states. And I want to observe that this propaganda came at a time when we were at peace and Britain was at war. So while we were still at peace and Britain was again at war, the Union Now movement, most surprisingly took on new life in this country.

And so with this background, you need not be surprised to know that the State Legislature of North Carolina has approved a joint resolution providing for a declaration of the federation of the world.

This joint resolution was passed unanimously by the North Carolina House on March 11, 1941, and by the Senate by a vote of 45 to 5 on March 12, 1941. It was signed by the speaker of the house and by the Lieutenant Governor on March 13, 1941.

At this point it might be interesting to state that the Union Now group are maintaining lobbies in every State capital, and are opening headquarters in practically every city in the country.

Mr. Chairman, who are the people behind this Union Now movement? Are our citizens so gullible that they are contributing the funds or are they coming from sources beyond the United States? I for one do not believe any real American who loves this country and its institutions, would contribute money to see our liberties threatened and our independence submerged. Recently I have received numerous pamphlets, containing what purport to be extracts from the will of Cecil J. Rhodes. It is said that Rhodes in his will set up a trust—

To and for the establishment, promotion, and development of a secret society, the true aims and objects whereof shall be the extension of British rule throughout the world, the perfection of a system of emigration from the United Kingdom, and of colonization by British subjects of all lands where the means of livelihood are attainable by energy, labor, and enterprise, and especially the occupation by British settlers of the entire continent of

Africa, the Holy Land, the Valley of the Euphrates, the islands of Cyprus and Candia, the whole of South America, the islands of the Pacific not heretofore possessed by Britain, the whole of the Malay Archipelago, the seaboard of China and Japan, the ultimate recovery of the United States of America as an integral part of the British Empire.

And so forth. Last fall I received a copy of the initial issue of a magazine published quarterly in Santa Barbara, Calif., called Freedom and Unity. In a statement of policy, the editor, one Pryns Hopkins, who I understand from this magazine, formerly published Science and Society in London before the war, said:

Politically, we need to act as citizens of a state which is liberal, yet world wide.

Economically, we need to work toward a social order free from domination by wealth and in which industrial benefits shall be equitably distributed.

Thus we have two principles laid down by this alien editor, one for a world state on the order of Union Now and the second for a socialized state, perhaps on the order of Russia. So there are other forces also working toward the same goals as the Union Now sponsors who work in the open.

Mr. Chairman, every Member of this body is interested in the successful prosecution of the present war and every Member prays for victory. We all will do our utmost to achieve that end, but as I am daily confronted with the evidence that all our strength must be united for victory, I cannot refrain from joining with others in demanding that an end be put to this propaganda for Union Now, which is creating fear, suspicion, resentment, and dissatisfaction in the hearts of many Americans. Let us not forget all our past mistakes, and get busy on this Union Now movement before it is too late.

Mr. CASEY of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, when war broke out against this country we all heard expressions from every quarter of the unanimity with which we would stand together and fight this war to a finish. This war has been going on for less than 6 weeks, and already we begin to hear the most bitter and unfounded criticism of our Commander in Chief, the President of the United States.

Following the disaster at Pearl Harbor the President named an impartial board to ascertain the facts with reference to that calamity. The personnel of that commission was heralded in every quarter as being above impeachment, above reproach, and its chairman, an Associate Justice of the United States Supreme Court, a man of unimpeachable character and integrity. This board has now made its report. Its findings of fact are clear and unmistakable. This board, not the President, has fixed the blame. Gentlemen have taken the floor today and attempted to intimate that the President of the United States is attempting to evade some responsibility of his. No word or no act of President Roosevelt would justify any such statement, and it bodes ill for the unanimity of this country now, on the very verge of the most terrible ordeal in its history, for men who from the bottom of their hearts love their flag and their country, to make statements within less than 6 weeks of the outbreak of the war, which if believed by the people as a whole, can do nothing else than shake the confidence of the people in our leadership.

Referring to the question of reinforcing the Philippine Islands, we have heard Members today reproach the administration and by implication the President for not reinforcing the Philippines. It is a fact that General MacArthur is making that splendid stand of his with a handful of Americans and a larger number of recently trained Filipinos. It is a fact that General Marshall and every other Chief of Staff and every other expert in our Military Establishment has requested time after time not only during this last session, but before, that all territorial and other restrictions as to selectees be removed. If my memory serves me correctly, General Marshall, when he recommended that the term of enlistment of selectees be extended for more than 1 year, recommended at that same time that the territorial inhibition be also removed. It is a fact that many of those who today voice criticism of the President and, by inference, the Chief of Staff for not sending reinforcements to the Philippines, were opposed to the removal of the territorial and other restrictions. It is a fact that the Congress did not remove those territorial inhibitions. It is a fact also that when the question of demobilizing our Army was before this House, the measure to keep our men under arms passed by one vote only, and I ask you to consider in what situation this Nation, this people would be today if we had failed to follow the recommendation of the President and the Chief of Staff, and if we had refused the request that the terms of our selective service men be extended, and if we had demobilized our Army at the time that recommendation was before us.

[Here the gavel fell.]

Mr. CASEY of Massachusetts. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield for a question.

Mr. MICHENER. As I recall, the draft law had nothing to do with the Philippines. We have at all times been permitted to send draftees to the Philippines, also the National Guard.

Mr. SANDERS. My recollection of the subject is that the draftees were restricted to service in the Western Hemisphere.

Mr. MICHENER. Oh, no; I do not so understand it.

Mr. SANDERS. I stand corrected if I am in error. But the fact remains that had we followed the recommendations of some of those who have voiced criticism of the President today, we would have had no army, and our army would have been demobilized at the time this war broke upon our country.

Mr. CASEY of Massachusetts. Will the gentleman yield?

Mr. SANDERS. I yield.

Mr. CASEY of Massachusetts. My memory of that law is that it read "outside of the continental limits of the United States," and that would not include the Philippines.

Mr. MICHENER. Well, the law speaks for itself and it is very clear that the Philippines were excepted. We could not send draftees for an A. E. F. to Europe, but we could at all times send draftees to the Philippines.

Mr. SANDERS. I cannot yield further, Mr. Chairman.

Technically, the distinguished gentleman may be correct as to the wording of the act, and if so, I stand corrected. But in practice, the limitations in the Selective Service Act as it was before the term of selectees was extended, was such that it was impractical to use selectees to reinforce the Philippines, Alaska, or Panama—or any other outlying position.

I refer the gentleman to the testimony of General Marshall, Chief of Staff of the United States Army. In his testimony before the Committee on Military Affairs of this House, General Marshall repeatedly stated, in effect, that on account of the time limit and the great distances involved, it was impractical to send selectees to the Philippines, Hawaii, and to Panama. General Haislip testified to the same effect.

Many of the Members who were loudest in their criticism of the President voted against removing these limitations. If we had listened to them, we would have today no army at all.

Mr. HARNESS. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. In just a moment. I wish to make this observation in connection with this tremendous appropriation. We have heard a lot about appropriations. This appropriation of approximately $20,000,000,000 is a tremendous one, but it seems to me that we are in danger of being too complacent on account of large appropriations. We cannot buy the safety of this country. We cannot purchase over the bargain counter the safety of this country. When I read the Roberts report on what happened at Pearl Harbor I saw the names of certain officers who possibly were derelict in their duties.

I saw another instance referred to in that report—that of a noncommissioned officer who was so in love with his country and had such loyalty for his country that he desired to stay on the job and stand by the airplane detectors. He actually ascertained that these hostile airplanes were on the way. I, for one, should like to know the name of this noncommissioned officer, because his attitude exemplifies the type of character and the characteristics we cannot provide by mere appropriations but which we must have if this Nation is to win this war.

[Here the gavel fell.]

Mr. CASEY of Massachusetts. Mr. Chairman, may I inquire how the time stands?

The CHAIRMAN. The gentleman from Massachusetts has 31 minutes remaining, the gentleman from Pennsylvania 11.

Mr. DITTER. Mr. Chairman, will the gentleman from Massachusetts yield for an inquiry?

I am convinced the time has come when every loyal American must be on guard against this Union Now group.

Last Saturday, with all other Members of Congress, I received a letter from this Union Now organization signed by its promoter, Clarence Streit, asking me for my opinion on this issue, and implying that indifference and hostility to Union Now will win or lose elections in November.

These remarks I am now making is my reply to Mr. Streit's letter. At the same time I shall quote the words of a few of our great American statesmen, which, I am convinced, were good advice when they were given and are good advice to the American people today.

Thomas Jefferson once said:

For us to attempt to reform all Europe and bring them back to principles of morality and a respect for the equal rights of nations would show us to be only maniacs of another character.

George Washington in his Farewell Address said:

Against the insidious wiles of foreign influence (I conjure you to believe me, fellow citizens), the jealousies of a free people ought to be constantly awake, since history and experience prove that foreign influence is one of the most baneful foes of republican government.

And Thomas Jefferson, with prophetic vision, speaking, as it were, from the grave, said:

When all governments, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will become as venal and oppressive as the government from which we separated.

Thus did Jefferson advise against the concentration of power in Washington. Today all governments are rushing here for aid, and if we get into this Union Now scheme they will all be drawn here as the center of power.

George Washington gave his countrymen some additional sound advice when he said:

Europe has a set of primary interests, which to us have none, or a very remote relation. * * * Hence it must be unwise for us to implicate ourselves by artificial ties in the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient Government, we may defy material injury from external annoyance. Why forego the advantage of so peculiar a situation? Why quit our own to stand on foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the tails of European ambition, rivalship, interest, humor, or caprice?

Will you heed this advice of Washington? If not, then listen to what Jefferson also said:

And I am not for linking ourselves by new treaties with the quarrels of Europe; entering the fields of slaughter to preserve their balance. * * * The first object of my heart is my own country.

This whole Union Now movement is so brazen, so foreign to my conception of Americanism that I recall the advice of another great American who said:

The truth is: The issue cannot be compromised. We have to determine whether we want to be freemen living under a free government and enjoying the benefits of free enterprise, or whether we desire to submit to some form of collectivism.

President Warren G. Harding said:

It is better to be the free and disinterested agents of international justice and advancing civilization, with the covenant of conscience, than be shackled by a written compact which surrenders our freedom of action and gives to a military alliance the right to proclaim America's duty to the world.

From our own viewpoint, the program is specifically American, and we mean to be American first to all the world. (From a speech in the United States Senate, 1921.)

Mr. Chairman, the danger in this Union Now movement lies in our own indifference to it. Already there are signs which point to the handwriting on the wall, unless our people rise in protest. And I hope they rise with indignation instead of with anger, for that would be unfortunate. The people have a right to be indignant when any group in the Nation seeks to barter away the liberties and the prerogatives we now enjoy.

Some have suggested that Union Now means the giving of nothing that is vital to our own causes. One writer suggests that the independent rights which this Government now exercises and which we are called upon to pool with other nations involve only the following:

First. The right to maintain a defense force.

Second. The right to maintain tariff and custom barriers.

Third. The right to coin money.

Fourth. The right to conduct our own postal and communications systems.

But, Mr. Chairman, even the partial surrender and the pooling of these rights and the establishment of a common citizenship for all the nations in this Union Now movement or world federation would spell disaster to the United States. What then would protect our farmers and workingmen from the labor of the peons of Mexico and South America or from the coolie labor of China, India, and the Far East?

This Union Now movement is the acme of an economic internationalist's fondest dream. The idea of an international monetary standard, the breaking down of all customs and tariff barriers, the setting up of a common citizenship will only benefit others, not our citizens, but we in all probability will be called upon to share our wealth and our gold with these other nations and also pay their shares of the world federation's wars.

The proponents of Union Now claim to have 30,000,000 endorsers in the United States. I know they have plenty of endorsers in England and some in the British Parliament. But it will no doubt be a surprise to many of the Members to learn that the followers of this movement have gained some legislative support in the United States also.

As early as 1915, when the movement was as yet unnamed the legislature of the Commonwealth of Massachusetts adopted resolutions accompanying the petition of one R. L. Bridgman and others favoring the organization of all the nations into a world state. This resolution was adopted by the Massachusetts Senate February 23, and by the House, February 26, 1915.

The resolution follows:

[The Commonwealth of Massachusetts. In the year one thousand nine hundred and fifteen]

Resolutions requesting Congress to invite all the nations to unite in the formation of a world state

Whereas the incalculable cost and calamity of the European war have caused a strong public sentiment for the end of all war: Therefore be it

Resolved, That the general court of Massachusetts hereby respectfully requests the Congress of the United States to make a declaration in substance as follows:

"The United States of America affirms the political unity of all mankind.

"It affirms the supremacy of world sovereignty over national sovereignty.

"It promises loyal obedience to that sovereignty.

"It believes that the time has come for the organization of the world government, with legislative, judicial, and executive departments.

"It invites all nations to join with it in the formal establishment of that government."

Resolved, That this resolution be transmitted by the secretary of the Commonwealth to the senior Senator and the senior Representative in Congress from Massachusetts for presentation to the respective branches

This resolution is just one of the first of many attempts that have heretofore been made to make a national issue out of some kind of a world federation of states. And I want to observe that this propaganda came at a time when we were at peace and Britain was at war. So while we were still at peace and Britain was again at war, the Union Now movement, most surprisingly took on new life in this country.

And so with this background, you need not be surprised to know that the State Legislature of North Carolina has approved a joint resolution providing for a declaration of the federation of the world.

This joint resolution was passed unanimously by the North Carolina House on March 11, 1941, and by the Senate by a vote of 45 to 5 on March 12, 1941. It was signed by the speaker of the house and by the Lieutenant Governor on March 13, 1941.

At this point it might be interesting to state that the Union Now group are maintaining lobbies in every State capital, and are opening headquarters in practically every city in the country.

Mr. Chairman, who are the people behind this Union Now movement? Are our citizens so gullible that they are contributing the funds or are they coming from sources beyond the United States? I for one do not believe any real American who loves this country and its institutions, would contribute money to see our liberties threatened and our independence submerged. Recently I have received numerous pamphlets, containing what purport to be extracts from the will of Cecil J. Rhodes. It is said that Rhodes in his will set up a trust—

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Africa, the Holy Land, the Valley of the Euphrates, the islands of Cyprus and Candia, the whole of South America, the islands of the Pacific not heretofore possessed by Britain, the whole of the Malay Archipelago, the seaboard of China and Japan, the ultimate recovery of the United States of America as an integral part of the British Empire.

And so forth. Last fall I received a copy of the initial issue of a magazine published quarterly in Santa Barbara, Calif., called Freedom and Unity. In a statement of policy, the editor, one Pryns Hopkins, who I understand from this magazine, formerly published Science and Society in London before the war, said:

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Thus we have two principles laid down by this alien editor, one for a world state on the order of Union Now and the second for a socialized state, perhaps on the order of Russia. So there are other forces also working toward the same goals as the Union Now sponsors who work in the open.

Mr. Chairman, every Member of this body is interested in the successful prosecution of the present war and every Member prays for victory. We all will do our utmost to achieve that end, but as I am daily confronted with the evidence that all our strength must be united for victory, I cannot refrain from joining with others in demanding that an end be put to this propaganda for Union Now, which is creating fear, suspicion, resentment, and dissatisfaction in the hearts of many Americans. Let us not forget all our past mistakes, and get busy on this Union Now movement before it is too late.

Mr. CASEY of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, when war broke out against this country we all heard expressions from every quarter of the unanimity with which we would stand together and fight this war to a finish. This war has been going on for less than 6 weeks, and already we begin to hear the most bitter and unfounded criticism of our Commander in Chief, the President of the United States.

Following the disaster at Pearl Harbor the President named an impartial board to ascertain the facts with reference to that calamity. The personnel of that commission was heralded in every quarter as being above impeachment, above reproach, and its chairman, an Associate Justice of the United States Supreme Court, a man of unimpeachable character and integrity. This board has now made its report. Its findings of fact are clear and unmistakable. This board, not the President, has fixed the blame. Gentlemen have taken the floor today and attempted to intimate that the President of the United States is attempting to evade some responsibility of his. No word or no act of President Roosevelt would justify any such statement, and it bodes ill for the unanimity of this country now, on the very verge of the most terrible ordeal in its history, for men who from the bottom of their hearts love their flag and their country, to make statements within less than 6 weeks of the outbreak of the war, which if believed by the people as a whole, can do nothing else than shake the confidence of the people in our leadership.

Referring to the question of reinforcing the Philippine Islands, we have heard Members today reproach the administration and by implication the President for not reinforcing the Philippines. It is a fact that General MacArthur is making that splendid stand of his with a handful of Americans and a larger number of recently trained Filipinos. It is a fact that General Marshall and every other Chief of Staff and every other expert in our Military Establishment has requested time after time not only during this last session, but before, that all territorial and other restrictions as to selectees be removed. If my memory serves me correctly, General Marshall, when he recommended that the term of enlistment of selectees be extended for more than 1 year, recommended at that same time that the territorial inhibition be also removed. It is a fact that many of those who today voice criticism of the President and, by inference, the Chief of Staff for not sending reinforcements to the Philippines, were opposed to the removal of the territorial and other restrictions. It is a fact that the Congress did not remove those territorial inhibitions. It is a fact also that when the question of demobilizing our Army was before this House, the measure to keep our men under arms passed by one vote only, and I ask you to consider in what situation this Nation, this people would be today if we had failed to follow the recommendation of the President and the Chief of Staff, and if we had refused the request that the terms of our selective service men be extended, and if we had demobilized our Army at the time that recommendation was before us.

[Here the gavel fell.]

Mr. CASEY of Massachusetts. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield for a question.

Mr. MICHENER. As I recall, the draft law had nothing to do with the Philippines. We have at all times been permitted to send draftees to the Philippines, also the National Guard.

Mr. SANDERS. My recollection of the subject is that the draftees were restricted to service in the Western Hemisphere.

Mr. MICHENER. Oh, no; I do not so understand it.

Mr. SANDERS. I stand corrected if I am in error. But the fact remains that had we followed the recommendations of some of those who have voiced criticism of the President today, we would have had no army, and our army would have been demobilized at the time this war broke upon our country.

Mr. CASEY of Massachusetts. Will the gentleman yield?

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Mr. CASEY of Massachusetts. My memory of that law is that it read "outside of the continental limits of the United States," and that would not include the Philippines.

Mr. MICHENER. Well, the law speaks for itself and it is very clear that the Philippines were excepted. We could not send draftees for an A. E. F. to Europe, but we could at all times send draftees to the Philippines.

Mr. SANDERS. I cannot yield further, Mr. Chairman.

Technically, the distinguished gentleman may be correct as to the wording of the act, and if so, I stand corrected. But in practice, the limitations in the Selective Service Act as it was before the term of selectees was extended, was such that it was impractical to use selectees to reinforce the Philippines, Alaska, or Panama—or any other outlying position.

I refer the gentleman to the testimony of General Marshall, Chief of Staff of the United States Army. In his testimony before the Committee on Military Affairs of this House, General Marshall repeatedly stated, in effect, that on account of the time limit and the great distances involved, it was impractical to send selectees to the Philippines, Hawaii, and to Panama. General Haislip testified to the same effect.

Many of the Members who were loudest in their criticism of the President voted against removing these limitations. If we had listened to them, we would have today no army at all.

Mr. HARNESS. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. In just a moment. I wish to make this observation in connection with this tremendous appropriation. We have heard a lot about appropriations. This appropriation of approximately $20,000,000,000 is a tremendous one, but it seems to me that we are in danger of being too complacent on account of large appropriations. We cannot buy the safety of this country. We cannot purchase over the bargain counter the safety of this country. When I read the Roberts report on what happened at Pearl Harbor I saw the names of certain officers who possibly were derelict in their duties.

I saw another instance referred to in that report—that of a noncommissioned officer who was so in love with his country and had such loyalty for his country that he desired to stay on the job and stand by the airplane detectors. He actually ascertained that these hostile airplanes were on the way. I, for one, should like to know the name of this noncommissioned officer, because his attitude exemplifies the type of character and the characteristics we cannot provide by mere appropriations but which we must have if this Nation is to win this war.

[Here the gavel fell.]

Mr. CASEY of Massachusetts. Mr. Chairman, may I inquire how the time stands?

The CHAIRMAN. The gentleman from Massachusetts has 31 minutes remaining, the gentleman from Pennsylvania 11.

Mr. DITTER. Mr. Chairman, will the gentleman from Massachusetts yield for an inquiry?

Mr. CASEY of Massachusetts. I yield.

Mr. DITTER. Do I understand that out of the graciousness of the gentleman's heart the gentleman from Massachusetts is going to allow the minority 10 minutes of the time at his disposal?

Mr. CASEY of Massachusetts. That is right.

Mr. DITTER. I thank the gentleman.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. HARNESS].

Mr. HARNESS. Mr. Chairman, I am amazed at the glaring misstatement of facts in the address of the gentleman from Louisiana, who just preceded me. There is not now nor has there been any restriction against the use of selectees in Hawaii or the Philippine Islands. The original Selective Service Act placed a restriction upon the service of selectees by limiting their service to the Western Hemisphere, our own possessions, and the Philippine Islands. Subsequent to that act selectees were sent to Hawaii, the Philippine Islands, and other places in the Western Hemisphere. This restriction on the limitation of service of selectees was not removed by the act extending the period of service of selectees; therefore the Extension of Service Act did not in any way affect the garrison or number of troops stationed in Hawaii or the Philippine Islands. This restriction on the service of selectees was not removed until after we declared war on Japan. The bill removing this restriction was passed unanimously in the House December 11, 1941, and approved December 13, 1941, as Public, No 338. While I do not question the honesty or sincerity of the gentleman, his impassioned charges and accusations illustrate his complete lack of understanding of the facts and the act of Congress which he discussed. I am sure the gentleman from Louisiana made the statements inadvertently.

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA. Mr. Chairman, it is with a spirit of pride that I call attention of the Congress to the fact that the morning Washington papers carried the picture of a fine-looking, clear-eyed boy from my district, from the town of Hutchinson, Minn. He was the first American boy to land in Ireland, the first American boy of the second A. E. F.—Milburn Henke. I wish the Members would look at the picture of this young man, for I feel they will be as proud of him as I am. Let me call your attention further to the fact that after this boy came down the gangplank he was met by Major General Chaney, who said to him: "Hello. How are you?" And this boy replied: "When do we get a whack at those Germans?" The news report is as follows:

[From the Washington Post of January 27, 1942]

FIRST YANK TO LAND IN EUROPE WORKED HERE LAST SUMMER

A 23-year-old American private, who worked in Washington last summer, walked down 11 steps to immortality yesterday. He was Milburn Henke, of Hutchinson, Minn.—first American soldier to land in Europe in World War No. 2.

It was purely a matter of luck that Henke was selected for the honor of leading the first contingent of American combat troops ashore when they disembarked at a northern Ireland port, the United Press reported.

While the ship that brought the khaki-clad youths over lay at anchor, Maj. Gen. Russel P. Hartle went among his men and selected one at random to lead the parade ashore. It was Henke, son of a German-born father, whom he had promised to "give the Germans hell."

Henke came to Washington from his home in Minnesota last summer for a visit, George Hammel, of 1227 Concord Avenue NW., told the Post last night. He is also from Hutchinson. The visitor liked Washington so well he decided to stay, Hammel said.

For several months Henke worked here as an apprentice printer with the United States News, where Hammel is employed. He left the city last fall to return home. His father was sick. Then he joined the Army. Hammel received a letter several weeks ago, he said, in which the two chums planned to get together here this week end. The letter said, "Something is in the wind."

As Henke marched 11 steps down the gangplank to the dock, the Royal Ulster Rifles Band began to play the Star-Spangled Banner. When the song was over, the Yanks broke into a cheer and began pouring ashore. Henke was greeted by Maj. Gen. James E. Chaney, cocommander of the United States troops.

"Hello, how are you?" said General Chaney.

"When do we get a whack at those Germans?" Henke replied.

Nobody answered his question.

GERMAN FATHER PROUD OF HENKE

HUTCHINSON, MINN., January 26.—Pvt. Milburn Henke, the first American soldier in this war's first American Expeditionary Force to Europe, was a hero tonight in the small town where he left his job as a waiter to enlist in the Army.

"I always knew Milburn would be more than just a plain buck private," his mother, Mrs. Carl E. Henke, said when she heard the news. Tears filled her eyes.

"He enlisted long before his draft number came up because he wanted to make good in the Army."

His German-born father was working behind the counter in his restaurant when he learned his son was the first American private across the Atlantic.

"What a surprise!" he shouted. "This is great."

He threw down his apron and rushed home.

It was only minutes before nearly all the 3,887 residents of this central Minnesota farming community heard the news.

The girl he left behind was proud of him, too.

She is Iola Christensen, 20, who works in a novelty store. She had gone with Henke about a year before he enlisted in September 1940.

"I was sorry to see him go," she said. "But now I'm proud of him."

This boy happens to be the son of an immigrant father, Carl Henke. The newspaper account speaks of the pride of those parents in the fact that their son was the first boy to land of the second A. E. F., and tells of the tears of pride that came to his mother's eyes when she was informed of this fact. For this mother and father I hope their son returns safely to them.

All this, however, merely brings forcibly to my mind and consciousness the grave responsibility that Congress and the administration owe to every serviceman. You who served in the last war realize what a terrific responsibility we owe to each and every one of the boys in service. The responsibility rests upon this administration of seeing to it that these boys have the right kind of training and the right kind of equipment, whether we disagree about giving materials away to some of our Allies or not. I feel personally we have the same responsibility I felt in the last war, as a company commander, for the boys of my particular company.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield.

Mr. SPRINGER. I appreciate what my comrade of the last World War has said on this subject. The necessity is before all of us to provide our soldiers with the necessary equipment. In the many huge appropriations for our defense which have already been made, and in the appropriation bill now before us totalling approximately $20,000,000,000, does the gentleman not feel it to be essential that we eliminate all nondefense and nonessential items with respect to our Government in the future and so long as this emergency continues?

Mr. O'HARA. We have, of course, been appropriating tremendous sums of money for the defense of this country, yet all of us do it gladly, feeling the responsibility we owe not only to our country but to the men in service. I do say, however, that we must cut down the nonessential nondefense expenditures. Over and above that, Mr. Chairman, we must be able to answer satisfactorily the question all of us have been asked, and that I am asked every time I go back home: "What are you doing for our boys in Hawaii, in the Philippines, and elsewhere?"

[Here the gavel fell.]

Mr. JOHNSON of Indiana. Mr. Chairman, I yield the gentleman one additional minute.

Mr. O'HARA. Mr. Chairman, I replied to that inquiry by calling attention to the fact that after Congress has declared a war and appropriated the money for our national defense the responsibility for the operation of that war shifts to and remains the burden of the Administration. How the money is spent that is appropriated, and where these men are sent, is the responsibility and under the direction solely of the Administration and the Navy and the War Departments—without leave or consent or any further action on the part of the Congress.

As a member of Congress who has voted for every national defense appropriation which has been requested by the President, I can only insist that our men in service shall have the finest possible training and the best possible food and equipment obtainable.

This is no time for dispute or disagreement. This is a time to say to the Army and the Navy and those charged with the training and equipping of these men that we shall insist upon that training and care, plans and strategy which is of the finest.

I say to both the Army and the Navy that the American people will hold you responsible for the highest type of service and the highest type of leadership and

fidelity, for we have given our sons to you and charge you with that responsibility and we shall hold you responsible.

Likewise, I say to the Administration that it is charged with the solemn responsibility for the highest type of fidelity and trust, with the lives of our sons and the duty of training and equipping them as they should be trained and equipped for modern warfare; with the gravest responsibility of not wasting a single one of these lives in what is to be the grand strategy of this great conflict. The people of this country will hold you, the Administration, responsible and accountable for the honest expenditure of those vast sums which have been voted for the defense of this country. The burden shifts to you to discharge these sacred trusts. History will soon record how these trusts have been discharged.

Mr. CASEY of Massachusetts. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, most of my life before I was elected to Congress was spent running a school for homeless boys. The boys who came there were boys who made their home with us during all of their formative years. More than 60 of those boys are now in the armed forces of the United States. Four of them are in the Hawaiian Islands and were under fire when the attack was made on Pearl Harbor. One of them is in the Philippines right now. If I were to get up here today and say what I wanted to see done, I would say that I wanted every single bit of force that the United States has sent to the relief of those men who are beleaguered in the Philippine Islands. But if I were running the thing and I did just what I wanted to do, I might lose the war, too. After all, our job in Congress cannot be as admirals and generals, as some Members apparently wish it were.

EXAMPLE IS IMPORTANT

If there is one thing that every single American has to realize today it is that all other Americans of every station in life are going to do their jobs well, to the extent that he does his job well. What is my job? What is the duty of Congress?

I think our job principally is threefold. First, to do what we can to change a point of view, in which I myself to some extent shared; a point of view which events have proven wrong, a point of view which may have contributed more to the Pearl Harbor disaster than most people realize, the point of view of being always on the defensive drawing in one's strength until somebody else came and made an attack. I think the first job of Congress obviously is to vote the supplies necessary and the means necessary to carry on this war and in fields where it can have knowledge to watch with utmost care the things that are being done and to offer constructive guidance. Everyone agrees to that; therefore, it is not necessary to speak about that particular duty.

Congress has two other jobs which I do want to speak of. The first is to show to the American people that we propose to be absolutely fair about everything with regard to the conduct of this war.

THIS WAS WRONG

Already this afternoon reference has been made to the fact that a bill passed the House one afternoon last week which along with many other provisions made possible a contributory retirement system for Members of Congress. I know that it requires contributions and all the rest of that; I know it is not really a pension measure at all as that word is usually understood; but I think it was a great mistake, not so much because of the provisions of the bill as because of the effect of this action of Congress on the people of our country, many of whom have been so earnestly hoping for the establishment of a national old-age pension system. Until that is done, I think no provision should have been made for Congress.

We have to show courage and say that nobody any place shall unduly profit out of this war effort. We will have a chance when the next tax bill comes in, if we do not pass a profit-limitation statute before that. Mr. Chairman, the American people are going to respond to a spirit from this Chamber which shows that the Members, with deep earnestness, propose to give everything they can of effort, of study, of hard work, and that we will, with courage, require that every person in this Nation shoulder his share of the burden in proportion to his ability to share it all the way down the line. We have a considerable distance to go before this will be the situation. As long as the profits reported by the Truman committee continue it will not be the situation.

EVERY AMERICAN IS IMPORTANT TO HIS NATION TODAY

It has been said here this afternoon that while this war is in progress we should not engage in social reforms, and generally I agree with that statement; but while this war is in progress we will have to adopt every policy which is going to add to the strength of the American Nation. We ought to say today, so far as the minima of decent living are concerned, while all the billions are being expended by this Congress, that so far as those minima of nourishment and food are concerned, if it takes additional sacrifice of luxuries to make it possible for all Americans to have these things we are going to see that is done too. I think now is an altogether right time for us to say we cannot afford to let any American child go undernourished. The school-lunch program already set up offers the way this could be done.

FORCES OF FREEDOM WILL WIN OUT AT LAST

In my opinion, there is no doubt about the ultimate outcome of this war. I believe that because I think every government in all the history of the world that has been founded on oppression, that has been founded on an attempt to control people by fear, has fallen. I believe it because once people seize upon the basic truth of what democracy really means, when they understand that freedom might be lost, when they see that here is a way of life and form of government that makes it possible for people, though they may not get all they want, to hope and pray and work that they may have some part in building a better world, when they see that under democracy just because a man, a nation, or group is strong does not mean that he can impose his will upon the weak, when people see and understand these things democracy and freedom will have a dynamic power even greater than they have now, and it will come.

THE TRUTH ABOUT PRESENT SITUATION

I do not know yet, the American people do not know yet, what lies before them. They should be told. They should know that we are in a dangerous, difficult position, with years of struggle ahead of us. We have to face those years with the determination that there shall be an equal sharing of the burdens and that all groups of people in our Nation will be regarded, yes, as brother Americans, that there shall be a spirit that goes far enough to bind us indissolubly together. I wish I could speak to you about the attitude that has been taken in Great Britain on that very point.

I want to conclude by saying that these men in the armed forces who are now shouldering the great burden, facing the danger in the defense of America, have a right to ask one thing of us, and that is that we on our part will not neglect our task that when the war is won, as it will be, there will be here in America a system which will offer a hope to them, will offer employment to them, will offer a prosperous condition to them, will offer a continuation of the system of free enterprise because we can see and will do what is necessary to make these things possible.

A PROPOSAL FOR THE FUTURE

When those men return from this war there will be many of them who made great economic sacrifices to serve their country. They will have left jobs that paid them well in order to go to the defense of their country. They will have a certain claim upon this Nation.

I want to know why it would not be logical for us to provide now that when those men return there shall not be a long argument over the question of payment of just compensation to these men but that there will be already provided a system of discharge pay for those men who serve their country in this war. Such discharge pay should be payable to them upon discharge, month by month, for a period of time corresponding to their length of service. Economically it is as sound as any proposal could possibly be, because that will be the time when we shall need to increase our people's buying power in some manner in order to make up for the huge expenditures now being made for the war effort. If the matter were done now, we would have taken one step, logical, just and fair, which would give some assurance of what that future would be. Our job, at that time, cannot be done all of a sudden. It can be done only if it is prepared for ahead of time.

Since December 7 certain lessons have, I hope, been seared into the hearts of all Americans. I hope we have learned this basic truth, that those things most precious in life are things that cannot be kept just by trying to hold them, that

those things most precious in all human civilization and history are things that can be kept only by those who are ready to sacrifice for them. If that lesson is to get abroad among all the American people, then, as I said before, it has to start from the top; yes, it has to start with us, it has to start with the people all up and down the line throughout our population who are in positions of leadership of any sort.

[Here the gavel fell.]

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 30 seconds to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, the gentleman from California, if I understood him correctly, believes in equality of opportunity for all. Does not the gentleman believe that?

Mr. VOORHIS of California. I do.

Mr. HOFFMAN. Several made talks on the floor of the House the other day. I notice that in the RECORD, on page 414, the gentleman's speech is the only speech that is followed by the word "applause," though there was applause at the close of the other talks. Does not the gentleman believe, in view of the ruling of the Speaker some time ago that "applause" was no part of the RECORD, that he should join with me in having uniformity of printing in the RECORD and ask that the word "applause" inserted by him be stricken out? It was written into the gentleman's remarks by pencil.

Mr. VOORHIS of California. Mr. Chairman, I ask unanimous consent that that be stricken out.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. I should like to have permission to say that there was applause at the conclusion of my speech on that occasion, and, further, that I did not know at that time of the Speaker's ruling with regard to this matter.

Mr. HOFFMAN. That is correct; but applause followed all of those speeches.

[Here the gavel fell.]

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. BENDER].

OUR RESPONSIBILITY IN WARTIME

Mr. BENDER. Mr. Chairman, the gentleman from Mississippi [Mr. WHITTINGTON] said, among other things, this, and I quote him verbatim:

> Some of us act as if appropriations will win the war.

Another gentleman in debate stated that, including this measure, thus far $104,000,000,000 will have been appropriated for defense purposes, or without this bill, Congress will have appropriated $84,000,000,000 for all defense purposes.

I asked the Committee on Appropriations to give me the figures. These are the figures as of June 30, 1941. For the fiscal year 1941 the total expended for defense purposes was $6,047,929,000. For the fiscal year 1942, as of January 21, 1942, the total is $9,591,712,000.

Here we have a story of wholesale dereliction on the part of those vested with responsibility for this program. Congress has appropriated a total of $84,000,000,000, and up to the present time only $15,000,000,000 has been expended.

The gentleman from Mississippi also stated that we must be frank with the American people. Are we being frank with the American people about Pearl Harbor? Are we being frank with the American people when we fail to tell them the whole story of our performance or lack of performance? What kind of "screwy" business is it, anyhow, to have to read about what we are doing in the United States in the newspapers reporting the speech of the Prime Minister of Great Britain to the British people? Mr. Churchill tells the whole world details of the Allied program—details withheld from us by our own Government.

Have we 16 battleships on the high seas? Do we have 7 aircraft carriers? Do we have 37 cruisers, as was printed in a newspaper only yesterday, and I have the clipping before me? De we have 171 destroyers? Do we have 113 submarines?

There has been some complaint here this afternoon that the performance of the American people is not up to par. They say it is not 100 percent. Perhaps if the American people knew the facts their performance would be 100 percent. I am sure our people would be fighting mad if they had the facts and knew the whole story, and did not have to wait until the Prime Minister of Great Britain spoke before some of the facts were laid before them.

Why not be frank with our people? Our people will deliver if they are given the facts. This is a republic. The people who compose our Nation are united in their determination to leave nothing undone in our effort to win this conflict. What may we ask of our Government in the midst of this desperate trial?

The British Government has charted the course for us to follow. Reports on the progress of the war must be offered from time to time by responsible spokesmen of our Government. Within the natural limits of information properly allowable in wartime, we should know precisely what is happening. We have the right to know within a reasonable time after any major engagement what our losses have been, what our forces have been able to do to the enemy, what our services are doing to overcome initial advantages inevitable in the particular kind of war we are fighting.

The right to criticize governmental conduct of the war must be reasonably exercised, but it is not forfeited. We are all thoroughly familiar with the bitter criticism of the British conduct of the campaigns in Greece and Crete leveled against the Churchill Government by members of the House of Commons. We know that full dress debates have taken place in Parliament dealing with everything from failure of the British Propaganda Ministry to present a fair and full account of military affairs up and down the line to votes of confidence in the Government.

We, too, have the right to criticize ineptitude and lack of military or naval efficiency. The interests of our national preservation and the maintenance of our freedom demand that we maintain a real alertness to everything that happens. If there are incompetents in any branch of our services, this is the time to eliminate them. We have heard tales of many an antique occupying a high military position while aggressive junior officers are forced into subordinate positions. The one sure lesson of the present World War is the lesson of youth. New tactics, daring resourcefulness are not the exclusive attributes of young officers and a youthful military force. But there is abundant evidence in our own military flies that aged commanders are more resistant to new ideas than young men. The new role of aviation in this war has been grasped by few officers of the first World War era. Damage inflicted upon capital ships of the British and American fleets from the air may alter their views more rapidly than any academic discussion. The American people have the right to demand the most up-to-date generalship in the conduct of our defense. We have the right to seek the most effective modern techniques to destroy the forces of the enemy.

These views must lead inevitably to three principal conclusions. First, Congress must remain in continuous session, exercising its right to scrutinize the conduct of our war effort. Second, in the consideration of our efforts, we retain the right to demand that every step we take in this struggle shall be taken intelligently and executed skillfully. Third, we shall give our Government the fullest cooperation, and in return we shall demand as much candor and honesty as are humanly possible in time of war.

[Here the gavel fell.]

Mr. JOHNSON of Indiana. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, with our country in an all-out war against the Axis, I should like to say a few words about the Bill of Rights of the Constitution of the United States of America, because it is through the Bill of Rights that we as a free American people have had and do still possess the right and privilege to worship in whatever church and whatever religion we desire. We have the right to the freedom of speech, and the right to assemble together in peaceable pursuits anywhere that we please, and we have the right to petition our Government for the redress of any grievances.

We have enjoyed these rights for over 150 years and through generations, so that we have come to think that these rights given us under the Constitution are rights that have been enjoyed by all peoples of the world since time immemorial. But this is not the case. There are now American citizens living in Manila who, since the invasion and occupation of that city by the Japanese, have had all their constitutional rights taken away from them, and we are told that they cannot even go out of their houses without taking a chance on being shot by some Japanese soldier. You know, of course, that the citizens of the Axis countries have not had the right to worship their God, nor the right to speak their minds, nor have they been able to assemble together for peaceable

purposes or to express their grievances against any governmental acts in those countries for fear of imprisonment or execution. These are things that we must give serious consideration at this time because we are in a war, the outcome of which will determine whether we shall continue to enjoy the rights that are enjoyed by every American citizen under the Constitution of the United States.

Life is not worth living when, at any time, a ruthless aggressor who has no regard for the decencies of life and individual happiness, may attack us and take possession of our property, our cities, and the lives of our citizens. Our forefathers, in creating the Constitution of the United States and the first ten amendments thereto known as the Bill of Rights, did not contemplate the destruction of those rights and liberties by aggressors from across the seas. They felt that we were safe and that the blessings of liberty were assured to all American citizens because of the distance separating us from the tyrannical nations in Europe. But today, with the dive bomber and air power wiping out these distances, it has been shown that life is less secure today for those who live even thousands of miles from the scene of actual warfare. And so, we must do our utmost to prevent aggression from raising its ugly head in our outlying possessions, otherwise the security of our homes may be at stake.

The present war, as it affects our country, is a greater menace to our security because it engages us in two oceans. Now it is no longer a question of keeping the Atlantic free as in the first World War, but the gigantic struggle has now entered the Pacific; and the fanatical Japanese race is now bent on destroying everything sacred to America and Americans. The United States and Great Britain and other nations have signed a solemn covenant to wage the battle of freedom until every vestige of tyranny is removed from the earth. I am sure that all the ideals which we free Americans cherish will continue to live on. The road leading to final victory will be tough; but our American Republic will be preserved. The freedoms guaranteed to us in the Bill of Rights of the Constitution of the United States must be preserved, and our fighting forces will triumph over the invaders.

The United States of America is a vast country, thriving with great resources. Hitler's dominions and all the countries he has overrun only cover one-fourth the area of the United States, but America is not only so many square miles of territory—it has the greatest factories in the world, we have a great source of raw materials in our farms and mines. We are a nation of hundreds of thousands of villages, towns, and cities, of great mountains and prairies, containing the greatest natural resources in the world. Our country was built by pioneers who left the tyrannies of foreign lands to enjoy the freedom and liberty that became theirs in free America. They made thriving communities out of barren waste lands. We have developed a source of light and power from our mighty rivers, mountains, and valleys of our great country. And now we are called upon to fight for our rights, our liberties, our freedom, our resources, our possessions, and our very lives. We must turn our peacetime efforts into an all-out effort of war to a victorious conclusion. Our skillful mechanics and the resourceful brains of this country will be as successful in war as they hitherto have been in peace. Our millions of miners, builders, manufacturers, tradesmen, workers, our truckmen, railroad men, and our farmers, all join in the effort to bring about the return of peace after winning the war that has been forced upon us. The old saying was, "In times of peace prepare for war," but now, in time of war let us prepare for the peace that is to follow. This peace will only be attained by the untiring effort of men and women making it impossible for any aggressor hereafter to disturb the happiness of our lives. This war has now reached our own homes and the members of our own families. Our first task is to win this war and our next objective is to win the peace that follows the war. To this end we must all dedicate ourselves.

Mr. SCRUGHAM. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. LUTHER A. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Chairman, this is the largest appropriation bill ever passed by the Congress of the United States. Its total amount is $17,722,565,474. It is for the Navy's maintenance and expansion. The figures are so stupendous that it is impossible for the human mind to comprehend their vastness. But, Mr. Chairman, I dare say that if a roll call is had upon the passage of this measure, it will be adopted by a unanimous vote in the affirmative, and that is as it should be.

The Congress in these dark hours has two grave responsibilities resting upon it. The first is to appropriate the money with which to win this titanic World War in which we are now engaged, and the American people will support the Congress in these appropriations. The other responsibility that rests upon Congress at this time, Mr. Chairman, is to create that unity of spirit that is so vitally necessary when we are engaged in a war for our existence.

I have been somewhat disappointed in the tenor and tone of some of those who have spoken here this afternoon. The gentleman from Ohio [Mr. BENDER] said that the American people would have faith and would do more if they knew the facts, but stated that the facts are being withheld from them. If the gentleman knows any facts, which I doubt, he ought to give the facts. It is not the time for loose speaking, Mr. Chairman, and speeches like that of the gentleman from Ohio will not help win this war. Unity of spirit and of determination will not be created by speeches which impugn a lack of faith in the Commander in Chief of the Army and the Navy of the United States. It will not be promoted by generating a lack of faith in the commanders of our Army and naval forces at this time, and as another has well said, we cannot fight this war on the floor of the House. We are not admirals, we are not generals, and we cannot conduct the war. All that we can do is to provide the sinews of war with which the war may be fought.

I rose primarily, Mr. Chairman, to make a few observations about the Pearl Harbor tragedy, and it was a tragedy. It was a tragedy that shocked the hearts of the American people and cost the lives of some of our bravest and finest young boys, whose homes were in every one, I dare say, of the 48 States of the American Union, but I differ with those who say that we have not placed the responsibility for that tragedy and who insinuate that other high officials whose names have not been mentioned in the report of the Commission were likewise involved.

What was done when that tragedy occurred? The President of the United States, as I think it was his duty to do, appointed immediately a commission to investigate and that commission was headed by one of the distinguished American jurists, Owen J. Roberts, of the Supreme Court of the United States, a man whose integrity, whose ability and whose fairness, I think, stamp him preeminently for the head of that commission, and inspired confidence in the American people that when he was appointed there would be no white-washing, but there would be an inquiry into all the facts, and the American people would know the facts—let the chips fall where they may.

The report of this commission was released a few days ago and I have read every word of it, and I hope some of those who have been criticizing it have taken the time to read it all. It is a state paper, Mr. Chairman, which deals in a logical, exhaustive way with the tragedy from every angle, and no one can read it with an open mind without concluding that the commission has performed its duty fearlessly and fairly and has fully met its responsibility. It explores and discusses every angle of the tragedy and they have placed their fingers upon the cause and have pointed out that those primarily responsible for it were the commander of the naval forces and the commander of the military forces in Honolulu. The testimony shows in this report that these two leaders—and I do not have any malice in my heart against them personally—but they erred, and erred grievously, because those two men like some of those who have been criticizing much of the legislation we have been passing for the defense of our country, were not fully aware of the danger confronting the United States. Some of the critics would seem to point out that there was further responsibility and that the President of the United States ought to have told them what to do and that the Secretary of the Navy and the Secretary of War ought to have given specific instructions as to what to do. This angle of responsibility was considered by this commission and you will find in its report it directly says that the State Department gave notice of the grave danger that confronted us, and these men were so notified.

The Secretary of War and the Secretary of the Navy also sent special instructions to those commanders as to the imminent danger existing. The measure

of responsibility to meet the danger of attack vested in these two commanders at Honolulu and not in Washington. Some critics say that the cause of the tragedy was that we did not have enough planes and additional armament there, but the facts, the undisputed facts, show in this report that if we had had 10 times the number of planes there that we had there, or if we had had 10 times the number of ships there that we had there, it would not have averted that tragedy, but it would have multiplied, intensified, and increased it, because more ships and more planes would have been lost. Here is where the responsibility rests. The responsibility lay in the fact that those two officers commanding the Army and the Navy forces at Honolulu did not believe that an air attack would be made upon Pearl Harbor. The commander of the naval forces called in his air expert adviser, and that officer told him that there was no danger whatever of air attack, and they believed that to be true, and they took only half-hearted measures to prevent it. From 4 a. m. to 7 a. m. they had a watch by which they could detect incoming planes, and from 7 a. m. it was suspended, and the Japanese evidently knew that, and they timed their attack so that there would be no listening in to the approach of planes. The attack came at 7:58 a. m. If that watch had been maintained 24 hours a day instead of 3, as it should have been, there would have been, at least according to what did happen, over 40 minutes' warning before the attack came, because the report shows that at 7:02 a. m. one of the noncommissioned officers whose duty did not require it stood there and heard the approach of planes, but he did not report it to official sources because he was not required so to do. He reported it to a young lieutenant, who did not in turn report it further. If proper precautions had been maintained when the first approach of planes had been detected those planes and bombers of ours would have been off the ground and they would have had time to meet the Japs in the air, and instead of a tragedy to our forces at Pearl Harbor there would have been a tragedy to the attacking forces of Japan, or at least a material mitigation of our losses of men, ships, and planes. Let us put the responsibility where the Commission says it should be and is, upon the failure of the two officers commanding the Army and the Navy, and their failure to be alert, and because those two officers did not confer each with the other upon what was happening, each thinking the other was doing his duty, when neither was doing the full duty required of them under the circumstances.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SCRUGHAM. Mr Chairman, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr Chairman, with deep solicitude and equal determination I approve this huge appropriation bill and shall support it. I have often been accused—and sometimes wrongfully accused—of blind support of administration bills at various times in the past. Now in this case I may rightfully be accused of blind support of this bill, for I do not grasp how much we are appropriating here, nor do I know whether the various items are properly proportioned, nor do I sense how this unprecedented sum is to be raised. However, I believe America can do it, ought to do it, and will do it.

This is the largest naval appropriation bill in history, and yet I, a landlubber, shall vote for it. I know little about the sea. On March 21, 1938, with fear and trembling, I voted for a supernavy authorization bill designed to give us a two-ocean navy. Now I am very glad I voted for that authorization. There was a time, long before I came to Congress, when I was willing my country should be content and certainly secure with the second largest navy in the world. Later I was satisfied that America should share with the mother country independent, equal navies under the 5–5–3 ratio. Today I insist that my country must have an independent, largest navy on this globe. It must not only be the largest but the most efficient with air and sea fighting strength properly proportioned.

Of course, the immensity of this appropriation takes the breath out of me, but I think I know what has to be done, and if this is what it takes, we shall vote it, pay it, and do it. Heretofore I have sometimes questioned the wisdom of building such expensive, capital warships, and I have felt that more emphasis should be placed on the air force connected with our Navy. However, if this bill contemplates more than 20,000 planes, I should think our naval air arm is being developed proportionately to the surface craft.

During my adult life I have seen Americans fly, beginning with the first crude experimental planes 40 years ago and coming on down to the present supermonsters of the sky. I understand that in those four decades just mentioned we in America, counting all kinds and types of planes, built a total of 75,000 aircraft. Now, I am told that in the next year of our war effort our Nation will build 75,000 modern planes, or as many in 1 year as we built in all the history of aviation. When we do that, it will be but a beginning.

What will all this cost? Heaven only knows. If it takes more than half our national wealth, we must spend it, for what good will our vast national wealth be to us if we do not properly complete this war? When I say "properly complete this war," I do not mean a negotiated treaty. I do mean that when this task to which we have committed ourselves is finished, America will never again need to look to any sea force or land force or air force, excepting our own, for our national security. We covet the lands and the riches of no nation on earth, but the time must come, unless America fails the future, when no nation on earth can have an armed land, sea, or air power, without our consent, which might menace our safety.

I could easily have been an isolationist, according to all my upbringing, but I am completely changed now, and I am determined that our country shall see to it that the only armed force capable of effective action throughout the world shall be one dedicated to our own national safety, as well as to the safety of all peace-loving nations.

Mr. SCRUGHAM. Mr. Chairman, I yield the remaining time to the gentleman from Massachusetts [Mr. CASEY].

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts for 3½ minutes.

Mr. CASEY of Massachusetts. Mr. Chairman, it has been said on this floor repeatedly that this is the largest bill ever brought before the Congress. It is undoubtedly the largest bill ever brought before any parliamentary body in the history of mankind. That is because the program is so vast, so colossal, that one cannot use words that would adequately describe it. Of course, the amount of money involved transcends any ever involved in any other bill because the sights have been raised, raised by those in charge of prosecuting the war, to levels never before dreamed of. This money is for ships, and more ships, and more ships and guns, and armor and planes, and ammunition and shore facilities on a grand scale. Before Pearl Harbor we thought that all of our production capacity was utilized to the limit, but after Pearl Harbor there was imposed upon the shoulders of those responsible, superimposed, in fact, upon the already tremendous program, another almost equal to the original task. No wonder they were staggered for a moment, but I am happy to be able to say at this time that that program is going to be accomplished.

It is not going to be accomplished in any easy manner. It needs the support of every man, woman, and child in America. For the time being at least, in the accomplishment of this program, blind partisanship should stand challenged and ashamed. We need the support of management. We need the support of labor. We need the support of every element. Imagine, for example, our program with respect to airplanes. It has been 34 years since Wright brought the first airplane into being in this country. During all of that period of the history of airplane manufacture in the United States there has been produced a grand total of 75,000 planes. Think of it, gentlemen! In all the history of aviation manufacture in the United States we have produced 75,000 planes. Yet in this year, 1942, to give you an idea of how staggering this program is, we are asked to produce 75,000 planes. Or, in other words, in 1 year the total amount that we have produced in all the history of airplane manufacture in this country.

That illustrates—it gives a graphic description of what we are up against. The shipbuilding program is even greater. Ships are sliding off the ways and being commissioned faster, oh, much faster, than ever before in history.

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

For traveling expenses of civilian employees, including the travel of dependents of employees to and from navy yards or stations outside the continental limits of the United States, and for the expenses of at-

tendance, at home and abroad, upon meetings of technical, professional, scientific, and other similar organizations when, in the judgment of the Secretary of the Navy, such attendance would be of benefit in the conduct of the work of the Navy Department; for the part-time or intermittent employment in the District of Columbia or elsewhere of such experts and at such rates of compensation as may be contracted for by and in the discretion of the Secretary of the Navy; expenses of courts martial, purchase of law and reference books, expenses of prisoners and prisons, courts of inquiry, boards of investigations, examining boards, clerical assistance; witnesses' fees and traveling expenses; for promoting accident prevention and safety in shore establishments of the Navy, to be expended in the discretion of the Secretary of the Navy; newspapers and periodicals for the naval service; all advertising of the Navy Department and its bureaus (except advertising for recruits for the Bureau of Navigation); costs of suits; relief of vessels in distress; recovery of valuables from shipwrecks; maintenance of attachés and others abroad, including office rental and pay of employees, and not to exceed $900 for any one person for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (5 U. S. C. 118a); for contingencies for the Director of Naval Intelligence, to be expended in his discretion, not to exceed $2,000; the collection and classification of information; telephone, telegraph, and teletype rentals and tolls, telegrams, radiograms, and cablegrams; postage, foreign and domestic, and post-office box rentals; necessary expenses for interned persons and prisoners of war under the jurisdiction of the Navy Department, including funeral expenses for such interned persons or prisoners of war as may die while under such jurisdiction; payment of claims for damages as provided in the act making appropriations for the naval service for the fiscal year 1920, approved July 11, 1919 (34 U. S. C. 600); services of employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the field service of the Navy Department; necessary expenses for the maintenance and operation of a security inspection force (including personal services in the District of Columbia or elsewhere, by contract or otherwise, without regard to section 3709, Revised Statutes, or the civil service or classification laws); and other necessary and incidental expenses; in all, $13,409,915: *Provided*, That no part of this or any other appropriation for the Navy Department or the Naval Establishment for the fiscal year 1943, or of funds allotted to the Navy Department, shall be available for any additional positions in the District of Columbia or elsewhere at rates of compensation in excess of $5,000 per annum, either on a per diem or per annum basis, except in pursuance of specific authorization contained in this title or hereafter granted: *Provided further*, That no part of this or any other appropriation for the Navy Department or the Naval Establishment for the fiscal year 1943, or of funds allotted to the Navy Department, shall be available for the employment of a greater number than 15,000 civilian officers and employees in the Navy Department proper, at Washington, except in pursuance of specific appropriations as to numbers hereafter provided.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Clerk has just read the provision that has to do with the office of the Secretary. I notice this bill removes the restriction upon the number of enlisted men who can be assigned in Washington in the Navy and Marine Corps, and increases the number of men who can be employed here in the office of the Coast Guard.

As I drive by the offices of the Army and Navy I see a tremendous number of young men in uniform. I am not going to question the advisability of assigning those young men to the Departments here. I am not going to question the advisability of lifting the restrictions as to the number of enlisted men that can be employed here, but I do want to commend this subcommittee because it says in its report that it has a distinct understanding that the removal of existing limitations will not be abused. That was abused during the World War, and those of us who were here during that period know it was abused.

The distinguished chairman of the Senate Committee on Naval Affairs [Mr. WALSH] threatens an investigation because of the number of men who are being commissioned for service in the intelligence branch of the Navy. He is sound and he must have some reason for making that statement. What I want to see is for this committee to keep its eye on what is going on under the provisions of this bill. We are trusting the Navy, the Marine Corps, and the Coast Guard, and we want absolutely no favoritism in the assignment of men to positions in Washington, where there will be no danger to their lives. Remember, I am not making charges; I simply refer to what this committee says it proposes to do. I am sure its action will be beneficial. My view is the time will surely come, if this privilege is abused, when there will be a scandal in the Navy. We do not want that and the way to prevent it is to treat all alike.

I have received letters to the effect that young men applying for commissions in the Naval Intelligence Service were told that they wanted a letter of recommendation from a Government official, and the applicant, happening to know me, wrote me for that letter. I have on two or three occasions written letters for young men who sought commissions as ensign in the Naval Intelligence Service, but I confined that letter solely to the young man's character. I am not going to speak of his ability to serve in a certain position in the Army or Navy or Marine Corps or any other branch of the Government that is engaged in fighting this war. That must be determined by the officials whose responsibility it is to commission men, and assign them. Put the men where they will be of the most service is my motto.

As I said, I rise here today to commend this subcommittee and to express the hope the committee in the future will require reports from time to time to keep its eyes on what is going on, so that this privilege will not be abused, as the officials promised.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. EBERHARTER. What I would like to know, and perhaps the gentleman can tell me, is whether or not these enlisted men in the Navy or the Coast Guard or the Marine Corps are assigned to duty in Washington as individuals, or whether they are assigned as members of a unit?

Mr. COCHRAN. They are assigned as enlisted men, individually, I think, but I am not sure. They retain their rank and they are given certain positions in the department. Some of them may be specialists. If they are specialists they belong here.

Mr. EBERHARTER. But what I would like to know is whether or not an official in Washington can make a request for a certain individual to be assigned here in Washington for duty; that is, a certain enlisted man?

Mr. COCHRAN. I have never made such a request and I am not going to to make it.

Mr. EBERHARTER. The gentleman did not understand my question, I am afraid. Can a certain individual be taken out of some unit in the Navy and assigned to duty here? In other words, if that can be done, certainly favoritism could be shown.

Mr. COCHRAN. I cannot qualify to properly answer the gentleman. I would say for an example, if he were a specialist in radio or something of that character where he would be able to be a teacher, or say an expert in ship construction, a man would be justified in asking for an assignment of that character or probably an official would be justified in asking for him, but only where a condition of that kind existed should he be brought here. At least that is my view.

[Here the gavel fell.]

Mr. EBERHARTER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I wish to propound to the chairman of the subcommittee, the same inquiry I propounded of the gentleman from Missouri. I have heard that some individuals who are enlisted men in the Navy and in the Marine Corps are favored by being assigned to duty here in Washington; in other words, they are taken out of their units and they get a nice assignment here in what is practically the civilian activities. I should like the chairman to enlighten me on this subject.

Mr. SCRUGHAM. At the outset I should like to say that I agree in its entirety with the statement made by the gentleman from Missouri. We in our report state that the committee has the distinct understanding that the removal of existing limitations will not be abused.

There are numerous instances of men being asked to serve in various bureaus, but in every instance that has come to my notice or under our investigation—and there has been more than one—these have all been specialists in some particular line and the case was justified.

Mr. EBERHARTER. I thank the gentleman.

Mr. DITTER. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I feel called upon to take this time to justify what I believe to be the administrative ability of the present Chief of the Bureau of Navigation, Admiral Jacobs. The subject under discussion, the personnel of the Navy, is under the Bureau of Navigation. I should like to assure the House that I

believe we can have absolute confidence in Admiral Jacobs and the men who serve with him in personnel. I believe he is the type of man who would use the best man for the job at hand. I can hardly feel that Admiral Jacobs would be one who would submit to pressure of any kind.

The letters which were referred to by the gentleman from Missouri are probably letters that every applicant is required to produce as to character. I am confident that the Bureau of Navigation will not be a party to anything that smacks of patronage or favoritism. I do believe that the right man for the right job requires the exercise of discretion in selection. I believe that the selections which will be made by Admiral Jacobs of men for service will be selections which will reflect credit to the Navy and will be to the best interests of the country.

Mr. HOFFMAN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. I make the point of order, Mr. Chairman, that the language on page 3 beginning with the word "necessary" in line 23, and ending with "laws" in line 3 of page 4, is legislation on an appropriation bill; and on this point of order I should like to be heard if the Chair please.

Mr. SCRUGHAM. Mr. Chairman, I make the point of order that the point of order comes too late.

The CHAIRMAN. The Chair will state to the gentleman from Michigan that his point of order comes too late, there having been debate on the paragraph.

Mr. SHEPPARD. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is that the Clerk will read.

The Clerk read as follows:

CARE OF LEPERS, ETC., ISLAND OF GUAM

Naval station, island of Guam: For maintenance and care of lepers, special patients, and for other purposes, including cost of transfer of lepers from Guam to the island of Culion, in the Philippines, and their maintenance, $24,450; for educational purposes, $15,000; in all, $39,450.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I desire now to salute the committee this afternoon for including in this bill the item for the care of the lepers at Guam. I think it is the real American spirit, an expression of confidence, and that it is good psychology.

When the item was considered by the committee the gentleman from California [Mr. SHEPPARD] in examining Commander Woodruff, made this statement:

Commander Woodruff, we have a Guam item here of $41,000. I do not think I shall ask you for any justification. My disposition is to approve the item as submitted. I have got a hunch that we will have these good people back under our wing before very long.

Have you any observations that you want to make about it?

We are not running away from the people of Guam, either the sick or the well. We are coming back to them.

The Clerk read as follows:

Pay of naval personnel: For pay and allowances prescribed by law of officers on the active list, pay, $85,323,193, including $3,366,417 for increased pay for officers of the Regular Navy for making aerial flights, no part of which shall be available for increased pay for making aerial flights by more than 9 officers above the rank of captain, nor by nonflying officers or observers at rates in excess of those prescribed by law for the Army, which shall be the legal maximum rates as to such nonflying officers or observers; rental allowance, $16,474,104; subsistence allowance, $10,144,672; in all, $111,941,969; officers on the retired list, $17,962,388, for hire of quarters for officers serving with troops where there are no public quarters belonging to the Government, and where there are not sufficient quarters possessed by the United States to accommodate them, and hire of quarters for officers and enlisted men, comparable to quarters assignable on a capital ship, as authorized by the Secretary of the Navy to meet emergency conditions, including officers and men on sea duty at such times as they may be deprived of their quarters on board ship due to repairs or other conditions which may render them uninhabitable: *Provided*, That under this authorization no funds may be expended for the hire of quarters for occupancy by the dependents of officers or enlisted men, $30,000, and such additional amount as may be necessary within the total amount of this appropriation; pay of enlisted men on the retired list, $20,204,598; interest on deposits by men, $25,694; pay of enlisted men as authorized by law, extra pay for men as authorized by law, and cash prizes for men for excellence in gunnery, target practice, communication, and engineering competition, $428,728,809; outfits for all enlisted men of the Navy on first enlistment, civilian clothing not to exceed $20 per man to men given discharges for bad conduct or undesirability or inaptitude, reimbursement in kind of clothing to persons in the Navy for losses in cases of marine or aircraft disasters or in the operation of water- or air-borne craft, and the authorized issue of clothing and equipment to the members of the Nurse Corps, $25,329,765; pay and allowances of the Nurse Corps, including assistant superintendents—pay, $1,169,980; rental allowance, $340,800; subsistence allowance, $171,477; pay retired list, $330,305; in all, $2,012,562; rent of quarters for members of the Nurse Corps; pay and allowances of transferred and assigned men of the Fleet Reserve, $15,816,685; reimbursement for losses of property as provided in the act approved October 6, 1917 (34 U. S. C. 981, 982), as amended by the act of March 3, 1927 (34 U. S. C. 983), $20,000; payment of six months' death gratuity, $3,721,600; in all, $625,794,070: *Provided*, That, except for the public quarters occupied by the Chief of Office of Naval Operations, the Superintendent of the Naval Academy, and the Commandant of the Marine Corps, and messes temporarily set up on shore for officers attached to seagoing vessels, to aviation units based on seagoing vessels including officers' messes at the naval air stations, at submarine bases, at overseas bases, including Alaska, and at mobile hospitals, to landing forces and expeditions, and in addition not to exceed 300 in number at such places as shall be designated by the Secretary of the Navy, no appropriation contained in this act shall be available for the pay, allowances, or other expenses of any enlisted man or civil employee performing service in the residence or quarters of an officer or officers on shore as a cook, waiter, or other work of a character performed by a household servant, but nothing herein shall be construed as preventing the voluntary employment in any such capacity of a retired enlisted man or a transferred member of the Fleet Reserve without additional expense to the Government, nor the sale of meals to officers by general messes on shore as regulated by detailed instructions from the Navy Department;

Mr. HOFFMAN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. Mr. Chairman, I make the point of order that the language from line 7, on page 20, ending with the word "men", in line 15, constitutes legislation on an appropriation bill.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. DITTER. I do hope the gentleman from Michigan will not press his point of order. I realize, of course, that I am presuming on the prerogatives of the distinguished Chairman. I feel that the gentleman from Michigan is just as much concerned as we of the committee are in providing the best that can be provided for the Naval Establishment. If the gentleman insists on his point of order, it will simply mean that what we are arranging for here will have to be arranged through substantive law.

Mr. HOFFMAN. Tomorrow.

Mr. DITTER. Yes; tomorrow, perhaps. I cannot see that anything will be gained; and if I can at all be persuasive with my friend, I hope he will withdraw the point of order.

Mr. HOFFMAN. Mr. Chairman, may I withhold the point of order and move to strike out the last word?

The CHAIRMAN. The point of order will have to be disposed of first.

Mr. HOFFMAN. Mr. Chairman, I withdraw the point of order and move to strike out the last word.

Mr. Chairman, on page 9 of the committee report on this bill and over on page 11 you will find a statement of limitation and legislative provisions. There are 15 of them and at least 12 are subject to a point of order. I realize the force of what has been said by my distinguished leader, the gentleman from Pennsylvania [Mr. DITTER]. The only reason I am constrained to make the point of order, and the same point of order could be made to subsequent provisions referred to on pages 10 and 11 of the report, is because in looking over the RECORD of January 23, page 612, I find these words:

Mr. Speaker, I believe Members of the House must realize there is a duty devolving upon the Member in charge of a bill to observe the established procedure; to observe the rules of the House; to insist upon the application of those rules to the business under consideration; and any man in charge of a bill contributes to the integrity of the proceedings when he insists upon all points of order against opposition seeking to dismember the bill. It is his duty regardless of his personal preference or his own individual views. It is his responsibility to insist upon the enforcement and application

of the rules of the House in protection of the bill which has been entrusted to his custody, and he has no choice but to protect it. He is derelict in his duty if he permits personal friendships or personal bias to divert him from that course.

There is more along the same line calling attention to the necessity of following the rules of the House. Those words are the words of the gentleman from Missouri [Mr. CANNON], the great parliamentarian of the House. He invoked a rule of the House as to recognition to prevent the gentleman from Kansas [Mr. LAMBERTSON] offering an amendment. The gentleman from Missouri [Mr. CANNON] had the right to insist upon the application of the rule. Unlike Shylock, he was able to get his pound of flesh without shedding a drop of blood. We of the minority might do the same here with reference to at least 12 provisions of this bill.

I will not insist upon the point of order as to this paragraph, nor will I raise it as to the other provisions to which it may be applicable, for I realize the force of what has been said by the distinguished gentleman from Pennsylvania [Mr. DITTER], and I agree with him.

I only raised the question at this time in order to call the attention of the majority and its leaders to the fact that the same tactics which were used the other day by the gentleman from Missouri [Mr. CANNON] can be used by us of the minority.

The rules of the House should be followed, but there are times when exceptions should be made, when a little charity is advisable.

The Clerk read as follows:

SEC. 102. The appropriations made in this act for the purchase or manufacture of equipment or material or of a particular class of equipment or material shall be available for the purchase of letters patent, applications for letters patent, licenses under letters patent, and applications for letters patent that pertain to such equipment or material for which the appropriations are made.

Miss SUMNER of Illinois. Mr. Chairmen, I move to strike out the last word.

Mr. Chairman, I wish to describe at this time an amendment which I will offer at the last paragraph of the bill for the purpose of ending the custom of giving very extravagant christening celebrations at the launching of battleships. It is no help to the morale of our people at home who are investing their savings in war bonds, giving up their comforts and even their men, to read in the papers tales about these christenings, how a large party goes down from Washington on a special train paid for by the company out of money paid to it by the Government, how the ladies are given orchids and the lady who whacks the vessel with a champagne bottle is given a gorgeous diamond bracelet with a diamond pin to match—all paid out of money which comes from the Government.

Mr. O'HARA. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield to the gentleman from Minnesota.

Mr. O'HARA. Do I understand that the gentlewoman would deprive those socially distinguished people who go to these christenings and take part in the christenings of that opportunity?

Miss SUMNER of Illinois. Some of the ladies who have accepted the invitation tell me they do not approve, but as long as the presents were being given anyway they might as well take them. I do not think the citizens of the country like to hear about these enormous luncheons and champagne dinners in times like these.

This is the kind of extravagance that drags the ship of state into deep water. The amendment that will be offered is designed to prevent such parties. It provides that no money appropriated in this bill may be used directly or indirectly for the purpose. I know I speak the sentiments of your constituents when I advocate it.

Mr. COFFEE of Washington. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield to the gentleman from Washington.

Mr. COFFEE of Washington. I think it is regrettable that the Chairman of the Committee of the Whole is not at liberty to comment on the gentlewoman's observations, because so many of these christenings take place down in his area. I just express regret in his behalf.

Miss SUMNER of Illinois. I, too, regret that the Chairman is not permitted to express his views, for I think that all you gentlemen have a chivalrous spirit which will lead you to believe that if Helen of Troy could launch a thousand 204,598; interest on deposits by men, $25,694; American women can do as well.

The Clerk read as follows:

SEC. 203. This title may be cited as "Title VI, Naval Appropriation Act, 1942."

Miss SUMNER of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Miss SUMNER of Illinois: On page 72, after line 23, insert a new section, as follows:

"SEC. 203. No part of any sum herein appropriated shall be used directly or indirectly to compensate, reimburse, or pay any individual for christening or celebrating at the christening of any vessel constructed in whole or in part by the expenditure of any part of the funds herein appropriated."

Miss SUMNER of Illinois. Mr. Chairman, I waive my right to speak.

Mr. SCRUGHAM. Mr. Chairman, we have no objection to the amendment. As I heard it read, it has no merit as to ships built in Government yards because such things are not paid for by public funds, to the best of my knowledge and belief, but the committee offers no objection.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Illinois.

The amendment was agreed to.

Mr. SCRUGHAM. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BLAND, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6460) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. SCRUGHAM. Mr. Speaker, I move the previous question on the bill and the amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SCRUGHAM. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 388, nays 0, not voting 42, as follows:

[Roll No. 14]

YEAS—389

Allen, Ill.	Cannon, Fla.	Durham
Allen, La.	Cannon, Mo.	Dworshak
Andersen, H. Carl	Capozzoli	Eaton
	Carter	Eberharter
Anderson, Calif.	Cartwright	Edmiston
Anderson, N. Mex.	Case, S. Dak.	Eliot, Mass.
	Casey, Mass.	Elliott, Calif.
Andresen, August H.	Celler	Ellis
	Chapman	Engel
Andrews	Chenoweth	Englebright
Angell	Chiperfield	Faddis
Arends	Cluson	Fellows
Arnold	Claypool	Fenton
Baldwin	Clevenger	Fish
Barden	Cluett	Fitzgerald
Barnes	Cochran	Fitzpatrick
Barry	Coffee, Nebr.	Flaherty
Bates, Ky.	Coffee, Wash.	Flannagan
Bates, Mass.	Cole, Md.	Fogarty
Baumhart	Cole, N. Y.	Folger
Beam	Collins	Forand
Beckworth	Colmer	Ford, Leland M.
Beiter	Cooley	Ford, Miss.
Bell	Cooper	Ford, Thomas F.
Bender	Copeland	Fulmer
Bennett	Courtney	Gale
Bishop	Cox	Gamble
Blackney	Cravens	Gathings
Bland	Crawford	Gavagan
Bloom	Creal	Gearhart
Boland	Crosser	Gehrmann
Bolton	Culkin	Gerlach
Bonner	Cullen	Gibson
Boren	Cunningham	Gifford
Boykin	Curtis	Gilchrist
Bradley, Mich.	D'Alesandro	Gillette
Bradley, Pa.	Davis, Ohio	Gillie
Brooks	Davis, Tenn.	Gore
Brown, Ga.	Day	Gossett
Brown, Ohio	Delaney	Graham
Bryson	Dickstein	Granger
Buckler, Minn.	Dirksen	Grant, Ala.
Buckley, N. Y.	Disney	Grant, Ind.
Bulwinkle	Ditter	Green
Burch	Domengeaux	Gregory
Burdick	Dondero	Guyer
Burgin	Doughton	Gwynne
Butler	Douglas	Haines
Byrne	Downs	Hall,
Canfield	Drewry	Edwin Arthur

Hall, Leonard W.	McLaughlin	Satterfield
Halleck	McLean	Sauthoff
Hancock	McMillan	Scanlon
Hare	Maas	Schuetz
Harness	Maciejewski	Schulte
Harrington	Maciora	Scrugham
Harris, Ark.	Mahon	Secrest
Harris, Va.	Manasco	Shafer, Mich.
Hart	Mansfield	Shanley
Harter	Marcantonio	Shannon
Hartley	Martin, Iowa	Sheppard
Healey	Martin, Mass.	Sheridan
Heffernan	Mason	Short
Heidinger	May	Sikes
Hendricks	Merritt	Simpson
Hess	Meyer, Md.	Smith, Maine
Hill, Colo.	Michener	Smith, Ohio
Hill, Wash.	Mills, Ark.	Smith, Pa.
Hobbs	Mills, La.	Smith, Va.
Hoffman	Mitchell	Smith, Wash.
Holmes	Monroney	Smith, W. Va.
Hook	Moser	Smith, Wis.
Hope	Mott	Snyder
Houston	Mundt	Somers, N. Y.
Howell	Murdock	South
Hull	Murray	Sparkman
Hunter	Myers, Pa.	Spence
Imhoff	Nelson	Springer
Izac	Norrell	Starnes, Ala.
Jackson	Norton	Stearns, N. H.
Jacobsen	O'Brien, Mich.	Stefan
Jarman	O'Brien, N. Y.	Stevenson
Jarrett	O'Connor	Sullivan
Jenkins, Ohio	O'Hara	Sumner, Ill.
Jenks, N. H.	O'Leary	Sumners, Tex.
Jennings	Oliver	Sutphin
Johns	O'Neal	Sweeney
Johnson, Calif.	O'Toole	Taber
Johnson, Ill.	Pace	Talle
Johnson, Ind.	Paddock	Tarver
Johnson, Luther A.	Patman	Tenerowicz
Johnson, Okla.	Patrick	Terry
Johnson, W. Va.	Patton	Thill
Jones	Pearson	Thom
Jonkman	Peterson, Fla.	Thomas, N. J.
Kean	Peterson, Ga.	Thomas, Tex.
Kee	Pfeifer, Joseph L.	Thomason
Keefe	Pheiffer, William T.	Tibbott
Kefauver	Pittenger	Tinkham
Kelley, Pa.	Plauché	Tolan
Kelly, Ill.	Ploeser	Traynor
Kennedy, Martin J.	Plumley	Treadway
Kennedy, Michael J.	Poage	Van Zandt
Keogh	Powers	Vincent, Ky.
Kerr	Priest	Vinson, Ga.
Kilburn	Rabaut	Voorhis, Calif.
Kilday	Ramspeck	Vorys, Ohio
Kinzer	Randolph	Walter
Kirwan	Rankin, Miss.	Wasielewski
Kleberg	Rankin, Mont.	Weaver
Klein	Reece, Tenn.	Weiss
Knutson	Reed, Ill.	Welch
Kocialkowski	Reed, N. Y.	West
Kopplemann	Richards	Wheat
Kramer	Rivers	Whelchel
Kunkel	Ridley	White
Lane	Robertson, N. Dak.	Whitten
Lanham	Robertson, Va.	Whittington
Lea	Robinson, Utah	Wickersham
Leavy	Robsion, Ky.	Wigglesworth
LeCompte	Rockefeller	Williams
Lesinski	Rockwell	Wilson
Lewis	Rodgers, Pa.	Winter
Ludlow	Rogers, Mass.	Wolcott
Lynch	Rogers, Okla.	Wolfenden, Pa.
McCormack	Rolph	Wolverton, N. J.
McGehee	Russell	Woodruff, Mich.
McGranery	Sabath	Woodrum, Va.
McGregor	Sacks	Wright
McKeough	Sanders	Young
	Sasscer	Youngdahl
		Zimmerman

NAYS—0

NOT VOTING—41

Boehne	Hébert	Pierce
Boggs	Hinshaw	Ramsay
Buck	Holbrock	Rees, Kans.
Byron	Jensen	Rich
Camp	Johnson, Lyndon B.	Romjue
Carlson	Lambertson	Schaefer, Ill.
Clark	Landis	Scott
Costello	Larrabee	Steagall
Crowther	McIntyre	Stratton
Dewey	Magnuson	Vreeland
Dies	Nichols	Wadsworth
Dingell	O'Day	Ward
Duncan	Osmers	Wene
Elston		Worley

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Hébert with Mr. Wadsworth.
Mr. Camp with Mr. Rich.
Mr. Steagall with Mr. Carlson.
Mr. Holbrock with Mr. Reece of Tennessee.
Mr. Boggs with Mr. Dewey.
Mr. Clark with Mr. Lambertson.
Mr. Boehne with Mr. Crowther.
Mr. Ward with Mr. Jensen.
Mr. Nichols with Mr. Vreeland.
Mr. Larrabee with Mr. Elston.
Mr. Buck with Mr. Stratton.
Mr. Pierce with Mr. Osmers.
Mr. Costello with Mr. Rees of Kansas.
Mr. Dingell with Mr. Landis.
Mr. Lyndon B. Johnson with Mr. Scott.
Mr. Duncan with Mr. Hinshaw.
Mrs. Byron with Mrs. O'Day.
Mr. Magnuson with Mr. Worley.
Mr. Dies with Mr. Romjue.
Mr. Ramsay with Mr. McIntyre.
Mr. Schaefer of Illinois with Mr. Wene.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today on the appropriation bill and include therein a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. HARNESS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein copies of three letters which I have addressed to William H. Harrison, Donald Nelson, and Sidney Hillman.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include therein two recent statements by the Office of Facts and Figures.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter appearing in today's Times-Herald written by Patrick J. Murphy.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ANDERSON of New Mexico. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution of the Carlsbad, N. Mex., Potash Workers Union.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from the Ford Motor Co. on production.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SACKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution of the First Ward Italo-American Club.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short newspaper clipping, and also to include therein two letters.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CLASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Herald Tribune of New York.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL PERMISSION TO EXTEND REMARKS

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their own remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

ORDER OF BUSINESS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, I do this for the purpose of asking the majority leader about the program for the rest of the week.

Mr. McCORMACK. The program for tomorrow is a conference report on the bill coming out of the Judiciary Committee amending the Alien-Propaganda-Registration Act, which happens to be known as the McCormack Act. This will be the first order of business.

Then there is a small-farm bill that came out of the Committee on Agriculture, which is designed to meet some of the effects of the drought in certain sections of the country.

Then if there is time there are several bills from the Committee on Naval Affairs which, I understand, are noncontroversial, and it is hoped we may dispose of those authorization bills tomorrow. If not passed on at that time, they will come up on Thursday, but with the usual ingenuity and the recognized leadership of the distinguished gentleman from Georgia [Mr. VINSON], we are hopeful their consideration will be completed tomorrow.

For the rest of the week there is no program as yet.

Mr. MICHENER. What about the social-security bill about which there has been some controversy?

Mr. McCORMACK. I am unable to advise the gentleman at this time definitely, but I doubt if that will come up this week.

Mr. MICHENER. As I recall, two bills were introduced yesterday by the gentleman from Missouri [Mr. CANNON].

Mr. McCORMACK. That is correct.

Mr. MICHENER. These bills split up the matter contained in the Budget message, one bill going to the Ways and Means Committee and the other measure to the Committee on Appropriations.

Mr. McCORMACK. As the gentleman knows, the gentleman from Missouri introduced the bill that went to the Ways and Means Committee by request.

Mr. MICHENER. I thought, possibly, the gentleman from Missouri did not favor the bill introduced by request; but as a matter of fact, those bills settle the question of jurisdiction, do they not?

Mr. McCORMACK. I am unable to advise the gentleman from Michigan at this time just what the situation is in relation to that bill. I am hopeful I will be able to do so tomorrow.

Mr. MICHENER. I take it that the gentleman from Massachusetts is not in position to state whether or not the Ways and Means Committee will hold public hearings on the Cannon bill dealing with the social-security part of the recent Budget message?

Mr. McCORMACK. To be frank, I am unable to give the gentleman any information at all at this time. That is even broader than the gentleman's question in respect to the Committee on Ways and Means.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. TREADWAY. Mr. Speaker, in respect to the matter being discussed by the gentleman from Michigan and the gentleman from Massachusetts, so far as I am concerned, and my associates on this side of the aisle, I may say there will be no legislation on the subject matter they have in mind and have been referring to unless there are definite hearings, extended hearings, that may be necessary on the part of the Committee on Ways and Means. There has been a good deal of agitation as to whether there would be hearings held on that, and I can assure Members that there will be hearings, so far as the committee's actions are concerned.

PERSONAL EXPLANATION

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DINGELL. Mr. Speaker, during the debate upon the naval appropriation bill, I was on the floor, but was called to my office because of several important long-distance calls, one from Ben Probe, the secretary of the C. I. O., and another from Dr. Wendell Lund, an important official of the State of Michigan. Both calls involved the question of the $300,000,000 appropriation for relief of our workers during the change-over from peacetime to war production. I heard but one call bell ring, and I responded as quickly as possible. I am of the opinion that the call system of the House is out of order or at least the buzzer in my office, and for that reason, in spite of my haste, I missed out on this important roll call. I want to be recorded as being in favor of the bill, and as having done everything I could to hasten its passage I believe I am not the only Member who has lost out on that account.

CALENDAR WEDNESDAY

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute

The SPEAKER. Is there objection?

There was no objection

Mr. DICKSTEIN. Mr Speaker, it is in respect to this matter of Calendar Wednesday Business in order on Calendar Wednesday has been dispensed with a number of times, for a number of weeks past. My committee, the Committee on Immigration and Naturalization, has quite a number of important bills before it, and I do not like to be running to the Committee on Rules for a rule, if it is at all possible with the policy of the administration and the floor leader, to obtain time in the near future on some Calendar Wednesday so that we can bring before this House a number of bills which I think are important at this time and in this crisis.

Mr. McCORMACK. Mr. Speaker, I think the gentleman will admit that during the last session Calendar Wednesday was called more frequently than it has been for a number of years I see no enthusiasm on the part of committee chairmen to have the day called. I deliberately withheld taking any action today about it to see whether there was any chairman who would come forward to the leader of the House asking to have the calendar called. I appreciate the attitude of the gentleman from New York [Mr. DICKSTEIN], because it shows cooperation.

Mr. MICHENER. Mr. Speaker, Calendar Wednesday is the one sacred day on the calendar It cannot be done away with by rule and it can only be done away with by unanimous consent; and if the gentleman from New York [Mr. DICKSTEIN] wants Calendar Wednesday observed, all he has to do is to remain on the floor and see that it is observed.

Mr. McCORMACK. I do not think the gentleman from Michigan [Mr. MICHENER] wants to put the gentleman from New York [Mr. DICKSTEIN] in that position. Neither would he want to put any other gentleman in that position. Any Member of this House who is interested in having Calendar Wednesday called would simply have to consult with the majority leader, and I am temporarily in that position.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I had a special order which I believed was for tomorrow, but I understand it was fixed for yesterday. I was not here when the special order was called yesterday.

The SPEAKER. It was printed in the calendar for yesterday, but that was in error.

Mr. DICKSTEIN. I ask unanimous consent to withdraw the special order for tomorrow, and I ask unanimous consent that I may be given that same time on 1 week from tomorrow.

The SPEAKER. Is there objection?

There was no objection.

PARLIAMENTARY INQUIRY

Mr. GILCHRIST. Mr. Speaker, would it be in order as a parliamentary regulation for me at this time to ask if I might place in the RECORD a statement which the gentleman from Iowa [Mr. JENSEN], who is absent on account of illness, would have voted for the measure just passed had he been present?

The SPEAKER. The Chair thinks it is positively against the rules and practices for one Member to announce how another would have voted had he been present.

EXTENSION OF REMARKS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to insert in the RECORD a brief clipping from the book of William L. Shirer.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a very fine editorial recently appearing in the Boston Globe on the sixtieth birthday of President Roosevelt.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. FENTON, for January 28, 29, and 30, 1942, on account of official business.

To Mr. JENSEN (at the request of Mr. GILCHRIST), for today, on account of illness.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2180. An act to provide for the continuation of Government life insurance of aviation cadets subsequent to their being commissioned and for the continuation of such in-

surance of enlisted pilots, and for other purposes; to the Committee on Military Affairs.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 5591. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes; and

H. R. 5895. An act to authorize the Library of Congress Trust Fund Board to allocate one-half of the income from certain property to the Smithsonian Institution.

BILLS PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 5591. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes; and

H. R. 5895. An act to authorize the Library of Congress Trust Fund Board to allocate one-half of the income from certain property to the Smithsonian Institution.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until tomorrow, Wednesday, January 28, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10:30 a. m. Wednesday, January 28, 1942, for consideration of H. R. 6073, H. R. 6416, H. R. 6439, and H. R. 6450.

COMMITTEE ON INVALID PENSIONS

There will be a meeting of the Committee on Invalid Pensions at 10:30 a. m. Wednesday, January 28, 1942, in room 247, House Office Building, for the purpose of considering general pension bills.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments on Wednesday, February 4, 1942, at 10 a. m., to consider all bills now pending before this committee.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 5, 1942, at 10 a. m., on H. R. 6020, granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Atlantic seaboard and creating the Atlantic States Marine Fisheries Commission.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1340. A letter from the chairman, District Unemployment Compensation Board, transmitting a report covering the administration and operation of the District of Columbia Unemployment Compensation Act for the calendar year 1941; to the Committee on the District of Columbia.

1341. A letter from the Coordinator, Division of Defense Housing Coordination, Office for Emergency Management, transmitting a draft of a proposed bill to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; to the Committee on Public Buildings and Grounds.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FULMER: Committee on Agriculture. S. 2152. An act to provide for the planting of guayule and other rubber-bearing plants in order to make available a source of crude rubber for emergency and defense uses; with amendment (Rept. No. 1685). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHAPMAN:

H. R. 6470. A bill to extend the time within which the amount of any national marketing quota for tobacco, proclaimed under section 312 (a) of the Agricultural Adjustment Act of 1938, may be increased; to the Committee on Agriculture.

By Mr. HOFFMAN:

H. R. 6471. A bill to further amend the Civil Service Retirement Act, approved May 29, 1930, as amended; to the Committee on the Civil Service.

By Mr WICKERSHAM:

H. R. 6472. A bill to amend Public Law 411 (Civil Service Retirement Act); to the Committee on the Civil Service.

By Mr DIRKSEN:

H. R. 6473. A bill to regulate the operation and conduct of commercial parking of motor vehicles in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. LEA:

H. R. 6474. A bill to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California," approved May 18, 1928; to the Committee on Indian Affairs.

By Mr WEISS:

H. R. 6475. A bill to provide financial relief to automobile dealers and tire dealers affected by freezing orders; to the Committee on Ways and Means.

By Mr VINSON of Georgia:

H. R. 6476. A bill to provide for the retirement, rank, and pay of heads of staff departments of the Marine Corps; to the Committee on Naval Affairs.

By Mr. CELLER:

H. J. Res. 273. Joint resolution to authorize the Federal Bureau of Investigation of the Department of Justice, and the Intelligence Service of the State, War and Navy Departments, to conduct investigation in the interest of national defense, and for that purpose to permit wire tapping in certain cases; to the Committee on the Judiciary.

By Mr. VINSON of Georgia:

H. Res. 421. Resolution to print 2,000 additional copies of House Report No. 1634, current Congress, as submitted to the House of Representatives pursuant to the resolution (H. Res. 162, 77th Cong.) directing an investigation of the naval defense program, for the use of the Naval Affairs Investigating Committee; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEITER:

H. R. 6477. A bill to provide for the payment of an annuity under the Railroad Retirement Act of 1937 to W. A. Zacher; to the Committee on Claims.

H. R. 6478. A bill for the relief of the alien Solly Cohen; to the Committee on Immigration and Naturalization.

By Mr. BISHOP:

H. R. 6479. A bill for the relief of Josephine Vene, mother of Albert Vene; to the Committee on Claims.

By Mr COPELAND:

H. R. 6480. A bill for the relief of R. B. Paddock; to the Committee on Claims.

By Mr. SUTPHIN:

H. R. 6481. A bill for the relief of Alexander Sutto; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2331. By Mr. LUTHER A. JOHNSON: Petition of the Teague Retail Merchants Association, Teague, Tex., and Jay A. Silverberg, Corsicana, Tex., opposing the federalization of the unemployment compensation system; to the Committee on Ways and Means.

2332. By Mr. KRAMER: Petition of the California Retail Grocers Association, expressing their opposition to the plan advanced by the Social Security Board for taking over the California unemployment-insurance program; to the Committee on Ways and Means.

2333. By Mr. LAMBERTSON and Mr. REECE of Tennessee, and members of all committees: Petition of R. M. White and 307 others, also 3,781 members of churches and schools, urging the prevention of a dam on Watauga River near Carden's Bluff in Carter County, Tenn.; to the Committee on Rivers and Harbors.

2334. By Mr. LAMBERTSON: Petition of Martha Repstine, secretary of the Letter Carriers Auxiliary, No. 569, Atchison, Kans., and eight others, urging that final legislation may be taken on the longevity bill; to the Committee on the Post Office and Post Roads.

2335. By Mr. MERRITT: Resolution of the High School Principals Association of New York, that the present appropriation for the National Youth Administration assistance to needy students be continued and that reduction should be made only by the return to the Federal Government of funds unexpended at the end of the next fiscal year; to the Committee on Appropriations.

SENATE

WEDNESDAY, JANUARY 28, 1942

(Legislative day of Friday, January 23, 1942)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

O Thou with whom is the eternal Word uttered at sundry times and in divers manners, now breathing peace and understanding, and again commotion and perplexity: Speak to us now in some word of power, as we find access to Thy throne of grace in these sacred moments of devotion. For while the heavens are always open before us, prayer doth open our hearts unto the heavens; while Thou, O God, art always ready and willing to bless, we know that prayer doth set our feet in the path where Thou wouldst have us walk, and while the cleansing fount is always open, prayer doth bring us to the wellspring of the living water.

And so we pray not only for ourselves, our work, our country, our leaders, and for all who bear such heavy burdens of responsibility, but we also pray for all who are in distress, the sick and afflicted, for those who die in old age or in youth, in pain or in peace, for surely blessed are the dead who are in Thy hands, and yet in Thy Holy Word Thou hast taught us that they, without us, should not be made perfect.

In the spirit of this knowledge, teach us again to pray, and so to live for the sake of Him who lived and died and rose again for us, Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, January 27, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolutions:

On January 26, 1942:

S. J Res 124. Joint resolution to maintain the secrecy of military information.

On January 27, 1942:

S. 1936. An act to provide protection of persons and property from bombing attacks in the United States, and for other purposes;

S. 2204. An act authorizing vessels of Canadian registry to transport iron ore on the Great Lakes during 1942; and

S. J. Res. 96. Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6353. An act to provide for the adjustment of tobacco, wheat, and cotton-marketing quotas and acreage allotments in certain cases where farm land is acquired by the United States for defense purposes; and

H. R. 6460. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	O'Mahoney
Andrews	Gerry	Overton
Austin	Gillette	Radcliffe
Bailey	Glass	Reed
Ball	Green	Reynolds
Bankhead	Gurney	Rosier
Barkley	Hayden	Russell
Bilbo	Herring	Shipstead
Bone	Hill	Smathers
Brewster	Holman	Smith
Bridges	Johnson, Calif.	Stewart
Brooks	Johnson, Colo.	Taft
Brown	Kilgore	Thomas, Idaho
Bulow	La Follette	Thomas, Okla.
Bunker	Langer	Thomas, Utah
Burton	Lee	Tobey
Butler	Lucas	Truman
Byrd	McKellar	Tunnell
Capper	McNary	Tydings
Caraway	Maloney	Vandenberg
Chandler	Maybank	Van Nuys
Chavez	Mead	Wagner
Clark, Idaho	Millikin	Wallgren
Clark, Mo.	Murdock	Walsh
Connally	Murray	Wheeler
Danaher	Norris	White
Doxey	Nye	Willis
Ellender	O'Daniel	

Mr. HILL. I announce that the Senator from New Mexico [Mr HATCH] is absent from the Senate because of illness.

The Senator from California [Mr. DOWNEY], the Senator from Pennsylvania [Mr. GUFFEY] the Senator from Delaware [Mr HUGHES] the Senator from Nevada [Mr McCARRAN], the Senator from Wyoming [Mr SCHWARTZ], and the Senator from Arkansas [Mr. SPENCER] are necessarily absent.

The Senator from Florida [Mr. PEPPER] is absent on important public business.

Mr. AUSTIN. The Senator from Pennsylvania [Mr. DAVIS] is absent pursuant to his duties as a member of the Anthracite Commission appointed by the President to study conditions in the industry.

The Senator from New Jersey [Mr. BARBOUR] and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from New Hampshire [Mr BRIDGES] is absent in a hospital because of a hip injury

The Senator from Massachusetts [Mr. LODGE] is necessarily absent

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

CARE AND CUSTODY OF INSANE RESIDENTS OF ALASKA

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend the law relating to the care and custody of insane residents of Alaska, and for other purposes (with an accompanying paper); to the Committee on Territories and Insular Affairs

REPORT ON SPECIAL STATISTICAL STUDIES, DEPARTMENT OF COMMERCE

A letter from the Acting Secretary of Commerce, reporting, pursuant to law, relative to the making of special statistical studies by the Department of Commerce upon payment of the cost thereof, showing the names for whom work has been performed, the nature of the services rendered, the price charged for the services, and the manner in which the moneys received were deposited or used (with accompanying statements); to the Committee on Commerce

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents in the files of the Departments of the Treasury, and Agriculture (8) and the General Accounting Office, which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TUNNELL, from the Committee on Claims:

H. R. 5701. A bill for the relief of the accounts of Lt. Col. Joseph M. Kelly, United States property and disbursing officer for Kentucky; without amendment (Rept. No. 1000).

By Mr. BROWN, from the Committee on Claims:

H. R. 4436. A bill for the relief of Mrs. Bertha M. Smith; without amendment (Rept. No. 1001); and

H. R. 5767. A bill for the relief of A. Paul Johnson; without amendment (Rept. No. 1002)

By Mr. ELLENDER, from the Committee on Claims:

S. 1820. A bill for the relief of Jerry McKinley Thompson; without amendment (Rept. No. 1003);

S 2002. A bill for the relief of Donald William Burt; without amendment (Rept. No. 1004);

H. R. 1903. A bill for the relief of Reuben Owen; without amendment (Rept. No. 1005);

H. R. 5085. A bill for the relief of Esco Wood; without amendment (Rept. No. 1006); and

H. R. 5541. A bill for the relief of Joseph Keeney; without amendment (Rept. No. 1007).

By Mr. WALSH, from the Committee on Naval Affairs:

H. R. 6392. A bill to authorize the construction of certain naval vessels, and for other purposes; with amendments (Rept. No. 1008).

ADDITIONAL COPIES OF REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM

Mr. HAYDEN. Mr. President, by direction of the Committee on Printing, I report from that committee a concurrent

resolution, and ask unanimous consent for its immediate consideration.

There being no objection, the concurrent resolution (S. Con. Res. 24) was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed 5,000 additional copies of the report (Rept. No. 480, pt. 5, current session) of the Select Committee of the Senate authorized and directed to make a complete study and investigation of the operation of the national defense program, of which 2,000 copies shall be for the use of the Select Committee; 1,000 for the use of the Senate Document Room; and 2,000 copies for the use of the House document room.

REPORT OF COMMISSION TO INVESTIGATE JAPANESE ATTACK ON PEARL HARBOR (S. DOC. NO. 159)

Mr. HAYDEN. Mr. President, I send to the desk a copy of the official report of the Commission appointed by the President of the United States to investigate, ascertain, and report the facts relating to the attack made by Japanese armed forces upon Pearl Harbor in the Territory of Hawaii on December 7, 1941, and ask unanimous consent that it be printed as a Senate document.

The VICE PRESIDENT. Without objection, it is so ordered.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. REED:

S. 2232. A bill to provide that the work week established by the Fair Labor Standards Act of 1938 shall temporarily be extended from 40 hours to 48 hours; to the Committee on Education and Labor.

By Mr. HOLMAN:

S. 2233 A bill to provide for the establishment of a Mineral Production Administration to foster and encourage the production of strategic and critical metals and minerals; to the Committee on Mines and Mining.

By Mr. THOMAS of Oklahoma:

S. 2234. A bill granting a pension to Chief Red Bird; to the Committee on Pensions.

By Mr CHANDLER:

S. 2235. A bill for the relief of Harriett Boswell, guardian of Betty Fisher; to the Committee on Claims.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 6353. An act to provide for the adjustment of tobacco-, wheat-, and cotton-marketing quotas and acreage allotments in certain cases where farm land is acquired by the United States for defense purposes; to the Committee on Agriculture and Forestry.

H. R 6460. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes; to the Committee on Appropriations.

VICTORY IN THE PACIFIC—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. HILL asked and obtained leave to have printed in the RECORD a radio address, entitled "Victory in the Pacific," delivered by Senator THOMAS of Utah under the auspices of the World Peaceways, Inc., January 27, 1942, which appears in the Appendix.]

PRICE CONTROL—BRIEF BY C. DAVID GINSBURG

[Mr. BROWN asked and obtained leave to have printed in the RECORD a brief on the legal aspects of the price-control bill, prepared by C. David Ginsburg, Esq., general counsel of the Office of Price Administration, which was withheld from the RECORD of January 27, which appears in the Appendix.]

PRAYER BY REV. GEORGE GILMOUR IN RESPONSE TO THE PRESIDENT'S PROCLAMATION OF JANUARY 1, 1942

[Mr. ANDREWS asked and obtained leave to have printed in the RECORD a prayer by the Reverend George Gilmour, of the United Liberal Church of St. Petersburg, Fla., made in response to the President's proclamation of January 1, 1942, which appears in the Appendix.]

END OF AN ILLUSIONARY POLICY—ADDRESS BY MAX O'RELL TRUITT

[Mr. TRUMAN asked and obtained leave to have printed in the RECORD an address on the subject The End of An Illusionary Policy, delivered by Max O'Rell Truitt, at Fulton, Mo., before the thirty-seventh annual Kingdom of Callaway Supper, which appears in the Appendix.]

REPORT OF PERFORMANCE BY UNITED AIRCRAFT CORPORATION

[Mr. MALONEY asked and obtained leave to have printed in the RECORD a report of performance by the United Aircraft Corporation of East Hartford, Conn., which appears in the Appendix.]

COSTLY DELAYS—ARTICLE BY RAYMOND CLAPPER

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an article by Raymond Clapper, entitled "Costly Delays" published in the Washington Daily News of January 28, 1942, which appears in the Appendix.]

EXTENSION OF WAR POWERS

The Senate resumed the consideration of the bill (S. 2208) to further expedite the prosecution of the war.

The VICE PRESIDENT. The pending question is on agreeing to the amendment offered by the Senator from Iowa [Mr. GILLETTE], the effect of which will be to strike out title VII of Senate bill 2208.

Mr. O'MAHONEY. Mr. President, I understood that the Senator from Kentucky [Mr. BARKLEY] desired to make some comment upon this matter. Apparently, he has been detained by conferences or otherwise; so I ask a parliamentary question:

If the amendment offered by the Senator from Iowa should be adopted, would it then be in order to move a modification of the section, or, in other words, to propose a new amendment dealing with the same subject matter?

The VICE PRESIDENT. It would be proper for the Senator from Wyoming to offer a new amendment if there were some substantial difference between the amendment offered by the Senator from Wyoming and the amendment offered by the Senator from Iowa.

Mr. O'MAHONEY. Mr. President, I shall be perfectly frank about this matter.

I am very much disturbed by the information which has come to me, indicating that quite a number of Members of the body are likely to be led astray by the eloquence and persuasive qualities of the Senator from Iowa, and that if his amendment were put to a vote now the vote might result in the adoption of the amendment. I feel very deeply that the adoption of the amendment would be a serious blow to the war effort and a serious blow to the united action of the people of the country. I feel that it would be a tremendous mistake for the Senate now to take such action as would be notice to all persons who are active in politics locally and in the States that they cannot be permitted to take part in these voluntary activities. In some States it is highly essential that the men to whom I refer shall be called into service. A Senator this morning was telling me of the conditions in his State, where, if the amendment of the Senator from Iowa should be carried, the whole selective-service machinery would be ruined.

It may be, of course, that in the city of Detroit, or in the city of Dubuque or Des Moines, or some of the large cities even of an agricultural State, little difference would be made if these persons were eliminated from service on the selective-service boards, but in rural States, and particularly in some of the Southern States, where there is a large proportion of illiteracy, we should be deprived of the organizations already built up.

I have no hesitation in saying that if this amendment as presented by the Senator from Iowa is adopted we shall not have any selective-service organization in some of the States.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Maine.

Mr. BREWSTER. Am I to understand the Senator to say that it is impossible to secure officials of selective-service boards without resorting to committee members of one or the other of the political parties? Is that the case in the Senator's State?

Mr. O'MAHONEY. I am now stating what was related to me this morning by the distinguished Senator from South Carolina [Mr. MAYBANK], former Governor of that State, who is intimately acquainted with the setting up of these boards in the States. I hope the Senator from South Carolina will be good enough to make some comment upon this matter.

Mr. MAYBANK. Mr. President, I should like to say that in certain sections of the South, and particularly in South Carolina, where there is a large Negro population, in selecting the Government appeal agents and making the other appointments it was necessary for us in some communities to use all the lawyers and public officials who were available. In some of the selective-service boards in the lower section of South Carolina, where the population is 3 to 1 colored as against white, we found that perhaps 20 percent of the colored registrants had marked their papers "X," and could neither read nor write. To fill out the long selective-service questionnaires it was necessary for us to have not only all the lawyers available in the smaller communities but also the school teachers, because it is impossible for persons who

are illiterate to fill out the questionnaires; and that is quite true, sir, of the rural sections of South Carolina. In one entire county there is only one doctor to make the physical examinations.

Mr. BREWSTER. Am I to understand that the function of determining whether a man who is illiterate can enter the service is dependent upon either the school teacher or the lawyer? Are there not other competent persons in the Senator's State who could determine at least those elements?

Mr. MAYBANK. In certain sections I should say that there is not a sufficient number of persons, because it takes a long time to fill out one of the questionnaires, and there are not enough persons to fill out all of them. I dare say that we have between 16,000 and 17,000 illiterate colored people, and we also have a good many whites who cannot read or write.

Mr. BREWSTER. I can only say that the Senator from South Carolina presents a most unfortunate picture of the progress of education, when a tremendous part of the population, white or colored, are not adequate to the performance of an apparently simple task.

Mr. MAYBANK. I should not say that, because everyone is trying to do his best; and if one should undertake to fill out all the questionnaires, and fill in all the answers, he would find it would take the best part of half an hour for each one.

Mr. GILLETTE. Mr. President, I have already spoken briefly on the pending amendment, and I should not impose myself on the Senate now were I not informed that there are one or two other Senators who wish to speak on it, to whom I would readily yield the floor, but they are not present at the moment.

As I listened to the Senator from Wyoming this morning, and to the Senator from Kentucky, and the Senator from Wyoming day before yesterday, I was reminded of an incident of my very immature boyhood. When I was a very small boy I had a boil on my neck, and my mother, over my squealing protest, dragged me to the doctor to have it lanced. While I was still screaming, the doctor put his arm around my shoulder and called my attention to some intricate machine in his office, and while my attention was diverted, he harpooned the boil.

What Senators are doing is attempting to divert the attention of the Senate from what would actually be accomplished by the pending measure. When we tell eminent Senators that there are dollar-a-year men in Washington who have been accused by the Truman committee, an agency of this body, of taking advantage of their official positions for private gain, or for gain for their companies, we are told, "Why, look at this tire-rationing man here; look at John Jones here; he might be affected." When we call attention to the fact that men such, for instance, as the one a newspaperman told me of yesterday, who is drawing a dollar a year from the Government and retaining a salary of $65,000 from his company, are in position, if they are also affiliated with a partisan group, to influence the location of a munitions factory, or the awarding of a contract, or the filling of some preferred position on priorities, we are told, "Look at John Doe down here. He cannot be an air warden." In order to get a few small fish, small minnows, the net is being torn wide open so as to let the sharks out.

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. GILLETTE. Certainly.

Mr. O'MAHONEY. The Senator has heard me say over and over again that, in the opinion of the committee, the amendment does not apply to the dollar-a-year men. It was not intended to apply to the dollar-a-year men. It is a familiar rule of legislative construction that the declarations of members of a legislative body as to the meaning and intent of language employed must be taken into consideration in interpreting the language. The Senator is well aware of that rule. When the committee says in its report that this is not intended to cover the dollar-a-year men, and when the Senator in charge of the bill makes the same statement, it seems to me the argument of the Senator is altogether beside the point, and I suggest to him that the proper way to handle the matter if reaching the dollar-a-year men is what interests him, is to frame an amendment which, in the language of the bill itself, will make it clear that the exception does not extend to dollar-a-year men who are serving in Washington. I shall be very happy to cooperate with the Senator to that end; but I know that striking out the whole section in order to get at persons who we say are not touched would destroy the opportunity of thousands of honest, decent citizens who are now voluntarily cooperating in the war effort; and I am sure the Senator does not want to do that.

If the Senator will permit, I should like to make a suggestion. There are several other amendments to the bill to be considered. I should be very happy if the consideration of the amendment of the Senator were now temporarily postponed, so that we might proceed with the other amendments, and I should be glad to have him sit down with one of the drafting experts and draft an amendment which would definitely and clearly reach what the Senator has in mind, and what the committee had in mind, without destroying the other values of the amendment.

Mr. GILLETTE. Mr. President, I intend to take a leaf out of the book of the Senator from Wyoming, who, during the consideration of another matter yesterday, when there was suggestion of an amendment which might be made to a pending provision, said:

> If you have an amendment, present it. If you want to modify the pending amendment, present your proposal for consideration.

If the Senator has anything to propose by way of modification of the pending amendment, I shall be very glad to consider it myself, and I am sure the Senate would desire to consider it.

Let me say in response to the suggestion of the Senator that the matter be postponed that I am perfectly willing to postpone the consideration of the amendment, if the Senator will be kind enough to let the Senator from Iowa conclude the few remarks he wishes to make in regard to the subject, so that he may not have to take the floor again.

Mr. O'MAHONEY. I thank the Senator for agreeing to my proposal, and I shall be very happy to present substitute language a little later.

Mr. GILLETTE. I should also like to say that day before yesterday I was moved by the argument of the Senator from Wyoming relative to the charges which are frequently made that all politicians are dishonest. Certainly no one here contends anything of that kind. The Senator from Wyoming cannot get an argument out of me on any such proposition. When he asserts that politicians as a rule are just as honest as any cross-segment of the public, I am in hearty agreement with him. That, however, has nothing to do with what is now before us. If the Senator should rise now and assert that Joe DiMaggio is a fine outfielder, I would agree with him; if he should assert that a gardenia is a sweet-smelling flower, I would agree with him; but that has nothing to do with the pending amendment.

The Senator has just called attention to a rule of law regarding construction of statutes. Let me call his attention to a rule of law which he knows better than any man in this body. It is a rule of spiritual law, as well as a rule of secular law. It started with the Master, the Man of Nazareth, who said, "No man can serve two masters: for either he will hate the one and love the other; or else he will hold to the one and despise the other." And the rule of our secular law is that no man can act as agent for two diverse interests at the same time and render them proper service.

What is the proposal now made? When the Truman committee says that there are men in the Government service in Washington who are retaining their affiliations with their businesses, and, no matter what their honest intention may be, that they cannot properly represent the Government and represent their private interests, the bill before us gives them another master, a political committee with whom they are affiliated, and asks them to divorce themselves from these diverse interests and serve one. It cannot be done, and even when the Senator suggests that politicians, like Ivory soap, are 99 percent pure, I say to him that I do not agree to the percentage. I say that if he believes that there are no politicians in this country who have utilized and will utilize all their resources to debauch and control the electorate, then he is more naive than I would take him to be.

Mr. President, there is nothing in my proposal to strike out title VII that will interfere with the exercise of the franchise or with the expression of opinion as to an issue or as to a candidate by any of the men who may be affected.

I have no desire to interfere with the right of a humble citizen to act on a tire-rationing board or to act as a fire warden. I happened to be chairman of the Democratic committee in my county in Iowa

for years, until I went to France. I resigned, and that committee functioned, and continued to function with such success that a Democratic victory was won shortly after my return. If I were not a United States Senator and wanted to be a fire warden today, I could resign my precinct chairmanship and accept appointment as fire warden without any considerable pain to myself and without any loss of prestige in my community.

I am ready to approve any suggested modification that would prevent injustice or any imputation against those covered by the provision now in the bill; but, as I have said, we should not destroy the net and let the sharks out. I shall have more to say in a few days about this matter, Mr. President, but I will say now, as I have previously said on the Senate floor, that within the past few months we have had illustrations of men serving at the same time themselves, their business interests, and the public. Companies with which they are connected were defendants in suits which were instituted by the United States Government, and which were pending, and they advised as to the disposition of the suits and the signing of consent decrees for the disposition of the suits.

In addition to putting men in such positions, where they are unable to draw the line between public and private interests, it is proposed to say "You can also represent a political committee and represent a third interest."

Mr. President, you know, as I know, that the strategical placing of a munitions works or the strategical placing of a contract for hundreds of millions of dollars in a congressional district is not inopportune at some chosen political time.

I am willing to see that no injustice is done anyone, and if Senators have in mind a modification which would not let the sharks escape, I, speaking as an individual, am perfectly willing to give it consideration; but I do not propose to stand here and see the safeguards which we have tried to put around the electorate to insure a proper expression of views at the polls destroyed by any such method as this. If it is desired to repeal the Hatch Act, very well, repeal the Hatch Act. I was in favor of the act and I am in favor of its retention. Perhaps the majority of the Senate are not. If it is desired to repeal it, repeal it, but do not put this little group of men—I am not naming any names—who know their interests, and know their companies' interests, and know their party's interests—I am not willing to relax the safeguards for our electorate in their specific favor.

Mr. O'MAHONEY. Mr. President, I have been endeavoring to frame an amendment which would meet the objection the Senator from Iowa has raised. His objection is directed, as I understand, toward the dollar-a-year men who are working in agencies such as the late lamented O. P. M., the War Production Board, and similar agencies, where the opportunity is presented to such persons while serving in a voluntary capacity for the Government also to serve the interests of private corporations. Do I understand the Senator correctly?

Mr. GILLETTE. Mr. President, in answer I will say that the Senator has substantially stated my position. The designation "dollar-a-year man" is not very descriptive.

Mr. O'MAHONEY. I will state what I propose. If the Senator will look at the bill before us, on page 9, in line 20——

Mr. GILLETTE. Mr. President, may I interrupt the Senator again?

Mr. O'MAHONEY. Certainly.

Mr. GILLETTE. The Senator suggested a moment ago that after I had completed my remarks there might be a deferment of action, and we could confer.

Mr. O'MAHONEY. Very well.

Mr. GILLETTE. I should appreciate it if that course were followed.

Mr. O'MAHONEY. Very well.

The PRESIDING OFFICER. Without objection, the consideration of the amendment offered by the Senator from Iowa will be temporarily postponed.

Mr. BROWN. Mr. President, I have discussed with the Senator from Wyoming [Mr. O'MAHONEY] an amendment which I now propose. I move to strike out title IX of the bill, which is found on page 11.

I discussed this matter on the floor of the Senate Monday. I may say briefly that the subject matter of title IX has already been covered by legislation which the Senate and House have passed, and which I understand has been signed by the President. Briefly, it refers to the use of Canadian ships in the carriage of ore on the Great Lakes.

A very small percentage of our ore can be carried in Canadian ships. As I recall, last year 700,000 tons were carried in Canadian ships, as compared with some 88,000,000 tons which were carried in American ships—less than 1 percent. The suspension of the prohibition against the use of Canadian ships on the Great Lakes was requested last May by the O. P. M. and the Senate Commerce Committee. We had no difficulty in the Commerce Committee, headed by the distinguished Senator from North Carolina [Mr. BAILEY], in having that bill approved. We had representatives of labor and representatives of the shippers before us. They pointed out that the navigation laws which it was proposed to suspend were enacted for the benefit of the American shippers and American sailors.

American sailors are benefited by the navigation laws in this way: Our law provides for three crews instead of two. With some slight exceptions, the Canadians man a ship with two-thirds of the men required by law on an American ship. Approximately 36 men are required on one of our ships that could be manned by 24, if it were of Canadian registry. Of course, the Canadian shippers would be able to cut rates, because their expenses are less. The living conditions on the American ships are superior. But we concluded that in order to have shipped all the ore possible for the war effort the law should be suspended for 1 year. Approximately 90 percent of all ore is carried upon the waters of the Great Lakes from the Minnesota and Michigan iron mines to the Ohio ports and thence to Youngstown, Pittsburgh, and the other steel-producing areas. We had no difficulty in persuading both shippers and the representatives of labor that the law should be suspended for 1 year.

Again this year the matter was brought to my attention by Mr. Knudsen and by Mr. Budd, and Congress again suspended the law for another year.

The difficulty with title IX is that it would provide for a complete suspension of the law during the entire period of the war and for 6 months thereafter. I do not want to suspend the American navigation law for 6 months after the close of the war, and as the Senator from Missouri [Mr. CLARK] pointed out the other day, "the end of the war" is a rather indefinite term. We might be at peace with Japan, and at peace with Germany, and still be at war with Thailand, or some of the subordinate nations with whom we are now in conflict.

Therefore I hope that the Senator from Wyoming will be content with the arrangements we have made in the Senate Commerce Committee, which have been ratified by action on the part of the Senate by which we have provided for suspension of this law for the entire 1942 season, and I have no doubt that if the war continues into 1943 and 1944 we shall have no difficulty in providing for suspension in line with the arrangements we have heretofore made. I therefore ask the Senator if he will not agree to an amendment striking out title IX?

Mr. O'MAHONEY. Mr. President, in view of the fact that the Commerce Committee has acted in the manner indicated by the Senator from Michigan, and has already twice made the exemption which this language would merely make for the duration of the emergency, and since it is apparently the purpose of the committee to continue that policy whenever the necessity arises, without any desire on the part of the Judiciary Committee to have this condition extend longer than necessary, I am quite willing to accept the amendment of the Senator.

Mr. BROWN. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. BROWN].

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, the Senator from Oregon [Mr. MCNARY] had an amendment which I desire to suggest that he offer as a substitute for title IX, but apparently he is not in the Chamber. I will defer that matter until he comes in.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment.

Mr. TAFT. Mr President, may I ask what happened to the amendment relating to the Hatch Act?

The PRESIDING OFFICER. Consideration of that amendment was temporarily postponed.

Mr. TAFT. I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Ohio will be stated.

The LEGISLATIVE CLERK. On page 8 it is proposed to strike from the bill lines 1 to 11, inclusive, as follows:

TITLE IV—PURCHASE BY FEDERAL RESERVE BANKS OF GOVERNMENT OBLIGATIONS

SEC. 401. Subsection (b) of section 14 of the act of December 23, 1913 (38 Stat. 265), otherwise known as the Federal Reserve Act, as amended, is hereby amended by striking out of the proviso the words "but only in the open market", so that the proviso will read as follows: "*Provided*, That any bonds, notes, or other obligations which are direct obligations of the United States or which are fully guaranteed by the United States as to principal and interest may be bought and sold without regard to maturities."

And refer the subject matter involved in title IV to the Committee on Banking and Currency to originate such legislation relating thereto as it deems advisable.

Mr. TAFT. Mr. President, the purpose of this amendment is to refer title IV to the Banking and Currency Committee for further consideration. With due respect to the leadership which has proposed the bill, it seems to me that 12 different titles, some of them dealing with highly technical matters, ought not to be combined in one bill and sent to the Judiciary Committee. Naturally, the Judiciary Committee is not familiar with many features of the bill.

It seems to me obvious that this particular question, which I think is a vital question of the financial policy of the United States in financing the war, should be considered by the Banking and Currency Committee of the Senate with a view to working out a proper provision. I wish to present the reasons why I believe the provision in the bill is exceedingly dangerous.

First, it opens the road to complete inflation. It presents the very program which led to that result in other countries. The power should not be given without proper restrictions, and I believe those restrictions could be worked out by the Banking and Currency Committee. I do not claim to be an expert on banking, and I do not know that the particular amendments which have been suggested are proper. I do know that title IV proposes a more complete revolution in the financial policy of the United States than any banking legislation which has been before this body since I have been a Member of the Senate, or since the passage of the Banking Act of 1935.

No hearing was held on this particular issue. No evidence is contained in the record. No one was given an opportunity to testify. There is a statement from the Attorney General of the United States, and that is all we have in support of title IV, except the fact that the Federal Reserve Board and the Treasury say that it is all right.

Title IV would strike out the words "but only in the open market." It looks harmless, and it has been said that it simply restores the power of the 12 Federal Reserve banks to buy Government bonds otherwise than on the open market, a power which they had during the World War.

It is quite true that they had that power during the World War; but since the World War we have created an open-market committee, which is the Federal Reserve Board itself, with a few minority members, and which has been given power to tell the 12 Federal Reserve banks when and how they must buy Government bonds. So the effect of taking out the words "but only in the open market" would be to give the Federal Reserve Board, or the Government of the United States, the right to say to the 12 Federal Reserve banks, "Here is an issue of Government bonds, $2,000,000,000 or $3,000,000,000, and you must buy it direct from the Government at the rate of interest we have set."

In other words, it is proposed to confer upon the Government of the United States the power which was exercised by Germany and by France, to say to the central bank of issue, "You must buy this Government issue." Up to this time, under existing law all the Government can say is, "You must go out in the open market and buy Government bonds in such and such an amount," an authority which is perfectly reasonable; but if we should take out the words, "but only in the open market," the Government could force the Federal Reserve Bank to buy any Government obligations the Treasury might see fit to issue, and at any rate the Treasury might see fit to establish. So far as I can see, the result would be exactly equivalent to the direct issue of paper money by the Government of the United States to pay its bills.

We say "otherwise than in the open market." The term "open market" is a broad term. It means not only on the exchange. It means from anyone. The transaction does not have to be public. The words "open market" mean simply the opposite of purchases direct from the United States Government. So if those words are taken out, the Government would be authorized to force on the banks any Government issue it might see fit to force upon them.

The purpose of the Government is clearly admitted. It is contained in Mr. Biddle's statement on the bill, on pages 7 and 8 of the statements in executive session. He says:

Title IV of the bill, suggested by the Federal Reserve Board and concurred in by the Treasury Department, would permit the Federal Reserve banks to buy Government securities, including those fully guaranteed by the Government, directly, instead of having to purchase them in the open market. This bill has been discussed by representatives of the Federal Reserve Board with Senator GLASS and Chairman STEAGALL, of the House Banking and Currency Committee. They both agree with this proposed amendment.

We all know that the Federal Government is spending greater amounts of money in the prosecution of this war than have ever been spent before by any nation on this earth. There will be a corresponding need to borrow large sums. This may create disturbances in the money markets which will seriously impede financing of the war unless the Federal Reserve banks are given the power to make purchases of Government securities off the market. Accordingly it is important to increase the ability of the Federal Reserve System to assist in maintaining a stable market for Government securities.

Apparently the purpose of the bill is to initiate a procedure by which the Government, instead of selling bonds to the people, or in addition to selling them to the ordinary commercial banks, may force the Federal Reserve banks to buy them and issue Federal currency in exchange. It is equivalent to the issue of paper money. The same thing occurred in Germany and France.

There was much testimony taken in 1935 before the Senate Banking and Currency Committee, which resulted in inserting in the bill passed in 1935 the provision by which the Open Market Committee was given power to approved purchases. However, it was not permitted to direct the Federal Reserve banks to buy such bonds direct from the United States Treasury. I do not care to read all the provisions of that act, but I wish to refer to Mr. Aldrich's testimony at that time. He said:

The machinery thus provided in the bill—

Referring to the provision which was taken out at that time—

corresponds closely with the machinery which was utilized at the time of the German inflation and the French inflation with most serious consequences to the business life and the welfare of the people. In each case the central bank bought bills directly from the treasury, thereby providing funds as and when they desired. In each case, also, the treasury acted, as it no doubt supposed at the time, according to the highest sense of duty. The heads of the central banks concerned felt that they had no choice but to comply. Similar motives with even more efficient machinery such as that now proposed can produce similar results.

We know that in Germany the step led finally to the complete elimination of the German mark, to all-out inflation. In France it led to an inflation to approximately 20 percent of the former value of the French money. Mr. Aldrich quoted from Professor Angell, of Columbia University, who was an expert on the German inflation.

Professor Angell pointed out that this was the kind of thing that resulted in the German inflation. He said:

It should be observed, however, that the Government did not itself print notes, except for the negligible volume of the Reichskassenscheine. Again the end of the war the deficits in the budget were met chiefly by floating short-term treasury loans of various sorts. Of these an increasingly large proportion were discounted at the Reichsbank in exchange for Reichsbank notes, and this produced the principal increases in the currency circulation.

So the German inflation resulted exactly from the process which could be carried out under the power given in this bill.

Mr. Aldrich testified that—

When the German inflation was finally stopped, the gold mark was worth a million million paper marks. In order to prevent a repetition, the Germans in their new bank law proceeded to block up the channels between the treasury and the central bank. The new Reichsbank law was passed as part of the Dawes plan of 1924, which was drawn up, as the committee will remember, with American advice and assistance. Effective steps were taken to divorce the bank and its officials from the control of the political authorities, and severe limitations upon lending to the treasury were written into it. The latter were for the protection of the entire population against devastating inflation, and have had unvarying popular support from

that time to the present, because the people as a whole have learned from experience what disaster inflation inescapably causes.

He pointed out that the French process was the same:

The lesson to be learned from the French handling of their post-inflation legislation is similar. When the French stabilized in 1928, they, like the Germans, were careful to avoid a repetition of the conditions which led up to the inflation, and tapped off about 60 percent of the gold value of their currency. The Bank of France makes no advances to the Government over the amount of a fixed loan of 3,200,000,000 francs, which it agreed to hold at the time of stabilization and has held ever since. The law gives it no authority to engage even in open-market operations except as regards the so-called Caisse bills (bills of the Caisse d'Amortissement) issued to it in 1928 in return for certain bonds of the Republic held at the time of stabilization.

There are numerous other instances.

Mr. Aldrich was asked the question:

What would be the practical effect of the difference?

The difference between open-market operations and direct purchases.

This is his answer:

The difference is this: If you can only purchase in the open market, the securities have to be in the open market. If you purchase directly from the treasury, you go directly from the banks to the treasury, as in Germany and France; and we have a bill which permits the issuance of currency against governments owned by the Federal Reserve banks themselves, so that they can go right around in a circle of buying more Government obligations and issuing notes against them.

I think there is hardly a banking authority who has not spoken against giving the Government power to make the central bank take Government bonds if required by the Government to do so. I can refer to perhaps the leading authorities, which are Sir Cecil Kisch and W. A. Elkins, and to the quotations on pages 20, 21, and 37.

Of course, I do not need to emphasize the dangers the country would suffer from all-out inflation. The theory is that the Government has power to control inflation; and I most freely admit that we could give this power and that if it were exercised with complete wisdom it would not result in inflation, or all-out inflation. I admit that inflation can be controlled; but the trouble is that, if we give this power, a great deal of the incentive to control inflation is at once removed. Here is an easy method of financing the Government. It is always in the background. We immediately take off the Secretary of the Treasury the pressure to go out and sell bonds to persons for their actual savings so that there may not be any inflationary process at all in borrowing money. We immediately take off the Secretary of the Treasury the burden of trying to maintain a reasonable market for Government bonds and maintain the credit of the Government. He does not have to worry any more about the credit of the Government, because if the credit of the Government is impaired in some way he can simply say to the banks, "You take these bonds, and we will issue paper money." There no longer is the pressure on Congress to provide taxes with which to pay the bill. If we can feel, even only in our own hearts, without expressing the thought that, after all, the Government, if it has to do so, can make the banks buy its bonds, then the pressure on us to raise the taxes that are necessary if we are finally to avoid a collapse of Government credit is that much lessened.

Even in Germany and France, when their Governments had such power during the World War, the power was not unlimited. Here, the power is unlimited. In those cases there was already a limitation on the amount of notes that the central banks could be made to take. The limit was raised from time to time, and yet it constituted a certain deterrent to pursuing that particular method of financing.

It is said that there may be certain crises; there may be a tax-day on which the Government is short of money for a period of 24 hours—a kind of bottleneck—while it is actually collecting the taxes. It is said that on a certain day there may be a Government issue of a billion dollars or so to be sold and then an incident such as the one at Pearl Harbor may occur, the bottom may drop out of the market, and the Government may not be able to sell the bonds.

In the first place, the Government has tremendous balances, sufficient to carry it over 2 or 3 weeks, even with tremendously increased spending. In the second place, it would be perfectly easy to provide for temporary financing without giving such wide-open power to make the Federal Reserve banks take any kind of bonds. As a matter of fact, there are a dozen other ways in which such temporary crises could be handled. The general market could be supported by the purchase of Government bonds on the open market. There are three or four other methods of dealing with such a situation by temporary certificates. I do not think it presents a serious problem; and yet, if it does present such a problem, I believe the Banking and Currency Committee could work out a limitation of the power so that such particular crises could be dealt with without giving wide-open power to force on the Federal Reserve banks Government bonds in an unlimited amount, with any interest rate the Treasury might choose to fix.

There was no testimony here. Two economists testified within the past 6 months before the Banking and Currency Committee, and I telegraphed to them in order to get a statement from them. I should like to read their statements and put them in the RECORD. One is from Walter E. Spahr, who is, I think, an economist at New York University. He says:

It would be my judgment that it is desirable for the Reserve banks to purchase special 1-day Treasury tax-anticipation certificates as before the Banking Act of 1935, but it would be most unwise to compel the Reserve or other banks to buy Treasury notes or bonds. This would lead to a monetization of the Federal debt. It is the device used by Germany during and after the first World War. The Reserve authorities can be counted upon to support the bond market in the open market, but to force the Reserve banks to buy directly from the Treasury and at its direction should never be permitted. Only direct issuance of greenbacks is worse. Kisch and Elkins' book on central banking is replete with illustrations of sad consequences flowing from the pursuit of this course. To adopt this plan is to take the road to the German type of currency inflation—a huge expansion of convertible currency.

The other statement is by Mr. Beckhart, who, I think, is connected with Columbia University. He says:

In my opinion, removal of the open-market restrictions could be justified only if direct purchases were limited to tax-anticipation loans and were restricted as to time (quarterly) and as to amount. Otherwise removal of the restriction would open the floodgates to inflation.

Mr. President, we have been considering during the past month the price-control bill in order to prevent inflation, in order to prevent the impairment of our currency, in order to prevent a great rise in prices that would cause hardship to all the people of this country. We were willing to sacrifice our feeling against giving to men arbitrary power to wipe out individual business and limit the farmer's activity; we were willing to give power which, under other circumstances, most of us would have refused. It seems foolish to me now to make a change in the banking law by which we grant a power which may be used to bring about exactly the opposite result from that we are trying to attain under the Price Control Act.

I feel, Mr. President, very strongly that the whole matter ought to be studied by the Banking and Currency Committee. We ought to determine what is necessary. There is no hurry; there is no representation that this is an immediate war emergency measure; the Treasury has no difficulty today in financing. The last loan was oversubscribed five times at a very low rate of interest. There is not a suggestion that this provision is needed today; we have plenty of time to consider it. It is not a question of immediate war emergency; and yet there never will be a time again when the danger that this process may be used is so great. If we are going to have to finance a $35,000,000,000 deficit during the present fiscal year 1942, which is the President's estimate, certainly we want to be sure that it is going to be financed on sound principles, and that we are not going to bring about a breakdown in the midst of war. I hope very much that the Senator in charge of this bill will be willing to give the Senate further opportunity to study it and be willing to refer it to the Banking and Currency Committee.

Mr. GLASS. Mr. President, I may state that this proposition has never been considered by the Banking and Currency Committee. I have no objection to its reference to the committee; I do not attach to it the importance that the Federal Reserve Board seems to attach to it. I think the Senator from Ohio is totally mistaken in his supposition that the Government now can force the Federal Reserve banks to buy its bonds. It cannot do anything of the kind. The exercise of the authority proposed to be granted is not mandatory; it is simply permissive. It is for the 12 Federal Reserve banks, each in its respective territory, to

decide whether it shall buy bonds or shall not buy bonds.

It is represented to me that it is necessary in the case of such an emergency as occurred by the action at Pearl Harbor. I do not think there will be a recurrence of that sort of incident, and it ought not to have occurred when it did occur; but there is nothing of a mandatory nature provision relative to the purchase of bonds by the Federal Reserve banks. They need not purchase a dollar of bonds unless they want to do so; it is altogether permissive.

I do not care much about it. I do not think it is going to result in any inflation whatsoever, because I do not think the Federal Reserve banks are going to buy Government bonds unless they want to buy them, and unless it is to the interest of the banks to buy them. The Federal Reserve banks are not owned by the Government; they are owned by private authority; they are owned by the stockholder member banks of the respective districts, and the Government cannot force the banks to buy its bonds unless they want to buy them.

Mr. TAFT. Mr. President, I am somewhat surprised at the statement of the Senator from Virginia, as I only decided to oppose this provision after reading what the Senator had to say himself on the floor of the Senate in dealing with the bill of 1935 and in connection with a similar provision. At that time the Senator from Virginia said:

It is now proposed to make the open-market committee the supreme power in the determination of the credits of the country.

Of course, that was modified later by confining this power to the open market.

The Senator from Virginia said further:

No such thing was intended, and no such thing should ever be done. I do not venture very far when I say no such thing can be done. As a matter of fact, if we should put the Federal Reserve Board on the stock exchange to deal in security transactions, they would be as completely lost as the babes in the woods.

Then he said:

There is another provision of the pending bill to which I might refer, but have not, because I have no reason to suppose that it will be objected to by any Senator, though as to that I do not speak definitely.

In the operations of the open-market committee, as constituted under the bill, we provide that Government bonds may be purchased by the Federal Reserve banks, but only in the open market

But only in the open market.

The wisdom of that ought to be manifest to anyone. Such bonds should not be purchased, under the mandatory provision of the bill, directly from the Treasury.

If that was true in 1935, it is just as true now; in fact, the danger now is infinitely greater.

Suppose, for example, the open-market quotation for Federal Reserve bonds is 10 or 20 or 25 or 30 percent below par, as once was the case. No one can conceive of any fair reason why a Federal Reserve bank should use the reserve funds of their member banks to purchase Government bonds at par directly from the Treasury when they could go into the open market and buy them at a greatly depreciated price. Therefore, we require that the purchases shall be in the open market.

The Senator from Virginia himself, in presenting the bill at that time, insisted on the insertion of these provisions, and explained to the Senate why it was extremely unwise to permit the Government ever to force the Federal Reserve banks to buy Government bonds and issue currency against such bonds.

Mr. GLASS. Mr President, what I said in 1935 in ordinary times is good logic now, but we were not in war then; we were not threatened by war then. This is merely a temporary device proposed by the Federal Reserve Board for the existing emergent situation now; that is all it is; and there is not a line in the existing law that would compel the Federal Reserve banks to buy a dollar of United States bonds.

Mr. BARKLEY. Mr President, inasmuch as reference has been made a time or two to the fact that this is an omnibus bill, parts of which might have gone to other committees, if bills had been introduced separately, I wish to state that I am, probably, responsible for the fact that this bill was introduced as an omnibus bill instead of being split up into six or eight bills and referred to separate committees. However, before the bill was introduced by the chairman of the Judiciary Committee I consulted with the chairman of each committee to which any part of this bill would have gone. It so happens that there were more provisions of the bill that probably would go to the Judiciary Committee than to any other single committee and it was desirable to secure action on all these matters with as much promptness as possible. I took occasion to consult the chairmen of the committees, including the Banking and Currency Committee, the Interstate Commerce Committee, the Military Affairs Committee, the Naval Affairs Committee, and the Commerce Committee, and all other committees which would have had jurisdiction of any part of this bill if bills had been introduced separately, and, without exception, the chairmen of those committees agreed that it would be better to introduce it as a single bill.

Now with reference to the provision of the bill to which the Senator from Ohio objects, I wish to reiterate what the Senator from Virginia has stated about it. Until 1935 the Federal Reserve banks had the right to buy Government bonds directly, not in the open market, for reasons that were potent at that time. When the Glass-Steagall bill was passed it restricted their power to buy Government bonds to the open market. Here is what happened about that: The Senator from Virginia has referred to the Pearl Harbor incident. The Treasury had offered for sale, I think, $150,000,000 of short-term obligations. Nobody knew then what condition the market would be following the Pearl Harbor incident. The open-market committee of the Federal Reserve Board is made up of the Directors of the Federal Reserve Board, plus 5 others chosen by the 12 Federal Reserve banks. The committee deals very largely through the Federal Reserve bank in New York, which is the fiscal agent. The Federal Reserve Board instructed their Open Market Committee, in order that there might be no uncertainty with respect to the sale of the $150,000,000 of short-term obligations, to go into the open market and offer a premium on the price of the Government obligations that were to be issued. They authorized a price of 101.3, plus a commission charged by the brokerage houses through which they bought the obligations which were being sold that very day So, in order to obtain $20,000,000 of the $150,000,000—I think it was approximately $20,000,000—that the Open Market Committee of the Federal Reserve System bought, they were required to pay the premium, which was the market price at which they were sold, plus a commission. It so happened that the disaster at Pearl Harbor did not affect the market as unfavorably as many might have feared, and all they were required to do was to buy about $20,000,000 of the $150,000,000 issue.

What is desired here has been under consideration by the Federal Reserve Board for weeks and weeks. The recommendation was unanimous among the directors of the Federal Reserve Board and among the Open Market Committee, representing the Federal Reserve System, and it was unanimous with the Treasury. It was cleared by all those interested in the sale and marketing of Government bonds before it was included in this legislation. Under the present law, the Open Market Committee of the Federal Reserve banks not only cannot buy directly long-term securities from the Treasury but they cannot purchase short-term securities without going into the open market and paying the market price for them. They cannot even buy a 6-month obligation, they cannot even buy an obligation payable tomorrow, directly from the Treasury. They must go into the open market and pay the market price. The Federal Reserve System, as the Senator from Virginia says, is not owned by the Federal Government; and the deletion of the words "but only in the open market" places no greater obligation on the Federal Reserve banks than now exists in the law.

Mr. TAFT. Mr. President——

Mr. BARKLEY. They are not required to buy these obligations; but, if they buy them, they are required to buy them in the open market. The elimination of these few words will give them the right to buy the obligations directly from the Treasury not under compulsion but of their own volition.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. Yes.

Mr. TAFT. I know the Senator does not want to misstate the law, but the law is perfectly clear. The Open Market Committee can make the 12 Federal Reserve banks go into the market and buy bonds today; and the elimination of these words gives them power to make the Federal Reserve banks buy direct from the Treasury an issue of two or three billion dollars of any maturity and of any rate of interest the Treasury may have set on the issue.

Mr. BARKLEY. All that amounts to is that in the event the Open Market

Committee decide, on behalf of the Federal Reserve banks, to buy twenty or fifty million dollars' worth of Government obligations, they shall allocate that amount among the Federal Reserve banks, which may or may not buy, as they may see fit to do.

Mr. TAFT. But the Open Market Committee is the Federal Reserve Board, and the Federal Reserve Board is the Government of the United States.

Mr. BARKLEY. No; I do not agree that the Federal Reserve Board is the Government of the United States, or that the Open Market Committee is the Federal Reserve Board. It is true that the members of the board of directors of the Federal Reserve System are members of the Open Market Committee; but the 12 banks scattered all over the United States also select 5 additional members of the Open Market Committee who serve with the members of the Board.

Mr. TAFT. That, however, is a minority of the Board.

Mr. BARKLEY. Yes; it is a minority, but it is a very influential minority.

Mr. TAFT. The Board can force anything it wants to force. I think the Senator should be willing to admit that the effect of this provision of the bill is to permit the Federal Reserve Board—the Open Market Committee, if the Senator chooses to call it that—to force the 12 Federal Reserve banks to buy directly from the Treasury.

Mr. BARKLEY. No; they have no more power than they now have to force the banks to do so. The only difference is that they can buy these obligations directly from the Treasury, instead of having to go out in competition with everybody else and buy them on the stock market, and then distribute them among the banks they represent.

Mr. TAFT. But it is not a question of the power of the banks. It is a question of the power of the Federal Reserve Board to make the banks buy direct from the Treasury. That is the effect of the amendment.

Mr. BARKLEY. No; the amendment has nothing to do with that. The only difference the adoption of the amendment will bring about is that the Federal Reserve System, or the banks, or the Open Market Committee, can go down to the Treasury and buy these obligations from the Treasury of the United States, instead of having to go to the stock market in New York and buy them and pay the premium on them. That is the only difference. There is no more authority conferred, there is no more power, there is no more intimidation, there is no more coercion with these words out than there is at the present time.

Mr. TAFT. I suppose I cannot convince the Senator; but, obviously, today the Federal Reserve Board, controlling a majority of the Open Market Committee, can make the 12 Federal Reserve banks buy in the open market.

Mr. BARKLEY. No.

Mr. TAFT. By taking out these words we change the law so that the Federal Reserve Board can make the Federal Reserve banks buy direct from the Treasury any issue that the Treasury sees fit to have them buy.

Mr. BARKLEY. No; the Senator now is not being quite frank. The Federal Reserve Board and the Open Market Committee cannot compel any Federal Reserve bank to go to the Treasury and buy bonds. They may be able to buy a certain issue of bonds and distribute them among the banks; but unless the Open Market Committee, as the agent of the Federal Reserve System, themselves buy these bonds, they cannot compel the Federal Reserve bank in St. Louis, or in Dallas, or in New York, to go to the Treasury and buy bonds.

Mr. TAFT. I think the last statement of the Senator from Kentucky is clearly wrong. The Open Market Committee itself has no power to buy bonds, and cannot go into the market and buy bonds, but it can tell the 12 banks to go into the market and buy them.

Mr. BARKLEY. It acts as the agent of the Federal Reserve System in determining the extent to which——

Mr. TAFT. The extent to which the banks must buy bonds.

Mr. BARKLEY. Not must buy bonds, but may buy bonds.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. Yes.

Mr. TAFT. If there is a difference of opinion on a complicated question so vital to the whole currency system, it only emphasizes the fact that this matter ought to go to the Banking and Currency Committee, and we ought to straighten out what it means if it does not mean what I say it means; and we ought to impose the proper kind of limitations.

Mr. BARKLEY. This provision is one of the simplest propositions that ever appeared in a bill. There is nothing complicated about it.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. BARKLEY. Just a moment. There are no complications or labyrinthine intricacies to be worked out by the Banking and Currency Committee. All the amendment does is to say that the Federal Reserve banks can buy these bonds directly, instead of having to go into the open market. That is all it does. We might have a session of the Banking and Currency Committee for a month, and they could not make the amendment any simpler or any clearer than it is.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. BARKLEY. I yield to the Senator from Michigan.

Mr. VANDENBERG. It would help my thinking on this matter if the Senator would tell me why these words were put into the law in 1935 and what danger it was that it was thus sought to protect against.

Mr. BARKLEY. The Senator from Virginia [Mr. GLASS] probably is in better position to answer that question than I am, because he was the author of the bill. I will state that up until 1935 the banks had the authority which they will have if this amendment is adopted. It was not used extensively.

Mr. VANDENBERG. There must have been some reason for writing in the language, and there must have been some danger to be protected against.

Mr. BARKLEY. The Senator from Virginia is the author of the law. I will yield to him.

Mr. GLASS. We simply did not want the Federal Reserve banks to go into speculative business; that is all.

Mr. BARKLEY. That is correct, and, as the Senator said a while ago, we were in normal conditions at that time, and there had not been any very large amount of speculation up to that time among the Federal Reserve banks.

Mr. GLASS. No; at that time the Federal Reserve banks had not bought a great many bonds, and I do not think they ever should have done so, because the banks are now filled up with bonds.

Mr. BARKLEY. We were in a situation in which we were being required to borrow considerable amounts of money to carry on the Government under the program of reconstruction and rehabilitation, and it was felt, as a matter of caution, the Federal Reserve banks should be limited to the facilities enjoyed by the ordinary citizen at that time, of going into the open market and buying bonds at the market price.

Mr. VANDENBERG. Was it not also the purpose to throw an additional barrier between the power of the Treasury in respect to the issuance of bonds and the power of the Federal Reserve Board, as such, to purchase those bonds? Was it not also sought, I ask the Senator from Virginia, to inject the element of bringing these particular transactions more intimately into the jurisdiction of the member banks and their representatives themselves?

Mr. GLASS. It was to give the 12 Federal Reserve banks the discretion to buy the bonds directly, to go into the open market and purchase the bonds, instead of speculating in them. As a matter of fact, this is to be a mere temporary arrangement, anyway. It will expire with the end of the war, and may expire 10 days after its adoption, on passage of a concurrent resolution, or by Executive order.

Mr. VANDENBERG. I understand that.

Mr. BARKLEY. The amendment is intended to facilitate, insofar as it may facilitate, the financing of the war obligations. We do not know what is going to be the result. None of us knows how large our Government obligations may be before the war shall end, and it seems to me, and it has seemed to the committee, that no barrier should be set up by law during this emergency against the Federal Reserve System, which is in a sense an agency of the Government, although not controlled by it, except as its members are appointed by the President and confirmed by the Senate, so that in the event of any emergency in which the Federal Reserve System could better serve the purposes of financing the war they should be allowed to do so by buying bonds directly from the Treasury, at par, if the Treasury shall sell them at par, or whatever the terms may be, rather than be required to pay a commission and to pay a premium on whatever bonds they buy merely because they have to go

through the technicality of having someone in New York buy the bonds at the market price, and then take them off their hands.

Mr. VANDENBERG. I am not arguing with the Senator about the necessity of an emergency formula. If there is need for an emergency formula, that is one thing; but I am unable to follow the Senator's effort to make it appear that we really are not doing very much if anything to the law if we do this. Let us be quite frank if we are doing it in the name of the emergency. I remember very well when this matter was before us on a prior occasion, and I recall how completely the able Senator from Virginia convinced me that this phrase was an essential protection against undue exploitation of the financial power of the Treasury in connection with bond issues.

Mr. BARKLEY. As a member of the Committee on Banking and Currency, I concurred with the Senator from Virginia, the chairman of the committee, in that legislation. We are in a different situation now, and I dare say that if we were not, this bill would not be before us.

Mr. VANDENBERG. But we are giving away something important when we do it. That is what I am trying to say, and the Senator is trying to indicate that we are not, it seems to me.

Mr. BARKLEY. Not at all. I think it is more technical than substantial, because the Federal Reserve banks can go into the open market and buy these bonds, and pay for them what other people pay, the market price plus commission; but in this emergency it seemed there should be a more direct approach to the purchase of the bonds than this round-about way, wherein they may be required to go to some bank in New York, or to the Open Market Committee, which has been established by law. In other words, it seemed that the technicality of requiring them to go through two hands in order to get a Government bond in this emergency should be eliminated, so that they could buy the bonds direct from the Treasury. That is all the bill does.

Mr. VANDENBERG. Would the Senator concede that the proper flow of Government bonds from the Treasury into the Federal Reserve system might well be a channel of inflation?

Mr. BARKLEY. I think if abused it might be; yes.

Mr. VANDENBERG. Are we not by this action widening and deepening the channel?

Mr. BARKLEY. That all depends. If there is no difficulty in marketing Government obligations, in all probability the Federal Reserve System will not take advantage of the proposed law. I have discussed this matter with the head of the Federal Reserve System and with the officials of the Treasury. It is an emergency matter, to enable them to facilitate the financing of the Government's obligations in the event they are not able to do so in the normal channels.

I hope the amendment of the Senator from Ohio will not be agreed to. In my judgment, there is no purpose which can be served by taking this provision out of the bill and referring it to the Committee on Banking and Currency in order that it may deal with the subject. It is simple enough for us to deal with it here.

Mr. TAFT. Mr. President, the very fact that I have to make this reply, I think, answers the charge that it is simple. It is not simple. The phrase "but only in the open market" was written into the 1935 act because in that act Congress for the first time gave authority to the Federal Reserve Board to order Federal Reserve banks to buy bonds. That was the first time that went into the law. That is why this restriction was inserted, because it is one thing to order banks to go out and buy in the open market, but it is another thing to order them to buy any issue the Treasury chooses to put out at any rate of interest it chooses to put on the issue.

Mr. GLASS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. GLASS. I should like to have the Senator point out any existing law under which the Treasury can require a Federal Reserve bank to buy bonds.

Mr. TAFT. Subsection (b) of section 263 provides—

> No Federal Reserve bank shall engage or decline to engage in open-market operations under sections 353 to 359 of this title—

And the one with which we are dealing is section 358—

> except in accordance with the direction of and regulations adopted by the (Open Market) Committee.

That is the provision. The Senator from Virginia so construed it himself in 1935. He said to the Senate:

> Suppose, for example, the open-market quotation for Federal Reserve bonds is 10, or 20, or 25, or 30 percent below par, as once was the case. No one can conceive of any fair reason why a Federal Reserve bank should use the reserve funds of their member banks to purchase Government bonds at par directly from the Treasury when they could go into the open market and buy them at a greatly depreciated price.

He had said just before that:

> Such bonds should not be purchased, under the mandatory provision of the bill, directly from the Treasury.

Mr. BARKLEY. Will the Senator permit me to read the statute on the subject?

Mr. TAFT. Certainly.

Mr. BARKLEY. It reads:

> *Provided*, That any bonds, notes, or other obligations which are direct obligations of the United States, or which are fully guaranteed by the United States as to principal and interest, may be bought and sold without regard to maturities, but only in the open market.

All we are doing here is striking out the phase, "but only in the open market," so that they still may buy them, regardless of whether it is in the open market or otherwise.

The PRESIDING OFFICER (Mr. OVERTON in the chair). The question is on agreeing to the amendment of the Senator from Ohio [Mr. TAFT].

Mr. TAFT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Overton
Andrews	Gillette	Radcliffe
Austin	Glass	Reed
Bailey	Green	Reynolds
Ball	Hayden	Rosier
Bankhead	Herring	Russell
Barkley	Hill	Shipstead
Bilbo	Holman	Smathers
Bone	Johnson, Calif.	Smith
Brewster	Johnson, Colo.	Stewart
Brown	Kilgore	Taft
Bulow	La Follette	Thomas, Idaho
Bunker	Lee	Thomas, Okla.
Burton	Lucas	Thomas, Utah
Butler	McFarland	Tobey
Byrd	McKellar	Truman
Capper	McNary	Tunnell
Caraway	Maloney	Tydings
Chandler	Maybank	Vandenberg
Chavez	Mead	Van Nuys
Clark, Mo.	Millikin	Wagner
Connally	Murdock	Wallgren
Danaher	Murray	Walsh
Doxey	Norris	White
Ellender	O'Daniel	Willis
George	O'Mahoney	

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, a quorum is present.

Mr. TAFT. Mr. President, I desire to withdraw the amendment to the bill which I have offered and to submit another amendment in place thereof, which I send to the desk and ask to have read.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. On page 8, line 11, it is proposed to strike out the period and quotation marks and to insert a colon and add:

> *Provided further, however*, That such obligations purchased directly from the Treasury shall not have a maturity of over 30 days, and the total amount purchased directly from the Treasury and held by the 12 Federal Reserve banks at any one time shall not exceed $2,000,000,000.

Mr. TAFT. Mr. President, my original motion was to refer this matter to the Banking and Currency Committee for consideration, because I think it is a highly technical matter, and it has not had the consideration it should have had, but it has been debated at some length already in the Senate, and it seems to me the best thing to do is to present the issue directly to the Senate.

It is proposed by the amendment to limit the power conferred by title IV. I think it is perfectly clear that if we adopt the language of the title as it now is, it will give the Federal Reserve Board appointed by the Government, through its control of the open-market committee, power to tell the 12 Federal Reserve banks that they must buy Government bonds directly from the Treasury at any rate of interest it sees fit to fix on those bonds.

I have not heard any one say that the Board ought to have that right. I have not heard any justification for such a power. The only answer has been that there are times, such as when there is a military disaster or on other occasions when the bond market is temporarily depressed, when it is necessary to tell the Federal Reserve banks to bolster up the bond market temporarily. I think that is dangerous, though it is not a great danger. So I have proposed by the amendment that the only kind of securities these banks may be compelled to buy

by the Government are 30-day notes, and that the total amount they shall ever hold at any one time, without further action by Congress—we can change it if we want to—shall not exceed $2,000,000,000.

So far as I can see that meets every need which has been expressed on the floor, or in the committee hearings, or anywhere else, for the granting of this particular power. It enables the banks to help the Government to carry over temporarily. I feel that if we do not put such a restriction in the bill we shall grant to the Government power to force the banks to buy an unlimited amount of Government bonds, we shall provide an easy way, we shall take off all the pressure in favor of sound financing, all the pressure against inflation which we have built up in the legislation dealing with price control and other legislation.

I hope very much that the Senator in charge of the bill may be willing to accept the limitation I suggest.

Mr. O'MAHONEY. Mr. President, I shall say only that the Senator from Ohio was good enough to show me a copy of the amendment before he offered it. It has been submitted to the Federal Reserve Board, and I can say that the Federal Reserve Board feels that it should not be adopted.

It is worth pointing out that the proposal contained in the bill was submitted before it came out of the committee to the chairman of the House Banking and Currency Committee as well as to the chairman of the Senate Banking and Currency Committee, and there was complete agreement on their part that the power here proposed to be granted should be sustained.

Therefore I feel that I am not in a position to accept the amendment offered by the Senator from Ohio. Let me suggest to him that the bill is being acted upon in the first instance in the Senate. It will go from the Senate to the House, and will be under review there by the appropriate committee of the House. Every phase of it will be open for consideration and reconsideration. It seems to me that the proper thing to do is for the Senate to reject the amendment and let the question be raised, if it seems desirable, in the House committee. So I hope the amendment will be rejected.

Mr. TAFT. Mr. President, it seems to me that in a matter of this importance the Senate ought to decide its own problems and not ask me to introduce my amendment in the House of Representatives.

I talked with two members of the Federal Reserve Board, and they took the same position as that taken by the Senator from Wyoming. Their argument was, "We will not abuse this power. Surely you can trust us." That is an argument for any power.

Mr. President, I think that this amendment is of sufficient importance for me to ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BARKLEY. Mr. President, I wish merely to reiterate what the Senator from Wyoming has said. The Senator from Ohio reminds me of the spinster of whom it was said that she prayed, "Lord, give me a man." The constant prayer of the Senator from Ohio is, "Lord, give me an amendment." [Laughter.]

A while ago the Senator from Virginia [Mr. GLASS] and I emphasized—evidently without convincing the Senator from Ohio—that this language is permissive and not mandatory. The language we are amending is permissive. It uses the word "may." The banks may buy these bonds. If we should impose a limitation of 30 days such a limitation would certainly handicap the Federal Reserve Board in attempting to help finance the obligations of the Government. I share the hope that the amendment will be rejected.

Mr. GEORGE. Mr. President, I have no desire to discuss the amendment. I am not prepared to accept the amendment offered by the Senator from Ohio, because I have no advice on the important question raised by this amendment; that is, How would it affect the marketability of other bonds and securities? Nor have I any advice as to what the present holdings of securities by the Federal Reserve banks may be.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. TAFT. I can tell the Senator what the present holdings are. The Federal Reserve banks now hold two and a quarter billion dollars of Government bonds. The proposed limitation, of course, would apply only to bonds purchased direct from the Treasury. It would not affect in any manner the amount of bonds purchased on the open market.

Mr. GEORGE. I understand. However, I do not know how the system of financing under the limitations proposed by the amendment would affect the general problem of financing the war effort, or how it might affect the market value of long-term securities.

Mr. President, I regard this amendment as a very dangerous one, to put it mildly, because if the provision were adopted and used extensively it would relieve any pressure for sound financing. It goes directly to the question of inflation. There is no doubt about it.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. VANDENBERG. The Senator is now speaking of the amendment proposed in the bill, and not the amendment offered by the Senator from Ohio, is he not?

Mr. GEORGE. Yes; I am speaking about Title IV. I think the proposed change in the Federal Reserve law is of doubtful advisability. It is true that prior to 1935 the same thing could have happened. The Treasury could have sold its securities direct to the Federal Reserve banks. However, it is also true that we were not then engaged in war, and there was no very great threat of inflation. Just now we are moving into the time when we have every single factor which may and will produce inflation.

In the last analysis, inflation means a Government deficit. Inflation is measured almost directly by the Government deficit, because we must take care of the deficit somehow. If we take care of it out of current earnings, we escape a great part of the threat. If we take care of it out of past earnings, we only mitigate the evil. But when we commence taking care of the deficit by the Government or the banks issuing money, then we step right into the current which will wreck any government if such a course is pursued.

I do not obtain very much comfort from the suggestion of the distinguished Senator in charge of the bill [Mr. O'MAHONEY] that the Federal Reserve banks are privately owned, and that they are not commanded to buy or to take whatever the Treasury may offer. The statement is literally true; and yet I know that the Secretary of the Treasury is a member of the Federal Reserve Board. I know very well—as all of us must know—that if the Government offers securities to the Federal Reserve banks the Federal Reserve banks will take them. If enough of them are offered, and if the banks take enough of them, we have inflation. We need not argue about it. Everybody knows the size of the present deficit. It is true that it is already covered by securities. Everybody knows how rapidly the deficit will climb. None of us knows exactly where it will stop.

I think that the amendment proposed by the bill is charged with possibilities of ill which cannot be overstated. I hesitate to withhold the power from the Government, because the occasion may arise when it must be used. I should have no very great concern about sending the question to the Banking and Currency Committee, because the issue is simple and direct. While all of us ought to have more information than we now have on it, I think the Senate is prepared to vote on the question. I do not want to vote for the amendment which the Senator from Ohio has offered as a substitute for his original amendment, which was to let the question go to the Banking and Currency Committee, because I do not know how that amendment, in actual operation, might affect the market for Federal securities. Nor do I know whether the amendment would give enough leeway to prevent disaster to the Government in the trying days which are ahead of us. I do not want to vote for the bill with this amendment in it without making it perfectly clear that I realize, as does every other Senator, exactly the potentialities involved, and without expressing the hope that the Treasury will not use this power, and that if Government pressure is sought to be used the banks will stand against it.

Mr. VANDENBERG. Mr. President, I wish to associate myself with the observations made by the able Senator from Georgia respecting the inherent hazard of the text as reported by the committee. It seems to me that it is beyond answer that if we dig a straight channel from the Treasury to the Federal Reserve System we build a channel of potential inflation. We have been spending days and weeks in seeking to curb inflation. Yet, so far as fiscal inflation is concerned, in striking from the present statutes just half a dozen protective words, we sub-

stantially checkmate everything we have heretofore done because this is the real approach of inflation.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. O'MAHONEY. Let me make just this observation: It is perfectly obvious, I think, from what has been said on the floor and from what has been done, that in Congress there is a desire to prevent inflation. I think it is equally true that on the whole the recommendations which have come from the Government have indicated a desire to achieve the same purpose.

Mr. VANDENBERG. I agree to that.

Mr. O'MAHONEY. Furthermore, we have the knowledge that the Members of the Senate and of the House who are serving upon the Finance Committee and the Ways and Means Committee are also fully aware of the dangers of inflation, and that taxation—rigorous taxation and courageous taxation—will be the real answer to the danger of inflation.

Mr. VANDENBERG. I agree to that, too.

Mr. O'MAHONEY. I am sure that when the time comes the Finance Committee will report such a bill; and when such a bill is on the statute books it will be found, in my judgment, that the power granted here will be exercised in the manner indicated by the Senator from Georgia [Mr. GEORGE], and in the manner in which the senior Senator from Michigan would like to have it exercised. My own feeling is that we can and must rely upon the Federal Reserve Board and upon the Treasury officials to exercise caution and discretion in carrying out this power.

Mr. VANDENBERG. Mr. President, I have no quarrel with any of the observations of the able Senator from Wyoming, except that I think they are entirely beside the point which I am presenting. I quite agree that heavy taxation, to the limit of our capacity to pay, is our primary reliance against fiscal inflation; but, Mr. President, after we have raised the next $9,000,000,000 of taxes—if, as, and when we do so—there will still remain a deficit of fifteen or twenty billion dollars which must be financed by borrowing. Every possible impulse, every possible emphasis, should be put upon forcing that borrowing into the channels of private investment. If it is forced into the banking channel, it will be a stimulation to inflation, rather than a check.

In its naked text the proposal submitted by the committee is an encouragement to the flotation of the securities necessary to meet the deficit through the banks, through the inflationary method, instead of through the noninflationary method. It is said that this is an emergency, and that therefore the bill must be treated as an emergency measure.

Mr. President, the emergency is twofold. I freely concede that there may be a borrowing emergency which the Treasury may confront, which temporarily may require some sort of a recourse of this nature; but alongside of that, and paralleling it, is the emergency which we confront in respect to the fiscal situation and inflation.

The amendment proposed by the Senator from Ohio does not close the channel. It opens it precisely as does the text of the bill. But the amendment proposed by the Senator from Ohio puts just one small dam in the channel, which has to be recognized as a means of protecting the things we all recognized as needing protection when this phrase was written into the law in 1935. The amendment proposed by the Senator from Ohio leaves an emergency power for any financial necessities which the Treasury may confront. It simply insists that the exercise of the power shall be confined to an emergency, and shall not be used beyond an emergency necessity. I submit that is simply fundamental, elementary prudence, if we have the slightest realistic interest in preventing inflation.

Mr. LA FOLLETTE. Mr. President, since there is to be a record vote on this question, I wish to say a few words in explanation of the vote I shall cast. I cannot support the amendment offered by the Senator from Ohio, although I recognize that there is a great deal of force in the arguments which both he and the senior Senator from Michigan have presented in its behalf. It is my own view, however, that because of the astronomical figures with which we are now dealing in connection with this war, and in view of the fact that we all know that during this very month and during practically every month of the war, so long as it lasts, the present appropriations will be tremendously augmented. I do not think we can safely withhold this power from the Treasury Department. As all Senators know, in connection with every tax bill, I have endeavored to the best of my ability to secure a larger percentage of the financing of our defense, and now of our war effort, through taxation; but I have grave doubt, Mr. President, that the people of this country can be forced to disgorge in the form of taxation a sufficient amount of annual revenue to finance any substantial proportion of the war effort if appropriations running to such astronomical figures, which are constantly discussed and then are submitted to the Congress for action, are to be voted. Therefore, I think we are to a certain extent, by the force of the circumstances in which we find ourselves, compelled to venture upon some rather uncharted and stormy financial seas. In such a situation, much as I respect the author of the amendment and his judgment, I am not ready, upon the state of facts thus far presented, to be willing to say, by supporting his amendment that I think its restrictions are of such a nature that they would give the Federal Reserve Board and the fiscal policy makers of the Government sufficient latitude to enable them to meet the complex and unprecedented financial problems which we already confront, and which will grow apace with every month the war continues.

Mr. TAFT. Mr. President, I do not want to take the Senate's time by prolonging the discussion; but no one, either in the Government or elsewhere, has stated that the power sought is needed or is proposed to be used in order to obtain the large sums of money with which to finance the war. It has only been stated that such power is desired in case of emergencies; it is desired because temporarily there may be a soft spot in the bond market; it is desired because on tax day there is a kind of bottleneck in funds. Those are the only claims which have been advanced.

The Government has not said it has to have this power in order successfully to finance the war. Some day it may need such power, but I hope that day will never come, because if we ever reach the point when the Government must have this power in order to finance the war, then our currency will be gone; there will not be any value left in the currency if the Government ever is forced to the point where it will be required to use it in large volume.

The object of my amendment is to say, "All right; you can use it temporarily; you can use it for 30-day paper; you can use it to bolster up the market temporarily. Two billion dollars is ample for that purpose; 30 days is plenty long enough for that purpose."

So if we pass the bill with my amendment added, we shall have met every demand that has been made by the Government and supported by any reason whatsoever.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT]. On this question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CHANDLER (when his name was called). I have a general pair with the Senator from Pennsylvania [Mr. DAVIS], who is unavoidably absent from the Senate. I transfer that pair to the Senator from Florida [Mr. PEPPER] and will vote. I vote "nay."

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the junior Senator from Pennsylvania [Mr. GUFFEY], and will vote. I vote "nay."

The roll call was concluded.

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Idaho [Mr. CLARK], the Senator from California [Mr. DOWNEY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Delaware [Mr. HUGHES], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Arkansas [Mr. SPENCER] are necessarily absent.

The Senator from Florida [Mr. PEPPER] is detained on important public business.

The Senator from Montana [Mr. WHEELER] is detained in a committee meeting.

Mr. O'MAHONEY. I announce the necessary absence of my colleague [Mr. SCHWARTZ].

Mr. AUSTIN. The Senator from Pennsylvania [Mr. DAVIS] is absent pursuant to his duties as a member of the Anthracite Commission appointed by the President to study conditions in the industry.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury.

The Senator from New Jersey [Mr. BARBOUR] and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

The result was announced—yeas 25, nays 51, as follows:

YEAS—25

Aiken	Danaher	Taft
Bailey	Gerry	Tobey
Ball	Holman	Tydings
Brewster	Johnson, Calif.	Vandenberg
Burton	Johnson, Colo.	Walsh
Butler	McNary	White
Byrd	Maloney	Willis
Capper	Millikin	
Clark, Mo.	Shipstead	

NAYS—51

Andrews	Glass	O'Mahoney
Austin	Green	Overton
Bankhead	Hayden	Radcliffe
Barkley	Herring	Reynolds
Bilbo	Hill	Rosier
Bone	Kilgore	Russell
Brown	La Follette	Smathers
Bulow	Lee	Smith
Bunker	Lucas	Stewart
Caraway	McFarland	Thomas, Idaho
Chandler	McKellar	Thomas, Okla.
Chavez	Maybank	Thomas, Utah
Connally	Mead	Truman
Doxey	Murdock	Tunnell
Ellender	Murray	Van Nuys
George	Norris	Wagner
Gillette	O'Daniel	Wallgren

NOT VOTING—20

Barbour	Gurney	Pepper
Bridges	Hatch	Reed
Brooks	Hughes	Schwartz
Clark, Idaho	Langer	Spencer
Davis	Lodge	Wheeler
Downey	McCarran	Wiley
Guffey	Nye	

So Mr. TAFT's amendment was rejected.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5990) to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes, and it was signed by the President pro tempore.

EXTENSION OF WAR POWERS

The Senate resumed the consideration of the bill (S. 2208) to further expedite the prosecution of the war.

Mr. VANDENBERG. Mr. President, on behalf of the junior Senator from Illinois [Mr. BROOKS], who is necessarily absent on important business, and at his request, I offer the following amendment:

On page 11, line 14, I move to strike out the phrase "assigned to duty outside of the continental United States."

The purpose of the amendment is obvious, and the intention of the able junior Senator from Illinois is clear. He wishes to present to the Senate the proposition that free postage for soldiers, sailors, and marines should be a general privilege, and should not be confined to external military units.

Mr. O'MAHONEY. Mr. President, when the Senator from Illinois [Mr. BROOKS] was present in the Chamber 2 days ago, he rose to explain the amendment. I said at that time that the amendment had been considered by the committee, and that it was the judgment of the committee that since a formal bill dealing with this matter is now pending in the Senate before the Committee on Post Offices and Post Roads the matter should be disposed of there, and not in this manner.

Mr. VANDENBERG. Why does not that consideration apply to the entire section?

Mr. O'MAHONEY. The reason for that judgment is that the salaries of postmasters in the United States are regulated by stamp sales. Numerous new post offices and postal stations have been established in connection with and in the vicinity of camps and cantonments. To adopt this amendment for continental United States would bring about conditions which might very seriously discommode or upset the Postal Service. The committee held no hearings upon the matter; but it was content to extend the privilege of free postage, as in previous wars, to those serving outside continental United States.

The feeling of the committee is that this proposal should be rejected, and that it should be considered by the Committee on Post Offices and Post Roads.

Mr. VANDENBERG. Mr. President, I join the able Senator from Wyoming in worrying as much as I should about the pay of postmasters. I suppose it is a serious consideration; but, as between the pay of postmasters and their income and the pay and income of a $21-a-month soldier in the ranks, I must confess that I shall give the latter the preponderance of my sympathy. If this is an issue between the postmasters and the soldiers, I am perfectly satisfied to let it go at that; and I ask for the yeas and nays on the amendment.

Mr. LA FOLLETTE. Mr. President, I ask for a record vote on the amendment. Are Senators afraid to go on record concerning it? I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ellender	Millikin
Andrews	George	Murdock
Austin	Gerry	Norris
Ball	Gillette	Nye
Bankhead	Glass	O'Daniel
Barkley	Green	O'Mahoney
Bilbo	Gurney	Overton
Bone	Hayden	Radcliffe
Brewster	Herring	Reed
Brown	Hill	Rosier
Bulow	Holman	Russell
Bunker	Johnson, Calif.	Shipstead
Burton	Johnson, Colo.	Smathers
Butler	Kilgore	Smith
Byrd	La Follette	Stewart
Capper	Lee	Taft
Caraway	Lucas	Thomas, Idaho
Chandler	McFarland	Thomas, Okla.
Chavez	McKellar	Thomas, Utah
Clark, Idaho	McNary	Tobey
Clark, Mo.	Maloney	Truman
Danaher	Maybank	Tunnell
Doxey	Mead	Tydings
Vandenberg	Wallgren	White
Van Nuys	Walsh	Willis
Wagner	Wheeler	

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, a quorum is present. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. VANDENBERG] on behalf of the Senator from Illinois [Mr. BROOKS].

Mr. VANDENBERG. I now ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted in the affirmative when his name was called.

Mr. BARKLEY. Mr. President, I wish to make an inquiry, and I sought recognition before there was any answer. I desired to inquire of the Senator from Michigan or the Senator from Wyoming, or any Senator who can answer the question, whether the amendment involves only first-class mail matter, letters, or whether it involves all sorts of mail which might be sent.

Mr. VANDENBERG. The language of the bill is "ordinary letters." It applies to whatever privileges the bill itself would extend to soldiers and sailors outside the country.

Mr. BARKLEY. So it would cover letters and first-class mail matter?

Mr. VANDENBERG. I should think so.

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. LA FOLLETTE. Regular order!

Mr. O'MAHONEY. I was recognized.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. O'MAHONEY. As I stated when the Senator from Michigan first presented the amendment, the proposal is under consideration by the Committee on Post Offices and Post Roads in the form of a bill introduced by the Senator from Arizona [Mr. MCFARLAND].

Mr. AIKEN. Mr. President, I should like to inquire whether the roll call has been discontinued. My name had been called and I had voted.

The PRESIDING OFFICER. The Chair recognized the Senator from Wyoming.

Mr. LA FOLLETTE. I make the point of order that the roll call had started, and that the Senator from Vermont had voted in the affirmative.

The PRESIDING OFFICER. The recollection of the Chair is, and the understanding of the Chair is, that the Chair ordered the clerk to call the roll, but before the Senator from Vermont had answered the Chair recognized the Senator from Wyoming.

Mr. LA FOLLETTE. If we are to reopen the debate on this matter, that is one thing. The Senator from Kentucky rose and interrupted the roll call——

Mr. BARKLEY. Mr. President, I did no such thing. I was recognized before anyone answered to the roll call.

Mr. SMITH. Regular order.

The PRESIDING OFFICER. The Senate will be in order. The Chair has recognized the Senator from Wyoming.

The roll call will not be proceeded with, and the Senator from Wyoming will proceed.

Mr. O'MAHONEY. Mr. President, I merely desire to make myself clear. We all understand the methods which are sometimes used in parliamentary bodies, when members say, "Now, let us have a roll call on this. If we have a roll call, perhaps we can appeal to the emotional instincts of the members of the body, and so get a result which might not otherwise be obtained."

I merely wish to say that, recognizing the effective tactics which are being employed here, and despite the fact that the matter is under consideration by a regularly constituted committee of the Congress, despite the fact that the Committee on the Judiciary was advised that the Post Office Department had considerations to offer before such a privilege should be granted, despite the perfectly obvious fact that such an amendment, if adopted, will have an upsetting effect upon the Post Office Department, I rose before the roll call was started for the purpose of saying that I should be perfectly willing to accept the amendment and take it to conference, where, by committee action, it will be possible to draft language that will take into consideration all the innumerable factors which, in the nature of things, cannot be considered on the floor of the Senate. This is merely a plea for sound legislative procedure. That is all I intended to say.

Mr. LA FOLLETTE. Mr. President, the yeas and nays have been ordered, and the order cannot be withdrawn without unanimous consent. I insist that the roll be called. Since this matter is to go to the House, I should like to have the Senate recorded on it.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted in the affirmative.

Mr. McFARLAND. Mr. President, I was trying to get recognition before the first name was called.

The PRESIDING OFFICER. The Chair did not observe the Senator from Arizona addressing the Chair. Under the circumstances, the Senator from Arizona is recognized.

Mr. McFARLAND. Mr. President, I should like to say that I will not oppose the amendment. It is somewhat similar to the bill which I introduced. However, as presented it would include officers and others who are well able to pay postage. My bill would include enlisted men, selectees who are receiving $21 a month, and noncommissioned officers. I shall offer a substitute, after the pending amendment shall have been voted on, in language similar to the bill I have introduced.

SEVERAL SENATORS. Vote!

Mr. BANKHEAD. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BANKHEAD. May the Senator offer his amendment now as a substitute for the pending amendment?

The PRESIDING OFFICER. He may offer it as a substitute for the pending amendment.

Mr. BANKHEAD. As I understand, he may now offer his bill as a substitute for the pending amendment?

The PRESIDING OFFICER. That is correct, and the substitute for the pending amendment should be offered befor the vote is taken on the amendment offered by the Senator from Michigan [Mr. VANDENBERG] on behalf of the Senator from Illinois [Mr. BROOKS].

Mr. BANKHEAD. Why does not the Senator offer his amendment now?

Mr. McFARLAND. Very well.

Mr. JOHNSON of Colorado. Mr. President—

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. McFARLAND. I shall offer the amendment after the Senator from Colorado has spoken. I yield.

Mr. JOHNSON of Colorado. Mr. President, I merely rose to call attention to the fact that on December 30 last I offered a proposal on this very subject, and had it very carefully worked out with the legal staff, and it was submitted to the Committee on Post Offices and Post Roads. I should like to read my proposal. Of course, the Senator from Arizona has yielded to me, and I do not wish to take advantage of him by offering my proposal as a substitute. I do not think that would be quite fair, but I should like to read my proposal.

Mr. BANKHEAD. The Senator from Arizona yielded the floor.

Mr. JOHNSON of Colorado. I know that, but I do not wish to take advantage of him. I wish to read my amendment.

That any first-class letter mail matter admissible to the mails as ordinary mail matter—

Mr. McNARY. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. What becomes of the rule which has been adhered to in the Senate without exception for a hundred years, that when a roll call has been started it is too late to recognize a Senator for the purpose of open and free debate?

The PRESIDING OFFICER. The present occupant of the Chair has not been here for a hundred years——

Mr. McNARY. That is very apparent.

The PRESIDING OFFICER. The ruling of the Chair was that, while the Chair had ordered the roll call, the calling of the roll had not yet begun.

Mr. McNARY. I am willing to forgive the Chair——

The PRESIDING OFFICER. The Chair is not asking for forgiveness.

Mr. McNARY. For the first transgression, but the second one is unforgiveable. The clerk started the second roll call; the Senator from Vermont [Mr. AIKEN] voted when his name was called, and then the Chair deliberately recognized the Senator from Arizona.

The PRESIDING OFFICER. That is not the understanding of the Chair. The Chair did order the roll call, but the roll call had not begun.

Mr. AIKEN. Mr. President——

The PRESIDING OFFICER. It is a question of fact.

Mr. BARKLEY. Mr. President, will the Senator from Colorado permit me to inject a word?

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. BARKLEY. May I ask the Senator to yield to me?

Mr. LEE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from Colorado yield for a parliamentary inquiry?

Mr. JOHNSON of Colorado. I yield to the Senator from Kentucky.

Mr. LEE. Who has the floor?

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. AIKEN. Mr. President, I desire to correct the RECORD.

Mr. BARKLEY. The Senator from Colorado has yielded to me to clear up a matter in regard to the roll call. It has been the universal rule in the Senate that although a roll call is ordered and the names of Senators are called, unless someone answers to the roll call, any Senator may be recognized. That is the universal rule. When I was recognized no Senator had answered to his name. At the same time two or three other Senators were seeking recognition, including the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Arizona [Mr. McFARLAND]. The Chair was within his rights in what he did. He could recognize but one Senator at the time. The Chair recognized me because no one had answered to his name on the roll call, and that was entirely proper. The Chair was within his rights in recognizing the fact that when Senators were on their feet seeking recognition, he would recognize them, despite the fact that on the beginning of the second roll call some Senator answered to his name. There ought not to be any difficulty about that.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Whether the Chair recognized the Senator from Colorado or the Senator from Wyoming, the fact is that the Chair made the recognition before the Senator from Vermont had answered.

Mr. AIKEN. I beg the Chair's pardon. I ask an opportunity to correct the RECORD.

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. JOHNSON of Colorado. The Senator from Colorado desires the floor. I shall be glad to yield to the Senator from Vermont.

Mr. AIKEN. I wish to say that I responded to the roll call not once, not twice, but three times. What I desire to know now is whether I have time to make a 'phone call before I vote the fourth time?

The PRESIDING OFFICER. The Chair rules that is not a parliamentary inquiry. The Senator from Colorado will proceed.

Mr. JOHNSON of Colorado. As I said a moment ago, on December 30 I introduced proposed legislation on this subject, and I desire at this time to read the language which I offered:

That any letter mail matter admissible to the mails as ordinary mail matter which is sent by a member of the military or naval forces of the United States (including the United States Coast Guard) while on active duty or in the active military or naval service of the United States, to any person in the United States, including the Territories and possessions thereof, shall be transmitted in the mails free of postage, subject to such rules and regulations as the Postmaster General shall prescribe.

I desire to call the attention of the Senate to some of the technical matters which my amendment covers. The language of the bill, as Senators will find it before them, makes no reference to who is to receive the mail. According to the language of the bill one might mail ordinary letters to Spain, or to Turkey, or to some other foreign country. Of course, that is something over which the Congress has no control. Congress does not control the postage laws and regulations and postage rates of foreign countries. Yet the language upon which we are about to vote pays no attention to letters which are mailed to persons in foreign countries.

I merely wanted to call the Senate's attention to my bill, which I think is a very properly written and thoughtfully prepared bill, worked out by persons who are experts in that sort of thing.

I now am glad to yield to the Senator from Arizona [Mr. McFARLAND], who, as I understand, is going to offer a substitute for the pending amendment.

Mr. McFARLAND. Mr. President——

Mr. McNARY. Mr. President, will the Senator yield?

Mr. McFARLAND. I should like to offer my substitute first. I have the floor, and I should like to offer my substitute now.

Mr. McNARY. A parliamentary inquiry.

Mr. McFARLAND. Mr. President, I wish to offer my substitute first, and then I shall be glad to yield to the Senator from Oregon.

Mr. McNARY. A point of order.

The PRESIDING OFFICER. The Senator will state his point of order.

Mr. McNARY. The point of order is that the able Senator from Colorado cannot farm out time and still hold the floor. One or the other Senator is entitled to possession of the floor. I make that point of order.

The PRESIDING OFFICER. The Chair recognizes that fact. The Senator from Colorado was not successful in farming out time. The Senator from Arizona [Mr. McFARLAND] next addressed the Chair, and the Chair recognized the Senator from Arizona.

Mr. McFARLAND. Mr. President, as a substitute for the Brooks amendment, I move, after the words "United States", in line 15, page 11, to insert the words "and by noncommissioned soldiers, sailors, and marines assigned to duty in continental United States of America."

The PRESIDING OFFICER. The Chair will state to the Senator from Arizona that that is not a substitute for the pending amendment, and is out of order.

Mr. JOHNSON of Colorado. Mr. President——

The PRESIDING OFFICER. The Senator from Arizona has the floor. Does the Senator yield to the Senator from Colorado?

Mr. BARKLEY. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. Would it be in order and would it be a substitute for the pending amendment to offer an amendment to section 1001 providing as follows:

Ordinary letters written and mailed by noncommissioned soldiers, sailors, and marines, and other military and naval personnel, assigned to duty outside or within continental United States may be mailed free of postage.

The PRESIDING OFFICER. That would be a substitute for the entire title.

Mr. BARKLEY. Would it be in order to offer such an amendment as a substitute?

The PRESIDING OFFICER. Not while an amendment is pending.

Mr. REYNOLDS. Mr. President, I desire to report favorably certain nominations from the Committee on Military Affairs.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. JOHNSON of Colorado. I desire to offer a substitute for the whole section.

Mr. LA FOLLETTE. I make the point of order that a substitute for the section is not in order.

The PRESIDING OFFICER. It is in order, but the perfecting amendment proposed by the Senator from Michigan [Mr. VANDENBERG] for the Senator from Illinois [Mr. BROOKS] would take precedence over the substitute.

Mr. LA FOLLETTE. And it must be disposed of first.

The PRESIDING OFFICER. Yes; that is correct.

Mr. LA FOLLETTE. Regular order!

Mr. O'MAHONEY. Mr. President, I submit that the spectacle to which we have been treated in the last half hour is a demonstration of the correctness of the position that was taken by the Senator in charge of the bill that this is a matter which should be handled before a committee of the Senate. The matter is before the Committee on Post Offices and Post Roads. The Senator from Colorado [Mr JOHNSON] has made a proposal. The Senator from Arizona [Mr. McFARLAND] has made a proposal. The Senator from Illinois [Mr. BROOKS] has made a proposal. They are all different. Each one deals with a different phase of the question. The Judiciary Committee did not desire to provide a new method of dealing with mail in continental United States, but to extend a privilege—indeed one might almost say a necessity—to officers and men, to nurses, and to all personnel when serving outside continental United States where they could not resort to the postal facilities.

Mr. McKELLAR. Mr. President, I agree entirely with the Senator from Wyoming that a provision of this kind ought to have been sent to the Committee on Post Offices and Post Roads, and I think I can assure the Senator and the Senate that if the proposal had been sent to that committee, a bill would have been drafted, or if it shall be sent there, a bill will be drafted and reported by the committee which will be entirely satisfactory, and which will be passed by the Senate.

Mr. VANDENBERG. Mr. President, why should not the whole title go to the committee? Why is there any greater virtue in a half-answer, such as the Senator reports, than in a full answer, such as I have suggested on behalf of the Senator from Illinois?

Mr. O'MAHONEY. Mr. President, I am perfectly willing to agree to the course suggested if it will permit the Senate to return to some semblance of dignified procedure with respect to legislation.

Mr. VANDENBERG. Now that the issue is raised, so far as I am concerned I should like to hear the roll call.

Mr. LA FOLLETTE, Mr. CHAVEZ, and Mr. HILL addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. LA FOLLETTE. Mr. President, the Senator from Wyoming has taken it on himself to refer to the fact that the Senate has been creating a spectacle of itself. Since it is not always obvious from reading the cold printed type exactly what the parliamentary maneuvering is all about, and since we have in the past few minutes been holding a sort of testimonial and experience meeting, I should like to put in the RECORD my own observations as to what I think all the parliamentary maneuvering is about.

It is perfectly obvious, Mr. President, that this parliamentary maneuvering is a jockeying for position, to see who shall get the credit for extending free postal service to those in the armed forces of the United States. Apparently it has been a sort of "photo finish" between the Senator from Wyoming, in charge of the bill, the Senator from Michigan, acting as a substitute for the junior Senator from Illinois, and the Senator from Colorado.

Mr O'MAHONEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. Not at the moment.

So far as I am personally concerned I do not give three whoops who gets the credit for it; but I do want to see this privilege extended to those in the armed forces.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I shall be glad to yield in a moment. It is very difficult to obtain the floor, and I do not take it very often in my own right.

Mr. President, as I see it, no great complicated question is involved. Over and over again, when any Senator has said that certain titles of the bill ought to have gone to the committee which

traditionally and historically has had jurisdiction of the subject matter, we have been admonished by the Senator from Wyoming to let it go through as it is, because the House is going to take it up and consider it. I think he practically invited the Senator from Ohio [Mr. TAFT] to introduce an amendment in the House, although, of course, he would not have the right to do so.

The Senate Committee on the Judiciary has opened the door far enough to enable all those in the armed services of the United States outside the continental boundaries of the United States to enjoy the privilege of free postal service for their first-class mail. Senators who think that those in the armed forces within continental United States should have the same privilege may register themselves on this roll call by voting in favor of the pending amendment. Those who do not think that persons in the armed forces within continental United States should have the same privilege of free postal service for first-class mail as those outside continental United States may register their opinion by voting against the pending amendment. Those who desire to see the Senator from Arizona rather than the Senator from Michigan or the Senator from Illinois obtain credit for this measure may vote against the pending amendment, and then the Senator from Arizona will have an opportunity to offer his amendment. If the Senator from Colorado wishes "to get in on it," he may offer his amendment as a substitute for the amendment offered by the Senator from Arizona.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. LA FOLLETTE. I yield first to the Senator from New Mexico [Mr. CHAVEZ], who first rose.

Mr. CHAVEZ. Mr. President, the only observation I wish to make is that if we really want to get back the dignity about which the Senator from Wyoming talks we ought to vote on the pending question, which is on agreeing to the amendment offered by the Senator from Michigan on behalf of the Senator from Illinois. It does not make any difference to me whether the Senator from Illinois, the Senator from Arizona, the Senator from Colorado, or any other Senator gets the credit. There is plenty of credit for all of them. Irrespective of that, the only thing that should be considered is, Is the amendment good enough? I think we can get back to a dignified procedure by voting either for or against the pending amendment.

Mr. LA FOLLETTE. I thank the Senator from New Mexico. I hasten to add at this point that I hope that I am a good friend of all the Senators who are jockeying for position in this matter.

I now yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, the Senator was kind enough to say in his opening remarks that he thought that the present procedure was a jockeying for position among various Senators to obtain credit, and that apparently it was a photo finish between the Senator from Illinois and the Senator from Wyoming.

Mr. LA FOLLETTE. I also included the Senator from Colorado.

Mr. O'MAHONEY. I am sure the Senator did not intend to include the Senator from Wyoming.

Mr. LA FOLLETTE. If the Senator wishes to "scratch" himself in this race, he is at liberty to do so. [Laughter.]

Mr. O'MAHONEY. Mr. President, will the Senator be good enough to yield further to me?

Mr. LA FOLLETTE. I am glad to yield.

Mr. O'MAHONEY. I wish to make the record perfectly clear that I did not introduce this amendment. I have no pending amendment. I have not asked for any credit. My contention all the time was that the problem of dealing with this postal matter in continental United States, which is here for the first time, suggested upon the floor in connection with the bill, and which is already pending before the Committee on Post Offices and Post Roads, could be dealt with most effectively by that committee.

Speaking for myself, I wish to make it clear that, despite all the facetious remarks which the Senator from Wisconsin can so eloquently make, the Senator in charge of the bill is not a competitor for credit in this race or in any other such matter.

Mr. LA FOLLETTE. Mr. President, I am very sorry if I have offended the dignity and pride of the Senator from Wyoming by including him in this company. The group in which I included him seems to be a group of very reputable Senators. I am sure that their objectives are creditable. We are all in cooperation, so far as this matter is concerned.

I do not wish to detain the Senate further. However, all my remarks have not been facetious. Seriously, I wished to place in the RECORD what I thought was really going on, in order that those who read the RECORD may understand that every Senator who makes an effort in behalf of the free-mail privilege for soldiers should get an equal amount of credit.

I now yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. Mr. President, I wish to say to the Senator from Wisconsin that I have no pride of authorship in the amendment I am offering. As a matter of fact, I did not write it. I referred the matter to the legislative counsel, and they wrote the amendment. They said that it was a very difficult problem and presented some technical difficulties which had to be very carefully overcome. They took quite a little time to draft it. My only object in offering my amendment was to make sure that when we adopt legislation on this subject we adopt sensible, workable legislation.

I have listened to all the substitutes which have been offered, and I have not heard any of them make any reference whatsoever to the persons receiving the mail. It was pointed out to me by the legal experts whom we hire that that is a very important consideration. So my amendment takes into consideration the receiver of the mail as well as the sender.

As I pointed out a moment ago, Congress has no authority to regulate mail which is to be received in some foreign country; we can regulate only the mail received in our own country. I wish to make it perfectly clear that I am willing to give my amendment to the Senator from Wisconsin or any other Senator and have him offer it. I am not looking for any credit whatsoever.

Mr. LA FOLLETTE. Mr. President, I am not a candidate for the Senator's amendment. I am not seeking it. I am not seeking anyone's amendment, and I do not wish to detract from the efforts which the Senator from Colorado has put forth in this matter. As a matter of fact, I should be very happy if all bills which have come before the Senate had gone through the legislative counsel's drafting service. I think it would be beneficial to the legislation enacted if that were done. Unfortunately, however, this bill has not taken that course; and whatever objections lie against the language of the bill so far as concerns mail coming from outside continental United States, it seems to me, would also lie against extending the same privilege to members of the armed forces who are serving within continental United States.

In any case, it seems to me we can get a vote on this question, we can dispose of it, and Senators can accomplish their purposes in any one of the several parliamentary alternatives which no doubt will be presented.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. I most heartily agree with what the Senator from Wisconsin has said. I should like merely to suggest, in addition to what he has said, that if we could simply proceed with the regular order we could have an opportunity to vote for all these propositions, if we desired to do so. We could first adopt the amendment of the Senator from Illinois [Mr. BROOKS], offered by the Senator from Michigan [Mr. VANDENBERG]. Then, if we desired to do so, we could adopt the substitute for the whole section offered by the Senator from Colorado [Mr. JOHNSON]; or, if necessary, we could amend the substitute by adopting the proposal of the Senator from Arizona [Mr. MCFARLAND].

The roll call has started three times in pursuance of the regular order. My experience in the Senate has been that when a Member has answered three times to a roll call in pursuance of the regular order it is too late to reconsider the matter. It seems to me that there is so little essential difference between the three different propositions, and possibly four, the principle of which undoubtedly is supported by the great majority of the Senate, that the sooner we proceed according to the regular order by starting to vote on any one of the propositions the sooner we shall conclude the matter.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. I asked the Senator to yield to me in order that I may propound a parliamentary inquiry.

Mr. LA FOLLETTE. Certainly.

Mr. BARKLEY. I should like to ask the Chair, regardless of the action taken on the pending amendment—which is an amendment to the section—regardless of whether it is defeated or adopted, if it will then be in order to offer a substitute for the entire section.

The PRESIDING OFFICER. It will be.

Mr. BARKLEY. If the Senator from Wisconsin will yield to me further——

Mr. LA FOLLETTE. Certainly; I yield.

Mr. BARKLEY. I should like to state that, without regard to action of the Senate on the pending amendment, I understand that a substitute will be offered either by the Senator from Arizona [Mr. McFARLAND] or by the Senator from Colorado [Mr. JOHNSON]; but if neither one of them offers a substitute, I myself shall assume the privilege of offering one for the whole section. So I want it made clear that, regardless of how any Senator may vote on this particular amendment, he will be able to vote for a substitute for the entire section.

SEVERAL SENATORS. Vote!

Mr. LA FOLLETTE. Mr. President, I shall take the admonition of the able Senator from Missouri and shall get out of the way, so that we can proceed with the matter.

SEVERAL SENATORS. Vote!

Mr. CHANDLER. Mr. President, since I have been here, the Senate most of the time has chosen to proceed deliberately. My observation is that when a man is in a hurry, he is in a hurry for his side, because he thinks perhaps he has the advantage.

I think the RECORD should show that it appears to me that the Senator from Michigan [Mr. VANDENBERG], who is running, as we say, for the junior Senator from Illinois [Mr. BROOKS], the Senator from Wisconsin [Mr. LA FOLLETTE], and other Senators who are in such .. hurry to have the amendment adopted, are not the only Senators who favor its adoption. I think it is a good amendment. I think perhaps it should be adopted. But some Senators on the other side, Senators who are not in quite such a hurry, want to talk about it, and perhaps they want to have a chance to offer amendments of their own. I think the RECORD should show clearly that one side wanted to hurry, and the other side did not want to proceed in such a hurry. I think the RECORD shows that in the past, when something was started, if some Senator objected, or even after it was finished, if some Senator wanted to have it undone so that he could talk some more about it, we have always been willing to do it. I do not like to see one side appearing to be in too much of a hurry when the other side wants to talk, because at some future time some Senators will want to talk and others will want to hurry, and the situation will be reversed.

Mr. President, I suggest that we should not be in such a hurry.

SEVERAL SENATORS. Vote!

Mr. BONE. Mr. President——

Mr. CHANDLER. I have the floor, Mr. President, and I am not going to yield all the time.

The PRESIDING OFFICER. The Senator from Kentucky has the floor, and he may proceed.

Mr. CHANDLER. Sometimes, when I am not ready to vote and desire to talk, or want to offer an amendment to an amendment, or want to offer a substitute, I desire to have an opportunity to do so. I do not like the RECORD to show that because some Senator had the distinct advantage he wanted to hurry a matter through because he thought some other Senator would not have the courage to vote against his proposal because the Senator offering it thought it was a good proposition. Ordinarily, if it is a good proposal, it should be acted upon quickly; but if Senators do not want some other Senator to operate on them too quickly, they should not vote to operate on some other matter too quickly, because the situation may rebound on them some time.

I want the RECORD to show, Mr. President, that some Senators wanted the Senator from Illinois [Mr. BROOKS] to get credit for giving the soldiers and other members of the armed forces free postage. I have no objection to having the Senator from Illinois get some of the credit, but he is not going to get all the credit, because I am going to get some of it myself. [Laughter.] I am not going to say that I do not want to get my part of the credit for giving the soldiers, sailors, and marines of the United States free postage, because I am not going to be so modest. If we are going to vote it, I am anxious to contribute my part to it. I think it is a good thing, and I think it should be done.

Mr. McKELLAR rose.

Mr. CHANDLER. Does the Senator from Tennessee desire that I yield to him?

Mr. McKELLAR. Yes.

Mr. CHANDLER. I yield.

Mr. McKELLAR. Will the Senator yield to me so that I may ask a question of the chairman of the committee?

Mr. CHANDLER. Yes; if I am permitted to yield for that purpose. If I shall lose the floor by doing so, I cannot yield.

Mr. McKELLAR. The Senator certainly will not lose the floor.

Mr. CHANDLER. Very well; I yield.

Mr. McKELLAR. Mr. President, I should like to say to the Senator from Wyoming that there seems to be a great deal of debate still in store for us on this bill. As the Senator knows, and as the Senate knows, there is on the calendar a bill to appropriate $12,525,000,000 for more airplanes which, the Army tells us, are absolutely necessary. I suppose there will not be a vote against the measure providing for building the additional airplanes. I doubt if there will be such a vote. I doubt if the consideration of the measure will require a long time. I wonder if the Senator would object to laying aside temporarily the present very controversial matter, so as to enable the Senate to take up the appropriation bill providing additional airplanes for the Army.

Mr. O'MAHONEY. Mr. President, I think the request, perhaps, is a little out of order at the present time, when the Senator from Kentucky [Mr. CHANDLER] has the floor. I am sure that as soon as we have a roll call on this matter, the bill will then be disposed of in 10 or 15 minutes.

Mr. McKELLAR. I thank the Senator.

Mr. CHANDLER. Mr. President, I think the RECORD should show that Senators were so anxious to have the amendment adopted by yea-and-nay vote that they would not even let the Senator from Wyoming accept it and thus avoid a yea-and-nay vote. I am anxious to have the RECORD show, as nearly as it should show, what the facts are. Then, if we decide to vote to give the soldiers in the overseas service free postage and to give the soldiers in the United States free postage, we certainly have enough sense to know how to accomplish the purpose; and, personally, I favor giving that privilege to them.

Mr. BONE. Mr. President, I have a great curiosity about one aspect of this problem. I have a vague recollection that the soldiers in the service during the Civil War were accorded the privilege of free postage. I have asked a number of Senators who might have some recollection of that particular time if they could inform me whether my memory is accurate. The Senator from Michigan [Mr. VANDENBERG] is a historian of note; and I ask him if he can recall whether the soldiers who served in the Civil War were given free postage. Some Senator may know. It is my recollection that they were given the privilege of sending letters through the mails free of charge during the Civil War.

Mr. VANDENBERG. I am sorry, but I have no information on the subject.

Mr. BONE. Can any Senator advise us if that is true? [A pause.] It seems that no Senator can do so.

Mr. McFARLAND. Mr. President, the Senator from Wisconsin stated I was "jockeying for position." It does not concern me what my colleague may think about my motives.

I took this matter up with the American Legion of the State of Arizona, got their opinion about it, and submitted my bill to them for their consideration when they assembled at Prescott, Ariz last summer. My bill, in substance provided for 12 free franked envelopes a month for each soldier and sailor My bill included warrant officers and chief petty officers. Some did not want even to include them; they wanted to exclude them from free postage. They said that a bill that allows any officer, regardless of the amount of his pay, to have free postage is going too far, and I feel they are entitled to have their objections recorded, the objection of the able Senator from Wisconsin notwithstanding

Mr. JOHNSON of Colorado. Mr. President, on behalf of the Senator from Arizona [Mr. McFARLAND] and myself, I desire to offer a substitute for title X, section 1001.

Mr. REED. Mr. President, I rise to a point of order. The roll call has been ordered and started.

The PRESIDING OFFICER. The Chair ruled that the roll call had not been started.

Mr. REED. I beg the Chair's pardon.

The PRESIDING OFFICER. The Chair repeatedly ruled to that effect.

Mr. REED. I heard the Senator from Vermont [Mr. AIKEN] distinctly answer to the roll call.

The PRESIDING OFFICER. The Chair did not.

Mr. AIKEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Vermont?

Mr. JOHNSON of Colorado. I do not yield at this time.

The PRESIDING OFFICER. The Senator from Colorado declines to yield?

Mr. JOHNSON of Colorado. I offer a substitute on behalf of the Senator from Arizona and myself for the whole title X, section 1001, and I desire to have it read and to have it pending.

The PRESIDING OFFICER. The clerk will read the amendment intended to be proposed by the Senator from Colorado for himself and the Senator from Arizona.

The CHIEF CLERK. In title X, page 11, after line 12, it is proposed to strike out all after "Section 1001," and in lieu thereof to insert the following:

That any first-class letter mail matter admissible to the mails as ordinary mail matter, which is sent by a noncommissioned member of the military or naval forces of the United States (including the United States Coast Guard), while on active duty or in the active military or naval service of the United States, to any person in the United States, including the Territories and possessions thereof, shall be transmitted in the mails free of postage, subject to such rules and regulations as the Postmaster General shall prescribe.

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK of Missouri. If the pending amendment to the section offered by the Senator from Michigan on behalf of the Senator from Illinois should be adopted, it would still be in order for the Senate to consider the substitute amendment offered by the Senator from Colorado.

The PRESIDING OFFICER. The Senator is correct.

Mr. CLARK of Missouri. So that, whether the amendment of the Senator from Illinois be adopted or not, there would still be a vote on the amendment of the Senator from Colorado, and the effect of the adoption of the amendment of the Senator from Illinois would then be to afford Senators the opportunity of choosing between the two proposals if they desire either one of them? Is that the parliamentary situation?

The PRESIDING OFFICER. The Senator's statement is correct.

Mr. TYDINGS. Mr. President, after listening to the Senator from Wisconsin [Mr. LA FOLLETTE], who, I think, diagnosed the case very properly—many Members of the Senate would like to be the author of this proposal—I think we ought, at least, to adopt the amendment offered by the Senator from Illinois through the medium of the Senator from Michigan. The reason for my statement is this: The Senator from Illinois has one of the best war records of any man in America. He holds the Medal of Honor, voted to him by Congress, and it seems to me to be rather poor sportsmanship to develop such a parliamentary situation that he would be denied the privilege of being the author of this amendment. It seems to me that politics ought to be adjourned during the war, and, certainly, in this very small instance, I believe the equities of the case are all on the side of the Senator from Illinois. So I shall vote for his amendment, at least to give him credit for it, and reserve the right to vote for a substitute amendment later on.

Mr. REED. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. REED. That is, the Senator will vote for it if he gets an opportunity, and the Chair hears the answers of Senators on the next roll call.

Mr. TYDINGS. Aside from that, I think we can all give the Senator from Illinois, who is necessarily absent, the right to be the author of this amendment. It is a small thing, but I think the fairness of the case dictates that he ought to have that chance, and not be jockeyed out of position.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Michigan [Mr. VANDENBERG] on behalf of the Senator from Illinois [Mr. BROOKS].

Mr. GEORGE. Mr. President, may we have the amendment stated?

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 11, line 14, after the word "personnel" and the comma, it is proposed to strike out the words "assigned to duty outside of the continental United States."

Mr. BARKLEY. Mr. President, let me make a brief statement. I intend to vote for the amendment as it is now offered, but I think it goes too far, because it includes commissioned officers, who I do not believe ought to be included. After having done that, if it is adopted, or whether it is or not, I shall vote for the substitute offered by the Senator from Colorado, because that is limited to noncommissioned men, which I believe ought to be the measure of our consideration at this time in regard to free postage.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Michigan [Mr. VANDENBERG] on behalf of the Senator from Illinois [Mr. BROOKS]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the junior Senator from Pennsylvania [Mr. GUFFEY] and will vote. I vote "yea."

The roll call was concluded.

Mr. CHANDLER (after having voted in the affirmative). I have a general pair with the Senator from Pennsylvania [Mr. DAVIS], who is unavoidably absent from the Senate. I understand if he were present he would vote as I have voted, so I permit my vote to stand.

Mr. O'MAHONEY. I announce the necessary absence of my colleague [Mr. SCHWARTZ].

Mr. CHAVEZ. Mr. President, my colleague the senior Senator from Arizona [Mr. HATCH] is absent because of illness. If present, he would vote "yea."

Mr. HILL. I announce that the Senator from California [Mr. DOWNEY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Delaware [Mr. HUGHES], the Senator from Nevada [Mr. MCCARRAN], the Senator from Wyoming [Mr. SCHWARTZ], and the Senator from Arkansas [Mr. SPENCER] are necessarily absent. I am advised that, if present and voting, these Senators would vote "yea."

The Senator from Florida [Mr. PEPPER] is detained on important public business. I am advised that, if present and voting, he would vote "yea."

The Senator from Texas [Mr. CONNALLY], the Senator from Montana [Mr. MURRAY], and the Senators from North Carolina [Mr. BAILEY and Mr. REYNOLDS] are detained in committee meetings. I am not advised how these Senators would vote if present.

Mr. AUSTIN. I am advised that the Senator from New Jersey [Mr. BARBOUR], the Senator from Massachusetts [Mr. LODGE], and the Senator from Wisconsin [Mr. WILEY] would vote "yea" if present.

The result was announced—yeas 74, nays 3, as follows:

YEAS—74

Aiken	Glass	Radcliffe
Austin	Green	Reed
Ball	Gurney	Rosier
Bankhead	Hayden	Russell
Barkley	Herring	Shipstead
Bilbo	Hill	Smathers
Bone	Holman	Smith
Brewster	Johnson, Calif.	Stewart
Brown	Johnson, Colo.	Taft
Bulow	Kilgore	Thomas, Idaho
Bunker	La Follette	Thomas, Okla.
Burton	Lee	Thomas, Utah
Butler	Lucas	Tobey
Byrd	McFarland	Truman
Capper	McKellar	Tunnell
Chandler	McNary	Tydings
Chavez	Maloney	Vandenberg
Clark, Idaho	Maybank	Van Nuys
Clark, Mo.	Mead	Wagner
Danaher	Millikin	Wallgren
Doxey	Murdock	Walsh
Ellender	Norris	Wheeler
George	Nye	White
Gerry	O'Daniel	Willis
Gillette	Overton	

NAYS—3

Andrews	Caraway	O'Mahoney

NOT VOTING—19

Bailey	Guffey	Pepper
Barbour	Hatch	Reynolds
Bridges	Hughes	Schwartz
Brooks	Langer	Spencer
Connally	Lodge	Wiley
Davis	McCarran	
Downey	Murray	

So the amendment offered by Mr. VANDENBERG on behalf of Mr. BROOKS was agreed to.

Mr. JOHNSON of Colorado. Mr. President, I now call up the substitute which I have offered on behalf of the Senator

from Arizona [Mr. McFARLAND] and myself.

Mr. BARKLEY. Mr. President, will the Senator from Colorado yield to me for a moment?

Mr. JOHNSON of Colorado. I yield to the Senator from Kentucky.

Mr. BARKLEY. There seems to be no difference of opinion here as to the objective we are seeking to accomplish. The substitute offered by the Senator, however, technically may not be in the proper language. It seems to me it ought to read "enlisted men and noncommissioned officers of the military or naval forces." The mere expression "noncommissioned personnel," it seems, from the military standpoint, is not quite the exact terminology. Would the Senator be willing to modify his amendment by having it read "enlisted men and noncommissioned officers"?

Mr. JOHNSON of Colorado. Yes.

Mr. NORRIS. Mr. President, I hope the Senator from Colorado will not accept the word "enlisted." I do not see why the amendment should not apply to the men who are selected under the draft law.

Mr. BARKLEY. Of course it does.

Mr. NORRIS. They are not enlisted men.

Mr. BARKLEY. They are enlisted.

Mr. NORRIS. No; they did not volunteer.

Mr. BARKLEY. If they are selected by the draft, they are enlisted men.

Mr. NORRIS. I do not understand that to be the case.

Mr. CLARK of Missouri. Mr. President, if the Senator will yield, technically, of course, noncommissioned officers are enlisted men. They are enlisted men before they get to be noncommissioned officers. It seems to me that if the distinction which the Senator from Kentucky evidently is trying to make is to be adopted, the language should be "personnel other than officer personnel," or some distinction of that sort, because noncommissioned officers are enlisted men.

Mr. BARKLEY. I thought the language of the Senator was correct, because it says "noncommissioned personnel" which, of course, would include noncommissioned officers; but some of the military experts here have suggested that in order to be entirely correct the language ought to be "enlisted men and noncommissioned officers."

Mr. CLARK of Missouri. Why should we not say "all enlisted and inducted personnel, including noncommissioned officers?"

Mr. BARKLEY. That would accomplish the purpose. The expression "enlisted men," however, includes both those who volunteered and those who were drafted.

Mr. JOHNSON of Colorado. Mr. President, so far as the Senator from Colorado is concerned—and I am sure I speak also for the Senator from Arizona—we have no objection to the perfecting amendment offered by the Senator from Kentucky.

Mr. BARKLEY. I was merely calling it to the attention of the Senator. I myself am not offering it.

Mr. JOHNSON of Colorado. I should prefer not to accept it.

Mr. BARKLEY. I am not insisting on it.

Mr. TYDINGS. Mr. President, this amendment is perfectly understandable, but I do not believe it accomplishes what its author has in mind.

The overwhelming majority of officers who are in the service in the lower ranks are men who come from civilian life—the second lieutenants, the first lieutenants, the captains, and even the majors. There are very few Regular Army men who have those lower ranks. They are promoted very rapidly. The number of officers in proportion to the number of noncoms and enlisted men is not large, anyway, and in the brackets in which there are a large number of officers they are men who quite often have given up more lucrative positions to serve in the Army.

I think it would be rather small to draw the line on these very few men, if we are to extend this privilege at all. I can see no reason why a second lieutenant or a first lieutenant or a captain, for that matter, in view of the few letters they will write, should not use the mails free, if all the noncoms and privates can use them free. The mail has to come, anyway. The amount of money involved will be infinitesimal. It seems to me that if we admire these fighting men at all, and if we are to extend this privilege, we ought not to draw any hairbreadth line, but ought to be generous in extending it.

For that reason, I shall vote against the amendment.

Mr. BONE. Mr. President, if I may ask the Senator from Colorado a question, Has he made any change in the text of the amendment? I spoke to him a moment ago about the use of the term "first-class mail," which is a very sweeping term. As a boy I spent a number of years in the Mail Service, and it is a fact that one could ship a piano by first-class mail.

Mr. JOHNSON of Colorado. It reads "first-class letter mail."

Mr. BONE. Will not the Senator read the amendment as he now proposes it?

Mr. JOHNSON of Colorado. I ask that the amendment be stated at the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to strike out section 1001, and in lieu thereof to insert:

> That any first-class letter mail matter admissible to the mails as ordinary mail matter which is sent by a noncommissioned member of the military or naval forces of the United States (including the United States Coast Guard), while on active duty or in the active military or naval service of the United States, to any person in the United States, including the Territories and possessions thereof, shall be transmitted in the mails free of postage, subject to such rules and regulations as the Postmaster General shall prescribe.

Mr. TYDINGS and Mr. NORRIS rose.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. TYDINGS. Mr. President, there is another reason why I think this amendment would be unwise, as I think my colleagues will realize if they reflect a moment. The men who for the most part will take advantage of this privilege will at some time during this year or next be in the front lines, like the men in the Philippines, the men in Eritrea now building bases, and the men in Ireland, who will sooner or later be in the front line. They will want to write to their wives and mothers while they are in the front lines, perhaps on an old piece of paper, to reassure them, and we would put them to the trouble and expense of sending back to the division post office, which probably would be 15 miles behind the front, to get postage stamps. There are not many officers. While they are in the front lines is the very time when they will want to send some reassuring message home, and it is not feasible for them to buy postage stamps. They will therefore have to trust someone with their letters, to go back and get the stamps wherever they are obtainable, before the letters can be handled. That is another reason why, if we are to extend this privilege, we should be generous with it, and see that those men who are up at the front, whether they are second lieutenants or first lieutenants or captains, should have the right to have their mail sent home without having to buy postage stamps.

Mr. NORRIS. Mr. President, the Senator from Maryland has said what I had in mind to say. I cannot see any reason why we should cut off any soldier, no matter what his official rank may be. I know it is said that officers in the Army draw larger salaries than the men under them, and that therefore they can afford to pay postage. When we give the franking privilege to Senators, we do not draw the line between those who are wealthy and those who are poor; we give the privilege to all. If a private is entitled to send a letter free of charge—and I think he should be given that privilege—his captain should be given the same privilege and the general should have the same privilege. I do not see why we should draw a line. If we are to grant free mailing privilege, we should grant it to all soldiers, sailors, and marines who are in the service.

I ask the Senator from Colorado, the author of the amendment, if he would not be willing to strike out the word "noncommissioned", so that the amendment would apply to all those in the armed forces.

Mr. JOHNSON of Colorado. This is a dual proposal, as the Senator will recognize. The Senator from Arizona [Mr. McFARLAND] and I combined our forces, and this is one of the provisions suggested by the Senator from Arizona. Now he is willing to drop the term, to eliminate it, and I ask unanimous consent that that be done.

Mr. NORRIS. The Senator does not need unanimous consent.

Mr. CLARK of Missouri. The Senator may modify the amendment.

Mr. McFARLAND. I am willing to withdraw the provision. I was not particular about that portion of the amendment.

The PRESIDING OFFICER. Is there objection to the Senator modifying his amendment? The Chair hears none, and it is so ordered.

Mr. LA FOLLETTE. Mr. President, may we have the amendment stated as it has now been perfected?

The PRESIDING OFFICER. The clerk will state the amendment as modified.

The CHIEF CLERK. It is proposed to strike out section 1001 and in lieu thereof to insert:

That any first-class-letter mail matter admissible to the mails as ordinary mail matter which is sent by a member of the military or naval forces of the United States (including the United States Coast Guard) while on active duty or in the active military or naval service of the United States, to any person in the United States, including the Territories and possessions thereof, shall be transmitted in the mails free of postage, subject to such rules and regulations as the Postmaster General shall prescribe.

Mr. McFARLAND. Mr. President, I am willing to consent to the amendment, because my original reason for placing the language in the proposal was that the American Legion of my State wanted to exclude all above noncommissioned rank.

Mr. TYDINGS. What is the difference between the original amendment and the proposed substitute? I am at a loss to know what we are about to vote on.

The PRESIDING OFFICER. In the amendment as it now reads, the word "noncommissioned" is stricken out.

Mr. TYDINGS. Was the original amendment confined to noncommissioned personnel?

Mr. VANDENBERG. The original amendment was universal, applying to every member of the military forces.

Mr. TYDINGS. What is the difference?

Mr. VANDENBERG. I cannot see the slightest difference.

Mr. TYDINGS. It is merely a change of wording, as I understand, without changing the intent or the rights under the amendment. Am I correct in that?

Mr. JOHNSON of Colorado. If I may answer the Senator, there are some very distinct differences, which were pointed out to me by the legislative counsel as being important. I do not know whether they are important, but they were said to me to be important. They will be found in line 7, where it is provided where the mail is to go, where it is to be received. The legislative counsel point out to me that it is quite as important to have a provision for the receipt of the mail as for its being sent. They point out to me that Congress has no authority to send mail to a foreign country, and therefore they inserted this language, that mail "to any person in the United States, including the Territories and possessions thereof, shall be transmitted in the mails free of postage, subject to such rules and regulations as the Postmaster General shall prescribe." They said those last two lines were very important.

Mr. TYDINGS obtained the floor.

Mr. NORRIS. That makes a difference.

Mr. TYDINGS. I yield to the Senator from Nebraska.

Mr. NORRIS. I was about to remark that the Senator from Colorado has pointed out a very material difference, as I see the matter, between his language and the language for which he desires to make this substitution. It limits the destination of the mail. I think it is a very important matter. In the first place, we do not have any jurisdiction over foreign countries. In the next place, the real object is to enable men in the Army to communicate with their homefolks. That is what we desire to accomplish. A member of the military forces could send mail anywhere in the United States or in any of the possessions, but he could not send it to a foreign country.

Mr. TYDINGS. As I understand, with every armed force, whether it be a battleship or a division of the Army, or a brigade, or whatever it may be, there is a United States post office—that is, there are certain enlisted men assigned to the postal duty of receiving and distributing mail which comes in, so that in foreign countries there will be United States Army post offices. It may be neecssary, however, to add the words "under regulations prescribed by the Postmaster General," in order that the mail may be transmitted over foreign territory to a United States Army and the Navy post office.

Mr. VANDENBERG. That language is already in the original provision.

Mr. TYDINGS. Will the Senator read the original proposal, so that we can see whether it is comprehensive?

Mr. VANDENBERG. The original proposal as amended by the Senate reads as follows:

Ordinary letters written and mailed by soldiers, sailors, marines, and other military and naval personnel, * * * may be mailed free of postage, subject to such rules and regulations as may be prescribed by the Postmaster General.

Mr. TYDINGS. I know that military post offices are carried with each detached unit, and that no foreigners touch the mail bags except to deliver them on foreign railroads or steamship lines, and if the language just read is already in the bill, it seems to me we would be merely writing the same provision twice.

It seems to me, if the Senator will permit me, that a roll call might be saved and a good deal of time saved, since these proposals are approximately identical, if we could simply enter into a unanimous-consent agreement in the Senate, that the amendment be designated as the Brooks-Vandenberg-Johnson of Colorado-LaFollette amendment. [Laughter.] It seems to me that would save a great deal of trouble and save a roll call.

Mr. THOMAS of Oklahoma. Mr. President, this entire matter must go to, and be adjusted in, conference. I favor granting the franking privilege to our armed forces, and had the drafting service prepare a bill for me, and the bill was introduced. My idea was to let the Postmaster General, after consultation with the Secretary of War and the Secretary of the Navy, work out and prescribe the rules and regulations. It is my idea that this privilege should be extended to every person in the land forces and naval forces of our Government.

Mr. President, I ask that the bill, which is very short, be read so that the text may be in the RECORD. Inasmuch as the entire matter shall go to conference my suggestions will be before the conference committee.

The PRESIDING OFFICER. The clerk will read the bill for the information of the Senate.

Mr. CLARK of Missouri. Mr. President, before the bill is read, I ask unanimous consent to amend my unanimous-consent request by including the Senator from Oklahoma [Mr. THOMAS].

The PRESIDING OFFICER. The bill will be read.

The Chief Clerk read the bill (S. 2205), as follows:

Be it enacted, etc., That the Postmaster General is authorized to provide to the extent he may deem appropriate after consultation with the Secretary of War and the Secretary of the Navy for the transmission in the mails free of postage, under such regulations as he may prescribe, of personal correspondence of members of the land and naval forces of the United States who are on active duty.

SEC. 2. This act shall become inoperative upon the expiration of 6 months after the termination of the wars in which the United States is now engaged.

Mr. JOHNSON of Colorado. Mr. President, I call up the pending substitute, as modified, for the language of title X, and ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. CHANDLER (after having voted in the affirmative). I have a general pair with the Senator from Pennsylvania [Mr. DAVIS]. I am not advised how he would vote if present and voting. I transfer that pair to the Senator from Florida [Mr. PEPPER] and let my vote stand.

Mr. HILL. The Senator from New Mexico [Mr. HATCH] is absent because of illness.

The Senator from Alabama [Mr. BANKHEAD] and the Senator from Idaho [Mr. CLARK] are detained in committee meeting.

The Senator from California [Mr. DOWNEY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Nevada [Mr. MCCARRAN], the Senator from Wyoming [Mr. SCHWARTZ], and the Senator from Arkansas [Mr. SPENCER] are necessarily absent.

The Senator from Florida [Mr. PEPPER] is detained on important public business.

The Senator from Utah [Mr. THOMAS] is detained in one of the Government departments. He has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

Mr. AUSTIN. I am advised that the Senator from New Jersey [Mr. BARBOUR], and the Senator from Wisconsin [Mr. WILEY] would vote "nay" if present.

The result was announced—yeas 53, nays 26, as follows:

YEAS—53

Andrews	Chandler	Green
Bailey	Chavez	Gurney
Barkley	Clark, Mo.	Hayden
Bilbo	Connally	Herring
Bone	Danaher	Hill
Brown	Doxey	Hughes
Bulow	Ellender	Johnson, Colo.
Bunker	George	Kilgore
Byrd	Gillette	Lee
Caraway	Glass	McFarland

McKellar	O'Daniel	Stewart
Maloney	Overton	Thomas, Okla.
Maybank	Radcliffe	Truman
Mead	Reynolds	Tunnell
Millikin	Rosier	Van Nuys
Murdock	Russell	Wagner
Murray	Smathers	Wallgren
Norris	Smith	

NAYS—26

Aiken	Johnson, Calif.	Thomas, Idaho
Austin	La Follette	Tobey
Ball	Lucas	Tydings
Brewster	McNary	Vandenberg
Burton	Nye	Walsh
Butler	O'Mahoney	Wheeler
Capper	Reed	White
Gerry	Shipstead	Willis
Holman	Taft	

NOT VOTING—17

Bankhead	Downey	Pepper
Barbour	Guffey	Schwartz
Bridges	Hatch	Spencer
Brooks	Langer	Thomas, Utah
Clark, Idaho	Lodge	Wiley
Davis	McCarran	

So the amendment, as modified, in the nature of a substitute for the language of title X, was agreed to.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment.

Mr. WHEELER. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Montana will be stated.

The CHIEF CLERK. It is proposed to add to title I of the bill a new section, between lines 19 and 20 on page 2, to read as follows:

SEC. 103. Subsection (a) of section 311 of said act is hereby amended by striking out the words "but not for more than an aggregate of 180 days."

Mr. WHEELER. Mr. President, this amendment, which was sent to us by the Interstate Commerce Commission, grants the same powers with reference to water carriers that it now has with reference to motor carriers and railroads. The letter from the chairman of the Legislative Committee of the Interstate Commerce Commission reads as follows:

Hon. BURTON K. WHEELER,
Chairman, Committee on Interstate Commerce, United States Senate,
Washington, D. C.

MY DEAR CHAIRMAN WHEELER: Because of the exigencies of the present war the Interstate Commerce Commission is being called upon to make increasing use of its power to grant temporary authority for service by common and contract carriers by motor vehicle as well as by water "for which there is an immediate and urgent need to a point or points or within a territory having no carrier service capable of meeting such need." In its discretion the Commission may grant temporary authority in such cases without hearings or other proceedings.

In respect of both motor and water carriers at present such temporary authority is valid for not more than 180 days. From our experience with this subject we have found that the 180-day limitation is a distinct disadvantage. In S. 2208 it is proposed to remove the limitation from subsection (a) of section 210a, which relates to motor carriers, but the limitation would be retained as to water carriers. There is no reason for such a distinction. We, therefore, believe that the limitation should be removed from subsection (a) of section 311 and are enclosing a draft of an amendment which would accomplish this result.

Respectfully,
WALTER M. W. SPLAWN,
Chairman, Legislative Committee.

This amendment was offered on my behalf the other day by the Senator from Wyoming [Mr. O'MAHONEY], and there was objection to it on the part of the senior Senator from Maine [Mr. WHITE]. At that time the Senator from Maine did not understand that it was a temporary measure. He now tells me that he has no objection to the amendment. I know of no objection from anyone, because it would grant to the Commission the same power with respect to water carriers that it now has with reference to railroads, busses, and trucks.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. WHEELER].

The amendment was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1589. An act to prohibit payment of money allowances for subsistence and rental to retired officers of the Navy or Marine Corps for any period when not employed on active duty;

S. 2028. An act to amend section 3 (a) of the act entitled "An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes," approved June 2, 1939 (53 Stat. 800), so as to transfer the administration of the Naval Supply Depot, Oakland, to the Commandant, Twelfth Naval District; and

S. 2139. An act to provide for performance of the duties of chiefs of bureau and the Judge Advocate General in the Navy Department, and the Major General Commandant of the Marine Corps, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6269) to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, as amended.

THE WAR SITUATION IN THE FAR EAST

Mr. DANAHER. Mr. President, I shall take only a moment.

In the Sunday Star of January 25 there was an excellent article entitled, "Why Tokyo Is Not in Ruins in Retaliation for Pearl Harbor." The article was written by Clare Boothe and Brig. Gen. Henry J. Reilly. I ask unanimous consent to have it printed in the body of the RECORD at this point, for I wish to comment upon it very briefly.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Sunday Star of January 25, 1942]

WHY TOKYO IS NOT IN RUINS IN RETALIATION FOR PEARL HARBOR

(Clare Boothe, well-known author and playwright, recently interviewed Gen. Douglas MacArthur in Manila. She was in Belgium when the Germans invaded that country in May 1940.)

(Henry J. Reilly, brigadier general in the Officers' Reserve Corps, served in the Philippines several years and later in the World War, when he received the Distinguished Service Medal. He is a former editor of the Army and Navy Journal.)

(By Clare Boothe and Brig. Gen. Henry J. Reilly)

Last May 6 Senator CLAUDE PEPPER, of Florida, made on the floor of Congress a fierce and fiery speech against the Japanese. Demanding that "we turn a searching inquiry to this bandit of the east * * * lurking behind the door to stick a stiletto in our backs," he suggested as one easy solution of the problem sending Chiang Kai-shek "some gallant American boys at the controls of some first-class bombing planes. * * * In my opinion," he said, "50 of them can make a shambles of Tokyo."

And 130,000,000 Americans not only applauded the incendiary Floridian's personal opinion in their hearts, but also believed it was a fine picture of the just fate that awaited "the bandits of the east" if they should choose—as the popular phrase was—to commit "national hara-kiri" by warring on the United States of America.

Today 130,000,000 Americans are asking in bewilderment and rage, Where are the avenging flames from the funeral pyre of Tokyo? Why hasn't the Japanese Fleet been sunk "within a couple of weeks," as many a tablecloth admiral—and a couple of bona fide ones, too—so often predicted it would be? Why is it, on the contrary, roaming at will in the Japanese and China Seas? Where is the "distant blockade' based in Hawaii and Singapore which was so soon to bring Japan to her economic knees? Where are "Japan's feet of clay," about which a whole book was written? (Can it be that our heads, not her feet, were made of clay?)

Why has the Japanese Army, which "everybody" knew was bled white and thin by 4 years of the "China incident," still got enough military "oomph" to attack not only United States possessions in the Far East but also the colonial jewels of the Dutch and British Empires? Why did "impregnable" Hong Kong fall in 2 weeks? And why, oh why, if it is still true that Japan is committing hara-kiri, is she doing so in such a messy fashion on soil under our flag, instead of being forced to expire on her own doorstep, or before the bloodstained altars of her own pagan gods?

The bitter answers to these bitter questions lie largely in an understanding of the military situation implicit in the disaster which has overtaken American arms in the Philippines. Had sufficient planes, troops, warships been available to General MacArthur in the early weeks of December, we could have stopped the Japanese invasion and then sent help to Singapore. So long as America held the Philippines, it held a fine land, air, and naval base out of which to operate on the flank of all Japanese movements on the China coast, the Malayan Peninsula, and the Netherlands East Indies.

Conversely, the loss of the Philippines means that the Japanese control all the islands off the coast of Asia, from Paramashuto south of Kamchatka to the Netherlands East Indies, and that bases of their attacks on the Dutch possessions can be moved from Formosa and the Pescadores to Mindanao and the Sulu archipelago a thousand miles closer to the Netherlands East Indies. It means that unless the Netherlands East Indies can be held, America's only remaining bases in the south Pacific for an attack on Japan become Australia and New Zealand, 6,000 miles from Tokyo.

But are the Philippines really lost?

With the exceptions of 20 miles of the Batan Peninsula on the Island of Luzon, a portion of Mindanao and the three small fortified islands—Corregidor (Fort Mills), Caballo (Fort Hughes), El Fraile (Fort Drum), at the mouth of Manila Bay—all-important of these 7,083 islands of the Philippines (a combined area only a little smaller than the British Isles) have fallen into Japanese hands or under Japanese control. And they are in

control of all the air over them, and the seas around them. In spite of the incredibly gallant—and useful—delaying action MacArthur and his men are fighting, when such ammunition, armament, and food as they have in larder or locker run out, surrender must ring down the first act of the drama of the Philippines.

HOPELESS MILITARY ASSIGNMENT

Why did this happen?

Because General MacArthur and the gallant soldiers under his command were faced with a hopeless military assignment. From the beginning they didn't stand a "Chinaman's chance," which, incidentally, seems rather better than the white man's against the Japanese in the Orient now.

On that dark December day when the Japs erupted all over the Pacific, General MacArthur had fewer than 55,000 trained and equipped American and native troops He had a limited supply of imported ordnance and ammunition on hand, and no native armament industry to make up action loss in these. He had a small number of tanks and airplanes and flying fortresses. How many was once a deep military secret. But that they were not enough is no military secret to anybody now. The number was far too small to overcome the many times larger Jap Army aviation, which, once the Jap Army had established bases in the Philippine Islands, could lay its eggs almost at will.

MacArthur's naval support, Admiral Tommy Hart's Asiatic Squadron, was a mere handful of cruisers, destroyers, submarines, and Navy planes, based at vulnerable Cavite. Admiral Hart's assignment, which was in effect to protect 11,444 miles of Philippine seacoast against the whole Japanese Fleet and its air arm, operating out of nearby Tokyo and closer air and naval bases, was perhaps even more of a pineapple than MacArthur's. In the China Seas themselves it is doubtful if Hart's squadron was strong enough to stand up against one Jap battleship, fully supported by airplanes, destroyers, and submarines. How unhealthy life on a cruiser must be today in the China Seas one may guess, reading in the papers, that Admiral Hart arrived in the Netherland East Indies," not abroad his flagship, the cruiser *Houston*, but in the bowels of a submarine.

JAPAN WELL PREPARED

And what did the Japs have? Plenty—and that near at hand. They had the fully mobilized manpower of a fanatic nation of 101,000,000 people, which has had universal military training for almost 75 years and which, according to the President, has been preparing for 25 of these 75 years to fight the United States of America and the British for the control of the far Pacific. It is estimated the Japanese have 10,000,000 trained reservists who can be called to the colors. Of course, they have not the officers, arms, and equipment for this number. They have for perhaps 3,000,000.

Seasoned in modern warfare by 4 years in China, this professional army, less the troops needed for holding Chiang Kai-shek, occupying Indochina and Thailand, and invading the Malayan Peninsula, was poured into the Philippines, which lie right in Japan's Pacific back yard. According to our War Department, 200,000 men, fully supported by naval and air units, were thrown against MacArthur's 55,000 defenders in the invasion of Luzon.

And why did MacArthur not have "more on hand" to meet this overwhelming attack when it came? He had too little on hand because there was too much in demand by our Allies and by ourselves in the European theater of war.

General Marshall, who had long understood the Pacific danger, had 6 or 8 months been sending whatever reinforcements he could lay his eager hands on to the Philippines. But he was faced with other fronts, other foes. He had had to find troops, complete with modern armament and planes, for Alaska, Hawaii, the Panama Canal Zone, and all our newly acquired Atlantic bases from Iceland to Trinidad, to Dutch and British Guiana, not to mention material we had committed ourselves to send to the British in England and Africa and the Russians holding before Moscow. Admiral Stark, commanding a one-ocean navy, committed to safeguarding two oceans and seven seas, was in the same unhappy fix: Too little on one hand, too much in demand everywhere; that was the road to the Far Eastern disaster.

POTENTIAL PLANES WORTHLESS

And where did the Japs get "the stuff" from? The planes, tanks, guns, armaments? From an industry which has been built from the beginning for war output for many years, from the "slave labor" of 101,000,000 people with low living standards, from quantities of hoarded raw materials, scrap, oil, iron, rubber, bought from Great Britain and the United States of America to use in the accomplishment of our very destruction. There can be no argument that potentially America's industrial war output is much greater than Japan's. But MacArthur could not hold the island of Luzon with potential planes or bullets.

And why was help not sent to MacArthur from Singapore and the Netherland East Indies? Because the British and the Dutch were themselves, from the very beginning, in a similar jam. That great baseball-loving nation, Japan, was executing a gigantic series of military squeeze plays on Dutch, American, and British positions. None knew where the main attack would really fall, so none dared leave his base in force to help his neighbors out. In fact, the attack on the Malayan Peninsula began even before the Japs landed at Luzon. And the fall of Hong Kong, the last great European fortress on China's coast which could threaten the flank of Japan's southward march, the nightmare loss of Britain's two great "unsinkable" capital ships, the *Repulse* and the *Prince of Wales*, had left the Jap battle fleet sailing pretty, free from danger of any knock-out blow and substantially in control of the China Seas between Manila and Singapore.

While the British, caught with their imperial shorts down, tried to get set with everything they thought they had to stem the invasion that steamed down both sides of the Malayan Peninsula toward the ramparts of Singapore, Dutch submarines and Dutch aviation did what little they could to relieve the heavy pressure on the Philippines until Jap bombers began to drop their visiting cards in the Netherland East Indies, and as a testimonial of greater favors to come, landed troops in both British and Dutch Borneo.

Australia and New Zealand, even before December 7, had sent to North Africa, eastern Asia, and the Malayan Peninsula nearly all the troops they could spare. The sicker Singapore and the Philippines looked, as the Japanese galloping consumption raged to their north, the more wisdom dictated, perhaps, to the Australians and New Zealanders, that they keep the remainder of their manpower to roll with the punch, should the punch land at home.

The Chinese could relieve the Philippines only indirectly by staging offensives on the Sino-Japanese front. Sorely lacking modern armament, ammunition, and airplanes, they had found it impossible even to drive down behind the Japs on the Kowloon Peninsula to relieve the besieged British at Hong Kong. The handful of American planes and pilots (estimated at between 50 and 150) sent before December 7 to their army of 4,000,000 to lick the Japs with could do little more than try to help the British under bombardment at Rangoon—the mouth of their own lifeline, the Burma road.

HANDICAPPED BY DISTANCES

From the beginning MacArthur and his 55,000 troops, facing an invasion by 200,000 men, were on their own. For the British and the Dutch and the Chinese, like MacArthur himself, were also—from the beginning—looking desperately for help. Looking where? Thousands on thousands of miles off across the purple wastes of the Pacific to the U. S. A.

And what was the U. S. A. doing? Reeling from the first few weeks under the shock of the losses in planes and ships at Pearl Harbor. And then taking, for the first time, alas, a good look at the immutable geography of the Pacific Ocean. Realizing that help, ships, guns, planes, tanks, or troops, to reach MacArthur directly had 7,000 miles out of San Francisco, 5,000 miles out of Hawaii to go. But not entirely realizing that these thousands of miles were exceedingly dangerous miles, a reckless highway for ships to sail.

Less than 2,000 miles west of the Hawaiian Islands lie the first nasty little group of Japanese islands, the Marshalls. From there on west to the Pelew Islands, only 500 miles east of Manila, there are nothing but Japanese islands. It is reasonable to suppose that a nation which has been preparing to gain mastery of the Pacific for 25 years has garrisoned, armed, and supplied these like dens of thieves. This explains, no doubt, why Guam and Wake, lying between Honolulu and the Philippines, have both been captured, without naval interference out of Hawaii.

So help sent from the United States must either pick or fight its way through this pirate's nest of Japanese islands—well supplied with submarine and air bases—or else trek far south, below the Equator and from there trek again north to the Dutch East Indies and the Philippines This reasonably safe route is a piddling matter of 12,000 miles out of Frisco. Meanwhile, remember Tokyo lies only 1,500 miles from Luzon Simple arithmetic will show that one Jap troop or supply ship, used in the attack on the Philippines, could make almost eight round trips to an American relief ship's one.

OTHER STRATEGIC BASES

Another unpleasant little item on the geographical agenda is Formosa. This island, only 400 miles from northern Luzon, has been Japanese since Japan grabbed it from China after the first Sino-Japanese War in 1895. Well known to military men is that on Formosa's southern tip there are a number of Japanese military bases. Off Formosa, in the Pescadores Islands, is another important Japanese military base which no white man is supposed ever to have visited—but which white men will certainly have to visit yet if this war is to be won.

Expeditions such as those landed in Luzon could be secretly assembled in these bases, sail across the Bashi and Balintang Channels, where there is very little shipping, and suddenly appear in the hot, red, tropical dawn at Aparri, Vigan, the Lingayen Gulf ports, Atimonan, Mauban, and Legaspi. Precisely this unpleasant surprise party began to happen about 7 weeks ago.

Likewise, an expedition could be assembled secretly in the Pelew Islands, sail the 500 miles of lonely waters to Davao, and only make its presence known when it attacked. And that way went Mindanao.

Why didn't our fleet steam at once out of Honolulu to attack the Jap Fleet in, say, the waters between Hawaii and Tokyo? Because much of the American Fleet was, it may be assumed, operating in the Atlantic, and what was in the Pacific, undamaged by the attack at Pearl Harbor, was probably not any stronger than the total Japanese Fleet, and therefore not strong enough to operate in Japanese waters from the base in Hawaii, 3,400 miles from Tokyo. Moreover, all the Japanese Islands, running south and somewhat west to the Japanese Caroline Islands,

form an outer line of Japanese defense. From these islands Japanese airplanes and submarines could operate on the left or southern flank of our fleet, should it attempt to steam 3,400 miles past them to Tokyo. Such an unwise maneuver on our part would have been entirely a Japanese cup of tea.

SURPRISE A BIG ADVANTAGE

Did the treacherous attack on Pearl Harbor greatly change our strategic situation in the Pacific?

First, let us have done with this word "treacherous." "Treachery" in the dictionary is defined as "secret desertion of the cause to which one professes allegiance." On December 6 the Japanese diplomats were not professing any allegiance to our cause at Washington. They were open and full-fledged Axis partners. For 25 years—a fact well known to our military and naval men—they had been preparing for war on us. Gaging that the time had come at last, in the attack on Pearl Harbor, they wisely took the military initiative

Gen. Homer Lea, American military expert and author of The Valor of Ignorance, wrote 35 years ago, "When the rate of speed by which nations move to the point of contact has been ascertained, it devolves upon ministers of state to anticipate any overt act on the part of the enemy and initiate the war.

"When a state does not initiate war, it commits its first error against the principle of military science. When it waits to make ready for war after hostilities have been declared, it only prepares to destroy itself. So essential is this principle of initiation to success in warfare that there is no instance within the last 200 years where sufficient warning has been given that permitted the enemy to undertake military preparation. The necessity of a declaration of war is only a modern illusion * * * In future it can be considered as an established principle that nations will more and more make war without previous notification, since modern inventions increase their ability to take their opponents by surprise and to strike the first blow as nearly as possible to their main base."

By failing to anticipate Japan's overt act, by failing to build up in the Pacific the army and navy and air force necessary to win and then initiating this inevitable war, by allowing Japan to strike first at our main Pacific base, Pearl Harbor, we most certainly threw away incalculable military advantages in the Pacific. Had we and Britain both acted in time, the Japanese would be on the defensive everywhere today instead of the offensive.

In spite of its victories is Japan still committing hara-kiri? If we say so—and make the say-so good—if we fully realize our vast potentialities in armament and manpower, and if we are willing to shed many tears, sweat gallons of salt, and spill a lot of brave American blood—otherwise not

Mr. DANAHER. Mr. President, in view of the conclusion stated in the report filed by Mr. Justice Roberts and his associates, that the high command in the Hawaiian Territory seemed to conclude that there was no possibility of an attack upon Pearl Harbor, and that the attack would lie entirely in the direction of the East Indies and the Malayan Peninsula, if at all, it is interesting to note in the address by Prime Minister Churchill before the House of Commons yesterday the following statement:

> It seemed very unlikely that the Japanese would attempt the distant invasion of the Malayan Peninsula, an assault on Singapore, and an attack on the Dutch East Indies, while leaving behind them on their flank and rear this great American fleet.

I end the quotation at that point, for the contrast is so obvious and direct between the conclusion reached by the officers in Hawaii and that stated by the British Prime Minister to the House of Commons. In the course of his address, however, he further indicated to the members the problems and questions arising with reference to the deployment of British personnel and matériel. He said:

> But this question is serious and, large as it is in itself, it cannot be wholly decided without some attempt to answer a further question.
>
> What was the likelihood of the Far Eastern theater being thrown into the war by Japanese attacks? I will explain how very delicately we walked and how painful it was at times—how very careful I was that every time we should not be exposed single-handed to this onslaught.

He went on to discuss the attitude and the rationale of the Japanese. He continued:

> On the other hand, the probability since the Atlantic conference, at which I discussed these matters with President Roosevelt, that the United States even if not herself attacked would come into the war in the Far East and thus make the final victory assured, seemed to allay some of these anxieties, and that expectation has not been falsified by the events.

Mr. President, there has been no more cogent and pregnant utterance for days relating to the historical crisis in which this country finds itself than that of the Prime Minister before the House of Commons yesterday. It seems to me that when the British Parliament is receiving advices of that sort, as reported in today's New York Times, they should at least come to the attention of the United States through the medium of the RECORD.

EXTENSION OF WAR POWERS

The Senate resumed the consideration of the bill (S. 2208) to further expedite the prosecution of the war.

Mr. CLARK of Missouri. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Missouri will be stated.

The CHIEF CLERK. On page 20, line 11, after the word "only" it is proposed to strike out all down to and including the word "war" in line 13, and to insert in lieu thereof "until December 31, 1944."

Mr. CLARK of Missouri. Mr. President, the effect of this amendment is to strike out in the final section on page 20, lines 11, 12, and 13, the words which define the effective period of the act. I refer to the words "during the continuance of the present war and for 6 months after the termination of the war." I propose to insert in lieu thereof a definite date, December 31, 1944. That date, Mr. President, is arbitrary. It affords nearly 3 years in the future during which this extraordinary power may remain in effect unless earlier terminated by a concurrent resolution or by proclamation of the President.

I have discussed this matter with the Senator in charge of the bill, and I think he is willing to accept the amendment. The only objection to the provision reported by the committee is that it is entirely indefinite. We are now engaged in two or three separate wars. No one can say when any one of those wars may be finally terminated, and the only purpose of my amendment is to fix a definite date at which the power will expire unless it be sooner terminated by one of the other contingencies set forth in the bill as reported by the committee.

Mr. O'MAHONEY. Mr. President, the Senator from Missouri has correctly stated the situation. The amendment is quite acceptable to me.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. CLARK].

The amendment was agreed to.

Mr. CLARK of Missouri. Mr. President, I also desire to withdraw the motion which I entered yesterday to reconsider the amendment on page 13.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURDOCK. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Utah will be stated.

The CHIEF CLERK. On page 20, lines 13 and 14, it is proposed to strike out "or until such earlier time as the Congress by concurrent resolution, or the President, may designate."

Mr. MURDOCK. Mr. President, I think the amendment just offered by the Senator from Missouri and adopted by the Senate is a very proper amendment. By adopting his amendment, we fixed a definite date of termination of this legislation. If the date fixed in the amendment of the Senator from Missouri does not provide sufficient time to take care of the situation, what a simple matter it is for Congress to vote, as it has voted time and again, to extend the date and to extend the powers granted by what has been called emergency legislation. I have made on this floor, Mr. President, one speech during consideration of the lease-lend bill pointing out that this Congress has adopted a new procedure in respect to the termination of legislation. That procedure is by granting to the President of the United States, whenever he sees fit to do so—whenever he makes up his mind that the powers created and granted to aid our war program should terminate—the power to terminate them simply by proclaiming the termination of the law. We talk, Mr. President, about granting under the bill unlimited powers to the President of the United States and to others in the executive department, but under this bill the greatest power that we grant to the President is the power to terminate the act whenever he shall see fit to do so.

Mr. Justice Cardozo, in the N. I. R. A. case, pointed out that we have the power to delegate certain functions with reference to legislation to the executive and administrative departments of our Government, but in his decision—and in every decision which has been written since then—it is pointed out that in the delegation of such power we must set up standards; to use his language, we must "analize the delegation of powers"; there must be some limit to them—some

standards set up which must guide the person who finds the facts and arrives at the conclusion.

It is an easy matter here on the floor to disregard the Constitution of the United States. It is an easy matter for Senators to say they have not time to listen to the arguments which may be made on a constitutional question; and I should not detain the Senate today in presenting this matter again, except for the sincerity with which I look at this question and the study I have made of it. It has been said by some of the greatest students who ever studied our Constitution that they did not fear the loss of our constitutional democracy from the outside, but what they did fear was a constant whittling down of the Constitution from the inside until by such a process we lose it. We are spending, or in a short time will be spending, at least $1,000,000,000 a month—to do what? To preserve the Constitution here in the United States; to preserve and to perpetuate what we call the American system. What is that system? The system is the system which is set up in the Constitution. Some persons like to consider the Constitution as a static thing; something to be framed and hung on the wall; something to be referred to in patriotic speeches. But as I look at the Constitution and as I consider it, it is a dynamic formula of government to guide our every action, and by which we can ably and efficiently meet every emergency which may arise. Nearly a hundred years ago it was pointed out in the Senate Chamber by the great Senator from South Carolina, Calhoun, that the Congress would be frequently tempted to strike down the veto power of the President. We have in this provision, in the last title of this bill, the unconstitutional provision of delegating to the President the power to repeal this act; and side by side with it we have the other unconstitutional provision of reserving to the Congress of the United States the right, by concurrent resolution, to terminate the legislation and thereby deprive the President of the United States of his power of approval or disapproval.

Some Senators, in answering my argument, say, "Why, Senator, we could make the termination of this bill contingent on the falling down of the Washington Monument." They have said, "We could make it contingent on the next eclipse of the moon; we could make it contingent on the arising of any fact or upon the development of any conditions." Yes; for the sake of argument I agree with that proposition. There is no question that we can terminate legislation by the happening of some event in the future; but we cannot invoke the legislative will of Congress, except as provided in the Constitution of the United States.

The argument I am making this afternoon does not involve votes of our constituents, as some amendments have done; it is not a matter in which Senators are interested because someone is going to vote for them or vote against them. But, Mr. President, the proposition I am seeking to lay before you today is, in my opinion, the most vital proposition that is found in this act, and that is the Constitution itself. When I made my argument during consideration of the lease-lend bill, and following the argument of the Senator from Iowa [Mr. GILLETTE], the majority leader of the Senate, as I understood him, also took the same position that I took then and that I take today.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield to the Senator from Iowa.

Mr. GILLETTE. In connection with the presentation the Senator was just making so ably with reference to the termination of these powers on the happening of a certain contingency—as he suggested had been presented by those——

Mr. MURDOCK. Yes; such suggestions had been made to me during discussion of the bill by the Judiciary Committee.

Mr. GILLETTE. Yes. Is it not a fact that the contingency specified could not be an illegal happening or an unconstitutional happening?

Mr. MURDOCK. I agree with the Senator.

Mr. GILLETTE. It could not rest on such an occurrence, it seems to me.

Will the Senator yield for one further moment?

Mr. MURDOCK. I am glad to yield.

Mr. GILLETTE. As proof and in support of the Senator's assertion of the distance this Congress has gone by passing legislation of this kind, let me point out with respect to the conference report we agreed to yesterday—the conference committee report which was so ably handled by the Senator from Michigan [Mr. BROWN]—that the committee considering that proposal had in the original bill a provision that the powers would terminate on a certain date, or could terminate upon the date of the enactment of an act of Congress; and a committee of this body in its wisdom struck out the provision as to termination by an act of Congress, and substituted the words "the passage of a concurrent resolution." But under the constitutional provisions the passage of such a concurrent resolution would be an unconstitutional act, in changing an act of Congress.

Mr. MURDOCK. I am sure the Senator is absolutely correct in his statement.

Mr. LEE. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield to the Senator from Oklahoma.

Mr. LEE. A while ago the Senator said that we could make the termination of this law contingent upon the eclipse of the moon or the rising of the sun. As the bill came in, it was contingent on the setting of the rising sun; was it not? [Laughter.]

Mr. MURDOCK. I thank the Senator for his contribution.

But, Mr. President, suggestions have been made to me that this Congress can terminate the legislation on the happening of any event that it sets out in the bill. That is true unless the event is prohibited by the Constitution itself.

Now let us look at the Constitution. I know we do not have much time to consider the Constitution of the United States. These are times of emergency. We do not have time to think in terms of that organic law, even though we are spending a billion dollars a month to save it. After providing how a bill shall be passed—that is, it must be passed by a majority of the House, then by a majority of the Senate, and then must be referred to the President of the United States for his approval or disapproval, but if he disapproves it can be passed only by a two-thirds majority of both Houses—the Constitutional Convention did not stop; they went one step further and provided—and I hope Senators will give their attention to this paragraph of the Constitution—

> Every order, resolution, or vote to which the concurrence of the Senate and the House of Representatives may be necessary (except on a question of adjournment) shall be presented to the President of the United States; and before the same shall take effect, shall be approved by him, or being disapproved by him, shall be repassed by two-thirds of the Senate and the House of Representatives, according to the rules and limitations prescribed in the case of a bill.

I ask you, Mr. President, and I ask Senators here present, under the provisions of the title XV, suppose the President should get up some morning 6 months hence or a year hence and make up his mind that the powers created by the pending bill were no longer needed, and he proclaimed that fact, if this provision of the bill is constitutional, would that be the end of it? I wonder if the framers of the Constitution ever contemplated that legislation duly passed by the Congress could be stricken down by the President whenever he made up his mind that it should be.

I suggest for the consideration of Senators the thought that if we can delegate the power to terminate this bill to the President, then there is no reason under the sun or under the Constitution why we cannot write a general provision saying that whenever the President so proclaims all law shall come to an end in the United States.

Is there a Senator who will stand up and say that under the Constitution we could do that? To me it is an absurdity to think that we can delegate power to the President to terminate in such a manner a piece of legislation after it has been adopted by the Congress and approved by the President.

We can delegate the power to the President under certain prescribed standards to find certain facts, and, after having found the facts, to proclaim them and terminate legislation in that way; but are there any standards in this provision of the bill as it now stands? The only thing it says is—

> or until such earlier time as the Congress by concurrent resolution, or the President, may designate.

Is there any rule to guide him? Is there any standard to which he can look to guide him as to what the will of Congress is? Absolutely no. Mr. President, read the Cardozo opinion in the N. R. A. case and see if you can square it with that kind of delegation of power to the President of the United States. When we delegate that type of power to the President, what is the natural thing for Congress to do? The natural thing for Congress to do is to say, "We have delegated that power to the President; now we reserve to ourselves, we reserve to the two Houses the right to terminate legislation by a concurrent resolution without sending it to the President."

We find three indefinite conditions in this bill under which it may be terminated. One, which has been corrected by the amendment of the Senator from Missouri [Mr. CLARK] that on the cessation of hostilities or the ending of the war the powers under this bill shall terminate. The able Senator from Missouri pointed out that that was too indefinite, too uncertain a guide, because war may cease with Japan and still continue with Germany and Italy, or war may cease with Italy and Germany and we may still be engaged in war in the Pacific with Japan. So, of course, it was correct, right, and proper that the Senate of the United States should strike out that indefinite feature of the bill and put into the bill a definite date on which it would expire.

Why should any legislation leave the Congress of the United States in indefinite form? Why should there be any contingency to which we must look in order to terminate the legislation? That one indefinite feature has been eliminated by putting in a definite date, but there still remain two indefinite and unconstitutional provisions in respect to termination which my amendment would strike.

My amendment does this, and this only: It eliminates the other indefinite and uncertain features of the bill. One is the provision that Congress may determine by concurrent resolution when the powers terminate; the other is the power of the President to terminate it whenever he gets ready to do so.

I have studied everything on which I can lay my hands with reference to concurrent resolutions. I call the attention of the Senate to the fact that some years ago this very question was submitted to the Judiciary Committee of the Senate. The question that was asked of the committee was, "What is the function of a concurrent resolution; when and how and for what purpose may a concurrent resolution be adopted?" The Judiciary Committee of the Senate answered that question in quite a lengthy report. I now read from the Judiciary Committee's report, found in Hind's Precedents, volume 4, section 3483, and if there is any doubt in any Senator's mind what the purpose and function of a concurrent resolution are here is the answer submitted after this Government had gone along for over a hundred years:

The committee found that the passage of concurrent resolutions began immediately upon the organization of the Government, but their use has been, not for the purpose of enacting legislation but to express the sense of Congress upon a given subject, to adjourn longer than 3 days, to make, amend, or suspend joint rules—

Something, of course, peculiarly within the functions and province of Congress and having nothing to do with the President or any legislative matter—

and to accomplish similar purposes, in which both Houses have a common interest, but with which the President has no concern.

Does that answer the question? Does the President have any concern about when his powers under this bill will terminate?

Suppose Congress after the next election should decide that these powers should no longer continue; but suppose the President, who is directly charged with the conduct of the war, should say, "We are not yet half through with this emergency. We have not half won this great war for the preservation of democracy." Suppose the Congress, by this procedure of the concurrent resolution, should say, by a majority that the powers were no longer needed. Then we should have the President without power to go ahead and conduct the war. Why? Because of a reservation in my opinion, of unconstitutional power in this bill.

There are other paragraphs and other statements here of the great Judiciary Committee which wrote this report that I desire to read to the Senate.

Reading another sentence from the report, we find this language:

They—

Referring to concurrent resolutions—

have never embraced legislative provisions proper, and hence have never been deemed to require Executive approval.

Of course, a concurrent resolution which has to do with an adjournment of either House of Congress for more than 3 days, or a concurrent resolution which has to do with certain joint rules of the two Houses, has nothing to do with the President. Of course, the expenditure by concurrent resolution of moneys appropriated to the contingent funds of the two Houses has nothing to do with the President. In 150 years of Government under our Constitution we never thought of using the concurrent resolution to terminate legislation until the advent of the New Deal. Then some persons—I think the movement was initiated at the other end of the Capitol—who did not like the President, some persons who did not like the New Deal, saw fit to inject the first concurrent-resolution provision into the reorganization bill. I argued in the House at that time that the use of the concurrent resolution for any legislative purpose was absolutely unconstitutional. The seemingly persistent effort to use the concurrent resolution to terminate legislation recalls to my mind statements of James M. Beck, made on the floor of the House time and time again. What were they? That great student of the Constitution said time and again:

I am not fearful of the striking down of the Constitution from the outside; but the thing that I fear is the gradual whittling away of the Constitution by the Congress itself.

Was there any greater student of the Constitution than James M. Beck during his lifetime? My colleague from Michigan, my colleague from Iowa, who sat in the House with me when James M. Beck was a Member of that body, heard those statements made by him. Whenever Mr. Beck spoke, every seat in the House filled up. Why? Because we realized that there were few, if any, men in Congress at that time who so thoroughly and so sincerely had studied and understood the Constitution of the United States.

We are a policy-making body. I ask Senators this afternoon, if and when the time comes that the Congress determines that it wants to take away these powers by concurrent resolution, and the President shall say, "Nay; I need the powers; we must have them to go on," what will happen on the floor of the Senate and on the floor of the House? The question will be debated, will it not, some Members taking the position with the President that the powers should be continued, other Members taking the position that the powers should be stricken down by concurrent resolution? What do we do in such a case? We again debate what the policy of the Government should be—on what question? On the question of whether those powers should be continued or terminated.

Can any Senator stand up here today, in the face of this report of the Judiciary Committee made years ago, and say that the President has no concern, no interest in the termination of these powers? Of course, he cannot say it because striking down the powers given under this bill and others might be the most vital thing in the life of our Republic.

Since the reorganization bill passed I have watched four different measures come to the Congress, all of which have contained in their text this procedure of striking down legislation by the concurrent resolution route. I say, Mr. President, and call the attention of the Senators who are willing to listen to my feeble effort this afternoon to the fact that if we can terminate the life of this bill by concurrent resolution, requiring only a majority vote of the two Houses, without the President having any say about it, then tell me why we cannot this afternoon enact a general bill saying that all legislation now in existence or hereafter enacted may be terminated by concurrent resolution?

Is there any Senator on the floor today who would stand in his place and say that such a general provision of law could be enacted here and that it would be within the Constitution of the United States? Of course, not; because, if he did, what would happen? Every law on the statute books would be in danger. Everything we have done in the past 150 years under the Constitution, if this provision in this bill is constitutional, could be stricken down under a general bill doing that very thing. If such procedure is unconstitutional in a general bill, is it not just as unconstitutional to do it piecemeal?

Senators may say this matter is not important. Senators may say, "Senator MURDOCK, you are talking about a thing that is so technical that it is not worthy

of the attention of the Judiciary Committee or of the Senate." My answer to that statement is that if the Constitution of the United States is technical, if the Constitution of the United States is so unimportant that it cannot be discussed either in committee or on the floor of the Senate, then yes; my efforts here are futile.

I make the further observation that we find the President of the United States concurring in this procedure. Why? I have called his attention to the fact. I said to him in a letter recently written:

> Mr. President, the primary duty of protecting the veto power is vested in you; but, on the other hand, Mr President, that does not excuse me, that does not excuse any Senator, for neglecting his duty—to do what? To keep the oath that he takes before he becomes a Member of this great deliberative body.

What do we do when we take the oath? We say that we will with all the power and influence and vigor at our command, preserve and perpetuate the Constitution of the United States. How do we preserve and perpetuate the Constitution of the United States? Do we do it with a gun? Do we do it with a bomber? No. There is just one way in which we can preserve it. There is just one way in which we can perpetuate this American system of ours There is just one way in which we can preserve our constitutional democracy, and that is by our voices and our votes right here in this Legislative Chamber

Mr. BROWN. Mr. President——

The PRESIDING OFFICER (Mr. BUNKER in the chair). Does the Senator from Utah yield to the Senator from Michigan?

Mr. MURDOCK. I yield to the Senator.

Mr. BROWN I am much interested in what the Senator is saying. I should like to know under what circumstances he believes that a concurrent resolution relative to the termination of a law can perform a function.

I recall very well that the Senator from Iowa and I proposed the compromise which finally brought about the enactment of the reorganization law, by which we provided in substance that when the President, under the authority of the act, proposed a shift of authority from one Government agency to another, that Executive order would not be effective, if during a certain period of time stated in the act Congress adopted a concurrent resolution disapproving of the President's Executive order. At that time good lawyers in the Senate seemed to think we were on sound constitutional ground, although there had been an opinion by Attorney General Mitchell sometime previous, during the administration of President Hoover, I believe, that it could not be done in this way. Of course, in that case what we did was to withhold from the President the power of transferring functions or agencies from one department of Government to another until the happening of a certain event, or the passing of the time during which the disapproval could be made. The President's power was subject to a subsequent condition.

Applying that situation to the bill to which the Senator is now addressing himself, it seems to me that the office of a concurrent resolution with respect to the termination of a law is performed when an event stated in the law which justifies the termination of the law occurs. The resolution determines or finds that the event has occurred. I think the Senator is entirely correct in pointing out that there is nothing in section 1501, title XV, on page 20, which states the circumstances which the concurrent resolution would determine to be in existence.

Perhaps I have not expressed myself very clearly, but what I wish to get at is, What is the office of a concurrent resolution with respect to the termination of a law, as the Senator sees it? I have tried to state my understanding.

Mr. MURDOCK. My position is that the concurrent resolution cannot under our Constitution ever be used to terminate legislation, because the Constitution provides in as concise, in as cogent, in as direct language as can be employed that whenever the concurrence of the two Houses is needed on any vote, any resolution, of the Congress, the measure passed must be submitted to the President.

Early in our history it was determined that matters which had to do with no legislative matters, which in no way were the concern of the President of the United States, did not need to be referred to him, and I read to the Senate a few moments ago from the report of the Committee on the Judiciary of a former Congress what the function of the concurrent resolution is. This is the statement:

> But their use has been not for the purpose of enacting legislation but to express the sense of Congress upon a given subject—to adjourn longer than 3 days; to make, amend, or suspend joint rules; and to accomplish similar purposes in which both Houses have a common interest, but with which the President has no concern.

Coming to the question the distinguished Senator asks about, the concurrent-resolution provision in the Reorganization Act, we did not reserve to ourselves in that act the power to terminate legislation. We reserved in that act the right to pass on any reorganization plan which the President might submit.

I do not care to argue the question today as to whether or not that provision with reference to the concurrent resolution is constitutional or not, but I did make the statement, and debated the question on the floor of the House, that that was a reservation of judicial or quasi-judicial power on the part of the Congress to reexamine the action of the administrative department under legislation we passed.

I take the position today that we have no more right to reserve judicial power to the Congress than we have the right to reserve the power to terminate legislation in which the President has some concern by a concurrent resolution. My argument today is not wholly against the concurrent resolution, but it is as well against the delegation by Congress of the power on the part of the President to terminate legislation without canalizing the authority delegated, without fixing standards.

The Senator from Michigan is right; we can use and we can delegate power to bring a law to termination by saying that the President of the United States, or the Secretary of War, or the Secretary of the Navy, or three or four of such men, whenever they find the fact that the war with Japan has come to an end, whenever they find the fact that hostilities with Germany and Italy have come to an end, and proclaim those facts and make a report to us setting out the facts—then I say we have canalized and we have set up standards under which that delegation of authority can be carried out, and only in that way can it be done.

If the Senator will look at the bill before us today, he will find that all it says is that "titles I to X, inclusive, and title XII of this act shall remain in force only during the continuance of the present war and for 6 months after the termination of the war."

Then comes the particular language to which I refer, the particular language to which I object to as unconstitutional, "or until such earlier time as the Congress by a concurrent resolution or the President may designate."

Is there anything which could be considered as a standard, is there any fact to be found or any proclamation to be made, except that the law is terminated?

Mr. BROWN. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. BROWN. My entire thought would be based upon the proposition which I give to the Senator by way of illustration, if on line 13, after the words "until such earlier time" we inserted language to this general effect, "such earlier time when five or six of the countries with which we had theretofore been at war were no longer engaging in hostilities as found by the President or as found by concurrent resolution."

Mr. MURDOCK. I would agree that we could delegate that power to the President under proper standards, but under this prohibition of the Constitution which I have read—and I am not so sure that if I had been in the Constitutional Convention I would have agreed to it, but men far wiser than I wrote it into the Constitution—after telling how a bill, and the only way in which a bill, can be enacted they proceeded with another paragraph, because the only thing referred to in the first paragraph is designated as "bills," "all bills," and then in the next paragraph "every bill."

But perhaps some wise man in the Constitutional Convention thought that some legislator in the future may attempt to get around that by the use of the word "resolution," or some other word which was not covered by the word "bill," and so they wrote this additional paragraph, which I shall read again, even at the expense of boring the Senate with the constitutional provision:

> Every order, resolution, or vote—

Is a concurrent resolution a bill? Most certainly. Can it be adopted without a vote? Most certainly not.

Every order, resolution, or vote to which the concurrence of the Senate and House of Representatives may be necessary (except on a question of adjournment) shall be presented to the President of the United States; and before the same shall take effect, shall be approved by him, or being disapproved by him, shall be repassed by a two-thirds vote of the Senate and House of Representatives, according to the rules and limitations prescribed in the case of a bill.

Mr. President, I ask that section 7 of article I of the Constitution be set out at this point in full.

There being no objection, section 7 was ordered to be set out in full, as follows:

SEC. 7. All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with the amendments as on other bills.

Every bill which shall have passed the House of Representatives and the Senate shall, before it becomes a law, be presented to the President of the United States; if he approves, he shall sign it; but if not, he shall return it, with his objections, to that House in which it shall have originated, who shall enter the objections at large on their Journal, and proceed to reconsider it. If, after such reconsideration, two-thirds of that House shall agree to pass the bill, it shall be sent, together with the objections, to the other House, by which it shall likewise be reconsidered; and if approved by two-thirds of that House, it shall become a law. But in all such cases the votes of both Houses shall be determined by yeas and nays, and the names of the persons voting for and against the bill shall be entered on the Journal of each House, respectively. If any bill shall not be returned by the President within 10 days (Sundays excepted) after it shall have been presented to him, the same shall be a law, in like manner as if he had signed it, unless the Congress by their adjournment prevent its return, in which case it shall not be a law.

Every order, resolution, or vote to which the concurrence of the Senate and House of Representatives may be necessary (except on a question of adjournment) shall be presented to the President of the United States; and before the same shall take effect, shall be approved by him, or being disapproved by him, shall be repassed by two-thirds of the Senate and House of Representatives, according to the rules and limitations prescribed in the case of a bill.

Mr. MURDOCK. Words could not be plainer. Language could not say a thing in more concise terms than that language says it.

As I walked out of the Senate Chamber the other day, I was contacted by one of the great constitutional lawyers of the House He called me over because of our intimacy, and he said, "Senator, have you examined this bill?" I said, "Yes; especially this one provision." He asked me this question, knowing my position: "Do you not think that a majority of Congress should have the right to do what they want to do?" I said, "I believe, Mr Representative, that the Congress should have a right by a majority vote to do what it wants to do and what it pleases, but when you are operating under a written constitution, as this Congress is, which provides the way in this plain language, then it behooves me and you, under our constitutional oath, to follow that language."

There is one other provision in this report which was made by a former Judiciary Committee and I am not sure that any member of the present committee, except myself—although I have called it to the Senate's attention—has ever read it, but it is a report made by the same committee in a former Congress which reported this bill. The committee ends its report as follows:

And to avoid incorporating in such resolutions—

Referring to concurrent resolutions—

any matter of strict legislation requiring such presentation.

To the President of the United States.

Then, again, in another paragraph:

Whether concurrent resolutions are required to be submitted to the President of the United States must depend, not upon their mere form but upon the fact whether they contain matter which is properly to be regarded as legislative in its character and effect.

Some Senators say that this procedure for termination is not the repeal of legislation; that it is merely fixing a procedure by which the legislation is terminated, but certainly the repeal or termination of legislation has exactly the same effect. To repeal or terminate legislation is just as important a legislative function as the enactment of it. The repeal of legislation is the determination of policy by the Congress of the United States. The repeal and termination of legislation will be and should be debated on the floor of the Senate just the same as the enactment of legislation. For that reason, Mr. President, for the Congress to say that we have the right to terminate or the right to repeal by concurrent resolution, simply means that we reserve the unconstitutional right to enact legislation by a majority of the Congress without referring it to the President of the United States.

Mr. President, in conclusion, I desire merely to point out what my amendment does in connection with the amendment adopted by the Senate a few minutes ago and presented by the able Senator from Missouri [Mr. CLARK]. In his amendment he has fixed a definite date for the termination of this legislation. In my opinion all legislation should be as definite and certain when it leaves the Congress as it is possible to make it. By the amendment of the Senator from Missouri we make the termination of this legislation definite. If the time is not long enough, by a joint resolution of Congress, approved by the President, we can extend it for any period we want to.

All my amendment does—and I am acting in the best of faith; I am as sincere as I can be after giving the matter very thorough study—I ask the Senate to eliminate what, in my opinion, are unconstitutional, indefinite provisions, which should not go into the bill.

Mr. O'MAHONEY. Mr. President, I shall content myself merely with saying that this matter was considered in the committee. The Senator from Utah and the Senator from Texas led the discussion in the committee. It was the decision of the committee that since this provision is contained in the first War Powers Act and is contained in several other temporary measures enacted by the Congress, that it should not be now eliminated, and so I merely want the Senate to know that the issue raised by the Senator from Utah [Mr. MURDOCK] so ably and clearly was discussed by the committee, and the amendment which he now asks the Senate to approve was by the committee rejected.

Mr. MURDOCK. Mr. President, will the Senator yield for just a question?

Mr. O'MAHONEY. I yield.

Mr. MURDOCK. In my presentation of the matter to the committee I felt that it was rather futile there to present it at length, but I ask the Senator from Wyoming, who is sponsoring and has charge of the bill on the floor, if he has read the report of the Senate Judiciary Committee on this very question having to do with concurrent resolutions? I have not read it at length today, but I inserted it in the RECORD during the discussion of the lease-lend bill, and it seems to me that if Senators now making up the personnel of the present Judiciary Committee of this great body would read what their colleagues of a former Congress reported to the Senate they could not disagree with the position I am taking today.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. MURDOCK] on page 20, lines 13 and 14.

The amendment was rejected.

Mr. McNARY. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The CHIEF CLERK. On page 11, after line 3, it is proposed to insert the following new title:

TITLE IX—PROTECTION OF WAR INDUSTRIES SUBJECT TO SEASONAL HAZARDS OF FOREST FIRES

The President is empowered to direct the Administrator of the Federal Security Agency to assign the manpower of the Civilian Conservation Corps to the extent necessary to protect the munitions, aircraft, and other war industries, municipal water supply, power and other utilities and resources subject to the hazards of forest fires.

Mr. McNARY. Mr. President, I offer this amendment at the request of the American Forestry Association. The military services and war industries have drained the forest regions of our country of available men who are to be found in normal times. With that statement I submit the matter to the able Senator from Wyoming in the hope that he may accept the amendment.

Mr. O'MAHONEY. Mr. President, the Senator from Oregon submitted his amendment and had it printed earlier in the consideration of this measure. After consultation with members of the committee and with others he was good enough to modify it in order to bring it into harmony with the feeling of those in charge of the bill. The amendment is quite satisfactory to the committee

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Oregon [Mr. McNARY] is agreed to.

Mr. McNARY. As a part of my remarks I ask unanimous consent to have printed in the RECORD the letter which I received from the American Forestry Association.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE AMERICAN FORESTRY ASSOCIATION,
Washington, D. C., January 24, 1942.

Hon. CHARLES L. McNARY,
United States Senator,
Washington, D. C.

DEAR SENATOR McNARY: In the interest of guarding resources upon which our war effort is based, this association feels it would be negligent not to warn the Congress of a situation now developing which imperils supply lines in virtually every field of our military endeavor. Due to the growing shortage of employable labor, the present outlook is that forest resources now being heavily drawn on and which must continue to be heavily drawn on in the prosecution of the war may be without adequate protection from fire during the coming spring and summer fire seasons.

Specifically the situation is growing out of the fact that the military services and the war industries are draining our forest regions of men normally available for forest protection during the summer months. Added to this shortage is the curtailment and diversion of the Civilian Conservation Corps which heretofore has provided thousands of men to help local and regional forest protection agencies guard the forests and suppress fires when they occur.

The forthcoming extension of the draft and the current expansion of industry make the outlook progressively more acute. In virtually every major forest region where lumber operations have been speeded up to meet the war demands for wood, alarm is being expressed by forest protection agencies as to where and how manpower is to be obtained to protect our forest sources of essential war material and to maintain uninterrupted the free flow of wood from the forests to meet current war demands. The supply of local men heretofore available for summer employment in fire protection is not only rapidly disappearing, but under present wage conditions local protection agencies cannot compete with the war industries for those men who may still be available when summer comes.

The situation, we believe, is one of imminent danger, first, because forest fires are the most destructive agency of forest resources and of operations in the forest engaged in supplying forest products vital to the prosecution of the war; second, normal forest fire hazards will be heightened this summer, particularly in the heavily timbered regions of the west, by the possibility of incendiary bombing from the air and by ground sabotage. Third, a combination of bad fire weather and forest incendiarism may readily precipitate a reign of forest fires that would prostrate the industrial life of vital sections on the west coast where war industries are so largely concentrated. We have only to remember, for example, the Tillamook forest fire of 1933 in Oregon which in a few days destroyed timber equal to the total cut of the entire United States; or the Matilja Canyon fire of 1932 in Los Angeles County, Calif., that swept over 200,000 acres. The list of such examples might be extended.

Public apathy in respect to the importance of guarding our forest resources as a war measure is a corollary danger of the situation. The use of wood in the production of war material and in military action is not dramatic and there is no present shortage of forests for our war needs to alarm the public or to make it fully alert to the forest-fire danger. Nevertheless, continuing supplies of forest products are vital to our whole war program, affecting such major fields as the building of training planes, cargo and fighting ships, the construction of training camps and cantonments, the shipping of food and equipment to our soldiers and battle fronts, etc. Already the war has called for 2,500,000,000 feet of lumber from our forests, and the War Department has just let contracts for upward of a billion feet more that will be needed in the months immediately ahead. The military and the war industries will continue to call for wood in these staggering amounts.

Failure to make provision, therefore, to assure adequate protection of these resources during seasons of the year when it is known they will be exposed to critical danger may easily disrupt and delay our all-out plans to win this war. Forest fires do not wait for man to organize after the fire season arrives. They can be dealt with successfully only by advance organization, planning, and preparedness. The question as it now presents itself appears to be primarily one of providing necessary manpower in advance through centralized governmental action instead of leaving it to regional protective agencies to compete with one another for labor and to be short-handed and unprepared when critical forest fires break out.

The situation, in our judgment, is so potentially serious as to warrant forest protection being rated as a war priority. Certainly it challenges the wisdom at this time of permitting continued curtailment of the Civilian Conservation Corps and diversion of its remaining forces to work of less importance than that of guarding resources essential to the maintenance of the war. The present undetermined status of the corps in the face of the imperative forthcoming need of men in the forest protective field seems unrealistic in relation to the war emergency. The corps is an established, operating organization experienced in patrolling the forests and dealing with forest fires. Its camps are already established and distributed throughout the forest areas. It is in a position to occupy them quickly and to shift its men from one forest region to another as critical fire periods develop. Furthermore, its organization being Nation-wide, it can canvass the country from ocean to ocean enlisting young men below the draft age and men rejected by the draft.

These are advantages which local forest protective agencies do not possess. Is it good war strategy to disseminate or liquidate such an organization at probably the most critical time of the war and when the problem of maintaining our supply lines from the forests is pressing and unsolved?

This association shares the belief that nondefense expenditures of the Government should be curtailed, but in view of the situation set forth in this letter it believes that a reappraisal is very much in order of current demands that the Civilian Conservation Corps be liquidated in the interests of economy and because of its declining enrollments. As regards the economy phase, the issue as respects forest protection now appears to be not a question of saving money but of saving war-needed resources at any cost. As to declining enrollment, there are hundreds of thousands of young men below the draft age or rejected by the draft who would like to feel they are helping to win the war, and it is logical to believe that if the Civilian Conservation Corps were streamlined as a mobile protective unit and given the status of an essential war-work agency, it would easily attract the numbers needed to guard our forests and other natural resources.

Other methods of meeting the situation may be known to you. Taking advantage of the Civilian Conservation Corps is mentioned because it seems to us a most concrete, promising, and economical measure under present emergency conditions. The real purpose of this letter is to call the danger to your attention and to urge that you give it your best effort to see that in the converging pressures from other fields of war, the importance of protecting our forests during the coming fire season is not overlooked but is adequately provided for before it becomes too late to forestall disruption of supply lines so essential to the success of our whole production program.

Very truly yours,

CVID BUTLER,
Executive Secretary.

Mr. O'MAHONEY. Mr. President, earlier in the day the amendment offered by the Senator from Iowa [Mr. GILLETTE] striking out title VII was under discussion, and the Senator from Iowa was good enough to agree that it should be temporarily laid aside in order that a substitute could be drafted. A substitute has been perfected, Mr. President, and I offer it. I send it to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming will be stated.

The CHIEF CLERK. On page 9, under the heading "Title VII—Political Activity" it is proposed to strike out:

SEC. 701. Subsection (a) of section 9 of the act of August 2, 1939 (53 Stat. 1148), entitled "An act to prevent pernicious political activities," is hereby amended by adding in the second sentence after the words "No officer or employee," the words "except a part-time officer or part-time employee without compensation or with nominal compensation."

And in lieu thereof insert:

SEC. 701. Subsection (a) of section 9 of the act of August 2, 1939 (53 Stat. 1148), entitled "An act to prevent pernicious political activities," is hereby amended by adding in the second sentence after the word "thereof" the words "except a part-time officer or part-time employee without compensation or with nominal compensation serving in connection with the existing war effort, other than as a member of a selective service and training board, or other than in any capacity relating to the procurement or manufacture of war material."

Mr. GILLETTE. Mr. President, in connection with the offer of the substitute by the very able Senator from Wyoming I desire to say that we were all convinced that there was no disposition or intent on the part of the Senators in charge of the bill to open the door to the dangers which some of us felt were inherent in the title as presented.

On the other hand, there was no disposition on the part of any of those who were disposed to support my amendment to create a condition of injustice relative to certain minor officials such as air-raid wardens. Having that in mind, the modification was worked out. It still keeps within the provisions of the Hatch Act, selective service boards and Federal employees concerned in any way with the manufacture or procurement of matériel. After consultation with some of the Senators who were active with me and kind enough to support the proposal which I had presented, they have advised me that the substitute is acceptable to them. I am assured, on the word of honor of the Senator from Wyoming, that if the conference is permitted to consider this matter there will be an attempt to frame language which may be

preferable to the language presented here.

With that explanation, and with the assertion that I believe that it makes a poor proposal very much better, I agree to the modification so far as I am personally concerned.

The PRESIDING OFFICER. Does the Senator from Iowa withdraw his amendment?

Mr. GILLETTE. Mr. President, as I understand, the substitute was offered as a substitute for my amendment. I could not very well withdraw my amendment, but, so far as I am personally concerned, I will accept the substitute in lieu thereof.

Mr. BROWN. Mr. President, I was much interested in the subject matter of the proposed amendment to the Hatch Act. I am happy to join with the Senator from Iowa in agreeing to the substitute. I think the general effect is to render a bad amendment to an iniquitous bill less offensive.

The PRESIDING OFFICER The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] in the nature of a substitute for the amendment of the Senate from Iowa [Mr. GILLETTE].

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. TYDINGS. Mr. President, I should like to ask the Senator in charge of the bill why, on page 8, line 11, under the heading "Title IV—Purchase by Federal Reserve banks of Government obligations," the words "without regard to maturities" are necessary.

Mr. O'MAHONEY. Mr. President, that is the language of the present act. It is not new language. It is the present law. The amendment proposed by the committee and agreed to by the Senate today by a record vote operated to strike out certain language in the present law.

Mr. TYDINGS. As I understand, it strikes out the language "but only in the open market."

Mr. O'MAHONEY. That is correct.

Mr. TYDINGS. If that is the present law, why is it necessary to put in:

Provided, That any bonds, notes, or other obligations which are direct obligations of the United States or which are fully guaranteed by the United States as to principal and interest may be bought and sold without regard to maturities.

If that is already the law, why is it necessary to put it in now?

Mr. O'MAHONEY. If the Senator will read the language, he will see that what we are doing is saying that this particular section shall be amended "so that the proviso will read as follows:"

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. TAFT. The answer is that at the beginning of the section there is language dealing with the purchase by the Federal Reserve banks of other kinds of securities, securities having maturities not over 6 months. The proviso is:

Provided, That any bonds, notes, or other obligations which are direct obligations of the United States or which are fully guaranteed by the United States as to principal and interest may be bought and sold without regard to maturities.

Mr. TYDINGS. That explains it. I wondered why it should say, "without regard to maturities."

Earlier in the day we had a vote on striking out the words "but only in the open market." Let me ask the Senator, if those words are stricken from the bill, as was done in the vote earlier in the day, how the Federal Reserve banks are to buy such bonds, notes, or other obligations other than in the open market?

Mr. O'MAHONEY. Directly from the Treasury.

Mr. TYDINGS. What will they use in payment?

Mr. O'MAHONEY. They will purchase the bonds as the Federal Reserve banks purchase any bonds. A credit will be set up on the books.

Mr. TYDINGS. I am asking for information, because I am not very expert in financial matters. As I understand, if the war should continue for 2 or 3 years and the amount of bonds and stamps bought by the public, plus the amount we raise in 2 or 3 years in taxation, should leave a sum of $100,000,000,000 which would have to be financed other than by borrowing by the orthodox method, the Federal Reserve banks would be in a position to buy the $100,000,000,000 of Government obligations, or whatever the amount might be, and issue therefor Federal Reserve notes.

Mr. O'MAHONEY. They would have the power to buy them directly from the Treasury in the customary manner.

Mr. TYDINGS. In that case, if I correctly interpret it, the Federal Reserve banks could conceivably buy any amount. If the war should continue for 5 years, they might buy $200,000,000,000 worth of such obligations.

Mr. O'MAHONEY. I think there is no doubt about it.

Mr. TYDINGS. Is there no better way of financing the war than by having the Federal Reserve banks print Federal Reserve notes?

Mr. O'MAHONEY. I will say to the Senator that the committee was not studying the problem of financing the war. The committee feels, and I personally feel, that the Committee on Finance will devote its talents to that problem. What we were concerned with was the problem of giving to the Federal Reserve Board the authority to buy such obligations directly from the Federal Government. Of course, there could be abuse of any power granted. We do not anticipate it. We feel that this is a power which, in the circumstances which confront the country, it is absolutely necessary to grant. We pray and trust that the power will not be abused.

Mr. TYDINGS. I suppose that the Treasury officials asked for this power. Did they?

Mr. O'MAHONEY. It was asked for by the Federal Reserve Board, but the request was concurred in by the Treasury officials.

Mr. TYDINGS. Let me ask the Senator who appeared for the Federal Reserve Board. Mr. Eccles appeared, I suppose; did he?

Mr. O'MAHONEY. Mr. Eccles did not appear. As I explained at the outset, when the Senator probably was not on the floor——

Mr. TYDINGS. No; I was not then on the floor.

Mr. O'MAHONEY. A special legislative committee is set up in the Government, consisting of representatives of the Department of Justice, the Bureau of the Budget, and the Office for Emergency Management, which is a clearing house for all these various agencies. All bureaus and departments of the Government which felt that there should be changes of law in order to facilitate the conduct of the war were requested to submit their recommendations to this clearing-house committee.

Mr. TYDINGS. I understand.

Mr. O'MAHONEY. Then the matter having been thereby reviewed, it was submitted to the Attorney General; and the Attorney General submitted a report to the Committee on the Judiciary, in which report each of these matters was at length discussed. So in every instance what the committee has brought in represents the request of the proper department and the concurrence in view upon the part of the committee.

Mr. TYDINGS. Of course, I can appreciate, as does the Senator from Wyoming, that there has to be a safety valve so that the continuous financing of the war will always be possible, no matter how long it may last or how much it may cost. I think this power may be very judiciously used, and I express the hope and belief that it will be so used. However, it seems to me to be about the widest power we have yet given because, if the war should last 2 or 3 years, at the present rate of expenditure there would be, after we reach a certain point, absolutely nothing back of the notes except the faith and credit of the Government.

Mr. O'MAHONEY. Mr. President, I think it is only fair to say that, in the first place, the power of the Federal Reserve Board to purchase the securities of the United States in the open market today is without limit; there can be no question about that. Furthermore, when the Federal Reserve Act was passed, in the first instance, the Federal Reserve System had the authority to buy obligations directly. The limitation was not put on until 1935. So, in effect, what we are doing now is restoring the power which previously existed. Perhaps I should add that originally the power extended only to direct obligations, and now it includes indirect obligations.

Mr. TYDINGS. I suppose that the words "in the open market" had to be limited——

Mr. O'MAHONEY. That is correct.

Mr. TYDINGS. For the obvious reason that the public might not be able to buy the bonds as fast as the Government might need money.

Mr. O'MAHONEY. The Senator is quite correct.

Mr. TYDINGS. In which case there would be a hiatus in the financing, and the Government would need a stop-gap to cover the situation.

Mr. O'MAHONEY. With his usual grasp of the situation, the Senator from Maryland is entirely correct in his understanding of it.

Mr. TYDINGS. I appreciate the Senator's good will and his courtesy, but I do not happen to have expert knowledge

of financial matters. However, I suppose that is the best provision which could be adopted.

I should prefer to have seen compulsory buying of bonds by the banks, rather than to have had such an indirect way of controlling purchasing, my fear being that when we do that we are getting away from the money standard and are getting into the note standard on both sides of the transaction. I am somewhat at a loss to understand why our financial advisers could not set up something better than a wide-open "I will give you my note if you will give me your note" system, and have back of the transactions no money, as there must be when one buys potatoes or beef.

Mr. O'MAHONEY. Mr. President, as a matter of fact, this provision actually stands between the Government and the adoption of fiscal policies which some Members of the Senate and of the House regard as utterly unsound.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSON of Colorado. Mr. President, a short while ago the Senator from Washington [Mr. BONE] embarrassed all historians in the Senate Chamber by asking a question about the postal regulations in effect during the Civil War.

I desire to read section 7 of chapter 9 of the regulations contained in the law passed in 1861, as follows:

Be it further enacted, That all letters written by soldiers in the service of the United States may be transmitted through the mails without prepayment of postage, under such regulations as the Post Office Department may prescribe, the postage thereon to be paid by the recipients.

The PRESIDING OFFICER. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill (S. 2208) was ordered to be engrossed for a third reading, read the third time, and passed.

SUPPLEMENTAL DEFENSE APPROPRIATIONS

Mr. McKELLAR. Mr. President, I move that the Senate proceed to the consideration of House bill 6448, Calendar No. 1029.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 6448) making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes.

The bill is as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes, namely:

TITLE I—WAR DEPARTMENT

MILITARY ACTIVITIES

SEC. 101. For additional amounts for the Military Establishment, fiscal year 1942, to remain available until June 30, 1943, to be supplemental to, and merged with, the appropriations under the same heads in the Military Appropriation Act, 1942, including the objects and subject to the limitations and conditions specified under those heads, respectively, in such act, as follows:

OFFICE OF THE SECRETARY OF WAR

Expediting production: For expediting production of equipment and supplies for national defense, $933,000,000: *Provided,* That the third proviso under the head "Expediting Production" in the Military Appropriation Act, 1942, as amended by the act of July 16, 1941 (Public Law 179, 77th Cong.), is repealed and shall not apply to any unexpended balances under this head nor to the funds herein appropriated.

SIGNAL CORPS

Signal Service of the Army: For Signal Service of the Army, $680,242,180.

AIR CORPS

Air Corps, Army: For Air Corps, Army, $9,041,373,090.

ORDNANCE DEPARTMENT

Ordnance Service and Supplies, Army: For Ordnance Service and Supplies, Army, $1,547,948,529.

CHEMICAL WARFARE SERVICE

Chemical Warfare Service, Army: For Chemical Warfare Service, Army, $323,308,675.

DEFENSE AID

SEC. 102. Whenever the President deems it to be in the interest of national defense, he may authorize the Secretary of War to sell, transfer title to, exchange, lease, lend, or otherwise dispose of, to the government of any country whose defense the President deems vital to the defense of the United States, any defense article procured from funds appropriated in this title, in accordance with the provisions of the act of March 11, 1941 (Public Law 11): *Provided,* That the total value of articles disposed of under this authority shall not exceed $4,000,000,000.

SEC. 103. This title may be cited as "Title IV, Military Appropriation Act, 1942."

TITLE II—GENERAL APPROPRIATIONS

INDEPENDENT AGENCIES

TENNESSEE VALLEY AUTHORITY

Tennessee Valley Authority Fund: For an additional amount for the Tennessee Valley Authority fund, fiscal year 1942, for (1) the construction of a hydroelectric project on the French Broad River near Dandridge, Tenn., (2) the purchase or building of transmission facilities needed to connect this project to the existing transmission system of the Authority, and (3) the acquisition of land necessary for and the relocation of highways in connection with the accomplishment of the above project; $30,000,000, to be available for the administrative objects of expenditure and subject to the conditions specified under this heading in the Independent Offices Appropriations Act, 1942.

DEPARTMENT OF STATE

Transportation, Foreign Service: For an additional amount for Transportation, Foreign Service, fiscal year 1942, including the objects specified under this head in the Department of State Appropriation Act, 1942, $800,000.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided,* That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further,* That any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation in this act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further,* That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 302. This act may be cited as the "Fourth Supplemental National Defense Appropriation Act, 1942."

Mr. McKELLAR. Mr. President, the bill now under consideration has been reported by the Committee on Appropriations exactly as the House passed it. The House passed the bill providing appropriations in the sum of $12,556,672,474, and it is composed of three general items. The first is under the heading "War Department, military activities," $12,525,872,474 for airplanes. That item is for the purpose of carrying out the program with reference to airplanes, and perhaps I cannot better express it than as it was expressed by General Arnold, who gave a very short and succinct account of what is proposed to be done.

The report of the committee states:

The amount included in the bill for the Military Establishment is $12,525,872,474, which is also the Budget estimate, and is available exclusively for the airplane program, including procurement of airplanes, facilities for production, communications and signaling equipment, armor, armament, and ammunition and other devices for their operation in combat or in training.

It is further stated:

The funds contemplate the procurement of 33,000 completed airplanes, of which 23,000 are tactical—

Or, in other words, are to be used in warfare—

and 10,000 are training types.

I now come to the statement of General Arnold in regard thereto:

The estimates before you, amounting to $12,525,872,474, represent a rounded procurement program of approximately 33,000 airplanes, their armament, equipment, related munitions, and the necessary funds for facilities to permit accomplishment of the program within the time limits desired.

Former airplane procurement programs have authorized numbers in excess of those necessary to implement the second aviation objective or 84-group program. The present airplane program had its inception before December 7, 1941, and was designed to continue without interruption aircraft manufacture at present levels of production. Immediately after December 7, however, the heavy-bomber program was increased to raise production of that type of aircraft to a level of 1,000 per month, and to provide the facilities necessary to accomplish this objective.

While the program in its inception was purely to continue production, and provided aircraft over and above the tactical needs of the Air Force, the declaration of war has caused profound changes in our productive as well as in our tactical objectives. Plans for the expansion of the Air Corps now under study indicate that by the time the aircraft

in this program are delivered, a large portion of these planes will be required to equip tactical units in our air forces. In fact, in some types they may not meet our requirements.

The object of the program is to continue present production levels of aircraft until June 30, 1943, for training airplanes; through December 31, 1943, for tactical airplanes (except heavy bombers); through June 30, 1944, for heavy bombers; and to increase the level of production of heavy bombers to 1,000 per month after June 30, 1944.

The program includes airplanes, and the related spare parts, spare engines, weapons, equipment, and munitions. In order to increase the heavy-bomber production and in order to keep the munitions program in step with the delivery of planes, additional facilities are required for manufacture of airplanes, subassemblies, raw materials, and munitions.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. McKELLAR. Yes. I yield to the Senator from Connecticut.

Mr. DANAHER. I am sure the Senator will be able to help me understand that statement. If he will look at section 101 of the pending bill he will observe, according to lines 9 and 10 on page 1 and line 1 on page 2, that the amounts are to remain available until June 30, 1943. There is no corresponding language in lines 7 to 20, inclusive, on page 2, which include the airplane program to which the Senator has just referred. Will the Senator please reconcile those two statements?

Mr. McKELLAR. Where is the Senator reading?

Mr. DANAHER. Section 101 starts at the bottom of the first page. Now go over to page 2, lines 7 to 20. There is no corresponding language in lines 7 to 20 making the amounts available through 1943. I have no doubt there is a reasonable explanation for the omission; and, if the Senator will make it, I shall be thankful.

Mr. McKELLAR. Mr. President, the first paragraph is the key paragraph, and all these things follow it. That is provided for in the language which the Senator finds on pages 1 and 2 of the bill:

SEC. 101. For additional amounts for the Military Establishment, fiscal year 1942, to remain available until June 30, 1943.

That takes in all of them.

Mr. DANAHER. So it covers all the items?

Mr. McKELLAR. It covers all the items.

Mr. DANAHER. I thank the Senator.

Mr. McKELLAR. I thank the Senator from Connecticut for calling attention to it.

I continue reading the statement of General Arnold:

This program does not take into consideration, except for heavy bombers, the speed-up in industry which may be obtained by use of the 7-day week and 24-hour day. This speed-up is being carefully studied, and when plans are entirely coordinated, an additional program will be submitted for the number of planes necessary to implement it.

The program is the result of extensive planning and coordination with the Office of Production Management. The program accomplishes the objects sought of maintaining airplane production. It can be accomplished by the industry, and funds are needed immediately in order that industry may be continued at these levels without a break which, if funds were not now appropriated, would occur sometime in August 1942.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. McKELLAR. In a moment I will yield. The Senate committee were of the opinion, and so were the House committee, and so were the House of Representatives, that bombers were the most important part of our program in this war, and that it was absolutely necessary to continue that program; and this amount has been provided exactly as asked by our Army authorities.

I now yield to the Senator from Maryland.

Mr. TYDINGS. Mr. President, I served on the committee with the Senator from Tennessee, and support what he has just said. What I rose to ask him was about something which was not brought out in the committee. Does the Senator know how much, up to this time, including this sum, we have appropriated for the Army air force during the past 2 years?

Mr. McKELLAR. I cannot say offhand.

Mr. TYDINGS. Can the Senator give us an approximation of the amount?

Mr. McKELLAR. My recollection is that the appropriation last year was about $5,000,000,000.

Mr. TYDINGS. So that, with this $9,000,000,000, the total is $14,000,000,000?

Mr. McKELLAR. Yes; that is correct.

Mr. TYDINGS. I will not ask the Senator how many planes have been provided.

Mr. McKELLAR. This particular appropriation provides for 33,000 planes, of which 23,000 will be planes used in warfare.

Mr. TYDINGS. What I was wondering was, how many planes the preceding appropriations would produce.

Mr. McKELLAR. It is difficult to say. As a matter of fact, I think there was a larger percentage of training planes in the preceding appropriation than is contemplated in this appropriation.

Mr. TYDINGS. As I recall, in the first appropriation a great deal of the money went for training planes, and some of this money will go for that purpose; but as we proceed further with the program, the number of training planes diminishes in proportion to the number of bombers or fighting planes.

Mr. McKELLAR. That is my understanding.

Mr. TYDINGS. The chart which was before our committee, I believe, showed that to be the case.

Mr. McKELLAR. Yes.

Mr. President, I do not see how there really can be any difference of opinion about the passage of this bill. It seems to me that probably all the Senators would be willing to vote this amount as requested by the Army. There are only two other items in the bill, and they are comparatively very small. One is an item of $30,000,000 for a dam known as the Douglas Dam. This is the statement made by our committee on the subject:

Our country is now at war, and, notwithstanding previous opposition to this project, the committee feel that, inasmuch as the President has again requested the construction of this dam in the name of national defense, it should grant this repeated request of the President.

As we all know, both Houses of Congress have twice turned down, practically unanimously, the building of this dam; and yet, after war was declared, the President asked for it a third time, and out of abundance of caution the committee has reported it.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield to the Senator from Maryland.

Mr. TYDINGS. Am I correct in my recollection that a portion of the $9,000,000,000 for the Army Air Corps is to go for plants and machinery necessary for the manufacture of planes?

Mr. McKELLAR. No; the whole amount.

Mr. TYDINGS. I mean of the $9,000,000,000,

Mr. McKELLAR. Not of the $9,000,000,000.

Mr. TYDINGS. If that sum is to be used to build 33,000 planes, the average cost is less than $270,000 a plane.

Mr. McKELLAR. I have not figured it out, but I accept the Senator's figures.

Mr. TYDINGS. While, of course, no one is going to question how much a plane costs, because we need them very badly, it is true that as we go into the mass-production schedule, the cost of individual planes should be materially reduced. As I recall, the cost of a medium bomber sometime ago was about $125,000, so that if all this money were used for medium or smaller bombers, it would probably build a hundred thousand planes.

Mr. McKELLAR. In the first place, it will not all be used for bombers, because heavy bombers, as we know——

Mr. TYDINGS. Cost more.

Mr. McKELLAR. They not only cost more, but they are more desirable in certain aspects of the present contest.

Mr. TYDINGS. My inquiry was not with any idea of being parsimonious, but I believe that in future appropriations we should expect some reduction in the cost of producing standardized planes. After all, if it cost $300,000 a year ago to build these planes, after the machinery and the plants have been put in motion the cost should be considerably less. My recollection is that the contracts are pretty generally on a set figure, notwithstanding facilities are available to produce the planes with less labor and more speed, but while every one wants to provide for the Army every dollar necessary to produce the planes, it seems to me, looking at an airplane and considering mass production, that $270,000 is a pretty high unit figure for the production of a big bomber.

Mr. McKELLAR. The Senator is a member of the committee, and he probably recalls, because he was present during the hearings, that the question he has raised was discussed very freely and very fully with General Arnold, the head of the Air Corps who, let me say, in my judgment, is a very efficient head of the Air Corps.

Mr. TYDINGS. I concur absolutely in that statement.

Mr. McKELLAR. He said every effort would be made to bring down the cost, if it were possible, through mass production.

Mr. TYDINGS. I know that General Arnold will do all he can, and it is my opinion that we can reduce the unit cost of producing the medium and heavy bombers considerably, and thereby put that much less strain on the Treasury, which is already called on to bear a very heavy load.

Mr. McKELLAR. I very much hope that can be done.

The only other item in the bill is the appropriation of $800,000 for Transportation, Foreign Service. Due to conditions abroad, it has been necessary to transfer many diplomatic and consular employees out of the Axis countries, move families and effects from danger areas, increase the number of employees temporarily detailed to other posts, and make many special trips which could not possibly have been foreseen. At the present time, less than $17,000 remains in the original appropriation for this purpose for the fiscal year 1942.

We all know this is a perfectly reasonable request, and it seems to me to be an exceedingly modest one.

Unless there are some questions Senators desire to ask, I should be very glad indeed to have a vote on this important bill, which should be passed at the earliest possible moment.

Mr. LA FOLLETTE. Mr. President, I am not a member of the Committee on Appropriations, nor am I a member of the Committee on Military Affairs, so I have never had any opportunity to make a detailed study of the questions involved in the bill now before the Senate. I should like to call attention to the fact that the report of the hearings before the House committee on this $12,500,000,000 bill, at least, the copies made available to the Members of Congress not on the committee or the subcommittee, covers 62 printed pages, and we do not have any printed testimony as a result of the hearings before the Senate subcommittee.

Mr. McKELLAR. The proceedings were taken down but have not yet been printed.

Mr. LA FOLLETTE. The fact is that we are to pass the bill before the proceedings are printed. I merely wish to say that, so far as I am personally concerned, like every other Member of the Senate, I wish to vote every necessary power for the prosecution and conduct of the war, but I desire to point out that these appropriations are already reaching astronomical figures. There was a controversy this afternoon over a title in the second war-powers bill to give the Federal Reserve banks the right to buy bonds directly from the Treasury. We all know the implications of that measure. The House Ways and Means Committee will soon be in the throes of efforts to formulate a program alleged to have as its objective the extraction of another $9,000,000,000 of additional taxes from the people of the United States.

Mr. President, I also realize that in time of war it becomes essential for the legislative branch of the Government to surrender many powers to the Executive which it would not under any circumstances consider surrendering or conferring on the Executive in time of peace. I realize that that is necessary in the total modern war in which we are now engaged.

I wish to say, however—and this is not intended in any wise as a criticism of any member of the subcommittee or of the Committee on Appropriations itself—that the only power which the Congress does not have to surrender is its control over the purse strings. However, its control over the purse strings will become nothing but an empty phrase if we appropriate more money than can be expended in the fiscal year, or within any reasonable length of time. If we build up huge backlogs of appropriations, in other words, which, despite the fact that they may be contracted, cannot be expended, we are stripping ourselves of power which we do not need to yield in time of war, and we are placing the legislative branch of the Government in a position where it will not be able to call for an accounting of the expenditure of the funds, or to ascertain, as suggested by the Senator from Maryland, whether the costs have been held within reason, or whether the expenditures have been well made.

In making this statement I wish to make it perfectly clear that I am not reflecting upon the character of anyone in the armed services or anyone connected with the executive branch of the Government who will be charged with the responsibility of the expenditure of these vast, huge sums of money; but I do say that, in my humble opinion, Congress has a share of responsibility in this matter, and it cannot divest itself from the inevitable accounting which the people will demand of their public servants in the conduct of the war and in the cost of the war, simply by saying that this amount of money was asked for by this branch of the Government or that branch of the Government, and we yielded it up after testimony comprised in the 62 pages of the House committee hearing, and, so far as I am aware, there was no greater amount of testimony before the Senate committee, although I have not had the advantage of reading the testimony adduced before the Senate committee.

So, Mr. President, while I shall support the bill, I wish to express the hope that in the future there will be every effort made upon the part of the Appropriations Committee to probe all the facts and to reveal to the Congress and to the country such facts as can be revealed in view of the military exigencies, so that we may feel absolutely certain that, insofar as humanly possible, the Congress has fully discharged its responsibility in connection with the vast expenditures we are making and shall continue to make in the future.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. In reply to what the Senator has said, I am quite sure that the very able and splendid Senator from Wisconsin, had he been a member of our committee, and especially of the subcommittee, would have come to exactly the same conclusion we did. The records of both the House committee and the Senate committee hearings are very short. I do not think the Senate committee record will be any larger than the House committee record. About nine-tenths, or probably fifteen-sixteenths, of the testimony that was heard was off the record. It was testimony which could not very well be made public at this time.

There was testimony especially with regard to airplanes, and supply and production, and everything of that sort in connection with this particular bill. Those matters were gone over very carefully by the committee with the officers who appeared before the committee, and who very frankly and very fully explained the whole situation to the committee. I am perfectly sure, knowing the Senator from Wisconsin as I know him, that he would have voted exactly as the committee did to report the bill, and the action of the committee was unanimous.

Mr. President, I will say that I went a little further than the Senator has suggested, and I hope what I did will meet the approval of the Senate. I asked General Arnold if he would object to making a report to our committee every 2 weeks, giving the committee full information in respect to what is being done and what is proposed to be done. I believe such information will aid us very materially in dealing with the war requirements. General Arnold very promptly replied that he would do so, and since the hearings were concluded he has called my office to know when these appointments are desired, and as soon as our committee meets we will undertake to give him that information.

Mr. NYE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. NYE. The Senator has spoken of an understanding relative to a meeting with the committee every 2 weeks. As a member of that committee, I was impressed with the thought that the plan was for a meeting every week.

Mr. McKELLAR. That is true, but not with respect to the airplane activity under General Arnold. In connection with that activity it was proposed that meetings should be held every 2 weeks. But there are other departments in which vast sums are expended, and it is also proposed to have the heads of those departments come before the committee.

Mr. NYE. I did not so understand, but I can see why it would be quite satisfactory to have the meetings once every 2 weeks.

Mr. McKELLAR. The Senator will bear witness, I am sure, to the fact that much of the testimony was not on the record.

Mr. President, I hope the Senate will pass the bill.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill (H. R. 6448) was ordered to a third reading, read the third time, and passed.

Mr. BARKLEY. Mr. President, now that the bill is passed I wish to take occasion to express my personal and official appreciation to the distinguished Senator from Tennessee for the ability, promptness, skill, and consideration with which he has brought this bill before the Senate and secured its prompt passage. It is proof of the fact that the Senator from Tennessee is devoted to the national welfare, and while, of course, in a bill of this size there might arise controversial matters, I congratulate the Senator from Tennessee and express to him my deep appreciation for the statesmanlike way in which he has handled every item of this great appropriation. I wanted the RECORD to show my appreciation.

Mr. McKELLAR. I thank the Senator.

TEMPORARY NATIONAL ECONOMIC COMMITTEE MONOGRAPHS

Mr. BARKLEY. Mr. President, while I am on my feet I wish to place a certain matter in the RECORD. Before I have it inserted in the RECORD I wish to make a statement. The Temporary National Economic Committee, of which the Senator from Wyoming [Mr. O'MAHONEY] was the very able chairman, as we all know, held exhaustive hearings and made a report to the Senate of the United States. During the consideration of the matters before the Temporary National Economic Committee there was, of course, under the appropriation of the Senate, a considerable sum of money expended.

The committee went out of existence on the 3d day of April 1941. The chairman of the committee, the Senator from Wyoming, tells me that since the committee was dissolved and made its report, there has not been a day on which he has not received letters of inquiry and requests for the publications which were issued by the committee under the authority of the Senate.

I have before me a list of the various subjects discussed in monographs issued by the committee. There are 44 items involved. I might say that 124,175 copies of these monographs were sold for cash, bringing in to the Treasury $46,474.

In addition to that, copies of hearings which were conducted by the committee dealing with various subjects, have been sold, 41,401 copies of various parts of the hearings have been sold for cash at a price of $20,423.95.

So the Temporary National Economic Committee has sold to those interested in the subjects which were inquired of and reported upon by the committee, a total number of publications of 165,576, which have brought in cash to date, that is, as of January 6, 1942, a total sum of $66,898.15. I think that is a remarkable record of recovery to the Treasury and toward the expenses involved in the investigation, through the sale of documents published and issued by this important committee.

Mr. President, I ask that the list in detail be inserted at this point in the RECORD as a part of my remarks. I think the Senate and the country is entitled to the report from the committee showing what it has done in respect to the sale of these documents.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Condition of stock of Temporary National Economic Committee monographs as of Jan. 6, 1942

[NOTE: These figures were supplied by the Superintendent of Documents, Government Printing Office]

Monograph	Received	On hand	Sold	Unit price	Unit total
1. Price Behavior and Business Policy	4,751	244	4,507	$0.45	$2,028.15
2. Families and Their Life Insurance	4,262	1,037	3,225	.25	806.25
3. Who Pays the Taxes	4,827	1,772	3,055	.10	305.50
4. Concentration and Composition of Individual Incomes, 1918–37	3,360	370	2,990	.15	448.50
5. Industrial Wage Rates, Labor Costs, and Price Policies	2,762	279	2,483	.25	620.75
6. Export Prices and Export Cartels (Webb-Pomerene Associations)	3,323	1,131	2,192	.35	767.20
7. Measurement of the Social Performance of Business	3,229	988	2,241	.30	672.30
8. Toward More Housing	2,837	450	2,387	.30	716.10
9. Taxation of Corporate Enterprise	2,238	228	2,010	.60	1,206.00
10. Industrial Concentration and Tariffs	4,302	1,819	2,483	.35	869.05
11. Bureaucracy and Trusteeship in Large Corporations	2,757	220	2,537	.30	761.10
12. Profits, Productive Activities, and New Investments	2,228	[1] 131	2,097	.35	733.95
13. Relative Efficiency of Large, Medium-sized, and Small Business	5,258	2,141	2,617	.50	1,308.50
14. Hourly Earnings of Employees in Large and Small Enterprises	4,330	1,540	2,790	.15	418.50
15. Financial Characteristics of American Manufacturing Corporations	2,901	598	2,303	.40	921.20
16. Antitrust in Action	4,428	1,078	3,350	.20	670.00
17. Problems of Small Business	4,314	1,367	2,947	.40	1,178.80
18. Trade Association Survey	3,292	[1] 0	3,292	.50	1,646.00
19. Government Purchasing—An Economic Commentary	2,223	382	1,841	.35	644.35
20. Taxation, Recovery, and Defense	4,259	1,449	2,810	.35	983.50
21. Competition and Monopoly in American Industry	5,776	2,091	3,685	.40	1,474.00
22. Technology in Our Economy	3,266	605	2,661	.35	931.35
23. Agriculture and the National Economy	5,327	1,865	3,462	.10	346.20
24. Consumer Standards	3,218	1,023	2,195	1.00	2,195.00
25. Recovery Plans	3,780	1,413	2,367	.30	710.10
26. Economic Power and Political Pressures	10,349	5,081	5,268	.25	1,317.00
27. The Structure of Industry	3,254	997	2,257	1.00	2,257.00
28. Study of Legal Reserve Life Insurance Companies	8,307	1,887	6,420	.50	3,210.00
28–A	3,110	669	2,441	.15	366.15
29. The Distribution of Ownership in the 200 Largest Nonfinancial Corporations	2,673	697	1,976	2.00	3,952.00
30. Survey of Shareholdings in 1,710 Corporations With Securities Listed on a National Securities Exchange	2,223	252	1,971	.35	689.85
31. Patents and Free Enterprise	3,275	578	2,697	.25	674.25
32. Economic Standards of Government Price Control	2,190	316	1,874	.55	1,030.70
33. Geographical Differentials in Prices of Building Materials	2,217	769	1,448	.55	796.40
34. Control of Unfair Competitive Practices Through Trade Practice Conference Procedure of the Federal Trade Commission	2,223	153	2,070	.10	207.00
35. Large-Scale Organization in the Food Industry	3,311	463	2,848	.20	569.60
36. Reports of the Federal Trade Commission	2,217	333	1,884	.35	659.40
37. Saving, Investment, and National Income	3,268	877	2,391	.20	478.20
38. A Study of the Construction and Enforcement of the Federal Antitrust Laws	3,225	757	2,468	.15	370.20
39. Control of the Petroleum Industry by Major Oil Companies	5,247	1,905	3,342	.30	1,002.60
39–A	3,060	1,315	1,745	.15	261.75
40. Regulation of Economic Activities in Foreign Countries	2,223	[1] 40	2,183	.20	436.60
41. Price Discrimination in Steel	2,297	308	1,989	.10	198.90
42. The Basing Point Problem	2,216	188	2,028	.30	608.40
43. The Motion Picture Industry—A Pattern of Control	5,299	2,580	2,719	.15	407.85
S. Doc. 35, 77th Cong., 1st sess	4,078	449	3,629	1.00	3,629.00
Total			124,175		46,474.20

[1] The following publications are being reprinted: Monograph 12 (with corrections), number ordered, 750; Monograph 18, number ordered, 750; Monograph 40, number ordered, 750.

The following publication has been ordered printed: 500 copies, Index-Digest of Hearings, Monographs and Reports, 1939–41, Temporary National Economic Committee.

Condition of stock of Temporary National Economic Committee hearings as of Jan. 6, 1942

Part	Received	On hand	Sold	Unit price	Unit total
1. Economic Prologue	3,780	525	3,255	$0.25	$813.75
2. Patents	1,576	128	1,448	.75	1,086.00
3. Patents	1,004	(1)	1,004	.35	351.40
3. Patents (extract)	5,213	(1)	5,213	----------	90.00
4. Life insurance	2,039	196	1,843	.50	921.50
5. Monopolistic Practices in Industries, Development of the Beryllium Industry	1,003	37	966	.75	724.50
5-A. Federal Trade Commission Report on Monopolistic Practices in Industries	1,013	0	1,013	.15	151.95
6. Liquor Industry	1,000	157	843	.40	337.20
7. Milk Industry, Poultry Industry	1,010	39	971	.75	728.25
8. Problems of the Consumer	2,000	868	1,132	.25	283.00
9. Savings and Investment	1,042	(1)	1,042	.75	781.50
10. Life Insurance	1,004	52	952	.75	714.00
10-A. Life Insurance	4,602	389	4,213	.35	1,474.55
11. Construction Industry	1,000	483	517	.75	387.75
12. Industrial Insurance	1,000	268	732	.75	549.00
13. Life Insurance	1,127	379	748	.75	561.00
14. Petroleum Industry	1,005	246	759	.75	569.25
14-A. Petroleum Industry	1,009	204	805	.75	603.75
15. Petroleum Industry	1,000	287	713	.75	534.75
15. Petroleum Industry (extract)	505	(1)	505	----------	165.00
15-A. Petroleum Industry	1,000	315	685	.35	239.75
16. Petroleum Industry	1,024	320	704	1.00	704.00
17. Petroleum Industry	1,004	329	675	.65	438.75
17-A. Petroleum Industry	1,000	293	707	.30	212.10
18. Iron and Steel Industry	1,000	567	433	.30	129.90
19. Iron and Steel Industry	1,028	555	473	.35	165.55
20. Iron and Steel Industry	1,012	540	472	.35	165.20
21. War and Prices	1,000	414	586	.65	380.90
22. Investment Banking	1,000	597	403	.50	201.50
23. Investment Banking	1,022	601	421	.65	273.65
24. Investment Banking	720	324	396	.75	297.00
25. Cartels	1,020	584	436	1.50	654.00
26. Iron and Steel Industry	1,002	618	384	.65	249.60
27. Iron and Steel Industry	1,024	668	356	.75	267.00
28. Life Insurance	1,078	185	893	1.25	1,116.25
29. Interstate Trade Barriers	1,089	547	542	.55	298.10
30. Technology and Concentration of Economic Power	1,019	501	518	1.75	906.50
31. Investments, Profits, and Rates of Return for Selected Industries	1,019	540	479	.40	191.60
31-A. Supplemental Data Submitted to the Temporary National Economic Committee	1,019	307	712	.50	356.00
Final report of the executive secretary, Temporary National Economic Committee	3,145	693	2,452	.55	1,348.60
Total	----------	----------	41,401	----------	20,423.95

1 Exhausted.
Total number of Temporary National Economic Committee publications sold, 165,576.
Total income from same, to date, $66,898.15.
Increase since Sept. 25, 1941: Publications sold, 14,576; total revenue, $5,398.15.

REGISTRATION OF PROPAGANDISTS—CONFERENCE REPORT

Mr. HUGHES submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6289) to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses, as follows:

That the House recede from its disagreement to the amendment of the Senate to the said bill and agree to the same.

JAMES H. HUGHES,
HARLEY M. KILGORE,
JOHN A. DANAHER,
Managers on the part of the Senate.

HATTON W. SUMNERS,
CHARLES F. McLAUGHLIN,
C. E. HANCOCK,
Managers on the part of the House.

The report was agreed to.

ATTENDANCE OF ARMY PERSONNEL AS STUDENTS AT EDUCATIONAL INSTITUTIONS

Mr. REYNOLDS. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1027, Senate bill 2217, which has just been called to my attention by the Senator from Missouri. I took the liberty of speaking to him with regard to the matter, and he said that he would be very glad to accommodate us by permitting the bill to be brought to the attention of Members of this body.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 2217) to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places.

Mr. REYNOLDS. Mr. President, the bill would permit the commanding officers of the various divisions of the armed forces to detail a certain percentage of enlisted men and officers to attend private schools for instruction, in view of the fact that the facilities in the Army schools and camps are not sufficient. The Senator from West Virginia [Mr. KILGORE], who was designated by the committee to report the bill, is present.

Mr. KILGORE. Mr. President, the present act permits officers and enlisted men from the Regular Army to be detailed for attendance as students at private educational institutions. The bill would increase the percentage from all components of the Army, and permit selectees to go along with the Regular Army enlisted personnel for technical training for short periods of time in various colleges throughout the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That during the present war and notwithstanding other provisions of existing law, personnel of all components of the Army of the United States may be detailed as students at technical, professional, and other educational institutions, or as students, observers, or investigators at industrial plants, hospitals, and other places, with the restriction that not to exceed 2 percent of the officers and 2 percent of the enlisted men of the Army may be detailed to this duty at any one time, but otherwise under the same conditions as are now or may hereafter be prescribed by law for personnel of the Regular Army.

AMORTIZATION OF CERTAIN FACILITIES UNDER THE INTERNAL REVENUE CODE

Mr. BARKLEY. I move that the Senate proceed to the consideration of Calendar 1025, House Joint Resolution 257, dealing with the question of an amendment to section 124 of the Internal Revenue Code, on the subject of amortization. I have no intention of proceeding with consideration of the joint resolution this afternoon, but I wish to have it made the unfinished business so that the Senate may proceed with it tomorrow.

Mr. McNARY. Mr. President, I have no objection to that procedure. Am I to assume that that will be the only business for tomorrow?

Mr. BARKLEY. No; the Senator from Montana [Mr. WHEELER] desires to take up a gas bill which is on the calendar and which has been reported from the Committee on Interstate Commerce. There will be perhaps one or two other measures of a routine character tomorrow. I hope that when we have disposed of the business for tomorrow the Senate may adjourn until Monday.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A joint resolution (H. J. Res. 257) to amend section 124 of the Internal Revenue Code to simplify the procedure in connection with amortization of certain facilities.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BUNKER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. REYNOLDS, from the Committee on Military Affairs, reported favorably the nominations of several officers for temporary appointment as brigadier generals in the Army of the United States, under the provisions of law.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

SECURITIES AND EXCHANGE COMMISSION

The legislative clerk read the nomination of Robert H. O'Brien to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1945.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NOMINATIONS IN ARMY PERSONNEL IN THE PHILIPPINES

Mr. REYNOLDS. Mr. President, at this time I report favorably sundry nominations from the Military Affairs Committee relating to officers in the Philippines at the present time. A number of colonels, majors, and lieutenant colonels have been recommended for promotion to the rank of brigadier general. These nominations have been passed upon by the subcommittee of which the Senator from Kentucky [Mr. CHANDLER] is chairman. That subcommittee has charge of all nominations. In view of the fact that these men are now in the Philippines and are now fighting, I ask unanimous consent for the present consideration of the nominations.

The PRESIDING OFFICER. Is there objection to the present consideration of the nominations?

Mr. McNARY. Mr. President, I think the nominations should go to the calendar and be taken up tomorrow.

The PRESIDING OFFICER. The nominations will be placed on the calendar.

Mr. CHANDLER. Mr. President, I should like to add to the statement made by the chairman of the Military Affairs Committee that these men are now serving actively on the Bataan Peninsula, directly under the command of General MacArthur. All the people of the United States have rejoiced in the magnificent showing which General MacArthur and his men are making. I do not know whether the promotions will mean anything. Some of the men may be dead before they are notified, or may never have the advantage of the rank proposed to be conferred upon them. I wish the able Senator from Oregon would not object, because the promotions are meritorious. General MacArthur has asked that the men be promoted because of their service to the people of the country. I wish the Senator from Oregon would not object.

Mr. McNARY. Mr. President, I have nothing but commendation for the glorious work being done by General MacArthur and those under him; but frequently requests are made toward the close of the day to rush through nominations. There is no particular hurry. A matter of 24 hours would not make any difference. For that reason I think the nominations should go to the calendar.

Mr. CHANDLER. Mr. President, while any Senator has a right to object, there is no disposition on the part of the Military Affairs Committee or its chairman, or the Senator from Kentucky, to take advantage of the late hour to rush anything through the Senate. We took hurried action on the nominations because we were requested to do so. So far as we are concerned, we have done the best we could to have the matter speedily handled.

Mr. McNARY. I appreciate that. The lateness of the hour is due to the fact that that is when we take up for consideration the Executive Calendar.

Mr. CHANDLER. I have nothing to do with the lateness of the hour.

Mr. McNARY. Mr. President, I am not basing my objection on any personal grounds. I simply object.

Mr. CHANDLER. The Senator has a right to object.

Mr. McNARY. I certainly have.

Mr. CHANDLER. I still have the floor, and I still have the right to discuss the matter. At some time in the future I shall have the right to object. If it is the disposition of Senators to object to a proposal which it seems ought not to be objected to at this time, objection can be made by more than one Senator.

Mr. McNARY. Mr. President, I have heard the same statement before.

The PRESIDING OFFICER. Objection is heard. The nominations will be placed on the calendar.

The clerk will state the next nomination on the calendar.

NATIONAL MEDIATION BOARD

The legislative clerk read the nomination of George A. Cook to be a member of the National Mediation Board for the term expiring February 1, 1945.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk read the nomination of Clovis E. Martin to be passed assistant dental surgeon, to rank from February 13, 1942.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc and that the President be immediately notified.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc, and the President will be notified forthwith.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

The PRESIDING OFFIGER. Without objection, the nominations in the Marine Corps are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all confirmations today.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 38 minutes p. m.) the Senate took a recess until tomorrow, Thursday, January 29, 1942, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received January 28 (legislative day of January 23), 1942:

DIPLOMATIC SERVICE

Patrick J. Hurley, of Oklahoma, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to New Zealand.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE BRIGADIER GENERAL

Col. Hugh John Casey (major, Corps of Engineers), Army of the United States.

Col. Clinton Albert Pierce (lieutenant colonel, Cavalry), Army of the United States.

Col. Arnold John Funk (lieutenant colonel, Infantry), Army of the United States.

Col. William Frederic Marquat (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Harold Huston George (lieutenant colonel, Air Corps), Air Corps.

Col. Carl Herndon Seals, Adjutant General's Department.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

TO QUARTERMASTER CORPS

Lt. Col. Charles Royal Lehner, Field Artillery (temporary colonel, Army of the United States), with rank from July 1, 1940.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

To be colonel with rank from January 11, 1942

Lt. Col. William Henry Walmsley Youngs, Cavalry (temporary colonel, Army of the United States).

To be lieutenant colonels with rank from February 4, 1942

Maj. Newton Longfellow, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. Lloyd Barnett, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps), subject to examination required by law

Maj. John Arthur Laird, Jr., Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. Charles William Steinmetz, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. John Myrddin Davies, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. William Norris White, Field Artillery (temporary lieutenant colonel, Army of the United States).

Maj. Walter Thomas Meyer, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. Wendell Brown McCoy, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. James Edward Duke, Jr., Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. Martinus Stenseth, Air Corps (temporary lieutenant Colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. Rex Kirkland Stoner, Air Corps.

Maj. James Bernard Carroll, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. Thomas Lonnie Gilbert, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. James Douglas Givens, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. Oliver Williams DeGruchy, Finance Department (temporary lieutenant colonel, Army of the United States).

Maj. Harold DeLancey Stetson, Quartermaster Corps.

Maj. William Cushman Farnum, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. William Turnbull, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. Joseph Williams Benson, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. Frederick Dan Lynch, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. James Atwater Woodruff, Air Corps (temporary lieutenant colonel, Army of the United States; temporary lieutenant colonel, Air Corps).

Maj. Robert Wallace Burke, Infantry (temporary lieutenant colonel, Army of the United States).

To be lieutenant colonel with rank from February 12, 1942

Maj. Lester James Maitland, Air Corps.

To be lieutenant colonel with rank from February 15, 1942

Maj. John Andrews MacLaughlin, Chemical Warfare Service (temporary lieutenant colonel, Army of the United States).

MEDICAL CORPS

To be major

Capt. Matthew Corell Pugsley, Medical Corps (temporary major, Army of the United States), with rank from February 6, 1942.

To be captains

First Lt. John Randolph Hall, Jr., Medical Corps (temporary captain, Army of the United States), with rank from February 11, 1942.

First Lt. Lucie Ernest Gatto, Medical Corps (temporary captain, Army of the United States), with rank from February 12, 1942.

First Lt. David Harry Naimark, Medical Corps (temporary captain, Army of the United States), with rank from February 14, 1942.

First Lt. Jerome Dudley Textor, Medical Corps (temporary captain, Army of the United States), with rank from February 24, 1942, subject to examination required by law.

First Lt. William Leroy Vogt, Medical Corps (temporary captain, Army of the United States), with rank from February 24, 1942.

First Lt. Robert H. Looney, Jr., Medical Corps (temporary captain, Army of the United States), with rank from February 24, 1942.

DENTAL CORPS

To be colonels

Lt. Col. Lee Stanley Fountain, Dental Corps, with rank from February 23, 1942.

Lt. Col. John Lloyd Schock, Dental Corps (temporary colonel, Army of the United States), with rank from February 24, 1942.

Lt. Col. Charles Walter Lewis, Dental Corps, with rank from February 25, 1942, subject to examination required by law.

To be captain

First Lt. George Henry Parrot, Jr., Dental Corps (temporary captain, Army of the United States), with rank from February 23, 1942.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE MAJOR GENERAL

Brig. Gen. Thomas Matthews Robins (colonel, Corps of Engineers), Assistant to the Chief of Engineers.

Brig. Gen. Brehon Burke Somervell (lieutenant colonel, Corps of Engineers), Army of the United States.

Brig. Gen. Carl Spaatz (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Assistant to the Chief of the Air Corps.

Brig. Gen. Sherman Miles, United States Army.

TO BE BRIGADIER GENERAL

Col. David McCoach, Jr., Corps of Engineers.

Col. James Arthur Code, Jr. (lieutenant colonel, Signal Corps), Army of the United States.

Col. Roger Baldwin Colton, Signal Corps.

Col. Robert McGowan Littlejohn (lieutenant colonel, Quartermaster Corps), Army of the United States.

Col. Henry Spiese Aurand (lieutenant colonel, Ordnance Department), Army of the United States.

Col. Hugh Chapman Minton (lieutenant colonel, Ordnance Department), Army of the United States.

Col. Alexander Wilson, Chemical Warfare Service.

Col. Paul Xavier English (lieutenant colonel, Chemical Warfare Service), Army of the United States.

Col. Charles Clark Hillman, Medical Corps.

Col. Frederick William Browne, Finance Department.

Col. Haig Shekerjian, Chemical Warfare Service.

Col. Isaac Spalding (lieutenant colonel, Field Artillery), Army of the United States.

Col. Leven Cooper Allen (lieutenant colonel, Infantry), Army of the United States.

Col. Edwin Colyer McNeil, Judge Advocate General's Department.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 28 (legislative day of January 23), 1942:

SECURITIES AND EXCHANGE COMMISSION

Robert H. O'Brien to be a member of the Securities and Exchange Commission.

NATIONAL MEDIATION BOARD

George A. Cook to be a member of the National Mediation Board.

UNITED STATES PUBLIC HEALTH SERVICE

Clovis E. Martin to be a passed assistant dental surgeon, to rank from February 13, 1942.

POSTMASTERS

MINNESOTA

Mathew T. Huss, Fairmont.
Amelia M. Eddy, Orr.
Mike J. Leonard, Plainview.
Maurice A. Marchand, Rice.
Evelyn A. Swenson, Warren.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE BRIGADIER GENERALS

Earl Larue Naiden
Philip Ries Faymonville
Arthur Riehl Wilson
Patrick Jay Hurley

TO BE A MAJOR GENERAL

Julian Francis Barnes

PROMOTIONS IN THE NAVY

MARINE CORPS

To be a lieutenant colonel

William L. McKittrick

To be a major

Robert B. Luckey

To be captains

Malcolm O. Donohoo
Ellsworth G. Van Orman

To be second lieutenants

Elbert S. Maloney, Jr.
Harold "K" Throneson
Quintin A. Bradley

HOUSE OF REPRESENTATIVES

WEDNESDAY, JANUARY 28, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord of life and King of glory, we thank Thee for Thy guidance and strength when our own wisdom and understanding fail. How wonderfully Thou hast led us as a people; in war and in pestilence, in loss and in panic Thou hast saved and blest us. When the darkness clouded Thee and Thy hand seemed heavy, in Thy providence Thou didst

temper the storm and didst bring us into the harbor of unity and security.

We praised Thee for the men of old who dreamed dreams and saw visions and cast their light far into the future to lead us on to grander and larger achievements, that our country might go forward with a safe and unfaltering step. Our Father in heaven, grant that we may see eye to eye and stand shoulder to shoulder and with singleness of heart and purpose forge out of the assaults of evil the shield and breastplate of national brotherhood. We pray Thee to lead us to surrender all dreams of appetite and greed that the purple dawn of everlasting day shall not break upon us in vain. While kindled with a sublime and mighty enthusiasm, do Thou continue to inspire us that we may fulfill our destiny without haste and without pause. In the name of our Saviour and our Elder Brother. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5990) entitled "An act to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes."

SELECT COMMITTEE TO INVESTIGATE AIR ACCIDENTS

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 422), and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That further expenses of conducting the investigation and study authorized by House Resolution 125 of the Seventy-seventh Congress, first session, and continued by House Resolution 403 of the Seventy-seventh Congress, second session, incurred by the Select Committee to Investigate Air Accidents, acting as a whole or by subcommittee, not to exceed an additional $10,000, including expenditures for the employment of clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee thereof conducting such investigation and study or any part thereof, signed by the chairman of the committee and approved by the Committee on Accounts.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short newspaper article on the price-control bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PVT. ROBERT H. BROOKS, NEGRO SOLDIER, FIRST AMERICAN TO FALL IN PHILIPPINES DECEMBER 8

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. MITCHELL addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. WILSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein an editorial written by Mr. M. E. Garber, editor of the Madison Courier, on the Roberts report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. JONES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. JONES]?

There was no objection.

[Mr. JONES addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech I delivered in Milwaukee.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. THILL]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER].

There was no objection.

[Mr. CELLER addressed the House. His remarks appear in the Appendix.]

THE FEDERAL COMMUNICATIONS COMMISSION

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. COX]?

There was no objection.

Mr. COX. Mr. Speaker, Mr. Fly, of the Communications Commission is using a good law to a bad end. He is guilty of a monstrous abuse of power and is rapidly becoming the most dangerous man in the Government. He maintains an active and ambitious Gestapo and is putting shackles on the freedom of thought, press, and speech without restraint.

In the pretended regulation of the broadcasters, which needs regulating, he is breaking down those freedoms which guard all others. He is taking advantage of the stress of the moment to federalize all means of communication.

I have heretofore opposed the investigation of executive departments of the Government, but the Communications Commission, as now operating under Mr. Fly, must be stopped, and I intend offering a resolution for House investigation.

TRANSFER OF ADMINISTRATION OF NAVAL SUPPLY DEPOT TO COMMANDANT, TWELFTH NAVAL DISTRICT

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2028) to amend section 3 (a) of the act entitled "An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes," approved June 2, 1939 (53 Stat. 800), so as to transfer the administration of the Naval Supply Depot, Oakland, to the commandant, twelfth naval district.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Georgia explain just what this bill does?

Mr. VINSON of Georgia. Mr. Speaker, under the law the commandant of the Mare Island Navy Yard has jurisdiction of what is known as the supply depot at Oakland, Calif. This transfers that to the commandant of the twelfth naval district. That is all it does.

Mr. MARTIN of Massachusetts. He is in better position to exercise authority?

Mr. VINSON of Georgia. He is in a better position, because a navy yard is a different operation from a supply depot.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 (a) of the act entitled "An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes," approved June 2, 1939 (53 Stat. 800), is hereby amended by striking out the first proviso and inserting in lieu thereof the following: "*Provided*, That such land shall be used only as a naval supply depot and for no other purpose, and such depot shall be a part of the Naval Operating Base, San Francisco, and shall be so administered by the commandant, twelfth naval district:".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF CERTAIN LANDS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1133) to authorize the transfer of lands from the United States to the Maryland-National Capital Park and Planning Commission under certain conditions, and to accept title to another tract to be transferred to the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. VINSON of Georgia. Mr. Speaker, the purpose of this bill is to permit the Secretary of the Navy to transfer to the Maryland-National Capital Park and Planning Commission about 18 acres of land the Navy does not need out here in the Bethesda neighborhood, where the

naval hospital has been constructed. In lieu thereof, the Maryland highway authority will transfer to the Government a road that runs through the property on which the naval hospital has been built.

Mr. MARTIN of Massachusetts. For what will they use this land?

Mr. VINSON of Georgia. This land the Government is transferring will be used by the Maryland-National Capital Park and Planning Commission as a continuation of the Rock Creek Park system. It is between Chevy Chase, Md., and Kensington, Md.

Mr. MARTIN of Massachusetts. When the Navy acquired this property, how much did it pay for it?

Mr. VINSON of Georgia. I forget, but I think it was, as in the case of all land purchased around here, a very large price. However, I do not recall.

Mr. MARTIN of Massachusetts. What did the Navy purchase it for?

Mr. VINSON of Georgia. They purchased it for constructing a naval hospital and medical center. It is beyond the town of Bethesda in Montgomery County, Md.

Mr. MARTIN of Massachusetts. Will they ever have occasion to use this land for that purpose?

Mr. VINSON of Georgia. They will never have occasion to use it for that purpose, because they have some 200 acres, and this is one end of it that is on the continuation of Connecticut Avenue that runs out to Kensington.

Mr. MARTIN of Massachusetts. For this very valuable land we get a road?

Mr. VINSON of Georgia. That is all. A road runs through this property which the Government has bought. We will take that road and give them this property.

Mr. MARTIN of Massachusetts. And relieve the State of paying the upkeep of that road, I presume.

Mr. VINSON of Georgia. I imagine we will keep up our own road or do away with the road.

Mr. MARTIN of Massachsetts. Is the Department in favor of this bill?

Mr. VINSON of Georgia. Yes. This was a Department request and the bill is recommended by the Budget.

Mr. DITTER. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Pennsylvania.

Mr. DITTER. Is the gentleman prepared to say that we are getting value from the State of Maryland for the joint conveyances that are being made?

Mr. VINSON of Georgia. I would say that the land we are giving is probably worth more in dollars and cents than the roadway and its right-of-way, but it is a part of the planning program and the public will have the benefit of it as a continuation of the Rock Creek Park system.

Mr. DITTER. The point I am making is that this results in the purchase of too much land by the Navy.

Mr. VINSON of Georgia. That is probably true.

Mr. DITTER. And the expenditure of a greater sum than should have been required?

Mr. VINSON of Georgia. That is right.

Mr. DITTER. By way of compensation, we are now going to be bountiful to the State of Maryland and give them something for which we are not getting a return of equal value.

Mr. VINSON of Georgia. I would say that as far as dollars and cents are concerned the land we are transferring is worth more than the road and the right-of-way.

Mr. MARTIN of Massachusetts. What is the urgency of this legislation?

Mr. VINSON of Georgia. The urgency is that the Maryland-National Capital Parks and Planning Commission wants to carry on their work out there.

If there is any objection, let somebody object, because it does not make any difference to me.

The SPEAKER. The Chair recognized the gentleman from Georgia on the theory that the bill would pass by unanimous consent and there would be no controversy about it.

Does the gentleman from Georgia wish to withdraw the bill?

Mr. VINSON of Georgia. I withdraw the bill, Mr. Speaker.

SALVAGE FACILITIES FOR THE NAVY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6356) to amend the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes"—Public Law Numbered 280, Seventy-seventh Congress—so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), be, and the same is hereby, amended to read as follows:

"SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such funds as may be necessary to effectuate the purposes of this act."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. VINSON of Georgia. Mr. Speaker, the purpose of this bill is to remove the limitation of $3,000,000 which may be appropriated for salvage work. Under a bill we passed in October, a limitation of $3,000,000 was placed on salvage work. Since an enormous amount of salvage work will have to be done at Pearl Harbor, the Navy Department requests that no limitation be imposed, but that it be left to the Committee on Appropriations as to how much shall be appropriated.

Mr. RICH. Reserving the right to object, Mr. Speaker, will the Navy go ahead and do this work until the Committee on Appropriations appropriates the money for that purpose?

Mr. VINSON of Georgia. I do not know that they will do any of this work, but I presume the Committee on Appropriations will handle the matter immediately inasmuch as the salvage work must go forward. The limit now is $3,000,000.

Mr. RICH. If this bill is passed, can they go ahead without any limit?

Mr. VINSON of Georgia. Yes.

Mr. RICH. Action must first be taken by the Committee on Appropriations.

Mr. HOFFMAN. Reserving the right to object, Mr. Speaker, I notice the gentleman has several bills in his hand. I assume he is going to ask unanimous consent for the consideration of all of them?

Mr. VINSON of Georgia. I am.

Mr. HOFFMAN. Is there anything in any of them that will grant any annuity or added compensation to any Congressman or Senator?

Mr. VINSON of Georgia. No.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADVANCEMENT ON THE RETIRED LIST OF CERTAIN OFFICERS OF THE NAVY AND MARINE CORPS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1630) to provide for the advancement on the retired list of certain officers of the United States Navy and Marine Corps.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That all officers of the Navy and Marine Corps, retired prior to June 23, 1938, and all staff officers of the Navy who have been or shall be retired on or subsequent to that date, who have been specially commended for their performance of duty in actual combat by the head of the executive department under whose jurisdiction such duty was performed, and who have not been advanced on the retired list under any other provision of law, shall be advanced on the retired list to the rank of the next higher grade with three-fourths of the active-duty pay of the grade in which serving at the time of retirement: *Provided*, That no increased retired pay shall be held to accrue to any such officer prior to the date of approval of this act.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the purpose of the bill?

Mr. VINSON of Georgia. Mr. Speaker, the purpose of this bill is to extend to 18 officers of the Navy and 21 officers of the Marine Corps the privilege of retiring when they do retire with one rank higher than that which they now hold, due to the fact they have been commended or cited for service in combat with the enemy. Under the act of June 23, 1938, every officer from that time on who is commended by an executive head is

entitled to retire at one rank higher. These 18 officers of the Navy and 21 officers of the Marine Corps were commended prior to the enactment of the law. This is all that the measure does, and it is nothing more than right.

Mr. RICH. Reserving the right to object, Mr. Speaker, the gentleman's committee has given consideration to this bill?

Mr. VINSON of Georgia. The committee has; yes.

Mr. RICH. And you are going to grant these officers compensation that is higher than they would receive if they retired with the rank they now hold?

Mr. VINSON of Georgia. No; it is simply a matter of rank.

Mr. RICH. They will receive the higher pay.

Mr. VINSON of Georgia. No; because all the pay is based on longevity. Pay is not based on rank but the length of service, and these 18 men were commended for outstanding service before the law went into effect. The rule applies to everybody from June 28, 1938, down to date, but these 18 men were commended before the enactment of the law, and we are simply doing for them what we are doing for others from now on.

Mr. RICH. And it will not cost the taxpayers any more money?

Mr. VINSON of Georgia. I hope it will not.

Mr. RICH. If it does, I shall object, because I think we have gone too far in granting compensation to certain men, and especially Members of Congress, as well as other people in this country, and I shall object——

Mr. VINSON of Georgia. It will cost annually $1,463.75.

Mr. RICH. Then I object. You cannot go on further, you have got to stop somewhere.

The SPEAKER. Objection is heard.

AMENDMENT OF THE SPEED-UP LAW

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6355) to amend the act entitled "An act to expedite national defense, and for other purposes," approved June 28, 1940.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 12 of the act entitled "An act to expedite national defense, and for other purposes," approved June 28, 1940 (54 Stat. 681), as amended, is amended by striking out, in line 2 the date "June 30, 1942", and inserting in lieu thereof the date "June 30, 1944", so that the section shall read as follows:

"SEC. 12. The provisions of all preceding sections of this act, as heretofore or hereafter amended or modified, shall terminate June 30, 1944, unless the Congress shall otherwise provide."

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Georgia explain this bill?

Mr. VINSON of Georgia. Mr. Speaker, under the language of what is known as the speed-up law, the act expires 2 years from its date, which was June 1942. The purpose of this bill is to extend the speed-up law from June 1942 to June 1944.

Mr. MARTIN of Massachusetts. For the information of the House, what is the speed-up law?

Mr. VINSON of Georgia. The speed-up law was enacted to permit negotiated contracts and permit the Navy to do certain things for the rapid development of its national defense program. This bill merely extends the life of the restrictions we put on that measure.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADVANCEMENT ON RETIRED LIST OF CERTAIN OFFICERS OF THE UNITED STATES NAVY AND MARINE CORPS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S 2139) to provide for performance of the duties of chiefs of bureau and the Judge Advocate General in the Navy Department, and the Major General Commandant of the Marine Corps, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted, etc., That during the absence, disability, or a temporary vacancy in the office of the chief of any bureau of the Navy Department or the Judge Advocate General of the Navy, when the assistant to such chief of bureau or the Judge Advocate General is absent or disabled, the heads of the major divisions of such bureau or office shall, unless otherwise directed by the President, perform the duties of the chief of bureau or the Judge Advocate General, in such order as the Secretary of the Navy may direct.

SEC. 2. A line officer on the active list of the Marine Corps may be detailed as assistant to the Major General Commandant of the Marine Corps and shall, while so serving, receive the highest pay of his rank. Such assistant to the Major General Commandant, and then the line officers of the Marine Corps on duty at the headquarters of the Marine Corps in the order of seniority, shall, unless otherwise directed by the President, perform the duties of the Major General Commandant during his absence, disability, or in the event of a temporary vacancy in that office.

Mr. VINSON of Georgia. Mr. Speaker, under the law today the head of the bureau and his assistant are permitted to sign official documents. If he is away, then they are signed by the Chief Clerk. This permits an officer, for instance, in the third rank to sign the papers. The bill is very important.

Mr. MARTIN of Massachusetts. I have no objection, Mr. Speaker.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROHIBITING PAYMENT OF CERTAIN ALLOWANCES TO RETIRED OFFICERS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1589) to prohibit payment of money allowance for subsistence and rental to retired officers of the Navy or Marine Corps for any period when not employed on active duty, which I send to the desk.

The Clerk read the bill, as follows:

Be it enacted, etc., That hereafter money allowances for subsistence and rental shall not accrue to any officer of the Navy or Marine Corps on the retired list for any period during which any such officer is not employed on active duty.

SEC. 2. All laws and parts of laws, insofar as they are in conflict with the provisions of this act, are hereby repealed.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Will the gentleman explain the bill?

Mr. VINSON of Georgia. Mr. Speaker, and I particularly invite the attention of the gentleman from Pennsylvania [Mr. RICH] to this, this bill is in the interest of economy. There are six officers who, on account of the wording of the law, are entitled, when on retired pay, to draw pay and allowances and pay emoluments. We are taking that away from them.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection.

Mr. RICH. That might be a good thing to do.

Mr. SABATH. Mr. Speaker, I reserve the right to object. I did not hear just what the gentleman said.

Mr. VINSON of Georgia. I stated that under the law today, due to certain wording, six retired officers are permitted to draw subsistence and allowance, and pay emoluments and this is taking that away from them and putting them in the same category with retired officers from now on, who are not permitted to draw this pay.

Mr. SABATH. But this bill applies only to six, and we have a hundred or more of them.

Mr. VINSON of Georgia. Oh, no; we have not. It applies only to six and that is all there are.

Mr. SABATH. But we have many others who are drawing high compensation.

Mr. VINSON of Georgia. That is a different thing.

Mr. SABATH. Men who have accepted positions with large corporations, and who are receiving from $25,000 to $50,000 a year. They should be taken off the pay roll also.

Mr. VINSON of Georgia. But that is an entirely different matter. This is for the rent of his house. The matter that the gentleman is talking about is a different thing.

Mr. SABATH. I think they should be taken off the list.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

OVERTIME PAY FOR CERTAIN EMPLOYEES, NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 2112) authorizing overtime pay for certain employees for the National Advisory Committee for Aeronautics, which I send to the desk and ask to have read.

The Clerk read the bill, as follows:

Be it enacted, etc., That compensation for employment in excess of 40 hours in any administrative workweek computed at a rate of one and one-half times the regular rate is hereby authorized to be paid, under such regulations as the President may prescribe, to those employees in the field service of the National Advisory Committee for Aeronautics

whose overtime services are essential to the national defense program and whose duties are determined by the President to be comparable to the duties of those employees of the War Department, the Navy Department, and the Coast Guard, for whom overtime compensation is authorized under existing law and regulations: *Provided*, That in determining the overtime compensation of per annum employees the base pay for 1 day shall be considered to be one three-hundred-and-sixtieth of the respective per annum salaries.

SEC. 2. The provisions of this act shall be effective during the national emergency declared by the President on September 8, 1939, to exist, and shall terminate June 30, 1943, unless the Congress shall otherwise provide.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. What does this bill do?

Mr. VINSON of Georgia. Under the law today what is known in the Navy service as field employees—architects, engineers, who are engaged in work outside of the District of Columbia—are permitted to draw pay and a half overtime. This bill extends the same privilege to that group of about 125 very highly skilled men who are connected with the National Advisory Committee in the testing work down here at Langley Field. The representatives of Langley Field said that, on account of the high compensation being paid by industry, their skilled men, who work in making their laboratory tests, are being drawn away from them and going to industry, and the result will be that that great laboratory work that is being carried on by this high scientific force in the development of aviation will materally suffer as they lose their personnel because they cannot meet the condition of industry. That is the whole bill.

Mr. DITTER. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. DITTER. The gentleman is aware there are certain differences with respect to men connected with the Naval Establishment, by which certain ones have privileges of overtime.

Mr. VINSON of Georgia. Yes.

Mr. DITTER. And time and a half, and others do not.

Mr. VINSON of Georgia. That is correct.

Mr. DITTER. Rather than just legislate for this group connected with Langley Field, might it not be better for the Naval Affairs Committee to go into this problem as a whole in respect to these technical employees, many of whom are connected with the Bureau right here in Washington, and see whether we cannot work out an equitable program which would apply to all?

Mr. VINSON of Georgia. May I say to the gentleman from Pennsylvania that when this subject matter was first broached in the committee I stated that I am very much opposed to paying to any Government worker who has a permanent job, together with sick leave and a vacation period, time and a half overtime, because the principle of time and a half overtime is to be applied to a person who labors and not to one who may be engaged in what is known as white-collar work. However, we were confronted there, just as we are confronted here, with the fact that industry is taking away these skilled people on account of the fact that they are paying higher wages, and we must meet the competition and lessen the evil of time and a half to a limited number of places.

Mr. DITTER. If the gentleman will yield further, the very point that the gentleman now emphasizes is the reason for the suggestion that I make. There are men of the same type identified particularly with the Bureau of Yards and Docks who today are giving the type of service that private enterprise might be glad to get. Yet those men in the Bureau here are discriminated against if this inequitable—and I charge it as inequitable—program of compensation prevails. It seems to me we ought to establish a standard of equity to all.

Mr. VINSON of Georgia. That may be, but I certainly hope the gentleman from Pennsylvania will not insist on establishing as a uniform rule that all Government clerks who work over a certain number of hours shall get time and a half overtime.

Mr. DITTER. Such a suggestion was not included in the statement I made.

Mr. VINSON of Georgia. That is where it leads to. We are trying to hold it down. There are certain people, such as architects, who may have to have time and a half overtime because no one can step in and take up where his mind has left off. Therefore, he should have time and a half overtime. But certainly no clerk or stenographer, who can stop at any time, should be put on a time-and-a-half overtime basis. If the gentleman is going to object, I trust he will do so immediately, because the Speaker will not permit any further interruption of the day's calendar.

Mr. DITTER. I will not object, but I certainly hope the gentleman will use his influence and endeavor to have technical workers in the Bureau placed on the same basis.

Mr. VINSON of Georgia. I will say to the gentleman that I will give it proper consideration.

The SPEAKER. Is there objection?

Mr. HOFFMAN. Mr. Speaker, I object.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to withdraw the bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SESSION OF THE COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

Mr. LANHAM. Mr. Speaker, I ask unanimous consent that the Committee on Public Buildings and Grounds be permitted to sit during the session of the House tomorrow.

The SPEAKER. Is there objection?

There was no objection.

WOMEN'S AUXILIARY CORPS FOR THE ARMY

Mr. MAY. Mr. Speaker, I ask unanimous consent that the Committee on Military Affairs may have until midnight to file a report on the bill (H. R. 6293) relating to women's auxiliary corps for the Army.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Reserving the right to object—and I am not going to object—is there any minority report on that bill?

Mr. MAY. No; it is a unanimous report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMENDING THE FOREIGN AGENTS' REGISTRATION ACT

Mr. SUMNERS of Texas. Mr. Speaker, I call up the conference report on the bill (H. R. 6269) to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. DIES. Mr. Speaker, reserving the right to object, I wonder if we can have some agreement about the division of time upon the consideration of this conference report? I should want at least 30 minutes to discuss the matter with the House, if I may have it. I thought perhaps we could get unanimous consent for an extension of the 1 hour, in order to cover whatever time may be required by the committee and also by others.

The SPEAKER. Under the rule the gentleman from Texas [Mr. SUMNERS] has 1 hour and it is under his control. He can yield to whomever he pleases.

Mr. DIES. We can extend that by unanimous consent. I was wondering how much time the gentleman from Texas [Mr. SUMNERS] would require?

Mr. SUMNERS of Texas. May I say to the gentleman that in view of the fact that the responsibility rests upon the managers on the part of the House to assume the burden with reference to this report, I do not see how we can get along with less than 40 minutes.

Mr. DIES. Can the gentleman yield me 20 minutes?

Mr. SUMNERS of Texas. Yes.

Mr. DIES. Then, Mr. Speaker, I ask unanimous consent that the time be extended 10 minutes, making it 1 hour and 10 minutes. That will be only 10 minutes more than is provided under the rule.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. All of the time is under the disposition of the gentleman from Texas [Mr. SUMNERS] to yield as he pleases.

Mr. DIES. The gentleman has agreed to yield me 20 minutes. Then, of course, there will be 10 additional minutes. I am asking for 30 minutes altogether. That will enable the gentleman to yield me 30 minutes.

The SPEAKER. The gentleman can do that if he desires.

Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

Mr. MICHENER. Mr. Speaker, what is the request?

The SPEAKER. The request is that the statement be read in lieu of the report.

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6269) to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the said bill and agree to the same.

HATTON W. SUMNERS,
CHARLES F. MCLAUGHLIN,
C. E. HANCOCK,
Managers on the part of the House.

JAMES H. HUGHES,
HARLEY M. KILGORE,
JOHN A. DANAHER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6269) to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, as amended, submit the following explanation of the effect of the action agreed upon in conference and recommended in the accompanying conference report.

The bill passed by the Senate is identical with the bill as reported by the Committee on the Judiciary to the House.

The bill as reported to the House contained a definition of the word "person" as follows:

"(a) The term 'person' includes an individual, partnership, association, corporation, organization, or any other combination of individuals"—

to which was added, by floor amendment, the words: "including, but not limited to, the Communist Party of the United States, the German-American Bund, and Kyffhauserbund;"

The bill as reported to the House contained a definition of "agent of a foreign principal" to include:

"(1) any person who acts or agrees to act, within the United States, as, or who is or holds himself out to be whether or not pursuant to contractual relationship, a public-relations counsel, publicity agent, information-service employee, servant, agent, representative, or attorney for a foreign principal"—

to which was added, by floor amendment, the following:

"(1A) The term 'agent of a foreign principal' includes, but not limited to, Communist Party of the United States, the German-American Bund, and the Kyffhauserbund;".

The bill as reported to the House contained a requirement that the registration statement shall include:

"(1) Registrant's name, principal business address, and all other business addresses in the United States or elsewhere, and all residence addresses, if any;

"(2) Status of the registrant; if an individual, nationality; if a partnership, name, residence addresses, and nationality of each partner and a true and complete copy of its articles of copartnership; if an association, corporation, organization, or any other combination of individuals, the name, residence addresses, and nationality of each director and officer and of each person performing the functions of a director or officer and a true and complete copy of its charter, articles of incorporation, association, constitution, and bylaws, and amendments thereto; a copy of every other instrument or document and a statement of the terms and conditions of every oral agreement relating to its organization, powers, and purposes; and a statement of its ownership and control;

"(3) A comprehensive statement of the nature of registrant's business; a complete list of registrant's employees, and a statement of the nature of the work of each, unless, and to the extent, this requirement is waived in writing by the Attorney General; the name and address of every foreign principal for whom the registrant is acting, assuming or purporting to act or has agreed to act; the character of the business or other activities of every such foreign principal, and, if any such foreign principal be other than a natural person, a statement of the ownership and control of each; and the extent, if any, to which each such foreign principal is supervised, directed, owned, controlled, financed, or subsidized, in whole or in part, by any government of a foreign country or foreign political party;"

The third floor amendment inserted the words "members, officers, directors" in the paragraph next above, immediately after the word "employees".

The managers on the part of the Senate were of the opinion that its bill, identical with the House bill without the floor amendments, includes every individual, partnership, association, corporation, organization, or any other combination of individuals sought to be included within the scope of the bill by the floor amendments, assuming they are agents of a foreign principal. The managers on the part of the House were compelled to recognize the correctness of that position.

HATTON W. SUMNERS,
CHARLES F. MCLAUGHLIN,
C. E. HANCOCK,
Managers on the part of the House.

The SPEAKER pro tempore (Mr. COOPER). The gentleman from Texas is recognized for 70 minutes.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 10 minutes to the gentleman from Nebraska [Mr. MCLAUGHLIN].

Mr. MCLAUGHLIN. Mr. Speaker, the matter before the House is the conference report on the bill H. R. 6269. This bill came before the House, under a rule, on December 19, 1941. Extensive hearings had been held and it had been carefully considered by the Committee on the Judiciary and had been unanimously reported favorably by the Committee on the Judiciary. The bill amends, expands, and clarifies the so-called McCormack Act of 1938, which required the registration with the Department of State of agents in the United States of foreign principals.

The existing law worked quite satisfactorily, but the Department of State, the Department of Justice, and the Post Office Department all reported that, in order to make the law more effective, it is desirable, if not indeed necessary, that the bill be amended so as to put into it more effective provisions to carry out its intents and purposes. As I have indicated, hearings were held before a subcommittee of the Judiciary Committee, of which subcommittee I happen to be chairman, and a very complete record was made and printed and was available to the membership. When the bill came before the House on the 19th day of December there was no opposition to the bill itself, there was no opposition to the objectives of the bill, there was no opposition to the minutia of the bill save and except that the gentleman from Texas [Mr. DIES] proposed three amendments. Those three amendments, to which I will presently refer, were adopted by the House; and I might say parenthetically that there was a very meager attendance on the floor at that time and the amendments were adopted, as shown by the vote, by a very small number of Members.

The bill was passed in the Senate in the identical form in which it had been unanimously reported favorably to the House by the Committee on the Judiciary. In other words, it was passed by the Senate without the amendments which had been proposed by the gentleman from Texas and which had been adopted in the House. The bill went to conference and the conferees had before them a disagreement between the Senate and the House on only three amendments. The managers on the part of the House appointed by the Chair, were the distinguished chairman of the Judiciary Committee, the gentleman from Texas [Mr. SUMNERS], the gentleman from New York [Mr. HANCOCK], and myself. We held a meeting with the conferees on the part of the Senate and after careful consideration and after a full presentation by the managers on the part of the House of the views of the House, and after a presentation to the conference of the request which is implicit in the action of the House that the amendments be consented to, we considered the question and came to the conclusion unanimously that the amendments should not be agreed to. The conference report therefore comes before the House today with a report and a statement in which the managers take the position and recommend to the House that the amendments agreed to in the House and not agreed to in the Senate should not be kept in the bill.

In the bill, under the caption "Definition," there is set forth the characterization of the word "person." A statement of what the word "person" means follows:

(a) The term "person" includes an individual, partnership, association, corporation, organization, or any other combination of individuals.

In other words, wherever the word "person" appears in the bill it includes all of the designations I have mentioned. So the word "person" is all inclusive, and it is generally agreed that it is all inclusive.

Under the definition "agent of a foreign principal," there are four extensive paragraphs setting forth the definitions, and in each of these paragraphs the word "person" is used. As an example the first paragraph provides:

Any person who acts or agrees to act, within the United States, as, or who is or holds himself out to be whether or not pursuant to contractual relationship, a public-relations counsel, publicity agent, information-service employee, servant, agent, representative, or attorney for a foreign principal.

This bill is so inclusive that it is not possible to conceive of any individual, organization, association, corporation, or any other combination of individuals which would not be included in the term "person." There is not any

necessity to extend or enlarge the definition of the word "person." In fact, it would not be possible, by any alleged purported or attempted amendment of the definition of the word "person" to enlarge or extend such definition. The fact is that the definition is all embracing and all inclusive.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. McLAUGHLIN. I yield to the distinguished majority leader.

Mr. McCORMACK. It also includes any foreign government or any foreign political party.

Mr. McLAUGHLIN. Oh, yes. The bill specifically provides that the term "foreign principal" includes "a government of a foreign country and a foreign political party."

Mr. McCORMACK. I know, because I am the author of the original law. It is all-embracive, all-inclusive. There are absolutely no exemptions. That is so under existing law, and these amendments strengthen existing law.

Mr. McLAUGHLIN. That is entirely true. In other words, to repeat, the word "person" wherever used as designation of an agent of a foreign principal in this bill is all-inclusive. If you would designate any number of individual persons or organizations as a part of the definition of "person," you would not add a single thing to this bill, because the word "person," as defined in the bill, is so all-inclusive and comprehensive that nothing which might be added could possibly add to the term "person."

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. McLAUGHLIN. Mr. Speaker, the gentleman from Texas [Mr. DIES] proposed and the House adopted an amendment to the definition of the word "person," as follows: After a statement of the definition of the term "person" to which I have referred, the gentleman from Texas [Mr. DIES] suggested this amendment: "including but not limited to the Communist Party of America, the German-American Bund, and Kyffhauserbund."

Regardless of how we may feel about these organizations, there is no necessity to put these names in. It adds nothing to the bill. The same is true of the definition of an agent of a foreign principal, where the amendment proposed by the gentleman from Texas [Mr. DIES], and adopted by the House, provided it shall include but not be limited to the Communist Party of the United States, the German-American Bund, and the Kyffhauserbund.

There is no addition made by the gentleman from Texas [Mr. DIES] in his amendment. Regardless of how we may feel toward any of these organizations, the bill as it appeared before his amendments were adopted and as it will be enforced if enacted into law without these amendments includes these various organizations, and there is no necessity for the inclusion of them by specification. Their inclusion would add nothing whatever to the bill.

The same argument applies to the third amendment.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 20 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Speaker, at the proper time I shall offer a motion to recommit the conference report, with instructions to the House managers to insist upon the amendments which the House adopted and which specifically require the Communist Party of the United States, the German-American Bund, and the Kyffhauserbund to register under the terms of this act and to furnish the names of their officers and members. The House and Senate conferees struck these amendments from the pending bill.

If the House passes this bill without the amendments which were adopted when the bill was before the House, the bill will fail to reach the large class of foreign agents in this country. When I offered these amendments they were opposed on the ground that they constitute a violation of the constitutional provision against bills of attainder. I have carefully briefed the question, and I am certain that these objections are not valid. I do not believe that any Member who will examine the question will conclude that there is any question of bills of attainder involved in the wording of these amendments. However, I suggested to the chairman of the Judiciary Committee that if the conferees objected to the language of the amendments because the Communist Party, the Kyffhauserbund, and the German-American Bund were mentioned by names that I would agree to an amendment which merely provides that any organization which teaches or advocates communism, fascism, or nazi-ism shall be required to register under the terms of the bill and furnish the names of their officers and members. I assume that this did not meet with the objection of the conferees.

The bill as it now stands, after my amendments were stricken from it, will not include these foreign-controlled political organizations. The bill adds nothing to the Voorhis Act and the McCormack Act insofar as these organizations are concerned. To avoid the provisions of the Voorhis Act, the Communist Party, at its national convention, passed a resolution pretending to separate itself from the Communist International in Moscow. The insincerity of this resolution was demonstrated by the fact that previous to its adoption the Communist Party had always vigorously denied its control by the Communist International. However, the Special Committee on Un-American Activities has conclusively shown, not only by independent testimony and evidence but also by admissions of the Communist leaders that the Communist Party of the United States is dominated and controlled by the Communist International. It was because of this evidence and the unanimous findings of our committee that the Communist Party resorted to the subterfuge of a formal resolution of separation to escape any legislative requirement that would compel them to disclose the names of their members.

These foreign-controlled political organizations will, of course, resist every effort to compel them to disclose the names of their members because they know that many of their members hold key positions in the Government, in labor unions, in defense industries, and in numerous other organizations. The disclosure of their membership would embarrass many of these people and destroy the effectiveness of their subversive work. The recognition of this fact no doubt inspired the campaign of opposition to my amendments which the Communist Party has carried on so strenuously in the past few weeks. Several days ago I inserted in the CONGRESSIONAL RECORD a front-page article from the Daily Worker, the official publication of the Communist Party. This article recited the activities of the Communists in opposing my amendments and the Communist front organizations that had joined them in the effort.

There seems to be a sincere belief on the part of some that my amendments will antagonize the Soviet Union and, to some extent, embarrass our war efforts. While I respect the opinions of those who sincerely hold this view, I am compelled to disagree with them with all the force at my command. If the Communist Party is sincere in its formal declaration that there is no connection between it and the Soviet Union, or any agency of the Soviet Union, why should the Soviet Union be offended when we require the Communist Party of the United States to register and furnish certain information? The majority of Communist members are citizens of the United States and the organization exists in our own country. Have we come to the time when we dare not legislate with reference to a domestic organization that is made up of our citizens and operating on our own shores, and which claims to have no connection with a foreign government, because someone fears that our action may displease some foreign dictator? There are those who feel that it has become indelicate even to speak of the Communist "fifth column." Such persons seem to think that the Russians' heroic fight against the invading Nazi hordes is good ground for closing our eyes to the nature and ultimate aims of the Communist Party of the United States. Such a view is, in my opinion, wholly devoid of logic. Hitler's complete annihilation at the hands of the Russian armies would not make communism one iota more compatible with the American way of life. Now is the time to look that fact squarely in the face. In concert with many and varied peoples and governments throughout the world, we have undertaken the task of destroying Hitlerism. It is no part of that enterprise that we embrace communism. Neither is it any part of that enterprise that we permit Communists to entrench themselves more deeply in our life and institutions, or to fail to take adequate measures against their subversive activities and propaganda.

The determination of the Russian people to drive Hitler's armies from their soil is a thing which we applaud wholeheartedly. The assistance of the Russian armies in detroying Hitlerism is a

matter which we welcome unreservedly. But these things have nothing whatever to do with our firm conviction that the spread of communism to new territories would be in the nature of unmitigated tragedy. Communism as an international movement reaching its tentacles into our land is a thing which we condemn as much in 1942 as we did in 1938.

The whole matter may be viewed with the frankest realism. Stalin is not fighting Hitler because he has been converted from communism to democracy. He is fighting Hitler because Hitler invaded Russia. That is Stalin's interest in the destruction of Hitlerism. We, too, have staked everything upon the destruction of Hitlerism, but for reasons which are strictly our own and not Stalin's. The destruction of Hitlerism is the one and only point on which the interests of the Soviet Union and the interests of the United States converge, and we may be sure that Stalin himself views the matter in this light.

All that my amendments require is that these foreign-controlled political organizations be required to register and furnish the names of their members and officers and certain other information required by the act. This is certainly a very moderate and reasonable provision when we consider that other democracies, such as Canada, have either outlawed the Communist Party altogether or drastically restricted its activity. England is in much graver peril than the United States and yet England suspended the publication of the London Daily Worker, the official publication of the Communist Party of England, and practically outlawed the Communist Party of England by restrictive measures. When we contrast this attitude in the interest of the English people with our own we find a remarkable difference of policy. The Communist Party of the United States certainly has no right to complain. It has been coddled in this country as in no other country on earth with the exception of Russia. Communists have been exposed by our committee in key positions in the Government and in certain labor unions. We have shown by incontrovertible evidence that members of the Communist Party have repeatedly violated the laws of our land with impunity. We have shown that the Soviet government, through its diplomatic representatives and agents, has violated every provision of the agreement under which we recognized Russia. We have proved beyond any dispute that many strikes in our defense industries have been instigated and engineered by members of the Communist Party of the United States for the purpose of sabotaging our preparedness program.

Out of all the mass of detailed evidence which has been presented to the Committee on Un-American Activities in 4 years of its existence, there has emerged one fact the importance of which probably exceeds that of all others—the Communist Party is an agency for the planning and perpetration of misdemeanors and high crimes. The crimes and misdemeanors of the Communist Party belong in a special class. Behind the Communist violations of our statutes there is a special motive which requires a special kind of understanding. The Communist criminal is not an ordinary criminal even when he is committing ordinary crimes. The extraordinary thing about a Communist is that it rests upon an elaborate philosophy which is summed up in the doctrine that the end justifies the means. Lenin himself made this perfectly clear when he said:

> Revolutionaries who are unable to combine illegal forms of struggle with every form of legal struggle are very poor revolutionaries.

What I have said explains why, as the result of our exposure, Earl Browder has been convicted and sentenced for obtaining a United States passport through fraud. It explains why William Weiner, head of the International Workers' Order and financial secretary of the Communist Party, has been convicted and sentenced for fraudulently representing himself as an American citizen. It explains why Nicholas Dozenberg, agent of Stalin's secret military intelligence service, has been convicted and sentenced for perjury in obtaining an American passport. It explains why Dr. Valentine Burtan, Communist agent for Stalin's counterfeiting ring, is now serving a sentence in the Federal prison in Lewisburg, Pa. It explains why the Communist Party practices fraud on a large scale in obtaining signatures for its election petitions.

As a result of our exposure many of them have been indicted and convicted for this offense. It explains why Communists defied our laws to recruit 4,000 American boys to send them to fight in Spain.

For 4 years I have tried to bring home to all Government officials the criminal character of the Communist Party. The Special Committee on Un-American Activities has found unanimously that the Communist Party is a "foreign conspiracy masked as a political party." This means that the Communist Party members who are subject to a strict party discipline in all their activities are foreign conspirators who cannot honorably or honestly serve the American Government.

Whether a dictator-controlled political organization has a million dues-paying members or only 10,000 is relatively unimportant when we consider what havoc a single act of treason committed by a single individual may work under the conditions of modern civilization. And yet the Communist Party, the Kyffhauserbund, and the German-American Bund have put themselves on record again and again with respect to their intentions of disloyalty to the American Government and with respect to their actual loyalty to foreign states.

If I had my way I would outlaw these organizations, because I do not believe that any foreign-controlled political organization which serves as a smoke screen for fifth-column activities should be permitted to exist in America. But I know, as you know, that there is not the slightest chance of getting this done now. But it does seem to me that the least we can do is to require these organizations to register and furnish pertinent information.

Does anyone think for a moment that Stalin would tolerate on Russian soil an American organization to promote the principles of Americanism? Does anyone think for a moment that Stalin would permit Americans or people who believe in Americanism to occupy positions of importance in his government, in labor unions, and in his defense industries? It is ridiculous to even propound such questions.

President Roosevelt in his memorable address to Congress said that we cannot compromise with evil. The Communist Party in this country is an evil organization, preaching atheism, contempt for all authority, and the overthrow of our Government by force and violence. Nazism as represented by the German-American Bund and the Kyffhauserbund is equally bad. All of them represent organized treason, actual or potential. In our natural desire to conciliate all forces that are opposing Hitlerism and to unite in a common struggle to defeat the Axis Powers, let us not forget that our first duty is to America. Let us be as vigilant and zealous in the protection of the American way of life as Stalin is in the protection of his Communist way of life. Stalin is not fighting for America to help America; he is fighting against Hitlerism to save Russia.

A fear of displeasing foreign powers and a maudlin attitude toward fifth columnists was largely responsible for the unparalleled tragedy at Pearl Harbor. The lives of more than 2,000 American boys were snuffed out and we suffered a set-back which may require the lives of thousands of American boys to overcome. It would seem that this tragic experience would produce prompt and vigorous measures against our internal enemies.

In a few weeks our committee will release a full report on Japanese espionage and sabotage. This report will contain many official letters and it will disclose that if our committee had been permitted to reveal the facts last September the tragedy of Pearl Harbor might have been averted.

Mr. Speaker, I was amazed when I heard the gentleman from New York suggest that if the F. B. I. had had the power to tap telephones it could have gotten the information and prevented the tragedy at Pearl Harbor. May I say that our committee had all the information in its files as long ago as last September, and when we file our report containing photostat copies of exhibits, showing what a commercial attaché was reporting to us, and what we in turn reported to our officials, when we make public the letters and communications of some top-ranking officials, the American people, in my opinion, will have a true picture of the official attitude in Washington toward the whole fifth column in this country.

The letters and documents in our possession may shed more light on the true situation than anything that has yet been made public. It will reveal the true attitude of official Washington toward the whole fifth-column question in all of its aspects. That, of course, is water over the dam. What is important, however, is that there be an immediate end to this suicidal policy of coddling the tools and dupes of foreign powers. No nation can defeat the uniformed soldiers of the enemy unless it first defeats the

un-uniformed and secret soldiers of the enemy in its midst. The history of every country in Europe has demonstrated this simple truth.

Mr. SUMNERS of Texas. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. DIES. Mr. Speaker, it is important to defend ourselves against the uniformed soldiers of the enemy from without, but it is equally important to defend ourselves against the un-uniformed and secret armies of dictator countries that are within.

I now make this prediction, Mr. Speaker, and I do so deliberately, that unless this Government adopts an alert attitude toward this whole question there will occur on the west coast a tragedy which will make Pearl Harbor sink into insignificance compared with it. I speak with all of the sincerity that is in my heart when I urge this Congress and this administration to view this question not from an attitude of coddling people or of maudlin sentiment, but to view it from the standpoint of the preservation of America and American institutions.

Mr. WALTER. Will the gentleman yield?

Mr. DIES. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Nearly everyone agrees generally with what the gentleman has to say. I would like to know what his answer is to the argument that this language is surplusage.

Mr. DIES. That is easy to answer. The answer is very obvious.

Mr. WALTER. It is not obvious.

Mr. DIES. You passed the Voorhis Act and the McCormack Act. The Communist Party in order to get around those acts adopted a formal resolution when they met in national convention that stated, "We have separated ourselves from the Communist International."

If you strike out my first amendment, including these organizations by name, still there is nothing in the bill requiring any organization to file the names of its officers and members.

Mr. WALTER. I disagree with the gentleman. The term "person" in the act includes an individual, partnership, association, corporation, organization, or any other combination of individuals.

Mr. DIES. I am familiar with that, but I have given the gentleman the answer that even if that includes the Communist Party—and, of course, it will never be enforced against them unless you mention them by name—still it does not require them to furnish the names of their officers and members.

Nothing in the bill does that in the absence of my amendment.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield to the gentleman from Kentucky.

Mr. MAY. The gentleman states that it may happen that after this war we shall strike another depression, when disaster and distress are all over the country. If we permit these persons to continue to extend their tentacles into our society and lay their foundations, will they not have a better chance after the war is over than they have now?

Mr. DIES. We have the illustration that less than one-half of 1 percent of the people of Russia belonged to the Communist Party, yet they seized control of the nation in a moment of chaos. Hitler's Nazi Party never had over 2,000,000 members, but by strong-arm methods and by appeal to racial hatred he was able to seize control of the government during the chaotic conditions in the last days of the republic.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield to the gentleman from Georgia.

Mr. COX. If this language be merely surplusage, then why the opposition of the Communist sympathizers to its going into the bill?

Mr. DIES. I think frankly that—well, I shall not say why I think the opposition is there.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield to the gentleman from Illinois.

Mr. SABATH. The gentleman stated that he and his committee had information in September which, if it had been acted upon, would have meant that the the disaster at Pearl Harbor would have been avoided.

Mr. DIES. That is right.

Mr. SABATH. Has the gentleman given that information to the War Department and the Navy Department?

Mr. DIES. Every day for months representatives of every agency have been in our office at our invitation making copies of our records and of our files. The Military Intelligence have gotten it all. We make our records available to everyone.

Mr. SABATH. So they did have that information; and notwithstanding that, this disaster occurred?

Mr. DIES. It occurred because the proper measures were not put into effect in Hawaii to prevent a series of acts of espionage and sabotage which enabled the Japanese to know definitely when our ships were in the harbor, to know our patrol range, and to have possession of all pertinent information so they could successfully attack us and bring about the destruction of part of our fleet.

Mr. SABATH. The gentleman's amendments do not relate to the Japanese in any way, shape, nor form.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield to the gentleman from California.

Mr. SHEPPARD. Does not the gentleman believe it would be well that we place in the language he is now proposing the word "Shintoism," which applies to a particular Japanese organization, just as Communist and bund refer to the other organizations, and that organization is just as detrimental to this Nation's welfare as they are.

Mr. DIES. The gentleman will find that in our report.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. DIES. I yield to the gentleman from New York.

Mr. CELLER. Is the gentleman familiar with the series of statutes which were passed by various States after the Civil War which precluded priests and ministers from preaching and lawyers from practicing, as a class, unless they took an oath that they had not participated in the rebellion? The Supreme Court held that legislation against a class was a bill of attainder. Would not that be in the same class as the gentleman's amendment?

Mr. DIES. What has that to do with an organization that is controlled from abroad?

Mr. CELLER. Yes; but the gentleman would legislate against a class, not against individuals.

Mr. DIES. A bill of attainder is the imposition of punishment without trial or without any provision for a trial. Of course, my amendments do not attempt to do this.

In conclusion, Mr. Speaker, permit me to say that I have cooperated in every way possible with the Secretary of State and the administration in our war efforts and our defense program. But in this instance I am convinced that the Secretary of State and the administration are wrong. In a short time we will find out who is right and who is wrong. If, as the Judiciary Committee contends, this bill applies to the Communist Party, the Kyfferhauserbund, and the German-American Bund, the Department of Justice will proceed without delay to prosecute these organizations under the terms of the act. If they fail to prosecute these organizations, it will mean that either the act as written does not apply to the organizations or that the Department of Justice refuses to enforce the act against them.

It is my prediction that the Communist Party will never be prosecuted under this act if the House permits the conferees to take my amendments out of the bill. As for me, I dare not relax my vigilance. I have already had one experience which is enough. Last September our committee subpenaed a number of witnesses to appear in Washington to expose Japanese fifth-column activities in the United States. The Secretary of State, the Department of Justice, and the President strenuously opposed the exposure of these activities. I told the Secretary of State that the situation was very serious and that prompt and effective measures should be taken. I refused to take the responsibility for calling off the hearings until I received a letter from the Department of Justice advising me that the President, the Department of Justice, and the Secretary of State were opposed to the hearings. I now regret that I called off the hearings. If those hearings had gone ahead according to schedule I am convinced that the Pearl Harbor tragedy never would have occurred, because we would have made public the plans of the Japanese to seize control of the Pacific. The administration did not want these hearings because it feared that they might offend the Japanese Government. In my anxiety to cooperate with the administration and not do anything that might embarrass it in the conduct of international affairs I yielded to the judgment of our leaders. Subsequent events

proved that they were wrong and that I would have been right had I gone ahead with the hearings.

I am convinced that there are thousands of members of these fifth-column organizations who hold key positions in the Government, defense industries, and in some labor unions. It is of the greatest importance that their identities be established. My amendments will bring about the exposure of these people and enable the Government to protect the country from them. If I should weaken in my efforts to bring about that exposure and another tragedy should occur I would blame myself. Even if these amendments are rejected this debate will accomplish some good purposes. It will show why we have been unable to get effective action against fifth-column organizations in America. It will also make a permanent record of the intention and belief of the House and Senate Judiciary Committees that this bill does apply to the Communist Party, the Kyfferhauserbund and the German-American Bund. If prompt action is not taken to prosecute these organizations under the terms of the act, the people and the Congress will know the truth I believe it has been stated by proponents of the bill that the Department of Justice helped to write the bill. I have heard it said that, as a matter of fact, they wrote the bill. Undoubtedly the Department of Justice advised the Senate and House conferees that the bill does apply to these organizations, otherwise these committees would not make the statement that these organizations come within the meaning of the act.

The issue is, therefore, made so clear that there can be no further alibis or excuses. Either these organizations will be prosecuted immediately or the people will have a right to believe that there is no official disposition to prosecute fifth columnists in this country. It is my personal opinion that no action will be taken under this act against these organizations. The McCormack Act has been on the statute books for a long time. The Voorhis Act has been on the statute books for several years. The language of those two acts are just as strong and clear with reference to these organizations as is the language of the pending bill. Years ago I asked the Department of Justice to enforce the law against these fifth-column organizations. I submitted our evidence showing that these organizations are agents of foreign powers. At that time Stalin was not fighting Hitler. During part of that period Stalin was fighting with Hitler, and yet no action was taken to enforce this law against the Communist Party. How can I believe, therefore, that the present attitude is caused by our participation in the war when it is no different than the previous attitude during the very time that Stalin was Hitler's ally. At any rate, the immediate future will prove whether I am right or wrong in this matter. For the sake of our security I hope that I am wrong and that constant exposure by our committee and the fight we are making will bring about a change in official attitude while there is still time.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I think I can claim with a little modesty, and I am sure it will not be construed as a boastful expression, to have some knowledge of the law which the present bill undertakes to amend. I drafted, in conjunction with the other members of the special committee, the law that is on the statute books. I see here my good friend the gentleman from Kansas [Mr. GUYER], who was a member of the special committee as well as the gentleman from New York [Mr. DICKSTEIN]. This law followed the recommendation of the special committee of several years ago, of which I was chairman, that investigated communism, nazi-ism, and all other subversive "isms," as well as bigotry, which to me is almost as repulsive as a direct subversive activity; because the results of bigotry bring about a division of the people and are subversive in their nature. That law covers everyone. The bill under consideration, to amend the existing law, is intended to strengthen the existing law.

When I introduced the bill as a result of the recommendations of the special committee, we had powerful opposition. It took quite a long while to get that bill through. The Committee on the Judiciary reported it out in one Congress and we could not get a rule out of the Rules Committee. I know because I tried. I could not get a rule from the Rules Committee. I could not get a hearing. That shows how much opposition there was to the bill that is now on the statute books which means so much to our country.

In any event, the present law, with the proposed amendment, covers everybody. It covers the very organizations that my friend from Texas talks about Certainly no one is more vigorous in his opposition to subversive activities in this country than I am, or more vigorous in opposition to intolerance in any form, no matter where it emanates, and I agree with everything my friend from Texas has said along such lines. So far as I am concerned, I am for the extension of his committee. That is where I stand. The committee can do a lot of effective service even in war They can go in and get records and papers that departments of government cannot get without the necessity of a search warrant, and so forth, and they can permit other departments of government to examine those records and get evidence upon which to make their own independent investigations.

We all agree with everything the gentleman from Texas has said, but that is not the point here today We are at war and we have got to be practical. The existing law covers the organizations that the gentleman attempts to put into the present bill by specifically referring to them. The present or pending bill covers them. The present bill strengthens the McCormack Act I was experimenting at that time, and, naturally, when you are experimenting you cannot go as far as you can after you have had experience, and in the light of the experience gained from the administration of the McCormack Act, these amendments are necessary to strengthen the act for the best interests of our country.

These amendments were submitted to me by the Department. I would have gladly introduced the bill; but, coming from the Department, I said the regular procedure must be followed of taking it up with the chairman of the committee, and I knew that the gentleman from Texas, Judge SUMNERS, would introduce the bill. But I stated that if for some reason he could not see his way clear to do so, I would gladly introduce a bill such as we are considering here today.

Reference has been made here to the registration or the list of names. If you will read the McCormack Act and this bill, there is broad power to issue rules and regulations, and if they cannot do it under the broad power to issue rules and regulations the Dies amendment does not call for the filing of the names of these organizations, and therefore my friend from Texas will not meet that situation by his amendment.

Mr. DIES. The gentleman is wrong.

Mr. McCORMACK. That has got to be done by other language.

Mr. DIES. One of the amendments we have here that the House adopted does require the filing of the names of the officers and members.

Mr. McCORMACK. I will accept that correction. But, in any event, the argument the gentleman made is beside the point under consideration today. But the bill covers everything when considered in connection with existing law. We are at war and you and I know that when the law meets the situation the gentleman complains of, without compelling me to make specific reference to the existing world situation, this is not the time to inflame the international situation, particularly that part of the international situation that is beneficial to our own beloved country. Not only should we respect the efforts of the gentleman from Texas [Mr. DIES] because his amendments are not necessary, the bill already covering the same, but at this time necessity and sound and practical judgment calls for the defeat of his efforts. I therefore hope the conference report will be agreed to.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. HANCOCK].

Mr. HANCOCK. Mr. Speaker, this bill is aimed at agents of foreign principals. Under the bill they are required to register, to identify themselves, and to label their propaganda. If you will read the bill, which is 26 pages long, you will find that an agent is very broadly defined. It may be an individual, partnership, association, corporation, organization, or any other combination of individuals. It is all-inclusive language. Foreign principal is likewise defined in broad general terms. The bill applies not only to Bundists and Communists, but it applies to everybody—Japs, Germans, Frenchmen, Italians—everybody who spreads propaganda for a foreign principal. There is no more sense in specifying Communists and Bundists in this bill than there would be in a statute against murder to say "this includes the Odd Fellows, the Masons, and the Elks."

It is bad form, it is bad legislation, when you are passing a general law, of

universal application, to specify any particular individual or group. It is not only faulty draftsmanship, but it weakens rather than strengthens the legislation. Some good lawyers believe it raises a question of constitutionality. This is the unanimous opinion of the conferees and I may say also of the Judiciary Committee of the Senate and the Judiciary Committee of the House.

I think this is a rather significant fact. It is something that we should not dwell upon too much for diplomatic reasons, but the Department of Justice and the Department of State, and I emphasize that, are opposed to the Dies amendments. There is no reason whatever, unless it is demagoguery, to include the Dies amendments in this bill. They add absolutely nothing to it. The bill covers the ground which we are shooting at in this particular legislation. It is not a bill to prevent sedition or subversive activities. Those subjects are taken care of in other legislation. It is merely a bill to require agents of foreign principals to let us know who they are, and when they send out propaganda to label it as such. That is all there is to it.

I appeal to you gentlemen to give weight to the unanimous opinion of the Committee on the Judiciary of both House and Senate, the Department of State, and the Department of Justice.

Mr. KEAN. Mr. Speaker, will the gentleman yield?

Mr. HANCOCK. Yes.

Mr. KEAN. In the gentleman's opinion, the adoption of the Dies amendment would hinder rather than help win the war?

Mr. HANCOCK. It would be embarrassing to our Government.

Mr. SUMNERS of Texas. Mr. Speaker, I yield 7 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Speaker, this is not a debating society. It is the Congress of the United States, and it is not only the Congress of the United States but the Congress of the United States in wartime. No one disputes the ability, the transcendental ability, of the distinguished gentleman from Texas [Mr. DIES] to make a speech. He always makes a good one, and he has made a good one here today. We agree with every single word that he has said in advocacy of the most alert and active protection against fifth columnists and all such enemies of the Republic, whether foreign or domestic. That is the sole purpose of this bill.

The distinguished gentleman virtually admits that there is no reason to mention by name the Kyffhauserbund, nor the Communist Party of the United States, nor the German-American Bund. The mudsill and basis of his argument is that the bill which the Committee on the Judiciary reported does not require the listing of the names of the members of offending organizations. That is not so. I read from page 10 of the bill where, if the agent of a foreign government is an individual, he is required to give his name, principal address, and so on; and if the registrant be a partnership, then the name, residence, addresses, and nationality of each partner must be set forth; and if a corporation, then, it must not only give the names of the directors for the current year, but those active in the direction and management, and, listen to me, also to file a true and complete copy of its charter, or certificate of incorporation. The law of every State requires such certificate to set forth the names and addresses of the incorporators, or members. Hence, if each corporate registrant must file its certificate of incorporation, we would have a list, verified by affidavit, of the original incorporators or members.

Mr. DIES. But that is not the members of the organization.

Mr. HOBBS. That is the members of the organization, and the gentleman's State requires the charter to disclose the membership of any group seeking a charter.

Mr. DIES. But that includes the stockholders, and here is an organization with hundreds of thousands of members, and you do not require that. That is what my amendment requires.

Mr. HOBBS. The gentleman has just evidenced his intimate knowledge of the subject, and his powers of discernment, because that is exactly what I do mean to contend. I call attention to the chapter of the law of the State of the gentleman from Texas. He is a distinguished member of the bar of that State, which says that corporations without capital stock must file in their charter application the names of all of the members composing the organization, and that is the law of every State in the Union that has legislated on the subject. This bill does not require the list of members of a corporation at the time of registration as a propagandist of a foreign authority, but it does require the names of the current managers and directors.

Mr. STARNES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. Yes, sir. I am always happy to yield to my distinguished and lovable colleague from Alabama.

Mr. STARNES of Alabama. Is it the contention of my distinguished and lovable colleague that this bill as recommended by the Judiciary Committee in this conference report will require the listing of the officers and the members of the Communist Party and the German-American Bund and the Kyffhauserbund?

Mr. HOBBS. Yes, sir; the officers and directors of every corporation, but only of the original members: In cases of partnerships, the name and address of every partner.

Mr. STARNES of Alabama. This does not require the members of those organizations to be brought up to date.

Mr. HOBBS. No, sir; not of corporations.

Mr. STARNES of Alabama. I wanted to get that clear, because I was afraid the gentleman was leaving that impression.

Mr. HOBBS. I quoted from page 10 what the requirements are.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. Yes, sir; but I have only a very short time.

Mr. MARCANTONIO. What is the gentleman's opinion with regard to the constitutionality of the act if an organization is mentioned by name? Does that not raise a question as to the constitutionality of the law, by specifying the particular person or group by name? Are we not thereby enacting a bill of attainder? The correct and constitutional procedure is for us to make definitions here and for the courts to interpret those definitions. That is the proper way to legislate.

Mr. HOBBS. I thank the gentleman for his question. I tried to cover that in my former speech on this subject in opposing the amendments when they were offered. I do not go so far as to say the Constitution would be violated. I think there is a very serious question as to that. Of course, a bill of attainder means more than the distinguished gentleman from Texas [Mr. DIES] intimated.

A bill of attainder is a legislative act which inflicts punishment without a judicial trial. "Bills of this sort," says Mr. Justice Story, "have been most usually passed in England in times of rebellion, or of gross subservience to the Crown, or of violent political excitements, periods in which all nations are most liable, as well the free as enslaved, to forget their duties and to trample upon the rights and liberties of others." These bills are generally directed against individuals by name, but they may be directed against a whole class. *Cummings* v. *Missouri* (71 U. S. (4 Wall.) 277, 323, 18 L. Ed. 356.)

The term "bill of attainder" within the meaning of the Federal Constitution, included a general statute passed after the Civil War, which required all attorneys at law to take an oath that they had never voluntarily borne arms against the United States, or given aid, countenance, counsel, or encouragement to persons engaged in armed hostilities thereto, as a condition to their right to practice in the Supreme Court of the United States. In this leading case the majority opinion was written by Justice Field, and was based to a large extent upon a prior decision in the same term of *Cummings* v. *State of Missouri* (4 Wall 277), in which the statute of Missouri, requiring ministers of the gospel to take a similar oath as a condition to their right to exercise the privileges of their profession, was held unconstitutional. Mr. Justice Miller on behalf of himself, the Chief Justice, and Justices Swayne and Davis delivered a dissenting opinion in *Ex parte Garland*, which is expressly made applicable not only to that case but to the case of *Cummings* v. *State of Missouri*, in which he says "the word 'attainder' is derived by Sir Thomas Tomlins, in his law dictionary, from the words 'attincta' and 'attinctura,' and is defined to be 'the stain or corruption of the blood of a criminal capitally condemned; the immediate inseparable consequence of the common law on the pronouncing the sentence of death The effect of this corruption of the blood was that the party attainted lost all inheritable quality, and could neither receive nor transmit any property or other rights by inheritance. Upon an attentive examination of the distinctive features of this kind of legislation, I think it will be found that the following comprise those essential elements of bills of attainder, in addition to the one already mentioned, which distinguish them from other legislation, and which made them so obnoxious to the statesmen who organized our Government: (1) They were convictions and sentences pronounced by the legislative department of the Government instead of the judicial. (2) The sentence pronounced and the punishment inflicted were determined by no previous law or fixed rule. (3) The investigation into the guilt of the accused, if

any such were made, was not necessarily or generally conducted in his presence or that of his counsel, and no recognized rule of evidence governed the inquiry" The conclusion of the majority of the Court was denied by the dissenting judges on the ground that the laws in question did not contain the essential requirements, in the definition of "bill of attainder," of working a corruption of blood, or in describing any person or class of persons by name or description. (*Ex parte Garland*, 71 U. S. (4 Wall.) 333, 387, 18 L. Ed. 366.)

A bill of attainder is a legislative act which inflicts punishment without a judicial trial. If the punishment be less than death, it is a bill of pains and penalties. As the term "bill of attainder" is used in the Federal Constitution, it includes both bills of attainder particularly, and bills of pains and penalties. *Cummings* v. *Missouri* (71 U. S. (4 Wall.) 277, 18 L. Ed. 356); *Drehman* v. *Stifle* (75 U. S. (8 Wall.), 595, 601, 19 L. Ed. 508); *Pierce* v. *Carskadon* (83 U. S. (16 Wall.) 234, 239, 21 L. Ed. 276.)

Quoting further from the dissenting opinion in ex parte Garland:

It is no cause for wonder that men who had just passed successfully through a desperate struggle in behalf of civil liberty should feel a detestation for legislation of which these were the prominent features. The framers of our poltical system had a full appreciation of the necessity of keeping separate and distinct the primary departments of the Government. Mr. Hamilton, in the seventy-eighth number of the Federalist, says that he agrees with the maxim of Montesquieu, that "There is no liberty if the power of judging be not separated from the legislative and executive powers."

And others of the ablest numbers of that publication are devoted to the purpose of showing that in our Constitution these powers are so justly balanced and restrained that neither will probably be able to make much encroachment upon the others. Nor was it less repugnant to their views of the security of personal rights that any person should be condemned without a hearing and punished without a law previously prescribing the nature and extent of that punishment. They therefore struck boldly at all this machinery of legislative despotism by forbidding the passage of bills of attainder and ex post facto laws, both to Congress and to the States.

The dissenting opinion in the Garland case attempts to justify its contention by saying that the act of Congress there in question did not contain the name or any designation of a person or persons, and that the barring of attorneys from the practice of their profession who had not taken a prescribed oath was not a punishment for a criminal offense. But the prevailing opinion of the Supreme Court of the United States swept aside these contentions and held the act to be unconstitutional and void, saying:

The statute is directed against parties who have offended in any of the particulars embraced by these clauses, and its object is to exclude them from the profession of the law, or at least from its practice in the courts of the United States. As the oath prescribed cannot be taken by these parties, the act, as against them, operates as a legislative decree of perpetual exclusion, and exclusion from any of the professions or any of the ordinary avocations of life for past conduct can be regarded in no other light than as punishment for such conduct. The exaction of the oath is the mode provided for ascertaining the parties upon whom the act is intended to operate, and, instead of lessening, increases its objectionable character. All enactments of this kind partake of the nature of bills of pains and penalties, and are subject to the constitutional inhibition against the passage of bills of attainder, under which general designation they are included.

But aside from the question of constitutionality, we are not children. We are not making faces. We are writing law. The traditional, time-honored, and the only acceptable way to write law is to define the class of violators that you are shooting at. This bill does it. It does it abundantly. There is no legitimate criticism.

Mr. McCORMACK. Will the gentleman yield?

Mr. HOBBS. I am so happy to yield to the distinguished majority leader.

Mr. McCORMACK. I just wanted to make this observation also, that we are all actors in a serious game today.

Mr. HOBBS. I thank the gentleman. I want to drive this point home in conclusion: Let us look at this, if you specify by name you may run afoul of the constitutional inhibition against the passage of bills of attainder, but you also provide an easy mode of evasion by a mere change of name.

CALL OF THE HOUSE

Mr. McKEOUGH. Mr. Speaker, I raise the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Evidently there is no quorum present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Roll No. 15

Andrews	Hook	Ramspeck
Baldwin	Jensen	Rees, Kans.
Bland	Johnson,	Romjue
Boehne	Lyndon B.	Schaefer, Ill.
Boggs	Johnson,	Scott
Buck	W. Va.	Sheridan
Buckley, N. Y.	Kramer	Somers, N. Y.
Carlson	Lambertson	Sweeney
Elston	Landis	Thomas, N. J.
Fenton	Larrabee	Vreeland
Ford,	Magnuson	Ward
Leland M.	Nichols	Wene
Gavagan	O'Day	Wheichel
Haines	O'Hara	Winter
Hébert	Osmers	Worley
Hinshaw	Pierce	Youngdahl
Holbrock	Rabaut	

The SPEAKER. On this roll call 383 Members have answered to their names, a quorum.

By unanimous consent, further proceedings, under the call, were dispensed with.

AMENDING THE FOREIGN AGENTS' REGISTRATION ACT

Mr. SUMNERS of Texas. Mr. Speaker, I yield 1 additional minute to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Speaker, I just want to conclude with this statement: If you mean business about doing the job that this bill will do, this is the only chance to do it. To vote down the motion that will be made by the gentleman from Texas [Mr. DIES] is the only hope for legislation on this subject by this Congress. The Senate conferees are just as adamantine and just as unanimously against it as our conferees have been. Therefore, no matter what instructions you give our conferees, you will never get the Senate to yield; and, therefore, were you to adopt the Dies motion, you would be killing the only chance to get any bill passed.

Our Nation is at war. We need this bill to become law. It does everything without the Dies amendments that it could possibly do with them. Both Judiciary Committees and all conferees unanimously urge the defeat of the Dies amendments. We must do so.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, as this matter comes before the House in the conference report on the bill H. R. 6269, may I say at the outset of the brief statement which I will have an opportunity to make, this matter was carefully heard and considered by a subcommittee of the Judiciary Committee of the House, of which I was a member; after full and complete hearings by the subcommittee, and after careful consideration, the bill was reported out of that subcommittee unanimously. This matter then went before the entire Judiciary Committee. After the Judiciary Committee had carefully considered the proposed legislation, a bill was reported unanimously by the committee for passage. It was in the same form that it was passed by the other body, and in the same form as the bill was reported out of the Judiciary Committee. Now the matter comes before us on the conference report, as to whether or not the three amendments, with which you are all familiar, should be inserted in the proposed legislation. These proposed amendments specifically mention the Communist Party of the United States, the German-American Bund, and the Kyffhauserbund.

The question is, at the moment, whether or not this proposed legislation, as it was reported out of the Judiciary Committee, and as it was passed by the other body, is broad enough to embrace all organizations. I am firmly convinced it is. I call your attention, just briefly, to the phraseology of the bill itself which we passed out of the Judiciary Committee and as it was passed by the other body. Listen to this language:

SECTION 1. As used in and for the purposes of this act, (a) the term "person" includes any individual, partnership, association, corporation, organization, or any other combination of individuals.

Pray tell me how much broader that phraseology should have been made? Tell me how much broader the terms of this act could have been made? The language which I have just read and which is a part of the bill itself as it comes before us, is all-inclusive. That language embraces every organization. It includes the very groups which the gentleman from Texas has mentioned.

Mr. McLAUGHLIN. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I am happy to yield to the distinguished chairman of my subcommittee.

Mr. McLAUGHLIN. During the debate on this bill the gentleman stated:

It is my opinion that the language contained in section 2 of the pending bill is sufficient to embrace the organizations mentioned by the gentleman from Texas.

And again the gentleman stated:

I cannot conceive of any broader language, and it is my firm belief that the language employed in the bill is all-inclusive.

I take it that is the gentleman's view now in discussing the conference report. Am I correct?

Mr. SPRINGER. The gentleman is entirely correct. That is my view of this legislation because I feel convinced that the language employed is all-inclusive.

These suggested amendments, Mr. Speaker, are mere surplusage. If we were arguing this question before a court we would refer to these proposed amendments as redundant matter. They are not necessary. The language employed in this bill is so broad and so all-inclusive that it embraces the various organizations my distinguished friend from Texas [Mr. DIES] has mentioned and which he desires incorporated by way of amendment in this bill.

There is another point I want to call to your attention very briefly in the statement.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield 1 additional minute to the gentleman from Indiana.

Mr. SPRINGER. It is a dangerous undertaking, Mr. Speaker, when we begin to name one, two, or three particular organizations in legislation of this character, and omit naming all of the organizations which we seek to reach. We are advised there are fifty or more organizations of the same complexion, and of the same character, as those to which the distinguished gentleman from Texas refers, but they are not named in this bill. He just seeks to name three—the Communists, the German-American Bund, and the Kyffhauser Bund. We are treading upon dangerous ground when we attempt to name a part of those organizations to which we desire the legislation to apply. Under the construction of statutes by the courts if we name one organization, or more, we are presumed to have named all to which the act will apply. If that course is pursued those which are not named are deemed to be excluded from the provisions of the bill.

We do not wish to pass a bill today which is a mockery and a subterfuge. We must legislate as legislators. While I have ever supported the Dies committee and its splendid service to our Nation—yet we are now in war. We must win this war. We must not knowingly insult any nation which is now engaged in this war as an ally of our own. We must aid our boys, we must aid our cause, and we must encourage every nation which is now engaged in the all-out effort to defeat Germany, Italy, and Japan. I am convinced my distinguished friend the gentleman from Texas [Mr. DIES] desires to aid in the prosecution of this war to the end that the Axis Powers will suffer ultimate defeat. When we concur in the report of the conferees on this bill I am convinced we will do just that. Let us face this issue as Americans.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER. The gentleman from Texas is recognized for 11 minutes.

Mr. SUMNERS of Texas. Mr. Speaker, very soon you are to cast a vote that may or may not be one of the most important votes ever cast in the House of Representatives, and I should like to begin with the attention of the Members of the House. This is no time for child's play, this is no time to play to the galleries. Today your Nation and my Nation faces the greatest fighting machine of all time. Your Committee on the Judiciary, undertaking to deal with a recognized situation, as your agent brought in a bill here which nobody questions covers every possible agency that could be covered if the Dies amendment were incorporated. Now, think about it. Think about it as sensible people. We have a little partisanship once in a while in our committee, but I compliment the Committee on the Judiciary by saying that whenever they feel the challenge which comes to them as statesmen that committee has never failed to stand together for what they believed to be the best interests of their country.

The Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House are unanimous in their judgment that these amendments ought not to be incorporated in this bill. What have you got us for? What have you got a Committee on the Judiciary for, or any other committee? It studies a question deliberately, contacts the responsible agencies of government, like the Secretary of State. The Secretary of State tells you—and you know it is true, there is not anybody in this House so dumb he does not know it is the truth, we are in no position to be flirting with the situation—the Secretary of State tells us that it is a dangerous thing to incorporate these amendments now. And what do you get out of it? I am talking to you as man to man. What do you get out of it? You do not broaden by one single iota the scope of this bill. You just do what the Secretary of State, the diplomatic representative of the Nation in this crucial time, tells you is against the best interests of the United States to do. What do you mean? I mean it exactly as I say it: What do you mean, individual Members of the House of Representatives, incorporating in a bill every possible agency that could be required and your diplomatic representative, Cordell Hull, the only man you have got to deal with the most delicate diplomatic situation that ever challenged or endangered this country says: "Don't do it"? Do you mean to tell me that you will take the responsibility individually?

Your committee has covered every possible agency that could be covered, and your Secretary of State tells you not to do it. What are you going to do it for? Now, as a matter of just plain practical horse sense, what are you going to do it for? We are not dealing with an ordinary situation. You and I face the responsibility this minute when your Nation and my Nation confronts the greatest danger it has confronted since our ancestors put their feet on American soil. We are playing with the job, acting like children. Suppose we turn down the Secretary of State, suppose you turn down your Committee on the Judiciary, the unanimous judgment of those persons whom you put on the Committee on the Judiciary. I do not like to interfere with my committee; I would not do it if I did not appreciate the stupendous question that is now pending in this House.

My distinguished colleague from Texas just said:

We have shown that the Soviet Government through its diplomatic representatives and agents has violated every provision of the agreement under which we recognized Russia.

I ask you, as a matter of horse sense, is this any time to be dealing with that sort of a question? They are fighting side by side with America and doing the best fighting of anybody in our crowd just now.

Where are you trying to get to? Suppose we put these amendments in the bill or leave them in the bill at the request of the gentleman who has just spoken those words on the floor of this House, which I have quoted, does anybody mean to tell me that the difficulties of Cordell Hull would not be greater? What are we trying to do? That is what I would like to ask, What are we trying to do? Are we trying to protect this country and make it necessary for every person and every agency that ought to file its name and its principle to be recorded? We do it under the bill. If we are seeking to kick Russia, and that is what we are trying to do—if that is the objective—there is mighty good sense in these amendments, sustained by the language of my distinguished friend from Texas, who said:

We have shown that the Soviet Government, through its diplomatic representatives and agents, has violated every provision of the agreement under which we recognized Russia.

Do you think this is the time to bring up issues like that?

Mr. DIES. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman.

Mr. DIES. At the beginning of our discussion it was agreed that 70 minutes would be devoted to debate.

Mr. SUMNERS of Texas. I do not yield for that.

Mr. DIES. The gentleman has used 40 minutes. I have only had 25 minutes. As I understand, the gentleman requires some more time. Will he permit me to ask unanimous consent for 5 additional minutes?

The SPEAKER. The Chair will not entertain that request.

Mr. DIES. I thought maybe we could have a little fairness.

The SPEAKER. The gentleman from Texas has 5 minutes remaining.

Mr. HARE. Will the gentleman yield?

Mr. SUMNERS of Texas. For a very brief question.

Mr. HARE. At the conclusion of the gentleman's remarks I get the idea that the passage of this amendment would involve a new enemy.

Mr. SUMNERS of Texas. I cannot go into that.

Mr. HARE. If the passage of this amendment will involve us with Russia, is that calculated to have a new enemy in this war?

Mr. SUMNERS of Texas. I am trying to make it pretty clear and it seems to me I ought not to have to do it again, that any American citizen, whether in this House or anywhere else, who has got really good old-fashioned horse sense, and whose boy is wearing the uniform of our country, whose country is now under attack by the Axis Powers against whom Russia is fighting, should not want to include this language. I cannot for the life of me see why anybody should have any hesitancy in stripping this bill down to the language that deals fully with the situation without embarrassing Cordell Hull in what he is trying to do for us.

Mr. Speaker, I have seen partisanship in this House. I was here during the other war. But when Members have the challenge that comes to you this minute, I have yet to see this center line dividing Democrats and Republicans divide the patriots in this House. Your Republican boy is in uniform, just like the boys of the folks over here on the Democratic side. There is not a human being who can look at this picture, this bloody picture, today and be certain what is going to happen. We do know that we have not one iota of support to throw away. Is that right? Have we any more people fighting on our side or with us than we need?

What are you going to do with these amendments? What do you want them in the bill for? Let us be sensible. What do you want them in there for if we have not something to slough off? Does anybody pretend to believe that if we put those amendments in there associated with the language of the gentleman from Texas: "We have shown that the Soviet Government through its diplomatic representatives and agents has violated every provision of the agreement under which we recognized Russia," it would make Russia disposed to take a stronger stand against a separate peace? I mean, where is there horse sense in that?

We are not just playing to the galleries. We are faced with the vital interests of this great Nation, at the high peak of human history. When people ask you what of the night, you cannot tell them. You cannot see through the curtain of battle smoke that shrouds the world today.

I appeal to you on behalf of my country and your country that you love as well as I do. The Committee on the Judiciary has studied this thing. We went back into a reexamination of the matter after these amendments were agreed to by the House, and it was the unanimous determination of the Committee on the Judiciary of the House of Representatives, Democrats and Republicans, that we could not afford to incorporate these amendments in this bill.

[Here the gavel fell.]

The SPEAKER. All time has expired.

Mr. DIES. Mr. Speaker, we had an understanding that I was to have 30 minutes and the gentleman from Texas [Mr. SUMNERS] 40 minutes. I have had 25 minutes. The gentleman from Texas has consumed 45 minutes. I ask unanimous consent to answer the gentleman for 5 minutes.

The SPEAKER. The Chair is informed that all time agreed upon, 1 hour and 10 minutes, has expired. Does the gentleman from Texas desire to offer a motion?

Mr. DIES. No.

Mr. SUMNERS of Texas. Mr. Speaker, I move the previous question.

The previous question was ordered.

Mr. DIES. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DIES. Yes; I am opposed to the bill.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. DIES moves to recommit the conference report with instructions that the House managers insist on the provisions of the House bill relating to the Communist Party of the United States, the German-American Bund, and the Kyffhauserbund and the requirements that these organizations furnish the names of their members and officers.

Mr. SUMNERS of Texas. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. DIES. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and on a division (demanded by Mr. DIES) there were—ayes 40, noes 228.

So the motion to recommit was rejected.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill and the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and include therein a newspaper editorial from the St. Louis Argus on the subject I spoke on this morning.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RELIEF FOR CERTAIN AGRICULTURAL PRODUCERS IN STRICKEN AREAS

Mr. SABATH. Mr. Speaker, I call up House Resolution 419, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6359) granting relief to certain agricultural producers in stricken areas who suffered crop failures in 1941 because of adverse weather conditions, insect pests, or other uncontrollable natural causes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SABATH. Mr. Speaker, after I have briefly explained the rule and the bill I shall yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. Speaker, this rule makes in order the consideration of the bill H. R. 6539. This is a broad and liberal rule, permitting 2 hours of general debate and providing that at the conclusion of the general debate the bill will be considered under the 5-minute rule and open to amendment.

Originally the Committee on Agriculture reported a bill known as H. R. 6120, but the Committee on Rules, after questioning the chairman and the members of the Committee on Agriculture, felt that that committee should bring in a bill that would embody amendments which the chairman and the various members appearing before our committee agreed be included in the bill.

The bill the consideration of which this rule makes in order, as we have been informed, will cost the Government from $5,000,000 to $10,000,000. Personally, I am of the opinion, after making investigations, that it will cost a great deal more; in fact, I believe it may reach the sum of $20,000,000.

Real demand has been made for this proposed legislation by gentlemen representing States which have actually suffered crop failure in the year of 1941 because of adverse weather conditions. I feel that relief should be given to these agricultural producers in the stricken areas.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Pennsylvania.

Mr. RICH. If it is right to assist the farmer because his crop failed to grow due to a lack of rainfall or for other reasons, would it not be quite as justifiable to assist the automobile dealers, who are not permitted to have tires and who have had to close down their shops? The Government stopped the automobile dealers from doing business but the Lord stopped the crops from growing. Which is the more to blame? If a payment by the Federal Government to one is justifiable, should not payment by the Government to the other also be justifiable?

Mr. SABATH. There is a great deal to what the gentleman states. That question was uppermost in the minds of

the Committee on Rules before granting the rule. However, I and the committee have promised the House that whenever a standing committee of the House reports a bill the Members of the House should have the right and privilege to vote on it. It is because of that desire not to deprive the Members of the House of their right and privilege to vote on these bills that the rule has been granted.

I concede that there have been some losses on the part of some of the farmers in the South as well as in certain New York areas. A plea has been made in behalf of those farmers who have lost their crops and who may lose their cattle. I have pointed out that there are many agencies of the Government which have been established to aid the farmers of the United States, and they have been authorized to do so. Although I shall vote for this rule, and have called it up, I am afraid this bill sets a dangerous precedent.

Mr. RICH. The gentleman has studied the bill, however?

Mr. SABATH. Yes.

Mr. RICH. Would the gentleman support legislation of this kind?

Mr. SABATH. In view of conditions and of the extraordinary plea that has been made by the gentlemen who appeared before the committee, I feel that I should at this time, the same as I have heretofore, vote for legislation that would aid agriculture and the farmers of the Nation.

Mr. RICH. If you continue in the future to pass legislation such as has been proposed by this committee in the past, how are you going to prosecute this war?

Mr. SABATH. It has been stated that it is absolutely necessary to aid the farmers who have sustained these losses, because it may aid in our national defense. Gentlemen representing a certain New York section which suffered due to the drought feel that dairy products are necessary, that there is a shortage of them, that unless this relief is granted the farmers may be unable to feed the cattle and provide the milk and cheese that is necessary for ourselves as well as for those who are aiding us in this crucial moment.

For the purpose of satisfying myself as to what has been done heretofore for the farmers, I have made some investigation of the facts, because they do not seem to be content or satisfied. They maintain we have not done enough for them. I have voted for all these large appropriations, not having a single farmer in my own district, but I have done this believing it was for the best interests of the Nation. I have compiled the amount of money we have appropriated since 1932, and I ask unanimous consent, Mr. Speaker, that I may include this statement in my remarks so that the Members from the rural sections of the country may have this information at hand to show their constituents how well we have done by them in the last 10 or 12 years.

Mr. COCHRAN and Mr. RICH rose.

Mr. SABATH. I yield to the gentleman from Missouri.

Mr. COCHRAN. Will the gentleman tell us the total amount appropriated, because otherwise we will not have the information until tomorrow?

Mr. SABATH. I will not only give the House the total amount appropriated but the appropriations by years:

In 1932, $94,000,000—I will not mention the odd figures; in 1933, $219,000,000; in 1934, when the Democrats came into power, we doubled that and made it $538,000,000; in 1935, $867,000,000; in 1936, $652,000,000; in 1937, $713,000,000; in 1938, $697,000,000; in 1939, $1,143,000,000; in 1940, $1,149,000,000; or a total of over $11,000,000,000.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I merely call your attention to the facts because of the complaints that are made from time to time that we are not providing sufficiently well in aid of the agricultural interests of this country.

The figures I have given must prove this administration's liberality toward agriculture and I hope the farmers will appreciate and recognize how liberal the Members of this House have been during the last five Congresses and how mindful they were of the interests of the agriculture of this country.

I now yield to the gentleman.

Mr. RIVERS. In view of the gentleman's energetic interest in apprising the Nation of the money that has been given to the farmers, may I ask the gentleman if he has gone to the trouble of giving the House the figures on the amount of money that has been given to Japan in her time of trouble and to other foreign nations when they had certain catastrophes? Why does not the gentleman put those figures in the RECORD, or has the gentleman gone to that trouble?

Mr. SABATH. I will, if the gentleman cannot obtain the figures. I do not recollect that we have given Japan anything.

Mr. RIVERS. I am talking about the money that the American Government gave Japan when she had her earthquake. Does the gentleman recall that?

Mr. SABATH. Those amounts were negligible.

Mr. RIVERS. They were not negligible, and I will ask the gentleman if he would mind putting those into the RECORD.

Mr. SABATH. I will try to ascertain them, but the gentleman can obtain them as easily as I can for insertion in the RECORD.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. HOFFMAN. Is this an appropriation in aid of national defense?

Mr. SABATH. It is claimed it is for national defense.

Mr. HOFFMAN. I just wanted to know; that is all.

Mr. SABATH. I know that after you gentlemen shall have listened to the appeals of the gentlemen representing the Committee on Agriculture and some of the gentlemen representing the stricken areas you will do as we did and vote in favor of the rule as well as the bill.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to my colleague from Missouri.

Mr. COCHRAN. Will the gentleman tell the House why the Committee on Agriculture picks out certain groups in certain areas, when, as I understand it, the heaviest rainfall in history occurred in the Missouri River Valley, the great corn valley in Missouri, wiping out the corn crop. I am not asking that you give the corn farmer or anyone else a dime, but I want to know, if you are going to give the cotton farmer and the tobacco farmer and the dairy farmer money, why you leave out wheat and corn farmers. I presume the reason is that if you put it in it would require a couple of hundred million dollars instead of $20,000,000. So I ask why select the cotton farmer, the tobacco farmer, and the dairy farmer and leave out the wheat farmer and the corn farmer?

Mr. SABATH. I am not a member of the Committee on Agriculture and I have not voted for the bill in committee, neither have I prepared the bill, but we are bringing in a rule making this bill in order at the urgent request of that committee, which has heard evidence upon the need for this relief. I believe that the House has the right, I repeat, to vote upon what they claim is needed relief for the farmers in the stricken areas.

Mr. MURRAY. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman.

Mr. MURRAY. When the gentleman enumerates the sums that have been appropriated out of the United States Treasury in the name of the farmer, does not the gentleman think that in order to be fair he should also show that during this same time the farmer has received 50 percent less for his products than he did the 10 years before that?

Mr. SABATH. I would be only too pleased to put in the figures showing the present prices of agriculture, and the prevailing prices of agriculture during the years 1932 and 1933, and other years, but I do not want to be charged with trying in this instance to show the better conditions the farmer enjoys now than under the former administration, because some of you might think that I am trying to bring in politics, which I have been trying to avoid. I am merely directing attention to the annual appropriations for agriculture because this is a bill to aid agriculture, and I am not going into a wider field to call attention to other benefits that have accrued to the farmers and to other appropriations that have been made for the good of the country.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Yes; I yield.

Mr. HOPE. Is it not a fact that we already have in the Farm Security Administration, under the provisions for crop loans, a set-up which will take care of these cases of distress which are intended to be covered by this bill?

Mr. SABATH. I was under that impression, and I obtained information that I thought I should have and that the House should have as to whether the existing bureaus and administrations of the Department of Agriculture may have jurisdiction in this emergency drought-

relief situation. Among the various agencies that have been created to aid agriculture we have the Agricultural Adjustment Administration, the Agricultural Marketing Service, the Bureau of Animal Industry—and I thought that might help in the New York case; then the Bureau of Dairy Industry, which would also apply to the New York needs; then there is the Commodity Credit Corporation, the Farm Credit Administration, the Farm Security Administration, the Federal Crop Insurance Corporation, the Federal Farm Mortgage Corporation, the Rural Electrification Administration, the Soil Conservation Service, the Surplus Marketing Administration, and the Office of the C. C. C. Activities, and one or two others. I was under the impression that many of these bureaus now in existence might have jurisdiction to relieve the stricken areas which this bill proposes to do.

Mr. HOPE. Mr. Speaker, will the gentleman yield to me for an observation?

Mr. SABATH. Yes.

Mr. HOPE. I come from a district which has suffered from drought during the last 10 years, and my reason for asking the question is that during that period our situation has been worse because it covers a longer period of time and nevertheless it has been adequately taken care of by the Farm Security Administration and the provision for crop loans and the Farm Credit Corporation, and I think that the situation which exists today can be very amply taken care of under these same agencies.

Mr. SABATH. That was my opinion, but unfortunately the gentlemen of the Committee on Agriculture, who are supposed to, and I do think, know more about these matters than I, seem to think differently.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Yes.

Mr. SMITH of Virginia. My recollection is that this matter was before the Committee on Rules several weeks ago, and at that time the committee was told by certain members of the Agricultural Committee that there was no merit in the bill, and that that committee itself, in a majority, was opposed to it and had not asked for a rule. Under that statement, the matter was left on the table of the Rules Committee. I was not at the meeting when the rule was voted out. Under those conditions, how did the bill get here? Did the Agricultural Committee ask for a rule?

Mr. SABATH. The original request to which the gentleman refers was on the bill H. R. 6120. The Rules Committee would not grant a rule because of differences existing and because the Agricultural Committee stated that they had agreed to some amendments that would call for less expenditure than the original bill. Consequently the Committee on Rules then suggested to the members of the Committee on Agriculture appearing before our committee that they had better rewrite the bill and eliminate all of the unnecessary and unlimited provisions for appropriations, and come in when they had agreed on a new bill, which would not be so far reaching. A few weeks thereafter they brought in a bill, H. R. 6359, on which hearings were held, and that, by a nearly unanimous vote of the Committee on Rules, was reported favorably, and that rule is before us today.

Mr. SMITH of Virginia. Will the gentleman tell us the difference between the original bill and the bill reported out?

Mr. SABATH. The original bill, as I stated, was broad in its scope and had no limitation. This bill has a limitation and precludes any greater aid to any individual, whether he be a farmer, a tenant, or a sharecropper, than $500, and only when it is shown that a crop failure exceeded 50 percent of normal production. That was not contained in the original bill.

Mr. NELSON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. NELSON. Referring to the limitations and changes that have been made in this bill since it was first reported to the Rules Committee, as referred to by my colleague the gentleman from Virginia [Mr. SMITH], does this bill contain any limitation as to the total cost, as to how much money this may take out of the Federal Treasury?

Mr. SABATH. It will be taken out of the funds appropriated pursuant to section 5 of the bill. I have tried to ascertain the approximate cost and was informed by the chairman and members of the Committee on Agriculture that it would not reach more than $10,000,000. Not that I questioned the statements of the chairman of the Committee on Agriculture or its members, but I thought it best to find out whether they were within a reasonable figure and I have endeavored to obtain information from sources that ought to know, and I have been informed, although I could not get them on record, that the bill might cost close to $20,000,000, instead of five or ten million.

Mr. BECKWORTH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. BECKWORTH. There has been some discussion of what limitations are placed on the receiving of help by virtue of this bill. Be it understood that nobody can receive any help whatsoever unless he made less than 40 percent of a normal crop. If it is unfair to help a person who made 40 percent of a normal crop, of course, to kill this bill is what you should do.

Mr. SABATH. That is correct. That is an additional restriction in the bill.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. CASE of South Dakota. As I understand it, there is nothing in the bill that requires any showing of need on the part of either the landlord or the tenant, and even though there might be a restriction of $500 on the part of the landlord, there still remains to be shown whether or not the landlord needs to receive $500.

Mr. SABATH. I think that is partially provided for. I really do not know what other restrictions there may be other than those I have mentioned, but I know that when the bill is taken up under the 5-minute rule the chairman of the Committee on Agriculture will explain it to the gentleman and to the House.

Mr. Speaker, how much time have I consumed?

The SPEAKER. The gentleman has consumed 27 minutes.

Mr. SABATH. I feel that I have consumed much more time than I should have, so I will conclude as I have promised several Members some time to speak on the rule.

Mr. Speaker, I reserve the balance of my time and I now yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, this is the first time, I believe, that the farmers of the East, particularly the dairy farmers of New York, have sought relief from the Congress and out of the Treasury of the United States. The farmers and dairymen of the East have generally been paying the taxes and have not complained about the relief that has been afforded to the western and southern farmers, lo these many years.

I might say at the outset of my remarks, although I come from a great dairy district, my district has not been affected by the drought and is not affected by this bill. Dairying in New York State is one of the largest and most important and one of the oldest industries of the State. In the northern part of our State, in the largest dairy sections, particularly in St. Lawrence County, there was a severe drought last summer. As a result the dairy farmers up there are not able to continue without financial aid or assistance from the Government. They do not have enough money to buy hay. Their farms are mortgaged and their credit is impaired. Like most dairy farmers with big investments in land and herds, they have eked out a precarious living and they have no accumulation of funds in the banks. So when the hay crops failed, those farmers, with their farms mortgaged, without credit, unable to buy hay at $22 or $24 a ton, are faced almost with extinction. Therefore we, their Representatives, come here pleading for the first time for immediate relief. I do not see why some Members of the Congress from western wheat and corn States get all excited about the dairy farmers obtaining Government aid, when they have been to the Congress for relief for years and have received it on a huge scale. Then, all of a sudden, when some dairy farmers up in the northern part of New York State are in bad financial difficulties, as a result of the failure of the hay crop, in the midst of a great emergency and war, when the administration is asking for more production of milk instead of less and when Government officials are demanding it, some western farm Representatives say, "We are not in sympathy with helping the farmers of the East."

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. HOPE. Is it not a fact, however, that the same methods of relief that have been used in the West, under

similar situations, are now available to the farmers of the East and the South?

Mr. FISH. I would rather let Members coming from those particular districts affected by the bill and members of the Commfttee on Agriculture answer that question. I have heard the matter discussed, but I am not a member of the committee, and I do not pose as an expert. I would rather let those who are answer that question in detail on the consideration of the bill. The gentleman also is a member of the Committee on Agriculture and will have ample opportunity to discuss or debate that issue. I am only talking on general principles and pleading for immediate relief for the dairy farmers in New York State for the first time in the Congress. I have no quarrel with the farm elements, either in the West or the South. I know something about the northern dairy sections of New York because only 2 years ago I served in St. Lawrence County in the northern Army maneuvers. I know about that dairy district, and certainly, although it is used primarily for dairying, it is not a rich country. The farms I observed there 2 years ago were run-down. The buildings on some of them did not have glass in the windows and most were without paint.

When dairy farmers suffer from an act of God, such as a drought, they have to sell their herds. The cattle is slaughtered, and that means limited production or a cessation of production of our important milk supply.

I am making a plea to you for the first time for consideration of the farmers of New York, and I know of no sound or legitimate reason why the farmers of New York should be discriminated against. I do not see why our own farmers, when they are affected by an act of God such as this, should not at least have the same relief we gave to Soviet Russia, or the same relief we gave to Japan, as we have in the past, or the same relief we gave to Chile, when the earthquake struck down there. We voted these foreign nations money when they suffered from acts of God. We should at least do the same in our own country. When hay cannot be grown, when crops fail, due to an act of God, we owe it to our own farmers to afford them relief.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. BROOKS. I received a resolution this morning from the automobile people in Michigan asking for additional help. Does not the gentleman believe his farmers, for instance, are entitled to the same aid as the automobile people?

Mr. FISH. I do not want to get mixed up in the automobile problem. That is an entirely different situation. I do not know whether the automobile difficulty is due to an act of God or an act of the administration. The matter I am talking about is an act of God I am saying to you that our oldest industry, that of supplying milk to New York City, is threatened, and the Government now is asking for more production. The State of New York unfortunately cannot help out in this situation. The Legislature of the State of New York cannot vote this $3,000,000 to provide transportation of hay and the baling of the hay for these farmers. It is against the constitution of the State of New York, and it would take 20 years to amend the constitution. In the next 3 months, unless there is relief, these cattle, some of the best herds in America, will be slaughtered.

These farmers have the right to be helped; and I am again saying to you, although this does not affect my district, that if this relief is not forthcoming there will be more and more abandoned farms, more and more ghost farms and ghost towns, up in the northern part of New York. They have not got the funds themselves; they have not got the credit. They cannot get it from the State of New York. Against their will, therefore, but by force of circumstances they have to come here to the Congress of the United States and ask the Congress in this emergency to afford them relief. All this bill does is to provide for the baling of hay and the transportation of the hay to the farmers, so that they can continue to produce milk at a time when the Government wants it. This is not asking very much, $3 000,000, for the great State of New York, for the greatest farm industry we have in New York.

So we come here and humbly present our case to you. We have not complained about what the other farmers are getting in the way of aid in this emergency. We cannot help ourselves. We plead with you to give us some temporary relief so we can tide over and preserve the dairy industry in the northern part of the State of New York.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CROWTHER].

Mr. CROWTHER. Mr. Speaker, if my memory serves me aright this is the first time in 23 years I have ever stood in the Well of the House and made a request for financial aid for my own State. I feel constrained to do so now, because of the stern necessity that faces many of the dairy farmers in the northern and central parts of the State of New York.

My own individual territory suffered drought early in the season. We had no early hay crop, no early vegetable crop, but we had late rains which provided fall pasture and with the planting of sorghum, millet, and a late corn crop we had some slight advantage as regards cattle feeding. In the northern and central districts, however, they had to commence feeding as early as September and they soon found themselves running short of winter hay. To add to their problem Government agents were asking for a 5 percent added production of milk due to the war emergency. Auction sales are being held through the districts and dairymen are disposing of their cattle and depleting their dairy herds. This is a particularly dangerous situation at this time.

Another fact connected with this problem is that this area is in what might be described as a high-wage territory with large industrial and manufacturing plants; and the urge for these men to get rid of their herds and go and earn the remarkable wartime wages that are now being distributed at this time is manifest. Our farmers, especially our dairy farmers in New York, have never been very great beneficiaries of the funds that were distributed under the A. A. A. plan because we raise none of the basic crops of wheat, cotton, corn, tobacco, and so forth, to any great extent in New York State.

I think that the average farm aid given under the A. A. A. and the Soil Conservation Act has not been much over $70 a farm during the last few years; so you can see that they have benefited very slightly by previous agricultural legislation.

When A. A. A. functions ceased due to a court decision and we adopted the Soil Conservation Act, that did not bring very much benefit, especially to the dairy farmer, because a dairy farmer is just naturally a soil conservationist. He has to be. There is no waste land on his property. He takes care of that with a sensible plan of crop rotation in order to provide feed for his animals. So that they have not been benefited at all by the Soil Conservation Act.

I hope that consideration will be given to the rather unusual necessity that faces the dairy farmers who are now being asked due to war necessity for an additional production of 5 percent. I attended the hearings, and some of them said they might be able to borrow the money, but I remember one witness who said there was an existing prejudice against borrowing money to buy feed. In this bill the Government is being asked to pay the freight charges on hay from Michigan and Ohio, where most of the hay will come from and the farmers will pay for the hay. I hope careful consideration will be given to this matter and aid extended to these dairy farmers, whose product is so vital a factor in our national economy.

Mr. FISH. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I am going to be so bold as to say that unless this bill is passed the dairy farmers of up-State New York will be in a situation not unlike the people of Egypt were at the end of the 7 years' famine in that ancient time. The only difference is that before the 7 years of famine in Egypt there were 7 years of plenty, and Joseph, by his foresight, had planned ahead so that he stored up in the granaries supplies for both the cattle and the people. Today, Mr. Chairman, we are affected by a condition which has been brought about by a combination of circumstances which started back in 1935, of flood, famine, drought, and nearly every other plague that could be suffered by agriculture. For this reason I am taking the floor at this time to appeal to the House to come to the rescue of thousands upon thousands of dairymen who operate their own farms either wholly by themselves or with part-time labor and who are advocating or asking for the opportunity to have their hay transported from distant points and that they be given the cost of transportation of this hay from places outside the area in which they live.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Has there been any survey made that the gentleman knows of showing the prospective decrease in the production of dairy products in this whole area in the next 18 to 24 months?

Mr. EDWIN ARTHUR HALL. I cannot give any figures to the gentleman, but I will say that unless there is some relief from the standpoint of bringing hay into the district, there will be a dearth of subsistence fodder such as will force the dairymen throughout the State of New York to dispose of their herds, which in turn will deprive the American people, particularly the people in the New York district, of the necessary amount of milk for national defense.

Mr. CRAWFORD. When the gentleman says that they will have to dispose of their herds, does he mean they will have to slaughter their herds?

Mr. EDWIN ARTHUR HALL. They will have to either slaughter their herds or sell them at a tremendous loss It has taken from 5 to 7 years to build up these dairy herds, and this will mean a tremendous loss to those farmers if they are forced out of business. It will also be a loss to the American people if these dairy farmers are forced out of business.

Mr. CRAWFORD. In addition to your trouble from the standpoint of shortage of feed, is there any trouble in your area in connection with getting sufficient farm labor to maintain the production which has heretofore been carried on, even if you had the feed?

Mr. EDWIN ARTHUR HALL. Even if we had the feed, there would be some trouble on account of shortage of farm labor, but notwithstanding that, if we were able to get the hay and feed we would be able to keep the dairy herds intact until such time as the forage season allowed them to go out to pasture and get sustenance from the field.

Mr. CRAWFORD. I have been through a good part of the gentleman's district, and I know something about the farm conditions there. Has the gentleman reason to believe that we can, in the absence of new mechanical equipment and in the absence of a shortage of repairs for old equipment and shortage of farm labor that now faces us, maintain throughout the United States the production of foodstuffs during the next 2 years that we have the last 2 years?

Mr. EDWIN ARTHUR HALL. At the rate we are going today with dairymen and farmers in general going into bankruptcy because of the obstacles placed in their way from every source, I wish to express a serious doubt in my mind that we can maintain our production of foodstuffs unless we do plenty in the next few months to help the farmers.

Mr. FISH. Mr. Speaker, I yield 4 minues to the gentleman from New York [Mr. KILBURN].

Mr. KILBURN. Mr. Speaker, I strongly support the enactment of House bill 6359 as reported by the House Committee on Agriculture. This bill authorizes the Farm Security Administration to make grants to farmers to enable them to pay the cost of baling and the cost of transportation of hay, grain, and other cattle feed into areas where the drought of 1941 has destroyed pastures and the hay crop.

One of the areas of the country that has been affected most adversely by the drought of 1941 is northern New York. Rainfall during the past year in New York State has been way below average. In June it was only 59 percent of average and in September 48 percent of average, and, in fact, the drought conditions in northern New York were far worse than they were in the rest of the State. As a consequence, the hay crop in New York State was over one and a half million tons below the average. In New York State we have available for each head of cattle about 2½ tons of hay, as compared with 3.2 tons in the previous year. In addition, pastures in northern New York were in a very bad condition because of the lack of rain, and as a consequence of the lack of hay it is going to be impossible in the drought-sticken areas to keep our herds together until the pastures are in a condition to be used once more.

In St. Lawrence County alone we will suffer from a lack of at least 39,000 tons of roughage that would be necessary to maintain our herds in minimum condition. The price of hay has been going up rapidly. On October 15 it was selling for $16 a ton unbaled, as against $7.20 a year before. Shipping in baled hay is costing considerably more than $20 a ton.

The cost of farm labor in New York has gone up tremendously. Within a year it has risen almost 45 percent. In the face of these conditions our farmers in northern New York are right now breaking up fine dairy herds that it has taken years of painstaking work to build up.

We are increasing in tremendous proportions our shipments of all forms of dairy products to our Allies. Therefore it is imperative for national defense that the dairy herds of northern New York be kept in at least a minimum condition during the winter, so that they can be kept intact and produce the milk that is so vital for national defense. This bill, as you know, is limited to the present emergency.

When the Committee on Agriculture was considering this bill I appeared before them and said, in part:

I have talked with a great many dairy farmers in northern New York in the past 2 months, and they are desperately in need of hay and feed for their dairy herds due to the extreme drought which hit them the latter part of this past summer. The drought earlier in the summer was very bad, but the one later in the summer was by far the worst. The present price of milk does not allow them to pay $20 a ton for hay and $40 a ton for feed and break even. I believe that at least 25 percent, on the average, of the dairy herds in northern New York will be sold for beef, with the result that while probably New York City will still be able to get enough fluid milk, there will be practically no surplus for manufactured dairy products which are so vitally needed in our national defense program. As you know, the Secretary of Agriculture has urged, and even demanded, of the dairy farmers of the country an increase in production. This large and extremely important producing section, under present conditions, and if no help is given, will, in my opinion, of necessity face a decrease in production of from 25 to 30 percent.

In our national defense program we are spending millions to build munitions plants which will be a complete loss at the end of the war. If the statement of the Secretary of Agriculture is genuine, and I have no doubt it is, it seems to me just as necessary for the Government to spend some money under present conditions to get increased production of dairy products. From a national defense standpoint, I see no difference, really, between spending for a munitions plant and for increased dairy production.

In the light of these facts, I strongly urge the enactment of this legislation, and I hope the rule is adopted.

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Speaker, the distinguished chairman of the Committee on Rules in his perhaps unenthusiastic presentation of this rule brought out the fact that certain moneys had been received on account of parity payments and soil-conservation payments, running into a colossal sum.

May I say to the distinguished gentleman and the Members of the House who are present, on whom I must inflict myself briefly, that very little, if any, of that money went to the dairymen farmers of America. The dairymen farmers, who are the oldest type of farmers and who are performing a greater service to America in the way of providing food than any other type of farmer, have received a mere pittance from that great amount.

Here in this House today we have had the extraordinary spectacle of seeing certain gentlemen who have been the main beneficiaries of this program speak in opposition to this bill. They are fearful that their income from this source would be interfered with by the oncoming farmers from New York. They are solicitous; they are bitter. Their words in debate, as I might instance, are in some cases not quite up to a proper parliamentary standard.

Illustrating that point, I refer briefly to the district of the gentleman from Kansas [Mr. HOPE], a distinguished Member of the House, an ornament to the Congress. He is one of those who, forsaking his usual suave way, seems to have gotten in the saddle on this. I have no authority to say this, but I do not think the gentleman from Kansas is so much concerned about this pittance for the dairy farmers. I call the attention of the chairman of the Committee on Rules to the fact that the district of the gentleman from Kansas in 1940 received from soil-conservation payments and parity payments $17,251,000. My district during that year of our Lord, a dairying district, performing high service—higher service than even the gentleman's district in feeding the Nation—received approximately $333,000 out of this great program.

Mr. Speaker, we come here hat in hand for the first time asking that our farmers be given not hay, for we buy the hay, but only the transportation cost of $10 and the baling cost of $3.50. All we ask is $13.50 per ton. My farmers will go down in their lean purses and pay for the hay themselves. If they do not get this help, this mere pittance, they, whose forebears settled those farms 200 years ago, are

going to fade from the picture and become part of the unemployed in the cities. We are not begging for alms, we are asking you to provide the transportation and the baling. We will pay for the hay.

The legislation brought in by this rule includes benefits to New York State farmers. Thus, for the first time in his history the New York farmer appears in Washington in the role of a suppliant and asks for farm relief.

I realize that the average Member of the House visualizes New York State in terms of Wall Street. The fact is, however, that New York State stands sixth on the roll of farm States in the matter of production. We produced in 1941 approximately $400,000,000 worth of agricultural products.

Last year a drought of extraordinary severity struck the northern part of the State. Hay crops fell off more than 75 percent in some areas. Few of the farmers in this area have sufficient hay to take their herds through the winter season which is long and severe with zero weather and deep snows prevailing.

In this bill the New York State farmers ask that the Government pay the cost of transportation and baling of the hay. The farmers themselves pay for the hay.

The item involved is about $3,000,000. The whole bill does not carry more than $10,000,000. The passage of the bill will salvage thousands of farmers north and south. We are spending $100,000,000 to aid the suffering flax farmers in the Argentine. Let us do one-tenth as much for our own farmers by acting favorably on this rule and the accompanying bill.

Mr. FISH. Mr. Speaker, I yield the gentleman from New York [Mr. REED] the balance of my time.

Mr. REED of New York. Mr. Speaker, I noticed the flicker of a smile pass over many faces in this House when somebody asked if this is a national defense measure. If possible, I should like to have my colleagues consider this in a serious manner. I for one feel that we fail to recognize the situation this country is in. This Nation from its very beginning has never faced a crisis comparable to the one we face now. We are in a war, we are in a war to the death throughout the world, a war which, if it continues as long as many experts think it will, will draw upon the resources of this country in a way that is far in excess of anything of which we have ever dreamed.

I say to you without fear of contradiction from any man that the dairy business is a business of national defense. At this very moment your agricultural experts, working in conjunction with your Army and your Navy, are going into every school district and precinct of the country where the dairy industry exists urging that they produce at least 5 percent more than they are producing now.

The dairy industry is not general throughout the United States. As a business, it is located in certain sections both North and South. A large segment of this national defense industry happens to be in four or five counties in northern New York, in the mountainous section where ordinarily there is an abundance of rainfall, fine pastures, plenty of hay, and plenty of ensilage of all kinds; but last year four or five counties in northern New York became practically a desert. Streams dried up. Farmers had to drive for miles and miles to find sufficient water to haul to their cattle to keep them alive.

Dairy industries are not built overnight. It takes years to build up tested and productive herds. The dairymen must have silos, expensive machinery, and careful inspection to comply with the health laws.

With your indulgence, I propose to carry this through in my reasoning to its logical conclusion. When I shall have finished I expect that every Member who believes in national defense will vote for this rule. I have no fear of the result in the House if this bill can be properly debated.

The farmers of this Nation furnished more than one-fourth of the fighting men in World War No. 1. Not only this, the farmers were expected to, and they did, do their work with the aid of school boys and girls and unskilled laborers. Yet the farmers never flinched when called upon to produce to the limit to feed the armed forces here and abroad and also to feed the civilian population here and abroad.

The Government officials are now asking the farmers throughout the Nation to produce, and among this farm group the dairymen are being urged to increase the production of butter, cheese, and milk. At no time in our history has it been more urgent that the dairy industry be geared to high production to meet the present and the future requirements of this world-wide war. There is one thing sure, and that is this: The farmers of the United States will do their full share in winning this war. They will furnish sons for the armed forces. They will carry on as they did in 1917 and 1918. They will do this under a heavy handicap. Labor will be drawn from the farm to defense industries to take advantage of wages, in some instances as high as $20 a day in the Mohawk Valley—Utica, Rome, Sidney. There will be no amortization handouts to the dairy farmers. There will be long, grueling labor for them in an effort to meet the demand of their Government.

The 1941 drought in four counties in New York:

The hay crop was a failure. Ensilage and other feed crops did not mature. Unless feed can be shipped into this dairy area, the dairy cattle, numbering 219,906, will have to be sold.

The 13,997 farms in the 4 counties involved are not adapted to any other type of farm production.

It is important to national defense that this large segment of the dairy industry be protected and preserved until the cattle can be pastured this spring.

These dairy farmers have been hard hit for several years, and now when they were about to see the light of day the drought of 1941 destroyed the hay necessary to winter the herds.

The importance of food production cannot be stressed too strongly. To illustrate the point, the Chicago Quartermaster Depot is shopping for 1,500,000 men and spending $5,000,000 a month for victuals.

Why are the dairymen being urged to increase production of cheese, butter, and milk? The first reason is that this country is at war. We are not only the arsenal of the so-called democracies but we are becoming more and more the food supply of the so-called democracies. We are sending our armed forces abroad, and they must be fed by us because there is a shortage of food in the countries to which our soldiers are being sent. The demand for food is tremendous and time cannot be wasted in its production.

Now, why are dairy products so essential during war? Let us analyze the question. Scientific research has demonstrated that ordinary market beef has about five times as much food value per pound as average cows' milk. A choice 2-year-old beef steer will yield, including all edible portions, as high as 65 percent of its live weight in meat, or about 650 pounds. Accordingly it would require approximately 3,250 pounds—650 times 5—of milk to yield an amount of human food equivalent to that which required 2 years to grow in the form of beef. There can be no time lost in preparing to feed an American army of eight to ten million men. Every acre of land must be utilized to the best advantage to produce food for such an army.

Here are the facts as to why the Government is urging dairymen to produce more—a fifth more, if possible: Data compiled by the United States Department of Agriculture show that the average annual yield of milk per cow in the principal American dairy States is about 4,500 pounds. It is further shown by the Department of Agriculture that an acre of land will produce about four times as much digestible protein and about five and one-half times as many calories of fuel if it is devoted to milk production as it would if devoted to the growing of beef. Another authority says:

> It is a very conservative statement to assert that, under the very best possible conditions of production with both classes of animals, the cow is more than twice as economical in her use of food energy, when we consider the output for human uses, than is the steer or sheep.

Mr. Speaker, soon mutton will have to be sacrificed to the production of wool, of which we are told there is a shortage. This war will require all the beef, all the dairy products, to meet the food demand of the world. Why destroy the dairy industry in northern New York? I repeat that the dairy industry is absolutely essential to national defense.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Louisiana [Mr. BROOKS] such time as he may care to use.

Mr. BROOKS. Mr. Speaker, this bill is vitally important. It is important to the health and almost to the very life of hundreds of our farmers in Louisiana, Texas, and Arkansas. It is the difference between continuing these people on their little farms and that of throwing them off of the farms and on the charity of their fellowman. Already hundreds of thousands of our people have been displaced from their normal occupations by the national defense program. Do not add to this displacement. This rule

should be voted and this bill discussed on its merits.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to revise and extend the remarks which I have made today.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, I yield the balance of my time to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Speaker, I hope that if I stay here long enough I may justify the reputation of never appearing in the well of the House without having a little something to say. My purpose in rising now is to dissipate the impression that we are asking for the approval of a rule that will establish a precedent for Federal relief. As a matter of fact, the Congress of the United States has always responded and come to the relief of people in this country where the local facilities were unable to furnish the necessary relief. That is, our Government has not only been quite generous in providing aid or assistance to prevent suffering of our own people who have sustained great losses from natural causes or circumstances over which they have no control, but such aid has been accorded to sufferers in other countries; and the principle involved in the bill to be considered should this rule be adopted is not new. It will not establish a precedent as, claimed by those objecting to this rule. If, by its adoption, it established a new governmental policy or a precedent, I would not be here urging the approval of this rule and the passage of the bill; but this is not a new policy, nor is it a new idea, nor does it establish a precedent.

I have examined the records and find that since 1803, up until the present day, the Congress has from time to time enacted legislation appropriating money to lend or make grants to people where they have suffered losses due to conditions over which they had no control, like storms, floods, fires, insect pests, hurricanes, earthquakes, droughts, and so forth.

As far back as 1803 Congress provided for relief of sufferers from the Portsmouth fire by extending the time for discharging customhouse bonds, a similar act for similar purposes being passed in 1804 for the benefit of sufferers from the fire at Norfolk.

In 1812, $50,000 was appropriated for the benefit of those who suffered from an earthquake in Venezuela.

An act providing for direct relief for landowners in New Madrid County, Missouri Territory, who suffered losses on account of an earthquake, was passed in 1815. Here the Government actually gave farmers new farms in the place of those destroyed as a result of the earthquake. I wonder if the gentleman from Missouri [Mr. COCHRAN], who is opposing this rule now recalls how generous our Government was toward the people of his great State when they were in need on account of a disaster over which they had no control.

In 1836 Congress made an appropriation for aiding those who had sustained losses from Indian depredations in Florida. Another appropriation of $200,000 was made in 1863 for the relief of persons injured or suffering losses from Indian depredations in Minnesota.

Relief was provided for sufferers from the fire at Portland, Maine, in 1866.

An act providing for the use of naval vessels for transportation of supplies contributed for relief of destitute persons in France and Germany was passed in 1871.

An appropriation of $190,000 was provided in 1874 for the relief of sufferers on account of the overflow of the Mississippi River and its tributaries. Another appropriation amounting to $300,000 for the same purpose in 1882, and another for $500,000 in 1884.

In 1875 an appropriation of $180,000 was made for the benefit of farmers who suffered from grasshopper ravages. Since then acts for similar purposes have been passed from time to time.

In 1890 Congress passed an act appropriating $175,000 and providing for 2,500 tents for use by sufferers in Arkansas, Mississippi, and Louisiana.

An appropriation was made in 1890 to assist farmers who suffered from drought in the Territory of Oklahoma.

In 1897 there was an appropriation of $200,000 to assist farmers suffering from overflow of the Red River of the North and tributaries of the Mississippi River. An appropriation of $50,000 the same year was provided to assist the destitute citizens of the United States in Cuba and for their transportation home. Another appropriation was made the same year providing assistance to sufferers from the overflow of the Rio Grande.

In 1902 an appropriation of $100,000 for the benefit of the destitute inhabitants of Cuba was made, together with an appropriation of $200,000 to assist sufferers from earthquakes in the French West Indies.

An appropriation of $800,000 for the benefit of a destitute people suffering on account of the Messina earthquake in Italy was provided in 1909.

In 1912 an appropriation of $1,239,000 for the benefit of those who suffered from floods in the Ohio and Mississippi Valleys.

In 1913 approximately $1,000,000 were appropriated for the benefit of persons who suffered from floods in Ohio, Indiana, Alabama, Mississippi, and other Midwestern States.

Upward of $200,000 were appropriated in 1914 for the relief of sufferers on account of the fire at Salem, Mass. There was also an appropriation in the same year to the extent of $540,000 for the relief of flood sufferers in a number of Southern States.

Relief was furnished to persons suffering from overflow of the Arkansas River and tributaries in Colorado in 1921. Provision was made the same year for expenditure of $20,000,000 from funds of the United States Grain Corporation for the benefit of people in Russia with $4,000,000 additional to American associations for relief.

In 1925 upward of $6,000,000 was provided for earthquake sufferers in Japan.

In 1927 $253,000 was made available to farmers for losses sustained in the way of crops and livestock by the Florida hurricane.

Approximately $10,000,000 was provided in 1928 to rehabilitate agriculture in Puerto Rico following the hurricane of September 1928. An appropriation of $6,000,000 was authorized to aid farmers in the Southeastern States who suffered loss of crops on account of the same hurricane.

An appropriation of $45,000,000 was authorized in 1930 for the benefit of farmers who suffered on account of the drought and storms in the United States, $20,000,000 of which were appropriated within less than 30 days following the passage of the authorization.

I could give record of about 150 acts or resolutions providing assistance to sufferers from the causes already mentioned, but I think we have given enough references to show that the request now before this committee is not without precedent. I certainly trust the rule will be adopted, and if it is, I shall then endeavor to present facts sufficient to justify favorable consideration of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. HARE]?

There was no objection.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a brief excerpt from an article by Mr. Ernest K. Lindley on the Pearl Harbor disaster.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein an editorial from the Wisconsin State Journal, of Madison, Wis.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

RELIEF FOR CERTAIN AGRICULTURAL PRODUCERS IN STRICKEN AREAS

Mr. FULMER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6359) granting relief to certain agricultural producers in stricken areas who suffered crop failures in 1941 because of adverse weather conditions, insect pests, or other uncontrollable natural causes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House

on the state of the Union for the consideration of the bill H. R. 6359, with Mr. BULWINKLE in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. FULMER. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, this bill (H. R. 6359) seeks to give relief to the needy farmers whose crops last year were practically destroyed by boll weevil infestation and unfavorable weather conditions.

The bill is very simple. Under one section it seeks to help the cotton farmer whose 1941 cotton production was less than 40 percent of the normal production of his cotton acreage allotment. He may be paid parity between the difference that he produced and 40 percent of a normal crop.

I introduced a bill similar to the one now under consideration which would allot the cotton producer a grant between what he produced and 50 percent of a normal production. Several bills were introduced along this line and the committee reduced this amount from 50 to 40 percent of normal production.

To illustrate under the bill now being considered, suppose a farmer's normal production on his allotted acreage was 2,000 pounds of cotton. Last year the weevil destroyed all except 400 pounds. Under this bill the farmer would receive parity for the 400 pounds which represents the difference between what he actually produced and 40 percent of his normal crop.

Many counties in Georgia, South Carolina, Alabama, Louisiana, and Texas had almost a total crop failure due to infestation of the boll weevil and unfavorable weather conditions. A number of the counties in my district produced less than 20 percent of a normal cotton crop, and eight or nine counties made less than 10 percent of a normal cotton crop. Cotton is the only money crop in my district, and many counties in the district produced no corn, grain, or food crop on account of the long drought in the spring, followed by nearly 3 months of wet weather. This condition has never existed before in my district or many other sections of the South. In the early fall I visited every county in my district and saw the crops in many of the fields. Acres and acres planted to cotton did not produce anything.

In addition to the total failure in many sections, the cost of production was more last year than any previous year on account of the rising prices of everything, together with additional taxes. The crops of many farmers last year will not pay for the fertilizer, and I just cannot see how many of these farmers can go through the winter without some aid. They have no grain or food for the winter months nor money with which to buy clothing and shoes. They are without credit and their neighbors are not in position to aid them. These people desire to remain on the farm and they must have something to exist on.

Besides, from a national defense viewpoint it is necessary that they produce food and cotton to assist in winning this war. The policy of the Government now is to encourage farmers to produce food and feed necessary for defense.

The hearings before the Agricultural Committee and the census reports show the plight of the cotton farmer just as I have stated. I submitted from the Census Bureau, Department of Commerce, a preliminary report of cotton ginned prior to November 1, 1941, comparing the production of 1940 and 1941 in the 17 counties of my district. As I have just stated, this report shows that many of the counties produced less than 10 percent of a normal crop.

There would be no necessity for any legislation to assist these farmers now had the crop-insurance law been passed earlier. Someone may say that this is a bad precedent, but we have had the precedent before. However, there will be no necessity from now on to make grants to any commodity producers as we have the crop-insurance law now on the statute books. We passed an insurance bill some 2 years ago, but that bill was vetoed.

I do not see how anyone can oppose this bill to aid the farmers who, through no fault of theirs, are absolutely helpless. The object of this bill is to help this class in needy circumstances. No one, regardless of the amount produced in normal crop years, may obtain more than $500.

I understand there is a bill pending to aid people who will be out of employment on account of changing the industries of the country to making implements of war. These industries are located in cities, and large cities. Certainly no one who feels this class should be aided can vote against this bill to help farmers who cannot exist without aid and also will be unable to produce food and clothing for national defense.

As fully stated in the committee's report, I desire to stress that these farmers are unable to pay any of their obligations unless relief is granted. Many of them will leave the farms, bringing about foreclosures on both real and personal property, which means serious losses to the farmers, the Government agencies, and all creditors of these farmers.

Mr. FULMER. Mr. Chairman, I yield now to the gentleman from California [Mr. SHEPPARD].

Mr. SHEPPARD. Mr. Chairman, war is inflammatory; it produces tongues of flame that sear the soul of man; it sweeps us along on a fiery wave of excitement; we lose our sense of proportion in the thrill and the chill of the immediate horror; we draw from our resources as we would draw water from the fire hose; we know we must put out that fire—the fire of war. We are willing to pay any price to do it; we want to do it now. We want an army, we want a navy, we want a marine corps, we want an air force—now. Yes, yes, we will pay, but we want these things now. The fire is spreading, we must put it out. We want tanks, we want planes, we want ships, we want guns, we want bullets for the guns, we want bombs, we want space, we want speed—now, now, now, not tomorrow, now. The fire is spreading, the stream of water must play on it continuously, now. Sure, we will pay for it, pay for it now, whatever it cost, anything to stop the fire. That is because we see the flame, we hear it snap and crackle, we feel the sting and burn of it. It burns our eyes, it roars in our heads, the smoke of it chokes us, we must stop it now, what matter the cost in dollars, get the water, put out the fire, pay for it, pay for it, keep that water flowing on that fire until the last feeble spark dies out.

But the water will not flow through that hose if the spring is clogged up or if the spring runs dry. The spring that supplies the water that runs through that hose is the American farmer. Back of the tanks, the planes, the ships, the guns, the bullets, the bombs, is the agricultural army. Back of the men and women who produce the tanks, the planes, the ships, the guns, the bullets, the bombs, is the patient loyal, self-sacrificing patriotic agricultural army. They supply food. Our fighting forces must be fed; our industrial army must be fed; our civilians must be fed; the American farmer must supply the food.

Modes of transportation, means of operation, may change but our Army still moves on its stomach. Food, food, food; that is a first must, whether our Army moves on the land, in the sea, under the sea, or in the Army, the man who keeps him moving, the man who keeps him equipped, the man who sustains him wherever he may be—that man is the American farmer. Without him no machinery turns over; without him no soldiers are clothed; without him no soldiers have guns; without him we build no ships; without him we have no planes, no bullets, no army marching, no planes flying; but are we willing to pay him? A farmer harvests wheat in Kansas and that wheat makes planes in California. Fruit juices grown by farmers in California, Texas, Florida, turn on power juices in our industrial centers. Corn shelled in Iowa sends shells to Hawaii. Are we going to pay him now? We know we cannot afford to strangle him with inadequate pay. We cannot afford to have anything happen to that free flow of water now. It is one thing for a ship to be launched 10 months from now, but 10 minutes is too long to delay the American industrial army's breakfast, now. The man who needs the most encouragement, the highest morale now, is the man who will uphold the morale of the Army, the Navy, the Air Corps, the industrial army, the civilian army. For the duration, that man is the American farmer. Food is, always has been, always will be a must, a first must. Without it you have no morale. No piece of equipment, no branch of our service is as strategic, as critical as food. Important as our industrial army is to every branch of our service, remember it only starts moving after breakfast. Our American agricultural army is a must now, not tomorrow, not next week, not next month, but now, and tomorrow and next week and next month, and next year—yes, for the duration.

Our agricultural army must not be slighted, not left by the wayside, not

abandoned to carry on alone in our feverish excitement; they must remain intact, they must be paid now. Let anything happen to that spring and we can not put out the fire. Keep that spring flowing by keeping the American farmer going. Pay him, pay him now. He does not ask the unreasonable, but he deserves the best. The peace, the security, the freedom of 130,000,000 people depend upon him, now. Give him what he deserves. He will not ask for more, he should not have less. We can have food without bullets but we cannot have bullets without bread.

Mr. Chairman, I was pleased to support this rule and H. R. 6359, for which the rule is asked.

Mr. FULMER. Mr. Chairman, I yield now to the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Chairman, we are considering a bill to relieve certain agricultural producers in stricken areas who suffered crop failures in 1941 because of too much rain, not enough rain, insect pests, or other uncontrollable natural causes. This bill has been carefully studied for many weeks by the Committee on Agriculture. I wish to say here that the bill is not as strong and does not go as far as I would like, but the Committee on Agriculture feels that it is the best bill which it can agree on at this time. I wish to express my personal appreciation to the Committee on Agriculture and to its very able and conscientious chairman for the time and effort spent on this legislation. They first presented a bill a few weeks ago which went further than this bill goes, but circumstances forced the committee to modify their first bill. It was estimated that the first bill presented would have cost approximately $40,000,000, but it is now estimated that the present bill will not cost over ten or fifteen million dollars.

I wish to point out that the modified bill presented by the committee deals only with the question of need and is presented here purely as an emergency proposition. It is an effort to relieve to some extent farmers in areas which were the worst stricken by crop failures. A large part of northwest Louisiana, east Texas, a portion of South Arkansas, most of South Carolina, a part of Georgia and Alabama, and a large section of New York have been hit the worst by crop failures in 1941.

The very wording of the bill so limits it in scope that I can hardly see how anyone can conscientiously oppose it. No one should object to a stricken farmer having the necessities of life. The farmer is the poorest paid man in the whole country. This bill does not set a precedent, as has been argued here this evening. But, even if it did, it is certainly not the first time that Congress has set a precedent. In these emergency times Congress has set one precedent right after another. A few years ago Massachusetts and the New England States had a storm that was very devastating, and we went along with an appropriation to help. We have been glad to go along with other areas that had visited upon them unusual occurrences resulting in great loss of property. If it rains every day for 60 or 70 days, crops are destroyed, as much so as if we had had a cloudburst and tornado all happening at one time. In 1940 our farmers produced only about half a crop of cotton, and in 1941 the rains reduced our production to less than 20 percent in some sections. In fact, some farmers produced hardly enough cotton to justify the picking. The rains were so bad that in many places it was difficult, if not impossible, to produce vegetables in the garden.

Mr. Chairman, in the short time allotted to me, I have undertaken to show the urgency of this matter. I wish for a moment now to direct your attention to the fact that this is a national-defense project. I have loyally voted for every gun, every airplane, every tank, every ship, and every other defense weapon which the President has requested. I have voted the vast sums for the lend-lease bills. I would not for one moment question the importance of all of these things. We need more of them. But I know that armies cannot fight without food and clothing. The man between the plow handles is necessary to victory. They tell us that America must be not only the arsenal of the Allies but that it must be the granary as well. We are expected to produce food and other articles necessary for national defense. These farmers who have been so sorely stricken need this additional help to enable them to contribute more fully to national defense. I can assure you of their loyalty and patriotism, and I know that they are willing to produce to the utmost. It is vital to national defense that they be encouraged and be helped to produce a bountiful crop in 1942.

I will say briefly, that this money is coming largely from the parity money that has already been provided for.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I am sorry. The gentleman knows my time is very limited.

We have the money provided for in the parity funds. We are not going to be able to use that money this year, because the price of cotton is around the parity price. Therefore, we are simply asking this Congress now to give us a small part of that.

I urge that this is an unusual situation. It is not a general situation. The gentleman from Kansas [Mr. HOPE] has attempted to bring out several times the fact that the farm security program provides for these things. The Farm Security Administration has undertaken and will undertake to provide for the ordinary things, the ordinary farm situations; but we are facing an extraordinary situation. Gentlemen, we ask you to help us bring relief to these stricken farmers.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety-three Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 16]

Allen, Ill.	Hébert	Rabaut
Andresen, August H.	Hendricks	Ramspeck
Andrews	Hinshaw	Rees, Kans.
Boehne	Holbrook	Robinson, Utah
Boggs	Hook	Romjue
Boykin	Jensen	Sacks
Bradley, Pa.	Johnson, Lyndon B.	Schaefer, Ill.
Buck	Johnson, W. Va.	Scott
Burgin	Kee	Shanley
Carlson	Kefauver	Simpson
Celler	Kirwan	Smith, Pa.
Clark	Kopplemann	Somers, N. Y.
Cluett	Kramer	Sparkman
Crowther	Lambertson	Stearns, N. H.
Dewey	Landis	Stratton
Ellis	Larrabee	Sweeney
Elston	McGranery	Thomas, N. J.
Fenton	Magnuson	Thomas, Tex.
Flannagan	Mitchell	Vincent, Ky.
Ford	Monroney	Vreeland
Leland M.	Myers, Pa.	Ward
Ford, Thomas F.	Nelson	Wene
Gavagan	Nichols	Whelchel
Gifford	O'Day	White
Gossett	O'Hara	Winter
Haines	Osmers	Worley
Harness	Pierce	Youngdahl
	Powers	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 6359) granting relief to certain agricultural producers in stricken areas who suffered crop failures in 1941 because of adverse weather conditions, insect pests, or other uncontrolled natural causes, and finding itself without a quorum, he had directed the roll to be called, when 349 Members answered to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its session.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. RIZLEY].

Mr. RIZLEY. Mr. Chairman, this bill so far during the debate has been classified as a relief measure, and comparisons have been made with the situation that existed in New England a few years ago by reason of a tornado. It has been compared to the situation that exists following an earthquake, or other such disaster, but such is not the case. Need is not made a prerequisite to obtain relief under this bill. I believe if anyone is interested enough to want to try to find out really what the bill attempts to do will find it amounts simply to being a new precedent, a new scheme where as the course of events move along and you have a partial crop failure in any community in the country the Congress is to step in and provide insurance against such crop failure.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I am sorry, I cannot yield. I have but 5 minutes.

Let us look at the bill and see what is the real intent and purpose back of this thing. I realize that the gentlemen from New York who spoke under the rule stated what is the fact, that they have not been in the well of this House very often asking anything for the farm sections of their State; but I say to these

gentlemen that in my humble opinion this bill will not do anything for New York. I say that if a New York farmer has to qualify as provided under the terms of the bill through the Farm Security Administration he will not have any relief under this measure; and I base this statement upon testimony that was given before the Committee on Agriculture.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. I am sorry, I have not time to yield.

The bill now before us is not the original bill introduced in the committee. But testimony was had on the bill in the committee; farmers from New York, witnesses before the committee, were asked if they were willing to be governed by the requirements of the Farm Security Administration in order to obtain the benefits, and they stated emphatically no, that if that went into the bill it would not give them any relief whatever.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. No.

The CHAIRMAN. The gentleman from Oklahoma declines to yield.

Mr. RIZLEY. As the bill was finally reported from the committee these other provisions were written into it. Let us look at some of the language of the bill, let us turn to the provision which would apply to the farmers of New York. I will read it and then I would like to have some Member from the State of New York tell me what it means:

SEC. 3. In the case of any area with respect to which the Secretary of Agriculture determines (a) that by reason of drought in 1941 the condition of pastures or the production of hay and other forage crops used in such area to sustain dairy cows is such as to threaten to result in a substantial reduction in the production of milk in such area or to result in the reduction by dairy farmers in such area of their foundation herds, and (b) that milk and other dairy products produced in such area are required for the purposes of "An act to promote the defense of the United States," or needed for other defense purposes.

To what act to promote the defense of the United States does this refer? What must the Secretary of Agriculture find when he undertakes to assist in classifying those eligible to participate hereunder?

Mr. Chairman, I yield to no one in this Chamber in my desire to aid and assist the distressed farmers of this country. No one in this Chamber has lived in a community where continued crop failures existed for as great a length of time as in the Panhandle sections of Oklahoma, Texas, eastern New Mexico, Colorado, and western Kansas, but our farmers did not ask for or obtain special relief in grants and doles as contemplated by this legislation. They looked to and relied upon the regular agencies of the Department of Agriculture for their assistance. All of these same agencies are available to the affected districts in the cotton areas represented here this afternoon. We should not establish the precedent called for in this proposed bill.

Mr. FULMER. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Chairman, I was very much interested in the position taken by the gentleman from Oklahoma [Mr. RIZLEY] who preceded me and vigorously opposed the passage of this bill. I am wondering whether or not he is familiar with Statute No. 26-679-44, enacted by Congress on September 1, 1890, in which an appropriation was made for the relief of farmers in the Territory of Oklahoma because they had suffered from an unprecedented drought.

In my remarks earlier in the day in support of the rule providing for the consideration of this bill I referred to a number of acts of Congress making grants or ratifying grants for relief to sufferers from floods, fires, earthquakes, storms, droughts, insect infestation, and so forth. I stated there were upward of 150 such acts dating back as far as 1803 and as late as 1939. As I referred to a number of them specifically I do not think it necessary at this time to refer to more than a very few and I am doing this for the reason that some of the opponents of the bill are arguing that it is establishing a precedent, saying that the Federal Government has never heretofore made grants but only loans for relief to any sufferer.

I call attention to an act of Congress February 17, 1815, following an earthquake in what is now the State of Missouri. This act provided that where lands had been destroyed or injured as a result of this earthquake a farmer would be given another farm from public lands without requiring him to qualify under the homestead law. In 1866 Congress passed an act admitting free of duty any foreign contributions for relief of sufferers from a fire at Portland, Maine. The same act suspended the collection of internal-revenue duties from those who suffered losses from this fire. In 1874 an appropriation was made for the purchase of food and clothing and given to people who suffered losses on account of the overflow of the Ohio and Mississippi Rivers. Other legislation was later enacted in which such sufferers were furnished furniture, bedding, clothing, and so forth, all of which were direct grants. As far back as 1875 Congress appropriated $30,000 to purchase and donate seed to farmers who had lost their crops from grasshopper ravages. This was a direct grant and not a loan. Yes; the Congress went further than that, it appropriated $150,000 to be used in the purchase of food and clothing to be given to the same farmers. In 1884 an appropriation of $300,000 was made for the purchase and distribution of food, clothing, and so forth, to people who suffered losses on account of the overflow of the Ohio River and its tributaries. This was a direct grant. I could give a hundred or more of similar references, but anyone familiar with the facts will not undertake to say this is the establishment of a precedent in principle.

Objection has been made to the provision of the bill that would aid some dairy farmers in New York State where they lost their crops on account of drought, such aid to be limited to the freight on hay or cattle feed. The objectors say that assistance in the way of furnishing transportation by the Government to individuals is without precedent. I am sure no one familiar with the facts could justify such a statement, because in 1867, 1868, and 1871, following the War between the States, when there was much suffering among the newly freed slaves, Congress enacted legislation providing appropriations for use in making grants in the way of food, clothing, furniture, and so forth, and the legislation further provided for the payment of freight or transportation charges on all contributions for the relief of these people, as well as contributions sent to destitute persons in France and Germany. In 1880 Congress made an appropriation to be used for the chartering of ships for transportation of contributions for relief to famishing people of Ireland and other points. A ship was chartered by the Secretary of the Navy to carry a shipload of supplies from New York to Wilmington, N. C., to be distributed among the colored people of that State. Certainly there is no precedent established by the provisions in this bill.

I am not unmindful that legislation of this kind must necessarily be based upon proof showing more than a local disaster and there must be suffering and need as a result therefrom. I would be opposed to legislation if only a few people were involved, because it would then be the obligation of the community, county, or State, but here there are thousands of people who are suffering as a result of a disaster, and I feel it is within the province of the Federal Government to come to their assistance somewhat in proportion to their need and losses. I am not personally familiar with the total area involved, but what I have to say is based upon personal knowledge and facts that cannot be denied. I shall use the circumstances in my home county as an illustration in support of my argument.

The record will show that from about the 12th of June of last year up to and shortly after August 1 we had about 22 inches of rainfall, making it impossible for many farmers to get into some of their fields for a period of 2 months, and as a consequence, many lost their entire cotton crop and a great portion of their corn. According to the last census, there were a little over 2,000 farmers in Saluda County, S. C., and I hold in my hand affidavits from 1,485 of these farmers showing their production of cotton in 1940 and 1941. I have tabulated the information contained in these affidavits and find that 10 percent of them did not pick 1 pound of cotton this last year, and 36 percent produced less than one-half of a bale, the average being less than 2 bales, when the year previous the average was between 7 and 8 bales. Their yield of corn was somewhat in proportion.

Anyone familiar with farming operations—it matters not whether you are

from South Carolina, Texas, California, Nebraska, Maine, or New York—will know that where there is such a crop failure there is certain to be distressing need. Many have written me and said they have no cash income whatsoever, and in many instances were unable to secure meat, bread, or clothing for their families. They have certainly had a disaster, and a great many of them are in need. According to the evidence submitted, a similar situation exists in a majority of the counties in my State as well as a number of counties in other States.

Some who are opposing this bill say they admit the facts but suggest that these people should go to the W. P. A. for relief. It may be that in a few instances some may find employment but in most localities in my district there are no W. P. A. projects to go to. Furthermore, I would like to suggest that from my observation and experience a man who undertakes to make a living on a farm has work to do every month, every week, and every day of the year, and if he is required to go to the W. P A. for the next 2 or 3 months he will have made no preparation for his recovery next year. I submit further it will be cheaper for the Government to make the grants herein proposed than to provide additional funds for W. P. A. projects. Furthermore, when he is doing W. P. A. work he will not be contributing very much toward the defense program, whereas, if he is at home getting ready for spring planting he may be making a very valuable contribution to our defense program this next year.

I suggest further there are no Federal W. P. A. projects in that section of the country and the Federal Government would obtain no benefit from such an expenditure, but these men are farmers and agriculture is the basis of our national wealth and if they can remain on the farm and continue their operations they will contribute to our national wealth, which will be a partial security for the enormous sums of money we are now appropriating to defend our Government and its institutions. These people are without subsistence, and if they are forced to go elsewhere to find employment in order to keep soul and body together then agriculture to that extent must suffer and this is a time when agriculture is going to rank second to none in our elements of defense. I agree with the gentleman from Michigan [Mr. CRAWFORD] when he stated a short while ago there will be a break-down in our defense program from the standpoint of agricultural production within a period of 1 year unless we are able to maintain and retain labor on our farms. In my section a number of farms have already been deserted for the reason that the occupants had nothing upon which to subsist, and for the further reason that the Government is offering fabulous prices—prices too fabulous—for work on some of its defense activities. I do not blame these people at all—if I were in their place I would go too—but the point I am trying to make is that many of them are leaving reluctantly, and if the Government would only come to their assistance for a few months they would remain and contribute toward the production of those crops so essential in our defense program. It will be a tragedy if we fail in our production program.

Others have suggested that these farmers should go to the Farm Security Administration for aid. My reply is that some have called upon this agency for assistance. I wish I had time to review the correspondence with the men and women who say they have been going to the office of the Farm Security Administration for the past 2 or 3 months and so far, they tell me, they have not been able to get an opinion on their application.

You understand I am not availing myself of the opportunity to criticize the Farm Security administration but it seems that its programs and regulations do not fit in and take care of this situation. Under the provisions of the Farm Security Act providing aid or grants to farmers when crops have been destroyed by hail, floods, storms, or otherwise a representative of the Department makes an investigation to determine whether the applicant is in need of assistance and then decide upon the amount that may be granted. This bill duplicates the existing law providing that the Secretary of Agriculture, and he can elect to do this through the Farm Security Administration if he sees fit, shall first determine who is entitled to aid under existing regulations but instead of leaving the amount of aid to be granted within the discretion of an individual this bill provides a yardstick to be used in fixing the maximum amount of each grant and in doing this it undertakes to distribute the aid as near as mathematically possible to the need and losses sustained. Under the Farm Security Act the amount of the loan or grant is within the discretion of the inspector and the sky may be the limit, but under the formula of this bill no person would receive a grant in excess of $500 and it could not exceed, in the case of cotton, the difference of what he produced this year and 40 percent of his normal production multiplied by the parity price fixed by the Department of Agriculture. To illustrate: If a farmer's normal production, as previously ascertained by the Department of Agriculture, should be 300 pounds per acre, he would first deduct 60 percent, which would leave 120 pounds, and if it were shown that the farmer produced 90 pounds of cotton per acre this year he would be paid on the difference between 90 and 120 or 30 pounds at the rate of approximately 16.5 cents per pound, which would give him $4.95 per acre, and if he had 10 acres, he would get $49.50. This is not a great amount but it would enable that farmer to stay at home and try to get ready for another crop.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. HARE. Mr. Chairman, up until the Christmas holidays a number told me they had not been able to get an application approved by the Farm Security Administration.

Mr. KEEFE. Will the gentleman yield?

Mr. HARE. I yield to the gentleman from Wisconsin.

Mr. KEEFE. If they have not been able to get an application approved since last September by the Farm Security Administration, how does the gentleman expect them to get an application approved under this bill, when it must be approved in order to get it?

Mr. FULMER. May I answer the gentleman's question? I will yield you additional time.

Mr. HARE. Yes; with that understanding.

Mr. FULMER. This bill is administered by the Secretary of Agriculture. They do not have to go to the Farm Security Administration. The Farm Security rules and regulations governing grants provide that a man cannot receive relief unless he is actually in need. Reference is made to the Farm Security Administration. My committee—and, in connection with that, there was my good friend the gentleman from Kansas [Mr. HOPE]—wanted to investigate the Farm Security Administration for what they are doing. He is on the committee. They are spending millions and giving grants, but they are not touching the real proposition that they ought to do.

Mr. KEEFE. Will the gentleman indicate who is supporting these people and who have been doing so since last August?

Mr. HARE. Their neighbors and what little work they are able to pick up in the community.

Mr. KEEFE. Do not the municipalities take care of these people?

Mr. HARE. No. We have no municipalities of any size. There is not a municipality in my county with as many as two thousand people in it, but there are 20,000 people in the county dependent upon cotton and corn for a living, and they have not made any, because, as I have already said, they had 22 inches of rainfall within a period of slightly more than 60 days.

Mr. Chairman, under the policy of the Government, as I said a few minutes ago, from 1803 up until the present hour, we have always given relief to people when they were in need and local facilities could not take care of them. There is not a section represented here today but what has been the beneficiary of the Government at one time or another, and I submit there is every justification for favorable consideration of this bill.

Mr. Chairman, a point I wish to emphasize and again call attention to is that some of the people on these small farms are of necessity leaving the farm. They are going to Pennsylvania; some are going to Illinois; some to other sections of the country, and I am daily receiving letters and telegrams from people saying that this year their farms will grow up in weeds or grass, because they have nobody to work them. I am venturing the prediction that unless we can get some aid to this section of the country the defense program in the next 2 years will bog down and you will have to draft men to go on the farm and produce food for men in the front line of battle.

Further objection to the bill is based on the ground that funds already appropriated for parity payments this year are to be used in paying the grants pro-

vided in case the bill should be passed. There are two reasons why the grants should be paid from this fund. One is the possibility that cotton farmers will not receive parity payments for this next crop and it would, therefore, be unnecessary to make additional appropriations should the bill pass, and the second is that the use of such funds will in a measure compensate the farmer for the increased price on the things he buys due to the operation of the tariff law. My understanding is that the parity-payment policy established a few years ago was for the purpose of providing farmers with a benefit corresponding to that obtained by industry as a result of our protective-tariff system. That is, the parity payment in a measure is to reimburse a farmer somewhat in proportion to the amount he pays in the way of increased prices for the things he has to buy, such increase being due to custom duties or tariffs. Or, to put it another way, it was for the purpose of placing the purchasing power of the farmer on a parity with the purchasing power of the beneficiary of our tariff system. Now what is the situation with reference to these farmers we are endeavoring to assist? They have had a crop failure and there has, therefore, been a reduction in the total production of cotton to the extent of such failure and, as a result of this reduction, coupled with a number of other factors, the market price of cotton is now equal to or higher than the established parity price; consequently, under existing law, the parity funds appropriated will not be used for paying parity on cotton for this next crop. These farmers, therefore, will not receive parity payment and they are now not only suffering this loss but they will suffer the loss sustained by their crop failure and their suffering will further be increased or magnified by the fact that they must continue to pay the increased prices on the things they buy due to the operation of the tariff law. That is, if the Congress fails to act favorably on this proposition it will by its action in the passage of the tariff law and the Parity Payment Act compound the suffering of these farmers who sustained a crop disaster. Therefore, from a standpoint of equity and good conscience, I feel that the Congress should give favorable consideration to this bill.

Let me say in conclusion, Mr. Chairman, I am urging favorable consideration of this proposal for two outstanding reasons; one is to aid a class of people in great need and who are suffering as a result of a disastrous crop failure due to causes over which they had no control, and the second is that such relief will assist in rehabilitating these people on the farm where they should be able to carry on this year and make a contribution to the general welfare of our country, our national economy, and our national defense program.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. FORD].

Mr. FORD of Mississippi. Mr. Chairman, my district, consisting of 10 counties in northeast Mississippi, has suffered a partial crop failure because of adverse weather conditions, boll weevil infestation, and other uncontrollable causes for 3 successive years. H. R. 6359, the bill now under consideration, will partially compensate the farmers of my district. They are a vital link in our national-defense program and I earnestly urge all Members to support this legislation.

Mr. HOPE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I wish to make it abundantly clear in the beginning that I am very sympathetic with any victim of drought, flood, or other disaster. I have reason to be, because I come from a district a part of which suffered from 7 years of continuous drought. The west part of my district is in what was known as the Dust Bowl area, and 7 years out of the last 10 that area suffered from a drought so severe that a great majority of the farmers raised absolutely nothing.

I regret that I must oppose this bill. There are many Members here who are sincerely interested in it, including some of my very close friends. However, I feel that this bill ought to be opposed and ought to be defeated for at least two very important reasons.

The first is that while this purports to be a relief bill with provision for grants or doles to individual farmers, it provides for payments on a basis other than need. I favor relief when needed. I am willing to be generous about it, but a grant from the United States Treasury should be based on need.

The gentleman from South Carolina called attention to the fact that there have been many, many relief bills passed by Congress, but I challenge him to show any bill in the nature of a relief measure which set up an insurance formula such as you have in this bill and paid no attention to the matter of need. That is the first reason.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from South Carolina.

Mr. HARE. In the first place, this is predicated upon need.

Mr. HOPE. I disagree with the gentleman. This is not predicated on need. It is true that in this bill it is stated that an applicant must show that he is qualified to receive a loan or a grant from the Farm Security Administration, but the basis upon which he receives the grant—in this case—is not his need, the basis upon which he receives it is an insurance basis. It depends upon the amount of crop he had, the acreage of crop he had, and the extent to which that crop was a failure. It is not based on his need. He can get up to $500 if he had a large enough acreage and a great enough failure, yet some other man may be very much more in need and he may get $15 instead of $500.

Mr. HARE. Under the Farm Security law, no man is able to get or is qualified for a loan or a grant unless he first shows the need. The gentleman will agree to that.

Mr. HOPE. Not entirely. I talked with the Administrator of the Farm Credit Administration this afternoon about the matter. This is in brief the formula they use: A man must show that he is unable to secure credit at reasonable rates from some financial institution.

Mr. HARE. If he is not in need, I do not know a man who is.

Let me answer the gentleman's other proposition. The gentleman says that this is a new formula. There is no limitation on the grant the Farm Security Administration may make. They can make the sky the limit. There is no limit to the loan they can make. This formula fixes the ceiling and states that it shall not exceed a certain amount, that it shall be the difference between the actual production and 40 percent of his normal yield.

Mr. HOPE. I appreciate what the gentleman has said, but in answer to that may I say that, as far as the Farm Security Administration is concerned, there is a ceiling, and that ceiling is the need of the applicant. That is the basis upon which the Farm Security Administration administers relief, and it is the basis upon which all other direct relief acts ever passed by this Congress have been administered, as far as grants to individuals are concerned.

Mr. CULKIN. Mr. Chairman, will the gentleman yield? I think the gentleman has made a misstatement.

Mr. HOPE. I will give the gentleman some time tomorrow, and he can reply then to any misstatement I have made.

The second reason why I feel it would be a mistake to pass this measure is that it sets up an agency to duplicate what is already being done by existing agencies of this Government. I said a while ago that I come from a district which has suffered from drought for 7 years, and we had to have relief—we had to have a lot of relief. If this area we are discussing today is in bad shape after 1 year of drought, you can very easily imagine how seriously the Great Plains area was affected, with 7 years of drought.

The Farm Security Administration through its grants, the Crop Loan Office through its loans for crop-production purposes and feed, and the Production Credit Corporation for those who had assets to justify that type of credit, took care of our situation.

Those agencies exist today. I have conferred with them. I have their assurance, and the committee had their assurance when this bill was considered, that they are able and willing and ready to take care of these situations today in exactly the same way that they took care of them out in the Great Plains area and in other areas that suffered from drought or disaster during recent years.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. HOPE. Very briefly; yes.

Mr. FULMER. Would the gentleman be in position to state how many millions your people have got out of wheat insurance in the last 3 or 4 years?

Mr. HOPE. No; I cannot give those figures. On an average about 20 percent of the wheat producers of the country have had Government crop insurance during the 3 years it has been in operation. There have been losses in every wheat-growing State and those who have

been insured were indemnified. That was purely and simply a business proposition, they paid the premium and got the insurance. The gentleman wants to give these folks insurance when they did not pay any premium for it.

Mr. FULMER. I challenge the gentleman to show me a line in the bill that refers to insurance. But the statement was made that we have insurance for 1941. However, the President vetoed it and the farmers are not responsible for the fact they did not have it last year.

Mr. HOPE. The formula in the bill is purely an insurance formula. It is nothing but insurance. It is not based upon need, but it is based upon insurance. It gives the farmer a paid-up insurance policy for 40 percent of his normal yield, based on his allotted acreage at the parity price. It gives it to him after his crop was produced and without the payment of any premium.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman.

Mr. MURRAY. Possibly, the gentleman could have answered our distinguished chairman by calling his attention to the fact that cotton has "rolled out the barrel" to the tune of $2,000,000,000 and has represented less than 10 percent of the national farm income for the last 10 years.

Mr. HOPE. That is true. But I do not care how much cotton or any other crop has received. I am willing to go along and give any amount of relief that may be necessary in these drought or flood situations as long as it is based on need, and we have the agencies and the machinery set up now to furnish such information.

I want to call attention to the fact that in the State of South Carolina already this year there have been over 2,000 crop loans made for 1942 crops by the Crop Loan Administration. Last year there were something like 13,000 loans made in the State of South Carolina by the Crop Loan Administration, and over a period of the last 10 years there have been made in that State over 279,000 crop loans. Now, that administration is functioning. It has functioned during all this time and it is functioning today.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield myself an additional 5 minutes.

Mr. HARE. Mr. Chairman, will the gentleman yield for a question?

Mr. HOPE. Not until I have finished my statement.

The Crop Loan Administration, the setup we have now, was created in December 1930 to take care of a situation precisely like the one you have now in the South.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. In just a moment. At that time we provided for crop loans to enable those farmers who suffered from that drought, which was a much more general drought situation than we have today, although perhaps not so devastating in some sections—we set up at that time provision for crop loans, and it has been maintained ever since.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. Yes; I yield.

Mr. BROOKS. Let me ask the gentleman to answer this question. Referring to the case of an individual farmer who made a loan like the gentleman has already enunciated for last year, and he has no crop this year, what are you going to do, make him another loan?

Mr. HOPE. Exactly.

Mr. BROOKS. How is he going to pay back last year's loan?

Mr. HOPE. The Farm Credit Administration, if the gentleman has looked into the matter, is not pushing those old loans where the farmer is unable to pay. Today in the Great Plains area there are farmers who owe back loans, perhaps, 3 or 4 years in arrears, but this does not prevent them from getting a loan for the current year if it is shown that the failure to pay was beyond the control of the borrower. All the security that a farmer has to give in a loan of this kind is a lien on the crop to be planted.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. HOPE. Yes.

Mr. HARE. I am very glad that the gentleman mentioned the number of loans obtained in South Carolina last year and this year. I think he said 14,000 last year, and this year 2,000.

Mr. HOPE. That is, up to date.

Mr. HARE. That supports my argument, because we obtain loans there by the end of January. We do not go out in the spring and summer and get loans, and it shows conclusively that these farmers are not getting loans this year from the Farm Security, as we did last year, or they would have them by this time.

Mr. HOPE These were the loans made up to the end of December. I do not have the figures for the month of January, because they are not yet available; but there is no reason why the farmers of South Carolina cannot get just as many loans or more this year than last year. Ample funds are available, and I have a letter from the Farm Credit Administration saying that they are ready to take care of these loans.

Mr. HARE. But the fact is that they are not getting them, and have not got them, and will not be able to get them until it is too late

Mr. HOPE. The gentleman has a right to his opinion. I differ with him. There is no reason why these loans cannot be made this year, as they have every other year, and there will be more of them because there is more distress, and more people will call for new loans under the loan program.

In addition to that we have at this time the Farm Security Administration with its programs of grants. Those grants are available everywhere in the United States for the purpose of preventing human distress in agricultural areas. They are available in South Carolina, in Kansas, and in every State. They have been available for a number of years past. They took care of the situation in the Great Plains area, and they will take care of the situation in these areas.

Let me now call attention to some of the provisions of this bill. First, I mention the fact that the Senate has passed a bill similar to this. The bill which the Senate passed is the same as the original bill introduced in the House. That bill is on the Speaker's desk. I take it that at the proper time a motion will be made to take that bill from the Speaker's desk and substitute this bill for everything after the enacting clause. A great deal has been said about the provision in this bill which puts a limit of $500 on the amount anyone can receive, and upon the provision which requires that one must be able to receive relief from the Farm Security Administration before he can come in under this program. However, I call attention to the fact that when this bill goes to conference, and comes back, it may or may not have these limitations, because some compromise will have to be reached between the House and the Senate bills. Since a bill has already passed the Senate without limitations, Members should not forget when they vote for this bill they may be voting for a bill which will come back from conference with quite different provisions.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. HOPE. Mr. Chairman, I yield myself 2 minutes more. In conclusion, do not let us establish a precedent with this bill that will plague Congress forever after. We are going to have plenty of calls upon us for relief during the next few years. What about the men who are being forced out of the automobile business and the tire business, the small business men all over the country, thousands and thousands of them, who are being forced out of business at this time? What about the people who will have to make readjustments after the war is over? What are you going to do for them? If you vote for this bill, I do not see how you can refuse when the time comes to take care of them through some insurance bill, such as this. We cannot do that. Everyone knows that we cannot do that. The people of this country are demanding that we cut nondefense expenditures, and here we have a bill no one knows how much it will cost; but, no matter how great or how little the cost will be, it will set a precedent that, if followed, will cost the Federal Treasury billions and billions of dollars in future years.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. FULMER. Mr. Chairman, I yield such time as he may desire to the gentleman from Arkansas [Mr. CRAVENS].

Mr. CRAVENS. Mr. Chairman, the bill now under consideration offers the only hope of affording some small measure of relief to one of the most long-suffering segments of our people—a group of our population who through no fault of their own must have help if they are to hold on, to pursue the interminable battle between man and the elements. From personal observation, I know that many skillful, hard-working farmers are at their rope's end unless something can

be done for them. Thousands of acres of fertile land ordinarily producing from one to two bales of cotton to the acre, yielded in the year 1941 only a small fraction of their customary crop. Beset by an unusually wet season and with pest infestation it required in many cases 6 to 7 acres of land to produce one bale of cotton.

If the farmers so affected are to remain on their farms to be in a position to produce in the future, if they and their families are to avoid want and starvation, this bill must be passed. The provisions of this bill will fall far short of placing them in the economic position they would have occupied except for the ravages of nature and the elements. The passage of this bill will at best tide them over on a much reduced scale. The comparatively small sum provided will pay to the country at large, and in many ways, dividends far in excess of the outlay. Good business, and the dictates of humanity both require support of this measure. May we have your aid?

Mr. FULMER. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, almost the first thing I saw this morning when I wakened was an article on the front page of the paper published here indicating shortages and quotas. They referred to shortages, strange to say, of agricultural products, such as sugar, lard, and commodities of that sort, and indicated that we may in the future expect further shortages and further allotments to the consumers.

While I was waiting this opportunity to say a few words in support of this bill I picked up one of the Washington papers, and I read this article:

Women's Garb to Use Old Wool.

The first sentence is:

Women's coats and dresses in the future will have to be made from cotton, rayon, and reworked and reused wool, the War Production Board said yesterday.

I call your attention to that fact to indicate a growing shortage of agricultural commodities, of all commodities, in this country. In this war effort which we are making we must see that our people exert the maximum effort to produce not only manufactured commodities but also agricultural commodities.

Now, what is the situation we find in certain sections of the country with reference to this particular thing? What do we find, for instance, in a great portion of territory in the western part of Louisiana, in a great strip of territory in the eastern part of Texas and south Arkansas? You find that during last summer the rains descended upon that section at such times and in such quantities that the farmers literally did not produce a crop of cotton, which is the staple commodity. I hold in my hand four or five hundred postal cards from different farmers, each one individually signed, showing the quota which they normally would expect to produce in that area, and showing their actual production. I tell you members of this committee, without reading them individually, because they are here for your inspection if you want to see them, in parishes in that area in Louisiana there was a production of less than one-thirtieth of the normal crop. For instance, you find a farmer who last year produced 30 bales of cotton this year produced 1. Here is his signed statement to that effect. Those people do not have funds to begin a new crop year. They do not have funds to stay on their little farms. They are little farms, because their statements show that they have small farms.

Now, you may say that they should go out and borrow more money, as the gentleman from Kansas [Mr. HOPE] has said. The fact is that in South Carolina some 280,000 loans were made last year, which indicates clearly that those farmers were living from year to year in an effort to keep their heads above water. When something like this comes along and literally sweeps them off of the farms they are not able to go back again and borrow money this year without paying their last year's loan. It is no use to say "Loan them again," and keep on year after year pyramiding loans on these poor people who have no opportunity to pay off the old loans.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. BECKWORTH. To further substantiate what the gentleman is talking about with reference to borrowing money, one of the four points pointed out by the Farm Credit Administration as to whether they will continue making loans is this:

Provided the borrower has the capacity to work his way out of a reasonable debt burden under normal conditions.

I submit that that type of fellow could not borrow a penny of additional money.

Mr. BROOKS. I thank the gentleman for his observation. If we are dead in earnest about our food-for-victory program, we must assist these farmers. Unless they are helped, a tremendous reduction in farming operations over wide areas will occur and the resulting effect on the national defense program in the long run is bound to be heavily felt.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, fundamentally this bill is the same as H. R. 6120. That bill was reported to the House on December 5. Now we have this bill, H. R. 6359, introduced on January 12 and reported on January 15. Both reports read practically the same. Again this committee comes to the House without an expression from the Secretary of Agriculture or the Bureau of the Budget on a most important bill. I am going to give you the report of the Secretary of Agriculture and the Bureau of the Budget. I secured it since this bill was called up.

The bill, H. R. 6120, was submitted to the Bureau of the Budget by the Secretary of Agriculture. It was an unfavorable letter and the Bureau of the Budget notified the Secretary of Agriculture and notified the Congress that such legislation would not be in keeping with the President's financial program. The bill, H. R. 6359, has never been submitted to the Bureau of the Budget.

Mr. FULMER. Will the gentleman yield?

Mr. COCHRAN. Just a minute. I only have 5 minutes.

Mr. FULMER. Can the gentleman produce that letter?

Mr. COCHRAN. In reply let me say I have just talked to the Bureau of the Budget. That is where I got my information. Of course, I cannot produce the letter. I communicated with the Budget Director by telephone.

Now, we have had a guess here as to the cost of this bill. The gentleman from Illinois [Mr. SABATH] said it was indicated to the Rules Committee that it would be $5,000,000 but that his guess was $20,000,000. The guess of the Bureau of the Budget is $40,000,000.

The Bureau of the Budget called attention to subsection (B) on page 2 which indicates to the Members of this House that the money necessary to carry out the provisions of this bill will be taken out of the money already appropriated for parity payments, which will be saved. The Bureau of the Budget informed me that you are not going to save a cent of that money, and if this bill becomes law it will require another appropriation which, as I said, they estimate at $40,000,000.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. In just a minute.

Now, you are playing Santa Claus here to the cotton farmer, to the tobacco farmer, to the dairy farmer who lost his pasture. Why do you not go on and play Santa Claus to the corn farmer, the grain farmer, the wheat farmer, and all the other farmers? Why pick out a few? If you are going to do it at all, why not do it right?

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. In just a minute.

Mr. Chairman, this bill, in my opinion, has no business being on the floor of this House at a time such as we are now experiencing. What are you going to do to those who have gone into the Army at $21 a month? Are you going to reimburse them for the difference between their salaries at the time they were called into the Army and what they are receiving now—$21 a month? No; you are not; of course you are not; you do not have money to do it.

This bill should be defeated, and the companion bill (H. R. 6120), if it ever comes to this House, should be defeated.

I now yield to the gentleman from Texas [Mr. BECKWORTH].

Mr. BECKWORTH. The gentleman referred to the attitude of the Bureau of the Budget with respect to this particular legislation; and although this is a little aside from it, I wonder what the attitude of the Bureau of the Budget is relative to the $300,000,000 bill to take care of about 4,000,000 people whereas this $20,000,000

will take care of the farmers in about six or seven States?

Mr. COCHRAN. This is for 6 or 7 States out of 48. What about the other 42?

Mr. BECKWORTH. Right along that line, a farmer to get relief under this bill must show that he made less than 40 percent of a normal crop. I ask the gentleman if he thinks such a farmer does not need help?

Mr. COCHRAN. Let him go borrow from the crop-loan fund. If they cannot borrow any money because they owe, then bring in a bill giving them the right, if they can show they lost their crop, to borrow again. I will vote for a bill of that character. You should not play Santa Claus to a few farmers in six or seven States.

For 6 weeks we had rain every day last year in Missouri. The Missouri River and the Mississippi River and all the other rivers were out of their banks and overflowed the bottom lands. The farmers there did not get their wheat out, did not get their corn out, yet they are not included in this bill. Even if they were in here I would not vote for the bill, because it is not sound legislation, because the Bureau of the Budget says it might cost $40,000,000, and if this becomes a law it will set a bad precedent for the future.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I yield myself 1 minute to correct a statement made by the gentleman from Missouri a moment ago as to the amount this bill would require to finance its operations.

The bill that was first introduced, according to the estimate of the department, would take $40,000,000. No estimate has been made on the pending bill, and I challenge any man to show where the cost under the pending bill would amount to more than $10,000,000 or $12,000,000 even if the greatest amount of money that can be spent under it is used.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6359) granting relief to certain agricultural producers in stricken areas who suffered crop failures in 1941 because of adverse weather conditions, insect pests, or other uncontrollable natural causes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects, and to include in connection therewith excerpts on two subjects.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HOOK, for 10 days, on account of official business.

To Mr. SHANLEY, for 3 days, on account of official business.

To Mr. HAINES, for 3 days, on account of public business.

ENROLLED BILL SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5990. An act to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 5990. An act to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes.

ADJOURNMENT

Mr. DINGELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 7 minutes p. m.) the House adjourned until tomorrow, Thursday, January 29, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 a. m., Thursday, January 29, 1942, for the consideration of H. R. 6482 and 6483, Defense Housing bills for the District of Columbia.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments on Wednesday, February 4, 1942, at 10 a. m., to consider all bills now pending before this committee.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 5, 1942, at 10 a. m., on H. R. 6020, granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Atlantic seaboard and creating the Atlantic States Marine Fisheries Commission.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1342. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to amend the law relating to the care and custody of insane residents of Alaska, and for other purposes; to the Committee on the Territories.

1343. A letter from the Acting Secretary of Commerce, transmitting a report of funds received by Bureau of the Census to defray cost of special statistical studies, compilations, etc., from January 1 to December 31, 1941; to the Committee on Expenditures in the Executive Departments.

1344. A letter from the Secretary of War, transmitting a draft of a joint resolution to remove certain limitations on the cost of construction of Army and Navy living quarters; to the Committee on Military Affairs.

1345. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Federal Security Agency, amounting to $11,907,035 for the fiscal year 1942, together with an amendment to the Budget for 1943 involving a decrease of $10,000,000 (H. Doc. No. 602); to the Committee on Appropriations and ordered to be printed.

1346. A letter from the Archivist of the United States, transmitting a report on lists of papers recommended for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

1347. A letter from the Secretary of Commerce, transmitting a draft of a bill to authorize the Secretary of Commerce to establish fees or charges for services performed or publications or forms furnished by the Department of Commerce; to the Committee on Interstate and Foreign Commerce.

1348. A letter from the Secretary of Commerce, transmitting the Annual Report of the Department of Commerce for the fiscal year 1941; to the Committee on Interstate and Foreign Commerce.

1349. A letter from the Acting Administrator, Federal Works Agency, transmitting report of the Federal Works Administrator to Congress in accordance with section 311 of the act of October 14, 1940, as amended (54 Stat. 1125) through November 30, 1941; to the Committee on Public Buildings and Grounds.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COCHRAN: Committee on Accounts. House Resolution 422. Resolution providing for the expenses of continuing the study and investigation authorized by House Resolution 125, of the Seventy-seventh Congress, first session and continued by House Resolution 403, of the Seventy-seventh Congress, second session; without amendment (Rept. No. 1686). Referred to the House Calendar.

Mr. BRADLEY of Pennsylvania: Committee on Naval Affairs. H. R. 6440. A bill to authorize the renewal of the lease of the old naval hospital in the District of Columbia for an additional period of 15 years; without amendment (Rept. No. 1703). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 6434. A bill to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places; without amendment (Rept. No. 1704). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 6293. A bill to establish a Woman's Army Auxiliary Corps for service with the Army of the United States; without amendment (Rept. No. 1705). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 1891. An act to amend an act to provide allowances for uniforms and equipment for

certain officers of the Officers' Reserve Corps of the Army so as to provide allowances for uniforms and equipment for certain officers of the Army of the United States; with amendment (Rept. No. 1706). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CHENOWETH: Committee on Claims. H. R. 2430. A bill for the relief of John Huff; with amendment (Rept. No. 1687). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 3610. A bill for the relief of Minnie C. Sanders, and Henry G. Sanders, her husband; with amendment (Rept. No. 1688). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 4303. A bill for the relief of Henrietta Moritz; with amendment (Rept. No. 1689). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 5048. A bill for the relief of Julia Peterson Mills; with amendment (Rept. No. 1690). Referred to the Committee of the Whole House.

Mr. SAUTHOFF: Committee on Claims. H. R. 5478. A bill for the relief of Nell Mahoney; without amendment (Rept. No. 1691). Referred to the Committee of the Whole House.

Mr SAUTHOFF: Committee on Claims. H R. 5572. A bill to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel and certain Federal civil employees for personal property lost or damaged as a result of the hurricane and flood at Parris Island, S C., on August 11–12 1940," approved April 23 1941; without amendment (Rept. No 1692) Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. H. R. 6225. A bill for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho; without amendment (Rept. No. 1693). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. S. 806. An act for the relief of Carmilla Ridgewell; without amendment (Rept. No. 1694). Referred to the Committee of the Whole House

Mr. KEOGH: Committee on Claims. S. 1266. An act conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon the claim of Etta Houser Freeman; without amendment (Rept. No 1695). Referred to the Committee of the Whole House

Mr. MEYER of Maryland: Committee on Claims. S 1654. An act for the relief of the Merchants Distilling Corporation; without amendment (Rept. No. 1696) Referred to the Committee of the Whole House.

Mr MEYER of Maryland: Committee on Claims. S. 1771. A bill for the relief of R. V Thurston and Joseph Hardy, a partnership; without amendment (Rept. No. 1697). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. S. 1778. An act for the relief of Leslie Truax; without amendment (Rept No 1698). Referred to the Committee of the Whole House.

Mr. MEYER of Maryland: Committee on Claims. S. 1848 An act for the relief of Dr. Hugh G. Nicholson; without amendment (Rept. No. 1699). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. S. 1974. An act for the relief of Francis Howard Robinson; without amendment (Rept. No. 1700) Referred to the Committee of the Whole House

Mr. SCHULTE: Committee on Immigration and Naturalization. S. 381. An act for the relief of Marcel M. Roman, Clara M. Roman, and Rodica E. Roman; without amendment (Rept. No. 1701). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 3036. A bill for the relief of Max Delfiner and his wife Evy (Ewa); without amendment (Rept. No. 1702). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LANHAM:

H. R. 6482. A bill to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; to the Committee on Public Buildings and Grounds.

H. R. 6483. A bill to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; to the Committee on Public Buildings and Grounds.

By Mr. SUMNERS of Texas:

H. R. 6484. A bill to suspend during the present war the running of statutes of limitations applicable to certain offenses; to the Committee on the Judiciary.

By Mr. PATMAN:

H. R. 6485. A bill authorizing the direct purchase of Government obligations by Federal Reserve banks, and regulating the manner in which the earnings of such banks shall be distributed; to the Committee on Banking and Currency.

By Mr. SWEENEY:

H. R. 6486. A bill to increase the salaries of certain postal employees; to the Committee on the Post Office and Post Roads.

By Mr. COOLEY:

H. R. 6487. A bill to amend the Agricultural Adjustment Act of 1938; to the Committee on Agriculture.

By Mr. PACE:

H. R. 6488. A bill to amend the act entitled "An act to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of regulating interstate and foreign commerce in peanuts, and for other purposes," approved April 3, 1941, so as to authorize the sale of excess peanuts for seed, and for other purposes; to the Committee on Agriculture.

By Mr. VINSON of Georgia:

H. Res. 423. Resolution providing for the consideration of H. R. 6446, a bill to provide for continuing payment of pay and allowances of personnel of the Navy, Marine Corps, and Coast Guard, including the retired and Reserve components thereof, and civilian employees of the Navy Department, during periods of absence from post of duty, and for other purposes; to the Committee on Rules.

By Mr. LESINSKI:

H. Res. 424. Resolution to amend clause 24, and clause 40, rule XI, of the Rules of the House of Representatives of the Seventy-seventh Congress; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to consider their Senate Joint Resolution No. 10, relative to military protection for the State of California; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LEONARD W. HALL:

H. R. 6489. A bill for the relief of I. Arthur Kramer and Georgene Kramer (a minor); to the Committee on Claims.

H. R. 6490. A bill for the relief of Lenora B. Morris; to the Committee on Claims.

By Mr. KUNKEL:

H. R. 6491. A bill for the relief of the heirs of John W. Adams; to the Committee on Claims.

By Mr. SCHUETZ:

H. R. 6492. A bill for the relief of Stanislaw Kowalczyk; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2336. By Mr. GILLIE: Petition of Mrs. Esli Shively and 50 members of the Blue River Church of the Brethren, in Whitley County, Ind., urging Members of the House and Senate to vote for Senate bill 860, a bill to control the sale of alcoholic beverages in the vicinity of military and naval establishments, and for other purposes; to the Committee on Military Affairs.

2337. By Mr. KRAMER: Petition of the senate and the assembly of the State of California, respectfully urging Congress to enact such legislation as is best designed to insure the State of California a home guard under the supervision of the United States Army; to the Committee on Military Affairs.

2338. By Mr. LYNCH: Resolution of the International Railway Association, opposing passage of the omnibus rivers and harbors bill; to the Committee on Rivers and Harbors.

2339. By Mr. WELCH: Senate Joint Resolution No. 10 of the California State Legislature, relative to protection of national defense industries, utilities, and facilities; to the Committee on Military Affairs.

2340. Also, Joint Resolution No. 20 of the California State Assembly, relative to memorializing the President and Congress to amend the Federal Social Security Act to permit certain small income to aged and dependent beneficiaries in addition to the aid which they may receive under Federal, State, and local laws; to the Committee on Ways and Means.

2341. By the SPEAKER: Petition of the Philadelphia Industrial Union Counsel, Philadelphia, Pa., petitioning consideration of their resolution with reference to the price-control bill; to the Committee on Banking and Currency.

SENATE

THURSDAY, JANUARY 29, 1942

(Legislative day of Friday, January 23, 1942)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

Eternal and unchangeable God, in whom alone we find rest for our weariness

and comfort for our sorrow, from whom alone cometh all true joy: Abide Thou in us, we beseech Thee, that we also may abide in Thee, and so live holily, justly, and unblamably in the sight of all men.

Grant to us the true Wisdom that is seen of them that love her and found of such as seek her—the Wisdom that is glorious and fadeth not away, whose true beginning is the desire of discipline, for the care of discipline is love, and love is the fulfilling of the law which bringeth nigh unto Thy Kingdom. So do Thou, O Blessed Father, empower and enlighten us with the wisdom from on high, that all that we do and say may redound to Thy honour and glory, and to the benediction of our work. In our Saviour's name, we ask it. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, January 28, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting several nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6355. An act to amend the act entitled "An act to expedite national defense, and for other purposes," approved June 28, 1940; and

H. R. 6356. An act to amend the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act.

SUPPLEMENTAL ESTIMATES OF APPROPRIATIONS—NAVY DEPARTMENT

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the Navy Department and naval service for the fiscal year ending June 30, 1942, amounting to $5,401,300,000; and a further supplemental estimate of $615,000,000 for the fiscal year ending June 30, 1943, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE SECRETARY OF COMMERCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, his annual report for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on Commerce.

CHARGES FOR SERVICES PERFORMED OR PUBLICATIONS, ETC., FURNISHED BY DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the Secretary of Commerce to establish fees or charges for services performed or publications or forms furnished by the Department of Commerce (with an accompanying paper); to the Committee on Commerce.

REPORT ON OPERATION OF DEFENSE HOUSING PROGRAM UNDER THE LANHAM ACT

A letter from the Acting Administrator of the Federal Works Agency, transmitting, pursuant to law, the report of the Federal Works Administrator covering transactions and methods of operation of the defense housing program under the Lanham Act through November 30, 1941 (with an accompanying report); to the Committee on Public Buildings and Grounds.

PETITIONS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of New York; to the Committee on Agriculture and Forestry:

"Senate Resolution 8

"STATE OF NEW YORK,
"IN SENATE,
"Albany, January 13, 1942.

"Whereas the drought in the year 1941 has seriously damaged hay and other forage crops and the dairy industry in the State and the constant supply of pure milk to inhabitants of the State are imperiled; and

"Whereas the production and sale of milk in the State is a permanent industry upon which the prosperity of the State and the health and welfare of its people in large measure depend; and

"Whereas the Fulmer bill, being House of Representatives No. 6359 recognizing the threat to the milk and other farm industries, propose to provide by Federal appropriation fo the relief of distress caused by such drought: Now, therefore, be it

"Resolved (if the assembly concur), That the Congress of the United States be, and hereby is, respectfully memorialized to enact into law with all convenient speed the Fulmer bill, House of Representatives No. 6359, to provide by Federal appropriation for the relief of distress caused by the drought in the year 1941; and be it further

"Resolved (if the assembly concur), That the clerk of the senate be directed to transmit a copy of this resolution to the Secretary of the United States Senate, the Clerk of the House of Representatives, and to each Senator and Member of the Congress elected from the State of New York, and that the latter be urged to devote their efforts to the task of accomplishing the purposes of this resolution.

"By order of the Senate,
"WILLIAM S. KING, *Clerk.*

"In assembly, January 19, 1942.
"Concurred in without amendment.
"By order of the assembly,
"ANSLEY B. BORKOWSKI, *Clerk.*"

By Mr. WALSH:

A resolution adopted by representatives of 45 institutions of higher learning in Massachusetts favoring appropriations to meet the needs of an increased number of college students requiring additional funds to carry on the accelerated program of the National Youth Administration; to the Committee on Appropriations.

REPORT OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 6353) to provide for the adjustment of tobacco-, wheat-, and cotton-marketing quotas and acreage allotments in certain cases where farm land is acquired by the United States for defense purposes, reported it without amendment and submitted a report (No. 1009) thereon.

SENATOR FROM NORTH DAKOTA

Mr. GREEN. Mr. President, from the Committee on Privileges and Elections, to which were referred certain papers and charges involving the qualifications and fitness of WILLIAM LANGER, a Senator from North Dakota, to a seat in the Senate, I report a resolution accompanied by a report (No. 1010).

The VICE PRESIDENT. Without objection, the report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 220) was read and ordered to be placed on the calendar, as follows:

Resolved, That the case of WILLIAM LANGER does not fall within the constitutional provisions for expulsion or any punishment by two-thirds vote, because Senator LANGER is neither charged with nor proven to have committed disorderly behavior during his membership in the Senate.

Resolved, That WILLIAM LANGER is not entitled to be a Senator of the United States from the State of North Dakota.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH:

S. 2236. A bill for the relief of Frederick Elmer Lewis; to the Committee on Naval Affairs.

By Mr. BULOW:

S. 2237. A bill extending classified civil service to clerks or assistants in certain post offices of the third class, and for other purposes; to the Committee on Civil Service.

By Mr. REYNOLDS:

S. J. Res. 129. Joint resolution to remove certain limitations on the cost of construction of Army and Navy living quarters; to the Committee on Military Affairs.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were each read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 6355. An act to amend the act entitled "An act to expedite national defense, and for other purposes," approved June 28, 1940; to the Committee on Naval Affairs.

H. R. 6356. An act to amend the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act; to the calendar.

RECOMMITTAL OF A BILL

On motion of Mr. WALSH, the bill (H. R. 4151) to authorize the acquisition by the

United States of lands lying between the present boundary of the Naval Air Station, Lakehurst, N. J., and the new boundary of Fort Dix, in the county of Ocean and State of New Jersey, was taken from the calendar and recommitted to the Committee on Naval Affairs.

AMENDMENT TO RIVER AND HARBOR AUTHORIZATION BILL

Mr. AUSTIN (for Mr. BARBOUR) submitted an amendment intended to be proposed by Mr. BARBOUR to the bill (H. R. 5993) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

ADDITIONAL COPIES OF REPORT OF PEARL HARBOR INVESTIGATING COMMISSION

Mr. HAYDEN submitted a concurrent resolution (S. Con. Res. 25), which was referred to the Committee on Printing, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed 37,500 additional copies of Senate Document No. 159, Report of the Commission Appointed by the President of the United States to Investigate and Report the Facts Relating to the Attack Made by Japanese Armed Forces Upon Pearl Harbor, in the Territory of Hawaii, on December 7, 1941, of which 8,000 copies shall be for the use of the Senate, 2,000 for the use of the Senate document room, 24,500 copies for the use of the House, and 3,000 copies for the use of the House document room.

ADDRESSES BY LABOR LEADERS—LABOR ACCEPTS PRESIDENT'S CALL

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD radio addresses delivered, respectively, by George Meany, secretary, American Federation of Labor; Mathew Woll, vice president, American Federation of Labor; Emil T. Rieve, president of the Textile Workers' Union of America and vice president of the Congress of Industrial Organizations; and James B. Carey, secretary of the Congress of Industrial Organizations, on Saturday evening, January 24, on the subject Labor Accepts President's Call, which appear in the Appendix.]

SUGAR

[Mr. McNARY asked and obtained leave to have printed in the RECORD an editorial from the Portland (Oreg.) Oregonian of January 21, 1942, entitled "Sugar," which appears in the Appendix.]

AMORTIZATION OF CERTAIN FACILITIES UNDER THE INTERNAL REVENUE CODE

The Senate resumed consideration of the resolution (H. J. Res. 257) to amend section 124 of the Internal Revenue Code to simplify the procedure in connection with amortization of certain facilities.

Mr. GEORGE. Mr. President, I have prepared a statement on the joint resolution. For the sake of brevity and clarity, I have reduced it to writing, and I will present it to the Senate. It is not very long. I shall endeavor to explain what the joint resolution, which already has passed the other House without substantial opposition, proposes to do.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. McNARY. Two members of the committee who are not now in the Chamber would like to be present during the consideration of the joint resolution, and I should like to suggest the absence of a quorum, if the Senator will yield for that purpose.

Mr. GEORGE. Yes; I yield, if the Senator desires.

Mr. McNARY. I think it is quite proper. The measure is an important one, and some Members who are not present relied upon a quorum call. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Glass	Overton
Andrews	Green	Pepper
Austin	Gurney	Radcliffe
Bailey	Hayden	Reed
Ball	Herring	Reynolds
Bankhead	Hill	Rosier
Barkley	Holman	Russell
Bilbo	Hughes	Schwartz
Bone	Johnson, Calif.	Shipstead
Brewster	Johnson, Colo.	Smathers
Brown	Kilgore	Smith
Bulow	La Follette	Stewart
Bunker	Langer	Taft
Butler	Lee	Thomas, Idaho
Byrd	Lucas	Thomas, Okla.
Capper	McCarran	Thomas, Utah
Caraway	McFarland	Tobey
Chandler	McKellar	Truman
Chavez	McNary	Tunnell
Clark, Idaho	Maloney	Tydings
Clark, Mo.	Maybank	Vandenberg
Connally	Mead	Van Nuys
Danaher	Millikin	Wagner
Downey	Murdock	Wallgren
Doxey	Murray	Walsh
Ellender	Norris	Wheeler
George	Nye	White
Gerry	O'Daniel	Willis
Gillette	O'Mahoney	

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Pennsylvania [Mr. GUFFEY] and the Senator from Arkansas [Mr. SPENCER] are necessarily absent.

Mr. AUSTIN. The Senator from Ohio [Mr. BURTON] is absent in order that he may deliver the annual memorial address at the National McKinley Memorial at President McKinley's birthplace in Niles, Ohio, on the ninety-ninth anniversary of his birth.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury.

The Senator from Pennsylvania [Mr. DAVIS] is absent pursuant to his duties as a member of the Anthracite Commission appointed by the President to study conditions in the industry.

The Senator from New Jersey [Mr. BARBOUR] and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

The Senator from Illinois [Mr. BROOKS] is absent on official business.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

Mr. GEORGE. Mr. President, I was about to observe, when the absence of a quorum was suggested, that the pending measure, House Joint Resolution 257, provides for the repeal of subsection (i) of section 124 of the Internal Revenue Code. Section 124 is the amortization section. It provides that the cost of facilities constructed for national defense purposes may be deducted, for tax purposes, over a period of 5 years, instead of the period of normal depreciation. Subsection (i), however, denies the benefits of this deduction if the taxpayer is being reimbursed for such facilities through certain contracts with the United States, unless the interest of the United States in the facilities is adequately protected.

The Finance Committee heard Under Secretary Patterson, of the War Department; Under Secretary Forrestal, of the Navy Department; Mr. Jesse Jones, Federal Loan Administrator; and Assistant Secretary Sullivan, of the Treasury Department. Mr. Floyd Odlum had already appeared before the Ways and Means Committee on behalf of the special committee, composed of Mr. Donald Nelson, Mr. Leon Henderson, and Mr. Odlum, appointed by the O. P. M. to pass on regulations under section 124. All urged immediate enactment of the resolution. We are told that all other interested defense agencies of the Government concur in the recommendation. Senator TRUMAN'S committee also urges enactment of the resolution.

In enacting the amortization section, Congress had three objectives in mind. First, it wanted to avoid the confusion, uncertainty, and unfairness to both taxpayers and the Government which resulted from the after-the-fact determinations made following the first World War. We sought to do this by providing for an immediate, and final, determination of the right to amortization in advance. Second, we wanted to speed the construction of defense facilities, and this objective could be furthered, of course, by advance determinations. Third, we wanted to encourage the use of private capital, and thus relieve the Government of a part of the load. This, too, would require advance determinations. Unquestionably, the amortization scheme adopted by Congress was sound tax policy.

Subsection (i) of section 124, the provision with which we are now dealing, had two objectives. The first was that if the Government pays for a plant, the Government's interest in that plant should be adequately protected. That is obviously sound policy in peace or war. It is, however, a matter of procurement policy. The second objective was that this sound procurement policy should be carried out by denying the amortization deduction where the Government's interest was not adequately protected. In this connection, it is to be noted that the denial of amortization does not of itself protect the Government. The taxpayer will still be entitled to recover, through depreciation, the entire cost of the plant. His contract is not changed. If the contract is unconscionable, it will remain so. It is at least questionable whether sound procurement practices can be assured by such indirect means.

Regardless of whether it is theoretically wise to attempt to enforce procurement policies by tax devices, I am convinced, both from the testimony before the committee, and from my own study of the matter, that the attempt to do so here threatens to defeat completely the primary objective of section 124, that being to provide advance certainty as to one element of tax liability, and thus encourage speedy construction and the use of private funds.

The difficulty is wholly a practical one. Subsection (i) applies to contracts as to which it is clear to everyone concerned that the Government is paying for the plant, and also to those contracts as to which that fact is not clear. Where it is clear that the Government is paying for the plant, the failure of the contracting officer to provide for protection of the Government's interest cannot be excused. Failure to amply protect the Government's interest in such case is wholly inexcusable under any circumstances. Where it is not clear that the Government is paying for the plant, the task of determining whether there is reimbursement is an impossible one. No one has yet proposed a satisfactory test, although many have been mentioned. We may know that there is a needle in a haystack, even if we cannot find it; but we would not want the responsibility of certifying that there is no needle in any given haystack. That is the sort of responsibility which subsection (i) imposes upon the service departments.

Under existing law no manufacturer having contracts with the United States can be certain, for a long time to come, whether he will be entitled to his amortization deductions. If every contract must be minutely examined by many reviewers, hundreds of questions will arise. Not only will the contractors have to devote a prodigious amount of time and effort to this problem but the Government's contracting officers will find a terrific burden placed upon them at a time when all their energies must be devoted to far more important labors.

There are other serious objections to subsection (i). For example, the denial of amortization where the taxpayer is reimbursed applies regardless of the amount of the reimbursement. Thus one taxpayer may be reimbursed $1,000,000 for a $1,000,000 plant. His deduction is denied, of course. Another may be reimbursed $1,000 on a $1,000,000 plant. His deduction is likewise denied, not merely to the extent of the $1,000, but to the extent of the $1,000,000 invested in the plant. The punishment does not fit the crime.

Furthermore, the subsection clearly is discriminatory. Many plants in the country are engaged in important war work. Some of them supply the United States directly. Others are subcontractors, or suppliers far removed from the prime contractor. These latter are just as important, of course, as the prime contractors. They are just as much entitled to amortization, and this has been recognized. But they should not be considered as better entitled to amortization. As the law now stands, they need not concern themselves with the difficult problems of reimbursement, and it would obviously be impossible to apply such a provision to subcontractors and suppliers generally. In the meantime, the rights of the prime contractor, whether he has one small contract or many large ones, are seriously jeopardized.

It would seem that the enactment of the joint resolution will further the war effort by encouraging speedier construction, by relieving the Government of a portion of the financial burden, and by permitting those charged with responsibility for procurement to devote themselves to the tremendous task they have to do. It is also apparent that whether or not this resolution shall be enacted, sound procurement practices will be followed, and the Government will be protected against unconscionable contracts, insofar as it is humanly possible to provide such protection.

As the Senate is aware, I advocated repeal of this subsection last fall, when the revenue bill was under consideration. I was then convinced that the provision could not be administered, and despite recommendations from the War, Navy, and Treasury Departments, and from other interested agencies of the Government, an attempt was made to make it workable by a long and involved amendment. That amendment has not operated successfully.

I am now convinced that subsection (i) of section 124 cannot be effectively administered, and for that reason I think that the action taken by the House committee and the House itself, after hearings, and the action taken by the Finance Committee after hearing from all the responsible departments of the Government, recommending the repeal of subsection (i), should be approved by the Senate.

Mr. LEE. Mr. President——

The PRESIDING OFFICER (Mr. McKELLAR in the chair). Does the Senator from Georgia yield to the Senator from Oklahoma?

Mr. GEORGE. I yield.

Mr. LEE. Can the Senator tell us briefly what is included in subsection (i)? I have not had this before me.

Mr. GEORGE. If I may repeat, section 124 of the Internal Revenue Code is the amortization section of the code. It provides that the cost of facilities constructed for national defense purposes may be deducted for tax purposes over a period of 5 years instead of the period of normal depreciation. The section required two kinds of certificates—first, a certificate of necessity from the War Department or the Navy Department, as the case might be; second, a certificate of nonreimbursement—that is, one certifying that the Government's interest in the facility constructed under a contract had been fully protected. Subsection (i), which is affected by the pending proposal—and no other provision is affected—provides for the so-called nonreimbursement certificate.

Broadly, the provision of the subsection is that before amortization can be given to a contractor or a plant where the capital is provided out of private funds, there must be a certificate of the War or Navy Department, as the case might be, depending on where the contract is lodged or made and, as originally passed, the certificate had to be signed by an additional officer. The amendment adopted last year relieved of the necessity of having two people sign the certificate and left it merely to the War or Navy Department.

But subsection (i), which is sought to be repealed, requires a statement that the Government's interest has been fully protected and that the contractor is not being reimbursed under the contract for the facilities. Not only must the certificate certify with respect to one contract, but in the case of a contractor or plant having numerous contracts the certificate must be made with respect to all of them. For instance, we know very well from the report made by the Truman committee and reports made by other committees that many concerns in the United States have received 15 or 20 contracts. Under subsection (i) such concern could not obtain a certificate of nonreimbursement until after the last contract had been actually entered into and performed. Therefore the provision of subsection (i) was found to hinder, to slow up the work, and to discourage investment of private funds in these contracts.

There is no quarrel with the purpose of subsection (i), but it is definitely and undoubtedly a procurement problem, and it should be cared for by the procurement officers, by the contracting officers. There is no question about the right of the contractor to have his amortization. The only question is whether he would be entitled to have a stepped-up amortization. That is, for instance, if he constructs a power plant, the question is whether he may have the capital invested amortized within 5 years, or whether he must wait under existing law until the plant would amortize itself out; but in any event he is entitled to his amortization. He was given a stepped-up amortization or accelerated amortization solely for the purpose of expediting the defense program, and for the purpose of encouraging private capital to make investments, and to relieve the Government so far as possible of the burden.

Under the law as it stands many applications have been made for nonreimbursement certificates or for amortization, and relatively few have been granted, because subsection (i) placed upon the responsible officials of the War and Navy Departments an impossible task. They had to certify to a negative, and the certificate had to be broad enough to cover not merely one contract but any contract the contractor might have.

Mr. LEE. Mr. President, if the Senator will be kind and also charitable toward me I wish to ask him a few questions purely to inform myself. I have not had the opportunity to look into this matter. As I remember, subsection (i) was an effort on our part to see to it that a plant which would be paid for by the Government and used by a private company would ultimately be the property of the Government. Am I correct? Is that the section in which we undertook to do that?

Mr. GEORGE. Mr. President, that is the section; but I think the Senator's understanding is not altogether clear. When the Government pays for the plant

and retains the title, there is, of course, no difficulty involved, and this subsection does not present a practical difficulty; it is a simple problem for the procurement officer; but the difficulty arises when the plant is constructed out of private funds, and the Government officials are then called upon to certify that the contract made with the constructor of the plant does not reimburse the contractor for the building of the plant in whole or in part. That is the effect of it.

Mr. LEE. Does it allow him that amount of deduction from his taxes, or to put that in as part of his taxes, or is it the other way around?

Mr. GEORGE. If the Senator will bear with me——

Mr. LEE. The Senator from Georgia is bearing with me.

Mr. GEORGE. All depreciation is a recovery of invested capital out of earnings. That is true in the case of the oil well; it is true in the case of the man who constructs a building; it is true in the case of a man who has any capital invested. The depreciation is a recovery of invested capital out of earnings. So-called depletion is a recovery of capital investment out of earnings. Certain types of capital investment may now be depleted at an accelerated pace, that is, under Treasury rules. Some types of machinery will wear out in 10 years, and so the Treasury, under existing law, will allow the owner of such machinery to depreciate his capital investment therein within a period, say, of 10 years.

Broadly speaking, every taxpayer depreciates against his invested capital over a period of 20 years. It was proposed under the amortization section, in order to speed the manufacture of war materials, and in order to induce private capital to become interested in plant construction and expansion, to give them a 5-year period in which they could amortize the cost. After they once amortize—whether in 5 years or 10 years or 20 years—then they can take no further depreciation, because the property has been fully depreciated. Putting it the other way around, the capital invested in the property has been recovered out of earnings.

The Senator from Oklahoma is raising a question regarding one of the most complicated features of our present tax laws, and I think one which is in greatest need of careful scrutiny and revision. I believe a study will show that some 65 percent of the corporations of the United States which make returns do not pay any income taxes to the Government. They pay a capital-stock tax, of course, but no income tax, whether normal, surtax, or excess-profits tax. Undoubtedly one of the reasons is the provision in our law which permits depreciation against invested capital and before any taxes are imposed.

Section 124 did not change the general law, except in the case of plants built for defense purposes at the request of the Government. The amortization would be stepped up from 20 to 10 or even to 5 years if the certificates were procured and filed with the Treasury.

The Treasury has taken no particular position about it, because it has insisted that the whole question covered by section 124, subsection (i), represents a procurement problem, and that the procurement officers ought to see to it when they make a contract that the Government's interest is protected, and since they cannot make the final certificate until all contracts—perhaps some made next year or perhaps the year after, if the war goes on—have been actually entered into, that the whole purpose of the section is retarded, slowed up, and defeated by subsection (i).

Mr. LEE. Mr. President, if the Senator will further yield, I believe that all of us in this body are concerned about war profits. I think that all of us are fully agreed that we want to do everything we can to prevent another sordid story of war profits. When we originally passed subsection (i) it seemed to me that we were at least approaching the problem of preventing profiteering. I thought subsection (i) was to prevent a private company from paying for a new plant at the expense of the Government. It is hardly right to say it would escape taxes, but that is what it seemed to me to amount to. That is what is worrying me. I appreciate the Senator's statement in explaining all this. I understood the Senator to say that the purpose of subsection (i) was right, but that the difficulty is one of administration.

Mr. GEORGE. It is purely a practical difficulty.

Mr. LEE. I am wondering if some way around it could not be found, so that we could prevent excessive profits. It seems to me to be another case of allowing the big boys to make excessive profits. I am disturbed over it, and I appeal to the Senator for some explanation.

Mr. GEORGE. I have tried to explain it as fully as I can. The original amortization section was inserted on the recommendation of the Government. It came to us from the Government itself. My recollection is that Mr. Donald Nelson appeared before the Finance Committee. I think two or three other gentlemen appeared, in addition to representatives of the War and Navy Departments, and asked for the amortization section. We put it in very much as they had written it, with some strengthening of the provisions which we thought would protect the Government's interest.

The Government went to work under it. There was an accumulation and duplication of work, and the work proceeded at a snail's pace. Then, last year the agencies of the Government came back and asked for a modification of subsection (i) of section 124. Congress gave it to them. Now they are back again.

At the time, after having given the subject all the study I could, I said that section 124 (i) would be impossible of administration as a tax provision. I thought it was possible of administration as a procurement provision; that is, as part of a sound procurement policy, and I still think so. I believe there is no difficulty in that respect in any case in which the Government owns the facilities. In those circumstances in which the facility has been built by private funds there is an extreme difficulty, which I have tried to point out.

If we eliminate subsection (i) the full and direct responsibility will be thrown upon the procurement officers in the War and Navy Departments. Even if they make mistakes, we shall still have the opportunity in the tax bill to get at all the profits of corporations. I think it will be found, although it is a debatable question, that it is not possible to deal with the question of corporate profits, whether by the normal tax, the surtax, or the excess-profits tax, in separate contracts, by mere contract limitation upon individual contracts. That plan may have its purpose, and it may be effective in part.

I think the only way to deal with the question is to take the over-all picture of the profits actually earned and impose such taxes as will recover any excess profits that have been made by anybody out of war contracts. This proposal does not affect that question. Rather, it makes it clear that we should strive to do exactly what I have suggested when the tax bill comes before the Senate.

Mr. LEE. The Senator from Georgia has studied this question. Does the Senator feel safe about repealing subsection (i)? Does the Senator feel that the Government will be protected from abuse?

Mr. GEORGE. Yes; I feel safe, and the agencies of the Government have said that we are safe. The Truman committee, which I understand gave a great deal of thought to the whole question of contracts, has reached the same conclusion.

Mr. TRUMAN. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. TRUMAN. The committee came to the conclusion that one of the approaches to meet the unconscionable profit situation would be first to repeal subsection (i) of section 124. I am very glad to see that it is proposed to repeal it. I think the situation can be approached by contract, and, as the Senator says, can be worked out in the next tax bill much more satisfactorily.

It is absolutely essential and important that the Government be allowed to audit defense contracts. We passed a bill yesterday which allows the Government to audit defense contracts. I think there was one thing that should have been put in that bill, namely, a provision that the auditors be civilian auditors, directly under the supervision of the Secretary of War or the Secretary of the Navy, under the civilian agencies of the War and Navy Departments rather than under the military agencies, for the simple reason that unless we can audit the profits under those contracts we shall never know exactly what the profits are. In some instances the estimates have been so high that a profit on the estimate might be reasonable and all right, but when the estimate is far above the actual cost of performance the profit is unreasonable. The only way that situation can be reached is by a complete audit of the contractor's books.

Mr. LEE. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. LEE. If the profit is confused, and if the earning is taken up by the tax allowance, and the contractor comes out with a new factory, will the new factory be considered as part of his profit when the audit is made?

Mr. TRUMAN. Subsection (i) of section 124 was impracticable. It was not workable at all. It was delaying the defense program rather than reaching the evil to which the Senator refers. The situation can be met in some manner in the next tax bill.

Mr. GEORGE. I thank the Senator from Missouri.

Mr. LA FOLLETTE. Mr. President, I wish to make a very brief statement concerning the pending joint resolution.

As stated by the Senator from Georgia, the testimony before the committee was unanimous to the effect that the present provisions have proved to be unworkable. However, I wish to have the RECORD show that I am firmly convinced in my own mind that we are proceeding in the wrong way to cure the situation.

Subsection (i) of section 124 was an attempt to prevent contractors with the Federal Government from obtaining both reimbursement for the expenditure for the plant or tools in the form of the price which they received and simultaneously an accelerated amortization. It seems to me that the executive branch of the Government, which has the responsibility for the administration of the law, should, in the light of its experience, have recommended to Congress a workable provision to substitute for subsection (i), instead of recommending its repeal.

I find myself in an embarrassing position. I am very apprehensive, and I want no share in the responsibility, even though it be a minor one, of the consequences of repealing the subsection; and yet I am not sufficiently familiar with the facts and administrative difficulties to be able to write a substitute for it. That responsibility, I believe, rested with and should have been discharged by the Secretary of War and the Secretary of the Navy, who are empowered under present law to determine "necessity" and "reimbursement," as related to war-production facilities. Yet they are urging upon Congress this repeal, and by their testimony they intimate that anyone who objects to outright repeal and wants in some statutory manner to maintain the principle involved is in the position of delaying production.

Mr. LEE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I shall yield in a few minutes. I have been waiting for 45 minutes to get the floor in my own right, and I desire to say a few words. Then I shall be delighted to yield.

Mr. President, it is all very well to say that this matter can be taken care of by procurement procedure; and, of course, everyone will agree that it is the duty of contracting and procurement officers to exercise utmost caution that there is not a reimbursement in the contract, unless it is stated there; but with the billions of dollars that are going through the sluice gates here and with the urgent necessity, due to the fact that we are at war in an unprepared state, for getting these supplies, I say that the Congress and the Executive jointly cannot throw too many safeguards around the expenditure of these vast sums of money, which ultimately will be fried out of the people of this country.

Let me say also for the record that I have no patience with the ideological controversy which has surrounded this problem from the start. So far as I am concerned, I am in the middle of the road on the proposition. I do not care a snap of my fingers whether the Government winds up the war with a great number of plants that it owns or whether all the plants are in the hands of the individuals who have been producing war materials for the Government. All I am interested in is that the taxpayers—and that word will ultimately include every man, woman, and child in the United States—shall not be "soaked" both coming and going. It will be bad enough at best; but let me say here and now that if the democratic process in the United States of America survives this conflict, the people of the country will demand an accounting of the manner in which these astronomical sums of money, which soon we shall have to measure in terms of light-years [laughter], are spent.

As I have said, Mr. President, I am not interested in the ideological controversy which has been going on upon both sides of this question. What I am interested in—and I am sure I am not the only one, for I grant that every other Senator and every Member of the House is interested in it—is that these contracts and the expenditures of this money shall be surrounded with as many checks and safeguards as it is possible to place around them.

Let me say also, Mr. President, since I am making this statement for the RECORD, that, as I have pointed out again and again in connection with the debate upon tax bills, we have the most liberal depreciation policy of any government in the world which employs the income-tax principle; and insofar as mining, oil, and gas are concerned, we have given flagrant depreciation allowances to the companies engaged in those fields. Of course, it is argued that the 20-percent amortization may not be of any great advantage to a company; but let me say that, in my opinion, there would not be such a drive to get rid of subsection (i) of section 124 unless it covered something more than delay in letting contracts. I am satisfied that there certainly are many companies that are anxious to get this accelerated depreciation to swell their net profits.

I desire to make one further observation. I recognize the extreme difficulty of the situation, insofar as the so-called scrambled facilities are concerned. That means the facilities in which the Government has provided or proposes in one way or another to merge tools or increased production facilities with existing, going concerns. The situation does present an extreme difficulty, over and above all the other difficulties that are inherent in the problem; but I desire to say, Mr. President, that I think the executive branch of the Government will really have to accept full responsibility for whatever consequences flow from the repeal of this subsection, because, as I have said, it was enacted in an attempt on the part of the Congress to safeguard the taxpayers' interests. It is now being repealed upon the insistent demand of the executive branches of the Government, particularly the War and Navy Departments. As I stated further, their statements tend to place anyone who would oppose the measure, or who would seek to delay it long enough to have time to try to draft a more workable substitute for it, in the position of holding up production at a time when it is much needed.

There probably will be no roll-call vote on this joint resolution. I was the only member who voted against it in committee, and even if I am the only Member of the Senate to vote against it, I want the RECORD to show that I am opposed to the proposition because I believe the taxpayers' interests are jeopardized by the repeal of subsection (i).

Mr. LEE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. LEE. In the light of what the Senator has said, does he not think the best way for us to be assured that the Treasury Department will suggest some cure is to vote down the proposed repeal?

Mr. LA FOLLETTE. Mr. President, the Treasury Department takes a sort of neutral or acquiescent position in this matter. The Treasury Department contends that it really is not its problem, but it is the problem of the departments of government that are engaged in procurement. As I understand—I may be wrong—the Treasury Department first advocated that there should be some kind of a provision that these facilities would be at the disposal of the Government for at least 5 years after the war—or the emergency, as we called it at that time—is over. What the Secretaries of War and the Navy now desire is that they shall have the freedom, solely through their procurement officers, to protect the Government's interest in these facilities. Since they have asked for the passage of this joint resolution, and since, in all probability Congress will comply with their request, I merely desire, so far as I can, to point out that they must accept full responsibility for the consequences. They have placed Congress in such a position that it either had to deny the request, and therefore take the responsibility for alleged delay in production and in building facilities and in procuring tools through private investment, or grant this repeal.

Mr. LEE. I thank the Senator.

Mr. President, I feel that the people of the United States are perfectly willing to make every sacrifice that is necessary to win this war, but I consider it essential that they believe that the burdens of the war are equally distributed or as nearly equally distributed as is possible.

I believe everything the Senator from Georgia [Mr. GEORGE] has said about the difficulty of administering this section, and yet I shall vote against its repeal, because that is the only way I know of to assure ourselves that this particular leak hole is going to be plugged. We can rave

on the floor of the Senate about profits, but the only actual power we have is our votes. I know that some of the departments are apathetic about the profits that will be made out of the war, and I know they feel that it is the responsibility of someone else. Personally, in this case, I feel that it is my responsibility, and, so far as I am concerned, I do not intend that the joint resolution shall pass with my vote. I know that if we block it, the departments have men who are amply capable of suggesting legislation that will stop these profit leaks, and they will have it here in a short time. I say to you, Mr. President and my colleagues, that the good that will result by the people knowing that we are stopping the profit leaks will more than offset any delay in administration.

I say further that it is quite well known that the manufacturers have said, We do not want the Government to own these additional facilities after the emergency shall have passed. Why? Because the Government might sell them to a competitor of ours. We would rather own these additional factories so that we can let them stand and rot rather than to have the Government sell or lease them to competitors.

Mr. President and Senators, here is an opportunity for us to stand athwart the stream of profits. The moral revulsion that swept over the people of the United States at a previous time was not due to any unwillingness to fight for their country, but to an unwillingness to bleed and sacrifice when others were heaping up unconscionable profits.

I say to you, Mr. President, if anybody profiteers out of this war, it certainly is not going to be with my acquiescence, but it will be over my dead body. One of the planks in my platform in my campaign for the Senate was my opposition to war profits. Every other Senator took the same position on the stump. Here is a chance to vote. Vote against this repeal; put the monkey on the back of the Treasury Department, the back of the War Department, on the back of the Navy Department, and let them present to us proposed legislation. With all their multitude of statisticians and legal draftsmen and technical experts and economists, I know that they can suggest legislation that will prevent profits and at the same time facilitate the letting of contracts. Here is a chance to vote. I shall vote against this measure because it is opening the door for profits.

The PRESIDING OFFICER. The question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, and was read the third time.

The PRESIDING OFFICER. The question is, Shall the joint resolution pass?

Mr. LEE. I ask for the yeas and nays.

The yeas and nays were not ordered.

The joint resolution (H. J. Res. 257), was passed.

AMENDMENT OF NATURAL GAS ACT

Mr. WHEELER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 985, House bill 5249.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5249) to amend section 7 of the Natural Gas Act.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill (H. R. 5249) to amend section 7 of the Natural Gas Act.

Mr. WHEELER. Mr. President, this bill merely authorizes the Federal Power Commission to grant or deny certificates of convenience and necessity to gas companies which seek to extend their facilities into unserved areas. The so-called Wheeler-Lea Natural Gas Act of 1937 provided for certificates for an extension of facilities into area already served.

The bill has passed the other House without objection. No opposition was manifest during the hearings and the Senate committee reported it without an adverse vote. The coal companies, the gas companies, the oil interests, labor groups, the Federal Power Commission, and other interested parties have all endorsed this bill.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. WHITE. Am I correct in my understanding that, under the present law, a certificate of convenience is required only when the applicant seeks to invade a field already occupied and being served?

Mr. WHEELER. The Senator's statement is correct.

Mr. WHITE. And that this proposed legislation would extend the requirement for a certificate for the purpose of preventing wasteful and uneconomic competition?

Mr. WHEELER. The Senator is entirely correct. I think the questions which the Senator from Maine has asked explain the bill without the necessity of my going into a lengthy argument with reference to it.

The PRESIDING OFFICER (Mr. LEE in the chair). The bill is before the Senate and open to amendment.

Mr. McNARY. Mr. President, there was a Member of the Senate who desired to make a few observations with regard to the bill. I have no objection to its passage, but I think, under the circumstances, I will suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. McNARY. Mr. President, I am now advised that the Senator I had in mind does not desire to speak on the pending bill. For that reason, I ask unanimous consent that the order for a quorum call be vacated.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the order is vacated.

Mr. LA FOLLETTE. Mr. President, in my judgment, this is particularly meritorious legislation. My attention was first called to the problem of natural-gas regulations some 3 or 4 years ago. Most of us interested in the problem felt that the original Wheeler-Lea Act had met the need for regulation. However, in the administration of the legislation certain inadequacies became apparent. This bill solves those difficulties and vests the Commission with certain other powers that are in the public interest.

I have discussed this legislation with members of the Federal Power Commission. They wholeheartedly endorse it and urge its prompt enactment. It is needed, and I hope the Senate promptly approves it.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 5249) was ordered to a third reading, read the third time, and passed.

TOBACCO, WHEAT, AND COTTON MARKETING QUOTAS

Mr. BAILEY. Mr. President, I ask unanimous consent that the Senate proceed to consider House bill 6353, which has been favorably reported by the Committee on Agriculture and is now on the desk but is not on the calendar.

Mr. McNARY. That bill was mentioned to me yesterday by the very able chairman of the committee, the Senator from South Carolina [Mr. SMITH], and again this morning by the Senator from North Carolina. I thought the bill was on the calendar, but the report was not filed yesterday; there was a delay due to some reason; and the report was made today. Personally, I favor the bill, and I have no objection to the procedure, though it does fly in the face of the Senate rules. For my part, however, I shall not make any objection to the consideration of the bill.

Mr. BARKLEY. It would have been reported yesterday but, for some reason, delay was encountered.

Mr. McNARY. I thought the bill was to be reported yesterday, and that it was on the calendar, but, upon investigation, I find that, for some reason, it was delayed, and was reported today. I shall not take advantage, so far as I am concerned, of the failure to report it yesterday, as I favor the measure and think it is meritorious.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6353) to provide for the adjustment of tobacco-, wheat-, and cotton-marketing quotas and acreage allotments in certain cases where farm land is acquired by the United States for defense purposes.

Mr. BAILEY. The title of the bill practically states its contents.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BAILEY. Mr. President, I will make a brief explanation of the bill.

In a good many States the Government has purchased large acreages of farm lands. As a fair illustration, I may mention the State of North Carolina. The Government has acquired, by condemnation and other means, I think

about 75,000 acres in Onslow County and neighboring counties for a marine base. The consequence there is the ousting of between 1,500 and 2,000 farm families from their farms. It is a great hardship. The same thing may be said about Pender County in my State, where there is another camp. The same thing may be said about Durham and Person and certain neighboring counties in North Carolina, including Granville County, where the Government is acquiring lands for another camp. All the bill does is to provide that when a farmer loses title to his land because the Government acquires his farm for military purposes, and with the proceeds he buys a new farm, he shall have an allotment fairly equivalent to the allotment he had on the farm which the Government took.

The bill is a perfectly just one. There is nothing unusual about it; and I hope the Senate will approve it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. BARKLEY. This is a bill of general application, as I understand.

Mr. BAILEY. Oh, yes; it is not confined to my State.

Mr. BARKLEY. It applies to all activities of the Government in cases in which the Government takes farm land for public use. The situation is similar to that at Fort Knox and places where cantonments are established by the Government and large tracts of land are acquired.

Mr. BAILEY. While I have the floor, I ask that a letter from the Secretary of Agriculture, addressed to Representative FULMER, chairman of the House Committee on Agriculture, be printed in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

JANUARY 6, 1942.

Hon. H. P. FULMER,
Chairman, House Committee on Agriculture, House of Representatives.

DEAR MR. FULMER: This is in reply to your letter of December 3 requesting a report on H. R. 5905 to provide for the adjustment of tobacco marketing quotas in certain cases where farm land is acquired by the United States for defense purposes.

This bill will afford some protection to persons whose farms are acquired by the United States for national defense purposes by permitting them to transfer the allotments from the farms acquired by the United States to other farms which they buy or already own. Up to the present time the Department has endeavored to protect the interests of these persons by providing that the allotments from farms acquired by the United States be placed in a State pool and made available for reallotment to these persons on other farms which they may acquire. However, the reallotment has been made in accordance with the rules governing the establishment of allotments for all other farms and in some cases these rules will not result in the establishment of allotments on the newly acquired farm as large as the allotments which would be established under the bill H. R. 5905.

The Department suggests that this bill be modified as indicated below:

On line 6, page 2, after the word "acquisition", insert a semicolon in place of the period and add the words "provided that such allotment shall not exceed 50 percent of the acreage of cropland in the farm in the case of flue-cured tobacco, and 20 percent of the acreage of cropland in the farm, in the case of kinds of tobacco other than flue-cured."

On page 2, line 19, add the following new sentence: "Nothing in this subsection shall be construed as preventing the Secretary from operating any allotment pool from which allotments are made to share tenants or sharecroppers who move from farms acquired by the United States for national defense purposes to other farms purchased and operated by such persons."

The changes suggested above will have the effect of preventing the establishment of unreasonable allotments in relation to the size of the particular farms for which the allotments are established. The suggested changes also will permit the continuation of existing regulations under which share tenants and sharecroppers who move from farms acquired by the United States in defense areas can obtain allotments on farms which they buy.

With these suggested changes the Department has no objection to the enactment of the bill.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely,

CLAUDE R. WICKARD,
Secretary.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment proposed, the question is on the third reading and passage of the bill.

The bill (H. R. 6353) was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 313 of the Agricultural Adjustment Act of 1938 is hereby amended by adding at the end thereof the following new subsection:

"(h) Notwithstanding any other provision of this part 1, any person who owned a farm, which in 1940 or thereafter was acquired by the United States for national defense purposes, and who owns or acquires one or more other farms, shall upon application to the local committee, be entitled to have an allotment for any one of such other farms owned by him for each of the 5 years succeeding the acquisition by the United States equal to the allotment which would have been made to such farm plus the allotment which would have been made to the farm acquired by the United States except for such acquisition: *Provided*, That such allotment shall not exceed 50 percent of the acreage of cropland in the farm in the case of flue-cured tobacco, and 20 percent of the acreage of cropland in the farm, in the case of kinds of tobacco other than flue-cured. Any farm for which the allotment has been determined under this subsection shall, after the end of such 5 years, have its allotment determined on the basis of past acreage of tobacco, land, labor, and equipment available for the production of tobacco, crop-rotation practices, and soil and other physical factors affecting the production of tobacco: *Provided further*, That the provisions of this subsection shall not be applicable so long as there is any penalty due and unpaid, or a failure to account for the disposition of tobacco produced on the farm acquired by the United States, or if the allotment next established for such farm would have been reduced because of the false or improper identification of tobacco produced on or marketed from such farm. Nothing in this subsection shall be construed as preventing the Secretary from operating any allotment pool from which allotments are made to share tenants or sharecroppers who move from farms acquired by the United States for national defense purposes to other farms purchased and operated by such persons."

SEC. 2. Section 334 of the Agricultural Adjustment Act of 1938, as amended, is hereby further amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of this section, the allotments established, or which would have been established, for any farm acquired in 1940 or thereafter by the United States for national defense purposes shall be placed in an allotment pool and shall be used only to establish allotments for other farms owned or acquired by the owner of the farm so acquired by the United States. The allotment so made for any farm, including a farm on which wheat has not been planted during any of the 3 marketing years preceding the marketing year in which the allotment is made, shall compare with the allotments established for other farms in the same area which are similar except for the past acreage of wheat."

SEC. 3. Section 344 of the Agricultural Adjustment Act of 1938, as amended, is hereby further amended by adding the following new subsection:

"(j) Notwithstanding any other provision of this section, the allotment established, or which would have been established, for any farm acquired in 1940 or thereafter by the United States for national defense purposes shall be placed in an allotment pool and shall be used only for establishing allotments for farms owned or acquired by the owner of the farm so acquired by the United States. The allotment so made for any farm, including a farm which was not used for cotton production during any of the 3 calendar years immediately preceding the year for which the allotment is made, shall compare with the allotments established for other farms in the same area which are similar except for the past acreage of cotton, taking into consideration the character and adaptability of soil and other physical facilities affecting the production of cotton. Allotments established pursuant to this subsection shall not affect the allotments for other farms in the county and the acreage alloted to farms in the county shall be increased to the extent of such allotments."

SEC. 4. Section 8 (c) (2) of the Soil Conservation and Domestic Allotment Act, as amended, is hereby further amended by adding at the end thereof the following new sentences: "Notwithstanding any other provision of this section, the allotments established, or which would have been established, for any farm acquired in 1940 or thereafter by the United States for national defense purposes shall be placed in an allotment pool and shall be used only to establish allotments for other farms owned or acquired by the owner of the farm so acquired by the United States. The allotments so made for any farm, including a farm on which wheat has not been planted during any of the 3 marketing years preceding the marketing year in which the allotment is made, shall compare with the allotments established for other farms in the same area which are similar except for the past acreage of wheat."

SENATOR FROM NORTH DAKOTA

Mr. LUCAS. Mr. President, the chairman of the Committee on Privileges and Elections, the Senator from Rhode Island [Mr. GREEN], filed with the Senate today a report in connection with the seating of WILLIAM LANGER as a Senator from the State of North Dakota. The Senator is not here at the moment.

I rise only for the purpose of saying, as chairman of the subcommittee which has been concerned with this case almost from the beginning, that I have discussed the matter with the Senator from North Dakota [Mr. LANGER], and have agreed with him that the minority views may be filed within a reasonable length of time—a week or 10 days or 2 weeks—so far as the committee is concerned. We have no intention of compelling mi-

nority views to be filed except within such reasonable time as the Senator from North Dakota and those who may sign the minority views feel is fair and just to a presentation of the matter to the Senate in behalf of the Senator from North Dakota.

I wanted the minority leader to know exactly what we had agreed upon.

Mr. McNARY. Mr. President, in the absence of the Senator from North Dakota [Mr. LANGER], I may say that I think the statement of the able Senator from Illinois is very fair. I do not know that the committee would have authority to specify any date as constituting a reasonable time. That would be left to the Senate. I should imagine the minority could conform to 2 weeks as the maximum which has been stated by the Senator. If that is not ample time, I am sure the Senator will agree with me and others that an extension of time might well be granted. Of course, the Senator from North Dakota will want to study the majority report, and I assume the same thing is true of members of the committee who may join in minority views.

While I do not want to concede that 2 weeks must be the outside time, in my judgment it would be ample; but if there are any differences along that line I shall be glad to confer with the able Senator from Illinois and the majority leader.

Mr. LUCAS. Let me say to the Senator that the report contains some 76 pages, and some important propositions of law are involved. The factual data are very lengthy, in the event any Senator desires to refer to the lengthy hearings for further information. It certainly is not the intention of the committee to rush those who wish to file minority views. If 10 days or 2 weeks is not ample time, I am sure the committee will agree to give more time. The matter is more or less in the discretion and in the hands of the Senator from North Dakota [Mr. LANGER] himself, so far as the chairman of the subcommittee is concerned.

Mr. McNARY. I knew that would be the answer of the able Senator from Illinois. If the time suggested is not ample, I shall be very glad to advise the Senator.

CONSTRUCTION OF CERTAIN PUBLIC WORKS

Mr. WALSH. Mr. President, I move that the Senate proceed to the consideration of House bill 6333, Calendar No. 1034.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 6333) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Naval Affairs with amendments.

The PRESIDING OFFICER. The clerk will state the first amendment reported by the committee.

The LEGISLATIVE CLERK. The first amendment of the Committee on Naval Affairs was, on page 2, after line 2, to insert a new section, as follows:

SEC. 2. The limits of cost on the construction of quarters and housing fixed by this and all prior acts shall not be construed to prohibit or exclude additional expenditures for utilities, services, and general improvements, including but not restricted to electricity, gas, water, sewage disposal, roads, walks, grading, and drainage.

The amendment was agreed to.

Mr. TAFT. Mr. President, I should like to know whether the bill relates to housing.

Mr. GILLETTE. If the Senator will permit, I should like to ask the distinguished chairman of the Committee on Naval Affairs a question with reference to the committee report. I note in the report of the committee on the bill that reference is made to assurances given by one of the naval officers who appeared as a witness before the committee with regard to a report as to the expenditures, broken down somewhat in detail. Can the distinguished chairman of the committee give us any information as to what these assurances were, as to whether reports would be made in a lump sum, or whether there would be detailed reports?

Mr. WALSH. As the Senator perhaps knows, section 4 of the bill requires that—

The Secretary of the Navy shall transfer to the Congress on or before January 10, 1943, a statement by projects of the obligations incurred pursuant to the authorization provided in this act.

The committee discussed the point raised by the distinguished Senator from Iowa, and we were given assurance that detailed information would be furnished to Congress as the moneys appropriated under the authorization before us were expended.

Mr. GILLETTE. I wanted the Senate to know, while the bill was under consideration, that the committee had received the assurances just stated by the chairman of the committee.

Mr. WALSH. I assume the Senator desires to have it a matter of record so that the officials of the Navy Department will understand that the Congress will expect detailed information in regard to the expenditures authorized under the pending bill.

Mr. GILLETTE. Yes. I thank the chairman of the committee.

Mr. McNARY. Mr. President, what amendment are we now considering?

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The LEGISLATIVE CLERK. On page 2, after line 8, to insert a new section, as follows:

SEC. 3. The Secretary of the Navy is authorized to utilize funds heretofore or hereafter appropriated for the construction of naval public works for the temporary relief of contractors and their employees for losses incurred as a direct result of enemy action.

Mr. McNARY. I wonder whether there is a group which now falls under the provisions of this paragraph, or is it anticipatory of something which may occur?

Mr. WALSH. The reason for the amendment is the situation which has developed at Wake Island and Guam.

Mr. McNARY. I was thinking of continental United States.

Mr. WALSH. There were a large number of civilian employees on those islands, employed by contractors engaged on public works of the Navy Department, and this is to take care of their situation.

Mr. TAFT. Mr. President, is this bill an authorization for additional houses, for the construction of housing outside naval reservations?

Mr. WALSH. No; housing inside naval reservations. One of the items, for instance, is for bachelor officers' quarters at the Naval Academy at Annapolis, as I recall.

Mr. TAFT. It seems to me that the amendment embodied in section 2 was more or less unnecessary. All the restrictions on cost of housing with which I am familiar relate only to the cost of the housing itself.

Mr. WALSH. The amendment was inserted at the request of the Navy Department, and the Senator from Ohio will note that, due to a recent ruling of the Comptroller General, certain improvements, such as installation of electricity, gas, water, sewage disposal, roads, walks, grading, and drainage, should be embraced within the limit of the cost of housing. The Navy Department says it is impossible to perform these functions within the cost, and it asks for an amendment, excluding these items of expenditure from the limit of cost for housing fixed by law.

Mr. TAFT. There are only two kinds of limitation; one is on the housing alone, which, of course, does not include these facilities, and the other limitations are an over-all figure, which is quite high already, and I rather seriously question whether it should be raised. In my opinion, the effect of the proposal now made would be to raise the cost of every house built for the Navy by at least $2,000. I wondered whether the committee had gone into the question. Several other committees of the Senate have been investigating housing costs for a long time, and debating about different kinds of housing, and what the cost should be. The effect of this amendment would be, I think, to raise the cost of every house built by the Navy by $2,000. It seems to me of doubtful wisdom, unless the whole question of the cost of housing has been investigated by the committee.

Mr. WALSH. The committee went into the matter and asked the naval officers as to their experience, and we were convinced that such items as the installation of water mains, gas mains, sewage-disposal plants, roads, walks, grading, and drainage should not be included in the limits of cost fixed by law upon housing. We were convinced that in some cases there would be nothing left with which to build the houses if the limit of cost included these particular items. I think the Senator from Iowa will recall the discussion we had on this item, and the committee felt this ex-

emption, which was asked by the Navy itself, should be granted.

Mr. TAFT. Of course, if it is confined to the construction of houses on naval reservations, I have no direct interest in it, but the terms of section 2 are wide open. It seems to provide that the limitation on the cost in the construction of housing, fixed by this or prior acts, is suddenly raised. Unless it is confined to quarters and housing within naval reservations, I think it may amend many other limitations which we have worked out with a great deal of care.

Mr. WALSH. Mr. President, I wish to ask the Senator from Iowa whether he concurs in my view that the housing contemplated is confined to housing on naval reservations?

Mr. GILLETTE. That was certainly the impression. I shared some of the doubts expressed by the Senator from Ohio, and in bringing the matter to the attention of the witness who was before us, an admiral of the Navy, the question was pretty thoroughly discussed, and, while I do not remember the details at this moment, I was convinced, and the doubts which had come into my mind were dissipated by the testimony he presented.

Mr. TAFT. Would the Senator from Massachusetts greatly object to inserting after the word "housing" the words "on property owned by the United States," or some such expression?

Mr. WALSH. I have no objection.

Mr. TAFT. I ask that the vote by which the amendment beginning in line 3 on page 2 was agreed to be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote by which the amendment was agreed to is reconsidered, and the question is on agreeing to the amendment of the committee on page 2, after line 2.

Mr. WALSH. The amendment proposed by the Senator from Ohio is acceptable. It will make certain and definite the point he raises in view of the fact that the housing projects are in fact on Government reservations.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment on page 2, line 4, after the word "housing", it is proposed to insert a comma and the words "on property owned by the United States" and a comma.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 2, beginning in line 9.

The amendment was agreed to.

The next amendment of the committee was, on page 2, line 14, after "Sec.", to strike out "2" and insert "4", so as to read:

SEC. 4. The Secretary of the Navy shall transmit to the Congress on or before January 10, 1943, a statement by projects of the obligations incurred pursuant to the authorization provided in this act.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. THOMAS of Idaho. Mr. President, I wish to ask the chairman of the Committee on Naval Affairs a question. I notice section 3 provides that——

The Secretary of the Navy is authorized to utilize funds heretofore or hereafter appropriated for the construction of naval public works for the temporary relief of contractors and their employees for losses incurred as a direct result of enemy action.

The Navy is constructing a number of naval bases on islands in the Pacific, for instance, at Wake Island, Guam, Midway, and at Pearl Harbor, and a number of civilians are employed on those islands. In the case of Wake Island, a number of civilians have been taken prisoner, and are now in prison camps somewhere in Japan, we do not know where. I am wondering whether this provision would enable a contractor to proceed to take care of the families of those who are or may be in prison camps as a result of enemy attacks.

Mr. WALSH. Mr. President, I have introduced a bill, which is pending before the committee, to make definite and certain that our Government shall take care of those civilians who are in prison camps in Japan, the matter to which the Senator from Idaho has referred. There will be legislation in that direction very shortly. The matter before us in part takes care of the situation by permitting contractors to advance money or give money to their employees who are affected by reason of enemy action and to include these expenditures in the money appropriated for public-work construction.

Mr. THOMAS of Idaho. Mr. President, I am very glad the Senator is giving attention to the matter, because it represents a very serious situation in the Northwest.

Mr. WALSH. It is a very important matter. The purpose of the proposed legislation is to provide for taking care of families of those imprisoned.

Mr. THOMAS of Idaho. Many families are destitute as the result of what happened at Wake Island. I thank the Senator from Massachusetts.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 6333) was read the third time, and passed.

CONSTRUCTION OF CERTAIN MINOR NAVAL VESSELS

Mr. WALSH. Mr. President, there is only one other bill which ought to be dealt with at this time. The other bills can remain on the calendar until the regular call of the calendar. The bill to which I refer is Order No. 1043, House bill 6392, for the consideration of which I now ask unanimous consent.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 6392) to authorize the construction of certain naval vessels, and for other purposes.

Mr. WALSH. Mr. President, this bill was passed by the House. It provides for the authorization of 1,799 minor combatant, auxiliary, and patrol vessels of various types. Some of the vessels authorized will be of an entirely new type. We have the regular, well-known combatant types of naval vessels, such as battleships, cruisers, destroyers, and submarines. We have another classification of ships in the Navy known as auxiliary ships, repair ships, tankers, hospital ships, supply ships, and other ships of that kind. There are other types of ships called minor combatant ships, which this bill deals with. There are a dozen different types of such ships, with different names. The main type, called escort vessels, are to be used in convoy service. They are small, fast moving, armed vessels, and are for the purpose of assisting in the protection of convoys, and also for shore and harbor defenses.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 6392) to authorize the construction of certain naval vessels, and for other purposes, which had been reported from the Committee on Naval Affairs with amendments.

The first amendment was, in section 1, page 1, line 6, after the word "authorized", to insert "for the United States Navy or for disposal in accordance with existing law", so as to make the section read:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to undertake the construction of 1,799 minor combatant, auxiliary, and patrol vessels of various types, in addition to those heretofore authorized, for the United States Navy or for disposal in accordance with existing law.

The amendment was agreed to.

The next amendment was, in section 2, page 1, line 12, after the word "establishments", to insert "within the territorial limits of the United States, its Territories and possessions", so as to make the section read:

SEC. 2. The Secretary of the Navy is hereby authorized to provide, at a cost not exceeding $750,000,000, essential equipment, facilities, and land at either private or public establishments, within the territorial limits of the United States, its Territories and possessions, for the construction of ships or portions thereof, and the production of ordnance material for the ships herein authorized.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 6392) was read the third time, and passed.

Mr. WALSH. Mr. President, I ask that the report of the committee on the bill be printed in the RECORD at this point.

There being no objection, the report (No. 1008) was ordered to be printed in the RECORD, as follows:

The Committee on Naval Affairs, to whom was referred the bill (H. R. 6392) authorizing the construction of certain naval vessels, having considered the same, report favorably thereon with amendments and, as amended, recommend that the bill do pass.

The amendments of the Naval Affairs Committee are, on page 1, in line 6, after the word "authorized", to insert "for the United States Navy or for disposal in accordance with existing law"; and in line 12, after the word "establishments", to insert "within the territorial limits of the United States, its Territories, and possessions,".

The bill, if enacted, would authorize the Secretary of the Navy to undertake the construction of an additional 1,799 minor combatant, auxiliary, and patrol vessels of various types, and to provide facilities (both shipbuilding and ordnance) required in connection therewith.

The purpose of this bill is to provide the necessary ships with which to conduct the amphibious operations which it is contemplated may be necessary to prosecute the present war to a successful conclusion. The committee understand that a survey has been made which reveals that this building program can be fulfilled, in addition to carrying out the other shipbuilding which is now under way, as well as that which while not as yet actually started, has been previously authorized.

The committee were informed of the Navy Department's present plan with respect to the number in each category of vessels it contemplates constructing if this bill becomes law. It is entirely possible, however, that the present tentative allocations may, because of future war developments, have to be revised. It is for this reason that the bill does not define the exact number of vessels authorized to be constructed in each of the categories provided for in the bill. The committee are of the opinion that it is a sound policy to authorize this latitude in order that full advantage may be taken of changes that appear to be indicated, from time to time, as a result of war experience.

There are many confidential details concerning this proposed building program as to which the committee are fully informed but which, for obvious reasons, are not included in this report.

H. R. 6460, now before the House of Representatives, fixes the total cost of vessels and facilities at a sum not to exceed $3,900,000,000 and appropriates the sum of $1,888,600,000.

THE COMMITTEE AMENDMENTS

The committee amendments provide:

(a) That the vessels shall be built for the United States Navy or for disposal in accordance with existing law; and

(b) That the essential equipment and facilities authorized to be provided shall be within the territorial limits of the United States, its Territories and possessions.

PAY OF CERTAIN OFFICERS INDUCTED INTO THE ARMY

Mr. KILGORE. Mr. President, I ask unanimous consent for the present consideration of House bill 5480, Calendar No. 1028.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5480) to provide pay for officers in accordance with the rank and grade in which they were inducted and served in the land forces.

Mr. McNARY. Mr. President, I am not familiar with the bill. I think a preliminary statement should be made respecting it.

Mr. KILGORE. Mr. President, at the time the National Guard was inducted into the service of the Army of the United States, due to change of tables of organization, to the difference between the Regular Army table of organization and that of the National Guard, practically all the junior officers in the National Guard in the grade of lieutenant found themselves in grades not commensurate with the table of organization of the Regular Army at that time. There were vacancies for them but they had not been promoted officially, and, due to the length of time required to get the matter through the National Guard Bureau, the promotions have been held up. Some of the officers continued to serve in these grades for 3 or 4 or 5 months, some in the commissioned grade of second lieutenant who had been promoted, others in the grade of first lieutenants who had been promoted from second lieutenant. Then they were reduced to their previous grades, and commanded to refund certain pay, although they were filling existing vacancies.

The bill was introduced for the purpose of curing that situation. In a number of instances the situation has been cured, but this measure would be a cure-all, and permit the officers to receive the pay in the grade in which they were serving, and permit the adjutant general to correct their grades, and not require the officers to make the refund of pay which they have earned.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5480), which was ordered to a third reading, read the third time, and passed.

IMPROVEMENT OF PROPERTY LEASED BY THE UNITED STATES

Mr. AUSTIN. Mr. President, I ask unanimous consent that the Senate proceed to consider Calendar No. 1026, Senate bill 2212.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2212) to suspend during a national emergency declared by Congress or by the President the provisions of section 322 of the act of June 30, 1932, as amended, relating to certain leases.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. McNARY. Mr. President, the able Senator from Vermont spoke to me about the bill a short while ago. I am satisfied of its merit. I think a statement should be made concerning it, however, before it is taken up.

Mr. AUSTIN. Mr. President, there is a limitation in the existing law, section 322 of the act of June 30, 1932, as amended by section 15 of the act of March 3, 1933, on the amount of money which may be expended in improving or altering or adapting property leased by the United States, and that limitation is so drastic that the Government cannot make alterations which now are necessary in order to accommodate certain leases made in the prosecution of the war unless this restriction is lifted. That is the sole purpose of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs with amendments on page 1, line 8, after the word "privately", to insert "or publicly"; in line 9, after the word "the", to strike out "head of the department or establishment concerned" and insert "Secretary of War or the Secretary of the Navy", and on page 2, line 2, after the word "for", to strike out "use incident to national defense or war purposes" and to insert "military, naval, or civilian purposes necessary for the prosecution of the war or vital in the national emergency", so as to make the bill read:

Be it enacted, etc., That the provisions of section 322 of the act of June 30, 1932 (47 Stat. 412), as amended by section 15 of the act of March 3, 1933 (47 Stat. 1517), shall not apply during war or a national emergency declared by Congress or by the President to such leases or renewals of existing leases of privately or publicly owned property as are certified by the Secretary of War or the Secretary of the Navy, or by such person or persons as he may designate, as covering premises for military, naval, or civilian purposes necessary for the prosecution of the war or vital in the national emergency.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to suspend during war or a national emergency declared by Congress or by the President the provisions of section 322 of the act of June 30, 1932, as amended, relating to certain leases."

AUTHORIZATION TO REPORT AND SIGN BILLS, ETC., DURING ADJOURNMENT

Mr. BARKLEY. Mr. President, I ask unanimous consent that committees be authorized to report bills, resolutions, or nominations during the recess or adjournment of the Senate; that the Vice President be authorized to sign bills and resolutions; and that the Secretary of the Senate be authorized to receive messages from the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PRESIDENT'S BIRTHDAY

Mr. BARKLEY. Mr. President, before moving an executive session, inasmuch as the Senate will not be in session tomorrow, I wish to say just a word.

Tomorrow the President of the United States reaches his sixtieth birthday. I am sure that I speak the sentiments of the Senate when I say that we congratulate him upon arriving at the age of threescore years. We congratulate him upon the robust health which he enjoys at that age. We wish for him continued health, strength, and vigor, and the contemplation ultimately of many years of peace and happiness on this earth.

I doubt if any man in the history of this country, or even in the history of the world, ever reached the age of 60 with greater responsibilities and burdens upon him than those that rest on the President of the United States. I do not desire to discuss him officially, or his admin-

istration. I simply wish to express my appreciation and our appreciation of him as a man and as a personality. We hope that in the years to come he may enjoy the satisfaction of feeling that, regardless of controversies and differences of opinion, we have all worked with him and he with us for the welfare of our country and of mankind at large.

I wanted to say this today, inasmuch as I shall not have an opportunity to say it tomorrow; and in saying it I feel sure that I express the personal good wishes of every Member of the Senate.

Mr. McNARY. Mr. President, just a word apropos to the observations made by the distinguished Senator from Kentucky, our majority leader, regarding felicitations to the President. I think I speak with full authority for the Republicans of the Congress—the Senate and the House—for all the Republicans of the country, indeed, when I say that we join in wishing good health and happiness to the President, now and for years to come, and that he may reign uninterruptedly until January 1945.

FAMILY INCOME IN THE UNITED STATES

Mr. BONE. Mr. President, while the price-control bill was under consideration the other day I used some figures concerning family income in the United States, as a result of which I have received a great many inquiries from various sources, probably because the figures were interesting. The compilation was taken from the report of the National Resources Planning Board which was released on September 4, 1938. It is my judgment that that report was about the most comprehensive and thorough research recently made into income distribution in the United States. The figures have proved so interesting to so many persons that I should like to place them in the RECORD at this time. I shall occupy only a moment in doing so.

I am not advised, although I have made inquiry, whether the ratio which is shown in the report has been projected beyond the period covered. The period covered was the fiscal year 1935–36. In the absence of any proof to the contrary, I think we may assume, without doing violence to the facts, that approximately the same proportion of family income for the various groups now obtains. To be sure, there have been some rather violent readjustments in the field of income; but we may assume, until the contrary appears, that the same ratios still exist.

In 1935–36 there were 128,000,000 consumers in the United States. Those consumers, as a whole, had an income in that period of $60,000,000,000. Each of the 128,000,000 received an average income in that period of $469, or $9 a week.

Of every 100 consumers 91 were in families, sharing a common income under a common roof. This meant that 116,000,000 consumers, or approximately 91 percent of all consumers in the country, lived in families. They had a total family income of $48,000,000,000 out of the total national income of $60,000,000,000. This meant an average family income of $1,622 a year, or an average of $31 a week for each of those families. This was an average for all consumer families, representing 91 percent of all consumers.

Ten million consumers lived as single individuals. They received eleven and a half billion dollars that year out of a total national income of $60,000,000,000. Their average income that year was $1,150, or $22 a week.

Two million consumers lived in institutional groups. Part of their income came from free living quarters or goods and services bought from institutions where they lived. They received a total income of $724,000,000, an average of $362 a year, or slightly less than $7 a week.

There were twenty-nine and a half million families in the United States, with 116,000,000 consumers making up family groups. They made up 91 percent of all the population. Out of the $60,000,000,000 of national income the 116,000,000 people in family groups received $48,000,000,000. This would be under $8 a week for each member in the family, in the average-sized family. The figures will indicate the return which families were receiving. America's typical family at that time had four members.

The study divides American families into three groups to get a little better picture of the national income in the period to which I am now referring. One-third, which is the lower third, of all families received $4,000,000,000 out of the total family income of $48,000,000,000. In other words, one-third of all the families received and had to live on only one-twelfth of the total national family income. Out of every $100 of national income those families in the lower third of the brackets received a little over $8, or approximately 8⅓ percent of the total family income.

Another third of all families which, for want of better identification, I refer to as the middle group of American families, received $11,000,000,000. This means that out of each $100 of total family income in America, the middle one-third of all families received $23, or 23 percent of the total family income.

The top one-third of American families received $33,000,000,000 of the total family income. Out of every $100 of national income going to families in America the top group received during this period $69, or 69 percent of the total family income.

In the group comprising the lower third of all families it was found that 65 percent of those families received less than $1,500 in that year, 42 percent received less than $1,000, and 27 percent received less than $750.

Another interesting division is to divide American families into tenths. The top tenth of American families received 18 times the income of the bottom tenth. However, the bottom tenth of the total family income supported 62 times as many as did the top tenth of all family income.

Fifteen out of every 100 families in 1935–36 could not get along without help from some agency or individual other than friends or relatives. Some of the families were helped by so-called relief jobs or in money or goods. There were four and one-half million families in this partly dependent and depressed group. I can only express the hope, in presenting the figures, that somehow, through good fortune, this very gloomy picture has changed for the better. I am not certain what the impact of war and the prodigious outpouring of money by the Federal Government will do to affect the figures with respect to the percentages of income going to these family groups; but certainly I think all of us must surely hope that this very somber picture will violently and abruptly change. The other day when the discussion arose about incomes received by various groups in the country, I was constrained to recall these figures; and I was then impelled to the conclusion that we cannot very well appraise this whole picture without considering the violent gaps existing between the incomes of American families, because obviously the families who are depressed, who are not sharing generously or scarcely at all in the increased national income, are being called upon to supply the soldiers to preserve the country, to preserve our independence, and the fabric which we call the American Government.

Mr. TAFT. Mr. President, the general remarks made by the Senator from Washington are entirely justified, and the distribution of income is sufficiently disturbing that I should only like to say at this point that, with regard to the report of the National Resources Planning Board, I do not think it is the most exhaustive report, I do not think it is a reliable report, and I do not like to let it stand in the record here as necessarily authoritative. The methods pursued are not methods that are generally recognized by statisticians. The figures as to the upper incomes were obtained from the income-tax figures, which no one can question. The figures as to the lower income groups were obtained by a W. P. A. survey, at least, partly by simply asking very limited cross sections, supposedly, of the population what their income was—a method which is extremely unreliable, because people ordinarily are prepared to tell you a good deal less than they actually get. There are other studies of family income which I believe are more reliable than this study, and I think anyone looking into the matter should take that point into consideration. I do not mean to say that the distribution is not extremely bad, but I do not think it is quite as extreme as that which is represented in the report of the National Resources Planning Board.

Mr. BONE. Mr. President, let me burden the Senate for a moment longer. I should not consider myself much of a lawyer if I were not constrained to agree that the best evidence is the most desirable kind of evidence. In the absence of evidence in court which we think is absolutely conclusive, we attempt to produce in the trial of a cause the best evidence obtainable. Upon such evidence have rested the decisions of courts in hundreds of thousands of cases.

I have proceeded with considerable care to gather in my office statistics dealing with economic conditions affecting the people of the United States as a whole. I

have a very large assemblage of material. I have not seen the figures I use here challenged from any reliable source. They were issued in 1938 by the Department of Agriculture, under the direction of the then Secretary, Mr. WALLACE, now our Vice President. They have been widely reported and generally accepted as reliable and authentic. I am not aware of any similar studies which transcend them in importance or, insofar as I am able to determine, in accuracy.

The Senator from Ohio [Mr. TAFT] may have had access to other types of studies; but it is a fair assumption, I think, that the cross-section inquiries to which he has referred produce a pretty accurate and dependable report. Except by direct inquiry of the family, there is very little means of determining the income of a less fortunate family which has not been paying an income tax to the Federal Government. There is an element of pride in the average American which prevents him from readily and freely admitting that he is a pauper; and I am disposed to think that when the average head of a family is asked what the family income was, even though the family may have been suffering the slings and arrows of outrageous economic fortune, he has enough pride to make at least as favorable a report of his income as possible.

The report reflects a vast, illimitable tragedy. During the period covered by the report, and for a great many years, we have had millions of unemployed in the United States. This vast unemployment is reflected in these figures. Millions of fellow human beings were hard put to it to make a living and to make ends meet during this period, and I think it is only fair to these sufferers that we very realistically and very honestly approach this problem now, because these same people are being called upon to make a terrific sacrifice, Mr. President; their boys are going out to die. For one, I want to see them have just as square a deal under our flag, the flag for which they are going to fight and die, as it is possible to obtain. I feel this way because I think much of this duty, the great overwhelming burden of it, rests upon Congress. That is why I have spoken so freely and so frankly, and perhaps too bluntly to suit some folks, about the question of the war profits. I find it impossible to be as tolerant as perhaps I should be when folks come down to Congress and talk to us about preserving a large measure of profit for them in war operations. It is an incongruity that is challenging. Frankly, it is very depressing, in the face of the pleas made to the country not only to preserve but to stimulate and to deepen our morale during this crisis.

Again, at the risk of being tedious, I desire to call attention to the fact that the boys who come from these families are giving 100 percent of their bodies to the preservation of the Republic. Many of these families gave the boys who died at Pearl Harbor; they are the families who will give the boys who will die on battlefields all over the world. Many of these boys will never come home to their families. Many who do come back will go into institutions, but they will be robbed of everything that makes life worth while. I sincerely hope that, whatever comes of this war, we will set our faces resolutely toward the task, which we will not abandon, of seeing to it that the statutory enactments by Congress achieve the end that no man is permitted to enrich himself out of the sacrifices, present and prospective, of the boys who are to die in serving the Nation.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. LEE in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads reported favorably the nominations of several postmasters.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). If there be no further reports of committees, the calendar is in order.

ADJUSTMENT OF CLAIMS BETWEEN THE UNITED STATES AND MEXICO

The Senate, as in Committee of the Whole, proceeded to consider Executive I (77th Cong., 1st sess.), a convention between the United States of America and the United Mexican States signed in Washington on November 19, 1941, providing for the adjustment and settlement of certain outstanding claims of nationals of each country against the Government of the other country, which was read the second time, as follows:

The United States of America and the United Mexican States, being desirous of effecting an amicable, expeditious and final adjustment of certain unsettled claims of the nationals of each country against the Government of the other country, without resort to methods of international arbitration for their adjudication, such as those established in prior agreements, have decided to conclude a convention for that purpose, and to this end have named as their Plenipotentiaries:

The President of the United States of America:

Mr. Cordell Hull, Secretary of State of the United States of America; and

The President of the United Mexican States:

Dr. Francisco Castillo Nájera, Ambassador Extraordinary and Plenipotentiary of Mexico to the United States of America;

Who, after having communicated to each other their respective full powers, found to be in due and proper form, have agreed upon the following articles:

ARTICLE I

The Government of the United Mexican States agrees to pay, and the Government of the United States of America agrees to accept, the sum of $40,000,000.00 (forty million dollars, currency of the United States of America), as the balance due from the Government of the United Mexican States in full settlement, liquidation, and satisfaction of the following claims:

(a) All claims filed by the Governments of the United States of America and of the United Mexican States with the General Claims Commission, established by the two countries pursuant to the Convention signed September 8, 1923;

(b) All agrarian claims of nationals of the United States of America against the Government of the United Mexican States, which arose subsequent to August 30, 1927 and prior to October 7, 1940, including those referred to in the Agreement effected by exchange of notes signed by the Government of the United States of America and the Government of the United Mexican States on November 9 and 12, 1938, respectively; and

(c) All other claims of nationals of either country, which arose subsequent to January 1, 1927 and prior to October 7, 1940, and involving international responsibility of either Government towards the other Government as a consequence of damage to, or loss or destruction of, or wrongful interference with the property of the nationals of either country.

ARTICLE II

The Government of the United States of America and the Government of the United Mexican States agree that the following claims are not extinguished in consequence of the stipulations of this Convention:

(a) Claims of nationals of the United States of America against the Government of the United Mexican States, which arose subsequent to August 30, 1927, and are predicated upon acts of authorities of the United Mexican States in relation to petroleum properties, which claims are the subject of a special agreement;

(b) Claims of nationals of the United Mexican States against the Government of the United States of America, which were formally presented to the Government of the United States of America by the Embassy of the United Mexican States in its note number 2705 of May 16, 1941;

(c) Claims of nationals of either country, predicated upon injuries essentially personal, which arose subsequent to January 1, 1927 and prior to the date of the signing of this Convention;

(d) Claims of the nationals of either country, of the character of those included in paragraphs (b) and (c) of Article I of this Convention, which arose subsequent to October 7, 1940 and prior to the date of the signing of this Convention; and

(e) Claims of nationals of the United States of America predicated upon default in the payment of the principal or of interest on bonds issued or guaranteed by the United Mexican States, which were not filed with the Commission established pursuant to the Convention signed September 8, 1923.

The claims included in paragraphs (b), (c), and (d) of this Article will be the subject of future agreements which the two Governments will conclude as soon as possible.

ARTICLE III

The United States of America and the United Mexican States, in virtue of the stipulations of this Convention, reciprocally cancel, renounce, and hereby declare satisfied all claims, of whatsoever nature, of nationals of each country against the Government of the other, which arose prior to the date of the signing of this Convention, whether or not filed, formulated or presented, formally or informally, to either of the two Governments, except those claims which are included in Article II of this Convention.

The two Governments agree that, with respect to international obligations and rights of each Government towards the other, the stipulations of this Convention supersede the stipulations of the General Claims Convention signed September 8, 1923, and those of the Protocol signed April 24, 1934, which refers to that Convention, and those of the Agrarian Claims Agreement effected by exchange of notes signed November 9 and 12, 1938.

ARTICLE IV

There is credited against the sum of $40,000,000.00 (forty million dollars, United States currency) mentioned in Article I of this Convention the sum of $3,000,000.00 (three million dollars, United States currency), the total sum of payments made, prior to the signing of this Convention, to the Government of the United States of America by the Government of the United Mexican States pursuant to the Agreement in relation to agrarian claims, effected by the exchange of notes signed November 9 and 12, 1938. There shall also be credited the additional sum of $3,000,000.00 (three million dollars, United States currency) which will be paid on the date of the exchange of ratifications of this Convention.

The balance of $34,000,000.00 (thirty-four million dollars, United States currency) shall be paid by the Government of the United Mexican States to the Government of the United States of America at Washington, in annual instalments, beginning one year after the date of the signing of this Convention, of $2,500,000.00 (two million, five hundred thousand dollars, United States currency) until the complete liquidation of this debt. The Government of the United Mexican States may, in its discretion, for the purpose of reducing the period for complete liquidation of the balance due, increase the amount of any of the annual instalments, or pay any such instalment or instalments in advance.

In consideration of the stipulations of this Convention it is agreed that the United Mexican States is relieved of the obligation to make further payments pursuant to the provisions of the Agreement in relation to agrarian claims effected by the exchange of notes signed November 9 and 12, 1938.

ARTICLE V

In the event of failure to pay any annual instalment, or instalments, when due, the United Mexican States shall pay interest at the rate of one per centum per annum on the amount of each such instalment, or instalments, from the date when the instalment, or instalments, became due up to the date of the payment.

ARTICLE VI

This Convention shall be ratified and shall become effective upon the exchange of ratifications which shall take place at Washington as soon as possible.

In witness whereof, the respective Plenipotentiaries have signed and affixed their seals to this Convention.

Done in duplicate, in English and Spanish, at Washington, this nineteenth day of November, 1941.

[SEAL] CORDELL HULL,
[SEAL] F. CASTILLO NÁJERA.

Mr. THOMAS of Utah. Mr. President, I should like to make an explanation of the convention, so that the Senate may understand what has been done and what is to be done.

In 1923 the United States and Mexico signed two claims conventions providing for the adjudication of outstanding claims by two international commissions. One convention related to the claims of American citizens against the Government of Mexico for losses sustained as a consequence of revolutionary disturbances in Mexico between 1910 and 1920, and which are known as "special claims." These special claims were the subject of a further convention approved by the Senate in 1934, which provided for the payment by Mexico of a lump sum of approximately five and one-half million dollars in annual installments of $500,000. In 1935 the Congress enacted legislation providing for the establishment of a domestic commission to adjudicate them. That work was completed in 1937. As a consequence of these arrangements, citizens of many, if not all, the States are now receiving annual payments on account of their losses sustained in Mexico during the period 1910 to 1920 as a result of revolutionary activities. While the claimants may not receive full compensation for their losses, I believe they are grateful that, after a delay of many years, they are at last being assisted to rehabilitate themselves.

GENERAL CLAIMS, 1868–1927

The other convention, concluded in 1923, related to claims of American citizens against the Government of Mexico and also claims of Mexican citizens against this Government, which arose between 1868 (the date of the last previous claims settlement) and 1927, a period of approximately 60 years. Some of these so-called "general claims" were adjudicated by the international commission provided for in the convention; and, under the General Claims Protocol signed in 1934, the remaining general claims were submitted to two Commissioners, one American and one Mexican, for appraisal. While the two Commissioners were unable to agree upon a large number of claims, the American Commissioner, Mr. Oscar Underwood, Jr., nevertheless, examined all the claims and submitted to the Secretary of State the results of his appraisals. The adjudications made by the International Commission and the appraisals of the remaining claims made by the American Commissioner were, of course, taken into account in arriving at the sum of $40,000,000 which, by the present Convention, Mexico agrees to pay in settlement of certain groups of claims, including these general claims.

AGRARIAN CLAIMS, 1927–39

Another group of claims covered by the convention now before the Senate is that group arising between August 30, 1927, and July 31, 1939, which was submitted to the Agrarian Claims Commission set up under an agreement concluded by the two Governments in November 1938. These claims are for the value of American-owned lands in Mexico which were taken by the Mexican Government for agricultural purposes under the agrarian program launched by that Government several years ago. The appraisals of those claims made by the American Commissioner, Mr. Lawrence M. Lawson, were also taken into account in arriving at the global settlement of $40,000,000.

OTHER CLAIMS INCLUDED IN THE SETTLEMENT

The amount which Mexico has agreed to pay also covers agrarian claims which arose too late for filing with the Agrarian Commission, and also other property claims, except those based on the expropriation of petroleum properties, arising between 1927 and 1940. These claims have not been adjudicated or appraised and consequently there is little information available as to their value.

It is my understanding that if the awards rendered by the International Commission with respect to general claims, and the appraisals made by the American Commissioner on the general claims, not passed upon by the International Commission, and the appraisals of the agrarian claims down to July 31, 1939, made by the American Commissioner, totaling approximately $30,000,000 are accepted as final, there will be available to cover the remaining unadjudicated and unappraised claims, and also to cover interest, approximately $10,000,000. It seems safe to say, therefore, that the American claimants will receive the full value of their claims as passed upon by the International Commission and by the American Commissioners appointed for that purpose by the President of the United States.

AMOUNTS CLAIMED

While the proposed settlement of $40,000,000 apparently does not represent a very large percentage of the total amount claimed by the individual claimants, we are all, of course, aware of the fact that in international claims, as well as in domestic lawsuits, claimants are not inclined to be overly modest in stating the amount of their demands. For example, I understand that commissions set up under separate claims conventions concluded by Mexico with Belgium, France, Germany, Great Britain, Italy, and Spain, respectively, rendered awards totaling a little less than 3 percent of the amounts claimed by the individual claimants. I believe that an examination of the records of the United States Court of Claims will disclose that the total of the judgments rendered by that court represent but a small percentage of the amounts claimed. So far as the present claims are concerned, we are informed that the agent for the United States before the General Claims Commission, United States and Mexico, because of the inability of claimants to substantiate their claims, submitted for dismissal by the Commission over 1,000 claims, in which the claimants had claimed over $140,000,000. We are also told that the Mexican agent before the same Commission similarly submitted for dismissal over 400 claims against the United States, in which the claimants demanded approximately $120,000,000. It is obvious, therefore, that we should not become confused by large demands made by individual claimants.

I believe it is important to point out that by this settlement the Government of the United States is relieved of all liability with respect to claims of Mexican citizens against the United States which were filed with the General Claims Commission in the total sum of approximately $250,000,000.

NOT INCLUDED IN THE SETTLEMENT

There are items which are still in dispute and not included in this settlement.

The claims arising out of the expropriation of oil properties in 1938 are not included in this settlement. The two

Governments have concluded a separate arrangement with respect to them, which contemplates the settlement of the claims after the value of the properties has been determined by experts appointed by the two Governments. By article II of the present convention it is stipulated that the two Governments shall enter into additional separate agreements to dispose of certain remaining outstanding claims, which, for various reasons, were not included in the global settlement. Consequently, the convention makes provision for the settlement of all claims outstanding at the time of its signature.

PAYMENTS

The convention before the Senate provides that the sum of $3,000,000 which Mexico has already paid to the United States on account of agrarian claims shall be credited against the debt of $40,000,000, and that upon exchange of ratifications Mexico will pay an additional sum of $3,000,000, which will thus make $6,000,000 available for distribution as soon as Congress enacts the necessary supplementary legislation. The balance is payable by Mexico in annual installments of not less than $2,500,000.

In his report of December 3, 1941, to the President, the Secretary of State stated:

As the claims, on behalf of American nationals against the Government of Mexico and on behalf of Mexican nationals against the Government of the United States, which are comprehended by the convention have complicated the relations of the two Governments over a long period of years, it is the mutual desire of the Governments, in the interest of good relations between them, to remove the claims from the field of international intercourse as soon as possible. The convention now submitted represents what both Governments believe to be the most practicable, the most equitable, and the most expeditious method of accomplishing their mutual desire.

There is, of course, the added consideration that if the convention is approved, the way will be paved for the distribution of funds among a large number of our citizens who have patiently waited years and decades for the settlement of their claims. If the convention is not approved, the settlement of these claims must remain for the indefinite future.

I move that the Senate give its advice and consent to the convention.

Mr. VANDENBERG. Mr. President, I rise not to oppose the motion submitted by the able Senator from Utah, but to present a few facts in connection with the treaty which have a bearing upon the general claims relationship between the Republic of Mexico and the United States. I do it because the treaty touches only a sector of the claims, and leaves what is probably by far the largest and the most controversial claims entirely untouched. I submit the thought that the basis of settlement involved in this treaty ought not to be a precedent as the sort of a basis of settlement which will be acceptable in respect to the remainder of the claims.

Mr. President, I thoroughly concur in the Senator's compliments to Mexico and her good-neighborliness to us in connection with the great Pan-American adventure upon which the entire Western Hemisphere is now embarked. We all appreciate Mexico's splendid cooperation with us. It is highly essential. It is almost indispensable. The fact that it is given fully and freely is a matter of very great value and very great concern to us; and in what I am about to say, while it is somewhat critical of the pending treaty, there is nothing which is in any sense critical of the present attitudes of the Mexican Government toward the Government of the United States. On the contrary, I speak of those relationships with the greatest respect and appreciation.

But, Mr. President, the business of being good neighbors is not a one-way street. Secretary Hull himself said, in a note to Mexico on July 21, 1938:

The good-neighbor policy can only be based on mutual respect by both Governments of the rights of each and of the rights of the citizens of each. President Roosevelt could not have spoken more truly than when he recently stated that the good-neighbor policy is "a policy which can never be merely unilateral. In stressing it the American republics appreciate, I am confident, that it is bilateral and multilateral and that the fair dealing which it implies must be reciprocated."

Mr. President, so far as our claims relationships with Mexico in the past are concerned, I must confess that I find very little of the reciprocity which the President of the United States bespoke as the keynote of good neighborliness. In fact, Mr. Hull, our very able Secretary of State, has been highly explicit on the subject.

On April 3, 1940, after the expropriation of oil lands—which probably was the most glaring example of expropriation—our Secretary of State, in a note to the Mexican Government, said:

During the last 25 years one American interest in Mexico after another has suffered at the hands of the Mexican Government. It is recognized that the Mexican Government is making payments on the special claims which have to do solely with damages caused by revolutionary disturbances between 1910 and 1920, and has started payments for farm lands expropriated since August 30, 1927. But the Mexican Government has made no compensation for the large number of general claims of long standing, which include an extensive group of claims for the expropriation of farm lands prior to August 30, 1927. It has made no adjustment either of the foreign debt or of the railroad debt, both long in default, and in both of which American citizens hold important investments. Moreover, the question of the railroad debt was further complicated by the expropriation of the Mexican National Railways on June 23, 1937. Finally, on March 18, 1938, the Mexican Government took over American-owned petroleum property to the value of many millions of dollars, and, although 2 years have elapsed, not one cent of compensation has been paid.

Still quoting the Secretary of State, addressing himself officially to the Mexican Government:

This treatment of American citizens—

Says the Secretary of State—

wholly unjustifiable under any principle of equity or international law, is a matter of grave concern to this Government. These long-standing matters must of necessity be adjusted if the relations between our two countries are to be conducted on a sound and mutually cooperative basis of respect and helpfulness.

Mr. President, I repeat that the pending treaty deals with only a small sector of the claims problem which was covered by the general review in the note of the Secretary of State to Mexico which I have quoted. It does not touch at all the major question of compensation for the expropriation of oil lands which proceeded with such magnitude 2 years ago. It deals with only a small sector of the problem; but in what fashion does it deal with it?

The face of the claims was perhaps $375,000,000. I agree with the able Senator from Utah that the face of the claims is of no persuasive substance at all, because in these instances the original claims are always pumped up beyond any relationship to their reality. However, this treaty settles $325,000,000 or $350,000,000 worth of American claims for about $15,000,000, as I recall. What do we get? We get $3,000,000 down from Mexico; we get $3,000,000 in the next 12 months; and we get $2,500,000 a year thereafter until the balance is settled. But coincident with the negotiation of this treaty—and I am unable to believe that it was not a part of the negotiation, even though the report of the committee very distinctly states that the two things are not related to or dependent upon each other—coincident with this agreement, we also agree to pay Mexico 35 cents an ounce for 5,000,000 ounces of silver from month to month, and we agree to set up a $40,000,000 stabilization fund within our own stabilization fund to stabilize the Mexican peso.

That is not my idea of a very good bargain, I confess, on the face of the mathematics. I desire to be very scrupulously accurate about what I am saying. The silver agreement runs from month to month, and may be terminated from month to month; and I am very happy to say that during the first 2 months of the silver agreement Mexico has sold all her silver on the world market because she could get a larger price, and we have not had to purchase any of the silver.

I do not see how it is possible to escape the conclusion that the quid pro quo for this treaty was an agreement to buy Mexican silver, when everyone knows we have no use on earth for a single ounce of externally produced silver, and that we established within our stabilization fund a $40,000,000 earmark to stabilize the peso, which may have its advantage to us, I quite concede; nevertheless, it has its primary advantage to Mexico, and is a primary drain upon our resources.

I repeat, Mr. President, I do not think this is a good bargain, and I am making the observation solely because so many other claims yet remain to be settled, and because the major claims problem still remains to be resolved. While I am not opposing the ratification of the pending agreement in respect to the comparatively small sector of the problem to which it relates, I am making this statement for the record to observe in conclusion that, while I welcome the evidence of a willingness to discuss and settle these

claims, I certainly am not satisfied with any such type of settlement as the pending treaty represents, and I distinctly hope it is not a preview of the bad bargain we are to get in the determination and settlement of the balance of the claims.

Mr. McNARY. Mr. President, I have here an editorial clipped from the New York Herald Tribune of November 21, 1941, entitled "Mexico Is Overjoyed." I think it is appropriate that this editorial should follow the illuminating observations made by the distinguished Senator from Michigan [Mr. VANDENBERG], and I ask that it be inserted in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Herald-Tribune of November 21, 1941]

MEXICO IS "OVERJOYED"

In announcing the six-point agreement with Mexico which professedly settles the problems of oil and land expropriations, Secretary Hull hailed the document on Wednesday as "a milestone in the cause of solidarity between the two countries of the New World."

Most persons reading the terms of the agreement will be inclined to wonder if the Secretary of State has reasons of his own for believing this, for they are hardly evident in a perusal of the document itself. It would be difficult to conceive, as a matter of fact, of a more one-sided arrangement than the one herein set forth. Let us see what it calls for.

Mexico agrees to pay the United States in full the $40,000,000 in so-called general and agrarian claims, though only $3,000,000 of this will be put up in cash, the rest being payable at the nominal rate of $2,500,000 a year for about 14 years. As against this, what does the United States agree to do? In the first place, it agrees to set up a fund of $40,000,000 for the stabilization of the Mexican currency. In the second place, it agrees to the establishment of a $30,000,000 credit through the Export-Import Bank—not for the establishment of joint airplane or naval bases but for the "construction and developing of the Mexican national highways system." In the third place, it agrees to negotiate a reciprocal trade treaty with Mexico, the chief purpose of which, one gathers, would be to relax American restrictions on imports of oil from Mexico. And, finally—and this is the real joker—it commits the United States to a program of purchasing 6,000,000 ounces of newly mined silver monthly from the Mexican Government.

Consider what this silver-purchase clause means. It means that each year, so long as the agreement remains in force, the United States will provide Mexico with upward of $25,000,000 in dollar exchange for metal which has no practical value whatsoever and which will simply clutter up still further the already overcrowded vaults of the Treasury. If the United States Treasury were to retire from the market for silver today and sell its holdings for what they would bring the price of silver would fall to a fraction of the price which we are now agreeing to pay the Mexican Government for its metal. Thus, in effect, we shall be making Mexico an outright gift each year of, let us say, between $15,000,000 and $18,000,000, as against the $2,500,000 which she proposes to pay on account of her legitimate debt to us.

As to the "settlement" of the claims of the oil companies against Mexico, that is a misnomer. When Britain resumed diplomatic relations with Mexico she rigidly insisted on excluding from it the question of her private oil claims. But our own State Department has tied this highly controversial question in with its new financial and diplomatic agreement, and in consequence has made an arrangement which is neither fish nor fowl. Each country is to appoint an expert to study the companies' claims, and these experts are to try to reach an agreement. If they fail to do so, "the two Governments, through diplomatic channels, will seek a solution of the problem of the compensation to be paid." Which is little more than a return to the situation that has existed for the last 3 years. The Mexican Government will deposit $9,000,000 on account of these claims pending settlement, but it will reclaim this deposit if no agreement is reached. Proposals essentially the same as this have twice been rejected by the oil companies.

Mexican officials, it is reported, were "so overjoyed at the terms of the agreement that they sent bottles of tequilla to Secretary of the Treasury Morgenthau." One can understand why this might be so. And one can only hope that Mr. Hull's basis for optimism concerning the treaty rests on as firm a foundation as theirs.

Mr. WHITE. Mr. President, I have no purpose to attempt to cover the factual ground so ably presented to us by the Senator from Michigan, but I desire to state for the RECORD my complete agreement with the conclusions the Senator from Michigan has reached. I want it known that, in my opinion, the pending agreement into which the United States has entered is unwise and improvident.

Mr. THOMAS of Utah. Mr. President, I do not wish to answer what has been said regarding the pending convention, because after the years of turmoil, the changes in government, the claims and counterclaims, the revolutions and counterrevolutions, the unstable conditions along the border, all the circumstances incident to attempts to bring stability out of instability, which our sister to the south has experienced, we realize the losses have been extremely great. While friendship may be costly, let me say that it is, indeed, worth while, and that with the use of the technique of the en bloc settlement treaties growing out of negotiations, we have what I am sure the Senator from Michigan and the Senator from Maine both heartily approve, at least a new chance to stabilize and to maintain better relations.

While I am sure that the oil claims to which reference has been made should not be settled on the basis of the settlement covered by the pending agreement, being different from the claims settled by the convention now under consideration, and that this en bloc settlement should not be used as a method of adjusting them, because they are a distinct group of claims, all of which have arisen in the last 2 years, that situation has been understood and is taken for granted by the sponsors of the treaty. I trust, and I think the Senate will concur, that this long-hoped-for agreement will afford, as we think it will afford, at least a basis for proceeding in an understanding way.

The PRESIDING OFFICER. The convention is before the Senate and open to amendment. If there be no amendment to be proposed, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The resolution of ratification was read, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive I, Seventy-seventh Congress, first session, a convention between the United States of America and the United Mexican States, signed at Washington on November 19, 1941, providing for the adjustment and settlement of certain outstanding claims of nationals of each country against the Government of the other country

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the convention is ratified.

THE ARMY

The PRESIDING OFFICER. The clerk will state the nominations on the Executive Calendar.

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. CHANDLER. I ask unanimous consent that the nominations in the Army be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. CHANDLER. I ask unanimous consent that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith. That completes the Executive Calendar.

ADJOURNMENT TO MONDAY

Mr. CHANDLER. As in legislative session, I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 2 o'clock and 28 minutes p. m.) the Senate adjourned until Monday, February 2, 1942, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 29 (legislative day of January 23), 1942:

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

Col. Theodore Harwood Dillon, Quartermaster Corps (Reserve) to be brigadier general.

COMMISSIONER OF LABOR STATISTICS

Isador Lubin, of the District of Columbia, to be Commissioner of Labor Statistics, Department of Labor (a reappointment).

CONFIRMATIONS

Executive nominations confirmed by the Senate January 29 (legislative day of January 23), 1942:

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE BRIGADIER GENERALS

Hugh John Casey
Clinton Albert Pierce
Arnold John Funk
William Frederic Marquat
Harold Huston George
Carl Herndon Seals

HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 29, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, with eager faith we make known to Thee our wants; still our hearts as we wait at the altar of prayer. In fellowship with Thee, enable us to dismiss anxious care and toil. For Thy bountiful mercies we would show forth our gratitude by wisely ordered endeavor and by a passionate devotion to every good work. O Christ of the toilsome way, give us understanding and cheerful spirits and may we avow ourselves the true disciples of Him who was exalted to sublimity and set in perfect poise.

Thou ever blessed Father, when we think of the multitudes which are suffering, of the ignorant, of those filled with evil, our hearts fail us. We pray for them and entreat Thee that the powers of wickedness may be turned backward, that they may be ransomed from their adversaries. While they experience the dire tragedies of life with pulsing pain, grant that we may be constrained to stand forth midst the tempest and the strife in every redemptive effort which glorifies these sad and forbidding times. We pray that Thy children everywhere may know of the richness of life with its vast outlooks and inexpressible joys, echoing the song that overcometh the world. In our dear Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 6448. An act making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2208. An act to further expedite the prosecution of the war;

S. 2217. An act to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places; and

S. Con. Res. 24. Concurrent resolution authorizing the printing of additional copies of the report of the select committee of the Senate authorized and directed to make a complete study and investigation of the national defense program.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6269) entitled "An act to amend the act entitled 'An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes,' approved June 8, 1938, as amended."

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of Executive useless papers in the following departments and agency:

1. Department of Agriculture.
2. Department of the Treasury.
3. General Accounting Office.

COMMITTEE ON THE JUDICIARY

Mr. ELIOT of Massachusetts. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may sit during the session of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HOARDING OF SUGAR

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, from the Post today I read the following:

SUGAR HOARDERS FACE PRISON

NEW YORK, January 28.—Fines or prison terms may be imposed on persons who conceal the amount of sugar they have on hand, it was said today at the regional information headquarters of the Office for Emergency Management.

I wish to ask Mr. Henderson this question: What constitutes hoarding of sugar? Is he to imprison all of the American people who have a few days' extra supply of consumers' goods in the house? What about the mother who has an extra dozen diapers for the baby? Will that later be construed as hoarding of cotton goods and subject her to a prison sentence?

EXTENSION OF REMARKS

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial entitled "The Roberts Report," from the La Crosse Tribune and Leader-Press of January 26.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from yesterday's Washington News.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative business of the day and following any other special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. KEAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a joint resolution of the Legislature of the State of New Jersey.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

TRAINING AND TRANSFER OF WORKERS IN THE WAR-PRODUCTION PROGRAM

Mr. ROBERTSON of Virginia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON of Virginia. Mr. Speaker, I take this means of answering a large number of telegrams and letters concerning the President's proposal to provide training and transfer of workers in the war-production program. I favor taking up that program and think it should be promptly acted on. I am opposed to the nationalization, temporarily or permanently, of the unemployment-compensation program now administered by the respective States. I am satisfied that if the Ways and Means Committee decides to go into that matter at this time a full opportunity will be given to all interested parties to be heard. But since financing the war effort is an integral part of winning the war, I think the Ways and Means Committee should take up and act upon a new revenue bill before considering Social Security Act changes, and especially changes that involve a major social-reform program.

ANNIVERSARY OF BIRTH OF PRESIDENT WILLIAM McKINLEY

Mr. THOM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. THOM. Mr. Speaker, today, January 29, is the birthday anniversary of a great and beloved American President, William McKinley, who for six terms sat as a Member of the House of Representatives, climaxing his career in this body as chairman of the great Ways and Means Committee.

He was later elected to the Presidency from my home city of Canton, Ohio, where today men and women are wearing carnations, his favorite flower, in silent memory of their former townsman, and laying wreaths on his marble shrine in that city.

This birthday anniversary—the ninety-ninth, to be accurate—means more than ever this year, because under President McKinley's administration three island possessions—Hawaii, Guam, and the Philippine Islands—which figure so notably in the international picture, became parts of the domain of the United States. For the first time since his day these lands have been attacked by a foreign foe.

While only a coincidence, it is interesting that more than 100 boys of McKinley's old congressional district were enrolled in the Army, Navy, and Flying Corps that so gallantly defended Hawaii against the treacherous Japanese attack of December 7.

Of this number, six were reported missing in action or dead, and three were injured.

In his recent summary to the Congress of the foreign relations between United States and Japan, and of the more immediate events leading to the attack of Japan upon our forces and territory, President Roosevelt did not discuss the historical fact that Japan had long coveted the possession of the Hawaiian Islands.

It was probably because of fear that she might obtain control of this strategic base that the United States Congress just shortly after the outbreak of the War with Spain adopted a resolution of annexation of the Hawaiian Islands, which was signed by President McKinley on July 7, 1898. This vested the President with the duty of governing the islands until Congress should pass suitable legislation.

In the United States Senate that voted annexation one of the outstanding Members was Senator George F. Hoar, of Massachusetts, who sensed at the moment a "craze for an extension of our empire," and who viewed absorption of the Hawaiian Islands with suspicion because, as he relates in his autobiography, "many leaders were advocating the acquisition of the islands on the avowed ground that it was necessary to hold them as a point of vantage for acquiring dominion in the East." At that time the air was full of talk that China was about to be divided among the western powers, and some Americans were declaring, much to the dismay of Senator Hoar, that the United States must have its share.

In doubtful frame of mind, Senator Hoar went to the White House to interview President McKinley. When the President discovered that the Senator was questioning his foreign policy, the President, according to Senator Hoar, expressed himself, as follows:

> Well, I don't know what I shall do. We cannot let those islands go to Japan. Japan has her eye on them. Her people are crowding in there. I am satisfied they do not go there voluntarily, as ordinary immigrants, but that Japan is pressing them in there, in order to get possession before anybody can interfere. If something be not done, there will be before long another revolution, and Japan will get control. Some little time ago the Hawaiian Government observed that when the immigrants from a large steamer went ashore, they marched with military step, indicating that they were a body of trained soldiers. Thereupon Hawaii prohibited the further coming in of the Japanese. Japan claimed that was in violation of their treaty, and sent a ship of war to Hawaii. I was obliged to notify Japan that no compulsory measures upon Hawaii, in behalf of the Japan Government, would be tolerated by this country. So she desisted. But the matters are still in a very dangerous position, and Japan is doubtless waiting her opportunity.

That opportunity, so clearly foreseen by McKinley, did not come to Japan until more than 40 years after his memorable interview with Senator Hoar, and it may be added that Senator Hoar voted for Hawaiian annexation, although he stoutly opposed to the end the acquisition of the Philippine Islands.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative program of today I be permitted to address the House for 30 minutes, during which time we may discuss the life, character, and capacity of William McKinley, and I further ask that the proceedings which transpire in that time be inserted in the RECORD at this point, following the address of the distinguished gentleman from the district which Mr. McKinley represented when he was a Congressman.

The SPEAKER. Does the gentleman desire to control the 30 minutes himself, and yield time?

Mr. JENKINS of Ohio. Yes; Mr. Speaker, I wish to yield time to others who desire to speak.

Mr. THOM. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Ohio.

Mr. THOM. It is interesting to know that one of the Members of this House, the gentleman from Illinois [Mr. DAY], son of Associate Supreme Court Justice William R. Day, lived within a few houses of the home of President McKinley in Canton, Ohio. I have no doubt that the gentleman from Illinois [Mr. DAY] has many recollections of going to the McKinley home as a boy and meeting the future President, later the President of the United States.

Mr. JENKINS of Ohio. I shall be glad to yield time to the gentleman from Illinois [Mr. DAY] if he requests it.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, we from Ohio naturally are very proud of the fact that President McKinley was a native and a lifelong resident of our State. Today is McKinley's birthday. Had he lived until today he would have been 99 years of age. Each year we try to do something in Congress to show our respect for him and to properly reverence his name. Some times some of our Members call the attention of the House to his birthday by making an address, and at other times we endeavor to do something that we think the membership of the House would like us to do. For today we have planned a short program in which we have asked the participation of some of the Members from other States who knew Mr. McKinley. The reason we feel that we, as Members of Congress, should do something on his birthday out of respect for him is this: We think that the country generally and the impartial historian will say that of all the Members of Congress this country has produced, Mr. McKinley will always be considered one of the greatest. Of all our Presidents who served in Congress, he probably is the only one who laid the very foundation of his greatness in this Chamber. I think there is no question but that his contribution to the welfare of the Nation made on this floor was far more important than any contribution he may have made as the Governor of the great State of Ohio, or as the President of the United States, even though he presided over the destinies of our country through one of the major wars in which our country has been engaged. Mr. McKinley's work on this floor was of such a nature that it meant much to the country economically. Countless millions have been added to the financial strength of the Republic by reason of his policies.

Members will be surprised to know how many of our Presidents have been Members of Congress. Let me recount them for you. Of course, Washington was not a Member of Congress and neither was John Adams, nor Thomas Jefferson. But James Madison, the fourth President, was a Member of Congress for several terms. Madison became a Member of Congress because George Washington urged him to do so. As you know, Madison is sometimes spoken as "the father of the Constitution." It is generally known that there was an understanding between Washington and Hamilton and others that some matters should not be included in the draft of the Constitution that was first to be submitted to the States for ratification but that these matters would be added by amendments immediately after the new Government would be set up after the adoption of the Constitution. One of these matters was that the Bill of Rights should be added to the Constitution by amendments. Washington desired that Madison would become a Member of the First Congress to accomplish that purpose. It was done on schedule by the adoption of the first 10 amendments, which we designate as the Bill of Rights. It might be interesting to know that the State of Rhode Island had refused to ratify the Constitution until the Bill of Rights had been inserted. Also it might be interesting to recall that much of the language is taken verbatim from the constitution of Rhode Island. Roger Williams and his collaborators had much to do with writing our Constitution, although they had been dead a hundred years before the Constitution was written.

James Monroe was a Member of the House, and was also a Member of the Senate. The Monroe Doctrine which made him immortal was announced when he was President. One man whom we all rank as a great American was Andrew Jackson. But we do not remember him for anything that he may have said or done as a Congressman or as a Senator. Yet when I look up the record I find that he was a Member of the House for several terms and was also a

Senator. His greatness was achieved on the battlefield of the Revolutionary War and in the Battle of New Orleans and as President. His innate sense of justice and his inflexible determination to preserve the Union made him one of America's great. After Jackson we have Van Buren. He was a Senator. Then came John Quincy Adams. He broke all precedents. He became President of the United States and following his service as President he was elected to Congress. But his greatness was not achieved as a Member of Congress. His greatness was achieved as an adviser to James Monroe in the preparation of the Monroe Doctrine. He was rather aged when he was a Member of Congress and was stricken with illness while in his seat and died in the Capitol.

From the story we get in our school histories one would think that old William Henry Harrison was just a simple, crude, old Indian fighter, but I find on investigation that he graced the congressional halls for a long time and I was somewhat surprised to find that he was a highly educated gentleman. He was elected President because of the fame that had come to him from his famous victory at the Battle of Tippecanoe. John Tyler was a Member of the House and a Member of the Senate. So was Franklin Pierce. Millard Filmore was a Congressman and James Buchanan was a Congressman and also a Member of the Senate. Abraham Lincoln was a Congressman. His speeches while a Congressman show that his genius for clarity of expression was clearly discernible. But he was chosen President because of his championship of a great cause after he had left Congress. Andrew Johnson, the man who was not able to read or write until he was married, was a Congressman for a number of terms and was later Senator.

After Andrew Johnson came Grant. Grant was neither a Congressman nor a Senator.

Rutherford B. Hayes was a Congressman for several terms.

Garfield served in this body for nearly 20 years. He was a man of very unusual mental astuteness. Although Garfield was considered as one of the ablest statesmen of his day his work was general in its scope. He became President not because of his efforts as a Congressman, but because of his general availability, and because he combined such qualifications of ability and experience that made him quite acceptable as a candidate when the Republican National Convention was deadlocked.

Grover Cleveland had no legislative experience.

Then came Benjamin Harrison. He was a Senator from Indiana.

Then came McKinley. After McKinley the only President to ever serve in either body of Congress was Mr. Harding.

Now, Mr. Speaker, just briefly, what was the basis of McKinley's greatness? It was his intelligent and successful championship of the protective tariff. It is not appropriate for me to discuss this subject in a partisan manner at this time, but permit me to say that no American doctrine contributed more to the economic upbuilding of our country than the doctrine that protected our own industrial production against the cheap labor of the world. Had we been more strict we might not have assisted Japan to her present position of antagonism.

The protective tariff should never have been such a partisan issue. Our earliest forefathers recognized it as a very proper and necessary weapon of protection. Their adoption of a tariff as one of their first legislative policies showed that they thought it a good system.

The first great issue that confronted the Pilgrim Fathers was how to bring to themselves the religious freedom which was denied to them in their native land. They decided that issue by establishing a congregational church. By that I mean that they met in one congregation, after due notice to all, and then and thereby agreed upon a plan by which their religious activities were to be carried out. They did in a way what Martin Luther did. They started the American reformation.

Then a few years after that in Massachusetts they established another great American institution. That was the first free public school. You might think there was no new issue or principle involved in that, but there was. That was the first time in the history of the world, so I understand, that by law a public free school was established, to be maintained by a general tax levy. Yes; there must have been schools, and probably free schools and probably free public schools, but no free public schools maintained by law.

Then 32 years after the first white man landed in Massachusetts, the Massachusetts Colony passed a law restricting the importation of goods from other colonies into Massachusetts. This legislation, passed so early in our history, laid the foundation of all subsequent tariff legislation. The other colonies all followed suit. Virginia passed a stringent law prohibiting the importation of tobacco from North Carolina. The tariff then was not a partisan matter. It was a matter of self-protection.

Strange as it may seem but it is a fact that the tariff was the real reason for the calling of the convention which wrote the Constitution. Let me recount some history. After the Revolutionary War the country operated under the Articles of Confederation. These Articles of Confederation had no power to enforce an agreement between or among the Colonies. Each and every one of the Colonies had built up its tariff protection wall. This was the source of constant trouble among the Thirteen Colonies. They had stuck together during the Revolutionary War because of necessity. But now that the war was over the intercolonial fights started. Washington and Hamilton and Franklin and other farsighted and influential men who had held the country together during the trying war were greatly worried about the bad feeling that was being engendered among the Colonies by reason of these "spite-fence" tariffs. After much deliberation it was decided to call a convention of delegates from the Thirteen Colonies for the purpose of amending the Articles of Confederation so that some sort of authority be set up to enforce uniformity among the Colonies in their tariff matters. Soon after the convention met and organized it developed that the best plan was to abandon the old Articles of Confederation and the result was the adoption of our Constitution, and the establishment of the Government under which we live. The protective tariff was the vehicle by which democracy was made to operate effectively in America.

Time will not permit me to develop the growth of protective tariff as a factor in the development of our country. We now live in the billion-dollar age and we know how serious is the problem of meeting our national debts. In fact, we do not meet them by about $60,000,000 a day. Our forefathers had their troubles, too. About the first action of the First Congress was to set up a Ways and Means Committee. That Ways and Means Committee was the forerunner of the present Ways and Means Committee. They had to have money so James Madison, a Democrat, on the second day of the first session of the First Congress, introduced a bill laying a protective tariff on importations from foreign countries. This bill was passed by Congress and Washington signed it. There was no partisanship in that proceeding.

This doctrine was continued on down to 1816, when a battle was waged in Congress over this question. Clay and Webster and Calhoun were the leaders in the battle. In that contest Webster was for free trade and Calhoun was for protection of cotton. Clay evolved what was called the American system, which was adopted and was continued for many years; but, with the slavery question crowding on, the tariff became a football of politics until after the Civil War.

After the Civil War, when Hayes became President, the country was in a terrible economic depression, and Hayes and McKinley came to Washington together. They had enlisted in the Army together. Hayes knew that a properly adjusted tariff would bring prosperity and would pay the national debt. He knew McKinley's ability. He asked McKinley to study the situation. Let the finger of the impartial historian write the story from here on. McKinley mastered the problem, proved his character and his ability, laid the foundation of his future greatness.

Mr. Speaker, in conclusion let me say Mr. McKinley's life was marked with purposeful confidence that he could do what he attempted to do. He did it at Antietam and on many another battlefield, because he had courage and he had ability. Phil Sheridan wrote of him in his memoirs. He did not know McKinley when he wrote his memoirs. McKinley had not been a Congressman or a Governor or President then. He was then a young lawyer in Ohio. But Phil Sheridan said that when he made his famous ride, when he found his generals disorganized and his armies in flight, he met a young captain who did more to help him reorganize his army than anyone else. His name was William McKinley. McKinley was a soldier among soldiers, a statesman among statesmen, a President among Presidents, a man among men. When he died a martyr from an assassin's bullet, the country mourned

and "the little children cried in the streets."

There are some men connected with this Congress yet who remember McKinley. I have canvassed the situation and I find no Congressman, nobody immediately connected with the Congress, who served with him or who knew him intimately, because he has been dead 40 years. But our distinguished congressional expert, Mr. William Tyler Page, remembers him. So does our efficient Chief Doorkeeper, Mr. Sinnott. Mr. Bert Kennedy remembers him, and so does Harry Parker, the faithful attendant of the Ways and Means Committee, a former employee also. The testimony of all those men is that Mr. McKinley was a courtly, capable, dignified, and honorable gentleman—the peer of any man who served in this body within their recollection.

Mr. Speaker, it shall be my purpose to divide the remainder of my time among the Members. I shall yield first to our distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, I am delighted to join with the Representatives from Ohio in commemorating the birthday of a really great American, a native son of the Buckeye State.

William McKinley was in every sense an outstanding statesman, he was a Christian gentleman, a kindly man, a man of peace; yet, through the irony of fate, won distinction on the field of battle and later led his country through a war, which changed materially the destiny of the United States.

William McKinley had the background which made him a great President. He was Governor of the State of Ohio; he served many years in the Congress with ability and distinction. He knew intimately the problems of the Nation; he knew the details of government. He had marked ability in the leadership of men. Under his able supervision and with his leadership America started in the McKinley presidential years on an era of prosperity and industrial expansion which carried this country to a marked advance. His era made America the greatest industrial Nation of the world. I am happy to come here this afternoon to kindle, if I may, the flames of memory which illumine the saintly name of William McKinley. His life and his career will ever continue an inspiration to his country.

Mr. JENKINS of Ohio. Mr. Speaker, I yield to our distinguished majority leader, the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, I am very glad to join with the distinguished gentleman from Ohio and my distinguished friend from Massachusetts [Mr. MARTIN], the minority leader, and other Members in honoring the memory of William McKinley, the twenty-fifth President of our country, who has been properly described as a great American.

It is rather a coincidence that today a time when our country is at war we are honoring on the occasion of his birthday the memory of one of the few chief citizens of our country, who, himself, was the leader of our country during similar trying conditions. It is fitting that the Congress pause to honor the memory of any President of the United States, and it is particularly fitting that we pause to honor the memory of this great man.

The President of the United States is not the President of any group. Whoever has served as President of the United States in the past, he who serves a President today, or he who will serve in the future in that high office, was or will be chosen as the result of the operation of our political institutions: Nominated in convention by one of the major parties, and elected by the people. While the President, after election continues as the leader of his party, he is over and above all the President of the United States, the Commander in Chief of our Army and Navy in time of a crisis. No President has failed in his trust to distinguish between his duty and responsibility as President, and his obligation as the leader of his party. The distinguished gentleman whose memory today we honor, during his lifetime exemplified to the highest extent humanly possible the fact that the office of the Presidency was one thing and the leadership of a political party another. At all times in his service to his people in those trying days he acted as the President of the United States.

William McKinley's memory is indelibly printed in the minds of all Americans and will be as long as America lives, and America will live as long as we have, particularly in times of crisis, the leadership evidenced and exemplified in his day by the late President McKinley. It is fitting and proper that we pause today, particularly when we are engaged in war, to honor the memory of this great man who was our President years ago when the Spanish-American War was being waged.

I extend my congratulations to the gentleman from Ohio and the others who conceived the plan to honor the memory of our late distinguished President. William McKinley, and to express my personal thanks for being permitted to join with them on this occasion.

Mr. JENKINS of Ohio. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, it is not my intention to refer in detail to the public service of William McKinley. Others here are competent to do this and are doing it. I think perhaps the House may be interested, however, in just a word of personal reminiscence of an event that occurred in my younger life that left a marked impression on me that has lasted from that day to this

A short time before Mr. McKinley made his trip to Buffalo where he met his untimely death, he made a trip through a portion of my district. In those days summer homes occupied the beautiful hillsides of Berkshire County and many of the people there entertained distinguished guests. Among other residents was Mr. John Sloane, of New York, one of the merchant princes of his day, who had a most magnificent home. Following an elaborate reception on arrival, by the neighbors and friends of the host, the next day the President and Mrs. McKinley were driven in a coach-and-four with outriders from the Sloane home in Lenox to the home of Joseph H. Choate, later Ambassador to Great Britain Mr. Choate lived in my home town of Stockbridge in another beautiful villa, still occupied by Miss Mable Choate. After the entertainment and luncheon at the Choate home the President and his party went to the little village station to take a special train to bear him back to Washington.

What impressed me as I saw him on that occasion at the depot was the care he exercised for his invalid wife. The people naturally wanted to talk, visit with, and shake hands with the President of the United States, but his great object was to see that Mrs. McKinley was properly cared for in spite of the honors that were being shown him. That was an event that impressed me very deeply, and I am glad to record it at this time. I recall vividly one proud father presenting his infant son to the President for a compliment. That small child is now a leading citizen of Berkshire County. The Sloane residence is now a successful boys' preparatory school.

Mr. Speaker, today is the ninety-ninth anniversary of the birth of our martyred President, the beloved William McKinley.

It is fitting that we should pause a moment in our deliberations to pay tribute to his memory, particularly as he was a former outstanding Member of this House and rose to national prominence as chairman of the Ways and Means Committee.

William McKinley is probably best remembered for his strong advocacy of the protective tariff. He was the author of the Tariff Act of 1890, which bears his name. He is also known as the "father of reciprocity." He believed that the American farmer and the American workingman were entitled to the first opportunity to supply the needs of the home market, and favored reciprocity as a means of exchanging our own surpluses for the goods we need from abroad and do not ourselves produce.

The importance in today's news of the Philippine Islands reminds us that it was during his administration as President that we acquired them as a result of the War with Spain. Being a military man himself, I am sure that Major McKinley, if he were here today, would applaud the heroic efforts of the gallant soldiers under General MacArthur who are so effectively holding off the Japanese invaders who would take from the Filipinos the freedom our boys of '98 won for them.

Strange as it may seem, McKinley's defeat for reelection to the House in 1890 may have been a large factor in his subsequent election as President, for it resulted in his seeking and winning the governorship of Ohio the following year, and placed him in position as a leading contender for the Republican nomination for the Presidency. We know, of course, that the great State of Ohio shares with Virginia the proud title of "Mother of Presidents."

William McKinley's untimely death on September 14, 1901, was the result of an assassin's bullet while he was attending the Pan-American Exposition at Buffalo on the 6th of that month.

No better tribute could be paid to McKinley than is inscribed on his memorial at Canton, Ohio, which, in closing, I desire to quote:

WILLIAM M'KINLEY, PRESIDENT OF THE UNITED STATES

A statesman singularly gifted to unite the discordant forces of government and mold the diverse purposes of men toward progressive and salutary action. A magistrate whose poise of judgment was tested and vindicated in a succession of national emergencies—good citizen—brave soldier—wise executive—helper and leader of men—exemplar to his people of the virtues that build and conserve the state, society, and the home.

Mr. JENKINS of Ohio. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. SWEENEY].

Mr. SWEENEY. Mr. Speaker, I am proud to join with our Republican colleagues in paying honor to a distinguished American and in reiterating the statements made by the distinguished majority leader. President McKinley belonged to all the people, as every President does after election.

While I came from the State that gave him birth, he was during his lifetime a soldier, Congressman, Governor, and a great President. As I sat here today and listened to the eulogies I remembered that I was not a voter at the time he died. I was employed, however, by a lithograph company in Cleveland, Ohio, when the news flashed over the wires that our President had been murdered in Buffalo, N. Y. Within a few hours after his death our plant went into operation putting out thousands of posters that carried his picture underneath with the inscription, "Thy will be done," reputedly his last words, giving evidence of his Christian character.

As a young man at that time I felt all the emotions that went with learning of such a successful life having closed under such tragic circumstances.

I have read something about Mr. McKinley. Occasionally I go to Canton, Ohio, to his tomb, to pay my respects and reverence. I, like the gentleman from Massachusetts [Mr. TREADWAY], am impressed more than anything else with that fine devotion that he displayed toward his invalid wife during the years of his trials and tribulations. To me, that stands out as a shining star in his life.

I respect him, and I thank you for giving me this opportunity to pay my humble eulogy to a great citizen.

Mr. JENKINS of Ohio. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. CROSSER].

Mr. CROSSER. Mr. Speaker, when Mr. McKinley was chairman of the Ways and Means Committee of the House I was a resident of the district in Ohio which he represented. It is interesting to recall also the fact that the first political meeting I remember ever attending was a meeting held at Mount Vernon, Ohio, when I was a student at Kenyon College nearby. I do not remember having attended a political meeting before that.

I can remember very distinctly at this moment when news came of President McKinley's assassination. I recall, too, the fact that his chief concern, at that time, was to having Mrs. McKinley alarmed or worried. He urged those about him to avoid disturbing Mrs. McKinley.

He had a benign disposition and was always considerate of others. I did not agree with his political views in general but I have regarded him and now regard him as a man of noble and outstanding character.

Mr. JENKINS of Ohio. Mr. Speaker, apropos of the remarks of these gentlemen with reference to the kindness shown by Mr. McKinley to his wife, may I say that the State of Ohio has erected a monument in front of the State House, at Columbus, Ohio, to commemorate this noble characteristic of Mr. McKinley. When he would come across from the Neil House, the old hotel directly across from the State House, where he lived when he was Governor of Ohio, he would stop every day and wave to his wife, who sat patiently day after day in her invalid's chair by the window.

There is another chapter in his life that is of historic significance, and that was the famous front-porch campaign that he waged in 1896, with William J. Bryan as his opponent. While Bryan was electrifying his audiences all over the country, Mr. McKinley was speaking to thousands who came in big delegations from all over the country to the front porch of his home in Canton, Ohio. There Mr. McKinley expounded his theories and made his forceful arguments day after day during the campaign. There is a Member of our body who has a very interesting personal-interest story about one of these front-porch meetings that I am sure you will be interested in hearing. I yield to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM. Mr. Speaker, before I comment on that I want to bring to your attention the fact that President McKinley was also a member of the Committee on the Judiciary of this House. Three Presidents have served on that committee—Franklin Pierce, William McKinley, and James Buchanan.

The story that the gentleman from Ohio [Mr. JENKINS] refers to is this: In the front-porch campaign of 1896 I was a young boy, living at Beaver, Pa. A marching club from our district was going to Canton, Ohio, about 125 miles distant. I wanted to go, but I had a stone bruise on one foot and a stubbed toe on the other. I had nothing on but a white shirt or waist and a pair of pants. My father saw me at the station and told me not to go. Just as the train pulled out I jumped on it. I had not a cent in my pocket, with a 125-mile ride ahead of me. I had two objects in view at that time. One was to keep out of the way of my father so that he would not see me, and the other was to meet Mr. McKinley.

When we got to Canton, a parade formed, and I followed on in the parade. I worked my way up in the parade to near the front. Just as we stepped up on the front porch a burly policeman reached toward me, caught me by my little waist and tore it off of me. He said, "Get out of here."

Just then somebody said, "Who are you?" Before I could answer, one of the men said, "That is the son of Sheriff Graham." Then this very kindly gentleman stepped over and said, "Are you young Mr. Graham?" I said, "I am." He said, "Did you come all the way from Beaver, Pa., to see me?" I said, "If you are Mr. McKinley, I did." He said, "I am surprised you did. Now come over here. I want you to meet my wife."

He took me over there, and he said, "Mother, this young man has come 125 miles to see me. Is there anything you can do for him?" She said, "I can pin up his shirt for him," and there on the front porch she pinned up my waist for me. He said, "How are you going to get home?" I said, "Well, if my father does not catch me first, I will get home all right." He said, "I want to ask you to do something. If I am elected President, won't you come to Washington to see me? Any boy who will come 125 miles to see me here I want to see in the White House." Unfortunately, that never came true.

I tell you this to illustrate the kindliness and sympathy of a great man with a little boy who did not have a cent in his pocket but who did want to see Mr. McKinley.

Mr. JENKINS of Ohio. Mr. Speaker, I yield to the gentleman from Kentucky [Mr. ROBSION], who has had some personal experiences with Mr. McKinley.

Mr. ROBSION of Kentucky. Mr. Speaker, like our colleague from Cleveland, Ohio [Mr. CROSSER], the first political meeting I attended in my life of which I have a recollection was one at which Mr. McKinley spoke. I was born in Kentucky, but when I was quite a lad my father looked across the Ohio River and thought he saw the "honey pond and flitter tree" on that side of the river, and we moved to Ohio.

Later there was a great Republican rally at the fair grounds at Dayton, and a great barbecue. My father, who served in that great war on McKinley's side, took my brother and me to the rally. There on that day I saw three great Ohioans and three great Americans, and heard them speak: Joseph B. Foraker, John Sherman, and William McKinley. There I heard my first speech on the money question. Mr. McKinley was running for Governor of the State of Ohio, and somehow the money question came into it—the question of the gold standard and free silver.

I remember that magnificent physique of his and how he stood and how he looked. He had on a Prince Albert coat. He ran his hand down into his pocket and pulled out a silver dollar and held it in his hand and talked about the gold and silver question.

We honor ourselves in paying this tribute of respect to a very great American. Ohio has been rather prodigal in the number of great men she has furnished to the Nation, but, in my humble opinion, William McKinley towers above them all.

He was self-made, a fine soldier, a great Congressman, and a great President.

Perhaps he did more than any other man had done up to that time to heal the wounds between the North and the South.

He was one of nature's great noblemen. He reminded me of the Rock of Ages. He stood up so solid and firm on his feet and looked you squarely in the face. He had such wonderful shoulders and such a wonderful head. Jehovah never put that face on a bad man. It was on a good man, a great man, a kindly man, a Christian man.

His devotion to his wife has been mentioned. We learned all about that when we lived in Ohio, but there was another devotion he had. He was equally devoted to his aged mother to her death. What a great American, a very great American he was.

I am very happy, Mr. Speaker, to have a part in this program today. Our country is better and the world is better because William McKinley lived. He was a noble character, a great patriot. In his last words, "Thy will be done," he expressed the faith of a Christian martyr. What an inspiration to the youth of this country and to the followers of the Man of Galilee.

Mr. JENKINS of Ohio. Mr. Speaker, in line with the remarks of the gentleman from Kentucky, a suggestion has just been made to me by our distinguished floor leader, which I think is quite appropriate. The suggestion is to stress the point that William McKinley went into the Civil War as a private at the first call when he was 18 years of age. He left his school as its teacher and served in the war until its final conclusion and worked his way up to the grade first of captain and then of major.

Mr. ROBSION of Kentucky. Mr. Speaker, I wonder if the gentleman will yield to me to refer to just one other little incident. Perhaps, many of us here were not born then or were too young to recall it, but William McKinley and his wife had signed a bond for a friend of theirs for $105,000 as I recall. This friend was unable to pay the bond or defaulted in some way. William McKinley and his wife pooled all of their resources and paid that obligation to the last cent. It took all they possessed and the people of Ohio and the Nation were so impressed with this spirit of honesty and fair dealing that they began to send in contributions, and finally William McKinley and his wife had to ask the American people and the people of Ohio to stay their hands.

Mr. JENKINS of Ohio. Mr. Speaker, I now yield to the gentleman from Chicago, Ill., who formerly lived at Canton, Ohio [Mr. DAY].

Mr. DAY. Mr. Speaker, I think that today, when we have reached the stage when the great demand on all of us is not only unity in lip service, but unity in spirit and a consecration of every sinew and every capacity to the purpose to which God now has directed our hands, I should recall that as a young boy there in Canton, as some of you may know, I lived as a neighbor of President McKinley. We always used to call him Major because it was as a major in the Civil War that he had gained his first laurels. He then became a member of the bar, coming over from Columbiana County, and my father at that time was also a lawyer and they met first in what was sometimes called the clothesline case. One was on one side and one was on the other. They were fighting this clothesline case before a justice of the peace and they often referred to that years afterward when McKinley became our great President, and he called father here in the Cabinet as his Secretary of State during the Spanish American War.

I believe that McKinley was a prophet. I believe that McKinley had a foresight as to what really faces us today. If we are going to be true to the memory of William McKinley we have got to realize what he had in mind when he had put upon him the responsibility of taking care of the average, humble man in the ordinary walks of life.

In the campaign of 1896 we heard much of what was called the full dinner bucket, and that was not just a slogan. He saw that the need was coming and that the time was coming when this great Nation had to gather its sinews, industrially, to raise the standard of American living and to pay wages that were fit to develop and grow real men and real women in this great land of ours. And so came his great work. That today again is a charge upon the American people. We must vindicate that that great industrial establishment which he foresaw will now withstand the rigors and the attacks of the vicious machines that now confront us in the hands of the dictators.

William McKinley! Oh, that his spirit might return to us today. William McKinley, the Christian gentleman, a kindly husband and the good son. His affection for his wife has been mentioned. His wife was an invalid, made that way from the birth of their second child, who died. He was very kind to her, and when in Buffalo the assassin hit him he did not think of himself. He was mortally wounded. He turned to Mr. Cortelyou, who was then his secretary and who was afterward Secretary of the Treasury, and said, "Cortelyou, do not tell my wife." Then again I was privileged to go down there to the bedside in Buffalo. There might be some last words to be said, and among the members of the family he called his oldest friend, Judge Day, my father, close to the bed. If he had any last word to say, he wanted his old friend and trusted adviser to be there, and as the light began to fail, and he knew that he was going, as a great Christian, he repeated again the words that now have become immortal: "It is God's way. His will be done." And so I say again: Let us be Christians, let us be God-fearing, let us be strong, let us put on the armor and go forth and vindicate William McKinley. I am not a follower politically of our present President of the United States, but my hat is off to him and my devotion is to him. I want to see him fight this thing through to a glorious victory for the Nation we all love.

Mr. JENKINS of Ohio. Mr. Speaker, with your kind indulgence and the indulgence of the House I have but one more speaker whom I shall ask to address us. I yield to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Speaker, throughout Ohio today, tomorrow, and Saturday there will be meetings and dinners held in almost every county, if not in every county, of the State, honoring the memory of William McKinley. All that has been said, I am sure should be said on this floor, and I shall not keep you longer. Mr. McKinley, although a very religious and devout man, a Christian gentleman, did not like to have people gush over him. He disliked a gushing preacher, and he gave his own preacher notice that if he should make any reference to him during the course of his sermon he would walk out of the church. Mr. McKinley was all that these friends of ours here have said of him, but the greatest testimony to Mr. McKinley are the words of his own wife when she said this of him:

> Do you know Major McKinley? No one can know him, because to appreciate him one must know him as I do. And I am not speaking now of Major McKinley as the President, I am speaking of him as my husband. If anyone could know what it is to have a wife sick, complaining, always an invalid for 25 years, seldom a day well, he knows and yet never a word of unkindness has ever passed his lips. He is just the same tender, thoughtful, kind gentleman I knew when first he came and sought my hand. I know him because I am his wife and it is my proudest pleasure to say this, not because he is the President but because he is my husband.

Mr. McKinley on Sunday afternoons in Washington would invite friends to the White House and sing hymns for them there, as he did back home in Canton. His favorite hymn was the hymn written by Cardinal John Newman, Lead Kindly Light.

With the Speaker's permission, I would like to have these words inserted in the RECORD at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The words of the hymn follow:

Lead, kindly Light, amid the encircling gloom,
Lead Thou me on!
The night is dark, and I am far from home,
Lead Thou me on!
Keep Thou my feet; I do not ask to see
The distant scene—one step enough for me.

I was not ever thus, nor prayed that Thou
Shouldst lead me on;
I loved to choose and see my path, but now
Lead Thou me on!
I loved the garish day, and, spite of fears,
Pride ruled my will: remember not past years.

So long Thy power hath blessed me, sure it still
Will lead me on;
O'er moor and fen, o'er crag and torrent, till
The night is gone;
And with the morn those angel faces smile
Which I have loved long since, and lost awhile.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative program today and following any special orders heretofore entered I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Endicott Bulletin.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

DELIVERY OF MAIL TO SOLDIERS IN TRAINING CAMPS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I have in my possession a letter from a distinguished newspaper editor in my district calling upon me to make inquiry of the War Department as to why there has been such a delay in getting mail to and from the boys in the training camps. I realize that many of the young men have received mail a little late because of the general confusion of moving soldiers here and there from camp to camp and into portions of the fighting zones. At the same time I am going to make inquiry of the War Department to find out if there is any direct cause for the delay in the boys receiving letters from their parents at home.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Kentucky.

Mr. MAY. Not long ago we passed an act permitting the War Department to designate men in the service in the camps as carriers, to facilitate the delivery of mail.

Mr. EDWIN ARTHUR HALL. I understand that, but I feel there is some reason behind it and that something definite should be done to correct this deplorable situation.

[Here the gavel fell.]

CORN PRICES

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, there is a statement appearing in the Washington Post under the financial news which has to do with the 5-cent collapse yesterday on the corn market. I wish to read a part of it:

A statement by Secretary of Agriculture Wickard calling the "recent speculative advance" in corn unjustified and Government plans to maintain what he called "reasonable feed prices" at around 85 percent of parity, or below recent 5-year tops in the futures market, touched off the selling.

It is getting to the point where if the farmer is to get a square deal he no longer can depend upon receiving even 100 percent of parity through the Secretary of Agriculture.

[Here the gavel fell.]

FREE POSTAL SERVICE FOR SOLDIERS, SAILORS, AND MARINES

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, on May 2, 1941, I introduced a bill to provide the franking privilege or free postal facilities for the soldiers, sailors, and marines of the country, irrespective of whether they were serving within the confines of the United States or in some foreign possession. Hearings were held before the Committee on the Post Office and Post Roads and that bill was opposed by the Post Office Department on the Ground that it would substantially diminish the revenues of the country. I observe, however, on yesterday that a very great, deliberative body saw fit to write into the second war powers bill a provision for free postage for all soldiers, all sailors, all marines, no matter where stationed, and that the amendment proposing this matter was introduced by Senator BROOKS, from the State of Illinois, who holds the Distinguished Service Cross, the American Navy Cross, and the Croix de guerre. These were awarded him for distinguished service while serving with the Marines in the first World War. I am glad to learn that the Senate took this action.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. DONDERO. Was not free postage granted to the soldiers during the last World War?

Mr. DIRKSEN. That is right; if they were on foreign duty, but not when they were on duty within the boundaries of the United States.

[Here the gavel fell.]

ADDITIONAL COPIES OF HOUSE REPORT NO. 1634

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report back favorably, without amendment (Rept. No. 1707), a privileged resolution (H. Res. 415) providing for the printing of 1,000 additional copies of House Report No. 1634, current session, directing the Committee on Naval Affairs to conduct thorough studies and investigations of the progress of the national defense program.

The Clerk read as follows:

Resolved, That 1,000 additional copies of House Report No. 1634, current session, as submitted to the House of Representatives pursuant to the resolution (H. Res 162, current Congress), directing the Committee on Naval Affairs to conduct thorough studies and investigations of the progress of the national defense program with a view to determining whether such program is being carried forward efficiently, expeditiously, and economically, be printed for the use of the House Committee on Naval Affairs.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. JARMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from a constituent of mine relative to Defense bonds.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address delivered by Theodore Steinway, president of the Steinway Co., delivered on the occasion of the death of the late Ignace Jan Paderewski.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a telegram and also a letter from Col. Roscoe Turner, one of the great long-distance fliers of this country, on utilizing the facilities of the civil aeronautics set-up for training aviation mechanics in the present war.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

(Mr. DIRKSEN asked and was given permission to revise and extend his own remarks in the RECORD.)

CALL OF THE HOUSE

Mr. HOPE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 17]

Boehne	Gerlach	Myers, Pa.
Boggs	Haines	Nichols
Brown, Ohio	Hébert	O'Brien, N. Y.
Buck	Hendricks	O'Day
Burdick	Hinshaw	Osmers
Byron	Holbrook	Peterson, Ga.
Carlson	Hook	Pierce
Celler	Jennings	Ramspeck
Clark	Jensen	Rees, Kans.
Claypool	Johnson,	Rolph
Dies	Lyndon B.	Romjue
Disney	Kirwan	Sacks
Douglas	Knutson	Schaefer, Ill.
Elston	Kramer	Scott
Fenton	Lambertson	Secrest
Fitzgerald	Larrabee	Sheridan
Gavagan	Magnuson	Smith, Pa.

Somers, N. Y.	Traynor	Whelchel
Stearns, N. H.	Vorys, Ohio	Woodruff, Mich.
Stratton	Vreeland	Worley
Sweeney	Wadsworth	Youngdahl
Tenerowicz	Ward	
Thomas, N. J.	Weiss	

The SPEAKER. On this roll call 364 Members have answered to their names, a quorum.

Mr. COOPER. Mr. Speaker, I move to dispense with further proceedings, under the call.

The motion was agreed to.

RELIEF FOR CERTAIN AGRICULTURAL PRODUCERS IN STRICKEN AREAS

Mr. FULMER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6359) granting relief to certain agricultural producers in stricken areas who suffered crop failures in 1941 because of adverse weather conditions, insect pests, or other uncontrollable natural causes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6359, with Mr. BULWINKLE in the chair.

The Clerk read the title of the bill.

Mr. FULMER. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. BECKWORTH].

Mr. BECKWORTH. Mr. Chairman, I wish to take this opportunity to thank the distinguished gentleman from South Carolina [Mr. FULMER], chairman of the Committee on Agriculture, and the members of that committee, as well as the Rules Committee, for giving us an opportunity to consider what I believe to be as meritorious a farm bill as has been brought to the floor of the House since I have been a Member of Congress, some 3 years. It is a known fact that the Government of the United States long ago established a policy of helping people who are definitely in need. The question is whether or not there is a group of farmers in this country who made almost a complete crop failure, and if so, whether they need help. I submit that situation certainly obtains. Crop failures of great magnitude took place in about 40 east Texas counties, and in parts of Louisiana, Alabama, South Carolina, Georgia, and New York. This statement is substantiated in terms of percentages worked out, not by the farmers whose crops have failed, but by percentages worked out by authorities of the Department of Agriculture. Authorities of our Government say that the farmers in my district made, with respect to cotton, about 25 to 50 percent of a normal crop; with respect to feed, they made about a 50-percent crop; and with respect to vegetables and fruits, about 50 percent of a normal crop; obviously these farmers certainly need help. The farmers in whose behalf I speak are the most poverty-stricken farmers, insofar as dollars and cents are concerned, that can be found in our country. Some of them made as little as one-tenth of the crop they ordinarily make. A statement has been made that some farmers, over a period of 8 or 9 years, in some sections of the country, made crop failures. I venture to say, many of the farmers in the localities to which I refer and which I have in mind, when they make a normal crop, still receive fewer dollars than countless numbers of larger farmers, who might make only one-tenth of a crop.

Some of the farmers I represent actually have incomes of only $120 a year, and even less; that amount they receive from the sale of three bales of cotton which they are permitted to grow under the A. A. A. Many of our farmers did not make even three bales of cotton this year. In helping and aiding these farmers you are helping those farmers whose incomes are the lowest of any class of people in the United States.

Certainly at this time it is necessary to sustain every person who is willing to farm, because there is a great exodus from the farms at the present time. Why? The farm people are either volunteering or are being enlisted in the Army and the Navy, and those who are not able to make a living on the farm, because of the type of situation I have described, are obtaining employment in defense industries. The situation today, so far as agricultural labor is concerned, is indeed bad. As of October 1, the figures show that the demand for farm labor was 96 percent of normal, whereas the supply of farm labor was only two-thirds of normal. If something is not done to make the situation more attractive on our farms, we shall find ourselves confronted with a great shortage relative to food and feed. This is an opportune time to help a class of people who need help as badly as any group of people in the United States. I hope Members of Congress and this Nation will keep faith with these farmers, for these farmers, yes, all farmers have kept and will continue to keep faith with this Nation.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. FULMER. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. COFFEE].

Mr. COFFEE of Nebraska. Mr. Chairman, it is with reluctance that I take the floor to oppose this measure, which is sponsored by the able and distinguished chairman of the Committee on Agriculture. The people of his State have suffered severely from a crop failure last year due to drought and boll weevil.

However, in my opinion, the chairman has been overly zealous in his efforts to relieve distress in certain areas through this measure without giving full consideration to its implications and to the precedent it would establish. I fully appreciate the distress that results from drought and crop failures, because Nebraska and other Midwestern States experienced a series of unprecedented droughts which culminated in almost a total crop failure in 1940. The distressed farmers of these States had to rely on emergency loans and grants from the Farm Security Administration, which Congress had set up to relieve distress in rural areas. Congress has appropriated money to the Farm Security Administration for the purpose of relieving distress in rural areas just as it has appropriated money to the W. P. A. to take care of distress among our urban population. While I do not contend that the Farm Security Administration has been able adequately to take care of the extensive drought distress in the past, I do contend it is the agency that Congress has set up for that purpose, and that the drought areas in the United States this last year were not so extensive as in previous years.

In this measure section 1 (b) provides that Congress—

> hereby directs that so much of the money appropriated in the Department of Agriculture Appropriation Act of 1942 for the purpose of making parity payments as is not used for such purpose shall be covered into the Treasury to offset the appropriations made pursuant to the authority of this act.

Section 4 authorizes the Secretary of Agriculture to utilize facilities and personnel of the Agricultural Adjustment Administration to carry out the provisions of this act, not the Farm Security Administration.

Section 5 authorizes an unlimited sum to be appropriated to carry out the provisions of this act.

Section 2 restricts the benefits to producers of cotton and tobacco who had less than a 40-percent crop. This bill would authorize the Secretary of Agriculture to pay them the difference between their actual production and 40 percent of their normal production on the basis of parity price for the commodity. Payments to any one person are limited to $500, but the farm owner as well as the tenant is eligible for payment in the same proportion that they are entitled to share in the proceeds of the crop.

The Farm Security Administration is at present making emergency loans and grants in these drought areas. The Farm Security formula would be used, but the personnel and the funds of the Agricultural Adjustment Administration would be used to carry out the purposes of the act. This would result in duplication of efforts and duplication of relief disbursements. It would be discriminatory against the producers of other crops who have suffered from the drought and discriminatory against other sections of the United States which have suffered from the drought and accepted in good grace the relief afforded through the Farm Security Administration.

Section 3 enlarges the scope of this measure to embrace the drought area in the dairy section of New York State. It would authorize the Secretary of Agriculture, out of A. A. A. funds herein authorized to be appropriated, to pay the cost of baling hay and the freight charges from anywhere to such area on hay, grain, cottonseed meal, beet pulp, or other feed needed to sustain the dairy cows in that area. The Farm Security Administration has the money and is already authorized to make emergency loans and grants to those in need, and I am informed that they are making such loans and grants in this area on the basis of need. Once Congress establishes the precedent of sidetracking the Farm Security Administration, which is charged with the duty to handle these problems, and of delegating the authority to the A. A. A. to pay the freight on feed

and make relief grants from its funds, the result will be to break down the effectiveness of the administration of both agencies and create a precedent that must be recognized in the future when other areas are in distress.

If we are to preserve the financial stability of our Government and provide the funds necessary to win this war, we must curb all nondefense expenditures that are not absolutely necessary. Now is no time to set up a new relief agency to meet a sectional problem resulting from only 1 year of drought when other States have weathered a continuous drought for 6 or 7 years without this additional aid.

For the best interests of agriculture as a whole, this bill should be defeated.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. MILLS].

Mr. MILLS of Louisiana. Mr. Chairman, it has been rather amusing to observe and listen at the opposition to this bill. How can anyone justify his position against a proposition to help assist a needy family and at the same time provide the means whereby more production for defense can be increased?

Briefly permit me to furnish you a summary of northeast Louisiana, a district in large composed of farmers. I believe every Member on this floor will support this proposition if you recognize the needs of an honest people who have had two crop failures through no fault of their own, to such an extent that a large portion of the farm labor is now shifting to the metropolitan centers.

First, I would like to call to the attention of the House, that Louisiana produced in 1939 approximately 714,086 bales of cotton and in 1941 we produced approximately 305,020 bales. Accepting 1939 as an average year, then last year we produced about a 40-percent crop; however, we have in certain areas of Louisiana, sections that did not produce over a 10- and 20-percent crop, so it is for this 10- and 20-percent-crop-failure group in mind that we are pleading for help. Permit me to point out honest facts from an established record and forget my sincerity. In the winter of 1940 the Federal Surplus Marketing Administration fed, as a result of excessive rains, northeast Louisiana, 187,995 people out of approximately 330,000. Why, this is almost 57 people out of every 100, so last year, 1941, we made far worse crops than we made in 1940, yet the large part of our people this winter have received no aid and at this very hour we have thousands hungry and in destitute need. Someone may say, why the Federal Surplus Marketing Administration should feed them. They have not, as the food-stamp plan has been extended to this section, but the farmers do not have the means to purchase the stamps.

If this 1941 crop failure were limited to a small area we could probably disregard the consequences, but being wide in scope, I hold wherever one farm family shifts to metropolitan areas it will have a tendency to persuade others and the ultimate cost will be very disastrous to our defense program.

Mr. HOPE. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I want to impose once more upon this Committee with the thought which has been continually misstated, not only in this debate but also before the Committee on Agriculture, of which I have the honor to be a member, and before which I heard some of the interesting hearings on this subject. I refer to the continual determination of the opponents of this bill to infer that the farmers of up-State New York are in the gentlemen and millionaire class. I represent probably 15,000 of the most energetic and most ambitious and truly American farmers that there are in America. They are farmers who have not had an opportunity, however, to have a lot of money at their disposal, and when they ask for transportation of hay so that they can buy it at a reasonable price, I do not think they are asking for anything unreasonable. There is not a millionaire farmer in the Thirty-fourth Congressional District or in entire up-State New York, and I resent the implication that there is. Outside of the President of the United States and the Secretary of the Treasury, there is not a gentleman farmer.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. WHITE. What is the matter? Do not the meadows of New York produce hay enough for the milk cows up there?

Mr. EDWIN ARTHUR HALL. It is the case of a large percentage of the farmers up there having to dispose of their herds because they have not had even an ordinary hay crop.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Chairman, let me emphasize at this time again that the New York State dairymen, and indeed the dairymen nationally in all the States have worn no path to the Federal Treasury. The district represented by the distinguished and able gentleman from Kansas here vigorously opposing this bill, in which he is within his rights, has received in farm benefits since the inception of the A. A. A. upward of $100,000,000. My district which performs a more important function in feeding the Nation has received only a nominal pittance since the beginning of farm relief in 1933.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. Yes.

Mr. HOPE. The gentleman does not intend to imply, I am sure, that the district represented by the gentleman from Kansas has had any special legislation or any payments that are unavailable to farmers similarly situated in any congressional district in the United States?

Mr. CULKIN. May I say to the gentleman that this bill was born under his eye and more or less under his guidance; and it would be but natural for him to put the case of his farmers as far forward as possible. I do not criticize the gentleman. The gentleman is very amiable and very able.

Mr. HOPE. Does the gentleman contend there is any different application of the Triple-A program or any other farm program in the Seventh District of Kansas than there is in his own district or any other district of the United States?

Mr. CULKIN. That is somewhat of a shotgun statement and generic. I say this, that under the A. A. A. set-up and under the soil-conservation program the dairymen have not received any benefits nationally, yet they have performed a more important part in feeding the country than have the wheat growers.

Mr. HOPE. Mr. Chairman, will the gentleman yield further?

Mr. CULKIN. Will the gentleman give me some more time?

Mr. HOPE. Yes; I will yield the gentleman additional time.

Mr. CULKIN. I yield to the gentleman. Understand, I do not question the gentleman's legislative integrity in any respect.

Mr. HOPE. I understand that.

Mr. CULKIN. I cannot say any more than that. I admire the gentleman very much.

Mr. HOPE. And I admire the gentleman from New York very much. He is a very able representative of the dairy farmers of his district, and I know he does not want the impression to go out that during the time he has been here in Congress the dairy farmers of his district have not received proper consideration. Is it not a fact that the dairy farmers in the gentleman's district are getting about twice as much today for their milk as the dairy farmers in my district?

Mr. CULKIN. The dairy farmers in my own district have been receiving way below cost of production for the last 20 years. Their farms are mortgaged, they are being sold for taxes. They are on the verge of ruin. In the last couple of years under the Federal and State compacts they are getting an increase in price, which is most helpful; but they are not yet, according to Cornell, the agricultural college of that section, they are not yet receiving cost of production, and their mortgages have been growing bigger and bigger during this whole period. They are going to be scattered to the four winds if this drought situation is not taken care of in this fashion.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York.

The gentleman does agree then that the farmers of his district are receiving benefits under Federal and State legislation which have resulted in an increase in the price they have been receiving for their commodities and in the income which they received for their farming operations? Is not that true?

Mr. CULKIN. I will say this to the gentleman in all candor, that the effect of the Federal-State compacts under the administration of the Secretary of Agriculture have been most beneficial, but they are just in sight of land now. They are not yet getting cost of production, and this has been found by Cornell and the Vermont School of Agriculture. In

the drought sections they are, of course, badly hit.

Mr. HOPE. I may say that the wheat farmers in my district are not getting cost of production either, but they have been helped by the agricultural program. The dairy farmers, of course, come under a different type of program than the wheat farmers; but I do not believe the gentleman wants to say that one farmer has had any preference or benefits over the other.

Mr. CULKIN. I do not want to get into that discussion with the gentleman from Kansas. I merely stated the situation. It is impossible to review the ills and economic misfortunes of the dairy farmers in a brief 5 minutes.

Mr. HOPE. I do not want to take any more of the gentleman's time.

Mr. CULKIN. I thank the gentleman.

Mr. BENDER. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman.

Mr. BENDER. Out in my State we have a lot of grape and peach farmers and the frost got them last year.

Mr. CULKIN. Mr. Chairman, I refuse to yield further for such a question.

Mr. HARE. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from South Carolina.

Mr. HARE. The difference between the gentleman from New York and the gentleman from Kansas is that in Kansas the wheat farmers have the advantage of the insurance of wheat in case of a disaster, whereas the dairy farmers have not that advantage.

Mr. HOPE. The gentleman from South Carolina does not infer that the wheat farmers are getting wheat insurance without paying for it?

Mr. CULKIN. The gentleman from Kansas, I am afraid, fears that his comparably happy situation will be disturbed by the enactment of this legislation. I do not believe it will and I think the gentleman is mistakenly taking counsel of his fears. All we ask here is that the Congress pay the cost of transportation and baling of this hay, which is now $30 a ton. Our farmers are going down into their jeans and paying $15 a ton for their hay, and the Government pays only the transportation and baling. There is lots of hay in Ohio and lots of hay in Michigan, but bringing this hay to northern New York costs the sum of $10 per ton.

This Nation is now engaged in the chivalrous business of carrying the four freedoms, if you please, to every part of the world at a probable cost of $150,000,000,000. Let us in passing relieve our own farmers, particularly the farmers of northern New York and these terribly stricken areas in the old South, whose backs are against the wall. I saw the other day where the Export-Import Bank had made an arrangement to lend to the Argentine Republic $100,000,000 to be used in aiding the flax farmers who have suffered a bad crop and who have had their exports to England cut off. Let us do as much for our own people. Their sons are fighting our battle and we need them both in time of peace and in time of war

Mr. HOPE. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Kansas.

Mr. HOPE. May I ask the gentleman whether he believes the farmers in New York State will get any benefit from this legislation in view of the fact that there is included a provision which requires them to qualify for relief under the Farm Security Administration before this relief is available?

Mr. CULKIN. The bill is in satisfactory form.

Mr. HOPE. I had understood from the testimony given at the hearings that most of these farmers were not able to qualify for this kind of relief because they were able to either establish credit or borrow money at reasonable rates.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. CULKIN. I do not mean to be offensive, but the gentleman shed some crocodile tears about the condition of these people here yesterday and I fear this is in the nature of more crocodile tears. In respect to the text of this bill I think it covers the situation. I say to the House it does cover the situation.

Since the enactment of the lend-lease bill there has been an insistent and vigorous demand for increased production of dairy products. Now that we are in the war this demand for dairy products has become even more insistent.

The Government is now unable to secure needed supplies of evaporated milk, dry skimmed milk and cheese and has turned to the cooperatives and offered to build the plant facilities necessary to expand production. Large disbursements will necessarily be made in connection with the building of these plants. This plant construction will not help the situation unless there is a sufficient and ever-increasing supply of milk. The farmers of New York, which is a great milk-producing area, have already sold much of their younger stock. They will be unable to maintain any part of their herds unless relief such as provided in this measure is made available.

The New York dairymen are a patriotic group. They are sound Americans. Many of them are descended from the soldiers of the Revolutionary War. They are excellent farmers and work from dawn to dark 365 days a year. Their economic situation is and has been bad for the reason that they are under the control of a savage, unrestrained monopoly, which dictates to them the price they shall receive for their product. This condition has been the same for 20 years. It is somewhat improved now, but this drought coming in 1941 practically destroyed them. They have no financial reserves. Their farms are heavily mortgaged and are being sold for taxes. The help provided in this bill must be forthcoming or they will abandon the land, which in many cases their families have had for generations.

Hay is now $25 a ton. This bill provides for the payment of the cost of transportation and baling. The farmer himself pays for the hay. The cost of transportation is about $13 a ton. There is plenty of hay in Ohio and Michigan, but the intervening transportation charges bring it up to a point where the farmer is unable to pay it. These farmers are unique in this respect. They refuse to enter into any agreement to pay $30 a ton for hay under Government loans when they know they will be unable to pay it out of the receipts from their milk.

May I say at this time that for the first time in their history they come here asking for relief. When this matter first came up I told their representatives in New York State that, due to the fact the Government was now engaged in fighting a great war and that the Budget was unbalanced in the sum of at least $50,000,000,000, they should go to New York State for relief. They told me that they were up against a blank wall, that the constitution of New York State, under section 8, article 7, contains a prohibition that no grant such as this can be made for any purpose except human needs or to recoup the inhabitants of New York from disaster which affected human life or security.

The New York State farmers, although sixth in the list of States in the field of agricultural production, have received but a minute part of the vast sums that have been paid to farmers on account of parity and soil-conservation procedure.

We put the case to you solely on the grounds of national defense. We are told that prior to our entrance into the war cheese was a staple ration for the allied soldiers, that they could go farther and fight better on a ration of cheese than meat. Cheese, of course, is portable and requires no preparation. New York State has been called upon to provide 50,000,000 pounds of cheese in this year of our Lord. If this is to be accomplished this bill must be passed.

I urge its passage in the interests of a victorious America.

Mr. FULMER. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, it is very seldom I take the floor of the House to discuss issues. I am certain the older Members are much more capable of discussing those things than myself. But I too represent farmers who have been hit hard by this terrible rain spell and they have had a bad drought wherein everything they had has been swept away. No Department of Agriculture or any of its agencies has ever come to their aid. I have gone around that Department of Agriculture like a merry-go-round and not yet have I been able to get any aid for these people.

I do not impugn the motives of the Members here, because I am certain they feel sincerely about their position, but some of them say there is no precedent for helping these poor farmers. I am sure the farmers in New York State face an appalling condition. Down in my part of the country we have a very poor group of farming people. A greater number of them are colored than are white—as a matter of fact about 60 percent. They do not know where to turn. They are unable to get assistance.

You say there is no precedent for this? A sympathetic America listened and helped the Dust Bowl of the West, and

rightly so. A sympathetic America helped the Japanese when they had their earthquake, and rightly so. I regret, however, that as events have turned out they did not appreciate it. America has always helped people in distress. You say there is no precedent for helping these people? Let me close with this one statement: There is always a precedent for helping distressed people, whether they are in one section of America or in another.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield one-half minute to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent to extend my own remarks of yesterday on this bill in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. CRAWFORD]?

There was no objection.

Mr. CRAWFORD. Mr. Chairman, in studying some of the local agricultural conditions throughout the country, I find myself at times extremely sympathetic to problems such as we are discussing here today. At the same time, in reading this bill it appears to me that those who have supported the bill out of committee have introduced into it provisions, a very far-reaching set of principles, namely, one which is based on what we might term "an insurance formula." The particular language to which I refer is set forth on page 3 of the bill, lines 1 to 5, instead of something based upon actual financial need of the recipient of the benefits under the bill, should it be enacted into law.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Pardon me. Not just now.

Now, it seems to me we face an extraordinary situation in this country from the standpoint of food supply, including dairy products. I have read with tremendous interest the recent speeches of the Secretary f Agriculture, including one which I believe is being delivered today down at Atlanta. I am inclined to say that the Secretary is doing a lot of talking, but, after all, we have not yet in production these food supplies which the Secretary talks about so much. Personally, I cannot see the increase in the production of food in the United States during the coming 12 months that is now on paper. I cannot see it because of certain conditions which prevail, primarily the shortage in farm labor. As we this year move three or four million more men into training, and then as we make the shift of men from agricultural communities into industrial communities to fill up these factories to produce the $56,000,000,000 worth of armament, I think we will see a reduction in the production of foodstuffs in the United States. I know there are many people who will agree with me in that statement. And, too, many farmers over 60 years of age will labor 14 to 18 hours a day in an effort to get as much produced this year as possible.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. REED of New York. We are now supposed to have 1,500,000 soldiers in the Army, and the figure is now around $5,000,000 a month in the Chicago area alone to feed those soldiers.

Mr. CRAWFORD. Thank you, sir.

Mr. HARE. Will the gentleman yield to me?

Mr. CRAWFORD. Now we are going to have a reduction of production on many farms of anywhere from 25 to 75 percent. In my own case I have already cut 65 percent on account of scarcity of labor. I cannot get new repair parts for my old machinery. I cannot buy new machinery on account of priorities. I make these remarks so that I will at least have them to refer back to after the further shortage in food supplies develops.

You may go to the hearings on the price-control bill, pages 507 and 508, where, as early as last August, and under those conditions, I pointed out to Mr. Henderson that we would have a shortage of around 25 percent in our sugar supply. He made fun of it. He objected to being bound by all the suppositions that ghosts create and maintain, and remarked that we might just as well give him a crystal ball and a pair of dice. Well, had Mr. Henderson paid more attention to some of my suppositions, he would not have such a sugar headache as at this moment. On page 508 of the hearings you will find some more of Mr. Henderson's braggadocio where he refers to the type of statements which he issues from time to time. And he says "You might as well put me in the game of crystal-ball gazing and give me a pair of dice if I have to be controlled by these suppositions." He was there referring to some of my suppositions about the sugar shortage we then faced but, which Mr. Henderson, with all of his knowledge and information, did not discover until late in December or first part of January 1942. Now, he threatens to imprison those who have a little sugar in their house. What a man.

Well, what did that fellow ever know about producing food? When you are raised in agriculture, live with it, breathe it, talk it, and feel it all the time, you can drive down the road and read the billboards and know about raising food a lot more than some of these statisticians here in Washington know.

On page 508 he makes this interesting statement:

> Now I offer, if the committee wishes, to supply a special memorandum on the sugar-supply situation, but I have this observation to make: I believe I am correct, as against Congressman CRAWFORD, because I do not issue statements to the general public relating to their consumption habits without a great deal of serious thought and without being able to back them up.

His figures were rather worthless. Now he has a shortage of sugar of from 35 to 50 percent, and it shows you cannot rely on these sugar forecasts of his.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. JOHNS].

Mr. JOHNS. Mr. Chairman, I do not believe there is anyone in Congress that will ever say I am not a friend of the farmer. I have tried to do everything I could to protect his interests since I have been here, because I believe I understand his problems very well. However, I am very frank to say to you that I have never seen a bill since I have been in Congress that I consider to be such a raid on the United States Treasury as the bill that is now presented to you.

Just read this bill, and stop and think if there is anybody in the United States it does not cover. It covers those who because of drought are in distress. It covers those who because of excessive rainfall are in distress. It covers those who because of all other uncontrollable natural causes are in distress. Just stop and think of that.

Up in my district I have farmers, and some of them did not get a 50-percent crop last year, simply because we had some dry weather. I can recall other years when we had similar difficulties. I can recall when I got nothing for a period of 5 years off a farm I still have up in North Dakota, but I did not think anything about coming to the Congress and asking to be paid for it.

I believe any farmer who pretends to be a farmer at all can go to a bank, especially with the liberal chance farmers have to borrow nowadays through Government loans, and get money, if he is worth anything at all or if his word is worth anything at all.

I do not believe in this sort of legislation. I think it is wrong to come here and ask for it.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. JOHNS. I yield to the gentleman from South Carolina.

Mr. FULMER. Has the gentleman forgotten the thousands of dollars of loans that we made to his people on account of the grasshoppers? Not a dollar of that money has been paid back. There is a bill before our committee now to refund that money.

Mr. JOHNS. If you had a bill here to loan somebody something, I would be for it. Why did you not give them the money at that time instead of loaning it to them?

Mr. FULMER. They never expect to have it paid back.

Mr. JOHNS. The farmers expect to pay it back, and they are paying it back. They are still hounded for it because they still owe some on it, but they are going to pay it back. They are honest and will pay it back.

Mr. FULMER. There is a bill before our committee now to refund it.

Mr. JOHNS. There may be one there, but why have you not brought it out long before this, so we could have a chance to vote on it?

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. JOHNS. I yield to the gentleman from South Carolina.

Mr. HARE. In 1863——

Mr. JOHNS. I cannot remember back that far.

Mr. HARE. I am sure the gentleman cannot or he would not have made the statement he did. In the State of Minnesota at that time the Indians destroyed

the hay crops of some of the farmers, burned their barns, burned their cribs, and destroyed their crops. The Congress of the United States made an appropriation of $200,000 on February 16, 1863, to pay these farmers for the loss incurred by the depredations of these Indians.

Mr. JOHNS. That is a far different situation than we have here. No Indians have destroyed this property. This is an act of God, and I suppose we are all going to be governed by it.

Mr. HARE. That is the difference; this is an act of God.

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. JOHNS. I yield to the gentleman from Ohio.

Mr. YOUNG. The Indians are wards of our Government, so that makes a difference.

May I ask the gentleman if there is not more justification, if we are going to give money from the Treasury, for giving it to the thousands and thousands of automobile men who have been put out of business by our Government than for giving it to these people, who have been injured by an act of God?

Mr. JOHNS. There is just as much justice in it as there is to hand this out here under this bill.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. JOHNS. I yield to the gentleman from Texas.

Mr. BECKWORTH. Just on that point, is it not a fact that what we are doing here is to help farmers in about eight States by giving them about $20,000,000, when we have a bill coming in here very soon to give $300,000,000 to help about 4,000,000 workers?

Mr. JOHNS. That bill is not before the House. When it comes here, we will see about it. We are interested right now in this bill.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JOHNS. I yield to the gentleman from Nebraska.

Mr. COFFEE of Nebraska. In answer to the gentleman's statement in regard to the appropriation made to take care of a situation in Minnesota in 1863, is it not a fact that at that time we had no Farm Security Administration set-up to take care of relief?

Mr. JOHNS. That is the answer, of course.

Mr. COFFEE of Nebraska. Congress today has set up that agency to take care of these very situations.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 2 additional minutes to the gentleman from Wisconsin.

Mr. JOHNS. I am in favor of helping anybody to help himself. I am perfectly willing to vote for any bill that will help the farmer help himself, but I have never known anybody that got any place by having something given to him and then sitting around and spending the money.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. JOHNS. I yield to the gentleman from New York.

Mr. CULKIN. Has the gentleman read the bill?

Mr. JOHNS. Yes; I have read the bill.

Mr. CULKIN. The gentleman noticed that the New York State farmers who are particularly affected under this bill pay for their hay themselves?

Mr. JOHNS. There is no question about that. I cannot understand why anybody in New York would be interested in this bill at all.

Mr. CULKIN. Let me assure the gentleman that we are extremely and keenly interested in the bill.

Mr. JOHNS. If you just want the freight on this hay and feed you are going to ship in, and the baling of the hay, which costs probably around $1.50 a ton—and you do not think you are going to get anything out of that worth while—then, of course, somebody ought to help you out; but there is no farmer I have ever seen in New York State who could qualify under this bill. You have good farmers up there; you have good farms. It has already been testified in the committee hearings that most of the farmers would not go in and file an affidavit so that they could get anything under this bill.

Let me also say to the gentleman that I cannot find anybody on my side of the House here who will admit that he voted to bring this out of committee. I cannot understand how it ever got to the floor of the House.

Let us not make a raid on the Treasury at this time. Let us try to be sensible here.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I again feel compelled to qualify as a member of the Committee on Expenditures. I was pleased that the gentleman from Missouri [Mr. COCHRAN] yesterday came to the front on this matter.

I dislike to take a position against some of my very best friends. I do hope that the gentleman from Georgia [Mr. BROWN], who has been the most successful pleader I ever knew for the farmer, judged by the results he gets and his accomplishments, will not now have too much competition from New York. This is a State that has a constitutional provision taking care that no such appropriation could be made. I have little sympathy for a State that ties itself up like that, then seeks such aid from the Federal Treasury.

The independent farmer, where is he? I talked about him a little on last Monday. I am a farmer, and I sympathize with his problems. But is he now the independent farmer? When we open this new page of public expenditures and we descend into that bottomless pit of gratuities, we should give pause. I shall watch the vote of the membership of the State of New York with great interest. Some of those who advocate the passage of this bill may have their tongues in their cheeks. I feel compelled to vote against this bill.

I ought not to say too much. I have been listening, thinking that my ears were made to be kept open and my mouth was made to be kept shut, but I must qualify for the job you have assigned me.

Mr. CULKIN. Will the gentleman be good enough to please discuss oysters and the Cape Cod Canal?

Mr. GIFFORD. Yes; in the oyster business I lost a lot of money, and I did not ask the Government for any reimbursement.

The Cape Cod Canal is but little value to my immediate section. We have it to gaze upon. Our people wanted the canal as a life-saving matter and for the benefit of the world at large. It was built in happier times. If the gentleman wants to make comparisons which are always odious, I recall that when the trees were blown down in New England, not in my district, I did appeal to salvage the lumber. I agree with the gentleman who stated here a moment ago that if you want to lend a little more money, I would not object. We have opened these pages wide to lend people money that they might, if possible, pay it back.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. CULKIN. Is it the New England concept of this day that trees are more important than the welfare of the people themselves?

Mr. GIFFORD. No; it was the lumber that was important, not the trees.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. COFFEE of Nebraska. I would like to make this observation. This bill comes before the House without a recommendation from the Budget.

Mr. GIFFORD. I do not care much about that.

Mr. COFFEE of Nebraska. And you will find no recommendation from the Secretary of Agriculture.

Mr. GIFFORD. That does not greatly interest me.

Mr. COFFEE of Nebraska. You have not heard a word spoken in favor of this bill by any member of the Committee on Agriculture except the two whose districts are affected.

Mr. GIFFORD. That is natural, and I do not blame them. People representing a section that grows beans, naturally would want to take care of beans, but I regret that this bill, like nearly all others, is now to be considered as a defense measure. I cannot go along with that.

We have many forms of relief granted by the Farm Administration. If farmers could not pay their seed loans last year or the year before, loans are still available. Their credit never seems to become exhausted. We shed too many tears for the farmers; but Members from those districts to be benefited must plead for the legislation. Probably it does not please you much to have to do it.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Oklahoma [Mr. DISNEY].

The CHAIRMAN. The gentleman from Oklahoma is recognized for 2½ minutes.

Mr. DISNEY. Mr. Chairman, I take this time to express my deep solicitude for my friends from New York, and, to

use a slang expression, I am just "crying my eyes out" about them in this situation. With the Federal Government loaded down with an immense budget, one that a magician cannot figure out how we will ever pay, yesterday, according to dispatches, the Governor of New York recommended to the legislature of that great Empire State, a cut of 25 percent in State expenses. I wonder why we are not sooner or later going to remember that democracy is down in the court houses and legislatures, and consider whether or not the States themselves might not do something for their indigents, for their farmers, for people who need help. I am reminded that my mother out on a Kansas farm in 1934 endured the great drought of that year, and endured the drought of 1936 and '38, and the floods of 1940, that pioneer woman. She got along somehow. She did not ask the Federal Government or the State government to help her. She got along. I wonder whether we have completely lost our understanding, our fiscal understanding, in America when we propose this kind of a grab, after the pension grab for ourselves of last week, to be followed next week by another grab, and that by some other grab, and if the language is distasteful, perhaps it is emphatic enough to remind us, and when we pass this $300,000,000 grab next week, then the employees of the little businesses, who have been put out of jobs because of the priority system, will be entitled to that just as much as the farmers are to this, and so on, ad infinitum. When do we quit? Remember that our population has increased since 1913, from ninety-five million to one hundred and thirty-one million in 1940, and that in 1913 the entire Federal Budget was only $700,000,000, while in 1940 it has gotten up to $9,000,000,000, exclusive of the emergency defense program.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. FULMER. Mr. Chairman, I want to ask the distinguished gentleman from Oklahoma [Mr. DISNEY] whether or not quite recently in the past, when we expended considerable money in Oklahoma in the Dust Bowl, he was at that time shedding any tears. I remember so distinctly how he and his colleagues stood on the floor of this House and pictured that serious situation that was playing havoc with the people of his State and asking for relief.

Mr. DISNEY. Mr. Chairman, will the gentleman yield there.

Mr. FULMER. I cannot yield at this time.

The CHAIRMAN. The gentleman from South Carolina declines to yield.

Mr. FULMER. Mr. Chairman, I want to congratulate the gentleman from Michigan [Mr. CRAWFORD] on his statement yesterday when he said you cannot increase production in this country by running around making speeches, talking about the productions goals for 1942. Let me make another statement. I say to you out of my business experience, and based on common sense, that we cannot win this war by making speeches and voting cut billions to be expended in a manner by which we will not get the results we ought to have. I also want to congratulate the gentleman from Michigan [Mr. CRAWFORD] on his statement made yesterday about the condition of the farmers, that is, being short of labor and getting a raw deal in securing fertilizer, farm implements, tires, and so forth, under the priorities-control program. It is pitiful to me to hear a gentleman who represents the metropolitan cities in this country stand up and talk about what the farmers are getting from the Congress, when, as a matter of fact, today, because of the lack of labor, necessary farm implements and fertilizer, if you please, they are unable to successfully carry on their farm operations in my country. I say to you that it is going to be impossible for them to increase production and I make the further statement that unless you are able to increase production so as not only to feed 130,000,000 Americans, and many of our allies and starving people in Europe, you are not going to win this war.

Let me read one or two excerpts from letters that I have received. Here is a letter from a man in South Carolina, my district, Aiken County:

> We have been called on to plant 15,000 acres of peanuts. Last year we planted 4,000 acres. We cannot get any farm labor whatsoever. I am on the local draft board here, and I am in a position to know what the farmers are up against.

Now, listen to this:

> My farm contains 850 acres of land. I have 13 mules, over 75 head of cattle, a good sized drove of hogs, and a tractor I bought last fall and I haven't any labor on that farm.

Mr. HOPE. Mr. Chairman, will the gentleman yield right there?

Mr. FULMER. I cannot yield at this time.

This morning I called the Department of Agriculture. They have been checking on the labor situation in the agricultural States. Up to September in 1941 in South Carolina one-third of the employees on the farms had left the farms. That was the beginning of the cotton season. Today perhaps 50 percent have left the farms.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I am sorry. I cannot yield until I finish my statement.

Now, my friends, I want to give you an explanation of this bill. There have been so many statements and misstatements made about the bill. I think that is true either because they do not know anything about what is in the bill or for the purpose of defeating the bill.

Section (b), on page 2, the purpose of this provision is to return to the Treasury $212,000,000 appropriated for parity payments. It is believed that the parity payments will not be used because of prices being at parity. Of course, this money will be returned to the Treasury after the appropriation is made for this bill. But it provides that if we want to reappropriate the $212,000,000 for 1943, it would be permissible.

You have been told about the various crop-failure areas. There are 45 counties out of the 48 counties in my State of South Carolina. May I state out of all of my experience in farming, in business, and in furnishing fertilizers, supplies, and loaning money to farmers, that we had in our State last year, 1941, the most serious crop failure we have ever had. In 1940 we produced 960,000 bales of cotton. In 1941 we produced about 400,000 bales. The pitiful thing about it is that we have thousands of farmers, small land owners, tenant farmers, and sharecroppers who did not produce a single bale of cotton.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. FULMER. Wait until I make my statement, please. I will yield later if I have time.

One of the serious troubles with the farmers in my State is they have never recovered from the deflation following the last war. We had a drop in cotton prices from 35 cents to 5 cents per pound. During the last few years their cotton acreage has been cut considerably, and that is the main cash crop in my State.

And may I state, although they have been receiving parity payments and soil-conservation payments during these years, up until the last 2 or 3 months they have never received parity prices for any of their products. Several months ago my committee reported and passed a bill providing an 85-percent parity loan. Immediately cotton commenced going up from 10 cents until it is now around 19 to 20 cents per pound. Cottonseed is worth $60 per ton, but these farmers I am talking about have not got any cotton or cottonseed to sell.

Down in South Carolina—and I think this is true in practically every other agricultural State, borne out by the testimony, including the dairy section of New York—the farmers' lands are heavily mortgaged. In South Carolina the land-bank delinquencies amount to 35 percent; commissioners' loans, 37 percent; and the 1941 taxes are unpaid.

The amount that these farmers will get out of this—and they have to qualify on the basis of need, the amount of their indebtedness, and their ability to get loans for 1942—will help them to bridge over to keep their tenants and their labor on the farm and off of W. P. A. and out of the large cities. If these farmers cannot hold their labor and sharecroppers on the farm, naturally these farmers will have to go out of the farming business. When this happens it will not be long before you will come in with another bill, and you will vote for millions to rehabilitate these same farmers. Why not spend this small amount and keep them on the farm? It will cost considerably more than it will cost under this bill to rehabilitate these farmers later on. I am one of those who believe you cannot make landowners out of tenants until you stop the thing that is making tenants out of landowners.

Let me read one or two excerpts from the many letters I have been receiving from my farmers. Here is a letter from what we considered to be a large farmer:

> I am only allotted 47 acres on 180-acre farm. I produced only 8 bales of cotton. I have six families on my farm.

Then he lists his indebtedness:

Production credit loan, $1,700; Federal land-bank interest, $153.79; installment land-bank mortgage, $151.51; insurance, $100; taxes, $135; or a total of $2,224.

Now, normally this man and his 6 families would have produced 40 to 50 bales of cotton. This amount of cotton and cottonseed last fall would have been worth from $4,000 to $5,000. His 8 bales and seed brought him in about $810. His 6 tenant families are unable to buy clothes or to buy shoes. There are some few large land owners that can take care of their tenants until they can make loans for another crop, but the small land owner, the tenant farmer, and the sharecropper cannot do that. I could go on for quite a time reading such excerpts.

We have heard it said by my good friend, the gentleman from Kansas [Mr. HOPE], and the gentleman from Nebraska [Mr. COFFEE] that the Federal agencies can take care of this proposition. Just the other day, because of the wild activities of the Farm Security Administration, my committee instructed me to appoint a subcommittee to investigate that outfit, where they are going into some of the States, paying poll taxes, and giving grants to their farm customers to help pay their debts, so as to show that the debts have been paid, and various other things, all at the expense of the taxpayers. They are buying up large tracts of land in various States proposing to colonize farmers thereon. The distinguished gentleman from Kansas [Mr. HOPE] is one of the gentlemen on that committee, and the gentleman from Nebraska [Mr. COFFEE] is another member of this subcommittee, both bringing complaints against the Farm Security Administration, which they now claim can do this job.

When that Farm Security agent comes down to my farm he asks me to sign a statement that I am not financially able to take care of my hands. I am able, and I refuse to do it. Then the F. S. A. refuses to serve my tenants.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I yield myself the balance of the time.

The CHAIRMAN. The gentleman is recognized for 10 additional minutes.

Mr. FULMER. Then this same outfit goes to a landowner and tells him if he will go into a 5-year lease with his tenants or sharecroppers they will be helpful. In some instances the F. S. A. gives a $15-a-month grant for each month, continued along for 1 to 3 months.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I will yield later. I cannot yield now. The amount that they get under that arrangement would not buy fertilizer, clothing, and supplies, and, therefore, will be more of a waste than a relief to these people.

In regard to the section the gentleman from Wisconsin [Mr. JOHNS] spoke about a few minutes ago, I want to say to the gentleman that a few years ago—and I was in Congress when it happened—they had grasshopper trouble up there, destroying their crops. They came to Congress, and Congress gave them loans on plain notes. It was understood at the time that these notes would never be paid. Now the gentleman opposes this bill. We have had flood disasters, and there was the hurricane disaster up in New England, for which Congress appropriated $5,000,000.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I yield.

Mr. HOPE. The gentleman certainly does not intend to compare the legislation to take care of the hurricane situation in New England with this pending legislation, does he?

Mr. FULMER. Absolutely. The folks there got the benefit of cleaning up their timberland rather than to let it go to waste, and they were landowners and owners of the timber.

Mr. HOPE. Is not this the situation, though: The only money that was paid out was to eliminate a fire hazard for the benefit of the entire population in that area? Is not that correct?

Mr. FULMER. No; it was to save that timber from being burned up or rotting on the ground. The benefit went to the landowners.

Now, let us consider section 2.

SEC. 2. (a) In the case of any producer of cotton or tobacco on whose farm the acreage planted to such commodity in 1941 did not exceed the farm-acreage allotment for 1941 under the agricultural conservation program, and who establishes to the satisfaction of the Secretary of Agriculture that (1) because of drought, excessive rainfall, boll-weevil infestation, or other uncontrollable natural cause, his actual production of such commodity in 1941 was less than 40 percent of the normal production of such planted acreage, and (2) that as a result thereof such producer is eligible for assistance as provided in the present regulations of the Farm Security Administration, the Secretary is authorized and directed—

And so forth. In other words, the Secretary is to take into consideration the farmer's real need, the amount of the farmer's indebtedness and his ability to secure loans for 1942 farming operations.

Much has been said about the cost of this bill. Representatives from the Department of Agriculture came before our committee on the original bill as passed by the Senate, and the first bill reported by my committee which proposed paying everybody, even paying me if I had had a short crop, that is less than 50 percent of a crop, and they stated that bill would take about $60,000,000. On a 40-percent basis under the Senate bill and the first House bill they stated it would cost about $24,000,000. These are the figures of the Department of Agriculture.

Under the pending bill a landowner or any farmer financially able to go somewhere and get a loan to take care of his farming operations or his sharecroppers cannot get a dime, and this would cut this bill down to around $10,000,000 or $15,000,000. His tenants or sharecroppers may be able to qualify provided they had a crop failure under 40 percent of a normal crop.

Mr. Hill, Assistant Secretary of Agriculture, and other representatives of the Department of Agriculture, came before our committee. They were in sympathy with this bill based on need.

Mr. Hill stated:

Here is a farmer who may own 50 or 100 acres of land, or even 200, who has a heavy mortgage on his land, perhaps in an amount of the value of the land. He owes for his supplies and fertilizer and his tenants are in debt—that farm should be helped.

That fellow has either got to get some assistance or give up his farm and become a tenant farmer and be rehabilitated later.

Mr. Chairman, I do not believe there is a man on the floor of this House who does not realize that during all the years I have served in the Congress I have tried conscientiously to serve all sections of the country and every class of farmers. We passed a cotton crop insurance bill that would have taken care of 1941 crop failure, but it was vetoed. We passed another insurance bill that will cover the 1942 crop but that will not take care of the 1941 crops.

Now as to the wheat farmers, they have had insurance for 3 or 4 years. I introduced a bill some time ago which was passed by the House and by the Senate but was vetoed by the President, which would have taken care of those wheat farmers who did not comply with the farm program where they had had a crop failure. It relieved them of paying this 49-cents-per-bushel penalty, or return the penalty to them if they had paid same. The President vetoed the first bill because of certain amendments put on in the Senate. I reintroduced the bill, kept down amendments, passed it, and it was signed by the President; and I have been receiving letters from the wheat States thanking me for what I have done for the wheat farmers. Yet there is not a commercial wheat farmer in my State. I want to say to you, my friends, that as great as the demand for labor on the farm is we have thousands working on W. P. A. Relief is given to thousands of unemployed in the large cities at the expense of the taxpayers of the country that could be used on the farm.

Why should not relief be given to these distressed farmers? I received a letter from Detroit, Mich., the other day, urging that something be done to increase W. P. A. funds. The writer stated that even with all the people they have on the W. P. A. today there were thousands of others waiting to get on, and he said he referred largely to Negroes. Think about thousands of Negroes having left the farms now being cared for by W. P. A. or relief either by the Federal Government or by these cities. I want to challenge any Member on the floor of this House who represents an agricultural State or an agricultural district to stand up and tell me and tell the House that your farmers have plenty of labor at this time and that they will not have any trouble in increasing their production in 1942. I should just like to hear from those Representatives.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I yield.

Mr. KEEFE. Will the gentleman in his discussion of this bill——

Mr. FULMER. I want an answer to my question.

Mr. KEEFE. I am asking the gentleman a question. I am asking the gentleman to indicate in his statement wherein this bill will stop the flow of labor away from the farms and into the cities.

Mr. FULMER. All right. I have been trying to get that over to the gentleman. In the areas where they produced cotton last year, they received about $80 for a bale of cotton and $50 for their seed. A man who produced five bales of cotton would receive about $500 for his cotton and seed. A farmer who produced only one-half bale because of this short crop got only about $50, and he is unable to feed himself and his family, to say nothing about tenants and sharecroppers. Naturally they are going on the W. P. A. or to some city hoping to get work. But if this small farmer had this little help of, say, $100, then he could bridge over and continue to operate his farm until he could get a loan from one of the Federal agencies.

Mr. KEEFE. How much will that farmer receive in benefit if this bill becomes law?

Mr. FULMER. That farmer who normally produced five bales of cotton and only produced one bale last year, under this bill would receive about $100.

Mr. KEEFE. Under this law?

Mr. FULMER. Yes.

Mr. KEEFE. Is it the gentleman's contention that the payment of the $100 to that farmer is going to enable him to keep all of his tenants and sharecroppers on the farm and feed himself and his family and all that sort of thing?

Mr. FULMER. If the gentleman knew anything about farming he would understand what I am talking about. This size farmer has only his family; perhaps one wage earner. A farm capable of producing 10 bales, and producing only 1 bale, would receive pay for 3 bales, making 40 percent of his normal production, amounting to about $250.

Mr. JOHNS. Will the gentleman yield?

Mr. FULMER. I yield to the gentleman from Wisconsin.

Mr. JOHNS. Does not the chairman of the Committee on Agriculture know that the reason these people are leaving the farms and going into the cities to work is because they can get 75 and 85 cents an hour there, whereas they can only earn around 25 cents an hour on the farm?

Mr. FULMER. That is one of the reasons.

Mr. JOHNS. That is the only reason.

Mr. FULMER. No. May I say to the gentleman that I have plenty of labor on my farm, and they do not get 75 and 85 cents per hour. I do not pay them any more than the average farmer pays, and they are happy and contented. The reason they are leaving the farms is because of their dire condition. They are unable to feed and clothe themselves. The thing I am worried about is the actual farmer giving up his farm, his land. What is going to become of these millions after the war? Rest assured, my friends, you will be called upon when this war is over to vote millions to take care of the unemployed, and I want to warn those of you representing city districts, in voting against this bill you are voting trouble on you and your city when the rampant unemployment comes around after the war. I hope that you will vote for the bill.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That (a) the Congress hereby determines that due to unfavorable weather conditions and insect damage a serious crop failure of cotton, tobacco, and hay, and other forage crops, has occurred in many States; that it is essential to the national defense and public welfare that every means be taken to keep farmers on the land and to maintain maximum production of farm commodities; and that the provisions of this act are necessary for such purposes and for the relief of distress among the farm population in such stricken areas.

(b) The Congress further determines that substantial amounts of the sums which have heretofore been appropriated for making parity payments will not be needed for making such payments; and it hereby directs that so much of the money appropriated in the Department of Agriculture Appropriation Act, 1942, for the purpose of making parity payments as is not used for such purpose shall be covered into the Treasury to offset the appropriations made pursuant to the authority of this act.

Mr. CASE of South Dakota. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. CASE of South Dakota. Mr. Chairman, I wish to make a point of order against paragraph (b), on the ground that it violates clause 4 of rule XXI.

Paragraph (b) reads as follows:

The Congress further determines that substantial amounts of the sums which have heretofore been appropriated for making parity payments will not be needed for making such payments; and it hereby directs that so much of the money appropriated in the Department of Agriculture Appropriation Act, 1942, for the purpose of making parity payments as is not used for such purpose shall be covered into the Treasury to offset the appropriations made pursuant to the authority of this act.

My point of order is that it violates the rule, which reads as follows:

No bill or joint resolution carrying appropriations shall be reported by any committee not having jurisdiction to report appropriations, nor shall an amendment proposing an appropriation be in order during the consideration of the bill or joint resolution reported by a committee not having that jurisdiction.

The footnotes in the Manual cite a pertinent decision in the session of the Congress of August 11, 1921, which I quote, as follows:

Language reappropriating and making available or diverting an appropriation or a portion of an appropriation already made for one purpose to another is not in order.

My contention is that paragraph (b) diverts an appropriation already made to a different purpose, therefore is a violation of the rule. If there should be any doubt in the mind of the Chair, I should like to be heard further on the point of order.

The CHAIRMAN. Does the gentleman from South Carolina [Mr. FULMER] desire to be heard on the point of order?

Mr. FULMER. Mr. Chairman, I do not care to comment on the point of order except to state I do not believe that the point of order is germane; therefore, it should not be sustained.

Mr. HARE. Mr. Chairman, as I understand, the point of order is raised to that provision which makes it unlawful to appropriate any funds appropriated except by the appropriating committee. This does not attempt to reappropriate, but only to appropriate any funds not used under the appropriation—that is, any funds that are scheduled to revert to the Treasury; therefore, it is not a diversion of funds. If there should be no funds available, then there would be no appropriation of any funds. For that reason, I do not believe that this violates the rule referred to by the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, in reference to the point just mentioned by the gentleman from South Carolina [Mr. HARE], he says, if there were no funds left, there would be no funds from which to make an appropriation and there would be none. This would seem to make my point perfectly clear—that the purpose of this section is to take certain money already appropriated and make it available for a different purpose entirely. That clearly sustains the contention that this is a diversion.

If I may have the indulgence of the Chair, I should like to call attention to some precedents that I believe bear on this point.

On March 29, 1933, a similar question arose. The Chair at that time in ruling on the point of order called the attention of the committee to the syllabus of a decision in the precedents by Mr. Campbell, Speaker pro tempore, in which it was held by the Speaker pro tempore:

A proposition to reappropriate or make available an appropriation previously made—

The Chair interrupted to say:

That is what you propose to do.

He continued:

or to divert such appropriation to any other purpose than that for which originally made is equivalent to a direct appropriation, and is not in order in connection with a bill reported by a committee without authorized jurisdiction to report appropriations.

This decision was made on August 11, 1921, and may be found in Cannon's Precedents, section 9156.

My contention is that this is a diversion from the original purpose.

Going back to that decision in 1921, I find by reference to the RECORD of August 11, 1921, a statement by the distinguished gentleman from Texas [Mr. Garner], which it seems to me states the logic in this case. Arguing on the point of order at that time, the gentleman from Texas [Mr. Garner] said:

Mr. Chairman, this case is undoubtedly on all fours with the pink-bollworm proposition. In that instance there was an appropriation of $545,000 appropriated for the eradication of the pink bollworm. The Committee on Agriculture reported a provision authorizing a divergence of $200,000 of that

amount for a purpose not originally enumerated in the law, to wit, to pay for the use of land in the eradication of the pink bollworm. Now, the appropriation is already made, but this bill proposes to divert it for another purpose, and I do not think there is any doubt but under the logic of the Chair at the time, who held that the divergence of an appropriation already made was tantamount to making a new appropriation, that the point of order in this case is good, because this does divert for another purpose than the appropriation already made.

It is my contention that this money which has been appropriated for a specific purpose for the fiscal year 1942 is by this section sought to be set up in the Treasury as a blocked fund, frozen, if you please, no longer free money available either for the purpose for which it was originally appropriated or for any other purpose than to serve as an offset for the appropriation or expenditure contemplated by this legislation. Therefore, I think it violates the rule.

The CHAIRMAN (Mr. BULWINKLE). The Chair is ready to rule.

The Chair has examined this paragraph very carefully. The Chair calls attention to the fact that the paragraph provides that the sum of money, whatever sum it may be, appropriated for the purpose of making parity payments and not used for such purpose shall be covered into the Treasury to offset the appropriations made pursuant to the authority of this act.

The paragraph contemplates that there will be further action by the Congress before any appropriation is made available. Therefore, the Chair overrules the point of order.

Mr. CASE of South Dakota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CASE of South Dakota. Is the holding of the Chair in the language the Chair just used to the effect that further action is necessary, that under the legislative history of this bill it would not be possible for the proponents of this legislation to come before the Committee on Appropriations and maintain that the hands of the Committee on Appropriations had already been tied by the action on this bill?

The CHAIRMAN. Before there could be any activity under the provisions of this bill, there must be appropriate action by the Congress making money available for the purposes therein set forth.

Mr. CASE of South Dakota. I am glad to have the Chair make that statement. I thought it important to make this point of order because we do not want to be in the position of having someone come to the Committee on Appropriations and say that this does not cost anything, that the appropriation has already been made.

The CHAIRMAN. The Chair may state that the activities cannot be begun under this bill until the Congress has passed upon the matter and appropriated the money to carry it into effect.

Mr. FULMER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULMER: On page 2, line 9, after "purpose", insert the following: "nor reappropriated for the fiscal year 1943."

Mr. FULMER. Mr. Chairman, may I state that I have talked with several interested parties, and I think one of them talked with the gentleman from South Dakota [Mr. CASE] or someone else on that side who was interested in this provision, and he suggested that this amendment be placed in the bill. I do not believe there is any objection to the amendment.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

On the point the gentleman from South Carolina has just made, it is my understanding that any unexpended funds appropriated for parity payments are recommended for reappropriation under the Budget recommendations, and the Subcommittee on Appropriations for Agriculture is presently considering the matter. Consequently, I think if it is the intent of the House to take this action the amendment should be adopted.

RELIEF FOR DISTRESSED FARMERS

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in voting for this bill I do not want it to be construed as a vote against the Farm Security Administration. I think the Farm Security Administration has been doing an excellent job. I think the work that the Farm Security Administration does is worth, on the average, $100 per annum to the average farm family. That is, the instruction and the advice and the guidance that is given by the agents of Farm Security in addition to supervising and furnishing needed credit. It is doing a wonderful work.

This bill, it is true, is for a certain group in a certain section of the country. This is necessarily true of any relief bill. It was true of the New England flood control, it was true of the Dust Bowl relief measure, it was true of every section of the country in granting relief.

This bill will help more deserving and worthy people than any bill I know of that has been presented to the Congress during a recent session. The people who will be benefited, normally, earn very little each year, $300 or $400 on the farm. This includes the value of the food and feed that is consumed on the farm, making only $300 a year, eking out a bare existence through the use of their hands and the hardest kind of labor on earth, and this bill provides that they will have help in the event they have more than a 60-percent crop failure—caused by what? Caused by something over which they have no control whatsoever, caused by an act of God, caused by something they could not fight. They get out there and work from daylight until dark, and after dark, and get up before daylight, doing the hardest kind of bending and lifting labor and making a small amount each year.

I believe this bill should be passed just as it is, 40 percent of $400, or $160. If a family makes that much, 40 percent, the family is not qualified to receive any benefit under this act. He must have a major failure, and to protect the Treasury and to protect Congress, it is written in here that no person shall receive more than $500 under the terms of this bill. This means if one person has 50 tenants and each one of the tenants benefits $50 or $60 or $75, the landlord cannot benefit more than $500 maximum from all of the tenants. So the bill is well safeguarded and it is certainly no raid on the Treasury.

The people who will be benefited by this bill represent, really, the salt of the earth. They are the people, the wives, who keep the home demonstration clubs in the communities. The boys belong to the 4-H Clubs and the girls belong to the 4-H Clubs. They work and they try to accomplish something. From these humble homes some of our greatest men and women come. They are not on relief; they are trying to stay off relief. Ordinarily, people making the small amount they make would be on relief, but they are not willing to go on relief. So let us encourage this class and this group that is willing to get out and work, as they work to stay on the farm and to produce food for defense, and we need these workers on the farm. It has been presented to the Members of the House here today that there is a shortage of labor. Defense plants all over the country are absorbing a large part of the farm labor. The armed forces are absorbing a large part of the farm labor. There is a shortage of farm labor, and if you expect to produce the food and the feed that is necessary in our all-out war effort, you will need all the people we can get on the farms and we need to encourage and, certainly, treat in a right and in a just way the people who have remained on the farm and stayed off relief and eked out the meager existence they have by working with their hands in the hardest possible way. I hope this bill is passed.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. FULMER].

The amendment was agreed to.

Mr. HOPE. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HOPE: On page 2, line 3, strike out subparagraph (b).

Mr. HOPE. Mr. Chairman, subparagraph (b) is the paragraph we have just been discussing which reads as follows:

(b) The Congress further determines that substantial amounts of the sums which have heretofore been appropriated for making parity payments will not be needed for making such payments; and it hereby directs that so much of the money appropriated in the Department of Agriculture Appropriation Act, 1942, for the purpose of making parity payments as is not used for such purpose shall be covered into the Treasury to offset the appropriations made pursuant to the authority of this act.

I have just talked with the Agricultural Adjustment Administrator and he tells me that according to all their preliminary computations they are going to need all the money that has been appropriated for making parity payments. So it seems to me it is perfectly ridiculous for this committee to make a determination

that we are not going to need all that amount when the Agricultural Adjustment Administration says that they will need it. This paragraph is camouflage and was put in the bill for the purpose of making it appear that it is not going to cost the taxpayers anything. It is designed to indicate that we are going to have some money left over from another appropriation, which would be used in making these payments. I submit that if we do have any money left over from this appropriation, it will go back into the Treasury. Some people seem to feel that it would be a terrible thing for that to happen, but I cannot get very worried about it. However, we are not going to have it left over, and if we pass this legislation Congress will have to appropriate new funds in order to make the payments provided for. Therefore, in view of the fact we accomplish nothing by leaving this paragraph in the bill and that we recite something that is not true, I think we should strike it out.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. Yes.

Mr. COCHRAN. The gentleman will recall last night just before the Committee rose, I quoted the Bureau of the Budget as saying that there would not be a cent left.

Mr. HOPE. Yes.

Mr. COCHRAN. Of the appropriation for parity payments.

Mr. HOPE. Yes. This confirms what the department informed me this morning.

Mr. FULMER. Mr. Chairman, if this money is used for the purpose of paying parity, then it will be used for that purpose; but if for any reason it is not so used—and a great many believe it will not be used because of prices of farm products—then that money automatically would go back into the Treasury. No one is arguing that this bill is not going to cost anything, because if any portion is not used and goes back, it is intimated in this section that that amount will offset what is paid in under this bill. We have no objection to the amendment, because if it is not used it will go back into the Treasury; and if it is used, then there would not be any left to take care of this kind of payment.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. FULMER. Yes.

Mr. CULKIN. Under the statement of the gentleman from Kansas and the gentleman from Missouri, if there is to be no money left, then this question becomes academic, so the paragraph may as well go out.

Mr. FULMER. Yes. We have no objection to it; we accept the amendment.

Mr. REED of New York. Mr. Chairman, I ask recognition in opposition to the amendment, and I ask unanimous consent to proceed for an extra 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. REED of New York. Mr. Chairman, if I may have the attention of the House, I wish to remind the Members that we should consider the real issue involved in this legislation. In the first place, the people of this country since the tragic death of some 2,500 soldiers at Pearl Harbor, are in no mood for clowning over a defense measure, and I maintain that this is a defense measure. You talk about precedents or establishing precedents. We are in war, and the time has come when we must realize it. We might just as well realize now at this moment that other A. E. F.'s, according to official statements, are going out—6 or 8 or 10 of them—to various parts of the world. I know and many Members in this House who served in the armed forces of the United States know exactly what that means. It means death; it means receiving stations; it means everything in the nature of the horrors that go with war, and that the tragedy of it all is coming back to the hearths of many homes. We have never had an army in this country of eight or ten million men, and we have never had a registration as a Nation, as announced this morning, of 57,000,000 people.

The life of this Nation is at stake. Armies must be fed. Our armies and foreign armies and foreign civilians, and our own civilians must be fed. As has been said here, the boys on the farm are going into the Army; others are going into the munitions plants; the farmers, because of this, will have to work from early morning until late at night; and before this war is over the womenfolk and the children will be working in the fields of this country—they will be carrying on the work ordinarily conducted by foreign peasants. This Congress, if it desires to play Hitler's game, can sabotage our dairy industry. You have the opportunity here and now to do so, but, as for me, I shall see that our farmers are not thwarted in their effort to produce the food necessary to win this war.

What is our attitude toward industry when it comes here for relief? When industry comes in here and says, "We cannot build an industrial war plant. We do not have the facilities." The Government replies, "We will supply the facilities. We will relieve you from taxation."

Others say, "We are short of housing." The Government says, "We will build the houses." But when the dairy farmers come in here with a defense measure, certain people will get up and clown it. They say that the dairy farmers are panhandlers; that they are out with a tin cup, trying to get something from the Government. How are they going to produce dairy products if they do not have the fodder to carry on? If they cannot save their dairy industry how are they going to produce? They do not have the feed for their cattle. They cannot get feed in some drought areas unless they get some assistance. Why cannot they get it? Here are counties stricken with a drought such as northern New York never experienced before.

As I said yesterday, the streams dried up. Water had to be hauled. There is not an acre of land that is not mortgaged from $15 to $18. Forty-five percent of all farms are mortgaged. They want to buy and they will sacrifice to buy hay to the extent of their credit. It is a question of transportation. They have resorted to every possible measure to get relief before coming here. They have gone to the railroads to see if they would lower the rates to help them out. No. The railroads would not. But if a railroad lobbyist were up here in the gallery today, there would be an abundance of smiles to assure him of a hearty reception. You would take care of his request for relief by a splendid vote. I say you cannot afford to clown on this proposition today as it relates to the drought area in New York State. If you expect the farmers to produce you must be fair with them. You cannot take away their labor and deprive them of feed for their livestock and expect them to meet the demand of the Government for a larger production of cheese, milk, and butter. New York State farmers have never been beggars. Just remember that the farmers furnished one-fourth of all the men who went into the Army and the Navy in the last World War. They want to do their full part now. I remember being in France and talking with Clemenceau, and he said:

> If the people of France knew that we had only 4 days of wheat ahead we would collapse.

But the wheat was on the way, produced here in the United States.

I say this is the time to approach this as a defense measure. I tried to keep this country out of the present war, but we are in war, and now I propose to put every ounce of strength I have into winning the war. I deplore the fact that a hero like MacArthur is not getting the help that I feel he should have or the necessary weapons to aid him and his gallant men in their heroic fight. Now why do you begin today to sabotage the dairy industry in our country, making it impossible to produce the food that we are going to need to feed our Army and our Navy?

This bill today is a serious matter of defense. There is not a great amount involved—merely a crumb as compared with certain boondoggling appropriation bills you have passed in peacetimes.

So I urge upon you men today to look upon this as you should, as a defense measure. Look at it just as you would if a group of industrialists were in here, as if the railroad people were in here. The farmers are a loyal element of this country who can always be relied on to do their full part. They have been battling to preserve their dairy business and their mode of life. Now the war is upon them. The drab shadow of the absence of their boys as helpers is settling down over the farms. You are the last refuge of the farmers, who need feed for their livestock.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. BECKWORTH. It is reasonable to assume, is it not, that the Committee on Agriculture was sincere when they voted out this bill by a vote of 16 to 3 the last time, and certainly were considering the fact that it is necessary to produce commodities to feed the people which this country has assumed the obligation to feed both here and abroad?

Mr. REED of New York. The people of this country, and particularly the Congress, are losing sight of the fact that this is a different type of war than we have ever been in. It is a war on every front.

Mr. CREAL. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. CREAL. While there may be a scarcity of farm labor in some sections, if it is production we want, do you not think that would be materially stepped up by lifting some of the restrictions on acreage production?

Mr. REED of New York. I am not going to pass upon that question. I want to stick precisely to the issue that is before the House. I say this is a different war than we have ever had before. It is a war on all fronts. It is a war carried on three, five, and six thousand miles from the home base; a war in which we must transport every ounce of food necessary for our soldiers abroad. Even now the soldiers who have landed in Ireland are crying out for American food and we must get it to them. We must get it to all of our Allies, and unless we can produce it we cannot get it there.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. LUTHER A. JOHNSON. As I understand this bill, it has a provision limiting the amount that any one person can receive to $500, so that nobody is going to get any large amount?

Mr. REED of New York. Nobody is going to get rich, but you can by passing this bill save this essential farm industry. I say to you that Hitler would rejoice if you were to defeat this bill today.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I was very much surprised to hear my distinguished friend from New York stand here on the floor of the House and make the statement that if there were railroad lobbyists up in the gallery, some Members might look at legislation in a different way. I come from one of the greatest railway centers in the United States. About 30 trunk lines run into my city, St. Louis. I have been here almost as long as the gentleman from New York, but never once did railroad lobbyists that he speaks of either try to tell me what to do or ever try to control my vote, nor could they. I think it ill becomes a Member to rise here and tell the people through the CONGRESSIONAL RECORD that some Members are controlled by railroad lobbyists or any other kind of lobbyists.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Just a moment.

Mr. Chairman, I am opposed to this bill for the reasons I stated yesterday, and the appeal made by the gentleman from New York has not changed my views nor can I reach the conclusion that this is a national-defense measure in any manner, shape, or form. If you want these individuals you speak of to get assistance, if they cannot get assistance under the old law, the existing law, do as I said yesterday, bring in a bill providing that regardless of whether they owe the Government or not they are still entitled to a loan, if in need, and I will vote for it.

My record will show that during all the years I have been a Member of this House I have supported practically all bills beneficial to the farmers of this country. I did not support the old McNary-Haugen bill, but aside from that I have supported all major legislation affecting the farmer.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The question was taken; and on a division (demanded by Mr. HOPE) there were—ayes 78, noes none.

So the amendment was agreed to.

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I certainly have no quarrel with the thesis that it is sound policy for our Government to help the farmers conserve their soil or to extend them a helping hand in days such as we experienced back in 1932 and 1933 when cotton was selling for 8 and 9 cents a pound, and wheat was down to 40 or 45 cents a bushel. I lived through those days out in the Panhandle of Texas. I know just exactly what the farmers went through. I am saying to you, however, that the American people, the taxpayers of this country, have the right to expect of us rigid economies in these days of critical emergency. They are not expecting us to give hand-outs to any class of our population, particularly when it comes on top of already generous subsidies.

The distinguished chairman of the Committee on Rules yesterday inadvertently gave us perhaps the most cogent and compelling argument for voting against this scandalous—and I measure my words when I call it scandalous—measure. He said that there had been no doles, no handouts to the farmers until along about 1932 and from that time to this good day we have given the farmers in one form of relief or another the stupendous sum of $11,000,000,000. That was climaxed by the lavish grant last year of about $1,100,000,000.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM T. PHEIFFER. In just a moment.

My good friend from Oklahoma [Mr. DISNEY], a while ago, said that this bill is filled with graft. I want to go just a bit further. I agree with him that it is filled with graft, but I want to say that our farm-relief system has degenerated into a grand and inglorious racket.

Mr. DISNEY. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM T. PHEIFFER. I yield.

Mr. DISNEY. The gentleman's hearing must not be good because I did not say this bill was filled with graft; I said the bill was a grab, that we had had some recently and we were going to have some more.

Mr. WILLIAM T. PHEIFFER. I beg the gentleman's pardon. I understood him to say "graft."

Mr. DISNEY. I still say it is a grab.

Mr. WILLIAM T. PHEIFFER. I agree with the gentleman entirely. I say it is a supergrab. Just to give you some idea of the temper of the country I am going to read a paragraph from a very significant editorial from the New York Times which was published at the time we had before us that infamous measure, the freezing bill, whereby stocks of cotton and wheat were frozen in the hands of the Government. Here is what that great paper said:

> Unfortunately, the freezing bill is only one of a cumulating series of moves by congressional farm leaders which reflect a reckless determination to exploit the national emergency so as to grab everything possible for agriculture while the getting is good. It is no longer a question of relieving distressed farmers or of bringing about a fairer balance between agricultural and other prices. The farm bloc in Congress, having achieved its long-sought goal of pre-war purchasing power parity for farmers, has unceremoniously dumped that concept and is now frankly out to boost farm prices as much as possible. Its Members are competing to see which can outbid the rest in the rapacity of his demands for agriculture.

I respectfully submit to the House that that editorial fairly expresses the sentiment of the nonagricultural sections of the population of the United States today.

The bill before us this afternoon, despite the comparatively small amount of money involved, makes all former exorbitant farm-relief measures seem modest by comparison. It is the capstone of the pyramid. If we enact this bill into law we will in effect be saying to the farmers that if their crop yields are curtailed by the vagaries of nature, they have but to pluck a check from the Government Christmas tree to recoup their losses. And all the while their neighbors and fellow citizens who are dependent on industrial, mechanical, and trade pursuits to eke out a living for themselves and their families are being buffeted by the violent winds of economic disaster and trade restrictions which is making it increasingly difficult for them to pay the enormous taxes which must be levied to supply all of this Government largess which is being so freely dispensed to the farmers, and other special benefit pressure groups. If this bill becomes law it will have another pernicious effect on the farmers themselves in the sense that it will take still more of the starch out of their backbones and cause them to still further discount the immutable truth of these words spoken by that great American, Grover Cleveland:

> Though the people support the Government, the Government should not support the people.

[Here the gavel fell.]

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last four words, and I ask unanimous consent to revise and extend my own remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, I will be compelled to vote against this bill if I am to continue to be consistent in voting against what I consider to be unnecessary appropriations. I would like to please my New York friends by casting a vote for this measure, but if I do, then I must vote for other nondefense relief measures. I

think I should be permitted, as so many other Members have been permitted, to vote one way and at the same time call attention to arguments in favor of a contrary vote. I do not understand why the gentleman from Missouri [Mr. COCHRAN] should get up here and oppose this bill as a raid on the Treasury of the United States. Certainly the district and the city which he represents has had its share. It has had its hands into the public grab bag clear up to the shoulder. There is an overwhelming majority of the individual Members of this House who have voted time and time again for similar and more unjustifiable and far larger appropriations. Here is that group from the New England States, they have had their share. Payment for timber. Funds for Passamaquoddy and how many other projects and relief measures. My friend from Massachusetts [Mr. GIFFORD] who tried to make light of this matter earlier in the day, got his district or people or neighbors their little rake-off on a fish appropriation of a few million dollars several years ago. You gentleman from the South, you cotton and tobacco boys, have had yours time and time again, and plenty of it on several occasions.

When the gentleman from Missouri [Mr. COCHRAN] made reference to a lobby and waxed indignant at the idea that we were ever influenced by a lobby or by pressure, he knew he was not fooling anyone. I do not mean a lobby is up there in the gallery now. We have had lobbies up there and around the House in the past. Does any one in this House think for one moment if that C. I. O. lobby of 300 that was down here a while back and afterward boasted in the C. I. O. News how they had put across their legislation, came down here and backed this bill that the appropriation would not be made—even doubled if they asked for it? You know it would.

Is there anyone here who is so dumb that he does not know that time and time again from down at the other end of the Avenue representatives of the administration have come up here and asked for millions and billions of dollars and got it? Just how often has the administration put across its measures by pressure? How long ago was it that the Speaker from the floor read a letter from the President telling us just what he wanted?

Mr. COOLEY. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman made the statement that the tobacco farmers had made a grab from the Federal Government.

Mr. HOFFMAN. No; I did not say that.

Mr. COOLEY. The effect of the gentleman's language was that. I would like to have the gentleman tell the House one instance where the tobacco farmers of America have taken anything out of the Federal Treasury, and before he answers that question let me call his attention to the fact that the tobacco people have paid into the Treasury of the United States hundreds of millions of dollars.

Mr. HOFFMAN. I need only refer the gentleman to the campaign speeches of the Members from the tobacco districts in which they boasted of what they got for their respective districts.

Mr. COOLEY. The gentleman cannot refer to any campaign speeches I made in that regard.

Mr. HOFFMAN. Mr. Chairman, I will tell you why I cannot vote for this bill. It is because we must cut down on nondefense expenditures. If we wait until no one is hurt by our refusal to appropriate funds, we will never begin. However, I will be no more disappointed if this bill passes than I have been in the past when other appropriations that I thought were not necessary went through. I am sick and tired of hearing the farmers made the goat. I would vote for this bill if I thought the farmers of my district, of my State, and of our Nation believed in the policy of giving everybody something for nothing. I still think that our farmers are too independent and have too much faith in our system of government and our way of doing to want this kind of legislation; but if the gentleman from New York and the cotton and tobacco boys insist, as I said before, while I cannot help them by my vote I know of no reason why you other gentlemen who have had your share for your districts cannot go along and support it. Do you see the point? Having had your pet appropriation put through and believing as you must, as your vote indicates, that the Federal Government is Santa Claus, you can vote to give the honest, hard-working farmer a little of the relief that is being handed out

All I am asking for my district and for my farmers is that the O. P. M. get off their necks and let them have the trucks, the tractors, and the equipment for the farms so they can operate. Also that they not permit the Army to take all of the able-bodied men off the farms so we cannot cultivate the land. If you will give the farmers a fair, decent show as you had a chance to do when the price-fixing bill was here and when you turned down the farmers' plea, they will pay their taxes and produce from the Fourth Congressional District of Michigan more than their share of the farm products needed.

[Here the gavel fell.]

Mr. BECKWORTH. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, the statement has been made here this afternoon that the price of farm commodities has risen, which is doubtless true. May I say, however, that the price of many of them could rise even more and some of the farmers, many of them in fact, would not be receiving cost of production plus a reasonable profit. If a farmer possesses no agricultural commodities to sell, the rise of farm prices means nothing to his income.

I want to read a letter that is incorporated in the report on this bill which came to me from a fine citizen in a section of the district I represent. It is a case in point. This letter was written by Mr. Alf Morris, Winnsboro, Tex., and reads as follows:

> Frankly, the situation is the worst I have ever seen, as our crops are from 10 to 20 percent normal, and the better prices have for that reason meant nothing to the farmer in the way of income. Better prices have really been against our farmers for they have everything to buy and practically nothing to sell. As an instance, I personally own a little farm in Wood County that has been producing five and six bales of cotton, but it made only 800 pounds of seed cotton this year.
>
> Two-thirds of a bale of cotton is worth less than $60 and constitutes the major portion of the income for the person who worked the land, so it is easily seen how much the person who worked the land made.
>
> My income from that farm was $11.87, and my State and county tax amounted to $10.06.

In other words, the person who worked the land made less than $60, and the owner of the land made little more than $1. What does an increase in price mean to a person who works a farm in a situation like this? It means absolutely nothing, because nothing was there to sell.

The inference has been made here during the debate that this bill has not been carefully considered. Some hearings from time to time have been held on this bill or on similar legislation for several weeks. I am reliably informed that when the bill was voted on in the House Committee on Agriculture recently it was favored by a vote of 16 to 3. I cannot understand how any person can imply that the Committee on Agriculture is not interested in this legislation. The Committee on Agriculture is, of course, interested in doing its part to carry out the announced policy of our Government, the policy of making America not alone the arsenal, but also the larder of the democracies. Had not the members of that committee felt it imperative to pass such a bill, I do not see why they voted for the bill.

A further inference has been made that there are no limitations whatever on what an eligible person can receive by the provisions of this bill. Nobody can get a penny under this bill until he can show that he made less than 40 percent of a normal crop. Who is there on the floor of this House who can say that this type of person does not need help in the worst way? I cannot understand the reasoning of those who say that there is no limitation whatever in this bill. He who reads this bill cannot fail to see several pronounced limitations in the bill.

Further, any person receiving help must receive it according to the rules and regulations of the Farm Security Administration. Will anybody say that the Farm Security Administration is pursuing a policy of helping those not in need? My conception of the splendid work of the Farm Security Administration which I have seen causes me to believe they are seeking to aid only those in need. I cannot say they have always had a perfect record—no agency of the Government does have a perfect record—but I know in the area with which I am familiar some very impoverished and meritorious farmers have been given assistance.

I say the time has come when those who are trying with all their might to remain on the farm and must have some help in order to so do should have their

problems considered and adequately taken care of.

Someone has said, "How rich is life if we do good?" This is a golden opportunity for the membership of this House to help those who feed and clothe this Nation. Be it remembered, "The spade is mightier than the sword," for without food giving strength to those who are to wield the sword, there can be no successful effort either to defend this country or for all-out victory. Do your part to help our farmers whose crops have failed. Their cause is a worthy one.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I should like to arrange to limit debate on this section so that we may go to another section and, if necessary, take some time on that. I ask unanimous consent that all debate on this section close in 8 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. STEAGALL].

Mr. STEAGALL. Mr. Chairman, I wish to express my thanks to my good friend the gentleman from South Carolina [Mr. FULMER], chairman of the Committee on Agriculture, and the other members of that committee, for making a favorable report on this bill. I am not informed as to conditions generally as are members of the Committee on Agriculture, but I do happen to have personal knowledge of conditions in one section of the country. I happened last October to travel probably 7 or 8 miles across a farming section in my State where the lands were cultivated by tenants—all of them colored tenants. Cotton is their only crop that amounts to anything. Now and then I saw a little sign of a garden, sometimes a cow, sometimes a hog, now and then a potato patch, and a little corn, but cotton is their crop.

In that connection let me say that that county for 2 years before that had had what might properly be called a cotton-crop failure. These people had planted acreage within the limits of the law. I do not believe in the territory over which I traveled that morning I saw enough cotton to indicate the production of as much as one single bale of cotton, and I traveled for miles and miles.

If Members of the House or anybody else could have seen what I saw then of the conditions that exist there and could understand the hardships under which those people suffer, and how impossible it is for them to take up the work of the new year for the production of crops and to play their part in the production necessary to the welfare of the country, I do not believe any man would charge any of us with demagcguery when we appeal for assistance for people of this type. What I saw was enough to melt the heart of any man.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Texas.

Mr. BECKWORTH. What percentage of those people could borrow one penny of money anywhere, in the gentleman's opinion?

Mr. STEAGALL. They cannot borrow money because under the conditions that exist there, and that existed during the last year and the year previous, nobody lending money would feel that there was any reasonable assurance of repayment.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Vermont [Mr. PLUMLEY].

Mr. PLUMLEY. Mr. Chairman, I am for this bill. I am for almost any bill that will afford anybody any relief. God knows we need it, and a lot of it.

The matter concerning which I am about to speak may not be directly in order, but if anybody wants to raise a point of order against what I say they may do it on their own responsibility and take their chances and the consequences.

Yesterday morning I received a notice—and I need relief and therefore what I say is apropos—to the effect that on and after February 1 I would be paying and would have to pay 50 percent more for the night storage of my car than heretofore for 3 years. Now this affects every Member of this Congress who has a car in storage overnight in any garage, for if one can get away with it all should be able to do so. There is no justification whatever for that 50 percent increase. The alibis given in the notice are no excuse for the deliberate piratical attempt to profiteer. They will not stand analysis.

Realizing the situation, of course, I would be, and I am, willing to contribute a certain portion of what I may earn in addition to what I have been paying toward the support of those who may be affected by certain rulings that have been made necessary by the war which affect garages, but when they undertake to impose upon me a 50-percent tax, that is piracy, profiteering unadulterated, shameless and unjustified, going beyond all reason for which there is no justification and can be no apology, based on their statement to the effect that the length of cars, and so forth, and so forth, has been extended and their capacity reduced one-third, and so forth, and so forth. Unadulterated bunk which may cover but does not conceal their attempt to hold up and to shake down their patrons.

I might go on somewhat at length but since yesterday morning I have been undertaking to contact our good friend "the mayor of the District of Columbia," our distinguished chairman of the District Committee, who is unfortunately—so far as we are concerned—absent and who, using the same judgment I probably would use under the circumstances, has no telephone, whereby he can be reached, except at the Capitol. I wanted to know from him to whom to appeal, to whom to apply for relief in the premises pronto. I have been telephoning everywhere and everybody until I am about blind, deaf, and dumb, without success, so I am laying the matter in your lap because you, the Members of Congress, are the people who are going to be directly, financially affected to the tune of a 50-percent increase in what you have been paying for the privilege of keeping your cars off the streets of the District of Columbia, and you have the power to put a stop to this kind of business, and now. And do not forget that those who are trying to play you for suckers love your money better than they do you.

Of course, I know that what constitutes profiteering in time of war is clearly defined by statute, and that the law imposes a penalty therefor; and I know that the case in hand is clearly covered by the law; but I ask you why should I have to take this $3-a-month case to the United States Supreme Court to prevent and to stop such an unconscionable proceeding as is being perpetrated? I will do it if I have to do it and I am already assured that several similarly situated will join me. It should not be necessary. The time to act to stop such practices is before, not after, the horse is stolen. I do not propose to be the goat, however, just because I am good looking, kindly disposed, and a Congressman. What about it? Are you with me or not?

The Clerk read as follows:

SEC. 2. (a) In the case of any producer of cotton or tobacco on whose farm the acreage planted to such commodity in 1941 did not exceed the farm-acreage allotment for 1941 under the agricultural conservation program, and who establishes to the satisfaction of the Secretary of Agriculture that (1) because of drought, excessive rainfall, boll-weevil infestation, or other uncontrollable natural cause, his actual production of such commodity in 1941 was less than 40 percent of the normal production of such planted acreage, and (2) that as a result thereof such producer is in need of assistance as provided in the formula followed by Farm Security Administration, the Secretary is authorized and directed, out of funds appropriated pursuant to section 5, to make payment to such producer in an amount equal to (A) the difference between the actual production of such planted acreage times (B) the parity price of such commodity as of the beginning of the marketing year beginning in 1941.

(b) Payments under this section shall be divided between owners, operators, tenants, and other persons interested in the crop in the same proportion that they were entitled to share in the crop or its proceeds. The maximum amount of any payment to any person under this section shall not exceed $500.

(c) When used in this section, terms which are defined in section 301 of the Agricultural Adjustment Act of 1938, as amended, shall have the same meaning as when used in such act, as amended.

With the following committee amendment:

On page 2, line 22, strike out the entire line and insert "eligible for assistance as provided in the present regulations of the;" and

On page 3, line 2, after the word "production", insert "and 40 percent of the normal production."

The committee amendment was agreed to.

Mr. RIZLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RIZLEY: On page 2, line 12, after the word "cotton", strike out the word "or" and insert "corn, wheat, kaffir corn and other grain sorghums."

Mr. RIZLEY. Mr. Chairman, yesterday in speaking against this bill I did

so because I think the bill is unwise. I think it establishes a bad precedent and I am still of the same opinion. But if we are going to have such a bill as this, certainly, we ought to make it an equitable bill and be just as fair to the corn farmer and to the wheat farmer and to the kaffir-corn farmer and to the alfalfa farmer, and I may say the beet grower, as to the cotton farmer and the tobacco farmer or the dairymen up in New York.

If we must have this legislation, then I say that case after case in my own district can be cited where this year, because of floods, not because of droughts in the Dust Bowl, the wheat crop was an entire failure, the kaffir corn was washed away. I can show you in one county in my district where, due to a flood, two or three townships in that county were flooded and the entire crops destroyed. They do not raise wheat, they do not raise cotton, there are some dairy interests there, but if we are to have this legislation, then why not make it equitable and apply it to the other crops?

I was somewhat amused at my good friend, the gentleman from New York [Mr. REED], a man whom I have learned to love as much as anyone in this House during the time I have been here, in saying that this bill is part of the defense program. I want to say to the gentleman that there were two things put in this bill for the purpose of attracting the Members of this House and getting them to vote for it. One was this provision relative to parity that has now been stricken out, because it has been said that if that was in there the boys will think it is not going to cost anything, and then someone said, "We had better fix it up a little, because you know you can get anything now in the name of national defense."

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. RIZLEY. Not right now.

Mr. REED of New York. The gentleman referred to me.

Mr. RIZLEY. I only have 5 minutes, while the gentleman had 10 minutes, but I will yield to the gentleman.

Mr. REED of New York. Does the gentleman mean to tell the House that 13,000 farms are of no consequence in respect of national defense?

Mr. RIZLEY. No; I do not mean to say that at all. The gentleman well knows that I have repeatedly called the attention of the Congress to the importance of the farmer in connection with the defense program. Of course, they are, and I have said that time after time, but just this summer, when by retroactive legislation there was fixed 49 cents a bushel penalty on wheat and I tried to get a bill through to repeal the penalty provisions; no, I could not even get enough sympathetic consideration simply to permit the farmers to feed their excess wheat; I could not get the chairman of the great Committee on Agriculture or enough of the members on the committee to get that bill before the House for consideration.

The gentleman from New York further said that back many years ago they were very good to the Western States and that they used to have bundles for Kansas. I do not know about bundles for Kansas, but it does so happen that my parents went down into the Panhandle of Oklahoma a little over 50 years ago. And I do know this—and I remember it well as a small boy—that the people in that section of the country, when the drought came and when things were hit as they are hit now, did not ask Congress for relief. I can remember well when they went out and picked up the buffalo bones from the prairies and hauled them to Dodge City, Kans., 75 miles away, in order to get enough food and clothing to keep their families through the winter months. I do not know anything about bundles from New York. I was there and I did not see any of them. That was the way we got along in those days. In these latter times it is true we have had help from the Government. We have had these appropriations from the Department of Agriculture when the droughts came to that stricken country for 7 long years. We relied upon the regular agencies of this Government to get our relief and we did not ask for any special relief.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I rise in opposition to the amendment. I am somewhat surprised at the distinguished gentleman from Oklahoma [Mr. RIZLEY] a good friend of mine, a member of the committee, offering the amendment that he has. During the hearings and at the executive sessions, when the bill was amended, we never heard a word from the distinguished gentleman from Oklahoma about the conditions in his State that he portrays at this time.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I have only 5 minutes. He did not say a word about the wheat crop, or offer an amendment.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield? He has referred to me.

Mr. FULMER. One minute. Wheat has insurance, and cotton has not any insurance, and as far as sorghum is concerned, there is no program for it, and you could not work same under this bill. Hay is in the same situation. We have a special provision for that. The gentleman knows that when I introduced the bill to take care of thousands of people, many of them in his district, who did not comply with the farm program, who failed to produce a crop of wheat, and that had to pay 49 cents penalty, that the gentleman was after me day in and day out, urging me to pass it for the purpose of helping his people, and I did, and today he offers an amendment that if adopted, would tend to destroy the bill. I hope the amendment will be voted down.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield?

Mr. FULMER. Yes.

Mr. RIZLEY. Since the gentleman refers to the fact that I did not offer this amendment when the bill was in committee, I may say to the gentleman that I did not offer it because I did not think at that time that the bill would ever be before the House for consideration. I did not anticipate at that time that there would ever be a rule granted by the Rules Committee on the bill, and while I may have been a little lax, yet, since it is here now, certainly I have the right to insist on having the bill made an equitable bill, so that it will protect all farmers alike.

Mr. FULMER. And I am absolutely surprised at that statement coming from the distinguished gentleman who is a member of the committee and who knows the facts. He must have known that the bill was reintroduced at the request of the Rules Committee so that they could consider it for a rule, which was given by unanimous consent of the Rules Committee. I hope the amendment will be voted down.

Mr. RICH. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Oklahoma.

The Clerk read as follows:

Amendment offered by Mr. RICH to the amendment offered by the gentleman from Oklahoma: At the end thereof add the following:

"Whereas our shift from a peacetime to a wartime economy is forcing out of business thousands of automobile dealers, garagemen, gas-station operators, tire salesmen, and small merchants and manufacturers, and whereas thousands of these operators, as well as the Government of the United States, now face bankruptcy, the Secretary of the Treasury is authorized and directed out of funds appropriated pursuant to section 5 to make payment to those who establish to the Secretary's satisfaction their need of financial assistance to protect their capital structures, a sum equal to the difference between the actual net earnings of said operators for year 1942 and 40 percent of the normal net earnings over the 5-year period, 1937 to 1941, inclusive."

Mr. FULMER. Mr. Chairman, I make the point of order against the amendment that it is not germane.

Mr. RICH. Mr. Chairman, will the gentleman withhold his point of order?

Mr. FULMER. Yes, Mr. Chairman; I reserve the point of order.

Mr. RICH. Mr. Chairman, I think the amendment offered by the gentleman from Oklahoma [Mr. RIZLEY] is a good amendment. If you are going to aid everybody why not include the wheat farmer and the other farmers, who work just as hard as the dairy farmer. I am interested in the farmers of the country and I want to see them get every dollar they can for their commodities and for their labor, because they are the hardest working people that we have in this country; but the Government has put out of business several thousand automobile dealers, and you have put out of business a great many gasoline stations and tire dealers. Why are they not to be considered just the same in this bill as these particular men? Are not they in need? Every man who suffers should be taken care of somehow, if you can do it. In fact, you have been dealing out gratuities the past several years that now stagger our Treasury.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. RICH. I have not the time or I would. I believe in being fair to all of our people alike. We paid out in behalf of the farmers in 1939 $1,409,000,000, and in 1940, $1,049,000,000, and much of that money was paid to the farmers for not

raising crops. Why do we not pay farmers for raising crops and try to help them in that way, if we are going to win this war. We should cut off the political leeches of the Agricultural Department, and we would have lots of money for the real farmers.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. RICH. I cannot, as I have only 5 minutes. The great question we have confronting us in the prosecution of the war demands our solvency as a nation. I did not want to get into this war, and I did everything I could to keep the country out of war, but since we are in it I want to do everything we can to win the war. If we are going to win the war, we have to have a nation that is financially strong, a nation that is going to be able to prosecute the war, with an army of three or four million men and a two-ocean navy and hundreds of thousands of airplanes. It will tax our people to the limit to have a solvent nation. Let us keep it so, or we are lost. Do not pass legislation such as this at this time. Stop passing such bills as pensions to Congressmen. That was terrible, and the Congress should be censored by the voters for passing such legislation at this time. Why, they did not notify us that such bills would be brought on the floor. I condemn the majority party for such acts.

When I think of paying the soldiers in the field only $21 a month, then I begin to think there is something more than taking care of just one group of people in this country. What we have to do now is to buckle down and finance this Nation to save it. We have to try to save this Nation from going into bankruptcy. When you look at the Treasury statement of January 21, you will find that from July 1 to January 21 you have gone into the red $8,722,045,747. You will be in the red $15,000,000,000 by the end of this year. We have appropriated—this Congress, you men sitting here, have appropriated since January 1 over $30,000,000,000, a sum unequaled in any one month in the history of the world by any government.

Last year the appropriations you made were the greatest ever made in the history of any nation in any one year. I would like you to tell me where are you carrying this Nation of ours? Where will you get the money? I cannot see anything but bankruptcy ahead of you. If you go on the way you are going now, certainly that will be the result. Then how will you prosecute this war? If we want to get those yellow-bellied Japs and stop them over there, we have to put everything into it in order to win this war. Everyone in this country will be faced with the greatest taxation ever heard of. The Ways and Means Committee is now trying to devise means to secure $9,000,000,000 additional. How will they do it? I do not think we should pass this legislation today at all. I think the Congress of the United States has gone haywire. I think the Congress of the United States has not given diligent and earnest consideration to all phases of our national life. If we keep on going the way we are going now, nothing but utter ruin will follow.

[Here the gavel fell.]

The CHAIRMAN. Does the gentleman from South Carolina insist upon his point of order?

Mr. FULMER. Yes, Mr. Chairman, I insist upon the point of order.

The CHAIRMAN. The Chair is ready to rule. The Chair sustains the point of order.

Mr. DISNEY. Mr. Chairman, I rise in favor of the amendment offered by the gentleman from Oklahoma.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. DISNEY. Mr. Chairman, in the last 15 minutes a member of the Ways and Means Committee sat down beside me on this floor and said to me, "DISNEY, how on earth are we going to raise this $7,000,000,000 which the President is asking for?" I answered him, "Not by the means that appears to be going on this afternoon." Just how to do it we do not know. What encouragement is there for us to work very effectively and vigorously trying to raise that stupendous amount of money when the Congress are picking Uncle Sam's pockets every afternoon? Why do we not get off of Uncle Sam's back and quit picking his pockets?

Now, a good, convincing case can be made on this floor for any Federal appropriation that is proposed, whatever the subject matter is, whether it is housing, relief, or farm aid, or corporation aid or railroad aid or flood control, a splendid case is made for any bill that comes up. But, in 25 years our Federal appropriations have increased tenfold, from 1916, when our total Federal Budget was $1,034,000,000, up until 1940, when the total Federal Budget, exclusive of emergency defense, was $9,000,000,000. Nine billion dollars, an increase of tenfold in appropriations, with an increase in population of less than 20 percent. What for? Is this all for Government per se? Only about 25 percent of this money goes for Government per se, the protection of life and property. The rest of it is for things that are not Government as such.

A drought in New York? The first since 1925. Why, we have had one in Oklahoma every third year, and someway we have gotten by. But this Federal debt has grown so great that some day there must be an accounting. How are you going to justify yourself, if that is necessary, in voting for a $7,000,000,000 tax bill when you dribble away the money in these bills of lesser importance? I do not see how we can justify it with our taxpaying constituencies.

I may be a voice crying in the wilderness, but we will soon have presented to us bills involving tremendously larger appropriations. You will be faced with the same proposition; for wage training next week we will probably have a bill for $300,000,000. Then what about the people who are out of jobs because the Government has put the heavy hand of priorities on small business, and men are out of jobs, not through any act of God but by act of the Government itself? Are they not as much entitled to relief as anyone else? It is involuntary on their part, just as this is a situation involuntary on the part of the farmers.

In my judgment, we are going too far in passing bills like this. I think the time has come to stop. Do you know what the cost of government in the United States just 3 years ago was? In 1938 the total Federal, State, and municipal budget was $18,300,000,000, as against a national income of $64,000,000,000. In other words, nearly 30 percent of the money of the taxpayers went for so-called government. Less than 30 years ago our total Federal Budget was only $700,000,000, in 1913. Our population and our need have not increased to justify its reaching such vast proportions as we have witnessed in recent years.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. RIZLEY) there were—ayes 43, noes 55.

So the amendment was rejected.

Mr. BRADLEY of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BRADLEY of Michigan: Page 2, line 13, after the word "tobacco", insert "or sugar beets."

Mr. BRADLEY of Michigan. Mr. Chairman, I offer this amendment in all good faith although I intend to oppose the bill; but if we are going to give aid to the cotton and tobacco farmers we certainly should take care of the sugar-beet growers of northern Michigan who have been kicked around all these years not only by the "Cripple A" which has reduced their acreage, but now find themselves being pushed around by Mr. Henderson due to a sugar shortage. We certainly should not help crucify him if he has suffered losses from the weather and other things over which he has no control.

Let me read you a letter I received from a sugar-beet grower in my district which sets forth some of his woes under this present administration:

HARRIS, MICH., *January 26, 1942.*

Hon. FRED BRADLEY,

Washington, D. C.

DEAR SIR: During the year of 1941, I grew 4 acres of sugar beets for the Superior Sugar Co., of Menominee, Mich.; from which I delivered approximately 40 tons of beets to the local loading station, enough beets to make about 100 hundredweight of sugar. We had unusually wet weather during beet harvest which caused the hauling cost from field to station to run about $1.50 per ton instead of the usual cost of 60 cents per ton. I mention this only to illustrate some of the difficulties we farmers have to contend with in raising a beet crop.

On January 10, 1942, the field representative of the sugar company called and advised me that we beet growers could get a year's supply of sugar at about $1 per hundredweight less from the sugar company than local stores were asking and have same charged against our account with the sugar company. At this time I contracted for 4 acres of beets for 1942.

There are 8 in our family—6 children, ranging in age from 6 to 13 years. Incident-

ally they helped in thinning and harvesting the beet crop.

With the above in mind, I drove 52 miles to Menominee on January 20, 1942, with the intention of getting 500 pounds of sugar, which I estimated would be about a year's supply, and which at a saving of $1 per hundredweight would make the trip worth while. When I got to the sugar company's office they advised me that they were sorry that they could not supply me with sugar since they had received—the day previous—a telegram from the Office of Production Management directing them to discontinue at once the practice of supplying sugar to their growers and employees.

I am canceling my beet contract for 1942, fully aware that I, like a great many other farmers, am only a small drop in the bucket. How can the various alphabetical agencies of our Government expect us to grow beets in 1942?

I realize our responsibilities in the food-for-freedom campaign, but it seems to me that the enclosed clipping from the February issue of the Farm Journal illustrates very clearly what is happening in the country today. Sugar is being raticned and "Cripple A" wants farmers to produce more sugar.

A foreign-born neighbor tells me I'm foolish to work in the hot sun thinning beets when he makes more money on Work Projects Administration, and admits to me privately that he perjured himself to get on Work Projects Administration.

Our children are asked to save waste paper. Jobbers have closed down their operations because they cannot get men to cut pulpwood. Able-bodied men in their early thirties, living within a mile or two of this timber, drive 50 miles per day to loaf on Work Projects Administration. Our schools are asked to stay in session on Saturdays so that the school term can be shortened and the children put to work producing food. A neighbor, 33 years old, must report to the Army doctors tomorrow for a medical examination. He is producing about 25 pounds of butterfat daily, single-handed and alone. If drafted he must dispose of his dairy herd at once and close up shop.

If memory serves me right, a sugar factory in Janesville, Wis., was "Cripple A'ed" out of business, dismantled, and the machinery sold to a Canadian concern only last year.

This is an awful tale of woe, but, perhaps, you can show this to some of your fellow Members in Congress, especially Senators VANDENBERG and BROWN, and to Representative ANDRESEN of Minnesota.

If the grievances enumerated here should be remedied soon I will reinstate my contract with the sugar company.

Yours truly,

LESLIE W. GOOD.

P.S.—I am enclosing a copy of my 1941 beet contract, and would call your special attention to clauses 14 and 18, and to the attached rider. Wasn't it Napoleon who said, "An army fights on its stomach"? I'd like to do my part. Maybe I'll be one of Benny Arnold's brothers, but you can use any or all of this letter as you see fit.

Now, Mr. Chairman, this extract from the February issue of the Farm Journal to which Mr. Good refers is a poem which was written by Walt Mason back in 1917. It was most timely then. One would think that over a period of 25 years we should have learned our lesson from our experiences in 1917, but, unfortunately, I find that I must fully agree with my constituent when he expresses the opinion that Walt Mason's poem is just as true today as it was 25 years ago. I hope every Member of this Congress, and I wish every responsible Government official here in Washington also, would read this poem carefully and then ask himself whether or not he is keeping his head and doing things sanely.

Let's keep our heads and do things sanely.
Excitement is indulged in vainly.
Since war clouds gathered o'er the Nation,
There's been such frenzied agitation,
So much of useless noise and clamor,
It gives a sane man Katzenjammer.
A lot of busy men are screeching;
You'll shriek with them, or you're a traitor—
Old Benny Arnold was no greater.
A thousand schemes no man could follow,
Each morning we are asked to swallow;
You must do this or that or t'other,
Or you are Arnold's younger brother.
These noisy skates are misfits, plainly.
Let's keep our heads and do things sanely.
All history this fact is telling:
Great wars are never won by yelling.
We'll never whip the foemen's boosters
By crowing like so many roosters.
We'll never win a single battle
By milling 'round like locoed cattle.
That kind of loyalty is easy;
But when the tax collector, breezy,
Comes up to ask us for our plunder,
To help to put the foemen under,
A lot of patriots will shiver,
And have congestion of the liver.
Then you will see my smiles are many,
While digging up the groat and penny;
I saved them for my country, mainly;
Let's keep our heads and do things sanely.

Mr. FULMER. Mr. Chairman, I should like to arrive at an understanding with regard to a limitation of debate on this section and all amendments thereto if possible.

I ask unanimous consent that all debate on this section and all amendments thereto close in 30 minutes.

Mr. WHITTINGTON. Reserving the right to object, Mr. Chairman, is the time to be divided among the Members standing?

The CHAIRMAN. Ten Members are standing. The time will be divided equally.

The gentleman from South Carolina asks unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes. Is there objection?

Mr. KEEFE. Mr. Chairman, I object.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, earlier in the week the Congress was called upon to consider a $20,000,000,000 bill for defense. I counted the Members present in the Chamber while that bill was under consideration. I have counted those present at this time. I question very much whether there were present on that occasion during the consideration of the largest appropriation bill in the entire history of this Government half as many Members as there are present now in the consideration of a $20,000,000 appropriation bill.

The gentleman from Michigan reminded us that an army fights on what it eats. In my mind there is serious question unless this measure is passed today that our Army and Navy, as well as the civilian population of the country, are going to have enough to eat either to fight or to hold jobs. The minute you curtail dairy products as you will do if you fail to adopt this measure you are going to have a problem on your hands not only for the Army and the Navy but for metropolitan New York that is going to be gargantuan before we are through with this struggle. For this reason, Mr. Chairman, I suggest that those who have entered the discussion to ridicule this bill substitute arguments emphasizing the necessity of national defense and its relationship to the production of an adequate supply of milk and dairy products of the Nation.

I regret the tendency this afternoon of adding product after product and subject after subject to this measure, for it will defeat the real purpose of the bill to provide throughout the country adequate consumption of the products which have been named by the Committee on Agriculture.

It has been argued that there is a distinction between subsistence feeding and commercial feeding. This bill embodying as it does the cost of transportation of hay for dairy feeding in up-State New York does not invade the commercial feeding area; and for this reason there should be careful thought between commercial feedings and subsistence feedings. I respectfully call the attention of the Members to the necessity for sustaining these dairy animals rather than making a grab bag out of the whole thing and feeding them grains and other food.

The farm bill introduced here 2 years ago embodied the principal part of section 3 of this bill. I have consistently fought on this floor for the past 2 years and have laid the matter open not only to the people of my section but to the entire country that if the dairy farmers throughout the Nation are to survive the inroads of drought and flood and acts of nature, we must adopt a policy of legislation of this kind and I ask that it be favorably considered.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. BRADLEY].

The amendment was rejected.

Mr. FULMER. Mr. Chairman, we have had very liberal debate and I would like to agree on time. I ask unanimous consent that debate on this section and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina [Mr. FULMER]?

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, reserving the right to object, I have no objection providing my amendment may be offered and that I may have 5 minutes to speak on it.

Mr. FULMER. The gentleman will have plenty of time.

The CHAIRMAN. There are seven Members standing. Is there objection to the request of the gentleman from South Carolina [Mr. FULMER]?

Mr. JOHNS. Mr. Chairman, I object unless I can have 5 minutes on an amendment I intend to offer.

Mr. FULMER. Mr. Chairman, I move that the time be limited to 30 minutes.

Mr. CULKIN. Mr. Chairman, may I suggest to the gentleman that he make it 35 minutes?

Mr. FULMER. All right. Mr. Chairman, I ask unanimous consent that all

debate on this section and all amendments thereto close in 35 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina [Mr. FULMER]?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. BEITER].

Mr. BEITER. Mr. Chairman, I propose to support this legislation, not because of the letter of endorsement I am about to read, but because I believe production of milk is essential to the national defense and public welfare in this part of the country just as elsewhere, and I further believe that it is our duty to maintain a maximum production of farm commodities.

I have here a letter from the Lieutenant Governor of the State of New York, who wholeheartedly endorses this legislation. His letter is as follows:

STATE OF NEW YORK,
Albany, December 29, 1941.

MY DEAR AL: I am writing to you in connection with the Fulmer bill (H. R. 6359) in which the State of New York is greatly interested.

The State Agriculture Defense Committee and State defense officials are much concerned over the situation that has arisen in northern counties as a result of the drought, and we feel that passage of the bill will greatly relieve conditions.

Drought in the northern and eastern New York counties has been very severe this year. Many dairy farmers in the drought counties could harvest only 50 percent of a hay crop. It is an established fact that a large number of farmers in northern New York are practically out of hay for their cattle right now. The winter supply had to be used up during the summer months when the pastures were practically bare. With hay at $25 a ton and from two to two and a half tons of hay required to winter each cow, the farmers are selling their cattle.

Dairymen have been asked to increase milk production for American war needs and to help feed our allies. The after effect of reducing the herds will interfere seriously with the accomplishment of this purpose, not only immediately but for many years to come. The condition is critical and the necessity is immediate.

Federal grants of aid to drought stricken dairy farmers, as provided by H. R. 6359, would make it possible to hold the cow population to a large extent until the next pasture season.

Any assistance that you can give toward achieving the passage of this measure will be very helpful to the State.

Yours sincerely,

CHARLIE POLETTI,
State Defense Coordinator.

HON. ALFRED F. BEITER,
House of Representatives,
Washington, D. C.

Mr. Chairman, lack of rain throughout up-State New York during the summer of 1941 caused a critical situation among the dairy farmers. Hay crops declined and pastures were in poor condition. We all know what a problem is presented by such conditions. It means that hay prices are higher than is customary and that early barn feeding where crops were reduced will tend to reduce supplies which are already too low. If no aid is extended it means a substantial reduction in the production of milk.

The farmer's chief problem in the up-State New York area is getting his herds through the winter. Unless he is given aid he may have to dispose of some of his cattle. The production of milk is essential to the national defense and public welfare. I hope this bill will have your support.

[Here the gavel fell.]

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WILLIAM T. PHEIFFER: Page 3, line 1, after the word "make", strike out the word "payment."

Page 3, line 6, strike out the word "payments" and insert after the word "make", in line 1, the words "loans secured by such security as the Secretary deems adequate."

Page 3, line 6, after "(b)", insert the word "loans."

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, it is not the amount of money involved in this bill that is so important. It is the principle involved. I do not care whether there are involved $20,000,000 or $20,000,000,000. We are facing a distinct challenge here this afternoon as to whether we are going to ourselves dig the first breach in the dike. If we open the dike now and say that it is part of our system of legislation to give hand-outs to any part of our population, farmers, tire dealers, bankers, or barbers we are setting a precedent that will rise to haunt us as long as this Nation lives.

It is not an easy matter for me to oppose this bill because I know full well that it is, in part, for the benefit of the dairy farmers of my home State. But Mr. Chairman, there can be no compromise with principle. We cannot this afternoon, simply for political expediency or simply because this bill affects the welfare of the dairy farmers of my State or the cotton farmers and tobacco farmers of other States, go on record as saying that because of the elements having played havoc with the crops you can come to the United States Treasury and get free money.

I anticipate that these farmers will not be able to put up any real security. Certainly most of their property is already hypothecated to the various Government loan agencies or to their banks, but even if they can put up an old plow, if they can give a mortgage on a third- or fourth-hand car, token security, if you please, let us save their self-respect. Let us not say that they may just come up here and receive free hand-outs, because if we do that we are going to have other classes of our population asking for the same thing. And if we are to be consistent, and dispense justice with an even hand, we will have to cross all their palms with silver, and start the country off on a grand inflationary spree.

Mr. CREAL. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM T. PHEIFFER. I yield to the gentleman from Kentucky.

Mr. CREAL. The gentleman mentioned the tobacco farmer. The gentleman has not heard any tobacco men from any district advocating this legislation. There was not one penny for a single tobacco farmer in America in the year 1941. You say in the report there that they might scrape around and find $100,000, but in my State, the great tobacco State, we have received not a nickel.

Mr. WILLIAM T. PHEIFFER. It is very gratifying to hear that from the gentleman. I was merely citing that hypothetically as an example of a certain crop.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM T. PHEIFFER. I yield to the gentleman from Louisiana.

Mr. BROOKS. The gentleman knows we are appropriating money to increase production in almost every industry in America. Does the gentleman take exception to one particular industry?

Mr. WILLIAM T. PHEIFFER. I take exception to singling out one industry and not blanketing others in at the same time. If we are going to do this, let us do it up brown. Sauce for the goose is sauce for the gander.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM T. PHEIFFER. I yield to the gentleman from Georgia.

Mr. COX. The proponents of this measure can justify their proposals only upon the basis that we have done such things before. To my mind it is the most unfortunate thing that has happened to agriculture in a long time. First, it hurts the prestige of the committee reporting the bill, and second, it lays the basis for opposition to proposals to help agriculture which affect agriculture generally rather than farmers living in isolated sections of the country. Of course, these farmers have suffered loss, and that is unfortunate, but for them to come here and ask for a special appropriation, a gratuity, is unfortunate. I am sorry the bill is here.

Mr. WILLIAM T. PHEIFFER. I thank the gentleman from Georgia for his observation, which is most cogent and most timely.

The report on this bill is filled with heartbreaking statements from cotton farmers stating that they made just a 10-percent or a 20-percent crop last year. That has happened many times. I am from the cotton and the wheat country. Until 3 years ago my entire career was spent in the practice of law out in western Oklahoma and the Texas Panhandle. Despite the fact that I now represent a great New York City district, I can speak advisedly and without presumption on a bill of this nature. We are dealing here with a principle that I say earnestly and with all sincerity goes to the very heart of our system of government.

Mr. Chairman, I hope my amendment may receive the careful and favorable consideration of the House.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 3, line 11, strike out the period, in-

sert a colon, and add the following: "*Provided*, That no payment under this section shall be made to any producer in 1941 not engaged in farming in 1942."

Mr. WHITTINGTON. Mr. Chairman, while agricultural legislation heretofore enacted is applicable to all parts of our Republic alike, while the same provision has been made in connection with floods and droughts in one section that has been made in another, and while all products cannot be given treatment in the same bill, some, like dairying, being protected by a tariff that has proved to be effective and has reserved to the dairy growers of this country the best market in all the world, yet without regard to the merits of the pending legislation I call attention to the fact that in section 1 it is declared to be the purpose of this bill to keep the farmers on the farms in the interest of national defense, and under section 2 of the bill it is provided that payments be made because of short crops in 1941, yet there is no restriction upon those payments. There is nothing to require the farmer to engage in farming in 1942, nothing to require him to be kept on the farm to promote the purpose of the bill. The amendment I offer is a perfecting amendment, merely providing that no payment be made to any farmer unless that man farms in 1942. This is to carry out the declared purpose of the bill. It strikes me that there should not be any opposition to this amendment

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from South Carolina.

Mr. FULMER. That is one thing I have been thinking about in connection with the bill, the case of a farmer, a tenant farmer, a sharecropper farmer, who has deserted his farm and gone into some other line of work. I believe the amendment offered by the gentleman from Mississippi to be perfectly all right, and we accept the amendment.

The CHAIRMAN (Mr. BULWINKLE). The question is on the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

Mr. WHITTINGTON. I may say, Mr. Chairman, that I propose to offer a similar amendment with respect to hay when we get to that section of the bill.

Mr. JOHNS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNS: On page 3, line 11, strike out "$500" and insert "$200."

Mr. JOHNS. Mr. Chairman, the only purpose of offering this amendment is this: I am against the bill, but if we are going to make a raid on the Treasury, let us make it as light as we possibly can.

I am very much interested in the welfare of the farmers down South. I call attention to some of the average amounts, that were paid to the farmers in some of the Southern States in 1940. For instance: West Virginia, they received $439, which included a $19 payment from the Government; Tennessee, $571, which included $65 from the Federal Government; Mississippi, $505, which included $112 received from the Government; and Alabama, $499, with $112 received from the Government.

There were 10 States in 1940 in the South that received less than $1,000. Here are 4 States that I have just named, all of them, except 1, receiving less than $500. I am just wondering if we are going to pay out to these people down there $500 when they did not get that much for the whole of their product in 1940. It seems to me we should take into consideration here, as the gentleman from Pennsylvania said this morning, the condition of the country. I do not get a mail but what I receive an appeal from somebody to cut down the nonessential payments in this country. They are personally willing to do everything they can to defend the country and they want to do that and they will invest their last dollar and send the last son they have to defend their country, but they want to know that Congress is going to cut down on nonessentials.

There is no more reason why you should pay out this money to these men down there in the South than there is that you should pay it out for any other purpose where somebody has not been able to be successful because of some unaccountable reason. In this particular instance it happened to be an act of God. That happens in many instances when people lose through an act of God, and certainly we should not expect the other people of the country to pay the bill because they do, and I offer this amendment so that if the bill should pass it ought to be cut down to a reasonable amount because it is said here they will get from $15 to $100. There is no one who would want to stay on a farm for $15 if he could get more some other place, and neither would he stay for $100. If he did, there would be a lot of farmers who would be glad to keep some individual there and pay him the extra $15 or $100.

Last week we passed a bill, and, of course, I am very generous toward my good friends from New York because they voted against that bill because they did not feel that the farmers were getting a fair deal. There was a ceiling placed here on the amount of money that a farmer could get last week, and this week we want to give them something, and I think the time has arrived now when we should begin to think about the welfare of this country, its financial condition, and the amount of money that is being appropriated. The people back home have begun to think about it and they are beginning to write to me, and I think they are writing to every Congressman trying to get us to understand that the people back home do not want any more hand-outs now. What they want is some action and not any more talk or hand-outs.

So I hope after the winter now is over half gone, and you could not help anybody very much now for 2½ months, when the cows of the farmers will be out on pasture, certainly they ought to be able now to get enough feed to keep their cows fed for 2½ months. Then they can go on pasture again. I may say to you that any farmer who has been a successful farmer would have some feed on hand when he has a dry year.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, may I state that the gentleman from Wisconsin [Mr. JOHNS] is making the same argument that he did this afternoon opposing the bill. We have gone into this matter very fully and we have cut the amount down to $500. Now, here is the case of a farmer with two or three tenants, with his land mortgaged, with an indebtedness that he cannot pay, with his land-bank payments delinquent, his taxes delinquent. If you cut him down to $200, perhaps, they would not get $25 apiece, which would not even pay the taxes, whereas we have put the limit at $500 for the man and his tenants who are in such condition. Apparently the amendment could be or has been offered to defeat the purposes of the bill in trying to help that class of people who need the small amount that is proposed in this measure. I hope the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. JOHNS].

The amendment was rejected.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move to strike out the last word. In the first place, my only reason for voting for this bill is that, coming from a district, as I do, which has received at the hands of Congress aid for years, through various appropriations, I would feel more or less of a hypocrite, just because it does not benefit my farmers, if I voted against this particular measure. It simply is a relief measure for farmers who are broke and must have assistance from some source so as to continue farming.

However, at this time I wish to touch on another subject which, in my opinion, is far more important to agriculture than this little bill can ever be. I made a short 1-minute speech today about this same subject, and I repeat it here today in respect to yesterday's grain market. Oats, rye, corn, and wheat broke about 5 cents; yes, down to the limit, and why? I quote now from the Times-Herald of today, referring to the reasons for the break:

At the end of the trading session the grain dealers were trying to determine which of the following statements, listed in order of their reception, would take precedence:

Recent speculative advances in corn are unjustified and jeopardize the Government's program for expansion of the livestock, milk, and poultry production, commented Secretary of Agriculture Claude R. Wickard. He warned that loans on 1938, 1939, 1940 corn might be called.

The Secretary warns that those loans might be called, when corn in my State on the farm is not even 80 percent of parity. I further quote from the Herald:

In a speech in Atlanta, Ga., this morning, Wickard said that farm prices in 1942 will average around parity.

Further, the Times-Herald says that the Department of Agriculture announced from Washington that it was moving to stabilize corn prices at 85 percent of parity.

If Secretary Wickard is to continue making that kind of a statement, then, seemingly, the Bankhead amendment to the price-control bill, which would put him in as an arbitrator to see that agriculture would get a square deal, is not worth the paper it is written on. Eighty-five percent of parity—and yet seemingly the price-control bill was supposed to place a ceiling on agriculture of 110 percent of parity.

Surely, Mr. Chairman, the farmers of this Nation have a right to demand of Claude Wickard that he do not advocate lower farm prices than that set by the price-control bill. If our Secretary of Agriculture will not protect the price structure for the farmer, who in this administration will? We here in Congress should notify the Department of Agriculture that any moves to depress prices until those prices have reached 110 percent of parity will not be tolerated.

I again reiterate very strongly that the farmer is just as much entitled to a decent living wage as is the laboring man, and just as much entitled to a reasonable profit on his investment as is industry.

Mr. KEEFE. Mr. Chairman, I have listened to every word of argument that has been presented on behalf of this bill. One thing above all others that has impressed me is that although we have a great Committee on Agriculture, I find only two men of that committee who are asking for the adoption of this bill. The distinguished chairman of the committee, the gentleman from South Carolina [Mr. FULMER], and the gentleman from New York [Mr. EDWIN ARTHUR HALL] favor the passage of the bill. It will be noted, however, that both gentlemen, by their own words, are directly interested in its passage. On the other hand, the distinguished minority member of the committee, the gentleman from Kansas [Mr. HOPE]; the gentleman from Nebraska [Mr. COFFEE]; and the gentleman from Oklahoma [Mr. RIZLEY] have spoken vehemently against this bill's passage. I observe in the Chamber many other members of the Committee on Agriculture who have not risen in their places to say one word either for or against the bill. I am advised by the subterranean route that the methods used in committee in reporting this bill and bringing it before the House are perhaps the explanation of the failure of its members to support it here on the floor. I believe most Members know the facts. We will let it stop there. If the chairman of this committee sees fit to bring to the attention of the House the facts as to what transpired in the executive session when this bill was reported to the House, I think the Members of the House should be entitled to have the full story. I shall not ask anybody for it.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I shall yield in just a moment.

Mr. FULMER. I would be very glad to answer the question.

Mr. KEEFE. And I hope that the gentleman does not see fit to go into that subject. If he cares to open the mouths of the members of his committee so that they can tell the whole story, I have no objection; but I want the truth.

Mr. FULMER. The gentleman asked what happened in the committee in executive session.

Mr. KEEFE. No; I did not ask it.

Mr. FULMER. I say you asked what happened.

Mr. KEEFE. No; I did not ask what happened. I said if you wanted to state what happened you are privileged to do so, but if you do, then I would expect other members of this Committee on Agriculture to be permitted to come into the Well of this House and tell the exact facts.

Mr. FULMER. Now, will you listen to my statement? I make this emphatic statement, that the bill was taken up in executive session.

Mr. KEEFE. This bill?

Mr. FULMER. Yes; this bill; not the other bill. It was read; amendments were offered and adopted by the committee and a vote was had. One or two Members demanded a record vote and the vote was 16 to 3, and on this bill I make the emphatic statement that it was in regular order and nothing was said in the committee on this bill.

Mr. KEEFE. I do not desire to challenge the distinguished chairman's word. I fully believe him when he states that the bill was voted out—I am only concerned as to what statements or promises were made or given to induce the favorable report of such a proposal. I leave that question, if the question is open, to the members of the Committee on Agriculture who are here on the floor. They know that this is simply an impossible piece of legislation and that it should be defeated. No doubt, out of deference to their chairman, they remain silent. That is all I care to say on that subject.

Now, so that there may be no further question about it, I understand from the plain wording of this bill that it is emergent in character and is not intended to apply beyond the next fiscal year. Is that right? It is only to take care of the condition that existed in 1941?

Mr. FULMER. That is right.

Mr. KEEFE. Mr. Chairman, I cannot support such legislation. If this Nation is to survive this type of privilege must be stopped.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Louisiana [Mr. BROOKS] is recognized for 5 minutes.

Mr. BROOKS. Mr. Chairman, I want to say a few things in refutation of what has already been said here on the floor of the House.

The Farm Security Administration has been down in our section of the world trying to handle this problem, and it has been unable to cover the needs of this distressing time.

I want to call attention to the fact especially that last year, which was a poor year in the State of Louisiana, the crop was 700,000 bales. This year the crop had fallen to 300,000 bales; 300,000 bales is approximately a 30 percent crop. In one of the areas in this particular section of western Louisiana, south Arkansas and east Texas, the farmers went to the A. A. A. and to the Farm Security Administration and asked the consent of the A. A. A. and F. S. A., that they be not forced to go out and pick cotton in the fields because the amount that the cotton stalk had produced in the way of cotton was so small that the cost of picking it would actually not justify the picking of that small amount of cotton. In other words, the yield went down so low it was not worth picking and as low as 6 percent in many cases.

In one great parish—De Soto Parish—where the normal production is anywhere from 20,000 to 25,000 bales per year, the cotton production this year was approximately 2,000 bales, a ratio of 10 to 1.

What we want to do in this bill is to permit those farmers to so arrange their affairs that they can continue a crop next year without having to be taken over under the supervision of the Farm Security Administration and have their affairs administered as farmers who are not able to carry on in normal times.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. BROWN of Georgia. I think that many of the Members do not understand this bill. It does not mean that every man who produced less than 40 percent of a normal crop will get anything. That is one of the rules of eligibility. But that fellow must be in need. What kind of need? This same need that you use now under the Farm Security Administration. So it does not mean that everybody will receive benefits, who produced less than a 40-percent crop.

Mr. BROOKS. The gentleman is correct.

Mr. BROWN of Georgia. It certainly does not change any principle, as the distinguished gentleman from Kansas [Mr. HOPE] says. We have the principle now in the Farm Security Act. It only aids these men temporarily. The trouble about the Farm Security Act is that it helps every year, and this bill is to help temporarily.

Mr. BROOKS. This is to keep them off the relief rolls; let them carry on over this limited period, so that they can continue to produce on these farms during the coming year and the years following.

I have talked to men down in that section who have been there 75 years, and they tell me this is not the case of an ordinary crop failure. This is a case where in certain areas there was a total absence of crop. We have had crop failures before, but there has not been to the memory of people who have lived there 75 or 76 years such a devastating failure as to amount to a catastrophe, such as we have had this year.

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

SEC. 3 In the case of any area with respect to which the Secretary of Agriculture determines (a) that by reason of drought in 1941 the condition of pastures or the production of hay and other forage crops used in such area to sustain dairy cows is such as to threaten to result in a substantial reduction in the production of milk in such area or to result in the reduction by dairy farmers in

such area of their foundation herds, and (b) that milk and other dairy products produced in such area are required for the purposes of "An act to promote the defense of the United States," or needed for other defense purposes, he is authorized, out of funds appropriated pursuant to section 5, to pay, or to make grants to dairy farmers in such area to enable them to pay, the cost of baling and charges for the transportation into such area of needed hay, grain, cottonseed meal, beet pulp, or other feeds used to sustain dairy cows.

With the following committee amendments:

On page 3, line 16, insert "(a)."

Page 3, line 17, strike out "(a)" and insert "(A)."

Page 3, line 23, strike out "(b)" and insert "(B)."

The committee amendments were agree to.

The Clerk read the following committee amendment:

Page 4, line 1, after the word "purposes", insert "and (C) that as a result thereof such producer is eligible for assistance as provided in the present regulations of the Farm Security Administration."

The committee amendment was agreed to.

The Clerk read the following committee amendment:

Page 4, line 10, insert:

"(b) Payments under this section shall be divided between owners, operators, tenants, and other persons interested in the crop in the same proportion that they were entitled to share in the crop or its proceeds. The maximum amount of any payment to any person under this section shall not exceed $500."

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON to the committee amendment: Page 4, line 15, strike out the period, insert a comma, and add the following: "*Provided*, That no payment under this section shall be paid any producer or dairy farmer in 1941 not engaged in dairy farming in 1942."

Mr. FULMER. Mr. Chairman, this amendment is acceptable to the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi to the committee amendment.

The amendment to the committee amendment was agreed to.

Mr. FULMER. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

Mr. HOPE. Mr. Chairman, reserving the right to object, we need at least 20 minutes on this side.

Mr. FULMER. Mr. Chairman, we have had considerable debate on this bill, and I think the request is reasonable.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate on this section and all amendments thereto close in 15 minutes. Is there objection?

Mr. HOPE. Mr. Chairman, I object.

Mr. FULMER. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 20 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from South Carolina.

The motion was agreed to.

Mr. JOHNS. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNS to the committee amendment: Page 4, line 15, after the word "exceed", strike out "$500" and insert "$200."

Mr. JOHNS. Mr. Chairman, I am not going to take the full 5 minutes but merely sufficient time to say that this $500 is not a large amount to be paid to people who have lost their crops, but it is certainly a large amount to pay for baling and transportation and furnishing of hay for the rest of the year for cattle feed in the State of New York and throughout the Nation.

In this connection, although it has been said that the State of New York would be the principal beneficiary under this section, yet, the way the bill is drawn, and of necessity, it would apply wherever a similar situation exists throughout the country. I remember one time administering an estate where the person dying said there were no heirs. The court insisted on advertising for heirs, and I tnink 21 turned up at the time the distribution was made. You will find if you pass a bill of this kind that plenty of people throughout the United States will be on hand to take advantage of it.

I believe the amendment should be adopted.

Mr. CROWTHER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, there has been a good deal of criticism said regarding this bill; much more than is justified, in a matter of practically little importance compared with other legislation involving gigantic appropriations which we have been considering lately. There has been talk about tongue in the cheek, and there has been a lot of crocodile tears shed, a good deal of straining at a gnat and swallowing a camel. The gentleman from Oklahoma a few minutes ago, my distinguished colleague, who is a member of our committee, complained about the expense we have been put to by the adoption of recent legislation, and others have registered complaints in connection with the so-called pension or retirement provisions, which include Members of Congress. I want to take just a minute or two to read a short statement that was made by a Member from Florida, the Honorable Frank Clark, when we had before the House the question of whether or not the salary of Congressmen should be raised to $10,000. Only a few of you Members were here in those days, and some of you will remember, when this question was up, that Mr. Clark said:

Mr. Speaker, $10,000 is not commensurate with the service performed here. Some of my good friends opposed this increase and I know they did it conscientiously and sincerely. They did not want it, but sometimes it is necessary to make people, for their own good, do things against their will. The action of some of my good friends reminds me of a story told me by a colleague only a few days ago and I will repeat it here because I think it illustrates the point.

An old gentleman who had been a drinking man in his day had finally concluded to quit and he did quit. A few months later he was taken deathly ill, and lying upon his bed of pain and sickness, and as everybody said his last illness, he called his wife to him one day and he said: "Mary, down in the hall is an old hair trunk of mine. Many months ago I hid in that trunk a bottle of good, old peach brandy. I hid it from you, Mary, and I have not touched it since. I want you to go down there and get that bottle of peach brandy; I want you to take a glass, pour it about half full, put a little sugar in it and stir it; and then put a little piece of ice in it, Mary, and then bring it up here, and, Mary, no matter what I do or say, you must make me take it."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin to the committee amendment.

The amendment to the committee amendment was rejected.

The CHAIRMAN. The question recurs upon the committee amendment as amended.

The committee amendment as amended was agreed to.

Mr. GILLIE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is not very often that I appear in the Well of the House to speak before the Committee, but since I am a member of the Committee on Agriculture, I think it is necessary on this occasion that I make known my ideas in reference to this bill. I remember very vividly when I was a youngster my father was a dairyman and, of course, the sledding was hard in those days. One year we had a bad drought and it was necessary for my father to go out and buy hay and corn fodder to keep the cattle through the winter. Then the next year we had another one, so he had to repeat that procedure. The next year, as I remember it, we had a terrible wet season and lost nearly half of our crop that year, so it was necessary for my father to get a loan of some money to buy some more feed for his stock, which he did. Of course, he was able by careful planning to get through those 3 years. He did not ask for help and he did not want any. He was able after all to make the grade and get through in pretty fair shape, besides raising a pretty good-sized family.

Mr. Chairman, I take this opportunity to make known, very briefly, the reasons for my opposition to H. R. 6359, a bill providing for special grants in aid from the United States Treasury to certain agricultural producers, particularly in the South, who suffered crop failures in 1941.

I opposed this measure in committee and intend to vote against it in the House mainly because it proposes to set up an agency to duplicate what is already being done by existing agencies of the Government.

The Farm Security Administration, for example, is charged with the responsibility of dealing with situations of this sort. It was established for the primary purpose of preventing human distress in agricultural areas, and its grants are available equally to farmers everywhere in the United States.

The Crop Loan Administration and the Production Credit Corporation also are

authorized to provide assistance to distressed farmers in the South in the same measure that they have provided aid in other areas that have suffered from draught or disaster in recent years.

Estimates of the cost of this bill range from $10,000,000 to $40,000,000. But whatever the cost, passage of this measure will set a precedent that, if followed, will cost the Government many times this amount in future years. For if we legislate special relief in this instance, how could we justify refusing to do the same thing in other instances of this nature? The answer is obvious. This bill should be defeated.

Mr. HOPE. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HOPE: Page 4, line 8, after the word "hay", strike out the following: "grain, cottonseed, beet pulp, or other feeds."

Mr. HOPE. Mr. Chairman, I offer this amendment because of the fact that there is absolutely no evidence before the committee that there is any shortage in livestock feed, excepting hay. This bill in its present form provides for the payment of sums of money for baling and transportation charges of hay, grain, cottonseed meal, beet pulp, or other feeds. If it is true that there is no shortage in feed, excepting hay, I see no reason why the bill should include provisions for other feedstuffs.

Mr. CULKIN. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from New York.

Mr. CULKIN. May I say to the gentleman that those words were put in by the Senate for the purpose of taking care of substitute feeds if hay is not available. I believe that is the general situation.

Mr. HOPE. The gentleman has no objection to its going out?

Mr. CULKIN. No; I do not have any objection to it going out.

Mr. HOPE. While I have the floor, let me call attention to the fact that there seems to be what appears to me to be considerable exaggeration as to the extent and the effect of the drought in New York State. I hold in my hand the committee report, which is available to all of you, giving a summary of the drought situation in New York. Among other things this report says:

Of the 13 most acutely affected counties—

Naming them—

all except the first 3 apparently have adequate supplies of roughage on hand to meet minimum feeding requirements until May 13 when pasture should become generally useful.

There you have the picture. It is only claimed that there is difficulty in the 13 counties, and in all but 3 of those there is sufficient roughage available to meet minimum requirements.

Mr. BEITER. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from New York.

Mr. BEITER. On page 6 of the same report it is stated that approximately 61,200 tons of roughage will have to be moved in from outside the State.

Mr. HOPE. That, of course, is a very small proportion of the total. You raised in the State 4,140,000 tons of hay.

Mr. BEITER. But 61,200 tons will go a long way toward feeding cattle.

Mr HOPE. You raised 4,149,000 tons of hay this year, which is not quite normal but close to it and also you raised 4,407,000 tons of fodder or silage, which is more than the normal production. So I submit that on the basis of this report, which is the only factual evidence offered the committee as to the extent of the damage, there is no serious situation existing in New York State at this time.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, those living in the dairy areas were very anxious to have this put in because of a scarcity of hay. For instance, they have been buying hay from the State of Michigan, and that is one of the reasons why the rate is so high. If they can buy sugar beets or anything else, they want to do so, and that is the only reason that was suggested by several of the Senators on the other side.

Mr. CULKIN. Will the gentleman yield?

Mr. FULMER. I yield to the gentleman from New York.

Mr. CULKIN. I told the gentleman from Kansas that that phraseology was put in by the Senate. As far as New York State is concerned, we have no objection to its going out.

Mr. FULMER. I have no objection, if it suits the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. HOPE].

The amendment was rejected.

The Clerk read as follows:

SEC. 4. The Secretary of Agriculture is authorized to utilize the facilities and personnel of the Agricultural Adjustment Administration to carry out the provisions of this act and to prescribe such regulations as may be necessary for its purposes.

Mr. CULKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the hour is late, and I do not desire to add to the present confusion on this bill, but I must reply as a matter of need to the statement of the gentleman from Kansas as to the conditions in New York State.

A careful appraisal of that situation was made by the crop authorities in the Department of Agriculture. A similar investigation was made by the New York State Department of Agriculture. The findings were that they were something in excess of 1,000,000 tons of hay short in New York State. There is absolutely no question about that. I think it appears in the hearings.

Mr. HOPE. If the gentleman will yield right there, may I say that I was reading from the report that was submitted to the committee, which I think was made by the agency the gentleman mentioned?

Mr. CULKIN. I am telling the gentleman what the facts are and what has been presented to us.

Mr. HOPE. The gentleman does not disagree with this report?

Mr. CULKIN. I do not agree with that report at all if it contains any inferences that pretend to show there is no need for hay in New York State.

Mr. HOPE. The report does not leave that inference, but it does not show as great a need.

Mr. CULKIN. Let us be fair on this thing. If you are going to beat this bill, beat it fairly. If we are beaten, we will not object.

Mr. HOPE. The gentleman has raised a question as to the integrity of the gentleman from Kansas.

Mr. CULKIN. I have no intention of doing that at this stage.

Mr. HOPE. I think that is the inference to draw from what the gentleman says.

Mr. CULKIN. Not at this stage.

Mr. HOPE. The gentleman does not question what the gentleman from Kansas read from the report of the committee?

Mr. CULKIN. That report is not the report of the committee, it is a report of the crop survey.

Mr. HOPE. It is included in the committee report.

Mr. CULKIN. It is a part of the crop survey, and sometimes they are rather dubious.

This is the situation: We had some good, late rain, and our corn crop came on in good shape. It was reinforced by carrying water from the lakes sometimes a distance of 20 or 30 miles. That cut the actual naked shortage down to about 500,000 tons. There cannot be any qualification of that. Today those cows are in the barns in northern New York, and a good many of them have nothing to eat. If they have anything to eat now, they are on what they call a subsistence diet, and next month they will have nothing. That is the situation.

I did not intend to cast any discredit on the statement of the gentleman from Kansas, because he is as pure as the driven snow.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from New York.

Mr. REED of New York. May I say that the driven snow up in that section now is about 4 feet deep.

Mr. CULKIN. Yes, and sometimes it is 12 feet deep.

[Here the gavel fell.]

The Clerk read as follows:

SEC. 5. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. COFFEE of Nebraska. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am one of the three Members who voted against this bill in the Committee on Agriculture. The majority of the members of that committee who supported this bill, I am convinced, felt that it would be stopped in the Rules Committee. It was in deference to the wishes of the chairman of the committee that the bill was reported.

I think this measure has been discussed enough so that you realize it

would set a very dangerous precedent. This bill would simply duplicate what the Farm Security Administration is already authorized to do. We have been appropriating money to the Farm Security Administration to handle drought situations exactly like this. This agency handled drought relief in Nebraska, Kansas, Oklahoma, South Dakota, North Dakota, and the Panhandle of Texas. Why should we now call upon a different agency, the Agricultural Adjustment Administration, to handle drought relief, when the Farm Security Administration is already authorized to do it and has the money?

Further, to obtain the money that might be made available under this bill the applicants would have to be eligible under the Farm Security Administration regulations. Consequently, those of you who feel that this measure would solve your drought relief problem, will face sad disappointment.

This bill will create administrative problems because of the fact that it authorizes the personnel of the Agricultural Adjustment Administration to do what Congress has already authorized the Farm Security Administration to do.

Furthermore, if this bill passes, and a drought occurs in your district next year, your people logically will ask that you obtain special relief legislation to take care of them just as was done in the case of South Carolina and New York. Many of you will face that embarrassment in the future if this precedent is established, and you know it.

This bill should be defeated. The people who are in distress in these drought areas—and I know they are in distress—should be told to make application to the Farm Security Administration for grants and emergency loans. The Farm Security Administration has been charged by Congress with the responsibility of relieving distress in rural areas on the basis of need.

I believe the issues are well understood. This bill is discriminatory and sectional. The benefits under section 2 are confined to the producers of cotton and tobacco. Section 3 is designed to provide special assistance to the dairy farmers in a few drought counties in New York. All other drought areas have had to rely on the assistance provided by the Farm Security Administration since it was created. This assistance is not restricted to the producers of only certain crops. There is no reason why the dairy farmers who are in actual need in the few drought counties in New York State should not be able to get F. S. A. assistance from the funds that are already provided. There is no reason why the cotton and tobacco farmers in the southern drought sections, who are in distress, should not also look to the same agency for the same aid that was given to the corn, wheat, and dairy farmers in the drought area in the Midwest, where the distress was much greater.

If we are to preserve the financial stability of this Government, if we are to provide the funds that are necessary to win this war, legislation of this nature must be stopped. We must begin now to curb all unnecessary Federal expenditures if we expect to protect the future security of the people of this country.

[Here the gavel fell.]

The CHAIRMAN. Under the rules, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6359) granting relief to certain agricultural producers in stricken areas who suffered crop failures in 1941 because of adverse weather conditions, insect pests, or other uncontrollable natural causes, pursuant to House Resolution 419, he reported the same back to the House with sundry amendments agreed to in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed, read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. HOPE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HOPE. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HOPE moves to recommit the bill to the Committee on Agriculture.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. FULMER) there were—ayes 98, noes 62.

Mr. FULMER. Mr. Speaker, I object to the vote on the ground there is not a quorum present, and I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 190, nays 139, answering "present" 1, not voting 100, as follows:

[Roll No. 18]

YEAS—190

Allen, Ill.	Carter	Dondero
Anderson, N. Mex.	Case, S. Dak.	Doughton
Arends	Casey, Mass.	Downs
Arnold	Chapman	Drewry
Barnes	Chiperfield	Duncan
Bates, Ky	Clason	Durham
Bates, Mass.	Clevenger	Eaton
Baumhart	Cochran	Eberharter
Beam	Coffee, Nebr.	Edmiston
Bell	Coffee, Wash.	Elliott, Calif.
Bender	Cole, Md.	Engel
Bennett	Cooley	Faddis
Bishop	Cooper	Fellows
Blackney	Copeland	Flaherty
Bland	Costello	Fogarty
Bolton	Courtney	Folger
Bonner	Cox	Forand
Boren	Creal	Ford, Leland M.
Bradley, Mich.	Curtis	Gale
Bradley, Pa.	D'Alesandro	Gearhart
Bulwinkle	Davis, Ohio	Gifford
Burgin	Davis, Tenn.	Gillie
Byron	Day	Gore
Canfield	Dewey	Gossett
	Disney	Grant, Ind.
Guyer	McGregor	Sasscer
Gwynne	McIntyre	Satterfield
Halleck	McKeough	Schuetz
Harness	McLaughlin	Shafer, Mich.
Harris, Va.	McLean	Smith, Maine
Harter	Maas	Smith, Ohio
Healey	Maciejewski	Smith, Va.
Heidinger	Maciora	Smith, W. Va.
Hess	Martin, Iowa	Smith, Wis.
Hill, Colo.	Mason	Spence
Hoffman	Meyer, Md.	Springer
Holmes	Michener	Starnes, Ala.
Hope	Mills, Ark.	Stearns, N. H.
Howell	Mitchell	Stefan
Hunter	Monroney	Stevenson
Imhoff	Moser	Sullivan
Jenks, N. H.	Nelson	Sumner, Ill.
Jennings	O'Connor	Sumners, Tex.
Johns	O'Hara	Sutphin
Johnson, Calif.	Oliver	Taber
Johnson, Ill.	Paddock	Talle
Johnson, W. Va.	Pearson	Thill
Jones	Pheiffer, William T.	Thom
Jonkman	Ploeser	Tinkham
Kean	Priest	Van Zandt
Keefe	Rabaut	Vincent, Ky.
Kelley, Pa.	Ramsay	Wasielewski
Kelly, Ill.	Randolph	Weaver
Kilday	Reece, Tenn.	Weiss
Kleberg	Reed, Ill.	Wheat
Kocialkowski	Rich	Whittington
Kopplemann	Rizley	Wigglesworth
Kunkel	Robertson, Va.	Williams
Lane	Robinson, Utah	Wilson
Lanham	Robsion, Ky.	Winter
LeCompte	Rockwell	Wolcott
Lewis	Rogers, Mass.	Wolverton, N. J.
Ludlow	Sacks	Young
McGranery		Zimmerman

NAYS—139

Allen, La.	Granger	Pace
Andersen, H. Carl	Grant, Ala.	Patman
	Green	Patrick
Andresen, August H.	Gregory	Patton
	Hall, Edwin Arthur	Peterson, Fla.
Angell		Peterson, Ga.
Beckworth	Hare	Pittenger
Beiter	Harrington	Plauché
Bloom	Harris, Ark.	Poage
Boykin	Hart	Rankin, Miss.
Brooks	Heffernan	Rankin, Mont.
Brown, Ga.	Hendricks	Reed, N. Y.
Bryson	Hill, Wash.	Richards
Buckler, Minn.	Houston	Rivers
Buckley, N. Y.	Hull	Robertson, N. Dak.
Burdick	Izac	
Butler	Jackson	Rockefeller
Byrne	Jacobsen	Rodgers, Pa.
Camp	Jarman	Rogers, Okla.
Cannon, Fla.	Jarrett	Rolph
Capozzoli	Jenkins, Ohio	Russell
Cartwright	Johnson, Ind.	Sabath
Chenoweth	Johnson, Luther A.	Sanders
Cluett		Sauthoff
Collins	Johnson, Okla.	Schulte
Colmer	Kennedy, Michael J.	Scrugham
Cravens		Shannon
Crawford	Keogh	Sheppard
Crosser	Kerr	Sikes
Crowther	Kilburn	Smith, Wash.
Culkin	Kinzer	Snyder
Cullen	Klein	South
Cunningham	Knutson	Sparkman
Delaney	Leavy	Steagall
Dingell	Lesinski	Sweeney
Domengeaux	Lynch	Tarver
Dworshak	McCormack	Terry
Fish	McGehee	Thomas, Tex.
Fitzpatrick	McMillan	Thomason
Flannagan	Mahon	Tolan
Ford, Miss.	Manasco	Treadway
Fulmer	Mansfield	Vinson, Ga.
Gamble	Marcantonio	Welch
Gathings	Mills, La.	West
Gehrmann	Mott	Whitten
Gibson	Murray	Wickersham
Gilchrist	Norrell	Woodruff, Mich.
Gillette	O'Brien, Mich.	
Graham	O'Neal	

ANSWERING "PRESENT"—1

Tibbott

NOT VOTING—100

Anderson, Calif.	Burch	Ditter
Andrews	Cannon, Mo.	Douglas
Baldwin	Carlson	Eliot, Mass.
Barden	Celler	Ellis
Barry	Clark	Elston
Boehne	Claypool	Englebright
Boggs	Cole, N. Y.	Fenton
Boland	Dickstein	Fitzgerald
Brown, Ohio	Dies	Ford, Thomas F.
Buck	Dirksen	

Gavagan	Magnuson	Secrest
Gerlach	Martin, Mass.	Shanley
Haines	May	Sheridan
Hall,	Merritt	Short
Leonard W.	Mundt	Simpson
Hancock	Murdock	Smith, Pa.
Hartley	Myers, Pa.	Somers, N. Y
Hébert	Nichols	Stratton
Hinshaw	Norton	Tenerowicz
Hobbs	O'Brien, N. Y.	Thomas, N. J.
Holbrock	O'Day	Traynor
Hook	O'Leary	Voorhis, Calif.
Jensen	Osmers	Vorys, Ohio
Johnson,	O'Toole	Vreeland
Lyndon B.	Pfeifer,	Wadsworth
Kee	Joseph L.	Walter
Kefauver	Pierce	Ward
Kennedy,	Plumley	Wene
Martin J.	Powers	Whelchel
Kirwan	Ramspeck	White
Kramer	Rees, Kans.	Wolfenden, Pa.
Lambertson	Romjue	Woodrum, Va.
Landis	Scanlon	Worley
Larrabee	Schaefer, Ill.	Wright
Lea	Scott	Youngdahl

So the bill was recommitted to the Committee on Agriculture.

The Clerk announced the following pairs:

On this vote:

Mr. Wadsworth for, with Mr. Hébert against.
Mr. Carlson for, with Mr. Barry against.
Mr. Lambertson for, with Mr. Traynor against.
Mr. Thomas of New Jersey for, with Mr. Joseph L. Pfeifer against.
Mr. Vorys of Ohio for, with Mr. Dies against.
Mr. O'Brien of New York for, with Mr. Merritt against.
Mr. Baldwin for, with Mr. Fitzgerald against.
Mr. Scanlon for, with Mr. Buckley of New York against.
Mr. Elston for, with Mr. Celler against.
Mr. Ditter for, with Mr. Tibbott against.
Mr. Scott for, with Mr. Somers of New York against
Mr. Rees of Kansas for, with Mr. Gavagan against.
Mr. Brown of Ohio for, with Mr. Martin J. Kennedy against.
Mr. Powers for, with Mr. Dickstein against.
Mr. Wolfenden of Pennsylvania for, with Mr. O'Toole against.
Mr. Hartley for, with Mrs. O'Day against.

Until further notice:

Mr. Boland with Mr. Short.
Mr. Ramspeck with Mr. Andrews.
Mr. Burch with Mr. Martin of Massachusetts.
Mr. Cannon of Missouri with Mr. Dirksen.
Mr. Woodrum of Virginia with Mr. Osmers.
Mr. Clark with Mr. Youngdahl.
Mr. Kefauver with Mr. Fenton.
Mr. Hobbs with Mr. Douglas.
Mr. Pierce with Mr. Landis.
Mr. Barden with Mr. Cole of New York.
Mr. Boehne with Mr. Plumley.
Mr. Romjue with Mr. Gerlach.
Mr. Kirwan with Mr. Hancock.
Mr. May with Mr. Vreeland.
Mr. Whelchel with Mr. Simpson.
Mr. Wright with Mr. Jensen.
Mr. Claypool with Mr. Stratton.
Mr. Buck with Mr. Anderson of California.
Mr. Hook with Mr. Leonard W. Hall.
Mr. Boggs with Mr. Hinshaw.
Mrs. Norton with Mr. Englebright.
Mr. Nichols with Mr. Lea.
Mr. Sheridan with Mr. Ward.
Mr. Murdock with Mr. Eliot of Massachusetts.
Mr. Kramer with Mr. Magnuson.
Mr. Haines with Mr. Secrest.
Mr. Walter with Mr. Shanley.
Mr. Kee with Mr. Lyndon B. Johnson.
Mr. Schaefer of Illinois with Mr. Larrabee.
Mr. Ellis with Mr Tenerowicz.
Mr. Myers of Pennsylvania with Mr. Wene.
Mr. Thomas F. Ford with Mr. Worley.
Mr. White with Mr. Voorhis of California.

Mr. TIBBOTT. Mr. Speaker, I voted "no." I withdraw my vote of "no" and answer "present." I have a pair with the gentleman from Pennsylvania [Mr. DITTER] and if he were present he would vote "yea."

Mr. McGRANERY changed his vote from "no" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the motion to recommit was agreed to was laid on the table.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I would like to ask the majority leader if he can tell us the program for tomorrow and next week.

Mr. McCORMACK. I will be glad to. Tomorrow there is a bill from the Naval Affairs Committee which I understand will be brought up. I am given to understand it is not controversial.

On Monday the Consent Calendar will be called. It is a short calendar. Then the Treasury-Post Office appropriation bill will be taken up.

Mr. MARTIN of Massachusetts. Could the Speaker tell us whether there will be any suspensions on Monday?

The SPEAKER. The Chair would prefer to make that announcement tomorrow. Probably not.

Mr. McCORMACK. On Tuesday will be the call of the Private Calendar, not the omnibus private claims bills but the regular call of the Private Calendar. Then a bill introduced by the gentlewoman from Massachusetts [Mrs. ROGERS] on the establishment of a Women's Corps.

Mr. MARTIN of Massachusetts. How much debate will there be on that bill?

Mr. McCORMACK. Frankly, I do not know. Wednesday will be Calendar Wednesday. Then I am informed that the first deficiency appropriation bill will be reported and taken up the latter part of the week.

That is the program for next week. Of course, it is subject to change. There may be some additions to it, but that program will be carried through.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks by including therein a resolution recently adopted in connection with the National Youth Administration.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Davenport Democrat.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent that in connection with the remarks I made today I may include therein a poem by Walt Mason.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Kansas [Mr. WINTER] is recognized for 30 minutes.

POLITICS OR VICTORY—WHICH COMES FIRST?

Mr. WINTER. Mr. Speaker, the time has come when all Americans, in or out of the Government, must stand up and be counted.

Those who are willing to lay aside every personal and political consideration so that every energy and resource of this Nation can be directed solely toward winning the war and saving this Nation from defeat and disaster should stand up and be counted.

And let those who are still sleep-walking and who are continuing to grind political axes stand up and be counted. And if there are more sleepwalkers and political axe grinders than there are patriots, then God help America.

A board of inquiry headed by Justice Roberts already has searched out two men, charged with our national safety, who were asleep when the Japs struck at Pearl Harbor.

Heading the list in disgrace is Admiral Kimmel, whom the President jumped over 40 points to place in this vital position of command and trust, and General Short.

I now nominate to join this list of disgraced and discredited national leaders certain high appointed officials of the Federal Government.

But before I give their names, Mr. Speaker, I should like to present the bill of particulars against them. And then I shall leave it to the judgment of this House whether, without regard to partisan interests, these men have not proven themselves culpably derelict in their duty to the Nation in our effort toward all-out war.

My bill of particulars against these men comes from a set of simple obvious and incontrovertible facts which lead to the inescapable conclusion that these men are either blind to the Nation's needs and dangers, or are more interested in the advancement of a political theory in their own personal interest than they are for the welfare of the Nation.

I charge that there exists a group of highly placed Federal officials who have, and are continuing, to sabotage our national defense efforts in vital respects. As to their motives I shall leave that to the judgment of this House when I am done. I do know that the firing squad would be their fate if similar charges could be proven against a similar group of government officials in Germany, Russia, or Italy. Britain, profiting by the same mistakes in France, would retire them in shame to private life.

Summed up, my accusations against this group of conspirators boil down to these specific charges:

First. They have delayed from 5 to 7 months the construction of an aluminum plant in Arkansas scheduled to produce 120,000,000 pounds of aluminum annually. They must accept public re-

buke from the Nation for sabotaging the production of at least 50,000,000 pounds of aluminum, forever lost to this country for the war effort. For far less Hitler would award the Iron Cross, first class, to a sneaking fifth columnist.

Second. They have attempted to destroy by misuse of hydroelectric power the equivalent of 50,000 kilowatts of power capacity in the Southwest. In this attempt they were frustrated by the Army and Navy Munitions Board to the extent of 37,500 kilowatts of capacity. But at another dam in the same power-starved area they have succeeded in destroying 14,000 kilowatts of capacity by misoperation of its power facilities. Meantime Dow Chemical Co. proposed sea-water magnesium plant on the Texas Gulf is awaiting construction of new power plants before it can begin manufacture of magnesium for ignition bombs.

Third. Over the protest and against the recommendations of the Army and Navy Munitions Board and also of the Department of Utilities of the State of Arkansas, both of which are above challenge as to integrity, patriotism, and experience, R. E. A. is building a 250-mile copper transmission line. It is a transmission line that both the Army and Navy and the Department of Public Utilities of Arkansas hold to be wasteful and unnecessary.

These are serious charges to level against any Government official. They smell of the ghost of Benedict Arnold. Reluctantly then, and without malice and solely moved by patriotic duty, I will present these charges in the hope that in so doing the condition which made them possible may be remedied. The facts are simple and easily understood.

Early in June O. P. M. decided to exploit, for our airplane needs, the aluminum deposits lying in Arkansas. For this purpose they made a contract with the Aluminum Co. of America to construct and operate for the Defense Plant Corporation an aluminum reduction plant yielding 120,000,000 pounds of aluminum annually. For a permanent source of power supply, Defense Plant proposed to construct its own electric generating plant of 125,000-kilowatt capacity. Inasmuch as about 2 years is needed to construct such a plant it was necessary that an interim power supply be provided for immediate operation of the plant.

For this purpose O. P. M. called a meeting of the private utility companies operating in the Southwestern States of Arkansas, Oklahoma, Louisiana, Texas, Kansas, and Missouri, requesting them to form a power pool interconnecting all of their generating facilities so that by scientific husbanding of all of their 1,000,000 kilowatts of generating capacity there would be available sufficient supply to meet the needs of this aluminum plant. As a contribution to national defense these companies immediately volunteered to spend six and a half million dollars for interconnecting transmission lines and other equipment and guaranteed to deliver the required power. O. P. M. wanted the power in March 1942 to allow time for construction of the aluminum plant as well as the lines.

These lines are almost completed and the power will be ready in March 1942.

But that Arkansas aluminum plant has not been built.

And the reason it has not been built is the basis for my charges that the officials responsible are guilty and must bear the country's reproach for the loss of production of at least 50,000,000 pounds of aluminum.

Only a few days after the offer of the private utilities had been tendered to O. P. M., the Rural Electrification Administration stepped into the picture with a fantastic counter proposal which, coming from a sister Federal bureaucracy, had to be given the courtesy of study and analysis. After offering to build the permanent aluminum-plant generating station, R. E. A. proposed to supply the interim power, which was already available from private companies. They proposed to construct transmission lines from the Federal hydro developments in western Nebraska to the Grand River Dam in Oklahoma, from the Possum Kingdom Dam on the Brazos River in Texas and to build a gas-fuel generating plant in Louisiana, all to be tied in on a gigantic grid superimposed upon and duplicating existing facilities. This crazy scheme would have required about 18,000,000 excess pounds of copper.

This scheme in itself would have gotten nowhere except for causing months of delay while R. E. A. apologists sought to force it down the throat of O. P. M.

But in November, the Federal Works Administration forced the Grand River Dam Authority, an agency of the State of Oklahoma, into bankruptcy, a situation which the Federal Works Administration had deliberately created by tampering with the financial operations of the Authority.

Although the output of the dam was then being utilized by private companies in Oklahoma in part to serve war industries such as bomber plants and army camps, Leland Olds, Chairman of the Federal Power Commission—and one of the Admiral Kimmels in my bill of particulars—obtained an order commandeering the output of the dam and canceling its contracts. Under this plan the dam would have been operated on a 24-hour a day basis which engineering studies show will yield a firm capacity of only 22,500 kilowatts whereas the total capacity of the dam is 60,000 kilowatts.

It is apparent that if its generators were tied in to the pool and used only during the few hours each day that the peak demand arises it could be used to its full capacity during that time since the water would accumulate behind the dam during the remainder of the day.

This obvious point has since been sustained not only by the Army and Navy Munitions Board, the Arkansas Department of Utilities, but also by the War Production Board. It therefore follows that an equivalent source of generating capacity must be constructed elsewhere to create the same top capacity for the regional pool. That is why I charge—and I am borne out by distinguished and disinterested witnesses—that this plan to use the power of Grand River Dam continuously would be a misuse of the dam and the destruction of 37,500 kilowatts of generating capacity.

Shortly after the Federal Government seized the Grand River Dam Authority, which was the property of the State of Oklahoma, Harry Slattery, as Administrator of the Rural Electrification Administration, issued virtual orders to K. A. M. O., a four-State, generation-transmission, supercooperative of the holding-company type, to make an offer to Defense Plant Corporation to supply this run-of-the-stream continuous power to the aluminum plant. K. A. M. O. obeyed. And about the middle of December it signed a contract to that end. There are other details to this deal that are immaterial here but which will be available to members in the text of a finding of the Arkansas Public Utilities Department dated January 10, 1942, which I shall ask permission to include in an extension of my remarks.

Joining with K. A. M. O. in this contract was another R. E. A. holding-company co-op called Ark.-La. which was to transmit the power from K. A. M. O.'s line, near Fort Smith, Ark., across the State to the site of the plant.

A contract for the balance of the power was made with the southwestern power pool which had been created for the purpose of serving the whole requirement of the aluminum plant.

However, this deal could not be completed without a certificate of convenience and necessity from the State of Arkansas to Arkansas-Louisiana to construct the transmission line. So a hearing before the Arkansas Utilities Department was ordered and the whole matter was aired. Leland Olds was flanked by Robert Craig, Deputy Administrator of R. E. A. on one side, and by Harry C. Lamberton, Assistant General Counsel of the R. E. A. on the other.

After exhaustive hearings and the presentation of more than 400 pages of testimony the Arkansas Department of Public Utilities held that this contract called for unsound practices in the misuse of generating capacity available at Grand River Dam and that the connecting line was a wasteful employment of vital copper and if they felt free to exercise their own judgment the application would be denied.

To bear out my contention that the Olds' R. E. A. plan would have sabotaged the equivalent of a generating plant well in excess of 30,000 kilowatts, I desire to quote from the findings made by the all-Democratic, all-patriotic, non-Communist Arkansas Utilities Department which certainly cannot be accused of playing partisan politics.

The Commission handed down this finding in part:

From the evidence before us we find that there is not sufficient capacity at the dam to furnish 32,500 kilowatts of firm capacity to the aluminum plant, and that a failure to put the capacity of the dam into the pool for peaking purposes only will destroy at least 30,000 kilowatts of capacity, and possibly as much as 37,500 kilowatts of capacity, which would otherwise be available all over the Southwest for war industries. In order partially to avoid this destruction of capacity, we understand that the Federal Power Commission will order members of the pool to

furnish additional power to the applicant. This will enable the Rural Electrification Administration to get into the power picture, but will reduce the ability of the private utilities to serve other war industries through the operations of the pool.

We further find that such power as is available at Grand River Dam can be transported to the aluminum plant in Arkansas or to war industries located elsewhere without the construction of the proposed transmission line, and that the construction of the proposed transmission line duplicates existing facilities which could be used for the same purpose and thereby involves the use of at least 2,900,000 pounds of copper and the expenditure of at least $3,780,000. The evidence before us indicates that the connections necessary to bring the full 60,000 kilowatts of peaking capacity from this dam into the power pool would involve the use of only 22,000 pounds of copper and an expenditure of approximately $250,000, and the evidence further indicates that this construction is already under way and would be necessary, in any event, if the members of the pool are to be forced to make a part of their capacity available to applicant to be transported over the proposed line, instead of allowing the pool members to transport all of the energy over their own lines.

We further find that the full requirements of the aluminum plant can be furnished by the utility pool or can be transported to the plant through the pool without the construction of this line and on terms and conditions which ought to assure that the Government is not being discriminated against either as regards the amount of power taken from the Pensacola Dam or the price paid for it, or the amount charged for transporting it.

We further find that the full available capacity of this territory can more efficiently be made available for war industries throughout the area by having all of said capacity distributed through the power pool, rather than by having some of the members of the pool forced to furnish power to the applicant.

If we felt free to exercise our own judgment in this matter the application for the construction of this line would be denied. Our judgment of the evidence is that the construction of this line and the use of the Grand River Dam for the furnishing of firm power involves a waste of capacity, of copper and of money, which should not be permitted at this time on the part of either public or private power interests. It is untimely, in this emergency, to encourage or permit either private utilities or public power groups to impose their desires so as to menace the interests of the Nation. It is possible that what might be proper in normal times could now be a crime. The construction of this line may also serve to settle and foreclose, through the decision of appointed bureau officials, the question as to whether, after the war, private utilities in Arkansas shall be regulated by publicly owned and subsidized competition. * * * It is our unanimous opinion that this is a question which should not be settled or foreclosed in this manner but should be passed upon only by a legislative body, elected by and responsible to the voters and reflecting the will of all the people. It should not be settled by a bureau or commission, either State or Federal.

However, the applicant has secured a contract from the Defense Plant Corporation to furnish some power to the aluminum plant. * * * This Department will defer to the decision of the war authorities.

The Arkansas Department of Public Utilities, refusing to be stampeded by the flag-waving tactics of the R. E. A. and the Federal Power Commission, refused to accept, in the name of national defense, such an outrageous proposition which is actually contrary to our defense requirements and passed the responsibility back to the authorities in Washington.

In effect the Arkansas Department of Public Utilities said to the authorities in Washington, "If you want to spend our country's badly needed copper; waste vitally needed electrical energy; misuse our very limited water-power resources, and take from the citizens of Arkansas the right to determine whether they or Federal bureaucrats, operating publicly owned and subsidized competition, are to destroy the private utilities of the State, you will have to order us to issue the certificate and accept full responsibility."

The Arkansas Department of Public Utilities sent copies of the hearing and its finding to all interested Federal agencies in Washington. Among other Government agencies this controversy was submitted to the Priorities Committee of the Army and Navy Munitions Board for a decision.

These men are commissioned Army and Navy officers, who have degrees in electrical engineering, who have won promotion and rank from distinguished studies and operation of the electrical problem of the Army and Navy, afloat and ashore. They have no political theories or axes to grind. They have but a single thought and purpose: to expedite the Nation's war effort as efficiently and wisely as possible. To them all other considerations are secondary to the successful culmination of the war.

Unpleasant as it may be for these Army and Navy experts to tangle with politicians who are fervently imbued with political theories which do not jibe with the simple facts of engineering and common sense and which do not jibe with the necessities of national defense, they stood their ground and put the welfare of this Nation above a political theory.

This committee was called into session January 17, 1942, and had this proposal under consideration for 3 days. Meeting with this committee were engineers of the R. E. A., supported by representatives of the Federal Power Commission and accompanied by engineers of O. P. M.

In the face of the Arkansas rebuff the R. E. A. trimmed its sails somewhat, revising its proposal by suggesting a line of one-third smaller capacity but otherwise essentially the same. They had 3 days of heated discussion before the Army and Navy Board. But the R. E. A. engineers, abetted by their Power Commission friends, were unable to make the hard-boiled Army and Navy officials admit that black is white.

In spite of extreme bureaucratic pressure, the Priorities Committee of the Army and Navy Munitions Board on January 20, 1942, made their findings and recommendation to the War Department, completely rejecting this proposal by the R. E. A. and the Federal Power Commission and sustaining the findings of the Arkansas Department of Public Utilities. Listen to what the Army and Navy Board has to say in this report:

After long and careful deliberation, representing a 3-day discussion of the engineering features, involving operation, continuity, and reliability of service of the two plans, with competent engineers representing all interested parties and a review of the above comparison, it is the opinion of the undersigned that the power pool proposal is more conservative of critical war material, including the manufacturing of equipment, and further contributes more lasting benefits than the cooperative revised proposal, and as such is so recommended to you for your favorable consideration.

Further it is recommended that the department of public utilities, Little Rock, Ark., in compliance with the request in the last paragraph of reference (b), be advised that the construction of the proposed line by the Ark-La Electric Cooperative is not necessary for defense purposes and the application for a certificate of necessity to construct the same by them be denied.

In spite of the adverse findings by the officers of the Army and Navy, whose sworn duty it is to defend our country from enemies within as well as from without, the R. E. A. and the Federal Power Commission did not abandon all hope. The War Production Board had been formed during this period and, summoning all of their political cohorts, they presented the case to Donald Nelson, Chairman of the War Production Board.

I do not know the details of how they presented it. But I do know that two distinguished Members of this body, in a discussion they were having on the floor of the House on January 22, 1942, congratulated each other on the success they had with Mr. Nelson in this matter. I do not know how much of the facts Mr. Nelson was told, and, if told, how much of them he—not an engineer—realized and understood. I do know that on the 21st day of January, the day after the Army and Navy Board made this adverse report, Mr. Nelson telegraphed the Arkansas Department of Public Utilities announcing that he had given an A–1–A rating to the R. E. A. long-distance transmission line to the Grand River Dam.

The Power Commission, the Federal Works Administration, and the R. E. A. were defeated on their plan to use the waters of the Grand River on a firm power or continuous basis and were ordered to tie in with the southwestern pool for the most efficient operation of the water-power resources of the river—that is, for peaking purposes. In that respect it was a Waterloo for those bureaucrats who seem to think that the greatest contribution that can be made to our national defense is to expand bureaucracy so that they may be kept on the Federal pay roll. However, they still cherished the crumb of victory which they had snatched from what should have been a complete repulse.

This is not an isolated, accidental, incidental, or occasional instance but a part of a well-planned program covering the Middle West, which places national safety second to bureaucratic greed for power and promotion of a political theory. There are many such cases.

One of them is the Possum Kingdom Dam project on the Brazos River in Texas.

This dam is operated by an independent political agency consisting of an irrigation district. Admittedly for political reasons the operators of this district last March signed a contract for the sale of incidental power to an R. E. A. holding cooperative at $200,000 a year. This was to serve 15 cooperatives on a transmis-

sion line yet to be built, requiring the use of many tons of copper.

In negotiating this contract with R. E. A. the operators of this dam after being informed by high Government officials that they were looking at the matter from a business standpoint rather than the standpoint of the Government, refused to consider an offer of 50 percent more, or $300,000, for this power from a private company. The offer of the private company included a guaranty to serve at a rate lower than the R. E. A. transmission system offered, not 15 but 29 distributing R. E. A. cooperatives.

The reason the private company could make such a favorable offer was because it intended to use the full capacity of 22,500 kilowatts of the dam only a few hours of the day so as to increase the peak-demand capacity of its entire system. The R. E. A. plan involved use of the firm, or lowest, capacity of the dam on the basis of continuous daily 24-hour use, or 8,700 kilowatts. Thus a total of 14,000 kilowatts of demand capacity in that area is sabotaged. Meantime, the Dow Chemical Co. must await the construction of a new electrical plant to manufacture magnesium from sea water. These are indisputable facts supported by a wealth of evidence.

In the same instance there is a shocking case of misuse of copper in the erection, by this transmission cooperative, of a line across country 65 miles from Possum Kingdom to Garland, Tex., to serve one lone industrial customer. This customer is a Diesel-engine manufacturing plant being constructed within 100 yards of a 66,000-volt privately owned highline with ample reserve power to supply all requirements. Connection between this privately owned highline and the Diesel company would require approximately what 4 miles of the R. E. A. transmission line costs.

I wonder if this is one of the R. E. A. defense plants of which R. E. A. Administrator Slattery, in his annual report, boasts:

> The burden of supplying electricity to such plants as these has fallen on Rural Electrification Administration systems, because they are located in regions without electric service until Rural Electrification Administration lines were built.

On December 1, 1941, I made the charge on this floor that R. E. A. was hoarding millions of pounds of copper intended for a transmission system which would serve no new customers and no national defense plants.

Despite R. E. A.'s denials, which were in fact complete admissions, and I refer you to the hearings before the agricultural subcommittee of the House Appropriations Committee for this proof, S. P. A. B. cracked down on R. E. A. and forced it to abandon such nonsense in a Nation at war. Later that hoard of copper at Gilmer, Tex., which I exposed, was hauled away in trucks. I do not know but it is possible that this wasteful line from Possum Kingdom to Garland is the place where that copper is now being used.

All true friends of rural electrification should join me in indignation at the perversion of the name of rural electrification to such an end.

The farmers of my district are, first of all, patriotic Americans and are willing to make any sacrifice in order to help our war efforts. They are willing to forego the comforts and conveniences of electricity in their homes and barns if the copper they are denied is actually needed and will be used for national defense. But they do not want their patriotism sacrificed for the purpose of expanding R. E. A. bureaucracy in a field in which Congress never intended it should enter.

All true friends of rural electrification should join me in righteous indignation at the diversion of the equivalent of thousands of miles of farm electrification copper to purposes which neither serve national defense or farm electrification.

Why are these Washington bureaucrats obsessed with this mania of extension of rural electrification into the transmission and generation fields in time of war at the expense of our national resources of copper and water power?

In part, their motive may well be the natural opportunism of bureaucrats to take advantage of events to further expand and aggrandize their own activities and increase their pay roll and power. Shabby and unpatriotic as that motive may be, I would rather believe that that was their sole motive. But I cannot refrain from considering the fact that at a recent hearing of R. E. A. on the relation of copper to R. E. A. before the agriculture subcommittee of the House Appropriations Committee I placed in the record of that hearing the names of 34 employees of the R. E. A. here in Washington who, according to the records of the Dies committee, are members of the Communist front transmission belt organizations.

According to the Dies committee, the Assistant General Counsel of R. E. A., Harry C. Lamberton, drawing $6,500 a year, belongs to eight of these Communist organizations. At the time when Joe Stalin and Hitler were in bed together in an unholy alliance Lamberton was a holder of soviet bonds. At the time when the Communist Party line in this country was for American disarmament, Lamberton was chairman of the Nation's Capital Chapter of the notorious Communist front transmission belt organization, the American League for Peace and Democracy. The legal representative of the R. E. A. at the hearing before the Arkansas Utilities Board was Comrade Harry C. Lamberton.

When Harry Slattery, R. E. A. administrator, was testifying before the appropriations subcommittee on agriculture he was asked by the distinguished gentleman from Georgia, chairman of the committee, Judge TARVER, if he would discharge members of his organization who belonged to a Communist organization or had belonged to it, Slattery made this astounding reply:

> Well, I would say frankly, Judge, I should like to consider also the fact that Russian soldiers are dying on the battlefield today.

I want to say to the everlasting credit of that grand gentleman from Georgia, Judge TARVER, who is every inch an American, that he made Slattery swallow those words and say that he would investigate the status of his employees and discharge all Communists if he found any among his employees. To date I have not heard of any dismissals for this purpose in R. E. A.

How long must MacArthur fight with his back to the wall before many of those in high Government positions wake up to a singleness of purpose, to a oneness of heart and mind, to the single and sole effort of winning the war? How many Pearl Harbors must we have? How many Manilas must we lose before these bureaucrats will give up their pet political theories?

The people of this Nation are united in their willingness to sacrifice with blood and money to win the war and preserve our American way of life. But so long as bureaucratic termites are permitted to bore from within our Government with political schemes that tend to destroy that unity of purpose there is bound to develop in the hearts and minds of the people of this Nation a feeling of distrust in the good faith of the leaders responsible for our national defense effort.

May God give us peace at home that we may successfully wage war abroad and preserve our American way of life.

Mr. BRADLEY of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WINTER. I yield.

Mr. BRADLEY of Michigan. Last evening I had the pleasure of listening to Mr. Quentin Reynolds. The primary remark he made last night was that America should forget Pearl Harbor. I take it the gentleman does not agree with that contention. Neither do I.

Mr. WINTER. Most certainly I do not. I think we should forget partisan politics and get down to the business of seeing that this war is won.

EXTENSION OF REMARKS

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter written by me in regard to the Puerto Rican coffee situation and a letter from Vice President WALLACE.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

HOUSE BILL REFERRED

A bill of the House of the following title, with Senate amendments, was taken from the Speaker's table and referred as follows:

H. R. 5111. An act authorizing the waiver of the navigation and inspection laws during the national emergency; to the Committee on the Merchant Marine and Fisheries.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2208. An act to further expedite the prosecution of the war; to the Committee on the Judiciary.

S. Con. Res. 24. Concurrent resolution authorizing the printing of additional copies of

the report of the select committee of the Senate authorized and directed to make a complete study and investigation of the national defense program; to the Committee on Printing.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6269. An act to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, as amended; and

H. R. 6448. An act making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1589. An act to prohibit payment of money allowance for subsistence and rental to retired officers of the Navy or Marine Corps for any period when not employed on active duty;

S. 2028. An act to amend section 3 (a) of the act entitled "An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes," approved June 2, 1939 (53 Stat. 800), so as to transfer the administration of the Naval Supply Depot, Oakland, to the commandant, twelfth naval district; and

S. 2139. An act to provide for performance of the duties of chiefs of bureau and the Judge Advocate General of the Navy Department, and the Major General Commandant of the Marine Corps, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 6448. An act making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes.

ADJOURNMENT

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 44 minutes p. m.) the House adjourned until tomorrow, Friday, January 30, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments on Wednesday, February 4, 1942, at 10 a. m., to consider all bills now pending before this committee.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 5, 1942, at 10 a. m., on H. R. 6020, granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Atlantic seaboard and creating the Atlantic States Marine Fisheries Commission.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1350. A letter from the Assistant Secretary of the Navy, transmitting a report of the contracts negotiated by the Office of the Judge Advocate General, Navy Department, on a fixed-fee basis, for the period January 1, 1941, to December 31, 1941, inclusive; to the Committee on Naval Affairs.

1351. A letter from the president, Capital Transit Co., transmitting a report covering the operations of Capital Transit Co. for the calendar year 1941, with balance sheet as of December 31, 1941; to the Committee on the District of Columbia.

1352. A letter from the Administrator, United States Department of Labor, Wage and Hour Division, transmitting the Annual Report of the Wage and Hour Division of the United States Department of Labor for the fiscal year 1941; to the Committee on Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JARMAN: Committee on Printing. House Resolution 415. Resolution authorizing the printing of additional copies of the report (H. Rept. No. 1634) of the Committee on Naval Affairs relative to the progress of the national defense program; without amendment (Rept. No. 1707). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 6493. A bill to provide a 2-year moratorium on foreclosures of Home Owners' Loan Corporation mortgages; to the Committee on Banking and Currency.

By Mr. COFFEE of Washington:

H. R. 6494. A bill to authorize the appointment of official court reporters in the district courts of the United States; to fix their duties; to provide for their compensation; and for other purposes; to the Committee on the Judiciary.

By Mr. GALE:

H. R. 6495. A bill granting the consent of Congress to the State of Minnesota to construct, maintain, and operate a free highway bridge across the Mississippi River at or near the village of Brooklyn Center; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON of Georgia:

H. R. 6496. A bill to authorize the appointment of commissioned warrant and warrant officers to commissioned rank in the line and staff corps of the Navy and Marine Corps, and for other purposes; to the Committee on Naval Affairs.

By Mr. WHITE:

H. R. 6497. A bill establishing Pacific standard time for that part of the State of Idaho now on mountain standard time, for the period during which daylight saving time is in effect; to the Committee on Interstate and Foreign Commerce.

H. R. 6498. A bill relating to certain entries for stock-raising homesteads; to the Committee on the Public Lands.

By Mr. SABATH:

H. J. Res. 274. Joint resolution providing for the creation of a Federal aircraft facility, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MAY:

H. J. Res. 275. Joint resolution to remove certain limitations on the cost of construction of Army and Navy living quarters; to the Committee on Military Affairs.

By Mr. VINSON of Georgia:

H. Con. Res. 63. Concurrent resolution authorizing the printing of additional copies of the report (H. Rept. No. 1634) of the Committee on Naval Affairs relative to the progress of the national defense program; to the Committee on Printing.

By Mr. HOFFMAN:

H. Res. 425. Resolution to investigate Federal Union, Inc., and similar organizations; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Maine, memorializing the President and the Congress of the United States to consider their memorial dated January 22, 1942, relative to legislation concerning aliens of the United States who are nationals of allied nations to be eligible for enlistment or draft in the armed forces of the United States of America; to the Committee on Immigration and Naturalization.

Also, memorial of the Legislature of the State of Maine, memorializing the President and the Congress of the United States to consider their memorial dated January 23, 1942, relative to Senate bill 2015; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to consider their Senate Joint Resolution No. 1, dated January 19, 1942, relative to the rights of the State of New Jersey; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to consider their Assembly Joint Resolution No. 20, relative the Federal Social Security Act; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. SMITH of West Virginia:

H. R. 6499. A bill granting a pension to Clyde C. Delaney; to the Committee on Pensions.

By Mr. THILL:

H. R. 6500. A bill for the relief of John F. Cantiene; to the Committee on Claims.

By Mr. McGREGOR:

H. R. 6501. A bill granting a pension to Katherine P. Leslie; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2342. By Mr. CANFIELD: Memorial of the Atlantic Deeper Waterways Association, calling attention to the necessity and defense value of the completion of the Atlantic Intracoastal Waterway by the construction of the "missing link" across the State of New Jersey; to the Committee on Rivers and Harbors.

2343. Also, petition of the Legislature of the State of New Jersey, memorializing the Congress of the United States to refuse to

enact any legislation which would destroy the rights of the State of New Jersey in its administration of the State unemployment compensation system; to the Committee on Ways and Means.

2344. Mr. COFFEE of Washington: Petition of the Tacoma Industrial Union Council, Tacoma, Wash., Freeman L. Cochran, secretary, pointing out that in the past the cream of the scrap metal has been skimmed off the top of our supply by junk dealers, who sold the same to Japan, our potential enemy; asserting that seven furnaces in Youngstown were compelled to close for lack of scrap iron, and indicating the need for official scrap-metal drives through Government channels, urging that such scrap-iron drive be organized in the Pacific Northwest to furnish the Federal Government needed scrap metal; recommending that the proceeds from the sale of such scrap metal, received from the said scrap-iron drives, be turned over to the United States Treasurer for war use; to the Committee on Military Affairs.

2345. By Mr. CULLEN: Petition of the Assembly and Senate of the State of New York, memorializing Congress to enact into law the Fulmer bill, H. R. 6359, to provide by Federal appropriation for the relief of distress caused by the drought in the year 1941; to the Committee on Agriculture.

2346. By Mr. ROLPH: Senate Joint Resolution No. 10 of the State of California, relative to protection of national defense industries, utilities, and facilities; to the Committee on Military Affairs.

2347. By Mr. WOLCOTT: Petition signed by members of the Almont Federation of Clubs, Almont, Mich., in respect to Senate bill 860; to the Committee on Military Affairs.

HOUSE OF REPRESENTATIVES

FRIDAY, JANUARY 30, 1942

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, the fountain of infinite power and mercy, before whom the morning stars sang together and by whom the voice of the sparrow is heard, with assurance we approach the throne of grace. Enable us to accept the days of darkness with the same temper of spirit as the seasons of unclouded skies. Even when our hearts are chilled with disappointment and grief, we would still put our trust in the eternal goodness of our heavenly Father. In all Thy providences we trust that we may be truly grateful for everything which comes from Thy bountiful hand. In our conception of Thee, may it be resplendent in truth, justice, and pity.

We pray that Thou wilt help those who most need Thee. All who are weary, to whom life seems an empty dream; all who are sacrificial in their daily tasks, who bear crucifixion in their hearts and all who are wrong and are seeking the shores of safety. We praise Thee that we are evermore in Thy sight and are evermore provided with guardianship by

One whose glory gilds earth and sky.
Whither shall I go from Thy spirit,
Of whither shall I flee from Thy presence;
If I ascend up into heaven, Thou art there;
If I make my bed in hell, behold Thou art there;
If I take the wings of the morning
And dwell in the uttermost parts of the earth,
Even there shall Thy hand lead me,
And Thy right hand shall hold me.

We pray in the name of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On January 24, 1942:

H. R. 3487. An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended; and

H. R. 6325. An act to amend certain provisions of the Internal Revenue Code relating to the production of alcohol.

On January 26, 1942:

H. R. 6263. An act to amend section 606 of the Communications Act of 1934 for the purpose of granting to the President, in time of war or threatened war, certain powers with respect to communications by wire.

On January 27, 1942:

H. R. 3193. An act validating certain conveyances heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, involving certain portions of right-of-way in the city of Tracy, in the county of San Joaquin, State of California, and in the town of Elk Grove, in the county of Sacramento, State of California, acquired by Central Pacific Railway Co. under the act of Congress approved July 1, 1862 (12 Stat. L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat. L. 356).

On January 29, 1942:

H. R. 5095. An act to set aside certain lands in Oklahoma for the Cheyenne-Arapaho Tribes of Indians; and to carry out certain obligations to certain enrolled Indians under tribal agreement; and

H. R. 6304. An act authorizing appropriations for the United States Navy, additional shipbuilding and ship-repair facilities, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 5249. An act to amend section 7 of the Natural Gas Act;

H. R. 5480. An act to provide pay for officers in accordance with the rank and grade in which they were inducted and served in the land forces;

H. R. 6353. An act to provide for the adjustment of tobacco, wheat, and cotton-marketing quotas and acreage allotments in certain cases where farm land is acquired by the United States for defense purposes; and

H. J. Res. 257. Joint resolution to amend section 124 of the Internal Revenue Code to simplify the procedure in connection with amortization of certain facilities.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 6333. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; and

H. R. 6392. An act to authorize the construction of certain naval vessels, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2212. An act to suspend during war or a national emergency declared by Congress or by the President the provisions of section 322 of the act of June 30, 1932, as amended, relating to certain leases.

MEMBERS OF THE BOARD OF VISITORS TO THE UNITED STATES NAVAL ACADEMY

The SPEAKER. The Chair desires to make the following announcement: Pursuant to the provisions of title 34, section 1081, United States Code, the Chair appoints as members of the Board of Visitors to the United States Naval Academy the following Members of the House: Messrs. JACOBSEN, VINCENT of Kentucky, IZAC, HESS, REES of Kansas.

EMERGENCY RELIEF APPROPRIATION ACTS

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Expenditures in the Executive Department:

To the Congress of the United States:

As required by the provisions of the Emergency Relief Appropriation Acts, fiscal years 1941 and 1942, I present herewith a report of the operations under these acts to the end of the calendar year 1941.

This report contains summary and detailed statements of the Treasury Department reflecting expenditures made, obligations incurred by classes and amounts, and the status of funds under each of the above-mentioned acts. In addition thereto, information is presented covering the Relief Acts of 1935, 1936, 1937, 1938, and 1939. These statements compiled as of December 31, 1941, constitute the seventh annual accounting to the Congress for relief and work relief expenditures. Such reports have been submitted at the beginning of regular sessions of Congress as provided for in the emergency relief appropriation acts.

Reports of operations of the Work Projects Administration and the Employees' Compensation Commission in connection with funds appropriated under the emergency relief appropriation acts, fiscal years 1941 and 1942, are also included.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 30, 1942.*

COMMITTEE ON THE JUDICIARY

Mr. SPRINGER. Mr. President, at the request of the committee, I ask unanimous consent that the Committee on the Judiciary may have permission to sit

and hold its hearings today on the war-powers emergency bill, regardless of the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. SPRINGER]?

There was no objection.

SIXTIETH BIRTHDAY OF PRESIDENT FRANKLIN D. ROOSEVELT

The SPEAKER. The Chair desires to state at this time that it is his purpose to recognize those Members now who desire to make remarks about the birthday of the President of the United States.

Mr. McCORMACK. Mr. Speaker, on this, the sixtieth birthday of one of the great men of all time, we pause in the House of Representatives to congratulate and honor our beloved and courageous President, Franklin Delano Roosevelt. We all trust and pray that God will watch over him, and, like the compass that directs the ship on its journey, guide and direct him and, in addition, protect him during the trying days to come. Not only to guide and direct him but to protect him is the prayer we send to God.

No matter how much some might have differed in the past with the domestic program of President Roosevelt, in these trying days, no matter what our religious convictions are, we can all thank God that He has given to us in these days our beloved and courageous President, Franklin D. Roosevelt.

Usually death comes to one before his motives are clearly understood, his actions and expressions properly interpreted, and his leadership correctly, rationally, fairly, and properly analyzed. That is principally due to the emotions, the love, the angers, the hates, the envies, and other human emotions and reactions that exist in the lifetime of a human being and of a generation. While the President has encountered and will encounter the effects of human emotions and reactions, he is held in such high esteem by the great majority of Americans that today he is one of the three great Presidents of our country, recognized as one of the great among a very select group of the greatest persons known in the history of man.

As the Washington Post editorial this morning well said:

> No man has had so much responsibility to the people of the United States in the Nation's history, for we are engaged in our second war of independence.

Franklin Delano Roosevelt is not only our Commander in Chief in the present battle of the world, but from a governmental angle he is the head of the greatest Government in the world; he is the leader of the forces of decency throughout the world. To him we look with confidence for leadership and victory. To him are looking the countless millions of conquered and enslaved peoples for their future freedom and independence, and for the restoration to them of the dignity and the personality of an individual. To him all religious as well as liberty-loving people look for the defeat of Nazi paganism and the elimination of atheistic communism through orderly processes, around the peace table, after victory has been secured. To him the peoples of the world, after victory, will look for that leadership which will bring about permanent peace and world reconstruction.

One thing is certain, the oversights of the last peace-table discussions and results will not occur again, the principal one of which was the failure to consider the world economic problems involved in the making of any kind of a lasting peace. That mistake, I am confident, will not be made again.

We of this generation are fortunate, yes, blessed, in having as our leader at this time a President who possesses the qualifications of extraordinary ability, great vision, unlimited courage, and intense patriotism, with an undying love of our institutions of government, and, in addition, being so human and humane, always thinking of and fighting for the weak and the underpriviliged; one who has suffered himself and in whose presence the humblest person would immediately feel at ease.

Prime Minister Churchill, in his speech to the Canadian Parliament, referred to the President as "that great man whom destiny has marked for this climax of human fortune."

Franklin Delano Roosevelt is a man of destiny. Entering his first term as President, when economic chaos confronted us, with a resultant impairment of our way of life at stake, the great humanitarian met successfully those problems that existed in a manner that brought about his overwhelming reelection; and, in 1940, possessed of the confidence and the trust of the American people, so that he accomplished what few people only a few years ago even expected to witness, the first President of the United States to be elected for three terms. Franklin Delano Roosevelt did not want to be a candidate for a third term. It is my own opinion that he longed for pleasant retirement at Hyde Park. He had carried burdens for 8 years that no other President had borne.

But he saw the world danger. Entering office in 1933, when Adolf Hitler became dictator of Germany, he saw the way that world events were shaping up. As early as 1937 he made his first public expression of the approaching danger, meeting a wave of hostility and opposition that would have destroyed the future effectiveness of almost any other man. Repeatedly, since 1937, he warned us of the coming danger which had as its leader Adolf Hitler, meeting more and more opposition and hostility, most of which was honest but misguided. Fortunately, enough Americans sensed the danger and had confidence in him, and he was able to put through a program of strengthened defense and a foreign policy that has kept Nazi Germany confined mainly to the European shores. Despite the vigorous opposition, his indomitable courage put through the program that was accomplished up to December 7. If he had had the support he should have received, our position would be stronger today than it is. If we had a President whose judgment was the opposite of Franklin D. Roosevelt, or whose judgment was the same, but who lacked the courage to fight for his views, our position would have been close to helpless today.

Recognizing as he did the approaching danger and also recognizing what would happen to our country if either convention nominated and the people later elected a candidate whose views were different from his, or who believed in appeasement, President Roosevelt, desiring and longing for retirement to Hyde Park, considered it his duty and responsibility to seek a third term and to break the time-honored tradition against a third term. He permitted himself to be drafted. He did that because he considered it his duty to do so. In the light of world conditions it was his duty to do so. The circumstances of our country in 1933, when it faced economic chaos, enabled President Roosevelt to apply his greatness in the constructive manner that history records. He was the constructive leader to preserve a way of life and the civilization in which we believe. Hitler, assuming power the same year the President was first inaugurated, was using the economic distress of his country for destructive purposes—to destroy religion, to destroy western civilization, and to make the people of the world slaves of the Nazi regime.

These two men—one the leader of world construction, Roosevelt; and the other the leader of world destruction, Hitler—have clashed publicly as far back as 1937. President Roosevelt saw that circumstances and duty required and compelled him to seek a third time. He is truly a man of destiny. Yesterday we honored in this House the memory of another great American, William S. McKinley, a wartime President. Today, on this occasion of the sixtieth birthday of a living wartime President, we honor and respect this great man.

James Morgan, in an article appearing in the Boston Globe-World last Sunday, said, "Family rows stop when strangers take a hand in the fight." We have had our divided loyalties, but the time for them ended on December 7. So today, not as Catholics, Protestants, or Jews; not as Democrats, Republicans, or independents; not as employer or employee; not as farmer or laborer, or any other economic or social group of Americans, but as Americans, we pause to honor Franklin D. Roosevelt, the man, and Franklin D. Roosevelt, the President of the United States; to congratulate him on his birthday, to extend to him our best wishes for many, many happy future birthday anniversaries, to pray to God that his health will be preserved and that God will guide and protect him, and to thank God that He has given to us in this crisis this man of destiny, who will go down in history as the preserver of democracy.

The SPEAKER. The Chair recognizes the gentleman from North Carolina [Mr. DOUGHTON].

Mr. DOUGHTON. Mr. Speaker, the virtues of any public man are always partially hidden to his contemporaries by the mists of prejudice, jealousy, and misunderstanding. It is only through a long-range view that he can be fully un-

derstood and given a proper evaluation. Because of this fact full recognition of the merits of many of our great men has had to wait vindication by the historian and the clarifying atmosphere of time.

I believe it can be said, however, with certainty, that no man in the entire history of our Nation, within his own lifetime, has more completely caught and held the confidence, admiration, and devotion of the American than our beloved President whose sixtieth birthday we today celebrate.

Being so greatly esteemed, even by his contemporaries as well as the masses of the people, we may be sure that the years to come will but add to the glory of his achievements and that his name will take on greater and brighter luster until he stands among the immortal leaders of all time.

The acid tests of two great national crises have been imposed upon him. The first, a depression so calamitous and so Nation wide and far reaching as to threaten seriously to destroy our economic and political system; the second, a war of such dimensions and possibilities of disaster as to imperil our national existence; in my opinion, the most serious our Nation has ever undergone.

The first of these tests was met with signal success which has merited and received the admiration and gratitude of thoughtful people throughout the world.

The second we are now in the midst of and which completely surrounds us.

In his leadership in the present crisis, as in the former, however, he has and is displaying the same wisdom, superb spirit, the same courage and vigorous action which has endeared him to the hearts of the American people.

Past grave emergencies in our history have produced men equal to every test. The Revolution gave us Washington, whose faith and wisdom were equal to the task of securing our freedom and our existence as a nation.

The War between the States produced Lincoln, with the wisdom, power, and courage to keep us united, even when it seemed certain we would crash on the rocks of sectionalism.

In the first World War, President Wilson, of revered and beloved memory, proved equal to his great task and responsibility.

It is a reassuring proof of the continuance of Divine favor, lavished upon us in the past, that in the crisis now upon us we are led again by one so gloriously endowed with those necessary virtues possessed by our earlier leaders and heroes.

Never, in my opinion, have we had a more powerful leader. Never in our history have courage, intellect, power of decision, promptness and forcefulness of action been more fortunately combined than in our beloved President.

According to the Divine definition, service is the standard by which true greatness is to be measured; and, judged by this standard, President Roosevelt meets every test, as he is not only the servant of the American people especially, but he is the servant of every continent of the earth and every island of the sea.

May he have every possible happiness on his birthday, and may he be supported and strengthened by Divine Providence and by the knowledge that the affections, prayers, and best wishes of the American people for his health, happiness, and continued usefulness are his.

The SPEAKER. The Chair recognizes the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Speaker, I rise to salute our President and our Commander in Chief on this, his sixtieth birthday anniversary, with a prayer that God will grant him strength to lead our country to victory in the most terrible war ever inflicted upon a peace-loving people.

In all our history no President has been called upon to face heavier burdens. Uncomplainingly he offers his all to his country.

During the week a large part of the membership of the Congress heard a well known war correspondent laud that type of soldier "who can grin as he fights." Such a man is our Commander in Chief. He can take it, and he can give it, and so can our America, pausing briefly to wish him well as it rededicates itself to the task ahead—the preservation of our liberties and the rescue of the enslaved.

The SPEAKER. The Chair recognizes the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Speaker, the President is not only the most important, he is the most extraordinary figure in the world today. On this his birthday we should find it easy to pledge to him our devotion, our confidence, our loyalty, and best support. The winning of the war is our chief objective, and fate has said to the President, "I find thee worthy. Do this thing for me."

The SPEAKER. The Chair recognizes the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, I wish to compliment those who are responsible for setting aside this hour in which Members of the House might take official notice of the fact that the Chief Executive of our Nation is today celebrating his sixtieth birthday.

One of the finest thoughts that come to me as I contemplate the grandeur of our great Nation is that we have but one President at a time. Under our Constitution we elect a President at a public election for a certain and definite time, and when the decision has been made it is final. I also like to think of how under our Government we have never failed at the proper time to choose a President. How much preferable our plan is to Hitler's plan. His people do not know when his term will expire or how his successor will be chosen. When that time comes the German people will realize the difference between a self-appointed tyrannical dictator and a leader selected by the people themselves from among themselves to serve themselves.

Another thought that comes to me is that the duty of Congress now in this great and trying time is to appreciate that it is one branch of the Government with its rights and duties and that the Chief Executive is another. We cannot win the war with one branch following one course and another branch following another.

Under our constitutional form of government, in this sort of emergency, the Executive is expected to take the lead. In fact, he must take the lead and we must put ourselves in the attitude of being willing to cooperate. I am sure that it is the purpose of those on the Republican side of the aisle to render every reasonable cooperation. The President, too, must magnanimously appreciate that he is the President of all the people.

At this time I think it is splendid to praise the President for the fine qualities of mind and soul that he may possess. But it is always wise to recognize that fallibility is man's constant companion.

It shall be my humble purpose to try to support the President when I can and not to magnify his mistakes. I shall always want to believe that he is thoroughly patriotic and has the welfare of the Nation at heart. I hope that his errors may be few and never serious. I congratulate him on this, his sixtieth birthday, and wish him health and strength to meet and solve the momentous problems that confront him as our Chief Executive.

The SPEAKER. The Chair recognizes the gentleman from Pennsylvania [Mr. MCGRANERY].

Mr. MCGRANERY. Mr. Speaker, I am very happy to have the opportunity of joining, with not only the membership of this distinguished body, but with liberty-loving people the world over, in felicitating our Commander in Chief, President Roosevelt, on this, his birthday, and, in running over in one's mind the life of service dedicated as it were to his fellow men, I cannot find words adequate to express the feeling that is in my heart. In attempting to do so, I am most conscious of my inability to find words pregnant with the meaning that would, in some measure, give expression to even the least of the many great things which, under his leadership, have brought food to the hungry and hope to the destitute.

It has been my privilege to have marched under his banner, and to have followed his leadership during this most critical period in the history of our country.

Therefore, Mr. Speaker, it is my earnest prayer that God may give to our great President, health and strength to carry us through the darkness and into the light, with the same courage and foresight which have characterized his entire life; and that he may be spared to his loved ones for many, many years to come.

The SPEAKER. The Chair recognizes the gentleman from Alabama [Mr. STARNES].

Mr. STARNES of Alabama. Mr. Speaker, the Congress and the people of the United States extend birthday greetings and best wishes to our President today on his sixtieth anniversary. Born to the purple, he has proven himself democratic in principle and practice. Out of his physical suffering he derived tenderness and resolution which led him to have compassion for those who suffer and who

are in need. His resolution to bring physical and spiritual comfort to them has won their love and the title of humanitarian.

He is the thrice-chosen leader of a free people. In peace he has led us out of an economic wilderness and the slough of despair to better and brighter days. Wise and salutary reforms have been instituted which have brought us a greater degree of economic security and a restoration of faith and confidence in our ability to meet and conquer peacetime problems.

Our hope and our prayer is that God will give him physical strength to implement his matchless skill, courage, and resolution in leading us and the free people of the earth to victory—a victory which will bring the blessings of peace and freedom to the human family everywhere in the world.

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. PATMAN].

FELICITATIONS TO OUR GREATEST PRESIDENT

Mr. PATMAN. Mr. Speaker, I wish that it were possible for me to give you a word portrait of a living personality in the full tide of his world activity, but a a biographer of less literary skill than a Ludwig cannot accurately evaluate a personality so symbolic of our age. Long after his pioneering social measures shall have been outdated by future generations the personality of this man, born to patrician wealth, has become the friend and the benefactor of the poor, the invalid, and the unfortunate, will live as the leader of a gigantic social movement which brought economic security to myriad millions.

In 1921, when President Roosevelt was struck down by infantile paralysis, his friends advised him against further advancement in political life. But the attack only proved the cruel instrument of destiny. Said he, "It's ridiculous to tell me that a grown man can't conquer a child's sickness." This was such a magnificent reply that his friends desisted. Now, two decades later, he stands tiptoe on the very highest pinnacle of world fame, loved, even worshipped, by millions now writhing under a despotic heel.

In March 1933, when he took over the country, unemployment and unrest had brought about economic chaos bordering on internal strife. It was evident that someone had to completely dominate the country. He said, "This country needs action, and action now." Without delay came the bank holiday, swiftly followed by banking-reform legislation, Securities and Exchange Act, the Civilian Conservation Corps, humane amendments to the R. F. C. Act, farm security, constructive labor laws, flood control, bank-deposit insurance, rural electrification, old-age assistance, unemployment insurance, and many other benefits, all of which have elevated the people socially, morally, intellectually, and financially. No other President, without exception, ever served this country with the vision and the humanitarian benefits of Franklin D. Roosevelt.

"The cure for democracy," said he, "is faith in democracy, a faith founded on economic and social security, a faith unshaken by the stress and turmoil of hunger and unemployment." Franklin D. Roosevelt saved democracy by restoring the faith in democracy by alleviating hunger and distress through his divinely inspired vision of social security.

Tonight the United Nations of the world come lightly on dancing toe to celebrate the sixtieth birthday of our President. There are no boundaries, not even oceans this year, for the celebration. The beautiful Irish colleen, the winsome English lassie in a Middlesex village, and on around the world to a palm-thatched hut in far-away Java, will dance and sing and pay honors to the man upon whom hangs the hope of victory and peace. With the joy of the dance, gayety, and festivity, many lips will send up a silent prayer:

O God, preserve the life and the strength of President Roosevelt. He is the greatest humanitarian since the Prince of Peace came to this earth 2,000 years ago, bringing a message from God: "Peace on earth, good will to men." O God, keep him.

The President has four fine young sons who are exemplifying the love of country by serving in the combatant forces. He is not asking your boy or my boy to do what his boys are unwilling to do. When the hour came his sons met it with all the gallantry that their father attacked the entrenched forces of greed, and routed them from the ramparts of humanity. Today it may be in tropical jungle, sunbleached desert, or submarine-infested seas they carry on with your boys and my boys and the whole country's boys. They are full partners of their father in this democracy's victory.

At this critical hour we are called upon to save a nation's life. It means that we must sacrifice something—yield a little to gain much. To whom do we build monuments, to the selfish and unpatriotic? No. We build them in memory of those who gave out of the largess of duty and love in blood and treasure to help others.

Today the mile of dimes is helping some child regain health and action from the pain and cruelty of infantile paralysis. Through the deep personal affection which his personality has drawn to him by his voice over the radio comes the endless mile of dimes for the unfortunate little ones.

Today I pay tribute to the man I love—my President. Every promise he has made to America he has faithfully kept. Every promise he has made to the United Nations will be kept.

Hail the Chief on his sixtieth birthday.

The SPEAKER. The Chair recognizes the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS of Arkansas. Mr. Speaker, we are pleased to join others, who constitute the free peoples of the world, in paying tribute to that fearless leader whose sixtieth birthday occurs today.

No President in our history has had such an arduous task as that which rests on the shoulders of Franklin Delano Roosevelt. On this birthday, as our Commander in Chief, he possesses that forthrightness, honor, determination, foresight, and common sense which have characterized our greatest statesmen of the past. It is indeed fortunate that he has such attributes for he has in 60 years of life become the greatest proponent of the inalienable rights of man that history of government records. Our President, during his years in the White House, has shown such courage in assuming responsibility that the American people have reflected his will to restore freedom in all of their actions. It is easy to understand, therefore, the unity of purpose, desire, and confidence that prevails today.

This man's greatness does not, however, rest solely in the field of political science. He leads in another fight which to so many is just as important as the winning of economic and social freedom. In spite of the great demand made on his time as the leader of free men, he has time to devote to the cause of providing means for children to walk of their own volition into the pathways of sturdy manhood and womanhood. Later historians cannot possibly overlook this phase of a noble character.

It is the hope of all the world that our first citizen may enjoy many future birthdays for it has become very evident that his "bold and inspirational hand" will be needed, when victory is won, to repair the remaining fabrics of civilization into a peaceful world society traveling in the enduring path of security and freedom.

Few men have ever attained such stature in the eyes of their commentaries as has Franklin Delano Roosevelt at this period in a notable experience.

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, in the not far distant past I have differed with the President of the United States on his foreign policies and have openly, in this House, expressed views in opposition to some of the recommendations of the President with clear conscience and with firm conviction that I was advocating what I believed to be in the best interests of America. But when the Japs, in a most treacherous and dastardly manner, on December 7, attacked Pearl Harbor, the time for controversy passed immediately. The time for charges and countercharges and criminations and recriminations disappeared overnight.

We are engaged in the greatest war in the history of America, in the greatest war in the history of the world. We, the American people, Republicans and Democrats alike, present a united front behind the President of the United States, our Commander in Chief. We only have one objective today in America and that is to win this war, and to win it as rapidly as possible, cost what it may. I think all of us on both sides of the House are completely united in this program. We realize that it is an all-out war, all out in effort, all out in money, all out in blood, and it calls for united effort and cooperation, forgetting partisan politics. Therefore on this sixtieth anniversary of the birth of the President of the United States I am pleased to join with my colleagues in this House, regardless of party lines, to urge unity for the war program and in attaining final victory.

If there is any country worth living in and defending it is the United States of America. The President is engaged as Commander in Chief in leading this battle and in trying to save our Republic. Therefore all of us, no matter what our views have been in the past, should be united behind him in winning the war, and I join in extending my felicitation, congratulations, and best wishes to the President of the United States, my Commander in Chief, on his sixtieth birthday.

Mr. SABATH. Mr. Speaker, it is my great honor to have known our beloved President for nearly 30 years. I have served here under seven Presidents, all great men, all great Americans. I have read carefully the history of Washington, Jefferson, Jackson, Lincoln, and I honestly believe that all the virtues, knowledge, and patriotism that were embodied in those great Americans we find in him, who, in my opinion, is the greatest citizen, the greatest American and the greatest President, Franklin D. Roosevelt. Oh, how pleased I am that it was my privilege to originally advocate his candidacy for the Presidency, and what a gratification it was to support and aid him. I am, indeed, gratified at being placed in a position to promote legislation which he has advocated in the interest of all humanity generally and our own country especially. These are trying times and I am indeed happy to see all of us in the entire Nation wholeheartedly united, demonstrating to the world that under the leadership of this great and good man there is unalterable fortitude and determination to stand by him and maintain his policies, in his firm resolution to free the world of oppressors, and succeed in effecting deserved liberty, equality, freedom, and justice for the oppressed peoples of the world, thus guaranteeing to America forever the maintenance of the liberty and freedom which are ours. I join with others and pray to God that he will be preserved for America and for the world for many, many years.

ROOSEVELT THE GREAT HUMANITARIAN

Mr. RANKIN of Mississippi. Mr. Speaker, life begins at 60.

President Roosevelt has before him the most useful years of his career, and at the same time he has on his hands the greatest responsibility. Fortunately, as has been said, he has behind him now the united support of the American people as well as the support of an overwhelming majority of the peoples of the civilized world. The greatest humanitarian of his day and generation, he has done more for the average man than any other President since the days of Thomas Jefferson. Someone has said:

I wrote my name upon the sand
And trusted it would stand for aye,
But soon, alas, the refluent sea
Had washed my feeble lines away.

I carved my name upon the wood,
And after years returned again;
I missed the shadow of the tree
That stretched of old upon the plain.

The solid marble next my name
I gave as a perpetual trust;
An earthquake rent it to its base
And now it lies o'erlaid with dust.

All these had failed. I was perplexed.
I turned and asked myself what then?
If I would have my name endure
I'll write it on the hearts of men.

Franklin D. Roosevelt has written his name upon the hearts of mankind in such a way that it will outlast any other monument that could be erected to him.

In 1932, during his first campaign, when he spoke of the "forgotten man," he reached out and laid his hands upon the shoulders of the toiling masses of America who at that time were in the depths of the greatest depression we had ever known, a time when our industries were demoralized; when our farmers were impoverished and our workmen were tramping the streets; when business was paralyzed; when international commerce was dead; when the map of the world had become a barbed wire entanglement of tariff barriers, behind which world trade had become stagnant, and world commerce had become paralyzed.

He gradually led us out, until today, beyond the war conditions that confront us, we have before us the most gratifying prospects that America has ever seen. When this war is won, and peace is reestablished throughout the world, America will take her place as the unchallenged leader among nations of the earth.

In 1932 I was one of the men who supported him for the nomination, because, among other things, he had promised to help develop our natural resources. That promise has been kept. One of the projects he promised to help us on was the Tennessee Valley Authority, the greatest development of its kind the world has ever seen.

The great Columbia River, whose waters were flowing wasted to the sea, has also been harnessed, and is now bringing a new civilization to the far Northwest.

The farmers of this Nation, pleading as they had for a generation for electric lights in their homes, had been denied. Today there are millions of them who will celebrate his birthday anniversary by electric lights which his efforts have brought about. There are other millions who are looking forward to the day when these great benefits will be spread to all the farms of America; just as there are untold millions of people wandering about in various parts of the world who will pray for the day when American arms will be successful and peace will be established throughout the world.

God grant that he may have many, many more years added to his useful career, and that in the ages yet to come his—

Lofty scene may be acted o'er,
In states unborn and accents yet unknown!

The SPEAKER. The Chair recognizes the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Speaker, men become great by what they do. I have been thinking as I listened to these tributes to our President today as to what I would point to if I were to cite the three things which most fundamentally entitle him to the title of greatness.

I believe the first one is this: He has taught a nation that no part of that nation could keep itself in prosperous welfare unless those who were poorest, least fortunate, and worse off had their standards, opportunities, and their hopes raised.

The other two have both to do with this war in which our country finds itself engaged today. I ask you to consider what the situation of our Nation would be were it not that President Franklin D. Roosevelt, the first of all American Presidents who has gained for our country the friendship and especially the confidence of all of the other nations of the Western Hemisphere. Had that not been done, I ask you to consider what our situation would be today. The President is primarily responsible for the fact that whatever else we may have to fear we do not need to be concerned about the friendly attitude of our neighbors to the south.

Finally I believe that we can justly call him great because through the years when it was difficult to do so he stood in the world as President of this Nation as a symbol and rallying point of democracy indomitable; democracy unafraid, and democracy dynamic. There were times when people in many parts of this world needed that type of leadership very much. We can thank God, as we find ourselves in the situation that we confront today, that the President never relaxed his insistence that democracy must prepare against the time when, through no choice of its own, it would have to defend its right to life.

For these reasons I add to the tribute already made this simple statement. I believe our President, whose birthday we celebrate today, is a great man.

The SPEAKER. The Chair recognizes the gentleman from Massachusetts [Mr. HEALEY].

Mr. HEALEY. Mr. Speaker, today marks the sixtieth milestone in the life of a great, outstanding world personality, our Chief Executive and the Commander in Chief of our armed forces. God has endowed this noble character with uncommon and unusual qualities, but I think outstanding of all has been his charity and his love of his fellow man. It is significant and altogether appropriate that on his natal day each year the American people, throughout the length and breadth of this country, give their mite cheerfully to maintain and perpetuate a foundation for the alleviation, cure—and we trust the ultimate isolation—of a dread disease which strikes with painful and crippling consequences the bodies of our youth.

His humane and liberal philosophy, far-seeing vision and magnificent leadership in the hours of the Nation's greatest peril, I am certain will be enthusiastically chronicled by future historians.

Just as he has been the hope of the underprivileged, the unfortunate, and the afflicted, in fact, of every element of American society in the years of our economic travail, today, on his sixtieth birthday, finds him the hope of civilization itself; yea, the one remaining hopeful light on the horizon toward which the eyes of suffering humanity everywhere in this war-torn world are turned with expectancy, trust, and confidence.

May God bless him this day, and spare him to us for many more years, and give him the strength and courage to carry on in the dark days to come.

The SPEAKER pro tempore (Mr. COOPER). The Chair recognizes the gentleman from Kentucky [Mr. MAY].

Mr. MAY. Mr. Speaker, when Franklin D. Roosevelt stood before a broadcasting instrument and delivered his second inaugural address as Governor of the State of New York, I was far down in Kentucky in a humble home listening before a radio. I was so impressed by that thrilling message of hope and courage that I sat down immediately and wrote him a letter and suggested to him that if he believed—and I had no doubt he did—what he stated in that address, that he ought to be President of the United States. I had a courteous acknowledgment of that letter, and when I stood before the Nation's Capitol on the 4th day of March 1933, when the whole country was enshrouded in the darkness and grief of the world's greatest depression, and heard him say in his first inaugural address as President of the United States that "we have nothing to fear but fear itself," I felt that I had been amply justified in my suggestion that he ought to be President of the United States. I saw in him and in that historic address the waning of the black clouds of economic fear and I was able to look beyond the gloom of that hour with hope and expectancy. I knew then as I know now that the God of our fathers had in another time of trouble found a Moses to lead his people out of Egyptian bondage and I believed then as I believe now that God has always found a man to lead the people in every great crisis and always will, and to me President Roosevelt is now the world's "man of the hour." In this time of the world's greatest crisis when civilization itself is at stake, when human freedom is about to perish from the earth, and when it looks like God and Christianity has been forgotten in many parts of the world, I thank God for a man like Franklin D. Roosevelt.

Today when I realize the great things he has accomplished I am fully convinced that one does not need to be an orator, a statesman, or a scholar to pay appropriate tribute to this great American if he knows anything at all about his life and career as a citizen. That life and career is tribute enough without any feeble words of mine. If Franklin D. Roosevelt never did any other one thing in all his career than found and establish the Warm Springs Foundation for the relief of the unfortunate children of this country he would have written his name in imperishable glory on the hearts and the minds of all the people of all the world. I have no doubt he read, considered, and absorbed, and lives by the statement of the lowly Nazarene: "Suffer little children to come unto me, and forbid them not: for of such is the Kingdom of God," or that other great gospel truth, "Inasmuch as ye have done it unto one of the least of these my brethren, ye have done it unto me." Mr. Speaker, with all my heart and soul I rejoice to be permitted to send greetings to our President on this the anniversary of his sixtieth birthday and to pray God's richest blessings upon him.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, I agree with the gentleman from Kentucky who just preceded me that one does not need to be an orator, a statesman, and a scholar to feel appreciation of our President today; but I must disagree with him in part: One cannot adequately eulogize our great President unless he is a combined orator, statesman, and scholar. For that reason it had not been my thought to take part in the eulogies today in words, for I cannot equal my colleagues in their eloquence in eulogy, but I can equal them in my loyalty to and love for our Commander in Chief this day.

I am told that Daniel Webster once walked along the streets of a New England town and passed some workmen who were toiling in a ditch. They paused and looked after him. One of them said: "That man is a walking lie." The other fellow asked, "Why?" "Because," said the first, "no man can be as great as he looks." After hearing all the sincere eulogies that have been pronounced here this hour I think there just must be something about President Roosevelt that is deceptive, for surely no human being can be as great as he appears to me—and to those who have spoken here on his birthday.

I heard a man, a great man, say only a few hours ago—he is an international leader now past 75 years of age and having lived through stirring times—that he felt he would rather be alive and alert during the next 12 or 15 months than to be guaranteed life for the subsequent 20 years. No doubt this thoughtful man feels that mankind has now reached a climax in the mighty drama of human existence. I understand but dimly what was going through his mind, but I, too, feel that the nations have reached the very apex of human experience and are now at the dread cross roads. I am as devotedly thankful for the wise leadership of this great man in the White House today as anyone can be.

Prior to the outbreak of this second World War I thought of our perplexing domestic problems and thanked God for a great humanitarian to lead us in a better way of life than we were experiencing in the depression. At that time I thought how unfortunate it would be if the administration of Franklin D. Roosevelt should in a tragic way be a repetition of that of Woodrow Wilson. I recall that that other great leader of a generation ago started our country toward a new freedom and a new day, and right in the midst of his work the European calamity came upon the world and that great leader had to turn his mind from things domestic to things foreign. I dreaded that such a thing might occur in the life and Presidential experience of Franklin D. Roosevelt; but it has occurred. Much as domestic America needs the wisest care, we must properly finish this war, for what will it profit us to save America, to better America, unless we at the same time save the world? America's fate is inseparably bound up in the fate of the world.

My prayer is that when victory shall have been achieved and peace restored to this terribly harassed world, that our President may continue to have many birthdays as sage of Hyde Park, that we may have the advice and help of his counsel, thus doing for America what he hoped to do for her himself following March 4, 1933. Furthermore, that he may be blessed as no other man has been blessed in thus saving the world through our participation in this titanic struggle and live long afterward to guide America in the paths of domestic justice as well as of world peace.

As Webster said of Lafayette: "Late may he arrive in Heaven," and may God grant many fruitful returns of this anniversary.

The SPEAKER pro tempore. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, the distinguished gentleman from Kentucky [Mr. MAY] said that no one needed to be a scholar, a great orator, or a great statesman to join in eulogies for the President of the United States. I am sure that it is not necessary for one to be a member of the Democratic Party to join in felicitations to the President of the United States on this his sixtieth birthday. For myself and for others who came here as Republicans, may I say that we join in congratulations to the President of the United States on this, his sixtieth birthday. At this time when we are engaged in a great national effort, the greatest effort in our history, in this comradeship of service that we have at the present time, I can say from a full and truthful heart that we do congratulate the President and we join in the hope that God may give him the strength and the courage and the wisdom to lead us on to victory.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Pennsylvania [Mr. MOSER].

Mr. MOSER. Mr. Speaker, on this natal day of the President of the United States, I feel constrained while felicitating him, to lift my voice in commendation of some of the other men who have shared birthdays and anniversaries within this week. Yesterday a great American was eulogized by Members of the House. This American, William McKinley, also occupied the White House, of whose untimely end at the hand of an assassin I received intelligence as a boy in a cornfield at the hand of a modern Paul Revere courier on a bicycle; I am mindful also of that other great American who is fighting the battle of his life and his career, General MacArthur, in the Philippines. I am mindful also of that great Hoosier poet, James Whitcomb Riley, who within the week would have celebrated an anniversary. I am mindful also of Robert Burns, the Scottish bard; Walter Damrosch and a great many others; Sam Rayburn, our distinguished and popular Speaker, so recently passed, even my own natal day occurring within the week; all of whom were and are men of strong minds and strong convictions exactly as the President is.

I have known the President of the United States personally for 30 years, as the gentleman from Illinois [Mr.

SABATH] stated. It was away back in 1912 that I first made his acquaintance. I have known him to be a strong-minded man. He knows that I have equally strong convictions. He and I have disagreed at times. I have voted against measures that he has advocated, principally because of prejudiced origin. But I have great confidence in him because I know what a strong mind he wields in the way of strong convictions, and as presently exampled is correcting his mistakes of misplaced confidences and high prejudices. I have shallow confidence in some of the people with whom I have disagreed sharply—incompetently and irresponsibly administering executive functions of Government—and for whom the President would naturally have to bear the blame but, praise God, of which there is manifest more frequent riddance. On this natal day of the President, however, when he is confronted with the greatest difficulties and the most harrowing and trying experiences of his entire life, aside from all that I have heard said in eulogy, and I might even say in adulation, may I add that wherever I have disagreed with him, I am wholeheartedly for the attainment of the President's objectives and purposes for unity and was from the very moment our Nation was attacked. I am as earnestly and sincerely for unity as the entire Nation expects, hopes, advocates, and zealously looks forward to attaining.

On this occasion, I sincerely hope, and it is my earnest prayer, that the Great Architect of the Universe may uphold the hands of the Chief Executive of this Nation; sustain his arms that in the carrying out of the program he has mapped for himself and for our Nation he may be sustained, and the greatest glory that may come to any man in the history of our Nation may come to him in the performance of the duties and responsibilities of his high office and the consequent responsibility thereunto appertaining, and that may be encouraged in the expectancy of a hopeful nation. On this new year I sincerely wish him, the President of the United States, the best of everything and pledge him wholehearted support in the attainment of that end.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Speaker, as the Representative of a quarter of a million honest, loyal, and patriotic Americans of up-State New York, I wish to take this opportunity to extend my congratulations to the President of the United States upon having reached his sixtieth birthday, and to pledge to him the entire resources, strength, and patriotic efforts which those same loyal citizens of my district have evidenced on many occasions and are contributing to the winning of this war today.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Speaker, I am sure the people of the Third Congressional District of Georgia would want me, in their behalf, as well as for myself, to wish our President a happy birthday and assure him of our loyalty and devotion.

His second home in Georgia is only a few miles outside the limits of the Third District, and naturally we feel a real neighborly interest in his welfare. Certainly no man since the beginning of time has ever had thrust upon him a more difficult or responsible undertaking than that now resting upon our President.

May gracious God extend his life for many more years, watch over him every hour, and guide him through to victory and peace.

The SPEAKER pro tempore. The Chair recognizes the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Speaker, reverently I ask that God defend, protect, and preserve the health and life of our great President, that he may continue to lead us along the highway of life and to the preservation of our Union for the peace and happiness of all. It is an honor to join with the millions of others on the face of this earth in wishing him all the blessings of life on his sixtieth birthday, and I pray that he will be here to guide us for years to come.

Mr. Speaker, the people of North Carolina love and are devoted to our great President, Franklin D. Roosevelt, and wish him much cheer today.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Alabama [Mr. PATRICK].

Mr. PATRICK. Mr. Speaker, in my home town there was an internationally known preacher who died. Amongst those who bore flowers to his grave when he was buried was a little woman who was unable to buy an offering from the florist but gathered Sweet Williams from the wildwood. Her flowers were accepted just the same.

When I hear these tributes to the President, who on his sixtieth birthday is today paid such living tributes, I can only bring my modest message in the same humble spirit. But I cannot forbear, I cannot forbear. Here is one who is my chieftain today. Twenty years ago dire disease had marked him for her own. With the spirit with which he fights a world battle today, he rose above a consignment to the grave and today stands the cynosure of the eyes of the world. How deeply, how deeply my heart pays tribute to him, as do 132,000,000 others in America and numberless others on this earth.

Those of you who sit here today and serve your Nation in the capacity you do may know that your great-grandchildren will point with extreme pride to the mere fact that you served your Nation in this capacity at this time, served under the leadership of this great and excellent man.

Those are my sentiments about our President, he whom all the great of this world nominate great in his era. He is 60 years of age. May the fruits of his labors be seen by him after peace is again upon the earth, and may he dwell among those who shall enjoy the ripe, rich fruits of those efforts of this great and trying hour. We are in great joy as we extend to him our felicitations and implore Divine Providence to protect him until the tragic clouds of this hour have passed and a day of sunshine is upon us again.

The SPEAKER pro tempore. The Chair recognizes the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Speaker, I am sure I gave full evidence of my confidence in both the capacity and the purposes of Franklin D. Roosevelt when I surrendered for the time being my faithful adherence to the belief that no man should be elected more than twice to the position of President of the United States. I felt, however, that the exigencies of the occasion and the threats that we saw around us compelled me to forego my adherence to that which I conceive to be merely a principle, and I led in North Carolina what was known as the North-Carolina-for-Roosevelt movement, which was highly successful, resulting not from my efforts but from the will of the people in having him nominated again, not that we wished particularly to do a complimentary thing for him but because of our interest in the welfare of the people of the United States.

I may say to the President right here that he may answer a question he asked the Speaker of the House when he said, "Sam, it must be awful to be so old." I do not think that is old. That is as a young man. I am hopeful that whatever his position may be hereafter, Divine Providence may grant him many, many returns of this birthday occasion, and that he will be happy in some position in the service of the people of the United States.

I ask every one of you to read his address delivered over the radio not long ago on the occasion of the celebration of the adoption of the Bill of Rights. I wrote the President—and I meant what I said—that I do not believe there was ever delivered by any man at any time a greater speech.

I hail the President of the United States, Franklin D. Roosevelt, and for myself and my State, and I think for my country, regardless of politics, wish him many returns of this occasion.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr WICKERSHAM. Mr. Speaker, I quote the words of a man in my district who is nearing the age of 100, who has lived through the administrations of 19 Presidents: "Franklin D. Roosevelt is the greatest man I ever knew."

This represents the feeling of the citizens of Oklahoma.

Mr. Roosevelt, on your sixtieth birthday every man, woman, and child knows you face tremendous tasks and problems. Everyone of us knows your capacity for leadership. Everyone of us knows we are facing a long, hard fight. Together, we will do our share so that the America we are fighting for remains what it has been for 165 years—a land of opportunities, a democracy with a future, a government of the people, by the people, and for the people.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Washington [Mr. COFFEE].

Mr. COFFEE of Washington. Mr. Speaker, amid the encircling gloom that enshrouds the world in this dark hour there shines forth a beacon light, represented by the countenance and the

personality of Franklin D. Roosevelt—a face that is "shining through"; a physiognomy and a soul which inspire the hopes and hearts of the downtrodden, the depressed, and the despairing peoples of the entire civilized world.

Mr. President, today, on your diamond jubilee, the great Pacific Northwest evergreen State of Washington greets you and extends to you congratulations. We know there is a warm spot in your heart for us because you have visited us frequently. Your daughter is residing in our midst, and you have time and again expressed to us your felicitations and good wishes.

Ere yet there falls upon your ears, Mr. President, the beckoning music of eternity, we wish for you hours, days, and years of happiness, and the accomplishment of dreams and the completion of plans. The world is beset with trouble and wars, Mr. President, but you are the cynosure of the gaze, of the love, and of the prayerful pleas of peoples in despair everywhere. In the Orient, in the Western Hemisphere, and in Europe they are looking to you—looking to you as a lighthouse of radiant gleams; looking to you as a personage who personifies what the poet Markham said about Lincoln—a man who matched the mountains and compelled the stars to turn aside and conquer him.

When I think of you, Franklin D. Roosevelt, I think about what Abraham Lincoln said when he was asked what kind of an epitaph he wanted on his tomb. Abraham Lincoln replied—

Die when I may, I want it said of me by those who knew me best that I always plucked a thistle and planted a flower where I thought a flower would grow.

Mr. President, the people of the State of Washington, of the far Northwest, closest to the Orient, aware of the ever-increasing danger represented by the little brown men, the Nipponese, have abiding faith in you, manifested on three separate occasions in the overwhelming majorities they gave you. Mr. President, our faith continues in unbounded affection and confidence.

On this anniversary of his birth, Mr. Speaker, the feelings of humanity are stirred. Our President to them is a symbol. We know him as a winning, irresistible being who magnetically draws others to him, whose magnetism inspires all those of us who have been privileged to know him. One of his most cardinal virtues is his ability to enjoy jokes cracked at his own expense—his sense of humor. He does not claim infallibility for himself. He does not arrogate to himself qualities he knows he does not possess. His memory, his mental adaptability, his resiliency of physique, his electrifying smile, his heartening handclasp, his marvelous spirit of brotherly love toward those in indigence—all these attributes, Mr. Speaker, compositely, and combined with numerous other virtues, have contributed to his makeup.

We have embarked upon a tortuous course. We shall not fail. Be of good cheer, Mr. President. Congratulations on your birthday. Americans everywhere take pride in the knowledge that the man in the White House, in stature, potentiality, breadth of vision, energy, courage, and ability, measures up to the magnitude of the crisis, and the requirements for solving it.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, it is quite obvious that all of the 531 Members of the Congress will not have an opportunity to express themselves on this occasion and felicitate our great President upon arriving at the sixtieth milestone in his career. However, I believe I speak the sentiment of all of the Members of the Congress on both sides of the aisle of this Chamber and of the other Chamber when I say that whatever may be the political differences, this Congress, like the country of the United States at large, is united behind the President of the United States in this time of great crisis when we are fighting a war unto the death as it possibly has never been united behind a President before in the history of the country. I think we are fortunate that we have a man of the determination, the vision, and the courage of he who occupies the White House in this great hour of the Nation's peril.

GENERAL PERMISSION TO EXTEND REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members who have spoken may have permission to revise and extend their own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I also ask unanimous consent that all Members may have permission to extend their own remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MICHENER. Mr. Speaker, I am pleased to be permitted to congratulate and felicitate President Roosevelt on this his sixtieth birthday. I appreciate the President's many admirable qualities and attainments. I cannot be as general in my praise as some of those who have spoken today. There is no perfect man. All Members present know that I have differed violently with the President on many of his domestic policies. I am still opposed to those policies. In such a position, however, I am pleased to be numbered as one of the President's "most loyal opposition."

We all realize that the country is at war, and that domestic policies must of necessity yield to foreign policies at the moment. A successful war must be a people's war, and no war can be a people's war unless the people themselves are united in the war endeavor. President Roosevelt is our elected leader, and I feel safe in saying that he will have the united support of all of our number in bringing this conflict to the earliest possible victorious conclusion. The responsibilities upon him are tremendous. The American people are mindful of this fact, and we all join in the prayer that he may enjoy good health and be guided by an All-wise Providence in the days that are to come. Mr. President, the fate of civilization is in the balance. May God help you and keep you.

Mr. FLANNAGAN. Mr. Speaker, as the representative of the purest Americans in America, whose Christianity has not been dimmed by the scoffer, who still believe in freedom and liberty and equality, personally and on behalf of my people, I salute the President on this his sixtieth birthday, and pray that an all-wise and merciful God may extend his years so he may lead the democracies of the world on through the conflict that is raging and during the reconstruction period to follow our complete victory.

The President's diamond jubilee, symbolical of his sparkling mind and white, pure heart, is being celebrated today in homes in this land that were strangers to joy and thanksgiving until the advent, Mr. Speaker, of Franklin Delano Roosevelt, the greatest humanitarian since the Carpenter's Son of Nazareth went about feeding the hungry, clothing the naked, healing the sick, ministering unto the unfortunate, and comforting those in sorrow and distress.

We are now fighting to keep those homes that way, and to bring joy and thanksgiving to homes in other lands. And while the war clouds hang low over a world of slaughter and carnage as the forces of Christian democracy and pagan slavery battle for the mastery, happy should the people of this democracy and the peoples of the other democracies of the world be in the knowledge that God in His infinite wisdom has raised up and placed at the head of our unified forces one of Mr. Roosevelt's courage and vision and leadership.

May we not pause for just a few minutes, forgetting the cares of the day, and thank God for Franklin D. Roosevelt.

Mr. President, a happy birthday, personally, and from the grateful people of my district.

Mr. NELSON. Mr. Speaker, on one occasion a number of Members were enjoying an informal meeting at the White House. Turning to Mr. Roosevelt one of my colleagues asked, "Do you know why we like you, Mr. President?" Then with a hearty laugh the President asked, "Why?" "Because you are an honest-to-goodness human being," came the reply.

I like to think of Franklin Delano Roosevelt, for whom we today wish as many happy minutes in each hour as he has lived years, as a sympathetic and understanding human being.

I like to think of the President as one who has grown strong by overcoming obstacles. In his own life as in the life of our Nation there have been dark days. He knows, though, that all the darkness of earth cannot dim the light of the tiniest candle.

When the night has been darkest, Mr. Roosevelt has not faltered nor been afraid. If deep the chasm, the shadows made it easier for him to see the guiding star which he, with faith, dared follow.

It has been in his private life as in his long service to the public. A victim—no, the word "victim" does not apply in his case—of infantile paralysis, Franklin D. Roosevelt has been an inspiration, a symbol of courage and conquest to many. Included in this infantile paralysis group is my own son, who is now happily and successfully engaged in the practice of law. So it is in a very personal sense that I today join in praise of and prayers for our President. In his steady hand and upheld by a strong arm the crutch has become to thousands as a staff bearing the flag of hope, happiness, and victory.

How fortunate then, Mr. Speaker, are we as a people, how fortunate the lovers of right, justice, and freedom the world over, that today there lives such a leader. That the Father in Heaven may spare him, give him health and strength, courage, judgment, and wisdom and length of years, is my prayer.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. CRAWFORD. Mr. Speaker, I wish to propound a unanimous-consent request on behalf of the gentleman from Michigan [Mr. WOODRUFF] that he may extend his remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent that after the other special orders for today are disposed of, I may address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including therein a short statement by Rabbi Wise on the formation of an army in the Palestine.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on three topics, in one to include a post card, in another to include a letter from myself to a constituent and his reply thereto, and in another to include two brief newspaper articles.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, on behalf of the gentleman from Oregon [Mr. ANGELL], I ask unanimous consent that he may be permitted to extend his remarks in the RECORD by printing an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include two letters and also four excerpts from newspapers.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. ENGEL. Also, Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of all business and any other special orders, I be permitted to address the House for 20 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that at the conclusion of other special orders today I be permitted to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. HILL of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by the inclusion of a radio address which I delivered recently.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my remarks and include an address made in the Philippine Islands at Manila last year, by Mr. Golden Bell, Assistant Solicitor General.

The SPEAKER pro tempore. Is there objection?

There was no objection.

PAY AND ALLOWANCE OF ARMY AND NAVY AND MARINE CORPS DURING PERIODS OF ABSENCE

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6446) to provide for continuing payment of pay and allowances of personnel of the Navy, Marine Corps, and Coast Guard, including the retired and reserve components thereof, and civilian employees of the Navy Department, during periods of absence from post of duty, and for other purposes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That for the purpose of this act—

(a) the term "person" means (1) commissioned officer, warrant officer, enlisted person (including persons selected under the Selective Training and Service Act), member of the Navy Nurse Corps (female), wherever serving, and (2) civilian officers and employees of the Navy Department, during such time as they may be assigned for duty outside the continental limits of the United States;

(b) the term "active service" means active service in the Navy, Marine Corps, and Coast Guard of the United States, including active Federal service performed by personnel of the retired and reserve components of these forces, and active Federal service performed by the civilian officers and employees defined in paragraph (a) (2) above; and

(c) the term "dependent" shall be as defined in United States Code, title 37, sections 8 and 8 (a).

SEC. 2. Any person who is in active service and is officially reported as missing, missing in action, interned in a neutral country, or captured by an enemy shall, while so absent, be entitled to receive or to have credited to his account the same pay and allowances to which such person was entitled at the time of the beginning of the absence: *Provided*, That such person shall not have been officially reported as having been absent from his post of duty without authority: *Provided further*, That expiration of the agreed term of service during the period of such absence shall not operate to terminate the right to receive such pay and allowances: *And provided further*, That should proper authority subsequently determine that the person concerned had been absent from his post of duty without authority, such person shall be indebted to the Government in the amount for which payments have been made in accordance with the provisions of this act during such absence.

SEC. 3. Any person entitled under section 2 of this act to receive pay and allowances, and who has made an allotment of pay for the support of dependents or for the payment of insurance premiums, shall be entitled to have such allotments for dependents or insurance premiums as he previously may have executed, continued for a period of 12 months from date of commencement of absence, notwithstanding that the period for which the allotments had been executed may have expired during such 12 months' period, and the proper disbursing officer shall so continue the allotments during such absence: *Provided*, That in the absence of any previously executed allotment, or where the allotment made is not sufficient for reasonable support of a dependent, the head of the executive department concerned may direct that an allotment not to exceed the base pay plus longevity of the person concerned, shall be paid by the appropriate disbursing officer to such dependent as has been designated in official records or in the absence of such designation, to such person as may be determined by the head of the executive department concerned, or by such person as he may designate, to be a bona fide dependent: *Provided further*, That for the initial period of 6 months, unless prior decision as to status is made, a monthly allotment for support of such dependent shall be paid in an amount not to exceed the monthly base pay, plus longevity, without regard to the fact that the 6 months' death gratuity may be paid later: *Provided further*, That at the expiration of the initial 6 months' period, no further decision having been made as to status, the payment as heretofore provided shall continue for an additional period not to exceed 6 months; any payment paid for a period subsequent to date of death, if death occurred subsequent to the expiration of the first 6 months' period, shall be deduced from the 6 months' gratuity: *Provided further*, That the premiums on Government life insurance issued on the life of the missing person may be paid not to exceed such 12 months' period; the sum of such premiums paid subsequent to the declared date of death to revert to the appropriations of the department concerned: *And provided further*, That the total of all payments made under this section, including those for insurance premiums, shall not exceed the total pay and longevity pay due.

SEC. 4. When in the opinion of the head of the executive department concerned, the circumstances surrounding the absence of a missing person of one of the classes mentioned in section 2 of this act justifies such action, in the interest of the Government, or of the missing person, or of a dependent of the missing person, the head of the executive department, or such person as he may designate, may direct the continuance, suspension, or resumption of payments of the pay and allowances of such person. Except as provided in section 6 of this act, in the case of a person in the hands of an enemy or interned in a neutral country, payment of allotments may not continue beyond the 12 months' period following the officially reported date of commencement of absence from his post of duty.

SEC. 5. Upon the expiration of 12 months from the date the person is reported as missing, or missing in action, in the absence of an official report of death of the missing person, the head of the executive department concerned is authorized to issue notice of death of such person. Following issuance of notice of death, the 6 months' gratuity provided by law, is authorized to be paid. In the event of the later return of such missing person to the controllable jurisdiction of the head of the executive department concerned, the pay account of such person shall be reopened and charged with the amount of any death gratuity which may have been paid: *Provided*, That the head of the executive department concerned in his discretion shall determine a monthly basis for liquidation of the amount of any death gratuity so charged in a reopened pay account.

SEC. 6. When it is officially reported by the head of the executive department concerned that a person missing under the conditions specified in section 2 of this act is alive and in the hands of an enemy or is interned in a neutral country, the payments authorized by section 3 of this act are, subject to the provisions of section 2 of this act, authorized to be made for a period not to extend beyond the date of the receipt by the head of the executive department concerned of evidence that the missing person is dead or has returned to the controllable jurisdiction of the department concerned.

SEC. 7. The provisions of this act, applicable to persons in the hands of an enemy, shall also apply, under such regulations as the head of the executive department concerned shall prescribe, to any person beleaguered or beseiged by enemy forces.

SEC. 8. Within the scope of the authority granted by this act, the determination of the fact of dependency by the head of the executive department concerned, or by such person as he may designate, and his determination of the status of a person in the naval forces or Coast Guard, or civilian officers or employees as defined in paragraph (a) (2) of section 1 of this act, or his direction relative to continuance, temporary suspension, or resumption of payment of pay and allowances, shall be conclusive upon the General Accounting Office in effecting settlement of the accounts of disbursing officers.

SEC. 9. This act shall be effective from September 8, 1939.

With the following committee amendment:

Section 1, page 2, line 12, after "8 (a)", strike out the period and insert the words "or such dependent as has been designated in official records."

Section 2, page 2, line 18, after the word "absence", insert the words "or may become entitled to thereafter."

Section 3, page 3, line 17, after the word "dependent", insert the words "and for the payment of insurance premiums."

Section 3, page 3, line 21, after the word "to", insert the words "the insurer or."

Section 3, page 3, line 25, after the word "dependent", insert the words "within the meaning of section 1 (c)."

Section 3, page 4, line 12, strike out the word "deduced" and substitute therefor the word "deducted."

Page 6, strike out section 8 and add the following sections:

"SEC. 8. The head of the executive department concerned is hereby authorized to direct the payment of new allotments from the pay of persons in active service (other than persons entitled under section 2 or section 7 of this act to receive pay and allowances), to increase or decrease the amount of any allotment heretofore or hereafter made by such persons, and to continue payment of any allotments of such person which may have expired in November 1941 and any month subsequent thereto, with or without the consent of such person, subject in all cases to termination by specific request of such persons, whenever in the judgment of the head of the executive department such action is considered essential for the well-being and protection of dependents of persons in active service.

"SEC. 9. Whoever shall obtain or receive any money, check, or allotment under this act, without being entitled thereto, with intent to defraud the United States or any person in the naval forces of the United States, shall be punished by a fine of not more than $2,000, or by imprisonment for not more than 1 year, or both.

"SEC. 10. Within the scope of the authority granted by this act, the determination by the head of the executive department concerned, or by such person as he may designate, of the status of a person in the naval forces or Coast Guard, or civilian officers or employees as defined in paragraph (a) (2) of section 1 of this act, or his direction relative to continuance, temporary suspension, or resumption of payment of pay and allowances, shall be conclusive upon the accounting officers of the Government in effecting settlement of the accounts of disbursing officers.

"SEC. 11. The determination of the fact of dependency under the provisions of this act, and the determination of the fact of dependency under the provisions of any and all other laws providing for the payment of pay, allowances, or other emoluments to enlisted men of the Navy, Marine Corps, and Coast Guard of the United States where such payments are contingent upon dependency, shall be made by the head of the executive department concerned, or by such subordinate as he may designate, and such determination so made shall be final and conclusive upon the accounting officers of the Government for all purposes: *Provided*, That the act of June 4, 1920 (41 Stat. 824), as amended (U. S. C., title 34, sec. 943), is hereby amended by deleting the word 'actually' in the first proviso.

"SEC. 12. The head of the executive department concerned, or such person as he may designate, is authorized to settle the accounts of persons within the scope of this act, for whose account allotments have been made and paid at the direction of the head of the department concerned, and of survivors of casualties to ships and stations which result in loss or destruction of disbursing records, and such settlements shall be conclusive upon the accounting officers of the Government in effecting settlements of the accounts of disbursing officers.

"SEC. 13. Notwithstanding any other provisions of law, in the case of any taxable year beginning after December 31, 1940, no Federal income-tax return of, or payment of any Federal income tax by, (a) any individual in the naval forces of the United States, or any civilian officer or employees of the Naval Establishment, who at the time any such payment would otherwise become due, is a prisoner of war or is otherwise detained by any foreign government with which the United States is at war, or (b) any individual in the naval forces of the United States serving on sea duty or outside the continental limits of the United States at the time any such payment would otherwise become due, shall become due until the fifteenth day of the third month following the month in which he returns to the continental United States, or the fifteenth day of the third month following the month in which the war is terminated, or, in case of death, the fifteenth day of the third month following the month in which an executor or administrator is appointed for the deceased, whichever is earliest, subject to the power of the Commissioner of Internal Revenue to extend the time for filing such return or paying such tax, as in other cases. For the purpose of this section—

"(1) an individual shall not be deemed to have returned to the continental United States unless he remains until the expiration of the fifteenth day of the third month following his arrival;

"(2) the term 'individual in the naval forces of the United States' means a member of the Navy, the Marine Corps, the Navy Nurse Corps (female), the Coast Guard, or an officer of the Public Health Service detailed by proper authority for duty with the Navy;

"(3) the term 'continental United States' means the States and the District of Columbia."

Page 7, line 3, renumber "Sec. 9" to read "Sec. 14" and insert after the word "act" ", except section 13."

Mr. VINSON of Georgia. Mr. Speaker, this is one of the most important bills that the Naval Affairs Committee has submitted to the House in many months. It has to do with taking care of the families of the sailors, marines, and members of the Coast Guard while such members of the armed forces may be serving in defense of the country.

Mr. ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. ANDREWS. It is my understanding that the committee intends to offer an emendment, including the Army in the same category as those already mentioned.

Mr. VINSON of Georgia. I submitted an amendment to the chairman of the Military Affairs Committee to include the Army. In discussing the bill we will consider that the Army and the Navy and the Marine Corps and Coast Guard and certain civilian employees are all dealt with in the bill.

Mr. ANDREWS. Then I understand that the Army is already included?

Mr. VINSON of Georgia. No; it will necessitate an amendment.

Mr. ANDREWS. And the gentleman purposes to offer that amendment?

Mr. VINSON of Georgia. I have an amendment, and, by direction of the chairman of the Committee on Military Affairs, I shall offer it.

Mr. Speaker, the purpose of this bill is to provide authorization for the continued payment, or credit in the accounts, of the pay and allowances of missing persons for 1 year following the date of commencement of absence from their posts of duty or until such persons have been officially declared dead; and continued pay for the same period of the allotments for the support of dependents and for the payment of insurance premiums, and for regular monthly payments to the

dependents of missing persons, in the same manner in which allotments are paid, in those instances in which the missing persons had neglected to provide for their dependents through the medium of allotments, such payments to be deducted from the pay of the missing persons in the same manner in which allotments are paid.

That means simply this: that if a man is missing today, and he is carried as missing on the rolls, his family, if he has made an allotment, cannot legally be sent the allotment, but with this proposed legislation, the allotment is authorized to be continued for a period not exceeding 12 months, provided he is carried on the rolls as missing for that length of time.

It so happens oftentimes that a man is either captured or he may be dead, and there is no way to determine his missing status. Therefore, we are going on the assumption that if he is missing for a period of 12 months he is either presumed to be captured or interned by the enemy. If, after a period of 12 months, no one hears anything from him or there is no contact with him, then the bill presumes that the man is dead, and the Comptroller can adjust his accounts. Of course, if it develops later on that the missing man was not, as a matter of fact, dead, then he must pay back to the Government that which his family has been given as a death gratuity.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. JOHNSON of Oklahoma. Will the distinguished chairman explain what happens to the dependents during the interim of 12 months that the person may be missing?

Mr. VINSON of Georgia. They will continue to get the allotment if he has made an allotment. If he has not made an allotment, then the Navy Department or the War Department or the Marine Corps will look into his case and see whether or not the family is entitled to an allotment. If it is, they will get the allotment. It is designed to take care of the loved ones back home while the father or husband is fighting in the defense of his country.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. CRAWFORD. When these various agents make this "look into" to see whether they are entitled, what is the entitle based on?

Mr. VINSON of Georgia. It is based on his pay. For instance, an enlisted man gets so much money. Suppose he has failed to designate his mother as his beneficiary or as his dependent, he only draws so much money. Therefore, the Navy Department or the War Department could allocate from his pay so much to take care of his mother.

Under the law dependents are defined by law to mean a mother, wife, children, or stepchildren. It does not include the father. So all of that is the same as it is today. In other words, it does more to build up the morale of the men out on the high seas and the men out in the Philippines who are concerned about what is happening to their families back here. He does not know what allotments they are getting. He does not know what condition they are in. So the Government is stepping in and contributing to their support that part which they are entitled to, even if the man did not make an allotment or allowance.

Mr. THOMASON. Will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. THOMASON. Would this presumption of death after 12 months also apply to life insurance?

Mr. VINSON of Georgia. We take care of his life insurance by carrying on his premiums for that period of time. Of course, if he has a war risk policy no doubt the war risk insurance would adjudicate his insurance at that time. If he has an old-line company policy I do not know what the old-line company will do, but we will keep up his payments for at least a period of 12 months if we know about his insurance.

Mr. THOMASON. Is not the law at present that he is presumed to be dead only after 7 years?

Mr. VINSON of Georgia. Yes; that is true.

Mr. THOMASON. This would not be in conflict with that statute?

[Here the gavel fell]

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to proceed for an additional 5 minutes.

The SPEAKER pro tempore (Mr. COOPER). Is there objection?

There was no objection.

Mr. THOMASON. This would not be in conflict with that statute?

Mr. VINSON of Georgia. Well, we cannot do anything to abrogate a contract that has been made between a company and an individual.

Mr. THOMASON. I am not speaking of private companies. I am speaking of his war-risk insurance.

Mr. VINSON of Georgia. This establishes the principle that if no one hears from him for 12 months the presumption is that he is dead.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. FISH. The gentleman has a great deal of information on this war-risk insurance. A case came to my attention yesterday of a private soldier who has been paying in $7.50 for 9 months. He went to an officers' camp and became a second lieutenant, and they canceled the contract for insurance and they refused to return any of the premiums. Ought there not be some way to carry on that insurance?

Mr. VINSON of Georgia. That is in the Veterans' Bureau?

Mr. FISH. That is the Army.

Mr. VINSON of Georgia. In the Veterans' Bureau?

Mr. FISH. Yes.

Mr. VINSON of Georgia. Well, that is something new to me. I did not know that after a man made a contract of insurance and a certain portion of his pay was going to carry on that insurance, that it could be canceled. It is a definite contract between the soldier and the Government. I think the gentleman from New York must be somewhat misinformed about the facts.

Mr. FISH. No. They went so far as to tell the boy, now that he is an officer, to forget about it.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. MOTT. This presumption of death after an absence of 12 months is a presumption that is entertained only by the Navy Department—not for general purposes?

Mr. VINSON of Georgia. That is right.

There is another important provision in this bill. Let me read a statement from the report:

> The Navy Department advised the committee that many instances have occurred during recent months of personnel having been reported as missing, and in accordance with requests received from disbursing officers carrying the pay accounts, the allotments of such persons were discontinued.

They ordinarily cannot be paid to beneficiaries when the man is reported missing, but this provision of the bill would permit it to go on for 12 months or until there is positive knowledge about the individual.

> Because of stoppage of allotments and the withholding of pay of missing persons, dependents of personnel concerned have experienced great hardships in a large number of cases. The committee are advised that this situation is aggravated by the fact that, so long as a person is declared to be missing and has not been officially declared dead, the 6 months' death gratuity is not payable.

So far as this bill is concerned therefore, if he is missing for a period of 12 months and there is no contact with him we can adjust his account. That is the presumption we put in this paragraph.

Another very important section of the bill deals with the matter of filing income-tax returns on the part of men engaged in the naval service of the United States beyond the continental waters. We all realize that between now and the 15th day of March people must file income-tax returns. But we realize also that the Navy personnel fighting the battles of the country cannot sit down at Manila or on the high seas and fill out income-tax returns. We have therefore incorporated in the bill a provision allowing such men 3 months and 15 days time after they get back permanently to continental United States within which to file their returns.

I believe every one of us can readily see the wisdom of this provision and realize what an absurdity it would be to place a penalty, for instance, against General MacArthur, Admiral Hart, and other officers of the Army and the Navy while they are in far distant waters fighting for the defense of our country; yet as far as the law is concerned the Internal Revenue Department would have no discretion about the matter.

The amendment I propose to offer dealing with this matter has been prepared by the Internal Revenue Department and is in accordance with what the Internal Revenue Department thinks is right and proper.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. MAY. May I ask if the provision relating to the filing of income-tax returns applies to the enlisted men as well as to the officers?

Mr. VINSON of Georgia. It applies to everybody taken care of under this bill. It applies to everybody fighting in the armed forces beyond the continental limits of the United States.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. VOORHIS of California. Is there any provision which in any way relieves a man who might have volunteered or been called to the services of his country from the payment of any portion of his income tax?

Mr. VINSON of Georgia. No; not at all; not at all.

Mr. VOORHIS of California. Does not the gentleman believe there might be a good deal of equity in so doing?

Mr. VINSON of Georgia. No; because I feel that everybody in the United States, whether civilian, officer, or private must meet the requirements of the income-tax law. The officers and personnel of our armed forces should comply just like any other citizen. We do not exclude them from meeting the requirements; we merely keep a penalty from falling against them for inability to file their returns in time.

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. Do I understand that the additional time applies only to filing when he is beyond the continental limits of the United States?

Mr. VINSON of Georgia. That is right. If he is in the United States he has got to meet his obligations as far as his income-tax return is concerned just like you and I.

Mr. VOORHIS of California. The only thing that occurs to me is that there might well be cases of men who had entered the armed forces who might find difficulty in raising enough money to pay their tax at a particular time.

Mr. VINSON of Georgia. All that could happen there would be a judgment against the individual. No penalties for not paying it could accrue. They cannot put you in jail, but they would put a penalty on a person for not making a return. What I am seeking to do here is to keep that penalty from being applied to men serving beyond the limits of continental United States.

Mr. DWORSHAK. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Briefly.

Mr. DWORSHAK. Has any similar provision been made with regard to civilians who are employed in the construction of bases beyond the limits of continental United States, in islands like Guam, Wake, and so forth?

Mr. VINSON of Georgia. Not in this bill. Such a provision is contained in another bill which has been passed by the Senate and which I shall call up as soon as we finish this. Those are civil employees of contractors.

Mr. DWORSHAK. Would it take care of their dependents during the time they are held captive?

Mr. VINSON of Georgia. There is a provision in another bill to take care of their cases.

Mr. DWORSHAK. I thank the gentleman.

Mr. VINSON of Georgia. Mr. Speaker, if there are no further questions I desire to submit an amendment.

The SPEAKER pro tempore. We will first dispose of the committee amendments.

Without objection, the committee amendments will be agreed to.

There was no objection.

Mr. VINSON of Georgia. Mr. Speaker, I offer the following committee amendment in lieu of section 13 of the bill. Technically speaking, I ask rejection of section 13 of the bill and the substitution in lieu thereof of the amendment I am offering.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: Strike all of section 13 and insert in lieu thereof the following:

"SEC. 13. Notwithstanding any other provision of law, in the case of any taxable year beginning after December 31, 1940, no Federal income tax return of, or payment of any Federal income tax by,

"(a) any individual in the military or naval forces of the United States, or

"(b) any civilian officer or employee of the War or Navy Department

who, at the time any such return or payment would otherwise become due, is a prisoner of war or is otherwise detained by any foreign government with which the United States is at war, or

"(c) any individual in the military or naval forces of the United States serving on sea duty or outside the continental United States at the time any such return or payment would otherwise become due,

shall become due until one of the following dates, whichever is the earliest:

"(1) The fifteenth day of the third month following the month in which he ceases (except by reason of death or incompetency) to be a prisoner of war, or to be detained by any foreign government with which the United States is at war, or to be a member of the military or naval forces of the United States serving on sea duty or outside the continental United States, as the case may be, unless prior to the expiration of such fifteenth day he again is a prisoner of war, or is detained by any foreign government with which the United States is at war, or is a member of the military or naval forces of the United States serving on sea duty or outside the continental United States;

"(2) The fifteenth day of the third month following the month in which the present war with Germany, Italy, and Japan is terminated, as proclaimed by the President; or

"(3) The fifteenth day of the third month following the month in which an executor, administrator, or conservator of the estate of the taxpayer is appointed.

Such due date is prescribed subject to the power of the Commissioner of Internal Revenue to extend the time for filing such return or paying such tax, as in other cases, and to assess and collect the tax as provided in sections 146, 273, and 274 of the Internal Revenue Code in cases in which such assessment or collection is jeopardized and in cases of bankruptcy or receivership. For the purpose of this section, the term "continental United States" means the States and the District of Columbia, and the term "individual in the military or naval forces of the United States" means a member of the Army of the United States, the United States Navy, the Marine Corps, the Army Nurse Corps, female, the Navy Nurse Corps, female, or the Coast Guard, or an officer of the Public Health Service detailed by proper authority for duty either with the Army or the Navy."

Mr. VINSON of Georgia. Mr. Speaker, I offer that as a substitute for the committee amendment.

The substitute amendment for the committee amendment was agreed to.

The committee amendments were agreed to.

Mr. VINSON of Georgia. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendments offered by Mr. VINSON of Georgia: Page 1, line 7, insert the words "Army or" between the words "the" and "Navy."

Page 2, line 1, strike out "Navy Department" and insert in lieu thereof "War and Navy Departments."

Page 2, line 5, before the word "Navy", insert "Army."

Page 8, line 2, before the word "naval", insert "military or."

Page 8, line 6, after the word "conclusive", insert a period and strike out the remainder of the sentence.

Page 8, line 18, before the word "Navy", insert "Army."

Page 8, lines 18 and 19, strike out "upon the accounting offices of the Government for all purposes."

Page 10, line 9, before the word "naval", insert "military or."

Page 10, line 10, before the word "Navy", insert "Army."

Page 10, line 11, before the word "Navy", insert "Army or."

Amend the title so as to read: "To provide for continuing payment of pay and allowances of personnel of the Army, Navy, Marine Corps, and Coast Guard, including the retired and reserve components thereof, and civilian employees of the War and Navy Departments, during periods of absence from post of duty, and for other purposes."

Mr. ANDREWS. Mr. Speaker, may I ask the gentleman from Georgia a question or two? We have overlooked some young Americans who have been serving with the R. A. F.

Mr. VINSON of Georgia. I may say to the gentleman from New York that they are not in the armed forces of the United States. They are not a part and parcel of our Army or Navy. They are fighting for other countries. They may be American citizens, but they are not fighting with our armed forces.

Mr. ANDREWS. There were certain exceptions made under the Draft Act.

Mr. VINSON of Georgia. Let us not go outside and take care of anyone except those who are fighting with our Army or Navy. Of course, they are citizens of the United States, but they volunteered. Some went to Canada, some went to England, but they have the opportunity now to come back to our forces. If they come back into our armed forces, the provisions of this bill will take care of them.

Mr. ANDREWS. It may be very well that they have the opportunity, but it would be physically impossible for some of them to do that.

Mr. VINSON of Georgia. I cannot advocate legislating for the protection of

anyone of that kind. As a matter of fact, we have no jurisdiction over those people.

Mr. ANDREWS. We might insert the words "or with the military services of any country with which we are allied."

Mr. VINSON of Georgia. I trust that will not be done here. We may reach an agreement in conference on that. It may complicate this matter. I know I am sound when I deal with the armed forces of our own country.

Mr. COCHRAN. The gentleman says they have an opportunity to come back now if they desire.

Mr. VINSON of Georgia. That is right.

Mr. COCHRAN. Does that mean that Great Britain or any other country they might be serving with has agreed to let them do that?

Mr. VINSON of Georgia. That is my understanding.

Mr. COCHRAN. In the last war those men who were serving with Great Britain and Canada came over to our forces, but it was away late in 1919 before they got over here. Why do we not take similar steps to get our boys back where they belong?

Mr. VINSON of Georgia. That is a matter that addresses itself to the individuals.

Mr. ANDREWS. You may be correct so far as the general details of the bill are concerned, but I am referring to the income-tax provision. How in the world is a man over in England going to pay his income tax on time?

Mr. VINSON of Georgia. That is a matter he has to look out for just like any other civilian.

Mr. ANDREWS. There are a lot of civilians in China today.

Mr. VINSON of Georgia. That is his obligation, like any other man who goes abroad. He may go abroad to relieve himself of the income-tax provision. Let us not bog ourselves down with those things.

Mr. Speaker, I ask for a vote on the amendments.

The SPEAKER pro tempore. The question is on the amendments offered by the gentleman from Georgia.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RENEWAL OF LEASE OF THE OLD NAVAL HOSPITAL IN THE DISTRICT OF COLUMBIA

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6440) to authorize the renewal of the lease of the old naval hospital in the District of Columbia for an additional period of 15 years.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to lease the old naval hospital property, Washington, D. C., bounded by Pennsylvania Avenue, E Street, Ninth Street, and Tenth Street SE., to the Board of Management of the Temporary Home for Soldiers and Sailors, for the purpose of a temporary home for ex-soldiers and sailors, for a period of 15 years, upon the same terms and conditions as those existing in the present lease, notwithstanding the provisions of the act of August 29, 1916 (39 Stat. pp. 559–560): *Provided*, That when the said property shall cease to be used for said purposes said lease shall be automatically terminated and the said property shall revert to the full custody and control of the Navy Department.

SEC. 2. That the Secretary of the Navy be, and he is hereby, authorized to execute on behalf of the United States all instruments necessary to accomplish the aforesaid purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. MICHENER. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. VINSON of Georgia. With pleasure.

This bill was reported by our distinguished colleague on the Committee on Naval Affairs, the gentleman from Pennsylvania [Mr. BRADLEY], and I shall ask the gentleman from Pennsylvania to answer the question of the gentleman from Michigan.

Mr. BRADLEY of Pennsylvania. The bill, briefly, authorizes the Secretary of the Navy to renew a lease which has been in existence for the past 15 years on the old naval home property located on Pennsylvania Avenue at Ninth Street in southeast Washington. The bill has the unanimous approval of the Committee on Naval Affairs. The Department has no objection to it. As a matter of fact, Admiral McIntyre, of the Bureau of Medicine and Surgery, which has jurisdiction over the property, appeared before the committee and endorsed the bill. The Administrator of the Veterans' Bureau has written the chairman of the Committee on Naval Affairs approving the bill, which, as I say, merely authorizes the renewal of a lease which has been in existence since 1922.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Pennsylvania. I yield to the gentleman from Michigan.

Mr. DONDERO. Who owns the naval hospital property that we have a lease with them? The gentleman might explain that.

Mr. BRADLEY of Pennsylvania. The Government of the United States owns the property and leases it to the Board of Management of the Temporary Home for Soldiers and Sailors, located here in Washington.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Pennsylvania. I yield to the gentleman from Georgia.

Mr. VINSON of Georgia. I may say that this home was established in 1880 by the Grand Army of the Republic. It has been running down here on Pennsylvania Avenue in this Government building, which is not used by the Government for any other purpose. Soldiers and sailors of all the wars who come to Washington on business and are unable to finance their stay in a hotel can go down to this home and stay not exceeding a period of 10 days while they transact their business with the departments here in the Government. That is all it does.

Mr. BRADLEY of Pennsylvania. Let me read what the Administrator of the Veterans' Bureau said in part about the matter:

> Our experience with this temporary home is direct, since it offers a temporary haven for those not entitled, at least immediately, to relief provided them by this Administration, and we have recommended many ex-service men to its management for relief which we may not provide.
>
> We have found its superintendent, Capt. T. A. Hudlow, thoroughly cooperative, extending every means at his disposal to those men, who we both believe should be given temporary help, and thus the home itself is of inestimable value to the Veterans' Administration and to ex-service men in general.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Pennsylvania. I yield to the gentleman from Georgia.

Mr. VINSON of Georgia. I invite the attention of the gentleman to the fact that the district appropriation bill carries an appropriation of $17,000 a year to help furnish the quarters and the food for these soldiers and sailors who come to the District of Columbia.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Pennsylvania. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. This bill simply provides for the continuation of the lease that has been in existence 15 years, that is all?

Mr. BRADLEY of Pennsylvania. Since 1922, actually.

Mr. BATES of Massachusetts. The last lease was for 15 years?

Mr. BRADLEY of Pennsylvania. That is right.

Mr. BATES of Massachusetts. That lease has expired, and this bill is to permit extending that lease for 15 years more?

Mr. BRADLEY of Pennsylvania. That is right.

Mr. BATES of Massachusetts. May I say, Mr. Speaker, the District Government thinks so well of the work done at this place that the District of Columbia budget provides each year approximately $17,000 to take care of the expenses of the home.

Mr. BRADLEY of Pennsylvania. That is right.

Mr. MICHENER. I have, of course, no objection to the bill. It is undoubtedly meritorious and should pass. I hope the gentleman understands the motives of some of us in making inquiry.

Mr. VINSON of Georgia. Of course, that is a proper thing to do.

Mr. MICHENER. We want to be sure that from now on no bills are passed, and without consideration, that contain provisions for pensions or retirement benefits or annuities for Members of Congress. If some of us are a little more diligent about inquiring into legislation that is brought up and passed without consideration, I hope the gentleman will not think we are too inquisitive and obstructive, in these days of war necessity

we must understand thoroughly the import of all this hurried legislation.

Mr. VINSON of Georgia. May I suggest to the distinguished gentleman from Michigan that he be just as inquiring on bills coming from the Committee on the Civil Service as he is on bills coming from the Committee on Naval Affairs. If he had done so, probably he would have been enlightened as to what happened.

Mr. MICHENER. I may say I have no reason to question the distinguished gentleman from Georgia, who brings many bills here and passes them by unanimous consent. He always explains them, always talks plainly, and always answers all the questions. I do not believe he would put a bill through the Congress unless he thought the Members all understood the bill.

Mr. VINSON of Georgia. I am satisfied no other chairman would do that either.

Mr. MICHENER. I think that is true. The Congress, however, is sometimes lax in these war days, when the Committee on the Civil Service and other committees not generally reporting defense measures ask that bills be passed. Few Members are here, and no one not a member of the committee has any knowledge of the technical part of the bill now before us. They do not like to interfere, and before we know it we might vote ourselves another pension that no one knows anything about.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Pennsylvania. I yield to the gentleman from Missouri.

Mr. COCHRAN. The gentleman does not want to indicate that the Republican leaders and the Members on the Republican side of the aisle did not know the bill was on the Consent Calendar and had been there for some time. The official objectors were here—in fact, we were all here.

Mr. MICHENER. I know I was not here, for one. I was off the floor.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, we are getting far afield.

Mr. MICHENER. It is true that the official objectors were here, and it is also true that that is the one day when the official objectors are here and when all the Members do not remain on the floor every minute, because bills of great importance are not presumed to be put on the Consent Calendar by any committee.

Mr. COCHRAN. Does the gentleman want the RECORD to indicate that he was not around at that time?

Mr. MICHENER. Yes; the gentleman wants the RECORD to indicate that he was off the floor for probably half an hour; that he was on the floor when the conference report was called up.

Mr. COCHRAN. So was I here at that time.

Mr. MICHENER. And I heard some conversation about it, but I did not have anything to do with passing that bill. I did not vote for it. I do not want to criticize any committee, but we must all be more careful in the consideration of bills.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OVERTIME PAY FOR CERTAIN EMPLOYEES OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2112) authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That compensation for employment in excess of 40 hours in any administrative workweek computed at a rate of one and one-half times the regular rate is hereby authorized to be paid, under such regulations as the President may prescribe, to those employees in the field service of the National Advisory Committee for Aeronautics whose overtime services are essential to the national defense program and whose duties are determined by the President to be comparable to the duties of those employees of the War Department, the Navy Department, and the Coast Guard, for whom overtime compensation is authorized under existing law and regulations: *Provided*, That in determining the overtime compensation of per annum employees the base pay for 1 day shall be considered to be one three-hundred-and-sixtieth of the respective per annum salaries.

SEC. 2. The provisions of this act shall be effective during the national emergency declared by the President on September 8, 1939, to exist, and shall terminate June 30, 1943, unless the Congress shall otherwise provide.

With the following committee amendment:

On page 1, line 6, after the word "paid", insert the word "hereafter."

Mr. VINSON of Georgia. Mr. Speaker, when this bill was before the House a few days ago the gentleman from Michigan [Mr. HOFFMAN] interposed some objection and I withdrew the bill. I understand the gentleman has had an opportunity to look into this bill and has no objection to the measure.

I may state for the benefit of the Members of the House that this bill extends to the field service of the trained, technical organization that tries to improve our aircraft, what is known as time and a half for working overtime. The reason they are asking that this be done is because they are up against competition with the industry. At Langley Field the Government maintains probably the greatest laboratory for the development of aviation in the world. These men are under civil-service rules and regulations, and we have already extended in certain groups of field services, such as architects and engineers outside of Washington City—none here in Washington City—the benefit of time and a half for overtime when they work longer than a certain numbers of hours.

I want to say frankly I do not think this is a sound principle, and I very much regretted to see that we had to do it, but it was a case where the ox was in the ditch and we just had to do it. It is a question of extending this to a group of about 120 men and if we do not extend it, the other industries are going to take them away and the Government, in respect of its aviation development, will suffer. This is the whole story.

Mr. HOFFMAN. Mr. Speaker, reserving the right to object, I understand the matter is as stated by the gentleman from Georgia [Mr. VINSON], the chairman of the Naval Affairs Committee, and there is necessity for this legislation, but the gentleman thinks it is unsound as a general principle?

Mr. VINSON of Georgia. That is right.

Mr. HOFFMAN. And this grows out of the fact that the other departments are paying time and a half?

Mr. VINSON of Georgia. The industries are paying higher salaries; that is the trouble. The trouble is not so much with other departments, but the fact that industry is taking these people away. I am fighting as hard as I know how to fight from keeping that principle being applied in the departments. I have no patience with anyone in this great emergency in which the country finds itself trying to get time and a half overtime for his labor, whether it is in industry or anywhere else. The man who is fighting on these ships and fighting in the Philippines and at Wake does not work by any clock. There he either has to fight or he is killed.

Mr. HOFFMAN. And the practice of paying overtime has grown up out of the legislation which this administration has sponsored?

Mr. VINSON of Georgia. It came out by my vote and by the vote of my committee.

Mr. HOFFMAN. I am referring to the practice of paying time and a half.

Mr. VINSON of Georgia. That is all I have to say, Mr. Speaker.

Mr. HOFFMAN. The gentleman has indicated that that practice is not to be extended by the Government?

Mr. VINSON of Georgia. I hope it will not be extended. I am doing my best to hold it down, but sometimes I cannot hold it down.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Are the terms of this bill confined to the present emergency or is this permanent law?

Mr. VINSON of Georgia. No; it is just time and a half in this case down there now, and we have another bill extending it for 2 years, which applies the principle of time and a half for overtime, which is only good for 2 years.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. SMITH of Virginia. This is due to the fact that we have a wage-and-hour law that requires time and a half for overtime—is it or not?

Mr. VINSON of Georgia. Let us not get into that.

Mr. SMITH of Virginia. I am asking the gentleman that question.

Mr. VINSON of Georgia. I cannot answer the gentleman's question.

Mr. SMITH of Virginia. I think if the chairman does not know the situation in that respect, this bill should not go through today and I am fearful I shall have to object.

Mr. VINSON of Georgia. It is some times easy for men to ask questions that wise men cannot answer.

Mr. SMITH of Virginia. That is a very simple question. I have asked the gentleman whether it is due to the wage-and-hour law.

Mr. VINSON of Georgia. It is due to the fact that we have established in this country so many hours of labor.

Mr. SMITH of Virginia. What I am getting at is this, and that is the reason I have asked the gentleman the question. Is not the proper thing to do, while we are trying to win this war, to suspend this time and a half wage-and-hour business until the war is won, and stop all this monkey business?

Mr. VINSON of Georgia. I stated on the floor some time ago that I was hoping that the Executive would exercise the powers that he has under the Walsh-Healey Act.

Mr. SMITH of Virginia. But Congress also has the power to do it.

Mr. VINSON of Georgia. Then I offer to the gentleman the opportunity, and suggest that he do the full performance of his duty and offer such a bill.

Mr. SMITH of Virginia. I have not done it, because I understood the chairman of the Committee on Naval Affairs was going to do it.

Mr. VINSON of Georgia. Oh, no; I hand that over to the gentleman, because the Committee on Naval Affairs has a great many things to do.

Mr. GIFFORD. Mr. Speaker, I reserve the right to object. I have on my desk a large number of claims of civil-service employees who have been working on camps, for time and a half pay which was promised by the War Department. The officials of the War Department say that they ought to be paid, and they want to pay them. These men are expecting that money. What am I going to do about it?

Mr. VINSON of Georgia. If I were the gentleman, I would take it up with the War Department and see what the War Department is going to do about it I represent merely the Committee on Naval Affairs and matters connected with the Navy. If the gentleman had asked me a question with reference to the Navy I would tell him that if these people fall within certain groups that we have in the law, such as engineers, architects, that they would be entitled to pay for time and a half and if they do not belong to that group they are not so entitled.

Mr. GIFFORD. They are entitled to it. They were told that they would have it.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CONSTRUCTION OF CERTAIN NAVAL VESSELS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6392) to authorize the construction of certain naval vessels, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER pro tempore. The Clerk will report the Senate amendment.

The Clerk read as follows:

Page 1, line 6, after "authorized", insert "for the United States Navy or for disposal in accordance with existing law."

Page 1, line 10, after "establishments" insert "within the territorial limits of the United States, its Territories, and possessions."

Mr. VINSON of Georgia. Mr. Speaker, the House will recall that a few days ago we passed a bill authorizing the construction of some 1,799 different kinds of ships for the Navy. These are amendments to that bill. The first of these amendments provides that these vessels must be constructed for the United States Navy. Of course, that is what they were built for. The second part of the amendment is that they cannot be disposed of except in accordance with law, and with all due deference to the other body, it seems to me to be a meaningless amendment. The other amendment is that the facilities for ship construction shall be constructed in the United States, its Territories, or possessions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia to take the bill from the Speaker's table?

There was no objection.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

The Senate amendments were agreed to.

CONSTRUCTION OF CERTAIN PUBLIC WORKS BY THE SECRETARY OF THE NAVY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6333) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 2, insert:

"SEC. 2. The limits of cost on the construction of quarters and housing on property owned by the United States fixed by this and all prior acts shall not be construed to prohibit or exclude additional expenditures for utilities, services, and general improvements, including but not restricted to electricity, gas, water, sewage disposal, roads, walks, grading, and drainage."

Page 2, after line 2, insert:

"SEC 3. The Secretary of the Navy is authorized to utilize funds heretofore or hereafter appropriated for the construction of naval public works for the temporary relief of contractors and their employees for losses incurred as a direct result of enemy action."

Page 2 line 3, strike out "2" and insert "4."

Mr. VINSON of Georgia. Mr. Speaker, the House will recall that a few days ago we considered the bill H. R. 6333, a public works construction bill for the Navy, providing for the authorization of $450,000,000 for shore construction. When the bill went to the Senate it was amended as has just been read.

The amendment in section 2 offered by the Senate, confines the statutory limit of cost to the buildings and excludes the accessories, such as walks, telephones, gas, water, roads, and other things, which can hardly be classed as a part of a house.

Mr. MICHENER. Mr. Speaker, reserving the right to object, this will not permit tile bathrooms?

Mr. VINSON of Georgia. No.

Mr. MICHENER. Nor curling irons nor waffle irons and all of those things?

Mr. VINSON of Georgia. Not a bit. The purpose of section 2 is to carry out what I conceive to be the intent of the Congress, namely, when a limitation of cost of $7,500 or $10,000 is placed on the construction of an officers' quarters, it is not intended that the same $10,000 cover the cost of running the roads, sidewalks, sewers, water lines, steam lines, power lines, and telephone lines to those officers' quarters. The cost for those things is to be over and above the limitation that we fixed for officers' quarters, $7,500 and $10,000.

In some instances, at isolated stations, these collateral items are quite expensive, and if the cost of the officers' quarters is charged with their cost, very little would remain to build the house.

As was pointed out, down on some of the bases a great many tiles have to be sunk for the proper construction of the building. If you charge that up against the $7,500 or the $10,000 for the actual construction of the house, you would hardly get a house. You would just get the foundation. We must take into consideration the purchase of rights-of-way, sidewalks, paving, gas lines, and all that. That is all exclusive of the figures that we have set, which should be spent on officers' quarters.

Mr. MICHENER. This is permanent officers construction?

Mr. VINSON of Georgia. Oh, yes; these are permanent officers' quarters.

Mr. MICHENER. It does not come out of the national defense construction funds?

Mr. VINSON of Georgia. Yes. Of course, everything is national defense now. These are permanent constructions. For instance, in Bermuda, Trinidad, Newfoundland, and Alaska, and other places—even probably here in continental United States—it is necessary to build additional quarters. When they are building these quarters the limitation is $7,500 for one type and $10,000 for another. But if it is necessary to have a gas line or a sewer line or sidewalks, the cost of that will not be charged against the cost of the building. That is all it is.

Mr. MICHENER. I withdraw my reservation of objection, Mr. Speaker.

Mr. VINSON of Georgia. Now, the other amendment deals with the question asked by some Member a moment ago. With respect to section 3, we have been carrying on the pay roll our contractors' employees who were captured at Wake and Guam. We assume that our officer in charge in the Philippines

has been doing the same for any contractors' employees who were caught in the Philippines. As of February 1 we intend to place them on an insurance status, following the precedent established by the Longshoremen's Act. I would like to have the sanction of Congress for what I am doing. I am sure that Congress does not intend that the dependents of our employees who went to these out-of-the-way places should be entirely deprived of a livelihood. I am informed that permanent legislation looking toward the relief of these individuals is now in formulation. Until that legislation is passed we must take care of them in one way or another.

So that is for the purpose of taking care of these thousands of people who were captured when Wake was captured, and carried over to Shanghai. This is to take care of their dependents here, and that is all this is.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is entitled to recognition for 15 minutes.

THE PRESIDENT'S BIRTHDAY

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a newspaper advertisement and excerpts from a propaganda sheet and a resolution which I have offered.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, today is the President's birthday, and if we accept at face value all of those statements made by Members of the House today lauding the Chief Executive we can still retain the old motto impressed on our silver coins, "In God We Trust." If there was any disposition on the part of anyone to disagree with any of the political conclusions expressed by the gentleman from Massachusetts [Mr. MCCORMACK], the majority leader, or the gentleman from Texas [Mr. PATMAN], today is not the time to do it.

A BIRTHDAY GIFT

Inasmuch as it is the President's birthday, it may not be out of place to call attention to the fact that a birthday gift has been requested of Congress for the Chief Executive.

The 4th day of July 1776 was the day when our Declaration of Independence was adopted. Here is an organization which undoubtedly has expended considerable sums, which now proposes to celebrate the President's birthday by having Congress adopt a resolution doing away with the Declaration of Independence. I do not know; I have not been able to learn, whether any Member of the House has introduced such a resolution.

I have introduced a resolution—it was introduced yesterday—House Resolution 425—asking for the appointment of a committee to investigate the purpose and ascertain who are the members of these two or three organizations which advocate the surrender of our independence and the sources from which they derive the funds which they are spending.

This movement to surrender our independence and become a part of a world supergovernment has the support of Cabinet Member Ickes, Justice Roberts of the Supreme Court, Federal Union, Inc., Red Christian Fronters, and Communists.

While we are celebrating today the President's birthday we should have this other movement in mind. There are many of us who in the past have bitterly opposed some of the President's political policies. There are some of us who will continue to oppose those domestic policies while giving him support in the effort to win the war. There is none, however, who should in my judgment at least not be able and willing to join in the hope that God will grant him many happier returns of the day. We can all join in the request that God give him wisdom, and strength, and courage to frown upon such efforts as the one which is here suggested.

THE DAY FIXED FOR OUR BETRAYAL

The people will now back this administration in this war effort, they will give wholehearted support to the Army, the Navy, and the air force; but how about the future when the people learn that there is in administration circles, or at least entertained by one member of the Cabinet, the purpose to destroy our independence?

The answer to that question depends upon whether they consider the war a just war; a worth-while war; a war to preserve our independence; a war to perpetuate our Nation; a war to protect our freedom and our liberty.

At the present time, our people believe that this war must be won. They are willing, even though it cost billions of dollars, millions of lives; even though it means the lowering of the standard of living for many generations to come in order to meet the tax bills which will follow this war, to make whatever sacrifices may be necessary to win.

But let our people once discover or arrive at the conclusion, sound or unsound, that they are being betrayed; that their sacrifices are in vain; that at the end of the war they will have lost their independence, our constitutional form of government, our existence as a free and independent Nation destroyed, and no longer will this administration have their support.

Of our more than 130,000,000 people, those who think believe in some vague way that we today, as our forefathers in the Revolutionary War, as in the days of the Civil War, are not only fighting for the preservation of our Nation, but that, when we win, the freedom of the individual, the independence of the Nation, will be rendered more secure and its permanency insured.

We know that Hitler, Mussolini, and Hirohito, at the heads of their respective nations, are our enemies. They would destroy our national existence. They, according to this administration, would enslave us, destroy what has been described as the American way of life. There are other enemies who would accomplish the same purpose. These others are a greater menace than are Hitler, Mussolini, and Hirohito, for they carry on their battle to destroy us, not directly, not openly, with announced purposes, but in an underhand, treacherous, traitorous way, pretending they would make secure the freedoms and liberties, the national existence, which they seek to destroy.

Using the false plea that we can win the war and after it is over establish permanent peace throughout the world—a desirable objective—Federal Union, Inc., headed by Clarence K. Streit, by the expenditure of thousands of dollars, is carrying on a campaign of propaganda, the purpose of which is, while our attention is distracted by the war, to cause us to surrender our independence and our national existence and become the economic slaves of other world powers.

That organization would inveigle our citizens into a united states of the world where their property, their incomes, would be at the mercy of Old World politicians.

I see before me the dean of the House, who has served here for more than 30 years. Because of his age and training, he has had a wealth of experience. He must know what the people, at least the people of his district and in the great city of Chicago, are thinking. I would inquire of him now for the purpose of information only, and no other purpose, whether he feels that if this movement to create a supergovernment, this movement to make us one of either the united states of the world, or united nations—if this drive continues—whether our people will continue to have the same faith, the same enthusiasm for the policies of the administration they now have?

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. SABATH. I will say to the gentleman that I am of the honest opinion that the American people will never give up their independence and the rights and the privileges that come to them because of our independence. They cherish it, they will fight for it, and will never agree that it be in any way abolished or modified.

Mr. HOFFMAN. I am glad to hear the gentleman say that. I hope that on the floor of this House, because he has great influence here and with the administration, he will use his influence and his voice to speak against this movement.

Federal Union, Inc., and World Fellowship, Inc., which has a similar objective, would make the American taxpayer the Santa Claus of the world; the peoples of Europe, Asia, and Africa glorified members of a world W. P. A. We Americans—workers, farmers, merchants, industrialists, professional men and women, all of us—would furnish the money for the

boondoggling and the warring of princes, dukes, kings, and dictators.

We would, in addition, furnish the cannon fodder for the war games which they might play when they grew tired of boondoggling.

Is the foregoing but a creature of the imagination? In full-page ads in newspapers of the East the campaign to do the things just mentioned is being carried on.

Yesterday, January 29, to me, as a Congressman, and no doubt to every other Congressman and to every Senator, from World Fellowship, Inc., came propaganda asking that, as a Member of the House of Representatives, I support a joint resolution which this organization asks be passed on the President's birthday, January 30, 1942, as, I quote, "a present to him, to us, to the world." The word "him" is capitalized. A proposal for a birthday gift which the President should lose no time in condemning.

That resolution proposes, as step 1, among other things:

That the Congress of the United States of America does hereby solemnly declare that all peoples of the earth should now be united in a commonwealth of nations to be known as the United Nations of the World, and to that end it hereby gives to the President of the United States of America all the needed authority and powers of every kind and description without limitations of any kind that are necessary in his sole and absolute discretion to set up and create the Federation of the World, a world peace government under the title of the United Nations of the World, including its constitution and personnel and all other matters needed or appertaining thereto to the end that all nations of the world may by voluntary action become a part thereof under the same terms and conditions.

If you are an American citizen, willing to make the needed sacrifices to win this war, if you believe in the independence of our Nation, what do you think of this proposed grant of authority to the President of the United States to set up a United Nations of the World? Why should Congress grant to the President of the United States power to create a new world government, United Nations of the World, of which we would be a part?

By what stretch of the imagination can it be assumed that we, the people of the United States, have the right, or, for that matter, the power to set up a world government entitled "United Naticns of the World," and to write and prescribe a constitution and to pick the officers of such a government?

If the President of the United States is not satisfied with the office which he holds, if he and his advisers and supporters or any of the rest of us are not content to live under the Constitution which we have sworn to maintain and uphold, then why does not he, his wife Eleanor, Ickes, Perkins, and the horde of Reds which surround him, and those of us who are not satisfied, emigrate to Russia, or to Germany for that matter—for Hitler has the same idea of uniting all the peoples of the world under his rule—and there establish the world government?

This proposed joint resolution contains this further provision:

There is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated the sum of $100,000,000 or so much thereof as may be necessary to be expended by the President in his sole and absolute discretion to effectuate the purposes of this joint resolution.

Consider this language. This organization asks, in this time of war, when every dollar is needed to support the Army, the Navy, and the air force, for an appropriation of $100,000,000 to be expended by the President of the United States, without accounting to anyone in any manner, for the purpose of establishing a United Nations of the World.

The resolution contains this further language, immediately following the foregoing:

And in addition the sum of $1,000,000,000 for the immediate use of the United Nations of the World under its constitution as set up and created by the President of the United States of America as provided in this joint resolution.

While MacArthur is fighting in the Philippines; while American soldiers and sailors are dying there and in many, many places throughout the world in the belief that they are fighting for the the preservation of our Government; for the safety and the independence of the folks at home; for their parents, their brothers and their sisters, here at home, in America, through the mails of the United States Government comes this propaganda, which would destroy all that these boys have fought and died to save.

The Treasury of the United States is not only empty of funds, but in it are stored obligations which call upon future generations for the payment of billions of dollars in taxes. Yet this organization, these men and women who sponsor it, whose purpose is the surrender of our independence, the destruction of our constitutional form of government, destroy the morale of our fighting men. They sap the courage of our citizens. They create the feeling that this administration, by permitting their efforts to go unrebuked, may be charged with not carrying on a war to preserve the American way of life, to protect our people, to render our Government secure and permanent, but, driven by ambition, seeks to make us a part of a world power.

Let this administration—let the President of the United States—without delay, assure the American people that he wants no part in the creation of a United States of the World—in the formation of a United Nations of the World.

Let him assure us that when this war is won—that when this war is over—our independence as a nation will be sacredly preserved and that we will not become a part of any world political union.

I append hereto, as exhibit A, excerpts from the full-page ad of Federal Union, Inc.; also appended, as exhibit B, are excerpts from World Fellowship, Inc.

Yesterday I introduced a resolution—House Resolution 425—calling for an investigation of this movement. I ask that a copy of that resolution be printed herewith as exhibit C.

Here we are—a nation billions of dollars in debt, needing every resource at our command, not only to carry on a war, as the President said, on every continent and in every sea, but to prepare for our own national defense here at home; and yet come these men and ask that we appropriate $100,000,000 to aid in forming a united nations of the world, and an added $1,000,000,000 to be expended by that organization when formed.

They ask that we surrender our independence, appropriate $1,100,000,000, and offer it to the President of the United States, Franklin Delano Roosevelt, as his birthday gift on January 30, 1942.

Yes; I wish the President many returns of this birthday of his. I hope that each of those days will bring less for him to worry about; that the morning sun of each of those days will rise upon a world at peace—upon a United States of America still independent—indivisible.

God grant that each of those birthdays of our President and the dawn of many succeeding centuries will see us as a people free, independent, our liberties secure; our National Government, the United States of America, a republic, still the refuge, still the hope, of the oppressed throughout the world.

Oh, I ask you, I appeal to the leaders of the House, to the dean of the House as he sits here, because he said he believes in the independence of our country, our institutions, and our form of government, are we going to let pass unchallenged such appeals as these, which have been sent to every Member of the House, undoubtedly, and to every Senator? This same proposition is being advocated by full-page advertising in the great daily newspapers. I ask you, Mr. SABATH, chairman of the Committee on Rules, to give us a rule in support of the resolution which I have introduced, and let us learn who is back of this movement and who is paying for it.

EXHIBIT A

[From the Washington Evening Star of January 5, 1942]

IN UNION NOW LIES POWER TO WIN THE WAR AND THE PEACE—A PETITION

That the President of the United States submit to Congress a program for forming a powerful union of free peoples to win the war, the peace, the future;

That this program unite our people, on the broad lines of our Constitution, with the people of Canada, the United Kingdom, Eire, Australia, New Zealand, and the Union of South Africa, together with such other free peoples, both in the Old World and the New, as may be found ready and able to unite on this federal basis;

That this program be only the first step in the gradual, peaceful extension of our principles of federal union to all peoples willing and able to adhere to them, so that from this nucleus may grow eventually a universal world government of, by, and for the people.

We welcome President Roosevelt's conferences with Prime Minister Churchill and the "declaration of united nations." We must prosecute the war unremittingly. Organizing effectively the power of the free peoples is essential to that task. We value highly conferences and temporary measures to provide more unified action immediately. But in meeting this need let us, in the present formative period, take care to open—not close—the way to immediate union of the democracies within the broader anti-Axis coalition.

Conferences, agreements between heads of governments, alliances, supreme interallied councils—valuable as they may be, these are not union, but substitutes that have already failed democracy. The British and French relied on them. They had a unified command. They agreed to make no separate peace. But

they based their unity on two sovereign governments acting in alliance, not on a united sovereign people acting in union through a common government. And their alliance collapsed.

ALLIANCE FAILED THE BRITISH AND FRENCH

Prime Minister Churchill sought salvation then in the American way of union. He implored France to join Britain in this "declaration of union":

"* * * France and Great Britain shall no longer be two nations but one Franco-British union. The constitution of the union will provide for joint organs of defense, foreign, financial, and economic policies. Every citizen of France will enjoy immediate citizenship of Great Britain; every British subject will become a citizen of France. * * * During the war there shall be a single war cabinet, and all the forces of Britain and France, whether on land, sea, or in the air, will be placed under its directions * * *."

Now the responsibility is ours either to create or defer too long that "common community or state" whose importance Mr. Churchill stressed in the Senate December 26. Shall we begin with the British back where they began with the French? Or where they left off—with an offer of union now, the old, war-tested United States way?

Organizing the democracies effectively in a union need take no longer than organizing them in an ineffective alliance or supreme war council, and will safeguard their national rights far more securely and equally. There already exist carefully studied concrete plans for just the kind of emergency union that we need. These plans provide for representation responsible to the people and in proportion to self-governing population. They work out the details and assure the American people a majority in the union congress at the start.

THE SOVIET STATES HAVE A COMMON GOVERNMENT

Granted immediate extension of our democratic federal principles to all our war associates is impracticable. But common sense says to unite at once with those practiced in democracy while cooperating with the others in the best way we can until they desire and can apply our principles.

We gain from the fact that all the Soviet republics are already united in one government, as are also all the Chinese-speaking people, once so divided. Surely we and they must agree that union now of the democracies wherever possible is equally to the general advantage. Victory depends in no small part on sea and air factors, now divided between Britain and us, whose nature requires a common government even more than do the land factors in Russia and China, vast and important as they are.

We the people of the United States have once more reached a time to try men's souls. Let us not mistake this moment nor the nature of this test. Lincoln measured it for us when he said, "We shall nobly save or meanly lose the last best hope of earth."

We recognize already that we must unite the power of all our 48 States. We recognize that the British must unite the power of all their commonwealth of nations. We have not recognized—and we must at once—that we need above all to unite the whole arch of democracy.

An arch without a keystone can be no arch of triumph.

UNION IS THE UNITED STATES WAY

The people of our Original Thirteen States once faced the problem the democracies face now. They had never before united for any purpose. But when their common freedom was at stake they did not try to save it with 13 independent armies or even with a "supreme interallied council." Instead, with revolutionary vision and vigor, they invented a new and stronger keystone:

They set up at once a common government.

They gave it the power to make war and peace for all.

They let it name one common commander in chief.

And they issued through it a resounding declaration of the universal and eternal common principles of human freedom on which they proposed to build a new world.

Thus, in the midst of war, they created the United States itself as a war measure.

They then developed this emergency war policy into a permanent way to keep the peace among their States by adopting a more perfect Union in our Federal Constitution. Since then every American generation has boldly extended these principles of freedom through union to more states and more people of all kinds. Canada, Australia, the Union of South Africa have already adopted these principles. Britain showed its faith in them when it offered union to France.

Here, then, in our own American principles of Federal Union lies the way to win this war, the peace, and the future. We are not so feeble that we cannot do what our fathers have already done. Let us, then, turn this great danger into a great opportunity. Let us begin now a world United States.

30,000,000 AMERICANS FAVOR UNION

Thirty million American adults, according to the December Fortune Survey, already believe the United States "after the war" should "join a union of democracies in all parts of the world to keep order."

If you are among those who agree we need union then to keep a potential aggressor from breaking loose, surely you must agree we need that union now to meet the powerful combination of aggressors already on the march.

To refuse to recognize this so as to avoid controversy will not save our sons, any more than failure to recognize that a germ caused diphtheria saved life in the past.

Remember now the moral slump that always follows war, the return of petty politics. Consider now that if we merely promise union after the war, the Axis will drive their peoples on by reminding them of what a Senate minority did to the promised League * * * after World War I. But once the oppressed peoples see that this union is no dream but a living, growing, winning World United States, with a place in its congress they may earn by regaining their own freedom—what a means we then shall have to wreck the Axis from within.

How many, many lives we shall save by this great expeditionary idea—once we give it life. It will be fighting for our sons day and night far behind the enemy lines. No dictator can be certain it will not be fighting for us in his staff itself.

The surest way to shorten and to win this war is also the surest way to guarantee to ourselves, and our friends and foes, that this war will end in a union of the free. The surest way to do all this is for us to start that union now

"We implore you [as the English workmen implored Lincoln to free the slaves] not to faint in your providential mission. While your enthusiasm is aflame, and the tide of events runs high, let the work be finished effectually. Leave no root of bitterness to spring up and work fresh misery to your children."

THE UNITED STATES ITSELF BEGAN AS A WAR MEASURE

As citizens to our fellow citizens, we recommend this proposal to your serious consideration.

Robert Woods Bliss, Grenville Clark, Gardner Cowles, Jr., Russell W. Davenport, Harold L. Ickes, Owen J. Roberts, Daniel Calhoun Roper, William Jay Schieffelin, John Foster Dulles.

Inviting you to help create now a living, growing World United States.

FEDERAL UNION, INC.,

10 East Fortieth Street, New York, N. Y.

(A nonprofit membership association)

Please put me, an American citizen, on record as favoring your petition for union—now, as explained in your advertisement in the Evening Star, Washington, D. C., January 5, 1942.

---------- 1942

Name ----------

Street---------- City----------

Check here for an enrollment card , literature , reprints of this advertisement .

We need funds to carry on this campaign quickly. If everyone who believes in a World United States will give now what he can to help create it, we shall have it soon. Please insert here ---------- the amount of any gift you enclose.

Federal Union, Inc.: A. J. G. Priest, chairman; Clarence K. Streit, president; E. W. Balduf, director; P. F. Brundage, secretary; John Howard Ford, treasurer; Patrick Welch, acting director.

Philadelphia, Architects Building. Washington, D. C., 726 Jackson Place, Republic 2425. Chicago, 135 La Salle Street. St. Louis, Arcade Building. San Francisco, Russ Building. Los Angeles, 1717 North Vine Street, Hollywood.

National Headquarters, 10 East Fortieth Street, New York City.

EXHIBIT B

IN TIME OF WAR PREPARE FOR PEACE—WFRLD FELLOWSHIP, INC.

(Started in 1918—the armistice year)

To Members of the Senate and the House of Representatives of the United States of America:

We ask the Members of the Senate and House to take the three steps presented here for your consideration.

We hope these two joint resolutions will be introduced and passed by Congress on the President's birthday, January 30, 1942. A present to him, to us, to the world.

STEP 1

To be enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

Joint resolution authorizing the President of the United States of America to set up and create a Federation of the World, a World Peace Government, under the title of the "United Nations of the World"

Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress of the United States of America does hereby solemnly declare that all peoples of the earth should now be united in a commonwealth of nations to be known as the United Nations of the World, and to that end it hereby gives to the President of the United States of America all the needed authority and powers of every kind and description, without limitations of any kind that are necessary in his sole and absolute discretion to set up and create the Federation of the World, a world peace government under the title of the "United Nations of the World," including its constitution and personnel and all other matters needed or appertaining thereto to the end that all nations of the world may by voluntary action become a part thereof under the same terms and conditions.

There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000,000, or so much thereof as may be necessary, to be expended by the President, in his sole and absolute discretion, to effectuate the purposes of this joint resolution, and in addition the sum of $1,000,000,000 for the immediate

use of the United Nations of the World under its constitution as set up and created by the President of the United States of America as provided in this joint resolution.

The President may appoint such committees and summon such advisers, from any part of the world, as he may deem necessary to effectuate the foregoing purposes with all convenient speed.

EXHIBIT C

[H. Res. 425, 77th Cong., 2d sess.]

Whereas, through full-page advertisements published in many great dailies, Federal Union, Inc., Clarence K. Streit, president, is now advocating the surrender of our national independence and our entrance into a United States of the world; and

Whereas World Fellowship, Inc., is now propagandizing Congress to appropriate $1,100,000,000 for the purpose of forming a United Nations of the World, which would involve the surrendering of our national independence; and

Whereas such activities tend to undermine the morale of our people and to raise in their minds a suspicion that there is on foot a powerful movement which, notwithstanding the winning of the war, would, if successful, result in the surrendering of our national independence, the destruction of the liberty of the citizen: Now, therefore, be it

Resolved, That the Speaker of the House of Representatives be, and he is hereby, authorized to appoint a special committee to be composed of five members for the purpose of conducting an investigation to ascertain—

(1) The extent, character, and objectives of Federal Union, Inc.; of World Fellowship, Inc.; and of any and all similar organizations, and the members of such organizations in the United States;

(2) The sources from which such organizations and individuals receive the funds which enable them to carry on their activities; the amount and the date of contributions made for that purpose; and the names, places of residence, and occupation of the persons contributing; and

(3) All other questions in relation thereto that would aid Congress in any advisable remedial legislation.

That said special committee, or any subcommittee thereof, is hereby authorized, to sit and act during the present Congress at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, by subpena or otherwise, and to take such testimony, as it deems necessary. Subpenas shall be issued under the signature of the chairman and shall be served by any person designated by him. The chairman of the committee or any member thereof may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said committee, or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States (U. S. C., title 2, sec. 192).

SEC. 2. The committee shall file its report to the House on October 31, 1942, or may file same earlier in the event the House is not in session, with the Speaker of the House for printing as a public document.

EXTENSION OF REMARKS

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. JOHNSON]?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two editorials.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. SMITH]?

There was no objection.

SPECIAL ORDER

The SPEAKER pro tempore. Under a special order heretofore entered, the gentleman from Michigan [Mr. CRAWFORD] is entitled to recognition for 5 minutes.

Mr. CRAWFORD. Mr. Speaker, I take this 5 minutes under unanimous consent of the House to make a few more observations with reference to certain statements that are being made by members of the Cabinet and the effect they are having on the people of this country. It appears to me, based upon what little knowledge I have of our sugar situation, that we are likely to face a reduction in consumption of our people, as a result of a shortage of supply, of as much as 50 to 60 percent during the current calendar year.

That is on account of the loss of the production of the Philippines and the interference with the shipping of sugar from India to the British as a result of the Singapore debacle, disaster, catastrophe, or whatever we may call it, and because of the general break-down of international transportation, plus the fact that we shall certainly attempt to keep the Atlantic sea lanes open so that this important food item can be shipped from the West Indies area, including Puerto Rico, Cuba, and other islands down in that direction, to England and to our forces and the British and Allied forces, wherever they may be located.

When you start breaking down your sugar supplies in order to place sugar on every fighting front of the world for the benefit of your soldiers, it takes a lot of your product to maintain your lines between the sources of production and the troop camps. So we can easily put 1,000,000 tons away in warehouses, ships in transit, and other sugar bowls, you might say, and thereby remove it from the visible open market in the continental United States.

Two days ago at Atlanta, Ga., the Secretary of Agriculture said this:

> In 1941 we in agriculture had the job of producing enough for two nations; we anticipated we might have to produce a little extra for a third. Suddenly, almost overnight, we find ourselves in a situation where we may have to supply other nations, too. We are pooling our resources—all of our resources that can help win the war—with 25 other nations.

Probably it would be just as well if less stress were laid by the official spokesmen on the possibility that the United States will be called upon to feed and clothe everyone who is in opposition to the Axis. Investigations hint that it is this fear that is behind the hoarding of sugar, which is now one of the administration's worries. As the Minneapolis Tribune editorially points out, many people buy goods through fear that none will be available rather than fear of price advances. All over this country there are millions of people who are human and who actually believe, as a result of official statements, that we are going to ship out of the United States the greater proportion of the food supplies we produce.

I wish someone would coolly tell me how you are going to prevent the people of the United States from reaching for these goods, these food items which they think we are going to ship away to every part of the world, and which the Secretary of Agriculture continually emphasizes. I think the Secretary of Agriculture and Mr. Henderson, the proposed Price Administrator, have contributed more toward the sugar-buying craze or spree, or whatever you want to call it, than all other forces put together. I am simply throwing in these words for whatever they may be worth.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Does not the gentleman believe that when they told us a few days ago through the paper that there would be sugar rationing, the natural and inevitable result was for many people to rush out and buy, which aggravated the problem? Why did they not put on the rationing program at once, if they were going to?

Mr. CRAWFORD. There has been too much talk on the part of high administration officials, such as Mrs. Roosevelt, Secretary Wickard, and Mr. Henderson.

Mr. Speaker, I now submit for the RECORD a relative statement on the price-control bill:

THE RELATIONSHIP OF THE AGRICULTURAL ADJUSTMENT ACT OF 1938 TO CERTAIN PROVISIONS OF THE PRICE-CONTROL BILL AS PASSED BY THE HOUSE AND SENATE

Section 2 (e) of the price-control bill as enacted by the House and Senate authorizes the Price Administrator to buy and sell certain commodities if the maximum necessary production of the commodity is not being obtained or may not be obtained during the ensuing year. This section goes on to provide: "but such sale price may be below such maximum price or below the purchase price of such commodity." This paragraph goes on to provide: "Nothing in this section shall be construed to modify, suspend, amend, or supersede any provision of the Tariff Act of 1930, as amended, and nothing in this section, or in any existing law, shall be construed to authorize any sale or other disposition of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938, as amended. * * *" The action of the Administrator hereunder is to be predicated upon the fact that there is not an adequate supply of a commodity. The commodity does not have to be bought under section 2 (e) to be sold under it by the Administrator. It could have been bought previously by the Commodity Credit Corporation, by the Metals Reserve Company, or any other Government agency.

What are the provisions of the Agricultural Adjustment Act of 1938 that section 2 (e) of the price-control bill refer to? There is only one section of the act of January 16, 1938 (ch. 30 of the Laws of 1938), which fixes the price of sale of commodities to be sold, the commodity concerned being cotton and the section primarily dealing with cotton. (Note H. Rept. 1658, 77th Cong., 2d sess., p. 22.) Section 281 (b) and (c) provide:

"SEC. 281 (b). Any producer for whom a loan has been made or arranged for by the Commodity Credit Corporation on cotton of his 1937 crop and who has complied with all the provisions of the loan agreement except

section 8 thereof, may, at any time before July 1, 1938, transfer his right, title, and interest in and to such cotton to the Corporation; and the Corporation is authorized and directed to accept such right, title, and interest in and to such cotton and to assume all obligations of the producer with respect to the loan on such cotton, including accrued interest and accrued carrying charges to the date of such transfer. The Corporation shall notify the Secretary of Agriculture of each such transfer, and upon receipt of such notice, the Secretary shall as soon as compliance is shown, or a national marketing quota for cotton is put into effect, forthwith pay to such producer a sum equal to 2 cents per pound of such cotton, and the amount so paid shall be deducted from any price-adjustment payment to which such producer is entitled.

"(c) The Commodity Credit Corporation is authorized on behalf of the United States to sell any cotton of the 1937 crop so acquired by it, but no such cotton or any other cotton held on behalf of the United States shall be sold unless the proceeds of such sale are at least sufficient to reimburse the United States for all amounts (including any price-adjustment payment) paid out by any of its agencies with respect to the cotton so sold. After July 31, 1939, the Commodity Credit Corporation shall not sell more than 300,000 bales of cotton in any calendar month, or more than 1,500,000 bales in any calendar year. The proceeds derived from the sale of any such cotton shall be used for the purpose of discharging the obligations assumed by the Commodity Credit Corporation with respect to such cotton, and any amounts not expended for such purpose shall be covered into the Treasury as miscellaneous receipts."

It should be noted that section 381 (c) does not fix a maximum price for cotton to be sold; it merely fixes a minimum price: "But no such cotton or any other cotton held on behalf of the United States shall be sold unless the proceeds of such sale art at least sufficient to reimburse the United States for all amounts (including any price-adjustment payment) paid out by any of its agencies with respect to the cotton so sold."

As will be recalled, by the Agricultural Adjustment Act of 1938 the making of loans by the Commodity Credit Corporation on cotton, wheat, and corn at from 52 to 75 percent of parity was made mandatory upon the Commodity Credit Corporation. The rate of the loan was fixed at 85 percent of parity by the act of May 26, 1941 (Public Law 74, 77th Cong.). These loans, of course, are nonrecourse loans and of course if the market price of the commodity fell below the loan rate at the maturity of the loan, the owner of the cotton would permit the Corporation to take title. The Corporation would then have the task of disposing of the cotton. It should be noted that the language of section 381 (c) covers all cotton that might be owned by the United States, whether it be the Commodity Credit Corporation or some other agency. The price is not a maximum price but is a minimum price. In the light of this sentence in section 2 (e) of the price-control bill and section 381 (c) of the Agricultural Adjustment Act of 1938, the Administrator could not sell cotton previously owned by the Government or acquired under this bill or any other act at less than the total price paid for it. Thus section 2 (e) does not authorize the sale of cotton by the Government at less than the price of acquisition.

But this is not the only limitation contained in this bill on the sale of agricultural commodities. Section 3 (a) of the price-control bill as passed by both Houses of Congress provides that no maximum price for any agricultural commodity shall be set below the highest of any one of the four following prices: (a) 110 percent of parity; (b) the market price on October 1, 1941; (c) the market price prevailing for such commodity on December 15, 1941; or (d) the average price for such commodity during the period July 1, 1919, to June 30, 1929.

Section 2 (f) of the Price Control Act provides:

"(f) No power conferred by this section shall be construed to authorize any action contrary to the provisions and purposes of section 3, and no agricultural commodity shall be sold within the United States pursuant to the provisions of this section by any Government agency at a price below the price limitations imposed by section 3 (a) of this act with respect to such commodity."

This, of course, refers only to a sale made under section 2 (e), not to a sale made by the Government under some other law; and of course it does not apply to a sale made outside the United States (lease-lend). This means that an agricultural commodity cannot be sold under section 2 (e) below the highest of the four standards in section 3 (a), which were summarized previously. Then under this section, if cotton is sold under section 2 (e), it must not be at a price below the highest of the four standards contained in section 3 (a) of the price-control bill and it must also be sufficient to yield all the costs to the Government. It cannot be sold below the highest of these standards, the four in section 3 (a) of the price-control bill and the one in section 381 (c) of the act of 1938. A sale above the minimum fixed under the provisions of section 381 (c) of the Agricultural Adjustment Act of 1938 would not be "contrary" to the provisions of that act (section 2 (e)).

But it is also quite likely that it was intended by Congress that agricultural commodities held by Government agencies and not being sold under section 2 (e) are not to be sold at prices below the maximum standard contained in section 3 (a) of the price-control bill. Section 3 (c) provides:

"(c) No maximum price shall be established or maintained for any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to producers of such agricultural commodity a price for such agricultural commodity equal to the highest price therefor specified in subsection (a)."

And section 3 (f) provides:

"(f) No provision of this act or of any existing law shall be construed to authorize any action contrary to the provisions and purposes of this section."

Now, if cotton is sold under section 381 (c) at merely sufficient to yield the purchase price and the costs to the United States, and if such sales of cotton by the United States effectively determine the price of cotton (or for that matter of any other commodity), then this section indicates that this minimum is not sufficient. It would appear that it is quite likely that Congress intended that the commodity sold under section 381 (c) of the act of 1938 should be sold at a price at least to maintain the maximum of the four standards of prices contained in section 3 (a). Certainly if sales made under section 2 (e) of the Price Control Act, where they are made to keep the price down at the same time that added production is being stimulated, cannot be made below section 3 (a) standards, other sales, made for the very purpose of price stabilization, would not be authorized at a lower price. However, this point is not made clear.

CONCLUSIONS

1. The Agricultural Adjustment Act of 1938 only fixes a minimum price.

2. In the case of a commodity sold under section 2 (e) of the price-control bill it cannot be sold at a price lower than the highest one of the following: (a) The cost under section 381 (c) of the act of 1938, or (b) any one of the four standards contained in section 3 (a) of the price control bill.

3. Certainly under section 3 (f) of the price control bill, section 381 (c) of the act of 1938 cannot be said to authorize a sale that merely nets expenditures if the sales price did not meet at least the highest one of the four standards contained in section 3 (a) of the price-control bill.

4. It would seem possible that Congress intended that the standards contained in section 3 (a) of the price control bill would guide all Government agencies in the sale of agricultural commodities whether or not the sale was made under section 2 (e).

5. Even in the light of the language of section 2 (e) there is no incompatability between the Agricultural Adjustment Act of 1938 and the price-control bill. The former provides minimum prices and the latter maximum prices.

The SPEAKER pro tempore. Under a previous special order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 5 minutes.

DOLLAR-A-YEAR MEN

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a portion of a column, the Washington Merry-Go-Round.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, we have repeatedly heard from various Members of the House expressions of concern over the activities of dollar-a-year men. I think personally there is a very real problem connected with this matter. In what I have to say I have reference to no individuals, nor am I directing my remarks or the action I have taken and which I propose to the House against any individual but against a situation which I believe to be wrong.

I have introduced a bill, the number of which is H. R. 6443, and I shall read two sections of it.

Section 2 states:

No person shall be appointed to or hold any office or position in any department or agency of the United States except at a rate of compensation which is reasonably adequate to compensate him for the services performed by him in such office or position in accordance with their value.

Section 4 states:

No person shall be appointed to or hold any office or position in any department or agency of the United States Government if such person is in receipt of compensation from any private corporation, partnership, or organization.

If it were possible to enact a piece of legislation of that kind, what it would mean would be that instead of people holding all-important positions in the Government of our country in connection with the present national war program and still being on the pay rolls of utility corporations or any other private agencies, they would have to be compensated by the Government and be on Uncle Sam's pay roll where it seems to me they belong and exclusively belong.

I cannot see that it is accomplishing anything for us in Congress simply to complain because we do not like some things, when the remedy for the situation is clearly in our own hands. It is for that purpose I have presented this bill.

I have received permission to include in my remarks a portion of a column from the Washington Merry-Go-Round which is illustrative of what I am trying to get at. It has to do with the report of the Truman committee on the situation in the Power Division of the Office of Production Management. I shall not go into that in any detail at the present time except to say that in that particular Division a situation has existed where passing upon matters of power policy and the allocation of materials to public or private power agencies, have been people still drawing big salaries from some of the largest utility companies in the country, according to this column and the Truman committee report.

This column reads as follows:

WASHINGTON MERRY-GO-ROUND

(By Drew Pearson and Robert S. Allen)

WASHINGTON, January 22.—The hard-hitting Truman committee hasn't got around to the matter yet, but some hot sensations are in store when the committee digs into the dollar-a-year man handling the power phases of the war production program.

For years one of the hottest issues in Washington has been the power lobby. It has been repeatedly investigated, and several years ago, after fierce legislative battles, the Federal power and holding-company laws were enacted to curb the lobby.

The Truman committee has confidential information that today this lobby is more powerfully entrenched in the Capital than ever before.

For months it has been operating directly inside the Government, formulating and running the power policy of the Office of Production Management, which was until last week the key war production agency.

The Office of Production Management Power Division is not only manned with utility officials but they are still on the pay rolls of private power companies. In other words, while presumably working for the Government, they are actually paid employees of the utilities.

After being deluged with complaints that the utility-ruled Office of Production Management Power Division was secretly aiding independent rural power co-ops, the House Appropriations Committee questioned J. A Krug, head of the Division, on these charges.

Krug defended his staff, but the committee, unconvinced, ordered him to submit a detailed report on his dollar-a-year assistants, including the amount of salaries they were drawing from utility companies while working for the Government.

Two months have elapsed since Krug promised to produce this important information and so far he has not done so.

All the committee has received was a cagey letter from John Lord O'Brian, former corporation attorney, who is Office of Production Management General Counsel, giving a list of the Power Division's personnel, but has nothing about their private salaries. However, the little information O'Brian did disclose speaks volumes.

It shows that no less than 18 key officials in Krug's division are dollar-a-year and 'W O. C.' (without compensation) men, who are still on private utility pay rolls.

NOTE.—Appropriations Committee members estimate that the total pay these men draw from power companies is more than $250,000 a year. War Production Chief Donald Nelson has privately indicated he will house-clean Krug's unit.

Now, Mr. Speaker, if the gentleman from Michigan [Mr. HOFFMAN] is in the Chamber, I would like to ask the gentleman a question. The other day the gentleman took the floor and took me to task, due to the fact that at the close of my remarks one day the word "applause" appeared, and I agreed with the gentleman that he was right, and I asked unanimous consent to have that stricken from the RECORD.

Mr. HOFFMAN. That is right.

Mr. VOORHIS of California. I made my mistake honestly. I did not know at the time that was done that the Speaker had made a ruling against the appearance of the word "applause." I appreciate the gentleman's calling it to my attention.

I now want to ask the gentleman if perhaps he ought not to do somewhat the same as I did, due to the fact that in the same colloquy between the gentleman and myself he struck out of the RECORD completely the entire remark made by the gentleman from Texas [Mr. DIES].

Mr. HOFFMAN. No; I do not, and I will tell the gentleman why. The gentleman did not have any recognition. I had not yielded to him, and I struck that out knowingly and intentionally because the gentleman had no right to have the remarks there.

Mr. VOORHIS of California. Did the gentleman have the permission of the gentleman from Texas to strike it out?

Mr. HOFFMAN. No; and I did not have to because the gentleman from Texas did not have the floor, and therefore he had no right to have the remark in the RECORD, and the stenographer should not have put it in there because I had not yielded, and for that reason I struck it out before I sent the remarks to you.

Mr. VOORHIS of California. Yes; but it was contained in the stenographer's record. If the gentleman feels that way about it, it is all right with me.

Mr. HOFFMAN. I feel that way, and I am absolutely within the rule, and I propose to do it every time somebody interrupts my remarks. You are not going to inject anything into my speech unless I yield or the Chair recognizes you.

Mr. VOORHIS of California. I did not inject anything in the gentleman's speech.

Mr. HOFFMAN. Oh, no; and I was not taking the gentleman to task, but there have been so many times when there has been criticism about this word "applause" and there were two or three speeches on 1 day and the word "applause" was added to all of them.

Mr. VOORHIS of California. I think the gentleman was quite right, and I may say to the gentleman that a good many times I make speeches in the House here when I do not receive applause, so perhaps I felt gratified over the fact that I did receive applause on that occasion, and I may say further that I think the Speaker's ruling is entirely proper and a very good one.

Mr. HOFFMAN. I applauded the gentleman's speech myself, as I have done frequently.

[Here the gavel fell.]

UPHOLDING THE CONSTITUTION

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, I was immensely gratified to listen to what the gentleman from Michigan [Mr. HOFFMAN] had to say, and personally I feel that I can assure him that the President will continue, as he has in the past, to uphold the Constitution of the United States. I remember a few months ago that Colonel Lindbergh, in several speeches, said that he did not know whether there would be another election, another session of the Congress, or whether the Constitution would be abolished. Notwithstanding his insinuations we still have the Constitution, and I know that we shall continue to live and work under it for many, many, many centuries, not years; in fact, I think we shall live and work under it in the interest of mankind forever.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Yes.

Mr. HOFFMAN. And the gentleman thinks that we are going to continue to have elections, does he not?

Mr. SABATH. Oh, yes. I know that this will remain a democracy, and a free Nation forever, because, after all, grounded upon immutable principles of justice and equality, I think this is the greatest Nation and the greatest form of government under the sun.

As to the resolution that the gentleman from Michigan has referred to, I glanced over it, and I am obliged to admit that I was unable to understand it. Since this is a free country, under our Constitution the men mentioned have the right to submit propositions, be they right or wrong; and I hope that other people will always have the right and privilege to submit their views to the country. To deny that opportunity would be tyranny and an admission that intelligent people cannot distinguish between the sound and the unsound.

I am satisfied that neither this House nor any Congress in the future will ever take any action that will in any way weaken the glorious Constitution of our beloved land. Naturally I myself would favor any proper step or any action on the part of the Congress that would aid other foreign peoples to obtain the freedom and liberty that we enjoy, but at this time I feel it is our duty to unitedly uphold our Constitution and our President. I congratulate the gentleman from Michigan [Mr. HOFFMAN] and other gentlemen on the Republican side who earlier today so splendidly stated their patriotic position and assured the President and the country that they are ready and willing to stand by and do their part to uphold his hands so that his aim to save our Nation and other nations from Hitlerism will be successful, and that shortly, being united, there will be an end put to his purpose to enslave America and the remainder of the world.

When the gentleman from Michigan [Mr. HOFFMAN] in his speech propounded an inquiry to me as to whether I would favor such a proposition and appropriation as would tend to destroy our

Constitution, I stated, and now restate, that I unqualifiedly favor a continuance of our Constitution unimpaired. Also, I stated I was satisfied that is the definite view of all good people of the United States. I am positive that is the view of President Roosevelt, who has since 1933 continually been charged with a design to weaken and nullify the great work of the founding fathers.

Today I feel that the gentleman from Michigan [Mr. HOFFMAN] and every other good American must concede that nobody else in our country is a greater or firmer believer in our Constitution than our good President. I am satisfied that in the future, as in the past, the President will not sanction or promote any step that could remotely weaken the great charter that has made us a truly great people.

I am sure that these men who have been mentioned by the gentleman from Michigan, and who are endeavoring to effect more intimate international relations, do not intend to in any way weaken our own form of government. They simply are trying to effectuate a closer cooperation between all freemen, looking to the establishment of a universal justice and understanding.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

CORRECTION

Mr. HOFFMAN. Mr. Speaker, my attention has again been called to the vote on the lend-lease bill, as recorded on page 814 of the RECORD of February 8, 1941.

I was listed as voting "no" on the motion to recommit the bill, on roll call No. 9. I voted "yea" on that roll call, and I ask unanimous consent that the Journal be corrected accordingly.

I made an attempt to correct this record on October 9, but, in that attempt, through some error, the roll call number was given as No. 79, when it should have been No. 9.

On October 16, I again made an attempt to correct the RECORD—but again there was an error.

I now ask that the two attempted corrections be disregarded, and that the Journal—and the permanent RECORD, if it has not been printed past those dates—be corrected in accordance with the request I have just stated, so as to show that, on February 8, 1941, on roll call No. 9, which was on the motion to recommit the bill, I voted "no."

The SPEAKER pro tempore. The gentleman's statement will stand as part of the RECORD. The Chair understands that the RECORD has already been printed.

Mr. HOFFMAN. I think that is correct.

The SPEAKER pro tempore. Also the Journal. But, of course, the gentleman's statement will stand in the RECORD as an explanation.

Mr. HOFFMAN. I am asking to correct the Journal.

The SPEAKER pro tempore. The Chair's information is the Journal probably has already been printed, but if it has not, the correction will be made.

EXTENSION OF REMARKS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to include as a part of my remarks an analysis of certain provisions of the Price Control Act of 1942, as related to the Agricultural Adjustment Marketing Act.

The SPEAKER pro tempore. Is there objection?

There was no objection.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2212. An act to suspend during war or a national emergency declared by Congress or by the President the provisions of section 322 of the act of June 30, 1932, as amended, relating to certain leases; to the Committee on Expenditures in the Executive Departments

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 5249. An act to amend section 7 of the Natural Gas Act;

H. R. 5480. An act to provide pay for officers in accordance with the rank and grade in which they were inducted and served in the land forces;

H. R. 6353. An act to provide for the adjustment of tobacco, wheat, and cotton-marketing quotas and acreage allotments in certain cases where farm land is acquired by the United States for defense purposes; and

H. J. Res. 257. Joint resolution to amend section 124 of the Internal Revenue Code to simplify the procedure in connection with amortization of certain facilities.

BILL PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on Thursday, January 29, 1942, present to the President, for his approval, a bill of the House of the following title:

H. R. 6269 An act to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes", approved June 8, 1938, as amended.

ADJOURNMENT

Mr. WICKERSHAM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 55 minutes p. m.), pursuant to the order heretofore adopted, the House adjourned until Monday, February 2, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Subcommittee on Public Health of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, February 3, 1942, to hold a hearing on H. R. 6574, a bill to protect the public health by the prevention of certain practices leading to dental disorders and to prevent the circumvention of certain State laws regulating the practice of dentistry.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments on Wednesday, February 4, 1942, at 10 a. m., to consider all bills now pending before this committee.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 5, 1942, at 10 a. m., on H. R. 6020, granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Atlantic seaboard and creating the Atlantic States Marine Fisheries Commission.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 12, 1942, at 10 a. m., on House Joint Resolution 263, to provide decorations for outstanding conduct or service by persons serving in the American merchant marine.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1353. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year 1942, in the amount of $2,218,000, for the Department of the Interior (H. Doc. No. 603); to the Committee on Appropriations and ordered to be printed.

1354. A communication from the President of the United States, transmitting certain modifications of the Budget for the fiscal year 1943 relating to the text of estimates of appropriations for the Department of Commerce, Coast and Geodetic Survey, in which no change in amounts of 1943 Budget estimates is involved (H. Doc. No. 604); to the Committee on Appropriations and ordered to be printed.

1355. A letter from the Attorney General of the United States, transmitting a draft of a proposed bill to amend the Nationality Act of 1940 to permit the Commissioner to furnish copies of any part of the records or information therefrom to agencies or officials of a State without charge; to the Committee on Immigration and Naturalization.

1356. A letter from the president, Chesapeake & Potomac Telephone Co., transmitting a comparative general balance sheet of the Chesapeake & Potomac Telephone Co. for the year 1941; to the Committee on the District of Columbia.

1357. A letter from the president, the Chesapeake & Potomac Telephone Co., transmitting a statement of receipts and expenditures of the Chesapeake & Potomac Telephone Co. for the year 1941; to the Committee on the District of Columbia.

1358. A letter from the Acting Secretary of Agriculture, transmitting a report of the activities of, funds used by, and donations to the regional research laboratories established pursuant to section 202 of the Agricultural Adjustment Act of 1938; to the Committee on Agriculture.

1359. A letter from the Acting Secretary of the Navy, transmitting a report of designs, aircraft, aircraft parts, and aeronautical accessories purchased by the Navy Department; to the Committee on Expenditures in the Executive Department.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. NORTON: Committee on Labor. H. R. 6132. A bill to make the workmen's compensation laws of Puerto Rico, Alaska, and Hawaii applicable to land and premises of the United States in such Territories; without amendment (Rept. No. 1708). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on Labor. H. R. 5510. A bill to regulate private employment agencies engaged in interstate commerce; with amendment (Rept. No. 1709). Referred to the Committee of the Whole House on the state of the Union.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. H. R. 6439. A bill to expedite the naturalization of persons who are not citizens, who have served or who hereafter serve honorably in the naval or military forces during the present war; with amendment (Rept. No. 1710). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MANASCO:

H. R. 6502. A bill to change the name of the Black Warrior National Forest to the William B. Bankhead National Forest; to the Committee on Agriculture.

By Mr. BLAND:

H. R. 6503. A bill to extend and amend certain emergency laws relating to the merchant marine, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. REES of Kansas:

H. R. 6504. A bill to amend further the Civil Service Retirement Act of May 29, 1930; to the Committee on the Civil Service.

By Mr. BAUMHART:

H. R. 6505. A bill to amend further the Civil Service Retirement Act of May 29, 1930; to the Committee on the Civil Service.

By Mr. SUTPHIN:

H. R. 6506. A bill authorizing the use of the franking privilege by State defense councils, county defense councils, local defense councils, and by the enlisted and officer personnel of our armed forces, for the duration of the war, and for 6 months thereafter; to the Committee on the Post Office and Post Roads.

By Mr. VOORHIS of California:

H. R. 6507. A bill to provide a positive program of civilian defense, to constructively prevent price increases, to encourage increased production of standard necessities of life and thus to promote the war effort of the United States, and for other purposes; to the Committee on Banking and Currency.

By Mr. ANGELL:

H. R. 6508. A bill to amend Public Law 411, Seventy-seventh Congress; to the Committee on the Civil Service.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to consider their resolution relative to the moving of Federal Government agencies from the city of Washington; to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DIMOND:

H. R. 6509. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim, or claims, of Hilda Links and E. J. Ohman, partners, and Fred L. Krossing, all of Anchorage, Alaska; to the Committee on Claims.

By Mr. DOUGHTON:

H. R. 6510. A bill for the relief of L. H. Miller; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2348. By Mr. ENGEL: Resolution of F. F. Dunham, secretary of Oceana Pomona Grange, of Shelby, Mich., urging the President and Congress to consider legislation providing old-age compensation at the rate of $40 a month, with tax exemption on real estate up to $2,500 and up to $1,000 on personal property; to the Committee on Ways and Means.

2349. By Mr. KEOGH: Memorial of the Assembly of the Legislature of the State of New York, respectfully requesting the President of the United States and all responsible Federal officials to give careful consideration to the manifold qualifications which make the city and State of New York an eminently desirable place for the relocation of Federal Government agencies removed from Washington, D. C., and to make such selection wherever appropriate and possible; to the Committee on Public Buildings and Grounds.

2350. By Mr. LANHAM: Petition of J. R. Burleson and others; to the Committee on the Judiciary.

2351. By Mr. LYNCH: Resolution of the Legislature of the State of New York, urging allocation of Federal bureaus and agencies to the city of New York; to the Committee on Public Buildings and Grounds.

2352. By Mr. ROLPH: Assembly Joint Resolution No. 20 of the State of California, relative to memorializing the President and Congress to amend the Federal Social Security Act to permit certain small income to aged and dependent beneficiaries in addition to the aid which they may receive under Federal, State, and local laws; to the Committee on Ways and Means.

2353. By the SPEAKER: Petition of the Congress of Industrial Organizations, Washington, D. C., petitioning consideration of their resolution with reference to un-American activities, at its session held on January 24, 1942, in New York City; to the Committee on Rules.

2354. Also, petition of the Southern Governors' Conference of Washington, D. C., meeting in Miami, Fla., petitioning consideration of their resolution with reference to House bill 5949 and Senate bill 2015; to the Committee on Interstate and Foreign Commerce.

SENATE

MONDAY, FEBRUARY 2, 1942

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

Our Heavenly Father, at this hallowed moment we come before Thee with humble and contrite hearts, confessing our need of Thee and making that need our only plea: Thou art Spirit, and they that worship Thee must worship Thee in spirit and in truth; Thou art Light, and if we walk in the light as Thou art in the light, we have fellowship, one with another. But Thou, O Holy One, art also Love, and we know that everyone that loveth is born of Thee and knoweth Thee, therefore give Thou unto us the abundance of Thy Spirit.

And, because we know that we are weak, and trust Thee because we know that Thou art strong, grant to each one of us this day the gladsome help of Thy loving kindness.

When we are tempted to mean and wicked ways, when evil memories of the past disturb us, and youthful dreams and unrealized hopes make for our unpeace, when heart and flesh faint and fail, and we find that vain is the help of man, then do Thou indwell us with the Spirit, the Light and the Love of Him, who on the cross stretched forth His loving arms to embrace a suffering, sin-sick world, Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, January 29, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed the bill (S. 2112) authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 6333 An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; and

H. R. 6392. An act to authorize the construction of certain naval vessels, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6440. An act to authorize the renewal of the lease of the old naval hospital in the District of Columbia for an additional period of 15 years; and

H. R. 6446. An act to provide for continuing payment of pay and allowances of personnel of the Army, Navy, Marine Corps, and Coast Guard, including the retired and Reserve components thereof, and civilian employees of the War and Navy Departments, during periods of absence from post of duty, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 6333. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; and

H. R. 6392. An act to authorize the construction of certain naval vessels, and for other purposes.

ECONOMIC AND FINANCIAL AID TO CHINA (H. DOC. NO. 606)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Foreign Relations, as follows:

THE WHITE HOUSE,
Washington, January 31, 1942.

MY DEAR MR. VICE PRESIDENT: Responsible officials, both of this Government and of the Government of China, have brought to my attention the existence of urgent need for the immediate extension to China of economic and financial assistance, going beyond in amount and different in form from such aid as Congress has already authorized. I believe that such additional assistance would serve to strengthen China's position as regards both her internal economy and her capacity in general to function with great military effectiveness in our common effort.

I urge, therefore, the passage by Congress of appropriate legislation to this effect and attach hereto a suggested draft of a joint resolution which would accomplish this purpose.

Sincerely yours,

FRANKLIN D. ROOSEVELT.

THE HONORABLE THE VICE PRESIDENT OF THE UNITED STATES.

REPORT OF OPERATIONS UNDER THE EMERGENCY RELIEF APPROPRIATION ACTS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Appropriations:

To the Congress of the United States:

As required by the provisions of the Emergency Relief Appropriation Acts, fiscal years 1941 and 1942, I present herewith a report of the operations under these acts to the end of the calendar year 1941.

This report contains summary and detailed statements of the Treasury Department reflecting expenditures made, obligations incurred by classes and amounts, and the status of funds under each of the above-mentioned acts. In addition thereto, information is presented covering the Relief Acts of 1935, 1936, 1937, 1938, and 1939. These statements, compiled as of December 31, 1941, constitute the seventh annual accounting to the Congress for relief and work-relief expenditures. Such reports have been submitted at the beginning of regular sessions of Congress as provided for in the Emergency Relief Appropriation Acts.

Reports of operations of the Work Projects Administration and the Employees' Compensation Commission in connection with funds appropriated under the Emergency Relief Appropriation Acts, fiscal years 1941 and 1942, are also included.

FRANKLIN D. ROOSEVELT.
THE WHITE HOUSE, *January 30, 1942.*

MANUEL QUEZON AND THE PHILIPPINES

Mr. TYDINGS. Mr. President, all of us have been greatly thrilled and very proud of the gallant defense by General MacArthur and the American soldiers and Filipinos under him on the Bataan Peninsula in the Philippine Islands. It will rank among the great military exploits of history from the standpoint of strategy, gallantry, will to win, and resolution. In this connection, it is fair to point out that the Filipino people, who are still under the American flag, are giving to General MacArthur and the American and Filipino forces under him a degree of loyalty and support which in a very critical situation is very commendatory and somewhat exceptional, as we view some other countries which have been conquered by the Axis Powers.

President Quezon and his countrymen, all through this very trying and difficult struggle, have remained steadfast against all Japanese blandishments, and he has ever pointed out that victory will be the ultimate reward of the Filipino people. I think in this connection his recent message may well be restated here. President Quezon said:

We are convinced that our sacrifices will be crowned with victory in the end, and in that conviction we shall continue to resist the enemy with all our might.

The Japanese military forces are occupying sections of the Philippines comprising only one-third of our territory. In the remaining areas constitutional government is still in operation under my authority.

I have no direct information concerning the veracity of the news broadcast from Tokyo that a commission composed of some well-known Filipinos has been recently organized in Manila to take charge of certain functions of civil government. The organization of such a commission, if true, can have no political significance, not only because it is charged with purely administrative functions but also because the acquiescence by its members to serve in the commission was evidently for the purpose of safeguarding the welfare of the civilian population and can in no way reflect the sentiment of the Filipinos toward the enemy. Such sentiments are those that I have repeatedly expressed: Loyalty to America and resolute resistance against the invasion of our Territory and liberty.

That was a part of President Quezon's very potent and very timely message to his people and to the people of the United States who are watching the gallant struggle taking place there.

Mr. President, under no conditions has Manuel Quezon ever faltered in his efforts to give to the Filipinos the peace, prosperity, and freedom which they have attained in constantly increasing measure. Today he stands in a country that has been invaded, that has seen fire, and shells, and death. Even as we are speaking here, the mighty struggle goes on. Such a situation might bewilder a weaker man than President Quezon and shake his faith for a moment in what he has believed and taught his people, but for him, as for the great hero José Rizal, there can be no bewilderment, no uncertainty.

Mr. President, the words of President Quezon are an indication of the steadfast purpose, the unconquerable determination which have characterized him during the years of his leadership of his people, and they augur well for the future.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED DURING ADJOURNMENT

Under authority of the order of the 29th ultimo,

During adjournment the Vice President signed the following enrolled bills and joint resolution, which had been signed previously by the Speaker of the House of Representatives:

S. 1589. An act to prohibit payment of money allowance for subsistence and rental to retired officers of the Navy or Marine Corps for any period when not employed on active duty;

S. 2028. An act to amend section 3 (a) of the act entitled "An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes," approved June 2, 1939 (53 Stat. 800), so as to transfer the administration of the naval supply depot, Oakland, to the commandant, twelfth naval district;

S. 2139. An act to provide for performance of the duties of chiefs of bureau and the Judge Advocate General in the Navy Department and the Major General Commandant of the Marine Corps, and for other purposes;

H. R. 5249. An act to amend section 7 of the Natural Gas Act;

H. R. 5480. An act to provide pay for officers in accordance with the rank and grade in which they were inducted and served in the land forces;

H. R. 6269. An act to amend the act entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, as amended;

H. R. 6353. An act to provide for the adjustment of tobacco-, wheat-, and cotton-marketing quotas and acreage allotments in certain cases where farm land is acquired by the United States for defense purposes;

H. R. 6448. An act making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes; and

H. J. Res. 257. Joint resolution to amend section 124 of the Internal Revenue Code to simplify the procedure in connection with amortization of certain facilities.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF DESIGNS, AIRCRAFT, AIRCRAFT PARTS, ETC., NAVY DEPARTMENT

A letter from the Acting Secretary of the Navy, transmitting, pursuant to law, a report of designs, aircraft, aircraft parts, and aeronautical accessories purchased by the Navy Department, pursuant to section 10 of the act of July 2, 1926 (44 Stat. 787, etc.) (with an accompanying report); to the Committee on Naval Affairs.

CONTRACTS NEGOTIATED BY OFFICE OF THE JUDGE ADVOCATE GENERAL, NAVY DEPARTMENT

A letter from the Assistant Secretary of the Navy, transmitting, pursuant to law, a report of contracts negotiated by the office of the Judge Advocate General, Navy Department, on a fixed-fee basis for the period January 1, 1941, to December 31, 1941, inclusive (with an accompanying report); to the Committee on Naval Affairs.

PREVENTION OF LAND SPECULATION IN THE COLUMBIA BASIN (GRAND COULEE DAM PROJECT)

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend an act entitled "An act to prevent speculation in lands in the Columbia Basin prospectively irrigable by reason of the construction of the Grand Coulee Dam project and to aid actual settlers in securing such lands at the fair appraised value thereof as arid land, and for other purposes" (act of May 27, 1937, 50 Stat 208) and for other purposes (with an accompanying paper); to the Committee on Irrigation and Reclamation.

REPORT AS TO ACTIVITIES, FUNDS, ETC., REGIONAL RESEARCH LABORATORIES

A letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, a report of the activities of, funds used by, and donations to, the regional research laboratories established in accordance with law (with an accompanying report); to the Committee on Agriculture and Forestry.

MILEAGE ALLOWANCE—TRAVEL OF EMPLOYEES BY PRIVATELY OWNED AUTOMOBILES UPON CHANGE OF OFFICIAL STATION

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 209 of the act of June 30, 1932 (47 Stat. 405), to permit payment of a mileage allowance to civilian officers and employees of the United States traveling by privately owned automobiles upon change of official station (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT OF WAGE AND HOUR DIVISION, DEPARTMENT OF LABOR

A letter from the Administrator of the Wage and Hour Division, Department of Labor, transmitting, pursuant to law, the annual report of the Wage and Hour Division, Department of Labor, for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on Education and Labor.

REPORT OF WASHINGTON RAILWAY & ELECTRIC CO.

A letter from the president of the Washington Railway & Electric Co., transmitting, pursuant to law, a report of the company for the year ended December 31, 1941 (with an accompanying report); to the Committee on the District of Columbia.

REPORT OF POTOMAC ELECTRIC POWER CO.

A letter from the president of the Potomac Electric Power Co., transmitting, pursuant to law, the report of the company for the year ended December 31, 1941 (with an accompanying report); to the Committee on the District of Columbia.

REPORT OF THE CAPITAL TRANSIT CO.

A letter from the president of the Capital Transit Co., submitting, pursuant to law, a report covering the operations of the company for the calendar year 1941, with balance sheet as of December 31, 1941 (with an accompanying report); to the Committee on the District of Columbia.

REPORT OF THE WASHINGTON GAS LIGHT CO.

A letter from the president of the Washington Gas Light Co., transmitting, pursuant to law, a detailed statement of the business of the company, together with a list of stockholders, for the year ended December 31, 1941 (with an accompanying report); to the Committee on the District of Columbia.

REPORTS OF THE CHESAPEAKE & POTOMAC TELEPHONE CO.

Two letters from the president of the Chesapeake & Potomac Telephone Co., submitting reports, pursuant to law (with accompanying reports); to the Committee on the District of Columbia, as follows:

A comparative general balance sheet of the company for the year 1941; and

An amended statement of receipts and expenditures of the company for the year 1941.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A letter in the nature of a petition from Willard A. Maxwell, of Chicago, Ill., praying for total prohibition of the liquor traffic during the war; to the Committee on Military Affairs.

A letter in the nature of a petition from Berta Nicholls, of Philadelphia, Pa., praying that the United States take over Martinique and other French islands in the Atlantic Ocean in payment of the French debt to the United States; to the Committee on Military Affairs.

A resolution adopted by the Young Nonpartisan League of North Dakota, Bismarck, N. Dak., protesting against the report of the Committee on Privileges and Elections stating that the Senator from North Dakota, WILLIAM LANGER, is not entitled to be a Senator from the State of North Dakota, and favoring retention by Mr. LANGER of his seat in the Senate; ordered to lie on the table.

A joint resolution of the Legislature of the State of New Jersey; to the Committee on Finance:

"STATE OF NEW JERSEY.

"Senate Joint Resolution 1

"Joint resolution memorializing the Congress of the United States to refuse to enact any legislation which would destroy the rights of the State of New Jersey in its administration of the State unemployment-compensation system

"Whereas the President of the United States has recommended to the Congress the immediate enactment of legislation providing for a uniform national system of unemployment compensation; and

"Whereas it appears that Congress may soon consider the President's request, which, if enacted, would be detrimental to the rights of the State of New Jersey; and

"Whereas federalization of the State unemployment-compensation program would remove local control of such program and centralize an unwarranted vast power of responsibility in Federal bureaus; and

"Whereas the federalization of the program would deprive employers, employees, and the citizens of the State of an effective voice in the operation of the program; and

"Whereas it has been demonstrated that the present joint Federal-State administration can be operated satisfactorily and efficiently, where both the State and Federal authorities cooperate in a democratic manner and in good faith; and

"Whereas the efficient operation of the New Jersey Unemployment Compensation Commission proves conclusively that the problem of unemployment compensation is being met and solved, demonstrating that federalization is not required; and

"Whereas our Nation is now at war and should unitedly apply itself to the successful consummation of the war, avoiding any matters likely to disrupt needlessly our domestic tranquillity: Now, therefore, be it

"Resolved by the Senate and General Assembly of the State of New Jersey:

"1. The Legislature of the State of New Jersey looks with concern upon any proposal to change the present Federal-State system of administering unemployment compensation, and therefore respectfully urges and petitions the Congress of the United States to refuse to enact any proposal to transfer the administration of unemployment compensation from the States to the Federal Government.

"2. The secretary of state be, and he is hereby, directed to transmit copies of this joint resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, the Senators and Representatives of the State of New Jersey in the Congress, the Federal Security Administrator, and the Federal Social Security Board.

"3. This joint resolution shall take effect immediately.

"Approved January 26, 1942."

By Mr. JOHNSON of California:

Two joint resolutions of the Legislature of California and a house resolution of the Assembly of California; to the Committee on Commerce:

"Assembly Joint Resolution 17

"Joint resolution relative to flood control on the Sacramento River

"Whereas it appears that the current Budget for support of the United States Government, now pending before the Seventy-seventh Congress, second session, makes inadequate provision for the projects for the control of floods and other purposes in the Sacramento River, Calif., adopted by the acts approved March 1, 1917; May 15, 1928; August 26, 1937; and modified by Public Law No. 228 (ch. 377, 77th Cong., 1st sess.) (H. R. 4911); and

"Whereas the said chapter 377 of Public Law No. 228 provides as follows:

" 'The projects for the control of floods and other purposes in the Sacramento River, Calif., adopted by the acts approved March 1, 1917, May 15, 1928, and August 26, 1937, are hereby modified substantially in accordance with the recommendation of the Chief of Engineers in House Document No. 205 (77th Cong., 1st sess.), at an estimated cost of $10,500,000, and also modified to provide for channel clearing, rectification, snagging, and bank protection on the Sacramento River and tributaries in Tehama County, and from Red Bluff southerly, at an additional estimated cost of $150,000'; and

"Whereas said chapter was an authorization only, and to date no appropriation has been passed nor funds made available under said authorization; and

"Whereas, pursuant to Public Law No. 857 (ch. 884, 76th Cong., 3d sess.), and to chapter 887, Statutes of 1941, California Legislature, the Reclamation Board of the State of California advanced to the Secretary of War on August 20, 1941, $750,000, and on October 8, 1941, an additional $200,000, or a total of $950,000, to finance operation of the district United States engineers' Office in Sacramento, Calif., for the construction of certain project levees on the easterly and westerly side of the Sutter-Butte bypass in order that said work might be completed before the flood season of 1942, with the understanding that the necessary appropriations authorized by Public Law No. 228 (H. R. 4911) would be provided by the Congress of the United States; and

"Whereas failure to provide adequate moneys for the support of the said project will be a distinct weakening of the national defense and successful military offensive on the Pacific coast, in view of the fact that the

Sacramento River flood-control project represents an investment of $70,000,000 by the Federal Government and the State of California, affording protection to important and primary military facilities such as McClellan Field, Mather Field, Sacramento Municipal Airport, Stockton Airport, Marysville Airport, proposed Army cantonments, and to a network of highways of primary military importance, railroads, public utilities, and factories; and

"Whereas failure of project levees during high-water season due to the inadequate bank protection, maintenance, and lack of funds for construction would sever this network of communication and cause possible inundation of primary military facilities; and

"Whereas an area of 1,100,000 acres of the Sacramento Valley agricultural lands protected by project levees provide a bountiful output of food for the United States of America and its Allies, necessary to successful prosecution of the war; and

"Whereas during the war of 1914–18 work of said project was sponsored by the Federal Food Administration as a stimulus to economic preparedness and offensive; and

"Whereas failure to make provisions for the return of said $950,000 advanced by the reclamation board to the Secretary of War would prevent the said board from making future advances to the Federal Government for emergency flood-control purposes, if necessary; and

"Whereas the construction and work deemed necessary for immediate prosecution during 1942 on the Sacramento River flood-control project in order to safeguard the most vulnerable of the remaining uncompleted portions of the project works is estimated to cost the additional sum of $1,695,000: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California hereby expresses its desire to do everything possible in the interest of successful military offensive by the United States of America, to impress upon the Congress of the United States the supreme importance of providing the necessary funds as stated in this resolution; and be it further

"Resolved, That the California Legislature hereby respectfully requests and strongly urges the Senate and House of Representatives of the Congress of the United States to do everything possible to secure the appropriation of the necessary funds in the amounts set forth in this resolution; and be it further

"Resolved, That the said Members of the Senate and the House of Representatives of the United States are hereby requested to enact the necessary budget legislation to provide as an item of support for said project the sum of $2,645,000, which sum represents the total of the three amounts set forth in this resolution; and be it further

"Resolved, That copies of this resolution be forwarded immediately to the President and Vice President of the United States, to the Secretary of War, and to the Senators and Representatives from California in the Congress of the United States."

"Assembly Joint Resolution 25

"Joint resolution relative to memorializing the Federal Government to survey a water route from the Colorado River to the city of San Diego

"Whereas the existing water sources supplying the city of San Diego have been and are being severely taxed to meet the heavy increased demands for water, caused by the tremendous increase in Army, Navy, Marine Corps, and aircraft activities located in the city of San Diego and in its vicinity; and

"Whereas Federal financial assistance for procuring an increased water supply has been strongly recommended by responsible heads of the local Army, Navy, and Marine Corps, and the aircraft industries; and

"Whereas the principal available source of an increased water supply is the Colorado River: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California hereby respectfully requests and urges the Government of the United States, through the appropriate agency, to make an immediate survey of the best available route to bring water from the Colorado River to the city of San Diego for the purpose of insuring an adequate water supply which is vital to the national war program and to the welfare of the Army, Navy, and Marine Corps stationed in the Nation's most vital defense area; and be it further

"Resolved, That the chief clerk of the Assembly be directed to send copies of this resolution to the President and Vice President of the United States, the Federal Works Agency, and the Senators and Members of the House of Representatives of Congress from California."

"House Resolution 47

"Resolution relative to a breakwater for the protection of Long Beach harbor

"Whereas the several States along the Pacific Ocean are separated from the populous portion of our Nation by nearly 1,500 miles of sparsely settled territory of mountains, deserts, and plains across which are few railroads and few highways and all of which are vulnerable to enemy attack; and

"Whereas the State of California embraces three-fifths of the Pacific coastline of the United States and contains seven-tenths of the population of all of the States bordering on the Pacific Ocean; and

"Whereas California's immense natural resources include 12,000,000 acres of croplands and 24,000,000 acres of grazing lands, which constitute the only area of the entire Western Hemisphere facing the Pacific Ocean that is capable of sustaining a population of many millions independent of food importation, together with untold oil, natural gas, hydroelectric energy, timber and mineral wealth, and gigantic industrial power and potentialities, and California is an area bordering the Pacific shores of the Western Hemisphere most vital to and most worth the cost to the enemies with whom we are at war to endeavor to attack, destroy, invade, or conquer, or to have and to hold; and

"Whereas a great percentage of the aircraft industry of the entire country is located in southern California and has proved in the past month to be so vital to national defense; and

"Whereas a contract was let to the Columbia Construction Co. in March of 1941 for the construction of 13,350 feet of breakwater for the protection of Los Angeles-Long Beach harbor, and, according to the terms of this contract, the entire length of time for completion was 30 months and there were certain things according to said terms that were to be completed in 90 days, 120 days, and so forth; and

"Whereas very little has been done on this project to date: Now, therefore, be it

"Resolved by the Assembly of the State of California, That the President of the United States, as Commander in Chief, and the Congress thereof are hereby respectfully urged to cause an immediate study of the project to be made by the appropriate defense authorities, and to consider favorably the speeding up of the aforesaid defense project; and be it further

"Resolved, That the chief clerk of the assembly forward a copy of this resolution to the President of the United States, to the California Members of the Congress, and to the members of the Military and Naval Affairs Committees of the Congress."

(The VICE PRESIDENT laid before the Senate resolutions identical with the foregoing, which were referred to the Committee on Commerce.)

By Mr. JOHNSON of California:

Three joint resolutions of the Legislature of California; to the Committee on Finance:

"Assembly Joint Resolution 11

"Joint resolution relative to nondeductible income of recipients of old-age assistance

"Whereas prior to July 1, 1941, the old-age security law of the State of California permitted recipients of old-age assistance to earn or receive from certain other specified sources sums not exceeding $15 per month without deduction thereof from the amount of old-age assistance which they would otherwise receive; and

"Whereas certain amendments to section 2 (a) of title I of the Federal Social Security Act, approved August 10, 1939, and effective July 1, 1941, require that the State agency administering old-age assistance shall, in determining need, take into consideration any other income and resources of an individual claiming old-age assistance; and the enactment of these amendments forced the State of California, with the greatest reluctance, to amend the old-age security law of the State of California in accordance therewith; and

"Whereas the amended law operates to require the deduction of all earnings and other income of recipients of old-age assistance from the allowances which they would otherwise receive, and so to discourage them from engaging in useful labor and rendering to the community valuable services which they are capable and eager to perform; and

"Whereas the future freedom of the United States and of a large part of the entire world depends upon full utilization of all of the resources of the Nation, whether of manpower or material, in the furtherance of the war effort; and

"Whereas the costs of the necessities of life have risen markedly and continue to rise, so that allowances of old-age assistance which previously provided the recipients with a modest subsistence are now increasingly inadequate for their needs, and the desirability of permitting recipients to supplement their allowances from any available source is increasingly evident: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California does hereby memorialize the President and Congress of the United States to consider and enact such amendments to the Federal Social Security Act as may be necessary to restore to the recipients of old-age assistance their former privilege of earning not more than $15 per month without deduction from the amount of old-age assistance which they would otherwise receive; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative in Congress from the State of California."

"Assembly Joint Resolution 20

"Joint resolution relative to memorializing the President and Congress to amend the Federal Social Security Act to permit certain small income to aged and dependent beneficiaries in addition to the aid which they may receive under Federal, State, and local laws

"Whereas prior to July 1, 1941, needy aged and needy orphaned and half-orphaned children who were granted aid under the Federal Social Security Act were permitted to receive in addition to such aid certain small sums from private and/or outside sources; and

"Whereas in 1939 Congress amended said Federal Social Security Act to provide that any and all sums of money received by any aged person or dependent child from private or outside sources should be deducted from any aid otherwise granted to such person under said Social Security Act; and

"Whereas prior to July 1, 1941, California was permitting beneficiaries under said Social Security Act and the categorical aid laws in California to receive from outside sources in addition to any grants-of-aid as follows: Dependent aged $15 per month; and

"Whereas some small income should be permitted beneficiaries under the categorical measures in said Social Security Act not only to stimulate the beneficiary concerned, but to aid in maintaining such person's self-respect and to permit a more decent standard of living; and

"Whereas because of the amendment to said Federal Social Security Act above-mentioned all aged persons and dependent orphaned and half-orphaned children have been deprived of virtually any and all income and/or aid other than what may be granted to them under said act and great hardship has resulted by reason thereof: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorialize the President and the Congress of the United States to amend the Federal Social Security Act by repealing the amendments of 1939 thereto which prevent any State in the Union from allowing any additional income to the aged, and to children beneficiaries thereunder; and be it further

"Resolved, That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States, and that such Senators and Members from California are respectfully urged to support such legislation."

"Assembly Joint Resolution 22

"Joint resolution relative to memorializing the Federal Government to protect the acquired retirement rights of State employees brought into the Federal service by reason of the transfer to the Federal Government of the employment functions of the department of employment

"Whereas the Federal Government through Executive order of the President has assumed jurisdiction over the employment functions of the State department of employment and as a result thereof caused some 1,500 State employees to enter the Federal service and become Federal employees; and

"Whereas many of the persons affected have been for many years employed in the State service and have acquired valued rights as a result of such employment, including retirement rights under the provisions of the State Employees' Retirement Act; and

"Whereas such employees have contributed monthly a part of their compensation, which together with the contributions of the State have built and established these retirement rights; and

"Whereas these retirement rights will be entirely dissipated and destroyed without the acquiring of any other such rights with the Federal Government or under the social-security plan, unless appropriate congressional action is taken to induct these employees into the Federal employees' retirement system in such a manner as to protect the retirement rights of such employees previously acquired while employees of the State of California: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the administration of the Federal employees' retirement system is earnestly requested to initiate, and the Congress of the United States to enact, legislation which will protect the retirement rights of the employees hereinabove referred to by providing that such employees shall be placed in the same position in the Federal employees' retirement system as they held in the State employees' retirement system, and to that end to make provision for the receiving of the contributions of the employees affected and of the State of California to the State employees' retirement system in building their present retirement rights."

(The VICE PRESIDENT laid before the Senate three joint resolutions identical with the foregoing, which were referred to the Committee on Finance.)

By Mr. JOHNSON of California:

A joint resolution of the Legislature of California; to the Committee on Irrigation and Reclamation:

"Assembly Joint Resolution 23

"Joint resolution memorializing the President and the Congress to provide for the prompt completion of the All-American Canal to the Coachella Valley

"Whereas the Congress of the United States has provided by the Boulder Canyon Project Act for the construction of the Boulder Canyon project on the Colorado River, of which project the All-American Canal to the Imperial and Coachella Valleys is an essential and important part; and

"Whereas the entire Boulder Canyon project is over 90 percent completed; and

"Whereas the All-American Canal to Coachella Valley is an integral and important part of the Boulder Canyon project and is the only part of the project which remains to be completed; and

"Whereas the established farming community in the Coachella Valley is faced with extinction by reason of a falling underground water table and the life, health, and safety of that community can only be preserved by the completion, at the earliest possible date, of the All-American Canal project, which will bring a supplemental supply of water to said community; and

"Whereas on said All-American Canal to Coachella Valley there are important hydroelectric power possibilities which should be made available for prompt development; and

"Whereas the present situation of the Coachella Valley is one of extreme emergency; and

"Whereas the State of California is vitally concerned to see that such farming communities as the Coachella Valley do not revert to desert in order that the needs of California urban communities and of the armed forces of the United States for the continuation of their food supplies may be adequately served: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California does hereby respectfully request and urge the President of the United States, the Congress of the United States, the Secretary of the Interior, the Commissioner of the United States Bureau of Reclamation, the Director of the Office of Production Management, and the Chairman of the War Production Board, to provide immediately for the completion of the All-American Canal to Coachella Valley at the earliest possible date; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, the Senators and Representatives of the State of California in the Congress, the Secretary of the Interior, the Commissioner of the United States Bureau of Reclamation, the Director of Office of Production Management, and the Chairman of the War Production Board, and that the Senators and Representatives from California are hereby respectfully requested to urge such action."

(The VICE PRESIDENT laid before the Senate a joint resolution identical with the foregoing, which was referred to the Committee on Irrigation and Reclamation.)

By Mr. JOHNSON of California:

Two joint resolutions of the Legislature of California; to the Committee on Military Affairs:

"Senate Joint Resolution 10

"Joint resolution relative to protection of national defense industries, utilities, and facilities

"Whereas within California there are located many industries and utilities and facilities essential and necessary for the successful prosecution of the war; and

"Whereas these industries, utilities, and facilities have been recognized by the Congress of the United States as necessary to the national defense by the act of April 20, 1918 (40 Stat. 533), as amended by the act approved November 30, 1940 (54 Stat. 1220, 1221), and by Executive order of the President of the United States dated December 12, 1941, directed to the Secretary of War and the Secretary of the Navy ordered that they establish and maintain the military guards and patrols to protect national defense materials, premises, utilities, and facilities described in such Federal statutes; and

"Whereas it is of the utmost importance that these necessary industries, utilities, and facilities be securely guarded by the most competent and effective authority available and kept free from harm or damage so that they may continue to furnish without interruption their materials and services so necessary for the protection of the people and property of California and so necessary for the successful defense of the United States and its possessions and the vigorous prosecution of the war by the armed forces of the United States; and

"Whereas several bills are now pending in the Congress of the United States designed to create a home defense organized reserve, which organization would be a part of the Army of the United States and would be trained and directed by Regular Army officers and financed by the United States Government and would have the duty of guarding and protecting from damage and injury by sabotage or enemy action the industries, utilities, and facilities hereinbefore mentioned in this resolution: Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California (jointly), That the Congress of the United States is respectfully urged to enact such legislation as is best designed to accomplish the purposes expressed in this resolution to the end that the people of California shall not be injured, nor its properties, industries, or utilities damaged nor the entire Nation's war effort delayed; and be it further

"Resolved, That the Secretary of the Senate send copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives and to each Senator and Representative from California in the Congress of the United States.

"Assembly Joint Resolution 21

"Joint resolution relative to manpower, production, and the war

"Whereas this Nation is engaged in a total war in defense of liberty and the American way of life; and

"Whereas the President has called upon the people for the maximum production of food and other essential products and materials, not alone for the use of this country but also for those countries now allied with it; and

"Whereas it now appears that there will be a shortage of manpower in field, forest, mine, factory, and other industrial establishments; and

"Whereas it is imperative that the production of food and other defense materials be kept at the highest possible level; and

"Whereas the legislature of this State believes that the Federal authorities should in these times exercise the greatest care to insure proper balance and coordination in the prosecution of the present defensive war; and

"Whereas all men between the ages of 21 and 35 are now registered for military service, and those from 20 to 44 are about to be so registered; and

"Whereas thousands of men who are at present employed in the production of essential food and other materials necessary for the general well-being of this and other nations and for the successful prosecution of the war are being inducted into the Army; and

"Whereas it is the sense of this legislature that the war might be materially shortened if the Federal authorities would follow the accurse of considering that employment in the production of food and of other essential materials is as important and as necessary for the successful prosecution of the war as service in the Army or the Navy and would govern themselves accordingly: Now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of California (jointly)*, That the President and the Congress of the United States of America are hereby respectfully urged to give their serious consideration to the subject matter of this resolution; and be it further

"*Resolved*, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Congressman from California in the Congress of the United States."

(The VICE PRESIDENT laid before the Senate two joint resolutions identical with the foregoing, which were referred to the Committee on Military Affairs.)

By Mr. JOHNSON of California:

A joint resolution of the Legislature of California; to the Committee on Mines and Mining:

"Assembly Joint Resolution 18

"Joint resolution relative to memorializing the United States Government to grant priorities necessary to the continued operation of the gold-mining industry

"Whereas the national emergency is calling upon the Nation to exert every effort toward adequately arming itself; and

"Whereas this effort makes it necessary to give certain industries priorities in the matter of securing needed materials over other industries; and

"Whereas some parts of the gold-mining industry are finding it more and more difficult to secure proper priorities ratings; and

"Whereas many large districts in the State of California depend upon the gold-mining industry for much of the employment, taxes, and prosperity of said districts; and

"Whereas while we are determined to win the war, we must likewise be determined to win the peace to follow—and gold, and more gold, will be needed to rehabilitate this war-torn world upon the cessation of hostilities—gold therefore being vitally needed: Now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of Californaa (jointly)*, That the President and the Congress of the United States are hereby respectfully urged to take such steps as will give the gold-mining industry sufficient materials, and priorities thereto, to permit its continued operation through the war emergency; and be it further

"*Resolved*, That the chief clerk of the assembly is directed to send a copy of this resolution to the President and Vice President of the United States, to each Senator and Member of the House of Representatives from California, in the Congress of the United States, and to the Office of Production Management."

(The VICE PRESIDENT laid before the Senate a joint resolution identical with the foregoing, which was referred to the Committee on Mines and Mining.)

MEMORIALS OF THE LEGISLATURE OF MAINE

Mr. WHITE. Mr. President, I present, for appropriate reference and printing in the RECORD, two memorials adopted by the ninetieth Legislature of the State of Maine, in special session, one of them urging that the Congress pass appropriate legislation to permit aliens who are nationals of allied countries to be eligible for enlistment or draft in the armed forces of the United States; a second voicing the opposition of the Legislature of Maine to, and urging the rejection of, Senate bill 2015, to provide for the regulation of the sizes and weights of motor vehicles engaged in transportation in interstate or foreign commerce.

The VICE PRESIDENT. The memorials will be referred to the appropriate committees and printed in the RECORD, under the rule.

To the Committee on Military Affairs:

"Memorial to the Honorable Senate and House of Representatives of the United States of America assembled petitioning for the adoption of legislation permitting foreign-born men to serve in the armed forces of the United States of America.

"Whereas there are in Maine many young men of draft age who are of foreign birth and who are not eligible for military and naval service either by draft or enlistment because they are aliens; and

"Whereas many of these young men are desirous of serving in the military or naval service of the United States; and

"Whereas many of the said young men have received preliminary training; and

"Whereas it is vitally necessary that all the manpower of the Nation, and all allied nations who wish to serve for the common cause, be utilized in the present emergency: Now, therefore, be it

"*Resolved*, That the Ninetieth Legislature of Maine, in special session assembled, respectfully petitions and urges the Congress of the United States to take immediate steps to pass such laws as will permit aliens of the United States who are nationals of allied nations to be eligible for enlistment or draft in the armed forces of the United States of America; and be it further

"*Resolved*, That a copy of this memorial, duly authenticated by the secretary of state, be immediately transmitted by the secretary of state to the proper officers and committees of the United States Senate and House of Representatives, the President of the United States, and to each of the Representatives and Senators, representing the State of Maine in the United States Congress."

(The VICE PRESIDENT laid before the Senate a memorial identical with the foregoing, which was referred to the Committee on Military Affairs.)

To the Committee on Interstate Commerce:

"We, your memorialists, the Senate and House of Representatives of the State of Maine, in the ninetieth legislative session assembled, most respectfully present and petition you as follows:

"Whereas there is now pending in Congress a bill (S. 2015) to amend the Interstate Commerce Act, as amended, to provide for the regulation of the sizes and weights of motor vehicles engaged in transportation in interstate or foreign commerce; and

"Whereas the proposed bill, S. 2015, will take away from the States the authority to regulate motor-vehicle traffic insofar as the weight and dimensions of the trucks used are concerned, not only on the roads that are built partially by Federal funds but also on all other roads as well; and

"Whereas inasmuch as the Commission on Interstate Cooperation, through its regional committee on motor-vehicle problems, has already made the definite change in some of the laws of the States so that there will be uniformity between States relative to this problem and are continuing to work along this same direction; and

"Whereas any cooperation necessary with the Federal Government to facilitate the speedy transportation of defense material through any and all States will not be impeded in any way: Now, therefore, be it

"*Resolved*, That we, your memorialists, do hereby respectfully petition and urge the defeat of the said bill S. 2015, and hereby express our feeling that the principles expressed in this bill are not deemed essential, even in view of the present emergency, by the Ninetieth Legislature of the State of Maine; and be it further

"*Resolved*, That a copy of this memorial, duly authenticated by the secretary of state, be immediately transmitted by the secretary of state to each of the Representatives and Senators representing the State of Maine in the United States Congress, and to Senator CHARLES O. ANDREWS, chairman of the Senate Subcommittee on Interstate Commerce."

(The VICE PRESIDENT laid before the Senate a memorial identical with the foregoing, which was referred to the Committee on Interstate Commerce.)

COMMISSION ON POST-WAR ECONOMIC RECONSTRUCTION

Mr. MALONEY. Mr. President, I ask unanimous consent that there may be printed at this point in the RECORD a letter which I have received from Rt. Rev. Msgr. John A. Ryan, of the Social Action Department, National Catholic Welfare Conference, and Rev. John Myers, of the Industrial Division, The Federal Council of the Churches of Christ in America, and Rev. Ferdinand M. Isserman, of the Commission on Justice and Peace, Central Conference of American Rabbis. This communication urges the establishment at once of a commission on post-war economic reconstruction and prevention of unemployment. I ask that the letter may be referred to the appropriate committee of the Senate.

There being no objection, the letter was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y.,
January 26, 1942.

Hon. FRANCIS MALONEY,
Senate Committee on
Banking and Currency,
United States Senate,
Washington, D. C.

DEAR SENATOR MALONEY: We desire to call to your attention a significant fact which has perhaps no previous parallel in the history of proposed social legislation.

We refer to the unanimous demand of national representatives of all economic groups, employers, labor, farmers, consumers, and of the three great religious faiths, for legislation by Congress to establish at once a commission on post-war economic reconstruction and prevention of unemployment.

At the hearing on House Joint Resolution 59 and House Joint Resolution 76—which is identical with Senate Joint Resolution 16—held last June and July, or in subse-

quent statements, representatives of the following organizations testified in favor of the urgent need of setting up such a commission, although not necessarily committing themselves to all details of the bill referred to:

National Association of Manufacturers.
American Federation of Labor.
Congress of Industrial Organizations.
Railway Labor Executives' Association.
American Farm Bureau Federation.
National Grange.
Farmers Educational and Cooperative Union of America.
The Cooperative League of the United States of America.
The Federal Council of the Churches of Christ in America.
The National Catholic Welfare Conference.
The Central Conference of American Rabbis.

In addition to these major economic and religious groups, many other organizations and individuals have taken similar action.

Recently a personal delegation, which included representatives of business, labor, farmers, consumers, and the religious groups, waited upon Congressman VOORHIS and Congressman RAMSPECK urging speedy action in setting up such a commission.

In much of the previous testimony and in the conversations of the recent delegation, the hope was expressed that the commission shall include representatives of both the legislative and executive branches of the Government and also of the major economic and other groups and that representatives of the latter be appointed from nominations by such groups themselves.

For the sake of the future welfare of our country and because of the deep humanitarian issues involved, we, therefore, respectfully urge that immediate and favorable attention be given to this fundamentally important matter.

Respectfully yours,

JOHN A. RYAN,
Social Action Department, National Catholic Welfare Conference.

JOHN MYERS,
Industrial Division, The Federal Council of the Churches of Christ in America.

FERDINAND M. ISSERMAN,
Commission on Justice and Peace, Central Conference of American Rabbis.

RESOLUTIONS OF BOARD OF SUPERVISORS OF MILWAUKEE COUNTY, WIS.

Mr. WILEY presented several resolutions adopted by the Board of Supervisors of Milwaukee County, Wis., which were ordered to be printed in the RECORD and referred to the appropriate committees, as follows:

To the Committee on Education and Labor:

"By Supervisor Krueger:

"Whereas it is reported in the public press that Federal legislation is being considered whereby funds will be appropriated, and regulations for the expenditure thereof devised, for the purpose of temporarily remunerating employees of manufacturing plants who have lost their employment due to shut-down of the plant caused by restrictions on materials used in such industry; and

"Whereas Milwaukee County as a great industrial center has many residents who will come into such category because of the many plants here which are being converted to direct war industry production: Therefore be it

"*Resolved*, That the Senators from Wisconsin and the Representatives from Milwaukee County be and they are hereby urged to do all in their power to further the enactment of such legislation and to see that said legislation is so framed as to adequately care for the many cases of unemployment which will inevitably occur in this community due to the dislocation of normal industry because of war necessities; be it further

"*Resolved*, That certified copies of this resolution be forwarded to the Senators and Representatives above mentioned."

To the Committee on Military Affairs:

"By Supervisor Warnimont:

"Whereas it appears that the unused buildings of the du Pont Co. at Carrollville, Wis., are suitable and immediately available for the chemical processing necessary in the production of synthetic rubber; and

"Whereas by reason of the existence of such plant the costs of erecting new buildings can be saved: Therefore be it

"*Resolved by the County Board of Supervisors of Milwaukee County*, That the proper Government departments are asked to thoroughly investigate the availability of the Carrollville plant for synthetic rubber production; and be it further

"*Resolved*, That Wisconsin's Senators, Hon. ROBERT M. LA FOLLETTE and ALEXANDER WILEY, and Milwaukee County's Representatives, THADDEUS WASIELEWSKI and LEWIS D. THILL, be and are hereby requested to do whatever they can to cause the establishment of a rubber processing plant at the Du Pont Carrollville property; and be it further

"*Resolved*, That certified copies of this resolution be sent to the above-mentioned Members of Congress."

To the Committee on Public Buildings and Grounds:

"By Supervisor Warnimont.

"Whereas it is reported in the public press that the rapidly increasing number of Government employees working in the city of Washington, D. C., makes it necessary for the Government to temporarily remove a number of Government bureaus, such as the Patent Office and others, to other communities in the Nation; and

"Whereas the city of Milwaukee, Wis., is centrally located in a region not accessible to enemy operations; and

"Whereas the great extent of manufacturing in heavy industry located in Milwaukee results in many new devices being discovered and patented in the shops engaged in such industries: Now, therefore, be it

"*Resolved*, That in the opinion of the county board of supervisors of Milwaukee County, the county of Milwaukee affords a very suitable place for the location of many of the bureaus which may be forced to be removed from the city of Washington, D. C.; and be it further

"*Resolved*, That the Senators from Wisconsin and the Representatives of Milwaukee County in Congress be, and they are hereby, urged to use all their efforts to secure the location of one or more of such bureaus in the city of Milwaukee; and be it further

"*Resolved*, That a certified copy of this resolution be forwarded to each of the Senators and Representatives above mentioned."

COMMITTEE REPORT FILED DURING ADJOURNMENT

Under authority of the order of the 29th ultimo,

Mr. OVERTON, from the Committee on Appropriations, to which was referred the bill (H. R. 6460) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes, reported it on January 31, 1942, with amendments, and submitted a report (No. 1011) thereon.

REPORT OF A COMMITTEE

Mr. MALONEY, from the Committee on Banking and Currency, to which was referred the bill (S. 2198) to provide for the financing of War Insurance Corporation, to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes, reported it with amendments and submitted a report (No. 1012) thereon.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on January 30, 1942, that committee presented to the President of the United States the following enrolled bills:

S. 1589. An act to prohibit payment of money allowances for subsistence and rental to retired officers of the Navy or Marine Corps for any period when not employed on active duty;

S 2028. An act to amend section 3 (a) of the act entitled "An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes," approved June 2, 1939 (53 Stat. 800), so as to transfer the administration of the Naval Supply Depot, Oakland, to the commandant, twelfth naval district; and

S. 2139. An act to provide for performance of the duties of chiefs of bureau and the Judge Advocate General in the Navy Department, and the Major General Commandant of the Marine Corps, and for other purposes.

BILL INTRODUCED

Mr. SMATHERS introduced a bill (S. 2238) to provide for the appointment of an additional district judge for the district of New Jersey, which was read twice by its title and referred to the Committee on the Judiciary.

PRODUCTION OF OIL AND GAS ON THE PUBLIC DOMAIN

Mr. O'MAHONEY. Mr. President, I introduce a bill, which I ask to have referred to the Committee on Public Lands and Surveys.

This measure is intended to stimulate the production of oil in the public-land States. The dispatches which we receive from the South Pacific indicate that the Dutch are destroying not only the refineries but also all producing oil wells in the path of the Japanese. The policy of the United Nations is clearly to leave no available oil resources for the Japs to use. On the other hand, it is also reported that crews of drillers are following the Japanese armies into the islands upon which oil has been found.

In the public-land States there is the possibility that new supplies of oil may be discovered. The purpose of this bill is to provide an incentive for those who are willing to invest their capital and labor in the search for new oil pools. It provides a flat royalty of 12½ percent for 10 years for such discoveries. This flat royalty would go not only to the holders of new leases but also to the holders of leases already issued in areas where discovery has not been made.

During the past several months I have had numerous conferences with officials of the Interior Department and the Office of the Petroleum Coordinator with respect to the problem, but no definite conclusion has as yet been reached, and no

recommendation has been made. Both Secretary Ickes and Deputy Petroleum Coordinator Davies have indicated to me their belief that it would be fortunate in present circumstances if new sources of oil were discovered, but the various bureaus concerned with oil on the public domain have apparently not as yet come to an understanding. It is my hope that the introduction of this bill will bring about early agreement.

Oil operators in the West would like to see at flat 12½-percent royalty on all leases. The Geological Survey has contended that the royalty now paid on public-land leases averages about 16⅔ percent, and it feels that this is a fair rate to the Government. Instead of asking for a revision of the present royalty schedule, therefore, I am proposing a flat royalty of 12½ percent for new pools as an incentive to those who may be willing to risk their capital and labor in the search for new oil supplies in the hope that the Geological Survey will agree.

The Public Lands Committee will, of course, have an opportunity to review the whole problem.

The text of my bill is as follows:

Be it enacted, etc., That until the present wars with Germany and Japan are concluded by treaties of peace, all oil or gas leases issued pursuant to the provisions of section 17 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920, as amended (U. S. Code, title 30, sec. 226), when the lands to be leased are not within any known geological structure of a producing oil or gas field, shall provide that during the first 10 years of such lease the royalty thereunder shall be 12½ percent in amount or value of the production, in lieu of the royalty prescribed by such section 17.

SEC. 2. Upon application filed before such wars are so concluded, by any lessee who on the date of enactment of this act holds a lease heretofore issued pursuant to such section 17, of lands not within any known geological structure of a producing oil or gas field, the Secretary of the Interior shall issue a new lease to such lessee in lieu of the lease then held by him. Such new lease shall provide that during the first 10 years after the issuance thereof the royalty thereunder shall be 12½ percent in amount or value of the production, in lieu of the royalty prescribed by such section 17.

The VICE PRESIDENT. The bill will be referred as requested by the Senator from Wyoming.

The bill (S. 2239) to encourage the discovery of oil and gas on the public domain during the continuance of the present war, was read twice by its title and referred to the Committee on Public Lands and Surveys.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on Naval Affairs:

H. R. 6440. An act to authorize the renewal of the lease of the old naval hospital in the District of Columbia for an additional period of 15 years; and

H. R. 6446. An act to provide for continuing payment of pay and allowances of personnel of the Army, Navy, Marine Corps, and Coast Guard, including the retired and Reserve components thereof, and civilian employees of the War and Navy Departments, during periods of absence from post of duty, and for other purposes.

ADDRESS BY THE PRESIDENT ON HIS SIXTIETH BIRTHDAY ANNIVERSARY

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address delivered by the President of the United States on the occasion of his sixtieth birthday anniversary, which appears in the Appendix.]

ADDRESS BY SENATOR DAVIS ON NATIONAL FREEDOM DAY

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an address delivered by him on National Freedom Day under the auspices of the Citizen's Committee in the Philadelphia Academy of Music on February 1, 1942, which appears in the Appendix.]

ADDRESS BY SENATOR WILEY BEFORE FIFTEENTH ANNUAL MERCHANDIZING SCHOOL AND SALES SHOW

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address delivered by him on January 28, 1942, before the Fifteenth Annual Merchandizing School and Sales Show at Great Hall, Memorial Union, University of Wisconsin, which appears in the Appendix.]

ADDRESS BY MR. JUSTICE MURPHY BEFORE LAWYERS' ASSOCIATION OF MISSOURI

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address delivered by Hon. Frank Murphy, Associate Justice of the Supreme Court of the United States, at St. Louis, Mo., January 23, 1942, before the annual banquet of the Lawyers' Association of Missouri in honor of the judges of the State and Federal Courts in that area, which appears in the Appendix.]

NATIONAL DEFENSE MIGRATION AND UNEMPLOYMENT—ARTICLE BY REPRESENTATIVE SPARKMAN

[Mr. HILL asked and obtained leave to have printed in the RECORD an article entitled "Rehabilitation Is Essential in an Armed Program," written by Representative JOHN J. SPARKMAN, of Alabama, and printed in the Montgomery (Ala.) Advertiser of February 1, 1942, which appears in the Appendix.]

WAR-RISK INSURANCE

[Mr. DAVIS asked and obtained leave to have printed in the RECORD a letter to him from Brig. Gen. Eric Fisher Wood and a letter from General Wood to Lynn H. Stambaugh, national commander of the American Legion, on the subject of war-risk insurance, which appear in the Appendix.]

INFLATION—ARTICLE BY G. OGDEN TRENCHARD

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an article by G. Ogden Trenchard on the subject of inflation, published in the New York World-Telegram of January 19, 1942, which appears in the Appendix.]

ARKANSAS VALLEY AUTHORITY—EDITORIAL FROM OKLAHOMA CITY TIMES

[Mr. REED asked and obtained leave to have printed in the RECORD an editorial from the Oklahoma City Times of January 22, 1942, entitled "Oklahoma Doesn't Want Arkansas Valley Authority," which appears in the Appendix.]

THE HOKUM OF IT—EDITORIAL FROM HAYS (KANS.) NEWS

[Mr. REED asked and obtained leave to have printed in the RECORD an editorial from the Hays (Kans.) News of January 26, 1942, entitled "The Hokum of It," which appears in the Appendix.]

A PRESIDENT IS BORN—POEM BY FRANCES JEWEL STARK

[Mr. SMATHERS asked and obtained leave to have printed in the RECORD a poem by Frances Jewel Stark, of Caldwell, N. J., entitled "A President Is Born," which appears in the Appendix.]

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	O'Mahoney
Austin	Gillette	Overton
Bailey	Glass	Pepper
Ball	Green	Radcliffe
Bankhead	Guffey	Reed
Barkley	Gurney	Reynolds
Bilbo	Hayden	Rosier
Bone	Herring	Russell
Brewster	Hill	Schwartz
Brooks	Holman	Shipstead
Brown	Hughes	Smathers
Bulow	Johnson, Calif.	Smith
Bunker	Johnson, Colo.	Stewart
Burton	Kilgore	Taft
Butler	La Follette	Thomas, Idaho
Byrd	Langer	Thomas, Okla.
Capper	Lee	Thomas, Utah
Caraway	Lucas	Truman
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Clark, Idaho	McNary	Vandenberg
Clark, Mo.	Maloney	Van Nuys
Connally	Maybank	Wagner
Danaher	Mead	Wallgren
Davis	Millikin	Wheeler
Downey	Murdock	White
Doxey	Murray	Wiley
Ellender	Norris	Willis
George	Nye	

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Nevada [Mr. MCCARRAN], the Senator from Texas [Mr. O'DANIEL], the Senator from Arkansas [Mr. SPENCER], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury.

The Senator from New Jersey [Mr. BARBOUR] is absent on official business.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

ORDER DISPENSING WITH CALL OF THE CALENDAR

The VICE PRESIDENT. The routine morning business is concluded. The calendar, under rule 8, is in order.

Mr. BARKLEY. I ask unanimous consent that the call of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

NAVAL APPROPRIATIONS

Mr. OVERTON. Mr. President, I move that the Senate proceed to the consideration of House bill 6460, the Navy Department appropriation bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 6460) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. OVERTON. I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that committee amendments be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. McNARY. Will not the Senator from Louisiana make a general statement covering the bill?

Mr. OVERTON. I expect to do so.

The VICE PRESIDENT. The Senator from Louisiana is recognized.

Mr. OVERTON. Mr. President, before beginning the presentation of the bill I think it only proper that some reference should be made to the fact that the glad tidings reached us yesterday that the American Fleet is now in action against the enemy; that the American Fleet is on the alert, that it is not idle, and that it has conducted a reconnaissance in force in the enemy territory, and has successfully attacked a number of strongholds in the Marshall and Gilbert Islands in mid-Pacific. This is the opening gun of the American Navy in the great struggle in which we are now engaged.

Mr. President, the Navy Department appropriation bill, which the Senate Committee on Appropriations has authorized me to present to the Senate, is the largest appropriation bill for the Naval Establishment in the history of our Government or in the history of any other government. The bill is divided into two titles. Title I contains the regular annual appropriation for the fiscal year 1943 and totals $14,045,339,974. Title II is a supplemental appropriation for the current year in the sum total of $9,693,525,500.

In addition to the cash appropriations, contract authorizations have been recommended by the Senate committee, in conjunction with the contract authorizations contained in the bill as passed by the House, amounting to $4,670,000,000. There is contained in the 1943 appropriations, however, the sum of $1,913,600,000 for the partial liquidation of these contract authorizations, leaving a net in contract authorizations to be met by future appropriations of $2,756,400,000.

The total amount in cash appropriations and contract authorizations is, therefore, $26,495,265,474.

The regular estimates for 1943, which had been approved by the Bureau of the Budget for submittal to Congress prior to the declaration of war on December 8 last totaled $5,930,195,068. The difference between the figures submitted by the Bureau of the Budget and the total now in the regular 1943 appropriations is $8,115,419,521. This additional sum represents the costs of the aircraft pilots, ships, seamen, guns, munitions, shells, powder, required to enable our Navy to expand its personnel and to procure and operate the implements to do its part toward bringing the war to a successful conclusion.

Mr. President, the sums recommended for appropriation are colossal, but in considering the bill we must remember that we are at war, total war, global war, and that we are in a fight to the finish with resourceful, powerful, cunning opponents, who give no quarter, and whose avowed and unquestioned purpose is the destruction of all democratic forms of government, including our own. Either we survive, or we perish. There is no middle ground.

We must augment and maintain our armed services, and establish quickly the superior forces and means which are required to encompass the defeat of Jap and German in the shortest possible time.

While we make these tremendous outlays, Congress should see to it that the stewardship which they entail is discharged by chiefs of the Army, Navy, and war-production agencies, efficiently, rapidly, and without wasted effort. In the business of winning the war we cannot condone delays, mistakes, or bungling of the war effort or military operations. We should not submit to the aggrandizement of these colossal costs by the profiteering of greedy capital, or to the stifling of our mammoth undertaking by the paralysis of striking labor. While the taxpayers of our country are so generously giving to the prosecution of the war, we cannot stand idly by and see the seamen of our embattled fleets or the soldiers of a Douglas MacArthur sacrificed to the avarice of either labor or capital.

Our task is a colossal one. This great arsenal of democracy is some 8,500 miles distant from the fighting front in the Far East by way of the Pacific, 11,500 miles by way of the Atlantic, and some 3,000 miles from the European theater of war. The communications are dependent upon sea transport. We performed a Herculean task of supply in World War No. 1, but what we did in World War No. 1 was but child's play in comparison with the gigantic task we are now called upon to undertake.

The President has stated that we now have 6 or 8 or 10 expeditionary forces in various parts of the world, and before this vast conflict is over it is not improbable that our garrisons will encircle the globe, and that we shall be fighting on all oceans and on all the continents except, I trust, our own. Powerful means are to be created, at whatever the cost, to enable our Allies and ourselves to surmount whatever difficulties may confront us.

Mr. President, the subcommittee, in considering the bill, had before it the Secretary of the Navy, the Chief of Naval Operations, and the bureau chiefs, to assure us that the sums recommended for appropriations are sufficient for the task in hand, but not too much, and that the means of properly employing them are at the command of our executive agencies.

The subcommittee and the full committee have increased the appropriations carried in the bill as it passed the House in only three particulars, but in the opinion of the committee, the additional appropriations are of prime importance in the furtherance of the Navy's contribution to our war effort.

The Senate committee has recommended an increase of $944,000,000 for the maintenance of our ships, and an increase of $4,176,000,000 to provide 23,354 additional airplanes for the Navy, consisting of 19,830 program airplanes, 3,513 airplanes and additional equipment, and 11 airplanes for the Coast Guard. Then, in order to provide ordnance and ordnance stores for the 19,830 program airplanes, the committee recommended an additional appropriation of $896,300,000. Therefore, the total increase for the Senate bill is $6,016,300,000.

In addition to this increase in cash appropriations, the Senate committee recommends the inclusion of a contract authorization in the sum of $500,000,000 for public-works equipment, materials, and construction for the establishment of certain facilities to accumulate construction battalions, equipment, and materials to be utilized as needed for planes, submarines, and destroyers.

In addition to presenting the Senate amendments it may not be inappropriate to consider the bill as a whole, in view of the colossal magnitude of the appropriation which it carries. I hope I shall not bore the Senate too much with the figures I present, but in order that the Senate may be properly informed I consider it necessary to give in some detail, so far as I feel I am permitted to go, information in respect to these appropriations.

In the opinion of the committee the bill as now amended is well balanced with respect to aircraft and surface craft requirements. The aircraft program has been coordinated with the procurement and training of aircraft pilots and mechanics. I wish to say that the testimony before the subcommittee is that splendid progress is being made toward procuring and training aircraft pilots and mechanics in the various schools of instruction. It was testified before the committee, and Senators have no doubt observed the statement in the press, that four colleges, one in the North, one in the South, one in the East, and one in the West, are to be utilized for the purpose of giving preliminary training to our air pilots with the view of providing 30,000 trained pilots per annum.

Considering both titles of the bill as a whole, the cash appropriations amount to $23,739,140,089, and are divided by objects as follows:

For personnel, $1,339,113,063, equivalent to 5 percent of the total appropriation.

For fleet maintenance, alteration, repair, operation, miscellaneous equipment, and ordnance $6,923,485,348, representing 30 percent of the total appropriation.

For aeronautics, exclusive of armament and ammunition, $5,844,281,470, or 25 percent, which includes $4,488,908,800 for 23,063 aircraft and $740,000,000 for liquidation of prior contract authorizations.

I should state by way of parenthesis that the total of 25,063 aircraft provided for in the bill represents 23,354 airplanes

provided for in the Senate committee bill, added to 1,709 carried in the bill as it passed the House.

For public work and maintenance, yards and docks, $585,525,246, which reprecents 3 percent.

For the Marine Corps, $325,703,050, or 1 percent.

For the Coast Guard, $197,261,230, and for the Navy Department Civil, $6,757,534, representing 1 percent.

For ship construction, $8,206,760,385, representing 35 percent of the total appropriations.

The naval enlisted strength is increased from 369,000 to 533,000, and the Marine Corps from 75,000 to 104,000, with equipment for 150,000.

Mr. President, I should like to state that, in my personal view, it will probably be necessary to increase the Marine Corps more than is provided in this bill, because if we are called upon, as we probably will be called upon, to carry the war into many fronts in many parts of the world with our armed forces, it will be necessary for us to have plenty of marines, for they are the ones who do the landing and pave the way for the invasion of enemy territory.

We have on hand 344 and are building 382 combatant vessels, and, in addition, provision is made for laying down 150,000 combatant tons additional, and the 800,000 auxiliary tons, authorized in Public, 353, Seventy-seventh Congress, the 800 small craft authorized in the same act, and the 1,799 additional emergency craft authorized in House bill 6392.

The building period of ships is being shortened by extra shifts, overtime, and increased productive capacity; and these factors are likewise advancing the payment of the bills for new construction. The mechanisms of war grow more complicated and costly. Aircraft have compelled the adoption of complicated fire control, range finding, and detection instruments. The airplane itself is increasing in speed and horsepower, as well as in its armament and protection devices. We must have better machines than the enemy has. In the end, the best is the cheapest.

Since the bulk of the appropriation is for ship construction and aircraft, I shall undertake to discuss the ship and aircraft categories in some greater detail. In round figures the 1942 supplemental appropriation provides $250,000,000 for additional ship repair facilities; $621,000,000 for the ship construction program now under way; and $905,000,000 in furtherance of the new authorized program of 150,000 additional combatant tons, 800,000 tons of auxiliaries, and 800 small craft and facilities. There is also included in the 1942 supplemental appropriation, $300,000,000 in round figures, to initiate a special emergency program of 1,799 special vessels, minor combatant and auxiliaries, which are authorized in Senate bill 2218, at a cost limit of $3,900,000,000, including facilities. Title I allocates $6,000,000,000, in round figures, for continuing these programs.

The aviation total in the 1942 supplemental appropriation, exclusive of aviation ordnance, is $4,408,300,000, of which all but $126,343,620 is for airplanes, 23,354 in number, 21 nonrigid craft, and plant expansion, the last item amounting to $95,000,000. The committee has been advised by the representatives of the Navy Department that sufficient production facilities are available for utilizing those funds and to produce the planes covered by the new appropriations. It is anticipated that all the planes provided for in the bill will be completed and out of the factory doors by December 31, 1943. The 1943 aviation total is $1,435,981,470, of which, as I have heretofore stated, $740,000,000 is to liquidate old contracts authority for aircraft.

Mr. President, in the opinion of the committee there is urgent need for additional aircraft for the Navy. There are two fundamental reasons for the rather large increase provided by the Senate amendment. The first is a need to keep sea units afloat and protect them against enemy attack during combat. The second is the necessity of replacing air strength employed in actual combat duty by nearly 100 percent each year. We have had no combat experience to serve as a guide; but we were advised by Admiral Towers that, considering the attrition among the nations that have been engaged in this great war, it is not improbable that the total attrition will be approximately 100 percent per annum when we are engaged in total war.

The item for "Maintenance, Bureau of Ships," to maintain, repair, overhaul, and commission ships, is $661,000,000 for 1942, and $958,979,935 for 1943. "Pay, Subsistence, and Transportation" of the Navy is $1,003,566,588. The public works allocation is $528,705,021 for items of temporary construction, provided for as a lump sum, the items to be specifically approved by the Secretary. Contract authority of $500,000,000 is contained in the proposed Senate amendment. The item for "Training, Education, and Welfare" of personnel is $4,982,000 for 1942, and $22,167,865 for 1943.

Mr. President, that is a general picture of the colossal appropriations contained in the bill. I have given to the Senate such information as I am advised by the Navy Department I am privileged to give to the Senate.

There is one amendment which is not an appropriation amendment, to which I think I should devote a few moments. I refer to what is known as the defense aid amendment, on the last page of the bill, page 74. The Senate committee proposes a new section, section 301. I think it would be well for me to read the amendment in its entirety in order that it may appear in the RECORD.

TITLE III—DEFENSE AID

SEC. 301. Whenever the President deems it to be in the interest of national defense, he may authorize the Secretary of the Navy to lease for such period of time not exceeding the duration of the existing national emergency ships appropriated for in whole or in part in this act under the heading "Increase and Replacement of Naval Vessels, Emergency Construction" or to sell, transfer title to, exchange, lease, lend, or otherwise dispose of, to the government of any country whose defense the President deems vital to the defense of the United States, any other defense article procured from funds appropriated in this act, in accordance with the provisions of the act of March 11, 1941 (Public Law No. 11): *Provided*, That the total value of articles, other than ships, disposed of under this authority shall not exceed $2,000,000,000.

Mr. President, this amendment subdivides itself into two parts. The last part authorizes the President, within the limitation of $2,000,000,000, to transfer title to, give away, or do anything he pleases with respect to transferring any articles appropriated for in this bill to any friendly governments not to exceed a total in value of $2,000,000,000. There is that limitation, and only that limitation, on this portion of the lease-lend amendment insofar as articles other than ships are concerned. The limitation is $2,000,000,000.

When it comes to ships, however, the sole authority vested in the President is to lease the ships—not to transfer them by way of donation, but simply to lease them, and to lease them not beyond the period representing the contemplated or actual duration of the present national emergency. There is a further limitation upon the authority of the President in that connection, and that is the limitation on the ships he may lease. He may not lease any existing ships now in the Navy. He may lease only certain ships which are appropriated for in this bill; and those ships are the emergency ships which are provided for under the head of "Emergency construction," on page 72 of the supplemental bill and page 44 of the regular bill.

Mr. McNARY. Mr. President, will the Senator yield at that point?

Mr. OVERTON. I am glad to yield.

Mr. McNARY. I ask the question only because we are touching the subject: What sort of equipment does the able Senator list under the term "articles"?

Mr. OVERTON. All articles other than ships, all matériel, guns, ammunition, airplanes.

Mr. McNARY. Then airplanes come under the definition of "articles"?

Mr. OVERTON. They come under the designation of "articles"; and the ships referred to in the amendments are not airplanes but are surface ships.

Mr. McNARY. "Ships" refers to naval vessels only?

Mr. OVERTON. Naval vessels only.

Mr. McNARY. Airplanes and all other articles of war would come under the term "articles"?

Mr. OVERTON. That is correct. Is that all the Senator wishes to ask?

Mr. McNARY. Yes.

Mr. OVERTON. As I was about to say, the ships that the President may lease are the ships that are to be constructed under the appropriations contained in the bill, and they are a portion of the 1,799 emergency craft which recently were authorized by Congress to be constructed. They consist in the main, if not altogether, of convoy ships and of landing boats. I may say that it is my information that the probability is that it will not be necessary for the President to lend any of these ships; but he is vested with authority to do so.

Mr. McNARY. Mr. President, will the Senator yield again?

Mr. OVERTON. I yield to the Senator from Oregon.

Mr. McNARY. A moment ago I rose to propound this question to the able Senator:

The Senate committee has increased the appropriation by $6,000,000,000. What was the length of time which elapsed between the holding of the hearings on the bill and the passage of the bill in the House and the time when the Senate committee took up the bill for consideration?

Mr. OVERTON. We had the bill before us for about 2 days before we began hearings, and hearings were conducted by the Senate subcommittee for a period of 3 days.

Mr. McNARY. Probably the Senator did not understand the nature of my question. The bill passed the House after full hearings by the House Committee, I assume, and came to the Senate. The Senate committee has added $6,000,000,000.

Mr. OVERTON. Yes.

Mr. McNARY. What was the interim of time between the consideration of the bill by the House and by the committee of the Senate? What happened in the meantime to cause the tremendous increase of $6,000,000,000 by the Senate committee?

Mr. OVERTON. The major increase is for aircraft for the Navy.

Mr. McNARY. I understand that.

Mr. OVERTON. Only a few days elapsed. I do not recall the exact number of days; but let us say a week has elapsed.

Mr. McNARY. In the week which elapsed between the House hearings and the Senate hearings, the Senate subcommittee added $6,000,000,000 to the bill?

Mr. OVERTON. That is correct.

Mr. McNARY. Were these items listed and considered by the House committee and the House?

Mr. OVERTON. No; these items were not considered by the House.

Mr. McNARY. Were they presented to the House by the Navy officials, or did they think of these things during the six-day period?

Mr. OVERTON. I was about to undertake to explain to the Senator from Oregon the history of the airplane increase. The moment we began to conduct the hearings, on the first day, the members of the subcommittee were tremendously interested in increasing the number of aircraft for the Navy; and we ascertained that only, as I recall, 1,709 planes were carried in the House bill. In view of the fact that the war was being extended into all oceans and into all the seven seas, that our Navy would have to fight in the Pacific Ocean and in other seas, and that a fleet cannot undertake to engage in combat far distant from its bases of operation without the protection of fighting planes, we felt that it was necessary that a considerable number of airplanes should be added to the number provided for in the bill as it passed the House.

So we began to ask questions. We began with Admiral Towers, and we questioned other representatives of the Navy Department. On the last day the Bureau of the Budget submitted its estimate of an amount somewhat in excess of $4,000,000,000 for an increased number of airplanes, and an amount somewhat in excess of $800,000,000 for the necessary ammunition and armament to go with the airplanes.

Mr. McNARY. The Senator now is approaching a rather adequate answer to the question I propounded. Was the addition the concept of the committee itself? Did the committee initiate the increase?

Mr. OVERTON. No; I should not want to leave the Senator under that impression. I was simply giving the history of it as viewed by the subcommittee. As a matter of fact, I am quite sure that at the time when we began hearings the Navy Department had prepared estimates to be submitted to the Bureau of the Budget; and I think it was while we were conducting the hearings, possibly on the very first day we conducted the hearings, or the day before, that the matter was taken up with the Bureau of the Budget. The Navy Department desired the increase in the number of airplanes. I think the large increase is due almost entirely to the Pearl Harbor incident.

Mr. McNARY. Did not the House consider the bill after the Pearl Harbor debacle?

Mr. OVERTON. It did; but, of course, the Senator from Oregon will understand that such figures cannot be compiled in a jiffy and overnight. The Pearl Harbor incident occurred on December 7. It was necessary for the Navy Department to determine the extent of loss, what additional precautions should be taken against similar attacks in the future, and the sources of supply, in order to implement any appropriations they might ask for. After they obtain all that information, they submit an estimate to the Bureau of the Budget, and ask for the approval of the Bureau of the Budget. So it takes some little time.

Mr. McNARY. I appreciate that. I am not asking the questions in a spirit of criticism; but it seems that during the days which elapsed between the consideration of the bill by the House and the Senate committee's consideration of it, a billion dollars a day was added, which is rather an unusual performance. I was trying to trace the reason for that, as to whether it was based on the imagination of the committee or whether it was supported by real, substantial, sensible evidence. That was the nature of my inquiry.

Mr. OVERTON. I do not think for a moment that the Navy was derelict in its duty, that the Bureau of the Budget was derelict in its duty, or that the House was derelict in its duty. It simply required more time in order to ascertain exactly what additional appropriations were needed, whether the matériel and articles could be obtained from these appropriations, or whether contractors had to be interviewed in order to ascertain what they could do. We are now in the process of converting the automobile factories into factories for the manufacture of implements of war, including airplanes. The automobile manufacturers had to be consulted, and all the material had to be gathered before the subject matter could be presented in a tangible, sensible, sound way to the committee of Congress. It simply fell to the lot of the Senate committee that it got the information at the time when it was considering the bill.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. OVERTON. I am very glad to yield to the Senator from Maryland.

Mr. TYDINGS. I may say to the Senator from Oregon, as the able Senator from Louisiana has pointed out, that the delay was not occasioned by either the House or the Senate committee but was due to the fact that Budget Bureau sent up one budget, not having completed its entire survey, and then after the bill had left the other House sent up a supplemental budget dealing with the same subject matter. The committee in the House would probably have put it in originally except that the Budget Bureau was not ready with the figures when the bill was acted on by the House of Representatives.

Mr. DANAHER. Mr. President——

Mr. OVERTON. I yield to the Senator from Connecticut.

Mr. DANAHER. It does not bear at all on the sum total of the appropriation under discussion, but my curiosity is piqued, and it may be that the Senator will enlighten those of us who are not on the committee as to what is meant by the language on page 67, lines 9 to 13, inclusive. I will read it for the better direction of the Senator's thought to the point.

> The limitation on the additional number of enlisted men who may perform household services at such places as shall be designated by the Secretary of the Navy is hereby increased from 100 to 300.

What does that mean, if you please? What "household services" do some 300 Navy men perform?

Mr. OVERTON. Will the Senator kindly repeat his question?

Mr. DANAHER. I was wondering what are the "household services" Navy men perform for which the Secretary may increase the number to be authorized to such duty from 100 to 300? Is it an answer to the servant problem, or what is involved?

Mr. OVERTON. Some of them are engaged in mess-hall service and in different establishments and categories. The number needed varies, as I understand, from time to time. The Senate committee had no testimony on that phase of the bill because there was no question raised in reference to it.

Mr. DANAHER. Has the need trebled in the last 6 or 8 weeks? Is that it?

Mr. OVERTON. Indeed it has. I think all our needs have more than trebled in the last few weeks.

Mr. DANAHER. I thank the Senator.

Mr. OVERTON. Mr. President, this bill was unanimously recommended by the Senate subcommittee; it was unanimously recommended by the full committee to the Senate; it passed the House, of course, as it is a House bill, practically unanimously, there being only one vote cast against it. The bill carries everything the Navy Department presently

needs, according to the information our committee received. The bill meets with the approval, I understand, of the Bureau of the Budget, of the Navy Department, and of the administration. I hope that it will be passed unanimously by the Senate.

Mr. GILLETTE. Mr. President——

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Louisiana yield to the Senator from Iowa?

Mr. OVERTON. I will yield in a moment, if the Senator will permit me.

This bill, Mr. President, is, first, a clarion call by the Congress to the American people to endure supreme financial and other sacrifices in order to achieve total victory out of a total war. It is, secondly, a message to all friendly powers battling with us that Uncle Sam will be neither a slacker nor a laggard in the world-shaking conflict in which we find we are jointly engaged. It is, finally, a warning to our enemies that, in spite of what has happened or what may come, the American Navy shall ride the waves, unconquered and unconquerable, master of the seas.

I now yield to the Senator from Iowa.

Mr. GILLETTE. Mr. President, I have asked the Senator to yield in order to interrogate him so as to ascertain whether I am drawing the proper conclusion from the proposed committee amendment, section 301. Under the Lease-Lend Act, we provided that the President could sell, exchange, or transfer defense articles secured from appropriations theretofore made up to the limit of $1,300,000,000, and that additional defense articles procured from appropriations thereafter to be made would have to be disposed of under the provisions of the bill making the subsequent appropriations.

Mr. OVERTON. That is correct.

Mr. GILLETTE. The purpose of this amendment is in compliance with that provision, and the effect of it would be, if I understand it correctly, that the President could lease only ships built from funds appropriated hereunder, but that he could sell or otherwise dispose of all other defense articles up to a limit of $2,000,000,000. Is that correct?

Mr. OVERTON. That is correct, as a general statement, except that there is a limitation on the ships that can be leased to those emergency ships which are appropriated for in this bill. The appropriation contained in this bill is $1,888,600,000, of which $1,588,600,000 are carried in the regular 1943 appropriation bill and $300,000,000 in the 1942 supplemental appropriation bill. So the President can lease ships that are to be constructed out of the appropriation of $1,888,600,000 carried in this bill.

Mr. GILLETTE. Then the section in question extends the authority under the Lend-Lease Act to cover the funds here appropriated, with the exception of the limitation of the disposal of ships, under which certain types of ships only may be leased?

Now, I should like to ask the Senator a further question. Under the Lend-Lease Act, as I recall it, the authority extended to 1946. There is a further limitation in this bill that the leasing of the ships shall be limited to the existing national emergency. There is a curtailment there, is there not?

Mr. OVERTON. The Senator's statement is correct.

Mr. GILLETTE. And the power granted here to dispose of articles other than ships procured by funds appropriated by the bill is limited as provided under the terms of the Lend-Lease Act?

Mr. OVERTON. That is correct.

Mr. GILLETTE. I thank the Senator.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. OVERTON. I yield to the Senator from Florida.

Mr. PEPPER. If the Senator will allow me, I shall make a brief preliminary statement. I think, perhaps, I am one of the Senators on the floor who have had some cause for dissatisfaction about the way ships as well as airplanes and some other things we are making for defense purposes have been congregated in the hands of a few manufacturers, with the result that the defense program has been delayed because they have a reservoir so large that they cannot get to it for some length of time, and the lesser business enterprises of the country have been denied the opportunity to participate in war work. Is that occasioned by such a case as I know of in my own State, where a certain shipyard was engaged in building ships? That shipyard, as I understand, has been awarded contracts to build an additional number of ships for which it does not now have the ways, and it is going to have to build new ways in order to construct new ships which have been allocated to it. While I am grateful for the fact that it has been allocated some ships to build, I am also informed that within a quarter of a mile of this shipyard there is a small shipyard with ways already available for use, with certain machinery and lathes and equipment available for use, and its owners cannot get from the Navy a contract to build a single ship, although they attest their qualifications to build the very type of ship that has been awarded to the other yard, which is capable of building larger ships that would seem to me to fit into the program.

What I rose to ask, primarily, was whether the Navy construction program is to be amenable to the War Production Board and to Mr. Nelson, so that if meritorious cases for the distribution of contracts are made to appear, they will have authority to affect the naval construction program if they deem it wise to do so.

Mr. OVERTON. My understanding about that matter—although we had, as I recall, no testimony regarding it before the committee—is that there is to be coordination between the Army, the Navy, and the War Production Board, and that they are working in harmony. That is the information I receive.

Mr. PEPPER. For example, I read in the newspapers a notice to the effect that a certain company in a certain State had been awarded a contract to build one-hundred-and-some-odd ships. I venture to believe that another yard could be built, for example, in some section of our Gulf coast area, with which the Senator is so familiar, that could build those ships before the company which has received the contract will ever build the one-hundred-and-first ship; and I think the same thing is true about airplanes. Some companies have 2 or 3 years' supply of them to build.

It seems to me that all of us are interested in this subject. We realize how acutely the country will be feeling the defense program in a very short time, and that the Navy should be amenable to Mr. Nelson's plan for the distribution of the work as much as it may be distributed consistent with speed of the defense program.

Mr. OVERTON. I think the Senator from Florida is absolutely correct. That is a subject which has been discussed from time to time on the floor of the Senate. I infer from the discussions which have been had that it is the concensus of opinion of this body that there should be a larger diffusion of contracts, both as to contractors and as to the areas in which the contracts are let and are to be executed.

Mr. TAFT. Mr. President, I should like to ask the Senator from Louisiana, if it is consistent with public policy, to tell us how many additional battleships are authorized in this appropriation bill.

Mr. OVERTON. There are none, I will say to the Senator.

Mr. TAFT. Can the Senator tell me how many are authorized now in addition to those which have been launched under existing legislation?

Mr. OVERTON. I hope the Senator will not insist upon my answering that question.

Mr. TAFT. No. I thought probably that was a matter of——

Mr. OVERTON. I think I am privileged to say to the Senator that there is no provision in this bill authorizing the construction of any new battleships.

Mr. TAFT. But, of course, the money provided by this bill may be used for any kind of ship the Navy chooses to build within the authorizations already given.

Mr. OVERTON. Yes; and the moneys appropriated to continue the naval program.

Mr. VANDENBERG. Mr. President, I simply wish to offer a brief observation regarding the whole situation which we confront. I am not a member of the appropriating committee of the Senate; I am a member of the taxing committee. I rather envy the appropriating committee. It is much easier to spend than to pay. I do not arise to complain about the appropriations. On the contrary, I support them, but I wish to observe that this bill, with its immediate predecessor of last week, appropriates about $35,000,000,000. Our taxing committee is still struggling with the preliminary pangs of finding $7,000,000,000, which is one-fifth of these two bills, these two being but two out of many.

The country will sustain us in every undertaking which is indispensable to total victory; there can be no question about that. It is just as indispensable, Mr. President, to pay as it is to spend, and I wanted to emphasize that thought

in passing. It is just as indispensable to pay as it is to spend. I hope the country will patriotically look upon these astronomical appropriations as a preview of the unavoidable pocketbook burdens which are just around the corner.

Mr. LA FOLLETTE. Mr. President, I shall, of course, support this bill. I merely wish to say that I appreciate very much the statement made by the Senator from Louisiana [Mr. OVERTON], the chairman of the subcommittee in charge of the bill. I feel that he has given us all the information which he felt could be disclosed without being of benefit to the enemy. As a Member of this body, I am very grateful, for I share the feeling expressed by the able Senator from Michigan [Mr. VANDENBERG] that in passing these appropriations so readily and so speedily Congress should at least have all possible information. It should urge upon the committees responsible for these huge appropriations the necessity of holding to a strict accountability those who are responsible for the expenditure of these moneys, because, as the Senator from Michigan has already said, the American people will have to pay the bill. I believe I am not exaggerating when I say that in discussing these huge sums of money in terms of billions upon billions of dollars, we have no concept, and I am sure the American people generally have no concept of what it will mean in sacrifice and hardship which will fall eventually on every man, woman, and child in the United States as the result of these expenditures.

Mr. President, this bill with its contract authorizations, as I understand, exceeds the total public debt at the close of World War No 1 in the United States. From that comparison I think perhaps we can derive some appreciation and make some little approach to a concept of what this war is costing and what it ultimately may cost.

As I think the Senator from Michigan pointed out, counting the twelve and a half billions we appropriated last Friday, and counting this sum, we have appropriated more than $9,000,000,000 in excess of the total amount of the public debt at the end of World War No. 1 in the last 6 days.

I now yield to the able Senator from Louisiana.

Mr. OVERTON. Mr. President, I wish to make one contribution in connection with the observation the able Senator from Wisconsin is making. As I undertook to point out in the statement I made in the beginning, the obligation with which we are confronted is inescapable.

The bill represents an average contribution of $200 by every man, woman, and child in the United States. It carries appropriations which are greater than all the sums expended in the Navy Department from 1915 through 1941. From 1915 to 1941, both years inclusive, the naval expenditures aggregated a little more than $16,000,000,000; and the bill carries appropriations of more than $23,000,000,000. The contribution which I wish to make to the observation of the Senator from Wisconsin is that never before has the United States been engaged in such a war as we are now engaged in, and never before has it been subjected to the peril to which it is now subjected.

Mr. LA FOLLETTE. Mr. President, I agree with everything the Senator from Louisiana has said concerning the inevitability of the expenditure of huge sums of money. However, I believe that, as I suggested the other day, in the appropriation and expenditure of these vast sums of money, Congress has a responsibility which cannot be shifted to the executive branch of the Government. After all, the Constitution lodges the power to tax the people and to spend the people's money in their elected representatives; and it will not do when the war is over to say that we simply gave up what was asked for. In expending this money which, I repeat, will have to be "fried" out of the people of this country, we have a direct responsibility to make certain that the money is well and wisely expended, and to make certain, in the second place, that we are not appropriating more money than can be expended within a reasonable length of time.

Congress should not strip itself of its power and control over the purse strings. As I see it, there are two objectives. One is to make certain that the funds are being wisely, expeditiously, and effectively expended; and the second is to see that the people retain some control over their Government.

The PRESIDING OFFICER (Mr. BUNKER in the chair). The clerk will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Appropriations, fiscal year 1943—Naval Establishment—Office of the Secretary—Miscellaneous Expenses", on page 2, line 18, after the words "boards of", to strike out "investigations" and insert "investigation."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Navigation—Training, education, and welfare, Navy," on page 9, line 1, after the words "in the", to strike out "Schedules" and insert "Schedule."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Ships—Maintenance, Bureau of Ships", on page 17, line 18, after the word "Bureau", to strike out "$343,979,935" and insert "$958,979,935."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Supplies and Accounts—Pay, Subsistence, and Transportation of Naval Personnel", on page 20, line 13, after the word "uninhabitable", to insert a comma and "$30,000, and such additional amount as may be necessary within the total amount of this appropriation"; in line 17, after the word "men", to strike out the comma and "$30,000, and such additional amount as may be necessary within the total amount of this appropriation"; in line 25, after the word "clothing", to strike out "not to exceed $20" and insert "including an overcoat when necessary, the cost of all not to exceed $25"; and on page 21, line 18, after the word "Chief", to strike out "of Office."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Yards and Docks—Public Works, Bureau of Yards and Docks", on page 33, line 24, after the numerals "1943", to insert a colon and the following additional proviso:

Provided further, That the Secretary of the Navy is hereby authorized to enter into contracts for Public Works equipment, materials, and construction in an amount not to exceed $500,000,000, which amount shall be in addition to all other amounts herein or heretofore appropriated under this title.

The amendment was agreed to.

The next amendment was, under the heading "Increase and replacement of naval vessels", on page 44, line 5, after the word "production", to strike out "or" and insert "of."

The amendment was agreed to.

The next amendment was, under the subhead "Coast Guard," on page 48, line 4, after the words "leases and", to strike out 'rentals and" and insert "rentals."

The amendment was agreed to.

The next amendment was, on page 53, line 5, after the numerals "1939", to strike out "(53 Stat. 1216);" and insert "(53 Stat. 1216)."

The amendment was agreed to.

The next amendment was, under the heading "Navy Department—General Provisions", on page 61, line 2, after the numerals "1940", to strike out "(55 Stat. 172–173; Public Law 353)."

The amendment was agreed to.

The next amendment was, on page 62, line 2, before the word "technical", to strike out "skilled" and insert "skilled,", and on page 63, line 9, after the word "suspend", to insert "from time to time in whole or in part."

The amendment was agreed to.

The next amendment was, under the heading "Title II—Additional Appropriations, fiscal year 1942—Bureau of Ships", on page 66, at the end of line 23, to strike out "$332,000,000" and insert "$661,000,000", so as to read:

Maintenance, Bureau of Ships $661,000,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Ordnance", on page 67, at the end of line 2, to increase the appropriation for ordnance and ordnance stores, Navy, from $1,161,270,000 to $2,057,574,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Supplies and Accounts", on page 67, line 8, after the words "increased to", to strike out "$20" and insert "$25, including the cost of an overcoat when necessary."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Aeronautics", on page 68, line 26, after the word "plants", to strike out "$232,300,000" and insert "$4,408,300,000", so as to read:

Aviation, Navy, including not to exceed $95,000,000 for additional plant facilities in public or private plants, $4,408,300,000.

The amendment was agreed to.

The next amendment was, under the subhead "Increase and Replacement of Naval Vessels", on page 71, line 15, after the figures "$1,402,500,000", to insert a

comma and "to remain available until expended."

The amendment was agreed to.

The next amendment was, on page 72, line 2, after the figures "$125,000,000", to insert a comma and "to remain available until expended."

The amendment was agreed to.

The next amendment was, under the subhead "Repair facilities, Navy", on page 72, after line 22, to strike out:

GENERAL PROVISIONS

SEC. 202. Existing limitations on the number of enlisted men who may be detailed to duty in the Navy Department in the District of Columbia and Marine Corps Headquarters are hereby repealed and the existing limitation on the number of enlisted men who may be detailed for duty at Coast Guard Headquarters is hereby increased to 45: *Provided*, That additional details of enlisted men shall be subject to the approval of the Secretary of the Navy.

The amendment was agreed to.

The next amendment was, under the subhead "Navy Department", on page 73, after line 10, to insert:

GENERAL PROVISIONS

SEC. 202. Existing limitations on the number of enlisted men who may be detailed to duty in the Navy Department in the District of Columbia and Marine Corps Headquarters are hereby repealed and the existing limitation on the number of enlisted men who may be detailed for duty at Coast Guard Headquarters is hereby increased to 45: *Provided*, That additional details of enlisted men shall be subject to the approval of the Secretary of the Navy.

The amendment was agreed to.

The next amendment was, on page 73, line 20, after "Sec. 203", to strike out "No" and insert "except in amounts limited by the Secretary of the Navy, not exceeding $25 in any one instance, no", and on page 74, line 1, after the word "appropriated", to insert a colon and the following proviso: "*Provided*, That the Secretary of the Navy shall determine the nature and extent of any ceremonies in connection with the launching of any vessel either in public or private shipbuilding plants."

The amendment was agreed to.

The next amendment was, on page 74, after line 6, to insert:

TITLE III—DEFENSE AID

SEC. 301. Whenever the President deems it to be in the interest of national defense, he may authorize the Secretary of the Navy to lease for such period of time not exceeding the duration of the existing national emergency ships appropriated for in whole or in part in this act under the heading "Increase and replacement of naval vessels, emergency construction" or to sell, transfer title to, exchange, lease, lend, or otherwise dispose of, to the government of any country whose defense the President deems vital to the defense of the United States, any other defense article procured from funds appropriated in this act, in accordance with the provisions of the act of March 11, 1941 (Public Law 11): *Provided*, That the total value of articles, other than ships, disposed of under this authority shall not exceed $2,000,000,000.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is before the Senate and open to further amendment.

Mr. OVERTON. Mr. President, I am authorized by the Committee on Appropriations to offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana will be stated.

The CHIEF CLERK. On page 5, line 25, after the figures "$1,798,653" and before the period, it is proposed to insert "*Provided*, That the compensation of the position of senior head physicist shall be at the rate of $8,000 per annum so long as such position is held by the present incumbent."

The amendment was agreed to.

Mr. TYDINGS. Mr. President, I shall offer an amendment which the Navy itself asked for before our committee, but which, for reasons which I shall develop, was not incorporated in the bill.

On page 19, line 21, after the words "pay for" I move to strike out the words "making aerial flights by more than nine officers above the rank of captain, nor by."

Mr. President, as the Members of the Senate know, for some time it has been the custom to allow special compensation to those actively engaged in flying. There are two score flight generals in the Army. There are only nine flight admirals permitted by law in the Navy. The Army can have an unlimited number of flight generals—as many as it may require. But the Navy is limited to nine flight admirals. It is perfectly obvious that as the planes come from the factories and as additional naval squadrons are organized, admirals will be placed in charge of them, perhaps in certain places in the Far East, perhaps in Europe, Iceland, and so forth. For purposes of our present discussion it does not make any difference whether the policy is a good one or a bad one. The point is that Congress has already fixed the policy and has left the number of flight generals in the Army without any limitation whatsoever; but when the Navy, doing similar work, asked for the same privilege, Congress has allowed it only nine flight admirals.

Admiral Towers, who came before the Appropriations Committee, asked that the restriction be eliminated, so that flight admirals would be on a parity with flight generals. That is what my amendment would accomplish if it were adopted; and certainly I believe that all the equities of the case are on the side of the amendment. In the course of the next year or two we shall have, at the outside, 30 or 40 flight admirals, with large squadrons of planes. Nine such flight admirals will receive one scale of pay, and the other 21 or 22 out of the 30 will receive another scale of pay. All of them will rank exactly the same; they will be doing exactly the same work. In the Caribbean, where there may be several flight generals, there may also be several flight admirals, but the flight generals will receive credit for their flight service, while the flight admirals, doing the same work, will not receive any credit at all.

Mr. AUSTIN rose.

Mr. TYDINGS. I yield to the Senator from Vermont.

Mr. AUSTIN. I should like to ask whether the flight admirals would be temporary officers.

Mr. TYDINGS. Oh, yes; all the flight admirals are temporary officers, except those in the routine way at the top. These are war appointments; I think that term describes them fairly accurately. We should keep in mind that some of the nine who are now in the service are war appointments. Some of the appointments were made as a consequence of our expanded naval program. We are appropriating billions of dollars for new planes, which will be commanded by flight admirals. Some of the flight admirals will receive compensation according to one scale of pay; the others, ranking exactly with them, will be paid according to another scale of pay. Obviously we should end all extra flight pay, or we should put all who rate the same on the same basis. The amendment does the latter; it puts all flight generals and all flight admirals on the same basis of pay. In other words, it extends to the Navy the same privilege we already have extended to the Army. As to the Army we have allowed the appointment of such number of flight generals as may be required by the number of planes and the personnel. We should make similar provision with respect to the Navy.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. TYDINGS. Before I yield the floor I should like to clear up any misunderstanding, if anyone desires to ask me any question about the amendment, or if I have not made it clear, because I should like the Senate to know what it is voting upon. I yield to the Senator from New Jersey.

Mr. SMATHERS. Why did not the committee adopt the Senator's proposed amendment when it was before the committee? Can the Senator tell me?

Mr. TYDINGS. Yes; I think I can tell the Senator, although I cannot say I have talked with all members of the committee. There were some members of the committee who wanted to do away with extra flight pay, and who therefore did not want it extended any further than it had already gone. If that argument has merit, extra flight pay should be done away with all along the line. My position is that, until it is done away with, all those who qualify for it should receive it. For example, we should not want to have all the captains in the Army or all the lieutenants in the Army or all the majors in the Army receive different base pay. We should want all the captains to receive the same pay, as they now do; all the majors to receive the same pay, as they now do; and all the lieutenants to receive the same pay, as they now do.

So, when it comes to this particular situation, all the flight generals receive increased pay, but only 9 of the flight admirals receive it, although in the course of this year 15 or 20 additional flight admirals will be in the same classification, as the planes are developed. Have I answered the Senator's question?

Mr. SMATHERS. Yes. I thank the Senator.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Connecticut.

Mr. DANAHER. It seems to me—and I speak with full sympathy for the objective mentioned by the Senator from Maryland—that if we strike out the words he has mentioned there will be no limit whatever on the number of flight admirals.

Mr. TYDINGS. That is true. Let me say to the Senator that is what we desire to accomplish, for the reason that in the Army appropriation bill no limitation is put on the number of flight generals, for the reason that the number to be appointed will depend largely on the air personnel, the number of planes, and the locations to which they may be sent in order to perform their tasks. The War Department said:

> We should prefer not to have the number fixed. We do not intend to abuse the privilege, but when we send out a force of planes for a particular task we want the right to put a general in charge of it, should the appointment of a fight general be wise.

The Navy takes a similar position. They say:

> Eventually we may have a flight admiral in Hawaii, one in the Philippines, two or three in the Dutch East Indies, perhaps some on the Asiatic Continent, some along the west coast, one at Panama, another one in the Caribbean, one in Iceland. Of course, we shall not have all those in the next month, but only when the air force is built up to a size sufficient to justify the appointment of a flight admiral at the top; and the Navy does not want any limitation.

Mr. GERRY. Mr. President, will the Senator yield?

Mr. TYDINGS. I shall yield in a moment.

When we asked Admiral Towers, "How many flight admirals would you like to have for this year?" he told us a figure which I should be very glad to tell any Senator here on the floor; but he said he did not want it put in the RECORD, because if the number were known, the enemy could pretty well figure out how many combat squadrons there were, since it is a matter of proportion; but he told the committee in confidence what he thought the number would be.

Then he said:

> I do not say we shall need that many. That is what I think we shall need; we may need more. But in the present situation only nine of all the flight admirals we may have may enjoy the benefits to which all flight generals are entitled, and which the remainder of the flight admirals would not share, even though they were out with their squadrons, fighting in the air over the seas.

Mr. GERRY and Mr. DANAHER rose.

Mr. TYDINGS. I yield to the Senator from Rhode Island; and next I shall yield to the Senator from Connecticut.

Mr. GERRY. Mr. President, if I recollect correctly, we have had trouble in the past, when we have sent forces in conjunction with the forces of other nations, because our commanding officers have not had the rank which other nations have given their commanding officers. The result has been that while another nation may have had a force very inferior to ours, yet, because its force was headed by an admiral, he was the ranking officer, and, thus, became the officer in command of the combined forces. I imagine the Senator has in mind just such a situation, especially in connection with the service of airplane squadrons, which are likely to be sent all over the world.

Mr. TYDINGS. The Senator has stated another one of the arguments adduced for my amendment. Suppose we send an air force to Singapore; the rank of the British flying commander and the rank of the American flying commander are compared, and, at least, temporarily, the one with the higher rank takes command over both forces. We want our own troops to fight under our own officers wherever it is possible; and there is no surer way of accomplishing that condition when troops of different nations are involved than by having a rank for the American commander comparable to the rank of the commander of the other forces.

Mr. BREWSTER. Mr. President——

Mr. TYDINGS. I will yield in a moment. There is, however, another point to keep in mind: This is a war, not a peacetime rank; as the Senator from Vermont has pointed out, this is a temporary war rank; and it affords a chance to an officer who is serving to go to the top if he has the goods to deliver in action.

Very properly, General MacArthur in the Philippines has been promoted. Hitler only yesterday appointed General Rommel, serving in the Libyan desert a field marshal because of the way he has maneuvered there against the British forces. I think we make a serious mistake not to give the men who have control of hundreds of planes and thousands of lives, as flight admirals have, and upon whose strategy and courage we must rely for victory, the little bit at the top which culminates all their life's work, particularly when we are at war.

I now yield to the Senator from Connecticut, and, then, I will yield to the Senator from Maine.

Mr. DANAHER. I thank the Senator from Maryland. I wish simply to ask him in furtherance of the point he was making whether there is any limitation on the number of admirals we may have other than flight admirals?

Mr. TYDINGS. No, there is none now; and the same thing applies to generals. In other words, during this emergency we have virtually said to the Army and Navy, "Promote men and create officers when you think that the efficiency of the war effort will thereby be served, except in the case of flight officers, as to whom we have limited the number to nine in the Navy, and taken the lid off in the case of the Army." It means that all others who reach the rank in question and do the same work will not receive the benefits the first nine receive.

I now yield to the Senator from Maine.

Mr. BREWSTER. I think the Senator has answered my question, which was practically the same as that of the Senator from Connecticut, that the peacetime restriction on the number of admirals and captains is not in effect in time of war.

Mr. TYDINGS. That is correct. I wish to say that there are very many sincere Members of the Senate who believe that all extra-flight pay should be abolished; but, Senators, that is not the question. It is already allowed in the Army, and even in this bill, it is allowed in the case of nine admirals. Why not give them all an even deal and treat them all exactly alike? Then, if we decide to repeal the provision for such extra pay, let the repeal apply to all and not have one standard for the Army and some of the officers of the Navy, and a different standard for other officers of the Navy. That does not seem to me to be conducive to the morale of the Army or the Navy or to be best calculated to win the war.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. SHIPSTEAD. Has any reason been given for this disparity?

Mr. TYDINGS. The reason is that, while naval officers having to do with the matter who appeared before our committee asked that this restriction be removed, some members of the committee did not want to remove it because they want a chance to repeal it all; but when that time comes, and we repeal it all, if Congress desires to do so—and that is not altogether certain—that will be one thing. I am only asking that, until it is repealed, we treat every officer in the Navy exactly alike and not have some enjoying a privilege which others do not share.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LA FOLLETTE. A point occurs to me to which I should like to know the Senator's reaction. I should dislike to see Congress, even by indirection, give any indication that it was not willing and anxious to encourage the development and efficiency of the air work in the Navy.

Mr. TYDINGS. I think the Senator's point is extremely well taken. It is generally said here on the floor every day that we have got to rely on the air arm to a tremendously large extent, both on land and on sea. We are probably going to spend more money on the air arm than any other phase of the Army and Navy undertaking. We are going to rely on it to drive home the victory, so that the foot soldier and the battleship may go along under the screen of the bomber, the pursuit plane, the dive bomber, and other aircraft. Therefore, if we are going to put so much reliance on it, in heaven's name, why should we return to a condition which might prevail in peacetime, and take a privilege away from men who are facing death in the skies in this war endeavor?

Mr. SHIPSTEAD. The question I wanted to ask is, Why is it the committee wanted to repeal this provision to which the Senator refers? Why did they not repeal it? I think all flight officers should have more pay, at least pay commensurate with what all other flight officers are now being paid. I do not see why an officer in the combat Air Corps should not be well paid.

Mr. TYDINGS. I think that it might be said that whether we are in favor of eliminating extra flight pay or retaining it, action looking to its elimination ought not to be taken quickly; it ought not to be taken without a hearing; it ought not to be done without consulting the Army and Navy officials. What is proposed by the bill is not to do away with it, but to give some officers who do certain work one scale of pay and deny it to others who are doing the same work. I, therefore, hope the amendment will prevail.

Mr. OVERTON. Mr. President, this request was made before the House committee; it was considered by the subcommittee and the full committee of the House of Representatives; and the request was not acted upon favorably.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. OVERTON. I did not interrupt the Senator while he was speaking, and I should like to finish my statement. Then I will yield.

Mr. TYDINGS. I wanted to correct a misstatement, if the Senator will allow me, which I know he made unintentionally, and that is, that, while the request was made by the Navy officials for the elimination of these words, no testimony was taken by the House Appropriations Committee.

Mr. OVERTON. I did not say any testimony was taken.

Mr. TYDINGS. But I thought the Senator indirectly left the impression that, perhaps, testimony was taken.

Mr. OVERTON. My statement was that the request was made but was not acted upon favorably. I do not know whether any testimony was taken off the record in connection with it, but, at any rate, I assume it received consideration by the House subcommittee and by the full committee. No effort was made upon the floor of the House to amend the bill in this respect. We had some testimony before the subcommittee of the Senate Appropriations Committee, and the Senator from Maryland was present during the hearings. It is true that Admiral Towers supported such a suggestion.

Mr. President, I feel that it is improper to increase pay of any officer engaged in the flying service. I have always felt that way about it. This question first arose since I have been a member of the Appropriations Committee in respect to the pay of flight surgeons. If it be possible that any officer should get an increase in pay, or a substantial increase in pay, it is the flight surgeon, because the flight surgeon is a man rather of peace than of war. The work of the surgeons in the Army is to attend the wounded, the sick, and the disabled rather than to perform any combat service; but I think that every man in our armed forces, whether he be a private or an officer, or whether he be in the Navy or in the Army, ought to do the duty of a soldier without any increase in pay. We do not give increased pay to the soldier who goes over the top in the hour of peril; we do not give increased pay to the captain who leads his force across no man's land; we do not give increased pay to the captains who may be sent in an expeditionary force as against the captains who remain in peace and quiet on this side the ocean. I think the whole principle is wrong. I think a man, whether he be a naval officer or whether he be an Army officer or whether he be a private or a noncommissioned officer, ought to do the duty of a soldier or of a seaman without looking for any increased compensation except what is called for by his rank, and not particularly by reason of the nature of his services.

It is true that we have allowed an increase in the compensation of nonflying officers of the Army to the extent of $720 per annum. Rear admirals do not do any flying in combat service. A rear admiral is paid $7,500 a year; and because it is sometimes his duty to go up in an airplane it is proposed by this amendment that as against the rear admiral who might be subjected to much more danger than the admiral who occasionally goes up in an airplane, the rear admiral who does a little flying shall have his compensation increased $3,000 a year above that of any other rear admiral. He gets $7,500. His base pay is $6,000. It is proposed to give him $3,000 additional simply because he does some flying.

I think this whole matter ought to be thoroughly gone into. If there are generals who are getting 50 percent additional, over and above their base pay, because they do flying, I think they do combat flying, whereas these rear admirals do not do combat flying.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. SHIPSTEAD. I am glad the Senator made that distinction. I was under the impression that some admirals were engaged in combat flying, or that all of them were, and that some were getting more pay than others.

Mr. OVERTON. The 9 rear admirals provided for in the bill, and the 31 who would benefit by this amendment if it were adopted, do not do any combat flying, as I understand.

Take the case of the vice admiral: We have a vice admiral. He would come under the amendment. He gets $10,000 a year. That is his base pay; and then, as we say in Louisiana, he gets the lagniappe that goes with it, the subsistence, and so forth, and so forth, whatever that may amount to. He would get $15,000 under the amendment, because he occasionally flies an airplane; I do not know how frequently he does it. I think it has to be done about 4 hours a month. A vice admiral gets $5,000 more. A rear admiral gets $3,000 a year more. The boys whom we send in the expeditionary forces to fight the battles of our country in foreign lands do not get a nickel more for subjecting their breasts to the murderous fire of the enemy's guns; but the rear admirals and vice admirals who take an occasional flight of 4 hours a month in airplanes are to be handsomely rewarded to the extent of from $3,000 to $5,000 a year more. It is all wrong. I hope the amendment will be voted down.

Whenever the War Department bill comes before the Appropriations Committee, and whenever the naval appropriation bill comes up again, I am perfectly willing to go into this question thoroughly, and get the evidence; but let us not act now upon the floor and say that we are going to eliminate this limitation.

It might well be asked, Why did not the committee strike out the provision with reference to the nine rear admirals? Well, the nine are already getting the extra pay and have been getting it for some time. The mistake has been made, but there is no use of increasing that error. If an error has been enacted heretofore in the Navy Department bill or in the War Department bill, there is no reason for multiplying the errors. I think we ought to call a halt on that sort of thing right now. The next time an appropriation bill comes up—the War Department appropriation bill or the naval appropriation bill—I shall seriously suggest to the committee that we consider the elimination of all additional compensation to nonflying officers.

Mr. TYDINGS. Mr. President, after listening to the fervid oratory of my good friend the able Senator from Louisiana I do not know but that it would be a good thing for General MacArthur to resign and for Admiral Nimitz to resign.

Mr. OVERTON. They are getting compensation according to their rank.

Mr. TYDINGS. Mr. President, I did not interrupt the Senator from Louisiana. I ask him not to interrupt me. I think perhaps Admiral Hart also ought to resign, because he and the others are not fighting officers; and then Admiral King ought to resign, because while he is an aviator, the commander in chief of the fleet, he is not a fighting admiral. We ought to do away with all generals and all admirals, because they are not fighting men.

How many vice admirals have we in our Navy? One; that is all. How many full admirals have we in our Navy? We can count them on the fingers of one hand and have some fingers left. These are combat admirals, men who will go aloft with their squadrons to take part in attacks, just as happened on Sunday. They will fly over the Japanese islands; they will fly over the Philippines; they will fly over Europe.

If we go down to the British Commission that is visiting Washington, what do we find? We find men with the rank of air marshal. Do the British have one air marshal? No; they have one for Singapore; they have one for Africa; they have one for Great Britain, and one in the war office as well. Have we any air marshals in this country?

The Senator from Louisiana says the system is wrong; but I prefer not to compound it by making two wrongs within one wrong, and give half the men one dispensation and the other half another dispensation. If the flight pay provision is to be repealed in toto, then repeal it; but so long as it is the policy of the Government, let everybody who is entitled to it get the benefits which Congress has written into the law.

I do not for a moment accede to the assertion the Senator made that these men are not flying admirals, and will not

take part in combat. Of course, they will take part in combat. The 40 air generals are now taking part in combat, and so will these admirals take part in combat.

All I am asking for is that these officers be given equality of treatment. One private who goes forth across no-man's land does not draw one benefit while the man standing alongside him gets another rate of pay. We cannot fight wars without generals. We cannot fight wars without admirals. I resent the implication that because a man gets to the top of his profession, as Douglas MacArthur has done, as Admiral Nimitz has done, as Admiral King has done, or as Admiral Hart has done, they are not fighting men. I venture to say that General MacArthur will share every hazard on the battlefield before the battle of the Bataan Peninsula is over, although he is only one full general among thousands of other officers and men.

Mr. DANAHER. Mr. President——

Mr. TYDINGS. I yield to the Senator from Connecticut.

Mr. DANAHER. Can the Senator from Maryland tell us how these nine men got to be in these positions in the first place?

Mr. TYDINGS. Congress passed a law making provision for the positions. It had nothing to do with an appropriation. The law, fixing a certain standard, provided that all men who qualified should have what is called flight pay. It is now proposed that, although that applies all the way up and down the line in the Army, and although it applies all the way up and down the line in the Navy, when we get to the top a man will be cut out unless he is one of the original nine. The Senator from Louisiana says that is fair. He would give nine admirals the benefit, and deny it to all the others.

Mr. DANAHER. Suppose two of these flying admirals were lost; how could two more take their places and still come within the nine?

Mr. TYDINGS. That could be done, because there could never be more than nine, although we know we are to have more than the nine within a very short time.

Mr. DANAHER. Who would elevate them—the Secretary of the Navy?

Mr. TYDINGS. I suppose the promotions would be made according to seniority. I do not know, but I think that is probably the course that would be followed, or by designation; certainly by one of the two ways.

Mr. DANAHER. They certainly would have to qualify and meet the congressional standard of what a flying admiral is.

Mr. TYDINGS. Absolutely. I am not debating whether the policy is a good one or a bad one, as I stated in the beginning; that has nothing to do with the debate. What I am contending for is that Congress has established the policy, and so long as it is on the statute books, everyone who qualifies should receive the benefit of the policy, and not merely half of them, or a third of them, or two-thirds of them. When the policy is stricken from the books, they will all go down together, but until it is stricken from the books, they all deserve equality of treatment before the law, which is the first tenet of good democratic administration in any government.

Mr. President, I hope, for the reasons I have stated, that the Senate will wipe out this stigma, this injustice, toward all admirals except the nine who now happen to be flight admirals. If the Senator from Louisiana had been consistent, he would have brought from the committee an amendment wiping out the flight pay for all the admirals, but although he resolved within himself that it was bad, he said, "I will correct only half of it, I will leave it there," which means only the perpetuation of an injustice. If it were proposed to eliminate all extra flight pay, I might not be talking now; if it were proposed to eliminate it as to all the flight generals in the Army, I might not be talking now, but I shall always protest whenever men in our fighting forces are not being equally treated, because the duty of Congress is to fix uniform scales which shall apply to all who hold the same rank and perform the same duties. This is the only exception of which I know.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland [Mr. TYDINGS]. (Putting the question.) The "ayes" appear to have it.

Mr. OVERTON. I ask for a division.

On a division, the amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 6460) was read the third time, and passed.

Mr. OVERTON. I move that the Senate insist upon its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. OVERTON, Mr. GLASS, Mr. THOMAS of Oklahoma, Mr. GREEN, Mr. WALSH, Mr. LODGE, and Mr. HOLMAN conferees on the part of the Senate.

REPORT ON ALLOCATIONS AND PRIORITIES OF WAR MATERIALS (S. DOC. NO. 161)

The PRESIDING OFFICER (Mr. BUNKER in the chair) laid before the Senate a letter signed by Donald M. Nelson, Chairman of the War Production Board, in response to Senate Resolution 195 (77th Cong., agreed to November 17, 1941), submitting a report on the general policy, methods, and plans of the Office of Production Management for the allocation or distribution of materials to which priorities have been assigned and the program which had been formulated by the Office of Production Manangement for the protection of business enterprises, the operations of which are interfered with because of shortages of materials.

Mr. O'MAHONEY. Mr. President, the response of the O. P. M., which is, of course, now out of existence, becomes a matter of history, and probably does not have any immediate significance beyond that. The document is obsolete before its publication. Nevertheless, Mr. President, since it has historical value, I ask unanimous consent, that the response may be printed as a Senate document, with an illustration.

The PRESIDING OFFICER. Without objection, the report will be printed, with an illustration, as a Senate document, and referred to the Committee on Military Affairs.

COTTON PRICES AND THE PRICE-CONTROL LEGISLATION

Mr. BANKHEAD. Mr. President, I desire to make a brief statement.

In view of the reduction in the market price of cotton of about $5 a bale during the past week, I think it is appropriate for the Senate to give some consideration to the subject because of the fact that this unfortunate occurrence grew out of discussions by public officials of the price-control legislation.

Cotton farmers own at this time, according to estimates of officials of the Commodity Credit Corporation, about 3,500,000 bales of the cotton crop of 1941. That is about one-third of the crop of 10,500,000 bales. If the price does not recover, the farmers owning that part of the crop will sustain a loss of about $17,500,000, and the Government will sustain a very substantial loss, probably as much as the farmers, in the sales price of cotton owned by the Government and held by the Commodity Credit Corporation.

I do not believe there is justification for this serious decline in the price of cotton of more than 100 points—$5 a bale. There seems to be a difference of understanding about the intention of Congress, as manifested in the Price Control Act, on the subject of the conditions under which cotton held by the Commodity Credit Corporation could be sold or otherwise disposed of by that Corporation.

I think the entire decline is due to statements and intimations to the trade that the cotton belonging to the Commodity Credit Corporation would be released.

The subject was given active consideration by the conference committee. The only point of difference in the objective of the members of the conference committee was whether the Commodity Credit Corporation should be prohibited from selling the cotton held by it at a price lower than the prices specified in section 3 (a) of the Price Control Act, which are 110 percent of the price on October 1 or December 15 or the average price for the years 1919–29, whichever is the higher. It was finally agreed that that prohibition should not be placed upon the Commodity Credit Corporation. Otherwise the conferees were in full agreement that the limitations on the Commodity Credit Corporation contained in the Agricultural Adjustment Act of 1938 in regard to cotton should not in any way be impaired. I am not sure that the provisions of different sections of the Price Control Act have been brought to the attention of all the Government officials, but I feel sure that

when they fully investigate the intention of Congress on the subject and reach the conclusion which seems to me to be inevitable, there will be no effort to override either the letter or the spirit of the law on the subject.

Section 2 (e) of the Price Control Act authorizes the Price Control Administrator to buy and sell commodities when "the domestic production of the commodity is not sufficient to satisfy the demand therefor," and the same section contains the following—

Now, please note:

And nothing in this section or in any existing law shall be construed to authorize any sale—

And note further:

or other disposition of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938, as amended.

Section 2 (f) is as follows:

No power conferred by this section shall be construed to authorize any action contrary to the provisions and purposes of section 3—

Which, of course, we know is the section permitting prices to go to a certain level before the Administrator may stop them.

And no agricultural commodity shall be sold within the United States pursuant to the provisions of this section by any governmental agency at a price below the price limitations imposed by section 3 (a) of this act with respect to such commodity.

Section 3, which is the agricultural commodities section, in subsection (f), provides as follows:

No provision of this act or of any existing law shall be construed to authorize any action contrary to the provisions and purposes of this section.

It will be noted that the prohibition of the sale or other disposition of any agricultural commodity contrary to the provisions of the Agricultural Adjustment Act of 1938 is broad and comprehensive and covers all governmental agencies.

As the Price Control Act is the last word on the subject, and includes in its scope all provisions not only in that act but also in any existing law, an understanding of the provisions in the Agricultural Adjustment Act of 1938 is necessary.

Section 381 (c) reads as follows:

The Commodity Credit Corporation is authorized on behalf of the United States to sell any cotton of the 1937 crop so acquired by it, but no such cotton or any other cotton held on behalf of the United States shall be sold unless the proceeds of such sale are at least sufficient to reimburse the United States for all amounts (including any price-adjustment payment) paid out by any of its agencies with respect to the cotton so sold. After July 31, 1939, the Commodity Credit Corporation shall not sell more than 300,000 bales of cotton in any calendar month, or more than 1,500,000 bales in any calendar year. The proceeds derived from the sale of any such cotton shall be used for the purpose of discharging the obligations assumed by the Commodity Credit Corporation with respect to such cotton, and any amounts not expended for such purpose shall be covered into the Treasury as miscellaneous receipts.

It seems clear that the Commodity Credit Corporation by that act is prohibited from selling cotton unless the proceeds of such sale are at least sufficient to reimburse the United States for all amounts, including any price-adjustment payment, paid out by any of its agencies with respect to the cotton so sold. In other words, there can be no disposition of cotton under that section except by sale, and the sale is to be at a price fixed by statute. The Commodity Credit Corporation is prohibited from selling more than 300,000 bales of cotton in any calendar month, or more than 1,500,000 bales in any calendar year. Of course, these provisions were included in order to provide orderly marketing of surplus cotton, so as not to depress the market price of cotton.

The Agricultural Adjustment Act of 1938 then provides that the proceeds derived from the sale of any such cotton shall be used for the purpose of discharging the obligations assumed by the Commodity Credit Corporation with respect to such cotton, and also requires that any amounts not expended for such purpose shall be covered into the Treasury as miscellaneous receipts. It seems clear to me that the Agricultural Adjustment Act prohibits the release of cotton in any other way than by sale at the price fixed, and also requires the proceeds of the sale to be used in the way specified in that act. If this construction is correct—and I am dealing merely with the point of law and the intention of Congress—then the cotton held by the Commodity Credit Corporation cannot be turned over to other agencies of the Government to be exchanged with cotton mills for goods in any other way than through a sale by the Commodity Credit Corporation of the cotton for cash.

If large quantities of cotton are placed in the market, regardless of whether the cotton is placed there by sale, or barter, or gift, it displaces to that extent the purchase of a similar amount of cotton in the open market, and tends to absorb the demands for cotton which otherwise the owners of free cotton have a reason to expect the mills to buy. It is a fact, however, that the Commodity Credit Corporation has a very small quantity of good grade cotton. The Commodity Credit now owns only slightly more than 4,000,000 bales of cotton free for sale. Of that amount, the quality is substantially as follows:

One million five hundred thousand bales of ⅞-inch and 1⅛-inch Middling—

That is the common, ordinary grade—

except approximately 100,000 bales of more than 1-inch.

That is all the good cotton the Commodity Credit Corporation has.

One million five hundred thousand bales of Strict Low and Low
One million bales of Low.

While the dumping of that much cotton on the market suddenly would undoubtedly have a depressing effect on the market price, still, in the long run, the threat of that sort of competition with the farmers would be removed, and there would ultimately probably be some consolation to the producers of cotton in the fact that there were no longer large stock piles of cotton which might be used to their disadvantage. It is unfortunate, however, for farmers owning three and one-half million bales, and faced with great shortage of labor and increased costs in making this year's crop, to be forced to bear the burden of a clearance sale. I am most reluctant to believe that such action will be taken by any of our responsible Government officials when they examine the legal aspects of this situation.

The average farm price of cotton, which is the basis for administering the parity program, on January 15, 1942, was 16.93 cents. The parity price for cotton as of January 15, 1942, was 18.10 cents. After January 15 the price for cotton increased, and the Bureau of Agricultural Economics states that the spot-market prices would indicate that the farm price of cotton on January 26, 1942, was 18.5 cents. This was very slightly above parity. Within 3 or 4 days, on January 31, 1942, the farm price had dropped to 17.6 cents, 50 points below parity. I am informed that an additional drop in the price of 40 points, or $2 a bale, occurred this morning. The farm price now is about 90 points below parity, or $4.50 a bale.

Still there is apprehension on the part of public officials that the price will be driven lower, as it will be through the offering of quantities to cotton mills for exchange purposes.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER (Mr. BUNKER in the chair). Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. BANKHEAD. I yield.

Mr. SMITH. The testimony of the Secretary of Agriculture before the committee was to the effect that he would maintain parity, not in the price of the commodity, but that he would put the price below parity and then subsidize the farmers from the Treasury. Does the Senator consider that in accordance with the Price Control Act?

Mr. BANKHEAD. I do not.

Mr. SMITH. My construction of the act was that the parity price should be the sale price of the product, and that it should not be left to the discretion of any man or set of men to make up the difference between parity and what the farmer got in the actual sale of his product by a subsidy from the Treasury. I think it is the duty of those who are interested in agriculture—there seem to be very few in the Senate who appear to be interested—

Mr. BANKHEAD. I cannot agree with the Senator about that.

Mr. SMITH. They are interested along about this hour of the day, when they go down to the restaurant, subconsciously interested, but I am referring to those who actually believe the farmer is entitled to a square deal. There is such a thing as equity. The Senator will recall that in our committee it was shown that certain higher up workers in shipbuilding received $6 an hour—not $6 a day, but $6 an hour—and a commensurate increase for overtime, so that they

received $9 an hour if they worked a little overtime, and twice $6 an hour if they worked twice as long. When the farmers are to produce that which is to sustain the population, with all the increased costs, with the prospect of taxes being twice as much as it cost to produce a crop 3 years prior to this year—and the farmer has his share to pay—with all my feeling for labor, I cannot see why, during this emergency, a concentrated effort should be made by men in the administration to denounce the farmer for wanting to get a reasonable price, and why they should urge hands-off of everyone else. I think it is our duty, as we have expressed ourselves in connection with the price-fixing bill, to denounce those who are attempting to disregard its provisions by subterfuges and by rules and regulations.

Last Saturday, when testimony was given with respect to corn, it was said that the Secretary of Agriculture would pay only 85 percent of parity for corn, and make up the difference out of subsidies. It seems we have some little right to legislate, but we have no right to protest our legislation disregarded by those who believe we are what we are—rubber stamps. It is time for us to begin to assert our power, or resign and turn it over to those who make the regulations after we make the laws.

I was astounded Saturday when Mr. Wickard positively stated that he was determined to keep the price to parity, and disregard the provision for 10 percent above parity, and to keep it below parity when he could use subsidies to keep it below parity.

Mr. President, I shall have more to say when I can obtain some of the startling facts and figures in connection with this matter. We can sit here and talk about being highbrows, and talk about reducing expenses, and pass a $12,000,000,000 appropriation bill in 26 minutes. We have just had a $26,000,000,000 measure before us. Who is going to pay the bill? In the long run the farmers of the United States will pay the bulk of the bill, and the man who does not know that to be true does not have sense enough to leave home.

Mr. President, I am glad the Senator from Alabama [Mr. BANKHEAD] has spoken as he has. I am a little surprised also, because he was the author of the amendment providing Mr. Wickard with the veto power. There is an old saying that sometimes you swap the devil for a witch. I think he swapped a witch for the devil. [Laughter.]

EXTENSION OF POWERS OF RECONSTRUCTION FINANCE CORPORATION

Mr. BARKLEY. Mr. President, the Committee on Banking and Currency today reported favorably Senate bill 2198. I wonder if the Senator from Connecticut [Mr. MALONEY] would not like to have it made the unfinished business at this time.

Mr. MALONEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 2198, providing for financing the War Insurance Corporation and for other purposes, with the understanding, of course, that the bill shall go over at least until tomorrow.

There being no objection, the Senate proceeded to consider the bill (S. 2198) to provide for the financing of War Insurance Corporation, to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes, which had been reported from the Committee on Banking and Currency with amendments.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BUNKER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk read the nomination of Hazel J. Brown to be postmaster at Edgerton, Ohio.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Wayne W. Miller to be postmaster at Sherwood, Ohio.

The PRESIDING OFFICER. Without objection, the nomination is confirmed, and, without objection, the President will be immediately notified of these confirmations.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 2 o'clock and 25 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, February 3, 1942, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 2, 1942:

PRICE ADMINISTRATOR

Leon Henderson, of New Jersey, to be Price Administrator, Office of Price Administration.

COAST AND GEODETIC SURVEY

To be hydrographic and geodetic engineer with rank of lieutenant in the Coast and Geodetic Survey:

George R. Shelton Chester J. Beyma
John Bowie, Jr. Raymond H. Tryon, Jr.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE BRIGADIER GENERALS

Col. Walter Bedell Smith (lieutenant colonel, Infantry), Army of the United States.

Lt. Col. Laurence Sherman Kuter (captain, Air Corps; temporary major, Army of the United States), Air Corps.

APPOINTMENT IN THE NAVY

Rear Admiral Alexander H. Van Keuren to be Chief of the Bureau of Ships, in the Department of the Navy, with the rank of rear admiral, for a term of 4 years.

CONFIRMATIONS

Executive nominations confirmed February 2, 1942:

POSTMASTERS

OHIO

Hazel J. Brown, Edgerton.
Wayne W. Miller, Sherwood.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 2, 1942

Rev. Arthur B. Cope, pastor, St. Matthews Episcopal Church, Bloomington, Ill., offered the following prayer:

Almighty and Everlasting Father, from whom cometh every good and perfect gift, and from whom we receive strength for our tasks, draw us near to Thee in prayer and bring us ever nearer to Thyself and closer to our fellow men. Be with us in these bewildering days and help us to love with the love that is always ready to give, to spend, and to be spent in Thy service and for our fellow men.

We ask Thy strength in the name of and for the sake of Him who gave up His life on the cross for the redemption of mankind, Thy Son, Jesus Christ, our Lord. Amen.

The Journal of the proceedings of Friday, January 30, 1942, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On January 30, 1942:

H. R. 5895. An act to authorize the Library of Congress Trust Fund Board to allocate one-half of the income from certain property to the Smithsonian Institution;

H. R. 5990. An act to further the national defense and security by checking speculative and excessive price rises, price dislocations, and inflationary tendencies, and for other purposes;

H. R. 6220. An act to amend section 3 of the Subsistence Expense Act of 1926, as amended; and

H. R. 6448. An act making supplemental appropriations for the national defense for the fiscal years ending June 30, 1942, and June 30, 1943, and for other purposes.

On January 31, 1942:

H. R. 3330. An act to authorize the sale, exchange, or other disposition of certain securities held by the Secretary of the Treasury;

H. R. 4849. An act to provide for regulating, inspecting, cleaning, and, when necessary, disinfecting railway cars, other vehicles, and other materials entering the United States from Mexico; and

H. R. 5171. An act to amend section 392 of the Agricultural Adjustment Act of 1938, as amended, so as to provide for separate appropriation accounts for administrative expenses of the Agricultural Adjustment Administration, so as to modify the 1- and 2-percent limitations on administrative expenses, and to provide over-all limitations in lieu thereof, and for other purposes.

EXTENSION OF REMARKS

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I expect to make in committee this afternoon and include therein four newspaper clippings and two short letters.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WELDERS' STRIKE IN DEFENSE INDUSTRY

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. CURTIS. Mr. Speaker, the newspapers tell us that the national defense program is being stopped in some sections by a welders' strike. I think that it is time that the welfare and safety of the boys in our Army and Navy should be put ahead of the selfish interests of any group whatever.

I challenge anyone to justify before the court of public opinion the right to strike against the public safety. If workmen in defense industries have a right to stop production when we need tanks, guns, ships, airplanes, and other equipment with which to save human life, then the fire department on its way to a burning school building filled with children also has a right to strike.

Mr. Speaker, I believe the time has arrived when every one of us back of the lines must roll up our sleeves and do our part in this war. We are fighting for our very existence, our soil, and our form of government. We should be anxious and willing to sacrifice some of our social gains. To do otherwise is to aid and abet the enemy.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include an editorial from the Boston Herald and one from the Dallas News regarding the Women's Auxiliary Corps.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a release W. P. A. Announces Completion of Clearing Grand Coulee Dam Reservoir

The SPEAKER. Is there objection?

There was no objection.

Mr. LEAVY. Mr. Speaker, I also ask unanimous consent to extend my remarks and include a letter on the National Youth Administration.

The SPEAKER. Is there objection?

There was no objection.

Mr. PLAUCHÉ. Mr Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a resolution.

The SPEAKER. Is there objection?

There was no objection.

Mr. DEWEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the Appendix and include therein a letter addressed by myself to Chairman HATTON W. SUMNERS, of Texas.

The SPEAKER. Is there objection?

There was no objection.

CREDIT REQUIRES CONFIDENCE

Mr. DEWEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. DEWEY. Mr. Speaker, the other body of the Congress has recently passed Senate bill 2208, and its companion bill, H. R. 6403, the War Powers Act of 1942, is now under consideration by the Judiciary Committee.

One of the proposed amendments contained in this bill will permit Federal Reserve banks to purchase Government obligations without limit from the Treasury Department. I think this is a question which is fundamental and deserves the close and studied attention of every Member of this House.

[Here the gavel fell.]

STRIKES IN DEFENSE INDUSTRIES

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein two letters.

The SPEAKER. Is there objection.

There was no objection.

[Mr. LELAND M. FORD addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HILL of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks and include a copy of a letter received from a constituent.

The SPEAKER. Is there objection?

There was no objection.

TREASURY AND POST OFFICE DEPARTMENT APPROPRIATION BILL, 1943

Mr. LUDLOW, from the Committee on Appropriations, reported the bill (H. R. 6511, Rept. No. 1732) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1943, and for other purposes, which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union, and ordered to be printed.

Mr. TABER reserved all points of order.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that I shall have the privilege of extending the remarks I expect to make in Committee of the Whole this afternoon and to include a table and certain excerpts of testimony.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include a memorandum on financing the war, by Senator Robert L. Owen.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a brief statement by Mr. John Pierson.

The SPEAKER. Is there objection?

There was no objection.

NO CURFEW FOR THE LADIES

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, one of our Members advanced the idea that we should put the girls to bed at 10 o'clock. A week from today the clocks will be moved ahead an hour, and what is now 10 o'clock will then be 9. I am sure that Member has the purest motives in thinking of these young ladies, but for the peace of mind, however, of the folks back home I desire to point to the fact that the girls who come here from the States had to have good reputations before they received a civil-service appointment. These girls are still of the highest caliber. I think they should be allowed to go to bed when they get ready. Judging from the amount of work they are doing, they will be tired enough that they will be ready to go to bed when the proper retirement hour arrives. It would be useless to try to make these fine ladies retire by a curfew. It would require thousands of enforcement officers and avail nothing.

FEDERAL COMMUNICATIONS COMMISSION

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COX. Mr. Speaker, last week I made the statement on the floor that I purposed offering a resolution for a House investigation of the Federal Communications Commission. The report of the statement reaching Mr. Fly provoked great laughter. Mr. Fly, you know, has a monumental contempt for this body and its Members, but later, upon conferring with one or two members of the Commission, he took a most serious attitude toward the suggestion. Agents of the Commission have been assigned the duty of contacting Members.

Mr. Fly would tell you there is nothing wrong with the Commission and that he has no fear of an investigation, yet he would leave no stone unturned to prevent it. If you have not heard from members of the Commission or their agents you will be hearing.

There is nothing personal in this suggestion on my part, I have nobody to punish. If I were disposed to do so I could fill the RECORD with pertinent and authenticated material that would give

Mr. Fly something to think about. All I am interested in is guarding the public against the maladministration of a fine law.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by the gentleman from Massachusetts [Mr. MARTIN].

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HARNESS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. HARNESS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HARNESS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a letter addressed to the President.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ROBERTSON of North Dakota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article from the Minneapolis Star Journal.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial from the Chicago Sun.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. SABATH addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an address I gave over the radio.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in three particulars.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

LIFE-INSURANCE POLICIES FOR SERVICE MEN

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. H. CARL ANDERSEN]?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, the United States of America will probably call up for service 10,000,000 or more of the best men in our country. These men are willing to give their lives that our Nation might live.

To me it seems that our great country can at the very least give, free of charge, to each and every one of these men a $5,000 life-insurance policy to afford protection to their dear ones back home in case the ultimate sacrifice is exacted.

I am today introducing a bill to take care of this obligation to our service men and sincerely hope that this automatic insurance will soon become the law of our land.

The Federal Government should not follow but should lead in group insurance. This has been utilized by large industry to protect its employees. Why should not the United States in like manner protect those who must defend our country during this crucial war?

EXTENSION OF REMARKS

Mr. BENNETT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a brief editorial.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. BENNETT]?

There was no objection.

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include copy of a letter I received from the Associated Unions of America, together with a resolution addressed to the President of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. WASIELEWSKI]?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes on next Wednesday after disposition of matter on the Speaker's table and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—UNEXPLAINED ABSENCE OF ANY INDIVIDUAL FOR 7 YEARS (H. DOC. NO. 605)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on World War Veterans' Legislation and ordered to be printed:

To the House of Representatives:

I return herewith, without my approval, H. R. 4787, "To provide that the unexplained absence of any individual for 7 years shall be demed sufficient evidence of death for the purpose of laws administered by the Veterans' Administration."

The purpose of the legislation appears to be unobjectionable. It would require, however, that the continued and unexplained absence during the 7-year period must be established by evidence satisfactory to the Administrator of Veterans' Affairs. It also provides that no State law providing for presumption of death shall be applicable to claims for benefits under laws administered by the Veterans' Administration.

Under section 19 of the World War Veterans' Act of 1924, persons claiming under a contract of insurance are entitled to bring suit in the Federal courts in the event of a disagreement with the Administrator. In proper cases they are also entitled to claim the benefit of this presumption in accordance with the applicable State law. It was presumably not intended by this legislation to make the determination of the Administrator with respect to this matter final in such cases, and thus deprive claimants, in actions hereafter brought under the 1924 act, of the right to claim the benefit of this presumption on the basis of evidence which the court might deem sufficient, but which the Administrator has found unsatisfactory. Nevertheless, the legislation might well be construed to have that effect.

Such a result, in my opinion, was not contemplated and would not be desirable. For this reason I feel obliged to withhold my approval of the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 2, 1942.*

Mr. RANKIN of Mississippi. Mr. Speaker, I move that the message be referred to the Committee on World War Veterans' Legislation.

The motion was agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to revise and extend my own remarks in the RECORD and to include an article by Mr. Cecil Brown.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

[Mr. RANKIN of Mississippi addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to insert in the

CONGRESSIONAL RECORD an article by Ralph Barton Perry, professor of philosophy of Harvard University, which appeared in the New York Times. I feel every Member should read and digest this article thoroughly.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter written by myself on the subject of money.

The SPEAKER. Is there objection to the request of the gentleman from Idaho [Mr. WHITE]?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

PUYALLUP TRIBE OF INDIANS, STATE OF WASHINGTON

The Clerk called the first bill on the Consent Calendar, H. R. 4578, to authorize certain corrections in the tribal membership roll of the Puyallup Tribe of Indians in the State of Washington, and for other purposes.

Mr. COCHRAN. Mr. Speaker, at the request of the author of the bill, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AMENDMENT OF EMPLOYMENT STABILIZATION ACT OF 1931

The Clerk called the next bill, H. R. 5638, to amend the Employment Stabilization Act of 1931.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. BEITER. Reserving the right to object, Mr. Speaker, this bill is proposed to carry out the recommendations of the President in two messages to the Congress during the first session. May I inquire of the gentleman why he is asking that the bill be passed over without prejudice?

Mr. KEAN. Mr. Speaker, I feel that this is a very important question of policy, too important to be considered on the Consent Calendar. Besides, I read in the press somewhere that Mr. Donald Nelson has set up a special division to do this very thing.

Mr. BEITER. No; Donald Nelson has not set up an organization to do what is intended to be done by this bill. The National Resources Planning Board is quite anxious to have this legislation in order to provide technical guidance and assistance to State and local governments for the preparation of post-war programs, based on the state of local finances. The purpose of the legislation is to create a reserve of projects and activities which can be called into action when needed locally or when called for by national policy. The great problem we face when the war ends is to move over from a system of full employment for defense to a system of full employment for peace, without going through a low employment slump.

Mr. KEAN. I still think this question of policy is too important to be considered on the Consent Calendar, and I insist on my request that the bill be passed over without prejudice.

Mr. BEITER. Mr. Speaker, I object.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. I object, Mr. Speaker.

AMENDMENT OF SECTION 13 OF THE CLASSIFICATION ACT OF 1923

The Clerk called the next bill, H. R. 6217, to amend section 13 of the Classification Act of 1923, as amended.

Mr. MOSER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

LIMITED SERVICE MARINE CORPS RESERVE

The Clerk called the next bill, H. R. 6303, to create the Limited Service Marine Corps Reserve, and for other purposes.

Mr. VINSON of Georgia. Mr. Speaker, the bill just reported has been enacted into law. It is Public Law No. 408. I ask unanimous consent that the bill be laid on the table.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON of Georgia. Mr. Speaker, the same thing is true with reference to the next bill on the calendar, Calendar No. 391, H. R. 6305, to further amend the act approved June 23, 1938 (52 Stat. 944), as amended. That is now Public Law No. 407. I ask unanimous consent that that bill be laid on the table.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

MIDDLE RIO GRANDE CONSERVANCY DISTRICT

The Clerk called the next bill, S. 294, to authorize an appropriation for payment to the Middle Rio Grande Conservancy District of construction costs assessed against certain lands within such district acquired by the United States for the benefit of certain Indians in the State of New Mexico.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $22,415.43, to be expended by the Secretary of the Interior for the purpose of paying to the Middle Rio Grande Conservancy District, a corporate political subdivision of the State of New Mexico, that part of the cost of works constructed by such district which was assessed against four hundred and eighty-three and twenty-nine one-hundredths acres, more or less, of lands, in addition to the lands covered by the contract of December 14, 1928, between the district and the Secretary of the Interior, executed pursuant to the act of March 13, 1928 (45 Stat. 312), in Sandoval County within such district as its proportionate share of the cost of construction of such works; such lands having been acquired by the United States for and on behalf of the Pueblo Indians of Cochiti, Santo Domingo, San Felipe, and Santa Ana subsequent to their assessment for construction costs but without the payment of the assessments thereon.

SEC. 2. The unexpended balance of the amount appropriated by the act of May 10, 1939 (53 Stat. 685–701), for final payment to the Middle Rio Grande Conservancy District on account of Pueblo Indian lands benefited by the works constructed by the district is hereby made available for payment to the district to liquidate liens against three hundred and twenty and sixty-five one-hundredths acres in addition to lands covered by the contract of December 14, 1928, supra, representing unpaid construction assessments at the time the lands were purchased for the Indians.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF INDIANS WHO HAVE PAID TAXES ON ALLOTTED LANDS

The Clerk called the next bill, S. 1412, to amend the act of June 11, 1940 (Public, No. 590, 76th Cong., 3d sess.), providing for the relief of Indians who have paid taxes on allotted land.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GORE. Reserving the right to object, may I ask the gentleman from Washington [Mr. LEAVY] to explain this situation?

Mr. LEAVY. Mr. Speaker, this bill amends existing legislation to provide relief on a broader scale in cases where the Government issued fee patents to Indians during the trust period of the Indian allotments, and subsequently either canceled the patents before the 25-year trust period had expired or the lands were transferred or alienated to non-Indians.

In the first instance, legislation was enacted a year ago to grant relief. This legislation we are considering today broadens that law and provides that where an Indian who had been allotted land was given an involuntary fee patent, the land went upon the tax rolls of the county as a matter of law and then in later years was transferred to a non-Indian holder or the trust period expired, then in that type of cases this bill would place the counties which had collected the taxes in the same class as those where the Government canceled the patents and took the lands back for the Indians, such cases already being covered by existing law. The Government could not have canceled the fee patent because the land was transferred to an innocent holder and still remains on the tax rolls.

The problem here existing arises entirely through neglect, let us say, perhaps, of the trustee, the United States Government, in handling the trust matters of the Indian lands, since in every State of the Union, when a patent issues the land at once goes on the tax rolls of the county where located. The county is

the collecting agent and disburses the money to the State and other units.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I may say that the report of the Department on the original act which this bill seeks to amend clearly stated that it was not merely a matter of neglect on the part of the Government as trustee but was a direct error on the part of the Department of the Interior in forcing these patents out in violation of the trust period. The original legislation was recommended by the Secretary to correct his own error and this amendment, as I understand it, merely seeks to cover one particular type of these cases that was excluded unintentionally from the original act.

Mr. LEAVY. The gentleman, who is the author of the original act is correct. I thank him for his statement. This bill has passed the Senate, having been introduced in that body by Senator WALLGREN of my State. I introduced a similar bill at the same time in the House, and the Indian Affairs Committee substituted the Senate bill, for my bill, at my request.

Mr. GORE. I thank the gentleman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of June 11, 1940 (Public, No. 590, 76th Cong., ch. 315, 3d sess), be, and the same is hereby, amended to read:

"The Secretary of the Interior is hereby authorized, under such rules and regulations as he may prescribe, to reimburse Indian allottees, or Indian heirs or Indian devisees of allottees, for all taxes paid, including penalties and interest, on so much of their allotted lands as have been patented in fee prior to the expiration of the period of trust without application by or consent of the patentee: *Provided*, That if the Indian allottee, or his or her Indian heirs or Indian devisees, have by their own act accepted such patent, no reimbursement shall be made for taxes paid, including penalties and interest, subsequent to acceptance of the patent: *Provided further*, That the fact of such acceptance shall be determined by the Secretary of the Interior.

"In any case in which a claim against a State, county, or political subdivision thereof, for taxes collected upon such lands during the trust period has been reduced to judgment and such judgment remains unsatisfied in whole or in part, the Secretary of the Interior is authorized, upon reimbursement by him to the Indian of the amount of taxes including penalties and interest paid thereon, and upon payment by the judgment debtor of the costs of the suit, to cause such judgment to be released: *Provided further*, That in any case, upon submission of adequate proof, the claims for taxes paid by or on behalf of the patentee or his Indian heirs or Indian devisees have been satisfied, in whole or in part, by the State, county, or political subdivision thereof, the Secretary of the Interior is authorized to reimburse the State, county, or political subdivision for such amounts as may have been paid by them."

SEC. 2. There is hereby authorized to be appropriated the sum of $95,000, or so much thereof as may be necessary, out of any money in the Treasury not otherwise appropriated, for the purpose of carrying out the provisions of this act.

Any appropriations made pursuant to this section shall remain available until expended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL JUDGE FOR THE DISTRICT OF NEW JERSEY

The Clerk called the next bill, S. 1961, to eliminate the prohibition against the filling of the first vacancy occurring in the office of district judge for the District of New Jersey.

The Clerk read the title of the bill.

Mr. KEAN. Mr. Speaker, reserving the right to object, this bill provides for a new and permanent judge in New Jersey to take the place of the temporary judge who has just resigned. I would have no objection to a temporary judgeship, but I would like to look a little further into the matter of the need for a permanent judge before taking any position in the matter and I therefore ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CHIPPEWA INDIANS OF MINNESOTA

The Clerk called the next bill, H. R. 4321, for the benefit of the Chippewa Indians of Minnesota.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all right, title, and interest of the Minnesota Chippewa Tribe in and to the so-called Red Lake Indian ceded lands, including any administrative reserves, is hereby declared extinguished and title thereto vested in the Red Lake Band of Chippewa Indians: *Provided further*, That all right, title, and interest of the Red Lake Band of Chippewa Indians in and to the ceded lands restored to the Chippewa Indians of Minnesota, including any administrative reserves, is hereby declared extinguished and title thereto vested in the Minnesota Chippewa Tribe. The lands involved shall continue to be held in trust by the United States.

With the following committee amendments:

On page 1, line 8, following the word "That", insert a comma and the following language: "subject to the execution of proper relinquishments by the duly authorized tribal officials of the Red Lake Band and the Minnesota Chippewa Tribe."

On page 1, line 7, strike out the colon and the word "*Provided further*, That" and insert in lieu thereof a semicolon and the word "and."

On page 1, line 13, after the word "States", strike out the period, insert a comma in lieu thereof, and add the following language: "and any funds hereafter derived from said lands shall be the property of the respective band or tribe of Chippewa Indians vested with title to the lands."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFERRING MERIWETHER COUNTY FROM THE COLUMBUS DIVISION TO THE NEWNAN DIVISION AND CHANGING TERMS OF DISTRICT COURT FOR MACON AND AMERICUS DIVISIONS IN THE MIDDLE DISTRICT OF GEORGIA

The Clerk called the next bill, H. R. 6270, to amend subsections (b), (d), and (e) of section 77 of the Judicial Code so as to transfer the county of Meriwether from the Columbus division of the middle district of Georgia to the Newnan division of the northern district of Georgia, and to change the terms of the district court for the Macon and Americus divisions in the middle district of Georgia.

Mr. PACE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. CELLER. Is there objection to the bill itself?

Mr. PACE. I may state that there is a provision in the bill that I did not know the bill contained, changing the time of the terms of the court, which I would like to take up with the judge and the United States attorney.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

APPOINTMENT OF CERTAIN RESERVE OFFICERS TO THE LINE OF THE REGULAR NAVY

The Clerk called the next bill, H. R. 4808, to authorize the appointment of certain Reserve officers to the line of the Regular Navy, and for other purposes.

The Clerk read the title of the bill.

Mr. IZAC. Mr. Speaker, I object.

BRIDGE ACROSS COLORADO RIVER, NEEDLES, CALIF.

The Clerk called the bill (H. R. 6072) authorizing the States of Arizona and California, jointly or separately, to construct, maintain, and operate a free highway bridge across the Colorado River at or near Needles, Calif.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MURDOCK. Mr. Speaker, I reserve the right to object, to ask the author of the bill whether this is the request of the Highway Commission of Arizona, or whether the Highway Commission of Arizona has been asked to report upon the bill. Mr. Speaker, receiving no response, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

EXPRESSION OF THANKS TO HONDURAS

The Clerk called the next business, House Resolution 351, expressing the thanks of the House of Representatives to the President of Honduras.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. COLE of New York. Mr. Speaker, I reserve the right to object. This is one of 17 bills on the calendar, all of similar nature, in each of which the thanks of the House of Representatives is extended to the various countries of Central and

South America, which were visited by certain Members of Congress last fall. It will be recalled that a subcommittee of the Committee on Appropriations toured South and Central America last fall, and I have no doubt did a great deal of good toward bringing about closer relations between those countries and ourselves. I have no criticism for such excursions, but, to the contrary, would encourage them in every way possible, for I feel that Members of Congress are better qualified to perform their tasks as legislators if they have information gained through travel.

These 17 measures, however, present a matter of policy which I feel should be brought to the attention of the House rather than adopted by the hasty action which goes with unanimous-consent procedure. There have been many other instances when a group of Congressmen have visited foreign countries, and they were cordially received by the representatives of the nations being visited, and yet no formal recognition of the hospitality given them has been taken by the House. It is, of course, entirely proper that if the House were to send an official group to a foreign country some appropriate recognition of their reception should be made upon their return, but for the House to follow the practice set forth in the measures we have before us today I feel exceeds the bounds of diplomatic necessity. I feel quite sure that the nations of South and Central America do not expect this sort of recognition, beneficial though it may be toward fostering our good-neighbor policy.

Now that the measures have been brought to the floor for action, it would be unbecoming for me to enter an objection or to request a postponement of consideration, neither of which I shall do, but rather be content with an expression of the hope that the Foreign Affairs Committee, which is always on the alert to establish a better feeling of friendship and accord with other nations, will not be so unduly solicitous in the future.

The SPEAKER. Is there objection to the consideration of the resolution?

There was no objection.

The Clerk read as follows:

Whereas there have long existed historic ties of friendship between the United States of America and Honduras; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President of Honduras extended unusual and cordial hospitality to five members of the Committee on Appropriations of the House of Representatives of the United States on a visit to Tegucigalpa: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President of Honduras, and to the people of the Republic of Honduras, for their warm demonstration of friendship for the Congress and for the people of the United States, which had its inspiration in the solidarity of the American nations and the preservation of their institutions; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President of the Republic of Honduras.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The Chair suggests that these resolutions be considered en bloc.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the other similar resolutions be considered en bloc.

Mr. BLOOM. Mr. Speaker, I would be very glad to have that done.

The SPEAKER. Is there objection?

There was no objection.

The resolutions referred to follow:

House Resolution 352

Whereas the relations between the United States of America and Costa Rica have always been most cordial and friendly; and

Whereas recently the President of the Republic of Costa Rica and the Congress of that nation extended unusual hospitality to a delegation composed of members of the Committee on Appropriations of the House of Representatives of the United States, and the chairman of the group was invited to address the Congress of Costa Rica: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President and to the Congress of Costa Rica and to the people of that country for this demonstration of friendship for the Congress and for the people of the United States; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President of Costa Rica and to the Congress of that Republic.

House Resolution 353

Whereas there have long existed historic ties of friendship between the United States of America and the Republic of Panama; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the Government of the Republic of Panama offered an especially warm reception to the group during its visit to the Republic: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the Government of the Republic of Panama for the gracious hospitality extended, and for the devotion of the Panamanian people to the ideals of freedom and democracy and the defense of this hemisphere; and be it further

Resolved, That a copy of this resolution shall be transmitted to the National Assembly of the Republic of Panama.

House Resolution 354

Whereas there have long existed historic ties of friendship between the United States of America and Mexico; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President of Mexico cordially received a delegation of members of the Committee on Appropriations of the House of Representatives of the United States and the Chamber of Deputies of Mexico invited the chairman of the group to address the Chamber of Deputies of Mexico: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President, to the Chamber of Deputies of Mexico, and to the people of the Republic of Mexico, for this demonstration of friendship for the Congress and for the people of the United States of America, which had as its inspiration the preservation of freedom and democracy; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President and to the Chamber of Deputies of the Republic of Mexico.

House Resolution 355

Whereas there have long existed historic ties of friendship between the United States of America and Uruguay; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President of Uruguay extended exceptionally cordial hospitality to a delegation of members of the Committee on Appropriations of the House of Representatives of the United States on a visit to Montevideo: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President of Uruguay, and to the people of the Republic of Uruguay, for their warm demonstration of friendship for the Congress and for the people of the United States, which had its inspiration in the solidarity of the American nations and the preservation of their institutions; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President of the Republic of Uruguay.

House Resolution 356

Whereas there have long existed historic ties of friendship between the United States of America and Cuba; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President of Cuba and the Congress of that nation extended unusual and cordial hospitality to a delegation of members of the Committee on Appropriations of the House of Representatives of the United States: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President of Cuba, and to the Congress of Cuba, and to the people of the Republic of Cuba, for their warm demonstration of friendship for the Congress and for the people of the United States, which had its inspiration in the solidarity of the American nations and the preservation of their institutions; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President and to the Congress of the Republic of Cuba.

House Resolution 357

Whereas there have long existed historic ties of friendship between the United States of America and Haiti; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President of Haiti extended especially cordial hospitality to a delegation of members of the Committee on Appropriations of the House of Representatives of the United States on a visit to Port-au-Prince: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President of Haiti, and to the people of the Republic of Haiti, for their warm demonstration of friendship for the Congress and for the people of the United States, which had its inspiration in the solidarity of the American nations and the preservation of their institutions; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President of the Republic of Haiti.

House Resolution 358

Whereas there have long existed historic ties of friendship between the United States

of America and the United States of Venezuela; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President of Venezuela and the Congress of that nation extended unusual and cordial hospitality to a delegation of members of the Committee on Appropriations of the House of Representatives of the United States: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President and Congress of Venezuela, and to the people of the United States of Venezuela, for their warm demonstration of friendship for the Congress and for the people of the United States, which had its inspiration in the solidarity of the American nations and the preservation of their institutions; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President of Venezuela and to the Congress of that nation.

House Resolution 359

Whereas there have long existed historic ties of friendship between the United States of America and Ecuador; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President cordially received a delegation of members of the Committee on Appropriations of the House of Representatives of the United States and the two legislative bodies of Ecuador invited the chairman of the delegation to speak in their historic legislative halls, and extended especially cordial hospitality to the group during its visit to Ecuador: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President and to the Congress of Ecuador, as well as to the people of that nation, for the unusual hospitality extended, and for the devotion of the Ecuadoran Congress to the ideals of freedom and democracy and the defense of this hemisphere; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President of the Republic, to the Senate, and to the Chamber of Deputies of the Republic of Ecuador

House Resolution 360

Whereas there have long existed historic ties of friendship between the United States of America and Peru; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President of Peru cordially received a delegation of the members of the Committee on Appropriations of the House of Representatives of the United States and the Chamber of Deputies of Peru extended unprecedented hospitality to the group: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President of Peru and to the Chamber of Deputies of that nation, as well as to the people of the Republic of Peru, for their warm demonstration of friendship for the Congress and for the people of the United States, which had its inspiration in the solidarity of the American nations and the preservation of their institutions; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President of the Republic of Peru and to the Chamber of Deputies of that nation.

House Resolution 361

Whereas there have long existed historic ties of friendship between the United States of America and Colombia; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President of Colombia and the Congress of that nation graciously received a delegation of members of the Committee on Appropriations of the House of Representatives of the United States and the chairman of the group was invited to address the Congress: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President and to the Congress of Colombia for this demonstration of friendship for the Congress of the United States, which had its inspiration in the preservation of freedom and democracy and the defense of this hemisphere; and be it further

Resolved, That copies of this resolution shall be transmitted to the President, to the Senate, and to the Chamber of Deputies of the Republic of Colombia.

House Resolution 362

Whereas there have long existed historic ties of friendship between the United States of America and Chile; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the Government of the Republic of Chile cordially received a delegation of members of the Committee on Appropriations of the House of Representatives of the United States, and the Chamber of Deputies of that republic invited the chairman of the American group to address the Chilean legislative body and gave a special reception in honor of the visiting group: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the Government and to the Chamber of Deputies of Chile, as well as to the people of Chile for the mark of friendship and solidarity which had its inspiration in the defense of this hemisphere and the preservation of its institutions; and be it further

Resolved, That a copy of this resolution shall be transmitted to the Acting President of the Republic of Chile and to the Chamber of Deputies of that nation

House Resolution 363

Whereas there have long existed historic ties of friendship between the United States of America and Argentina; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President, the Acting President, and the Congress of Argentina extended exceptionally cordial hospitality to five members of the Committee on Appropriations of the House of Representatives of the United States on a visit to Buenos Aires: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President, the Acting President the Chamber of Deputies of Argentina, and to the people of the Republic of Argentina, for the mark of friendship and solidarity, which had its inspiration in the defense of this hemisphere and the preservation of its institutions; and be it further

Resolved, That copies of this resolution shall be transmitted to the President, the Acting President, and the Chamber of Deputies of the Republic of Argentina.

House Resolution 364

Whereas there have long existed historic ties of friendship between the United States of America and El Salvador; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President of El Salvador extended unusual and cordial hospitality to a delegation of Members of the House of Representatives of the United States: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President of El Salvador, and to the people of the Republic of El Salvador, for their warm demonstration of friendship for Congress and for the people of the United States, which had its inspiration in the solidarity of the American nations and the preservation of their institutions; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President of the Republic of El Salvador

House Resolution 365

Whereas there have long existed historic ties of friendship between the United States of America and Nicaragua; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President of Nicaragua extended especially cordial hospitality to a delegation of members of the Committee on Appropriations of the House of Representatives of the United States on a visit to Managua: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President of Nicaragua, and to the people of the Republic of Nicaragua, for their warm demonstration of friendship for the Congress and for the people of the United States, which had its inspiration in the solidarity of the American nations and the preservation of their institutions; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President of the Republic of Nicaragua.

House Resolution 366

Whereas there have long existed historic ties of friendship between the United States of America and Guatemala; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President of Guatemala, other officials, and the people of Guatemala extended most cordial hospitality to five members of the Committee on Appropriations of the House of Representatives of the United States on a visit to Guatemala: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President of Guatemala, and to the people of the Republic of Guatemala, for their warm demonstration of friendship for the Congress and for the people of the United States, which had its inspiration in the solidarity of the American nations and the preservation of their institutions; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President of the Republic of Guatemala.

House Resolution 367

Whereas there have long existed historic ties of friendship between the United States of America and the United States of Brazil; and

Whereas these cordial relations which are based on mutual respect of two sovereign and independent nations happily grow stronger day by day; and

Whereas recently the President of Brazil extended unusual and cordial hospitality to five members of the Committee on Appropriations of the House of Representatives of the

United States on a visit to Rio de Janeiro: Therefore be it

Resolved, That the House of Representatives of the United States express its deep appreciation to the President of Brazil, and to the people of Brazil, for their warm demonstration of friendship for the Congress and for the people of the United States, which had its inspiration in the solidarity of the American nations and the preservation of their institutions; and be it further

Resolved, That a copy of this resolution shall be transmitted to the President of the United States of Brazil.

The SPEAKER. The question is on agreeing to the resolutions.

The resolutions were agreed to.

A motion to reconsider the votes by which the several resolutions were agreed to was laid on the table.

REVERSIONARY RIGHTS OF THE UNITED STATES TO CERTAIN PROPERTY IN STOCKTON, CALIF.

The Clerk called the next bill, H. R. 6139, to release reversionary rights of the United States to certain property in Stockton, Calif.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, I understand this measure authorizes the Government to relinquish its reversionary right in certain property conveyed by the Government to a county out in California, which had a stipulation that the property was to be used for public purposes, and in case of failure of that public use, the property was to revert to the United States. A situation has developed in which the county wants to use this property temporarily for a private use, and it comes to the Congress and asks for the complete surrender of that reversionary right, again adopting a policy which I feel is questionable. No doubt this temporary condition needs correction, but it can be corrected without the surrender of the reversionary rights that the Government has.

For that reason, I ask unanimous consent that the bill be passed over without prejudice.

Mr. BUCK. Mr. Speaker, will the gentleman withhold that request so that I may disabuse his mind of what I think is an error?

Mr. COLE of New York. Certainly.

Mr. BUCK. Let us take these two seats next to each other as an example. This one next to me is a post office site. The county owns the next site and proposes to erect a building thereon which will be used for county purposes.

It so happens I was in California and in the city of Stockton last week and I find that where, at one time, they might have thought that in order to build the building it would be necessary to let in the W. P. A., a Government agency, or the Red Cross, or something like that, but owing to the fact that two Army camps, one a flying school and one a permanent motortruck assembly plant for the Pacific coast, have been established there, they will utilize the entire amount of space that they can acquire and could use the whole of the original lot which they acquired from the United States. There is no objection on the part of the Attorney General or the War Department or anybody else releasing this 20-foot strip so that they can go ahead and put up the first unit of their building.

Mr. COLE of New York. Will the gentleman yield?

Mr. BUCK. Certainly.

Mr. COLE of New York. Why should the Government permanently surrender its reversionary right in order to correct a temporary condition?

Mr. BUCK. This is not a temporary condition. The population of San Joaquin County, particularly now added to by the temporary condition, has become such that it is necessary to increase the facilities for the conduct of public business.

Mr. COLE of New York. But the reason for passing this bill is that in the construction of this building and the use of the building about to be constructed, space will be rented to private individuals, destroying the public use.

Mr. BUCK. It was thought originally that was the case.

Mr. COLE of New York. If the building is to be used for public purposes, there will be no forfeiture of the property and the bill is entirely unnecessary.

Mr. BUCK. No. I regret to state that the Attorney General has ruled that a bill of this kind is necessary and the bill was drawn in connection with the Attorney General's office and submitted to them. If the gentleman has read the report from the Committee on Public Buildings and Grounds, he will see that it has not only their approval, but the approval of the Attorney General and the Director of the Budget.

I sincerely hope the gentleman will withdraw his objection.

Mr. COLE of New York. I have read the report. I do not intend to object, but I was asking unanimous consent that it be passed over without prejudice in order to give me an opportunity to further study it.

The SPEAKER. Without objection, the request of the gentleman from New York is granted.

There was no objection.

ADVANCEMENT ON RETIRED LIST OF CERTAIN OFFICERS OF THE NAVY AND MARINE CORPS

The Clerk called the next bill, S. 1630, to provide for the advancement on the retired list of certain officers of the United States Navy and Marine Corps.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. VINSON of Georgia. Mr. Speaker, reserving the right to object, I do so for the purpose of stating that when this bill was before the House a few days ago, when I asked unanimous consent for its consideration, our distinguished colleague the gentleman from Pennsylvania [Mr. RICH] objected. I do not see him on the floor at this moment, but I do not feel like taking snap judgment on him, so I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

NAVY RATION TO INCLUDE CONCENTRATED FRUIT OR VEGETABLE JUICES

The Clerk called the next bill, S. 1521, to provide that the Navy ration shall include canned or powdered or concentrated fruit or vegetable juices.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GORE. Mr. Speaker, reserving the right to object, I would hesitate to object to a bill that comes from the great Committee on Naval Affairs, but I would like to ask some questions of the chairman of the committee. It seems to me as I read this bill that this requires the Navy to place in their rations certain fruit and vegetable juices.

Mr. VINSON of Georgia. May I say to the gentleman from Tennessee that unfortunately for me I was in the minority on this proposition. I did not think the bill should be here. I think it should have been killed in the committee, but the majority voted it out, and I think it is not the proper kind of bill that should be considered by the House. However, this bill makes the Navy put on its ration list grape juice, orange juice, and tomato juice.

My position is that you cannot fight a naval battle if you are feeding men on canned juices. The majority of the committee took the opposite view, however, so the bill is on the calendar. That is all I have to say about it

Mr. PETERSON of Florida. Mr. Speaker, will the gentleman yield?

Mr. GORE. I yield.

Mr. PETERSON of Florida. I believe that when the House knows the situation and the purpose of the bill they will pass it. I agree with the chairman that it would probably be better if these things did not have to come before the House, but the rations of the Navy are fixed from time to time by law. The Navy ration at the present time includes a certain number of ounces of fresh fruit, but the Navy cannot buy concentrates or dried fruits. There are times when the concentrated juices or canned fruit juices keep better than the fresh fruit. Bear in mind that the ration now includes fresh fruit. So far as history goes back, the navies of the world have carried fresh fruit whenever they could. The English naval vessels carry lime juice today. The British are buying concentrated juices. This bill is merely to provide the concentrates in addition to the fresh fruits so the Navy can use them whenever they feel the concentrates or canned juice is necessary.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. VINSON of Georgia. May I ask the gentleman from Florida if he will agree to include both hard and soft cider? Would the gentleman have any objection to including peanuts and things of that kind? Although I am not going to object, I do not think this is a matter that should take up the time of the House. The Navy knows what rations the men need, and I have confidence they will do a good job.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GORE. I object.

TRANSFER OF CERTAIN LANDS TO MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

The Clerk called the next bill, S. 1133, to authorize the transfer of lands from the United States to the Maryland-National Capital Park and Planning Commission under certain conditions, and to accept title to another tract to be transferred to the United States.

Mr. VINSON of Georgia. Mr. Speaker, in view of the objections indicated the other day by the gentleman from Massachusetts [Mr. MARTIN], I ask that the bill be passed over without prejudice, as he is not here.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to return to Calendar No. 423, inasmuch as the gentleman from Pennsylvania [Mr. RICH] is now here.

The SPEAKER. The Chair would rather let that matter go over until the completion of the call of the calendar.

Mr. VINSON of Georgia. That is perfectly acceptable to me.

DEFINING THE POWERS OF A DISTRICT JUDGE IN CERTAIN CASES

The Clerk called the next bill, H. R. 4812, further to define the powers of a district judge in certain suits.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in any action in a district court wherein the action of three judges is required for the hearing and determination of an application for interlocutory injunction and the final hearing by reason of the provisions of section 266 of the Judicial Code, the act of October 22, 1913, chapter 32, or the act of August 24, 1937, chapter 754, section 3 (being, respectively, sections 380, 47, and 380a of title 28 United States Code), any judge of the district may perform all functions, conduct all proceedings, and enter all orders required or permitted by the Rules of Civil Procedure for the District Courts of the United States in effect at the time, except such single district judge shall not appoint, or order a reference to, a master, hear and determine any application for, or vacation of, an interlocutory injunction, dismiss the action, enter a summary or final judgment on all or any part of the action: *Provided, however,* That any action of a single judge hereby permitted shall be subject to review at any time prior to final hearing by the court as constituted for final hearing on application of any party or by order of such court on its own motion.

With the following committee amendments:

Page 1, line 10, after the word "any," strike out the words "judge of the district" and insert in lieu thereof the following: "one of such three judges."

Page 2, line 2, strike out the word "district."

Page 2, line 3, strike out the comma after the word "to."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXPEDITING CASES IN FEDERAL COURTS

The Clerk called the next bill, H. R. 6005, to authorize cases under the Expediting Act of February 11, 1903, to be heard and determined by courts constituted in the same manner as courts constituted to hear and determine cases involving the constitutionality of acts of Congress.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1, as amended, of the act entitled "An act to expedite the hearing and determination of suits in equity pending or hereafter brought under the act of July 2, 1890, entitled 'An act to protect trade and commerce against unlawful restraint and monopolies', 'An act to regulate commerce,' approved February 4, 1887, or any other acts having a like purpose that may hereafter be enacted," approved February 11, 1903 (U. S. C. 1934 ed., title 49, sec. 44), is amended to read as follows:

"That in any suit in equity brought in any district court of the United States under the act entitled 'An act to protect trade and commerce against unlawful restraints and monopolies,' approved July 2, 1890, 'An act to regulate commerce,' approved February 4, 1887, or any other acts having a like purpose that hereafter may be enacted, wherein the United States is complainant, the Attorney General may file with the clerk of such court a certificate that, in his opinion, the case is of general public importance, a copy of which shall be immediately furnished by such clerk to the senior circuit judge (or in his absence, the presiding circuit judge) of the circuit in which the case is pending. Upon receipt of the copy of such certificate, it shall be the duty of the senior circuit judge or the presiding circuit judge, as the case may be, to designate immediately three judges in such circuit, of whom at least one shall be a circuit judge, to hear and determine such case, and it shall be the duty of the judges so designated to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited."

SEC. 2. The amendment made by section 1 of this act shall not apply to any case with respect to which the Attorney General has filed a certificate prior to the date of the enactment of this act.

With the following committee amendments:

Page 2, line 4, strike out the words "suit in equity" and insert in lieu thereof the words "civil action."

Page 2, line 10, strike out the word "complainant" and insert in lieu thereof the word "plaintiff."

Page 2, line 15, after the word "pending", insert the following: "(including the District of Columbia)."

Page 3, line 3, after the word "act", insert the following: "and in which the Court has already been constituted."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REGULATING WATER-BORNE FOREIGN COMMERCE OF THE UNITED STATES

The Clerk called the next bill, H. R. 6291, to amend the Merchant Marine Act, 1936, as amended, to provide for the coordination of the forwarding of water-borne exports from the United States, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title II of the Merchant Marine Act, 1936, as amended, is hereby amended by adding at the end thereof a new section to read as follows:

"SEC. 217. The Commission is hereby authorized and directed, through such administrative measures, agreements with other interested Federal departments and agencies, contracts with individuals or private business concerns, or other arrangements, as it may deem to be necessary or appropriate in the public interest, to coordinate the functions and facilities of public and private agencies engaged in the forwarding of water-borne exports from the United States for the efficient prosecution of the war, the maintenance of essential foreign trade, and the preservation of forwarding facilities and services for the post-war restoration of foreign commerce. As used herein the term 'water-borne exports from the United States' shall be deemed to include export shipments from the Government of the United States to the governments of nations whose defense is deemed by the President to be vital to the defense of the United States under the authority of the act of March 11, 1941 (Public Law No. 11, 77th Cong.)."

With the following committee amendments:

Page 1, line 6, insert the letter "a" in parentheses.

This amendment is for the purpose of identifying the paragraph for easy reference.

Page 1, line 8, strike out the word "interested."

Page 1, line 10, insert a comma after the word "arrangements."

Page 2, lines 3 and 4, strike out both lines and insert in lieu thereof the words "and similar servicing of water-borne export and import foreign commerce of the United States, for the efficient prosecution of the war, the maintenance and development of present and post-war."

Page 2, line 7, strike out the words "exports from" and insert in lieu thereof the words "export and import foreign commerce of." This conforms with the previous amendment.

Page 2, line 13, strike out the quotation marks.

Page 2, after line 13, insert a new subsection, to read as follows:

"(b) Other Federal departments and agencies are hereby authorized and directed to cooperate with the Commission by entering into and carrying out such agreements as may be necessary to effectuate the purposes of this section: *Provided*, That the Commission is authorized and directed to report to the Congress within 90 days after the enactment of this section, and every 4 months thereafter, the action taken hereunder and to give the names of any Federal departments or agencies or any other persons who have failed to cooperate with the Commission as herein directed."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to amend the Merchant Marine Act, 1936, as amended, to provide for the coordination of the forwarding and similar servicing of water-borne export and import foreign commerce of the United States."

LEASES OF PUBLIC LANDS TO STATE OF IDAHO

The Clerk called the next bill, H. R. 3158, to increase the period for which leases may be made of public lands granted to the State of Idaho for educational purposes by the act of July 3, 1890.

The Clerk read the title of the bill.

Mr. GORE. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 828) to increase the period for which leases may be made of public lands granted to the State of Idaho for educational purposes by the act of July 3, 1890, may be considered in lieu of the House bill

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That so much of section 5 of the act entitled "An act to provide for the admission of the State of Idaho into the Union," approved July 3, 1890, as reads "be leased for periods of not more than 5 years" is amended to read as follows: "be leased for periods of not more than 10 years."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, a similar House bill (H. R. 3158) was laid on the table.

REVISION OF THE BOUNDARIES OF THE CHICKAMAUGA-CHATTANOOGA NATIONAL MILITARY PARK

The Clerk called the next bill, H. R. 6332, authorizing the Secretary of the Interior to revise the boundaries of the Chickamauga-Chattanooga National Military Park in the States of Georgia and Tennessee.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to find out if this park will be increased in size and whether they expect the Federal Government to take care of it?

Mr. ROBINSON of Utah. Mr. Speaker, this bill simply gives the Secretary of the Interior the right to accept, without cost, title to certain land that is now in a city.

Mr. RICH. Without cost, yes; but what will the cost be for the upkeep of this land after the Government gets it?

Mr. ROBINSON of Utah. It will be no more than to take care of the park in its present condition. It is a small tract, between 3 and 5 acres, in the first part of the bill, and the other part of the bill permits the Secretary to convey certain land to the State of Georgia that is not needed for park purposes. That is the only object of the bill.

Mr. RICH. If they have to take over this additional land, certainly they are going to require additional expense in the conduct of the affairs of the park, are they not?

Mr. ROBINSON of Utah. No, I think not, because it is such a small parcel of land. It is simply a matter of clearing up the boundaries of the park and making it conform to the purposes of setting up the park.

Mr. RICH. Will the gentleman assure me that the Interior Department will not request additional funds for this matter? There is nothing said in the report about that. Will the gentleman assure us there will be no additional expense?

Mr. ROBINSON of Utah. That is my understanding.

Mr. RICH. Let me ask that question of the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. May I say to the gentleman that the first portion of the bill relates to a small tract of land on Signal Mountain in the State of Tennessee, and, while I do not pretend to be fully advised as to the facts, I understand that this small tract of land is needed by the National Park Service for parking space for visitors to the park and is being generously donated by the town of Signal Mountain. There can be no question whatever but that the transaction is one in the interest of the National Park Service, and they are anxious to have it consummated.

Mr. RICH. The gentleman will assure us there will be no additional expense as far as maintenance is concerned?

Mr. TARVER. Presumably, a parking lot will have to have some attention, but it is a very necessary thing.

Mr. KEAN. There are 160 acres being given to the State of Georgia. Where did the United States get that land? Did they buy it?

Mr. TARVER. The United States was the recipient of not only this tract of land but of a very large tract of additional land on Lookout Mountain by gift from a gentleman by the name of Ochs. This area is separated from the main park land by several miles It is near a State park. It cannot be used in connection with the national park, and for this reason it is thought best to authorize its donation to the State as an addition to the State park.

Mr. KEAN. The United States is only giving to the State of Georgia something which cost it nothing?

Mr. TARVER. It cost the Government nothing.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, in his discretion, is hereby authorized to accept, on behalf of the United States, donations of lands, buildings, structures, and other property, or interests therein, on Signal Mountain near Chattanooga, Tenn., for addition to the Chickamauga-Chattanooga National Military Park, the title to such property or interests to be satisfactory to him. Upon acquisition, such lands shall be a part of the Chickamauga-Chattanooga National Military Park and shall be subject to all laws and regulations applicable thereto.

SEC. 2. The Secretary of the Interior, in his discretion, is hereby authorized to convey, without consideration but under such terms and conditions as he may deem advisable, to the State of Georgia all of lot 78 and approximately one hundred and fifty acres of lot 114, eleventh district, fourth section, of Dade County, Ga., now a part of the Chickamauga-Chattanooga National Military Park.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

EASEMENT FOR HIGHWAY PURPOSES TO THE COUNTY OF MACON, ALA.

The Clerk called the next bill, S. 1889, authorizing the Administrator of Veterans' Affairs to grant an easement for highway purposes to the county of Macon, Ala., in a strip of land located at Veterans' Administration Facility, Tuskegee, Ala.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to grant an easement for highway purposes to the county of Macon, Ala., in the following-prescribed property located at Veterans' Administration facility, Tuskegee, Ala.:

Beginning at a point in the north property line of the United States of America and known as Veterans' Administration facility, Tuskegee, Ala., said point being located in the east west center of section 13, township 17, range 23, twenty-one and sixty-six one-hundredths chains east of the west boundary of said section; thence east ninety-four one-hundredths chains along the north property line of the United States of America; thence south fifteen degrees sixteen minutes east seven and two-tenths chains; thence south thirteen degrees six minutes east four and four hundred and sixteen one-thousandths chains to a point in the east property line of the United States of America; thence south three and fifteen one-hundredths chains along said east property line to a corner in the property line of the United States of America; thence west two-tenths of a chain along the south property line of the United States of America; thence north thirteen degrees six minutes west seven and four hundred and twenty one-thousandths chains; thence north fifteen degrees sixteen minutes west seven and forty-three one-hundredths chains to the point of beginning, containing one and twenty-three one-hundredths acres, more or less.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EASEMENT IN CERTAIN LANDS AT TOGUS, MAINE

The Clerk called the next bill, S. 2012, authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration facility, Togus, Maine, to the State of Maine for road-widening purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to grant an easement to the State of Maine for road-widening purposes in certain lands of the Veterans' Administration facility, Togus, Maine, located in the city of Augusta, and the town of Chelsea, county of Kennebec, described as follows:

Beginning at a point in the northeasterly property line of the United States of America at the intersection of said property line with the town line between the city of Augusta and the town of Chelsea, said point being in the center of the State highway leading from Augusta to Rockland, known as the Thomaston Road; thence easterly along said town line seventy-six feet, more or less, to a point fifty feet distant from the survey base line of said State highway, as shown on right-of-way map of State highway "P" dated June 1941; thence south thirty-three degrees thirty

minutes east parallel to said survey base line five hundred and fifty feet, more or less; thence south fifty-six degrees thirty minutes west one hundred feet to a point south of and fifty feet distant from said survey base line; thence north thirty-three degrees thirty minutes west parallel to said survey base line seven hundred and thirty-four feet, more or less, crossing the above-described town line between the city of Augusta and the town of Chelsea at six hundred and sixty-three feet, more or less; thence northwesterly on a curve to the right concentric with said survey base line seven hundred and three feet, more or less, the radius of said curve being eleven thousand five hundred nine and two-tenths feet and the central angle being three degrees thirty minutes; thence north thirty degrees no minutes west parallel to said survey base line two thousand nine hundred sixty-six and sixteen one-hundredths feet; thence north sixty degrees no minutes east fifty feet to a point in the northeasterly property line of the United States of America, said point being in the center of said State highway; thence southeasterly three thousand eight hundred and twenty-two feet, more or less, along said northeasterly property line to the point of beginning, containing seven and seventy-four one-hundredths acres, more or less.

The easement herein authorized to be granted shall be limited to the period of time the aforesaid lands are required and actually used for highway purposes, and when no longer so required and used, all interests herein authorized to be conveyed in said lands shall cease and determine.

The bill was ordered to be read a third time, was read the third time, and passed and a motion to reconsider was laid on the table.

EASEMENT IN CERTAIN LANDS, MURFREESBORO, TENN.

The Clerk called the next bill, S. 2080, authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration Facility, Murfreesboro, Tenn., to Rutherford County, Tenn., for highway purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to grant an easement to the county of Rutherford, State of Tennessee, for highway purposes, in certain lands of the Veterans' Administration Facility, Murfreesboro, Tenn., described as follows:

Beginning at a nail driven in the center of the Murfreesboro and Lebanon Highway at a point where the center line of Compton Road intersects said Murfreesboro and Lebanon Highway center line, this point being the southwest corner of the Veterans' Administration property, and the northwest corner of the Herman Jackson property, and running thence with the south boundary line of the Veterans' Administration property in the center of Compton Road, south eighty-six degrees fifteen minutes east three thousand six hundred and seventy-two and one-tenth feet to a nail in the center of Compton Road near the southeast corner of the Veterans' Administration property, at the intersection of Drake Lane; thence north four degrees east twenty-five feet to a stake; thence north eighty-six degrees fifteen minutes west three thousand six hundred and seventy-two and one-tenth feet to a point in the center line of Murfreesboro and Lebanon Highway; thence with the center line of Murfreesboro and Lebanon Highway (also the west line of the Veterans' Administration property), south four degrees west twenty-five feet to the point of beginning, being a rectangular strip twenty-five feet wide and three thousand six hundred and seventy-two and one-tenth feet long along the south line of the Veterans' Administration property, containing two and one-tenth acres, more or less. Above bearings are magnetic.

The easement herein authorized to be granted shall be limited to the period of time the aforesaid lands are required and actually used for highway purposes, and when no longer so required and used, all interests herein authorized to be conveyed in said lands shall cease and determine.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LONGEVITY CREDIT FOR ENLISTED MEN OF THE NAVAL AND MARINE CORPS RESERVE

The Clerk called the next bill, H. R. 4869, to provide for longevity credit for enlisted men of the Naval and Marine Corps Reserve.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WADSWORTH. Mr. Speaker, reserving the right to object, I am going to ask unanimous consent in a moment that the bill be passed over without prejudice. I note that it proposes to afford to enlisted men in the Naval Reserve and the Marine Corps Reserve credit for inactive service in the estimating of longevity pay when and if they are called into active Federal service.

Longevity pay is an exceedingly important element in the pay of a soldier or a bluejacket. Unless I am very much mistaken, no such provision is in existence for estimating the pay of Army Reserve soldiers who, when called into the active Federal service, get the straight pay but may not count for longevity purposes the years that they have spent on inactive service. I believe that before measures of this kind are passed, an effort should be made to keep the pay schedules of the Army, the Navy, and the Marine Corps on a uniform basis. We are gradually step by step according especially favorable treatment to the Navy personnel with nothing like it being done for the Army personnel.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Georgia.

Mr. VINSON of Georgia. Does the gentleman recognize the fact that the pay bill for all the armed services, the Army, the Navy, the Marine Corps, and the Coast Guard, is based fundamentally upon longevity? Pay is based upon length of service and not upon rank. In every branch of the Government where a noncommissioned officer goes into a commissioned grade, he is permitted to tack onto his commissioned service the length of his noncommissioned service.

Mr. WADSWORTH. That is true, but it has been active service.

Mr. VINSON of Georgia. I agree with the gentleman from New York that there should be uniformity. I have no objection to the bill's being passed over or even stricken from the calendar, as far as I am personally concerned, so I ask the gentleman to submit the request that the bill be passed over without prejudice.

Mr. WADSWORTH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

DETAILING PERSONNEL OF THE ARMY OF THE UNITED STATES TO EDUCATIONAL INSTITUTIONS

The Clerk called the next bill, H. R. 6434, to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ROBSION of Kentucky. Reserving the right to object, Mr. Speaker, I should like to have an explanation of this bill from the chairman of the Committee on Military Affairs, the gentleman from Kentucky [Mr. MAY], for the information of the House and the country.

Mr. MAY. Under section 127 of the National Defense Act, nobody can be detailed to a civilian institution except officers and enlisted men of what used to be the Regular Army, now the Army of the United States. This bill merely gives the War Department the right and the authority to assign others than the enlisted men and officer personnel of the Regular Army, which means that they will take in civilians selected under the selective-service law for training purposes. This is made necessary by the unprecedented expansion of the Air Corps that has been under way for some time and which will be under way hereafter, due to the Presidential demand for the construction of so many airplanes in the course of the years 1942 and 1943. These young men from the outside will be trained as mechanics and pilots and given the necessary instruction and training for service around hospitals and other places in the Army.

Mr. ROBSION of Kentucky. What are the requirements young men must meet to enter these institutions and take this training?

Mr. MAY. They must be not less than 18 years of age, if they are volunteers, and not more than 25, to get into the Air Corps.

Mr. ROBSION of Kentucky. Are there any educational requirements?

Mr. MAY. There are some educational requirements, but I do not know what they are. Of course, these men are permitted to volunteer, and then the question of the right to enter these schools would depend upon their adaptability, their education, and their general moral and other qualifications.

Mr. ROBSION of Kentucky. Do these men have the right to select the particular training they desire?

Mr. MAY. I believe they do; yes; but, of course, if a man is educationally adapted as a mechanic and the Army would want him for a mechanic, I imagine when he enlisted he would volunteer as a mechanic. He does not have to volunteer unless he selects the branch in which he wants to work.

Mr. ROBSION of Kentucky. How long is this training to continue?

Mr. MAY. Until they are proficient and able to go into the service.

Mr. ROBSION of Kentucky. After they have taken the training, what becomes of these young men who have been taken out of civilian life?

Mr. MAY. If they show sufficient capacity and deserve it, they are commissioned as officers in the Air Corps.

Mr. ROBSION of Kentucky. I thank the gentleman.

Mr. RICH. Reserving the right to object, Mr. Speaker, I presume the Federal Government will specify the courses these men will take at these educational institutions?

Mr. MAY. Certainly they will, and the War Department will select the schools.

Mr. RICH. I think this is a very wise move, when you have a lot of schools in this country that are going to have a hard time getting along. The Government can do this work at these schools that are already established, and it will save the Government money.

The point was brought out a week or so ago that an attempt was being made to establish a lot of schools now and many buildings would have to be constructed. That does not seem to me to be good business when many of the colleges can now be utilized for this purpose.

Mr. MAY. I thank the gentleman for his contribution to the discussion.

Mr. COLE of New York. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Kentucky if any of the officers or men of the enlisted personnel detailed to a university will have an opportunity to be paid by the institution in addition to receiving their Federal pay?

Mr. MAY. I am not advised as to that, but I doubt if they would be paid by both the Federal Government and the institution. I think their Federal pay would be all they would receive.

Mr. COLE of New York. What would prevent the officers so detailed from accepting a salary or emolument from the institution?

Mr. MAY. When they become officers they are not privileged to accept such additional compensation, as I understand.

Mr. COLE of New York. How about the enlisted personnel?

Mr. MAY. I am not certain about that.

Mr. COLE of New York. The reason for my question is that I understand that some members of our military establishments, both the Navy and the Army, who have been assigned to special duties, notably in foreign countries, have received double compensation. They received their normal Federal pay from the United States Government plus an allowance from the countries to which they were accredited.

Mr. MAY. That does not affect this bill at all. This bill does not relate to that situation.

Mr. COLE of New York. That is what prompted me to raise the question whether these officers might get extra pay.

Mr. MAY. The gentleman is talking about a matter that has been dealt with heretofore through the State Department.

Mr. COLE of New York. That other matter about which I spoke prompted me to ask the question about this situation, whether that could happen here.

Mr. MAY. This is to apply to the Air Corps only and is to deal with schools in this country. It does not relate to schooling in a foreign country.

Mr. COLE of New York. I understand that, but is it definitely understood that the officers assigned to these institutions will not be paid by the institutions or from any source other than the Federal Government?

Mr. MAY. I do not know that there was any evidence on that subject, because that question was not raised.

Mr. COLE of New York. The gentleman knows of no reason why they should be paid twice?

Mr. MAY. I never paid anybody twice for the same service myself and I do not think the Federal Government should.

Mr. ROBSION of Kentucky. What do these trainees receive while taking training?

Mr. MAY. They receive pay according to their grade and rank.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. GORE. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 2217) may be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That during the present war and notwithstanding other provisions of existing law, personnel of all components of the Army of the United States may be detailed as students at technical, professional, and other educational institutions, or as students, observers, or investigators at industrial plants, hospitals, and other places, with the restriction that not to exceed 2 percent of the officers and 2 percent of the enlisted men of the Army may be detailed to this duty at any one time, but otherwise under the same conditions as are now or may hereafter be prescribed by law for personnel of the Regular Army.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FREE HIGHWAY BRIDGE ACROSS COLORADO RIVER AT OR NEAR NEEDLES, CALIF.

Mr. GORE. Mr. Speaker, I ask unanimous consent to return to Calendar No. 403, the bill (H. R. 6072) authorizing the States of Arizona and California, jointly or separately, to construct, maintain, and operate a free highway bridge across the Colorado River at or near Needles, Calif.

The gentleman from Arizona [Mr. MURDOCK] has stated to me that he has investigated the matter and there is no further objection.

The Clerk read the title of the bill.

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask if this is to be made a free bridge by the States, whether the Federal Government will have any charges made upon them.

Mr. HINSHAW. If the gentleman will allow me to answer, I will say that there is no charge by the Federal Government or to the Federal Government. This is a joint agreement between the States of Arizona and California.

Mr. MURDOCK. Mr. Speaker, when we first came to this bill today on the call of the calendar I asked unanimous consent that the bill be passed over without prejudice, because I wished to ask whether the highway department of Arizona had been consulted in the matter. Meanwhile, I find that this is a matter which is asked for by the War Department as a part of our national defense. I know the need of more crossings of the Colorado River between Arizona and California and favor one near this locality. I take it, since this bridge or means of crossing, is to be built at or near Needles, jointly or separately by Arizona and/or California, such language would cover any objection I might have had to the bill in the first instance. I therefore withdraw my objection to the consideration of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the States of Arizona and California, jointly or separately, are hereby authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Colorado River, at a point suitable to the interests of navigation, at or near Needles, Calif., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable water," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The construction of such bridge shall be commenced within 2 years and completed within 4 years from the date of enactment of this act.

SEC. 3. There is hereby conferred upon the States of Arizona and California, jointly or separately, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use, real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceeding therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNITED STATES GOVERNMENT LIFE-INSURANCE FUND AND THE NATIONAL SERVICE LIFE-INSURANCE FUND

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1045) to increase the earnings of the United States Government life-insurance fund and the national service life-insurance fund by expediting the investment of the moneys thereof, and for other purposes.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman kindly explain the bill?

Mr. COOPER. Mr. Speaker, this bill relates to the United States Government life-insurance fund and the national

service life-insurance fund. The bill has passed the Senate, has been considered by the Ways and Means Committee, and unanimously reported by that committee. It is requested by the Administrator of Veterans' Affairs, has the approval of the Treasury Department and the Comptroller General.

The purpose of the bill is to bring about greater economy and efficiency in the administration of the two systems of life insurance which the United States has provided for members and former members of its armed forces. The bill will increase by many thousands of dollars annually the earnings on the assets of the funds out of which benefits are paid to such persons, by reducing the time required under existing law between the receipt of such assets by the Treasury Department and their investment in interest-bearing obligations of the United States. The bill will also facilitate the prompt disbursement of moneys already in the two funds. It will, therefore, not only increase the earning power of the funds but will also permit more expeditious payment to the beneficiaries and policyholders. The bill will not change the present basic investment procedures or policies of the Treasury Department in connection with these funds, except by accelerating the availability for investment of current receipts and by accelerating withdrawals of the proceeds of the sale of invested holdings as this may become necessary for current operations.

Mr. MARTIN of Massachusetts. It comes with the unanimous report of the committee?

Mr. COOPER. The bill is favorably reported by a unanimous vote of the Committee on Ways and Means.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That all cash balances in the United States Government life-insurance fund and the national service life-insurance fund on the enactment of this act, together with all moneys thereafter accruing to such funds, including premiums, appropriated moneys, the proceeds of any sales of investments which may be necessary to meet current expenditures, and interest on investments, shall be deposited with the Treasurer of the United States in the disbursing accounts of the Chief Disbursing Officer, Division of Disbursement, and shall thereupon be available for disbursement for meeting all expenditures and making investments authorized to be made from such funds without covering into the Treasury of the United States and withdrawal on money requisitions. All necessary bookkeeping adjustments of such funds in the accounts on the books of the Treasury shall be made upon the basis of the settlement of disbursing accounts by the General Accounting Office.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EXTENSION OF REMARKS

Mr. CASEY of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks by the inclusion of a speech delivered by myself.

The SPEAKER. Is there objection?

There was no objection.

Mr. CASEY of Massachusetts. Also, Mr. Speaker, I ask unanimous consent to extend my remarks by including a speech delivered by Mr. William H. McMasters.

The SPEAKER. Is there objection?

There was no objection.

Mr. FORAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a report of a select committee of the Rhode Island Senate, on the excessive charges made by the New England Telephone & Telegraph Co.

The SPEAKER. Is there objection?

There was no objection.

Mr. TINKHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a communication to the Hartford Courant of January 21, 1942, signed by Archibald E. Stevenson.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in reference to the statement made by the gentleman from Indiana [Mr. HARNESS] to the young soldier at the listening post in Hawaii.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. BUTLER. Mr. Speaker, I ask unanimous consent that tomorrow, at the conclusion of the legislative business, and any other special orders, I be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, FISCAL YEAR 1943

Mr. LUDLOW. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6511, Rept. No. 1732) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1943, and for other purposes, and pending that I ask unanimous consent that general debate be continued without limit this afternoon, one-half to be controlled by myself and one-half by the gentleman from New York [Mr. TABER].

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. The question now is on the motion of the gentleman from Indiana that the House resolve itself into the Committee of the Whole for the consideration of the bill H. R. 6511.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6511, with Mr. WHITTINGTON in the chair temporarily.

The Clerk read the title of the bill.

Mr. LUDLOW. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Chairman, before proceeding to the details of this measure I would like to express my appreciation of the privilege that has been mine to be associated in the public service with the outstanding group of men who compose our subcommittee, the gentleman from Kentucky [Mr. O'NEAL], the gentleman from West Virginia [Mr. JOHNSON], the gentleman from Texas [Mr. MAHON], the gentleman from Massachusetts [Mr. CASEY], the gentleman from New York [Mr. TABER], the gentleman from Wisconsin [Mr. KEEFE] and the gentleman from Pennsylvania [Mr. RICH], all of whom are conscientiously and zealously devoted to the public interest, and to voice my gratitude to Mr. George Harvey for his very excellent, painstaking work as our clerk. I esteem it a pleasure as well as a high privilege to collaborate in the service of our country with these able men.

In presenting the Treasury and Post Office Department's appropriation bill for the fiscal year 1943 I would call attention to the fact that those two departments perform primarily a service function. The Post Office Department is perhaps more strongly tinctured with the service characteristic than the Treasury Department, but both are predominantly service establishments. In the Postal Service the expenditures for personnel amount to more than 75 percent of the total postal expenditures, and the expenditures for transportation of the mails amount to more than 20 percent of total expenditures, leaving less than 5 percent not directly connected with personal services and railroad transportation. With postal volume already risen to unparalleled and spectacular heights, and still soaring upward, it is plain as a pikestaff that reductions could not be made in postal appropriations without disastrously crippling essential operations.

A similar situation exists, though perhaps in somewhat less degree, in the Treasury Department where the abnormal conditions associated with national defense and the emergency situation have resulted in an enormous expansion of such activities as the servicing of checks, disbursements, the collection of revenue under the new tax law—not to mention additional tax legislation that is on the way—the control of foreign funds, expenses of loans, including especially the promotion of national defense bonds, and so forth, and so forth. All of these and other Treasury operations are growing like rolling snowballs, and with the added obligations due to new legislation and the circumstances created by the national emergency, personnel increases are inescapable.

FEW PLACES TO CUT

Ours is an economy-minded subcommittee and I am sure that every one of us would have hailed with satisfaction an opportunity to make deep cuts in the estimates if there had been any reasonable excuse for doing so. We did make reductions here and there, wherever we could do so without impairing vital activities. We had the welfare of the taxpayers constantly in mind and I can assure the House and the country that we eliminated every dollar of expenditure where we felt that it could be done safely and prudently.

Broadly speaking, the only way to effectuate sizeable reductions in appropriations for the Post Office and Treasury Departments is to cut out existing service and to refuse to provide the necessary finances to meet requirements imposed by our national defense program. If Congress wants that done it should say so and it should not expect an appropriations committee to nullify existing laws and stop the wheels of national defense by a denial of appropriations. Domestic air mail, foreign air mail, rural delivery, and village delivery cost about $137,000,000 a year. Does Congress wish to wipe out such services even to accomplish a handsome reduction in postal expenditure? I think not. I rather imagine there would be a terrific fight if it were attempted. After all, the postal establishment is practically self-sustaining, and it is expected that it will be entirely so in the next fiscal year. It pays its own way. The people pay for the service and they think they are entitled to it, even though it is a service that is mounting in cost. My humble opinion is that there are places in other branches of the public service where governmental expenditures can be cut deeply and wisely, and where they should be cut drastically, but in the nature of things the Post Office and Treasury Departments bill is not one of them.

THE OVER-ALL PICTURE

Let us take a look at the over-all picture of this bill. The Treasury-Post Office Appropriations Act for the fiscal year 1942 carried a total of $1,087,322,266. This bill for the fiscal year 1943 carries a total of $1,112,926,899, an increase of $25,604,633. The appropriations for the Post Office Department in 1942 carried a total of $844,920,661. This bill carries a total of $902,969,923 of postal appropriations for the fiscal year 1943, an increase of $58,049,262. The Treasury Department appropriations for 1942 totaled $242,401,605. This bill carries $209,956,976 for the Treasury Department in 1943, a reduction of $32,444,629. Deficiencies and supplemental appropriations for 1942 are not included in this recapitulation. The comparison is the regular appropriations for 1942 with the bill now presently before us.

In fairness, it should be said that the reduction of $32,444,629 in the appropriation for the Treasury Department is more apparent than real.

Summing up the Treasury situation, we find that when we deduct the nonrecurrent items for reduction in interest on farm mortgages and payments to the Federal Farm Mortgage Corporation, totaling $36,400,000, carried in the 1942 bill the total appropriated in this bill for operations of the Treasury Department is $3,955,371 in excess of the amount carried for the Treasury operations in the fiscal year 1942.

"I am surprised that it is not more," said Secretary Morgenthau, speaking from intimate knowledge of the vast expansion in his Department.

ROSY POSTAL PICTURE

The postal picture is rosy. We are in a period of extraordinary inflation of postal business. All precedents have been shattered both as to postal revenues and postal expenditures. We are at the all-time peak. As the tide steadily rises, all forecasts are off and estimates take on an unstable character. Already the upsurge has compelled the Department to revise upward its estimates for the current fiscal year. When representatives of the Department were before our subcommittee last year they estimated that postal revenues for the fiscal year 1942 would be $795,000,000 and that expenditures would be $846,012,583. They now estimate that their prediction has fallen short $65,000,000 in respect to revenues and $31,401,633 in respect to expenditures in the fiscal year 1942.

TONGUE AND BUCKLE CLOSE TOGETHER

The most encouraging part of the postal financial picture is that the time when tongue and buckle will meet in the Postal Service appears to be drawing ever nearer. On page 4 of our committee hearings is a table which speaks volumes as to postal growth. It is on an actual basis as to the past and is projected on an estimated basis over the fiscal year 1943. It shows that in the fiscal year 1940 the operating deficit of the Post Office Department was $41,358,783.73. In 1941 it was $26,963,681.65. In 1942 it has dwindled to $17,414,220 and it is estimated that in 1943 there will be no deficit but on an over-all surplus of $848,009. In other words, in spite of the financial drag caused by the nonpostal operations, such as penalty and franked mail, mail for the blind, free circulation for second-class publications in the county, and so forth, which do not pay their way, and in spite of the many burdens imposed on the Department which are not wholly reimbursed, it is now estimated that the Postal Service will be $848,000 more than self-sustaining in the fiscal year 1943. The revenues for that fiscal year are estimated at $907,000,000, and the expenditures and obligations at $906,151,991.

SUMMARY POSTAL TABLE

By unanimous consent I insert in the RECORD this summary 5-year table of postal receipts and expenditures, as follows:

Fiscal year	Revenue	Percent increase over previous year	Expenditures and obligations	Percent increase over previous year	Operating deficit
1939	$745,955,075.24		$786,122,320.08		$40,167,244.84
1940	766,948,626.74	2.81	808,307,410.47	2.82	41,358,783.73
1941	812,827,735.71	5.98	839,791,417.36	3.89	26,963,681.65
1942 [1]	860,000,000.00	5.80	877,414,220.00	4.48	17,414,220.00
1943 [1]	907,000,000.00	5.47	906,151,991.00	3.28	+848,009.00

[1] Estimated.

FRANK AND PENALTY MAIL

In the fiscal year 1941 the cost of the nonpostal items was reflected in a loss of revenue estimated at $67,092,124. Of this amount, the loss due to penalty mail, the free mailings of bureaus and departments, was the large item, accounting for $49,020,190 of the total, or a jump of nearly $10,000,000 over the cost of handling the penalty mail in the fiscal year 1940. In 1939, 970,764,376 pieces of penalty mail were handled; in 1940, 999,138,119 pieces; and in 1941, 1,123,563,721 pieces. It is believed this increase of penalty—departmental—mail will be continued during the present and the next fiscal years. On the other hand, franked mail—the mail of Members of Congress—shows a decrease. During the fiscal year 1940, 45,136,539 pieces of franked mail were handled by the Department at estimated loss of revenue amounting to $1,217,561, while in 1941 the number of franked pieces was 30,920,380, with loss of revenue amounting to $926,843.

LET GEORGE DO IT

The Post Office Department has a sort of "let George do it" relationship with a lot of Government activities which throws the postal picture continually out of perspective. The estimated cost of aircraft service over revenues, that is to say, the air-mail subsidy, amounting to over $5,000,000, is a charge on the Post Office Department. The Post Office Department obligingly sells defense savings stamps, internal-revenue stamps, and migratory-bird stamps. It registered and fingerprinted more than 5,000,000 aliens. It is selling the automobile-use stamps. For such services performed by the postal establishment for the benefit of other branches and agencies of the Government, and in aid of general welfare and national policy activities, the establishment, as Postmaster General Walker expresses it, "is sometimes reimbursed in full, sometimes in part, and sometimes not at all." That the Department is able to overcome these drags and the obligations imposed by recent laws, such as the Ramspect promotions and vacation and sick leave for substitutes, and still show up in the black in 1943 is, I think, distinctly to its credit.

GREATEST BUSINESS IN THE WORLD

The United States Postal Service is the largest business organization in the world. The over-all number of its employees on November 30 last was 277,388, of whom 82,987 were clerks at first- and second-class offices, and 62,392 were City Delivery carriers. Through its 44,000 post offices and classified and contract stations, the postal establishment was hired during the fiscal year 1941 to transport and deliver approximately 28,000,000,000 pieces of mail, weighing some 3,000,000 tons, representing an increase over the fiscal year 1940 of 250,500,000 pieces of mail and 45,142 tons.

In stressing the service character of the postal establishment, may I again cite specifically the fact that out of every dollar of expenditures for that establishment 75.3 cents is spent for personnel

and 20.2 cents for transportation of the mail, leaving only 4.5 cents for other items such as rent, light and fuel, supplies and equipment, travel expense, repairs and alterations, indemnities, claims and losses, and communication service.

With mail volume in a sensational upward spiral and with a certain minimum personnel being necessary to handle the mails, it is perfectly obvious that your committee, even if it chose to do so, could not bring in a bill reducing postal appropriations without cutting off functional operations created by acts of Congress or drastically reducing services which the people are used to and which they demand and expect. If Congress desires to repeal these functions or to deny the people service they demand, it can do so by specific acts but the proper vehicle to accomplish these disastrous reforms is not an appropriation bill.

BUDGET FOLLOWED ON MAIN PERSONNEL ITEMS

Because of the conditions above described, in implementing the service with funds for personnel we have followed in the main the Budget recommendations, believing that under the circumstances those recommendations are a safe and conservative guide for procedure. The Post Office Department thinks so, too, and although the Department recommended higher personnel appropriations to the Budget it now believes that the wise and prudent thing to do is to stand on the Budget estimates. While there is no reason to think that the upward trend of postal volume and consequent expenditures will show a reversal tendency soon, nevertheless these are times of flux, with the dial of uncertainty registering frequent vacillations, and if additional personnel amounts are needed before the fiscal year 1943 is over the Department will have justifiable cause to ask for deficiency appropriations, as there is a trite but true saying that "the doors of the deficiencies subcommittee, like the temple of Janus, are always open." Meanwhile, there can be no suffering and no weakening of the postal service to the public, as the Department is always privileged to appoint additional clerks and carriers when vitally needed to move the mails and then come to Congress for the necessary appropriation later.

MR. DONALDSON'S STATEMENT

To substantiate my statement in regard to the Department's willingness to proceed on the basis of the Budget estimates for the large personnel items, which our subcommitttee approved, I direct your attention to testimony on page 78 of the hearings. I was interrogating Jesse M. Donaldson, the efficient Deputy First Assistant Postmaster General:

Mr. LUDLOW. Mr. Donaldson, I think you have usually taken the position that it is sound procedure to stand on the Budget estimates and make the appropriation based upon the Budget estimate?

Mr. DONALDSON. Yes.

Mr. LUDLOW. Is that satisfactory to you for this year?

Mr. DONALDSON. More so this year because there will be a great many things arise during the war, and we would have no idea what the cost would be. I think it is safe to say that the cost will be much more than the estimates we are giving you here, but I do not think it would be good judgment to try to figure exactly what the amount would be. I would rather come back and present the justifications before you when we have some actual costs or figures as to what this cost will amount to.

Mr. LUDLOW. That has been your position heretofore.

Mr. DONALDSON. That has been my position all along.

Mr. LUDLOW. And you see no reason to change it now.

Mr. DONALDSON. No.

The amounts which your subcommittee recommends to be appropriated for the main personnel and transportation items of the Postal Service for the fiscal year 1943, acting in full agreement with the Bureau of the Budget and the Post Office Department, are as follows:

Clerks and employees at first- and second-class post offices, $229,900,000, an increase of $13,900,000 over the fiscal year 1942.

Letter carriers, city-delivery service, $162,500,000, an increase of $11,000,000 over the fiscal year 1942.

Salaries in the Railway Mail Service, $60,530,175, an increase of $3,052,725 over the fiscal year 1942.

Transportation of mail by railroad routes and mail-messenger service, $126,000,000, an increase of $13,699,415 over the fiscal year 1942.

ENFORCED PERSONNEL INCREASES

On page 45 of the hearings is an illuminating table showing how rapidly the Department has been forced by increased business to take on personnel during the present fiscal year. In the regular post-office appropriation bill for 1942 we provided for the appointment of 750 additional clerks in first- and second-class post offices. In 5 months, or by the end of November, the Department had actually appointed 2,617 additional clerks, and it estimates it will have to appoint 3,675 more before the fiscal year is over, making a total of 6,292 during the fiscal year, against the anticipated number of 750. On November 30 there were in service 82,987 clerks at first- and second-class offices, the peak of all time.

In the bill making appropriations for the fiscal year 1942, we made provision for the appointment of 600 additional city carriers. In the first 5 months of the fiscal year 1,417 were actually appointed and it is estimated that 1,855 more will be appointed before the fiscal year is over, making 3,272 additionals during the year. On November 30 last there were 62,392 city carriers in service which also was the peak of all time in carrier personnel. The bill which we bring to you provides for the appointment of 3,200 additional clerks and 2,000 additional carriers in the fiscal year 1943. During the last 3 fiscal years more than 5,000 additional clerks have been appointed, due to the national defense situation alone—see Mr. Donaldson's testimony, page 43 of the hearings.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from Ohio.

Mr. BENDER. I notice in the Post Office Department appropriation bill hearings that for 1943 the operating deficit of former years is turned into a surplus of $848,000.

Mr. LUDLOW. Eight hundred and forty-eight thousand dollars.

Mr. BENDER. Is that a correct picture, or will you be coming back here some time this year for a possible increase in addition to the appropriations you are asking for 1943?

Mr. LUDLOW. I will say to the gentleman that is only an estimate. I may say that since this bill was drafted and since the hearings took place there has been another hearing of postal officials before the deficiency subcommittee which indicates that that prognostication is not optimistic enough; that the over-all surplus will be much larger in 1943 than $848,000. It is estimated now that it will run into some millions of dollars, the latest estimate. Of course, that is a fluctuating matter. A sudden turn for the worse might make a change in the picture, but at the rate at which revenues are going forward now it seems positively certain that the Post Office Department will be self-sustaining in the fiscal year 1943.

Mr. BENDER. If it is it will be the first time in many years that that has occurred.

Mr. LUDLOW. That would be the self-sustaining over-all, including non-postal items; a complete over-all surplus.

Mr. BENDER. I thank the gentleman.

A NEW MECHANISM

Mr. LUDLOW. At the urgent request of the Postmaster General we have authorized the establishment of a new mechanism in his Department, to be under his direct control, to be known as the Office of Budget and Administrative Planning. There does not now exist in the Department any facility for the adequate, constant, intensive, continuous, year-round study of budgetary matters, which in a department of this size is considered essential for good management. This mechanism will function constantly in a policy recommending and budgetary advisory relationship. Your subcommittee has faith in the managerial ability of the Postmaster General and accepts with a feeling of assurance his statement that this new office is vitally needed from the standpoint of efficient and progressive management of his great Department. The set-up presented to us provided for 14 persons with an allowance of $47,500 for salaries. We have not believed that it was wise or necessary to approve the entire amount but have allowed $25,000 to establish the unit, believing that with the authorization for the creation of the office the Postmaster General can easily supplement the limited number of appointive positions which we allowed by detailing personnel from the inspection force and other services. We are told that this planning mechanism, when it is fully functioning, will result in revisions of the Department's accounting system that will afford as complete protection as human mind can devise over $8,000,000,000 of annual transactions in the public's money.—See Postmaster General's statement, page 7 of the hearings.

THE INSPECTION FORCE

The inspection force has been called the eyes and the ears of the Postmaster General, but it is much more than that. It plays a very great and very vital part in the workings of the postal system. It is the main dependence of the Postmaster General in seeing that postal operations are conducted smoothly, economically, and honestly and in suggesting improvements for the betterment of the Service. More than 28,000,000,000 pieces of mail are entrusted to the Postal Service annually by the citizens of this country. This vast quantity represents tremendous money values, as well as business and personal secrets of untold importance to the people. It is a constant responsibility of inspectors to locate points where losses occur and to cultivate the interest and alertness of the 273,000 postal employees in making the mails constantly safer. Adequate postal supervision would require the inspection of every sizable post office at least once a year, but many post offices have gone without inspection 2 years or longer, due to a lack of inspection personnel. In the fiscal year 1941, 16,255 post offices were not examined on that account. It would have required 51 additional men to do this work.

ONE HUNDRED INSPECTORS ALLOWED

An enormous additional burden has been imposed on the inspection force by the national emergency, followed by the active entrance of the United States into the war, and 55 inspectors are now giving all of their time to defense work in supervising and coordinating the field operations incident to providing postal service to the armed forces. This is a very arduous and difficult task, due to the unpredictable movements of mobile military units, and it is expected that a much larger force will have to be assigned to this duty in the future.

We all know how eager our soldiers are to hear from home and how anxious parents are to maintain contact with their boys in the camps through the mails. Anything which breaks that contact creates dissatisfaction and weakens morale. Before Pearl Harbor 55 postal inspectors had been assigned to work exclusively in connection with the establishment and maintenance of mail for the armed forces and since Pearl Harbor 71 more are being so assigned, making a total of 126 inspectors detached from ordinary postal work and assigned to duties associated with military operations.

Since the increase of work devolving upon the inspection force is unquestionable and its duties are rapidly expanding and becoming more burdensome, the Budget Bureau was asked by the Department to approve the appointment of 206 additional inspectors to augment the present force of 635 inspectors and 15 inspectors at large. The Budget Bureau reduced the number recommended to 125, and we have allowed for 100 additional inspectors in this bill. While the load is heavy, we believe that under a careful assignment of the work and with every inspector giving his maximum effort, this increase will meet the requirements.

RURAL DELIVERY

For rural-delivery service we have allowed the Budget estimate of $92,200,000, which is an increase of $100,000 over the appropriation for 1942. We have continued the provision, carried for some years in the bill, that not less than $200,000 of the amount appropriated shall be available for extensions and new service. The definite figures carried in this bill are $175,000 for extensions and $75,000 for new routes in the fiscal year 1943, or a total of $250,000 to extend the Service.

VILLAGE DELIVERY

For village-delivery service we carry in this bill the Budget estimate of $1,625,000 to continue all existing village deliveries. No new village delivery service has been established since 1932 save in two exceptional instances. When the receipts of a village post office reach $10,000 it is entitled to city delivery and during the fiscal year 1941 thirteen city-delivery services were established in lieu of village delivery (see p. 17 of the Postmaster General's annual report), which accounts for a reduction of $50,000 in the appropriation for village delivery in 1943 as compared with 1942.

We have provided $100,000 to extend the use of postage-meter machines in congested mailing centers where they are proving very valuable devices in saving time and expediting the handling of the mails.

COTTON VERSUS JUTE

We are carrying in this bill a provision that has been the subject of much debate in the past, which reads as follows:

Not more than three-fourths of the funds appropriated for the purchase of twine shall be expended in the purchase of twine manufactured from materials or commodities produced outside the United States.

The practical meaning of this provision is that at least one-fourth of the dollar volume of the appropriations for twine used in the Postal Service shall be spent for cotton twine and not more than three-fourths shall be spent for jute twine.

Speaking for myself alone I would be very reluctant to continue this provision if it were not for the unsettled world situation. When some years ago we opened the door for the purchase of cotton twine under a mandatory order to the Post Office Department it was with the distinct understanding and belief that the cotton twine manufacturers would enter into the spirit of competition and would submit bids within reason. On May 23, 1941, the last bids for twine were opened. Only one bid for cotton twine was received, and it was at the rate of 29.5 cents a pound. At the same time jute twine was offered to the Department at 17 cents a pound. Both twines are equally serviceable. It cannot be expected that the Government will continue forever to pay a differential of 12.5 cents a pound in favor of cotton twine which, as matters now stand, amounts to a subsidy to one manufacturer. Frankly, it would behoove cotton twine manufacturers to get busy if they desire to hold this business, as the American taxpayer has some rights in the premises.

JUTE MAY BE CUT OFF BY WAR

In deciding to continue this provision for another year and thus give the cotton twine manufacturers a chance to display more lively interest, our subcommittee was guided to a considerable extent by expert testimony that the dislocation of shipping, due to the World War, may make it impossible to get the required supplies of jute from India. Twine, of course, is very essential in postal operations. Vast quantities of it are used. To risk getting a supply, even at an abnormal price, would seem to be imprudent. When George W. Trexler, assistant director of the equipment and supplies branch of the Fourth Assistant Postmaster General's office was before our subcommittee the following colloquy occurred:

Mr. LUDLOW. If the cotton twine were eliminated from the bill, could you get an adequate supply of jute twine, or would world conditions jeopardize the acquisition of jute twine?

Mr. TREXLER. World conditions will make that problematical next year.

Mr. LUDLOW. So that, in the exercise of common, ordinary prudence, it might be well to continue the provision as is, pending a more composed world condition, would you say?

Mr. TREXLER. Obviously, we have to have some source of supply for twine.

WHAT PURCHASING AGENT WANTS TO KNOW

Mr. Trexler also was asked why the manufacturers of cotton twines do not take a greater interest in selling them to the Government and his reply was:

That is what the purchasing agent of the Post Office Department is trying to determine. He is constantly trying to interest more bidders, but he has not been successful to date. (See pp. 253–256 of the hearings for testimony on this subject.)

The Department's program calls for the purchase of 2,200,000 pounds of jute twine at 17 cents a pound in the fiscal year 1943 and 400,000 pounds of cotton twine at 29.5 cents a pound. If the cotton twine were obtainable at the same price as jute twine there would be a saving of $50,000 to the Treasury on cotton-twine purchases.

FIVE HUNDRED ASSISTANT POSTMASTERSHIPS

You will find on page 26 of the summary statement in the report what appears to be a decrease of $1,100,000 below the Budget in our appropriation for clerks at first- and second-class post-offices and an increase of $1,152,800 over the Budget in the pay of assistant postmasters. This requires an explanation. The Post Office Department has long contended, very earnestly and insistently, that in the interest of good administration, every post office of the first and second classes should have an assistant postmaster. There are 2,187 of these offices where assistant postmasters have not been authorized. Usually when a postmaster is away from his post a clerk is designated to act as assistant in charge, without any increase of rank or pay, and the Department does not re-

gard this as fair or in accord with good practice.

The Department officials proposed to us a plan of converting clerks into assistant postmasters at all of the 2,187 post offices that have no assistant postmasters. Each clerk so designated would have the permanent rank of assistant postmaster with a little extra emolument ranging from $100 to $150, to compensate him for his extra responsibilities. The entire conversion process could be accomplished with an additional obligation on the Treasury of only about $200,000.

Our subcommittee saw some merit in the suggestion but failed to agree that it is necessary or desirable to appoint assistant postmasters at all of the 2,187 offices that have none at present. We allowed assistant postmasters at one-fourth of that number, and we believe that by a judicious distribution of these appointments the Department can take care of all necessitous cases. There is no real reduction in the number of clerks allowed, but some of the worthy clerks, long in the Service, will be promoted to the status of assistant postmaster. The additional obligation on the Treasury will be relatively small, or in the neighborhood of $52,800. Our subcommittee will now expect to witness some of the good results so often and so ardently promised by the advocates of this conversion of personnel.

EVIDENCES OF WORLD DISTURBANCE

In the operations of both the Treasury and Post Office Departments we encountered many tangible evidences of violent world disturbance. Especially is this noticeable in the field of foreign air mail. Old-established services have been disrupted or extinguished entirely by the war. New aviation lanes have been opened in virgin territory in South America and Africa. No longer do our mail-carrying airships penetrate the Far East. Service to Singapore and Hong Kong, Canton and Auckland has been abandoned, but mail is being carried by airplanes to Hawaii on regular schedules. It has been found necessary to submit revised foreign air estimates in the light of developments following our entrance into the war. These revisions, just received, eliminate service that would have cost $2,451,623 on a basis of the original estimates. It is expected that when peace is restored this suspended service will be revived.

DOMESTIC AIR MAIL GETTING IN BLACK

The domestic air-mail service is in a fine financial position with a 25-percent increase in revenues for the fiscal year 1941 over the fiscal year 1940. Roy Martin, Superintendent of the Air Mail Service, told our subcommittee that if revenues continue at the present rate it is probable that by the end of the present fiscal year the subsidy will be washed out of domestic air mail entirely and for the first time that service will be "in the black"—see Mr. Martin's testimony, page 120 of the hearings. The subsidy has been running around $4,000,000 a year over all factors of cost, direct and indirect.

NEW FREQUENCIES GRANTED

In this bill we do not provide for any new domestic air-mail routes, but we do make provision for much-needed increases of frequencies on 15 routes, totaling $805,652 in per annum cost. The additional frequencies recommended are as follows:

Route	Proposed increases in frequency of service	Annual cost
	1 round trip daily:	
46	Buffalo-Pittsburgh	$20,403.50
47	St. Louis-Nashville	57,509.40
	Evansville-Louisville	19,549.40
48	Minneapolis-St. Louis	129,808.60
	Des Moines-Kansas City	43,186.80
51	Norfolk-Knoxville	89,775.40
52	Great Falls-Lethbridge	43,431.35
53	Memphis-Houston	112,923.70
54	Cincinnati-Atlanta	80,446.00
55	Pittsburgh-Birmingham	133,900.25
24	Augusta-Savannah	20,622.50
13	1 round trip daily, except Sundays and holidays, between Los Angeles and San Diego, changed to 1 round trip daily.	5,770.18
20	1 round trip daily, except Sundays and holidays, between New Orleans and Houston, changed to 1 round trip daily.	11,587.13
28	1 round trip daily, except Sundays and holidays, between Great Falls and Cheyenne, changed to 1 round trip daily.	23,705.41
17	1 round trip daily, except Sundays and holidays, between Cheyenne and Denver, changed to 1 round trip daily.	4,191.36
30	1 round trip daily, except Sundays and holidays, between Chicago and Fort Worth, changed to 1 round trip daily.	30,972.64
32	1 round trip daily, except Sundays and holidays, between Grand Rapids and Chicago, changed to 1 round trip daily.	4,361.28
	Total increased frequencies	831,744.90
	Less deduction for approximate 97 percent performance of service.	26,092.90
	Net amount required	805,652.00

The following table details the estimate for increased mail loads on existing frequencies, also approved by our subcommittee:

Route	Termini	Annual increase
1	New York-San Francisco	$186,762
2	New York-Los Angeles	149,424
3	Chicago-Seattle	116,527
4	Fort Worth-Los Angeles	70,009
5	New York-New Orleans	77,211
6	New York-Miami	63,127
10	Chicago-Jacksonville	28,357
13	Salt Lake City-San Diego	12,805
18	Boston-New York	10,061
23	Albany-Fort Worth	69,989
30	Chicago-Fort Worth	15,378
44	Kansas City-Pittsburgh-New York	85,590
	Total estimated increase in cost for 1943	885,240

MANY CHANGES WROUGHT

In the Treasury Department the war has wrought many changes which deprived us of our customary landmarks in applying appropriation procedure. Old delineations have been wiped out and obscurities have arisen which perplex and make the way difficult. Especially did we find this true in reference to two important submissions—the estimate of $5,018,150 for the foreign-owned property control and the proposed limitation of $14,826,195 on the indefinite appropriation "Expenses of loans" to carry on the campaign for the sale of defense securities to finance the war.

The foreign-funds control was set up by Executive order in the office of the Secretary of the Treasury on April 10, 1940, 2 days after Germany invaded Norway and Denmark. The governments and nationals of 32 countries are now covered by the control, the Philippines being the last to come under the blanket. The office now has foreign assets of about $7,000,000,000 under its control. For salaries and expenses in 1942 the control received an appropriation of $1,250,000, to which a supplemental appropriation of $2,500,000 was added later; and from present indications even it will be exhausted by March 31, next.

MR. GRAVES' GOOD WORK

Mr. Harold N. Graves, Assistant to the Secretary of the Treasury, is in charge of the sale of defense securities. He has built up the nucleus of a splendid organization and is doing a magnificent job. He has an office in every State, and the membership of his State and local committees is in the neighborhood of 100,000. See page 276 of the hearings. This gives an idea of the basic proportions of this gigantic sales enterprise which is expected to produce about $7,500,000,000 a year to help in financing the war effort. In December the income from sales of securities was $528,000,000.

The bill which we have prepared, and which is now before us, provides appropriations for the fiscal year 1943, and it will not go into effect until July 1 next. It is utterly impossible for the foreign funds control or Mr. Graves' defense securities sales organization to tell at this time how much money they will need to carry on their operations in the fiscal year 1943. It is definitely known that the appropriation of $14,826,195, estimated under the head of "Expenses of loans," will be utterly inadequate to carry the bond sales campaign through 1943, and, if granted, will amount to nothing more than a token appropriation, as it is certain this campaign will cost $27,250,000 during the present fiscal year alone, and it is estimated that it will cost more than $40,000,000 during the fiscal year 1943.

BOTH ITEMS DEFERRED

It did not seem to your subcommittee that it would make sense to appropriate now for foreign funds control and expenses of loans in the fiscal year 1943 when we have such utter lack of information as to what the appropriation requirements will be, so we left both of these items out of the bill and suggested that more accurate estimates be presented to the Deficiencies Subcommittee when the needs are more definitely ascertained.

TREASURY ACCOUNTING SYSTEM

There was submitted to us by the Treasury Department an estimate of $250,000 to establish a new system of governmental accounting under Executive Order 8512, to cost ultimately $730,000 a year, but it was the opinion of a majority of our subcommittee that this matter could well be deferred, at least until a more substantial basis of cooperation could be worked out between the Treasury Department and the General Accounting Office. The Budget and Accounting Act enjoins upon the Comptroller General the duty of prescribing "the forms, systems, and procedure for administrative appropriation and fund accounting in the several departments and establishments," and there seemed to

be a prospect of a conflict of jurisdiction which should be ironed out preliminary to congressional action.

INTERNAL REVENUE BUREAU DEALT WITH LIBERALLY

We have made liberal provision in this bill to implement the Bureau of Internal Revenue adequately with funds and personnel necessary to collect the revenue under our rapidly expanding tax program. It would seem wise to do this, for the Bureau of Internal Revenue is in a sense analogous to the "goose that laid the golden egg." Upon the efficiency and productiveness of its operations depends to a considerable extent the financial inflow so much needed to run the Government in these trying times. We allowed in full the Budget estimate of $80,968,940 to run this Bureau during the fiscal year 1943, and in doing so we were conscious of the probability that even so large an amount will be wholly inadequate after the passage of additional tax legislation now in the offing. The sum we allowed to the Internal Revenue Bureau is an increase of $4,622,394 over the combined regular and deficiency appropriations of the current fiscal year.

BROADEST TAX BASE IN HISTORY

We now have the broadest tax base in the history of America and obviously it is going to get broader. Public Law 250 of the Seventy-seventh Congress, generally known as the 1941 tax law, widened the income-tax bases by lowering exemptions and increasing rates, laying the foundation for an estimated increase of 6,108,000 income-tax returns, and an estimated increase of 5,500,000 in the number of income-tax payers. It is believed from a late bureau survey that this new law will bear out the original prediction that it will yield in Federal revenue approximately $3,500,000,000 annually. The 1941 tax law will impose a very large volume of additional work on the Bureau of Internal Revenue. To accomplish the effective collection of these new and additional taxes we allowed the supplemental estimate of $7,680,288 over the amount of $73,228,652 which was the estimate to cover the regular operations of the Bureau in 1943, bringing the total to $80,968,940. Additional personnel allowed to enforce the 1941 tax law includes:

In Washington, 70 regular and 110 temporary employees in the Income Tax Unit and 42 employees in the Chief Counsel's office; total salary obligation, $312,800.

In the field, 47 employees in collectors' offices, and 56 employees in the Chief Counsel's field force; total salary obligation, $260,200.

For internal revenue refunds, fiscal year 1943, we have allowed $59,000,000, a reduction of $1,000,000 below the Budget estimate. However, it should be explained that there will be a carry-over into the fiscal year 1943 of $3,253,068, making the total amount available $62,253,068. We believe this will meet the requirements, but if it does not a deficiency appropriation will be in order.

BUREAU OF CUSTOMS

For salaries and expenses of the Bureau of Customs we allowed $21,385,555. The Budget estimate was $21,472,293. It was our thought that world conditions must inevitably result in a falling off of imports which would make a reduction of customs personnel logical and possible. For customs refunds and drawbacks we allowed the Budget estimate of $19,000,000, but we rejected a request that this be made an indefinite appropriation, believing that it is in the public interest that the submission of annual estimates to our committee be required. As an indefinite appropriation the expenditures under this head would be removed from the watchful eye of the Appropriations Committee, which we believe would not be good public policy though it may be true that the existing system sometimes imposes hardships on taxpayers whose money, when tied up in these refunds, bears no interest.

The Bureau of Engraving and Printing, which is running three shifts a day printing war bonds; the Bureau of Accounts and the Division of Disbursements, which service the vast volume of Government payments, and the Office of Treasurer of the United States, are all feeling the heavy impact of war work, as are numerous other activities of the Treasury Department. We have tried to view their problems understandingly and sympathetically and to make provision for their reasonable needs.

Mr. O'NEAL. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. O'NEAL. I cannot refrain from mentioning to the House at this time something of the service of our chairman of the subcommittee on the Treasury and Post Office Departments. I know the House is aware of the ability and conscientious care always displayed by the chairman of this subcommittee, the gentleman from Indiana [Mr. LUDLOW], but I do not believe you will fully appreciate or could know the extreme amount of himself that he put into these bills, as well as it is known to members of the committee.

The gentleman from Indiana started the committee work on this bill, a billion-dollar bill, in December, and almost daily from that time until the present he has sat in the consideration of these amounts. Every item in this bill has been carefully scrutinized by him and by the committee. There was a tremendous amount of detail work, both in preparation and in the hearings and in the presentation of the bill. The gentleman from Indiana [Mr. LUDLOW] has stuck to that job day in and day out and, in my opinion, has brought before you a bill as carefully prepared from the standpoint of the interests of the Government and all concerned as could be brought to you. The gentleman from Indiana is conscientious and considerate of all interests concerned and highly intelligent in the judgment that he exercises. He is a great friend of the employees of the Post Office Department and the Treasury Department, but at the same time he has never hesitated to do all that he could in the interest of economy and the best interests of this country.

As a member of that committee I have taken this time to pay tribute to him, because there is no one in the House of Representatives who does his work as a Congressman more thoroughly and more conscientiously.

Mr. LUDLOW. I just want to say that I cannot find words to express my appreciation of the kindness of the gentleman from Kentucky [Mr. O'NEAL].

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back 4 minutes.

Mr. WOODRUFF of Michigan. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN (Mr. WHITTINGTON). The Chair will count. [After counting.] Seventy-two Members are present. The point of order is well taken. A quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 19]

Anderson, N. Mex.	Gale	Pierce
Andrews	Gamble	Reece, Tenn.
Arnold	Green	Rivers
Barden	Haines	Romjue
Barry	Hall, Leonard W.	Sacks
Bates, Mass.	Halleck	Satterfield
Beam	Harrington	Sauthoff
Bell	Harris, Va.	Scanlon
Bolton	Holmes	Schaefer, Ill.
Boykin	Hook	Schuetz
Bradley, Pa.	Jensen	Shafer, Mich.
Brown, Ohio	Johnson, Lyndon B.	Shannon
Buckler, Minn.	Kee	Sheridan
Buckley, N. Y.	Kelley, Pa.	Smith, Ohio
Burdick	Kelly, Ill.	Smith, Pa.
Camp	Klein	Smith, Va.
Cannon, Fla.	Kopplemann	Snyder
Celler	Kramer	Somers, N. Y.
Chenoweth	Lambertson	Stevenson
Clark	Landis	Stratton
Clason	Lane	Sweeney
Coffee, Nebr.	Larrabee	Tenerowicz
Cooley	Lesinski	Thill
Creal	McGehee	Thom
Ditter	McGranery	Voorhis, Calif.
Douglas	Maciora	Vreeland
Eaton	Magnuson	Walter
Elliott, Calif.	Marcantonio	Weiss
Ellis	Mitchell	Wene
Fish	Myers, Pa.	Wigglesworth
Fitzgerald	O'Day	Worley
Fitzpatrick	Osmers	Wright
Ford, Thomas F.		Youngdahl

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WHITTINGTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill, H. R. 6511, the Treasury-Post Office appropriation bill, 1943, finding itself without a quorum, he had directed the roll to be called, when 332 Members answered to their names, a quorum; and that he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its session.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, on January 15, 1942, I placed in the RECORD a statement of facts regarding the activities of Lieutenant Governor Frank Murphy, of Michigan, in seeking employment with the Brunswick-Balke-Collender Co., of Muskegon, Mich., in their negotiations with the Government in trying to obtain defense contracts, the statement being based upon facts as presented to me by

the general manager and the officials of that company.

The sixth edition of the Detroit News of January 15, carried a statement of Mr. Murphy as made when he returned from a trip to Washington. The morning edition of the Detroit Free Press of January 16, carried another statement of Mr. Murphy regarding the matter as did the Detroit Times of the same day. In fairness to Mr. Murphy I am placing these statements in the RECORD and I ask unanimous consent to include these statements in my remarks.

[From the Detroit News of January 15, 1942]

NEVER ASKED CONTRACT FEE, MURPHY ASSERTS

"I don't know anything about this."

This was Lt. Gov. Frank Murphy's reply today to the accusation that he had approached officials of the Brunswick-Balke-Collender Co., of Muskegon, seeking a commission for his services in obtaining a war contract for the company.

The charge was made in Washington by Representative ALBERT J. ENGEL, Republican, of Muskegon, who has demanded a congressional inquiry.

Murphy was interviewed at the union depot this morning as he alighted from a train on his return home from Washington. He said that he knew both S. B. Withington and J. J. Hoffman, officers of the Muskegon company.

"But I never suggested receiving a commission or a fee or payment of any kind for my influence," Murphy declared. "I am always willing to do anything I can to introduce action before the Office of Production Management or any other Washington agency to obtain war work for any Michigan industrial firms.

"All I can do is to take Michigan manufacturers to Washington and introduce them to officials. I can help a manufacturer find the official who is ordering the kind of materials the manufacturer produces."

Murphy said the Brunswick-Balke-Collender firm had asked him to recommend a man they considered hiring for the firm's Washington office. Murphy told them he believed the man was acceptable. They then asked him how much they should pay the prospective employee, Murphy said. He suggested they pay him $1,000 or $2,000 a month, he declared.

"Was there any inference that part of the prospective agent's salary would end up in your hands?" Murphy was asked.

"No. Not unless there was some misinterpretation on the firm's part," he replied.

Murphy added that he recently met the would-be agent and was told the man had never gotten the job.

VAN WAGONER'S COMMENT

Governor VanWagoner said that he had not heard of charges against Lieutenant Governor Murphy.

He pointed out that until his resignation recently, V. B. Steinbaugh has been Michigan's contact man in Washington.

"We deliberately and carefully avoided any activity in behalf of any individual or company," he said. "That was one of the things we felt necessary and right to do. All our work was on the general subject of unemployment."

The Governor said Murphy never was designated to represent the State or the administration in any matter involving a defense contract.

[From the Detroit Free Press of January 16, 1942]

Lt. Gov. Frank Murphy, of Detroit, Thursday denied Washington charges that he sought a brokerage commission from a Michigan manufacturer for obtaining defense contracts and demanded an opportunity to appear before the House Military Affairs Committee Saturday to answer allegations brought by Representative ALBERT J. ENGEL, of Muskegon.

Murphy wired Representative ANDREW J. MAY, of Prestonburg, Ky., chairman of the Military Affairs Committee, asking an opportunity to be heard before the assembling of the extraordinary session of the Michigan Legislature on Monday.

MURPHY READY TO LEAVE

Although he has just returned from the Capital, Murphy said that he was ready to leave Friday, and thought that it was his right to clear the record promptly.

Representative ENGEL had accused Murphy of negotiating with S. B. Withington, Washington representative of the Brunswick-Balke-Collender Co., of Muskegon, for a commission on defense contracts, that he might be able to influence through his official position.

ENGEL, in demanding that the Military Affairs Committee investigate the activities of Lieutenant Governor Murphy, put in the House record a statement saying that J. J. Hoffman, vice president and general counsel of the Brunswick-Balke-Collender Co., reported the Murphy "sought employment by this company in its negotiations with the Federal Government concerning defense business."

"I met Mr. Withington only once and nothing in our conversation could be interpreted as even hinting at such a thing," Murphy said in Detroit. "I know no Army or Navy authorities in charge of contracts."

"At the inauguration in Washington, I met many Michigan people and offered any help my office might be able to give in bringing business into the State that would help increase war-materials production."

ASKED TO HELP GET JOB

"On November 2, a young man, Edgar T. Clapp, of 5027 West Outer Drive, who was one of those to whom I had offered help, called me asking if I would assist him in securing a position with Brunswick-Balke-Collender Co., of Muskegon. On November 7, I met this gentleman in Muskegon and went with him to the office of the Brunswick-Balke-Collender Co.

"There, this gentleman, Mr. Withington, and I conversed regarding his representation of the company. Mr. Clapp suggested that he would like to work for a commission. My advice regarding this request was asked and I informed those present that it would be more expedient that the company put the gentleman on the pay roll at salary and expenses."

OFFERED TO AID FIRM

"Mr. Withington then informed us that he had no authority to do so until he talked to Chicago. Before leaving their plant I offered them the assistance of my office any time they cared to use it.

"I was not informed of any contract that the Brunswick-Balke-Collender Co. had or contemplated receiving from any defense agency.

"At no time in our conversation was there any mention or suggestion that I was to receive any remuneration of any kind."

DOESN'T KNOW RESULTS

"I was never called or informed in any way regarding the outcome of our conversation.

"I was asked to assist a very responsible young man in securing a position. That is a prerogative of my office.

"It was in line with the spirit that has actuated the offer made in every speech since I assumed office to assist any citizen of Michigan in any way that the office could be of assistance."

FIRM OFFICIALS MAY TESTIFY

Officials of the Brunswick-Balke-Collender Co. are willing to testify before the committee, Representative ENGEL said after learning that the Lieutenant Governor had asked for a hearing.

"I intend to bring to the attention of the committee the fact that the Detroit ordnance office requested on November 8, 1941, an extension of time on the original flare-bomb bids, which were to have been closed on November 18," he added.

Representative ENGEL declared that there had been six extensions of time on the bids between October 28, when they were asked, and December 16, when the designs were changed.

"New bids were then asked with the closing date set for January 14, but no contract has been let to date," he added.

[From the Detroit Times, Lansing correspondent, dated January 16, 1942]

Lt. Gov. Frank Murphy awaited word from Washington here today as to whether he will be given opportunity to deny charges before the House Military Affairs Committee that he sought a brokerage commission from a Muskegon manufacturer for obtaining defense contracts.

The charges, brought by Representative ALBERT J. ENGEL, of Muskegon, allege that Murphy negotiated with the Brunswick-Balke-Collender Co., of Muskegon, to use his official position to obtain a $24,000,000 defense order for flare bombs in return for a fee.

Murphy's chances of formally denying the charges hinge on whether the House committee decides to investigate the matter and hold a hearing.

The Lieutenant Governor admitted trying to bring defense orders to Michigan, but said he received no fees and was only carrying out the functions of his office in trying to help the State and the defense program. He said his only conversation with the company in question was an attempt to get a young acquaintance a job.

After I had written the original statement and the day before I placed it in the RECORD, I spoke to the chairman of the Military Affairs Committee, informing him that I expected to refer this and other information I had to that committee for investigation. After I placed the matter in the RECORD, and after the chairman of the Military Affairs Committee had an opportunity to examine the statement, I again spoke to him about a hearing. The gentleman from Kentucky [Mr. MAY], the chairman, asked me whether Lt. Gov. Frank Murphy was related to Mr. Justice Frank Murphy. I replied that I was informed he was not. He expressed a doubt as to whether that committee had jurisdiction. I stated that I was positive it did have jurisdiction. He replied that he had referred it to a subcommittee. I informed him further that I had certain additional facts and evidence I was willing to furnish. This was on January 15. To date I have heard nothing from either the committee or the subcommittee, despite the fact that members of the committee, at my request, asked the chairman to act. I am, therefore, placing more of these facts in the RECORD today, in the hope that we can have a fair and impartial hearing. In view of the failure of the Military Affairs Committee to take action, I am referring the matter with names and evidence to the

Truman committee of the Senate, with a request for action on their part.

The only way to stop such irregular practices as exist today in the negotiation of defense contracts is to bring them out into the open. In justice to Mr. Murphy and everyone concerned, the committee should have an open hearing, listen to the testimony, hear both sides of the case with a view of determining whether or not the practice has been indulged in, to what extent, by whom, and recommend legal or legislative action as the testimony may warrant.

1. After I wrote the statement which was placed in the RECORD, Mr. S. B. Withington, general manager of the Brunswick-Balke-Collender Co., called me on the long-distance telephone. I asked him again just what had occurred at the alleged meeting. He started to give me further information, then turned to someone in the office and said, "Let me make sure I am right." He then addressed that someone in the office and asked him to verify the statement which was apparently verified by someone who was present at the meeting. He then informed me over the telephone that Lieutenant Governor Murphy had made the following statement:

> It will take more than three to five hundred dollars a month, it will cost from two to three thousand dollars a month.

He further stated that a commission of 3 to 5 percent was discussed but did not say whether it was in addition to or in lieu of the proposed two or three thousand dollars a month referred to. This was on January 14. I did not include these additional facts as the original statement had already been completed; and incidentally it was sent to the gentleman from Kentucky [Mr. MAY]. It will be noted that Mr. Murphy in the Detroit News on the evening of January 15 was quoted as follows:

> Murphy said the Brunswick-Balke-Collender Co. had asked him to recommend a man they considered hiring for the firm's Washington office. Murphy told them he believed the man was acceptable. They then asked him how much they should pay the prospective employee, Murphy said, he suggested they pay him one to two thousand dollars a month.

In the statement in the Detroit Free Press the next day, Mr. Murphy stated that he was trying to help a young man in Detroit to obtain a job, and so forth. In the Detroit Times he stated that "his only conversations with the company in question was the attempt to get a young acquaintance a job." The only difference between the Withington statement and the Murphy statement is, first, Withington and his associate state that Murphy contacted them; Murphy in the Detroit News states they contacted him. Incidentally, I have never met Mr. Murphy. I do not know the gentleman. In the Detroit Free Press he said he contacted them; in the Times he said that his only conversation with the company was an attempt to get a young acquaintance a job. Second, Withington states that Murphy said it would cost from two to three thousand dollars a month. This would be at the rate of $24,000 to $36,000 a year. Mr. Murphy was quoted in the Detroit News as suggesting that the Brunswick-Balke-Collender Co. pay this young acquaintance who was trying to get a job from $1,000 to $2,000 a month, which would be at the rate of $12,000 to $24,000 a year. Third, Mr. Withington stated that a 3 to 5 percent commission was suggested at this meeting. In the Free Press article Mr. Murphy states that Mr. Clapp, the young man he was recommending, suggested he would like to work for a commission, but that Mr. Murphy informed those present it would be more expedient if the company put the young man on the pay roll at a salary and expenses. A 5-percent commission on the $1,000,000 contract awarded the Brunswick-Balke-Collender Co. since then would have amounted to $50,000. Fourth, both Mr. Withington and Mr. Murphy agreed that Mr. Withington informed him that he had no authority to do so until he talked to the Chicago office. Fifth, as stated in my original statement, Mr. J. J. Hoffman, vice president of the firm, informed me and will so testify, that Mr. Withington contacted him, told him that Mr. Murphy "sought employment in their negotiations with the Government in trying to obtain defense business." That Mr. Hoffman told Mr. Withington to inform Mr. Murphy and Mr. Withington did inform Mr. Murphy—

> that the Brunswick-Balke-Collender Co. had placed its factory and facilities at the disposal of the Government, that it did not feel it was necessary to pay anybody any commission to secure defense business, that they never did so in the past, would not now, nor in the future pay any commission to anyone or countenance the payment of a commission to anyone to get Government business.

When Mr. Withington and several other individuals from his company were in my office here in Washington sometime prior to my statement of January 15, he stated that he understood that the Army was in the market and would contract for gun stocks, that the Brunswick Co. had woodworking equipment to make these gun stocks, but had been unable to obtain further information. I then and there called up Major General Wesson, Chief of Ordnance, who informed me they had three and one-half million blank gun stocks left over from the World War and had no thought, of course, of buying more. Mr. Withington later informed me that it was Mr. Murphy who had suggested a gun-stock contract for the Brunswick Co. There was apparently no question at any time in the mind of any of the Brunswick people as to who was trying to represent them.

I am giving the facts as they were given to me, and I am informed that not only Mr. Withington but an associate of Mr. Withington was present and heard the conversation that took place. I insist that Mr. Withington, his associate, who heard the conversation, Lieutenant Governor Murphy, and Mr. Hoffman, vice president of the company, if necessary, be called upon to testify as to what occurred and was said.

MANUFACTURER PAYS $1,500 FEE TO LAWYER; NO RESULT

I also wish to submit to the House additional facts pertaining to matter of paying commissions for obtaining Government business. Incidentally, this is not connected with Mr. Murphy. I have a letter dated August 4, 1941, written by the president of a manufacturing concern in Michigan. This letter contains the following statement:

> We were told by a gentleman in Lansing, not the Governor, that our best bet was to employ a certain attorney in Washington, who would go into the Army and Navy Air Corps and negotiate a contract for us. We have paid this attorney $1,500 out of our dwindling working capital without getting a single order or a real opportunity to quote on a blueprint.

The president of this company has been asked twice for information as to who this attorney in Washington is to whom he paid $1,500 and also who this "gentleman in Lansing, not the Governor" is who recommended him. He has failed to give the information.

This is too important a matter to drop. I feel that the committee ought to subpena this manufacturer, make him testify as to who this "gentleman in Lansing, not the Governor" is who recommended a "certain attorney in Washington who would go in the Army and Navy Air Corps and negotiate a contract for them."

He should testify giving the name of the attorney, be asked to produce the $1,500 canceled check which he said he paid out and undoubtedly did, "without getting a single order or a real opportunity to quote on a blue print." If payment was not by check, he should produce other evidence of payment. This attorney in Washington should be subpenaed and made to testify as to what his contact, if any, is with the unnamed gentleman in Lansing and as to whether or not he split fees with the gentleman in Lansing, or anyone else. The letter does not give the name of "the gentleman in Lansing, not the Governor," and I, of course, do not know who that gentleman is. I am ready to turn the original of this letter over to the committee investigating this matter.

LOBBYIST CLAIMS HE SECURED DELAY IN LETTING OF CONTRACT

On January 8, 1942, I received a letter from a firm of consulting engineers signed by the senior member of the firm which reads as follows:

JANUARY 8, 1942.

Hon. ALBERT J. ENGEL,
Congressman, House of Representatives,
Washington, D. C.

DEAR MR. ENGEL: In reading the evening paper tonight I noticed an article quoting you as criticizing the War Department for the delay in handling a contract for $24,000,000 in flares.

I happen to have been contacted on this order by a contact man, one of those fellows who get 10-percent commission on orders received.

This man stated that he was on the right side of Under Secretary of War Patterson and that this contract would not be let except through him.

I believe that the first time I was told about this contract and asked if our firm—

that is, a chemical firm for whom I am research director—would be interested in handling the flare proper, was in the later part of September, or first part of October. I saw this party again a couple of weeks ago, and he informed me that he had secured a delay in awarding the contract as he as yet had not found the right party to make the flare.

I now understand that he has got a firm to bid where he can get his commission as well as a share of the profit in the contract.

Whether this party was telling me the truth or not; I have no way of knowing, but I do know that he is representing several firms as their vice president, treasurer, or what have you.

Yours very truly.

Let me say again that I have the utmost confidence in the honor, honesty, integrity, and ability of the Under Secretary of War, Robert P. Patterson. I have talked with Judge Patterson about this matter and he has informed me that he is just as anxious to eliminate this practice as I am. I believe it is the duty of this engineer as an American citizen to testify, and he ought to be willing and undoubtedly will be willing, to testify to the facts alleged in the letter. He ought to name the contact man who contacted him on this flare-bomb order. Then we should subpena the contact man or lobbyist and make him testify as to what he meant when he said that he was on the right side of Under Secretary of War Patterson and that this contract would not be let except through him He should be made to testify as to how he had secured a delay in awarding the contract as he as yet had not found the right party to make the flare bomb. He should be made to testify and give the names of the people in or out of the War Department he contacted, if any, how he secured the delay, what was done, and how long a delay he secured. He should also be made to testify as to who this firm was that he had induced to bid where he can get his commission as well as a share in the profit. Either this lobbyist is a faker and a liar or he is telling the truth. If he is a faker and a liar, his name ought to be published on the front page of every newspaper in the country as a faker and liar as an example to other fakers and liars past, present, and future. If he is telling the truth, then I am assured by the War Department that action will be taken against any person in the War Department who is involved in any illegal practice of any kind. I am prepared to turn the original of this letter, with the name of its writer, over to the committee investigating the facts.

I also have information given me in a confidential way to the effect that a certain lobbyist obtained in excess of $600,000 over a period of several years in a commission agreement whereby a manufacturer was alleged to have paid him 5-percent commission on war orders. I do not know how accurate this information is. I do know that the manufacturer has been represented by this man for a period of time, that that company has obtained millions of dollars worth of Government contracts, and that the man himself has apparently, judging from his expenditures, obtained a large income from some source during the past several years. It will be easy to determine by an examination of the books of the company as to just how much that company paid that individual, if any, and for what purpose, and to examine the individual representative's books determining how much he received. Expenses, fees, and commissions of a representative here in Washington paid by a company to obtain a Government contract will and must be added by that company to the cost of the contract, which comes out of the United States Treasury. The money is paid into the United States Treasury by the taxpayer and by those who invest in Government bonds—bonds which, in the final analysis, must be paid by the taxpayer.

ANOTHER BUSINESSMAN PAYS WASHINGTON LAWYER SEVERAL THOUSAND DOLLARS

I have before me a copy of an editorial signed by John S. Knight, editor of the Detroit Free Press. This editorial reads, in part as follows:

The object of our immediate concern is the plight of the small business man in this country who are literally standing with tin cups in their hands while our "fool's gold" war prosperity is filling the coffers of the big fellow in a generous, constant stream.

Let us consider the case of a small manufacturer from up-State Michigan. This man has always been a good, law-abiding citizen and is currently serving on his country's draft board. Through enterprise, hard work and good management, he had developed his small plant as an efficient producer of high-grade aluminum utensils. * * *

Being a little fellow he has been urged to see prime contractors and "persuade them that your manufacturing capabilities are advantageous to him" but, in every instance, the manufacturer with the profitable contract in his pocket couldn't be bothered with such small fry.

Being a trusting soul, he has paid one Washington lawyer several thousand dollars over a period of some 12 weeks on the recommendation of a prominent Michigan State officeholder, but to use his own words, "thus far, he has not been able to get us even one blueprint for aluminum alloy castings." Yet it is common knowledge that approved commission men are as thick as locusts in Washington and that it is virtually impossible to make any real headway on defense orders without employing the services of these expensive, high-powered parasites who feed on the avarice and credulity of others.

While I appreciate the fact that there are many engineers, attorneys, and so forth, who are rendering valuable and legitimate assistance in the preparing of plans, legal advice, and so forth, in connection with their firms' negotiations and work with the Government, it is rather difficult for me to believe that men inexperienced can earn from $12,000 to $36,000 a year representing a company here merely to tell that company whom to go to, to get information as to what they can manufacture—and I am quoting from Murphy. It is rather difficult for me to believe that large sums of money such as these mentioned herein or those mentioned by the Truman committee can be earned by an individual in the exercise of any legitimate negotiations in obtaining Government contracts for any company. Washington is full of individuals who are trying to get rich at the expense of the taxpayer during this emergency. Since the $100,000 in fees collected by Thomas Corcoran and the $780,000 fee claimed by Mr. Charles P. West as shown by the Truman committee, it seems the number of those who are trying to get rich at the Government expense has been increasing. These fees come out of the taxpayer. As stated before, the Brunswick-Balke-Collender Co. was recently awarded a contract for nearly $1,000,000. Had they signed a 5-percent-commission contract, the agent would have received $50,000 commission for which he could and would have rendered no service. The Brunswick Co. would have had to add that $50,000 plus the salary, if any, to the cost of the contract, and that sum would ultimately have come out of the taxpayer. We see school children selling paper and rags for pennies, nickels, and dimes to buy savings stamps and bonds; we see every corner grocery store and every newsboy trying to sell savings stamps to obtain money so we can finance this tremendous war program. We see the Government reach deep down into the pockets of every citizen, lowering the exemption as far as $750 for a single man and $1,500 for a married man; we see hard-earned money paid into the Treasury, money earned by the sweat of the workers' brows. To see that money paid out directly or indirectly, in sums running into hundreds of thousands of dollars to individuals who claim they have influence in obtaining contracts—individuals who are trying to get rich quick at the expense of the taxpayer, seems to me to be outrageous to say the least. Every dollar that is paid out illegally in this way means a dollar less for ammunition, for airplanes, for guns, and equipment which we need so badly in this emergency.

ARE THESE MEN WITHIN THE LAW?

Whenever we try to abolish an abuse of this kind, we repeatedly hear the plea that the men who are guilty of the abuse are within the law and there is no criminal law to punish them and no civil law to prevent the abuse. Both criminal and civil laws are enacted by Congress in many cases to correct abuses. When the railroad rate discrimination evil existed, Congress enacted a law correcting it. I do not know whether or not these men are within the criminal or civil law. I do feel that they have violated the moral law, if not the law of the land. I am submitting this matter to the Committee with the hope that the Committee will not only go into the matter, ascertaining whether or not a criminal or civil law has been violated, but with the further purpose in mind of recommending to this Congress legislation which will change the law of the land in such a way as to have it conform with the moral law. The principal object of the Committee should be to eliminate these abuses in the future, protect the Treasury and taxpayer, and recommend legislation to that end.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I yield.

Mr. GIFFORD. Will the gentleman allow me to read into his remarks the advice of Thomas Corcoran?

Mr. ENGEL. Gladly.

Mr. GIFFORD. I read:

Thomas G. Corcoran, the New Dealer extraordinary, defended himself before the Senate Defense Investigating Committee that in acting as "legal broker" for private companies interested in defense contracts he had used his knowledge to "make the burden of Government lighter" in matters affecting his clients. Our heart goes out to Mr. Corcoran. We hope that he makes a deeper dent than businessmen under like scrutiny have been able to do. He has put a plea for understanding in the very words which have often been offered for business. Hear ye him: "I think I have proved I can work for many years for a cause, for little. I think it is no secret in Washington that I have constantly been ready for many months to serve that cause again anywhere that I could really function. But I never understood that, in this country, when working to help other men earn money, it was wrong for me to earn money, in proportion, too."

I thought I would like to put his defense in the RECORD.

Mr. ENGEL. I am glad to have the gentleman's contribution.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. Yes; gladly.

Mr. EBERHARTER. I was just wondering if perhaps some of these lobbyists who are making such tremendous commissions here in Washington are not some of the parasites the President referred to? I believe a committee could well look into this subject also so that we might get rid of some of these parasites here in Washington.

Mr. ENGEL. I thank the gentleman.

Mr. GEHRMANN. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I yield.

Mr. GEHRMANN. Along some time in November I introduced a resolution which provided that the Speaker should appoint a committee that would recommend legislation to do something about this, at least to have them register, and so on. I made several radio talks in reference to this matter. I have had experience along the same line as the gentleman has just referred to on shipbuilding contracts, and I know exactly what has been going on. I think something should be done, and I am certainly glad the gentleman has brought it out.

Mr. ENGEL. I thank the gentleman.

Mr. GIFFORD. I do not want the House to think I was defending our friend Corcoran. Far from it. I wanted to read this to see if you could shed any tears over it, or accepted that definition. Do not think for a minute I approve it.

Mr. WOODRUFF of Michigan. Will the gentleman yield?

Mr. ENGEL. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. May I say that the information given to the committee by the gentleman from Michigan furnishes enough leads to the committee having this under consideration to completely go into the conditions that exist and to show up things as they are. I think there can be no contribution as good as the things he has stated to the committee today that will reach the public through the newspapers of the country and through publicity and perhaps clean up a situation that needs cleaning up very badly.

Mr. ENGEL. I thank the gentleman. May I say that I do not want to cast any reflection in any way on the Military Affairs Committee. The members of that committee are all good friends of mine, and I think they are capable. The gentleman from Kentucky [Mr. MAY] thought there might be some question as to the jurisdiction of the committee.

Mr. HOFFMAN. Has the gentleman any idea why this should go to the Truman committee instead of being handled by a committee of the House?

Mr. ENGEL. Not unless the committee of the House does not have jurisdiction over the matter.

Mr. RICH. Will the gentleman yield?

Mr. ENGEL. I yield to the gentleman from Pennsylvania.

Mr. RICH. At this time when we are spending money so freely, does not the gentleman believe the House ought to take every precaution to see that the money appropriated is used to good advantage and that we get a dollar's value for every dollar spent, especially when we have appropriated $40,000,000,000 in the last month?

Mr. ENGEL. I agree with the gentleman.

[Here the gavel fell.]

Mr. O'NEAL. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. FADDIS].

Mr. FADDIS. Mr. Chairman, I may say to the gentleman from Michigan who just preceded me that immediately after he placed this matter in the hands of the chairman of the Committee on Military Affairs, the chairman referred it to me because I am chairman of the special committee under whose jurisdiction such subjects as this fall. As soon as it was handed to me I proceeded to take exactly the same line of action that we take on any other matter that is presented to us.

In connection with that I may say to the gentleman right here that the procedure of a committee officially established by this House, charged and entrusted with investigations of this and other natures, is entirely different from that of a self-appointed committee and without official authority which bobs around here, there, and other places solely on its own responsibility and investigates whatever rumor it may desire. After all, a regularly constituted committee of this House, if it is conscientiously performing its duty, follows a certain procedure. The ethical procedure which a committee should follow is one in which it carefully refrains from unnecessarily dragging in the name of anyone, whether a private citizen, a corporation, or public official, until it is satisfied that a case exists, and the public welfare will be served by such action.

After this matter had been handed over to me, I placed my investigators upon the case in order to determine just how much there might be there which was really true and how much there might not be. Already a preliminary report has been made to me by the investigators and I must say that as far as this preliminary investigation is concerned, it seems that someone must be using this matter to secure publicity for themselves or to satisfy a political grudge. We have many matters on our hands which we are looking into all of the time.

Mr. HOFFMAN. Will the gentleman yield?

Mr. FADDIS. I am not going to yield now.

Mr. HOFFMAN. I will give the gentleman the facts if he wants them.

Mr. FADDIS. If someone is threatening to hand the matter over to the Truman committee before the House Committee on Military Affairs has had time to give even a proper preliminary investigation, that someone must be out on a political witch hunt or on a publicity hunt. Be that as it may, I assure the committee that this matter will, when we have had opportunity and when we get the time, receive the same careful and conscientious investigation that we accord all similar matters when we get to them.

This Subcommittee No. 3 has under its jurisdiction the investigation of procurement of quartermaster and ordnance supplies, in addition to investigations pertaining to strategic material and personnel. We have been sitting almost every day since we were set up as a committee, and there are many, many matters that we have been unable to get to up to this time; but because the gentleman from Michigan is a Member of the House, because he personally approached the chairman of the Committee on Military Affairs with this request, we set aside other business that we should have turned our attention to in order to make the preliminary investigations upon this affair. I want to assure him again that if there is anything which calls for an investigation in this it will be investigated without fear or favor on our part, and that an honest report will be made to the House on the matter.

Mr. MAY. Will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from Kentucky.

Mr. MAY. I have been before the Rules Committee, but I assume the gentleman is addressing the committee on a complaint presented to me by the gentleman from Michigan [Mr. ENGEL] with reference to the Lieutenant Governor of Michigan?

Mr. FADDIS. Yes; about 2 weeks ago.

Mr. MAY. May I say to the gentleman that just as soon as the matter came to me from the gentleman from Michigan [Mr. ENGEL] I submitted it to the gentleman from Pennsylvania with the request that it be investigated.

Mr. FADDIS. I have already explained that to the House.

Mr. MAY. Now we have an investigator actively on the case.

Mr. FADDIS. That is true.

I assure the gentleman and assure the House that as far as I am concerned, and as far as my committee is concerned, we have nothing to hide and nobody to protect; but I assure the gentleman that never on any occasion will I attempt to drag the name of a public official of any kind through a matter of this kind until

I have ascertained that there is something more to it than mere rumor.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. Of course, I have read a good deal of the gentleman's recent report. I am sure the gentleman made a courageous report and will do it again. I have great confidence in him. The gentleman heard me read the Corcoran defense of making money when others made money because he had done so much before for little. The gentleman knows that he came before the committee in the Senate. I want the gentleman to give me a frank opinion of his defense. He acknowledged he made a lot of money. Was he justified? What does the gentleman think of it?

Mr. FADDIS. I am sure I cannot give the gentleman an answer on that matter. I had nothing to do with the investigation before a committee of another body. I was not present. I have had all I can do to conduct the investigations I am conducting that fall under my jurisdiction. I am sorry I cannot give the gentleman an answer.

Mr. GIFFORD. That was a choice article, and I read it. I have preserved it. I want to make up my mind about it. From the gentleman's experience on this committee, would he say that because I have done wonderful service heretofore for little, now that other men are making money I should be allowed to charge what I please and make money?

Mr. FADDIS. I cannot enter into a controversy with the gentleman about an investigation conducted by a committee of another body. That is all I can answer.

Mr. GIFFORD. The gentleman has no criticism of my making a lot of money if I have a chance to do it?

Mr. FADDIS. I say again to the gentleman, I am not going to enter into a controversy with the gentleman about an investigation conducted by a committee of another body.

Mr. ENGEL. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from Michigan.

Mr. ENGEL. The gentleman has never, since the 15th day of November, or the 14th, as I stated to the gentleman from Kentucky, spoken to me about this matter or about any evidence I might have.

Mr. FADDIS. No; I have not, because I have not started hearings upon the matter. They will come as soon as we have time.

Mr. ENGEL. Has the gentleman or his investigator contacted the witnesses in Michigan that I have named?

Mr. FADDIS. I have investigators contacting witnesses in the case, and the principal, also. I will say to the gentleman that he can rest assured that he can have his place in the sun when the investigation starts.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. I believe this whole matter is something which is everybody's business and therefore nobody's business. I am delighted to find out for the first time that under our House procedure the gentleman is chairman of a subcommittee which has this particular matter under consideration.

It strikes me, not having made any deep study of it, that there are two phases to it. One is investigation, the other is legislation, doing something about it. Without regard to any particular item, it would seem to me almost common knowledge among my colleagues that there are a great many persons in Washington who are holding themselves out as being necessary to deliver something when in fact they are not needed. Is it not true, without giving the matter further study, that there is a good bit of that sort of puffing or selling talk going on?

Mr. FADDIS. Let me answer the gentleman this way. I have no doubt in the world that there are a great many men here in Washington playing upon the credulity of those who are endeavoring to secure contracts and telling them they have a great deal of influence and can help them. The most of these claims are pure fiction. I believe that the situation can be corrected if those in charge of letting contracts will come to the point where they are willing to recognize there is a legitimate place in all of this business for the honest so-called brokers, who really can do something. If these men, who can render real service, which is not fancied political influence, were taken into the picture and an effort made to regulate them instead of letting them work as they do now, under cover, some good would be done. I know in some cases they claim and draw down unreasonable sums for services which in a great many cases they do not render at all.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, the situation this afternoon—the remarks which have just been made by the gentleman from Pennsylvania [Mr. FADDIS]—are typical of those which are made when any member of the minority calls attention to any waste, extravagance, or crookedness for which the administration is responsible or which should be ended. One would think a Member of the House was doing a service to the public by calling attention to a situation similar to that disclosed by the gentleman from Michigan [Mr. ENGEL] a few moments ago. Nevertheless, his only reward from the majority side is a charge that he is seeking "a place in the sun." If there is any man in the House or in the Congress, any man from any State, who has earned and deserves publicity and the thanks of the public, who has done less to get publicity or "a place in the sun" than has the gentleman from Michigan [Mr. ENGEL], then I know not who he is. He is the man who alone and unaided made the investigation which disclosed the waste and extravagance in connection with the construction of Army camps. He then rendered a service that was just as valuable as the service rendered by a committee of the other body which cost several thousand dollars, and his report cost the Government nothing at all. His disclosures in that connection saved the Government a great deal of money.

Now, the gentleman from Pennsylvania [Mr. FADDIS] charges by inference, at least, if not directly, that the gentleman from Michigan [Mr. ENGEL] sought to drag someone who was not guilty of improper conduct into the public limelight. The gentleman from Michigan [Mr. ENGEL] did not make unfounded charges. He made a statement of fact; he offered proof. As long as 5 months ago I called the attention of the gentleman who sits here before me, the chairman of the Military Affairs Committee the gentleman from Kentucky [Mr. MAY] to the fact that a man in my district paid $1,500 to one of these men, a so-called broker, and I have spoken to the gentleman from Pennsylvania [Mr. FADDIS] about the same thing, and inside of 48 hours you could have had that man with his canceled check, or the evidence of the payment, down here if you wanted him.

Now, I know you are overworked, overburdened. I know you of the committee are busy almost day and night, and I am not criticizing you or the committee for not having made that investigation, but I am saying that you have no right to fail to act and then get up here and criticize the gentleman from Michigan [Mr. ENGEL] because he gives out the facts, or charge him with seeking publicity.

The only remedy we on the minority side have is to call attention to the facts we get with respect to such persons in the executive branch of the Government, who are not connected with the Government but who are employing improper methods to enrich themselves.

Way back when this Medical Center strike was on here, one of the contractors walked into my office with a contract wherein it was provided that if he was permitted to continue and complete his contract two attorneys here were to receive $2,500, and he wanted my opinion of it. It was a shake-down, nothing else. I called the gentleman from Michigan [Mr. ENGEL] and he put me in touch with General Somervell about it. The General sent an investigator up to learn about it, and those attorneys and that contractor were called in and the whole thing was settled inside of 48 hours and the fellows did not get their money. The contractor was protected and finished his contract. That was one way to handle it, and it was handled that way because of the information and the directions given by the gentleman from Michigan [Mr. ENGEL].

What is the use and where is the justice and where is the fairness in getting up here and jumping on a man who renders a service to his country, a service which he performs over and above his legislative duties, in going out here as the gentleman from Michigan [Mr. ENGEL] did, traveling thousands of miles at his own expense and then laying these

things before us. He did not have an investigator, a clerk or two, an additional secretary, and two or three ladies or men in waiting—he made his own investigation. Apparently the thing that gripes some folks, and I am not referring to the gentleman from Pennsylvania [Mr. FADDIS] or members of his committee, is that too much was learned at too little expense and without an addition to the Federal pay roll.

What do you want us to do? By our silence give our consent to this graft? Why are you so touchy about the name of some official? You know very well that the Congressmen are charged with many things of which they are not guilty. We may resent it but we do not squawk and complain about it A man in public office must take those things. The gentleman from Michigan [Mr. ENGEL] is right in presenting his evidence; he has asked the proper committee to investigate. I said before, I called that one instance to the attention of the chairman, although he may have forgotten about it but nevertheless I called it to his attention, and I have the letter here and that was all that was needed to get the proof of the payment of that $1,500 for which no service was rendered, and yet you attempt to call down the gentleman from Michigan [Mr ENGEL] because he gives information which will aid in exposing grafters.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

[Here the gavel fell]

Mr. TABER. Mr. Chairman, I yield the gentleman from Michigan 2 additional minutes.

Mr. CRAWFORD. If the gentleman will permit me in his time, I would like for him to yield so that I may submit a question to the gentleman from Pennsylvania [Mr. FADDIS].

Mr. HOFFMAN. Very well.

Mr. CRAWFORD. Would the gentleman mind clearing up for me and the Members of the House what you mean by legitimate brokerage in the placing of these contracts? Is there such a thing as a legitimate broker coming here at the present time and acting as a go-between between the manufacturers of this country and the War Department in negotiating billion-dollar contracts or a $100,000,000 contract? If so, I think the country is entitled to know it, and if you have in mind putting in the scheme of things such a brokerage outfit, I think the country is entitled to know that. Could you give us a little information on that?

Mr. FADDIS. If I had a little time I could answer the gentleman.

Mr. HOFFMAN. Go ahead, I will yield such time as I have.

Mr. FADDIS. At the present time the regulations on letting these contracts allow them to count into their computation or costs the services of an organization which has been part of whatever corporation is endeavoring to secure a contract. If it has been throughout the past a part of that organization, the organization takes the place in old-established organizations of what I referred to as a broker in a new organization, but a new organization coming to Washington today—I do not know about today, but I will say when the O. P. M. was set up—a new man coming to Washington, as the gentleman will know from his own experience, would have a great deal of difficulty in finding his way around, taking several days of his time.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman from Michigan [Mr. HOFFMAN] 5 minutes more.

Mr. FADDIS. He would have difficulty in finding his way around, and would put a new organization that was bringing up, and looking for business of this kind at a disadvantage, and would prevent a lot of the smaller people from getting work. That is exactly what I mean in the kind of a broker down here.

Mr. CRAWFORD. Let us clear this up. Does the gentleman mean to say by that that to qualify for this broker—and I am thinking about some friends of mine who are now frozen out of certain brokerage fields, automobile industry, that I may want to recommend if this is legitimate—to qualify for a broker they have to show that they have been a part of this permanent organization for how long?

Mr. FADDIS. I cannot say for just what period.

Mr. CRAWFORD. And that time limit is perhaps a trick in the game? Is it going to be 60 or 90 days?

Mr. FADDIS. On, there is no trick in the game at all. The gentleman must be looking or somebody must be looking for tricks.

Mr. CRAWFORD. I certainly am. You may believe that I am looking for tricks.

Mr. FADDIS. Then the gentleman is not looking for information.

Mr. CRAWFORD. I am looking for information, and I think from the gentleman's position in the House we are entitled to know what he has in mind in the way of certain types of brokers in connection with the letting of Government contracts for military goods.

Mr. FADDIS. If I had the time, I would like to explain it.

Mr. CRAWFORD. This is a very hot issue, I may say to the gentleman.

The CHAIRMAN. The gentleman from Michigan [Mr. HOFFMAN] has the floor.

Mr. HOFFMAN. How long would it take the gentleman from Pennsylvania to answer that? Can the gentleman answer that in 2 minutes? If the gentleman can, without accusing us of something dirty, I would be very glad to yield for the explanation.

Mr. FADDIS. I did not mention any person in the matter. I was merely trying to give the gentleman some information.

Mr. CRAWFORD. The gentleman made the accusation that I was not seeking information and I will call the gentleman on that right now, because he is off the track. The gentleman is off the track, but if he has any information I wish he would give it.

Mr. HOFFMAN. I yield to the gentleman from Pennsylvania to make that explanation.

Mr. FADDIS. I made the explanation to the gentleman that under present regulations a firm that had as a part of its organization an organization that looks after business here in Washington, was allowed to count that in in computing costs. I made that, and I also followed that up by stating that an organization that is coming into the picture new, that does not have such an organization as part of its organization was not allowed to employ them.

There is where this so-called broker creeps into the picture and I say again that I think that this so-called broker should be recognized in this picture and an attempt be made to regulate his activities, instead of allowing that man to get that, as he has in the past, because it puts a man who is new to the game, who knows nothing about the department, and who may be coming down here to engage in this business, at a disadvantage as against a man who has been in the business through a period of years.

Mr. HOFFMAN. And there is where I want to correct the gentleman, because he stated a man coming down here new, seeking business, should not be permitted to have this brokerage or perhaps I did not understand him.

Mr. FADDIS. Oh, no; I said that he should.

Mr. CRAWFORD. Then the gentleman has two types of brokers in mind, that which is established in an old organization, and then the gentleman makes room for a new broker to come in serving a new organization.

Mr. FADDIS. They should not be called brokers.

Mr. CRAWFORD. What would the gentleman call them?

Mr. FADDIS. Representatives or contact men. They are part of old organizations, and they were called brokers in the conversation here, but in reality the word "broker' is a misnomer.

Mr. HOFFMAN. Then as I get it the gentleman means that these two new concerns, referred to by the gentleman from Michigan [Mr. ENGEL], one at Muskegon, and the other, the Aluminum Cookware concern, neither of which had prior Government contracts—they both had brokers, one of them got $1,500—should be permitted to have representatives.

Mr. FADDIS. I do not know anything about this. I am not discussing any specific case.

Mr. ENGEL. Will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. ENGEL. I would like to ask the gentleman from Pennsylvania whether he believes that this so-called broker or representative ought to be paid upon a commission basis, a percentage basis?

Mr. HOFFMAN. What should be ended is the practice to which the gentleman from Michigan [Mr. ENGEL] called attention—the practice of charging those seeking Government contracts large sums for influence or political pull on the representation that upon the payment of certain so-called fees contracts will be awarded regardless of the merit of the prospective contractor. We do not like to

see manufacturers made to pay political friends of the insiders, so-called.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. HOFFMAN] has again expired.

Mr. LUDLOW. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. SCHULTE].

Mr. SCHULTE. Mr. Chairman, our Nation is caught up in the whirl of great events. We are engaged in a horrible and bloody war—a war which tests our ability and our right to survive; a war which tests the principles that gave our Government birth and that have preserved it since its founding.

As we prosecute this war, as we fight it to the last drop of our blood and the last ounce of our devotion, just so will we justify our right to privileges inherited from a long line of self-sacrificing, freemen.

For, let us make no mistake in evaluating the present struggle. This is not a fight for boundaries. It is not a fight for trade rights. It is not a fight for the rich or for the poor.

This bitter war in which we are engaged on many seas and in many continents is a fight against domination of the world by forces which are diametrically opposed to every concept of decent government embedded in the American way of life.

To win this war is to preserve all that we as individuals and as a Nation hold dear.

To lose it, which God forbid, is to lose all.

We are fighting to preserve our spiritual values—spiritual values conceived, fostered, and enlarged upon our continent when all the world derided and scorned us.

Our legion of enemies is fighting to impose upon us a set of false spiritual values, conceived and fostered in warped and sinister minds and now spread by the sword and the bullet with a ruthlessness never before equaled.

We are fighting to preserve our individual and personal rights—rights to life, to freedom, to property; rights bought for us dearly, and preserved to us only by our own strength.

Our enemies seek to substitute for these individual and personal rights a complete subjugation of the individual and the person to the whims and edicts of a shifting, corrupt, and machinelike tyranny.

We fight for a way of life in which the benefits of progress inure to the individual.

Our enemies fight for a way of life in which the individual becomes a serf and a slave—a way of life abhorrent to any man not already shackled mentally and physically by fear and the bad dreams which men of cunning and sinister minds spread for their own aggrandizement.

The two polities now engaged in this world-wide struggle cannot exist side by side. The Constitution and the Magna Carta cannot dwell in a world with Mein Kampf and the Rising Sun.

For, the Constitution and the Magna Carta give to those living under them the rights of freemen. Mein Kampf and the Rising Sun give to people living under them mental, spiritual, and moral death in a life of physical slavery.

Will we be the slaves of the raving madmen of Berlin and Tokyo, or will we be freemen, directing our own destinies, responsible only to ourselves, and safe in our inheritance—liberty and equality under laws of our own devising?

These are the fundamentals of the struggle. These are the fundamentals which have been apparent to many of us for years. They are the fundamentals which have guided our votes upon this floor in an eager and determined effort to make us ready for the crisis which is now upon us.

Some could not believe that the issue could ever be forced upon us. Some could not or would not believe that warped minds could ever foist their aberrations upon entire peoples and pit them against the principles of right thinking and right acting. To them the picture that some of us saw was too horrible to be human. They thought that men had outgrown the villainies of the ages, that restless madmen and their slave nations could not again stir up the witches' brew of war.

It was not a pleasant picture for any of us to contemplate. We wanted to take the way of least resistance, to follow the path of complacency.

But the stirrings in the east and in the west were too ominous for us to ignore. We hoped against hope that this struggle could be avoided. We watched with anguish, and finally with despair, the efforts of President Franklin D. Roosevelt to keep the world in sanity and in peace.

And as our President saw the war clouds looming relentlessly and imminently over us, we gave to him our fullest measure of support in the steps which he still took to save our Nation from its horrors. Inevitable those horrors were, and I thank God that while trying to the last to avoid them, our President moved about the task of making us ready for their visitation.

Upon this floor I gave to these measures of preparation the full support of my vote and my voice. Like many of my colleagues, I voted for huge military and naval appropriations, hoping that the money would be wasted—yes, wasted. Because I knew that if they were ever used they would be used in war—and no sane man wants war.

Likewise I voted upon this floor for the powers and authorities which the President thought were necessary for him to have in his struggle to preserve the peace. We know in this House, and the whole Nation knows, that Mr. Roosevelt stuck to the end to his simply stated creed, "I hate war." By every device consonant with decency and honor, he fought against war.

Now we have had forced upon us, despite his efforts and despite the efforts of this Congress and our people, all the horrors of a war more hideous, more pitiless than any in history.

We all can still say with our President, "I hate war." And our hatred of war will grow within us each day as we see its devastation spread and its destruction visited daily upon new lands and new peoples.

Yes; we still hate war. But hating this war as we all do, we will still embrace it. For only by embracing it can we prosecute it to a successful conclusion. Only by embracing it can we stifle it. Only by devoting to it all of our thoughts, all of our acts, all of our time, and all of our energies can we stamp it out.

A war of fundamentals such as this can only be fought successfully if fought fundamentally. This war is not a war only of leaders and soldiers and sailors. It is a war of all of our people, of each and every one of us.

This cataclysm that is upon us reaches down to every man, to every woman; yes, even to every child.

It reaches into every home and into every room of every home in our land.

Every activity of our daily life is being touched or will be touched by this war with an increasing intimacy. The exigencies of the conflict will demand more and more of us as the days go on and as our mighty Nation swings itself fully into the fight for its preservation.

More and more will be asked of us. And more and more will we give.

We will give gladly and freely of our substance and of our lives if need be. But we will be giving. They will not be taking from us.

And that is another of the fundamental differences between the United Nations and the so-called Axis Powers. Our people give to the efforts of their nations. Their people yield to the demands of domestic tyranny—domestic tyranny which would set the world afire with the torch of international fanaticism.

All these things which we fight bear strange names. They are creatures of strange men with strange minds. But they all resolve themselves when given the acid test into plagues which have visited the world before and which history tells us have always been conquered.

These strange doctrines and methods have in this current struggle brought many nations to heel. They have subjugated many peoples. Some, it is true, have been taken with bullets and tanks and bombers. But some have been taken because of their own indifference, their own veniality, and the weakness and sordidness of their own leaders.

These evils America avoids. Never has America yielded to the bullet. It will not now. Never have Americans been indifferent to their Nation's fate. They are not now. Never has America been led by traitorous and false leaders. It is not now.

The long roll of once-proud countries now writhing under the conquerors' legions is a warning to our peoples and to all peoples still free.

France, Norway, the Netherlands home country, Greece, Belgium, Poland. Once their names stood proudly among the nations of the world. Their people proud, happy, industrious, peace loving. Now they lie so low that only the light of freedom held aloft by the United Nations shines as a possible beacon to their resurrection.

Think upon these peoples, upon their sufferings, upon their losses, upon their

despair, upon the blood they have shed and the lives they have lost as this war comes closer to our own happy homes and our own pleasant lives.

Honor will be preserved to our own Nation in this fight. Honor will be reclaimed for those other nations when we win to the final victory.

We will suffer before the end is won. We are suffering now. But our suffering is as nothing to the sufferings which the conquered have endured and are enduring under the occupation of the Huns. Our suffering is and will be nothing compared to the suffering now being visited upon the peoples of the aggressor nations themselves. For those who rejoice in their victories over the small nations of Europe have already lost to their own depraved leaders the freedom which no man and no set of men can or would dare to take from Americans.

The greatest losses of this war are not suffered by the peoples which yield to conquering armies. The greatest losses are suffered by those who yield to blandishments of their own false leaders. Think you not that Dutchmen and Greeks and Poles and free Frenchmen and Belgians are not more free and proud today than are the self-subjugated peoples of Japan and Italy and Germany?

Which nation in the court of liberty can make the greater claims, the conquered Greek or the spurious Italian?

In the scale of the eternal verities which stands higher, the nation which stabs another in the back or that which goes down under the foul and treacherous blow?

And it is by the eternal verities of honor, decency, and humanity that the countries of the world will be measured when this conflict is over and men again walk the paths of peace.

Then will the pride of America be enhanced. Then will we survey our record under the leadership of President Franklin D. Roosevelt, and then will we find that all through the troubled years we have been guided by honor, trained in decency, and motivated by a love for our fellow man.

The victory may be long in coming. We know that the interim will be hard and will be harsh. But when it comes it will come gloriously, carrying to new heights the unsullied and untarnished flag of our Nation of freemen.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back 4 minutes.

Mr. TABER. Mr. Chairman, I yield 30 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, without any desire or intention in any way to deprecate the arguments and speeches that have been made in general debate this afternoon, I would like to take some time to discuss the pending bill, which proposes to appropriate out of the taxpayers' money a total of $5,879,000,000 plus. In these days of high finance, when we are talking in terms of billions instead of millions, the appropriation of such a staggering sum apparently fails to challenge the attention of some of our colleagues. I sincerely feel that in an appropriation bill as important and as huge as the one under consideration, we owe a duty to the people of this country to give it careful scrutiny so that we may know just what is involved in the bill.

May I say at the outset that the annual appropriation for the Post Office Department as contained in this bill amounts to $902,969,923. The regular appropriation for the Treasury Department contained in this bill amounts to $209,956,976, making a total of appropriations for carrying on the regular functions of the Post Office and Treasury Departments of $1,112,926,899. To this sum, however, must be added permanent appropriations, amounting to the huge sum of $4,766,082,300, making the total appropriation carried in the bill $5,879,900,199.

Mr. TABER. Will the gentleman yield right there?

Mr. KEEFE. I yield.

Mr. TABER. Is it not true that in figuring that up they have underestimated the item of interest upon the public debt by about $200,000,000?

Mr. KEEFE. I was about to call attention to these items and will refer to that particular item a little later on.

If you will turn to the report on pages 30 and 31 you will observe a list of these permanent appropriations to the Treasury Department. It should be perfectly apparent that as to these items the Appropriations Committee and the subcommittee in charge of this bill can do absolutely nothing to reduce the amounts. As just indicated by the distinguished gentleman from New York [Mr. TABER], you will observe that in the current appropriation bill there is an item of $1,450,000,000 estimated for interest on the public debt, which is an increase of $200,000,000 over the corresponding item in the appropriation bill for the fiscal year 1942. It is my opinion that this particular item of $1,450,000,000 required to pay the interest on the public debt, in view of the very rapidly mounting character of the public debt, is a very low estimate, and that perhaps before the next fiscal year will have ended we will find that that item may be increased by as much as $200,000,000.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. CRAWFORD. Could the gentleman inform us whether or not the Budget estimate on this particular figure was made prior to December 7 or subsequent to that date?

Mr. KEEFE. It is perfectly apparent that the Budget estimate was made sometime either during October or prior thereto. All of the estimates set forth in this bill occurred prior to our entrance into the war.

The stimulation of the sale of Defense and Savings bonds and stamps, which amounted to $526,000,000 in December, and, according to newspaper reports which I saw yesterday, amounted to over a billion dollars in the month of January, indicates to me that if the rate of increase in the sale of those bonds continues, together with other financing that will be necessary to carry on this war effort and pay the rapidly mounting expenditures of government, this estimate of $1,450,000,000 for interest on the public debt is a very grossly inadequate sum. It ought to challenge the attention not only of the Congress but the people of America, to the permanent character of an appropriation of this size that is gradually being saddled upon the backs of the people of the United States of America to be carried on, only the future may tell how long. That debt is mounting by leaps and bounds, and with the estimated interest payments required to pay the debt as it is now, what will the burden be upon the people of America in connection with this one permanent item of appropriation when the national debt reaches the anticipated total of $150,000,000,000? It ought to challenge the attention of the people of America to the necessity of curtailing every single expenditure of government that is not vitally and essentially necessary for the conduct of this war.

Mr. BRADLEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. BRADLEY of Michigan. I take it that the gentleman does not consider, or at least does not place much stock in the saying that after all this is really not a debt because we simply owe it to ourselves—we just take it from one pocket and put it in another.

Mr. KEEFE. I will say to the gentleman that in my somewhat brief experience as a Member of Congress I have learned the application of very new theories of economics, and they are changing from day to day. I have been disillusioned in the thought that there were some theories of economics that were constant and never changed. Since I have been dealing with the work of the Appropriations Committee, however, and have witnessed the attempts of economists and statisticians to explain and justify present and past conduct in certain departments of the Government, I am aware of the fact that newfangled notions of political economy are being indulged in every day.

Mr. BRADLEY of Michigan. Mr. Chairman, will the gentleman yield for another observation?

Mr. KEEFE. I yield.

Mr. BRADLEY of Michigan. We have long known that it has been the practice to indulge in, shall I say, propaganda through the motion-picture medium, through the medium of sound and other ways? Just recently, I understand, the Treasury Department hired Mr. Walt Disney, spending a considerable sum of money, to put Donald Duck into the movies to advocate the prompt payment of the income tax.

I might also say that last night I heard a very interesting song over the radio to the effect that the people are cheering because they have paid their income tax. I was reassured somewhat by the fact that in one line of that song they were pointing out that henceforth they were going to see to it that Congress exercised some judgment in spending their dollars. I believe that perhaps the people would

be rather shocked if they were privileged to look in on this floor this afternoon and see the tremendous rapt attention while we debate this expenditure of $6,000,000,000.

Mr. KEEFE. I do not intend to be critical of the activities of my colleagues in the Congress. It is their privilege to be present on the floor and participate in the discussion of the items in this bill or to attend to duties which they must attend to in their offices or in committees; but I do say it seems to me that in view of the public interest there should be in this matter of the expenditure of public funds that it is rather a dismal picture to see only 25 or 30 Members of Congress present on the floor manifesting some interest in a bill amounting to nearly $6,000,000,000.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. LUDLOW. The gentleman, I feel, has made some very thoughtful and worth-while observations which should cause all of us to reflect. As the gentleman has said, of course, the interest on the public debt does not tell more than a very small part of the story. The gentleman is a very diligent member of the subcommittee and attended all the sessions. He recalls that it was stated to our committee that it is expected that the sale of Defense bonds will amount to $7,500,000,000 a year; and, of course, the interest figure, aside from our other borrowings will add tremendously to this figure of interest on the public debt.

Mr. KEEFE. I thank the gentleman.

Mr. Chairman, I want to call attention to the fact that the summary of the permanent appropriations found in the committee report indicates that there is an increase of $683,812,252 in this total item over the appropriation for the similar item in the year 1942. In these permanent appropriations that we cannot do anything about, which must be made in conformity to existing law, there is this constant and never-ending increase by which the hands of the Appropriations Committee and the hands of the Congress itself are tied. We must meet the obligations of interest on the public debt. We must meet the obligation of payments under the various trust funds that have been established for the payment of old-age annuities, unemployment compensation, and the other items which you find recorded. Curtailment of these items means we must default or repeal these laws under which those trust funds have been accumulated. To do either is unthinkable. But, glance at the balance of this appropriation bill amounting to $1,112,000,000 for the regular activities of these two departments. You will find item after item where the Appropriations Committee's hands are completely tied so far as reducing the major items of this bill are concerned. Take the item of pay in the Postal Service, for instance: The law fixes the pay of postal carriers, clerks, and postmasters. The law fixes the pay of rural carriers. We cannot change the appropriation that is necessary to pay the salaries which the Congress has imposed upon the committee and upon the Post Office Department. The only possible thing this subcommittee could do in the way of reducing expenditures might be to challenge the necessity as to the number of men that might be needed in the Department to perform certain tasks or functions. When this committee attempts to do that, it seems to me, they are attempting to place themselves in the position of the executives and managers of the Post Office Department who I observe are outstanding men and who are performing a very splendid service in the management of the Postal Service of this country.

When they come in here and say they need so many clerks to carry the mail, they have the right to put those clerks to work and they put them to work. The mails must be carried, that service must be rendered. The people are paying for that service and they are entitled to the very best service that good management can provide. So your committee is precluded in items of that character from making any substantial reductions at all in the amounts requested by the Department and authorized by the Budget.

I want to call your attention to the fact so it will appear as a matter of record that the bill for the regular establishments of the Post Office and Treasury Departments is $25,604,633 above the 1942 appropriation, although in the work of the committee we were able to reduce the bill $4,902,036 below the Budget estimate. This is a very small cut out of a practically $6,000,000,000 appropriation bill, to be sure, but you will find that due to the impact of war the facilities of both departments have been called upon as at no other time perhaps in our history. If there is one thing that the people of America demand in this time of war it is that the letters which they send to their boys in the service and that the boys in the service write home are expeditiously delivered and carried to the point of destination. This takes a lot of money, it takes a lot of post-office inspectors, it takes a lot of new personnel, and it is necessary, if we are to maintain this service, that the requests of these splendid businessmen who are career men in the postal service be given the fullest recognition.

Let me call your attention to one or two general observations in connection with this Post Office appropriation bill. These are things that impress themselves upon me as a member of the committee, sitting there day after day listening to the justifications for these appropriations. I am satisfied that the Post Office Department is well managed and in the hands of patriotic Americans who are working day and night in an effort to provide good service at a minimum of expense. I am exceedingly pleased with the intelligent grasp of postal matters evidenced by Mr. Frank Walker, the Postmaster General, when he personally appeared before us.

What are the trends? The trends of postal revenues are up, and you will observe that according to the hearings they anticipate that they are going to be able to perhaps in this next fiscal year show an actual surplus rather than a deficit. This will be due to the very great increase in postal revenues that have been experienced in the past 6 or 8 months and which the Department expects to continue. Another trend that is interesting, and which I think should be called to the attention of the Congress, is the fact that the Postal Department has indicated its desire to use every mechanical innovation that has proved itself worth while in the expeditious handling of the mail. One of those innovations is the airplane pick-up and delivery mail service that has been very satisfactory in certain sections of the country. It is the intention of the Postal Service to expand that service wherever it is feasible to do so in accordance with a gradual expansion program.

Another program that has developed, due to discontinuance of the railroads in many sections of the country, is a mail pick-up and sorting service that is being conducted in three parts of the country at the present time through the construction and operation of especially designed mail trucks which take the place of the railway mail car. These trucks are built the same as the space occupied in a railway mail car and carry the same messengers and personnel. The mail is picked up more expeditiously perhaps in the localities where it is being tried out than the service offered before, and is sorted between stations en route by regularly appointed clerks. I can visualize the time in the future when the impact of those two services will be very seriously felt by the railroads. There is no question but what we are making some progress, and if it is demonstrated that the mail service can be advanced by the use of this air mail pick-up service in the delivery of mail and through the instrumentality of these trucks in the matter of carrying and sorting the mail, then the Postal Service must adjust itself to that progress; and I can visualize the time in the future that some reduction will be made in the contracts with the railroad companies for handling the mail. That is a thing that we must look forward to, because it is the intention of the Post Office Department, as stated by Mr. Purdum, growing out of the wonderful experience they have had thus far in these two services, to gradually expand them in the interest of the public service.

Let me call your attention to one or two things in connection with the Treasury appropriation bill that I think should be brought to the attention of the Congress. There was an item proposed in the Treasury appropriation bill referred to by our distinguished chairman, the gentleman from Indiana [Mr. LUDLOW], growing out of the issuance of Executive Order No. 8512, issued by the President on August 13, 1940.

There is in the Treasury Department at the present time a bureau known as the Bureau of Accounts, which is headed by a very distinguished and able gentleman by the name of Bartelt, who appeared before the committee in justification of a program for $250,000 for the next fiscal year and an estimated appropriation in the fiscal years to follow of from $730,000 to $750,000 to establish in the Treasury Department an expanded

Bureau of Accounts. The purpose of this expanded Bureau is to establish a unified system of accountancy through the various agencies and departments of Government in order that the Treasury Department and the Bureau of Accounts might render a more effective picture of the fiscal affairs of the Nation to the executive branch of the Government. The picture as painted by Mr. Bartelt with reference to the necessity for uniform accountancy procedure in the Governments meets with my most hearty approval. There is no question but what we have a very muddled system of accountancy in vogue in the Government today on account of lack of uniformity in accountancy procedure and a lack of uniformity in the matter of adopting uniform symbols, nomenclature, and so forth.

The President, in the Executive order heretofore referred to, set up in section 3 this provision:

> The Secretary of the Treasury shall establish as soon as practicable and maintain such accounting records as are necessary to coordinate and integrate the financial data reported by the agencies as required herein with the financial data of the Treasury Department, and to provide a basis for the expeditious compilation and prompt submission of the financial reports required to be furnished to the Director of the Bureau of the Budget. These accounting records shall be operated, on double-entry principle of bookkeeping, as a summary but complete system of central accounts for the entire Government; and they shall be so established by the Secretary of the Treasury as to effect suitable coordination with the accounting systems prescribed by the Comptroller General of the United States under authority of section 309 of the Budget and Accounting Act, 1921.

That was the purpose of the Executive order, with which I am in complete accord, namely, to establish in this Government a unified and uniform system of accountancy. In section 7 of the Executive order, however, there is this provision:

> The uniform terminology, classifications, principles, and standards referred to in this order shall be established by the Secretary of the Treasury with the approval of the Director of the Bureau of the Budget and shall be observed by all agencies in the financial reporting required by this order.

When this matter came before the subcommittee I was thoroughly in accord with the objectives sought to be achieved through the medium of this Executive order. I believe we do need in Government a unified system of accounts. However, upon examination I discovered what is known to perhaps most of you, but I was not thoroughly familiar with it, the fact that this Congress by the Budget and Accounting Act set up an independent agency of Government, the General Accounting Office, and created the office of Comptroller General, an independent agency responsible only to the Congress of the United States. In the act creating that agency we gave to the General Accounting Office exactly the same powers that are stipulated in the President's general order to be turned over to the Treasury.

It impressed me at that time and I am still of the impression that if the objective of the general order is to obtain uniformity in accountancy procedure in the Government, then it is a very simple matter to achieve " and not destroy the independence or effectiveness of the Comptroller General, who acts under the direction of and is responsible to the Congress of the United States.

The Comptroller General under existing law has the power under the act passed by the Congress to establish a uniform system of accountancy in the various departments of Government. Under an opinion of the Attorney General, however, he has no power to compel the various departments of the Government to maintain in their departments his uniform system of accountancy. They have to maintain for the purposes of his audit of their accounts the system which he sets up, but for their own purposes they keep their books in their own agency in accordance with their own ideas as to what accountancy should be. The result is that you may have in the various agencies of the Government as many different systems of accountancy as there are agencies of the Government. They may all maintain one set of symbols, however, and one set of nomenclature in order to comply with the demand of the Comptroller General in order that he may audit their books, but they are not required to maintain for purposes of accountancy the uniform system which he may prescribe.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 5 additional minutes to the gentleman from Wisconsin.

Mr. KEEFE. All that is necessary to be done to achieve the worthy objective without destroying the independence and effectiveness of the Comptroller General and his department, would be for the President simply to issue an Executive order directing all agencies and departments of the Government to install and keep in operation the uniform system of accountancy prescribed by the Comptroller General of the United States. That is all there would be to it.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Would the gentleman mind telling us if he knows what brought about the opinion of the Attorney General holding that the General Accounting Office does not have authority to impose a uniform accounting procedure on all agencies?

Mr. KEEFE. I have the opinion before me. I do not have time to read it but I shall place the notation in the RECORD. It is found in volume 34 of the Opinions of the Attorney General, beginning on page 83.

A little different situation is involved in that opinion than what I am discussing, because that related to administrative examination of Postal Savings accounts. All the Attorney General meant to say under this opinion, in my judgment, although it has been interpreted otherwise by certain agencies of Government, was this, and I quote:

> The Budget and Accounting Act, 1921, section 309, gives to the Comptroller General, in broad terms, the power to prescribe the forms, systems, and procedure for administrative appropriation and fund accounting in the several departments and establishments. Bu this plainly indicates that Congress intended that accounting work should be done, as theretofore, in those departments and establishments. It did not invest the Comptroller General with the power to prohibit but merely with the power to regulate accounting.

And so on. I think what the Attorney General meant to say was that the Comptroller General has the power to prescribe the system of accounts but he has no power to take the actual mechanics of keeping those accounts away from the various departments and transfer them into his organization.

I believe it is perfectly clear, therefore, that if the President of the United States were to issue ar Executive order as I have indicated and say to these departments that have challenged the power and authority of the Comptroller General that "on and after a certain date you are directed to adopt and carry into effect in your accountancy procedure in your department the uniform system prescribed by the Comptroller General," we would not have any trouble whatever and there would be no danger of having this Executive order interpreted so as to cut the legs out from under Lindsay Warren, the Comptroller General, and destroy the independence and effectiveness of our own agency.

Mr. CRAWFORD. Based upon the gentleman's investigations, does the gentleman know any reason why the Chief Executive does not issue this Executive order and thereby place the accounting on a uniform procedure basis?

Mr. KEEFE. I have no reason to say I have any knowledge on the subject except the deduction that one would gather, that there is an effort being made to bring this matter into the hands of the Treasury Department rather than to have it left with an independent agency that is not subject to the control of the Executive but is subject only to the control of the Congress.

I may say to the Members of the Congress that it is time we were very zealous in protecting the rights of Congress and very zealous in guarding and protecting the rights of this independent agency set up by the Congress because the minute you take away from Mr. Warren the prerogative and rights that are stipulated in the law as belonging to his agency and transfer all or any part of them to another agency down in the Treasury Department, you are beginning by that act to weaken and destroy the independence and effectiveness of the General Accounting Office and the Comptroller General.

I have complete confidence in the present occupant of that office, Mr. Lindsay C. Warren, and I know that he is an independent officer, in fact, and I know that certain agencies of Government do not like him because he is independent.

We need that agency to be carried on with full force in the watchfulness that it can exercise over not only the matter of audit of Government expenditures but also the matter of accountancy.

Now I may say this. There is not a single thing that is proposed to be done under this Executive order that could not effectively be done by the General Accounting Office without a dollar of additional expense or, if any, a very nominal additional expense. When you are asked by your constitutents "where there is an opportunity to save on this question of nondefense expenditure," here is an item of $250,000 which next year will be, perhaps, $750,000 and grow from year to year thereafter, that can be completely eliminated and was eliminated by vote of the committee as not being necessary at this time. It is entirely possible for the work to be fully accomplished by the agency that this Congress has set up to do that very work.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I will yield to the gentleman in just a moment.

I would not discuss this matter did I not know that there will be an attempt made in another body, perhaps, to restore this item to the bill, and I do not want it said when this record is read that this item has been passed without the House having knowledge that this item and its deletion from the bill was discussed by the membership.

I now yield to the gentleman from Michigan.

Mr. CRAWFORD. The weight of the gentleman's argument is tremendous, especially in view of the fact that the Government is moving into an increasingly expanded field of Government ownership and operation. It seems to me that in the absence of uniform accounting procedure, under the direction of the General Accounting Office, we will have within a few years a set of muddled accounts which even a profound accountant could not comprehend and explain to the American people. I congratulate the gentleman on the research he is doing in this matter and upon the statement he has made. I hope he will be successful, and if I am permitted to stay here, I shall certainly add my support to his efforts.

Mr. KEEFE. I thank the gentleman.

May I say this to the members of the committee? It was stated by Mr. Bartelt that there was the closest harmony and cooperation between his office and that of Mr. Lindsay Warren, the Comptroller General. That statement I believe. If there is the closest cooperation between the gentlemen in the discharge of their respective duties, it would seem to me that it would be a very simple matter for Mr. Bartelt and Mr. Warren to sit down with their respective assistants and auditors and work out a uniform system of accounts, a uniform system of symbols, nomenclature, and so on, and then let the Comptroller General prescribe the use of that uniform system throughout the Government service. If the agencies were recalcitrant and refused to accept that unified system recommended by the Comptroller General, then let the President, with his omnipotent power, issue an Executive order directing compliance on the part of the various administrative and executive departments of the Government with the accounting system set up as a result of the conferences of Mr. Bartelt, the head of the Bureau of Accounts in the Treasury Department, and Mr. Lindsay Warren, the Comptroller General.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield to the gentleman 2 additional minutes.

Mr. KEEFE. There is an opportunity to save some money. There are many other places where savings can be effected in other bills, but this is one of the few places where a saving to the taxpayers can be effected in this particular bill because both the Treasury and Post Office Departments are almost entirely service organizations.

I would like to call your attention to just one other thing, if I may, and that is the appropriation which was deleted from this bill by the committee. This was an appropriation to take care of the Bureau that has charge of financing these loans or this bond-selling campaign that is going on throughout the country. Congress better be a little bit watchful of that program.

Here is a tremendous opportunity opened up for the building of another great organization of highly paid employees. The appropriation for this agency was deleted from the bill because the testimony indicated that conditions have so changed since the estimate was prepared that the justifications were entirely out of line. The whole matter will come before the deficiency subcommittee and the greatest scrutiny should be given to this matter. I say right now that, according to the testimony before our subcommittee as to the activities in that connection, the situation is not very bad at the present time. They claim that out of 100,000 employees only some 390, I believe, are on the pay roll as yet. However, with the expansion of the sale of savings stamps and bonds the opportunity is there to place a set of paid employees of the Treasury Department in every State and every county in the United States, and build up a pay roll that will perhaps be similar in character and size to the pay rolls that were built up under the W. P. A. and other similar organizations. It is well worth giving some consideration to, especially in view of the fact that the banks, the trust companies, the loan associations, the newspapers, and radio, and thousands of patriotic people and institutions throughout this country are devoting their time and their efforts and energy to the promotion of the sale of these stamps, without compensation, without pay or expectation of compensation, and we should be vigilant to see to it that there does not arise in this Department a huge number of highly paid employees alleged to be busying themselves in the matter of the sale of defense stamps and notes.

While I realize that there must be some directing heads in the States to do this work, who should be paid, yet most of the work should be a labor of love, a work of the patriotic character that has impelled these thousands of people up to date to give of their time because of love of country and not because of expectation of reward in the payment of large salaries. While the record does not presently disclose glaring abuse, yet the opportunity to place thousands on the pay roll is there, and unless we are vigilant it may be used——

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. TABER. Mr Chairman, I yield the gentleman 3 minutes more.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. Yes.

Mr. REES of Kansas. Such a method is a far cry, is it not, from the methods used during the first World War? I do not recall any big salaries to individuals for the purpose of selling bonds that were sold at that time to prosecute the first war.

Mr. KEEFE. I direct the gentleman's attention to the testimony on this subject, beginning at page 276 of the hearings. It is well worth while to read those hearings and that testimony, to get this picture before you. As I indicated Mr. Graves, who was testifying, said that the total of personnel in defense-stamp sales at the present time is 386, and the membership of the State and local committees is in the neighborhood of 100,000. But there is no limitation whatsoever. There are only 386 paid employees now. There is no limitation on the number of people they may place on the pay roll at any given time. What a golden opportunity exists, if it were embraced. What a chance to take care of some of the faithful.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. Yes.

Mr. RICH. Does the gentleman not feel that the efforts placed on the radio program and by the banks and the public-spirited citizens who are trying to sell Government bonds ought to be a patriotic appeal to the people of this country and that they would come forth and make their purchases without having this great number of highly paid employees?

Mr. KEEFE. I thought I had just got through making a statement almost exactly in the language of the gentleman. I feel that the work which has to be done outside of the purely administrative, executive work that is necessary for which you need paid personnel, that the great bulk of the work in this field should be motivated and actuated by patriotic desire, rather than a desire to get on the pay roll at a salary of from $4,600 to $8,000 a year. I simply call it to your attention not because I believe the Treasury will permit any such thing as that, but the opportunity exists, and it is therefore necessary that we maintain vigilance to see to it that a huge group of workers are not put on the pay roll under the guise of being necessary to foster the sale of stamps when many patriotic citizens are willing to contribute their time to this object, without pay or expectation of compensation.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. LUDLOW. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, there has been for many years a disagreement between the Comptroller General and the Treasury Department over a unified system of accounting, as well as a method to simplify accounting. It so happens I am aware of that by reason of the fact that we have had Treasury Department and Comptroller General's representatives before the Committee on Expenditures on numerous occasions, trying to get them together on the subject.

One of the first acts of our good friend, and former Member of this House, Mr. Warren, when he became Comptroller General, was to iron out the differences between the Treasury Department and the General Accounting Office over which he presides. They were many. Mr. Warren appointed a committee of three of his assistants, and the Secretary of the Treasury appointed a committee of three from the Treasury Department, and to my knowledge that committee sits from time to time and works out their arguments over the table. Mr. Bell, Under Secretary, represents the Secretary of the Treasury, and Mr. Yates, Administrative Assistant in the Comptroller General's Office, represents the Comptroller General.

Now, the gentleman from Wisconsin [Mr. KEEFE] is right when he says there is an opportunity to save money. I have told the House on many, many occasions the opportunity to save money is when bills authorizing appropriations are brought before the House. Members will get up on the floor and tell you it is nothing but an authorization; that it does not mean the appropriation of a dollar. But once they get the authorization, then they are after the appropriation, and they get it. And it jumps all the time.

In looking over this bill and the hearings on the bill I notice the committee has again very wisely eliminated any appropriation whatsoever for the revolving fund to carry out the purposes of the Loss in Shipment Act. I am the author of that act, passed in 1937. I was criticized for bringing that bill to the floor, because they said I was putting the Government in the insurance business. But I had made an investigation and I found we were just handing out gratuities to insurance companies. There were losses in shipments, but they were very small. I pointed out that whenever there was a loss in shipment it was a Government agent, not an insurance-company agent, a post-office inspector, or Treasury agent who went out and apprehended the criminals. The insurance company did not do anything in an effort to recover any loss. Never spent a cent of their premium to recover the stolen shipment.

From 1922 to 1936, a period of 15 years, this bill carried a total of $3,115,426 to pay premiums to insure valuable shipments. In 1937 my bill became a law, creating the revolving fund to insure valuable shipments, the losses to be taken out of the revolving fund. In the first year your committee set up on the books of the Treasury Department a credit of $500,000 for that purpose. In the second year you appropriated $100,000. In the third year you appropriated $1,000. In the fourth year you appropriated $1,000. Last year and this year you appropriated nothing. There is in the revolving fund today as a result of those apropriations $693,738.69. Listen to this: The losses since 1937 amounted to the great total of $3,182.04.

Now, that shows you how foolish we were to appropriate several million dollars to hand out in premiums to insurance companies. That is evidence of what can be done by changing some of the old methods.

[Here the gavel fell.]

Mr. LUDLOW. I yield the gentleman 2 additional minutes, Mr. Chairman.

Mr. COCHRAN. The gentleman from Wisconsin referred to Mr. Bartelt. Mr. Bartelt has written several books. There are methods, as I recall, in the Treasury Department today which were used back in 1800. They have not been changed. You will find all through the Government, situations where a great deal of money could be saved by having the same method adopted to carry out the laws in each department of the Government. But the personnel in the various divisions of the Government are not going to inform you. It would affect them. You have to find it out yourself.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I might say that I consider Mr. Bartelt to be a very able and distinguished accountant.

Mr. COCHRAN. The gentleman so stated in his remarks. I think he is efficient.

Mr. KEEFE. I may also call the gentleman's attention to the fact that Mr. Bartelt told our committee that the expenditure of the funds necessary to create this new bureau, or to extend the bureau in the Treasury Department, would not in itself save the Government a single penny. The only thing he could hope to achieve through it would be to paint a better picture of the fiscal affairs of the Nation, so that the Congress, in passing upon appropriations, and the President in presenting the fiscal picture to the Congress might in their wisdom and judgment effect savings if it were possible.

Mr. COCHRAN. As far as I am concerned, I want to hear from the Comptroller General to find out from him if it is going to be beneficial to the Government of the United States to make these changes. I do not know the attitude of the Comptroller General on this subject, but I do feel the committee should have called him before them and asked him a few questions.

Mr. KEEFE. May I say to the gentleman right here that Mr. Warren, the Comptroller General, was before our committee. He and Mr. Bartelt sat side by side. We discussed this matter from beginning to end, and I think I can say without violating any confidence that Mr. Warren feels that the objective that is proposed is a very laudable one, but he feels that his agency can accomplish that objective without the expenditure of this money and without having the agency curtailed in its privileges and prerogatives. Does that make it clear?

Mr. COCHRAN. I want to say to the gentleman that I am not going to speak of Mr. Warren's agency as his agency, I am going to speak of it as our agency. I have stood on the floor of this House for years and years defending the General Accounting Office and the Comptroller General's office. I was criticized by some people for so doing, but I want to say to the gentleman that Lindsay Warren is running that office for us, and we should give him the support to do what we want him to do, and what he wants to do.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. RICH. I am glad to hear the gentleman make that statement. I make the further statement that Lindsay Warren, who is conducting our office for us, made the statement that he could not only give the information to the President and to the Congress that the Treasury Department wanted without any expense to the Government but that he would carry every other department of the Government in the same kind of financial statement so that when he had them all together he would have a composite recapitulation of all Government expenses so that he could lay it in the lap of the President or the Congress and give a detailed itemized statement.

Mr. COCHRAN. President Roosevelt appointed Mr. Warren. He had confidence in him when he placed him in that position for 15 long years, and Lindsay Warren did not accept that job until he had considered it for 6 months. If the President had confidence in him then, I am sure he still has confidence in him. Let Lindsay Warren run that office and let us support him. Knowing him as I do, I am sure we will never regret it.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, we have had a great deal of discussion this afternoon as to whether or not there could be a reduction of governmental expenditures. Insofar as we can we ought to reduce them. We ought to cut down a lot of the expenses of our agencies. In fact, there are many agencies and gadgets in our Government we could cut clear out of the picture if, as the gentleman who just left the floor suggested, we had the courage and the initiative to do it. But it is never done unless the Congress does it

As to the question of expenditures, the Congress should set the example; charity should begin at home.

Mr. Chairman, a few days ago a bill was passed by this Congress affecting the retirement status of several thousand civil service employees. Included in the measure was a provision that permits elective officers, including Members of

Congress, under certain conditions to participate in retirement funds.

In the first place, Mr. Chairman, this provision should not have been included in the bill. If such measure was to be considered at all, it should come in a separate bill and considered and debated on its merits.

Personally, I am opposed to such legislation. I opposed the same kind of legislation when it came to the floor of the House in another bill 2 years ago. I offered an amendment at that time to strike out the provision and a majority of the Members voted to strike it out at that time.

I am now directing your attention to a bill I introduced last week, being H. R. 6504, being a measure to strike out the provision granting retirement to elective officers. I am asking for an early hearing on the bill.

I realize that the retirement features are optional, and that before Members may share in its benefits they must make large contributions, but I do not think as a matter of principle the Government should make any contributions to the retirement of elective officers. It is not right, in my opinion. That is why I opposed it 2 years ago and for the same reason I am against it now Many of my colleagues differ with me, and I concede their right to do so.

In any event I want my bill, involving the one issue, providing for knocking out the retirement feature for Members of Congress, voted upon by this House. I trust the majority of the membership of the House may share my views on this legislation.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. COCHRAN. Would the gentleman support an amendment that would make it mandatory for Members of Congress to contribute the back money as well as future money so that they could participate in the retirement fund on the same basis as employees and officials in the executive departments of the Government?

Mr. REES of Kansas. No; I do not think I would. That would help the situation a good deal, however; it would make it less expensive for the Government.

Mr. COCHRAN. Let me state this as a personal example.

Mr. REES of Kansas. As a general principle, I am not in favor of permitting elected officials to be compensated by the Federal Government in that manner.

Mr. COCHRAN. I have approximately 30 years' service in the Congress. It will cost me somewhere around $8,500 to get into the retirement fund and then over $40 a month as long as I am either an elective or appointive official of the Government. Does the gentleman feel I should be entitled to join the retirement fund like any other official of the Government if I made a contribution to that fund?

Mr. REES of Kansas. I appreciate the gentleman's position, and I know he has contributed valuable services to his Government and to this Congress. But I am not in favor of any elective official being assisted by the Federal Government in contributions to retirement funds or pensions. I do not want him to be pensioned by the Federal Government. I am not in favor of that sort of thing. I regret that I disagree with the gentleman.

Mr. COCHRAN. The gentleman is not in favor of following a program that has been in force for years and years by the great corporations of the country and by the Government of the United States? He will give everybody an opportunity to get some small annuity after their days of usefulness are over or because of their age, but he would not permit a Member of Congress to share in that.

Mr. REES of Kansas. I would permit the Member of Congress, if he wants to make a sufficient contribution, without Government assistance, to take care of himself. That is all right if he wants to do that.

Mr. COCHRAN. If I ever join the retirement fund, I will pay the back money or I never will join.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. REES of Kansas. If a Member of Congress wants to use it as a sort of savings account or something like that, it might be all right, but I do not want the United States Government to be contributing to Members of Congress in addition to his salary, especially at a time like this. I just differ with the gentleman on that.

Mr. COCHRAN. I feel that a proper system in years to come will make the membership of this House more independent in voting than they have been in the past. I was opposed to retirement for Members of Congress until I read an article in the Reader's Digest about 2 years ago. After I read that story in the Reader's Digest I came to the conclusion it was for the best interests of the United States Government and the taxpayers to permit Members of Congress to join the retirement system on a contributory basis because they would not think of votes when voting on important questions.

Mr. REES of Kansas. I think I read the same article, but it did not convince me that the Federal Government should contribute funds for the retirement of Members of Congress.

Mr. RICH. Will the gentleman yield?

Mr. REES of Kansas. I am glad to yield to the gentleman from Pennsylvania.

Mr. RICH. I think the gentleman will agree with me when I say that legislation as important as this, and where it involves Members of Congress, should be considered by the Members. In other words, the Members should be given notice that such legislation will come on the floor of the House for consideration. I was on the floor a few minutes before this happened, but I went downstairs to lunch. Then it came up and by unanimous consent went through. The Members of Congress do not know that these things are coming up unless they are notified. I think the Members should be notified before legislation as important as that comes on the floor for consideration.

Mr. REES of Kansas. Personally, I feel the entire matter should have been presented to the House and debated.

Mr. COCHRAN. It has been said few Members were here when the bill was considered. That is not right. Let us have nerve enough to state the facts. Three hundred Members, if not 400 Members, of the House knew that bill was on the Unanimous Consent Calendar. They knew it had been reported.

Mr. KEEFE. Will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from Wisconsin.

Mr. KEEFE. The gentleman is a distinguished member of the Civil Service Committee of the House.

Mr. REES of Kansas. I am a member of that committee and I opposed the bill in committee.

Mr. KEEFE. In the gentleman's opposition to this proposal did he make any study of the question as to whether or not there is a constitutional prohibition against the inclusion of an elective officer into a retirement program which may have the effect of increasing the emoluments of his office during the term he is elected?

Mr. REES of Kansas. I have given that matter some study; yes.

Mr. KEEFE. Has the gentleman given it sufficient study so that he can hazard an opinion?

Mr. REES of Kansas. Well, I have my own opinion. I think it is in violation of that provision of the Constitution. That is my own personal opinion. However, I am opposed to the legislation in any event. That is the way I feel about it.

Mr. KEEFE. I assume the gentleman is of the opinion that many of us share, that is, the retirement program at the time of its initiation and inauguration never at any time contemplated the inclusion of elected officials within the program; is that correct?

Mr. REES of Kansas. That is correct; that is the way I feel about it.

Mr. KEEFE. I think the inclusion of elective officers in this program does violence to the thought of those who originally framed the employees' retirement program in this country. I believe the constitutional lawyers should give some thought to the question of whether this may not be a violation of the constitutional provision.

Mr. REES of Kansas. In any event, it is a big departure, I think, from the original intention when the Retirement Act was set up.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. Yes; I am glad to yield to the gentleman from Missouri.

Mr. COCHRAN. May I ask the gentleman whether he believes we violated the provisions of the Constitution when we raised our salaries from $7,500 to $10,000.

Mr. REES of Kansas. I was not a Member of Congress when that was done.

Mr. COCHRAN. I was, and I voted for it.

Mr. REES of Kansas. Certainly; but I think that increase did not go into effect until after the following election.

Mr. COCHRAN. There were many Members on the floor at that time who said they were not for it, but prayed it would pass. I am not afraid to say what I do on the floor of this House.

Mr. KEEFE. You did not receive that increased salary in the term during which you voted for it. It did not take effect until the next term.

Mr. COCHRAN. No; the following term. But we benefited if we were reelected.

Mr. KEEFE. Then it did not violate the constitutional provision, did it?

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from California.

Mr. SHEPPARD. If I am not on the floor while the House is in session when any measure is following its ordinary procedure, is not that my responsibility?

Mr. REES of Kansas. The gentleman answers his own question.

Mr. SHEPPARD. I know it, but the statement has been made here on several occasions, "Had I been on the floor at that time, my attitude would have been thus and so." It is our responsibility at all times to be on the floor to react to any legislation, until the House adjourns.

Mr. REES of Kansas. Certainly, but there is certain legislation that in my judgment should come to the floor under a rule, permission being granted to debate it, so that the Members of the House may have a chance to debate the bill, then vote it up or down as they choose.

Mr. SHEPPARD. I grant that.

Mr. REES of Kansas. I think as a matter of right that is the way to handle legislation as important as this. That is my notion. Some other Members may not think so. I believe we handle a good deal of legislation too hastily.

Mr. SHEPPARD. However, objection could have been made that a quorum was not present, if it had been so desired.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, I want to give the gentleman from Kansas and the Members of the House another thought, in connection with an appropriation that you and I have voted for all the years we have been here. You know and I know that not out of their pockets but out of the Treasury of the United States comes every dollar the retired officers of the Army, Navy, Marine Corps, and Coast Guard get. They do not contribute one nickel to the United States Government in connection with their retirement. When they have reached the age that enables them to retire they get three-fourths of their pay. If we contribute toward the retirement fund just like other Government employees and officials, we, too, should have an opportunity to benefit.

Are appointive officials and members of the Army and Navy any better than we are?

I am not asking for something for nothing. I do not know the exact amount that I will have to contribute, but I have an estimate, and it will be $8,000, or possibly $8,500. Then, if I join I must pay $41.67 a month so long as I hold office.

There was a provision in the bill which many did not know was in there at the time it was considered. That can be amended, and I will vote for the amendment. I understand the Civil Service Commission is making a study of the law and will soon issue a statement. If we made a mistake, which I understand we did, then let us correct it by striking out that portion of the law, but if Members of Congress will contribute the full amount like every other Government official and employee, then I say they, too, should be entitled to participate.

There has grown up in this country, in States, in the Federal Government, and in corporations, a system of social security whereby our citizens benefit at retirement due to age or physical disability, and I cannot bring myself to the point where I feel it is wrong to include, provided they meet the requirements, as everyone else does, Members of Congress in this system.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. O'BRIEN].

Mr. O'BRIEN of Michigan. Mr. Chairman, outside the mail which under the law is carried free, the Post Office Department during the past year produced a surplus of more than $40,000,000, and this is the best showing ever made in the history of the post office. It reflects the unprecedented burden of work borne by the approximately 300,000 employees of the Post Office Department.

The present appropriation bill carries in the main appropriations for $229,900,000 for clerk and auxiliary help and $162,500,000 for city carrier hire, yet these appropriations will hardly provide an adequate personnel at the current legal salaries to do the job.

The range of salaries of the post-office employees is from a minimum of 50 cents an hour, which is paid to charwomen, to 55 cents an hour for laborers, 65 cents an hour for substitutes, and $1,700 to $2,100 per annum for those who achieve regular appointment as clerks or carriers. In cities such as Detroit these levels of pay present an almost intolerable burden to the employees of this Department, who are confronted with an increasing cost of living.

I think that showing by these Federal employees deserves commendation and recognition. Last July this House passed the longevity-pay bill for post-office employees, which provided a minimum recognition and reward for faithful employees in that Department. The bill was passed in this House without a dissenting voice or vote, and was passed by the Senate. Since then it has been languishing with the conferees.

I call the attention of the Members of the House to the wonderful record of achievement of the employees of the post office and emphasize the great burden which they must bear during these coming years in discharging the duties which the present situation of the Nation casts upon their shoulders. I contend that it is only the minimum of justice that we speedily take action on the longevity pay bill for post-office employees.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. JOHNS].

Mr. JOHNS. Mr. Chairman, I am not going to say so very much about this appropriation bill because those who are on the Appropriations Committee know better about the items than I can possibly know because they have listened to all the hearings as to the needs and requirements of the different departments. I would like to call your attention, however, to one item here, and that is the item of interest on the public debt for the fiscal year 1943. The amount is $1,450,000,000. The Government, in 1914, at the beginning of the first World War, owed only $1,225,000,000. For the fiscal year 1914 it cost $735,000,000 to operate this Government. So we are now paying more in interest on our public debt than we would have used to operate the Government for 2 years back in 1914. I think this is something we should think about and the public should think about.

The thing I want to call your particular attention to today is a matter that came to my attention a few days ago, which I think is a disgrace to the loaning agencies of the Federal Government. It has to do with the loans of the Federal land banks. This party who got a loan from the Government under the act of 1933, got his loan on December 23, 1935. At the time they borrowed this money, as you know, you had to take out stock in the Federal land bank or the local loan association, which is a part of the Federal land bank, at $5 a share for every $100 you borrowed, with the understanding that when your loan is paid this money will be paid back to you and your stock will be retired.

Here is what they did with this particular applicant who borrowed this money, and I think you should listen to it closely because it applies in each particular locality, no doubt, as much as it does where this happened, which was up in my own district. This is the application that the party and his wife were required to sign:

The following statements are made in connection with my application for a Federal Land Bank loan through the Appleton National Farm Loan Association, of Appleton, Wis.

I am informed:

That any person borrowing money on a farm-land mortgage through a National Farm Loan Association shall subscribe for and purchase stock in such National Farm Loan Association to an amount equal to 5 percent of the face of the loan.

That such stock must be paid for in cash or by a deduction from the settlement for the loan.

That such stock entitles its owner to participate in any dividends paid by the association but does not earn interest or profit except as dividends are so paid by the association.

That every stockholder of a National Farm Loan Association shall be held individually responsible, equally and ratably, and not one for another, for all contracts, debts, and engagements of such association to the extent of the amount of stock owned by him at the par value thereof, and in addition

thereto shall be held individually responsible, equally and ratably, and not one for another, for all contracts, debts, and engagements of such association entered into on or before June 16, 1933, to the amount paid in and represented by his shares.

I just want to comment for a moment on that situation. If he were going to guarantee the loans made after he signed this application, it would not be so bad, but he is going to guarantee everybody else's loan up to the amount of his stock for any loan prior to the time he got his loan from the Government.

That the Appleton National Farm Loan Association through which my application is made and in which I propose to take stock, has in the course of its business endorsed and become liable for certain loans which have been foreclosed or on which foreclosure may become necessary and which, therefore, have resulted or may result in losses to the association rendering it unable at the present time to distribute any of its assets in settlement of retired stock, although it is anticipated that the association will ultimately work out of its difficulties.

Now, can you imagine anybody guaranteeing to take up the losses for an association that is already behind in its obligations and insolvent. That is exactly what they asked this fellow to do, and that is exactly what he did do.

That the borrower shall be entitled to receive from the association settlement for his stock at its par value when his mortgage is paid in full, provided the association has funds available for such purpose after making provision for its obligations to creditors, including its obligations as endorser of mortgages securing loans made to its members by the Federal Land Bank of St. Paul; and that if funds are not so available, the borrower shall become entitled to receive, from net capital assets of the association, his pro rata share, as and when funds are available therefor.

Now, this party, of course, wanted to pay his loan up in September, and I am not criticizing this loan association for doing what the Federal land bank says they have to do, and that is hold up the payment of this man's money if they have any legal right to do so. I call attention now to the law itself. I took it upon myself to examine the law but before I say anything about that, I might say that this man paid his loan up in September and asked for the money he had paid on this stock. He was told that there was not anything they could pay at that time, because they had no funds, and they did not give him any idea of how insolvent the local organization was. Here is the law that applies to it:

[Title 12, banks and banking, section 723, subsection C of the Code of Laws of the United States of America in force January 3, 1935]

(c) Subscription to stock; retirement of stock: Each borrower who obtains a direct loan from a Federal land bank shall subscribe and pay for stock in such bank in the sum of $5 for each $100 or fraction thereof borrowed. Such stock shall be held by such Federal land bank as collateral security for the loan of the borrower and shall participate in all dividends. Upon full payment of the loan such stock shall, if still outstanding, be canceled at par, or, in the event that such stock shall have become impaired, at the estimated value thereof as approved by the land bank commissioner, and the proceeds thereof shall be paid to the borrower. (July 17, 1916, ch 245, sec. 7, 39 Stat. 365; Mar. 4, 1933, ch. 270, sec. 1, 47 Stat. 1547; May 12, 1933, ch. 25, sec. 26, 48 Stat. 44; June 16, 1933, ch. 98, sec. 80 (a), 48 Stat. 273.)

Under the law it became the duty of the land bank commissioner to estimate the value of this stock and pay this man the value that the Commissioner should fix, but instead of that they gave him a certificate in which they told him they would pay him whatever they could when the proper time came, and they figured out whether previous mortgages as well as mortgages made subsequent to his own, are going to be foreclosed, and how much the loss is going to be. I think an end should be put to practices of this kind. I think that the land banks should have this power taken away from them and that they should make some provision to guarantee the amount that the borrower is entitled to, or else we should put an end to these local associations and the Federal land bank itself doing anything of that kind.

I think a bill should be introduced in Congress to provide funds to take care of these men who innocently sign these agreements, and who do not know what the legal result will be. Of course, everybody is presumed to know the law, and they are supposed to read the contracts and understand them, but I doubt very much if anybody who read this, such as the ordinary borrower, would understand the situation. I hope the situation may be remedied.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. LUDLOW. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOEHNE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 6511, and had come to no resolution thereon.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that when we meet tomorrow, the general debate shall be extended for 1 hour, to be confined to the bill, and to be equally divided between the gentleman from New York [Mr. TABER] and myself.

The SPEAKER. Is there objection?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Baldridge, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6460. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. OVERTON, Mr. GLASS, Mr. THOMAS of Oklahoma, Mr. GREEN, Mr. WALSH, Mr. LODGE, and Mr. HOLMAN to be the conferees on the part of the Senate.

EXTENSION OF REMARKS

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Capital Times, of Madison, Wis., of January 31, and also a resolution from the Vernon County Taxpayers Association, of Vernon County, Wis.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO FILE REPORT

Mr. COOPER. Mr. Speaker, at the request of the gentleman from Illinois [Mr. SABATH], chairman of the Committee on Rules, I ask unanimous consent that he may have until midnight tonight to file a privileged report from the Committee on Rules.

Mr. TABER. On what bill is that?

Mr. COOPER. I think it is something about rubber.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. TABER. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative business on the Speaker's table on Thursday next, the gentleman from Massachusetts [Mr. GIFFORD] may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. WOLFENDEN of Pennsylvania, indefinitely, on account of illness.

To Mr. CAMP, for 10 days, on account of illness in family.

To Mr. KOPPLEMANN, indefinitely, on account of death of his mother.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6333. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; and

H. R. 6392. An act to authorize the construction of certain naval vessels, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on the following dates present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On January 31, 1942:

H. R. 5249. An act to amend section 7 of the Natural Gas Act;

H. R. 5480. An act to provide pay for officers in accordance with the rank and grade in which they were inducted and served in the land forces;

H. R. 6353. An act to provide for the adjustment of tobacco, wheat, and cotton-marketing quotas and acreage allotments in

certain cases where farm land is acquired by the United States for defense purposes; and

H. J. Res. 257. Joint resolution to amend section 124 of the Internal Revenue Code to simplify the procedure in connection with amortization of certain facilities.

On February 2, 1942:

H. R. 6333. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; and

H. R. 6392. An act to authorize the construction of certain naval vessels, and for other purposes.

ADJOURNMENT

Mr. LUDLOW. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 59 minutes p. m.) the House adjourned until tomorrow, Tuesday, February 3, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Subcommittee on Public Health of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, February 3, 1942, to hold a hearing on H. R. 5674, a bill to protect the public health by the prevention of certain practices leading to dental disorders and to prevent the circumvention of certain State laws regulating the practice of dentistry.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 a. m., Tuesday, February 3, 1942, for the consideration of H. R. 6482, Defense Housing bill for the District of Columbia.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10 a. m., Wednesday, February 4, 1942, continuation of hearings on H. R. 1844.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments on Wednesday, February 4, 1942, at 10 a. m., to consider all bills now pending before this committee.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 5, 1942, at 10 a. m., on H. R. 6020, granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Atlantic seaboard and creating the Atlantic States Marine Fisheries Commission.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 12, 1942, at 10 a. m., on House Joint Resolution 263, to provide decorations for outstanding conduct or service by persons serving in the American merchant marine.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1360. A communication from the President of the United States, transmitting a draft of a joint resolution to authorize the President of the United States to render financial aid to China, and for other purposes (H. Doc. No. 608); to the Committee on Foreign Affairs and ordered to be printed.

1361. A letter from the Chairman, National Labor Relations Board, transmitting the Sixth Annual Report of the National Labor Relations Board for the fiscal year ended June 30, 1941; to the Committee on Labor.

1362. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to amend an act entitled "An act to prevent speculation in lands in the Columbia Basin prospectively irrigable by reason of the construction of the Grand Coulee Dam project and to aid actual settlers in securing such lands at the fair appraised value thereof as arid land, and for other purposes (act of May 27, 1937, Stat. 208), and for other purposes"; to the Committee on Irrigation and Reclamation.

1363. A letter from the president, Washington Gas Light Co., transmitting a detailed statement of the business of the Washington Gas Light Co., together with a list of stockholders, for the year ended December 31, 1941; to the Committee on the District of Columbia.

1364. A letter from the president, Potomac Electric Power Co., transmitting a report of the Potomac Electric Power Co. for the year ended December 31, 1941; to the Committee on the District of Columbia.

1365. A letter from the national commandant, Navy Club of the United States, transmitting a report of proceedings and activities and a statement of receipts and expenditures from January 1, 1941, through December 31, 1941; to the Committee on the Judiciary.

1366. A letter from the Secretary of War, transmitting the draft of a proposed bill to provide travel expenses of civilian officers and employees of the War and Navy Departments and the Coast Guard upon official change of station; to the Committee on Expenditures in the Executive Departments.

1367. A letter from the Clerk, House of Representatives, transmitting a list of reports which it is the duty of any officer or department to make to Congress (H. Doc. No. 600); to the Committee on Accounts and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LUDLOW: Committee on Appropriations. H. R. 6511. A bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1943, and for other purposes; without amendment (Rept. No. 1732). Referred to the Committee of the Whole House on the state of the Union.

Mr. SCHULTE: Committee on the District of Columbia. H. R. 5444. A bill to amend the act to regulate barbers in the District of Columbia and for other purposes; without amendment (Rept. No. 1733). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 427. Resolution for the consideration of S. 2152, an act to provide for the planting of guayule and other rubber-bearing plants in order to make available a source of crude rubber for emergency and defense uses; without amendment (Rept. No. 1734). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CAPOZZOLI: Committee on Claims. H. R. 309. A bill for the relief of Vernon Clemons; with amendment (Rept. No. 1711). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 1757. A bill for the relief of James D. G. Alexander; with amendment (Rept. No. 1712). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 2925. A bill for the relief of Wiley W. Watkins; with amendment (Rept. No. 1713). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 3476. A bill for the relief of James A. Quillinan; with amendment (Rept. No. 1714). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 3722. A bill for the relief of Lt. Col. S. W. McIlwain; with amendment (Rept. No. 1715). Referred to the Committee of the Whole House.

Mr. RUSSELL: Committee on Claims. H. R. 3767. A bill for the relief of Frank Sheppard; with amendment (Rept. No. 1716). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 4413. A bill for the relief of Olive Z. Ressler; with amendment (Rept. No. 1717). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 4502. A bill for the relief of Irene Dial; with amendment (Rept. No. 1718). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 4723. A bill for the relief of John Lesniak; with amendment (Rept. No. 1719). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 4953. A bill for the relief of Emil Lassila, Martha Lassila, Ellen Huhta, and Sylvia Huhta; with amendment (Rept. No. 1720). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 5000. A bill conferring jurisdiction upon the United States District Court for the Eastern District of Michigan to hear, determine, and render judgment upon the claim of Ferd W. Meile; without amendment (Rept. No. 1721). Referred to the Committee of the Whole House.

Mr. HARRIS of Arkansas: Committee on Claims. H. R. 5069. A bill for the relief of George Garcavy; with amendment (Rept. No. 1722). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims H. R. 5352. A bill for the relief of R. E. Cotton Co.; with amendment (Rept. No. 1723). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 5468. A bill for the relief of J. Furman Richardson; with amendment (Rept. No. 1724). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 5500. A bill for the relief of the estate of Charles L. Clark; with amendment (Rept. No. 1725). Referred to the Committee of the Whole House.

Mr. SAUTHOFF: Committee on Claims. H. R. 5619. A bill for the relief of certain clerks in the post office at Detroit, Mich; without amendment (Rept. No. 1726). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 5686. A bill for the relief of Lewis J. and Mary Black; with amendment (Rept. No. 1727). Referred to the Committee of the Whole House

Mr. CHENOWETH: Committee on Claims. H. R. 5794. A bill for the relief of Mrs. Julia Johnson; with amendment (Rept. No. 1728). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 5845. A bill for the relief of Alvira Manfredi; with amendment (Rept. No. 1729). Referred to the Committee of the Whole House.

Mr. HARRIS of Arkansas: Committee on Claims. H. R. 5977. A bill for the relief of Mr. and Mrs. F. Wilder Temple; with amendment (Rept. No. 1730). Referred to the Committee of the Whole House.

Mr. KLEIN: Committee on Claims. H. R. 6063. A bill for the relief of the Clark County Lumber Co.; with amendment (Rept. No. 1731). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. H. CARL ANDERSEN:

H. R. 6512. A bill to provide protection to all persons in the active military or naval forces of the United States in the nature of group insurance by issuance of a policy of National Service Life Insurance in the amount of $5,000, premiums to be paid by the Government during active war service, and for other purposes; to the Committee on Ways and Means.

By Mr. SMITH of Ohio:

H. R. 6513. A bill to amend further the Civil Service Retirement Act of May 29, 1930; to the Committee on the Civil Service.

By Mr. VINSON of Georgia:

H. R. 6514. A bill to provide for the inspection of books, records, and other writings of contractors in certain cases; to the Committee on Naval Affairs.

By Mr. O'CONNOR:

H. R. 6515. A bill providing for the suspension of annual assessment work on mining claims held by location in the United States; to the Committee on Mines and Mining.

By Mr. FORAND:

H. R. 6516. A bill to extend the provisions of the District of Columbia Rent Act to private garages and spaces in public garages; to the Committee on the District of Columbia.

By Mr. RANKIN of Mississippi:

H. R. 6517. A bill to provide for investigations by the Bureau of Mines to determine the availability of certain low-grade bauxite for production of alumina; to the Committee on Mines and Mining.

By Mr. BLOOM:

H. J. Res. 276. Joint resolution to authorize the President of the United States to render financial aid to China, and for other purposes; to the Committee on Foreign Affairs.

By Mr. COX:

H. Res. 426. Resolution authorizing an investigation of the organization, personnel, and activities of the Federal Communications Commission; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the old-age security law; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRADLEY of Pennsylvania:

H. R. 6518. A bill for the relief of Benjamin Franklin; to the Committee on Naval Affairs.

By Mr. MANSFIELD:

H. R. 6519. A bill for the relief of Jesse M. Knowles; to the Committee on Claims.

By Mr. McGREGOR:

H. R. 6520. A bill for the relief of Jane A. Thornton; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2355. By Mr. ENGEL: Resolution of the United Council of Veterans' Organizations of Muskegon County, Mich., by its adjutant, Earle J. Hewitt, protesting against the appointment of Dean Landis as director of national civilian defense; also the council urges that someone be named in his place who is known to be 100-percent American; to the Committee on Military Affairs.

2356. By Mr. FITZPATRICK: Memorial of the Legislature of the State of New York, respectfully requesting the President of the United States and all responsible Federal officials to give careful consideration to the manifold qualifications which make the city and State of New York a desirable place for the relocation of Federal Government agencies removed from Washington, D. C., and to make such selection wherever appropriate and possible; to the Committee on Public Buildings and Grounds.

2357. By Mr. LUTHER A. JOHNSON: Petition of Mrs. A. C. Schandies and 15 other citizens of Rosebud, Tex., opposing the manufacture and sale of alcoholic beverages during the period of the war; to the Committee on the Judiciary.

2358. By Mr. KEOGH: Petition of the Midtown Civic League of Brooklyn, N. Y., concerning universal fingerprinting; to the Committee on the Judiciary.

2359. By Mrs. NORTON: Petition of the Legislature of the State of New Jersey, memorializing the Congress of the United States to refuse to enact any legislation which would destroy the rights of the State of New Jersey in its administration of the State unemployment compensation system; to the Committee on Ways and Means.

2360. By Mr. ROLPH: Resolution of the Board of Supervisors of the City and County of San Francisco, memoralizing Congress to immediately insure complete protection for the Pacific coast, Resolution No. 2383 (series of 1939); to the Committee on Military Affairs.

2361. By the SPEAKER: Petition of the commander in chief, United Spanish War Veterans, petitioning consideration of their resolution with reference to additional appropriations for Spanish-American War veterans, their widows, or dependents; to the Committee on Pensions.

SENATE

TUESDAY, FEBRUARY 3, 1942

(Legislative day of Monday, February 2, 1942)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

O Thou, who art the same yesterday, today, and forever, who art both our present dwelling-place and the distant city of our habitation, who thinkest in us, though ofttimes unsought, beautiful thoughts creating a divine surprise: We humbly ask that Thou wouldst now direct our thinking out of unworthy meditation into the realm where high and holy purpose dwells.

If our thoughts prove barren and unfruitful, open Thou the windows of our mind for the entry of those cleansing and reviving airs that shall touch them with some kindling breath of holy aspiration.

Grant that the words which we utter here, and elsewhere, may be words that breathe the spirit of the Master and may continue to be heard so long as the spirit of the human race feels the need of companionship along the upward way. In our dear Redeemer's Name, we ask it. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, February 2, 1942, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 294. An act to authorize an appropriation for payment to the Middle Rio Grande Conservancy District of construction costs assessed against certain lands within such district acquired by the United States for the benefit of certain Indians in the State of New Mexico;

S. 828. An act to increase the period for which leases may be made of public lands granted to the State of Idaho for educational purposes by the act of July 3, 1890;

S. 1045. An act to increase the earnings of the United States Government Life Insurance fund and the National Service Life Insurance fund by expediting the investment of the moneys thereof, and for other purposes;

S. 1412. An act to amend the act of June 11, 1940 (Public, No. 590, 76th Cong., 3d sess.), providing for the relief of Indians who have paid taxes on allotted land;

S. 1889. An act authorizing the Administrator of Veterans' Affairs to grant an easement for highway purposes to the county of Macon, Ala., in a strip of land located at Veterans' Administration facility, Tuskegee, Ala.;

S. 2012. An act authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration facility, Togus, Maine, to the State of Maine for road-widening purposes;

S. 2080. An act authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration facility, Murfreesboro, Tenn., to Rutherford County, Tenn., for highway purposes; and

S. 2217. An act to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4321. An act for the benefit of the Chippewa Indians of Minnesota;

H. R. 4812. An act further to define the powers of a district judge in certain suits;

H. R. 6005. An act to authorize cases under the Expediting Act of February 11, 1903, to be heard and determined by courts constituted in the same manner as courts constituted to hear and determine cases involving the constitutionality of acts of Congress;

H. R. 6072. An act authorizing the States of Arizona and California, jointly or separately, to construct, maintain, and operate a free highway bridge across the Colorado River at or near Needles, Calif.;

H. R. 6291. An act to amend the Merchant Marine Act, 1936, as amended, to provide for the coordination of the forwarding and similar servicing of water-borne export and import foreign commerce of the United States; and

H. R. 6332. An act to revise the boundaries of the Chickamauga-Chattanooga National Military Park in the States of Georgia and Tennessee.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Glass	Pepper
Austin	Green	Radcliffe
Bailey	Guffey	Reed
Ball	Gurney	Reynolds
Bankhead	Hayden	Rosier
Barkley	Herring	Russell
Bilbo	Hill	Schwartz
Bone	Holman	Shipstead
Brewster	Hughes	Smathers
Brooks	Johnson, Calif.	Smith
Bulow	Johnson, Colo.	Stewart
Bunker	Kilgore	Taft
Burton	La Follette	Thomas, Idaho
Butler	Langer	Thomas, Okla.
Byrd	Lee	Thomas, Utah
Capper	Lucas	Tobey
Caraway	McFarland	Truman
Chandler	McKellar	Tunnell
Chavez	McNary	Tydings
Clark, Idaho	Maloney	Vandenberg
Clark, Mo.	Maybank	Van Nuys
Connally	Mead	Wagner
Danaher	Millikin	Wallgren
Downey	Murdock	Walsh
Doxey	Murray	Wheeler
Ellender	Norris	White
George	Nye	Wiley
Gerry	O'Mahoney	Willis
Gillette	Overton	

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Michigan [Mr. BROWN], the Senator from Nevada [Mr. MCCARRAN], the Senator from Texas [Mr. O'DANIEL], and the Senator from Arkansas [Mr. SPENCER] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury.

The Senator from New Jersey [Mr. BARBOUR] is absent on official business.

The Senator from Pennsylvania [Mr. DAVIS] is absent on business of the Senate.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

OVERTIME PAY FOR CERTAIN EMPLOYEES OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2112) authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics, which was, on page 1, line 6, after the word "paid", to insert "hereafter."

Mr. REYNOLDS. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

PROTECTION OF INDIAN TRIBAL ORGANIZATIONS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation for the protection of Indian tribal organizations (with an accompanying paper); to the Committee on Indian Affairs.

REPORT OF MIGRATORY BIRD CONSERVATION COMMISSION

A letter from the Secretary of the Interior, Chairman of the Migratory Bird Conservation Commission, transmitting, pursuant to law, the report of the Migratory Bird Conservation Commission for the fiscal year ended June 30, 1941 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORTS OF THE NATIONAL LABOR RELATIONS BOARD

A letter from the Chairman of the National Labor Relations Board, transmitting, pursuant to law, the sixth annual report of the Board for the fiscal year ended June 30, 1941, together with a list of the names, salaries, and duties of all employees and officers of the Board on June 30, 1941, etc. (with accompanying papers); to the Committee on Education and Labor.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Departments of War (6), and Labor, and the Federal Security Agency (Social Security Board), which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PROHIBITION OF LIQUOR SALES AND THE SUPPRESSION OF VICE AROUND MILITARY CAMPS—PETITIONS

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to present for appropriate disposition certain petitions which have been sent to me by Repeal Associates. I ask that one of the petitions may be printed in the RECORD without the names attached, and that the petitions may lie on the table.

There being no objection, the petitions were ordered to lie on the table, and one of the petitions was ordered to be printed in the RECORD without the names attached, as follows:

To the Congress of the United States:

Whereas certain bills (notably S. 860 and H. R. 4000) have been introduced into Congress, "To provide for the common defense in relation to the sale of alcoholic liquors to members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments"; and

Whereas military authorities now possess all necessary power to control the sale of alcoholic beverages to members of the land and naval forces; and

Whereas certain sections of these bills are, we believe, unconstitutional; and

Whereas the control of alcoholic beverages and the control of prostitution are unrelated, and therefore ought not to be combined in one piece of legislation; and

Whereas we believe the enactment of these bills into law would establish an unwise and dangerous precedent, and would be opposed to the general welfare of citizens of the several States and obstructive to the common defense of the United States:

We, the undersigned, citizens of ———, respectfully request that these bills be reported unfavorably.

REPORTS OF A COMMITTEE

The following reports of the Committee on Indian Affairs were submitted:

By Mr. THOMAS of Oklahoma:

S. 2110. A bill for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho; without amendment (Rept. No. 1015);

H. R. 3539. A bill to provide for the deposit and expenditure of various revenues collected at schools and hospitals operated by the Indian Service in Alaska; without amendment (Rept. No. 1013); and

H. R. 3542. A bill to authorize the purchase from appropriations made for the Indian Service of supplies and materials for resale to natives, native cooperative associations, and Indian Service employees stationed in Alaska; without amendment (Rept. No. 1014).

ADDITIONAL COPIES OF REPORT OF PEARL HARBOR INVESTIGATING COMMISSION

Mr. HAYDEN. Mr. President, from the Committee on Printing I report back favorably without amendment Senate Concurrent Resolution 25 and ask unanimous consent for its present consideration.

There being no objection, the concurrent resolution (S. Con. Res. 25), submitted by Mr. HAYDEN on the 29th ultimo, was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed 37,500 additional copies of Senate Document No. 159, Report of the Commission Appointed by the President of the United States to Investigate and Report the Facts Relating to the Attack Made by Japanese Armed Forces Upon Pearl Harbor, in the Territory of Hawaii, on December 7, 1941, of which 8,000 copies shall be for the use of the Senate, 2,000 for the use of the Senate

document room, 24,500 copies for the use of the House, and 3,000 copies for the use of the House document room.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL:

S. 2240. A bill to establish a Women's Army Auxiliary Corps for service with the Army of the United States; to the Committee on Military Affairs.

By Mr. LEE:

S. 2241. A bill to enable persons who are unemployed as a result of the effect of the war upon employment conditions to be appointed to positions in the classified civil service upon passing noncompetitive examinations; to the Committee on Civil Service.

Mr. BYRD (for himself, Mr. BAILEY, Mr. BURTON, and Mr. JOHNSON of Colorado) introduced Senate bill 2242, which was referred to the Committee on Civil Service and appears under a separate heading.

By Mr. BAILEY:

S. J. Res. 130. Joint resolution to extend and amend certain emergency laws relating to the merchant marine, and for other purposes; to the Committee on Commerce.

Mr. PEPPER. Mr. President, I ask unanimous consent to introduce at this time a joint resolution and request that it be referred to the Committee on Education and Labor which has dealt with a similar subject.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

By Mr. PEPPER:

S. J. Res. 131. Joint resolution appointing a joint committee of the Congress to make a study of war and post-war problems; to the Committee on Education and Labor.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT—EXCLUSION OF ANNUITY BENEFITS TO ELECTIVE OFFICERS

Mr. BYRD. Mr. President, I ask unanimous consent, on behalf of the Senator from North Carolina [Mr. BAILEY], the Senator from Ohio [Mr. BURTON], and the Senator from Colorado [Mr. JOHNSON] to introduce for appropriate reference a bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, for the purpose of making elective officers ineligible to receive annuity benefit payments under such act. The purpose of the bill is to repeal that section of the Retirement Act which granted congressional pensions. At a very early time the Senator from Virginia will take occasion to go into the matter fully.

The VICE PRESIDENT. Without objection, the bill will be received and appropriately referred.

The bill (S. 2242) to amend the Civil Service Retirement Act of May 29, 1930, as amended, for the purpose of making elective officers ineligible to receive annuity benefits under such act, was read twice by its title and referred to the Committee on Civil Service.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 4321. An act for the benefit of the Chippewa Indians of Minnesota; to the Committee on Indian Affairs.

H. R. 4812. An act further to define the powers of a district judge in certain suits; and

H. R. 6005. An act to authorize cases under the Expediting Act of February 11, 1903, to be heard and determined by courts constituted in the same manner as courts constituted to hear and determine cases involving the constitutionality of acts of Congress; to the Committee on the Judiciary.

H. R. 6072. An act authorizing the States of Arizona and California, jointly or separately, to construct, maintain, and operate a free highway bridge across the Colorado River at or near Needles, Calif.; and

H. R. 6291. An act to amend the Merchant Marine Act, 1936, as amended, to provide for the coordination of the forwarding and similar servicing of water-borne export and import foreign commerce of the United States; to the Committee on Commerce.

H. R. 6332. An act to revise the boundaries of the Chickamauga-Chattanooga National Military Park in the States of Georgia and Tennessee; to the Committee on Public Lands and Surveys.

STUDY OF ADMINISTRATION OF THE DEFENSE PROGRAM

Mr. KILGORE. Mr. President, I have here a very detailed study of the legislative and executive background of the defense set-up of the United States at the present time, prepared by the Legislative Reference Service of the Library of Congress. I ask to have the material referred to the Committee on Printing for estimate with a view to having it printed as a document.

The VICE PRESIDENT. The material will be so referred.

ADDRESS BY SENATOR WILEY BEFORE KNIGHTS OF PYTHIAS, MILWAUKEE, WIS.

[Mr WILEY asked and obtained leave to have printed in the RECORD an address delivered by him on January 30, 1942, before the Knights of Pythias at Milwaukee, Wis., which appears in the Appendix.]

IDENTIFICATION OF ALIEN ENEMIES—ADDRESS BY ATTORNEY GENERAL BIDDLE

[Mr. VAN NUYS asked and obtained leave to have printed in the RECORD a radio address delivered on February 1, 1942, by Hon. Francis Biddle, Attorney General of the United States, on the subject Identification of Alien Enemies, which appears in the Appendix.]

ADDRESS BY EDWARD J. FLYNN ON PARTY DUTY IN WARTIME

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a radio address on the subject Party Duty in Wartime, delivered by Edward J. Flynn, chairman of the Democratic National Committee, on February 2, 1942, which appears in the Appendix.]

ADDRESS BY MRS. JOHN L. WHITEHURST BEFORE NATIONAL DEFENSE FORUM

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an address delivered by Mrs. John L. Whitehurst, president of the General Federation of Women's Clubs, at the board of directors' meeting and national defense forum of that organization on January 23, 1942, at the Mayflower Hotel, Washington, D. C., which appears in the Appendix.]

LIVESTOCK IN A WORLD AT WAR AND AFTER—ADDRESS BY E. W. SHEETS

[Mr. TOBEY asked and obtained leave to have printed in the RECORD an address on the subject of Livestock in a World at War and After, delivered on January 27, 1942, at Concord, N. H., by E. W. Sheets, secretary of the United States Livestock Association, which appears in the Appendix.]

PLACE OF SMALL BUSINESS MAN IN NATIONAL ECONOMY—LETTER FROM DONALD M. NELSON

[Mr. WILEY asked and obtained leave to have printed in the RECORD a letter to him from Donald M. Nelson, chairman of the War Production Board, on the place of the small business man in the national economy, which appears in the Appendix.]

CLARENCE BUDINGTON KELLAND

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an article from the New Republic of January 26, 1942, entitled "The G. O. P.'s Second Childhood," and a list of writings of Clarence Budington Kelland, which appear in the Appendix.]

WOODROW WILSON'S IDEALISM IN THE POST-WAR PERIOD—ESSAY BY JOSEPH CARUSO

[Mr. SMATHERS asked and obtained leave to have printed in the RECORD an essay by Joseph Caruso, a student in the Woodrow Wilson High School, of Camden, N. J., entitled "Woodrow Wilson's Idealism in the Post-War Period," which appears in the Appendix.]

NEBRASKA: A PUBLIC POWER EMPIRE—ARTICLE BY IRVING GREENE

[Mr. NORRIS asked and obtained leave to have printed in the RECORD an article by Irving Greene, published in the Omaha Sunday World-Herald Magazine of January 25, 1942, entitled "Nebraska: A Public Power Empire," which appears in the Appendix.]

REPORT BY HARRY SLATTERY ON R. E. A. AIDS TO WAR EFFORT

[Mr. NORRIS asked and obtained leave to have printed in the RECORD a press release issued by Harry Slattery, Administrator of the Rural Electrification Administration, entitled "Slattery's Report Cites R. E. A. Aids to War Effort," which appears in the Appendix.]

JAMES A. FARLEY—EDITORIALS FROM WINSTON-SALEM JOURNAL AND COLUMBUS (NEBR.) DAILY TELEGRAM

[Mr. BAILEY asked and obtained leave to have printed in the RECORD editorials from the Winston-Salem (N. C.) Journal and the Columbus (Nebr.) Daily Telegram with relation to Hon. James A. Farley, which appear in the Appendix.]

SPIRITUAL BOND OF THE AMERICAS—ARTICLE BY DR. JOSEPH F. THORNING

[Mr. RADCLIFFE asked and obtained leave to have printed in the RECORD an article entitled "Spiritual Bond and the Americas," written by Dr. Joseph F. Thorning, professor of sociology at Mount St. Marys College, Emmitsburg, Md., and printed in the magazine The Sign, of the issue of February 1942, which appears in the Appendix.]

WE WILL WIN—ARTICLE BY SOTERIOS NICHOLSON

[Mr. RADCLIFFE asked and obtained leave to have printed in the RECORD an article entitled "We Will Win," written by Soterios Nicholson and published in the California Greek newspaper of the issue of December 26, 1941, which appears in the Appendix.]

WIRE-TAPPING LEGISLATION AND THE PEARL HARBOR ATTACK

Mr. TRUMAN. Mr. President, certain misconceptions have arisen with the result that most unjust criticism has been

leveled at one of the distinguished Members of this body. As chairman of a subcommittee of the Senate I have been especially close to the subject matter of the criticism, and have sufficient knowledge of the record to know that the criticism is wholly unjustified. I have assembled the facts in as brief form as practicable, and desire to place them before the Senate.

It has been charged that the senior Senator from Montana [Mr. WHEELER], as chairman of the Senate Committee on Interstate Commerce, has prevented enactment of a law to authorize the tapping of the wires of spies, and that if he had not done so the Japanese could not have surprised our forces at Pearl Harbor on December 7, 1941. A perusal of the official records will show that this charge is not tenable. The facts will show that the chairman of the Interstate Commerce Committee has not obstructed the passage of a bill to authorize the tapping of the wires of spies. The facts will also show that the surprise attack on Hawaii was in no respect due to the unwillingness of Congress to pass a law authorizing wire tapping, and in no respect could have been avoided if Congress had passed such a law.

Now, as to the official record on wire-tapping legislation, I shall first take up what occurred on this subject in the present Congress, beginning with the year 1941.

In January 1941 a bill was introduced in the House to authorize the tapping of wires. This bill was defeated in the House on June 30, 1941. No bill was introduced in the Senate. Nevertheless, with the concurrence of the chairman of the Senate Committee on Interstate Commerce, on April 22, 1941, I offered a resolution providing that an appropriate standing committee of the Senate should be directed to study wire tapping. The resolution was referred by the Vice President to the Senate Committee on Interstate Commerce.

The Senator from Montana appointed a subcommittee to take up the whole subject of wire tapping, and to consider any wire-tapping bill which might later come before the Senate. He appointed to the subcommittee the senior Senator from Kentucky [Mr. BARKLEY], the senior Senator from New York [Mr. WAGNER], the senior Senator from Vermont [Mr. AUSTIN], the senior Senator from Minnesota [Mr. SHIPSTEAD], the junior Senator from Idaho [Mr. CLARK], the junior Senator from New Hampshire [Mr. TOBEY], and myself. The Senator from Montana designated me as chairman of the subcommittee.

Thus, of the seven members he appointed to the subcommittee, four were stanch supporters of President Roosevelt's foreign policy. He named the majority leader of the Senate and the assistant minority leader of the Senate, who have been in the forefront of the debates in support of the President's foreign policy. Among others put on the subcommittee was also the distinguished senior Senator from New York [Mr. WAGNER], chairman of one of the most important committees of the Senate, and long known as a stanch supporter of the President, both in foreign and in domestic policies. How could the Senator from Montana have evidenced more clearly that he thought wire tapping should be considered on its merits? It was in the same spirit that he named as chairman of this subcommittee a supporter of the President's foreign policy.

I promptly convened a meeting of the subcommittee. We called before us the representative of the Department of Justice who had spoken for the Department at the hearings on the wire-tapping bill before the House committee. We gave him the fullest opportunity for a complete exposition of the subject of wire tapping, and of his reasons in support of a wire-tapping bill. Thereafter no bill on wire tapping was introduced in the Senate, and it was some time before the House took up a bill which was pending in that body.

Furthermore, reports came to individual Senators of some of the testimony presented to the House committee. These reports emphasized the need for care in considering this kind of legislation. We heard, for example, that important witnesses before the House committee had testified that wire tapping might endanger national defense, might hurt workers' morale, and thus interfere with maximum production. We were in no position to say whether these views were right or wrong, but they convinced me that we should not telescope the usual legislative procedure.

Finally, word came to various members of our subcommittee that many labor organizations had appeared before the House committee in opposition to the wire-tapping bill. They asserted that such a power would be used more against labor than against spies. We also were told that evidence was presented that the head of one of the most important investigating agencies in the Federal Government had formally stated that wire tapping is inefficient, does not bring satisfactory results, and is undesirable; and that such statements were made by him many months after the beginning of the European war, and after his organization had been charged with the duty of combatting the fifth column, foreign spies, and saboteurs. At the same time we heard that there was much testimony on the other side of the question.

The Senator from Montana never tried to ascertain from any member of the subcommittee what his views were on the subject of wire tapping. The Senator from Montana never tried to persuade any member of the subcommittee to come out either for or against a wire-tapping bill. The Senator from Montana scrupulously left that to our subcommittee, which, I cannot repeat too often, had as a majority of its members Senators who disagreed with the views of the Senator from Montana on foreign policy.

This is the record in Congress on wire-tapping legislation in the year 1941. The subcommittee is still in existence, it is still ready to consider any bill on this subject which may be introduced in the Senate or which may come from the House.

In short, the record on wire-tapping legislation shows that the Senator from Montana was scrupulously fair. Any suggestion that he was using the wire-tapping issue to help him in his struggle over foreign policy is unfounded. He proceeded fairly and squarely, as the chairman of any committee of the Senate would do.

Let us look at the record a little farther back. The present law on the subject of wire tapping is to be found in a statute which was enacted in 1934, the Federal Communications Act. This act was the result of an administration bill, as Representative BANKHEAD made clear when the bill came before the House. It was a carefully drawn bill, as Senator DILL, of the State of Washington, the chairman of the Senate Committee on Interstate Commerce, stated when the bill came before the Senate. At that time the senior Senator from Montana was a member but not chairman of the Senate Interstate Commerce Committee.

The provision of the law which deals with wire tapping appeared in the very first draft of the bill which was introduced in the Senate in 1934, and this particular section of the bill remained unchanged throughout the legislative proceedings, from the introduction of the bill to its enactment into law.

Subsequently, in 1938, one of the departments of the Government desired to have the power to tap wires. The senior Senator from Montana was then chairman of the Senate Committee on Interstate Commerce. Assuming that the bill was an administration measure, he personally introduced it. It was sent to his committee for consideration; it was favorably reported by the committee as a more or less routine matter, and, without much discussion, passed the Senate. However, the bill passed the House in a somewhat different form. The session was coming to an end, and the bill failed of passage by reason of the differences between the Senate and House versions.

Let me point out here that at the last moment a distinguished Member of this body who had been unavoidably absent from Washington got in touch with the Senator from Montana to object to any bill which would authorize wire tapping. The absent Senator, a stanch supporter of the President's foreign policy, set forth various dangers which, in his view, would flow from such legislation. I mention this because 3 years later, in 1941, President Roosevelt himself, in a public letter to Representative ELIOT of Massachusetts, made clear his view that wire tapping for ordinary peacetime criminal detection purposes is undesirable. Nevertheless, the Senator from Montana had sought to carry out the desires of an administration agency.

Mr. LUCAS. Mr President, perhaps the Senator has already stated, but what happened to the bill after it came back from the House?

Mr. TRUMAN. There were two versions of the bill, which were not reconciled.

The subject next arose in the year 1940. Early in the year the Senator from Rhode Island [Mr. GREEN] submitted a resolution providing for an investigation of wire tapping. He pointed out that wire tapping had been used for political purposes. The resolution was referred to

the Senate Committee on Interstate Commerce, and the senior Senator from Montana appointed a subcommittee to conduct an investigation. In this instance also he abstained from taking any part in the investigation, not appointing himself chairman or a member of the subcommittee. In reporting the resolution favorably for the consideration of the Senate, the Committee on Interstate Commerce disapproved the use of wire tapping for political or other purposes, and criticized the abuses connected with it when it is used in crime detection. This report followed the line taken by J. Edgar Hoover, who a month earlier had condemned wire tapping in the broadest language. The Senate Interstate Commerce Committee anticipated, this time by approximately a year, the view later publicly expressed by the President on the undesirability of wire tapping.

Thereafter a bill to authorize wire tapping passed the House, but it came to the Senate when the legislative year was well along, when many Senators were absent, and when further pressing matters of a far more serious nature were occupying the time of those Senators who were in Washington. No action was taken on the bill by the Senate at that time. To avoid a similar contingency, a few months later, early in 1941, the senior Senator from Montana appointed a subcommittee to be ready to act if any bill on the subject should come before the Senate.

I have given the record on the subject from 1934 to date. No fair-minded person can level any criticism at the senior Senator from Montana [Mr. WHEELER] by reason of the fact that there is no legislation on the statute books affirmatively authorizing wire tapping. The critics base their claim on two contentions, both of which have to be proved in order to support their attack on the Senator from Montana. Neither of the two statements is true. I have already discussed the first, that the senior Senator from Montana stopped wire-tapping legislation.

The second claim is that in the absence of legislation permitting wire tapping, the Japanese communications between Hawaii and Japan could not be tapped, and therefore the plan for a surprise assault on Pearl Harbor could not be detected in advance. A perusal of the record will show the second claim to be without foundation in fact.

Anyone acquainted with the record must conclude that in fact the intelligence and investigative services of the Federal Government resorted to wire tapping in Hawaii, a long time before the attack on Pearl Harbor. If there was any failure to catch the Japanese spies and to ascertain the plan for a surprise attack, the failure was not due to any restraints imposed on our detectives. On the contrary, a study of the record will show that wire tapping and interception of messages were fully practiced prior to the attack on Pearl Harbor—just as fully as if there had been a law which said in express words to the investigative agencies of the Government, "Go out and wire tap as much as you can."

In the first place, the Department of Justice definitely took the position that under the present law as it now stands, wire tapping as such is not unlawful. I refer to begin with to a letter formally sent by the Department of Justice to a committee of the House of Representatives on March 19, 1941. In this letter the Department said:

> There is no Federal statute that prohibits or punishes wire tapping alone. The only offense under the present law is to "intercept any communication and divulge or publish" the same. Any person, with no risk of penalty, may tap telephone wires and eavesdrop on his competitor, employer, workman, or others and act upon what he hears or make any use of it that does not involve divulging or publication. * * * The courts do not stop people from tapping wires—no one has ever been or under present law could be convicted of that by itself. What has been stopped is the use of the evidence to enforce the laws against criminals.

Attorney General Jackson wrote that letter.

Subsequently, on October 8, 1941, Attorney General Biddle expressed a similar opinion on the subject. I now quote from the report of an interview with him as published in the New York Times for October 9, 1941:

> The present law contains no barriers against tapping wires, the ban being against use of evidence thus obtained. "The question is," Mr. Biddle commented, "what is meant by 'divulge and publish.'" I cannot think that by these words Congress intended to prevent an agent tapping wires in an espionage case and reporting to his superiors.

Furthermore, the Attorney General told the press that he intended to follow the policy of permitting wire tapping. The subject can also be read in the report contained in the Washington Post for October 9, 1941.

There is considerable to show that the agents of the Department of Justice proceeded in accordance with the view laid down by the two Attorneys General who spoke on the subject in 1941. I refer to a formal official report by a presiding inspector of the Department of Justice, in which he says, on the basis of affidavits submitted to him, the agents of the Department of Justice deemed it lawful to tap the wires and actually did tap the wires of a labor leader and overheard the telephone conversations of labor leaders by that method. This report was made late in 1941 and refers to an incident in the summer of 1941. That incident deals with matters not related to national defense or spies.

I now turn to a newspaper report of January 29, 1942, which shows that the agents of the Government deemed it lawful to tap the wires and intercept the messages of spies, and in particular of spies operating in Hawaii prior to the attack on Pearl Harbor. The article was published in various newspapers throughout the country as a dispatch of the United Press, and was published in the Washington Times-Herald under the name of the reporter who wrote the article, Mr. Fred Mullen. The article refers in particular to a radio-telephone conversation which was intercepted by the Federal agents on December 5, 1941, 2 days before the attack on Pearl Harbor. Here are extracts from the article:

> It is understood that the Federal Bureau of Investigation intercepted a single radiotelephone conversation on that day and interpreted it as indicating the possibility of a Japanese attack on United States territory.
>
> The warning was based, the United Press was told, upon a 20-minute telephone conversation between Japanese in Honolulu and Tokyo December 5 to which Federal Bureau of Investigation agents were able to listen. They achieved the telephone tap less than 48 hours before the Pacific land, sea, and air base in Hawaii was surprised and severely damaged by Japanese airmen.
>
> Though most of the conversation between the unnamed Japanese and his superior in Tokyo was "casual and friendly" at first hearing, the strength and disposition of the United States Fleet in the Pacific were specifically mentioned by the caller at the Oahu end of the connection. * * *
>
> The telephone conversation was one of very few which intelligence operatives succeeded in tapping, operational technicalities involved in radio transmission of telephone calls between Oahu and Japan having blocked efforts to intercept such calls. * * *
>
> The ability of the Federal Bureau of Investigation to tap the call between the telephone instrument and the radio transmission apparatus was believed to have been due to a laxity on the part of the Japanese in the final hours of preparations for the attack. They usually availed themselves of instruments that could not be tapped because of their location on property not open to the Federal Bureau of Investigation.

I refer now, Mr. President, to one further circumstance which, according to the press, was mentioned in hearings before a committee of the House last year when it considered a bill to authorize wire tapping. At that time a high official of the Government stated to the House committee that under the present law it is entirely lawful for the Government to subpena copies of telegrams in the files of cable and telegraph companies. Regardless of whether one agrees with the opinion of the Attorney General that it is lawful to tap wires, it is clear that under the law as it now stands the Federal Government could have subpenaed copies of all telegrams sent by Japanese spies over the commercial lines between Hawaii and Japan in the weeks and months preceding the attack on Pearl Harbor.

It is, therefore, fair to say that the Federal Government agents were not prevented, by anything in the present law, or by the lack of any law such as has now been proposed in the House and was proposed in the House last year, from intercepting the messages of spies and tapping the wires of spies in Hawaii or anywhere else.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. TRUMAN. I am glad to yield.

Mr. TYDINGS. While the agents may have had the power, I wonder if the Senator is in a position to inform the Senate whether they were instructed not to utilize that means of securing information.

Mr. TRUMAN. I cannot answer as to that. They did use it, however, I will say to the Senator.

Mr. TYDINGS. It may be that, with the best of motives and intentions, someone may have directed them, however, not to use that medium of securing information, even though the law permitted them to do so.

Mr. TRUMAN. That is entirely possible, but it was not the Senator from Montana [Mr. WHEELER] who did so. That is what I am trying to show.

I point to one other fact. The Department of Justice has not only said that it deemed it lawful and that it would authorize the tapping of wires, but has not denied any of the newspaper articles which state that it did tap wires of Japanese spies in Hawaii before December 7, 1941. The head of the investigative agency of the Department of Justice gave out a statement which was published in the Washington Times-Herald for December 29, 1941, dealing with the subject of spy activity in Hawaii prior to the attack on Pearl Harbor. At no point in the statement is there the remotest suggestion that the failure of the House to pass the bill last year interfered in any way with the power and action of the Department's agents in tapping the telephone calls and intercepting the messages of the Japanese spies.

As chairman of a subcommittee appointed to deal with this subject when a bill comes before it, I am not endeavoring to express any view as to whether legislation such as was proposed in the House last year and this year is desirable or not. It is my duty as chairman of the subcommittee to give those who desire to be heard an opportunity to be heard when there is a bill pending before the subcommittee, and to reach a decision with the other members of the subcommittee on the merits of the subject as the facts come before us, and with a view primarily to the needs of national defense and of the most effective exercise of the war power of the Government.

All I have sought to do by this statement is, without recrimination, without name calling, without pointing the finger of criticism at anybody, to present in some detail the record from 1934 to date. That record is conclusive proof of the facts. Those facts are two in number. In the first place the chairman of the Senate Committee on Interstate Commerce [Mr. WHEELER] has done nothing to prevent the passage of a bill to authorize wire tapping. He has done everything possible in this Congress from the early part of 1941 onward to expedite hearings on any bill on the subject which may come before the Senate and at the same time to give everyone who is interested in the subject a fair and full hearing. The second fact which the record shows is that the absence of a wire-tapping law had nothing whatever to do with the failure to detect in advance the surprise attack which was made on Pearl Harbor on December 7, 1941.

The conclusion is unavoidable that the criticism recently leveled against the chairman of the Committee on Interstate Commerce is not justified by any circumstance, any incident, or any evidence whatever.

Those few critics who have attacked the senior Senator from Montana seem to be inclined also to hold him responsible for not rushing a wire-tapping bill through Congress at the present moment. They seem to think, and they imply in their pronouncements, that our country is in danger unless and until Congress passes a law affirmatively authorizing our detective forces to tap wires.

What justification is there for directing such criticism against the chairman of the Senate Interstate Commerce Committee? None whatsoever. If any Government department deemed it necessary to have such a bill rushed through, that department would say so, plainly, clearly, unmistakably. No Government department has said so.

But there is more to be said on the point. We know that under the censorship powers the Federal Government is now censoring all communications between this country and its possessions—including Hawaii—on the one hand, and all other countries. This censorship covers communications by wire, by wireless, and by mail.

The whole basis of the attack is fantastic. Here we have our Government tapping domestic telephone calls and foreign telephone calls, getting messages, and foreign mail. How in the world the senior Senator from Montana could improve that situation one iota, if he had the power to rush through Congress one or a thousand bills on wire tapping, is beyond my comprehension.

What has happened is that there have been spread abroad some myths—and I am using a very kindly word—for which there is no foundation in fact. These myths have been accepted by a few men who have not had the time to get the facts, and they have broadcast the myths, now grown to supersize, as if they were actualities instead of utter fantasies.

We have a war to fight and we must devote our fullest energies to winning that war. There will be during the war many changes, many promotions and some demotions, many criticisms and many corrections. All of that is salutary; but what is not salutary is recrimination, and the indulging in personal attacks which can only make for disunity and prevent the fullest cooperation of all Americans in the prosecution of the war effort. Especially is it important that those who desire to criticize persons or personalities shall avoid making criticism which is not justified by the facts and which is contrary to the record and to the facts.

There are still some in this country who feel bitterness against Members of the Senate and House of Representatives and against others who do not hold public office, who were opposed to any aspect of the President's foreign policy during the last 2 years. I was gratified to observe that Winston Churchill, when he was in this country, took a far different attitude. I know that many Members of the Senate who supported the President's foreign policy throughout deem such recriminations unwise and unjust. I have throughout supported the President's policy, and I also believe that recriminations of the nature referred to are unwise and unjust. It should be borne in mind that even Abraham Lincoln criticized the entrance of our country into the Mexican War in 1848; yet no one doubts his patriotism. Those men in public life whom I know who did not before our declaration of war agree with the President's policy on foreign affairs, the policy to which I subscribe, have since the declaration of war loyally and fully supported the war effort of the Government. The Senator from Montana [Mr. WHEELER] was one of the first to make the statement that he would be behind the Government in the prosecution of the war. It would be fair to them and helpful to the Government's war effort if this fact were more generally recognized. It is time that men cease to challenge the patriotism and loyalty of some of their fellow Americans simply because on some issue of the present day there happens to be some difference of opinion and an honest difference. It is to preserve the right to hold differences of opinion that we are entered upon the mightiest effort of our national career.

DECENTRALIZATION OF WAR INDUSTRIES AND DEMOBILIZATION OF NONDEFENSE WORKERS

Mr. WILEY. Mr. President, I listened with a great deal of pleasure to the distinguished Senator from Missouri [Mr. TRUMAN] when he occupied the floor. He called attention to the particular need of all of us of guarding our tongues, especially if what we have to say is of a destructive nature.

We have heard much of late in relation to decentralization. There are two phases to that subject. The first relates to the decentralization of nondefense activities in Washington. We now have a committee, appointed by the President, for the purpose of going into the subject and seeing what can be done. There is, however, another phase of decentralization in which I am particularly interested. It relates to the decentralization of many of our war activities on the coast. Recently I had the privilege of speaking in Philadelphia on the same program with the distinguished Chinese Ambassador Hu Shih. He particularly called attention to the fact that one of the reasons China was able to withstand the onslaught throughout the years when she stood alone, and since, when she has received aid from this country, Britain, and France, was the fact that she saw what was coming and withdrew her industries into the hinterland. That policy has been again demonstrated in the Russian campaign. Russia, too, took her war activities away back into the interior. Let us wake up and locate our big industries into the Mississippi Valley.

I rise to speak, Mr. President, also on a correlative idea, and that is the subject of demobilization of the employees of the Government who are not engaged in war activities. In this city and throughout the land we have an overplus of employees who are not engaged in activities necessary to the successful consummation of the war. They should be at least partially demobilized. We can find examples in such departments as the Department of Agriculture in this city, which has an overhead expense of $1,100,000,000.

The other day the President of the United States spoke about parasites. I was interested in an article by David Lawrence, which I read this morning. The title of it is Another View on Capital Parasites. He brings out clearly the President's definition of parasites, which the President seems to think is all-inclusive. The President refers to persons who come to Washington for social life. They are very few in number compared with the real parasites who are living on the patronage of the political system at the expense of the taxpayers.

Mr. President, I have just returned from my own State of Wisconsin. In that State we are back of the war effort 100 percent, but we want it carried on efficiently. We are particularly proud of one great citizen of Wisconsin, Billy Mitchell. If his advice had been followed we might have avoided much of the catastrophe which has happened. Gen. Douglas MacArthur spent much of his life in Wisconsin. He is a member of the Alonzo Cudworth Post, No. 28 of the American Legion, of Milwaukee, Wis. He is another man who is on his toes and knows how to handle any situation with which he may be confronted. Both of these men, Mitchell and MacArthur, had prevision. Let us get a little of the same quality and decentralize before it is too late.

The people in my State are for an all-out war effort, but at the same time they are tremendously concerned with the enormous expenditures upon which the Government is embarking. They are asked to buy defense bonds, to give up automobiles, and to agree to a reduction in the standard of living. They are glad and willing to do so, because they recognize that it is necessary to do so now, or will be necessary in the near future.

Mr. President, man after man asks, "Why does not government cut down on its nondefense activities? Why is there not a demobilization of Government employees in nondefense activities?" The departments of government furnish many examples of what I mean. There are hordes of Government employees in nondefense activities who should be in defense work. Demobilization does not mean destruction. It means getting rid of surplus employees.

Mr. President, why cannot some one who really comprehends efficiency take hold of the job in Washington to the end that space now devoted to nondefense activities may be utilized for war activities? Let us get rid of the parasites who draw Government pay. Mr. Lawrence calls attention to the fact that in Washington we have the greatest collection of lawyers the Capital has ever seen—lawyers who are doing nothing.

Some time ago, Mr. President, I suggested that if we did not get results in the war-production effort we would soon see the greatest "buck passing" period this country has ever seen. I think we will get production. I think Mr. Nelson will be the man of the hour, and I think he will show what should have been done months or years ago. Let the President find another Nelson who will reach out and do the job of demobilizing useless and expensive employment in the Government. The hour to begin is now. We who sit here in Washington, rather complacently and smugly, do not get the picture of how the people feel who will have to pay the taxes. As I say, I have just returned from my own State. It is a patriotic State. Its people are willing to go the limit, but they ask us to do something besides merely voting money day after day. It is a constructive thing to do to cut down unnecessary expense. Let us cut it down.

Mr. President, I ask that the entire article by Mr. Lawrence be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star]

ANOTHER VIEW ON CAPITAL "PARASITES"—LITTLE HAS BEEN DONE TO CONVERT FEDERAL UNITS TO WAR WORK

(By David Lawrence)

President Roosevelt is usually accurate in his use of words, so it was somewhat a surprise to see him limiting his definition of "parasites" the other day to the negligible number of persons who come to Washington for the social side of things. The dictionary defines "parasite" as "one who lives on the patronage of others."

The few who come to Washington for social reasons have money enough of their own. It is not they who are crowding Washington. The congestion comes because hundreds of thousands of political employees were brought here during the last 8 years under the New Deal concept that the Government owes everybody a living.

The Federal pay roll long before total war broke out in Europe in 1940 had reached the highest in American history. Despite the boasts in the campaign of 1940 that the New Deal had brought prosperity, the number of parasites living on the patronage of the political system and at the expense of the taxpayer had risen to incredible heights.

NO CUT IN EXPENSES

Even now, when the American people are being asked with all the emotion that a war background can command to buy Defense stamps, give up automobiles and sugar and what not, the Federal Government has not made any appreciable cut in nondefense expenditures. The reason is that the political-patronage idea is too firmly fixed in the mind of almost everybody here from the President down. To lop off officeholders might offend this or that political group, and nothing must be done, of course, to offend the political groups. It's much easier to make the public believe that Washington is full of do-nothing rich. It makes the headlines and diverts attention from the real trouble in the National Capital.

For several weeks now the administration and some of its parasite press agents have been issuing innuendoes about the automobile industry, declaring that it has failed to convert its facilities to wartime use. Failure to convert the auto industry has become the political alibi for delay in the defense program. Yet what has been done in Washington to convert peacetime governmental agencies to wartime uses? Has anybody of the Donald Nelson type been appointed to the task of conversion of personnel and office space utilized by the Government for less important purposes than war?

PRIORITIES FOR CIVILIANS ONLY

In these dispatches time and again since the war emergency broke out more than a year ago attention has been directed to the fact that priorities are being applied to the civilian population, but not within the Government itself. Some feeble efforts have been made by the administration to move a few Government agencies out of Washington, but this in itself is not the answer. When the American people are being deprived of so essential a function as automobile manufacturing it is certainly within the realm of possibility for the American people to do without a few hundred of the activities that ordinarily are performed by government.

It is not suggested that these agencies be discontinued or that any of the political favorites of the New Deal or that all the parasites on the taxpayers' pay roll be dismissed, that merely that most of them be asked to do the war work and that other less important activities be allowed to suspend.

COLLECTION OF LAWYERS

Thus, for example, there isn't the slightest excuse for the $1,000,000 or more of money now spent to give high salaries to the biggest collection of lawyers the National Capital has ever seen in any one unit, namely, the Antitrust Division. When competition has been killed by war pooling and when the Government itself is fixing prices, it would seem that the same sized staff which kept America from suffering the evils of antitrust crimes in 1936 or prior thereto would be adequate, and the War Production Board and the Army and Navy could use those same lawyers to handle the public's interests in the awarding and allocation of the billions of dollars of contracts for armament. Instead, it so happens that the Antitrust Division—thinking it must earn its pay—is carrying on a campaign of persecution and is harassing the top men in American industry at a time when the Government is demanding all-out effort for war. The time for the new dealers to stop throwing stones at the auto industry and to put the Government's own house in order by conversion of facilities and more efficient use of office space and housing accommodations has arrived. Maybe the President deserves commendation for raising the issue of who is and who is not a "parasite." It fits in with the demand for "conversion."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6460) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SCRUGHAM, Mr. CASEY of Massachusetts, Mr. SHEPPARD, Mr. BEAM, Mr. THOMAS of Texas, Mr. DITTER, Mr. PLUMLEY, and Mr. JOHNSON of Indiana were appointed managers on the part of the House at the conference.

WIRE-TAPPING LEGISLATION AND THE PEARL HARBOR ATTACK

Mr. BARKLEY. Mr. President, I wish to make a brief statement in regard to the remarks of the Senator from Missouri [Mr. TRUMAN] delivered awhile ago. I shall not discuss parasites, because I have no doubt that many persons in this country think that I am one. [Laughter.] I do not want to go into that subject; but I do wish to comment on the remarks of the Senator from Missouri.

First, I wish to say that I do not know what the remarks were based on. I have not heard of any charge made against the Senator from Montana [Mr.

WHEELER] or any other Senator in regard to wire-tapping legislation; and certainly I have not heard of anybody stupid enough to think that the debacle at Pearl Harbor was caused by the failure of Congress to pass wire-tapping legislation. There may be some person stupid enough to think that the attack on Pearl Harbor resulted from that cause; but I do not know him.

All of us must take more or less responsibility for Pearl Harbor—everybody in the United States and every Member of the Congress. We might go back a number of years from now and recite what might have been done in the Pacific that was not done that would have averted the disaster at Pearl Harbor.

I wish to state that, regardless of anything that anyone may have said over the radio and regardless of anything that anybody may say in columns, we shall all have to be a little tough-skinned here and a little hard-footed about what people say about us. We might as well make up our minds that we shall have to take a good deal of criticism and abuse. I was told yesterday of something that somebody said about me that kept me out of good humor all day, and I have not gotten into a good humor yet. [Laughter.] I am not going to say anything about it. I am not going to say who it was who said it, or what it was; but I was mad all day yesterday. [Laughter.] But I feel a spell of good humor gradually coming over me, and I hope to recover before the week is over. [Laughter.]

Mr. TRUMAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TRUMAN. I wish to say to the Senator from Kentucky that the Senator from Montana never spoke to me on the subject at all. I heard the broadcast and I read the column, and I think they made me a great deal more angry than they did the Senator from Montana; and I thought the facts should be put in the RECORD for the benefit of the Senate.

Mr. BARKLEY. I appreciate that. I am not objecting to it. I think the Senator from Missouri was correct in doing what he did. I did not hear the radio broadcast and I did not read the column; so I was in the dark as to what the Senator was talking about.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BARKLEY. Yes; I yield.

Mr. WALSH. I assume that when the Senator states that all of us ought to assume some responsibility for what happened at Pearl Harbor, he refers to the general smugness of the American people, and he does not mean that Congress has failed to take any action that might have changed the situation?

Mr. BARKLEY. I did have in mind the general smugness of the American people.

Mr. WALSH. Which the Congress shared?

Mr. BARKLEY. Of course, we are part of the American people; and there was a certain smugness on the part of Congress. I could go into some specific instances. For instance, I think Guam should have been fortified.

Mr. WALSH. So do I. I spoke in the Senate in favor of it.

Mr. BARKLEY. Congress did not do it. The matter did not come to a vote in the Senate, as I recall; but it did come to a vote elsewhere, and it was defeated.

Mr. WALSH. A proposal to improve the harbor at Guam, not to fortify it, was defeated in the House; and I think the RECORD should show that the Navy Department never really asked for the fortification of Guam.

Mr. BARKLEY. I do not dispute that at all—all of which goes to demonstrate what I said, that the whole American people, out of office and in office, must accept some responsibility.

Mr. WALSH. I am willing to agree to that; and I think it is a proper statement to make that we have failed to realize the seriousness of events previous to our entrance into the war. I do not think it is fair to say, however, that there has been any failure on the part of Congress to act in any manner that would have prevented what happened at Pearl Harbor. The operations at Pearl Harbor were an executive function, and responsibility for them was lodged in the departments. Congress has no direction or control of the operations of the Navy or Army, and should not be expected to have. I do not want to suggest that the Navy Department or any of its agents were directly responsible, but I think we should be careful in placing any responsibility on the part of Congress unless there is some evidence that we failed to perform some function that it was our duty to perform.

Mr. BARKLEY. I do not recall that Congress as a whole failed to take any action requested by the executive department in regard to the fortification of the Pacific islands. Of course, now we can look back and can see what all of us should have done if we had had sense enough to foresee what was going to happen later. If Congress had had a request from the Navy Department or the War Department and had had enough foresight to see what has since happened, Congress might, without any request from either Department, have fortified these other islands in the Pacific.

So far as I know, the fortifications in Hawaii and at Pearl Harbor were adequate. There was an unfortunate situation due to complacency and a failure on the part of responsible officers on the ground, and charged with responsibility at the time, to foresee what was about to happen.

Mr. WALSH. I think that is a fair statement. I do not believe military officers on the ground should be held entirely responsible. Let me say to the Senator that the Committee on Military Affairs, the Committee on Naval Affairs, and, I assume, other committees, are very much handicapped in going beyond the recommendations of the bureaus for authorization or appropriation of money for the defense of our country.

Mr. BARKLEY. I agree to that.

Mr. WALSH. Let the record show that the movement for the two-ocean Navy began in the Congress, and was approved by Congress, and only 2 years before that a leading admiral in charge of the Navy said that a two-ocean Navy was not necessary at that time.

So I am happy to say that Congress initiated it; and largely due to the foresight, ability, and judgment of the chairman of the House Committee on Naval Affairs, who deserves a large measure of credit, for that particular act, which is perhaps the most important thing we have done in the past 2 years in preparation for war. I will say that after the steps were taken and the bills were introduced by the chairman of the House committee and myself, the Navy got behind us and supported us; but the initiation of the movement was largely congressional, probably because of Budget objections theretofore.

I do not want to disagree with what the Senator has said; but I think we should be careful in criticizing the Congress for failure to act unless there is some evidence that the Navy or the Army or the Coast Guard or some other department of Government asked something which we refused; and I do not think there is any evidence of that.

Mr. BARKLEY. I appreciate that.

Mr. TAFT. Mr President, will the Senator yield?

Mr. BARKLEY. I will yield in a moment. First let me respond to what the Senator from Massachusetts has said.

I agree with what the Senator has said. What I was attempting to say, in general terms, not in terms of any particular situation or any particular branch of the Government, was that if all of us had had enough foresight years ago, we would have had a two-ocean navy when this war started.

Mr. WALSH. The Senator is absolutely correct.

Mr. BARKLEY. The trouble is, as I see it, that we have had too much faith in the good faith of mankind in certain parts of the world; and we did not even convince ourselves until it was perilously late, that we could not rely upon the good faith and integrity and peaceful objectives and motives of many portions of mankind scattered throughout the world. We did not have and could not have had that foresight. We wanted to believe that mankind desired peace. We were somewhat in the same situation in which the people of a certain parliamentary district in England found themselves in 1937, when they had a by-election to elect a member of Parliament. As late as 1937 there were two candidates, one of whom urged that the people of Great Britain prepare for a coming war; the other one urged that they do not do so, because he took the position that there would not be any war, and that it was a useless expenditure to spend money in preparing for a contingency that was not going to happen. He was elected as late as 1937, only 2 years before the war began. So it is one of the weaknesses of human nature that if people want to believe that a certain thing will not happen, they govern themselves according to that belief; and I think the peace-loving nations and the peaceful people of the world were slow in waking up to what was really in store for them.

Mr. WALSH. And there is no doubt, let me say to the Senator, that, in my opinion, there was an almost overwhelming sentiment in this country which Congress could not resist, prior to the European war, to limit to the bone expenditures for military defenses, and a desire to expend for general welfare and to help bring us out of the depression, whatever money Congress saw fit to appropriate.

So to that extent, prior to the European war, I think we can all assume responsibility for not exercising the foresight which, from what we now know, should have been exercised.

Mr. BARKLEY. Undoubtedly; but I did not rise to talk about that.

Mr. TAFT. Mr. President, will the Senator from Kentucky yield, so that I may ask a question of the Senator from Massachusetts?

Mr. BARKLEY I yield.

Mr. TAFT. I have been told by members of the House Naval Affairs Committee that with regard to Guam they were advised by the Navy that even if we spent $150,000,000 to $200,000,000 to fortify Guam we could not hope to hold it for more than 30 days against Japanese attacks from islands surrounding Guam. Can the Senator advise us whether that is a correct statement?

Mr. WALSH The statement was that if Guam were fortified it could be held against anything except a major assault by a powerful nation Some of the members of the Naval Affairs Committee of the Senate who are always in favor of extreme measures for defense felt as the Senator has said some House Members felt, that, even with a great expenditure of money in Guam, we might lose it because of its long distance from our shores. Neither the House or Senate committee ever had the question of the fortification of Guam before it. We did have a project for the dredging of the harbor, which many believed was a movement toward the fortification of Guam. As the Senator knows, and as the record shows, it was defeated in the House, and when the bill came to the Senate there was no item for Guam. The Navy Department was asked whether it insisted on the incorporation of an authorization for the development of a harbor at Guam. Their attitude was, to say the least, that it was probably useless to attempt it as the House had rejected it, and if the Senate should put it in probably it would not go through.

Mr. TAFT. But that particular appropriation had nothing to do with the fortification of Guam?

Mr. WALSH. No direct request for an authorization for the fortification of Guam was ever put before the committees of the Senate or the House. There was in the Hepburn report a recommendation for making it a major naval base, which was submitted to the Navy and which the committees of Congress rather accidentally saw as a matter of routine information of what the Hepburn board desired in the way of increasing our fortifications in the Pacific.

Mr. TAFT. But it is true that the Navy Department never recommended to Congress the fortification of Guam?

Mr. WALSH. That is true. Again, undoubtedly due to the fact they could not get Budget approval.

Mr. BARKLEY. Regardless of that, we all recall there was quite a sentiment in the country at the time when the question was being widely discussed that it would be unwise to take that step on the ground that it would offend Japan. Many people felt that way about it. Of course, as we look back now upon the situation it seems fantastic that we allowed any such reason as that to sway us, but it did have its influence; there is no doubt about that.

Mr. TYDINGS. Mr. President——

Mr. BARKLEY. I yield to the Senator from Maryland.

Mr. TYDINGS. I merely want to reiterate what the Senator from Kentucky has said. I think it would be unfair to leave the Navy Department in the position that they did not want to fortify Guam. It is true they did not come with a complete fortification plan and ask us for the money, but the item we put in the bill was to start fortification by dredging the harbor. I had a distinct impression—and I am sure the able chairman of the committee will sustain me—that the Navy did not completely express what it would or would not have liked to have had, but was trying to supplement what it believed to be the approach of the administration at that time, which was, as the Senator from Kentucky has said, "Do not let us do something which will start a war."

In order that the record may be kept straight, let me say that I made the motion in the committee to approve the appropriation for Guam, and I coupled it with the statement that we would first ask the Japanese to let us inspect Marianne and the other islands and see whether they had violated the mandate from the League of Nations which forbade them to fortify the islands; that if it was found they were not fortifying the Japanese islands, the appropriation would be null and void; if they had fortified their islands we would fortify Guam, and if they refused to let us inspect them, as we had a right to do, we would fortify Guam. It is my impression that the Navy would have liked to have fortified it, but wanted to go along with what was then—and I do not say it in criticism—the approach of the administration toward the Far Eastern problem which was one of conciliation, so far as it was able to go.

Mr. BARKLEY. That is true.

Mr. WALSH. The record ought to show that the Navy Department cannot submit a project to us until it goes before the Bureau of the Budget, and in this case the Bureau of the Budget did not recommend the expenditure for Guam.

Mr. TYDINGS. That is correct and that was the reason I thought it was only fair to point out that quite often the Navy is not in a position to do what it thinks is necessary from a purely naval standpoint to defend an area but they naturally go along with whatever the policy of the administration in power is at the particular time. I say that in no spirit of criticism, but simply because I think the Navy is entitled to have that statement put in the RECORD.

Mr. BARKLEY. I have been led far afield from what I rose to discuss, but, inasmuch as the question of Guam has been brought in, let me say that I listened last Saturday to a very interesting address over the radio by Colonel McCormick, of the Chicago Tribune. I do not have very frequent occasion to quote Colonel McCormick here, but I will say about him that he has a good radio voice and he deals logically from his standpoint with the subject he discusses. He has been discussing in a series of Saturday addresses over the radio the question of our national defense, and he has much information about the geographical distribution of islands and defenses all over the world. Whether one agrees with him or disagrees with him, his talks are interesting, and in his talk last Saturday he seemed to me to emphasize his belief, at least, that if Guam had been fortified years ago, the Pearl Harbor incident would not have occurred on December 7.

Mr. CLARK of Missouri. Mr. President——

Mr. BARKLEY. I yield to the Senator from Missouri, but I should like to get back to the question I rose to discuss.

Mr. CLARK of Missouri. On the point the Senator is discussing, does the Senator have any idea or does anyone else have any idea that the project which has been referred to here of deepening the harbor at Guam, which was 10 years ago, would have made up in any degree whatever for the fatal lack of alertness on the part of the Army and Navy at Pearl Harbor that was responsible for the disaster there? No amount of fortification at Guam would have offset the failure to be on the alert at Pearl Harbor.

Mr. BARKLEY. I agree to that, but, so far as Guam is concerned, dredging the harbor would have been only a preliminary operation to the ultimate fortification.

Mr. CLARK of Missouri. I understand that. We considered that the dredging of the harbor was perhaps more in the interest of the Pan-American transoceanic air flights than of any particular military necessity, but, even if Guam had been completely fortified, that still would not have compensated for the fatal defect of the American Army and American Navy at Pearl Harbor not being on the alert. If they had been on the alert, the defenses at Pearl Harbor were entirely adequate.

Mr. BARKLEY. Nobody would controvert that statement. I imagine that even those who entertain the belief that if Guam had been completely fortified it would have provided a barrier against Japanese forces getting to Pearl Harbor, will concede that it could not have made up for the lack of alertness and diligence on the part of our forces at Pearl Harbor.

Mr. CLARK of Missouri. Midway and Wake are fortified and they are on the way and closer to Pearl Harbor than Guam, and they did not deter the Japanese.

Mr. BARKLEY. That is a theory about which I have no more information than has anyone else. But I desire to get back to the purpose for which I rose.

Mr. WALSH. I am sorry I diverted the Senator.

Mr. BARKLEY. I diverted myself.

Mr. WALSH. If the Senator will permit me further, I should like to say that the fortification of Guam as an outpost, although it would have been lost in a naval attack, would undoubtedly have delayed the attack made by the Japanese at Pearl Harbor and our own coast. If Guam had been fortified, and we had a strong naval base there, the enemy would not go beyond it until Guam was wiped out.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TYDINGS. I should like to say that I think it unfair to leave the impression that if Guam had been fully fortified, probably the attack on Pearl Harbor would have taken place just the same. I do not believe that to be true. If we had at that outlying base, 2,500 miles away, fully fortified where the Navy could have kept at least a scouting fleet and some small number of vessels, it would have seriously interfered with Japanese strategy for a surprise attack on Pearl Harbor, and had it been fully fortified—which I do not blame anybody for not having accomplished—I believe that the Japs would have had a great deal of difficulty in getting by it, because they would have had to go back by it again.

I should like to leave the thought, in conclusion, that so long in the future as there is no limitation on armaments on land, in the air, and on the sea, we ought to learn the lesson from Guam, that whatever possessions we have, we ought to put in a military position to defend themselves, unless there is a limitation of armaments. "What Curzon has, let Curzon hold," is a good slogan for the United States.

Mr. BARKLEY. Mr. President, I appreciate this discussion about Pearl Harbor and Guam, which is really beside the question I rose to discuss, which was to comment on the remarks of the Senator from Missouri [Mr. TRUMAN] in regard to wire tapping, and certain charges with which I am not familiar, which he mentioned, involving the Senator from Montana [Mr. WHEELER].

I am a member of the Committee on Interstate Commerce, and I happen to know that that committee for some time has been considering legislation on the subject of wire tapping. The Senator from Tennessee [Mr. STEWART] was chairman of a very active subcommittee which went into that question. The matter of wire tapping, of course, involves a good many delicate things. I think the Senator from Tennessee was the diligent chairman of a subcommittee on as difficult a subject as I have seen here in a good many years. It is not a subject that can be passed on overnight, or on which it is possible to reach into a hat and pull out a rabbit at once as a remedy for it.

I realize that during war we have to resort to a great many devices which would not be justified in times of peace in order to ascertain what the enemy is seeking to do, and to prevent him from ascertaining what we are seeking to do. It is true, as we all know, that Members of the Senate disagreed honestly and vigorously with respect to the foreign policy of the United States until the 7th of December, when we were attacked by Japan. Since the 7th of December I think I can state, and I think I am in a position to state, that regardless of any views entertained by anybody prior to that time, every Member of the Senate in a responsible position, either as a member of a committee or as a Member of the Senate or as chairman of any committee dealing with war legislation, has cooperated completely and fully and promptly.

It has fallen to my lot to have something to do with war legislation even insofar as suggesting to what committees bill should go. In that capacity the Senator from Montana [Mr. WHEELER], as chairman of the Committee on Interstate Commerce, to which have been referred two or perhaps three important war measures, has taken charge and in two cases has himself introduced the bills, was glad to do it, has promptly got them out of the committee, and they have passed the Senate of the United States. Chairmen of other committees who did not altogether agree with the foreign policy of this country prior to December 7 have taken charge of and have introduced measures necessary to carry on the war, and they have done it promptly and efficiently, without regard to any view they entertained prior to the 7th of December and our declaration of war.

I think we have here in the Senate as complete a unity of purpose as can possibly exist in any legislative body representing such various and widely scattered interests as we have in the United States. It is desirable that that unity and that harmony and that oneness of purpose shall be maintained until the war is over and we have won it. Therefore, I desire to say publicly—and I am not ashamed or afraid to say it—that, without regard to any Senator's position on our foreign policy prior to our entry into the war, all of them have cooperated and are now cooperating, and I have no doubt will continue to cooperate, in the enactment of whatever legislation is necessary to win the war, and win it as promptly and as effectively as possible, and put us in a position to have a determining voice in the kind of peace we are to have when the war shall end.

I have no doubt that Senators who did not agree with the foreign policy of this Government prior to December 7 will be called upon, in the days and weeks and months to come, as members of committees and as chairmen of committees, to cooperate and labor with all the rest of us who do agree with the policy that our Government adopted prior to December 7 in carrying forward the battle to which the United States is now committed. Therefore, I hope that from the outside, and especially from irresponsible sources, those who enjoy the patronage of the public, and who either have their voices heard over the radio or have what they write read in newspapers, will keep that fact in mind. It is more important, as I judge it, that the Congress of the United States and the American people should be marching together, shoulder to shoulder, as one man, without regard to previous differences, than it is for somebody to write something or to speak something that he wants somebody to hear or to read.

I would caution Senators also, if I may do so without offense, not to take too seriously the little pin pricks which we sometimes feel. The American people at heart are sound. I have often said that we hear noises and we see things here that disturb us and irritate us and annoy us and sometimes anger us; but when we get back among the people, we find that they are sound and solid, and they will stand behind the efforts of Congress and the Government to carry forward the battle in which we are engaged.

I felt that I ought to say that, because it is true of every Member of the Senate, regardless of his attitude prior to our entry into the war, regardless of his position on a committee, whether a chairman or a humble member.

Getting back now to wire tapping, we probably shall have, in the very near future, legislation of that sort. I understand that the House Committee on the Judiciary is now considering a bill regulating in some way wire tapping. If that bill passes the House, it will come here. The Committee on Interstate Commerce is the committee which has always handled that kind of legislation ever since it has been considered in the Senate. While I have nothing to say about where a bill shall go if it comes from another body, I think due consideration ought to be given to the fact that that committee has already been dealing with the subject, has held exhaustive hearings on the subject, now has in existence a subcommittee on the subject of wire tapping, and I think it is competent and able to handle the subject promptly, and that it will do so according to its responsibility if legislation of this nature is referred to it.

Mr. WALSH. Mr. President, amplifying briefly what has been said by the distinguished Senator from Kentucky, the Democratic leader, I think it ought to be said that there were high-ranking naval officers and high-ranking officers of the Army who did not agree in full and completely with the foreign policy of the administration before the war began. There certainly were millions of young men who are now in the service of our country, and their fathers and mothers, who did not agree in toto with the foreign policy of our country. They did not have the obligation which Senators have to vote when the roll was called, and to be publicly put on record as to their position, and to explain to their constituents their views pro and con.

How can anyone now question the patriotic service of all these millions of Americans? It is just as much of an insinuation against these Army and Navy men and these young men who are now out fighting for their country to suggest that they are not wholeheartedly in favor of carrying on this war to the end and to the limit, whatever sacrifice may be involved, as it is to suggest that any Member of this body, because he differs with the foreign policy of the administration, is now hesitating or doubtful or resisting in any way, shape, or form the importance and necessity of all, standing together and fighting together and dying together if necessary to the end that we may bring, as speedily as possible, victory to our country.

EXTENSION OF POWERS OF RECONSTRUCTION FINANCE CORPORATION

The Senate resumed the consideration of the bill (S. 2198) to provide for the financing of War Insurance Corporation, to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The question is on agreeing to the amendment of the committee, which will be stated.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause, and to insert the following:

That section 5d of the Reconstruction Finance Corporation Act, as amended, is hereby amended by inserting immediately before the fifth paragraph thereof the following new subparagraph:

"(5) To acquire real estate and any right or interest therein by purchase, lease, condemnation, or otherwise, determined by the Corporation to be necessary or advantageous to the carrying out of any authority vested in any corporation created or organized pursuant to this section. The Corporation is also authorized to sell, lease, or otherwise dispose of any such real estate. Proceedings for such condemnation shall be instituted in the name of the United States pursuant to the provisions of the act approved August 1, 1888 (25 Stat. 357), as amended, and any real estate already devoted to public use which would be subject to condemnation in proceedings instituted upon application of any officer of the Government shall likewise be subject to condemnation in proceedings instituted upon application of the Corporation as herein provided. Sections 1, 2, and 4 of the act approved February 26, 1931 (46 Stat. 1421), as amended, shall be applicable in any such proceeding. Any judgment rendered against the United States in any such proceeding shall promptly be paid by the Corporation. Immediately upon the vesting of title in the United States of America in any such proceeding, the Federal Loan Administrator, by deed executed by him in the name of the United States of America, shall transfer the entire title or interest so acquired to the Corporation, and the Corporation shall thereupon have the same rights with respect to any real estate so acquired as it has with respect to real estate acquired by purchase. The power of condemnation herein granted to the Corporation shall not be exercised after the expiration of the Second War Powers Act, 1942."

SEC. 2. The Reconstruction Finance Corporation Act, as amended, is hereby amended by inserting after section 5e thereof the following new sections:

"SEC. 5f. Any department, agency, or independent establishment of the Government or any corporation all of the capital stock of which is owned or controlled, directly or indirectly, by the Government is hereby authorized, notwithstanding any other provision of law, to sell, transfer, or lease, with or without consideration, to the Corporation or to any corporation created or organized pursuant to section 5d of this act, any real estate and any right or interest therein.

"SEC. 5g. The Reconstruction Finance Corporation is hereby directed to continue to supply funds to the War Damage Corporation, a corporation created pursuant to section 5d of this act; and the amount of notes, bonds, debentures, and other such obligations which the Reconstruction Finance Corporation is authorized to issue and to have outstanding at any one time under existing law is hereby increased by an amount sufficient to carry out the provisions of this subsection. Such funds shall be supplied only upon the request of the Federal Loan Administrator, with the approval of the President, and the aggregate amount of the funds so supplied shall not exceed $1,000,000,000. The Reconstruction Finance Corporation is authorized to and shall empower the War Damage Corporation to use its funds to provide, through insurance, reinsurance, or otherwise, reasonable protection against loss of or damage to tangible real property and tangible personal property which may result from enemy attack, with such general exceptions as the War Damage Corporation, with the approval of the Federal Loan Administrator, may deem advisable. Such protection in an amount not greater than $15,000 shall be so provided to the owner of any such property, as defined by regulations prescribed by the War Damage Corporation, with the approval of the Federal Loan Administrator, without requiring the payment of a premium by or other charge to such owner. In the event that such protection is so provided to the owner of any such property in an amount greater than the coverage with respect to which no premium or other charge may be required, such excess coverage shall be provided only upon the payment of such reasonable premium or other charge therefor, as the War Damage Corporation, with the approval of the Federal Loan Administrator, may prescribe. Such protection shall be made available in accordance with terms and conditions to be prescribed by the War Damage Corporation, with the approval of the Federal Loan Administrator. Such protection shall be limited (1) to such property situated in the United States (including the several States and the District of Columbia), the Philippine Islands and the Canal Zone, the Territories and possessions of the United States, and such other places as may be determined by the President, for purposes of this section, to be under the dominion and control of the United States; and (2) to such property in transit between any points located in any of the foregoing."

SEC. 3. The amount of notes, bonds, debentures, and other such obligations which the Reconstruction Finance Corporation is authorized to issue and have outstanding at any one time under existing law is hereby increased, in addition to the increase authorized in section 2 of this act, by $2,500,000,000.

Mr. MALONEY. Mr. President, Senate bill 2198 provides for an amendment to the Reconstruction Finance Corporation Act as it now stands. It provides in part, and particularly in section 1, language authorizing the Reconstruction Finance Corporation to acquire by purchase, condemnation, or otherwise, such real estate as may be necessary in carrying out its functions and those of its subsidiaries in connection with the war effort.

In brief, this amendment to the Reconstruction Finance Corporation Act would give to the R. F. C., and its subsidiary corporations, powers which have heretofore been granted to other agencies of the Government, through the war power acts and otherwise, including the right of condemnation.

This is desired by the Reconstruction Finance Corporation particularly, and I think entirely, to enable it, without delay, to acquire lands to be used solely in the defense program, the acquisition of sites for defense plants, and probably the acquisition of lands owned by municipal or other public agencies which might be needed in connection with a defense-plant program. Because this particular part of the amendment has been discussed in connection with other legislation, some of it very recent, the Members of Congress are familiar with the provision, and I shall not long dwell upon it.

Another change which would be brought about by the amendment, if it should be enacted, would be provision and permission for the transfer of property to defense corporations. I believe there have been instances where the Navy has acquired land which it wanted to transfer to the Reconstruction Finance Corporation, or a subsidiary thereof, and the law did not clearly grant them permission. The proposed amendment would correct that condition.

Section 3 of the bill, to which I wish to refer briefly before going back to what I believe to be the heart of the measure, increases the borrowing authority of the Reconstruction Finance Corporation, for general purposes, by $2,500,000,000. As all Senators know, that is needed principally, if not entirely, because of the war effort and the continuing need for additional money for defense plants, for purchases of military equipment and supplies, and purchases of other products needed for the proper prosecution of the war and the protection of our countrymen.

Some Senators might ask, as I did, how much authority the Reconstruction Finance Corporation would have should the Congress grant this additional $2,500,000,000. I was advised by the R. F. C. officials at the hearings that that was a question difficult to answer, because of the numerous statutes dealing with the Reconstruction Finance Corporation, and the authorization of funds thereto, and providing in some instances for transfers, and the paying off of obligations incurred by the Reconstruction Finance Corporation.

In order that the Members of the Senate may have such information as was provided to the members of the Committee on Banking and Currency relating to this very complicated question and subject, I ask unanimous consent that there be printed in the RECORD at this point a statement furnished by the Reconstruction Finance Corporation outlining its borrowing authority. I might say that the statement is contained at page 21 of the hearings which have been placed on the desks of Senators this morning.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RECONSTRUCTION FINANCE CORPORATION—BORROWING AUTHORITY AVAILABLE FOR GENERAL PURPOSES, JANUARY 31, 1942

The Reconstruction Finance Corporation is authorized by section 9 of the Reconstruction Finance Corporation Act, as approved January 22, 1932 (47 Stat. 5), to issue and to have outstanding at any one time its notes, debentures, bonds, or other such obligations in an amount aggregating not more than three times its subscribed capital. Section 2 of the same act establishes the capital of the Corporation at $500,000,000 and appropriates that amount for the purpose of making subscriptions when called. The Secretary of the Treasury has subscribed for the entire amount. Thus, pursuant to this provision, the borrowing authority of the Corporation available for general purposes was established at $1,500,000,000.

This amount was increased by section 205 (a) of the Emergency Relief and Construction Act of 1932, approved July 21, 1932 (47 Stat. 709, 714; 15 U. S. C. 609a), the provision establishing the amount of obligations authorized to be outstanding under section 9 of the Reconstruction Finance Corporation Act, at six and three-fifths times the subscribed capital of the Corporation, or $3,300,000,000

The total of the general borrowing authority established by the enactments noted was subsequently reduced by $400,000,000 to $2,900,000,000 by section 302 of the National Industrial Recovery Act, approved June 16, 1933 (48 Stat. 195, 210; 15 U. S. C. 609b).

The authority was again increased by $850,000,000 to $3,750,000,000 by section 3 of the act approved January 20, 1934 (48 Stat. 318, 319; 15 U. S. C. 609b–1).

Section 2 of the act approved September 26, 1940 (54 Stat. 961, 962; 15 U. S. C. 609j), which act is amendatory of section 5d of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 606b), increased the general borrowing authority by an additional $1,500,000,000.

The amount was again increased by $1,500,000,000 pursuant to section 5 of the act approved June 10, 1941 (Public Law 108, 77th Cong.) and by $1,500,000,000 pursuant to the act approved October 23, 1941 (Public Law 278, 77th Cong.).

In addition to the borrowing authority available for general purposes, the Reconstruction Finance Corporation has been authorized from time to time to borrow funds to the extent necessary, subject in some instances to stated maximum amounts, to provide financing for specific purposes, as follows:

Section 5 of the Agricultural Adjustment Act, approved May 12, 1933 (48 Stat. 31, 33; 7 U. S. C. 605), authorizes an increase in an amount sufficient to provide for advances to the Secretary of Agriculture to enable the Secretary to purchase cotton in accordance with part 1 of title I of said act.

Section 2 (b) of the Federal Emergency Relief Act of 1933, approved May 12, 1933 (48 Stat. 55, 56; 15 U. S. C. 609c–1), authorizes an increase not to exceed $500,000,000 in amount for relief grants to be made by the Federal Emergency Relief Administrator.

Section 2 of the Reconstruction Finance Corporation Act, as amended by section 6 (f) of the Federal Home Loan Bank Act, approved July 22, 1932 (47 Stat. 725, 728; 15 U. S. C. 602), authorizes an increase not to exceed $125,000,000 in amount for allocation to the Secretary of the Treasury to enable him to make payments upon the stock of the Federal home-loan banks to be subscribed for by him in accordance with the Federal Home Loan Bank Act.

Section 4 (b) of the Home Owners' Loan Act of 1933, approved June 13, 1933 (48 Stat. 128, 129; 12 U. S. C. 1463), authorizes an increase not to exceed $200,000,000 in amount for allocation to the Secretary of the Treasury to enable him to subscribe for the capital stock of the Home Owners' Loan Corporation in accordance with said act.

Section 38 of the Emergency Farm Mortgage Act of May 12, 1933 (48 Stat. 31, 50; 15 U. S. C. 609c), authorizes an increase of $300,000,000 to the Farm Loan Commissioner, $100,000,000 (of which $97,400,000 expired by reason of time limitation) to enable him to make loans to joint-stock land banks, and $200,000,000 to enable him to make farm loans.

Title II of the Emergency Appropriation Act, fiscal year 1935, approved June 19, 1934 (48 Stat. 1021, 1056; 15 U. S. C. 609d), authorizes an increase not to exceed $250,000,000 in amount to enable the Corporation to purchase marketable securities from the Federal Emergency Administrator of Public Works (P. W. A.).

Section 5e (c) of the Reconstruction Finance Corporation Act, as amended by section 3 of the act approved June 16, 1934 (48 Stat. 959, 971; 15 U. S. C. 606a), authorizes an increase of $250,000,000. (Section 5e (b) of the Reconstruction Finance Corporation Act, added by the same amendment, requires the Reconstruction Finance Corporation, upon request, to purchase obligations of the Federal Deposit Insurance Corporation, the Corporation's holdings of such obligations not to exceed $250,000,000 at any one time.)

Section 1 of the act approved June 10, 1933 (48 Stat. 119; 15 U. S. C. 605c), as amended by section 8 of the act approved January 31, 1935 (49 Stat. 4), authorizes an increase not to exceed $75,000,000 to enable the Corporation to subscribe for the preferred stock of, or to purchase or make loans upon the capital notes of, insurance companies.

Section 304 of the act approved March 9, 1933 (48 Stat. 1, 6; 12 U. S. C. 51d), as amended, authorizes an increase sufficient to carry out its provisions. The section authorizes the Reconstruction Finance Corporation to purchase the preferred stock, capital notes or debentures of, and to make loans secured by the preferred stock of, banks and trust companies.

Section 4 of the National Housing Act, approved June 27, 1934 (48 Stat. 1246, 1247; 12 U. S. C. 1705), as amended, authorizes an increase sufficient to carry out its provisions. The section directs the Reconstruction Finance Corporation to make available to the Federal Housing Administrator such funds as he may deem necessary to carry out the provisions of titles I, II, and III of said act. The amounts which may be made available are now limited by provisions included in various appropriations.

Section 5 (c) of the Reconstruction Finance Corporation Act, added by section 5 of the act approved January 31, 1935 (49 Stat. 3; 15 U. S. C. 606 i), authorizes an increase not to exceed $100,000,000 in amount to enable the Corporation to subscribe for, or to make loans upon, the stock of national mortgage associations organized pursuant to title III of the National Housing Act, as amended, other mortgage-loan companies, and other institutions making mortgage loans.

The Department of Agriculture Appropriation Act, 1941, approved June 25, 1940 (54 Stat. 532, 564, 566; 15 U. S. C. 609 g–609 h), authorizes an increase of $150,000,000, $50,000,000 to provide funds which the Corporation is required to make available to the Secretary of Agriculture for loans pursuant to the provisions of the Bankhead-Jones Farm Tenant Act (50 Stat. 522), and $100,000,000 for loans and purchases of property pursuant to the Rural Electrification Act of 1936 (49 Stat. 1363), as amended.

The Department of Agriculture Appropriation Act, 1942, approved July 1, 1941 (Public Law 144, 77th Cong.), authorizes an increase of $150,000,000 to provide funds which the Corporation is required to make available to the Secretary of Agriculture, $50,000,000 for loans pursuant to the provisions of the Bankhead-Jones Farm Tenant Act, supra, and $100,000,000 for loans and purchases of property pursuant to the Rural Electrification Act of 1936, supra, as amended.

Section 2 (c) of the Emergency Relief Appropriation Act, fiscal year 1941, approved June 26, 1940 (54 Stat. 611, 614; 15 U. S. C. 609 i), authorizes an increase of $125,000,000, and the Department of Agriculture Appropriation Act, 1942, approved July 1, 1941 (Public Law 144, 77th Cong.), authorizes an increase of $120,000,000, both to provide funds which the Corporation is required to make available to the Secretary of Agriculture for rural-rehabilitation loans.

Section 2 of the act approved June 25, 1940 (54 Stat. 572; 15 U. S. C. 602), amendatory of the Reconstruction Finance Corporation Act, as amended, authorizes an increase not to exceed $300,000,000 in amount for the purchase of the stock of any Federal home loan bank, the partial retirement of the Corporation's capital stock, and the payment of dividends.

Section 602 of the National Housing Act, as added by the act approved March 28, 1941 (Public Law 24, 77th Cong.), authorizes an increase not to exceed $10,000,000 in amount for advances to the Federal Housing Administration for the creation of a defense-housing insurance fund pursuant to said act.

The act approved February 24, 1938 (52 Stat. 79), and section 602 of the National Housing Act, which section was added by the act aproved March 28, 1941 (Public Law 24, 77th Cong.), authorize and direct the Secretary of the Treasury to cancel obligations of the Reconstruction Finance Corporation incurred in supplying funds, upon direction of the Congress, for allocation to other agencies of the Government and for relief purposes. The amount of notes canceled pursuant to these acts aggregates $2,738,724,131, which includes $1,120,526,447 used for some of the specific purposes mentioned above and $1,618,197,684 used for general purposes.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. VANDENBERG. In addition to placing the memorandum in the RECORD, is it possible for the Senator to indicate generally to what extent the R. F. C. will be able to commit the full faith and credit of the United States on its own independent loans after the proposed legislation shall have been enacted?

Mr. MALONEY. That is a question I sought to have answered at the hearing before the Committee on Banking and Currency, and because I was unable to get a satisfactory answer, for reasons which were obvious to members of the committee, I sought and received a statement which explains it with as much definiteness as is possible.

I am advised by the Reconstruction Finance Corporation that the amount is approximately $10,000,000,000.

Mr. VANDENBERG. And that $10,000,000,000, while representing securities issued by the R. F. C., the entire $10,000,000,000 is guaranteed by the Government of the United States?

Mr. MALONEY. That is correct.

Mr. VANDENBERG. But not a nickel of it shows in the public-debt statement. Is that correct?

Mr. MALONEY. I am informed that that is correct, and that it is carried in a special record and in special accounts.

Mr. PEPPER. Mr. President, will the Senator from Connecticut yield to me?

Mr. MALONEY. I yield.

Mr. PEPPER. Is it not also fair to say that none of the assets of the Reconstruction Finance Corporation appear as assets of the United States Government?

Mr. MALONEY. That is my understanding.

Mr. VANDENBERG. I think that is true, and I think that should be said in fairness. The only point I am making is that we constantly delude ourselves by our public-debt figures, because so much of our national obligation is outside of the public-debt figures.

Mr. PEPPER. I am glad the Senator made that statement, and I think it is a fair comment. I have often felt that we frequently delude or mislead ourselves also in speaking generally of the public debt without speaking of the assets we have. For example, a great dam, or other great public improvement, will appear in the public-debt statement, but there is no credit side of the ledger on which the improvements appear. In the interest of sensible bookkeeping, I imagine all of us agree that it would be better if in some way or other the public improvements could be set up on an assets side, so as to show what we have done as well as what we have spent.

Mr. VANDENBERG. The difference between the two situations is that we have a statutory debt limitation. We are not supposed to go beyond the statutory debt limitation, but we have found a very convenient way of going beyond the statutory limitation any time we wish to do so, namely, by creating a corporation and letting it go beyond the debt limitation, the Government guaranteeing its obligations. While offsetting assets certainly should be considered by way of mitigation, I think that if we are to be candid with ourselves and with the American people from now on in respect to a public debt which is going to become astronomical, we should start in the direction of utterly candid bookkeeping, and the present bookkeeping certainly is not that.

Mr. MALONEY. It was partially because I had that thought in mind that I wanted this statement of the Reconstruction Finance Corporation printed in the RECORD with my statement.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. TAFT. It is my understanding that the Treasury has announced a new policy, namely, that hereafter it will borrow the money, and the borrowings will appear as part of the public debt; it will then buy from the R. F. C. the R. F. C.'s notes, which will then appear as an asset to the Treasury. I am not certain, but is it not the Senator's impression that that is the new policy of the Treasury, that gradually the R. F. C. debt will appear as part of the public debt?

Mr. MALONEY. I understand that that is the plan for the future.

Mr. VANDENBERG. It is impossible to proceed in that direction without a statutory amendment of the Public Debt Limitation Act, because it has already been collided with.

Mr. TAFT. I may say that the total outstanding debt of the Reconstruction Finance Corporation today is approximately only two and one-half billion dollars. Has the Senator any doubt that, Reconstruction Finance Corporation or no Reconstruction Finance Corporation, we are going to raise the debt limit in a short time?

Mr. VANDENBERG. No; but I say that we should have everything above the table from now on.

Mr. MALONEY. Mr. President, I should like to say in answer to the inquiry of the Senator from Ohio [Mr. TAFT], so that I may not be misunderstood, that that is what now appears to be in mind.

Mr. TAFT. But there are some outstanding Reconstruction Finance Corporation notes which do not appear in the Treasury statement.

Mr. MALONEY. Yes.

Mr. TAFT. As those mature they will be taken over and added to the public debt, but there are still today a number of Reconstruction Finance Corporation notes that have not been added into the public debt.

Mr. MALONEY. Yes; I so understand, to the extent of two and one-half billion dollars.

Mr. BYRD. Are the debts incurred by the Reconstruction Finance Corporation to be included in the direct public debt?

Mr. TAFT. I understand the policy of the Treasury hereafter will be to do all the borrowing itself, and then turn around and lend the money to the Reconstruction Finance Corporation, and take the Reconstruction Finance Corporation notes into the Treasury, and also those of other Government agencies. That policy was announced by the Secretary of the Treasury. It will take a long time to do it, because many of these notes have not matured, and they will not be incorporated in the general debt statement until they mature.

Mr. BYRD. Does the Senator understand that the same policy will apply to the other twenty-odd Government corporations?

Mr. TAFT. Yes; that is my understanding. Their obligations will be incorporated in the general debt statement when they mature. It may take 20 years for some of the notes to mature, but when they do, they will be included in the direct debt. That statement was made by the Secretary of the Treasury.

Mr. BYRD. Is that the understanding of the Senator from Connecticut?

Mr. MALONEY. It is my understanding that all the future borrowings of the subsidiary corporations and of the Reconstruction Finance Corporation must be included in the United States Treasury statement.

Mr. BYRD. Will they be included in the direct debt?

Mr. MALONEY. I have some doubt about it, and because I do not know I shall not attempt to answer that question.

Mr. BYRD. I think the Senator from Ohio is mistaken about that, but if he is correct, then we should go back to the beginning of these corporations and include all their obligations, and give credit, of course, for the assets. While I hope the Senator from Ohio is correct, I fear he is not. I do not think it is the intention of the Treasury to include the obligations of these Government corporations in the direct debt.

Mr. TAFT. Mr. President, I read the statement with care, and I understood it to say what I have stated. Some of these corporations have notes outstanding which will take a long time to mature, and they will not be incorporated in the general debt statement until they mature and are replaced by new Government obligations, but that policy was laid down by the Treasury in very clear terms.

Mr. BYRD. The Senator understands that any new loans which are made by the Reconstruction Finance Corporation and these various other Government organizations, will be included in the regular public-debt statement?

Mr. TAFT. They will be included in the public-debt statement.

Mr. BYRD. And will be included in the total of the public debt?

Mr. TAFT. They will be included in the total of the public debt.

Mr. BYRD. I hope the Senator is correct, but I do not think he is.

Mr. TAFT. Not only will they be included, but they will be Treasury obligations instead of being guaranteed obligations, so they will have to be included.

Mr. MALONEY. Mr. President, with that explanation of this section of the bill, I should like to come to a discussion of what I think is the heart of this particular measure, and which is provoked by the hazards of war.

Mr. President, I may say, without apology, but rather with pride, that I am attempting to present this bill to the Senate on behalf of the able and distinguished Senator from New York [Mr. WAGNER] who introduced the bill. I have not asked him about it, but I presume the bill was introduced at the request of the Reconstruction Finance Corporation.

Mr. WAGNER. Yes; it was.

Mr. MALONEY. Consequently I do not know so much as I should like to know about what has gone on heretofore with respect to this very serious and now important subject of war-damage protection. I do know that it is a subject which had a long-time study in Great Britain; that it has been under study or in operation there for approximately 4 years. The bill, if passed in anything like its present form, will provide broad powers to the Federal Loan Administrator, the Secretary of Commerce, Mr. Jones. It was not possible for us in the little time we thought we had, to work out a program. It seemed wise—and I may say at this point that the bill had the unanimous approval of the Committee on Banking and Currency—to delegate the powers under the bill to the Federal Loan Administrator, but only

because, I may add, Mr. President, or rather in part because, we had the voluntary assurance of Mr. Jones that he intended to return to Congress at some little later time, to set forth such plans, or to explain to the Committee on Banking and Currency, or another committee, the status and progress of this plan. None of us can be certain that insofar as the continental United States is concerned, we will ever pay a claim under this bill, if it shall be passed. We believe that under this bill or some other bill, as the result of the disaster at Pearl Harbor, and the temporary loss of a part of the Philippine Islands to the enemy, there will at some later time need to be an adjustment of war-damage losses.

The committee felt—and I doubt if this is mentioned in the report, and it is for that reason I now mention it—I think the committee unanimously felt that there should be no effort at this time, or until there is a change in the situation, to adjust losses in locations which are temporarily under the control of the enemy, and, to be specific, I might point out such a case as that of Manila. The committee felt—I think I may say this for the committee—entirely in sympathy with the need for a protection retroactive to December 7 for the losses experienced on that day and since that time, but it did not seem to us properly possible to make a fair adjustment of losses existing in locations now under the control of the enemy.

The bill provides a very broad opportunity for coverage. In the language of the bill, the Loan Administrator—or the War Damage Corporation—is authorized to provide free protection up to $15,000 to all property owners in the continental United States and its Territories.

I wish to make it clear at this point, however, that it is not mandatory under the bill we are now considering to provide free protection in that amount. To be specifically clear, there is no provision as to amount. Fifteen thousand dollars is the ceiling. The committee felt, because the hazards of war create a national problem, that the cost of protection against this hazard and the possible payments as the result of loss should be borne by the people of the United States as a whole and that the premiums or cost for such repayment, if any, should come out of taxes. Some members felt more strongly than others; but I think the entire committee finally came to the view—at least until given the benefit of further study—that above and beyond $15,000 a premium should be charged. The Federal Loan Administrator assured us that he has been discussing this matter with insurance-company executives and officials. I think he told us that it was his plan to cooperate closely with the insurance executives of America in working out this program, which, so far as I know, has not yet advanced very far. The suggestion was made to the committee by a representative of an insurance company or companies that certain companies would like to participate in the program on a reinsurance basis, and that they were offering their complete cooperation to the Government in the matter of adjustments and other services which are necessary in the field of insurance. This particular individual said that he felt that to a very great extent, supported by the Federal Government and the taxes of the American people, the insurance companies, with years of experience in the insurance field, and considerable experience in this field, could render a great service. Personally, I think that is true.

The coverage provided under the blanket policy, which may go up to $15,000 per property owner or individual, would be a blanket policy. So far as we can now see there would be no written contract. The policy would cover all tangible property of Americans in the United States which might be damaged as a result of bombing or the direct hazards and effects of war caused by enemy attacks. The committee went a step beyond that. It made provision in the language of the bill for the War Damage Corporation to afford protection to the cargoes of vessels traveling between the United States and our Territories and other places. That not only means that the cargo of the vessel itself could be insured—and I may say parenthetically that the Maritime Commission has certain moneys and authority under existing law to provide like coverage—but it also provides for coverage of the personal effects of people traveling on such vessels.

The bill authorizes the War Damage Corporation to cover crops in the field. So far as I can see, it goes all of the way in providing limited protection against enemy attacks for the tangible property of Americans during this wartime period. I suppose I ought to say—because I am among those always reluctant to see the Government engaging in what is ordinarily private business—that I have a feeling that some of the insurance companies may have been lax in this instance. Some of them sometimes are. In fairness to them, however, I ought to say that perhaps they have not been sufficiently encouraged by Washington, as they sometimes are not.

The insurance companies ought to be in this field to some extent. It is surprising to me, if true, that they have not made a study of it during the past 3 or 4 terrifying years. If they have made such a study, I am a little amazed that there is not a program. Passing that by—because we must look ahead in this war rather than too much behind—I am very hopeful, and I may say confident as well, that the insurance companies will lend their efforts and the benefit of their experience and advice to the War Damage Corporation, the Federal Loan Administrator, and his assistants. I should like to assure them, if they need assurance, that their advice and assistance will be welcome. It is my own feeling that the insurance companies of the country will participate in this program, at least to some extent.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. VANDENBERG. Am I to understand from the language of the bill that there would be no liability about $15,000 except as the result of an insurance contract for which a premium is paid?

Mr. MALONEY. That is not exactly the case as of this moment. Sometime ago, by regulation or order, a blanket policy was issued covering all the property in the United States to a reasonable extent. No amount was specified. That blanket, mythical, intangible policy—which, paradoxically, is real because it has the backing of the United States—is in existence at this hour, and as I understand will be in existence until this bill or one like it becomes a law. After that, should we pass this bill, there would be no insurance in effect beyond $15,000 unless and until provision were made for the payment of premiums, and I assume the writing of a protection policy for those who want insurance in an amount in excess of $15,000.

Mr. VANDENBERG. Such a policy would be in a specific amount, with a specific obligation?

Mr. MALONEY. That is our understanding.

Mr. VANDENBERG. Under $15,000, what does the language mean? It says:

> Such protection in an amount not greater than $15,000 shall be so provided to the owner of any such property—

Does that mean $15,000 per owner, or does it mean $15,000 per property? Suppose 10 houses owned by the same man were destroyed. Would the damage be $150,000, or $15,000?

Mr. MALONEY. I regret to advise the Senator—because as I have earlier explained, I am among those who are regretful that some sort of program has not been worked out—that as yet there is no answer to that question. That broad power—and I pointed out in the beginning that broad powers were granted under the bill—has been left to the Corporation, and will have to be settled at some later date—I hope very soon.

Mr. VANDENBERG. Let me ask the Senator a general question. The Senator has referred to British experience, which, of course, has been prolific. How have the British handled this problem?

Mr. MALONEY. I will answer that question by saying to the Senator—and again without apology—that I did not introduce this bill. I did not know until the hearings were under way that I would be asked to handle it in the Senate. I have not had sufficient opportunity to become entirely familiar with the British program. I do know that the British have been paying premiums. I think that under all the conditions the premiums are exceedingly low. I think it will be amazing to the Senate when I state that from the brief studies I have been able to make I am advised that the total war loss from bombing in England has probably amounted to less than $200,000,000. That was very surprising to me. Actually there has been a profit—if I may use the word—in the premium charges for war-damage protection in England. I understand there is a plan under way to reduce the charges for war protection in England, if the reduction has not already been made.

The coverage in England is compulsory and general. That would not necessarily be the case in the United States. England is a small, compact country. Every

person in England who owns property needs this sort of protection. There are many Americans in the midwestern section of our country who, if a premium were charged, might not believe that they were in need of protection. As I understand, in England there is a vast reservoir of funds coming in, as the result of the fact that all property owners are paying premiums. It is my understanding that until very recently the Government of Great Britain, insofar as real property is concerned, matched the premium payments of individuals. So, after this period of time, I am informed, they have a sizable fund out of which war damages have been paid or settled in part. There has not been, as I understand it, a definite effort on the part of Great Britain to adjust damages or losses in full; but, rather, Great Britain has made payments sufficient to put the property back in shape, let us say, so that people can live in it or do business in it. The Senate will readily understand that under a program such as this, without advance studies such as those undertaken by the insurance companies, it is difficult to determine the value of large or extensive properties. As of today we are operating under just that handicap. Our losses, if they were to come tomorrow, would have to be settled and paid for by the Federal Government without a very definite knowledge of what the property was worth today or last week.

So we are more or less feeling our way in this program. We do not know just how far we are going, or exactly in what direction. Mr. Jones does not seem to think so, I may say, but as I see it we are putting a rather heavy burden of responsibility on the Federal Loan Administrator and his associates and the War Damage Corporation. I should like to say that I get considerable comfort from the fact that we are so far away from our enemies, and additional comfort from the knowledge that up to now the losses in Britain seem to be so low under existing conditions—probably less than $200,000,000.

There is provided under the bill, as the Senator knows, funds up to the extent of $1,000,000,000. I have gone rather far by way of explanation because I wanted to give as much detail as I could in answering the Senator's question.

Mr. VANDENBERG. I appreciate that very much.

Mr. MALONEY. I have just now had handed to me, and I should like to read to the Senator, a statement of part of the British plan. I do not know that the language is the British language or the language of Parliament or of a governmental agency of Britain, but I shall read the statement:

> The compulsory annual contributions with respect to real property and immovables amount to approximately 10 percent of the annual rental values of such properties, and are uniform throughout the country. Farm properties and land devoted to certain uses are assessed at a lower rate, and certain minor types of property are exempt from compulsory contributions. Compulsory contributions are collected by the Commissioner of Inland Revenue. The premium rates for policies of insurance on movable business assets and certain types of chattels and goods are varied, averaging approximately 1½ percent of the value of such goods and chattels.

One familiar with the insurance business, and in particular the fire-insurance business, will realize that under existing conditions that rate is insignificantly low.

Mr. VANDENBERG. What the Senator is finally saying is that the bill in essence is a recognition and acceptance of what is probably an unavoidable obligation on the part of the Government, ahead of any possibility realistically to assess the details.

Mr. MALONEY. I guess, to answer the Senator's observation in a word, that the answer is "yes." I cannot let the remark pass, however, without pointing out that the Federal Loan Administrator has the British experience to guide him; he has the benefit of whatever mistakes or errors may have occurred in the British plan; and I cannot help but feel, despite the great difference between conditions in our country and those in England, that he is in a position to write a plan that will provide for our people even better protection than that which the British have been able to provide up to now for their people. I think it should be said here that we are naturally fearful of the possibilities of bombing, although we are doubtful that bombing could be very successfully undertaken over here; and if we are to take into account the experience of Britain, if there is any appreciable amount of protection purchased by large property holders in this country, there should be, as I see it, no loss or any great loss, to the Federal Government. It is even within the realm of possibility that we may derive a profit.

Mr. VANDENBERG. I thank the Senator for his explanation as far as it goes.

Mr. MALONEY. I shall be pleased to go further if the Senator can think of the questions.

Mr. VANDENBERG. It is not the Senator's limitation of information; it is the fact that we are legislating on faith, as the Senator very frankly says.

Mr. MALONEY. That is correct; and I regret it. I specifically pointed out that heretofore I think someone—and I do not think it was the Congress—had the responsibility of giving careful study to this subject. Perhaps a study has been made; perhaps it is available to the Federal Loan Administrator; perhaps it is now in his files. I have not that information; but on the basis of existing conditions, the possible dangers of bombing, and what we know about what has occurred elsewhere in the world, it seemed to the committee, as a result of the suggestion from the Reconstruction Finance Corporation, that we should act now. The hearings will show that the Secretary of Commerce or, rather, the Federal Loan Administrator was urged to work out the program speedily, because we could all foresee that, unless a definite program were worked out in advance of any possible bombings, the whole problem would be thrown into the lap of Congress, and would create confusion, debate, and difficulty which might not very easily be overcome.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. MALONEY. I yield to the able Senator from Ohio.

Mr. BURTON. Let me inquire whether there has ever been anything of this kind before, either in principle or in fact, in the history of the United States. If not, will the Senator explain why it is desirable and wise to enter into such a program at this time?

Mr. MALONEY. Yes; I shall explain that, probably in a feeble sort of way. This is a new experience to the United States. It is my understanding that during the World War private companies engaged in this sort of damage coverage. The Senator knows that there were not very many planes then, that the airplane was not the important factor in war in 1917 and 1918 that it has now become. There is a burning controversy in Congress and elsewhere as to the importance of the airplane, whether or not it overshadows in importance other weapons of war; but we have existing now a hazard, a threat, and a situation of a kind that, until the vicious attacks were made on the freedom-loving countries of Europe, never before existed. We now have planes that can travel many thousand miles, carrying heavy bomb loads, and that are in the hands of fanatics and men who do not care so much for life as we do. So, while we hope no such thing will happen, we have a right to expect, and we should anticipate bombings in our country.

Mr. BURTON. Let me ask the Senator one more question, please.

Mr. MALONEY. Certainly.

Mr. BURTON. Do I correctly understand, therefore, that the occasion which really gives rise to the insurance feature of the bill is related to bombing, the new incidents which have come about, and the method of warfare, and perhaps goes back to the fact that war creates a situation somewhat like that of a catastrophe such as an earthquake or a flood in a city in the United States to which the United States has always responded as a matter of national interest, and has tried to spread all over the country the burden of a loss that occurred in one place and hour.

It is now proposed to provide insurance in the case of a bombing or other isolated incident of damage, rather than for what might be the result of an old-time war of invasion and the taking over of some of a country's possessions, such as has been experienced in years past?

Mr. MALONEY. The Senator has fairly well explained the matter; but I should like to emphasize a part of what he has said. Not only in times of disaster and flood in our own country have we appropriated money and turned it over to the Red Cross and other charitable organizations for relief to the localities affected in this country—the Mississippi Valley and other places—but, Mr. President, we have sent relief to Japan in its dark hour, to the extent of hundreds and hundreds and hundreds of thousands of dollars; indeed, I think I might use the word "millions," but I do not have the

figures at hand. Time and again Congress has appropriated money to help stricken people beyond our own boundaries, and I could not resist the opportunity afforded by the Senator's question to point out that, excepting for this kind of very generous treatment to peoples now fighting us in the Orient, Japan would not be nearly so well off as she is at this moment.

Mr. BONE. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. BONE. As I read the proposal, and listen to the explanation of the Senator from Connecticut, I gather that it would rest solely in the discretion of the Loan Administrator as to whether or not there would be up to $15,000 recovery without payment of a premium.

Mr. MALONEY. That is correct.

Mr. BONE. Would that mean that the person who sought the protection would, first, have to make formal application for insurance coverage?

Mr. MALONEY. Not at all.

Mr. BONE. Is it intended to be a blanket coverage?

Mr. MALONEY. A blanket coverage exists now, without specifying the amount; the language, I believe, is a reasonable amount. It will become necessary, however, for the Federal Loan Administrator or the War Damage Corporation, in my judgment, pretty quickly to set a figure on this so-called free protection. The Senator raises a very important question. I am assuming that between now and the time the bill becomes a law, the figure will have been reached, and, in the interim, the people of the United States will be covered under this program and have the benefit of the blanket policy providing a reasonable protection.

Mr. BONE. Let me put it in a somewhat more concrete fashion. Let us engage in a violent assumption. Suppose there should be a bombing raid by the Japanese on San Francisco, and they were able to burn down the entire city, destroy it almost as completely as it was destroyed in the great fire of 1906.

Mr. MALONEY. I think the destruction then was less than 50 percent, although I am not sure as to that.

Mr. BONE. I saw the place afterward, and it looked bad enough to convince one that it was almost wiped out. If this bill should become a law, would it automatically provide for every person in that area insurance up to $15,000 on the property that was destroyed?

Mr. MALONEY. It might. It would depend upon the decision reached by the War Damage Corporation.

Mr. BONE. What I am getting at is the text of the act. It would rest in the discretion of the corporation as to what amount should be paid?

Mr. MALONEY. The text of the act would provide no protection whatever for a catastrophe in San Francisco today or tomorrow or until the act is passed.

Mr. BONE. I understand that.

Mr. MALONEY. The people of San Francisco and all other people, as of today, have the protection provided in the order and coverage issued immediately after Pearl Harbor, which is protection to a reasonable extent and in a reasonable amount.

Mr. BONE. I understand that, but I am confining my inquiry to the proposals in this measure. If it becomes a law, would it not provide, in effect, almost automatic coverage?

Mr. MALONEY. No; not beyond an amount decided upon by the War Damage Corporation, and for less than $15,001 unless between now and then an amount is fixed. Between now and that time the War Damage Corporation will, I am assuming, arrive at a figure for an amount beyond $15,000. After this bill becomes law, the property owner must pay for protection. That is today's situation, I may charge.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. PEPPER. I cannot see anything wrong, I confess, with the principle that if the individual citizen loses his home or business because of a bombing attack as a part of the war in which the whole country is engaged the loss should not fall disproportionately upon him. In other words, I do not see why it does not come within the principle of the constitutional provision with regard to taking private property for public use, which gives the right of compensation.

So I should say that it is a shortcoming of the measure if it fails to give that kind of protection to the individual citizen. A bomb may hit your home or it may hit my home, or it may hit my neighbor's home, but it is an incident of war in which we are all engaged. I do not see why the whole people should not bear the loss of what may be the misfortune of any one individual or group of individuals.

Mr. MALONEY. I am assuming the Senator means up to a certain amount?

Mr. PEPPER. I do not see any necessity for a limitation, because, whether it is a private individual, a firm, an association, or a corporation, it is the property by chance, the unhappy chance, of the one who suffered. Take New York, for example. If one building is destroyed by a bomb and the buildings on either side are not injured, even if the building is owned by a corporation or someone else, I do not see any reason why any part of the loss should fall more heavily on the owner than upon the people of the whole country.

Mr. VANDENBERG. Mr. President, may I ask a question there?

Mr. MALONEY. I should like, first, to present my own view. I at first shared the view, let me say to the Senator from Florida, that he expresses. I have not yet completely divorced myself from that view; but it seemed to be the opinion of the majority of the members of the committee that, up to a certain point, premiums should be charged. My opinion was in accord with that of the Senator from Florida, but it was pretty hastily formed and was without study, so I did not press the matter. I do not know that I would now do so. The bill as reported seems to afford pretty wide protection to a great majority of our people, and that is seemingly all important. It ought to be said at this point and in this connection that there are interests on the west coast which were mentioned in the committee, and certainly comparable interests on the east coast, owning or controlling properties running to a value of many millions of dollars who are perfectly willing, we were advised, and I might say anxious, to pay a premium for this excess protection. I do not know how carefully the observation was made, but I do know that in some instances they had been buying this sort of coverage up to the 7th of December.

Mr. PEPPER. Mr. President——

Mr. VANDENBERG. Mr. President, if the Senator will permit me, I should like to interrupt first, because, perhaps, the Senator from Florida would have something to say on the point I want to ask the Senator from Connecticut. It seems to me that we can allow ourselves to be drawn into a very dangerous responsibility if we pursue the philosophy of the Senator from Florida, because, if the Central Government is responsible to a citizen for the destruction of his home by a bomb as an incident of war, why is it not equally responsible, in dollars and cents, to a business that is destroyed by the bomb of a priority order, for instance? What is the difference?

Mr. MALONEY. There is some difference, of course, as the Senator from Michigan knows. We have none of us as great a safeguard against war hazards of bombers as we have against the war hazards of a misplaced or ill-advised or, but probably necessary, priority order. We have some power to correct that. We are finding it pretty difficult, I must confess, but we have the power if we would use it.

Mr. VANDENBERG. One would be as fatal as the other.

Mr. MALONEY. The Senator knows, so far as I am concerned, I was very early anxious to do something about that situation. I wanted to train the troops in the bureaus.

Mr. VANDENBERG. What I am saying is that it seems to me there must be some delimiting line to the philosophy submitted by the Senator from Florida [Mr. PEPPER].

Mr. OVERTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Connecticut yield; and if so, to whom?

Mr. MALONEY. I yield to the Senator from Louisiana.

Mr. OVERTON. If we pursue that theory to its logical conclusion, it seems to me that the Federal Government should not simply protect property but also should protect human life, and endeavor to compensate for whatever loss there may be to a family when the bread earner is taken away.

Mr. MALONEY. Yes; I am afraid we shall yet have that proposal, Mr. President.

Mr. OVERTON. Suppose the father or husband is killed by a bomb; no protection is given to those who survive; but, under this theory, if some rich corporation should have one of its buildings destroyed by bombs, the corporation would be recompensed at the expense of the taxpayers.

If the Senator will further yield, I see no objection to a reasonable, very small premium charge on property valued, say, in excess of $7,500. I can readily understand why it is not exactly insurance, because in order to get the benefit of it the owners of small homes, valued, say, at $5,000, would have to make application, and the probability is that they would not make application and would not get protection; but, when we get up into the higher figures, it seems to me there ought to be some reasonable charge for premium.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MALONEY. I shall not yield to the Senator from Florida until I make a brief observation in connection with what the able Senator from Louisiana has just said.

I do not think it makes any difference, so far as the large corporation is concerned, whether it is charged a premium for the excess coverage, or whether it is taken out of the pockets of the taxpayers of the entire country, because the Senator from Louisiana knows that that is where, in the final analysis, it is coming from. We have the protection of the excess-profits tax. We have the intensifying demand of Congress and of the country that war profits be curtailed or completely erased. All those things enter into this particular situation. I am not much disturbed about whether we charge a premium to the large property owner or whether we provide him free protection, because I know that if a gasoline plant or a series of them are destroyed on the west coast, the consumers of gasoline over the country are going to pay the premium. I do not want to enter too deeply into that subject now. I shall try to discuss it later to the extent that it needs to be discussed here.

The committee has unanimously concluded, however, that we shall have a ceiling, for the time being, at least, of $15,000. I should like to say, if it will give any comfort to the distinguished Senator from Louisiana, that, in my judgment, the Federal Loan Administrator is closer to his view of $7,500 than he is to the slightly more generous attitude of the Committee on Banking and Currency.

Mr. OVERTON. Mr. President, if I may be permitted to make a further observation, I am not raising any objection to the $15,000 suggestion contained in the bill. My argument was in opposition to the other theory advanced here, that there should be a protection and a coverage without any premium charge at all under any circumstances.

We have other disasters in this country besides war. We sometimes have huge floods that sweep away property, destroy human life, destroy farms and cattle and crops and all that sort of thing, and no compensation is made by the Government.

Mr. MALONEY. I should like to say to the Senator, for my own protection, that the opinion I gave was what the able senior Senator from Texas [Mr. CONNALLY] sometimes refers to as a "horse-back" opinion. I should not want to give one that was definite until I had the benefit of the advice of experts, the insurance officials of the country. I should want to consult with them before I gave a definite opinion.

Mr. OVERTON. I think the Senator is quite right about that.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MALONEY. Certainly.

Mr. PEPPER. The comment which I made a moment ago directed itself to a principle which I thought was important in this controversy.

I can readily distinguish the case mentioned by the able Senator from Louisiana, in which private catastrophe has happened to overtake a citizen, a hurricane, or a storm, or an earthquake, or something of that character. That is not a part of the common effort in which the citizen's country is engaged, and in which he has a part. That is not the taking in the public interest, as it were, of his property which entitles him to the moral benefit, under the constitutional principle, of fair compensation. It either is a matter of public responsibility or it is a matter of private responsibility in principle, one or the other. I do not think there is any more justification in principle for paying $500 than there is for paying $5,000,000. If we recognize that the loss occurs as part of a war hazard, then, just as the soldier ought to get his insurance whether he is a millionaire or a man who is worth only 30 cents, because it is what comes to one who loses his life in the prosecution of a war, I similarly feel that the property-owner, whether he is a large property-owner or a small property-owner, ought to get his redress and his compensation.

Mr. MALONEY. Let me say to the Senator at that point, if I may, that I think in principle he is right, and it was on that basis that I made certain observations in the committee; but I think that is largely offset by the fact that the large owners of private property seem anxious to get in their hands a contract providing a specific coverage, and seem very willing to pay the premium.

Mr. PEPPER. The other point is this: If $15,000 is fixed as the limit, there are many kinds of small businesses that are worth a great deal more than $15,000; so we are not limiting the compensation to the fair category of small business if we let that standard remain in the bill.

The last comment I desire to make is that I do not see anything extraordinary about the suggestion made by the Senator from Louisiana [Mr. OVERTON] that the Government should even compensate persons who lose their lives as the result of bombing. Suppose the head of a household loses his life by a bomb: Is it an abhorrent idea that the Government shall give redress to that man's family and dependents? I do not see anything monstrous about the suggestion. If he were a soldier at the front, and he lost his life, he would be entitled to certain compensation out of the Federal Treasury. If he is performing the duty of a citizen in a factory making bombs, and an enemy bomb falls through the roof and kills him, I do not see why the Government is supposed to shun any sense of moral responsibility to that man's dependents. It seems to me it would be very proper to include in this bill provision for persons who lose their lives.

Suppose a man sustains an injury which results in his permanent disability, and his earning power is lost forever. He is a casualty of the war, just as much as is the soldier at the front. We know that war now has moved from the front to the homes of the citizens and to the factories where they work; and we shall ignore the actualities of modern war if, in the evolution of such measures as this we do not take cognizance of the character of modern war.

Mr. BONE. Mr. President, will the Senator yield for a brief statement at that point?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Washington?

Mr. MALONEY. I yield to the Senator from Washington.

Mr. BONE. I desire to say to the Senator from Connecticut that I did not rise in the beginning to comment on the ethics or morals of the proposal but rather to seek information.

The Senator from Florida [Mr. PEPPER] has referred to one or two matters which it seems to me raise some other pertinent questions. Perhaps I should not inject them into this debate, but they are closely allied to the principle he discusses.

If a great fire arises in a city, such as in San Francisco, it is a common danger, so recognized by the authorities on municipal law. A fire department, in order to quench the fire, may blow down a citizen's building, and do it in the common interest, and there can be no recovery. It is a matter of stern necessity; and the community does not make the owner of the building whole when it blows down his building with dynamite. That is another angle of this question of moral responsibility which has a legal basis. There is a further angle, and I am glad the Senator from Florida mentioned it.

It has been our practice to require the soldier who is tendering his life, 100 percent of himself, to pay premiums on his war-risk insurance. He does not get any war-risk insurance, as I understand the law, without paying a premium on his insurance policy. If there is anyone who knows any principle of law to the contrary, he can now so inform the Senate. It is my understanding that the soldier pays for every penny of insurance he gets. As the Senator from Florida pointed out, no one runs any greater risk than the soldier on the battlefield: yet he pays a premium for the insurance he gets, and God knows he is risking everything he has. He is not only running the risk of what may come to him, but he goes to the very source of the danger, and there subjects himself to every possible hazard of modern war. I do not wish to complicate the debate by dragging in every conceivable and possible legal aspect——

Mr. MALONEY. I hope the Senator will not do that.

Mr. BONE. But I do not want the Senate to pass this measure on the

theory that we are morally bound to take action of this kind, for, if we are to reduce it to the field of morals and of moral conduct, we should in the same bill abolish the necessity of paying premiums on war-risk insurance on the part of every soldier in the Army and every person in the Navy, because they are seeking the hazards of war; the hazards are not being brought to them.

Mr. MALONEY. I hope no Member of the Senate will take it upon himself to try to throw the country out of gear all at once. I hope we will proceed with prudence and caution.

Mr. BONE. I do not know what the Senator means by his reference to throwing the country out of gear. If this bill is getting it into gear, I am for it.

Mr. MALONEY. I was not in the Congress in 1917 when the War Risk Insurance Act was passed, but I assume the decision to charge premiums on war-risk insurance was reached after careful study by the Congress. I have no doubt that then, as now, there was probably a need for some self-restraint. The Senator from Washington and the Senator from Florida need not fear that the ideas they have in mind will not come before the Congress. They certainly will. Some of the proposals will be highly magnified. Some of the suggestions will be overgenerous, because every man likes to aim at Utopia, but I beg Senators to realize that we have to be realistic, we have to take a practical, sensible view. We can go only so far. All of us would like to supply every last ounce and measure of protection to every last one of our citizens. I thought we went extremely far a few days ago when we provided that voluntary fire wardens and others would come under certain governmental protection as to compensation. I know enough about human nature to realize that there is going to be no shortage of claims in that particular department.

There is a limit, and the distinguished Senator from Washington, able lawyer as he is, knows that there is a limit, this side of our natural desires, and far this side of his very generous impulses. I hope that the Congress will not try to go too far too fast.

Mr. BURTON. Mr. President, merely in an effort to help define the limitations of the proposed act referring to the questions raised a few minutes ago, am I to understand that the proposed act would apply equally to tangible personal property, as well as to tangible real property, and therefore would apply to crops and cattle, although the colloquy indicated that it did not apply to cattle and crops, as well as to real estate?

Mr. MALONEY. I thought that I had tried to make clear earlier in my statement that it did apply equally to crops and agricultural properties.

If there are no further questions, I should be glad to conclude my statement, but I shall be pleased to attempt to answer any further questions Senators may wish to propound.

Mr. MILLIKIN. Do the words "enemy action" include sabotage?

Mr. MALONEY. That is a question which the committee did not take up, to be frank with the Senator, but it seems to me—and I may point out that I am not a lawyer—that the broad powers of authorization granted would extend that sort of protection. In other words, it could be done by regulation.

Mr. CONNALLY. How could it be done by regulation if the law did not authorize it?

Mr. MALONEY. I think the language of the proposed act does authorize it and on such a complicated subject much must be done by regulation.

Mr. CONNALLY. If the law authorizes it, that is all right, but it is not a matter of doing it just by regulation. I am not in favor of the departments doing things by regulation unless we authorize it.

Mr. MALONEY. It is authorized in the bill. I used the word "regulation." There is no direction here that it be done, but it seems to me the power to do it is provided in the bill.

Mr. CLARK of Idaho. Mr. President, will the Senator from Connecticut yield?

Mr. MALONEY. I yield.

Mr. CLARK of Idaho. I think I am correct in saying to the Senator from Texas that the proposed act is not an authorization measure primarily. The R. F. C. now has the power to do everything the proposed act could possibly authorize. It can do it, and has done it through amendment of its charter. I am sure the Senator from Connecticut has previously explained this, but I was not on the floor at the time. The R. F. C. now has power, under its charter, to do everything it wishes to do, and it already has taken action regarding war damage insurance.

Mr. MALONEY. I probably did not say it so clearly and precisely as has the Senator.

Mr. CLARK of Idaho. It has already issued two proclamations, or Executive orders, prior to this time, covering, by blanket orders, any property lost after certain dates, which I fail to recall. All this measure does is to authorize the R. F. C. to give another $1,000,000,000 to the War Damage Corporation——

Mr. MALONEY. The amount is a hundred million, with an authorization up to a billion.

Mr. CLARK of Idaho. The only thing the proposed act would do would be to place certain limitations upon the powers heretofore exercised by the R. F. C., or which the R. F. C. could exercise today without this legislation. Those limitations were written into the law by the amendment of the junior Senator from Connecticut [Mr. DANAHER].

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. TAFT. I question whether the R. F. C. has any power to set up an insurance corporation. My understanding is that the hundred million dollars that was used was from the President's discretionary fund, and I question whether the R. F. C. has power to set up a corporation which can go into the insurance business. It was granted very broad powers, to which I objected strenuously at the time, covering anything to do with war production or buying materials. There may have been a final purpose, limited in some way up to $200,000,000, perhaps for any purpose in the world, but that is the only possible justification for the Reconstruction Finance Corporation's action.

Mr. CLARK of Idaho. All I can say to the Senator from Ohio is that they have done it, and their general counsel expressed the opinion in the hearings, and it is in the record, that they had the legal right to do it. The Senator may be correct in his interpretation of the situation.

Mr. MALONEY. I should like to point out that among the powers which the Reconstruction Finance Corporation has is "to take such other action as the President and the Federal Loan Administrator may deem necessary to expedite the national defense program, but the aggregate amount of the funds of the Reconstruction Finance Corporation which may be outstanding at any one time for carrying out this clause shall not exceed $200,000,000."

Mr. TAFT. I cannot understand how this will in any way expedite the war program. I cannot see how on earth it can do that. I question whether the R. F. C. has any power whatsoever along this line. It seems to me this has a limiting effect, and if we write in "enemy attack," I am of the opinion that the R. F. C. cannot insure against damage from some other cause than enemy attack.

Mr. CLARK of Idaho. That is correct, if we place a limitation in the law, but I was endeavoring to answer the suggestion of the Senator from Texas. This is not an authorization bill, and all we can write in, if the R. F. C. is correct in its conclusions, are limitations.

Mr. MALONEY. It occurs to me that we aid the national defense program to a very considerable extent by protecting the morale of our people. I can see how the organization of industry on the west coast, and probably on the east coast, to some extent, might be builded up or strengthened by this kind of protection, and I believe the morale of our people, so important to national defense, would be better under the assurance that the Federal Government, which is theirs, would extend them this amount of protection should the dark day come.

Mr. CONNALLY. Mr. President, the discussion has gotten away from the point raised by the Senator from Colorado [Mr. MILLIKEN], who asked if the language employed authorizing the R. F. C. to pay damages on account of enemy action included sabotage. Was not that the question?

Mr. MILLIKIN. Whether the words "enemy action" included sabotage.

Mr. CONNALLY. I merely asked a question about that, and the reply was, "Oh, no; it is not in the law, but they can do it by regulation." That is what I am protesting against. If it is not in the law, it has no business in the regulations. I do not know whether it is in them or not. But I can conceive of sabotage which would not be enemy action at all. Suppose a strike occurred. Suppose some rival unions engaged in controversy, and sabotage resulted; that

would not be the result of enemy action at all.

Mr. MILLIKIN. I should like to suggest that the word "attack" usually carries affirmative connotations which are not present in acts of sabotage.

Mr. CONNALLY. I was trying to express my resentment against the representatives of bureaus who come here and say, "No, it is not in the law, but we will do it by regulation."

Mr. MILLIKIN. I agree.

Mr. MALONEY. I hope the Senator from Texas does not include me as one of the representatives of bureaus.

Mr. CONNALLY. No.

Mr. MALONEY. I understood the Senator to talk about enemy sabotage.

Mr. CONNALLY. I did not say that.

Mr. MALONEY. I so understood the Senator. Enemy attack is covered by the provisions of the bill.

Mr. AUSTIN. On what page is that provision? I have been hunting for it.

Mr. MALONEY. It is on page 6, line 24; "from enemy attack."

Mr. AUSTIN. Does not that refer to military attack?

Mr. MALONEY. That, I presume, would be a matter of interpretation. I had better not get in too deeply; but perhaps it would be military attack if enemy agents blew up one of our plants. I do not know.

Mr. AUSTIN. This question is not easy to decide, as I know from an event which occurred in St. Albans, Vt., during the War between the States. There a raid was made starting from across the Canadian line. People were murdered; a bank was robbed, and when an attempt was made afterward to extradite the murderers, the question arose whether that was an attack or not. The question had to be determined by evidence of a military officer who was over the men who made the raid, and they were able to show that it was an attack. Otherwise, it would not have been an attack in the sense in which I understand the language is used in the bill. It would have been the mere commission of a crime by an individual, which would be a ground for extradition and punishment by the authorities of the State of Vermont. It turned out otherwise because of the fact that this group of men was able to show that they were operating under military orders. I believe the same principle is involved in the language in question.

Mr. MALONEY. Mr. President, I should like to say to the Senator and to the Senate that Mr. Jones assured us that he would come back to the committee when he had a program and definite plans. We urged upon him the necessity for acting quickly, and we pointed out to him what we felt to be the magnitude of his task. The very able Senator from Ohio in particular—and I think his view was shared by other Senators—expressed the hope that we would have at the earliest possible moment a specific program, and all of us regretted that we did not have a plan to act upon at this time.

Mr. President, I am anxious to conclude, and will conclude unless there are some further questions.

Mr. TAFT. Mr. President, I do not wish to detain the Senate more than a moment. I have a good deal of doubt about the principle of this bill. I certainly do not admit in any way the proposition advanced that the Government should recompense every loss arising out of the war, because it is an impossible conception; it cannot be done; we are not doing it. We are not repairing the breaches in families created by the draft. If we draft a man who is getting a salary of $5,000 and pay him $21 a month, we do not compensate him for what he loses in salary. We cannot compensate every business that is indirectly injured by the war. It is simply an impossible conception to carry out, and it never has been carried out. War is war, and the casualities of war have ordinarily rested upon those upon whom they have fallen.

When we find a perfectly definite thing we can do, then I think probably we should do it, and in this case we are following the British plan. There is this difference, however, that under the British plan no one gets any free insurance. The Government levies a compulsory premium on every property owner in Great Britain. If we could carry that plan through, we should do so. Unfortunately, in this country, under the Constitution, such a compulsory program would be a tax on property directly, and would have to be apportioned among the States by population, which makes it an impractical thing to do. So we had to consider whether we should insure property by the usual method, simply of letting anybody come in and get insurance if he wants to get it, which in the end probably would not cost the Government anything. The difficulty is that many people of small means would not come in and get insurance. If a bombing raid occurred and 25 residences were destroyed, and 5 of them had insurance and 20 did not have insurance, then the owners of the 20 uninsured properties would undoubtedly come here and file their claims, and Congress would pay them just as the Government would pay the other 5. It is almost an impossible situation.

So I think we are justified in giving some free insurance. There was some discussion in the committee whether it should be $5,000 or $15,000. Personally, I think $5,000 is enough to protect the ordinary small residence. I think anyone who wants to be protected above that amount should take out insurance, and I do not have any question that anyone who owns a considerable number of houses will apply for this insurance. If Mr. Jones limits it to $5,000, that is perfectly reasonable. If he wants to make the limit $15,000, I think that is reasonable.

Replying to the Senator from Michigan, it seems to me the limitation is on the individual owner, and that if a man had six houses costing $15,000 apiece, and they were all destroyed, he could collect only $15,000. That is the way I read the limitation which is placed in the bill. It seems to me that is the only reasonable way we can place a limitation at the present time.

I wish to call the attention of the Senate to one sentence which appears in the amendment inserted by the committee, at the bottom of page 6, as follows:

> The Reconstruction Finance Corporation is authorized to and shall empower the War Damage Corporation to use its funds to provide, through insurance, reinsurance, or otherwise, reasonable protection against loss of or damage to tangible real property and tangible personal property which may result from enemy attack, with such general exceptions as the War Damage Corporation, with the approval of the Federal Loan Administrator, may deem advisable.

One feature of agreeing to compensate persons for damage is that a definite guide is provided. It is a fairly simple thing to insure property against damage by bombing, but if the phrase "enemy attack" is going to extend to the occupation of territory it opens up a practically indefinite field. For instance, in the occupation of the Philippines, probably after the army marches in, soldiers may do damage by simply treating the property roughly. The Government may confiscate property. There may be every conceivable kind of claim every time the Army knocks down a fence. In France there were filed a good many claims for fences which our Army happened to destroy in the course of the fighting. We may have every kind of indefinite claim. I think the situation should be made perfectly clear. I should like to have written an exception to make it clear that enemy attack does not include enemy occupation, but the committee finally thought that the War Damage Corporation would be taking a very great risk if they undertook to include in their insurance damage resulting from enemy occupation, and that a situation such as that in the Philippines, or growing out of any other occupation of territory, should be dealt with after the property is recovered, when we would have a chance to look over the whole field and not have a great many claims filed which would hang around Congress for the next hundred years. So I think it is very important that when this insurance is given it be confined to a definite and perfectly definable property, and that, so far as possible, the value of the property be determined.

The British have no limitation, but they have a provision limiting the amount of compulsory free insurance on personal property such as furniture. Everyone in Great Britain is compulsorily insured and pays the premium; but if he wants more than a certain amount of insurance on personal property he must take out additional insurance and have the property identified. I think some limitation on household furniture should also be imposed by the War Damage Corporation, because with respect to personal property the figure is perfectly indefinite. No one knows what the value of furniture is, and no one can find out what furniture was present when the damage occurred. There would be all

sorts of claims for jewelry and other articles which might be kept in houses. So I believe that if there is to be a limitation the Corporation should certainly set a definite limit on the amount of personal property which may be covered by free insurance.

Mr. President, I feel that we should pass the bill. The whole question of insurance is so complicated, the details are so countless, and there are so many things to be considered that I do not object to leaving it to the War Damage Corporation, after we lay down the general principle, to work out the complicated details.

Mr. VANDENBERG. Mr. President, without resisting in any degree the pending legislation itself, and admitting the war necessity for something of this nature, nevertheless I wish to repeat in essence what I said yesterday regarding the fiscal phases of all this recent legislation.

This pending bill contemplates, or at least authorizes, an additional expenditure of $2,500,000,000. That makes total appropriations of $37,500,000,000 in the last 6 Senate days. I am moved to paraphrase the poet:

> Count that day lost
> Whose low descending sun
> Sees not another billion
> Flung at Jap and Hun.

Mr. President, if appropriations could win this war, victory is "in the bag." The point I wish to make again—and I made it yesterday—is that appropriations only start to win the war. After the appropriations are made in the first place they must be efficiently spent and efficiently managed. Never was there a better demonstration of the necessity for scrupulous efficiency on the part of the administrative officers of the Government than in this particular bill, which, as the able Senator from Connecticut in charge of the bill frankly says, must be taken substantially on faith. Not only in the Congress, but in the country, we have the right—aye, we have the duty—to hold our administrators to the strictest accountability for maximum efficiency and minimum waste, error, and exploitation in the management of the enterprises which we thus finance.

Secondly—and it is the thing which I rose chiefly to say—every one of these appropriations ultimately represents a tax upon the American people. I hope that as the country applauds us for our zeal and vision in providing appropriations to meet the emergencies—and I am quarreling with none of them—it will equally steel itself to as loyally accept the taxation which must come to the people if the internal economy of the country is to survive. I repeat, as I said yesterday, that as against thirty-seven and one-half billions of appropriations in 6 days the Senate Finance Committee thus far has been unable to find an acceptable formula to raise only $7,000,000,000 in taxes. That gives you some idea of what lies ahead.

The tax burden which must come to the American people inevitably will represent a tremendous exaction and I hope that our constituents, as they contemplate the things we are doing, will realize that we confront the inevitable necessity of ultimately translating these appropriations into taxes if we are to protect the Republic against economic disintegration internally, which can be just as fatal as anything that could happen to us externally.

We confront fabulous war hazards. Therefore, fabulous appropriations are inevitable—and certainly they have become fabulous when in 6 days we order expenditures equivalent to one-third of our entire annual income, and all this before we have even started upon the regular supply bills for the next fiscal year. Obviously, this means equally fabulous taxes. In other words, every dollar of appropriations finally represents an exaction from the pockets of the taxpayers. They must be prepared to give us the same cooperation in respect to tax bills that they give us with respect to appropriation bills, and they must contemplate a tremendous degree of sacrificial cooperation in this common effort. I think it is very well, indeed, to have that finality in mind while we are initiating the process which leads to the finality.

Let me make my point clear, Mr. President. I do not complain of these appropriations. I support them. There is no inexpensive way to fight this war. All I am saying is that there also is no inexpensive or painless way to pay for this war. Yes; and, of course, it would cost still more to lose it. But when we soon confront the grim, tough task of assessing unprecedented levies against our people, I hope there will be no reluctance here to also face this other irresistible duty; and I hope the people—all the people—who applaud what we do now will prepare themselves to face the tax consequences with the fortitude and the patriotism which will be required. Finally, reverting to my other initial thought, I have no doubt the people will thus respond if we give them the most completely efficient war administration of which we are capable; if we save them from every nondefense extravagance which rigid and conscientious economy can provide; if we stop every profiteer in his tracks—whether he works with his head or with his hands; in a word, if we vindicate and justify the sacrificial unity which all-out victory requires. We are as yet far from this goal. But let every patriotic impulse be dedicated to its quest.

Mr. LA FOLLETTE. Mr. President, I think it will appear to anyone who reads the RECORD that the Senate is proceeding in the dark so far as the pending legislation is concerned. I merely wish to point out that if we are to accept the principle that damages sustained to property through war, up to a limit of $15,000, are to be shared equally by payments in restitution from the Treasury of the United States without any contributory premiums, we ought to be prepared to take the next logical step—I do not see how we can escape it—and provide insurance to the men in the armed services, many of whom are under fire, without exacting a premium from them. If the Standard Oil Co. of New Jersey is to be reimbursed for damage to its Bayonne, N. J., plant up to $15,000 without contributing a penny to the Treasury of the United States to help carry the cost of such insurance, I do not see how the Congress can decline to extend insurance to the men in the armed services of the United States without exacting a premium out of the soldier's compensation of $21 a month.

Mr. PEPPER. Mr. President, let me address an inquiry to the able Senator from Connecticut, who is handling the bill.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MALONEY. I wonder if the Senator will not let us take action on the bill.

Mr. PEPPER. What I intend to say is relative to a proposed committee amendment.

Mr. MALONEY. I am sorry that I misunderstood the Senator.

Mr. PEPPER. In furtherance of the thought that was expressed a moment ago that we should not ignore, in my own opinion, the question of compensation or insurance of persons who may sustain loss of life or injury as a result of enemy attack, I wonder if the Senator would feel justified in accepting an amendment to the following effect:

> The War Damage Corporation shall with all convenient dispatch make a survey of the subject of compensation and insurance for loss of life and injury to persons not in the armed services which may result from enemy attack, and report such recommendations as it may have to the Congress.

I have in mind the thought that the subject is worthy of study. I do not know of a more appropriate agency to study the question of damage to property by enemy attack. I wonder if the Senator will be agreeable to incorporating such an amendment in the bill.

Mr. MALONEY. Mr. President, I am not the author of the bill. The question as to whether I would agree to accept the amendment would not be important because my agreement might not have very great weight. Personally, however, I think it would be a very serious mistake to inject this new thought into this important bill at this particular time. It might provoke a controversy which would be far reaching and would delay affording the protection which might otherwise be sooner provided to people who may need it.

I do not know that some such plan as that which the Senator from Florida has in mind might not be worked out; but my immediate reaction to it is that it goes rather far. If I had to vote today "yes" or "no" on the question, I should vote "no;" because it would seem to me that from the standpoint of the Government such would be the safe course—although with a chance to give the plan some study I might feel differently about it. The Senator can accomplish his purpose by a Senate resolution authorizing the committee to study such a plan. I am hopeful that the Senator will not press for such an amendment at this late hour, just as we are about to act, with some Senators absent I say that principally because the matter can be

taken up without delay in another and what seems to me to be a more proper manner.

Mr. DANAHER. Mr. President, bearing on the subject which has just been opened up, it seems to me the record might appropriately show what was said in the committee on that point; and I respectfully ask unanimous consent that Mr. Jones' testimony, from the top of page 6 to the middle of page 17 in the Senate hearings, be incorporated in the RECORD.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Mr. JONES. Now, we have talked about rubber and sugar. I might talk a little about the war insurance. As most of you know, probably, due to the widespread fear of enemy bombing immediately following Pearl Harbor, particularly along the west coast and the Atlantic seaboard, I discussed the matter with the President and, with his approval, we created the War Insurance Corporation, allocated $100,000,000 capital for it, and advertised that. We did not go into any great detail as to how it would be operated or what protection would be afforded.

I will read, if I may, the first press release that I made on that subject, which was intended, in itself, to be an insurance policy (reading):

"DECEMBER 13, 1941.

"With the approval of the President, the Reconstruction Finance Corporation has created the War Insurance Corporation, with a capital of $100,000,000, to provide reasonable protection against losses resulting from enemy attacks which may be sustained by owners of property in continental United States through damage to, or destruction of, buildings, structures and personal property, including goods, growing crops, and orchards.

"Pending completion of details, any such losses will be protected from December 13, 1941, up to a total of $100,000,000.

"Accounts, bills, currency, debts, evidences of debt, money, notes, securities, paintings and other objects of art will not be covered.

"For the time being, no premium will be charged for this protection, and no declaration or reports required, unless there is a loss.

"Other terms and conditions for such protection will be announced as established. No protection will be available to owners of property who, in the opinion of the President, are unfriendly to the United States."

That was dated December 13, 1941. On December 22, 1941, I made the following announcement, after conference with the President [reading]:

"DECEMBER 22, 1941.

"The War Insurance Corporation, created by Reconstruction Finance Corporation with a capital of $100,000,000, will extend the same protection to property owners in Alaska, Hawaii, the Philippine Islands, Puerto Rico, and the Virgin Islands, as it does to property owners in continental United States.

"As previously announced, the War Insurance Corporation will provide reasonable protection against losses resulting from enemy attacks which may be sustained by such property owners through damage to, or destruction of, buildings, structures, and personal property, including goods, growing crops, and orchards.

"Accounts, bills, currency, debts, evidences of debt, money, notes, securities, paintings, and other objects of art will not be covered.

"When the plan has been fully worked out, it is expected that a premium may be charged for coverage of losses in excess of some stated amount. In the meantime, no application or report will be required unless there is a loss.

"Other terms and conditions for such protection will be announced as they are established. No protection will be available to owners of property who, in the opinion of the President, are unfriendly to the United States.

"I put on that release the following note [reading]:

"Because of the great public interest in this subject, it is requested that this announcement be run in full."

There, again, it was intended as an insurance policy. We are now asking that you authorize the Reconstruction Finance Corporation, with the approval of the President, to advance funds up to $1,000,000,000 to cover losses.

Senator MALONEY. Mr. Jones, your creation of this agency was under existing law, was it not?

Mr. JONES. Yes, sir.

Senator MALONEY. Have you discussed the matter with insurance companies?

Mr. JONES. Yes. We were told by them that they do not cover this character of insurance.

Senator MALONEY. They have not to a very great extent up to now. The reason I asked the question was because I recently talked with one or two insurance officials or executives, and they said they had some idea that the insurance industry might like to undertake this program or to participate in it. Has any such word come to your attention?

Mr. JONES. Yes; we have had a number of conferences with reputable representatives of insurance companies. They tell us that they will not carry this kind of insurance; that they cannot; that they do not have the reserves. Their charges would be so very high, if they undertook it, that it would be an imposition on the people who had to carry the insurance.

Senator MALONEY. I am inclined to agree with you; and I was rather surprised when representatives of private companies indicated that they might undertake this program. I think that one of them told me that England started out with just such a plan as you propose, and changed its system to some extent, and that private companies are now participating in the program there. Do you know anything about that?

Mr. JONES. We are studying their experience. There they have compulsory insurance; every one must take insurance and pay for it. I do not think we could have compulsory insurance in this country. A man in Nebraska, Iowa, or Kansas would not feel that he needed bomb insurance.

Senator MALONEY. I am inclined to agree with you. I assume that you think and the President thinks that even though a man does not want it and may not need it, he should, because it is a war risk, be required to pay his share of the cost?

Mr. JONES. To begin with, there was no time to consider how to offer insurance to people on the coast line, when we thought we might get bombed tomorrow or the next day or tonight. So we resorted to this procedure, under authority given, and set aside $100,000,000 for that purpose, so that we could have time to come up and discuss the matter with Congress. It is my thought—and when I say that I am speaking of all of the executives and the people that I have conferred with including insurance people—that this insurance should be carried by the Government; it must be carried by the Government and perhaps largely at Government expense. We might employ the insurance industry to write it, but that might be expensive. We contemplate that where there is a loss we will ask the regular insurance adjusters to adjust that loss and report to us what they considered the loss to be. It has not been determined what percentage of the loss the Government will pay. There, again, there are many differing opinions. Some think we should pay a hundred percent of the loss; others think a lesser amount. For that reason we used the words "reasonable protection," and for the time being we thought that would at least afford some consolation and protection. And there we are.

Senator MALONEY. I have the feeling that we should be prepared for bombing. I think this suggested undertaking is so tremendous that we ought not to wait too long, although we continue to hope the bombings do not come. The insurance people should be busily engaged now. Do you have any insurance people working with you?

Mr. JONES. We are conferring with them right along; yes.

Senator MALONEY. It would seem to me that it might be extremely helpful to us if the program could be worked out reasonably soon, at least an outline of it, because if bombing does come to a large city like New York it will be a lot more difficult for Congress to work it out at that point after people may have suffered tremendous losses.

Mr. JONES. It had not occurred to me, Senator, that Congress would want to work it out. It occurred to me that you would want to delegate that authority to somebody; and so, having authority to set up this corporation, we did so, because there was no time to come to Congress.

Senator MALONEY. I think you are entirely right, if you do work it out. But if you don't work it out, we will have to.

Mr. JONES. Oh, we will.

Senator MALONEY. But if it is not worked out until after the bombing comes, then Congress will have a very difficult time evading the issue.

Mr. JONES. Everybody now is reasonably covered by the $100,000,000 provided. We could advance some additional funds under existing law, but not a great deal.

Senator MALONEY. One hundred million dollars is an insignificant amount when you talk about the bombing of one of our large cities. That is what a battleship costs.

Mr. JONES. I do not entirely agree with you on that, Senator. Bombing is not that serious. The result of a bombing is that it looks a lot worse than it actually is. The losses look terrible, but when you clean up and do the repairing I think $100,000,000 would go a good way.

Senator MALONEY. I do not think so, myself; I disagree with you. If a bombing occurs, I think $100,000,000 will be insignificant.

Mr. JONES. They may not be able to get planes enough over here to do very great damage. That is the reason that we are asking that we be directed to go up only to a billion dollars, which I think will be enough. If it is not, we can come back for more.

Senator MALONEY. I would like to ask the chairman a question at this point, if I may. Has any request been made by insurance officials to be heard?

The CHAIRMAN. I think there are some here. Are there any insurance company officers here?

Mr. HAID. My name is Paul Haid, president of the Insurance Executives' Association. The chairman of the committee which has been working with Mr. Jones' people will be here tomorrow.

Senator MALONEY. I would like to ask for the record, if I may, whether or not any insurance company officials, other than those who have been cooperating with Mr. Jones, have asked for an opportunity to be heard before the committee.

The CHAIRMAN. Is Mr. Hopps here?

Mr. HOPPS. Yes, sir.

Senator RADCLIFFE. Mr. Jones, you stated you had been informed that the rates which would be charged by private companies would be very much higher than the Government would charge. Do you think that that result would necessarily follow? Would the savings be in the cost of administration? When you work out the matter from an actuarial standpoint, if the Government can do it very much more cheaply than private companies can, then the savings must result either from

some method of paying losses or in handling the business. Do you know why it is that the Government can do it so much more cheaply?

Mr. JONES. The insurance companies have to do it at a profit if they do it. They are supposed to include a profit; and they have their overhead——

Senator SMATHERS. And their reserves.

Mr. JONES. This press release [indicating] is an insurance policy. If there is a loss we will ask the insurance companies to employ their adjusters; and they have offered to do the adjusting for us at cost. So that would simplify the operation and make it about as economical and as satisfactory as possible.

Senator RADCLIFFE. Of course, if the companies adjust their own losses they could adjust them for themselves as reasonably as they could adjust them for you?

Mr. JONES. They do not have the losses themselves. If the property is privately insured we do not cover it; we do not cover anything that can be covered by private insurance companies.

Senator RADCLIFFE. If you are going to utilize the adjusters for private companies to make these adjustments, then I assume they could make those adjustments for themselves just as reasonably as they could make them for you?

Mr. JONES. Yes.

Senator RADCLIFFE. So there would not be any economy in the matter of adjustment.

Senator MALONEY. I think Mr. Jones is entirely right. The Government cannot do it any more cheaply than private companies can; but the Government is prepared to take a loss and the companies cannot do that. That is the case; is it not?

Mr. JONES. The insurance company must first write the policy. It must contact everybody in the United States who wants an insurance policy. Some man will say, "I don't want that. It is the Government's responsibility. This is the Government's war. If I have a loss, my Government ought to pay the loss." And you will probably have a situation confronting the Congress later where there will be losses that are not covered, and you will be appealed to to appropriate money to cover them. To us who have studied it, it seems very, very simple. If special war protection is to be provided, it should be by way of Government coverage. If we determine later to charge a premium we will do that, and then a man is either covered or not, as he himself determines.

Senator MALONEY. I would like to make a further point, if I may. The Government is not able to run an insurance business or any other business more cheaply than private industry is, but in this particular instance private industry just could not afford to take the loss. Is not that the point?

Mr. JONES. Yes.

Senator CLARK of Idaho. Pan-American Airways is awfully unhappy that their bases are not included. Is there any particular reason why the Canal Zone, Wake Island, Midway Island, Guam, and Canton should not be included in the bill?

Mr. JONES. I assume we will include, and we have intended that we would include, the Canal Zone. It was an oversight that we did not. Of course these islands are a war risk, and there is no way to make an adjustment until you can get over there to see what the loss is.

Senator CLARK of Idaho. They tell me that these islands which belong to us should not be left out of the bill, in any event, realizing, of course, the impossibility of making any adjustment at this time.

Mr. JONES. I think you are right about that.

Senator CLARK of Idaho. I have been asked to amend the bill later by putting those in. You would have no objection to that, I take it?

Mr. JONES. We can do that ourselves, by our own activities. We do not need an amendment.

Senator CLARK of Idaho. The bill provides that—

"Such protection shall be limited to property situated in the United States, including the several States, the District of Columbia, Alaska, Hawaii, Puerto Rico, and the Virgin and Philippine Islands."

So, if this bill becomes law, you might be limited by that language.

Mr. JONES. Yes; you are right We should include some of them.

Senator BROWN. I am interested, Mr. Jones, in where the line is drawn between those things that will be covered by private insurance and those that will be covered by Government insurance, and I want to give you an example and see if I have the distinction rightly in mind.

Lloyd's of London and a great many American companies protect against the ordinary risks of storm, fire, and so on, and so forth. I take it that this bill would cover sinkings by enemy actions, such as the submarine sinkings that have occurred in the Atlantic. But I recall a collision that took place between two ships, just outside of Sandy Hook, about a week ago. As I understood it, those ships were running without lights, probably because of Government regulations. They were probably covered by private insurance; and yet the cause of the accident is connected to a certain extent with the war effort of the United States, that is, a regulation requiring running without lights. In a case of that kind would the Government take the loss, or would they?

Mr. JONES That is maritime insurance. We do not provide for maritime insurance.

Senator RADCLIFFE. Did you say that you might not charge a premium?

Mr. JONES That has not been determined. I have had a number of conferences with the President about it. We have had a great deal of discussion among ourselves and with insurance company executives, trying to determine what premium, if any, we would charge, and how we would levy it But we have not reached a conclusion.

Senator RADCLIFFE. If you do not charge a premium, it is really, I suppose, not insurance in a technical sense but, rather, some plan by which the Government makes good any damage that is suffered.

Mr. JONES. It is really a protection, rather than insurance. Incidentally, some of the insurance companies have recommended that we call it protection rather than insurance.

Senator RADCLIFFE. That would seem to me to be a better term.

Mr. JONES. You are probably right about that.

Senator RADCLIFFE. The word "insurance" is a little bit misleading in that respect.

Senator BROWN. Under section 5g, page 3, I think you have the power to take care of maritime insurance.

Mr. JONES. But I think they already do that, Senator.

Senator BROWN. You mean private companies?

Mr. JONES. No; the Maritime Commission. They write insurance of their own.

Senator DANAHER. Mr. Chairman, may I ask a question?

The CHAIRMAN. Certainly.

Senator DANAHER. Why should we give property owners a free ride under this protection, and yet require all the boys that are sent into the service to pay $6.60 a month for their coverage?

Mr. JONES. I cannot argue with you on that. Of course, this is property insurance.

Senator DANAHER. How much of the $100,000,000 protection that you said was included in that insurance policy of December 13, 1941, should be used in the Philippine Islands?

Mr. JONES. That I do not know. We cannot get over there.

Senator DANAHER. It may all be gone, for all you know.

Mr. JONES. It might be. But we think also that Congress would make it good.

Senator DANAHER. I assume that the need for this war-protection coverage—let us call it that instead of insurance—arises because most of the private contracts exclude damage due to enemy attacks in time of war?

Mr JONES. That is correct; all policies.

Senator DANAHER. All outstanding policies contain a declaration by the assured as to the value of the property they seek to cover, or at least the amount of coverage they buy; is not that correct?

Mr. JONES. I do not know.

Senator DANAHER. It is reasonable to think that is true, is it not?

Mr. JONES. Yes.

Senator DANAHER. Why would we not be justified in protecting those who have sought coverage to the extent that they are not covered, and charging them a premium for it?

Mr. JONES. Well, that could be done, I assume.

Senator DANAHER. Why should not we, as a matter of policy, demand that that much protection be granted to the Government itself in this situation?

Mr. JONES. Well, I cannot argue against that. Among other things, we have discussed covering everybody—getting back to the point of the men in the service—covering everybody up to $2,000, $3,000, $4,000, or $5,000, without a charge, and then if they want more protection, they must pay for it. That is one idea that has been advanced, and it has a lot of merit.

Senator DANAHER. Suppose there were some gasoline companies that had storage tanks on the Pacific coast, obviously open to attack at any time. I assume that many such gasoline and oil storage places are worth, let us say, $10,000,000. A successful attack on one of them, wiping it out, would lead to a reimbursement of the full sum of $10,000,000. Is that your plan?

Mr. JONES. As I say, we have not yet determined what percentage of loss should be paid. That would be a good deal like sinking a battleship. If such a plant should be bombed it would seem reasonable to assume that the Government should assume the loss. But when you come to towns and cities where bombing would be concentrated, they might bomb a building that was insured for $10,000 and it would not be worth $2,000, because of obsolescence. It would not be our thought that we should pay the total $10,000 for that building that had been obsolete for 20 years. And yet the owner might have it fully insured. You can buy full insurance.

Senator DANAHER. He could not collect on it, could he?

Mr. JONES. Yes. He might show reproduction value. The building might be in the wrong neighborhood. Many things might happen. A lot of property is covered for more than its intrinsic value.

Senator DANAHER. If we required a premium on the basis of the amount that the property owner himself insures for and pays for, and if the insurance companies will adjust both for themselves and for you, we would be protected and so would the property owner; is not that a fact?

Mr. JONES. That is correct. That has been and is being considered.

Senator DANAHER. Has any consideration been given to the Government's taking only a fixed percentage of the possible value of any property to be covered?

Mr. JONES. I have discussed that. I have said that we have not determined whether it should be all or a part, or if it is a part, what part it should be, whether 75, 60, or 80 percent.

Senator DANAHER. What is your thought of the percentage as to which you have had discussions?

Mr. JONES. I do not think we ought to pay a hundred percent.

Senator DANAHER. How much less than 100 percent is the Government's fair risk?

Mr. JONES. I would not want to say. I mean by that, I would like everybody to help decide the problem and agree upon what is fair. Some people think we should pay 100 percent; others think we should pay 50 percent. If I had to make a guess—and I don't want to be held to it—I would say 75 percent.

Senator DANAHER. Have we ever had this type of all-over protection in time of war?

Mr. JONES. Not that I know of.

Senator DANAHER. Has the Government ever been called upon as a result of war activities, to make appropriations, making good or restoring to property owners their losses?

Mr. JONES. Some of these older Members of Congress would know.

Senator DANAHER. Does your experience, as a result of which you have created this company, give you any history of such a thing?

Mr. JONES. Do you remember, Senator WAGNER? You have been here a good while.

Senator DANAHER. I am not asking for any opinion senatorially. I am asking if, down in the Reconstruction Finance Corporation, when you created this Corporation on $100,000,000, and which you cover under this insurance policy, as you call it, you had any history that the Government at any time, as a result of war, had made good losses because of property damage in war.

Mr. JONES. There may have been, but I did not look for it. This is a new kind of war—an aerial war.

Senator DANAHER. There were no discussions of any such history?

Mr. JONES. We were considering a condition. Here was a condition. In the minds of hundreds of thousands of people there was danger, and we tried to allay that danger.

Senator DANAHER. Have you considered at all extending any form of coverage as a result of injuries to individuals in time of war?

Mr. JONES. That has been discussed in our discussions; every phase of it.

Senator DANAHER. Do you contemplate setting up a corporation to take care of casualties in civilian populations in time of war?

Mr. JONES. Not beyond this.

Senator DANAHER. This does not cover them now, does it?

Mr. JONES. No.

Senator DANAHER. Do you understand that you would have the power, under your own creative powers, to amend your charter and extend it to cover casualties among individuals?

Mr. JONES. At this time we could; yes.

Senator DANAHER. That is your understanding?

Mr. JONES. Yes.

Senator DANAHER. So, if we do authorize a billion dollars, under 5g of the pending bill, you could amend the powers of the War Insurance Corporation and extend its coverage to casualties to individuals?

Mr. JONES. I do not know about that. I doubt it, unless we got some provision for it.

Senator DANAHER. Could you answer that, Mr. Hamilton?

Mr. HAMILTON. I think we have unquestionably the right to amend the charter, but the amount of funds available for purposes other than as defined in this bill is small. The use of this billion dollars, if this bill should be passed, would be confined to property damage.

Senator DANAHER. But there is no question in your mind of your power to expand, by amending your charter, your purposes, and cover casualty losses?

Mr. HAMILTON. That is correct.

Senator DANAHER. Then you would require more money, of course?

Mr. HAMILTON. Yes.

Senator DANAHER. And in the event that a billion dollars is insufficient, Mr. Jones, to give all-over protection to property in the United States and all its outlying possessions, of course under this theory we would be obliged to make good whatever losses people suffer in future above the billion dollars?

Mr. JONES. You mean, if the billion dollars was not enough?

Senator DANAHER. Yes.

Mr. JONES. I think the Congress would do it.

Senator DANAHER. What is the genius of this particular plan, then? Why do we not await the event and then appropriate or allow you to borrow whatever you need to make good the losses?

Mr. JONES. I do not think I understand you.

Senator DANAHER. Why should we do this at all if we are ultimately going to be called upon to make good the losses, irrespective of your billion-dollar limit?

Mr. JONES. I do not think your constituents would know whether you were going to do it or not. Now they know it is done.

Senator DANAHER. If we were not giving them a free ride from one end of Iceland to the other end of Borneo, so to speak, that would be one thing. But I do not understand why there is an obligation upon the Government to make good to everyone the damage he may suffer to his property in time of war, unless we are to recognize it as a principle that Congress should appropriate for it and make it good.

Do you recognize an obligation upon the Government to make good such losses of property?

Mr. JONES. I think so.

Senator DANAHER. Then, if there be such an obligation, why should we limit it to a billion dollars? Why should we not await the event and pay whatever the loss is in due course?

Mr. JONES. I do not see any point to the argument.

Senator DANAHER. It is not an argument; it is a question.

Mr. JONES. Well, whatever you call it. I can't imagine that you would ever lose more than a billion dollars.

I remember that a long time ago I saw a show called Alias Jimmy Valentine, in which there were two children who were planning to do something.

They said, "We will ask father for $50,000."

By and by father came in and asked, "Why do you ask me for $50,000?"

Their reply was, "Well, father, that is the most we could think of."

I could not think of more than a billion now. [Laughter.]

Senator DANAHER. Well, I do not want to suggest that you have lighter fingers than Jimmy Valentine. [Laughter.]

Mr. JONES. I would like to have.

Senator DANAHER. My only point is that if we are to seek through bare coverage, through adjusters' services, an appraisal of loss, and ultimately to pay all the losses, whatever they be, pro rata, then why should we give you authorization now to borrow another billion dollars to set up one more corporation to do what we are ultimately going to do, only a billion dollars may not even be a fair measure of the total.

Mr. JONES. We do not borrow unless we need it for this purpose. Incidentally, if we adopted your plan, this would be a very simple formula by which to do it.

Senator DANAHER. Provided we covered those already covered and then made them pay a premium for the balance?

Mr. JONES. We could do that.

Senator DANAHER. If as a matter of policy we should do it, you would have no objection?

Mr. JONES. I certainly would be glad to do anything Congress directed me to do.

Senator DANAHER. Oh, I know that; but as a matter of policy would you agree that it would be wise for us to do it?

Mr. JONES. I am not prepared to say that I would. I have given a lot of thought to it, too.

Senator DANAHER. What is your reason why we should not?

Mr. JONES. I do not know that I would be able to present them all to you.

Senator DANAHER. I ask for only one.

Senator MALONEY. Might I make one for him?

Senator DANAHER. My colleague is too nimble. I would much rather hear from Mr. Jones.

Mr. JONES. What was the question?

Senator DANAHER. You said you had given a lot of thought to whether the War Insurance Co. or Corporation should or should not require a premium from the property owner. I asked you to give one reason why a property owner should not be required to pay a premium.

Mr. JONES. Why he should not?

Senator DANAHER. Yes.

Mr. JONES. Well, I don't believe I will give it to you, and I will tell you why; not that I am discourteous.

Senator DANAHER. Oh, I know that.

Mr. JONES. I intend to get all the advice and counsel I can on the subject and to consider it all pro and con and then try to reach a decision as to what should be done.

Senator DANAHER. Well, you understand that that is part of our function, too, and one reason why we ask your advice is to know what ought to be done. If in the light of your conferences with insurance company and counsel you cannot give us any, I want to know if we cannot postpone action on this until you have canvassed this situation.

Mr. JONES. That is for the committee to decide.

Senator BROWN. Mr. Chairman, I should like to call attention to the fact that there has been before the Congress of the United States for something over 120 years a controversy between insurance companies and the heirs of owners of ships which were destroyed in the Barbary Coast wars shortly after 1800.

On two or three occasions from that time down to the present we have paid out as much as $2,000,000 to the shipowners at one time. A good many times the Congress of the United States has passed bills which various Presidents have vetoed.

The last and final claims were before a committee of which I happened to be chairman, and they were presented very fully to us about a year ago. I think the claims there were something like $1,500,000, still based on occurrences, the destruction of American ships, in the trouble we had with France along about the year 1800.

If we adopted the suggestion of my good friend from Connecticut, we would have just that kind of situation. I think it is far better to take care of the situation by doing it beforehand than to leave the matter as it now is.

I tried to put a period on these French spoliation claims by reporting the matter adversely to the Congress, but there is nothing to prevent the Senator from Connecticut or the Senator from Massachusetts or anybody else from putting in a new bill and still asking for this $1,500,000 based upon occurrences of 120 years ago. That is history.

Senator DANAHER. May the record show that I have made no suggestions? I have asked questions in an effort to receive full advice as a result of Mr. Jones' conference with the insurance executives and others. All my examination is in the direction of eliciting information.

Senator BROWN. The Senator gets his ideas across when he asks questions, nevertheless.

Senator CLARK of Idaho. Mr. Jones, what is your thought with regard to the ownership of this property? Is it the plan, for instance, to compensate foreign owners?

Mr. JONES. What?

Senator CLARK of Idaho. Would it be contemplated by you, if you have given it any thought, to compensate foreign owners?

Mr. JONES. For example?

Senator CLARK of Idaho. Suppose the Swedes, the Dutch, or the British owned property in, we will say, Hawaii.

Mr. JONES. I doubt it.

Senator CLARK of Idaho. There would certainly be no obligation upon our Government to compensate anyone other than the inhabitants of those Territories or our own people there, or would there?

As I understand it, there are some large holdings by, I think, the Royal Dutch Shell; and some of the foreign-owned oil companies certainly must have rather substantial properties in Hawaii. I myself do not know, but Mr. KING, who is here, would probably know. In any event, it is possible, if not certain, that there are foreign-owned properties.

It would be contrary to my way of thinking to have foreign owners compensated. But then I hope that that will be given some thought, because we could get into an awful "racket" there very quickly.

Mr. JONES. It will be given thought. I am glad you raised the point. It really has not been fully considered.

Senator MALONEY. I should like to make an observation in connection with the question of my colleague, and I do this only in an attempt further to develop his thought. My colleague is a very able lawyer and has great knowledge of the insurance business. He and I represent a State that is recognized as outstanding in the insurance field.

I just do not believe at this point that we should charge a premium, because the coastal areas, if there are bombings, will be the areas most likely affected.

The people of the inland States are not likely to want insurance. There are countless people living in the more dangerous areas who would not buy the insurance either, because they would not want to pay the premium, or some of them would not have, for reasons that are obvious, an appreciation of the need.

I think that if the are bombings and there are great losses on either of the coasts, all the people of the country should share the burden, and I think at this moment that the only way we can get a proper premium is by sharing the cost, and that it should come only through taxation.

Senator MURDOCK. Is it not your opinion, Senator MALONEY, that a corporation such as has been created can do the job much more efficiently and much more expeditiously than Congress can do it by the consideration of individual claims which would come to us, as Senator BROWN has pointed out, from the time of the loss for another 50, 60, or 70 years?

Senator MALONEY. I will answer the Senator in this way: I think that a Government corporation or a private corporation could do it much more efficiently than the Congress. I think that a private corporation could do it more efficiently than the Government corporation, I might say, because of the experience it has had in that particular field.

I should like to remind the Senator that regardless of how we attempt to do this, we cannot prevent claims from coming to Congress, just as claims have come for a period of 120 years, as the able Senator from Michigan has pointed out. We will have claims after this war just as surely as this Government endures, regardless of what we do about this matter now.

Senator MURDOCK. I think that that is true, but I think that the number of them—the volume of these private claims—that is certainly one of the greatest burdens of Congress today, will be largely eliminated.

Senator MALONEY. The Senator is entirely right, if we work it out in advance.

Mr. DANAHER. Mr. President, I desire to make one further observation. As one who has been in close attendance upon the work of the committee, I wish to congratulate my distinguished colleague for the able presentation he has made of the bill. It is a splendid piece of work.

The PRESIDING OFFICER. Did the Chair correctly understand that the Senator from Florida offered an amendment?

Mr. PEPPER. No, Mr. President; I was merely making inquiry.

The PRESIDING OFFICER. If there be no amendment to be offered to the committee amendment, the question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the bill.

The bill (S. 2198) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for the financing of the War Damage Corporation, to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes."

Mr. WAGNER. Mr. President, I wish to express in this public manner my gratitude to the distinguished senior Senator from Connecticut [Mr. MALONEY] for his very able presentation of the war-insurance bill of which, at my request, he was kind enough to take charge in the Senate.

RESIGNATION OF STUDENTS FROM NATIONAL YOUTH ADMINISTRATION

Mr. BYRD. Mr. President, I am in receipt of a communication signed by the students of Harding College, of Searcy, Ark., apprising me that as a duty they felt they owed their country in the grave emergency confronting us they had requested the National Youth Administration to remove their names from the National Youth Administration pay roll, effective February 1, and that the allotment of N. Y. A. money which had been coming to Harding College for their assistance be thenceforth used in the defense program.

These students state in their letter that in view of the decided scarcity of labor in that community they believe they can find other jobs to help them continue to make their way through college.

I ask unanimous consent to have the letter to which I have referred printed in the body of the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HARDING COLLEGE,
Searcy Ark., January 24, 1942.

Hon. Senator HARRY F. BYRD,
Chairman, Senate Office Building,
Washington, D. C.

DEAR SENATOR BYRD: We, the entire group of Harding College students receiving National Youth Administration assistance, herewith enclose to you copy of a letter which we have just sent to Secretary Morgenthau.

You will note that we are requesting that our names be removed from the National Youth Administration pay roll effective February 1, 1942, and that the allotment of National Youth Administration money which has been coming to Harding College for our assistance be henceforth used in the defense program. We have the approval of Harding College in making this request.

We are confident that we can all find other jobs whereby we can continue to make our way in college. In fact, we observe a decided scarcity of labor which is affecting our own community.

We are persuaded that similar conditions prevail throughout the Nation. We are wondering if other students now receiving National Youth Administration assistance could not likewise find other jobs instead, and if they, too, would not be happy to contribute their share of the National Youth Administration money to the defense program of the Nation instead of receiving it for themselves.

We would like to urge that an investigation be made to find how many National Youth Administration students would be willing to do likewise, and if it should be found that other communities like our own do provide opportunity for young people to find other jobs, that the National Youth Administration appropriation be eliminated and that appropriation used in our urgent defense program.

Very sincerely yours,
Signed: John E. Sands, Caudell H. Lane, Billy T. Anthony, Joseph A. Lea, Frances W. Williamson, Doris V. Healy, Era M. Ellis, Shelton W. Ruebush, Betty M. Chambers, Mary Z. McCullough, May B. Holbrook, Thomas A. Farmby, Marguerite E. O'Banion, Johnnie O. Anderson, Lola B. Nossaman, Axel W. Swang, Elizabeth Arnold, Clara Belle Duncan, Sarah Beth Brown, Claude Richardson.

Mr. BYRD. Mr. President, this action on the part of these patriotic young men and women at Harding College, who are anxious to contribute their bit to their country in this day of great national peril, aroused the indignation of Mr. Aubrey Williams, Director of the National Youth Administration. Mr. Williams went so far as to issue a public statement, and in an interview is quoted as taking a slap at Dr. George S. Benson, president of Harding College, and calling Dr. Benson a "ring-leader in the so-called economy drive."

When every dollar of the resources of America is needed to meet the crisis now confronting us, Mr. President, it is a most remarkable procedure that an arrogant and dictatorial bureaucrat should attempt to condemn patriotic citizens who are anxious to help their country in this emergency. One would think Mr. Williams would welcome such a statement as that made by the students of Harding College, who said they would save and work so they could pay their way through college and not be dependent on the Federal Government. Director Williams evidently prefers to destroy the initiative and the self-reliance of the American youth and to condemn those who attempt to make themselves self-sustaining.

If Dr. Benson is a ringleader in the economy drive and if there is anything odious attached to this title, as Mr. Williams appears to think, then the Secretary of the Treasury, Mr. Morgenthau, is likewise a ringleader, because he signed the report recommending abolition of the

N. Y. A., excepting its defense activities. If Dr. Benson is a ringleader, so likewise are such distinguished Members of the Senate as the Senator from Georgia [Mr. GEORGE], the Senator from Virginia [Mr. GLASS], the Senator from Tennessee [Mr. MCKELLAR], the Senator from North Dakota [Mr. NYE], who also signed the report, and such distinguished Members of the House as Representative DOUGHTON, Representative WOODRUM of Virginia, Representative CULLEN, Representative TREADWAY, and Representative TABER, who likewise signed the report.

On the same day Mr. Williams was issuing his denunciation of Dr. Benson because of the action of the students at Harding College, the Under Secretary of the Treasury, Mr. Bell, on behalf of Secretary Morgenthau, wrote to Mr. John E. Sands, one of the students who voluntarily gave up N. Y. A. assistance, and congratulated him and the others for their patriotic action. The letter from the Under Secretary of the Treasury I shall read:

MR. JOHN E. SANDS,
Harding College, Searcy, Ark.

DEAR SIR: On behalf of the secretary receipt is acknowledged of the letter dated January 24, 1942, signed by you and students associated with you who are receiving National Youth Administration assistance at Harding College. It is noted that your group desires to be eliminated from the National Youth Administration pay roll effective February 1, 1942, and to have the amount allotted to Harding College, which would otherwise be payable to your group, used for national defense purposes.

The Treasury appreciates the patriotic spirit evidenced by you and your associates in taking this direct step to contribute to the reduction of our nondefense expenditures. Your proposal to go out and labor in your community to pay your way through college shows that the self-reliant spirit of our early American citizens is still alive.

There is no action which the Treasury can take to give effect to your request to be dropped from the National Youth Administration pay roll and to use for defense purposes the funds that would otherwise be paid to you, because under our laws the amounts appropriated for operation of the National Youth Administration program and the responsibility for that program come under the jurisdiction of the Federal Security Administrator. Accordingly, I am transmitting a copy of your letter to the administrator for his attention.

Very truly yours,

D. W. BELL,
Under Secretary of the Treasury.

ORDER FOR CONSIDERATION OF UNOBJECTED-TO CALENDAR BILLS

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of bills on the calendar to which there is no objection, beginning with calendar No. 1006, which is where we left off at the last call.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO MOTION-PICTURE STARS ATTENDING THE PRESIDENT'S BIRTHDAY BALL

Mr. LUCAS. Mr. President, over the past week end we, here in Washington, had the unique privilege and enjoyment provided by a notable group of Hollywood stars and featured personalities present for the diamond jubilee celebration of the President's birthday.

We are fortunate that this is the seat of the Government and the home of the Commander in Chief, since the organized motion-picture industry cheerfully makes this annual contribution as symbolizing its affection for a great American and the humanitarian cause which is closest to his heart. They come to see the President, to share his hospitality, and we are the beneficiaries of these visits which have evolved into gala public occasions.

Regardless of the seriousness of these wartimes, and the all-out effort which animates us all, there must be occasional periods of relaxation; moments when we can forget temporarily the troubled state of the world and find respite in fun. And so for an evening of furlough, which was crowded with pleasant contact with those who are held high in public esteem, Washington bends low to the mighty ones of the screen. They gave us a lift, and, in so doing, helped to swell the fund which the Nation is raising to wage war on another front—against the crippling ravages of the infantile-paralysis germ.

The amusement world is ever active in aiding worthy civic causes, and sensitive to the extra demands of the Government and its affiliated agencies. The Defense bond sales have been stimulated by the support of Hollywood, and America will ever remember with deep gratitude the tragic trip which cost the life of Carole Lombard while giving voluntary service to the Treasury Department. Actors have invariably sustained the Red Cross drives; they enlisted in the campaign to raise funds for the United Service Organizations and Camp Shows, Inc.; they are touring our military establishments at their own expense to brighten the lives of our soldiers and sailors. Recently a group went in four Army bombers to the far-off Caribbean bases to lighten drab military routine, and some will soon go to Iceland.

The motion-picture industry, as we all know, is a unique part of our productive pattern. Sometimes, too, it is baffling to those outside looking in and looking on. It is distinctive and bewildering because it is continually facing the two extremes of enthusiastic praise and bitter blame for its activities and industry policy. In either extreme, however, it is constantly in the limelight, and it seems to accept this position with a calmness and confidence born of exposure to both throughout the years.

I make this point because there is no wish to embarrass the film industry with the praise I am about to bestow upon it. It can just as readily come about that, even as I am allocating the laurel on this occasion, a voice in some part of the country, or the world, may be raised in censure for some other phase of its many-sided activity.

To the stars and featured players, then, God speed you to busy marts of production. May you continue to prosper and grow in public affection as you sustain civilian morale, aid the armed forces, and bring into our lives the moments of enjoyment which are essential, even in wartimes.

To the executives, directors, publicists, committees which made the Washington celebration memorable, our thanks. The Hollywood Victory Committee and Mr. Edward Arnold deserve an extra bouquet for coordinating the efforts of the Washington entertainment committee, headed by Carter Barron and his associates, with the attained objective, an evening that will live in memory's archives as one rich in pleasure, and productive of a handsome monetary contribution to a good cause.

Mr. President, just one word further. Not in the annals of man will there be found a more outstanding triumph over physical adversity than that of our beloved President. Fortitude, perseverance, patience, stamina, tenacity, grit, courage, and, with it all, wholesomeness of purpose have never been more strikingly exhibited. We are indeed fortunate in having Franklin D. Roosevelt as our President and Commander in Chief today.

ACTIVITIES OF NATIONAL LABOR RELATIONS BOARD—STATEMENT BY CHAIRMAN MILLIS

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a statement just released by Dr. Harry A. Millis, Chairman of the National Labor Relations Board. The statement outlines the activities of the Board during the past fiscal year, as set forth in its annual report to Congress. The statement discloses a record by the Board of increasing usefulness and importance in strengthening the foundations of industrial peace through collective bargaining and free organization of labor.

I call special attention to the concluding statement of Dr. Millis:

That American labor, having escaped the sterile repressions of Hitler Germany, has learned to use its protected right of self-organization, and that American employers have advanced far toward making collective bargaining the accepted practice of an industrial democracy.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

The statement is as follows:

STATEMENT OF H. A. MILLIS, CHAIRMAN, NATIONAL LABOR RELATIONS BOARD, ON SIXTH ANNUAL REPORT

The activities of the National Labor Relations Board during the past fiscal year, as submitted in the Board's Annual Report to Congress, should be examined in relation to the over-all efforts of the Government to insure industrial stability and full war production.

The framework of the Nation's war labor policy has now been made apparent. A War Labor Board has been established for the speedy resolution of those disputes which have not yielded to prior conciliation efforts. Both the War Labor Board and the Conciliation Service will, by and large, be concerned with issues of wages, hours, working conditions, and those further points which arise between men and management under adjustments to accelerated war production.

Underlying the national ability to resolve such economic disputes promptly is the necessity that the negotiators for labor truly represent majority memberships and that their organizations themselves be free from domination and interference from the other bargaining party, the employers. This protection of the basic procedures of collective

bargaining has been and will be the field in which National Labor Relations Board operates. Although this function is generally understood, it may be well for the sake of present clarity to reiterate that the Board under its act must leave the conciliation or mediation of economic disputes to the other agencies, and that in turn the Board's jurisdiction to prevent unfair labor practices and conduct employee elections is exclusive to it.

If these interrelationships of the agencies concerned with industrial peace are held in mind, the trends appearing during the past fiscal year encourage faith in the ability of employers and employees to maintain industrial peace without jeopardizing democratic rights.

The most significant fact in the fiscal year data is the vastly increased desire of the workers to determine their bargaining representatives. More than a million sought the Board's assistance in this, and nearly three-quarters of a million valid votes were cast in Board secret elections. Seventy percent of these votes, a new high, were cast for nationally affiliated unions.

Rapid organization by labor during war periods is usual. Currently it appears that this interest on the part of labor accelerated step by step with increasing production of defense materials. Of corollary significance is the fact that four workers out of five in Board cases were employed in the war industries. Iron and steel ranked first, then in order: Transportation equipment, machinery, textiles, automobiles, food, and electrical machinery.

The Board during the year conducted 2,566 elections or pay-roll checks, and by such means, or by the dismissal or withdrawal of cases lacking in merit, it closed 3,698 representation cases involving 1,055,243 workers.

When in March 1941 the incoming cases of all kinds began for the first time in years to exceed 1,000 cases a month, the Board declared priority of handling for all defense production cases. Speedy determination was greatly aided by the willingness of employers and workers to consent to elections or pay-roll checks rather than force the issue to public hearing and Board decision. Thus, of 1,984 cases settled informally, 1,329 were closed by consent elections, 328 by pay-roll checks, and 327 by recognition of majority representation without need of elections or checks.

Additional time in handling formal election cases was saved by the assignment of regional staff members to conduct public hearings, instead of using for that purpose the limited number of trial examiners operating out of the Washington office.

An interesting shift took place during the year in the numerical ratio of unfair-labor-practice cases to representation cases. Until this past year began the Board had received about two complaint cases to every one representation case. During the year the proportion became about one to one.

While from this it appears that discharges for union activity, domination of labor organizations, and refusals to bargain are relatively giving way to the more constructive issues of representation, the actual number of unfair-labor-practice cases increased over 1940. The full picture of the 9,151 cases received shows a rise of 22 percent in unfair labor practice cases and a nearly 100-percent rise in representation cases.

That unfair labor practices still exist appears clearly in the fact that the Board closed 4,698 of them during the year, involving more than 1,200,000 workers. Yet the manner of their closing shows an increased ability to obtain settlements without formal procedures and a growing compliance with the act. For example, 9 out of 10 cases were closed before formal action, and almost all of them—if we exclude cases dismissed or withdrawn for lack of merit—were settled by agreement of the employees, the employer, and the Board.

In those complaint cases which did not yield to informal intervention, the Board proceeded to public hearing in 235, and it issued 327 orders upon employers to cease violations of the act. One hundred and ten of these orders were entered in circuit courts of appeals by consent.

Whether by formal or by informal procedures, the year's activity resulted in the upholding of the rights of workers to form organizations free from interference, as conclusively appears from the fact that employers posted 1,187 compliance notices, 502 company unions were disestablished, and collective bargaining began in 1,009 cases. Also, 23,475 workers were reinstated in order to remedy discriminatory discharge, 5,181 unfairly discharged workers received $924,761 in remedial pay for periods of discriminatory discharge, and 24,427 workers who had struck in cases of alleged unfair labor practice were reinstated.

The Board was successful in obtaining compliance in most cases where its orders were subjected to litigation either on the petition of employers for review or upon its own petition to enforce. The Supreme Court during the year sustained four Board orders in full and sustained five others with modifications. In the remaining case the Supreme Court upon procedural grounds declined to pass upon the order.

The various circuit courts of appeals entered 124 decisions on Board orders, an increase of approximately 97 percent over the 63 decisions rendered in the previous year and an increase of 226 percent over the 38 decisions rendered in 1939. Of the 124 decisions rendered last year, Board orders were enforced in full in 65 cases and were enforced as modified in 36 cases. In 23 cases Board orders were set aside.

The over-all Court record of the Board for the 6 years up to January 1, 1942, is as follows: The Supreme Court enforced 26 Board orders in full, enforced 6 with modification, and denied 2. The circuit courts of appeals enforced 140 Board orders in full, enforced 102 with modification, and denied enforcement of 56.

One of the outstandingly hopeful developments of the year past was the conclusion of long-standing litigation against several large companies and the holding of elections or pay-roll checks in their plants. Among these may be mentioned the Ford Motor Co., Republic Steel, Inland Steel, and Youngstown Sheet & Tube. In the plants of these companies alone the Board resolved the issue of employee organizational choice for more than 200,000 workers, and almost immediately negotiations looking toward stable working agreements began in each.

The staff of the Board did not increase until after the close of the fiscal year when, as a defense agency, it was granted an increased budget to add members to its field staff. But during the fiscal year the pressure of greatly increased incoming cases was somewhat relieved by administrative changes. A newly created field division was made responsible for administrative case work and the coordination of regional activities with the Washington staff. The office of secretary was abolished and an executive secretary appointed to act as official secretary to the Board for the handling of administrative matters not under the Field Division. The preparation of intermediate reports was facilitated by attaching to the staff of the chief trial examiner a number of attorneys to assist in the handling of legal and procedural problems. In complaint cases considerable time was saved by the new practice of transferring them to the Board immediately upon filing of the intermediate report.

The American Federation of Labor brought to the Board more cases than any other organization, having entered 4,261 cases involving 806,846 workers. The Congress of Industrial Organizations entered fewer cases, 3,740, but the number of affiliated workers, 1,161,221, was the larger.

American Federation of Labor participated in 1,396 elections or pay-roll checks and won 925, or 66 percent. Congress of Industrial Organizations participated in 1,414 and won 991, or 70 percent.

Unions affiliated with neither of the above, but organized on a national scale, participated in 109 elections or pay-roll checks and won 57, or 52 percent. Unions drawing their membership from employees of 1 employer participated in 316 and won 152, or 48 percent.

In this time of national peril it may not be amiss to search the bare statistical record for conclusions which may help us to understand what has gone by and what may lie ahead. In the year 1937–38 our country was deeply disturbed by its labor disputes and the National Labor Relations Board was inundated with cases, the majority of them alleging unfair labor practice. In Germany during that same year there were no strikes, and unemployment for the first time in years fell below the 1,000,000 mark. Upon the surface America at that time was the more endangered through the apparent maladjustments of its industrial relationships. But we now know better. We can examine without fears the new influx of Labor Board cases which began in the spring of 1941, since they were predominantly intended for the completion of one of the last steps in the collective-bargaining procedure, and since those cases which did involve repressive action against labor organization were concurrently yielding to the processes of orderly administrative law. It is possible, I think, to draw from these facts the conclusion that American labor, having escaped the sterile repressions of Hitler Germany, has learned to use its protected right of self-organization, and that American employers have advanced far toward making collective bargaining the accepted practice of an industrial democracy.

CONSIDERATION OF MEASURES ON THE CALENDAR

The PRESIDING OFFICER. Under the order heretofore entered, the Senate will now proceed to the consideration of unobjected-to bills on the calendar, beginning with calendar No. 1006, Senate bill 2022.

BILL PASSED OVER

The bill (S. 2022) for the relief of certain claimants who suffered loss and sustained damages as the result of the campaign carried out by the Federal Government for the eradication of the Mediterranean fruitfly in the State of Florida was announced as first in order.

Mr. VANDENBERG. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. BARKLEY. Mr. President, I think it is desirable that a quorum be present. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bulow	Clark, Mo.
Austin	Bunker	Connally
Bailey	Burton	Danaher
Ball	Butler	Downey
Bankhead	Byrd	Doxey
Barkley	Capper	Ellender
Bilbo	Caraway	George
Bone	Chandler	Gerry
Brewster	Chavez	Gillette
Brooks	Clark, Idaho	Glass

Green	Maybank	Stewart
Guffey	Mead	Taft
Gurney	Millikin	Thomas, Idaho
Hayden	Murdock	Thomas, Okla.
Herring	Murray	Thomas, Utah
Hill	Norris	Tobey
Holman	Nye	Truman
Hughes	O'Mahoney	Tunnell
Johnson, Calif.	Overton	Tydings
Johnson, Colo.	Pepper	Vandenberg
Kilgore	Radcliffe	Van Nuys
La Follette	Reed	Wagner
Langer	Reynolds	Wallgren
Lee	Rosier	Walsh
Lucas	Russell	Wheeler
McFarland	Schwartz	White
McKellar	Shipstead	Wiley
McNary	Smathers	Willis
Maloney	Smith	

The PRESIDING OFFICER. Eighty-six Senators having answered to their names, a quorum is present.

The clerk will state the next bill on the calendar.

COPPEL COAL CO.

The bill (H. R. 1914) for the relief of the Coppel Coal Co. was considered, ordered to a third reading, read the third time, and passed.

LOUIS M. McDOUGAL

The bill (H. R. 3403) for the relief of Louis M. McDougal was considered, ordered to a third reading, read the third time, and passed.

HELEN RAUCH AND MAX RAUCH

The bill (H. R. 5291) for the relief of Helen Rauch and Max Rauch was considered, ordered to a third reading, read the third time, and passed.

O. C. OUSLEY

The Senate proceeded to consider the bill (H. R. 2780) for the relief of O. C. Ousley, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the word "Treasury", to strike out "allocated by the President for the maintenance and operation of the Civilian Conservation Corps" and insert "not otherwise appropriated."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

HIRAM O. LESTER AND OTHERS

The Senate proceeded to consider the bill (H. R. 2183) for the relief of Hiram O. Lester, Grace D. Lester, and Florence E. Dawson, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$3,500" and insert "$2,672.14"; on page 2, line 10, after the words "sum of", to strike out "$3,500" and insert "$2,642.59"; and on page 2, line 20, after the words "sum of", to strike out "$5,000" and insert "$4,000."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

PAUL E. COOK

The bill (H. R. 2372) for the relief of Paul E. Cook was considered, ordered to a third reading, read the third time, and passed.

ARTHUR W. JORGENSON, AND GUARDIAN OF ROBERT R. JORGENSON

The bill (H. R. 5164) for the relief of Arthur W. Jorgenson, and the legal guardian of Robert R. Jorgenson, a minor, was considered, ordered to a third reading, read the third time, and passed.

ETHEL RAY SOWDER

The bill (H. R. 2376) for the relief of Ethel Ray Sowder was considered, ordered to a third reading, read the third time, and passed.

HEIRS OF MRS. NAZARIA GARCÍA

The Senate proceeded to consider the bill (S. 1898) for the relief of the heirs of Mrs. Nazaria García, of Winslow, Ariz., which had been reported from the Committee on Claims with an amendment, at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to the heirs of Mrs. Nazaria García, of Winslow, Ariz., in full satisfaction of all claims for personal injuries growing out of the death of Mrs. García on September 5, 1941, when a United States Army transport plane crashed into her home at Winslow on that date: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MR. AND MRS. JAMES C. LOARD

The Senate proceeded to consider the bill (S. 984) for the relief of Mr. and Mrs. James C. Loard, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "$5,000" and insert "$2,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. James C. Loard, of Montgomery, Ala., the sum of $2,500, in full settlement of all their claims against the United States for the death of their son, James Ray Loard, who was killed on October 12, 1940, by an explosion at Maxwell Field, Ala.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BRANCHLAND PIPE AND SUPPLY CO.

The Senate proceeded to consider the bill (H. R. 2712) for the relief of the Branchland Pipe and Supply Co., which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the words "sum of", to strike out "$145.41" and insert "$145.38."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

EDNA LA BLANCHE GILLETTE

The bill (H. R. 257) for the relief of Edna La Blanche Gillette was considered, ordered to a third reading, read the third time, and passed.

STATE COMPENSATION INSURANCE FUND OF CALIFORNIA

The bill (H. R. 3118) for the relief of the State compensation insurance fund of California was considered, ordered to a third reading, read the third time, and passed.

MOLLIE S. McHANEY

The bill (H. R. 4182) for the relief of Mollie S. McHaney was considered, ordered to a third reading, read the third time, and passed.

MR. AND MRS. R. L. SAUNDERS

The bill (H. R. 5046) for the relief of Mr. and Mrs. R. L. Saunders was considered, ordered to a third reading, read the third time, and passed.

G. T. ELLIOTT, INC.

The bill (H. R. 5390) for the relief of G. T. Elliott, Inc., was considered, ordered to a third reading, read the third time, and passed.

EUGENE JACKSON

The Senate proceeded to consider the bill (S. 1801) for the relief of Eugene Jackson, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the words "sum of", to strike out "$1,000" and insert "$860", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Eugene Jackson, of Obion County, Tenn., whose post-office address is Route No. 2, Fulton, Ky., the sum of $860, in full satisfaction of his claim against the United States for compensation for personal injuries sustained by him when the wagon in which he was riding was struck on October 18, 1940, by a Civilian Conservation Corps truck at a point on Route No. 45E about 3½ miles south of Fulton, Ky.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REGULATION OF COMMERCE IN PETROLEUM AND ITS PRODUCTS

The Senate proceeded to consider the bill (S. 2066) to make permanently effective the act regulating interstate and foreign commerce in petroleum and its products, which was read, as follows:

Be it enacted, etc., That section 13 of the act entitled "An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", approved February 22, 1935 (49 Stat. 30), as amended, is hereby repealed.

Mr. McNARY. Mr. President, I am not familiar with this bill. I have only read its title. I shall be glad to have some Senator explain the bill.

Mr. TAFT. Mr. President——

Mr. BARKLEY. Mr. President, the Senator from Texas [Mr. CONNALLY] is interested in the bill.

Mr. McNARY. The Senator from Utah [Mr. THOMAS], who reported the bill, is present.

Mr. THOMAS of Utah. Mr. President, I reported the bill from the Committee on Mines and Mining. The Senator from Ohio [Mr. TAFT] is present. He favors the bill. The bill merely makes permanent the present temporary control and regulation of petroleum. We have been operating under the existing act for about 5 or 6 years, and this amendment will make the control continuous so far as the act is concerned. There was no objection to the bill in the committee.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2192) to extend the time for examinations of quarterly accounts covering expenditures by disbursing officers of the United States Navy was announced as next in order.

Mr. McNARY. Mr. President, this is a Senate bill. I think an explanation of it should be made by some Senator who is familiar with it.

The PRESIDING OFFICER. The Senator from Massachusetts [Mr. WALSH] reported the bill. He is not now in the Senate Chamber.

Mr. McNARY. Some member of the Naval Affairs Committee may know about the bill. I shall object to it unless some comment is made on the bill.

The PRESIDING OFFICER. Objection is made, and the bill will be passed over.

PROVISION FOR SALVAGE FACILITIES BY SECRETARY OF THE NAVY

The bill (S. 2193) to amend the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act, was announced as next in order.

The PRESIDING OFFICER. This bill is identical with Calendar No. 1045, House bill 6356. Without objection, the House bill will be substituted for the Senate bill.

The Senate proceeded to consider the bill (H. R. 6356) to amend the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act, which was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2193 will be indefinitely postponed.

LT. COL. JOSEPH M. KELLY

The bill (H. R. 5701) for relief of the accounts of Lt. Col. Joseph M. Kelly, United States property and disbursing officer for Kentucky, was considered, ordered to a third reading, read the third time, and passed.

MRS. BERTHA M. SMITH

The bill (H. R. 4436) for the relief of Mrs. Bertha M. Smith was considered, ordered to a third reading, read the third time, and passed.

A. PAUL JOHNSON

The bill (H. R. 5767) for the relief of A. Paul Johnson was considered, ordered to a third reading, read the third time, and passed.

REUBEN OWEN

The bill (H. R. 1903) for the relief of Reuben Owen was considered, ordered to a third reading, read the third time, and passed.

ESCO WOOD

The bill (H. R. 5085) for the relief of Esco Wood was considered, ordered to a third reading, read the third time, and passed.

JOSEPH KEENEY

The bill (H. R. 5541) for the relief of Joseph Keeney was considered, ordered to a third reading, read the third time, and passed.

JERRY McKINLEY THOMPSON

The bill (S. 1820) for the relief of Jerry McKinley Thompson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General is authorized and directed to cancel the amount of $3,820.19 entered on the accounts of Jerry McKinley Thompson, carrier in the post office at Hampton Beach, N. H., by reason of disallowance by the General Accounting Office of payments made to the said Jerry McKinley Thompson by the Post Office Department for his services in delivery of mail at the Hampton Beach post office during periods from June 15 to September 15 of each year from 1929 to 1937, inclusive.

DONALD WILLIAM BURT

The bill (S. 2002) for the relief of Donald William Burt was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Donald William Burt, former sergeant in the National Guard of the State of Washington, the sum of $107.20, in full settlement of his claim against the United States for pay withheld from him for the period January 1, 1941, to February 24, 1941, when, after being inducted into the Federal service on September 16, 1940, he was discharged for noncitizenship on February 24, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

RESOLUTION PASSED OVER

The resolution (S. Res. 220) declaring WILLIAM LANGER not entitled to be a United States Senator from the State of North Dakota was announced as next in order.

Mr. McNARY. Let the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over. That completes the calendar.

RECOGNITION OF SERVICES OF CERTAIN CIVILIAN EMPLOYEES IN THE CONSTRUCTION OF THE PANAMA CANAL

Mr. PEPPER. Mr. President, on September 17, 1941, the Senate passed Senate bill 1481, providing for recognition of the service of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal. A motion to reconsider the vote by which the bill was passed was made by the late-lamented Senator Adams of Colorado. I ask unanimous consent that the motion be made the pending business, to be taken up for disposition.

Mr. BYRD. Mr. President, I shall withhold any objection I may have until I can hear the statement of the Senator from Florida.

Mr. PEPPER. Mr. President, the bill was sponsored and introduced by the able Senator from Missouri [Mr. CLARK] and myself. As the Senate knows, the Senator from Missouri is chairman of the Committee on Interoceanic Canals. The bill is merely an effort to do justice, meager justice, to a group of people who have not received any consideration whatever from the Congress.

The purport of the bill is to allow certain compensation to those who were engaged in the construction of the Panama Canal for as much as 3 years, in actual residence on the Isthmus of Panama, between the beginning and the conclusion of the construction of the Canal.

The bill provides a certain scale of annuities to be received by the beneficiaries, 40 percent of their average annual basic pay in case they have been employed 3 years and not to exceed 4 years; if they served more than 4 years, 50 percent of their average annual basic pay, and if they served more than 6 years, 60 percent of their average annual basic pay.

There is a favorable report from the Civil Service Commission, which is charged by the bill with the administra-

tion of the proposed law. Their report is only a brief comment, and I should like to read it to the Senate. It appears on page 2 of the report of the Senate Committee on Interoceanic Canals, which held hearings on the bill, and favorably reported it:

> The Commission believes that like treatment should be accorded all employees of a particular group. As special benefits have been allowed members of the Army, Navy, and Public Health Service, as well as civilian employees who served during the construction period and who retire under the Canal Zone Retirement Act, it would appear that like recognition should be accorded former civilians separated without retirement benefits. The previous adverse recommendation of the Commission regarding this legislation was based mainly on the cost thereof. However, on the basis of additional information, this estimated cost has been greatly reduced, removing any objection from this standpoint.

Mr. McKELLAR. What proportion of these employees are aliens?

Mr. PEPPER. The bill would benefit only American citizens.

Mr. CLARK of Missouri. Mr. President, if the Senator will permit, I think attention should be called to the fact that during the construction period, which, of course, was before the present very much improved sanitary conditions in the Canal Zone, in many cases exactly identical work was done by the Army and Navy personnel, principally the Army personnel, and the civilian personnel. When Congress came to pass the Panama Canal Act, they made a distinction and gave preferential treatment to the Army and Navy personnel in the matter of retirement, promotion, and retired pay—in the case of the Army, promotion two steps in grade to anyone who had been engaged in this work for 3 years.

I happen to know of one case, that of a very distinguished citizen of the United States, afterward a general of the Army, Gen. Robert E. Wood, of Chicago, who is very much in favor of this proposal. General Wood took advantage of the opportunity to retire with two steps up in grade, after he came back in the Army and became a general, and had made a success in business. On the other hand, the man who until very recently was the executive secretary of the Governor's council of the Panama Canal Zone, who did precisely the same work and sat on the other side of the table from General Wood during the construction period, has until very recently remained in the Panama Canal service, but retired on an extremely meager pension, not in any way comparable with that given the Army and Navy personnel at the time the previous act was passed.

All the pending bill would do would be to give to the diminishing number of survivors of those engaged in that very hazardous and heroic achievement, the construction of the Panama Canal, comparable treatment with that given others, who in many cases, as I have said, did precisely the same kind of work during the construction period.

Mr. McKELLAR. What would be the cost to the Government if the bill should be enacted?

Mr. CLARK of Missouri. The Senator from Florida has later estimates than I have. It is a diminishing cost. The Senator from Florida has the information, and I should be glad to have him answer the Senator from Tennessee.

Mr. PEPPER. The estimate of the Civil Service Commission appears in the report. They estimated that there might be as many as 2,276 eligibles, but they state they base the estimate on the American Experience Table of Mortality, whereas those who have knowledge of the hazardous health conditions prevailing in the Canal Zone during the construction period estimate that the maximum number will probably be not more than a thousand. It is a rapidly diminishing number, a frail remnant of that gallant company which built the Panama Canal.

Mr. McKELLAR. How much would it cost a year?

Mr. PEPPER. If the estimate of the Civil Service Commission is correct, that there are 2,276 eligibles, the first year it would cost $1,700,000, and the cost would diminish thereafter. If the other estimates are correct, of course, it would be less than half that amount. Those who have the best knowledge of the subject estimate that even the first year's cost will probably not exceed $500,000.

Mr. BYRD. What does the Senator estimate the total cost will be, if it is a million dollars the first year?

Mr. PEPPER. It is a little difficult to estimate what the total cost will be, but these people must have worked 3 years before 1914, and if the Senator will calculate a little he will see how old they must now be, and therefore how relatively few years any of them will participate in the benefits sought.

Mr. CLARK of Missouri. If the Senator from Florida will permit me to make a statement on that point, I think the Senator will recall that the testimony before the Committee on Interoceanic Canals discloses that it is very difficult to make mortality tables regarding these particular men, because it seems that the ordinary mortality tables do not apply to them. Exposure to malaria and tropical diseases during the period of 3 years has very much accentuated the death rate, during the years, of the men who went through that experience, and therefore ordinary mortality tables are not applicable, and there is apparently no basis on which any one can figure what the mortality rate would be among these people.

Mr. PEPPER. I thank the Senator. I am in error in not noticing that the Civil Service Commission estimated, as appears on page 10 of the report, that the average age of those who are eligible is slightly over 67.

Mr. BYRD. Is this an annuity to be paid to those who are retired?

Mr. PEPPER. No; this is an annuity which will go only to those who are not receiving any other compensation from the Government.

Mr. BYRD. Do they contribute anything toward the annuity fund, as other Government employees do?

Mr. PEPPER. No; nor do those in the Army and Navy who participated in the construction of the Canal and were rewarded for their service.

Mr. BYRD. There is a difference between the Army and Navy personnel who were ordered to go to the Canal Zone and these civilians who I assume sought the positions.

Mr. PEPPER. Let me read a statement from President Theodore Roosevelt about exactly this kind of a bill. It is a matter which has been pending for a long time in one form or another. This is what President Theodore Roosevelt said in 1916:

> I most heartily endorse General Goethals' recommendation. As one who was instrumental in getting this work under way and who has followed its progress with deep interest and keen satisfaction, I am greatly concerned in seeing proper recognition accorded to the civilian employees. General Goethals has designated them as the real builders of the Canal. I sincerely trust that prompt action will be taken by Congress toward the early enactment of legislation to this end.

Mr. HUGHES. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. HUGHES. The bill provides only for those who have survived, then?

Mr. PEPPER. Only for those who have survived.

Mr. HUGHES. What about the men who worked on the construction of the canal and who have died?

Mr. PEPPER. Happily or unhappily, it does not provide for them. It has been very difficult to get recognition even for those who are living.

Mr. HUGHES. Mr. President, I have in mind the instance of an electrical engineer who went to the Canal Zone and worked on the Canal for several years during the construction period, being in charge of the electrical work. At its completion, being in poor health, he returned to the United States, and shortly thereafter died, leaving a family not provided for. Yet nothing has been done in that case, nor has anything been done in hundreds or perhaps thousands of similar cases. It seems to me the bill ought to be broadened to provide for the families of those who were not so fortunate as to have survived to this time.

Mr. PEPPER. I confess that the same principle of justice applies, I will say to the Senator from Delaware, but we have had such a hard time getting recognition for those who still live that we did not want to burden the bill any further.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. McNARY. I ask the able Senator from Florida if it is true that a similar bill was reported favorably in the Seventy-sixth Congress as well as in the previous Congress?

Mr. PEPPER. Yes.

Mr. McNARY. And those bills were placed on the calendar?

Mr. PEPPER. Yes; this is the third time such a bill has been reported by the committee.

Mr. McNARY. Are not the bills in question identical in substance?

Mr. PEPPER. They are.

Mr. McNARY. So the committees, after having held hearings on three occasions, favorably reported the bills?

Mr. PEPPER. Yes.

Mr. McNARY. Similar proposed legislation had the endorsement of former President Theodore Roosevelt?

Mr. PEPPER. Yes; and of General Stevens, who was chairman of the Isthmus Canal Commission, which built the Canal.

Mr. McNARY. And of General Goethals also?

Mr. PEPPER. And of General Goethals, and of General Wood, who participated in the work, and also of the Civil Service Commission.

Mr. McNARY. The proposed legislation, then, in its whole course, from the time the proposal was first made by former President Theodore Roosevelt, has met with no opposition from any source?

Mr. PEPPER. That is correct, I will say to the Senator.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. McKELLAR. Am I to understand the Senator from Florida to say that a similar bill was introduced during the administration of Theodore Roosevelt?

Mr. PEPPER. Yes.

Mr. McKELLAR. And it was not passed, and during the intervening time, of course, probably many thousands of the men who worked on the Canal have died, and no provision has heretofore been made for them or their families?

Mr. PEPPER. That is true.

Mr. McKELLAR. I am wondering if the proposal is not going back a little bit too far? Theodore Roosevelt was President nearly 40 years ago.

Mr. PEPPER. Well, that rather condemns Congress, I am afraid.

Mr. McKELLAR. It goes back a long time.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. CLARK of Missouri. While I recognized the claims of the families of men who served on the Canal during the construction period and who have since died, nevertheless it is only fair to say that the bill, to which this measure seeks to be comparable, did not provide for any pension for the military and naval personnel who have died since the completion of the Canal. It simply provided for retirement pay in the nature of an annuity. We are merely putting the survivors of the civilian personnel on a comparable basis. That is, we are not giving them any lump insurance if they die; we are not providing anything of that sort. We are simply giving them an annuity on a basis comparable with the military and naval personnel. It seems to me that is about all we can do at this late date. I feel that there is very strong equity in such cases as the Senator from Delaware [Mr. HUGHES] details, but I think that at this late date what is proposed to be done by the bill is about all we can do. I think we are doing little enough for the survivors, by our belated action, after having withheld any annuity all these years.

Mr. PEPPER. If the bill is now before the Senate I should like to make a motion.

Mr. DANAHER. Mr. President, as I understand, the Senator has filed a unanimous-consent request for permission to take the bill from the calendar and for the Senate to act on it at this time?

Mr. BARKLEY. No.

Mr. PEPPER. No; my motion is to take the bill up, if unanimous consent is denied. I think I have the right to do that.

Mr. DANAHER. Is it the Senator's purpose to have the Senate act on the measure this afternoon?

Mr. PEPPER. Yes.

Mr. DANAHER. If a unanimous-consent request is pending, I object.

The PRESIDING OFFICER. The Senator from Florida has moved that the Senate proceed to the consideration of the motion heretofore entered by the late Senator Adams of Colorado to reconsider the vote by which the Senate passed Senate bill 1481, an act to provide for the recognition of the service of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

Mr. DANAHER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Holman	Nye
Austin	Hughes	O'Mahoney
Barkley	Johnson, Calif.	Overton
Bone	Johnson, Colo.	Pepper
Bunker	Kilgore	Taft
Burton	La Follette	Thomas, Okla.
Clark, Mo.	McKellar	Thomas, Utah
Danaher	McNary	Tunnell
Doxey	Maloney	Wagner
Ellender	Maybank	Wiley
Gurney	Murdock	
Hill	Norris	

The PRESIDING OFFICER. Thirty-four Senators have answered to their names. There is not a quorum present. The clerk will call the names of absent Senators.

The legislative clerk proceeded to call the names of absent Senators.

Mr. DANAHER. Mr. President, I ask unanimous consent that my request for a quorum call be vacated.

Mr. McNARY. Mr. President, with vacation of the quorum call, will the motion of the Senator from Florida [Mr. PEPPER] to proceed with the consideration of the motion heretofore entered by the late Senator Adams be the unfinished business when we reconvene at the next meeting of the Senate?

The PRESIDING OFFICER. The lack of a quorum was announced a few minutes ago. The Senate can transact no further business until a quorum is present.

Mr. McNARY. The Senator from Connecticut [Mr. DANAHER] asked unanimous consent for the vacation of the call for a quorum.

Mr. BARKLEY. Mr. President, I am afraid that after the announcement has once been made that a quorum is not present such a request cannot be made. However, I think we can ascertain the presence of a quorum in a few minutes. Then I shall have no objection to this matter going over until Thursday.

The PRESIDING OFFICER. The clerk will resume the calling of the names of absent Senators.

The legislative clerk resumed calling the names of absent Senators, and Mr. BAILEY, Mr. BILBO, Mr. BROOKS, Mr. BULOW, Mr. BYRD, Mr. CAPPER, Mr. CHANDLER, Mr. CONNALLY, Mr. GERRY, Mr. GLASS, Mr. HERRING, Mr. MCFARLAND, Mr. MILLIKIN, Mr. STEWART, and Mr. VAN NUYS answered to their names when called.

The PRESIDING OFFICER. Forty-nine Senators have answered to their names. A quorum is present.

Mr. BARKLEY. Mr. President, with the understanding that the motion of the Senator from Florida [Mr. PEPPER] may be pending, I have no objection to the matter going over until the next meeting of the Senate.

Mr. PEPPER. Very well.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Capt. Howard L. Vickery, to be a rear admiral in the Navy for temporary service, to rank from the 22d day of January 1942.

By Mr. THOMAS of Utah (for Mr. REYNOLDS), from the Committee on Military Affairs:

Sundry officers for appointment, transfer, or promotion in the Army.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc, and that the President be immediately notified.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc, and the President will be immediately notified.

RECESS TO THURSDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Thursday next.

The motion was agreed to; and (at 3 o'clock and 55 minutes p. m.) the Senate took a recess until Thursday, February 5, 1942, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 3 (legislative day of February 2), 1942:

POSTMASTERS

PENNSYLVANIA

Charles L. Richert, Cecil.
Myron L. Wyckoff, East Stroudsburg.
Winifred M. Kerr, Freeport.

Kenneth F. Eakin, Harrisville.
Annie M. Schaner, Linglestown.
Grace E. Lovett, Trafford.

TEXAS

Samuel M. Compton, Celeste.
Ernest J. Banta, Medina.
William McGonagle Irby, Texon.

HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 3, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our blessed Father in Heaven, by whose mercy we are permitted to greet another day, we offer Thee our tributes of praise. In Thy overflowing tenderness, hear the wordless prayers of human hearts where tears may be vindicated. Enshrined as the ideal of infinite love, as the Saviour of endless compassion, allow them not to be bowed down under the burdens of the present crisis. We rejoice that no path is wholly rough; that, though we be weary, Thou art weary, too.

From the eternal recesses of Thy mercy pour abundantly that refreshing and sustaining spirit that shall encourage all to stand as they who stand in the morning. We pray that contentions may cease and unity may become triumphantly glorious throughout our Nation. We thank Thee that behind the dim unknown standeth God within the shadows, keeping watch above His own. To the altar of prayer we bear our President, his immediate counselors, our Speaker and this entire legislative body; sanctify and bless all their deliberations. Grant that the vision of a people with one heart may inspire the nations of the earth with an invincible desire for peace. Through Jesus Christ, our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

NAVY DEPARTMENT APPROPRIATION BILL, 1943

Mr. SCRUGHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6460) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes, with Senate amendments, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Nevada? [After a pause.] The Chair hears none and appoints the following conferees: Mr. SCRUGHAM, Mr. CASEY of Massachusetts, Mr. SHEPPARD, Mr. BEAM, Mr. THOMAS of Texas, Mr. DITTER, Mr. PLUMLEY, and Mr. JOHNSON of Indiana.

EXTENSION OF REMARKS

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from the President of the American Federation of Labor and a short statement.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent also to extend my remarks and include a copy of a resolution received from the Legislature of the State of New York addressed to the Congress of the United States.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROBERTSON of North Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter from the president of the Agricultural College of the State of North Dakota.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of other business, I may address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative business of the day today I may be allowed to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

MELVYN DOUGLAS

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I note that a man now going by the name of Melvyn Douglas—old name Melvyn Hesselberg—is appointed Publicity Chief in the Office of Civilian Defense.

This is the man that public sentiment in California kept from taking a commission in the National Guard on account of his "pink" and "red" activities and his close association with subversive, communistic groups.

Do we always have to have men who have changed their names, and whose past activities are questioned, in high places in Government? Perhaps this is the reason that we constantly have to have reorganization; the reason that we get conversation, reports, and publicity statements, instead of guns, airplanes, antiaircraft, subchasers, and so forth. Do they realize in advance that the appointees who have been named are absolutely unqualified to do their work and through these departmental publicity hounds play up to our people high-sounding publicity to cover up their failures?

How do our taxpayers feel when they see our money used like this? Partisan politics are supposed to be adjourned, and I hope they are; but when our people see such men as Landis, the Bridges defender, and those who are Communists or closely associated with communism, like Cowley, Lash, and Douglas, appointed to positions in Government, you can well see why many of our people are losing confidence in the organization here in Washington.

Instead of having a thorough house cleaning of these incompetent parasites, the program seems to be to obtain the most unqualified and the most incompetent, who always has tied up with the interests which would destroy the American form of government. If hundreds of thousands of men are lost before this war is won, it can be chargeable to the incompetent political set-up right here in Washington.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks by including a speech delivered by the gentleman from Massachusetts [Mr. MARTIN] in Dayton, Ohio, last week.

The SPEAKER. Is there objection?

There was no objection.

Mr. WINTER. Mr. Speaker, I ask unanimous consent to extend my remarks and include a resolution adopted by the Pi Gamma Mu convention at New York City.

The SPEAKER. Is there objection?

There was no objection.

GARAGE RENT IN THE DISTRICT OF COLUMBIA

Mr. FORAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. FORAND. Mr. Speaker, a few weeks ago there was considerable disturbance in the District of Columbia regarding rents on housing accommodations. That same trouble now has spread to garages. In several cases the increases in garage rents have been 50 percent.

On yesterday I introduced a bill that would bring within the provisions of the Rent Control Act already in force the rents for automobile storage space in both private and public garages. The Committee on the District of Columbia has started to consider this matter, and I would urge every Member of the House who has any information on the subject regarding increase of garage rents to present their facts to the Committee on the District of Columbia.

[Here the gavel fell.]

MELVYN DOUGLAS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I am sorry to ask for recognition twice so quickly, but I cannot let the charges of my colleague the gentleman from California [Mr. LELAND M. FORD] against Melvyn Douglas go unanswered.

The truth about the matter is that when an appointment was offered by the Governor of California to Mr. Douglas some years ago to take some military post he declined it and gave as his reason that he did not believe he was qualified.

The further truth about the matter is that he is not now and never has been a Communist, nor is he a friend of Communists.

Mr. LELAND M. FORD. Will the gentleman yield?

Mr. VOORHIS of California. No; not now.

The further truth about the matter is that the Communist Party instituted a boycott against the motion picture in which he has been appearing—namely, Ninotchka.

The further fact is that if there is anybody who will serve with a whole heart and soul the cause of the United States at this time, I know of none who will do it better than he will.

Mr. LELAND M. FORD. Will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. LELAND M. FORD. Did he ever change his name?

Mr. VOORHIS of California. I do not think that has anything to do with it. Most movie actors have done so, however; and I could name over dozens and dozens of people, some of the best people in the country, who have changed their names, especially if they were long ones.

Mr. LELAND M. FORD. Was the sentiment in California against him?

Mr. VOORHIS of California. I certainly do not think the sentiment of California is against him to do the kind of job he is qualified to do.

Mr. LELAND M. FORD. For his "red" activities?

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech by Clarence Budington Kelland.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REMOVAL OF AGENCIES FROM WASHINGTON

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CELLER. Mr. Speaker, an uncomplimentary but rather unfair if not snide editorial appeared in yesterday's issue of the New York Herald Tribune concerning the New York City delegation. We were accused of dereliction because we failed to attend en masse a meeting called at the Mayflower Hotel last Saturday morning concerning the campaign to bring decentralized bureaus to New York City. Most of us failed or rather refused to attend because the House was not in session and most of us had gone to our homes in New York.

A sort of self-styled, self-anointed, pseudo leader of us New Yorkers called the meeting with knowledge that his colleagues would be in New York. In a measure he is responsible for the mean editorial aforesaid.

I believe in decentralization. This self-crowned pooh-bah should also be decentralized and parts sent to Timbuktu, Riverside Drive, and deepest Congo.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. THOM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WILSON. Mr. Speaker, I ask unanimous consent that after the disposition of the legislative calendar for the day and any other special orders that may have been entered I may address the House for 30 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

JAMES LAWRENCE FLY

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. RANKIN of Mississippi addressed the House. His remarks appear in the Appendix.]

FLYNN AND THE REPUBLICANS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, of all the whimpering, whining politicians, this Mr. Edward J. Flynn should be awarded chief place. Last night he said the Republicans were not as much interested in winning the war as they were interested in controlling the House of Representatives. That is the highest tribute that could be paid to our patriotism, because it is becoming more and more evident as the days go by that if the war is to be won the Republicans will have to get control of the House and of the executive department. Why any man who has had all this relief money to spend, much of which was taken from the poor and the unfortunate and spent for political purposes, should now let out a squawk when he has these billions appropriated for war at his disposal and when they are using them all the time for political purposes is past my understanding, unless he sees the handwriting on the wall and realizes that the people back in the sticks are getting on to what the Democratic administration is doing with our war funds.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. BRADLEY]?

There was no objection.

LABOR TROUBLES

Mr. BRADLEY of Michigan. Mr. Speaker, some time ago this House passed what was known as the Smith bill. Immediately the membership was made the target for much abuse by the labor unions, and we were told there was no necessity for the Smith bill because labor was going to behave, the unwise and more or less radical labor leaders were going to behave.

We find on the Pacific coast today that the welders are out on strike, effectively tying up the shipbuilding defense industries out there. But, further than that, may I say this? I have before me a telegram received from the Detroit Livestock Association wherein they call my attention to the fact that the teamsters union in Detroit now threatens to tie up all the meat supply in the city of Detroit, thereby depriving 70,000 farmers of an outlet for their livestock. This food is not only furnished to the people of Detroit, but also is supplied to the soldiers and sailors in the uniform of this country.

Mr. Speaker, it is about time for this Government to stand upon its hind legs and tell these radical labor leaders where to get off before it is too late.

Read this telegram carefully and note the unsound, unfair, and totally unpatriotic un-American position assumed by this teamsters union.

FOREIGN AFFAIRS COMMITTEE

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until 12 o'clock tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

There was no objection.

EXTENSION OF REMARKS

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include the telegram referred to in my remarks made a few minutes ago.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. BRADLEY]?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a press release from the United States Civil Service Commission.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. RAMSPECK]?

There was no objection.

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two short editorials.

The SPEAKER. Is there objection to the request of the gentleman from Iowa [Mr. HARRINGTON]?

There was no objection.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, FISCAL YEAR 1943

Mr. LUDLOW. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6511) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1943, and for other purposes.

Mr. MARTIN of Massachusetts. Will the gentleman withhold that a minute?

Mr. LUDLOW. I yield to the gentleman.

Mr. MARTIN of Massachusetts. Mr. Speaker, do I understand the calling of the Private Calendar has been discontinued for the day?

The SPEAKER. The Chair saw no objectors or Members who handle these Private Calendar bills on the floor. The Chair will be glad to recognize these gentlemen.

Mr. MARTIN of Massachusetts. I just wanted the information; that is all.

The SPEAKER. The Chair not seeing those Members here recognized the gentleman from Indiana. The Chair will recognize Members for the calling of bills on the Private Calendar after the present bill is disposed of.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that the calling of bills on the Private Calendar be set aside for the time being.

The SPEAKER. The Chair does not intend to set aside the calling of bills on the Private Calendar by unanimous consent. The Chair previously did not see any objectors on the floor. If there is objection to this procedure, then the bills on the Private Calendar may be called.

Mr. LUDLOW. Mr. Speaker, I withdraw the request.

Mr. McCORMACK. Mr. Speaker, the calling of bills on the Private Calendar is in order for today. I ask unanimous consent that the Private Calendar be called at the termination of the consideration of the Treasury and Post Office Departments' appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I thought I saw the Democratic objectors here. The Republican objectors are all here and I see at least one on the other side.

Mr. McCORMACK. Mr. Speaker, I simply make this unanimous-consent request so that we will have something before the House.

Mr. Speaker, I withdraw my unanimous-consent request.

PRIVATE CALENDAR

The SPEAKER. The Clerk will call the first bill on the Private Calendar.

ALBERT BARRETT

The Clerk called the first bill on the Private Calendar, H. R. 1988, for the relief of Albert Barrett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of Albert Barrett, as of August 1924, the date on which he entered the United States, if he is found to be otherwise admissible under the provisions of the immigration laws.

With the following committee amendment:

Page 1, after line 9, insert the following: "other than that provision of section 3 of the Immigration Act of February 5, 1917 (39 Stat. 875, U. S. C., title 8, sec. 136 (e)), requiring the exclusion of aliens who have been convicted of or who admit the commission of a felony or other crime or misdemeanor involving moral turpitude."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN BASQUE ALIENS

The Clerk called the next bill, S. 314, for the relief of certain Basque aliens.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GORE. I object, Mr. Speaker.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General of the United States be, and is hereby, authorized and directed to cancel deportation proceedings in the cases of Ignacio Abadia, Nampa, Idaho; Alejandro Alberdi, Boise, Idaho; Felis Achirica, Boise, Idaho; Pedro Aguirre, Shoshone, Idaho; Santiago Alegria, Boise, Idaho; Gregorio Arana, Willow Creek, Oreg.; Guillermo Armaolea, Mullan, Idaho; Ponciano Arrietta, Boise, Idaho; Pedro Arruzazabala, Boise, Idaho; Francisco Asia, Mountain Home, Idaho; Elias Asolo, Shoshone, Idaho; Bernardo Ausocoa, Boise, Idaho; Abraham Azpiri, Murphy, Idaho; Francisco Barinaga, Boise, Idaho; Martin Barrencua, Boise, Idaho; Alejandro Bilbao, Mountain Home, Idaho; Francisco Bilbao, Emmett, Idaho; Jose Bilbao, Mountain Home, Idaho; Victor Bilbao, Boise, Idaho; Arturo Calvo, Tuscarora, Nev.; Gonzalo Cortazar, Boise, Idaho; Andres Echevarrieta, Hagerman, Idaho; Antonio Echevarrieta, Hagerman, Idaho; Prudencio Elordieta, Atlanta, Idaho; Gregorio Elorriaga, Buhl, Idaho; Jose Elorriaga, Mountain Home, Idaho; Juan Elorza, Boise, Idaho; Juan Garmendia, Nampa, Idaho; Francisco Guezuraga, Boise, Idaho; Jose Guezuraga, Boise, Idaho; Enrique Ispisua, Boise, Idaho; Antonio Laradagoitia, Emmett Idaho; Felix Larrucea, Boise, Idaho; Victor Legarreta, Jarbridge, Nev.; Juan Lejardi, Boise, Idaho; Ciriaco Lezamiz, Mountain Home, Idaho; Daniel Martinez, Boise, Idaho; Antonio Menchaca, Nampa Idaho; Elias Mendilibar, Fresno, Calif.; Jose Antonio Mendiola, Fresno, Calif.; Claudio Murua, Shoshone, Idaho; Ignacio Naveran, Shoshone, Idaho; Victor Orbe, Boise, Idaho; Canuto Otazua, Boise, Idaho; Gregorio Otazua, Boise, Idaho; Alejandro Rementeria, Boise, Idaho; Andres Retolaza, Boise, Idaho; Pedro Juan Sengotita Bengoa, Mountain Home, Idaho; Cristobal Sagasti, Boise, Idaho; Bernardo Torre, Gooding, Idaho; Jesus Ugalde, Emmett, Idaho; Pedro Ugalde, Boise, Idaho; Gregorio Urcaregui, Richfield, Idaho; Francisco Uriarte, Mountain Home, Idaho; Herman Uriarte, Mountain Home, Idaho; Agustin Uribe, Mountain Home, Idaho; Feliciano Uribe, Boise, Idaho; Antonio Urquidi, Boise, Idaho; Ignacio Urrutia, Boise, Idaho; Anastasio Yrasuegui, Castleford Idaho; Nicasio Yrazabal, Ely, Nev.; Juan Yrigoyen, Boise, Idaho; Tomas Yturbe, Mountain Home, Idaho; Angel Zuarez, Boise, Idaho, legally admitted as seamen but who have remained in the United States longer than permitted by law and regulations, and that these aliens shall be considered as having been admitted for permanent entry as of the date of their actual entry on the payment of the visa fees of $10 and head taxes of $8 per person.

Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct 64 numbers from the Spanish quota for the first year that the said Spanish quota is available.

With the following committee amendments:

Page 1, line 9, strike out "Ponciano Arrietta, Boise, Idaho."

Page 2, line 5, strike out "Arturo Calvo, Tuscarora, Nev."

Page 2, line 13, strike out "Felix Larrucca, Boise, Idaho."

Page 2, line 25, strike out "Pedro Ugalde, Boise, Idaho."

The committee amendments were agreed to.

Mr. GRANT of Indiana. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GRANT of Indiana: On page 3, lines 15 and 16, strike out "64" and insert "60."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MORRIS BURSTEIN AND JENNIE BURSTEIN

The Clerk called the next bill, H. R. 2868, for the relief of Morris Burstein and Jennie Burstein.

Mr. GORE and Mr. MOTT objected and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

KURT G. STERN

The Clerk called the next bill, H. R. 3295, for the relief of Kurt G. Stern.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That from and after the approval of this act Kurt G. Stern shall be deemed to have been lawfully admitted to the United States at Buffalo, N. Y., on February 10, 1936, as an immigrant for permanent residence and, if he is found to be otherwise admissible under the provisions of the immigration laws other than those relating to quotas, shall not be subject to deportation, by reason of any provision of section 3 of the Immigration Act of February 5, 1917, as amended (U. S. C., 1934 edition, title 8, sec. 136), on account of an act or circumstance which may have occurred prior to the date of entry into the United States of the said Kurt G. Stern. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Germany of the first year that the German quota is available.

The bill was ordered to be engrossed and read a third time, was read the third

time, and passed, and a motion to reconsider was laid on the table.

CATHERINA MIGLIORE AND ANTHONY AND ROSE MIGLIORE

The Clerk called the next bill, H. R. 5071, for the relief of Catherina Migliore any Anthony and Rose Migliore.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is directed to cancel forthwith the outstanding warrant of arrest, order of deportation, warrant of deportation, and bond, if any, in the case of the aliens, Catherina Migliore, and her son and daughter, Anthony and Rose Migliore, and is directed not to issue any further such warrants or orders in the case of such aliens, insofar as such future warrants or orders are based on any unlawful entry of such aliens into the United States prior to the enactment of this act. Furthermore that, in the administration of the immigration and naturalization laws, the Attorney General be, and is hereby, authorized and directed to record the lawful admission for permanent residence of the said aliens as of August 15, 1925, that being the approximate date on which they entered the United States at the port of New York, if they be found otherwise admissible under the provisions of the immigration laws, other than those relating to quotas. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the quota for Italy, when such quota numbers become available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UMBERTO DANTA ANNIBALI

The Clerk called the next bill, H. R. 5539, for the relief of Umberto Danta Annibali.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, the Attorney General be, and he is hereby, authorized and directed to cancel the outstanding warrant of arrest issued under deportation proceedings against the alien, Umberto Danta Annibali, notwithstanding any provision of existing law. From and after the effective date of this act Umberto Danta Annibali shall not again be subject to deportation by reason of the facts upon which the outstanding proceedings are based.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA AZUCENA ALVAREZ CANGA

The Clerk called the next bill, H. R. 3469, for the relief of Maria Azucena Alvarez Canga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of Maria Azucena Alvarez Canga as of September 15, 1938, the day on which she was temporarily admitted to the United States, if she is found to be otherwise admissible under the provisions of the immigration laws, other than those relating to quotas. Upon the enactment of this act, the Secretary of State shall instruct the proper control officer to deduct one number from the Spanish quota of the first year that the said quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLORENCE CHUMLEY

The Clerk called the next bill, H. R. 5954, for the relief of Florence Chumley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Attorney General be, and is hereby, authorized and directed to cancel the deportation order issued against Florence Chumley, and that Florence Chumley shall not hereafter be subject to deportation for the same cause or causes upon which the present order of deportation is based.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

D. H. DANTZLER

The Clerk called the next bill, H. R. 4354, for the relief of D. H. Dantzler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to D. H. Dantzler the sum of $28.55, this amount being due Mr. Dantzler for services rendered as former United States commissioner for the eastern district of South Carolina.

With the following committee amendment:

Page 1, strike out all after the enacting clause, and insert the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to D. H. Dantzler the sum of $28.55, in full settlement of all claims against the United States for services rendered by him as a de facto United States Commissioner in the eastern district of South Carolina from December 29, 1938, to February 20, 1939, inclusive: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVID B. BYRNE

The Clerk called the next bill, H. R. 4896, for the relief of David B. Byrne.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to David B Byrne the sum of $181.25, in full settlement of all claims against the Government for losses incurred by him as the result of damages to personal property caused by fire while serving as a second lieutenant, in the Field Artillery School, at Fort Sill, Okla., on October 1, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "Government" and insert "United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VETERANS' ADMINISTRATION

The Clerk called the next bill, H. R. 5652, to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of certain disbursing officers, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the employees responsible for the excess or erroneous payments represented by the sums (including interest accruals) herein stated be, and they are hereby, relieved of financial liability therefor and the Comptroller General is authorized and directed to allow credit in the settlement of the accounts of the following-named former disbursing officers of the Veterans' Administration and Guy F. Allen, chief disbursing officer, Treasury Department, in such amounts not exceeding the sums (including interest accruals) stated herein which have been, or hereafter may be, disallowed as may be necessary to relieve such disbursing officers of financial liability therefor: *Provided*, That this act shall not be construed to bar recovery of the amounts herein specified from the persons to whom and through whom such amounts have been paid:

First. William H. Holmes, former disbursing officer, Veterans' Administration, Washington, D. C., in the sums of $290.50, symbol 11-006; and $6,252.19, symbol 11-348, which amounts were expended during the period from May 7, 1921, through June 30, 1929.

Second. E. E. Miller, former disbursing officer, Pension Accounts, Pension Bureau, and Veterans' Administration, Washington, D. C., in the sum of $2,924, which amount was expended during the period from August 16, 1926, through August 31, 1931, under symbol 62-044.

Third. J. B. Schommer, former disbursing officer, Veterans' Administration, Washington, D. C., in the sums of $591.78, symbol 11-500; $4,354.99, symbol 11-532; and $6,915.51, symbol 11-666, which amounts were expended during the period from July 1, 1929, through June 30, 1934.

Fourth. Norma E. Hesterly, former disbursing officer, Veterans' Administration, Albuquerque, N. Mex., in the sum of $75, which amount was expended during the period from July 1, 1933, through October 31, 1933, under symbol 11-474.

Fifth. Lawrence Levy, former disbursing officer, Veterans' Administration, Baltimore, Md., in the sum of $57.60, which amount was expended during the period from October 1,

1934, through February 15, 1935, under symbol 11-366.

Sixth. J. W. Reynar, former disbursing officer, Veterans' Administration, Charlotte, N. C., in the sum of $34.62, which amount was expended during the period from December 15, 1933, through May 1, 1934, under symbol 11-374.

Seventh. L. W. Looker, former disbursing officer, Veterans' Administration, Cleveland, Ohio, in the sum of $1,177.43, which amount was expended on November 6, 1931, under symbol 99-114.

Eighth. M. V. Bates, former disbursing officer, Veterans' Administration, Detroit, Mich., in the sum of $657.73, which amount was expended on August 25, 1932, under symbol 99-842.

Ninth. W. W. Weldon, former disbursing officer, Veterans' Administration facility, Hines, Ill., in the sum of $18, which amount was expended on June 30, 1933, under symbol 11-521.

Tenth. N. B. Harrison (Mohen), former disbursing officer, Veterans' Administration facility, Los Angeles, Calif., in the sum of $188.59, which amount was expended on January 19, 1934, under symbol 89-851.

Eleventh. P. E Haase, former disbursing officer, Veterans' Administration, Louisville, Ky., in the sum of $14, symbol 11-470, and $494.69, symbol 99-130, which amounts were expended during the period from January 19, 1931, through March 31, 1935.

Twelfth. Don Iler, former disbursing officer, Veterans' Administration, New York, N. Y., in the sum of $12.90, which amount was expended on January 26, 1932, under symbol 99-138.

Thirteenth. M. L. Morris, former disbursing officer, Veterans' Administration, Oklahoma City, Okla., in the sum of $826.78, which amount was expended on August 11, 1932, under symbol 99-139.

Fourteenth. L. S. McCracken, former disbursing officer, Veterans' Administration, San Francisco, Calif., in the sum of $158.52, which amount was expended on March 4, 1931, under symbol 99-151.

Fifteenth. J. William Yates, Jr., former disbursing officer, Veterans' Administration, Tuscaloosa, Ala., in the sum of $88, which amount was expended during the period from October 1, 1934, through January 31, 1935, under symbol 11-383

Sixteenth. G. F. Allen, Chief Disbursing Officer, Treasury Department, Washington, D. C., in the sums of $486.34, symbol 11-559; $11,291.19, symbol 11-561; $5, symbol 11-564; $180, symbol 11-565; $27.79, symbol 11-566; $5, symbol 11-568; $147.25, symbol 11-569; $29, symbol 11-570; $124.84, symbol 11-571; $108.61, symbol 11-572; $69.40, symbol 11-573; $60.75, symbol 11-574; $9.75, symbol 11-576; $4.60, symbol 11-577; $44.50, symbol 11-578; $2.50, symbol 11-581; $1,041.81, symbol 11-647; $507.57, symbol 99-287; $1,731.10, symbol 99-280; $377, symbol 99-282; $100, symbol 99-283; $787, symbol 99-284; $305.50, symbol 99-286; $507.57, symbol 99-287; $1,731, symbol 99-288; $196.38, symbol 99-289; $619.50, symbol 99-290; $98.50, symbol 99-292, which amounts were expended during the period from July 1, 1934, through June 30, 1940.

SEC. 2. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, the following sums to the persons hereinafter designated.

First. Betty S. Akers, formerly temporarily employed as junior typist at Veterans' Administration facility, Mountain Home, Tenn., the sum of $113.47, which was deducted from salary payment due her.

Second. Agnes L. Hill, formerly temporarily employed as junior stenographer at Veterans' Administration, Detroit, Mich., the sum of $312.06, which was deducted from salary and retirement fund due her.

Third. Margaret B. Hobson, now Grim, formerly temporarily employed as stenographer at Veterans' Administration facility, Roanoke, Va., the sum of $51.55, which was refunded by her on May 2, 1940.

Fourth. Kenneth R. Huffine, formerly temporarily employed as chauffeur at Veterans' Administration facility, Mountain Home, Tenn., the sum of $119.21, of which cash refunds totaling $49.98 were made by him and the balance of $69.23 was deducted from salary payment due him for the period ending May 31, 1939.

Fifth. William V. Kamlade, formerly temporarily employed as junior stenographer at Veterans' Administration facility, Jefferson Barracks, Mo., the sum of $48.76, which was due him as salary payment and used as an offset against the disallowance in his account.

Sixth. Milton G. Roberts, formerly temporarily employed as chauffeur at Veterans' Administration facility, Augusta, Ga., the sum of $50.89, of which $30 was deducted from salary payment due him for the period ending May 31, 1939, and $20.89 recovered by cash refund.

Seventh. Ivan Sackman, formerly temporarily employed as clerk-typist at Veterans' Administration facility, Downey, Ill., the sum of $24.77, which was deducted from salary payment due him for the period ending December 31, 1938.

Eighth. Edward J. Sinclair, formerly temporarily employed as junior stenographer at Veterans' Administration facility, Togus, Maine, the sum of $37.04, which was refunded by him in April 1939.

With the following committee amendments:

Page 4, line 8, strike out "sum" and insert "sums."

Page 6, line 15, strike out "were" and insert "was."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BUILDERS SPECIALTIES CO.

The Clerk called the next bill, H. R. 5865, for the relief of Builders Specialties Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $100 to Builders Specialties Co., 526 Forrest Road NE., Atlanta, Ga., in full settlement of all claims against the United States on account of mistake in bid for furnishing material to the Department of Justice Federal correctional institution, Tallahassee, Fla., under contract dated September 18, 1939, and purchase order No. 40-298.

With the following committee amendments:

Line 11, strike out the date "September 18, 1939" and insert in lieu thereof "September 22, 1939."

At the end of the bill strike out the period and insert ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsidered was laid on the table.

HOWARD L. MILLER

The Clerk called the next bill, H. R. 5887, for the relief of Howard L. Miller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Howard L. Miller, of Abilene, Tex., the sum of $2,360 in full settlement of all claims against the United States for the loss of 222 ewes and 35 lambs which were drowned during Army maneuvers on May 20, 1941, at which time his land was being used by the United States Army troops: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

B. H. WILFORD

The Clerk called the next bill, H. R. 6226, for the relief of B. H. Wilford.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $235.99, to B. H. Wilford in full payment and satisfaction for overpayments in the foregoing amount, resulting from the application of Public, No. 839, Seventy-sixth Congress, and Executive Order No. 8588, dated November 7, 1940, to the shipment, on December 14, 1940, of his household goods and personal effects upon change of official station: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN DISBURSING OFFICERS OF THE ARMY FOR SETTLEMENT OF INDIVIDUAL CLAIMS APPROVED BY THE WAR DEPARTMENT

The Clerk called the next bill, H. R. 6328, for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the following disbursing officers of the Army of the United States the amounts set opposite their names: Lt. Col. Roy J. Caperton, Finance Department, $16.75; Lt. Col. Walter D. Dabney, Finance Department, $69.24; Maj. E. H. deSaussure (Cavalry), Finance Department, $15.60; Maj. John R. Gilchrist, Finance Department, $254.90; Lt. Col. Leo L. Gocker, Finance Department, $10; Lt. Col. William S. Keller, Finance Department, $295.06; Col. Montgomery T. Legg, Finance Department, $70; Lt. Col. Clarence B. Lindner, Finance Department, $23; Lt. Col. Emmet C. Morton, Finance Department (now retired), $132.18; Capt. E. A. Muth, Finance-Reserve, $5; Lt. Col. Sidney C. Page, Finance Department, $35; Lt. Col. Frank E. Parker (deceased), Finance Department, $123.22; Maj. Fiorre J. Stagliano, Finance Department, $13.27; Lt. Col. Wallace C. Steiger, Finance Department, $13; Lt. Col. Thomas P. Walsh, Finance Department, $115.10; Lt. Col. Hugh Whitt, Finance Department, $42.60; Lt. Col. Stephen R. Beard, Finance Department, $3,168.22; and Lt. Col. Eugene M. Foster, Finance Department, $268.23; the said amounts representing erroneous payments of public funds for which these officers are accountable, such erroneous payments having resulted from minor errors in the computations of pay and allowances due former members of the Civilian Conservation Corps, former members of the Army of the United States, civilian employees, and commercial firms or individuals from whom collection of the overpayments cannot be effected, and which amounts have been disallowed by the Comptroller General of the United States.

SEC. 2. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Charles K. McAlister, Finance Department, the sum of $1,222, public funds for which he is accountable, which were stolen from the safe of his agent officer, Wray F. Sagaser, at Civilian Conservation Corps Company 794, Ogden Bay Refuge BS-2, near Hooper, Utah, by a person or persons unknown: *Provided*, That no part of said sum shall be charged to the said Wray F. Sagaser.

SEC. 3. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Staff Sgt. James A. Matlock the amount of $78.50, in full satisfaction of his claim against the United States for a like amount refunded by him on account of a payment previously made to him: *Provided*, That no person shall be held pecuniarily liable on account of the above-mentioned payment.

SEC. 4. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Maj. Harold T. Molloy (Field Artillery), Quartermaster Corps, the amount of $28.65, in full satisfaction of his claim against the United States for a like amount paid by him to make good the loss of public funds for which he was responsible as sales officer at Vancouver Barracks, Washington, and which public funds were stolen by the cashier, sales office, an enlisted man.

SEC. 5. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Irvin V. Todd, Finance Department (deceased), the sum of $57.85, public funds for which he is accountable, such sum representing erroneous payments resulting from minor errors in the computation of pay and allowances due to three former members of the Civilian Conservation Corps and a member of the Officers' Reserve Corps.

SEC. 6. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. William H. Kasten, Finance Department, in the sum of $14.50, public funds for which he is accountable, which sum was paid by him to members of the Civilian Conservation Corps on vouchers subsequently determined to have been issued for services improperly ordered by a camp superintendent.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REV. JULIUS PAAL

The Clerk called the next bill, H. R. 1374, to record the lawful admission to the United States for permanent residence of Rev. Julius Paal.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of Labor be, and is hereby, authorized and directed to record the lawful admission for permanent residence of Rev. Julius Paal, who entered the United States at New York on October 5, 1937, and that he shall, for all purposes under the immigration and naturalization laws, be deemed to have been lawfully admitted as an immigrant for permanent residence. Upon the enactment of this act the Secretary of State shall direct the proper quota-control officer to deduct one number from the Hungarian quota for the first year said Hungarian quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL HEATING CO., WASHINGTON, D. C.

The Clerk called the next bill, H. R. 2980, for the relief of National Heating Co., Washington, D. C.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That upon satisfactory completion by National Heating Co., Washington, D. C., of its contract with the United States for the construction for the National Advisory Committee for Aeronautics of a central heating plant at Langley Field, Va. (N. A. C. A. contract–NAw 876, requisition 47), the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said National Heating Co., the sum of $10,000. A typographical error in connection with the submission of the bid of the said National Heating Co. for such construction caused such bid to be $10,000 less than it should have been, and if such typographical error had not been made, the bid of the said National Heating Co. for such construction would still have been the lowest bid therefor by $2,000.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated to the National Heating Co., of Washington, D. C., the sum of $8,613.93 in full settlement of all claims against the United States for losses occasioned by a typographical error made in connection with the submission of a bid for the construction of a central heating plant at Langley Field, Va., with the National Advisory Committee for Aeronautics (N. A. C. A. contract–NAw 876, requisition 47): *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT L. DEMUTH

The Clerk called the next bill, H. R. 4409, granting jurisdiction to the United States Circuit Court of Appeals for the Second Circuit to reopen and readjudicate the case of Robert L. Demuth.

Mr. GORE and Mr. MOTT objected, and, under the rule, the bill was recommitted to the Committee on Claims.

BLANCHE E. BROAD

The Clerk called the bill (H. R. 4524) for the relief of Blanche E. Broad.

Mr. HANCOCK and Mr. MOTT objected, and the bill was recommitted to the Committee on Claims.

FLOYD P. MORITZKY

The Clerk called the bill (H. R. 4657) for the relief of Floyd P. Moritzky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Floyd P. Moritzky, of Coffeyville, Kans., the sum of $5,000, in full settlement of all claims against the United States, for personal injuries sustained on September 18, 1936, when an Army truck in which he was an authorized passenger crashed into a tree while en route to Fort Riley, Kans.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$5,000" and insert "$4,000."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MAX GEISSLER

The Clerk called the bill (H. R. 5816) for the relief of Max Geissler.

Mr. GORE and Mr. MOTT objected, and the bill was recommitted to the Committee on Claims.

ROY F. LASSLY

The Clerk called the bill (H. R. 5857) for the relief of Roy F. Lassly, former

acting chief disbursing clerk, Department of the Interior, and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Roy F. Lassly, former acting chief disbursing clerk, Department of the Interior, the sum of $7,533.50, and in the accounts of G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department, the sum of $20,012.20, public funds for which they are accountable, and which were paid by them on fraudulent vouchers prepared by a trusted employee of the National Park Service, Department of the Interior.

The bill was ordered to be engrossed and read a third time, was read the third time, and a motion to reconsider was laid on the table.

MASON C. BRUNSON

The Clerk called the bill (H. R. 6145) for the relief of Mason C. Brunson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mason C. Brunson, Florence, S. C., the sum of $352.70. Such sum represents the amount of fees earned by the said Mason C. Brunson for services rendered as United States commissioner, eastern district of South Carolina, during a portion of the quarter ending July 31, 1939, but not paid because the account covering such services was not rendered within the time prescribed by law.

With the following committee amendments:

Page 1, line 6, strike out "$352.70" and insert "$292.05."

At the end of the bill strike out the period, insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PORTLAND SPORTWEAR MANUFACTURING CO.

The Clerk called the bill (S. 1523) for the relief of the Portland Sportwear Manufacturing Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to release the Portland Sportwear Manufacturing Co., of Portland, Oreg., from its obligation to pay all excess costs resulting from the purchase in the open market of certain coats on account of the failure of such company to perform contract No. W-669-qm-CIV-462 after its bid, dated November 23, 1940, had been accepted.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to such Portland Sportwear Manufacturing Co. a sum equal to the total sum of any amounts paid by it in payment of such excess costs.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

WILLARD R. CENTERWALL

The Clerk called the bill (S. 2011) for the relief of Willard R. Centerwall, formerly superintendent and special disbursing agent at the Tongue River Indian Agency.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General be, and he is hereby, authorized and directed to allow credit in the official accounts of Willard R. Centerwall, formerly superintendent and special disbursing agent at the Tongue River Indian Agency, for disallowances in the amounts of $26.82 and $11.53 under certificates of settlement of accounts by the General Accounting Office Nos. G-108840-Ind and H-5451-Ind dated December 1, 1938, and June 5, 1940, respectively.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to refund out of any moneys in the Treasury not otherwise appropriated any payments made by the said Willard R. Centerwall on account of the disallowances in question.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JOHN HUFF

The Clerk called the bill (H. R. 2430) for the relief of John Huff.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Huff, of Yardville, N. J., the sum of $5,000, in full satisfaction of his claims, and those of his wife, Ertha Huff, and his daughter, Vivian Huff, against the United States for compensation for personal injuries sustained by them when their automobile was struck by an automobile of the War Department operated by Robert Fay, private, an enlisted man of the United States Army, on May 13, 1939, at the intersection of the Clarksville-Mercerville Road (Quaker Bridge Road) and State Highway No. 33 (Nottingham Way), Mercerville, N. J.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SEC. 2. Payment shall not be made under this act until the said John Huff has released, in a manner satisfactory to the Secretary of the Treasury, any judgment or other claim arising out of such accident which he may have against the said Robert Fay.

With the following committee amendment:

Page 1, line 6, strike out "$5,000" and insert "$2,000."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MINNIE C. SANDERS

The Clerk called the bill (H. R. 3610) for the relief of Minnie C. Sanders and Henry G. Sanders, her husband.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Minnie C. Sanders, of the township of Union, Union County, N. J., the sum of $5,000, and to Henry G. Sanders, her husband, the sum of $1,500, in full settlement of all claims against the United States for personal injuries sustained by the said Minnie C. Sanders in an accident at West Point, N. Y., Military Reservation, on June 5, 1940, caused by the negligent operation of a truck and motorcycle, property of the United States, and being operated by its agents: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7, strike out "$5,000, and to Henry G. Sanders, her husband, the sum of $1,500" and insert "$3,000."

Page 2, line 1, strike out "caused by the negligent operation of a truck and motorcycle, property of the United States, and being operated by its agents," and insert "when she was struck by an Army motorcycle."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Minnie C. Sanders."

HENRIETTA MORITZ

The Clerk called the bill (H. R. 4303) for the relief of Henrietta Moritz.

Mr. MOTT, Mr. GORE, and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Claims.

JULIA PETERSON MILLS

The Clerk called the next bill, H. R. 5048, for the relief of Julia Peterson Mills.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GORE and Mr. GRANT of Indiana objected, and, under the rule, the bill was recommitted to the Committee on Claims.

NELL MAHONEY

The Clerk called the next bill, H. R. 5478, for the relief of Nell Mahoney.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to remove from the records of his office the debt which has been raised therein against Nell Mahoney, junior clerk-typist, Houston County, Tex., Rural Rehabilitation office of the Farm Security Administration, Department of Agriculture, at Crockett, Tex., in the sum of $125.75, together with interest due thereon from date of loss, public funds for which she is accountable and which were stolen from her desk in the Houston County Rural Rehabilitation office, Crockett, Tex., without her fault, on September 18, 1940.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PARRIS ISLAND HURRICANE AND FLOOD: REIMBURSEMENT TO CERTAIN MEMBERS OF THE ARMED FORCES

The Clerk called the next bill, H. R. 5572, to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel and certain Federal civil employees for personal property lost or damaged as a result of the hurricane and flood at Parris Island, S. C., on August 11–12, 1940," approved April 23, 1941.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. YOUNG. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $1,136.66, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, Capt. Peter A. McDonald, United States Marine Corps, for the value of personal property lost or damaged in the hurricane and flood at Parris Island, S. C., on August 11–12, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FORT HALL INDIAN IRRIGATION PROJECT, IDAHO

The Clerk called the next bill, H. R. 6225, for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the acts of June 20, 1938 (52 Stat. 1363), June 11, 1940 (Private, No. 362, 76th Cong.), and June 25, 1941 (Private, No. 121, 77th Cong.), for the relief of certain individuals named therein in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho, are hereby supplemented and further amended by authorizing and directing payment as therein provided, out of any funds in the Treasury of the United States not otherwise appropriated, of the following amounts in lieu of the amounts provided for in the said act of June 20, 1938, to the individuals named: C. E. and Leonard R. Stedman, $347; J. S. Bowker and J. L. Wilson, $150; L. E. Winschell, $150; Richard Torgensen, $500; and W. James Chester, $500: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARMELLA RIDGEWELL

The Clerk called the next bill, S. 806, for the relief of Carmella Ridgewell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Carmella Ridgewell, of Providence, R. I., the sum of $1,200.50, in full satisfaction of all claims against the United States for damages for personal injuries, medical expenses, and property damage sustained by her when the car which she was driving was struck by a truck owned by the United States Government and operated by G. Kazmirchuk, an employee of the National Youth Administration, at Campton, N. H., on July 17, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ETTA HOUSER FREEMAN

The Clerk called the next bill, S. 1266, conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon the claim of Etta Houser Freeman.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HANCOCK, Mr. GRANT of Indiana, and Mr. MOTT objected, and, under the rule, the bill was recommitted to the Committee on Claims.

MERCHANTS DISTILLING CORPORATION

The Clerk called the next bill, S. 1654, for the relief of the Merchants Distilling Corporation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Merchants Distilling Corporation, of Terre Haute, Ind., the sum of $4,154.62, in full satisfaction of its claim against the United States for a refund of the tax assessed and paid on two thousand and seventy-seven and thirty-one one-hundredths proof gallons of distilled spirits lost in the process of manufacture on March 25, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THURSTON AND HARDY, A PARTNERSHIP

The Clerk called the next bill, S. 1771, for the relief of R. V. Thurston and Joseph Hardy, a partnership.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. V. Thurston and Joseph Hardy, a partnership, the sum of $3,600 in full satisfaction of its claim against the United States for the settlement of its war minerals relief claim (claim No. 940, under the act of June 30, 1936), the award of such sum to such partnership having been recommended on February 11, 1941, by the commissioner by whom such claim was considered and having been disallowed by the Secretary of the Interior on the ground that having previously made an award to such partnership under such act he was technically without authority to make the additional award recommended by the commissioner: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LESLIE TRUAX

The Clerk called the next bill, S. 1778, for the relief of Leslie Truax.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Les-

lle Truax, the sum of $1,000, in full settlement of any and all claims against the United States for injuries sustained on July 9, 1935, while a member of Battery A of the Citizens' Military Training Corps at Fort Snelling, Minn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. HUGH G. NICHOLSON

The Clerk called the next bill, S. 1848, for the relief of Dr. Hugh G. Nicholson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. Hugh G. Nicholson, the sum of $3,300, in full settlement of all claims against the Government of the United States for medical services rendered to the Indians of Alaska from June 5, 1929, to January 8, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCIS HOWARD ROBINSON

The Clerk called the next bill, S. 1974, for the relief of Francis Howard Robinson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $246.20 to reimburse Francis Howard Robinson, radioman first class, United States Navy, for the value of personal property lost or damaged in the fire in Government quarters occupied by him at United States naval radio station, Astoria, Oreg., on September 22, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARCEL M. ROMAN ET AL.

The Clerk called the next bill, S. 381, for the relief of Marcel M. Roman, Clara M. Roman, and Rodica E. Roman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Marcel M. Roman, his wife, Clara M. Roman, and daughter, Rodica E. Roman, shall be held and considered to have been lawfully admitted to the United States for permanent residence on May 1, 1939, the date the said Marcel M. Roman, Clara M. Roman, and Rodica E. Roman were admitted to the United States for temporary residence.

SEC. 2. Upon the enactment of this act the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct three numbers from the nonpreference category of the first available Rumanian immigration quota.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAX DELFINER AND HIS WIFE EVY (EWA)

The Clerk called the next bill, H. R. 3036, for the relief of Max Delfiner and his wife Evy (Ewa).

The SPEAKER. Is there objection?

Mr. GORE, Mr. HANCOCK, and Mr. GRANT of Indiana objected, and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

Mr. GORE. Mr. Speaker, I ask unanimous consent to dispense with further call of the Private Calendar.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1943

Mr. LUDLOW. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6511) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1943, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6511, with Mr. BOEHNE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Under previous order of the House, there remains 1 hour of general debate, one-half of the time to be controlled by the gentleman from Indiana [Mr. LUDLOW] and one-half by the gentleman from New York [Mr. TABER].

Mr. LUDLOW. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MARTIN J. KENNEDY].

Mr. MARTIN J. KENNEDY. Mr. Chairman, on last Saturday, a luncheon was given at Washington's most exclusive hotel, the Mayflower, by some New Yorkers for the Senators and Representatives from New York City. Because only four Representatives attended that luncheon the New York Herald Tribune in a screeching editorial on Monday and the Daily Mirror, today in a petulant editorial took all the Members, from New York City, to task for their failure to attend the luncheon and their failure to have more Government offices moved from Washington to New York City.

Certainly, no Member of Congress objects to fair criticism but on the face of it this newspaper tirade and the threatening speeches made at the luncheon are unfair and misleading.

Since when has a refusal by a Member of Congress to attend a luncheon, given by a pressure group, been classified as a. w. o. l. and the basis for censure by the press? Do the editors of the New York Herald Tribune and the Daily Mirror attend every excursion to which they are summoned? I think not, and properly so.

I am not going to read those editorials because they are so silly. It is hard to believe that editorial writers have time for such nonsense. They tell us, both the press and the pressure groups, that all the New York City Congressmen must do in order to obtain Government departments is to demand them from the President. Some of us have made many requests on behalf of New York City and I am happy to report, with fair success. However, there are other cities equally insistent and, deserving of consideration.

It might be well to examine the record on the subject of decentralization. On September 26, 1940, I presented to the House, and it appears in the CONGRESSIONAL RECORD, a copy of the report entitled "Report on Industrial Mobilization" prepared by one of our leading hotel men, Mr. Martin Sweeny. This report, submitted to Mayor LaGuardia, contained plans for decentralization of Government bureaus and suggested that various Government offices be moved to the city of New York for reasons of efficiency and economy. That was not last Saturday or last week but 15 months ago. Copies of the report were sent to every bureau chief in Washington. It was a concise, intelligent, and constructive document.

As a result of the Sweeny report, the mayor established a New York City Department of Commerce. The department is composed of our leading businessmen, serving without compensation. They, in turn, recruited from the ranks of our business organizations, many expert and talented men. The Metropolitan Life Insurance Co. donated the services of a real-estate expert and the National City Bank and Emigrant Industrial Savings Bank did likewise. These volunteers, at great expense and considerable time compiled an elaborate report, listing every foot of office space available, in our city, for Government rental. The transit facilities, housing, and all other data necessary to arrive at an intelligent decision, were cataloged. That report was brought to Washington, and copies were delivered to the department heads and the President.

In company with these representatives of the Department of Commerce of New York City, I visited many departments, and as a result of our presentation many bureaus have been moved to New York.

Our visitors of last Saturday are not satisfied with that record of accomplishment. They seem to want all Government departments for New York City. I am afraid they are a bit overzealous.

The CONGRESSIONAL RECORD of May 15, 1941, and of June 3, 1941, contains further evidence of my activity on behalf of New York City in the matter of Government office space.

On last Thursday I had the pleasure of addressing a meeting of the Commerce and Industry Association of New York, held in the Woolworth Building. At that meeting there were representatives of the restaurants, hotels, banks, insurance companies, and other business organizations. This problem has been of special concern to them, and they have been working hard with good results to obtain consideration for New York. The meeting was conducted on a high plane, and I feel sure that they will achieve their objectives.

This group that came down to Washington on Saturday and arranged an elaborate luncheon apparently are hard to please, or just refuse to be satisfied with our efforts. Because many of the Members from New York City took advantage of the House being in recess to return to their districts to visit with their families and constituents, they are politically doomed, as witness the words of one speaker, "We got the brush-off, and we ought to remember it next November in political action."

Mr. Chairman, that statement coming from a business group is unpardonable. The four Representatives that attended the luncheon on Saturday are all distinguished Members of our delegation, but I am surprised that even that number were present. Holding a meeting in Washington on a Saturday afternoon when the Congress is in recess is the least propitious time to hold an important meeting. Many of us feel it is necessary for the convenience of our constituents that we return home at every opportunity. Our constituents cannot afford the expense to come to Washington to see us, so we reverse the order and go home to see them.

Perhaps these good folks took their cue from a young newspaper writer on a New York paper. He said, "I will tell you what to do. Make these New York Congressmen and Senators do what the Congressman from Virginia did in order to get the Patent Office. The entire Virginia delegation, headed by Senator GLASS, went down and shook their fists in the face of the President and demanded that the State of Virginia be the State to which the Patent Office be moved. As a result of their demand the President sent the Patent Office to Richmond."

But this reporter did not tell all the facts in the case. Maybe the Senators and Representatives from Virginia did go to the President, but I doubt it. If the Patent Office had been sent to New York many patent lawyers of the country would have been disqualified to practice under the laws of New York State, but that hardship means nothing to some people. It would have been a gross injustice, and for that reason I am glad it went to Virginia.

Mr. CELLER. Will the gentleman yield?

Mr. MARTIN J. KENNEDY. I yield to the gentleman from New York.

Mr. CELLER. May I say it was due in great measure to the efforts of the gentleman who is now addressing the House and several other Members of the New York delegation, including the gentleman from New York [Mr. FITZPATRICK] and myself, that induced the authorities to bring the Wage and Hour Division to New York and to bring several years ago the Home Owners' Loan Corporation and several other branches of Government up there. The newspapers made no mention of the efforts of the New York City delegation in that regard.

Mr. MARTIN J. KENNEDY. I agree with my colleague. Every Representative from New York City has worked hard on this proposition.

Mr. WILLIAM T. PHEIFFER. Will the gentleman yield?

Mr. MARTIN J. KENNEDY. I yield to the gentleman from New York.

Mr. WILLIAM T. PHEIFFER. I want to make this observation with regard to the luncheon meeting of last Saturday. It happened that I was one of the four Members of Congress from New York City who were present.

Mr. MARTIN J. KENNEDY. By the way, the editorial to which I referred devoted considerable space to the praises of the gentleman. The gentleman deserves the praise and I am glad to bring the matter to the attention of the House.

Mr. WILLIAM T. PHEIFFER. I am glad to hear the gentleman say that. The observation I wish to make is for the benefit of our colleagues who were not present. As my colleague [Mr. FITZPATRICK] will bear me out, every one of us who were present went to great lengths and took great pains in defending the absent Members against the statements and insinuations that they were laying down on the job, or being indifferent.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. WILLIAM T. PHEIFFER. We know full well that the gentleman from New York [Mr. MARTIN J. KENNEDY] who now has the floor, as well as the gentleman from New York [Mr. CELLER] and the other Members of the New York delegation, have been intensely interested in furthering the cause of our home city of New York in this important matter. Within the limitations of time permitted to Members of Congress in these trying days, with the tremendous pressure of work on all of us and the demands on one's time, we know that you gentlemen have been right in the traces along with us. I want you to know that you had friends at court last Saturday and that we did our utmost to make all of these gentlemen from New York realize that. At that meeting there was a fine cross section of the business life of New York and we were glad to have the delegation come down here. We who were present tried to make them understand your viewpoint and to impress on them that you were at the meeting quite heartily in spirit, and that every member of the New York City delegation could be depended on to work hand in glove with us.

Mr. MARTIN J. KENNEDY. I appreciate what the gentleman has to say, but I shall be content to let the record speak for me.

Mr. Chairman, I hold in my hand a letter from T. J. Miley, secretary of the Commerce and Industry Association of New York, thanking me for my work along this line.

I never quarrel with a newspaper and I always welcome fair criticism. I think criticism is necessary, but we should have constructive, intelligent, and impartial criticism, not merely selfish views expressed in sharp language.

Mr. RICH. Will the gentleman yield?

Mr. MARTIN J. KENNEDY. I yield to the gentleman from Pennsylvania.

Mr. RICH. I realize that the gentleman from New York and the other Members from New York City have tried to get everything up there that they can. I think it is probably a good thing that the Government did not move these Government offices to New York because the rents are too high up there. You should not be blamed because you are trying to help the Government. If you will try to keep the Government agencies and offices in cities where there is not such great expense, you will be doing the country more good than anything else you can do. The people of New York should not criticize you because they are complaining about taxes now.

Mr. MARTIN J. KENNEDY. I do not agree with the gentleman's statement as to high rents, because office space in my city is being offered at the lowest rates for equivalent facilities of any city in the country.

I want the record to show that every Member from New York has made some effort during the past 2 years to get Government offices for New York. I should also like to send a message back to this committee, of last Saturday, that they are following a wrong course. Instead of inspiring our membership to greater accomplishments they have had the opposite effect.

I understand that the final decision as to who shall move out of Washington is made by the President because of the human problems involved. Many of the families whose children are going to school and who have built homes in which they have invested their life savings, must be considered.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. MARTIN J. KENNEDY. I have been asked by one of my colleagues to read a resolution that was submitted to

him at the Saturday afternoon luncheon. It reads as follows:

Congress should insist upon the decentralization of Washington at once, ordering the transfer of such departments and agencies not connected with the war to New York City.

The only place that sort of a resolution might be adopted would be at a meeting of the Real Estate Owners Association. Surely no one with the intelligence of a child would offer it in the Congress of the United States.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, to start with, may I say that I regret that I was not able to attend the hearings very generally on this bill? I am pretty familiar with it from past experience and from going over the hearings that have been held, but the members of the committee, headed by the gentleman from Indiana [Mr. LUDLOW] and including amongst its minority members the gentleman from Wisconsin [Mr. KEEFE] and the gentleman from Pennsylvania [Mr. RICH], have covered the ground pretty thoroughly on the floor here.

There are three or four outstanding matters in the bill to which I should like to call your attention. The first item is the one to which the gentleman from Wisconsin [Mr. KEEFE] referred so effectively yesterday, an item of $250,000 for the Bureau of Accounts in the Treasury Department, set up by Executive Order No. 8512. This Executive order delegates duties to the Bureau of Accounts which are a direct contradiction of section 309 of the Budget and Accounting Act of 1921.

Section 309 states:

The Comptroller General shall prescribe the forms, systems, and procedure for administrative appropriation and fund accounting in the several departments and establishments, and for the administrative examination of fiscal officers' accounts and claims against the United States.

The Bureau of Accounts proposes under that Executive order, if they are given this money, amonst other things, to prescribe uniform terminology, standards, and classifications for use by all agencies of the Government, including corporations; and, second, to have all Federal agencies, including corporations, submit periodic financial reports to the Treasury in accordance with prescribed standards.

The foregoing appears on page 113 of the justification.

That is a direct duplication of the work laid down in the law for the Comptroller General and would result, if it were held valid, which I do not believe it would be, in two agencies prescribing the forms and terminology of the accounts which our departments would keep. That is a most ridiculous situation, and must be avoided. The Comptroller General has that job. It is necessary if he is to preserve his independence that he be permitted to retain that job. It is necessary if the Congress is to preserve its independence that it be permitted to see that the Comptroller General does retain that job.

There is no information they cannot get if they want it. I have heard people say that the Bureau of Accounts could not tell what a battleship costs. It is not supposed to. The Navy Department is the agency that is supposed to tell what a battleship costs, and they can tell.

I feel a little more strongly about this matter than do some of the others because I was on the first reorganization committee and heard the report of the commission that was headed by Dr. Brownlow and which included a lot of other men who had not had very much experience in the operations of the Government. I heard them tell how they wanted to take away most of the authority from the Comptroller General and put it into the Bureau of Accounts. A proposal such as this makes me feel that the spectre of Dr. Brownlow is again creeping up on the authority of the Comptroller General. I do not want to see that done. So much for that. I am certain that if the Comptroller General were asked by the Bureau of Accounts or the Budget to prescribe any definite form of accounts that they might want to be kept that was within reason and was intelligent, the Comptroller General would do the job.

There are one or two items in the bill that I think have been treated pretty liberally. I, frankly, think that the Bureau of Internal Revenue has been given more money than it should have been given. It has been given an increase of over $8,000,000. I appreciate the problems they have to face. On the other hand, my own experience with them leads me to the irresistible conclusion that they have absorbed help down there faster than they have been able to train them and put them to work effectively and that this has resulted in a very considerable amount of inefficiency. If they are slowed down somewhat their morale, I believe, would be improved.

I have very grave doubt if the number of inspectors that has been allowed the Post Office Department is justified, but, as a whole, I think the committee has done a pretty fair job in regulating the size of the operations and putting them in line with what the real requirements of the different bureaus and departments are.

This bill actually calls for practically $6,000,000,000, although the direct appropriations are only $1,100,000,000-plus. But the permanent appropriations that run along with it run $4,750,000,000, according to the way it was figured out at the time the Budget estimate was prepared and, currently, I believe they would run a couple of hundred million dollars more than that. It is a very important bill.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield myself 2 additional minutes.

Now, there are some things in connection with the Post Office operations that I think should be called to the country's attention. I am not opposed to air mail, but I do not like to see folks running around telling that the air-mail operation is nearly self-sustaining. You know you pay 6 cents for air mail, and it is handled in the Post Office the same as other mail. A good many times it has a stretch of railroad travel and almost always it has a stretch of truck travel, and when they come to figure up the cost of air mail they do not include any of the ordinary operations of handling first-class postage. They just include the special contracts that are made for flying the mail and credit the whole 6 cents to the receipts. So, really, they give no picture such as a cost accountant would give if he went over the figures. We are a good ways from making it pay. I do not know that we will ever be able to make it pay, but that is no reason why we should not have it, although I just do not like to see the people fool themselves in the matter.

I do not propose to take any further time. I think I have been talking long enough. With what the gentleman from Indiana [Mr. LUDLOW] has said to you and the gentleman from Wisconsin [Mr. KEEFE], I think the record shows a pretty fair picture of what the situations are that are involved in this bill, and I hope, as the bill is read, you will give it your earnest consideration.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, I, too, want to pay my respects to the chairman of the committee, the gentleman from Indiana [Mr. LUDLOW], for the very fine work that he and the other members of the committee have done and for the time and attention they have given to this bill. They certainly deserve credit for the fine work they have done on this bill.

This bill for the Treasury and Post Office Departments, as most Members believe it to be, is for $1,112,926,000. This is an increase of $25,604,000 over last year, but when you consider the testimony of the Treasury Department you will find that they are coming back here for many millions of dollars more for carrying on the work of the Treasury Department on account of the enormous amount of war work that is being carried on, as well as the sale of bonds and things of that kind that enter into the total cost of the operation of the Post Office and Treasury Departments. So the deficiency bills will carry large additional appropriations for the Post Office and Treasury Departments.

As to the permanent appropriations of the Treasury Department we will just take two items which are additional to the amounts I read a few moments ago. For the interest on the public debt they are now asking $1,450,000,000, and we were told that before the year is over they will ask for $300,000,000 additional, making a great increase in the interest paid on the national debt. The unemployment trust fund in this bill amounts to $1,413,351,043. That makes the sum total of the bill at the present time $5,879,000,000, a vast sum of money, and just think, we are taking 2 days' time to put a bill of this kind through. Last week a bill for nineteen billion went through the House in 3 hours.

Let us look at some of the items in the bill. The item for the deficit in the Post Office Department for 1939 was

$40,167,244; in 1940 the deficit of the Post Office Department amounted to $41,358,783; the deficit for 1941 was $26,963,681. Some people think that we are going to have a balanced budget in the Post Office Department this year, but I do not think that will be the case. Let us review for a moment some of the things that have happened in the past few years with reference to the Post Office Department. The question was asked Secretary Walker about the discontinuance of the 3-cent postage. We know that in 1933 the 3-cent postage was placed on letters in order to get $100,000,000 to pay for some of the expenses of government at that time, and that was supposed to be used as a credit to the Treasury, but since that time you have passed so many laws in the Post Office Department that we have used up not only the $115,000,000 but we still were in the red in the Post Office Department last year to the amount of $17,414,000. We asked Secretary Walker with reference to the continuance of the 3-cent postage, and I quote from his remarks:

A continuation of the 3-cent rate is necessary, because if it was reduced to 2 cents, taking the 1940 figures, the revenues on first-class mail would be $110,000,000 less; the postal deficit of $42,000,000 would be increased to $152,000,000. That is for 1940.

Then the question was asked about balancing the budget in the Post Office Department. I do not think we are going to balance it, and neither does Mr. Walker, and I quote from his testimony on page 27 of the hearings:

I do not want to disagree with the estimates, but when it is indicated that we may have a surplus in 1943, I am very dubious, because costs are mounting. Our costs are not reflected immediately, along with our revenues. Our revenues are coming at a high figure, but our costs will not be reflected for 3, 4, or 6 months later.

So that when we talk about getting a balanced budget in the Post Office Department, the Secretary did not think so, and from the results that I have seen in the last 10 years in watching the Post Office Department, and the other branches of this Government, I do not expect that to happen.

Another thing that increases the cost of this bill is the salary increases under the Ramspeck Act, and the new appropriations that are necessary for the Treasury promotions for this year amount to $2,402,949, and for the Post Office Department, $847,221, or a promotion increase amounting to $3,250,170. That is a very large sum, and it is going to be necessary for the taxpayers now to make up this difference because of the increased salaries of the Post Office employees and the Treasury Department employees.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. RICH. I have not the time right now. If I get additional time I shall be glad to yield to the gentleman. I say to the Members of the House that it is going to be necessary for us to buckle up our belts and do something different from what we have been doing. We have to learn to say "No" in Congress, because we are going to be asked and have been asked for all kinds of legislation that means more money, something for somebody back home, and so forth.

Just let me review the legislation that has been passed so far as appropriations are concerned since January 3, 1942. There is the independent offices appropriation bill amounting to $2,100,000,000, than for the airplanes bill you have appropriated $12,556,000,000, $4,000,000,000 the President can give away, and for the Navy you passed a bill in the House appropriating some $19,000,000,000, and I understand it is going to conference now and will amount, since the Senate has had it, to $25,500,000,000. When that bill comes back to the House, certainly some consideration by the House of Representatives ought to be given to the additional $5,000,000,000 added to that bill. Then we have this bill with permanent appropriations amounting to $5,879,000,000, or a total of appropriations since the 3d of January of $46,045,000,000, a sum unequaled in the history of the world by any legislative body in making appropriations. What worries me is whether we are going to be able to stand it. Will we break down financially? Here we are in war, and it is going to be necessary for us to economize, and with the recommendations that have been made to Congress every man here is responsible to cut down these appropriation bills everywhere he can, because, God knows, legitimate criticism now is the best thing that we can do to help win this war, to help our country. Unless we can get that kind of criticism we are lost as sure as the sun rises tomorrow morning.

I cannot help but take the recommendation made by Mr. Morgenthau to the Byrd committee. I would like to have you all read his recommendations which were made on Friday, the 14th of November, 1941, of economies suggested by him, so that eventually when certain bills come before the House you will be able to cut down; many of the appropriations are yet to come before this body. The President, in his address, enumerated a number of items where we could cut down for the year. You should review these recommendations.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman from Pennsylvania 3 additional minutes.

Mr. RICH. I would like to have you take that Byrd committee report and look at the recommendations they have made of a number of things which could be cut out of the appropriations that are going to come before us this year. For your information I am going to read a few of them.

Civilian Conservation Corps, abolished, with a saving of $246,960,000.

National Youth Administration, abolished, with a saving of $91,767,000.

W. P. A., cut down at least $400,000,000.

Farm-tenant program, abolished, with a saving of $7,122,000.

Farm Security Administration, abolished, with a saving of $70,500,000.

The committee also make a great many recommendations for the deferment of public building for nondefense purposes; deferment of Department of the Interior items; deferment of rivers and harbors and flood-control propositions.

You know you will be requested to pass some of those bills. It is terrible, in my judgment, if you even give serious consideration to them; they should be deferred for the duration.

Here you can save a billion dollars. Will you do it? If anyone believes that a billion dollars is chicken feed, just paraphrase Winston Churchill, "Some chicken; some feed!" At $2.50 per bag of 100 pounds, $1,000,000,000 will buy 400,000,000 bags of feed, enough to feed a flock of chickens for 4,000,000,000 weeks, or 76,900 years. I say "some chicken feed!"

Now, just remember that you are dealing with the taxpayers of America. You are going to have placed upon them greater burdens by increasing their taxes. When your people pay their taxes on the 15th of March they are going to find out it is the greatest burden that has ever been placed upon them; but I say to the American taxpayers they have seen nothing yet. Wait until you get through with them this year with new taxes. Then their backs will bend and they will have a difficult time making ends meet. Taxes—more taxes are yours to come.

That is not all. The greatest danger is the bankruptcy of the American Nation. If the American Nation goes bankrupt what good is a 7,000,000 army? What good is a two-ocean navy going to be? What is the use of having all these things prepared to do a job that is necessary to do, that is, to put these yellow-bellied Japs where they ought to be put, if this Nation goes bankrupt? It is your duty and my duty to cut down these expenses all we can, to preserve the security of a nation that is built on a sound financial policy.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Chairman, I tried to get the gentleman from Pennsylvania [Mr. RICH] to yield to me for a question. The gentleman from Pennsylvania speaks about economy and where we can save some money, and he criticizes the Post Office Department for some of its extravagance.

On page 114 of the annual report of the Postmaster General for 1940, you will find according to his report that the Government lost $85,381,026.63 on second-class mail. On third-class mail, $26,291,985.68 was lost.

On fourth class mail $21,809,869.92, or a total of $133,482,832.23.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. FITZPATRICK. Yes; I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I expected my distinguished friend from New York to call attention to second-class mail, as he usually does. I call his attention to Secretary Morgenthau's statement——

Mr. FITZPATRICK. Now, are you going to give me the figures of the Postmaster General, as stated in his annual report?

Mr. CASE of South Dakota. I am going to give the figures in Secretary Morgenthau's statement.

Mr. FITZPATRICK. I refuse to yield for that, because I am giving the facts and figures from the annual reports of the Postmaster General for 1940 and 1941.

In 1941, on second-class mail, the Government lost $83,519,746.30; on third-class mail, $22,325,181.15; on fourth-class mail, $19,092,069.41; or a total of $124,936,996.86.

Should we not stop giving subsidies to the second-, third-, and fourth-class mail and save the taxpayers some money? About a billion dollars has been given away in the last 8 years.

Mr. RICH. If you will put in a bill here, and the administration will foster it, you will find the Republicans will vote for it. I will be the first one to vote for it.

Mr. FITZPATRICK. Amendments have been offered on different occasions, but have always been rejected by the committee.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. FITZPATRICK. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. And from another angle there is something more than dollar values, there are human values not only in life but in government.

Mr. FITZPATRICK. Absolutely; but some of our Members cannot see it that way. I doubt if there is any department in the Federal Government that is handled with more efficiency than the Post Office. In my opinion, the postal employees are a patriotic and loyal group of workers.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, I am sorry my distinguished friend the gentleman from New York declined to yield, for I wanted to give him a little new light from testimony of Secretary Morgenthau during the consideration of this bill in the committee. The chairman of the subcommittee, the gentleman from Indiana [Mr. LUDLOW], had asked:

> But you do not think there is anywhere in the estimate a place where you could cut down with safety?
>
> Secretary MORGENTHAU. I think they have cut it in a number of instances

Then the Secretary called attention to new duties and activities and said:

> Take the item of Defense Savings bonds. It appears we have been running on a shoestring. I mean by that our sales costs are so far extremely low; and if it were not for the wonderful contributions we get from the newspapers the public could not begin to get the information for anything like the cost.

The fact is that the Government is the greatest free rider of any agency in the country that is seeking to reach the public. It puts out press releases by the millions of dollars' worth and piles them on the desk of newspaper editors.

Secretary Morgenthau's testimony is that if it were not for the services of the newspapers they could not begin to get the information on the Defense bond program across as they have What the gentleman calls subsidy of second-class mail is the best investment the Government makes.

And possibly the gentleman noticed the other day that here in Washington 2 or 3 days before the dead line for the acquiring of car use stamps there were 130,000 cars without them; yet the newspapers without a cent of cost to the Government put in a few items about it, and the day following the dead line reported that 190,000 of those stamps had been purchased. In a democracy there is no substitute for the spreading of public information. This Government gets dividends a hundred times over for its encouragement of newspapers.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, may I inquire how the time stands?

The CHAIRMAN. The gentleman from Indiana has 10 minutes remaining, the gentleman from New York 3 minutes.

Mr. LUDLOW. I have no further requests for time.

Mr. TABER. Will the gentleman from Indiana yield to the gentleman from Wisconsin?

Mr. LUDLOW. I yield to the gentleman from Wisconsin [Mr. KEEFE] such time as he may desire.

Mr. TABER. Mr. Chairman, I yield the balance of my time to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, on yesterday I endeavored to indicate the difficulty that confronts the Appropriations Committee in its effort to reduce the expenditures for these two departments of Government. I called specific attention to a number of instances as disclosed by this appropriation bill where the hands of the committee are tied by prior legislative enactments that make necessary the expenditure of much of the money that is proposed to be appropriated. I wanted to call attention to one matter that was brought to the attention of the committee by the distinguished gentleman from Kentucky [Mr. O'NEAL] in his examination of Mr. Purdum. It relates to the compensation paid by the Government for the transportation of domestic air mail. In the Budget estimate in this bill is an item of twenty-three million five hundred and twelve thousand-odd dollars to be used to compensate domestic air-mail companies for the carrying of domestic air mail. The question arises: Is this a fair figure? Is it an exorbitant figure? Or is it an understatement that may result in a deficiency? Could this item be reduced or eliminated? The facts are that neither the Post Office Department nor the Appropriations Committee has any control over that particular item except that the Congress may act in the matter of curtailing the expansion of the domestic air-mail service or curtail the number of domestic air-mail flights. If, however, we want the service and want to see the service expanded we must pay for it, but we have no voice in the question as to how much we shall pay. Congress has placed the responsibility for determining the compensation to domestic air-line companies in the hands of the Civil Aeronautics Authority the same as it has placed in the hands of the Interstate Commerce Commission the question as to the rates that shall be paid to the railroad companies for their handling of the mail. Is it not therefore clear that when criticism is directed at this committee or the Congress because of its failure to reduce these expenditures, a simple survey of the facts indicates that our hands are frequently tied by prior legislative enactments. It should be perfectly clear that the only way this item can be reduced therefore is to have the C. A. A. reduce the rates or eliminate or curtail the service. To eliminate or destroy this fundamental service would be a tragic blow to the effective and speedy handling of the mail. I feel sure that the public who pay the bills for postal service would resist any such proposal.

I want to direct your attention to the fact that the evidence disclosed in connection with the payment of compensation for carrying domestic air mail that Mr. Purdum testified they have tried repeatedly and repeatedly to get the Civil Aeronautics Authority to make a reinvestigation of the adequacy or inadequacy of these rates, and whether or not overcharges are being paid which result in the accumulation of huge profits for the air-line companies carrying domestic air mail. The same comment might also apply to those that are carrying foreign mail in the foreign air-mail service.

The facts indicate that the Civil Aeronautics Authority fixes the rate and, despite the fact that we have had tremendous increases in the number of flights and tremendous increases in the whole transportation of mail by air, the Civil Aeronautics Authority, in my humble judgment, as disclosed by this record, beginning on page 124 of the printed hearings, has failed for a long time to make a proper appraisal of the rate structure under which both the domestic air-mail carriers and the foreign carriers of air mail receive their compensation. It should be directed to the attention of the Civil Aeronautics Authority that they should act in response to the charges that both the foreign air-mail carriers and the domestic air-mail carriers in many instances are fattening themselves unduly at the expense of the taxpayers who are paying the charges for carrying this mail.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HAINES. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Pennsylvania.

Mr. HAINES. May I inquire of the gentleman if he agrees with me that Mr. Purdum has proven himself to be an efficient public servant in connection with his work with that Department?

Mr. KEEFE. My experience as a member of this committee and my contacts with Mr. Smith Purdum, convince

me definitely that he is an efficient, loyal servant of the public, an indefatigable worker, and one in whom I have the highest confidence.

Mr. HAINES. I am very pleased to hear the gentleman say that.

Mr. KEEFE. And what I say on behalf of Mr. Purdum may likewise be said of the other Assistant Postmasters General. I think they are all splendid examples of outstanding Americans who are devoting themselves assiduously to the public service.

Mr. HAINES. The gentleman realizes, of course, that I am a member of the Post Offices and Post Roads Committee, and I have occasion to come in contact with these men very frequently. I am glad to have the gentleman pay that tribute.

Mr. RANDOLPH. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I appreciate the observation just made by the gentleman from Pennsylvania, which is concurred in by the gentleman from Wisconsin now occupying the floor. I simply want to add my own personal appreciation for the services in a governmental agency such as is being given to America and its people by Smith Purdum. He came up from the ranks, and the position he now holds in the Post Office Department is the result of long labor and efficient service and a degree of sincerity equaled by few men.

Mr. KEEFE. I thank the gentleman. May I say further to the distinguished gentleman that for the first time in my experience at least and for many prior years I am advised, the Postmaster General himself appeared before the committee in support of the justifications for the Post Office Department. May I say that I believe the office of Postmaster General is in very safe and efficient hands in the person of Mr. Frank Walker. He demonstrated before our committee that he has a very unusual grasp of the affairs of the Post Office Department, and I believe that that Department will be most splendidly administered under his direction and leadership as Postmaster General.

Mr. HAINES. I am very pleased to have the gentleman make that statement, because I concur in what he has just stated. I was interested in the gentleman's analysis of the air-mail situation. Can the gentleman tell the Members of the House what the deficit really is in the carrying of air mail?

Mr. KEEFE. I do not think we should look upon the charge or an appropriation that is made for carrying the air mail as a deficit. It is simply a payment made to the air-mail companies pursuant to rates that are fixed by the Civil Aeronautics Authority for the carrying of that mail.

Mr. HAINES. Does the record show what the income for carrying the air mail amounted to in 1940?

Mr. KEEFE. I am frank to say I have not those figures before me at the present time.

Mr. HAINES. It is my understanding that the air mail is practically paying its own way.

Mr. TABER. I think I can explain that and I did when I had the floor. You cannot tell anything about it. They have a set of figures whereby they compute the amount of air-mail postage sold and against that they put the payments to the contractors. They do not take into consideration the incidental cost of handling the mail, they do not take into consideration nor do they have a record of the mail that goes air mail under other kinds of postage. You cannot tell anything about it.

Mr. KEEFE. I think the gentleman is absolutely right. As I observed the hearings, it is very difficult to answer a question of that kind due to the complicated method of keeping the books and records.

Mr. HAINES. May I compliment the gentleman on his fine statement and express my thanks for his courtesy?

Mr. KEEFE. I thank the gentleman.

Mr. O'CONNOR. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Montana.

Mr. O'CONNOR. I am mighty happy to hear the complimentary remarks made by the gentleman concerning our Postmaster General, Mr. Frank Walker. I have had the privilege and honor of knowing Frank Walker since he was a young man, as he spent his early manhood in Montana as a lawyer. He is not only a splendid and great citizen, but he is a mighty good lawyer. He went to New York and became a national figure in politics. We, like the gentleman from Wisconsin, are very proud of Mr. Walker. We are also very happy to know that the gentleman from Wisconsin has shown himself big enough to pay a fine compliment to a worthy Democrat and office holder.

I also wish to compliment the gentleman on the very fine things he has said about Mr. Purdum. I have had a great deal of business with Mr. Purdum and have found him to be one of the most capable, honest, and sincere public servants it has ever been my privilege to know.

Mr. KEEFE. I have found in my contacts with these gentlemen in the Department that they are operating a business. The men in the Assistant Postmaster Generals' offices are businessmen and career men. They are managing this agency of the Government. The question of politics, as far as I am advised, does not involve the decisions of these men in directing the affairs of this great business organization. They are entitled to be congratulated upon the efforts they are putting forth to expedite the carrying of the mails and to render to the American people the service the people are paying for.

[Here the gavel fell.]

The Clerk read as follows:

Reimbursement to carriers of deficits during Federal control: For the payment of claims certified to the Secretary of the Treasury by the Interstate Commerce Commission under the provisions of section 204 of the Transportation Act of 1920, as amended by the act of January 7, 1941, covering reimbursement to carriers of deficits incurred during the period of control of railroads by the Government, not to exceed $600,000 of the unexpended balance of funds made available to the Treasury Department for these purposes for the fiscal year 1942 in the Second Deficiency Appropriation Act, 1941, is hereby continued available until June 30, 1943.

Mr. BENDER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Mr. Chairman, I rise at this time to call your attention to several items dealing with nondefense expenditures. I have listened attentively to Members of this Committee on both sides of the aisle discuss this Post Office-Treasury appropriation bill. I am satisfied there is no way of cutting down the expenditures in these two important Departments. If we are to cut nondefense expenditures, I am convinced that they cannot be cut in either of these Departments.

However, there is an important job for the House to do. There are many places where cutting of nondefense spending must be done. We must have the courage to act on the advice of Raymond Clapper.

He had this to say in the New York World-Telegram on December 12:

I found in England that after 2 years of war there was still free criticism of the Government. It was regarded as healthy and stimulating and one of the prerogatives of a free country.

American solidarity behind the war does not mean blind, unquestioning resignation to everything that is done. Our unanimity means that we are all participating in the effort. We are sharing the decision, not merely accepting it.

Last night we heard on the radio a speech of Democratic national chairman, Mr. Edward Flynn, in which he made certain unfair charges and accusations. In contrast to Mr. Flynn's statement, I read an editorial appearing last Sunday in the Cleveland Plain Dealer, a Democratic newspaper. We had the privilege of having as our guest in Cleveland last Friday evening Congressman JOSEPH W. MARTIN, chairman of the Republican National Committee and minority floor leader. This Democratic newspaper, the Cleveland Plain Dealer, commented as follows on Mr. MARTIN'S speech:

The Republican Party's war program as outlined by the party chairman, Congressman JOSEPH W. MARTIN, Jr., in his Cleveland address is one that will be endorsed by every American who believes that the continuation of our way of life is worth fighting for both on the foreign battlefield and in the home sector.

The Republican Party, says Chairman MARTIN, must support the administration wholeheartedly in every measure designed to prevent a totalitarian victory in the war. But it must also fight to arrest any march toward state socialism in America after the war.

The editorial of the Cleveland Plain Dealer continues:

It is unfortunate that the two fights must go on simultaneously.

This editorial is headlined:

Two wars in one.

The editorial continues:

The task of beating the Axis is enormous enough to occupy all our energies and thoughts, and the realization of ultimate victory is almost certain to be delayed by a second conflict at home between those who believe in individualism and those who would subject us to collectivism. Yet, so long as the party in power at Washington tolerates the presence of the collectivists in the Government service, not a few of them in high office, and so long as the President himself does nothing to discourage them from taking advantage of the war to promote their un-American theories, the second conflict is unavoidable even while the war progresses. For, as Congressman MARTIN asks, "What would it avail to win this war and then lose our Government of, by, and for the people?"

This march toward state socialism would be easy to stop were its organizers operating in the open. The collectivists know this too well. They have learned by experience that outright attacks on the American way of life are no go; that the great majority of citizens will not stand for them.

It should be made clear, as Chairman MARTIN makes it, that the fight against state socialism does not in any way involve the necessary war powers of the Government. Military victory cannot be won by debate, as we have learned in every other war. The executive branch must have the ability to act. American democracy has never yet failed to recover the liberties it has given up temporarily in time of war.

The danger lies, rather, in the effort to use the war as an excuse to promote social revolution.

I point to a measure that is coming before us, the "pork barrel" rivers and harbors bill. This morning the Rivers and Harbors Committee met and inserted a provision sugar-coating this pork-barrel program in a manner such as the Cleveland Plain Dealer describes:

If anyone is unaware of how this march toward state socialism is being promoted, let him begin his education on the subject by reading the series of articles in the New Yorker magazine by Alva Johnston concerning the 3-year court battle in which Thurman Arnold attempted to convict the Aluminum Co. of America on 140 counts for alleged violation of the antitrust laws. Johnston shows that while the Government failed to make a single one of these counts stick in court, Arnold got what he wanted through misleading press releases which created the general impression—an impression since promoted by new dealers in and out of office—that Alcoa was guilty of every charge made against it.

Recalling that the fall of France brought some criticism in Congress of continued New Deal persecution of business and a threat of decreased appropriations for those Government bureaus engaged in this persecution, Johnston continues: "This threat caused some quick thinking. The same threat hung over certain other Government agencies which were considered luxuries of peace times. They all met it the same way; they found they were essential to national defense. Every bureau in Washington did itself over in war paint. When the blast of war blows in the ears of a bureaucrat, he imitates the action of the tiger; he stiffens the sinews, summons up the blood, and fights like mad for more appropriations.

"Arnold discovered that the way to whip Hitler was to attack more American industries. He asked Congress for extra money so that he could sue and sue and sue until Hitler cried uncle."

President Roosevelt is quoted as saying that there are too many unneeded persons in Washington, and he urges everyone in the Capital to ask himself, "Are you a parasite?" The President's point is well taken. But he himself could help alleviate the crowded condition in Washington by abolishing many of the bureaus and agencies which are not needed to win the war, especially those who continue to promote the war against the American way of life.

They are the true parasites in Washington. So long as they remain, the Nation cannot be united as it should be for the greater effort. So long as they remain, we are in danger of losing the very thing we are fighting for in Asia and Europe and off the coasts of America.

I might comment here that it is important for Members of the House to watch this process in Washington where some of these nondefense bureaus are doing themselves over in war paint and labeling themselves as defense agencies when, in reality, they have no relation to defense, similar to many of the projects contained in the rivers and harbors bill that will be up here for consideration within 2 weeks' time. These projects will be labeled as defense projects, and they have absolutely no relation to defense.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield.

Mr. TABER. I am wondering if the gentleman would consider the appointment of Melvyn Douglas to the O. C. D. to teach civilians to dance a part of the defense program.

Mr. BENDER. The question of the distinguished gentleman requires no answer. You can use your own judgment.

Mr. PLUMLEY. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I do this for the purpose of saying briefly what I think about certain things that are being done. I think neither the time nor the occasion nor even the situation in which we find ourselves justify a violation of the fundamental law of this land by the Treasury Department of the country. There is no authority in law to be found, so far as I know, which justifies the appointment of 48 State administrators for the sale of defense stamps and bonds at salaries ranging from $4,600 to $8,000 per, to say nothing about the organizations necessary to be set up to make the work of these State directors effective. The sad part of it is that the Treasury Department has been compelled, as it has thought, or else there can be no scintilla of justification, to adopt this method and this program by reason of the complacency and the indifference of the American people in this, their time of greatest peril. The American people should hide their heads if the action of the Treasury Department was and is made necessary because of their dereliction of patriotism. I am not so much here this minute to criticize the violation of the law—and it should be criticized—as I am to find fault with the American people who will not wake up to what confronts them.

I do not like this way of doing business. Freedom is not to be measured in dollars. The liberties the people love are lost unless they realize the price they will have to pay. The cost should not be amplified and magnified by setting up a host of paid solicitors to raise funds to save the people at their expense.

Mr. REES of Kansas. Mr. Chairman, I move to strike out the last three words and ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Chairman, in discussing this huge appropriation of $8,000,000,000 for the Treasury and Post Office Departments, a number of Members have agreed there should and must be curtailments made in nondefense expenditures. Then it is said it seems to be too difficult to do much about it insofar, at least, as expenditures in the departments are concerned.

I think something can be done about it, if this Congress has the courage to do it. We can reduce these expenses and we can reduce employment in a number of these bureaus and departments, so these employees may be transferred to positions where they are needed in carrying on our war effort.

Mr. Chairman, I suggest the Appropriations Committee, composed of 40 of the leading Members of this House, appoint a subcommittee of its group, to investigate and examine every department of government, not directly connected with those engaged in the war effort, with a view of eliminating, coordinating, and consolidating wherever it is possible to do so. The bureaus and departments will not make an effort to do it. They have not done it in the past to my knowledge.

I feel very sure that if the situation were gone into carefully, at least 10 to 15 percent of our 200,000 employees could be transferred from nonessential jobs to places where their services are needed. We could save the employment of twenty or twenty-five thousand new people who are likewise needed in other places. We could do away with a lot of services that we do not really need right now. For example, every department has its publicity bureau or agency. Part of it is all right and needed. A great deal of it is unnecessary. You could save that labor and save the material. One of our Members estimated a few days ago that about 90,000 tons of paper would be used in Washington in the next year. You know that a great deal of the material, not all of it of course, is never used. I think you could cut out a third of it and hardly miss it. The material and labor on this item costs millions of dollars annually. Some of the printing is pretty extravagantly done. Surely a good part of it is not necessary right now.

Mr. Chairman, after all this committee and this Congress should have hold of the purse strings. The people of this country are being asked to save and to economize. Why not apply a little more of that principle in the management of our Government, and get in line so we can provide more support, more material, more money, and more effort in the prosecution of the war where it is so much needed?

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. Certainly.

Mr. KEEFE. I take it the gentleman is familiar with the fact that such a committee is at work right now and is holding hearings every day. The distinguished gentleman from New York [Mr. TABER] appeared before this committee this morning, and the opportunity is open to any Member of Congress, including the distinguished gentleman from Kansas, to come before that committee and offer suggestions for the reduction of nonessential and nondefense expenditures. The gentleman is a member of the Civil Service Committee, which reported in the civil-service bill. Does the gentleman realize that in this bill there are millions of dollars of additional appropriations required to pay the automatic promotions that are provided for by the bill that passed the Congress which was brought before the Congress from the gentleman's committee, and that the Committee on Appropriations has no control over the question at all and must make the appropriations in conformity to the substantive law passed by the Congress? The gentleman must realize, I am sure, when he is inferentially critical of the work of the Committee on Appropriations, that that is a matter that must be handled in the gentleman's committee. I suggest to the gentleman if he wants to accomplish reduction in appropriations that he introduce legislation to change the substantive laws that direct and determine the amount of appropriations. The Committee on Appropriations is not organized for that purpose and would be severely criticized by the Members of the House if it attempted to usurp the prerogatives of the legislative committee.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. REES of Kansas. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. REES of Kansas. Mr. Chairman, I appreciate the statement of the gentleman from Wisconsin, but let me say first, that I shall be glad to appear before the committee he has in mind. I assume he refers to what is known as the Byrd committee. That committee has been doing a lot of commendable and constructive work. Also, let me say that I did not support all of the provisions in the bill to which the gentleman refers, and that I am one of the few members of that committee who opposed increases in payments to the high-salaried groups. I am also one of the members of that committee who opposed the bill which, among other things, provides for the retirement of Members of this Congress, and who opposed the same kind of legislation when it was considered by this House 2 years ago. If the distinguished gentleman from Wisconsin will lend his support and have the courage to go along with me and help to strike from the legislation passed the other day the provision which gives to Members of Congress the opportunity of retiring under the retirement bill, I shall appreciate his support, as well as the support of other Members of this body. I agree with the gentleman that we have on many occasions through various committees submitted reports and passed legislation, and that the Committee on Appropriations has felt it should approve in carrying out such legislation, and I do say to him that we have thousands of men and women who are now in the Government service who are performing some service, perhaps worth while, but in my judgment unnecessary in these crucial times.

The thing that I am asking the committee and the Congress to do is to make a careful and systematic study of every department of government, not definitely related to our war effort, and reduce the expenses and the personnel to the very limit. All employees that are qualified can be transferred to the departments where their services are needed. It will save the necessity of employing thousands of new additional employees and will work for a little economy in government.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, it is my privilege to be a member of the Byrd committee, which is trying to find nonessential governmental expenditures which might be eliminated. It does not make any difference whether they are labeled "defense expenditures" or not. If they are not essential, we are trying to find them out and point them out.

We are holding hearings practically all the time. I have run onto quite a lot of things in connection with that and other things. I think some of the worst nonessential rackets that we have bear the fraudulent label of "defense." A little while ago I found out that the engineering and overhead expense for putting up a defense housing unit which cost $4,200 was $613, or 14 percent, when a private builder would not think of paying more than 6 percent to an architect, and if he were building mass units of the same kind he would not pay more than 4 percent.

Now, do you tell me we cannot save money on that kind of a set-up?

Then, in connection with the defense outfits, in connection with the Government real-estate operations, you can go into the same community and you can find administering and looking after Government real estate the H. O. L. C. with a separate set-up; the Farm Security Administration with a separate set-up; the United States Housing Authority with a separate set-up; the Federal Works Administration with a separate set-up. I presume quite a lot of other outfits. You cannot tell me that all those things should not be consolidated and that we should not get rid of the unnecessary real-estate agents who are on the Government pay roll.

I think we ought to begin to realize that there must be some coordination of these Government activities so that we can get rid of some of that useless spending of Government money.

Mr. CRAWFORD. Will the gentleman yield?

Mr. TABER. I yield.

Mr. CRAWFORD. In connection with some of these expenditures, on Sunday afternoon I took the time to go out and walk through some of these little homes being built up near the naval testing basin on Conduit Road, where they are putting up scores of these defense-housing units. I find that on those temporary buildings they are using copper pipe for all the plumbing. As scarce as copper is, with our going into South America and doing what we are there to get copper, we still put copper pipe in a little temporary defense-housing unit around Washington, when galvanized pipe would last for 15 years and serve the same purpose.

Mr. TABER. Then the O. C. D. this morning hired a moving-picture star to teach dancing to the civilian population. That is a great accomplishment for defense, is it not? Do you not think that is an item that could be dispensed with and gotten rid of? We must begin to show some interest in protecting the Treasury of the United States. If my boy or your boy is called, he goes into the trenches. What is the matter with these dancers going into the trenches?

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, while we are talking about savings and some of the unnecessary expenses of government, let me recall some of the economics of an earlier day. I live in the country, when I am at home and am proud of the fact that I have always followed what I was taught as a little boy, to save part of what I earned, to put my pennies in the bank. I was taught that if I had a penny I did not know what to do with I should not waste it but should put it in the little bank on the mantlepiece. When you save 100 pennies you have a dollar. This philosophy should have a forceful appeal to Members of Congress, even though today it seems threadbare, outworn, and is so frequently cast to the winds. But we have got to get back to the old days when we counted every penny. We must cut out waste—the greatest item of thrift for our Government today.

I hold in my hand a beautiful pamphlet about 9 by 12 inches in size, luxuriously designed, a work of art, about 70 or 80 pages in length. It is labeled "A Challenge," and is produced and distributed by the Office of Production Management. It is one of the most picturesque and expensive pieces of printing I have seen in a long, long time. It came to my office about 3 weeks ago.

I quote a sentence from it:

> Every top executive of a defense plant faces this challenge: Get out production on time with the smallest possible waste and no sacrifice of quality.

Every plant executive certainly knows that and is so doing. Look through this pamphlet, read it, and you will see it is full of material we were taught in primary school years and years ago. It is just a primer, but it is made up for the working executives of the United States. It is beautiful, of fine paper, printed in large type, and only on one side of the paper.

If ever there has been a waste of the American taxpayers' money I think this is it. I feel that those responsible for this booklet ought to be taken off the Government pay roll.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. THOMAS F. FORD. Does the gentleman realize that the officers and executives in O. P. M. are selected from amongst the best executives of the Nation, selected because of their accomplishment and ability? Is the gentleman going to question the judgment of the top flight business executives of the United States?

Mr. RICH. I will say in fairness to Mr. Donald M. Nelson that this publication was put out before he was placed in charge of war production; but if this is an example of the productive ability and capacity of the top flight men in O. P. M., then God save America, from the O. P. M. if we have to depend on them to win this war, for they will never do it in such waste and extravagance as this example of printing.

I challenge any Member of Congress, I care not who he is, to show that this is a wise use of Government funds, that it is an essential expenditure. If it is so held I believe that eventually the people of the country will rue the fact we have men of this character trying to conduct the affairs of Government.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

This is my favorite topic, "expenditures of the Government." I am glad to see the gentleman from Missouri [Mr. COCHRAN] here. I have not bothered him lately, but now I am about to demand that the majority side of this House investigate themselves a little. On war measures, let us vote without talking; the minority will be with you. But I want to say to the gentleman from Missouri [Mr. COCHRAN], who really still acts as chairman of the Committee on Expenditures, that I congratulate him in that he has quietly done some good work—very quietly. He takes matters up with the Comptroller General. But on the floor of the House he must not let his own party feel that he is meddling or trying to investigate any odorous matters. I want to say to him, however, that when the gentleman from Kansas [Mr. WINTER] makes a speech such as he made here the other day, that the Committee on Expenditures better get busy. I have asked for 30 minutes day after tomorrow, as I have a recital to make about the unemployment racket which is getting such headway and which needs to be uncovered and checked. These are not war measures, and there lies a duty on this side of the House to watch appropriations, and because the majority will not investigate their own expenditures.

Mention has been made of Melvyn Douglas and men of similar qualifications regarding their appointments to places in Washington. They are appointed because someone in high authority or sitting in high places whispers, "We want you to appoint this one or that one." We know where the suggestions come from. Those who have the power of appointment must listen to suggestions from such sources.

In closing, I want to say to the gentleman from Wisconsin [Mr. KEEFE], perhaps we are tied down with laws that have been passed and failed to repeal. The Appropriations Committee must necessarily keep on appropriating. How about the tremendous number of Executive orders setting up agencies which are carried on by blanket appropriations given to the President? Why make them permanent? Let us be watchful as to making them permanent institutions.

You have final control of the purse strings relating to agencies set up by these Executive orders. Why do we not immediately repeal that Silver Act? Why have you an appropriation in this bill to buy silver when the Treasurer of the United States himself wants you to repeal the act? Do you still feel that you have to appropriate money for this purpose? Perhaps you are obliged to appropriate a little. There is little justification for any great appropriation to buy more silver. It is acknowledged to be a foolish proceeding. Often have I spoken in condemnation of that Silver Act. Of course, new Members do not know that. Some of us older ones have complained much about many such foolish things in the past. But every time we criticize anything or anybody, someone on the majority side of the House must necessarily rise and defend. Only the President can force action from this majority. When we demand an investigation of anything, a letter is sent to the department involved, and the reply comes back, "Everything is all right." Then you get up the next day and move that our request be laid on the table. The futility of it all! But let us continue our protests. It is our clear duty.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, my good friend from Massachusetts seems to be unable to realize I am no longer chairman of that committee, but I admit I do take an active interest in it. I have repeatedly told the gentleman from Massachusetts that if he will lay before the committee any evidence which warrants an investigation, I will vote for the investigation. I have told other Members of the House the same thing. A Member on the Democratic side came to me the other day and showed me a resolution and wanted to know if I would support it. It provided for a select committee to investigate a Government agency. I told him, "No; that is a duty of the Committee on Expenditures." I told him further if he would come before the committee and place facts before that committee which warranted an investigation and not a fishing trip, I would vote for the investigation. He never came before the committee. He never wrote the chairman. But he did go to his own committee, the Committee on Agriculture, and caused a subcommittee to be appointed to make the investigation.

Mr. GIFFORD. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. Does the gentleman think there is reason enough for an investigation after the speech of Mr. Winter that was made the other day?

Mr. COCHRAN. I did not read the speech the gentleman refers to, but I will.

Mr. GIFFORD. I may have to take back my compliment that the gentleman is watchful. I am amazed that a speech like that could possibly have escaped the gentleman's or anybody else's attention on that side of the House.

Mr. COCHRAN. We only have 24 hours in a day, and it is impossible to read everything that goes in the RECORD and still get sleep which is more necessary. I know I cannot do it, especially everything put in the Appendix of the RECORD. My good friend from Pennsylvania [Mr. RICH] got tired of rising here and calling attention to filling up the CONGRESSIONAL RECORD with matter that does not belong in it. They do not get anywhere. Even though he is a member of the Committee on Printing he never brought out a resolution prohibiting us from putting newspaper articles, and so forth, in the RECORD.

Mr. RICH. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. If I can get a little bit of help from that side, I will still try it, but until I can get some help there is no possible chance to cut down the RECORD.

Mr. COCHRAN. I will give the gentleman a little bit. I will vote with him.

Mr. RICH. Let us—you and I—then, stand up here every day and stop a lot of it.

Mr. COCHRAN. I have been stopping enough legislation here. I have too many Members on my back now. Let some of the other Members get up and follow my example of stopping some of these bills. I helped stop a $40,000,000 bill the other day and it was defeated.

Mr. GIFFORD. The gentleman is very watchful over the Indians, but may I say it was well advertised that the gentleman from Kansas [Mr. WINTER] was to speak, and it was on the calendar for several days. He spoke from the Well of this House and it caused a good deal of foment. It was in regard to a very important matter. I cannot imagine how it escaped the gentleman. He is acting chairman of this committee.

Mr. COCHRAN. I am not acting chairman at all.

Mr. GIFFORD. Oh, yes; you do all the acting.

Mr. COCHRAN. What kind of an actor am I?

Mr. GIFFORD. The gentleman is very effective with little things, but how he does protect his party on the big things. He is one of the most able men we have, and one of the most loyal men in his party. He is a safe chairman for that committee, or, rather, acting chairman.

Mr. COCHRAN. If I were like the gentleman from Massachusetts, especially able to play the piano and sing, I think I would be out in Hollywood instead of here.

Mr. GIFFORD. Does the gentleman mean to convey the thought that playing the piano is something that should be deprecated? Is it something against me?

Mr. COCHRAN. Oh, certainly not; I commend the gentleman.

Mr. GIFFORD. At least I could keep in tune and I could attempt to strike the right keys to tune in with the gentleman when he gets ready to act.

Mr. COCHRAN. The gentleman from Massachusetts and I have been on that committee ever since it was organized. I was chairman of the committee during the last 2 years of the Hoover administration. Despite the demand made upon me by my side of the House when we were in control, I adopted the policy then that before I would be willing to have an investigation somebody would have to lay something on the table. With one exception, during those 2 years, when Mr. Hoover was still in the White House, there never was an investigation of his activities by that committee, because nobody brought facts before the committee that justified an investigation.

Mr. GIFFORD. Did not the gentleman say, "when they laid this thing on the table"? He is the man who lays everything on the table.

Mr. COCHRAN. Only once in a while, when I think I have something in hand to back it up.

[Here the gavel fell.]

The Clerk read as follows:

Recoinage of silver coins: To enable the Secretary of the Treasury to continue the recoinage of worn and uncurrent subsidiary silver coins of the United States now in the Treasury or hereafter received, and to reimburse the Treasurer of the United States for the difference between the nominal or face value of such coins and the amount the same will produce in new coins, $350,000.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I call the attention of the Members to a statement of Mr. Graves, of the Treasury Department, appearing on page 279 of the hearings:

Mr. LUDLOW. If I understood Mr. Morgenthau correctly the other night, I think he said that the proceeds from these bonds now topped half a billion dollars per month.

Mr. GRAVES. It was about $528,000,000 for December.

Mr. LUDLOW. That was the peak so far?

Mr. GRAVES. Yes, sir; that was the peak so far.

Mr. RICH. If you take the statement of January 1, you will be in the red about $7,500,000,000—

I assume the gentleman from Pennsylvania [Mr. RICH] meant the deficit from July 1 down to that date.

Mr. RICH. That is right.

Mr. CRAWFORD. The gentleman from Pennsylvania [Mr. RICH] continued:

How will you finance the Government from now until June 30?

Mr. GRAVES. In the open market.

Mr. RICH. Through banks?

Mr. GRAVES. To the extent necessary to supplement revenues and the borrowings through Defense Savings bonds, we will go to the banks for it.

Mr. Chairman, I think the record will show that about January 29, 1941, when the Secretary of the Treasury appeared before the Committee on Ways and Means requesting an increase in the debt limit on interest-bearing debts from approximately $49,000,000,000 to $65,000,000,000, the Treasury at that time asked for permission to issue certain types of defense bonds to the end that it would be unnecessary to go to the commercial banks for the purpose of finding a home for the new issues that were to be put out by the Treasury. I think you will find his testimony that day was to the effect that we should not place in the commercial banks any additional Defense bonds. I believe the record will also show that from time to time since that date the Secretary of the Treasury and the Board of Governors of the Federal Reserve System have repeatedly pointed out the dangers of our further placing in the portfolios of the commercial banks the new securities we must issue from time to time in order to finance the war operations.

Mr. Chairman, it seems to me that the Congress of the United States, the Secretary of the Treasury and his entire personnel, and the Board of Governors of the Federal Reserve System, are falling down in their duties in not pointing out to the people of this country the tremendous inflationary forces we are developing in this country through our failure to buy more of these Defense bonds and to pay more taxes, thereby making it unnecessary for the Secretary of the Treasury to sell the new issues to the commercial banks. It seems to me that during the next 18 to 24 months the Treasury will have to issue approximately $90,000,000,000 of new securities in order to finance the war program, based upon the present concept of war operations.

As the indicator now points, we may have to place between $30,000,000,000 and $45,000,000,000 of these new issues, or, roughly, 50 percent, in the portfolios of the commercial banks, expanding demand deposits accordingly, thereby adding fuel to the fires of inflation which inflation the Price-Control Act is supposed to prevent.

I am surprised to see this direct admission on the part of Mr. Graves of the Treasury Department now boldly made to the effect that the Treasury intends to sell to the commercial banks, or, let us say, to the 12 Federal Reserve banks, and the members of the Federal Reserve Banking System which are primarily commercial banks, whatever is necessary to sell over and above what is contributed in the form of taxes and, what I believe to be the measly amount of defense bonds purchased, since the $528,000,000 sold in December seems to be the peak we have reached in any one month. Considering the obligations we have assumed and the dangers we have invited, this monthly quantity purchased is to me, a contemptible small performance.

With the most staggering financing program ever faced by any Federal Treasury unusual developments will occur in the near future. This is February 3. The Congress is authorizing appropriations in single bills running as high as $25,000,000,000. The Government will spend in the immediate months $90,000,000,000 to $100,000,000,000 to apply on cost of war. Wage and salary pay rolls are running about $12,000,000,000 higher than a year ago. No definite tax proposal has yet been presented to Congress. A vast army of high-priced market men is being brought together for purpose of inducing people to purchase defense bonds—but, public is not responding to this call in proportion to the need. The Treasury has, from time to time, spoken relative to a withholding tax applied in such a way as to absorb more or less of the earnings of industrial workers benefiting through wage and salary increases as a result of Government spending. But, this is an election year and such a tax approach is not palatable to the politicians. Accordingly, there is great hesitancy on the tax approach. At the same time the public occupies a difficult position in attempting to allocate a certain percentage of individual annual incomes to the purchase of defense bonds before knowing what the individual Federal tax liability is likely to be. We hear rumors of a withholding tax, a pay-roll tax, higher excess-profits taxes, less normal taxes, higher surtaxes, and a sales tax; and, about enforced savings to be invested in war bonds, together with taxes in the form of deferred wages to be paid in the post-war period, and a deferred rehabilitation reserve fund to be used in the post-war period and built up through forcing corporations to make the necessary contributions at the present time. Mr. Roosevelt's plans for the expenditure of one-half the annual income per annum on the war effort will, it is reasonable to assume, strain the Nation's industrial capacity to the utmost. Even if taxes are increased sharply the expenditures as now planned will rise more rapidly. We can safely assume that the maximum tax burden applied will provide no more than one-half of the total of Government outlay. So, it appears the Government must soon borrow from someone no less than $2,000,000,000 monthly.

Excess reserves are declining; heavy withdrawals from the banks of currency continue; and this will contribute to further decline in the excess reserves. The direct interest-bearing debt of the Government is to be doubled. Beginning July 1, 1942, it appears the Treasury will have to dispose of approximately $3,000,000,000 of securities monthly. Now, if the social-security contributions accommodate, let us say, three and one-half billion dollars per annum; and, let us say, sales of defense bonds reach $12,000,000,000—who is to buy the remaining $20,500,000,000? Apparently these will have to be sold to insurance companies and other corporate investors, including commercial banks and perhaps the Federal Reserve banks. Altogether we face a considerable problem. Under such circumstances, what real value can be attached to observations made by the Secretary of the Treasury with reference to the likelihood of no action being taken to tax now partially tax-exempt Government securities? The war will have to be financed, and bankers and others so directly interested should, as far as possible, comprehend the entire problem and draw their own conclusions as to what steps will be taken to meet the emergency when it arises.

If you will permit me to express a personal view, it is to this effect: This is an election year. Congress will be reluctant

to proceed too aggressively against the voters, and so will the entire administration. There is less political liability in taxing corporations as against individuals. There is less political liability in taxing State and municipal issues as against industrial pay rollees. There is less opposition to having the Federal Reserve System purchase obligations direct from the Treasury than in forcing citizens to purchase defense bonds. Finally, who, in terms of numbers, will oppose the taxing of presently partially tax-exempt Government bonds when the individuals must necessarily be burdened with brutal taxes? I say, Mr. Chairman, we can better afford to purchase a much greater amount of defense bonds and pay far greater taxes than to cram additional billions of dollars' worth of war bonds into the portfolios of the commercial banks and take the consequences hereafter.

Mr. LANHAM. Mr. Chairman, I rise in opposition to the pro forma amendment. I do this, Mr. Chairman, for the purpose of getting some information with reference to a matter concerning which I have spoken several times on this floor in years gone by.

In every appropriation bill that comes to us and in many other bills we see provision for rather large sums for printing and binding. Judging by even the limited amount of the output of printing and binding that comes across the desk of a Member of Congress, it seems to me there is an opportunity for quite a bit of reduction in our nondefense spending by looking more carefully into unnecessary printing and binding, also in avoiding duplication in what is made available through the printing press.

May I inquire, if the figures are available, how much the Government is spending on an annual basis in the various departments and agencies for printing and binding? I do not know whether any member of the Committee on Appropriations can give this information, but I think it is something we might well look into. I believe a great deal of this printing and binding can very easily be eliminated without any detriment to the service or to the promotion of our national defense.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Pennsylvania.

Mr. RICH. Every appropriation bill that comes before the House has in it an item for printing and binding. Every department of the Government is after all the money it can get for that particular purpose. There is a continuous fight in the Appropriations Committee to keep these amounts down. I do not know how you are going to keep them down unless you change a lot of laws and compel the Secretary to limit to the very minimum the amount you are going to grant them each year for printing and binding.

Mr. LANHAM. Attention has been called on this floor many times, by various Members, to useless publications that involve expense to the taxpayers of this Nation, and I think the Appropriations Committee, if they are not able to give us the figures now, should make a computation of the annual sum we are putting into printing and binding and see if we cannot do a little nondefense saving along that line. The mere fact that the figures are not available as to how much we are spending annually in this respect indicates it is worthy of inquiry.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Tennessee.

Mr. GORE. I cannot tell the gentleman how much is being spent for this purpose, but I did notice in the paper that the largest item of freight out of the city of Washington was wastepaper.

Mr. LANHAM. I fancy the sum we expend annually is rather a staggering one.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from New York.

Mr. TABER. The gentleman will find that the direct appropriations for this particular purpose would run easily to $50,000,000, but the indirect appropriations would be way beyond that amount, being items which you could not cover. You will find a very large percentage of this propaganda that goes out is mimeographed or printed on Government-operated presses in the Departments, with some kind of multigraph machine or something of that sort, and it is absolutely impossible to trace the cost of those operations or the employees who operate them.

Mr. LANHAM. It seems to me the expenditure of a very small sum of money in an investigation of this matter, if the expenditures in the aggregate are so large, would certainly result in quite a saving in eliminating duplication and avoiding unnecessary printing and binding.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Not only should we save the money and reduce expenditures, but paper has become a strategic material, and we are going to have an enormous paper shortage in this country. This material is just being wasted by the carloads.

Mr. LANHAM. And, furthermore, we might find that some are employed in such printing who are not necessary and their removal would reduce the housing shortage in the District.

[Here the gavel fell.]

Mr. MAHON. Mr. Chairman, I move to strike out the last three words.

I think there is a great deal of merit in what the gentleman from Texas [Mr. LANHAM] has had to say regarding Government waste in printing and binding, but I think it should be pointed out that if we should completely eliminate Government expenditures for printing and binding we would not be able to make appreciable cuts in the appropriations which are made. It is my impression that the total amount of Government money spent annually for printing and binding in all the Government agencies does not exceed $15,000,000. So, after all, while it is a vitally important factor, it is not one of the major expenditures of the Government.

Now, in regard to this particular bill which carries an appropriation for the Bureau of Internal Revenue, we must remember that millions of additional forms are being required at this time on account of the change in our revenue laws, and it might be well to point out that in the Bureau of Printing and Engraving, which is carried in this bill, innumerable bonds and other Government securities are being printed at this time, all of which are required. The committee has done what it could to seek to eliminate useless printing and binding, and I am compelled to say that a lot of it is useless, and I would like to join with the gentleman in doing everything possible along the line suggested by the gentleman.

Mr. LANHAM. I thank my colleague. I may say that I was not directing my criticism to any particular item in this bill. I know there are agencies of the Government that necessarily require a great deal of printing, but there are a great many publications that come across our desks that are absolutely useless and futile, and we do not see half of them, I am sure.

Mr. MAHON. Yes, I am sure that is correct, but I doubt if printing and binding is more important to any agency than the Post Office and the Treasury Department, and probably there would be a greater likelihood of cutting that figure in other departments. I think we ought to make every effort to cut wherever we can. The gentleman from Texas [Mr. LANHAM] has previously pointed out the wasteful practices of the Government in printing and binding and he is to be commended for again raising this important subject.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, a week or two ago I had occasion to make some observations on the expenditure for printing and binding. The matter came to my attention because I had been observing in the newspapers that the school children of Washington and other localities in the country and the Boy Scouts have been collecting waste paper to supplement a school fund out of which they might stage an entertainment, or buy a flag, or add a few books to their library. From their frugality and diligence we might well take a lesson. It was stimulating enough, at least, for me to assemble some figures, and I discovered, after getting some figures—and I direct this particularly to my friend from Texas—that the use of paper for the calendar year 1941 will probably exceed 203,000,000 pounds. This includes the overrun, it includes the purchases of the Government Printing Office, and the cut sheets that are used for multigraphing and mimeographing, and other purposes, in the executive agencies of the Government. That means that there will flow between the departments and out of Washington 100,000 tons of paper in the course of a single fiscal year. When you talk about paper being a critical material, indeed we may, as charity, begin at home, and clean our own skirts a little bit in the matter of wasting paper. Obviously there are forms, statements, reports that

are absolutely necessary in the functioning of agencies of government, but I doubt very much whether all these ornamental, highly colored publications and reports and specialties and novelties on gloss paper and otherwise are entirely justified.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. MAHON. I wonder if the gentleman has any information as to the proportion of this paper going out of Washington, on Government business of one kind and another, and how that amount compares with other cities in sending out vast volumes of printed material, like catalogs, newspapers, and so forth.

Mr. DIRKSEN. I have no comparative figures, but the 203,000,000 pounds I refer to are the purchases of Government paper, and that means over 100,000 tons. Surely somewhere along the line we ought to be able to economize. Two or 3 years ago I discovered a little item in the report of the Government Printer, that the last copy of the CONGRESSIONAL RECORD 3 years ago, after the session had come to a conclusion, required 38 tons of paper. Surely in our extensions of remarks we might be a little more circumspect, and see that everything is not put into the CONGRESSIONAL RECORD, and in similar fashion, the agencies of Government that are promiscuously sending out circulars, brochures, pamphlets, dodgers, and everything else could suppress some of that information and space it so that there would be a generous saving of paper.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. KEEFE. The gentleman, as other Members of Congress, has recently been furnished 400 copies of the agricultural yearbook, weighing approximately 5 pounds per book, meaning that each Member of Congress gets a ton of paper, to say nothing of the printing and the high-grade paper at that, to distribute promiscuously about the respective districts. Does the gentleman not think that in the interest of economy, with this Nation now at war, we could dispense with the future publication of that big book, at least for the duration?

Mr. DIRKSEN. Certainly there are some things with which we could dispense for the time being. I went to the trouble in the consideration of the independent offices appropriation bill to total the discoverable printing and paper items, and as I remember it now, it was in excess of $1,100,000, and for the Department of Agriculture it will run well over $1,000,000 in a single year. That may give some basis for an estimate of what the expenditure is in the purchase of paper, and that does not include the employees and specialists who decorate that paper with the English language to make it palatable.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. DONDERO. Following up the suggestion of the gentleman from Wisconsin and the gentleman from Illinois, I doubt that any Member of this House can or should read more than 10 percent of the Government publications that come across his desk.

Mr. DIRKSEN. No. I think it develops a bad reading habit. We become what in literary parlance is known as skimmers. How can you do otherwise, unless you chuck everything into the wastebasket? Otherwise you must skim the headlines so that you may not miss something that is worth while before throwing it into the wastebasket.

Mr. COFFEE of Washington. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. COFFEE of Washington. Did I understand the gentleman to say that the amount of paper purchased amounted to 203,000,000 pounds?

Mr. DIRKSEN. Two hundred and three million pounds is the estimate for the current year.

Mr. COFFEE of Washington. I think the gentleman's arithmetical computation is wrong if he thinks that will amount to 100,000 tons.

Mr. DIRKSEN. The computation is correct. It is more than 100,000 tons. At least 203,000,000 pounds of paper, and that figure I got from Mr. Wold, who is an authority.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

CREATED MONEY TO PAY COST OF WAR

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Michigan [Mr. CRAWFORD] brought to our attention a very interesting question, that is, the extent that the Government expects to go in this emergency in having the private commercial banks create money for the purpose of paying the cost of the war.

BANKS CREATE MONEY

No informed person can dispute the fact that commercial banks, that accept deposits, when they buy Government bonds, create out of thin air the money with which to buy those bonds. No informed person will dispute that fact. Everyone who has ever studied the question admits it and acknowledges it.

IF MONEY TO BE CREATED, GOVERNMENT SHOULD CREATE IT WITHOUT INTEREST

So the point is, if money is to be created for the purpose of paying the cost of this war, should the people and the taxpayers and the Government pay private commercial banks to create the Government's own money, when that privilege is exclusively the Government's under the Constitution of the United States, and the duty rests upon the Congress to see that it is complied with?

BILL PROPOSED TO STOP SOME INTEREST PAYMENTS

May I humbly invite your attention to a discussion of that subject which is in the RECORD of February 2, 1942, which came out this morning, on page A324 It contains a discussion of a bill which I introduced some time ago providing for the Federal Reserve banks to advance the money on Government non-interest-bearing bonds for the purpose of paying the cost of this war. Every person who has given this question thought, I believe, will say that this national debt, at the end of the emergency, if it continues as long as we expect it to continue, will certainly be around $150,000,000,000, including our present debt, if not more than that. If we pay 4 percent interest on that enormous debt, as many prominent people in official positions are advocating today, that means $6,000,000,000 a year interest, and it will be impossible for the people to pay that much interest and the running expenses of this Government; which will mean that the people of this Nation will be in perpetual bondage or there will be repudiation of the national debt.

MAKE PAYMENTS ON PRINCIPAL OF BONDS INSTEAD OF ON THE INTEREST

Now, there is a way to escape that situation, and an orthodox way to escape it, by paying a certain amount each year on the principal of the bonds, instead of paying it as interest. The proposal that has been brought forward is that if the Government needs a billion dollars in money, the Government, through the Secretary of the Treasury, issues a billion dollars of non-interest-bearing notes, and distributes those notes among the 12 Federal Reserve banks in proportion of their resources, of course, and receives credit for the United States Treasury to the amount of $1,000,000,000. Then every year instead of paying 4-percent or 3-percent interest, as we are doing today, pay 3 percent on the face of the bonds, on the principal. In that way you will reduce the bonds every year, and the inflation becomes less severe, every year less inflationary, and in 33⅓ years the entire public debt will be liquidated. If you do not do that and pay 3-percent interest—and we will never be able to pay more than just the interest—at the end of 33⅓ years we will still owe the billion dollars, just like at the end of 33⅓ years we will still owe the $150,000,000,000—perpetual bondage for the people.

USE GOVERNMENT CREDIT INSTEAD OF FARMING IT OUT TO BANKS FREE

In order to do what I suggest you will use the credit of the Nation instead of farming it out absolutely free to the private commercial banks of this country. If you desire to use the $23,000,000,000 in gold that we have that is now idle and unused as backing for those bonds, you can do that.

[Here the gavel fell.]

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection? There was no objection.

Mr. PATMAN. May I suggest to you that if the Government issues non-interest-bearing bonds and places them with the Federal Reserve banks, as has been suggested, the backing behind those bonds will be exactly the same as if the Government had issued a billion dollars of 3-percent bonds and placed them with the 12 Federal Reserve banks.

If there is any person within the sound of my voice who can say that the security will be less, I will yield to him now for that purpose. But no one can say it. There is exactly the same security behind each.

So why should this Congress sit idly by and place our people in perpetual bond-

age just because some person might say that the best way to get money is to have it created by the commercial banks and pay them an interest rate for its creation?

PEOPLE WILL EVENTUALLY BLAME US

May I suggest to you that the people of this country one of these days will blame you. They will blame me. They will blame the entire Congress and the administration for sitting idly by and letting these 50-year bonds, providing for 2 and 3 percent interest and more be issued and sold to the American people.

I am in favor of selling defense bonds to individuals and corporations that do not create the money with which to buy them. I favor that very much, because it has a tendency to retard or cut down or stop inflation. But I am very much opposed to the sale of interest-bearing bonds to money-creating corporations. To date the commercial banks have done an excellent job. I am not trying to destroy commercial banks. They are very necessary and highly desirable institutions. The stockholders of all the banks in the Nation have invested $8,000,000,000 only. That is all they would lose if every bank were to close its doors. Upon that investment they have already loaned the Government $21,000,000,000, upon which they are receiving interest annually. In addition to that, they have made loans and investments aggregating about $10 to every $1 that they have.

I am not objecting to that, let them do it, it is in the interest of the country, especially certain sections of the country, at times to have a bank expansion; but why permit them to lend 20-to-1, or 30-to-1, or 40-to-1, or 50-to-1 when the loan is made upon the credit of this Nation? I express the hope that this Congress will stop the use of our Government's credit free and the forcing of this Government to pay an anual tribute of billions of dollars upon this war debt and place our people in perpetual bondage.

Mr. RICH. Mr. Chairman, I rise in opposition to the amendment.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. LUDLOW. Mr. Chairman, we have a long bill to complete this afternoon, and progress thus far has been discouragingly slow. We have been very liberal in debate, much of which has not pertained to the bill. I wonder if we could make a little more rapid progress from now on? I do not want to shut anyone off, I do not want to object, but I would appreciate a little cooperation in trying to expedite matters.

Mr. Chairman, I ask unanimous consent that all debate on this paragraph close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. RICH. Mr. Chairman, the matter of printing cost which was touched on a short while ago is very important, something that costs us a great many millions of dollars. During my membership on the Committee on Printing I have been zealous in trying to do a good job, trying to cut down on the amount of printing and trying to save money on this item. My purpose in rising at this time is to call the attention of the Members to how each one of these bills carries items for printing for the various departments. Take the pending bill: On page 5 you will see an item of printing and binding for the Secretary, $26,600. On page 7 is an item of printing and binding for the Bureau of Accounts, $28,000, and another item on the same page for printing and binding for the Division of Disbursement, $53,900.

Mr. O'NEAL. Mr. Chairman, will the gentleman yield at that point?

Mr. RICH. I should like to complete this statement first, then I will yield; I shall have plenty of time.

On page 10 is an item for printing and binding for the Bureau of the Public Debt, $12,000. On page 11, printing and binding for the Office of the Treasurer, $22,000. On page 14, printing and binding for the Bureau of Customs, $61,000. Page 14, printing and binding for the Office of the Comptroller of the Currency, $25,000. Page 21, printing and binding for the Bureau of Narcotics, $5,000. Page 23, printing and binding for the Bureau of Printing and Engraving, $5,500. Page 23, printing and binding for the Secret Service Division, $4,000. Page 25, printing and binding for the Bureau of the Mint, $6,300. Page 31, printing and binding for the Procurement Division, $161,500. Page 33, printing and binding for the Post Office Department, $1,080,000.

This totals over $1,500,000. This is but one of the annual appropriation bills. You will find in all the appropriation bills items asking large amounts for printing and binding. The Appropriations Committee are at the mercy of these departments, because they just hound and hound us; and nobody tries to cut them down more than the gentleman from Kentucky [Mr. O'NEAL]. He is always trying to cut these items down. But we want to impress upon you the fact that the Appropriations Committee is bound by the laws you pass building up these various bureaus and departments which need printing and binding in order to function.

Mr. Chairman, I now yield to the gentleman from Kentucky.

Mr. O'NEAL. I just wanted to say that I have always been sympathetic with the efforts of the gentleman from Pennsylvania [Mr. RICH] toward economy. At the same time, however, we want to be just with reference to the bureaus, and there is more than appears on the surface in these items. The printing here provided for is not for the dissemination of propaganda but for necessary printing to enable the departments to function, the printing of the necessary forms for the work of the bureaus. Take, for instance, the Bureau of Internal Revenue and consider the tremendous amount used to pay for the forms they send out in the collection of taxes—forms which you get and every other citizen gets. The Bureau is constantly working to reduce the cost of this printing. Then there is the Bureau of Customs, the Bureau of Accounts. All of them without exception use this printing item for the procurement of necessary forms and other matter that must go out to their offices and to the public. As to propaganda, yes, let us stop it; but in order to be fair to the bureaus, let us know how much of this is really necessary for forms without which they could not carry on the business of the bureau.

Mr. RICH. I thank the gentleman from Kentucky. He is right. As I said before, he is most zealous in his effort to cut down unnecessary expenses; but there are still certain cuts that could be made in these printing and binding items that would make a saving.

[Here the gavel fell.]

The Clerk read as follows:

Printing and binding: For printing and binding for the Office of the Comptroller of the Currency, $25,000.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Last night we listened to Eddie Flynn on the radio. There must have been something the matter with him for he wants to deny the right of free speech, of a free press, to the Republicans. The gentleman from Minnesota [Mr. KNUTSON] spoke today, and if I understood him correctly he made the statement that he thought Flynn must have gone to a cocktail party and was one of the first to get there. If my ears did not deceive me, down went the Speaker's gavel, although I do not know how the Speaker got the floor, and the Speaker made the remark that Mr. Flynn does not drink. Now, that is all right. Nobody cares whether he does or he does not drink, but if he had not been drinking, and I assume he had not been, something must have been wrong with his head from some other cause, because in this land where we have the four freedoms the head of the National Democratic Organization should not get up and because the Republican Party has hired a publicity man state that the Republican Party is more interested in the preservation of the party than it is in winning the war. Surely there is something wrong with a man who makes such a statement.

[Here the gavel fell.]

The Clerk read as follows:

BUREAU OF INTERNAL REVENUE

Salaries and expenses: For salaries and expenses in connection with the assessment and collection of internal-revenue taxes and the administration of the internal-revenue laws, including the administration of such provisions of other laws as are authorized by or pursuant to law to be administered by or under the direction of the Commissioner of Internal Revenue, including one stamp agent (to be reimbursed by the stamp manufacturers) and the employment of experts; the securing of evidence of violations of the acts, the cost of chemical analyses made by others than employees of the United States and expenses incident to such chemists testifying when necessary; transfer of household goods and effects as provided by act of October 10, 1940 (Public, No. 839), and regulations promulgated thereunder; telegraph and telephone service, postage, freight, express, necessary expenses incurred in making investigations in connection with the enrollment or disbarment of practitioners before the Treasury Department in internal-revenue matters, expenses of seizure and sale, and other necessary miscellaneous expenses, including stenographic reporting services; for the acquisition

of property under the provisions of title III of the Liquor Law Repeal and Enforcement Act, approved August 27, 1935 (49 Stat. 872–881), and the operation, maintenance, and repair of property acquired under such title III; for the purchase (not to exceed 42), exchange, hire, maintenance, repair, and operation of motor-propelled or horse-drawn passenger-carrying vehicles when necessary, for official use of the Alcohol Tax and Intelligence Units in field work; printing and binding (not to exceed $931,850); and the procurement of such supplies, stationery (not to exceed $468,000), equipment, furniture, mechanical devices, laboratory supplies, periodicals and newspapers for the Alcohol Tax Unit, ammunition, lawbooks and books of reference, and such other articles as may be necessary, $80,908,940, of which amount not to exceed $10,834,002 may be expended for personal services in the District of Columbia: *Provided*, That not more than $100,000 of the total amount appropriated herein may be expended by the Commissioner of Internal Revenue for detecting and bringing to trial persons guilty of violating the internal-revenue laws or conniving at the same, including payments for information and detection of such violation.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 16, line 6, after "necessary", strike out "$80,908,940" and insert "$79,408,940."

Mr. TABER. Mr. Chairman, I have offered this amendment to reduce the increase in the appropriation for the Bureau of Internal Revenue by $1,500,000. The increase in this bill over last year's appropriation is $8,579,865.

My experience with this Bureau is that their appropriation has gone up better than 50 percent in the last few years. My experience is that they have taken in employees faster than they have been able to train them so they can be efficient. If we give them as much money as we do, and do not put the brakes on, we shall have an octopus instead of a service organization. I am hopeful that we may reduce this appropriation a little and see if we cannot keep them from putting on so many persons that they are not able to keep them in order and keep them trained properly.

I am painfully aware of the necessity of trying to do something to keep the different Government departments from expanding so rapidly in these times. They come in with a story of what they have had and with a great big story of what they are going to have to do, and they get increases where they put on the pressure like that which are altogether beyond what is necessary.

The reduction I propose is so small in proportion to the amount of the increase, less than 20 percent of the proposed increase, that it will not be as effectual as I should like it to be, but it will be an invitation to them to see that they do not take on so many untrained and useless employees.

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think all of us who were privileged to hear the testimony before our subcommittee were greatly impressed by the enormous load that is now placed on the Bureau of Internal Revenue and that will be on the Bureau of Internal Revenue under the new tax law. Further, this burden will be further augmented by prospective tax legislation, which is certain to be enacted soon. I think we were convinced that the appropriation we have allowed will be very inadequate in the last analysis to cover all the necessary expenditure.

I call attention to the fact that the tax law of 1941, which is just becoming effective and which is expected to bring $3,500,000,000 annually into the Treasury, will increase by 6,108,000 the number of income-tax returns and will bring 5,500,000 more taxpayers into the picture—persons who never before have paid taxes.

The load on the Bureau is enormous, and it is increasing. As I said before, the amount we have allowed will in all probability be far short of meeting the actual requirements for the fiscal year 1943, in view of the prospect that there is other tax legislation in the offing. I think it would be a great mistake to reduce the amount we have allowed, because I believe every dollar of it will be needed. I hope and trust the amendment will not be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 33, noes 34.

So the amendment was rejected.

The Clerk read as follows:

Printing and binding: For printing and binding for the Procurement Division, including printed forms and miscellaneous items for general use of the Treasury Department, the cost of transportation to field offices of printed and bound material and the cost of necessary packing boxes and packing materials, $161,500, together with not to exceed $4,000 to be transferred from the general supply fund, Treasury Department.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: On page 31, after line 10, add a new section, as follows:

"SEC. 2. No part of any money appropriated in this title shall be used to pay the compensation or expenses of any officer or employee who engages in, or directs or authorizes any other officer or employee to engage in, the carrying out of section 3 of the act approved June 19, 1934, known as the Silver Purchase Act of 1934."

Mr. LUDLOW. Mr. Chairman, I reserve a point of order against the amendment.

Mr. DIRKSEN. I can assure my good friend from Indiana that the amendment is in order, but it is quite all right for him to reserve the point.

Mr. Chairman, this probably represents my sixth attempt in as many years to nullify if possible the program under the Silver Purchase Act of 1934. I find real gratification in the fact that today I stand in the corner not only of the Secretary of the Treasury but of the 200 leading economists of the United States, who have referred to the Silver Purchase Act of 1934 as the greatest folly of the last generation. In that advised opinion I entirely concur.

We have been at it for 7 years. The Secretary of the Treasury has no option in the matter. By virtue of that statute he is under a mandate, directed by the Congress, to continue to purchase silver bullion until either the price goes to $1.29 an ounce or until the ratio of silver to gold in our monetary system is as 1 to 3.

We have been buying silver for 7 years. We have purchased thus far 2,477,000,000 ounces. Think of it, nearly 2,500,000,000 ounces of silver. For that silver we paid one and one-third billion dollars.

We are still 9 percent from the goal. The ratio shall be as 25 to 75 percent. Notwithstanding all these purchases, the Secretary's own testimony in these hearings shows that we have only 16 percent of silver in relation to the gold. The reason we are like that bird in Africa that walks backward, and the longer it walks the farther it gets from its goal, is that the gold-purchase program continues, so that as we continue to purchase gold we get further away from the goal of 25 percent of silver.

We have 18½ ounces of silver for every man, woman, and child in the United States. Someone should introduce a bill to cast all of this silver in the form of fine, initialed teaspoons and deliver to every man, woman, and child in the United States four dozen teaspoons. This would be no more stupid than what we are doing today. That is why the Secretary of the Treasury, on page 404 of these hearings, stated:

So far as I am concerned, I will be glad to see Congress strike all the silver legislation from the books.

We have subsidized a handful of silver producers to the extent of $600,000,000, and to show you how dangerous this thing is, the number of silver certificates in our currency system has increased from $401,000,000 in 1934 to $1,713,000,000 in 1941.

With the Treasury against it, with every thinking economist in the field of finance against it, we still persist in this folly. There is only one way to get action on it, and that is a delimiting amendment that will stop those who are engaged in this business down in the Treasury Department from getting any pay if they undertake to buy or direct the purchase of silver under section 3 of the Silver Purchase Act of 1934.

Are we going to continue with the greatest folly of the generation which is inflating the currency and piling up a huge hoard of worthless silver which will contain many a headache, not only in the near future but when the post-war readjustment comes? Every man in this Congress today should stand up and vote to nullify what the Secretary of the Treasury says ought to be stricken from the books. His language at page 404 is, "I would be glad to see Congress strike it from the books." Let us enhance and augment the gladness of the man who conducts the finances of the country today. Let us stand up as a Congress and nullify this specious and fallacious piece of legislation. Had the one and one-third billion dollars which we have invested in useless silver been invested in copper, which is so badly needed today in our defense and war preparations, it would have purchased 4,000,000 tons of such copper. While that is today a futile wish, we at least need not persist in this

folly, and the amendment should be adopted.

Mr. LUDLOW. Mr. Chairman, I rise in opposition to the amendment.

I have read the amendment, Mr. Chairman, and I am convinced it is not subject to a point of order, and I therefore withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn.

Mr. LUDLOW. Mr. Chairman, I simply want to say that personally I have a great deal of sympathy with the objective which my friend the gentleman from Illinois [Mr. DIRKSEN] seeks to accomplish. I think the Silver Purchase Act is an indefensible subsidy. If he would introduce a bill and let it take the regular legislative course, I would talk turkey with him on it because I really have strong convictions on the same side that the gentleman is on with respect to this proposition, but this is altogether an improper way of getting at the matter. This is a question that involves a great national policy, and it is contrary to good practice to undertake to nullify an existing law of such vast importance by a provision in an appropriation bill. It would set a bad precedent that might come home to haunt us many times.

I ask the Committee to vote down the amendment and at the same time I suggest to the gentleman from Illinois, for whom I have the warmest admiration, that he approach his objective in a different way and in the right direction, by submitting the matter to the appropriate legislative committee so that it may take the regular course as it should and secure the sanction of a legislative committee after hearings and after due consideration of the entire matter. I think this is the right course to pursue and I hope the Committee will adopt this attitude and vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr DIRKSEN].

The question was taken; and on a division (demanded by Mr. LUDLOW) there were—ayes 38, noes 34.

Mr. LUDLOW. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. LUDLOW and Mr. DIRKSEN.

The Committee again divided; and the tellers reported that there were—ayes 53, noes 55.

So the amendment was rejected.

The Clerk read as follows:

Post office stationery, equipment, and supplies: For stationery for the Postal Service, including the money-order and registry system; and also for the purchase of supplies for the Postal Savings System, including rubber stamps, canceling devices, certificates, envelopes, and stamps for use in evidencing deposits, and free penalty envelopes; and for the reimbursement of the Secretary of the Treasury for expenses incident to the preparation, issue, and registration of the bonds authorized by the act of June 25, 1910 (39 U S C. 760); for miscellaneous equipment and supplies, including the purchase and repair of furniture, package boxes, posts, trucks, baskets, satchels, straps, letter-box paint, baling machines, perforating machines, stamp vending and postage meter devices, duplicating machines, printing presses, directories, cleaning supplies, and the manufacture, repair, and exchange of equipment, the erection and painting of letter-box equipment, and for the purchase and repair of presses and dies for use in the manufacture of letter boxes; for postmarking, rating, money-order stamps, and electrotype plates and repairs to same; metal, rubber, and combination type, dates and figures, type holders, ink pads for canceling and stamping purposes, and for the purchase, exchange, and repair of typewriting machines, envelope-opening machines, and computing machines, numbering machines, time recorders, letter balances, scales (exclusive of dormant or built-in platform scales in Federal buildings), test weights, and miscellaneous articles purchased and furnished directly to the Postal Service, including complete equipment and furniture for post offices in leased and rented quarters; for the purchase (including exchange), repair, and replacement of arms and miscellaneous items necessary for the protection of the mails; for miscellaneous expenses in the preparation and publication of post-route maps and rural-delivery maps or blueprints, including tracing for photolithographic reproduction; for other expenditures necessary and incidental to post offices of the first, second, and third classes, and offices of the fourth class having or to have rural-delivery service, and for letter boxes; for the purchase of atlases and geographical and technical works not to exceed $1,500; for wrapping twine and tying devices (not more than three-fourths of the funds herein appropriated for the purchase of twine shall be expended in the purchase of twine manufactured from materials or commodities produced outside the United States; for expenses incident to the shipment of supplies, including hardware, boxing, packing, and not exceeding $63,800 for the pay of employees in connection therewith in the District of Columbia; for rental, purchase, exchange, and repair of canceling machines and motors, mechanical mail-handling apparatus, accident prevention, and other labor-saving devices, including cost of power in rented buildings and miscellaneous expenses of installation and operation of same, including not to exceed $35,000 for salaries of 13 traveling mechanicians, and for traveling expenses, $3,700,000: *Provided*, That the Postmaster General may authorize the sale to the public of post-route maps and rural delivery maps or blueprints at the cost of printing and 10 percent thereof added.

Mr. CLASON. Mr. Chairman, I move to strike out the last word, to ask a question in regard to an item on page 44, as follows:

for wrapping twine and tying devices (not more than three-fourths of the funds herein appropriated for the purchase of twine shall be expended in the purchase of twine manufactured from materials or commodities produced outside the United States);

I understand that is the same provision that was in the bill last year?

Mr. LUDLOW. Yes. It has been carried for several years.

Mr. CLASON. Mr. Chairman, that is all. I withdraw the pro forma amendment.

The Clerk read as follows:

Vehicle service: For vehicle service; the hire of vehicles; the rental of garage facilities; the purchase, exchange, maintenance, and repair of motor vehicles, including the repair of vehicles owned by, or under the control of, units of the National Guard and departments and agencies of the Federal Government where repairs are made necessary because of utilization of such vehicles in the Postal Service; accident prevention; the hire of supervisors, clerical assistance, mechanics, drivers, garagemen, and such other employees as may be necessary in providing vehicles and vehicle service for use in the collection, transportation, delivery, and supervision of the mail, and United States official mail and messenger service, $16,262,900: *Provided*, That the Postmaster General may, in his disbursement of this appropriation, apply a part thereof to the leasing of quarters for the housing of Government-owned motor vehicles at a reasonable annual rental for a term not exceeding 10 years: *Provided further*, That the Postmaster General, during the fiscal year 1943 may purchase and maintain from the appropriation "Vehicle service" such tractors and trailer trucks as may be required in the operation of the vehicle service: *Provided further*, That no part of this appropriation shall be expended for maintenance or repair of motor-propelled passenger-carrying vehicles for use in connection with the administrative work of the Post Office Department in the District of Columbia.

Mr. FORAND. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FORAND: Page 47, line 16, after the colon, insert "*Provided further*, That the classification of substitute driver-mechanic created by the Reclassification Act of 1925 shall be adhered to and that no part of this appropriation shall be used for the payment of substitute driver-mechanics at a rate of pay other than the rate of 65 cents per hour."

Mr. LUDLOW. Mr. Chairman, I make the point of order against the amendment.

Mr. FORAND. Mr. Chairman, I ask the gentleman to withhold his point of order.

Mr. LUDLOW. Mr. Chairman, I understand the gentleman from Rhode Island concedes the point of order. I withhold the point of order for 5 minutes.

Mr. FORAND. Mr. Chairman, I realize that the amendment I am offering is subject to the point of order, and I appreciate the courtesy of the gentleman from Indiana in permitting me to speak for a few moments. My reason for offering the amendment is because of an injustice which has been done over a period of years, since 1930, to driver-mechanics in the Post Office service. These driver-mechanics were in the Classification Act of 1925 given a separate and official classification, but in 1930 the Post Office Department and the Civil Service Commission entered into an agreement which ignored the law completely, and had the effect of changing the classification of driver-mechanics to garagemen-drivers, by eliminating examinations for the higher grade, which meant that these men would be paid 55 cents an hour instead of 65 cents an hour. During the last session of Congress the House passed H. R. 2077, which sought to remedy that situation, but another body shelved the bill and no action was taken upon it, excepting that the Post Office Department and the Civil Service Commission again got together and reached an agreement whereby when substitute garagemen-drivers are used as driver-mechanics, they would receive 65 cents an hour during the period actually assigned to that job.

I invite the attention of Members of the House, because I do not care to take up too much time on the floor, to the statement in the hearings at page 386

of Mr. Paul M. Castiglioni, the legislative representative, National Federation of Post Office Motor Vehicle Employees. There they will see this case set out in toto, and I am sure they will be sympathetic if further legislation is brought to the floor on the subject.

The CHAIRMAN. Does the gentleman from Indiana insist upon the point of order?

Mr. LUDLOW. Mr. Chairman, I understand the gentleman from Rhode Island concedes the point of order.

The CHAIRMAN. The Chair sustains the point of order, and the Clerk will read.

The Clerk read as follows:

This title may be cited as the Post Office Department Appropriation Act, 1943.

Mr. MAY. Mr. Chairman, I move to strike out the last word and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Chairman, within the last hour 3 aged veterans from the Soldiers' Home in Washington have furnished me a petition containing three and one-half pages of typewritten matter from occupants of the United States Soldiers' Home, now having some 1,400 members. They furnished me a petition signed by more than 900 of the occupants of the home and ask that I present to the Congress this, their petition.

It is my information that this property was acquired by the United States Government as a soldiers' home about 90 years ago. It is now proposed by some groups of people in Washington that they take over this property for the purpose of converting it into a housing project under the emergency of national defense—another one of the many things that is being cloaked in the robes of national defense interests in order to do something that ought not be done.

It is my information that the title to this property contains a bar against that kind of procedure; that it contains a restrictive clause which provided that this should not be done. I am not asserting this as a fact, but that is my information from these gentlemen. That provision provides that if and when the property is converted to any other use than the use for which it was intended—that is, a home for disabled soldiers—the title shall revert to the heirs or the estate of the donor or grantor, as the case may have been. Of course, that is a complete statutory bar to taking it except with that condition.

I simply present this petition on behalf of those old soldiers, with the hope that the Members of the House will read it, and if and when there is a proposal in the Appropriations Committee or the House Military Affairs Committee, or any other committee of Congress that due notice will be taken of the right of these dependent defenders of our country.

I ask unanimous consent to revise and extend my remarks and include this petition therewith.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The petition referred to is as follows:

UNITED STATES SOLDIERS' HOME,
Washington, D. C., February 2, 1942.

To the Congress of the United States:

We, the undersigned, members of the United States Soldiers' Home, respectfully request your interest and protection in behalf of the thousands of veterans throughout the United States who are now entitled to the benefits of this home.

1. This home was established by an act of Congress approved March 3, 1851. By this act the Congress retained under its own jurisdiction the trusteeship for the old, infirm, and disabled soldiers of the Regular Army. The Regular Army veterans, therefore, have no one to look to for protection save the Congress and, in the 91 years of the existence of this home, they have never petitioned in vain. We know that we shall not be denied your protection now. For now we are under attack. Commercial interests are trying, under the guise of national defense, and civilian requirements, to get our property away from us and have proposed to send us "down the river" to land less desirable.

2. At this same time every effort is being made by the Park Commissioners to provide adequate parks and places of amusement for the residents of the District of Columbia. Now, what is this land but a public park? And it was the first such public park in the District of Columbia, maintained without one cent of cost to the taxpayer of either the District or the National Government. The entire cost of maintaining this home is paid by the enlisted man on the active list of the Regular Army. With the exception of the actual living quarters of the members in barracks and hospital, every bit of this land constitutes a public park of which there are all too few in the District. A glance at the record will show the following facilities of the reservation to be available to the public generally:

(a) Over 11 miles of surfaced roads within our gates open for traffic. We pay all costs of maintenance.

(b) Our gates are open 24 hours a day for public traffic, and over 99 percent of the traffic is by the public.

(c) Our grounds are extensively used as playgrounds for children, adults, their families and friends.

(d) In winter we provide sledding hills for children and adults with protection against harm by our own local police.

(e) At Easter we provide egg-rolling lawns for crowds even greater than can be accommodated at the White House because we have a greater expanse of lawn.

(f) Throughout the entire summer we have evening band concerts attended by a large number of residents of the District of Columbia and visiting tourists.

(g) Sightseeing busses have the home on their itineraries and, recognizing it as one of the beauty spots of the District of Columbia, bring a large number of tourists here. Those who appreciate the beauty of the grand panoramic view of the entire city of Washington and the magnificent forest of trees have no wish to see these destroyed to make room for concrete buildings or commercial activities.

(h) We have built and maintain baseball fields for the children of the surrounding community who use it freely, never realizing for a moment that this is not a public park. They think it is.

(i) Howard University is authorized to drill and train its Reserve Officers' Training Corps recruits on designated grounds.

(j) During the school year at least three grades from kindergarten through high school visit the home dairy and chicken farm weekly—frequently coming in busses accompanied by their teachers. College and university students and constituents of Members of Congress, particularly from rural districts, in the city on sightseeing tours visit and inspect the modern dairy and thoroughbred Holstein herd of cattle, both from interest and educational purposes.

We are very proud of the historic honor which has been bestowed upon this home in the past when the soldiers of the Regular Army here were given the privilege of entertaining, as a summer White House, three Presidents of the United States; namely, Mr. Lincoln, Mr. Buchanan, and Mr. Hayes.

3. We not only live in this community and have our large groups of friends here among the residential population, but as a group we contribute freely out of the meager compensation we receive to every charitable activity in Washington; in fact, we are among the first to be approached when the Red Cross, the Community Chest, the Mile of Dimes, and others need help.

4. It has been estimated that there are now at least 2,000,000 veterans living all over the United States, who by their personal contributions have established their eligibility for membership in this home and who have a paid-up interest in it, even though they do not find it convenient to come here until they get old or need hospitalization. There may be added to this many more veterans of the present terrible combat. For the boys now in service there is nothing too good, and it is our hope that we may keep this home for them also. It may be stated here that of the number of resident members in this home at the present time, over 500 served in the World War; it is our firm belief that the citizens of the United States did not look upon us as parasites 20 years ago, and our brothers in service at this time should not look forward to being called parasites 20 years hence.

5. This home is our pride, the pride of the soldiers of the Regular Army. It has taken the contributions of several millions of them to build and maintain it, and we speak for each and every one of them when we ask you, as our duly constituted trustees, to protect our interests and insure that this institution shall remain forever intact, to be passed on to future old, infirm, and disabled members of the Regular Army in the same splendid condition, or even better, than when we received it from our predecessors.

6. In conclusion, we wish to go on record and assure you that we have the utmost confidence in the officers of this home, and we ask that before Congress ever even considers any proposition to destroy the effectiveness of this home, or its property, that no action be taken until after the officers of this home, its board of commissioners, and, above all, its governor, Maj. Gen. Frederick W. Coleman, have been heard from. General Coleman will speak well for us and for the millions of other veterans who have established an eligibility for this home; we know that he will leave nothing undone in our behalf.

Very respectfully yours,

BENJAMIN I. MOTLEY,
CHARLES M. ARMSTRONG,
HERMAN VEAN,
Committee, Representing Members, United States Soldiers' Home, Washington, D. C.

The pro forma amendment was withdrawn.

The Clerk concluded the reading of the bill.

Mr. LUDLOW. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOEHNE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 6511, directed him to report

the same back to the House with the recommendation that the bill do pass.

Mr. LUDLOW. Mr. Speaker, I move the previous question on the passage of the bill.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

NAVY DEPARTMENT APPROPRIATION BILL, 1943

Mr. SCRUGHAM. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight in which to file a conference report on the bill H. R. 6460, the Navy Department appropriation bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from West Virginia [Mr. RANDOLPH] be permitted to extend his own remarks in the Appendix of the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. BUTLER] is recognized for 15 minutes.

WARTIME CENSORSHIP AND BUSINESS

Mr. BUTLER. Mr. Speaker, one of the most drastic adjustments businessmen must make in wartime is in the matter of news censorship.

We all appreciate the necessity for concealing troop movements and military operations from the enemy. This is accomplished today by a rigid and all-embracing censorship of press and radio, from Washington. The office of censorship, established last month, is conducting this work with a daily expanding force. Within 2 months, we are told, this agency will have a total of 10,000 men and women on its staff. It will censor all news and radio reports from Washington as well as all international mail, and all telephone conversations across the national boundaries.

The list of news material which may not be printed is a long one, and while this military news does not relate directly to the daily operations of business, it does nevertheless often influence decisions on business policies and programs. In a sense, therefore, businessmen must accustom themselves to operating with only such news as the Government sees fit to give them.

As to general policy in this matter of the news censorship, it may be summed up in the statement that when there is good news available it will be given to the public promptly. This, then, reverses the old maxim, and we must condition ourselves to the fact that sometimes no news may be bad news.

THE BUDGET AND NATIONAL DEBT

Perhaps the question uppermost in mind for the informed citizen today relates to the Federal Budget and the fiscal position of the Nation in the light of the enlarged war demands.

Two great facts stand out as we approach this problem. The first is that a Federal debt of $110,000,000,000 is now anticipated by the end of the next fiscal year, on June 30, 1943.

The second fact to bear in mind in connection with Federal spending relates to the maximum productive capacity of our national plant and equipment. To put it another way, there appears to be some solid ground for questioning whether the Government can spend as much on industrial production over the next 18 months as has been planned and outlined in recent official utterances and blueprints.

Modern mechanical warfare requires about 18 producers and distributors behind the lines for every active combatant. On this basis, an armed force of 7,000,000 men would require 126,000,000 men and women working behind the lines of battle. Our present employed labor force is about 55,000,000 men and women.

Neither can we neglect the fact that the demands made upon our American resources in this war are tremendously greater, in relation to our total productive capacity, than the demands made upon us in the first World War, 25 years ago.

Our official commitments abroad for food and military equipment and supplies now literally reach around the world—to the Netherland Indies, Australia, Malaya, China, India, Alaska, Hawaii, South America, England, Iceland, Russia, Ireland, and Africa.

It has escaped general public attention, for example, that Secretary of Agriculture Wickard testified in the last lend-lease hearings, in November, that our food program alone was based upon the assumption that the United States, under lend-lease, would feed approximately one-fourth of the total population of Great Britain, or roundly 10,000,000 people. Thus, aside from whatever assistance we may extend in other quarters, we have already, during the past year, seated 10,000,000 nonpaying guests at the American table, in addition to the 132,000,000 people already there. And during the last month the President has taken steps to send vast quantities of food to Russia.

This obviously calls for a considerable increase in American agricultural production, which, in turn, calls for a prompt increase in farm labor at a time when both the military draft and the defense industries are taking large numbers of young men from the farms—a basic problem confronting American agriculture, as well as all our food industries today.

Meanwhile, we have recent experience to guide us as to the general direction we are traveling in fiscal affairs. Federal revenues for the last 6 months of 1941 were about 35 percent higher than the same months of 1940. However, total Federal expenditures in the last half of 1941 were 125 percent higher than the corresponding months of the previous year.

During the first 8 years of the present administration, the average Federal expenditure was roughly $2 for every $1 of income. But during the last 6 months, expenditures have advanced to approximately $3 for every $1 of income. If we assume that the spending program will broaden as much in the next 6 months as in the last, we will soon be spending $4 for every $1 of revenue.

Another way to measure this problem is to look at the current Federal deficit. For the last 6 months of 1940 the average daily deficit of the Federal Government was, in round numbers, twelve and one-fourth million dollars. But for the last 6 months of 1941 the average daily deficit was $40,150,000.

This means that it would require an additional tax load, over and above everything now in effect, of about $1.30 per day for every family in the United States to put today's Federal spending on a pay-as-you-go basis. The impact of an additional tax load of $40 per month for every family today is, of course, unthinkable. Yet that is the real measure of our Federal deficit at this time.

In this connection, the so-called Byrd committee recently pointed out that a billion dollars could be saved annually by cutting unnecessary nondefense expenditures. It is, therefore, urgent that Congress and the President immediately give serious consideration to these proposals in order that all possible savings be made in nondefense Government expenditures.

NEW TAXES

New taxes likewise present an acute problem for all business. After the new $5,000,000,000 tax increase enacted last fall, there is now a demand from the President for additional revenues to the extent of $7,000,000,000 to $10,000,000,000 a year. The Ways and Means Committee of the House will begin work on this new measure after the 1st of February, and the final bill will probably be enacted in March or April of this year, retroactive as to all income taxes to January 1, 1942.

Certain principles emerge in these discussions as of vital importance to business. The first is that American industry cannot carry the whole tax burden by itself. There is ground for question now whether, in the matter of corporate and individual income-tax rates, our Federal schedules have not already reached the point of diminishing returns. I feel that there is a growing disposition in Congress to seek new sources of revenue rather than merely to pile new rates on top of the present business taxes. There is likewise a growing conviction that business must be allowed to build up and maintain adequate operating reserves. Everyone recognizes that vast reserves will be required sometime to convert our industries back from a war basis to peacetime production. Unless such reserves are piled up out of present income, the period of conversion will find

many industries without the funds needed to keep them going in the transition period back to nondefense operations. Such a situation would produce widespread unemployment and unnecessary suffering, not to mention the tribulations of bankruptcy and reorganization in tens of thousands of plants. Industrial reserves must, to some extent, be protected in new tax legislation.

There is a growing recognition that Congress must look to a general sales tax, or possibly a pay-roll tax, as one important source of new revenues. There is division of opinion as between the Federal Reserve authorities and the Treasury as to which of these measures would contribute most to checking inflation. My belief is that we should not attempt to accomplish general legislative programs through tax measures. Our tax bills should be designed to raise revenues; and if we then have other problems relating to inflation, or other social objectives, they should be handled as general-policy legislation and not disguised as tax bills.

The SPEAKER pro tempore (Mr. PRIEST). Under the previous order of the House, the gentleman from Oregon [Mr. ANGELL] is recognized for 10 minutes.

CONGRESS HELPS ITSELF TO PENSIONS BUT TURNS THUMBS DOWN ON PENSIONS FOR OLD PEOPLE IN NEED

Mr. ANGELL. Mr. Speaker, I am opposed to the Congress voting its Members pensions before providing for a reasonable and decent annuity system for all of our old people who have attained the age of 60 years and who are unemployed. Their needs are infinitely greater than is the need of ex-Members of Congress. This is no time for Congress to help itself to pensions out of the Federal Treasury while turning thumbs down on pensions for old people who are in great need.

The bill which was recently passed by the Congress and signed by the President (H. R. 3487, Public Law 411, 77th Cong.), has a provision permitting Members of Congress to elect to come under its provisions if they elect to do so. Thereafter they are required to pay 5 percent of their salary, and upon retiring from Congress, after 5 years' service only and having attained the age of 62 years, will be entitled to a pension, the minimum being about $47.92 per month, subject to increase for longer service, with an additional provision to permit a Member to pay back contributions which would increase the annuity.

I am advised by the Civil Service Commission that the approximate estimated pensions for ex-Congressmen under this law are as follows:

Service	Age at retirement	Pension
5 years	62	$575, without contribution.
Do	62	$710, with contribution.
10 years	62	$1,100, without contribution.
Do	62	$1,425, with contribution.
15 years	62	$2,125, with contribution.

Believing as I do that pensions for old people should come first, before pensions for lame-duck Congressmen, I voted against the bill last year providing pensions for Congressmen and I did not vote for it when it was before us this year. The bill passed, H. R. 3487, contains many amendments to the Civil Service Retirement Act and no opportunity was offered for a separate vote against this particular provision providing pensions for Members of Congress. In my judgment, we should take steps at once to repeal the provision of the law authorizing Congressmen to elect to come under its pension provisions. I have, therefore, introduced a bill, H. R. 6508, to repeal the pension provision for Congressmen in this law.

My complaint is not necessarily with the merits of a proposal to permit Congressmen upon retirement to receive a pension under certain conditions, but I believe they should not have priority over our old folks who are in greater need, and I therefore believe that a uniform pension program covering all of our old people, which, of course, would include Congressmen, is more equitable and just and should have first consideration.

As an indication as to how the public generally view this legislation, I include two editorials from the two leading newspapers of my district discussing the problem:

[From the Portland Oregonian of January 31, 1942]

THOSE CONGRESSIONAL PENSIONS

It is indicated by a number of letters received from protesting correspondents that an erroneous impression is around that Congress has voted its Members a pension of $4,000 upon retirement from office. Two letters on the subject are printed today.

Congress did pass an act permitting elective members of the legislative and executive branches of Government to participate, at their option, in salary deductions and the retirement benefits of the Federal Civil Service Retirement Act of 1920. Members of Congress who decide to accept the act will contribute 5 percent of salary to the retirement fund, and receive when and if they retire at eligible age, annual payments graduated according to salary and length of service. The retirement pay would amount to $4,000 only when the Member had had a service of about 30 years. Twelve years' service (two terms in the Senate, 6 in the House) would entitle the Member, if he had reached the retirement age, to retirement pay of $1,284; lesser tenure would mean proportionately smaller benefit.

One of the controversial phases in the Senate was over the fact that Members who have already served the minimum of 5 years and attained the age of 62 could retire and obtain the benefits of the act without assessment against back years' salary. In the debate over this particular, Senator BYRD pointed out that if a Member had been in the Senate since 1907 and should retire next January he would be able to draw more than $4,000 annually from the fund, and would pay only part of 1 year's assessment, or about $200. This was an extreme illustration but the hypothetical figure apparently is the basis for the impression that Congress granted one and all of its Members $4,000 retirement pensions.

There are two points that perhaps invite discussion: One is whether latecomers into a mutually sustained retirement system should without cost to them be given the same benefits as those who have been paying into the fund over a period of years; the other is whether Congress should vote its Members into a system which obligates Government itself to contribute up to an even amount with employees when and if employee assessments are not enough to meet withdrawals, and is moreover a system in which Congress establishes the scales of contribution and distribution.

[From the Portland Journal of January 30, 1942]

PENSION PLUMS FOR CONGRESS MEMBERS

A reader of this page wants to know how Representatives and Senators of the Congress pushed themselves under the wire for Federal pensions. Or, to quote the questions more exactly:

"What percent of each pension is to be paid by the pensioners and what part by the taxpayers? In what amounts are the pensions? Will length of time in office govern the size of the pension, and at what age will ex-Congressmen and women be given the income?"

Information at hand is a bit vague about what the Member of the Congress pays and what the taxpayers pay. The Senators and Representatives elect whether they will start to pay about $41.50 a month into the fund. The inquirer may wish to figure what percentage that is of a $10,000 annual salary. To retire, a Congressman must be at least 62 and must have served at least 5 years.

The same bill that grants the Congressmen pensions also increases from 3½ to 5 percent the premium deductions of Federal job holders and makes 70 the uniform retirement age for civilian employees.

Yes; it looks as if the Members had been picking plums for themselves out of the Federal cake. But before we close the subject, more information will be sought.

Mr. Speaker, while considering pensions, in my judgment the Congress should at this time take up for consideration the proposal which has been pending before the Congress for some time providing adequate pensions for our old people. I refer to H. R. 1036, generally known as the Townsend proposal. There is a discharge petition on the Clerk's desk which has been signed by a number of our colleagues, but an insufficient number to bring the proposal before the House for consideration. Now with war upon us, with living expenses very materially advanced, and the meager income of these old people, who cannot take part as employees in the war program, being wholly insufficient to care for their needs, the time is ripe that we do something about it. The national income is headed toward $100,000,000,000 and the Secretary of the Treasury has warned the Congress that we are headed toward inflation unless brakes are applied to excessive spending—all spending beyond bare necessities.

We are in a better position at this time to inaugurate a pension program for our old people than we have ever been before. I therefore urge you, my colleagues, to join with me in the repeal of the pension provision we recently passed for ex-Members of the Congress, and to sign the discharge petition to bring H. R. 1036 on the floor that full debate and discussion may be had on the whole subject of old-age pensions, and a program enacted into law without further delay that will give adequate relief to our old people now so much in need.

[Here the gavel fell.]

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include two editorials.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an article by Malcolm W. Bingay, which appeared in a recent issue of the Detroit Free Press.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on Friday next after the conclusion of the legislative business for the day and other special orders, I may address the House for 10 minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Indiana [Mr. WILSON] is recognized for 30 minutes.

WARTIME EMPLOYMENT CONDITIONS

Mr. WILSON. Mr. Speaker, I want first to make a statement in regard to such blame as may inadvertently have been cast upon the stenographers employed by Mr. Knudsen. The record of the hearings before the Committee on Public Buildings and Grounds will show that I stated that Mr. Knudsen referred me to another gentleman in the O. P. M. whose stenographer typed a letter three times, a letter consisting of about five lines, before he would sign that letter. That is no reflection on Mr. Knudsen's stenographers, as the record of the committee hearings will show; and I want to absolve them of all blame.

Mr. Speaker, I have before me a special edition of the Evening Star which has not yet appeared on the streets. It contains a picture—a deplorable thing—a picture of employees who have been brought to Washington, who have been here for several weeks, who have been on the pay roll but have not as yet touched a pencil to paper or the key of a typewriter. I want to read you just what appears underneath this picture:

These are employed war workers. This group is only a portion of those crowded into a third-floor room of temporary Building H, War Department, Twenty-second and C Streets NW., today on the War Department pay roll and waiting assignment to jobs. Meanwhile these young employees have no work to do, and many, as can be observed, have nowhere to sit down. Some have been waiting as long as 3 weeks, they told a Star reporter, and have had pay days meanwhile. They report daily at 8 a. m., wait in the crowded room all day or until their names are called, and they are sent to some office.

There is a story on page 1 of this edition of the Star in connection with this item which I wish everybody would read.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. WILSON. I yield.

Mr. STEFAN. Where does the gentleman say this room is located in which this picture was taken?

Mr. WILSON. Building H of the War Department at Twenty-second and C Streets NW.

Mr. STEFAN. Is that just a portion of the people referred to?

Mr. WILSON. That is just a small portion of the employees that were right within hearing distance.

Mr. STEFAN. Does the gentleman know how many of these young people have been brought here from the 48 States of the Union to wait around with nothing to do? How many of them there are; would the gentleman say there are several hundred?

Mr. WILSON. Yes; I would say there are more than a thousand in Washington now.

Mr. STEFAN. That does not speak very well for the efficiency of the personnel organizations in some of our departments. The gentlemen should take this up and get some explanation of it. It is a horrible thing.

Mr. WILSON. Of course, this is preliminary to asking the Congress for a committee to investigate this matter. However, since my initiation of this move, several Members of Congress who may at times be demagoging a little have used this particular critical situation to poke fun at my effort to do something about the situation in Washington.

Mr. HOFFMAN. Will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Five or six of us went down to Leon Henderson's office, the Price Administrator, and out in the main office there were two fine looking young ladies sitting. One was smoking and reading the paper and the other was fixing her nails and lips. We waited out there for 5 or 10 minutes and during all that time they did not do anything. I do not know whether they were waiting for a bicycle ride or something else.

Mr. WILSON. The gentleman has not seen half what I have.

Mr. HOFFMAN. I have too much work to do.

Mr. WILSON. I get down to the departments sometimes and I have to go back to my office and walk the floor, because I just cannot tolerate it. We are trying to win a war, and every dollar should produce its worth in "war effort."

Mr. HOFFMAN. You bring down a secretary or a stenographer who is competent and who is in the habit of working, and you let them associate with some of these Federal employees for 3 to 4 months and you will have a job on your hands to keep those folks that we brought from home from joining this movement for shorter hours, less work, and more pay.

Mr. WILSON. The papers have known about this for a long time, and I feel that they have been very kind toward me in my effort to uncover this thing. In my opinion, they are grasping the opportunity at this time to help me uncover all of this that I can. At least I have found them absolutely cooperative.

I have cut down a 2-hour speech to 30 minutes, and unless I can get additional time I will not much more than get started. I have some letters here confirming the picture in the Evening Star, and from some of the very girls who are in that picture. I want to read you what they say:

Your statement accusing Government girls of inefficiency has been printed in almost every paper in the United States. It is true that time is being wasted, but I'm afraid you placed the blame on the wrong people.

I do not place the blame on those girls and I want that definitely understood. This is no fault of any Government worker in Washington. The fault is with the administrators.

Do you realize everyone in the United States now thinks that we are a bunch of lazy, inefficient goons?

No; I do not think so. I hope it is not true, because I am going to try to uncover the real people back of this, those who are responsible for this condition.

Eventually we will deteriorate to just that, but you have accused us too soon. I accepted the position and started to work for the War Department January 23. Every morning I have reported promptly for work at 8 a. m., incidentally with my make-up on, and I have had my breakfast.

Good.

My title is junior stenographer, and I have not seen a typewriter or even had a pencil in my hand. In short, there is nothing for me to do but write letters to my boy friend and read movie magazines. The people in charge tell me to not worry because I am being paid just the same as if I were being useful. Not one single bit of work has been assigned to me.

I wish I had time to read the whole letter.

Mr. STEFAN. Will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Nebraska.

Mr. STEFAN. Those people come before the Committee on Appropriations frequently, and they are coming before us now in connection with these various supply bills, people from the various departments, justifying appropriations for various things, especially personnel. I hope the gentleman is not picking out the War Department personnel especially in this statement that he is making.

Mr. WILSON. Absolutely not.

Mr. STEFAN. If the gentleman's resolution to investigate these conditions passes, and if he happens to be a member of that committee, I hope he will make a special investigation as to the efficiency of the personnel organizations in the various departments of our Government, because if the personnel divisions are not efficient, the conditions which the gentleman has apprised the Congress of today will continue.

Mr. WILSON. I thank the gentleman for that observation.

Mr. CRAWFORD. Will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I think the testimony given before the Senate committee will show that the contractors have testified that literally thousands of so-called carpenters were hired to go on to these jobs and were permitted to go out and sleep all day, while continuing to collect

their full day's wages. That is in that part. The gentleman finds the trouble in this part. It does not make any difference what part of Government you go into today, you will find this same misdirected or unused wasted labor. When the gentleman gets his investigation started, he will certainly have some job on his hands to run it all down.

Mr. WILSON. I do not think I am capable of that job; in fact, I know I am not, but I am going to lend every ounce of ability and effort I have toward that end. I am not capable of carrying on an investigation such as is needed at this time.

Mr. CRAWFORD. The gentleman is just as capable as any of the rest of us.

Mr. WILSON. I thank the gentleman.

Mr. CRAWFORD. The thing snowballs so fast that billions of dollars will be wasted that will go into the cost of the war.

Mr. WILSON. You remember France fell. Today we are to some extent carrying on in the same way France was carrying on behind the Maginot line just before she went down. Unless we get a dollar's worth of effort for every dollar spent, before we see the end of this war we shall be bankrupt; we shall have lots of workers and lots of houses and lots of money spent in that connection, but there will be none left to make guns and tanks and planes to win this war.

Mr. McGREGOR. Mr. Speaker, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Ohio.

Mr. McGREGOR. The gentleman is a member of the committee before which this morning we heard a request for additional housing facilities. The statement was made by a number of department heads that there would be approximately 4,000 to 5,000 people coming in each month for the next year, in addition to those now here. I am wondering if the gentleman in his investigation has checked the various departments as to whether or not those requests are outrageous.

Mr. WILSON. I have not made a thorough check but, on the basis of some things I have discovered, I am inclined to agree with my good friend from Ohio that many of these requests for additional help are outrageous.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 30 minutes.

The SPEAKER pro tempore [Mr. PRIEST]. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. If the gentleman will yield, may I say that I come from Ohio. In Cleveland we have a Democratic newspaper, the Cleveland Plain Dealer. Last Sunday the Plain Dealer had this to say:

> President Roosevelt is quoted as saying that there are too many unneeded persons in Washington, and he urges everyone in the Capital to ask himself: "Are you a parasite?" The President's point is well taken. But he himself could help alleviate the crowded condition in Washington by abolishing many of the bureaus and agencies which are not needed to win the war, especially those who continue to promote the war against the American way of life.
>
> They are the true parasites in Washington. So long as they remain, the Nation cannot be united as it should be for the greater effort. So long as they remain, we are in danger of losing the very thing we are fighting for in Asia and Europe and off the coasts of America.

I know the gentleman might have slipped in talking about a few of the cuties in Washington.

Mr. WILSON. Let me correct that statement. I have not made any reference whatever to any cutie in Washington except, perhaps, for one. I will admit I made one reference to the girl who had to type a letter three times before the one who dictated the letter would sign it. I said it may be that she was just a little bit woozy. However, I do not want to condemn even that girl for a single instance.

Mr. BENDER. I read in a Washington paper an article by a very nice-looking writer criticizing the gentleman for recommending a curfew. I am sure the gentleman did not intend to have a curfew for Washington girls.

Mr. WILSON. Certainly not; but I think the newspapers and writers have been very cooperative in getting this matter brought to light. I appreciate everything they have done. After all, you have to have a story, and it has to be a human-interest story, so people will read it. The writers have done a splendid job. I am guilty of some of the things they say I said, and maybe I can accept responsibility for all of them when I read about them.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from Wisconsin.

Mr. KEEFE. May I suggest to the gentleman that a lot of us are here to hear what the gentleman has to say. Will the gentleman now proceed without yielding for a few moments and give the Members the benefit of the information he has in his prepared speech?

Mr. WILSON. Thank you; I will proceed shortly. I have another letter here which contains this statement:

> Some seem to think that the reason for more employees is that the "boss" has a better chance for promotion with a greater number of employees under supervision, and at higher salaries; also that this holds true with the one a step higher than the "boss."

I have been told on innumerable occasions by these girls—and if anyone wants to challenge this statement, I will try to bring some of them here to testify—that they have been told by their boss to let the mail pile up on their tables and accumulate, and for them to appear to be busy in order that the bosses can keep more of them on the pay roll and hold his job and maybe get an increase in salary.

I was called this morning by a lady who will bear this out. She said, "Mr. Wilson, I will give up my job and testify to this information if you need it. Yesterday the boss came down to me and said, 'You know, I cannot get a thing done up in my department. The supervisors and the clerks are all knitting.'"

It seems that the girls in that office get rather disgusted over the set-up, but they do not have much choice about the matter; that if they reported it in any way it would just mean trouble for them.

Mr. CREAL. Mr. Speaker, will the gentleman yield for a question?

Mr. WILSON. I yield.

Mr. CREAL. In the suggested curfew for Government clerks or workers, why does not the gentleman include Members of Congress also?

Mr. WILSON. The gentleman will have that privilege.

I have another letter here that says:

> I certainly agree with you that some deplorable conditions exist in the Government offices in Washington. Your remarks to the effect that there are more workers than work in some of the Government offices are daily being confirmed.

From a number of employees of the Reclamation Bureau comes reports of similar tone. At least this was the type of report coming from the stenographic office of that agency a month or two back. Also, reports were that work was manufactured to try and keep the girls busy, and the girls were instructed to make believe they were busy when anyone outside of the office came in.

I cannot read you half of these letters that I have here, and a number of people have come to me and testified before me. May I quote from another letter:

> Congratulations, Old Boy! It takes a Hoosier to bring out the truth.
>
> I have been employed in the War Department, Procurement Division, and I have seen many injustices. I have no one to blame but the chief clerks.

And that is exactly where the blame ought to be placed immediately.

> The new girls come in and without exaggeration 70 percent of the girls have nothing to do all day

Now, Members, that is the Procurement Division. Go down and investigate. You have a job here and I have given you the names. Then further the letter says:

> We may be lucky to get one letter a day to retype and we may not. But we are told to write personal letters or do something else to appear busy.

I am not going to read any more of that, and here is one that I am not going to take up at all.

This curfew suggestion came up incidentally on some remarks on this bill and we initiated a lot of publicity. I received a poem Monday morning from a girl employed by our Government and I answered it that same day. I want to read you these poems. I believe they explain a lot.

ODE (?) TO MR. WILSON

I read with amazement
That failed to amuse,
Your untimely comments
On women's curfews.

'Tho I tried to be fair,
The more that I read
The more I was sure,
You were sadly misled.

And so I decided
'Twas only your due,
That someone like me,
Should broaden your view.

The incentive to show
Efficiency plus,
Is killed in the struggle
To get on a bus.

Nor can I believe that
A ten-hour day
Leaves Government girls
Still ready for play.

Even women must eat
(It's sad but it's true),
And when we get home
There's the cooking to do.

So how can you think
There is time or ambition
To gad late at night and
Get out of condition?

And, besides—

Since Washington women
Outnumber the men,
Just who is to keep us
All out after ten?

Mr. WICKERSHAM. Mr. Speaker, will the gentleman yield?

Mr. WILSON. I am sorry; I cannot yield.

Here is my reply.

Young lady, I'm sorry you misunderstood!
(However, it seems to be all to the good.)
I was not impatient with girls who are working,
My patience is short with those who are shirking.
In winning a war, our hearts must be in it,
So toil we must, every day, every minute.
I mentioned your breakfasts, and caused quite a titter.
But if you will listen, you'll feel so much fitter.
Early to bed, and early to rise
Will help your complexion, and brighten your eyes.
And coffee and rolls in your tummies by nine,
Will make you feel healthier, frisky, and fine.
I'm not an old ogre who spoils girls' fun,
I just see a job that has got to be done.
The least you can do is to carry your share,
When our boys are at work on the sea, land, and air
So, here's to a curfew, and feeling your best.
The boys in the service will settle the rest.
If you will agree to turn in at "taps",
Your Uncle will check off the Germans and Japs.

Mr. Speaker, I suggest a 10-point plan to alleviate the congestion in Washington and to promote the national defense by establishing more decent living conditions for Government workers.

I have been grossly maligned and highly praised, too, for the suggestion which I made last Friday in a committee meeting of the Public Buildings and Grounds Committee, that perhaps we should adopt a curfew system for getting the inefficient Government girls in bed and thus guarantee that they could be on the job on time, fed, and ready for the kind of production that is required of us all in our effort to help win this war. Of course, as always, the whole truth would be tiresome and mundane, but that 10-o'clock curfew statement got attention, and I am perfectly willing that we all have a lot of laughs, and that I be called everything from a "grandpa" to a hick. Yes; anyone can go even further than these if he, or in most cases she, chooses; if it will wake up only 50 percent of the army of workers now in Washington to the fact that some people are dragging their feet in our parade toward victory.

Let us not, any of us, be foolish enough to think that I suggested or would support a 10-o'clock curfew regulation just for the fun of making little girls cry, nor am I shortsighted or uninformed enough to think that such a personal matter could be legislated. I think that the general awareness of a condition that would provoke such a statement is all that is needed to get the results that Uncle Sam wants from his nieces and nephews who have the courage to reach for a pay check which, in some cases, they know they have not earned.

There is also another point in this connection which I should like to clear up. A few persons have inferred that I was making an attack on the moral character of those girls who work for the Government. Nothing could be farther from the truth. I have never thought of such a thing. I have never made such a statement or insinuation, and furthermore, I am certain that the truth is quite the opposite. Those men and women who work for Uncle Sam are, in my opinion, among the cream of the Nation's crop, mentally and morally. Those few who have attempted to read such derogatory remarks into the true record of my statements have been talking on levels beneath the dignity of refutation.

At the outset, may I say that the problem before us is of sufficient magnitude as to challenge the best of each and every one of us. That problem is the winning of this war. Beautiful words about ourselves, bold remarks hurled at the enemy, or promises of what will be done, can contribute little toward our objective. We must have results and I feel that we owe it to the boys in uniform to get results in the production of mechanized equipment with which they are going to defend their lives and ours. We will not let them down.

We have been hearing a lot about blood, tears, toil, and sweat, and now it is time we were making our contribution. The greater and the sooner our contribution the less will be the demand on our brothers, sons, and fathers now fighting on a dozen fronts in a world torn by the horrors of war.

The subject I am about to discuss came up in connection with an authorization to appropriate $50,000,000 for defense housing and facilities in the District of Columbia. Therefore, I believe I should say just a few words about appropriations already made for vital defense needs.

The Seventy-seventh Congress has set a record, not only for the United States but for the world, in the appropriation of money. On Friday, January 23, Congress passed the largest appropriation bill in the history of the world, twelve and one-half billion dollars for defense purposes. Tuesday, January 27, that record was broken when the House of Representatives passed a new appropriation bill amounting to seventeen and one-half billion dollars, authorizing in addition something like three and one-half billions in contract obligations which, if used, would make the appropriation over $20,000,000,000.

It may help you to understand the size of these appropriations to remind you that during the first 100 years of our national history, during which time we fought a war with England, the Mexican War, 4 years of Civil War, and the various Indian wars, all appropriations by the Federal Government totaled only $9,000,000,000. Since July 1, 1940, Congress has appropriated over $107,000,000,000 for Army and Navy purposes. This is equal to about $900 for every man, woman, and child in the United States, and the end is not yet.

So, as far as appropriating money for national defense and for the war effort is concerned, this Congress has gone all out. Now, it is up to those of us who are working for the Government and for the taxpayers to go all out in our efforts to get the maximum amount of good out of every dollar spent. Yes; and what is more important, it is our God-given, patriotic duty to strain every muscle and squeeze 60 minutes out of every hour in our efforts to provide those men in khaki and blue, who are fighting our battle, with the necessary implements to protect their lives and our Republic. The sweat-streaked, battle-scarred men in the hellholes of Luzon Island are not working from 9 to 5. They are on duty with their lives, 24 hours a day, at $21 a month. If we, safe in the confines of our free Republic, should ever entertain the thought of doing less than they, we should not be worthy of their protection.

The District of Columbia is already crowded to overflowing. Your public facilities are overtaxed by the sudden influx of workers. There are not sufficient living quarters for those already here and yet we are told that within the next few months we must expect several thousand more defense workers in Washington. I am told that in the month of December, the War Department alone, hired 3,577 clerical employees in Washington, and the enormous rate of hiring is being continued. Since Pearl Harbor, it is estimated that 7,500 new employees have been brought here. From these figures and from the fact that there are more to come, it should be apparent that your problem is not only tremendous but acute. The Federal Government must and will help solve this problem, but it is the duty of Congress and my Committee on Public Buildings and Grounds, in particular, to see that it is solved with the minimum amount of trouble and expense to the taxpayers.

It is with that thought in mind that I am attempting to awaken you Government workers, men as well as women, to the urgent need for the utmost efficiency in the dispatch of your duties.

It is my contention that if those of us who are already here will do a full and efficient day's work; if we will not occupy any more living space than is necessary, and if those departments of the Government not necessary to the prosecution of this war are reduced and the personnel placed in defense jobs, we can greatly reduce the number of additional workers

needed and save our Government thousands, perhaps millions, of dollars in the building of houses and facilities.

In the solution of this problem I would like to submit to you a 10-point program which if diligently carried out, will, I believe, meet with the approval of most of you, add greatly to the efficiency of our Government, and contribute immeasurably to the successful prosecution of this all-important war effort.

First. I would suggest the removal of employees from overstaffed departments. This particularly applies to peacetime departments. I have been informed by many patriotic employees that there are many Government departments where the work could easily be done in a small fraction of the space now used and by a small fraction of the staff now employed. These workers have told me on different occasions that the days were long and tiresome to them sitting around with nothing to do. Also, they have said that their supervisors wanted to keep them on the pay roll for fear of losing their jobs or having their salaries cut. I agree with my good friend and colleague, Congressman RANDOLPH, of West Virginia, that most of the employees are 100 percent patriotic and would rather be contributing their all to national defense. Several employees have testified that their bosses have instructed them to let their work pile up so they can appear busy at all times and have something to do. In this case, I would say the workers are more loyal to their country than their bosses are. I have letters in my mail which will bear me cut and should demand an immediate investigation. I am sure that these letters only disclose conditions which are equally true in many other instances.

Second. I would suggest the removal of inefficient employers and employees, and promotion on the basis of merit only. Again, I agree with my colleague, Congressman RANDOLPH, that most girls and boys are patriotic and efficient. It is not these who object to my criticism of late. Not at all. They, being patriotic, want to see our national defense program go forward with maximum efficiency. They, being patriotic, want to give their all in effort that their loved ones on the battlefields all over the world may have those things so badly needed to defend their lives and ours. Being patriotic, they are demanding the same efficiency of those less interested, regardless of what the cause may be. They are demanding a dollar's worth of war effort for every dollar spent.

So, you can see that those people who are crying are those on whose toes such a suggestion treads, even though it be lightly. It is only the parasites who object to a program of efficiency and economy. It is now, and will be throughout the existence of man, the human tendency to do little more than is demanded of us. Therefore, I do not blame the girls altogether for "working" the Government, nor those who come to work sleepy-eyed, without "their breakfast down," or their "make-up on." Wherever you find a group of girls, or boys for that matter, you will find a few of this type. This does not mean, in any sense, that they are not patriotic. It merely means that their employers, their department supervisors are inefficient and are not able to handle this administrative problem.

Third. I would suggest that preliminary training for defense workers be done in some nearby city. I do not see why this could not be done away from Washington as well as here. Probably our business colleges could be moved to a nearby city and given the problem of training Government employees. At present, thousands are being brought here to add to an already overpopulated and overcrowded area.

Fourth. I would suggest that there be a doubling up of shifts. If we could use our office space for two or three shifts a day instead of one, we would not need to put so much money into additional office space and equipment.

Fifth. If we would remove the parasites from the District as the President has suggested, we would have room for those people whom we really need and who are willing and able to do a full and productive day's work. Right here I would like to suggest my definition of a Washington parasite. It is any individual sapping the lifeblood of our Capital City, our National Government, and our defense program, without giving the equivalent in war effort. This means all those people not doing defense work or rendering a service to defense workers.

Sixth. I would suggest that all available space in private homes and apartments be made available to defense workers. This should apply to Members of Congress as well as to others. I am sure that many thousands of workers could be comfortably cared for in the unused portions of some of the lavish apartments now being wasted by the parasites.

Seventh. I would suggest that the Government commandeer all clubhouses not being used for defense purposes and utilize them for office space or to house defense workers.

Eighth. I would suggest that the long-delayed mass decentralization of Government agencies be put into effect. It is generally agreed that there are many agencies that could operate just as efficiently somewhere outside Washington. This would make available to national defense agencies some much-needed office space. Also, the workers could be transferred to defense work if they wished to remain in Washington. Thus, we would eliminate part of the necessity of bringing in more. However, if these workers preferred to go along with their old agency, their living quarters and other facilities would be available for those coming into the District.

Ninth. I suggest that all available help now living in Washington be urged into service or asked to leave the city. By this suggestion, I mean use every wife or husband of a necessary worker, and the calling back to duty of retired civil-service employees. This would save the need of bringing in someone else and would be most valuable in conserving living quarters. I really believe that this suggestion would take care of a sizable portion of our problem.

And last, I recommend a substantial building program. The tearing down of the semislum section just to the east and south of the Capitol, and the wholesale building of small, but convenient, apartments which would house only people working on Capitol Hill. Also the building of a similar section in the south and west for the convenience of workers in the downtown agencies. Make these buildings real additions to the beauty and utility of our Capital City, and not the eyesores of which you are probably thinking. We could encourage the people working in a certain area to live in an adjacent area, and thus we would have greatly alleviated our traffic problem. It seems perfectly sensible to me that people would want to live near their work, and not have to criss-cross the city morning and night and add hours to their working day getting back and forth.

After all, we are at war. That is no fault of yours, or of mine, or of any other good American citizen. We place that blame directly on the Axis Powers, particularly on Hitler, and immediately on Japan, for her dastardly sneak attack. We were at one time divided on the question as to how to preserve peace, we are now 100 percent united in the fact that we must fight for peace. Just how long, how bloody, or how costly this struggle is going to be, we do not know, and we are not going to argue. Whatever the price, we must pay it for a free Republic.

In conclusion, and back to the bone of contention, the only regulation that might come of this suggestion would be a more or less self-imposed honor system curfew for the duration. Under this system, a Government worker, man or woman, who turned in a shabby day's work, or in other words, did not earn his or her salt, would be handed a small card by the supervisor of the department bearing the word "parasite." The employee receiving such a card would know by that reminder that he or she would be expected to improve his work or at the end of a set period of time he would receive an appropriate cut in salary, or be demoted from his present duties.

The demand that would be made by this method for each person to carry his share of the load, would step up our production in offices and on typewriters the same as production has been stepped up on assembly lines and on punch presses.

Yours for victory, and—remember Pearl Harbor.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ARENDS, on account of death in family.

To Mr. FOLGER, indefinitely, on account of brother.

EXTENSION OF REMARKS

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks on one topic, and on another to include a statement from the Tax Commission of the State of Washington.

The SPEAKER pro tempore. Is there objection?

There was no objection.

ADJOURNMENT

Mr. LUDLOW. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 37 minutes p. m.) the House adjourned until tomorrow, Wednesday, February 4, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Subcommittee on Public Health of the Committee on Interstate and Foreign Commerce at 10 a. m., Wednesday, February 4, 1942, to hold a hearing on H. R. 5674, a bill to protect the public health by the prevention of certain practices leading to dental disorders and to prevent the circumvention of certain State laws regulating the practice of dentistry.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization at 10 a. m., Wednesday, February 4, 1942, continuation of hearings on H. R. 1844.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

There will be a meeting of the Committee on Expenditures in the Executive Departments on Wednesday, February 4, 1942, at 10 a. m., to consider all bills now pending before this committee.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 5, 1942, at 10 a. m., on H. R. 6020, granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Atlantic seaboard and creating the Atlantic States Marine Fisheries Commission.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 12, 1942, at 10 a. m., on House Joint Resolution 263, to provide decorations for outstanding conduct or service by persons serving in the American merchant marine.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Tuesday, February 17, 1942, at 10 a. m., on H. R. 6503, to extend and amend certain emergency laws relating to the merchant marine, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1368 A letter from the Archivist of the United States, transmitting a report on a list of papers recommended to the Archivist for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

1369 A letter from the Secretary of the Interior, Chairman of the Migratory Bird Conservation Commission, transmitting a report of the Migratory Bird Conservation Commission for the fiscal year ended June 30, 1941 (H. Doc. No. 607); to the Committee on Agriculture and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAY: Committee on Military Affairs. House Resolution 162 (77th Cong., 1st sess.). Resolution authorizing the Committee on Military Affairs and the Committee on Naval Affairs to study the progress of the national defense program; without amendment (Rept. No. 1735) Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH. Committee on the District of Columbia. S. 1945. An act to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes; with amendment (Rept. No. 1736). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs S. 2182. An act to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps; with amendment (Rept. No. 1737). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLE of New York: Committee on Naval Affairs. H. R. 6496. A bill to authorize the appointment of commissioned warrant and warrant officers to commissioned rank in the line and staff corps of the Navy and Marine Corps, and for other purposes; with amendment (Rept. No. 1738) Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House joint resolution 276. Joint resolution to authorize the President of the United States to render financial aid to China, and for other purposes; without amendment (Rept. No. 1739). Referred to the Committee of the Whole House on the state of the Union.

Mr. SCRUGHAM: Committee of conference on the disagreeing votes of the two Houses. H. R. 6460. A bill making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes (Rept. No. 1740). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEITER:

H. R. 6521. A bill to extend certain benefits of the Soldiers' and Sailors' Civil Relief Act of 1940; to the Committee on Military Affairs.

By Mr WHITE:

H. R. 6522. A bill to amend an act entitled "An act to prevent speculation in lands in the Columbia Basin prospectively irrigable by reason of the construction of the Grand Coulee Dam project and to aid actual settlers in securing such lands at the fair appraised value thereof as arid land, and for other purposes" (act of May 27, 1937, 50 Stat. 208), and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. SASSCER:

H. R. 6523. A bill to allow an additional period of 6 months in which certain members of the Officers' Reserve Corps and the Enlisted Reserve Corps of the Army or their beneficiaries may make claim for benefits under the act of July 18, 1940; to the Committee on Military Affairs.

By Mr. SECREST:

H. R. 6524. A bill to amend section 1 of the act entitled "An act to provide books for the adult blind," approved March 3, 1931, as amended; to the Committee on the Library.

By Mr. VOORHIS of California:

H. R. 6525. A bill to provide compensation for personnel sustaining disease or injury while performing civilian defense duty, and to provide indemnities to the beneficiaries of such personnel in certain cases; to the Committee on the Judiciary.

By Mr. BRYSON:

H. J. Res. 277. Joint resolution to name the new Army air base at Greenville, S. C., the John J. McSwain Air Base; to the Committee on Military Affairs.

By Mr. COOLEY:

H. Res. 428. Resolution creating a Select Committee to Investigate the Activities of the Farm Security Administration; to the Committee on Rules.

H. Res. 429. Resolution to provide for expenses of investigation authorized by House Resolution 428, a resolution creating a Select Committee to Investigate the Activities of the Farm Security Administration; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2362. By Mr. COFFEE of Washington: Petitions of Richard B Ott, commander; Fred M. Fueker, department adjutant of the Department of Washington, American Legion, in behalf of the department executive committee, Department of Washington, American Legion, urging that the Office of Civilian Defense be administered through and under the jurisdiction of the War Department; also a resolution asserting that Gen. Douglas MacArthur and his heroic troops have gained invaluable time for the United Nations and for what must be our ultimate effort; and, therefore, expressing deep admiration for the valiant and heroic stand of General MacArthur and his men; also resolution alleging that the best defense is a good offense; insisting that too much emphasis on defense measures tends to take the public mind from what must be America's primary objective; and, therefore, asserting we should encourage the suspension for the duration of all thought of self or group interests, that we should work for the development of America on the offensive, and that our fighting forces should be equipped, supplied, and protected in taking this war to the enemy; to the Committee on Military Affairs.

2363. By Mr. KRAMER: Petition of the board of supervisors, Los Angeles County, Calif., urging the Federal Government to provide housing and sustenance for Japanese residents of the county who would otherwise become charges of the county, and to transfer Japanese aliens inland to keep them away from vital industries on the coast; to the Committee on the Judiciary.

2364. Also, petition of the Assembly and the Senate of the State of California, respectfully urging the President of the United States, the Congress of the United States, the Secretary of the Interior, the Commissioner of the United States Bureau of Reclamation, the Director of the Office of Production Management, and the Chairman of the War Production Board, to provide immediately for the completion of the

all-American canal to Coachella Valley at the earliest possible date; to the Committee on Appropriations.

2365. Also, petition of the Assembly and the Senate of the State of California, urging the Government of the United States, through the appropriate agency, to make an immediate survey of the best available route to bring water from the Colorado River to the city of San Diego for the purpose of insuring adequate water supply which is vital to the war program and to the welfare of the Army, Navy, and Marine Corps stationed in the Nation's most vital defense area; to the Committee on Rivers and Harbors.

2366. Also, petition of the Assembly and the Senate of the State of California, requesting the Federal employees retirement system initiate and the Congress of the United States enact legislation which will provide for employees of the State of California, who for years have been employees of the State, and who earned retirement rights by their service with the State and who, by Presidential order, were made Federal employees: to the Committee on the Civil Service.

2367. Also, petition of the Assembly and the Senate of the State of California, respectfully urging Congress and the President of the United States that they consider the necessity of the food industry during the war effort and that proper steps be taken to insure the industry that the draft law will not use up the personnel of the industry; to the Committee on Military Affairs.

2368. Also, petition of the Assembly and the Senate of the State of California, respectfully urging the President and Congress to amend the Federal Social Security Act by repealing amendments of 1939 thereto which prevent any State in the Union from allowing any additional income to the aged and to children beneficiaries thereunder; to the Committee on Ways and Means.

2369. Also, petition of the Assembly and the Senate of the State of California, expressing its desire to do everything possible in the interest of successful military offensive by the United States of America, and urging Congress to provide necessary funds for the construction of needed defense projects relating directly to the Sacramento River and tributaries; to the Committee on Appropriations.

2370. Also, petition of the Assembly of the State of California, requesting the President of the United States and the Congress of the United States to cause an immediate study of the defense project known as the Los Angeles-Long Beach Harbor Breakwater, such study to be made by appropriate defense authorities, and to consider favorably the speeding up of said project; to the Committee on Military Affairs.

2371. Also, petition of the Assembly and the Senate of the State of California, urging the President and Congress to consider and enact such amendments to the Federal Social Security Act as may be necessary to restore to the recipients of old-age assistance their former privilege of earning not more than $15 per month without deduction from the amount of old-age assistance which they would otherwise receive; to the Committee on Ways and Means.

2372. Also, petition of the Assembly and the Senate of the State of California, urging the President and Congress to take such steps as will give the gold-mining industry sufficient materials, and priorities thereto, to permit its continued operation through the war emergency; to the Committee on the Judiciary.

2373. By Mr. ROLPH: Resolution of the California Retail Grocers and Merchants Association, Ltd., San Francisco, Calif., opposing the plan advanced by the Social Security Board for the taking over of the California Unemployment insurance program; to the Committee on Ways and Means.

2374. By Mr. SMITH of Wisconsin: Resolution of the executive council, Wisconsin Bankers Association, and midwinter conference, Wisconsin Bankers' Association, that the President of the United States and each of the Senators and Representatives in Congress from Wisconsin be petitioned that proposed legislation in regard to Federal-State relationship in unemployment compensation to the end that 51 separate State and Territorial laws be destroyed and 1 Federal law substituted, to be deferred for the duration of the war; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 4, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, grant that our sympathies, supplications, and our sacrifices may be an inspirational might to our defenders on land, sea, and air; defend the sanctities of our faith with the assurance that our hope in them is neither a delusion nor fiction. As we lift our souls to Thee, we pray that their hearts may not be troubled, neither let them be afraid. For life's transitions, for its varying experiences, and for the path they need not tread alone, be their comfort beneath that guardian Rock where all commotions rest.

The recurrent sense of human frailty feelingly reminds us of the danger in which we walk. We pray to be made stronger, possessing the truth, clearly discerned, with our souls anchored to constant and unmovable foundations. With contrite hearts and with that grace which fortifies the soul, we beseech Thee that we may have an urgent determination to remember the blessing of sanctified duty. In our dear Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 257. An act for the relief of Edna La Blanche Gillette;

H. R. 1903. An act for the relief of Reuben Owen;

H. R. 1914. An act for the relief of the Coppel Coal Co.;

H. R. 2372. An act for the relief of Paul E. Cook;

H. R. 2376. An act for the relief of Ethel Ray Sowder;

H. R. 3118. An act for the relief of the State compensation insurance fund of California;

H. R. 3403. An act for the relief of Louis M. McDougal;

H. R. 4182. An act for the relief of Mollie S. McHaney;

H. R. 4436. An act for the relief of Mrs. Bertha M. Smith;

H. R. 5046. An act for the relief of Mr. and Mrs. R. L. Saunders;

H. R. 5085. An act for the relief of Esco Wood;

H. R. 5164. An act for the relief of Arthur W. Jorgenson, and the legal guardian of Robert R. Jorgenson, a minor;

H. R. 5291. An act for the relief of Helen Rauch and Max Rauch;

H. R. 5390. An act for the relief of G. T. Elliott, Inc.;

H. R. 5541. An act for the relief of Joseph Keeney;

H. R. 5701. An act for relief of the accounts of Lt. Col. Joseph M. Kelly, United States property and disbursing officer for Kentucky;

H. R. 5767. An act for the relief of A. Paul Johnson; and

H. R. 6356. An act to amend the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 2183. An act for the relief of Hiram O. Lester, Grace D. Lester, and Florence E. Dawson;

H. R. 2712. An act for the relief of the Branchland Pipe & Supply Co.; and

H. R. 2780. An act for the relief of O. C. Ousley.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 984. An act for the relief of Mr. and Mrs. James C. Loard;

S. 1801. An act for the relief of Eugene Jackson;

S. 1820. An act for the relief of Jerry McKinley Thompson;

S. 1898. An act for the relief of the heirs of Mrs. Nazaria Garcia, of Winslow, Ariz.;

S. 2002. An act for the relief of Donald William Burt;

S. 2066. An act to make permanently effective the act regulating interstate and foreign commerce in petroleum and its products;

S. 2198. An act to provide for the financing of the War Damage Corporation to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes; and

S. Con. Res. 25. Concurrent resolution authorizing the printing of additional copies of the Report of the Commission Appointed by the President of the United States To Investigate the Facts Relating to the Attack Made by the Japanese Armed Forces Upon Pearl Harbor in the Territory of Hawaii, on December 7, 1941.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2112. An act authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agency:

1. Department of Labor.
2. Department of War.

3. Federal Security Agency, Social Security Board.

FINANCIAL AID TO CHINA

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 276, authorizing the President of the United States to render financial aid to China, and for other purposes.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

Mr. FISH. Mr. Speaker, reserving the right to object—and I do not propose to object—this is a very important resolution. It comes to the House with the unanimous report of the Committee on Foreign Affairs. It involves $500,000,000 to furnish aid to China. In my opinion, it is a proper and wise move and a sound military and diplomatic investment.

China has been fighting Japan with great gallantry for the last 4 or 5 years. It has a tremendous reservoir of manpower. It has a population of 457,000,000 people—3 or 4 times as many as the United States. The Congress and the American people are completely united in winning this war. If we want to be sure of winning it, what is better and wiser than to supply arms, ammunition, defensive and offensive weapons, airplanes, tanks, and artillery in large quantities to the Chinese, who have already shown the utmost gallantry, but who are lamentably lacking in artillery, airplanes, and modern weapons with which to defeat the Japanese?

When this resolution is passed—and I am sure it will pass unanimously—I hope we will proceed at the earliest possible moment to try to get airplanes, the best equipped and the most modern airplanes in the world, to the Chinese, so that they can carry the war to Japan—an offensive war from the shores of China across the seas to Japan—and bomb Japanese cities and destroy them as the Japs did to them.

We must not minimize this war. If China should be driven out of the war, if she should collapse, if she should make peace, if she should be beaten, I do not believe we could win the war for many years and without terrible losses and trials. If Russia should collapse or be forced to make peace, we would be confronted with an equally serious situation. I think we would then face the possibility of a stalemate. But as long as Russia and China remain in this war and continue to fight, we are bound to win, particularly if we supply them with weapons to fight with.

I hope there will be no objection to the resolution.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes; I yield.

Mr. CELLER. In other words, this is an exceptionally fine movement for our Government to make?

Mr. FISH. And a vote of confidence for the present Chinese Government, which has been carrying on this war for 4 years without proper arms or equipment.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, of course I am wholeheartedly for the resolution. As the gentleman from New York [Mr. FISH] has said, we must not minimize the war.

There is one thing the American public must be watchful of, and that is an attitude of complacency. We cannot feel overconfident. On the other hand, we must not have a feeling of lack of confidence or defeatism. I think the state of mind of the American people must be one of grim determination. That state of mind must be possessed not only by the leaders in the armed forces, every member of the armed forces, but every civilian, because war today is an over-all picture; not alone the men in service who are waging the war. The child in the crib is in this war. After this war is over everyone, from the babe in the crib up, will be a veteran of this war. Civilian defense is a very important part of our war, and those in civilian life should actively participate in all such activities. If there is one thing we have learned from Pearl Harbor it is that we should be prepared for anything. We might think something may not happen, but we should not rest upon that thought and be inactive. We must be prepared for anything that can possibly happen.

As far as China is concerned, the American people have always had a warm feeling of friendship for the people of China and for the Chinese Government. Even before December 7 and our entry into the war, our people had a warm friendship for them and a strong feeling of support in their defense against aggression and in their future aspirations. Today we are allies, and our Government since December 7 and prior to that time has done everything possible, and our Government will do everything possible to assist the people of China, to assist the Government of China as an ally and as a friend in the successful termination of the war, to which we are all so anxiously looking forward to see brought about as soon as possible. This bill is a very important bill in connection with the defense of the people and the Government of China. It is an important bill from our own angle, and as a part of our war action in this great conflict. I know there is no opposition to this bill, but we want to have a record made of the love and affection on the part of the people of America for the people of China.

Mr. WHITE. Mr. Speaker, reserving the right to object, I subscribe to what our leader has just said that there is no opposition to this particular joint resolution, but I do want to say a word in reference to the plan he proposes. I am wondering if he thinks it is financially possible for the people of the United States to finance the war activities of every nation on the globe that is opposed to the Central Powers. I am wondering how far we can go—and he and the leadership of this Congress understand that there is a limit to the financial resources and productive ability of this country—and now that we are committed to fight and win this war if it is not necessary to divert our resources and energies to equipping the military forces of our own country.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

There being no objection, the Clerk read the House joint resolution, as follows:

Whereas China has for more than 4 years valiantly resisted the forces of Japanese aggression; and

Whereas financial and economic aid to China will increase her ability to oppose the forces of aggression; and

Whereas the defense of China is of the greatest possible importance: Therefore be it

Resolved, etc., That the Secretary of the Treasury, with the approval of the President, is hereby authorized, on behalf of the United States, to loan or extend credit or give other financial aid to China in an amount not to exceed in the aggregate $500,000,000 at such time or times and upon such terms and conditions as the Secretary of the Treasury with the approval of the President shall deem in the interest of the United States.

SEC. 2. The authority herein granted shall be in addition to any other authority provided by law.

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sum or sums, not to exceed $500,000,000, as may be necessary to carry out the provisions of this joint resolution.

Mr. BLOOM. Mr. Speaker, with reference to the resolution now under consideration—House Joint Resolution 276—I would like at this time to present the letter of the President of the United States which was sent to the Speaker of the House of Representatives under date of January 31, 1942:

THE WHITE HOUSE,
Washington, January 31, 1942.

The Honorable the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

MY DEAR MR. SPEAKER: Responsible officials both of this Government and of the Government of China have brought to my attention the existence of urgent need for the immediate extension to China of economic and financial assistance going beyond in amount and different in form from such aid as Congress has already authorized. I believe that such additional assistance would serve to strengthen China's position as regards both her internal economy and her capacity in general to function with great military effectiveness in our common effort.

I urge, therefore, the passage by Congress of appropriate legislation to this effect and attach hereto a suggested draft of a joint resolution which would accomplish this purpose.

Sincerely yours,

FRANKLIN D. ROOSEVELT.

During the hearing held by the Committee on Foreign Affairs on February 3, 1942, on this measure, the committee heard testimony from the Secretary of the Treasury, Henry Morgenthau, Jr.; the Secretary of War, Henry L. Stimson; the Secretary of the Navy, Frank Knox; the Secretary of Commerce, Jesse H. Jones; and Assistant Secretary of State Breckinridge Long.

The witnesses discussed the background of our relations with China and detailed the recent political, military, and economic developments. In the opinion

of the committee these developments fully justify the financial aid which this joint resolution would authorize.

It was thought desirable that the Secretary of the Treasury, acting with the approval of the President, should be given the widest possible latitude in arranging for the financial aid to be extended. The joint resolution was deemed adequate to permit the Secretary of the Treasury, acting with the approval of the President, to accept any direct or indirect benefit to the United States as ample consideration for either part or the whole of the assistance to be extended to China.

The witnesses reported to the committee the various forms of credits and loans and aids that have heretofore been extended to China and the splendid record of the Chinese Government in discharging its obligations and commitments to the United States. The additional assistance now proposed is much more comprehensive in scope, and is of a different character from the stabilization loans, Export-Import Bank loans, and other economic aids. The aid contemplated in the joint resolution should be regarded as the financial counterpart of lend-leasing war materials. It is designed to the same end—namely, the successful prosecution of the war and should be evaluated in the same terms.

From the beginning of the vicious onslaught in 1937 by the Japanese armed forces upon China, the Chinese Government, the Chinese people, and the Chinese armed forces have heroically and with great sacrifice resisted a ruthless invasion. The areas which Japan has succeeded in occupying have not been yielded until after the Chinese people have, with unbelievable sacrifice and fortitude, stripped them of materials that might be of value to the enemy. China, cut off from communication with the outside world except by long and difficult routes, deprived of its great industrial, shipping, and commercial centers, and denied the greater part of its normal sources of revenue, is continuing after almost 5 years a valiant fight against aggression. The tenacity of the Chinese in this battle for their national existence has won the unstinted praise of free peoples everywhere.

The country which attacked China in 1937 attacked the United States in 1941. That country and its partners in world crime declared war on the United States. This country thereupon declared war on them. China also declared war on them. Today the United States and China are actively engaged, along with other countries that have been attacked by the aggressor nations, as comrades in arms fighting for the same great purpose against common enemies. In the declaration of January 1, 1942, by the United Nations, the United States and China and their associates took a common pledge to cooperate fully to the end that the war against Japan and its partners should be successfully carried on to victory.

In essence, this measure of financial assistance is intended to contribute toward the same strengthening within China of the structure of economic, financial, and production measures that is being found necessary within the United States for the pursuit and winning of the war.

The long historic association, cultural, educational, and economic, which has thrived between the United States and China since the early days of our Republic, is now further amalgamated in a common war effort. This measure will be a further manifestation of the unity of purpose, the tenacity, the faith, and the determination of the free nations that are united in defense of freedom.

Mr. CHIPERFIELD. Mr. Speaker, I am wholeheartedly in favor of immediate passage of this bill. We have all admired the gallant and long-enduring fight that China has made. We should come to her aid in her time of need.

While it is rash to make predictions in time of war, I believe this loan or gift of $500,000,000 to China will repay us many times over in helping us to win the war against the Axis Powers. I have no doubt but what China will carry on with the same stubborn resistance until we can give her the material and the machines to fight with which she so badly needs.

This financial aid will give her immediate assistance. I for one am glad she is going to get it and that this bill was passed by the unanimous vote of the Foreign Affairs Committee and of this House.

Mr. VORYS of Ohio. Mr. Speaker, I urge prompt and unanimous approval of this resolution, without further debate or discussion. Ordinarily I would oppose the consideration of such a gigantic authorization in this manner, but the situation in the Pacific clearly requires action, rather than words, in attempting to match with such aid as we can render the matchless aid to us which China is rendering.

There is no precedent for what we are doing here; there is no precedent in history for the unique friendship between our country and China; there is no precedent for the fight the Chinese have made under their great Chiang Kai-shek against odds that, according to all the precedents, were overwhelming.

I taught for a year at the college of Yale in China, in Changsha, the city in Hunan Province where the Chinese first defeated the Japanese in 1939 and where they have since administered four bloody defeats to the Japanese. Changsha is a symbol of defeat to the Japanese. The Japanese general who lost 100,000 men there has just committed suicide. I am proud to feel that I knew China and the Chinese in the very place where they have done their best. I know their capacity for stubborn, wily, effective resistance, their stout, fighting hearts. They are inherently democratic. They are our friends. Based on performance to date, they have been the most potent anti-Axis force on earth.

They know what total war is. We are just learning. This aid we are authorizing today is for more than lease-lend materials; it is a form of total aid to total friends against mortal enemies.

An oriental proverb says, "To give quickly is to give twice." The most we can do right now is to authorize this all-out, all-around financial aid. The least we can do is to do it quickly without quibbling and without revealing to our enemies how it is to be used. The Chinese have developed oriental ways of defeating their oriental foe. We can most effectively show our appreciation of their effective resistance, which means so much to us, by helping them to continue their own kind of resistance in their own way.

Mr. EBERHARTER. Mr. Speaker, the House today rose to the occasion and unanimously adopted a resolution authorizing a loan or grant to China of $500,000,000. This was a vitally important action and one which I am sure will contribute very materially to a successful termination of the war effort.

By our action today, the Government of the United States and the people of the United States are showing to the Government of China and to the people of China that we are joined together in a single task; fighting the common enemy shoulder to shoulder and side by side; soldiers of China and soldiers of America fighting together; our resources and material wealth combined with the resources and material wealth of China; and, above all, with a spiritual determination common to the peoples of both countries to see the war through to victory. The limitless courage displayed by the army of the Republic of China has aroused the admiration of all governments and of all peoples throughout the world.

A TRIBUTE TO DR. HU SHIH

Mr. CANFIELD. Mr. Speaker, as the House today passed unanimously the bill authorizing a $500,000,000 loan to China, my thoughts turned to one of the most refreshing and democratic gentlemen I have been privileged to meet in the Nation's Capital—Dr. Hu Shih, China's Ambassador to our country.

I came to know Dr. Hu only yesterday when at the Chinese Embassy I presented him with a suitably inscribed and beautifully bound tribute and certificate of membership in the Paterson, N. J., Y's Men's Club. Young men of this organization have studied the life of China's most distinguished scholar, educator, and historian, now representing his country in Washington, and they have been deeply impressed by his contributions to international amity.

I was humming Far Above Cayuga's Waters as Dr. Hu entered the reception room of the Embassy.

"Congressman, are you a Cornell man, too?" he asked smilingly.

I had to respond in the negative, but I did say I knew of his years at Ithaca.

A profound student of our American Government, Dr. Hu told me how, back in 1912 while at Cornell, he had subscribed to the New York Times, the New York Tribune, and the New York Journal in order to get "all possible slants on the Wilson, Roosevelt, and Taft campaigns."

The Ambassador was not pessimistic about the war. He did not feel victory was so remote. Proudly, he described the Chinese will to defeat their enemies. "We can do so much with a little help, a little equipment," he said. Dr. Hu, who looks more like 41 than 51, went on to say that his country was the first in Asia to work out a democratic form of government. Historical factors have

been at work for tens of centuries and have given the Chinese people the tradition and the preparation for the development of modern democratic institutions.

Of these institutions, the Doctor emphasized three: First, a thoroughly democratized social structure; secondly, 2,000 years of an objective and competitive system of examinations for civil service; and thirdly, the historic institution of the government creating its own opposition and censorial control.

Dr. Hu is worth knowing. I shall see him soon again. He told me on my leaving yesterday he was coming to Paterson in March or April personally to thank the Y's Men for remembering him.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their own remarks on the bill just passed at this point in the RECORD for 3 legislative days.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. VOORHIS]?

There was no objection.

PURCHASE OF GOVERNMENT BONDS BY FEDERAL RESERVE BANKS

Mr. VOORHIS of California. Mr. Speaker, on yesterday we appropriated $1,450,000,000 for interest on the public debt. I hold in my hand a Federal Reserve note, on the face of which these words appear:

> This note is legal tender for all debts, public and private, and is redeemable in lawful money at the United States Treasury or at any Federal Reserve bank.

All the resources and credit of the United States Government and the people stand behind this piece of paper, although this piece of paper and others like it can only be issued by the Federal Reserve Board and only to and for the benefit of privately owned Federal Reserve banks.

A bill will be brought on the floor of the House soon to provide that Federal Reserve banks may directly purchase Government bonds. I am not opposed to that, but may I say that the most elemental sense of justice ought to show us that not one dime interest should be paid on any bonds bought by the Federal Reserve banks from the Government of the United States. Federal Reserve credit is the credit of the American people. It is backed by the power to issue Federal Reserve notes, and Federal Reserve notes, as I have shown, must be redeemed "in lawful money" by the Treasury if anyone demands that that be done. What the Federal Reserve banks will "lend" the Government when they buy the bonds is the credit of the Government itself, created upon the books of these banks for the explicit purpose of buying the bonds. To require the American people to pay interest on such a "loan" is nothing short of rank injustice and economic folly. If the Federal Reserve banks are to purchase any bonds from our Treasury, those bonds ought in all cases to be non-interest-bearing bonds. No other arrangement can be defended on grounds of equity or justice.

[Here the gavel fell.]

APPROPRIATIONS FOR THE NAVY DEPARTMENT AND THE NAVAL SERVICE

Mr. SCRUGHAM. Mr. Speaker, I call up the conference report on the bill (H. R. 6460) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the full report.

The SPEAKER. Is there objection to the request of the gentleman from Nevada [Mr. SCRUGHAM]?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6460) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 6, 7, 8, 9, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 22, 23, and 24; and agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ", from time to time in whole or in part,"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 5, 10, 25, 26, and 27.

J. G. SCRUGHAM,
JOSEPH E. CASEY,
HARRY R. SHEPPARD,
ALBERT THOMAS,
J. W. DITTER,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
Managers on the part of the House.

JOHN H. OVERTON,
CARTER GLASS,
ELMER THOMAS,
THEODORE FRANCIS GREEN,
DAVID I. WALSH,
RUFUS C. HOLMAN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6460) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendments Nos. 1, 3, 6, 7, 9, 11, 12, 13, 14, 15, 23, and 24: Make textual transpositions, or correct spelling or punctuation, as proposed by the Senate.

Amendment No. 4: Appropriates $958,979,935 for "Maintenance, Bureau of Ships, 1943," as proposed by the Senate, instead of $343,079,935, as proposed by the House, the increase of $615,000,000 being the subject of a supplemental estimate.

Amendment No. 8: Allows $25 for an outfit of civilian clothing for men discharged other than honorably, as proposed by the Senate, instead of $20, as proposed by the House. This applies to the fiscal year 1943.

Amendment No. 16: Empowers the President to suspend any part of section 109, dealing with employment in the Canal Zone, as proposed by the Senate, instead of empowering him to suspend the entire section, as proposed by the House.

Amendment No. 17: Appropriates $661,000,000 for "Maintenance, Bureau of Ships, 1942," as proposed by the Senate, instead of $332,000,000, as proposed by the House, the increase of $329,000,000 being the subject of a supplemental estimate.

Amendment No. 18: Appropriates $2,057,574,000 for "Ordnance and ordnance stores, Navy, 1942," as proposed by the Senate, instead of $1,161,274,000, as proposed by the House, the increase of $896,300,000 being the subject of a supplemental estimate.

Amendment No. 19: Allows $25 for an outfit of civilian clothing for men discharged other than honorably, as proposed by the Senate, instead of $20, as proposed by the House. This applies to the fiscal year 1942.

Amendment No. 20: Appropriates $4,408,300,000 for "Aviation, Navy, 1942," as proposed by the Senate, instead of $232,300,000, as proposed by the House, the increase of $4,176,000,000 being the subject of a supplemental estimate.

Amendments Nos. 21 and 22, relating to "Increase and replacement of naval vessels," provides that the appropriations under the subheads "Construction and machinery" and "Armor, armament, and ammunition," shall remain available until expended, as proposed by the Senate.

Disagreements pursuant to clause 2, rule XX

Amendment No. 2, relating to the Naval Research Laboratory.

Amendment No. 5, relating to flight pay to officers above the rank of captain.

Amendment No. 10, relating to the appropriation "Public works, Bureau of Yards and Docks."

Amendments Nos. 25 and 26, relating to launching expenses, naval vessels.

Amendment No. 27, relating to the transfer of defense articles to the government of any country whose defense the President deems vital to the defense of the United States.

J. G. SCRUGHAM,
JOSEPH E. CASEY,
HARRY R. SHEPPARD,
ALBERT THOMAS,
J. W. DITTER,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
Managers on the part of the House.

Mr. SCRUGHAM. Mr. Speaker, when this bill left the House it carried appropriations totaling $17,722,565,474. In addition, it carried contractual authorizations aggregating $2,256,400,000.

The Senate has added to the bill $6,016,300,000 of cash and $500,000,000 of

contractual authorization, and all of the cash is supported by a Budget estimate, which is contained in Senate Document No. 160.

Your conference committee has agreed to these supplemental amounts, so that if you support our action, the bill will carry a total of $23,738,865,474 of cash and $2,766,400,000 of contractual authorizations, or a grand total of $26,495,265,474.

Of the cash, $14,045,339,974 applies to the fiscal year 1943, and $9,693,525,000 applies to the current 1942 fiscal year. The latter, added to prior appropriations, brings the 1942 total up to $16,722,718,497.

Of the Senate increase, $5,072,300,000 results from the enlarged airplane program, $944,000,000 is for lend-lease employment, and the $500,000,000 of contractual authority is for emergency public-works needs, principally the establishment of a major advance base depot on each coast, so that there will be in readiness a reservoir of men, equipment, and materials for dispatch to any theater where a need may arise for an advance base beyond our shores.

The airplane program calls for 23,354 additional planes. The bill as it left the House made provision for 1,709 additional planes. This is the Navy's part of the new airplane expansion program.

As the result of recent hearings and investigations of aviation matters, I am strongly impressed with the fact that our aeronautical chiefs have been remiss in failing to recognize fully the military importance of dive and torpedo bombers, by the use of which the havoc wrought at Pearl Harbor was largely accomplished.

While both our Army and Navy have used such maneuvers, and the dive bomber was largely originated by our naval and Marine Corps flyers, the responsible officers seem to have taken but few steps to prevent wholesale destruction of naval facilities from such sources.

It is true that some considerable increase in cost might have been involved, but the policy still persists of crowding almost unprotected facilities into a few limited areas, ostensibly for easier protection from sabotage. Nevertheless, it seems that mastery in the wars of the future will be settled by low-flying airplanes. Hangars, landing fields, and even manufacturing facilities when closely packed together only invite attack and destruction, as conclusively proven by results in Hawaii. Another item which cannot be too strongly emphasized is the obvious need for more unified command for both area forces and task forces, as evidenced by recent events. The same thing applies to procurement and production of munitions of warfare.

In conclusion, let me again call attention to the fact that the appropriation of $26,000,000,000, agreed to in this report, has the unanimous support of the committee. If wisely spent and used, it should insure this Nation the full, ultimate mastery in this mighty struggle for preservation of democratic institutions.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 2: Page 6, line 1, insert a colon after the figures and the following proviso: *"Provided,* That the compensation of the position of senior head physicist shall be at the rate of $8,000 per annum so long as such position is held by the present incumbent."

Mr. SCRUGHAM. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

Mr. SCRUGHAM. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Nevada [Mr. SCRUGHAM]?

There was no objection.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 19, line 24, after the word "for", strike out the words "making aerial flights by more than nine officers above the rank of captain, nor by nonflying officers or observers at rates in."

Mr. SCRUGHAM. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. SCRUGHAM moves to recede and concur in Senate amendment No. 5 with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "making aerial flights by more than 23 officers above the rank of captain, flight orders in the case of all flag officers to be subject to the specific approval of the Secretary of the Navy (except for 4 of such 23 officers, namely, the Chief of the Bureau of Aeronautics, the commandant, Naval Air Station, Pensacola, Fla., the commanding officer, Naval Air Station, Corpus Christi, Tex., and the commanding officer, Naval Air Station, Jacksonville, Fla., each of the other 19, to be entitled to flight pay, shall be required to certify, or to have their immediate superiors certify, that during the period in which aerial flights were made extraordinary hazards were incurred), nor by."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 10: Page 34, line 2, after the figures, insert a colon and the following proviso: *"Provided further,* That the Secretary of the Navy is hereby authorized to enter into contracts for Public Works equipment, materials, and construction in an amount not to exceed $500,000,000, which amount shall be in addition to all other amounts herein or heretofore appropriated under this title."

Mr. SCRUGHAM. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 25: On page 73, in line 20, strike out "No" and insert the following: "Except in amounts limited by the Secretary of the Navy, not exceeding $25 in any one instance, no."

Mr. SCRUGHAM. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 26: Page 74, line 1, after "appropriated", insert the following: *"Provided,* That the Secretary of the Navy shall determine the nature and extent of any ceremonies in connection with the launching of any vessel either in public or private shipbuilding plants."

Mr. SCRUGHAM. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 27: Page 74, after line 6, insert the following:

"TITLE III—DEFENSE AID

"SEC. 301. Whenever the President deems it to be in the interest of national defense, he may authorize the Secretary of the Navy to lease for such period of time not exceeding the duration of the existing national emergency ships appropriated for in whole or in part in this act under the heading, 'Increase and replacement of naval vessels, emergency construction,' or to sell, transfer title to, exchange, lease, lend, or otherwise dispose of, to the government of any country whose defense the President deems vital to the defense of the United States, any other defense article procured from funds appropriated in this act, in accordance with the provisions of the act of March 11, 1941 (Public Law 11): *Provided,* That the total value of articles, other than ships, disposed of under this authority shall not exceed $2,000,000,000."

Mr. SCRUGHAM. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. SCRUGHAM moves that the House recede from its disagreement to the amendment of the Senate No. 27 and concur in the same with an amendment as follows: Change the amount before the period at the end of said amendment to "$2,500,000,000."

Mr. SCRUGHAM. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Speaker, it is my happy privilege to be able to say for the minority, that in line with the minority leadership in the House, the Republicans are giving their full support to the present conference report, which provides the necessary funds for the Naval Establishment.

I feel that I am not at all guilty of boastfulness when I say on behalf of the minority that it contributed in no small way to the successful steering of this appropriation bill through the House.

I feel called upon to make this observation at this time because of the effort which has been made in the last few days to question the motives of the minority in connection with the national defense program. Such an attack can certainly serve no good purpose with those who have our national interests at heart, or who realize the magnitude of our undertaking, or who, with devotion and unselfishness are willing to make the necessary sacrifices to win the war. The motive behind the attack is apparent. It is obvious, of course, to everyone. I shall leave to others the decision as to the worthiness of the effort. But I am confident that it will not be successful.

The minority has not deviated in the pledge which it has made to give its support to the successful prosecution of the war, a pledge of loyalty and a pledge of devotion. No better evidence of our attitude need be introduced than the contribution which we have made in connection with the appropriation bill for the Navy, the conference report on which is now before the House. Before the bar of public opinion and to an informed citizenry the record of our contribution will be far more convincing than the palpably plain efforts of the last few days. And what is more important, those who are concerned, genuinely and honestly concerned, about our defense and security will be far more assured by the unanimity of our endeavors to provide the necessary funds for ships and planes and guns than they could be by the hollowness of empty words and idle phrases.

Let it be remembered that something other than political strategy will be necessary in the winning of this war, and the American people are becoming increasingly aware of it.

Mr. Speaker, with reference to the amendment presently before us, this amendment is in line with the amendment contained in the third supplemental bill of last year. If it is enacted operation of the Lease-Lend Agency will not be necessary. It seems to me, therefore, that we should take notice of the decreasing amount of work for which lease-lend activity is responsible and in the measure by which that activity is decreased we should proceed to pare down the personnel, the employed individuals, and, as a result, reduce the administrative cost.

Mr. Speaker, I join wholeheartedly with the distinguished chairman of the committee in endorsing the conference report before us, which has the entire support of the minority.

Mr. SCRUGHAM. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, this bill now carries appropriations of $23,700,000,000 and with contract authority in the bill amounts to $26,500,000,000. It is the largest bill that has ever gone through a legislative body at any one time in the history of the world, either in America or in any other nation, and it seems to go through here with apparent ease. It is a sum equal to our national debt after World War No. 1. We all trust the committee and let it ride through. The bill is really so big there is no one man who can fathom what it actually means. It is a real Roosevelt bill in all the orgy of spending.

In this bill you are appropriating $2,000,000,000 additional for the President of the United States to give away under the Lease-Lend Act. This makes a total of $21,000,000,000 since last July that we have given the President of the United States to give away to other nations. You may call it a lease-lend bill; I think I have termed it correct.

The point I want to make is this: This morning I heard on the radio a statement that China is dissatisfied because it is not getting supplies from America fast enough, and that Russia is dissatisfied because it is not getting the supplies it thinks it should from the United States. Other nations will soon be dissatisfied if we are not able to give them what they think America should give them. You have promised them too much and are still making promises.

We have been the greatest Santa Claus in the world in the last 10 years to our own people and to other nations of the world, and now if we start out with these huge, fabulous appropriations to be Santa Claus to all the people and nations of the world, you will wreck America completely. Instead of bringing other nations of the world up to the standard America has set—and we have always prided ourselves on the fact that we have established a high standard of living in America for the world—we shall drag America down to the lowest standard of living among the nations of the world. We shall not only drag our country down to that standard but we shall ruin the American form of government and the American system. That is coming fast, and the New Deal is and will be responsible for the condition we will find ourselves in.

The people of this country are going to be compelled to sacrifice as they have never sacrificed before. The sad part of it will be that America, instead of being the grand Santa Claus, will be damned because it cannot continue to keep up that pace for years and years to come—not only to our own people but to all of our Allies. That is the situation with which we are confronted. That is the situation in which we shall eventually find ourselves. Then you will be unable to get out from under, and we will go broke, and great will be the fall of America and the American people—terrible to think about.

I say to the Congress that we are in war. It behooves you and me and every one of us to do everything we can to win this war; but you ought to be exceedingly careful in the promises you are making to all the countries of the world, in order that you may be able to fulfill the promises that men in authority of our Government make to other nations, so that these people will not be misled by statements made by men in high authority that cannot be fulfilled by the American Congress or the people of the United States. I do not care who the man is, he ought to weigh his words in making promises today.

The President and his Cabinet should lay in the lap of Congress his promises to all nations. We should look them over and see if we can fulfill them. The President has been a good liver and a good giver of other people's moneys and goods. When the President cannot fulfill his promises, what then? How can the American people stand to have any more burdens placed upon them? How much more can the President give away above the $21,000,000,000 Congress placed in his hands? How long, oh, how long, can we go on this way? There must be a place to stop. Why not now? Why not try to figure again that to save 10 pennies make a dime, 10 dimes make a dollar? All you seem to know about appropriations today is billions. I cannot understand it. This bill is $26,500,000,000—the largest bill of all history of all nations of the world.

We want to help every nation in the world that is allied with us to a successful conclusion of this great war effort. But certainly we have got to do a great deal to make our own defense solid so that we may come back at any enemy that may attack us. It seems to me this is the first responsibility of the Congress. Then let us do everything we can to help every nation under the sun that is fighting with us to bring about that end; but do it with a degree of sanity and with respect for America, the American form of government, and the American people, who will have to pay the bill eventually, if they can do it, or else you will put the Nation in the position where it cannot or will not be done, and that position will be bankruptcy. In the name of America, get some sense, some common sense.

[Here the gavel fell.]

Mr. SCRUGHAM. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, regardless of what others have said, so there may be no misunderstanding about this situation in the minds of the minority Members of the House and the people of the country, I want to make this statement, and make it strong: While I favor such aid as is required to be furnished to Great Britain, to China, to Russia, or to any other country that is fighting the Axis Powers, I do not want anybody to get any idea that the major brunt of this conflict will not have to be carried by our own troops, our own sailors, and that the major blows will not have to be delivered by us with our own guns, with our own planes, with our own ships, and with our own tanks, operated by our own men. There is not any use in fooling ourselves. This is what is going to win the war, and we have got to provide for that, and provide for it to the limit. We are in this battle; it is a hard fight; we can win, and we are going to win.

[Here the gavel fell.]

The SPEAKER. The question is on the motion offered by the gentleman from Nevada [Mr. SCRUGHAM].

The motion was agreed to.

A motion to reconsider the votes by which the several motions were agreed to was laid on the table.

EXTENSION OF REMARKS

(Mr. SATTERFIELD asked and was given permission to revise and extend his own remarks in the RECORD.)

Mr. SANDERS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short resolution pertaining to flood control.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to insert therein a letter.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HEFFERNAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two editorials that appeared in the Brooklyn Eagle.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein a statement made by the highway users in regard to the importance of transportation to our war effort.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ROLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include an editorial appearing in the San Francisco Examiner entitled "Defended—the West Coast Must Be Impregnable."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PRESIDENT POLK AND THE MEXICAN WAR

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, I desire to quote from a speech delivered by Abraham Lincoln on January 12, 1848, as a Member of the House of Representatives, criticizing President Polk for having provoked the Mexican War:

> There is an important sense in which the Government is distinctive from the administration. One is perpetual; the other temporary and changeable.
>
> A man may be loyal to his Government, and yet oppose the peculiar principles and methods of the administration.

EXTENSION OF REMARKS

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of rubber.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my remarks by the inclusion of a letter written by me to the Governor of Puerto Rico.

The SPEAKER. Is there objection?

There was no objection.

HOPS

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5833, to extend the time during which orders and marketing agreements under the Agricultural Adjustment Act, as amended, may be applicable to hops, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That section 3 of the act entitled 'An act to amend the Agricultural Adjustment Act, as amended, by including hops as a commodity to which orders under such act are applicable', approved April 13, 1938, as amended, is amended by striking out 'September 1, 1942', and inserting in lieu thereof 'September 1, 1945.'

"SEC. 2. Subsection (6) of section 8c of the Agricultural Adjustment Act, as amended, is amended by deleting the comma after the word 'hops' in the first paragraph thereof and inserting the words 'and their products' and a comma.

"SEC. 3. Subsection (6) of section 8c of the Agricultural Adjustment Act, as amended, is further amended by adding thereto the following new paragraph:

"'(F) In the case of hops and their products, in addition to, or in lieu of, the foregoing terms and conditions, orders may contain one or more of the following:

"'(i) Limiting, or providing methods for the limitation of, the total quantity thereof, or of any grade, type, or variety thereof, produced during any specified period or periods, which all handlers may handle in the current of or so as to burden, obstruct, or affect interstate or foreign commerce in hops or any product thereof.

"'(ii) Apportioning, or providing methods for apportioning, the total quantity of hops of the production of the then current calendar year permitted to be handled equitably among all producers in the production area to which the order applies upon the basis of one or more or a combination of the following: The total quantity of hops available or estimated will become available for market by each producer from his production during such period; the normal production of the acreage of hops operated by each producer during such period upon the basis of the number of acres of hops in production, and the average yield of that acreage during such period as the Secretary determines to be representative, with adjustments determined by the Secretary to be proper for age of plantings or abnormal conditions affecting yield; such normal production or historical record of any acreage for which data as to yield of hops are not available or which had no yield during such period shall be determined by the Secretary on the basis of the yields of other acreage of hops of similar characteristics as to productivity, subject to adjustment as just provided for.

"'(iii) Allotting, or providing methods for allotting, the quantity of hops which any handler may handle so that the allotment fixed for that handler shall be limited to the quantity of hops apportioned under preceding section (ii) to each respective producer of hops; such allotment shall constitute an allotment fixed for that handler within the meaning of subsection (5) of section 8a of this title.'"

The SPEAKER. Is there objection?

Mr. HOPE. Mr. Speaker, I reserve the right to object. Is this the same bill that passed the House recently by unanimous consent?

Mr. PIERCE. Yes; this is the hops bill.

Mr. HOPE. And some amendments were inserted in the Senate that do not substantially change the character of the bill, which are in the main clarifying?

Mr. PIERCE. Yes. This is the same bill that we passed, with a few amendments added by Senator McNARY in the Senate.

Mr. HOPE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on concurring in the Senate amendment.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks and include a radio address.

The SPEAKER. Is there objection?

There was no objection.

Mr. WILSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by the inclusion of an editorial appearing in the Evening Star newspaper of today.

The SPEAKER. Is there objection?

There was no objection.

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday, and the Clerk will call the committees.

The Clerk proceeded to call the committees.

Mr. McCORMACK (when the Committee on Education was called). Mr. Speaker, I ask unanimous consent that the further call of the committees on Calendar Wednesday be dispensed with.

The SPEAKER. Is there objection?

There was no objection.

ORDER OF BUSINESS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MICHENER. Mr. Speaker, I do this to get the attention of the gentleman from Massachusetts, the majority leader, and ask him to state if he can the program for tomorrow and the rest of the week.

Mr. McCORMACK. Mr. Speaker, tomorrow the bill S. 2150, the so-called guayule bill, respecting rubber, will be under consideration. I received a letter from the Under Secretary of Agriculture several days ago stating that if the Congress was going to pass this bill it should be passed very shortly otherwise there would be delay of a year. Therefore I think it had better come up tomorrow, there being no other business.

Mr. MICHENER. That is the so-called Anderson bill?

Mr. McCORMACK. Yes; it is a bill introduced by the gentleman from California [Mr. ANDERSON]. The bill has reference to the production of rubber, and, as I understand it, authorizes the purchase of plants to the extent of $2,000,000. What the merits of the bill are I do not know. On Friday there will be a deficiency appropriation bill. I see the gentleman from New York [Mr. TABER]. I do not know whether there is going to be any controversy over that deficiency appropriation bill or not.

Mr. TABER. I am afraid there will be.

Mr. McCORMACK. I had a suspicion of that kind, but I wanted to get that in the RECORD, so that the Members would have advance notice. So far as next week is concerned, I have nothing on the program now. Whatever program we do have will be with complete regard to the fact that Thursday is Lincoln's birthday and that Members, particularly on the Republican side, have very important speaking engagements on that date.

Then the following Sunday is Washington's birthday, celebrated on Monday, and then the Democrats have many important speaking engagements on that day.

Mr. MARTIN of Massachusetts. I want to express my appreciation of the fairness of the gentleman from Massachusetts in looking out for our interests.

Mr. McCORMACK. I thank the gentleman very much, but it is the thing that should be done.

I understand there will be no appropriation bill next week. The only possible bill that may come up, and I doubt if it will, would be a bill to authorize an appropriation of $300,000,000 in connection with the workers displaced as a result of the war conditions. However, my personal opinion is that that bill probably would not be acted upon in time to be brought up next week. It is my intention to take up nothing after Wednesday, and I know of nothing coming up before Wednesday.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. RICH. After reading Mr. Flynn's address night before last, will the Republicans have any right to say anything whatever at the Lincoln Day banquets with reference to any Republican coming back to Congress? From what Mr. Flynn said there should be no politics——

Mr. McCORMACK. Now, the gentleman is asking me a question and making a speech.

Mr. RICH. Well, he damned the gentleman from Massachusetts, JOE MARTIN——

Mr. McCORMACK. Now, the gentleman is leading with his chin. I do not want to hit him. I like him too much.

Mr. RICH. I think we should have a right to get back at him.

The SPEAKER. The time of the gentleman has expired.

FRED FARNER AND DORIS M. SCHROEDER

Mr. RAMSPECK submitted a conference report and statement on the bill (H. R. 3141) for the relief of Fred Farner and Doris M. Schroeder, for printing in the RECORD.

CATHARINE SCHULTZE

Mr. RAMSPECK submitted a conference report and statement on the bill (H. R. 4622) for the relief of Catharine Schultze for printing in the RECORD.

ENEMY ALIENS

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. DICKSTEIN] is recognized for 20 minutes.

Mr. DICKSTEIN. Mr. Speaker, I rise today to make certain observations with respect to the alien population within the United States, with respect to alien detention camps which are being set up, and with reference to activities of our Government along those lines.

At the outset, I want to compliment the Attorney General of the United States, Mr. Francis Biddle, for his very fine and fair stand on the alien problem. He is trying to do a big job.

In the first place, we have a number of law-abiding aliens who, in my opinion, could be a great asset to the United States in helping us to win this war. There are a number of aliens from the Axis countries with brains, with ability, with courage, who are praying and begging to serve this country of ours in this crucial time of need. They can and are willing to contribute their great share to the winning of this war, yet under proceedings instituted by the Government we classify those people as alien enemies just because they happen to have been born in a country with which we are at war.

It would seem to me, Mr. Speaker, that there should be some sort of a special bureau to register all aliens of the Axis countries and then to segregate the good from the bad, in order that the American people in this country will know just how bad the bad ones and how good the good ones are. If those aliens who are supposed to be real enemy aliens are dangerous, they ought to be immediately removed, and at the earliest possible time, to such points or places where they can do no harm. But it seems to me that we are going too far—and I do not believe this to be for the best interests of our country—by classifying all aliens, just because of birth in certain countries, as enemy aliens. In our great struggle against intolerance and bigotry we should not punish people who have come here to escape the forces we are fighting against, but make use of the talents and craftsmanship of such people, who are anxious and willing to help this country in its fight for democracy.

The committee of which I am chairman is receiving a great number of communications propounding many questions dealing with this problem, but we are unable to answer those questions. Some of the people claim they have certain qualifications which would be very useful in defense of our democracy if they were given an opportunity to serve this country. Yet I am told by a reliable source that we are going so haywire on this alien-enemy situation that we are taking the good and the bad and sending them to some island—Ellis Island or some other camp in this country. In one special case I am informed that the son of such an alien is now a draftee in the service of our country. Yet the father was taken in as an alien enemy.

In other cases where children were born of American wives the husband is taken in as an enemy alien. Yet in those very cases, if opportunity was afforded, or some group or committee would give the matter more careful study, we could easily segregate the bad from the good, and not classify every alien, just because he happens to be born in Germany or Italy, as an enemy alien. I have tried for many years even before we entered the war to make a study of this question. I hope to present sometime today or tomorrow a resolution to the Congress which will be referred undoubtedly to the Committee on Rules. I appeal to the Committee on Rules to give to the Committee on Immigration the opportunity to present a resolution which will authorize that committee to make a study of all these questions, whether they be in New York, California, or any other part of the country, and set up machinery so that we, the American people, may give to the people who come here to our shores, and who deserve it, the same privileges that we have as Americans to worship our flag and also give them an opportunity to do their duty in joining the fight for the protection of this flag. We believe that the cooperation of some of these aliens may prove very helpful to our country in this particular time of need.

I have come across certain cases where scientists and engineers of great ability, people who can add greatly to our defense in an advisory capacity—and they are willing to serve in any capacity so long as it will destroy the Axis countries—have volunteered their services and have been refused because they are aliens or because they are called alien enemies.

I know a number of good men in this country who tried to join the intelligence service of our Government, and they could not serve our Government because they were not third-generation Americans. That is where our trouble was at Pearl Harbor, in my opinion. What difference does it make whether we allow first- or second-generation Americans to join? The question involved is whether the man is capable and can serve our country. We should not lay down ironclad rules that one cannot join a certain service until it is shown that his great grandfather was born over here. That is beyond my conception of constitutional prerogatives.

The whole alien question is presently so complicated that we do not know where we are going. We must have a strong arm on the battlefield and on the oceans; we must also have a strong united country, and, if necessary, make strong even those who are not yet citizens of the United States but who are more than willing to be when the proper time comes and who on the other hand are ready to serve this country, if necessary, and give up their lives in its defense.

I should like to have the Committee on Immigration and Naturalization make this study, and I hope and trust the House will be receptive to this resolution which we all feel is most urgent and necessary at this time. We have to take stock in this country. We have to find out now who are the alien enemies and who are the good aliens and separate them. We can very easily obtain a proper register and find out which of the good aliens have brains and abilities so that they may join us in the defense of our democracy. Only then can we have unity among our own people.

You take a situation where the head of a family was taken from his home because he happens to have been born in Germany or Italy, with an American wife and children waiting for their father—there cannot be much unity. That has occurred often in the last few months. I am not criticizing the Department of Justice, I am not criticizing any governmental department that wishes to label anyone as an alien enemy, but, Mr. Speaker, we must all realize that we are in a war and that we must win this war. We cannot have strife within our own borders, we cannot drive four or five million aliens from pillar to post if they are good people. Let us lend them a hand, let us permit them to join in some capacity in the defense

of our country, whether it is in the building of planes or ships, and if we are willing to trust them they are ready to go to the battlefront with the other soldiers to fight for this beloved country of ours.

I know the Members of the Congress are busy and they have not the time to study these questions as we of the Committee on Immigration must do. We get these matters day in and day out. Questions come up that are impossible to answer. I say in all fairness to all of you—for the best interests of America, the committee that is responsible for the legislative program should be given an opportunity to study these problems and make such recommendations to the Congress as it deems proper, with only one purpose in view, that is to win the war.

EXTENSION OF REMARKS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a table on the accidents at various intersections in the city of Washington during 1940.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PATRICK. Mr. Speaker, I ask unanimous consent that on Friday next, when everything is cleaned up, I may be allowed to address this House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama [Mr. PATRICK]?

There was no objection.

ESTABLISHMENT OF A DEPARTMENT OF NATIONAL DEFENSE

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House at this time for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, this Nation in company with other countries, is engaged today in a titanic struggle. The successful prosecution of the war will bring eventually freedom, not only to the people of our own Republic, but also countless millions of other individuals throughout the world.

I do not attempt to pose as a military strategist. I do feel, however, that the Members of the Congress of the United State, including myself, in company with a great many men and women in private life, are called on to survey most carefully the deliberations and action of those charged with preparing our military machine for possible conflict, and also to place certain responsibility on the shoulders of those who are to carry forward any war in which this Nation is a participant.

AIR POWER MUST BE RECOGNIZED

For many, many years in the Congress of the United States there has been discussion, at times heated and at times rather passive, as to the place the air force should have in the successful prosecution of a conflict in which America might be engaged. With this thought in mind, and relying on the facts and not on the fancies of wars that have been fought in the past, particularly the one which is now going on and in which we very lately are an active participant, there has been every indication that we in the United States are failing to give full recognition to the strength and the force which can come with building our air power to its ultimate degree.

In company with other Members of this body, I have from time to time presented statements from the well of this House on the vital need for revamping our defense set-up. I have also addressed communications to committees and introduced bills expressing my own thoughts in connection with this subject matter. I have spoken at public meetings and over the radio in a further attempt to get action and create sentiment.

I do not rise today to point the finger of criticism at any Member or any committee of this House. What I shall say will be in the kindest spirit. I recognize always the proprieties that are observed in this body, proprieties that very properly should continue to exist and I am certain will; but when there is a question so important as the organization of our national defense, then it seems to me that a Member denied the opportunity to present legislation he sponsors before the committee of this House to which those bills have been referred, can very rightly discuss what has taken place.

HEARINGS DENIED ALMOST 1 YEAR

At this point I desire to read portions of a letter, perhaps all of it. It is as follows:

JANUARY 28, 1942.

Hon. JAMES A. O'LEARY,
Chairman, Committee on Expenditures in the Executive Departments, House of Representatives, Washington, D. C.

MY DEAR COLLEAGUE: I again respectfully direct your attention to repeated requests for a hearing on H. R. 3795 which I introduced in the House on March 4, 1941. This measure had been previously introduced by me in the Seventy-sixth Congress on August 15, 1940, and was numbered H. R. 10364. Under dates of March 6, 1941, March 24, 1941, and May 6, 1941, I asked for the opportunity of presenting arguments by myself and others on this measure to establish a Department of National Defense, to consolidate therein the Department of War and the Department of the Navy, and for other purposes. I deeply regret that I have not received answers to these communications.

It was my desire to do nothing which would appear or tend to disrupt our defense effort. Our paramount consideration must be the successful prosecution of the war. Certain of my colleagues and others had felt that although this legislative proposal had merit and should be thoroughly discussed it was not the opportune time to conduct hearings. With the publication of the Roberts' report it would seem that the situation in this respect has materially changed. Confusion instead of coordination was listed as a real reason for failure to be on the alert in the Pacific. Senator NORRIS yesterday stated, according to an Associated Press dispatch, "Congress can't escape its part of the blame. Long ago it should have streamlined our military organization." His opinion is shared by many others, including Representative COLLINS who is reported in an interview yesterday as having stated, "Any nation that fails to provide a unified command is ignoring every lesson of modern war and is most likely preparing itself for defeat."

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I would rather conclude the letter, but I yield to the gentleman from Ohio.

A DIFFERENCE OF OPINION ON HEARING

Mr. BENDER. I am a member of the committee to which the gentleman refers. The gentleman's letter was read at a meeting of the committee this morning. The gentleman's bill is one of 9 or 10 similar measures we have before us. The chairman of the committee assured the committee that he would set a time for a hearing, possibly within a very few days, in connection with the matter the gentleman is calling to our attention at this time.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Missouri.

Mr. COCHRAN. I am a member of that committee also, and I take issue with what the gentleman said, that the chairman of the committee stated that he would set this matter down for hearing in the very near future. When I was chairman of that committee we held a hearing upon this very subject. It is printed. Action was taken on the pending bills by the committee and every one of them was indefinitely postponed.

The committee took the position at that time that this country is at war and that the President under his war powers has the power if he so desires to create a department of national defense or to create a separate air force. It was at my suggestion that no hearing was set on the bills, but the matter was to be taken up in executive session after we had a report from the departments.

As far as I am concerned, this country being at war, it is my view that we should let the Army and Navy run this war. I propose to oppose even a hearing at this time, because the men who would have to come before that committee at such a hearing are needed to run this war.

Mr. BENDER. Mr. Speaker, will the gentleman yield further?

Mr. RANDOLPH. I yield again to the gentleman from Ohio.

Mr. BENDER. The gentleman's understanding is slightly different from mine. A hearing was suggested and it was understood that the committee would hold an executive session and at that time would ask the various departmental heads to submit statements and appear before the committee and at the same time have statements from the gentlemen who introduced the resolutions.

Mr. COCHRAN. If the gentleman will pardon me——

REQUEST WAS MADE PRIOR TO WAR

Mr. RANDOLPH. I yield to the gentleman, but I must direct his attention again to the fact I urged hearings many months before we were in war.

Mr. COCHRAN. I offered the substitute myself after the gentleman requested a hearing be held. I merely suggest-

ed that the bill go to the War Department and the Navy Department and if the committee did hold a hearing for them to designate who was to appear before the committee. But I made it plain when the reports come back you are going to have a quorum, you are going to have an executive session of the committee, and it is my purpose to do everything I can to prevent even a hearing on it.

Mr. BENDER. I may say to the gentleman that the gentleman from Missouri is always in attendance at committee meetings, as is the gentleman who is now addressing the House. However, it is unfortunate that so many of our members do not attend meetings and we fail to have a quorum.

Mr. COCHRAN. I am not criticizing the members for not being present. I am glad they were not there this morning, because I would have made a point of order that no quorum was present, if that had been necessary.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BENDER. I want to add further, if the gentleman will yield——

Mr. RANDOLPH. I yield further to the gentleman from Ohio.

Mr. BENDER. I do not know what the gentleman from Missouri wants. He said he would not complain about a quorum not being there, and yet he calls the attention of the House to the fact that a quorum was not present. I would like him to tell us just what he has in mind. On the one hand, he tells us a quorum was not present, and, on the other hand, when I referred to the fact that a quorum was not present, he said he would not call the attention of the House to the fact that a quorum was not present. I am trying to be agreeable, but it is very difficult to be agreeable with the gentleman from Missouri.

Mr. COCHRAN. I desired to convey the impression by making that statement that if it was necessary I would have made a point of order that a quorum was not present and no action could have been taken at that time as to agreeing to hold a hearing.

Mr. BENDER. I can assure the gentleman, as a member of the committee, that the matter the gentleman complains of will be considered by the committee at its next meeting.

Mr. COCHRAN. And I can assure the gentleman I will do everything I can to let the people who are fighting this war fight it and not be called upon to fight it on the floor of the House or in the committee rooms.

Mr. RANDOLPH. Mr. Speaker, I have listened to the colloquy between the gentleman from Ohio [Mr. BENDER] and the gentleman from Missouri [Mr. COCHRAN]. They are both active members of the committee to which I have referred, and both are personal friends of mine. I should like to have the attention of the gentleman from Missouri for just a moment, because I want to reiterate my words of a few minutes ago. I was attempting no criticism of the Committee on Expenditures in the Executive Departments, but simply wished the RECORD to disclose that I directed three communications to the chairman of that committee, none of the letters being given a reply.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. COCHRAN. I would like to say to the gentleman that the chairman of the committee advised the committee he had given a verbal reply to the gentleman from West Virginia.

Mr. RANDOLPH. More than 8 months ago I was told the matter would be considered after the Army and Navy had reported on my bill. I was further assured that information had been requested. Since this phase appears in the debate, I believe I shall place those letters of request in the RECORD at this point, but will not take time to read them. I also desire to include a letter to Congressman SABATH. In company with other Members I appeared before the Rules Committee, seeking to have a special committee or a standing committee hold hearings.

MARCH 6, 1941.

Hon. JAMES A. O'LEARY,
Chairman, Committee on Expenditures in the Executive Departments,
House of Representatives,
Washington, D. C.

MY DEAR CHAIRMAN O'LEARY: March 4, I introduced H. R. 3795, which was referred to your committee. I would deeply appreciate a hearing just as soon as possible on this measure, as I believe it is vitally important, and I would like the opportunity of presenting the reasons for its passage and producing witnesses in support of the bill.

Thanking you, I am,
Sincerely yours,
JENNINGS RANDOLPH.

MARCH 24, 1941.

Hon. JAMES A. O'LEARY,
Chairman, Committee on Expenditures in the Executive Departments,
House of Representatives,
Washington, D. C.

DEAR CHAIRMAN O'LEARY: Following up my letter of March 6, and recalling our conversation on the House floor, I trust you can arrange in the very near future to set a date for hearings on H. R. 3795. I would like to know several days in advance, so that I can arrange for the witnesses to appear.

Sincerely yours,
JENNINGS RANDOLPH.

MAY 6, 1941.

Hon. JAMES A. O'LEARY,
Chairman, Committee on Expenditures in the Executive Departments,
House of Representatives,
Washington, D. C.

MY DEAR COLLEAGUE: Following my letters to you of March 6 and 24, let me say I am at a loss to understand why I have not received a reply regarding my bill H. R. 3795. Since writing these letters I have introduced another bill on this subject, H. R. 4532, which is also pending before your committee.

I am very deeply interested in this matter and most anxious to have a hearing held. I shall appreciate your advising me if this can be done.

Sincerely yours,
JENNINGS RANDOLPH.

AUGUST 5, 1941.

Hon. ADOLPH J. SABATH,
Chairman, Committee on Rules,
House of Representatives,
Washington, D. C.

DEAR JUDGE: Interest in the subject of a separate air force for America continues to grow. This is true among the Members of Congress and the public generally. Action should no longer be delayed.

I had hoped that a thorough study of the matter would be made by either a standing committee of the House or a specially appointed group. However, this now appears unlikely and, since the hearing before your committee on July 29, it has occurred to me that the subject might properly be referred to the select committee, headed by Mr. Nichols, which is now conducting an investigation of commercial aviation.

I therefore request that the above-mentioned committee be authorized and instructed to make a thorough survey and report on the feasibility of setting up the air force as a separate branch of the Government. In view of the increased work this would imply, it might be advisable to add two members to the group. Of course, this could be determined after consulting with Representative NICHOLS. I feel in this way something really constructive can be accomplished.

It seems to me that the above-designated committee members are in a position to make a thorough and far-reaching survey. I feel that the report they would make on the practicability of setting up the air force as a separate unit would be most constructive. I am sending a copy of this letter to Congressman NICHOLS, and I shall appreciate your advising me of your reaction.

With kind personal regards, I am
Sincerely yours,
JENNINGS RANDOLPH, M. C.

The letter of January 28, 1942, from which I have read, received a reply.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield for just one moment?

Mr. RANDOLPH. I yield to the gentleman.

Mr. COCHRAN. Another reason I advanced why I did not think it was proper to hold a hearing at this time was that no matter what action the Committee or the House might take, the action of the Senate Committee in unanimously refusing to hold a hearing on such legislation clearly indicates to me that there never will be any action at this session of the Congress by the Senate committee. So why waste our time by considering bills of that character?

RESPONSIBILITY MUST BE DISCHARGED

Mr. RANDOLPH. I genuinely respect the opinion of the gentleman from Missouri, but each Member of this House has a responsibility to discharge for himself. That is what I am attempting to do in this matter, as it concerns me personally.

I now continue with the letter, which I was reading when interrupted by the gentleman from Ohio [Mr. BENDER].

This type of legislation should not, in my considered opinion, be brought before the House for debate until after exhaustive committee consideration. I have thus hesitated to place a discharge petition on the Speaker's desk so that Members could in a concrete manner indicate their support of the needed change.

I digress from the reading of the letter to say that in my service as a Member of this House, for some 9 years, I quite understand the futility of a petition

placed on the Speaker's desk. I think only in the case of wage and hour legislation, and the so-called soldiers' bonus bill, was that avenue of approach successful in bringing action by this House. Continuing the reading of the letter:

If no hearings are to be held, however, it would appear that this is our only recourse. It is my urgent request, therefore, that a frank and full hearing now be held. Delay in reorganization of our fighting machine can be disastrous. Modern warfare is a job of large scale organization, which demands the creation of a single department of national defense with the branches of air, sea, and land under a unified command which will insure their complete team work and effectiveness against the enemies America faces in this bitter struggle.

I trust I may be favored with a reply at your earliest convenience.

With kindest personal regards, I am,

Sincerely yours,

JENNINGS RANDOLPH.

I received a letter under date of February 2, 1942, from the chairman of the committee, which stated that there would be a meeting of the committee this morning, and to which the gentleman from Missouri [Mr. COCHRAN] and the gentleman from Ohio [Mr. BENDER] have both referred. I place that in the RECORD at this point:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EXPENDITURES
IN THE EXECUTIVE DEPARTMENTS,
Washington, D. C., February 2, 1942.

HON. JENNINGS RANDOLPH,
House of Representatives,
House Office Building,
Washington, D. C.

MY DEAR COLLEAGUE: I am in receipt of your letter of January 28 with reference to your bill, H. R. 3795, to establish a separate air force.

At the last meeting of the committee, all bills concerning the establishment of a separate air force and bills consolidating various agencies were indefinitely postponed.

However, a meeting of the Expenditures Committee will be held on Wednesday, February 4, at 10 a. m., room 304, at which time your letter will be submitted for the consideration of this committee.

With kind personal regards, I am,

Sincerely yours,

JAMES A. O'LEARY.

GENERAL ARNOLD ENDORSES PLAN

Mr. Speaker, the man who is preeminent today in the formulation of our air policy, the man who is charged primarily with responsibility of building our air forces, is a keen student of military strategy. I refer to General Arnold, a splendid man. For the RECORD, I desire the House and the country to read what General Arnold said in 1935 on this subject, when he was giving testimony before the House Military Affairs Committee, at the time the late John J. McSwain, of South Carolina, was chairman of that group. Chairman McSwain said this to General Arnold:

Some of us have heard of you, and I want to ask you to speak out your own heart and mind, and give us your personal conviction with regard to the necessity for independent and increased air power in the defense of America.

General Arnold replied in these words:

I can see now where you can hitch a 1,000-mile plane on the operation of the Army or the Navy today. I cannot see how, if you are going to use a 3,000-mile bombing plane, you can hitch that onto the Army or the Navy for all of its purposes. Then, I cannot see how you can hitch its activities on either the Army or the Navy, and beyond that, dreaming a little further, you can have an 8,000-mile plane, and then I know well you cannot hitch it onto either the Army or Navy activities. It is something beyond the scope of either one.

Continuing the testimony of General Arnold, I quote:

In order to get a properly trained and effective department of national defense, you have got to have three arms—land, sea, and air—equally self-supporting. I am of opinion that some time in the future this thing called a department of national defense is bound to come.

That was 7 years ago. General Arnold spoke with courage and foresight. His words were true then and are a thousandfold true today. A member who has deep convictions on this subject who would not arise in his place, after he has exhausted every other means to bring about a hearing, would be derelict in his duty, in my opinion. I shall place in the RECORD at the close of my speech certain other expressions of leading airmen who are enthusiastic for a unified command, through a department of national defense, and also certain speeches I have delivered on the subject by radio.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to my friend from Nebraska.

Mr. STEFAN. I agree with everything the gentleman has to say about General Arnold's testimony some years ago. I assume the gentleman is reading from a page of Aero Digest; is he not

Mr. RANDOLPH. That is true. Frank A. Tichenor is its editor, and he is in the forefront of this battle to bring about the desired change.

Mr. STEFAN. I wonder if the gentleman would put in that entire page in connection with his address?

Mr. RANDOLPH. I was going to select pertinent parts, but since the gentleman makes a pertinent request I will, with the permission of the Chair, use the same in its entirety.

Mr. STEFAN. The Aero Digest has recently been publishing some valuable information regarding the thing the gentleman is now discussing and in connection with that they have been bringing to light the wonderful work that is being done by the civilian pilot training organization. I believe the pages which the gentleman is reading from will cover a statement in that regard in which the Members will be very much interested.

MANY PERSONS CARRY ON THE FIGHT

Mr. RANDOLPH. I thank the gentleman for his contribution and wish to add that many other aviation and general magazines have joined in carrying forward this fight. All praise to men like Al Williams, De Seversky, and Roscoe Turner, and others, for driving ahead with cogent reasons for an air force of unified command.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER pro tempore (Mr. RAMSPECK). Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STEFAN. Mr. Speaker, will the gentleman yield further?

Mr. RANDOLPH. I yield to the gentleman.

Mr. STEFAN. I would like to refresh the gentleman's mind again that the late Speaker, Joe L. Byrns, of Tennessee, had some similar ideas to which my colleague from West Virginia is referring today, that we should combine some of our armed forces into one national defense for the purpose of efficiency.

Mr. RANDOLPH. I thank the gentleman for calling attention to our former beloved Speaker, whom I greatly admired and counted as a real friend. He visited with me in my district.

Mr. COFFEE of Washington. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Washington.

Mr. COFFEE of Washington. I want to make one observation, and that is that I congratulate the gentleman from West Virginia for his persistent and aggressive fight on behalf of an independent air force and for his understanding of the problems of aviation.

Mr. RANDOLPH. The gentleman is very gracious to me. I genuinely appreciate his expression.

I would like to conclude with the words of Col. William L. Mitchell, written for Aero Digest in 1926. It is reprinted in the same magazine for February 1942. I shall read only a few of his words and I shall then ask unanimous consent to include that article also in full.

BILLY MITCHELL POINTED THE WAY

Col. Billy Mitchell wrote 16 years ago:

The United States, knowing about the capacity of modern air forces and being so vulnerable to attack over the land and water, pays little attention to its national defense. It still listens to the advice of its Regular Army and Navy as to what national defense should be. Never has worse advice been given by any department of the Government on broad national questions than that which has been given since the World War by the Army and the Navy to the people and the Congress. They not only are attempting to adhere to a system obsolete even in time of our Civil War, but they have directly and deliberately misrepresented the facts to the Congress and to the people as to what modern national defense is.

Mr. Speaker, what I have said this afternoon is spoken in the most kindly manner. I trust that no one will believe that there are any words of unjust criticism in what I have stated. I am deeply engrossed and intensely interested in this subject. I am of the considered opinion that mistakes in our war program are being made. I do hope that those members on the committee will allow a hearing, so that men like those I have mentioned will be given an opportunity to appear for testimony and questioning.

[From the Aero Digest for February 1942]

AN OPEN LETTER TO CONGRESS

(By Frank A. Tichenor)

"Members of Congress of the United States, you owe it to yourself, to the present generation, yes, even to the coming generation. You have been forewarned as to the condition of the air force. You are in a

place where you may verify all that you have been told. Appoint, if necessary, a committee to investigate, not what took place 7 years ago, but what you have at your very door today. See that appropriations are made sufficiently large to keep the aircraft industry from 'rapidly dwindling and which has now almost reached the vanishing point,' as General Patrick plainly stated.

"This will be real economy. This may mean the saving of thousands of lives. This may even mean the saving of your country from destruction. And remember, that no matter what size the Army and Navy are, they will be helpless without a correspondingly large air force."

The above was not written in 1939, 1940, or 1941. It is quoted directly from an editorial in the January 1925 issue of Aero Digest, which was mailed at that time to every Member of Congress. And it was mailed at the request of the late Gen. William Mitchell, then assistant chief of the air services.

And from the same editorial—don't forget the date, January 1925—we quote:

"Common sense demands this course. You, Members of Congress, must face the situation squarely and vote the funds necessary. Other powers are developing their aerial defense according to well-outlined plans while ours is working with rapidly decreasing equipment because of insufficient appropriations for new construction."

Now, let me quote from Aero Digest's editorial page 1 year later—January 1926—from General Mitchell's final statement to the court which convicted him:

"My trial before this court martial is the culmination of the efforts of the General Staff of the Army and the General Board of the Navy to deprecate the value of air power and keep it in an auxiliary position which absolutely compromises our whole system of national defense.

"The efforts to keep down our air power were begun as soon as the sound of the cannon had ceased on the western front in 1919. When we sunk the battleships off the Virginia Capes in 1921 and again in 1923 and proved to the world that air power had revolutionized all schemes of national defense, these efforts were redoubled and have continued to this day.

"The truth of every statement which I have made has been proved by good and sufficient evidence before this court, not by men who gain their knowledge of aviation by staying on the ground and having their statements prepared by a numerous staff to bolster up their knowledge first hand in war and in peace.

"I testified that the Air Service had only 19 modern airplanes fit for war and that all others were obsolete and many dangerous. The evidence before this court bears out these facts in their entirety. It has been shown that at present we have only one standard plane in the Service.

"The court has refrained from ruling whether the truth in this case constitutes an absolute defense or not.

"To proceed further with the case would serve no useful purpose.

"I have therefore directed my counsel to entirely close our part of the proceedings without argument."

And in a quote from Air, Hot and Otherwise, from the same issue: "Next we are under the necessity of looking at one of the most amazing things in all American history—the Mitchell charges, trial, conviction, and sentence.

"In some degree it grew out of Army and Navy rivalry, in some degree out of fear of a separate air service, in some degree out of the trembling jelly of the timid, bureaucratic mind, in some degree out of sheer ignorance.

"Speaking generally, but emphatically, court-martialing and penalizing enthusiastic, able, expert, and devoted servants of the Nation in the development of our air activities will not be found to be the first step in the right direction.

"SALUTE TO COLONEL MITCHELL

"If officers are taught by such events that to tell the truth to a congressional committee is likely to be a course producing such results we scarcely can expect the general run of them to be frank and free in statements if called as witnesses in such circumstances.

"From the beginning our hand has been at salute to Colonel Mitchell, and it is now apparent that an additional reason for this gesture of respect is the undoubted circumstance that he stirred up the waters and produced discussion, investigation, and the recommendations which now lie before the country. He has done more for the cause of aviation than any other man in the whole Nation's history except the Wright brothers."

I now quote from an editorial in the January 1926 issue (p. 23) of Aero Digest:

"The officers of the court martial which sentenced the former Chief of Operations of the Army Air Service to 5 years' suspension from rank, command, and pay because he undertook to question the divine right and infallibility of the General Staff, did what was expected of them. Because the court knew that Mitchell had won his case before the people of the United States it did not dare to vote complete dismissal, but hid behind the sham of 'leniency' because of the accused officer's splendid war record.

"The court announced that its verdict was reached 'upon secret written ballot.' That was appropriate; for the military verdict against the man who dared to proclaim that in the next war airplanes would play a more important part than infantry generals' dugouts was arrived at in secret long before the sessions of the court martial began."

Once again I quote from the January 1926 Aero Digest, this time from page 14:

"Should Russia and Japan unite (especially under German leadership), would there be anything to stop them from coming to America by way of Alaska? No more than there was to stop the Germans from going into France by way of Belgium."

"Again, the flight from Japan's possessions to the Philippines is child's play. Once the Japanese were landed in the Philippines how could we get them out? It has been definitely proven that battleships are helpless under air attack unless protected by airplanes."

HEATED DISCUSSION

And, on page 260 of the May 1926 Aero Digest there was this report of an incident I witnessed on the Congressional Limited. Two men were in a heated discussion.

"Davis is in favor of a large air force," one had declared. "He has demanded it."

"He's anti-anything in the American air except heat and the General Staff publicity releases—which are very much the same thing," the other had exclaimed before the death grip.

"If I had only been a little quicker I might have saved the fatal clinch of the opponents which caused both to be thrust from the train as it was just about to cross the line out of total abstinence Pennsylvania into prohibition New Jersey (thanks to United States Senator Edwards).

"For I could have shown them that one was speaking of the Mr. Davis who, as Assistant Secretary of War, spoke at Providence, and the other of that Mr. Davis who is now Secretary of War and as such testified in Washington.

"'Our most serious deficiency is in aircraft,' said the Assistant Secretary there at Providence. 'The situation in the Army Air Service is becoming * * * absolutely critical. * * * In 1922 we had a surplus of 2,125 planes; in 1923 the surplus was 764; in * * * 1926 this shortage will be increased to 1,428. * * * We will find ourselves in the appalling situation * * * practically powerless in the case of an emergency.

"'This is rendered more serious, because it takes from 10 to 18 months to build a plane, and our airplane industry * * * struggling for existence, could not possibly carry a war load. An industry cannot be created overnight. Aircraft is absolutely essential to modern warfare. If we had to wait * * * we might be defeated before we had begun to fight. * * * Large numbers of our boys would be unnecessarily killed. * * * Our physical isolation, protected by the oceans, is no longer a safe defense. * * * Are we again to shut our eyes in fatuous folly to the lessons of the past and the possibilities of the future? Who pays the cost of such blindness? * * * Every man, woman, and child in the country * * * every taxpayer, every businessman * * * every mother whose boy is sacrificed on the altar of unpreparedness.'

"And it is the Secretary speaking now. The Assistant Secretary had had far less politically at stake. * * *

"The Board found this country is not at present in danger of air attack from any potential enemy of menacing strength. We are 'protected' (now) by the broad ocean on either coast.

"Forgotten are those grim words at Providence.

"It cannot be Secretary of War Dwight Davis speaking. But, nevertheless, it is.

"At Providence Mr. Davis proclaimed in terror that in 1926 we would be defenseless and open to attack.

"May I ask whether the duty of the Assistant Secretary of War is not that of procurement? And if so, why a shortage of planes in 1924–25–26, while he occupied the chairs of Assistant and Secretary of War?

"In Washington, the same Davis (having been promoted) said: 'I am informed * * * that we are at least equal to any other nation in the world. I would put our personnel higher, but we are at least equal.' If our courageous and patriotic personnel is higher in this defenseless state, it cannot be credited to the weak and flimsy aircraft policy forced on them by the Secretary of War and the General Staff."

ALWAYS AGAINST NEW IDEAS

Again continuing from Aero Digest, this time from the November 1927 issue, General Mitchell wrote in his article What Trans-Atlantic Flights Augur for the Future:

"Whenever a new undertaking is launched, there are always those who decry its possibilities, usefulness, and value.

"'Let things be as they were,' they say, 'where the relative order of things is well established, and matters go on quietly and smoothly.'

"Had this system been followed, we would still be in a state of savagery, chasing each other around with stone axes, and eating raw meat.

"When we first obtained an appropriation for Army aeronautics in this country, we heard the same protest. When I inaugurated the transcontinental flight from New York to San Francisco and return; the flight to Alaska in 1920; the sinking of the battleships in 1921; breaking and obtaining all the world's speed and endurance records for American aviation in 1922; the round-the-world flight; and the second sinking of battleships in 1923, all of which undertakings were entirely and completely successful, we met with the same criticism and obstruction.

"There is one decided lesson which the American people should learn from all that has transpired in American aviation. It is that national aeronautics should be removed entirely from the control of the Army and the Navy, and should be handled by a department of aeronautics, entirely separate from these other services, such as every civilized country in the world has today."

Now, if you need further proof, read what William B. Courtney, aviation editor of Collier's Weekly, was told by a member of the German staff:

"We remembered there is always truth in tradition. We looked for a middle way; listened more to your General Mitchell than to General Douhet. Mitchell was the first high officer to see that air power was more than a new auxiliary."

ARNOLD ADVOCATED SEPARATE AIR ARM

And while we are looking over the record, let's see what General Arnold had to say in testimony given to the House Military Affairs Committee in 1935 when the late John J. McSwain, of South Carolina, chairman of the committee, said to him:

"Some of us have heard of you, and I want to ask you to speak out of your own heart and mind your personal conviction with regard to the necessity for independent and increased air power for the defense of America."

In his reply, General Arnold said:

"I can see now where you can hitch a 1,000-mile plane on the operation of the Army or Navy today. I cannot see how, if you are going to use a 3,000-mile bombing plane, you can hitch that on to either the Army or the Navy for all its purposes; and if you get a 5,000-mile plane, then I cannot see how you can hitch its activities on either the Army or Navy.

"And beyond that dreaming a little further, you can have a 8,000-mile plane; then I know well you can't hitch it onto either the Army or Navy activities. It is something beyond the scope of either one.

"In order to get a properly trained and effective department of national defense, you have got to have three arms, land, sea, and air, equally self-supporting.

"I am of the opinion that sometime in the future this thing called a 'department of national defense' is bound to come."

Yes, this is the same General Arnold who is now a lieutenant general and assistant chief of staff.

Last year General Arnold and Col. Ira C. Eaker of the air forces wrote a book called Winged Warfare in which they stated:

"Many feel that eventually the defensive air component of the Nation will be given a status coordinate and commensurate with that of the Army and Navy. When that time will come, is not yet clear. It came in some of the other nations of the world when the pressure of war was upon them. We shall be fortunate if our time for that reorganization comes in the relative calm of peace or, at worst, in the preparatory and not in the fighting stage."

Now, let's bring the record up to July 1941 and read a resolution presented to President Roosevelt by a committee of the board of directors (of which the writer has the honor of being chairman) of the National Aeronautic Association—oldest and largest aviation group in the country, having a membership of 18,000; interested only in aviation in national defense; not on the pay roll of either the Army or Navy; not having anything to sell the Government; not worried about promotion and rank; and not afraid of what the powers that be might say or do. Consequently, this committee presented the truth as they found it:

"*Resolved*—

"The present war has revolutionized methods of warfare and shown the vital necessity for the closest cooperation and unity of command between all fighting forces, with emphasis upon air power.

"The War Department has recently reorganized the Air Corps, creating a semiautonomous air force within the Department. While this reorganization is a step forward, National Aeronautic Association believes it does not offer a solution to the national defense problem. It does not guarantee the fullest cooperation, coordination, and development which we believe necessary in the land, sea, and air forces.

"National Areonautic Association therefore recommends that the President of the United States promptly call upon the proper executive officers and Members of Congress to make a study looking to reorganization of the War and Navy Departments with a view to consolidation into one department of national defense, headed by a Cabinet officer and subdivided into three divisions of land, sea, and air, each headed by an under secretary. Such a single department of national defense, we believe, will best serve the country by insuring the development of an Army and Navy of highest efficiency, together with an invincible air force, all properly coordinated."

We'll bring the record just a little closer, with extracts from a letter received from an English able-bodied seaman, and printed in the January 22, 1942, issue of the New York Herald Tribune. This seaman, who has been on active duty in the Mediterranean for 2 years, who has been bombed many times and has had one ship shot from under him, wrote in part:

"The loss of the *Prince of Wales* and the *Repulse* isn't calculated to cheer a sailor, and the really acid part of the medicine is that there was no air support. The censor may cavil at my daring to criticize the high command, but then I doubt whether the censor was engaged in the evacuations of Greece and Crete. No air support—the phrase spells annihilation. How many ships and how many lives have had to be sacrificed at this altar of inefficiency. Air support is not enough; there must be air supremacy.

"I know it is an old story, but it is one which should be crooned into the ears of infants; it should be the text for every pulpit; it should be the motto for every schoolboy's composition; it should be stamped on ash trays and beer mugs; it should be 'We must have air supremacy.' Mere plentitude of planes, moreover, is not enough. They must be in the right place at the right time, and they must be of the right type.

"Perhaps one day an explanation will be forthcoming as to exactly why we (and that means America) couldn't have struck first. We could have wiped those troop ships out of existence and hammered their warships to hell and high water. One swift blow shrewdly delivered would have so crushed the Japs that the initiative would have been in our hands.

"I'm sorry if I have bored you, but when you have been dived upon by waves of bombers, averaging about 150 to 200 in each wave, day after day until your ammunition runs out and you are just bordering on insanity, and seen people choked with oil and streaked with wounds, men whose arms have been blown off clinging to bits of wood with their teeth; seen the enemy sweeping down in a machine-gun attack on the men who are struggling in the water and you cannot stop to pick them up because of the bombers—then you will realize that air supremacy becomes a religion."

Members of Congress of the United States, remember that it was air power that caused Poland to surrender unconditionally 26 days after she was invaded.

It was air power that drove the British troops out of Norway 23 days after the Germans first landed.

It was air power that compelled the British Expeditionary Force to clear out of Dunkirk 24 days after Belgium and Holland were attacked.

It was air power that caused the fall of France 13 days later.

It was air power that caused the Yugoslav Army to cave in after 10 days of fighting.

It was air power that took 13 days to conquer Crete.

Bear in mind that it was air power that enabled the unified Royal Air Force fighter planes to hold off the Luftwaffe while the British evacuated some 350,000 soldiers from Dunkirk.

And, it is the same Royal Air Force that has kept England from being invaded and has kept the sea lanes open.

It was air power that on December 7 at Pearl Harbor caused a $500,000,000 loss in just 1 hour.

It was air attack that sank the *Haruna*, *Prince of Wales*, and *Repulse*, and set up the *Bismarck* for the coup de grace by warships. And, should the British lose Singapore, it will be air power that drives them out; and if Singapore is lost, the British East Indies will go.

Air power combined with sea power can win a war for any country that knows how to use airplanes for transport, attack, and defense. Yes; it will need the help of the Army and Navy, both of which have their place in modern warfare. But it is not the place that the Navy Board and General Staff have planned they should occupy.

And remember that if General MacArthur had 500 bombing planes the 80 transports and the Japanese on board those transports would now be on the bottom of the Pacific and we would be able to give our Allies the aid necessary to hold strategic Singapore and the vital Dutch East Indies.

Mr. Congressman, please read the report on Pearl Harbor submitted to your Chief, by the Presidential Commission, headed by Justice Roberts. Read every word of it. It is as bitter as the gall of a Jap or a Nazi. It is heartbreaking, grim, and sickening. While you are reading it, recall how you at your committee meetings have been misled and misinformed by the selfish, stupid, stiff-necked brass-hat bureaucrats of the Army and the Navy and their hand-picked stooges who testified before you.

These alleged "experts," experts in how to acquire high rank, soft berths, and fat pensions for the balance of their "retired" life.

Meditate a moment on how General Mitchell was sacrificed at the altar of their greed, so that you would not hear the truth.

Read what Frank Hewlett, United Press staff correspondent, sent to the New York Times on January 25: "With General MacArthur's Army in the Philippines, January 25—Strong air reinforcements still could turn the tide of battle on Batan Peninsula, military leaders said today."

If the Pearl Harbor needless catastrophe has awakened your august body to the realization that it is air power that will save your country from destruction at the hands of the barbarians, then the many thousand lives sacrificed at Honolulu will not have been in vain.

(General Mitchell's keen foresight and straightforward analysis of the dangers of unpreparedness are vividly demonstrated by the following article published in the July 1926 issue of Aero Digest. Although written almost 16 years ago, the article is reprinted herewith because it is as timely as if it were written today. Had his warnings been heeded by Congress, the General Staff and the Naval Board, the Pacific Fleet at Pearl Harbor would not have suffered a $500,000,000 loss in less than 1 hour.)

AWAKE, AMERICA!

(A warning call for action written 16 years ago especially for Aero Digest by the late Col. William L. Mitchell, former Assistant Chief of the Army Air Service)

It must be the policy of every government to guarantee to its people a reasonable degree of security, prosperity, and happiness.

The basis on which such a policy must be built is constitutional national government and its application to conditions that confront the nation.

These conditions never remain entirely the same for long periods. They change from time to time.

National defense is an important adjunct of national policy which is called into use when other means of adjusting international disputes have failed.

It is one concrete proposition for the whole country. It is not a monopoly exercised by any class, section, or division of the people.

Air forces, armies, and navies are merely agencies of the people to carry out their will where national physical defense is required.

In international war, surface navies are practically useless. The submarine is now the main instrument of maritime warfare.

Air power has taken its place as the dominant instrument in international war. It can fly straight through the air to the vital centers of the opposing state, destroy them and render the country losing control of the air in a defenseless state.

The relative value of the principal active elements of national defense, on a basis of 100, is about 20 for a navy, 30 for an army, and 50 for air power, or the combined value of both a navy and an army.

COURTING DISASTER

Today a country weak in air power courts disaster.

Today a country without a single department of national defense to coordinate its system of protection cannot survive in a modern war.

The United States is the only civilized country which has not coordinated its national defense elements under a single direction, and which still trusts to an army and navy alone to protect it.

The United States, knowing about the capacity of modern air forces and being so vulnerable to attack over the land and the water, pays little attention to its national defense. It still listens to the advice of its Regular Army and Navy as to what national defense should be. Never has worse advice been given by any departments of the Government on broad national questions than that which has been given since the World War by the Army and Navy to our people and Congress. They not only are attempting to adhere to a system obsolete even in the time of our Civil War, but they have directly and deliberately misrepresented facts to the Congress and the people as to what modern national defense is.

The valor of ignorance pervades the bureaus of the Army and Navy in Washington from top to bottom. Not only are huge sums of money being spent uselessly but the people are led into a false feeling that something is being done to protect them, whereas practically nothing is.

We will not have national defense in this country until this matter is taken out of the hands of the Regular Army and Navy, who have established and maintain an interlocking directorate to suppress all modern means of defense. They maintain lobbies in Washington to influence the President and Congress. They have propaganda agencies which carry on a campaign of misrepresentation as to modern defense conditions all over the country. They call on industries that sell them equipment to assist them politically and obtain political support from the communities in which their organizations, posts, and stations are maintained.

This system must be changed; it has become a national cancer.

We must have a single department of national defense with subheads for the air, land, water, and munitions. We must have a single directing head and a single staff to handle all major defense questions.

Until this is done we shall continue to lean on a broken reed, and should the call come to defend this great country we shall find ourselves even more defenseless than we were at the beginning of the Civil War or the World War.

Intelligent public opinion reflected in laws enacted by Congress is the only remedy.

I include also my address from the American Forum of the Air, Sunday, October 19, 1941, on the subject Should America Have a Separate Air Force? Speaking also in the affirmative was Col. Harold E. Hartney, aviation authority and commander of the First Pursuit Group in the World War:

Mr. Granik, ladies, and gentlemen, the building of an invincible air power in this country is in response to a popular demand evident years before the present programs for aircraft production and pilot training were even conceived and executed.

On the question of giving our defense air forces an independent status for still faster and more efficient development, the American public again has taken the initiative. According to a recent Gallup poll, 49 percent of those who were interviewed favor a separate air force, 27 percent are undecided, and only 24 percent are opposed.

Aviation authorities, particularly men who flew in the last war, overwhelmingly favor this action.

Let it be understood that by advocating a separate air force we do not mean that we have lack of confidence in the ability of the Army or of the Navy. Their commanders are well able to organize the operations on land and sea which have been their traditional functions.

Neither should it be thought that anyone wants to strip the Army and Navy of their own air arms necessary for observation and for the protection of their forces. But the main job of air defense, to be carried out by bombers and fast fighting ships on missions which are a function of air power, has become a new branch of warfare which can best be handled by officers trained for air command.

This is proved from the experiences of England and Germany. There are those who say that America should apply this lesson ultimately, but that it is not timely to change in the face of an emergency. This is the most powerful argument for immediate change, so that we will be organized for the highest possible effectiveness before we are faced with a military crisis.

We have seen our air defenses not only fail to develop but actually retrogress for years after the last World War. Innovations such as the airplane armor, self-sealing gas tanks, cannon, and .50-caliber machine guns, which were beginning to be used in France, were forgotten for years and had to be redeveloped in our present program. We have seen men of vision, like Gen. Billy Mitchell, discredited and persecuted for being brave enough to tell the people what we now know is the truth. [Applause.]

While there has been a marked progress in recent months, conflicts between the Army and Navy on important matters, such as aircraft priorities, and the slowness to accept new ideas are all too evident. Although it has been known that Germany and Russia have trained thousands of glider pilots, it was not until the Battle of Crete that our Army began to recognize the need for troop-carrying gliders. Now our Army has two gliders. Hitler has thousands. The value of light planes has recently been demonstrated in maneuvers in Louisiana, yet the Army, seemingly, has made no move to utilize this experience.

Only a few days ago the Army created a system of air-support commands for closer cooperation between aircraft and ground forces, which most of us assumed had been in effect years ago. This change, on top of the earlier reshuffling in the semblance of an autonomous air force, makes it apparent that the officials in Washington are disposed to make concessions to the separate air-force idea and to the principle of coordination which goes with it.

Why not go the whole way now? Modern warfare is a job of large-scale organization, which demands the creation of a single department of national defense, with the branches of air, sea, and land under a unified command which will insure their complete teamwork and effectiveness against the kind of emergency that America soon may face.

Another address is included which I made on the American Forum of the Air, Sunday, January 11, 1942, on the subject Is Air Power Dominant in Modern Warfare. Speaking also on the affirmative side was Maj. Alexander de Seversky, noted aviator and plane designer:

Whatever doubts there may have been as to the dominance of air power in modern warfare have been blasted away in the rain of bombs on Pearl Harbor and on the helpless cities of the Philippines.

For 20 years the deadly effectiveness of military aviation has been foreseen by a small group of men who were fighting pilots in the last World War

Their predictions were confirmed by the failure of the ground forces in Poland and the Low Countries against Hitler's dive bombers and double-checked when the British Navy with all its might was unable to prevent the occupation of Norway.

The battle of Crete will stand as a military classic of all time as the first major operation in which aviation was the whole show with glider and parachute troops overwhelming the ground forces while bombers knocked out a powerful surface fleet.

These were the plain lessons of air power as a weapon of defense while Russia and the Royal Air Force bravely demonstrated that the only defense is stronger air power.

Not fully cognizant of this truth until our own men became the victims of Japan's treacherous attack, America has learned the hard way. But the United States has learned.

It is clearly significant that the vast expenditures budgeted for our victory program in the year to come place greatest emphasis on airplanes and antiaircraft guns, while old-style surface warships are conspicuously absent.

The words of the President burn themselves into our consciousness when he said to Congress and to the world in his message on January 6: that "we must increase our production rate of airplanes so rapidly that in this year, 1942, we shall produce 60,000 planes, 10,000 more than the goal set for us a year and a half ago. This includes 45,000 combat planes— bombers, dive bombers, pursuit planes. The rate of increase will be continued so that the next year, 1943, we shall produce 125,000 airplanes, including 100,000 combat planes."

But there is more to be done. A few believers in air power who, with a bravery equal to that which they displayed over the battlefields, have fought for many years against public apathy and the bitterest criticism and ridicule to accomplish two purposes—first, to tell the country what air power means and second, to effectively organize this force.

On the one point they were too terribly accurate in their predictions. We would be foolhardy if we failed to heed their further warnings as to how American air power can best be organized to win this war. These patriotic men urge, as they have urged for discouraging years, that America's air forces be given their own command under aviation leaders. When you and I walk the streets of an American city today, we see our defenders in the uniforms of the Army and Navy. Let our airmen too have their own uniforms to proclaim to the enemies of civilization not only that air power but that American air power is supreme in the world today.

January 21, 1938, during House debate, I said:

"The day of battleships is going fast. There will be battles some day in which bombers will be used to completely wipe out battleships."

March 15, 1938, I stated:

"We must realize that there are changes taking place in the prosecution of war."

March 17, 1938, I reiterated:

"The scene of conflict has shifted from the land and sea into the air."

Again and again we have been thwarted. We must continue, however, to believe with the poet:

"I call no fight a losing fight
If, fighting, I have gained some straight new strength;
If, fighting, I turned ever toward the light, which ultimately must prevail."

The following article appeared in the New York Times of Wednesday, January 28, 1942:

TRENCHARD, CHIEF OF R. A. F., WARNS UNITED STATES TO IGNORE ARMY AND NAVY OPPONENTS OF A UNIFIED AIR FORCE—MARSHAL URGES UNITED STATES NOT TO BE DELUDED BY INEXPERT CRITICS WHOSE OBJECTIONS ALSO ARE RESULT OF BIAS AGAINST FLIERS—DENIES YARNELL'S CHARGES THAT HIS MEN FAILED OFF NORWAY, THAT ONE TORPEDOED BRITISH CRUISER IN "BISMARCK" BATTLE

(By Viscount Trenchard, Marshal of the Royal Air Force)

LONDON, January 27.—Far be it from me to add to the controversy that seems always to rage when any matters of how to use air power are debated. I cannot help remembering what a great general remarked to me in the last war about these controversies:

"Why do you deplore the fight over air between the services? As long as there is air there will always be an air crisis due to the extraordinary speed and range of aircraft."

In recent months a great deal has been written in the American press and elsewhere to prove that the British system of an autonomous air force is a disastrous failure, that each and every reverse that has befallen British arms from Norway to Crete has been due to the existence of the third service and that even our successes such as the sinking of the *Bismarck* and the improvement in the battle of the Atlantic and in the battle of Britain were for some mystical reason in spite of and not due to our organization.

The moral is drawn that the present system in the United States, where there are three or four separate air forces, should be perpetuated in the United States and extended to the British Empire.

I do not presume to suggest to the United States how their forces should be organized. I do not profess to be an expert on Western Hemisphere defense and would not presume to offer advice on that subject to those whose business it is further, perhaps, than to express the hope that they will not permit themselves to be deluded by inexpert and biased criticism into making wrong judgments on premises fantastically incorrect.

The first point to remember as a background to all consideration of the lessons of this war up to date is that we started the war in a shocking condition of weakness. For years we had been spending annually about eight times as much on the older services as we spent on the Air Force.

AIR FORCE DEEDS MINIMIZED

The lessons and portents of the last war were not generally understood, and after that war most responsible officers in the Navy and Army minimized the accomplishments of the air forces in the war and failed to foresee what should have been plain for all to see, the potentialities of air power 20 years ahead.

Fifteen years later we failed to profit by the unmistakable warnings we received in 1934, or even in 1938, to take our aircraft production seriously in hand, and no one can look back today on the air situation in September 1939 without a shudder at our sheer audacity in going to war at all with the air force and the aircraft industry in the state they were in at that time.

Even 20 months later, at the time of Crete, we had still had to concentrate our resources on providing for the vital needs of defense at home and in the Atlantic to an extent that may be measured by the fact that at the time of Crete we had barely 50 serviceable fighters in the Middle East command, and a few obsolescent American fighters at Singapore.

Fifteen years ago I, as Chief of the Air Staff, was advocating that Malaya should be made a great air base and that our limited allotment of money should be spent on bombers and torpedo aircraft instead of on the huge guns that are there now.

The situation is very different today. But the significant fact is that in only two major operations have we had anything approaching the necessary air strength, namely, the battle of Britain and the recent operations in Libya. And we were only able to secure that strength by a ruthless adherence to the one great principle of air warfare, the principle that in itself not only justifies but imperatively demands a single autonomous air force, the principle of concentration of the greatest available force on the task that is decisive at the time.

The second point to remember, arising directly out of the first, is that the democracies cannot do in peace or even always in war all the things that are strategically desirable, a condition which, while it will be a strength in the long run, is often temporarily a terrible strategic handicap.

STATESMAN IS RESPONSIBLE

In a democracy, because it is a democracy, the fighting man is the servant of the statesman and strategy is profoundly affected by internal and international politics. The military chiefs are the advisers on military policy and the executives through which that policy, once decided, is put into effect. The responsibility is with the statesman who has to justify his actions and maintain his position in a legally constituted representative assembly, representative of the people, whose knowledge of military matters is nonexistent and whose judgment is frequently wrong, based as it must be in war on a necessarily incomplete possession of the facts.

It is therefore all the more important that advice on the application of air power should be the responsibility of a single head of a centralized service, working as the chief of an expert staff who have made a life study of air power and its problems and that the decisions of the political authority, the Prime Minister, and the War Cabinet, should be capable of being translated into action with that promptitude and administrative efficiency which would be impossible under divided control.

The principle of concentration on the decisive point is indeed the essence of air power. No serious exponent of air power or of the system of a third service claims that war can be won solely by air forces. No one weapon, no single service, no specialized military method, can win any war. But the misuse or failure to take advantage of any one military method may well lose a war and can very easily prolong it disastrously.

The art of war is to know how to weld all tactics into one whole, when to put the emphasis on one or another, how much of the nation's resources to allot to each, and, as far as air power is concerned, to take full advantage of its flexibility to concentrate it in adequate strength at the place and on the task which is of decisive importance at the time.

We cannot be stronger than the enemy everywhere all the time. If we could be, it would cease to be relevant because the war would be won. So we must use our air resources flexibly as our major national strategy demands at the time, as the Germans do. We can only do that if we have a single autonomous air service as the Germans have, based by Goering's own admission on our model.

SUPERIOR GERMAN CONTROL

Where their organization is superior to ours is, first, in their centralized high direction, which controls and coordinates the effort of all three services and, secondly, in the fact that they have ruthlessly discarded outworn naval and military traditions, have allotted to air power its proper share in their plans, and have remolded their naval and military technique to suit the conditions of the air age.

In this latter respect we have much to learn from them. Armies and fleets are still expected, or have until very recently been expected, to do things they are quite unable to do, such as fight a land war without air superiority or control narrow waters which are dominated by hostile air power.

Conversely, it is not unknown for air forces to be expected to perform tasks for which they are quite unfitted, or at least can only perform by a quite disproportionate expenditure of effort, manpower and material, and then not so effectively as the land or sea forces whose proper tasks they are.

If for major strategic reasons we cannot concentrate adequate air power in any place or on any task, then the operations of our naval and land forces must be adjusted accordingly. It may, for political reasons, be considered necessary to fight on land or at sea without adequate air support. We had to in Norway, and we had to in Greece and Crete, because there were not the air forces available, nor were there adequate airdromes if they had been.

Admiral Yarnell, who in a recent article in Collier's magazine makes the extraordinary assumption that the loss of Crete was due to some arbitrary and one-sided decision on the part of the Royal Air Force to withdraw air support, is not alone in his failure to understand the profound influence of geographic conditions on the exercise of air power.

He would not suggest, for instance, that the United States Fleet should be told to operate in Japanese waters without a base in the Far East or a reasonably secure line of supply for its tankers and ammunition ships. Yet an air force without bases and without a secure system of supply for fuel, bombs, and spare parts is just as helpless as that fleet would be. And that handicap cannot be offset by the use of long-range aircraft, because the short-range fighter will always outfight the long-range aircraft of any class.

WEAKNESS SEEN IN DIVISION

But if we have to fight without adequate air support we must do so with our eyes open and we must not hope to be able to alleviate the results of a military set-back in Greece or a naval disaster in the Gulf of Siam by breaking up the Air Force and putting bits of it under the Army and Navy and thus making sure that we shall have neither adequate air strength anywhere nor the expert single advice as to how to use what we have.

Our basic strategic policy cannot fluctuate with every wind that blows because on our strategic policy depends our production policy and on our production policy depends our capacity to have aircraft of the right types in the right numbers and in the right place when we want them. Thus we must concentrate on the vital things first and shape accordingly our international policy and that part of our military policy that is within our control. And this involves taking chances somewhere. We have built up our fighter strength in the United Kingdom and home waters to an adequate level. We have at last had something like adequate air strength in the present operations in the Middle East, where we had to take danger-

ous chances until and after Italy came into the war, just as we had to take chances in the Far East before Japan came into the war in order to build up adequate allied air strength in what were then and still are in large measure the decisive theaters, the Mediterranean, and Russia. We concentrated resources in personnel and bomber type aircraft on building up the coastal command to a point at which it was somewhere near adequate at the end of 1941 for its tasks in conjunction with the Navy in keeping the menace in the Atlantic and in home waters within measurable limits.

We did this at the expense of the bomber command. Yet air power cannot play its part in helping us win the war unless we maintain unswervingly the policy of the offensive and concentrate steadily and consistently on building up a bomber force which, while always available if required for defensive operations in support of the other services, has suitable aircraft and suitably trained crews in adequate numbers to sustain the offensive against our primary enemy to wear down German resistance from within and play a major part in creating that situation without which no allied army can ever hope to force its way into Germany.

Such a bomber force can never be built up or effectively employed except on a basis of centralized control, administration, and training.

ADEQUATE AIR COVER VITAL

No major military or naval operation can hope to succeed in these days without adequate cover against enemy air action and effective support by our own air striking force. That surely is a lesson of this war which requires no eloquence to emphasize.

A fleet at sea, operating beyond the range of shore-based air support, must take its own air support with it in the form of ship-borne aircraft and these may be and in the British system are part of the fleet. Ship-borne fighters, however, are not always available and the loss of the *Prince of Wales* and the *Repulse* has proved what the air staff have constantly urged in the past, that when neither ship-borne nor shore-based fighter cover can be afforded heavy ships cannot venture safely within the effective range of shore-based air striking forces.

But it hardly needed Pearl Harbor to prove that the air defense of a fleet base or of an area of land operations is not a naval or an Army function.

There is a natural tendency for every subordinate military or naval commander to clamor for close air protection by squadrons under his own command. That tendency, unless rigidly resisted, can only end in disaster.

Their speed in miles per minute and their range in terms of hundreds, nay, even thousands, of miles cannot possibly be effectively exercised by men whose vision is limited to the horizon as seen from the seat of a motorcar and whose whole training and instinct is to regard a hundred miles as a day's journey.

There are no frontiers, no high-water marks in the air. And the first essential qualification of the airman is to be an airman, to be able to operate his aircraft or command his squadron or wing or group efficiently, whatever the objectives he may be required to attack or whatever the areas he may be called upon to defend.

SPECIALIZATION IS NONSENSE

There is a great deal of egregious nonsense talked about the need for specialized training for air operations in support of armies and navies. The uninitiated would almost be led to believe that it is necessary to breed a special type of man to recognize a ship at sea or an enemy tank in the desert.

Some special training is obviously necessary, but it is surely equally obvious that after the first few months of a war the long and intimate experience and highly specialized training that is so often claimed as essential for effective air support of land or sea forces simply is not available. Replacements would have to come, as they do now, from keen young volunteers from civil life with no specialized naval or military knowledge.

The Royal Air Force crews of the coastal command, though they persistently decline to call their bedroom a cabin or a service motorcar a liberty boat, have given and are giving service that could not be excelled by the smartest sublieutenant who ever passed top out of Dartmouth.

General Auchinleck's frequently reiterated praise of the air support and cooperation in this Libyan campaign means only that at last we have been able to undertake a land campaign possessed of sufficient air forces to ensure that air supremacy without which no land campaign can succeed.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that I may extend my own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on tomorrow after the conclusion of the legislative program and other special orders I may be permitted to proceed for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. GREEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a short poem.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a brief excerpt from the People's Lobby Bulletin.

The SPEAKER pro tempore. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WHITE. Mr. Speaker, I ask unanimous consent that after the conclusion of the remarks of the gentleman from Missouri [Mr. COCHRAN], I be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LET THE PRESIDENT DECIDE

Mr. COCHRAN. Mr. Speaker, I want to make it plain that I have no desire to question the sincerity of the distinguished gentleman from West Virginia, my personal friend [Mr. RANDOLPH]. I do not agree with the gentleman. I have read considerable on the subject, and have had some information concerning experiences in this war, but I am not going to relate that, as it might be considered criticism or be beneficial to our enemies.

I confess that I do not know enough about military and naval warfare to come to a conclusion upon such an important subject.

I know that the President of the United States today has the power, if he desires to use it, to do everything that the gentleman from West Virginia desires done. I trust the President to do what he thinks best, based upon experience and the advice of the generals and admirals upon whom he must rely.

I have never knowingly made a misleading statement on this floor, and I never will to achieve an objective, but I will say this much, and I know what I am talking about—far more has been done relative to unified operations than the gentleman ever dreamed of. That is as far as I will go. So do not be alarmed; you will have unity of command whenever and wherever it is justified.

This question has been under discussion for years. There was and is a difference of opinion, not with our Army and Navy, but civilians, as to what is best for this Nation.

I am going to relate a little experience I had which brought about a discussion for months. It so happens I was off the Virginia Capes shortly after the World War when bombers from Langley Field came out to attack what was called an unsinkable battleship that was allocated to this country after the war to be used for scientific purposes. The agreement was to destroy it before a certain date. We were on the transport *Henderson*.

This battleship was at anchor and, of course, unprotected. Now I tell you what I know, not what I heard, because I personally witnessed the destruction of the ship. It was constructed under the supervision of the highest ranking officer in the German Navy, had several armored decks, and many airtight compartments. Thus it was described as an unsinkable battleship.

The first day the bombers dropped sandbags. Then they dropped hundred-pound bombs, then 200-pound bombs, always increasing the size of the bombs. Finally six bombers came from Langley Field, and their instructions were to make three hits. They had 2,000-pound bombs. The bombs must have cost plenty of money. They were in what we were told was battle formation, a half-mile or a mile behind the other.

A board of officers would visit the ship after each attack, and little damage had been done by the small bombs.

The bombers had orders to try and drop their bombs alongside of the ship rather than make a direct hit. As I understood it, they felt a hit alongside of the ship would spring the plates.

I might say at this point we had not advanced in aviation very rapidly. Every 5 miles from the field to the ship would be found a destroyer so the bombers would know the course and also for safety.

The first bomb that was dropped fell astern of the ship, about 100 yards—at least it so appeared from where we were; the second bomb dropped right alongside the bow of the ship, on the starboard side; the third bomb hit the stern of the ship and the fourth bomb hit on the portside of the ship at the bow. By that time the ship was listing, finally turned over, bottom up, and went down, stern first. By my watch, that great 40,000-ton piece of steel went below the water in 19½ minutes after the first bomb was dropped.

Picture if you will that great mass of steel so put together that it was declared to be unsinkable being sent to the bottom of the ocean in 19½ minutes.

It was one of the most dramatic scenes I had ever witnessed in my life. You could have heard a pin drop on board that transport. Later the Army was jubilant. The Navy was depressed. I was the guest of the then Chief of Naval Operations, Admiral Coontz, who came from my State. A few minutes before, he had told me, "We will show you how to sink that ship. Those bombers cannot sink it. When they get through, I will send the battleship *Pennsylvania* off 5 miles, and we will sink it, because we must sink it today."

The Navy immediately had an alibi. The officers said it was all offensive and no defense. In any event newspaper article after newspaper article and magazine article after magazine article appeared discussing the sinking of that battleship.

Some predicted the death of the battleship. Others classed the battleship as obsolete. Some demanded a department of national defense with a secretary for war, a secretary for navy, and a secretary for air. Others urged a department of air. The discussion went on for months.

Following this I was introduced to General Billy Mitchell by our late Speaker, Mr. Joe Byrns. It was at a luncheon Mr. Byrns gave, only three of us being present and we had a discussion lasting 2 hours. Therefore I think I know a little about General Mitchell's views. Likewise I have heard considerable testimony from various sources about a department of national defense.

This question was brought to a head in 1932 when the Democrats had a very small majority in this House and considered an economy bill. I was a member of that committee. Judge McDuffie was chairman. Through some maneuvering in the committee two separate provisions were placed in the bill by the votes of Members of both parties. The Republicans wanted a certain matter voted on; some of the Democrats wanted a provision for a department of national defense. Through the medium of a little logrolling both suggestions were placed in the bill.

On the question of a Department of National Defense we had a roll call. A former Member of the House who served as a major general in the Army and who was retired, General Martin, of Oregon, moved to strike the provision from the bill. There were no politics in the vote, Democrats and Republicans alike voting for and against the proposal. Two hundred and ten Members voted against a Department of National Defense and 187 for it.

I went along with the committee recommendation and voted for it. It was defeated. I admit it was not considered on its merits, as no hearings were held by the committee. The War and Navy Departments opposed it. I found out later that vote was forced for a purpose. It should never have been advanced. I made a mistake in supporting it.

Glance over that vote and you will find men who knew something about our Army and Navy voting against a Department of National Defense, chairmen and members of the committees handling our naval and military legislation.

At one time the Committee on Expenditures held hearings on this subject, and I am confident that when I left the chairmanship of that committee and assumed the chairmanship of another committee I left in the committee room several hundred copies of that hearing. I think the gentleman from West Virginia can get one if he desires.

Mr. RANDOLPH. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I think no Member of this House should be accused of unjustly leveling criticism at the War Department because he happens to believe that a plan of organization and administration is preferable to that which has existed or even exists today. There are Members on the floor now who sat this morning with the House Committee on Roads when we discussed a proposal to build a 1,500-mile highway into Alaska. It is reported for the record that as late as April 1941 the War Department was against the building of that highway, saying that it had no military value. Today the War Department is ready to have its representatives appear before the committee and state that they were wrong. I am certain that it is absolutely inopportune to charge any Member who disagrees with the present set-up. Since Pearl Harbor the President did not hesitate to have Justice Roberts lead a group in ferreting out the reasons for our showing there. We cannot stand the shock of too many Pearl Harbors.

Mr. COCHRAN. The gentleman from West Virginia can be assured the gentleman from Missouri will never criticize him for expressing his views as I know how sincere he is. I have admired his independence ever since he became a Member of this body and congratulate his constituents upon having such a representative. The fact that I disagree with him now by no means should be taken as a criticism, nor have I said a word in this discussion that could be justified as criticism other than of his view. The gentleman from West Virginia and I have been close personal friends for years. He has not always agreed with me but that never interfered with our friendship. The gentleman is entitled to express his views as I have mine.

The appearance of one of our Members at this time gives me another thought. It so happens that the gentlewoman who has just come into the Chamber, the gentlewoman from Montana [Miss RANKIN], has been urging this very legislation before the Committee on Expenditures for many years. Prior to her return to the House, after an absence of many years, Miss RANKIN had Members of the House introduce such bills. Among them was one introduced by my good friend Mr. Jerry Boileau, of Wisconsin. Mr. Boileau for years tried to get some action on the bill, but the committee was against it. The War and Navy Departments were opposed to it.

Miss RANKIN traveled throughout the country making speeches in favor of the bill. She made a very interesting address in my own city as a result of which I had considerable work assailing her views in answer to letters I received. I did not mind that. Freedom of expression is one thing I will fight for so long as the speaker does not try to undermine our Constitution. I merely cite this to show you this is no new question.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, with the permission of the gentleman from Idaho [Mr. WHITE], I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

There was no objection.

Mr. COCHRAN. Mr. Speaker, this subject is of great importance and especially at a time when the country is at war. In view of this we should proceed with caution. The only testimony you would be satisfied with would be the testimony of the Secretary of War, the Secretary of the Navy, the Chief of Naval Operations, the Chief of Staff and the head of the Air Corps. That is the only testimony you would be satisfied with. Can we afford at a time like this to take those gentlemen from their desks, bring them down to sit day after day with a committee of this House to determine a question of such great importance, especially when, by unanimous vote, the Senate Military Affairs Committee, within the last 2 weeks, decided it would not hold hearings on the subject?

Mr. Speaker, there is no man living who wants to win this war and win it in a hurry more than does the President of the United States. He has the power to do just exactly what the bills provide. If that be so, I say let good enough alone; leave it to the President of the United States, and I am sure if he finds in the end he has made a mistake by not providing for a Department of National Defense or a separate Air Corps he will be the first man to admit it and he will act accordingly.

[Here the gavel fell.]

OFF-STREET PARKING IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1945) to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, has this bill been acted on by the gentleman's committee?

Mr. RANDOLPH. I may say in answer to the inquiry of the distinguished minority leader that this measure has been considered by the House Committee on the District of Columbia and has been reported to the House by a unanimous vote. The bill has also unanimously passed the Senate of the United States.

The measure directs its language to off-street parking facilities in the District of Columbia. As the gentleman and our colleagues on the floor well know, the problem of the congestion of traffic and available space for the parking of automobiles within the District of Columbia is one of growing proportions. This is just a part of a plan of legislative approach to aid in properly handling this trouble.

Mr. MARTIN of Massachusetts. Just what does the bill do?

Mr. RANDOLPH. The measure provides for the acquisition, the creation, and the operation under public regulation of public off-street parking facilities in the District of Columbia. We believe that by so doing there would be a facilitation of the free circulation of traffic in and through the District.

Mr. MARTIN of Massachusetts. How much money is involved?

Mr. RANDOLPH. The measure authorizes the use of the highway fund of the District in order to carry out the provisions of the act for this fiscal year ending June 30, 1942. Thereafter the Commissioners are authorized and directed to include in their annual estimates such amounts as may be required from said highway fund and the fund created by this act for the purpose of carrying out the provisions of the act.

Mr. MARTIN of Massachusetts. The Commissioners are agreeable to this measure?

Mr. RANDOLPH. They are unanimous and enthusiastic in their support of the measure. It has been recommended by the Commissioner of Highways of the District of Columbia, Captain Whitehurst, and also the director of vehicles, Mr. Van Duzer.

Mr. JONKMAN. Reserving the right to object, Mr. Speaker, does this bill embrace in its purview the preventing of parking on the streets?

Mr. RANDOLPH. No; it does not; but it is felt that this bill will alleviate the problem of parking on the streets to a great degree. There have been estimates before the committee in the hearings that it may take as much as 18 to 20 percent of the cars now parking on the streets off the streets.

Mr. JONKMAN. This bill does not relate to the ordinances preventing parking on the streets in certain districts?

Mr. RANDOLPH. No; that remains as is.

Mr. COSTELLO. Reserving the right to object, Mr. Speaker, will the gentleman explain whether this bill would also include the taking over of some of the triangles that are operated as parks by the National Park Service throughout the District, and utilizing them for parking facilities?

Mr. RANDOLPH. It would provide for the acquisition and improvement of other necessary parking facilities, which would include the suggestion the gentleman has made.

Mr. COSTELLO. The thought I have in mind is that there is opposite the Navy Department Building a tremendous triangle of ground that is nothing but a plot of grass. Certainly for the duration of the war that ground could easily be used for parking. I believe there are any number of similar triangles that are not particularly scenic, having no trees on them, that could very well be utilized for that purpose. This might obviate the purchase of a large number of properties that would be of no value afterward.

Mr. RANDOLPH. I appreciate the statement made by the gentleman from California. May I say that the provisions of the bill call for the creation of a parking agency to consist of seven members, a representative from the Federal Works Agency, a representative of the National Park Service, a representative of the Department of Vehicles and Traffic of the District, and four other members, each of whom must have been a resident of the District for 3 years; so we do feel that the make-up of this agency will be such as to bring to its attention the possibility of the utilization of the space to which the gentleman refers.

Mr. COSTELLO. I appreciate the gentleman's statement, and withdraw my reservation of objection.

Mr. WHITE. Reserving the right to object, Mr. Speaker, it seems to me there is on the other side of the railroad track, the wrong side, if you please, between the great Capitol of the United States and the beautiful grounds of the Army War College, an area that is being overlooked and neglected by the Federal Government. I distinctly recall that a recent issue of one of our daily papers carried a full-page black-out of that region, showing where our men in uniform are prohibited from going. I am wondering why it would not be a good proposition to go into that area and reclaim it, and make a parking lot of part of it as a starter for the improvement of this ground between the Capitol of the United States and the beautiful Army War College which, by the way, seems to be on the wrong side of the railroad tracks so far as receiving any attention from the powers-that-be in the Department is concerned.

Mr. RANDOLPH. I thank the gentleman. I am sure his suggestion will be looked on very carefully by the agency which will set up parking facilities within the District of Columbia.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That it is hereby declared that the free circulation of traffic of all kinds through the highways of the District is necessary to the health, safety, and general welfare of the public, whether residing in said District, or traveling to, through, or from said District in the course of lawful pursuits; that in recent years the greatly increased use by the public of motor vehicles of all kinds has caused serious traffic congestion on the highways of the District; that the parking of motor vehicles on the highways of the District has contributed to this congestion to such an extent as to interfere seriously with the primary use of such highways for the movement of traffic; that such parking prevents the free circulation of traffic in, through, and from said District, impedes rapid and effective fighting of fires and the disposition of police forces in the District, threatens irreparable loss in valuations of property in the District, which can no longer be readily reached by vehicular traffic, and endangers the health, safety, and welfare of the general public; that this parking nuisance can be reduced by providing sufficient off-street parking facilities conveniently located in the several residential, commercial, industrial, and governmental areas of the District; that adequate off-street parking facilities have not been provided by private enterprise; that it may be necessary to supplement private parking spaces by off-street parking facilities provided by public undertaking; and that the enactment of this act, as well as the use of land for the purposes set forth in this act, is hereby declared to be a public necessity.

SEC. 2. That, when used in this act, unless the context indicates otherwise—

The term "District" means the District of Columbia.

The term "Commissioners" means the Commissioners of the District of Columbia.

The term "agency" means the motor vehicle parking agency created in section 4 of this act.

The term "parking facilities" means one or more public off-street parking areas for motor vehicles, including necessary structures.

SEC. 3. The Commissioners, within the limits of appropriations by Congress therefor, are authorized to exercise all powers necessary and convenient to carry out the purposes of this act, the said purposes being hereby declared to be the acquisition, creation, and operation, in any manner hereinafter provided, under public regulations, of public off-street parking facilities in the District as a necessary incident to insuring in the public interest the free circulation of traffic in and through said District. Such powers shall include, but shall not be limited to, the powers hereinafter enumerated:

(a) The power to acquire any property, real or personal, or any interest therein, by purchase, lease, gift, bequest, devise, or grant, or by condemnation under the provisions of sections 483 to 491, inclusive, of chapter XV, as amended, of the Code of Law for the District of Columbia, approved March 3, 1901 (31 Stat. 1265–1266), in any area of the District as to which the agency shall have made a determination that public parking facilities are necessary or expedient. Before acquiring any area for parking facilities the Commissioners shall request the National Capital Park and Planning Commission for its recommendations, and it shall be the duty of said Commission to report thereon within 30 days of such request.

(b) The power to undertake, by contract or otherwise, the clearance and improvement of any such property as well as the construction, establishment, reconstruction, alteration, repair, maintenance, and operation thereon of parking facilities; to contract, by lease or otherwise, with competitive bidding, with any individual, firm, association, or corporation, private or public, for the operation of any parking facilities for such period, not exceeding 5 years, as the Commissioners shall determine, and to terminate, without prior notice, any contract in the event of any failure or omission of any party thereto to observe or enforce the rules or schedules of rates made under authority of paragraph (d) of this section.

(c) The power to sell, exchange, transfer, or assign any property, real or personal, or any interest therein, acquired under authority of this act, whether or not improved: *Provided*, That such action shall be in accordance with the general law covering the disposal of such property by the District of Columbia: *Provided further*, That the agency shall have first determined such property to be no longer necessary for the purposes of this act.

(d) The power to establish and from time to time to revise, with or without public hearings, uniform schedules of rates to be charged for use of space in each such parking facility; to provide rate differentials between said parking facilities for such reasons as the amount of space occupied, the location of the facility, and other reasonable differences; and to prescribe and promulgate such rules and regulations for the carrying out of the provisions of this act as may be necessary to keep said parking facilities subject at all times to public regulation, and to insure the maintenance and operation of such parking facilities in a clean and orderly manner and in such a manner as to provide efficient and adequate service to the public. The rates to be charged for parking of motor vehicles within said parking facilities shall be fixed at the lowest possible rates, consistent with the achievement of the purposes of this act, that will defray the cost of maintaining, operating, and administering the parking facilities; liquidate within such time as the Commissioners shall determine the cost of acquiring and improving the required property for parking-facility purposes; and provide for the acquisition and improvement of other necessary parking facilities, but without any purpose of obtaining for the District any profit or surplus revenue from the operation of said parking facilities. There shall be no discrimination in rates or privileges among the members of the public using said parking facilities.

(e) The power to secure and install mechanical parking meters or parking devices on the streets, avenues, roads, highways, and other public spaces in the District under the jurisdiction and control of the said Commissioners, in addition to those mechanical parking meters and devices installed pursuant to the authority conferred on the said Commissioners by section 11 of the District of Columbia Appropriation Act, 1939, approved April 4, 1938 (52 Stat. 192), such meters or devices to be located at such points as the Commissioners may determine, and the said Commissioners are authorized and empowered to make and enforce rules and regulations for the control of parking of vehicles on such streets, avenues, roads, highways, and other public spaces, and as an aid to such regulation and control of the parking of vehicles the Commissioners may prescribe fees for the parking of vehicles where meters or devices are installed.

SEC. 4. There is hereby created a motor-vehicle parking agency consisting of seven members, namely, a representative of the Federal Works Agency, to be designated by the Administrator thereof; a representative of the National Park Service, to be designated by the Secretary of the Interior; a representative of the Department of Vehicles and Traffic of the District, to be designated by the Commissioners; and four other members, each of whom shall have been a bona fide resident of the District for at least 3 years immediately preceding his appointment, to be appointed by the Commissioners, without regard to race or creed. The Secretary of the Interior, the Federal Works Administrator, and the Commissioners may from time to time, in their discretion, change their respective designates in office, and they shall name new designates to fill any vacancies caused by the death, resignation, or other inability to serve of their respective designates in office. The terms of the other four members of the agency shall be 4 years each, except that in the case of the initial appointments one shall be for a term of 1 year, one for a term of 2 years, and one for a term of 3 years. In the case of any vacancy in the position of the members appointed for definite terms the same shall be filled for the remainder of the term. The said agency shall perform the duties imposed upon it by this act and such other duties as the Commissioners may assign to it. The Commissioners are authorized to delegate to the agency any or all of the powers vested in the said Commissioners by this act, except the powers set forth in paragraphs lettered (a) and (c) in section 1 of this act.

SEC. 5. Parking facilities may be established in any section or portion of the District except that no parking facilities shall be established upon any property zoned residential without the approval of the Zoning Commission of the District. The Zoning Commission may grant such approval only after public notice and hearing in accordance with section 3 of the act entitled "An act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes," approved June 20, 1938.

SEC. 6. The National Capital Park and Planning Commission and the Highway Planning Survey Unit shall make available such records and factual data and make such additional surveys as the Commissioners or the agency may deem necessary to carry out the purposes of this act.

SEC. 7. All fees and other moneys collected under this act, including all fees collected pursuant to section 11 of the District of Columbia Appropriation Act, 1939, approved April 4, 1938 (52 Stat. 192), and all moneys derived from the sale or assignment of any property, real or personal, shall be deposited in a special account in the Treasury of the United States entirely to the credit of the District of Columbia and shall be appropriated and used solely and exclusively for the purposes set forth in this act, including the reimbursement of the highway fund of the District for any moneys advanced therefrom to carry out the purposes of this act.

SEC. 8. Appropriations from the highway fund of the District are hereby authorized to carry out the provisions of this act for the fiscal year ending June 30, 1942, and thereafter the Commissioners are authorized and directed to include in their annual estimates such amounts as may be required from said highway fund and the fund created by this act for the purpose of carrying out the provisions of this act, including the payment of salaries and necessary administrative expenses. The Commissioners are authorized to employ a director and such other personal services as may be necessary to carry out the provisions of this act, and the salaries of such employees, other than members of said agency, are to be fixed in accordance with the provisions of the Classification Act of 1923, as amended. The Commissioners shall fix the compensation of the members of said agency without reference to the provisions of the Classification Act: *Provided, however*, That the compensation of any member shall not exceed $500 per annum: *And provided further*, That no compensation for services as a member of such agency shall be provided for any member who holds a salaried public office or position in the District of Columbia or the Federal Governments.

SEC. 9. If any provision of this act, or the application thereof to any person or circumstances, shall be held invalid, the validity of the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 10. This act may be cited as the "District of Columbia Motor Vehicle Parking Facility Act of 1942."

With the following committee amendment:

Page 7, line 20, strike out "1" and insert "3."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Under previous order of the House, the gentleman from Idaho [Mr. WHITE] is recognized for 10 minutes.

EXTENSION OF REMARKS

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Massachusetts.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter to me from the dean of Holy Cross College in Massachusetts, and also a resolution passed by the representatives of 45 institutions of higher learning in connection with the national youth college work program.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COINAGE OF SILVER

Mr. WHITE. Mr. Speaker, yesterday after I had left the floor, my good colleague from the State of Illinois, for whom I have an abiding affection, rose and offered an amendment, I might say the perennial amendment, to strike from the appropriation bill from the Treasury Department the appropriation to provide for the carrying on of the purchase of silver under existing law.

If there is any blind spot in our education in the United States, it is on the subject of money. Our schools seem to neglect that subject, and the ignorance on that particular question is abysmal. It is my wish that the Congressmen could give more attention and become better informed on the principles of money.

Just for the information of the Members, in discussing this amendment, which lacked only two votes of being carried, I would like to call attention to the figures in the daily balance sheet of the Treasury. In the first place, the figures of the daily balance sheet discloses that the Government is not losing any money and that it is not costing the Government a cent to carry out the provisions of the Silver Purchasing Act. By consulting the daily statement of the Treasury of January 31, 1942, we find under the heading of silver two items in assets, $1,481,665,930.41 in silver, and silver dollars on hand of $483,879,665 making a total of $1,965,545,595.41 on the other side. Circulating against that are silver certificates outstanding of $1,952,663,907; in Treasury notes of 1890, $1,859,972; silver in the general fund, $11,722,916.41. We find there is on hand in the Treasury $1,965,545,595.41, and representing every dollar of that there is circulating in trade and business the equivalent in silver certificates, $1, $5, and $10 bills.

The record discloses that as fast as the Treasury buys the silver it puts out its equivalent in money. This money is

put into circulation by paying the expenses of running the Government right here in the Capital of the United States, in paying the Members of Congress or in cashing their checks. We find they are paid in silver certificates issued out of this fund.

In addition to this there are profits to the Government in form of the extra silver bullion obtained at a price below the nominal value of the silver certificates issued against the silver. We find there is now on hand 1,858,390,378.09 ounces, which is carried on the Treasury statement as an item of $662,093,054.57, a value allocated on estimated cost of the silver. This item represents idle silver in the Treasury which has been accumulated as a profit for the money paid out for the silver that has been put in circulation as silver certificates, and this is a clear profit to the Federal Government in buying silver at the domestic price of 71.11 and an average of around 35 cents in buying foreign silver.

If there is any money transaction of the Treasury on which the Government is making a profit, it is in carrying forward its silver-purchasing program. In this time when we owe $50,000,000,000 and when the President has asked for another $56,000,000,000 more to finance the war, it would seem to me that any transaction on which the Government is making a profit and piling up a reserve against its expanded currency should be continued, and that the statements made by the opponents of this program are more or less in error and we are carrying forward a great constructive program to stabilize our money system.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Colorado.

Mr. CHENOWETH. The gentleman from Idaho is recognized as one of the metal experts in this Congress. I wonder if he has read the testimony of Secretary of the Treasury Morgenthau before the Appropriations Committee concerning the fact that the industrial use of silver is increasing very greatly. He was regretting the fact that he is not able to put this silver into use which he has on hand. What does the gentleman think about the proposition of allowing the Treasury to dispose of this silver which is badly needed for industrial purposes? As a matter of fact, as I recall the testimony of the Secretary, the silver producers of Mexico are now selling silver to industrial concerns rather than selling it to the Government of the United States because they are getting a little more money for it. What is the gentleman's opinion on that?

Mr. WHITE. Mr. Speaker, I am very glad that the gentleman has asked that question. In the first place, every silver certificate that is put out by the Government is put out without being issued in the form of a loan, and carrying an interest charge, in contradistinction to the bulk of the currency of this country issued by the Federal Reserve banks, which is borrowed from the banks on interest-bearing obligations. Some people seem to think because they do not happen to pay that particular interest item in using that money that they are escaping that interest, but I tell you that any man who goes into a store to make any transaction will pay a little pro rata of interest in the form of added cost that the banks exact from the man who borrows the money. Interest is inherent in the system of the Federal Reserve banks. We have now almost $2,000,000,000 lying idle in the form of silver bullion in the Treasury, and we are going into debt and piling up an interest load on the people every day, but by putting that silver in use in paying Government expenses, by the issuance of silver certificates we could save the payment of that interest, and the Secretary of the Treasury might just as well, as fast as he acquires silver at present prices, issue it in the form of silver certificates so that the commercial business of this country could be transacted without having to pay any interest rate for the use of that kind of money. We are already carrying an interest load on $50,000,000,000 as it is, and why not put the idle silver bullion into silver certificates instead of selling it out for commercial use, and thus put it to the use it has been put to from almost the dawn of civilization until recent times, and use it as money, and for every silver certificate the gentleman receives in payment at the Sergeant at Arms' office the Government stands ready with a silver dollar to redeem that certificate, and when this inflation, which seems to be impending, happens, the people who have silver may be fortunate that they have something besides paper, similar to the Hong Kong dollars, which were scattered about the streets of Hong Kong and not worth picking up, because no government was behind it. The only thing that supports our money today is the taxing power of this Congress. If some emergency or something would happen that would disturb this taxing power so that the Government would not have the power to pay the interest on the outstanding obligations, then your paper currency, except your silver certificates, would not be worth the paper it is written on.

Mr. CHENOWETH. Would the gentleman object to the Secretary being permitted to dispose of this silver?

Mr. WHITE. He has the right now, under the law. It is his own imposed rule that he does not dispose of it in the way I suggest. If there is any such inhibition in law let us repeal it, let us put this $2,000,000,000 of silver bullion to work, let it circulate in trade and relieve the people of the United States of that much interest load being piled upon their backs.

Mr. CHENOWETH. I wonder if the gentleman is familiar with the Secretary's statement?

Mr. WHITE. I have not read it.

Mr. CHENOWETH. That he would be happy to see the whole silver program junked.

Mr. WHITE. Oh, I think that has been his attitude for some time.

The SPEAKER pro tempore. The time of the gentleman from Idaho has expired.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes more.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. WHITE. As a member of the Committee on Coinage, Weights, and Measures, which has handled the gold evaluation bill, and handled the extension of powers of the President to continue the stabilization fund, and the power to value the dollar, I was present when Mr. Morgenthau appeared before our committee to testify many times, and I divined all the time that he is not very friendly to silver.

Mr. CHENOWETH. He so stated.

Mr. WHITE. It has always been true and it has been proven over and over again, all down through the world's history, that there must be a redemption feature to paper currency of a country if its paper money is to be stable in value, and the gentleman will recall that the history of this country shows that after the Civil War when there was so much paper currency and Government obligations floated, there was a great agitation in respect to resuming specie payments. One Senator is reported to have said, "The way to resume is to resume."

Mr. CHENOWETH. I would like the gentleman's observation on the large amount of silver we are buying from foreign countries and whether or not he thinks that should be continued?

Mr. WHITE. If we could get the foreign countries to return to the plan of the Latin union and standardize the money of the world, carry out the declared policy of the United States as it appears in the statutes, whereby it has declared the policy for international bimetallism, it would not be necessary to purchase foreign silver. But as long as we can get silver for 30 cents an ounce which the American people will gladly use in the channels of trade in the form of silver dollars or silver certificates at $1.29 an ounce, I think it is a good bargain at the expense of the other country.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. WHITE. I yield.

Mr. STEFAN. The gentleman was here yesterday——

Mr. WHITE. No, I was not. I am sorry I was not. I wish I had been. I would like to have had the privilege of replying to the gentleman from Illinois who spoke yesterday.

Mr. STEFAN. Would the gentleman care to say something about the debate on the silver-purchase item, indicating that what we are really doing now is nothing but subsidizing a few silver purchasers, and the Secretary of the Treasury indicated that any worth for silver now is to use as covering for tin cans when there is such a shortage of tin? He would like to eliminate this legislation, which was nothing but a subsidy to a few silver producers.

Mr. WHITE. It is not half the subsidy as raising the price of gold from $20.61 to $35 an ounce was a subsidy to the South African producers where black labor is employed. Why should we discard our kind of money and use money from Africa? Seventy percent of the world's gold is produced under the British flag. There are 400,000,000 ounces of gold yet to be mined in Africa in proven reserves of the gold mines of the Rand, yet we must go out and finance the world,

including the British Empire. Mr. Morgenthau testified that we sent a battleship down to South Africa the other day to bring away that gold, but we must discard our silver which has been the money of humanity all down through the ages. If you will read an analysis which I put into the RECORD last Monday, February 2, you will get a better idea of what our money is.

Mr. STEFAN. But how about that subsidy?

Mr. WHITE. There is no more subsidy to the silver miners in this country than there is subsidy to the gold miners. If raising the price of gold $15 an ounce was not a subsidy to somebody, I do not know what is.

Mr. STEFAN. That is an admission on your part that it is a subsidy.

Mr. MICHENER. Will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Michigan.

Mr. MICHENER. You are making a very clear argument about this subsidy paid for gold. I think it is unanswerable. The gentleman is very close to the President and the policies of the administration. Has he ever gone to the President and explained this matter and shown him wherein he was doing the wrong thing in subsidizing these people to whom the gentleman has so eloquently and so factually referred?

Mr. WHITE. I will say to the gentleman that we did go to the President. The trouble is he did most of the talking. In the emergency of collapse of business credit and the resultant depression, if our Government had done the logical thing and restored silver to our monetary system by remonetizing the metal, there would have been no need for increasing the price of gold as a subsidy to either the gold or silver miners—restore silver to use as money by remonetization and the miners could not supply the demand and our currency would be stabilized and commodity prices would be stabilized—and business would flourish.

The SPEAKER. The time of the gentleman from Idaho has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. LANHAM. Mr. Speaker, I have asked for this time to reiterate a suggestion which I have made several times on the floor of this House, and concerning which I wish to solicit your counsel and cooperation in putting it into practical effect. Insofar as I know, this suggestion was first made by Mr. Umstead, of North Carolina, who for several years rendered very distinguished service in the House of Representatives and retired voluntarily to practice his profession of law. In view of the fact that we are kept so very busy with the details and the multiplicity of our congressional labors, it is impossible for us to know definitely and accurately what is done with the various sums of money that we appropriate.

Mr. Umstead made a very pertinent suggestion, which I have emphasized from time to time, that there should be appointed under the direction of the Committee on Appropriations a certain number of men on an annual basis to follow up these appropriations and see what is actually being done with the money, and whether or not some of it is being wasted, and whether or not too many agencies and employees are being used in its expenditure.

We have seen in the papers in recent days statements that Washington is crowded with people who have been called here and presumably given governmental employment, who have had nothing to do for weeks except twirl their thumbs. That may or may not be true. I do not know. You have seen the accounts in the press.

The Committee on Public Buildings and Grounds has been holding hearings for a few days with reference to necessary defense housing and public works in congested areas that naturally arise in these critical times in this metropolitan section by reason of the great influx of additional workers, and they have been estimated at a thousand a week. If unnecessary workers are coming here, we can relieve this housing situation somewhat by proper reduction of these forces and by not encouraging people to come to Washington as residents who do not have actual employment with the Government waiting for them. I think we can save many, many millions of dollars by having these follow-up men on appropriations to see what is done with the money and how it is spent.

Personally I shall look into the matter of the proper procedure to follow in getting that accomplished, and I am quite willing to sponsor necessary legislation or introduce the necessary resolution to see that some such action is taken. It is for the benefit of the American taxpayers who under the best circumstances are going to have a very burdensome load upon their backs during this emergency.

Mr. MICHENER. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Michigan.

Mr. MICHENER. I think we all agree absolutely with the gentleman as to objective, and I hope that the word of warning he is giving today will have some effect. He must remember that all of these sums appropriated by the Congress are spent under Executive supervision, scrutiny, and direction. I am hoping that if the President learns for the first time that the millions of dollars to which the gentleman from Texas has referred are being spent needlessly that he will take the initiative in seeing that those who spend the money under his control will stop spending it in a wasteful manner.

Mr. LANHAM. I thank the gentleman for his contribution. I believe if we could have a more detailed supervision of the expenditure of these funds, if we had some agents of our own as the appropriating authority to follow them up, much good could be accomplished. I have understood that in some bureaus and agencies there have been unexpended balances, but that there has never been any very great activity in turning those unexpended balances back into the Treasury. I think the usual policy has been to find some way in which to spend the money that is left over.

[Here the gavel fell.]

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. LANHAM]?

There was no objection.

Mr. LANHAM. Mr. Speaker, I am anxious to get action with reference to this in the interest of economy, and certainly by such a policy, in my judgment, we can reduce our nondefense spending very materially. It has been said that everybody's business is nobody's business. I think we ought to make it the business of some specific authorized agents of our own to follow up through the year the expenditure of these funds in order that the Appropriations Committee may not have to accept without any knowledge of its own every estimate that is presented to that committee.

Mr. O'CONNOR. Will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Montana.

Mr. O'CONNOR. The gentleman is to be congratulated upon the remarks he is making. I am glad he is bringing this matter up. Can the gentleman give us some idea of just how much the Government of the United States is in debt now?

Mr. LANHAM. I know, as does the gentleman, that the Government of the United States is in debt a very stupendous amount and that in striking a balance we lack a good many billions of dollars of having one red cent in the Treasury. I think it behooves us under these circumstances, in view of the fact that we are having to get this money from the American people, that the money is going to have to be repaid, and that our interest charges today on our debt amount to more than it costs to run this Government 40 years ago, I repeat, in view of all these things it behooves us not to accept without some kind of investigation the various items that are brought in to us, especially when the press is being filled these days with notices of people awaiting work being crowded into one room under Government employment who apparently have not been called upon to render any services and who just sit and twirl their thumbs all day. There is the complaint on the part of others who have been assigned to work that their work could be dispatched in an hour or less of any day. The people whom we represent are paying the bills.

Mr. O'CONNOR. One other question. I know, of course, what happens to an individual when he reaches the point where he no longer has any credit. He cannot get any money, and he goes bankrupt. I am wondering what will happen when we reach the point—when I say "we" I am referring to the United States Government—that we no longer can get any money?

Mr. LANHAM. Well, far be it from me to pose as a money expert. I have heard several of these experts speak on the floor of this House and elsewhere, and I

have never heard any two agree; but I do think we can concentrate our attention advantageously upon this matter of saving what we can for the taxpayers by reducing the nondefense expenditures and eliminating useless agencies and useless employees.

Mr. CASEY of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Massachusetts.

Mr. CASEY of Massachusetts. A few moments ago the gentleman put his finger on what I consider to be one of the great defects in the present system. Congress has deteriorated into merely an organization that appropriates money, and in the nature of things we have no supervision, we have no scrutiny over the funds we appropriate. We are thus forced to take the word of the departments to whom we give the money. It seems to me the gentleman's suggestion ought to be given a great deal of serious consideration so that we of Congress, particularly of the Committee on Appropriations, may have some agents who can follow these funds and see that they are spent according to the directions of the Congress.

Mr. LANHAM. I thank my friend from Massachusetts. May I say in that connection that, unfortunately, in my judgment, it has become pretty much of a policy here for a committee of this House not to consider a bill that is introduced and referred to it if some agency down in the Federal Government service somewhere sends in an unfavorable report. The committee of which I have the honor to be chairman, I am glad to say, has reported and passed some legislation in the days gone by, though an adverse report had been sent here by some agent of the Federal Government.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Michigan.

Mr. MICHENER. The gentleman was in Congress, as I was, when the Budget system was adopted. That system provides a Budget Director for the President, whose job it is to scrutinize and bring together and coordinate all Government expenditures and submit his report to the Congress once a year. Along with that law was the congressional check, presumably on the spending of the money according to law, as suggested by the gentleman from Massachusetts. That is the General Accounting Office. Our good friend and very capable former colleague, Mr. Warren, is today at the head of that organization.

Mr. LANHAM. Is it not true that the General Accounting Office simply passes upon these various items coming before it to see whether or not the money is being spent in accordance with law?

Mr. MICHENER. One step further, and I cover that. Is not the trouble found in the fact that the Congress makes lump-sum appropriations and places the expenditure of their money in discretionary hands?

Mr. LANHAM. The Committee on Appropriations is kept very, very busy with its hearings and drafting its bills and pressing them through to enactment. The members of the Committee on Appropriations with their duties in that service and the others that they have to perform as Members of this body are kept so constantly on the go that they cannot possibly have the information with reference to the details of these expenditures. It would cost relatively but a paltry sum, in my judgment, to employ a few experts under the direction of the Committee on Appropriations to follow up these expenditures. I think it is but a reasonable surmise that we can save for the taxpayers of this country many millions of dollars.

Mr. CASEY of Massachusetts. I think at this moment, with such large war expenditures being made, we could save not only millions but even billions through saving at the bunghole of waste and inefficiency by having the agents the gentleman suggests act for the Congress.

Mr. LANHAM. I thank the gentleman for his contribution.

Mr. WASIELEWSKI. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Wisconsin.

Mr. WASIELEWSKI. Now that we are transferring a number of our agencies out of the city, would it not be well to make a survey to make sure what personnel are actually needed by the departments before sending them out of the city, and in that way save the Government considerable money? At the same time those employees who are not needed by the agencies could be used by the agencies that do need them here in Washington. Thereby we could cut down the influx of people into Washington.

Mr. LANHAM. Employees of the kind I have suggested can very easily get that information and have it available for the members of the Committee on Appropriations.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. MARTIN of Iowa. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article from the Farm Journal.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two particulars.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent that at the conclusion of other special orders I may be permitted to address the House for 10 minutes today.

The SPEAKER. Is there objection?

There was no objection.

PROPOSAL TO MAKE MORE AVAILABLE SPACE FOR HOMES AND OFFICES IN THE DISTRICT OF COLUMBIA

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker, the preceeding speaker referred to a newspaper article which touched upon the limited accommodations available in office and dwelling space, here in the Nation's Capital. Another gentleman told us of problems connected with the parking of automobiles and garage space. In both instances, we were told that when there is a vacancy, the cost is almost prohibitive.

Last week President Roosevelt had something to say about "parasites" and the 20-room mansions on Massachusetts Avenue that might be put to better use during the national emergency.

The President could also include in his list, of those who should move out of Washington, another group not necessarily parasitic but who are responsible for a good part of the congestion in apartment and office space and street traffic. I have in mind the 600 private associations listed in the Washington Telephone Directory.

Many of these private associations occupy large suites of offices and in many cases whole buildings. I am sure that more than a million square feet of office space is occupied by these private groups. Included in this list are the religious, labor, fraternal, social, and business organizations.

I am sure no hardship would result to these organizations, if they transferred the headquarters to Baltimore, Wilmington, Philadelphia, New York City, Chicago, Richmond, or some other nearby city.

Let us consider just a few of these private associations or pressure groups; they are:

Anti-Saloon League, Anti-Cigarette Alliance, Society of the Mayflower Descendents, National Association of Deans of Women, National Canners Association, National Clean-Up and Paint-Up Campaign, National Crushed Stone Association, National Duckpin Bowling Congress, American Peace Society, American Power Boat Association, American Vindicators, Birth Control Federation, Calf Tanners Association, Chamber of Commerce, Daughters of the American Revolution, Clay Sewer Pipe Association, Democratic National Committee, Repulican National Committee, League for the Larger Life, National Association of Ice Industries, National Rifle Association, National Rural Letter Carriers Association, National Service Board for Conscientious Objectors, National Wooden Box Association, National Peanut Butter Association, Society of the Cincinnati, Society for Lonely Hearts, plus the army of palmists and astrologers.

We all know that the District of Columbia was established for one purpose, and that was for the transaction of the Federal Government's business. When Maryland in 1788 and Virginia in 1789 ceded certain land to be used as the seat of the Federal Government they did not intend or expect that the Federal departments would one day, in a national emergency, be forced out of Washington for lack of space due to encroachment of private associations.

During the past months, the spokesmen for the American Federation of Labor, the Congress of Industrial Organizations,

and the United States Chamber of Commerce have been pledging their very all to the President. They have graciously promised complete and wholehearted cooperation in the campaign to win the war. The unbearable conditions here in Washington due to the war effort, affords these groups a further opportunity to be of service. They should move their offices to some other nearby city and thus place at the disposal of the Government the space they now occupy and the apartments occupied by their employees. It would be a fine patriotic gesture and, at the same time, set an excellent example to the many other private associations occupying space in Washington, so badly needed by the Government for its war activities.

Of course, my proposal to move out of Washington is only for the duration of the war and is made in good faith to the many splendid organizations I have mentioned, which I am sure, will accept them in the same spirit.

I realize how difficult it is for a person to change his residence and move into new surroundings but that is a small sacrifice to make for the Government we all love. Every person should keep this fact in mind when he is asked to move, and I am sure that instead of being regarded as an onerous task it will be welcomed as an opportunity to display one's patriotism and willingness to serve his country.

[Here the gavel fell.]

The SPEAKER pro tempore (Mr. KLEBERG). The gentleman from California [Mr. HINSHAW] is recognized for 10 minutes.

MELVYN DOUGLAS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and I ask that I be not interrupted until I have completed my address.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HINSHAW. Mr. Speaker, it would seem to me that screen actors can do more for their country, in these difficult times, by carrying on in their accustomed ways than they can by coming to Washington, even for the purpose of adding glamour to the Office of Civilian Defense. The people of the United States do not need the inspiration of glamour to realize the seriousness of the situation we all face. Glamour is not needed to inspire our people to rally to the defense of our country, even through the Office of Civilian Defense. It seems to me a farce—yes, even a tragedy—to make of the Office of Civilian Defense a pink-tea party, where well-known faces of social life and on the screen can obtain added publicity.

From my viewpoint, the Office of Civilian Defense might well be headed by men who have had military experience and women who have had broad executive experience in civic pursuits. Certainly it should not be a catch-all for persons without such experience, but whose names may be well known in the society columns or in the kleig lights.

I see by the papers that screen actor Melvyn Douglas has been appointed to a position in the Office of Civilian Defense. Having thus stepped into the official family in Washington, Melvyn Douglas is subject to being looked upon with the same careful scrutiny that is commonly accorded other officials of the United States Government. I have known of Melvyn Douglas for a number of years in California, and as he has been, in recent years, an active campaigner there in political circles, it has been deemed advisable to find out who he was.

Melvyn Douglas is the husband of Miss Helen Gahagan, another star of great fame, charm, and personality. Miss Gahagan doubles as democratic national committeewoman from California.

According to the latest volume of Who's Who, Melvyn Douglas was born in Macon, Ga., April 5, 1901, the son of Edouard G. and Lena (Shackelford) Hesselberg. Melvyn Edouard Hesselberg, on July 21, 1937, in the Superior Court of Los Angeles County, legally changed his name to Melvyn Douglas. What his activities were, prior to that time, could probably be checked if one had the inclination. I do not say that Melvyn Douglas is or ever has been a Communist, but he has been associated with organizations and movements which, according to the records of the Dies Committee on Un-American Activities, are Communist sponsored or led, and are generally considered to be Communist-front organizations. The Daily Worker of April 8, 1938, on page 4, lists Melvyn Douglas as a signer of a petition to lift the arms embargo against Spain, and as a member of an organization known as American Friends of Spanish Democracy. In 1939, he is recorded as an endorser and supporter of an organization known as the American Congress for Peace and Democracy. On February 13, 1939, he was a speaker at a public meeting at Carnegie Hall, New York, sponsored by the Committee for Concerted Peace Efforts. He is listed as being associated in some capacity with the Consumers Union. He was a signer of the call of what is known as the First Congress of the Mexican and Spanish-American Peoples of the United States. He was one of those who welcomed Tom Mooney when the latter was released from prison in California, and it is well known that Tom Mooney was both identified with disloyal groups in the last war, and is now national chairman of the Citizens Committee to Free Earl Browder. According to press reports, he was one of those who aided the defense of Harry Bridges, and in 1939 bought radio time to broadcast Harry Bridges' side of his own story. Melvyn Douglas is listed as a member of the executive board of the Motion Picture Artists' Committee, and has been chairman and a member of the Directorate of the Motion Picture Democratic Committee. Among the members of that Directorate, who are either known or believed to be members of the Communist Party or Fellow Travelers of the same are the following: Herbert Biberman, Maurice Murphy, John Bright, Jeff Kibbre, Al Matthews, Charles Page, and Donald Ogden Stewart.

On May 21, 1940, Los Angeles papers carried the report:

Melvyn Douglas, film actor and leader of Hollywood's "left wing" group, and five members of Governor Olson's official family were given commissions yesterday in the California National Guard. Douglas, who resigned as a member of the State welfare commission, was named lieutenant colonel of intelligence.

Douglas had been elected a delegate to the Democratic national convention on Governor Olson's third-term ticket for delegates and had been a warm sponsor of the Governor in the 1938 elections. Following the vociferous protests of many loyal California citizens, among whom were found many leaders in the American Legion and other veteran organizations, the appointment of Melvyn Douglas was quashed, according to reports, at his own request.

In the records of the Federal Communications Commission Melvyn Douglas is listed in an application made for a permit to build and operate a 10,000-watt radio station in Pasadena, Calif., as one of the sponsors and subscribers, with the intention of becoming one of the directors. In that application it is stated as follows:

Another one of the subscribers to take stock in KFVD (now KPAS), and who will be one of the directors, is peculiarly fitted to aid in making a broadcasting station a success, both from an entertainment point of view and of service along civic lines. This man is Melvyn Douglas, the actor. Mr. Douglas not only stands high in his profession but his study and interest in civic affairs makes him of great value. Mr. Douglas expects to devote considerable attention to this new broadcasting station appearing on it professionally, and also speaking over it as a citizen interested in civic affairs. In fact, he has agreed to go on each week with a commercial program under a sponsor, taking no money therefor for himself, but granting the station the profits from his part in such effort to be used to put on other civic programs that might be of value to the hearers, and yet such that might not be sponsored by any commercial advertiser.

Mr. Douglas is doing this because of his confidence that those who will be immediately responsible and will have control of this new enterprise are men and women who have the interests of the public and the value of a radio station for the public good at heart.

Mr. J. Frank Burke, the principal stockholder and the very able manager of this enterprise, radio station KPAS, was formerly greatly interested in the election campaign of Culbert Olson in his race for the governorship of California. He is a very estimable citizen, held in high regard by those who know him, including myself. Radio station KPAS makes its initial bow to the public on next Thursday, February 5, 1942.

As I stated in the beginning of my remarks, I do not know that Melvyn Douglas is a Communist or a fellow traveler of the Communist Party, nor am I willing to believe that he is either of these or that he is even a sympathizer of the Communist principles. Until such fact, if true, is amply demonstrated, if he is not any of these things—and I am willing to believe that he is not—then the least that can be said is that he has amply demonstrated his very left-wing tendencies.

If Melvyn Douglas were purely and simply a screen actor of color and personality, which he is acknowledged to possess, I would still be opposed to his

appointment to a position in the Office of Civilian Defense, for I do not believe that such positions should be held by persons without broad executive experience. Certainly when one considers Douglas' outside activities and his relation to the political picture, in addition to his known vocational experience especially as an actor, it would hardly seem fit that such a person should be given the responsibility now resting upon him. There are many capable persons of long experience who are far better qualified. Again, I say, glamour is not what is needed in the Office of Civilian Defense—that is serious business.

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. RANDOLPH, for 2 days, an account of official business.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 984. An act for the relief of Mr. and Mrs. James C. Loard; to the Committee on Claims.

S. 1801. An act for the relief of Eugene Jackson; to the Committee on Claims.

S. 1820. An act for the relief of Jerry McKinley Thompson; to the Committee on Claims.

S. 1898. An act for the relief of the heirs of Mrs. Nazaria Garcia, of Winslow, Ariz.; to the Committee on Claims.

S. 2002. An act for the relief of Donald William Burt; to the Committee on Claims.

S. 2066. An act to make permanently effective the act regulating interstate and foreign commerce in petroleum and its products; to the Committee on Interstate and Foreign Commerce.

S. 2198. An act to provide for the financing of the War Damage Corporation, to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes; to the Committee on Banking and Currency.

S. Con. Res. 25. Concurrent resolution authorizing the printing of additional copies of the Report of the Commission Appointed by the President of the United States To Investigate the Facts Relating to the Attack Made by the Japanese Armed Forces Upon Pearl Harbor in the Territory of Hawaii, on December 7, 1941; to the Committee on Printing.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 257. An act for the relief of Edna La Blanche Gillette;

H. R. 1903. An act for the relief of Reuben Owen;

H. R. 1914. An act for the relief of the Coppel Coal Co.;

H. R. 2372. An act for the relief of Paul E. Cook;

H. R. 2376. An act for the relief of Ethel Ray Sowder;

H. R. 3118. An act for the relief of the State compensation insurance fund of California;

H. R. 3403. An act for the relief of Louis M. McDougal;

H. R. 4182. An act for the relief of Mollie S. McHaney;

H. R. 4436. An act for the relief of Mrs. Bertha M. Smith;

H. R. 5046. An act for the relief of Mr. and Mrs. R. L. Saunders;

H. R. 5085. An act for the relief of Esco Wood;

H. R. 5164. An act for the relief of Arthur W. Jorgenson, and the legal guardian of Robert R. Jorgenson, a minor;

H. R. 5291. An act for the relief of Helen Rauch and Max Rauch;

H. R. 5390. An act for the relief of G. T. Elliott, Inc.;

H. R. 5541. An act for the relief of Joseph Keeney;

H. R. 5701. An act for relief of the accounts of Lt. Col. Joseph M. Kelly, United States property and disbursing officer for Kentucky;

H. R. 5767. An act for the relief of A. Paul Johnson; and

H. R. 6356. An act to amend the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 294. An act to authorize an appropriation for payment to the Middle Rio Grande Conservancy District of construction costs assessed against certain lands within such district acquired by the United States for the benefit of certain Indians in the State of New Mexico;

S. 828. An act to increase the period for which leases may be made of public lands granted to the State of Idaho for educational purposes by the act of July 3, 1890;

S. 1045. An act to increase the earnings of the United States Government Life Insurance fund and the National Service Life Insurance fund by expediting the investment of the moneys thereof, and for other purposes;

S. 1412. An act to amend the act of June 11, 1940 (Public, No. 590, 76th Cong., 3d sess.), providing for the relief of Indians who have paid taxes on allotted land;

S. 2012. An act authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration facility, Togus, Maine, to the State of Maine, for road-widening purposes;

S. 2080. An act authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration facility, Murfreesboro, Tenn., to Rutherford County, Tenn., for highway purposes;

S. 2112. An act authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics; and

S. 2217. An act to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places.

ADJOURNMENT

Mr. MILLS of Arkansas. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 36 minutes p. m.) the House adjourned until tomorrow, Thursday, February 5, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 5, 1942, at 10 a. m., on H. R. 6020, granting the consent and approval of Congress to an interstate compact relating to the better utilization of the fisheries (marine, shell, and anadromous) of the Atlantic seaboard and creating the Atlantic States Marine Fisheries Commission.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 12, 1942, at 10 a. m., on House Joint Resolution 263, to provide decorations for outstanding conduct or service by persons serving in the American merchant marine.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Tuesday, February 17, 1942, at 10 a. m., on H. R. 6503, to extend and amend certain emergency laws relating to the merchant marine, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1370. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill for the protection of Indian tribal organizations; to the Committee on Indian Affairs.

1371. A communication from the President of the United States, transmitting certain amendments to certain estimates of appropriations included in the Budget for the fiscal year 1943 for the legislative establishment, Library of Congress, involving an increase of $15,930 in such estimates (H. Doc. No. 608); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. NICHOLS: Select Committee to Investigate Air Accidents. House Resolution 125 (77th Cong., 1st sess.). Resolution creating a Select Committee to Investigate Air Accidents; without amendment (Rept. No. 1741). Referred to the Committee of the Whole House on the state of the Union.

Mr. McGEHEE: Committee of conference on the disagreeing votes of the two Houses. H. R. 3141. A bill for the relief of Fred Farner and Ernest Schroeder (Rept. No. 1742). Ordered to be printed.

Mr. McGEHEE: Committee of conference on the disagreeing votes of the two Houses. H. R. 4622. A bill for the relief of Catharine Schultze (Rept. No. 1743). Ordered to be printed.

Mr. REES of Kansas: Committee on Immigration and Naturalization. H. R. 6450. A bill to amend subsection (c) of section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155), as amended; with amendment (Rept. No. 1744). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee on Ways and Means. S. 1935. An act to amend section 602 (m) of the National Service Life Insurance Act of 1940 (Public, No. 801, 78th Cong.), as amended, to enable a person in active service in the Army, Navy, Marine Corps, or Coast Guard to secure such insurance effective as of date of application by advance of active service pay, and for other purposes; without amendment (Rept. No. 1745). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PETERSON of Florida:

H. R. 6526. A bill to repeal section 2 of Public Law 386 (77th Cong., ch. 638, 1st sess.), being an act to amend the Sugar Act of 1937, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. CASE of South Dakota:

H. R. 6527. A bill to provide that veterans of the present war shall receive the same domiciliary or hospital care as veterans of the World War; to the Committee on World War Veterans' Legislation.

By Mr. HULL:

H. R. 6528. A bill to further amend the Civil Service Retirement Act, approved May 29, 1930, as amended; to the Committee on the Civil Service.

By Mr. MACIEJEWSKI:

H. R. 6529. A bill to amend the Nationality Act of 1940 to permit the Commissioner to furnish copies of any part of the records or information therefrom to agencies or officials of a State without charge; to the Committee on Immigration and Naturalization.

By Mr. WENE:

H. R. 6530. A bill creating the Wilmington Tunnel Commission and authorizing said commission and its successors to construct, maintain, and operate a tunnel under the Delaware River at or near Wilmington, Del.; to the Committee on Interstate and Foreign Commerce.

By Mr. CASEY of Massachusetts:

H. R. 6531. A bill to suspend the effectiveness during the existing national emergency of tariff duties on scrap iron, scrap steel, and nonferrous metal scrap; to the Committee on Ways and Means.

By Mr. WHITE:

H. Res. 430. Resolution authorizing the printing of the manuscript of a hearing held before a special committee who conducted an investigation relative to the supply and considered plans to increase the production of lead for national defense as a House document; to the Committee on Printing.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2375. By Mr. CULLEN: Resolution of the Assembly and Senate of New York State, urging careful consideration to the manifold qualifications which make the city and State of New York an eminently desirable place for the relocation of Federal Government agencies removed from Washington, D. C., and to make such selection wherever appropriate and possible; to the Committee on Public Buildings and Grounds.

2376. By Mr. FLAHERTY: Petition of the board of aldermen, Chelsea, Mass., urging that funds be provided by the Federal Government to cover expenses necessary in arranging for the defense of city and towns; to the Committee on Military Affairs.

2377. By Mr. MERRITT: Resolution of the common council of the city of Yonkers, N. Y., that the common council stresses the seriousness of the situation in threatened lay-offs and appeals for immediate action in the awarding of defense contracts to the Alexander Smith & Sons Carpet Co., the Saunders Machine & Tool Co., the Otis Elevator Co., and the Habirshaw Cable & Wire Co., so that the citizens of Yonkers who are not able to take up arms against our foes may contribute their share by working in the mills; to the Committee on Military Affairs.

2378. By Mr. ROLPH: Resolution of the California Retail Jewelers Association, Inc., San Francisco, Calif., opposing the proposal by the Social Security Board to federalize the California unemployment-insurance program; to the Committee on Ways and Means.

SENATE

THURSDAY, FEBRUARY 5, 1942

(Legislative day of Monday, February 2, 1942)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Chaplain Merritt F. Williams, United States Navy, offered the following prayer:

Eternal Father, strong to save, who hast formed all hearts to love Thee, we stand before Thee as Thy sons. We give Thee our thanks for Thy great goodness to us and to all men. Thou hast safely brought us to the beginning of a new day and hast blessed us above all that we deserve. As we take up the tasks of the day, we ask Thy never failing help. Our presence before Thee is our prayer. Thy knowledge of our need is the measure of our petition. Grant us to know and to do Thy will. Through Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, February 3, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that on February 3, 1942, the President had approved and signed the following acts:

S. 2028. An act to amend section 3 (a) of the act entitled "An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes," approved June 2, 1939 (53 Stat. 800), so as to transfer the administration of the naval supply depot Oakland, to the commandant, twelfth naval district; and

S. 2139. An act to provide for performance of the duties of chiefs of bureau and the Judge Advocate General in the Navy Department, and the Major General Commandant of the Marine Corps, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 381. An act for the relief of Marcel M. Roman, Clara M. Roman, and Rodica E. Roman;

S. 806. An act for the relief of Carmella Ridgewell;

S. 1523. An act for the relief of the Portland Sportwear Manufacturing Co.;

S. 1654. An act for the relief of the Merchants Distilling Corporation;

S. 1771. An act for the relief of R. V. Thurston and Joseph Hardy, a partnership;

S. 1778. An act for the relief of Leslie Truax;

S. 1848. An act for the relief of Dr. Hugh G. Nicholson;

S. 1974. An act for the relief of Francis Howard Robinson; and

S. 2011. An act for the relief of Willard R. Centerwall, formerly superintendent and special disbursing agent at the Tongue River Indian Agency.

The message also announced that the House had passed the bill (S. 314) for the relief of certain Basque aliens, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 1945) to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 5833) to extend the time during which orders and marketing agreements under the Agricultural Adjustment Act, as amended, may be applicable to hops.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6460) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate Nos. 2, 10, 25, and 26 to the bill, and concurred therein, and that the House had receded from its disagreement to the amendments of the Senate Nos. 5 and 27 and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate.

H. R. 1374. An act to record the lawful admission to the United States for permanent residence of Rev. Julius Paal;

H. R. 1988. An act for the relief of Albert Barrett;

H. R. 2430. An act for the relief of John Huff;

H. R. 2980. An act for the relief of National Heating Co., Washington, D. C.;

H. R. 3295. An act for the relief of Kurt G. Stern;

H. R. 3469. An act for the relief of Maria Azucena Alvarez Canga;

H. R. 3610. An act for the relief of Minnie C. Sanders;

H. R. 4354. An act for the relief of D. H. Dantzler;

H. R. 4657. An act for the relief of Floyd P. Moritzky;

H. R. 4896. An act for the relief of David B. Byrne;

H. R. 5071. An act for the relief of Catherina Migliore and Anthony and Rose Migliore;

H. R. 5478. An act for the relief of Nell Mahoney;

H. R. 5539. An act for the relief of Umberto Danta Annibali;

H. R. 5572. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel and certain Federal civil employees

for personal property lost or damaged as a result of the hurricane and flood at Parris Island, S. C., on August 11–12, 1940," approved April 23, 1941;

H. R. 5652. An act to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of certain disbursing officers, and for other purposes;

H. R. 5857. An act for the relief of Roy F. Lassly, former acting chief disbursing clerk, Department of the Interior, and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

H. R. 5865. An act for the relief of Builders Specialties Co.;

H. R. 5887. An act for the relief of Howard L. Miller;

H. R. 5954. An act for the relief of Florence Chumley;

H. R. 6145. An act for the relief of Mason C. Brunson;

H. R. 6225. An act for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho;

H. R. 6226. An act for the relief of B. H. Wilford;

H. R. 6328. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

H. R. 6511. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1943, and for other purposes; and

H. J. Res. 276. Joint resolution to authorize the President of the United States to render financial aid to China, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 294. An act to authorize an appropriation for payment to the Middle Rio Grande Conservancy District of construction costs assessed against certain lands within such district acquired by the United States for the benefit of certain Indians in the State of New Mexico;

S. 828. An act to increase the period for which leases may be made of public lands granted to the State of Idaho for educational purposes by the act of July 3, 1890;

S. 1045. An act to increase the earnings of the United States Government Life Insurance fund and the National Service Life Insurance fund by expediting the investment of the moneys thereof, and for other purposes;

S. 1412. An act to amend the act of June 11, 1940 (Public, No. 590, 76th Cong., 3d sess.), providing for the relief of Indians who have paid taxes on allotted land;

S. 1889. An act authorizing the Administrator of Veterans' Affairs to grant an easement for highway purposes to the county of Macon, Ala., in a strip of land located at Veterans' Administration facility, Tuskegee, Ala.;

S. 2012. An act authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration facility, Togus, Maine, to the State of Maine, for road-widening purposes;

S. 2080. An act authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration facility, Murfreesboro, Tenn., to Rutherford County, Tenn., for highway purposes;

S. 2112. An act authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics;

S. 2217. An act to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places;

H. R. 257. An act for the relief of Edna La Blanche Gillette;

H. R. 1903. An act for the relief of Reuben Owen;

H. R. 1914. An act for the relief of the Coppel Coal Co.;

H. R. 2372. An act for the relief of Paul E. Cook;

H. R. 2376. An act for the relief of Ethel Ray Sowder;

H. R. 3118. An act for the relief of the State compensation insurance fund of California;

H. R. 3403. An act for the relief of Louis M. McDougal;

H. R. 4182. An act for the relief of Mollie S. McHaney;

H. R. 4436. An act for the relief of Mrs. Bertha M. Smith;

H. R. 5046. An act for the relief of Mr. and Mrs. R. L. Saunders;

H. R. 5085. An act for the relief of Esco Wood;

H. R. 5164. An act for the relief of Arthur W. Jorgenson, and the legal guardian of Robert R. Jorgenson, a minor;

H. R. 5291. An act for the relief of Helen Rauch and Max Rauch;

H. R. 5390. An act for the relief of G. T. Elliott, Inc.;

H. R. 5541. An act for the relief of Joseph Keeney;

H. R. 5701. An act for relief of the accounts of Lt. Col. Joseph M. Kelly, United States property and disbursing officer for Kentucky;

H. R. 5767. An act for the relief of A. Paul Johnson;

H. R. 5833. An act to extend the time during which orders and marketing agreements under the Agricultural Adjustment Act, as amended, may be applicable to hops; and

H. R. 6356. An act to amend the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act.

REFERENCE OF HOUSE JOINT RESOLUTION—FINANCIAL AID TO CHINA

Mr. BARKLEY. Mr. President, I ask that House Joint Resolution 276 be laid before the Senate.

The VICE PRESIDENT. The Chair lays before the Senate a joint resolution from the House of Representatives, which will be read.

The joint resolution (H. J. Res. 276) to authorize the President of the United States to render financial aid to China, and for other purposes, was read twice by its title.

Mr. BARKLEY. I ask that the joint resolution be immediately referred to the Committee on Foreign Relations, which is now in session, and that it be transmitted at once, so that the committee may act upon it.

The VICE PRESIDENT. Without objection, the joint resolution will be so referred.

PUBLIC OFF-STREET PARKING FACILITIES IN THE DISTRICT

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1945) to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes, which was, on page 7, line 20, to strike out "1" and insert "3."

Mr. BURTON. Mr. President, I move that the Senate concur in the amendment of the House to this bill. It merely corrects a typographical error in the bill regarding off-street parking in the District.

The motion was agreed to.

PRICES CHARGED TO RESIDENTIAL CUSTOMERS FOR GAS SERVICE (PTS. 3, 4, AND 5 OF S. DOC. NO. 122)

The VICE PRESIDENT laid before the Senate three letters from the Chairman of the Federal Power Commission, transmitting, in further response to Senate Resolution 177 (77th Cong.), statements showing the prices charged to residential customers for gas service in all communities in the Middle Atlantic States, the South Atlantic States, and the East North Central States, and stating that similar responses for other geographic areas, as required by the resolution, will be forthcoming at an early date, which, with accompanying papers, were referred to the Committee on Commerce and ordered to be printed.

PETITION AND MEMORIAL

A petition, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A telegram in the nature of a memorial from Mrs Herbert R. Jackson, president of and on behalf of the Civic Club of Binghamton, N. Y., remonstrating against the enactment of legislation granting annuity benefits to Members of Congress; to the Committee on Civil Service.

By Mr. TYDINGS:

A petition of sundry citizens of Frederick County and the New Market Woman's Christian Temperance Union, in the State of Maryland, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table

RESOLUTION OF COUNCIL OF BRIDGEPORT, CONN.—FEDERAL TAXATION OF STATE AND MUNICIPAL BONDS

Mr. MALONEY. Mr President, I ask unanimous consent to present a resolution adopted by the Common Council of the City of Bridgeport, Conn., which was submitted to me by the city clerk, Mr. Fred Schwarzkopf, on the subject of imposing a Federal tax on State and municipal bonds. I ask that the resolution be printed in the RECORD and referred to the Commitee on Finance.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas the United States Conference of Mayors has repeatedly and unanimously expressed its implacable opposition to Treasury attempts to impose a Federal tax on the income from State and municipal bonds; and

Whereas in this time of grave national crisis the fullest cooperation between the Federal and municipal governments of the United States is essential to the successful prosecution of our war effort; and

Whereas, despite this grave national emergency and the need for complete unity of purpose and goodwill between the separate branches of our Government, the Treasury Department persists in its disturbing efforts to impose a Federal tax upon the income from State and municipal bonds and thus needlessly resurrects this highly controversial domestic issue; and

Whereas a tax on future issues of State and municipal bonds would raise only the most negligible revenues at this time and yet would substantially increase the cost of municipal borrowing, which increased costs would have to be absorbed by additional burdens on taxpayers, already overburdened with added State and national taxes and increased costs of living due to the war emergency: Now, therefore, it is hereby

Resolved by the Common Council of the city of Bridgeport, Conn.—

1. That it hereby expresses the determined opposition of the Common Council of the city of Bridgeport, Conn., to the continued attempts of the Treasury Department, either by statute, administrative rulings, or by judicial decree, to impose a Federal tax on State and municipal bonds; and

2. That it expresses the sense of the said common council that this most controversial domestic issue should not at this time and under the pretense of national defense be permitted to irritate and disturb that wholehearted cooperation in our American war effort which is the objective and purpose of Bridgeport in common with all the cities of America; and

3. That any such Federal tax on State and municipal bonds, by increasing the cost of borrowing, would throw additional financial burdens on the citizens of Bridgeport, who are already making very substantial sacrifices, both directly and indirectly, by way of added State and Federal taxes and through the mounting cost of living; and

4. That the city clerk be, and he hereby is, directed to forward a copy of this resolution to the Secretary of the Treasury, to the Senators and Congressmen from Connecticut, and to the members of the Ways and Means Committee of the United States House of Representatives and the members of the Finance Committee of the United States Senate.

Dated at Bridgeport, Conn., this 2d day of February 1942.

INDIANA RETAIL HARDWARE ASSOCIATION, INDIANAPOLIS, IND.

Mr. WILLIS. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred resolutions recently adopted by the Indiana Retail Hardware Association, Indianapolis, Ind., pledging full effort for victory in the present war and recording the views of the association relative to the Northwest Wholesale, a consumers' cooperative, and also the question of the federalization of social security

The VICE PRESIDENT. Without objection, the resolutions will be received, printed in the RECORD, and appropriately referred.

To the Committee on Agriculture and Forestry:

No. 1. Northwest Wholesale, a Consumers' Cooperative

Whereas the United States Department of Agriculture, through the Regional Agricultural Credit Corporation has formulated a policy and program with respect to loans to fruit growers in the Wenatchee district of the State of Washington, which make it impossible for such growers to obtain Government loans unless the money so obtained is expended through the Northwest Wholesale, a consumers' cooperative; and

Whereas if Northwest Wholesale is unable to supply the grower with the products desired and he purchases from an ordinary retail outlet the retailer cannot obtain payment unless he allows Northwest Wholesale a commission on the transaction; and

Whereas if such a policy is practical in the Northwest there is no reason why it should not be applied in all sections where loans are made through the Regional Agricultural Credit Corporation or other agencies of the Department of Agriculture: Now, therefore, be it

Resolved, It is the opinion of the members of the Indiana Retail Hardware Association in convention assembled th's 29th day of January 1942, that this practice constitutes a discrimination against the borrower by forcing him to use the services of a cooperative organization whether he wishes to do so or not, and regardless of whether he can purchase elsewhere at lower prices, and that it also constitutes a discrimination against retailers who are competing with the cooperative establishment by denying them the right to make sales to such borrowers unless they pay tribute to such competitor; be it further

Resolved, That this convention hereby protests this practice and that it appeals to the Members of the Congress from this State to use their influence to bring about a change in this policy so as to restore open competition and to permit the borrower who obtains funds to spend them with establishments of his own choosing; and be it further

Resolved, That a copy of this resolution be transmitted to each such Member of the Congress of the United States representing members of this association.

To the Committee on Military Affairs:

No. 2

Be it resolved, That the members of this association hereby pledge unswerving support to the Government of the United States in all constructive efforts designed to assure victory over our assailants, and that we further pledge our best efforts toward the conservation of scarce materials and our cooperation in the protection of the consumer from unwarranted price increases.

To the Committee on Finance:

No. 3. Federalization of Social Security

As an important employing group, this organization views with misgiving the movement aimed at completely federalizing our social-security system. Observation and experience have shown us—

(a) That varying conditions and employment experience makes it important that security plans be fitted to these varying situations, not only geographically but also according to different types of employment

(b) That its close relation to the lives of persons whom it affects requires that the employment-security program be administered by officials close to and acceptable to the people.

(c) That the joint Federal-State plan now operating is satisfactory, is in keeping with our democratic manner, and is best suited to State and local needs.

We are convinced (1) that the proposal to liquidate State and local control, transfer the employment-security program to Federal bureaus, and regiment social security into a uniform Nation-wide pattern, administered from Washington, is contrary to the best interests of employers and employees alike; (2) that federalization would be a further step toward centralized governmental supervision of the lives of our people, contrary to American tradition and necessities; (3) that such a change would disturb our domestic economy at a time when the complete cooperation of our people against external foes is necessary above all else: Therefore be it

Resolved, That the Indiana Retail Hardware Association, in convention assembled at Indianapolis, Ind., this 29th day of January 1942, hereby expresses its opposition to the federalization proposals and requests its membership to individually express their views to their representatives in Congress and further instructs the secretary of this organization to transmit copies of this resolution to such representatives.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HUGHES, from the Committee on Claims:

S. 2017. A bill to amend Private Act No. 446, Seventy-sixth Congress, approved July 2, 1940, and for other purposes; without amendment (Rept. No. 1017);

H. R. 446. A bill for the relief of the estate of Opal June Lindsay, Luck A. Lindsay, Thelma Louise Lindsay, and Laura Kathleen Lindsay; without amendment (Rept. No. 1018);

H. R. 4179. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Allen Pope, his heirs, or personal representatives, against the States; without amendment (Rept. No. 1019);

H. R. 5206. A bill for the relief of Nettie Woolfolk Montague and Jerry L. Woolfolk and others; without amendment (Rept. No. 1020); and

H. R. 5984. A bill for the relief of Solomon Brown; without amendment (Rept. No. 1021).

By Mr. HUGHES (for Mr. O'DANIEL), from the Committee on Claims:

H. R. 3823. A bill for the relief of Edwin B. Formhals; without amendment (Rept. No. 1022).

By Mr. BROOKS, from the Committee on Claims:

H. R. 793. A bill for the relief of Marie V. Talbert anad her sons, James Osborn Talbert and Dewey Talbert; with amendments (Rept. No. 1025);

H. R. 1905. A bill for the relief of Mr. and Mrs. Michael Lewenczuk; without amendment (Rept. No. 1023); and

H. R. 2724. A bill for the relief of the estate of Mary E. Philpot, Sandra G. Philpot, and Mrs. R. L. Keckler; without amendment (Rept. No. 1024).

By Mr. CAPPER, from the Committee on Claims:

H. R. 329. A bill for the relief of Lulu Heron; without amendment (Rept. No. 1026);

H. R. 3225. A bill for the relief of Dale L. Barthel and others; without amendment (Rept. No. 1027);

H. R. 3647. A bill for the relief of the San Diego Consolidated Gas & Electric Co.; without amendment (Rept. No. 1028);

H. R. 4198. A bill for the relief of John King; without amendment (Rept. No. 1029);

H. R. 4773. A bill for the relief of Brooks Equipment & Manufacturing Co.; without amendment (Rept No. 1030);

H. R. 4998. A bill for the relief of Daniel Elliott and Helen Elliott; without amendment (Rept. No. 1031);

H. R. 5040. A bill for the relief of William Robert Shaneyfelt and Mildred Shaneyfelt; without amendment (Rept. No. 1032);

H. R. 5280. A bill for the relief of G. F. Allen, Chief Disbursing Officer, Treasury Department, and for other purposes; without amendment (Rept. No. 1033); and

H. R. 5387. A bill for the relief of Mrs. Anna M. Paul; without amendment (Rept. No. 1034)

By Mr. ROSIER, from the Committee on Claims:

S 1765. A bill for the relief of the minor children of Mrs. Jesús Zamora Felix, deceased; with an amendment (Rept. No. 1035);

S. 1993. A bill for the relief of Pasqualina Lazzaro; with an amendment (Rept. No. 1036);

H. R. 4831. A bill for the relief of Katherine McCue; without amendment (Rept. No. 1037);

H. R 5056. A bill for the relief of the Burlington Auto Co.; without amendment (Rept. No. 1038); and

H. R. 5773. A bill for the relief of Libby, McNeill & Libby; without amendment (Rept. No. 1039).

By Mr. BREWSTER, from the Committee on Claims:

S. 1694. A bill for the relief of Mrs. Claud Tuck; with an amendment (Rept. No. 1040); and

S. 1757. A bill for the relief of Clyde Kingery; with an amendment (Rept. No. 1041).

By Mr. MALONEY, from the Committee on Public Buildings and Grounds:

S. 2222. A bill to authorize the Federal Works Administrator to acquire title, on behalf of the United States, to not more than 35 acres of land subject to certain reservations in the grantors; without amendment (Rept. No. 1042).

STUDY OF IMPROVEMENTS TO SENATE CHAMBER AND SENATE OFFICE BUILDING (REPT. NO. 1043)

Mr. MALONEY. Mr. President, I ask permission to submit from the Committee on Public Buildings and Grounds, on behalf of the Senator from Florida [Mr. ANDREWS], who is necessarily absent, the report of a subcommittee which was later adopted by the entire Committee on Public Buildings and Grounds, on the subject of a study of desirable improvements to the Senate Chamber and the Senate Office Building. This report is submitted pursuant to Senate Resolution 150 of the present Congress, agreed to September 8, 1941.

The VICE PRESIDENT. Without objection, the report will be received and printed in the usual course.

STUDY OF LIGHTING SYSTEMS OF SENATE CHAMBER AND SENATE OFFICE BUILDING

Mr. MALONEY. Mr. President, I ask unanimous consent that Senate Resolution 91, authorizing a study of the lighting systems of the Senate Chamber and the Senate Office Building, and of the redecoration of the Senate Chamber, be indefinitely postponed.

The VICE PRESIDENT. Is there objection to the request of the Senator from Connecticut? The Chair hears none, and the resolution will be indefinitely postponed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CHAVEZ:

S. 2243. A bill to provide for a reduced rate for travel on railroads by members of the land and naval forces of the United States when on authorized leaves of absence or furloughs, and for other purposes; to the Committee on Interstate Commerce.

S. 2244. A bill authorizing the appointment of Joseph L. Lockhard as a second lieutenant, Army of the United States; to the Committee on Military Affairs.

By Mr. GILLETTE:

S. 2245. A bill to authorize the presentation of bronze medals to the surviving members of the Filipino Revolutionary Army who cooperated with the United States Army in bringing about the surrender of the city of Manila in 1898; to the Committee on Military Affairs.

By Mr. MAYBANK:

S. 2246. A bill to extend the benefits of the Soldiers' and Sailors' Civil Relief Act of 1940 to certain persons; to the Committee on Military Affairs.

(Mr. CAPPER introduced Senate bill 2247, which was referred to the Committee on Civil Service, and appears under a separate heading.)

By Mr. TYDINGS:

S. 2248 (by request). A bill to amend the law relating to the care and custody of insane residents of Alaska, and for other purposes; to the Committee on Territories and Insular Affairs.

By Mr. WALSH:

S. 2249. A bill authorizing appropriations for the United States Navy, additional ordnance manufacturing and production facilities, and for other purposes; to the Committee on Naval Affairs.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT—EXCLUSION OF MEMBERS OF CONGRESS FROM ANNUITY BENEFITS

Mr. CAPPER. Mr. President, I am today introducing a bill to repeal certain provisions of the Civil Service Retirement Act approved May 29, 1930, as amended by the act of January 24, 1942—Public Law 411. The bill I introduced and which I ask to have printed in the RECORD, is similar to the bill offered in the House by Representative REES of Kansas.

What this bill amounts to is the repeal of all those provisions in the act which would grant retirement pay, sometimes called pensions, to Members of Congress and other elective Federal officers.

It is my firm opinion, Mr. President, that this provision for congressional retirement pay would not have passed the Congress if a majority of Members had been watching the provisions of the 10-page bill closely.

I am thoroughly of the opinion that pensions or retirement pay and benefits for elected public officials is an unsound public policy. More than that, I consider it socially immoral.

I hope that this bill, or one containing the same subject matter and attaining the same purpose, will be given early and favorable consideration and action. The legislation never should have been enacted. Having been slipped through the Congress, I believe it should be promptly repealed. Whether repealed or not, I shall never ask for a pension and shall never accept a pension from the Government.

As a part of my remarks I ask unanimous consent to have printed in the RECORD, copy of a letter I wrote to President Roosevelt, dated January 24, 1942, immediately after the passage of the bill, urging that he veto the measure. The letter explains my opposition to the pension proposal.

The VICE PRESIDENT. Without objection, the bill will be received, appropriately referred and printed in the RECORD together with the letter presented by the Senator from Kansas.

The bill (S. 2247) to amend further the Civil Service Retirement Act of May 29, 1930, was read twice by its title and referred to the Committee on Civil Service, as follows:

Be it enacted, etc., That the Civil Service Retirement Act of May 29, 1930, as amended, is amended as follows:

(a) In the last sentence of section 1 (c) strike out "any elective officer."

(b) In section 2 (a) strike out ": *Provided, however*, That no provision of this or any other act relating to automatic separation from the service shall have any application whatever to any elective officer."

(c) Strike out section 3 (a) and insert in lieu thereof the following:

"(a) This act shall apply to all officers (including all appointive officers but excluding elective officers made eligible for the benefits of this act as of January 24, 1942) and employees in or under the executive, judicial, and legislative branches of the United States Government, and to all officers and employees of the municipal government of the District of Columbia: *Provided*, That this act shall not apply to any such officer or employee of the United States or of the municipal government of the District of Columbia subject to another retirement system for such officers and employees of such governments: *Provided further*, That this act shall not apply to any officer or employee in the legislative branch of the Government within the classes of officers and employees which were made eligible for the benefits of this act by the act of July 13, 1937, until he gives notice in writing to the disbursing officer by whom his salary is paid of his desire to come within the purview of this act; and any such officer or employee may, within 60 days after January 24, 1942, withdraw from the purview of this act by giving similar notice of such desire. In the case of any officer or employee in the service of the legislative branch of the Government on January 24, 1942, such notice must be given within the calendar year 1942. In the case of any officer or employee of the legislative branch of the Government who enters the service after January 24, 1942, such notice must be given within 6 months after the date of entrance to the service."

SEC. 2. The amendments made by this act to such act of May 29, 1930, as amended, shall not be held to make ineligible for the benefits of such act of May 29, 1930, any officer or employee eligible for such benefits prior to January 24, 1942.

SEC. 3. The amounts deducted and withheld from the basic salary, pay, or compensation of any elective officer made ineligible for the benefits of such act of May 29, 1930, as amended, by the amendments made by this act to such act of May 29, 1930, and deposited to the credit of the "Civil-service retirement and disability fund", and any additional amounts paid into such fund by such officer, shall be returned to such officer within 30 days after the date of enactment of this act.

The letter presented by Mr. CAPPER is as follows:

UNITED STATES SENATE,
Washington, D. C., January 24, 1942.

Hon. FRANKLIN D. ROOSEVELT,
President of the United States,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: I am taking the liberty of making what may seem to be an unusual request. I am asking that you return to Congress, without your approval, a bill on which I am recorded in the Senate as having cast an affirmative vote.

I refer to H. R. 3487, an act to further amend the Civil Service Act. In section 3 of this bill there is a provision for pensions for Members of Congress, which I believe is contrary to public policy and should not become law.

I never for one minute believed, nor do I now believe, that Members of the Congress of the United States should be entitled to pensions upon retirement from office, no matter under what language the pension is provided.

I was unavoidably absent during most of the debate on the bill and did not understand that that provision was in the bill when I cast my vote for it on final roll call. I took it for granted that the measure simply made necessary changes to improve the provisions of the Civil Service act, and, as one who has consistently supported civil-service legislation, I cast my vote for it.

I was surprised to discover, after the bill passed both branches of Congress, that apparently I myself, if I chose to retire, could receive a pension for the rest of my life upon payment of $1.39, or 5 percent of my pay for 1 day. I understand it is the opinion of the Civil Service Commission that that would be the effect of the language of the act.

Now, I don't want a pension and will never ask for a pension. I do not believe Members of Congress should receive pensions or retirement pay from the Government for their services in Congress.

Accordingly I am respectfully requesting that you return H. R. 3487 to Congress without your approval, with the recommendation that all reference to pensions or annuities or retirement pay for Members of Congress be stricken from the bill if it is to be returned to you for your approval. I think the legislation is desirable if the language relating to Members of Congress is removed from the bill.

Sincerely yours,

ARTHUR CAPPER.

HOUSE BILLS REFERRED OR ORDERED TO BE PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 1374. An act to record the lawful admission to the United States for permanent residence of Rev. Julius Paal;

H. R. 1988. An act for the relief of Albert Barrett;

H. R. 3295. An act for the relief of Kurt G. Stern;

H. R. 3469. An act for the relief of Maria Azucena Alvarez Canga;

H. R. 5071. An act for the relief of Catherina Migliore and Anthony and Rose Migliore;

H. R. 5539. An act for the relief of Umberto Danta Annibali; and

H. R. 5954. An act for the relief of Florence Chumley; to the Committee on Immigration.

H. R. 2430. An act for the relief of John Huff;

H. R. 2980. An act for the relief of National Heating Co., Washington, D. C.;

H. R. 3610. An act for the relief of Minnie C. Sanders;

H. R. 4354. An act for the relief of D. H. Dantzler;

H. R. 4657. An act for the relief of Floyd P. Moritzky;

H. R. 4896. An act for the relief of David B. Byrne;

H. R. 5478. An act for the relief of Nell Mahoney;

H. R. 5652. An act to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of certain disbursing officers, and for other purposes;

H. R. 5857. An act for the relief of Roy F. Lassly, former acting chief disbursing clerk, Department of the Interior, and G. F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

H. R. 5865. An act for the relief of Builders Specialties Co.;

H. R. 5887. An act for the relief of Howard L. Miller;

H. R. 6145. An act for the relief of Mason C. Brunson;

H. R. 6226. An act for the relief of B. H. Wilford; and

H. R. 6328. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; to the Committee on Claims.

H. R. 5572. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel and certain Federal civil employees for personal property lost or damaged as a result of the hurricane and flood at Parris, Island, S. C., on August 11–12, 1940," approved April 23, 1941; to the Committee on Naval Affairs.

H. R. 6225. An act for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho; to the calendar.

H. R. 6511. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1943, and for other purposes; to the Committee on Appropriations.

CHANGES IN MEMBERSHIP OF DIRECTORS AND OFFICERS OF FEDERAL LAND BANK, OMAHA, NEBR.

Mr. BUTLER. Mr. President, on behalf of the Senators from South Dakota [Mr. BULOW and Mr. GURNEY] and myself, I ask consent to submit a resolution, which I request be appropriately referred.

There being no objection, the resolution (S. Res. 221) was referred to the Committee on Banking and Currency, as follows:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation of all the facts and circumstances with respect to influencing or leading to the changes or proposed changes in the membership of the board of directors and/or officers of the Federal land bank at Omaha, Nebr. The committee shall report to the Senate, at the earliest practicable date, the results of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-seventh and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $2,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

ARTICLE BY FRANK R. KENT ON PARASITES IN DEFENSE ORGANIZATION

Mr. WILEY. Mr. President, I ask unanimous consent that there may be printed in the RECORD an article by Frank R. Kent, entitled "The Great Game of Politics," in which the President is urged to drive parasites from the defense organization first. I make this request because the article checks up with what I had to say in the Senate on the subject a few days ago.

The VICE PRESIDENT. Without objection, the article will be printed in the RECORD.

The article is as follows:

THE GREAT GAME OF POLITICS—PRESIDENT URGED TO DRIVE PARASITES FROM DEFENSE ORGANIZATIONS FIRST

(By Frank R. Kent)

No one wants—particularly in a time of war—to defend that unpleasant breed of people to whom the word "parasite" justly can be applied. If needed war workers are unable to find living quarters because of "rich social parasites," who, preempting the great houses, come here merely because Washington is an exciting place to spend the winter, then dislodging them is a sound proposal clearly in the national interests.

But when Mr. Roosevelt at his press conference last week brought up the subject of parasites and talked about his power to drive them out of Washington he certainly opened wide the door to inquiry as to his attitude toward the parasites within the administration as well as those without. It was inevitable and natural that many should rush forward to point out that the social parasites whom Mr. Roosevelt accuses of crowding Washington are utterly insignificant compared to the political parasites for whom he is personally responsible. Expanding the definition of parasites, as he did, to make it include those who clutter up the city without performing any useful function, he indicts his own administration. Perhaps if he had realized this he would not have brought the subject up—even if he had to miss the gratification of a stimulating press conference.

USELESS INDIVIDUALS

The truth is that never in the history of the country has anyone conceived of so vast an army of useless individuals as are now on the Government pay rolls. This was true before the defense organization was set up in 1940. In the 8 years following 1932 the New Deal created so many new boards, commissions, agencies, and authorities that the number of jobholders in the District had more than doubled. With 133,645 civilian employees in Washington, this administration exceeded in peacetime by more than 16,000 the pay-roll record of the Wilson administration in 1918, when the first World War was at its peak. Since June 30, 1940, more than 80,000 additional employees have been added to the rolls in Washington. They are now going on at the rate of a thousand a week. Before the war has gone another year the number of civilian Government employees in the District will approximate 300,000

This just does not make sense. It has no relation whatever to efficiency. Actually, the sheer size of the organization makes inefficiency inevitable. The truth is that the machine is so cumbersome, clogged up, and unwieldly that its progress is painful and its direction uncertain. From the beginning, the President has imposed no restriction on—and made no effort to restrict—the size of the multitudinous defense agencies established. Naturally, no one else has. Every head has had practically a free hand as to the number of employees he could appoint and the salaries he could pay.

FANTASTIC SITUATION

The result has been fantastic. All sense of proportion has been lost. These alphabetical agencies just swell, and swell, and swell. The publicity army is the best illustration. There are now 2,895 full-time Government press agents and 31,618 on part time. There are more than a thousand individuals on the White House executive staff. No one knows how many there are under the Price Administration, or in the Office of Civilian Defense, or in any of the others. The pressure from Members of Congress and politicians to put more on never relaxes.

In the creation of a great war machine a certain amount of confusion, of course, is inevitable. No one expects a perfectly functioning organization without any duplication and with no drones. But what has happened here is beyond reason. If the President wants to make room for legitimate war workers by driving the parasites out of Washington, the place to start is in his defense organization. He thus not only could solve the room-shortage problem but he could improve the tone, temper, and efficiency of our whole war effort.

ARTICLES BY BARNET NOVER AND RAYMOND CLAPPER ON THE WAR SITUATION

Mr. MALONEY. Mr. President, I ask unanimous consent to have printed in the RECORD an article appearing in the Washington Post of February 4 entitled "Stock-taking," written by Barnet Nover, and that there also be printed in the RECORD an article by Raymond Clapper entitled "Undue Optimism."

I ask unanimous consent that these articles be printed in the RECORD because I am among those who have been greatly disturbed by the general attitude of the press toward our successes in the war. I think the great majority of the newspapers of the country have highly magnified such successes as our forces have had, and have minimized other news which I think might be more properly presented to the American public. I believe an undue optimism has been created, and I fear that it is establishing an apathy and an indifference, and that in too many instances our people are concluding that the war is won, and that there is no great danger or difficulty ahead. The truth is that we are engaged in a terrible struggle. The two articles which I have asked to have printed in the RECORD—one by Mr. Nover, and the other by Mr. Clapper—are so clear on this subject that I think they may be of considerable value.

The VICE PRESIDENT. Without objection, the articles will be printed in the RECORD.

The articles are as follows:

[From the Washington Post of February 4, 1942]

STOCK-TAKING

(By Barnet Nover)

THE HEADLINES AND THE REALITIES

The banner headlines on the front pages of a great many American newspapers yesterday told in large black type of two fierce Japanese assaults being smashed by General MacArthur and his men. They told, also, of nine enemy fighters being destroyed by four American bombers in an aerial battle in the Dutch East Indies.

The editors apparently deemed these two items as of greater interest to American readers than anything else that happened that day.

That may be so. Americans are justly proud of General MacArthur, who has proved himself to be one of the truly great military commanders of the war. They are prepared to cheer any and every occasion when MacArthur's small and gallant band of first-class fighting men repulse the enemy. It is, of course, equally heartening to be told that American planes in the Pacific are more than holding their own in combat with the Japanese.

The headlines did not distort the truth, except insofar as the necessity of summarizing a column of type in half a dozen words inevitably leads to a certain measure of distortion. Yet the headlines of Tuesday were nonetheless dangerously misleading.

They left an impression that our forces in the Pacific are winning real victories when, at best, they have only been achieving successes of a very limited kind. They helped foster the belief that in the fight against the Japanese we are holding our own, or even doing a little better than holding our own, when the truth is unfortunately quite different.

Nor were Tuesday's headlines unique in that respect. They reflected a pattern which consciously or unconsciously has been adhered to during most of the period since December 7.

Let us see what was going on in other sectors of the war while General MacArthur was repulsing the Japanese, and American bombers were shooting down nine enemy planes.

At Singapore the Japanese were engaged in what was described as "a grand-scale effort to soften up the stronghold for a final invasion thrust across the mile-wide Johore Strait." The fact that they were doing so so soon after their occupation of the remainder of the Malayan Peninsula suggests that they are determined to give the United Nations no time to reinforce the Singapore garrison and thus delay and if possible prevent the great British naval base from falling into enemy hands.

Similar aggressiveness was being displayed by the enemy in Burma where, without waiting to consolidate their gains in the Moulmein region, the Japanese made an ambitious attempt to cross the Salween River.

The attempt was repulsed with heavy losses. But it cannot for a moment be assumed that we have heard the last of Japanese efforts to capture Rangoon and cut the vital Burma Road.

The most disturbing news of all came from the Dutch East Indies. It was in that sector that American flying fortresses showed the stuff they are made of by standing up to a large number of Japanese fighter planes and shooting down nine of them.

In that fight, be it noted, American losses while quantitatively very much less than those of the enemy were, qualitatively, almost equally as great. We lost one of our heavy bombers. We can ill afford to lose any at this time.

But what happened in that isolated engagement was much less significant than what was happening elsewhere in the Dutch area. Japanese planes were reported as hovering over Banka Island, in the Java Sea, only 220 miles north of Batavia and only a short distance off the Sumatra coast.

Reports which reached the United Nations command also indicated that Pontianak, on the western coast of Dutch Borneo, has been occupied by the Japanese, thus giving them a bombing base well within 500 miles of Singapore, as well as a foothold on the passageway between Singapore and Batavia, one of the few routes over which reinforcements and supplies to the beleaguered British base must travel. Should the Japanese succeed in taking Banka they would dominate the northern approach to the Java Sea.

In the meantime, the British, having lost Bengasia, had been forced to retreat to a point 115 miles east of that Libyan port with no certainty that the Axis forces could be held up.

Russia remained the one bright spot for the United Nations. But there were indications that the Russian drive was at least temporarily slowing down because of increased German resistance.

It should be clear from this survey that the items played up in Tuesday's banner headlines, while perhaps of greatest interest to American readers, were very far from being of the greatest importance.

They were minor and isolated triumphs in a struggle in which the major victories continued to be won by the enemy. They were not without importance. MacArthur's rearguard fight is not only heroic; it has had and continues to have great practical value. The little band of Filipino and American troops in Bataan and Corregidor are containing a very large number of troops who the Japanese could use elsewhere. Yet the grim fact of the matter is that MacArthur's fight is a rear-guard fight; that while inflicting heavy punishment on the enemy he has been forced to give ground; that he may, and probably will, have to continue to give ground unless the impossible happens and reinforcements reach him.

Similarly, unless considerable reinforcements of bombers and fighters reach the Dutch East Indies while there is still time, isolated American victories in the air will not turn the tide of battle, any more than such victories at sea as that won by United Nations forces in the Macassar Strait prevented the Japanese from going ahead, if at a lessened pace, with their attempt to encircle Java.

Newspapers have a great responsibility in this matter of treatment of war news. For years they have emphasized what is, or what they believed to be, interesting over what is important. Possibly that did not matter very much in the past. It matters very much now. For unless the broad trend of the fighting is constantly made clear to American readers we may one day be shocked into discovering that while we have been winning all the headlines our enemies have been winning the war.

[From the Washington Daily News]

UNDUE OPTIMISM

(By Raymond Clapper)

Pearl Harbor woke up many people, but it doesn't seem to have changed Jesse Jones. In the face of unpleasant facts he remains an incorrigible optimist.

Secretary Jones blandly predicts to a congressional committee that we will get all the rubber we need from the Far East by the end of 1943. He doesn't think the Japanese can keep us out.

That kind of optimism can only do harm. It is one thing to have confidence in ultimate victory. But it is dangerous to underestimate the task of winning that victory.

To strive to knock the Japanese out by the end of 1943 is one thing. But to base our supply arrangements on the assumption that it will happen is taking an unwarranted risk. We have only a dribble of synthetic rubber in sight now because, for months before Pearl Harbor, Secretary Jones didn't think the Japanese would start a war and he allowed the synthetic-rubber program to slide with only the most indifferent attention.

Winning back the Far East is the hardest job we ever undertook.

Right now the administration is making a frantic effort to get through Congress a $500,000,000 loan for China. London is shelling out another $200,000,000 For military supplies? No. To help the Chinese fight inflation, it is said. To help Chinese morale is a more direct way to put it. We simply can't afford to let China drop out of the war. Undoubtedly Japan would like to make peace in China. Undoubtedly Japan is conducting a shrewd propaganda campaign to that end in China.

The battle is going against the United Nations all around. We cannot view with any optimism whatever the position of General MacArthur in the Philippines. Singapore is in grave danger. The footholds of the occidental nations in the Far East are being shaken, and it is but natural that the Japanese will attempt to wring the full propaganda value out of that situation.

After the Japanese advance is checked, we must face a long, hard struggle to drive them back to their home base. Nobody who is informed about the military task views it as an easy one or a short one.

Maybe we shall come out better than that. But in planning supplies essential for war purposes we cannot base our estimates on a mere hope that things will turn out better. We must assume the worst and be prepared for it. The trouble at Pearl Harbor was that no one assumed the worst would happen.

We cannot count on the Japanese handing over the rubber plantations intact by the end of next year. We must proceed now as if we never expected to get them again.

If everybody took the attitude which Jesse Jones is encouraging, we would overnight fall back into the slackness which existed

before Pearl Harbor. It is not safe for anyone to assume that he can drive his car as much as he likes and count on getting new tires at the end of next year. If the country gets into that state of mind, our whole war effort will bog down. To produce the war goods required we must press and drive and sacrifice ruthlessly. Nothing short of that will give us what the fighting forces must have.

This job cannot be done with labor insisting on double time for Sunday, welders striking in a row about union dues, industrialists insisting on abnormal profits, or cotton Senators trying to sabotage the effort to hold farm prices in balance. Those are all expressions of the Pearl Harbor state of mind that Jesse Jones seems to share.

That state of mind came near to being the death of Britain. It was the death of France. Our existence as a first-rate nation is at stake literally. We cannot lose this war and remain a first-rate nation. This thing is serious, and it is about time we all took it so.

THE RUBBER SITUATION

Mr. REYNOLDS. Mr. President, there is today no question of more vital concern to our people than that of rubber. We are realizing for the first time how thoroughly we have become dependent upon rubber as a critical material in our war effort and national economy. With the outbreak of war it became necessary for the Government to step in and adopt rigid control over our available supplies of rubber until such time as war demands were more clearly drawn and new sources of supply were in sight.

The most critical aspect of the rubber shortage has been in connection with tires for our highway transport. One day motorists are asked to conserve rubber and the next day they are told that our supplies are adequate. Leaders in the rubber industry continue to question the whole procedure for rubber control and the restrictions imposed. People everywhere are unable to understand the very limited rationing of tires while there are reports of large stocks in the same localities. After a very thorough appraisal of the whole subject, the American Automobile Association, of which I am a vice president, has asked the Senate Committee Investigating the National Defense to take steps to end the existing confusion. I will particularly stress the words "end the confusion," because the A. A. A. has not questioned any phase of the control program or the wisdom of action taken by Federal officials. This association is in a position to encourage widespread conservation of rubber, but manifestly this is impossible under existing conditions. I ask unanimous consent that the very fair and considerate request that the confusion be ended, contained in a letter addressed to Senator HARRY S. TRUMAN, chairman of the committee, be inserted in the RECORD.

I am advised by the Senator from Missouri that the letter has been received by him.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 31, 1942.

Hon. HARRY S. TRUMAN,
Chairman, Senate Committee to Investigate the National Defense Program, Washington, D. C.

DEAR SENATOR TRUMAN: As you know, the American Automobile Association is a federation of 725 motor clubs and branches located throughout the United States. Our organization and its affiliated clubs, with a combined membership of considerably more than a million motorists, are vitally interested in every phase of highway transportation, so far as it concerns the owners of passenger automobiles.

We are, of course, fully aware of all the tremendous implications of the fact that our country is at war. We are wholeheartedly in accord with the viewpoint that everything necessary to the effective prosecution of the war must come first. Civilian needs must be secondary in the victory program. Every phase of our organizational activity is being geared to wartime conditions, with a desire to render maximum service during the emergency.

However, we do believe that greater attention must be given to the importance of civilian automotive transportation in both war production and maintenance of the home front. Above all, we believe that there must be frank and intelligent presentation of all facts, except those of a strictly military character, to the general public. This is absolutely essential to end confusion and misunderstanding which will undoubtedly retard our whole war effort. A case in point is the current misunderstanding of the rubber situation, which is preventing public acceptance of the vital need for rubber conservation and appreciation of the importance of safeguarding our limited supplies of this important commodity.

With the outbreak of war fears that it would halt rubber imports led to a wave of tire buying. It reached the point where it was necessary for the Office of Price Administration and Civilian Supply to freeze existing stocks of tires and tubes. This was followed by limitations on the production of civilian goods made from rubber and the working out of a rationing program to take care of essential civilian use of tires and tubes. We do not question for one moment the wisdom of the action taken by Federal authorities; nor do we question the necessity of maintaining a rigid control over rubber until such time as battle lines are drawn and new sources of rubber are in sight. But a most confusing situation has developed.

Some leaders in the rubber industry have discounted the fact that we did not have sufficient rubber for both military needs and normal civilian use. Advertisements proclaimed that there would be "victory tires," made partly of reclaimed rubber, causing many people to believe they would be forthcoming. Headlines told of tremendous expenditures for the production of synthetic rubber, which has led car owners to believe that all would be well within a short period of time. Dispatches from Brazil have led our people to think that there is adequate raw rubber in the Amazon country if we will only pay the price for it. Steps for the cultivation of future rubber plantations, including the planting of guayule shrubs, have been taken without the public getting the full import of the fact that these are long-range steps and that actual production is years away.

There have been charges of Government waste in the use of rubber. Tire bootlegging and price gouging of motorists buying used tires and tubes and retreaded casings is causing concern in widely scattered sections. If not controlled, it is certain to lead to large-scale "black markets" and a serious set-back to the whole national program for rubber conservation. In fact, within the last 24 hours the Office of Price Administration has moved an army of inspectors into the field to assure better regulation and stop unconscionable profiteering at the expense of the already hard-hit motorists of the country.

All of these factors have had the effect of creating confusion and misunderstanding which have definitely retarded the effort to secure public cooperation. Thus we have observed with a great deal of interest the resolution now pending in the Senate calling for a full and complete investigation of rubber supplies and production, which has been referred to your honorable committee.

While we are interested in every aspect of the rubber situation, we are particularly concerned with that part of the pending resolution which would look into "the supply of rubber available for general civilian needs." We earnestly hope that your committee will find it in the public interest to proceed promptly with the investigation requested. We are confident that such an inquiry would have a wholesome influence on the whole rubber situation and would definitely assure public understanding.

Specifically, the American Automobile Association believes that the following steps are necessary to meet the present situation:

1. Action to end the conflicting statements from a variety of sources on rubber and rubber supplies. Factual findings by your committee would do more than anything else to bring home to the American people the real situation and what they must do to cooperate.

2. Direct official thinking to the fact that the automobile has an important role in defense production and our whole economic system. Many thousands of workers in defense plants, well off the lines of mass transportation, are wholly dependent upon their automobiles. Any stoppage of their work would break down the whole program of war production. It is not enough to say that they cannot have tires until there is assurance that other means of transportation will be available.

3. Vigorous action to grant whatever additional authority may be necessary for appropriate Federal agencies to halt quickly the wave of tire bootlegging, price gouging, and tire thefts now threatening to sweep the country.

4. Coordination of the program to assure future rubber supplies to the end that maximum production will be forthcoming at the earliest possible moment.

In submitting these recommendations, we do so with full confidence that the motorists of the country are ready to make every sacrifice necessary to win the war. We do not question the policy of curtailing rubber for civilian use in the interest of winning the victory we all seek. As we have said, war needs must come first. But we do believe, and believe strongly, that an informed public, fully understanding the restrictions they must face, is an important element in the present trying times.

In conclusion, let me add that we do not question any of the steps taken in official circles, including the rationing program set up by Price Administrator Henderson. We have pledged, and have given, our full cooperation in carrying through these programs. Our only objective in appealing to your committee is to see that the things already done are made more effective by public understanding and public cooperation.

Sincerely yours,

THOS. P. HENRY, *President.*

ADDRESS BY SENATOR WILEY ON ABRAHAM LINCOLN

[Mr. WILEY asked and obtained leave to have printed in the RECORD a radio address delivered by him at Madison, Wis., January 29, 1942, on the meaning of Lincoln's life in this period, which appears in the Appendix.]

EDITORIAL BY W. A. MACPHERSON ON PRICE CONTROL ACT

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD an editorial on the Price Control Act written by W. A. Macpherson and published in the Lamar (Colo.) News, which appears in the Appendix.]

RECOGNITION OF SERVICES OF CERTAIN CIVILIAN EMPLOYEES IN THE CONSTRUCTION OF THE PANAMA CANAL

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Florida [Mr. PEPPER] that the Senate proceed to the consideration of the motion heretofore entered by the late Senator from Colorado, Mr. Adams, to reconsider the vote on the passage of the bill (S. 1481) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal.

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Pepper
Austin	Guffey	Radcliffe
Bailey	Gurney	Reed
Ball	Hayden	Reynolds
Bankhead	Herring	Rosier
Barkley	Hill	Russell
Bilbo	Holman	Schwartz
Bone	Hughes	Shipstead
Brewster	Johnson, Calif.	Smathers
Brooks	Johnson, Colo.	Smith
Bulow	Kilgore	Stewart
Bunker	La Follette	Taft
Burton	Langer	Thomas, Idaho
Butler	Lee	Thomas, Okla.
Byrd	Lodge	Thomas, Utah
Capper	Lucas	Tobey
Caraway	McFarland	Truman
Chandler	McKellar	Tunnell
Chavez	McNary	Tydings
Clark, Idaho	Maloney	Van Nuys
Clark, Mo.	Maybank	Wagner
Connally	Mead	Wallgren
Danaher	Millikin	Walsh
Downey	Murdock	Wheeler
Doxey	Murray	White
Ellender	Norris	Wiley
Gerry	Nye	Willis
Gillette	O'Mahoney	
Glass	Overton	

Mr. HILL. I announce that the Senator from Georgia [Mr. GEORGE] and the Senator from New Mexico [Mr. HATCH] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Michigan [Mr. BROWN], the Senator from Nevada [Mr. MCCARRAN], the Senator from Texas [Mr. O'DANIEL], and the Senator from Arkansas [Mr. SPENCER] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury.

The Senator from New Jersey [Mr. BARBOUR] is absent on official business.

The Senator from Pennsylvania [Mr. DAVIS] is absent on business of the Senate.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

Mr. PEPPER. Mr. President, Senators will recall that at the time of the taking of the recess on Tuesday there was pending a motion to take up for action the motion to reconsider the vote by which Senate bill 1481 had been passed. The bill relates to provision for recognition of services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal. It was not possible to have action on the motion, because there was not a quorum present, so I now renew the motion.

Mr. BYRD. Mr. President, I wish to oppose the motion.

Mr. PEPPER. Would the Senator agree that we might take it up, and then dispose of it on the merits, since we are to discuss it?

Mr. BYRD. I have no objection to that.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the motion entered by the late Senator Adams, of Colorado, on September 22, 1941, to reconsider the vote whereby the bill (S. 1481) to provide for the recognition of the service of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal, was passed.

Mr. PEPPER. Mr. President, I shall make a brief statement, then the Senator from Virginia may proceed.

Senate bill 1481 was introduced by the able Senator from Missouri [Mr. CLARK] and myself. It has three times been favorably examined and reported by the Senate Committee on Interoceanic Canals. It is favorably recommended by the Civil Service Commission.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BYRD. It has not been recommended by the Civil Service Commission, I say with all deference to the Senator from Florida. Can the Senator call the attention of the Senate to such a recommendation?

Mr. PEPPER. I shall read from page 2 of the report of the committee. The report was not upon the particular bill now before us, but on a bill having the same purport, though the bill may have been changed by number. I read from page 2 of the report of the Senate Committee on Interoceanic Canals:

> The Commission believes that like treatment should be accorded all employees of a particular group. As special benefits have been allowed members of the Army, Navy, and Public Health Service, as well as civilian employees who served during the construction period and who retire under the Canal Zone Retirement Act, it would appear that like recognition should be accorded former civilians separated without retirement benefits. The previous adverse recommendation of the Commission regarding this legislation was based mainly on the cost thereof. However, on the basis of additional information this estimated cost has been greatly reduced, removing any objection from this standpoint.

Mr. BYRD. What is the date of that?

Mr. PEPPER. That was in July 1941.

Mr. BYRD. I have a letter which the Civil Service Commission has written to the Honorable S. O. BLAND, chairman of the Committee on the Merchant Marine and Fisheries, dated September 23, 1941, relating to the bill before us. They state in this letter that they do not make a recommendation, and further state that "The Bureau of the Budget advises that the enactment of the proposed legislation would not be in accord with the program of the President."

Mr. PEPPER. Will the Senator be good enough to read the letter from the Civil Service Commission?

Mr. BYRD. I shall be very glad to read it. It is dated September 23, 1941, and reads:

> DEAR MR. BLAND: Further reference is made to your letter dated August 30, 1941, in which you transmitted copy of the bill S. 1481—
>
> Which is the bill now before us—
>
> with committee report No. 574, and requested an estimate of the approximate cost of accomplishing the purpose of this legislation.
>
> Approximately a year ago we prepared an estimate in conjunction with the Panama Canal on a duplicate bill (H. R. 1674), and the following is quoted from report to you dated November 4, 1940, in regard thereto:
>
> "Through contact with the Panama Canal, it has been developed that the civilian employees who served during the construction period for more than 2 years totaled 6,609. Deducting from this number the 3,519 employees with more than 4 years' service leaves 3,090 employees with between 2 and 4 years' service. Based upon a sample check of 600 cases, 42 percent of employees with between 2 and 4 years' service completed 3 years of service. Applying this decimal to the 3,090 employees results in 1,298 as the approximate number who served 3 years, to which must be added the 3,519 4-year employees, making a total of 4,817 employees in the group covered by H. R. 1674; that is, with 3 years' service or more during the construction period.
>
> "On a sample count of 1,436 cases, the average age at present of employees serving 2 years was found to be slightly over 67 years. Assuming that the average of all 3-year service periods must have been completed in March 1912, 28 years have elapsed since the average of the 4,817 employees completed their 3 years of service, and their average age at that time was 39 years.
>
> "Based on the above figures, and the fact that mortality tables show 60.2 percent of men alive at age 39 still alive at age 67, the following table sets forth the estimate made as to the probable cost to the Government involved should H. R. 1674 be enacted into law:

Employees with 3 years' service	4,817
Less 40 percent deaths	1,927
Employees still living	2,890
Widows eligible for benefits under the bill	386
Gross number of eligibles	3,276
Deduct employees eligible to benefits under other laws	1,000
Net eligibles under H. R. 1674	2,276

> Annual cost of bill ($750 average benefit), approximate, $1,700,000.
>
> "These figures have been carefully reviewed by the Commission's actuary and by the Commissioners and are believed to be as nearly correct as is possible to determine from the information available. The 40 percent reduction representing deaths is a liberal percentage, since it is supported by the very liberal American Experience Table of Mortality. With an immediate annual cost of approximately $1,700,000 for the first year and resultant decrease for subsequent years by reason of deaths, the actual aggregate cost of the bill would approximate $15,000,000."
>
> The Commission's actuary now estimates that approximately 4 percent of the gross number of potential beneficiaries as above indicated have died during the past year. This, together with the fact that the living potential beneficiaries are a year older and have a

slightly shorter life expectancy than existed a year ago, would make the current estimate as follows:

Gross number of eligibles September 1940	3,276
Less deaths in 1 year, 4 percent	131
Total	3,145
Deduct employees eligible to benefits under other laws	960
Net eligibles under S. 1481	2,185
Annual cost of bill ($750 average benefit), approximate	$1,639,000
Actual aggregate cost of bill, approximate	$14,000,000

The Bureau of the Budget advises that the enactment of the proposed legislation would not be in accord with the program of the President.

Very sincerely yours,

HARRY B. MITCHELL,
President.

Mr. PEPPER. For the present, Mr. President, I do not have before me the data which explain the contradictory statement from the Civil Service Commission, but I may say that the bill is a complaint which has been knocking at the door of the Senate ever since 1916. Many of the men involved, some of whom live in my State, others of whom are scattered all over the United States, got in touch with me and presented again their claims for recognition for services they performed in the construction of the Panama Canal. The Senator from Missouri [Mr. CLARK] and I introduced the bill because we thought it was a justified claim on their part.

President Theodore Roosevelt, whose statement is contained in the committee report, gave his endorsement to legislation providing for this identical purpose away back in 1916. This is what President Roosevelt said:

I most heartily endorse General Goethals' recommendation.

That was for the passage of a bill of like purpose to that of the pending bill.

As one who was instrumental in getting this work under way and who has followed its progress with deep interest and keen satisfaction, I am greatly concerned in seeing proper recognition accorded to the civilian employees. General Goethals has designated them as the real builders of the Canal. I sincerely trust that prompt action will be taken by Congress toward the early enactment of legislation to this end.

Mr. President, personally I do not care whether the Senate approves this bill or not, but I want to explain the bill and to present its merits, and then let the Senate, of course, dispose of it according to its best judgment.

I was saying that the purpose of the bill is to give recognition to the civilian employees who were in actual residence and who worked for as much as 3 years upon the Panama Canal in its construction, because they have been discriminated against, I respectfully submit, by the Congress by reason of the fact that in 1916 the Congress provided very liberally for the members of the Army and the Navy and the Public Health Service who, on the Isthmus of Panama, engaged in the construction of the Canal, by giving increased rank to every one of them who participated in its construction, and allowing them immediately to retire upon three-quarters of their total pay, regardless of how long they had been in the Army or the Navy or the Public Health Service.

The committee report contains the statement of Mr. John F. Stevens, who was the chairman of the Isthmian Canal Commission, which built the Panama Canal. He said that Congress had discriminated in favor of the Army and the Navy and the Public Health Service officials, and against the civilian employees, and he thought they should be properly provided for.

The committee report also contains the statement of Gen. R. E. Wood, who was one of those engaged in the construction of the Canal. General Wood said that these civilian employees had been discriminated against by the Congress and that they are entitled to the benefits proposed in the bill. He endorsed this specific bill, and his letter of endorsement is in the record of the hearings.

In addition we have the statement made by General Goethals with respect to the same kind of a bill. Many of those who had served on the Panama Canal in its construction came before our committee, and told us of the disease which was prevalent there at the time, the hardships they had to endure, and the sacrifices which were made. They simply laid their claim before us, relying on the sense of fairness of the Congress to give them recognition.

The bill provides, first, for 40 percent of their average annual basic pay to those who served there for as much as 3 years and not more than four years; second, for 50 percent of their average annual basic pay to those who served there over 4 years; and 60 percent of their average annual basic pay to those who served there over 6 years.

The only benefit provided for anyone except those who actually worked there and were in residence for as much as 3 years is for the widow of such a workman, provided she actually lived upon the Canal with her husband for as much as 1 year during the period of construction. So no benefits are proposed to be distributed to anyone who has not had some actual residence upon the Canal during the period of its construction.

As to the number of this gallant company remaining, estimates vary. The highest estimates are three or four thousand. The suggestion was made by the Civil Service Commission that probably the average age of the survivors would be as much as 67 years, which indicates that they will not live very long to enjoy this award, if it is made to them by the Congress.

The Committee on Interoceanic Canals, the chairman of which is the senior Senator from Missouri [Mr. CLARK], has heard testimony on this matter three times. The committee has made three favorable reports to the Senate. The Senator from Missouri spoke in favor of the bill last Tuesday when the Senate was in session. We have tried to answer all the questions we could answer. The estimates presented by the Senator from Virginia [Mr. BYRD] indicate that as much as $1,700,000 a year may be called for by the bill. The total which I think the Senator mentioned was a possible $15,000,000. I do not think the total expenditure will reach as much as $10,000,000, because these men sustained injuries which have mitigated against their longevity.

Mr. President, with that statement, unless some Senator has any question, I submit the matter to the Senate. Our late lamented colleague, Senator Adams, made a motion to reconsider the vote by which the bill was passed, and that is the motion which is now pending before the Senate.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HUGHES. Do I understand the bill to provide that the widow who resided with her husband on the Canal at the time he was in service shall receive his share?

Mr. PEPPER. Yes; if she was married to him when he was working there, and if she herself lived there as long as 1 year.

Mr. HUGHES. Last Tuesday, when I asked the Senator from Florida a similar question, I understood the bill's provisions were confined to the men who actually worked on the Canal.

Mr. PEPPER. No; the widows are provided for if they actually lived there as long as 1 year.

Mr. BYRD. Mr. President, as I recall the construction of the Panama Canal began in 1904 and was completed in 1914, 28 years ago. If this is a matter of such imperative justice to laborers and others who did civilian work on the Panama Canal, why is it that for the past 28 years the Congress has not recognized the justice of such claims?

The effect of the bill is to give a pension to every civilian employee who worked on the Panama Canal for as long as 3 years. That is the minimum. If he worked 4 years, he would receive additional compensation.

The bill also provides for the widows of those who worked on the Canal, provided the widow was married to the worker for 1 year during the time he worked on the Canal.

The Civil Service Commission does not agree with the Senator from Florida, because it thinks that the proposed legislation would cost $14,000,000, an average of $1,700,000 a year. The average payment to those laborers—because most of them were laborers—would be $750 a year. In other words, because they worked for 3 years on the Panama Canal when they were under no compulsion to do that work, when they went there and sought the work and did it of their own free volition, they are to be pensioned at the rate of $750 a year for as long as they may live, without making any contribution whatever toward the pension fund, as civil-service employees are required to do under the present Retirement Act applicable to them.

It is true that this bill was passed by the Senate by unanimous consent. Such instances often occur in this body, and bills are passed hurriedly and without due consideration. It was then objected to by a Member of the Senate in whom all of us had the utmost confidence, the

late lamented Senator Adams, of Colorado, who told me just before his death that he considered this measure to be one of the most indefensible pieces of legislation ever presented to the Senate during his term of service. He could see no reason why those who went to work on the Panama Canal of their own accord, and were paid liberal wages while they worked, should be pensioned at the rate of $750 a year as long as they live, simply because certain members of the armed forces of the Nation were pensioned on a similar basis, when those in the Army and Navy were compelled to go there and perform the work. The civilian employees were not compelled to go.

When all the resources of our country are so imperatively needed for the gigantic expenditures we must make for defense, I hope the Congress will not spend $14,000,000 to pension those who sought these jobs of their own accord, and who were generously compensated during their work.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. LUCAS. How many years did the Senator say it has been since the work was completed?

Mr. BYRD. Twenty-eight years. If this is an act of justice, why has Congress delayed so long in passing such legislation?

Mr. LUCAS. That was the point I wished to pursue a little further. I ask the able Senator from Virginia whether similar bills have been introduced in Congress previous to this time.

Mr. BYRD. In reply to that question, I think similar bills have been introduced from time to time; but both branches of Congress have never acted favorably on such legislation.

Mr. LUCAS. I thank the Senator.

Mr. PEPPER. Mr. President, the arguments of the able Senator from Virginia are reasonable, and deserve consideration. As against what the able Senator from Virginia has said, let me read to the Senate two or three statements by persons who are peculiarly informed with respect to the facts. I wish to read a letter appearing on page 5 of the committee report, dated January 22, 1916, from General Goethals to the Secretary of War, pointing out the discrimination which the Congress had made in favor of the Army, the Navy, and the Public Health Service officials, and against the civil-service employees. This letter was written after the passage of the bill by Congress rewarding the members of the Army, the Navy, and the Public Health Service, and doing nothing for the civilians.

It is deemed unnecessary to set forth the feeling of injustice that was aroused in the organization by the passage of this act [that of March 4, 1915, Army, Navy, and Public Health], because of its discrimination against the large class of employees not fortunate enough to belong to any of the foregoing branches of the public service, but who toward the accomplishment of the goal had worked just as faithfully as, in some instances more loyally than, those who were specifically selected for rewards. That there was just cause for this feeling cannot be questioned. This is the first instance, where the thanks of Congress have been extended to the leaders of any enterprise without including all of those who were associated with it. The discrimination stands forth more glaringly when it is remembered that those detailed for duty on the Isthmus from the public services specified in the act, after the completion of their services here, are assigned to other posts of duty, and through retirement, are looked after by a paternal Government to the end of their days; while the civilian after having been out of touch with affairs in the community from which he came during his absence of 3 or more years, is dependent upon his own energy and effort to secure employment.

In the organization that accomplished the result, the work was so divided as to bring the service men in competition with the civilians, and the latter can truthfully claim that they accomplished results just as efficiently as, and in some instances more efficiently than, the men who were selected for reward; and yet even in a blanket provision they are denied the recognition of Congress.

This is the point about obeying orders:

It has been asserted that the service men had no choice but to obey orders which detailed them to duty with the Commission, while the civilians came of their own volition. This assertion, as it relates to the service men, is not founded on fact. With one exception, all of the Army and Navy officers, and the same is true of the Public Health Service, who received recognition, were detailed only after they had been consulted and had expressed a willingness to come. Furthermore, they all received compensation in advance of that specified by law for the positions they occupied in the Government service, this compensation in some instances exceeding three times the amount they would have received had they performed in the States or elsewhere the same duty that they were called upon to perform on the Isthmus. The increases granted by the act in the cases referred to are very substantial, amounting as high as 60 percent, which continues throughout the career of the officer affected. The privilege of retirement with advanced grade has been taken advantage of by several with great pecuniary gain. All of these facts are known to the civilians who labored as zealously and who received no reward.

That is the statement of General Goethals.

I do not wish to take the time of the Senate to read it, but I have before me a statement dated April 2, 1938, from Mr. John F. Stevens, who was the chief engineer of the Isthmian Canal Commission, under which all the work was carried on. The statement is contained in a letter written to the Senator from Missouri [Mr. CLARK] very strongly urging the passage of this legislation as only an act of fairness on the part of Congress to the civilian employees.

I shall conclude by reading a brief statement by Gen. R. E. Wood:

Understand hearings are being held on Senate bill 1162.

That was the same bill, but a previous number.

I worked on construction of Panama Canal for 10 years, and as an officer of the Army received very liberal treatment from Government at the conclusion of the work of the Commission. I cannot too strongly urge the passage of this bill. It is a matter of simple justice to these employees who come under its provisions. Its cost will be exceedingly small. In view of what Congress did in 1914 for members of the Commission and members of the Army who served during construction of the Canal, it certainly ought to do this for these men. I will not benefit, so my support is entirely disinterested. I urge passage of the bill.

R. E. WOOD.

Mr. WILLIS. Mr. President, would not the enactment of this bill set a precedent for placing on an annuity basis anyone who is ever employed on public work?

Mr. PEPPER. My answer to that is that I think all of us feel differently about the hazards involved in the construction of the Panama Canal as compared with the hazards associated with ordinary public work. President Theodore Roosevelt went down there himself and in a speech which he made to the Panama Canal employees he virtually promised them that if they carried on that great work of construction they would receive appropriate recognition and reward from their Government. He made that speech in the Isthmus itself. I have before me pictures showing great numbers of tombstones of civilian employees who engaged in that hazardous work, which went on from 1904 to 1914. It was some time before yellow fever was completely controlled. Nevertheless, the natural hazards of a tropical climate took their toll of the employees anyway. Because of the peculiarities of climatic conditions and the monumental nature of the Panama Canal, I feel that those who gave their efforts toward its construction should be appropriately rewarded.

There is the further fact that Congress has already set the precedent of rewarding certain of the leaders in the Army, the Navy, and the Public Health Service by giving them an increase of one grade in rank and permitting them to retire instanter at 75 percent of their full pay. Congress took that action in 1914 for the benefit of the members of the Army, the Navy, and the Public Health Service; but, somehow or other, Congress never would heed the claims of the civilians.

Mr. Stevens, who was chairman of the Isthmian Canal Commission, said that was unfair; General Wood, who was down there, said it was unfair; and many other witnesses of comparable character appeared to give similar testimony. Why Congress has not taken such action before now I cannot say; but at least it is never too late to right a wrong.

Mr. WILLIS. I thank the Senator for the explanation. In this connection I am reminded that there still lives in my own State one of the men who submitted himself to the experiments for the prevention of yellow fever—Mr. John Kissinger, of Wabash County, in my State—and I am pleased to know that he has been amply cared for by the Government.

However, let me say that just now, when we are putting forth every effort for the defense of our country and when we need every dollar that can be raised, it seems to me it is unwise to set a precedent for paying annuities to men who are engaged in the hazards of public work. Every public work has its form of hazard. It seems to me that if these men were given some encouragement by the President of the United States at

the time the work was under way, the matter surely should have been taken care of long before this. I think the claim is outlawed by this time.

Mr. BYRD. Mr. President, I simply desire to observe that President Franklin Roosevelt opposes the measure, that the Director of the Bureau of the Budget opposes it, and that the men who went to work on the Panama Canal were paid generous wages while they worked.

Mr. PEPPER. Mr. President, to present the issue, I move to lay on the table the motion to reconsider the vote on the passage of the bill.

The motion to lay on the table was agreed to.

POSTMASTER, EAST STROUDSBURG, PA.

Mr. McKELLAR. Mr. President, on February 3, 1942, the nomination of Myron L. Wyckoff to be postmaster at East Stroudsburg, Pa., was confirmed by the Senate, and the President was immediately notified. I now ask unanimous consent, as in executive session, to enter a motion to reconsider the vote of the Senate advising and consenting to the nomination.

Mr. President, I wish to say that neither of the two Senators from Pennsylvania is present, and before action is taken on my motion the nomination will again be submitted to the two Senators from Pennsylvania. The Post Office Department has asked me to make this motion, and I am simply carrying out its wishes.

The VICE PRESIDENT. Without objection, the motion will be entered.

Mr. McKELLAR. I now move that the President be requested to return to the Senate its resolution of February 3, 1942, advising and consenting to the appointment.

The VICE PRESIDENT. Without objection, the motion is agreed to.

Mr. McNARY. Mr. President, I understand from the distinguished Senator from Tennessee that he has entered a motion, but that no action will be taken until opportunity has been had to consult with the two Senators from Pennsylvania?

Mr. McKELLAR. Absolutely. I should not think of having action taken without consulting them. I regret very much that they are not present at this moment. Nothing will be done until they have passed on the matter.

Mr. McNARY. That is eminently fair.

Mr. McKELLAR. The action is taken under the rule.

FINANCIAL AID TO CHINA

Mr. CONNALLY. Mr. President, from the Committee on Foreign Relations I ask unanimous consent to report favorably House Joint Resolution 276, and to submit a report (No. 1016) thereon.

The joint resolution proposes to authorize the Secretary of the Treasury, with the approval of the President, to make a loan, to extend credit, or to give other financial aid to China in an amount not to exceed in the aggregate $500,000,000.

The Committee on Foreign Relations today considered the measure and had testimony from the Secretaries of War, Navy, and State, and from Mr. Jones, the Federal Loan Administrator and Secretary of Commerce. After full and frank hearings, the committee reports to the Senate unanimously in favor of the passage of the joint resolution. I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The joint resolution will be read for the information of the Senate.

The joint resolution (H. J. Res. 276) to authorize the President of the United States to render financial aid to China, and for other purposes, was read as follows:

Whereas China has for more than 4 years valiantly resisted the forces of Japanese aggression; and

Whereas financial and economic aid to China will increase her ability to oppose the forces of aggression; and

Whereas the defense of China is of the greatest possible importance: Therefore be it

Resolved, etc., That the Secretary of the Treasury, with the approval of the President, is hereby authorized, on behalf of the United States, to loan or extend credit or give other financial aid to China in an amount not to exceed in the aggregate $500,000,000 at such time or times and upon such terms and conditions as the Secretary of the Treasury with the approval of the President shall deem in the interest of the United States.

SEC. 2. The authority herein granted shall be in addition to any other authority provided by law.

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sum or sums not to exceed $500,000,000 as may be necessary to carry out the provisions of this joint resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. CONNALLY. Mr. President, I do not care to discuss the joint resolution at any length. It speaks for itself. In short, the measure simply provides that the Secretary of the Treasury, with the approval of the President, may loan or extend credit or other financial assistance to the Chinese Republic.

Since the 7th of December, when we were plunged into the World War, it has been of the highest importance that China be aided in carrying on resistance against Japan, our common enemy. For more than 4 years China's armies, with courage rarely equalled in history, and with unmatched fortitude, in spite of great difficulties in the production and accumulation of supplies, have carried on a gallant struggle against an unwarranted invasion and conquest by the Japanese. Now that Japan is our common enemy, it is to the interest of our country and our Government to give every possible assistance and aid to the Chinese in order to enable them to continue their resistance and, we hope, to become aggressive against the Japanese forces by keeping them busy on their present fronts and keeping them away from other military fronts.

With that statement, I conclude my brief explanation of the measure. If any Senator desires to ask any questions, I shall be glad to respond so far as I am able to do so. I hope the Senate will with promptness pass the joint resolution.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Ohio.

Mr. TAFT. I intend to support the joint resolution; but I am curious to know why this loan is required in addition to the unlimited amount of money which may be loaned under the Lend-Lease Act; how we can help China in addition to the help we are already giving, and how the money proposed to be loaned under the joint resolution can be used to give such aid.

Mr. CONNALLY. Insofar as I can do so, I shall undertake to answer the Senator. Let me say to him that the extension of aid through the Lend-Lease Act, which was restricted to supplies, munitions, and material equipment, has been endangered, of course, by the threat to the Burma Road, over which most of the supplies heretofore have gone. I desire to suggest to him, however, that China herself internally produces large amounts of war materials. She manufactures rifles, machine guns, and articles of that character. So the extension of the credit proposed to be authorized under the joint resolution will stiffen China's internal economy, and probably will make it possible for her to establish within her own borders plants for the maintenance of her national economy

Mr. TAFT. I wonder how we can get the money there. Surely we are not going to ship silver bullion, of which we have a large amount.

Mr. CONNALLY. No; that is unlikely.

Mr. TAFT. Is it proposed to set up in this country credits against which currency will be issued? How is it proposed to give this assistance? The Chinese will have to pay out something in order to build munition plants in China.

Mr. CONNALLY. Certainly.

Mr. TAFT. How will we get to them money with which to pay for these things?

Mr. CONNALLY. Let me say to the Senator that that aspect of the matter has been considered by the committee. After all, getting money to the Chinese is a matter of mechanics which the Treasury and the financial experts no doubt will be able to devise. I will say to the Senator, however, that the mere extension of credit to the Bank of China or the Government of China will have the effect of enabling them at home to finance their operations, because a backlog of $500,000,000 in the Treasury of the United States will enable their own Government either to issue currency or to adopt other financial arrangements necessary to meet the situation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Kentucky.

Mr. BARKLEY. Commenting upon the Senator's inquiry about aid under the Lend-Lease Act and the necessity for the additional credit proposed to be authorized under the pending joint resolution, it may be stated that the process of getting materials to China from the outside, as contemplated largely in the lend-

lease program, is one which, in view of the situation, may offer difficulties.

The loan proposed to be made under the joint resolution is for the purpose of aiding China internally; to enable her, as the Senator says, to stiffen her internal economy, regardless of whatever supplies may be sent into China from the outside. It might enable China to buy from contiguous territories materials which could not be obtained under the lend-lease program, however willing we are to send aid to the Chinese. The proposed loan is for the purpose of supplementing any possible lend-lease aid, and not for the purpose of being a substitute for it.

Mr. TAFT. Mr. President——

Mr. CONNALLY. I will yield in a moment. I thank the Senator from Kentucky for those suggestions. I may say that operations under the lend-lease bill are not only dependent upon the Burma Road and other avenues being kept open, but we are always confronted with difficulty in shipping. As the Senator from Ohio no doubt knows, the world is short of shipping; and with operations 7,000 miles away, the transportation problem is a very vital one, and we may have difficulty in getting to China the volume of lend-lease material we would desire to send, even though highways might remain open. I now yield to the Senator from Ohio.

Mr. TAFT. Mr. President, what occurred to me was that we cannot assist China unless somehow they issue currency to pay for these guns and factories and soldiers. I suppose such payments must be made in Chinese currency to their own citizens. It occurred to me that this $500,000,000 fund perhaps is to be kept here to serve as a base for Chinese currency. It may be that that can be done, but it seems to me that it may be a very dangerous thing to do. I assume the experts of the Treasury will see that if there is a new currency issued by somebody against this reserve, it will be so handled that the $500,000,000 will not be practically thrown away. I do not know about the details, but it seems a rather difficult thing to get $500,000,000 to China under present conditions.

Mr. CONNALLY. I thank the Senator for his inquiry, but let me say to the Senator that a bank does not keep all its money in its own vaults; it does not keep cash; it keeps credits in the central bank in New York and in the Federal Reserve banks. The existence of this credit to the Bank of China or to the Chinese Government will serve the same purpose as a bankable reserve would in this country. How the Chinese may handle the matter will, I am sure, be under the general supervision of the Treasury and our own authorities, and their aid and advice will be given. We have missions in China, and will continue to have missions there. I am satisfied that the most practicable way to handle the financial end of it will be adopted.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BARKLEY. The knowledge on the part of the Chinese Government that they have, either in money or in credits, this backlog against which they may purchase wherever they can in contiguous territory in the Far East any supplies they may need will certainly be of great military, physical, and moral assistance to that Government in keeping up the fight.

Mr. CONNALLY. I thank the Senator from Kentucky for his pertinent remark. I assume in the case of China the check of the Treasury of the United States would be just as acceptable to the seller as currency which might not be worth a hundred cents on the dollar. I see no difficulty, Mr. President, in that respect, because the mere existence of that much money to the credit of the Chinese Government would be tantamount almost to that much cash in China.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Maryland.

Mr. TYDINGS. Do I understand correctly that it is the Senator's idea that practically all, or at least a large part, of this money will be spent internally in China?

Mr. CONNALLY. Whatever amount is necessary to accomplish the purposes we have in view.

Mr. TYDINGS. I was wondering whether it was the thought of the committee that it would be used primarily for credit on the outside or for credit on the inside.

Mr. CONNALLY. Both, if necessary.

Mr. TYDINGS. Which is predominant?

Mr. CONNALLY. I would say, very frankly, along the line suggested by the Senator from Kentucky, that one of the primary purposes of this particular loan is for use internally in China.

Mr. LA FOLLETTE. Mr. President, I wish to say a few words before the vote is taken. I shall not oppose the joint resolution, but, because of the fact that the testimony was taken in executive session, and because of certain military implications which are involved in this whole situation, I find myself in a position where I cannot make a full and frank statement for the RECORD. I am not complaining about that, I may say, but I desire merely to observe that to the extent the moneys or the credits to be provided under the joint resolution are utilized for the purpose of strengthening the internal economy of China, I see no objection to it; to the extent that they may be used for some other purposes, I think there is grave doubt about the wisdom of it, and it will prove, in my opinion, ultimately to be a great disappointment.

The VICE PRESIDENT. If there be no amendment to be proposed, the question is on the third reading of the joint resolution.

The joint resolution (H. J. Res. 276) was ordered to a third reading and read the third time.

The VICE PRESIDENT. The question now is on the passage of the joint resolution.

Mr. BARKLEY. I ask for the yeas and nays on the passage of the joint resolution.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES], who is detained from the Senate by illness. Not knowing how he would vote upon this question, I transfer my pair with him to the Senator from New Mexico [Mr. HATCH] and will vote. I vote "yea."

The roll call was concluded.

Mr. CHANDLER (after having voted in the affirmative). I have a general pair with the Senator from Pennsylvania [Mr. DAVIS] who is unavoidably detained from the Senate. I have been informed that, if he were present, he would vote as I have voted. So I will permit my vote to stand.

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is absent on official business. If present, he would vote "yea."

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury.

The Senator from Pennsylvania [Mr. DAVIS] is absent on business of the Senate. If present, he would vote "yea."

The Senator from Minnesota [Mr. SHIPSTEAD] is unavoidably detained. If present, he would vote "yea."

Mr. MCNARY. The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. I understand that, if present, he would vote "yea."

Mr. BARKLEY. Mr. President, I announce that the Senator from Georgia [Mr. GEORGE] and the Senator from New Mexico [Mr. HATCH] are absent from the Senate because of illness. I am informed that, if present, both Senators would vote "yea."

The Senator from Arkansas [Mrs. CARAWAY], the Senator from Idaho [Mr. CLARK], the Senator from Louisiana [Mr. ELLENDER], and the Senator from Utah [Mr. MURDOCK] are unavoidably detained. If present, they would vote "yea."

The Senator from Maryland [Mr. RADCLIFFE], the Senator from West Virginia [Mr. ROSIER], and the Senator from Georgia [Mr. RUSSELL] are absent on official and important business. If present, I am informed that they would vote "yea."

The Senator from Florida [Mr. ANDREWS], the Senator from Michigan [Mr. BROWN], the Senator from Nevada [Mr. MCCARRAN], the Senator from Texas [Mr. O'DANIEL], and the Senator from Arkansas [Mr. SPENCER] are necessarily absent. I am advised that, if present, they would vote "yea."

The result was announced—yeas 74, nays 0, as follows:

YEAS—74

Aiken	Clark, Mo.	Kilgore
Austin	Connally	La Follette
Bailey	Danaher	Lee
Ball	Downey	Lodge
Bankhead	Doxey	Lucas
Barkley	Gerry	McFarland
Bilbo	Gillette	McKellar
Bone	Glass	McNary
Brooks	Green	Maloney
Bulow	Guffey	Maybank
Bunker	Gurney	Mead
Burton	Hayden	Millikin
Butler	Herring	Murray
Byrd	Hill	Norris
Capper	Holman	Nye
Chandler	Hughes	O'Mahoney
Chavez	Johnson, Colo.	Overton

Pepper	Thomas, Idaho	Wagner
Reed	Thomas, Okla.	Wallgren
Reynolds	Thomas, Utah	Walsh
Schwartz	Tobey	Wheeler
Smathers	Truman	White
Smith	Tunnell	Wiley
Stewart	Tydings	Willis
Taft	Van Nuys	

NAYS—0

NOT VOTING—22

Andrews	Ellender	Radcliffe
Barbour	George	Rosier
Brewster	Hatch	Russell
Bridges	Johnson, Calif.	Shipstead
Brown	Langer	Spencer
Caraway	McCarran	Vandenberg
Clark, Idaho	Murdock	
Davis	O'Daniel	

So the joint resolution (H. J. Res. 276) was passed.

The preamble was agreed to.

NAVAL APPROPRIATIONS—CONFERENCE REPORT

Mr. OVERTON submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6460) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 6, 7, 8, 9, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 22, 23, and 24; and agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ", from time to time in whole or in part,"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 5, 10, 25, 26, and 27.

JOHN H. OVERTON,
CARTER GLASS,
ELMER THOMAS,
THEODORE FRANCIS GREEN,
DAVID I. WALSH,
RUFUS C. HOLMAN,
Managers on the part of the Senate.

J. G. SCRUGHAM,
JOSEPH E. CASEY,
HARRY R. SHEPPARD,
ALBERT THOMAS,
J. W. DITTER,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
Managers on the part of the House.

Mr. OVERTON. I ask unanimous consent for the present consideration of the report.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. OVERTON. Mr. President, before making the necessary motion to carry into effect the conference report, I desire to make a brief explanation of what the conferees have done.

The House conferees receded from their disagreement and concurred in all the Senate amendments with the exception of two. With respect to these two amendments, the House has concurred with amendments of its own.

The first of the two amendments is the Senate amendment agreed to on the floor, numbered 5, with reference to the pay of all officers above the rank of captain who are engaged in flying planes, commonly known as flight pay. With respect to this amendment, it was agreed between the conferees that 23 of these officers will be entitled to additional pay. Four of them will be entitled to additional pay in any event. These four are the Chief of the Bureau of Aeronautics, and the commanding officers of the Naval Air Stations at Pensacola and Jacksonville, Fla., and Corpus Christi, Tex. None of the other 19 are to receive any additional flight pay unless either they or their superior officers certify that during the period in which aerial flights were made extraordinary hazards were incurred.

The other amendment, numbered 27, was agreed to by adding $500,000,000 to the $2,000,000,000 that represented the value of the articles, other than ships, that could be turned over to friendly powers by the President of the United States under what is known as the Lease-Lend Act.

The PRESIDING OFFICER (Mr. CHANDLER in the chair). The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate the following resolution from the House of Representatives, which was read:

IN THE HOUSE OF REPRESENTATIVES,
February 4, 1942.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 2, 10, 25, and 26 to the bill (H. R. 6460) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 5 to said bill and concur therein with an amendment as follows:

Restore the matter stricken out by said amendment, amended to read as follows: "making aerial flights by more than 23 officers above the rank of captain, flight orders in the case of all flag officers to be subject to the specific approval of the Secretary of the Navy (except for 4 of such 23 officers, namely, the Chief of the Bureau of Aeronautics, the commandant, Naval Air Station, Pensacola, Fla., the commanding officer, Naval Air Station, Corpus Christi, Tex., and the commanding officer, Naval Air Station, Jacksonville, Fla., each of the other 19, to be entitled to flight pay, shall be required to certify, or to have their immediate superiors certify, that during the period in which aerial flights were made extraordinary hazards were incurred), nor by"; and

That the House recede from its disagreement to the amendment of the Senate numbered 27 to said bill and concur therein with an amendment as follows:

In lines 15 and 16 of the matter inserted by said Senate engrossed amendment, strike out "$2,000,000,000 and insert "$2,500,000,000."

Mr. OVERTON. I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 5 and 27.

The PRESIDING OFFICER. The question is on the motion of the Senator from Louisiana.

The motion was agreed to.

RETIREMENT OF GOVERNMENT OFFICIALS

Mr. MEAD. Mr. President, I ask unanimous consent to have inserted in the RECORD a statement I have prepared explaining the recent amendments to the Retirement Act.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RECENT AMENDMENTS TO THE RETIREMENT ACT

Members of Congress by no means will enjoy a pension as a result of the recently enacted Ramspeck Retirement Act.

Five hundred dollars per annum will be the charge levied against any Representative or Senator that elects to join the retirement system. More than that, he must have served 5 years or more and have attained his sixty-second birthday as well as being involuntarily separated from the service before he qualifies for retirement benefits. If he serves the minimum of 5 years necessary to qualify, he will be entitled to annual retirement benefits amounting to $714, providing he pays $41.66 every month during the 5 years of his membership.

Furthermore, the law does not freeze the Members of Congress into a pension system. They must elect to join a contributory retirement system and they must do so within 6 months after they are elected to Congress. This provision of law will prevent Members from joining on the last day of their service. However, present Members may join within 6 months after the beginning of the fiscal year July 1, next. Members may elect to pay assessments which would have accrued had they been permitted to join the system when they began their service in Congress but in no case prior to 1920. However, those who do not pay these assessments will only receive a partial annuity rather than the full retirement benefits allowed to those who pay their past assessments. It is, therefore, to the distinct advantage of the Members to pay all past assessments. However, it matters not one iota so far as the Government is concerned, for in either event it does not add one cent to the Treasury's cost.

Members of Congress it should be remembered are made eligible to come into the system at a time when the assessments to be deducted from their salaries are at their highest level, viz, 5 percent. In some instances Members would do better by purchasing insurance from a private company.

In 1920 employees paid but 2½ percent of their salaries, and then the rate was raised a few years ago to 3½ percent, while under the bill just enacted into law the rate is raised to 5 percent, which is as high a rate as charged by any contributory retirement system in the United States.

This increase from 3½ to 5 percent is expected to increase the revenues of the retirement fund from $67,000,000 to approximately $100,000,000 annually. The fund now has a surplus of $761,000,000 in its treasury of which the employees paid in the greater share. Five hundred and ninety-three million dollars have been paid in by employees and $178,000,000 represents accrued interest added to the fund. The Government's contribution likewise has been substantial. Increasing the age limit for automatic separation from 62 and 65 to 70 years will increase revenues hereafter from members paying into the system, and at the same time it gives the Government for a longer period of years the useful services of these highly trained employees.

Members of Congress, in my judgment, will not be able to join the retirement system on

the last day of their service by paying 1 day's premium and thus become eligible for retirement benefits. This contention is supported by the retirement board's position. After conforming with all the other qualifications, the law, as I interpret it, requires a payment of 5 percent of a Member's annual salary, there being no mention of a 5-percent deduction of his daily wage. A Senator joining the fund as required within 6 months after he is elected would of necessity pay assessments for a period of 5½ years before his term expired. However, in other cases, including civil-service workers, postmasters, and department officials, actually thousands have retired in the past on the first day the law covered their group. To prevent such an occurrence, if it should ever take place, I would again support the Byrd amendment, or one requiring a minimum payment covering 5 years of service, which is the length of service now necessary to qualify for retirement benefits.

It is interesting to note from a cursory check-up of the service records of the present Congress that of the 531 House Members only 10 could, if involuntarily separated from the service, qualify and retire at the end of this term with an annuity of as much as $3,000 per annum. Only 41 could retire with annuities of as much as $2,000, only 66 would retire with as much as $1,500. Only 112 with as much as $1,200, and 164 with as much as $1,000 per year. Many of these will have to wait for years until their sixty-second birthday. Large annuities will be rare. Approximately 100 in both Houses could not qualify at all.

When you compare the cost of Members of Congress and others in the civil-service retirement system with the cost to those who are members of other similar systems, the actuarial soundness of the civil-service retirement system is easily apparent. In fact, it is too costly, in my judgment, to those in the lower salary brackets, and a sliding scale of deductions ranging from 3 percent to 5 percent should be established.

Looking at other retirement systems for comparison, we find the Federal judges are retired now on full salaries at the age of 70 after 10 years of service and no deductions of any kind are made from their salaries. In other words, once appointed, whether in active service or in retirement, a Federal judge receives a maximum full-time salary. It would be in keeping, I believe, with our democratic sense of fairness if we placed all those in the Federal service, except perhaps the officers of our military forces, in the same general retirement system. This coordination of retirement systems would add additional revenues to the civil-service retirement fund and further insure its soundness.

Members of the Foreign Service of our State Department have a liberal retirement system which pays them 60 percent of their salaries on retirement, for which they are charged 5 percent. Both the Panama Canal and the Alaskan Railroad retirement systems charge 5 percent, but in each case the beneficiaries are given a higher annuity benefit. All these systems might very well come under the one agency. Most of our State systems—and there are a number of these, including California, Colorado, Connecticut, Florida, Maine, Maryland, Massachusetts, Minnesota, New Jersey, New Mexico, New York, North Carolina, Ohio, Pennsylvania, and Rhode Island—charge on the average from 3 percent to 5 percent. A number of these State funds are open to elective State officials, and the New York State retirement system also includes members of congress in its coverage. Our State of New York is an example where everybody from the Governor on through to the village constable is eligible for retirement benefits.

Railroad employees in the railroad retirement fund pay 3 percent of their salaries; industrial workers who come under social security pay at present but 1 percent of their salaries. The Coast Guard, the Coast and Geodetic Survey, as well as the United States Public Health Service, enjoy retirement benefits but pay no assessments whatsoever into any fund. By comparison, therefore, the 5 percent, or $500 per annum, paid by Members of Congress is the maximum rate paid by anyone into any retirement system in the United States.

Five hundred thousand additional Federal workers, including practically all those in the executive, legislative, and judicial branches of the Government, are brought under the Retirement Act by this recent legislation. While a few may retire shortly after the law becomes effective, 500,000 will continue to pay into the fund 5 percent of their annual salaries. This, the actuaries tell us, will make the system actuarially sound. While this high rate is a hardship on the lower-paid employees, the pending minimum-wage bill now before our Civil Service Committee will assist those full-time employees now receiving less than $1,200 per annum to meet rising living costs, while the longevity-pay bill now in conference will help to tide the postal workers over this emergency. Other lower-paid workers have received recognition through the automatic promotion measure. It will be readily seen from the above that the Congress, in the recent legislation, has not voted itself retirement benefits on any more favorable terms than applies to the regular Federal employee. In fact, the terms are more severe than has been the case since the original Retirement Act was passed. Federal employees who have been contributing for 20 years are only those who came within the original retirement law. Others in the Government service, when covered under such law, were called upon to contribute prospectively and not retroactively. These amendments to the original act, therefore, follow the well-established practice of permitting officials and employees to secure old-age benefits when the system is finally extended to cover them without the compelling necessity to contribute for their past services. This applies to those in the executive branch of the service just as much as to those in the judicial and the legislative branches of the service.

We must not forget the requirement that Members of Congress will be called upon to pay retroactively from the beginning of their service if they are to enjoy the maximum retirement benefits. If they do not meet these retroactive demands, they will only receive partial retirement pay. Large annual retirement benefits are almost impossible for Members of Congress. The requirements are difficult to meet and the average length of service is not sufficient to earn a sizable retirement allowance.

To illustrate: A Member of Congress with 21 years of service at $10,000 a year, retiring at the age of 70, would be entitled to $3,000 annually, although very few ever serve as long as 21 years. If one did, he would receive the $3,000 annually only if he paid in a lump sum an amount covering in full salary deductions for his entire term of service. This sum for the 21 years would amount to $10,500. So it will be a rare occasion when a Member becomes eligible for retirement benefits amounting to $3,000 per annum. Another illustration applies in the case of the President of the United States. At the end of 12 years of service he would be entitled to a pension of approximately $12,000 a year. But to receive this maximum retirement the President would have to pay into the fund $37,500. Therefore the extension of the retirement system to cover elective officers has been done in keeping with former practices and the well-established procedure in vogue since the beginning of the retirement law. No favoritism has been shown. No exceptions have been made.

Extending the retirement coverage to all the employees and officials of the Federal Government is in keeping with the general trend of recent years, which has been to provide old-age or retirement benefits for all our citizens. The Social Security Act is constantly extending its coverage to employees in business and industry. Agricultural and domestic workers, as well as many others, may be covered in the near future. A liberalization of old-age noncontributing pension benefits, accelerated by the persevering leadership of the Townsend organization and other pension groups, is constantly taking place, and should be encouraged until we have set up a sound Federal noncontributing old-age system, supplementary to existing contributing retirement systems, that will be uniform, adequate, and universal.

Personally, I believe the age for retirement in the case of Congressmen and Senators should be raised to 70 in cases of voluntary retirement, as is the case with judges and employees of the several departments of Government. This change, however, could be made when some future amendments to the Retirement Act are being considered. We are in these amendments making progress toward a retirement system that will be not only actuarially sound, but devoid of even the slightest imperfection. Taken all in all, the Federal retirement system today is by far the best system thus far adopted.

The legislation was recommended by the Budget Bureau, the Retirement Board, and the Civil Service Commission, and the signing of the bill by the President adds his approval. No opposition to the measure was presented in either House. The following organizations and agencies appeared before the House committee at the public hearings and spoke in support of the bill:

National Federation of Federal Employees.
Railway Mail Association.
National Association of Postal Supervisors.
Joint Conference on Retirement, Civil Service Employees.
Women's Division, Brooklyn Navy Yard.
National Association of Letter Carriers.
District No. 44, International Association Machinists.
National Civil Service Reform League.
Philadelphia Branch, Railway Mail Service.
National Legislative Council Federal Employees Organizations.
United National Association of Post Office Clerks.
National Federation of Rural Letter Carriers.
National Association of Post Office and Railway Mail Laborers.
American Federation of Government Employees.
Federal Bar Association.
National Federation of Post Office Clerks.
National Association of Retired Federal Employees.
National Council of Officials, Railway Mail Service.
Retirement Federation of Civil Service Employees of Navy Yards, Naval Stations, and Arsenals.
League of American Civil Service Employees.
National Association of Master Mechanics and Foremen.
National League of District Postmasters.
Field Association of United States Immigration and Naturalization Employees.
United States Treasury Department, Beneficial Association.
National Customs Service Association.
Professional Employees, Department of Agriculture.
United Federal Workers of America.
United States Retirement Board.
United States Bureau of the Budget.
United States Civil Service Commission.

These approved the measure by their action:

The House of Representatives.
The Senate.
The President of the United States.

EXAMINATION OF ACCOUNTS OF NAVAL DISBURSING OFFICERS

Mr. WALSH. Mr. President, a few days ago, when the calendar was called during my temporary absence from the Senate, Order of Business 1031, Senate bill 2192, was passed over because an explanation was requested. The bill is a minor one, and an explanation can be made in a moment if the bill can be taken up. I, therefore, move that the Senate proceed to the consideration of Senate bill 2192.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 2192) to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy, which had been reported from the Committee on Naval Affairs, with amendments, on page 1, line 9, after the word "extended", to strike out the comma and to insert "from 60 to 90 days"; on line 10, after "Congress", to strike out "or determined by the President"; on page 2, line 2, after the word "exist", to strike out the comma and to insert "from 60 to 90 days" and a period, so as to make the bill read:

Be it enacted, etc., That the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy after the date of actual receipt in the Bureau of Supplies and Accounts, Navy Department, and before transmitting the same to the General Accounting Office, as limited by section 12 of the act of July 31, 1894 (28 Stat. 209), as amended, is hereby extended, from 60 to 90 days in time of war or during any emergency declared by Congress and for a period of 18 months after such war or emergency shall have ceased to exist.

The amendments were agreed to.

Mr. WALSH. Mr. President, the purpose of the bill is to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy prior to the transmission of the accounts to the General Accounting Office. The law now provides for 60 days, which is ample in normal times, but the rush, and the increase in business of the Navy, have necessitated the request now made by the Navy for an extension of the time to 90 days. Legislation has already been enacted permitting this in the case of the Marine Corps and in the case of the Army.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PROBLEMS OF SMALL BUSINESS—ADDITIONAL REPORT AND BILL INTRODUCED

Mr. MURRAY. Mr. President, I ask unanimous consent that I may file an additional report from the special committee appointed by the Senate under Senate Resolution 298 to study the problems of small business. The report, No. 479, part 2, relates specifically to the effect of the national defense program on small business, and presents recommendations designed to bring about more effective participation by small business in the war effort.

The PRESIDING OFFICER. The report will be received and printed, under a previous order of the Senate.

Mr. MURRAY. Mr. President, the Senate Committee on Small Business Problems has been engaged for some time in a study of the serious economic effects of the national defense program on our system of small business enterprise in this country. I am sure that every Senator has been deeply concerned about the rapidly increasing problems which the impact of the war and the national defense effort have huddled on the backs of the small business men of the Nation. I know Senators' desks have been loaded with letters from small business concerns crying for help. I know that every Member of this body realizes that the very preservation of the democracy for which the war is being fought is closely bound up with the preservation of small business. This is a nation of free enterprise. American business was founded upon the principle of free competition; but today, under the impact of the war, free enterprise is in real danger of being replaced by a system of collectivism.

SITUATION NOT HOPELESS

For more than a year our committee has been studying these conditions. It has issued a number of publications dealing with various phases of the question. The committee recently held a series of hearings dealing particularly with small business and the administration of the war program. As chairman of the Small Business Committee, I have just submitted an additional report dealing with this particular aspect of the plight of small business. The Congress in recent weeks has been receiving depressing reports from other committees dealing with various phases of the war program. It is the opinion of our committee that no phase of the war effort carries more serious consequences to the Nation than the effect of the war program on small business. Our committee feels that the dangers confronting small business are not wholly insurmountable. It is our hope and belief that the several suggestions which the committee presents in this report will, if adopted, bear fruitful results.

The committee has carefully avoided using its position and power to attack or make scapegoats out of anyone connected with the national defense effort. We have sought zealously to make our report constructive and not merely a vehicle of useless criticism. In bringing out the facts relating to the impact of the war on small business, we, however, have not minced words, but have sought only to get at the truth of the situation. The report, as submitted, speaks for itself. It constitutes a clear and concise history of recent occurrences affecting small business and points to possible remedies.

RUTHLESS TREATMENT OF SMALL BUSINESS

The report shows as clearly as broad daylight that the death knell is now ringing for thousands of small concerns in the United States. The doors of small plants which have been unable to convert to war production or secure war contracts are closing every day. Yet, through testimony given by Mr. Odlum, Director of the Contract Distribution Division of O. P. M., it was shown that the allocation of as little as one-half of 1 percent of the supply of certain scarce materials would have been sufficient to keep open the doors of thousands of these small concerns, while plans were being devised for their mobilization into the war program. While the great battle of the production giants of the country over war contracts has been raging, administrators of the defense program have signally failed to give recognition to the small manufacturing concerns of the country. At no time during the prosecution of the war program have its administrators shown proper consideration for the fate of some 375,000 small business concerns which are about to be destroyed as a result of the war effort.

MUST AVOID NEEDLESS CASUALTIES

If all this business mortality of the Nation could be avoided it would seem the part of wisdom to prevent it; but the policy of those in charge seems to be confined solely to production, regardless of consequences. Small business enterprises which have been destroyed as a result of such policy are regarded merely as casualties of the war. Thousands of energetic, able American citizens who have devoted their lives to the building up of small business concerns, and who are fitted for no other occupation, must now, as a result of this arbitrary conduct of the defense effort, witness the work of a lifetime destroyed and themselves relegated to the army of the unemployed. Truly, these Americans are casualties of the war; but the question is, Are they being needlessly sacrificed? A farseeing general seeks to conserve the lives of soldiers entrusted to his direction. He does everything possible to save his men from needless destruction. In this view of the situation, it seems to our committee that it is the duty of the Congress of the United States to do everything within its power to prevent needless destruction of the small business concerns of the country while we are engaged in this gigantic war effort.

It is the sense of our committee that it will be a great mistake for the Congress to neglect the frantic appeals of the thousands of small business men from all sections of the Nation who are seeking protection from annihilation. Instead of being destroyed, many of those small concerns can and should be utilized in the victory program; and many of those which cannot fit into the program can, with little if any effect on war production, be maintained in civilian activity during the war. It will take some patience, some effort, some financing, and some sound, hard, common sense to handle the situation. In the end it will mean more production and less confusion for the Nation.

SEVENTY-FIVE PERCENT TO 56 COMPANIES

Mr. President, it seems almost incredible that in the effort to utilize the country's total resources for war, no comprehensive inventories of the available machinery and equipment have yet been compiled. Witnesses before our committee estimated that the small business concerns of the country employ more than 60 percent of all industrial workers, and that their potential capacity is enor-

mous but almost wholly unused, while 75 percent of the war contracts thus far granted have been concentrated in the hands of 56 big concerns. From this testimony it would appear that the fact that no comprehensive inventories of American industrial plants have been made seriously reflects upon the efficiency of the administrators of the war effort.

SMALL BUSINESS VITAL FOR WINNING THE WAR

Of course, the big mass-production plants are fine. We could not do without them. They will be the greatest contributing factor to the security of the Nation and the success of the war effort. We do not belittle them or underestimate the great reservoir of engineering capacity and technical skill which they are providing for the defense of the Nation. Their managers, supervisors, and administrators will, it is true, bring about the literal performance of economic miracles. The Nation is justly proud of their achievements. Nevertheless, Mr. President, there can be no justification for ignoring the small plants of the country. In the final analysis, they represent a tremendous capacity. It is the firm belief of our committee that they represent the balance of power in this great world conflict, which cannot be ignored.

ARMY AND NAVY DERELICT

Of course, it is much easier to make a few contracts with big concerns than many contracts with little concerns. Apparently, this situation has created a psychology which has caused big business and those in charge of the defense program to overlook the great production possibilities in the possession of small business, as well as the great danger that will result to the country from the destruction of small business concerns who may be forced to close as a result of the war. This, perhaps, also accounts for the failure to inventory the industrial plants of the country. While we have registered our manpower, we have not registered our machines. Furthermore, Army and Navy procurement officers appear to have had no comprehension of the extent to which small business might be employed in the war program. They were all mass-production-minded and made no effort to find ways and means of employing small concerns in war production. When this war started they had no plans for the utilization of small business in the war program, and still have no workable plans.

All these matters are more clearly discussed in our report. I deal with them here only in passing.

NOW UP TO WAR PRODUCTION BOARD

Mr. President, as a result of the mounting troubles which have developed in the administration of the war-production program, there has been a series of changes in the agencies set up for the purpose of handling the problems. A new War Production Board has just been created, with Mr. Donald M. Nelson in complete authority. If anything is to be done to save the small business concerns of the Nation, we must look to this War Production Board for the rescue of small business. The committee regards the establishment of the War Production Board as a great constructive move. We were in the midst of preparing a report when the Board was set up, and we find that it is in line with recommendations we were preparing to make.

With the establishment of the War Production Board and the centralization of authority and responsibility we have reason to hope for a much more efficient administration of the program in the future than in the past; but unless certain very definite changes are made in the set-up as it now exists, the problem of shielding small business from the destructive impact of the war will be far from solved. We are all anxious to give Mr. Nelson the full measure of credit which belongs to a patriotic American citizen who makes the type of sacrifice which he is making. It is only fair to assume that the very pressure of the needs of the new victory program will result in mobilizing into the war program a considerable number of small manufacturing concerns which up to now have, without success, been clamoring for recognition. But when this is done, only a phase of the problem shall have been touched.

MANUFACTURING ONLY A PHASE OF THE PROBLEM

Mr. President, there are in the United States nearly 3,000,000 small business concerns. Approximately 184,000 of them are manufacturing concerns. Up to the present time, the facilities of some 10,000 are being used in the war program. It is estimated by competent witnesses that some 45,000 can be adapted or converted so as to be mobilized to some degree into the war-production program, thus leaving approximately 140,000 concerns to carry on necessary civilian production. For these, wherever possible, there must be reasonable allocations of materials so they can continue to function. When all this has been accomplished, however, we shall have taken care of only about 6 percent of the small business concerns in the country. Witnesses from the Department of Commerce testified at our hearings that at least 375,000 of the 2,758,000 small business concerns are threatened with bankruptcy because of war restrictions and regulations.

The interest which the Senate takes in this question was well demonstrated by the presence of more than 30 of its Members at the recent hearings held by the Small Business Committee in regard to the automobile and tire situation. On that occasion Mr. Henderson brought out the point that many other lines of activity will be similarly affected before the war is over. As Members of the Senate, we will be derelict in our duty if we do not follow this question through and demand that small business be given the fullest measure of protection in the administration of the war program.

DIVISION OF CONTRACT DISTRIBUTION

In order to understand what is necessary to be done if small business is to receive recognition in the future it is appropriate that we should review for a moment what has occurred in the past. Early in the administration of the war program it was apparent that small business was not receiving the recognition to which it is entitled. In November 1940, under the National Defense Advisory Commission, the Office of Small Business Affairs was set up. Mr. Donald M. Nelson, present Chairman of the War Production Board, was its Director. In February 1941 the set-up was changed and the Office of Small Business Affairs became the Defense Contract Service as a branch of the Production Division under Mr. Biggers. Later the Defense Contract Service became the Defense Contract Service Bureau and Mr. Mehornay became its chief. In September 1941 the Division of Contract Distribution was set up by Presidential order as a division of O. P. M. under the direction of Mr. Floyd Odlum. Under these various agencies offices were established in many places in the United States with the intention that they should assist small business concerns in their efforts to take part in the war program.

WHY THE PLAN FAILED

As set forth in the President's statement at the time the Division of Contract Distribution was created, the one purpose was the assistance of small business enterprises. I know Senators all wonder why, with such an obvious effort being made to help small business, almost nothing was accomplished. When Mr. Odlum appeared before our committee on December 19 he testified that his Division was one of responsibility without power. He had worked out some plans for the assistance of small business which the committee thought appropriate. These provided for the gradual integration of small business manufacturing concerns into the war program, with an allocation of small quantities of scarce materials to keep other concerns open while they were being mobilized. But Mr. Odlum's Division seemed to be powerless to accomplish its objectives.

As we investigated the situation, the committee felt that if more power could be given to the Division of Contract Distribution its plans might be carried forward and something might be accomplished; but when we undertook to find out how additional power and authority could be given to Mr. Odlum's Division, we ran into serious difficulties. The Division of Contract Distribution was a division of O. P. M. It made its recommendations to the Director General of O. P. M.

If he saw fit to accept the advice of the Division—and there is very little evidence that he did—he made his recommendations to the Procurement Divisions of the Army, Navy, Maritime, and lease-lend agencies, which were independent and entitrely outside O. P. M. Thus, in effect, we found the Division of Contract Distribution to be an advisory agent to an advisory agent to procurement divisions which seemed unwilling to accept advice. Thus, we had the Division of Contract Distribution, under the direction of a big business man, making recommendations to another big business executive, who, in turn, made recommendations to Army and Navy divisions under the direction of military officers, who naturally

have little contact with small business and little perception of how small business might be utilized in the war program.

AUTHORITY REDUCED UNDER WAR PRODUCTION BOARD

Seeking to overcome these difficulties, your committee drew up recommendations for the creation of a War Mobilization Board with centralized authority and responsibility, and with the Division of Contract Distribution made a separate division with direct representation on the central board. In the meantime, and before the report was completed, the President created the War Production Board and named Mr. Nelson as its Chairman. Under this Board, the Division of Contract Distribution, which the President had previously created by Executive order, might have been given direct representation. But, to our surprise, we find that at the very moment when an effective voice for small business could have been found, the Division of Contract Distribution has been abolished and its functions lodged in a branch of the Production Division of the War Production Board, exactly where it was when the war program started. Thus, after three fruitless moves, small business is not only no better off than when the defense program started, but much worse off because its resources have now been largely drained away during a 2 year waiting period.

BIG BUSINESS DOMINATION

So, the committee views these steps with grave misgivings. Small business has had no voice in the war program so far; and unless it is given some genuine recognition now, the opportunity to do so will be forever lost. This is the last time around. It will be sad, indeed, if 6 months from now we learn that this effort, too, has failed as have all the rest. The creation of the War Production Board, as now set up, does not guarantee sympathetic treatment for small business. Mr. Nelson is himself a big business man. All his life he has been preoccupied with the ideas of big business. This is no criticism; it is a simple statement of fact.

The Purchases Division of the War Production Board is headed by Mr. Douglas MacKeachie, purchasing director of the Atlantic & Pacific Tea Co., the world's largest chain-store organization. The Production Division is headed by Mr. W. H. Harrison, vice president of the American Telephone & Telegraph Co., a very able and efficient big business man. The Materials Division is headed by Mr. William L. Batt, president of the S. K. F. Industries, Inc., large manufacturers of roller bearings and similar equipment. Mr. Batt has made a splendid record and he has our very high respect for his able work. The Division of Operations is headed by Mr. J. S. Knowlson, president and chairman of the board of Stewart-Warner Corporation, whose ability as a big business man we fully recognize. These are the four divisions in charge of the mobilization of the war program, all in the hands of big business executives who have thus far failed to give small business the recognition it deserves and must have.

DANGER TO SMALL BUSINESS INCREASED

Mr. President, I submit that the concentration of power in the new War Production Board, with no representation whatsoever for small business, only adds to the danger and is no guaranty whatsoever that in the mobilization of small industries into the war program they will be fairly treated, or that proper consideration will be given to the millions of other small concerns vitally affected by war regulations and restrictions. Our committee feels that if the small business enterprises of this country must, to so great a degree, become casualties of the war, small business should have some say in its own execution. It is not fair that the share of small business in the war program be doled out to it entirely at the hands of big-business executives, who may be unconsciously affected by their affiliations and who owe their first allegiance to the large concerns. This is no reflection on their personal integrity; they are naturally affected by big-business psychology.

I want to say at this point that I am not averse to big business men as such, and I think I speak for all the members of our committee when I say that we have every respect for the great abilities of men who can successfully handle the affairs of the gigantic business and industrial enterprises of our day. We feel that the country is fortunate, in many respects, in being able to obtain their services. But we must not forget that there is a definite dividing line between the welfare of big business and that of little business.

RESPONSIBILITY OF CONGRESS

If we sit supinely by and permit the whole war program to be absorbed by big business, and permit small business to be wiped out, we shall be held responsible for one of the greatest mistakes in our history. If we fail to act, that is exactly what will occur. Mr. Nelson washes his hands of all responsibility. Whose responsibility is it, then? We think it is the responsibility of the Congress. The Congress must see that no such disastrous consequences are permitted to result.

Small business is entitled to have its own peculiar problems interpreted by men experienced in small business, who really understand its problems, and who are in full sympathy with its needs. Small business is surely entitled to be represented within those branches or sections of the administrative machinery which issue peremptory orders resulting in the closing of thousands of small concerns, such as the recent orders stopping tire and automobile sales. Such orders may merely inconvenience big industry, which is sustained by war contracts, while they utterly destroy the small distributing concerns. Until recognition is given small business in planning, procurement, production, and financing divisions, it will never receive fair treatment or be properly integrated into the war effort.

SMALL BUSINESS MUST HAVE A VOICE

At the time of his appearance before the Truman committee on January 28, Mr. Nelson expressed his sincere desire to distribute all the war burdens equitably. He admitted—to use his words—"the bias in all of us," and expressed the hope that everybody would get a fair and considered hearing; but he did not explain how fair treatment is to be accorded small business concerns when all the matters concerning their welfare are decided by executives drawn from the ranks of big business. The committee has every respect for Mr. Nelson's extraordinary ability and good intentions but is thoroughly convinced that until some definite means is provided within his organization to look after the welfare of small business, he will find himself incapable of accomplishing the results he desires.

BILL TO PROVIDE DIVISION OF SMALL BUSINESS PRODUCTION IN WAR PRODUCTION BOARD

In the light of the circumstances and conditions related, the committee desires to offer some definite legislative recommendations which it is believed will be helpful to small business and to Mr. Nelson alike. We have prepared a bill which I will introduce on behalf of myself and the other members of the committee. The bill which we are presenting provides that there shall be set up within the War Production Board a division of Small Business Production, to be headed by a director who shall be appointed by the President and who shall be a member of the War Production Board.

DUTIES DESCRIBED

Among the duties and responsibilities of the Division, so set up in the War Production Board, would be the making of a comprehensive inventory of small business capacity of the United States; determining the means by which small business can best be mobilized into the war program so that their facilities may be most efficiently and effectively used in augmenting war production; working with the procurement officers and pointing out to them the means by which the facilities of the small plants of the Nation can be used. The Division would be required to make studies with regard to raw materials and to make recommendations to the Chairman of the War Production Board relative to providing small business concerns with such adequate supply of raw materials as may not be inconsistent with the efficient operation of the production program. The Division would keep a careful check on subcontracting, and would work out plans for breaking up huge contracts into smaller parts so that the smaller concerns can directly participate.

SUBCONTRACTING SUPERVISED

The Division would also require that information be filed with it with regard to the methods used by the big contractors in doling out subcontracts. It would be its province to see that the smaller concerns are protected when subcontracts are made and that they get a chance for fair profit on the work they do. The object of this provision is to protect small concerns from oppression or coercion by prime contractors.

DEFINITE FINANCIAL ASSISTANCE PROVIDED

In the past little financial assistance has been available to small business, while millions have been doled out to big concerns. Small concerns have been

in the ridiculous position of being unable to get contracts because they cannot get credit, and being unable to get credit because they cannot get contracts. Our bill provides that the Reconstruction Finance Corporation shall organize a corporation to be known as the Smaller Defense Plants Corporation, whose duty it shall be to finance smaller plants in war production, to assist them in retooling their plants, and in carrying contracts forward to completion. It further provides that when a small plant has been certified as to its capacity and competence to produce war materials, the Smaller Defense Plants Corporation shall be obliged to provide the necessary finances. It authorizes the Procurement Divisions of the Army and Navy to award contracts to smaller concerns who are certified by the Division of Small Business Production as competent, without further red tape. Furthermore, the bill requires that the Division of Small Business Production shall safeguard the interests of small business in all phases of the war program.

MONTHLY REPORTS TO CONGRESS REQUIRED

As I have pointed out, 2 years have elapsed since the defense program started, and this is the last chance for little business. It would be unfortunate, indeed, if the present plan should fail.

For these reasons, the committee feels that the President and the Congress should be kept constantly advised as to what is being done for small business in the war program. In order that this may be accomplished, it provides that the Division of Small Business Production shall make a report every 30 days, not only to the War Production Board but also to the President and to the Congress, with regard to the treatment which small business is receiving. The bill further provides that the Director of the Division shall include in these reports comments and recommendations with regard to any matters affecting small business in its relation to the war effort which the Director of the Division may deem appropriate.

Thus, the bill provides a means of keeping constant check on the situation. It provides a watchdog for the protection of the smaller business enterprises of the United States, and it provides a means by which the bright light of publicity may be shed upon any further neglect or mistreatment which small business may receive in connection with the war program.

NOT A CURE-ALL

Mr. President, we propose this legislation not as a cure-all for the problems of small business in the United States. We recognize two phases of the question: One, the short-range problem of protecting the structure of small business during the war; the second, the preservation of free enterprise in the United States after peace has come. We shall give further attention to the long-range problem in a later report, accompanied by recommendations for legislation.

The bill which we are introducing deals with the short-range problem, but I shall close my remarks by emphasizing the gravity of the situation as strongly as I can. Unless effective measures such as we have proposed are taken immediately to protect small business we shall find that when the war has ended the battered and decimated ranks of small business will be too weak to carry on; and big business, backed by its great financial and political power, will move in to occupy the entire field, and we shall have lost one of the phases of democracy for which the war is being fought, one which constitutes a vital segment of our economic system, the destruction of which will endanger our whole American economy and way of life.

A COMMITTEE BILL

In connection with the report I also report a bill on behalf of myself and the members of my committee—the Senator from Connecticut [Mr. MALONEY], the Senator from Louisiana [Mr. ELLENDER], the Senator from New York [Mr. MEAD], the Senator from Tennessee [Mr. STEWART], the Senator from Kansas [Mr. CAPPER], and the Senator from Ohio [Mr. TAFT]—and I ask that it be appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2250) to mobilize the productive facilities of small business in the interests of successful prosecution of the war, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

"REMEMBER PEARL HARBOR"

Mr. WILEY Mr. President, ever since December 7 last the expression "Remember Pearl Harbor" has been constantly heard over the radio, has appeared in the press, and has been repeated by practically everyone who has spoken on current events. So long as we read history our people will remember the dastardly attack by the Japanese, without a declaration of war, when our two peoples were at peace, when our Secretary of State was negotiating with the Japanese Ambassador and a special envoy of Japan. But, Mr. President, merely to remember the attack on Pearl Harbor as an historic incident is not enough. Of course, it provided the cement that unified all our people; it also gave impetus to our war program and stimulus toward obtaining ultimate victory; but to me, Mr. President, the international crime which is brought to mind when we say "Remember Pearl Harbor" has other and more significant connotations. Let America pledge herself now that she will not in the next generation, or in the next 50 generations, close her eyes to earthly realities. I say, in the next 50 generations, because we hope and pray that at the end of that period enough of God's wisdom will have infiltrated into the minds of mortals so that incidents such as the one at Pearl Harbor will not be possible.

This beloved land of ours must never again become lulled to sleep by the siren voices of the impractical idealists, the devilish voices of the international propagandists, and the imbecilic voices of those who as leaders have their noses so close to magnified local problems that they cannot see the international situation. If the blind lead the blind, both will fall into the ditch. In the days that lie ahead may God provide America leadership that will keep her safe.

Mr. President, when we say "Remember Pearl Harbor" there come to our minds the words "alert," "on guard," "on watch." We remember the phrase of George Fielding Eliot "the ramparts we watch." On December 7 the ramparts in Hawaii were not being guarded or watched. Three thousand lives were lost and an untold amount of property was destroyed because we were not alert, or on the ramparts, watching. That is bad enough; but, Mr President, it all indicates that we were not alert to the realities of recent history. We had so soon forgotten the lesson of Hitler's attack on Poland, Norway, Belgium, Holland, and other nations, all of which were invaded without any declaration of war. There were neutrality agreements; but with lightning stroke Hitler broke down every legal, international, and moral barrier. He violated all laws, all rules, all moral concepts; and we knew that Japan was a partner of Hitler under the tri-partite agreement. In this respect we were not alert to the history of Japan's previous wars and maraudings. We had forgotten her attack on the Russian Fleet in Vladivostok in the Russo-Japanese War. We had forgotten her recent attacks on Manchuria, China, and Indochina. They all followed the same pattern as Hitler's attacks.

Remember Pearl Harbor! Let us say that we pledge this Nation to remember Pearl Harbor to the end of time, not necessarily in a spirit of revenge but so that from now on this Nation shall be constantly on the alert.

We will not forget the lessons of history; we will not forget that we are dealing with nations who do not believe in law and order, who will not live according to international law and order, and who have no regard for the great moral precepts of the philosophers and prophets and teachers of the race and of the Saviour of mankind.

Mr. President, we will not forget that it is an obligation upon this generation to teach its children the lesson learned by the incident at Pearl Harbor—to watch the Nation's ramparts, which can only be done by being constantly on the alert and on guard.

Mr. President, let us apply the watchword "Remember Pearl Harbor" not only in the East, in the West, in the South, and in the North, but let us apply it to the home front. Much has been said about men of responsibility in Hawaii not being awake to the situation, not being on guard, not being alert, but how about us on the home front? We are appropriating billions of dollars. Are we in Congress alert to see that this money, the people's money, appropriated for the defense of the homeland and the winning of the war, is being carefully and economically invested in the war effort, or are we in Congress satisfied that, having appropriated the money, we have done our duty? Do we feel that our function ends in appropriation? Do we let inexperience and inefficiency take a hand

with the people's money when we should be on guard and alert with respect to it?

Mr. President, there is an economic front, and to those of us who expect to live to see this war won and to be called upon to take a hand in post-war reconstruction there comes a call to "Remember Pearl Harbor," to be alert, so that we shall not spend our patrimony, our national resources, in a riotous spree of inefficiency, unconscionable profits, and graft. In the vernacular of the street we say, "Someone was asleep at the switch at Pearl Harbor." The Roberts report demonstrates that to be so. It might be a good idea to find out whether some of us are asleep at the switch in Washington on the economic front, which we must hold securely if we intend to pass through the reconstruction period undemoralized. We had better make sure that our switchmen are not asleep on the economic front. We know they have been asleep. We have been spending billions upon billions of American dollars recklessly and, in many instances, almost criminally. In the matter of profits a simple recapture clause might have saved the Government millions of dollars. That demonstrates the necessity of being on the alert in relation to Government affairs. Every officer, whether he be a Senator of the United States or an officer who has to do with letting contracts for the Navy or the Army or spending money in any other activity, is a trustee. He is handling trust funds, and it is his function or, at least, it should be, to be on the alert to see that the Government of the United States is not "taken for a ride."

We have an army of useless individuals now on the Government pay roll. I use the word "useless" because the fact of their inutility has been demonstrated by a number of columnists recently in the newspapers published in this city. I introduced into the RECORD today an editorial written by one of the Washington columnists, again demonstrating the truth of the statement that we have an army of useless individuals on the Government pay roll and innumerable useless boards and commissions.

Mr. President, are we on the alert? Are we watching the ramparts? When I think of Pearl Harbor there comes to my mind also the recollection of how Britain, the other democracies of Europe, and ourselves were lulled into a false sense of security while during the same period the Axis Powers were building their war machines for the attack upon an unsuspecting world. Looking back now, it seems that the leaders of the democratic nations were as children, or putty, in the hands of the international gangsters and planners. We were not alert then, in spite of the fact that we were supposed to have an intelligence service on which we spent millions of dollars, and, in spite of the fact that our ambassadors and consuls were supposed to get the facts to the Executive. Perhaps they did so, as did Ambassador Dodd. We were permitted to sleep on, ignorant of the volcanic forces coming into being. Remember Pearl Harbor. Never let its lesson again be forgotten. If we do, next time it may be the end of American liberty.

Some of us have been reading articles by experts in relation to the coming power in the air. One expert demonstrated conclusively that a few years hence the airships of one nation riding the ether will be able in a few hours to fly across the intervening seas, and if the nation has control of the air, put out of business every industry in the nation they attack.

Are we on the alert? "Remember Pearl Harbor" means "Eternal vigilance is the price of liberty." If the Axis schemes are successful, there will not be a chance for any nation to rearm itself so that it may successfully stage a revolt. I wish to have that idea sink deep down into the hearts of the American people. So, I repeat, if the Axis Powers are successful, there will not be a chance for any nation to rearm itself so that it may successfully stage a revolt. Hitler's plans contemplate Germany as a master nation and every other nation a subject people, with no opportunity to build planes and guns and ships and munitions. Industry is to be centered in Germany, and all other nations are to feed Germany. They are to have no industries, no production plants to produce war materials or arms. Yes; eternal vigilance, more than ever before, is the price of liberty and freedom. It alone will maintain the American way.

"Remember Pearl Harbor" means also that we Americans pledge ourselves and the future generations that we will not become soft, that we will not be seduced by the "flesh pots of Egypt," but we will build ourselves strong, physically fit, mentally alert, and morally awake, sensing that we owe not only to America but to the world a demonstration of what a free people on the alert can accomplish.

Mr. President, there was a time in the history of America, when we became a nation, when the "yeast of liberty" which was grown here spread throughout the world. In the present period we have seen the antidote to that ferment in the shape of Nazi doctrine. Perhaps now again we are called upon to see that the "yeast of liberty" shall be made vital, and that it shall again spread throughout the earth. If we remember Pearl Harbor, if we are constantly on the alert, we shall accomplish that result.

Mr. President, there is something else that is all-important when we say "Remember Pearl Harbor." You and I know how diabolical are the propaganda methods of the Axis Powers. Hitler outlines his technique in Mein Kampf. From Pearl Harbor comes the imperative direction that each individual in this country be on the alert against the machinations of diabolical minds, against planned mental poison, against insidious doctrines that would divide and destroy us. We have an antidote to these things; and if we were to apply it in our schools, in our churches, in our lives, we should indeed learn the lesson of Pearl Harbor. We should be on the alert. Never would any foreign agent or fifth columnist enter these ramparts.

To what do I refer? I refer to the teachings of Him whom we call Master and Way-shower. Let us be practical. If we followed those teachings, do you suppose we should have had the internal trouble between management and labor that we have had? If we followed those teachings, do you think we should have had the intolerance and the bigotry and the class hatred that we have had?

If we followed those teachings, do you think we should have had the economic dislocations, the insecurity, the graft that we have had?

If we followed those teachings, do you think we should be blind to the machinations, to the diabolical plans of international racketeers?

No, Mr. President; the things of the spirit bring to mortal man balance and vision, judgment and love of his fellows.

Part of the antidote to which I refer is contained in the Constitution of the United States and the Bill of Rights. These great writings, together with the Declaration of Independence, are, indeed, great political pronouncements, defining a pathway that we call the American way. Every line of those instruments should be committed to memory by every school child; and the history of this great country—not simply the history of its mistakes, but the history of its great advances, of its meaning as a nation among nations, of its great part in contributing to the stability of the people and the program of the world—all this should be made a vital part of our school curriculum, taught by teachers who are aflame with the challenge to them to become the molders of the next generation in America.

Let us remember a lesson from Hitler. He took a page out of a great churchman's book when the churchman said, "Give me a child until he is 10 or 12 years old, and you can have him after that." The churchman meant that during those 10 years the child would be inculcated with the concepts and the precepts and the ideology of the church, and after that he would be immune to other doctrines. Hitler took that page out of the churchman's book and gathered together the youth of Germany and built the youth of Germany into a self-sacrificing, dynamic force, the greatest war power ever marshaled on earth; and under his teachings, which were constantly impressed upon the minds of German youth, he created a race that in war was akin to what he wanted—a master race; a race, as he said, that should rule the world, and all other peoples should be slaves. He called to the youth of Germany for sacrifice and conquest.

Mr. President, I said we could learn something from that incident, and I mean it. I mean that in a sense we have been soft. I mean that we have not recognized the realities of a world situation. While I would not learn much from Hitler, I should be willing to learn from anyone who had a constructive idea or thought or lesson to teach. The youth of this country must be inculcated with a knowledge of America and what she really stands for in her vitals, a knowledge which, I am sorry to say, is but superficially imparted in many of our schools.

We in America want not a foot of territory of any other country, but when we "remember Pearl Harbor" we must be alert to the realities of life. America is what we make her. The America of tomorrow will be what the youth of today

are. This America of ours calls for all of us to heed the lesson of Pearl Harbor. If we make the youth of this generation conscious of the political values contained in the Constitution, the Bill of Rights, the Declaration of Independence, and the great spiritual values contained in the message of Him we call Master and Way-shower, we shall have here in America a dynamic race, constantly on the alert.

THIRTY-SECOND ANNIVERSARY OF FOUNDING OF BOY SCOUTS OF AMERICA

Mr. BUNKER. Mr. President, this week we observe the thirty-second anniversary of the founding of the Boy Scouts of America. I say "We," because the Boy Scouts of America are a real part of America and an important factor in our gigantic war effort. Today they stand shoulder to shoulder with the rest of the Nation, doing everything and anything that boys of Scout age can do to achieve victory.

Nor is this the first time Scouts have taken an active and definite part in the defense of America. During the first World War the Boy Scouts of America earned the undying gratitude of the Nation for their splendid and unselfish service; but before then and since, during the time of peace, Scouts have acquitted themselves commendably during catastrophes, such as storms, hurricanes, floods, conflagrations, and so forth.

America has come to depend upon Boy Scouts when there is a job to be done. Thus it is but natural that much is expected of them, and equally natural that they roll up their sleeves and pitch in.

I believe no one in America appreciates the value and the possibilities of the Scouting program more keenly than does President Roosevelt. Even before he became a public figure Mr. Roosevelt was active in Scouting. I quote from the President's remarks concerning Scouting and its relation to democracy:

> You who are members of the Boy Scouts have a great opportunity in your organization to do your part in this great task. In your Scout troops you have the opportunity to develop the type of leadership and group cooperation which is so greatly needed in a democracy such as ours. You have opportunities in your Scouting program to develop those physical and mental qualities upon which the survival of a self-governing community depends.
>
> The Boy Scouts have made and will continue to make an important contribution to the welfare of America's young manhood. The Boy Scouts have always responded generously when called into action in the service of their communities and their fellow citizens. And so the Nation is confident that the Boy Scouts stand ready to contribute to the national welfare in these critical hours.

For the year 1942 the Boy Scouts of America have chosen a slogan which carries out the belief expressed in the above statement. The slogan is "Strong for America." There is added another thought—we should all be—

Strong in leaders.
Strong in skill.
Strong in number.
Strong in will.
Strong for the sake of America.

With these goals before it, the organization known as the Boy Scouts of America is already in the fight to preserve our way of living. Democracy means something to a Boy Scout. In the words of Walter W. Head, president of the Boy Scouts of America, we all must recognize our responsibility to American youth for preserving the ideal of democracy. Mr. Head said recently:

> As a Nation, we are now engaged in a great effort to preserve and maintain the precepts and principles of Democracy, which are the precepts and principles of Scouting. All those who treasure the privileges and advantages of American citizenship—the right to think, to speak, to work, and to worship as we choose—must recognize the necessity of inculcating within the hearts and minds of our youth a deep appreciation for the American heritage. This is a function which the Boy Scouts of America regard as a sacred responsibility.

The part already played by Boy Scouts in the national war effort is known to all. Whatever the future holds, we can all feel confident that the Boy Scouts will be ready. The Boy Scouts of America recognize their responsibilities in the following statement by Dr. James E. West, chief Scout executive:

> The Boy Scouts of America, as a part of its contribution to youth and to the Nation in this wartime situation, has a threefold responsibility.
>
> First, we have what I might term a long-term program, providing continuous and progressive training for every boy in Scouting, to make him physically strong, mentally awake, and morally straight.
>
> Second, we have our program of help to various Government agencies in certain projects requested by the Government and directly related to the national emergency, though not to actual disaster conditions.
>
> Third, we have actual emergency service work that is rendered under abnormal conditions resulting from national disaster, or, as has been the case of Hawaii, from actual attacks
>
> Scouting provides a continuous progressive training program for every boy in the Scout movement, and includes those things most necessary for him to know in order to give service during his youth to his country, whether in war or in peace. It is designed to increase his effectiveness as a citizen, and there is abundant evidence from former Scouts now participating in Army, Navy, and Air Corps and from their officers that Scout training has been directly helpful to them in military service.
>
> In the second field of responsibility, that is, help in certain projects requested by the Government there are several specific services which we have now before us.
>
> Emergency service is related to the Third Area of the Civilian Defense organization. This is the work to be done under abnormal conditions resulting from natural disaster or enemy attacks. Those things which Scouts can do under the former conditions have been quite well established. Their tasks in war conditions have yet to be fully defined.
>
> We have already established opportunities for Scouts through emergency service training program, whereby boys of any age in their troop can give service under leadership in many other ways.
>
> Our experience during the World War No. 1 was that, as never before, boys were attracted to Scouting, because of the vital part that the movement played in meeting the Nation's need. Our experience was that many men of ability and fine character who were not involved in military service as such, offered their services as leaders in Scouting. Our experience was that many new troops were formed.
>
> It is expected that similar conditions will prevail in this war.

Mr. President, in conclusion I should like to appeal to religious, fraternal, and service organizations that as a patriotic service they sponsor Boy Scout troops, Cub packs, or senior Scout units. Judging from experience of authorities in handling men, those with Boy Scout experience are at a considerable advantage over others. More than that, the service record of the Boy Scouts of America warrants the support of such organizations as those I have just mentioned.

All of us have a responsibility in seeing that more boys are enabled to enjoy the Scout program. My colleagues can be of great help in attracting to Scouting, boys who are not Scouts and who want to become Scouts. All we have to do is to see to it that there are enough new troops organized to accommodate the boys who want to be on Uncle Sam's team.

Scouting offers to men whose services are not required by military units of the United States a wonderful opportunity in leadership with these boys. The Boy Scout program is one sure method of teaching the precepts and principles of democracy.

AUTHORIZATION FOR COMMITTEE REPORTS, SIGNING BILLS, ETC., DURING THE ADJOURNMENT

Mr. BARKLEY. I ask unanimous consent that during the adjournment of the Senate committees may be authorized to make reports on resolutions, bills, or nominations; that the Presiding Officer of the Senate be authorized to sign bills or resolutions, and that the Secretary of the Senate be authorized to receive messages from the House of Representatives.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. CHAVEZ in the chair) laid before the Senate a message from the President of the United States nominating Capt. Jules James to be a rear admiral in the Navy for temporary service, to rank from the 21st day of November 1941, which was referred to the Committee on Naval Affairs.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. SMATHERS, from the Committee on Banking and Currency:

Leon Henderson, of New Jersey, to be Price Administrator, Office of Price Administration.

By Mr. THOMAS of Utah, from the Committee on Education and Labor:

Isador Lubin, of the District of Columbia, to be Commissioner of Labor Statistics, Department of Labor (reappointment).

REAR ADMIRAL ALEXANDER H. VAN KEUREN

Mr. WALSH. Mr. President, from the Committee on Naval Affairs I report favorably the nomination of Rear Admiral Alexander H. Van Keuren to be Chief of

the Bureau of Ships, and I ask for the immediate consideration of the nomination.

Mr. AUSTIN. Will not the Senator state the reason why there should be prompt action on the nomination?

Mr. WALSH. Rear Admiral Samuel M. Robinson has been Chief of the Bureau of Ships for some time and has recently been made Chief of the Office of Procurement and Material in the Navy Department, which leaves the Bureau of Ships without a head. Admiral Van Keuren is now Assistant Chief of the Bureau, and it is he who has been nominated to be head of the Bureau. The Navy Department considers it important that the nomination be confirmed at once, so that Rear Admiral Van Keuren may immediately be put in charge.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the nomination? The Chair hears none, and, without objection, the nomination is confirmed.

Mr. WALSH. I ask that the President be immediately notified of the confirmation.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

The PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc.

THE NAVY

The legislative clerk read the nomination of Howard L. Vickery to be rear admiral.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask that the President be notified of all confirmations today.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

ADJOURNMENT TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn until 12 o'clock noon Monday next.

The motion was agreed to; and (at 2 o'clock and 25 minutes p. m.) the Senate adjourned until Monday, February 9, 1942, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate February 5 (legislative day of February 3), 1942:

APPOINTMENT IN THE NAVY

Capt. Jules James to be a rear admiral in the Navy for temporary service, to rank from the 21st day of November, 1941.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 5 (legislative day of February 3), 1942:

APPOINTMENT IN THE NAVY

Rear Admiral Alexander H. Van Keuren to be Chief of the Bureau of Ships, in the Department of the Navy, with rank of rear admiral, for term of 4 years.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE MAJOR GENERALS

Thomas Matthews Robins
Brehon Burke Somervell
Carl Spaatz
Sherman Miles

TO BE BRIGADIER GENERALS

David McCoach, Jr.
James Arthur Code, Jr.
Roger Baldwin Colton
Robert McGowan Littlejohn
Henry Spiese Aurand
Hugh Chapman Minton
Alexander Wilson
Paul Xavier English
Charles Clark Hillman
Frederick William Browne
Haig Shekerjian
Isaac Spalding
Leven Cooper Allen
Edwin Colyer McNeil
Theodore Harwood Dillon
Walter Bedell Smith
Laurence Sherman Kuter

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

Lt. Col. Charles Royal Lehner, to Quartermaster Corps.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONEL, CAVALRY

William Henry Walmsley Youngs

TO BE LIEUTENANT COLONELS, AIR CORPS

Newton Longfellow
Lloyd Barnett
John Arthur Laird, Jr.
Charles William Steinmetz
John Myrddin Davies

TO BE LIEUTENANT COLONEL, FIELD ARTILLERY

William Norris White

TO BE LIEUTENANT COLONELS, AIR CORPS

Walter Thomas Meyer
Wendell Brown McCoy
James Edward Duke, Jr.
Martinus Stenseth
Rex Kirkland Stoner
James Bernard Carroll
Thomas Lonnie Gilbert
James Douglas Givens

TO BE LIEUTENANT COLONEL, FINANCE DEPARTMENT

Oliver Williams DeGruchy

TO BE LIEUTENANT COLONEL, QUARTERMASTER CORPS

Harold DeLancey Stetson

TO BE LIEUTENANT COLONELS, AIR CORPS

William Cushman Farnum
William Turnbull
Joseph Williams Benson
Frederick Dan Lynch
James Atwater Woodruff

TO BE LIEUTENANT COLONEL, INFANTRY

Robert Wallace Burke

TO BE LIEUTENANT COLONEL, AIR CORPS

Lester James Maitland

TO BE LIEUTENANT COLONEL, CHEMICAL WARFARE SERVICE

John Andrews MacLaughlin

TO BE MAJOR, MEDICAL CORPS

Matthew Corell Pugsley

TO BE CAPTAINS, MEDICAL CORPS

John Randolph Hall, Jr.
Lucio Ernest Gatto
David Harry Naimark
Jerome Dudley Textor
William Leroy Vogt
Robert H. Looney, Jr.

TO BE COLONELS, DENTAL CORPS

Lee Stanley Fountain
John Lloyd Schock
Charles Walter Lewis

TO BE CAPTAIN, DENTAL CORPS

George Henry Parrot, Jr.

APPOINTMENTS IN THE REGULAR ARMY

TO BE SECOND LIEUTENANTS, INFANTRY

Ben Lamar Anderson
Claude Esmond Bailey, Jr.
John Streett Baldwin
William Waldorf Barnes
John William Barrett
Marshall Owen Becker
James Dunceith Beckett
Robert Leslie Bereuter
Donald Palmer Boyer, Jr.
Daniel Campbell Brawner
Hunter Marion Brumfield
George Edwin Bucklin
Philip Clare Calhoun
Archibald Branks Cameron
Donald Norman Cameron
George William Carter
Jesse Melvin Charlton, Jr.
Robert Ernest Conine
John Allen Coulter
William Cecil Crawford
Thomas Raymond Cross
Niels Marius Dahl
George Herbert De Chow
Arthur James De Luca
Arden Wirth Dow
Edmund Francis Driscoll
Dayton Willis Eddy
Kenny Walter Erickson
Robert Charles Forbes
George Irvin Forsythe
William Friedman
Robert John MacGregor Fyfe, Jr.
Patrick Joseph Gibbons, Jr.
James Richard Harvey
William Walter Harvey, Jr.
Calvin Aldrich Heath
Arthur Webster Hodges, Jr.
Maurice Clavelle Holden
James Grover Holland, Jr.
Richard Norman Jenson
Ralph Scott Johnson
James Virgil Johnston, Jr.
Maurice Katz
Henry Koepcke, Jr.
Robert Thomas Larson
Paul Frederick Lawson
Boylston Brooks Lewis
John McAdams
William Edward McBride
Carroll Bernard McElroy
Colin Hubbard McLaurin
Harold Vincent Maixner
Martin Jack Manhoff
Walter Leroy Miller, Jr.
Paul Millman Morrill
Jay Byron Mowbray
Henry John Muller, Jr.
Theodore John Francis Nowak
Samuel Lapsley Ogden
Robert Holmes Pette
Carl William Plitt
Ira Christian Rumburg
Vincent Louis Ruwet
Elmer Schmierer
Carl Howard Schofield
James Elmer Simmons
Joseph Olai Stensland
Robert Clark Storey
Jack Wesley Streeton
Orwin Clark Talbott
Herman Martin Volheim
David Christy Warwick
Gene Richard Welch
Edward Nicholas Wellems

TO BE SECOND LIEUTENANTS, CAVALRY

David Lane Aldinger
Leslie Allison
Frank Fairfield Carr
Thomas Charles Conroy
Carl Peden Croninger
Franklin Milton Davis, Jr.
Willard Olcott Foster, Jr.
Kenneth Lee Garrett
Frank Clifford Healy
Fredrick Kenneth Hughes
George Abbott Lucey

Thomas Ranson Opie
Raymond Elmer Smart, Jr.
Robert Louis Sweeney, Jr.
William Robert Tuck

TO BE SECOND LIEUTENANTS, FIELD ARTILLERY

Roger Jerome Aull
Samuel Rees Blackman
Anthony Pierre Bonnaffon
Kenneth Loring Booth
Harry Babcock Brown
Thomas James Camp, Jr.
John Locke Cheney
Charles Parsons Clark, Jr.
Thomas Nugent Courvoisie
George Marcel Cummins
Joseph Briggs De Vennish
Richard Leo Dooley
Thomas Glen Ferguson
Frank Ovid Hamilton
James Edward Hammer
Robert Edmund Hand
William Timothy Hatter
James Arthur Hebbeler
Frederick Allen Hippey
John William Jennings, Jr.
Myron Thorne Johnston
Raymond Geyer Jones
James Beal Kelly
Vitaly Kovalevsky
Francis Xavier Leary
Clare Norton Lyke
Ernest Charles McInnis, Jr.
John Farwell Mitchell
Robert James Morgan
Courtney Byron Neilson
Joseph Alva Ogle
Gordon Buford Patton
Herbert Leonard Peavy
Walter John Rankin
Charles Gilliland Renfro
Allen William Rodeheffer
James Byron Scherer
William Leonard Shade
Clarence Frank Sills
George William Smith
Joseph Thornell Stephens
Hugh Porter Stubbs, Jr.
Bill Ritchie Tilley
Walter Ferson Tucker
Stuart Campbell Williams
Joseph Michael Williamson
Fredrick Claus Zumsteg

TO BE SECOND LIEUTENANTS, COAST ARTILLERY CORPS

Carl Morrison Allen, Jr.
Phillip Haines Baker
Emery Ellis Bellonby
Wilbur Craig Boyce, Jr.
Walter Eugene Burrell
Howell Edward Cobb
Andrew Lacock Cox
Richard French Cox
Joseph Francis Dunn
Howard William Engelman
Ferdinand Herman Flick
Robert William Frobach, Jr.
David Albert Gile
Ferdinand Frederick Glomb, Jr.
Paul V. Hannah
Benjamin Edwin Johnson, Jr.
Adolph John Leocha
William Joshua Logan
Jack Carl Maldonado
Paul Julian Maline
Clinton Fort Matthews
George Thomas Mehalko
Edward Thielens Peeples
Robert Warren Perkins
Thomas Carlton Reddington
Jack Helme Remele
Andrew Rheude, Jr.
Henry John Schutte, Jr.
Wiley Freeman Shaver, Jr.
Tom Billie Strother
Louis Arthur Waple
William Jones Williams
Robert Harrison Zimmerman

TO BE SECOND LIEUTENANTS, CORPS OF ENGINEERS

Alton Davis Arnold
Jerald Morris Davies
Leonard James Goodsell
Charles Albert Jones, Jr.
Robert Elwood Kimball
Samuel Meyer Lipton
William Numsen Lucke
John Kearns Muller
Harold Easton Nelson
Irvin Marshall Rice
William Walter Sedr
Robert McDonald Shannon, Jr.
Gregory Jackson Skinner
Robert Ellis Smotherman
Thomas Furman Spencer
Paul Leroy Sprout
Richard Monte Strong

TO BE SECOND LIEUTENANTS, SIGNAL CORPS

Wallace Erwin Bjornson
Benjamin Paul Blasingame
Glenn B. Daughton
Kenneth Mace Gonseth
Howard Marquard Hansen
Thomas Kleberg Hughes
Robert Maurice Johnson
Frederick Lincoln Kohler
John Charles Liggett
James Nelson Matteson
Maynard Clayton Raney

TO BE SECOND LIEUTENANTS, QUARTERMASTER CORPS

Victor Lee Cary
Joseph Louie Coleman
William Woodrow Cozad
John Arthur Ford
Milton Clark Hess
Leo Martin Kane
Daniel Francis Munster
Robert Callen Russell
Elbridge Lee Snapp
Albert John Wetzel, Jr.

TO BE SECOND LIEUTENANT, FINANCE DEPARTMENT

Viron Edward Bird

TO BE SECOND LIEUTENANTS, ORDNANCE DEPARTMENT

Robert Roroach Fisk
Charles Raymond Graham
Wayne Harold Lee
Warren Grant Leonard
Kenwood Ross
Edward George Uhl

TO BE SECOND LIEUTENANTS, CHEMICAL WARFARE SERVICE

Jose Antonio Andino
Robert Frank Garner, Jr.
David Dorsey Hulsey
Philip Simon Isis
John Arthur Martin

TO BE FIRST LIEUTENANTS, MEDICAL CORPS

Elwyn Nickell Akers
Walton Merideth Edwards
John Joseph Meany

TO BE FIRST LIEUTENANTS, DENTAL CORPS

Norbert Corbin Kephart
Victor Clifford Tisdal, Jr.

APPOINTMENT IN THE NAVY

TO BE REAR ADMIRAL, FOR TEMPORARY SERVICE

Howard L. Vickery

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 5, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Heavenly Father, we trust that we shall be led in the right path if we are sincere, vigilant, and willing to make every sacrifice that the truth may demand. We pray that Thy spirit may guide us and save us from every other way. While we pray that we may be restrained and patient, we ask Thee to enable us to subordinate all things else to fulfill our obligations, revealing action and mastery of duties we owe our Republic; when we dare to serve Thee for nought, we know of the riches of God.

And the Word became flesh and dwelt among us and we beheld His glory—glory as of the only begotten of the Father, full of grace and truth. We bless Thee, merciful God, that all the highest good in the universe has come to our human pathway to lift heavenward the fallen ruins of our humanity. O come to its wavering, unstable heart; and, responding to Thy mission, may it find in Thee a shepherd who will save us from all that seeks our destruction. As workers for God and man, may we send forth the light in the darkness, knowing that this is the greatest task of our time. We pray in the name of the Saviour of the world. Amen.

The Journal of the proceedings of yesterday was read and approved.

SWEARING IN OF MEMBER

The SPEAKER laid before the House the following communication:

JANUARY 30, 1942.

The honorable the SPEAKER, HOUSE OF REPRESENTATIVES.

SIR: The certification of election in due form of law of Hon. JOSEPH E. TALBOT, as a Representative-elect to the Seventy-seventh Congress from the Fifth Congressional District of Connecticut, to fill the vacancy caused by the resignation of Hon. J. JOSEPH SMITH, is on file in this office.

Very truly yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

Mr. TALBOT took the oath of office.

THE LATE HON. JAMES HARRY COVINGTON

Mr. WARD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WARD. Mr. Speaker, it is with deep sorrow that I announce the passing yesterday of Judge James Harry Covington, a former Member of the House of Representatives, who represented the First District of Maryland in the Sixty-first, Sixty-second, and Sixty-third Congresses, and served from March 4, 1909, until his resignation on September 30, 1914, when President Wilson appointed him Chief Justice of the Supreme Court of the District of Columbia.

Judge Covington was born in Easton, Talbot County, Md., May 3, 1870; was educated in the public schools of Talbot County and the Maryland Military Academy at Oxford; and received his law degree from the University of Pennsylvania in 1894. He was admitted the same year to the Maryland bar and began practice in Easton.

In 1903 he was elected State's attorney of Talbot County, a position he held until 1909, when he was elected to Congress.

Judge Covington presided over the court until June 1, 1918, when he resigned and took up the practice of law in Washington, D. C.

It was my privilege to know him intimately and well. He was loyal to his friends and to his party. He was faithful, honorable, and courageous in public

service, as well as in his private and domestic life. To his bereaved family and to his many friends I extend my deepest sympathy.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TREADWAY. Mr. Speaker, I rise to supplement the remarks made by the gentleman from Maryland [Mr. WARD]. I happen to be one of the few Members who served with Judge Covington in this body. I entered the House in the Sixty-third Congress, at which time Judge Covington was a Member who had risen to a position of leadership on the floor. Although I was only a freshman Member, yet in the latter part of that session I came to know him well. I have known him well ever since, and my regard for him has increased with the years.

The last time I saw Judge Covington was the day the President came before Congress asking us to declare war against Japan. He came to my office that morning requesting me to escort him over here, as there were so few of the present Members he knew he was afraid he might not be recognized at the door to enter the Chamber of that body of which he had been an honored Member many years before.

He has been a distinguished citizen of Washington. Ever since his retirement from the judgeship to which President Wilson appointed him, chief justice of the Supreme Court of the District of Columbia, he has practiced law in Washington very successfully, I understand. He built up a large clientele among whose ranks were numbered people from all sections of the country.

Judge Covington was prominent in the civic life of Washington, a member of the official body of St. John's Episcopal Church, and he held other civic positions with honor to the District and to his own name and profession. He was a courtly gentleman of the old school.

I sincerely regret the passing of such a distinguished citizen as Judge Covington.

GEN. DOUGLAS MACARTHUR

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. THOMAS of New Jersey addressed the House. His remarks appear in the Appendix.]

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a copy of the bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I did not know that the distinguished gentleman from New Jersey was going to introduce the bill he mentioned. I am in favor of it. I have another tribute I want to pay General MacArthur which may not be as wide and national in scope, but I think the American people are greatly thrilled by his notable and heroic defense of the Philippines. I would like to leave some little monument here in Washington to the name of Douglas MacArthur. I have therefore introduced today a bill which would change the name of one of the streets of Washington from Conduit Road to MacArthur Road as a slight tribute and a token of the appreciation of the American people of the brilliant and heroic defense he is making in our behalf against such overwhelming odds.

EXTENSION OF REMARKS

Mr. McINTYRE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a summary of the accomplishments of the National Youth Administration in Wyoming which has been prepared by Robert A. Gish, State youth administrator of Wyoming.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a newspaper article relating to Guam.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from the Red Cross war fund chairman of my own county.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

(Mr. HOWELL asked and was given permission to extend his own remarks in the RECORD.)

Mr. WASIELEWSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include an editorial from the Milwaukee Journal.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. WASIELEWSKI]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. SCHULTE]?

There was no objection.

[Mr. SCHULTE addressed the House. His remarks appear in the Appendix.]

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include a letter I received from the mayor of East Chicago.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. SCHULTE]?

There was no objection.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include certain letters from voluntary women's organizations who want to enlist in the Volunteer Women's Army Corps when it is formed.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

Mr. TOLAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief editorial.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. TOLAN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

There was no objection.

[Mr. DICKSTEIN addressed the House. His remarks appear in the Appendix.]

THE CHINESE LOAN

Mr. BURGIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BURGIN]?

There was no objection.

Mr. BURGIN. Mr. Speaker, in the year of 1880 a Chinese boy came to the city of Wilmington, N. C., as a cabin boy on a vessel. The people he met there and the events that transpired, I am persuaded to believe, changed the course of his whole life. This Chinese boy was the founder of the Soong Dynasty which has been such a far-reaching influence in China, and still has its repercussions throughout the world. In after years he was the right-hand man of Sun-Yat-Sen in the establishment of the Chinese Republic, and I like to think and believe that the religious and cultural contacts that he made in North Carolina largely shaped the course of his life, and has contributed and is still contributing in a great measure to the courage and determination of the great Chinese people to overcome the unprovoked assaults made on their way of life by the Japanese. The courageous fight that they have made for almost 5 years now has challenged the admiration of the world.

I supported wholeheartedly the passage of the resolution which provided for a loan of $500,000,000 to China, and believe it will have the unanimous approval of the people of America. I am sure this will be the case of the people of North Carolina.

I ask unanimous consent to include in the Appendix of the RECORD an article from the January 1942 issue of the Duke Divinity School Bulletin entitled "The Romance of Charlie Soong." This article was furnished me by the Honorable Daniel C. Roper, former Secretary of

Commerce, and an alumnus of Trinity College, now Duke University.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BURGIN]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WOODRUFF of Michigan. Mr. Speaker, after disposition of matters on the Speaker's table and any other special orders heretofore agreed to, I ask unanimous consent to address the House for 10 minutes today.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

There was no objection.

EXTENSION OF REMARKS

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include certain newspaper articles.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. O'HARA]?

There was no objection.

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief newspaper article by David Lawrence.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. PLOESER]?

There was no objection.

PLACING OF CHILDREN IN FAMILY HOMES

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5892) to regulate the placing of children in family homes, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill and the amendments the gentleman proposes to offer?

Mr. SCHULTE. After extensive hearings on the bill, in order to be fair with everyone concerned, we have agreed to adopt three amendments, which I propose to offer. They are minor amendments.

Mr. MARTIN of Massachusetts. The committee is unanimously in favor of these amendments?

Mr. SCHULTE. It is.

Mr. MARTIN of Massachusetts. I have no objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the purpose of this act is to secure for each child under 16 years of age who is placed in a family home other than his own or that of a relative, such care and guidance as will serve the child's welfare and the best interests of the District of Columbia; and to secure for him custody and care as near as possible to that which should have been given him by his parents.

SEC. 2. Any person, firm, corporation, association, or public agency that receives or accepts a child under 16 years of age and places or offers to place such child for temporary or permanent care in a family home other than that of a relative shall be deemed to be maintaining a child-placing agency. No child-placing agency shall be maintained in the District of Columbia without a license issued by the Commissioners of the District of Columbia.

SEC. 3. Within 60 days after the passage of this act, the Commissioners shall appoint, after consultation with the Board of Public Welfare, a committee of eight persons to formulate and adopt rules and regulations, subject to the approval of the Commissioners, prescribing standards of placement, care, and services to be required of child-placing agencies, pursuant to the intent and purposes of this act. The committee shall be composed of a member of the Board of Public Welfare who shall act as chairman of said committee, a member of the staff of the Health Department of the District of Columbia, a member of the staff of the Board of Public Welfare of the District of Columbia, and one representative from each of five charitable organizations of the District of Columbia having an organized program for placing children in family homes. Each member of said committee shall serve for a term of 1 year and until his successor is appointed and qualified. The rules and regulations shall be reviewed by the committee annually and, subject to the approval of the Commissioners, may be amended when deemed necessary.

SEC. 4. An application for a license as a child-placing agency shall be made to the Commissioners on forms provided by them and in the manner prescribed. Before such license is issued the Board of Public Welfare shall arrange to have an investigation made of the activities and standards of care of the agency and shall consult with persons having official connection with the agency. If the Board is satisfied as to the good character and intent of the applicant, and that the agency is adequately financed, and that its staff, procedures, and services conform to the established standards of care, said Board shall recommend to the Commissioners that a license be issued.

A provisional license may be issued to any agency which is temporarily unable to conform to all the provisions of the established standards of care upon terms and conditions prescribed by the Commissioners upon recommendation of the Board of Public Welfare.

All licenses shall be issued for 1 year from the date thereof and may be renewed annually on the application of the agency, except that provisional licenses may be issued for not more than 3 successive years from the date of the passage of this act.

SEC. 5. No person other than the parent, guardian, or relative within the second degree, and no firm, corporation, association, or agency, other than a licensed child-placing agency, may place or arrange or assist in placing or arranging for the placement of a child under 16 years of age in a family home or for adoption. In accordance with the rules and regulations promulgated hereunder, any licensed child-placing agency may accept children for placement in family homes and shall have and maintain care, custody, and control of any such child until returned to the person from whom received or until responsibility for the child is transferred to another child-welfare agency or terminated by the order of a court of competent jurisdiction.

Every such agency shall keep and maintain careful supervision of all children under its care, including those placed in family homes, and its officers or agents shall visit all such homes and families as often as may be necessary to promote the welfare of such child. Every such agency shall keep such records as shall be required by the rules and regulations promulgated hereunder and all records regarding children and all facts learned about children and their parents or relatives shall be deemed confidential and shall not be open to inspection or divulged except with the authority of the Board of Public Welfare.

Such agency shall in no case charge or receive from the person or persons legally adopting any child any compensation whatsoever therefor; and in no case shall any person taking a child with the intention of adoption demand or receive from such agency any compensation whatsoever for the care of such child even though it shall be returned to the agency.

SEC. 6. Whenever a licensed child-placing agency shall have been given the permanent care and guardianship of any child and the rights of the parent or parents of such child shall have been terminated by order of a court of competent jurisdiction or by a legally executed relinquishment of parental rights, the agency is vested with parental rights and may consent to the adoption of the child pursuant to the statutes regulating adoption procedure. Except in proceedings for adoption no parent may voluntarily assign or otherwise transfer to another his rights and duties with respect to the permanent care and control of a child under 16 years of age unless such relinquishment of parental rights is made to a licensed child-placing agency. Such relinquishment of parental rights shall be a statement in writing signed by the person relinquishing such parental rights in the presence of at least one witness who shall subscribe his name thereto and acknowledge the same before a representative of the licensed child-placing agency. Said relinquishment of parental rights shall be recorded and filed in a properly sealed file in the office of the clerk of the District Court of the United States for the District of Columbia. The seal of said file shall not be broken except for good cause shown and upon the written order of a justice of said court.

SEC. 7. The Commissioners may refuse to reissue or may revoke or suspend the license of any child-placing agency after full hearing on proof of violation of any provisions of this act or the rules and regulations promulgated hereunder. Before any license shall be suspended or revoked the holder thereof shall have notice in writing of the charge or charges and shall, at the date and place specified in said notice, which shall be at least 5 days after the service thereof, be given a hearing by said Commissioners, or their designated agents, with a full opportunity to produce testimony in his, her, or its behalf. Any licensee whose license has been suspended or revoked may, after the expiration of 90 days, on application to the said Commissioners, have the same reinstated or reissued upon satisfactory proof that the disqualification has ceased.

SEC. 8. Any person, firm, corporation, association, or public agency who conducts a child-placing agency without a license as provided for in this act or who violates any of the provisions of this act or the rules and regulations promulgated under this act shall, upon conviction, be fined not more than $300 or imprisoned for not more than 90 days, or both. Prosecution for violations of this act shall be upon information in the police court by the Corporation Counsel of the District of Columbia.

SEC. 9. That sections 402 to 411, both inclusive, of the Code of Law for the District of Columbia, approved March 3, 1901, are hereby repealed.

SEC. 10. This act shall become effective 4 months after date of the approval of this act, except section 3 hereof which shall become effective on the date of the approval of this act.

Mr. SCHULTE. Mr. Speaker, I offer three amendments.

The Clerk read as follows:

Amendments offered by Mr SCHULTE: In line 14, page 3, after the word "issued", add: "Whenever an application is made for a license under this section and it appears that the applicant is a recognized or fraternal organization, having under its care a child or children under 16 years of age for placement for either temporary or permanent care in a family home other than that of a relative, no part of the net earnings of which inure to the benefit of any private shareholder or individual, the investigation provided herein to be made of such applicant by the Board of Public Welfare shall not be required."

At the end of line 23, on page 4, add the following: "*Provided*, That in the case of an agency which is a recognized or fraternal organization, having under its care a child or children under 16 years of age for placement for either temporary or permanent care in a family home other than that of a relative, no part of the net earnings of which inure to the benefit of any private shareholder or individual, such records shall not be open to inspection or divulged except upon the written order of one of the justices of the District Court of the United States for the District of Columbia, and then only when such agency has received notice of an application to inspect such records and has been given an opportunity to be heard in connection therewith."

At the end of line 3, on page 6, add the following: "*Provided*, That the person or agency requiring the relinquishment of parental rights shall be notified of the application to break the seal of the file and be given an opportunity to be heard in connection therewith."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL SERVICE LIFE INSURANCE

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1935) to amend section 602 (m) of the National Service Life Insurance Act of 1940 (Public, No. 801, 76th Cong.), as amended, to enable a person in active service in the Army, Navy, Marine Corps, or Coast Guard to secure such insurance effective as of date of application by advance of active-service pay, and for other purposes.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 602 (m), title VI, of an act entitled "An act to provide revenue, and for other purposes," approved on October 8, 1940 (Public, No. 801, 76th Cong.), be, and the same is hereby, amended by striking out the period at the end thereof and inserting a colon and the following proviso: "*Provided*, That an amount equal to the first premium due under a national service life-insurance policy may be advanced from current appropriations for active service pay to any person in the active service in the Army, Navy, Marine Corps, or Coast Guard, which amount shall constitute a lien upon any service or other pay accruing to the person for whom such advance was made and shall be collected therefrom if not otherwise paid: *Provided further*, That no disbursing or certifying officer shall be responsible for any loss incurred by reason of the advance herein authorized: *And provided further*, That any amount so advanced in excess of available service or other pay shall constitute a lien on the policy within the provisions of section 5, Public Law No. 866, Seventy-sixth Congress, approved October 17, 1940."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman from North Carolina explain the bill?

Mr. DOUGHTON. Mr. Speaker, this bill, S. 1935, was referred to our committee on January 23 and on February 4 our committee unanimously reported the bill favorably.

The purpose of the bill is to amend the National Service Life Insurance Act of 1940. The expressed purpose of that act was to provide that those who enter the military service, in either the Army, Navy, Marine Corps, or Coast Guard, may have the benefits of insurance somewhat similar to that which was provided during the World War.

Many of the policies issued by the commercial companies contain a clause providing that the policy shall be void, or that a higher rate of premium must be paid, if the insured enters the military service. The purpose of this bill is to provide that in the case of those who enter the military service and are not able to pay the first premium on the policy, the Government may advance the premium for the first month and deduct the amount from the first month's pay of the insured. This is provided the one who enters the service makes application for the insurance. Of course, it is not mandatory that they take out this insurance.

It would be a hardship on the family of those who enter the service and perhaps an injustice on the part of the Government if these men were unable to pay the first premium and would have to wait until they got their first month's pay before they could take out the insurance, as is provided under the present law. The present law requires that they pay the first premium when the policy is issued. This bill provides that the Government out of the current appropriation may advance the first month's premium, which amount would be subsequently deducted from the first month's pay of the insured.

Mr. MARTIN of Massachusetts. I thank the gentleman for his explanation.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from New York.

Mr. REED of New York. Mr. Speaker, I favor the enactment of the bill S. 1935, the purpose of which is to make effective, immediately upon application therefor, the life-insurance protection which the Congress has heretofore made available to members of our armed forces.

At present the insurance does not come into force and effect until the first premium has been paid. In many cases the soldier or sailor will not have the cash immediately available, and hence will be denied insurance protection until he has accrued sufficient pay.

Under the bill now before the House, provision is made for the advancement of the first premium from current appropriations for service pay, so that the insurance will become effective upon application. No loss will occur to the Government, since the advance will constitute a lien on the pay subsequently accruing to the soldier or sailor taking out the insurance.

The necessity for this legislation arises out of the fact that the insurance system set up during the present emergency is in the nature of a definite contract with the Government, which legally requires the payment of present consideration to make it binding, just as in the case of insurance taken out with private companies. In this respect it differs from that set up during the last war, under which no such requirement existed.

The pending bill places the present insurance upon the same footing as the World War insurance, insofar as the time of its coming into effect is concerned.

This is accomplished by providing that the Government shall simply advance, out of the soldier's future pay, the amount necessary to cover the first premium, and in this way make the insurance contract binding upon application.

The bill was unanimously reported from the Ways and Means Committee, and has the approval of the Veterans' Administration and the Bureau of the Budget. It has passed the Senate and should receive the unanimous vote of the House.

Mr. HAINES. Reserving the right to object, Mr. Speaker, may I inquire of the gentleman from North Carolina if men in the merchant marine are covered by this bill?

Mr. DOUGHTON. I am not sure about that. If one enters the military service, either the Army, Navy, Coast Guard, or the Marine Corps, he is covered by this bill.

Mr. HAINES. But it does not include the men in our merchant marine?

Mr. DOUGHTON. I do not believe so.

Mr. RICH. Reserving the right to object, Mr. Speaker, is this bill similar to the legislation that was passed providing insurance for the soldiers during the last World War?

Mr. DOUGHTON. I understand it is similar in effect. My understanding is that in the World War all the soldiers had to do was make application and then the premium would be deducted from their salaries each month. They could make application for the insurance at any time, and they were covered from the time they made application. I get this information from my distinguished colleague the gentleman from Tennessee [Mr. COOPER].

Mr. RICH. This is more favorable to the men in the service than the insurance the soldiers had during the last war.

Mr. DOUGHTON. I do not say that it is more favorable, but it is comparable with it. This certainly gives them every protection, and at the same time the Government is protected. The measure provides that if for any reason they should be killed or desert, there is a lien on the policy. The Government is protected, and there is also protection for those who enter the service.

Mr. DISNEY. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. DISNEY. The payment of the first premium, in the opinion of the Veterans' Administration, eliminates many difficulties that have arisen on World War policies since World War No. 1, and that is one of the objects of the legislation.

Mr. DOUGHTON. The gentleman is absolutely correct. This bill has the approval of the Veterans' Administration. There is a letter from General Hines in the report approving the legislation. In fact, the Veterans' Administration requested it.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE UNITED STATES PENITENTIARY AT ATLANTA, GA.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, last week it was my privilege to go to the district of our good friend and colleague, BOB RAMSPECK. Accompanying Attorney General Francis Biddle and James V. Bennett, Director of the Bureau of Prisons, I visited the United States penitentiary at Atlanta, Ga. We were the guests of Warden Joseph W. Sanford on the occasion of the presentation of an award of merit to the inmates.

This award was in recognition of their voluntary action increasing their own hours of labor from 36 to 57 hours a week. They produce some 70 different articles of canvas and duck, including tents, cots, shoes, and shell covers, for our armed services. During December alone they turned out nearly 1,000,000 pounds of these goods. Their production has doubled, in spite of the fact that the prison population has been greatly reduced.

If you want to see expressions of devotion to America, I bid you see the slogans that hang from the walls and in the courts of the Federal penal institution at Atlanta. The morale of the prison has never been higher, and the one ambition of the inmates is to give Hitler a headache.

It was in deference to this spirit and loyalty to the war effort that the Director of the Bureau of Prisons, the Attorney General, and the chairman of their appropriations subcommittee made a visit to their institution. Their statement could be summed up in a simple sentence: "We have forfeited our liberty, and we know its value, but we are still in an American institution."

[Here the gavel fell.]

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to insert in the Appendix of the RECORD the speech of the Attorney General made on this occasion.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LIFE INSURANCE FOR MEN IN THE ARMED SERVICES

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, after hearing the discussion in relation to life insurance for the men in our armed services, I want to say that I was much pleased yesterday to note an Associated Press article to the effect that the other body is becoming very much interested in the proposal that I advanced to the Congress just last Monday to give to each and every man in the service an automatic $5,000 life-insurance policy to be paid for by the Government of the United States. I wish, however, at this point for the RECORD to show that such a measure, regardless of the fact that the press dispatch stated differently, has already been introduced as stated here after considerable work on my part following a conversation with General Hines, of the Veterans' Administration, last November in committee.

GOVERNMENT WORKERS

Mr. WILSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILSON. Mr. Speaker, I had a letter in my mail Monday morning from one of the lady Government workers, and she was terribly hurt because I had, apparently, as she thought, discriminated against the girls. Now, the accusation she made was against the male workers. The particular male workers to whom she referred in my opinion are the most efficient employees of our entire system. She spelled the word "male" m-a-i-l. The only "mail" workers in our Government are postal employees. I know that was not just a typographical error, because she had erased the word and respelled it. There were also many other errors in the letter.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Wisconsin State Journal, of Madison, Wis., entitled "Grab Bag."

The SPEAKER. Is there objection?

There was no objection.

Mr. LANE. Mr Speaker, I ask unanimous consent to extend my remarks and include a resolution adopted by the House of Representatives of the Commonwealth of Massachusetts.

The SPEAKER. Is there objection?

There was no objection.

READING OF GEORGE WASHINGTON'S FAREWELL ADDRESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on February 23, after the reading of the Journal, the Speaker designate a Member of the House to read Washington's Farewell Address.

The SPEAKER Is there objection?

There was no objection.

The SPEAKER. In accordance with the order just made the Chair designates the gentleman from Nebraska [Mr. STEFAN] to read George Washington's Farewell Address on February 23, 1942.

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a short resolution.

The SPEAKER. Is there objection?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Baldridge, one of its clerks, announced that the Senate had passed without amendment, a joint resolution of the House of the following title:

H. J. Res. 276. Joint resolution to authorize the President of the United States to render financial aid to China, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1945. An act to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6460) entitled "An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 5 and 27 to the said bill.

GUAYULE RUBBER

Mr. SABATH. Mr. Speaker, I call up House Resolution 427, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the act (S. 2152) to provide for the planting of guayule and other rubber-bearing plants in order to make available a source of crude rubber for emergency and defense uses. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the

conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, in accordance with the policy of the Committee on Rules, I am calling up a special rule making in order Senate bill 2152, which provides for the acquisition of some land and some seed, also a patent, owned by a certain rubber company. The rule provides for 1 hour of general debate, after which the bill will be taken up for amendment under the 5-minute rule. This bill has been recommended by the Assistant Secretary of Agriculture and several other gentlemen in that department. It provides, as I said, for the acquisition of about 23,000 pounds of seeds which have been grown by this Intercontinental Rubber Co., that has been experimenting with this plant for about 30 years in the United States, and from the report and the information that I have obtained they have not been very successful. Nevertheless, it is believed that it might be possible for the Government to experiment with this seed and this plant, and that it may be possible after 4 or 5 years that we may get some rubber out of these plants.

I fully appreciate the need for rubber, but I hope that long before we will be able to extract rubber from these plants, that Hitler and Japan will have been defeated, and that we will then be able to obtain all of the rubber that we actually need from other sources in this country. Some gentlemen feel that this would be an insurance, that no one can tell what may happen, and even though it might take 4 or 5 years to obtain any amount of rubber out of these plants, still it might be helpful. Some feel that we should, as a matter of policy, expend the sum of money provided for and try to develop these plants in the United States. The plant grows wild and contains about 20 percent of rubber when properly treated. This company has been successful in growing it in Mexico, in cultivating it, and has obtained rubber out of these wild plants. Many people are of the opinion that we can grow the plant here. The company has been at it for about 30 years, and they have now around about five or six hundred acres of plants in a section of California. The gentleman from California representing this district thinks that it will be successful, and that good results will be obtained.

Personally outside of the seed and patents and what this company has, and the production out of the plants to date, and a thousand acres of land which they have, the company originally asked for their patent, land, and seed about $3,000,000. I am informed that the chairman of the subcommittee of the Committee on Agriculture, the gentleman from Virginia [Mr. FLANNAGAN], has succeeded in having them to agree to accept about $2,000,000. The committee, however, wisely provided in the bill that no more than $2,000,000 should be paid to this company, but it then authorizes the Department of Agriculture or the Forestry Department to lease up to 75,000 acres of land and to cultivate this guayule plant. I am giving you the information that came to me. I have talked to some of these gentlemen in the Department, I presume they know much more about it than any one of us here. They think that efforts should be made upon the part of the Government to acquire this patent and the seed and the property and endeavor to develop the growth of this rubber-bearing plant. I myself believe, as I have said, and I hope to God, that long before any rubber can be obtained from this plant, the war will be over and we will be free to obtain all of the rubber and other necessary things that we need for the production of everything and anything required in the United States.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Mississippi.

Mr. RANKIN of Mississippi. I notice in the Washington Post this morning that a grand jury in the city of New York is investigating the charge that the Standard Oil Co. of New Jersey conspired with a certain German concern which manufactures synthetic rubber to prevent the development of that process in the United States, and thereby to prevent the building up of a supply of synthetic rubber in the United States. Does not the gentleman think that is a question which the Congress should investigate?

If any concern is guilty of conspiring with the agent or citizen of a foreign government, especially an enemy government, to prevent the building up or development of a process for the manufacture of synthetic rubber in this country, we ought not to depend on a grand jury in New York City to investigate it, but the Congress should investigate it and find out the facts and see that the persons who are guilty, if any, are properly punished, and break up the guilty monopoly.

Mr. SABATH. I fully agree with the gentleman, but I fear it may take altogether too long for the House or Congress to make the investigation, and if these gentlemen are already invest'gating it and the grand jury has already been impaneled and evidence is being presented, I think we should encourage them to proceed with the investigation. If what the gentleman says is true, and if the charges are proved, they should be convicted and sent to the penitentiary without delay. What applies in this instance should apply to every other case where any one of these large industrial corporations retards the production of needed materials especially at this time.

Mr. RANKIN of Mississippi. Will the gentleman yield further?

Mr. SABATH. I yield.

Mr. RANKIN of Mississippi. Our investigation would not interfere with the grand jury in the least. Their investigation is secret. Even if they convict the last one of them and send them to the penitentiary, that will not produce synthetic rubber in this country. So, I submit it is the business of Congress to investigate this, go to the bottom of it, and to break up any attempt to prevent the manufacture in this country of essential war materials, and especially rubber

Mr. SABATH. I will say to the gentleman that we have before our committee many resolutions to investigate. I am of the opinion that some of those resolutions should be favorably considered and that the House should investigate many of the things which are complained of. But unfortunately the House has been opposed to the adoption of those investigating resolutions and the appointing of those committees. Personally I assure the gentleman if he will introduce such a resolution it will receive due and proper consideration. On the other hand, may I say to the gentleman from Mississippi I have been informed that there is no such great shortage of rubber in the United States.

What applies to rubber, I am told, applies to sugar, that there is no such shortage of sugar in the United States, but certain people and companies and corporations in the United States took advantage of the publicity that is sometimes given to the fact that there is a shortage. I feel that there is not; that it is being hoarded, that it is being controlled by a few for the purpose of mulcting the American people. If that is so, I think that should be investigated, and the whole sugar industry should be investigated.

Mr. RANKIN of Mississippi. Will the gentleman yield further?

Mr. SABATH. I yield.

Mr. RANKIN of Mississippi. If there is a shortage of sugar Congress is largely responsible for it, because we have cut down the production of sugar in certain States by law.

Mr. SABATH. Well, not last year, because the sugar growers have been given the right to plant all the acreage necessary.

Mr. RANKIN of Mississippi. On this question of the production of synthetic rubber, I submit, if the statement made in the Washington Post this morning is correct, the Congress ought not to merely rely on a grand-jury investigation, but we should go to the bottom of it ourselves and break up these vast monopolies that are conspiring with foreign agents to cripple our war effort.

Mr. SABATH. I have stated to the gentleman if he or any other Member will introduce such a resolution the Committee on Rules will only be too willing to give due consideration to such resolution, not only to investigate this particular case of abuse, but any other.

Mr. DITTER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. DITTER. Am I to understand that the gentleman reflects unfavorably upon the credibility of Mr. Henderson in connection with the regulations that he has imposed upon the people? In other words, as I understand it, the matter of these shortages and sugar rationing is the result of Mr. Leon Henderson's arbitrary rulings and positive commands. I

am surprised at the gentleman from Illinois taking exception to that.

Mr. SABATH. I do not. I know he means to do the right thing and he desires to protect the Nation in the days and months to come from having a shortage of sugar.

Mr. DITTER. You mean that he does not know anything about it?

Mr. SABATH. No.

Mr. DITTER. That he has not sufficient information at hand and, therefore, the rulings have been predicated on ignorance rather than an understanding of the facts?

Mr. SABATH. Well, you or no one can charge Mr. Leon Henderson with ignorance.

Mr. DITTER. I rather assumed the gentleman was doing that.

Mr. SABATH. On the contrary, I think he is a very capable gentleman, but I may say I do not know when he issued any restriction, whether or not it was before the Department of State made the treaty or the compact with Cuba, whereby the United States is to obtain the entire output of Cuban sugar at the prevailing price of $2.60 or $2.65.

This together with the additional sugar that will be produced in this country and the large quantity on hand should prevent any real shortage. At the present time, however, certain large concerns are attempting to lay up a large quantity in reserve and that creates the condition Mr. Henderson is trying to prevent.

Mr. DITTER. Mr. Speaker, will the gentleman yield further?

Mr. SABATH. I must yield to the gentleman from Ohio.

Mr. DITTER. Will not the gentleman allow me to complete the interrogation I started?

Mr. SABATH. I yield for a question, but make it a question, please.

Mr. DITTER. My question is this: Am I now to assume that the gentleman exonerates Henderson and places the blame over on the Department of State?

Mr. SABATH. No; I want to give the Department of State credit and Henderson does not need any apology. It cannot be denied by anyone that in the absence of a treaty with Cuba we would be confronted with a real sugar shortage. The Department of State is to be congratulated in making the treaty which now permits us to obtain the whole crop of that country at such a low price.

Mr. DITTER. The women of the country are to blame; is that it?

Mr. SABATH. Yes; I think they became alarmed a little while ago.

Mr. DITTER. I categorically deny that assertion.

Mr. SABATH. I suppose the gentleman from Pennsylvania buys the sugar in his household.

Mr. DITTER. I believe the women now are the best providers; I believe they look after a family's needs better than the men.

Mr. SABATH. At home, yes; but they are also oversensitive as to having enough sweets for husband when he comes home.

Mr. CLEVENGER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. CLEVENGER. Is the gentleman aware that the Agricultural Department, the A. A. A., cut production of sugar 17 percent in both the beet and cane areas in continental United States in 1941?

Mr. SABATH. But not for 1942.

Mr. CLEVENGER. My farmers were cut out of 17 percent of their acreage.

Mr. SABATH. They did not want to have a surplus. They wanted the beet-sugar people as well as the cane-sugar people to get a fair price. If there had been overproduction, the price would not be fair to them and they could not grow beets or cane in the future, but since December 7, as the gentleman knows, conditions have changed. We are now at war.

Mr. SWEENEY. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. SWEENEY. Not so long ago Mr. William O'Neil, of the General Tire & Rubber Co., a man who knows rubber, stated to the Cleveland Advertising Club that there was no shortage of rubber in this country. The same day Henderson said there was only a 3 months' supply. Can the gentleman satisfy the House on these contradictory statements, so we may know whether there is a real shortage of rubber or not?

Mr. SABATH. I wish I could reconcile all the differences of opinions and different views of different gentlemen, but, unfortunately, I cannot. I may say, however, that I have promised the chairman of a subcommittee of the Committee on Agriculture which reported this bill that I would give him some of my time to explain the bill under the rule. This gentleman has held many days of hearings. He knows the subject far better than I, and I am not going to deny the House the privilege and opportunity of being informed thoroughly by him.

Mr. NORRELL. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. NORRELL. While we are on the subject of rationing, I wonder if the gentleman can tell us why it is necessary to prohibit the purchase of cotton duck, for instance, on the theory that there is a scarcity when the Government itself owns 12,000,000 bales of cotton?

Mr. SABATH. I do not know unless it is for the purpose of protecting the cotton the Government has and also protecting the cotton growers so that a great deal of this cotton would not be put on the market to break the price.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield for a question on the bill?

Mr. SABATH. I yield.

Mr. CRAWFORD. Does the gentleman recommend approval of this bill on the basis that the acquisition of this property and these processes and experimental work, seed, land, and so forth, will serve as an insurance policy against a greater shortage of rubber in the future?

Mr. SABATH. That is what is claimed for the bill.

Mr. CRAWFORD. Does the gentleman recommend the bill?

Mr. SABATH. That is the claim made by those who reported the bill and who advocated it. I am only doing my duty in bringing before the House a bill that has been reported by a standing legislative committee of the House. As I stated at the beginning, the Rules Committee feels the House should not be denied the privilege and the right of passing its judgment upon legislation reported by duly authorized legislative committees.

Mr. CRAWFORD. I am anxious to know if the gentleman believes that the showing was sufficient to warrant the passage of the bill and if the gentleman himself is in favor of the bill.

Mr. SABATH. I have not definitely made up my mind about it. I feel we should protect ourselves, but whether we shall do so by this bill I do not know. These people, the Intercontinental Rubber Co., have been trying to develop this plan for 30 years but have failed in the United States. They have a plant in Mexico where they have been successful and are making money. They do not want to sell that. They want to sell us that which is here. Perhaps they feel that the Government is in a better position to spend the money for further trials and experimentation than they are.

Mr. MURDOCK. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Arizona.

Mr. MURDOCK. I take it that the gentleman is not concerned with this particular company in California so much as he is in finding out whether our great natural resources of the West can be further developed in providing this vitally essential, home-produced, natural rubber; is that not true?

Mr. SABATH. Correct, but unfortunately they have not been successful in the West with the growth of this guayule.

Mr. MURDOCK. It may be that they have not been financially successful in this venture, but they have shown that rubber can be thus produced.

Mr. PACE. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Georgia.

Mr. PACE. The gentleman has suggested that they have not been successful. Does not the gentleman want to qualify that by saying they have not been successful in producing guayule rubber to compete with native rubber selling at 2, 3, 4, or 5 cents a pound? They have been successful in producing the rubber, but it costs more and everybody knows it costs more. They have not been unsuccessful, however.

Mr. SABATH. I am glad the gentleman calls that to my attention. That has been shown and testified to before our committee, and that is the information I have.

Mr. CRAWFORD. Will the gentleman yield?

Mr. SABATH. I have not the time. I wish I could.

Mr. Speaker, I now yield 4 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, I would like to prefix my statement on the pending resolution with a brief reference to another matter. I got my worry bird this morning. It is good humor, but there is

more to it than that. It evidences a very unfavorable public reaction to the action taken by the House a few days ago in reference to retirement legislation affecting Members of Congress. I think the Congress made a dreadful mistake in the adoption of that bill. It puts us at a disadvantage in years to come in the consideration of all retirement legislation. I sincerely believe—and it is not because I wish to make favor with the public but because of a deep conviction that I have—the law is against the public interest and should be repealed.

With reference to the subject matter involved in the bill which the pending resolution is intended to make in order, the Committee on Agriculture appearing before the Rules Committee asking for a rule made out a very, very poor case. However, in spite of the weakness of the case that it presented, the Rules Committee did just what I think any and all of you would have done under similar circumstances. It reported the matter for your consideration.

It came to us in the name of national defense, and that is the one object that those sponsoring the bill have in mind. The gentleman from California [Mr. ANDERSON] probably knows more about this proposition than any Member of the House. I would have none of you think he is endeavoring in the interests of constituents of his to sell the Government a gold brick. The resolution as originally drafted provided for the acquisition of this property through condemnation proceedings. The committee carried on negotiations and finally came to an agreement with the owners of the property whereby they would part with title for a consideration of $2,000,000.

If the House has the fear that that is excessive, that it is more than the property is worth—and, frankly, I have a feeling that it is probably more than the property is worth—then you should strike down the committee amendment to the bill. The property is probably worth no more than a quarter of a million dollars to the owner. It may be worth a great deal more than that to the Government. As I say, if you have any fear about that, then strike down the committee amendment to the bill. If you adopt that procedure and the Government acquires ownership of the property, it will be as the result of condemnation proceedings. However, I do have the thought that the committee can justify its recommendation for $2,000,000 upon the basis that it is saving the Government perhaps in the neighborhood of $2,000,000; but I do invite the Members of the House to give careful consideration to the statement of the gentleman from California [Mr. ANDERSON], and I vouch for his deep sincerity and, of course, his fine patriotism. He is not undertaking to pan off anything that is worthless, he is not trying to sell a gold brick to the Government.

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield such time as he may desire to the gentleman from Kansas [Mr. HOUSTON].

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief editorial by William Allen White.

The SPEAKER. Is there objection to the request of the gentleman from Kansas [Mr. HOUSTON]?

There was no objection.

Mr. SABATH. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, the distinguished gentleman from Georgia [Mr. COX], who has just preceded me, tells us that he has received through the mail a "coochie" bird or a "worry" bird, or whatever he calls it. He indicates that this is a humorous reminder of the action of the House some time ago in passing an amendment to the Civil Service Retirement Act, the purpose of which is to make it possible for Members of Congress, the President, the Vice President, and other elective officers to receive retirement pay.

Like the gentleman from Georgia, I have received numerous reminders, but mine have been in the way of messages, resolutions, and editorials criticizing this untimely, unwarranted, and unjustified action by the Congress. There is nothing humorous about any of these messages which I have received. Indeed, the picture is a somber one, and it is most regrettable that this amendment was passed through the House as a part of the Unanimous Consent Calendar without any debate or consideration by the House.

I quite agree with my friend as to his appraisement of the measure. On January 30, in the debate, I expressed my view about this matter. Several Members have introduced bills to undo that which was hastily, if not unwittingly, done when the bill passed the House on December 1, 1941. I am asking the Civil Service Committee to give attention to these bills.

Mr. Speaker, there is one Member in the House who knows more about the Anderson bill, which this rule makes in order, than all the rest of us put together. He has been talking about the necessity of protecting our rubber for at least 2 years to my personal knowledge. I am therefore not going to muddy the waters or attempt to explain a bill I know little about. This gentleman will give us a comprehensive picture supported by the facts. I now yield 15 minutes to the author of the bill, the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON of California. Mr. Speaker, it is extremely gratifying to me to find the guayule rubber project finally bearing fruit, or should I say bearing rubber. The resolution under consideration makes in order the bill S. 2152, to provide for the planting of guayule and other rubber-bearing plants in order to make available a source of crude rubber for emergency and defense uses.

Mr. Speaker, I want to make my position on this subject absolutely clear to every Member of the House. I would still be urging the adoption of this legislation if there was no war on and if our supply of rubber from the East Indies had not been threatened. In my opinion, it is extremely unwise for the United States to continue to ignore the possibility of producing a certain percentage of the rubber it needs within its own borders. We are completely at the mercy of an international rubber cartel, a rubber monopoly, and in spite of the cost of production of imported rubber this monopoly sets the price and we pay it.

I call to your attention the fact that one reason why this project has not developed further in this country up to this date is the price of rubber. At one stage in the development program this company had 8,000 acres of guayule planted in the southern county of my district. The price of rubber dropped to 3 cents a pound, and that entire investment was lost. However, the company and the Department of Agriculture's experts state that at the present price of rubber this product can successfully be grown in the United States, and I therefore see no reason why we should not get on with it as soon as possible.

We know that rubber is one of our most critical defense needs. We are not sure that we are going to continue to get a supply from the East Indies. I think most of us are aware of the fact that 97 percent of the rubber consumed in this country is imported from British Malaya, now entirely in Japanese hands, and from the Dutch East Indies.

In spite of all reports to the contrary, I cannot share the beautiful optimism of those who say that we are not going to be kicked out of the southwest Pacific, and our rubber is going to continue to arrive. There is no Member of the House that I give way to in my desire to settle this issue in the southwest Pacific just as soon as possible and get back our natural supply of rubber as soon as possible, but at the same time I think that as long as this guayule plan presents an avenue of securing an additional supply of natural rubber we should take advantage of it.

I think a brief history of the guayule development in this country is well in order. I call your attention to an extension of remarks I placed in the RECORD that can be found on page 387 of the Appendix. Those remarks contained a letter from one of the acknowledged leading international rubber experts, who is now a professor of chemistry at the Massachusetts Institute of Technology.

I should also like to call to your attention a brief review of the guayule situation—a Tariff Commission report appearing on page 50 of the hearings before the Committee on Agriculture with respect to this bill.

Naturally there will be some question as to the cost of this program over and above the amount it is here contemplated we should pay to the Intercontinental Rubber Co. for their tangible and intangible assets in the United States. May I call your attention to the very excellent committee report that accompanied this

bill to the floor of the House. On page 3, at the bottom of the second paragraph, the committee report contains this statement:

From its investigation the committee is able to assure the House of Representatives that expenditures under this authorization would be insignificant as compared with the cost of any other rubber or rubber substitute development.

With further reference to the cost, may I call your attention to a statement by Dr. Brandes, Chief of the Report Division of the Department of Agriculture, appearing on page 24 of the hearings. In answer to a question propounded by the gentleman from Virginia [Mr. FLANNAGAN], Dr. Brandes said this:

I believe that this whole program could be effectuated at practically no cost to the Government if the present price of rubber is maintained.

These are interesting statements that we should retain when further discussion on this bill is in order.

It seems to me that in considering this proposed legislation there are three or four main questions that must be resolved. First of all, do we need rubber? Those of you who are going to be running around on retreaded tires in the near future because you cannot buy new ones will be the first to agree that we do need more rubber. Those of us who share my belief that we are in serious danger of losing our supply of rubber from the East Indies also believe that we need rubber. The rubber experts tell us so. All right, then; we will say that that question is resolved.

Second, and most important, probably, is the question, Will guayule produce rubber? In appearing before the Committee on Agriculture in presenting the case for this bill, and in all the statements I have made to the House prior to this time, I have tried always to err, if possible, on the side of conservatism. I am not giving you my considered judgment in saying that I think this matter is worthy of consideration, but I do give you the considered judgment of various experts in departments in the Government.

In answer to the question, Will guayule produce rubber? I should like to say that the Department of Agriculture says "Yes," the Tariff Commission of the United States says "Yes," and the Department of Commerce through its Bureau of Standards says definitely "Yes." The Big Four, the major rubber companies—that is, the United States Tire & Rubber Co., Firestone, Goodyear, and Goodrich—have all used guayule in different quantities, and each of these companies says that guayule produces good rubber.

Finally, the leading rubber experts with whom I have had correspondence and contacts during the time this bill was in process of being brought to this particular point all agree that gauyule will produce rubber.

All right, then, we get down to the question of whether or not this is essential to national defense. I think that it is. I do not like to bring in a bill here that I have had pending in the House for 8 months and call it up simply because it is essential to national defense. I think it is essential for many other reasons, but now it has a further quality, and that is it is essential also for national defense.

In this regard, may I call your attention to a letter from the Navy Department on page 51 of the hearings? You will find embodied in the hearings letters from several Government departments, letters from various major rubber companies of the United States, but I think most important of all is this letter from the United States Navy Department, and I would like to read excerpts from it:

The Navy Department has made certain tests on both Mexican and domestic guayule. Tests on domestic material were made on both the resinous and deresined condition, but tests on the Mexican guayule were made only on the resinous condition. The technical information obtained may be summarized briefly by saying that the domestic deresined guayule may be substituted for natural Hevea rubber without sacrificing the physical or chemical qualities of the manufactured article. Resinous guayule is not suitable as a direct substitute for Hevea rubber. It is, however, used commercially in the making of rubber cement or rubber articles where a tacky surface is desired.

Further along the letter says this:

The process of extracting the resin from guayule costs approximately 1 to 3 cents per pound, depending upon the type and size of extraction equipment. This in turn depends upon the amount produced. As an over-all estimate guayule rubber will probably cost no less than 25 cents per pound for some time to come if operations are started in the near future.

The Navy is vitally interested in the insurement of an adequate supply of rubber for its essential uses. While the plan presented does not offer an immediate supply if the supply of Hevea rubber should be cut off in the near future, it nevertheless does offer a fairly definite basis for a supply of rubber which would be available within a reasonable length of time.

Consideration should also be given to the fact that all of the money expended in the production of guayule rubber will remain in the United States in place of the large sums which now flow from this country for the procurement of crude rubber.

They go on then to urge immediate enactment of this legislation.

In addition to the Navy Department's letter as to whether this is essential for national defense or not, I should like to say that this has already been recommended by the War Department, by the R. F. C., by Mr. Jesse Jones in person before the House Committee on Military Affairs, by the major rubber companies to which I have referred, and by the Tariff Commission. So I think that leaves no question about it. It certainly leaves no question in my mind as to whether or not this is essential for national defense.

We all know that no such measure as this would be before the House for consideration unless it had been approved by the various departments of the Government involved. All of the Government departments that are involved have approved this legislation. It has been cleared by the Bureau of the Budget, and I want to urge upon you in the consideration of the measure that speed is highly essential.

There is one more thing. The rubber development program has passed the experimental stage. The experimenting has been carried on in this country, as the chairman of the Rules Committee told you, over a period of some 30 years. Originally grown wild in northern Mexico and western Texas, the company whose name you find in the bill started some 30 years ago to see if they could not develop a cultivated strain of guayule rubber in the United States. For many years their program was entirely unsuccessful. Some 20 years ago they traveled out to California and located in a southern county of my district and continued their research. They have taken a desert shrub that in its wild state yields from 7 to 8 percent rubber; that is 7 to 8 percent of the weight of the plant in rubber, and developed a plant that now, within 4 years in the field, will produce approximately 20 percent rubber.

I think this company is entitled to some consideration when this bill is passed by the House. What their tangible and intangible assets are worth to the Government, I am sure I do not know, but I think they are entitled to consideration of the fact that they have given 30 years to the development of this program, and this is generally acknowledged by the Department of Agriculture, which otherwise would have carried on these experiments, and they certainly should be reimbursed for such real property and such tangible assets as they have at the present time.

I have attempted to lay this program out to the best of my ability, and I shall be pleased to yield for the purpose of answering any questions that the Members may desire to propound.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of California. Yes.

Mr. REED of New York. Perhaps I ought not to suggest or infer that I am asking the gentleman to yield to ask him a question, but I am very much interested in this because of what I have read in the newspapers. If it be true—and I assume that it is—that most of the rubber plantations of Malayan Peninsula have been destroyed deliberately, and that it will take considerable time to reestablish them, it would seem to me that, regardless of what we may think of this experiment, we can well afford to spend at least $2,000,000 to try to find out how we can produce this very essential material to national defense. Research is being carried on by every government in the world, and this Nation now travels on rubber.

Mr. ANDERSON of California. The gentleman is correct.

Mr. REED of New York. The Army has to have rubber, and if this has gone on far enough so that it is shown by the experiment that it is just a matter of cost, then we cannot reckon the financial cost, now that we are in this war, a war that comprehends the whole world. I for one am willing to take a chance on

this proposition for $2,000,000 to see whether we can produce this rubber and be self-sustaining. Permit me to say one word more. In 1934 this proposition was under consideration, and it was opposed, so I am informed, by Secretary WALLACE. If we had for the past 8 years been working on this proposition, giving it encouragement, and not letting the rubber monopolies or cartels step in and destroy it, we might today have been self-sufficient as to rubber.

Mr. ANDERSON of California. I thank the gentleman for his contribution. May I make one observation? I am not able to say what this company should receive for its tangible and intangible assets in this country, and I do not believe the House is qualified to state what it should receive. The bill I originally had before the committee contained a provision to acquire by purchase, license, or other agreement, or by condemnation, the tangible and intangible assets of the company. Let me make this clear. I do not think that any individual or any company or corporation is big enough to stand in the way of a development program of this kind in the United States, when it is so essential to the national defense.

The SPEAKER. The time of the gentleman from California has expired.

Mr. CASE of South Dakota. Mr. Speaker, I yield the gentleman 5 minutes more.

Mr. ELLIOTT of California. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of California. Yes.

Mr. ELLIOTT of California. As a matter of fact, the company at present will yield to any proposition within reason. Had the Federal Government been doing what this company has been doing for 30 years—to work out a program whereby it would be possible to grow rubber—it would have cost the United States Government far in excess of $2,000,000.

Mr. ANDERSON of California. I think the gentleman is correct.

Mr. ELLIOTT of California. Our time is short, and now is the time in California when they must be planting these seeds. Nursery beds must be provided and we will have to save these seeds and plant them by the 1st of April.

Mr. ANDERSON of California. These available 23,000 pounds of seed should be in the ground, if possible, by the 1st of April of this year, in order to be ready for transplanting to the field next year.

Mr. ELLIOTT of California. Mr. Speaker, I compliment the gentleman from California, and call attention to the fact that 2 years ago the gentleman from California [Mr. ANDERSON] brought plants to Washington, and tried to interest the Agriculture Department. He has done perhaps more work in trying to bring this to the attention of the Department than anybody in the United States at the present time. It has been Mr. ANDERSON'S life study since he has been in the House to bring these plants into production, and it has been through his tireless efforts that it has been brought to its present status, and I hope that this membership will not believe that this is a gold brick. This is a bill that should be passed, and the 75,000 acres in California can be planted by the 1st of April if we know now.

Mr. ANDERSON of California. I thank the gentleman very much. His reports are appreciated.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of California. Yes.

Mr. DONDERO. Mr. Speaker, up to this time private enterprise entirely has been responsible for whatever development there has been of this subject.

Mr. ANDERSON of California. Let me make this observation in reply: The Department of Agriculture, with its limited amount of funds, has planted a few experimental plots in various sections of the country, and they do have some idea of location with reference to where this plant can be grown, but the entire 30 years of experimentation and research have been made by private industry.

Mr. DONDERO. Can the gentleman give us any idea of the amount of rubber used in the United States in the years 1940 and 1941?

Mr. ANDERSON of California. The amount of rubber used in 1940 was about 600,000 tons. In 1941 it was somewhere in the vicinity of 700,000 or 800,000 tons.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of California. I yield.

Mr. VOORHIS of California. I believe the gentleman is entitled to the thanks of the House for bringing this bill in. It seems to me it is a matter of vital importance. As I understand it, is it not a fact that this is a proven process, that it has actually been shown that this is good rubber and can be practically used?

Mr. ANDERSON of California. Absolutely. There is no question about that.

Mr. VOORHIS of California. May I ask the gentleman one further question? Am I correct that the passage of the gentleman's bill would mean, in effect, that it would remove any patents or other possible bottlenecks existing in the free production or development of this type of rubber? In other words, it would permit all producers to carry this on to any extent?

Mr. ANDERSON of California. The job would be done by the Government.

Mr. VOORHIS of California. I understand, but there would be no restriction on someone else doing it if it proved suitable to them?

Mr. ANDERSON of California. That would be up to the Government department administering the program. In other words, the Department of Agriculture.

Mr. VOORHIS of California. But they would have every reason to encourage it, would they not?

Mr. ANDERSON of California. I should think so. I have thought so for a long time.

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. ANDERSON of California. I yield.

Mr. CASE of South Dakota. I think the gentleman has made a very convincing presentation. There are two brief questions I would like to ask. Do I understand that the product of the guayule plant can be used by the present rubber factories without any great change-over?

Mr. ANDERSON of California. That is correct. You will find a statement to that effect in the hearings before the Committee on Agriculture.

Mr. CASE of South Dakota. Has the gentleman any assurance from the Department of Agriculture that they will use the seed that is available for planting in the various parts of the country to determine where it can best be grown?

Mr. ANDERSON of California. That is their program.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman.

Mr. MURDOCK. I want to ask the membership to support this resolution, both the rule whereby the bill may be considered and the bill itself, because I consider it a very, very important measure. I also want to confirm at the same time what the gentleman from southern California [Mr. VOORHIS] said a moment ago. The gentleman occupying the Well of the House [Mr. ANDERSON of California] has instructed all of us. Even though I myself come from the Southwest and am somewhat acquainted with desert growth, I have been instructed during the past 3 years by the gentleman from California [Mr. ANDERSON] in support of this proposition. I just wanted to say that.

Mr. ANDERSON of California. I certainly thank the gentleman.

The SPEAKER. The time of the gentleman from California has expired.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. ANDERSON of California. My time has expired. If I can get time under general debate, I will be glad to answer further questions.

Mr. MICHENER. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. WHITTINGTON. Will the gentleman yield to me?

Mr. ANDERSON of California. I yield.

Mr. WHITTINGTON. Is it not true with respect to the cost being limited to $2,000,000, that if you pay $2,000,000 to this company, then the sky may be the limit, under section 3 of this bill?

Mr. ANDERSON of California. That is why I wanted to make it clear that the bill I introduced provided to acquire this property by condemnation.

Mr. WHITTINGTON. And do you not think that is necessary in order to protect the Government now?

Mr. ANDERSON of California. I do; but the committee did not.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman.

Mr. PACE. I do not believe the gentleman from Mississippi understands about purchasing the land.

Mr. ANDERSON of California. I am sure that can be explained to him.

Mr. PACE. The gentleman is not advocating that the Department of Agriculture buy hundreds of thousands of acres of land to experiment on this proposition for 2 or 3 years?

Mr. WHITTINGTON. I think it should have the right to acquire title to the land if they are going to pay $2,000,000 for it.

Mr. PACE. The gentleman misunderstands. We are getting title to the land we are buying. We are leasing land that farmers are going to take the seed and experiment with it.

Mr. WHITTINGTON. You might if you pay what they want for it; but if you have got the right to condemn, you could get it at a reasonable value.

Mr. COFFEE of Washington. Will the gentleman yield to me?

Mr. ANDERSON of California. I yield to the gentleman.

Mr. COFFEE of Washington. Will you tell the House how much is produced by the Mexican guayule shrubs?

Mr. ANDERSON of California. Two years ago we imported 4,000 tons of Mexican guayule. Last year it was 6,000 tons, and next year we estimate the importation will be about 7,000 tons.

Mr. COFFEE of Washington. Is the annual rainfall about 10 or 12 inches where this plant is grown?

Mr. ANDERSON of California. That is the desired amount.

Mr. COFFEE of Washington. I want to congratulate the gentleman for the intensive effort he has made to bring this matter before the House. I am familiar with the Inter-Continental Rubber Co. I am satisfied as to its bona fides. I hope the gentleman and those with him may win out in this effort to contribute to our Nation's needs.

Mr. ANDERSON of California. I certainly thank the gentleman for his comments.

The SPEAKER. The time of the gentleman from California has again expired.

Mr. MICHENER. Mr. Speaker, I yield the remainder of the time, 7 minutes, to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Speaker, coming from the State of Michigan, where the automobile empire of the world is situated, it is not surprising that I am greatly interested in the subject of rubber, a subject inseparable from the automobile industry, a substance vital to the Nation's defense and necessary to the continuance of the greatest industry in this country, namely the manufacture of automobiles. I want to congratulate the gentleman from California [Mr. ANDERSON] for the contribution he has made to the welfare of this country through an untiring effort to bring this matter to the attention of the Congress and the importance of the growing of rubber, not only to the present welfare of this Nation but the future as well. Events in the Far East in recent days have demonstrated that it is time the United States Government took some action to provide in the future that supply of rubber so essential in keeping the armed forces of our country and our Allies adequately supplied with the implements of war. I am heartily in favor of the rule and the bill, and shall support both. My purpose in taking the floor at this time is to give the Members some information I have obtained from the Bureau of Foreign and Domestic Commerce of the Department of Commerce.

Mr. MAY. Mr. Speaker, before the gentleman starts on that will he yield for me to make a brief statement?

Mr. DONDERO. I yield.

Mr. MAY. The Congress some 3 years ago declared as a national policy in the Strategic Raw Materials Act that we should develop in our own country our domestic resources in all these materials, of which rubber is one. Rubber stands high on the list of strategic materials for the War Department. The House Military Affairs Committee reported a bill that was passed in which it was declared to be the policy of Congress that the natural resources of the country should be developed so that we should not become dangerously dependent on any foreign product.

Mr. DONDERO. The statement made by the gentleman from Kentucky [Mr. MAY], the distinguished chairman of the Military Affairs Committee of this House, indicates clearly that consideration of the bill now before us should have been taken 3 years ago. The war has demonstrated in an accentuated manner the necessity for the production of this commodity by the United States. The Department of Commerce has furnished the following information on synthetic rubber now being produced in the United States. In 1939, 2 years ago, only 2,250 tons of synthetic rubber was produced in this country. Last year, 1941, that had risen to 11,700 tons; but when you compare that figure with our needs, how small it seems, for last year we used 700,000 tons of rubber. It will be seen that the synthetic rubber that might be produced in this country would be a very insignificant amount compared to the total used in its various forms, and particularly in our national defense effort.

The Department informs me that in April of last year contracts were entered into between the Rubber Reserve Company—R. F. C. subsidiary—and the Firestone, Goodrich, and Phillips Petroleum, Goodyear, and United States Rubber Cos. providing for four factories to be built, each to have an initial capacity of 2,500 tons annually, but to be capable of developing a 10,000-ton annual capacity. The development of the full 10,000 tons each was provided for July 1, 1941, under agreements with the participating companies, and the engineering plans for these factories are said to have contemplated possible future tripling of that capacity in each factory. Following Pearl Harbor, the Federal Loan Administrator recommended expansion of Government-sponsored synthetic rubber production facilities to 120,000 tons, or 30,000 tons each for the four factories, and this was given approval by S. P. A. B. December 23 "subject to detailed examination of the program by the Division of Priorities to make certain that sufficient materials can be provided for construction and operation of the plants."

Mr. WOODRUFF of Michigan. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. WOODRUFF of Michigan. Does the gentleman know anything about the possibility of producing synthetic rubber from grains and farm products?

Mr. DONDERO. The Department has not advised me on that subject.

Mr. WOODRUFF of Michigan. If the gentleman will permit a further interruption, I may say that the latest process to be developed for the manufacture of synthetic rubber utilizes grains and farm products. Scientists who know state that there is enough surplus grain on hand to produce all the synthetic rubber this country can possibly use now or at any time.

Mr. DONDERO. It would be a valuable asset if we found guayule rubber could not be produced in sufficient quantities.

Mr. WOODRUFF of Michigan. And may I venture the hope that every possibility of producing synthetic rubber will be explored to the limit so we may secure the rubber we desperately need at this time.

Mr. DONDERO. I am sure the House shares the gentleman's interest and hope.

Mr. WOODRUFF of Michigan. I approve of this bill, and I will approve any legislation that will step up our supply of rubber.

Mr. HARTER. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. HARTER. Let me preface my question by saying that I believe every step should be taken to secure additional raw rubber for the manufacture of finished rubber goods. Every opportunity that offers should be availed of. I am wholeheartedly in favor of the measure the gentleman supports this afternoon; but I do wish to ask if it is not a fact that high administrative officials of our Government now advocate the building of plants for the production of 400,000 tons of synthetic rubber annually?

Mr. DONDERO. I do not have the latest figures, but the figure I mentioned came from the Department of Commerce, and I assumed that that was the maximum. I hope, however, that it can be expanded.

Mr. HARTER. I believe the gentleman will find that plans are now being made to expand synthetic-rubber production in this country to a figure of 400,000 tons annually.

Mr. DONDERO. The history of rubber is both interesting and fascinating, and I give to the House a short statement of the steps taken by the Goodyear Co. in its effort to expand the production of rubber not only in the Far East, Malaya, and the Netherland East Indies, but in the Western Hemisphere as well. Undoubtedly the great rubber plantations in Malaya are now under the control of the Japanese, and perhaps have been destroyed to keep this most valuable substance from falling into the hands of our enemies.

RUBBER

Origin

Forebears of Hevea plantations of the Far East originated in this hemisphere. Christopher Columbus, returning from one of his voyages, brought with him some samples of

the substance which he had found in tropical jungles.

In 1839 Charles Goodyear discovered the process of vulcanization and thereby made possible the utilization of this substance.

In 1876 the British obtained Hevea seed from the valley of the Amazon, and in the course of time planted them in Malaya and the East Indies, forming the foundation of the modern plantation system.

As late as 1912 more than half of the rubber consumed in the United States came from the wild trees of tropical America, but with the rapid development of the automobile there was a concurrent development of the British and Dutch plantations, with the result that today less than 5 percent of our supply comes from the wild jungles, while more than 95 percent comes from the cultivated plantations.

In 1922 the first of the rubber restrictions plans was put into effect by the British, known as the Stevenson Act, and restricted the export of Hevea seed as well as the production of rubber. The Dutch, French, and other Governments, controlling important sections of the rubber plantation areas, did not join with the British in this plan, which collapsed in 1928 after forcing the price of crude rubber up to $1.25 per pound.

This act on the part of the British forced Goodyear to establish a plantation under the American flag. Two thousand five hundred acres were acquired by the company in the Philippines, and this tract was developed with the highest yielding budded stock obtainable in the East.

When the joint restriction program of British and Dutch did become operative in 1934 we had a stepping stone beyond the control of those nations from which we brought the finest stock back to the Western Hemisphere.

In 1934 Goodyear concluded negotiations with the Government of Panama for transplanting stock from our Philippine plantations and acquired 2,800 acres of land abutting the Canal Zone for an experimental plantation. Four thousand young budded trees of the best collection of high-yielding families of Hevea trees were brought to the Canal Zone with the cooperation of the Army authorities.

In 1935 we arranged with the Government of Costa Rica for the planting of some of the stock, acquiring 1,000 acres of abandoned banana land, and named the new Costa Rican plantation "Speedway."

In 1940 a cooperative agreement between Goodyear and the United States Department of Agriculture was concluded, paving the way for the interchange of valuable high-yielding Hevea planting material between Goodyear and countries of tropical Latin America.

This demonstrated that much scientific work had to be done to produce a strain of rubber which would thrive in the Western Hemisphere.

Hazards

While native to this hemisphere, when densely planted is subject to leaf blight of Amazon regions. This disease destroyed early attempt to cultivate Hevea in Dutch Guiana and on the island of Trinidad. Had to develop a leaf-blight resistance stock. This delayed the work in Central America for several years. Now Goodyear feels optimistic regarding future results.

Department of Agriculture and Department of State have cooperated wholeheartedly in the development of rubber in this hemisphere.

Recently a large supply of high yielding rubber trees have been shipped from Philippine plantations to Haiti for use of Haitian-American Corporation, which was formed by Haiti and United States Governments to develop agriculture and mineral resources of Haiti. Rubber is one of the principal developments.

Recently acquired 1,500 acres in Costa Rica. This will be ready for planting during the coming year. Primary stock will consist of material combining best qualities of blight resistance and high yield.

Situation today on rubber supply:

1. Have nationalized emergency stock of natural crude rubber brought in from Far East during present year. This stock wholly owned and controlled by our Government and will keep American war machine in smooth operation for another year and probably longer.

2. Have manufacturing plants for production of reclaimed or regenerated rubber connected with Goodyear rubber factories. These factories have high total capacity and are now turning out large supplies of reclaim which can be converted into tires and other rubber products. Tires of regenerated rubber do not have wearing qualities of tires from crude rubber, but will help.

3. Rapidly expanding facilities for production of synthetic rubber, and within next 12 months under present program country's capacity can reach more than 80,000 tons per year. Can be rapidly expanded to any extent emergency needs, using only materials which are produced within continental boundaries of United States.

4. Rubbers normally having a more restricted use than Hevea, such as Castilloa and guayule, are already grown to small extent in the Americas. Former grown in tropical latitude and latter in arid regions of northern Mexico and southwestern United States. Gathering and planting of these rubbers can piece out total available supply during emergency.

5. Substantial foundation laid for development of rubber growing in Western Hemisphere. Results in this field cannot be expected for a matter of years.

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the pending bill and to include some excerpts from an article by C. L. Chapin, and also some newspaper articles.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. THOMASON]?

There was no objection.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. FULMER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 2152) to provide for the planting of guayule and other rubber-bearing plants in order to make available a source of crude rubber for emergency and defense uses.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 2152, with Mr. THOMAS of Texas in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. FULMER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, during this brief time I do not propose to speak on the merits or the demerits of the bill. May I make the statement that the Intercontinental Rubber Corporation has been operating for about 30 years in California as I understand it, and, of course, if there is a possibility of producing rubber out of guayule, and I understand there is, certainly they were unable to do it because they had no protection from cheap foreign rubber. The pitiful thing to me is that during all these years we have spent thousands and thousands of dollars for research, much of which should have been put into this type of work, but we have not been getting results. Certainly if we have in this country guayule or any other plant or shrub that will produce real rubber, we should have been producing rubber all along. When I asked the president of this corporation whether or not he would continue the operation of his corporation if we would subsidize the price so that he might be able to make it profitably, he said no, he did not want to do that because the Government could do it better than he could. When any business concern wants to unload on the Government, then they are willing to admit that the Government can do it better than they can.

During all of these years we have had no protection against cheap foreign rubber and we have not done anything about it. Now we have an emergency and, of course, the Government is called upon to spend millions of dollars in connection with this project and also in connection with producing synthetic rubber. We could have been producing synthetic rubber all along out of wheat, corn, potatoes, and oil, but the large monopolistic rubber manufacturers did not want that. We can produce cheap synthetic rubber out of grain and we have a large surplus on hand. If you will ask me why we do not do it, I will tell you it is because of certain selfish groups that want to use petroleum oils. I asked the Firestone Rubber Co. representative why they did not manufacture synthetic rubber. He stated their machinery is not suitable for the manufacturing of this type of rubber. They are going to let the Government do it and you will find Jesse Jones, of the R. F. C., putting millions into it.

A representative of the Firestone Corporation appeared before our committee, and I asked him the question, "What about continuing this line of work after the emergency?" Oh, no," he said, "there would not be anything to that." Why? If we can produce it, if we can utilize our own land and our own people, why should we not continue to do it? Because they want the Government out of this business after the emergency. They want to go back to the cheap rubber in these other countries where they have millions invested and where they can buy cheap rubber, shipping same into this country duty free. Why, our own Government is spending millions outside of the United States in research and developing rubber plants and trees.

The matter of sugar was referred to a while ago. As you know, I have tried to be helpful to sugarcane and sugar-beet farmers, giving a lot of time to that proposition. We can produce all the sugar we need in this country, but because of certain selfish interests, as in the case of rubber, nothing has been done about it. You cannot pass legislation in this House dealing with sugar unless it had the O. K. of the large sugar refineries.

While the farmers who produce sugarcane and sugar beets in this country are being held down in their production, many of them being in poverty, while we

are rationing sugar to the people of this country, we have a lot of rubber in this country at this time and we will continue to import from Mexico and Brazil, but it will not mean anything to the small dealer, because it will be handled by the large manufacturer and large chain stores and large dealers.

I want to call to your attention that you will find that it will take 4 or 5 years before you will get any rubber out of this proposition and that we are just going to put a lot of money in a rat hole. After the emergency is over the Government's operations will fold up and the big boys will go back where they have been buying cheap rubber in the past.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. Did I correctly understand the gentleman to say that it would be 4 or 5 years before we could get into large production of this rubber?

Mr. FULMER. That is the definite information given to our committee, and it is a very small amount even at that time. In the meantime we could have been producing synthetic rubber all along, even now tons and tons of it. If we will preserve the rubber we have on hand, owned largely by these large rubber concerns, and what will come in from Mexico and other countries, to mix with synthetic rubber, perhaps we would have all the rubber we want. This company has been making money in Mexico, but they are holding on to the Mexico property. They would not sell you that. They have lost money all along in California and they now propose to unload on the Government. This company owns land in Arizona, but they made a failure in that State.

I am not talking about the merits of this shrub as to whether or not it will produce rubber; I am talking about what we have not done in the past and what is going to happen after you put all of this money into this proposition.

If it is a good thing and in that we offered to subsidize the price so they could make a profit, why do they refuse to continue their operations? They know after the emergency it will be out of the window and that now is the time to unload.

Mr. WOODRUFF of Michigan. Does not the gentleman agree with me that in the event we develop a synthetic rubber industry to the point where we can perhaps supply all our own needs in rubber, this Congress should see to it that the domestic industry so developed is preserved and that it be developed to the point where it will prove a mantle of protection to the rubber industry and the people of this country.

Mr. FULMER. I agree with the gentleman absolutely. If it is necessary, if we cannot produce it out of guayule and the shrub commonly called rabbit brush, to which the gentleman from Nevada [Mr. SCRUGHAM] will refer to in a few minutes, then let us import a sufficient amount of real rubber, if we have to have an additional amount to mix with our synthetic rubber manufactured in this country which will be in the interest of our producers and wage earners. You can rest assured, however, as stated, that after the emergency we will go back to the old situation.

Mr. WOODRUFF of Michigan. Does not the gentleman agree—and I think he is fully informed—as to the possibilities of manufacturing a very high-grade synthetic rubber from farm products?

Mr. FULMER. It has already been perfected, I may say to the gentleman.

Mr. WOODRUFF of Michigan. Will not the gentleman agree with me also that before we begin a program of producing alcohol from sugar we should at least use some of our excess grain to produce alcohol and also the synthetic rubber we need so badly?

Mr. FULMER. I agree with the gentleman from Michigan, but that might be helpful to farmers, and it will not be done. You do not hear Jesse Jones, the R. F. C. Administrator, saying anything about spending $400,000,000 in putting up plants to manufacture synthetic rubber out of wheat and corn. Oh, no; that would not be satisfactory to the Standard Oil Co.

I understand that Mr. Jesse Jones, R. F. C. Administrator, appeared before the House Banking Committee some days ago, and stated:

> Rubber supplies in the United States next year should be sufficient to take care of our vital needs.
>
> The Government is now enlarging the program of synthetic rubber production.
>
> By the middle of 1943—

Mr. Jones stated a few weeks ago—

> the output of synthetic rubber should be sufficient to meet our essential military requirements and limited nondefense needs.

However, we note the following item carried in the press some days ago:

> LONDON, *February 4, 1942.*
>
> An arrangement between Britain and the United States for development in the United States of synthetic rubber on an immense scale was discussed in the House of Commons yesterday.
>
> The announcement came at the end of a debate on the Government rubber-control policy, during which Laborite John Parker charged Britain's reclamation and synthetic production were slow because of opposition from the tire interests.

You will note that Britain's production of synthetic rubber was very slow because of the opposition of the automobile tire interests.

Now, that is what I have been talking about.

The reason that we are in the predicament that we are in at the present time is solely because of various selfish interests interfering with the Government and this country doing the things that we should have been doing all along.

This is true in a great many other lines.

During all the years prior to this emergency we have been importing into this country tons and tons of fats and oils, duty free, all because of the influence of Procter & Gamble, and other large manufacturers of oil.

Not only have our farmers been prevented from producing more fats and oils in this country under this program, but it has enabled these large manufacturers to fix the price of our fats and oils on a starvation basis.

For instance, in the fall of 1940 cottonseed oil was selling for 4½ cents per pound and cottonseed was selling from $18 to $25 per ton.

Today the Department of Agriculture is begging farmers to increase production of soybeans and peanuts, in fact, all fats and all oil-bearing products, with the hope that we may be able to increase our production to the extent that we may be able to remedy a serious shortage in this country.

In the meantime, because of not being able to ship in these oils and fats because of lack of shipping space, cottonseed oil is selling for 12½ to 13 cents per pound, and cottonseed, $60 per ton.

This is true in the way of increased prices on fats and soybean oil.

I have a bill pending before the Ways and Means Committee proposing to place a duty on starch, fats, oils, and jute so that we may be able to give our farmers, who are sadly in need of increased purchasing and debt-paying power, our own markets for our own products, but this bill is resting peacefully with that committee, and I can assure you that when this emergency is over Procter & Gamble, with their well-organized, monopolistic crowd, will go back to the importing of tons and tons of these products, all at the expense of the farmers of this country. I could go on and on, along this line, but what is the use?

Mr. HOPE. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, all this rationing we hear about makes us somewhat skeptical as to whether or not there is a need for some of the policies that are put into operation in this country. I think Fulton Lewis, Jr., is doing a splendid job on his investigation of sugar rationing. If you have not heard him over the radio on his evening broadcasts, you might listen in, because he is uncovering some of the things that we should know about here in Congress and that the people of the country have a right to know.

Many confusing things are taking place. The other day Jesse Jones stated that we would have an abundance of rubber from the Far East by the end of 1943, and that there would be no difficulty in securing rubber. If we are going to have an abundance of raw rubber from the Far East, of course, there will be no need to pass this legislation, but from the way things are going over in the Far East, it may take many, many years before we recover our source of rubber supply from that section of the world.

I am not interested particularly in the company that owns the seed and owns the factories and the land in California, but I am interested in securing rubber supplies for the American people. That should be our first concern. If our source of supply in the Far East disappears, then we should take every means, irrespective of cost, to procure supplies grown in this country or in other countries in the Western Hemisphere.

The experts say that the guayule plant which produces approximately 20 percent rubber can be grown in this country and that they can use the rubber. Mention has been made of the large quantity of synthetic rubber that is contemplated for production in the United States. You need raw rubber with the synthetic rubber in order to make tires and other rubber products, so if the guayule plant is produced, then they will use that 65,000 tons which will eventually come into production from the seed that they now have on hand. This will give us a fair supply of rubber for the United States.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield the gentleman from Minnesota 2 additional minutes.

Mr. AUGUST H. ANDRESEN. Now, there is some question about the price that is to be paid to this concern. I am not interested in the price. I think it was a mistake to put the price in the bill. Under the powers heretofore delegated, those in charge of the administration of the Government could go in and seize this or any property that was in the interest of national defense. However, the subcommittee in charge of the bill, after due consideration, thought it best to limit the price for the seed and for the company's properties in the United States to $2,000,000. This may be too high or it may be too low, but we will hope that those in charge of carrying out the law will try to get the best possible price for the Government on this property and gain the assistance of the experts who have worked for nearly 25 years in developing the guayule plant as a source of rubber supply.

We need the rubber. We should back this experiment. We should foster a proposal where we can produce rubber and other products in this country. In the interest of that objective I urge my colleagues to support this bill so we can begin the long-delayed process which we should have started years ago in this country to make our Nation self-sustaining in rubber production.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, there should be no opposition to any legislation which will make possible the development of substitutes for the critical material we need so badly now to win this war. This legislation is for the purpose of eventually making a certain amount of rubber from a plant known as guayule. It grows in a wild state in Mexico. I have seen it in that country, and I have seen samples of it brought to Washington by our colleague; the gentleman from California [Mr. ANDERSON], who is the author of this legislation and who has worked for many years endeavoring to interest various departments here in the guayule plant as a source of rubber.

We are only beginning to experience what people in Europe have long ago become used to so far as rationing is concerned. The word "rationing" is just beginning to be understood in the United States. As this new World War progresses, rationing will become more widespread. Rationing is absolutely necessary because there is either an immediate shortage of certain material or because experts who have studied the matter from official figures know other certain materials will be short later on. Rubber is only one of the critical materials which are listed. The reason your Government has frozen rubber tires and tubes is because the country has been cut off from the real supply of rubber. Over 90 percent of our rubber supply—and that runs to around 600,000 tons a year—has come to us from the Malayan Peninsula and the Dutch Indies. Although the original rubber tree was found in South America many years ago it did not grow well on this hemisphere, and it was transported to the Far East, where it was planted and where it is apparently isolated from its natural tree and leaf disease element which existed in South America. Of course, we are experimenting with rubber in countries south of us, and there is some available there. But most of the rubber has come to us from the Far East, and that supply is cut off because of the war. It is even indicated that perhaps much of the rubber production there has been destroyed to keep it from the hands of our enemies.

So we are now engaged in a general program to get our supply of rubber and other critical materials elsewhere. In many cases we are assured that we have plenty of critical materials right here in the United States which heretofore have been brought to us from countries now isolated by war. But some of those materials, including rubber, will have to be supplemented by substitutes or synthetic materials.

Guayule is only one of several means of substituting for the rubber we no longer get from Malaya and the Dutch Indies. Some of our rubber manufacturers have been making a substitute from various products, including coal and coal products. The "ersatz" secrets, so far as rubber is concerned and used extensively in Germany, is known to our experts. I am not certain just when we can expect any large quantity of rubber from guayule. It may be 2 or 3 years. We hope it will be sooner than that. But guayule cannot be depended upon to supply all our needs. It is but one of many means of adding to our supplemental stock.

So I call your attention to products which are already available and which will make a superior grade of rubber according to information supplied to me by experts of high standing. I call your attention to corn, wheat, and the grains from the farms of Nebraska and other Midwest States. This grain, of which we have a surplus, can be turned into a good grade of substitute rubber immediately, we are told.

So while we are somewhat optimistic now about guayule, which will make rubber later, if we plant enough of the plants, we must not forget that we have now in our corn cribs and in our grain bins huge quantities of material from which rubber can be made immediately. Of course, rubber is not the only new use to which we can put our large supply of corn and grains. The Army and Navy will need huge quantities of powder and other explosives. Industrial alcohol can be made from this corn and grain immediately and that corn and grain alcohol is badly needed now for these explosives of victory. I hope that members of this House will give some attention to the importance of these farm products and their relation to material of war as well as material for food. Those of you who fear so much that we will have a surplus of food should give more study to this farm chemurgy problem which will play a very important part in the winning of this war. The corn and grain of Nebraska can easily replace the sugar and molasses which is still being used for the manufacture of alcohol. Release that molasses for sugar and let its natural material, corn and grain, take its rightful place in the field of industrial and other alcohol.

While we are on the subject of corn and grain as a great source for substitutes for rubber and alcohol I wish to commend the Department of Agriculture in its campaign among farmers to produce more critical products. I hope the word "surplus" will be eliminated soon, because if this war becomes long, there will be no surplus of any farm product. I wish to suggest to the Department of Agriculture and to those committees responsible for agriculture legislation that some new policy be determined regarding voluntary wheat. It has been called to my attention that thousands of acres of voluntary wheat must be plowed under because it does not fit into the program. I hope this wheat will not be destroyed. Every head of that wheat represents either bread, industrial alcohol, and even rubber or some other material which we may need badly as the war progresses. I have followed the gleaners in Europe only a few years ago. It was at the time the German armies were marching to Poland. I talked to those gleaners. Some of them old men and old women on the farms. Old people who had witnessed several wars and who knew what suffering war brings. Every head of wheat and every kernel of corn is saved because of the uncertain future. The people in those war-torn lands know the value of food during and after any war. I hope this voluntary wheat will not be plowed under. I make this statement here because I believe it may reach the attention of those who are seriously interested in the future of our country. One of the most important lines of our defense is out there on the farms of Nebraska and other corn and grain growing States. I fear the plowing up of any kind of farm product at this time is unwise, and if the Department could make some remedy in this policy without damaging the general farm program, I am sure most of the farmers would appreciate it. It would result in much good for our entire country.

I am sorry to digress from the discussion of guayule, which is the subject before us, but I have just come out of the room of the committee which makes appropriations for the Department of Agriculture. I have learned that the Budget has cut our regular requested appropriations for farm extension work and also for our farm experimentation

work. Because of the importance of the farm as related to our war effort, I felt that to cripple the farm extension service and the farm experimentation service now would be fatal. So I have pleaded with the committee to give these two items and several other farm matters their careful consideration. I have been promised by the committee that such careful consideration would be given, and for that assurance I am grateful. I did feel, however, that while we are passing favorably here on a guayule plant experimentation program, it was my duty to call your attention to the importance of farm products we already have on hand and which are available for the very thing we expect from guayule. Also I felt that I should call your attention to the fact that the agriculture appropriation bill is soon to be brought before you and also to put you on notice that it is highly important to watch the items on farm extension and farm experimentation work items which will be in that bill. I assure the committee that while I am anxious to reduce all nonessential and nondefense items in appropriation bills, there must be no reductions in farm items which are closely tied up with our war effort.

Mr. FLANNAGAN. Mr. Chairman, I yield myself 19 minutes.

Mr. Chairman, I want to congratulate our colleague the gentleman from California [Mr. ANDERSON] upon the good work he has been doing to develop the rubber industry in the United States.

Mr. Chairman, under ordinary circumstances I would be against this piece of legislation. I would be against it because it puts the Government in the rubber business. And then, too, under normal conditions, the Government, under the bill, is making a bad trade to get into a losing business.

I think I would be remiss in my duty if I did not give the Members the true facts, as I understand the facts, and my reason, in spite of the seemingly unfavorable facts, for being in favor of the bill. Guayule is a shrub from which real rubber can be extracted. Down in Mexico, where it grows wild, the Intercontinental Rubber Co. for some years has been processing the shrub into rubber at a profit. This has been possible due to the fact the shrub in Mexico does not have to be cultivated and cheap labor to harvest and process the shrub is plentiful. Some 30 years ago the Intercontinental Rubber Co. began to experiment with the guayule shrub in Arizona and some 20 years ago in California. After spending some $1,186,985 in Arizona, the project was abandoned. In California some $2,520,814 have been spent by the company. The California project, from a financial standpoint, has proven a failure due to the fact that the cost of producing guayule rubber is all out of line with the costs of producing Hevea rubber in Malaya and the Dutch East Indies. The company, unable to develop the rubber content in the guayule shrub to a point that would make it possible to compete with the price of Hevea rubber, will, I gather from the testimony before the committee, salvage its California holdings in the event this bill is defeated. It is an opportune time to unload on the Government, and that, in my opinion, is exactly what the Intercontinental Rubber Co. is trying to do. If this is true, I know you will ask, Why did the Committee on Agriculture make a favorable report? This is a fair question, and the membership is entitled to a full and frank answer. The rubber situation in the United States is critical. Due to the insane rubber policy we have adopted of securing our natural rubber supply from Malaya and the Dutch East Indies, 5,000 miles away from home, today we are faced with the fact that our rubber supply has been cut off. Seemingly we did not have foresight enough to lay by a sufficient rubber supply to carry us through the emergency that has been hovering over us for the past few years and became a reality after Pearl Harbor. Criticizing and talking about policy and foresight now, I know, will not solve our problem. These things can wait. We cannot, however, wait on the correction of these things for our rubber. We need—desperately need—rubber now. A mechanized Army goes to work on rubber and our task is to keep the Army rolling. And because we believe in keeping the Army rolling is the reason we made a favorable report on this bill. Oh, while I still feel that the Intercontinental Rubber Co. is taking advantage of our situation, I say to you that I think we would be criminally neglectful of the welfare of our country if we did not immediately pass this bill and push the production of guayule rubber as hard as we can.

I realize that we have provided for the production of synthetic rubber. In our frenzy, it would seem—many think—that the production of synthetic rubber will solve our rubber troubles. This is far from the truth. Synthetic rubber, unless you have real rubber—Pará, Castilla, or guayule rubber—to mix with it, is useless.

As I stated, over 90 percent of our supply of natural rubber has been coming from Malaya and the Dutch East Indies. The English and Dutch have an unholy monopoly on natural rubber. Although the tree from which natural rubber comes is a native of Brazil and was transplanted in the Dutch East Indies and Malaya, last year these areas produced 1,563,000 long tons of rubber, against the Brazilian production of 42,000 tons. This is indeed a sad commentary upon our rubber policy. If we had only helped develop the rubber industry in Brazil we would not only have increased our trade with Brazil but would have an adequate supply of rubber close to home.

There are five potential sources of natural rubber still available to us. They are the hope and refuge of a great nation for a prime necessity. Any one of them is pitifully inadequate, and all of the sources put together will suffice to meet only the bare strategic requirements of the next 2 or 3 years.

The potential sources of natural rubber are: First, the remnant of plantation Para rubber not in areas already overrun by the enemy, which, of course, will be entirely eliminated unless we stop the Japs; second, wild Para rubber in the forests of the Amazon Valley; third, wild Castilla rubber in the forests of northern tropical America; fourth, wild guayule rubber in Mexico; fifth, cultivated guayule rubber in the United States.

Except for the wild guayule in Mexico, which at present only supplies a little over 1 percent of our needs, but which will be increased this year to about 2 percent of our needs, the other sources will yield almost nothing unless we face facts and put our shoulders to the wheel. Our need for natural rubber will become desperate in 1944 unless forceful action is taken today. By the most careful planning and by the extension of credit to finance the difficult operations in the remote parts of Central and South America, we might get 100,000 tons, or a sixth of our normal needs, of natural rubber from the wild Para, Castilla, and guayule in 1944. If the synthetic factories are producing 400,000 tons in 1944, that amount would not suffice to do more than help to meet the requirement for the mixture of natural and synthetic rubbers indispensable for stategic needs if we are at war in 1944.

From the facts presented by reliable witnesses, the most optimistic picture that can be painted is that 1945 will mark the first year of rubber production, including synthetics, approaching the rubber consumption of 1941. The fresh natural rubber from all of the possible rubber sources would be only a little over one-fourth of the natural rubber brought into the country in 1941. Even that small amount will spell the difference between a usable, dependable tire and a tire that no expert will give an unconditional endorsement to, namely, the synthetic or rubber-substitute tire.

Even that small amount of natural rubber can be produced only by taking the first steps right now and in a logical manner. It will not just appear and be there. Tremendous effort, coupled with airtight planning and management, will bring the wild rubber, but that is at best a limited and a fixed amount.

Only by launching a cultivated guayule industry is there any hope of a supply of natural rubber that will not be limited and fixed in amount, but can expand, depending on the estimate of amounts needed and plantings made 2 or 4 years before the time it is needed. Reliable witnesses say that 2-year-old guayule will make rubber, but the cost is considerably more than rubber from 4-year-old shrubs. We can at least take our choice of harvesting in 2 years or 4 years, depending on the urgency of the need.

Moreover, if the war lasts 4 or 5 years, and we are still on our own resources for natural rubber, we are assured that the only hope for civilian tires of dependable quality lies in the planting of guayule. Limiting the use of rubber to strategic needs carries more significance for our farmers than just depriving them of tires. Between a half million and a million bales of cotton go into tires every year when normal demands are met, and the cotton farmer, as usual, will have to pull his belt tighter unless we take a sane and prudent view of the situation and start to build back toward the normal demand with such resources as we have.

Our production of guayule rubber, from the testimony of reliable witnesses, in the event we acquire the California holdings of the Intercontinental Rubber Co.,

depending on whether we leave the guayule shrub in the ground 2 years or 4 years, can be stepped up as follows:

If the shrub is left in the ground 4 years, the time required to obtain the most efficient and economical results, the step-up will be as follows:

	Production
1942	Nothing.
1943	Nothing.
1944	550 tons.
1945	1,600 tons.
1946	60,000 tons.
1947	600,000 tons.

If the shrub is harvested in 2 years, the step-up will be:

	Production
1942	Nothing.
1943	Nothing.
1944	15,000 tons.
1945	150,000 tons.
1946	150,000 tons.
1947	150,000 tons.

From the evidence we cannot hope to obtain more than 100,000 tons of natural rubber from the jungles of the Amazon Valley and northern tropical America, and we cannot hope to reach this 100,000-ton mark until 1944. And the evidence further shows that it will be practically impossible to increase this peak tonnage of 100,000 tons. Furthermore, the evidence shows that we cannot hope to obtain plantation rubber from the planting in Brazil and Central American countries before 1950, and that the rubber obtained from the plantings of the Firestone and other companies to be practically negligible.

From these figures, it would seem, we are forced to turn to guayule rubber.

Now, a word as to the cost and price of rubber. Rubber for the past 5 or 6 years has been selling for from 12 to 22 cents per pound. The price is now pegged at 22½ cents per pound. The average 1930–39 price was 12⅓ cents per pound. In 1912 rubber went to $3 per pound, and in 1923 to $1.21 per pound.

The testimony shows that the cost of jungle rubber—rubber from the remote parts of Central and South Americas—will be from 35 to 45 cents per pound. The testimony further shows that guayule rubber can be produced in this country, if we embark upon a long-period operation, say 20 or 30 years, for approximately 20 cents per pound, and if we amortize the operation over a period of 5 years, and then go out of the business, for from 32 to 36 cents per pound.

Now, a few words as to what we will obtain for the $2,000,000 the bill authorizes the Government to pay for the holdings of the Intercontinental Rubber Co. In justice to the company, I think I should give you a fairly accurate inventory. While I still think that the company picked an opportune time to unload on the Government, there is some merit, to say the least, in the company's contention. The holdings of the company consist of approximately 1,000 acres of land, 556 acres of which are in planted shrubs, that cost $212,329, a processing plant that cost $244,297, machinery that cost $139,000, a nursery that cost $74,996, a laboratory that cost $17,917, trade secrets for germinating the seed uniformly, growing the guayule shrub and processing the shrub into rubber, and 23,000 pounds of guayule seed. It is, of course, impossible to estimate the value of the trade secrets and seed. These seed have been gathered from the guayule shrub that has been improved until its rubber content has been greatly increased. The rubber content of the wild guayule shrub runs from 1 to 19 percent, averaging around 12 percent. The rubber content of the shrub as improved by the company runs from 17 to 20 percent, averaging around 18 percent. The Intercontinental Rubber Co., the evidence shows, is the only company that has experimented with guayule, and the 23,000 pounds of seed owned by it are the only improved seed in existence.

There are just a few more things I desire to call to your attention. Time is of the essence. The seed, if sown, will have to be put in the ground by next month. In the meantime the nurseries will have to be prepared for the seed.

We have safeguarded the Government in every way we could by amending the Senate bill in the following particulars: We limited the provision in the Senate bill giving the Government the right to purchase land, to land needed for nurseries and plant sites. Under the House amendment, the Government would have to lease land for planting or contract the planting. The Senate bill does not set a limit on the purchase price to be paid the Intercontinental Rubber Co. and provides for the right to condemn. The House amendment sets a limit of $2,000,000 on the price. We were advised that the company would accept this amount for its holdings. The reason for this amendment was the thought that, in all probability, the Government would have to pay a much larger price if it condemned. Under the Senate bill, the Government was authorized to engage in the planting and production of guayule anywhere in the Western Hemisphere. The House bill limits the operations of the Government to the United States.

In conclusion let me say we have been drawn into a war with a resourceful enemy. It will be prudent to view the prospect of a real war with an enemy that has treacherously prepared for it during 30 years, charting every nook and cranny of the Pacific, and locating and mapping every beach head for a landing force. We have been caught napping. Against trained manpower in hordes and accumulated war material we have resources of factories and potential raw material. If we have the intelligence to put them together, we need not fear that we can find men like MacArthur's men in the Philippines and the marines of Wake Island to use the products of our factories.

Those who can speak with authority for the rubber-manufacturing industry have testified that synthetics are satisfactory for the tread and sidewall but not for the carcass of a tire. We have lately been assured that synthetics may be produced in quantity within 2 years by synthetic-rubber factories. That is a forward step, but it appears to answer only a part of the need. The stock pile of natural rubber will be gone, even with the most careful nursing, in 2 or 3 years. It behooves us to think about replenishing the supply by every possible means in order to have the fraction of natural rubber indispensable for the manufacture of a tire that will not fail.

My colleagues, it is easy to criticize, and I know that no monuments will be built to those who ridicule the idea of putting out a relatively small insurance premium so that in case of need we can carry on with decent, dependable equipment, instead of untrustworthy, shoddy equipment. A reputable rubber chemist recently alluded to the vast plan for substitute rubber as soothing sirup. Soothing sirup, you know, allays pain and discomfort while medical skill and nature repair the damage. While it is not injurious, it does not cure. If we rely wholly on rubber substitutes that do not substitute—that do not cure, and I have yet to see a statement by a reliable authority that they do—then the soothing sirup might better be described as poison.

And while I know that no monuments will be built to the conservative Members who believe in taking out an insurance policy in the form of S. 2152, these Members will derive some self-satisfaction out of the reflection that they did not go on strike—did not sleep—they did not fail the men symbolized by the marines of Wake.

I do not say that the provisions of this bill solve the problem of rubber supplies in the hour of our Nation's need, but it does form an integral part of a solution, such as we have power to provide, and it will help us to avoid another costly mistake in the dreary procession of things that arrived too little and too late.

While I do not want to be accused of indulging in criticism at this time, I cannot help but indulge the hope that after we get out of the conflict now raging that we will change our rubber policy and encourage its production here in the Western Hemisphere—in Central and South America—and that we will continue experimenting with the guayule shrub here in the United States, ever keeping on hand sufficient seed and nursery stock. I do not know of a better way to build up trade with South and Central America than to encourage these countries in developing their rubber industry, nor do I know of a safer insurance policy for the United States to carry. This thing of depending on countries 5,000 miles away for our rubber supply is too risky.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. BARDEN. I am interested to know to what extent the committee investigated the possibility of getting rubber from South America.

Mr. FLANNAGAN. We looked into that quite carefully. We cannot get any rubber to amount to anything from South America until 1944 at best. That would be by going into the Amazon Valley, into the jungles, and tapping the native rubber tree, and the castilla tree down in Central America.

Mr. BARDEN. Where is South America now getting its rubber supply?

Mr. FLANNAGAN. The Dutch and the English have a monopoly on the world's supply of rubber today and practically all of the nations have been get-

ting their rubber supplies from the Dutch East Indies and the Malays.

Mr. BARDEN. Were we a party to the signing up of what has been termed as the "rubber cartel"?

Mr. FLANNAGAN. Well, I do not know. It is one of the biggest monopolies in the world. Probably we were guilty of signing that cartel, but I am not here arguing over policy. I am appealing to the Congress to take action now that will give us a sufficient rubber supply to keep our armies rolling.

Mr. BARDEN. Understand me, I am not interested in any criticism. I think most of the Members of the House are about in the position I am in. We simply have to do something to help out the situation, and if the committee recommends this and it is the only thing they have to recommend, what is there left for us to do? However, I am intensely interested in a thorough investigation being made of the possible sources of rubber supplies from South America. If you say the trees are growing wild they must be producing it. If they are producing it, then it must be available to somebody other than those folks.

Mr. FLANNAGAN. Very little rubber is being produced in South America today. It takes money, and real money, to go back into the jungles and tap the rubber trees. It is going to be quite expensive. Every pound of rubber that comes from that source in South America will cost us from 35 to 40 cents a pound, and if we develop that source to the fullest we cannot expect more than 100,000 tons of rubber every year.

Mr. BARDEN. What were we paying for the last rubber we got from India?

Mr. FLANNAGAN. Rubber prices for some time have been pegged at 22½ cents. Rubber for the 1930 to 1939 average was 12⅓ cents a pound.

Mr. BARDEN. I am still interested in the Government if it takes a subsidy to do it and it is going to cost us 30 cents a pound, I think the folks of this country would be willing to pay 8 cents additional in order to get a tire to ride on.

Mr. FLANNAGAN. I agree with the gentleman. I know the gentleman comes from a cotton State. Let me tell you what the decrease in the production of rubber is bringing about right in the cotton country. We use between a half million and a million bales of cotton in tires in America today, and it is getting so now it looks as though we are going to have to do without tires, and you will have that much more cotton left on your hands.

Mr. BARDEN. I just want to make this statement and then I am through. I think, as long as we are having these emergencies put in their appearance, it is a pretty good idea to spend some time trying to solve them, and not have any more bugaboos like Mr. Ickes pulled on us in the oil situation.

Mr. FLANNAGAN. I agree thoroughly with the gentleman.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. ROLPH].

Mr. ROLPH. Mr. Chairman, on August 5, 1941, Leon Henderson, appearing before the House Committee on Banking and Currency in connection with price control, said regarding the price of rubber:

> Rubber over which we have a measure of control is only up 32 percent, but, as you know, we had to institute a savings campaign to reduce the customary use of rubber from about 85,000 tons down to 60,000 tons a month.

On the same day he advised the committee of a shortage of neoprene, which is synthetic rubber.

Ten days later, on August 15, 1941, in testifying further before the committee, Mr. Henderson spoke again about this shortage and explained in answer to a direct question that he understood $200,000,000 had been provided by the Government for building synthetic rubber plants.

Donald M. Nelson was before the committee on September 26, 1941, and discussed briefly the question of synthetic rubber. Mr. Nelson told the committee that four plants for the production of synthetic rubber are being operated. He understood these are Goodrich, Goodyear, United States Rubber, and the Standard Oil Co. of New Jersey. He went on to say that the making of synthetic rubber is an art not so completely developed that the American manufacturers know just what to do, and he said:

> Mr. Jones has, I think, quite wisely decided that the thing to do is to put up four of them, using different processes and finding out which one is the best and any one of them can be expanded at any time in case an emergency arises.

Mr. Nelson also told the committee that Du Pont produces neoprene, which is the trade name presently used for the Du Pont type of synthetic rubber, and the large rubber companies naturally want to get into the production of synthetic rubber as a source of supply. Du Pont's output is quite limited.

Mr. Nelson stated price of synthetic rubber on September 26, 1941, was about 50 cents per pound, or roughly just about twice the price of crude rubber on that day. Mr. Nelson observed:

> No one knows how cheaply it (synthetic rubber) can be made when you get the right know-how and the proper set-up for doing it.

In September of last year the trade lanes to the Orient were still open; today commerce to the rubber-producing centers of Malay and Java is practically at a standstill, and while there is no use crying over spilled milk, the urge is many times more pressing today that we do something at once.

Senator SHERIDAN DOWNEY, of California, in the Senate, and Representative JOHN Z. ANDERSON, of California, in the House, have been appealing to Congress for aid to promote the production on a large scale of guayule, a rubber-bearing shrub, native of Mexico, and which has been successfully transplanted to the Big Bend country of Texas and the Salinas Valley of California.

On June 14, 1940, the Senate Committee on Military Affairs held hearings in this connection on Senator DOWNEY's bill, and then again on December 10, 1941.

In the meantime, on April 16, 1941, the gentleman from California [Mr. ANDERSON] made a most interesting and instructive talk on the subject before the House of Representatives, so Congress is fully informed on the subject.

On November 19, 1941, a Government release had the following to say:

> Guayule, a sagebrush-like Mexican shrub, could make the United States independent of foreign rubber production, the Chamber of Commerce of Salinas, Calif., informs the Work Projects Administration. As authority for this contention, the chamber refers to a report of the United States Tariff Commission on "Possibilities of Producing Rubber in the United States and Rubber Conservation." The chamber adds that cheaper rubber for many present uses can be produced from guayule. Scientists at California Institute of Technology, aided by Work Projects Administration workers, are already making additional experiments with the plant to determine its possibilities. The Work Projects Administration workers are growing 500 shrubs on a project sponsored by the botany department of the college. Seedlings for the Cal-Tech research came from a 1,000-acre experimental plantation of guayule near Salinas. The Tariff Commission report estimates that four and one-half million acres planted in guayule would, in theory, produce enough rubber after several years to meet domestic needs. For comparative purposes, the report estimates that 9,000,000 acres are planted in cotton in Texas.

December 27, 1941, the Pacific Rural Press of San Francisco had an article about guayule, and I quote part of the article, as follows:

> For 15 years Salinas has been experimentally growing guayule, and is now in position to use between 25,000 and 50,000 acres of Monterey County to grow guayule, according to the estimate of A. A. Tavernetti, the farm adviser.
>
> There is locally available sufficient seedlings to plant out 2,000 acres this spring, and 24,000 pounds of seed for further production. This seed would be sufficient to plant out seedlings on 150,000 acres in another year.
>
> The Salinas district has grown experimentally 8,000 acres of guayule for harvest, and has counted yields up to 2,850 pounds of rubber per acre.
>
> Mr. McGargar says his chamber of commerce cannot answer the thousands of letters which have come in asking about guayule. The United States Department of Agriculture has some literature on the subject and is hastening to get out more information.
>
> Price Administrator Henderson has moved to peg the price of guayule rubber at not above the December 6 price.

December 10, 1941, the San Francisco Examiner said editorially, under the caption "California rubber, farmers should plant guayule":

> War in the Pacific threatens America's supply of rubber and interferes with the rubber supply of the nations whose enemies are our enemies.
>
> The rubber of commerce now comes chiefly from the Malay Islands, which are the center of the new phase of the war.
>
> But there is a source of rubber which can be developed in California. That is the guayule plant, a Mexican shrub which produces real—not synthetic—rubber, and that plant flourishes in the Salinas Valley and in other parts of California.
>
> Farmers in districts where this plant can be grown successfully should plant the guayule seed. Their country agricultural directors can advise on its adaptability to the local conditions.
>
> And there hould be no monopoly of the seed by anybody who thinks he has a patent on it.
>
> Pending in Congress is a bill to stimulate this production, and this bill should now be

passed as a war measure as well as an aid to farmers.

Authorities on the rubber situation warn that there is danger to the vital rubber supply of America.

These men are experts, not faddists. They know what they are talking about. They know that guayule rubber is the real thing; that its cultivation will be an important defense measure.

California farmers and all other persons who can be of influence should carefully investigate the possibility of guayule production and plant seed where conditions are right.

California Congressmen should take a lead in pressing for the passage of the bill to make possible real production of guayule rubber in the United States.

Mr. Chairman, in advocating the passage of Senate 2152, it is not alone with the idea of the present crisis but also hoping that after the war we may be independent of foreign sources of supply of this extremely essential material. The United States would then be in the same position with regard to rubber as we are in connection with coal-tar dyes. Prior to World War No. 1 we relied entirely upon Germany. Since World War No. 1 we make dyes in this country the equal in every way to the best ever imported. Let us put ourselves in the same position as regards rubber.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. JOHNSON].

Mr. JOHNSON of Illinois. Mr. Chairman, about a year ago I delivered a little speech here on behalf of guayule rubber and stressed the need for its development not only to afford us an assured supply of domestic rubber but as an aid to American agriculture. Few realized at that time that we were going to be in the situation we find ourselves today where, because of war, throughout the world sea-borne commerce has become unreliable and our ordinary source of raw rubber is partially cut off and seriously threatened. We did not realize it until we found ourselves unable to buy new tires.

It has been my honor and pleasure to serve under the able leadership of the distinguished gentleman from Virginia [Mr. FLANNAGAN] who addressed us just a moment ago. He is chairman of a subcommittee which has gone into this subject very thoroughly. The Committee on Agriculture likewise has studied this guayule rubber substitute very carefully. Representatives from all the big tire companies appeared before the committee and recommended that this project be taken over and put into use. The Department of Agriculture has approved it and representatives from the Department have appeared before our committee in its behalf.

We know something about synthetic rubber, enough that it is an actuality, but there is lots we do not know. For instance, representatives of the big rubber companies advise us, through their research workers and chemists, that synthetic rubber is entirely practical and is very serviceable for the treads of tires and tanks but that natural rubber the ordinary Para rubber of commerce is still indispensable for the side walls of the tires, for the tubes, and to impregnate the fabric that goes into the tire. So the only hope we have in sight today is that we may find some way to develop synthetic and guayule rubber in this country.

The distinguished chairman of my committee and I quite agree on some other things. More than once he has told us, for instance, of the possibility of using cotton in the manufacture of paper. Until very recently we have been importing 50 percent of the pulp we use in paper manufacture in this country. If we would use 5 percent cotton fiber in the manufacture of paper, and this is something I am very much in favor of, it would use 4,000,000 bales of southern cotton annually and add very little to the cost of the paper. But getting back to the subject of synthetic rubber.

We have different sources of synthetic rubber. One is petroleum, and rubber is being manufactured on a small scale now from petroleum and crude oil products but the cost runs around 50 or 60 cents a pound. Another source of synthetic rubber is grain. Two different schools are working on this latter problem. Professor Christiansen of the University of Nebraska in collaboration with other scientists from other universities is working on it and also our own research laboratory in Peoria, Ill., is investigating this field as a further use of American grains. Let me call attention to a statement made by Fulton Lewis, Jr., last night in a broadcast over the Mutual network. These are his words:

Alcohol can be made from wheat and corn of which we have a surplus of about one and a half billion bushels hanging over the head of the farmer. The liquor industry says it is entirely practical. The Government, instead, is tying up about 1,200,000 tons of sugar to be made into alcohol by the industrial alcohol plants of the country; and the issue is whether alcohol is to be made from grain, of which we have a tremendous surplus, or from sugar, in which we are short.

I wish you could see those corn bins out through the Middle West. You go through town after town and see these great galvanized tanks holding 1,000 bushels apiece. All this corn has to be worked over and changed from tank to tank to save it from insects and pests, when now it could be used so easily for alcohol.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Illinois. I yield.

Mr. WOODRUFF of Michigan. Would the gentleman tell the committee whether it has come to his attention that there are something like 150,000,000 bushels of wheat in storage in this country today that must be moved before the coming crop can be taken care of properly?

Mr. JOHNSON of Illinois. It has all got to be moved and turned over; that is right.

Mr. WOODRUFF of Michigan. And the wheat is just as valuable for the manufacture of alcohol as is sugar; and that applies as well to corn, and many other farm products.

Mr. JOHNSON of Illinois. That is right.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. CHENOWETH].

Mr. CHENOWETH. Mr. Chairman, I am for this bill and I wish to congratulate the gentleman from California [Mr. ANDERSON] for the diligence which he has shown and the study which he has made with reference to the matter of guayule rubber. It does not require any great stretch of the imagination to see that we are going to have to do something in this country to produce our own rubber. If we are going to have our rubber supply from the rest of the world cut off, we will have to raise it here at home.

It has been said that the guayule plant offered the best possibilities. I am not an expert on rubber and I do not pretend to be an authority on this subject, but from all the evidence which has been presented I am convinced that the guayule plant can be cultivated in this country, to the end that a considerable amount of rubber can be obtained. I first heard of this plant last summer when I received a letter from one of our prominent citizens of Colorado, Mr. Jesse G. Northcutt, of Denver, calling my attention to the fact that he had just been to California and had seen the experiments being conducted there with the guayule plant. He suggested that southern Colorado had the climate and the soil conditions which would be favorable to the growing of the guayule plant and offered the use of his own land on which to make the experiment. He mentioned the name of Mr. ANDERSON as being interested in this subject, and on my return to Washington I immediately got in touch with the gentleman from California [Mr. ANDERSON] and found him very cooperative. He gave me a great deal of very valuable information on the subject.

The people of Colorado, and I mention southern Colorado particularly because the climatic conditions and soil conditions are perhaps a little more favorable there than in other parts of the State, are very much interested in getting some of these plants so that they might carry on this experiment. We can offer both irrigated and dry lands. I sincerely hope that the Department of Agriculture will make guayule plants available to some of our Colorado farmers.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. MURDOCK]

Mr. MURDOCK. Mr. Chairman, I am wholeheartedly for this bill because I believe it will not only furnish us with a part of the vital rubber that we need in this emergency but will be the start of a home industry which we should have started many years ago. I have been told about 20 years ago more guayule was growing wild in southern Arizona than in any other State of this Union and that several industrial leaders of Arizona agreed with Thomas Edison at the time that it was possible to obtain rubber from more than one variety of desert growth throughout our Southwest. A consider-

able acreage of guayule was successfully cultivated in Arizona between Tuscon and Nogales at that time. It has been grown successfully in at least four States in the Southwest.

I believe that if we do produce rubber now, as this bill contemplates, and as it has been done, it will be the beginning of a wider production in days of peace, even though we may have the competition of the cheap rubber from the East Indies. We should explore every possibility of seeding the desert with guayule in its natural habitat, as well as its artificial cultivation. There is a vast region lying west of the great bend of the Missouri River that was once called the Great American Desert. It has now been transformed into a dozen commonwealths. It is no longer a desert fit only for Indians and buffaloes but the home of many prosperous American farmers and citizens. Even so, it is America's vast reservoir of untouched natural resources for vitally needed raw materials.

Mr. Chairman, if we can make use of this and other desert plants, we can build up a home industry which will make this country self-sufficient in time of peace as well as in time of war. Again I wish to congratulate the gentleman from California [Mr. ANDERSON] for bringing this to our attention and for conducting the bill so successfully up to this point. I trust it will be enacted into law.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, without doubt it is wise that we pursue every angle that might relieve the rubber shortage, not only for the purpose of our national defense but in the interest of our domestic economy. I am thinking particularly of those tire dealers and garagemen in the great cities, small towns, and even at the crossroads filling stations who are facing a very grave problem because of this rubber shortage.

We cannot turn the calendar back. As we look upon the mistakes that perhaps all of the American people are guilty of, we find we are in a situation that is not pleasant. Nothing is to be gained by calling each other names. On the other hand, we would be fools indeed if we did not try to gather a lesson from the mistakes of the past. So far as our future conduct is concerned, there are two or three very fundamental principles we will adhere to if we are wise. One is that we should strive for greater use of agricultural products and not a lesser use.

Synthetic rubber can be made from many agricultural products, and it can be made economically. It can be made from corn and wheat for as little as 15 cents a pound. Rather than Congress adopting policies that are going to make it more profitable to put farm products in storage than to use them, Congress should work toward measures which will call for a greater use of farm crops. We should strive to a greater use of farm products and not a lesser use.

Another general principle that we should give consideration to in the future is this: The American market belongs to the American farmer, and that includes the farm products from which we can make industrial alcohol, synthetic rubber, and other industrial products.

The third principle that should guide us is that the doctrine of plenty is better than the doctrine of scarcity, whether it be farm crops, sugar, steel, aluminum, rubber, or what not.

Mr. WOODRUFF of Michigan. Will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. The gentleman understands, does he not, that the scientists who know about these things say that from a bushel of corn or from a bushel of wheat there can be made 10 pounds of the finest synthetic rubber that can be manufactured?

Mr. CURTIS. That is very true. One of the outstanding authorities on synthetic rubber is our own Dr. Leo M. Christensen, of the University of Nebraska. He has carried on experiments that have been aided by the Legislature of the State of Nebraska. If given a break by the rationing authorities for machinery necessary for new plants, farm chemurgy can make a great contribution to both our domestic economy and our war effort.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I do not wish to throw any cold water on this proposition. What I have to say is not intended for that purpose. At the same time, I do not feel I should sit here and let my district gather the idea from this debate that we are going to soon have a big production of rubber from this guayule plant. In my opinion, it will be 20 years before you get any satisfactory results from a movement of this kind, if you are to depend upon the Department of Agriculture for your rubber results.

I was very much interested in what the chairman of the Committee on Rules had to say a while ago. I tried to draw him out, or in plain language, pin him down, so that I might use his position in talking about some of these matters in the future.

You are dealing here with a proposition which will have to have tariff protection before it ever gets anywhere. You are dealing with a product which will have to buck the combined resources of the rubber trust of the world and of the second rubber trust we are creating through appropriating $400,000,000 to start the production of rubber from oil products.

We have gone through an experience in the last 7 or 8 or 9 years where the administration has held a constant muzzle on this thing I am going to mention, and it is parallel with the case with which you are dealing here today. If you will take the February 3 issue of Victory and turn to page 12 you will find this interesting language. There are five headings on these two pages which have to deal with this strategic commodity I am about to mention.

Sugar isn't needed just for food and energy; sugar is today a weapon of war because it is needed to make industrial alcohol for the production of smokeless powder.

There is a product—sugar—as essential in carrying on war as is rubber in carrying on our domestic and war economy today, and I do not think anybody in this House will attempt to refute that statement. But will you show me where I can go out and get a permit to use my own private funds and build a plant even to produce sugar, to say nothing about weaving my way through the intricate web of finance, blockades, and so forth, that would prevent me from building a plant to produce synthetic rubber from the guayule plant? I am just not going to be kidded about this at all. Go along with the crowd, support the bill, and further emphasize the necessity of producing rubber, of course, because of our peacetime and military economy; but do not get the idea that you are going to have warehouses full of rubber out of the guayule plant in a few months. It is not going to happen.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. Does the gentleman have in mind as he makes the statement the $400,000,000 that Mr. Jesse Jones says is available for the production of synthetic rubber in this country?

Mr. CRAWFORD. Yes.

Mr. WOODRUFF of Michigan. I suppose the gentleman referred also to the difficulties a man or a group of men attempting to engage in this particular commercial activity would have if they attempted to finance such things in the markets of the world?

Mr. CRAWFORD. That is correct. Take the statement of your Assistant Attorney General, Mr. Thurman Arnold, and inform yourselves of what is going on in this country today, not last year, and not 3 years ago, but today. Read what he said before one of the committees the other day; about how these combinations are preventing the production of these substitute products, and see how he is muzzled by the opposition of the defense-production authorities in prosecuting these combinations and thus trying to bring about more production. We might just as well get wise ourselves. Whatever we do, let us not mislead our people at home. Let us build these domestic industries if we can, and build them with private capital, but at the same time we are promoting these new ones let us make sure that the ones that have been established for over a quarter of a century are permitted to live.

What are you going to do about this South American economy, for instance? Suppose the South American countries, through our giving them the risk capital, come into the production of natural rubber? Then what will you do with this "rubber doll" we are handing to California today?

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield my remaining time to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Chairman, I think there is little that can be added to

the very able presentation made by the gentleman from California [Mr. ANDERSON]. I have been interested for a good long while in the development of the guayule plant. Since I found out about 6 months ago that the gentleman from California had such a wide knowledge of the subject, I have been consulting and cooperating with him in the furtherance of this legislation. This bill is at least a step in the right direction.

It so happens that I come from El Paso, down on the Mexican border, in a more or less arid country similar to that represented by my friends the gentleman from Arizona [Mr. MURDOCK] and the gentleman from New Mexico [Mr. ANDERSON]. I believe the experts have claimed that perhaps that is the only section of the United States where the guayule plant grows wild. This is particularly true in what is known as the Big Bend country of Texas.

I recall distinctly that a little more than 20 years ago—to be exact, in 1909 and 1910—a factory was built at Marathon, Tex., in the congressional district which I have the honor to represent, and it operated for about 9 months. It milled 4,000 tons of this shrub, which yielded 600 tons of crude rubber. Guayule grows wild in nearly all the counties of my district. The climate and soil are specially suited to its propagation.

The shrub in the Marathon locality was soon exhausted, and because of very large importations of raw rubber from the Far East the price became so low the factory had to close down.

The rubber situation is critical. We need to develop our own natural resources. If this bill becomes law, I shall urge that some of this seed be used in west Texas, and later that a factory be erected in that section to process the guayule into rubber.

I sought and obtained permission from the House before the beginning of the general debate on this bill for the inclusion in my remarks of a statement by Mr. C. L. Chapin, who resides in Washington, and who had charge of the Marathon plant, and who also resided in Mexico for a good long while in connection with the guayule production. He is much more familiar with the conditions in that section than I, and I invite a careful reading of his statement.

I agree with the remarks just made by the gentleman from Michigan [Mr. CRAWFORD] that we are not going to have a lot of rubber developed from guayule overnight or in 6 months or 12 months, but probably it will be 2 or 3 years. I feel this way about the matter: The situation is so very critical and the military outlook is so black in the Far East that, regardless of what happens there, it behooves us to exhaust every possible means of research toward the development of rubber in our own country.

I am sympathetic with the problem of developing synthetic rubber, but guayule has been proven successful, not only by the experts in the Department of Agriculture and in the Bureau of Standards, but it has been proven and admitted, as I understand it, by the gentleman from California [Mr. ANDERSON] and likewise the gentleman from Ohio [Mr. HARTER], who comes from a great rubber manufacturing city, that the big companies, perhaps, like Goodyear and Firestone, have used guayule with great success. The trouble is the shortage of supply. The thing to do is to develop it in such quantities that we will not be dependent on the Far East. The gentleman from Virginia [Mr. FLANNAGAN] admits there is no hope of getting rubber in large quantities from South America for several years.

I hold no brief for this Intercontinental Co. I never heard of them until this legislation was initiated. I have had no one representing them to ever speak to me about it, but I understand upon reliable authority, that this is the only company in our country that has any supply of choice seed. Seeding and planting time is only a month or two away, and we should act promptly. I trust the representatives of the Government to see to it that the seed is bought at a fair price.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. THOMASON. Just let me make one further point and then I shall yield to the gentleman from North Carolina.

It must not be forgotten that the rubber trees and industry in the Far East, if they have not been destroyed now, it is safe to predict it soon will be destroyed, especially if the Japs take Singapore. Then you will have no rubber to come from the Far East in several years, regardless of who may win the struggle over there.

I now yield to the gentleman from North Carolina.

Mr. DOUGHTON. The gentleman's statement is very interesting, and if he has the information, will he give the House the benefit of it by stating how long would be required to produce an adequate supply of rubber from this product?

Mr. THOMASON. I could not say how long it would take, but I would say that that would be a matter of at least 2 or 3 years. It can be produced in paying quantities in 3 or 4 years. But we must make the start and the sooner the better.

Mr. DOUGHTON. And every ounce would be helpful.

Mr. THOMASON. Of course, and it behooves us to resort to every means possible to obtain rubber in this country, and at the earliest possible date. As tragic as this war is, perhaps some good will come out of it. Our chemists and research experts are now busy trying to develop in our own country many of the necessities of life, so that in the long, hard days to come we will not be dependent upon importations from foreign countries. Most of our people, and especially our Army, are now riding on rubber. Rubber is one of our greatest necessities. I urge the passage of this bill, so that the work can get under headway.

GUAYULE RUBBER

(By C. L. Chapin, of Washington, D. C.)

Commercial production of guayule rubber began about the year 1904. It comes from a desert shrub (Parthenium argentatum), in appearance and size somewhat resembling the familiar sagebrush of the western plains. The shrub grows wild in the plateau region of northern Mexico and in the Big Bend section of Texas. Search over the entire world wherever conditions were somewhat similar failed to discover the plant anywhere else.

Most of our rubber, both wild and cultivated, is made from the sap of the Hevea rubber tree, the sap being chemically treated to turn it into rubber. Guayule rubber, on the other hand, exists as tiny particles of rubber in the bark and outer wood of the guayule plant. To produce crude guayule rubber it is, therefore, only necessary to grind or pulverize the plant, and then by mechanical processes separate the rubber from the wood, bark, and leaves.

Crude guayule rubber as it comes from the factories in Mexico sells in the New York market at present for about one-half the price of the best crude rubber—Upriver Fine Para, the wild rubber from Brazil—and for about 65 percent of the price of Plantation Crepe, the cultivated rubber from Malaya, which now comprises all but a very small fraction of the rubber used in the United States. (On July 29, 1941, prices in the New York City rubber market were: Upriver Fine Para, 30 cents per pound; No. 1 Thin Latex Crepe, 23⅝ cents per pound; guayule, 15½ cents per pound.)

The market price is a fair approximation of the relative qualities of these three varieties of rubber. Guayule rubber is not used in products where the very highest qualities of strength, elasticity, and durability are essential, as in surgical rubber goods and inner tubes for automobile tires, for instance.

However, guayule rubber is not being used where the requirements are most exacting, mainly because it would cost more to treat the guayule rubber so as to give it those higher qualities. Tests have been conducted by the Bureau of Standards which showed that after being treated in certain ways guayule rubber was equal in practically every respect to the best rubber on the market.

As a practical matter, therefore, guayule rubber could be so processed that it would serve every purpose acceptably; and if the supply were great enough, and the price permitted, the development of large-scale processing methods would tend to decrease very materially the cost of such operations.

In 1900, when the amount of rubber which was used by the automobile industry was negligible, the net importations of crude rubber into the United States amounted to 20,308 long tons.

That was the year in which cultivated plantation rubber from Malaya first appeared in the market. Previous to that time all rubber was from wild trees, principally from Brazil.

About 1904 guayule rubber began to appear in the market, and by 1910 this rubber had become an important factor in rubber-goods manufacturing in the United States.

By 1910 the automobile industry had begun to use a large part of the rubber coming to the United States, and in that year the net importations were 42,210 long tons. In 1910, 4,762 tons of guayule rubber was imported, this product thus making up 11 percent of the crude rubber used in the United States. The importations of plantation rubber in that year were 11,000 tons.

The year 1911 marked the high tide of guayule rubber importation, when 7,437 tons came into the country. As the total rubber importations in that year fell to 34,464 tons, guayule rubber made up 21 percent of the importations. The decline in importations of guayule rubber after 1911 was due to the dwindling supply of the wild shrub throughout Mexico and in part to political disturbances in that country which made industrial operations difficult and at times impossible.

As the total importations of rubber of all kinds increased the price per pound gradually went down. In 1910, when the larger part of our best rubber was still coming from Brazil, the price of up-river para rubber was around $2 per pound. Guayule rubber in that year sold at around 53 cents per pound.

About 1915 importations from the plantations of Malaya began to equal the importations of wild rubber from Brazil. Thereafter plantation rubber continued to crowd out the South American wild rubber, in spite of the fact that it was and continues to be inferior in some characteristics to the wild rubber from Brazil. By 1938, 97 percent of our imports were of plantation rubber.

Importations of guayule rubber have declined from the high mark of 1911, and from 1928 to the present time have averaged around 2,300 tons per year, reaching 3,634 tons in 1940, however.

Meanwhile, the total importations of rubber have gone steadily upward, until in 1940 our net importations were in excess of 600,000 long tons. In that year importations of guayule rubber amounted to about one-half of 1 percent of our total importations.

The only locality in the United States where the guayule plant has grown in the wild state is the Big Bend country in southwestern Texas. There in 1909–10 a factory located at Marathon operated for about 9 months, milling 4,000 tons of shrub, which yielded about 600 tons of crude rubber. The shrub supply was exhausted in that time.

The wild shrub was found in scattered spots over most of Brewster County, and in Pecos County, east of Fort Stockton.

It is in the latter locality that the writer believes the most favorable conditions exist for a large-scale undertaking in the cultivation of the guayule plant. The climate and soil are exactly suited to the plant, as evidenced by the natural selection of that area by the wild growth. This would make unnecessary any acclimating or adapting the cultivated plants to climatic and soil conditions.

There is a large area of land now under irrigation in the immediate vicinity of land on which the best yield of wild guayule formerly grew. The writer had charge of the field work when the factory at Marathon was in operation and arranged for the gathering and transporting of the shrub to the factory. This writer personally established a gathering camp in the midst of guayule fields which are within a quarter of a mile of lands since brought under irrigation, at the base of Seven Mile Hill east of Fort Stockton. Undoubtedly it would be possible to find some regrowth of guayule on that very land today.

Inasmuch as the wild shrub which was milled in Texas was found to yield a slightly higher percentage of rubber than was ordinarily procured from the shrub milled in the various factories in Mexico, it is evident that the Big Bend section of Texas is eminently suited to the plant and that nowhere else could it be reasonably certain that equally good results might be obtained.

The writer was employed in the guayule rubber industry in Mexico from the time it began to assume important proportions there. His experience included scouting shrub-bearing areas to estimate the amount of shrub which could be gathered from large land holdings; contracting with landowners for the purchase of shrub growing on their properties; employing and supervising contractors to gather, haul, and ship the shrub to the factory; as well as actual work in every department of the largest guayule factory in Mexico. This experience, in addition to his experience and knowledge of that part of the guayule rubber industry which existed in Texas, qualifies him to express an opinion regarding the proposal to set up a guayule-growing business in the United States.

The recommendation is respectfully urged that, should such an undertaking be made, a considerable part, if not all, of the activity should be carried on in the only natural habitat of the guayule plant—the Big Bend section of Texas.

It is suggested that the proposed Federal guayule rubber corporation might well be authorized to go beyond the authorization contained in section 5 of H. R. 5030. Farmers owning or cultivating lands in areas suited to the growing of guayule might be encouraged to undertake growing the plant as a regular crop. This could be done by contracting with them to purchase shrub grown by them, and by furnishing to them guidance in the best methods of planting and cultivation, in addition to furnishing seed or seedlings for field planting. Small factories might be established for milling shrub grown by farmers, each factory serving an area to provide easy transportation of the gathered shrub.

Mr. FULMER. Mr. Chairman, I yield the balance of the time to the gentleman from Michigan [Mr. HOOK].

Mr. HOOK. Mr. Chairman, we studied in the committee with much interest the rubber situation, and I reserved the right to oppose this bill on the floor, if necessary, for the reason that I was told there was a cartel between Great Britain, the Netherlands, and Malaya that practically kept out of this country the rubber that was produced in Brazil. I find that there was a cartel there, but that Brazil only produced about 42,000 tons of rubber, whereas there was produced or received from the Netherlands, Ceylon, India, Burma, North Borneo, and Sarawak 1,563,000 long tons. So, even with the best efforts of Brazil, and after she reached her peak, she could only produce 42,000 tons; and therefore it is absolutely necessary, especially in this war situation, that we reach out and grasp every single, solitary thing that we can in order to take care of this rubber situation.

We in Michigan are very vitally interested in this, because the automobile industry, which is our greatest industry, rests upon a sufficient production of rubber. I believe, after thorough and complete study of this whole situation, that guayule plant is about the only place where we in the United States can reach out after any kind of help. The guayule plant has been grown in Mexico, and we have used quite a little of the product of that plant that has come from Mexico. They have been raising it there for the last 40 years. If they can raise it successfully and profitably, then why should not we go into the production of rubber, at least as a matter of protection? We are in hopes that the situation as it exists in the Far East will be taken care of. We are in hopes—and I feel that we have high hopes—that the situation will right itself to the point where after the war we will be back again to 10-cent rubber; but if these fields in the Far East are destroyed, we will never again be back to 10-cent rubber, and our only salvation is to turn to this guayule plant and the propagation of synthetic rubber. We expect to resume the manufacturing of automobiles as soon as we win the present war. I hope it will be soon, but at least, in the meantime, let us grow this rubber plant and hope that it will bring about a production of rubber to such an extent that the great automobile industry will be able to operate again in the interest of this Nation; also, that we produce enough rubber to keep our armies and Navy supplied so that they may operate successfully and win this war. Let us do all we can to win the war. We need this bill because rubber is vital to the successful termination of this war.

The CHAIRMAN. The time of the gentleman from Michigan has expired. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of Agriculture (hereinafter called the "Secretary") is authorized—

(1) To acquire by purchase, license, or other agreement, or by condemnation, the right to operate under processes or patents relating to the growing and harvesting of guayule or the extraction of rubber therefrom, and such properties, processes, records, and data as are necessary to such operation;

(2) To plant, or contract for the planting of, not in excess of 75,000 acres of guayule in areas in the Western Hemisphere where the best growth and yields may be expected in order to maintain a nucleus planting of guayule to serve as a domestic source of crude rubber as well as of planting material for use in further expanding guayule planting to meet emergency needs of the United States for crude rubber; to establish and maintain nurseries to provide seedlings for field plants; and to purchase necessary equipment and facilities;

(3) To acquire by purchase, lease, or other agreement, or by condemnation, rights to land for the purpose of making plantings of guayule; to make surveys, directly or through appropriate Government agencies of areas in the Western Hemisphere, where guayule might be grown; and to establish and maintain records indicating areas to which guayule cultivation could be extended for emergency production;

(4) To construct or operate, or to contract for the operation of, factories for the extraction of rubber from guayule; and to purchase, operate, and maintain equipment for the harvesting, storing, transporting, and complete processing of guayule;

(5) To conduct studies, in which he may cooperate with any other public or private agency, designed to increase the yield of guayule by breeding or by selection, and to improve planting methods; to make surveys of areas suitable for cultivating guayule; to make experimental plantings; and to conduct agronomic tests;

(6) To conduct tests, in which he may cooperate with any other public or private agency, to determine the qualities of rubber obtained from guayule and to determine the most favorable methods of compounding and using guayule in rubber manufacturing processes;

(7) To improve methods of processing guayule shrubs and rubber and to obtain and hold patents on such new processes;

(8) To sell guayule or rubber processed from guayule and to use funds so obtained in replanting and maintaining an area of 75,000 acres of guayule inside the Western Hemisphere; and

(9) To exercise with respect to rubber-bearing plants other than guayule the same powers as are granted in the foregoing provisions of this section with respect to guayule.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Page 1, line 6, strike out the words "or by condemnation."

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the amendment. I am not going to place myself in the position of opposing this bill, but I do feel that the House should pay special attention to the language in the bill, and if we are going to pass it, we should perfect the language. There is no use of our passing legislation worded such as this is when we can pass a bill that will

stand up and to some extent protect the Treasury of the United States. In the first committee amendment on page 1, line 6, the committee has recommended that the words "or by condemnation" be stricken out. The paragraph provides that we shall acquire by purchase, license, or other agreement, or by condemnation, and so forth, the right to operate processes or patents, and so forth. However, the committee undertakes to strike out the words "or by condemnation." Are you going to deny to the Government of the United States the right to condemn property? Even if you do I feel it would be unconstitutional. Suppose you pick an area, and that within that area there is land that the Government must have, that belongs to two or three individuals, and they want the Government to pay an exorbitant price for that land, exorbitant, I say, because the surrounding owners are willing to sell it at a reasonable rate. Is it wrong to let the Government condemn that property, and pay a reasonable figure within keeping of the value of the adjoining property?

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. NICHOLS. Further down in the second paragraph there is a provision that there shall not be paid in excess of $2,000,000. Even if the words "or by condemnation" be left in the bill, under the provisions of this act they could not pay more than $2,000,000 anyway?

Mr. COCHRAN. Absolutely not, but, on the other hand, if that corporation demands a price which the Department of Agriculture feels is not justified, then the Government can condemn the property and assets, thus protecting the Government.

Mr. NICHOLS. The only reason I ask the question is because the gentlemen who sponsor striking out the words declare they want them stricken out to save the Government money.

Mr. COCHRAN. I am not in favor of that. I am in favor of the Government having the right to condemn property if necessary.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. CRAWFORD. In further support of what the gentleman says, have we not heretofore given the right to the Government to condemn other property in connection with the war effort?

Mr. COCHRAN. Yes. And I might say, if necessary for national defense purposes, the President can take any property.

Mr. CRAWFORD. And are we not putting through now a second war-powers bill that will extend these rights, and why make this an exception?

Mr. COCHRAN. Absolutely. If this amendment should be agreed to, I shall move, when the time comes, in line 21, page 2, to restore the language "or by condemnation" at that point. I do not see any reason why the committee should deny the Government opportunity to secure property at a reasonable figure by condemnation. We do that with private citizens all over the United States, and why not do it in this instance?

Mr. WHITTINGTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am greatly in sympathy with the purposes of this bill. What I shall have to say is intended to be helpful and constructive.

I have glanced over the hearings. I think the chairman of the subcommittee, the distinguished gentleman from Virginia [Mr. FLANNAGAN], is to be commended upon his diligence in undertaking to ascertain the value of the property owned by this Intercontinental Rubber Co. I want to say that I favor the retention of the condemnation provision in this bill. I think it is essential to protect the Government. I may add that that provision for condemnation was in the bill when introduced by the gentleman from California [Mr. ANDERSON]. He favors it being retained in the bill. It was in the bill when it was referred to the Department of Agriculture and reported on favorably by that Department. It was in the bill when it was approved by the Bureau of the Budget, and it should stay in the bill. I see no contradiction between that and the second committee amendment, which limits payment to this corporation to not over $2,000,000. In a word, I think the retention of the language for condemnation will further safeguard the Government.

Mr. COCHRAN. And it was in the bill when it passed the Senate also.

Mr. WHITTINGTON. Yes. Now, Mr. Chairman, I have, as I have stated, glanced through the hearings. The stock of this corporation is owned by citizens of the Netherlands Government. The stock of this corporation is owned by people of another country. The undisputed testimony is that the value of the tangible property that we would get from that corporation, as stated frankly by the gentleman from Virginia [Mr. FLANNAGAN], is less than a million dollars. When the representative of that corporation was before the Committee on Agriculture, and in response to a question by the gentleman from Virginia [Mr. FLANNAGAN], he stated, and I quote from page 74 of the hearings, "No good will, nothing for patents or good will," was included.

Under the terms of this bill in the second committee amendment it is provided for the purchase of patents; the official of that company said they had no patents; they had no processes, as shown by page 97 of the hearings. With all due deference to the committee, I can understand their purpose. The committee evidently thought it would be to the interest of the Government if they could acquire this property for not to exceed $2,000,000. I put this question to you: If in every bill that the Congress of the United States has passed to provide for the acquiring of property for national defense, owned by citizens of the Republic, to safeguard the interests of the United States we have written the power of condemnation, why should we now in the only bill that has been brought to our attention, when we are told in advance that the $2,000,000 is more than twice the value of the property, deprive the Secretary of Agriculture and the Government of the United States of the right to condemn property that belongs to the Dutch, who have a practical monopoly on rubber in the East Indies, a product to which we will probably be denied access, and thus give a foreigner a right that an American citizen does not have? When you tell me that they may go into court and get more than they could get by agreement or purchase, I respond to you that I do not believe citizens of the Republic will give more to people of other governments than they give to citizens of the United States.

In an effort to promote the very purpose that this committee had in mind, I suggest to the committee that the power of condemnation be retained, even though you adopt the second committee amendment. I trust that this committee amendment will be defeated.

[Here the gavel fell.]

Mr. POAGE. Mr. Chairman, I rise in support of the amendment and I ask unanimous consent to proceed for 5 minutes out of order.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. POAGE. Mr. Chairman, it was my privilege to serve on the subcommittee that worked for several days considering, in executive sessions, the various factors involved in the purchase of this property. I think there was an especially sincere effort made to bring the amount of money that might be paid to these people who own all of the guayule seed in the world down to the smallest possible figure, and the committee acted in full knowledge of what they were doing when they suggested striking out the provision to condemn the property. The reason for that is simple and to my mind it is convincing. The company can show that they have over a period of years invested $3,800,000 in this property I do not mean by that to say that they can show it is now presently worth that, but they can show that they have put nearly $4,000,000 into it. They asked $2,600,000 for all their United States holdings including certain property in Arizona which we felt was of no value from the standpoint of the use which we intended to make of it. The committee felt that if we were sure that the property could not cost the Government more than $2,000,000, we would be saving money for the Government rather than allowing the company to go into court and probably get a judgment for $3,800,000 or more. The committee is of the opinion that there is a saving to the Government of approximately $2,000,000 by keeping this provision in the bill. There is not any doubt but what if you place the company in a position to demand condemnation proceedings, that condemnation will be resorted to.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. COFFEE of Nebraska. Is it not a fact that the company wants this condemnation provision in the bill?

Mr. POAGE. Absolutely. The company would prefer to have condemnation provided for in the bill, because the company would then be in a position to force

the Government to go into the courts, for they know that in the courts in California they can show they have nearly twice this amount of money invested and they would probably get it.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. NICHOLS. I would like to ask the gentleman if the closing portion of subsection (1) reading "the Secretary is authorized to pay not to exceed $2,000,000" will not place a limitation upon the amount of money that could be paid even if condemnation were resorted to?

Mr. POAGE. We do not think so because if the judgment of the court is that we are to pay them $4,000,000, the gentleman knows the disposition of this Congress would be to do it. We in the committee do not feel that is any limitation, for the gentleman knows as well as I do that a private bill would be introduced for the amount of the judgment exceeding the limitation.

Mr. NICHOLS. The gentleman does not mean to say that he thinks an order of the Federal court would supersede a limitation placed by the Congress upon the purchase price of anything; does he?

Mr. POAGE. I do not say it would supersede it, but I think, as I said before, a bill would be introduced to pay the company the difference; and the gentleman and the rest of the Members would pass it and the Government would pay the amount.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. WHITTINGTON. The gentleman spoke of this corporation going into court. Is it not a fact that the only party who could go into court would be the United States of America?

Mr. POAGE. That is right, but the Government would be forced to resort to exactly that procedure.

Mr. WHITTINGTON. And if they were unable in negotiating for the purchase of the property to agree upon the value of the property, is it not true that upon filing of an application for condemnation in a Federal court the Government of the United States could take possession of the property the next day and go through every court in the country to see that its rights are protected?

Mr. POAGE. Nobody questions the Government's right to do that.

Mr. WHITTINGTON. I beg the gentleman's pardon. I understood the gentleman to say the company could go into court and ask for condemnation. The only person who can ask for condemnation is the Government of the United States.

Mr. POAGE. The gentleman must have misunderstood my last statement. Condemnation would be brought by the Government. All the company has got to do is to sit back and insist on receiving its $4,000,000. The company does not have to do anything about initiating condemnation, but certainly would be in a position to force it. The minute the Government takes it into court the company would proceed to establish the value it placed on the property. No one questions the right of the Government to condemn in the absence of this committee amendment. The company would like to get rid of this property. The company may have put an inflated value on it to place themselves in a favorable trading position. We want to put the Government in the more favorable trading position, and the only way we can put the Government in a more favorable trading position is to put the company out of a position where they can demand more than $2,000,000.

Mr. WHITTINGTON. And if the gentleman will yield further, I answer him by saying that the only way to put the Government in a favorable trading position is to give them the right to condemn.

Mr. POAGE. It does not put the Government in a favorable trading position to include the power of condemnation in this bill, because all the company would have to do then would be to sit back and say they would not accept $2,000,000. Those people who built up this big company, whether they be citizens of Holland or citizens of the United States, have sense enough to know their rights.

The gentleman has tried to inject prejudice against aliens into this discussion and has suggested that because 62 percent of this stock is owned by citizens of the Netherlands we should work some kind of harsh bargain on them. But this is an American corporation organized under the laws of New York State created by American citizens originally. The officers are Americans. Certainly the gentleman would not suggest that our courts should give a different measure of value because, perchance, some of the stock of that company is owned by our Allies, who are doing so much to protect our interests in the Far East today.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. CRAWFORD. Is the gentleman from Texas satisfied that this company has invested $3,600,000 in this property?

Mr. POAGE. Yes; I am perfectly satisfied they have sunk that much money, although I am not satisfied they have that much in their assets. The assets of this company now are primarily represented not by intangibles, as so many have so inaccurately said, but by the very tangible amount of 23,000 pounds of guayule seed, the only guayule seed in the world. The gentleman from Virginia [Mr. FLANNAGAN], who so well explained the bill did not list the 23,000 pounds of seed as tangibles, but to my mind it is the most valuable asset the company has.

To my mind that is just as much of a tangible asset as any of the land or any of the equipment. That 23,000 pounds of seed is something you can lay your hands on, something you can look at, something that has the germ of life, something that is able to reproduce the guayule plants. That 23,000 pounds of seed represents an expenditure that this company has made over a period of 31 years. That 23,000 pounds of seed is where your so-called intangibles have gone, the tangible representation of the work, of the experiments, and of the research that this company has carried on, and it is that 23,000 pounds of seed that this Government must have today if it is to have the insurance that this proposes to give us. For one I do not like to take the responsibility of saying that I will let this country run the risk of going without rubber and of making no provision to put this seed in the ground.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, perhaps it does not make a great deal of difference whether we adopt the committee amendment. However, there is one situation that we must consider, and that is the matter of time. Unless we pass this bill, and unless the Department of Agriculture acts on it before the first of March, and takes over this guayule seed, we are going to lose a year's time. The vital, significant question before us today is whether or not we are going to permit the Department of Agriculture to take over this seed in time to plant it in the nurseries by next month. Unless we do that we are not going to have production of rubber from this plant in 1946, as far away as that seems. It will be 1947 unless we can take some action immediately.

I am of the same opinion as other members of the committee that we may pay more for this property if we condemn it than if we negotiate for its purchase as provided in the bill. It is true that the Government could exercise its right to condemn and possibly take over this seed without awaiting termination of court proceedings, but that is not the only thing that we have to get from this company. We have to get from the company certain processes, certain methods that are known only to this company and its employees. One of the most important of those is the process by which guayule seed can be sprouted. The guayule is a desert plant and, like other desert plants, the seeds may lie dormant for 2, 3, or 4 years until favorable conditions arise for sprouting.

It so happens, however, that the scientists employed by this company have found a way in which to sprout this seed, and unless we can get the seed and learn the method by which it may be planted and germinated this March, we are going to lose a year's time. That knowledge and information is one thing we are getting when we make a deal with this company. The other important thing we are getting is 23,000 pounds of guayule seed. I do not know how anybody can put a value in dollars and cents on that seed. If it were all the rubber-producing seed in the world it would be priceless.

Two million dollars may be a large sum to pay for this seed and for the physical property worth something less than a million dollars which we are getting, but in a critical time like this when the matter of getting rubber is one of our most vital and fundamental military problems, I do not believe we should quibble about paying the amount provided in this bill.

Mr. FULMER. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from South Carolina.

Mr. FULMER. Has the gentleman understood from the hearings that the company would be delighted to have the property condemned, and that after all

the work that has been done the best the committee could do was to get a statement that the company would accept $2,000,000. The company agreed with the Department that they would accept that and they would get the seed.

Mr. HOPE. That is my understanding of the situation. May I say right here that the gentleman from Virginia [Mr. FLANNAGAN], chairman of the subcommittee, is deserving of a very great deal of credit from this Congress for the splendid work that he did in getting this company to reduce the amount at which it offered to sell all of its property, both tangible and intangible. I am satisfied that if we accept this amendment and pass the bill as it is, we will be doing better, not only in the way of the price we will pay but in the way of getting the property immediately than could be done any other way. I agree generally with what has been said on the question of condemnation, but I do not believe it applies in this particular instance. We should adopt the committee amendment.

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the argument would be good that it is dangerous to provide for condemnation rather than purchase if that was the only method provided in the bill and if it were not within the power of this Congress to place a limitation upon the amount of money that could be expended, even by condemnation.

Mr. HOPE. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Kansas.

Mr. HOPE. Does not the gentleman think we might be confronted with the situation that the Government might go into court, it might get a judgment giving the company more than $2,000,000 and the company then stand on that judgment? Then you would have to come to Congress and appropriate an additional sum of money, thus causing further delay in a situation where time is of the essence.

Mr. NICHOLS. My friend from Kansas must know the law better than that. It is not necessary for the Government to wait until judgment is given in order to take possession of this property. All the Government has to do where condemnation is provided is to institute condemnation proceedings and immediately enter on and take possession of the property. May I point out to the gentleman from Kansas that we were told in the Rules Committee that this company had some sort of a secret process for the germination of these seeds and that the company had said to the Government of the United States: "We will not give you this formula for germinating the seed, in our great patriotism, unless you buy our company." Well, Mr. Chairman, we better leave condemnation in this bill because unless you do the Government has no way of obtaining this formula except by purchase, and if time is of the essence we will save more time by condemnation proceedings than upon the basis of pure negotiation, then having nothing else to fall back on.

Mr. HOPE. May I call the gentleman's attention to the fact that really one of the most important things we are getting is this process by which the seeds can be sprouted and other methods that are known only to the employees of this company. We can condemn tangible assets, but we cannot condemn those things. They will have to be given by agreement. That knowledge must be turned over within the next 30 days in order to be of any value. So I do not believe that condemnation will help any in securing what I think is the most vital piece of property we are going to get from the company.

Mr. NICHOLS. If I recall correctly, we are pretty busily engaged in at least trying to get ready to help the Netherland East Indies. I have been laboring under the impression that they and we are partners of a sort in this struggle. I presume, if that is true, certainly the citizens of the Netherlands are interested in helping us do anything which will be of benefit to us, because that will be an indirect benefit to them.

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. NICHOLS. I can hardly believe that this company—although it is not an American company but is international in character—would refuse to give our Government any formula they had which would teach us better how to produce rubber. If they would refuse to give it to us, then I would be a little afraid to buy it from them, because they might not tell us all they know. This has to be a partnership affair or it is not worth anything.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Missouri.

Mr. COCHRAN. In answer to the argument of the gentleman from Kansas, it seems to me that if this is needed for national defense purposes, which it undoubtedly is, then, law or no law, bill or no bill, the President of the United States has the power now to take everything they have, including their processes, their seed, and everything they own. There is no doubt about that.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Texas.

Mr. POAGE. May I ask the gentleman if he does not recognize that bringing in the question that the stock is owned partly by citizens of the Netherlands has no bearing in the world upon what anybody does, because the officers are all Americans. Every officer of the company lives in this country. The policy of the company is decided in New York City and not in the Netherlands.

Mr. NICHOLS. That is all I want to know. In the name of common sense, if the officers of this company are American citizens, and then they would say to their great Government, "We have in our possession certain secret processes for the germination of the rubber seed, but we will not give them to you, the Government of the United States, our Government, unless you pay us a certain sum of money for some junk, some seed"—no; I do not believe there is that brand of American citizen in this country today.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Kentucky.

Mr. MAY. May I suggest to the gentleman that as I understand the law there are only three ways of acquiring property—by gift or donation, or by contract, or by condemnation. When we withdraw the power to condemn we disarm ourselves of one element we have.

Mr. NICHOLS. All you have to do if you are afraid this language is not strong enough to place a $2,000,000 limitation on this bill is to offer a simple amendment something like this: Strike out the language that "The Secretary is authorized," and so forth, and insert these words: *"Provided,* That in no case shall there be paid more than $2,000,000." I guarantee that then you will have a limitation on price.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. For the benefit of the record, I should like to clear up one thing. The testimony of these officers before the committee showed and they said that the Department of Agriculture, especially Dr. Brandes, knew as much about the development of the seed as they did; in fact, they said that Dr. Brandes himself knew more about the development of the seed than they did.

Mr. NICHOLS. I must say that I do not know much about it. I was taking the word of my good friend from Kansas, who said there was a secret process known only to the men in this company. If I am wrong in that, I am sorry.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. With respect to the patents and processes, may I say that the very best that can be said about these hearings is that the testimony is rather shy. This second amendment provides for paying $2,000,000 for patents and processes. I call your attention to the following testimony on page 74:

> Mr. FLANNAGAN. Are any of these intangible assets represented by trade-marks?
>
> Mr. BAKER. No.
>
> Mr. FLANNAGAN. Good will?
>
> Mr. BAKER. No good will; nothing for patents or good will.

They are all straight-out tangible assets.

Mr. NICHOLS. I shall conclude with this: Whatever there is here to buy, if it is to be purchased by the Government of the United States, we had better provide every means possible for the Government to obtain it.

[Here the gavel fell.]

Mr. FLANNAGAN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I do not see any occasion for the membership to become so exercised over this amendment. I

believe, however, that it is an important amendment, and that if the committee amendment is stricken out, the Government is going to lose in the neighborhood of $2,000,000.

Now, the facts are these: This company spent $3,707,799 in the development of the guayule industry. Their books show this. I think I know a little something about condemnation proceedings. I have had enough experience, and I know that the Federal court will instruct the commissioners in assessing the damages to make the company whole. Now, there is no question in the world about the fact that this company has spent three-million-seven-hundred-odd-thousand dollars in the development of this shrub. The only things it has to show for it now are physical assets worth in the neighborhood of $700,000 to $1,000,000 carried on the books of the company at $1,076,000. Where has the rest of the money gone? It has been spent in the development of this shrub—for experimental purposes. And I know that the court will instruct the commissioners to allow the company moneys spent for experimentation. I do not think there is any question in the world about that proposition.

The company, as a matter of fact, wants the bill as it passed the Senate, giving the Government the right to condemn. In that event the company, of course, will refuse to agree with the Government upon a price. Then the Government will be forced to bring condemnation proceedings, and, in my opinion, in such proceedings the Government will have to pay back to this company every penny that the company can show it spent in the development of this guayule shrub.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Oklahoma.

Mr. NICHOLS. In the event condemnation is not left in the bill and the company would refuse to accept the price offered by the Government, and if it was necessary that this seed be planted, as my friend from Kansas says, by March, what means will there be left for the Government to employ to force the company to agree to a price of sale?

Mr. FLANNAGAN. There is no earthly way the Government can force the company to agree upon a price. The Government can institute condemnation proceedings, take possession of the seed and go ahead with the planting of the seed pending the outcome of the condemnation proceedings, but the Commissioners will be instructed to make this company whole.

Mr. WHITTINGTON. But we would not the have power of condemnation if we adopted your amendment to strike it out.

Mr. FLANNAGAN. We have a specific agreement with the company that it will take $2,000,000.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Missouri.

Mr. COCHRAN. Please bear in mind that this applies not only to the purchase of the rights of this company, but this goes all through the bill and applies to the purchase of the ground, where, I understand you to say, you are going to plant this seed by airplane. Further down in this same section you even strike out the word "purchase" and will not let the Government purchase.

Mr. FLANNAGAN. Let me answer the gentleman's question by saying that if the gentleman will read the bill he will find he is in error.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent that the gentleman from Virginia may have 5 additional minutes. I would like to have the gentleman show me where I am in error.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. FLANNAGAN. Let me explain to the gentleman the provisions of this bill. The bill provides that the Government shall acquire the holdings of the Intercontinental Rubber Co. in California, including its secret processes, its secret method of germinating seed and 23,000 pounds of the seed for a sum not to exceed $2,000,000. Now when it comes to condemning, the Government, in the bill, is given the right to condemn lands for nurseries and it will take probably 1,000 or 2,000 acres for that purpose and for plant sites. Then we limit the Government when it comes to planting to leasing land for planting or contracting for planting. That is, to contract with the farmers to raise the shrub for a certain amount or to lease land upon which the plantings are to be made.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman.

Mr. COCHRAN. That is true, but why should we confine the Government of the United States to leasing if the Government is going into this business? If you lease the property and you put this on the property for not exceeding 10 years, then at the expiration of 10 years, all the money and all the work we have done would revert to the owner of the property. Why not purchase it? You strike out the word "purchase" in that paragraph.

Mr. FLANNAGAN. Let me answer the gentleman by stating that we do that because I think the membership of the committee, or most of us on the committee, are against the Government getting into business. We did not want the Government to have the right to go down into Califorina and the other Southwestern States and buy up hundreds of thousands of acres of land, and that is just what will happen if we give the Government the right to purchase.

Mr. COCHRAN. This is a lot of land that will not grow anything else, I assume.

Mr. FLANNAGAN. Oh, this is valuable land. We would spend millions of dollars acquiring title to the land, and if after the war is over we decide to limit the production of the guayule or to go out of the guayule business, then we will have the Government owning probably 100,000 acres or so of land in California and the other Southwestern States.

Mr. COCHRAN. It is just as reasonable to make a lease of property with me, and place a building on it, which will revert to me at the end of 10 years.

Mr. FLANNAGAN. The Government cannot do that under the terms of the bill. The plant sites are purchased in fee simple, and so are the lands for nurseries, and it will take probably 1,000 to 1,500 acres for nurseries. These are the only purposes for which the Government can acquire the fee in the land.

Mr. COCHRAN. At the same time the gentleman must admit that you are going to pay a man to lease his property for 10 years, and what for? To build it up with the plants which at the end of 10 years will make his land extremely valuable when it reverts to him.

Mr. FLANNAGAN. Oh, no; that is not the language of the bill. It is planned that the Government will contract for the planting of guayule, and if the Government is unable to contract with the farmers for the planting of it, then the Government has the right to lease land and allow the Forest Service to plant the land.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. Yes.

Mr. COFFEE of Nebraska. Is it not a fact that the testimony shows that this Intercontinental Company will not plant this seed this year if the sale to the Government is not made? And does it not show that they have no intention of developing further production from the guayule plant in the United States?

Mr. FLANNAGAN. They frankly testified to that. The other rubber companies in America have stated they did not want to go into this guayule rubber business even if we subsidized the business.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. PACE. Mr Chairman, I rise in support of the amendment and I ask the attention of the committee for just a moment, because there seems to be a complete misunderstanding of the plan underlying this proposal. The Department of Agriculture recommended not only the purchase of the seed, equipment, and about 1,000 acres of land, 550 acres of which are planted in guayule plants now, but also recommended the purchase of 75,000 acres of land, not from the Intercontinental Co. This bill covers 1,000 acres of land they own in California and they wanted in addition, to purchase 75,000 acres of land upon which to plant the seeds from different people all in California. The committee has adopted a definite policy that, so far as it is concerned, the Department of Agriculture has plenty of land. The Farm Security has purchased thousands and thousands of acres of land, and we think they have bought enough. So the proposal in the bill is that from the Intercontinental Co. we are to get 1,000 acres of land on which

there is now 550 acres of guayule plants growing. Then, instead of the Department of Agriculture buying 75,000 acres more of land, we propose to go to the farmers of that section and contract with them, if that can be arranged, to put out the little shrubs. Understand that the seed has first to go into a nursery for 8 or 10 months, and then you take the seedlings and put them out; and the proposal is to go to the farmers as I say, where the soil is proper, and see if the farmers will plant these seedlings, and if they fail to get that cooperation from the farmers then we permit the Department of Agriculture to go out itself and lease land, not to buy. Frankly the 10-year limitation was put in by the committee for this reason. The Department wanted to buy the land. If we simply said lease, we were afraid the Government would go out and lease land for 99 years, which is comparable with purchase, and we figured that at the end of 10 years the war would probably be over, and then we will know whether or not this is a practical proposition worth going further with in the years to come. There will not be any building on these lands; there will not be any construction. If the farmers themselves will not put out these seedlings then the Secretary of Agriculture will lease lands, not for more than 10 years, and put the seedlings out.

At the end of 10 years if the Congress does not want to continue this experiment, if it has not proven worth while, all you have to do is to cut the guayule plants off of the land and make them into rubber and move off. You have not lost a thing in the world. I think the committee has done exactly what you want done. That is, you do not want the United States Government or the Department of Agriculture, on a purely experimental proposition, to go out and buy 75,000 acres of land.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. PACE. Yes; I yield.

Mr. COCHRAN. The gentleman paints a picture where we are going to buy 75,000 acres of land——

Mr. PACE. No; I did not. I said the Department of Agriculture recommended that we buy 75,000 acres.

Mr. COCHRAN. Now read paragraph 1 of the bill.

Mr. PACE. I have read it many times.

Mr. COCHRAN. You have there the right to purchase thousands of acres but not to acquire them by condemnation. That is my amendment that is pending now to give the right to condemn if necessary.

Mr. PACE. I do not care what you do about condemnation one way or the other. I do not regard that as such an important provision in the bill.

Mr. COCHRAN. But then go down to subsection 3.

Mr. PACE. That is right.

Mr. COCHRAN. That is where you are going to get the farmers to do this.

Mr. PACE. If you can.

Mr. COCHRAN. If you can? Suppose they say, "We will not do it."

Mr. PACE. Then it is up to the Department to go out and lease the land and put out the seedlings itself.

Mr. COCHRAN. Suppose they refuse to lease it?

Mr. PACE. Please bear in mind that to produce guayule you must provide a sprinkler system.

Mr. FULMER. Mr. Chairman, I would like to come to some understanding about the time. We have had about half an hour on one little amendment. I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. CRAWFORD. Mr. Chairman, reserving the right to object——

The CHAIRMAN. Is there objection to the gentleman's request that all debate on this amendment close in 5 minutes?

Mr. FULMER. Mr. Chairman, I move that all debate on this amendment close in 5 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from South Carolina.

The motion was agreed to.

The CHAIRMAN. The gentleman from Texas [Mr. SOUTH] is recognized.

Mr. SOUTH. Mr. Chairman, ordinarily I would be in favor of the position taken by the gentleman from Missouri [Mr. COCHRAN], but after having studied this case in considerable detail and having discussed it with the gentleman from Nebraska [Mr. COFFEE], and the gentleman from Texas [Mr. POAGE], and other members of the committee I am of the opinion that we would make a mistake to reject the amendment for these reasons:

The testimony shows that the company has been out well over twice the $2,000,000 that will be paid for the property. The committee has determined that it can be bought for that price. What will result if the committee amendment is rejected? In the first place, the matter will likely go to court. The company will be prepared to show that they have been out more than $4,000,000. While they are going to be confronted with the proposition that they have not shown a profit, let me remind you that during a part of their 30 years' operation they have had to compete with foreign rubber selling as low as 3 cents. The testimony shows that. But with Pearl Harbor, 3-cent rubber coming into this country became a matter of history. So whereas they did not make and profit during those years there is no reason to believe they cannot make a profit under the price they can get now.

You have heard several members of the committee say during this debate that the company wants this amendment rejected. These men would not make this assertion unless they had some basis for it. If the company wants to go into court, it is because they believe they can get more money for their property by so doing. We must not lose sight of the fact that it will cost our Government something to litigate this matter. Of more importance, we must keep in mind the fact that by an outright purchase, as contemplated by the committee, we will secure the good will and friendly cooperation of men who have 30 years' experience in dealing with the guayule plant. Dr. Brandes, with the Department of Agriculture, testified before the committee that time is an important element; that if the property were acquired the next day after his testimony, which was almost a month ago, that it would not be one day too early. We cannot afford to quibble as to the details when by so doing we would eventually be out more money and produce less rubber.

There is a vast area in southwest Texas, much of which is situated in my district, where this plant grows wild, and where it can be profitably grown. In this connection, Mr. Chairman, I submit for the RECORD a telegram which I received from one of my progressive and enterprising constituents:

DEL RIO, TEX.,
January 16, 1942.

Congressman C. L. SOUTH,
Washington, D. C.:

In consideration of guayule rubber plant development, will you keep in mind the desirability of area around Del Rio for production of this plant, and fact it already grows wild in adjacent Texas and Mexico country. We have thousands of acres of similar desirable land already under irrigation, with plenty of water available, where guayule will grow plentifully. We can furnish land for erection of facilities to work over plant and produce raw rubber. Please give us some help on this, and I personally guarantee we'll give you full cooperation at this end. Suggestions wanted.

LOUIS F. LEURIG, *News Herald.*

Let me say again that by the adoption of the committee amendment our Government will save time and money.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD] for 2 minutes.

Mr. CRAWFORD. Mr. Chairman, I had some vital questions to ask on this particular proposition which I cannot ask in 2 minutes. So let the vote come.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. GREEN].

Mr. GREEN. Mr. Chairman, the bill before the House this afternoon as presented by the House Committee on Agriculture, brings to my mind legislation heretofore presented by this committee, affecting the production of sugarcane in continental United States. I have reference to the Sugar Quota Acts of 1937 and legislation continuing the force of same. The impending sugar shortage facing the United States has prompted me to introduce H. R. 6541, as follows:

BILL FOR REPEAL

A bill exempting cane sugar produced in the United States from the quota provisions of the Sugar Act of 1937

Be it enacted, etc., That section 212 of the Sugar Act of 1937, as amended (making exemptions from the quota provisions of such act), is amended by inserting before the period at the end thereof a comma and the following: "or (5) cane sugar produced in the continental United States."

I would call especially to the attention of the members present of the House Committee on Agriculture, this bill. It is your committee of course which handles this legislation. If you will report, then the Congress pass, this bill, it will go a long way toward relieving the present sugar shortage. We may reasonably anticipate that before the war is over the sugar shortage in this country may

be grave. I am sure you will be interested in a brief statement of Florida's deep interest in this subject.

FLORIDA EVERGLADES VALUABLE

Many years ago the Federal Government ceded to Florida between 5,000,000 and 6,000,000 acres of swamp and overflowed lands in Florida, principally in the Everglades area. The condition of this transaction was that Florida should drain and reclaim this vast area. The State of Florida and her citizens diligently went about carrying out their part of this compact. Probably $50,000,000 was expended in the Florida Everglades in drainage, flood control, and navigation. Some 4,000,000 acres of this land is now arable and represents probably the richest and most fertile land in the world. It is peculiarly adapted to the growth of sugarcane. It produces, I believe, more tons of sugar per acre than any land in the world.

Our Everglades people did not turn to the production of sugarcane until adversities in vegetable production overtook them. First, they saw their pineapple industry move over to Cuba. Later, and at present, they are now seeing their winter vegetable industry absorbed by Cuba and other foreign islands on account of pernicious reciprocal trade agreements entered into in the past by the Federal Government. Reciprocal trade agreements with Cuba have made it unprofitable in many instances to undertake to grow winter vegetables in south Florida. Without these reciprocal trade agreements and with adequate protection for our winter vegetables and fruits in the south Florida area, we would never have been forced to turn to the production of cane sugar. I opposed vigorously and voted against the reciprocal trade agreements.

NATURAL SUGAR BOWL

As a last resort for American production, capital turned to the Everglades and there established our present thriving sugar industry. We are cultivating probably less than 20,000 acres of sugarcane in the Everglades now. This low production was caused by the Jones-Costigan Act and the 1937 act and their later extensions. If we could be permitted to expand production of sugarcane in the Everglades from 3,000,000 to 4,000,000 acres could be taken up and would produce a large portion of the sugar consumed in the United States.

Just as we are beginning to profitably produce sugar in the Everglades, the Federal Government halts us and forbids expansion. This is an unwise policy and one which no businessman would permit in his own financial transactions. Florida is not interested in subsidies given for acreage reduced. It is true that many acres of cane were during the past seasons plowed under in the Everglades and the Government paid more than one and one-quarter million dollars subsidy for this act. These same acres would have produced the growers far greater income if they had been permitted to harvest the cane crop. I argued then and now the folly of such act. We needed then, and need more acutely now, more domestic cane sugar.

The fact of the matter is, we do not believe in restriction of production of sugar in continental United States and in our Territories as long as we produce only a small percentage of the amount consumed in the United States. In Florida is consumed possibly 100,000 tons a year. In Florida we were, in pre-war times, permitted to market, under the provisions of Federal law, a far less amount; therefore, under the provisions of this law Florida takes the rule of consumer rather than that of producer. It is an unfair and an unjust discrimination against my State to restrict it from producing less sugar than is actually consumed in it. It is a costly adventure for the Government to pay Florida growers funds to keep acres out of production and at the same time to import from foreign countries sugar which is needed by the American people.

If we were permitted to expand production of sugarcane in the Everglades, we would have no relief problem there among some 50,000 population. All in this South Florida area who desired to work could and would find gainful employment in an honorable and necessary industry for the future development and progress of our Nation. When production of sugar is restricted there, it has the effect of adding thousands to the relief roll or at least failing to take from the relief rolls thousands that could be absorbed in gainful occupation. Therefore, our Government, through the workings of this sugar-restriction law, denies employment to our persons, keeps them on the relief rolls, and at the same time paid bounties to our people who desired to produce at a profit, but who were not permitted to do so.

Some 2 years ago, and the picture is about the same today, continental United States did not produce but about 30 percent of the sugar consumed in our country. We produced in continental United States about 24 percent beet sugar; Louisiana produced a little less than 6 percent; Florida about 1 percent; Puerto Rico, 13 percent; Hawaii, 14 percent; the Philippine Islands, 15 percent; and Cuba, 28 or 29 percent. Combining the United States beet and cane sugar production, and also that of our two Territories, Puerto Rico and Hawaii, the United States produced only about 55 percent of the sugar consumed in the United States.

The theory has been that we should buy Cuban sugar and sugar from other foreign countries because these countries used American-made goods. This of course is not at all consistent, in fact, because these foreign countries do not purchase from us in other American products anything like the amount of money spent with those foreign nations to purchase sugar. The fact is, a few money interests in the United States have made their investments in these foreign countries and are doing all they can to compel the United States to use sugar produced in these foreign countries in order that these investments may remain profitable. This vicious sugar production restriction legislation which I would repeal has for its purpose to freeze sugar production in a certain portion of the country or in a certain portion of the world. It is the height of folly for our Government to be a party to freezing and stopping production of cane sugar in the United States when we are able to produce only 30 percent of our annual consumption requirements.

AMERICA LABOR DEFENDED

American labor is used to produce sugar in continental United States and this labor spends its wages and consumes other American goods and products. American labor and American people are entitled to the benefits of American production. Our Government owes far more to the citizens of the United States than it does to those of Cuba, Java, Sumatra, the Dutch East Indies, and other foreign countries which have been furnishing sugar for the American table. The fact is, some of the countries which have been furnishing sugar to us are now at war with us.

We can all appreciate the ties which exist between the Philippine Islands and the United States and we are proud of the heroic and brave efforts of the Philippine people in their aid to General MacArthur in defending their homeland. The fact is, however, on account of war conditions, it is practically impossible to transport to the United States adequate supplies of Philippine sugar, and even if there was no interruption in Philippine sugar production and its transportation to the United States, we have still been receiving only 15 percent of the requirements of the United States from the Philippines. We cannot predict what will be the status of the Philippine Islands in future years; however, we do know that the Congress has voted independence for the Philippines, effective in 1945.

It is timely and just that all cane-sugar production restrictions in continental United States be lifted permanently. It is true that the Department of Agriculture has issued order suspending acreage restrictions for 1942. It is amazing for one presumed to have the knowledge which the Secretary of Agriculture should have, to suggest the suspension of acreage restrictions for only 1 year in the production of sugarcane. The Secretary of Agriculture evidently has no knowledge of the production of sugar from sugarcane or either he is offering this as an empty and idle gesture to cover up the viciousness of present continental sugar production control legislation. It is impossible for any individual, firm, or corporation to profitably plant and process sugarcane with only one growing season permitted. Even two or three growing seasons will not justify planting of sugarcane.

The fact is, from 1 year's planting several crops in succeeding years may be harvested. It is the practice to stubble the plant for some 3 to 7 years. It also requires large expenditure of capital to build or expand cane-juice processing plants. No one with any knowledge of the sugarcane industry would be foolish enough to undertake to expand acreage and embark upon sugarcane production for only 1 or 2 years' crop possibility. Florida, and also Louisiana—yes; the richer soils of several of the Southern

States—offer great opportunity for extensive development of the sugarcane industry, and the industry would there develop if these acreage restrictions would be permanently abolished. In my State it is believed that there is hope for the production of a large portion of America's needs. At least we are entitled to a chance to try.

WAR CRISIS

If the United States and its Territories were now producing, and even in peacetime could produce, the Nation's requirements, then there would be some excuse for acreage restrictions; however, this is far from the case. We do not now produce, and may never be able to produce within the United States and our Territories, as much sugar as we can consume. The rights of men and citizens far exceed the rights of money. I appeal to you as fair-minded men to place human rights and the security of our citizens, particularly during this war period, above the rights of the dollar, and to vote with me for the enactment of H. R. 6541. News stories and radio broadcasts tell us of the impending shortage of industrial alcohol and the probability of converting millions of bushels of edible grain for this purpose. In all probability this will have to be done. We will probably have to process for industrial alcohol grain which will be needed by hungry mouths, possibly in our own country, and surely in the lands of our Allies in this war. Sugar, of course, is the natural source for industrial alcohol. Would it not be far better to have permanent and businesslike expansion to the full limit of the sugarcane industry in our States and supply, insofar as is possible, this need and save the grain for hungry people? Sugar is a vital and necessary food and is essential in the American diet. Babies, invalids, and adults require it to give them strength and vitality. It is also most important and essential in the manufacture of war explosives.

Our Nation is now in the most grave crisis of its history. It is time for us to lay aside food-production restrictions. Even the Secretary of Agriculture in one breath calls for expanding and unlimited food production and in the next breath says, "We will let you make sugarcane for 1 year." It is obvious that food is needed now and will be needed far worse before the crisis has passed. I appeal to you as fair-minded men to cooperate with the Florida congressional delegation, who are united in this effort for the permanent repeal of sugarcane acreage restrictions in continental United States.

I ask unanimous consent to revise and extend my remarks and print in the RECORD a bill which I have introduced recently to repeal this vicious and foolish piece of legislation, which restricts the production of sugar in a time when we are having a sugar shortage. It is absurd.

The CHAIRMAN. Without objection, the request of the gentleman is granted.

There was no objection.

The CHAIRMAN. The question is on the committee amendment.

Mr. WHITTINGTON. Mr. Chairman, a parliamentary inquiry. If we favor the condemnation feature remaining in the bill, the vote should be "nay."

The CHAIRMAN. Without objection, the Clerk will again report the committee amendment.

There being no objection, the Clerk again reported the committee amendment.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division there were ayes 52 and noes 29.

Mr. COCHRAN. Mr. Chairman, I ask for tellers.

Tellers were refused.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 1, after the word "operation", insert the following: "including but not limited to any such rights owned or controlled by the Intercontinental Rubber Co., or any of its subsidiaries, and all equipment, materials, structures, factories, real property, seed, seedlings, growing shrub, and other facilities, patents, and processes of the Intercontinent Rubber Co., or any of its subsidiaries, located in California, and for such rights, properties, and facilities of the Intercontinental Rubber Co. or any of its subsidiaries, the Secretary is authorized to pay not to exceed $2,000,000;".

Mr. NICHOLS. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. CRAWFORD. Mr. Chairman, reserving the right to object, and I shall not, I certainly have no objection to the gentleman's proceeding out of order, but I wish to ask, if the gentleman from Oklahoma will yield so I may, of the chairman of the committee if any time will be granted under this amendment for us to talk a few minutes?

Mr. FULMER. Yes; but we hope to get through as soon as possible.

Mr. CRAWFORD. Because if not I serve notice now I shall object to any further extensions of time or requests to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. NICHOLS. Mr. Chairman, on last Sunday I returned from the Pacific coast, where my committee had gone to investigate an airplane accident which cost the lives of 15 of our Army's crack fliers, to find that the Congress had passed a bill which, among other things, extended the Civil Service Retirement Act to Members of the House and Senate.

This act was finally passed in the House without a record vote, so even if I had been here I could not have recorded my opposition. However, I want to make it known that I am opposed to the inclusion of Members of the House and Senate and other elective officers in the Civil Service Retirement system.

I think that this illustrates, however, the growing influence of the civil-service outlook on the Federal Government. The Civil Service Commission is putting about 100,000 persons to work each month in the Government, according to its own figures. Hundreds of them are drawing practically the same salary as Members of Congress, and are eligible for retirement. They dominate the Government, and Members of Congress are lucky if they can find out what they are doing, even after it is done.

I notice that the Civil Service Commission has leaped to the defense of the extension of the Civil Service Retirement Act to Members of the House and Senate. The Commission has issued a news release justifying this extension. This is supposed to silence all opposition. I am afraid, however, that it will have exactly the opposite effect.

Federal employees are cowed and dominated and intimidated by the Civil Service Commission. This latest extension of the law will make it appear that the Civil Service Commission is also attempting to get the Members of the House and Senate into a position so that they will be subject to intimidation.

Instead of passing laws extending civil service retirement provisions, which cost the Government millions of dollars, to additional persons, we should be giving consideration to taking care of the millions of people who do not work for the Government or for any other agency, concern, or business covered by the Social Security Act, and thus have no opportunity to make provisions for retirement annuities. We should be working on a real old-age pension act.

For every one person in my district who is under either the civil-service or social-security retirement provisions there are 100 who must depend on our present battered and discredited old-age assistance laws, under which they receive an average of about $15 a month to care for themselves and their families. And they do not get this if they dare to take in a roomer, even one of their own children who has a job, or engage in such nefarious occupations as planting a little vegetable garden or keeping chickens or a cow.

The Nation needs more food products, and is making a big effort to raise production, but if one of these unlucky old persons, in an effort to prevent slow starvation on their $15 a month, dares to plant a garden or milk a cow, the snoopers from the State office may find it out and they will then deduct the value of the vegetables or the milk produced from their monthly check.

Passage of the act extending the retirement provisions to Members of Congress leaves but one more step to be taken to give the Civil Service Commission absolute domination of the whole country. All we have to do now is to find a way to blanket ourselves here in Congress under civil service, providing, as the Commission does for other employees of the Government, that elections are suspended and that we will hold office for life, or at the pleasure of

the Commission. Then everything will be fixed up so that, according to the Commission's program, right and justice and truth will prevail henceforth and forever. We will have no more mean old politics in the country. Everything will be on the "merit" system.

Of course, the idea is silly. So is the idea of subjecting Members of Congress to the Civil Service Retirement Act. I predict that the rising tide of public revulsion and horror, which is already sweeping the country, will become so strong that this act, which was passed by unanimous consent last week, will continue to haunt us unless it is repealed.

Several Members have already introduced bills calling for repeal, but the big trouble is that they are referred to the Civil Service Committee of the House, and the Civil Service Committee will never report one of these bills out until it is forced to.

Mr. FULMER. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The gentleman from Michigan [Mr. HOOK] is recognized for 5 minutes.

Mr. HOOK. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOOK. Mr. Chairman, I have the highest regard and the deepest respect for my colleague from Oklahoma, but I cannot agree with his remarks concerning the Ramspeck bill providing for retirement pay for Government officials and erroneously referred to as pensions for Members of Congress. There are Members of this body and of the body at the other end of the Capitol who probably will gain materially because of this act of Congress; but let me say right now that any man who has served here for 15 or 20 years should at least be entitled to the same privileges as postmasters. Just a short while ago we extended practically similar provisions to postmasters, and under it 2,400 were retired, having to make a contribution of only the assessment on 1 month's back pay.

I know of Members of this body who will have to pay in over $15,000 in order to receive the benefits provided for in the legislation referred to. It is not a gratuity but nothing more nor less than an insurance or paid-up annuity the same as is provided by old-line insurence companies. It is not a pension. The average Member of Congress under the bill passed would pay and pay plenty if he voluntarily comes in under the provisions of the bill. His secretaries, his clerks come in under the provisions of the bill. All officers of the Government come in under the provisions of the bill. I think it is about time that Members of Congress have intestinal fortitude enough not to discriminate against themselves.

The people of the United States of America do not expect Members of Congress to discriminate against themselves. Are we going to allow throughout the Nation an opinion to arise similar to that which arose in France? Are we going to allow the press of this Nation to try to undermine the confidence of the public in the legislative body that they should have confidence in? I hear about these "bundles for Congressmen." In my opinion this is just another part of a movement started by Axis agents to undermine the confidence that the people have in this Congress. That was the very thing that happened in France. Propaganda was put out to undermine the confidence of the people in their government. The Axis propaganda agents have been busy for some time feeding unsuspecting people with ammunition to spread against sitting Members so that the people of this Nation will lose confidence in their elected representatives. It is our duty as Americans to do what we can to stop this vicious onslaught in the interest of America.

The people of the United States of America when they realize, and a great majority of them do, the equity of the provisions of that bill, you will hear no objection. If the newspapers of this country will print the actual facts and let the people know that the Federal jurists of this country are retired on full pay, without any contributions at all, and the officers of the Army and Navy of this country are retired on 75 percent of their salaries, the sentiment will be different. Since when does a Member of Congress render less service to his Government than officers of the United States Army or Navy? We have rendered and I know will continue to render real service. I for one feel that I have the intestinal fortitude to tell my people if I am not rendering the kind of service they expect of me, they can take me out at any time. As long as I am here, I am not going to discriminate against Members of Congress. I want them to have the same privileges that all other officers of the United States Government have.

I for one will not sit idly by and let this Axis move by Axis agents to undermine the confidence of the people in their Government be successful as it was in France. We are on the firing line and it is up to us to fight this as all other Axis moves. A statement of facts is the best weapon against these Axis termites.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I wish to ask the chairman of the Committee on Agriculture, how many pounds of seed are involved, 2,300 pounds or 23,000 pounds?

Mr. FULMER. Twenty-three thousand pounds.

Mr. CRAWFORD. Both figures were used. Has the chairman any information showing where these seeds were grown, that is, whether in the United States or in Mexico?

Mr. FULMER. It is my information, and I think it is in the testimony, that they were grown in the United States.

Mr. CRAWFORD. Is there anyone on the floor who can answer that question?

Mr. FLANNAGAN. That is correct.

Mr. ANDERSON of California. They were grown in Monterey County, Calif.

Mr. CRAWFORD. When were those seeds grown?

Mr. ANDERSON of California. Those seeds have been secured from the growing of the guayule sprout in California for a period of the last several years.

Mr. CRAWFORD. How many years?

Mr. ANDERSON of California. It is rather difficult to say. I should say the last 4 or 5 years.

Mr. CRAWFORD. Did our Department of Agriculture run germination tests on those seeds for each year involved?

Mr. ANDERSON of California. There is testimony to the effect that the seed is perfectly good in its present status. It is sealed in hermetically sealed tins in California.

Mr. CRAWFORD. Each year separated?

Mr. ANDERSON of California. I presume they are.

Mr. CRAWFORD. But the testimony does not show that?

Mr. ANDERSON of California. No.

Mr. CRAWFORD. The gentleman cannot say whether germination tests were made on the seed for each year?

Mr. ANDERSON of California. Germination tests are made on each year's crop.

Mr. CRAWFORD. I mean recent germination tests. I do not mean when the seed was put up. I mean recent germination tests.

Mr. ANDERSON of California. I cannot say whether the tests were made or not.

Mr. CRAWFORD. There is the crux of the situation so far as the value of the seed is concerned.

Mr. ANDERSON of California. There is testimony to the effect that seed kept in these hermetically sealed tins will keep indefinitely.

Mr. CRAWFORD. If you have not any germination tests, you have not the information. Let me ask this question: Are the seeds involved here of the high rubber content or the low rubber content?

Mr. ANDERSON of California. It is the highest producing type of guayule plant developed to date.

Mr. CRAWFORD. Does the seed in California run a higher rubber content than the seed in Mexico?

Mr. ANDERSON of California. Much higher.

Mr. CRAWFORD. Why has the company been operating so successfully in Mexico, and has been such a failure in the United States?

Mr. ANDERSON of California. Because in Mexico the company exploits the wild shrub where no cost is involved. There is no cultivation involved. They pick it with cheap Mexican labor and with the costs that exist in Mexico, they are

able to export this rubber into the United States and make money on it.

Mr. CRAWFORD. What chance have we got to make this a successful operation as against the Mexican operation?

Mr. ANDERSON of California. The hearings will disclose that this is not a competitive product when the price of rubber is down as low as 3 to 5 cents. At the present time it is 22½ cents per pound and Dr. Brandes states this can be grown economically in this country and that over the entire program as laid out in this bill there is little or no cost to the Government.

Mr. CRAWFORD. Were any figures submitted showing the amount of money invested in the United States and in the California operations by this company?

Mr. ANDERSON of California. If the gentleman will look on page 97 of the hearings, he will find the complete statement as offered by the Intercontinental Rubber Co.

Mr. CRAWFORD. Is that a certified statement?

Mr. ANDERSON of California. I am not sure whether or not it is a certified statement. It was the statement requested by the Committee on Agriculture and secured.

Mr. CRAWFORD. Nobody can answer as to whether or not the figures are certified?

Mr. ANDERSON of California. The gentleman will have to ask the chairman of the subcommittee for that information.

Mr. CRAWFORD. Was a statement secured showing the money that has been invested over the period of 30 years, or are the figures just rough figures that have been picked up by perhaps a recent bookkeeper's scramble and out of the 30-year records of the company?

Mr. FULMER. I may say to the gentleman that one of the officials representing the corporation had a statement taken from their books giving these figures, and they had charged off everything down to just a little over $1,000,000.

Mr. CRAWFORD. The statement is made by the chairman of the subcommittee to the effect that this three-million-seven-hundred-thousand-odd dollars was spent in the development of the process for developing guayule rubber, or words to that effect. Does that include the Mexican operations as well as those in the United States?

Mr. FLANNAGAN. It does not. It includes the operations in the United States—in Arizona and California.

Mr. CRAWFORD. I have not read the hearings. Does the statement in the record specifically show that that was the United States operation?

Mr. FLANNAGAN. Yes.

The CHAIRMAN. All time on the amendment has expired. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 2, line 13, strike out "Western Hemisphere" and insert "United States."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 2, line 20, strike out "and" and after "facilities" insert "and land for nurseries;".

Mr. WHITTINGTON. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, a good deal has been said about the value of this property that is to be acquired for $2,000,000. As has been suggested, the corporation wrote a letter to the chairman of the committee, the gentleman from South Carolina [Mr. FULMER], and that letter is found on page 97 of the hearings. It gives the expenditures for intangibles and for tangibles. By reference to this statement you will find that there has never been expended in California, according to the corporation, for both tangibles and intangibles in excess of $2,011,110.

In this letter the representative of the corporation stated that if the bill would pass in the form in which it passed the Senate, he would be agreeable to having an audit of his books with the understanding that they would not ask for more than $2,600,000. He concluded his letter by saying that they would be agreeable to the amendment providing for payment of $2,000,000.

With respect to patents and processes, I call attention to the following quotation from the letter, on said page 97:

NOTE.—There were no expenditures for the development of the extraction process because this was brought to the experiment station after development in Mexico.

However, the first amendment has been passed on, a condemnation has been stricken out.

With regard to the pending amendment, to acquire lands for nurseries, may I say that we have to buy these lands under the bill. There is no authority for condemning them because we have stricken out that provision.

I am agreeable to everything the gentleman from Georgia [Mr. PACE] said with respect to the plan to get the farmers to plant this seed. My judgment is that under the language of the bill as introduced by the gentleman from California [Mr. ANDERSON] the Secretary was authorized to lease land for 10 years, for 2 years, or for 5 years. The original language in line 21—and this is in connection with the pending amendment regarding land for nurseries—is, as I quote:

To acquire by purchase, lease, or other agreement.

That would give them the right to acquire by lease.

As a practical matter, I think I know that most landowners would probably ask as much for a 10-year lease as they would for the fee.

My judgment is that if this amendment and the amendment that follows were defeated, it would be in the interest of propagating rubber and would protect the Treasury and enable the Secretary of Agriculture to do the job a great deal more economically than it would be done if we adopt this committee amendment.

We are in the position, if we insert this language, "and land for nurseries," of making the only provision for purchasing lands for any defense purpose, even to provide a camp to house our boys in the armed services, without giving the Government the right to condemn. I shall not refer to that matter further. I think that that language ought to be transferred, and I respectfully suggest to the committee that if that language were transferred to line 22, giving them the right to acquire land for nurseries, with the power of condemnation, it would be in the interest of the Government.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from North Carolina.

Mr. COOLEY. Does not the gentleman agree that by striking out "condemnation and purchase" we are impairing the purchasing power of the Government and handicapping the Government officials when they go out to make a deal?

Mr. WHITTINGTON. I have endeavored to so state in my former argument that we are crippling and hindering the Government in this case as I have never seen done before in the acquiring of public property.

Mr. COOLEY. They will have to lease the land. They cannot buy it or condemn it.

Mr. WHITTINGTON. If this amendment and the next amendment are adopted we force the Secretary of Agriculture, without giving him any discretion, to pay as much for a 10-year lease probably as for the fee. At the expiration of that lease, I know some of the companies that are engaged in the rubber business, and they are the big rubber companies, and at the expiration of the lease, if the Government wanted to or if we leased it from the rubber companies, we can turn it over to them and there is nothing in here to protect the price to the Government.

Mr. RAMSPECK. Mr. Chairman, I rise in opposition to the pro forma amendment and ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Chairman, I would not take up the time of the Committee at this time if it were not for the fact that I want to keep the record straight about this question of bringing the Members of the Congress and the Senators under the retirement legislation.

In the first place, I personally talked with at least one-fourth of the membership of this House about that bill before it was brought up. So I know that more than 2 percent of the membership knew it was in the bill, and in that respect the gentleman from Oklahoma [Mr. NICHOLS] is in error.

In the second place, the Civil Service Commission had nothing to do with the fact that the membership of this Congress was included in the bill. I take full responsibility for that, and I have no apologies to make to anybody for putting it in there. I expect to live to see the time when that action will be

appraised as one of the greatest contributions to good government that has ever been made in this country. I know something about the House of Representatives. My experience with it goes back over 30 years, and I know the trials and tribulations of service in this body, and I know personally of many Members who have served in this body who found it impossible to reestablish themselves when they went back home after years of service here.

There has been a lot of misrepresentation of this matter in the newspapers. We are not doing, by the action we took here, anything for ourselves that we have not done for a million and a quarter other people who are on the Federal pay roll. When this act was passed in 1920, 6,000 people were immediately retired who had paid in less than 1 month's contribution. From time to time other groups, including the F. B. I., the employees of the Library of Congress, and the employees in the legislative branch of the Government, were brought in and similar treatment was given to them, and only 2 years ago, as was stated by the gentleman from Michigan [Mr. HOOK], we brought in 40,000 postmasters and immediately retired, within 30 days, over 2,000 of them who had paid contributions for only 1 month. So it is not true, as the newspapers have stated, that we have voted ourselves a pension. To get the maximum benefits under this act of one-half of the salary, a Member of Congress would have to serve 35 years and contribute $17,500 to the fund.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman.

Mr. SHEPPARD. As I understand, there is nothing mandatory about this legislation, and if a Member of the House does not wish to take advantage of the retirement, he does not have to.

Mr. RAMSPECK. He certainly does not have to participate in it if he does not want to.

This bill was approved by the Civil Service Commission, but the language bringing in the Members of the Congress and the Senators was put in by me on my own responsibility and at the request of numerous Members of this body who wanted that privilege and that right. I think they are entitled to it, and I think it would be a fine thing for this country if some of the Members of this Congress would have the courage to stand up and let the people of this country know what the trials and the tribulations are of service here.

We are being belittled by a press that makes no effort to find out the facts. We are being belittled by a bunch of people out on the west coast who started it, probably, as a joke, but who are contributing to the creation of disrespect in this country for the legislative branch of this Government and it is not doing any service to this country when they do it. Of course, they are having some fun, but they do not realize that the enemies of this country have taken it up and they are carrying it on when the originators of it have probably forgotten all about it.

We ought to stand up for our own rights and let the people know what trials and tribulations are imposed upon the membership of Congress and how much we have to spend. They think you eat free down here in the restaurant. They think you get your hair cut free. They think all of your traveling and all of your other expenses are paid for by the United States Treasury. They do not think you pay any income taxes when you know and I know that you pay more income taxes in proportion to your gross income than does the average person, because you cannot deduct expenses. So, why not have a little courage here and stand up for our rights and let the people know we are not trying to rob the Treasury of the United States, but we are doing for ourselves no more and no less than we are doing for a million and a quarter other people.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 2, at the end of line 19, insert "or condemn."

Mr. WHITTINGTON. Mr. Chairman, I do not care to detain the Committee except to say that the amendment I propose on page 2 at the end of line 19 inserts the words "or condemn." That would permit the Government to purchase or condemn necessary equipment, facilities, and land for nurseries. I think the Government should have the power to condemn.

Mr. FLANNAGAN. That would only apply to the condemnation of land used for nurseries, which would be just a small area.

Mr. WHITTINGTON. I do not know what the area would be, but whatever it would be.

Mr. FLANNAGAN. It also gives the Government the right to condemn or purchase facilities.

Mr. WHITTINGTON. I undertook to accommodate myself to the language used in the bill. I take it that the Government would purchase the equipment in the open market and condemn or purchase the land.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. Yes.

Mr. COOLEY. The gentleman from Mississippi has been in Congress for quite a number of years. Does the gentleman know of any corresponding action ever taken in any instance by the Congress of the United States? Does the gentleman know of any bill that has ever passed the Congress in which the Congress itself has stripped the Government of the power of condemnation, a power inherent in the right of sovereignty?

Mr. WHITTINGTON. I rather think that in all of the time that I have been chairman of a committee which has probably had as much to do in the acquiring by condemnation of property as most committees in Congress, I do not recall any other statute that deprived the Government of the power of condemnation.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. Yes.

Mr. COFFEE of Nebraska. Can the gentleman give us any reason why the Government should have the right to condemn, say, a thousand acres of land for a nursery in the State of California, when there are thousands and thousands of acres there that can be purchased through negotiation? Is there any reason why we should condemn it?

Mr. WHITTINGTON. I answer the gentleman by saying that under the power of condemnation I rather suspect that in 90 percent of the cases where the Government actually purchased land it has had the good strong right arm of the power to condemn, if the price offered seemed to be exorbitant. The purpose of the power to condemn is to protect the Government if it is unable to negotiate a satisfactory purchase.

Mr. COFFEE of Nebraska. Does not the gentleman think that the Government could purchase somebody else's land in the event that the owner refused to sell at a reasonable price?

Mr. WHITTINGTON. Yes; but undoubtedly, with the power to condemn, the experience of government through the years is that that power is much greater than the power to buy additional land as an inducement for a reasonable price.

Mr. NICHOLS. And I presume the gentleman from Nebraska would not deny that if it had not been for the power to condemn land on which we are putting Army cantonments the Government would have had to pay an exorbitant purchase price for the land?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

Mr. COFFEE of Nebraska. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON].

I am in favor of this bill as an emergency measure and hope that the planting of guayule shrubs will prove profitable to the growers not only during this emergency but for some years to come. I think it is highly desirable for the Government to develop immediately all possibilities for the production of domestic rubber.

However, I can see no reason why it should be necessary for the Government to condemn land in order to secure a suitable site for nurseries. With all the land in California, certainly a suitable tract that is for sale at a reasonable price can be acquired for this purpose.

After the seedlings have been grown in the nursery, it is hoped that suitable arrangements can be made with farmers, not only in California but in other States where the production of guayule seems feasible, to plant and cultivate these shrubs under Government direction. It was the thought of the committee that equitable arrangements with

farmers could be made to encourage them to plant within the next 2 years from fifty to seventy-five thousand acres of guayule. The seed would be planted in the nurseries in March. This would require only about 700 acres of land. The nurseries would be operated, I understand, by the Forest Service.

Some of those who appeared before the committee from the Department of Agriculture indicated it would be the plan of the Department to purchase the land on which the shrubs were cultivated after being transplanted from the nurseries. The committee did not feel that the Government would be justified in purchasing the land for this purpose. I agree with the committee amendment which would preclude the Government from condemning or purchasing the land to be utilized in the cultivation of the shrubs outside of the nursery. This phase of the operation should in my opinion be conducted by farmers themselves under Government direction. If the right to purchase and condemn is included, there is no telling how many thousand acres would be acquired by the Government for this purpose.

I understand the shrubs would be cultivated only three or four times during the year. If these become Government farms, it would require a vast number of Federal employees to cultivate these guayule shrubs over a period of 4 years before the crop is ready for harvest.

If a great many farmers could be interested in planting these shrubs, they could cultivate this crop in connection with their other crops at much less expense to the Government. There would also be a greater opportunity to expand production immediately and a greater chance for the guayule rubber industry to survive as a private enterprise.

The production of guayule might be considered in the same category as the production of sugar beets in this country. It is in the interest of the general welfare to encourage the production of such vital necessities as rubber and sugar within the continental United States as a protection against just such an emergency as now confronts us. Farmers can be enlisted to cooperate in the production of any commodity so vital to our economic well-being if they are given some assurance of at least cost of production.

There is a chance that this industry can live if we utilize private enterprise instead of setting it up on the basis of a Government enterprise entirely. The bill provides the authority for the Government to purchase sites for factories and nurseries. There is no need to purchase land to put the Government in the business of farming guayule. Farmers themselves can handle that phase of the program under the supervision of the Department of Agriculture.

I hope this amendment is defeated.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON] to the committee amendment.

The question was taken; and on a division (demanded by Mr. WHITTINGTON) there were ayes 19 and noes 35.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question now recurs on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 2, line 21, strike out the word "purchase."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 2, line 22, strike out "or by condemnation" and insert "for not exceeding 10 years."

Mr. WHITTINGTON. Mr. Chairman, I rise in opposition to the committee amendment merely to say, without desiring to detain the committee, that, in my judgment, the Government would be protected by having the power to condemn, if necessary, if they are unable to acquire by purchase or by agreement.

With respect to the cost of this bill—and if I am in error I would like to be corrected—as I understand, it is contemplated to operate about 75,000 acres, and a representative of the Department of Agriculture stated that the cost of operation would be in the neighborhood of $21,000,000, instead of the initial $2,000,000 that has been referred to in the debate. But he stated if it was successful there might be paid in during the period of operation approximately ten or eleven million dollars. It occurs to me that the interest of the Government would be safeguarded by giving the Secretary of Agriculture the right, if he cannot purchase this land or lease it on satisfactory terms, to condemn it.

[Here the gavel fell.]

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think this matter has been pretty well discussed, but I rise to agree with the gentleman from Mississippi [Mr. WHITTINGTON].

It seems to me that the power and right of condemnation is a right that is inherent in sovereignty. I do not know of any precedent for the action taken in this bill. That is, to deprive the Government of the right to purchase or to condemn property which is apparently so badly needed for national defense.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HOPE. All that we do in this bill, as I understand it, is that we fail to expressly give the Government that power. If the Government has that inherent power, we do not take that away.

Mr. COOLEY. As a lawyer, does not the gentleman agree that the Government has the right, the power of eminent domain vested in it by reason of the fact that it is a sovereign government?

Mr. HOPE. I think that is true as a general principle, but we do not take that away in this bill, because we do not deny the Government the right to condemn.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. COOLEY. I yield.

Mr. WHITTINGTON. With all modesty and deference, if the words "acquire without limitation" had been used, I submit that that would embrace the right to condemn; but the use of the word "purchase" or the use of the word "lease" without the use of the word "condemnation" attached thereto, deprives the Government for the first and only time I know of, of the power of condemnation.

Mr. COOLEY. I think that this weakens the Government's position. Here the Government starts out to acquire property which is badly needed, and we say to the representative of the Government, "We will take away from you the right of condemnation; we will take away from you the right of purchase." When those two words were stricken out in the committee I called attention to the fact that even though we had stricken them out, the Government could go out and lease for 99 years, and they said, "Oh, that is right. We will have to put a limitation on that." So they limited it to 10 years.

The Government can only acquire a leasehold estate under this bill for a period of 10 years.

Mr. PACE. Do I understand the gentleman from North Carolina is now insisting that he wants to put in this bill the word "purchase" to give the Department of Agriculture the right to purchase unlimited lands for the planting of these guayule plants?

Mr. COOLEY. I may say to the gentleman from Georgia that I was opposed to striking out the word "purchase." I was opposed to striking out the word "condemnation", and I was opposed to the Government's going into the business of leasing land for 99 years. I would like to call the gentleman's attention to this situation: If this property is acquired by lease and is covered with guayule plants, they will, of course, be growing at the end of 10 years. The Government may, when it undertakes to renew the lease for an additional 10 years find that the property owners will refuse to renew the lease on the property to take the plants and the enhanced value of the property which has come about as the result of the planting of the guayule thereon.

Mr. PACE. I am certainly surprised and disappointed because of the gentleman's attitude. I thought he took the position that the Department of Agriculture already had enough land and should not be given the right to purchase.

Mr. COOLEY. I do not know where the gentleman got that idea because I voted on it in the House as I did in the committee. I voted against this in the committee.

Mr. FULMER. If the gentleman will yield, I will say, too, that I am somewhat surprised at the gentleman's attitude because he was the author of a proposition to investigate the Farm Security Administration because they have been going around and buying thousands of acres of land.

Mr. COOLEY. That has nothing to do with this. Just because there are sins, if they be sins, in the Farm Security Administration, does not mean that we should restrict our own Government in this particular.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. WHITTINGTON. With respect to acquiring unlimited acreage, is it not true that this particular clause under consideration limits the acreage to 75,000?

Mr. COOLEY. I think that is the wording in the bill. Not only that, but there is not any limitation in this bill, as I understand it, upon the amount to be paid for land that might be leased; and as was pointed out here on the floor during general debate, the Government will actually in all probability pay more in rent for 10 years' use of the property than it would pay for fee-simple title to the property; and I just cannot see the wisdom of restricting the Government in this way.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. COFFEE of Nebraska. I am just wondering if the gentleman would like to have a crowd from the Department of Agriculture come down in his State of North Carolina and decide that this land would be fine for the cultivation of guayule.

[Here the gavel fell.]

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. COFFEE of Nebraska. I will reframe my question: Would the gentleman like to have a crowd from the Farm Security Administration, I will say, come down into his State, North Carolina, and condemn, say, 20,000 or 30,000 acres of good farm land on the theory that it would be good land for the production of guayule plants for this experiment?

Mr. COOLEY. I only wish they would come down there and use this seed to cover some of the land they have already purchased if it would grow there profitably. But I do not advocate what the gentleman has in mind. I do not want the Government to go into the land business any more than I want the Government to go into any other business; but I do not think it is the part of wisdom for it to lease this land for 10 years, because it was stated before the committee, according to my recollection, that there would not be processing plants in existence sufficient to take care of all the guayule which would be growing on that land at the expiration of the lease period.

It must be something unusual when not even the oldest Member of the House can rise in his place and say this is not a new precedent.

I am anxious for the Government to have all the rubber it can possibly acquire, and all that we need. I am willing even to let this experiment go on, but I do not believe the Government should be held up and that this corporation should take advantage of an emergency such as exists today in an effort to unload this unprofitable business upon the Government at an exorbitant price.

Mr. COFFEE of Nebraska. I think there is a little confusion here because this particular section or the amendment now under consideration refers to the land only that will be utilized for the production of this guayule after it is taken from the nursery.

Mr. COOLEY Are you not willing for the Government to buy those lands?

Mr. COFFEE of Nebraska. I think it is more feasible and more practical for the Government to farm that job out among farmers.

Mr. COOLEY. The nursery job?

Mr. COFFEE of Nebraska. This does not apply to the nurseries. This applies only to the growing of the shrubs after the seedlings have been taken from the nurseries, then put out among the farmers.

Mr. COOLEY. I am speaking to the general proposition that the Government ought to have the right to buy and condemn.

[Here the gavel fell.]

Mr. RUSSELL. Mr. Chairman, I ask unanimous consent that the gentleman may be given 2 additional minutes in order that I might ask him some questions, if he will yield to me.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. RUSSELL]?

There was no objection.

Mr. RUSSELL. Will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. RUSSELL. If the Government is unable to lease the land at a fair price—they pick out the land which is suitable—and the owners of that land refuse to give them a 10-year lease except at a price far in excess of the value of the land, with the amendment not in there and the right to condemn, is it not a fact that the Government will be forced and compelled by this fraud to pay an exorbitant price?

Mr. COOLEY Either pay an exorbitant price or it will not acquire the land. These lands are located in a certain area of the country.

Mr. RUSSELL. Would it not be a good proposition for the Government to get the land in fee simple at a less price than to pay for a 10-year lease? If they buy the land, at the end of the 10 years they could sell it to some homesteader.

Mr. COOLEY I agree with the gentleman, but, unfortunately, the members of the Agricultural Committee disagree with me.

Mr. COFFEE of Nebraska. Would it not be better for the Government not to lease or condemn? Would it not be better for them to farm this stuff out among the farmers themselves, paying them a reasonable price for the rubber which they produce? In other words, give the seedlings to the farmers. That is what I hope, and that is what the committee is interested in.

Mr. COOLEY. I agree with the gentleman. I think it would be much better to farm it out to the farmers and let them grow the plants.

Mr. COFFEE of Nebraska. That is what the committee is driving at by cutting out this right to buy or condemn.

Mr. RUSSELL. The committee admitted it might be impossible to farm it out, then they would be relegated back to leasing and purchasing the land.

Mr. COOLEY. Or not go into the business at all.

[Here the gavel fell.]

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 25, strike out "Western Hemisphere" and insert "United States."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 3, line 8, after the word "guayule", insert "and to purchase land as sites for processing plants."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 4, line 2, strike out "Western Hemisphere" and insert "United States."

The committee amendment was agreed to.

Mr. SCRUGHAM. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SCRUGHAM: Page 3, line 5, after the word "guayule", strike out the semicolon, insert a comma and the following: "and from chrysothamus, commonly known as rabbit brush."

Mr. SCRUGHAM. Mr. Chairman, I favor this bill; however the growth of the guayule plant requires some time. There is already available in the waste lands of the far West, on probably 45,000,000 of acres, a plant known as rabbit brush, the scientific name of which is chrysothamus. Dr. Brandes, Chief of the Rubber Investigations for the Department of Agriculture, states that he considers the rabbit brush as a good possibility, as a large quantity is now in existence. Twenty to forty thousand tons of rubber could be gotten from present growth which covers a very great area.

From the Bureau of Plant Industry I have the following report on rabbit brush:

Many portions of the States of California, Arizona, Nevada, New Mexico, and Utah (and in lesser areas in Colorado, Texas, and Idaho) grow a species of chrysothamus, known commonly as rabbit brush. This plant contains appreciable amounts of rubber, running up as high as 6 percent of the dry rubber content. Results in survey publications of 1909 indicate that appreciable quantities of rubber could be obtained from these wild plants. In many places, the rabbit brush occurs in almost pure stands but such stands are limited to local areas, widely scattered over these nine States. The work of collecting and transporting is possible but would be arduous and make large demands upon man-hours of labor. The rubber has been extracted from rabbit brush by the method used for extracting rubber from guayule, and the rubber has been tested and found to be of good quality. The rubber extraction plant in existence at Salinas, Calif., could be utilized without modification for extracting rubber from rabbit

brush, particularly from areas in the Mojave Desert and contiguous areas where some of the best stands have been located. It is estimated that as much as thirty to forty thousand tons of rubber may be obtained from plants of this species actually growing but at heavy expenditure of labor.

Mr. FLANNAGAN. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield to the gentleman from Virginia.

Mr. FLANNAGAN. May I say to the gentleman that the Department stated that under the terms of the bill we would have the right to process rabbit brush.

Mr. FULMER. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield to the gentleman from South Carolina.

Mr. FULMER. I may say to the gentleman that the committee will accept the amendment.

Mr. SCRUGHAM. I thank the gentleman.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks and include therein an extract from the Reno Gazette of January 22, 1942, which gives a complete description regarding rabbit brush.

The CHAIRMAN. Is there objection to the request of the gentleman from Nevada?

There was no objection.

The article referred to follows:

COMMON RABBIT BRUSH POTENTIAL RUBBER SOURCE TO AID DEFENSE EFFORT

In cooperation with the Nation's effort to find a native source from which natural rubber can be obtained, M. R. Miller, chemist at the University of Nevada agriculture experiment station said today that studies made several years ago had demonstrated that Nevada is a potential source of rubber.

In 1926, in cooperation with the late J. M. Ryan, Miller made a study of the rabbit brush which is common to most of the State. While it was found that the rabbit brush did contain rubber, it also was seen that the cost of producing rubber from the plant was so expensive that only an extreme national emergency would warrant large-scale operations.

The study was instigated at the suggestion of JAMES G. SCRUGHAM, then Governor and now Congressman from Nevada. Samples were taken from various localities within the State, and content of rubber was determined.

Rubber content of the plants ranged from 0.1 to 3.5 percent, varying with the different parts of the State from which the plants were obtained, Miller said.

Called "chrysil," the rabbit brush rubber was found to be of good quality, would vulcanize readily, and was better than most low-grade rubber.

"Experts have expressed the opinion that the chrysil is superior to the product produced from guayule, a similar western shrub," Miller stated.

"In some cases, individual plants contained as high as 6 percent rubber, and it may be possible that through breeding and selection, as was done with the guayule plant, the rubber content could be raised to a point where production could be commercially feasible; but the time required for such development would not make the rabbit brush available as a source of rubber for several years," Miller said.

As early as 1878, Nevada Indians were familiar with rabbit brush as a source of rubber, the chemist added. "The presence of rubber in the bark of the plant is demonstrated by simply chewing quantities of the bark. A small pellet of rubber can be obtained which can be chewed after the manner of chewing gum. Indians near St. George, Utah, taught some Mormon boys how to prepare rubber by this method in the late nineteenth century."

The rubber shortage of the first World War stimulated interest in the possibilities of securing rubber from plants native to the United States, and the University of California investigated the possibility of producing rubber, using some Nevada plants as well as shrubs of other States in the study.

Dr. T. H. Goodspeed, and the late Dr. H. M. Hall, both University of California botanists, made an extensive search for native plants containing rubber, and found that rabbit brush could be used. Little was done, although in 1918 the National Research Council acknowledged the potential value of the plant.

During the high rubber prices of 1923, the Government again investigated the findings of Hall and Goodspeed, and confirmed the results of their study. However, the rabbit brush continued to grow wild on the deserts, serving only as a hiding place for jackrabbits. At present it is said that the total rubber content contained in rabbit brush growing widespread over the alkali uninhabited plains of the West, Southwest, and some Rocky Mountain States totals in the neighborhood of 250,000 tons.

Recently, Dr. Goodspeed again called the attention of Government officials to his previous studies, and introduced new evidence compiled by Dr. H. R. Wellman and himself to R. H. Tolley, Chief of the Bureau of Agricultural Economics, and Morris S. Rosenthal, Assistant Director of the Government's War Council.

According to Dr. Goodspeed, rabbit brush, a relative of guayule, can be harvested in the same manner as guayule is now handled in Mexico and California. In both plants the rubber exists mainly in the roots and stems. The guayule plant is finely ground and then dumped into tanks of water. The crude rubber rises to the surface and is skimmed off. Presumably rabbit brush could be handled in much the same manner. The best guayule produces up to 25 percent of its weight in rubber. The proportionate yield of rabbit brush would probably be lower, Dr. Goodspeed believes. He also says that the cost of producing rubber from this source would be about 45 cents a pound, whereas the nominal price of East India rubber is 22½ cents.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nevada [Mr. SCRUGHAM].

The amendment was agreed to.

Mr. SCRUGHAM. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. SCRUGHAM: On page 3, line 8, after "guayule", insert "and Chrysothamus, commonly known as rabbit brush."

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. (a) The Secretary is authorized to appoint such employees, including citizens of countries in the Western Hemisphere, as may be necessary for carrying out the provisions of this act. Such appointments may be made without regard to the provisions of the civil-service laws, and the compensation of the persons so appointed may be fixed without regard to the provisions of the Classification Act of 1923, as amended. All appointments so made by the Secretary shall be made only on the basis of merit and efficiency.

(b) Notwithstanding the provisions of any other law governing the expenditure of public funds, the General Accounting Office shall not disallow credit for, nor withhold funds because of, any expenditure which the Secretary shall determine to have been necessary to carry out the provisions of this act.

(c) The Secretary may delegate any of the powers and duties conferred on him by this act to any agency or bureau of the Department of Agriculture.

(d) The Secretary, with the consent of any board, commission, independent establishment, corporation, or executive department of the Government, including any field service thereof, may avail himself of the use of information, service, facilities, officers, and employees thereof, in carrying out the provisions of this act.

(e) The Secretary may allot to bureaus and offices of the Department of Agriculture, or may transfer to such other agencies of the State and Federal Governments as may be requested by him to assist in carrying out this act, any funds made available to him under this act.

With the following committee amendment:

On page 4, line 7, strike out "including citizens of countries in the Western Hemisphere."

The amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 4, line 15, strike out all of lines 15, 16, 17, 18, 19, and 20.

Mr. COCHRAN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I was unable to get this bill amended on the floor a moment ago, but I was able to get it amended in committee. When I looked at this bill at the outset this provision certainly astonished me. On one other occasion this provision was put into a bill the Department of Agriculture sponsored. This provision would absolutely take away from the Comptroller General of the United States the right to audit the accounts, leaving it to the department that spends the money. Here you have a bill with the sky the limit as to the authorization, still this provision was passed by the Senate to let the Secretary of Agriculture, not our representative, the Comptroller General, see that the money was spent according to law.

I called that to the attention of the committee and of the Comptroller General, and the committee has very wisely stricken it out.

Let me call your attention to what it means. In regard to the other law to which I referred, as chairman of the Committee on Expenditures in the Executive Departments, I called the officials of the Department of Agriculture and the Comptroller General before the committee. We insisted that, regardless of the law, the General Accounting Office should audit the accounts. After a 3-day session they agreed to do it, saying that several hundred thousand dollars could be saved. The accounts then were turned over to the General Accounting Office.

I wrote a letter to the Bureau of the Budget, and I told the Director of the Budget that the Department had stated they could save several hundred thousand dollars. I suggested that he keep his eye on that money and see that they did not spend it for some other purpose.

On January 6 of this year the Assistant Director of the Budget wrote this

letter to the chairman of the Committee on Expenditures in the Executive Departments:

Under date of November 10, 1939, Hon. JOHN J. COCHRAN, as chairman of your committee, wrote this office concerning the possibility of returning to the general fund of the Treasury the unobligated balance in the appropriation account "12X2213—Payments for Agricultural Adjustment, Department of Agriculture."

You are now advised that this unobligated balance in the sum of $304,000 was returned to the surplus fund of the Treasury by appropriation warrant No. 146 under date of December 2, 1941, countersigned December 22, 1941.

That shows you what happened before.

The committee has wisely stricken out this provision. If the committee amendment prevails, which I hope it will, then the Comptroller General will audit this account and not the Secretary of Agriculture.

[Here the gavel fell.]

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 21, strike out "(c)" and insert "(b)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 24, strike out "(d)" and insert "(c)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 5, line 5, strike out "(e)" and insert "(d)."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 3. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this act. Any amounts so appropriated, and any funds received by the Secretary under this act, shall remain permanently available for the purposes of this act without regard to the provisions of any other laws relating to the availability and disposition of appropriated funds and the disposition of funds collected by officers or agencies of the United States.

With the following committee amendment:

Page 5, line 18, after the period insert "Pending the making of the initial appropriation to carry out this act, the Secretary is authorized to use, for purchases or operations that he finds necessary under this act before the making of such appropriation, the funds available to any agency or agencies of the Department of Agriculture, and any such funds so used shall be reimbursed from the appropriation made to carry out this act."

Mr. COCHRAN. Mr. Chairman, I make a point of order against the amendment on the ground it is a reappropriation and therefore obnoxious to the rule. They should come before the Committee on Appropriations and justify any appropriation.

The CHAIRMAN. The Chair sustains the point of order.

Mr. COCHRAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN: On page 5, lines 10 and 11, after the word "appropriated", in line 10, strike out "such amounts" and insert "not exceeding $10,000,000 or so much thereof."

Mr. COCHRAN. Mr. Chairman, under the provisions of this bill as reported by the committee the sky is the limit, $100,000,000 or whatever they may want to appropriate. I am not anxious to set an exact amount, but I do say we should put some limitation in this bill and not send it to the President in this form.

This is the only argument I have to make. I do not wish to detain the committee, but I believe there should be some limitation put into the bill.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. AUGUST H. ANDRESEN. Jesse Jones proposes to spend $400,000,000 for synthetic rubber.

Mr. COCHRAN. We are not considering that question here today. We are considering another bill and we should perfect the measure and legislate properly and not say that any amount you want, if you can get it from the Appropriations Committee, you can have.

Mr. FLANNAGAN. Mr. Chairman, I rise in opposition to the amendment.

The amendment, in my opinion, would practically destroy this piece of legislation. I assumed we were serious in our consideration of this measure. We have just authorized something over $400,000,000 to be spent for synthetic rubber that will be absolutely useless unless we can get some natural rubber to mix with it. Now, when it comes to providing for the natural rubber we want to limit the Department to an expenditure of not exceeding $10,000,000, in spite of the fact that before the Department can get a cent the amount proposed will have to be approved by the Budget and passed on by the Appropriations Committee and then by this House.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. COCHRAN. I have no desire to destroy the legislation. I am going along with you solely from the standpoint of national defense, but will not the gentleman himself amend my amendment by placing some amount in it and not set the precedent of passing a bill authorizing an unlimited appropriation? That is what I am trying to get at, and I am willing to accept any amount the gentleman may set.

Mr. FLANNAGAN. I think the amount should be passed on by the Budget and by the Committee on Appropriations. Even after this is done, the appropriation will have to be approved by the House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMAS of Texas, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (S. 2152) pursuant to House Resolution 427, he reported the same back to the House with sundry amendments agreed to in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended.

EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an article from a newspaper.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BENNETT. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include an address by my colleague the gentleman from Missouri [Mr. PLOESER.]

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. LANDIS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. WILSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by the inclusion of two articles from the Washington Evening Star.

The SPEAKER. Is there objection?

There was no objection.

PREVIOUS ORDERS

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. GIFFORD] is recognized for 30 minutes.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts, who has a special order today for 30 minutes, may have that same privilege on Monday next. I do this at his request.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 15 minutes.

Mr. VOORHIS of California. Mr. Speaker, when a group of people find themselves adrift at sea, or in any other situation of great danger, one of two things happens. Either the members of that group revert to a barbaric attitude toward their fellow human beings, with whom they find their lot cast in this manner, as has happened in some instances in history, or they begin to recognize a deeper and more profound relationship with other people than they have ever known before. The future of our Nation as she finds herself at war, the length of time it will take us to win the war, and our future happiness and welfare will depend to a great degree upon how quickly we get ourselves into the second frame of mind. Up to date

we have not done that nearly as well as we should.

Pettiness, smallness, attempts to gain position and advantage, attempts to fix the blame on other people—these are still with us. I do not think these things ought to exist anywhere in this country or in the Congress or anywhere else at the present time. I believe that the fires of the reality of war, the losses that will be sustained, are going to burn these things away as time goes on, and I think there is another thing that will burn them away, and that is when we begin to realize fully and deeply what it is that America fights for, and what it is she fights against today.

What are those things? America is fighting for decency and honesty in dealings between nations, and I thank God that we have an example of our relations in recent years with the Latin American countries to point to, because here is a case where a great, mighty nation has deliberately chosen a path of neighborliness, and I hope and believe we are going to stick to it.

We fight against the assertion by strong nations that they have the right to overrun weak ones. We fight for the essential brotherhood of all races and kinds of people; not just Anglo-Saxon people, but all people who attempt to deal justly.

We fight against the idea that there are master races who can claim superiority and the license to run over other peoples. This idea contains within itself the germs of its own destruction, and I believe that Hitler has built up for himself a heritage of hatred on the European Continent that one day is going to be a most decisive factor.

America fights for the right of men to be different and to be free to thank God and Him alone for their souls. In other words, she fights for the opportunity for people to know what true religion is, and she fights against the idea that the state can dictate to people what their ideas shall be.

America fights for the right of a man to try to build a better world; to try to build it in accordance with his own ideas as he sees injustice and attempts to cure it. It is basic to everything America has ever stood for, and when we forget this we will have forgotten much of our country.

She fights against the requirements that the common people of any nation must accept whatever is as being perfect. We fight for constitutional democracy as a form of government, for government by agreement, with the recognition of minority rights; and we fight against dictatorship, government by decree, by fear, and by force.

When we know these things; I mean really know them deep in our hearts; when they become seared into our very souls, then we will be ready to be men worthy of the times in which we live. It is still the men and their spirit and the dynamic that moves them that alone can conquer in the end.

For a while the armies of Napoleon were victorious. They were victorious, in my judgment, because those armies believed that they were spreading new ideas, ideas that had been born out of the French Revolution. Napoleon eventually fell, and I believe the main reason he fell was because his own soldiers began to see that it was his personal ambition that moved him more than anything else. So it has been with all conquerors.

I believe America will win this war, because I believe that people will realize as time goes on what her cause really is, and will know that democracy, in which we believe, is something dynamic, not something static; something more precious than anything that mankind has ever known before.

Mr. Speaker I want to mention also what we must look ahead to in the future. I believe that now we are laying the foundation of the future, even as we fight this war. The things that we may do in this Congress are important to the health of our people 10 years from now. They are important to the structure of our industry, whether it shall be a great monopolistic industry or whether small business shall have a chance. They are important to the hope of our free farms. They are important to the chances of our financial soundness in the future.

No one knows how large our public debt may become before we are through with this war, but I think it is not out of line to say that if it takes it to win the war that debt may go to one hundred and fifty, two hundred, or perhaps even three hundred billion dollars. Suppose it should, because I think we need to face the greatest eventuality that may take place—suppose it should become $300,000,000,000? The interest on $300,000,000,000 at 2½ percent amounts to $7,000,000,000 per year, more than we have ever raised in Federal taxes in a year up to date. I do not think this needs to happen.

I refer now to something I spoke briefly about a couple of days ago, namely, the proposal contained in legislation that will shortly come to the House that the Federal Reserve banks should purchase directly bonds from the Treasury.

I have to say these things because I think it is important for us to consider now the soundness of our financial situation in the future.

The source of Federal Reserve credit is the Nation's own credit. I have here in my hand an article written by Mr. E. A. Goldenweiser, chief of the research staff of the Federal Reserve Board, entitled "The Nature of Federal Reserve Banks." Touching this subject and from this release I read the following:

> A Reserve bank, on the other hand, derives the funds available for its loans and investments from powers conferred upon it by Congress. The capital it has is prescribed by Congress and constitutes a small part of the funds at its disposal. The other source of funds of the Reserve bank is its power to issue notes and to accept and create deposits.

The Reserve banks will create deposits to buy these bonds, and if they need to they will issue Federal Reserve notes, and those Federal Reserve notes must be redeemed by the United States Treasury in "lawful money," as they say upon their face. It is the credit of the American people that will be borrowed from the Federal Reserve banks when they buy Treasury bonds. I do not object to their buying the Treasury bonds direct, but I do say that if they are to buy those bonds, there should be not one dime of interest charged on those bonds. Those bonds should be non-interest-bearing certificates of indebtedness from the Treasury to the Federal Reserve banks, for surely it is impossible to defend a situation where the American people must pay interest upon their own credit, having permitted a private financial institution to create and use that credit.

Why do I talk about these things as much as I do? Because there is hope, it seems to me in the change I am continually suggesting, hope that we could free industry in America from bondage to finance; that we could put industry in a place where it could expand according to the soundness of its own ability, but expand and know that the consumer buying power of the Nation would expand in proportion; and only when that situation exists will you be able to have continuous prosperity. I make this suggestion over and over because I believe it could make it true, that whatever is physically possible for us would become financially possible. And it should be that our national bookkeeping will reflect the real facts of the substantial situation on the lands and in the factories of our country.

At the very least it is important while we are drafting young men—and maybe before long older ones—while we are imposing by far the highest taxes in our history, while we are requiring that industry in America be regimented to the war's end, at least while these things are done let us have the decency to stop imposing an unnecessary and unjustified interest burden on future generations by forcing the American people to borrow their own credit at interest from private institutions which, paradoxically enough, claim ownership of the public credit.

Another reason I am deeply concerned about this is because I look forward to the time when this whole monetary situation may be in the hands of one agency under the direct control of the Congress of the United States, so that the issuance of money, whether in the form of paper, demand deposits, silver, or anything else, may be in such way that we can have a dependable and stable relationship between real wealth on the one hand and monetary tokens on the other.

Let me read a little of the record. In December 1915 the buying power of the dollar was $1.35 on a 1926 base. In May of 1920 it was 59 cents, less than half as much. In April 1921 it was back to $1.01. In October 1929 it was $1.05, and by February 1933 it had risen to $1.67. By October 1940 it had fallen to $1.27, and today it is about $1.03. Such fluctuations in the purchasing power of money may amount to wreaking havoc with an economic system. Today, in the name of national need, we could at least take one step in the direction of a sound and stable dollar controlled in the interest of the people, put into circulation by the servants of the people, for the general welfare of all the people, and not any longer under circumstances where an interest burden is permanently fastened on the country by private agencies who usurp that essential governmental power.

The future of our country depends upon the earnest thought that Congress may give to these things, and I beg consideration for the matters I have submitted this afternoon.

The gentleman from Texas [Mr. PATMAN] has introduced a bill (H. R. 6391) which would enable us to finance this war in large part without interest-bearing debt. I have introduced a number of bills which would accomplish the same purpose. I earnestly plead for consideration of such bills.

The SPEAKER. Under previous order of the House, the Chair recognizes the gentleman from Michigan [Mr. WOODRUFF] for 15 minutes.

PARTISAN POLITICS

Mr. WOODRUFF of Michigan. Mr. Speaker, it is greatly to be regretted that a man in the position of prominence and influence occupied by Edward J. Flynn, chairman of the Democratic National Committee, should have tried in a Nation-wide radio broadcast on the evening of February 2 to use the war for political purposes. At a time when Republicans and Democrats and all other good Americans are striving for national unity in the winning of the war Mr. Flynn did his Nation and his party a grave disservice by seeking to provoke a partisan political campaign of controversy, personal abuse, and mud slinging. Mr. Flynn went far indeed into the realm of partisan prejudice, disunity, and political abuse, with the war as the alleged basis, when he said some of the things he did say over the radio. Every good American, irrespective of political affiliation, will decry this unwise, ill-conceived, and wholly unnecessary attempt on the part of Mr. Flynn to agitate acrimonious political controversy at this time when the Nation so vitally needs unity of action and unity of will.

Mr. Flynn offered a gratuitous and outrageous insult to millions of earnest, patriotic Americans when he said:

> It is now plain to everyone that the Republican Party is not as much interested in winning the war as it is interested in controlling the House of Representatives.

The more than 22,000,000 citizens who voted the Republican ticket in the last election are the Republican Party. The charge Mr. Flynn makes against them is in effect a charge of treason. It is a charge of unpatriotic selfishness which would put political gain above the winning of the war. If Mr. Flynn does not realize that this is a false, slanderous charge for which he ought to apologize to the millions of Americans who are just as patriotic as he proclaims himself to be, and who are working just as earnestly and just as hard to help win this war as he proclaims himself to be working, there are millions of Americans in the country who will feel that way about his shameful libel on honest, loyal citizens.

There were sons of Republicans as well as sons of Democrats and new dealers at Pearl Harbor. There were sons of Republicans as well as sons of Democrats and New Dealers at Midway, Wake, and Guam. There are sons of Republicans as well as sons of Democrats and new dealers with the heroic MacArthur in the fox holes of the Philippines today. There are sons of Republicans as well as sons of Democrats and new dealers in the expeditionary forces in Ireland, in Iceland, in Trinidad, and in the other far places of the world. There are sons of Republicans as well as sons of Democrats and new dealers in the Army and Navy now waiting for training equipment and fighting equipment they so desperately need. They are not fighting as Republicans or Democrats or new dealers. They are fighting as Americans. And we, working at home, shall not think of ourselves as Republicans and Democrats and new dealers, as Mr. Flynn would have us do, in the effort to provide those men with the machines and implements and munitions of war. We must all work and struggle together as Americans, and we will all work and struggle together as Americans despite Mr. Flynn's strange ideas of raising bitter political controversy at a time like this.

Of course, every good American wants to preserve our constitutional system of government, the checks and balances of three independent, coordinate branches, implemented by the biparty system of political operation. If Mr. Flynn wants to liquidate the Republican Party, silence all appraisal and suggestions as to the conduct of the Government and of the war, then he does not want the kind of government we are fighting this war to preserve.

Not content with one outrageous charge against the integrity and patriotism of the millions of Republican Americans in the Nation, Mr. Flynn went even further to say:

> I naturally feel that no misfortune except a major military defeat could befall this country to the extent involved in the election of a Congress hostile to the President.

Here Mr. Flynn again plainly implies that he wants the country to believe a Republican Congress actually would sabotage the national defense and, because of alleged hostility to the President, would be willing to see the Nation defeated and crushed. No intelligent, fair-minded American could believe that. Mr. Flynn tries to hedge a little by saying he does not mean Republican candidates for congressional seats "have any lack of patriotism." Oh, no. He only means that if they won control of the House, it would just be a disaster second only to a major military defeat. Which is simply a way of saying, "You would be willing to bring about the defeat of your Nation in war, but I do not mean to impugn your patriotism."

There are many of us who hope Mr. Flynn will realize the enormity of the charge he has made and retract.

Mr. Flynn owes not only the Republicans but a whole nation striving for unity a profound apology. It is to be hoped, but doubted, that he will offer it.

EXTENSION OF REMARKS

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Kansas [Mr. CARLSON]?

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein copy of an editorial appearing in the Boston Daily Globe of February 2.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. LANE]?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SHANLEY, indefinitely, on account of illness.

ENROLLED BILL SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5833. An act to extend the time during which orders and marketing agreements under the Agricultural Adjustment Act, as amended, may be applicable to hops.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 381. An act for the relief of Marcel M. Roman, Clara M. Roman, and Rodica E. Roman;

S. 806. An act for the relief of Carmella Ridgewell;

S. 1523. An act for the relief of the Portland Sportwear Manufacturing Co.;

S. 1654. An act for the relief of the Merchants Distilling Corporation;

S. 1771. An act for the relief of R. V. Thurston and Joseph Hardy, a partnership;

S. 1778. An act for the relief of Leslie Truax;

S. 1848. An act for the relief of Dr. Hugh G. Nicholson;

S. 1974. An act for the relief of Francis Howard Robinson; and

S. 2011. An act for the relief of Willard R. Centerwall, formerly superintendent and special disbursing agent at the Tongue River Indian Agency.

BILLS PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 257. An act for the relief of Edna La Blanche Gillette;

H. R. 1903. An act for the relief of Reuben Owen;

H. R. 1914. An act for the relief of the Coppel Coal Co.;

H. R. 2372. An act for the relief of Paul E. Cook;

H. R. 2376. An act for the relief of Ethel Ray Sowder;

H. R. 3118. An act for the relief of the State Compensation Insurance Fund of California;

H. R. 3403. An act for the relief of Louis M. McDougal;

H. R. 4182. An act for the relief of Mollie S. McHaney;

H. R. 4436. An act for the relief of Mrs. Bertha M. Smith;

H. R. 5046. An act for the relief of Mr. and Mrs. R. L. Saunders;

H. R. 5085 An act for the relief of Esco Wood;

H. R. 5164. An act for the relief of Arthur Jorgenson and the legal guardian of Robert R. Jorgenson, a minor;

H. R. 5291. An act for the relief of Helen Rauch and Max Rauch;

H. R. 5360. An act for the relief of G. T. Elliott, Inc.;

H. R. 5541. An act for the relief of Joseph Keeney;

H. R. 5701. An act for relief of the accounts of Lt. Col. Joseph M Kelly, United States property and disbursing officer for Kentucky;

H. R. 5767. An act for the relief of A. Paul Johnson; and

H. R. 6356. An act to amend the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public, No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act.

ADJOURNMENT

Mr. SOUTH Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 6 minutes p. m.) the House adjourned until tomorrow, Friday, February 6, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 12, 1942, at 10 a. m., on House Joint Resolution 263, to provide decorations for outstanding conduct for service by persons serving in the American merchant marine.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Tuesday, February 17, 1942, at 10 a. m., on H. R. 6503, to extend and amend certain emergency laws relating to the merchant marine, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

1372. Under clause 2 of rule XXIV, a letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill authorizing appropriations for the United States Navy, additional ordnance manufacturing and production facilities, and for other purposes, was taken from the Speaker's table and referred to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. J. Res. 268. Joint resolution to extend the time for amending the petition of the Indians of California under section 4 of the act of May 18, 1928; without amendment (Rept. No. 1748). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANHAM: Committee on Public Buildings and Grounds. H. R. 6483. A bill to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; with amendment (Rept. No. 1749). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGEHEE: Committee on Claims. H. R. 6532. A bill for the relief of sundry claimants, and for other purposes; with amendment (Rept. No. 1746). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R 6533. A bill for the relief of sundry claimants, and for other purposes; with amendment (Rept. No. 1747). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DICKSTEIN:

H. R. 6534. A bill providing for the issuance of documentary evidence of United State citizenship; to the Committee on Immigration and Naturalization.

By Mr. FORAND:

H. R. 6535. A bill to provide an increase of 20 percent in the salaries of railway postal clerks and substitute railway postal clerks; to the Committee on the Post Office and Post Roads.

By Mr. LUTHER A. JOHNSON:

H. R. 6536. A bill to change the name of Conduit Road in the District of Columbia; to the Committee on the District of Columbia.

By Mr. LANDIS:

H. R. 6537. A bill to amend further the Civil Service Retirement Act of May 29, 1930; to the Committee on the Civil Service.

By Mr. VAN ZANDT:

H. R. 6538. A bill to amend further the Civil Service Retirement Act of May 29, 1930; to the Committee on the Civil Service.

By Mr. VINSON of Georgia:

H. R. 6539. A bill authorizing appropriations for the United States Navy, additional ordnance manufacturing and production facilities, and for other purposes; to the Committee on Naval Affairs.

H. R. 6540. A bill to provide for the inspection of books, records, and other writings of contractors in certain cases, and for other purposes; to the Committee on Naval Affairs.

By Mr. GREEN:

H. R. 6541. A bill exempting cane sugar produced in the United States from the quota provisions of the Sugar Act of 1937; to the Committee on Agriculture.

By Mr. LANDIS:

H. R. 6542. A bill to provide that a tax shall not be imposed upon the use of motor vehicles after July 1, 1942; to the Committee on Ways and Means.

By Mr. DOUGHTON:

H. R. 6543. A bill to amend certain provisions of the Internal Revenue Code relating to the production of alcohol; to the Committee on Ways and Means.

By Mr. JENNINGS:

H. R. 6544. A bill to change the name of Douglas Dam to Douglas MacArthur Dam; to the Committee on Military Affairs.

By Mr. WILSON:

H. Res. 431. Resolution authorizing an investigation of the entire problem of the employment and utilization of civilian personnel of the Government in and near the District of Columbia; to the Committee on Rules.

By Mr. BARNES:

H. Res. 432. Resolution to create a select committee to study domestic and world economic conditions caused by the present war and to formulate plans for readjustment to peacetime conditions; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. McGEHEE:

H. R. 6532. A bill for the relief of sundry claimants, and for other purposes; to the Committee on Claims.

H. R. 6533. A bill for the relief of sundry claimants and for other purposes; to the Committee on Claims.

By Mr. PETERSON of Georgia:

H. R. 6545. A bill for the relief of Spencer Meeks; to the Committee on Claims.

By Mr. SCHULTE:

H. R. 6546. A bill for the relief of Peter A. Michaels; to the Committee on Immigration and Naturalization.

By Mr. THOMAS of New Jersey:

H. R. 6547. A bill to authorize the President of the United States to award a Congressional Medal of Honor to Gen. Douglas MacArthur, Commanding General, United States Army forces in the Far East; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2379. By Mr. CARTER: Petition of the State Board of Agriculture of California, urging the abolition of the farm tenants purchasing program, Farm Security Administration, and reduction of almost 45 percent in the Surplus Marketing Administration, Department of Agriculture, as nonessential expenditures during the war crisis, on account of the great need for economy; to the Committee on Agriculture.

2380. Also, petition of the joint assembly of the California Legislature, memorializing the Congress to amend the Federal Social Security Act by repealing the amendment of 1939 thereto; to the Committee on Ways and Means.

2381. By Mr. FITZPATRICK: Petition of the common council of the city of Yonkers, requesting the Federal Government to grant defense contracts to the Alexander Smith & Sons Carpet Co., the Saunders Machine & Tool Co., the Otis Elevator Co., and the Habirshaw Cable & Wire Co.; otherwise thousands of employees will be laid off because these companies lack the necessary material to carry on their usual and normal business; to the Committee on Military Affairs.

2382. By Mr. LUTHER A. JOHNSON: Petition of the Women's Missionary Union of the First Baptist Church, Hearne, Tex., favoring legislation to prohibit the manufacture and sale of liquor for the duration of the war; to the Committee on the Judiciary.

2383. Also, petition of Mrs. R. M. Hix, secretary of Hearne Parent Teachers Association, Hearne, Tex., favoring legislation prohibiting the sale of all intoxicating beverages for the duration of the war; to the Committee on the Judiciary.

2384. By Mr. KEOGH: Petition of the Port of New York Authority, New York, N. Y., concerning Senate bill 2198; to the Committee on Banking and Currency.

2385. By Mr. MARTIN of Massachusetts: Memorial of the House of Representatives of the Commonwealth of Massachusetts, favoring legislation to protect the national war efforts and operations of this country from excessive and unjust burdens of State sales taxes; to the Committee on Ways and Means.

2386. By Mrs. ROGERS of Massachusetts: Petition of the General Court of the Commonwealth of Massachusetts, memorializing Congress in favor of Federal legislation to protect the national war efforts and operations of this country from excessive and un-

just burdens of State sales taxes; to the Committee on Ways and Means.

2387. By Mr. ROLPH: Assembly Joint Resolution No. 11 of the State of California, relative to nondeductible income of recipients of old-age assistance; to the Committee on Pensions.

2388. By Mr. WIGGLESWORTH: Petition of the House of Representatives of the General Court of Massachusetts, favoring Federal legislation to protect the national war efforts and operations of this country from excessive and unjust burdens of State sales taxes; to the Committee on Ways and Means.

2389. By the SPEAKER: Petition of the secretary of the Commonwealth of Massachusetts, petitioning consideration of their resolution with reference to Federal legislation to protect the national war effort and operations from unjust burdens of State sales taxes; to the Committee on Ways and Means.

2390. Also, petition of the General Federation of Women's Clubs, Washington, D. C., petitioning consideration of their resolution with reference to the Women's Army Auxiliary Corps, economy in nondefense expenditures, aid to United Nations, and mandatory joint-income tax; to the Committee on Military Affairs.

HOUSE OF REPRESENTATIVES

FRIDAY, FEBRUARY 6, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art the Father of our spirits, no human love has ever been like Thine. Thou hast been prodigal in Thy gifts of field and forest; how much more wonderful have been Thy manifold blessings and mercies to all mankind. Oh, that men would praise the Lord for His goodness and for His wonderful works to the children of men. Do Thou quiet the pulse of doubt and complaint; hush every distempered imagination that hearts may be rested in faith on Him whose love is from everlasting to everlasting.

Thou art not far from us at any time; speak to our listening hearts. We thank Thee for the infinite tenderness with which Thou hast blessed the earth; enable us to be Thy faithful coworkers in inspiring peace and security in our country. Sustain and encourage every plan and act which means greater stability to our free institutions and richer blessings to all our people. May charity seek not her own, but, laying aside every sin that doth so easily beset us, let us run with patience the race that is set before us, looking unto Jesus, the Author and Finisher of our faith. Amen

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on February 2, 1942, the President approved and signed a bill of the House of the following title:

H. R. 5591. An act to amend the District of Columbia Revenue Act of 1939, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Baldridge, one of its clerks announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2192. An act to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy.

The message also announced that the Secretary of the Senate had been directed to return to the House of Representatives the bill (S. 1481) entitled "An act to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal."

EXTENSION OF REMARKS

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered before the Mahoning Valley Resources Committee in Youngstown on Saturday, January 31. This is over the amount allowed under the rule, and I have an estimate that its printing will cost $112.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AN AMERICAN SOLDIER'S LETTER

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks, and further to extend my remarks in the RECORD and include therein a letter received from a constituent.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HÉBERT. Mr. Speaker, some years ago a New York newspaper editor became very famous through answering the inquiry of a little girl as to whether or not there is a Santa Claus. His editorial began, "Yes, Virginia, there is a Santa Claus." The editorial became very famous.

Today there has come to my attention a letter from an American soldier which I believe in its simplicity and sincerity will become as famous in time as that editorial. I like to call it An American Soldier's Letter. I believe that if every American soldier in the service today had occasion to write, he would write just this type of letter. I ask each of you to read it and send it back home as much as possible.

[Here the gavel fell.]

WHY DOES THIS GOVERNMENT INSIST UPON ISSUING BONDS AND PAYING INTEREST ON ITS OWN CREDIT?

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

[Mr. BURDICK addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a survey I have prepared showing the rentals and living costs in the city of New York as compared with those of other large cities in the United States.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROBERTSON of North Dakota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement made before the Public Roads Committee today by the president of the Canada-Alaska Prairie Highway Association.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain information received from the F. C. C. and the Dies committee, also an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Calendar Wednesday call of committees be dispensed with next week.

Mr. MICHENER. Reserving the right to object, Mr. Speaker, will the gentleman give us some idea about what the program will be for next week?

Mr. McCORMACK. I shall be glad to.

If the appropriation bill to be considered today is not finished, it will come up on Monday, but if its consideration is completed today there is nothing on the program for Monday.

If the Committee on Rules reports out the resolution extending the life of the Dies committee, that will come up on Tuesday. I hope that if the Committee on Rules acts on this resolution it will act on Monday rather than on Tuesday, because I want to formulate the program for next week so that no business will be considered from Wednesday on for the remainder of the week.

Further, if the Committee on Rules reports out a rule making in order the consideration of the Lanham bill to construct approximately $50,000,000 of housing in Washington, that will come up on Tuesday.

Outside of these two matters, there is nothing on the agenda for next week.

Mr. MICHENER. Is there any possibility of the consideration of the bill providing for the relief of persons thrown out of employment?

Mr. McCORMACK. That bill will not come up for consideration unless it is reported out, and I doubt that it will be reported out in time.

Mr. MICHENER. If the bill is reported out unanimously by the committee, since it is a very urgent matter, would there be any objection to just passing it?

Mr. McCORMACK. No; of course not, if it is reported out. I prefer not to have any business considered on Wednesday, if possible. The gentleman is aware of the reason for that. A number of Members, naturally, have speaking engagements on the anniversary of Lincoln's birth. Some of them have to go considerable distances to meet their engagements. It is only right that that factor should be considered. However, if the bill is reported out, it is so important we would have to bring it up for consideration, but I do not intend to have any business considered on Wednesday, Thursday, or Friday of next week.

Mr. MICHENER. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. EATON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution from the New Jersey Legislature memorializing Congress not to interfere with the State's administration of its unemployment-compensation fund.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

EMPLOYMENT IN OFFICE OF CIVILIAN DEFENSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I have noted the newspaper reports referring to Maris Chaney and others, with the amounts given as their salaries. I now find that some 17 of these people are carried under the volunteer participation group in the Office of Civilian Defense. In other words, we have volunteers for $22.22 a day, volunteers for $5,600 a year, volunteers for $4,600 a year, and various amounts. Apparently it is not hard to get volunteers to take our money.

My opinion is that this is important work; that if a man who is capable and competent went out before the people, the work is important enough and important enough to the people so that they could be told about it without all of this ballyhoo, dancing, singing, and playing to do it.

Here were the O. C. D. groups saying they had no materials, such as gas masks, nor money to work with. Now, when they get it, they use the funds for political and social pay-offs. Cannot our people come to a realization that this war was not put on for the purpose of social gatherings, a great playtime, and a Roman holiday, to be paid for at the expense of the United States Government and the taxpayers?

This war is a serious thing. The taxes are heavy, regardless of whether some people realize it or not, and you cannot blame our taxpayers. I join with them in protesting the use of Government money for any such playtime services as stated above, and I hope some day, sometime, this absolute throwing away and wasting of money will stop.

REPEAL OF THE AMENDMENT OF THE RETIREMENT ACT

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection

[Mr. CASE of South Dakota addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to insert two extensions of remarks in the RECORD, one to embrace correspondence between the Chief of Engineers and myself in regard to the harbor on the island of Guam, and the other to embrace a brief extract from a book recently issued by the Brookings Institute in regard to the St. Lawrence seaway.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUSING SHORTAGE IN OHIO

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. YOUNG. Mr. Speaker, there is an acute housing shortage in Cleveland, Dayton, Ravenna, Columbus, and other areas in Ohio. A great many of my constituents are unable to obtain proper homes at reasonable cost. Vice President Marshall once said, "What America needs is a good 5-cent cigar" The facts are what this Nation needs right now is about 1,000,000 additional homes to rent for about $25 per month.

In connection with this housing shortage, I call attention to the fact that at Indian Lake in western Ohio, there are 4,000 rental cottages. Practically all of these cottages, if not all, are habitable throughout 12 months of the year. In this war emergency our Army officers should give consideration to the establishment of a munitions plant, arsenal, or cantonment close to Indian Lake. Here are 4,000 homes immediately available for as many Army officers, workers, and their families. There is an economic waste in using these cottages only 3 months in the year as is now the case. Any Government assembly plant, arsenal, or cantonment, if established in this vicinity, would be able to go into full operation, weeks if not months sooner, because of the fact that ample housing for officers and employees is already available.

ORDER OF BUSINESS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, I do this in order that I may ask the majority leader in reference to a bill commonly known as the Rogers bill, one of the purposes of which is to put the women in uniform. Can the gentleman give us any information as to when that measure is coming up?

Mr. McCORMACK. Mr. Speaker, I have conferred with the chairman of the Rules Committee, and I have in my hand a copy of a letter from General Marshall, the original of the letter having gone to the chairman of the Rules Committee, dated February 6, and I ask unanimous consent that the letter may be made a part of the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The letter is as follows:

FEBRUARY 6, 1942.

Hon. JOHN W. McCORMACK,
House of Representatives,
Washington, D. C.

MY DEAR MR. McCORMACK: With reference to your telephonic inquiry of the 4th as to the pending bill for a Women's Army Auxiliary Corps, I would like to say that I regard the passage of this bill at an early date as of considerable importance. In general, we have secured most of the legislation required for the complete mobilization of the Army so that we can go ahead with its development and definitely plan for the future. However, we lack congressional authority for the establishment of a Women's Army Auxiliary Corps, and as a result we can make no definite plans. Also, I am under continued pressure from many directions regarding this phase of our preparations.

It is important that as quickly as possible we have a declared national policy in this matter. Women certainly must be employed in the over-all effort of this Nation, and for the activities indicated in the draft of the law proposed to Congress we consider it essential that their status, their relationship to military authority, should be clearly established.

There are at the present moment volunteers being employed for critical phases of the Aircraft Warning Service, on which the security of the coast lines of the United States depends. We are deeply appreciative of the work being done by these volunteers, but I am convinced that in such vital matters the uncertainties of purely volunteer personnel are a dangerous risk. We wish to remedy this situation as quickly as possible, and to start at once the training of the initial cadres of the Women's Army Auxiliary Corps units for the various services concerned.

I hope that Congress will see fit to clear this legislation at an early date.

Faithfully yours,

G. C. MARSHALL,
Chief of Staff.

Mr. McCORMACK. In this letter General Marshall states:

It is important that as quickly as possible we have a declared national policy in this matter. Women certainly must be employed

in the over-all effort of this Nation, and for the activities indicated in the draft of the law proposed to Congress we consider it essential that their status, their relationship to military authority, should be clearly established.

In view of this letter, if a rule is reported out Monday, that bill will come up on Tuesday.

Mr. MICHENER. If the Rules Committee favorably reports a rule on Monday, the Rogers bill will come up on Tuesday?

Mr. McCORMACK. Yes.

Mr. SABATH. May I make this observation. After the gentleman from Michigan [Mr. MICHENER] left this morning, it was agreed by the Committee on Rules that we should have a meeting on Monday to give a hearing to those gentlemen who desired to be heard in opposition to the resolution respecting the Dies committee. I do not know whether we will conclude those hearings on Monday or not, but if we do, then, in accordance with the program laid out by the majority leader, that resolution can be called up on Tuesday.

Notwithstanding the difference of opinion as to the so-called Rogers bill, I feel that we may be able, if we can reach it, to report out a rule on Monday, although that day, as I have stated, has been set in the morning for hearings on the so-called Dies resolution, and in the afternoon on some other important matters that I desire an executive session about. However, if it is so pressing, then we may succeed in obtaining a majority of the votes on the Rules Committee for the Rogers rule, and it will be reported on Monday, and can be taken up on Tuesday.

Mr. MICHENER. Then, as I understand the gentleman from Illinois, it is that the Dies resolution will probably not be acted on by the Rules Committee on Monday, and the probabilities are that the so-called Rogers bill will be acted upon by the committee on Monday. Is that correct?

Mr. SABATH. I did not say that. I say that we are going to take up the Dies resolution. It has been agreed that the Rules Committee will meet on Monday morning and accord a hearing to those who desire to be heard against the continuation of the Dies committee. In all likelihood we may complete the hearing, and be in a position to report favorably on that rule; but, as I stated, in view of the fact that there is such a demand for the consideration of a rule on the Rogers bill, we may be able, somehow, to get to it, notwithstanding the divided opinion in respect to it, and obtain a majority vote of the committee for the rule, to make that bill in order. If we can bring that about, I do not know of any reason why we should not report the rule right away, and call it up on Tuesday.

Mr. McCORMACK. What about the Lanham bill?

Mr. SABATH. No request has been made yet to us about that bill and we do not know anything about it.

Mr. McCORMACK. So that the record will be clear from my angle, because anything I say is based on an "if," if the Rules Committee reports out this resolution—that is, the Dies resolution—extending the time of that committee, it will come up on Tuesday. That will be the first order of business. That ought not to take so long, and the same day, if the Rules Committee reports a rule on the Rogers bill, that will come up on Tuesday. In relation to the Lanham bill, and I do not think it will, from the colloquy which has taken place, but assuming that the Rules Committee reports a rule on the Lanham bill, which as I understand it confines itself to the District of Columbia in respect to necessary housing, while it is doubtful that that can be brought up on Tuesday with the others, if it is reported out, then it will come up on Wednesday. I make that statement so that Members will be in a position where they can reasonably govern themselves during the coming week. I want the membership to know as completely as is possible just what the future week's program is, so that those who have speaking engagements on Lincoln's birthday, which is a perfectly proper thing, to honor the memory of one of our great Presidents, they can govern themselves accordingly, and make plans to be at the places where they are supposed to be.

The SPEAKER. The time of the gentleman from Michigan has expired.

EXTENSION OF REMARKS

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the magazine, Labor, of February, entitled "Rail Workers' Amazing Performance."

The SPEAKER. Is there objection?

There was no objection.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent that I may reprint in the RECORD a copy of a resolution on civilian offense and two short editorials commenting thereon.

The SPEAKER. Is there objection?

There was no objection.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to extend my remarks and reprint in the RECORD an article on the Government's propaganda expense.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article from the Cleveland Press of February 2.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLACKNEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include certain excerpts.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein some statistics pertaining to the defense program of the National Youth Administration.

The SPEAKER. Is there objection?

There was no objection.

BONNEVILLE POWER

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. PIERCE. Mr. Speaker, for some months past a number of letters have passed between myself and Mr. W. L. Batt, of the O. P. M., now of the War Production Board. Those letters discussed the electric power created by the Government plants at Bonneville and Grand Coulee, and they have been published in the RECORD. I have recently received a letter from Mr. Batt in regard to the immediate use of considerable quantities of that power. I ask unanimous consent to revise and extend my remarks and include in the Appendix of the RECORD Mr. Batt's last letter to me and my reply to him.

The SPEAKER. Is there objection?

There was no objection.

Mr. SANDERS. Mr. Speaker, I ask unanimous consent to extend my remarks and include a resolution from the Louisiana Farm Council.

The SPEAKER. Is there objection?

There was no objection.

RELEASING INTEREST OF THE UNITED STATES IN RIGHT-OF-WAY TO CENTRAL PACIFIC RAILWAY CO.

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2611) to release all the interest of the United States in certain land constituting a portion of the right-of-way granted to the Central Pacific Railway Co. under the act of July 1, 1862, as amended and supplemented, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 4, lines 19 and 20, strike out "such rules and regulations as the Secretary of the Interior may prescribe" and insert "the applicable mineral land laws."

The SPEAKER. Is there objection to the request of the gentleman from Utah?

Mr. RICH. Mr. Speaker, reserving the right to object, what does that mean with reference to these land laws?

Mr. ROBINSON of Utah. This bill passed the House and went to the Senate. The Senate, as the amendment shows, struck the words "such rules and regulations as the Secretary of the Interior may prescribe." and inserted the words "the applicable mineral land laws."

Mr. RICH. Has that been taken up with the Secretary of the Interior? Did he approve of that change?

Mr. ROBINSON of Utah. I have not asked the Secretary of the Interior whether he approved of that change or not. I think the change has very little effect on the bill.

Mr. RICH. Does that give the States any rights now that belong to the Federal Government?

Mr. ROBINSON of Utah. No; it does not.

Mr. RICH. Does it take rights away from the Interior Department so that they cannot look after the interests of the Federal Government?

Mr. ROBINSON of Utah. It does not, in my opinion. The author of the bill, the gentleman from California [Mr. ENGLEBRIGHT], is desirous of having the Senate amendment agreed to. It is his bill.

Mr. RICH. If there is anything in that which would take away from the Secretary of the Interior the power of the Federal Government to look over this land and give it to the railroad companies, then I should object.

Mr. ROBINSON of Utah. In my opinion, it does not.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. MICHENER. As a matter of fact, the amendment requires them to enforce laws heretofore passed by the Congress, rather than regulations made by the Secretary?

Mr. ROBINSON of Utah. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks and include a short article.

The SPEAKER. Is there objection?

There was no objection.

BUNDLES FOR MRS. ROOSEVELT AND THE PRESIDENT

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. HOFFMAN addressed the House. His remarks appear in the Appendix.]

WAR DISPLACEMENT BENEFITS

Mr. O'BRIEN of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'BRIEN of Michigan. Mr. Speaker, on January 20 the President presented to the House a recommendation for legislation on the subject of war-displacement benefits.

Throughout our Nation thousands of workers have been thrown into idleness on account of the urgent priorities for war needs. I would like to state that in my own State of Michigan on February 1 the production of automobiles was discontinued and approximately 250,000 or 300,000 workers were thrown into idleness.

Now, there is a problem that is related not only to the economic situation of those individuals, but to the fulfillment of the production program for the Nation. This program that the President outlined to Congress includes training for those individuals during that interim of idleness. Shall we demobilize our industrial population? Shall we separate productive workers from the machines and tools and thus frustrate the fulfillment of these large appropriations which we have passed, or shall we use this period, vitally necessary for the Nation's production program, to train these men for the fulfillment of that program of production for the protection of the United States?

[Here the gavel fell.]

DEFENSE HOUSING FOR THE DISTRICT OF COLUMBIA

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LANHAM. Mr. Speaker, I have asked for this time in order to state that the Committee on Public Buildings and Grounds has applied to the Rules Committee for a rule on the bill (H. R. 6483) having to do with relieving the congested housing condition and the necessary facilities in this metropolitan area by reason of the overcrowding due to the incoming Federal workers. I understand that a hearing will be held on Monday on the rule, and it is hoped that the bill can be brought before the House for consideration early next week.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, the chairman of the Committee on Public Buildings and Grounds, the gentleman from Texas [Mr. LANHAM], just informed the House that he requested a rule on the housing bill for the District; that he notified the clerk. The Rules Committee, unfortunately, adjourned about 10 minutes after 12, and I did not get the information from the Clerk that the request had been made. That is the reason for my statement earlier today that no request had been made.

I am very glad to hear the chairman of the Committee on Public Buildings and Grounds state that there is a shortage of housing and that something must be done, because I have called attention to it for a year and a half and pleaded that steps be taken to relieve the congestion in the city of Washington. I pleaded for decentralization, for the removal from Washington of many of the departments that really can function better elsewhere. Many of them really have no business here at this time and can easily be moved to some other location—departments that have no actual connection with the war work. I hope the President and all those in power will see that there is decentralization and bring about relief in the crowded conditions in the District.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include therein a newspaper clipping.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. RANKIN of Mississippi addressed the House. His remarks appear in the Appendix.]

VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—INCREASE OF PENSION TO ELIZABETH PAINTER MENOHER (H. DOC. NO. 609)

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

I am returning, without my approval, H. R. 902, "Granting an increase of pension to Elizabeth Painter Menoher."

The bill would authorize and direct the Administrator of Veterans' Affairs to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Elizabeth Painter Menoher, widow of Charles T. Menoher, major general, United States Army, and pay her a pension at the rate of $100 per month in lieu of that she is now receiving.

The long, efficient, and meritorious service rendered by General Menoher is well known. He was born March 20, 1862, graduated from the United States Military Academy July 1, 1886, and thereafter served on active duty as a commissioned officer until his retirement on account of age on March 20, 1926, as a major general. He died on August 11, 1930.

On September 16, 1930, General Menoher's widow filed a claim for death pension, and she submitted proof of her marriage to General Menoher on January 17, 1923, and gave as her date of birth January 1, 1883. An award was approved allowing her a pension in the amount of $30 per month effective August 12, 1930, under the general pension law, medical evidence having been introduced showing that the officer's death was legally the result of disabilities incurred during his service subsequent to the World War.

This legislative proposal presents a broad question of policy. For many years the problem of how best to deal with the matter of pensions to widows of high-ranking officers of the Army, Navy, and Coast Guard, after retirement pay has stopped, has been before the Pension Bureau, Veterans' Administration, and the Congress. Numerous special bills have been introduced in the Congress authorizing various rates of pension to widows of such officers. The Veterans' Administration has consistently taken a stand against such special bills when making recommendation thereon and when appearing before the several committees of Congress in connection therewith. In lieu of special bills it has advocated a thorough study of the subject with a view of enactment of general legislation to meet all cases; and I am advised by the Administrator of Veterans' Affairs that he is collaborating with the service departments and the appropriate committees of Congress in the development of general legislation for this purpose.

The highest rate of pension provided by public law for widows, without child, of officers and enlisted men of our military and naval forces who die as a result of such service, including those who have met their death in the present conflict, is $45 per month. Only recently the widow of an officer killed in the performance of a most heroic act in combat action was awarded a pension of $48 for herself and child, which was the maximum allowable amount.

I am, of course, aware of the fact that, prior to the Seventy-third Congress, favorable action had been taken on private bills of a character similar to the one now

under consideration, but since then special legislation of this character has been discouraged in the belief that payments of this character should be on a uniform basis and without preferential treatment in a particular case.

I regret, therefore, that I do not feel justified in approving the bill.

In this particular case illness creates hardship, but it is still not right to make an exception by a special bill because other widows of officers doubtless suffer from the same hardship.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 6, 1942.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. LESINSKI. Mr. Speaker, I move that the bill and the message be referred to the Committee on Invalid Pensions and ordered printed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FIRST DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1942

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted a privileged report on the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes (Rept. No. 1750), which was referred to the Union Calendar and ordered to be printed.

Mr. TABER reserved all points of order against the bill.

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6548), the first deficiency appropriation bill, fiscal year 1942; and pending that I would like to reach an agreement with the gentleman from New York as to time for general debate on the bill. I have no requests for time on this side. I take it for granted that the gentleman has a few requests for time on his side.

Mr. TABER. Mr. Speaker, I have an enormous number of requests. I believe demand for debate on this bill, debate applying directly to the bill, is greater than on any bill that has been called to the floor in a long time. I feel we should have at least 4 hours of debate on the bill.

Mr. CANNON of Missouri. I take it for granted the gentleman would like to dispose of the bill today?

Mr. TABER. I would like to, but I do not believe a bill of this importance with as many things in it that are really controversial will be expedited by cutting down on general debate. I feel that we would get through with the bill more quickly if we allowed liberal debate.

Mr. CANNON of Missouri. Mr. Speaker, I am not inclined in any way to restrict debate, but in view of the fact that we have no requests for time on this side I suggest that general debate be limited to 3 hours, half to be controlled by the gentleman from New York and half by myself.

Mr. TABER. Mr. Speaker, I feel that we ought to have at least 2 hours. I have so many requests that I cannot take care of the debate in an hour and a half. I must object to the request. I think we are entitled to 2 hours on each side.

Mr. CANNON of Missouri. Mr. Speaker, in view of the statement of the gentleman from New York [Mr. TABER] I ask unanimous consent that the debate on the bill be limited to 4 hours, one-half to be controlled by the gentleman from New York [Mr. TABER], and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6548, with Mr. SMITH of Virginia in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 10 minutes, and I ask unanimous consent to revise and extend my own remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, the pending bill provides for an appropriation of approximately $160,500,000, a decrease in the Budget estimate submitted to the committee of a little more than $1,250,000. Like all deficiency bills, it includes many unrelated items, but, as indicated in the report, they can be generally classified in five categories: First, those that provide appropriations to take care of judgments and adjudicated claims, as to which we have no option but to pay the amounts found by the courts and other authority to be due; second, money made necessary for the implementation of new activities; third, deficiency appropriations for the government of the District of Columbia, which are to be paid out of revenues of the District; and, last, general deficiencies in two classes: First, those in nowise related to the defense program; and last, but most important, because it comprises the largest item in the bill, those made necessary by the war and war conditions.

Briefly these are, first, an appropriation for the Government Printing Office, the working capital of which has been impaired by the heavy demands for printing due to wartime activities; and, second, an appropriation for the Library of Congress to permit the removal of valuable collections from the Library to places of safety.

There is an item for civilian defense under the new act of January 27, 1942, providing for the defense of civilian persons and property, prepared upon the possible contingency that the cities upon the seaboards may be subject to bombardment either by vessels or aircraft and under which we propose to provide fire-fighting equipment and gas masks for those communities.

There is provision for the Employes Compensation Commission due to necessary enlargement of their personnel on account of work in connection with private yards and military establishments.

There is provision for the Federal Communications Commission to be used in the 24-hour operation of monitoring stations which will be so equipped as to handle the war duties performed by that agency.

There is provision for the Public Health Service, largely for the control of venereal disease, one of the serious problems in connection with the maintenance of large armed forces. There is also provision for the training of nurses, of which there is a very inadequate supply at the present time.

Likewise, there is provision for the Office of Education in connection with the training of workers in the defense industries.

There is an appropriation for the Inter-American Highway of $7,000,000 out of a possible $20,000,000 authorized under the act of December 26, 1941, to cooperate with the Central American republics in the building of a continuous all-weather highway to the Panama Canal.

And there is an appropriation for the Federal Bureau of Investigation for additional agents and clerical force made necessary by war conditions, and also a reimbursement of the President's Emergency Fund in order to restore funds allocated for civilian defense following the attack on the Hawaiian Islands.

There are also included funds to rehabilitate the Richardson Highway, which connects Fairbanks, Alaska, with Valdez, the seaport, due to the fact that this road is needed for strategic purposes.

Provision is also made for additional personnel in the Post Office Department in order to meet the largely accelerated needs of the Postal Service in connection with military and naval stations.

There is included an appropriation for the State Department to enlarge their emergency fund as a result of conditions arising out of the war, and for additional contingent expenses due to the war emergency.

An appropriation for the Treasury Department covers the additional expense of the enlarged tax program, the guarding of strategic points under the jurisdiction of the Department, provision of additional Secret Service operatives, more White House Police, and funds for the transportation of gold bullion from New York and San Francisco to interior points.

In this connection, the committee desires, as indicated on page 3 of the report, which I commend to the earnest consideration of all Members of the House, to recommend consideration by administrative officials in charge of the bureaus and departments of a survey of their situation with a view to increasing the workweek to obviate need for additional personnel to handle additional work demanded by the war emergency. In two of the departments, the Navy Department and the War Department,

which have been particularly affected by this situation, some of the need for additional personnel has been met by increasing the working week to 48 hours; that is, by eliminating the Saturday holiday. By making this increase in the hours per employee per week, they have obviated the necessity of employing some addftional workers and been able to carry the increased load.

This action on the part of the departments and the possibility of similar action on the part of other departments of the Government is not prompted by consideration of mere economy in the employment of personnel.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I will require 5 additional minutes.

The congestion of population in Washington at the present time presents a serious problem. We are already transferring Government agencies from Washington to other cities in order to provide housing and incidental facilities for the additional personnel necessarily brought to the Capital to handle war activities. If other departments of the Government would follow the example set by these two departments and by the Federal Bureau of Investigation, it would to that extent preclude the necessity of bringing much additional personnel, and thereby possibly prevent the transfer of other agencies from the Capital to other points in the country to make room for the additional workers.

Mr. Chairman, I am directed by the Committee on Appropriations to offer two amendments to the bill. The first amendment is to be offered at page 4. There it is proposed to insert at the end of line 9 this amendment:

Provided, That no part of this appropriation shall be used to pay any person in the Office of Civilian Defense unless such person is directly employed in the administration of such act of January 27, 1942.

There has been some discussion, including debate on the floor this morning, of the personnel for the Office of Civilian Defense. This amendment proposes to prevent the employment from the appropriation carried in this bill of any persons not directly engaged in the administration of this new law.

The other amendment applies to the next to the last section of the bill, which is the stereotyped section carried in all the supply bills prohibiting the employment by the Government agencies of aliens with funds carried in the bill. We propose to lift that restriction so that it may be made inapplicable to citizens of the Commonwealth of the Philippines.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. RAYBURN. On last Monday a bill was introduced in the House, on Tuesday it was reported by the Committee on Foreign Affairs, and on Wednesday it was passed by unanimous consent. I believe this hurried action was taken as a measure of tremendous importance in our national defense for the reason that we want to help China and let the people of China know that we are going to help them now, when they are really in need of help. Realizing the tremendous importance of this matter, as I believe all Members of the House do after the discussion that was had on that bill, I am wondering why the committee saw fit not to include in this bill an appropriation of $500,000,000 for that purpose.

Mr. CANNON of Missouri. I may say to the gentleman from Texas that, as all Members of the House are aware, while the executive proceedings of a committee are not subject to discussion on the floor, it is a matter of common knowledge that this proposal was submitted to the committee with the idea of securing authorization to offer an amendment from the floor making provision for this item.

The committee after deliberation thought it to be inexpedient to report out an item carrying a sum of that importance without hearings. In keeping with the importance of the matter, which the gentleman from Texas has very properly emphasized, it was believed that upon receipt of an estimate we could hold hearings, occupying perhaps an hour, and report the bill out at any time it might be required, in order to meet the exigencies of the situation.

I may say to the gentleman from Texas that the committee is ready, upon receipt of an estimate, to hold hearings this afternoon or as soon as may be required with a view to reporting it out on the same day on which it is taken up.

Mr. TABER. Mr. Chairman, will the gentleman yield to me?

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I will take 3 additional minutes and yield to the gentleman from New York.

Mr. TABER. I would like to call the attention of the House and the country and the Speaker to the fact that there are many controversial items in this bill, that the other body is not in session and will not be until Monday, that the resolution introduced by the Appropriations Committee on Monday and brought up on the floor by unanimous consent, which I am sure would be provided, would be apt to beat this bill by from 10 days to 2 weeks, and the matter of expedition in making those funds available which have been authorized would be best served by the passage of a joint resolution containing that item alone.

Mr. RAYBURN. If that is the intention of the committee, it would be perfectly agreeable, so far as I am concerned, because what I want, and the only thing I want, is expedition in the matter I referred to because I think it is vitally necessary.

Mr. CANNON of Missouri. I believe I can assure the Speaker that the committee stands ready to give prompt and expeditious consideration of the item when presented.

Mr. Chairman, I now ask that the gentleman from New York consume some of his time.

Mr. TABER. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, there are items in this bill that astound one who feels that our main effort should be devoted to national defense. There are items in here that are almost a matter of sacrilege when we come to consider the position of the taxpayer today.

The other day the President of the United States spoke of certain parasites that ought to be moved out of Washington so as to make space for workers who are needed. It is going to be my purpose to call attention to certain things that should be done in the way of eliminating parasites. I do not know how familiar the membership of the House may be with the word "parasite," so I turned to Webster's Dictionary, fifth edition, copyright 1936, page 720, and I find this definition:

Parasite: (1) One who eats at the table of another, repaying him with flattery; (2) a hanger-on; toady; sycophant; (3) a plant or animal living in, on, or with some other living organism (its host) at whose expense it obtains food and shelter, etc.

I have selected from some of the lists of the Federal pay roll some of those outstanding citizens who, unquestionably, fall in this category. There is Mr. Ickes to start with, and that gentleman has allocated out of Federal funds to communistic operations in Puerto Rico upward of $200,000,000, more than half of which already is a proven failure. Under his Bureau of Insular Affairs he has sent Rex Tugwell there as Governor. Mr. Ickes was the Oil Administrator—do you remember that? He was responsible for the tremendous scare we had here.

There is Madam Perkins, with her maladministration of the Labor Department and her friendship for Harry Bridges.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kentucky.

Mr. MAY. The gentleman speaks of a parasite with respect to Puerto Rico. I wonder if anybody has the power to move him out of town.

Mr. TABER. Well, I do not know. I would like to see it done.

There is this fellow on the Communications Commission named Goodwin that the House threw out the other day. Mr. Fly, the Chairman of that Commission, defended that fellow's operations and his communistic leanings to such an extent that he is at least a border-line proposition.

Then there is this Mr. Keyserling, who is connected with the United States Housing Authority, where they spent 14 percent in engineering and architectural fees and supervision in the construction of their buildings for alleged defense purposes.

Then there is Bernard F. Dyckman, a former mayor of St. Louis, who was thrown out of office last spring by the voters of St. Louis because of his maladministration and who is on the pay roll of the Office of Civilian Defense as United States Inspector General at $6,500.

Then there is Mr. Melvyn Douglas, and you have been reading a lot about him in the papers, and he is on the pay roll at the rate of $8,000 a year under this Office of Civilian Defense.

Then there is Betty Lindley, on the pay roll of the Office of Civilian Defense at $5,600. She used to be the radio agent

for the Sunday evening broadcast of Mrs. Roosevelt. Maybe you remember what that is, and that is still going on. I wonder if that means that she is just transferred to the public pay roll.

Then there is Mayris Chaney, and this morning's paper has a picture of the Eleanor Glide, and she is on the pay roll of the Office of Civilian Defense at $4,600.

Then, there is Mr. Malcolm Cowley, a poet. Mr. Cowley has been appointed chief analyst of defense information in the Office of Facts and Figures at $8,000 a year. He is on leave as the literary editor of the New Republic. Mr. Cowley served on the committee for the election of William Z. Foster, the Communist candidate for President in 1932. Later on he appeared on speaking platforms before radical audiences with Earl Browder, Communist leader, now in prison for passport fraud, and in 1939 he served on a committee for the election of Isareal Amens, the Communist.

Then there is Joseph T. Lash, who is on the pay roll as a consultant. Almost every one of these folks has been named by the Dies committee.

Mr. LELAND M. FORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. LELAND M. FORD. Is that the Mr. Lash who, when he was interrogated by the newspapers as to his communism, said to the newspaper reporter that all Democrats are Communists at some time? I said I did not believe that, but that was Mr. Lash's report, when he was questioned on communism. He said that all Democrats are Communists.

Mr. TABER. He is the same man who tried to get a commission in the Navy, but the draft board in New York put him into the Army.

Then there is Mary Dublin. She is the wife of this same Kelserling who is in the office of the United States Authority. She is on the pay roll at, I think, $5,600 a year in the Office of Civilian Defense. I shall put the exact figure in the RECORD.

Also, there is Paul Kellogg, who has been on the pay roll of the Office of Civilian Defense, and who was also on the rolls of the Dies committee. He has a pedigree two pages long in the write-ups of the Dies committee.

Mr. Chairman, I have had opportunity to refer to only a few of those outstanding parasites, and I have only the same opportunity here today. Is there anyone who would be so bold as to step up here and say that these folks are not leeches on the United States Treasury, and that they are not parasites, and that they should not be eliminated from the pay roll if we are going to go all out for defense and spend our money for those things which will contribute to national defense?

Mr. EATON. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. EATON. I call the gentleman's attention to the fact that he has Scripture support for his position, namely, where the carcass is, there the birds gather together.

Mr. TABER. And I say to the gentleman that unless Congress begins to operate pretty soon, the meat will all be taken off the carcass by these leeches and parasites, and there will not be any left with which to buy bombers and guns and ammunition to support our boys in the field.

The Treasury Department and the Bureau of Internal Revenue have gone ahead and hired Walt Disney, a great artist, and I am not criticising Mr. Disney, but I think the gentlemen in the Treasury Department ought to know better than this. They have hired him to make a moving picture that is going to cost $80,000 to persuade the people to pay their income taxes. My God! Can you think of anything that would come nearer to making people hate to pay their income tax than the knowledge that $80,000, that should go for a bomber, is to be spent for a moving picture to entertain people?

Mr. SHAFER of Michigan. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. SHAFER of Michigan. I see by the morning Times-Herald that Orson Wells has become an Ambassador to South America. He is also making motion pictures.

Mr. TABER. Perhaps there is no limit to how far some people will go in making a travesty out of some of this national defense activity. I made some remarks upon some of this situation in the hearings, on page 207, and I am going to repeat that statement:

> Now, there has got to be some sense to this operation, or we are going to be in a terrible shape. And to put on a moving picture and a hurdy-gurdy, people will want to know where the monkey is and who is going to turn the crank of the hurdy-gurdy.
>
> Mr. O'NEAL. The monkey is the taxpayer.
>
> Mr. TABER. The taxpayer is going to be a monkey, anyway, when you get through with that operation. It is about time that we got rid of some of these expenses that have no relation to defense and which cannot do anything except make the people more unwilling to pay their taxes.

The Treasury Department is getting out songs on income tax and distributing them around the country.

Mr. MAY Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MAY. If the Appropriations Committee has had evidence of these things before it, and I am sure it has, does not that committee have the power to limit the appropriations by providing that none of the funds appropriated shall be used for certain purposes?

Mr. TABER. Yes.

Mr. MAY. Well, why have you not done it?

Mr. TABER. I did offer that amendment in the committee and I intend to offer it on the floor. I intend to make a motion to recommit if the amendment fails and I intend to ask for a roll call upon that motion, because I do not believe that that kind of travesty should be permitted to go on.

Personally I have gone away out on a limb before this war started, much farther than many were ready to go, in advocating appropriations which, to my mind, were needed for national defense, or might be needed. Now, it seems to me we ought to have a spirit of realization that we cannot have promotion of fan dancing and that kind of stuff and moving pictures and such things to entertain the people at a time when we need the funds for national defense.

I realize that we are treading on toes high up, but those toes high up must come around to the point where they are ready to support the national defense program and make sacrifices like the rest of us.

Now, I have listed a lot of these parasites——

Mr. MICHENER. Mr. Chairman, will the gentleman yield right there?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. MICHENER. Does the gentleman believe that if the Office of Civilian Defense was under the direction of the Army, as some of us insisted when it was created, we would have any of these fan dancers and projects of that kind?

Mr. TABER. I do not believe we would. But let me call your attention to something which bothers me more than anything else. Mr. LaGuardia told us he was going to quit as head of the O. C. D. Let me read to you something else that Mr. LaGuardia said on page 271 of the hearings:

> Mayor LAGUARDIA. I would not employ some of those people.

That is after some of these highfalutin parasites I have been listing for you were mentioned to him. Now, what is the picture that that presents? That means that the picture has become such that Mayor LaGuardia could not stand for it.

Now, I want the Members of this House and the people of the country to get that—that it has gotten out of hand, and it is about time that this House and this Congress did something to get it back in hand.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ROBSION of Kentucky. Mayor LaGuardia is head of the Office of Civilian Defense?

Mr. TABER. He has gone over to New York and Judge Landis and Mrs. Roosevelt are running the show.

Mr. ROBSION of Kentucky. But he has the power now, has he not, to put out these people that he says he would not employ?

Mr. TABER. I do not know whether he has or not.

Mr. MARCANTONIO. Mr. Chairman, will the gentlemar yield?

Mr. TABER. I yield.

Mr. MARCANTONIO. I think an investigation by your committee will disclose that some of these appointments cannot be placed at the doorstep of the mayor.

Mr. TABER. I agree with the gentleman.

Mr. MARCANTONIO. Inasmuch as the mayor has announced that he is going to resign and this morning he stated to

the press that it was a matter of a few days, certainly the mayor cannot be blamed for these appointments.

Mr. TABER. I am not blaming him.

Mr. MARCANTONIO. Since he is stepping out we cannot place the responsibility on him.

Mr. TABER. I agree with the gentleman entirely, and that is why I read the mayor's statement into the RECORD, showing just exactly what the picture is and how this situation has got out of hand.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. TABER. I yield.

Mr. VORYS of Ohio. I fail to understand this exchange that has just taken place. If Mayor LaGuardia is the head of the Office of Civilian Defense, who does the hiring over there?

Mr. TABER. When this thing got into the shape where it was breaking in this direction, Mayor LaGuardia quit.

Mr. VORYS of Ohio. Well, but he has not quit.

Mr. TABER. He is just holding on nominally to see if he could not get the appropriation for the material which he believes is needed to protect us in case of air raids and to protect the civil population where it is needed. I do not want to say a word against needed protection in civilian defense, but we must make it for defense and cut out the frills and nonsense.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. WIGGLESWORTH. Is it not a fact that many of these appointments are under the so-called Volunteer Participation Division, which has been rather apart from Mayor LaGuardia's main activities in this field?

Mr. TABER. I think that is true. I do not think the mayor approves of these appointments.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield myself 5 additional minutes.

Mr. VORYS of Ohio. Will the gentleman yield once more?

Mr. TABER. I yield.

Mr. VORYS of Ohio. If the mayor is staying on as nominal head in order to get this money, and this is the record of how prior money has been spent, I fail to understand how we can say that the man who wants this money is not responsible for the way the thing is set up now.

Mr. TABER. He may be technically responsible. I do not believe he actually is.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANNON of Missouri. The gentleman is aware, I am certain, that not a penny in this bill can be spent for the salaries of any of the people who have been named by him. There are no funds anywhere in any item of this bill which can be spent for such salaries and no appropriation in the bill which can be spent for salaries or compensation of any of these people or any others of that classification. The only provision for salaries in the bill is for payment of persons engaged in the purchase of this material or its administration. May I ask the gentleman from New York if that is not true?

Mr. TABER. That is correct, and I intended to say that before I left the floor. There is not a dollar in here that could be spent, and there is a committee amendment that would limit the use of the funds for the purposes of the Civilian Defense Act. I do not know whether the amendment was incorporated in the bill as reported or whether it will be offered from the floor.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. HINSHAW. The gentleman from Missouri has partially answered the question, but I should like to know from what fund the salary amounts come that are paid to these people whom the gentleman has just described.

Mr. TABER. They come from funds that we appropriated to the Office of Emergency Management last summer. I will not say whether it was last summer or last fall. It was allocated by them to different set-ups within the Office of Civilian Defense. There is, as I understand it, something like $600,000 left in those funds which is supposed to carry their expenses through the balance of the fiscal year. There is not, as I would understand it, too good legal authority for that particular set-up as it is operated.

Mr. HINSHAW. Does the gentleman mean by that that the Congress has now no control over the salaries being paid to these people mentioned by the gentleman and that we cannot have control until next July?

Mr. TABER. I should hope there would be no one on the floor who would object to putting those restrictions into the law, because I believe we should not go on with these things that are really not defense.

Mr. HINSHAW. Do we have to set up a separate program even in the Office of Civilian Defense in order to purchase this equipment that is being appropriated for in this bill?

Mr. TABER. No; those things will be bought by other agencies. I believe General Gasser is in charge of that operation.

Mr. MAY. If the gentleman will permit, Gen. Lorenzo D. Gasser is in charge of that.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. SHEPPARD. I can tell the gentleman because I made inquiry at the Office of Civilian Defense before the bill was brought to the floor but after the committee reported the bill and received information as follows: Fire-fighting equipment and materials associated therewith will be bought by the Army Engineers Office of the War Department. Clothing, uniforms, and so forth, will be purchased by the Quartermaster's Department. Medical supplies will be purchased by the Surgeon General's Office, War Department. Gas masks and material of that character will be bought by the Chemical Warfare Service.

Mr. HINSHAW. Is not that the same thing that a certain portion of the House asked in an amendment to the original authorization?

Mr. TABER. I believe the gentleman is correct.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield myself 5 additional minutes.

Mr. LELAND M. FORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from California.

Mr. LELAND M. FORD. These people listed under this volunteer participation in these hearings on this bill, however, if this bill passes, will be paid from the funds there delineated, will they not?

Mr. TABER. None of the funds provided in this bill will be available for the payment of salaries of these "highfalutin ducks" I have described.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MAY. I just want to say to the gentleman from New York and the gentleman from California that I am very much gratified by the facts ascertained from the War Department by the gentleman from California, because that is exactly what I told the House of Representatives would be done when we were considering the authorization legislation.

Mr. PLOESER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. PLOESER. Is not the evidence that was adduced in the hearings further good reason why the entire Office of Civilian Defense should be under the direction of the War Department?

Mr. TABER. I think it should be under the direction of the War Department.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. DONDERO. I notice an item of $10,000,000 coming from the Office of Education, and on page 7 of the report it is stated that it will be used for vocational training and education of defense workers. Will the gentleman make some statement enlightening the House on just what is proposed to be done with this money?

Mr. TABER. That is entirely for the purchase of machinery to be used in vocational high schools and other set-ups. Frankly, I believe that the N. Y. A., the W. P. A., and the C. C. C. set-ups on training are a liability; but probably three-quarters of that will go into regular public schools and be spent under their direction where it would be of service to a certain extent. I appreciate that this particular kind of training in an emergency like this is not as efficient or as effective as it would be in normal times.

Mr. DONDERO. Is there any duplication in the work being done by the Lanham committee to provide school facilities in congested areas due to our defense program?

Mr. TABER. No; there would be no duplication there because all of this machinery that is being bought now is second-hand machinery coming out of junk yards.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. GIFFORD. In most of my communities they have raised in their meetings a lot of money for civilian defense. If this $100,000,000 can be expended entirely as the President wants, then they will take supervision of the whole amount?

Mr. TABER. They cannot.

Mr. GIFFORD. In the federalization of anything, they can get a little money and only give to those communities as the civilian defense dictated, is that not right?

Mr. TABER. The legitimate part of civilian defense will be administered under General Gasser, and I think it will be done in accordance with what the committee was told. That is, there would be an allotment made for pumpers, hose, and other apparatus comparable to their present fire-fighting equipment in numbers. Frankly, I doubt very much if that is as proper a set-up as could be made.

Mr. KEAN. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from New Jersey.

Mr. KEAN. Can the gentleman tell me whether the War Department recommended this civilian gas-mask proposition?

Mr. TABER. It did not.

Mr. KEAN. It seems to me it is a very silly diversion of funds when we need fire-fighting equipment for all the towns. I cannot see the possibility of danger from gas attacks that will amount to anything.

Mr. TABER. I would not want to say that. I am satisfied it would be better for us to have some gas masks.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield myself 4 additional minutes.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. I find on page 263 of the hearings in the letter from Adjutant General Adams on the subject of division of duties between the War Department and the civilian defense that the Office of Civilian Defense is to be responsible for determining and setting up priorities of issue of such equipment with respect to localities. To me that apparently means that the assignment of this equipment is to be on a political, not on a military basis. The one element that it seems to me should be considered from a military and defense standpoint and not from the standpoint of how the politics is going is where this stuff should be assigned. Was there any discussion of that?

Mr. TABER. No; there was not. I may say that Mayor LaGuardia had worked out a program for the distribution of these things, and I do not believe it was in any sense political. Frankly, I believe that he would have made such adjustments in that program as should be made if he had continued. I am hoping that General Gasser will be given charge of at least that much of the operations in the Office of Civilian Defense, and I hope that we can cut out the extra legal activities of the Office of Civilian Defense before we get too far.

Mr. EATON. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from New Jersey.

Mr. EATON. I may say to the gentleman that yesterday I made inquiry on this subject, and I was told that a list of allocations had already been made by General Gasser's office. They are to be sent to the regional headquarters, in my section, covering New York and New Jersey, where they sift it out and send the proposals to the Governor of my State, and, in accord with his defense counsel, would allocate extra fire-fighting apparatus to the communities that needed it. That is the program outlined to me yesterday.

Mr. TABER. That may be the way they will do it. I would not object to that myself.

Mr. SHAFER of Michigan. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. SHAFER of Michigan. The gentleman has referred in times past to some of these so-called "highfalutin guys" on the pay roll. I am wondering if the gentleman can tell the House who is Mrs. Betty G. Lindley, employed as the principal civilian participation adviser in the voluntary participation division at a per annum salary of $5,600?

Mr. TABER. She has heretofore been in charge of administrative work in connection with the Sunday evening broadcasts by Mrs. Roosevelt. I suppose the gentleman is familiar with that.

Mr. SHAFER of Michigan. Is it not true that the Betty G. Lindley, who is on the pay roll at $5,600 a year, is a personal secretary of the President's wife, Mrs. Roosevelt?

Mr. TABER. I do not know anything about that, but she has been actively in charge of the Sunday evening broadcasts given by Mrs. Roosevelt.

Mr. SHAFER of Michigan. I just thought that should be in the RECORD. She is the wife of Ernest G. Lindley, the columnist; is that not true?

Mr. TABER. I am not advised, but I heard so.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. FADDIS].

Mr. FADDIS. Mr. Chairman, I rise today to utter a protest, which I fear will be futile, against "boondoggling" in connection with the Office of Civilian Defense.

When the matter was last before this House I endeavored to place civilian defense under control of the War Department. At that time I was not opposed to Mayor LaGuardia, but I was opposed to the institution of the system that I knew would follow if LaGuardia were bypassed. I could see then what the set-up would be. I saw that there must be some reason for the demand to remove this agency from under the War Department and to set it up as a free and independent agency. At the same time I felt that the officials of the War Department knew enough about the difficulties they would encounter that they must be glad to get rid of it. I now congratulate them on their foresight.

When I offered the amendment to create an Assistant Secretary of War for Civilian Defense I was trying to place it under an agency which I was confident would keep it as free of individuals of questionable ability or loyalty as possible. I have the utmost confidence that those who are willing to offer their lives in the defense of this Nation from foes without will also exert the same vigilance and the same valor to defend it from foes within. My amendment failed by one vote to be accepted. Of course, I realize that that matter, as well as many other matters in the House, was decided by those who were absent during the discussion of the question and came in and were voted by the doorman.

Now our worst fears have been realized. This agency which the Congress has set up in an endeavor to protect the civilian components of this Nation in case of warfare is being prostituted to "boondoggling" and to the interests of a class of the people of this Nation whose loyalty to the Nation is, indeed, in many cases questionable.

I have a great deal of faith in Mayor LaGuardia, and I believe in his Americanism, although I do not always agree with him, but at the same time he is a busy man. But when a man was selected as executive director of this activity who had engineered the whitewashing of Harry Bridges, then and there I could see what crowd he would bring with him, and certainly my suspicions have proven to be correct. I would not be surprised at any time to see Harry Bridges placed as an assistant to Mr. Landis and to see a movement to pardon Earl Browder in order he also might be employed.

I want the Members of this Committee to take into consideration today the fact that we are paying Melvyn Douglas $8,000 a year—as much as we are paying that matchless and heroic soldier, General MacArthur, when he is battling in the forests of the Philippines every day, every hour—yes, even every minute—in danger of his life, to preserve the fate of the white race in the Orient. This is many times the amount paid the heroic men and officers under his command.

I call attention to the fact that we are paying this dancer, Miss Chaney, $4,600 a year—almost twice as much as the base pay of Capt. Colin Kelly, and he gave his life in the defense of this Nation. Has anybody considered in connection with this legislation giving the widow of Colin Kelly a job under this organization? Oh, no. I fear she would stand a small chance of getting a job in connection with these activities connected with this legislation, because she is not on the blacklist of the Dies committee. As far as I can see, to be on the blacklist of the

Dies committee is a good recommendation for an important job in some key position. There seems to be very active and influential assistance offered to these individuals of questionable political activities as well as as to Joseph Lash in his ambition to be commissioned in the Naval Intelligence.

It certainly is a terrible state of affairs that an activity of this kind, an activity that someday may be called upon to play an important part in the lives of the people of this Nation, is put in the charge of moving-picture actors and dancers and people of that kind. Such actions should cause us to soberly consider why such a move is made. I saw an editorial in the Star last night mentioning the probability, in connection with the activities of the Office of Civilian Defense, that this dancer is to be put in charge of the children's activities. My God, what are we coming to in this Nation? How long will the American people continue to have faith in a Congress that allows boondoggling of this kind to be carried on in an agency like this?

I wish there were some way the gentleman from New York or some other member of this committee could offer an amendment to this measure whereby we could exert the powers we should have and name these persons by name and say that they should not be paid salaries. I wish there were some way we could insure that those splendid organizations, which are better equipped to function in connection with this legislation than any others, the American Legion and the Veterans of Foreign Wars, could be assured that there is to be an administration of this legislation in which they could have faith.

Think of the waste of money in paying salaries to movie actors and dancers when this country is full of retired Army and Navy officers, already drawing retirement pay from the Government, who are capable and who would be delighted to function in the various capacities necessary to organize the civilian defense of this Nation.

It is time we were giving the Nation a break. It is time we were thinking of the welfare of the Nation and not resorting to boondoggling tactics again as we did in the W. P. A. and like activities. I am sorry, as sorry as I can be, that the Congress of the United States has no way in this situation to save its face in front of the American people. For the assurance of our national security let us place no one but those of undoubted Americanism on guard. The safety of our mothers, wives, and children may some day be at stake.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, as has been pointed out, this bill carries a total of approximately $160,000,000, with a reduction as compared with the Budget estimates of about $1,300,000.

There are just four items in this bill upon which, if time permits, I want to comment.

The first of these items is the item of $100,000,000 for the Office of Civilian Defense. As the Members will note from the committee report, the item is broken down roughly as follows: $57,200,000 for emergency fire-fighting equipment; $29,900,000 for gas masks and facilities for the manufacture of gas masks; $8,000,000 for steel helmets, protective clothing, and arm bands; and $4,900,000 for emergency medical supplies and equipment.

I have no criticism of making available the total of $100,000,000 authorized by the Congress for civilian defense. I think the work of civilian defense is absolutely vital. My only regret is that to date the results obtained in this field appear to be so meager.

I do question, Mr. Chairman, the contemplated allocation of the equipment among the various communities to which aid is to be extended. A break-down of the proposed allocation was given your committee off the record. I think it is the unanimous opinion of the committee that the allocation should be given further study with a view to the location and needs of the several communities as distinguished from their present equipment.

I question also the matter of unit costs which it is proposed to pay for this equipment. This agency, like other agencies, comes before your committee and shows no reduction, or very little reduction, in these unit costs, despite the fact that Uncle Sam is prepared to purchase on an enormous scale. I think these costs ought to be reduced all along the line.

Now, as has been pointed out, the money carried in this bill is wholly for equipment. It does not go to any extent for administrative set-up. Nevertheless, I requested from Mayor LaGuardia a statement which would show the names, positions, and salaries for his entire Washington office set-up. You will find the statement beginning at page 272 and extending to page 281 of the hearings.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. VORYS of Ohio. As I understand, the money for the administration side of this comes from funds for O. E. M. Could not that money be spent as well for equipment from whatever appropriations we make for the Office of Civilian Defense? The amount would be smaller if the administrative expenditures were made more wisely and if unnecessary people were not hired.

Mr. WIGGLESWORTH. The expenditure would, of course, be less, as the gentleman points out. The gentleman will recall that something less than $1,000,000 was made available to this agency through a lump-sum appropriation—I think last July—to O. E. M. to cover a number of different agencies working under the coordination of O. E. M. Personally, I hope that the lump-sum appropriation will not be repeated. I think we ought to consider the needs of each and every one of these agencies and appropriate specifically for each one of them.

If you will look at the break-down that has been furnished, you will find that, apparently, there is a total personnel of about 825, with 117 of them in an unpaid status. There is the Director's office, with 29; there is the Civilian Protection Division, with 129; there is the Operations Division, with 36; there is the Voluntary Participation Division, with 92; there is the Administrative Service Division, with 174; there is a Civilian Air Patrol Division, with 115; there is the "Know Your Government" Division, with 35. What in the world that division does I do not know. Then there is the Speakers' Division of 13; and finally there is a division with 202 persons assigned to regions 1 to 9 throughout the country.

Under the Volunteer Participation Division, among other things, you will find a group devoting itself to youth activities, another to group activities, and a third to physical fitness. What those groups have to do with the fundamental question of civilian defense I do not know.

Some of you may have seen an editorial appearing in the Post this morning bearing on this question. I am not going to read it all, but under leave to extend I shall insert the editorial as a part of my remarks. It is entitled "Crying Needs" and reads, in part, as follows:

Without disrespect to either Dr. Landis or Mrs. Roosevelt, we should like to point out that after nearly 2 months of war, the civilian-defense program in this country has not got beyond its embryonic stage. However, the appointment of Mr. Melvyn Douglas as coordinator of artistic activities and of Miss Mayris Chaney as directress of children's activities in physical fitness, seems to indicate that the true nature of the dangers which threaten our great cities is at last being realized by those in charge of the Office of Civilian Defense. Belated as they are, these appointments represent a valuable beginning. Meanwhile there are a half dozen other executive jobs of at least equal importance which must be filled, and filled at once, if our civilian population is to have any reasonable feeling of security. We suggest, therefore, the immediate appointment of the following.

Then the editorial goes on to suggest the appointment of a directress of flower arrangement, with particular reference to the influence of flowers upon the Japanese; a thoroughly experienced director or directress of hobby culture; a director of bluebird song composition; a director of quiz programs; and a directress of book discussion and current events panels. The editorial follows:

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(a) A directress of flower arrangement. Well-organized and well-trained flower arrangement units would be the means of saving countless lives if and when the Japanese

should keep their threat to "invade and occupy the United States as far as Washington." The Japanese susceptibility to flowers, especially cherry blooms, is well known. Thus the sight of tastefully arranged flowers might so stir the finer feelings of the Japanese soldiers that they would refrain from using our women and children for bayonet practice.

(b) A thoroughly experienced director or directress of hobby culture. In the event of air raids the thing which must be guarded against above all others is civilian panic. For taking one's mind from one's danger during an air raid there is nothing like a good, absorbing hobby such as, for example, the collecting of rare postage stamps or of Italian primitives or of Ming pottery.

(c) A director of bluebird song composition. Scientific tests have shown that no other word in the language is so efficacious in its effect on morale as the word "bluebird." Think of the effect on the defenders of Singapore if General Wavell had only written "There'll be bluebirds galore near the Straits of Johore."

(d) A director of quiz programs. Cleverly devised questions, such as, "What's the caliber of a Japanese shogun?" would stimulate us to the acquisition of useful information about the enemy, and thus supplement the work of the Army and naval intelligence—which, at this writing, appears in some need of being supplemented.

(e) A directress of book discussion and current events panels. The present leadership of the United States in world affairs is due to the fact that, thanks to our indefatigable journalists, we have the best informed public opinion in the world. It is essential that this world leadership be maintained. Groups should be organized at once for the reading and discussion of such books as Inside Everything, I Was a Nazi Field Marshal, and so on.

This list, of course, does not even begin to cover the wide field of activity which properly comes within the scope of any well-conceived and far-sighted program of civilian defense. We should remember that in this great total and global war we are fighting not merely in defense of our lives and our homes but also in defense of a grand tradition of western culture that stretches unbroken from Homer to Hollywood.

Mr. CLASON. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. CLASON. The gentleman has spoken of the fact that on page 272 and the following pages, Mayor LaGuardia set out a list of the people who are now working in connection with the Office of Civilian Defense. Do I understand these same people will stay on the pay roll and be paid out of the money that will be appropriated under this bill?

Mr. WIGGLESWORTH. Not out of the money appropriated today. That comes out of a lump-sum appropriation made to O. E. M. last July, from which this activity received something less than $1,000,000. This appropriation is for equipment.

Mr. CLASON. If some of the activities listed here are stricken from the bill by amendments so that they could not be part of civilian defense, would they go on in connection with some other office?

Mr. WIGGLESWORTH. If they were struck off, it should be reflected in substantial savings in the lump-sum allocation to the agency through O. E. M.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Miss SUMNER of Illinois. I am very glad that the gentleman has called attention to some of the frivolous appointments that have been made. In the testimony on the bill to give insurance to those who lose their property by bombing, which has been before the Committee on Banking and Currency, of which I happen to be a member, Mr. Jesse Jones testified that he did not expect any bombing here. I think the reason for this frivolous way of handling this business of civilian defense is due to the fact that they are all in the mood for another Pearl Harbor disaster in the United States.

Mr. WIGGLESWORTH. One very good way to prepare for another one is to neglect civilian defense.

Mr. Chairman, there has been some suggestion that some of the personnel on the rolls of this agency have such backgrounds in a subversive sense as to be improper persons to be carried on the Government pay roll. The list referred to, furnished by Mayor LaGuardia, was accordingly turned over to the Dies committee with a request for comment on any of the names included in the list.

I do not know whether a complete job has been done as yet by that committee, but I have received from the Dies committee the names of several of those included in the list with comments in respect to each, the comments giving in column 1 the organization or organizations said by the Dies committee to be Communist-front organizations; in column 2 the association of the individual with the organization or organizations; and in column 3 the authority for the statement by the Dies committee.

Among the names which have been given me in this connection are those of Justine Wise Polier, a consultant, at $22.22 a day; Mary Dublin, already referred to, principal civilian participation adviser, at $5,600 a year; Norman Corwin, a consultant, at $10.55 a day; George Saunders, a consultant, without compensation. Furthermore, aside from the list furnished, the record indicates that Joseph P. Lash, already referred to, has been serving without compensation since September 7, receiving traveling expenses only as a member of the Youth Activities Section; and that Paul Kellogg, also referred to, has been serving as a consultant without compensation until December 22, and that he is now paid on the basis of $22.22 per day.

I am not going to take the time to read the comments received from the Dies committee, although I may mention in passing that the comment in respect to Joseph Lash requires three pages, and that that in respect to Paul Kellogg requires two pages. Under leave to extend my remarks, I shall insert at this point the material received from the Dies committee and allow it to speak for itself:

JUSTINE WISE POLIER

Communist-front organization	Association of the individual	Authority
American Committee fo Democracy and Intellectual Freedom	Signer of petition to discontinue Dies committee	Mimeographed sheet attached to letterhead, Jan. 17, 1940.
Greater New York Emergency Conference on Inalienable Rights	Sponsor	Program at conference, Feb. 12, 1940.
International Juridical Association	Member, national committee	"What is the I. J. A.?"
Lawyers Committee on American Relations with Spain	Member	Prospectus and Review, back cover.
National Lawyers Guild	Member, Committee on Labor Law and Social Legislation.	News-letter, National Lawyers Guild, July 1937, p. 2.
League of Women Shoppers	Sponsor	Letterhead, Oct. 7, 1935.
Soviet Russia Today	Speaker at Dinner-Dance, Roger Smith Grill, New York City, Mar. 2, 1934.	New Masses, Feb. 27, 1934, p. 31.

MARY DUBLIN

Consumers Union	Speaker	Consumers Union Reports, June 1938, p. 17.
Consumers National Federation	Sponsor	The People vs. H. C. L., a pamphlet, Dec. 11-12, 1937, p. 2.
American Committee for Protection of the Foreign Born	Signer of letter opposing alien registration	Daily Worker, Nov. 23, 1939, p. 3, chs. 7-8.
Conference on Constitutional Liberties in America	Sponsor	Program leaflet, Call to Conference on Constitutional Liberties in America, June 7, 1940, p. 4.
Open Letter to American Liberals	Signer	Soviet Russia Today, March 1937, pp. 14-15.

NORMAN CORWIN

China Aid Council	Writer for broadcast	Daily Worker, Oct. 8, 1940, p. 7.
League of American Writers	Member	The Bulletin of the League of American Writers, p. 6.
Do	Member, national board	The Bulletin of the League of American Writers, p. 12.

JOSEPH P. LASH

Communist front organization	Association of the individual	Authority
All-Harlem Youth Conference	Speaker	Daily Worker, May 16, 1938, p. 5.
American Congress for Peace and Democracy	Endorser	Letterhead, Jan. 6-8, 1939.
American League Against War and Fascism	Member, editorial committee, Fight	Fight, January 1934, p. 2.
Do	"Occupied leading post"	The Communist, April 1934, p. 331.
American League for Peace and Democracy	Speaker, anti-Nazi rally	Daily Worker, Mar. 17, 1938, p. 1.
Do	Member, national committee	Letterhead, July 12, 1939.
Do	Signer of letter	Daily Worker, Feb. 23, 1938, p. 2.
American Student Union	Executive secretary	Daily Worker, Jan. 4, 1938, p. 3.
Do	do	New Masses, Oct. 12, 1937, p. 14.
Do	National secretary, (sends letter to Hull appealing for freedom of McEachran and Neafus, members of Abraham Lincoln Brigade).	Daily Worker, Mar. 25, 1938, p. 2.
Do	Thanks Daily Worker for coverage of American Student Union convention.	Daily Worker, Jan. 6, 1939, p. 2.
Do	Executive secretary	Do.
Do	National secretary (issues appeal for support of Memorial Day Youth Peace parade).	Daily Worker, May 18, 1938, p. 2.
Do	Executive secretary	The Student Advocate, Oct. 1937, p. 2.
Do	Executive secretary, biography	Daily Worker, Feb. 14, 1936, p. 2.
Do	National secretary	Daily Worker, Jan. 1, 1938, p. 3.
Champion	Contributor	Champion, April-May 1937, p. 18.
China Aid Council	Sponsor	Letterhead, May 18, 1938.
Committee for Concerted Peace Efforts	Signer of statement	Daily Worker, Mar. 14, 1938, p. 1.
Committee for Boycott Against Japanese Aggression	Signer of appeal	Daily Worker, Feb. 25, 1938, p. 4.
Communist International	Book advertised	Communist International, Nov. 1936, back cover.
Coordinating Committee to Lift the Embargo	Representative individual	Booklet, "These Americans Say:", p. 10.
Daily Worker	Contributor (letter)	Daily Worker, Feb. 4, 1938, p. 6.
Delegate to World Youth Congress	American Student Union	Youth Demands a Peaceful World, Report of Second World Youth Congress, Aug. 16-23, 1938, p. 47.
Fight	Contributor	Fight, December, 1933, p. 7.
Do	Member, editorial board	Fight, December 1933, p. 2.
International Publishers	Author	Catalogue, p. 12.
Memorial Day Youth Parade	Speaker	Daily Worker, May 28, 1938, p. 2.
Medical Bureau and North American Committee to Aid Spanish Democracy.	do	Daily Worker, Mar. 29, 1938, p. 4.
Do	Nationa. sponsor	Letterhead, July 6, 1938.
National Student Peace strikes	Leader	Daily Worker, Aug. 31, 1937, p. 7.
Newark Peace Rally	Speaker	Daily Worker, Apr. 27, 1938, p. 2.
New Masses	Contributor	New Masses, Oct. 4, 1938, p. 24.
Do	do	New Masses, Jan. 25, 1938, p. 6.
Do	do	New Masses, Oct. 19, 1937, p. 6.
Do	do	New Masses, Sept. 6, 1938, p. 26.
Do	do	New Masses, June 20, 1939, p. 25.
North American Committee To Aid Spain	Speaker	Daily Worker, Apr. 21, 1938, p. 2.
United May Day rally	do	Daily Worker, Apr. 29, 1938, p. 1.
Union of Concerted Peace Efforts	Signer of manifesto	Daily Worker Jan. 11, 1938, p. 2.
Veterans of Abraham Lincoln Brigade conference	Speaker	Daily Worker, Feb. 3, 1938, p. 2.
Washington Battalion (Spain)	Member	Daily Worker, Aug. 31, 1937, p. 7.
Workers Library Publishers	Author	Workers Library Catalog, 1938, p. 12.
World Youth Congress	American delegate to Geneva	Fight, September 1936, p. 28.
Do	Delegate from United States	Youth Demands a Peaceful World, report of the Second World Youth Congress, Aug. 16-23, 1938, p. 47.
American Youth Congress	Representative at large	Proceedings, Congress o. Youth, July 1-5, 1939, p. 49.
Do	Issued statement at Town Meeting of Youth, held in Turner's Arena Washington, D. C., Feb. 7, 1941.	Washington Post, Feb. 8, 1941, p. 15.
Do	Member, administrative committee	Letterhead, about 1937.

PAUL KELLOGG

American Friends of Spanish Democracy	Member of committee	Letterhead, dated Feb. 21, 1938.
Do	Signer of letter to President	Daily Worker, Feb. 7, 1938, p. 4.
Do	Signer of petition to lift arms embargo	Daily Worker, Apr. 8, 1938, p. 4.
Do	Signer of letter to President	Daily Worker, Feb. 16, 1938, p. 2.
American Friends of Spanish Democracy, medical bureau	General committee, member	New Masses, Jan. 5, 1937, p. 31.
American Friends of Spanish Democracy	Endorses appeal to lift Spanish embargo	Daily Worker, Feb. 1, 1939, p. 2.
Appeal to lift Spanish embargo	Present at conference	Daily Worker, Feb. 4, 1939, p. 2.
Committee for Boycott Against Japanese Aggression	Signer of appeal	Daily Worker, Feb. 25, 1938, p. 4.
Coordinating Committee to Lift the Embargo	Representative, individual	Booklet, These Americans Say, p. 10.
Greater New York Emergency Conference on Inalienable Rights	Sponsor	Program of the conference, Feb. 12, 1940.
Medical Bureau and North American Committee to Aid Spanish Democracy.	Social workers committee	Letterhead, July 6, 1938.
Medical Bureau, American Friends of Spanish Democracy	Member, committee	Letterhead, Nov. 18, 1936.
Medical Aid Division of the Spanish Refugee Relief Campaign	National sponsor	Letterhead, New Haven, Conn., Nov. 16, 1939.
Medical Bureau and North American Committee to Aid Spanish Democracy.	Signs appeal	Daily Worker, Jan. 30, 1939, p. 2.
Medical Bureau, American Friends of Spanish Democracy	Sponsor	Daily Worker, Mar. 5, 1937, p. 2.
Meeting for Spain	Speaker, Paintsville	Daily Worker, May 6, 1937, p. 2.
National Emergency Conference	Sponsor	Letterhead, May 19, 1939.
North American Committee to Aid Spanish Democracy, Medical Bureau.	do	New Masses, May 18, 1937, p. 25.
Union of Concerted Peace Efforts	Signer of manifesto	Daily Worker, Jan. 11, 1938, p. 2.
Washington Committee to Lift Spanish Embargo	Signer, open letter	New York Times, Jan. 31, 1938, p. 11.
American Civil Liberties Union	Signer of letter supporting Gerson	Daily Worker, Mar. 4, 1938, p. 1.
American Committee for Democracy and Intellectual Freedom	Signer of petition to discontinue Dies committee	Mimeographed sheet attached to etterhead, Jan. 17, 1940.
Consumers National Federation	Sponsor	The People v. H. C. L., a pamphlet, p. 2, Dec. 11-12, 1937.
Social Workers Committee to Aid Spanish Democracy	Speaker, program "Social Workers Return from Spain."	New Masses, Sept. 28, 1937, p. 30.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. VAN ZANDT. Is this Joseph Lash the gentleman speaks of the young man who has been trying to get a commission in the United States Naval Reserve, and whom we understand the draft board in New York is about to get?

Mr. WIGGLESWORTH. I assume it is the same individual.

Mr. Chairman, I want to say a word now about another item in this bill, the item of $587,195 requested by the Federal Communications Commission. The purpose of this item has already been explained. It is principally for additional personnel for primary monitoring stations, secondary stations, and for air-raid activities.

In the course of my remarks on the independent offices appropriation bill, I spoke at some length in respect to this agency.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 10 minutes more.

Mr. WIGGLESWORTH. Since that time the distinguished gentleman from Georgia [Mr. Cox] has introduced a resolution for an investigation of this

agency. I have not personally read the resolution. I understand it contemplates an investigation of the agency and of the industry under the regulation of the agency.

As the members of the committee know, for several years I have introduced similar resolutions calling for such an investigation. I have one pending before the Committee on Rules at the present time, and I hope very much that the committee will see fit to report favorably a resolution which will bring about an investigation in the near future.

I suspect that the agency has feared for some time an investigation by the Interstate Commerce Committee in the other body. I call attention in this connection to a table inserted in the hearings at page 53, from which the interesting fact appears that the Commission has seen fit to employ no less than seven persons who formerly were on the rolls of this Senate committee.

The number includes a general counsel at $9,000; an assistant general counsel at $7,500; an assistant secretary at $5,600; an attorney investigator at $4,600; a social-science analyst—whatever that is—at $3,800; and two secretaries, one at $4,000 and one at $2,100.

Under leave to extend my remarks, I include a copy of the table at this point:

STATEMENT SHOWING PRESENT EMPLOYEES OF THE FEDERAL COMMUNICATIONS COMMISSION WHO HAVE AT PREVIOUS TIMES SERVED ON SENATE COMMITTEES

[Name, title, salary, and service with Senate committee]

Henry M. Barry, secretary to Commissioner, $4,000: Clerk to various Senate standing committees.

Edward M. Brecher, secretary to Commissioner, $4,000: Senate Committee on Interstate Commerce, editorial assistant.

Charles Eugene Clift, principal investigator, $3,800: Senate Subcommittee on Education and Labor, investigation.

Allen W. Sayler, attorney-investigator, $4,600: Senate subcommittee under Senate Resolution 266.

Edward Cooper, assistant secretary, $5,600 (recently appointed by the Federal Communications Commission to the office of assistant secretary): Senate Committee on Interstate Commerce.

Mrs. Mary M. Donahue, secretary to General Counsel, $2,100: Senate Committee on Interstate Commerce.

Miss Elsa Gullander, social-science analyst, $3,800 (appointment approved by Federal Communications Commission, but not yet filling the position): Senate Committee on Interstate Commerce.

Lucien Hilmer, assistant general counsel, $7,500: Senate Committee on Interstate Commerce.

Telford Taylor, general counsel, $9,000: Senate Committee on Interstate Commerce.

The Commission furnished, at my request, a list showing the name, position, grade, and salary of all those now employed in its Foreign Broadcast Monitoring Service. I shall not burden the RECORD with this list. I may say, however, that the list indicates a personnel in Washington of 225 and in the field of 31, or a total of 256. It includes 2 assistant editors, 12 editorial assistants, numerous translators and analysts, and many other positions. I confess that without further explanation I do not know what the duties of many of those listed are. Your committee is advised that the needs of this unit under wartime conditions are now receiving careful study by the Bureau of the Budget. Further information in this connection will, no doubt, be available when the agency next appears before your committee.

Because of charges similar to those made in respect to the O. C. D., the list of the foreign broadcast monitoring service was also referred to the Dies committee, with a request for similar comment in respect to those included in the rolls of this Division.

Again, I do not know whether the Dies committee has done a complete job on the list or not. I have received, however, from the Dies committee the names of a number of persons included in the list, who, according to the Dies committee, have had affiliations in the past with Communist front organizations.

Again I am not going to take the time to go into detail. I may mention in passing, however, that included among the names of those received from the Dies committee is that of Goodwin Watson, chief analyst, at $5,600, whom the House dealt with in connection with the independent offices appropriation bill and whose case is now being considered by the Senate Appropriations Committee, because, despite the record made by the able gentleman from Alabama [Mr. STARNES], there appear to be at least three members of the Federal Communications Commission who think he should be retained on its rolls. His record requires a page and a half of comment.

There are also the names of Peter Rhodes, foreign editor, at $4,600; William E. Dodd, Jr., editorial assistant, at $2,600, whose record requires three full pages; Charles E. Gauld, editorial assistant, at $2,600; Mary Johnson, translator, at $1,800; and a number of other persons in minor positions. Again, under leave to extend my remarks, I shall include at this point the comments of the Dies committee and allow them to speak for themselves:

GOODWIN WATSON

Communist-front organization	Association of the individual	Authority
American Committee for Democracy and Intellectual Freedom	Sponsor of Citizens Rally, Apr. 13, 1940	Leaflet, Citizens Rally, Carnegie Hall, New York City, Apr. 13, 1940, sponsored by American Committee.
Do	Signer of petition to discontinue Dies committee	Mimeographed sheet attached to letterhead Jan. 17, 1940.
American Congress for Peace and Democracy	Endorser	Letterhead Jan. 6-8, 1939.
American Student Union	Member, advisory board	Pamphlet, presenting the American Student Union, back cover.
Conference on Pan American Democracy	Sponsor	Letterhead Nov. 16, 1938.
Consumers Union	Member, board of directors	Letterhead Feb. 18, 1938.
Coordinating Committee to Lift the Embargo	Representative individual	Booklet, These Americans Say, p. 9.
Communist Party	Signer of the statement to the President defending the Communist Party.	Daily Worker, Mar. 5, 1941, p. 2.
Descendants of the American Revolution	Member	Daily Worker, Feb. 13, 1939, p. 2.
Do	Sponsor	Pamphlet, Descendants of the American Revolution, back page.
League of American Writers	Writer, statement on anti-Semitism	We Hold These Truths, p. 103.
National Emergency Conference for Democratic Rights	Signer of open letter on Dies committee	Daily Worker, May 13, 1940, pp. 1, 5.
Medical Bureau and North American Committee to Aid Spanish Democracy.	Psychologists' committee	Letterhead July 6, 1938.
Indorses American Youth Act		Daily Worker, Jan. 15, 1936, p. 1.
International Workers Order, junior section	Sponsor, plays for children contest	New Masses, Aug. 27, 1940, p. 21.
Open letter to President Roosevelt	Signer, protest against attack on right of Communist Party to use ballot.	Daily Worker, July 23, 1940, p. 1, ch. 6.
Social Work Today	Speaker at forum	Daily Worker, Feb. 24, 1938, p. 3.
Work Camps for America	Speaker	Pamphlet, Do You Want to Discover Something New This Summer? issued by Work Camps for America, 1940.

PETER RHODES

International Coordinating Committee for Aid to Republican Spain (Medical Bureau and North American Committee to Aid Spanish Democracy affiliated with above organization).	Delegate	Daily Worker, May 13, 1938, p. 2.

WILLIAM E. DODD, JR.

Communist-front organization	Association of the individual	Authority
American Friends of Chinese People	Speaker	Daily Worker, Feb. 2, 1938, p. 8.
American Friends of the Chinese People	Speaker, mass meeting	Help China—a handbill.
American Friends of Spanish Democracy	Signer of letter to President	Daily Worker, Feb. 16, 1938, p. 2.
Do	Signer of petition to lift arms embargo	Daily Worker, Apr. 8, 1938, p. 4.
American Friends of the Soviet Union	Chairman of meeting	Daily Worker, Mar. 15, 1938, p. 10.
American Committee for Non-Participation in Japanese Aggression.	Sponsor	What Can We Do to Stop America's Participation in Japanese Aggression?
American Committee for Democracy and Intellectual Freedom	Signer of petition to discontinue Dies committee	Mimeographed sheet attached to letterhead Jan. 17, 1940.
American Relief Shop for Spain	Sponsor	Letterhead Sept. 3, 1938.
American League Against War and Fascism; American Friends of the Chinese People.	Participant, mass meeting, China Today, U. S. Tomorrow? Oct. 1, 1937.	New Masses, Oct. 5, 1937, p. 30.
Do	Participant, mammoth mass meeting	Do.
American League Against War and Fascism	Speaker, mass meeting in protest against Japanese aggression, Oct. 1, 1937.	New Masses, Oct. 5, 1937, p. 9.
American League for Peace and Democracy	Speaker at Aid China Rally	Daily Worker, Feb. 8, 1938, p. 8.
Do	do	Daily Worker, Feb. 7, 1938, p. 2.
Boaz letter on France in reply to Sedgwick	Signer	Daily Worker, Mar. 8, 1938, p. 2.
Boycott Japanese Goods Conference	Endorser	Daily Worker Jan. 11, 1938, p. 2.
Champion	Contributor	Champion, March 1938, p. 7.
China Aid Council	Sponsor	Letterhead May 18, 1938.
Do	Secretary	Letterhead, June 11, 1938.
Do	Chairman	Letterhead, May 18, 1938.
Committee for Boycott Against Japanese Aggression	Signer of appeal	Daily Worker, Feb. 25, 1938, p. 4.
Community Council for the Defense of American Democracy (anti-Nazi rally).	Speaker	Daily Worker, Feb. 2, 1938, p. 2.
Consumers Union	Writer of testimonial letter	Consumers Union Reports, June 1936, p. 24.
Coordinating Committee to Lift the Embargo	Issued individual statement	Booklet, These Americans Say, p. 5.
Conference on Pan-American Democracy	Signer of call	News You Don't Get, Nov. 15, 1938, p. 3.
Do	Sponsor	Letterhead, Nov. 16, 1938.
Conference to Lift the Embargo	Presided at banquet preceding conference	Laywers Committee on American Relations With Spain, prospectus and review, p. 2.
Film Audiences for Democracy	Member, advisory board	Film Survey June 1939, p. 4.
Films for Democracy	do	Films for Democracy, April 1939, p. 2.
In Defense of the Bill of Rights	Signer	In Defense of the Bill of Rights, a circular, p. 8.
Do	do	Do.
League of Women Shoppers	Attends party for "Boycott Japanese Goods" cause.	Daily Worker, Jan. 24, 1938, p. 4.
League of American Writers	Signer of call to the fourth congress, June 6-8, 1941, New York City.	New Masses, Apr. 22, 1941 p. 25.
Massachusetts Committee for Concerted Peace Efforts	Speaker	Daily Worker, June 10, 1938, p. 2.
Do	Speaker in Boston	Daily Worker, June 11, 1938, p. 2.
Medical Bureau and North American Committee to Aid Spanish Democracy.	Speaker	Daily Worker, Jan. 19, 1938 p. 2.
Medical Aid for China Rally	do	Daily Worker, Feb. 26, 1938, p. 2.
Open letter for closer cooperation with the Soviet Union	Signer	Soviet Russia Today, September 1939, p. 25.
Refugee Scholarship and Peace Campaign	Sponsor	Letterhead, Aug. 3, 1939.
Do	Board of sponsors	Do.
United Student Peace Committee, American Student Union	Speaker	Daily Worker, Apr. 28, 1938, p. 1.
Washington Book Shop	Member	Committee file.
Washington Committee to Lift Spanish Embargo	Signer of open letter	New York Times, Jan. 31, 1939, p. 11.
Washington Committee for Democratic Action	Member	Committee file.

CHARLES A. GAULD

American League for Peace and Democracy	Member	Hearings, p. 6406.
Marian Anderson Citizens Committee	do	Committee file.
Washington Bookshop Circular	Speaker	"Inside Brazil" discussion, Oct. 27, 1940.
Washington Committee for Democratic Action	Member	Committee file.

I may say incidentally that the Commission reports that five employees in this unit have had their appointments terminated since July 12 last for other reasons, as a result of findings by investigators of the Civil Service Commission.

Now, Mr. Chairman, I want to speak briefly as to two other items if time permits, both of them under the Treasury Department.

The first item is an item of $400,000, as recommended by the Budget, $350,000, as recommended by your committee, for the so-called consolidated emergency fund in the office of the Secretary.

That item breaks down into a number of subitems, including $47,000, or thereabouts, for the office of the Secretary, mostly for new space in connection with tax work and bond sales in the field; something over $54,000 for the Chief Clerk; something over $40,000 for the Superintendent of Buildings; about $22,000 for the Division of Personnel, and over $235,000 for the Bureau of Internal Revenue.

Included in the amount recommended for the Bureau of Internal Revenue you will find, among other things, over $80,000 for a group to deal with Federal, State, and local fiscal relations; about $25,000 by way of increase for the office of the legislative counsel; about $35,000 by way of increase for a group dealing with economic research; and $80,000 for the Walt Disney film, to which the gentleman from New York [Mr. TABER] has already referred, said to be designed to make the payment of income taxes attractive.

The committee has reduced the overall item by $50,000. I think we could well take another $150,000 or $200,000 out of the item without hurting anybody, and I hope that some action along this line will be taken by the committee under the 5-minute rule.

The other item is the expenses of loans item, also under the Treasury Department, with respect to which you will see the recommendation that the limitation of $9,800,000 for expenses of loans be increased $17,450,000, to a total of $27,250,000.

The new total requested is broken down into two items, the first amounting to about $19,500,000 for administrative expenses for the public-debt service; the second, amounting to about $7,600,000, for the expenses of the so-called Defense Savings staff.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. WIGGLESWORTH. The so-called Defense Savings set-up is engaged in the promotion of the sale of Defense Savings bonds and stamps.

I call your attention to the fact that if the increase to $27,250,000 is approved by the Congress, it means the expenditure of something like $40,000,000 in this connection during the next fiscal year.

There is at present a paid personnel of 202 on the rolls in this connection. This request is for an increase of 880, including 6 State administrators with salaries of $5,600; 132 deputy State administrators, with salaries running from $3,200 to $5,600; and 50 promotional specialists with salaries of $3,800. It contemplates a large field force in every State, and for that matter in every large city in the country. A typical State office is to include one administrator at $5,600; one deputy administrator at $4,600; two deputy administrators at $3,800, and other minor personnel bringing the total up to at least $31,000 for each State office.

Those requesting the increase contemplate the expenditure of not less than $100,000 for radio programs; another $100,000 for motion pictures, and a third

$100,000 for miscellaneous outdoor advertising.

Mr. Chairman, the committee has reduced the increase requested by $1,250,000. In my opinion the reduction does not begin to be adequate. I should like to know for one thing what can be done through existing advertising agencies throughout the country without building this enormous Federal set-up. I believe more should be possible through the services of volunteers without resorting to the proposal which is before us now. I hope this item will be substantially reduced when the bill is read for amendment under the 5-minute rule.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Massachusetts yields back 1 minute.

QUORUM CALL

Mr. TABER. Mr. Chairman, I make a point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-six Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 20]

Arends	Haines	O'Brien, N. Y.
Arnold	Hall,	O'Day
Baldwin	Leonard W.	Osmers
Beam	Harris, Va.	Paddock
Bell	Hart	Ramsay
Bender	Jarman	Robertson,
Bolton	Jarrett	N. Dak.
Buckler, Minn.	Jensen	Romjue
Buckley, N. Y.	Johnson, Ill.	Sacks
Byrne	Johnson,	Satterfield
Byron	Lyndon B.	Sauthoff
Camp	Kee	Schaefer, Ill.
Cannon, Fla.	Kelley, Pa.	Scott
Celler	Kelly, Ill.	Secrest
Dewey	Kennedy,	Shanley
Dies	Martin J.	Shannon
Douglas	Kennedy,	Sheridan
Drewry	Michael J.	Short
Ellis	Kramer	Stratton
Fellows	Kunkel	Sumners, Tex.
Fish	Lambertson	Sweeney
Fitzpatrick	McGranery	Thill
Flannagan	McGregor	Thomas, N. J.
Ford,	McKeough	Treadway
Thomas F.	Maas	Vreeland
Gavagan	Magnuson	Walter
Gerlach	Mason	Weiss
Gillette	Mitchell	Wolfenden, Pa.
Granger	Myers, Pa.	Worley

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes, finding itself without a quorum he had directed the roll to be called, when 350 Members answered to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

FIRST DEFICIENCY APPROPRIATION BILL, 1942

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Vermont [Mr. PLUMLEY].

VOLUNTARY OR INVOLUNTARY SERVITUDE

Mr. PLUMLEY. Mr. Chairman, I wish to direct the attention of the Members to that portion of the bill found on page 21 wherein it is provided for undertaking to increase the expenses to be incurred for the Bureau of Public Debt from $9,800,000 to $26,000,000. This additional amount of appropriations, if used, would make it possible to expend monthly hereafter the amount of $5,000,000 as against the sum now expended monthly of $750,000.

THAT'S WHERE SOME OF YOUR MONEY GOES

The purpose for which this appropriation purports to be made is the setting up in each of the 48 States of this Union an organization for the purpose of undertaking to advance the sale of defense stamps and bonds. The typical set-up which I have here in detail shows that it is proposed to employ a principal administrator at the sum of $5,600 a year, a deputy at the sum of $4,600 a year, two others at least to the tune of $3,800 a year apiece, and seven others holding positions of minor responsibility, making a total salary of $31,000 per year for the average set-up. The minimum for administrators is $4,600 and it runs to $8,000 as shown by the sheets I have before me.

What do the people of this country think about it and about that proposition to set up such sales forces unnecessarily? The answer is to be found, once at least, in what the Concord Monitor has to say with respect to what has happened in New Hampshire. It says:

BEING FOUND OUT

There is righteous indignation in New Hampshire today.

Confirmation of reports that the politicians were going to make a dollar on the side from the patriotic subscriptions by the public to Victory bonds leaves the people of the Granite State resentful.

A political nobody is given the job of so-called bond sale administrator for New Hampshire at a salary of $4,600 a year; he has hired an office and a staff of clerks, and he now expects to have an assortment of $3,800-a-year assistants. It is presumed that the New Deal is carrying out this same program throughout all the States.

This procedure is an insult to the generosity of banks, and stores, and industries, and newspapers, and radio stations, and the public in both buying and selling bonds without compensation in order to help the Nation win the war.

The banks, without exception, have not only handled the sales of bonds at the expense of necessary clerical hire but they have contributed the cost of advertising in order to spur sales. Stores have done the same thing. Industries have arranged for pay-roll deductions and have encouraged bond purchases. The newspapers have carried reams of free publicity and free advertising of the bonds as a patriotic duty, besides arranging pay-roll deductions that their employees may systematically purchase bonds. Radio stations have plugged the sale of bonds at every opportunity, gratuitously. The public has bought bonds generously, and expected to buy more.

Into this spontaneous and patriotic cooperation all around there has been injected the stench of political pork, offensive enough in normal times, but smelling to high heaven at a moment when a whole people were becoming more and more intensively sacrificial in temperament. The shades of Carole Lombard mock the new $4,600 bond-sale administrator and those of the Federal administration who have thus put party greed and political patronage ahead of the common welfare at a time of greatest national crisis.

Does someone dare ask, "What are a few thousands of dollars when billions are being raised and spent?" It isn't the dollars. It is the principle, and for purposes of war psychology that is of vast importance. Does anyone think the bond-sale administrator will increase bond sales? No; the reaction to his appointment without the knowledge or the assent of the State administration or of the people of New Hampshire will do irreparable damage to the bond-sale effort. It provides people with an indignant reason for withholding their Victory bond purchases. Why, they ask, should we buy bonds to support some political beggars? Why, the bankers will say, should we spend some of the assets of depositors to further bond sales if there is to be a bond-sale administrator paid by the Government to sell bonds?

Does not the Government realize that it can build, and in fact already had built, a great voluntary bond-sale organization within the State? If an even greater organization is needed, it could be built readily by the drafting of State notables who would assume the chore without expense to the Government and the people, and whose influence would mean a difference of millions of dollars in the volume of loans to the Government through bond sales.

Will the Federal administration never learn that the country is wholly behind it in the prosecution of the war effort if only it will stop doing such things? It is not necessary to appease the politicians, the farmers, organized labor, the veterans of past wars, to win acceptance of the sacrifices this country is in the process of making. The sooner this truth seeps into the emaciated skulls of parasitic politicians who occupy high places the sooner the war will be won.

Wars both make and break men. Wars are severe tests of individual character. Wars reveal the strength and the weaknesses of individuals. There are weaklings even among so enlightened a people as those who make up this great Nation. War is finding them out.

The letters and telegrams and telephone calls I have received and had since I addressed myself to this same matter a few days ago indicate that the people are thoroughly aroused to the situation that confronts them.

Now, it is probably superfluous for me to say "amen" to that which the distinguished ranking minority members of the Committee on Appropriations have so well said. Be that as it may, however, I am disturbed more than I like to admit by the situation which confronts us and by its ramifications. I propose to say what I think.

This program of payment for patriotism is more serious and far-reaching in its consequences than would at first appear. The truth is—and we all know it—that we already have had altogether too much of the so-called abundant life theory for some, based on sacrifices necessarily made by many.

I ask you, why should I pay somebody for selling me a savings stamp or bond, the purchase of which is my contribution to defense? Why should not the Government be the recipient of the full amount of my contribution? Why should my contribution be minimized by the percentage of profit which goes to the solicitor?

If the solicitors were compelled to put the profits, on their sales to you and to me, into the purchase of defense stamps and bonds, that would be one thing. But

this is another. My sacrifices under this program are purchasable at a mercenary profit by somebody in the Government. That is not right. It is not fair. It is not patriotic.

We the people of the United States have been charged with being motivated by material and mercenary intent. It has been said that we measure our love of liberty and our freedom itself by the dollar standard. I say this is not true, but the attempt of the Treasury Department to carry out this program gives me the lie, for there can be no other construction given it than that it is an attempt to pay Peter for robbing Paul.

As such, it is a wicked program in its inception, unconscionable, unjust, uncalled for, and without authority. All the alibis and all the reasons which may be offered by the administration and by the Treasury Department cannot cloud nor befog the issue, nor successfully deny the charge or the fact that, in order to raise money for ourselves and our own defense, it has been thought wise to adopt a measure to provide for patriotism at a price. None of anybody's excuses or apologies will suffice to get by the fact that patriotism has been put up for sale. To me this is a gratuitous insult to the American people. Nobody but a gentleman could insult me, and no gentleman would, but when some solicitor for stamps and bonds comes around to me, and I know that he is going to get a percentage of that which I would otherwise be contributing in its entirety to the Government, that certainly is an insult to my intelligence.

When I consider the large amount of money that was raised voluntarily in the money-raising campaigns conducted during the first World War, I am not overawed by the statements I have read and heard with respect to the amount necessary to be raised these days. The size of the sum only makes more emphatic the fact that paid organizers should not be permitted to profit at the taxpayers' expense. From experience I am aware of the revulsion and the reaction of the contributor who knows that out of the amount he contributes the solicitor is to receive a certain percentage.

The services of the organized Y. M. C. A. and other religious groups, plus the Boy Scouts, the C. C. C., the N. Y. A., and other organized agencies, not to include the chambers of commerce and the Federation of Women's Clubs, State and local, the Rotary, Kiwanis, and other similarly organized and club-minded people all over this country, should be first organized and assembled, used and exhausted, before some new organization is set up and established at a price per dollar for patriotism to be paid by the people.

I think it is reprehensible, this idea that somebody must be paid for soliciting money to sustain and maintain American principles and standards. It is the beginning of the end when Americans have to be paid to be patriotic.

BOUGHT AND PAID FOR

I am opposed to the program. I deny that the day has come when such patriotic services as could be volunteered and as are desired have to be bought and paid for. To me it is a sad commentary on what the New Deal program has done and accomplished in disrupting the social and economic status of this country. It has obviously satisfied some people that this is a good Government under which to live so long as they can live off it.

I pull no punches. The responsibility for this state of mind is to be directly charged to this administration. I do not like it. I abjure it. I am opposed to it. Call it what you may, I place the responsibility for it on this administration because in its desperateness it has resorted to that means to accomplish an end which it could only have reached because of the program it has heretofore followed. This program is un-American in its inception and reflects what the New Deal administration has done to the spirits and, as the marines say, the muscle and guts of the American people.

If you read your history understandingly, you can but be forcibly impressed with the idea that the civilizations that have preceded us have gone down the same road we are following. Check the steps that have led to their decline. Be forewarned.

If we do not have the spirit or the incentive to win because of what we now have, and have had, and may have, and because of all those things in which we believe, it is a sad day. It spells the beginning of the disintegration of those things for which we stand when we have to be paid to serve ourselves and to preserve our liberty. There is a great deal more in this proposition than appears on its face, and it will spell disaster for us if this program is permitted to be adopted.

For the Treasury Department of the United States to establish the precedent and undertake to impress the idea upon the public that everybody should get a rake-off, that patriotic service should be rewarded by payment of a percentage of the amount of patriotism, as evidenced by the dollars collected, that to the victor belongs the spoils, is, as I said, reprehensible. No justification can be found for the policy adopted except in the fact that the Treasury Department does not have faith in the basic patriotism of the people, stripped of mercenary awards.

AMERICANS RESENT AND REJECT THE PLAN

This attitude should be resented and rejected 100 percent by every red-blooded American who puts his country first, his politics anywhere, and his partisan politics in safekeeping for the duration.

The end sought by the Treasury Department does not justify the means undertaken to be employed.

I decline to submit or to be made a party to a program that insidiously undertakes to undermine the morale of and to make shylocks out of American citizens.

No citizen is entitled to a cut out of any other citizen's contribution to the cause, and no one should be permitted to get rich off the sacrificial savings of others. It is a betrayal of the public confidence to take pay for such work, and it puts everyone so employed in a very undesirable light and in a class with the Judas Iscariots who will sell anything and anybody for a dollar.

Mr. JOHNS. Mr. Chairman, will the gentleman yield?

Mr. PLUMLEY. I yield.

Mr. JOHNS. Does not the gentleman honestly believe that if the brokerage firms of this country should sell these bonds, and we paid them a nominal sum for doing so, we would be ahead instead of advertising in the newspapers?

Mr. PLUMLEY. I do not know; I have no basis on which to form a judgment as to the amount of bonds the brokerage houses of this country could sell if we were to adopt a policy of paying anybody for such service for defense, but I rely upon the newspapers in my district and of the country to instill patriotic ideas into the minds of the people. I favor the voluntary plan used in the first World War. I know the newspapers and the public are back of the program to have the services voluntary rather than to have anybody paid anything out of your pocket and mine to somebody for selling a stamp or a bond to you.

Mr. JOHNS. Does not the gentleman believe that in the end we are going to have to go to the American people and insist upon their buying these bonds, and if they do not buy them we will take the money away from them, anyway? Does not the gentleman believe we are coming to that?

Mr. PLUMLEY. I think we are going to take the money away from them anyway.

Mr. CURTIS. Will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Nebraska.

Mr. CURTIS. If the gentleman will permit an observation in reference to paying out cash to get bonds sold, it has been my experience that the people would not mind paying some automobile salesman or some tire salesman for going out and actually selling defense bonds, but they do not like to have fabulous salaries paid to Democratic politicians while the Republicans both sell and buy the bonds.

Mr. PLUMLEY. The gentleman may be right. I have had some experience myself in undertaking to raise money by the means that have been stated—that is, by hiring an organization to raise it. I have had many people decline and refuse to pay a cent so long as the agency was employed by me to collect the money, since the agency got a percentage of the money that they were expecting to be able to turn over in toto to the institution.

Mr. CRAWFORD. Will the gentleman yield?

Mr. PLUMLEY. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I have understood from the Treasury Department that there would be no high-pressure tactics used in selling these Defense bonds such as were used in the previous World War period, 1917 to 1919. Based upon the observations which the gentleman has made, if no high-pressure tactics are to

be used by these State organizations, how many bonds does the gentleman think those hired salesmen will be able to place in the hands of the public unless they use these so-called high-pressure tactics?

Mr. PLUMLEY. Certainly no more than—if as many as—would have been sold by volunteer salesmen had they been employed rather than these high-pressure salesmen who, as you say, are said not to be expected to use high pressure, from which it should follow, perhaps, that they therefore will not sell many.

Mr. CRAWFORD. I do not think they will sell enough to warrant the payment of the $26,000,000 involved in this item.

Mr. PLUMLEY. I do not think so, either.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, my attention has just been called to a press dispatch which I believe will be of interest to the membership of the House as a whole. I understand that at the President's press conference this morning some question was asked with reference to the recent radio address by the chairman of the Democratic National Committee, and during the course of the colloquy that followed a question was asked with reference to the election of Members of the Congress. I understand that the President's reply in effect was: "In wartime we want Congressmen, regardless of party, who are backing up the Government of the United States and who have a record of backing up the Government of the United States regardless of party."

I am sure that all of us are glad to know that we are enjoying the President's blessing and benediction, because I feel confident that every man here in the House is backing up the Government of the United States and that the record of every man here in the House is one by which he has backed up the Government of the United States. Undoubtedly, if there were any apprehension in the minds of any of you, and I use the phrase of the President "regardless of party," that apprehension is now removed, for you come within the favored class and the designation that he has made with reference to qualification for service in wartime.

Mr. Chairman, I want to pay my respects to the gentleman from Pennsylvania [Mr. FADDIS]. I want to appropriate the word that he used with reference to the Office of Civilian Defense when he warned the House this morning that he hoped we would not be boondoggling our way through this program the way we boondoggled our way through some of the other programs undertaken in the last 8 years. No; we cannot boondoggle, and we cannot make a pantomine of the defense program. I know many of you were amused as the ranking member of the Committee on Appropriations, the gentleman from New York [Mr. TABER], pointed out to you the flippancy with which a large part of this program is being handled, but I say it is not a laughing matter and that the time of pantomine and fantasy and playing at this thing of war making has long since passed.

We are engaged in a serious business, and the sooner we know it the better. We are asked to appropriate billions of dollars. I call your attention to the carelessness with which some of the justifications are made as they are presented to us by the agencies of Government requesting these billions. When the distinguished mayor of New York was before the committee attempting to justify the request for a hundred million dollars for the Office of Civilian Defense, he submitted this justification that I now hold before you.

A part of this justification listed the medical supplies that are to be distributed. They are all-inclusive. They run from safety pins to stretchers, from razor blades to basins, paper cups, rubber gloves, matches, soap, nail brushes, pencils and pads, and so forth. Well, maybe we should distribute in each local community all of those items, but my attention was directed to the matter of safety-razor blades particularly. I know it is a small item, the cost is insignificant. When I asked the mayor about the safety-razor blades, at first he did not know that we were buying them. I pointed out that the cost listed here in the justification was 68 cents for a dozen razor blades. Go down the street. You know what you can buy them for. At retail they can be bought for a fraction of that amount. Imagine what they could be bought for in the wholesale quantities the Government intends to use. When I asked what the justification for that item was, and it is small in itself, the bland, unconcerned answer that came to me was, "That is the last purchase price paid by the Army." It might just as well have been said that $1.50 or $10 a dozen was the last purchase price paid by the Army. We are to take anything and everything for granted, irrespective of value and cost.

Apparently the inquiry must have struck home. I find that my able friend, the gentleman from Missouri, chairman of the Committee on Appropriations, at the close of the mayor's testimony made this kindly suggestion:

> If it meets with your approval, Mr. Mayor, you might include at this point any statement you care to make justifying the prices that have been referred to.

A more gracious invitation could not have been tendered. So the Office of Civilian Defense comes back with this excuse. It says that 68 cents was not the right price, that they find that instead of 68 cents a dozen, for 12 razor blades, there were some changes in the requirement in this item which were not enumerated in the list presented to our committee. The total price of 68 cents is correct, but O. C. D. now claims that the cost is not for a dozen blades but for eight 5-blade packages at 8½ cents a package. Why was not this explanation available at the time the justification was presented? The point I make is that when these justifications are prepared they are supposed to be accurate, they are supposed to be self-sustaining, they are supposed to be complete. It should not be necessary for the chairman of the Committee on Appropriations to hold out an invitation to anyone to correct the record. Maybe we are not paying 68 cents a dozen for razor blades, but I say every executive agency of the Government as it comes to the Congress is chargeable with the responsibility to give a justification that needs neither explanation nor excuse as we examine it. How can appropriations be made intelligently and honestly if loose practices of this kind prevail?

What is true of razor blades may be true of all the other items in this line-up of articles costing a million dollars. It may be true with reference to hose, it may be true with reference to fire equipment, it may be true of any one of the hundred-odd articles going to O. C. D. If you cannot justify one, if explanation and excuse is necessary with one, then it is all the more likely that some explanation may be in order with others. The carelessness acknowledged here casts suspicion on other items. I submit, Mr. Chairman, the spending agencies of the Government have assumed entirely too much of an attitude of take-it-or-leave-it, as these enormous appropriations are requested. We are asked to take too much, I am afraid, on the simple say-so of the executive departments. It is a dangerous condition; a condition that should be guarded against, and the responsibility for guarding against it is in large part on the shoulders of the agencies which ladle out the funds.

The present bill carries very substantial increases for the Treasury Department, a large part of which is to be used in carrying on the sale of securities for the war program. Promotional work is to be carried on to advance the sale of bonds. Specialists of all kinds are to be engaged, directors and deputy directors with extensive clerical staffs are to be employed as the means of persuading the American people to subscribe for Government bonds. The radio, the movies, billboards, placards, posters are to have a part. Almost 900 additional employees are to be added to the pay roll for the program.

I submit, Mr. Chairman, that some comparison of costs in connection with the Liberty Loan bonds with these costs today may throw some light on this subject.

During the World War No. 1 period most of the money for the conduct of the war was raised through the sale of Liberty bonds to the public. In all nearly twenty-one and a half billion dollars was raised in the period from the outbreak of the war in April 1917 through June 30, 1919, by the sale of five different Liberty bond issues. In addition more than a billion dollars was raised in the same period through the sale of War Savings stamps. Short-term certificates of indebtedness were used greatly for temporary borrowing but most of them were issued in anticipation of loans or taxes.

The First Liberty Bond Act of April 24, 1917, limited the necessary expenses in connection with the borrowing to one-tenth of 1 percent of the amount of bonds and one-tenth of 1 percent of the amount of certificates of indebtedness sold. The

Second Liberty Bond Act of September 24, 1917, changed that provision to one-fifth of 1 percent of the amount of bonds and savings stamps but retained the one-tenth of 1 percent for certificates of indebtedness. The one-fifth and one-tenth limitations prevailed thereafter.

The Liberty bonds were sold in five issues and five sales campaigns rather than in a continuous process. The Treasury announced the loan programs and invited subscriptions. In each case the loans were oversubscribed. The first Liberty bonds originally bore 3½ percent interest, the second 4 percent, the third and fourth 4¼ percent, and the fifth or Victory bonds 4¾ percent and some 3¾ percent.

Under the general direction of the Treasury the 12 Federal Reserve banks, as fiscal agents of the United States, served as centers of the war loan organization in their respective districts, throughout which were organized Liberty Loan committees composed of volunteers who operated in their respective localities in behalf of the victory campaign. These volunteer workers did a great deal of work to put over the Liberty Loan drives. In the Treasury Department the War Loan Organization was set up to exercise general supervision over all of the activities directed toward the sale of Liberty bonds and War Savings certificates. A bureau of publicity had charge of the extensive advertising and publicity programs. The speaker's bureau furnished speakers to go throughout the country to arouse interest in the loans. The speakers were paid their traveling expenses but apparently no other fee.

The whole picture of the extent, cost, and so forth, of the Liberty Loan programs is shown very well in the following table which was submitted by the Treasury in the House hearings on the first deficiency appropriation bill for 1941, page 264:

Five Liberty Loans (original issues by number of pieces of each denomination, and total amount)

Denomination	First loan, June 15, 1917	Second loan, Nov. 15, 1917	Third loan, May 9, 1918	Fourth loan, Oct. 24, 1918	Victory loan May 20, 1919
$50	3,646,083	7,770,074	14,289,273	17,782,378	8,466,766
$100	2,360,924	4,674,418	7,693,609	11,276,017	6,213,767
$500	367,014	721,551	864,713	1,227,549	859,026
$1,000	1,123,552	1,661,849	1,464,893	2,523,531	1,808,135
$5,000	8,772	55,703	47,536	99,829	72,086
$10,000	8,994	52,918	45,589	113,001	77,353
$50,000	746	688	598	652	497
$100,000	929	872	711	1,488	542
Total pieces	7,517,014	14,938,073	24,406,982	33,024,445	17,498,172
Total amount	$1,989,455,550	$3,807,865,000	$4,175,650,050	$6,964,581,100	$4,495,373,000
Estimated number of subscriptions	4,000,000	9,400,000	18,308,325	22,777,680	11,803,895
	Apr. 24 to Sept. 23, 1917	Sept. 24, 1917, to Apr. 3, 1918	Apr. 4 to Sept. 30, 1918	Oct. 1, 1918, to Mar. 31, 1919	Apr. 1 to June 30, 1919
Expenses[1]	$3,061,825	$6,306,963	$10,722,415	$13,757,817	$11,909,891

[1] Including certificates of indebtedness and excluding war-savings certificates.

War Savings Securities, 1917–21

CASH RECEIPTS

War Savings Stamps, 1918–21	[1] $1,062,148,062
Thrift stamps	137,084,815
Treasury Savings stamps	500,200
Treasury Savings certificates, 1922–24	423,949,723
Total cash receipts	1,623,682,800

EXPENSES

Series 1918 (Sept. 24, 1917–Dec. 31, 1918)	$4,653,231
Series 1919 (calendar year 1919)	3,536,752
Series 1920 (calendar year 1920)	1,178,058
Series 1921 (calendar year 1921)	446,688
Advance to Post Office Department during period	175,000

[1] Includes Treasury Savings certificates through 1921—less than $35,000,000.

These tables show that for the five Liberty Loan programs 97,384,686 pieces were issued and that there were 66,289,900 subscriptions. The total amount of bonds issued was $21,432,924,700, and the total expenses incurred in selling them, including certificates of indebtedness issued in anticipation of the loans, were $45,848,911. The expense of selling $1,623,682,800 of war-savings securities in the period 1917–21 came to $9,989,729.

Thus it can be seen that the cost of selling the Liberty bonds including the certificates of indebtedness, amounted to 0.2139 percent of the proceeds of the loans. This means that it cost about $2,139 to raise $1,000,000, or $2,139,000 to raise $1,000,000,000. It does not appear from the table how much of the expenses were for the bond issues alone, but another source (Combined Statements, Receipts, and Disbursements for the United States, 1917, 1918, and 1919) shows that expenses of the loans alone came to $38,612,102.10. That constituted 0.1802 percent of the proceeds. This meant a cost of $1,802 to raise $1,000,000, or $1,802,000 to raise $1,000,000,000.

The expenses of selling $1,623,682,800 of war-savings stamps in the period 1917–21 were $9,989,729, or 0.6153 percent of the proceeds. This meant it cost $6,153 per $1,000,000, or $6,153,000 per $1,000,000,000.

The present problem of financing the cost of the war is more difficult than that of World War I. In the first place, the cost of the war is going to be many times greater. Then the Federal Government had a debt of only $1,225,145,568 on June 30, 1916, and $2,975,618,585 on June 30, 1917 after the first Liberty Loan had been floated. But the gross public debt on June 30, 1939 was $40,445,417,318; on June 30, 1940, it was $42,971,043,956; on June 30, 1941, it was $48,978,919,410, and on December 31, 1941, it was $57,938,123,097.

In his 1943 Budget message the President stated that during the fiscal year 1942 it is estimated that the public debt will increase about $21,650,803,162 from borrowing and the debt will increase nearly $40,000,000,000 in 1943 even with an additional $7,000,000,000 of new taxes levied. Thus it can be seen that the Treasury has an imposing task in borrowing the many billions required to finance the conduct of the war in the coming years.

The Treasury is issuing and selling regular Treasury bonds, Defense Savings bonds, as well as Treasury bills, notes, and tax notes. Most of the regular bonds, notes, and so forth, are taken by the banks and other financial institutions. The Defense Savings bonds and stamps are taken mostly by the general public and the Treasury is trying to push their sale in order to reduce consumer purchasing power and bank deposits and thus help curb inflation.

The Defense Savings bond program is somewhat similar to the Liberty Bond program of the last war. The Treasury introduced the savings or baby bond program in 1935. From March 1, 1935, to May 1, 1941, about $4,000,000,000 of such baby or savings bonds were sold. Under authority granted in the Public Debt Act of February 19, 1941, a new series of Defense Savings bonds, largely the same as the savings or baby bonds, were placed on sale beginning May 1, 1941. By January 23, 1942, Defense Savings bond sales cash receipts totaled $3,362,708,429.

The Defense Savings bonds are of three types. The E series, starting at $25 face value, are sold on a discount basis and if held to maturity yield approximately 2.9 percent per year, compounded semiannually. The F and G series are primarily for larger investors. The F series are issued on a discount basis and yield 2.53 percent. The G series are current income bonds and pay 2½ percent, payable semiannually. The Defense Savings stamps, from 10 cents up, bear no interest but can be turned into savings bonds. The sale of Defense Savings bonds is a continuous process as opposed to the sale of Liberty bonds in 1917–19 in five issues or campaigns.

When the Treasury started selling the savings bonds in 1935 a Division of Savings Bonds was set up in the Bureau of the Public Debt and charged with the function of promoting the sale of the savings bonds. It prepared publicity material and conducted a widespread program using the mails mainly. When the new Defense Savings bonds were developed a Defense Savings staff was established in the office of the secretary and

the new unit took over the function of conducting an intensive publicity program for the promotion of the sale of the new series. The old division maintained a plate file of about 7,000,000 active and prospective purchasers. Approximately 30,000,000 pieces of mail were distributed during the fiscal year 1941. The Defense Savings staff has continued but expanded the publicity program, using posters, advertising, and radio time. The Defense Savings bonds are now sold not only by the Treasury but by 16,000 or more post offices and 11,000 or more banks, building and loan associations, and the like. The Defense Savings stamps are sold also in stores and many other places.

It is obvious that this method of selling Government bonds is quite expensive and, of course, much more expensive than selling regular bonds to banks and financial institutions. However, the Treasury defends the sale as a desirable fiscal practice and as a curb on inflation. But the Treasury tries to minimize the cost of selling defense bonds and has so scrambled its accounts that it is difficult to tell just what the administrative costs are

The statutes still provide for an indefinite appropriation for the necessary expenses in connection with the sale of Government securities which is limited to one-fifth of 1 percent for bonds and savings stamps and one-tenth of 1 percent for certificates of indebtedness. For the past several years Congress has placed a specific limitation upon the amount of money which can be spent for the sale of Government bonds and securities. This limitation appears in the item "Expenses of loans, act of September 24, 1917, as amended and extended," under the Bureau of Public Debt in the Treasury Department Appropriation Act. All expenses in connection with the sale of current Government securities are supposed to be paid out of that item. The amount of this limitation has gone up pretty steadily in recent years. In 1939 the limitation was $3,500,000 in 1940 it was $3,595,000, and in 1941 it was $5,926,985. The Treasury Department Appropriation Act for 1942 set the limitation at $4,292,000; this was increased to $9,800,000 in the Second Deficiency Appropriation Act, 1941. Now the Treasury asks that the limitation be raised to $27,250,000 for 1942.

The steady increases are due mainly to the expansion of the savings or baby-bond program and now the Defense Savings bond program, as well as the general increase in borrowing. Unfortunately there is no single item in the over-all limitation on expenses of loans which shows just what is the total cost of selling the savings bonds. The expense is spread through several subitems and the Treasury does not ordinarily collect those so as to give a clear and exact picture of the Defense Savings bond program. But on occasion they have supplied some fairly good information.

From figures given in the House hearings on the Treasury Department appropriation bill for 1939 it seems that the Treasury planned to spend between 60 and 65 percent of the total expenses for loans available for the sale of savings bonds. On that basis the cost of selling savings bonds in 1939 was apparently between three-tenths percent and thirty-three one-hundredths percent of the proceeds. This was more than half again as much as the cost of selling Liberty bonds.

Later the Treasury Department reported—House Hearings, Treasury Department Appropriation Bill for 1942, page 690—that the total cost of the savings bond program for the fiscal year 1940 was $3,132,493. Of that amount, $2,712,252 was chargeable to the "Expenses of loans" items. In 1940 the appropriation for "Expenses of loans" was $3,595,000, and expenditures were $3,582,027. Therefore the savings bond program took 75.7 percent of the expenditures for expenses of loans in 1940. Cash receipts from savings bond sales in 1940 came to $1,106,578,769. Since the expense of selling the bonds was $2,712,252, it was 0.245 percent of the proceeds. This was a reduction from the 1939 figure due to a considerable increase in the sales of the bonds, but was still considerably above the World War Liberty bond figure of 0.18 percent, or 0.214 percent of the cost of the sale if certificates of indebtedness are included.

The present Defense Savings bond program is substantially like the savings bond program which was in operation from 1935 to May 1941. Generally it might be thought that the cost of selling the present Defense bonds would be about the same as selling the former savings bonds. However, conditions have changed somewhat. At first the promotional program was fairly extensive and expensive. Recently, particularly since December 7, 1941, the sale of Defense bonds has increased very rapidly, and that should bring down the unit cost. Expensive promotional programs should not be so necessary now that we are in the war.

But due to the rapidly changing situation both as to sale of bonds and administrative expenditures, it is difficult to be very precise about figuring the present cost of sale. The original Treasury Department request of $4,292,000 for expenses of loans for 1942 was raised to $9,800,000 in the Second Deficiency Appropriation Act, 1941, and now the request is to raise the limit to $27,250,000. Everything points to the fact that the Defense Savings bond program will take at the very least 75 percent of the "Expenses of loans" item in 1942. If anything, the 1940 figure of 75 percent has been increased. It seems reasonable to assume that if all or most of the $17,450,000 deficiency is granted, at least $20,000,000 will be spent in fiscal 1942 to sell the Defense Savings bonds. Quite likely more than $20,000,000 will be spent.

In the first 6 months of the fiscal year 1942, $1,913,808,056 worth of Defense Savings bonds were sold. In the month of January 1942, through January 27, some $907,885,651 of Defense Savings bonds were sold. If this rate continues, then about $8,000,000,000 worth will be sold in the fiscal year 1942. And it seems not unlikely that perhaps total sales will reach $10,000,000,000. If $20,000,000 is spent to sell the $8,000,000,000, then the cost will be 0.25 percent, and if $10,000,000,000 are sold, then the cost will be 0.2 percent. Of course, the administrative expenses quite likely may exceed the $20,000,000 figure and in such case the the unit cost of selling the Defense Savings bonds will be higher. In any case the cost of selling the Defense Savings bonds now is considerably more than the comparable cost of selling Liberty bonds in 1917–19.

Of course, the Defense Savings bond program is only part of the Treasury's borrowing operations. In this fiscal year, through January 27, 1942, total public-debt receipts amounted to $15,277,099,607. The Defense Savings bonds sold amounted to only $2,821,693,707 while regular Treasury bonds came to $3,616,178,250. The other large items were the following temporary borrowing measures: Treasury bills, $3,857,051,000; Treasury notes, $502,866,000; and Treasury notes—tax series—$2,572,741,450. Even if $10,000,000,000 of Defense Savings bonds are sold this fiscal year, they will probably provide at the best not quite one-half of the estimated permanent borrowing of $21,000,000,000 in 1942. And with $40,000,000,000 borrowing slated for 1943 Defense bond sales will have to increase greatly to figure very prominently in the debt picture.

In conclusion it may be said that the Defense Savings bond program is a very expensive way of raising money. Such program is more expensive than the Liberty Loan programs of 1917–19. The Treasury keeps within the one-fifth of 1 percent limitation of cost because it sells billions of regular Treasury bonds at a fraction of the cost of Defense Savings bonds. Probably as the sales increase the unit cost will go down some, but the administrative set-up and procedure is so extensive that the program will always be rather costly.

The American people have responded to the demands which have been made upon them to prosecute the war to a speedy and successful conclusion. They have not objected to the appropriation of funds for the Army and the Navy, even though the demands are soaring higher and higher. They are willing to tighten their belts, to forego many of the comforts and conveniences which they had come to consider as necessities, to shoulder a tremendously increased tax load, so that ships and planes and guns for the defense of our way of life may be made available. Except for a very limited number, and their motives are subject to considerable suspicion, there has been no disposition to hamstring the defense program by captious criticism or penny pinching, where justifications for expenditures have been established. Every real American is determined, and grimly determined, to win the war. To do that means that the price must be paid.

But that willingness to pay the price does not mean a willingness to pay a premium, whether that premium be the result of mismanagement or incompetency. Above all, they refuse to pay a premium for a management which attempts to capitalize the war effort for political profiteering. We have heard much criticism, and rightly so, of unconscionable profits growing out of war contracts. Nothing but condemnation should be the position of such profiteers.

They deserve not only censure, which at most would be all too mild, but penalty and punishment as well.

Let it be remembered, however, that profiteering need not be confined to money profits. Political profiteering—using the war effort for patronage purposes—using the war effort for political entrenchment—using the war effort for furthering party privilege and power—is just as reprehensible, if not more so, than profiteering in dollars and cents. We have heard much of parasites here in Washington in the last few weeks. I am not nearly as much concerned about the social parasites as I am about the political parasites—the parasites that are a part of the political profiteering.

To say the least, the social parasites pay their own way, whereas the political parasites have their way paid for them. Every unnecessary job, every unnecessary function, every overexpanded agency, every political plum and sinecure comes within the classification of a political parasite. I believe it is high time that some rationing be done in political plums. If there must be curtailment of sugar for the housewives, why not a curtailment of sweet morsels for the political householders? If we are to save on automobiles why not some saving on political hacks? Let us eliminate political profiteering just as vigorously as we set ourselves to the task of eliminating money profiteering.

With painstaking persistence many Federal agencies, not connected with the defense program, have bent every effort to wrap themselves in a uniform of some kind—to get in under the wire of defense appropriations. "Necessary for national defense" has become a set phrase in the writing of justifications for appropriations. Apparently a substantial part of the efforts of some of the agencies is directed to finding the most plausible excuse for dipping into the defense program so that the burdensome bureaucracies which have been built up may be not only maintained but expanded. National defense has become a shield and buckler for every Federal pay-roller. Of course, there are agencies other than the War and Navy Departments which reflect the increased activities of the Government due to the war. They should be adequately staffed and efficiently maintained so that a complete coordination of effort can be had. But the diligent search by some agencies to find ways and means of retaining large and well-paid personnel, no longer necessary, by putting on the cloak of national defense, provides no encouragement to those who seek to reduce Federal expenditures. The fact of the matter is, such efforts tend to cast suspicion on other meritorious and justifiable activities. If, as Sherman said, "War is hell," the idea of holding on to a political heaven had better be surrendered.

Everyone realizes that a wider degree of latitude, a larger amount of discretion must be lodged in the executive branch of the Government, and especially in those who direct our military activities, in time of war, than would be wise or necessary in peacetime. The delegation of authority is inevitable if the war is to be won, as it will be. This means that the care and scrutiny which would otherwise be possible cannot be exercised to the same extent today as they could be were we not at war. That is just common sense. But it does mean something else. It means that a corresponding degree of increased responsibility rests on the executive branch of the Government to exercise the highest degree of good faith, the utmost care and caution—a stewardship above suspicion—in the expenditure and use of public funds. At some time the American people will demand, and rightly so, an exact accounting of the trusteeship which the war has made necessary.

We have been urged repeatedly to do nothing which will undermine the confidence of the people in their Government or which might be construed by the enemy as an evidence of disunity. I am just as zealous as anyone in preserving confidence and in giving no comfort to the enemy. But I contend that the greatest contribution to confidence can be made by the executive branch of the Government itself by putting its own house in order, by removing the false-face of defense from nonessential activities, by cutting to the bone the costs of government, by imposing on itself the same sense of sacrifice and privation which it has sought to impress upon the people, and by the adoption of policies which will inspire all of us with faith and courage and devotion.

Mr. TABER. Mr. Chairman, I yield 7 minutes to the gentleman from Michigan [Mr. HOFFMAN].

"UPON WHAT MEAT DOTH THIS, OUR CAESAR (FLYNN), FEED, THAT HE IS GROWN SO GREAT?"

Mr. HOFFMAN. Mr. Chairman, when, on February 2, speaking over a Nation-wide hook-up, Edward J. Flynn, chairman of the Democratic National Committee, charged that the Republican leadership was "not as much interested in winning the war as it is in controlling the House of Representatives," he asked for it. There should be not the slightest hesitation or delay in handing him one.

When he said that the employment of Clarence Budington Kelland as publicity director of the Republican Party was a regrettable effort by "peanut politicians" to "destroy and disunite our people," he not only made a false statement, he not only challenged the right to a free press and free speech, but questioned the loyalty of more than 17,000,000 Republicans.

If Flynn thinks that he can suppress free speech, bring about unity, by attempting to deprive millions of Americans of the right to participate in their Government by questioning their support of the Army, the Navy, and the air force, by denying their right to choose their own Representatives, he does not understand the temper of our people.

From his published statements, apparently Flynn is of the opinion that it is entirely proper for Republicans to be drafted to fight the war, to be taxed to pay the expenses of the war, but that none other than his brand of new dealer should have anything to say about how the war is to be fought or the taxpayers' money spent.

Now comes the President's official political representative and falsely charges his political opponents with being disloyal, unpatriotic, and demands that all be Hitlerized under a one-party system. Flynn's conceit, his presumption, and his audacity in demanding that more than 17,000,000 voters be disfranchised shows what progress has been made toward overthrowing our Constitution and free government.

Flynn's demand is no isolated one. Day in and day out, from columnists and radio commentators, in the press, and emanating from the White House itself comes the smear campaign. Through insinuation, innuendo, and sometimes more directly and unveiled comes the charge that all those who are not willing to fall down and worship the Chief Executive are lacking not only in discernment but in patriotism.

Listen to this from a film short shown and heard in a Washington theater. Said one McCrary:

I believe that we must score military victories soon; victories even more direct and decisive than the Japonese scored at Pearl Harbor. Otherwise I believe there is real danger that the President may suffer the same kind of political defeat in the congressional elections next fall that President Wilson suffered 5 days before the armistice in the congressional elections of 1918. For political unity, we need military victories. The only victory we are in a position to achieve before next September must be victories against the nation that struck at us first, and that nation is Japan.

Is this war in which we are now engaged being fought to preserve the political ascendancy, the political power, of the President of the United States? Or is it being fought for the preservation of our country? According to the unrebuked utterances of Flynn and McCrary, made here in Washington, we are fighting this war and we must win a victory so that the President may not suffer a political defeat in the congressional elections of 1942.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. It happened that I was at the Trans-Lux the other night and heard that very statement made. I will say this for the general American public: That a sort of wave of derision rose over that theater at such a statement by that particular party.

Mr. HOFFMAN. While the President's chairman of the Democratic National Committee is repudiating the support of loyal Republicans, men who believe sincerely in a constitutional form of government, and asking that none of that political faith be returned to Congress, the President's secretary, Mr. McIntyre, is advising members of the Communist Party of the President's appreciation of their support.

On page 3 of the Daily Worker of today, we learn that the Ohio Communist Party yesterday, at Cleveland, adopted a

resolution pledging themselves to do "everything to win the war." Of course, they forgot to mention the fact that if they worked on Sundays or holidays they wanted double pay, and if they worked more than 40 hours per week in their so-called patriotic efforts they wanted pay and a half.

To their pledge of support, Mr. McIntyre, for the President, replied that—

> The President wishes me to convey to you and to those who joined with you his deepest appreciation of the patriotic support which you so generously pledged.

Just how does the President expect unity when his national political chairman would deny to Republicans, whose loyalty has been proven, whose support of our constitutional government is unquestioned, any part in our Government, ask for their defeat at the polls, and bar them from becoming duly elected representatives of their people; and a day or two thereafter he expresses thanks for the support of the Communists, whose party platform denies the existence of a Deity and demands the overthrow of our Government by force?

Are we spending billions of dollars for the implements of war; giving other billions to foreign nations, $500,000,000 to China, to maintain the new dealers in office? Are we drafting our young men by the million and sending them, as the President said, to every continent and to all seven seas to fight and die to make secure the political power of the President of the United States?

That is the purport of the statement made by McCrary. That is the inference to be drawn from the statement of Democratic National Chairman Edward J. Flynn, for he tells us that a campaign by Republican candidates for office next November is an attempt by "peanut politicians" to "destroy and disunite our people."

Let me repeat—such statement is not only untrue and foolish, but challenges the right of every citizen to be represented in Congress by the person of his choice. It is the utterance of a would-be dictator-maker.

Let it be said once for all that my opposition to the New Deal policies has been as consistent, as bitter, as determined, as that of anyone, for I believe that the inevitable result of those domestic policies, if successful, will be to destroy our constitutional form of government.

Nevertheless, this country being in war; the President being the Commander in Chief of all our armed forces; he being entitled to the credit for any victories which may come to us, being responsible for any disasters which may occur because of his lack of foresight and preparation, I have supported, since the 7th of December—and I shall continue so long as I am here in Congress to support—just as determinedly, just as consistently, any and all efforts which he, the officers and the men of our fighting forces, may undertake, until it has been demonstrated beyond all doubt that he is endangering the existence of our Republic.

"Dust thou art; unto dust thou shalt return" is as true today as when Adam first drew breath. Since his day, millions of people have been born and all have died, and there is no reason to believe that Franklin Delano Roosevelt will not go the way of all flesh. Being mortal, there is no reason to assume that he cannot err or that all those who differ with him, no matter how numerous, are wrong.

This war is but the roof of our national structure, which protects us from the bombers, the shells, which would otherwise destroy us. Our people and the domestic policies which cement and hold them together are the foundation which supports our war efforts. A good roof and the walls which sustain it will protect us from summer's heat and winter's cold; from the rains, the sleet, and the snow. But come wind and hurricane, storm and cyclone, unless there be sound foundation and adequate support and unity of the whole, all goes with the wind.

However well trained the Army, the Navy, the Air Corps; however big the ships, how numerous the bombers, the fighting planes, the guns and the tanks—unless behind them there is a united people geared to efficient production, serving day and night, all our equipment is but as a slate roof on a tar-paper shack.

Long, long ago we were told that a house built upon shifting sands would not endure. A war policy the foundation stones of which are unfairness, injustice, special privileges, selfishness, avarice, extravagance, waste, inefficiency, confusion, and greed for power is sure to fall.

To succeed, our war structure must rest upon national unity, confidence, loyalty and patriotism, unselfishness and charity for those who disagree, equal justice, equal opportunity for all, an abiding faith in our form of government, and a willingness to sacrifice and exert ourselves to the utmost.

None of these foundation stones last named can be formed or fashioned by the President or his New Deal associates by denying to their political opponents their constitutional right to participate in the Government's activities, or by a demand of his representative, chairman of the Democratic National Committee, Edward J. Flynn, that all Republican candidates for public office be defeated.

It may not be significant that the President is to address the Nation with another of his heretofore political fireside chats on the 23d of February. That is the day chosen by the Democratic National Committee for its Nation-wide program of partisan banquets, designed to replenish the war chest of the Democratic National Committee. We all know that, whatever may be the intent, the effect of an address by the President on that day is to give added publicity to this political effort, to increase the attendance and, consequently, the amount of money which will flow into the campaign fund.

Inasmuch as the President is asking for unity, it might be just as well if he would select some other, some earlier, date for his report on the progress of the war, and thus divorce his report to the Nation from his political effort.

I am not one of those who believe that the President of the United States and his New Deal advisers, his communistic appointees, are all-wise, that they are infallible; and, therefore, because it is axiomatic that the success of our foreign policy, of the carrying on of the war, depends upon the soundness of our domestic program, I shall insist upon the right to criticize—not carpingly, but constructively—the domestic policies of the administration which I believe tend to hinder, delay, and add to the cost in treasure and in lives of the carrying on of the war.

Mr. CANNON of Missouri. Mr. Chairman, I will take just 2 minutes to answer the gentleman—and others who have this afternoon made similar references.

Mr. Chairman, no man ever accomplishes anything really worth while but some noble woman has a part in it. No man has ever attained and occupied permanently and creditably position and power in public life but what some good woman—it may have been mother or it may have been wife—was the secret of his success.

One of the most beautiful passages in American literature is that beginning:

> I have seen a mighty ship move majestically up the harbor seemingly of its own power. But I knew that over on the other side linked to the great vessel with bonds of steel was a little toiling tug with a heart of fire, dragging it slowly but steadily and serenely up the stream against the ebb and flow of the tide. So, many men who have attained greatness and fame have reached their high station through the encouragement and devotion and sacrifice of the loyal women by their side.

I ask you to look about you, or search through the annals of time, and mark the men who have served acceptably their country and their times who have not done so through the influence and cooperation and support of a good woman.

President Roosevelt is no exception to the rule. We have but to go back to those dark days when in the prime of exceptional physical and mental endowments, he was stricken under circumstances which seemed to close definitely and irrevocably for all time to come all hope of future service, when a dauntless wife with a courage and a resourcefulness that must excite the admiration of all assumed heroically the problems and burdens of business and political affairs, public and private, with the pressing problem of recovery and out of that seemingly hopeless and irretrievable tragedy wrought a rehabilitation and a career for her husband and herself without parallel in American history.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 1 more minute.

From that hopeless chamber to which all friends agreed that fate had chained him for life, supported with her never failing ministration of body and spirit, the path leads upward through two notable administrations as Governor of the Empire State to election, reelection, and a third epoch-making election to the Presidency of the United States, the greatest elective office ever conceived by the brain of man. With her beside him he has achieved the impossible. With her beside him he has trod heights hitherto untouched by human feet.

[Here the gavel fell.]

Mr. CANNON of Missouri. I must take one more minute.

Mr. Chairman, no other woman has ever had so large a part in our national life, and with her daily utterances through press, radio, and personal contacts; visiting the most remote sections of the country; promoting with indefatigable energy a thousand causes, it is inevitable that there should be instances in which some minor statement or incidental activity or method of procedure would not meet with the approval of every self-constituted critic abroad in the land. That is her glory. And when the history of our generation is written this lovable woman will stand out as one of the remarkable figures in this remarkable age, through all the years to come, a symbol of service and sacrifice; an inspiration to American womanhood.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, when the amendment is offered to strike the item of $80,000 from the bill, the item to pay for the Walt Disney movie script supposed to teach people to pay their income taxes, I shall support it. This is the most unnecessary, the most outrageous and scandalous piece of money wasting I know of, especially at a time when our armed forces are daily facing death and many of our businessmen are confronted with financial ruin. Every one in official Washington should be compelled to spend at least 1 day each month at hard manual labor to see how hard it is for the taxpayers to make a dollar. War is serious business.

Another thing I am opposed to is the employment at the expense of the taxpayers of night-club dancers, movie actors, and perfume peddlers to teach a lot of tommyrot in the name of civilian defense.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. BRADLEY].

Mr. BRADLEY of Michigan. Mr. Chairman, I was very much interested in the remarks made earlier today by the gentleman from Michigan [Mr. O'BRIEN]. If I understood him correctly, he seemed to mildly criticize this House for its failure to act more promptly on the President's request for $300,000,000 of Federal funds for aiding the States in solving their present temporary emergency unemployment problem, caused by the change-over of our huge peacetime automobile production and other peacetime industrial production efforts to an all-out war production effort. Nobody questions the urgent need, nor the advisability for this bill and particularly for its training provision features.

As a matter of fact, were it not for the political selfishness or political avariciousness of Washington bureaucracy, it is entirely probable that this House would have long since given its legislative approval to this matter and we could today by a simple amendment add the $300,000,000 to this present deficiency appropriation bill under consideration which could conceivably be acted upon by the Senate tomorrow, signed by the President, and made available to the presently unemployed in our State of Michigan and every other State by the early part of next week.

Mr. Chairman, it must be apparent to anyone that the real reason, and in fact the only reason, for the failure of this House to act more promptly in this matter is the fact that this entire proposal, as it was submitted to the Congress, has an Ethiopian hidden in the woodpile. Frequently in previous instances, as in the present, we find hidden in legislative proposals, and occasionally in appropriation measures, provisions which if enacted into law permit Federal bureaucracy to step into the States and usurp not only purely State functions but also assume control over the administration of States' funds, which have been levied on the taxpayers of the State, by the State, for its own use and for the relief of its own citizens.

In this instance, the delay on this bill is chargeable directly and solely to the insistence of Mr. Paul V. McNutt, Administrator of the Federal Security Agency, that henceforth the Federal Unemployment Service should assume control over the State unemployment bureaus and assume control over the State unemployment compensation funds. It was this proviso, written into the original legislative proposal submitted to the Congress, which caused a flood of protest to descend on the Congress from the various States which justly reject the proposal that henceforth the State unemployment bureaus should be Federalized.

Likewise it is unfortunate for us in our State of Michigan that our Governor was the first, and I believe has been the only Governor, to endorse Mr. McNutt's proposal. This has been conducive of some delay, but I am pleased to say that I understand he has now withdrawn his endorsement and I sincerely hope that Mr. McNutt will follow suit and withdraw his insistence on this Federalization program. If that is done, the Ways and Means Committee, which now has the matter under consideration, should be able to, and most probably will, report a bill containing the necessary legislative authorization for an appropriation which should follow speedily.

In my opinion, Mr. Chairman, this Congress should be congratulated rather than criticized for its watchfulness. This Congress must continue to be on its guard at all times against such flagrant attempts as this to take advantage of a purely present temporary emergency being used as an excuse for a further and permanent encroachment on States' rights, on States' functions, and on States' funds. Michigan today can only blame Mr. Paul V. McNutt, or someone to whom he is responsible, for causing this present delay in providing relief for its presently unemployed citizens.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, civilian defense is necessary to the Nation's safety. It is so essential that I look with alarm and disgust on the "boondoggling" manner in which this important activity is being handled from Washington headquarters while loyal Americans back home work without pay to enlist public cooperation and support for this necessary movement.

I supported the bill authorizing $100,000,000 appropriation for this Agency only a few short weeks ago. At that time this House manifested its disappointment at the haphazard and extravagant administration of civilian defense by its part-time boss, who, we were then assured, would within the week resign as mayor of New York or as Director of this Agency if only Congress would not put civilian defense under the Army. He has not yet made good his promise to get in or get out. Congress, however, fell for this assurance and passed the bill authorizing $100,000,000 without strings attached, to be spent by civilian defense. I voted for this authorization.

Now civilian defense comes before us with a request for the $100,000,000. That is a lot of money. It behooves us as Representatives of hard-pressed taxpayers to examine the manner in which this money is being spent.

I need not enumerate all of the pinks, downright "reds" and political hacks employed in civilian defense. That has been done by other Members. However, I was aghast when I noticed that Mayris Chaney, dancer friend of the First Lady, has just been appointed to a $4,600-per-year job as director of children's activities in the Physical Fitness Division of Civilian Defense. Mr. Chairman, if this relatively unknown dancer is worth $4,600 per year, Sally Rand, strip-tease artist from my own section down in the Ozark Hills, near Flemington, Mo., ought to be employed at once because she would, on this scale, be worth at least $25,000 per year to civilian defense. So far as has yet been made public, the only qualification this charming dancer has for her position is that she has named one of her dances the Eleanor Glide. Mr. Chairman, if that is the prime requisite for such an important job as the salary would indicate it to be, I promise you that I will persuade Sally Rand to name six of her ostrich fans, Captain Jimmie, Captain Elliott, Lieutenant John, Ensign Franklin, Sistie, and Buzzie, respectively.

Now, seriously speaking sir, if it is necessary to hire someone to look after children's activities in the Office of Civilian Defense, I know of hundreds of school teachers in my congressional district who have college degrees, experience in child management, and supervised recreation who earn less than $1,000 per year and who are better qualified for this work and who would be glad to contribute their services to national defense for much more modest compensation than the scales of pay which will play quick havoc with this $100,000,000 appropriation.

Too, permit me to suggest that while toe dancing has its attributes, that the American boy's first love is baseball. Mickey Owen, catcher for "dem bums," the Brooklyn Dodgers, is also a farmer and honored substantial citizen of my home county of Greene. He sets a better example and might, if patriotic sacrifice required it, provide better instruction for American youth than this torrid terpsichorean, who is the latest addition to this new bureau which is collecting thespians faster than a rabbit hound

catches cockleburs streaking across the back forty.

Mr. Chairman, I am proud to have supported this administration and our Commander in Chief in every matter pertaining to successful prosecution of this war. I intend to continue that course and see this thing through to victory. However, I would not be doing my duty to those citizens who hired me to represent them here if I did not point out occasional abuses of trust and insist that they be corrected. Eleven hundred married farmers with a net income of $1,600 per year will have to pay income taxes this year to pay the salary of this one dancer alone. I will support this $100,000,000 appropriation, Mr. Chairman, if it is shown that we will be guaranteed a full-time Director for this important Office of Civilian Defense and if assured that the money we give this agency, and wrung from the sweat and tears of thousands of hard working patriotic Americans, will be spent sensibly and with due regard for efficient prosecution of this war and protection of American lives and property. We must not entrust our national safety to those unproved in loyalty to American principles or unqualified to direct a serious effort in which our very lives and fortunes are at stake, individually and as a Nation.

Mr. TABER. Mr. Chairman, I yield the balance of my time to the gentleman from New Jersey [Mr. McLEAN].

Mr. McLEAN. Mr. Chairman, a mistake has been made and this bill affords an opportunity to correct it. Therefore, it is my purpose at the appropriate time to present an amendment providing that the so-called Civil Service Retirement Act shall not apply to the President, Members of the Senate, or Members of Congress. The act does not mention the President, Members of the Senate or House of Representatives It attempts to include them by designation as "officers of the executive or legislative branch of the United States Government." The impression is abroad that by its provision Congress has voted itself a pension, and since the enactment of the bill it has been stated that it is intended to cover Senators and Members of Congress into the civil-service retirement system.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. McLEAN. No. It is said that the program is being misrepresented as a pension. It really is not a pension because it requires contributions from those participating, and only those who elect to participate can obtain its benefits. Whether it is a pension, an annuity, or retirement pay, it has no place in our scheme of government.

The purpose of the legislation was to clarify and expand the provisions of law affecting the long-established civil-service retirement system of the Federal Government, a system providing for the enforced retirement of superannuated employees in the interest of efficiency. Heretofore it has not included Members of Congress.

There is no justification for providing a retirement fund for Members of Congress. Unlike other systems of government, our scheme does not contemplate that chosen representatives of the people should or need be career men. They are chosen by their neighbors for a specified term to record their wishes in the legislative branch of the Government, and, that having been done, their return to their ordinary habit of life is contemplated. It is assumed that they have law practices or business or some other calling back home which supported them before they entered Congress and will continue to do so after they leave Washington official life. It so happens that many Representatives are elected for a number of successive terms, but the fact that a man may spend the greater part of his life in legislative halls does not change his status. Each election is a new adventure. If he renders significant service or perhaps makes any great contribution to his country, it will in all probability be recognized by the favor he will receive through continued elections or advancement by vote of the people to positions of honor and responsibility. Such recompense and personal satisfaction should be the desire—and to attain it should be the purpose—of anyone who enjoys the privilege of serving in the Congress. In public life there are greater opportunities and higher purposes to be served than providing for one's personal security.

There is a principle of law which prohibits a person from holding more than one office where the offices are incompatible. The rule applies where one would be required to vote or pass upon or otherwise authorize benefits to himself. The duties of a sitting Member of Congress are certainly incompatible with the position he occupies as a prospective recipient of the perquisites of a retired Member.

The gentleman from Georgia [Mr. Cox] made a very cogent statement when he said:

> It puts us to a disadvantage in years to come in the consideration of all retirement legislation.

In other words the judgment of Congress will be coupled with an interest.

We should not put ourselves or our successors in that position.

It is unfortunate that the matter was pressed and adopted at this particular time. The people are demanding reduction in nondefense expenditures. They are looking to the Congress for economy wherever economy is possible, having in mind the necessarily large expenditures for the war emergencies, the resulting taxation and the fear of inflation. They are anxious about post-war adjustments. The appropriations being made are staggering. We are appropriating billions upon billions without regard for our ability to pay. So far as these appropriations are for war purposes there is no complaint, and the people have confidence that the expenditures are being properly made. They should also be encouraged to believe every effort is being made to reduce expenditures not for war purposes. To convey the impression that under such circumstances Members of Congress are providing for their own security at Government expense does violence to the hope for any such confidence.

The purpose of a retirement system is to encourage or to compel the retirement of superannuated employees so that younger people can replace them in the interest of efficiency. Therefore, it lends no support to the proposal to include Senators and Congressmen to argue that other Government employees are provided for, including employees of the Library of Congress, postmasters, Government clerks, judges, and the like, for the very simple reason that there is nothing comparable between elected Members of Congress and such officers and employees. Their's is a vocation. Their employment is for life or during good behavior. It may be necessary in the interest of efficiency to enforce their retirement so that younger people can replace them.

Members of Congress are elected representatives sent here to speak for those whom they represent. They are but the mouthpiece for the time being of their neighbors. Their employment, if you choose to call it such, is temporary and for a definite period. It has none of the elements which make necessary or desirable the enforced retirement of superannuated employees.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I have asked for this time in order to speak to my people in the Eighth District of Michigan and throughout the State in connection with a certain part of this bill. I refer particularly to certain pages in the hearings beginning on page 224 and running to about page 250. In the fiscal year beginning next July 1 consumers will have about $2 purchasing power for each $1 of civilian goods and services. I am convinced that we will have, after paying much higher war taxes and after purchasing considerable of the Defense, offense, or victory bonds, about fifteen to twenty billions to act as an inflationary gap. With this inflationary force running wild, let me assure you that the Price Administrator will not be successful in preventing price advances and the operation of inflationary forces. This is a matter about which we should be greatly concerned. Just passing the Price Control Act of 1942 will not suffice. We, the people, shall have to go much further than that, or suffer the consequences. I see only one remedy for this situation, and that is for us to step up our purchases of Defense bonds. We proceed on the basis of one hundred and ten to one hundred and fifteen billion dollars' production program for military and civilian goods, or, let us say, about fifty-five billion for the former and sixty billion for the latter. Civilians would thus have about $55,000,000,000 to spend for taxes, savings, and investment in addition to consumer goods of fifty-five to sixty billion.

Mr. Chairman, I have referred to pages 224 to 245 of the hearings. I find on page 224 that Mr. Graves, of the Treasury, points out that we sold during the month of January about a billion dollars' worth of bonds, but that in the months to come we cannot expect such high purchases.

Then on page 227 of the hearings we find that since May 1 the issue price of bonds sold has amounted to about two and one-half billion dollars, with 748

million of those having been sold for the Treasury by the banks.

Referring further to page 243 we find that the State of Michigan ranks eighth in the total sales on the basis of issue price, and on page 244 we find that the State of Michigan ranks seventh in that table.

Mr. Chairman, dangers in the Far East are very great. Serious occurrences are happening there. What is happening there is no flash in the pan as far as I am concerned. When Japan gains her foothold we will have a time dislodging her. Losing our foothold in the Far East will force us to operate over immense distances. We must face this fact. To me what is occurring in the Philippines, Malaya, Singapore, the Dutch East Indies and Burma is no faraway struggle separating us from the World War we have assumed. When we lose that far eastern foothold it will be most difficult to regain it. The countries now threatened hold, locked in their treasure warehouses, resources of vast importance to Japan and to us. I shall not now enumerate them.

Singapore and the Dutch East Indies are a vast defensive screen protecting two important British dominions. When that screen is successfully punctured, and if those two members of the commonwealth fall, we can look for very grave days here on the continent.

Our troops have been sent to Ulster, but Australia wonders why we sent them there instead of to the Dutch East Indies.

Keeping the Burma Road open in China is perhaps as important a step as we can possibly take. To me it is time for our people in Michigan and throughout the country to begin immediately purchasing no less than $2,000,000,000 of defense bonds per month, and not wait for the $26,000,000 to be spent, as carried in this bill, in order to hire Treasury employees to be scattered throughout the States to induce us to buy those bonds. It is time for us to forget some of the luxuries and proceed with the business of the day, which is winning this war.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, the Clerk may read.

The Clerk read as follows:

Civilian Defense: To enable the Director of Civilian Defense, under such regulations as the President may prescribe (which regulations may provide exemption from the requirements of sec. 3709 of the Revised Statutes) to carry out the provisions of the act entitled "An act to provide protection of persons and property from bombing attacks in the United States, and for other purposes", approved January 27, 1942 (Public, No. 415), fiscal year 1942, $100,000,000, to remain available until June 30, 1943, of which not to exceed $3,000,000 shall be available for all administrative expenses, including printing and binding and personal services in the District of Columbia.

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CANNON of Missouri: On page 4, at the end of line 9, insert "*Provided*, That no part of this appropriation shall be used to pay any person in the Office of Civilian Defense unless such person is directly employed in the administration of such act of January 27, 1942."

Mr. CANNON of Missouri. Mr. Chairman, as has already been indicated in the general debate, no portion of the money appropriated in this paragraph can be used for any other purpose than to supply personnel necessary for the purchase of these supplies, but in order to emphasize that fact and be certain there shall be no misunderstanding of the purport of the provision this amendment is offered by the committee.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I notice in the hearings on the bill on page 275 that a break-down is given of the personnel, both as to name and position, and also as to salary, under the program of civilian protection. Am I to assume from the statement of the chairman that if his amendment is adopted, no part of these funds will be available for the employment of persons, we will say, who are grouped under the heading of "Physical fitness," in which I notice one Mayris Chaney is listed as Assistant Director of Physical Fitness, and there are other positions along that line? Do I understand that the amendment offered by the chairman will prevent the expenditure of these funds for the employment of persons cataloged under that category?

Mr. CANNON of Missouri. The bill before us provides against the expenditure of funds for the purpose indicated by the gentleman. Under the original text, as well as under the amendment, no money can be spent for any personnel except personnel required in the purchase of this material and its administration.

Mr. CASE of South Dakota. And the chairman's interpretation is that that applies to this group under the heading of "Physical fitness"?

Mr. CANNON of Missouri. The only criterion here is whether or not they are engaged in the purchase of this material and the administration of this act.

No other condition applies.

Mr. LELAND M. FORD. I am looking here at the volunteer participation. Would any of the funds contained in this bill be used, under the gentleman's amendment, for dancers, street shows, and all that kind of stuff?

Mr. CANNON of Missouri. None of the funds provided by the bill as originally written can be used for that purpose; and the amendment merely emphasizes the inhibition. Under neither the bill nor the amendment could money be expended for the purpose indicated by the gentleman.

Mr. LELAND M. FORD. For the instruction directly or indirectly of physical fitness, of dancers, fan dancers, entertainment, shows—none of the money could be used for those purposes?

Mr. CANNON of Missouri. Under neither the language of the bill nor the provisions of the committee amendment could any of this appropriation be used for that purpose.

I ask for a vote, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was agreed to.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 4, after line 9, and the committee amendment, insert a new proviso, as follows: "*Provided further*, That none of the funds appropriated in this or any other act shall be used by the Office of Civilian Defense to pay any salary or other expense of promoting——

Mr. CANNON of Missouri (interrupting the reading of the amendment). I ask to be recognized at this point.

Mr. TABER. Mr. Chairman, I ask that the amendment be read.

Mr. CANNON of Missouri. Mr. Chairman, under the rules, when it becomes evident that an amendment is not in order, it is not necessary for the Committee to listen to the remainder of the amendment. I therefore make the point of order at this time that the amendment is not in order because it provides for the control of funds not in this bill.

Mr. TABER. Mr. Chairman, the amendment will appear clearly in order under the Holman rule before the discussion, which I hope the Chair will permit me to make, is ended.

Mr. CANNON of Missouri. Mr. Chairman, I am perfectly willing to yield to the gentleman to make a statement. I will withhold the point of order if the gentleman wishes to debate it.

Mr. TABER. I wish to discuss the point of order.

The CHAIRMAN (Mr. SMITH of Virginia). The Chair thinks the gentleman from Missouri is right in what he says, but the Chair would like to have the amendment read for information.

Mr. CANNON of Missouri. I have no objection to the amendment being read for amendment

The CHAIRMAN. The Clerk will read the amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 4, after line 9 and the committee amendment, insert a new proviso, as follows: "*Provided further*, That none of the funds appropriated in this or any other act shall be used by the Office of Civilian Defense to pay any salary or other expense of promoting, managing, advertising, creating, directing, or participating in dancing, moving pictures, theatricals, or other entertainment devices."

Mr. CANNON of Missouri. Mr. Chairman, I make the point of order that the amendment including the language "this or any other act" is clearly subject to a point of order. It is legislation on an appropriation bill.

Mr. TABER. Mr. Chairman, I should like to be heard upon the point of order.

The CHAIRMAN. The Chair will be glad to hear the gentleman from New York on a point of order.

Mr. TABER. Mr. Chairman, this amendment is clearly in order under the Holman rule. It appears from pages 272, 273, 274, 275, 276, 277, 278, 279, and

280 of the hearings that certain of these people are upon the pay roll of the Office of Civilian Defense and that their activity is of the type described in the amendment. It appears from a press release given out by the Office of Civilian Defense on Tuesday that Mr Landis, executive officer of the Office of Civilian Defense, had set up six divisions and amongst them are divisions relating to this particular activity. I have that press release here which I shall be pleased to submit to the Chair. I have another statement issued by the Office of Civilian Defense which was given out on Wednesday to the effect that a dancer, Mayris Chaney, was on the pay roll. There are all sorts of other articles that bear out this same proposition. There was an article in the Washington Post this morning going into this situation in great detail.

There is an article in the Baltimore Sun of Thursday going into this activity and indicating that participants in these activities are drawing from $5,600 to $8,000. It clearly appears from these press releases of the Office of Civilian Defense and from the items that have been placed in the hearings that these funds are there. There will be a saving of large sums of money in the salaries of these people who will not be permitted to be paid if my amendment is agreed to. Under all of those circumstances, this is within the provisions of the Holman rule and we are entitled to vote upon the amendment. If the Chair desires, I will present the documents I have here. I have called attention to certain pages in the hearings which are available.

The CHAIRMAN. Does the gentleman from Missouri [Mr. CANNON] desire to be heard?

Mr. CANNON of Missouri. Mr. Chairman, the gentleman has quoted at length from many sources of information, newspapers, records, and press releases, but has cited neither the amendment nor the bill when the Holman rule applies, as any Member of the House who has been here for any length of time should know, that the amendment must show on its face a reduction of the number or salaries of officers employed under the bill. If the gentleman will consult page 56 of Procedure he will find there more than a page of citations holding that the amendment must show on its face a retrenchment in the amount or in the number or salaries of persons for which provision is made under the bill.

This amendment does not show that. It makes no such intimation. Therefore it does not touch the Holman rule in any degree whatever. The Holman rule cannot possibly apply. There is not the slightest connection between this amendment and the Holman rule. It necessarily follows, then, that in view of the fact that the amendment proposes to control sums and legislation outside of the pending bill, it is legislation and is out of order.

The CHAIRMAN (Mr. SMITH of Virginia). The Chair is ready to rule.

The amendment offered by the gentleman from New York [Mr. TABER] contains language that "No funds appropriated in this or any other act shall be used," and so forth. The words "any other act," of course, brings it clearly within the realm of legislation.

The gentleman from New York seeks to avert that rule by referring to the Holman rule, which provides that the usual rule shall not apply where the amendment would serve to retrench expenditures.

The Chair has given consideration to the precedents of the House. Section 1542 of volume VII of Cannon's Precedents provides:

In considering the Holman rule the Chair may not speculate or surmise as to whether a particular provision might or might not operate to retrench expenditures.

Legislation proposed on an appropriation bill must indicate by its terms an unqualified reduction of expenditures to fall within the exception to the rule.

In section 1525 of the same volume the syllabus reads as follows:

To bring an amendment within the Holman rule, "reductions of amounts of money" must apply to amounts covered by the bill.

After careful consideration of the matter, the Chair is of the opinion that under the terms of this amendment and the circumstances surrounding it, it does not clearly come within the provisions of the Holman rule, and the Chair is therefore constrained to sustain the point of order.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: Page 4, line 9, strike out the period, insert a colon and the following: "*Provided*, That no part of this appropriation shall be expended for any article which, in the form it is to be purchased, is the output of any manufacturer whose average daily pay roll for the calendar year 1941 was in excess of 250 persons."

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois [Mr. DIRKSEN]?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, 10 minutes to be consumed by the gentleman from Illinois and the balance on this side.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. TABER. Mr. Chairman, reserving the right to object, there are other amendments to this section. I understand the gentleman from California has an amendment to offer.

Mr. CANNON of Missouri. My request relates only to the amendment offered by the gentleman from Illinois.

Mr. SABATH. Mr. Chairman, I think the gentleman should make it 20 minutes, because I may want to answer the gentleman.

Mr. CANNON of Missouri. Mr. Chairman, at the suggestion of the gentleman from Illinois, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, Mark Twain, the great Missouri humorist, once observed that much had been said about the weather but very little had been done about it. In similar vein one might observe now that much has been said about the little business man in America but little has been done about him—or for him.

Mr. Chairman, the time has come for the Congress to take up the cudgels in behalf of the little business man, and it can be done so through the instrumentality of the amendment which I have just offered providing in substance that the $100,000,000 to be expended for the Office of Civilian Defense must be expended for materials in the form of which when purchased by the O. C. D. must come from a manufacturer employing presently less than a daily average of 250 people on his pay roll. I have examined the statistical abstract, and I find that out of the 166,000 manufacturing plants in the country 97 percent have a pay roll of less than 250 persons, so that the amendment will apply to 97 percent of the manufacturing enterprises of the country.

It is high time that we do something about it. We had hopes that when the War Production Board was set up there would perhaps be a contract-distribution service that would do something about it; but let me read you what Senator MURRAY said yesterday in the Senate. He is chairman of the committee for small businessmen.

But, to our surprise, we find that at the very moment when an effective voice for small business could have been found, the Division of Contract Distribution has been abolished and its functions lodged in a branch of the Production Division of the War Production Board, exactly where it was when the war program started. Thus, after three fruitless moves, small business is not only no better off than when the defense program started, but much worse off because its resources have now been largely drained away during a 2-year waiting period.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. I am sympathetic with the gentleman's thought that we should do what we can to help the small business men, but does not the gentleman believe that we are now very late in getting very much needed equipment to defend our cities in case they are raided, and that the Government ought to get this equipment where it can get it and get it the quickest? If it is a question of relieving the small businessman, relieve him some other way, but let us not use this very necessary vehicle, under which we are buying necessary defense equipment, as a small business man's relief measure.

Mr. DIRKSEN. Two arguments and two answers can be made to that observation. The first is, if we do not do it on this type of equipment, we shall never do it, because this is only indirectly related

to national defense. All of this equipment is for noncombatant purposes.

Second. There are small plants all through the country that can manufacture every item of equipment the O. C. D. has specified in the hearings on this bill. Let us look and see what we are going to buy.

No. 1, about $30,000,000 worth of gas masks. There will be no delay in securing masks and parts from small factories. If you go to all the stamping companies in the United States, the small fellows, and have them stamp out the canisters and fill them with decontamination materials, if you go to the small manufacturers and get the rubber tubing and other accessories and incidentals necessary, there will be no delay in that program.

Five million for first-aid items and for hospitals, including cots and stretchers. Every small manufacturer can do it as well, if not as cheaply, as the big manufacturers, and expedite action and get that material to O. C. D.

No. 3, $180,000 worth of arm bands. This can be done as well in a small plant and as expeditiously and with as much dispatch as in the biggest plant in America.

One million five hundred thousand dollars worth of gas-proof capes. Any little textile manufacturer who has rubber available under a priority certificate can do it as well as Goodrich or Goodyear.

One million seven hundred thousand dollars worth of helmets. They can be stamped out in a machine shop just as quickly as they can under the heavy hammers of General Motors or the International Harvester Co.

Three million four hundred thousand dollars worth of gas-proof clothes. Any textile manufacturer with less than 250 men on the pay roll can do that job as well as the largest textile manufacturer in the United States.

Finally, $57,000,000 worth of fire-fighting equipment, hand pumps, trailer pumps to be put on small trailers and to be hooked on behind an automobile, and similar equipment. These can be manufactured in hundreds of small plants everywhere in the United States. Therefore, the observation of the gentleman from Virginia will not hold water as to the speed with which this can be delivered or the effectiveness and efficiency with which it can be delivered. It may be that some of these small plants cannot deliver this material to the Government as cheaply as some of the big plants but they can produce it at a reasonable price and we should not ask more than that.

Yesterday I took a constituent of mine to the War Department in the hope that he might secure some defense work. The officers were courteous, they were sympathetic, they were kindly, they were anxious to do something, but over and over again they pointed out this or that difficulty with the result that the manufacturer in question still has no defense work and faces a shut-down of his plant.

I had hopes when we wrote into the statutory law a provision that Government agencies could negotiate with distressed communities and distressed industries that something could be done for these small business men. But the situation is this: If a community is distressed, defense agencies will accept a bid and then will give to the bidder in a community that is certified as a distressed area a 15-percent preferential, just as they give a 5-point preference credit to one who has a military rating when he takes a civil-service examination.

The result is what? The distressed communities and the distressed industries of the country are receiving no real help.

The Department of Commerce stated to Senator MURRAY'S committee that there are 375,000 small businesses right now that are in the very teeth of bankruptcy and are making a frantic appeal to the Government of the United States for the privilege of remaining in business.

If I thought for a moment that was going to interdict or slow up the delivery of this material to O. C. D., I would have a different notion about offering the amendment, but here is one place where there is $100,000,000 which we can spread among the little businesses of the country for the type of material that is required and has been certified by O. C. D. without in any way restricting or slowing up the civilian protection program one iota.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. COLE of New York. As I understand the gentleman's amendment, it applies to the finished product as it is delivered to the O. C. D.

Mr. DIRKSEN. That is right.

Mr. COLE of New York. The gentleman's reference to the fire-engine equipment is quite appropriate with regard to the pumps and the minor parts that go to make up the apparatus. I am sure the gentleman knows there are only 6 or 8 fire engine companies in the country, all of whom would employ over 250 men.

Mr. DIRKSEN. The point I seek to make is that each one of these pieces of pumping equipment that is quite standard you could manufacture in almost any factory of any consequence in the country. They would be factories that now do not have work but could manufacture such equipment even though they have not done so before because it is standard equipment.

Mr. CLASON. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CLASON. I would like to point out that in the hearings of the Military Affairs Committee Mayor LaGuardia said that the gas masks were to be made in 20 different plants, 5 of which had already been provided and the other 5 were indicated as being in different parts of the country. At that time 5,000,000 masks were under consideration. He apparently figures that with a great supply of masks they would not have to increase the number of these plants, but they would all be made by small plants.

Mr. DIRKSEN. I want to wind up this discourse because I believe the problem is quite clear to the Congress. Day after day Members have been standing in this Well making frantic appeals for small business concerns. They have been washed out because the contract distribution division has neither the authority nor the power to do anything for them. So after all these fruitless attempts, the small business men are still waiting and hoping for such aid as will permit them to live. Let us do something about it now or let us forever after hold our peace.

Of the vast number of small manufacturing enterprises in this country ranging between 167,000 and 180,000 in number and employing about 60 percent of the persons employed in industry, only 10,000 are today used in the defense program. It is estimated that at least 45,000 more of such plants can be used. They cannot secure essential articles and materials with which to carry on their businesses because of priority restrictions. Those restrictions were imposed by authority of Congress. The fate of small business enterprises therefore becomes the solicitude and the concern of Congress. While 75 percent of all defense contracts have gone to the 56 largest industries of the land, the small enterprises ask only to share in the business of defense and remain alive. They are patriotic. They are anxious to assist the war effort.

They have appealed to Congress for aid and all they have received thus far is a series of investigations. They have appealed to Congress for assistance and have received assurances but no action. Meanwhile the specter of insolvency comes closer and closer through no fault of their own.

They do not ask for business as usual. They do not ask for preferred treatment. They ask only for the right to share in a modest way in the things which the Government purchases and for the right to exist. Here is a chance to aid them. The O. C. D. is the creature of Congress. It can purchase nothing except as it is authorized by Congress. It has no funds at its disposal except as they are provided by Congress. Congress can here and now render aid with this amendment. The arguments advanced against this amendment are interesting but not persuasive. It is a question of the will and the determination of Congress to prevent small enterprise from becoming the casualties of war and if Congress fails in this responsibility, the small business enterprisers of the land will know where to place the blame.

Mr. CANNON of Missouri. Mr. Chairman, may I ask that the gentleman from Illinois [Mr. SABATH] be recognized for 5 minutes and that the remaining 5 minutes be reserved for the committee?

The CHAIRMAN. The gentleman from Illinois [Mr. SABATH] is recognized for 5 minutes.

PROPOSED AID TO SMALL BUSINESS

Mr. SABATH. Mr. Chairman, as one who has called attention to the needs of the small business man, I am very much pleased to have heard from my colleague from Illinois [Mr. DIRKSEN], and I can state to him that, notwithstanding the fact that his constituents, as he said, have

been unable to obtain orders, there are thousands of others who cannot obtain orders because they have not the capital, machinery, or whatever else that may be required and, therefore, are not in position to manufacture defense needs. While I am immensely interested and desirous to aid the small business man, I feel that the gentleman's amendment which provides that no part of the appropriation shall be utilized by any firm that employs more than 250 workers will not help the small business man, because there are thousands of small manufacturers who employ 300, 400, or 500 men. Consequently, his limitation would operate against many and I feel that that is not the way to aid small business.

I have many times stressed the necessity for immediate consideration of and relief for the small business man. I recognize the fact that small business has not as yet been able to acquire even a small percentage of the consideration to which it is justly entitled.

This may be due largely to the immediate necessity for adequate funds to rearrange its plant facilities, acquire machinery, and working capital.

I personally took this matter up with the President, the Under Secretary of War, and others. I know that the President has issued the necessary instructions for the creation of an organization to aid the small business man, and the Under Secretary of War has favorably acted upon it. The Under Secretary of War, Mr. Patterson, has, in compliance with the President's wishes and his own experience, built up an organization to aid small business, and placed Mr. Odlum at its head. At that time I felt that a man closely affiliated with small business and having the interest of the small manufacturer at heart should have been designated for that important position.

I will say that, although many small business men have not as yet obtained Government contracts for defense work, I know that thousands have and are now actually devoting their entire plants to the production of war materials. All told, the various departments are anxious to award contracts to small business and many of the smaller manufacturers are now engaged in such work. Heretofore, the departments have not distributed this type of work among the many smaller manufacturers, but such work is now being so distributed, and we may confidently look forward to a pronounced acceleration.

However, there is one deterrent which must be corrected, and corrected without further delay, and that is making the necessary funds and working capital available to the small business man, without the whys, whereas, and ifs which prevailed in peacetime loans.

The bankers will not help the little business man because of the continuance of old-fashioned, hide-bound practices of bygone days as to security, earning records, and other numerous reasons.

Unfortunately, the R. F. C. has evidently likewise failed to recognize the urgency of the demand and make such necessary funds available to small business. It, too, appears to be living in a peacetime, banker cloud bank, without realizing the all-out advantage of immediately supplying our armed forces with a dollar's worth of ammunition even though such dollar so loaned for the wartime emergency was a complete loss to them, an entirely unwarranted supposition. It would really make no difference, as the Federal Government is paying the bill—either to the manufacturer or to reimburse the R. F. C. in any case. But we would have the immediate war production which is so vitally necessary.

In this connection, I wish to quote from a letter which I received only yesterday, from Mr. M. McCurdy, who is a small business man in the State of Kentucky. He says, in part:

> No matter what line of business the little fellow may be engaged in, he is in one hell of a shape, being absolutely ignored by his Government.
>
> Or, he is offered such an impossible proposition by the R. F. C. that they know in advance he cannot make it. Just why kid the little businessman who is in this war to the limit of his ability as well as the big and influential businessman?
>
> I am asking for $50,000. The R. F. C. told me to borrow $25,000 from the bank and they will loan me the other $25,000. There is not a bank in these United States that will do that, no matter what line of business the small business man is in; it makes no difference.
>
> The big boys get millions of dollars. Are they asked to borrow at the bank? They certainly are not. I spoke to several banks and got the same answer. They never heard of such a proposition, and they all claim they have all their excess capital tied up in Government securities.
>
> We cannot get a dime from the R. F. C. Understand, I am no crank. I can take it. I know we are in one whale of a war, and how. But all of us little fellows, millions of us, are in this war just as much as the big fellows.

This letter may be considered as typical of an unlimited number of communications received from small business men all over the country, crying for assistance and recognition in this hour of national emergency.

Mr. Thurman W. Arnold, Assistant Attorney General, has been quoted as saying that small business may be defined as any business which is unable to maintain a staff in Washington and represent its interests before the departments.

To alleviate this condition, I am preparing a bill which I shall introduce, calling for the creation of a Small Business War Loan Corporation with sufficient capital to provide financial aid, with a minimum of delay, for small business enterprises engaged in, or about to become engaged in, any function in connection with the prosecution of the war effort.

This proposed corporation would at all times recognize the urgency, the need of war production efforts, and would be governed by a greater latitude and appreciation of the exigencies of the situation than prevailed in the granting of peacetime loans, and exert a corresponding degree of expeditious handling with a minimum of regulatory requirements. I hope, when this bill comes before the House, my colleagues will cooperate with me in providing immediate financial aid for the little fellow to handle war contracts, to the mutual advantage of our Government and to themselves.

When I introduced the first Reconstruction Finance Corporation bill in 1930, and when the bill was finally passed; I was happy to realize that aid would be forthcoming for thousands of small business men who were experiencing the greatest financial catastrophe in the history of our country, and thereby be saved from complete ruin and bankruptcy.

Unfortunately the bill was vetoed by President Hoover, who insisted upon specific security and collateral being pledged, and also prescribed other untenable restrictions. I recollect that at such time many States and municipalities were likewise on the verge of bankruptcy, being unable to meet pay rolls and continue their public works because of insufficient funds. But President Hoover then insisted that loans should be available only to States and municipalities for self-liquidating projects, notwithstanding that most of the construction and improvements such as building of schools and roads, and many other needed improvements could not possibly be made self-liquidating. Consequently, when the bill was finally passed in 1932, on the eve of the Presidential election, yielding with President Hoover's restrictions, aid was only available to banks, railroads, and life-insurance companies, and the municipalities and small business men were left without relief.

Since that time we have amended the Reconstruction Finance Corporation Act and have authorized the R. F. C.—yes; even the Federal Reserve banks—to make loans direct to small business; but, notwithstanding the intent and action of the Congress, the small business man does not secure the financial aid that was contemplated and intended by Congress.

I have frequently called attention to this unfairness to the small business man, and have introduced several bills to bring about such relief and to make loans available to the small man, but unfortunately, the Committee on Banking and Currency will report only such bills as have the R. F. C.'s approval, and this, notwithstanding that the chairman of that committee and the majority of the members have frequently assured me of the need of positive action to force early and favorable consideration for the small business man.

I have stated that I am introducing another bill for immediate relief to small business, without the impossible now-prevailing, restrictions, but in view of the fact that all of these bills must be approved by the Committee on Banking and Currency, I feel early action will not be forthcoming unless a determined effort is made by all of us.

I have before me, as chairman of the Committee on Rules, an application for a rule on H. R. 6182, reported by the Committee on Banking and Currency, providing $150,000,000 for aid to the gas and electric utility companies. Unless a favorable report is received from the Committee on Banking and Currency on my bill, or on any other bill to aid the small business man, I shall offer an amendment to this utility corporation bill, providing for aid to the small business men, if and when the utility bill is to be considered on the floor of the House. My bill,

which I shall offer as an amendment to H. R. 6182, further amending the R. F. C. Act provides as follows:

SEC. 5. (g) In order to provide loans and credits, with a minimum of delay, to small business enterprises engaged in, or about to become engaged in, any functions in connection with the prosecution of the war effort, and for other related purposes, there be, and hereby is created, a small-business war-loan corporation, with nonassessable capital stock in an amount not to exceed $100,000,000. The Reconstruction Finance Corporation is authorized and directed to subscribe for such stock and to make such payment therefor from time to time, as called, out of the unexpended balance of its surplus.

The small-business war-loan corporation (hereinafter called the corporation) is authorized and empowered, under such terms, conditions, and restrictions as the corporation may determine, to make loans to, or contracts with, recognized small business enterprises engaged in, or about to become engaged in, any functions in connection with the prosecution of the war effort and, with banks or other financial institutions for and on behalf of such small business enterprises, as are so designated. Such loans or contracts to be made through the purchase of the notes or other securities of such small business enterprises or through the discounting or guaranteeing of such loans as may be made by banks or other financial institutions, or otherwise.

That all such purchases of securities and obligations and all such loans, discounts, and guaranties shall be, in the opinion of the board of directors, as reasonably certain of repayment; may be made or effected either directly or in cooperation with banks or other financial institutions and shall be made under such terms and conditions as the Corporation may determine. But the Corporation shall at all times recognize the urgency and need of war-production efforts and be governed by a greater latitude and appreciation of the exigencies of the situation, than prevailed in the granting of peacetime loans and credits, and exert a corresponding degree of expeditious handling with a minimum of regulatory requirements.

The Small Business War Loan Corporation shall be managed by a board of three directors, appointed by the President, with the consent of the Senate, and shall have power to adopt such rules and regulations as will expedite loans and credits to small business enterprises as set forth above.

The powers granted to this Small Business War Loan Corporation shall terminate on such date as the President shall determine.

Mr. CANNON of Missouri. Mr. Chairman, I am in heartiest sympathy with the purpose of the gentleman from Illinois [Mr. DIRKSEN] to assist small business, and I am ready and willing to cooperate at any time with him on any measure that will achieve that purpose, but this amendment will not do it. As a matter of fact it will prevent it, because no factory employing as small a number as 250 employees can handle these contracts for pumps and gas masks. We require many thousands of these pumps. Their manufacture is a specialized industry, and requires special factories, and no plant with small equipment or small personnel, can produce them in the time required. We must have, according to the evidence before the committee, thousands of pumps and a minimum of 50,000,000 gas masks, and small companies of the type specified in the amendment cannot produce them within the time allowed. The essential factor in this program is speed. There may be an attack on New York City, or on Miami, or on any port between, tonight, or on Portland or San Diego, or any port between. Submarines have appeared in numbers on the Atlantic coast, and enemy planes have been registered above the coastal cities of California. These attacks, if made at all, will probably come within the first year. Later than that we shall be prepared to ward off any attack before it arrives in striking distance of our shores. If we are to have this equipment we should have it at once.

We must buy it where we can get it, and manufacture it where it can be manufactured, and it cannot be produced in either quality or quantity in small establishments of this character. In other words, Mr. Chairman, the result of this amendment, although I am sure that there is no such intention on the part of the author of it, would be merely to sabotage the civilian defense program.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. With pleasure.

Mr. DITTER. The gentleman expresses sympathy with the gentleman from Illinois. May I remind the chairman of the committee that a few months ago he found it necessary to resort to a point of order to kill a motion of much the same kind in the interest of the small business man.

Mr. CANNON of Missouri. I trust the gentleman will endeavor to throw some light on the proposition before us.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from California.

Mr. HINSHAW. I think we are all in sympathy with the gentleman's statement here, but I know as a former man in a factory, as a manager, that it would require tools and jigs and dies and patterns to manufacture these fire engines, and you cannot get them in 5 minutes. Every different manufacturer would have to supply himself with tools and jigs and patterns and drawings, and you cannot do it inside of a year, and, secondly, for that portion which refers to fire equipment, it is entirely out of order. I hope that this money will be distributed insofar as possible to the small business men, as the gentleman from Illinois [Mr. DIRKSEN] and the rest of us so much desire.

Mr. CANNON of Missouri. The gentleman is correct in his conclusions, both as to gas masks and fire equipment.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. Certainly.

Mr. HOOK. Does not the gentleman think that this amendment would hamper the whole situation because of the fact that there are a number of factories now manufacturing these articles that employ over 250 men, and this amendment would put those factories out of business?

Mr. CANNON of Missouri. It would undoubtedly have that effect. There could be no other result. Mr. Chairman, we ask for a vote on the amendment.

The CHAIRMAN. The time of the gentleman from Missouri has expired. The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. DIRKSEN) there were—ayes 35, noes 75.

So the amendment was rejected.

Mr. LELAND M. FORD. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. LELAND M. FORD: On page 4, line 9, strike out the period and insert "*Provided*, That no part of the funds appropriated herein may be used for the employment of persons, the rent of facilities, or the purchase of equipment and supplies to promote, produce, or carry on instruction or to direct instructions in physical fitness by dancers, fan dancing, street shows, theatrical performances, or other public entertainments."

Mr. CANNON of Missouri. Mr. Chairman, I make the point of order that this is merely a repetition of an amendment previously adopted. It is simply a duplication.

Mr. LELAND M. FORD. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. LELAND M. FORD. I offered this for a purpose that is more specific. We do not know the use that all this money has been spent for.

Mr. CANNON of Missouri. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The gentleman from Missouri withdraws the point of order. The gentleman from California is recognized for 5 minutes.

Mr. LELAND M. FORD. Mr. Chairman, I offer this amendment because I think it is a little more specific in that it will insure that none of the funds herein appropriated will be used as they were used before. I offer as evidence as to the use of these funds, page 272, the volunteer participation. We find people in there volunteering, for several pages, for jobs of $8,000, $6,000 a year, $22 a day, which corresponds to about $8,000 a year. That includes singers, dancers, and a lot of functions that I do not think are necessary. These are wartimes and I do not think that this country has to be sold by song and dance on the necessities of a need program. I do not think there is any question about the necessities of the war program. But if a competent person—and when I say "competent" I mean a competent person—will go out among our people, he can sell these ideas and organize these districts and get them going.

Now, we find that we have nothing for material. We have no arm bands. We

have no gas masks. Then what did they do with the money? They spent it in this other direction. I do not think that is a proper expenditure of the money. I think it is a political and social pay-off. I do not think there is any question about that. It is not a program that would inspire confidence. Now, as a matter of fact, here are some of the inspirations that grew from this:

The Washington Post today suggests a new department, "A directress of flower arrangements," for the Japanese in case they take Washington, because the Japs like flowers. "A thoroughly experienced director or directress of hobby culture." That is for hobbies.

"A director of bluebird song composition."

"A director of quiz programs."

"A directress of book discussion and current-event panels."

That may sound rather facetious, but, as a matter of fact, I think some of the subjects suggested there are just as sound as some that we already had. I think our colleague the gentleman from Pennsylvania [Mr. FADDIS] gave one of the most able talks that we could possibly have heard today. He outlined thoroughly that this program is not one to inspire confidence in our people. On the other hand, it is a program that would break the confidence of our people not only in this department but in all other departments when we need that confidence so badly.

I am not going into the manner of the types of people who are put into these positions, because it was covered so thoroughly earlier today. Mr. Cowley, Mr. Lash, Mr. Landis, Mr. Douglas were all overhauled this morning. I am not going into detail; but I do ask you to adopt this amendment, because it is specific, and see if we cannot inspire a little confidence in our people as to how this money is being handled.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. LELAND M. FORD. I yield.

Mr. VORYS of Ohio. As I understand, your amendment would bar dancers and actors, but would it bar broken-down dancers and broken-down actors, so long as they did not dance or act on the job?

Mr. LELAND M. FORD. Well, I do not know how broken down they would have to be. As a matter of fact, I do not think you could beat some of them when you come to their break-down of Americanism. I did not include that, but a lot of them have broken down their Americanism very thoroughly. They lean a great deal toward communism and Europeanism. I cannot say as to their physical fitness.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HOOK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we are actually in a war. Evidently there are some who do not realize it yet, some who still have the complacency that existed before Pearl Harbor; some who can pick out of any program, I do not care what it is, things that they can ridicule. The program of the administration before Pearl Harbor was ridiculed, ridiculed in the same way that the program of the Office of Civilian Defense has been ridiculed here today. Some day you will get a shock, the same as you got on December 7, at Pearl Harbor, unless that ridiculing is stopped once and for all. Yes, you can talk about dancers in this program, and you can talk about all the others, actors or anybody else, but you must remember that the ridicule which the Washington Post or any other newspaper or any other person brings out is taken up by the Axis agents.

There is a definite move throughout this Nation today by the Axis to place ammunition in the hands of unsuspecting people with which they will break down the civilian morale so that the men at the front lines will not be supported by the folks back home. The real thing we need back of the war program in this country is confidence in the Nation's legislative body, confidence in those who administer the program; and it is about time that some of those who are continuously ridiculing, continuously referring to fan dancers, should realize that they, before Pearl Harbor, were continuously ridiculing the President of the United States.

The President of the United States has proven that he was absolutely right. The President of the United States has administered the war program to the point where he has the confidence of the people of the United States of America, and it is about time that Members of Congress and others quit ridiculing this program so we may have the confidence of the people of the United States.

Let me say in closing that it may not be right to put some dancers on the program, but if any of you men wore the uniform of the country in the last war—I did—you will know how I feel when I say that I welcomed the chance to have a little recreation in the camps when the dancers were brought there and when programs went on. One of the men, Mr. Chairman, who put on such programs that helped entertain the soldiers and provide recreation in the camps in the last war, was one of our own beloved Members, the late distinguished gentleman from Massachusetts, Mr. Connery. He was one of those who appeared in the camps and helped put on programs and shows in the camp. This is no time to ridicule the program of the administration.

Mr. LELAND M. FORD. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield.

Mr. LELAND M. FORD. Does the gentleman believe it inspires confidence in our people to find that those whom we think are volunteers in this program volunteer for $22 a day, $8,000 a year, $6,000 a year for these purposes?

Mr. HOOK. Does the gentleman believe it inspires confidence in the Nation for him to keep continuously ridiculing the program, referring to isolated articles that may be picked out as shining shafts for his argument but which may be isolated occurrences?

Mr. LELAND M. FORD. Will the gentleman answer my question?

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, unfortunately the debate to which we have listened as seriously as it has been presented, is entirely beside the point, because the money for the purposes to which the gentleman referred and the money to which this amendment is directed is money that has already been appropriated to the Office of Emergency Management and by them delegated to Civilian Defense. In other words, there is not a word in the proposed amendment that would apply to this bill, because the text of the bill itself precludes the spending of money for any purpose except the purchase and administering of this equipment; and in order to make it emphatic the House has just adopted, unanimously, a committee amendment further emphasizing that limitation and preventing the use of money for any such purpose. There would therefore be no purpose in adopting such an amendment. It could have no effect even if it were adopted.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to my friend the gentleman from Virginia, Judge WOODRUM.

Mr. WOODRUM of Virginia. As the gentleman says, it has been repeatedly stated today, not only by the chairman in charge of the bill but by the distinguished gentleman from New York, that none of the funds of this $100,000,000 can be used for any of the purposes which have been criticized here today.

The administrative funds of the Office of Civilian Defense on which they are now operating and out of which they are now paying these salaries were allocated by the Office for Emergency Management. This Office must shortly come before the Appropriations Committee for their funds for the next fiscal year, and at that time I believe the House can be definitely assured the Appropriations Committee will go into the matter very carefully, look into all these charges; and when that bill comes here amendments regulating those appropriations will be in order and it will be entirely appropriate to limit them. But even the adoption of this amendment would be a gesture, an idle gesture, for it would not put a limitation on this fund which cannot be reached through this bill anyway.

Mr. CANNON of Missouri. The gentleman from Virginia has accurately stated the situation and has indicated clearly the remedy. Very shortly we shall have before us a bill which will carry appropriations for this agency; but no such appropriation is carried in this bill. This amendment cannot affect the matters discussed by the proponents of the amendment.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. Would it not be a good thing for this House to express itself on this general policy?

Mr. CANNON of Missouri. It has already expressed itself just as emphatically as it could when it adopted the committee amendment.

Mr. LELAND M. FORD. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to my friend from California.

Mr. LELAND M. FORD. I agree with what the gentleman says, but if none of these funds are to be used for the purposes indicated, why object to the amendment? It makes it specific and insures and provides additional safeguards that the funds will be used only for this specific purpose.

Mr. CANNON of Missouri. Mr. Chairman, it is important that in drafting legislation that we do not confuse the text with the irrevelant and meaningless verbiage.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LELAND M. FORD].

The question was taken; and on a division (demanded by Mr. LELAND M. FORD) there were—ayes 75, noes 64.

Mr. WOODRUM of Virginia. Mr. Chairman, I demand tellers.

Mr. DITTER. Mr. Chairman, I make the point of order that the gentleman's request comes too late.

The CHAIRMAN. The point of order is overruled.

Tellers were ordered, and the Chair appointed Mr. CANNON of Missouri and Mr. LELAND M. FORD to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 88, noes 80.

So the amendment was agreed to.

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent to revise and extend my own remarks on the bill now under consideration.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. CRAWFORD]?

There was no objection.

The Clerk read as follows:

Consolidated emergency fund: For all expenses necessary, including personal services in the District of Columbia, in connection with the performance by the bureaus and offices of the Treasury Department hereinafter named of additional or increased functions and activities arising out of the war emergency, fiscal year 1942, $350,000, from which sum transfers not to exceed the amounts specified may be made to said bureaus and offices as follows: Office of the Secretary, $41,396; Office of the Chief Clerk, for contingent expenses, $37,500, for personal services, $15,000; Superintendent of Treasury Buildings, $36,680; Division of Personnel, $18,934; and Bureau of Internal Revenue, $200,490.

Mr. WIGGLESWORTH. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr WIGGLESWORTH: Page 20, line 13, strike out "$350,000" and insert "$172,000."

Page 20, line 19, strike out "$18,934" and insert "$15,934."

Page 20, line 19, strike out "$200,490" and insert "$25,490."

Insert at the end of line 19 the following: "*Provided*, That none of the funds herein appropriated shall be used for producing moving pictures."

Mr. WIGGLESWORTH. Mr. Chairman, this is one of the two items under the Treasury Department to which I referred in my remarks on the floor earlier in the day. It is the so-called consolidated emergency fund and as recommended by your committee calls for an appropriation of $350,000.

Included in this sum of $350,000 there is $18,934 by way of increase for the Division of Personnel. There is already in that Division a personnel of 60. This request would call for 33 additional persons, or an increase of 50 percent in this activity. Almost every agency in the Government nowadays seems to be increasing its personnel division. The Budget has pointed out recently that there has been an over-all increase throughout the Government of 100 percent in this respect during the past 2 years, although those on the rolls have only increased by about 50 percent. This amendment would serve to reduce this item by $3,000.

It would further eliminate $80,600 for a unit to deal with Federal, State, and local fiscal relations which, in my judgment is not in any way justified by the record. It would reduce by $4,400 the additional amount requested for the Legislative Counsel's office which seeks to expand by 133 percent. It would also wipe out $80,000 requested for the Walt Disney moving-picture film already referred to.

I think the film is unjustified as a matter of policy and I think it is particularly unjustified in view of the fact that the Department went ahead with the production of the picture without any authority in advance from the Congress.

The amendment which I have offered all told would effect a reduction of $178,000. I hope the committee will adopt it.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, the distinguished gentleman from Massachusetts is a businessman of acumen and experience, yet he violates two of the fundamental principles of business—first, by proposing to eliminate advertising; and, second, by objecting to contracting for that advertising at less than the established rate.

Mr. Chairman, every big business today considers advertising as essential and indispensable. Motion-picture publicity is the most effective form of advertising, and we secure it here at vastly less than its actual cost.

The cost of making this picture would, at normal rates, be $150,000. Mr. Disney, acknowledged to be the foremost man in his profession, has donated his services free of charge. There is no expense here except the expense of making the film. The making of the picture, which would normally cost $150,000, we get for $80,000.

In addition, the firms which distribute the pictures are also donating their services. Beyond that, 12,000 theaters in the United States exhibit the pictures gratis. At normal rates the cost would amount to $500,000. Between 65,000,000 and 80,000,000 people visit the picture shows every week. In other words, Mr. Chairman, every week more than half the men, women, and children in the United States visit the picture shows and will see these pictures, and come under the influence of the lesson they carry.

Those who have seen the picture without exception pronounce it one of the finest agencies for its purpose that could be used. It relates to the filing of income-tax returns. It is estimated that 7,000,000 new income taxpayers will file returns this year who have never filed returns before, and this picture will exercise a very salutary influence upon them especially.

Mr. STARNES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Alabama.

Mr. STARNES of Alabama. Is it not a fact that through this medium we will reach more taxpayers than we could reach through the press or the radio, which are also giving time for this program?

Mr. CANNON of Missouri. Yes; and at the same time reach them through the medium which is acknowledged to be the most effective medium that can be brought to bear on public opinion.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. I. it not a fact that the spending of $80,000 of the taxpayers' money that ought to go for bombers will make the taxpayers hate to pay their income tax?

Mr. CANNON of Missouri. Quite the contrary. No one can see this picture without approving it, and I regret that the gentleman refused to accompany the committee to pass upon it. Could it have been that he was afraid he would be convinced? "What is truth? asked jesting Pilate, and would not stay for an answer."

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH].

The question was taken; and the Chairman being in doubt, the Committee divided; and there were—ayes 78, noes 63.

So the amendment was agreed to.

The Clerk read as follows:

Expenses of loans: The limitation on the amount that may be obligated during the fiscal year 1942 under the indefinite appropriation "Expenses of loans, act of September 24, 1917, as amended and extended," contained in the Second Deficiency Appropriation Act, 1941, is hereby increased from $9,800,000 to $26,000,000: *Provided*, That such appropriation shall be available during the fiscal years 1942 and 1943 for payment of all necessary expenses connected with public-debt issues or

with any refunding operations, to be expended as the Secretary of the Treasury may direct.

Mr. DITTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DITTER: On page 21, line 15, strike out "$26,000,000" and insert "$20,000,000."

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. SMITH of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes, had come to no resolution thereon.

INVESTIGATION OF THE NATIONAL DEFENSE PROGRAM

Mr. BULWINKLE. Mr. Speaker, from the Committee on Printing I report (Rept. No. 1756) back favorably without amendment a privileged resolution (S. Con. Res. 24) authorizing the printing of additional copies of the report of the select committee of the Senate authorized and directed to make a complete study and investigation of the national defense program as a House document and I ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed 5,000 additional copies of the report (Rept. No. 480, pt. 5, current session) of the select committee of the Senate authorized and directed to make a complete study and investigation of the operation of the national defense program, of which 2,000 copies shall be for the use of the select committee, 1 000 for the use of the Senate document room, and 2,000 copies for the use of the House document room.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ATTACK ON PEARL HARBOR BY JAPANESE ARMED FORCES

Mr. BULWINKLE. Mr. Speaker, from the Committee on Printing I report (Rept. No. 1757) back favorably without amendment a proviledged resolution (S. Con. Res. 25) authorizing the printing of additional copies of the Report of the Commission Appointed by the President of the United States To Investigate the Facts Relating to the Attack Made by the Japanese Armed Forces Upon Pearl Harbor in the Territory of Hawaii, on December 7, 1941, as a House document and I ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed 37,500 additional copies of Senate Document No. 159, Report of the Commission Appointed by the President of the United States To Investigate and Report the Facts Relating to the Attack Made by Japanese Armed Forces Upon Pearl Harbor, in the Territory of Hawaii, on December 7, 1941, of which 8,000 copies shall be for the use of the Senate, 2,000 for the use of the Senate document room, 24,500 copies for the use of the House, and 3,000 copies for the use of the House document room.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON THE PROGRESS OF THE NATIONAL DEFENSE PROGRAM

Mr. BULWINKLE. Mr. Speaker, from the Committee on Printing I report (Rept. No. 1758) back favorably without amendment a privileged resolution (H. Con. Res. 63), authorizing the printing of additional copies of House Report No. 1634, current session, of the Committee on Naval Affairs of the House relative to the progress of the national defense program and I ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That 2,000 additional copies of House Report No. 1634, current session, as submitted to the House of Representatives pursuant to the resolution (H Res. 162, current Congress), directing the Committee on Naval Affairs to conduct thorough studies and investigations of the progress of the national defense program with a view to determining whether such program is being carried forward efficiently, expeditiously, and economically, be printed for the use of the House Committee on Naval Affairs.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr BULWINKLE. I yield.

Mr. MICHENER. All of these resolutions, I assume, have the approval of the gentleman from Pennsylvania [Mr. RICH], the Republican member of the committee?

Mr. BULWINKLE. They have; yes.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on two subjects and to include therein correspondence between myself and the Secretary of the Navy.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an article which appears in the March issue of American Magazine, and which was written by my colleague, the gentleman from California [Mr. TOLAN].

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Vermont [Mr. PLUMLEY] may extend his remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. McLEAN. Mr. Speaker, I ask unanimous consent that I may revise and extend the remarks I made today and include therein certain sections of Public Law No. 411.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter.

The SPEAKER. Is there objection?

There was no objection.

Mr. FLAHERTY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter addressed to me by Carl S. Ell, president of Northeastern University, Boston, Mass.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the special order today granted to the gentleman from Alabama [Mr. PATRICK], for 30 minutes, be postponed and that he have the same privilege on Tuesday next.

The SPEAKER. Is there objection?

There was no objection.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2192. An act to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy; to the Committee on Expenditures in the Executive Departments.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6460. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes; and

H. J. Res. 276. Joint resolution to authorize the President of the United States to render financial aid to China, and for other purposes.

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 1935. An act to amend section 602 (m) of the National Service Life Insurance Act of

1940 (Public, No. 801, 76th Cong.), as amended, to enable a person in active service in the Army, Navy, Marine Corps, or Coast Guard to secure such insurance effective as of date of application by advance of active service pay, and for other purposes; and

S. 1945. An act to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 5833. An act to extend the time during which orders and marketing agreements under the Agricultural Adjustment Act, as amended, may be applicable to hops;

H. R. 6460. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes; and

H. J. Res. 276. Joint resolution to authorize the President of the United States to render financial aid to China, and for other purposes.

ADJOURNMENT

Mr. BOLAND. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 19 minutes p. m.) the House, under the order heretofore adopted, adjourned until Monday, February 9, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a public hearing on Wednesday, February 11, 1942, on the following bills: H. R. 6138, H. R. 6441, and H. R. 6535.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation at 10 a. m. Wednesday, February 11, 1942, in room 353, Old House Office Building, for the consideration of H. R. 6402 and H. R. 6522.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 12, 1942, at 10 a. m., on House Joint Resolution 263, to provide decorations for outstanding conduct for service by persons serving in the American merchant marine.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Tuesday, February 17, 1942, at 10 a. m., on H. R. 6503, to extend and amend certain emergency laws relating to the merchant marine, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1373. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated October 24, 1941, submitting a report, together with accompanying papers and an illustration, on a review of reports on the Lower Altamaha River and Darien Harbor, Ga., with a view to improvement of Rifle Cut, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on February 26, 1941 (H. Doc. No. 610); to the Committee on Rivers and Harbors and ordered to be printed with an illustration.

1374. A letter from the Chairman, Federal Home Loan Bank Board, transmitting the Ninth Annual Report of the Federal Home Loan Bank Board for the period July 1, 1940, through June 30, 1941 (H. Doc. No. 540); to the Committee on Banking and Currency and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 6548. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes; without amendment (Rept. No. 1750). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITE: Committee on Indian Affairs. H. R. 3759. A bill to limit the operation of sections 109 and 113 of the Criminal Code, and section 190 of the Revised Statutes of the United States with respect to certain counsel; with amendment (Rept. No. 1751). Referred to the House Calendar.

Mr. STEAGALL: Committee on Banking and Currency. S. 2198. An act to provide for the financing of the War Damage Corporation, to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes; with amendment (Rept. No. 1752). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'LEARY: Committee on Expenditures in the Executive Departments. H. R. 6374. A bill to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy; without amendment (Rept. No. 1753). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'LEARY: Committee on Expenditures in the Executive Departments. S. 1526. An act to amend the act approved October 10, 1940 (54 Stat. 1105), to permit such responsible officers as may be designated by the heads of departments or establishments to authorize or approve the allowance and payment of expenses incident to the transportation of the household goods of civilian officers and employees when transferred from one official station to another for permanent duty; with amendment (Rept. No. 1754). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'LEARY: Committee on Expenditures in the Executive Departments. H. R. 6447. A bill to provide for the orderly transaction of the public business in the event of the death or of the resignation or separation from office of the Chief Disbursing Officer; with amendment (Rept. No. 1755). Referred to the Committee of the Whole House on the state of the Union.

Mr. BULWINKLE. Committee on Printing. Senate Concurrent Resolution 24. Concurrent resolution authorizing the printing of additional copies of the report of the select committee of the Senate authorized and directed to make a complete study and investigation of the national defense program; without amendment (Rept. No. 1756). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Printing. Senate Concurrent Resolution 25. Concurrent resolution authorizing the printing of additional copies of the Report of the Commission Appointed by the President of the United States to Investigate the Facts Relating to the Attack Made by the Japanese Armed Forces upon Pearl Harbor in the Territory of Hawaii, on December 7, 1941; without amendment (Rept. No. 1757). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Printing. House Concurrent Resoluition 63. Concurrent resolution authorizing the printing of additional copies of the report (H. Rept. No. 1634) of the Committee on Naval Affairs relative to the progress of the national defense program; without amendment (Rept. No. 1758). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MUNDT:

H. R. 6549. A bill to amend further the Civil Service Retirement Act of May 29, 1930; to the Committee on the Civil Service.

By Mr. BLAND:

H. R. 6550. A bill to extend and amend Subtitle—Insurance of Title II of the Merchant Marine Act, 1936, as amended (Public, No. 677, 76th Cong.), approved June 29, 1940, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. CASE of South Dakota:

H. R. 6551. A bill to provide for the payment of the 6 months' death gratuity to certain dependent parents of deceased members of the land forces of the United States; to the Committee on Military Affairs.

H. R. 6552. A bill to provide for the repeal of that part of the act of January 24, 1942, entitled "An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended," which relates to elective officials; to the Committee on the Civil Service.

By Mr. PACE:

H. R. 6553. A bill to amend the Civil Service Retirement Act, approved May 29, 1930, as amended by an act approved January 24, 1942 (Public Law 411); to the Committee on the Civil Service.

By Mr. BLAND:

H. R. 6554. A bill to amend war-risk insurance provisions of the Merchant Marine Act, 1936, as amended, in order to expedite ocean transportation and assist the war effort; to the Committee on the Merchant Marine and Fisheries.

By Mr. BELL:

H. R. 6555. A bill to provide a salary of $10,000 per annum for the Commissioner of Public Buildings; to the Committee on Public Buildings and Grounds.

By Mr. GREEN:

H. R. 6556. A bill to amend the law relating to the care and custody of insane residents of Alaska, and for other purposes; to the Committee on the Territories.

By Mr. CANNON of Missouri:

H. J. Res. 278. Joint resolution authorizing the appropriation of $500,000,000 to carry out the provisions of the joint resolution entitled "Joint resolution to authorize the President of the United States to render financial aid to China, and for other purposes," approved February , 1942; to the Committee on Appropriations.

By Mr. BAUMHART:

H. J. Res. 279. Joint resolution requesting the President to proclaim February 11, 1943, as Edison Day, in commemoration of the birthday of Thomas Alva Edison; to the Committee on the Judiciary.

By Mr. DICKSTEIN:

H. Res. 433. Resolution authorizing the House Committee on Immigration and Nat-

uralization to investigate the various problems relating to the alien situation in the United States; to the Committee on Rules.

By Mr. PETERSON of Florida:

H. Res. 434. Resolution creating a select committee to investigate the sugar situation; to the Committee on Rules.

By Mr. JARMAN:

H. Res. 435. Resolution authorizing the printing of a revised edition of House Document No 210, current Congress, entitled "Our National Government: What Is It? How Does It Function?" as a public document; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H. R. 6557. A bill for the relief of James Gilmore and Marion Gilmore; to the Committee on Claims.

By Mr. BARRY:

H. R. 6558. A bill for the relief of Anne Berbig and Alfred E. Berbig, Jr.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2391. By Mr GRAHAM: Petition of the executive committee of the Lawrence County (Pa.) Pomona Grange, No. 65, endorsing the recommendations of the Special Economy Committee of Congress, as reported by its chairman, Senator BYRD, and favoring the abolition of all grants-in-aid and all subsidies of whatever nature, and all parity payments for agriculture, together with the agencies which dispense them; to the Committee on Appropriations.

2392. By Mr. KEOGH: Petition of the Schaeffer Street Civic Association, Brooklyn, N. Y., opposing the proposed pay-roll tax and favoring a national lottery or drawing be formed by individuals who might buy chances in certain tax-exempt special Victory bonds to be awarded the winners, the bonds to be noninterest bearing and to be payable at some post-war period; to the Committee on Ways and Means.

2393. By Mr. McCORMACK: Memorial of the city council of the city of Boston, attested by Wilfred J. Doyle, city clerk, memorializing Congress in protest against any amendment to the Federal income-tax laws subjecting the interest upon its bonds to such taxation; to the Committee on Ways and Means.

2394. Also, memorial of the house of representatives, Massachusetts Legislature, attested by Hon. Frederick W. Cook, secretary of the Commonwealth, memorializing Congress in favor of Federal legislation to protect the national war efforts and operations of this country from excessive and unjust burden of State sales taxes; to the Committee on Ways and Means.

2395 By Mr. ROLPH: Resolution of the San Francisco Junior Chamber of Commerce, relative to the San Francisco Bay project formulated by John Reber; to the Committee on Rivers and Harbors.

2396. By Mr. WELCH: Resolution No. 2383 of the Board of Supervisors of the city and county of San Francisco, memorializing Congress to immediately insure complete protection for the Pacific coast; to the Committee on Military Affairs.

2397. By the SPEAKER: Petition of the American Taxicab Association, Chicago, Ill., petitioning consideration of their resolution with reference to the continued existence of the taxicab industry so that the industry may help carry on in this emergency; to the Committee on Banking and Currency.

2398. Also, petition of the general secretary of the Mid-Continental Oil and Gas Association, Tulsa, Okla., petitioning consideration of their resolution with reference to pledging and dedicating themselves and their resources to the winning of a complete and lasting victory for the Government and the people; to the Committee on Interstate and Foreign Commerce.

2399. Also, petition of the secretary of the Rodeo Association of America, Salinas, Calif., petitioning consideration of their resolution with reference to continuation and encouragement of rodeo exhibitions during the national emergency; to the Committee on Military Affairs.

2400. By Mr. WHITTINGTON: Petition of the Mississippi Legislature, requesting the United States to guard bridges across the Mississippi River at Natchez, Greenville, and Vicksburg; to the Committee on Military Affairs.

SENATE

MONDAY, FEBRUARY 9, 1942

The Chaplain, the Very Reverend Zebarney T. Phillips, D. D., offered the following prayer:

Almighty God and Heavenly Father, whose love doth ever bear with us, whose purity abides our faithlessness, whose truth forbears our falsity and compromise, whose patience ever standeth ready to forgive our oft-repeated sins: Direct us now that we may forsake our lethargy, our careless unconcern for the higher, nobler things of life, induced by self-indulgence, that we may obey once more the stern commands of conscience, and rededicate ourselves to our common tasks in the spirit of true sacrifice, finding in the face of the Man of Sorrows, the glory of God.

Keep us in these days of visitation under the solemn shadow of the cross, where we, in adoring wonder, may behold the Saviour's triumph and find refuge and strength in every time of need. We ask it in His name and for His sake. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Thursday, February 5, 1942, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE DURING ADJOURNMENT

Under authority of the order of the 5th instant,

A message from the House of Representatives was received during adjournment of the Senate advising that the House had passed, without amendment, the bill (S. 1935) to amend section 602 (m) of the National Service Life Insurance Act of 1940 (Public, No. 801, 76th Cong.), as amended, to enable a person in active service in the Army, Navy, Marine Corps, or Coast Guard to secure such insurance effective as of date of application by advance of active service pay, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED DURING ADJOURNMENT

Under authority of the order of the 5th instant,

The VICE PRESIDENT announced that on February 6, 1942, he signed the following enrolled bills and a joint resolution, which had been signed previously by the Speaker of the House of Representatives:

S. 381. An act for the relief of Marcel M. Roman, Clara M. Roman, and Rodica E. Roman;

S. 806. An act for the relief of Carmelia Ridgewell;

S. 1523. An act for the relief of the Portland Sportwear Manufacturing Co.;

S. 1654. An act for the relief of the Merchants Distilling Corporation;

S. 1771. An act for the relief of R. V. Thurston and Joseph Hardy, a partnership;

S. 1778. An act for the relief of Leslie Truax;

S. 1848. An act for the relief of Dr. Hugh G. Nicholson;

S. 1935. An act to amend section 602 (m) of the National Service Life Insurance Act of 1940 (Public, No. 801, 76th Cong.), as amended, to enable a person in active service in the Army, Navy, Marine Corps, or Coast Guard to secure such insurance effective as of date of application by advance of active service pay, and for other purposes;

S. 1945—An act to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes;

S. 1974. An act for the relief of Francis Howard Robinson;

S. 2011. An act for the relief of Willard R. Centerwall, formerly superintendent and special disbursing agent at the Tongue River Indian Agency;

H. R. 6460. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes; and

H. J. Res. 276. Joint resolution to authorize the President of the United States to render financial aid to China, and for other purposes.

PROPOSED REPEAL OF LAW PROVIDING RETIREMENT FOR MEMBERS OF CONGRESS

Mr. LEE. Mr. President, although I believe that the principle of the law which placed Members of Congress under the Civil Service Retirement Act is right, yet because it and the vote of Congress have been so misunderstood by the people throughout the country at this particular time when self-sacrifice is so necessary, I believe the effect of this act is very damaging to the morale of the country and that it therefore should be repealed immediately.

No matter how just and fair such legislation may be, if it tends to create distrust and lack of confidence at the present time, it is dangerous to our national welfare and should be avoided.

The law itself in principle is right, but it is an inappropriate time for such action. Therefore, I recommend that it be repealed.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that the President had approved and signed the following acts:

On February 6, 1942:

S. 828. An act to increase the period for which leases may be made of public lands

granted to the State of Idaho for educational purposes by the act of July 3, 1890;

S. 1589. An act to prohibit payment of money allowance for subsistence and rental to retired officers of the Navy or Marine Corps for any period when not employed on active duty;

S. 2012. An act authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration Facility, Togus, Maine, to the State of Maine, for road-widening purposes;

S. 2080. An act authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration Facility, Murfreesboro, Tenn., to Rutherford County, Tenn., for highway purposes; and

S. 2217. An act to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places.

On February 7, 1942:

S. 1889. An act authorizing the Administrator of Veterans' Affairs to grant an easement for highway purposes to the county of Macon, Ala., in a strip of land located at Veterans' Administration Facility, Tuskegee, Ala.; and

S. 1974. An act for the relief of Francis Howard Robinson.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed the bill (S. 2152) to provide for the planting of guayule and other rubber-bearing plants in order to make available a source of crude rubber for emergency and defense uses, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2611) to release all the interest of the United States in certain land constituting a portion of the right-of-way granted to the Central Pacific Railway Co. under the act of July 1, 1862, as amended and supplemented.

The message further announced that the House had passed a bill (H. R. 5892) to regulate the placing of children in family homes, and for other purposes; in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the following concurrent resolutions of the Senate:

Senate Concurrent Resolution 24

Resolved by the Senate (the House of Representatives concurring), That there be printed 5,000 additional copies of the report (Rept. No. 480, pt. 5, current session) of the select committee of the Senate authorized and directed to make a complete study and investigation of the operation of the national defense program, of which 2,000 copies shall be for the use of the select committee, 1,000 for the use of the Senate document room, and 2,000 copies for the use of the House document room.

Senate Concurrent Resolution 25

Resolved by the Senate (the House of Representatives concurring), That there be printed 37,500 additional copies of Senate Document No. 159, Report of the Commission Appointed by the President of the United States to Investigate and Report the Facts Relating to the Attack Made by Japanese Armed Forces Upon Pearl Harbor, in the Territory of Hawaii, on December 7, 1941, of which 8,000 copies shall be for the use of the Senate, 2,000 for the use of the Senate document room, 24,500 copies for the use of the House, and 3,000 copies for the use of the House document room.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 63) authorizing the printing of additional copies of the report (H. Rept. No. 1634) of the Committee on Naval Affairs relative to the progress of the national defense program, in which it requested the concurrence of the Senate.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I recommend that the Neutrality Act of 1939 be amended to provide that Section 7 shall not be operative when the United States is at war.

Section 7 now in effect prevents essential financial transactions between persons within the United States and our cobelligerents. In my opinion, there was never any intention that this section should operate during our belligerency. I hope that the Congress will act promptly in this matter to legalize transactions essential in the effective prosecution of the war.

There is attached a draft resolution designed to accomplish the purpose of this recommendation.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 9, 1942.*

[Enclosure: Draft resolution.]

REPORT OF GOVERNOR OF THE PANAMA CANAL

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Interoceanic Canals:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Governor of the Panama Canal for the fiscal year ended June 30, 1941.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 9, 1942.*

REPORT OF BOARD OF DIRECTORS OF THE PANAMA RAILROAD COMPANY

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying report, referred to the Committee on Interoceanic Canals:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Ninety-second Annual Report of the Board of Directors of the Panama Railroad Company for the fiscal year ended June 30, 1941.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 9, 1942.*

REPORT OF JUVENILE COURT, DISTRICT OF COLUMBIA

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on the Judiciary:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a communication from the judge of the juvenile court of the District of Columbia, together with a report covering the work of the juvenile court during the fiscal year 1940–41.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 9, 1942.*

[NOTE.—Report accompanied a similar message to the House of Representatives.]

EXECUTIVE COMMUNICATIONS

The VICE PRESIDENT laid before the Senate the following communications, which were referred as indicated:

SUPPLEMENTAL ESTIMATES, TREASURY DEPARTMENT (S. DOC. NO. 162)

A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department, amounting to $1,711,040, fiscal year 1943 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF THE INTERIOR (S. DOC. NO. 163)

A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of the Interior, fiscal year 1942, amounting to $291,000 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

CHANGE IN ESTIMATES, UNITED STATES MARITIME COMMISSION (S. DOC. NO. 164)

A communication from the President of the United States, transmitting a change, providing for $60,416.66 additional cash, in the estimates of appropriations for the United States Maritime Commission, fiscal year 1943 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES FOR THE DISTRICT OF COLUMBIA (S. DOC. NO. 165)

A communication from the President of the United States, transmitting supplemental estimates of appropriations for the District of Columbia, fiscal year 1942, amounting to $505,750 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

CLAIMS ALLOWED BY THE GENERAL ACCOUNTING OFFICE (S. DOC. NO. 166)

A communication from the President of the United States, transmitting, pursuant to law, an estimate of appropriation for the payment of certain claims allowed by the General Accounting Office, amounting to $6,945.97 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

SCHEDULE OF CLAIMS ALLOWED BY THE GENERAL ACCOUNTING OFFICE (S. DOC. NO. 167)

A communication from the President of the United States, transmitting, pursuant to law, a schedule of claims allowed by the General Accounting Office, amounting to $116,358.69 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

JUDGMENTS RENDERED BY THE COURT OF CLAIMS (S. DOC. NO. 168)

A communication from the President of the United States, transmitting, pursuant to law, a list of judgments rendered by the Court of Claims which have been submitted by the Treasury Department, amounting to

$12,314.52 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

JUDGMENTS RENDERED BY THE COURT OF CLAIMS (S. Doc. No. 169)

A communication from the President of the United States, transmitting, pursuant to law, a list of judgments rendered by the Court of Claims which have been submitted by the Secretary of the Treasury, amounting to $388,600.96 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

PROVISION RELATING TO JUDGMENTS RENDERED BY THE COURT OF CLAIMS (S. Doc. No. 171)

A communication from the President of the United States, transmitting a proposed provision relating to judgments rendered by the Court of Claims (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

JUDGMENT RENDERED AGAINST THE GOVERNMENT BY A DISTRICT COURT (S. Doc. No. 172)

A communication from the President of the United States, transmitting, pursuant to law, a record of judgment rendered against the Government by a district court, amounting to $4,957.19 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

JUDGMENT RENDERED AGAINST THE GOVERNMENT BY A DISTRICT COURT (S. Doc. No. 173)

A communication from the President of the United States, transmitting, pursuant to law, a record of judgment rendered against the Government by a district court, amounting to $2,000 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

CLAIMS FOR DAMAGES TO PRIVATELY OWNED PROPERTY (S. Doc. No. 174)

A communication from the President of the United States, transmitting estimates of appropriations to pay claims for damages to privately owned property, amounting to $11,800.01 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate or presented and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the South Carolina State Convention of the Baptist Denomination and endorsed by the conference of Poinsett Baptist Church, in the State of South Carolina, protesting against the inclusion of ministers of the gospel and employees of denominations and churches under the provisions of the social-security system; to the Committee on Finance.

A resolution adopted by Shaeffer Post, No. 115, the American Legion, at Storm Lake, Iowa, protesting against the inclusion of Members of Congress under the provisions of the civil-service retirement system; to the Committee on Civil Service.

A letter in the nature of a petition from Theodore Marks, of Los Angeles, Calif., praying that criminals who may register under the Selective Service Act be fingerprinted on duplicate identification cards; to the Committee on the Judiciary.

A resolution of the House of Representatives of the General Court of Massachusetts; to the Commitee on Finance:

"Whereas the President and the Congress have declared war upon Japan, Germany, and Italy; and

"Whereas the President and the Congress have called upon all peoples in our Nation to aid and support and contribute to the national war effort; and

"Whereas Massachusetts feels it, as well as all other States of our National Union, has a solemn duty to do its utmost in this great cause; and

"Whereas our National Government is spending billions of dollars of our national resources all over our country in pursuance of this extraordinary war effort; and

"Whereas many States in our Union are depleting such efforts and expenditures by the levying and collecting of heavy and excessive State sales taxes upon this national war expenditure; and

"Whereas there is now pending before the Congress House bill 6049, being a bill filed by Congressman COCHRAN, of Missouri, to protect our national war efforts and operations from such excessive and unjust burdens; and

"Whereas this bill, as amended, has been approved by the War and Navy Departments and is now awaiting action by the Congress: Therefore be it

"*Resolved*, That the House of Representatives of the General Court of Massachusetts urges upon the Congress, and in particular the Members elected to Congress from and by the people of Massachusetts, the prompt and effective passage of this important legislation to further the national war effort of our country and to prevent the unjust enrichment by States at the expense of our united national war effort; and be it further

"*Resolved*, That copies of these resolutions be transmitted forthwith by the secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

A resolution of the Legislature of the State of Kentucky; to the Committee on Finance:

"Whereas for the past several months numerous news items and editorials appearing in the public press have contained statements asserted to have been made by the Federal Security Administrator and the Chairman of the Social Security Board regarding the formulation of plans to bring about, through legislation by the Congress, complete federalization of the unemployment compensation program; and

"Whereas the Governor of the Commonwealth of Kentucky, desiring to ascertain the correctness of such alleged statements, corresponded with the said Federal Security Administrator and was informed by him that there was no secrecy as regards the fact that the possibility of federalization of said program was under consideration; and

"Whereas a rather general impression now prevails that some measure embodying such proposed legislation either has already been presented to the Congress or will be presented at an early date; and

"Whereas the unemployment compensation program since its inception has been based on a State-Federal partnership, under which statutes were enacted by all the States to provide for the payment of unemployment benefits, and a statute was enacted by the United States imposing a Federal tax on employers, against which tax the employers are permitted to credit the tax paid by them to the State unemployment compensation agencies, and out of which Federal tax the United States appropriates to the States the administrative expenses necessary for the operation of the State agencies; and

"Whereas the unemployment compensation program, by reason of its relation to individual lives, should be administered by officials close to and acceptable to the people of the geopraphical locations of the benefit claimants and their employers, and federalization of the unemployment compensation program would deprive employers, employees, and citizens of a State of any effective voice in the determination of matters vitally affecting their own social and economic standards; and

"Whereas the proposed federalization program would appear necessarily to be based on the idea of a right in the Federal Government to take possession of the benefit fund reserves created by the experience and good management of the State agencies and now credited to their separate trust funds, in order to finance the program following federalization, a claim which it is believed should not in good conscience be asserted; and

"Whereas the efficient administration of the Kentucky unemployment compensation law establishes conclusively that the problems of unemployment compensation are now being successfully met and satisfactorily solved under the State-Federal partnership heretofore established by the act of the Congress of the United States, thus demonstrating that the proposed federalization is unnecessary and undesirable: Now, therefore, be it

"*Resolved by the Senate and the House of Representatives of the General Assembly of the Commonwealth of Kentucky, now in session*, That the Congress of the United States be memorialized, and it is hereby respectfully petitioned, to reject any proposal which is directly or indirectly designed to accomplish federalization of the unemployment compensation program; and be it further

"*Resolved*, That the United States Senators and Congressmen from Kentucky are hereby respectfully requested to exert all diligence in opposing any direct or indirect legislation which comes within the scope of the intent and purpose of this joint resolution."

By Mr. CAPPER:

Petitions, numerously signed, of sundry citizens of Pittsburg, Kans., praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

By Mr. VANDENBERG:

A petition of sundry Work Projects Administration workers in the State of Michigan, praying for an increase in their present wage scale on account of the increase in the cost of living; to the Committee on Education and Labor.

A resolution of the City Commission of Grand Rapids, Mich., remonstrating against Federal taxation of State and municipal bonds; to the Committee on Finance.

Resolutions of the City Commission of Bay City and the Board of Supervisors of Ingham County, Mich., protesting against the enactment of legislation to regulate the weights and sizes of commercial vehicles on State highways; to the Committee on Interstate Commerce.

A resolution adopted by the Allied Veterans Council of Livingston County, Mich., pledging full support to the Government in the prosecution of the war; to the Committee on Military Affairs.

Petitions of sundry citizens of the State of Michigan, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

RESOLUTIONS OF THE COUNCIL OF ST. PAUL AND THE CITY OF DULUTH, MINN.—FEDERAL TAXATION OF STATE AND MUNICIPAL BONDS

Mr. BALL. Mr. President, I present for printing in the RECORD and appropriate reference resolutions adopted by the Council of the City of St. Paul and the

city of Duluth, Minn., protesting against the proposed taxation of State and municipal bonds.

There being no objection, the resolutions were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas from time to time there have been proposals before the Congress of the United States wherein it is sought to have Federal income taxes levied on the interest derived from municipal bonds; and

Whereas in the opinion of the Council of the City of St. Paul the adoption of such legislation would be improper, unwise, and unfair, and would cause an additional burden on the finances of said city; and

Whereas such tax on issues of State and municipal bonds would raise practically no revenue whatsoever at this time and yet would substantially increase the cost of municipal borrowing: Therefore be it

Resolved by the Council of the City of St. Paul, That it hereby expresses its determined opposition to the adoption of any such legislation and urges the Senators and Representatives in Congress for the State of Minnesota to oppose the adoption of any such legislation of that nature; and be it further

Resolved, That copies of this resolution be forwarded to the Senators and Representatives from Minnesota in the Congress of the United States and also to the Senators composing the Senate Finance Committee and to the members of the House Ways and Means Committee of Congress.

CITY OF DULUTH,
DIVISION OF PUBLIC AFFAIRS,
Duluth, Minn., February 5, 1942.

Hon. JOSEPH H. BALL,
Senate Building, Washington, D. C.

DEAR SENATOR: We, the undersigned mayor and commissioners, respectively, of the city of Duluth, Minn., respectfully beg leave to advise you that we have always been, and still are, unalterably opposed to any legislation, whether now pending or hereafter to be proposed, having for its object conferring of authority upon the United States of America to impose a tax upon the bonds of the State of Minnesota or of the city of Duluth issued in the past or to be issued at any future date.

We express our opposition to any Federal legislation which will make it possible for the Federal Government to tax securities of the State of Minnesota or of the city of Duluth for the reason, among others, that such a tax cannot materially help finance the present or future program of national defense and can only result in imposing upon the State and the city of an additional burden upon already overburdened real estate within our State and city.

For the reasons above stated and for many other reasons heretofore urged by the City Council of the City of Duluth in formal resolutions adopted for such purpose, we feel that we are justified in requesting your assistance and cooperation in exerting your endeavors to defeat any form of Federal legislation which will impose a tax upon municipal securities, thereby making it difficult, if not impossible, for the city either to refund outstanding bonds or to issue new bonds when and if post-war reconstruction programs may impose the necessity upon the city to issue bonds.

Respectfully and sincerely yours,

E. H. HATCH,
Mayor.

E. A. BODIN
Commissioner of Public Utilities.
F. C. DAUGHERTY,
Commissioner of Public Works.
E. W. LUND,
Commissioner of Finance.
R. F. PETERSON,
Commissioner of Public Safety.

RESOLUTION OF OXFORD (MAINE) POMONA GRANGE, NO. 2—DEFERMENT OF FARM LABOR UNDER SELECTIVE SERVICE ACT

Mr. WHITE. I present a resolution in the nature of a petition adopted by the Oxford Pomona Grange, No. 2, of Oxford, Maine, asking that there be deferment of farm labor under the Selective Service Act. I ask that the resolution be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Realizing that food is essential to bring victory to our country in this war in which we are engaged, labor being very scarce, also wages so high that it is impossible for most of our farmers to hire help: Therefore be it

Resolved, That Oxford Pomona Grange, No. 2, in regular session at Franklin Grange Bryant Pond, February 3, 1942, urges our selective-service boards to be lenient and defer those boys and men on our farms who are sorely needed to carry on the work that is obsolutely necessary to produce food.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BROOKS, from the Committee on Claims:

S. 1424. A bill for the relief of Mary J. Crabtree; without amendment (Rept. No. 1044);

S. 1669. A bill for the relief of James Franklin Smith; with amendments (Rept. No. 1046); and

S. 1899. A bill for the relief of Lawrence Brizendine; without amendment (Rept. No. 1045).

By Mr. BROWN, from the Committee on Claims:

H. R. 4354. A bill for the relief of D. H. Dantzler; without amendment (Rept. No. 1047);

H. R. 5282. A bill for the relief of J. W. Daughtry; without amendment (Rept. No. 1048); and

H. R. 6145. A bill for the relief of Mason C. Brunson; without amendment (Rept. No. 1049)

By Mr. BAILEY, from the Committee on Claims:

H. R. 4537. A bill for the relief of H. D. Bateman, Henry G. Conner, Jr., executor of the last will and testament of P. L. Woodard, and J. M. Creech; with an amendment (Rept. No. 1050).

By Mr. HILL, from the Committee on Military Affairs:

S. 2240. A bill to establish a Women's Army Auxiliary Corps for service with the Army of the United States; without amendment (Rept. No. 1051).

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee had presented to the President of the United States the following enrolled bills:

On February 5, 1942:

S. 294. An act to authorize an appropriation for payment to the Middle Rio Grande Conservancy District of construction costs assessed against certain lands within such district acquired by the United States for the benefit of certain Indians in the State of New Mexico;

S. 828. An act to increase the period for which leases may be made of public lands granted to the State of Idaho for educational purposes by the act of July 3, 1890;

S. 1045. An act to increase the earnings of the United States Government Life Insurance fund and the National Service Life Insurance fund by expediting the investment of the moneys thereof, and for other purposes;

S. 1412. An act to amend the act of June 11, 1940 (Public, No. 590, 76th Cong., 3d sess.), providing for the relief of Indians who have paid taxes on allotted land;

S. 1869. An act authorizing the Administrator of Veterans' Affairs to grant an easement for highway purposes to the county of Macon, Ala., in a strip of land located at Veterans' Administration facility, Tuskegee, Ala.;

S. 2012. An act authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration facility, Togus, Maine, to the State of Maine, for road-widening purposes;

S. 2080. An act authorizing the Administrator of Veterans' Affairs to grant an easement in certain lands of the Veterans' Administration facility, Murfreesboro, Tenn., to Rutherford County, Tenn., for highway purposes;

S. 2112. An act authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics; and

S. 2217. An act to authorize the attendance of personnel of the Army of the United States as students at educational institutions and other places.

On February 6, 1942:

S. 381. An act for the relief of Marcel M. Roman, Clara M. Roman, and Rodica E. Roman;

S. 806. An act for the relief of Carmella Ridgewell;

S. 1523. An act for the relief of the Portland Sportwear Manufacturing Co.;

S. 1654. An act for the relief of the Merchants Distilling Corporation;

S. 1771. An act for the relief of R. V. Thurston and Joseph Hardy, a partnership;

S. 1778. An act for the relief of Leslie Truax;

S. 1848. An act for the relief of Dr. Hugh G. Nicholson;

S. 1935. An act to amend section 602 (m) of the National Service Life Insurance Act of 1940 (Public, No. 801, 76th Cong.), as amended, to enable a person in active service in the Army, Navy, Marine Corps, or Coast Guard to secure such insurance effective as of date of application by advance of active service pay, and for other purposes;

S. 1945. An act to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes;

S. 1974. An act for the relief of Francis Howard Robinson; and

S. 2011. An act for the relief of Willard R. Centerwall, formerly superintendent and special disbursing agent at the Tongue River Indian Agency.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

S. 2251. A bill for the relief of Charles Brauch; to the Committee on Claims.

By Mr. NYE:

S. 2252. A bill for the relief of Ida Frank; to the Committee on Claims.

S. 2253. A bill granting a pension to Ole M. Anderson; to the Committee on Pensions.

By Mr. TYDINGS:

S. 2254. A bill providing for certain additional appointments to the United States Military Academy and the United States Naval Academy; to the Committee on Naval Affairs.

By Mr. BANKHEAD (for himself, Mr. THOMAS of Oklahoma, Mr. GILLETTE, and Mr. RUSSELL):

S. 2255. A bill to establish a policy with respect to the disposition of agricultural commodities acquired by the Commodity Credit

Corporation; to the Committee on Agriculture and Forestry.

By Mr. MEAD:

S. 2256. A bill making it unlawful for any person engaged in the performance of a defense contract to discriminate against or in favor of any employee because of his race, color, or creed; to the Committee on Education and Labor.

By Mr. CHAVEZ (for himself and Mr. HATCH):

S. 2257 A bill directing the Secretary of the Interior to issue to Anne Galbraith Macy a patent to certain lands in the State of New Mexico; to the Committee on Public Lands and Surveys.

By Mr. THOMAS of Oklahoma:

S. 2258. A bill for the relief of O. D. Coppage; to the Committee on Interstate Commerce.

By Mr. BILBO:

S. 2259. A bill to clarify and supplement provisions of law relating to the adjustment of tobacco, wheat, and cotton quotas and allotments in certain cases where farm land is acquired by the United States for defense purposes; to the Committee on Agriculture and Forestry.

MAINTENANCE OF PARITY PRICES FOR AGRICULTURAL COMMODITIES

Mr. NYE. Mr President, I introduce a joint resolution and ask that it be read and referred to the Committee on Agriculture and Forestry.

The joint resolution (S. J. Res. 132) to prohibit officers and agencies in the executive branch of the Government from seeking to prevent agricultural prices from reaching or remaining at parity or prices determined by the price-control legislation, was read the first time by its title, the second time at length, and referred to the Committee on Agriculture and Forestry, as follows:

Whereas there is evidence of an intention by various officers and agencies in the executive branch of the Government, by manipulative practices and otherwise, to prevent the prices of farm commodities from reaching or being maintained at parity levels or 110 percent thereof; and

Whereas such action would be contrary to the purposes and intent of legislation enacted by Congress and would seriously disrupt the production of agricultural commodities essential to the successful prosecution of the war: Therefore be it

Resolved, etc. That no officer or agency of the United States shall exercise any authority or perform any function in such a manner as is likely to prevent, or with the purpose or intent of preventing the price of any agricultural commodity from increasing to the parity price or 110 percent thereof for such commodity, or in such a manner as is likely to reduce, or with the purpose or intent of reducing, the price of any agricultural commodity to a price lower than the parity price therefor.

HOUSE BILL REFERRED

The bill (H. R. 5892) to regulate the placing of children in family homes, and for other purposes, was read twice by its title and referred to the Committee on the District of Columbia.

INDEFINITE POSTPONEMENT OF A BILL

Mr. SCHWARTZ. Mr. President, I ask unanimous consent that the bill (H. R. 2190) granting an increase of pension to Nellie J. Merriman be taken from the calendar and indefinitely postponed. Mrs. Merriman died on December 10, 1941.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDITIONAL COPIES OF HOUSE REPORT NO. 1634—PROGRESS OF NATIONAL DEFENSE PROGRAM

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 63, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That 2,000 additional copies of House Report No. 1634, current session, as submitted to the House of Representatives pursuant to the resolution (H. Res. 162, current Congress), directing the Committee on Naval Affairs to conduct thorough studies and investigations of the progress of the national defense program with a view to determining whether such program is being carried forward efficiently, expeditiously, and economically, be printed for the use of the House Committee on Naval Affairs.

Mr. HAYDEN. I move that the Senate concur in the House concurrent resolution.

The motion was agreed to.

PENSIONS FOR CONGRESSMEN—ADDRESS BY SENATOR CAPPER

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a radio address on the subject Pensions for Congressmen, delivered by him at Topeka, Kans., on February 8, 1942, which appears in the Appendix.]

EDITORIAL FROM ST. LOUIS POST DISPATCH ON PENSIONS FOR MEMBERS OF CONGRESS

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an editorial from the St. Louis (Mo.) Post Dispatch of January 28, 1942, entitled "An All-Out Pension Precedent," which appears in the Appendix.]

ADDRESS BY SENATOR DAVIS AT MEDIA, PA.

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an address delivered by him at Media, Pa., on February 5, 1942, which appears in the Appendix.]

ADDRESS BY HON. BERNARD SAMUEL, MAYOR OF PHILADELPHIA

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an address delivered by Hon. Bernard Samuel, mayor of Philadelphia, at the Academy of Music, Philadelphia, Pa., on February 1, 1942, which appears in the Appendix.]

NATIONAL FREEDOM—ADDRESS BY DR. J. S. CLARK

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an address delivered by Dr. J. S. Clark, president emeritus, Southern University, Baton Rouge, La., at the Academy of Music, Philadelphia, Pa., February 1, 1942, on the subject National Freedom, which appears in the Appendix.]

THE STIMULUS OF A HANDICAP—ADDRESS BY HON. JOSEPHUS DANIELS

[Mr. HILL asked and obtained leave to have printed in the RECORD an article relative to an address delivered by Hon. Josephus Daniels on the subject The Stimulus of a Handicap, which appears in the Appendix.]

EDUCATION OF CIVILIANS FOR NATIONAL SERVICE—ADDRESS BY DR. FRANK W. HART

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address on the subject The Education of Civilians for National Service, delivered by Dr. Frank W. Hart, of the School of Education, University of California, Berkeley, Calif., which appears in the Appendix.]

ADDRESS BY LORD HALIFAX TO CHURCH CLUB OF NEW YORK CITY

[Mr. GEORGE asked and obtained leave to have printed in the RECORD an address delivered by Lord Halifax, British Ambassador to the United States, before the Church Club of New York City on February 2, 1942, which appears in the Appendix.]

GROWTH FACTOR IN BUTTERFAT FOUND—ARTICLE FROM OCONTO (WIS.) REPORTER

[Mr. WILEY asked and obtained leave to have printed in the RECORD a news article entitled "Growth Factor in Butterfat Found," published in the Oconto (Wis.) County Reporter of February 5, 1942, which appears in the Appendix.]

RETIREMENT PRIVILEGE FOR MEMBERS OF CONGRESS—EDITORIAL FROM ELKO (NEV.) DAILY FREE PRESS

[Mr. BUNKER asked and obtained leave to have printed in the RECORD an editorial from the Elko (Nev.) Daily Free Press entitled "Congressmen Show Poor Timing," which appears in the Appendix.]

UNION NOW—EDITORIAL FROM DETROIT FREE PRESS

[Mr. NYE asked and obtained leave to have printed in the RECORD an editorial from the Detriot Free Press of February 1, 1942, relative to Union Now, which appears in the Appendix.]

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT—EDITORIAL FROM LABOR

[Mr. MEAD asked and obtained leave to have printed in the RECORD an editorial from Labor relative to the amendment of the Civil Service Retirement Act, which appears in the Appendix.]

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT—MEMORANDUM FROM FEDERAL BAR ASSOCIATION

[Mr. MEAD asked and obtained leave to have printed in the RECORD a memorandum received by him from the Federal Bar Association in support of House bill 3487, to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended, which appears in the Appendix.]

TRUMAN DATA STAND UP—ARTICLE FROM PM

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an article entitled "Truman Data Stand Up," published in PM of February 6, 1942, which appears in the Appendix.]

ORDER DISPENSING WITH CALL OF THE CALENDAR

The VICE PRESIDENT. The routine morning business is concluded. The calendar, under rule VIII, is in order.

Mr. HILL. I ask unanimous consent that the call of the calendar be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

PRODUCTION OF RUBBER FROM GUAYULE

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2152) to provide for the planting of guayule and other rubber-bearing plants in order to make available a source of crude rubber for emergency and defense uses, which were, on page 1, line 6, to strike

out "or by condemnation,"; on page 1, line 10, after "operation", to insert ", including but not limited to any such rights owned or controlled by the Intercontinental Rubber Co., or any of its subsidiaries, and all equipment, materials, structures, factories, real property, seed, seedlings, growing shrub, and other facilities, patents, and processes of the Intercontinental Rubber Co., or any of its subsidiaries, located in California, and for such rights, properties, and facilities of the Intercontinental Rubber Co. or any of its subsidiaries, the Secretary is authorized to pay not to exceed $2,000,000"; on page 2, line 3, to strike out "Western Hemisphere" and to insert "United States"; on page 2, lines 9 and 10, to strike out "equipment and" and insert "equipment,"; on page 2, line 10, after "facilities", to insert ", and land for nurseries"; on page 2, line 11, to strike out "purchase,"; on page 2, line 12, to strike out "or by condemnation" and insert "for not exceeding 10 years"; on page 2, lines 14 and 15, to strike out "Western Hemisphere" and insert "United States"; on page 2, line 19, after "guayule", to insert ", and from Chrysothamnus, commonly known as rabbit brush"; on page 2, line 22, after "guayule", to insert "and Chrysothamnus, commonly known as rabbit brush"; on page 2, line 22, immediately following the preceding amendment, to insert ", and to purchase land as sites for processing plants"; on page 3, line 15, to strike out "Western Hemisphere" and insert "United States"; on page 3, lines 20 and 21, to strike out ", including citizens of countries in the Western Hemisphere,"; on page 4, to strike out lines 3 to 8, inclusive; on page 4, line 9, to strike out "(c)" and insert "(b)"; on page 4, line 12, to strike out "(d)" and insert "(c)"; on page 4, line 18, to strike out "(e)" and insert "(d)"; and to amend the title so as to read: "An act to provide for the planting of guayule and other rubber-bearing plants and to make available a source of crude rubber for emergency and defense uses."

Mr. DOWNEY. Mr. President, I desire to move the concurrence of the Senate in the amendments to this bill as passed by the House of Representatives. I may say that, from my viewpoint at least, the amendments are very satisfactory and not very important. The most important amendment is one, I am sure, to which Senators will agree, namely, the one which fixes a maximum amount in the sum of $2,000,000 that the Government may pay for holdings of the Intercontinental Rubber Co., which now controls the patents and facilities in connection with the production of rubber from guayule.

The second most important amendment restricts the planting of the 75,000 acres to the United States when the bill as passed by the Senate provided the planting could be anywhere in the Western Hemisphere.

Those are the only two important amendments. The others are entirely technical and, in my opinion, entirely unobjectionable.

Unless there is objection, I now move concurrence of the Senate in these amendments.

The VICE PRESIDENT. The question is on the motion of the Senator from California.

Mr. HILL. Mr. President, will the Senator from California yield?

Mr. DOWNEY. Yes; I yield.

Mr. HILL. Am I to understand that these amendments are entirely and fully acceptable to the State Department?

Mr. DOWNEY. Yes. I was called this morning by Mr. Breckenridge Long, who told me that the State Department was somewhat worried because the House of Representatives had changed the provision of our bill allowing the planting of guayule rubber in the Western Hemisphere so as to confine it to the United States. I stated to Mr. Long that this is merely an emergency bill providing only for the planting of 75,000 acres; and necessarily all of the 75,000 acres is to be planted, I think, in California and in the Salinas Valley. I likewise stated to Mr. Long that under the present laws, and particularly under the rubber reserve, the Government of the United States now has the power and the funds to foster the development of a rubber industry anywhere in the world, including South America. As a matter of fact, the Agricultural Department right now is planting the hevea rubber in Central and South America; and if the Government desires, if the Department of Agriculture wants to recommend it and the State Department desires to go ahead, there is ample power in the Government right now to foster and develop the guayule rubber industry in northern Mexico or any other place.

So this change becomes entirely immaterial; and I may say that I should look with fearful apprehension upon any proposal to send the bill to conference, or back to the House of Representatives, because we have already delayed the bill almost to the danger point, so that if it is not passed almost immediately we might as well throw the project overboard.

Mr. HILL. Mr. President, will the Senator further yield?

Mr. DOWNEY. Yes; I yield.

Mr. HILL. I wonder if Secretary Long agreed with the Senator that the amendments were immaterial; that is, that the bill in its present form, as passed by the House, is entirely acceptable to the State Department.

Mr. DOWNEY. Yes; Mr. Long stated to me that I could state to the Senate that under my statement to him, which I have just repeated on the floor of the Senate, there would be no objection on the part of the State Department to concurrence of the Senate in the amendments of the House.

Mr. HILL. I will say to the Senator from California that I talked with Mr. Long early in the morning, and he stated that the bill was not acceptable to the State Department in the form in which it passed the House. As I understand, the Senator from California talked to Mr. Long after my conversation with him.

Mr. DOWNEY. I did.

Mr. HILL. And Mr. Long has authorized the Senator from California to say to the Senate that the bill as passed by the House is entirely and fully acceptable to the State Department?

Mr. DOWNEY. That is correct; and I suggest to the distinguished Senator that he call Mr. Long and verify what I have had to say.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

EMPLOYMENT OF MELVYN DOUGLAS IN O. C. D.

Mr. DOWNEY. Mr. President, I desire to make a brief statement which will not long detain the Senate, if this is the appropriate moment for it.

Mr. President, like the great majority of California citizens, I have been amazed and disheartened to observe the emotional energy being wasted over the appointment of Melvyn Douglas to the Office of Civilian Defense. I do not believe that any corresponding amount of intellectual fuel has been consumed; but since the whole tempest in a teapot is serving to distract our attention from vital war duties before us, I think it high time we ended it by the introduction of a few facts.

So far, the detractors of Mr. Douglas have relied more on clamor than on clarity, more on accusation than on accuracy. They have not understood Mr. Douglas' position because they were not interested in understanding, but only in condemnation. They have characterized him a Communist, when it has been obvious to any California newspaper reader that he has fought the Reds and their policies for many years past. They have implied that he obtained his post because he was one of Mrs. Roosevelt's protégés—as if he were some waif in need of a job, as if he were not ideally suited to the work to which he has been called. Let me tell you why I make that statement.

The Arts Council of the O. C. D. is confronted with this situation: Thousands of artists in every known medium have volunteered their services to this agency—writers, radio stars, vaudeville troupers, singers, dancers, cartoonists—representatives of every branch of the entertainment profession. They want to help; they do not know just how, but they want to do what they can for national defense.

Confronted with this offer of talent, what was the O. C. D. to do? Was it to turn away these volunteers and say that the Nation had no use for their abilities? I think this would have been wasteful and tragic for the country, and frustrating for the patriotic impulses of the performers themselves. The O. C. D. thought so, too; so its officials looked around for someone who could help to formulate a program which would utilize the good will and the great capacities of these volunteers.

They selected Melvyn Douglas. I think it was a natural and, so far as California is concerned, an inevitable choice. Why? Because Mr. Douglas has an extremely valuable and wide range of contacts all through the entertainment world; because the artists all respect him as a member of the board of the Screen Actors' Guild; because he is already experienced in precisely the kind of work

which he will be doing. For the past year or two Melvyn Douglas has devoted an increasing share of his time to acting as an unofficial channel for artists of all sorts who wanted to contribute their special talents to national defense. In taking this position in O. C. D., Mr. Douglas will simply be doing on a national, official, and more efficient scale what he was already doing by himself in Hollywood.

Anyone who thinks of Melvyn Douglas as a transient publicity seeker is making an unjustifiable error, for he has been for years an important and constructive force in the social and political life of our State. He is a member of the State board of public welfare, a trustee of Occidental College, and the chairman of the follow-up program on the White House conference on children in a democracy. He has been active on the Committee to Defend America, and, more recently, on the Fight-for-Freedom Committee. His wife, Helen Gahagan, highly respected, popular, and admired throughout our State, is the Democratic national committeewoman from California. Oh, yes; like most liberals in California, Mr. Douglas has been accused from time to time of being a Communist, but the allegation is as foolish in his case as it is for the rest of us.

Mr. Douglas' plans for utilizing the talents of our artistic professions are, of course, his own, and are doubtless still in the process of formation, as they should be; but I am aware of his general objectives, and to me they seem most wise. He believes that the country's entertainers, over the air and in thousands of theaters and newspapers, can take any given civilian program right back to the grass roots. The example which the Treasury has provided with its Defense bond program is an indication of what can be done when the resources of the entertainment world are thrown behind a Government drive. But the potentialities of this morale-building force have hardly yet been scratched. If and when Mr. Douglas is permitted to get his vast reservoir of volunteer professional talent really mobilized, I think we shall see what a tremendous service they can render in getting across the message of the Government.

Let us explore for a moment the question of Mr. Douglas' compensation. A great deal of malicious nonsense has been spoken, written, or implied about this. One Congressman had the temerity and bad taste to compare invidiously Mr. Douglas' alleged salary of $8,000 to the salary we are paying General MacArthur—heedless of the fact that he thus invited comparison between his own stipend of $10,000 and the general's I doubt if the Congressman could stand the comparison quite as happily as could Mr. Douglas. Of course, if heroism and hardship are to be reckoned in terms of dollars, we could pay MacArthur and almost every one of his men a million a year, and yet be cheating them. Conversely we could pay the Congressman somewhat less and still be—well, out of charity, I shall not conclude the sentence.

The fact is that Mr. Douglas is working "without compensation" under the civil-service classification of "expert consultant," P–8. The only remuneration which will be allowed him is the regular governmental allowance for traveling expenses.

Mr. Douglas ran away from home to join our forces in the last World War. He is ready to serve in this one whenever called, and, like others of his age, will be registered on the 16th of this month. In the meantime, he is ready to relinquish a career worth hundreds of thousands of dollars for a small-salaried position where he feels he can be of use. Is there anyone here who can match that sacrifice? If so, let him cast the first aspersion.

Mr. President, I should like to turn away now from this question of one individual in the motion-picture business to the role which the whole industry has played in a nation at war. At a time when the bitter facts have too often compelled us to be critical of men and industries and agencies we can take, I hope and think, especial pleasure in the record of cooperation which Hollywood has set up.

This spirit of cooperation has been manifested in many ways. For example, the movie industry is making available its full output of films to some 555 theaters at 277 Army posts. These have a daily attendance of about 277,500 men. In addition, the Navy is supplied with the same films for exhibition at its shore stations and aboard its ships. And to the camps and bases of all our armed services go nearly every day Hollywood stars, released by their studios, to entertain our men in uniform.

One of the most valuable contributions by the industry to our war effort has been its experiments in visual education for the Army The research council of the Academy of Motion Picture Arts and Sciences, a nonprofit corporation, has made a series of training films which have proved exceedingly valuable in the military instruction of our troops. The use of the medium of motion pictures enables the Army not only to standardize its education, but to teach hundreds and even thousands of soldiers at a time efficiently and effectively.

The subjects treated have ranged widely from the technique of operating and firing the 240-millimeter howitzer to personal hygiene, and the basic principles of skiing. Nearly 100 different reels are already in use at Army camps, and 40 more reels—or about 40,000 film feet—are now being produced in Hollywood.

To the making of these films have gone the talents of Hollywood's foremost directors, artists, producers, writers, and technicians—free. These men, whose services usually command imposing salaries, have volunteered to do this job. And they have done it well. The films are produced at no profit whatever to the makers. Equipment and facilities, including the use of studio stages, have been offered without cost. The War Department has been asked to meet only such direct out-of-pocket expenses as those for labor and film.

That the production of these training reels has been immensely appreciated by the War Department is evident from their official statements. The chief signal officer has declared:

> In no industry with which the Signal Corps has extensive dealings has there been shown a more willing spirit or a more definitely demonstrated desire to be of help than has been evinced by the motion-picture industry.

That is high praise. But the Chief of Staff, General Marshall, backs it up. The War Department states that he—

> • • • has personally expressed his appreciation of the great help which the motion-picture industry has been to the War Department in making personnel and facilities available to permit the production of films badly needed to speed up the training of the Army.

But these activities by no means exhaust the list of Hollywood's efforts to assist the Government in its tasks. Another has been the making and the showing of 25 films in over 12,000 theaters—films released by the industry's war-activities committee, and dealing with many phases of our defense and victory programs. Among these are Bomber, describing the production of a great plane; and Safeguarding Military Information, warning civilians against careless talk. Several more of this type of film are now being prepared in the movie studios.

One particularly happy example of Hollywood's initiative in combining both educational and war-relief aims has been its production and distribution of Land of Liberty, a full-length picture reviewing the whole panorama of American history. Land of Liberty has been shown to some 6,500,000 people in every State of the Union, and its net box-office receipts have brought $50,000 to the American Red Cross, $50,000 for British air-raid victims, $5,000 each to Protestant, Catholic, and Jewish chaplains' organizations, $15,000 to the Royal Air Force Benevolent Fund, and $15,000 to the United China Relief.

We have spoken of the motion-picture industry's specific contributions to the Nation. Let us now consider the more intangible one it can and does make. Secretary Knox, of the Navy, has said:

> Nations survive not alone because they possess implements of war or masses of men, but because they possess indispensable morale. Those who are dealing with the strengthening of national morale are engaged in a national defense effort as vital as any.

Mr. President, morale is a subtle quality. It is not always easy to know what things are essential to it. A nation can often endure appalling sacrifices and give up all accustomed comforts with its morale unimpaired. But I think it is safe to say that a nation which closes off its people's ordinary avenues of entertainment and relaxation will find itself with lower public morale than a nation which keeps them open. And that is because in wartime, even more than in peacetime, we need refreshment of spirit. Our added burdens draw increasingly upon our nervous resources. If we cannot replenish those resources, if we cannot relax and enjoy ourselves, forget the war and its anxieties, then we shall be the weaker for it. We shall

be more tense and less resilient. We shall be incapable of the long, hard pull before us.

Motion pictures—good ones—can provide a legitimate escape from the pressure of the day's duties. Modern war, at the front or behind it, has been defined as one-tenth danger and nine-tenths drudgery. In the camps where tired soldiers gather to enjoy the fantasy of the screen, in the towns where hard-worked men and women flock to theaters to forget the hardships of factory or home, hospital or office—there the motion-picture industry can and will play its crucial role in sustaining the morale of a people, sending them back to their several tasks refreshed, unwound, invigorated.

The Treasury Department was thinking of the morale, not of our soldiers and sailors but of the taxpayers, when it sought the influence of Donald Duck to stimulate and encourage tax payments. Poor Donald, too, is now in the doghouse, placed there by a slim majority in the House of Representatives. He had blithely and happily donated his services in the interest of national defense. So, too, had his talented master and creator, Mr. Disney. For only a portion of the out-of-pocket money a film of incalculable propaganda value was given our Government. Publicity experts say that advertising of equal worth could not be secured by the Treasury for many times the $80,000 it cost. I hope Mr. Disney and his associates will not believe that the Government of the United States and the people of this Nation are as ungrateful and as unappreciative as the vote in the House of Representatives would seem to indicate.

I cannot speak for the rest of my colleagues, but as for me, Mr. President, I am proud of the record which the motion-picture industry and its men have so far made in this war. I cannot help feeling that if every other industry in our Nation had accorded the Government equally unselfish cooperation, we should be a great deal further along the road to victory.

Mr. President, I think I speak for California when I conclude by saying that we are proud of Melvyn Douglas, happy that his great talents have been drafted by his Government in the interest of national defense, and that we strongly resist and resent the effort of any California Representative to besmirch him, and, indirectly, through him, the great group of artists which he so worthily represents.

COORDINATION OF ADMINISTRATIVE WAR EFFORTS

Mr. WILEY. Mr. President, I am reluctant to trespass on the time of the Senate to discuss what appears at first blush to be a matter resting entirely within administrative discretion. My justification for doing so, however, is that each of the administrative policies which I propose to mention very briefly has resulted from legislative authorization, and I personally would feel remiss in my obligations if I did not endeavor to make at least in a small way a contribution toward what I believe must be the legislative policy with respect to certain phases of the administration of our war effort.

At the outset, let me say that I feel very fervently that, along with all the sacrifices and the distress and the hardship which the war effort will undoubtedly work on our people, there may also emerge a number of constructive forces and results now and in the post-war period. One of these, I hope, will be a return to sanity in our economics.

It is my fervent hope that in this war period when we will be forced to sacrifice to an increasing degree our material wealth we will reevaluate and reorder our personal lives with a different emphasis than we have placed upon them in recent years.

It is my hope that during the war period we will reemphasize the plain, ordinary, time-honored, and time-revered virtues of thrift, diligence, and industry, and the old-fashioned concepts that man's security and man's achievement is directly correlated to his own efforts.

Mr. President, in Britain all class distinctions are wiped out. All citizens—youngsters in their teens, old men and women, and all the in-betweens—recognize they are engaged in a cooperative effort to stem the tide that would bring slavery to their Nation. All the old concepts of life as usual, working hours as usual, pay checks as usual, social and economic life as usual, are thrown into the limbo of yesterday. All the superficialities of life are discarded. Only the realities remain.

Yet we are told that never was the nation happier, that never were the people more spiritually minded, that never before in all of England's history was there such a realization that each man and each woman is his brother's keeper.

There are no parasites in Britain. Every citizen has his job. The people in the production plants, in the Navy, in the Army, in the fields, in the homes, in the airplanes, at home and abroad, are fully awake, and are demonstrating their alertness by a return to the ancient virtues I have mentioned.

Mr. President, the corollary of that is simple. The corollary is that government also must during this period of crisis seek to return to fundamentals and to first principles. It means that government likewise must recognize the simple, homely, direct virtues of thrift, industry, and frugality in government, and it means also that every public official must recognize that he is a trustee—a servant and not a master—and that he is particularly called upon to show leadership in this critical period in returning to these ancient virtues and values.

It is not my purpose in the slightest degree to say anything which will divert the attention of our people from their big job in becoming adequately prepared and winning the war. In fact, it is with the thought we can do a better job of winning the war that I direct the attention of this body to a condition which exists today and which I believe detracts from the war effort.

I refer to the fact that in the Office of Civilian Defense and possibly in other phases of our war effort, there are being continually set up new agencies and new instrumentalities of government which duplicate the functions and the personnel of existing agencies. That is neither economic, nor efficient, nor sensible.

In other words, we read a great deal about one portion of the Office of Civilian Defense being created for the purpose of providing recreation for children. That is a commendable objective, and it has for years been the objective of an established and extremely competent agency of government—the Children's Bureau, which, by the way, is headed by a native of my State, the daughter of a former Senator who is now a judge in the Court of Customs and Patent Appeals.

I do not propose to enter upon an involved discussion of how this new agency in the Office of Civilian Defense duplicates in an amateurish way the objectives which have been professionally carried out so admirably through the Children's Bureau. I merely point out that this duplication is a symbol of duplication which may be multiplied elsewhere in our war effort today.

Mr. President, in the last few days we have heard a great deal about the creation of a Special Arts Council in the Office of Civilian Defense. A newspaper article indicates that there are already four agencies doing precisely the type of work which it is proposed to have this Council do. One is a voluntary committee, another a unit of the United Service Organizations, the third, the Office of Facts and Figures, and the fourth the Army's Radio Branch.

In other words, if the Office of Civilian Defense is seriously and directly concerned with the problems of civilian defense, rather than with a recreational program for ex-dancers, then it would seem wise that it utilize the services of such organizations as the Children's Bureau, the Public Health Service, the Women's Bureau, and the Federal Fire Council, in addition to cooperating with the War Department's Chemical Warfare Section, the Board of Army Engineers for Rivers and Harbors, and the F. B. I., which has been for years concerned directly with the problem of civilian defense. This is a problem of correlation; and it is plain "horse sense" that any agency which is set up and which neglects to provide for the correlation of existing services is not only uneconomic, but inefficient. When we need men in the Army and Navy air forces and in the production plants we certainly should not spend our manpower carelessly or prodigally.

Another example of duplication in our war effort is possibly indicated by the Labor Department. I dare say that at no time in the history of the United States has a department of Government created under the Constitution and operating under the direct guidance of a Cabinet officer ever been reduced to so low a figurehead level as has the Department of Labor at the present time.

I present no brief for the Department of Labor or for the Secretary of Labor. I merely point out the fact that virtually all the machinery of the war labor effort has been set up apart and aside from the Department of Labor.

The National War Labor Board is undoubtedly doing a fine job, and this comment is in no way intended as a reflection on the War Labor Board or the Labor Division of the War Production Board. It is merely an observation of the fact that the experience and personnel of existing agencies of Government have been used only to a very slight degree in the creation of new agencies.

I mention these things today for only one purpose, and that purpose is not superficially to criticize what has already been done. I mention these things because I believe it would be well for Congress now and in the future to set up as a yardstick for the creation or authorization of any new agency or instrumentality of government the simple and basic question, Is there any existing agency or department of government which could perform the function which the new agency would undertake to perform? Is there any existing agency or instrumentality of government whose experience should be utilized in the new agency?

I should like also at this time to comment very briefly on a White House announcement to the effect that Cabinet officers and Government agency heads have been requested to submit all future speeches to the Office of Facts and Figures for approval. I do not wish to be an alarmist, but I think it is reasonable to observe at the outset that this announcement may definitely preclude officers of government and members of the Cabinet from offering any constructive criticism.

In England it is still possible to have criticism of the war effort. In England it is still possible for a highly placed Government official to make a report directly to the people on what he believes to be an inherent weakness in the nation's war effort. I hope it will still be possible under the new arrangement. I know that after the last war it was not possible for a general to make a criticism relating to air defense; and apparently that prohibition is now to be extended.

I do not want to be unduly pessimistic; and it may be that my interpretation of the new announcement is entirely inaccurate. I sincerely hope so; but I cannot refrain from making the observation at this time in the hope that it may stimulate a clarification of policy with respect to the new restriction which may prove to be vastly more important than is at first apparent.

One might feel justified in assuming, particularly if the past had shown that we were efficient, that we have a full grasp on the war situation; but one of the lessons that comes out of "Remember Pearl Harbor" is the fact that we were not alert and on guard. One of the lessons which comes out of our present condition is that we were not cognizant of world conditions and adequately prepared to meet such conditions.

Constructive criticism has always been of great value in every generation; and if men who are aware of shortcomings and who are in positions where they can see how inadequately conditions are being met, are not permitted constructively to give voice to remedial ideas, then indeed has the democratic way come to a bad pass.

One of the things we are fighting for is freedom of speech and expression—not an unbridled freedom which advocates an overthrow of our form of government, but such freedom of expression as fits within our framework of life.

A part of our problem today in winning the war is to demonstrate that it can be won within our framework. A part of our job is to demonstrate that a great free democratic people, cooperating voluntarily without any Goebbels censorship, can accomplish more than can a totalitarian people under the whiplash of rigid restrictions.

Mr. President, recently I spoke on the subject of decentralization and demobilization. What I am now saying is coupled with the thoughts I then expressed. If in this great war effort we permit ourselves to create agency after agency simply to provide jobs, and the agencies are duplications of other agencies, we are not meeting the war effort head on. It is my hope that Congress will not feel that it has fulfilled its obligations merely by making great appropriations. It is for us to carry through and see that the moneys we appropriate are used efficiently, economically, and in the interest of the war effort.

PLIGHT OF AUTOMOBILE DEALERS

Mr. LODGE. Mr. President, we must all support the administration and with united and determined action win this war; but in no manner ca or should constructive suggestions be prohibited. It is in this constructive spirit and in the spirit of loyalty to the Commander in Chief that I speak today.

I desire to comment on the following telegram received from former Governor and Representative Alvan T. Fuller from my own State of Massachusetts:

> Thank you a thousand times for your cooperative message. As a matter of fact I have been sick at home under Dr. Ragle's care since last Thursday. I imagine other motorcar dealers in the United States are sick, too. The majority of dealers have all they have ever earned plus all they can borrow tied up in motorcars and tires while the Government forbids every sale. Under the rationing system we have not had one priority order, all this with expenses going on of at least $5,000 a week. I do not hesitate to say that if this continues, half the motorcar dealers in the United States will be driven into bankruptcy, to say nothing of the plight of thousands of their employees. If the Government will allow us to sell half our cars in order to turn ourselves financially it would not be so bad. Does Henderson realize the punishment he is inflicting on motorcar dealers who have not only been legislated out of business but are in a fair way of having their past earnings dissipated by these freezing orders which will keep them from selling anything while interest charges, storage, insurance, and taxes accumulate? Thanks for your help and interest.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. WILEY. Is it not the Senator's understanding that the Government will take care of such situations? I think Mr. Henderson himself testified before a committee that if the Government should require that sales of motorcars be stopped it would take care of interest charges, storage, and so forth. Has not some such provision been made?

Mr. LODGE. I have heard that such was the intention, and I hope it will be done. The telegram which I have read is from Alvan T. Fuller, who is one of the leading men in my State. He is a leader in the business life of Massachusetts, not by reason of heredity but because of his own energy and initiative. He is preeminent in our religious, civic, and philanthropic life; and when he speaks the people and the press give attention. He is well qualified to lead any great national effort. He and I do not object to the aim but to the method.

My recent visit to the great manufacturing centers of New England proves that the facts contained in the telegram are undeniable.

The great business of the automobile and accessory dealers and distributors, built up by years of effort, should not arbitrarily be forced into bankruptcy

Its thousands of dealers, its labor, and its investments should not be sacrificed unnecessarily at the dictation of the head of any Government agency.

They are all patriotic American institutions, and are entitled to a square deal.

Their past record speaks for itself. They constitute an industry which for the past 10 years has been the saving factor of business and employment in this Nation. They feel, and I agree, that they are entitled in equity to dispose of their merchandise and properties by a sane, orderly process of legitimate fiscal liquidation, and not to have their assets frozen indefinitely or confiscated without due cause.

The industry in question is now forced to carry a load of real and personal property, and to carry it unmovable, with all that implies as to taxes and credits

Salesmen, battery men, electricians, painters, garage men, clerks, mechanics, gasoline attendants, and many other employees of all ages are forced to join the growing ranks of the unemployed. All this is done without notice. Is that fair practice?

Even a man before a court gets better treatment; at least he is given his day in court before sentence.

The present condition results in a vicious cycle, Mr. President, for earning power and investment values are decreased on the one hand, while taxation, debt, and unemployment are increased on the other. The answer and the effect are all too plain. The receipts of the Nation, the States, and their subdivisions are directly and indirectly affected to the extent of millions of dollars by the elimination of gasoline, registration, excise, and personal-property taxes. Without these taxes what becomes of our highways, roads, bridges, and their construction, maintenance, and control, all of which have been financed by such taxes?

We are all compelled and willing to sacrifice, and are proud to do so; but in all our action let us temper the impact by the application of common sense

I am therefore submitting a resolution which I ask to have read and appropriately referred.

The resolution (S. Res. 222) was read and referred to the Committee on Banking and Currency, as follows:

Resolved, That the Senate hereby requests all Federal agencies responsible for orders freezing stocks of automobile dealers in the United States to reopen and reconsider the subject matter and to permit the liquidation of the stocks and assets of such automobile dealers on a sound, common-sense basis compatible with established business procedure.

Mr. HILL. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. HILL. I think all of us sympathize with the automobile dealers in the plight in which they find themselves. I wonder if the Senator from Massachusetts has contacted Mr. Henderson or anyone in his Department with reference to the contents of Governor Fuller's telegram.

Mr. LODGE. Yes; I have contacted them. I have no complaint to make about their sincerity. I think they are trying to do the very best job they can do; and I think that, like a great many other persons, they are overworked, and are confronted with a great many unforeseen situations. I simply desire to call to their attention the views of a man who is really well qualified to speak.

Mr. HILL. Mr. President, will the Senator yield in that connection?

Mr. LODGE. I yield.

Mr. HILL. I am glad to hear the Senator say what he has said; to wit, that he thinks Mr. Henderson and those in his Department are endeavoring to do the very best job they can do in the face of a very unusual and trying situation. It had been my understanding that they were giving their best thought and their best efforts to doing all they could do to ease the situation, and to help, insofar as possible, the automobile dealers and the automobile business.

Mr. LODGE. Yes; I think they want to do the very best job they can do.

TEXAS ACES IN BURMA

Mr. CONNALLY. Mr. President, appearing in the News of today is an article which I desire to have printed in the RECORD. The article, written by Daniel De Luce, is headed "Texas ace plugs 3 Japs in Burma as pals bust 10." It is an account of three Texas fliers, and one or two from some other sections of the country, who are volunteer fliers in aiding the Chinese against attacks on Burma. The article reveals a story of great heroism and very effective results; and I should like to have it incorporated in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEXAS ACE PLUGS 3 JAPS IN BURMA AS PALS BUST 10

(By Daniel De Luce)

RANGOON, BURMA, January 29.—Paced by 3 resolute Texans, the unbeaten American volunteer group and its Royal Air Force colleagues tore 13 and possibly 17 more Japanese planes out of a mass enemy fighter sweep today and boosted their score of raiders destroyed since the start of the war to at least 111 machines.

After the fight was over some Japanese wrecks were found as far as 18 miles from Rangoon, one having almost struck a white stone pagoda; not an allied plane was lost.

It was truly Texas day over the rice paddies of the Kipling country.

SANDY GETS THREE JAPS

Sandy, from San Antonio, got three Japanese for sure—a total of five in the 2 days since he was transferred from China.

Bill, also from San Antonio, got one for certain, increasing his bag to seven.

Kirk, of San Saba, came down safely, drenched with oil from a broken fuel line and creased across his forehead by a bullet.

"Now I'm really mad," he drawled. "Some guy got me while I was chasing another one at 20,000. I'd have stayed up, but oil was squirting all over the cockpit."

ONE FOR SCARSDALE

It was not all Texas, either. The squadron leader, Jack, of Scarsdale, N. Y., added another victory to his string; so did yellow-haired Noel from Randalia, Iowa, and Frank, of Pensacola, Fla.

The 2-day score for the defenders was 20 planes known to have been shot down, 9 probables, and 9 damaged. The American Volunteer Group fliers did not even try to estimate the strength of the Japanese forces which were thrown so desperately against the Allied interceptors today

American-built Curtiss Tomahawks, flown by combat fliers of the American Volunteer Group, did the major part of the day's job but three British pilots likewise earned victory rolls over the British airdrome.

One pilot from Chipley, Ga., revealed how he had fallen 2 miles or so yesterday before opening his parachute so the Japanese could not machine-gun him on the way down, as they did an American flier last week. The Georgian's plane was the only American Volunteer Group casualty in yesterday's fight.

It was his first parachute leap. He remembered a passage in the textbook which said a parachute jump gave very little feeling of falling.

"Nuts," he said, "I could feel myself falling and it was terrific."

When he finally pulled the ripcord, for the first time in his life, he guessed he'd fallen 10,000 or 12,000 feet.

His chute bellied open and then, he said, "I felt right in the groove."

PLANE "FLOPPED OVER"

"Gil and I had taken on seven Japs at about 21,000 feet. I was on a Jap's tail, firing, when my plane flopped over, out of control, probably from an attack by someone I never saw.

"I pulled back the hatch to change my Tommy's flying character, but it was no good. I was getting quite a belting around.

"After we'd dropped about 4,000 feet, I let go the safety buckle. All I knew after that was that the plane's tail went by me and I was dropping like a rock.

"One plane came at me after the chute opened. I thought sure it was a Jap.

"Then I got a good look and it turned out to be Gil, just hanging around to convoy me down.

"I barely missed plopping into a cattle waterhole, and Tommy (his plane) landed flat on his belly about a quarter of a mile away.

"The native farmers were very kind. One of them insisted on spurting mouthfuls of water to wash the blood off my forehead. Others stuffed my pockets full of crackers to eat on the way back to town.

"I got back so late the skipper didn't have me down on today's flying schedule. That's how you caught me loafing, now," said the young man from Chipley, Ga.

LOAN TO CHINA

Mr. HILL. Mr. President, the House of Representatives is expected soon to pass the joint resolution appropriating $500,000,000 as a loan to China. The Senate will recall that last week the Congress passed legislation authorizing the loan. If the House passes the joint resolution today we hope to take it up in the Senate tomorrow.

In that connection, Mr. President, I ask unanimous consent that the Secretary of the Senate may receive the joint resolution if it comes to this body during the recess of the Senate, and may refer the resolution to the Committee on Appropriations.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. HILL. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

POSTMASTER, EAST STROUDSBURG, PA.—WITHDRAWAL OF NOMINATION

The VICE PRESIDENT laid before the Senate the following messages from the President of the United States, which were ordered to lie on the table:

To the Senate:

In compliance with the request of the Senate of February 5, I am returning herewith its resolution of February 3, 1942, advising and consenting to the appointment of Myron L. Wyckoff to be postmaster at East Stroudsburg, Pa.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 9, 1942.*

THE WHITE HOUSE,
Washington, February 9, 1942.

To the Senate of the United States:

I withdraw the nomination sent to the Senate on January 14, 1942, of Myron L. Wyckoff to be postmaster at East Stroudsburg, in the State of Pennsylvania.

FRANKLIN D. ROOSEVELT.

NOMINATION OF CARL L. SACKETT

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States, which will be read.

The legislative clerk read as follows:

To the Senate of the United States:

I nominate Carl L. Sackett, of Wyoming, to be United States attorney for the district of Wyoming. He is now serving in this office under an appointment which expired December 7, 1941.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,
Washington, February 9, 1942.

THE WHITE HOUSE,
Washington, February 9, 1942.

THE VICE PRESIDENT:

There is attached a nomination in favor of Carl L. Sackett, of Wyoming, to

be United States attorney for the district of Wyoming. This nomination is submitted to correct an error in the name as submitted to the Senate on January 16, 1942.

FRANKLIN D. ROOSEVELT.

Mr. VAN NUYS. Mr. President, as stated in the message, the purpose of this new nomination is to correct a clerical error. The nomination of Carl A. Sackett to be United States attorney for the district of Wyoming was sent to the Senate by the President. It appears his correct name is Carl L. Sackett. In view of the circumstances, I ask that the nomination be confirmed without reference to the committee, and that the President be notified.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

WILLIAM A. EKWALL

Mr. AUSTIN. From the Committee on the Judiciary, I report favorably the nomination of Hon. William A. Ekwall, of Portland, Oreg., to be judge of the United States Customs Court. I ask unanimous consent for the immediate consideration of the nomination.

The VICE PRESIDENT. Is there objection to the immediate consideration of the nomination? The Chair hears none, and the clerk will read the nomination.

The legislative clerk read the nomination of Hon. William A. Ekwall, of Portland, Oreg., to be judge of the United States Customs Court, vice Hon. Walter H. Evans, retired.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. AUSTIN. I ask that the President be notified of the confirmation of the nomination.

The VICE PRESIDENT. Without objection, the President will be notified.

JOHN W. DELEHANT

Mr. HUGHES. From the Committee on the Judiciary I report favorably the nomination of John W. Delehant, of Nebraska, to be United States district judge for the district of Nebraska, vice Thomas C. Munger, retired.

Mr. CONNALLY. Mr. President, I ask unanimous consent for the present consideration of the nomination of Judge Delehant.

The VICE PRESIDENT. Is there objection to the immediate consideration of the nomination? The Chair hears none, and the clerk will read the nomination.

The legislative clerk read the nomination of John W. Delehant, of Nebraska, to be United States district judge for the district of Nebraska, vice Thomas C. Munger, retired.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. HILL. I ask that the President be notified of the confirmation of the nomination.

The VICE PRESIDENT. Without objection, the President will be notified.

Mr. NORRIS. Mr. President, I wish to make a remark about the nomination which has just been confirmed.

Prior to the nomination of Mr. Delehant to be Federal judge of the district of Nebraska I received a great many letters. Many of them assumed that I would be permitted to select this nominee. After the nomination was submitted I received quite a number of letters from Nebraska criticizing me for the nomination and about an equal number of letters commending me for the nomination.

Mr. President, I am not subject to the criticism; neither am I entitled to the praise. Mr. Delehant is a very able lawyer and a finely educated gentleman. I think he will be an excellent judge; but, as a matter of fact, I was not permitted to select him and am not responsible for his nomination. Without any reflection upon him directly or indirectly or any reflection upon his honesty or competence, I think under the circumstances I ought to state in all fairness that had I been permitted to select the nominee I would not have selected Mr. Delehant.

The VICE PRESIDENT. If there be no further report of committees, the nominations on the calendar will be stated.

PRICE ADMINISTRATOR

The legislative clerk read the nomination of Leon Henderson, of New Jersey, to be Price Administrator.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. WAGNER I ask unanimous consent that the President be immediately notified of the confirmation of Mr. Henderson's nomination.

The VICE PRESIDENT. Without objection, the President will be notified.

DEPARTMENT OF LABOR

The legislative clerk read the nomination of Isador Lubin, of the District of Columbia, to be Commissioner of Labor Statistics.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

That completes the calendar.

Mr. HILL. Mr President, I ask that the President be notified of all nominations confirmed today.

The VICE PRESIDENT. Without objection, the President will be immediately notified of all nominations confirmed today.

RECESS

Mr. HILL. As in legislative session, I move that the Senate take a recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 1 o'clock and 5 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, February 10, 1942, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate February 9, 1942:

DIPLOMATIC AND FOREIGN SERVICE

William H. Standley, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

The following-named persons to be Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service of the United States of America:

Clifton P. English, of Tennessee.

Sidney K. Lafoon, of Virginia.

OFFICE OF GOVERNMENT REPORTS

The following-named persons to be State directors for the Office of Government Reports:

William A. Sheehan for Connecticut.
Don M. Lochner for Florida.
Harold H. Harding for Kansas.
Scott F. Kittredge for Maine.
Thomas H. Green for Massachusetts.
M. E. McCuiston for Nevada.
H. Russell Phillips for New Jersey.
R. F. Deacon Arledge for New Mexico.
A. Ray Martin for Oregon.
Edward N. Jones for Pennsylvania.
Vernon C. Norton for Rhode Island.
R. L. Olson for Utah.
Martin L. Riley for Mississippi.
Harley O. Staggers for West Virginia.
Fred W. Keller for Wisconsin.
H. D. Watenpaugh for Wyoming.

COLLECTOR OF CUSTOMS

Henry V. Schwalbach, of Milwaukee, Wis., to be collector of customs for customs collection district No. 37, with headquarters at Milwaukee, Wis. (Reappointment.)

COAST AND GEODETIC SURVEY

Jean H. Hawley to be Assistant Director of the Coast and Geodetic Survey with rank of rear admiral.

APPOINTMENTS IN THE REGULAR ARMY

TO BE FIRST LIEUTENANTS, MEDICAL CORPS, WITH RANK FROM DATE OF APPOINTMENT

Capt. William Stanley Bagnall, Medical Corps Reserve.

Capt. James Edmund Vickers, Medical Corps Reserve.

First Lt. William Richard Corcoran, Medical Corps Reserve.

First Lt. Jack Robert Hughes, Medical Corps Reserve.

First Lt. Theodore Alexander Kiersch, Medical Corps Reserve.

First Lt. James Lee Royals, Medical Corps Reserve.

TO BE FIRST LIEUTENANT, VETERINARY CORPS, WITH RANK FROM DATE OF APPOINTMENT

First Lt. Edward James Watson, Veterinary Corps Reserve.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

TO ADJUTANT GENERAL'S DEPARTMENT

Maj. Robert Edward Cullen, Infantry (temporary lieutenant colonel, Army of the United States), with rank from June 12, 1941.

TO QUARTERMASTER CORPS

Capt. Ralph Finch, Infantry (temporary major, Army of the United States), with rank from August 1, 1935.

First Lt. Robert Carson Kyser, Infantry (temporary captain, Army of the United States), with rank from June 12, 1937.

TO CORPS OF ENGINEERS

Lt. Col. Carl Hugo Jabelonsky, Quartermaster Corps, with rank from August 7, 1940.

Maj. Robert Stanley Beard, Quartermaster Corps (temporary lieutenant colonel, Army of the United States), with rank from July 1, 1940.

Capt. Elmer Elsworth Kirkpatrick, Jr., Quartermaster Corps (temporary major, Army of the United States), with rank from June 13, 1939.

Capt. Clarence Renshaw, Quartermaster Corps (temporary major, Army of the United States), with rank from June 13, 1939.

Capt. Howard Hart Reed, Quartermaster Corps, with rank from June 11, 1941.

TO ORDNANCE DEPARTMENT

First Lt. Stanley Warren Connelly, Infantry (temporary captain, Army of the United States), with rank from June 12, 1940.

TO SIGNAL CORPS

Capt. Eugene Anthony Kenny, Infantry, with rank from June 12, 1940.

TO INFANTRY

First Lt. Irwin Miles Parry, Corps of Engineers, with rank from June 14, 1941.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

TO BE COLONEL WITH RANK FROM JANUARY 11, 1942

Lt. Col. David McLean Crawford, Signal Corps (temporary colonel, Army of the United States).

TO BE COLONELS WITH RANK FROM FEBRUARY 1, 1942

Lt. Col. John Nathaniel Hauser, Field Artillery (temporary colonel, Army of the United States)

Lt. Col. Thomas Jay Hayes, Ordnance Department (temporary brigadier general, Army of the United States).

Lt. Col. William Hale Wilbur, Infantry (temporary colonel, Army of the United States).

Lt Col Sidney Parker Spalding, Ordnance Department (temporary brigadier general, Army of the United States).

Lt. Col. Byron Quinby Jones, Cavalry (temporary colonel, Army of the United States)

Lt. Col. Stephen Harrison MacGregor, Ordnance Department (temporary colonel, Army of the United States).

Lt. Col. Davenport Johnson, Air Corps (temporary major general, Army of the United States)

Lt. Col. James Kirk, Ordnance Department (temporary colonel, Army of the United States).

Lt. Col. Robert McGowan Littlejohn, Quartermaster Corps (temporary colonel, Army of the United States).

Lt. Col. Wade Hampton Haislip, Infantry (temporary brigadier general, Army of the United States)

Lt Col. Robert Nall Bodine, Ordnance Department (temporary colonel, Army of the United States).

Lt. Col James Harve Johnson, Quartermaster Corps (temporary colonel, Army of the United States).

APPOINTMENTS TO TEMPORARY RANK IN THE AIR CORPS, IN THE REGULAR ARMY OF THE UNITED STATES

TO BE COLONELS

Maj. Donald David FitzGerald, Air Corps (temporary lieutenant colonel, Air Corps; temporary lieutenant colonel, Army of the United States).

Maj. Austin Walrath Martenstein, Air Corps (temporary lieutenant colonel, Air Corps; temporary lieutenant colonel, Army of the United States)

Maj. Edwin Barton Bobzien, Air Corps (temporary lieutenant colonel, Air Corps; temporary lieutenant colonel, Army of the United States)

Maj John D. Corkille, Air Corps (temporary lieutenant colonel, Air Corps; temporary lieutenant colonel, Army of the United States)

Maj Levi L. Beery, Air Corps (temporary lieutenant colonel, Air Corps; temporary lieutenant colonel, Army of the United States).

TO BE LIEUTENANT COLONELS

First Lt. James Van Gorder Wilson, Air Corps (temporary captain, Army of the United States; temporary major, Air Corps).

First Lt. John Kimball Brown, Jr., Air Corps (temporary captain, Army of the United States; temporary major, Air Corps)

First Lt Robert Morris Stillman, Air Corps (temporary captain, Army of the United States; temporary major, Air Corps)

First Lt. Richard Elmer Ellsworth, Air Corps (temporary captain, Army of the United States; temporary major, Air Corps).

First Lt. Joseph Gordon Russell, Air Corps (temporary captain, Army of the United States; temporary major, Air Corps).

First Lt. Kenneth Paul Bergquist, Air Corps (temporary captain, Army of the United States; temporary major, Air Corps).

NOTE.—The dates of rank are omitted as the death or other unforeseen change in status of a senior officer might require a change in the dates of rank and necessitate the renomination of these officers.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

MARINE CORPS

Maj. Gen. (temporary) Charles F. B. Price to be a major general in the Marine Corps from the 1st day of February 1942.

Brig. Gen. (temporary) Joseph C. Fegan to be a brigadier general in the Marine Corps from the 1st day of February 1942.

Col (temporary) Thomas B. Gale to be a colonel in the Marine Corps from the 1st day of February 1942.

Col. (temporary) Field Harris to be a colonel in the Marine Corps from the 1st day of February 1942.

Lt. Col. (temporary) Stanley E. Ridderhof to be a lieutenant colonel in the Marine Corps from the 1st day of February 1942

Lt. Col. (temporary) Morris L. Shively to be a lieutenant colonel in the Marine Corps from the 1st day of February 1942.

Maj. (temporary) Karl K. Louther to be a major in the Marine Corps from the 1st day of February 1942.

Maj. (temporary) Paul Drake to be a major in the Marine Corps from the 1st day of February 1942.

Capt. (temporary) Donald K. Yost to be a captain in the Marine Corps from the 1st day of February 1942.

Capt. (temporary) Frederick R. Payne, Jr., to be a captain in the Marine Corps from the 1st day of February 1942.

Robert R. Davis, a citizen of Wisconsin, to be a second lieutenant in the Marine Corps from the 31st day of August 1941.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Ollie L. Stewart, Haleyville, Ala., in place of W. E. P. Lakeman, deceased.

Martha Dale True, Newbern, Ala., in place of M. D. True. Incumbent's commission expired August 23, 1941.

ALASKA

Herbert Edmunds Brown, Anchorage, Alaska, in place of S. B. Pollock, resigned

ARKANSAS

Mary N. Old, Huntington, Ark., in place of M. N. Old. Incumbent's commission expired August 23, 1941.

Robert H. Willis, Watson, Ark., in place of R. H. Willis. Incumbent's commission expired August 23, 1941.

CALIFORNIA

Orin F. Mumy, Angel Island, Calif., in place of O. F. Mumy. Incumbent's commission expired June 25, 1940.

William D. Tracy, Buttonwillow, Calif., in place of W. D. Tracy. Incumbent's commission expired November 30, 1941

Agnes M. Falck, Del Paso Heights, Calif., in place of A. M. Falck. Incumbent's commission expired November 30, 1941.

Ray Brackett, Geyserville, Calif., in place of Ray Brackett. Incumbent's commission expired August 2, 1941

Charles W. Deming, Universal City, Calif., in place of C. W. Deming. Incumbent's commission expired February 14, 1940.

COLORADO

Margaret E. McCrone, Creede, Colo., in place of E. B. McCrone, deceased.

Herman W. Neuhaus, Woodman, Colo., in place of H. W. Neuhaus. Incumbent's commission expired December 1, 1941.

CONNECTICUT

Evangeline M. Cassidy, Southbury, Conn., in place of E. M. Cassidy. Incumbent's commission expired July 29, 1941.

FLORIDA

Harry F. Aicher, Jupiter, Fla., in place of H. F. Aicher. Incumbent's commission expired August 23, 1941.

Flora A. Labors, Laurel Hill, Fla., in place of F. A. Labors. Incumbent's commission expired December 1, 1941

Boonie S. Strickland, Opa Locka, Fla. Office became Presidential July 1, 1941.

GEORGIA

Herbert H. Maxham, Austell, Ga., in place of H. H. Maxham. Incumbent's commission expired November 30, 1941.

Zack L. Strange, Collegeboro, Ga., in place of Z. L. Strange. Incumbent's commission expired July 19, 1939.

William Wayne Pate, Davisboro, Ga., in place of O. N. Ruben, deceased.

Bessie E. Meeks, Kite, Ga., in place of B. E. Meeks. Incumbent's commission expired November 30, 1941.

Estelle C. Tapp, Powder Springs, Ga., in place of E. C. Tapp. Incumbent's commission expired November 30, 1941.

Floy F. Barnett, Resaca, Ga., in place of F. F. Barnett. Incumbent's commission expired November 30, 1941.

Emma S. Brindle, Surrency, Ga., in place of E. S. Brindle. Incumbent's commission expired December 20, 1941.

IDAHO

Ruth E. Lindow, Avery, Idaho, in place of R. E. Lindow. Incumbent's commission expired November 30, 1941.

Maude M. Howe, Donnelly, Idaho, in place of M. M. Howe. Incumbent's commission expired November 30, 1941.

John W. Hays, Dubois, Idaho, in place of J. W. Hays. Incumbent's commission expired December 20, 1941

Bessie B. Todd, Melba, Idaho, in place of B. B. Todd. Incumbent's commission expired November 30, 1941

Logan M. Bowman, Payette, Idaho, in place of L. M. Bowman. Incumbent's commission expired November 30, 1941.

ILLINOIS

Ernest J. Kruetgen, Chicago, Ill., in place of E. J. Kruetgen. Incumbent's commission expired February 2, 1942.

Delos Solterman, Evergreen Park, Ill., in place of Delos Solterman. Incumbent's commission expired June 18, 1941.

Leah Pearl York, Hartford, Ill., in place of L. P. York. Incumbent's commission expired December 2, 1941.

Ernest O. Reaugh, Kewanee, Ill., in place of R. J. Wilson, deceased.

Forest Vernon McNabney, Menard, Ill., in place of F. V. McNabney. Incumbent's commission expired May 29, 1939.

Earle E. Bower, Richmond, Ill., in place of E. E. Bower. Incumbent's commission expired August 5, 1941.

James Higgins, St. David, Ill., in place of James Higgins. Incumbent's commission expired December 23, 1941

Herman E. Rinkema, South Holland, Ill., in place of H. E. Rinkema. Incumbent's commission expired December 23, 1941.

INDIANA

Mildred Robertson, Cromwell, Ind., in place of H. E. Hull, transferred.

Gene Harris, Fountain City, Ind., in place of Gene Harris. Incumbent's commission expired December 6, 1941.

Clifford L. Smith, Middlebury, Ind., in place of B. E. Wise, deceased.

Oscar L. Philipps, Santa Claus, Ind., in place of O. L. Philipps. Incumbent's commission expired December 6, 1941.

KANSAS

William I. Hanna, Gove, Kans., in place of O. G. Beougher, transferred.

Orval B. Cantrill, Harveyville, Kans., in place of O. B. Cantrill. Incumbent's commission expired December 7, 1941.

Harry Meyer, Lenexa, Kans., in place of H. M. Collins, removed.

KENTUCKY

Mary E. Chaudoin, Buffalo, Ky., in place of M. E. Chaudoin. Incumbent's commission expired November 27, 1941.

Carolyn H. Grimes, Harrodsburg, Ky., in place of J. H. Grimes, resigned

Dora Mae Miller, Magnolia, Ky., in place of D. M. Miller. Incumbent's commission expired November 27, 1941.

LOUISIANA

Thera N. Stovall, Dodson, La., in place of T. N. Stovall. Incumbent's commission expired December 7, 1941.

Laverna O. Ramsey, Pleasant Hill, La., in place of L. O. Ramsey. Incumbent's commission expired August 2, 1941.

MARYLAND

Elizabeth Fyle Provost, Aberdeen Proving Ground, Md., in place of E. F. Provost. Incumbent's commission expired June 25, 1940.

Margaret G. King, Edgewood Arsenal, Md., in place of M. G. King. Incumbent's commission expired June 25, 1940

Wylie L. Donaldson, Odenton, Md., in place of W. L. Donaldson. Incumbent's commission expired November 30, 1941.

Jennings R. Richards, Westover, Md., in place of J. R. Richards. Incumbent's commission expired November 30, 1941.

MASSACHUSETTS

Joseph P. Bartley, Barrowsville, Mass., in place of J. P. Bartley. Incumbent's commission expired December 7, 1941.

Joseph E. Fietz, Islington, Mass., in place of J. E. Fietz. Incumbent's commission expired December 7, 1941.

Joseph F. Totman, Norwell, Mass., in place of J. F. Totman. Incumbent's commission expired December 7, 1941.

George A. Rice, Pepperell, Mass., in place of G. A. Rice. Incumbent's commission expired July 28, 1941

Mary M. Hill, West Groton, Mass., in place of M. M. Hill. Incumbent's commission expired December 7, 1941.

Bertha M. West, Wianno, Mass., in place of B. M. West. Incumbent's commission expired May 22, 1940.

MICHIGAN

Gabriel J. Chopp, Ahmeek, Mich., in place of G. J. Chopp. Incumbent's commission expired November 30, 1941.

Irene Couture, Bruce Crossing, Mich., in place of Irene Couture. Incumbent's commission expired February 18, 1941.

Edward S. Genry, Munising, Mich., in place of A. O'D. Wright. Incumbent's commission expired June 12, 1938.

Ferdinand F. Siegmund, New Buffalo, Mich., in place of F. F. Siegmund. Incumbent's commission expired November 30, 1941.

Elizabeth Treiber, Norway, Mich., in place of Elizabeth Treiber. Incumbent's commission expired December 20, 1941.

August V. Jacober, Waterford, Mich., in place of A. V. Jacober. Incumbent's commission expired November 30, 1941.

MISSISSIPPI

William B. Potts, Crawford, Miss., in place of W. B Potts. Incumbent's commission expired November 27, 1941.

Ida Koen, Foxworth, Miss., in place of Ida Koen. Incumbent's commission expired November 27, 1941.

Lee E. Rials, Jayees, Miss., in place of L. E. Rials. Incumbent's commission expired November 27, 1941.

MISSOURI

Villa R. Harris, Annapolis, Mo., in place of V. R. Harris. Incumbent's commission expired December 2, 1941.

E'mer W. Brown, Farmington, Mo., in place of R. S. Cozean, resigned.

MONTANA

Cletus J. Walsh, Polytechnic, Mont., in place of C. J. Walsh. Incumbent's commission expired December 6, 1941.

NEBRASKA

Jean D. Hubbard, Ingleside, Nebr., in place of J. D. Hubbard. Incumbent's commission expired June 4, 1939.

Bernard M. Diers, Scottsbluff, Nebr., in place of B. M. Diers. Incumbent's commission expired July 30, 1941

George D. Thomas, Seward, Nebr., in place of G. D. Thomas. Incumbent's commission expired February 4, 1941.

NEW JERSEY

Charles Leon Ware, Glassboro, N. J., in place of C. L. Ware. Incumbent's commission expired December 23, 1941.

NEW YORK

Melvin L. McNees, North Chili, N. Y. Office became Presidential July 1, 1941.

Richard J Longtin, Paul Smiths, N. Y., in place of R. J. Longtin. Incumbent's commission expired August 2, 1941.

Mary M. Bihn, Victory Mills, N. Y. Office became Presidential July 1. 1941.

NORTH CAROLINA

Effie A. Brickhouse, Columbia, N. C., in place of E. A. Brickhouse. Incumbent's commission expired December 20, 1941.

Benjamin F. Bird, Grover, N C., in place of B. F. Bird. Incumbent's commission expired December 20, 1941.

Barron P. Caldwell, Marion, N. C., in place of B. P. Caldwell. Incumbent's commission expired December 23, 1941.

OHIO

Ethel A. Compton, Blacklick, Ohio, in place of E. A. Compton. Incumbent's commission expired November 27, 1941.

Martin M. Helwick, Bolivar, Ohio, in place of M M. Helwick. Incumbent's commission expired November 27, 1941.

Alex C. Franz, Jr., Cleves, Ohio, in place of E. H. Crim, resigned.

Robert L. Stygler, Gahanna, Ohio, in place of R. L. Stygler. Incumbent's commission expired November 27, 1941.

Harry G. Benjamin, Mount Blanchard, Ohio, in place of H. G. Benjamin. Incumbent's commission expired November 27, 1941.

Lema M. Collins, Proctorville, Ohio, in place of L. M. Collins. Incumbent's commission expired November 27, 1941.

Mable L. Sloan, Rushsylvania, Ohio, in place of M. L. Sloan. Incumbent's commission expired November 27, 1941.

Evelyn M. Barker, Sardis, Ohio, in place of G. M. Towle, deceased.

OKLAHOMA

Harry B. Lyne, Boynton, Okla., in place of W. J. Allen, deceased.

Ruth I. Corbin, Delaware, Okla., in place of R. I. Corbin. Incumbent's commission expired December 10, 1941.

Harry B. Torbett, Okmulgee, Okla., in place of E. C. Croom, deceased.

OREGON

Loris V. Farleigh, Sisters, Oreg., in place of L. V. Farleigh. Incumbent's commission expired December 23, 1941.

Mayrue Gregory, Westport, Oreg., in place of Mayrue Gregory. Incumbent's commission expired December 23, 1941.

PENNSYLVANIA

Harry L. Verner, East Brady, Pa., in place of J. P. May, deceased.

Leonard E. Devilbiss, Fawn Grove, Pa., in place of L. E. Devilbiss. Incumbent's commission expired December 9, 1941.

Joseph J. Myers, Irvine, Pa., in place of J. J. Myers. Incumbent's commission expired December 9, 1941.

William Killion, Irvona, Pa., in place of William Killion. Incumbent's commission expired December 9, 1941.

Lottie Tueche, New Eagle, Pa., in place of Lottie Tueche. Incumbent's commission expired December 9, 1941.

Maurice F. MacDonald, Ridgway, Pa., in place of W. C. Salberg, removed.

Robert H. Barber, Rydal, Pa., in place of J. E. Pennel. Incumbent's commission expired August 14, 1941.

Harry O. Shirey, Sheffield, Pa., in place of J. F. Farr, Sr. Incumbent's commission expired March 6, 1940

Chauncey D. Everard, Wapwallopen, Pa. Office became Presidential July 1, 1941.

PUERTO RICO

Vicente Feliu, Bayamon, P. R., in place of J. U. McGuire, removed.

RHODE ISLAND

Samuel H. Pascoe, Wallum Lake, R. I., in place of S. H. Pascoe. Incumbent's commission expired June 25, 1940.

SOUTH CAROLINA

Fred L. Armstrong, Bath, S. C., in place of F. L. Armstrong. Incumbent's commission expired December 7, 1941.

Edward M. Kennedy, Blackstock, S. C., in place of E. M. Kennedy. Incumbent's commission expired December 7, 1941.

Gordon S. Beard, Myrtle Beach, S. C., in place of G. S. Beard. Incumbent's commission expired December 7, 1941.

SOUTH DAKOTA

Ruth B. Vernon, Fort Meade, S. Dak., in place of R. B. Vernon. Incumbent's commission expired April 6, 1941.

TENNESSEE

Charles L. Wells, Byrdstown, Tenn., in place of C. L. Wells. Incumbent's commission expired December 8, 1941.

Leonard F. Robinette, Mosheim, Tenn., in place of L. F. Robinette. Incumbent's commission expired December 8, 1941.

John C. Pope, Springfield, Tenn., in place of J. C. Pope. Incumbent's commission expired December 8, 1941.

L. Irene Rose, Tazewell, Tenn., in place of L. I. Rose. Incumbent's commission expired December 23, 1941.

TEXAS

Merle L. Alexander, Allred, Tex. Office became Presidential July 1, 1940.

Sallie C. Milburn, Bryson, Tex., in place of S. C. Milburn. Incumbent's commission expired November 27, 1941.

Jesse C. Estlack, Clarendon, Tex., in place of F. W. Taylor, deceased.

John S. Cochran, Coahoma, Tex., in place of J. S. Cochran. Incumbent's commission expired November 27, 1941.

Aubrey I. Chapman, Columbus, Tex., in place of A. P. Hinton, deceased.

Virgil E Wootton, Hunt, Tex., in place of V. E. Wootton. Incumbent's commission expired December 23, 1941.

Harley Arnold, Maud, Tex., in place of Harley Arnold. Incumbent's commission expired November 27, 1941.

William G. Abernathy, Palo Pinto, Tex., in place of C. V. Whatley. Incumbent's commission expired May 19, 1940.

Cora Anderson, South Houston, Tex., in place of Cora Anderson. Incumbent's commission expired November 27, 1941.

Simon D. Hay, Sudan, Tex., in place of S. D. Hay. Incumbent's commission expired November 27, 1941

James R. Oliver, Wells, Tex., in place of J. R. Oliver. Incumbent's commission expired November 27, 1941.

UTAH

Fred L. Gadd, Nephi, Utah, in place of Gerald Cazier, removed

VIRGINIA

Edward L. Willis, Belle Haven, Va., in place of E. L. Willis. Incumbent's commission expired December 1, 1941

Daniel V. Richmond, Ewing, Va., in place of D. V. Richmond. Incumbent's commission expired December 1, 1941.

Edward G. Newell, Kecoughtan, Va., in place of E. G. Newell. Incumbent's commission expired January 20, 1940.

Catherine L. Timms, Lorton, Va., in place of A. D. Davis, deceased.

Marion B Harvey, Roseland, Va., in place of M B. Harvey Incumbent's commission expired December 1, 1941.

Fred P. Brown, Rural Retreat, Va., in place of C. W. Kyle, deceased.

WASHINGTON

Gustaf N. Dalstead, Anacortes, Wash., in place of G. N. Dalstead. Incumbent's commission expired August 23, 1941.

Dorothy M. Henson, Fort Steilacoom, Wash., in place of D M. Henson. Incumbent's commission expired July 27, 1939.

WEST VIRGINIA

William H. Hilborn, Beverly, W. Va., in place of W. H. Hilborn. Incumbent's commission expired December 15, 1941.

Nell Bennett Wolford, Pickens, W. Va., in place of N B. Wolford. Incumbent's commission expired December 15, 1941

Merle G. Raab, Triadelphia, W. Va., in place of M. G Raab. Incumbent's commission expired December 15, 1941.

Thelma P. Forbes, West Liberty, W. Va., in place of T. P. Forbes. Incumbent's commission expired December 15, 1941.

WISCONSIN

Haylor G. Koziczkowski, Amherst Junction, Wis., in place of H. G. Koziczkowski. Incumbent's commission expired November 30, 1941.

William P Mulligan, Portage, Wis., in place of L. O. Mueller, deceased.

John C. Weitermann, Sturgeon Bay, Wis., in place of H. R. Jones. Incumbent's commission expired July 27, 1939.

WYOMING

Ina E. Gentry, Lance Creek, Wyo., in place of I. E. Gentry. Incumbent's commission expired December 7, 1941.

ASSISTANT SOLICITOR GENERAL OF THE UNITED STATES

Oscar S. Cox, of Maine, to be Assistant Solicitor General of the United States, vice Hon. Charles Fahy, resigned.

UNITED STATES ATTORNEY

Carl L. Sackett, of Wyoming, to be United States attorney for the district of Wyoming. (He is now servir in this office under an appointment which expired December 7, 1941.)

CONFIRMATIONS

Executive nominations confirmed by the Senate February 9, 1942:

OFFICE OF PRICE ADMINISTRATION

Leon Henderson to be Price Administrator, Office of Price Administration.

DEPARTMENT OF LABOR

Isador Lubin to be Commissioner of Labor Statistics (reappointment), Department of Labor.

UNITED STATES CUSTOMS COURT

William A Ekwall to be judge of the United States Customs Court.

UNITED STATES DISTRICT JUDGE

John W. Delehant to be United States district judge for the district of Nebraska.

UNITED STATES ATTORNEY

Carl L. Sackett to be United States attorney for the district of Wyoming.

WITHDRAWAL

Executive nomination withdrawn from the Senate February 9, 1942:

POSTMASTER

Myron L. Wyckoff to be postmaster at East Stroudsburg, in the State of Pennsylvania.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 9, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We praise Thee, O God, that Thy will is the way of love and mercy. Beneath Thy hand we would humble ourselves and say: "Holy, holy, holy." Thou art unto us a wise influence which lifts us beyond the clutch of weakness and indecision; bless us with a deep sense of Thy overwhelming presence. Take out of our hearts all bitterness and drive into the land of forgetfulness all resentment and evil, and blessed shall be the memories of the Bethels where Thou didst meet us.

We renew our prayer, dear Lord, for our sons who have left their homes with their happiness and opportunities and joined the ranks of our country's defenders; wilt Thou watch as temptations beset them. Grant that the virtuer of godly parents may be emulated by them and their voice of prayer go up between the rising and the setting sun. Comfort with great peace all vacant firesides, trusting in Thee when they are afraid; bless and guide them even to the brink where time ceases to be. In our Saviour's name. Amen.

The Journal of the proceedings of Friday, February 6, 1942, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On February 6, 1942:

H. R. 5480. An act to provide pay for officers in accordance with the rank and grade in which they were inducted and served in the land forces;

H. R. 6333. An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes;

H. R. 6353. An act to provide for the adjustment of tobacco, wheat, and cotton-marketing quotas and acreage allotments in certain cases where farm land is acquired by the United States for defense purposes;

H. R. 6392. An act to authorize the construction of certain naval vessels, and for other purposes; and

H. J. Res. 257. Joint resolution to amend section 124 of the Internal Revenue Code to simplify the procedure in connection with amortization of certain facilities.

On February 7, 1942:

H. R. 5249. An act to amend section 7 of the Natural Gas Act;

H. R. 6460. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1943, and additional appropriations therefor for the fiscal year ending June 30, 1942, and for other purposes; and

H. J. Res. 276. Joint resolution to authorize the President of the United States to render financial aid to China, and for other purposes.

THE LATE HONORABLE CLYDE HOWARD TAVENNER

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. SABATH. Mr. Speaker, I rise to announce with profound regret and sorrow the passing on last Friday, February 6, of Hon. Clyde Howard Tavenner, who was a Member of this House during the sixty-third and sixty-fourth Congresses, from the Fourteenth District of Illinois. I first met Mr. Tavenner 40 years ago when I was a judge in Chicago and he was beginning his journalistic career in Cook County. That meeting developed into a close and abiding friendship and association that persisted to his end.

Of the Members of this House with whom Mr. Tavenner served only Mr. DOUGHTON, Mr. Speaker RAYBURN, Mr. SUMNERS of Texas, Mr. TREADWAY, Mr. VINSON of Georgia, Mr. STEAGALL, Mr. TINKHAM, Mr. BLAND, Mr. CROSSER, and Mr. SABATH are still Members.

Mr. Tavenner was one of the leaders of the House against the entrance of the country into the first World War. In 1916, he made two speeches in Congress, The World-wide War Trust and The Navy League Unmasked, for the distribution of which Henry Ford contributed considerable money, as I understand.

Mr. Tavenner was born in Illinois, February 4, 1882, and at an early age began writing for a country newspaper, later becoming a writer for city dailies in Illinois, the District of Columbia, and California. Before his election to this House he, in 1908, began to write a daily article, and for several years he syndicated a daily Washington letter to 100 daily papers and a weekly letter to 2,600 weeklies. This profitable activity was necessarily discontinued when our friend entered Congress.

He was made director of publicity for the Democratic National Committee in 1910 and 1912 under Secretary of State Hull.

As a Member of the House, Mr. Tavenner was one of the original and persistent advocates of Philippine independence, and after his retirement from Congress he entered the employ of the Philippine Government as an adviser and director of publicity.

In 1919 he visited Siberia, Japan, and the Philippines and wrote a series of articles on Philippine independence. In 1923 he left the service of the Philippine Government to found the magazine, the Philippine Republic, published in Washington, and served as editor.

In 1931–32, Mr. Tavenner, as a member of a mission from the Philippine Islands, visited Europe, the Near East, and the Far East.

As a very active Member he was a confidant of then Speaker Clark, the late Speaker Rainey, and the late Senator La Follette.

During the last several years this deceased was in ill health and led a sheltered life. His last official connection with the House was 2 years ago, when I was glad to avail myself, as chairman of the Committee on Rules, of his services as a legislative analyst.

Mr. Tavenner made a splendid and enduring record during his short term of 4 years in this House. He was a scholarly gentleman, a worthy author, a fluent, convincing writer on broad and penetrating governmental affairs.

I do very much regret the passing of this good and close friend. The funeral services were held in Washington this morning and I, therefore, felt constrained to postpone a scheduled meeting of the Committee on Rules to enable some of the members and members of the clerical staff of that committee, including myself, to attend these impressive services.

I ask unanimous consent that I may be permitted to extend my remarks on the life and activities of this splendid former public servant and benefactor.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial from the Great Falls Tribune and also include a statement I made before the Committee on Reciprocity Information with reference to tungsten.

The SPEAKER. Is there objection?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. MANSFIELD] may be permitted to extend his own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects, the recent Retirement Act passed by the Congress and commerce through the Soo Locks at Soo, Mich.

The SPEAKER. Is there objection?

There was no objection.

RETIREMENT OF ELECTED OFFICIALS

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DONDERO. Mr. Speaker, the press of the country has leveled a great deal of criticism with reference to the recent action of this Congress in passing the Retirement Act to include elected officials within the provisions of the act. I mean pensions for Members of Congress and even the President of the United States. I join in that criticism. I think it is justified. I believe it was a serious mistake to present legislation of that character at this time when we are asking the people of the country to conserve, to save, to buy Defense bonds, to practice self-denial, and sacrifice in order that we may provide the armed forces of the United States with the sinews of war. Bills have been introduced to repeal that provision of the law in both Houses of the Congress. I hope it will be presented soon for action. If it is, I want to be one of the first to vote to repeal that section of the law.

Mr. THOMAS F. FORD. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. Yes; I yield.

Mr. THOMAS F. FORD. I notice that most of the criticism of that law has been given since the bill was signed.

Mr. DONDERO. Because the American people were shocked to learn that the Congress would pass it and the President sign it.

[Here the gavel fell.]

FIRST DEFICIENCY APPROPRIATION BILL, 1943

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, I received your telegram dated February 7, which reads:

Hon. ROBERT F. RICH:

Important for you to be here Monday to vote on first deficiency appropiration bill.

Speaker RAYBURN,
Majority Leader MCCORMACK, and
Majority Whip BOLAND.

I want to say, Mr. Speaker, that I was glad to receive your telegram as this is the first telegram I have ever received from you, and I realize it is very important that we be here today. I am going to do everything I can to stop this boondoggling that is going on. I am going to do all I can to stop the expenditure of this money to produce a Donald Duck movie picture at the cost of $80,000.00 It is such a futile waste! While the avowed purpose of the picture was to sugar-coat the dose of increased tax burdens, the net result would be a useless diversion of $80,000 of the taxpayers dollars that could otherwise be used for planes, tanks, and guns for MacArthur, his brave soldiers and the valiant men they typify. Stop this foolishness and get a little real sense. We must stop waste and get more airplanes, if we are to win the war.

Mr. Speaker, I promise you that I will vote for economy right down the line, as I have in the past, to stop a lot of this ridiculous spending. Oh, Mr. Speaker, you and the majority party should stop the waste and extravagance that is going on, stop the fool dancing propaganda with high-salaried employees, the enormous profits made by shipbuilders and great commissions by those who give out Government contracts. A penny saved is a penny earned; 10 pennies make a dime; 10 dimes make a dollar. Let us save a few dollars in this bill. Let us try to create some confidence in your spending. Where are you going to get the money? How will you pay this enormous debt you are building? I say it is time to stop squandering.

[Here the gavel fell.]

THE A. V. G. IN BURMA

Mr. PLAUCHÉ. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PLAUCHÉ. Mr. Speaker, with the possible exception of the brave and heroic fight of Gen. Douglas MacArthur and his men, nothing has thrilled the American people more than the exploits of that brave little band of American flyers known as the A. V. G. who are defending the Burma Road and keeping the China lifeline open under the able leadership of Gen. Claire L. Chennault, a native of the State of Louisiana.

These men are demonstrating that our American flyers are not only the equal of but superior to any flyers in the world.

Even though these men form no part of the United States Army they are, nevertheless, fighting for America and I propose that our Government recognize their valuable and heroic service by extending to these men, their families and dependents all benefits received by our armed forces under existing laws. At the proper time, I shall introduce a bill to carry out this suggestion.

THE LATE HONORABLE WILLIAM H. BOYCE

Mr. TRAYNOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TRAYNOR. Mr. Speaker, it is with deep regret that I report the death of a former Member of the House of Representatives, Justice William H. Boyce, of Dover, Del., at the age of 86. He served with honor and distinction one term in this House from 1923 to 1925. Judge Boyce lived an illustrious career, serving as a public official, an attorney, State judge, and finally a United States Congressman, serving on the Committee on Rivers and Harbors. With the passing of Judge Boyce the Nation has lost a noted jurist and the State of Delaware a highly honored citizen.

EXTENSION OF REMARKS

Mr. HILL of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article from the Reclamation Era entitled "Grand Coulee Dam."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article from the Progressive of Madison, Wis., written by the senior Senator from Wisconsin [Mr. LA FOLLETTE].

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WILLIAM T. PHEIFFER. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an editorial from the New York Herald Tribune entitled "Who's Who Among Parasites."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ANOTHER SOO LOCK NECESSARY

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. YOUNG. Mr. Speaker, I again take the floor to assert that the House of Representatives has no business of greater importance nor urgency before it than to take up and pass by unanimous consent the bill (S. 2132) authorizing immediate construction of a new lock at St. Marys Falls Canal, Mich. commonly called the Soo. Last January I urged the necessity of passing this authorization bill, which has already passed in the other body without opposition. The present Soo locks are the busiest in the world. Eighty million gross tons of iron ore were shipped from the Lake Superior area last year. Were a bomb to destroy or seriously damage the present locks at the Soo, this Nation would have suffered a catastrophe—a major disaster. Our railroads do not have the rolling stock to carry this ore. Immediate construction of another lock at the Soo is a necessary measure in the winning of this war, and I violently disagree with those members of the Rivers and Harbors Committee responsible for placing this meritorious measure ir an omnibus bill containing measures of questionable merit. I consider it reprehensible that this bill, which is so necessary and which involves an expenditure of about $8,000,000, should be delayed and then included in an omnibus bill along with such proposals as the Florida ship canal, which, in my judgment, is an unjustified, unnecessary, and unwarranted proposal involving a tremendous expenditure of taxpayers' money.

This is a war of production. We must "keep 'em rolling." The iron ore which will pass through the Soo locks this year will be turned into tanks, rifles, submarines, guns, shell cases, and munitions sorely needed by our armed forces. Delay is dangerous.

EXTENSION OF REMARKS

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief article from the Chicago Journal of Commerce on Government publicity; also further to extend my remarks and include certain excerpts from the press in reference to the O. C. D.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by Mr. Erwin D. Carham which appeared in the Christian Science Monitor of February 6, 1942.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an address delivered by the Honorable Antonio J. Bermudez, mayor of Juarez, Mexico, at the recent annual conference of the United States Conference of Mayors; likewise a resolution passed by that same organization regarding the friendly relations between the United States and Mexico.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CASEY of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Worcester Daily Telegram.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. STEVENSON]?

There was no objection.

[Mr. STEVENSON addressed the House. His remarks appear in the Appendix.]

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SMITH]?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, as all of you know, after the President failed to veto the recently enacted Ramspeck bill, H. R. 3487, providing pensions to Congressmen, Cabinet officers, and other elective and appointive officials, no less than 250,000 political officeholders in all, I introduced a bill, H. R. 6513, calling for the repeal of this provision.

I now wish to inform the membership of this House that each of you will be given an opportunity to make public record of your position on this provision granting pensions to Congressmen and the other groups mentioned.

I am respectfully urging that the Civil Service Committee as promptly as possible report to the House for consideration my bill, H. R. 6513, which I have introduced, or a similar measure, which provides for the repeal of the clause in question.

If the Civil Service Committee fails to do this I shall at the proper time place on the Clerk's desk a discharge petition and seek by this method to have my bill brought before the House for consideration.

This will also give the House full opportunity to express its disapproval of the clandestine manner by which the Ramspeck bill was sneaked through the House, and to vindicate the membership from all charges of being a party to this political trickery.

I want it distinctly understood by every Member of the House that I shall strive not only to repeal the congressional pensions, but also the pensions of other elected officials, Cabinet officers, and other political officeholders as provided for in the Ramspeck bill, H. R. 3487.

We are at war and Congress should set the example of economy and sacrifice.

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. LELAND M. FORD]?

There was no objection.

[Mr. LELAND M. FORD addressed the House. His remarks appear in the Appendix.]

Mr. BRADLEY of Michigan. Mr. Speaker, at the conclusion of all previous special orders heretofore entered for today and the regular business, I ask unanimous consent to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. BRADLEY]?

There was no objection.

Mr. THOMAS F. FORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. THOMAS F. FORD]?

There was no objection.

[Mr. THOMAS F. FORD addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement on farm operations by Mr. Alvaugh.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. CRAWFORD]?

There was no objection.

USE OF GAS FOR SPACE HEATING

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. HINSHAW]?

There was no objection.

Mr. HINSHAW. Mr. Speaker, I understand that an agency of the War Production Board, probably called the Power Allocation Board, is contemplating issuing orders that gas will not be furnished for space heating in homes that are to be built after March 1 in some 20 to 25 States of the United States. I can understand that order in relation to those States where gas is a substance which is not found in the earth or not easily prepared and in which there might be a shortage due to defense needs, but certainly in those States and those portions of States, such as southern California, where there can be no question

but what there is plenty of gas available such an order can hardly be justified. People do not use anything else but gas, or scarcely anything else, for home heating in those localities. I hope the Power Board or the War Production Board will consider these matters in relation to southern California, Texas, Oklahoma, and other portions of the United States where natural gas is plentiful and commonly used for heating. To make it necessary to use any other kind of house-heating fuel in southern California would be a mistake of the first magnitude.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. D'ALESANDRO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article which appeared in the Baltimore Sun.

The SPEAKER. Is there objection to the request of the gentleman from Maryland [Mr. D'ALESANDRO]?

There was no objection.

CONTEMPLATED TRIP TO WASHINGTON BY HIGH SCHOOL STUDENTS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, while visiting in my State over the week end I was told by the principal of Arthurdale High School that it has been the custom to bring its senior class to Washington to visit the National Capital each spring. This year, rather than the trip to Washington, the senior class has purchased a Defense bond or bonds.

I think the example of this high school and its seniors can well serve as an example to others throughout the country. This is especially true when we view the congestion in Washington at this time and know of the many Government departments that are necessarily closed to the public.

I trust the Members of the House will, if they agree with this plan, advise their high school groups it might be much better to buy Defense bonds than to make a journey to the Capital this year.

TO PRINT A REVISED EDITION OF THE PAMPHLET OUR AMERICAN GOVERNMENT, ETC.

Mr. BULWINKLE. Mr. Speaker, from the Committee on Printing I report (Rept. No. 1760) back favorably, without amendment, a privileged resolution (H. Res. 435) authorizing the printing of a revised edition of House Document No. 210, current Congress, entitled "Our National Government: What Is It? How Does It Function?" as a public document.

The Clerk read the resolution, as follows:

Resolved, That a revised edition of House Document No. 210, current Congress, entitled "Our National Government: What Is It? How Does It Function?" compiled by Representative WRIGHT PATMAN, of Texas, be printed as a public document, and that 2,000 additional copies be printed for the use of the House of Representatives.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. BULWINKLE]?

There was no objection.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

(Mr. RABAUT asked and was given permission to extend his own remarks in the RECORD.)

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to extend the remarks I will make today and to include therein certain statements from the New York Times of this date.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two editorials.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

HOUSING IN THE DISTRICT OF COLUMBIA

Mr. WILSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILSON. Mr. Speaker, due to previous arrangements for speaking engagements out in my district this week, I shall be unable to be present on the floor of the House tomorrow when the bill concerning housing for the District of Columbia is considered. I am, of course, in favor of the passage of this bill as one of the 10 points for relieving congestion in the District of Columbia.

As the Members of the House may know, I have introduced a resolution authorizing the Speaker of the House to appoint a select committee to investigate the efficiency of employees in Washington. Last Saturday I made an inspection tour of some of the offices in the District. I visited the pool and interviewed about 10 people. One of the boys had been here 4 weeks and 4 days, having been brought here for messenger-boy service, and he has not yet been assigned.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. HEALEY. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day, and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

RETIREMENT BENEFITS FOR GOVERNMENT EMPLOYEES

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein a couple of letters.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN of Mississippi addressed the House. His remarks appear in the Appendix.]

FINANCIAL AID TO CHINA

Mr. CANNON of Missouri. Mr. Speaker, by direction of the Committee on Appropriations, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 278) making an appropriation to provide financial aid to China.

The Clerk read the title of the joint resolution.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the sum of $500,000,000 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to enable the Secretary of the Treasury to carry out the provisions of the joint resolution entitled "Joint resolution to authorize the President of the United States to render financial aid to China, and for other purposes," approved February —, 1942: *Provided*, That this appropriation shall not be available for obligation until the date of enactment into law of House Joint Resolution 276 of the Seventy-seventh Congress, and thereafter shall remain available until June 30, 1943.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Reserving the right to object, Mr. Speaker, I rise simply to call attention to the fact that this is an appropriating resolution designed to carry into effect the legislation passed last week authorizing a $500,000,000 loan to China. I do not believe the situation calls for any more statement than just the fact. This joint resolution provides money which can be loaned under the authorizing resolution which was passed last week.

I withdraw my reservation of objection, Mr. Speaker.

Mr. CANNON of Missouri. Mr. Speaker, on February 4 House Joint Resolution 276 was agreed to unanimously by the House authorizing the appropriation of $500,000,000 for financial aid to China. On the following day the Senate also unanimously agreed to the joint resolution and the President has approved it. Under this authorization the Committee on Appropriations today submits a House joint resolution proposing the appropriation of the full amount of $500,000,000 to provide financial aid to China. The financial and military history of China under present war conditions borders on the miraculous. Cut off from all ports of entry, from which she formerly derived her largest revenues, she has maintained her financial status and her national credit in a remarkable way. Driven back into the interior, through lack of equipment and munitions, she has defended her inland capital, maintained her government, and repelled the attacks of one of the greatest military nations of all times.

It is interesting to note that recently when she was able for the first time to put more adequately equipped troops in the field she has more than held her own against armies provided with every implement of modern warfare.

This loan is designed to further assure her financial and military status. It is predicated not only on purely diplomatic and financial considerations, but also in appreciation of the service which China has rendered and is rendering and will continue to render toward the preservation of democratic government.

Considerations occasioned for this loan and the considerations which govern it were exhaustively discussed when the authorizing resolution was under consideration in both the House and the Senate last week.

I take for granted the House is fully informed on the subject, and unless there is a demand for time on some question, I shall ask for a vote on the joint resolution as reported by the committee.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. In addition to what the gentleman has so well said about China, may I call attention to the friendship that has always existed between China and the United States. They have always been our friends and we have always been their friends in both peace and war.

Mr. CANNON of Missouri. We have not only enjoyed a long and gratifying diplomatic friendship with the Chinese Government and the Chinese people, but we have maintained mutually beneficial commercial relations with the Celestial Kingdom from the earliest days of the Republic.

Mr. CASEY of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. CASEY of Massachusetts. The gentleman's talk reminds me that for a long time we Americans, and I do not exempt myself, have looked upon ourselves as playing the role of the Good Samaritan. This bill is an instance and proof of the fact that we are not playing that role in this instance, but to a great extent we are waging this war through mercenaries and to a great extent we are on the receiving end in waging a war for self-protection

Mr. CANNON of Missouri. All the evidence adduced before the committee indicates that we are receiving in the present conflict invaluable cooperation and assistance from the Chinese troops and the Chinese Government.

Mr. GIFFORD Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I would like to have incorporated in the gentleman's remarks the fact that we are not the only nation giving recognition to China. Will the gentleman tell us how much Great Britain is also lending China at the moment?

Mr. CANNON of Missouri. I am glad to have the gentleman call attention to that important phase of the situation. As the gentleman says, Great Britain is simultaneously making the Chinese Government a loan of $200,000,000 which, with the amount contained in this bill, practically duplicates the circulating medium of China at this time.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I merely wish to say that I am pleased to see this bill brought up here and adopted. This is in line with remarks I made on the last supplemental defense appropriation bill. I feel it is important that we maintain China and that as soon as possible we construct bases in China from which we may make direct attacks on the Japanese.

Mr. CANNON of Missouri. The gentleman foresaw with prophetic vision the importance of collaborating financially with our Allies and especially with the Chinese Government. I congratulate him on the vindication of his judgment in the provisions of this measure. And at the same time I am convinced this resolution meets with the approval and expresses the sentiment and wishes of the House and of the American people. Mr. Speaker, I ask for a vote.

The joint resolution was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

PROMOTION TO COMMISSIONED RANK IN THE NAVY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6496) to authorize the appointment as commissioned warrant and warrant officers with commissioned rank in the line and staff corps of the Navy and Marine Corps, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MICHENER. Mr. Speaker, I reserve the right to object.

Mr. VINSON of Georgia. Mr. Speaker, under the reservation of objection made by the distinguished gentleman from Michigan, I will briefly state what the purpose is of this bill.

The measure is presented to the House by our distinguished colleague the gentleman from New York [Mr. COLE]. Behind this bill is a former bill introduced by the distinguished gentleman from Pennsylvania [Mr. BOLAND], and as a result of a long hearing the Navy Department has recommended the enactment of the bill H. R. 6496.

This bill for the first time in the history of the Navy opens the door of opportunity to every enlisted man ultimately to become a commissioned officer of the Navy. While it directly applies to warrant officers and commissioned warrant officers, in future years any enlisted seaman, if he proves satisfactory and can qualify, may ultimately become a commissioned officer. In other words, for the first time we are making the Navy more democratic. As everyone knows, the Navy is officered mainly by officers graduated from the Naval Academy. There are only some 79 officers of the line in the staff of the Navy who came up through the enlisted force. Under the law today, only 12 are permitted to have this opportunity. This measure grants such opportunity to all warrant officers and commissioned warrant officers and every enlisted man ultimately to demonstrate his qualifications for a commission.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from New York.

Mr. COLE of New York. The gentleman has referred to the fact that some 12 officers are taken into the regular commissioned line of the Navy. Do I understand that there are 12 coming from the noncommissioned rank or are they 12 who got into the Naval Academy?

Mr. VINSON of Georgia. Under the law today only 12 warrant officers or chief warrant officers, under the limitation of 12, can ultimately be given an examination for a commission.

Mr. COLE of New York. So this bill expands the policy or the practice that has been in use for some years.

Mr. VINSON of Georgia. It does. It is the most constructive and beneficial bill along this line that the Naval Affairs Committee has submitted to the House in many years.

Mr. MICHENER. Mr. Speaker, further reserving the right to object, I am pleased that the gentleman has made that assertion.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. SABATH. In what way does this bill differ from the bill originally introduced by the gentleman from Pennsylvania [Mr. BOLAND]?

Mr. VINSON of Georgia. In a great deal, in that particular group that Mr. BOLAND's bill deals with were these warrant officers and commissioned warrant officers, who wanted a greater latitude than this bill gives, but this is as far as the Committee on Naval Affairs thought we could go, and we are deeply grateful to the gentleman from Pennsylvania [Mr. BOLAND] for opening the opportunity for these men as well as to the men he had in mind.

Mr. SABATH. And the gentleman thinks that reserve men will receive benefit?

Mr. VINSON of Georgia. They will have the opportunity.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President, by and with the advice and consent of the Senate, is authorized to appoint annually to the commissioned grade or rank for which they make application and for which they are found qualified, not above that of lieutenant, in the line and staff corps of the Navy, as many commissioned warrant and warrant officers of the Regular Navy as he may deem necessary and the authorized number of commissioned officers of the line and of each staff corps to which such appointments may be made is increased accordingly.

SEC. 2. Candidates shall, on June 30 of the calendar year in which they are to be ap-

pointed, have completed not less than 3 years of service as a warrant officer and shall, on the same date, to be eligible for appointment in the rank of lieutenant, lieutenant (junior grade), or ensign, be not more than 40, 35, or 32 years of age, respectively: *Provided*, That the foregoing age limitations shall not apply until 1 year subsequent to the date of approval of this act

SEC. 3. No candidate shall be appointed who is not recommended by a commanding officer under whom he has served as a commissioned warrant or warrant officer nor un ' he shall have established his mental, moral, physical, and professional qualifications, in accordance with standard to be prescribed by the Secretary of the Navy, before, and shall have been recommended by a board of medical examiners and a naval examining board: *Provided*, That any candidate who shall have twice failed to establish his qualifications for an appointment pursuant to this act shall thereafter be ineligible for further consideration for such appointment to any of the ranks provided herein

SEC. 4. Each officer upon appointment shall take rank after the junior officer of the same rank in the line or appropriate staff corps on the date of appointment and each officer appointed to a staff corps shall be commissioned in the grade in which the said junior officer is then serving.

SEC. 5. Each officer appointed pursuant to this act to the grade of lieutenant in the line of the Navy shall be carried as an extra number in that grade only and, while in such grade, shall become eligible for consideration for promotion to the next higher grade by a line selection board when the officer next senior to him becomes eligible.

SEC. 6. The Sceretary of the Navy, under such regulations as he may prescribe, may revoke the commission of any officer on the active list appointed pursuant to this act who, at the date of revocation, has had less than 7 years of continuous commissioned service in the Navy, including service as a commissioned warrant officer, and any officer whose commission is so revoked shall be discharged from the naval service

SEC. 7. Except as herein otherwise provided, officers appointed under the authority of this act shall be governed by the provisions of existing laws and of laws hereafter enacted relating to line and staff officers of the Navy, as may be appropriate.

SEC. 8. The provisions of this act, except as may be necessary to adapt the same thereto, shall apply to the Marine Corps in like manner and to the same extent and with the same relative conditions in all respects as are provided for the Regular Navy.

SEC. 9. All existing laws or parts of existing laws authorizing the permanent appointment of commissioned warrant and warrant officers to the grade or rank of ensign or above in the line and staff corps of the Regular Navy, and all other laws or parts of laws insofar as they are inconsistent with or in conflict with the provisions of this act, are hereby repealed.

With the following committee amendments:

Page 2, line 10, strike out the word "age."

Page 3, line 23, strike out the period, insert a colon, and the following:

Provided, That no officer appointed pursuant to this act shall suffer any reduction in pay and allowances to which he would have been entitled had he not been so appointed.

The SPEAKER. The question is on agreeing to the amendments.

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO NEUTRALITY ACT OF 1939 (H. DOC. NO. 617)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I recommend that the Neutrality Act of 1939 be amended to provide that section 7 shall not be operative when the United States is at war.

Section 7 now in effect prevents essential financial transactions between persons within the United States and our cobelligerents. In my opinion there was never any intention that this section should operate during our belligerency. I hope that the Congress will act promptly in this matter to legalize transactions essential in the effective prosecution of the war.

There is attached a draft resolution designed to accomplish the purpose of this recommendation.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 9, 1942.*

JOINT RESOLUTION

Resolved, etc., That section 7 of the Neutrality Act of 1939 (Public Res. No. 54, 76th Cong.) is amended by adding at the end thereof the following new paragraph:

"(e) This section shall not be operative when the United States is at war."

REPORT OF GOVERNOR OF PANAMA CANAL

The SPEAKER also laid before the House the following message from the President of the United States which was read, and with the accompanying papers referred to the Committee on the Merchant Marine and Fisheries:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Annual Report of the Governor of the Panama Canal for the fiscal year ended June 30, 1941.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 9, 1942.*

REPORT OF BOARD OF DIRECTORS, PANAMA RAILROAD COMPANY

The SPEAKER also laid before the House the following message from the President of the United States which was read and, with the accompanying papers, referred to the Committee on the Merchant Marine and Fisheries:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Ninety-second Annual Report of the Board of Directors of the Panama Railroad Company for the fiscal year ended June 30, 1941.

FRANKLIN D ROOSEVELT.

THE WHITE HOUSE, *February 9. 1942.*

JUVENILE COURT, DISTRICT OF COLUMBIA (H. DOC. NO. 612)

The SPEAKER also laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on the District of Columbia and ordered to be printed:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a communication from the judge of the juvenile court of the District of Columbia, together with a report covering the work of the juvenile court during the fiscal year 1940–41.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 9 1942.*

VETO MESSAGE—REGISTRATION OF CERTAIN PROPAGANDA AGENCIES (H. DOC. NO. 611)

The SPEAKER also laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

I return herewith, without my approval, H. R. 6269, "To amend the act entitled 'An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes,' approved June 8, 1938, as amended."

This bill was drafted in peacetime to protect a nation at peace. It was properly designed to force the disclosure of the activities of foreign agents who may abuse the hospitality of our country or weaken our national unit by fostering discord and distrust.

The bill, however, obviously was not drafted with a view to the situation created by the Axis assault upon our country and our entry into the war in fighting partnership with 25 united nations and in active cooperation with other nations whose defense we deem vital to our own defense.

To achieve victory we must be certain that there is a minimum of interference with the strengthening and perfecting of joint action. Active collaboration of a military or economic nature with friendly countries requires the fullest and most constant exchange of representatives between us.

Just as we are anxious to see nothing interfere with the functioning of our representatives in friendly countries, so we must do everything we can to facilitate their functioning with us in the common cause. It is far from clear that the requirements of this legislation would not in many instances be unnecessary, inappropriate, and onerous in respect to the representatives of friendly nations who are constantly coming to and from the United States to cooperate with us.

I recommend that this bill be adjusted to meet these changed conditions resulting from our entry into the war. Such adjustment might be achieved by granting broad discretionary powers to the Attorney General during the emergency, to enable him to administer the bill so as to meet these new conditions.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 9, 1942.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. SUMNERS of Texas. Mr. Speaker, I move that the President's message be referred to the Committee on the Judiciary and ordered to be printed.

The motion was agreed to.

FIRST DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1942

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6548, the first deficiency appropriation bill, fiscal year 1942.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6548, with Mr. SMITH of Virginia in the chair.

The Clerk read the title of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the pending amendment be again read for the information of the Committee.

The CHAIRMAN. Without objection, the Clerk will again report the amendment offered by the gentleman from Pennsylvania [Mr. DITTER] before the Committee rose.

There being no objection, the Clerk read as follows:

Amendment offered by Mr. DITTER: On page 21, line 15, strike out "$26,000,000" and insert in lieu thereof "$20,000,000."

The CHAIRMAN. The gentleman is recognized for 5 minutes in support of his amendment.

Mr. DITTER. Mr. Chairman, the amendment now before the Committee is the amendment that was offered immediately preceding the motion of the chairman, on Friday, that the Committee rise. So that we may reorient ourselves, you will remember that the Committee adopted two amendments. The first amendment adopted was the amendment offered by the gentleman from California [Mr. LELAND M. FORD], with reference to certain activities that since then have had considerable display advertising in the press of the country. Then you will remember the next amendment that was adopted was an amendment offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH], which, too, has had a considerable amount of attention by the press of the country. Both amendments were offered for the purpose of eliminating needless expenditures and to bring the efforts of the Treasury Department within the realm of reason.

The amendment now before the Committee has the same purpose in mind. That is, that the $26,000,000 is to be reduced to $20,000,000 for promotional purposes. It is my understanding that the Secretary of the Treasury appeared before the committee in connection with the China relief appropriations today, and that during the course of the hearing some effort was made to try to justify the $26,000,000 that had previously been presented. I want to refer to the figures as they were submitted today by the Secretary of the Treasury with reference to promotional expenses for the sale of bonds.

According to the statement of the Secretary we have been able to market, thus far, $3,597,756,000 in bonds this year. When the question was asked the Secretary what the costs were for promoting that program he was unable to tell us. I understand that they hope during the next few months, during the rest of the calendar year, those sales will be brought up to $5,000,000,000.

We must bear in mind that since the 7th of December a promotional appeal, greater than any effort which might be made by either moving pictures or the radio or any other effort on the part of the Treasury Department, was set in motion. Pearl Harbor was the spark which fired the devotion of America. Pearl Harbor provided the best possible incentive to the American people to buy bonds. I submit to the Committee today that if they were able to market what the Secretary of the Treasury says has been marketed and what they contemplate marketing during the next few months of the year, then certainly this additional promotional expense on the basis that they are presently requesting it, can be reduced without injury. Bravery rather than ballyhoo will be the appeal.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I hope the gentleman will not press me. I only have a few minutes.

Mr. WOODRUM of Virginia. The gentleman can get some additional time.

Mr. DITTER. I cannot refrain from yielding to the gentleman.

Mr. WOODRUM of Virginia. I am sorry the gentleman did not hear the statement of the Secretary this morning, because I think he would have been impressed by the statement he made, and I would like to correct the gentleman if he has inadvertently made an incorrect statement. The bond sales through January were $3,000,000,000 plus.

Mr. DITTER. That is right.

Mr. WOODRUM of Virginia. Then he hoped to have an additional four or five billion by June.

Mr. DITTER. That is right. Now, if I have not made that clear—I thought that is what I had definitely stated to the Committee, that the sales up through January were $3,597,756,000 and that during the rest of the calendar year they hoped to do it on a $5,000,000,000 basis.

Mr. SNYDER. An additional $5,000,000,000?

Mr. WOODRUM of Virginia. An additional $5,000,000,000.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I am going to ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DITTER. Yes; $5,000,000,000 additional. I want that word "additional" in there. But the point I make is that $5,000,000,000 additional does not justify the increase in cost such as is presently requested. It amounts, in round figures, to $4,000,000 a month for promotional expenses—for a part of the promotional expenses.

Mr. WOODRUM of Virginia. Will the gentleman yield again?

Mr. DITTER. I hope the gentleman will use his own time.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that the gentleman have an additional 2 minutes, because we can develop the facts here.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. I know the gentleman in his traditional desire to be fair wants to give the House all the facts.

Mr. DITTER. I want to give all the facts, certainly.

Mr. WOODRUM of Virginia. I know the gentleman wants to do that. Will not the gentleman point out that in this $26,000,000, from which he now tries to cut $6,000,000, $13,000,000 is for the actual printing and registering of the bonds that are to be sold; and, further, if the gentleman will permit, not 1 penny of these funds is paid for radio or for newspaper advertisements or for speeches, or for any of that type high-pressure advertising which went on during the Liberty bond sales?

Mr. DITTER. Again, Mr. Chairman, the gentleman took the words out of my mouth. I intended to develop during the few minutes still remaining to me the very things he has given to the House. Far be it from me to attempt either to conceal or withhold from the House any information at hand, but in answer to the gentleman I should like to point out that with the method that is presently being pursued in accounting it is difficult to determine how these funds are to be used. Maybe there will not be any for radio, maybe there will not be any for the motion pictures. Dear knows, you have got enough in here now for them. But this fund will provide for additional jobs — eight - hundred - and-eighty-odd new positions.

The point I make is that with the incentive that comes from the patriotism, the great devotion, the loyalty of the American people I question very much whether we need the artificial means on the scale that are presently being resorted to.

My challenge to the leadership is that they put on a program which will take out the Walt Disney appeals, take out the Donald Ducks, and create in the hearts of the American people a real confidence. I believe the promotional program can be carried on as it was carried on during the first World War. I believe there will be volunteers who will surge forward and do the work. I believe the campaign for the bonds that must be sold for the financing of the war can be carried on more successfully without an overdose of artificial stimulation.

All of us are eager that the Government needs—the needs to win the war—shall be provided for by the wholesouled support of our people. I repeat what I have said on other occasions, every dollar that is necessary to prosecute speedily and successfully the war in which we are engaged should be appropriated by the Congress. I believe that is the spirit of the American people.

I believe the American people are ready to respond to the requests which have been made to invest in the bonds—to show their devotion to and to evidence their faith in the future of America. I

believe ample provision can be made for promotional work with the funds provided for by the amendment now before you. To appropriate more than is necessary would hinder rather than help the program. To appropriate a greater sum than is required, to be either extravagant or wasteful, would tend to discourage rather than encourage the support which we seek. We would be defeating our own purposes.

I believe we must appeal to the people by the sincerity of our motives, on a substantial, matter-of-fact basis, with facts and figures, by the presentation of a crystal-clear picture of the serious, sobering task which confronts us. I have a faith in the practical common sense of our people—their ability to think through things—just as I have a faith in their loyalty and devotion. If a stimulant is necessary, let it be the stimulant which would be provided by a complete confidence—a confidence created by competency—a confidence that the ghost of a W. P. A. will not attempt to take unto itself the flesh and blood of a defense program—a confidence that the only measure of selecting those who are to direct our efforts will be the measure of their ability—that favoritism will have no place, that the energy and resourcefulness of America will be given the opportunity to do the job which they are capable of doing. That stimulant and the results of it could not be beaten.

I ask favorable action on the pending amendment.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto do close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, let us consider, first, the purpose of this appropriation. This appropriation is to pay all the expenses of printing and registering these bonds and accounting for them, in order that we may put them on the market. Sixteen million dollars is provided in the bill, and out of this $16,000,000 the gentleman proposes to cut $6,000,000. As the Secretary of the Treasury testified before the committee this morning, we cannot print the bonds, we actually cannot have bonds ready for sale if we do not have this money. The additional money is essential.

I think the gentleman fails to consider the effect of his amendment. The original appropriation for this purpose was $9,800,000. It was thought at the time that was ample as it provided for 10,000,000 pieces of bonds and stamps for the fiscal year 1942. But a great deal has happened since that time. We are now at war. The necessity for raising additional revenue has increased. The sale of bonds must be expanded proportionately. The number of pieces now estimated for the fiscal year 1942 is 105,000,000.

Mr. WOODRUM of Virginia. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. Will the gentleman also point out the fact that the Secretary of the Treasury made mention of the fact this morning in our committee meeting that it was very desirable that these bonds be sold as largely as possible to the average American citizen; that he would have no difficulty in taking these bonds and putting them in the banks if they wanted them, but that was not desirable, and the effort was being made to advertise them and to put them before the average American citizen in order to spread this loan out among all the people and not concentrate it in the banks?

Mr. CANNON of Missouri. The gentleman mentions a phase of the feature of the sales campaign which the Secretary particularly emphasized.

Mr. CASEY of Massachusetts. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. CASEY of Massachusetts. Does the gentleman know of any individual, with few exceptions, in this country that is better known and better able to bring the message home to the average American citizen than is Donald Duck?

Mr. CANNON of Missouri. That does not enter into this particular item, but it is one of the important items of the bill and is reported by the Department to be accelerating the sale of the bonds throughout the country.

Mr. DITTER. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. DITTER. I think the gentleman wants to be fair, and I think as he tells about the matter of the bonds he certainly wants to point out to the House that this provision will enable the employment of some eight-hundred-and-eighty-odd new men; is that correct?

Mr. CANNON of Missouri. Mr. Chairman, the committee cut $1,250,000 for that purpose out of this appropriation and reports it here below the Budget estimate, below the amount the Treasury thought necessary. We have already obligated $10,537,000 to the end of January, and that is $737,000 over the present fund.

Furthermore, we figured that by the end of the fiscal year, June, we will have to spend $28,894,000, whereas even if this $16,000,000 additional is appropriated we will have only $26,000,000—a sum which may not be enough. This is the most economical amount than can possibly be provided for this purpose.

Mr. DITTER. Will the gentleman answer the question?

Mr. CANNON of Missouri. The thing which the Secretary emphasized particularly before the committee this morning was that whereas in the last war we sold bonds largely through the banks, thereby inducing excessive inflation, we now propose to sell them direct to the people in order to ward off dangerous inflation. He made the statement this morning that Mr. Leon Henderson, Price Administrator, had told him that had it not been for the $1,000,000,000 of these bonds sold last January to the people he would have been unable to have controlled a ruinous upsurge of inflation.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent for 1 additional minute in which the gentleman from Pennsylvania [Mr. DITTER] may ask his question.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. My only purpose in requesting the gentleman to yield further was to have him answer the question I asked before. In other words, the gentleman slighted the inquiry I addressed to him as to whether or not this did not provide for 880 new jobs and 50 promotional specialists. I am wondering whether the gentleman would inform the House. I know he wants to be fair.

Mr. CANNON of Missouri. In answer to that may I say that when we cut the amount in the committee we made it impossible to add all of the proposed new personnel.

Mr. DITTER. The gentleman means we will not have them?

Mr. CANNON of Missouri. The committee reduced the estimate by $1,250,000, thereby rendering it impossible to add all of this 880 new personnel. May I say further it was testified this morning that 95 percent of this sale force is voluntary? Their services are given gratis. It would be impossible to conceive of a more economical set-up for the distribution of these bonds to the American public.

Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. DITTER].

The question was taken; and on a division (demanded by Mr. DITTER) there were—ayes 71, noes 93.

Mr. TABER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. DITTER and Mr. CANNON of Missouri.

The Committee again divided; and the tellers reported that there were—ayes 92, noes 115.

So the amendment was rejected.

The Clerk read as follows:

OFFICE OF THE TREASURER OF THE UNITED STATES

Check forgery insurance fund (revolving fund): to carry out the purposes of an act to authorize the Treasurer of the United States to make settlements with payees of lost or stolen checks, which have been paid on forged endorsements, in advance of reclamation, and for other purposes, approved November 21, 1941 (Public Law 310), $50,000, which amount shall be deposited with the Treasurer of the United States in the special deposit account authorized to be established by said act entitled the "Check Forgery Insurance Fund" (revolving fund), and shall be available for expenditure for the purposes of the act by the Treasurer of the United

States at the direction of the Secretary of the Treasury.

Mr. O'CONNOR. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not going to speak on this bill. Of course, I am supporting it. I am going to speak on a resolution I introduced this morning to investigate the claimed sugar shortage.

The purpose of this resolution is an objective inquiry.

It is not aimed to get anybody or smear anybody or blame anybody.

It is aimed to get at the truth about this so-called sugar shortage.

Charges have been leveled by responsible individuals that dollar-a-year men in the Chemical Division of the War Production Board are delaying, and otherwise hamstringing, the production of industrial alcohol from corn and other grains of which we have a tremendous surplus. Certain facts have been brought out which bear the closest examination.

Leon Henderson, the Price Administrator, states that as much as possible of our industrial alcohol production should be from our surplus wheat and corn instead of from sugar.

Obviously the more alcohol we can get from corn and wheat the less we will have to get from sugar, and the less we get from sugar the less of a sugar shortage we will have. And it is highly important that we in the United States do not have any shortages that are not honest-to-God shortages. We had a supposed oil shortage, and it is important that we—the richest nation in the world—do not encourage hoarding of any commodity by shouting "Wolf! Wolf!" once too often.

The distillers of the country have offered to meet the war needs for industrial alcohol by making it from corn, wheat, and other surplus products.

The Alcohol Section of the Chemical Division of the War Production Board—and that section is headed by two former officials of private industrial alcohol corporations equipped to make alcohol from sugar—have been very reluctant to encourage the making of 190-proof alcohol from corn and other surplus grains.

They claim that they issued an order on January 10 instructing all liquor distillers—that is, all large liquor distillers—to ease all production of whisky and produce only 190-proof alcohol in the future. They offer this as evidence that they are trying to produce and are producing alcohol for industrial purposes, from corn and other surplus products.

But I would call the attention of the House to the fact that their acts speak louder than their words. This order was to have taken effect on January 15. But the date of its effectiveness was postponed to February 1, and only the other day it was again postponed.

Why? Why this monkeying around when the Nation needs sugar and the big distillers are offering their facilities.

Oh, yes; it has been said—and correctly—that we are making alcohol from corn and wheat now, but that is neither here nor there. The amount we are making from corn and wheat now—and estimates on this vary—is but a small percentage of what we could make if certain powerful interests in and out of the Government were in favor of doing just that thing.

I am seeking this investigation to clarify this whole situation. The Nation and the people who consume sugar, and who may have difficulty getting sugar, are entitled to it. They are entitled to the truth. The industrial alcohol distillers—those who make it from sugar—appear to be in the saddle. It is time that the farmers and the vast agricultural interests, with their vast surpluses, had a look-in on this alcohol situation.

We need from 250,000,000 to 300,000,000 gallons for the making of smokeless powder.

Now it so happens that a vast surplus of grain is filling up storehouses all over and all granaries on farms, and these storehouses will be needed for the new crop which will begin to come in this spring.

The Commodity Credit Corporation reports that there is a surplus of 5,000,000 bushels of corn and wheat, belonging to the Government, on the west coast alone, and that in the Western States there are 158,000,000 bushels of additional wheat on which the Government holds a mortgage. We know that the Government owns staggering surplus supplies of wheat and corn.

Now, 158,000,000 bushels of wheat, according to Government scientists, will make about 325,000,000 gallons of 190-proof alcohol. Now, that is more than the whole complete needs of the Government.

The basis of the alleged sugar shortage is that the Government needs high-test alcohol for making smokeless powder. That alcohol can be made from surplus wheat and corn. The total wheat and corn surplus in the United States is about 1,500,000,000 bushels.

But the Chemical Division of the War Production Board has many claimed reasons why it is impractical to use that surplus to the maximum.

Meanwhile, the so-called sugar shortage is made more pronounced by the fact that 1,200,000 tons of sugar is being commandeered for the making of alcohol for the making, in turn, of smokeless powder.

It is said that liquor-distilling industries are ready and willing to make high-proof alcohol from corn and wheat and other surplus grains.

The farmers are praying this will be done. The people who consume sugar, and who are having their supply rationed, hope it will be done.

But the fact remains that, except in a small way, it is not being done. And it is precisely the thing that should be done, whether the makers-of-alcohol-from-sugar boys like it or not.

The facts should be told. Only in that manner can we aid the war effort. Only in that manner can we prevent certain forces of selfishness from serving their private interests.

We have large distilling facilities. In addition to the big liquor distillers, we have the wine industry of California. They have been operating only about 3 months a year. That is the schedule they are on now. And, what is more important, most of them are Government-controlled distilleries, because they are farm cooperatives and the Government holds the mortgage on them.

I understand the California distilleries have offered to make alcohol from surplus grains. Has that offer been accepted by the Chemical Division of the War Production Board?

No.

Here is a letter—and I quote a paragraph—from one of the chiefs in the Chemical Division, turning them down. Let me quote:

> At the moment it is not practical to depend on the fruit distilleries in California to produce 190-proof ethyl alcohol for our needs. It may be that later we will have to change our conclusions.

Now it so happens there are fine and up-to-date wine distilleries out there. They claim to have a capacity of 75,000,000 gallons a year. Some of their officials claim their total capacity would be higher than that. But that 75,000,000 gallons is worth considering. That capacity should be used to the maximum.

Now, add this to the fact that the liquor-distilling industry claims to be able to produce 90,000,000 gallons of high-test alcohol beginning now—immediately. In addition to that, they report that their thousands of small distilleries all over the country can produce 110,000,000 more gallons of high-test alcohol. That makes a total of 200,000,000 gallons which, added to the 75,000,000 gallons from the wine industry, would meet the Government's total needs.

Now, these thousands of little distilleries would not be able to make over 140-proof alcohol, and we cannot give them the copper to raise the proof to the required 190. But we can do this: That 140-proof alcohol can be redistilled in short order by the big industrial-alcohol plants of the country, the ones that are now tying up 1,200,000 tons of sugar, and this process would not require any change in equipment of the little distillers and it would release a vast supply of sugar.

Above that the synthetic-alcohol industry is now producing 50,000,000 gallons of alcohol every year from petroleum. That will continue and should continue.

Now, there are all sorts of objections to the practicality of running the liquor distilling and wine industries at full capacity to make industrial alcohol. But the truth is it can be done; and if the farmers of America are ever to be able to dispose of even a part of the one and one-half billion bushels of surplus grains, we must bring the situation out into the open. The facts should be made available to the Nation as a whole.

We have nothing to lose. We have everything to gain. The investigation I propose would be of benefit to everybody—to the farmers, to the consumers of sugar, to those who are seeking to make the maximum quantity of smokeless powder—in fact, to everybody except those selfish and powerful interests which would like to continue the status quo of limiting to sugar the making of 190-proof ethyl alcohol.

Mr. CASEY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Massachusetts.

Mr. CASEY of Massachusetts. Just for information, can the distillers, with their present set-up, use wheat and corn to distill alcohol?

Mr. O'CONNOR. Many of them can—both the large and the small distillers—except those whose plants are fitted for the use of sugar only. These could easily be converted into plants that use wheat and corn. The small distillers may distill industrial alcohol up to a content of 140 proof, but they can turn this product over to the distillers who use sugar to make this industrial alcohol, and then the latter can redistill up to 190 proof.

Mr. CASEY of Massachusetts. My question was pointed to the inquiry as to why the distillers opposed making alcohol from these products.

Mr. O'CONNOR. I tried to point that out in my earlier remarks here. Apparently there is some kind of a hold on this business by the distillers using sugar—that is, those distillers who use sugar as a means of producing industrial alcohol. I want to say right now, because I have talked to Mr. Henderson about this very subject, that he wants to use corn and wheat to produce industrial alcohol. He realizes the tremendous surplus of grain that there is and he wants to use it, yet the fact is we are producing from all the corn and wheat, although we have 1,500,000,000 bushels, less than 10 percent of the actual production of industrial alcohol from grain. The balance is made from sugar, where later on there may be an actual shortage.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, for many months the farmers of this country, who have been called upon to produce additional quantities of dairy, pork, beef, and poultry products, have requested the Selective Service Board at Washington to issue specific instructions to the local draft boards so that farm labor may be given deferment in connection with the draft. Up to the present time those in charge of our defense program have refused to consider agriculture as an essential industry. Thousands of boys who are needed on the farms to help in providing the additional production of agricultural products are being taken into the Army. Calls have repeatedly been made on General Hershey to give the local boards specific instructions to the effect that agriculture is an essential industry and that the farm boys should be given deferment so they may continue in the operation of the farms to produce additional supplies for national defense.

If you have read the New York Times of this morning, you will have noted that General Hershey has acted in the case of the movie industry. He has sent specific instructions to the draft boards in California to grant deferment to actors, directors, writers, producers, sound engineers, and other technicians, because, he states, these activities are essential in many instances to the national health, safety, and interest.

It seems to me it is going rather far afield when General Hershey declares the movie industry to be an essential industry and gives specific instructions to the local draft boards in California to give deferment to these professional people but then refuses to give specific instructions in the agricultural areas so that the young men needed on the farms to produce food for the Nation and for the world may not be given deferment. It is time that we here in Congress take some notice of all these extraneous activities that are going on in the name of national defense.

General Hershey issued his ruling at the request of Mr. Lowell Mellett, who is the coordinator of Government films and the liaison officer between the Federal Government and the motion-picture industry. He is a Government official. He made the request for this action to General Hershey on February 4 and the order came out so that it was in time to be published in the morning paper. It shows that it took him only 4 days to get results for the actors and others in the movie industry, whereas millions of farmers in this country are asking for action for the farmers and have been working for such action from General Hershey for the past 6 months without any results.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from New York.

Mr. CULKIN. Does the gentleman think it is another case of glamour?

Mr. AUGUST H. ANDRESEN. Undoubtedly. There may not be as much glamour in milking a cow as seeing a fan dancer, or some of these others who are engaged in movie activities, but when it comes to the safety and the welfare of the Nation and the success of the war, there is nothing that will compare with the need for an abundance of products from the farms.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Tennessee.

Mr. JENNINGS. The gentleman is a well-informed Member of this Congress and a student of affairs and of people. Can the gentleman think of anything that a fan dancer and a night-club entertainer could bring to a child that would be of benefit to the child?

Mr. AUGUST H. ANDRESEN. No. The best thing a child can get, I will say to my friend, is good, wholesome dairy cows' milk and no synthetic product.

[Here the gavel fell.]

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. AUGUST H. ANDRESEN. I call upon General Hershey to immediately issue instructions to all draft boards to give deferment to farm labor as an essential occupation in the conduct of the war and for the safety and the health of the Nation.

Mr. Chairman, the farm-labor situation is becoming desperate in farming areas. Farm boys are being drafted into the Army. Regular farm labor is going into defense production work due to the attraction of high wages. In many instances farmers are unable to secure labor at any price to carry on their farm work. The result for many engaged in dairy, pork, beef, and poultry production will be to go out of the farming business, and that is what they are doing today. An abundance of agricultural production is necessary to win this war, and General Hershey and others in charge of the defense program should take immediate action to aid in providing an adequate supply of farm labor.

Mr. Chairman, under permission granted in the House, I am including with my remarks the article which appeared today in the New York Times, which gives in detail the instructions sent by General Hershey to the draft boards in California to give deferments from the draft to actors and others in the movie industry. The article follows:

[From the New York Times]

DRAFT DEFERMENT FOR ESSENTIAL MEN IN MOVIES GRANTED—HERSHEY FINDS INDUSTRY AID TO MORALE OF CIVILIANS AND WAR PRODUCTION—"NEGLIGIBLE NUMBER" SEEN—RULING COVERS ACTORS, WRITERS, DIRECTORS, PRODUCERS, CAMERAMEN, AND OTHERS

The motion-picture industry is "an activity essential in certain instances to the national health, safety, and interest, and in other instances to war production," according to a ruling by Brig. Gen. Lewis B. Hershey, Director of Selective Service, which was revealed yesterday through the war activities committee of the industry.

In accordance with this ruling, instructions have been sent to selective-service officials in California to grant deferment to "actors, directors, writers, producers, cameramen, sound engineers, and other technicians" who cannot be replaced because of "the shortage of persons of their qualifications and skill" and whose removal "would cause a serious loss of effectiveness."

NO BLANKET REQUESTS

George J. Shaefer, chairman of the war activities committee, declared that the industry "would not think of asking for blanket deferments," but that the ruling would give it the right to "apply for the retention of indispensable individuals from time to time."

"In my opinion," he added, "deferment will be sought only for a negligible number of persons engaged in motion-picture production."

William A. Brady, veteran theatrical producer, who at one time made silent films, attacked General Hershey's ruling. Mr. Brady said:

"I don't think either screen people or theater people can be termed "essential." They weren't in the first World War, nor have they been in England during the progress of this war."

General Hershey's ruling was made in response to a written request by Lowell Mellett, coordinator of Government films and the liaison officer between the Federal Government and the motion-picture industry. Mr. Mellett declared that the motion-picture industry was "essential to the national war effort" and should be protected against disruption through the calling of essential men into the armed services.

General Hershey, in a reply to Mr. Mellett, dated February 4, promised to inform the

agencies of selective service that "the continuance of motion-picture production is in certain respects essential to the national health, safety, and interest, and in other phases essential to war production."

Complying with this determination of policy, Lt. Col. C. S. Dargusch, Deputy Director of Selective Service, wrote to the California State director of selective service as follows:

"Mr. Lowell Mellett, coordinator of Government films, has certified to the Director of Selective Service that the motion-picture industry is an activity coming within the provision of 622.21-622.24, inclusive, Selective Service regulations. Mr. Mellett states:

" 'As a civilian activity, I believe the industry is essential to the national health, safety, and interest, through the maintenance of the national morale. As a war activity, I believe the industry is essential to the production of training and instruction films for the armed services as well as educational and informational films for the civilian population.

" 'In performing these functions the industry requires the services of actors, directors, writers, producers, cameramen, sound engineers, and other technicians. In each category there are, or will be from time to time, men who cannot be replaced because of the shortage of persons of their qualifications and skill and whose removal would cause a serious loss of effectiveness (sec. 622.21-622.24, Selective Training and Service Act of 1940, as amended.)'

"In view of such certification, the Director of Selective Service finds that the motion-picture industry is an activity essential in certain instances to the national health, safety, and interest, and in other instances to war production. The responsibility of making and presenting claims for deferment is upon the motion-picture industry, and the determination of necessary men is one for the local boards and appeals agencies."

Mr. SASSCER. Mr. Chairman, I move to strike out the last three words.

The Office of Civilian Defense was created for the purpose of cooperating with the local authorities to protect the civilian population against enemy action and to organize and help train civilian volunteers for this purpose. I am opposed, and have so expressed myself, to the diversion of any money appropriated for this purpose to other purposes, particularly such items as entertainment of the civilian population, which the recent debate in the House of Representatives disclosed is anticipated by the Office of Civilian Defense.

The United Service Organizations, which is separate and apart from civilian defense, is doing a fine, necessary, and commendable job in providing recreational facilities and entertainment for the men in our armed forces. Many patriotic citizens, including a number of screen stars, are contributing of their time and talent to that worthy cause.

Encouragement and support of the recreational facilities for service men, as carried on by the United Service Organizations, is one thing. The effort to have the Office of Civilian Defense go beyond the field for which it was created and attempt to afford recreational and amusement facilities for the civilian population is another thing. It is not necessary, and has no place in an organization charged with the responsibility of organizing the civilian population for defense purposes.

Congress cannot and should not attempt to administer the details of any department or organization created by it, and if any such unit is to effectively function, it must be given some administrative and discretionary authority. When, however, any agency or bureau created or supported by congressional appropriation appears to be going beyond the authority for which it was created or abuses the authority delegated to it, Congress should not hesitate to pass some limitations on the authority previously granted or exercised.

I hope the amendment to this appropriation bill, limiting the use of the money appropriated for civilian defense to that purpose, will not be stricken from the bill.

Mr. D'ALESANDRO. Mr. Chairman, will the gentleman yield?

Mr. SASSCER. I gladly yield to the gentleman from Maryland.

Mr. D'ALESANDRO. Mr. Chairman, I wish to congratulate my distinguished colleague from Maryland, Congressman SASSCER, on the views expressed by him. I agree with him because I am against taking money raised by the sale of defense bonds, for anything but giving defense protection, either through the armed forces or through civilian defense, when the sons of America fathers and mothers are giving their life's blood for the Nation.

We cannot, at this crucial time in our history, ask parents who are sacrificing their sons, and men and women who are skimping for defense, to buy defense bonds when the money will go to some nonsensical program. It is a crime to devote that money to anything else or for any purpose other than defense, and so-called social services are not defense these days. The time has come to concentrate on the war and place all our resources and efforts behind our armed forces. I do not favor giving the care of our children to actresses. This thing is absolutely ridiculous.

And while I am on the subject of money, I wish to state that I am against pensions for Congressmen. I did not vote for it and I am ready to vote for its repeal, and will gladly sign the petition to bring it to the floor of the House.

Mr. SASSCER. I am glad my able colleague from Maryland approves of my remarks. I, too, am in complete accord with his statement and position in opposition to the provision included in the last retirement bill extending its benefits to include Senators and Members of the House within its scope. I did not vote for nor have I ever advocated pensions for Members of the Senate or House.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman I ask unanimous consent that all debate on this paragraph and all amendments thereto be limited to 23 minutes.

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, reserving the right to object, does the gentleman anticipate that every man now on his feet will be recognized for 5 minutes, except the gentleman from Massachusetts [Mr. GIFFORD], who desires 3 minutes?

The CHAIRMAN. The Chair has a list of the Members who desire recognition.

Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. NICHOLS. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, show people do not go around telling their troubles like some other folks that I know. Sometimes they have most of their liquid wealth invested in their wardrobe, but still they smile and give a good performance. Sometimes their relatives or friends are in ill health or have hit upon hard times, and it is up to the performer to take care of them, but they still smile and give a good performance.

Show people often have a keener and more penetrating insight into political matters than they publicly talk about. I think that they can see through much of the burlesque performance which has been put on in this House in recent days. and know that the people appreciate their efforts to help in this emergency.

I want Mr. Douglas and the other actors who have heeded the call of their Government for help to know that their personal sacrifices do not go unremembered. When the score is finally totaled I am sure that as great a percentage of show people will have died for our country as any other class of people, and those who do not join the armed forces will, I am sure, make just as liberal a contribution to the general cause by keeping civilian morale high and investing their time and money for the benefit of everyone.

I am somewhat amazed by some of the statements made during the last few days concerning actors and actresses who are assisting in the work of the Office of Civilian Defense and other national defense activities. I do not know Mr. Douglas or the other people who have been named, but think that some of the statements made may reflect unjustly upon people in show business as a whole.

I want the people in the amusement world to know that they have many friends in the House who appreciate what they are doing in this time of emergency to help us all.

Show people are kind-hearted and generous in their contribution of time, effort, and money. They should be encouraged to continue their efforts to keep our national morale high.

When I was younger I had a short whirl at show business. My talents were not such that there was any large demand that I remain before the footlights, but when I retired to other fields of activity I retained my liking for the people who devote their lives to entertainment.

I have met thousands of actors and actresses and believe that there are no more unselfish people in the Nation. They are always ready to give of their time and talents to help any worthy cause, and I defy any Member of this House to show me another class of people who have boosted our war effort more unselfishly.

Mr. CELLER. Mr. Chairman, I was very much interested in the excellent statement made by the gentleman from Montana [Mr. O'CONNOR], concerning the situation with reference to sugar. His remarks are well taken and spring from a great degree of research and keen knowledge. There are a great many sugar refineries in Brooklyn, from which I come. I believe the sugar interests of this country have combined together to do all in their power to prevent the increase of our supply of and our capacity to produce sugar, and do so for their own selfish interests. We read recently with reference to the situation that arose concerning Peruvian sugar, and the efforts of the refined sugar combine to prevent the adequate flow of sugar supplied from Peru into this country. Why should sugar be withheld from us now, under these trying conditions? Let sugar come in from whatever source. Of course, the refiners want a reduced supply in order to get a better price. The Department of Agriculture informs me, and I shall put the figures into the RECORD, that there is an ample supply of sugar in this country at this very time, but due to the improvident statements made by Mr. Henderson, aided and abetted by the First Lady of the land, Mrs. Eleanor Roosevelt, over the radio, the housewives of the Nation were frightened and immediately made inordinate purchases of sugar, which may now result in a necessary rationing. There is needless panic buying due to these scare statements. There would have been no need whatsoever for that rationing, because there would have been no hoarding if those statements had not been made, and I remind Members, and they undoubtedly recall the statement made by the Secretary of the Interior, Mr. Ickes, about a year ago, about a shortage of petroleum. Immediately the price of petroleum went up, and it has not come down since then, and yet there is an ample supply of petroleum. The same situation could have been avoided with respect to sugar if the O. P. A. and others well intentioned but incautious, had been more circumspect in their utterances.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Yes.

Mr. O'CONNOR. I am very glad to hear the gentleman make the statement that he has, but I do not believe there is as much hoarding going on among the housewives of the country as has been advertised. I do not think that accounts for the shortage—that is, the claimed shortage.

Mr. CELLER. Actually there is no shortage. Hoarding and calamity purchases have caused the so-called shortage. I have made an investigation in my own district among the retailers in that district, and I say to the gentleman that there is a vast amount of hoarding, and I will say that my own wife, who is a very prudent housewife, laid in a supply, and I wager that the gentleman's own wife has done the same thing, and that the wife of almost every Member in the sound of my voice has also done likewise. They have bought large amounts of sugar. They cannot help themselves. They are worried about their children and about the future supply, and it is natural to hoard, when they hear these very improvident statements coming from Washington. Those statements should not have been made, and I say advisedly that they abet the interests of the refineries of sugar in this country. There is plenty of sugar in the Caribbean islands, and we could change those quotas readily and easily, even if there was a shortage, but there is no actual shortage, and it is only because those statements that have been made that caused an inefficient and uneconomical use of sugar. When you have hoarding, then you are bound to have an uneconomical use of sugar.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield again?

Mr. CELLER. Yes.

Mr. O'CONNOR. Would not the gentleman be in favor of the Speaker of the House appointing a committee of five to impartially investigate this so-called claimed shortage and the added use of corn, wheat, and other grains of which there is a surplus from which to make industrial alcohol?

Mr. CELLER. I would be only too happy to do so, and I would vote as often as I possibly could for a remedy of that sort.

I asked the Bureau of Agricultural Economics, United States Department of Agriculture, to give me the present data on sugar, and it informs me as follows:

In response to your inquiry for information about sugar, we are sending you at once the statistical data readily available. The data include consumption of sugar in 1939 as reported by the Department of Commerce, and a release reporting sugar statistics for the first 11 months of 1941. Some of the significant data in this release are summarized as follows:

	Tons
Total deliveries of sugar, 11 months, 1941	7,360,080
Stocks of sugar on hand Nov. 30	2,027,125

A similar release will be issued a little later, showing the position at the beginning of 1942.

Capacity to produce sugar is about as follows:

	Tons
United States beet sugar	1,900,000
Mainland cane sugar	525,000
Puerto Rico	1,200,000
Hawaii	1,000,000
Cuba [1]	3,000,000
Dominican Republic [1]	500,000

[1] Approximately the average of recent years. Probably not all available to the United States.

It is discernible that 7,360,080 tons of sugar were delivered during a period of 11 months in 1941. The 1942 capacity to produce and supply sugar will be 7,625,000 tons. You will note also that there was on hand November 30, 2,027,125 tons. Subtract from the 2,027,125 tons the deliveries for December 1941 and you would still have on hand January 1, 1942, over 1,000,000 tons, which, added to the capacity aforesaid of 7,625,000 tons, would give you more than an ample supply for 1942.

Sugar from the Caribbean area can easily be stepped up, and shipments to the United States can readily be made in vast quantities in order to offset even any impending shortage due to panic buying and hoarding caused by statements of persons holding policy-making positions. The bars which now limit importation from Puerto Rico and the Caribbean Sea islands should be lifted. Sugar acreage can be easily expanded in Puerto Rico, Virgin Islands, Dominican Republic, and Cuba so as to give us more sugar.

I believe rationing and the issuance of sugar cards should be postponed until we can definitely know all the facts concerning our own capacity to produce and our available importations.

Furthermore, vast quantities of sugar and molasses now used for the manufacture of industrial alcohol could be diverted for household use. Alcohol could be readily made from surplus corn, wheat, oats, and other cereals. I am informed that there are far more than 1,000,000,000 bushels of such surplus corn and grain and other cereals which could be diverted for the manufacture of alcohol for defense purposes. Substitution of such grain and cereal for sugar would undoubtedly ease the sugar strain. Furthermore, vast quantities of raisins and grapes in California and other western States could easily be used in the manufacture of alcohol and thus further alleviate the sugar shortage.

Beet-sugar producers could easily expand their acreage so as to produce more sugar. What is the Commodity Credit Corporation going to do with its 350,000,000 bushels of surplus wheat and its 100,000,000 bushels of surplus corn? That corn and wheat should be allotted by the Commodity Credit Corporation for the manufacture of alcohol to alleviate still further the alleged sugar shortage.

According to the reports, the War Production Board is preparing a sugar-rationing order for wholesalers, and they may slash to the extent of 50 percent the supply of sugar to producers of soft drinks, candy, and confectionery items, this 50-percent reduction to candy and soft drink manufacturers to be based on the 1941 sales by the producers.

To my mind, it seems outrageous to go through all this rationing with sugar cards and reduction of supplies to manufacturers of candy and soft drinks in the light of our huge capacity to produce and the vast stores open for us in this country, in South America, Central America, and the Caribbean islands. There is much bungling in this matter, and it is well for us in Congress to point out the ineptitude and the indiscretion of certain people who contributed their improvident utterances to the so-called sugar shortage.

There is talk of sending sugar to Russia and even to the British Empire. Russia may be denied access to the sugar-producing regions of the Ukraine occupied by the Germans, and the British Empire might lose some of its shipments from Java, but with our gigantic source of supply we can still ship sugar to Russia and Great Britain and have enough for ourselves.

I do not mind rationing and sugar cards if it is necessary, but it seems absurd when such rationing and sugar stamps could have been and still can be avoided.

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, the debate of last Friday and again today on this appropriation bill, is made important not so much from the standpoint of the amount of money that we are trying to take out of this overpadded bill for the building up of so-called morale, but because it is symptomatic of a great evil. One of the greatest evils of the present day, if you please, and I measure my words when I say it, is the impression that has gotten abroad among the people of the United States that the bureaus of the Government are spending money like drunken sailors for all sorts of frills and furbelows imaginable, and that the Congress of the United States is being blindly submissive to such shameful extravagance. It just happens that today we are talking about actors and dancers. Of course we want their services, I say to the gentleman from Oklahoma [Mr. NICHOLS], and their services are appreciated, but the vicious feature of it is that we are being asked to pay them large salaries for their services. Not only that but we are being asked to pay the expenses of a great organization which will be set up as a vehicle for the display of their artistic talents. With all of the earnestness and sincerity of which I am capable I say to you that the greatest morale builder available to the Congress today is to cut out all the appropriations for the whipped cream, for the frills, for the furbelows. Let us make sure that every dollar appropriated by this bill is used to provide tools and equipment for safeguarding the lives and the property of our fellow citizens against the hazards and the perils of enemy action.

The tendency of spending the taxpayers' hard-earned money on useless, and sometimes absurd, projects is increasing all along the line. I have previously called the attention of the House to ridiculous projects, such as had the approval of the administration before we were plunged into the cauldron of this great war. Here was a project on September 11, 1941, approved by the President, in my home city of New York, at a cost of $1,216,521. It was to initiate, supervise, and conduct art activities. Well, I thought, now that we had gotten into the war, such extraneous activities would be curbed. But I say to you with a tinge of sadness and deep regret that instead of these inane and useless projects being curbed they are increasing.

Let me illustrate my point by directing your attention to the fact that on last Wednesday, February 4, the President of the United States approved this project at a cost of $174,634, which would buy approximately three medium tanks:

> Complete a comprehensive review of the literature pertaining to the cooperative movements in form of a series of abstracts of selected publications; and prepare a cooperative encyclopedia covering the theory, history, and practice of cooperation in the form of an encyclopedia, consisting of abstracts and digests of selected publications collected and prepared for the review of literature.

Now, that project is limited to the metropolitan area of the city of New York. That amount and that project might well be multiplied by 100 to give us a picture for the country over.

I submit to you that we are confronted by an ever-increasing spirit of resentment, justifiable resentment, on the part of the people we represent in the Congress against the spending of their hard-earned money for projects which are not essential. If we will be honest and frank with ourselves we can survey the appropriations that come before this House, and the appropriations that are for projects of this sort can and must be eliminated. They are the sort of things that would be scandalous, would be shameful, would be amazing even in the lush days of peace. But in these crucial days when we must husband our resources, when our people are being called upon to invest their savings in Defense bonds and stamps and in every other way to take a hitch in their belts in order that our all-out war effort may go full speed ahead, I maintain that we are charged with the positive duty and responsibility of decisively voting down all appropriations for frills, furbelows, and high jinks.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I move to strike out the last word.

I asked for these 3 minutes only because it is understood that a full House has been summoned in session today to undo that which was done last Friday. I think we should not fail to recognize that there has been a most favorable response from the Nation relating to the action taken last Friday.

Civilian defense is important to every citizen and they do not want to see this money wasted in the manner portrayed in that debate. I should feel very sorry indeed if the amendment offered by the gentleman from California [Mr. LELAND M. FORD] fails to remain in the bill. This was a perfected amendment offered by the gentleman from New York [Mr. TABER]. That amendment should have been approved by the American people through the press. It is not an indictment against the moving-picture people who were so ably defended by the gentleman from Oklahoma [Mr. NICHOLS]. They are important, as has been recognized by the deferment recently granted them. But the Nation has responded favorably to the sentiment expressed last Friday. Editorials in many important newspapers—and I read many of them yesterday—approved the vote in no uncertain language. A prominent banker in my district writes me this morning that people coming into his bank are expressing their disgust of those boondoggling activities in the O. C. D. They declare they will buy no more Defense bonds until assured such foolishness ceases. We must now be especially watchful of our expenditures.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. In just a moment. I hope they will not defeat the amendment which the gentleman from Massachusetts [Mr. WIGGLESWORTH] offered. The moving picture by Walt Disney may be satisfactory, but we must not use these methods. They ordered that picture without authority and now ask permit to make payment.

Mr. WIGGLESWORTH. Will the gentleman yield.

Mr. GIFFORD. I yield.

Mr. WIGGLESWORTH. I have a letter this morning from the heart of Maryland which suggests as a slogan, "Billions for defense but not one buck for Donald Duck." I think we should act on that slogan.

Mr. GIFFORD. Other departments of our Government have greatly overdone the moving-picture racket. It has been used, in my opinion, to greatly deceive the public by greatly overdrawn results of some Government activities. I have no time to refer to many of them as I would like to, but we should curtail this method of misleading the public as is done in many cases.

I regretted to read from the remarks of a member of this committee that the Treasury accounts are so scrambled that there is no way to tell what it costs to sell these savings bonds. However, I can well understand that. Many other departments could probably have been called upon to act if we had cut that appropriation as offered by the gentleman from Pennsylvania [Mr. DITTER]. They would probably have found a way around it. The methods are probably so scrambled that it would be useless to investigate. We could never find the actual cost. Do not let us undo what we did last Friday. If we do, we make a mistake. The public approves and needs reassurance.

[Here the gavel fell.]

Mr. MEYER of Maryland. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, much has been said pro and con recently about our beloved President's wife. I am sure I speak for all the citizens of America and particularly for all the Members of the House when I say that we love both the President and his wife from the bottom of our hearts. Yet I am constrained to say this to the President's wife, just as did The Warrior to Lucasta, upon going to the wars, when he took leave of his lady love:

> I could not love thee, Dear, so much,
> Loved I not Honor more.

I rose with reluctance to discuss the pending deficiency appropriation measure because what I must say is not pleasant, but good conscience compels me to speak.

It is unfortunate that we, the Members of Congress, are placed on the horns of an unpleasant dilemma. We must either vote for this measure or face the unhappy prospect of being recalcitrant in our duty to our country. I realize that probably there are included in some of the items presented certain allocations which are, strictly speaking, not essential. However, they are so interwoven into the warp and woof of the major and essential items that any disturbance may cause dangerous delay and disruption. I, for one, believe that any delay, no matter how slight, may be disastrous, if not fatal, to the very existence of our Nation.

We can hope, however, that what we have to say here may shock some people in high places out of their complacency. Gentlemen, business as usual in this country is but a memory for the duration of our life and death struggle with the enemies of all we hold near and dear.

Government as usual must also be forgotten from now until victory—complete and final—is achieved.

It is only fair to say to those who are administering Government agencies, bureaus, and departments that first things must come first. The enemy is literally at our door. His submarines are sporting in schools off of our coasts. His planes have exhibited an ability to attack our territory. I do not wish to appear unduly pessimistic but I predict that by spring his planes will attack our continental cities. We must strip ourselves for action. Our peacetime pursuits must be relegated to the background. We must go all out for war. With every dollar, every resource, and every fiber we must enlist in our country's desperate cause. Today our cause is desperate. We must reconcile ourselves to a Spartan existence. And while strengthening our physical forces, we must renew our spiritual vigor. We must renew our faith. We must return to our faith in God and his infinite wisdom.

Every penny we spend for civilian defense is a penny well spent. We must protect the lives and property of our civilians. We must spend for physical defense of our vulnerable coastal cities and our great industrial areas where the materials and sinews of war must be forged. For this reason, I am constrained at this time to cast my vote for the pending amendment prohibiting the use of these funds for aesthetic diversions. Gas masks must be stressed before we give attention to boondoggling. I understand that our need for gas masks is acute. Great Britain has been well ahead of us in production of her gas masks. We have been informed that she has supplied them to every man, woman, and child. Cannot England supply the United States—her ally—with gas masks, even as we have supplied England with planes and tanks? It would indeed cement the attachment of our people to the people of England were American citizens to carry such an important protective aid—stamped with the legend "Made in England."

I conclude with the admonition to those responsible for administering expenditure of public funds and responsible for requesting appropriation of public funds: "Billions for defense but not one cent for frivolity."

The CHAIRMAN. The time of the gentleman from Maryland has expired; all time has expired. The Clerk will read.

The Clerk read as follows:

Salaries and expenses: For an additional amount for collecting the revenue from customs, including the objects specified under this head in the Treasury Department Appropriation Act, 1942, $471,000, and the limitation under said head on the amount which may be expended for the purchase of passenger-carrying vehicles is hereby increased from $87,500 to $140,055

Mr. COX. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it seems difficult for some people to realize that there exists such a thing as a sound public sentiment which does not like its sense of reasonableness to be outraged by the foolishness that goes on in the Government, much of it written into the pending bill. For the duration of the emergency, political animosities, for that matter all animosities, should be discouraged. No party group has a monopoly on patriotism. We all want to render good service to our Government, and for the time being the boondogglers and the fancy uplifters should stand aside.

This is still the country of the people who are at least supposed to enjoy the right of dictating their own measures, and the people are unable to understand why the business of saving the country should be put into the hands of those who heretofore have been concerned in undermining and destroying it. If we are not going Red outright, then why this continued coddling of the Reds and the inefficients? If the actor whose feathered nest has caused great controversy wishes to fight the Germans and the Japs, then let him grab a gun and go to it; and as for instructing children how to behave in moments of stress, I will take the good, wholesome country or town housewife in preference to the night club fan dancer.

We are engaged in the serious business of war. For years we have run along under a split or double program, recovery and reform. Recovery, of course, has been displaced by defense, but reform still clings like a leech. Those who have heretofore been active in the effort to make over this country are taking advantage of the stress we now are in to promote and advance their scheme of collectivism. We ought to get down to serious business. This House ought to bring to an end this driftwood existence. Resistance ought to be offered where the individual sense of decency and right is outraged, and this Congress ought to rise to the urgency of the moment, and it ought to strike out of the pending bill many of the appropriations that when expended will result in nothing more than gigantic waste.

My colleagues, the complaint goes up from many sections that there is a distressing lethargy evidenced on the part of the people. How can you expect other than that the war impulse should be depressed when you come to the realization of the fact that the officer of this Government in charge of the draft movement has given the hootchy-kootchy entertainers and the fan dancers preferment and deferment.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent to address the Committee for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I had hoped it would not be necessary to make this speech. It is a matter of regret that it is necessary. But the absurd and unwarranted statements of the gentleman who has just relinquished the floor leaves the committee no option but to speak plainly, and especially in view of the fact that this astonishing misrepresentation of the bill and its provisions is but the culmination of many similar speeches made on the floor here today which by implication and intimation and now by downright statements seek to misinterpret and misrepresent the bill and indict and malign the committee and the administration.

I have served on this floor with the gentleman for a fifth of a century. I love him as a brother, but when the statement is made that there is in this bill any provision to turn the Government of the country over to those who would undermine it, or any provision under which funds could be used for the making over of America, I must call the attention of the committee and the country to the fact that such statements are utterly and obviously without foundation. There is not a line or a word in the text before us which could by the widest stretch of the imagination be twisted to carry any such meaning or significance. If there is, let them point it out.

On the contrary, all such claims and insinuations—and the criticism of this measure throughout the debate has been largely by innuendo—on the contrary, the critics of the bill have refused to discuss the bill itself, and most of the tirades to which we have listened here today have been on matters totally foreign to the bill, and acknowledged to be foreign to the bill. They have steadfastly refused to discuss the most important provisions of the bill and the report, although they provide the means we must adopt to carry the war to a successful conclusion.

The committee had taken for granted that the debate would be confined to the bill, and the gentleman from New York, in requesting time for general debate, emphasized that his requests for time were for debate on the bill itself; at least, we expected the bill would be discussed in a practical way and as a business proposition. But what has occupied most of the time allotted for the debate during the 2 days the bill has been under consideration? Fan dancers, toe dancers, bubble dancers, although no one to whom such terms could be allied has been employed or will be employed, even under the former bill referred to, and there is not a dollar in the bill as reported from the committee which could have been used for any such purpose. What brand of statesmanship can condone the taking of a large part of 2 days' debate ranting about the employment of two individuals—not in the bill—and making no reference at all to vital items in the bill providing for the safety of millions along our eastern and western seaboards and making provisions for the money necessary to carry on the war?

Let us consider some of the vital issues presented by this bill. Those who have assailed the bill and spent their time talking about dancers and other matters totally extraneous to the bill make loud professions of economy. Now, let us see if they really want to economize. We have here a proposition to return to the 48-hour week in the Government departments during the war. Have those who so blatantly demanded economy discussed that proposition? No; not a whisper. And yet here in the city of Washington alone there are 200,000 Government employees receiving the largest salaries for such services ever paid by

any government who by merely working 8 hours on Saturday would provide 100,000 additional working days or 16,000 working weeks every week without extra cost to the Government. The War Department and the Navy Department and the Bureau of Federal Investigation have already adopted the 48-hour week, and I have yet to hear a single complaint from any employee of those Departments. It is a high tribute to their American citizenship that they are glad to do what they can to help win the war. Why cannot the gentlemen who have been giving all their time during this debate to talking about something not in the bill devote a little attention and encouragement to a proposal to add 100,000 working days every week to the Government now in such dire need of workers?

For if this is not done, additional personnel will have to be employed and already the other departments which have not adopted the 48-hour week are coming to the committee with requests for additional funds for more employees.

But the important phase of the proposition is that the adoption of the 48-hour week will to that extent relieve the congestion in housing and accommodations in Washington. There is not room enough now for employees needed in the prosecution of the war. But if the gentlemen who have been putting in all their time here talking about 1 dancer will give a little attention to saving 4 hours weekly for 200,000 employees, we cannot only save the hundreds of thousands of dollars for additional employees but we can prevent further congestion in the city and the necessity of further decentralizing the Government by moving agencies to cities outside of Washington. Where are the professional advocates of economy? Not a one of them has so much as mentioned in the 2 days' debate this important feature of the bill. When the German Army marched into Paris the civil-service employees of the French Government were still taking off 2 hours for lunch. If we left it to the critics of this bill, we would be to that extent following in the footsteps of the French Government before the German occupation.

In the limited time left me, let us take one more serious feature of this bill. It provides the money to handle the sale of the bonds with which we must finance the war. War costs money. The preservation of our Government depends on raising sufficient money to pay for this vast defense program, the costliest the world has ever seen.

We are spending in the next fiscal year $59,000,000,000. That is the amount the Members sitting on this floor have voted to spend. You have voted to spend it and now you must make some provision to raise it, and there are provisions to raise it right here in this bill. But are these statesmen who are so vociferous about one dancer who is not in the bill concerned about raising this $59,000,000,000? Evidently not, for they have not discussed it in the entire 2 days. We must have $59,000,000,000. We figure on getting twenty-three and one-half billion dollars from taxes. That leaves thirty-five and one-half billion dollars that must be borrowed. But you cannot just walk out and casually borrow thirty-five and one-half billion dollars. It takes work and planning and machinery. And we provide that machinery in this bill.

The greatest care must be exercised in selling these bonds. Secretary Morgenthau warned the committee this morning that if sold to the banks as in the last war, inflation would follow drastically affecting every consumer in the Nation. But if sold to individuals, it will not only avoid but will control inflation.

Now to sell to the people, we must have the trust and confidence and cooperation of the Nation. Have these speeches here on this bill served to establish trust and confidence. On the contrary, they have been deliberately calculated to create mistrust and suspicion both of the Government and those in charge of this war. I ask you sincerely what kind of statesmanship is this that would talk for 2 solid days about two flyspecks and utterly ignore an opportunity to save 100,000 working days and prevent further congestion in Washington and ignore the necessity of establishing sufficient confidence in the conduct of this war to enlist support and cooperation in the purchase of bonds thereby helping win the war and preventing inflation that will create one of the most serious problems that can menace a nation at war.

Let us face the facts. We are losing the war. The Japanese have steadily advanced their positions on every front. The headlines in the newspapers are unduly optimistic in their reports. They talk of bringing down a few planes and sinking a few vessels here and there but all the time we are being hemmed in in the Philippines, in the Dutch Indies, at Singapore, in Burma, in China, in Libya, in Australia, and on the Atlantic, where they are sinking vessels at our doorstep. There is no front on which we have even held our own much less made progress. The fate of MacArthur's devoted little band in Bataan is merely a matter of time. And yet here in the Congress men are taking all the time in debate to talk about a dancer—one woman against whom nothing culpable is even alleged much less proven—talking about flyspecks when the dancers really to be considered here are the hundreds of thousands of leading men in the Nation who will dance at the end of a gallows rope if Hitler ever overruns this Nation as he has overrun all Europe. Both Hitler and the Mikado have systematically liquidated the selected men of the populations over which they taken control.

Let me appeal to the House to give some scant attention to the really important provisions of this bill—provisions of importance to the entire Nation and the world—and adjourn politics for a while even if it is campaign year. The protection of our people, the preservation of our freedom, the perpetuity of our form of government depend on raising the money and adopting the safeguards provided by this bill.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I rise in opposition to the pro forma amendment and I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN (Mr. NICHOLS). Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

Mr. TABER. Mr. Chairman, we are now to the point where it is up to you to say whether or not we shall go all out for defense or shall boondoggle and waste the substance of America, which should go into soldiers and guns and planes and ships to clean up Mr. Hitler.

It is time the people of America looked this situation in the face. We are up against a most serious situation. There was a fellow who fiddled while Rome burned. Are we going to fiddle while the United States burns or are we going to fight for America and to clean up Mr. Hitler? It is about time we get to the point where we realize what we are doing and do only those things which will contribute to the defense of the United States and to cleaning up Mr. Hitler.

I am sorry the committee brought in here anything that might be controversial. I have gone out on a limb many a time when many Members thought I was going too far to provide funds for the United States.

With what kind of a situation are we faced? There is an outfit over in the Office of Civilian Defense that is doing a great lot of things that are beyond the pale of the law. What does the law state? I refer to chapter 20 of the second session of the Seventy-seventh Congress, Public Law No. 415, approved January 27, 1942. In substance that law states that the Office of Civilian Defense shall provide facilities, supplies, and services for the adequate protection of persons and property from bombing attacks, sabotage, or other war hazards.

Why should we not do just that over there, and nothing else? After the Congress has passed a law and the President has signed it, why should we have extralegal activities in the Office of Civilian Defense? If the Congress is to provide for other activities, if the Congress is to provide for fiddling, if the Congress is to set up a W. P. A. writers' project and dancers' project and actors' project in the Office of Civilian Defense, let them go before the Committee on Military Affairs and ask for a new statute.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. Is there any provision of that kind in this bill?

Mr. TABER. No; but there is that activity going on, and an attempt has been made to stop it. The gentleman made a point of order against the motion which would stop it. That is the thing I think should be called to the attention of the gentleman and the people of this country.

Many agencies are already providing all sorts of entertainment facilities for the boys in the service. The civilian population do not need to be entertained. They can take care of themselves in the situation, and they will if you give them a chance. Let us not have all this ridiculous situation presented to us. Let

us not ask the people to do things that we ought not to do. Let us go all out for defense—let us give everything for defense and cut out all these frills and fancies. Let us cut out these other things that do not contribute but rather militate against the proper administration of the defense program.

It is not necessary in order to persuade people to pay their taxes that we have a moving picture telling them how to do it and charge the people admission to see it. It is not necessary in order to persuade people to pay their taxes to peddle out a lot of songs. It is not necessary in order to get the people to do their jobs to do that sort of thing.

In the Office of Civilian Defense there are thousands and thousands of volunteer workers who do not receive any money, like the fishermen on the coasts, who are acting as fire wardens and performing magnificent patriotic services without pay. Should we pay actors and dancers $4,600 a year and pay these other folk nothing? I do not know; I cannot follow that kind of business.

I am willing to give whatever I can of myself. I think those men are willing to give whatever they can of themselves. But we should not do ridiculous things when we ought to be doing just one thing—going all out for defense. I hope the Congress will go all out for defense and set an example to the American people that they will be glad and delighted to follow.

Mr. SHAFER of Michigan. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. SHAFER of Michigan. I wonder if the gentleman has noticed from the various newspaper columns that about the only columnist who has taken issue in support of the salaries to be paid these dancers and others in this boondoggling in the O. C. D. has been Ernest K. Lindley, whose wife is on the pay roll as a secretary or in some other position at $5,600 a year?

Mr. TABER. I had not noticed it, but the gentleman says it and I assume it is so.

Mr. SHAFER of Michigan. That is true. His is the only column I have seen where issue has been taken with the attempt to do away with this boondoggling.

Mr. TABER. I hope the Congress will do away with the boondoggling.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I move to strike out the last two words and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. LELAND M. FORD. Reserving the right to object, Mr. Chairman, if the same privilege may be extended to others of us, I do not see any reason for objecting, but let us have an understanding that we may have 10 minutes instead of 5, so that we may be protected.

Mr. HOFFMAN. Reserving the right to object, I have no objection and do not intend to make any objection, but how about the rest of us who want to speak on this matter? Is there going to be any time for that?

Mr. WOODRUM of Virginia. I have no objection. I have never objected to the gentleman every day he has spoken.

Mr. HOFFMAN. I know that.

Mr. WOODRUM of Virginia. I always look forward each day to hearing the gentleman.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, I hope we will not get too serious and work up too much of a lather about this thing. Strange as it may seem, there is not anything in this bill that is controversial. Now, you would not think that, from the debate we have had Friday and today or from the way blood pressures have gone up when my friends have spoken here in the Well and beat their breasts and exhorted us to be patriotic and save the country.

This is a very important bill. It has $160,000,000 in it. There are funds in here for various agencies vitally connected with the defense effort. As I recall, there is only $80,000 in here in controversy between the minority and the majority, and that is the Donald Duck film item. Now, if I am wrong about that, I cannot recall any such item.

The gentleman from Pennsylvania sought to reduce the amount that the Treasury is going to use in the bond campaign, and we debated it and settled it, but the heat seemed to be worked up over the Office of Civilian Defense. Now, that item is not in this bill. There is not one farthing in this bill that can be used to pay the salary of any fan dancer, if any fan dancer has ever been employed. There is not one penny in this bill that can be used to pay Melvyn Douglas a salary, and I understand today he is working without pay.

All of this was explained to the committee thoroughly when the chairman of the committee presented the bill the other day, but, to make assurance doubly sure, the Appropriations Committee felt—and the committee is just as much interested in seeing these unjustifiable practices discontinued as any other Member of the House—and wrote into the bill an amendment that not one penny of the funds in this appropriation of $100,000,000 should be used for any sort of administrative expenses except the expenses incident to manufacturing and procuring and distributing fire pumpers, protective clothing, arm bands, steel helmets, emergency medical supplies, and gas masks. So the amendment offered by my friend from California and adopted, I imagine, will stay in the bill. If I were in charge of the bill, I would not ask for a vote on it. It is perfectly meaningless because not one dollar of this money could be used to pay the salary of this young lady whose employment has been discussed. I myself doubt the wisdom or necessity of many of the activities that appear to be going on in the Office of Civilian Defense, and I can assure you that when these matters come before the Appropriations Committee for any appropriation of funds for such purposes, the committee will certainly go into it carefully, and it will be appropriate and in order to vote upon those matters as they come up.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman.

Mr. DITTER. Might not tacit approval be construed on the part of the majority in view of the fact that it so vigorously opposed the amendment of the gentleman from California? In other words, the gentleman's amendment was a condemnation of a practice that, I believe, the gentleman from Virginia on other occasions, not connected with this activity, has taken exception to, and the action of the majority on Friday in opposing the amendment by the gentleman from California certainly placed its stamp of approval, did it not, on the practice?

Mr. WOODRUM of Virginia. I do not think by the wildest stretch of the wildest imagination it could be construed in any such fashion.

Mr. DITTER. May I ask the gentleman a further question?

Mr. WOODRUM of Virginia. Let me answer the gentleman's first question before he asks a second one. When some one suggested in the committee that some of the expenditures in the Office of Civilian Defense were questionable, although every member of the committee, including the gentleman, knew perfectly well these funds could not be used for such purposes, in order to put on the record a warning of the committee that it would not countenance the use of these particular funds for such purposes, we adopted in full committee an amendment which was a declaration of principle and a declaration of policy and put ourselves upon record. I think it is idle now to oppose the amendment of the gentleman from California because the amendment is perfectly meaningless and the only possible effect of the amendment—I am sure it was not the intention—and I absolve every Member of the House who voted for it of any such intention, but it seems to me that the natural result of the amendment was a rather gratuitous fling or dig at one of the officials of the Office of Civilian Defense, which I did not think was a very nice thing to do.

Mr. LELAND M. FORD. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. LELAND M. FORD. I do not know whether that means to infer that that was the object of the amendment, but that was not the intention of the amendment.

Mr. WOODRUM of Virginia. I said I did not think it was the intention.

Mr. LELAND M. FORD. The intent of that amendment was to establish a principle here and to show that we were not in favor of that type of "boondoggling" and to see that in the future these funds were not spent for any such purpose.

Mr. WOODRUM of Virginia. And so far as I am concerned the amendment

can stay in the bill. It is meaningless and had no effect and can have no effect.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. Yes.

Mr. DITTER. As a result of the gentleman's experience and the gentleman's knowledge of practices here in the House, would he express an opinion as to what the effect would have been of the amendment offered by the gentleman from New York [Mr. TABER] had the chairman of the committee not resorted to the parliamentary defense of objecting to the amendment on the basis that it was not in order?

Mr. WOODRUM of Virginia. Mr. Chairman, I do not care to express an opinion of what might have been the effect if something had happened. I do not object to expressing my own opinion about the matter. On the face of the record as it stands. I think there is a great deal in the Office of Civilian Defense that, to me, looks frivolous and unnecessary and not in keeping with the serious business in hand; but there is an orderly way to proceed in such things, and that orderly way is this. In a few days, or in a few weeks, at most, the Office of Civilian Defense will be before Congress for their administrative expenses, and then is the time that we should take care of the situation, and see what should be done and apply the remedy.

Mr. DITTER. Does not the gentleman feel that it would have been stimulating to the morale of the people had there been no resort to parliamentary tactics to oppose the amendment of the gentleman from New York, which would have served the purpose the gentleman now suggests will be served in a few weeks?

Mr. WOODRUM of Virginia. This word "morale" is getting to be bandied around rather loosely.

Mr. DITTER. It has been bandied around in the Well rather loosely this morning.

Mr. WOODRUM of Virginia. I think so, but I do not think the debate such as we have had here for a few days helps what we are trying to do. We are trying to get these appropriations out to arm and defend our country and help in this business, and I am wondering now if we really realize how serious it is.

Mr. DITTER. I believe we realize it.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. Yes.

Mr. HARE. To show how true is the situation as suggested by the gentleman from Virginia. It is not one of the functions of the Committee on Appropriations to go into that field of operation. This committee is looking after appropriations on specific justifications.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. JONES. Mr. Chairman, I move to strike out the last word.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. JONES Yes.

Mr. CANNON of Missouri. I wonder if we cannot agree upon some time for debate. I ask unanimous consent that all debate upon this paragraph and all amendments thereto close in 35 minutes.

The CHAIRMAN. Is there objection? There was no objection.

Mr. JONES. Mr. Chairman, I think the views of the minority can well be summarized if I recall for you again an excerpt from a speech delivered by the gentleman from Pennsylvania [Mr. DITTER], and I quote:

> We have been urged repeatedly to do nothing which will undermine the confidence of the people in their Government or which might be construed by the enemy as an evidence of disunity I am just as zealous as anyone in preserving confidence and in giving no comfort to the enemy. But I contend that the greatest contribution to confidence can be made by the executive branch of the Government itself by putting its own house in order, by removing the false face of defense from nonessential activities, by cutting to the bone the costs of government, by imposing on itself the same sense of sacrifice and privation which it has sought to impress upon the people, and by the adoption of policies which will inspire all of us with faith and courage and devotion.

In connection with putting the executive branch of Government in order, I call attention to the growth of the publicity propaganda uses of the Federal Government, in strict violation of the law. So great have these propaganda agencies grown in the last 10 years that I can show you an expenditure for duplicating paper alone of over thirteen and a half million dollars. During the fiscal year 1941 the cost of duplicating paper was $2,515,857. This is no inconsiderable item. The manpower that is used to spill ink on this amount of paper is tremendous. If you read the propaganda that comes from the several social agencies of the New Deal, you will find words that go into those pages that will make you shudder—words of hatred, words setting class against class, words that tend to disunite this people more than any fifth column. Ever since the first bomb dropped in Hawaii there has been no need, no necessity for one drop of ink to be spilled on the pages of this duplicating paper.

There has been no need for the fine, glazed magazine paper used.

Now is the time for the executive branch of the Government to put its house in order. In response to the mushroom growth of these propaganda agencies, disclosed by the gentleman from Massachusetts [Mr. WIGGLESWORTH], I wrote the following letter on the 30th of January to Mr. Leon Henderson:

> CONGRESS OF THE UNITED STATES,
> HOUSE OF REPRESENTATIVES,
> *Washington, D. C., January 13, 1942.*
>
> Mr. LEON HENDERSON,
> *Administrator, Office of Price Administration, Washington, D. C.*
>
> DEAR MR. HENDERSON: I have noticed with considerable interest your announced campaign to conserve the use of paper in the interest of the war program. Already, in response to suggestions made heretofore by various sources, the size of the newspapers, magazines, and other publications of private enterprise have been materially cut. Many people writing letters have adopted the practice of using both sides of the page instead of one side.
>
> However, there is a wide variety and extensive violation of the spirit of this conservation of paper program by the many bureaus of the Federal Government itself that should be the first to deny themselves for the benefit of the war effort. I refer to the propaganda agencies of the Federal Government.
>
> Day after day tons of paper are delivered to the newspapermen, columnists, and radio stations, as well as newspapers, throughout the land, and the public generally by the several bureaus of the Government, each maintaining a separate press agency, with the exception of the General Accounting Office. I have examined releases issued from time to time by these Government departments and found numerous instances of two or more agencies carrying the same information. I am advised by members of the press that a great quantity of this material is not newsworthy and merely reaches the wastebasket.
>
> I have confidence that you will want to let the chips fall where they may in locking into this problem, and feel sure that you will see the advisability of enforcing conservation of paper among the several bureaus of the Government, so that the Government can be held up as an example of the kind of self-sacrifice that you will call upon the people to make to conserve the use of paper.
>
> At the present time our Government spends $27,500,000 for information and propaganda agencies each year.
>
> In order to acquaint you with the extent of the blank paper purchased by the several bureaus of the Government from the Government Printing Office, I enclose the figures of cost for each year to 1940 and the estimated cost in 1941.
>
> I hope that I may receive a reply to this request within the next 5 days.
>
> Yours sincerely,
>
> ROBERT F. JONES,
> *Member of Congress.*

Tabulation of the amount of blank paper ordered by all the Government departments and agencies, including Congress, for the fiscal years 1932 to 1941, the latter being estimated

Fiscal year:	
1932	$724,188.70
1933	412,918.74
1934	545,355.31
1935	146,921.29
1936	1,733,056.58
1937	1,333,826.08
1938	1,403,729.79
1939	1,658,733.23
1940	1,803,418.01
1941 (estimated)	2,515,857.81
Total	13,597,005.54

Charged to departments, bureaus, etc., for blank paper during the fiscal year 1940:

Agriculture	$262,699.27
American Battle Commission	16.02
Board of Governors Federal Reserve Board	331.25
Board of Tax Appeals	97.68
Civil Aeronautics	6,015.09
Civil Service Commission	18,630.41
Commerce	116,786.18
Commission of Fine Arts	10.44
District of Columbia government	53,624.06
Unemployment Compensation Commission	2,062.91
Export-Import Bank	16.60
Farm Credit Administration	15,327.28
Farm Security Administration	370.98
Federal Communications Commission	12,981.91
Federal Emergency Administration of Public Works	1,864.64
Federal Home Loan Bank Board	13.75

Federal Housing Administration	$5,206.65
Federal Loan Agency	63,237.91
Federal Power Commission	10,964.28
Federal Security Agency	64,128.02
Federal Surplus Commodities Corporation	957.46
Federal Trade Commission	10,635.14
Federal Works Agency	32,284.06
General Accounting Office	14,201.34
Home Owners' Loan Corporation	11,687.04
Interior	134,368.76
Interstate Commerce Commission	31,779.08
Justice	107,986.66
Labor	36,014.39
Library of Congress	835.02
Maritime Labor Board	16.93
National Advisory Committee for Aeronautics	2,302.61
National Archives	170.73
National Bituminous Coal Commission	3,209.18
National Emergency Council	757.20
National Gallery of Art	60.80
National Labor Relations Board	12,987.86
National Mediation Board	121.35
Navy	95,068.27
Office of Government Reports	7,920.87
Panama Canal	292.31
Pan American Union	976.99
Post Office	5,220.57
Railroad Retirement Board	25,865.03
Reconstruction Finance Corporation	15,792.71
RFC Mortgage Company	1,814.43
Securities and Exchange Commission	62,992.85
Smithsonian Institution	1,286.66
Social Security	14,163.84
Treasury	393,094.64
U. S. Housing Authority	497.72
U. S. Maritime Commission	13,195.20
U. S. Tariff Commission	6,487.60
Veterans' Administration	24,225.30
War Department	83,016.83
Work Projects Administration	14,094.45
Total	1,803,418.01

I thought he would use his usual aggressive action in stopping such waste. Lo and behold, I received a reply from Mr. Henderson saying that he had turned this matter over to a subordinate, Mr. Rosenwald. Henderson's letter follows:

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., February 4, 1942.

The Honorable ROBERT F. JONES,
House of Representatives.

DEAR MR. JONES: Thank you for your interesting letter of January 30. I am sending it by a special messenger to Mr. Lessing J. Rosenwald, Chief, Bureau of Industrial Conservation, Temporary Building "E." Since January 1 that department has taken over the conservation of paper, and I am sure they will give you prompt action.

If our office can be of any further service to you, please do not hesitate to call upon us.

Sincerely yours,

LEON HENDERSON,
Administrator.

Now, is there to be a double standard in the preparation and sacrifices for war? Are the poor of the United States to sacrifice on the one hand and the Federal bureaucracies have another standard of sacrifice?

In response to that reply I again appealed to Mr. Henderson to take the matter up personally, to cut down this useless waste of manpower, money, and paper. Saturday I sent the following letter to him:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 6, 1942.

Mr. LEON HENDERSON,
Administrator, Office of Price Administration, Washington, D. C.

DEAR MR. HENDERSON: On the 30th day of January I asked you to look into the matter of conserving paper used by the propaganda agencies of the several bureaus of the Federal Government, involving an annual pay roll of $27,700,000 and the use of duplicating paper to the extent of $2,515,857.81. You have referred consideration of this matter to a subordinate.

The amount of paper involved and the manpower used in the propaganda agencies make this problem as important as any that have received your personal consideration, unless there is a double standard, one for the American people and another for the Federal Government.

I now advise you that free mailing of all bureaus for the fiscal year 1941 cost $49,020,190. This is no inconsiderable item.

May I again suggest that you tackle this problem personally with your usual aggressive, vigorous action.

Sincerely yours,

ROBERT F. JONES,
Member of Congress.

The American people are willing to go into the highways and byways to collect this paper, and by no stretch of the imagination could the bureaus be excused from the same sacrifice. As a matter of fact, they are blacking out the response the public might give to the program of conserving paper, the program of conserving all kinds of war materials by their boondoggling process of carrying on the social program at a time when we should be united, producing first things first, delivering guns and ammunition and equipment into General MacArthur's hands. Continuing this program is as valueless to MacArthur and to his beleaguered troops, as putting cream puffs into the howitzers that are defending Bataan, as useless as dropping chocolate parfaits into the bomb racks of what few airplanes we have available.

From among the many letters I received in response to my appeal to Mr. Henderson, I append a letter from Mr. John H. Barker, of Glens Falls, N. Y. There are four enclosures with Mr. Barker's letter, four identical letters from the Treasury Department dated January 19, 1942, and signed by Eugene W. Sloan, Executive Director of the Defense Savings staff, three addressed to Mr. Barker, and one addressed to Mrs. Barker. These form letters urge the purchase of Defense bonds.

Mr. Barker's letter to me states:

In view of the statement contained in the enclosed clipping you may be interested in the three letters received, with accompanying literature, in the same mail. Harriet F. Barker is my wife. Similar letters from the same source have been received at least twice before in the same quantities. A fine example of inefficiency and lack of economy.

Yours truly,

J. H. BARKER.

I ask you to study these items for printing and binding and to cut them to the core.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, probably this is a tempest in a teapot, but you know we had another sort of a tempest in a teapot a long time ago up in Boston Harbor. Something came out of that tea party. This thing today is just indicative of sentiment throughout the country. The people are disgusted with the way Congress and this administration is acting and spending for unnecessary purposes.

When the gentleman from Missouri [Mr. CANNON] was in the Well of the House awhile ago he charged those who sponsored this amendment and who supported it with a lack of patriotism. You read his words in the RECORD tomorrow and see if that—unless he revises his remarks—is not what he implied. Personally I do not resent that charge, because it is unfounded. The gentleman is a little excitable at times. He is a great parliamentarian. He is a great legislator. But if he is to be judged by what he said today, he is completely ignorant of some of the common things of life. He talked about two flyspecks. It is the flyspecks which mar the mirror. The gentleman is married, I hope. Did he ever in his life compliment the good housewife about getting a meal she prepared, tell her how good it was? Or did he wait until some day when the eggs were fried a little too hard or boiled not quite enough and then register his complaint? Am I correct? Is not that the way it goes? It is the flyspecks we always want to brush off, because they mar the whole surface. The whole picture is thrown out of focus by these flyspecks.

The gentleman from Oklahoma [Mr. NICHOLS], who was in the chair a while ago, had some good words to say about actors and actresses. I agree with all of that, and so do all of us, but what has that to do with this amendment? Now, folks—the actors, actresses, fan dancers—are patriotic, just as are the rest of us. Let those folks go right along in their chosen profession and amuse their people, put on their shows and their dancing. But do not do it in the name of civilian defense. That is not civilian defense. The gentleman from Missouri [Mr. CANNON], who had so much to say about the minority and a few of the majority, who believe as we do—you are growing posies when you ought to be growing potatoes. That is what is the matter with you. That is what is the matter with this civilian defense organization. Its picture showing, its dancing, for civilians is nonessential. If you want something for these actors and actresses to do, and if they are not content to stick to their chosen profession, and they really want to do something, send them up into Michigan or some of these other places, and we will put them out on the farms, where they are needed, or at work planting gardens in the springtime. They can grow some beans and shell them and put them away. They can grow some other farm products and put those things away for the time when there will be a shortage. They can even help us in the sugar-beet fields, so Brother Henderson can give us all the sugar we need when the time comes.

There are a thousand and one useful things—things connected with civilian defense—that all of these people can do if they wish. But there is no need to amuse our civilian population in order to pep up their patriotism. The gentleman spoke about our buying bonds—picture shows to induce people to purchase bonds. Our folks will buy bonds. Of course, they will, if they think the proceeds are to be used for the fighting men. But they are not going to buy bonds if they think their money is being wasted in picture shows, fan dancing, and things like that. We folks back in the sticks are interested in getting the job done.

We do not care anything about the frosting on the cake; we do not care anything about the cake; we shall be satisfied if we can get bread, butter, and meat. Our folks back there are way ahead in their activities for civilian defense. They will be satisfied if they can get real work and have our money used economically and efficiently—and, may I say, intelligently. Let us quit play acting and get down to business. Let us cut out the nonessential, the fancy stuff.

[Here the gavel fell.]

Mr. FADDIS. Mr. Chairman, I move to strike out the last three words and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FADDIS. Mr. Chairman, I am indeed gratified that the House today has at last seen fit to take action to extend substantial assistance to the valiant armies of the Chinese, who are doing so much to preserve democracy in this world. It has been one of my most sincere regrets during the last 3 or 4 years that this Nation, in the disastrous policy of appeasement which we have followed toward the Japanese and which has been so expensive to us, has refused to extend the assistance we could and should long ago have extended to the armies of Chiang Kai-shek in the valiant fight they are making. After all, these people would have been eternally grateful for a thousand obsolete airplanes or a thousand field pieces that we have junked. They asked for so little, and with that little they could have accomplished so much. And if we at that time had had the courage and foresight to have done our duty toward them, toward ourselves, and toward the world and have given these people a little bit of assistance, then today they would be in shape to repay us a hundredfold for what we had given them.

If, in the past, we had given the Chinese the assistance we should have, then today in one of the darkest hours in our history when an outpost of ours now being defended by one of the most valiant bands of American soldiers that ever wore the uniform, now when they are being pressed to extremity and, I fear, have almost reached the limit of their endurance, we might be able to look for some assistance from China, for, God help us, because of our own muddling in the past we are unable to help them. Today as we think of that matchless, valiant, and heroic soldier, General MacArthur, who is in command of that band fighting almost a forlorn fight to preserve the face of the white man in the East, we should bow our heads in shame that we lacked the courage and determination to have done what we should have done in the past. Too little and too late is a sad tale, but we will hear it over and over again in the years to come.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. FADDIS. I yield.

Mr. RANDOLPH. I think it is highly appropriate that Members speaking from the Well of this House pay tribute whenever it seems best to the splendid fighting qualities and the extraordinary courage of the man who leads our forces in the Philippines. I congratulate the gentleman.

Mr. FADDIS. I thank the gentleman. I am glad to do so. I want to make this observation: It is my sincere hope that before the end comes in the Philippines, orders will be issued that General MacArthur shall escape in order that the world and the United Nations may still have the advantage of his ability and his leadership; because I firmly believe that General MacArthur is the most able military leader the United Nations have at their command. I say here and now that I hope he is preserved through all the perils of this war, because I believe one of these days he will make a wonderful President of the United States of America.

[Here the gavel fell.]

Mr. LELAND M. FORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, no one in this House has greater respect or admiration than I for the gentleman from Missouri, personally, as a parliamentarian, and as a statesman; but I am forced to differ with him. He asked the question: Why should emphasis be placed on these things? I answer him: Why not? It is not the matter so much of detail as it is of sustaining a principle, and I think had this House placed more emphasis on these things right straight down the line for the last 3 or 4 years we would be in a far better condition than we are today.

He referred to these things as fly specks. As a matter of fact, you can get so many fly specks on a window you cannot see through it, and it might be possible that we have placed so many fly specks on the window of national defense that the program is not going on. As a matter of fact, I believe that Melvyn Douglas is one of these fly specks; I think Cowley is; Lash, Landis, and many others whom I will not have time to name. How in the world do you expect to get out a program when you have men at the top who do not know their business? As a matter of fact, with reference to this great Melvyn Douglas, of whom the gentleman spoke, I do not know whether he knows or not that in a radio program put on by the American Legion, under the auspices of the Americanization section thereof, Mr. Melvyn Douglas, otherwise known as Hesselberg, refused to read the Declaration of Independence, and he refused to read it because that program criticized the Communists as being un-American and being dangerous. When Mr. Douglas refused to do that, one of the attachés in the studio did read the Declaration of Independence. Is that not a great man to bring in here and put at the head of a Government department?

Now, it is not so bad, so far as Douglas is concerned, but there are so many of them. The gentleman from Texas [Mr. DIES] has named some 1,250 of them. Where do you expect to get with those kind of people in civil defense, or in any portion of our defense program? You cannot defend them.

Insofar as some of these other things are concerned, let us read what is said with reference to the O. C. D., and I read from Public, No. 415, Seventy-seventh Congress:

> To provide under such regulations as the President may prescribe, facilities, supplies, and services, including research to protect from bombing, sabotage, and so forth.

That set-up certainly has nothing to do with this matter.

May I say in general it is time that the public realized that this Congress is for the O. C. D It is necessary, but they should stick to their particular function, which is the preservation of life and property under the rules and regulations that they have, not step out and take over the functions of other departments of the Government. Programs will be put out under the U. S O. and other departments of Government for our soldiers. We do not object to that, but we do object to the people in O. C. D. leaving their department, because apparently they do not know what to do, and try to perform the functions of other sections of Government

May I say with reference to the theater that it is a great thing. I think entertainment is a great thing. It should be carried on. But those things should be left in the hands of men and people who have been carrying them on heretofore, because they know how to do it. Our fight is not against those things in their proper place, but the place is not in the O. C. D. or defense program for these particular functions of Government. If they would get out of these departments the incompetents and I now brand them incompetents, the country would be a whole lot better off. These people may be all right in their particular profession, but because one has succeeded in a particular theatrical group is no sign that he is good in one of the other departments.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I would be the last man to intentionally hurt any person and especially a lady. However, it appears perfectly ridiculous to me for our Government to pay $4,600 per year to a young lady to handle children during a possible air raid when such lady admits she has had no training to fit her for such work. Thousands of fine young women are in this country who hold college degrees showing their fitness to supervise children. Many of

them teach for $1,000 or less per year. For the first time, this year, these devoted public servants have to pay income tax. They are allowed an exemption of $750 plus deductions for taxes, gifts to charity, and so forth. Assuming they have a total exemption of, say, $850, then they have taxable income of approximately $150, or $6 tax. This means 766 such teachers have to pay tax to support this one favored dancer. Is it not time this House woke up and determined how funds it appropriates are spent? In 1 day last week we appropriated $27,000,000,000, a sum three times as great as it cost to run the Federal Government during its first 100 years. Telegrams and letters coming to me from all over the Nation prove the people are alarmed lest our Republic be wrecked financially by those who do not regard this war as a serious business.

Last Friday while discussing the pending bill I suggested that if the mere naming of a dance merited a $4,600 per year job under O. C. D., on that basis Sally Rand, of my own beloved Ozarks, should be worth $25,000. I further stated that Miss Rand, to secure such a job, would name her ostrich fans after certain Army and Navy officers who did not secure their commissions the hard way. I am today in receipt of a telegram from Miss Rand, who makes a very gracious offer, which, I feel, should be called to the attention of this House to show that not all Americans expect compensation for coming to the aid of their country in an emergency. I am glad that the House is heeding recommendation to forbid boondoggling in the essential activity of civilian defense. However, had it not done so, the American people would have been entitled to the best in the way of fan dancing. That they could have had such service gratis is shown by Sally Rand's patriotic offer set forth in the following telegram:

TELEGRAM FROM SALLY RAND TO CONGRESSMAN BENNETT

POCATELLO, IDAHO, *February 8, 1942.*

Hon. PHIL A. BENNETT,

Representative from Missouri:

Read Associated Press Office of Civil Defense story today, quoting you re Office of Civil Defense job for me at 25 grand per annum I hasten to put in my application. Will change name of fan dance to "Nude Deal." Will christen fans as per instructions. In case Budget too depleted for salary named, will be glad to offer services gratis. Vital statistics: Nationality, American. Ancestors came over in 1795. Race, white. Age, 37. Qualifications: Grammar school, 2 years high school, and plenty of experience. Also have private pilot's license, issued 1927. Good health, horse sense, and can send and receive Morse code, drive car, harness and drive mules and horses. Also horse doctor, and can milk. Speak Spanish and French. Military background: Father retired colonel; brother, 19, in present active Army. Know manual of arms and statistical procedure. Personal equipment: Ordinary number of arms, legs, etc; perfect eyesight, perfect health. Tremendous desire to be of use. Also good judge of horses, mules—especially mules—and fair of men. Material equipment: Lincoln car, portable typewriter, eight pairs fan-dancing slippers, etc.; sheep-counting clerk and miscellaneous. Can also offer use of our ranch near Red Lodge, Mont., for observatory post gratis, or haven for the harried and/or heckled, at prevailing dude-ranch prices, of course. In emergency, offer facilities for evacuated children, the old and helpless. Ranch 8,000 feet above sea level. Pure glacier water; no electricity, no modern plumbing, no noise, and lots of peace. Until I hear from you, will continue to worry along keeping up public and Army and Navy morale by performing in popular-priced theaters and cafes, trying in my way to create a few moments of beauty, a few moments' escape from lurid headlines, and a little laughter and surcease—at my usual salary of 2 grand per week, of course. Us Missourians must stick together, Mr. BENNETT, and remember our State's slogan, "You gotta show me." My permanent address is Heaven Ranch, Red Lodge, Mont. Will be here in Pocatello through Tuesday, the 10th.

SALLY RAND.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I wish to speak on the bill, in regard to lines 10 to 16, inclusive, on page 22.

In looking over the Treasury statements I find that the customs revenues for the last several years, from 1937 to 1941, inclusive, have run, in round figures, $488,000,000, $359,000,000, $321,000,000, $348,000,000, and $391,000,000, respectively. I also find that sugar and agricultural commodities constitute by far the larger portion of these customs revenues.

The record also shows that we have previously provided about $21,000,000 to the Treasury Department for the operation of the customs department during the current fiscal year. This increase of $471,000 is to put on 600 additional guards at $1,860 a year for about 4½ months, and to purchase 67 automobiles at $785 each.

As best I can determine, the customs revenues will decline in the months to come. As an illustration, someone here awhile ago referred to the item of sugar. The other day one of our Government agencies purchased from the island of Cuba, through the Cuban Sugar Institute, 3,022,000 tons of sugar, 1,000,000 tons of which is to be supplied to us in the form of invert sugar in liquid form to be used in connection with the production of powder, I believe, for ammunition purposes, and this leaves about 2,000,000 to be distributed to the United States, England, Canada, and other countries.

I say that there will be a serious sugar shortage in the United States during the coming 12 months, as compared to the 12 months' deliveries to our people in the year 1941. Make no mistake about that. Our mothers and wives have gone out and purchased a few pounds of sugar or put away sugar directly as a result of the propaganda that has been put out, and now the Office of Price Administration is proposing to create organizations of snoopers in every community to harass these women until they will feel like doing some of the things the chairman of the committee spoke about awhile ago as likely to happen if you should discontinue the operation of the movie houses.

It seems to me that a great dignified branch of the Government such as the Office of Price Administration should or could at least proceed on the basis of regulating these food items without creating so much consternation in the mind of every mother in the United States.

Personally, I do not like the insinuations that have been thrown out by the Price Administrator to the effect that our women will be subject to imprisonment and fines up to $10,000 if they do no tell exactly the number of grains of sugar they have in their pantries when the snoopers come around. In my opinion, that will not sell defense bonds; it will not make the present administration popular; and it will not encourage or promote unity in the United States.

If we cannot proceed on a little better basis than that, perhaps we had better cut out some of this regimentation into which we are moving, because, after all, it is more important to win this war than to regiment a few people.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER of Michigan. Mr. Chairman, the Ford amendment which places a statutory ban on the use of any part of this appropriation for instructions in physical fitness by dancers, fan dancers, vaudeville performers, or any other kind of "boondoggling" should prevail. I intend to do my part to see that it remains in the bill when the final votes are taken today.

Civilian defense, Mr. Chairman, is serious business, and I am greatly disturbed by the undisputed evidence of trifling with it. The Office of Civilian Defense has become a political football and a haven for so-called liberals, who have long campaigned for America's active participation in war but who are now apparently seeking every means of avoiding the front-line trenches and doing any fighting. I was amazed when I learned today that orders have gone out from the administration that motion-picture actors should be deferred in the draft. Most of these motion-picture actors who are being deferred or who are being given soft berths in Washington—safe from the enemy's bullets—were those who cried the loudest for this Nation's entry into the war. I could name any number of these heroes on the screen who are now prancing around Washington night clubs in the uniforms of officers of our Army and Navy, and I have no doubt but what they will continue their prancing for the duration.

Those who have not been able to obtain commissions through political pressure are now apparently to be taken care of in the O. C. D. and we are asking the men, women, and children of America to pay increased taxes and to buy Defense bonds and savings stamps in order to pay their salaries.

In a 32-page booklet recently issued by the O. C. D. the division over which the President's wife presides published the fact that it is embarking on an extensive and general "uplift program," little of which has any relation to national defense. This division proposes to organize book drives, to teach current events, to hire lifeguards for swimming pools, to develop prodemocracy programs, to work for improvement in group relations, and to safeguard civil liberties. Among those

who will conduct this type of work, unless the Ford amendment is kept in this bill, are this Melvyn Douglas, who I understand has changed his name from Hasselberg, Mayris Chaney, the dancer we have heard so much about, Joseph P. Lash, the young Communist whose efforts to get a swivel-chair job in the Navy Department were sponsored by the President's wife, and others. One could hardly imagine that any one of these persons would be worth a tinker's dam even in the type of program that has been advanced in the O. C. D. booklet.

Mr. Chairman, civilian defense is calling loudly for practical men and women capable of getting things done, and the recruiting of actors and dancers, however estimable in their own fields, has disturbed the entire Nation. We have thousands of little business men and little business women milling around Washing—people capable, well-informed and efficient—begging to do their part in the national defense program. All of these folks are being given more run-arounds than a Maypole. Inasmuch as the Congress did not see fit to place O. C. D. under the direction of the War Department, I believe that the services of these people, most of whom have lost their livelihoods through the policies of the New Deal, should well be considered for the salaried positions in the O. C. D. that are now being turned over to movie actors and others who have had no practical experience and training.

I refer now to Betty Lindley, the wife of Ernest K. Lindley, New Deal columnist, who has been appointed to a position in the O. C. D. at a salary of $5,600 a year. I am reliably informed that Mrs. Lindley now receives quite a fair remuneration as fiscal agent for Mrs. Roosevelt. Before being placed on the O. C. D. pay roll she received a high salary as a consultant in the nutrition committee which operated last year. In other words, she has managed to keep on the pay roll for some time. Incidentally, I pointed out earlier today, the only newspaper columnist who has upheld the hiring of movie actors and dancers in the O. C. D. has been Betty Lindley's husband.

Mr. Chairman, I hope there will be a roll-call vote on this so-called Ford amendment, and I warn you that if the amendment is defeated, the people of America will see to it that there will be some changes made in this Nation's war effort this fall.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, has all other time expired?

The CHAIRMAN. Yes.

Mr. CANNON of Missouri. Mr. Chairman, I ask that the Clerk may read the bill for amendment.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Salaries, White House Police: For an additional amount for "Salaries, White House Police," fiscal year 1942, for 55 privates, 2 sergeants, 2 lieutenants, and 1 inspector, in addition to the number specified in the act of April 22, 1940, $50,000.

Mr. RICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICH: On page 22, line 23, strike out all of lines 23, 24, and 25, and on page 23, strike out lines 1 and 2.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RICH. Mr. Chairman, I read from the hearings at page 251 the statement of Mr. Wilson:

The White House uniformed police force extends protection to the White House and also gives protection to the grounds. We have 80 men on that force at the present time. This is to increase the protection extended by our uniformed men. This will provide 140 men instead of 80 men, and will permit about 30 men to be on duty during each 8-hour period. We have to allow for days off, for annual leave, and for sick leave. It will give us enough police officers to cover 22 posts and also give us 8 men to call in the event of danger.

Mr. Chairman, if there is anybody who would want to give the President all the protection that anyone could give him at a time like this, it would be myself. I want to see that the President has all the protection that may be necessary, but when I think that you are going to put on 140 police officers to look after the White House, or look after one man, it just seems to me that you have gone beyond the pale of good common sense. You cannot get now within 200 yards of the White House, where they have blocked off all the streets practically that surround the White House within a radius of 200 yards or more, and they do not allow anybody to get to the building. Then to think that you have got to have 140 men to guard that building seems a little bit out of proportion and not good common sense. When I go by there in the morning or go by there in the evening and I see all the men standing around the White House in uniform I wonder what in the world they are there for. Then to provide an additional $10,770 to uniform these men does not seem to me to be necessary.

Mr. KOPPLEMANN. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. KOPPLEMANN. Then you would agree that the President ought to take care of himself the same as you and I do?

Mr. RICH. No; I do not. I do not need anybody to take care of me. I do not want anybody to put any detectives or any policemen out to watch me, because I will look after myself. I want to have somebody to look after the President and 80 men ought to be enough to look after one man at the White House. When he goes down the river on his boat rides, 80 men ought to be enough to see that he gets on the boat all right, and when he goes to Hyde Park it seems that 80 men ought to be enough to look after him, but they want under this bill to have 140 men when he takes these boat rides or 140 men when he gets on the train to go up to Hyde Park, and also have 140 men to look after the White House. It is beyond reason.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Nebraska.

Mr. STEFAN. The gentleman, I am sure, wants to be fair about this matter. These 140 men that are in uniform do not take any boat rides. They have nothing to do with anything of that sort. That work is done by the secret service.

Mr. RICH. Well I understand they now have 140 policemen to guard the White House; they also have in this section $229,000 for additional secret-service employees, and if you will turn to the hearings on page 250 and 251 they have added 60 additional secret-service agents and 20 additional clerks, and I do not know how many they now have of secret-service agents to guard the President. While the President is not at the White House why have 140 police to guard it? Why not take them along when he makes the trips down the river or to Hyde Park? Why have two sets of men to guard him. We count in this hearing the 60 secret-service agents, the 20 clerks, and the 60 extra policemen the sum of $225,000 for secret-service agents and clerks, and for 60 extra policemen and uniforms, $60,770, or a total of $289,770. Now we know that the number of police and secret-service agents to guard the President in the White House is at least 220 people besides the regular secret-service agents. I do not think this is necessary; it does not seem sensible to me; it is more like a waste of funds. They are now building between the White House and Treasury a subway walled with concrete and steel to protect the occupants of the White House and Treasury Department. I think we are taking every precaution to guard the President. I do think we are wasting funds, however, for policemen to guard the White House as it is needless when the President is in the White House to have over 200 men to guard him in the White House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. RICH].

The amendment was rejected.

The Clerk read as follows:

Claims for damages, operation of vessels: To pay claims for damages adjusted and determined by the Secretary of the Treasury under the provisions of the act entitled "An act to provide for the adjustment and settlement of certain claims for damages resulting from the operation of vessels of the Coast Guard and the Public Health Service, in sums not exceeding $3,000 in any one case," approved June 15, 1936, as fully set forth in House Document No. 587, Seventy-seventh Congress, $1,243.57.

Mrs. NORTON. Mr. Chairman, I move to strike out the last word. I read in the RECORD of last Friday some of the debate indulged in on this bill and have listened today to more of it. Somehow I get the impression that we are witnessing a curtain raiser for the congressional campaigns. If it were not for the obvious unfairness of the thing, it would be humorous. As I see the prob-

lem it is no time for either humor or heroics.

Before proceeding with a few facts which may add some information to this debate, may I digress to pay my tribute to a woman who has done more for the womanhood of this country than any other woman of my time—Mrs. Eleanor Roosevelt. Working from early morning until late into the night she has won the love and admiration of most of the people of our great country, and she deserves all of it. Her matchless example of patriotism, ability, and perseverance has been the envy of many but an unhappy reminder to others who have not realized the enormity of the task we have undertaken that they are in the slacker class. Small wonder, then, that she has been so severely criticized.

We have a gigantic task in this country in the protection of our civilian population against the ravages of savage enemy attack. With the submarines of the enemy daily wreaking their destruction along our east coast and west coast we can no longer sit back and say "it cannot happen here." It is happening, and it is only a question of time before attempts will be made to destroy morale and life among the ranks of our civilian population. For this eventuality, we are trying to prepare. The thing that we must fight now is ignorance. Apparently we must start this fight right here on the floor of the House since there seem to be many Members who are ignorant of the tremendous job the O. C. D. is doing and has done.

The purpose of this organization is the protection of civilians in case of attack. A year ago this was something to be thought of in the dim distant future, but not now. Organization of all our civilian defenses must be accomplished and O. C. D. is doing just that. They have worked out a program of training and have published about 58 publications dealing with the organization and actual training of individuals and groups in different types of protection. Fifty million copies of these publications have already been printed and distributed. In the State of Massachusetts alone, 258 organizations have been set up and fully organized and are on call 24 hours a day 7 days a week. All this work is volunteer work but it stands to reason that the people who are to have the responsibility of carrying out this work on a national scale must be of the very highest caliber and expert in their own fields.

Mr. Melvyn Douglas is a very good example of just this sort of person. His job is to organize the utilization of the great group of artists who are anxious to be of service to the war effort. There are literally millions of them from the great stars down to the smallest and least well known of the people in the field. There are many hundreds of requests for artists of various types, writers, playrights, actors, and actresses both in the theater and on the radio, to handle activities for the Federal Government. These people must be fitted into the niche for which they are the best suited, and it takes someone with a long experience in this field to know just where they will each do the most efficient job. Mr. Douglas has been appointed to take over this job and is doing it on the basis of receiving no salary but merely his actual expenses. However, from the statements made on the floor, it would seem that he is receiving a handsome salary. If our so-called dollar-a-year men in industry are considered patriotic for offering to assist their country at a time like this on exactly the same basis, I do not understand why, because Mr. Douglas is an expert in his field and that field is necessary at this time, he is not also given the same amount of consideration for making the same kind of offer.

We cannot turn all our efforts toward making armaments and building ships if the morale of our country is not taken care of also and this is the job of O. C. D., to protect and strengthen all the people in the country. From the number of people who have volunteered—5,400,000—it is obvious that there is a fine spirit in this country but if that spirit is not utilized, how will it ever continue? So far about 1,500,000 persons have been utilized and directed in the protective services, but there are many thousands who cannot be used in those services but would be excellent in other fields of endeavor. Those people must be allowed to take their rightful places in keeping the morale of the country up to the war effort and they will do a magnificent job.

Last September I attended a convention of Democratic women from 11 Western States, held at Los Angeles. At the conclusion of a dinner in honor of the Honorable Edward J. Flynn I had the pleasure of witnessing the performance of a dramatization of Stephen Vincent Benet's poem published in the Independence Day issue of Life magazine on July 7, 1941, Listen to the People. It was under the direction and at the instigation of Melvyn Douglas and played by some of the best-known actors and actresses in Hollywood, who donated their services to national defense. The theme stressed was patriotism and retold the struggles of this great country of ours during its more than 150 years of freedom.

Mr. Douglas was simply magnificent, and anyone listening to him on that evening could not doubt his sincerity and the very great spirit of patriotism he interpreted. He was an inspiration to me and, I am sure, to everyone present. The vile insinuations that have been made on the floor of this House regarding his patriotism are something we should feel very much ashamed of. It would seem, in all fairness, that before attacking any person in the House of Representatives one should get their facts straight; particularly is this true since the accused has no opportunity to present his side of the question and Members of Congress have immunity from libel suits. I would suggest that unless and until facts are presented and supported by evidence that it might be well to withhold vicious gossip designed not to help our war effort but to destroy unity at a time when all our efforts should be influenced by the great conflict we are now in. We have a great job to do and bitter personal hatreds, as well as political advantage, should have no place in a program designed to win a war and bring peace to our beloved country.

Mr. HOUSTON. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. Yes.

Mr. HOUSTON. Is it not a fact that Mr. Douglas gave up a salary of around $200,000 a year in the moving-picture industry to accept this job?

Mrs. NORTON. I understand he was willing to do so; in fact, was willing and anxious to get released from his contract to go in the Army.

Mr. HOUSTON. And did he not pay about $25,000 income tax last year?

Mrs. NORTON. Something in the neighborhood of that amount.

Mr. HOUSTON. And did the Government refuse to take that money?

Mrs. NORTON. Oh, certainly not. Mr. Chairman, I call attention to the fact that Mr. Douglas has been doing patriotic work, not just within the last few months, since some of you began to realize that we have to face a war, but that for many months past he has been giving much of his time and his ability to the defense of America, and he was not a member of the America First or any other isolation group. The Pearl Harbor defeat was not necessary to bring him to a realization of the danger confronting his country.

Mr. HOUSTON. Is it not a fact that the bill before the House today does not carry one cent for salaries for the officers of this organization?

Mrs. NORTON. Of course. I think every Member knows that.

The CHAIRMAN. The time of the gentlewoman from New Jersey has expired.

Mr. THOMAS F. FORD. Mr. Chairman, I move to strike out the last word. Following the remarks of my distinguished colleague from New Jersey [Mrs. NORTON] with reference to Mr. Melvyn Douglas I ask permission of the House to read the following letter from the Executive Office of the President, Office for Emergency Management:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE FOR EMERGENCY MANAGEMENT,
Washington, D. C., January 31, 1942.

MR. MELVYN DOUGLAS,
Los Angeles, Calif.

DEAR MR. DOUGLAS: At the request of Dean James M. Landis, Executive Office of Civilian Defense, Office for Emergency Management, you are appointed as consultant without compensation for an indefinite period, effective January 31, 1942.

During this period your services will be without compensation from the United States. However, you will be reimbursed for actual and necessary expenses, in accordance with standard Government regulation, and you will be allowed $10 per diem, in lieu of subsistence, when you are away from your official headquarters on official business connected with the Office of Civilian Defense, Office for Emergency Management.

Will you please complete and return the enclosed statement of acceptance? Transportation request forms will be mailed to you immediately.

We appreciate your patriotic cooperation in this very important aspect of the defense program.

Sincerely yours,

DALLAS DORT,
Director, Division of Central Administrative Services.

Mr. Chairman, I have read this letter for the purpose of verifying the statement I made earlier today in a 1-minute address on this floor. Mr. Douglas does not receive a salary. All he receives, as this letter states, is the usual traveling expense, plus subsistence.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. THOMAS F. FORD. No, I will not yield. Further, I emphasize again that Mr. Douglas is a high-class patriotic American citizen, who is doing the very best that he can to help this country in this hour of need. He is not a Communist, as has been said; he is not a member of any subversive organization; he has never taken any part in subversive activities; and he is one of the star Hollywood motion-picture actors, whose work on the screen is probably one of the three or four top box-office drawers. All this ballyhoo about Melvyn Douglas being this or being that is just so much moonshine.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. THOMAS F. FORD. Yes.

Mrs. NORTON. Is it not a fact that Mr. Knudsen is in the employ of the Government on exactly the same basis as Mr. Melvyn Douglas would be?

Mr. THOMAS F. FORD. Exactly. I thank the lady for her contribution.

Mr. HINSHAW. Mr. Chairman, I rise in opposition to the pro forma amendment. Having been the Member of the House who published the record of the gentleman just referred to by my colleague from California [Mr. THOMAS F. FORD], I say that anyone can read it who wants to. It is a list of the un-American organizations that Mr. Douglas has been connected with. I have no doubt of Mr. Douglas' belief in his own patriotism today. He probably is a perfectly good American citizen, trying to serve his country in accordance with his light, but for my part I would not pay a dollar a year per dozen for people who are apparently connected with subversive interests. Of course, one must realize that Hoolywood actors are like all other actors—sympathetic people, in the main, sympathizing with those whom they believe to be the under dogs. On many occasions they have been lured into Communist front organizations because someone has asked them if they could not use their name and they have said, "Sure; go ahead; I will do anything you say." But, on the other hand, there are a good many of those actors out there who have gotten smart lately and they no longer allow their names to be used miscellaneously for purposes with which they may sympathize. But Melvyn Douglas seems to be a member of too many such organizations for him to be unaware of their character.

Mr. LELAND M. FORD. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I have only a moment.

Mr. LELAND M. FORD. Does the gentleman think that it is a great act of patriotism to refuse to read the Declaration of Independence?

Mr. HINSHAW. I did not hear about that, but that certainly would not be an act of patriotism.

I want to refer for a moment to the article read by one of my colleagues, I cannot now remember which, concerning the fact that Hollywood actors and scenario writers, and so forth, are to be exempted from the draft. I do not believe that any of those fellows were consulted prior to this order. Those whom I know for the most part are just as red-blooded citizens as anybody in the United States, and if they thought they were going to be kept from fighting when their turn came and their name came up they would protest in large number. I venture to state that since this order has been issued, you will find quite a crowd coming forward to say, "No; we do not want to be exempted, we want to do our turn when the time comes." A great many of them are already in the service. They are that kind of fellows. They are good, red-blooded men, the whole crowd of them. They want to serve their country when the time comes. I rise to make that statement because I know a great many of those men. As the gentleman from Oklahoma [Mr. NICHOLS] remarked a few minutes ago, referring to himself as being a former actor, I am not an actor nor a former actor, but I have one in my family. My father was one, a great concert and opera singer. I am quite proud of his profession. I know that those men in Hollywood, those people working in the motion-picture industry, are not going to take that order by General Hershey, lying down. They are going to show the world that they are just as good citizens as anybody else. They will resent that order. They will doubtless hold a mass meeting before long to demonstrate their patriotism to the country at large. As far as any pinks that may be among them, I do not want them around Washington and you do not want them either. I do not care whether it is a dollar a year or 20 cents a year that they are paid. If they came at a dollar a dozen I would not want 10 cents worth of them here. Neither do you. What we want in Washington in charge of this Office of Civilian Defense is men who know what it means to be under fire; men who know what it means to protect civilian population; men who know what it means to be shot at. We have such men in our veterans' organizations. As far as the women are concerned, of course, we need the women. They should be women of broad executive experience; women who have had places of high honor in their communities; and women who have had Red Cross experience, nursing experience, or other experience, such as superintendents of hospitals, and women who are available from organizations of that character. I think this is a very serious business.

I recognize that the words of the gentleman from Virginia [Mr. WOODRUM], are true, that this bill has nothing to do with that portion of the Office of Civilian Defense that relates to the activities to which the House has been objecting. The bill certainly concerns itself with the purchase of materials and supplies for civilian defense, and not for the hiring of personnel.

I hope that when the Committee on Appropriations ultimately considers that matter it will give consideration to the will of the country and make the Office of Civilian Defense exactly what it means, an office for the defense of the civilian population, and nothing else.

As for the Walt Disney Donald Duck film intended to impress the people with the pleasure and necessity for paying income taxes, I have not seen the film but have had reports concerning it by those who have seen it. Like the Irving Berlin song it is, in part, at least, a contribution to the Government made by a man of quality in his profession. I understand that it cost $150,000 to make and that it is to be distributed and shown without cost and that no profit or income will accrue to the producer, Walt Disney, nor to the distributors or theater operators. The Treasury has evidently said they would reimburse Mr. Disney for the out-of-pocket cost of making the film, excluding overhead and like expense. This amount is said to be $80,000. While the authority of the Treasury officials to authorize such an expenditure is doubtful, I nevertheless feel that Mr. Disney should not be penalized for his part of the bargain and I shall therefore vote to pay him.

[Here the gavel fell.]

The Clerk read as follows:

SEC. 302. No part of any appropriation contained in this act or authorized hereby to be expended (except as otherwise provided for herein) shall be used to pay the compensation of any officer or employee of the Government of the United States, whose post of duty is in continental United States unless such person is a citizen of the United States, or a person in the service of the United States on the date of the approval of this act who being eligible for citizenship had theretofore filed a declaration of intention to become a citizen or who owes allegiance to the United States.

Mr. CANNON of Missouri. Mr. Chairman, I offer a committee amendment.

Mr. McLEAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McLEAN. I have an amendment at the Clerk's desk which is intended to follow the section which has just been read. It is offered as a new section. Will the adoption of the amendment offered by the gentleman from Missouri preclude me from offering that amendment at the conclusion of the gentleman's amendment?

Mr. CANNON of Missouri. What is it the gentleman proposes to offer?

Mr. McLEAN. A new section.

The CHAIRMAN The amendment proposed by the gentleman from New Jersey [Mr. McLEAN] is a new section, which will not preclude it by the amendment offered by the chairman of the committee [Mr. CANNON].

The Clerk will report the amendment offered by the gentleman from Missouri.

The Clerk read as follows:

Committee amendment offered by Mr. CANNON of Missouri: On page 49, at the end of line 2, insert "This section shall not apply to citizens of the Commonwealth of the Philippines."

Mr. CANNON of Missouri. Mr. Chairman, section 302 is the stereotype amendment which is included in all general appropriation bills. It prohibits the payment of compensation from the Treasury to any employee of the Government who is not a citizen of the United States. The terms of the section applies to Filipinos who are not citizens as to others and the purpose of this amendment is to exempt them from the terms of the section to make its provision inapplicable to the citizens of the Philippine Commonwealth. The committee recommends this in appreciation of the signal service rendered by them to our forces in the Philippine Islands and as a mark of token of the warm friendship long existing between the Philippine and American people.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. CANNON of Missouri I yield to the gentleman from New York.

Mr. TABER. The only object of this is to lessen the prohibition against employing other than citizens, so that citizens of the Philippines may be employed?

Mr. CANNON of Missouri. Exactly. They have shown themselves entitled to every consideration at the hands of the American Government and the American people.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. RICH. There would be nothing in that amendment that would in any sense recognize the Philippine government as a State?

Mr. CANNON of Missouri. The amendment applies exclusively to section 302 of the bill and has no other application.

Mr. RICH. We speak of the Commonwealth of Massachusetts and the Commonwealth of Pennsylvania, and now in this bill you mention the Commonwealth of the Philippines.

Mr. CANNON of Missouri It makes no provision affecting the Philippine government. It merely makes the Filipinos eligible to employment under the United States.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. CANNON].

The committee amendment was agreed to.

Mr. McLEAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McLEAN: Page 49, after line 2, add a new section, as follows:

"SEC. 303. Public Law No. 411, Seventy-seventh Congress, chapter 16, second session, be, and is hereby, amended by adding at the end thereof the following: *'Provided*, That nothing in this act——

Mr. CANNON of Missouri (interrupting the reading of the amendment). Mr. Chairman, the Clerk has read enough of the amendment to indicate that it is clearly out of order. I desire to make a point of order against it at this time.

The CHAIRMAN. The Chair thinks the amendment should be read. The Chair will entertain the point of order after the Clerk has read the amendment.

The Clerk will read the amendment.

The Clerk read as follows:

Amendment offered by Mr. McLEAN: Page 49, after line 2, add a new section, as follows:

"SEC. 303. Public Law No. 411, Seventy-seventh Congress, chapter 16, second session, be, and is hereby, amended by adding at the end thereof the following: *"Provided*, That nothing in this act shall be construed to include within its provisions of the Civil Service Retirement Act the President, Vice President, Members of the Senate, and the House of Representatives.'"

And on page 49, line 3, strike out "303" and insert "304."

Mr. CANNON of Missouri. Mr. Chairman, I make the point of order that the amendment is not germane to the bill, that it is legislation on an appropriation bill, and is out of order.

Mr. McLEAN. Mr. Chairman, I desire to be heard on the point of order.

The CHAIRMAN. The Chair will be pleased to hear the gentleman.

Mr. McLEAN. Mr. Chairman, the gentleman from Missouri, in support of his point of order, has stated that this amendment would be legislation on an appropriation bill. It is legislation, but the rule which the gentleman invokes is one honored in the breach rather than in the observance, and a good purpose would be served if it were not pressed at this time. I direct attention to a provision of this very bill comparable to my amendment that has been allowed to ride along on page 8. It does not pertain in any way to an appropriation bill. It suspends the operation of a stated section of the Selective Service Act. It is clearly legislation.

The Civil Service Retirement Act, to which my amendment would apply, provides that for its operation contributions shall be made by and money shall be paid out of the Treasury of the United States by appropriation bills adopted annually.

Since the enactment of the Civil Service Retirement Act a few days ago the public ire has become aroused, and justly so, because of the provision it contained granting pensions to the President, the Vice President, the Senators, and the Members of the House of Representatives——

Mr. CANNON of Missouri. Mr. Chairman, I make the point of order that the gentleman is not speaking to the point of order.

The CHAIRMAN. The gentleman from New Jersey wil confine himself to the point of order.

Mr. McLEAN. I was laying the foundation for my argument.

If the Chair will refer to page 8 of this bill, he will there find the section to which I have referred suspending a provision of the Selective Service Act. That is clearly legislation on this appropriation bill and comparable to my amendment. There are exceptions to the rule that an appropriation bill cannot carry legislation, and I call the Chair's attention to the Holman rule. That rule provides that if the legislation would result in the saving of expenditures it is not subject to a point of order. In the Fifty-second Congress it was decided—

An amendment to the pension appropriation bill tending to increase the class of persons prohibited from the benefit of the pension laws is in order because its effect would be to reduce expenditures.

The amendment which I have introduced would reduce expenditures. It excludes from the benefits of the Civil Service Retirement Act the President, the Vice President, the Senators, and Members of the House of Representatives.

This is the first opportunity we have had to correct our blunder, and we ought to take advantage of it.

The CHAIRMAN (Mr. SMITH of Virginia). The Chair is ready to rule.

The amendment offered by the gentleman from New Jersey is clearly not germane to the bill under consideration. If it were germane it would be legislation on an appropriation bill. It does not in any way retrench expenditures under this bill. For two very good reasons, therefore, the Chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

SEC. 303. This act may be cited as the "First Deficiency Appropriation Act, 1942."

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes, directed him to report the same back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The previous question was ordered.

The SPEAKER. Is a separate vote demended on any amendment?

Mr. CANNON of Missouri. Mr. Speaker, I ask for a separate vote on the Wigglesworth amendment. I shall not ask for a separate vote on the Ford amendment.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. SHAFER of Michigan. Mr. Speaker, I ask for a separate vote on the Ford amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment offered by Mr. LELAND M. FORD: On page 4, line 9, strike out the period and insert "*Provided*, That no part of the funds appropriated herein may be used for the employment of persons, the rent of facilities, or the purchase of equipment and supplies to promote, produce, or carry on instruction or to direct instruction in physical fitness by dancers, fan dancing, street shows, theatrical performances, or other public entertainments."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment upon which a separate vote is demanded.

The Clerk read as follows:

Amendment offered by Mr. WIGGLESWORTH: Page 20, line 13, strike out "$350,000" and insert "$172,000."

Page 20, line 19, strike out "$18,934" and insert "$15,934."

Page 20, line 19, strike out "$200,490" and insert "$25,490."

Insert at the end of line 19 the following: "*Provided*, That none of the funds herein appropriated shall be used for producing moving pictures."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and the Chair being in doubt, the committee divided; and there were—ayes 125, noes 82.

Mr. CASEY of Massachusetts. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 258, nays 112, not voting 61, as follows:

[Roll No. 21]

YEAS—258

Allen, Ill.	Chiperfield	Fellows
Andersen, H. Carl	Clason	Fenton
Anderson, Calif.	Claypool	Fish
Anderson, N. Mex.	Clevenger	Fitzgerald
Andresen, August H.	Cluett	Flannagan
Andrews	Cochran	Fogarty
Angell	Coffee, Nebr.	Ford, Leland M.
Arnold	Cole, N. Y.	Ford, Miss.
Barden	Collins	Fulmer
Barnes	Colmer	Gale
Bates, Mass.	Cooley	Gamble
Baumhart	Copeland	Gathings
Beckworth	Cox	Gearhart
Bell	Cravens	Gehrmann
Bennett	Crawford	Gerlach
Bishop	Creal	Gibson
Blackney	Crowther	Gifford
Bland	Culkin	Gilchrist
Boehne	Cunningham	Gillette
Boggs	Curtis	Gillie
Bolton	D'Alesandro	Gossett
Bonner	Davis, Ohio	Graham
Boren	Dies	Grant, Ala.
Boykin	Dirksen	Grant, Ind.
Bradley, Mich.	Disney	Green
Brown, Ohio	Ditter	Gregory
Bryson	Domengeaux	Guyer
Buck	Dondero	Gwynne
Burch	Doughton	Haines
Burdick	Downs	Hall, Edwin Arthur
Butler	Drewry	Hall, Leonard W.
Canfield	Durham	Hancock
Carlson	Dworshak	Harris, Ark.
Carter	Eaton	Harris, Va.
Cartwright	Elston	Hartley
Chenoweth	Engel	Hébert
	Englebright	Heidinger
	Faddis	Hess
	Hill, Wash.	Mills, Ark.
	Hoffman	Moser
	Holbrock	Mott
	Holmes	Murray
	Hope	Nelson
	Howell	Nichols
	Hull	Norrell
	Hunter	O'Hara
	Imhoff	O'Leary
	Jenkins, Ohio	Oliver
	Jenks, N. H.	Pace
	Jennings	Pearson
	Jensen	Peterson, Fla.
	Johns	Peterson, Ga.
	Johnson, Calif.	Pheiffer, William T.
	Johnson, Ind.	Pierce
	Johnson, Luther A.	Pittenger
	Johnson, Okla.	Plauché
	Jones	Ploeser
	Kean	Plumley
	Keefe	Poage
	Kefauver	Powers
	Kelley, Pa.	Rankin, Miss.
	Kilburn	Rankin, Mont.
	Kilday	Reece, Tenn.
	Kinzer	Reed, Ill.
	Kirwan	Reed, N. Y.
	Knutson	Rees, Kans.
	Kunkel	Rich
	Lambertson	Risley
	Landis	Robertson, N. Dak.
	Lane	Robertson, Va.
	Lanham	Robsion, Ky.
	Larrabee	Rockwell
	Lea	Rodgers, Pa.
	LeCompte	Rogers, Mass.
	Lewis	Rolph
	Ludlow	Russell
	McGehee	Sanders
	McLaughlin	Sasscer
	McLean	Satterfield
	Maciora	Scanlon
	Mahon	Schulte
	Manasco	Scott
	Mansfield	Secrest
	Martin, Iowa	Shafer, Mich.
	May	Short
	Meyer, Md.	Sikes
	Michener	Simpson
		Smith, Maine
		Smith, Ohio
		Smith, Va.
		Smith, Wis.
		South
		Spence
		Springer
		Stearns, N. H.
		Stefan
		Stevenson
		Sullivan
		Sumner, Ill.
		Sumners, Tex.
		Sutphin
		Sweeney
		Taber
		Talbot
		Talle
		Tenerowicz
		Thill
		Thom
		Thomason
		Tibbott
		Tinkham
		Van Zandt
		Vinson, Ga.
		Vorys, Ohio
		Wadsworth
		Ward
		Weiss
		Welch
		West
		Wheat
		Whitten
		Whittington
		Wickersham
		Wigglesworth
		Williams
		Wilson
		Wolverton, N. J.
		Woodruff, Mich.
		Woodrum, Va.
		Wright
		Young
		Youngdahl
		Zimmerman

NAYS—112

Allen, La.	Harrington	O'Neal
Barry	Hart	O'Toole
Bates, Ky.	Harter	Patman
Beiter	Healey	Patrick
Boland	Heffernan	Patton
Brooks	Hendricks	Pfeifer, Joseph L.
Brown, Ga.	Hinshaw	Priest
Buckler, Minn.	Hook	Rabaut
Buckley, N. Y.	Houston	Ramsay
Bulwinkle	Izac	Ramspeck
Burgin	Jackson	Randolph
Byrne	Jacobsen	Richards
Byron	Johnson, W. Va.	Robinson, Utah
Cannon, Mo.	Kee	Rogers, Okla.
Capozzoli	Kennedy, Martin J.	Sabath
Casey, Mass.	Kennedy, Michael J.	Sacks
Celler	Keogh	Schuetz
Chapman	Klein	Scrugham
Coffee, Wash.	Kocialkowski	Shannon
Cooper	Koppleмann	Sheppard
Costello	Leavy	Smith, Pa.
Courtney	Lesinski	Smith, Wash.
Crosser	Lynch	Snyder
Cullen	McGranery	Somers, N. Y.
Davis, Tenn.	McIntyre	Sparkman
Delaney	McMillan	Starnes, Ala.
Dickstein	Maciejewski	Tarver
Dingell	Marcantonio	Terry
Duncan	Merritt	Thomas, Tex.
Edmiston	Mills, La.	Tolan
Eliot, Mass.	Mitchell	Traynor
Fitzpatrick	Monroney	Vincent, Ky.
Flaherty	Murdock	Weaver
Folger	Myers, Pa.	Wene
Ford, Thomas F.	Norton	Whelchel
Gavagan	O'Brien, Mich.	White
Gore	O'Connor	
Granger		
Hare		

NOT VOTING—61

Arends	Day	Johnson, Ill.
Baldwin	Dewey	Johnson, Lyndon B.
Beam	Douglas	Jonkman
Bender	Ellis	Kelly, Ill.
Bloom	Forand	Kerr
Bradley, Pa.	Halleck	Kleberg
Camp	Harness	Kramer
Cannon, Fla.	Hill, Colo.	McCormack
Case, S. Dak.	Hobbs	McGregor
Clark	Jarman	McKeough
Cole, Md.	Jarrett	Maas
		Magnuson
		Martin, Mass.
		Mason
		Mundt
		O'Brien, N. Y.
		O'Day
		Osmers
		Paddock
		Rivers
		Rockefeller
		Romjue
		Sauthoff
		Schaefer, Ill.
		Shanley
		Sheridan
		Smith, W. Va.
		Steagall
		Stratton
		Thomas, N. J.
		Treadway
		Voorhis, Calif.
		Vreeland
		Walter
		Wasielewski
		Winter
		Wolcott
		Wolfenden, Pa.
		Worley

So the amendment was agreed to.

The Clerk announced the following pairs:

General pairs:

Mr. McCormack with Mr. Martin of Massachusetts.
Mr. Bloom with Mr. Treadway.
Mr. Hobbs with Mr. Bender.
Mr. Jarman with Mr. Halleck.
Mr. Camp with Mr. Jarrett.
Mr. Ellis with Mr. Rockefeller.
Mr. Kelly of Illinois with Mr. McGregor.
Mr. Rivers with Mr. Arends.
Mr. Cannon of Florida with Mr. Douglas.
Mr. Romjue with Mr. Wolfenden.
Mr. Steagall with Mr. Stratton.
Mr. McKeough with Mr. Case.
Mr. Magnuson with Mr. Vreeland.
Mr. Forand with Mr. Osmers.
Mr. Beam with Mr. Winter.
Mr. Kerr with Mr. Hill of Colorado.
Mr. Kramer with Mr. Day.
Mr. Clark with Mr. Jonkman.
Mr. Kleberg with Mr. Thomas of New Jersey.
Mr. Shanley with Mr. Harness.
Mr. Walter with Mr. Johnson of Illinois.
Mr. Smith of West Virginia with Mr. Dewey.
Mr. Voorhis of California with Mr. Mason.
Mr. Wasielewski with Mr. Wolcott.
Mr. Schaefer of Illinois with Mr. Paddock.
Mr. Sheridan with Mr. Mundt.
Mr. O'Day with Mr. O'Brien of New York.
Mr. Lyndon B. Johnson with Mr. Sauthoff.
Mr. Bradley of Pennsylvania with Mr. Worley.

Mr. KELLEY of Pennsylvania, Mr. SMITH of Ohio, and Mr. CARTWRIGHT changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Baldridge, one of its clerks, announced that the Senate had agreed without amendment to a concurrent resolution of the House of the following title:

H. Con. Res. 63. Concurrent resolution authorizing the printing of additional copies of the report (H. Rept. No. 1634) of the Committee on Naval Affairs relative to the progress of the national defense program.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2152. An act to provide for the planting of guayule and other rubber-bearing plants in order to make available a source of crude rubber for emergency and defense uses.

GENERAL EXTENSION OF REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all who

spoke on this bill may have 5 legislative days in which to extend their own remarks on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. FADDIS. Mr. Speaker, I ask unanimous consent that on tomorrow after the disposition of business on the Speaker's table and at the conclusion of any special orders heretofore entered I may be given permission to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. FADDIS]?

There was no objection.

EXTENSION OF REMARKS

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an address by the Mayor of Los Angeles on the Japanese situation and a statement in addition thereto.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There was no objection.

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a statement of a constituent.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. BRYSON]?

There was no objection.

Mr. LE COMPTE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Creston (Iowa) News-Advertiser.

The SPEAKER. Is there objection to the request of the gentleman from Iowa [Mr. LE COMPTE]?

There was no objection.

Mr. CHENOWETH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter from Guy U. Hardy, a former Member of Congress.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. CHENOWETH]?

There was no objection.

Mr. BAUMHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a press release which I have given out this week.

The SPEAKER. Is there objection to the request of the gentleman from Ohio, [Mr. BAUMHART]?

There was no objection.

Mr. YOUNGDAHL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Minneapolis Daily Times.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on three subjects and include therein certain excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MYERS of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address by James M. Landis, Executive Director of the Office of Civilian Defense and Dean of the Harvard Law School, which was read before the Brandeis Lawyers' Society at Philadelphia, Pa., on Wednesday, January 28, 1942. I am informed that this manuscript is estimated to make two pages of the CONGRESSIONAL RECORD at a cost of $90.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. McLAUGHLIN. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file a report on the bill S. 2008.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

EXTENSION OF REMARKS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial and a letter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial on General MacArthur appearing in the Boston Post.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a newspaper clipping and an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ORDER OF BUSINESS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to ask the majority leader what the program will be for tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BOLAND. The Committee on Rules was supposed to have met today with the purpose of possibly reporting out a rule on the Rogers bill, but from the information I have the rule has not been reported, so that leaves us without any legislation to be considered tomorrow.

Mr. MICHENER. How about Wednesday?

Mr. BOLAND. We expect that the Committee on Rules will probably report out a rule tomorrow on that bill, and it would be acted upon Wednesday. The committee may also report a rule on the Lanham bill concerning housing in the District of Columbia.

Mr. MICHENER. There is also the resolution with regard to the continuance of the Dies committee. If any of those rules are reported, will one of those bills be considered on Wednesday?

Mr. BOLAND. That is right.

PERMISSION TO ADDRESS THE HOUSE

The SPEAKER. Under a previous order of the House, the gentleman from Massachusetts [Mr. GIFFORD] is recognized for 30 minutes.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent that this special order may be transferred to tomorrow, to follow any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article by an ex-Congressman.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Under a previous order of the House, the gentleman from Michigan [Mr. BRADLEY] is recognized for 20 minutes.

TONNAGE PASSING THROUGH THE SOO LOCKS

Mr. BRADLEY of Michigan. Mr. Speaker, it has been very gratifying to me and to a number of others of us who are interested in our war production and more particularly interested in the production of iron and steel on the Great Lakes and the transportation of the iron ore necessary therefor, to see that other Members of this House have joined us in our fight to instruct the chairman of the great Rivers and Harbors Committee to ask unanimous consent to take from the Speaker's desk Senate bill 2132, which passed the Senate several weeks ago.

I find, Mr. Speaker, that very few people in the East and, unfortunately, very few Members of the Congress and very few men in high Government positions here in Washington, fully appreciate not only the magnitude of the tonnage passing through the Soo Locks in the St. Marys River in northern Michigan, but also do not recognize the fact that much more tonnage passes through the Soo Locks in one operating season of approximately 250 days than passes through the six other largest canals in the entire world in 12 months. It would amaze some of these people to realize that during the last operating season of 1941 there were some 25,865 passages through the Soo Locks in a period of 259 days,

This means that one boat went through those locks every 14.4 minutes and about 75 percent of the total tonnage passing through those locks was iron ore.

I want to give the membership just a few basic figures on the Soo Locks. During the 1941 season there passed through the Soo 111,121,684 tons of freight. Let us see how this compares with some of the other famous canals about which we hear so much here in the East. Take the great Suez Canal that is now threatened with destruction. The last available figures on that canal show that in a 12-months' period only 30,000,000 tons, or slightly less, passed through that lock. I will put the exact figures in the RECORD later. Through the Panama Canal slightly less than 25,000,000 tons went through in the 12 months' period. Through the Welland Canal, which connects Lake Ontario and Lake Erie, a little over 13,000,000 or 14,000,000 tons.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield.

Mr. HOFFMAN. The matter about which the gentleman is talking is one that is absolutely vital to our national defense. There is not any question about it.

Mr. BRADLEY of Michigan. That is right.

Mr. HOFFMAN. There are only six Democrats on the floor, and none of them is listening. Why not put it in the RECORD and come back some time later and make them hear it? This has to do with our national defense, and there is not any doubt about that. They do not seem to be interested in that at all.

Mr. BRADLEY of Michigan. Well, I think the gentleman's observation is quite obvious, but nevertheless there are some Republicans on the floor.

Mr. HOFFMAN. Oh, yes; there are plenty of Republicans here.

Mr. BRADLEY of Michigan. And they will be very glad, I am sure, to hear what I have to say.

Mr. HOFFMAN. But we are in the minority and we cannot pass these things. There is not a Republican here who is not in sympathy with the gentleman's proposition and they will all give the gentleman their active support in this program. But as to the majority party, neither the leadership nor the individuals are interested. After all, we cannot pass it without a few votes from the majority side.

Mr. BRADLEY of Michigan. I will say to the gentleman that the program I have outlined in the past and expect to request again today is one on which no vote will be necessary. It can be passed by unanimous consent just the same as we recently secured pensions for the Congressmen and the President of the United States.

Mr. HOFFMAN. The gentleman is entitled to the thanks of the House and the country for his work on this proposition.

Mr. BRADLEY of Michigan. New York State Barge Canal is one in which a great many men are interested and that only carried 4,500,000 tons. The Manchester Canal, over in England, only carried 6,500,000 tons. In other words, the total tonnage through all of those six canals in a 12-month period is only 85,598,000 tons as opposed to 111,000,000 tons through the Soo last year. Of this 111,000,000 tons, 83,000,000 tons was iron ore needed for our national defense. It may interest the membership to know that last year we produced in the entire United States for our entire war production program 92,499,000 tons of iron are, of which 83,000,000 tons went through the Soo locks. So it can be seen that almost 90 percent of this vitally needed iron ore passes through these locks.

If the membership will bear with me I should like to explain these exhibits I have here on the floor.

Most of the iron ore comes from the Mesabi Range, the Gogebic Range, the Vermillion Range, the Cuyuna Range, and the Menominee Range in Minnesota and northern Michigan and is carried down through the locks, and there is your bottleneck at the Soo [indicating] through which all this ore has to go to reach the furnaces in Chicago and Gary or in Cleveland or in Pittsburgh, Buffalo, Detroit, and elsewhere.

Here is an airplane view of the St. Marys River. I call attention to the fact that that is a mighty small bottleneck. There is a drop there of 22 feet between the elevation of Lake Superior and the elevation of Lake Huron, and every bit of that water has to go down through this little bottleneck at the Soo. Here is a close-up aerial view of the Soo locks, and here are the two locks through which all of our tonnage passes today. Here is the original lock, long since out of use, and over here is the next lock which was built, and which now has a draft of only 16 feet over the sill. These other two locks are 22 feet over the sill. It is proposed in Senate 2132, which was introduced by my colleague from Michigan, Senator BROWN, and passed unanimously by the Senate, to build a fourth lock at this point. There are the approaches to it. That lock will have a draft of 27 feet.

Mr. CURTIS. How long would it take to build that?

Mr. BRADLEY of Michigan. That lock, if started today, would be ready for the opening of navigation in 1943. As long ago as early last May the Board of Army Engineers recommended to the Congress that immediate construction be started on that lock. If Congress had acted promptly, that lock could have been ready this year when the President has called for such a tremendous increase in production. We have dilly-dallied with the Rivers and Harbors Committee. That committee recognizes the necessity for it, and it is included in the omnibus rivers and harbors bill in two places.

Mr. CURTIS. And this is an authorization the gentleman seeks at this time.

Mr. BRADLEY of Michigan. An authorization for an appropriation of $8,000,000. I understand the funds are already available in some of the contingent funds made available to the President.

Mr. HOFFMAN. Will the gentleman leave this exhibit up so that we can look at it tomorrow?

Mr. BRADLEY of Michigan. Yes.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. Yes.

Mr. CRAWFORD. Does the gentleman put any special faith in the statement made the other day to the effect that this will be taken care of in the rivers and harbors bill in one way or another under one or the other of the propositions contained therein?

Mr. BRADLEY of Michigan. I intend to discuss that a little later. I think the gentleman will agree with me when I say that the passage of the rivers and harbors omnibus bill, unless a great many so-called pork items are taken out of it, is extremely doubtful. If that bill should by any chance be defeated on this floor this lock would not be built at the present time—and our war-production increase will be effectively strangled. Last season these locks operated at their maximum efficiency and probably dangerously close to their maximum capacity.

Mr. CRAWFORD. I may say to the gentleman that within the last week I have personally spoken to Mr. Donald Nelson about this matter, and told him that I was greatly concerned about the bottleneck that may develop there, and slow up our war effort.

Mr. BRADLEY of Michigan. I am very glad that the gentleman mentions Mr. Donald Nelson, our war-production chief, and I may say that I have authentic information that indicates to me that Mr. Nelson expressed his concern about the necessity for this lock in a letter to the chairman of the Rivers and Harbors Committee. He requested that immediate action be taken on the Brown bill, S. 2132. After this letter, however, he again notified the chairman of the committee that in view of the fact that this bill was already included in the omnibus bill, he withdrew his previous recommendation as to its urgency. We have been told, as the gentleman knows, that Mr. Nelson is the complete czar of our war production. Surely he knows the facts with reference to the Soo. He knows the importance of this lock, and I am amazed to think that if he is acting on his own initiative he could not fail to realize the doubt as to the final passage of the rivers and harbors omnibus bill. If he is not acting on his own initiative in this matter, then I question seriously whether he has the full authority that we have been told he has over our war-production effort, but rather, perhaps, he may be another hand-tied, hog-tied victim answerable to the god of political expediency, and if Mr. Nelson is so bound by political expediency, then God help America in getting our war effort over the top.

There is one other matter I want to talk about in connection with these locks. I call the attention of the membership to the utter vulnerability of these locks to aerial attack. That has been minimized. It cannot be overemphasized.

We have no protection at the Soo at the present time that is capable of combating aerial attack. At this point is what is known as Fort Brady. It is like so many other army posts. It is nothing but a collection of barracks for the men, with a parade ground. The largest armament at that fort is some machine guns and automatic rifles. There are no aintiaircraft guns or searchlights there. They had some at the start of the war but they were immediately taken out of the Soo. That, despite the fact that should the Germans attempt to bomb the United States—and we are worrying about aerial attacks in Washington and New York City—the Soo locks by airplane are only 200 miles farther from Berlin than is the city of Washington or the city of New York. This Soo is one target which is absolutely vulnerable. It is such a compact target that, as a matter of fact, the membership in looking at the picture could not tell without a magnifying glass that at the time this picture was taken, three separate boats were going through those locks at the same time. All a bomber would have to do would be to drop on these gates four bombs, and away would go your water and your Nation's steel production would be stopped.

We had an experience like that last year. Last year a part of that drawbridge got caught open. A train was going over it and the weight of the engine smashed it down and it tied up the complete flowage of ore through those locks for 1 week and caused a loss of a million tons of iron ore.

I have mentioned the draft of these locks. The new lock will be 27 feet deep. It is an integral part of the proposed St. Lawrence waterway. We are at present building on the Great Lakes 21 huge freighters to carry iron ore, which will have a draft of 24 feet. They cannot operate through the present locks at their maximum capacity because the draft of those locks is only 22 feet. By simple calculation you can estimate that if these boats make 30 trips a year, the fact that they cannot operate at their maximum capacity will mean a decrease in total over-all tonnage of at least a million tons next year. That of itself is extremely important at this time.

There is another feature in connection with the vulnerability to air attack. Whenever a lock is damaged, through accident by boat or when damaged by a bomber, of course, it is necessary to put in temporary cofferdams to stem off the water while repairs are being made. Our cofferdams are located at this point. They are supported by what is known as tension members. They are vulnerable to destruction by light bombs, and if anything happens to those cofferdams, it would be difficult indeed to stem the water going through these locks to permit repairs to be made in a short time.

I have been told by capable dredging contractors and dock construction men that if anything happens to these Soo locks, if they were bombed and destroyed, they could not be repaired and replaced in less than 6 months. I am frank to say that does not agree with some of the estimates of the Army engineers, but nevertheless those men have been in dredging and harbor construction work for many years, and I personally think they are fully capable to give an honest opinion on that matter.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield.

Miss SUMNER of Illinois. What is the tonnage as compared with the Panama Canal?

Mr. BRADLEY of Michigan. In a 12 months' period the Panama Canal handled something less than 25,000,000 tons. As opposed to that, these locks last year handled 111,000,000 tons. They are four and a half times as great in the matter of tonnage.

Miss SUMNER of Illinois. Do you know what the tonnage is as compared with the Suez Canal?

Mr. BRADLEY of Michigan. The Suez Canal handled 30,000,000 tons in a 12 months' period. I might say there passes through the Soo locks one and a half times as much tonnage as goes through the six next largest locks in the entire world, in a 12-month period.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield.

Mr. CRAWFORD. For what period of the year are the locks closed on account of ice?

Mr. BRADLEY of Michigan. For about 3 months. Our normal navigation season closes about the 1st of December and it opens about the 1st of April.

Mr. CRAWFORD. The blast furnaces accumulate ore in advance to take care of this ice period?

Mr. BRADLEY of Michigan. That is correct.

Mr. CRAWFORD. The Panama Canal might close and we could continue to operate in our production of defense materials?

Mr. BRADLEY of Michigan. We could.

Mr. CRAWFORD. But if these locks close for 6 months or 9 months, what effect would that have on your production of war materials, insofar as the Pittsburgh or the Illinois districts are concerned?

Mr. BRADLEY of Michigan. If these locks were bombed successfully some time between now and the opening of navigation, April 1, I doubt if there would be 20 percent of our steel-production facilities active in this country on the 4th of July. And you know the added difficulties, the added expense, and above all, the added delay caused by blowing down a blast furnace. They must be kept in continuous operation if we are to win.

Mr. CRAWFORD. It would paralyze the whole defense program?

Mr. BRADLEY of Michigan. Absolutely.

Mr. CRAWFORD. In other words, the defense of the United States and our Allies, with which we have formed alliances, depends on keeping that ore moving through those locks?

Mr. BRADLEY of Michigan. That is true; and if the gentleman will recall, the President in his address to Congress this year insisted that we must greatly step up not only our entire war-production effort but more particularly our steel-production effort.

In 1941 there passed through the Soo locks 26 percent more ore than passed through them in 1940, which was the largest preceding year. I understand they want to get another 25 percent increase this year, and that is physically impossible through these locks as they are now constituted.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield.

Mr. HOFFMAN. I just wanted to ask did I understand you to say awhile ago that one cargo vessel passed through these locks every 14½ minutes?

Mr. BRADLEY of Michigan. That is right; every 14.4 minutes.

Mr. HOFFMAN. Can the gentleman tell us how long it takes a vessel to go through? As I understand, they put more than one through at a time.

Mr. BRADLEY of Michigan. That is right. It takes about 20 minutes.

Mr. HOFFMAN. How long are most of these vessels?

Mr. BRADLEY of Michigan. Most of the vessels on the Great Lakes now are 600 feet long. That is the average length, 600 feet. The new boats will run 640 feet. These locks are 1,300 feet long. It is possible to get four through at one time.

Mr. HOFFMAN. And they should be duplicated? Is that the gentleman's argument?

Mr. BRADLEY of Michigan. No; a fourth lock is what we call it, but it is in effect a misnomer, because it is proposed to replace the old original lock with a new lock which will be longer and wider and deeper.

Mr. HOFFMAN. Is that to the north of the ones there now?

Mr. BRADLEY of Michigan. That is almost directly south.

Mr. HOFFMAN. Is that on the Canadian side or on the American side?

Mr. BRADLEY of Michigan. On the American side.

Mr. BISHOP. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield.

Mr. BISHOP. How large an appropriation would it require for this?

Mr. BRADLEY of Michigan. Eight million dollars.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Michigan. I yield.

Mr. CANFIELD. The gentleman's map also shows the Canadian ship canal. Is that available, too?

Mr. BRADLEY of Michigan. This is the Canadian lock. I will say to the gentleman that the Canadian Ship Canal is much shallower and is not capable of taking our biggest boats with any tonnage in them and is therefore used very little. It was built about the same time as the two original American locks, but is much smaller and of shallower draft.

I want to say one thing more before I close. The question has been raised: Suppose these locks were put out of business; how could sufficient ore be delivered to the steel furnaces? Here on the map you see the iron-ore ranges. The railroad line comes roughly down through here, which could be used to get ore to

the docks at Escanaba, on Lake Michigan. As I recall it, however, in recent years the biggest shipments out of there were about 12,000,000 tons as opposed to the 90,000,000 tons which were produced last year; and, in order to get that tonnage through to the Escanaba docks in any increased amounts, it would be necessary to rebuild approximately 40 miles of railroad with heavier tracks and new bridges and build more ore docks in Escanaba. Then they might be able to step up this tonnage at Escanaba. I have been seeking to get a favorable recommendation from the War Department and from the Office of Production Management, and so on, to increase the facilities at Escanaba. As I say, however, the immediate urgent need is to get protection up there for the Soo locks, aircraft, and antiaircraft guns. This should be done at once, lest we have another debacle or disaster far worse in its effect than our defeat at Pearl Harbor.

And at the same time again, I call on the Rivers and Harbors Committee to instruct my very good friend, the chairman of that committee, Judge MANSFIELD, to ask unanimous consent to take from the Speaker's desk S. 2132 and ask for its immediate consideration. I have been assured by our minority leader that we will not object on this side of the aisle and I assume that there will be no objection from the majority side. If that is done, then I know the Army Engineer Corps is ready to proceed at once with the awarding of the contracts; the site at the Sault has long been cleared ready for immediate construction and if we will act promptly enough this new lock, together with its approaches, can be made ready for the opening of the 1943 navigation season. Until it is ready we cannot expect a material increase in our iron-ore production and consequently in our steel production and, therefore, we cannot expect a material increase in our all-out war-production effort. The Sault is the bottleneck and the bottleneck for the Soo lock is the Rivers and Harbors Committee. They cannot escape the responsibility.

As a matter of information and so the membership may have a break-down of the tonnage figures to which I have referred today and also the break-down of the tonnages of various commodities passing through these Soo locks, I append herewith several interesting tables which have been submitted to me today by the Lake Carriers Association, an organization including in its membership most of the vessel operators on the Great Lakes, who are charged with the responsibility of delivering this iron ore to the furnaces. Today I have been discussing this matter principally in terms of vitally needed iron-ore and steel production, but you will note in the tables that there are many other commodities also vitally needed in their own place in the war-production picture, in each instance it is probable that a corresponding increase in production is called for this year. That increase will not be forthcoming until this Congress acts.

Total freight passing through canals at Sault Ste. Marie in net tons

	1940	1941
Bulk freight:		
Iron ore	66, 226, 030	83, 151, 024
Coal	10, 269, 860	12, 309, 058
Grain	8, 184, 688	10, 448, 241
Petroleum products	1, 042, 930	1, 014, 215
Stone	693, 838	871, 921
Scrap iron	411, 714	283, 092
Salt	48, 845	50, 406
Total	[1] 86, 877, 905	[2] 108, 127, 957
Package freight or nonbulk:		
Wood products	781, 235	796, 786
Flour	690, 592	662, 888
Structural steel	213, 776	248, 830
Copper and zinc	107, 662	39, 168
Automobiles	51, 532	40, 259
General merchandise	1, 135, 616	1, 196, 786
Total package	[3] 2, 980, 413	[4] 2, 993, 727
Grand total	89, 858, 318	111, 121, 684

[1] Equal to 96.7 percent.
[2] Equal to 97.3 percent.
[3] Equal to 3.9 percent.
[4] Equal to 2.7 percent

Statement of canal traffic from latest figures available

Canal:	*Net tons*
Welland	13, 232, 263
St. Lawrence	6, 929, 569
Panama	24, 950, 791
Suez	29, 573. 394
New York State Barge	4, 503, 059
Manchester	6, 409, 873
Total, 6 canals	85, 598, 949
Sault Ste. Marie	111, 121, 684

Mr. BRADLEY of Michigan. Mr. Speaker, in extending my remarks I ask unanimous consent to include certain tables of tonnage passing through the Soo and the break-down of those figures.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BLOOM, indefinitely, on account of death in family.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1481. An act to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal; to the Committee on the Merchant Marine and Fisheries.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2611. An act to release all the interest of the United States in certain land constituting a portion of the right-of-way granted to the Central Pacific Railway Co. under the act of July 1, 1862, as amended and supplemented.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2152. An act to provide for the planting of guayule and other rubber-bearing plants and to make available a source of crude rubber for emergency and defense uses.

ADJOURNMENT

Mr. BOLAND. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 41 minutes p. m.) the House adjourned until tomorrow, Tuesday, February 10, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a public hearing on Wednesday, February 11, 1942, on the following bills: H. R. 6138, H. R. 6441, H. R. 6534, and H. R. 6165.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation at 10 a. m. Wednesday, February 11, 1942, in room 353, Old House Office Building, for the consideration of H. R. 6402 and H. R. 6522.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 12, 1942, at 10 a. m., on House Joint Resolution 263, to provide decorations for outstanding conduct for service by persons serving in the American merchant marine.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Tuesday, February 17, 1942, at 10 a. m., on H. R. 6503, to extend and amend certain emergency laws relating to the merchant marine, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1375. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Agriculture for the fiscal year 1943 (H. Doc. No. 613); to the Committee on Appropriations and ordered to be printed.

1376. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated November 5, 1941, submitting a report, together with accompanying papers on a preliminary examination of Wells Creek, Minn., authorized by the Flood Control Act approved on June 28, 1938; to the Committee on Flood Control.

1377. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated September 30, 1941, submitting a report, together with accompanying papers, on a preliminary examination of Zumbro River, Minn., authorized by the Flood Control Act approved August 28, 1937; to the Committee on Flood Control.

1378. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the United States Maritime Commission in the amount of $1,502,000,000 cash and $2,350,000,000 net additional contract authorization (H. Doc. No. 614); to the Committee on Appropriations and ordered to be printed.

1379. A communication from the President of the United States, transmitting emergency

supplemental estimates of appropriations, totaling $22,888,901,900, fiscal year 1942, to remain available until June 30, 1943, for the military activities of the War Department (H. Doc. No. 615); to the Committee on Appropriations and ordered to be printed.

1380. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated October 24, 1941, submitting a report, together with accompanying papers and an illustration, on a review of the reports on Honolulu Harbor, T. H., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives; adopted on June 20, 1941; to the Committee on Rivers and Harbors.

1381. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Treasury Department for the fiscal year 1942, amounting to $500,000,000 (H. Doc. No. 616); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. House Joint Resolution 278. Joint resolution making an appropriation to provide financial aid to China; without amendment (Rept. No. 1759). Referred to the Committee of the Whole House on the state of the Union.

Mr. BULWINKLE: Committee on Printing. House Resolution 435. Resolution authorizing the printing of a revised edition of House Document No. 210, current Congress, entitled "Our National Government: What Is It? How Does It Function?" as a public document; without amendment (Rept. No. 1760). Referred to the House Calendar.

Mr. BURDICK: Committee on Indian Affairs. H. R. 5484. A bill for the relief of the Tlingit and Haida Indians of Alaska; without amendment (Rept. No. 1761). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on the Merchant Marine and Fisheries. H. R. 6550. A bill to extend and amend Subtitle—Insurance of Title II of the Merchant Marine Act, 1936, as amended (Public, No. 677, 76th Cong.), approved June 29, 1940, and for other purposes; without amendment (Rept. No. 1762). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 6536. A bill to change the name of Conduit Road in the District of Columbia; with amendment (Rept. No. 1763). Referred to the House Calendar.

Mr. O'CONNOR: Committee on Indian Affairs. H. R. 612. A bill relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians; with amendment (Rept. No. 1764) Referred to the Committee of the Whole House on the state of the Union.

Mr. McLAUGHLIN: Committee on the Judiciary. S. 2208. An act to further expedite the prosecution of the war; with amendment (Rept. No. 1765). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOUGHTON:

H. R. 6559. A bill to provide for certain war-displacement benefits, training wages, and travel allowances in connection with the national war effort; to the Committee on Ways and Means.

By Mr. GEHRMANN:

H. R. 6560. A bill to further amend the Civil Service Retirement Act approved May 29, 1930, as amended by Public, No. 411, approved January 24, 1942; to the Committee on the Civil Service.

By Miss RANKIN of Montana:

H. R. 6561. A bill to amend further the Civil Service Retirement Act of May 29, 1930; to the Committee on the Civil Service.

By Mr. SCRUGHAM:

H. R. 6562. A bill to mobilize the productive facilities of small business in the interests of successful prosecution of the war, and for other purposes; to the Committee on Banking and Currency.

By Mr. THOM:

H. R. 6563. A bill relating to the power to establish priorities pursuant to the act of June 28, 1940, as amended; to the Committee on Naval Affairs.

By Mr. HARRINGTON:

H. R. 6564. A bill to establish a policy with respect to the disposal of commodities owned by the Commodity Credit Corporation; to the Committee on Banking and Currency.

By Mr. ROGERS of Oklahoma:

H. R. 6565. A bill for the protection of Indian tribal organizations; to the Committee on Indian Affairs.

By Mr. CLASON:

H. R. 6566. A bill to permit voluntary reenlistment in the Army during wartime; to the Committee on Military Affairs.

By Mr. PETERSON of Florida:

H. R. 6567. A bill to repeal title II of chapter 898, first session, Seventy-fifth Congress, as amended, and that portion of Public Law 386, first session, Seventy-seventh Congress, which relates to quotas; to the Committee on Agriculture.

By Mr. O'CONNOR:

H. Res. 436. Resolution to investigate sugar claims shortage; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ELSTON:

H. R. 6568. A bill granting an increase of pension to Lula H. Powers; to the Committee on Invalid Pensions.

By Mr. MANASCO:

H. R. 6569. A bill for the relief of William M. Miller; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2401. By Mr. CHAPMAN: Memorial of the senate and house of representatives of the General Assembly of Kentucky, opposing the federalization of the unemployment-compensation program; to the Committee on Ways and Means.

2402. By Mr. CLASON: Petition of the Western Massachusetts Society of Optometrists, offering its facilities for national defense; to the Committee on Military Affairs.

2403. By Mr. COFFEE of Washington: Petition of the Women's Christian Temperance Union, Mrs. Artemisia Andrews, secretary, Sumner, Wash., urging the adoption by the Congress of suitable measures to abolish all liquor traffic in the United States; alleging that such prohibition of alcoholic beverages would contribute to the betterment of health, morale, and mental powers of the men in the armed services and would enable the valuable transfer of strategic materials necessary in war industries for war purposes, rather than having them wasted in connection with the sale and purchase of liquor; to the Committee on Military Affairs.

2404. By Mr. ROLPH: Resolution of the California Real Estate Board, adopted January 6, 1942, approving and supporting the House bill 4542, to specifically exempt real-estate salesmen from the provisions of the Federal Unemployment Compensation Act; to the Committee on Ways and Means.

2405. By Mrs. NORTON: Resolution adopted by the Board of Commissioners of the city of Trenton, N. J., registering opposition to the current Treasury drive to tax State and municipal bonds; to the Committee on Ways and Means.

2406. By Mr. SMITH of Wisconsin: Resolution of the Council of the City of Kenosha, that whereas while there is need for the fullest cooperation between the Federal and municipal governments of the United States in the present grave national emergency the Treasury Department persists in its disturbing efforts to impose a Federal tax upon the income from State and municipal bonds, it is the contention of the council that this most controversial domestic issue should not at this time and under the false pretense of national defense be permitted to irritate and disturb the wholehearted cooperation in our American war effort; to the Committee on Ways and Means.

2407. Also, resolution adopted at a joint meeting of the Wisconsin Cheesemakers Association and the Central Wisconsin Cheese and Buttermakers Association assembled at Marshfield, Wis., on February 3, pledging their loyal support to all war efforts of Government and urging the Government to maintain a price for dairy products which will fairly meet increasing manufacturing costs sufficient to justify and secure planned increase in production of milk and dairy products; to the Committee on Labor.

2408. By the SPEAKER: Petition of the Lions Club of Matador, Tex., petitioning consideration of their resolution with reference to the appropriation of public funds at this time for any improvement project which is not vitally necessary to the public defense or which cannot be expected to be completed in time to be of value in the present defense program; to the Committee on Rivers and Harbors.

2409. Also, petition of the city commission of Denison, Tex., petitioning consideration of their resolution with reference to the President's Budget message wherein it relates to the taxing of municipal bonds; to the Committee on Ways and Means.

2410. Also, petition of Roger W. Moore, president, the League of Texas Municipalities, Austin, Tex., petitioning consideration of their resolution with reference to the Federal taxation of the income from municipal securities; to the Committee on Ways and Means.

2411. Also, petition of the United Fresh Fruit and Vegetable Association, adopted at their thirty-eighth annual meeting in Belleair, Fla., petitioning consideration of their resolution with reference to their suggestion that the Government take stock of its social and paternal expenditures to the end that they may be curtailed or eliminated, so far as possible, without imposing unnecessary hardships; to the Committee on Expenditures in the Executive Departments.

2412. Also, petition of the Legislature of the State of Kentucky, attested by W. L. Hubbard, assistant clerk of the senate, petitioning consideration of their resolution with reference to federalization of the unemployment compensation program; to the Committee on Ways and Means.

2413. Also, petition of the United Fresh Fruit and Vegetable Association, adopted at the thirty-eighth annual meeting in Belleair, Fla., petitioning consideration of their resolution with reference to their belief that there is a fair and equable meeting ground

between industry and industrial labor; and that it is the duty of both to find and occupy such a middle ground, not only in the Nation's interest but in the interest of preserving the free institutions of a free people; to the Committee on Labor.

2414. Also, petition of the commissioner's court of Potter County, Tex., petitioning consideration of their resolution with reference to the provision in House bill 5993 pertaining to the improvement of the Trinity River, Tex., for navigation; to the Committee on Rivers and Harbors.

2415. Also, petition of the City Commission of Denison, Tex., attested by Harold Schmitzer, city secretary, petitioning consideration of their resolution with reference to the provision of House bill 5993 for the improvement of the Trinity River, Tex., for navigation; to the Committee on Rivers and Harbors.

2416. By Mr. TENEROWICZ: Resolution of the Common Council of the City of Hamtramck, Mich., opposing any legislation subjecting municipal bonds to Federal taxation; to the Committee on Ways and Means.

2417. By Mr. TINKHAM: Resolutions memorializing Congress in favor of Federal legislation to protect the national war efforts and operations of this country from excessive and unjust burdens of State sales taxes; to the Committee on Military Affairs.

SENATE

TUESDAY, FEBRUARY 10, 1942

(Legislative day of Monday, February 9, 1942)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

O Thou who art the fountain of our life out of which we live to our mingled bliss and pain; the fountain of our mind out of which we think and reason; the fountain of our sensibilities out of which we aspire and seek to be our best: Lift now our vision above the summit of our highest attainments, so that all that is deep and holy in us shall cry out for the blessing of the living God upon our beloved country.

Let America be worthy of her liberty as her sons and daughters rise to her defense. Make us to be heedless of danger and fearless even unto death, as our eyes kindle to her beauty in the splendour of that life which is the light of the world. Bless Thy servants here, the Members of the Senate; endue them with great insight and the spirit of adventure for God, that they may be true leaders of the people, our people who long to follow men of sterling worth whose lives and deeds will bear the searchlight of a wholesome scrutiny. And so we pray to be delivered from all hypocrisy, that, with clean hands and pure minds and hearts, we may give to Thee our all, for only by so doing can we fulfill our national destiny in accordance with Thy will.

Father be with us all,
Christ be with us all,
Spirit of both, be with us all,
Be with us all, O Holy Triune God, now and forevermore.
Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, February 9, 1942, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE DURING RECESS

Under the order of the 9th instant,

A message from the House of Representatives was received during the recess of the Senate advising that the House had passed a joint resolution (H. J. Res. 278) making an appropriation to provide financial aid to China, in which it requested the concurrence of the Senate; and the joint resolution was referred to the Committee on Appropriations.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6496. An act to authorize the appointment of commissioned warrant and warrant officers to commissioned rank in the line and staff corps of the Navy and Marine Corps, and for other purposes; and

H. R. 6548. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2152. An act to provide for the planting of guayule and other rubber-bearing plants and to make available a source of crude rubber for emergency and defense uses; and

H. R. 2611. An act to release all the interest of the United States in certain land constituting a portion of the right-of-way granted to the Central Pacific Railway Co. under the act of July 1, 1862, as amended and supplemented.

RELIEF OF CERTAIN BASQUE ALIENS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 314) for the relief of certain Basque aliens, which were, on page 1, lines 9 and 10, to strike out "Ponciano Arrieta, Boise, Idaho"; on page 2, lines 4 and 5, to strike out "Arturo Calvo, Tuscarora, Nev."; on page 2, lines 12 and 13, to strike out "Felix Larrucea, Boise, Idaho"; on page 2, line 24, to strike out "Pedro Ugalde, Boise, Idaho"; and on page 3, lines 14 and 15, to strike out "sixty-four" and insert "sixty."

Mr. CLARK of Idaho. I move that the Senate concur in the House amendments.

The motion was agreed to.

RESOLUTION OF COUNCIL OF BRIDGEPORT, CONN.—FEDERAL TAXATION OF STATE AND MUNICIPAL BONDS

Mr. DANAHER. Mr. President, I present a resolution adopted by the Common Council of the City of Bridgeport, Conn., protesting against the imposition of Federal taxes on State and municipal bonds. As the resolution has already been printed in the RECORD, I ask that it be referred to the Committee on Finance.

The VICE PRESIDENT. Without objection, the resolution will be received and referred to the Committee on Finance.

PROHIBITION OF LIQUOR SALES AND SUPPRESSION OF VICE AROUND MILITARY CAMPS

Mr. REYNOLDS. Mr. President, I present for appropriate disposition and respectfully beg to state that I have before me a letter addressed to me under date of January 27, 1942, on the letterhead of the Albemarle circuit, the Methodist Church, Moorman's River, Va., reading as follows:

DEAR SENATOR REYNOLDS: At a union meeting held at Mount Moriah Methodist Church, Albemarle County, on Sunday, January 18, the congregation voted to request the pastors present to write you that it appeals to Congress to pass protective legislation for our soldiers from the liquor and vice traffic similar to that passed in 1917. It respectfully requested that this action be read by you on the floor of the Senate and that it be made a part of the CONGRESSIONAL RECORD.

WILLIAM E. COOLEY,
Pastor, Mount Moriah Methodist Church.
CARY N. WEISIGER 3d,
Pastor, Olivet Presbyterian Church.

The VICE PRESIDENT. The letter presented by the Senator from North Carolina will lie on the table.

RESOLUTION OF ARIZONA CHAPTER NO. 275, ORDER OF AHEPA—SUPPORT IN THE WAR EFFORT

Mr. McFARLAND. Mr. President, I present and ask to have printed in the RECORD and appropriately referred a highly patriotic letter embodying a resolution adopted by Arizona Chapter No. 275, Order of Ahepa, of Tucson, Ariz.

There being no objection, the letter embodying a resolution was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

ORDER OF AHEPA,
ARIZONA CHAPTER NO. 275,
Tucson, Ariz., January 14, 1942.

Hon. ERNEST W. MCFARLAND,
United States Senate,
Washington, D. C.

HONORABLE SENATOR: The members of my chapter have instructed me to send to you the resolution passed unanimously by our chapter at our last meeting.

The resolution is as follows:

"The entire membership of the Arizona Chapter No. 275, of Tucson, Ariz., of the Order of Ahepa, is behind our President and the Government of the United States of America and pledges itself to all-out cooperation in every possible manner in the total efforts necessary in this total war against our criminal enemies, and it is the absolute conviction of the entire membership that these evil forces will most certainly be exterminated so that the forces of freedom, liberty, and justice will prevail in our ultimate victory."

There are 54 members in our local chapter of Ahepa, honorable Senator, and I assure you that there are no more loyal Americans anywhere than these 54 Ahepans.

We stand ready to serve in any capacity in this battle to preserve our country.

Most respectfully yours,
CHRIS A. BOUKIDIS, *Secretary.*

RESOLUTIONS OF FARMER'S GRAIN CO., OSCEOLA, NEBR.

Mr. BUTLER presented resolutions adopted by the annual meeting of the Farmer's Grain Co., of Osceola, Nebr., which were ordered to lie on the table and to be printed in the RECORD, as follows:

FARMER'S GRAIN CO.,
Osceola, Nebr., February 6, 1942.

Hon. HUGH BUTLER,
Senate Chamber, Washington, D. C.

DEAR SIR: Below are resolutions adopted at the annual meeting of the Farmer's Grain Co., of Osceola, Nebr.

"Believing in God and His infinite wisdom and having been treacherously attacked by the same gangster nations who have destroyed other free and peaceful peoples: Therefore be it

"*Resolved*, That we work and sacrifice as individuals and as a farmers' organization to help our great Nation win this war in the cause of freedom and democracy; be it

"*Resolved*, That we believe that cooperation will bring about economic justice which will triumph over the forces of dictators and economic slavery; be it

"*Resolved*, That we are opposed to the policy of lids and ceilings on prices of farm products as long as there is no ceiling or legal limits to salaries, wages, or profits. We advocate farm price controls be vested in the Secretary of Agriculture rather than in the Price Control Administration whose policy might seriously cripple agriculture in the great task of producing more and more food in the face of scarcity of labor and machinery and mounting costs; be it

"*Resolved*, That we favor the buying of Defense Bonds and stamps by this organization and as individuals insofar as conditions will permit; be it

"*Resolved*, That we urge adequate farm representation on rationing boards that we may do our duty as farmers for national defense; be it

"*Resolved*, That our secretary send a copy of these resolutions to Secretary Wickard, Senators Norris and Butler, and Representative Carl T. Curtis."

GUST BODEN,
LLOYD TREADWAY,
HERMAN A. ANDERSON,
Resolution Committee.
C. E. JONES, *Secretary.*

RESOLUTION OF COUNCIL OF CITY OF KENOSHA, WIS.—FEDERAL TAXATION OF STATE AND MUNICIPAL BONDS

Mr. WILEY presented a resolution adopted by the Council of the City of Kenosha, Wis., which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas in this time of grave national crisis the fullest cooperation between the Federal and municipal governments of the United States is essential to the successful prosecution of our war efforts; and

Whereas, despite this grave national emergency and the need for complete unity of purpose and good will between the separate branches of our Government, the Treasury Department persists in its disturbing efforts to impose a Federal tax upon the income from State and municipal bonds and thus needlessly resurrects this highly controversial and irritating domestic issue; and

Whereas a tax on future issues of State and municipal bonds would raise practically no revenues whatsoever at this time and yet would substantially increase the cost of municipal borrowing: Now, therefore, it is hereby

Resolved by the Council of the City of Kenosha, Wis., That it hereby endorses the determined opposition of the United States Conference of Mayors to the continued attempts of the Treasury Department, either by statute, administrative rulings, or by judicial decree, to impose a Federal tax on State and municipal bonds; and be it further

Resolved, That it is the contention of this council that this most controversial domestic issue should not at this time, and under the false pretense of national defense, be permitted to irritate and disturb that wholehearted cooperation in our American war effort which is the objective and purpose of the cities of America; and be it further

Resolved, That the city clerk forward a copy of this resolution to the President of the United States, the Secretary of the Treasury, and to the Representatives of the city of Kenosha in the Congress of the United States.

RESOLUTION OF WISCONSIN CHEESE MAKERS' AND CENTRAL WISCONSIN CHEESE AND BUTTER MAKERS' ASSOCIATIONS

Mr. WILEY also presented a resolution adopted by a joint meeting of the Wisconsin Cheese Makers' Association and the Central Wisconsin Cheese and Butter Makers' Association at Marshfield, Wis., which was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Resolved by the members of the Wisconsin Cheese Makers' Association and Central Wisconsin Cheese and Butter Makers' Association in joint meeting assembled at Marshfield, Wis., on the 3d day of February 1942, That we do all in our power to conserve rubber, tin, and other critical materials by effecting every economy consistent with the manufacture of quality cheese; further

Resolved, That we pledge our loyal support to all war efforts of Government, and urge the Government to maintain a price for dairy products which will fairly meet increasing manufacturing costs and sufficient to justify and secure planned increase in production of milk and dairy products; further

Resolved, That copies of this resolution be furnished Wisconsin Members of Congress, Claude R. Wickard, Secretary of Agriculture, and Leon Henderson, Price Administrator.

RESOLUTIONS OF CONSERVATION COMMISSION AND CONSERVATION ADVISORY COMMITTEE, INDIANA

Mr. WILLIS presented resolutions of the Conservation Commission and the Conservation Advisory Committee of the State of Indiana, which were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE CONSERVATION COMMISSION ON FORESTRY IN INDIANA

The Conservation Commission of the State of Indiana, meeting in regular session on February 3, 1942, has made a study of the problems confronting the forests and forest products of the State of Indiana and of the Nation as a whole.

The commission has observed that during the past quarter of a century there has been a tremendous growth of interest in forestry and in the application of sound forestry practices in the State of Indiana which have resulted from the limited program of the State Board of Forestry and its successor, the Department of Conservation. The commission recognizes that this growth of interest and activity should be accompanied by a further expansion of the State's activities in the direction of providing to the forest owner adequate protection against fire and other enemies of the forest and making available to him, in a much greater extent, expert advice on the proper method of conducting forest practices. The commission is convinced that it is possible and practical to amplify the present State forestry program to such an extent that it will assure full and adequate development and maintenance of Indiana's forest resources.

The commission views with disfavor and alarm the attempt on the part of certain groups in the Federal Government to impose Federal regulations on the States and to give the Federal Government control of all timberland in the State.

The commission recognizes the need of more adequate legislation to control and abolish unsound forestry practices in the State of Indiana, but it believes that the situation can be adequately handled by expanded activities on the part of the State of Indiana and of the several States in cooperation with the Federal Government and in cooperation with each other.

It is realized that our forests are of such basic importance to the sound economy of the State and Nation that whatever safeguards are necessary for their preservation and improvement should be adopted. However, the commission prefers that the State should assume full responsibility and be permitted to exercise this responsibility for the solution of its problems.

Imposition of Federal regulations should be considered by both the State and Nation as acceptable only as a last resort and after a showing that the State would not, or could not, effectively cure unsound forestry practices.

In the light of the foregoing statements, the Conservation Commission of the Department of Conservation of the State of Indiana does hereby resolve that:

1. Said commission is opposed to any form of Federal control or regulation of private or State-owned timberlands.

2. Said commission will foster with every means at its disposal the existing forestry activities in the State of Indiana, and will strive to put into operation, through its Division of Forestry and cooperating agencies, a complete and adequate program of forestry which will obviate for all time the necessity of any form of forest regulation by the Federal Government.

3. Should, at any future date, a critical forest situation impend, such regulatory measures as may be necessary will be initiated and administered by the State of Indiana.

4. Adequate and necessary State legislation to improve and safeguard the forests and timberland of the State of Indiana will be drafted and sponsored by said commission.

5. Copies of these remarks and resolutions should be sent to the Governor of the State of Indiana and to each of Indiana's Senators and Representatives in the National Congress at Washington, and to such other parties as may seem desirable or who may make a request for the same.

RESOLUTION OF THE CONSERVATION ALVISORY COMMITTEE OF THE STATE OF INDIANA

The Conservation Advisory Committee of the State of Indiana, representing 1,057 active conservation clubs in the State of Indiana, having a combined membership of 300,000, at a regular meeting on February 2, 1942, at Indianapolis, reviewed the problems confronting the forests and forest products of the State of Indiana and the Nation as a whole.

The advisory committee has observed the tremendous growth of interest in forestry during the past quarter of a century and the increased application of sound forestry practices in the State of Indiana. Said advisory committee praises the progress of the State board of forestry and its successor, the department of conservation, for its success in promoting and advancing forestry in the

State of Indiana. The advisory committee recognizes that there should be a further expansion of the State's activities in the direction of providing to the forest owner adequate protection against fire and other enemies of the forest and in making available to him in a much greater extent expert advice on the proper method of conducting forestry practices The advisory committee is convinced that it is possible and practical to amplify the present State forestry program to insure full and adequate development and maintenance of Indiana's forest resources.

The advisory committee is particularly alarmed by attempts on the part of some groups in the Federal Government to impose Federal regulations on the States and to give the Federal Government control of all timberland in the State The advisory committee recognizes the need of adequate legislation to control and abolish unsound forestry practices in the State of Indiana, but feels that this legislation is necessarily and properly the duty and problem of the State government and that the situation can be adequately handled by expanded activities on the part of the State of Indiana and of the several States working in cooperation with the Federal Government and with each other.

The advisory committee realizes the importance of forests to the welfare and progress of the State of Indiana and of the Nation. It further realizes that whatever safeguards are necessary for the preservation and improvement of forests economically should be adopted. However, the committee prefers that the State assume full responsibility and be permitted to exercise this responsibility in the solution of its own forestry problems.

It considers that the imposition of Federal regulations should be established only as a last resort and after a showing that the State would not, or could not, effectively cure unsound forestry practices. With these basic principles in mind, the advisory committee to the State department of conservation does hereby resolve:

That said advisory committee is opposed to Federal control or regulation of private or State-owned timberlands.

That said committee will work with the department of conservation and its division of forestry and other cooperating agencies in the sponsoring and promotion of a complete and adequate program of forestry which will obviate for all time any necessity of forest regulation by the Federal Government.

That said committee will sponsor and seek the passage of adequate and necessary State legislation to improve and safeguard the forests and timberland of the State of Indiana.

That State control, rather than Federal control, of forests and forest practices will more adequately coordinate with other conservation activities in the State of Indiana to the improvement of timber and timberland, stream improvement, and, in general, a fuller development of the natural resources of the State of Indiana.

That copies of this resolution should be sent to the Governor of the State of Indiana and to each of Indiana's Senators and Representatives and to such other parties as may seem desirable or who may make requests for the same.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McNARY, from the Committee on Indian Affairs:

S. 1368. A bill relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians; with amendments (Rept. No. 1052).

By Mr. REYNOLDS, from the Committee on Military Affairs:

S. J. Res. 129. Joint resolution to remove certain limitations on the cost of construction of Army and Navy living quarters; without amendment (Rept. No. 1053).

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DOXEY:

S. 2260. A bill relating to the inspection of sea food by Federal inspectors; to the Committee on Commerce.

S. 2261. A bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940 with respect to certain mortgages on homes of persons in military service; to the Committee on Military Affairs.

By Mr. REYNOLDS:

S. 2262. A bill for the relief of Victor S. Banks; to the Committee on Finance.

S. 2263. A bill for the relief of Ebenezer Hill, Jr.; to the Committee on Naval Affairs.

By Mr. DANAHER:

S. 2264. A bill conferring jurisdiction upon the United States District Court for the District of Connecticut to hear, determine, and render judgment upon the claim of James H. Lane; to the Committee on Claims.

By Mr. WHITE:

S. 2265 (by request). A bill relating to the free use of the mails by Members of Congress and all others authorized by law; to the Committee on Post Offices and Post Roads.

By Mr. PEPPER:

S. 2266. A bill to amend the act entitled "An act to provide compensation for disability or death resulting from injury to persons employed at military, air, and naval bases acquired by the United States from foreign countries, and on land occupied or used by the United States for military or naval purposes outside the continental limits of the United States, including Alaska, Guantanamo, and the Philippine Islands, but excluding the Canal Zone, and for other purposes"; to provide benefits for war injuries; and for other purposes; to the Committee on Education and Labor.

By Mr. CONNALLY:

S. J. Res. 133. Joint resolution amending section 7 of the Neutrality Act of 1939; to the Committee on Foreign Relations.

REPORTS ON CONTRACTS, PROFITS, AND TAXES

Mr. TYDINGS. Mr. President, in a moment I shall introduce a joint resolution, but I should like to comment for a moment upon its contents at this time.

The joint resolution provides that all the departments of the National Government authorized to make contracts with any person, firm, or corporation to the extent of $50,000 or more shall notify the Congress monthly of the person to whom the contract was awarded, the amount of the contract and the purpose for which it was awarded; and that annually the Treasury shall furnish to the Congress the name of each person to whom a contract was awarded in excess of $50,000, the amount of taxes paid, and, under certain mechanics set out in the bill, how much of the taxes paid were derived from profits made under contract awarded by the Government to the firm, corporation, or individual.

I thought that such information furnished the Congress would keep us informed concerning the expenditure of the large sums of money appropriated; and I further thought that it was only fair to the individuals, firms, and corporations having contracts with the Government that we should know, when we suppose that they make large profits, how much of the profits have been paid back to the Government in the form of taxes.

Mr. NORRIS. Mr. President——

Mr. TYDINGS. I yield to the Senator from Nebraska.

Mr. NORRIS. When would the report as to the profits have to be made? It seems to me such information could not be properly ascertained until the job was finished.

Mr. TYDINGS. Each concern is to make a report to the Treasury annually when it files its income-tax return; and we have asked the Treasury to notify us on the 15th of April, which is 30 days after the time has expired for the last report to be filed.

Mr. NORRIS. I understood the Senator to say that the joint resolution he proposes to introduce would provide for a report as to every contract that was made—I suppose that means at the time it was made—and among the items reported would be the profit.

Mr. TYDINGS. No; I think the Senator did not understand what I said.

Mr. NORRIS. Then I misunderstood the Senator.

Mr. TYDINGS. There are two things the joint resolution would ask the Departments to do: First, in the case of every firm, corporation, or individual to whom a contract in excess of $50,000 is awarded by the Federal Government, to make a monthly report of the name, amount of contract, and the purpose for which it was made; and once a year the Treasury would be called upon to inform the Congress, from the same sources of information, the amount of taxes the firm, corporation, or individual paid into the Federal Treasury, so as to show the profit before taxes and the profit after taxes, thus enabling us to know what was the net profit of the person, firm, or corporation.

Mr. NORRIS. I think the object of the joint resolution is very commendable. I am not asking these questions in any critical sense. It seems to me that even that information, however, would not enable anyone to report the profit, because most large contracts—especially the ones, I think, from which exorbitant profits are often made—take several years for their completion.

Mr. TYDINGS. But all those things would show up in time, because each concern would have to make an annual report.

Mr. NORRIS. Yes; eventually we might get all the information we desired.

Mr. TYDINGS. That is correct; and we should know, at least for the preceding year, what the profit was and how much of the profit went back to the Treasury in taxes.

This is the thought I have: We quite often read about the large profits which seem to result from many large contracts, and we desire to scrutinize carefully those large profits; but considerable taxes will be paid out of the large profits; and what I am interested in is knowing how much a given concern which has a contract with the Government has left as a real

profit after the contract has been fulfilled. If the real profit is too large after the taxes and all other expenses are paid, I think Congress ought to take note of it. If it is reasonable, that is all right; but by having monthly reports we shall know in the first place who are getting the contracts. If there are imperfections in the joint resolution, I hope that by conference with the Treasury officials it will be possible to devise a means so that we may eventually know what the total profit was and what profit was left after taxes were collected.

With the expenditure of $26,000,000,000 now being made by the Navy, and some $22,000,000,000 to be appropriated for the Army, I think it would be a wholesome thing if Congress were kept well informed as to who is getting the contracts and in what amounts of them in the case of all contracts over $50,000.

This joint resolution is not introduced in any spirit of criticism. I think a proper prosecution of the war would follow the publication of this information, so that all of us might know how the vast sums appropriated by Congress are being expended. If we do not know, I fear that some day a great deal of bickering and bitterness will ensue, whereas if we had had the information we might have forestalled a great many errors and loopholes. I now ask consent to introduce the joint resolution.

There being no objection, the joint resolution (S. J. Res. 134) requiring reports from governmental agencies with respect to Government contracts, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 6496. An act to authorize the appointment of commissioned warrant and warrant officers to commissioned rank in the line and staff corps of the Navy and Marine Corps, and for other purposes; to the Committee on Naval Affairs.

H. R. 6548. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes; to the Committee on Appropriations.

BOY SCOUTS OF AMERICA—ADDRESS BY SENATOR CAPPER

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a radio address delivered by him on February 7, 1942, on the occasion of the thirty-second anniversary of the organization of the Boy Scouts of America, which appears in the Appendix.]

AMERICA LOOKS AHEAD—STATEMENT BY SENATOR BURTON

[Mr. BURTON asked and obtained leave to have printed in the RECORD a statement made by him before the Ohio Society of New York, at New York City, on February 9, 1942, on the topic "America Looks Ahead," which appears in the Appendix.]

RADIO'S NEW RESPONSIBILITY—ADDRESS BY DON FRANCISCO

[Mr. HILL asked and obtained leave to have printed in the RECORD an address on the subject of radio's new responsibility, delivered by Don Francisco, Director of the Communications Division, Office of the Coordinator of Inter-American Affairs, before the Institute of Radio Engineers at the Commodore Hotel, New York City, N. Y., January 13, 1942, which appears in the Appendix.]

VICTORY IN THE PACIFIC—ADDRESS BY ESTELLE M. STERNBERGER

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a radio address on the subject Victory in the Pacific, delivered by Estelle M. Sternberger, executive director, World Peaceways, on January 27, 1942, which appears in the Appendix.]

COLLEGE AND UNIVERSITY WAR PROBLEMS

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD resolutions adopted by the executive committee, Ninth Corps Area Commission, on college and university war problems, which appear in the Appendix.]

PENSIONS FOR CONGRESSMEN—EDITORIAL FROM WALL STREET JOURNAL

[Mr. MEAD asked and obtained leave to have printed in the RECORD an editorial from the Wall Street Journal of February 9, 1942, entitled "Pensions for Congressmen," which appears in the Appendix.]

RETIREMENT PRIVILEGE FOR MEMBERS OF CONGRESS—EDITORIAL FROM NEVADA STATE JOURNAL

[Mr. BUNKER asked and obtained leave to have printed in the RECORD an editorial entitled "Repeal It," published in the Nevada State Journal, which appears in the Appendix.]

TAX LEGISLATION

Mr. WILEY. Mr. President, more than a month ago the President sent to Congress a war budget. At that time he asked for $9,000,000,000 in new taxes. Recently, while in the State of Wisconsin, I learned that the folks there are asking what the tax bill is going to be.

At the time the President sent to Congress the war budget, the House Ways and Means Committee evidently assumed that the Treasury had worked out proposals for raising the $9,000,000,000. Consequently the House set January 15 as the date on which they would receive recommendations from the Treasury Department, following which the committee would hold hearings. No recommendations were received from the Treasury Department on January 15, and I am advised by the committee that none have been received since then. As a consequence, no hearings have been held, and at the present time no member of the Ways and Means Committee or of the Senate Finance Committee can tell us what the new tax bill will be like.

When the folks back home asked me what the tax bill would be like, my only reply was that, in my opinion, it would be of such a character and in such an amount that for the first time the people of the United States would realize in a material way what this war effort is costing us.

Mr. President, we all know that under section 7, article I, of the Constitution it is the function of the House of Representatives to originate all revenue measures, and under section 8 thereof the Congress has power to lay and collect taxes.

Since the President's communication in his Budget message we have voted some $38,000,000,000 in appropriations.

It seems to me that the people of the country are entitled to know what the tax load is to be in 1942. By that I mean that they should, as soon as possible, be made aware of what financial sacrifices they will have to make in their standard of living. If, in the course of the next 60 days, such information can be furnished, people can start to plan for the time when they will have to meet the Federal tax in 1943. Such knowledge will have a beneficial effect. It will have a tendency to stop spending and potential inflation.

The last thing I looked at as I left my office was a letter from a school superintendent in Milwaukee saying, "Why don't you do something to stop inflation?" He said, "Prices are going up, and we who live on salaries do not know in what direction we are going."

We have been told by some persons that the recent price-fixing bill will not prove an effective instrument in stopping inflation. I believe that if it is properly administered it will have a beneficial effect in that direction. On the other hand, making the people conscious of the tax load and preventing them from making unnecessary purchases in anticipation of meeting such a load when the taxes are due cannot help having a beneficial effect.

We are a Nation with an income, we are told, of $100,000,000,000 or more. We are curtailing certain avenues of civilian spending, such as the purchase of automobiles. There will be a tendency, especially on the part of literally millions of people who for the first time have gotten real incomes, to reach out and buy, and that will cause an inflation spiral.

It is important that a reasonable brake be put on such spending, first, because government must see to it that the costs of war material and instruments of war do not increase. The people are interested in that item because they have to pay the bill.

The agencies of government which are spending the people's tax money in order to get quantity production must not lose their heads. They are trustees of the people's welfare. For every dollar spent they should receive in return a dollar in value. The increased costs of certain items are staggering. It does not add to the morale of this Nation—and by the way, morale is the first line of defense in this war—for the people to get the idea that we are wasters and profligates with their tax money.

The Vice President might be interested in a letter which came to my desk this morning signed by a group that claims to represent 10,000 milk farmers. It is stated in the letter that the price of milk has not risen 1 penny since November last, but that the cost of all feed which the farmer must buy has increased 40 percent. That is an item which calls for real consideration.

I recently stated that the Government needed an efficiency expert to go through the departments of government, especially those agencies not engaged in war activity, and cut down the personnel. I want to see such a demobilization of personnel.

Today I say that the Government needs people to protect the Treasury in the purchases the Government makes.

The evidence adduced in the Truman committee hearings and in the House Naval Affairs Committee discloses symptoms of carelessness and almost criminal neglect in the handling of the funds appropriated by Congress. A sense of trusteeship is what is needed by our servants in all public places.

We know that in 1942 heavy taxation is inevitable. People are prepared for a tax jolt. What is not inevitable, however, is the uncertainty and confusion which is bred by delay in giving the people the facts. With this in mind, I should like again to emphasize the necessity for drafting tax legislation as soon as possible.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WILEY. I will yield in a moment. If the Treasury Department is unable to advance any tax proposals, it may be that this is as good a time as any for the legislative department to reassert its constitutional functions. After all, under the Constitution Congress has the power to lay and collect taxes, and if the Treasury Department fails to make timely recommendations, it may be necessary for Congress to initiate in a true sense the forthcoming tax bill.

I now am happy to yield to the Senator from Texas.

Mr. CONNALLY. Of course, the Senator realizes that it is the particular function of the House of Representatives to initiate and frame tax legislation.

Mr. WILEY. I have stated that in my remarks this morning.

Mr. CONNALLY. The Senator realizes that we have rules which are supposed to prohibit the Members of one body of Congress from assailing, attacking, or reflecting on the Members of the other body. Does not the Senator think that if he wants to have passed such a tax bill as the one he hopes for, it would be better not to criticize the House?

Mr. WILEY. I am certain that the distinguished Senator from Texas has found himself in a rather critical mood, let me say, when he states that I criticized. I think the time is approaching when the Members of both bodies of the Congress must make constructive suggestions, if they are to be made. I had no idea of criticizing the House of Representatives, or criticizing any particular individual.

I called attention to the significant fact that the committee of the House apparently proceeded on the assumption, after the President had sent his Budget message to Congress, that they would have the necessary information on the 15th of January, and it has not yet come to the House. What I had in mind was that the vast group of people whom we represent, 131,000,000 of them, are asking what the tax load is to be. So far as I am concerned, I cannot give anyone an answer, except in generalities, and I think it is our function to see that the people are made cognizant of what they will have to pay, and that that knowledge comes to them at as early a date as possible. That was the import of the suggestion I have made in my remarks today.

SHORTAGE OF FARM LABOR AND FERTILIZER

Mr. SMITH. Mr. President, I should like to call the attention of the Senate to what, in my opinion, is a very dangerous situation. Throughout the whole Atlantic seaboard, from Maine to Florida, there has come a cry for farm labor, and in my immediate section the condition is appalling. I own a rather extensive farm on which I have not one contract hand. That is bad enough, but the condition is not restricted to any one State. Even from States where no fertilization of the soil is needed the cry comes, "We have no hands." Yet the Department of Agriculture is doing all it can to encourage us to increase production.

Mr. President, there is a tragic thing happening right now. The small-grain crop on the Atlantic seaboard cannot be made without the application of quick-acting nitrogen, and there is none available. The heat crop, the oat crop, the whole small-grain crop along the entire seaboard, depends upon what will be done in the next 6 weeks. I am informed that the authorities will allot about 18 pounds of nitrogen to the acre, when from 100 to 150 pounds are required.

During the last World War an identical situation was manifest. I had the honor, or the privilege, of conferring with Mr. Baruch, who was then in charge of these matters. I asked him if the Government had enough nitrate of soda, or other nitrogenous elements, so that it could let the farmers have a quantity sufficient to meet their dire needs. He said, "I will investigate." He did so, and he was startled to find that the Government had on hand hardly enough of this element, which is a necessary and basic element in the production of all explosives, for 2 weeks' supply. He then got busy, and went into the matter of the concession with Chile. He and I conferred, and I introduced a bill establishing a revolving fund of $20,000,000, so that the Government vessels could bring the material from Chile; it could be sold here for cash, and the vessels could then return to Chile and bring in another supply. We met adequately the needs of those raising the very essential foodstuffs from Maine to Florida.

A few days ago I made inquiry of those who have charge of our shipping, and they coolly informed me that it would be useless to introduce such a bill now, for we did not have the vessels necessary to carry out such a program. I intimated that we might borrow some from England, but I was told we did not have the vessels necessary to carry this product, without which the food crops, not only the small-grain crops of the South and the whole Atlantic seaboard but the truck crops, will be a miserable failure.

I have done all I can in the departments to get information about sulphate of ammonia, which is a form of nitrogen not condensed as are the Chilean nitrates and the air nitrates which we are producing here. I am told it is a matter they will look into. If, in the next 6 weeks, there shall not be available enough nitrogen to make possible production of the truck and the small-grain crops in the South, we will wake up some morning without any supplies for our Army.

Mr. President, I call this situation to the attention of the Senate because it demands the attention of everyone interested in the production of food for our Army and our Navy. This morning I was told that the Government is thinking of importing food supplies from other countries. In other words, we can let our farms go, we can let them lie fallow, and import from other countries a sufficient amount to feed our civilian population and our Army and Navy.

This matter is of vital importance. In the case of food we may have in America another Pearl Harbor. We may wake up and find that our country has an inadequate food supply. I have several hundred acres of land which will lie fallow simply because I cannot get the needed fertilizer and the necessary farm hands. Not only are farm hands taken into the Army, but those who want farm labor are obliged to compete with W. P. A. and P. W. A. and God knows what other organizations, and the farmer finds he cannot pay the wages available to workers in other employments. No farmer can succeed in getting a man to work for him at the wages he can afford to pay, when the worker can obtain twice as much elsewhere. I think we should let the public understand that either the farmers can or they cannot succeed in producing what the country needs. No farmer can pay three and four dollars a day for farm labor.

Furthermore, an effort is being made to keep farm prices down. The farmers should be guaranteed a price for their products high enough to enable them successfully to compete for labor with the Government agencies which are now absorbing all the eligible farm labor. The problem is a most vexing one. I read in a newspaper article that one of our leading men wants certain persons connected with the moving-picture industry to be kept in the reserves, and not drafted; yet farm labor is drafted into the armed services.

I wish I could get those who really do not know anything about farming but who every day in the Senate restaurant eat the products of the farm to realize that we in the sections where labor and fertilizer are sorely needed, are on the eve of the worst crop disaster this country has ever experienced. Not one-third of the normal crop will be made from Maine to Florida if fertilizer and labor cannot be obtained.

With respect to the small-grain crop let me say that if there were available sufficient nitrogen the situation would be better, because the small-grain crop does not require so much labor as do other crops. When the small-grain crop is planted nothing more is done until harvest time; but there will be practically no production in the small-grain crop without application of nitrogen.

Of course, the farmer is a forgotten man. We need not go into that question, for we all know about it. I said on the Senate floor in a speech I once made that

if the farmer were to strike effectively, some of us would begin to understand the importance of that degenerate element in our economic life.

Mr. President, I desire to go on record by calling the attention of the Senate to the frightful disaster which will ensue if relief is not afforded within the next 6 weeks to the producers of the small-grain crops. Of course, other food crops which come on later will require the same application of fertilizer that is required by the small-grain crops.

I do not know what may be done. We cannot obtain ships in which to bring fertilizer from Chile. Chile has plenty of fertilizer. In the last World War we met the need by bringing fertilizer from Chile to the United States and selling it at cost. The farmers then had enough fertilizer to meet their necessities. Now we have no ships, no fertilizer, no farm hands. How we may expect to expand our production is a mystery to me; it is beyond me; it is impossible.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. PEPPER. Does the Senator consider that if a larger supply, perhaps a cheaper supply of phosphate were made available it would be helpful?

Mr. SMITH. Phosphate does not enter into the growth of the crop. It simply adds something to the weight of the grain.

Mr. PEPPER. I mean would it be in the interest of agriculture and production if cheaper phosphate were made available to the farmers in the South and in the Middle West?

Mr. SMITH. Mr. President, there are three necessary ingredients in fertilizer—nitrogen, phosphoric acid, and potash. Potash and phosphoric acid simply add to the weight of the grain. The real stimulus for growth is nitrogen. It is the sine qua non. In the total weight of the fertilizer there are various amounts of the three elements I just named, according to the formula. The formula may be 4–8–4—that is, 4 percent nitrogen, 8 percent phosphoric acid, and 4 percent potash—or it may be 2–8–2, which means 2 percent of nitrogen, 8 percent of phosphoric acid, and 2 percent of potash.

There are other sources of nitrogen which can be availed of for fertilizer, such as blood, tankage, and fish scrap. They do very well for slow-growing crops, but nothing has been discovered which promotes the production of wheat, oats, rye, and barley as much as does nitrogen. I warn the Senate now that unless we can get this needed element the grain crop of the Atlantic seaboard will be a failure.

In the western section of the country, where fertilization is not so much needed, the labor problem is the acute difficulty. Of course, on the Atlantic seaboard we need both fertilizer and labor. Without labor and without fertilizer the grain crop of the Atlantic seaboard will be a thing of the past. The grain crop along the Atlantic seaboard now needs the first application of fertilizer in order to set the roots and start the vegetation growing. Then, along in the middle of March, another application is needed, and if the season is good we can expect a reasonable production.

Mr. President, I do not know who is responsible for not making a supreme effort to get fertilizer from Chile. I am the author of the bill which provided that the Government should set up certain plants for the production of nitrogen from the air. Finally a plant was located at Muscle Shoals. The World War ended, and that plant was converted into a power plant, and now in less than 30 years we are faced with the same problem. We are producing power in place of nitrates. Under the modified Haber process a minimum amount of electric power would produce a maximum amount of nitrates.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. MAYBANK. Because of the shortage of nitrate of soda, conditions are bad, not only with respect to individuals but with respect to the State government itself. The crops planted by hospitals, penal institutions, and charitable institutions face practically a failure because of the inability of those institutions to obtain nitrate of soda, which is the only thing we can use at this particular time to further the production of the foodstuffs which are so essential. I was advised by the Department of Agriculture that the allotments were rather small, and that the Department hoped to make additional allotments next month. I hope some way can be found to make the allotments now because now is the time the fertilizer is needed.

Mr. SMITH. My colleague will agree with me that next month will be too late for the small-grain crops and the early truck crops.

I marvel at the indifference of this body to the situation which confronts us. It was only 35 or 40 years ago that we discovered that the application of nitrate of soda would guadruple the grain crop.

Mr. President, I have called the attention of the Senate to what I consider to be an impending disaster, far reaching in its effect. Of course, the Government will undertake to import the ingredients of fertilizer from other countries, and perhaps to supplant the production in America. I hope that Senators who are interested in production will realize the seriousness of the situation.

Mr. Duggan, of the Department of Agriculture, spoke in Atlanta, and indicated that we might increase our cotton production without labor and without fertilizer—just increase it. I do not know what magic he expects us to use.

Mr. BANKHEAD. He spoke about increasing the acreage.

Mr. SMITH. The Senator from Alabama suggests that the plan is to increase our acreage, without labor and without fertilizer.

Mr. President, I think I have clearly indicated what we may expect. I realize that there are many who are not aware of the seriousness of the situation; but there are a few Senators who know the acuteness of the danger. I thought I would call the attention of the Senate to this matter several days ago, but I was working with those who have it in charge, and their indifference and delay have caused me to despair of any relief.

AUTHORIZATION FOR REPORT FROM APPROPRIATIONS COMMITTEE

Mr. BARKLEY. Mr. President, there is no Executive Calendar today. It had been the hope that we might take up today the bill making an appropriation for the loan to China. The Appropriations Committee will not meet until 2 o'clock, so we cannot consider the bill until tomorrow. I ask unanimous consent that during the recess or adjournment of the Senate the Appropriations Committee be authorized to make a report to the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

ADJOURNMENT

Mr. BARKLEY. I move that the Senate adjourn.

The motion was agreed to; and (at 12 o'clock and 46 minutes p. m.) the Senate adjourned until tomorrow, Wednesday, February 11, 1942, at 12 o'clock noon.

HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 10, 1942

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We lift our hearts to Thee, our Heavenly Father, in prayer and praise; led by Thy countless mercies, we come to Thee in penitence. Be pleased to forgive our thoughtlessness and ingratitude; only as we delight in Thy work can we have permanent rest of soul. In our frailty, striving to do our duty, make us conscious of Thy dignity and strength and persuade us that to come to the aid of the neglected and suffering is godly, benevolent, and wise.

Forbid, Almighty God, that our country should believe faintly or doubtfully, but enable us to take a firm hold on the tragic condition of humankind, by which we are to live or die. We pray for thorough cooperation, solidarity, and mutual help of all groups. Guarding our influence and example, help us to avow ourselves as worthy champions of those standards which are our throbbing need. As we see the shades and shadows of this tragic world, inspire in us a power which can remove all obstacles, crowning us with a sterling strength which shall hold the potency of character and victory. We pray that all perverted things may be redeemed and restored to their high and patriotic service. In the name of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

CHANGING NAME OF CONDUIT ROAD IN DISTRICT OF COLUMBIA TO MACARTHUR BOULEVARD

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6536) to

change the name of Conduit Road in the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object—and I am not going to object—may we have the gentleman explain this bill?

Mr. RANDOLPH. Mr. Speaker, in answer to the inquiry of the gentleman, I desire to say that on February 5 our distinguished colleague from Texas [Mr. LUTHER A. JOHNSON] introduced a bill to change the name of that portion of Conduit Road lying within the District of Columbia between Foxhall Road and the District-Maryland line to MacArthur Road. The House District Committee, to which the legislation was referred, took the matter under consideration at its regular meeting yesterday morning. We believe that rather than use the expression "Road," the designated section of highway should be called Boulevard. The committee so reported the bill.

This section of road lies in a beautiful part of Northwest Washington. We believe it is desirable that Conduit Road, which apparently holds no personal sentiment from the standpoint of name, be changed to MacArthur Boulevard as further mark of appreciation of this body for the valiant services in the Philippines of that distinguished general.

Mr. DONDERO. Mr. Speaker, further reserving the right to object—and I shall not object; of course, I am heartily in favor of the resolution; I will support it; and I hope it passes—does the gentleman think we are doing General MacArthur sufficient honor by simply naming this road after him?

Mr. RANDOLPH. Why, of course, I feel that this is only a part of the honors which are deservedly due General MacArthur.

Mr. DONDERO. He is entitled to greater recognition?

Mr. RANDOLPH. Yes; and I am certain there will be appropriate action from time to time which will honor this courageous man.

Mr. LUTHER A. JOHNSON. Mr. Speaker, reserving the right to object—first, I want to congratulate and thank my good friend, chairman of the District Committee, for the very prompt manner in which this bill has been reported. His action and the action of his committee will meet with the approval of the House. I may say that the change of the name to "Boulevard" rather than "Road" is entirely agreeable with me. I have no preference with reference to that.

May I say further to the gentleman from West Virginia that I have received a letter from someone in Maryland wondering if we could not also name that portion of the road in Maryland after General MacArthur, but, as I understand it, we have jurisdiction only over that portion which is in the District and the Maryland authorities will have to change the name in Maryland; am I right?

Mr. RANDOLPH. The gentleman's comments and observations are correct. I will take up the matter mentioned by the gentleman first. The House District Committee called this highway "Boulevard" rather than "Road" on the direct suggestion of our Director of Highways, Captain Whitehurst. We agreed with him that such designation was preferable.

As to the second point on which the gentleman comments—that is, the jurisdiction of the State of Maryland—may I say that I have talked with the gentlewoman from Maryland [Mrs. BYRON], who represents the county in which this road runs when it leaves the District of Columbia line. I have suggested that she contact the director of the State Roads Commission of Maryland looking toward that end. There are persons in that section who hope that Conduit Road in that State be renamed in accordance with the action contemplated by the District Committee.

Mr. RICH. Mr. Speaker, reserving the right to object, and I am not going to object because I think it is an honor well deserved so far as General MacArthur is concerned. But if we knew General MacArthur's thoughts at this moment, rather than having some distinction and honor placed upon him in this way, if he could have his choice of what he thought the Congress ought to do, I bet he would say, "Send me more guns, send me more planes, send me more of everything, and we will use them over here to clean up these Japs and get them out of the Philippines." I think that is the thing that is uppermost in General MacArthur's mind at this time.

Mr. RANDOLPH. I am sure General MacArthur would have no personal vanity in what the District of Columbia Committee and the House does in the matter of the selection of a highway here to be named after him. We understand full well his thoughts, of course, as the gentleman from Pennsylvania expresses, are glued upon one objective, and that is holding off the enemies who are attempting to conquer the Philippines.

I am certain the Members of this Congress in their individual capacities and as a body are attempting and will in the future attempt to bring all possible aid to this man and to those men who fight with him. The gentleman from West Virginia, now speaking, has attempted to do just that.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the highway lying within the District of Columbia and extending therein from Foxhall Road to the Maryland-District of Columbia line, now known as Conduit Road, shall hereafter be designated by the name of MacArthur Road, in honor of the gallant defense of the Philippines by Gen. Douglas MacArthur.

With the following committee amendment:

Line 6, strike out "Road" and insert "Boulevard."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a communication of the so-called American Civil Liberties Union of New York and my response thereto, pertaining to the activities of the Dies committee.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

OFFICE OF CIVILIAN DEFENSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks and include therein an item appearing in the Washington Star of February 9.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. LELAND M. FORD addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects and to include short resolutions in each.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. TRAYNOR. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article entitled "American Industry Goes to War."

The SPEAKER. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. MURRAY. Mr Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from one of the papers in my district.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Osceola (Iowa) Sentinel.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a summary report by the Department of Commerce on the St. Lawrence seaway survey.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a message from the commissioner of education of the State of New York.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. STEVENSON addressed the House. His remarks appear in the Appendix.]

GOVERNMENT BONDS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

[Mr. PATMAN addressed the House. His remarks appear in the Appendix.]

PRODUCTION OF WINES, BRANDY, AND FRUIT SPIRITS

Mr. BUCK. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5802) to amend certain provisions of law relative to the withdrawal of brandy for fortification of wines and production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 6, after "cantaloup brandy", insert "; and by inserting at the end of the first paragraph the following new sentence: 'The maximum penal sum of any bond required by this subchapter for any bonded winery or bonded storeroom shall be $50,000.'"

Page 4, after line 20, insert:

"(h) Clause (2) of section 5 (f) of the Federal Alcohol Administration Act (49 Stat. 984) is amended to read as follows: '(2) as will provide the consumer with adequate information as to the identity and quality of the products advertised, the alcoholic content thereof (except the statements of, or statements likely to be considered as statements of, alcoholic content of malt beverages and wines are prohibited), and the person responsible for the advertisement;'."

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the Senate amendments?

Mr. BUCK. The first Senate amendment limits the total sum of a winemaker's bond to $50,000. This provision was in the original bill as presented to the Committee on Ways and Means. Because the Committee on Ways and Means amended section 3801 in two places, it was found necessary to eliminate this provision, and it was inserted in the bill in proper form in the Senate.

I have consulted the gentleman from New York [Mr. CROWTHER], who is now the acting head of the minority side of the committee, and he told me to say to the gentleman from Massachusetts or to anyone else that as far as he can see the amendment is proper.

Mr. MARTIN of Massachusetts. Is this the only amendment?

Mr. BUCK. No; there is another amendment that deals with the question of advertising the price of liquor. As far as I can find out, it is the same language as that which we adopted with reference to advertising in the District of Columbia. These are the only two amendments.

Mr. MARTIN of Massachusetts. Is the purpose of that amendment to prohibit such advertising in newspapers?

Mr. BUCK. I suppose one could advertise on billboards, if he wanted to say that he had as fine a liquor at $1.25 as was produced, or something like that. I do not know whether or not this provision covers billboards. Anyway, they cannot advertise the price at which liquor is to be sold.

Mr. MARTIN of Massachusetts. They can advertise the product but not the price.

Mr. BUCK. Oh, yes; there is no objection to advertising the product, of course.

Mr. MARTIN of Massachusetts. I am simply trying to find out what the amendment does.

Mr. BUCK. That is exactly what it does.

Mr. MARTIN of Massachusetts. It permits the advertising of the product but not the price.

Mr. BUCK. Certainly. This matter was taken up with the gentleman from North Carolina [Mr. DOUGHTON] and other members of the committee. If I may mention someone by name without being out of order, I may say that the gentleman from New York [Mr. CROWTHER] and others are entirely agreeable to the acceptance of these amendments.

Mr. MARTIN of Massachusetts. Does this affect just wine or does it apply to all liquor advertising?

Mr. BUCK. No; it affects wine.

Mr. MARTIN of Massachusetts. Mr. Speaker, I would want to look into this further before agreeing to this request, and I will ask the gentleman to withdraw his bill for the moment.

Mr. BUCK. It is not my bill, I will say to the gentleman. It is a bill reported by the committee; and if the gentleman wants to know whose bill it is, it was introduced by the gentleman from California [Mr. IZAC].

Mr. MARTIN of Massachusetts. I think this matter is important enough to have a little more consideration.

Mr. BUCK. I may tell the gentleman that there is a letter from the Treasury Department under date of January 6, 1942, to Senator GEORGE.

Mr. MARTIN of Massachusetts. There is nothing urgent about it, and it could be passed tomorrow just as well as today.

Mr. BUCK. I have no objection to the gentleman from Massachusetts taking all the time he wants about it, but I do not see any objection to it. I have consulted with the minority members.

Mr. MARTIN of Massachusetts. That may be true, but after all, there are 435 Members of the House and some of them might like to find out what is in the bill.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman from Massachusetts yield to me?

Mr. MARTIN of Massachusetts. Surely.

Mr. RANKIN of Mississippi. I want to call attention to the fact that when they repealed the eighteenth amendment we were promised, and I am speaking about the people opposed to the liquor traffic, that the saloon would not come back. Now they have come back and they are permitted to advertise every kind of rotten liquor in the world over the radio and in that way to invade every home. In that way they are undermining the morals of our children.

I think it is time for the decent Christian people in this country to be represented in this liquor contest. I am opposed to the passage of any law that permits the advertising of liquor in the newspapers, to be sent through the mail, or to permit the liquor interests to invade every home in this country through the radio.

Mr. BUCK. Mr. Speaker, if I may have 1 more minute of time I would like to say to the gentleman that that is exactly what this bill proposes to do.

Mr. RANKIN of Mississippi. I am like the gentleman from Massachusetts; I would like to have a little more time for us to study this matter, because I can tell you now that the Christian people of this country are getting tired of having their homes invaded and their children corrupted by every "flannel-mouthed" liquor advertiser that goes on the radio. The Bill of Rights ought to be applied to the protection of the Christian people of this Nation, and especially of their children.

Mr. BUCK. Mr. Speaker, in view of the desire of the gentleman from Massachusetts to make further study of this matter I withdraw my request for the immediate consideration of the bill.

H. NEWLIN MEGILL

The SPEAKER laid before the House the following communication from the Clerk of the House:

FEBRUARY 9, 1942.

The honorable the SPEAKER,
House of Representatives.

SIR: Desiring to be temporarily absent from my office, I hereby designate Mr. H. Newlin Megill, an official in my office, to sign any and all papers and do all other acts for me which he would be authorized to do by virtue of this designation and of clause 4, rule III, of the House.

Respectfully yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

GENERAL ANTHONY WAYNE MEMORIAL COMMISSION

The SPEAKER. Pursuant to the provisions of Public Resolution 64, Seventy-fifth Congress, the Chair appoints as a member of the General Anthony Wayne Memorial Commission the gentleman from Indiana [Mr. BOEHNE] to fill the existing vacancy thereon

COMMITTEE ON IMMIGRATION AND NATURALIZATION

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that the Committee on Immigration and Naturalization may

sit tomorrow during sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THE GATHERING OF FOOD CROPS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. CRAWFORD addressed the House. His remarks appear in the Appendix.]

TENNESSEE VALLEY AUTHORITY

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks and include a table of statistics from the Annual Report of the Tennessee Valley Authority.

The SPEAKER. Is there objection?

There was no objection.

[Mr. RANKIN of Mississippi addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. CLASON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain letters and correspondence between Government officials and myself.

The SPEAKER. Is there objection?

There was no objection.

CIVIL SERVICE RETIREMENT ACT

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for not to exceed 5 minutes, and to extend my remarks in the RECORD.

The SPEAKER pro tempore (Mr. THOMASON). Is there objection?

There was no objection.

Mr. MICHENER. Mr. Speaker, when a bill is favorably reported to the House by a committee, it is placed upon one of three calendars, namely, Union, House, or Private Calendar, depending on the subject matter dealt with in the bill. The House rules also provide for a Consent Calendar.

Any bill on the Union or House Calendar may also be placed on the Consent Calendar at the personal request of any Member of the House.

Only those bills are presumed to be placed on the Consent Calendar which are noncontroversial, which do not require debate, and do not necessitate a roll call.

H. R. 3487, a bill to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended, found its way to the Consent Calendar.

The Consent Calendar is called on the first and third Mondays in each month; that is, the Speaker calls the bills on the calendar in numerical order. Certain Members of the House are designated to watch this particular calendar. Any Member of the House can object to the consideration of any bill on this calendar, in which case it is not considered.

This bill, H. R. 3487, was 1 of 40 on the Consent Calendar for call on December 1, 1941. There was nothing in the title of the bill to indicate that it had any reference to retirement pay for the President, Vice President, the Cabinet, and Members of Congress. A short explanation was made by the author of the bill, but no specific reference was made to the inclusion of these elective officials. In short, the bill was not objected to and it therefore passed the House.

The press of the country is almost unanimous in its protest against this law. People generally are condemning it. The criticism is largely as follows:

1. The manner in which the bill was passed through the House.

2. The allowing of retirement pay to elective officers, including Members of Congress, under any circumstances.

3. The expenditure of any money at this time except for essentials.

First. From a strictly parliamentary standpoint the rules of the House were observed in the passage of this bill. Theoretically, each Member is presumed to be in his seat every minute the House is in session from 12 noon each day until adjournment, whether that be early or late. As a practical matter, this is impossible. Many Members are busy with committee and other duties which make it impossible for them to be on the floor all the time. Likewise it is a physical impossibility for a Member to know the details of all legislation reported by the committees unless there is debate. I yield to none in attendance on the floor and, as previously stated to the House in connection with this matter, I was absent for possibly a half hour, during which time this bill was called up.

Second. Whether Members of Congress should be included among those entitled to retirement pay is not a new question. It has been before the House on numerous occasions for a number of years. On July 14, 1939, as shown by the CONGRESSIONAL RECORD, this same proposition was thoroughly debated in the House and was defeated by a vote of 119 to 73. I voted against the measure at that time and expressed my opposition in debate.

There are those who feel that elective officers are entitled to retirement pay, the same as civil-service employees, and there are those who take the opposite view. I belong to the latter group. This difference of opinion is best illustrated by the fact that on the roll call in the Senate one Michigan Senator voted for the bill while the other voted against the bill. Where there is such sincere controversy there should be adequate debate.

Third. We must all agree that the taxpayers' money should only be spent for essentials at this time. This is not a debatable question. Since we are so agreed, then, even though retirement legislation were desirable, this is not the time for it.

For my part, I am opposed to this bill. I think its passage was untimely, unwarranted, and unjustified. I feel confident that the passage of the bill does not represent the view of a majority of the House, and that a roll call will so prove. This whole thing has been most unfortunate. The Congress is entitled to censure if it does not at the earliest possible moment create a parliamentary situation where the roll may be called and our constituents advised whether or not we favor retirement pay for Members of Congress.

In these circumstances the sensible thing is for the Congress to give immediate consideration to a bill to repeal this law. Each Member will then have opportunity to express his views, justify his position, and record his vote in accordance with his best judgment. I believe this course will prevail in the end and, if eventually, why not now?

LEAVE TO ADDRESS THE HOUSE

Mr. McKEOUGH. Mr. Speaker, I ask unanimous consent that when the regular order of business is disposed of, and before the special orders listed for today are called, that I be granted 10 minutes. I have spoken to two of the gentlemen who have special orders. The other two I have not been able to see. The two to whom I have spoken have no objection. I wonder if I could have that privilege?

The SPEAKER pro tempore. Is there objection?

There was no objection.

TIRE THEFTS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6375) to amend subchapter 2 of chapter 19 of the Code of Laws for the District of Columbia, and I ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. This is the so-called maximum-sentence bill?

Mr. RANDOLPH. It is the bill dealing with thefts from vehicles. This measure is designed to protect transportation in the District of Columbia during war or other emergency, and its provisions become operative whenever the sale or use of any of the enumerated substances or articles is restricted pursuant to any law of the United States. Such restrictions create such a scarcity of and demand for the restricted articles and substances that it is deemed advisable to deter those who would be tempted to steal such articles and substances from vehicles and to punish those who actually so steal them.

Mr. MARTIN of Massachusetts. The committee has changed the bill somewhat?

Mr. RANDOLPH. Yes. This is a matter that was given some attention on the floor a few days ago. Under the terms of the original bill the maximum sentence that could have been given was set at 10 years, for the stealing of tires and equipment from automobiles. It would have been left in the discretion of the judge as to maximum sentence. I desire to offer an amendment changing the maximum from 10 to 3 years.

Mr. MARTIN of Massachusetts. I think that is a desirable amendment. Can the gentleman tell us whether there have been a large number of tire thefts in the city?

Mr. RANDOLPH. Yes. It has been reported that the thefts of tires and other automobile equipment is actually becoming a racket in the District of Columbia, as it is throughout various sections of the country, and we are attempting to place a stiffer penalty here on the violation of the law that exists at the present time.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. Yes.

Mr. COCHRAN. The amendment the gentleman will offer is in keeping with the suggestion of the gentleman from Missouri [Mr. SHANNON], who is not present in the chamber?

Mr. RANDOLPH. That is correct. The gentleman from Missouri [Mr. SHANNON] objected to the 10-year maximum. I feel it should provide for a shorter term, and we have made it 3 years.

Mr. COCHRAN. I would say to the gentleman, if it were germane I would add my bill to make it a Federal offense to steal tires all over the Nation; not only tires, but other parts of automobiles. Just as the gentleman says, it is a racket, and it is a big racket in my city. I noticed in the paper the other day where 241 tires were stolen overnight in New York City.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield.

Miss SUMNER of Illinois. Is the bill so designed as to include other kinds of rubber?

Mr. RANDOLPH. It goes to all types of equipment on a car. They are stealing tire casings, inner tubes, antifreeze solutions, batteries, and all sorts of things that go to make up the completed automobile.

Miss SUMNER of Illinois. In my district there was one thief who went through a house and took every rubber appliance, and even took the wheels off a baby buggy. Would such things be included under the gentleman's bill?

Mr. RANDOLPH. This would simply go to the operation of motor vehicles. It would include oil or gasoline. I know that situation is existing throughout the country.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act approved March 3, 1901, entitled "An act to establish a Code of Law for the District of Columbia," be, and the same is hereby, amended by adding to subchapter 2 of chapter 19 thereof the following section:

"SEC. 826c. Theft from vehicles: Whoever, after the approval of this act, and in any period during which any restrictions on the sale or use of any of the articles hereinafter referred to are in effect pursuant to any law of the United States, shall feloniously take and carry away any oil or gasoline, or any other lubricant or fuel; or any antifreeze mixture, compound, or solution; or any tire, tire casing, inner tube, or rim; or any wheel, tire chain, battery, or other part, equipment, or accessory, regardless of the value thereof, being then and there in, on, part of, or attached to any vehicle in the District of Columbia, shall suffer imprisonment for not more than 10 years."

Mr. RANDOLPH. Mr. Speaker, I offer an amendment on page 2, line 8.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH: On page 2, line 8, strike out the word "ten" and insert the word "three."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. DITTER. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an article by David Lawrence.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. MCKEOUGH] is recognized for 10 minutes.

THE LATE PVT. RICHARD GRAFF

Mr. McKEOUGH. Mr. Speaker, I desire to read an editorial that appeared in the Chicago Daily Tribune in my city of Chicago yesterday morning, and to make some comments in connection therewith.

The editorial relates to the death of Pvt. Richard Graff.

The editorial is as follows:

[From the Chicago Daily Tribune of February 9, 1942]

PVT. RICHARD GRAFF

Pvt. Richard Graff, who was killed while fighting with General MacArthur's forces in the Philippines is the first of the Tribune family to die in action in this war. He had been with us for nearly 11 years when he enlisted a year ago last month.

We mourn the loss of a conscientious coworker, of a friend, of a gallant soldier. He will not be forgotten. The Tribune will honor his memory and, of course, will take whatever steps may be necessary to see that the widow is spared financial worry.

Richard Graff, and like him, almost every other man who has given his life for his country in this war, had no part in the making of it. He did not will it. He did nothing to instigate it. He did not go roaring up and down the country shouting for blood. He was no war monger.

It is a striking fact, which at this moment cannot be forgotten, that it is men like Graff who are facing the enemy today, risking their lives for their flag, while the war mongers remain comfortably and happily in places of security. It is time that those who willed the war were driven from their hiding places and sent to the front, where they can share some of the agony they have created.

Richard Graff was not afraid to face privation, suffering, and death. He was no night-club hero. A volunteer, he sought no comfortable berth as a Navy press agent on Broadway or as a State Department cooky pusher in Washington. He played a man's part. Let the others dare as he did, or live and die in disgrace.

I, of course, join with the publisher of the Chicago Daily Tribune, Col. R. R. McCormick, in paying well deserved tribute to Pvt. Richard Graff. After all, he has made the supreme sacrifice that his country might live.

That is the only part of the editorial, however, to which I subscribe. I desire to call attention to parts of the editorial, and I quote the following:

He did not go roaring up and down the country shouting for blood.

I, of course, do not know whom Colonel McCormick may have had in mind when that language was written into this editorial. Neither do I know whom he had in mind when the following language was written into the editorial:

It is time that those who willed the war were driven from their hiding places and sent to the front where they can share some of the agony they have created.

Neither do I know whom Colonel McCormick had in mind when the following language was written into the editorial:

He was no night-club hero. A volunteer, he sought no comfortable berth as a Navy press agent on Broadway or as a State Department cooky pusher in Washington.

You will note from that language that there is some identification at least by departments in that editorial. It refers to the State Department with considerable disdain, and creates the impression at least by the language that it implies all who are in the State Department are "cooky pushers." I do not know whether Colonel McCormick is acquainted with the distinguished Secretary of State, Cordell Hull. I do not know whether or not he may have met the distinguished Undersecretary, Sumner Welles, who has achieved such fine accomplishment in the recent Pan American Conference in Brazil. I submit that at this time editorials of this character have no place in a newspaper in our country. Our country is now at war. It may have been perfectly defensible, I presume, in the eyes of Colonel McCormick, prior to Pearl Harbor, to have satisfied his vanity, his great partisanship—yes, his hate of the Commander in Chief of our country's forces in the person of the distinguished President of the United States, Franklin Delano Roosevelt. But I submit that this language appearing in a great newspaper—at least, from the standpoint of its circulation—and I use the word "great" advisedly—for it is only "great" because of its circulation, and not because of any contribution that it has made to the welfare and progress and security of our beloved country. I submit that the language that I have read in this editorial brings Colonel McCormick at least within the pastel shading of treason. We are in a war. I had always hoped that even though Colonel McCormick hated President Roosevelt, the colonel would first of all remember that he was an American; second, that every real, true American, now that Pearl Harbor has happened and enemies of this Nation have declared war on us, forcing us to accept that challenge, would join with the other fine American citizens, 130,000,000 of them, and follow the leadership of our President, whom I presume he had in mind when this

editorial implied, that he went "roaring up and down the country seeking blood."

President Roosevelt, I submit, sought peace, but while seeking it, he also urged his fellow-countrymen to prepare for what he knew must be coming. He spoke in my city in October of 1937, and that speech is referred to with correctness as the "quarantine of aggressor nations" address. Those of us who realized he was possessed of vision, courage, and determination to protect his country and its people, willingly supported his foreign policy. We now have cause to rejoice that we decided to follow Roosevelt, our President and Commander in Chief rather than Col. R. R. McCormick of the Chicago Tribune.

I say that under these circumstances the Tribune editorial would have no proper place in the high field of splendid service the newspapers of our country are rendering. Now that we are at war I challenge Colonel McCormick's patriotism, and I say that that language at this time makes him subject, at least to thinking people, as being guilty of treason; and I so charge him. I hope his conduct will not be an example that the other newspapers of our country will follow, but on the contrary that they will live up to their high traditions and protect their sacred right of freedom of the press by not resorting to license, vilification, and the giving of comfort to the enemies of our Government in Berlin, Tokyo, and Rome.

[Here the gavel fell.]

DEFENSE HOUSING IN THE DISTRICT OF COLUMBIA

Mr. SABATH, from the Committee on Rules, submitted the following report (H. Res. 437, Rept. No. 1766) on the bill (H. R. 6483) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, for printing, under the rule:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into a Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6483) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Buildings and Grounds, the bill shall be read for amendment under the 5-minute rule. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. FISH. Does the gentleman propose to call this bill up tomorrow?

Mr. SABATH. Yes. It is the District of Columbia housing bill and provides a $50,000,000 authorization.

Mr. FISH. It will come up under the rule tomorrow. That was one purpose for which I rose. The other purpose is to say, as the gentleman from Illinois can verify, that we have not reported from the Rules Committee either the Rogers bill or the bill extending the life of the Dies investigating committee.

Mr. SABATH. It was my hope that we might report the Rogers bill today, but due to opposition on the part of some Members the reporting of the rule on the Rogers bill has been postponed. Also due to the fact that the committee desires to give every Member of the House a chance and opportunity at least to be heard on the resolution extending the life of the Dies committee, in opposition to the resolution, that matter went over until tomorrow morning at 10:30.

Mr. FISH. I just want to make clear that the reason I ask these questions is because a number of Members on this side have asked me about the Rogers resolution and the Dies resolution. Neither will be brought up tomorrow, and maybe not this week.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. MAY. I am getting a good many requests from the War Department with regard to the Women's Auxiliary Corps bill, known as the Rogers bill. The committee emphasized the fact that it was urgently requested by General Marshall, the Chief of Staff, and that there is great need for it. I should like to say to the chairman of the Rules Committee and to all the other members of the Rules Committee that we always appreciate their extreme courtesy to us and the fine spirit in which they receive us, but it does seem that in view of the urgency of this bill it is being unnecessarily delayed.

Mr. SABATH. I may say to the gentleman from Kentucky that it was my aim to report the bill, and I had been in hopes that I would be able to obtain a vote on the resolution for a rule in the Committee on Rules, but a majority of the committee think there should be a limitation as to the number of women who should be inducted in the Auxiliary Corps. There is no limitation in the bill, and as it reads at the present time two or three hundred thousand women might be enrolled. As I stated, a majority of the members of the Committee on Rules feel there should be a limitation——

Mr. MAY. In what respect?

Mr. SABATH. As to the number of women who may be enrolled in the corps. While the Department claims that at this time there is need for only 12,000 women to carry on certain duties, yet the bill does not limit the number. I may also say to the chairman of the Military Affairs Committee that a question arose in our committee as to whether married women should be enrolled, and there was also discussion as to what the estimated cost will be for the establishment of this corps.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include certain material, including editorial comments.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Pennsylvania [Mr. FADDIS] is recognized for 30 minutes.

COOPERATION OF THE PUBLIC IN THE WAR EFFORT

Mr. FADDIS. Mr. Speaker, I am sorry to say that reports from various sections of this Nation show that a proper appreciation of the task which confronts us in regard to the part we must play in this war, if we are to emerge victorious, is sadly lacking. The people are still apathetic and are not aware of the urgency of the situation. Our production capacity is not getting into high gear, and we are not making sufficient effort to place arms and equipment in the hands of the troops which soon must go on the firing line.

I fear the American people are taking victory for granted and are all too anxious to wish, sing, or dance their way to victory. Wars are not won in that manner. Wars, whether we wish to believe it or not, are worn by offensive action, by toil and sacrifice, tears and sweat, by blood and death, by the hard hammering and relentless pressure of armed forces which break the hostile will to resist and allow the victor to force his will upon the vanquished.

For the past several years we have heard much—too much—about national defense. We have heard little—too little—about national offense. In consequence we had Pearl Harbor, the outcome of which will be thousands of fine American boys unnecessarily slain, because this Nation refused to look facts in the face and call an enemy an enemy—until too late. Oh, yes; we were going to wish our way or hope our way out of a war. Did we? I fear we are still trying to wish or hope that the war will end without our fighting. It may do so in fact, but unless we do our share of the fighting it will probably not end advantageously to us. I have two sons of my own in the service, but I know I must face this situation realistically. Furthermore, we are vitally interested in the peace which will follow. Upon the peace structure erected after this war depends our entire postwar system of economy, sociology, and politics. How can we be a strong influence at the peace table if we have not borne our share of the fighting?

The apparent success of the Russians and the valiant stand of General MacArthur and his men, coupled with the fact that the real theater of operations is far from our shores, has served to again lull us into a comatose state of complacency. Too many feel that the war will not really affect them. Some seem to feel that some great catastrophe of Nature will overtake our enemies, like an earthquake in Japan or typhus fever in Germany. More wishful thinking. Consider the nations conquered and enslaved today due to wishful thinking. The reason for their fate is easily told. Too little and too late. Too little preparation for war. Too little determination to sacrifice what was necessary to secure their freedom. Too late

to place sufficient force at strategic points. Too late to take a firm stand by the side of their friends. Too late to realize that selfish class jockeying for position in times of national crises is disastrous.

This is no time for complacency or reliance upon the fact that we have been victorious in every war in which we have engaged. Who can guarantee that we will be victorious in this one? Can some of the former isolationists, who are now so loud in their criticism, guarantee that we will win? Can the impractical, theoretical, pseudo-intellectuals, who are already planning our foreign and domestic economic, social, and political future, insure us victory? These starry-eyed, irresponsible, crusading muddlers, who never had to meet a pay roll or could not care for their own heritages, and who would never willingly shoulder a gun, are responsible for our state of impotency, because they fostered a system wherein relief took precedence over rearmament and social security outranked national security.

Mr. RANDOLPH. Will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. During the debate and action in this House on our civilian defense program on January 8 and the subsequent action on the conference report on January 19, the gentleman from Pennsylvania now speaking and others of us felt it was a dangerous program to allow the civilian defense efforts to be correlated except through the channels of the War Department. Is the gentleman still of that opinion?

Mr. FADDIS. I am more strongly of that opinion than ever before. I am quite sure that events since January 8 have proven that it would have been the part of wisdom to place this agency under the control of the War Department at that time.

If these starry-eyed muddlers have any regard for the peace we hope will come, let them be quiet about their hastily drawn, ill-considered, visionary plans for revolutionary post-war changes to the American system of free enterprise—or there may be no peace.

The truth of the matter is, we are facing the most desperate situation we have ever faced as a Nation. This means all of us—farmers, laborers, bankers, industrialists, manufacturers, professionals, and except for the few Quislings among them, even the starry-eyed crusaders. We are all in the same ship of state. We must both work and fight our ship with an offensive will, or we will be torpedoed, both from under the sea and from the air. Because we were reluctant to curb the Japanese in the Pacific at the right time, we are off to a bad start. We must face that fact.

At this time it seems likely that the Japanese will because of their start, gain control of the Indies and all of the resources of that region. If the Germans can drive down through the Suez and establish a line of water communication to the Far East, which can be protected by land-based aircraft, the two major Axis nations can exchange commodities to their mutual advantage and to the disadvantage, and perhaps to the destruction of the United Nations. This move would also cut the British Empire in two, which would be a major catastrophe to the democracies. This is no time for smug complacency. We must face the music.

Our enemies also have a long start on us in training and in matériel preparation. They trained while we raked leaves and boondoggled. They armed, while we attempted to insulate against war by isolation. They worked while we struck. They went without milk and butter while we demanded champagne and caviar. They got into high gear while we spit, sputtered, and balked. We hope we will overtake them in time, but no one can guarantee we will do so. We are operating under a severe handicap.

This is a war of mechanization. To win such a war requires a long and extensive period of industrial preparation. which demands just as willing cooperation from the worker at the bench as will later be demanded from the soldier who mans the equipment.

Mr. BOLAND. Will the gentleman yield?

Mr. FADDIS. I yield to my distinguished colleague from Pennsylvania.

Mr. BOLAND. I believe the gist of the gentleman's remarks is to the effect that the American people are becoming apathetic about the present condition; that they are probably talking about some of the sacrifices they are making now. Does not the gentleman want to acquaint them with the fact that they had better get ready for more sacrifices?

Mr. FADDIS. That is what I am trying to convey to the American people, I may say to my distinguished colleague from Pennsylvania. Also, I want to convey to the American people the thought that this war is not in the bag by any manner or means; that there is a great deal yet to be done before we can even be assured of a good chance of winning it.

Mr. TABER. Will the gentleman yield?

Mr. FADDIS. I yield to the distinguished gentleman from New York.

Mr. TABER. The gentleman, in my opinion, is performing a very great service in trying to call the attention of the American people to the really critical situation that we face, and that it is absolutely necessary that we give every bit of ourselves to this situation if the Nation is going to land right side up.

Mr. FADDIS. I thank the gentleman, and I may say in response that the gentleman is one who from the very first realized the emergency that this Nation would have to face. I want to here and now pay tribute to him as one of the stalwart wheelhorses who have assisted very materially in rearming this Nation to meet this emergency.

Mr. RANDOLPH. Will the gentleman yield?

Mr. FADDIS. I yield to the distinguished gentleman from West Virginia.

Mr. RANDOLPH. I also join in what the gentleman from New York has said about the service that the gentleman from Pennsylvania performs when calling these matters not only to the attention of the Congress but to the attention of the country. It is the feeling of the gentleman, I am sure, that the American people will have to increasingly prepare themselves to meet the shock of the listing of many, many names on the casualty lists of our fighting forces at the front, that we will also have to be ready for the shock of other battles, other catastrophes, other than Pearl Harbor, and that we must all in our individual capacities attempt to give greater sacrifice and service to the effort in which we are now engaged.

Mr. FADDIS. I am sorry to say I must agree with the distinguished gentleman's farsightedness and vision. I fear the worst is yet to come.

Mr. DITTER. Will the gentleman yield?

Mr. FADDIS. I yield to my distinguished colleague from Pennsylvania.

Mr. DITTER. This seems to be a time for extended compliments, and, of course, I would be remiss if I did not pay tribute to my friend; but the thing that concerns me as I head the observations made about the sacrifices that are presently being made and the sacrifices that are in contemplation, is how will these sacrifices relieve all these impracticable, visionary, star-gazing individuals that my friend from Pennsylvania directed a considerable part of his indictment against? I must confess I am confused. I see the need for sacrifice. I certainly join wholeheartedly in what my able colleague from Pennsylvania has suggested. I think a great many of our people are wondering, as they are willing to make these sacrifices, how that will relieve us of these star-gazing, impracticable, and—I am quoting my friend—visionary individuals whom the gentleman seems to feel are responsible for many of our difficulties. If the gentleman will elucidate in his very able manner and give us an answer to that I think it will help the American people very considerably.

Mr. FADDIS. I thank the gentleman for bringing up that point. My answer to his question, which is a very logical one, is this: When the present war is over, if we are at that time victorious, and we hope we will be, we will have within our midst a great number of men who have honorably served their Nation in various wars. Because of the sacrifices those men have made, because of what they have given of themselves to their country's cause and in the defense of this Nation, and in guaranteeing its national security, I have an abiding faith that those men will rise up in their anger and in their wrath and they will demand that the affairs of this Nation be put into the hands of solid, substantial American citizens of unquestionable loyalty, and see that they administer the affairs of this Nation as they should be.

Mr. DITTER. Will the gentleman yield further?

Mr. FADDIS. Will the gentleman permit me to proceed a little?

Mr. DITTER. It is right on that point.

Mr. FADDIS. I am afraid my time will pass.

Mr. DITTER. Just for an observation. I think the gentleman is quite correct, but the gentleman, it seems to me, is jumping a gap between the present peril and the presence of these star-gazing idealists as of today and simply contemplating what will happen in the future. I am wondering today about the presence of these star-gazers. I rather took it that the gentleman joined the star-gazers and the visionaries with boondoggling and some of the other abuses he has so ably stressed.

Mr. FADDIS. My answer to the gentleman would be this: Yesterday I felt very proud of the House of Representatives and very proud of the fact that I am a Member of this august body. Yesterday the House of Representatives asserted themselves in the only manner in which they were able to assert themselves in regard to boondoggling. Although it was in reality foreign to the legislation at hand, because it was the only vehicle at hand on which they could pile their resentment, they piled it on that vehicle. I am sure the action of the House of Representatives at that time will have a salutary effect upon the confidence of the American people and in our representative form of government. I believe they will behave themselves in a like manner more often in the future. For the sake of future generations I certainly hope so.

Mr. MAY. Mr. Speaker, will the gentleman yield for a suggestion?

Mr. FADDIS. I am glad to yield to the able and distinguished gentleman from Kentucky.

Mr. MAY. How would it do to compile a list of the visionaries in the Government service of whom the gentleman speaks and print it in the CONGRESSIONAL RECORD along with a list of the casualties in the forces of General MacArthur, and give the biographies of each of them in parallel columns and see how they stand?

Mr. FADDIS. It might be an excellent suggestion, but would place the names of our heroic soldiers in questionable company.

Mr. DITTER. It might be embarrassing to some people. I am sure the gentleman from Kentucky would not suggest embarrassing them.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. I appreciate the gentleman's great sincerity and ability. If the Members will excuse me for suggesting it, I think that most of the people I have met would be stimulated to greater sacrifices if we should hasten to repeal the congressional pensions.

Mr. FADDIS. I agree with the gentlewoman. I never believed in such tactics on the part of legislators and did not vote for it.

Mr. Speaker, the soldier, not the machine, is the vital factor in the program today. Oh, I know how much easier and how much more attractive it is to think of the machine doing the fighting than it is to think of giving your son or yourself to do it, but we must realize that the real factor which will decide this war is the trained men on the firing line. These men must be trained and the training takes time. We have no time to lose, either in acquiring equipment or in training manpower For us the clock struck 11—45 minutes ago.

The populations of the Axis nations are a disciplined people. They are hardened and accustomed to sacrifice. We are soft and accustomed to luxury. Their soldiers have been hardened and trained by years of actual battle conditions—the best and in fact the only school for war. The most of ours have yet to receive their baptism of fire. We are sure, however, the spirit, courage, and morale of our soldiers cannot be surpassed. We hope it cannot be equaled.

These Axis nations have not fifth columns. If they ever had such they got rid of it before it could do any damage. Their rule was, "It is better to be safe than to be sorry," so they got rid of not only all they knew to be disloyal but also all they suspected of being disloyal. It was a good, safe system and paid dividends. We are not so efficient. We petted our fifth columnists—and even elected some to office. Others were appointed to positions. Even after Pearl Harbor we have allowed thousands of Axis nationals, many of them potential saboteurs, to say the least, to remain in vital areas. They have been given until the last of this month to leave certain areas on the Pacific coast. Why this leniency in time I cannot understand. Certainly our nationals receive no such consideration in Axis nations.

Our complacency toward our fifth columnists has already cost us much from espionage and from sabotage. Have we taken drastic measures to curb or punish such activities? Not that anyone is aware of. No wonder our citizens are apathetic. Why should they be otherwise when spies, saboteurs, profiteers, obstructionists, screw balls, and cranks are allowed to range at will? Can the public be blamed if they do not view the situation more seriously? I believe the situation is largely due to public indifference, but we who know the truth must arouse the public.

It is true that there is also much complacency here in Washington. There is no Government labor policy and the specter of labor trouble hangs over the whole industrial set-up. Demands for double time on Sunday strike a sour note on the ears of those who have loved ones in the service on duty 24 hours a day, 7 days a week, often in peril of their lives. The fact that demands for Sunday double time are even listened to does not seem to a great many people to denote a serious emergency.

The thinly veiled threat in the notice served on Donald Nelson by the auto workers' union that he would not succeed unless he acquiesces in the Reuther plan has not gone unnoticed by the general public. Strikes, threats of strikes, delay over jurisdictional disputes, and demands for closed shops do not fit in well with peoples' ideas of a nation facing a threatening emergency. If there is an emergency which demands a sacrifice of life, it certainly demands a sacrifice of less valuable interests. At its best, the sacrifice at the workshop can never equal the sacrifice on the firing line.

We are short of strategic, critical, and essential materials. There is no good reason why we should be short, but we are. The curtailment of the cars, tires, refrigerators, washing machines, and the other commodities might help to bring a realization of the war home to the people if it were not so well known that many of these materials were being used elsewhere not in connection with rearmament. It is difficult for the average citizen to realize there is a dire shortage in metals when such obviously nondefense projects as the St. Lawrence waterway project, the Massena project, and the rural electrification project in Texas and Arkansas are being allowed to divert essential metals from the production of equipment so urgently needed by the fighting forces. Many of the citizens in these localities know that these projects are but a duplication of existing facilities, and such knowledge spreads. Those who see such matters are forced to conclude that either the socialization of the power industry is more important than our war effort or that the emergency is not as serious as has been represented.

Those who are acquainted with affairs here in Washington have a well-founded suspicion that there are a great many superfluous employees connected with the defense set-up. Every head or subhead of every new department has brought his own retinue of retainers, who vainly try to appear busy and important. We see them in the departments, before committees, and wandering at large on the Hill. We see the results of their work in press and publicity matters. We sense them in appropriation bills. The so-called tempest in a teapot, which recently lasted 2 days in the House, had its origin outside the House.

It was not a tempest in a teapot. It was but the gentle breeze which precedes the typhoon of resentment which will come when the people of this Nation become really awake from their Rip Van Winkle sleep, due to the flagons of disarmament, isolation, and pacifism with which they have been dosed. The fact that they themselves demanded the soothing flagons, and are more responsible for our present state of affairs than are any of their officials, will not in the least mitigate the violence of the coming typhoon. It will break in all of its fury and will accomplish much destruction if we wait for the people of this Nation to be awakened against their will.

Then there is this senseless talk about morale. There should be no such talk of Americans among true Americans. There is nothing wrong with the morale of this Nation. Such talk comes from hidden fifth columnists, or from the pseudo-intellectual group who seek to create soft positions beyond the reach of the draft for their kind, while they muddle with morale as they have muddled with everything they ever handled. Wake up America, and learn to view with cold suspicion either th sanity or the patriotism of anyone who questions the morale of the American people.

There is no necessity to pass the news through a screen of optimism before it is given to the American people. This is war and they must learn to expect reverses and casualties in wartime. They are a sad but unpreventable part of war. The Nation should demand and should receive a balanced diet of news. I feel sure our national spirit will thrive better, be much hardier and last longer if not nourished on pap and politics.

The American people must awaken to the fact that we are facing a grim, grueling, all-out contest for our national existence. They must rise to the realization that our fate is yet to be determined and that we are indeed the masters of our fate. If we win, we must do so ourselves at a terrific cost in money and lives. They must realize that the penalty of defeat will be chains and bondage. They must rise from the sleep of 20 years, strip themselves of the rags of impotency, cast away the obsolete armament and ideas of yesterday, quickly clothe themselves in the new garments of determination, grasp the weapons of modern warfare, wield them with the logic of the present, and plunge into this fight to win. Today, it is true the war is far from our shores. Tomorrow, it may and probably will, be much closer. We must cast away our spell of lethargy and awake with the spirit of determination necessary for a successful prosecution of this war.

PERMISSION TO ADDRESS THE HOUSE

Mr. PATRICK. Mr. Speaker, I had a special order to address the House for 5 minutes today. I do not care to use this time today. I ask unanimous consent that on Tuesday next, at the completion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

EXTENSION OF REMARKS

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a recent article by Arthur Krock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. GIFFORD] is recognized for 30 minutes.

FEDERALIZATION OF UNEMPLOYMENT INSURANCE

Mr. GIFFORD. Mr. Speaker, may I say to the gentleman from Pennsylvania [Mr. FADDIS] that he made a very fine address. I should like to add a point. "If we want peace, the thing we have to do is to show that we are up to fightin', too." We will be safe when we can show them that. I thank the gentleman for the contribution he has just made today. He has made many other valuable ones.

While I should like to speak on the general state of the Nation today, I feel limited at least for a time to one certain subject. It ought to be of interest and I do hope to make it so.

I will speak of the growth of bureaucracy. Whether you pronounce it bu-rŏk-ra-cy or bu-rō-cra-cy, it is becoming more to be dreaded in our dé-moc-ra-cy.

Let us consider the proposed attempt to federalize the entire unemployment insurance branch of the social-security system. Contemplate adding those thousands of workers to the Nation-wide political machine.

The States have accumulated reserves totaling some two and a half billions of dollars. They can probably now well handle any emergency demands growing out of plant revision. The President seems determined to force Federal control and would accomplish it by threat of withholding contributions to States unless all conditions imposed were complied with. Apparently the Social Security Board is determined to drive the State systems into federalization by the imposition of conditions and regulations. Federal contribution in its various forms is insidiously used to get control of the States' administrative functions. Bureaucratic control from Washington is steadily sapping away the rights of our independent States and municipalities and forcing submission to a super-Government merely because some States may be considered backward and perhaps unsympathetic toward this grandiose and ambitious scheme labeled "social security." We know that a vast extension of its radius of operation is being planned. But first a huge sum of money must be collected. The most prosperous States must first be bled profusely in order that the funds secured can be distributed, or dissipated to others. Since the sixteenth amendment to the Constitution such a practice has been largely indulged in and much joy riding has resulted at the expense of a few more provident of the 48 units which comprise the Nation.

To make it plain, some of our ardent New Dealers seem to intend to force the Southern States, particularly, to pay more liberal pensions or benefits. This might greatly upset the economy of that region. It would enforce higher wages as well as benefits there and rob it of the favorable competition now enjoyed as the result of cheap and docile labor. Labor unions are not yet entrenched in that section. If or when those farmers are forced to pay wages such as are being paid in the North, it would probably be impossible to raise and sell commodities at a profit which even now can be done only through Government subsidies.

Many citizens feel that they are entitled to a pension of $30 per month since the Federal Government is willing to pay one-half of that sum. It now appears that the plea to the effect that certain States are unable to pay the other half is not the only reason. There appears to be much fear that the granting of $30 per month plus greater unemployment insurance would create havoc in the ranks of labor of the more amenable type. My own State is well governed; it has had a liberal unemployment-compensation law for many years, and this has been well administered. The fund there now has $180,000,000 to its credit as a reserve, supposedly reposing safely in the Treasury at Washington. We do not wish to see this fund taken from us and dissipated for the benefit of the so-called backward States. This sort of robbery has gone about far enough. It was not contemplated in the Constitution. The word "proportional" was one of the foundation stones of that document. Keep on taking from the provident to give to the improvident and the only result would be to bring both to the improvident condition.

Even if some States are lax in enforcement, can anyone reasonably argue that a bureau in Washington would be more efficient? Can you recall any great success under national prohibition and the enforcement by similar Federal officials? If States are inefficient in the administration of unemployment payments, they would be inefficient in many other governmental functions. The taking over of State functions, merely as the result of offering the bait of Federal contributions, portends the end of our historic dual form of sovereignty.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman speaks of the failure of prohibition. Does the gentleman know that every time the Treasury Department appropriation bill is considered we appropriate more money to catch the bootleggers that are operating in this country?

Mr. GIFFORD. Yes; I know they appropriate a considerable amount of money for that purpose. It seems to me a shameful necessity. There are still racketeers among us.

Mr. RICH. Bootlegging is still a flourishing business.

Mr. GIFFORD. Yes; in spite of enforcement by the Federal bureaucrats at Washington.

Bureaucratic control by those appointed by a President makes such President a dictator in fact, whether he willed it that way or not. Let the people select and elect and thus preserve our democracy.

A clarion cry to preserve to the States their individual sovereignty is needed now. This proposal has little or nothing to do with national defense. In this hour of our Nation's peril we are all united.

The camel's nose must not be permitted to penetrate farther into the tent—in this instance the established right of the States to spend their own money as their own judgment dictates, especially in the matter of contributions by the Federal Government for the benefit of their citizens. Many varied conditions exist in the different sections of our country. Let us not surrender our independence to a central bureaucratic dictator. Consider all these sprawling

bureaus in Washington. Behold the civil-service appointee sent to your community to supplant your own elected officials for the determination of the amount of pension to be paid to your neighbor. Give consideration also to the vast numbers of enforcement agents to check on unemployment irregularities. Do we want them? No.

Mr. RICH. Mr. Speaker, will the gentleman yield further?

Mr. GIFFORD. I yield to the gentleman from Pennsylvania.

Mr. RICH. I am glad to have the gentleman state that the States should continue to have their rights, but how are you going to stop this Government from taking away from the States the authority they once had? How can it be done under this administration?

Mr. GIFFORD. My answer to that is that if we did not besmear our hands with the money they offer us as bait, we could do it. They offer us a little money as a subscription, and then dictate how we shall spend the whole sum. We keep taking that Federal money. Since the sixteenth amendment to the Constitution, too many here realize where the taxes primarily come from. Many States do not contribute much but they get much.

Mr. RICH. I have not found anyone on that side of the aisle who can tell us where they are going to get the money to pay the debts they have created. That problem is one that will burn them up very shortly.

Mr. GIFFORD. I know that, but their President has not seemed to worry, so why should they? Their leadership seems not to be concerned.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. MAY. Is it not a fact that the Congress has appropriated large sums for various agencies of the Government and left in their hands discretion as to using it or not using it and that they fix the terms and conditions upon which the States shall accept it if it is given to them.

Mr. GIFFORD. Yes; and I think it fair and proper that when the Federal Government puts up money it should expect that as far as that money subscribed goes it may dictate. But when the whole sum which belongs to the several States is considered, then simply because the Government put up possibly 10 percent, these bureaus reach out for power to dictate the expenditure of the entire amount. It is time we offered resistance.

Mr. MAY. That is the very class of funds that I am talking about, where the expenditure naturally belongs to the State and yet they tell the States how they shall use it.

Mr. GIFFORD. When I first came to the Congress we had up a ship subsidy bill. I wish you new Members could have heard the older Members from the South. The word "subsidy" was hateful to them and they would stand for none of it. It was the Republican side of the House that was trying to put through a ship subsidy bill and the Democrats were wild in their opposition. Behold the change! They have been taking doses of it, little by little, until today the Democrats demand continual and huge doses thereof. It is impossible to describe their great eagerness to accept subsidies during these later days.

Mr. HARE. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. HARE. The worm has just turned over, has it not?

Mr. GIFFORD. That may be true.

Mr. PATRICK. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes. But first more about the worm.

Mr. PATRICK. I am interested in the gentleman's speech——

Mr. GIFFORD. Just note the size of that worm now. It turned over to be fed and has now changed into a huge member of the reptile family.

Mr. PATRICK. Well, worms do turn when the administration changes. When I came here I was attracted, as every new Member is, by the clearness of vision and the wisdom of the gentleman and his fearlessness.

Mr. GIFFORD. I do appreciate a man who thinks as I do.

Mr. PATRICK. I do not mean that I always think as the gentleman does, but I admire him. However, I believe the gentleman wishes, in this speech, to obviate the danger that some might construe or put into this speech, the danger of feeling that that applies throughout the fabric of government here, because there are many things during the process of war that have to be controlled from a central activity here, and, of course, it is easy to let these large, sprawling things get under the same program, but I am sure the gentleman does not mean for his speech to be interpreted as meaning that this applies to the cases where the program demands it because of the military needs of the Nation.

Mr. GIFFORD. I said a few minutes ago that I thought this speech would have no particular reference to national defense. If you desire to attempt to tie my argument to that, remember that you bring it on yourself. You will recall the President's message the other day asking for $300,000,000 to be spent as he saw fit, where he saw fit, and despite present methods requiring State agencies to disburse moneys for such purposes. That proposal should be investigated and no such blank check issued.

I understand the Committee on Ways and Means is now looking into that request, and I trust that these funds will be spent in the way and manner which has prevailed up to this time. It is highly questionable whether this sum is needed, considering the vast sums already in the Treasury.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. MAY. The gentleman is a member of the Ways and Means Committee, I believe?

Mr. GIFFORD. Oh, no; I am not a member of any such important committee.

Mr. MAY. Whether the gentleman is or not, I understand there is a proposal being suggested in an indirect way that something will be brought in the form of a tax bill, or an amendment to some tax bill, that would authorize the Federal Government to require all of the States to surrender their unemployment-insurance funds to the Federal Government to become a powerful Federal agency. I just wanted to bring that out.

Mr. GIFFORD. As a part of my written remarks, I will give a full explanation of the immediate conditions in which we find ourselves because of recent faulty legislation, but I shall not take the time here. There was apparently a mistake made in an appropriation bill last year. It was supposed to have been corrected in one of the proposed tax bills, but it seems to have escaped proper attention. By the addition of a few words in an appropriation bill, it was assumed by the Social Security Board that they could—and they consequently did—give notice that after January 1, 1942, they would take complete control of all State employment agencies.

Mr. MAY. I think if the gentleman will pardon me for the suggestion, each of us ought to appoint himself a vigilant committee of one to watch out for these stealthy things by which they will absorb all the powers of the States.

Mr. GIFFORD. If you will read the recommendations of the Social Security Board, you will see that it wishes to reach out for such further powers; and also to increase its funds to a huge amount, and then demand that your State pay benefits such as it thinks liberal, proper, and even uniform amounts. It may say that Georgia should pay the same as Massachusetts without reference to climatic, industrial, or financial conditions. In the State of Georgia it is reported that old people can get but $8 a month by way of pension, although the Federal Government would pay one-half the allotted amount up to $30. My State often gives more than $30 out of its own funds. This difference seems to furnish real enthusiasm for the Social Security Board to make Georgia pay more, and take the funds from Massachusetts. As that scheme progresses, a few States would bear the great burden, really belonging to many others. We are familiar with the present method. The Federal Government pays half. Paying $30, Massachusetts pays two-thirds and the municipality only one-third of the other half.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. WIGGLESWORTH. Is not this just another step in the pattern which threatens complete federalization of the whole picture?

Mr. GIFFORD. That is what I am trying to make clear. I am sounding a warning note. Under the plea of insufficient funds, it is now proposed to spend $300,000,000 in behalf of those who are put out of employment because of the conversion of plants for war purposes. There is already an accumulation of two and one-half billion dollars in the social-security fund. We may recall one of the attractive features of social security presented to us in its inception. It was that a large fund would flow into the Treasury of the United States and be invested in

3-percent Government bonds. It was well known that there were 3-percent bonds out at that time; therefore, new bonds would have to be issued, and new money made available to the Treasury. There these bonds lay. The money has been spent. It was a scheme, as was acknowledged by certain enthusiastic persons, to wipe up the entire debt of the United States by means of those funds. It was actually estimated at one time that it would amount to perhaps some $48,000,000,000. This scheme apparently appeared to many as more important than social security itself. It was whispered that some high in authority hesitated to endorse social security until this brilliant plan to use the funds was unfolded. As to a special fund to take care of those put out of employment because of plant changes, I might suggest that even Michigan already has about $110,000,000 to her credit, and the labor unions have some millions, supposedly for relief purposes.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. MAY. I understand that there is a provision in the Social Security Act which authorizes the investment of the surplus funds in Government bonds.

Mr. GIFFORD. Only in Government bonds paying 3 percent, of which it was well known there were none out to be bought and invested in. It was one of the very shrewd plans of the inventors.

Mr. MAY. If they can invest all of those funds in Government bonds to carry on the war program, or any other program, and they have to pay these benefits to the beneficiaries, what is going to happen to them when the time comes when we have not got any cash and have only got Government bonds?

Mr. GIFFORD. Oh, I fail to see any great difference between the Government and individuals. If I pay money to the gentleman as a trustee to take care of me later on, will the gentleman invest that money in his own promissory notes? Is that the kind of a trustee he would be? But some people say that the Government is "so different." The Government to me is no different, and should have no advantages not granted to its own citizens in such matters.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. RICH. A few moments ago the gentleman from Alabama [Mr. PATRICK] made the statement that at this time, under the war hysteria, it was necessary for the Government to come in and do certain things, but was not the real start of trying to get everybody to take everything that the Government offered to them, back when this administration was born in 1933, and they have been trying to get the American people to take everything from the Government, and now they have got the American people into a position where they cannot get that stopped?

Mr. GIFFORD. We wonder what we are coming to. I can only hope we are "coming to."

Mr. CARLSON. I think the gentleman is making an ideal speech, because tomorrow the Ways and Means Committee will begin hearings on this important subject, and I think it is the duty of every Member to inform himself as to what we believe to be the policy of this administration.

Mr. GIFFORD. I am putting this in the RECORD today because I wanted it to appear before that bill is reported.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. ROBSION of Kentucky. We have been collecting 1 percent, and have we reached now to 3 percent that we take from the employees and the employers of the country under the Social Security Act? Have we taken the full amount of 1 percent from each, and are we up to the 3 percent? Have we reached the 3 percent?

Mr. GIFFORD. We let the employees off, as I recall it.

Mr. ROBSION of Kentucky. What amount has accumulated?

Mr. GIFFORD. There is two billion and a half dollars in this fund.

Mr. ROBSION of Kentucky. I see quite a lot in the press, and perhaps also from the Secretary of the Treasury, and some of the higher-ups have pointed out that we increase that to 6 percent from the employees, and 6 percent from the employers, making 12 percent.

Mr. GIFFORD. Exactly. Would not that be a way to get new money to invest in new bonds?

Mr. ROBSION of Kentucky. If we have actually two and a half billions, what is the necessity for doubling this amount?

Mr. GIFFORD. To have it to spend. A good time to capture a portion of the present high wages, under the plea of saving for future needs. Sounds plausible, does it not?

Mr. ROBSION of Kentucky. Is not the purpose to funnel the money in, in the idea of social security taxes, for the Government to expend as it comes in and leave I. O. U.'s in place of the money; is that not it?

Mr. GIFFORD. That is exactly it.

Mr. WILLIAM T. PHEIFFER. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. WILLIAM T. PHEIFFER. Does it not seem rather paradoxical to the gentleman that at a time when the administration is saying we must decentralize the activities of the Federal Government in Washington, with the other hand it is reaching out trying to bring in more functions which really belong to the States, to the city of Washington, and does that not clearly indicate that there is something more sinister back of the whole situation?

Mr. GIFFORD. It does, indeed. And we Congressmen will be held to account by our States pretty soon. Six New England Governors demand of me and our representatives here to take action in this matter. They should be represented, and in no half-hearted manner.

Mr. CARLSON. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. CARLSON. The gentleman from Kentucky [Mr. ROBSION] suggested the total amount that might be collected from social security. Let us not get this confused. The gentleman from Massachusetts is talking about unemployment insurance, and that fund collects only from the employers 3 percent; nothing from the employees.

Mr. GIFFORD. Yes.

Mr. ROBSION of Kentucky. But the money to pay pensions for old age is taken from the workers as well as the employers, and that is the fund that has accumulated two and one-half billion.

Mr. GIFFORD. That is true.

Mr. HOUSTON. Will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. HOUSTON. The gentleman spoke a moment ago about the expense to the Federal Government. Would the gentleman from Massachusetts be in favor of repealing the $130,000,000 mail subsidy now given newspapers and magazines—nondefense? It might help a little.

Mr. GIFFORD. I think I would, if the gentleman does.

Mr. HOUSTON. I certainly would. I am glad to hear that the gentleman agrees with me.

Mr. GIFFORD. I say I probably should. My promise is given with a string attached to it, however; I am not fully informed as to what motive prompts the gentleman's viewpoint.

Mr. HOUSTON. The gentleman is not in the b'ar trap.

Mr. GIFFORD. It sounds attractive, but I am cautious in dealing with the gentleman.

Mr. PATRICK. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. PATRICK. Does the gentleman favor repealing all social security and all these other pension plans as an outright method of legislation? Is that the purpose that the gentleman has in mind?

Mr. GIFFORD. No. I have a suit that was made for me to wear. I must wear it. I must protect myself in it and from it, if necessary. But I must watch what is put in or taken out of its pockets. You read much of so-called unemployment rackets. Investigators are reporting shocking conditions. Quoting from the New York State department, "$2,000,000 lost last year through fraudulent cases." If I stress this, some may argue that as a reason for Federal supervision. The dishonest are learning fast. Crooked politicians are learning its possible uses for their own evil ends. Is he an honest employer who says to the lady, "Work up to the day you are to be married and then you will get 26 weeks' compensation after that for your honeymoon expenses"? Many and complicated schemes of evasion are practiced.

The possibilities of political control and manipulation are rather frightening. The administration of this needs the right people having knowledge of local conditions and the individuals to be dealt with. Leave it to a far-flung bureau in Washington to send strangers into a community to harass our citizens or to determine how much your neighbor shall receive in benefits—I cannot endure the thought of it.

I attended a meeting last month of the town fathers of my State held in Boston.

It was an interesting meeting. I pleaded with those town fathers, called the selectmen because we select them in town elections to resist at all times any encroachment of State control. We select these people because of their real fitness and their good judgment and not because they have passed some civil-service test.

As I pleaded with them to resist State control, I plead with you today that we Representatives of our States resist in every possible way this creeping centralization of power over our States by the Federal bureaucrats here in Washington. Even if they could make it more efficient, still resist.

I have often before said:

An inefficient democracy is devoutly to be preferred over an efficient dictatorship.

Our six New England States will always continue cheerfully to contribute, by gift or through taxation, to relieve any unusual misfortunes befalling any other section of our Nation, whether these be by drought, earthquake, or grasshopper devastation. However, we do object to a permanent and never-ending siphoning off of our hard-earned resources, which are and will be badly needed by our own citizens who have made the contribution for their own protection.

In all matters of national defense we willingly submit to any reasonable demand, even though present methods of taxation constitute a disproportionate drain upon us.

My plea today is based essentially on our domestic economy with an urgent appeal to you to resist bureaucratic control of functions which essentially belong tc the several States. Such rights taken from us tend only to break down morale and make us a nation of subservient citizens. That is too great a price to pay in return for the very doubtful efficiency claimed by those now seeking to usurp this authority.

I offer an explanation of the present unfortunate interpretation of recent legislation:

ACT PERMITTING FEDERALIZATION OF STATE EMPLOYMENT SERVICES

Public Law No. 146, Seventy-seventh Congress, entitled "An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1942, and for other purposes," approved July 1, 1941, contained a provision which would permit the federalization of State employment security agencies.

The language referred to was added at the end of the paragraph appropriating $62,500,000 to the Social Security Board for grants to States for unemployment compensation administration, and was as follows:

Provided further, That such portion of this appropriation as may be necessary shall be available to the Social Security Board for all necessary expenses incurred by the Board, including personal services in the District of Columbia and elsewhere, in connection with the operation of employment office facilities and services essential to expediting the national defense program.

The far-reaching clause in question was added to the appropriations bill without any debate or discussion whatever of its meaning and importance, or of the merits of Federal versus State operation of the employment services.

The proviso in question was subsequently modified by an amendment offered by Senator DANAHER, of Connecticut, on September 4, 1941, to the tax bill, and passed by the Senate, which would have repealed the latter portion of the provision, beginning with "and elsewhere."

On September 5, 1941, the following amendment to be added at the end of Senator DANAHER'S amendment was submitted by Senator HAYDEN, of Arizona, and agreed to by the Senate:

For the purposes described in the last paragraph of the part of this act relating to the Social Security Board.

For your information, the last paragraph of the part of this act relating to the Social Security Board is—

That in case any State employment service is found unable to render adequate service in connection with the fulfillment of this program, this appropriation shall be available, subject to the approval of such Administrator, for maintenance of special employment facilities and services.

The foregoing amendment was referred to the conference committee handling the tax bill and by agreement of the committee, this amendment, together with many others, was to be eliminated but subsequently to be revived through a separate bill.

EXTENSION OF REMARKS

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a report of the Institute of Living Law on the McKellar-Sumners bill.

This will take three and three-fourths pages, according to an estimate I have received from the Public Printer, and will cost $168.75 to print.

The SPEAKER pro tempore (Mr. RAMSPECK). Is there objection to the gentleman's request to extend this matter in the Appendix of the RECORD notwithstanding the fact it exceeds the two-page limit?

There was no objection.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Massachusetts [Mr. HEALEY] is recognized for 20 minutes.

THE TEAMSTERS' UNION AND STRIKES

Mr. HEALEY. Mr. Speaker, on February 3 the gentleman from Michigan [Mr. BRADLEY] made a speech to which I desire to reply. I called the gentleman from Michigan yesterday on the telephone and told him I had secured time today to respond to his statement. I requested him to be present, but he is unable to be here, I understand, due to an important engagement.

I wish to include in my reply today a letter I received from Mr. Tobin, president of the International Brotherhood of Teamsters, which, in my judgment, is a complete refutation of the charges made by the gentleman from Michigan.

Under the heading "Labor troubles" the gentleman from Michigan said:

LABOR TROUBLES

Mr. BRADLEY of Michigan. Mr. Speaker, some time ago this House passed what was known as the Smith bill. Immediately the membership was made the target for much abuse by the labor unions, and we were told there was no necessity for the Smith bill because labor was going to behave—the unwise and more or less radical labor leaders were going to behave.

We find on the Pacific coast today that the welders are out on strike, effectively tying up the shipbuilding defense industries out there. But, further than that, may I say this? I have before me a telegram received from the Detroit Livestock Association wherein they call my attention to the fact that the teamsters' union in Detroit now threatens to tie up all the meat supply in the city of Detroit, thereby depriving 70,000 farmers of an outlet for their livestock. This food is not only furnished to the people of Detroit, but also is supplied to the soldiers and sailors in the uniform of this country.

Mr. Speaker, it is about time for this Government to stand upon its hind legs and tell these radical labor leaders where to get off before it is too late.

Read this telegram carefully and note the unsound, unfair, and totally unpatriotic un-American position assumed by this teamsters' union.

I will also read the telegram referred to by the gentleman from Michigan, which he included in the Appendix of the RECORD of February 3. The telegram reads as follows:

DETROIT, MICH.,
VIA ROGERS CITY, MICH.,
January 31, 1942.

Representative FRED BRADLEY,
Washington, D. C.:

We have been requested to negotiate with the Teamsters Union, No. 337, at Detroit, Mich. We have 71 employees eligible for membership. These companies requested an election which was flatly refused by the union and a strike threatened for Sunday night. In order to determine for ourselves, a fair, impartial election was held Saturday night with 59 against the union, 3 for, and 9 absent. A strike and violence is still threatened for Sunday night, February 1. Approximately 80 percent of the livestock for the city of Detroit passes through these yards. We supply packing houses who deliver to Army camps and stations Around 1,500 individual trucks deliver livestock to this stockyard weekly Stopping these trucks will deprive 70,000 farmers of an outlet for their livestock. We have no objection to dealing with a union that represents our employees. We should, however, not be coerced into forcing them into a union they do not want. A strike would tie up the meat supply of Detroit. Your efforts on our behalf to prevent this catastrophe are urgently solicited.

DETROIT LIVESTOCK ASSOCIATION,
J. J. KIDDON *President.*
W. J CHAMBERS, *Secretary.*
BISHOP, HAMMOND & CO.,
RIDLEY & MARSHALL,
MICHIGAN LIVESTOCK EXCHANGE.

From this telegram the gentleman from Michigan drew the conclusions I have just read. I want to emphasize again that part of his statement: "Read this telegram carefully and note the unsound, unfair, and totally unpatriotic, un-American position assumed by this Teamsters' Union."

Mr. Daniel J. Tobin, a man for whom I have the highest regard and highest

respect, a man whom I think is a great American statesman among labor leaders, has written a letter to me. I think it only fair and in accordance with best American tradition that both sides of the controversy and all of the facts should be included in the RECORD. I have therefore asked for this time in order that I may read into the RECORD the answer of Mr. Tobin to the accusations contained in the speech made by the gentleman from Michigan and the telegram from the livestock dealers.

I read from Mr. Tobin's letter:

INDIANAPOLIS, IND., *February 6, 1942.*

Hon. ARTHUR D. HEALEY,
Member of Congress,
New House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: In picking up the CONGRESSIONAL RECORD of Tuesday, February 3, 1942, I noticed on page 976 a statement by Congressman BRADLEY of Michigan, making an unjustified attack on labor, and especially on the International Brotherhood of Teamsters.

In his remarks he states that the Teamsters Union in Detroit now threatens to tie up all the meat supply in the city of Detroit, thereby depriving 70,000 farmers and cattle raisers of a market for their livestock.

This statement appearing in the CONGRESSIONAL RECORD is so untrue and unjust that it is impossible to understand how a man elected by the people of Michigan and endeavoring to legislate for our country can be so loose in his expressions which, I repeat, are distinctly untrue. This great industrial disturbance brought to the attention of the Congressman and inserted in the CONGRESSIONAL RECORD consists of a strike of 11 individuals. There are 5 truck drivers involved, 3 of them members of the union. They have been refused recognition by their employer. There are 6 others involved who work taking care of cattle and hogs, loading and unloading them onto trucks. There is no stoppage of farm trucks or any other conveyance hauling cattle, hogs, or sheep into the pens at Detroit. After the farmer unloads his stock it is taken over by the stockyard owner who, in turn, sells it to the packers or slaughterers. After that transaction the union enters into the picture and has succeeded in organizing a majority of these employees. Only 1 broker, or stockman, has refused to recognize the union. This involves as stated above, all told, 11 individuals. This is the great industrial disturbance referred to by Congressman BRADLEY of Michigan.

I might state that there are 600,000 members in the Teamsters Union, and we have less than 300 members out on strike throughout the country. I think that is a record incomparable in the history of organized labor in this or any other country.

A certain Congressman from one of the Southern States mentioned my name and the name of the International Brotherhood of Teamsters because of a strike of truck drivers in the Southern States. The company involved and referred to was the Mason and Dixon's line. The strike took place long before our country became involved in the war. It was on for 3 months. The men involved were American citizens of the highest type, and they were endeavoring to obtain a wage through their organization somewhere near the wage enjoyed by those north of the Mason and Dixon's line. After 3 months of suffering, struggle, and hardship, during which time the international union spent thousands of dollars supporting the strikers and their families, the strike came to an end and the employers granted most of the conditions requested by the strikers, and now peace, understanding, and harmony exist between these employers and their employees.

Let me remark in passing that I understand this particular trucking concern operates trucks along the Atlantic coast from the Southern up into the Northern States and that a different wage was being paid chauffeurs or truckmen in the northern part of the territory covered than in the southern part. The drivers of these trucks drive mostly throughout the night when other people are sleeping. They have to drive these tiresome, wearisome miles in all kinds of weather—the toil on their mental and physical faculties is just as great driving below the Mason and Dixon's line as it is driving above that line. It is incomprehensible to me why this trucking concern paid a higher wage in the northern part of the territory than in the southern part of the territory. It would seem to me these men had the occasion and the right to use their collective strength in trying to redress what they believed to be a discriminatory wrong.

I read further from Mr. Tobin's letter:

It is indeed unfortunate that before they begin to assail an organization of workers they do not endeavor to find out the true facts in the case. No reference has been made by any Congressman to what the International Brotherhood of Teamsters is doing toward keeping peace and continuing to establish confidence between employers, the workers, and our Government. Some months ago on my order, speaking for the International Brotherhood of Teamsters, I insisted that our people in the Middle Western States, involving nearly 70,000 drivers and helpers, go before a governmental tribunal and submit their differences to arbitration. The membership involved complied with my request, and a great service was rendered to the Nation by those involved continuing employment pending arbitration for a period of nearly 3 months, when otherwise the entire trucking industry of 11 Middle Western States might have been tied up.

The intervention by Mr. Tobin on the occasion of this threatened tie-up, the abandonment of their right to strike, and the submission of their grievances to arbitration strikingly demonstrates the character of the leadership of Daniel J. Tobin and the entire willingness of his organization to follow that unselfish, patriotic type of leadership.

In my judgment, he and his organization are entitled to the commendation of Members of Congress and the American people rather than unjust and unfair criticism.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. HEALEY. I yield.

Mr. BOLAND. Is it not a fact that Mr. Tobin is probably making one of the greatest contributions to the peace of the labor movement of any other man in it?

Mr. HEALEY. I heartily agree with the gentleman from Pennsylvania. As I previously stated, I am of the opinion that he is a real statesman among labor leaders.

I am writing you because of the injustice done us and the misinterpretation placed upon our actions. There is no organization in America that has endeavored to support our Government and its institutions more than the International Brotherhood of Teamsters. There is no organization in America, social, religious, or fraternal, that has done more to establish freedom for the workers of the Southern States than the International Brotherhood of Teamsters. We have pledged to our Government in this great crisis everything we have in loyalty, finances, and sacrifice. If we are compelled, once in a while, to use our economic strength against an unjust employer who believes in tactics of the past ages, you can rest assured it is because there is no other way out. We employ our economic strength calling for a stoppage of work only with the consent and upon the request of those involved, and only in nondefense employment.

If anyone questions our loyalty or sincerity, may I call to your attention a letter, copy of which is enclosed, sent to the President of the United States, which speaks for itself. I repeat that every local union of the International Brotherhood of Teamsters, as well as the international union itself, is ready and willing to place their resources, without recompense, at the disposal of the Government of the United States in order that we may help in our small way to save our Nation and the world from destruction.

Our organization, through its constitution, forbids membership to Communists or those who believe in the overthrow of our Government by revolution or other unknown means. The International Brotherhood of Teamsters is composed of 600,000 citizens of the United States, and they and their families deeply resent the unjust insinuation of Congressmen who seem to take delight in reading into the RECORD anything that might have a tendency to throw suspicion on organizations of workingmen and women of the Nation and their families. Such actions by those who make no sacrifice but take advantage of their position has a tendency to create lack of confidence in our Congress and discontent and mistrust in the minds of the toilers of our Nation.

Sincerely yours,

DANIEL J. TOBIN,
General President.

Mr. Speaker, inasmuch as any attack has been made on the patriotism and loyalty of this great organization, I want to read a letter which Mr. Tobin addressed to the President of the United States:

INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN, AND HELPERS OF AMERICA,
Washington, D. C., February 5, 1942.

The Honorable FRANKLIN DELANO ROOSEVELT,
President of the United States,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: At a meeting of the general executive board of the International Brotherhood of Teamsters, held on January 29, 1942, I was instructed to personally convey to you the following information and action of the board:

The International Brotherhood of Teamsters has now over $8,000,000 in finances. Two million of this amount is invested in United States Defense and other Government Bonds. There remains $6,000,000 in cash. This fund has been created over a period of 30 years by contributions of 1 cent per day per member of the international union. The message that I have been instructed to convey is that this remaining amount of cash in the treasury of the International Union, $6,000,000, is at the disposal of our Government at any interest rate that the Government desires to pay, or at no interest rate if the Government so desires; this money to be held and used by the Government until this world conflict is ended and until peace has

been established throughout the world under the inspiration of God and the leadership of the President of the United States.

The general executive board further adds that it takes this action knowing that unless our country is successful in winning this present struggle our civilization, liberty, and all we have will be destroyed. Secondly, we hope that by this action we may influence other labor unions, individuals, and corporations that have large amounts of money to act likewise, so that we can all join in helping toward the reestablishment of world safety and relieve, if possible, future generations from enormous taxation which must obtain as a result of tremendous interest rates on Government indebtedness.

Very sincerely yours,

DANIEL J. TOBIN,
General President.

Mr. Speaker, in view of this unselfish offer, I ask how anyone can sincerely attack the loyalty, patriotism, and the Americanism of this great organization? I think it is commonly known by the people throughout these United States that this organization has had no serious labor trouble, that under the splendid and patriotic leadership of Daniel J. Tobin they have in every way submitted to reason, to logic, and to arbitration in the settlement of their disputes, when one little isolated event such as described by Mr. Tobin occurs involving, as he says, 11 employees, to have this organization and its leadership impugned and their patriotism and loyalty questioned, seems to me entirely unreasonable. It is my opinion that when men on this floor make accusations they ought to have regard for the accuracy of those accusations, they ought to be interested not only in making the accusations but also in the accuracy of the facts they rely on to support the same.

I have taken this time in order that I may spread upon the RECORD a defense to the charges that were made by the gentleman from Michigan [Mr. BRADLEY] the other day.

Mr. SMITH of Virginia. Will the gentleman yield?

Mr. HEALEY. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. I am in thorough accord with the gentleman from Massachusetts. It is a splendid thing when anyone is attacked on the floor that someone will do as the gentleman from Massachusetts has done, bring the other side of the question to the attention of the House. In the interest of that policy and for a better understanding of the organization which the gentleman is now defending, I would suggest that he also bring to the attention of the House an explanation from Mr. Tobin of the widespread complaint from the farmers of this Nation of boycotts that are being put on by the Teamsters' Union to prevent the movement in interstate commerce of farmers' produce where the drivers of the trucks happen to be employees of the farmers or where for some other reason they do not choose to join Mr. Tobin's union.

I can cite the gentleman a couple of instances and he may very well bring to the attention of the House the explanation, if any, that Mr. Tobin may have of those instances. I refer specifically to the case now in dispute before the War Mediation Board of the Yakima Valley apple industry, where those farmers out there have been unwilling to give a closed-shop union agreement to apple pickers. They want the members of their own family, their wives and children, to pick the apples in the busy season, but by reason of that spirit of American independence the Teamsters' Union has put a boycott on the movement of those apples in interstate commerce, so it is alleged.

Mr. HEALEY. The gentleman is taking an awful lot of my time.

Mr. SMITH of Virginia. I think this is a very worth-while discussion.

[Here the gavel fell.]

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 10 additional minutes.

Mr. HEALEY. No; I do not need that. I want just 3 minutes, when the gentleman has completed his statement.

The SPEAKER. Without objection, the gentleman from Massachusetts [Mr. HEALEY] is recognized for 3 additional minutes.

There was no objection.

Mr. SMITH of Virginia. I think it would be healthy for the labor unions of this country and for the country itself if instances of that kind which apparently on their face are so flagrant and result in such an injustice to the farm element of this Nation, were brought to the attention of Mr. Tobin, and if the gentleman from Massachusetts would give us an explanation of them, if there is a just explanation.

Mr. HEALEY. May I say to the gentleman that he perhaps has answered his own question when he says this whole dispute has now been laid before the War Mediation Board, where it will be decided on reason, logic, and merit. The fact that this organization has consented to lay before that tribunal this whole controversy, and is apparently willing to abide by whatever decision this tribunal will make under the circumstances, indicates just what I have been attempting to say about this organization and its great leader, that it has demonstrated a willingness at all times to submit these disputes to a fair tribunal.

Mr. WELCH. Will the gentleman yield?

Mr. HEALEY. I yield to the gentleman from California.

Mr. WELCH. The Teamsters' Union of San Francisco, which is one of the largest locals in the United States, and a part of Mr. Tobin's organization, has not had a strike in over 40 years.

Mr. HEALEY. I thank the gentleman for that contribution. I think the situation that he has described has been characteristic of the policy of this organization.

Mr. SMITH of Virginia. Will the gentleman yield further?

Mr. HEALEY. I yield to the gentleman.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield further?

Mr. HEALEY. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. I mentioned the Yakima Valley merely as an example. What I am talking about is the general situation of boycotting produce coming from farms. If the gentleman would bring us a good explanation from Mr. Tobin of why they boycott this produce and prevent it from moving into interstate commerce, I am sure it would be very helpful.

Mr. HEALEY. Let me suggest to the gentleman from Virginia, for whose acumen, astuteness, and ability I have the highest admiration, that if he is interested in pursuing this situation he take up the matter with Mr. Tobin or present all of the facts of the matter referred to on the floor. I feel quite confident that Mr. Tobin will have a very reasonable explanation to offer.

[Here the gavel fell.]

RETIREMENT BENEFITS FOR MEMBERS OF CONGRESS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks and include therein three editorials.

The SPEAKER pro tempore (Mr. COLMER). Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, there has been a great deal of criticism throughout the United States, in the press, of the action of Congress in providing for itself a system of old-age security or retirement. Some of the Members of the House have become panic-stricken over that criticism and have concluded, too hastily, I think, that the entire country is opposed to the action we took.

On yesterday I placed in the Appendix of the RECORD a splendid editorial from the newspaper Labor, published by the standard railroad brotherhoods, endorsing the action of this Congress. At the same time and in the same insertion I placed a letter from William C. Hushing, chairman of the national legislative committee of the American Federation of Labor. This letter endorses the action of the Congress.

I have here now, and shall include as a part of my remarks, an editorial from the Atlanta Journal of Labor, a publication of the labor organizations affiliated with the American Federation of Labor in my own district, which approves the action we took.

I have also an editorial under date of February 9, 1942, from the Wall Street Journal, which I commend to the attention of the Members of this House. It quotes a very distinguished American citizen who sat in this body for many, many years, the Honorable Joseph Cannon, of Illinois, in reference to conditions existing during his service here. This editorial approves the action the House has taken.

I also have an editorial from the Arizona Daily Star under date of January 22, 1942, which notes with approval the action taken by the Congress.

May I say to my friends in the House that I think they are unduly excited about this matter? Unfortunately, the newspaper reports that have gone to your districts and to mine have been distortions, exaggerations, misstatements, or half truths. When the facts are known to the

people of this country, I am satisfied in my own mind that they will see the fairness and the justness of the action which the Congress took, so I hope you may help in carrying the true facts in regard to this matter back to the people.

I think some of the opposition that has developed throughout the country is simply stemming from the desire on the part of certain interests to destroy the whole program of old-age security for the people of this country. You know and I know that the people of this country are not going to stand for the repeal of the social-security system or the Railroad Retirement Act or the Civil Service Retirement Act or any of the other agencies which we have set up to provide security during old age to various groups of the people. On the contrary, we are going to extend it and extend it until it provides security for every human being in the United States.

[From the Atlanta (Ga.) Journal of Labor of February 6, 1942]

PENSIONS FOR CONGRESSMEN

Since the passage of certain amendments to the Civil Service Retirement Act there have been so many conflicting comments that the public actually cannot know the true meaning of the provisions of this law, which has been in effect since 1920, insofar as a great many of our Federal employees are concerned.

The publicity which has been carried by a great many of our newspapers undoubtedly has created great fear in the minds of the general public. We do not question their motive along this line, but we do believe that a great many writers are discussing a subject that they know little of.

In justice to those who are now being severely criticized for casting their vote for this bill, we should not fail to observe by the new provisions of the act, in order to participate therein, Senators and Congressmen must apply for such participation and become regular contributors to the extent of 5 percent of their annual salaries, and then the benefits which they may receive are determined by the number of years they have served.

We do not seek to argue the merits or demerits of this amendment. However, in justice to those now under attack, we do not believe any of those here in Georgia had any ulterior motive in casting their vote for the amendment. Neither do we believe that RAMSPECK, RUSSELL, or GEORGE will ever benefit financially from the bill. These men, by their acts over a great period of years, have gained the respect and confidence of the people of this State. Let us not attempt to destroy this confidence at a time like this.

The newspapers of this country have contributed more to clean government by turning the spotlight on our lawmaking bodies than any other group, but, with all due respect to them, we think they have been a little too severe in this instance.

[From the Wall Street Journal of February 9, 1942]

PENSIONS FOR CONGRESSMEN

Long ago when this writer was a reporter in the House of Representatives press gallery, he indicated to "Uncle Joe" Cannon of Illinois his disgust with an action which the House had just taken. That fine veteran of legislation gave advice which ran somewhat like this:

"Young man, at your age, it is right that you should be impatient with what was done here today. But if you will watch this Congress over the years, as I have done, you will have more faith in it. Many weak men come here. So do many men of not great intelligence. There are a few venal men. As they go along they do weak and foo'ish things. But over the long run this Congress will do the right thing and it will do the courageous thing. It must be so until such time as the country itself chooses to be weak and foolish."

The incident is recalled by the "bundles for Congress" satirization of the action of Congress in setting up a pension fund for its Members.

It is always good when a Government official is reminded that he should not take himself too seriously. We have had too few, not too many, recent reminders that the Government's power derives from the people and that it is the people's money that the Government official spends. So perhaps the "bundles for Congress" was a healthy sign But if it is a condemnation of the legislative branch of our Government, then it must also be a condemnation of the watchfulness and sagacity of all of us, for we elected these men.

We have not done nearly as good a job in those elections as we might do, but the truth is that we have done a better job than most of us realize and, if one considers the real thought expended on it by the average voter, the job stacks up remarkably well. There are five-hundred-odd Members of Congress. Go into the business world, into the professions, or any other walk of life and choose 500 men. See if for all-around intelligence, diligence, and knowledge of their work, they match the American Congress. We doubt if they will

True, there are time servers and there are demagogues in Congress. There are also men who work at their tasks and become experts and mostly the general public never hears of them and never thinks to honor them A good many of these men have served well for long years and retired poor. Undoubtedly they had and rejected opportunities to find financial security for themselves. Some but not a great many, recoup their fortunes by becoming lobbyists. Some are frankly lame ducks, glad to get a minor governmental appointment.

If we would consent to pay our legislators more, we would get better legislators. If we are not willing to do that, why should we not lift from the men from whom we expect independent action, the specter of poverty for themselves and their families? We do it for judges and for the employees of State, Federal, and city governments. Why not also for Members of Congress?

[From the Arizona Daily Star of January 22, 1942]

PENSIONS FOR CONGRESSMEN

While the full provisions of the legislation now before Congress are not known, the proposal to pension Congressmen when they reach the age of 62 years has considerable merit, both social and political.

As a social question, the Congressmen, particularly those who have served long years, ought to be entitled to a pension just like other Government employees. While civil-service employees contribute to their pensions by monthly deductions from their pay, the Government does make an additional contribution. Surely the same contribution the Government makes to other employees ought to be allocated to pensions for Members of Congress. Most of the Members of Congress face exactly the same old-age contingencies faced by other employees of the Government. Moreover, most of them have years of service behind them, just like other employees. Members of Congress also face regular campaign expenses which ordinary Government employees do not have to meet.

The pensioning of Congressmen, however, has a political aspect that is of more importance, possibly, than the purely social one. When a Congressman knows that he can retire on a pension in case of enforced retirement by the voters, there is a possibility that he will be more independent and seek to make correct decisions as distinguished from vote-getting ones.

At the present moment most Congressmen, particularly Members of the House, who are elected for only a 2-year term, must continually face the prospect of defeat. For most of them this is a serious matter, because they have no other means of earning a living. Most of them are too old to learn a new way Their jobs are "bread and butter" jobs; consequently they seek to keep their jobs by making a play for the necessary votes. This means, in turn, that for the sake of votes they must deliberately do things which they know are wrong. If, on the other hand, they know they would have a pension in case they were defeated at the polls, they might be encouraged to place the welfare of the country ahead of their own personal welfare.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota [Mr. CASE] is recognized for 5 minutes.

A CENTRAL DEFENSE COMMAND

Mr. CASE of South Dakota. Mr. Speaker, despite what the gentleman from Georgia has said, I am still of the opinion that it was a sorry day for this Congress and for the country when a system of retirement benefits was set up at this time for the Members of Congress. I fully agree with the other distinguished gentleman from Georgia who the other day said the passage of this legislation will plague and harass this Congress in its consideration of other pension matters and many other questions that will arise during the remainder of the session. I voted against congressional pensions the only time that has come to a vote during my membership here and regret that, because of committee work, I was not on the floor when action was taken by consent, as I certainly would have objected. I have introduced a repeal bill, which I hope will be reported and passed.

However, Mr. Speaker, I did not ask for this time to speak on that subject. I wish to speak at this time on the subject of a central defense command for our armed forces.

Much has been said about the need for a unified command. The Army and Navy have taken steps toward it. Most people, however, find it is easier said than done.

There is a constitutional problem. The President is Commander in Chief of the Army and Navy.

There is a Cabinet problem. With only one Department of National Defense, whom would you throw out of the Cabinet, the Secretary of War or the Secretary of the Navy?

There is a practical problem, How reshuffle while the war is on?

Then there is the air problem. How recognize its power and importance without increasing independence rather than the integration needed for unity of command?

Then there is the production problem—materials, labor, and new weapons. How insure that the problems of production, so great in modern war, will be properly evaluated and met in a unified command?

So most of us at one time or another have been in the state of mind of the

shiftless man who could not repair his roof when it was raining and did not need it when it was not.

Now, I am not smart enough to give the final answers to these questions, but a combination of incidents has made me bold enough to put into the form of a bill some thoughts I have had on the subject, which I hope will be helpful in the present situation.

The proposal I have in mind would create a central defense command which might be described, as one Member has suggested to me, as a joint general staff of Army, Navy, and air forces under a deputy commander in chief. I see before me members of the Military and Naval Affairs Committee, and I hope they will take the opportunity to read the text of the proposal which I shall ask permission to insert by extending my remarks.

The plan contemplates a central defense command, commanded by a deputy commander in chief, who would, of course, be appointed by the President as Commander in Chief and be responsible only to him.

This central defense command would have a membership representing six different groups, one representing liaison and budget, four representing the several departments of the General Staff of the Army, G–1, G–2, G–3, and G–4, with a representative in each group from each one of three services, Army, Navy, and Air, and a sixth group with representation on the central defense command representing production and representing there the under secretary of the several departments.

This central defense command would, in turn, create such zone defense commands as it might deem necessary, one, two, three, four, five, or six, or whatever number might be necessary to cover the task of the defense problems of the country. The same representation would exist on the zone defense commands as is proposed on the central defense command. Each zone command would have a zone commander who would be responsible only and directly to the central defense command.

The problem of air unity is met by proposing a merger of the Army air forces and the Navy's Bureau of Aeronautics. These would be combined in a department of air force but would be integrated with the Army and Navy through the medium of the central defense command headed by the deputy commander in chief.

The problem of integrating production is met by giving Army, Navy, and air representation on the central defense command through the respective Under Secretaries of each of the three Departments.

The problem of practicability is met by not trying to do too much. There will be no wholesale reshuffling, no revolutionary interruption. The suggestion is to adapt the genius in the method of the Reorganization Act, adding Members of Congress to the central defense command as a council of defense reorganization to make findings and propose plans of reorganization if, as, and when they find them necessary.

In order that you may have the proposal in convenient form, I ask, Mr. Speaker, unanimous consent to extend my remarks at this point and give my proposal in detail.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. My proposal is to create one central defense command, with subordinate zone defense commands, to coordinate and unify the activities of the Army, Navy, and air forces of the United States.

The text of the bill I propose to introduce follows:

STATEMENT OF PURPOSE

The Congress declares it to be a matter of national welfare to coordinate the activities of the Army, Navy, and air forces of the United States in all theaters of operation in order to insure the maximum effective use of all branches of the armed forces in war and in peace. This act is intended to accomplish this purpose by the specific legislation herein provided and by the provision for a Council of Defense Reorganization.

TITLE I—CENTRAL DEFENSE COMMAND

SECTION 1. (a) There is hereby created a Central Defense Command, to consist of a deputy commander in chief and 18 members. The Central Defense Command shall have the authority and responsibility to perform the military, naval, and air force activities assigned to it by the commander in chief or his deputy, and to coordinate and direct the activities and operations of the Army, Navy, and air forces of the United States.

(b) The deputy commander in chief shall be appointed by the President of the United States, to hold office at the pleasure of the President, and he shall be deputy commander in chief of the Army, Navy, and air forces of the United States and head of the Central Defense Command. He shall be paid the salary of his rank, plus 10 percent of the amount thereof, and shall have authority to detail for services in his office such persons from any branch of the armed forces of the United States as he may desire.

(c) The Army, Navy, and air forces of the United States shall each have one member on the Central Defense Command for each of the six functions following: Liaison and budget, personnel (G–1); intelligence (G–2); operations and training (G–3); supply (G–4) and production. The Chief of Staff of the Army, the Chief of Naval Operations, and the chief of the air forces respectively, shall designate their member of the Central Defense Command for each of the six functions enumerated, and, in the case of the four functions G–1 to G–4, those designated may, but need not be, the respective deputy chiefs of staff for these functions. The respective chiefs of staff or a deputy shall be the liaison and budget member on the Central Defense Command for their respective branches. The Under Secretaries of War, Navy, and air force departments, or an executive assistant, shall be the production member on the Central Defense Command for their respective branches.

TITLE II—ZONE DEFENSE COMMANDS

SECTION 1. It shall be the duty of the Central Defense Command to create zone defense commands in such number and covering such geographical areas as it deems necessary and desirable to provide for the national defense and to carry out the purposes of this act. All components of the armed forces of the United States shall be under the direction of the zone defense commander covering the area in which they are operating.

SEC. 2. (a) Each zone commander shall be head of the zone command and shall be designated by the Commander in Chief or his deputy with the advice of the Central Defense Command and shall hold that position at the pleasure of the Commander in Chief or his deputy. He shall be paid the salary of his rank, plus 10 percent of the amount thereof, and shall have the authority to detail for services in his office such persons from any branch of the armed forces in his zone as he may desire.

(c) The 18 members of the Command shall be designated by the respective zone chiefs of staff for Army, Navy, and air force operations, each chief of staff designating 1 member for each of the 6 functions represented in the Central Defense Command, namely: Liaison and budget; personnel (G–1); intelligence (G–2), operations and training (G–3), supply (G–4), production.

SEC. 3. The zone commander and the members of the zone command shall have the powers, duties, and responsibilities within their zone that belong to the deputy commander in chief and members of the Central Defense Command. They may create such subdivisions of the zone and establish such subzone commands as they deem necessary to achieve the purposes of this act and insure a unified direction of the activities of the armed forces of the United States.

TITLE III—DEPARTMENT OF AIR FORCE

SECTION 1. There is hereby created a Department of Air Force, the head of which shall be the Secretary for Air, and he shall be a member of the Cabinet of the President of the United States, with the same powers, rights, duties, responsibilities, and compensation as the Secretary of War and the Secretary of the Navy in their capacities.

SEC. 2. There is hereby transferred to the Department of Air Force the air forces of the United States Army and the Bureau of Aeronautics of the United States Navy. The Secretary for Air is authorized and directed to organize the air forces of the United States similar to the Army of the United States to the extent he deems necessary to provide for carrying out the following grouping of functions: Liaison and budget; personnel (G–1); intelligence (G–2); operations and training (G–3); supply (G–4); production.

SEC. 3. Enlisted men and officers of the air force shall be entitled to the same pay, emoluments, and retirement benefits or compensation, hospitalization and domiciliary care, including medical treatment, as is now provided for enlisted men and officers of the corresponding grades in the Army: *Provided*, That this shall not be construed to deprive any person of any rank or benefits to which he may be entitled in his present branch of service.

TITLE IV—COUNCIL OF DEFENSE REORGANIZATION

SECTION 1. There is hereby created a Council of Defense Reorganization which shall be composed of the Central Defense Command, together with 16 Members of Congress, who shall be 2 members each from the following committees in both the Senate and House of Representatives, to be named by the presiding officer of each body: Military Affairs, Naval Affairs, Appropriations Subcommittee for the War Department and Appropriations Subcommittee for the Navy Department.

SEC. 2. (a) The Council of Defense Reorganization is hereby made an agency of the Congress and directed to find what changes in the organization of the War and Navy Departments, including the Aeronautical Board, the Army and Navy Munitions Board, the Joint Board, the Joint Economy Board, and the United States Council of National Defense are necessary to accomplish the following purposes:

(1) To establish a Department of Air Force and to coordinate the activities of the Army, Navy, and Air Force;

(2) To achieve the maximum effective use of all branches of the armed forces;

(3) To fix responsibility for carrying out national policies and objectives;

(4) To prevent competition and overlapping of activities; and

(5) To increase efficiency and to avoid waste and loss.

(b) The Congress declares that the public interest demands the carrying out of the purposes specified in subsection (a) and that such purposes may be accomplished in great measure by proceeding immediately under provisions similar to the provisions of sections 133 133r of the act of June 7, 1939, known as the Reorganization Act, and authorizes the Council of Defense Reorganization to proceed in like manner to make findings and to submit defense reorganization plans to the Congress: *Provided*, That reorganizations found necessary to accomplish one or more of the purposes of section 2 (a) shall take effect in accordance with the plan upon the expiration of 30 calendar days after the date on which the plan is transmitted to the Congress, but only if during such 30-day period there has not been passed by the two Houses a concurrent resolution stating in substance that the Congress does not favor the reorganization plan

TITLE V—GENERAL

SECTION 1. There are hereby authorized to be appropriated or reappropriated such funds as are necessary to carry out the provisions of this act.

SEC. 2. This act may be cited as the Central Command Act of 1942.

I do not offer the plan as perfect, but offer it as one contribution to thinking on this problem. I have discussed it with many officers of long experience, and I am of the opinion that something along this line is needed. In closing, may I recall Napoleon's maxim:

Nothing is so important in war as an undivided command.

SABOTAGE AND OUR NATIONAL DEFENSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I want to call your attention to the last World War and the Black Tom explosion and other explosions that not only destroyed property and killed human beings but cost the Government billions of dollars, just because we were not careful enough in guarding our industries engaged in national defense. Something happened in my city yesterday, and I still have my doubts as to how it happened even though I am not ready to say that it was sabotage or some other form of conspiracy, but something is radically wrong. The *Normandie* caught on fire at 2:45 yesterday afternoon. More than a hundred people were injured and many are in the hospital today being treated for serious injuries.

This is only one example of what we may expect to happen unless we are on our guard in this country and provide better protection for our industries and our materials and our ships. This must be our business if we are to win this war.

Sometime ago this House was supposed to appropriate about three or four million dollars so that the Secretary of the Navy, in accordance with his judgment, might appoint certain guards for protecting the property of the United States, including shipyards and other establishments, in connection with the defense program. I do not know whether that money was appropriated, but it seems to me we have been a little negligent in failing to give proper heed and attention to the matter.

We hear many conversations around the country about saboteurs, spies, and espionage. We are labeling various people as so-called alien enemies; but, Mr. Speaker, we have a lot of American enemies in this country who, I believe, ought to be guarded and watched as much as the alien enemy within the borders of the United States.

I hope I am wrong, but we are in for a long war, and if we are to preserve and protect the things we hold dear we must place the responsibility for adequate protective measures upon every industry that is carrying on the defense program and every shipyard and dock where there is ship construction. That must be done in order to promote the best interests of this country, if we are not to have more *Normandie* explosions, with many more people being injured.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. CANFIELD. I agree with everything the gentleman has said. Will the gentleman point out to the House how many of the Navy and how many of the Coast Guard men were on that vessel at the time of that disaster?

Mr. DICKSTEIN. They cannot figure it out yet on account of the present confusion. I remember in the last war we had one explosion after another, and we traced it finally to agents of the German Government. Similar acts of sabotage may—and probably will—be attempted again and we have to be on guard. This is no time for tommyrot or fooling around. If we have bad aliens in this country, let us dispose of them in an orderly way and put them away where the American people will feel safe.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mrs. NORTON. Is it not a fact that there was a similar fire about three blocks away from the fire yesterday on the *Normandie?* Does the gentleman know whether or not there has been any investigation of that fire or what caused it?

Mr. DICKSTEIN. There may be an official investigation, and in my own way I am conducting a little investigation, too. I hope to have some information to give to the House very soon. I have taken the trouble to make a number of inquiries, and I am rather suspicious of the whole situation. The fire on the *Normandie* started at 12:45, and in a very few minutes the whole ship was in flames, while everybody was on the ship.

Mrs. NORTON. I think the gentleman is right.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

ALLOWANCES FOR UNIFORMS, ETC.

Mr. MAY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1891) to amend an act to provide allowances for uniforms and equipment for certain officers of the Officers' Reserve Corps of the Army so as to provide allowances for uniforms and equipment for certain officers of the Army of the United States.

The SPEAKER pro tempore. Is there objection?

Mr. ANDREWS. Mr. Speaker, I reserve the right to object. I do this to say to this side of the House that last week there was an agreement on the part of the Speaker, and the Majority Leader and ourselves that we might call this bill up whenever a committee amendment which we recommend would be ready for submission.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. PATMAN. Mr. Speaker, I reserve the right to object, to ask the chairman of the Committee on Military Affairs if anything is being done about increasing the pay of men who are drawing $21 a month, or if anything is being done about paying for their laundry and pressing bills and other things that necessarily go with the service?

Mr. MAY. That matter has been suggested by someone to me, and we have already in the Selective Training and Service Act adopted an amendment offered by the gentleman from Massachusetts [Mr. HEALEY], providing that all draftees or enrollees under the Selective Training and Service Act, after they have served their 12 months, shall receive $30 a month instead of $21 a month.

Mr. PATMAN. I was talking to a young man this morning in the service who drew $21 last month. He said that when they received their $21 in cash for the month they passed several tables which were called deduct tables. The first deduct table was for $6.50 insurance premium from him. The next deduct table in his case was for $2 for picture shows, at 20 cents a show. Then the deduct table for canteen bills, which was $8, and which included drinks, smokes, shoe-polishing materials, razor blades, towels, socks, gloves, handkerchiefs, toilet articles, and things of that nature. Then there was $3.50 for cleaning and pressing uniforms, including shirts, and the laundry bill was $1.50, which left him 50 cents in debt, and had not paid his barber bill. In addition to that, they were soliciting the sale of defense stamps and bonds and contributions to charities at another nearby table.

Mr. MAY. I imagine the gentleman from Texas is having the same sort of experience that I am having, and there is no one in the House who would be more willing to raise their pay than I would.

As soon as we can get a little time from the tremendous job we have in hand we will try to attend to these details. But I would like to call the gentleman's attention to the fact that he is probably one fellow who is a little more extravagant, if it is possible to be extravagant on $21 a month, than some of the others, and that is not a typical case.

Mr. PATMAN. I doubt if you could accuse one of extravagance on $21 a month who spent his money as I have indicated. I respectfully submit that the laundry should be furnished the men,

also the cleaning and pressing of suits, because they are required to be neat and nice in the Army, and since it is required of them, and we want the morale of the men always to be high.

Mr. MAY. I suggest that the best way to handle it is to introduce a bill and bring it to the House Military Affairs Committee, where you will get a hearing.

Mr. PATMAN. May I suggest that the gentleman give consideration to that, because I understand a bill will be introduced, although I will not introduce it, and I hope the gentleman will say now that he will give a hearing on the bill.

Mr. MAY. That will be for the committee to decide, but I am not opposed to a hearing.

Mr. ANDREWS. Will the gentleman yield?

Mr. MAY. I yield.

Mr. ANDREWS. I might point out that after the probationary period is over, the pay goes up from $21 to $31 a month, and after the year is up there is an additional $10 a month bonus.

The SPEAKER pro tempore (Mr. COLMER). Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of May 14, 1940 (Public, No 511, 76th Cong.), be, and the same is hereby, amended to read as follows: "That officers of the Officers' Reserve Corps of the Army shall be entitled to an allowance for uniforms and equipment of $50 per annum upon completion, in separate fiscal years, of each of their first three periods of active duty trainin of 3 months or less, following their original appointment."

SEC. 2. Any person originally commissioned subsequent to September 26, 1941, an officer in the Army of the United States or in any component thereof, except the Army Nurse Corps, from any source except graduates of the United States Military Academy, shall be entitled to an allowance of $150 for uniforms and equipment, which shall be payable, in the case of an officer of the Regular Army, upon acceptance of such commission, and in the case of other officers, when they shall have been ordered to, found qualified, and accepted for active duty in the military service of the United States for a period of more than 3 months within 3 years from the date of, and under their respective original commissions: *Provided*, That any officer of the Officers' Reserve Corps commissioned prior to September 26, 1941, who has received any allowance under the provisions of the act of May 14 1940 (Public, No. 511, 76th Cong.), as originally approved, or who would have been entitled to receive such allowance if he had completed any duty prescribed in the said act and, in either case, who has not completed his first three periods of active duty training of 3 months or less in separat fiscal years following his original appointment, shall be entitled to receive the allowance provided in this section, upon being ordered to, found qualified, and accepted for active duty for a period in excess of 3 months under his commission: *Provided, however*, That any sum which shall have been paid to any officer under the provisions of section 1 of this act or under the provisions of the act of June 3, 1941 (Public, No. 97, 77th Cong), as an allowance for uniforms and equipmen shall be deducted from the amount payable to him under this section: *And provided further*, That payment to any officer of the allowance provided in this section shall disqualify such officer thereafter from receiving the allowance provided in section 1 hereof or section 4 of the act of June 3, 1941 (Public, No. 97, 77th Cong.).

With the following committee amendment:

Page 2, lines 3 and 4, after the word "commissioned", insert "below the grade of major."

The committee amendment was agreed to.

Mr. MAY. Mr. Speaker, the committee amendment as set out in the bill was originally reported, but we found there was some discrimination in it; and upon recommendation we have submitted a committee amendment which I am directed by the committee to offer as a substitute. I offer that amendment now. It is attached to the bill.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Kentucky.

The Clerk read as follows:

Amendment offered by Mr MAY: On page 2, line 15, strike out all after the colon, down through the word "act", in line 5, on page 3, and insert in lieu thereof the following:

"*Provided*, That any officer of the Officers' Reserve Corps commissioned prior to September 26, 1941, shall be entitled to receive the allowance provided in this section, if he has been or shall be ordered to, found qualified, and accepted for active duty for a period in excess of 3 months under his commission:

"*Provided further*, That any sum which shall have been paid to any officer under the provisions of such act of May 14, 1940, prior to its amendment by section 1 of this act."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TEMPORARY PROMOTION OF OFFICERS COMMISSIONED IN THE AIR CORPS

Mr. MAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2182) to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That, in time of war or national emergency declared by the Congress or by the President, any officer of the Regular Army Air Corps, any officer of the Regular Army other than Air Corps who is assigned to duty with any tactical unit, or any installation, or any staff, of the Air Corps, any officer of the Air Corps Reserve or any other section of the Officers' Reserve Corps assigned to duty with any tactical unit, or any installation, or any staff, of the Air Corps, any officer of the National Guard of the United States ordered into the active military service of the United States with an Air Corps unit or assigned to duty with any tactical unit, or any installation, or any staff, of the Air Corps, and any officer directly commissioned in the Army of the United States and assigned to duty with any tactical unit, or any installation, or any staff, of the Air Corps, may be appointed to higher temporary grade not above that of colonel, without vacating his existing commission in the Regular Army, the Officers' Reserve Corps, the National Guard of the United States, or the Army of the United States, as the case may be The provisions of his act shall not apply to officers of the arms and services other than Air Corps who are assigned to those units or detachments of such arms or services on duty with the Air Corps. Officers so appointed shall be appointed and commissioned in the Army of the United States and shall take rank in the grade to which appointed from the date stated in their commissions or letters of appointment. Such appointments shall continue until 6 months after the termination of the war or national emergency concerned unless sooner terminated by order of the President, or until relieved from assignment to the duty herein described, whichever is the earlier: *Provided*, That the temporary promotion of any officer under the terms of this act shall not prevent his subsequent permanent promotion nor, if eligible therefor, his subsequent temporary promotion under section 4 of the act of June 16, 1936 (49 Stat. 1525), or under section 127a of the National Defense Act, as amended: *Provided further*, That during the period described herein, and in order to preserve relative rank in grade, every Regular Army Air Corps officer shall take rank in grade within the Air Corps from the date of the earliest promotion to that grade under this or any other provisions of existing law. Officers temporarily appointed under this act shall be entitled to the pay, flying pay, and allowances pertaining to the grade to which temporarily appointed. No officer holding temporary rank under the provisions of this act shall be eligible to command outside the Air Corps, except by seniority under his permanent commission, unless specifically so ordered by competent authority.

With the following committee amendments:

Page 1, line 3, after the word "that", strike out the remainder of line 3, down through the word "President" in line 4, and insert "during any war in which the United States is now engaged."

Page 2, line 22, after the word "of", strike out "the war or national emergency concerned" and insert "any war in which the United States is now engaged."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOYALTY OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore (Mr. COLMER). Without objection, it is so ordered.

There was no objection.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I was not on the floor when the gentleman from Massachusetts [Mr. HEALEY] made his statement which had reference to the remarks in the RECORD of February 3, made by the gentleman from Michigan whose surname happens to be the same as mine. I refer to the gentleman from Michigan, Mr. FRED BRADLEY, in which there were certain implications questioning the patriotism of the officers and men of the International Brotherhood of Teamsters. I am quite sure the gentleman from Massachusetts [Mr. HEALEY], in his usual capable and efficient manner made adequate reply, but because there are so many of the members of this union and some of their officers resident in my district, I have very intimate and personal knowledge of

their patriotism and their fine Americanism, and I cannot let inferences of this kind go unchallenged. Many of these men have already been inducted into or enlisted in the armed forces of our country. Many of them are veterans of the last war. Many of their sons have already joined the Army or the Navy. I think their patriotism is equal to that of any other group in the United States, and I think the record of the International Brotherhood of Teamsters gives ample proof of that.

We read in the press only recently where Mr. Daniel Tobin, a fine and patriotic American, the president of this organization, offered to the United States Government the total funds of his organization without interest. We learned also from the press that this brotherhood has already invested $2,000,000 of its funds in Defense bonds. Over a period of 30 years, mind you, 30 years, not 1 or 2, as a great many people would like to have us believe—over a period of 30 years these members have accumulated $8,000,000 as the result of contributions from each member at the rate of 1 penny a day. All these funds they have offered to the United States Government. I believe that before anyone makes any assertion reflecting on the patriotism of these gentlemen they should take these very pertinent facts into consideration.

I feel quite sure that my friend from Michigan was given misinformation perhaps by the meat packers of Detroit, Mich., who are at the present time involved in a labor dispute concerning, I am told authoritatively, only 11 men. It would perhaps be more fitting if these packers would display some patriotism and endeavor to make an amicable agreement with an organization which has given such fine proof of its patriotism at a time when our country needs this kind of support.

[Here the gavel fell.]

Mr. MONRONEY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MONRONEY. Mr. Speaker, for 2 days I have been listening to much loose talk regarding charges of communism, socialism, and all kinds of "isms" affecting the program of the Office of Civilian Defense.

I think the time has come in this emergency when Congress should stay on the beam. We have been all over the lot in suspicion of the Americanism of employees of the Office of Civilian Defense.

Criticism of a governmental office is Congress' duty, but in this emergency we should stick to facts and truth. We do not need to resort to excesses and thus destroy the value of congressional criticism.

There is nothing essentially communistic about the establishment of youth programs, physical-fitness courses, racial-relations forums. Our best organizations, including the Daughters of the Revolution, the Junior League, the Rotary Club, and the Y. W. C. A., have been working on these problems with more success than governmental agencies have had for many years.

They should be encouraged to continue this valued work. You cannot buy that kind of talent in a governmental agency. These volunteer groups should be encouraged—instead of discouraged—to continue this valued work.

Mr. Speaker, just as Congress should stay on the beam, I believe it is equally important for Government agencies and bureaus to stay on the beam too. There is no argument that the Office of Civilian Defense is all over the lot on its activities. We wanted it to care for the wounded and homeless in bomb raids and to extinguish incendiary fires.

Instead, we are delivered another of those governmental programs embodying the familiar uplift and betterment via the big-salary route. It often seems that about the only agency in government that has not set up a youth-health-racial-group uplift program is the office of collector of internal revenue.

A quick survey of salary overhead listed in committee hearings indicates that the regional offices listed under Speakers Division total about $418,000, while those for civilian-protection staff total about $44,000. The salary totals of the volunteer participation offices and staffs, community planning and organization, youth activities and group activities, physical fitness, and know-your-Government branches is almost $197,000. Meanwhile the salary total for emergency medical is $16,000 and for fire defense is about $42,000.

These figures surely indicate that O. C. D. is slightly off the beam. Do you remember "Wrong Way Corrigan"?

BILL PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 2611. An act to release all the interest of the United States in certain land constituting a portion of the right-of-way granted to the Central Pacific Railway Co. under the act of July 1, 1862, as amended and supplemented.

ADJOURNMENT

Mr. BOLAND. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 36 minutes p. m.) the House adjourned until tomorrow, Wednesday, February 11, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a public hearing on Wednesday, February 11, 1942, on the following bills: H. R. 6138, H. R. 6441, H. R. 6534, and H. R. 6165.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation at 10 a. m. Wednesday, February 11, 1942, in room 353, Old House Office Building, for the consideration of H. R. 6402 and H. R. 6522.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 12, 1942, at 10 a. m., on House Joint Resolution 263, to provide decorations for outstanding conduct for service by persons serving in the American merchant marine.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Tuesday, February 17, 1942, at 10 a. m., on H. R. 6503, to extend and amend certain emergency laws relating to the merchant marine, and for other purposes.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 19, 1942, at 10 a. m., on H. R. 6554, to amend war-risk insurance provisions of the Merchant Marine Act, 1936, as amended, in order to expedite ocean transportation and assist the war effort.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1382. A letter from the Acting Director, National Legislative Committee, the American Legion, transmitting one copy of the audit of the finances of the American Legion for the calendar year ending December 31, 1941, in accordance with the act of incorporation of the American Legion, Public Law 47, Sixty-sixth Congress; to the Committee on World War Veterans' Legislation.

1383. A communication from the President of the United States, transmitting a supplemental estimate for appropriation, totaling $5,430,000,000 for defense aid (lend-lease) to carry out the provisions of the act entitled "An act to promote the defense of the United States," approved March 11, 1941 (H. Doc. No. 618); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 437. Resolution for the consideration of (H. R. 6483) a bill to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended; without amendment (Rept. No. 1766). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 6570. A bill making appropriations for the establishment of a national cemetery in the vicinity of Portland, Oreg.; to the Committee on Appropriations.

By Mr. KNUTSON:

H. R. 6571. A bill to provide increased compensation for the officers and enlisted men of the armed forces of the United States now engaged in the defense of the Philippine Islands; to the Committee on Military Affairs.

By Mr. PLAUCHÉ:

H. R. 6572. A bill to amend Public Law No. 359, Seventy-seventh Congress, approved December 19, 1941, so as to provide pensions to American citizens now in the armed forces of the American volunteer group in the Far East and their dependents; to the Committee on Invalid Pensions.

By Mr. BRADLEY of Michigan:

H. R. 6573 (by request). A bill increasing the compensation of certain employees in the field service of the War Department; to the Committee on the Civil Service.

By Mr. CULKIN:

H. R. 6574. A bill to amend further the Civil Service Retirement Act of May 29, 1930; to the Committee on the Civil Service.

By Mr. SOMERS of New York:

H. R. 6575. A bill to provide for additional pay for work in excess of 48 hours per week in certain cases; to the Committee on the Civil Service.

By Mr. CASE of South Dakota:

H. R. 6576. A bill to create one central defense command with subordinate zone defense commands to coordinate and unify the activities of the Army, Navy, and air forces of the United States; to the Committee on Expenditures in the Executive Departments.

By Mr. CAPOZZOLI:

H. R. 6577. A bill to provide for automatic promotions of special mechanics, dispatchers, and mechanics in charge in the motor vehicle service of the Post Office Department; to the Committee on the Post Office and Post Roads.

SENATE

WEDNESDAY, FEBRUARY 11, 1942

The Chaplain, the Very Reverend Zebarney T. Phillips, D. D., offered the following prayer:

Lord of our life and God of our salvation, who hast been ever patient with us: Forgive our foolish ways, and grant that this day we may, even though with plodding steps, make some advance toward the attainment of the goal for which Thou hast created us.

Because Thou art and the world is Thine, help us to strive more valiantly each moment of our lives to be worthy of the trust Thou hast committed unto us as a nation, and may Thy guiding Spirit inspire in us more and more the spirit of devotion and obedience to our high calling, as again we dedicate our full and willing service unto Thee on the altar of our country, true to the faith of our fathers.

Lord of the far horizons,
Give us the eyes to see
Over the verge of sundown
The beauty that is to be.
Give us the skill to fashion
The task of Thy command,
Eager to follow the pattern
We may not understand.

Until faith becomes sight in the glorious presence of our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, February 10, 1942, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 1891. An act to amend an act to provide allowances for uniforms and equipment for certain officers of the Officers Reserve Corps of the Army so as to provide allowances for uniforms and equipment for certain officers of the Army of the United States; and

S. 2182. An act to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6375. An act to amend subchapter 2 of chapter 19 of the Code of Law for the District of Columbia; and

H. R. 6536. An act to change the name of Conduit Road in the District of Columbia.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 314) for the relief of certain Basque aliens, and it was signed by the Vice President.

EXECUTIVE COMMUNICATIONS ETC.

The VICE PRESIDENT laid before the Senate the following communications and letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATES, GOVERNMENT PRINTING OFFICE (S. DOC. NO. 178)

A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment, Government Printing Office, fiscal year 1942, amounting to $1,870,000 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, PUBLIC HEALTH SERVICE (S. DOC. NO. 177)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Public Health Service, Federal Security Agency, fiscal year 1942, amounting to $77,481 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PROVISION PERTAINING TO EXISTING APPROPRIATIONS, OFFICE OF GOVERNMENT REPORTS (S. DOC. NO. 179)

A communication from the President of the United States, transmitting draft of a proposed provision pertaining to certain limitations on the total amount of appropriations to be available for obligation by the Office of Government Reports during the fiscal year 1942 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

NET WEIGHTS IN INTERSTATE COMMERCE COTTON TRANSACTIONS—STANDARDIZATION OF BALE COVERING FOR COTTON

A letter from the Assistant Secretary of Agriculture, transmitting a draft of proposed legislation to provide for use of net weights in interstate commerce transactions in cotton, to provide for the standardization of bale covering for cotton, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

AUDIT STATEMENTS OF FINANCES OF THE NATIONAL ORGANIZATION, AMERICAN LEGION, AND THE PERSHING HALL FUND

A letter from the acting director of the national legislative committee, the American Legion, transmitting, pursuant to law, copy of the December 31, 1941, final audit of the finances of the national organization of the American Legion, together with statement of receipts and expenditures of the Pershing Hall fund (with accompanying papers); to the Committee on Military Affairs.

DISPOSITION OF EXECUTIVE PAPERS

Two letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Department of Agriculture (16), the Civil Service Commission, the Executive Office of the President (Office of Production Management), and the Federal Security Agency (Public Health Service), which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITION

Mr. CAPPER presented the petition of members of John L. Palmer Post, No. 126, American Legion, Department of Kansas, of Sabetha, Kans., praying for the enactment of the bill (H. R. 4) to provide more adequate compensation for certain dependents of certain World War veterans, and for other purposes, which was referred to the Committee on Finance.

JOINT RESOLUTION REPORTED DURING ADJOURNMENT

Under authority of the order of the 10th instant,

Mr. GLASS, from the Committee on Appropriations, to which was referred the joint resolution (H. J. Res. 278) making an appropriation to provide financial aid to China, reported it with an amendment during adjournment of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GILLETTE, from the Committee on Agriculture and Forestry:

S. 2255. A bill to establish a policy with respect to the disposition of agricultural commodities acquired by the Commodity Credit Corporation; with amendments (Rept. No. 1054)

By Mr. WALSH, from the Committee on Naval Affairs:

S. 2249. A bill authorizing appropriations for the United States Navy, additional ordnance manufacturing and production facilities, and for other purposes; without amendment (Rept. No. 1055); and

H. R. 5572. A bill to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel and certain Federal civil employees for personal property lost or damaged as a result of the hurricane and flood at Parris Island, S. C., on August 11-12, 1940," approved April 23, 1941; without amendment (Rept. No. 1056)

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred, for examination and recommendation, 11 lists of records transmitted to the Senate by the Archivist of the United States, which appeared to have no permanent

value or historical interest, submitted reports thereon pursuant to law.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on February 10, 1942, that committee presented to the President of the United States the enrolled bill (S. 2152) to provide for the planting of guayule and other rubber-bearing plants and to make available a source of crude rubber for emergency and defense uses.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr McNARY:

S. 2267. A bill to suspend the requirement for the performance of annual labor on certain mining claims; to the Committee on Mines and Mining.

By Mr. REYNOLDS:

S 2268. A bill to further amend section 126 of the act of June 3, 1916, as amended, to authorize travel pay for certain military and naval personnel on discharge or release or relief from active duty; to the Committee on Military Affairs

By Mr. KILGORE:

S. 2269 A bill granting a pension to Maude Zickefoose; to the Committee on Pensions.

By Mr. GREEN:

S. 2270. A bill to amend the Social Security Act so as to provide Federal grants to States for war displacement assistance, for special wartime assistance, and for other general public assistance; to the Committee on Finance.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on the District of Columbia:

H. R. 6375. An act to amend subchapter 2 of chapter 19 of the Code of Law for the District of Columbia; and

H. R. 6536. An act to change the name of Conduit Road in the District of Columbia.

TRANSFER OF GOVERNMENTAL EMPLOYEES TO DEFENSE AGENCIES

Mr. TYDINGS submitted the following resolution (S. Res. 223), which was referred to the Committee on Appropriations:

Resolved, That the Committee on Appropriations, or any duly authorized subcommittee thereof, is authorized to make a full and complete investigation of the number of employees in the various executive departments and governmental agencies that can be released from their normal activities and transferred to, or used by, defense agencies, either for temporary periods or for the duration of the war, with a view to expediting and intensifying the war effort, reducing governmental expenses, and improving the serious situation with respect to housing facilities and office accommodations. The committee shall report to the Senate, at the earliest practicable date, the results of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution, the committee or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-seventh and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000 shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

MELVYN DOUGLAS—STATEMENT BY SCREEN ACTORS' GUILD

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a statement released by the Screen Actors' Guild concerning the appointment of Melvyn Douglas.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The appointment of Melvyn Douglas as a nonsalaried civilian defense worker was strongly endorsed by the board of directors of the Screen Actors' Guild in a telegram to Dean James M. Landis, Codirector of Civilian Defense. The guild said in the last war Melvyn Douglas ran away from home to enlist in the Army and contribute what he could to his country in this war Melvyn Douglas is giving up lucrative screen employment to work without pay, coordinating the use of creative talent to help sell Victory bonds, to carry on public-information work, and otherwise aid the war efforts. Actors have done a great deal in the war effort and want to do more They have contributed their time and talent without stint to war entertainment activities. Since Pearl Harbor they have sold millions of dollars' worth of Victory bonds, they have raised large sums for the Red Cross, infantile paralysis fund, and other war and humanitarian agencies. The defense agency which Mr. Douglas will head will coordinate further use of the talent of actors, writers, directors, graphic artists, and others. In appointing Mr Douglas the Office of Civilian Defense appointed the man with the kind of experience needed to do the job While some Congressmen have been getting publicity by making insulting remarks about actors, actors have been working to win the war So long as there are war jobs to do actors will do them One of our number recently showed the spirit of actors when she carried out her Government assignment at the cost of her life. She might have stayed home, but that is not the actors' way, not the American way.

CLASSIFICATION OF MOTION-PICTURE INDUSTRY UNDER THE DRAFT

Mr. McFARLAND. Mr. President, there has evidently been some misunderstanding in regard to the attitude of the Screen Actors' Guild relative to the order made by General Hershey concerning the classification of the motion-pictrue industry under the draft. For that reason, I ask to have incorporated in the RECORD a telegram which I received from the executive secretary of the Screen Actors' Guild explaining the position of the guild.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

HOLLYWOOD, CALIF., *February 11, 1942.*

Senator ERNEST W. MCFARLAND,
Senate Office Building,
Washington, D. C.:

Board of directors of Screen Actors' Guild issued following statement after meeting Monday night, February 9: "The Screen Actors' Guild took no part in requesting that the motion-picture industry be classified specially for the draft. It does not agree with the classification. It believes actors and everyone else in the motion-picture industry should be subject to the same rules for the draft as the rest of the country." This statement appeared in the trade and daily papers of Los Angeles this morning, February 10.

KENNETH THOMSON,
Executive Secretary,
Screen Actors' Guild.

PUBLICATION OF WAR NEWS

Mr. MALONEY. Mr. President, about a week ago I submitted to the Senate, for publication in the CONGRESSIONAL RECORD, copies of news articles commenting upon the attitude of many Americans toward the war. My purpose was to discourage the practice of magnifying our war successes and to express the hope that all the American people might more quickly come to the realization of the terrific dangers to us in the wars in which we are involved. I then said, in my own statement, that I felt that the newspapers appeared to be magnifying our successes. I also said, in effect, that headline writers and others viewed the struggle in which we are engaged through rose-colored glasses, and that the make-up men, or others, were minimizing the news relating to set-backs we have suffered.

Since that time prominent newspapermen, radio commentators, public officials, and others have dealt with the same subject and in a similar vein. I have received considerable mail, from various parts of the country, referring to my brief statement; and while many of the people agree in a general way with the feeling I expressed, some have been critical of the attitude of Congress toward our preparations and war plans; and some newspapers have used the occasion to point out that they are not the offenders, at least entirely, and that the authorities here, and especially those charged with the responsibility of issuing communiques, are to some extent responsible for the news which has been given to the public.

I ask unanimous consent that there may be printed at this point in the RECORD part of an article written by Arthur Wimer, of the Hartford Courant, suggesting that I should chastize censors rather than editors.

I also ask consent to have printed at this point in the RECORD an editorial from the New Haven Register entitled "America's Enemy: Apathy." This particular article refers to a specific instance.

There being no objection the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Hartford Daily Courant of February 8, 1942]

REPORTERS ANSWER MALONEY

Senator FRANCIS MALONEY's complaint this week that most newspapers are lulling the public into a state of apathy by improper handling of war news has stirred Washington newsmen to defense of the press Mr. MALONEY scolded newspapers for overplaying encouraging aspects of the war situation and withholding news which might more properly be given the public Plain fact is, reply reporters here, that any suppression of news should be blamed on official censors rather than writers.

As a matter of record, censorship has become so ruthless as to discourage energetic reporting. The War Department, Navy Department, and President Roosevelt's appointed censorship officers have pledged newspapers and newsmen to cooperate in keeping out of print the things the war organization wants kept out of print That, in part at least, explains why so many reporters may be found playing poker in pressrooms these days. Time after time writers dig up a perfectly good war story, only to have it censored as information valuable to the enemy.

If reporters display any inclination to question the officio' blue pencil, they're lectured on patriotism and their duty to the Nation. That, insist Washington veterans, is the real reason the American public isn't getting a lot of legitimate war news. They believe Senator MALONEY should chastise censors rather than editors.

[From the Register, New Haven, Conn., of February 7, 1942]

AMERICA'S ENEMY—APATHY

In the Senate the other day Senator MALONEY scolded the country's newspapers for overplaying American militar successes in the war and minimizing the reverses. His statement deserves more public attention than it has received, and part of it is reprinted here, for it may concern many of the people a great deal more seriously than they seem to have realized yet:

"I think the great majority of the newspapers of the country have highly magnified such successes as our forces have had and have minimized other news which I think might be more properly presented to the American public

"I believe an undue optimism has been created, and I fear that it is establishing an apathy and indifference and that in too many instances our people are concluding that the war is won and that there is no great danger or difficulty abroad The truth is that we are engaged in a terrible struggle."

We are not so sure about the "great majority" of which Senator MALONEY speaks. But with that reservation he certainly has the facts absolutely right.

Some papers in this State have done as he says. Some of the New York evening issues in particular have played up as if they were smashing victories, actions which upon thoughtful digestion become minor even though not unsuccessful thrusts at the enemy.

This does not infer in the least that the conduct of the American forces has been anything but valiant and in the finest tradition of American patriots whether on land, sea, or in the air. That cannot be praised too highly.

But that scarcely alters the fact that the sinking or damaging of one or several enemy craft far from constitutes a major victory in a war of this magnitude Nor does it alter the fact that as long as it continues, having to give ground means only one thing

This newspaper has not shared the impression that thrusts, successful though they may be by themselves, constitute smashing victories or merit treatment as such Nor did it in the past share the feeling displayed in some quarters that the country was anywhere near duly preparing for a two-ocean and dozen-front war or that, once in it, the war would be a push-over

There was grave underestimating all along by the administration proper and by part of the Congress and by much of the public, and especially organized labor, of the colossal nature of the undertaking Perhaps the principal single influence in inducing and maintaining an apathetic or smugly overconfident atmosphere in the country was the persistent overplaying by the Government itself of arms which existed then and to a large extent still exist largely "on order."

"Two wrongs do not make a right." The source of much of the lopsided emphasis does not make it any the less regrettable. Yet if remedying of errors is the objective, as it certainly is Senator MALONEY's, it is well for the facts to be kept straight all down the line. No disease ever was cured by merely treating the symptoms.

Mention of a specific, recent illustration of the source and inspiration of much of the overemphasis which Senator MALONEY justly censures may not be amiss at this point.

Last Sunday members of the editorial and other departments of this newspaper, and presumably dozens of others, were routed out by a notice sent over the news wires to the effect that the Navy Department had revealed that it would disclose information about 5 o'clock on which it, the Navy office, believed the newspapers would want to print an extra edition. When it came, the gist of the sensational story was that American assaults had been made on some of the Marshall and Gilbert Islands, destroying Japanese airplanes on the ground and hitting shore facilities and key positions.

That was all right. It was swell. But why prompt an extra, on Sunday afternoon, on something like that, when, as it is, the papers are overplaying successes and lulling the public into cocksureness that the war is "in the bag"?

"The situation is," as Senator MALONEY said, "extremely serious." To get the facts of defeats or successes straight and weigh them in their due proportions is the duty of the newspapers, of the public, and, by no means least, of the Government itself.

Mr. MALONEY. Mr. President, I also ask unanimous consent that there be printed at this point in the RECORD an editorial from the Manchester Evening Herald, The Real Pollyannas.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Manchester (Conn.) Evening Herald of February 7, 1942]

THE REAL POLLYANNAS

Senator MALONEY told the Senate Thursday that the United States was "engaged in a terrible struggle," and warned the Nation against being "lulled into a false sense of security" by optimistic newspaper reports on what is happening in this war

"I am," said the Senator "among those who have been greatly disturbed by the general attitude of the press toward our success in this war I think the great majority of the newspapers of the country have highly magnified such successes as our forces have had and have minimized other news which I think might be more properly presented to the American public"

Thus spoke Connecticut's senior Senator. And to bolster his point, of course, he read to the Senate two articles from, of course, newspapers.

Either of the articles, so far as its sense and purpose was concerned, might have come from this page.

Nonetheless, we will agree with the Senator's charge, and include the radio, too and confess that the actual presentation of news to the American people during this war has, to date been childlisnly optimistic

For this, radio commentators who rush to a glib and happy headline and newspaper-headline writers who stretch petty victories across eight columns of heavy type are only partly responsible The real and the main trouble lies at the source of the news, and the source of the news is generally a communique either from our own Army or Navy or from the high command of the United Nations or from individual commands at various points in the field.

It is upon such communiques that the newspapers are forced to depend for their facts in this war There is no doubt that the war itself is the most important story American newspapers have ever been called upon to handle But no newspaper knows, from day to day, what phase of that war the official communiques are going to reveal and emphasize The newspaper has to be ready for big news When a communique comes along and reveals that our guns have silenced a few enemy batteries or lists three o: four or five American flying fortresses in action or tells of the appearance of a handful of American pursuit planes in Java, such developments, unfortunately, take the routine of big news. They get the eight-column headline.

But the point is this: Such developments were the items which our War Department, the actual arbiter of what the American people should read that day, singled out for special announcement It was the War Department, not the newspapers, which decided which item should be the top news of the day

The same rule holds for most of the other instances—and they are many and continual—of overemphasis of petty favorable developments in this war. When such news developments are, as Senator MALONEY charges, "magnified," that process takes place even before they get to the newspapers

There is no doubt that the main trend of this war since our entry has been against us. Against that stark reality our official sources of information have fed us carefully selected sugar pills which have relatively little to do with the main course of events. Obviously, they haven't exhibited much confidence in or respect for the capacity of the American people to "take it," even though the public satisfaction with which our one touch of realism, the Roberts report, was received might and should have opened their eyes

The real Pollyannas of this war are not among the newspaper headline writers but in the high places in Washington where, by official selection and emphasis, the headlines are really written It is particularly unpleasant to keep pointing out that our own official sources of information are guilty of misleading the public, to keep crying, "Wake up, America, your leaders are letting you fall asleep." It would be much simpler and healthier, and it would show a great deal more respect for America, if all this false optimism were eliminated at the source.

Mr. MALONEY. I have asked unanimous consent for this privilege, Mr. President, because I want to be completely fair and to try to make sure that I am not unduly critical, and that whatever blame exists may be properly placed. The time has passed when we should be quiet in order to spare the feelings of those whose friendship we enjoy or those who enjoy high places in Government.

It is within the realm of possibility that we may not win this war I am confident we will win it if we work as hard as we can, if we are sufficiently alert, and if all of us will intelligently exercise a full measure of fair and proper criticism.

Insofar as I am concerned, I shall not spare the feelings of anyone at the expense of the protection of our front-line defenders and the country's welfare. Many mistakes have been made. We have been guilty of bad judgment and miscalculation. In some instances there has been carelessness, and in altogether too many instances we have not fully measured up to our responsibilities. Our

stake in this war is the preservation of America's freedom and liberty, and the lives of our people, and the maintenance of our homes and our way of life. Insofar as I am concerned, little else matters excepting the success of our forces. It is better that we criticize now than to wake up a little later to find that, because our voices were stilled, we contributed to the confusion. It is better that we rock the boat, and hurt the feelings of some people, than to send the boat impaired into the fury of the storm, and contribute to the jeopardy of those for whose protection we are in a large measure responsible.

ADDRESS BY W. L. BATT BEFORE ANNUAL ADVERTISING AWARDS PRESENTATION BANQUET

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an address delivered by W. L. Batt, Director of Materials Division, War Production Board, before the annual advertising awards presentation banquet at the Waldorf-Astoria Hotel, New York City, on February 6, 1942, which appears in the Appendix.]

POEM ON HITLER BY WEBSTER P. HUNTINGTON

[Mr. PEPPER asked and obtained leave to have printed in the RECORD a poem on Hitler, by Webster P. Huntington, of Mount Sterling, Ky., which appears in the Appendix.]

WILD HORSES OF THE WEST

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an editorial from the New York Herald Tribune entitled "Coaley, the Black Stallion," which appears in the Appendix.]

The VICE PRESIDENT. The routine morning business is concluded.

APPROPRIATION FOR FINANCIAL AID TO CHINA

Mr. GLASS. Mr. President, I ask unanimous consent for the immediate consideration of House Joint Resolution 278, making an appropriation of $500,000,000 for China.

The VICE PRESIDENT. The clerk will read the joint resolution.

The joint resolution (H. J. Res. 278) making an appropriation to provide financial aid to China was read, as follows:

Resolved, etc., That the sum of $500,000,000 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to enable the Secretary of the Treasury to carry out the provisions of the joint resolution entitled "Joint resolution to authorize the President of the United States to render financial aid to China, and for other purposes," approved, February —, 1942: *Provided*, That this appropriation shall not be available for obligation until the date of enactment into law of House Joint Resolution 276 of the Seventy-seventh Congress, and thereafter shall remain available until June 30, 1943.

The VICE PRESIDENT. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution which had been reported from the Committee on Appropriations with an amendment on page 1, line 8, after the word "approved", to strike out "February —, 1942: *Provided*, That this appropriation shall not be available for obligation until the date of enactment into law of House Joint Resolution 276 of the Seventy-seventh Congress, and thereafter shall remain available until June 30, 1943" and insert "February 7, 1942, and to remain available until June 30, 1943."

Mr. GLASS. Mr. President, that amendment was occasioned——

The VICE PRESIDENT. Does the Senator desire to explain the joint resolution?

Mr. GLASS. No.

Mr. NORRIS. Mr. President, the Senator from Virginia was about to explain the amendment when he was interrupted. I should like to hear the Senator's explanation.

Mr. GLASS. I merely wish to say that the amendment striking out certain lines in the joint resolution was made because a definite date was put in by the committee; that is all. It took the committee exactly 1 minute and 30 seconds to act on the $500,000,000 appropriation, and I venture to hope that it will not take that long in the Senate.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. CLARK of Missouri, from the Committee on Foreign Relations:

Patrick J. Hurley, of Oklahoma, to be Envoy Extraordinary and Minister Plenipotentiary to New Zealand.

By Mr. CONNALLY, from the Committee on Foreign Relations.

William H. Standley, of California, to be Ambassador Extraordinary and Plenipotentiary to the Union of Soviet Socialist Republics; and

Clifton P. English, of Tennessee, and Sidney K. Lafoon, of Virginia, for appointment as Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service.

By Mr. WALSH, from the Committee on Naval Affairs:

Capt. Jules James to be a rear admiral in the Navy for temporary service, to rank from the 21st day of November 1941.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Several postmasters.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

The VICE PRESIDENT. Without objection, the nominations of postmasters are confirmed en bloc.

Mr. BARKLEY. I ask that the President be notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified.

LEGISLATIVE SESSION

Mr. BARKLEY. Mr. President, apparently that completes the business of the day. It is my purpose to move that the Senate adjourn until Friday, at which time we hope to take up a joint resolution.

I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

AMENDMENT OF SECTION 7 OF NEUTRALITY ACT OF 1939

Mr. CONNALLY. Mr. President, the Committee on Foreign Relations this morning had before it representatives of the Department of State, and, by a vote of 13 to 1, ordered the favorable report of Senate Joint Resolution 133. From that committee I now report favorably Senate Joint Resolution 133, and I submit a report (No. 1057) thereon. The purpose of the joint resolution is to suspend during the existence of the war section 7 of the so-called Neutrality Act of 1939.

The VICE PRESIDENT. The joint resolution will be placed on the calendar.

Mr. CONNALLY. I ask unanimous consent for the present consideration of the joint resolution.

The VICE PRESIDENT. The joint resolution will be read for the information of the Senate.

The joint resolution (S. J. Res. 133) amending section 7 of the Neutrality Act of 1939 was read, as follows:

Resolved, etc., That section 7 of the Neutrality Act of 1939 (Public Res. No. 54, 76th Cong.), is amended by adding at the end thereof the following new paragraph:

"(c) This section shall not be operative when the United States is at war."

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. McNARY. Mr. President, I desire to make an inquiry. Is the joint resolution in print?

Mr. CONNALLY. I am sure it has been printed. We have it before us.

Mr. McNARY. I have conferred with some of the Republican members of the Foreign Relations Committee. I think there is no objection to the immediate consideration of the joint resolution. However, the able Senator from California [Mr. JOHNSON] desires briefly to discuss the matter.

With that statement, I have no objection.

Mr. CONNALLY. Let me say to the Senator from Oregon that I have before me a printed copy of the joint resolution, and I am sure copies are available to other Senators. Does the Senator from California desire to proceed now, or would he rather have me make a brief explanation of the joint resolution?

Mr. JOHNSON of California. Mr. President, I will proceed now, if the Senator has no objection. I shall not take much time.

Mr. CONNALLY. Would the Senator mind having me briefly explain the joint resolution, after which I will yield to him?

Mr. JOHNSON of California. That is all right. It is better unexplained. [Laughter.]

Mr. CONNALLY. I shall expect the Senator from California to unexplain my explanation when the time comes. [Laughter.]

Mr. President, section 7 of the Neutrality Act of 1939 made it unlawful—

for any person within the United States to purchase, sell, or exchange bonds, securities, or other obligations of the government of any state named—

In a proclamation of the President as being at war—

or of any political subdivision of any such state, or of any person acting for or on behalf of the government of any such state, or political subdivision thereof, issued after the date of such proclamation, or to make any loan or extend any credit * * * to any such government, political subdivision, or person. The provisions of this subsection shall also apply to the sale by any person within the United States to any person in a state named in any such proclamation of any articles or materials—

And this is highly important—

listed in a proclamation referred to in or issued under the authority of section 12 (i).

In this connection, I desire to suggest that the so-called Johnson Act, which is still on the books, and, except as modified and amended by subsequent acts of Congress, is still the law, provides that in the case of any foreign government which owes the United States money and is in default, such foreign government—not its citizens, but the foreign government itself—may not sell in this country, to our citizens, its obligations or securities.

According to the view of the committee, that act will not be affected by the suspension of section 7, because section 7 was simply a further prohibition. It did not remove the prohibitions of the Johnson Act at all, but it superadded some further prohibitions; and the removal of the added prohibitions will leave the Johnson Act in effect as it always has been.

The necessity or desirability of the suspension of section 7 applies particularly with regard to Canada. Under section 7 of the present act it is very difficult for our citizens to carry on normal business relationships with Canada. For instance, aircraft corporations have complained; and it was revealed in the committee by the Department of State that they had had correspondence with aircraft corporations which were making aircraft parts and engines for Canadian authorities, but under the present act the corporations could not carry the credits and extend them until the work was completed.

A few days ago the senior Senator from Vermont [Mr. AUSTIN] approached me on this subject. I had just introduced the pending joint resolution. He did not know it; but he said, "Can you not do something about section 7?" I said, "I have just introduced a joint resolution suspending it." I may not quote the Senator from Vermont accurately; but the substance of his complaint was that as a member of the board of trustees of the University of Vermont he had negotiated the sale of some real estate and other property in Canada to some governmental or other functionaries at a very attractive price, but when they came to the consummation of the deal section 7 of the Neutrality Act prohibited its consummation; and he was anxious that something be done along that line.

The committee considered this joint resolution with considerable care. The Department of State has had it under consideration for some time and is quite concerned about it; and I cannot possibly see how its enactment would bring any hurt to anybody. On the contrary, it would materially aid our own citizens in carrying on their business transactions with Canada.

The Senator from California [Mr. JOHNSON], who is one of the most eminent members of the committee, as he is of the Senate, did not agree to the reporting of the joint resolution, but I feel sure that he realizes the good faith and the purpose of the majority of the committee, and I shall be very glad to yield the floor now to the Senator from California for such statement as he may desire to make.

Mr. JOHNSON of California. Of course, Mr. President, if the proposed law would interfere in any way with what is termed the "Johnson Act," I should feel quite concerned about it, but I am assured this morning by a representative of the Department of State, and by the majority of the Committee on Foreign Relations, that there is nothing contained in the proposed law which will in any way militate against the enforcement of the so-called Johnson Act.

I am well aware that the Johnson Act, so dear to my heart, has been devitalized by certain laws we have enacted. No good purpose would be served by a discussion of those laws. They have been enacted; and now the Export-Import Bank is making its loans as it sees fit; we have, indeed, the peculiar position of the lend-lease law, so that we cannot tell whether it does one thing or another; and the whole basis of the Johnson Act, in a degree, has been destroyed.

The Johnson Act was a salutary act when passed, and for many years thereafter. Its little vitality at this time will leave it still a salutary act, and it should not be displaced upon the statute books. Inasmuch as I have the distinct promise of the representative of the State Department, and of the chairman of the Committee on Foreign Relations, than whom there is no better lawyer in this Chamber, and the assurance of others on the Committee on Foreign Relations, I feel that I cannot, in justice to myself, or in justice to the call that is made upon us, do otherwise than refrain from objecting to the particular proposal now before the Senate.

I realize the danger of doing what is proposed. I know that when this sort of thing is attempted, oftentimes we find we have passed an act of one sort that is ultimately transformed into an act of great force and great power in other directions. I shall not attempt to go into dealings of that kind.

As the author of the Johnson Act, I rest now upon the statement of the representative of the State Department, and of members of the Committee on Foreign Relations whose opinion I value, that the Johnson Act would not be in any degree affected by the particular enactment now sought.

Mr. CONNALLY. Mr. President, I wish to say to the eminent Senator from California that if the Johnson Act has been or is to be modified it would not be by the proposal before us; it would be by some other legislation, as will be shown as I quote briefly from the Johnson Act:

That hereafter it shall be unlawful within the United States or any place subject to the jurisdiction of the United States for any person to purchase or sell the bonds, securities, or other obligations of, any foreign government or political subdivision thereof or any organization or association acting for or on behalf of a foreign government or political subdivision thereof, issued after the passage of this act, or to make any loan to such foreign government, political subdivision, organization, or association, except a renewal or adjustment of existing indebtedness while such government, political subdivision, organization, or association is in default in the payment of its obligations, or any part thereof, to the Government of the United States.

If that is to be modified, it will not be by the proposal now before the Senate. I have not examined the Lease-Lend Act in all its phrases to note how far it may modify the Johnson Act, but that is not material in this connection, because the pending joint resolution would not change the prohibition of the Johnson Act. If the proposed law were on the statute books, Great Britain, for instance, could not sell in the United States any obligation, any bond, any security whatever, to our people. So far as Canada is concerned, Canada did not owe us any money, and was not in default in loans, and therefore the Johnson Act never applied, practically, to Canada.

I wish to thank the eminent Senator from California again for not objecting or resisting the passage of the joint resolution. We all know the Senator as a patriot, as a great Senator, and as a fine American, and I thank him very much for his cooperation.

Mr CLARK of Missouri. Mr. President, I send forward an amendment in the nature of a substitute and ask that it be reported.

The VICE PRESIDENT. The clerk will state the proposed amendment.

The CHIEF CLERK. It is proposed to strike out all after the resolving clause and to insert:

That the Neutrality Act of 1939 (Public Res. 54, 76th Cong.) it hereby repealed.

Mr. CLARK of Missouri. Mr. President, I voted in the Committee on Foreign Relations this morning that the pending joint resolution be reported to the Senate. I did so with notice of a reservation of intention on my part to offer a substitute providing for the repeal of the whole Neutrality Act. At that

time I had not anticipated, because no notice was given in the committee, that the joint resolution would be taken up today, and, therefore, my substitute is very informally prepared.

Circumstances being what they are, I am in favor of the pending joint resolution and have no desire whatever to delay its passage, but it seems to me that time might be conserved and multiplicity of effort might be saved by merely repealing what is left of the Neutrality Act, because there is not one line or syllable of the Neutrality Act left on the statute books at the present time which has anything whatever effective to do with the theory back of the Neutrality Act or with the purposes for which it was originally enacted. I say that as one of the authors of the original Neutrality Act.

The theory and purpose of the Neutrality Act, indeed, of all the neutrality acts which have been passed, was expressed in the first paragraph of the preamble of the Neutrality Act of 1939, written, I think, by the distinguished present chairman of the Committee on Foreign Relations:

> Whereas the United States, desiring to preserve its neutrality in wars between foreign states and desiring also to avoid involvement therein, voluntarily imposes upon its nationals by domestic legislation the restrictions set out in this joint resolution.

In other words, the whole theory upon which the neutrality acts were founded was that the United States would keep out of other peoples' wars, that it would remain neutral, and the duties and purposes of the people of the United States in carrying out that theory were defined.

The situation contemplated by the neutrality acts has passed out of existence. I think that the emasculation of the neutrality act by the lease-lend law and the repeal of the vital sections of the Neutrality Act were chief contributing factors to the fact that we are now belligerents. Be that as it may, we are now certainly in a state of war. We may differ as to the circumstances which brought us into the state of war, but the fact that we are at war—and in a very serious war—is indisputable. The fact that the whole theory upon which the Neutrality Act of 1939 was enacted has disappeared is indisputable.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I shall yield in a moment.

In my opinion, the Neutrality Act of 1939, as a whole, might as well have been repealed at the time the Lease-Lend Act was passed, because it was emasculated at that time. Its purpose of keeping out of war was then negatived and destroyed. It certainly might well have been repealed, and should have been repealed at the time of the repeal of the vital sections of the Neutrality Act last fall, and I offered an amendment upon the Senate floor for that purpose because I realized that the essential purpose of the act was being repudiated and negatived. At that time, Mr. President, the State Department, when queried by the eminent Senator from Utah [Mr. THOMAS] and other Senators, as to the desirability of repealing section 7, opposed the repeal of section 7 as it opposed the repeal of the whole Neutrality Act. Now it asks for the repeal of section 7 because we are at war.

At that time it was stated by the State Department, and agreed to by everyone else, that the President could accomplish the purpose of repealing the whole Neutrality Act simply by withdrawing his various proclamations under the act, although it was admitted generally that it would be in violation of the spirit of the Neutrality Act for him so to do. We are now informed by the State Department that the President cannot accomplish that purpose simply by withdrawing his Neutrality Act proclamations, so it is not a matter of ethics or morals, but a legal bar exists according to the new view of the State Department.

Now we are advised that as an emergency matter we should repeal section 7. Two or three weeks from now we probably will be advised that as an emergency matter we should repeal section 8, and some time in the future we will probably be asked to repeal the whole Neutrality Act as an emergency matter.

So, Mr. President, I say that, since we are at war, since the whole theory and purpose of the Neutrality Act was to keep us out of war, and since the opportunity for doing that has now passed, the Congress of the United States should be frank enough to stop taking one bite and then another bite, and then another bite. We should quit wasting time by piecemeal repeal, and we should repeal what is left of the shell of the Neutrality Act.

I now yield to the Senator from Texas.

Mr. CONNALLY. Mr. President, I will say to the distinguished Senator from Missouri that I very largely sympathize with the views which he has expressed, but I hope he will not press his amendment at this time for the reason that it is highly necessary to pass this particular joint resolution on account of a multitude of business transactions.

Mr. CLARK of Missouri. If the Senator will permit me to interrupt him, let me ask, What has happened in the last 3 or 4 weeks to make this an emergency matter? In other words, the State Department opposed the repeal of section 7. Nothing new has come up, has it?

Mr. CONNALLY. I will say to the Senator that I think something new must have come up, because whatever the State Department—

Mr. CLARK of Missouri. We certainly were not advised of it this morning in the Committee on Foreign Relations.

Mr. CONNALLY. Because whatever were the views of the State Department at the time the Senator mentioned, it certainly now is of the opinion that section 7 should be repealed. If the Senator does not press his amendment, I will assure him that the Committee on Foreign Relations at its next meeting will take up the question of total repeal and investigate the existing Neutrality Act very carefully, to see whether there is anything in it that ought to be retained. There are some Senators who think the Munitions Control Board, for instance, which is provided for in that act, should be maintained.

Mr. CLARK of Missouri. If the Senator will permit me, I should like to express an opinion since that question has come up before, and I have had the opportunity to investigate it, although not very recently. So far as the Munitions Control Board is concerned, it might be maintained under the President's general war powers. I did not expect this matter to come up today, therefore I do not have before me at the moment the analysis which I had heretofore prepared of the various sections of the Neutrality Act. I have no desire whatever to delay the passage of the pending joint resolution, and, with the understanding that the Committee on Foreign Relations will proceed to the consideration of the whole question, I am willing to withdraw my amendment.

Mr. CONNALLY. I thank the Senator from Missouri. The Senator intimated that the Munitions Control Board might be maintained under the President's general war powers, but I had thought that, coming from the school of public affairs he does, the Senator would prefer that we do it by law and clearly and outstandingly, rather than to trust to the Executive discretion or the Executive will.

Mr. CLARK of Missouri. Mr. President, we have granted such vast war powers here, and the President exercises such vast war powers properly under the Constitution, that a little thing such as the Munitions Control Board would seem to be of very minor importance.

Mr. CONNALLY. It is, Mr. President, I thank the Senator from Missouri for withdrawing his amendment and ask for immediate consideration and passage of the joint resolution.

The VICE PRESIDENT. In view of the withdrawal of the amendment offered by the Senator from Missouri, the question is on the engrossment and third reading of Senate Joint Resolution 133.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

AMBASSADOR TO UNION OF SOVIET SOCIALIST REPUBLICS AND MINISTER TO NEW ZEALAND

Mr. CONNALLY. Mr. President, let me say to the Senator from Kentucky [Mr. BARKLEY] that while the Senate was in executive session I did not ask for immediate consideration of the nominations of Mr. Hurley to be Minister to New Zealand and of Admiral Standley to be Ambassador to Russia. I desire now, as in executive session, to ask for the immediate consideration of those nominations, if that be agreeable to the Senator from Oregon [Mr. MCNARY]. The reason for the request is that these officials will be assigned to areas which are quite critical in the present posture of the war, and I think it highly important that their nominations be quickly confirmed.

Mr. MCNARY. May I ask the distinguished Senator from Texas if the nominations are on the Executive Calendar?

Mr. CONNALLY. They were just reported this morning, and in that way they are on the calendar. They are not

on the printed calendar. When is it contemplated that the Senate shall meet again?

Mr. BARKLEY. I had contemplated asking that an adjournment be taken until Friday.

Mr. CONNALLY. I shall not press the matter if the Senator from Oregon objects.

Mr. McNARY. Mr. President, there is no rule that cannot be waived here by unanimous consent; but unless there is something imperative, unless there is a great emergency, I think we should follow the rule of the Senate.

Mr. CONNALLY. I withdraw the request.

Mr McNARY. If I may conclude, Mr. President, I will say that I am not going to object if the Senator from Texas can specify some reason why we should act today rather than Friday.

Mr. CONNALLY. Mr. President, I cannot with the accuracy of a chronometer tell just how soon action should be taken, but in deference to the Senator from Oregon I will withdraw my request.

Mr. BARKLEY. Mr. President, before the Senator does that, it ought to be stated, I think, that the vacancy in our ambassadorship to Russia has been in existence now for several months. I think there is a special reason why action on that nomination ought to be consummated as soon as possible, although I do not know that 2 days would make any great amount of difference. I will say that the Minister designate to New Zealand——

Mr. CONNALLY. Is in that area.

Mr. BARKLEY. Yes; he is in that area now, and is charged with a very delicate mission, a very important mission, at least, and I presume it would be desirable to have his commission issued as soon as possible.

Mr. CONNALLY. Mr President, I realize that it is unusual to report nominations and ask unanimous consent for their immediate consideration I do not suppose the life of the Republic hangs on the question of whether the nominations are confirmed today or Friday. So if there is any lack of willingness to agree to immediate consideration, I shall withdraw the request, with the expectation of calling up the nominations for consideration on Friday I say that without any spirit of irritation at all, because I desire to agree with the Senator from Oregon.

Mr. McNARY. Mr. President, I always feel it a duty to have the Senate enforce its rules, and I try to have it do so in a spirit of fairness. I think the Senator from Texas probably has not shown a sufficient reason for the rule to be suspended. I shall cooperate with the Senator at the next meeting of the Senate on Friday so the nominations may have early and favorable consideration. Because of the rule of the Senate, and knowing that the Senator from Texas is willing to let the matter go over, I prefer that it go over

Mr. CONNALLY. Mr. President, I wish to say that, so far as the range of my activities here are concerned, the Senator from Oregon is always highly cooperative; he is a generous, gallant foe. Whenever possible, I want to agree with him, and it is not difficult for me to agree with him. So I withdraw the request.

TEMPORARY PROMOTION OF CERTAIN ARMY AIR CORPS OFFICERS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2182) to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps, which were, on page 1, line 3, to strike out all after "That" down to and including "President" in line 4, and insert "during any war in which the United States is now engaged," and on page 2, lines 20 and 21, to strike out "the war or national emergency concerned" and insert "any war in which the United States is now engaged."

Mr. REYNOLDS. I move that the Senate concur in the House amendments.

The motion was agreed to.

ALLOWANCES FOR UNIFORMS AND EQUIPMENT OF RESERVE CORPS OFFICERS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1891) to amend an act to provide allowances for uniforms and equipment for certain officers of the Officers' Reserve Corps of the Army so as to provide allowances for uniforms and equipment for certain officers of the Army of the United States.

Mr. REYNOLDS Mr. President. Senate bill 1891 which covers a uniform allowance of $150 for officers of the Army, was amended in the House and passed yesterday, February 10. The House amendments are not acceptable.

I move that the Senate disagree to the amendments of the House of Representatives, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. REYNOLDS, Mr. THOMAS of Utah, Mr. JOHNSON of Colorado, Mr. AUSTIN, and Mr GURNEY conferees on the part of the Senate.

AUTHORIZATION FOR COMMITTEE REPORTS, SIGNING OF BILLS, ETC.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Committee on Appropriations be authorized to make reports to the Senate during the recess or adjournment of the Senate; that the Vice President or the Presiding Officer of the Senate be authorized to sign bills and resolutions ready for his signature; and that the Secretary of the Senate be authorized to receive messages from the House of Representatives.

The VICE PRESIDENT. Without objection, it is so ordered.

ADJOURNMENT TO FRIDAY

Mr. BARKLEY. I move that the Senate adjourn until Friday next.

The motion was agreed to; and (at 12 o'clock and 42 minutes p. m.) the Senate adjourned until Friday, February 13, 1942, at 12 o'clock noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 11, 1942:

POSTMASTERS

ALABAMA

Ollie L. Stewart, Haleyville.

TENNESSEE

Charles L. Wells, Byrdstown.
Leonard F. Robinette, Mosheim.
John C. Pope, Springfield.
L. Irene Rose, Tazewell.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 11, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed be Thou, O Lord our God, for Thou hast a balm in Gilead for the cure of the sins of men. Thou who hast appointed our time and place in this human world, Thou art a God imminent in all things, the inspiration of hope and strength. Grant that there may be in us a higher understanding and a conscience, willing to be guided aright. O Saviour, crowned not for Thine own glory, with power for the emancipation of all spirits, let us hear Thy voice in the silence.

Almighty God, for America, the human dream, the ageless hope of man, enable her to beat a pathway through the tides of military vandalism, emerging immortal over against the darkness of paganism. O Master of her soul, forgive our compromises, our ease, and our smug selfishness, and we pray that all ranks of her citizens may go on and on, toiling, sacrificing, and praying for national deliverance from the evils and horrors of wicked aggressors. We earnestly pray for our President and all who are united with him in authority and responsibility that they may be guided through these perilous and critical times. Oh, gird their souls for their mighty tasks. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 314. An act for the relief of certain Basque aliens.

PERSONS DISCHARGED FROM THE ARMY OF THE UNITED STATES ON ACCOUNT OF FRADULENT ENLISTMENT

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1782) to authorize the payment of a donation and to provide for the travel at Government expense of persons discharged from the Army of the United States on account of fraudulent enlistment, with a House amend-

ment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MAY, THOMASON, HARTER, ANDREWS, and SHORT.

WITHDRAWAL OF BRANDY FOR FORTIFICATION OF WINES AND PRODUCTION OF WINES, BRANDY, AND FRUIT SPIRITS

Mr. BUCK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5802) to amend certain provisions of the law relative to the withdrawal of brandy for fortification of wines and production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 2, line 6, after "cantaloup brandy", insert "; and by inserting at the end of the first paragraph the following new sentence: 'The maximum penal sum of any bond required by this subchapter for any bonded winery or bonded storeroom shall be $50,000'."

Page 4, after line 20, insert:

"(h) Clause (2) of section 5 (f) of the Federal Alcohol Administration Act (49 Stat. 984) is amended to read as follows: '(2) as will provide the consumer with adequate information as to the identity and quality of the products advertised, the alcoholic content thereof (except the statements of, or statements likely to be considered as statements of, alcoholic content of malt beverages and wines are prohibited), and the person responsible for the advertisement;'."

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. RICH. Reserving the right to object, Mr. Speaker, this bill relates to the withdrawal of wine from bond, as I understand?

Mr. BUCK. No.

Mr. RICH. I should like to know what this bill contains.

Mr. BUCK. The bill was passed by the House last session and passed by the Senate with these two amendments. This bill has nothing whatever to do with the withdrawal from bond. The bill the gentleman has in mind is one, I think, that will be reported or is about to be reported from the Committee on Ways and Means. This has nothing to do with that.

Mr. RICH. What does this bill do?

Mr. BUCK. The first amendment fixes the maximum sum of a wine maker's bond at $50,000. It prohibits the advertising of the alcoholic content of wines.

Mr. RICH. Why should not the people know what the alcoholic content of a wine is?

Mr. BUCK. We already prohibit such advertising with regard to what are known as dry wines, wines under 14 percent. This bill simply extends this prohibition to the whole category of wines.

Mr. RICH. In the advertising of wines or the labeling of wines they are supposed——

Mr. BUCK. No, labeling is another matter entirely, I may say to the gentleman.

Mr. RICH. Is there anything in this bill that takes away from the public knowledge they now have?

Mr. BUCK. Not at all.

Mr. RICH. If the bill prohibits the advertising of the alcoholic content of wines, would not that be a detriment to the public?

Mr. BUCK. I do not understand so. I cannot see that.

Mr. RICH. The public ought to know what the alcoholic content of a wine or liquor is, should it not?

Mr. BUCK. That is not required at the present time, except in the case of the sweet wines. That is all its affects. This is an amendment adopted by the Senate in its wisdom.

Mr. RICH. I do not care whether the Senate adopted it or not; if it is not for the benefit of the public, then I do not want the bill to go through.

Mr. BUCK. I may say to the gentleman from Pennsylvania that I think it is of benefit to the public.

Mr. RICH. In what way will it benefit the public?

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman from Pennsylvania yield?

Mr. BUCK. The gentleman from California has the floor. I yield to the gentleman from Mississippi.

Mr. RANKIN of Mississippi. I am glad the gentleman from California has the floor and is willing to yield to me. I want to reiterate my attitude on this proposition entirely.

I understand that this legislation is for the benefit of certain sellers of intoxicating liquor. I am not interested in their business, but I am interested in putting a stop to advertising intoxicating liquors over the radio and enabling every "flannel-mouthed" liquor propagandist to invade every Christian home and advertise liquor that every intelligent man knows is detrimental to grown people, much less children, and in that way corrupt the morals of the American people in spite of all that Christian fathers and mothers can do. If the committee really wants to do something for the American people, let it bring out a bill that squares with honest American principles and put a stop to advertising intoxicating liquors over the radio. I am speaking now for the millions of Christian people who are resenting what is going on over the radio every day and every night.

Mr. BUCK. I may say to my good friend that this bill has nothing to do with that.

Mr. RANKIN of Mississippi. Of course, it has nothing to do with that; it is merely a squabble between certain liquor dealers; that is what it is.

Mr. BUCK. No; it is not; I beg the gentleman's pardon.

Mr. RANKIN of Mississippi. Some of them want to sell liquor a little more cheaply than others. They do not want to advertise the price. They are all willing to advertise the sale of liquor and to lie to the American people about how much good it will do them and their children, but this is for their own selfish interests. Let us legislate for the American people.

Mr. Speaker, I am going to object for the present and urge that they can bring a bill or an amendment to protect the Christian homes of America. For the present, I object.

Mr. BUCK. This is not a bill of that kind; I beg the gentleman's pardon.

Mr. RANKIN of Mississippi. It ought to be. Let us legislate for the Christian men and women of America in this matter and for the protection of their children.

The SPEAKER. Objection is heard.

Mr. BUCK. Mr. Speaker, I ask unanimous consent that the House disagree to the Senate amendments and ask for a conference with the Senate.

Mr. RANKIN of Mississippi. Mr. Speaker, I object, for the time being.

SAM HARDY, MESSENGER TO COMMITTEE ON WAYS AND MEANS

Mr. BOEHNE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BOEHNE. Sam Hardy, the courteous, able, and efficient messenger to the Committee on Ways and Means of the House of Representatives, recently completed 34 years of service to that committee on February 9, 1942. During these years Sam has served under eight chairmen, namely, Hon. Sereno E. Payne, of New York; Hon. Oscar W. Underwood, of Alabama; Hon. Claude Kitchin, of North Carolina; Hon. Joseph W. Fordney, of Michigan; Hon. William R. Green, of Iowa; Hon. James W. Collier, of Mississippi; Hon. Willis C. Hawley, of Oregon; and Hon. Robert L. Doughton, of North Carolina.

Sam is honest, reliable, faithful, capable, and trustworthy. He has at all times rendered a very valuable service to the committee members and staff.

His exceptional knowledge of the public documents relating to matters within the jurisdiction of the committee make his services particularly valuable and his work unique. There are five large storerooms, crowded with thousands of documents of all descriptions, some of them very valuable and rare. The Joint Committee on Internal Revenue Taxation also maintains a storeroom for documents of particular use to that committee. It requires an excellent memory and extensive information to locate these numerous documents, especially those printed during the early sessions of the Congress.

Every 2 years, or oftener, as the need arises, the committee binds a set of all documents, bills, and reports published by the committee for the use of each member of the committee, the staff, and the committee library. Sam collects all of these documents and assembles them for binding and performs a like service for the Joint Committee on Internal Revenue Taxation.

The committee library, in the rear of the committee room, is one of the best equipped on the Hill. It contains many

irreplaceable documents, as well as all volumes of the CONGRESSIONAL RECORD from 1789 to the present, and the United States Reports from volume 1 to the current edition. The care of this library is another of Sam's duties and one of which he is justly proud.

Sam has also found time to be a part of his community, and for 22 years has been secretary and financial secretary to the board of stewards of the Metropolitan A. M. E. Church, as well as serving as reading clerk to the church.

Clerks and members of the committee, who have occasion to call on Sam's varied abilities and excellent memory, will testify to the unfailing courtesy and cheerfulness with which he performs his tasks. They have come to rely upon him for many services and do not like to think of the day when Sam will have retired and a less well-informed messenger will have taken his place.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Mr. Speaker, certainly nothing can be added to the remarks of the gentleman from Indiana [Mr. BOEHNE] relative to the faithful services of Sam Hardy, messenger to the Ways and Means Committee. There is, perhaps, only one remark I might add to what the gentleman has so well said—namely, that there is only one Member now of this House who was a Member of the House when Sam Hardy first became employed by the Ways and Means Committee, the gentleman from Illinois [Mr. SABATH]. There could be no better credit given to Sam than the record he has made, which has been most satisfactory to every member of the Ways and Means Committee during a period of 34 years, with service under eight different chairmen. As the gentleman from Indiana has so well said, he is thoroughly conversant with all the duties to be performed by one in his position. We wish him continued success in his life's calling, and as one member of the Ways and Means Committee I certainly hope he may be continued in health to serve the committee as well in the future as he has in the past.

I congratulate Sam Hardy on his long, faithful, and successful career as one of the highly efficient employees of this Congress.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I think it is a very fine thing to see the gentleman from Indiana [Mr. BOEHNE] and the gentleman from Massachusetts [Mr. TREADWAY] pay honor to a loyal employee of the House, a man who has served the Ways and Means Committee for 34 years, serving under eight chairmen.

It was my pleasure during my 10 years of membership on that important and powerful committee to observe him; efficient, loyal, a man of honorable instincts, and an inspiration and example to all. It is not only fitting, but I think it is very fine for us to pause and hear Members pay a tribute of respect to a man of comparative humble position so far as other positions in the House are concerned, but one who loves his work. I join in honoring Sam Hardy, this fine employee of the House who had been connected with the Ways and Means Committee for so many years, during which he performed such loyal and honorable service.

Mr. KNUTSON. Mr. Speaker, this day marks the thirty-fourth anniversary of Sam Hardy as messenger to the Committee on Ways and Means. They have been 34 years of faithful, conscientious service, and we who know Sam for his real worth hope that he may be with us for many, many more years. He is invaluable to us.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection? There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, it is always a pleasure and never a task for one to give expressions to his kindly feelings when he is discussing one who has shown him acts of kindness and courtesy and has rendered real service.

Samuel Hardy is my friend and he has demonstrated it many times. I am his friend, but maybe I have not demonstrated it as much as I should. I am his friend because I recognize in him some of the finest traits of character. He has served the Ways and Means Committee of the House of Representatives for many years and his service has been conspicuous for fidelity and for devotion to duty. In a way he is as much a part of this Congress and the activities of the Government as any of us. He has not been elected but he has been selected year after year for approximately 30 years and his standing with those responsible for his appointment is as high as it could possibly be.

Sam is a leader among the colored people of this city and has identified himself very actively with the church and with all of the best things in life. I am glad to say of him in the lines of a hymn writer that fidelity pays. This is the first stanza of the hymn to which I refer:

> Not to the strong is the battle,
> Not to the swift is the race,
> But to the true and the faithful,
> Victory is promised through grace.

MELVYN DOUGLAS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to read a telegram which I received this morning.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, this telegram is dated Los Angeles, Calif., and is addressed to me:

Following is a statement released by the Screen Actors' Guild, "The appointment of Melvyn Douglas as a nonsalaried Civilian Defense worker was strongly endorsed by the board of directors of the Screen Actors' Guild in a telegram to Dean James M. Landis, Director of Civilian Defense. The Guild said in the last war Melvyn Douglas ran away from home to enlist in the Army and contribute what he could to his country in this war. Melvyn Douglas is giving up lucrative screen employment to work without pay coordinating the use of creative talent to help sell Victory bonds to carry on public information work and otherwise to aid the war efforts. Actors have done a great deal in the war effort and want to do more. They have contributed time and talent without stint to war entertainment activities. Since Pearl Harbor they have sold millions of dollars worth of Victory bonds. They have raised large sums for the Red Cross, infantile paralysis fund, and other humanitarian agencies. The defense agency which Mr. Douglas will head will coordinate further use of the talents of actors, writers, directors, graphic artists, and others. In appointing Mr. Douglas the Office of Civilian Defense appointed the man with the kind of experience needed to do the job. While some Congressmen have been getting publicity by making insulting remarks about actors, actors have been working to win the war. So long as there are war jobs to do actors will do them. One of our number recently showed the spirit of actors when she carried out her Government assignment at the cost of her life. She might have stayed home but that is not the actors' way, not the American way."

TRANSPORTATION OF HOUSEHOLD GOODS OF CIVILIAN OFFICERS AND EMPLOYEES

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1526) to amend the act approved October 10, 1940 (54 Stat. 1105), to permit such responsible officers as may be designated by the heads of departments or establishments to authorize or approve the allowance and payment of expenses incident to the transportation of the household goods of civilian officers and employees when transferred from one official station to another for permanent duty.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. BURDICK. Mr. Speaker, I object.

LEAVE TO ADDRESS THE HOUSE

Mr. MURRAY. Mr. Speaker, I ask unanimous consent that after the regular business of the day, and any special orders, I be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection? There was no objection.

THOMAS ALVA EDISON

Mr. KEAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection? There was no objection.

Mr. KEAN. Mr. Speaker, in these dark days it behooves us this morning to turn our thoughts away for the moment from war in order to mark the ninety-fifth anniversary of the birth of one of New Jersey's most illustrious citizens, the late Thomas Alva Edison, who, by his genius, contributed to the progress of the human race rather than to its destruction. His

name will be cherished when Hitler, Mussolini, and the Japanese war lords are but an unhappy memory.

PENSION FOR OLD FOLKS

Mr. LANDIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and extend and revise my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. LANDIS addressed the House. His remarks appear in the Appendix.]

TRANSPORTATION OF GOODS OF CIVILIAN OFFICERS AND EMPLOYEES

Mr. COCHRAN. Mr. Speaker, I renew my request and ask unanimous consent for the present consideration of the bill (S. 1526) to amend the act approved October 10, 1940 (54 Stat. 1105), to permit such responsible officers as may be designated by the heads of departments or establishments to authorize or approve the allowance and payment of expenses incident to the transportation of the household goods of civilian officers and employees when transferred from one official station to another for permanent duty, which I send to the desk and ask to have read.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Will the gentleman from Missouri kindly explain the purpose of the bill?

Mr. COCHRAN. Mr. Speaker, this bill comes with a unanimous report from the committee. The Secretary of War and the Secretary of the Navy have telephoned to urge that this legislation be expedited. Under existing law, the Secretary of the Navy, the Secretary of War, and the Commandant of the Coast Guard must personally sign a voucher transferring civilians. Military and naval units are being transferred every day; but when the enlisted men and officers go ahead, if the vouchers are not signed for the transfer of the civilian employees, they cannot go with their units. They have been flying some of these vouchers all the way to Washington from some of the camps and flying them back again.

Mr. MARTIN of Massachusetts. Does this state the number of people who can be designated?

Mr. COCHRAN. No. It simply permits the Secretaries to designate a responsible officer to sign the papers, rather than the head of the department personally, as now required under the present law. Undoubtedly it will be the corps area commander. The explanation before the committee is that this will save money by not requiring these vouchers to be sent to Washington. The various departments mentioned, the Comptroller General, as well as the Director of the Budget, ask for this legislation.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act approved October 10, 1940 (54 Stat. 1105), be, and hereby is, amended by inserting, after the clause "when specifically authorized or approved by the head of the department or establishment concerned", the words "or by such responsible officer or officers of the department or establishment concerned as the head thereof may designate for that purpose."

With the following committee amendment:

Strike out all after the enacting clause and insert: "That during the continuance of the present war and for 6 months thereafter any appropriations heretofore or hereafter made available for expenses of travel of civilian officers and employees of the War and Navy Departments and the Coast Guard shall be available also for expenses of travel performed by them on transfer from one official station to another when authorized by such responsible officer or officers of the department concerned as the head thereof may designate for that purpose in the order directing the travel: *Provided*, That such expenses shall not be allowed for any transfer effected for the convenience of the officer or employee."

The committee amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

The title was amended to read: "An act to provide decentralization of the issuance of orders authorizing the payment of travel expenses in connection with the transfer of civilian employees from one station to another."

A motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS

Mr. WEISS. Mr. Speaker, I ask unanimous consent to extend and revise my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a tribute to Abraham Lincoln by a former Member of this House.

The SPEAKER. Is there objection?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 278. Joint resolution making an appropriation to provide financial aid to China.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 133. Joint resolution amending section 7 of the Neutrality Act of 1939.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1891) entitled "An act to amend an act to provide allowances for uniforms and equipment for certain officers of the Officers' Reserve Corps of the Army so as to provide allowances for uniforms and equipment for certain officers of the Army of the United States," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. REYNOLDS, Mr. THOMAS of Utah, Mr. JOHNSON of Colorado, Mr. AUSTIN, and Mr. GURNEY to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2182. An act to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps.

DEFENSE APPROPRIATIONS

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RICH. Mr. Speaker, last Friday the War Production Board issued a press release stating that—

War funds already authorized, plus net appropriations in bills at present before Congress, total an estimated $116,000,000,000.

The newspapers announced the President would shortly submit requests for additional appropriations amounting to $26,740,000,000. If this request is met by the Congress, the totals appropriated for the present war effort will be $142,740,000,000. And that is for war alone. Now, besides this sum, we have the task of maintaining the ordinary functions of government, of providing for the veterans of former wars, and keeping up all of the independent agencies of the Government. Mr. Speaker, $142,740,000,000 is a lot of money. In the 709,000 days since the birth of Christ there has never been any spending to equal this, and if the money were distributed pro rata over each day since that time the spending would be at the rate of $201,185 per day.

Coupled with our national debt of over $60,000,000,000, this expenditure of $142,740,000,000, most of which must obviously be national debt, it is apparent that we will wind up with a national debt of nearly $200,000,000,000.

Mr. Speaker, how are we going to pay this debt? Where are we going to get the money?

Mr. Speaker, I warn the House of Representatives and the Senate they should scan every appropriation to save every penny or we will bankrupt our Nation. If we go bankrupt we will lose in our effort to win the terrible war we are now engaged in. We should use every effort to win; we will be compelled to sacrifice to win. We must do our all to win the war. Let us make every penny count.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the

RECORD and to include an address I made on Thomas A. Edison.

The SPEAKER. Is there objection?

There was no objection.

RIVERS AND HARBORS LEGISLATION

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks and to include therein a letter from the President of the United States and a statement from Judge MANSFIELD, chairman of the Committee on Rivers and Harbors.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN of Mississippi addressed the House. His remarks appear in the Appendix.]

FINANCIAL AID TO CHINA

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 278, making an appropriation to provide financial aid to China, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the resolution.

The Clerk read the Senate amendment, as follows:

Line 8, strike out all after the word "approved" down to and including "1943", in line 12, and insert "February 7, 1942, and remain available until June 30, 1943."

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Reserving the right to object, Mr. Speaker, what effect does this amendment have?

Mr. CANNON of Missouri. Mr. Speaker, inasmuch as House Joint Resolution 278 was introduced before the authorizing legislation was approved by the President, we provided in this joint resolution that it could not become effective until the authorizing resolution had become law. The President has signed the authorization and there is no longer any necessity for that limitation. The Senate therefore struck it out and inserted the date of approval of the authorization act—House Joint Resolution 276.

Mr. TABER. The only effect of the amendment is to strike out the limitation and substitute the date on which the bill was signed?

Mr. CANNON of Missouri. That is all.

Mr. Speaker, I move that the Senate amendment be agreed to.

The SPEAKER. Without objection, the Senate amendment is agreed to.

There was no objection.

A motion to reconsider was laid on the table.

DEFENSE HOUSING IN THE DISTRICT OF COLUMBIA

Mr. SABATH. Mr. Speaker, I call up House Resolution 437 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into a Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6483) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Buildings and Grounds, the bill shall be read for amendment under the 5-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SABATH. Mr. Speaker, this bill makes in order H. R. 6483, the so-called District of Columbia housing bill, which authorizes an appropriation of $50,000,000 to relieve an acute shortage of housing, public works, and equipment therefor presently existing and impending in and near the District of Columbia and which are impeding war activities.

I am not aware of any opposition to either the rule or bill and, therefore, will not take up the time in explanation of the rule or the provisions of the bill. However, the matter of the overcrowded conditions in Washington has held my interest for the past year, and I have sought to relieve the situation by the introduction of several bills and resolutions which would authorize the decentralization and removal of certain bureaus and agencies from Washington. For the information of the House, I shall ask permission to insert at this point House Joint Resolution 198, which I introduced on June 20, 1941, as well as my remarks at a hearing of the Committee on Public Buildings and Grounds held on July 24, 1941:

Joint resolution creating a committee to investigate the feasibility of transferring certain bureaus and agencies of the Government from the District of Columbia, and for other purposes

Whereas, due to the national defense program, many new bureaus and agencies of the Government have been created, and established bureaus and agencies expanded in operation, necessitating the employment of approximately 35,000 additional employees and resulting in a definite shortage in office facilities and housing accommodations and in acute traffic congestion in the District of Columbia; and

Whereas the number of employees entering the Government service is increasing, making certain a still greater overcrowding and congestion of office facilities and housing accommodations therein, and tending to lowered efficiency and increased expenditures in such agencies and to higher living costs to such employees; and

Whereas the city of Chicago is the railroad center of the United States, centrally located and accessible from and to all sections of the country, and has available modern office buildings ready for immediate occupancy and obtainable at reasonable rentals as well as suitable and adequate housing accommodations to provide for any increase in numbers of Government employees, with lowered living costs to them; and

Whereas various bureaus and agencies of the Government may be properly removed from the District of Columbia not only without impairing, but indeed to the improvement of, the efficiency of their operations: Therefore be it

Resolved, etc., That (a) there is hereby established a committee to be composed of nine members, three of whom shall be Members of the Senate to be appointed by the President of the Senate, three of whom shall be Members of the House of Representatives to be appointed by the Speaker of the House of Representatives, and the remaining three of whom shall consist of the Director of the Bureau of the Budget, the Coordinator of Defense Housing, and the Commissioner of Public Buildings. The committee shall select one of its members to act as chairman.

(b) It shall be the duty of the committee to investigate—

(1) the feasibility and desirability of transferring from the District of Columbia to central locations outside the District of Columbia of any of the bureaus or agencies of the Government of the United States;

(2) the location, extent, and cost to the United States of office space and other facilities rented by the various departments, bureaus, and agencies of the United States, both within and without the District of Columbia.

The committee shall report from time to time during the present Congress the results of its investigation, together with any recommendations for legislation which it may deem proper.

(c) The committee is authorized to utilize the services, information, facilities, and personnel of the departments and of any of the agencies of the Government.

[Hearings before the subcommittees of the Committee on Public Buildings and Grounds, House of Representatives]

STATEMENT OF HON. ADOLPH J. SABATH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

The CHAIRMAN. We are glad to have with us Mr. SABATH, who introduced the resolution pending before the committee.

Mr. SABATH. Mr. Chairman and gentlemen of the committee, many Members of Congress and hundreds of people have appealed to me to see whether something could be done to relieve the condition here, because the Members themselves found it impossible to find living quarters; people coming down here are unable to find quarters in hotels where they can remain for even 2 or 3 days; and visitors are unable to find space where they can remain for a few days.

When these conditions came to my attention and, of course, I am personally familiar with them, because I have received myself many requests from delegations asking me to make reservations for people whom they have invited here, and some who have business before the departments, from businessmen and professional men, and I have found it impossible to obtain reservations for them.

The CHAIRMAN. I think we have all had that experience.

Mr. SABATH. In view of that fact I finally decided to urge that something be done. I have written to the President calling his attention to conditions, believing that he would have jurisdiction without any legislation, but realizing the fact that he is terribly busy, occupied with international affairs, I did not press it; I did not have the heart to press it, although I consider it of great importance.

So, consequently, I introduced a resolution. I introduced a concurrent resolution creating a committee: Three from the House, three from the Senate, and three gentlemen from the departments, having knowledge and experience and information relative to the overcrowded conditions here. But after talking with the Speaker he came to the conclusion that it would be better if the House itself would take the matter on and that it would receive the proper attention and consideration. In view of his recommendation I

introduced another resolution, and when the matter was presented to the Rules Committee, the Rules Committee unanimously recognized the need of some action and reported out the resolution.

I then informed the Speaker that I could not be one of the members of that committee, and that I could not be chairman of such a committee, because as chairman of the Rules Committee the duties are such as not to permit me to take on any additional work. I have plenty of work to do without taking on any additional duties. In view of that fact, you are considering the situation in my resolution today and I hope you will give it the consideration to which it is entitled.

The CHAIRMAN. Mr. SABATH, the resolution deals with a matter in which we are all very much interested. And I should like to outline the method that seems advisable for getting this information.

In view of the fact, of course, that the Dupont Circle apartment house situation has been referred to a great deal and that there are incidents connected with that growing out of the present situation, we thought that during such time as we have today and tomorrow we would give attention first to that particular situation. Then it is our purpose next week to ask representatives of these various departments to come before us with reference to such agencies as you have mentioned, concerning their operation and the people affected by them and to ascertain their judgment whether these bureaus and agencies should be decentralized; and then also to get from various cities where these agencies could be located information and data with respect to that situation.

Since Mr. DIRKSEN has made a statement which is rather staggering concerning the situation in Chicago, particularly in the Loop area where they have been unable to pay taxes, and since we are paying a very considerable sum for rental for these agencies, in spite of the many Government buildings that we have, at least we should consider the feasibility of utilizing such vacancies.

Now, is that, in your judgment, the proper course for us to pursue in such investigation as we make? We would like to have your judgment on it.

Mr. SABATH. Of course, the resolution concerning the Dupont Circle apartment house matter is before the Rules Committee.

The CHAIRMAN. We appreciate that.

Mr. SABATH. I will be only too delighted if the Rules Committee will be relieved of that investigation and if you gentlemen will look into the unfair tactics that have been used concerning the taking over of that building, but I think also the committee should have a general investigation of the whole situation.

The CHAIRMAN. Mr. DOWNS, who introduced that resolution, is a member of this committee; he has been out there and knows what the circumstances are.

Mr. SABATH. I am pleased to know that. On a few of the promises that were made to the people I think you should secure certain information. And I am going to be very brief in my statement.

The CHAIRMAN. Take your time, Mr. SABATH.

Mr. SABATH. All I want to say is that the report from the Appropriations Committee shows the need and recommendations have been made to the House that something should be done and must be done.

The CHAIRMAN. What report is that?

Mr. SABATH. I refer to page 32, a part of the report from the Appropriations Committee, made by Mr. TARVER, who is a very careful man; and they have given that matter consideration and they thought something should be done.

The CHAIRMAN. I think that part of the report you refer to should be incorporated in the record.

Mr. SABATH. It is on page 32 of the report of the Appropriations Committee on the Department of Labor and Federal Security Agency, for this session.

(The excerpt referred to follows:)

"A supplemental estimate affecting the operations of this Bureau (Social Security Board) was submitted in House Document No. 211 wherein it was proposed to authorize the Social Security Board to enter into leases for periods of not more than 5 years for office and storage space outside the District of Columbia to house this function of the Board. The committee has not acceded to the request for the insertion of this language in the bill. The Bureau of Old-Age and Survivors Insurance is a completely integrated unit of operation and one that can very well be decentralized and operated at any place in the United States as well as it could be operated in Washington or Baltimore. At the present time the Bureau is operating in Baltimore, Md., and is unable to find adequate space to house the expanding activities of the Bureau. The committee is of the opinion that the Board should survey other cities in the United States for the purpose of locating a place where this unit of Government can move and be assured not alone of building facilities sufficient for the operation of the office, but also adequate and reasonably priced housing facilities for the employees. The defense program has projected a very serious housing situation in Washington and everything possible must be done to decentralize Government activities and have them established in areas outside of the confines of Washington in cases where there will be no impairment in productive or efficiency factors as a result of such decentralization. The Bureau of Old-Age and Survivors Insurance lends itself to this possibility of decentralization" (H. Rept. No. 688, 77th Cong., 1st sess., on Department of Labor, etc., appropriations.)

Mr. SABATH. Two years ago, if I am not mistaken, another committee made a recommendation in favor of passing an act concerning the feasibility of bringing about the removal of some of the Bureaus here in Washington. That is in the act, Public Act, I think, No. 113.

The CHAIRMAN. Of what Congress?

Mr. SABATH. Of the Seventy-fifth Congress. That provided for the establishment of the Temporary National Economic Committee, hereafter referred to as the committee, to be composed of three Members of the Senate to be appointed by the President of the Senate, three Members of the House to be appointed by the Speaker of the House, and three other members, one, respectively, from each of the following departments or agencies to be designated by the respective heads thereof: Department of Justice, Department of the Treasury, and Department of Labor for the purpose of ascertaining whether or not some of these departments could be moved outside of the District of Columbia.

The CHAIRMAN. Did they make the investigation, Mr. SABATH?

Mr. SABATH. No. This is the act.

The CHAIRMAN. When was that passed?

Mr. SABATH. That was in 1938, long before we had these overcrowded conditions, and that was due to the tremendous cost which has been referred to by our colleague, Mr. DIRKSEN, as to the expense of travel to the Government, running between $100,000,000 and $150,000,000, most of which could be saved if these bureaus could be properly allocated in sections of the country where much of this work has to be done.

The CHAIRMAN. And it would also save the people a great deal of expense when they have to do business with these departments?

Mr. SABATH. Yes. The cost to the people of the United States in coming to Washington from all sections of the country, if these bureaus were more centrally located, would not only save them a great deal of time and money but would relieve the conditions existing here.

Now, I feel that something must be done. I recall when I came to Congress the District of Columbia had a population of 180,000. Today it has over 600,000. It is true we have been building and spending tremendous sums of money, but notwithstanding that fact we are paying today in the District of Columbia over $5,000,000 rental.

I can understand, and I suppose if I was the head of a bureau I would have the same inclination to be in Washington. It is a beautiful city, a clean city, and it is only natural that people want to be close by where things are being done.

Mr. WILSON. Mr. Sabath, you stated that there was felt the need for this in 1938?

Mr. SABATH. Yes.

Mr. WILSON. Why has this not been done before, previous to this emergency that we are supposed to be facing now, when evidently there was time to give the matter attention in 1938? If I remember correctly, the Congress adjourned in June, did it not, in 1938?

Mr. SABATH. Yes; but unfortunately we have been rather busy and the Congress has been rather busy from 1933 up to now; we did not have so much time.

The CHAIRMAN. This particular committee did not object to such legislation.

Mr. SABATH. No. No action has been taken. This matter again has just been called to our attention only a little while ago and I have even forgotten that such action has been taken.

Now, everyone knows that I have not been unfriendly to the District of Columbia. I am proud of our Capital, but at the same time we must take into consideration there are other sections of the country and I do not believe that everything must be done right here in the District when we have so many other splendid locations and cities that have available space, available buildings, available living quarters.

Now, I did insert in the resolution the city of Chicago because I know it is the most centrally located city in the United States and I know we have a great deal of vacant office space there.

The CHAIRMAN. That is in line with the statement made by Mr. DIRKSEN with reference to vacancies in the Loop district.

Mr. SABATH. Not only that, Mr. Chairman, but there are a tremendous number of large office buildings that have not been able to pay their taxes for years; many of them have been sold for taxes; and, we have torn down in the Loop district at least 20 buildings because they could not be rented. I know that Chicago has suffered more than any other city from the twenties on.

The CHAIRMAN. Chicago has not been aided very much in the defense spending?

Mr. SABATH. Absolutely none of that is coming our way, although we have a splendid location; it is the hub of the United States; we have facilities, but somehow or other we are being bumped here, and naturally the Federal activities have been centralized elsewhere.

The CHAIRMAN. Are residential houses available, as well as business houses, in Chicago?

Mr. SABATH. Let me tell you about the residences: Due to the fact that much activity is away from Chicago, and that the new developments are taking places for the new needed national defense program, we have lost around 50,000 mechanics because there is no work for them in Chicago. They have been taken to Detroit, or moved to New England, and many of them into the South as well as on the west coast. Today we have 45,000 vacant flats and it is heartbreaking. I do not know what we are going to do.

Now, it may seem that I am pleading to you for Chicago. I merely call attention to the available space in Chicago because the Government could save money and the people could save money and time if some of these bureaus were relocated.

It may be that some of these bureaus could be transferred to St. Louis. Some of them have been transferred to Denver. Some of them can be transferred somewhere else.

I have a list of the bureaus which I think could be transferred to some other place and remove the condition existing here, save money to the Government and cost to people doing business with the Government if they were transferred to some other city.

I do not want to have it said that I am advocating New York or Philadelphia or St. Louis or Cincinnati or Omaha because some of these perhaps should not be in Chicago. But many of them can be located to advantage in Chicago.

Now, I know we cannot transfer any bureau of the Departments of War or State or Navy; but the General Land Office, and we have many bureaus in other departments, such as the Grazing Service, Indian Affairs, Reclamation Service, Bureau of Mines, Bureau of Fisheries and Wildlife. I do not think those bureaus should be here. A better place for them would be in Chicago, where conditions are much better.

Mr. MCGREGOR. Is that due to the activities of the Kelly-Nash machine?

Mr. SABATH. Well, let me say this, during the entire administration of Kelly there has not been an unfriendly newspaper that could say anything against it. He has given the city of Chicago a real honest and business-like administration, nothing like we had under Big Bill Thompson, who nearly brought about chaos in Chicago, and we have been obliged to work all of these years to rehabilitate, reconstruct and to establish the fair name of Chicago and today I will say, come to Chicago and you will find about as orderly a city and as clean a city as you will find anywhere. Some of you might not have been in Chicago during the last Democratic convention——

Mr. MCGREGOR. I was not there then.

Mr. SABATH. Well, you should have been there. But the point is that we demonstrated what a splendid city it was, that everybody could enjoy their stay, and I have not heard of a complaint from a single person as to not having been properly taken care of and treated as one feels they should be treated in a well-regulated city.

We have a splendid streetcar system; we are now completing a wonderful highway system.

Mr. WILSON. Are all the nitwits in Chicago on the police force?

Mr. SABATH. Well, let me tell you this: We were not obliged to change the department at all, and I am glad to tell you that I have not seen a single scratch in the papers, the most unfriendly papers, about the Chicago police. I know they are not all perfect; there is nothing perfect in the world.

Mr. WILSON. Just let me tell you this, because I think you will be interested in it: The last time I was driving through Chicago I created an error, and some policeman said, "You know all the nitwits in Indiana drive automobiles."

Mr. SABATH. Of course, they are not all perfect.

Mr. GIBSON. Did I understand you to say that Chicago was the most centrally located city in the United States?

Mr. SABATH. I mean large city; it is the hub of the railroad facilities, and now it is an airplane city, and out on the Lakes you have water transportation, and everything else is easily accessible for bringing things to Chicago.

But I am not only advocating Chicago; please understand that. Naturally I am bringing to you the conditions in Chicago, and that there are plenty of available offices and office space at low rentals, and the people working in those offices could obtain accommodations there much cheaper than they could here or perhaps in most any other city.

Mr. BELL. Of course, Kansas City is more centrally located. Would there be any objection to striking out the word "Chicago" where it appears in the resolution and substituting therefor "Kansas City"?

Mr. SABATH. Well, if you have the office space there available and if conditions are as favorable in your city as they are in Chicago, I would not object to some of these bureaus and agencies going to Kansas City.

Mr. HARRIS. I was very much interested in your description of what is happening to Chicago since the depression began in 1929. Is not Chicago receiving any benefit from this tremendous defense program and the results of the spending?

Mr. SABATH. No.

Mr. HARRIS. Is that right?

Mr. SABATH. Very little. There is not a single one of these big plants located anywhere within Chicago. I think the nearest plant is somewhere around 25 or 30 miles away from Chicago and they are creating a new town there, and naturally people from Chicago move in that direction. Of course we never did have any automobile factories or airplane factories or the big guns or ammunition plants. We do not have the plants for the gun mounts, or facilities for building war vessels or for big boats. We do have facilities for small boats and I pleaded with the Navy Department to allocate some of the money to the Great Lakes, but nothing has been done. So, we are suffering on account of conditions there more than any other city in the United States.

Mr. HARRIS. I would like to ask you one more question: If some of these departments or bureaus or independent agencies were moved to Chicago or to some other city, would you advocate, Mr. SABATH, their removal as a permanent or temporary matter; and if they were to be located there permanently would you then advocate a continuation of their occupying rental quarters or do you think the Government should build structures to take care of these activities?

Mr. SABATH. Where it would be feasible and to the advantage of the Government I believe that we should own our own quarters. Although right here, notwithstanding the tremendous building program in the last 8 years, we are still paying over $5,000,000 rental annually, and I feel that the same accommodations could be obtained elsewhere for about $2,500,000. But that is only a small amount, really a drop in the bucket, of what could be saved through relocation.

Now, as to the permanency: If it could be demonstrated that the work could be performed more economically and to the best advantage of the taxpayers of the country, why, they should remain. But if that were not established, then let us move them back when conditions will have improved here in the District of Columbia.

Mr. MCGREGOR. Mr. SABATH, in your opinion, do you have adequate facilities in Chicago now that if some of these departments of the Government should be moved there it would not be necessary for Chicago to come before the Congress asking for an appropriation for houses?

Mr. SABATH. I have a report from the national board of real-estate agents showing that there are 45 000 vacant apartments and flats available now to the people if they should be transferred to Chicago.

The CHAIRMAN. Is that this report [indicating]?

Mr. SABATH. Yes; I think it is. I have a bigger report, but unfortunately I did not bring it with me.

Now in addition to the agencies that I have mentioned there is, in the Department of the Interior, the General Land Office and Geological Survey.

In the Department of Agriculture, the Bureau of Chemistry and Soils, Marketing, Dairy Industry, Plant Industry, Animal Husbandry, Soil Conservation, Bureau of Agricultural Economics.

And in the Labor Department there are a half dozen bureaus that could be transferred elsewhere.

In the Department of Labor there are half a dozen bureaus that could be transferred out there, and we could find many of them, even in the Treasury Department. Many of them could be removed. My colleague, Mr. DIRKSEN, is continuously harping upon the subject of transferring the Interstate Commerce Commission, and I think he is right, because it is a separate, independent bureau. They have no real business here, and most of the work is being done elsewhere. The hearings, or most of them, are being held in Chicago. I notice that the Speaker of the House, who was formerly chairman of the Interstate and Foreign Commerce Committee, would not favor that. That is because he is wedded to that Department, having been chairman of that committee for so many years. If that could be done, and the hearings and other business of the Commission handled in Chicago, it would save the people interested, the shippers, etc., probably a million dollars.

Mr. HARRIS. You are referring to the Interstate Commerce Commission rather than the Interstate and Foreign Commerce Committee, are you not?

Mr. SABATH. I was simply restating what my colleague [Mr. DIRKSEN] had said.

Mr. HARRIS. You were referring to the Interstate Commerce Commission?

Mr. SABATH. Yes.

Mr. ELLIOTT. Mr. SABATH, have you taken into consideration that if we have these departments in various buildings throughout the United States, and the heads and other representatives of the department were called before congressional committees for information, or for hearings, they would have to come here from those distant points, and the expenses would be borne by the Federal Government?

Mr. SABATH. May I say this: I said several bureaus or agencies of the departments. They would not be called before any committees.

Mr. ELLIOTT. You mentioned the Department of the Interior.

Mr. SABATH. As a rule, we call in the Secretary or Assistant Secretary or some official in charge.

Mr. ELLIOTT. I differ from you on that. I happen to be a member of the Public Lands Committee, and frequently we have four or five representatives of bureaus of the Department to come before the committee in reference to bills for rights-of-way, parks, and so forth. They come before the committee to testify.

Mr. SABATH. Before the Public Lands Committee?

Mr. ELLIOTT. Yes.

The CHAIRMAN. As I understand it, you are not advocating the wholesale removal of departments, but simply some of the agencies.

Mr. SABATH. Yes; some bureaus that could be transferred to other places, where their work could be done as well as here. Then we will start to practice some economy, and,

not only that, but at the same time we will be relieving the overcrowded conditions here.

The CHAIRMAN. I might say for your information that we have proposals before this committee right now to provide additional housing in Washington for Government workers. Now, if this housing is available elsewhere, and if some of these agencies that have their real functions elsewhere moved, of course, that might obviate the necessity and expense of providing houses for Government workers here.

Mr. SABATH. I want to call attention to one other fact, to which I have alluded: You have already, through this committee, had passed through the House two appropriation bills, or authorization bills, amounting to $300,000,000. Now, that is for what? It is for the housing of Federal employees in new locations. If these plants or establishments are located a little nearer large cities like Chicago, then we would not have been obliged to spend this $300,000,000 for new housing.

Mr. MCGREGOR. You do not want a powder plant in Chicago, do you?

Mr. SABATH. No; we do not. No one would want to have a powder plant within 35 or 40 miles of any town, but we do feel that manufacturing plants could be located where you could obtain labor and the necessary facilities. I grant you that there would be no justification for the establishment of a powder plant in a large city. Such activities should not be located near any great community, but that should be out in the States somewhere away from everybody. That is true for many reasons. Now, we have in Chicago many small plants manufacturing tools and all kinds of needs for the Government, but, unfortunately, that work oes to the very largest manufacturers in New England and other places. All of our section, including Chicago, unfortunately has been ignored. That is the reason for these vacancies in Chicago.

May I add this as to the values: When we made an investigation in 1934 and 1935 of the value of property, bonds, vacancies, etc., we found in Washington at that time that the bonds on most of the hotels and apartment buildings here were selling for 2, 3, and 5 cents on the dollar. That was also true in most of the other cities. After we started to make the investigation of these so-called protective committees there was a change. That was a misnomer, of course, because they were no more protective committees than I am an angel. Now, the bonds on those properties in the District of Columbia have gone up as high as 108. Bond values also increased in New York, Chicago, St. Louis, Kansas City, and in other places, from 2, 5, or 7 cents, up to 25, 30, or 40 cents on the dollar. Many that were forced to be turned over to the bondholders are worth now 100 cents on the dollar. In the city of Chicago, unfortunately, the price has gone down until now it is down to about 18 or 20 cents on the dollar. The loss to the people in their investments in those properties all over the United States was tremendous. They involved from twenty to thirty billion dollars of stocks and securities.

Now, we should look at this from a broad point of view. Why should the city of Washington and the District of Columbia have all the advantages and all the benefits that they enjoy? With it all, they are never satisfied. When we tried to put on a fair tax here, you will recall what a hue and cry they raised, claiming that they were unfair and unjust, when we know that the taxes here on real estate and personal property have been running 50 percent less than the taxes in other cities and in other locations.

I am going to ask you to put some of these figures in your record. In view of Mr. DIRKSEN'S statement as to the cost of transportation, I am not going to put those figures in, but I will give you a few reports. For instance, I have a statement of the rentals paid here by departments and agencies. I have them separated.

The CHAIRMAN. We will be glad to have that statement in the record.

(Said statement is as follows:)

Rentals[1] by departments and agencies

Departments:	
Commerce	$236,865.85
Interior	132,740.84
Justice	145,727.64
Navy	3,096.00
Labor	38,480.45
Agriculture	384,071.71
War	101,249.20
Navy	71,146.00
State	41,109.55
Treasury	352,974.99
Agencies:	
Civilian Conservation Corps	20,748.00
Tennessee Valley Authority	6,381.00
National Labor Relations Board	90,546.84
Alley Dwellings Authority District of Columbia	1,800.00
Reconstruction Finance Corporation	460,000.00
Veterans' Administration	54,588.00
National Youth Administration, District of Columbia	13,400.00
Council of Personnel Administration	4,800.00
Federal Deposit Insurance Corporation	201,090.00
Federal Works Agency	184,555.84
Federal Security Agency	449,618.96
Railroad Retirement Board	229,101.72
District of Columbia Selective Service	9,728.00
Federal Housing Administration	153,665.68
U. S. Civil Service Commission	168,985.74
U. S. Employees' Compensation Commission	84,248.28
U. S. Maritime Commission	90,757.71
Public Roads Administration	50,326.90
General Accounting Office	252,073.46
Home Owners' Loan Corporation	3,291.00
Executive Office of President—Government Reports	51,751.28
Executive Office of President—Office for Emergency Management	38,350.32
Federal Communications Commission	27,506.55
Federal Power Commission	98,121.00
Rural Electrification Administration	2,053.44
Immigration and Naturalization	40,295.72
Securities and Exchange Commission	180,807.76
Insolvent national banks	5,100.00
Commodity Credit Corporation	11,000.04
Weather Bureau	6,150.00
White House garage	7,500.00
Railroad Retirement Board	227,101.72
Panama Canal	24,300.00
Government Printing Office	12,000.00
Library for the Blind	5,779.99
Total	3,277,914.95

[1] Total, 201 buildings; annual rents paid by Government in Washington, $5,054,000.

Mr. SABATH. I also have a list of the bureaus and agencies that I think could be transferred to advantage.

Mr. HARRIS. Does that include the Interstate Commerce Commission?

Mr. SABATH. Yes.

The CHAIRMAN. We will be glad to have that statement in the record.

(The statement referred to is as follows:)

"I feel that many of the bureaus and agencies in the interest of economy and efficiency should be transferred. Naturally I am interested in Chicago, but some of these bureaus and agencies can be advantageously transferred to other cities:

"Treasury: Bureau of Customs to New York; Bureau of the Mint to Philadelphia.

"I do not expect the transfer of any bureau or division of the War Department, State Department, or Navy Department.

"Interior: General Land Office, Geological Survey, Park Service, Grazing Service, Indian Affairs, Reclamation Service, Bureau of Mines, Fish and Wildlife Division, Alcohol Tax Unit.

"Agriculture: Bureau of Chemistry, Marketing Service, Dairy Industry, Plant Industry, Bureau of Agriculture Economics, Animal Industry, Forest Service, Surplus Marketing Service.

"Labor Department: Wage and Hour Division, Children's Bureau, Soil Conservation, Women's Bureau.

"Home Owners' Loan Corporation.

"Home Loan Bank Board.

"United States Office of Education.

"National Youth Administration.

"Food and Drug Administration.

"Railroad Retirement.

"Tennessee Valley Administration.

"Veterans' Administration."

Mr. SABATH. I have here many resolutions and letters, but I do not want to encumber your hearings with them. I have a resolution from the National Real Estate Association.

The CHAIRMAN. I understand that a representative of that association wants to appear during the hearings, and he will probably give all that information.

Mr. SABATH. Then, I will forego that. I will let him do it himself. I do not want to take anybody's material away from him.

In conclusion, I hope that your committee will actually go into this needed relief.

The CHAIRMAN. We want to do that, and we will appreciate very much your counsel and advice all through the hearings.

Mr. SABATH. This is the first time in 32 years, that I have taken any interest in these District conditions. I do not want to be unfair to them, but the conditions are intolerable. We owe something to ourselves and the people we represent. Something must be done and should be done because we are going to increase the personnel here. Where we will stop, I do not know. If the War Department would exercise a little better judgment, these plants would not be so unfairly located. Many of the plants are right around here. We are building some plants close by Washington, and I do not think that is justifiable.

Mr. MCGREGOR. As I understand, you criticized the location of certain industries.

Mr. SABATH. Yes.

Mr. MCGREGOR. Why do you think they were put in those particular localities, or what were the predominant factors that caused them to be placed in those localities? Do you think it was politics?

Mr. SABATH. I do not know. As you know, military gentlemen do not play politics as we understand it. They play their own politics, and do not pay any attention to you or me. They do not pay any attention to ordinary Representatives and Senators. They are above us. They know more about it, and take their own viewpoint. Perhaps there might have been some influence somewhere on the part of some people whom they knew, but it was not the influence of Senators or Representatives.

Mr. MCGREGOR. Do you mean some people they know at the other end of the Avenue?

Mr. SABATH. I will tell you what I have in mind: We have several hundred men who have resigned or who are out of the service

now, and they are very familiar with all the men in charge of these things. They live in various sections, and they may have had reason to recommend some places to their friends with whom they had served in their official capacity. I know this, that they have been employed by many corporations, although they are still on the retired list and drawing splendid retirement pay. Yet they are now employed by great corporations here and there. That is for what purpose? It is because they know the gentlemen inside the War Department and Navy Department.

Mr. HARRIS. Is it not a violation of law for a man on the retired list of the Army to place Army orders or contracts for other parties?

Mr. SABATH. I do not know. We have tried once or twice to restrict that. When they do it, I think they should be taken off the retired list. They should be taken off the retired list when they accept salaries and compensation for services to private industries.

Mr. HARRIS. Is it a fact that the general policy has been laid down with regard to the selection of locations for defense plants? For example, it has been announced publicly that it has been the policy to locate powder plants far in the interior so they would be safe in the event of an attack on the seaboard.

Mr. SABATH. That may have been; yes. Now, when they locate these plants in areas so far removed from the cities, you are obliged to build for them housing facilities, roads, provide electricity, and everything else; whereas if they were a little closer to some cities they would not have to provide all those facilities. I do not mean by that powder plants, but other plants could have been located closer to the cities. Then it would not be necessary to spend such tremendous sums for houses and roads. I think that millions of dollars could have been saved in that way.

Mr. HARRIS. We have been told in this committee within the past few days by gentlemen representing these Government agencies that in the selection of sites for all new plants all of those factors that you have mentioned were taken into consideration before any decision was reached.

Mr. SABATH. Perhaps when they reached the middle section of the country, around Chicago, their eyesight failed them.

Mr. ELLIOTT. Do you not think, if we want real economy, that it would be a mistake to go into any large congested area at the present time and start a new program, or to move a Government building to Detroit, Chicago, or a large city like that, where they have a great traffic problem? Would it not be more in the interest of economy to move to an area that is not so congested? I get your viewpoint. You are talking from the angle of Chicago, and I am talking from the angle of economy. It is time that the Members of Congress gave some thought to the tremendous cost that is piling up daily and that must be met by the taxpayers. I am interested in economy. I do not care where you move any Government agency, whether to Chicago or any other place, but we must take into consideration, in connection with any moving plans or location of plants, how much it will cost to move the families of the workers on the program. I am looking at it from the economy angle. We are spending money blindly every day, and every Member of Congress is responsible for it. As one Member, I am getting sick and tired of people coming in with programs, all wrapped up like a hot sandwich, calling on the taxpayers to foot the cost. We will have to cut down on it, because we are spending far more than we have.

Mr. SABATH. I do not know whether you were here when I made my first statement. I said that it is not only Chicago that is to be taken into consideration, but that in the main we should take into consideration the question of economy, the question of cost, and also the question of feasibility. Now, I believe that if you establish new centers, you would be obliged to spend a lot of money for buildings, roads, electrical plants, and everything else, whereas in these other localities I have referred to you already have them provided. You have them near Chicago, you have them near St. Louis, and near Kansas City, as well as many other places. In those places those facilities are already in existence, and you would not have to build anything.

Mr. ELLIOTT. I have heard that all my life, but when you go into it you may find that the cost is the same or more. I am looking at it from the economy angle.

Mr. SABATH. We have in most of the cities available space, so it would not be necessary to build.

Mr. ELLIOTT. You have a suburb of Chicago called La Grange, where they have electric power and all those facilities. The Government came along, and some personnel of the Navy is stationed there. I know that in one case they are paying $40 for one single room. I have just come from there a week ago. It is occupied by my own daughter, her husband being a Navy man.

Mr. SABATH. That is because it is in a little select residential place about 22 miles from Chicago. I could give you 10 locations within 12 miles of the heart of the city where there are plenty of available quarters for them, and where they could obtain living quarters for from $20 to $25 or $30.

The CHAIRMAN. We certainly thank you, Judge SABATH, and appreciate very much your statement.

Mr. SABATH. I thank you, gentlemen, and I hope you will continue and use your best judgment in seeing whether these conditions here can be relieved, and whether the Government could be saved money by your action in this matter.

The CHAIRMAN. We have here some reports from various departments, which were requested in the resolution, but we will defer reading them or incorporating them in the record at this time.

(Thereupon the committee proceeded to the consideration of other business.)

Mr. Speaker, I greatly regret that the Committee on Public Buildings and Grounds could not see its way clear at that time to favorably consider and report my resolution. I feel that if action had been had on the resolution then it would not have been necessary to expend the sum provided in this bill for housing in the District of Columbia. However, I appreciate that the President, realizing the seriousness of the congested conditions in Washington and that overcrowded conditions would increase, without the recommendation of the committee, has acted by issuing an Executive order authorizing the removal and transfer of some of the bureaus and agencies. I feel that additional bureaus and agencies should be removed from the District of Columbia to make room for the ever-increasing activities of the Army and Navy.

I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, there is no opposition to the rule. I believe there is no opposition in the House to the passage of the bill.

The bill provides an authorization of $50,000,000 to alleviate the housing conditions in Washington as a result of the war. It is estimated that 50,000 new employees will come into Washington some time during the year. At the present time everyone knows we are faced with overcrowded conditions. No rooms are available. The purpose of the bill is to build immediately temporary housing, if necessary, to take care of 50,000 workers.

The bill also provides for enlarged facilities for hospitals, for water supplies, and perhaps for communications. This bill should have immediate action because it is necessary. It is a defense measure necessary to take care of the overcrowded conditions, and I hope the bill will pass immediately.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

EMERGENCY HOUSING IN THE DISTRICT OF COLUMBIA

Mr. LANHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6483) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6483) amending the act to expedite the provision of housing in connection with national defense, with Mr. BROWN of Georgia in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. LANHAM. Mr. Chairman, I yield myself such time as I may use, and I do this for the purpose of making a brief preliminary statement in paying tribute to the members of the Committee on Public Buildings and Grounds for the very zealous and diligent way in which they have given consideration to this entire national problem of defense housing and public works necessary for service to such housing in the congested areas of this country. Our committee has never approached these matters from a partisan standpoint. As loyal Americans we have sought to do our duty.

I am glad to say, Mr. Chairman, that this bill comes before the House today with the unanimous report of the Committee on Public Buildings and Grounds after very extensive hearings and investigation of various matters concerned in the pending measure.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. RICH. Has the gentleman's committee made its final report on the housing projects that have been constructed heretofore?

Mr. LANHAM. No; the committee has not yet made its final report which it is required to make some time during this Congress. It has, however, made very extensive investigations; and I may say further that this committee has been

very active and diligent in trying to see that the law is administered in accordance with its terms and provisions.

Mr. RICH. I am not so much interested in the housing units that have already been constructed as I am in those about to be constructed, because we do not want to see repeated some of the foolish extravagances that up to a short time ago wasted so many of the hard-earned dollars of the American taxpayers. I express the hope that the gentleman's committee through its report and action will see that such maladministration by those in charge of the housing program are not repeated.

Mr. LANHAM. I may say to the gentleman from Pennsylvania that by amendment of this act we have obviated a great many of the mistakes that have heretofore been made. The Administration now seems to be upon a very sound and logical basis. I am glad to make this report to the Congress.

Mr. RICH. We have every confidence h the chairman of the committee, and we hope nothing will happen in the future like what has happened in some of the housing projects in the past where the waste was so terrible. We should not permit it to go on in new projects.

Mr. LANHAM. I take pleasure in assuring the gentleman that those conditions have been corrected, and I do not believe they will be repeated in the future.

Mr. RICH. I thank the gentleman.

Mr. LANHAM. Mr. Chairman, I yield 15 minutes to the gentleman from Missouri [Mr. BELL].

Mr. BELL. Mr. Chairman, as has been stated, this is a bill to provide housing for this great emergency within the District of Columbia and its environs. At the time it became apparent that America might become involved in the conflict that was raging on other continents we had the mightiest industrial organization of any country in the world, but it was an organization devoted to peacetime purposes. It became necessary in order to transfer the strength of that vast organization over to wartime purposes to build great factories, erect great plants in various locations over the United States where none had existed before. This necessitated the moving of great numbers of people to new localities where no housing existed. The needs in other parts of the country were taken care of by acts passed heretofore by the Congress. At the time those needs were considered it was felt that the District of Columbia and its environs presented a separate problem. The committee felt we should have further hearings and go into the problems confronting the District from the standpoint of housing and facilities; therefore the bill that is now under consideration, which is an amendment to the original act, has been considered very carefully, and we bring it to you today with the unanimous report of the committee.

During the hearings upon this bill a subcommittee of the Committee on the District of Columbia sat with us and gave their advice and consideration in connection with the committee which brought forth the bill. In the hearings we also asked representatives from the District Government, the Commissioners, to appear. They appeared and gave their advice and testimony regarding the needs of the District.

It was found that the utilities of the District had gotten to the point where expansion could not be made so far as housing is concerned without further expanding water mains, sewers, garbage disposal, and so forth. It was found that our school system would have to be expanded to take care of the many thousands of new school children who would be coming into the District. It is known to everyone here that many thousands of people have come into the District within the last year or two. Additional thousands—I understand at least 40,000 additional employees—will be called to the District within the next 2 or 3 months. There are no houses and no rooms in which to house these people.

Washington today is the war capital of the world. Our Allies have sent thousands of people into this city. Buildings have been provided for their use. Houses have been provided for those who are working on behalf of those Allies. It is necessary, if our great war effort is to continue, that housing be provided in the shortest possible length of time. It is just as necessary to draw plans for a building or to draw plans for a road or for a plant, or to contract for the doing of any of this work that we have office workers here in Washington and executives here to do the planning and to do the book work in connection with it as it is to have someone out in the field to handle the pick, the shovel, and build the buildings, and do the actual work in the factories. As a matter of fact, none of that work can be done except after the book work in Washington has been done. I do not need to argue further that point. Those are the reasons, known to all of us, why this bill should pass promptly.

In the consideration of this matter it was the desire of the committee and I think of everyone who appeared before the committee to require that private industry do as large a part of this work as it is humanly possible for it to do, but under the conditions confronting us it is not possible for private industry to take care of this situation within the length of time we must have this additional housing and these additional facilities; therefore, upon the recommendations that were presented to the committee by the proper authorities, and after complete investigation, the committee is recommending the sum of $50,000,000 for the purpose of building these facilities and constructing the buildings.

Mr. STEFAN. Will the gentleman yield?

Mr. BELL. I yield to the gentleman from Nebraska.

Mr. STEFAN. Will the gentleman explain to us what provisions have been made in this bill to aid in hospitalization in Washington?

Mr. BELL. Provision has been made for additional hospitalization.

Mr. STEFAN. What happens to George Washington Hospital, that has been doing a very good work, and other hospitals? Will they be benefited by this bill in any way, shape, or form?

Mr. BELL. That is an administrative matter. The bill is broad enough to provide for hospitalization. Those matters will be worked out by the Director of the Federal Works Agency.

Mr. STEFAN. But in the matter of housing generally in the District, that the gentleman has so ably explained, there is some provision to assist in the work of extending hospitalization facilities?

Mr. BELL. That is correct. Hospitals, schools, roads, streets, sewers, sewage disposal, and any other necessary public works are taken care of. In other words, the committee felt that the details are matters of administrative responsibility, but the bill is broad enough to provide for the normal and natural things which go with this sudden and vast expansion.

Mr. Chairman, those are the only things I care to comment upon at this time.

Mr. DWORSHAK. Will the gentleman yield?

Mr. BELL. I yield to the gentleman from Idaho.

Mr. DWORSHAK. What disposition will be made of all these buildings which are now being constructed during the emergency when the inevitable exodus of people from Washington takes place some day?

Mr. LANHAM. Will the gentleman yield?

Mr. BELL. I yield to the gentleman from Texas.

Mr. LANHAM. May I say to the gentleman from Idaho that this act from its very beginning has been based upon the proposition of recouping for the Federal Government as much of the expenditure as may be possible. The building that is now contemplated here is primarily temporary in character, of a dormitory nature, largely for the unmarried workers. By placing them in dormitories the transportation system is relieved and they have opportunity for association, and the construction can be done more cheaply. This bill, of course, provides for the Washington metropolitan area. The surrounding territory of Maryland and Virginia, for instance, can be used, and it is our purpose with reference to construction under this particular act to recoup for the Government all the money possible.

Mr. BELL. Mr. Chairman, I yield back the balance of my time.

Mr. HOLMES. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. REED].

Mr. REED of Illinois. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois [Mr. REED]?

There was no objection.

Mr. REED of Illinois. Mr. Chairman, late yesterday afternoon the gentleman from Illinois [Mr. MCKEOUGH] obtained recognition from the Speaker and addressed the House of Representatives.

He read in its entirety an editorial appearing in the Chicago Daily Tribune on February 9. The editorial was

written because of the death of Pvt. Richard Graff, member for 11 years of the Tribune staff, who lost his life fighting with General MacArthur in the Philippines. It commented on the sacrifice made by this young man and made reference to the fact that there were others who in the past have been most vociferous in their eagerness for war but who are now safely placed in secure positions far away from the shots and shells and machine guns and tanks and submarines.

Mr. Chairman, we all know that those things exist. They existed in the last World War and in all the wars that preceded it. I do not know whether the editorial referred to any particular individuals or not. If so, they were not mentioned by name.

The gentleman from Illinois seems to have taken violent exception to the editorial in question. Had he confined his remarks to a censure of the Chicago Tribune or its policies, or even its patriotism, he would have been well within legitimate bounds. Everyone recognizes that a newspaper must stand on its own feet and that its policies are always subject to criticism as well as commendation. But the gentleman from Illinois went far beyond those bounds and launched with a bitter personal attack on the Tribune's editor, Col. Robert R. McCormick. He challenged the patriotism of the colonel and charged him with being a traitor to his country. I sincerely regret that the gentleman from Illinois so forgot himself as to go to those extremes. Colonel McCormick lives about a mile and a half from my home. I know him as a citizen of my county and State, but I also know him as a neighbor. I know that his patriotism and love of country is just as intense, just as true, just as loyal as is mine, or as is that of the gentleman who attacked him.

Colonel McCormick's activities have not been confined to civic affairs and newspaper work. He served his country in its armed forces in 1916 and 1917 on the Mexican border. During World War No. 1 he was attached to General Pershing's staff in France; was major of the Fifth Field Artillery; and it was while thus serving that he participated in the first action in which United States troops were involved at Cantigny. Later he became adjutant of the Fifty-seventh Artillery Brigade; lieutenant colonel, One Hundred and Twenty-second Field Artillery, and colonel of the Sixty-first Field Artillery. He was awarded the Distinguished Service Medal. Hardly the type of citizen against whom the charge of disloyalty and treason will apply.

I am not informed as to the record of the gentleman from Illinois during that period. Perhaps it is just as brilliant. I do not challenge his patriotism, nor that of any man or woman in this House. I do challenge his wisdom and regret that he has permitted bias and prejudice to warp his usual sound judgment. Colonel McCormick has lived in Illinois too long, his record is too well known, his activities are too well publicized for any thinking person to be deluded into presuming even for a moment that his has been anything but a career of outstanding American loyalty.

[Here the gavel fell.]

Mr. HOLMES. Mr. Chairman, I yield 3 additional minutes to the gentleman from Illinois.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. REED of Illinois. I yield to the gentleman from Minnesota.

Mr. KNUTSON. The fact that Colonel McCormick was made a member of General Pershing's staff during the war, that he was awarded the Distinguished Service Medal, and that he was both a lieutenant colonel and a colonel should be sufficient proof that Colonel McCormick is a fine, loyal, and understanding American citizen.

Mr. REED of Illinois. There is no question about it. The official citation awarding Colonel McCormick the Distinguished Service Medal states that he displayed rare leadership and organizing ability, unusual executive ability, and sound technical judgment, and that by his ceaseless energy and his close supervision of training, discipline, and command in action against the enemy he contributed materially to the successful operations of the Artillery of the American Expeditionary Forces.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. REED of Illinois. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. As a newspaper publisher, I am interested in what the gentleman has said. Is not this attack against Colonel McCormick more or less predicated on the fact that he has dared to offer constructive criticism during this particular period?

Mr. REED of Illinois. I think it was Danton who said, "Dare, dare again, always dare."

Colonel McCormick is a man who dares to think and dares to print what he thinks.

Mr. BROWN of Ohio. If we have reached the place in this country where we cannot have constructive criticism, then are we not in danger?

Mr. REED of Illinois. The gentleman is correct.

[Here the gavel fell.]

Mr. LANHAM. Mr. Chairman, in the consideration of this measure in the hearings, the Committee on Public Buildings and Grounds had the able collaboration of the distinguished chairman of the Committee on the District of Columbia and other members of his committee. I yield 5 minutes to the gentleman from West Virginia [Mr. RANDOLPH], the chairman of the Committee on the District of Columbia.

Mr. RANDOLPH. Mr. Chairman, I am deeply appreciative of the very gracious remarks which were extended to the Committee on the District of Columbia by the able chairman of the Committee on Public Buildings and Grounds of this body. We were privileged to join with that committee in the consideration of the problem of providing proper housing for defense workers who have already come and will continue to come to the National Capital during what we trust will be a successful prosecution of the war effort from the standpoint of those persons charged with direction of the program which is made here.

I simply wish to state just a few facts and make just a few observations on this subject. Although the debate today will perhaps not be lengthy, there seems to be a general agreement on the merits of the bill, and the hearings were exhaustive. There came before the Committee on Public Buildings and Grounds individuals who are conversant with this problem. They set out in a lucid and clear manner the facts and the problems as we find them in connection with housing and other utilities and facilities that are needed in our war effort in this area at this time.

I think we should be very frank with ourselves and realize that Washington is not the slow-moving city of peacetime days. The tempo of life has been greatly stepped up with wartime. We had a Capital in peacetimes where there were 100,000 workers in all of our governmental agencies in Washington. This figure would, perhaps, apply to 1937. There are individuals who, of course, would say that we have had too many governmental workers who have come into the District of Columbia. There are 2 schools of thought on this subject, those who believe we should have a decentralization of our agencies in peacetime rather than just, perhaps, in wartimes when it is necessary to make way for the thousands of defense workers who come here. There are those who believe we can have a better national effort by having centralized at the Capital the agencies of government. I personally feel that certain work can be carried on with efficiency in communities other than in this city. I am not going into that subject at this time except to say that now we are faced with a reality. We are building within this city another city. In other words, it is estimated that within the next 11 months, or possibly 10 months, there will come to Washington, D. C., and suburbs, approximately 85,000 men and women who are to be employed in defense positions. Some of the men and women in the group of 12,000 who have been ordered transferred and are now in process of being transferred to other cities who are employed in nondefense agencies, will not follow the agency into the community to which the transfer is made. This means that there is a certain worker reservoir which will go into the defense agencies as they build here in Washington. It does not matter which way the picture develops, the jobs must be filled.

This means we will have approximately 200,000 additional men, women, and children who will be living in the District of Columbia and nearby for the duration of this war. How shall we care for this city within a city? It can only be done by having, of course, the office facilities for the conduct of the work itself. We must give attention and prompt attention, which this committee and the Congress is doing today, to providing the necessary housing for the individuals who work in defense agencies, and in many cases for the families of these workers.

This means also that we have to have the necessary utilities which accompany a great effort like this.

[Here the gavel fell.]

Mr. LANHAM. Mr. Chairman, I yield to the gentleman from West Virginia 3 additional minutes.

Mr. RANDOLPH. We must provide the facilities to carry on not only the natural functions of this city but also the functions which will increase because of the war effort.

We know that there are transportation problems in Washington which must be solved if we are to get defense workers to and from their homes or to their places of activity. We know also that the hospitals in the District of Columbia are greatly overcrowded, and testimony before the District of Columbia Committee indicates that there is a need for between 1,000 and 1,500 additional beds in the public and private hospitals within this jurisdiction. Obstetrical beds are needed especially at this time as we have heard from witnesses who appeared before both the Public Buildings and Grounds Committee and the District of Columbia Committee with respect to this subject.

Of course, these necessary accommodations must be provided out of the $50,000,000 set up in this housing bill. It is proposed that the needs of this community, from the standpoint of facilities and also for these various services, be given certain funds.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Indiana.

Mr. SPRINGER. In view of the reports we have been getting through the press today with respect to the situation in the Pacific, does not the distinguished gentleman from West Virginia feel that we must economize on some of these things at home in order that we may provide the equipment and supplies which are necessary to win this war?

Mr. RANDOLPH. I am in full agreement with the gentleman from Indiana, and if I know the truth about the number of employees that are needed I will attempt always to join with the gentleman in putting on the pay roll just the necessary number of persons and cut to the bone our expenditures for office workers. We are told, however, by those who prosecute the war effort that it is necessary under the centralization for the direction of the war from the standpoint of Washington, D. C., that this is necessary in carrying into effect the successful prosecution of the war at the fighting front. I am only relying, of course, as is the distinguished gentleman from Texas, on the hearings before his committee and the District of Columbia Committee, on the information brought to us by these leaders of our defense agencies. The Army Air Corps itself is asking in Washington, D. C., for 1,450,000 square feet of space.

[Here the gavel fell.]

Mr. LANHAM. Mr. Chairman, I yield to the gentleman 2 additional minutes.

Mr. RANDOLPH. We are told this is necessary and, of course, we must rely on the information now which is given to us.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. TABER. I was attending the hearings of another committee the other day, and it developed there that the average expense of this defense housing program for engineering and architectural fees and that sort of thing was running 14 percent. I hope there is going to be some different operation here, because that is certainly disgusting. I think the United States Housing Authority is largely responsible for it, but that is an absolutely ridiculous setup and I could not subscribe to it.

Mr. RANDOLPH. I am sure that the gentleman could not subscribe to it. Also, I cannot subscribe to inefficiency in the transaction of this war business at home. I join the gentleman from New York and trust that the Congress will use every method at its disposal to bring the most careful scrutiny of all of the dollars that are spent in the war effort of this country.

Mr. HAINES. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. Certainly.

Mr. HAINES. In respect to what the gentleman from New York [Mr. TABER] has said, I agree with him in expressing my disapproval of these large expenditures of money for architectural and engineering fees. Does not the gentleman believe that there are plenty of architects and engineers available whose fees would not exceed 5 or 7 percent?

Mr. RANDOLPH. I think there should be a profit which is reasonable. Especially in wartime should the profit be smaller then than at other times.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. LANHAM. Mr. Chairman, I yield the gentleman 2 minutes more. If the gentleman will permit, the act itself which is applicable to this title provides that in negotiated contracts, and most of them are negotiated contracts, there shall not be in excess of 6 percent, and I am inclined to think that if any such fees have been paid that they are certainly beyond the contemplation and intent of the law, because we have by terms stipulated a restriction in that regard, and I may say furthermore that in the reorganization of the Federal Works Agency a great many of the things that we have been complaining about have been eliminated, and I think that assurance can be given that if the situation to which the gentleman from New York referred has existed, there will not be a recurrence of it.

Mr. TABER. If the gentleman will permit, where you are building a great lot of houses of largely the same type, the engineering and architectural expense ought to be a good deal less than it would be on an individual house that was built to individual design.

Mr. RANDOLPH. Of course, mass production should cut down the cost.

Mr. HAINES. Mr. Chairman, of course I have a great deal of confidence in the gentleman from Texas [Mr. LANHAM], and I spoke to him about this matter before. What I want particularly to inquire of the gentleman from West Virginia is to know whether or not these houses are to be constructed only in the District of Columbia.

Mr. LANHAM. I may say that the bill provides for this metropolitan area. A great many will be constructed necessarily in Maryland and Virginia. For instance, we are building a new War Department over across the river in Virginia, and it will relieve the traffic situation very much in the District of Columbia proper, in the business district, the governmental center, if houses are built over there to accommodate as many of the employees as possible. This does not provide for the District of Columbia. Furthermore, it is not primarily a District of Columbia matter. It is a situation which has been brought upon this general area by more activities. The District of Columbia, as I say, is not to profit to any extent through the enactment of this measure. Necessarily, we will have to expend and extend some of the facilities of the District of Columbia, for instance, with reference to fire protection and with reference to water and sanitation, and so forth, but this is not primarily a District of Columbia bill. It is to look after this metropolitan-area housing and necessary public works by reason of this great influx of population into the city of Washington. If the gentleman will peruse the hearings, he will see that private capital is doing a great deal of this building. Another considerable part of it is being done under the temporary-shelter fund, and I think the gentleman can rest assured that great care in respect to expense, and so forth, will be taken in the operation of this law.

Mr. HAINES. I have sufficient confidence in the gentleman from Texas to believe everything that he tells me. I would like to comment by saying that back in York, Pa., where I come from, we have this same problem of housing because of the great amount of national defense activities.

I induced the real-estate men and builders to get together, and they assured me that there was no need for the Government to come there and erect a lot of houses that would be some "hot potatoes" on their hands after it was all over. As a result of that conference the builders and real-estate men got together, and they are building a lot of houses and taking care of the situation.

Mr. LANHAM. I thank the gentleman.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman is one of the distinguished leaders whom we consider as mayor of the city of Washington. In connection with the defense program they need a lot of extra space for office buildings. They are building scores of new buildings to house war activities. What does the gentleman think about the idea of using the National Art Gallery, the Corcoran Art Gallery, and some of these

other art galleries where there are thousands of square feet of space that could be used for war activities, and they could put these art treasures away for a while?

Mr. LANHAM. Mr. Chairman, will the gentleman yield to me?

Mr. RANDOLPH. I yield to the gentleman from Texas.

Mr. LANHAM. The matter of office space is not concerned with the present legislation.

Mr. AUGUST H. ANDRESEN. I recognize that.

Mr. LANHAM. And the funds for it do not come out of appropriations authorized by this measure.

The CHAIRMAN. The time of the gentleman from West Virginia has again expired.

Mr. LANHAM. I yield the gentleman 3 additional minutes, Mr. Chairman.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield further?

Mr. RANDOLPH. I yield.

Mr. AUGUST H. ANDRESEN. I believe in art and culture. It is a good thing for the country, but as we read in the press and in the war communiques, we are in difficulties today. If we need this extra space we should use the available space and save the money and let them store the art treasures until the emergency is over.

Mr. RANDOLPH. In general, I am in agreement with the gentleman from Minnesota. Our distinguished colleague the gentleman from Illinois [Mr. DIRKSEN], who is ranking member of the House District of Columbia Committee, a few days ago made what I believe to be a very sound proposal. He asked that certain space in the District of Columbia, which we understand generally as the Mall, should be turned over for parking during the emergency. The gentleman from Illinois believes in culture and beauty, as does the gentleman from Minnesota, but we face a reality. We face a need from the standpoint of necessary office space, to which the gentleman directs attention.

I would like to say to the members of the committee that profiteering on any phase of the defense effort is reprehensible. The gentleman from Texas [Mr. LANHAM], chairman of the committee, has well said that these profits are being pared down to what is right. I am sure we can trust the scrutiny of the gentleman from Texas and others as the housing program applies to Washington, D. C. Let us pass this bill, because it is needed. We do not know how long we will be able to carry the increased load in the District of Columbia and the metropolitan area, due to the influx of these workers. We do not want a break-down of our health in the District of Columbia, or of our transportation or of our housing facilities. I believe this Congress, recognizing the fact, will give speedy approval to this measure.

[Here the gavel fell.]

Mr. HOLMES. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, first let me express my complete approbation of the method to be employed in the building of these houses. Answering the observation made by the gentleman from New York [Mr. TABER], I think, if there is any agency in the Government that will exercise care and caution in preventing exorbitant architectural and engineering fees, it will be the Federal Works Agency. I have had some recent experience with them and so have some of my constituents. They have sharpened their pencils. They are holding the expenses down. Along with it I think they are doing a very efficient job. So the fact that they are charged with the responsibility of carrying out this program is heartening and encouraging.

I want to say a word about parking. If we are going to bring in 40,000, 50,000, 60,000, or 80,000 additional people, equipped with vehicles of one kind and another, it only means we are going to add to the congestion in the United States Capital. Finally we reach that stage of traffic proceeding where it is akin to forcing 24 square inches of smoke into a chimney that is only 18 inches square. It just cannot be done. So some provision must be made along that line.

The District of Columbia Committee has given some attention to it. I made a suggestion on Monday morning of this week to take that portion of the Mall that is bounded on the east by Third Street NW., on the west by Fourteenth Street, on the south by Jefferson Place, and on the north by Madison Place, which is more familiarly known to the Members as that open area that extends from the Grant Monument, just below the Capitol, in the direction of the Washington Monument, and convert it into a parking area. At the rate of 200 square feet per vehicle, which would be sufficient, that probably will accommodate 20,000 vehicles. It is under the direction of the Department of the Interior and the National Capital Park and Planning Commission. I do not yield to Mr. Delano or to Mr. Settle in my interest in the esthetic and cultural aspects of the Nation's Capital. As a member of the District of Columbia Committee and one who has served as a member of that committee for the past 9 or more years, I have undertaken to do my little bit to beautify and keep beautiful this Capital, because of the great many people who come here from one end of the year to the other. They want to be impressed. This is the Nation's Capital. It belongs to all the people in all the States of the Nation; and truly it should be a lovely spot; but we are in war, and Mr. Settle and Mr. Delano should not forget that we are in war and that sacrifices should be made. It would be easy to lift the sod, or leave the sod there and cover it with gravel, and turn that long esplanade into parking space to accommodate some 20,000 cars. I think it is absolutely imperative at the present time, and I propose to work out some kind of measure that will compel that kind of action. If necessary, I shall see whether it cannot be done under the defense powers of the President.

Let me tell you the effect of the congestion of traffic problems upon the personnel in the District of Columbia. There is developing here a very interesting game which, from want of anything else, we will call checkers. An employee parks his car on Constitution Avenue, then goes to his job in one of the buildings in the Federal Triangle. He watches the clock religiously to make sure that at the end of an hour and a half he will get back there to move his car, because it will have a chalk mark on it placed there by a traffic policeman. Then he will, if possible, by arrangement with somebody else, try to find a new spot or otherwise he will move it in the next block. Then he goes back to his job, but at the end of another hour and a half he will be back there to move his car again. By four well-timed movings he can keep his car parked on the streets and avoid a traffic ticket. It has been conservatively estimated that there are 10,000 hours of time wasted by employees moving their cars. Think of what this means in work accomplished, and especially in the interruption sustained in attention to public duty. That does not make him a very efficient public servant. Calculated in dollars and cents, it is an enormous waste of money.

[Here the gavel fell.]

Mr. HOLMES. Mr. Chairman, I yield the gentleman from Illinois 5 additional minutes.

Mr. DIRKSEN. I can readily understand people driving in from all sections of Washington, Virginia, and Maryland, unable to find parking space, unable to find a space on one of the parking lots down the Avenue, having of necessity to go out and move their cars three, four, or five times. Here you have really a serious traffic problem. It indicates that the matter of finding a remedy for our parking trouble is very imperative at the present time. I sincerely hope that the Secretary of the Interior and the National Park and Planning Commission will remember that we are engaged in the prosecution of a war at the present time and that some of these aesthetic concepts must go for the time being, for this land I have indicated affords one of the most ideal parking areas in the Nation's Capital. It is within a block of most of the buildings in the Federal Triangle. The Federal Trade Commission, Internal Revenue, Interstate Commerce Commission, the Maritime Commission, the Department of Labor, the Department of Justice, and others could utilize this area. Those employed there would be just a block from their work and at the same time we will relieve the parking problem on Constitution Avenue.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RANDOLPH. The gentleman is always an exponent of realism. We can agree with him that in peacetime we think of this Capital as the Capital of beauty; but this is wartime, as the gentleman well says, and we shall have to realize that it is the pivotal point of our civilian effort toward the successful prosecution of the war.

Mr. DIRKSEN. My friend from West Virginia is eminently correct.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. AUGUST H. ANDRESEN. The suggestion of my friend from Illinois is founded on exactly the same basis as my suggestion to use the National Art Gallery and these other art institutes for purposes of the War Department.

Mr. DIRKSEN. May I say to my friend from Minnesota that as long as 2 years ago when I first launched a crusade to decentralize Government activities the only answer I got was a polite cheer. The President was bold enough and farseeing enough last month to order certain agencies out of Washington, and he had the courage to stand by that order. I express the hope that he will send other nondefense agencies from Washington whose presence in Washington is not essential and whose functions can be discharged at some point closer to their base load. This would relieve some of the congestion we face at the present time.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. WHITE. The gentleman is proposing a plan to turn these parks around the Capital into parking lots for automobiles?

Mr. DIRKSEN. If we had as much space around here as the gentleman does in Idaho, we would have no trouble.

Mr. WHITE. Has the gentleman considered the terrible conditions said to exist in Southwest Washington, not far from the Capitol Building? We read in the metropolitan press that those slum areas are of such character that the uniformed forces coming to the District of Columbia are forbidden to go into them singly, that these are black-out districts, forbidden districts? What about cleaning up that mess and using that area for parking instead of disfiguring our beautiful park system?

Mr. DIRKSEN. I may say to the gentleman from Idaho that there are two approaches to the problem: First, through the Alley Dwelling Authority of the Nation's Capital, which has authority for slum clearance; and, secondly, by the fringe-parking bill, which is now at the White House. The latter measure makes it possible for the District Commissioners to condemn and acquire parking areas and to operate them at net cost. However, neither of those will solve the whole problem. We need a larger and more expansive area for the people who are working in the Federal Triangle, and that is the reason for the suggestion I make.

Mr. LANHAM. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentlemar from Texas.

Mr. LANHAM. May I call the attention of the gentleman to the fact that the Commissioner of the Public Buildings Administration, Mr. Reynolds, who appeared before us with reference to estimates concerning this additional housing, stated that those estimates included parking.

Mr. MAY. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Kentucky.

Mr. MAY. I wonder if it would not be well for the Office of Civilian Defense, that is putting on dancing——

Mr. DIRKSEN. The gentleman must be more specific and pick out the particular function of the Office of Civilian Defense to which he refers.

Mr. MAY. We have the Washington Traction Co., that I do not like any too well, because I sometimes get put off when I do not want to and I am not let on when I want to get on, but it reaches out all over the suburban areas of the city here. The business people who work in these offices, banks, department stores, and so forth, not connected with the Government, have very large parking spaces. If they would spend 10 cents to come down in the morning and 10 cents to go back in the evening, instead of driving down and parking their cars in these private lots at 40 or 50 cents a day, that would help a lot.

Mr. DIRKSEN. The difficulty is that we all react alike. We hate to walk four or five blocks if we can snitch a parking space and only walk about one block. There is the element of normal selfishness that enters into the situation which makes it very difficult. The problem calls for mass treatment.

[Here the gavel fell.]

Mr. LANHAM. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. DOWNS].

Mr. DOWNS. Mr. Chairman, this bill is the result of a very careful study of the housing situation in Washington and should be approved without a great deal of debate. The Members on both sides of the House have worked diligently to provide the number of houses needed to take care of the people who are coming into Washington daily.

May I pay tribute to our chairman, the gentleman from Texas [Mr. LANHAM], and the ranking minority member, the gentleman from Massachusetts [Mr. HOLMES]. I have the honor of serving as chairman of the Subcommittee on Decentralization. This subcommittee conducted hearings lasting over a period of 3 months and much of the data that we secured at these hearings were used in bringing about the presentation of this bill. We found in one instance here in Washington where 46 people were crowded into a 10-room house. You and I know that conditions such as these are not healthy.

Mr. HARE. Will the gentleman yield?

Mr. DOWNS. I yield to the gentleman from South Carolina.

Mr. HARE. I was under the impression that that was one of the grounds upon which the decentralization of executive offices was based; that is, it would take ten to forty thousand people from Washington to other sections of the country in order to accommodate those being brought in. I do not understand that there is a necessity for sending forty or fifty thousand people out of the city, and then bringing a corresponding number back into the city. I am wondering whether or not these two arguments conflict somewhat and whether or not there is a necessity for sending them out and a necessity for increasing the facilities by bringing an equal number in.

Mr. DOWNS. I believe the gentleman's observation is correct in some instances. I am heartily in favor of decentralization and the President has already started to decentralize certain agencies. During the course of our hearings it was brought out that many agencies which are now in Washington might be moved elsewhere, but we have not been able to decentralize the offices fast enough to keep up with the influx of people coming to Washington.

Mr. HARE. My thought is not so favorable toward decentralization for the reason I feel that they could be more efficient here than if distributed throughout the country; but since there is decentralization and there is quite a large number of employees being taken out of the city, then I question the wisdom of going to the enormous expense of increasing facilities when we have sufficient facilities at present to accommodate as many as we had previously.

Mr. DOWNS. The estimate was given before the committee that 85,000 people would come into Washington within the next few months. We cannot possibly decentralize that many people because some of these agencies cannot be moved at the present time. For instance, there are the War Department and the Navy Department where the increases in personnel are tremendous. The agencies that we can move and the number of people that we will be able to move will be much less than 85,000.

Mr. HARE. If the departments are going to remain here and there is to be no decentralization, then I see no objection to this bill, otherwise, I have my serious doubts.

Mr. DOWNS. I cannot agree with the gentleman that this bill is not justified, because with 85,000 people coming to Washington in the next few months we are going to have a condition here which will make it necessary for more housing.

Mr. FULMER. Will the gentleman yield?

Mr. DOWNS. I yield to the gentleman from South Carolina.

Mr. FULMER. May I ask the gentleman if he realizes that we have thousands of people in the city of Washington here today not working but living off of relief?

In the meantime, thousands are working on W. P. A., while at the same time in the rural sections of the country, in not only the South but the West, farmers who are being urged to increase production are unable to get any labor on the farms yet we must spend $50,000,000 to build additional facilities here with all these people crowded in here on relief at the expense of the taxpayers and at the expense of the farmers of the country. Everybody is coming to Washington, we keep on building and we keep on bringing them in.

Mr. DOWNS. I am not aware of the number of persons on the relief rolls in Washington or on W. P. A. rolls, but I shall try to check it up.

May I say in closing that I hope the House will pass this bill, as these funds are needed, and needed very badly.

[Here the gavel fell.]

Mr. LANHAM. Mr. Chairman, I yield 5 minutes to the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Chairman, I rise at this time to pay my tribute to the chairman of this committee and his very able committee for the excellent work they have done in bringing this bill before the House.

Those of us who know anything at all about the conditions here in the District have been frightened at what might happen if something were not done about this terrific overcrowding. I agree with all the gentleman from West Virginia [Mr. RANDOLPH] has said here today. I want to add to it that as one who has been interested in the District for many years, and who has served as a former chairman of the Committee on the District of Columbia, I think it is certainly time the hospital facilities in the District were enlarged. It has been only by the grace of God that we have not had any epidemic here. If we had, I do not know what the result might have been. The hospitals are inadequate. They have been inadequate for a long time, but they are tremendously inadequate now, when so many hundreds of thousands of people are coming into the District.

I direct particular reference to the obstetrical beds in the District. I do not believe there is anything quite so pitiful as a woman who, when she comes to the time of having her child born, cannot find any place in which to get attention. I am very much interested in the Columbia Hospital here. It is the only strictly maternity hospital in the District. This hospital has been obliged to turn hundreds of women away. It has a magnificent record. Just during the past year 2,636 babies were born in that hospital under the most difficult circumstances, because they are so very overcrowded. That is the case in just this one hospital. The facilities of the Georgetown Hospital and many other hospitals I could name are strained almost to the breaking point. Certainly, I think the work of the committee in bringing in this bill should be greatly commended by every man and woman in this House.

I am also very much interested in the housing situation. I suppose it is because I am a woman and hear more about these things, perhaps, than some of you men do. I have had a great many of the girls who have come from rural districts come to my office to tell me they have found it impossible to get any place to live. It is a rather sad thing to have to say and it is also a very dangerous thing, particularly if you have been reading the newspapers recently and finding out some of the conditions that prevail here due apparently to the lack of a sufficient number of men on the police force in Washington. I do not know what the reason for this condition is, but at any rate the protection here in Washington is not all it should be. I do not know whose fault it is and I am not attempting to lay the blame on anybody in particular, but I do think there should be something done about it and more men added to the police force.

Mr. RANDOLPH. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. May I say that I, in company with other men in this body, recognize the interest the gentlewoman from New Jersey has in the problems here. I think it might be well to say at this point that when she speaks of the necessity for additional police in the District of Columbia she speaks of a very real need.

Mrs. NORTON. I think it is.

Mr. RANDOLPH. We have here a force of men, of course. It was felt that it was sufficient to take care of the needs of a peacetime city, but now we have a wartime city. These men are being called from strictly police duties to other duties. Some 80 of them were called to the White House under just one order, taken from their duties in official Washington. Some 150 have been called to guard bridges, viaducts, and certain buildings within the District of Columbia. We find there approximately 250 or 300 men taken away from regular police duties in the District of Columbia.

Mrs. NORTON. I realize the truth of everything the gentleman has said. I am not in any sense critical of the work that is being performed by the police department, but I do think the number of men should be increased to protect the city adequately at a time when so many hundreds of thousands of people are in this city.

I am tremendously interested in two phases of this bill, that which has to do with the hospitals and that which has to do with housing, because I think we shall find a greater necessity for housing in the months to come than we have heretofore, and it is pretty bad at the present time. We do want to protect these people who are coming here, particularly the young girls who are coming here, most of them getting only $1,400 or $1,600, some even as low as $1,200 a year. They find it simply impossible to find a place to live or to buy enough food under existing conditions.

I thank the committee again for the excellent work it has done in bringing this bill before the House. I ask you to cooperate with the committee, and sincerely hope this bill passes unanimously.

Mr. LANHAM. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. MAY], who, I understand, wants to ask a question.

Mr. MAY. Yes; I want to propound this question to the chairman of the committee: When I came in awhile ago there was some discussion of the extent to which these houses would be built out in the rural areas, or in the country. Of course, it is designated as a District housing bill.

Mr. LANHAM. No; it says in or nearby the District of Columbia. It is for this metropolitan area.

Mr. MAY. Down at Alexandria, for instance, there is a large naval installation that has brought thousands to that town. There is another plant going in there, and they are very much crowded. The Government is now moving some kind of multigraphing group over there of some four or five hundred.

Mr. LANHAM. What is the gentleman's question?

Mr. MAY. Would this extend to that area?

Mr. LANHAM. That could come under the general housing, of course, but this is primarily for the workers being brought to the District of Columbia and the area immediately adjacent to the District of Columbia, or, in other words, it is for this metropolitan area. Of course, it would have to be in sufficient proximity for the workers to get to their places of employment.

Mr. Chairman, I now yield 5 minutes to the gentleman from New York [Mr. BEITER].

Mr. BEITER. Mr. Chairman, I desire to compliment and commend the chairman and the members of the committee for the splendid work they have done in connection with defense housing. The committee has worked long hours and made a thorough study of housing conditions, not only in the District of Columbia but in the various defense areas throughout the United States. The district I represent has been designated as an important defense area, and had it not been for the legislation sponsored by this committee I am sure the defense program in my locality would have been very seriously curtailed, due to lack of housing for the workers.

Mr. Chairman, for the most part, Congress has given rapid acceptance to all proposals covering war needs. The program is so important that none of us has sought to delay it unnecessarily. However, there are certain proposals to be submitted to us before the beginning of the new fiscal year which do not require speed and should be closely scrutinized. One of these would authorize a two and one-half billion dollar increase in the R. F. C. borrowing authority. This proposal has no vital bearing upon our military success, and before we rush it through the legislative mill I suggest that we pause to consider just what the R. F. C. and its vast auxiliary empire has accomplished.

I would ask that we give careful thought, for instance, to the R. F. C. Defense Homes Corporation. Let me remind you that this organization was incorporated on October 25, 1940, with an authorized capital of $10,000,000 to provide homes in areas of extensive defense building and manufacturing where such homes are necessary. This is a worthy purpose, but since we have other agencies created for the same purpose and engaged in the same work, it occurs to me that the Corporation is an unnecessary duplication. Let us take a look at this new agency. It is now little more than a year old. What has it accomplished?

If we look closely, we find that the Defense Homes Corporation has been buying up expensive tracts of land in fashionable areas of Washington for the purpose, I presume, of erecting low-cost

housing units thereon for Government workers. We find that the property generally known as Friendship, owned by Mrs. Evalyn Walsh McLean, has been purchased by this agency. We find, further, that this tract of land consists of 75 acres and that it was purchased from Mrs. McLean by the United States Government for $1,000,000.

Think of it—well over $13,000 for each acre of land. And this does not take into account the expenditures to be made for the actual housing itself, the utilities, and incidental appurtenances. This is extravagance which is nothing short of a public scandal.

Another tract purchased by this Corporation is the McCormick-Goodhart property in Prince Georges and Montgomery Counties, Md., just outside of Washington, owned by Leander McCormick-Goodhart, another member of Washington society. Mr. McCormick-Goodhart is on the staff of the British Embassy. His property is many miles away from the Government departments and is not easily accessible. But the Defense Homes Corporation chose this fashionable estate as the site for another low-cost housing development for Government workers.

A Government dormitory for girls who are employed by Uncle Sam is under construction by the Defense Homes Corporation at Sixteenth and Euclid Streets in the fashionable upper Sixteenth Street section of Washington. This is expensive property in an expensive location. It would be of interest to know what fabulous sum was paid for this site and which darling of Capital society owned it.

The fact that some officials of the Reconstruction Finance Corporation nearly always attend the cocktail parties and gold-plate breakfasts of Mrs. Evalyn Walsh McLean may have no bearing on the fact that they were willing to pay her $1,000,000 in cold cash for a comparatively small tract of land. On the other hand, it looks suspiciously like a drawing-room deal; and if there is an explanation, I think it should be forthcoming quickly.

Mrs. McLean, by the way, is the same dowager whose property at 2000 Massachusetts Avenue is being leased by the Government at $15,000 per annum. She is the same Mrs. McLean whose town house property was purchased by a private construction group financed by the Reconstruction Finance Corporation to be used as a site for the building which now houses the Reconstruction Finance Corporation.

All of which leads us to believe that Mrs. McLean and the Reconstruction Finance Corporation are on good terms, if not actually cronies. If I am wrong in my conclusions, I am perfectly willing to be corrected, but I want an explanation of some kind before I am willing to vote to extend the borrowing capacity of an organization which Congress created to assist businessmen and winds up instead giving aid and financial comfort to Washington's fashionable set.

Mr. LANHAM. Mr. Chairman, may I say to my friend from New York, and for the information of the Committee, that the funds to which he has been referring do not come out of this measure.

Mr. BEITER. I appreciate that fact. I call this to the attention of the Committee because we are today discussing defense housing, and the facts I have outlined are pertinent. The funds we are to appropriate today will be utilized, I presume, for defense housing projects to be constructed by the United States Housing Authority and the Public Buildings Administration. Both of these agencies have done a good job, and I commend them on their efforts to keep down the costs on the projects under their jurisdiction. I see no need for the Defense Homes Corporation since it merely duplicates, and not too well, the work of these older agencies.

Mr. HOLMES. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Chairman, the Democratic keynote of the congressional campaign, set by Boss Flynn recently when he asserted election of a Republican Congress would be "a major disaster" comparable to a great military defeat, was sounded again yesterday by the gentleman from Illinois [Mr. McKEOUGH]. The gentleman is the newly endorsed candidate for the United States Senate of the Democratic organization in Illinois and he made his first political address in this House yesterday. He assailed the Chicago Tribune and its publisher, Colonel McCormick, as "traitors" because the paper had carried an editorial mourning the loss in action in the Philippines of a former Tribune employee. The "treasonable" sentiment expressed in the editorial was this—that many of those most prominent in the clamor for war last year are now safely situated in secure and comfortable positions here in Washington while men like the private killed with MacArthur, who had no part in bringing on the war, were laying down their lives for the flag. The gentleman from Illinois believes it is treason to suggest that certain men go to the front. Certainly all the cherished rights of freedom of speech and freedom of the press have been abolished if his theory is to be accepted.

Like the great majority of American people, I do not know of a more true American than Colonel McCormick. He has done much to preserve our American system of government and to protect our American ideals and institutions. Regardless of criticism, he will continue that fight.

Mr. HOLMES. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Chairman, I want to discuss a matter that I have observed during the past few months that I think ought to have the attention of this House. It is with reference to some of the school facilities of the District. At the present time in Anacostia we have a high school of 1,200-pupil capacity. The Congress has voted funds for the construction of a junior high school. The 1,200-pupil school is, at the present time, a senior-junior high school and has over 1,800 pupils in it. The children are attending school in shifts. They are attending classes in the cafeteria, in the gymnasium, and every other place that is available in that particular school building.

The Kramer High School that was authorized by the Congress is under construction. I would say it is less than 20 percent complete, but even at that stage the War Production Board has served notice that they are going to take this school building for office purposes upon its completion. In fact, it has been stated that priorities for its construction will be taken away unless we permit it to be taken over for office purposes. Present indications are that when September comes and the new school year begins there will be at least 2,000 pupils in the Anacostia Junior-Senior High School.

I think this is a situation that ought to be looked into by the District Committee and by some other committees of the House. Allow this War Production Board to build temporary office buildings and build them in Anacostia, if necessary, but by all means let us allow the boys and girls who live in that section to have an opportunity to have decent school privileges.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. Yes.

Mr. RANDOLPH. The Committee on the District of Columbia, realizing the problems to which the gentleman from Kansas has just directed attention, attempted at a conference to bring together a representative of the War Production Board, one from the United States Office of Education, the Superintendent of Schools of the District of Columbia, and other agencies and individuals, who discussed this and other problems. We know that we must provide school facilities for children of thousands of workers who are in Washington, D. C., and I trust that the assurance given us by the representative of the War Production Board that they would give careful attention to expediting the construction of these buildings will be carried out.

Mr. CARLSON. I appreciate very much the statement of the gentleman from West Virginia. I know the gentleman is familiar with this problem, and I am sure that he will do whatever he can to see to it that these schools be left for school purposes.

Mr. LANHAM. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. HAINES].

Mr. HAINES. Mr. Chairman, I did not rise to discuss this bill. I have implicit faith in the committee that handles it. My purpose in rising at this time is to announce the death of a very fine young gentleman 24 years of age, residing in my congressional district, at Chambersburg, Pa., William Elliott. He enlisted in the British Auxiliary Service, and an announcement is carried in yesterday's evening local newspaper of his death in an accident in England. It stated that the English Government is burying him with full military honors. I am sure that every Member of this House joins me in expressing to the family of this fine young man our regrets

that he had to make this supreme sacrifice at this time, but we know that he did it believing he was doing what was for the best interests of his fellow men.

Mr. Chairman, the following statement appears in the February 10 issue of the Public Opinion newspaper, Chambersburg, Pa., on the tragic death of First Flying Officer William J. (Bill) Elliott:

[From Public Opinion, Chambersburg, Pa.]

On the eve of his discharge from the American Transport Auxiliary Service in England, First Flying Officer William J. (Bill) Elliott, 24, was killed in a flying accident over England on Sunday, and is to be buried with full military honors this week, according to a cablegram received from British military authorities this morning by his parents, Mr. and Mrs. G. L. Elliott, 614 East King Street. Word of his death established Elliott as Chambersburg's first fatality in World War No. 2.

Enlisting in the British Auxiliary Service last winter with Raymond Hoover, of Chambersburg, rural route 2, Elliott sailed on March 1, 1941, and arrived in England on March 18. Following preliminary training, Elliott was commissioned a first flying officer in the noncombatant auxiliary service and was assigned to transport fighting ships and bombers from one British airport to another.

Mrs. Elliott said today that in a letter received from her son late last month he told of his transfer to White Waltham, Berkshire, England, and added that he "would fly his last plane on February 16," the date of his prerarranged discharge from the auxiliary service. He and Hoover planned to return home together later this month.

In his last letter to his parents Elliott told them not to fear for his safety, and lightly related that he had recently had his fortune told and the fortune teller assured him that he "would live to a ripe old age."

British military authorities, notifying the parents of young Elliott's death, gave no details other than he was killed in a "flying accident" over England. Further details of the accident were promised.

Born in Chambersburg on April 18, 1917, Elliott was graduated from the Chambersburg High School in 1935. Following graduation, he became an aviation student at the Sunset Airways, north of town, receiving his private, commercial, and instructor's licenses. He was employed for a time at the local airport as an instructor, later going to Rockville, Md. He was serving as instructor at the Congressional Airport at that place at the time of enlistment in the British Auxiliary Forces.

In addition to his parents, Elliott is survived by one brother, John.

Mr. LANHAM. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. YOUNG].

Mr. YOUNG. Mr. Chairman, the housing situation in Washington is rapidly becoming acute. Of course, the President is right when he suggested that those occupying big residences here, whose principal avocation is engaging in social activities, should vacate and make room for men and women who are coming into Washington to do their part in this war of production. I offer a constructive suggestion. Our Government should immediately negotiate for the lease throughout this emergency of some passenger boats and these boats should be brought here and docked along the Potomac. Hotel, hospital, and housing accommodations could thereby be provided for many thousands. I refer to passenger boats, such as the Great Lakes steamer *Seeandbee*, which has 500 staterooms, though, of course, this particular boat could not be towed here. There are many similar vessels available. In 1941, 12,000 physicians attended a convention in Cleveland, taxing our hotels beyond capacity. The passenger vessel *Seeandbee* was chartered, berthed at the East Ninth Street pier, and its 500 rooms used as homes. Doctors and their families who were housed there were loud in their praise of that arrangement. This and similar passenger vessels, such as the boats used by the Albany-New York Line, Clyde Mallory Line, the *Richelieu* of the St. Lawrence River Line, Mississippi River boats, ships such as the passenger vessels used on the Potomac to carry passengers and automobiles from Washington to Norfolk, and passenger vessels used on the Florida coast and in New Orleans and other cities. A survey should be undertaken and all such passenger vessels that can be taken without subjecting people who use them during certain seasons of the year to unnecessary hardship, should be chartered and docked here at Washington and used 12 months out of the year as homes for Government workers and Army and Navy employees. Most of these ships are in fact floating hotels. The upkeep would not be expensive when these vessels were not making cruises. These vessels have facilities for the convenience of their guests the same as our most modern hotels. They have running water, heating plants, bathrooms, dining rooms, and linen service.

Sometimes we overlook the obvious. Why undertake construction of many apartments and homes at great expense to our taxpayers when we now have dozens, if not hundreds, of large passenger vessels, which are not ocean-going liners and which are not used 12 months in the year for necessary passenger traffic, but which are available for immediate use at this time to give first-class homes to civilian, Army, and Navy officials, and employees who will reside in Washington throughout the period of this war emergency.

Mr. HOLMES. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Chairman, I am grateful to my colleague on the Republican side for extending me this time. I am in full accord with the provisions of this bill and in support of the bill, and I commend the good work of the gentleman from Texas [Mr. LANHAM], chairman of the committee, in bringing the bill before the House.

While I agree with what the gentlewoman from New Jersey [Mrs. NORTON] said, and the gentleman from Ohio [Mr. YOUNG], I cannot agree with the statements of the gentleman from Illinois [Mr. DIRKSEN]. I think one of the most disgraceful things that has come to my attention is an illustration which appeared on the front page of the Washington Daily News, a great metropolitan daily, on February 10, 1941, just about a year ago. In a full-page illustration it reads:

No man's land for boys in uniform designated in southwest Washington.

The area in black on the map bounded, roughly, by Fourth Street on the west, F and G Streets SW. on the south, Canal Street on the north, and New Jersey Avenue SE. on the east will be out of bounds. Nobody from Fort Meade or Arlington had better be caught in it.

I wonder who is responsible for that disgraceful condition under the shadows of this Capitol? Between the Capitol Grounds of the most beautiful capitol on earth and the beautiful grounds of the War College, where the elite of our Army are quartered, down between the Anacostia and Potomac Rivers, there is a slum so disgraceful that the boys in uniform are prohibited from going into that area. What is our National Capital Park and Planning Commission doing? What is our Fine Arts Commission doing, coming here and asking us now to clutter up the beautiful parks of this city with automobiles—five-passenger cars, if you please—owned by clerks, occupied in most part by one individual who comes down to work, and which must be stored in these beautiful parks, one of the few things of beauty in this city? I am wondering what kind of planning has led to that condition.

It is my idea from my 9 years in the Capitol of the United States that there is a lot of land and plenty of room in the District of Columbia if it were properly utilized. I wonder who is responsible for the condition that we find in this area between Florida Avenue and Seventh Street, north of the business district. When a man goes to a Government agency to make a loan he is told that due to the infiltration of undesirable races he is not permitted to make a loan in that area. Let us utilize the ground within the District of Columbia, so that when the rubber tires play out, so that when these five-passenger cars can no longer operate, there will be living facilities and building facilities for the people working for these departments in the Capital.

[Here the gavel fell.]

Mr. HOLMES. Mr. Chairman, I yield myself such time as I desire.

I just want to say, in connection with this housing in the District of Columbia, that this legislation is absolutely necessary in the first place. We all know that for months and months there has been a tremendous influx of people coming here to work for the Government. During the conference between the managers on the part of the House and the Senate on the Lanham Act, we spent a great deal of time discussing the housing problem. Thousands of employees have come here and are working here, and thousands more are on their way. Certainly the Government must provide homes for the people they are asking to come here to take part in this national defense effort. Probably 50 percent of those who come here are single, and for that type of person dormitories will be erected to take care of them. We must also provide larger units where families, some with children perhaps, are brought in.

In connection with this vast expansion of our public pay rolls and employment in Washington has come a tremendous strain on the public utilities of

the District. It has long been established that we need additional facilities for our water service. We need larger reservoirs and larger water mains.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. HOLMES. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. I wonder if any cognizance was taken in this entire housing matter of something which the gentleman from Texas [Mr. LANHAM] said last week, in regard to following through the appropriations—whether we have done anything to investigate the need for quite so many people and the use to which they are being put, and whether the problem is as real as it appears to be?

Mr. HOLMES. I will say for the benefit of my colleague from Ohio that as a result of the enactment of the first Lanham Act a subcommittee of the committee which took the responsibility of recommending that legislation to the House was appointed with that object in mind. That subcommittee consisted of the gentleman from Texas [Mr. LANHAM], the gentleman from Missouri [Mr. BELL], and the gentleman from Alabama [Mr. BOYKIN] on the majority side, and myself and the gentleman from Ohio [Mr. MCGREGOR] on the minority side. Before we would recommend to this House any further legislation or increase of authorization for anything under the Lanham Act this subcommittee made a comprehensive study from coast to coast, visited many of the housing projects. We found some conditions that were just horrible. These conditions we called to the attention of the responsible officials and I feel sure they were corrected and that such things will not happen again. We are very conversant with the housing needs of the country as a whole and have given a great deal of study to the problem here in the District of Columbia.

When the gentlewoman asks me whether this committee can determine the need here, I answer her by saying that all we can do is to depend on the estimates given us by responsible representatives of the Government who have investigated and found out the approximate influx there will be from future employment in the war effort in the District of Columbia. I can assure the gentlewoman from Ohio that this committee is just as much interested as anyone can be to see that every dollar of this money authorized by the Congress is spent legitimately and honestly and that the Government gets full value for every dollar spent.

Mrs. BOLTON. I have no question as to the expenditures by the housing group. I question the necessity for bringing so many people to Washington, especially when we find so many of the employees idle all the morning, a great many mornings of the week.

Mr. HOLMES. That is the same troublesome problem we all have.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield for one further question?

Mr. HOLMES. Certainly.

Mrs. BOLTON. Who determines the location of these buildings?

Mr. HOLMES. The Federal Works Administration; Colonel Palmer determines the need. That is conveyed to the Federal Works Administration, and they authorize the building in compliance with the survey.

Mrs. BOLTON. And are they taking into consideration the need for plenty of open spaces around these projects?

Mr. HOLMES. We have been impressed in our investigation throughout the country with the suitable provision that has been made, generous provision for suitable playgrounds for the children of the families to enjoy some recreation.

As I was saying, this tremendous influx of people has already taxed the capacity of the public utilities of the District. In this legislation we provide approximately $10,000,000 for the most important work of enlarging reservoirs, the building of additional purification plants, additions to hospitals, schools, and streets, for we find these enlargements to be very essential in order to take care of this increase.

Mr. HAINES. Mr. Chairman, will the gentleman yield?

Mr. HOLMES. I yield.

Mr. HAINES. If I understand, the bill contains a provision giving private parties the right to purchase these houses?

Mr. HOLMES. Yes.

Mr. HAINES. And that they may be financed under provisions of the F. H. A. Act?

Mr. HOLMES. The gentleman is correct.

Mr. Chairman, I have no further requests for time.

Mr. LANHAM. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the act of October 14, 1940, as amended, entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," is hereby amended by inserting after section 312 thereof the following title:

"TITLE IV

"SEC. 401. In order to relieve an acute shortage of housing, public works, and equipment therefor presently existing and impending in and near the District of Columbia and impeding war activities, the Federal Works Administrator is authorized to provide, in and near the District of Columbia, such housing, public works, and equipment therefor, including, but without limitation, permanent and temporary housing, living quarters for single persons, schools, waterworks, sewers, sewage, garbage- and refuse-disposal facilities, public-sanitation facilities, works for the treatment and purification of water, hospitals and other places for the care of the sick, recreational facilities, streets, roads, and any other types of necessary public works or equipment therefor; and in providing such housing, public works, and equipment therefor the Administrator is authorized to exercise the same powers with respect to land acquisition, construction, procuring of materials and like matters, the making of loans and grants and contributions as are granted to him under subsections (a) and (b) of section 1 of this act and subsections (a), (b), and (c) of section 202 of this act.

"SEC. 402 The housing provided under this title may be sold and disposed of as expeditiously as possible: *Provided*, That in disposin_ of said housing consideration shall be given to its full market value and said housing or any part thereof shall not, unless specifically authorized by Congress, be conveyed to any public or private agency organized for slum clearance or to provide subsidized housing for persons of low income.

"SEC. 403. (a) The Commissioners of the District of Columbia are authorized to accept for the District of Columbia, and the Administrator is authorized to make to the District of Columbia, advancements for the provision of public works and equipment therefor, such advancements to be deposited with the Secretary of the Treasury to the credit of the District of Columbia.

"(b) Sums advanced to the Commissioners of the District of Columbia hereunder shall be available for the provision, without reference to section 3709 of the Revised Statutes, of any or all public works and equipment therefor described in section 401 hereof, and for administrative expenses in connection therewith, including employment of engineering and other professional services and other technical and administrative personnel without reference to the civil-service requirements or the Classification Act of 1923, as amended. The repayment of any sums so advanced and the payment of interest thereon shall be in the same manner and subject to the same conditions as are set forth in sections 3 and 4 of the act of December 20, 1941 (Public Law No. 362, 77th Cong.).

"(c) The Commissioners shall submit with their annual estimates to the Congress a report of their activities and expenditures under this section

"SEC. 404. The sum of $50,000,000, to remain available until expended, is hereby authorized to be appropriated to carry out the purposes of this title and for administrative expenses in connection therewith in accordance with the provisions of this act."

With the following committee amendment:

Page 1, strike out lines 3 to 7, inclusive, and insert in lieu thereof the following:

"That section 301 of the act entitled 'An act to expedite the provision of housing in connection with national defense, and for other purposes', approved October 14, 1940, as amended, is amended by striking out 'sections 1 and 202' and inserting in lieu thereof 'sections 1, 202, and 401.'

"SEC. 2. Section 304 of such act of October 14, 1940, as amended, is amended by adding at the end thereof the following new sentence: 'As used in this section the term "local municipalities" shall include the District of Columbia.'

"SEC. 3. (a) Section 306 of such act of October 14, 1940, as amended, is amended by adding at the end thereof the following new sentence: 'As used in this section the term "State" shall include the District of Columbia.'

"(b) Section 307 of such act of October 14, 1940, as amended, is amended by adding at the end thereof the following new sentence: 'As used in this section the term "State" shall include the District of Columbia.'

"SEC. 4. Such act of October 14, 1940, as amended, is amended by adding after section 312 thereof the following new title:"

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BROWN of Georgia, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6483) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended,

pursuant to House Resolution 437, he reported the same back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Chair announced that the ayes seemed to have it.

Mr. MOSER. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 308, nays 18, not voting 105, as follows:

[Roll No. 22]

YEAS—308

Allen, Ill.	Crawford	Hendricks
Allen, La.	Creal	Hess
Andersen, H. Carl	Crowther	Hill, Wash.
Anderson, Calif.	Culkin	Hinshaw
Anderson, N. Mex.	Cullen	Hobbs
Andresen, August H.	Cunningham	Holbrook
Andrews	Curtis	Holmes
Angell	D'Alesandro	Hook
Arnold	Davis, Ohio	Hope
Barden	Day	Houston
Barnes	Delaney	Howell
Bates, Ky.	Dickstein	Hull
Beam	Dies	Imhoff
Beiter	Dingell	Izac
Bell	Dirksen	Jackson
Bennett	Domengeaux	Jacobsen
Bishop	Doughton	Jenkins, Ohio
Blackney	Downs	Jenks, N. H.
Bloom	Drewry	Jensen
Boehne	Dworshak	Johns
Boggs	Eaton	Johnson, Calif.
Boland	Eberharter	Johnson, Ind.
Bolton	Elliot, Mass.	Johnson, Luther A.
Bonner	Elliott, Calif.	Johnson, Okla.
Boykin	Elston	Kean
Bradley, Mich.	Engel	Kefauver
Bradley, Pa.	Englebright	Kelly, Ill.
Brooks	Fenton	Kennedy, Martin J.
Brown, Ga.	Fish	Kennedy, Michael J.
Brown, Ohio	Fitzgerald	Keogh
Bryson	Fitzpatrick	Kilburn
Buck	Flaherty	Kilday
Buckley, N. Y.	Flannagan	Kirwan
Bulwinkle	Fogarty	Klein
Burdick	Folger	Kocialkowski
Burgin	Forand	Kopplemann
Butler	Ford, Leland M.	Kunkel
Byron	Ford, Thomas F.	Landis
Canfield	Gamble	Lanham
Cannon, Mo.	Gathings	Larrabee
Capozzoli	Gavagan	Lea
Carlson	Gearhart	Leavy
Carter	Gehrmann	LeCompte
Case, S. Dak.	Gibson	Lesinski
Casey, Mass.	Gilchrist	Lewis
Celler	Gillette	Ludlow
Chapman	Gillie	Lynch
Chenoweth	Gore	McCormack
Chiperfield	Gossett	McGehee
Clark	Graham	McIntyre
Clason	Grant, Ala.	McLaughlin
Claypool	Grant, Ind.	McLean
Clevenger	Gregory	Maas
Cluett	Gwynne	Maciejewski
Cochran	Haines	Mahon
Coffee, Nebr.	Hall, Edwin Arthur	Manasco
Coffee, Wash.	Hall, Leonard W.	Mansfield
Cole, N. Y.	Hancock	Marcantonio
Collins	Harris, Ark.	Martin, Iowa
Cooley	Harris, Va.	Martin, Mass.
Cooper	Harter	May
Copeland	Healey	Merritt
Costello	Hébert	Meyer, Md.
Courtney	Heffernan	Michener
Cox	Heidinger	Mills, Ark.
Mills, La.	Richards	Sutphin
Mitchell	Robertson, N. Dak.	Sweeney
Monroney	Robertson, Va.	Taber
Mott	Robsion, Ky.	Talbot
Murray	Rockwell	Talle
Nelson	Rodgers, Pa.	Tarver
Nichols	Rogers, Mass.	Terry
Norrell	Rolph	Thill
Norton	Russell	Thom
O'Brien, Mich.	Sabath	Thomas, Tex.
O'Connor	Sanders	Thomason
O'Hara	Sasscer	Tibbott
Oliver	Scanlon	Tinkham
O'Neal	Schuetz	Traynor
O'Toole	Schulte	Treadway
Patman	Scrugham	Van Zandt
Patrick	Secrest	Vincent, Ky.
Patton	Shannon	Vinson, Ga.
Pearson	Sheppard	Vorys, Ohio
Peterson, Ga.	Short	Ward
Pfeifer, Joseph L.	Sikes	Weaver
Pheiffer, William T.	Smith, Maine	Weiss
Ploeser	Smith, Ohio	Welch
Plumley	Smith, Va.	Wene
Poage	Smith, Wash.	Wheat
Powers	Smith, Wis.	Whelchel
Priest	Snyder	White
Rabaut	Somers, N. Y.	Whitten
Ramsay	South	Whittington
Rampeck	Sparkman	Wigglesworth
Randolph	Spence	Williams
Rankin, Miss.	Springer	Woodruff, Mich.
Rankin, Mont.	Starnes, Ala.	Woodrum, Va.
Reece, Tenn.	Stearns, N. H.	Wright
Reed, Ill.	Stefan	Young
Reed, N. Y.	Stevenson	Youngdahl
Rees, Kans.	Sullivan	Zimmerman
	Sumners, Tex.	

NAYS—18

Beckworth	Guyer	Moser
Boren	Hare	Pace
Camp	Jones	Rich
Cartwright	Knutson	Sumner, Ill.
Duncan	Lambertson	West
Fulmer	McMillan	Wickersham

NOT VOTING—105

Arends	Hill, Colo.	Plauché
Baldwin	Hoffman	Rivers
Barry	Hunter	Rizley
Bates, Mass.	Jarman	Robinson, Utah
Baumhart	Jarrett	Rockefeller
Bender	Jennings	Rogers, Okla.
Bland	Johnson, Ill.	Romjue
Buckler, Minn.	Johnson, Lyndon B.	Sacks
Burch	Johnson, W. Va.	Satterfield
Byrne	Jonkman	Sauthoff
Cannon, Fla.	Kee	Schaefer, Ill.
Cole, Md.	Keefe	Scott
Colmer	Kelley, Pa.	Shafer, Mich.
Cravens	Kerr	Shanley
Crosser	Kinzer	Sheridan
Davis, Tenn.	Kleberg	Simpson
Dewey	Kramer	Smith, Pa.
Disney	Lane	Smith, W. Va.
Ditter	McGranery	Steagall
Dondero	McGregor	Stratton
Douglas	McKeough	Tenerowicz
Durham	Maciora	Thomas, N. J.
Edmiston	Magnuson	Tolan
Ellis	Mason	Voorhis, Calif.
Faddis	Mundt	Vreeland
Fellows	Murdock	Wadsworth
Ford, Miss.	Myers, Pa.	Walter
Gerlach	O'Brien, N. Y.	Wasielewski
Gifford	O'Day	Wilson
Granger	O'Leary	Winter
Green	Osmers	Wolcott
Halleck	Paddock	Wolfenden, Pa.
Harness	Peterson, Fla.	Wolverton, N. J.
Harrington	Pierce	Worley
Hart	Pittenger	
Hartley		

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Bland with Mr. Halleck.

Mr. Ford of Mississippi with Mr. Keefe.

Mr. Hart with Mr. Mundt.

Mr. Crosser with Mr. Wolfenden of Pennsylvania.

Mr. Burch with Mr. Wadsworth.

Mr. Hunter with Mr. Kinzer.

Mr. Maciora with Mr. McGregor.

Mr. Kramer with Mr. Bender.

Mr. Jarman with Mr. Osmers.

Mr. Cole of Maryland with Mr. Dewey.

Mr. Johnson of West Virginia with Mr. Rockefeller.

Mr. Kleberg with Mr. Fellows.

Mr. Davis of Tennessee with Mr. Gifford.

Mr. McKeough with Mr. Thomas of New Jersey.

Mr. Ellis with Mr. Hartley.

Mr. Durham with Mr. Jarrett.

Mr. Murdock with Mr. Johnson of Illinois.

Mr. Disney with Mr. Vreeland.

Mr. Green with Mr. Gerlach.

Mr. Colmer with Mr. Rizley.

Mr. Barry with Mr. Dondero.

Mr. Granger with Mr. Simpson.

Mr. Rivers with Mr. Jonkman.

Mr. Romjue with Mr. Mason.

Mr. Pierce with Mr. Arends.

Mr. Lane with Mr. Harness.

Mr. Cravens with Mr. Bates of Massachusetts.

Mr. Kerr with Mr. O'Brien of New York.

Mr. Myers of Pennsylvania with Mr. Baumhart.

Mr. Sacks with Mr. Pittenger.

Mr. O'Leary with Mr. Baldwin.

Mr. Robinson of Utah with Mr. Ploeser.

Mr. Satterfield with Mr. Scott.

Mr. Steagall with Mr. Shafer of Michigan.

Mr. Kee with Mr. Hill of Colorado.

Mr. Edmiston with Mr. Stratton.

Mr. Faddis with Mr. Wolcott.

Mr. Harrington with Mr. Hoffman.

Mr. Byrne with Mr. Douglas.

Mr. Kelley of Pennsylvania with Mr. Jennings.

Mr. Shanley with Mr. Winters.

Mr. McGranery with Mr. Sauthoff.

Mr. Walter with Mr. Buckler of Minnesota.

Mr. Voorhis of California with Mr. Magnuson.

Mrs. O'Day with Mr. Schaefer of Illinois.

Mr. Sheridan with Mr. Tenerowicz.

Mr. Smith of West Virginia with Mr. Smith of Pennsylvania.

Mr. Worley with Mr. Rogers of Oklahoma.

Mr. BECKWORTH changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include an article appearing in today's Star.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. REED]?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter I have written to members of the Cabinet.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. LUDLOW]?

There was no objection.

Mr. HAINES. Mr. Speaker, I ask unanimous consent to include a newspaper article that I referred to in my remarks today.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. HAINES]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, we have had our Pearl Harbor. Now we have our Singapore. Hitler does not wait. The Japanese are not waiting. It is imperative to pass every war measure immediately. I ask unanimous consent to revise and extend my own remarks in the RECORD on this subject.

I hope and pray the Rules Committee will soon report a rule for consideration

of my bill, H. R. 6293, to establish a Women's Army Auxiliary Corps to serve with the United States Army. The women of this country are eager and anxious to serve. If I needed to be assured of this I would be convinced by the tremendous flood of letters I have received from every part of the country, from women seeking to enroll and serve as auxiliaries to our Army. Several times I have been asked concerning the cost of this legislation, and I would like to make it clear that it would cost nothing in reality, for every one of these women would replace a man who is now doing the work for which they would be assigned. Secretary of War Stimson and General Marshall both have stated there is a tremendous and immediate need for this legislation.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

Mr. HOLMES. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. VAN ZANDT] may extend his own remarks in the Appendix of the RECORD and to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. HOLMES]?

There was no objection.

AMENDMENT OF CERTAIN PROVISIONS OF LAW RELATIVE TO WITHDRAWAL OF BRANDY

Mr. BUCK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5802) to amend certain provisions of law relative to the withdrawal of brandy for fortification of wines and production of wines, brandy, and fruit spirits, so as to remove therefrom certain unnecessary restrictions, with Senate amendments thereto, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 6, after the words "cantaloup brandy", insert "; and by inserting at the end of the first paragraph the following new sentence: 'The maximum penal sum of any bond required by this subchapter for any bonded winery or bonded storeroom shall be $50,000.'"

Page 4, after line 20, insert:

"(h) Clause (2) of section 5 (f) of the Federal Alcohol Administration Act (49 Stat. 984) is amended to read as follows: '(2) as will provide the consumer with adequate information as to the identity and quality of the products advertised, the alcoholic content thereof (except the statements of, or statements likely to be considered as statements of, alcoholic content of malt beverages and wines are prohibited), and the person responsible for the advertisement;'."

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. BUCK]?

Mr. RICH. Reserving the right to object, Mr. Speaker, that bill was up this morning——

The SPEAKER. The gentleman from California informed the Chair that the gentleman who objected this morning had withdrawn his objection, otherwise the Chair would not have recognized the gentleman from California.

Mr. RICH. Reserving the right to object, Mr. Speaker, I tried to get these amendments this morning to see what the bill contained. The amendments are not published, and we could not get them. I examined the copy at the Clerk's desk. I am not sure about this bill. If the last Senate amendment does what I think it does, and prohibits placing in these advertisements a statement of the alcoholic content of the wines, then I believe I shall object to this request. I think we ought to have time to study this matter. I do not believe it should come up today, because we want to examine these amendments before we act upon them.

Mr. BUCK. Mr. Speaker, I did not understand that the gentleman from Pennsylvania was seriously objecting this morning.

Mr. RICH. I did not object this morning, but we wanted to get this information. I asked the gentleman and did not get the information, so I am eager to get it now before we let the bill pass.

Mr. BUCK. The amendment adopted by the Senate only applies the same rule to sweet wines that is now in effect in regard to dry wines. I do not see how the gentleman can object. I have discussed this matter again with every member of the minority on the Committee on Ways and Means. This was unanimously reported by the committee. I was also instructed to get a rule from the Committee on Rules to consider this bill, if necessary. Does the gentleman want me to go before the Rules Committee now?

Mr. RICH. No; but a week or so ago we passed by unanimous consent legislation that granted pensions to Members of Congress. If I had been on the floor it would not have gone through. I am not going to let any legislation go through here now about which there is any doubt as to its being wise legislation. That is the only reason I am holding this up. I ask that the gentleman withdraw his request for the day and wait until another day until we have an opportunity to make further study of these amendments.

Mr. BUCK. Would the gentleman object to a request that the bill go to conference?

Mr. RICH. I will not object to that.

Mr. BUCK. Mr. Speaker, I ask unanimous consent that the House disagree to the amendments of the Senate to the bill H. R. 5802 and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DOUGHTON, BUCK, and CROWTHER.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be in order on Thursday of that week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I shall not object, but I do this simply to find out the program for next week.

Mr. McCORMACK. On tomorrow, which is the anniversary of Lincoln's birth, no legislation will be considered.

Mr. MARTIN of Massachusetts. The House will be in session tomorrow?

Mr. McCORMACK. The House will be in session tomorrow. As far as next week is concerned, the Consent Calendar will be called on Monday, and then the State, Commerce, Justice, and the Judiciary appropriation will be brought up for consideration. Monday, Tuesday, and Wednesday will be devoted to the Committee on Appropriations. If the consideration of the State, Commerce, Justice, and the Judiciary appropriation bill is not completed on Monday, which it probably will not be, it will go over until Wednesday, and on Tuesday the fifth supplemental defense appropriation bill will be considered. The Calendar Wednesday business will be in order on Thursday, and the Committee on Labor will have the call.

The resolution extending the life of the Dies committee has been reported out, but it cannot be considered on any of those days. Three hours of debate are allowed, I understand.

A week from next Monday is Washington's Birthday. I am hopeful that we shall be able to arrange legislative matters so that Members who have pressing engagements on Washington's Birthday and over that week end will be able to meet them, and that no business will be considered on Friday.

That is the program for next week.

Mr. MARTIN of Massachusetts. I thank the gentleman.

Mr. COCHRAN. Reserving the right to object, Mr. Speaker, does the gentleman mean that the Dies resolution will not be reached next week?

Mr. McCORMACK. I cannot see how it can be, in view of the important legislative program for next week. I am sure the gentleman from Texas [Mr. DIES] would not insist upon that resolution being taken up on Friday of next week, when it can probably be considered early the following week.

Mr. ROBSION of Kentucky. Mr. Speaker, I further reserve the right to object to get some information for myself. The deficiency bill that the gentleman spoke of, as I understand, will not come before the House for consideration until Tuesday of next week?

Mr. McCORMACK. I am unable to state definitely, but it will either be Tuesday or Wednesday.

Mr. ROBSION of Kentucky. And not before Tuesday?

Mr. McCORMACK. Not before Tuesday.

Mr. ROBSION of Kentucky. Is that the deficiency bill that carries the request of the President for some considerable number of billions of dollars?

Mr. McCORMACK. Twenty-odd billions of dollars; yes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

EXTENSION OF REMARKS

Mr. MEYER of Maryland. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein a telegram from Governor O'Conor, of Maryland, and my written reply thereto.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

ETIENNE BURIN DES ROZIERS

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I desire to call the attention of the House to a situation which strikes me as being very dangerous to our war efforts.

One Etienne Burin des Roziers, third secretary to the French Embassy in Washington, has left for Tokyo. This in itself and of itself may not seem significant. However, when we consider this in the light of the announcement made in Parliament yesterday, to the effect that General Rommel, the Nazi general in Libya, has been supplied through French North Africa by Vichy France with materials that we are giving and have been giving to Vichy France, and when we consider that Vichy France is in reality a puppet government of Adolf Hitler the conclusion becomes inescapable that a sudden transfer of a third secretary, who has spent considerable time in the French Embassy here in Washington, to Tokyo means that this third secretary is transferred to Tokyo so that he can give information to the Japanese with regard to our national interests.

Mr. COCHRAN. How is he going to get there?

Mr. MARCANTONIO. He is going to get there the same way other Vichy diplomats are getting there. He has been transferred to Tokyo and is on his way there with diplomatic immunity. We do not know what he is carrying either in his baggage or in his mind. He is a representative of Vichy France—the same Vichy France that has been receiving supplies from us and giving them to General Rommel through French North Africa. All of a sudden Vichy France takes its third secretary to the French Embassy here and sends him to Tokyo, after he has been here a considerable time. This, in my opinion, is utilizing the French Embassy for espionage purposes, and it seems to me it is about time we get tough.

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. MURRAY] is recognized for 10 minutes.

PENSIONS FOR CONGRESSMEN

Mr. MURRAY. Mr. Speaker, is there any doubt in your mind as to whom the people should and will hold responsible for the legislation that extends pensions not only to Members of Congress, Harold Ickes, Madam Perkins, and the rest of the members of the President's Cabinet, the Vice President and President, and thousands of political appointees that are blanketed under the provisions of the act? I wish to repeat a speech given on July 14, 1939, by one of our Democratic colleagues right here on this floor. Here are words of one of our homespun colleagues, and most assuredly a man of the people. The speech is as follows:

Mr. CREAL. Mr. Chairman, should this bill pass in this form, I presume it would be the first time in the history of America that any legislative body, be it a city council, a State legislature, or Congress, which had the power to appropriate money, voted themselves a pension. Of course, I know there is a certain amount of demagoguery about this, but in spite of what you say, we are all here as a matter of choice, because we prefer to be here to doing something else. There is no dispute about that, and at this time of financial crisis, with so many people demanding aid, it is the wrong time of the year, the wrong time of the moon, for Congressmen to vote themselves a pension, and then go back to have hurled in their teeth some particular thing that did not get through that somebody else wanted. People would say that we had voted a pension for ourselves and had failed to do so for somebody else. Talk about retirement. God knows that as far as retirement is concerned you will get it pretty quick—those of you who vote for this bill. You will get it and you will get it without pay besides. This is a nice issue with which to go before the people in 1940, is it not? What about the Democratic Party? Remember if this bill passes, it will have to pass through a majority of Democrats voting for it. Then I say especially again that it is the wrong time of the moon to take this question up.

Further, there are certain sections of the country where the political party on one side or the other is predominant and where Members come back to Congress year after year, but more than half of the districts waver back and forth as between the two parties, and it is not fair to those men who live in doubtful districts, as compared with those who live in districts where the politics is one way and where Members have opportunity for coming back year after year. I shall be quite well satisfied if I can come here the required length of time to which I might be eligible to get an annuity, without the annuity, and please do not forget that there are lots of people just as able as you are, just as smart as you are, regardless of who you are, who are ready and willing to take your places at any time you indicate that you are through—and sometimes when you do not. This is laden with political dynamite, and lots of you who cast your vote for this bill will get retirement without annuity.

Just answer these questions:

First. Do you realize that we are in the midst of a war? Do you realize that thousands of our young men are in the armed forces of our country at a small salary? Do you realize that thousands of Red Cross workers are giving freely of their time and energy? Do you realize that examining doctors and draft boards are working hour after hour without pay? Do you realize that many businessmen are being put out of business and that thousands of men are losing their jobs? Do you realize that bonds and stamps must be sold and that this legislation is going to impair this program?

Second. Do you realize that the average per capita income of our people is $500 to $600; that the income of labor of our country is around $1,300; and the average farm income is about the same? Should Members of Congress come before these groups? Do you realize this legislation as well as Office of Civilian Defense weaknesses retard our war program? Is it any surprise newspapers criticize this legislation? Do you wonder that taxpayers are shocked about this act?

Third. There is no use spending time on how this legislation happened to get passed. It is now time to make good and not make excuses. The gentleman from Georgia [Mr. RAMSPECK] in his speech last Thursday said:

This bill was approved by the Civil Service Commission, but the language bringing in the Members of the Congress and the Senators was put in by me on my own responsibility and at the request of numerous Members of this body who wanted that privilege and that right.

Today's papers quote the gentleman from Georgia [Mr. RAMSPECK] as saying that the public is unduly excited. Whether the public is unduly excited or not, it is excited enough so we better get the Rees, Smith, or Wickersham bill reported out of the committee and repeal the portion of the act that includes elective officers. And the quicker the better.

Fourth. Does anyone here think that the argument made by our colleague, the gentleman from Kentucky [Mr. CREAL] in 1939 are of more importance today? With the country at peace in 1939—at war in 1942—with the public debt soon three times what it was then—do you not think this is most assuredly the wrong time of the moon if there ever was a wrong time of the moon?

Fifth. There is always a demand for unity. If you want unity in the country, you better bring this Reece repeal measure right out on the floor for consideration. If you really want "unity" right here on the floor of the House, you should bring this measure out of committee immediately. Whether the President will get $17,000 or $37,000 per year, as now stated in the press, is, of course, important, but the thing of greatest importance is to let the people of this country know that the "will of the people is the law of the land." The will of the people is to repeal this elected-officers provision, and the sooner we do it the better it will be for our country.

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. Yes.

Mr. RAMSPECK. If the gentleman was so opposed to the bill, why did he not object to it when it came up on the Consent Calendar?

Mr. MURRAY. I yielded to the gentleman from Georgia, and I will answer him by saying that the reason I did not object was for the same reason that I

wrote and told my people, and that is that I was not present at that time, and it seems that some 400 other Members were not, either.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. Will the gentleman yield further?

Mr. MURRAY. I have answered the gentleman's question, and I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. When that bill came up on this floor, it was on the Consent Calendar, and the gentleman from Georgia [Mr. RAMSPECK] did not mention that that complicated bill contained pensions for Congressmen. Furthermore, he spoke for some time, which took about an inch or two in the RECORD, without ever mentioning that it contained pensions for Congressmen and other elected officers. I personally feel that that is inconsistent with our ideas of justice in this country; that we should have notice of controversial bills on this floor.

Mr. RAMSPECK. Mr. Speaker, will the gentleman from Wisconsin yield?

Mr. MURRAY. I have not yet answered the gentlewoman from Illinois. The gentleman from Georgia should not become impatient. The gentleman will find that in that RECORD of December 1 the question asked by the gentleman from Tennessee [Mr. GORE] called attention to the fact that it was a pretty large bill to bring up under unanimous consent, some 10 pages, as I remember it, and he asked for an explanation of the bill at that time.

Miss SUMNER of Illinois. But in the explanation the gentleman from Georgia, who sponsored the bill, never once mentioned any pensions for elected officers.

Mr. RAMSPECK. Has the gentlewoman found anybody who objected to the bill?

Miss SUMNER of Illinois. I have. One person on the Civil Service Committee, the gentleman from Kansas [Mr. REES], says that he was opposed to the bill, and that it was put over when he was not on the floor. Whether that is true or not I do not know, but I rely upon his integrity.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. Yes.

Mr. RICH. I think when legislation is brought before this House like legislation granting pensions to Members of Congress, when Townsendites all over the country want pensions and we will not consider them, that Members of the House ought to be notified that such legislation is being brought up. I was on the floor 15 minutes before opening that day, and I went down to lunch, and I was at lunch when it happened. The gentleman was not on the floor, or he would not have allowed such legislation to go through.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. Yes.

Mr. COCHRAN. Is it not true that when the conference report upon that bill came in, it was known what it contained? I think there were two Members—the gentleman from Mississippi [Mr. WHITTINGTON] and the gentleman from Mississippi [Mr. RANKIN]—who were the only two Members in this House at that time who voiced their opposition to the conference report; and, as the gentleman knows, there was an opportunity to beat the bill by all these people who are now complaining by voting down the conference report.

Mr. RAMSPECK. The gentleman from Missouri is eminently correct, except it was not a conference report. The House agreed to the Senate amendments by unanimous consent.

Mr. RUSSELL. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. In just a moment, until I make my statement. I asked the gentleman from Wisconsin who preceded me a fair question and he answered it, and the gentlewoman from Illinois rose and dragged in the question about what happened on the call of the Consent Calendar.

I say to her, Did you not know that the Senate debated this bill a whole day? Did you not know they had two roll calls on it, and that it came back to the House, and if you were opposed to it and wanted to stop it, why did you not object on January 21? I say that to every other Member who has gotten up on this floor and demagogued about this bill

Miss SUMNER of Illinois. Do not call me a demogogue. I sat here waiting for that conference report.

Mr. RAMSPECK. All right. If the cap fits, the lady can wear it. I do not yield further.

The facts are, this bill came up in its regular way on the Consent Calendar on December 1. What the lady says about my explanation of it is true. The bill went to the Senate. It was debated in the Senate on January 19 for a full day. The newspapers were full of it. They wrote about the Byrd amendment undertaking to require that Members of Congress should pay for their entire service before they got any annuity. The RECORD was full of it. There was debate hour after hour over there, and every Member of the House who was on the job attending to his or her duty knew as well as I did that this bill had to come back to this House for conference or acceptance of the amendments adopted in the Senate.

I have no objection to any Member taking care of themselves, but when they undertake to stigmatize me and say to the country that I undertook to sneak this bill through, as some of them have said—some of them said it was a joker, when they knew, if they read the bill at all, that it was in the face of the bill as originally introduced a year ago this month. Now it is time to call names and persons here, and if there is going to be too much of this demagoging around here I am going to begin to call the roll.

Mr. RICH. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Pennsylvania.

Mr. RICH. Do you not believe that the membership of the House should have been given some warning or some notice that you intended to bring the conference report here at a certain time?

Mr. RAMSPECK. I did give notice in the usual way. The gentleman is a member of the Appropriations Committee and he knows the practice. The gentleman knows that whenever a Member in charge of a bill intends to ask unanimous consent to concur in Senate amendments, he consults, first, the Speaker to see if he can get recognition; second, his majority leader; third, the minority leader; and fourth, the ranking minority member of the committee.

Mr. RICH. That is right.

Mr. RAMSPECK. I did that in this case, and not a single one of the persons involved will deny it. The gentlewoman from Massachusetts [Mrs. ROGERS] who is ranking member of my committee, was on the floor at the time and was notified by me that I expected to bring it up, and that I had spoken to the minority leader about it.

Mr. RICH. I appreciate that you asked the Speaker, the majority leader, and the minority leader, and they all agreed that the matter might be taken up, but the rank and file of the Members of the House are not always on the floor. They did not know when you were going to bring it up.

Mr. RAMSPECK. There was no conference report. The bill did not go to conference. The Senate amendments were agreed to in this House by unanimous consent, after a series of questions asked by the gentleman from Kentucky [Mr. ROBSION] and after the gentleman from Mississippi [Mr. RANKIN] and the gentleman from Mississippi [Mr. WHITTINGTON] had expressed their opposition.

Mr. COCHRAN. Did anyone present object to the consideration of the Senate amendments?

Mr. RAMSPECK. They did not.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER. Without objection, it is so ordered.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that the gentleman be given 5 additional minutes.

Mr. RAMSPECK. I just want 1 minute to answer the question.

The SPEAKER. Without objection, the gentleman is recognized for 1 additional minute.

There was no objection.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. O'CONNOR. The gentleman, of course, knows that the press of the country has for some unknown reason, inexplainable to me, misrepresented this bill from start to finish.

Mr. RAMSPECK. Yes; that is true.

Mr. O'CONNOR. It has gone out to the country that it is a pension, that it is

a "grab" that the Congressmen are taking out of the Treasury of the United States, when nothing is further from the truth.

Mr. RAMSPECK. That is correct.

Mr. O'CONNOR. If the facts were known and if the press wanted to be fair to the country and put this bill before the country as is, I doubt whether there would be any more objection to it than there was at the time the fourth-class postmasters of the country were put under the Social Security Act, the same as the Congressmen were under this act.

Mr. RAMSPECK. I do not believe they would if they got the facts, but the newspapers have not given them the facts. They have made people believe it is a $4,000 a year pension out of the United States Treasury, whereas nothing could be further from the truth.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia may proceed for an additional minute. He is the author of the bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. O'CONNOR. Is it not a further fact that the average service of a Member of Congress is something like 4 years?

Mr. RAMSPECK. I do not know just what the average is, but I believe the Library of Congress has stated that the average person elected to the House served only one term.

Mr. O'CONNOR. I hand the gentleman a letter from the Legislative Reference Service and ask him what it states.

Mr. RAMSPECK. This letter from the Legislative Reference Service of the Library of Congress states:

> Generally the average Member has served two and one-half terms. We have made a statistical survey of the length of service of House Members from 1789 through 1938, mainly from Congressional Directories. During that time 8,005 persons served in the House. Of these, 38 percent served 1 term; 27 percent, 2 terms; 13 percent, 3 terms; 7 percent, 4 terms; 4 percent, 5 terms; 3 percent, 6 terms; and 2 percent, 7 terms. The general average would not be affected very much by the compilations of figures for the past 3 years.

Mr. O'CONNOR. And is it not a fact that even if a Member has served 5 years, before he could participate at all he would have to reach the age of 62?

Mr. RAMSPECK. That is true, and he would have to pay in contributions which, after July 1, would amount to $500 per year.

Mr. O'CONNOR. And is it not a fact that, as the bill passed the House, it provided that before a Member could participate at all he would have to pay into the Treasury 5 percent of his salary for the years he had served?

Mr. RAMSPECK. No. The option was left in the bill for Members to make back payment or not as they see fit; but they do have to pay, in my judgment, from January 24, the date the act became effective. If they do not make the back payment the annuity provided by the law is reduced by whatever the payment they failed to make would have purchased on an actuarial basis.

Mr. O'CONNOR. In other words, if no back pay is put in by the annuitant, then the amount he receives would be reduced accordingly?

Mr. RAMSPECK. That is correct.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COCHRAN. Mr. Speaker, I am not going to stand here and say I was not present when the bill was passed, nor am I going to say I did not know what was in the bill; but I will admit I did not think there was anything in the measure which would warrant anyone in saying a Member of Congress could get an annuity of $4,000 by paying 5 percent of 1 day's pay, as some charge, and an investigation on my part discloses there is not.

Mr. Speaker, so many misleading statements have been made relative to the provisions of the amendments to the act it might be helpful to give a little information relative to just what Congress has been doing in the past in reference to retirement measures.

I am going to tell you a little something about what you have been doing. Understand, I say "you." You are talking now about less than $100,000, for, as I understand it, this provision, including elective officials, cannot possibly cost the retirement fund more than $100,000 a year. Is that correct, I ask the gentleman from Georgia?

Mr. RAMSPECK. Eighty thousand dollars a year is my understanding.

Mr. COCHRAN. For the present fiscal year you have voted $82,929,748 to pay for the retirement of the enlisted men, the commissioned officers, and nurses of the Army, Navy, Marine Corps, Coast Guard, Public Health, and Coast and Geodetic Survey, and they do not contribute one cent toward any retirement fund. When they retire they get three-quarters of the pay they were receiving at the time they left the service. You voted for that. So did I.

You also voted $504,000 to pay to the retired judges, who receive their full pay for the rest of their lives when they retire, and they only have to serve 10 years and be 70 years of age. You voted for that; so did I.

Then there is another fund you probably do not know anything about, the Foreign Service, a most liberal law. They do contribute 5 percent and have for a number of years, but when they retire they get three-quarters of their pay, and there is even a provision in that law which says even if they are discharged for inefficiency they can get half of their pay for the rest of their lives. This includes Ambassadors and Ministers. You voted for that; so did I. We appropriate $636,000 to support the Foreign Service retirement fund every year.

Practically everyone here voted for the Railroad Retirement Act; the only ones who did not are the Members who are serving their first term. I do not know of any opposition to that law. There was none. The railroad men pay into their own retirement fund, but the Government of the United States administers the law, and it costs the taxpayers of this country over $2,000,000 a year at the present time, and is going to mount every year as it grows, as the law provides the Government is to administer the act. Yes; we are appropriating the money to administer it. We are appropriating the taxpayers' money for this purpose. You voted for that; so did I.

I do not know of a Member of this House who has ever taken the floor and said a word in reference to the $82,000,000-plus that is appropriated for the organizations I have mentioned or who ever made the suggestion that those benefiting should be required to pay into the retirement fund the same as civilian employees, other than myself. I spoke on it two or three times, and it is in the RECORD.

There never was a word said in reference to the retirement-law amendments until the newspapers of the country started to criticize.

In my opinion the papers are not so much concerned about what was done but in the main complain because it was passed at this time.

Please bear in mind the amendments did not deal solely with Members of Congress, but with 170,000 Government employees who had no right under the law to benefit by social security legislation. They, like the Members of Congress, were out in the cold. And do not forget it increases the contribution of every Government employee to the fund to 5 percent.

Benefiting under the amendments are all officers and employees from the President down, who in the past were not eligible. This includes hundreds of officials receiving as much as Members of Congress as well as some officials receiving more. There is one member of the Cabinet who, if he joined, could receive a liberal annuity by reason of his age and Government service, both in this body and the one at the other end of the Capitol, as well as in the executive branch.

In my opinion the people of this country would not complain if by congressional action this member of the Cabinet was voted his full salary for the rest of his life. His service to his country warrants it.

So if you repeal these amendments you deny not only Members of Congress the right to join, but also 170,000 officials and employees of the Government.

I never believed in retirement for Members of Congress until my attention was called to an article in the Reader's Digest by businessmen in St. Louis some time ago. After I read it I thought it would be a sound policy. The argument advanced by the author of that article and the businessmen of the country at the time was that a Member would be more independent in voting and it would result in great savings to the Government. Let me cite this example. At that time there was an item pending in the House to provide for a reclamation project, and we defeated it. It was in the Interior Department appropriation bill. The bill went to the Senate and an amendment was tacked on in the Senate

to provide that 50 percent of the reclamation fund going into the Treasury every year up until that time should not go into the Treasury, but should go into a revolving fund to be used for new reclamation projects, or something of that kind. There was a little logrolling somewhere—you know what logrolling is—you vote for me and I vote for you—and as a result the project that we defeated in this House was tacked on over in the Senate, along with the reclamation fund amendment. When it came back here in a conference report the report was adopted. There was enough money involved in those amendments to pay pensions to Congressmen for a hundred years. That was right at the time when this article was printed in the Reader's Digest. I thought then if some of those people from the sections of the country affected knew they had something to fall back on if defeated they might not have cast their vote for those two amendments. This argument seems reasonable. Think it over.

There are only five Members of this House who were Members when I came to Washington to work as a secretary. One of them is our beloved Speaker, but thank God, he is not old enough to retire under the provisions of the law even if he desired to leave, a day I hope never to see arrive.

Under the amendments I am entitled to credit for part of the time I served as a secretary as well as for my services from the Sixty-ninth Congress to the Seventy-seventh Congress, which is now in session.

I do not know the exact amount I will have to pay, but I am aware of the approximate amount which is around $8,000. As I have said several times I will never take advantage of the law unless I pay the back money. On top of that I will also be required to pay $41.67 a month as long as I remain here. I am not at the moment old enough to retire, but I regret to say that date is not far distant.

Now in all kindness let me ask those who have criticized the amendments if I am going to get something for nothing if I do live to take advantage of the act, paying the back money?

When the original Retirement Act was passed, provisions were made therein for immediate retirement of those who had reached retirement age. They were retired by the thousands, all receiving their annuity for the rest of their lives without contributing one cent to the retirement fund. From time to time numerous amendments have been adopted to the Retirement Act.

The Civil Service Commission says that four ten-thousandths of a million and one-quarter persons now subject to the retirement law represents 531 Members of this House. In other words, one Member of Congress to every 2,500 persons who are now subject to the law.

The Library of Congress gives the following information in reference to the length of service of Members of the House:

Generally, the average Member has served two and one-half terms. We have made a statistical survey of the length of service of House Members from 1789 through 1938. During that time 8,005 persons served in the House. Of these, 38 percent served 1 term; 27 percent, 2 terms; 15 percent, 3 terms; 7 percent, 4 terms; 4 percent, 5 terms; 3 percent, 6 terms; 2 percent, 7 terms. The general average would not be affected very much by the compilation of figures for the past 3 years.

Now remember one cannot benefit until he has a 5-year service, so therefore 65 percent in 149 years served less than two terms and would never have been eligible for recognition under the law. Then again it must be remembered that Members who have 5 years or more service, but who, at the time they leave the service, have not reached the age limit, they too would not be entitled to annuity benefits. A Member of Congress under the law must have had at least 5 years of service and have reached the age of 62 to receive a deferred annuity.

The Civil Service Commission advises that those who say a Member of Congress can buy a $4,100 annuity upon payment of a single premium of $1.40 speak of a condition that does not and cannot exist. That is the language of the Civil Service Commission. A Member of Congress, the Commission says, with 5 years' service, who is 62 years of age, could receive an annuity of $500, if under the Retirement Act.

I doubt if there are more than three or four Members of the House and Senate combined who would be entitled to $4,100 even if they paid back the assessments from the date the Retirement Act went into effect.

When the bills come up in the future appropriating the millions of dollars out of the Treasury of the United States, out of the taxpayers' pockets if you please, let us see how many Members on this floor are going to oppose the appropriation. Of course you are not.

Mr. McCORMACK. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. There is another misapprehension that many people have in good faith that ought to be cleared up. They think that the Government pays the expenses of the Congressmen, Members of the House and Senate. Furthermore they think that food, shaves, and everything like that are furnished free. Now, many people think that, but they are absolutely mistaken. They do not realize that Members of Congress have to maintain two homes. A lot of people honestly think that we live in the White House. I have had people from my district in all good faith say, "Why, you live in the White House." Furthermore, I do not know an easier touch in the world than a Member of Congress. I get $10,000 a year and I mark off $2,500 each year for touches and donations, and I think everybody else does that.

Mr. COCHRAN. The gentleman is correct; I have heard the same thing. Free shaves and haircuts. I was in the barber shop yesterday getting a haircut and instead of getting it for nothing I paid 75 cents. About all Members of Congress get for nothing is abuse. I have given the best years of my life to public service. I appreciate more than I can say the confidence my people have had in me and always will. I have really been subject to little criticism. I am always willing to give a report of my conduct to the people I represent. Undoubtedly on some votes I have made a mistake but it has been an honest mistake. It is my opinion when the people understand this law they will say it is a good law.

In conclusion, let me say the gentleman from Georgia [Mr. RAMSPECK], a man we have always respected, certainly is no more responsible than the rest of us for the passage of this act, because, with but two exceptions, no one voiced their objections at the time it passed.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Montana [Mr. O'CONNOR]?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, at the moment this so-called pension bill was before the House I was not on the floor, but in theory I say that it was my duty to be on the floor of the House and it was my duty to know what was in the bill. That is the theoretical duty of all Congressmen. That is what we are here for. We cannot alibi ourselves by saying we did not know the contents of that bill and that we did not know that it was coming before us and by the statement that we were not here. I realize, of course, that there have been up to date introduced in the House 6,550 bills and in excess of 2,000 in the Senate besides innumerable resolutions. I also fully realize that as a rule only those bills which are not controversial are placed on the Consent Calendar, and, of course, the Members know that.

Mr. WHITE. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Idaho.

Mr. WHITE. There is a very voluminous House Calendar here of the House at the moment. Does the gentleman want the impression to go out that he knows the contents of that House Calendar?

Mr. O'CONNOR. Absolutely not; but in theory it is my duty to know it, and that applies to every one of us.

May I say another thing, following up the remarks of the gentleman from Missouri [Mr. COCHRAN]? I had a long talk with a former and distinguished Speaker of this House upon the identical question, and he pointed out to me that he thought we would get a better, a more sound, and a more independent action on the part of the House if the future of the Members was made more secure by some sort of a pension or some sort of an annuity in event of their involuntary retirement. I want it understood that what I have to say on this subject does not apply to the present Congress. Many of you Members have spent the best years of your life in this Chamber, giving to the country the very best that was in you. In your declining years you may find somebody else taking your place and you find yourselves without any security for the future. Is it right that we place ourselves in a different category than we

have placed the Federal judiciary of this country? The distinguished chairman of the Committee on the Judiciary is present. He will tell you that every Federal judge is retired not on a certain percentage of what he has been earning—he is retired upon full pay. In addition, no Federal judge contributes one dime to the make-up of the fund out of which he is paid. You will see that judges are much more favored than ourselves.

I say this to you. I believe if the future of every man and woman in this House were made reasonably secure, we would not be so subject to the group pressure that sometimes takes place in this country. I think the country would get value received.

When I say this I am not reflecting on any Member of this House, because I love and respect everyone in this Chamber, but I cannot believe the members of any body are entirely blind to this situation if we want to be realistic about the whole matter. Maybe it was a bad time to have the matter considered. I talked about this bill the other day. I am not criticizing the Congress for passing it, but I am criticizing the Members of this Congress for considering this matter before they took care of the aged and needy people of this country. There are discharge petitions—in fact, I filed one myself—on the Speaker's desk to bring before this House bills that would give to the aged and needy people of this country something with which to live decently, and we cannot get enough Members to sign those petitions to bring these bills out for consideration on the floor of the House. I do not ask you to vote for any of these bills, but I ask the Members of the House to be just enough to the aged and needy people of this country to have a bill considered on the floor of the House in order to do the right thing by them. If the bill does not meet your ideas about what such a bill should contain, write it so that it will meet your ideas of justice. I do not think we can do less.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. Were not these people provided for under the social-security law that we passed in this House?

Mr. O'CONNOR. Yes; in a way; but not entirely, because there are many persons who do not come under the social-security law at all. They are not employed and have not been for years. They find themselves at the age of 60 or 65 out of work and can get no work, and are poverty-stricken. I appeal to the Members who have not signed the petition to do so now.

[Here the gavel fell.]

Mr. MOSER. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MOSER. Mr. Speaker, I asked for this extra time, because I felt that to cover the subject adequately from the viewpoint of one who has had the experience that I have would probably require more time.

When I was in the Postal Service and the Congress of the United States first enacted a Retirement Act, we were arbitrarily assessed 2½ percent of our salaries, whether we liked it or not, and regardless of our approval. That sum was deducted from our wages and went into a fund to retire immediately our superannuated employees.

I was one of those who had helped in and out of the mail cars infirm men who were no longer fit to pursue their daily vocation to go along on the trains. They were not fit to do their work, but the Government did not discharge those men because they were physically disabled.

I well remember one man with feet so crippled that we had to help him in and out every time. He was practically unfitted to do anything in the mail car except such work as he could do while sitting down. I know of another instance of a man who was subject to vertigo and lumbago. He would fall over in the car. The railroad company finally made an issue of it with the Government, and said, "You have to take that man off. He is too much of a hazard. He will fall off sometime and be killed. You have to get him out of there." These are the kind of men who were retired on contributions out of our pockets.

A little later on the Congress enacted an act that increased the contribution to 3½ percent. It was not until a subsequent retirement act that the Government participated in any form by act of Congress in the granting of these annuities.

When such bill came before the Seventy-sixth Congress it came from the Committee on the Civil Service. Every member of the committee voted it out, but when it got on the floor it was the subject of debate and it was defeated. I defended that bill at that particular time, and I do not retract a single word I uttered. In that speech I pointed out that when Thomas Paine was languishing in a garret in Paris it was James Monroe who went there and resurrected and rehabilitated him and brought him back to the United States, and it was a munificent Congress that voted him an annuity and gave him a farm at New Rochelle, where he subsequently died.

I pointed out that there were nearly as many judges subject to receiving the full annuity without having contributed one penny as there were Members of Congress. I got the figures fresh from the Department of Justice before I debated the issue that day.

I pointed out what the gentleman from Missouri [Mr. COCHRAN] has so ably referred to, that retirement was munificently voted by the Congress to the members of the armed forces of the United States, naval officers and Army officers, who can retire at the end of 20 years.

I pointed out all those issues, and then I came down to the present and discussed the issue as it arose in our day. Again, when the bill was before the Committee on the Civil Service for a long time, and my colleagues on that committee know it was. Finally it was voted out and put on the calendar. When it was on the calendar there was not a voice raised in opposition on the floor of this House. I walked across to the chairman of the committee and said, "This bill is going through easily today as contrasted to the difficulty we had in the Seventy-sixth Congress."

We must bear in mind that certain Members of Congress, from their former status as employees of the legislative branch of the Government of the United States, are already members of the retirement fund, although presently in elective status as successors to the Members of Congress they formerly served.

Now, that is exactly the conversation that transpired between the gentleman from Georgia [Mr. RAMSPECK] and myself on the floor here, and it did go through. The gentleman from Georgia [Mr. RAMSPECK] is correct as to the great amount of debate they had in the Senate and the publicity that was given it in the newspapers, and I decry the attitude of the press of the country in undertaking to misrepresent the true facts of the situation; he is not guilty of sneaking the bill through—it had abundant publicity.

The gentleman from Missouri [Mr. COCHRAN] in his discussion here mentioned what he would have to pay back, and I would point out that even if he pays it back he is obliged to pay the interest on his own money that he does pay back for the period of time for which he will take credit. This is something that has been overlooked. Any man who has served the Government before and undertakes to pay up for the back time is going to be required to pay the interest on the money in order to get full credit the same as if the Government had extracted it from his wages from the time he starts to take credit. This is an item that the public is not enlightened upon and it does amount to considerable to men with long service.

I also want to call attention to some of the issues that are being raised here that are no cause for any disturbance whatever.

I got hold of a clipping that I was informed appeared in the press. The reason I asked for this time is because I want to read it to you. This is from the Wall Street Journal. It comes from an ultra conservative paper, one that has so frequently voiced opposition to the Congress of the United States and one that has frequently, within my own knowledge, published statements that this particular Congress or that particular Congress should go home and let the public adjust itself to the conditions that are existing and forget about it. I have read such things in the Wall Street Journal many times. This is what I want to put in the RECORD at this point, embodying it as a part of my own remarks:

PENSIONS FOR CONGRESSMEN

Long ago, when this writer was a reporter in the House of Representatives Press Gallery, he indicated to "Uncle Joe" Cannon, of Illinois, his disgust with an action which the House had just taken. That fine veteran of legislation gave advice which ran somewhat like this:

"Young man, at your age it is right that you should be impatient with what was done here today. But if you will watch this Congress over the years, as I have done, you will have more faith in it. Many weak men come here. So do many men of not great intelligence. There are a few venal men. As they go along they do weak and foolish things. But over the long run this Congress will do the right thing, and it will do the courageous thing. It must be so until such time as the country itself chooses to be weak and foolish."

The incident is recalled by the "bundles for Congress" satirization of the action of Congress in setting up a pension fund for its Members.

It is always good when a Government official is reminded that he should not take himself too seriously. We have had too few, not too many, recent reminders that the Government's power derives from the people and that it is the people's money that the Government official spends. So perhaps the "bundles for Congress" was a healthy sign. But if it is a condemnation of the legislative branch of our Government, then it must also be a condemnation of the watchfulness and sagacity of all of us, for we elected these men.

We have not done nearly as good a job in those elections as we might do, but the truth is that we have done a better job than most of us realize; and, if one considers the real thought expended on it by the average voter, the job stacks up remarkably well.

This is the Wall Street Journal saying this:

There are five-hundred-odd Members of Congress. Go into the business world, into the professions, or any other walk of life and choose 500 men. See if for all all-around intelligence, diligence, and knowledge of their work, they match the American Congress. We doubt if they will.

True, there are time servers and there are demagogs in Congress. There are also men who work at their tasks and become experts, and mostly the general public never hears of them, and never thinks to honor them. A good many of these men have served well for long years and retired poor. Undoubtedly they had and rejected opportunities to find financial security for themselves. Some, but not a great many, recoup their fortunes by becoming lobbyists. Some are frankly lame ducks, glad to get a minor governmental appointment.

If we would consent to pay our legislators more, we would get better legislators. If we are not willing to do that, why should we not lift from the men from whom we expect independent action, the specter of poverty for themselves and their families? We do it for judges and for the employees of State, Federal, and city governments. Why not also for Members of Congress?

Now, in conclusion, let me say that when I left the Postal Service the law was such that I was paid back what money had been deducted from my salary. If I were to undertake to take credit for the preceding time that I have served in the employment of the Government, I would be obliged to pay back into the retirement fund of the United States the money that was paid back to me in the year of 1926. So there is not any hocus-pocus or anything foolish about it, and the extravagant claims that have been asserted are ridiculous. The statement that was in the Star last evening and on the front page of the Washington Post this morning beggars description when you measure the irresponsible statements with the editorial policy of those papers and take into consideration the statement there that the President would get so much money if he retired. It is not true; it is impossible; it is something that does not exist, and it is contrary to a proper conception and legal application of the act. I hope that those who feel disturbed about the subject will confine themselves more to the facts that are involved in this issue and I trust that it will subside, because in the letters I have written to my inquiring constituents no one has been criticized and I have unhesitatingly given them truth and facts.

Mrs. NORTON. Mr. Speaker, I rise at this time to pay my personal tribute to the gentleman from Georgia [Mr. RAMSPECK], one of the ablest and most sincere Members of this House. I think he has done a magnificent job as chairman of the Committee on the Civil Service. He has certainly taken care of all of the employees under civil service. He has done much more than that, and when he brought this bill to the floor of the House, I do not mind telling you that the majority of the Members with whom I talked, and there were quite a number, thought it was an excellent bill. I sincerely hope that all Members who were so happy over the idea of getting an annuity in their old age will get up on the floor of the House and tell the House and the country how they feel about it, or how they did feel about it before the newspapers reported so many misstatements and misinterpretations of the bill. I hate to think that there is any Member of Congress who has not the courage to stand up for his or her convictions. I do not mind telling you that I was very glad to know that if and when I am leaving this House I shall not have to get somebody to support me. I am finishing my ninth term, 18 years in Congress, and I have never succeeded in saving a nickel since I have been here. If I left Congress tomorrow and I did not have a pension, somebody would have to take care of me. However, I am not worrying about myself particularly, because I do not expect to leave Congress very soon. I have been informed by my constituency that I can stay here just as long as I do a good job. That is a pretty nice situation to be in; but there are many Members who have given the best years of their lives to this Congress, and I know a lot of them on both sides of the House who are not so fortunate, and I have no doubt that if tomorrow or next November they were retired from Congress, they might find it pretty difficult to get their next year's rent. So I think the gentleman from Georgia, BOB RAMSPECK, has done a swell job for all of us, and I sincerely hope you will forget about all of this foolish newspaper criticism and realize the truth of what is in this bill, and that you will stand by the gentleman from Georgia, BOB RAMSPECK, and not let him have to assume the responsibility that apparently the newspapers of the country are trying to pin on him. Because for some reason unforeseen at the moment I might find it necessary to retire, I was rather interested to know exactly what I would get in case I did not have my congressional check to pay my bills. I shall read the information I received from the Civil Service Commission. I do not mind telling you that I am qualified for retirement, because I have reached that age.

Mr. GORE. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. Yes.

Mr. GORE. The statement which the gentlewoman has just made belies her appearance, and I think it is the ultimate of candor.

Mrs. NORTON. I thank the gentleman, and I would not be human if I did not like the gentleman's remarks. However, being interested, I inquired, and the Commission informed me, in order to get $2,535.71 a year, I would have to pay in $8,028.25. That is the sort of pension or annuity or whatever you please to call it that so much fuss is being made about.

It is rather bad when the country gets the impression that we are trying to retire ourselves at the expense of the Government, but is it not a fact that we have voted retirement and very generous retirement to all other Federal employees, and are we any different? Are we not just as hungry as anybody else, and are we not just as much in need of an annuity if the time comes when we can no longer depend upon our own efforts? In conclusion, I shall read one editorial that I think is worth recording, because it is the only one I have seen that has been in favor of this pension. The title is "Why Not Pensions for Lawmakers?" and it reads as follows:

WHY NOT PENSIONS FOR LAWMAKERS?

Criticizing Congress is a popular sport in some quarters. Ordinarily, no great damage is done, but the pastime shouldn't be carried too far.

Just now our national lawmakers are being lambasted because they have approved a law granting the benefit of Uncle Sam's pension system to Members of the House and Senate. It is being pictured as a raid on the Treasury, and most fantastic tales are told about its possibilities.

On the Pacific coast, someone has started a bundles-for-Congress movement, in an effort to ridicule and, if possible, destroy an essentially worthy project.

The Federal retirement system now covers more than 1,000,000 civilian employees. They contribute 5 percent of their wages, and the Government puts up an equal amount.

Under the new system Members of Congress will be admitted on exactly the same terms as other public servants. What is wrong with that?

Federal judges, Army and Navy officers, and enlisted men are assured liberal pensions—much more liberal than those proposed for Members of Congress—and they are not asked to contribute a penny to the cost.

May I digress for a moment to say that one of the gentlemen on the other side of the Capitol who has been loudest in his condemnation of this pension or annuity, whatever you want to call it, has a brother who is drawing something like $4,500 a year from the Government, and who never contributed a nickel toward it. To continue with the editorial:

As Congressman ROBERT RAMSPECK, of Georgia, stated in the House the other day: "If Members of Congress were excluded from the provisions of the Retirement Act, they would be the only group of Federal officers and employees without retirement security."

The total cost, if all the Members took advantage of the law, would be only about

$500,000 a year, instead of $30,000,000 a year, as some critics have claimed.

Labor has always championed old-age pensions. It knows of no reason why Members of Congress should be the "forgotten men" of social security. If there are defects in the law, they should be corrected, but in principle the legislation is certainly entitled to public approval.

I thank you, gentlemen, for the attention you have given me, and I sincerely hope that you will stand with BOB RAMSPECK because of the excellent job that he has done for all of us.

The SPEAKER. The time of the gentlewoman from New Jersey has expired.

WOMEN'S ARMY AUXILIARY CORPS

Mr. SABATH, from the Committee on Rules, submitted the following privileged report (H. Res. 438, Rept. No 1769) on the bill (H. R. 6293) to establish a Women's Army Auxiliary Corps for service with the Army of the United States, for printing in the RECORD:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into a Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6293) to establish a Women's Army Auxiliary Corps for service with the Army of the United States. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

PENSIONS FOR CONGRESSMEN

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I did not expect to take part in this discussion this afternoon, but in view of some of the statements which have been made, I thought I should say a few words.

Let me state at the beginning that as a member of the Committee on the Civil Service, I am not charging the chairman of that committee with any trickery or any chicanery, any statement that may have been made notwithstanding. I did, however, suggest to the chairman on the floor of the House the next day when he was present that I felt that, he knowing my attitude toward this question, and me being a member of that committee, he should have notified me that he was going to bring the measure to the floor of the House. I was not present on the floor at that time, although I had been away for only a few minutes. I agree with other Members that it is our duty to be here. I had stepped out for a few moments, but I did feel, however, that since the measure was so important, it should have been brought to my attention. And you know good and well it should have been brought to the attention of this membership and the bill carefully explained.

I do not believe that very many Members of the House even realized that that bill was amended in the other body and that we did not pass on exactly the same legislation when in this House the Senate amendments were agreed to. Although I do not agree, I appreciate the courage on the part of the gentlewoman from New Jersey [Mrs. NORTON] in expressing her views on the subject. I agree with her that if you are for this bill you should stand up and vote for it. And I say further, if you are opposed, then vote against it. That is all I am asking for this afternoon. I want to bring this question before the House and discuss it in an orderly manner. Then vote on it. Let us bring it out, and those of you who are in favor of this sort of thing, very well; but if you are opposed to it, vote against it, of course.

I have submitted a bill to repeal this particular part of the act that permits elective officials to participate in retirement funds. Those people to whom the gentlewoman from New Jersey refers, who have been so strongly in favor of this legislation, may stand up and say so and vote against my bill. Those who are opposed to permitting elective officers to come under the act vote for the bill. Let us do it square-toed. I think it is very unfortunate that this bill was not thoroughly and carefully explained on the floor of the House. It is true that when it came to the floor of the House the first time very little was said concerning it. I believe, as a matter of right, that the thing should have been brought out here and explained carefully. The measure was of too great importance to be placed on the Consent Calendar. I have always understood that measures with little or no controversy are placed on the Consent Calendar. This was a very important bill. It is an important law because it does involve the expenditure of a great deal of funds by the United States Government. It also affects retirement payments and retirement funds of many thousand Government workers.

Mr. COX. Mr. Speaker, will the gentleman yield to me?

Mr. REES of Kansas. I yield to the distinguished gentleman from Georgia.

Mr. COX. I join with the gentleman in the expression of the confidence of the House in the chairman of the Committee on the Civil Service. I am not one who is disposed to accuse him of trying to put anything over on the House. However, the adoption of the bill has, in my opinion, very considerably lowered the standing of this House in the estimate of the people of the country. Public reaction to the bill is most unfavorable, and, irrespective of what you may think about it, it is going to force a reconsideration of the question on this floor. I hope the Committee on the Civil Service will report the repealing legislation that has been offered. If it is not reported, the country may expect the measure to come back here on a discharge petition, and when it comes I predict there will not be 50 votes in the House against repeal. I think it has shocked the public sense of what is decent and right. I am not complaining of the public because of their denunciation of the measure. It ought to come back and it ought to be repealed. You cannot justify it in principle.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection?

Mr. COX. You cannot, in principle, justify bringing an elective officer under any sort of retirement legislation.

Mr. REES of Kansas. I appreciate the gentleman's statement. He joined with me in 1939 in defeating the same kind of legislation when it was included in a bill that came to the floor of the House at that time. I do not believe anyone can charge me with being a demagogue on this proposition, because I have opposed it all the way along the line. I just do not believe in the principle of allowing pensions or retirement funds for elective officers.

Let me say again that those who do believe in such legislation, well and good. You have just as much right to your opinion on this question as I have, I do think this question should be presented separate and apart from other legislation, and be debated and voted upon on its merits. Let those who believe in this kind of legislation, vote for it and those who are opposed to it, be recorded against it.

Since we are operating under a democracy the democratic way of doing the thing is to bring this repeal bill to the floor of the House and then let us stand up and be counted, and if there are 100, 200, or a majority in favor of such legislation, let them vote for it. If they are not in favor of it let them oppose it, but let it come up for a fair test. I think the only fair thing to do now is to bring it up in a straightforward manner and vote on it.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I shall be glad to yield.

Mr. ROBSION of Kentucky. The gentleman, I believe, has introduced a bill seeking the repeal of this provision.

Mr. REES of Kansas. That is correct.

Mr. ROBSION of Kentucky. It includes Members of the House and Senate?

Mr. REES of Kansas. The gentleman is correct.

Mr. ROBSION of Kentucky. Does it include the President and the Vice President?

Mr. REES of Kansas. It does not.

Mr. ROBSION of Kentucky. Does it include the Members of the President's Cabinet?

Mr. REES of Kansas. It does not.

Mr. ROBSION of Kentucky. Does it include the various heads of these bureaus and agencies whose salaries run from $12,000 to $15,000 a year?

Mr. REES of Kansas. It includes only elected officials.

Mr. ROBSION of Kentucky. But the bill we passed the other day includes

250,000 people. Why does not the gentleman introduce a bill to repeal all that we did?

Mr. REES of Kansas. I think this problem should be dealt with separate from the others.

[Here the gavel fell.]

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas may proceed for 1 additional minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KEFAUVER. I notice in the CONGRESSIONAL RECORD of February 9, in an extension of remarks, the Senator from Kansas [Mr. CAPPER] says that the gentleman was mysteriously called away from the floor of the House about the time the bill was to come up, and attempts to leave the impression that there was some chicanery or something wrong going on. I just thought that in fairness to the members of the Civil Service Committee the gentleman should take this opportunity to explain whether anything like that occurred.

Mr. REES of Kansas. Yes; I shall be glad to answer the gentleman's question. I never have charged the gentleman from Georgia [Mr. RAMSPECK] with chicanery or trickery. I explained that before. I did have a number of telephone calls on the afternoon the report was considered.

Mr. KEFAUVER. But in this extension of remarks it says the gentleman received a mysterious call that took him from the floor about the time the bill was brought up. Can the gentleman explain how Senator CAPPER would have put something in the RECORD that did not happen?

Mr. REES of Kansas. The fact is that I was called to the phone a number of times during that day, and was thereby off the floor, and it was so reported in a newspaper. I have not charged the chairman of having me called from the floor. The point is, that the whole matter should have been explained to the membership of this House, just as other legislation, much of which is of so much less importance, is explained and considered. Again, I say we should call the roll on a question that involves the welfare of those who are voting, as well as the interests of the people of this country. I believe the gentleman from Tennessee will agree with me on that proposition.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I rise in defense of the Congress of the United States.

First of all, I want to exculpate the beloved chairman of the Committee on the Civil Service, the gentleman from Georgia [Mr. RAMSPECK]. I am sure that none of the opponents or the protagonists of the congressional retirement annuity bill intends seriously to charge a man whom we all love and respect with any dereliction or any conscious attempt to slip something over upon his colleagues. No, BOB RAMSPECK has not done anything like that, and I absolutely exculpate him from the charge of any shady dealing or underhanded methods.

If false assertion were argument and its reiteration proof, the case against the Members of the House of Representatives would be definitely closed. The newspapers of America have indulged in what seems almost to be a concerted and premeditated conspiracy to indict the Members of the House of Representatives for all the crimes on the calendar. One of the columnists of the Washington Times-Herald saw fit to criticize me on something I had said as a Member of the House, and in the course of his remarks, which he had a perfect right to make, of course, he proceeded to belabor the entire system in vogue in the House of Representatives. Among other things, he said that Members of Congress had free mail; in other words, they were engaged in some kind of peculiar underhanded plan or plot to cheat Uncle Sam out of postage. I went down and had a talk with this gentleman, Mr. Frank Waldrop, of the Washington Times-Herald. I asked him:

> Do you pay postage out of your pocket for letters you write in the interest of your newspaper?

He said:

> No.

I said:

> Well, why are you talking about postage on mail dealing with the public business? Is there any employee working for a corporation, public or private, in America who pays postage out of his own pocket when he writes mail concerning the business of his employer?

There is not any. But against whom have all the jeremaids been directed because we use franked mail? Why, Members of Congress. How much do we use? Nine hundred thousand dollars a year. Have we increased since 1933? Yes; but less than 10 percent.

What about the newspapers of America, represented by these gentlemen who sit above the Speaker's desk? Will they tell the country how much more it costs the taxpayers for the subsidy we give to them for the use of the second-class mailing privilege than the taxpayers actually take in? From $90,000,000 to $120,000,000 a year the newspapers of America are subsidized by the taxpayers because it costs us that much more to send out their newspapers through the mail than we receive from them.

Oh, they say Members of Congress have all kinds of perquisites. They say Members of Congress put members of their own families to work in their offices. Of course, it is a crime if you happen to have a cousin who is a skilled accountant or who is a skilled and experienced secretary. You should let that person starve or go to work for some private employer. Our newspaper critics would have you believe it reprehensible if you happen to have a relative in the third degree who is a skilled secretary, to employ her. I do not employ any relatives whatsoever in my particular office, but I have never found in my mind any contempt for a Member, and there are not many Members who do it, who happens to have a member of his or her family who is a conscientious worker, who is energetic and painstaking, often working 12 and 14 hours, who is loyal to his or her employer, for employing such persons.

They say that Members of Congress are getting rich on $10,000 a year. I have been around here a little over 5 years and I have not found many Members of Congress who have been able to save enough out of the $10,000 a year they receive to put anything aside for old age. Why? Because we are living in the most costly city of America. The taxes on real estate here are the lowest in the Nation, and the rental cost of your apartment or the home you lease is the highest in the Nation—a strange anomaly. We are living in a situation where we have to maintain two homes, one in the National Capital and one in each of our districts. If you have a family, if you have three or four children, try to do anything on the $10,000 a year. As the gentleman from Massachusetts [Mr. MCCORMACK] said, the average amount paid out by Members of Congress to charities alone approximates $2,500 per year. There goes one-fourth of the Member's gross income.

These newspapers think that Members of Congress just go back home and announce they are going to run for reelection and the people rise up and say, "Boys, we will be glad to vote for you. Do not spend a nickel on your reelection campaign." Where do the newspapers think the reelection costs come from? Why, they come out of the pockets of the Congressmen. Yes; they may get a few donations, but they are conspicuously few.

[Here the gavel fell.]

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington [Mr. COFFEE]?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, do you ever find any newspaper article attempting to defend Congressmen in any newspaper of America? No. Because if some member of the family happens to have rheumatism, if the attack on Pearl Harbor takes place on December 7 and you cannot find anybody against whom to direct your vilification and criticism, point to your Congressman. Write him and say, "It is your fault." Yes, it is always an open hunting season against Members of Congress. Ergo, the advertising-dominated press waited and leaped upon this innocuous bill costing the American people about $80,000 a year, and I am not speaking to the merits or demerits of the bill. I am using this as a vehicle for getting something off of my chest.

I am weary of having newspapers which have received the benefits and generosity of the American people condemning Members of Congress and sowing the seeds of disunity and attempting to infuse into the minds of our citizens a

contempt for their legislative representatives. In heaven's name, have not these gentlemen of the fourth estate any respect for history and precedent? What happened to France? The people over there were taught to despise and ridicule their elected public officials. We had as a result a degeneracy in the French war effort and a mitigation of the esprit de corps of the volatile French. Have we reached a point in the United States where the newspapers, in effect and indirectly, are going to aid the Axis in attempting to inculcate in the American people doubt and distrust of democracy's highest elected officials?

Mr. O'CONNOR. Will the gentleman yield?

Mr. COFFEE of Washington. I only have a minute.

Mr. O'CONNOR. I just want to inject this thought. I received a card the other day from some place down in Missouri asking me if I were one of the Benedict Arnolds.

Mr. COFFEE of Washington. I may say to the brilliant gentleman from Montana that I do not blame the general public for misjudging Congressmen and Senators, because, after all, they get their information from radio commentators and from newspapers; they form impressions on issues from articles written by the Westbrook Peglers, the William Randolph Hearsts, the Henry McLemores, the Jay Haydens, and the Frank R. Kents. Mr. Hearst the other night announced that Congressmen were substantially just a little lower than skunks. Mr. Westbrook Pegler likened Members of Congress to crooks, dupes, and traitors, some little time ago. Editorial writers have attempted to bestow upon Members of Congress abuse that is almost indescribable.

[Here the gavel fell.]

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent that the gentleman may be allowed to proceed for 5 additional minutes. He is bringing out much worth-while material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota [Mr. H. CARL ANDERSEN]?

There was no objection.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. COFFEE of Washington. I yield to the gentleman from Idaho.

Mr. WHITE. I believe the gentleman stated that a young man in Congress can get a better deal out of an insurance company for an annuity than he can out of this bill.

Mr. COFFEE of Washington. This bill is so feeble and innocuous and pays such a small amount of money that it seems to me the furore it was used as an alibi to foment is like what Shakespeare said, "Much ado about nothing." But the American people have been induced by the newspapers to wait until they could finally find some excuse to leap upon as a drowning man clutches at a straw. They were persuaded by the newspapers and radio commentators to jump on this.

In the State of Washington, in the city of Spokane—which, by the way, I do not represent; it is represented in Congress by the able gentleman from my State, my colleague the Honorable CHARLES H. LEAVY—there is a group of humorists known as the Athletic Round Table. I have nothing but friendship for these gentlemen. It is perfectly all right for them to indulge in a little good humor. But the basis of the findings of the Athletic Round Table was received from a newspaperman who was writing dispatches from Washington, D. C.

The Spokane newspaper published a story that this bill provided a minimum of $4,500 a year, that it was payable the moment a Congressman went out of the House of Representatives, and that there were no contributory payments made by the Members of Congress; so the people in that area have been led to believe that this bill is entirely different from what the gentleman from Georgia and the Committee on the Civil Service brought out. In other words, it was a calculated and deliberate misrepresentation of the facts as they actually existed at this time.

The newspapers have been advised by the United States Civil Service Commission as to the truth concerning this bill in a dispassionate and objective statement issued by that nonpartisan and nonpolitical body. The actual facts concerning the measure have been given to them. Have they been published anywhere? Yes. Labor, the official publication of the Railroad Brotherhoods; the Christian Science Monitor; the Wall Street Journal—possibly a dozen nationally prominent newspapers have seen fit to give the other side of the story.

Mr. MURRAY. Mr. Speaker, will the gentleman yield?

Mr. COFFEE of Washington. I yield to the gentleman from Wisconsin.

Mr. MURRAY. I cannot help but report that, as far as the press in my own district is concerned, practically all the leading papers put my analysis of the situation and also the Civil Service Commission press release in the same issue, which shows their fair attitude as far as the legislation is concerned.

Mr. COFFEE of Washington. I compliment the gentleman upon the fine character of the newspapers in his district. But Wisconsin is traditionally a progressive State. I am not singling out individual newspapers; I am talking about the press in general.

This is no isolated case. This particular case involving the congressional retirement annuity bill is not different from a great many other cases. Many newspapers have said Congressmen get free barber-shop privileges. They know it is a lie. There are no free barber-shop privileges for Congressmen.

They say we get 20 cents a mile and that we are grafting on it. Twenty cents a mile. Let us figure that out for just a minute. Does anybody pay the mileage of the Congressman when he goes from his home city to the remote sections of his district? No. There is no provision in the law for that at all. He must pay it out of his own pocket. There is nothing said about that.

When you begin to make a break-down of this $10,000, the total net drops to relatively insignificant proportions. That is something the people back home have never been taught to understand. They have never been given the facts on the Congressman's side of this whole controversy. They have never been told about the cost of living in Washington; they have never been told about the cost of reelection expenses every 2 years. They have never been told about the cost of maintaining two homes; they have never been told about the enormous number of charitable expenditures to which a Congressman is subject.

Mr. H. CARL ANDERSEN. Will the gentleman bring out the matter of the income tax that we pay?

Mr. COFFEE of Washington. The public has been led to believe that we pay no income tax, whereas, as a matter of fact, all Members of Congress pay a Federal income tax, and many of them pay a State income tax in addition. The voters have never been taught to see the Congressman's side. After all, we are the people whom the public elect. Every Congressman is up for reelection every 2 years. Yet any person has a perfect liberty to run against him if they think they can do a better job.

I have been here over 5 years and happen to be a member of the Democratic Party, but from my observation of my colleagues in this body I have found them all to be as fine a group of men and women, and as representative a segment of able and honest men and women, as can be found anywhere in the world. The Members of Congress are generally conscientious workers. They do not work any mere 8-hour day. Any of these newspaper men can go over in the New or Old House Office Buildings many a night at 7 or 8 o'clock, or go there from 7 in the morning on, and see the offices of the Members of the House of Representatives busily functioning. They are not living up to any union rules of hours limitation. The Members of Congress have to perform a difficult job.

Nothing has been said by the newspapers about the trebling of the work upon which the Congressmen have had to engage since December 7. Nothing has been said about the requirement for Congressmen to be away from the floor of the House of Representatives necessarily in work for their committees, such as the Committee on Appropriations, which is constantly functioning, or in contact with Government departments in very necessary and indispensable work in behalf of their constituents at home.

One reads articles in newspapers and magazines frequently reflecting upon the intelligence, honesty, acumen, energy, patriotism, and eloquence of Senators and Members of the House of Representatives. Seldom, if ever, has anyone sought to secure the facts. Twenty years ago sessions of Congress consumed an average of 9 months out of each 24. During the remaining 17 months of the 2-year sessions of Congress the Member was expected to be in his home district where he could renew his contacts with his intimate friends and neighbors; where he could work on his own farm or in his urban garden; where, if a lawyer,

he could resume the private practice of law, or if a journalist, could re-enter upon active identification with his newspaper. During those 17 months the Member could avoid the tremendously augmented outlay for living expenses necessitated by his intermittent life in the National Capital. In the summers he could sojourn in a country home, if any, humble as it usually was in most cases. His secretarial staff could ease up on their arduous tasks, enjoy vacations, revel in the affectionate associations of their own family circle. Contrast that with today. The Senator or House Member is required to remain in the National Capital, virtually 12 months of the year. There have been no vacations in the last two congresses. No opportunity is afforded to those Members who represent constituencies west of the Mississippi River to return home except at rare intervals, and then at sacrifice of valuable time and personal funds.

Competition is keen. The home people expect their Member to bring home the bacon. He must contribute to securing projects and Federal aid for worthy enterprises within his own district. He cannot be laggard or negligent in performing these duties. The Member must entertain here numerous visitors from home, in one form or another.

A Member of Congress does not enjoy any long-distance telephoning at public expense. The use to which he may put telegrams charged to the Government is strictly circumscribed. Senators and House Members pay out of their own pockets for all special-delivery stamps, for mail sent to foreign countries, and, except for a recent very small allowance granted in the House, for air-mail stamps. The clerks and secretaries of Members must pay out of their own pockets for transportation to and from the home district of their chief. Thus they have a bizarre situation, whereby Senators and House Members' closest helpers are the only group of employees in the Government service whose travel expenses while engaged in Government business are not underwritten by the Federal Government but must in fact be paid for by such clerks or secretaries. In my judgment, this is a damnable situation and should be remedied. A country which can rush through a $500,000,000 loan—which, forsooth, is a gift—to our friendly neighbor, China, has been too devoted to economy to pay the actual traveling expenses of the secretarial staff of the men whom the people elect to represent them in the Halls of Congress. I have had a bill pending before the House Committee on Accounts for several years which would provide a panacea for this indefensible injustice.

Many columnists have ridiculed Congressmen in bitter and vitriolic diatribes as a group of grabbers, gougers, and cheaters, who sneak up adventitiously and extract greedily from the Public Treasury, by some subterfuge, an armful of greenbacks ostensibly for some worthy purpose, actually as a secret perquisite. Thus we have been indicted for the crime of not paying rent for our official offices. We are abjured to pay such rent. Why the Nation's lawmakers should be singled out for abuse in this regard is beyond my comprehension. It must be because of jealousy or envy that newspaper writers make such asinine and stupid charges. There is no public official in America, from the highest to the lowest, whose official office is not paid for by the taxpayers.

The only exception would be those minor public officials who are paid on a fee basis and such fees are gaged in consideration of rentals, among other things. Yet many Congressmen, when in their home districts, are compelled to pay rent for their congressional offices out of their own private funds. I personally have had to rent offices in private office buildings during each of the brief periods when I have been able to get back to my home district since the inception of my service in Congress.

Yet Congressmen do not go around and engage in any crybaby act. They have not sought maudlin sympathy. They know they have the right to resign if they do not like their jobs. Most of them love the work upon which they are engaged, nerve-racking as it is. Most of them have a remarkable predilection for public service.

The longevity of the Members of Congress is not something about which any physician would enthuse. Members die frequently and usually suddenly. The nerve strain is terrific. The irregularity of meals, sleep, exercise, the inaccessibility to fresh air contributes to chronic poor health and inability to resist illness.

Commencing in 1937, Congress has been in session each summer in the National Capital, with the exception of 1938. Need I enlarge upon the enchanting attractions of the tropical climate of Washington, D. C.—her ineffably humid, and torturing, torrid, and trying days of smothering summer heat.

There are few men in Congress who possess private wealth. Most of them depend exclusively upon their salaries for the support of themselves and families. The $10,000 annual compensation may seem formidable to the average person unfamiliar with the facts. I have outlined in this speech a few of the many inroads made in that gross income by inevitable expenses concomitant with service in Congress. If time permitted, and your patience would vouchsafe me the courtesy of listening to me, I could enumerate many more of the features of the life of a Congressman or Senator which have seldom, if ever, been told to the public of America through the medium of the printed word.

[Here the gavel fell.]

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to proceed at this time for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker, it is not my intention to enter into a controversy with the newspapers of the country because from experience I regard that as a futile task. The press has the last word, and, regardless of the merits of the controversy, they print whatever the editors please. Go back over the years, in my city newspapers, and you will find that the newspapers have rarely ever urged the election of a Democrat to Congress, and in spite of their disapproval, with a few exceptions, the entire New York City delegation is composed of Democrats. So, if the influence of the average editor was as great as he wishes us to believe it is, there would be a Republican rather than a Democrat delegation in this House.

I do not propose to say anything about the chairman of the Civil Service Committee and the committee action on the pension bill, because the committee and the chairman need no defense at my hands. Chairman RAMSPECK is a fine, outstanding Member of this House, and his splendid record of service is the envy of all of his colleagues. The bill passed unanimously, and, therefore, it must have met with general approval. I am sorry, however, that some of the Members, under the barrage of newspaper attack, are running to cover by offering alibis of doubtful value. I have seen this same attack of "cold feet" on other occasions. I am not surprised, but disappointed to find it again on the pension bill.

I am not here to quarrel with any other Member for changing his mind on a bill, but certainly everyone in the House was talking about pensions for weeks before the bill was finally passed. There seems to be a lot of logrolling going on in connection with the bill, but I would like to direct my remarks to the merits of this legislation. In my State, New York, we have an employees' retirement system, which all members of the legislature may join. I happen to be a member of that system. I joined in 1924, after I was elected to the State senate and I have contributed over $40 a month since coming to Congress. At the present time I am not eligible to retire on a pension, and I will not be eligible for many more years. However, I may withdraw my deposits at any time. It is my opinion that most members of our legislature have joined the system. As a result of being a member of that pension system, I do not know of a single man being defeated for public office.

It is not compulsory in my State nor here. At least, it is a good reason and a painless way to save money each month.

There is merit in the pension measure. The newspapers are attacking it not on the merits but from another angle. The editors think that election to Congress should not be considered a career. Rather, it should be accepted by the Member in the light of a passing experience, soon to be forgotten. This is a specious sort of reasoning. We all know that while a new man every few years may be a good thing for the district and the constituents, because a new Member may be enthusiastic and capable, and perhaps have greater knowledge of the duties than the present Member, yet we all know that experience must count for something. There is no substitute for experience. So if we had no other excuse to remain in Congress, we can claim that we have experience.

Mr. MURRAY. Mr. Speaker, will the gentleman yield?

Mr. MARTIN J. KENNEDY. I will be glad to yield to the gentleman.

Mr. MURRAY. Just so we can keep the record straight, I would just like to ask who the gentleman had in mind when he stated that he thought the newspapers had frightened them, because I happen to be the one who started this field day here today, and I would like to know whether the gentleman meant me or not.

Mr. MARTIN J. KENNEDY. Of course, the gentleman knows that I never make my talks personal, and nothing I have ever said on this floor was ever directed to any individual. I do know, however, that the newspapers are carrying statements from Members to the effect that if they had known the bill was coming up they would have opposed it, and some have already introduced bills to repeal the law. Of course, I am not referring to the gentleman.

Mr. MURRAY. In that connection, I would like to say that so far as the newspapers in my district are concerned, almost without exception, the surprising thing to me is that they have not said more than they have said in connection with this legislation, and I do not claim to be demagogic about it, either.

Mr. MARTIN J. KENNEDY. I would never suggest that the gentleman or any other Member is a demagog, and I am not directing my remarks especially to him. I am discussing the subject from an academic viewpoint. I recognize the right of the gentleman or the right of any Member to dissent.

[Here the gavel fell.]

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker, too much fuss is being made about this legislation, and, if experience in my State means anything, and it goes back many years, the average clear-thinking, thoughtful citizen will not criticize us for the pension bill recently passed. However, it is a good newspaper story and I feel the newspapers are making the most of it. I am sure that the young gentlemen who write these lurid stories would be delighted if their employers would provide a pension for them, and which they richly deserve.

I hope that any bill to repeal the pension benefits will not succeed because I think we would be making a serious mistake and acting as demagogs.

Members of Congress do an excellent job. In addition to all the other qualifications, they are required to be gentlemen and maintain themselves in keeping with the dignity of their office. Certainly, if you measure up to the accepted standard, you are entitled to a pension in proportion to your years of service. I trust that this proposed bill to repeal the present pension law will fail.

The SPEAKER pro tempore. The time of the gentleman from New York has again expired.

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore (Mr. GORE). Is there objection?

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, last night the assistant coach at West Point came to my office, apparently in perfect health. He made a date to come back this morning at 9 o'clock to discuss the possibilities of West Point. He did not come. The reason for his failure to keep his appointment was that he died suddenly this morning. Though he knew not when his Maker would issue the beckoning call, his last words were words of praise for his fellow men, especially the Congressmen, and the cadets at the United States Military Academy at West Point.

If I knew this were the last minute I had to live I would like to say one thing in connection with my remarks with reference to retirement annuities for Congressmen, that what I have said or what I may say in the future, it has not been my intention and will not be my intention to cast any reflection on the gentleman from Georgia [Mr. RAMSPECK], chairman of the Civil Service Committee, or any of the members of that committee. I wish to state while I am alive, that I desire to clear up any construction of anything that may have been said by me. There is not a finer man in the House than the gentleman from Georgia [Mr. RAMSPECK]. It was not through any subterfuge on the part of the gentleman from Georgia [Mr. RAMSPECK] or members of the committee that this bill was passed. I want to say that the gentleman from Georgia has a good reputation and a fine character. I want you men to know it. You Members are aware of that fact. I desire that the people be so informed Although I may differ with him on the passage of some of these bills, I want his friends to know that he is one of the most upright, conscientious, honest, and able Members of this House.

[Here the gavel fell.]

WOMEN'S ARMY AUXILIARY CORPS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I rise to ask when the rule for the Women's Army Auxiliary Corps, which was granted by the Rules Committee today, will be taken up on the floor?

The SPEAKER pro tempore. The Chair is not in a position to advise the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I earnestly hope it will be soon.

Mr. COSTELLO. I understand it would not be possible to bring it up until possibly late next week, if then, judging from the statement made by the majority leader earlier in the day, and in view of the fact there will be no legislation tomorrow and the House will not meet until Monday, at which time an appropriation bill will be taken up.

Mrs. ROGERS of Massachusetts. In view of the fact that General Marshall has stated it is vital to watch our coast line, I earnestly hope it will be taken up early next week.

Mr. COSTELLO. I imagine it will be.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SATTERFIELD (at the request of Mr. BLAND), for today, to attend the funeral of a friend.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 133. Joint resolution amending section 7 of the Neutrality Act of 1939; to the Committee on Foreign Affairs.

JOINT RESOLUTION AND ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 278. Joint resolution making an appropriation to provide financial aid to China.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 314. An act for the relief of certain Basque aliens; and

S. 2182. An act to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps.

ADJOURNMENT

Mr. COSTELLO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 21 minutes p. m.), the House adjourned until tomorrow, Thursday, February 12, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a public hearing on Thursday, February 12, 1942, on the following bills: H. R. 6138, H. R. 6441, H. R. 6534, and H. R. 6165.

COMMITTEE ON WAYS AND MEANS

There will be a meeting of the Committee on Ways and Means on Thursday, February 12, 1942, at 10:30 a. m. to consider H. R. 6559, to provide for certain war displacement benefits, training wages, and travel allowances in connection with the national war effort.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 12, 1942, at 10 a. m., on House Joint Resolution 263, to provide decorations for outstanding conduct for service by persons serving in the American merchant marine.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Tuesday, February 17, 1942, at 10 a. m., on H. R. 6503, to extend and amend certain emergency laws relating to the merchant marine, and for other purposes.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 19, 1942,

at 10 a. m., on H. R. 6554, to amend war-risk insurance provisions of the Merchant Marine Act, 1936, as amended, in order to expedite ocean transportation and assist the war effort.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday, February 25, 1942, at 10:30 a. m., for the continuation of hearings on S. 1476 (Florida tick bill).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1384. A communication from the President of the United States, transmitting an amendment to the estimates of appropriations included in the Budget for the fiscal year 1943 for the legislative establishment, Architect of the Capitol, involving an increase of $33,240 in such estimates (H. Doc. No. 626); to the Committee on Appropriations and ordered to be printed.

1385. A letter from the Archivist of the United States, transmitting a report on lists of papers recommended for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

1386. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated November 6, 1941, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Coquille River and tributaries, Oregon, authorized by an act of Congress approved on June 11, 1935, and the Flood Control Act approved on June 22, 1936 (H. Doc. No. 620); to the Committee on Flood Control and ordered to be printed, with an illustration.

1387. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated November 4, 1941, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of the Nehalem River and tributaries, Oregon, authorized by acts of Congress approved on June 11, 1935, and February 26, 1936, and the Flood Control Act approved on June 22, 1936 (H. Doc No. 621); to the Committee on Flood Control and ordered to be printed, with two illustrations.

1388. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated October 22, 1941, submitting a report, together with accompanying papers and an illustration, on a review of reports on Broadwater Creek, Anne Arundel County, Md., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on December 10, 1937 (H. Doc. No. 622); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

1389. A letter from the Secretary of War, transmitting a letter from the Acting Chief of Engineers, United States Army, dated September 25, 1941, submitting a report, together with accompanying papers and an illustration, on a review of reports on the Neuse and Trent Rivers, N. C., with a view to modifying the existing project for Trent River at New Bern, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on February 11, 1941 (H. Doc. No. 623); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

1390. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated September 26, 1941, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Way Cake Creek, N. J., authorized by the River and Harbor Act approved August 30, 1935 (H. Doc. No. 624); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

1391. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated November 3, 1941, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Chittenango Creek and its tributaries, New York, authorized by he Flood Control Act approved on June 28, 1938 (H. Doc. No. 625); to the Committee on Flood Control and ordered to be printed, with an illustration.

1392. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated November 3, 1941, submitting a report, together with accompanying papers and an illustration, on a review of reports on the Redwood Creek, Calif., authorized by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on June 10, 1941; to the Committee on Rivers and Harbors.

1393. A letter from the Secretary of War, transmitting a revised draft of a bill to further amend section 126 of the act of June 3, 1916, as amended, to authorize travel pay for certain military and naval personnel on discharge or release or relief from active duty; to the Committee on Military Affairs.

1394. A letter from the Archivist of the United States, transmitting a report on lists of papers recommended for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

1395. A letter from the Assistant Secretary of Agriculture, transmitting a draft of a proposed bill to provide for use of net weights in interstate commerce transactions in cotton, to provide for the standardization of bale covering for cotton, and for other purposes; to the Committee on Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAY: Committee on Military Affairs. House Resolution 162 (77th Cong., 1st sess.) interim report. Special Committee No. 3, on Matériel, Procurement, and Personnel; without amendment (Rept. No. 1767). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 438. Resolution for the consideration of H. R. 6293, a bill to establish a Women's Army Auxiliary Corps for service with the Army of the United States; without amendment (Rept. No. 1769). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Military Affairs. S. 1688. An act for the relief of Homer C. Chapman; without amendment (Rept. No. 1768). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COFFEE of Nebraska:

H. R. 6578. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, for the purpose of making elective officers ineligible to receive annuity benefits under such act; to the Committee on the Civil Service.

By Mr. FULMER:

H. R. 6579. A bill to provide for use of net weights in interstate commerce transactions in cotton, to provide for the standardization of bale covering for cotton, and for other purposes; to the Committee on Agriculture.

By Mr. KILDAY:

H. R. 6580. A bill to grant allowances for laundry, cleaning, pressing, and barber service to enlisted men of the Army; to the Committee on Military Affairs.

By Mr. LANDIS:

H. R. 6581. A bill providing direct Federal old-age assistance at the rate of $40 per month to needy citizens 60 years of age or over; to the Committee on Ways and Means.

By Mr. AUGUST H ANDRESEN:

H. R. 6582. A bill to amend subsection (c) of section 1 of Public, No. 846, Seventy-fourth Congress (S. 3055) an act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes; to the Committee on the Judiciary

By Mr JONES:

H. R. 6583. A bill to amend further the Civil Service Retirement Act of May 29, 1930; to the Committee on the Civil Service.

By Mr. SMITH of Ohio:

H. R. 6584. A bill to amend further the Civil Service Retirement Act of May 29, 1930; to the Committee on the Civil Service.

By Mr. SOMERS of New York:

H. R. 6585. A bill to provide for additional pay for work in excess of 40 hours per week in certain cases; to the Committee on the Civil Service.

By Mr. WENE:

H. R. 6586. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, for the purpose of making elective officers ineligible to receive annuity benefits under such act; to the Committee on the Civil Service.

By Mr. BLOOM:

H. J. Res. 280. Joint resolution amending section 7 of the Neutrality Act of 1939; to the Committee on Foreign Affairs.

By Mr. THOMAS of Texas:

H. J. Res. 281. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the National Defense, Engineering, Petroleum, and Industrial Exposition to be held at Houston, Tex., from May 18–24, 1942, inclusive; to the Committee on Foreign Affairs.

By Mr. VINSON of Georgia:

H. J. Res. 282. Joint resolution creating a commission to investigate civil and military retirement systems of the Government of the United States and the government of the District of Columbia; to the Committee on the Civil Service.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2418. By Mr. CARTER: Petition of the California State Employees' Association, memorializing the Federal Government to protect the retirement rights of former employees of the California Department of Employment who were transferred to the United States Employment Service; to the Committee on Ways and Means.

2419. By Mr. KEOGH: Petition of the Brotherhood of Painters, Decorators, and Paperhangers of America, District Council No. 9, of New York City, favoring the passage of House bill 6465; to the Committee on Ways and Means.

2420. By Mr. KRAMER: Petition of the Los Angeles Realty Board, Los Angeles, Calif., urging the immediate need of removing alien Japanese from coastal areas for internment at points in the interior where there would be no opportunity for any of such groups to commit sabotage or any act inimical to the United States; that other members of the Japanese race be removed from the harbor district and other defense areas; that the reopening of the Japanese-language schools be prohibited during the emergency; to the Committee on Foreign Affairs.

2421. By Mr. ROLPH: Assembly Joint Resolution No. 18 of the State of California, relative to memorializing the United States Government to grant priorities necessary to the continued operation of the gold-mining industry; to the Committee on Mines and Mining.

2422. Also, House Resolution No. 47 of the State of California, relative to a breakwater for the protection of Long Beach Harbor; to the Committee on Rivers and Harbors.

2423. By Mr. WOLCOTT: Petition signed by residents of Macomb County, Mich., with respect to Senate bill 860; to the Committee on Military Affairs.

2424. By the SPEAKER: Petition of the Steel Workers' Organizing Committee, Pottstown, Pa., petitioning consideration of their resolution with reference to unemployment compensation benefits and the present quotas for Work Projects Administration; to the Committee on Ways and Means.

2425. Also, petition of the American National Live Stock Association, held at Salt Lake City, Utah (office, Denver, Colo.), petitioning consideration of their resolution with reference to sundry subjects; to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 12, 1942

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, we are grateful today for a living past; it lives in the throbbing heart of the present, urging us to greater deeds and vaster issues; it lives in the evolution of the right, justice, and honor. Today we hold in grateful memory a peerless man who ever sat at the fireside of the human heart, never lifting his hand to smite, but always raising it in benediction. We pray that we may so live and labor that our highest ambition shall be to be truly and sincerely esteemed by our fellow men.

Let Thy fatherly benediction fall in rich blessings upon the countless numbers who from their cots of affliction, from hospitals, from homes of anxiety and pain, are waiting for some message of cheer and hope; let Thy healing balm comfort with the solace of Thy tenderness. We pray that the shadows may soon lift from the gateway of the dawn and through the aisles of the future we shall soon hear the glorious anthems of the free. Grant that the life and death of Jesus of Nazareth may underlie all institutions and all magnanimous souls, thus bringing the divine light into the human and making clearer the outlines of a heaven on earth. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

SELECTIVE SERVICE REGISTRATION OF MEMBERS ON FEBRUARY 16

Mr. MAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MAY. Mr. Speaker, I have made arrangements through the Selective Service Bureau for the establishment of a booth in the corridors just outside the House Chamber for next Monday's registration of all Members of Congress who are required under the provisions of the Selective Service and Training Act to register.

I am happy to make this announcement, particularly on account of the presence of the distinguished gentleman from Massachusetts [Mr. TREADWAY] and the distinguished gentleman from Illinois [Mr. SABATH]. I hope everybody will be ready for registration.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. MARTIN of Massachusetts. For the information of the Members generally, are we to understand that if a Member registers here his registration will be sent to his home State and district?

Mr. MAY. That is right; it will be forwarded by the board here. One of the boards of the District of Columbia will conduct the registration and the individual Member's registration will be immediately certified back to his home board.

Mr. MARTIN of Massachusetts. As I understand it, the registration on Monday is only for those between 21 and 45.

Mr. MAY. The Selective Service Board informs me that the registration takes in all men between the ages of 20 and 44, inclusive; and they interpret this to mean men who have reached their twentieth birthday as of December 31, 1941, and those who have not yet reached age 45.

The Presidential proclamation reads in part as follows:

> All male citizens of the United States and other male persons who were born on or after February 17, 1897, and on or before December 31, 1921.

I may state as a matter of further information that the registration booth at the Capitol is exclusively for Members of the House and of the Senate. Employees should register at the registration places provided in the neighborhood where they live.

Mr. MARTIN of Massachusetts. I thank the gentleman.

Mr. LELAND M. FORD. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. LELAND M. FORD. I think we owe the gentleman from Kentucky a vote of thanks, and I believe I express the sentiment of the whole House when I say we appreciate his effort in arranging for this registration.

Mr. MAY. I thank the gentleman.

ANNOUNCEMENT

The SPEAKER. The Chair desires to make an announcement.

The booth for the registration of Members of Congress will be located in the Rotunda of the Capitol on this floor and will open Monday morning. Senators as well as Members of the House will register at that place.

CONVERSION OF GOVERNMENT

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks by inserting an article appearing in this morning's Washington Post.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. TREADWAY. Mr. Speaker, I want to take this minute to thank the gentleman from Kentucky for his kindness in listing me in the youthful class ready to register. I am ready to fight for my country even if I am not needed. I thank the gentleman for his courtesy.

EXTENSION OF REMARKS

Mr. ELIOT of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks and include a letter from the chairman of the Federal Communications Commission.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative business for the day and other special orders I may be permitted to address the House for 10 minutes.

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, and I will not, may I suggest that I assume there may be some remarks made this day in honor of the great man whose birthday it is. I would suggest that the gentleman take his time after that.

Mr. MARTIN J. KENNEDY. I shall be pleased to do that. I propose to say something about Lincoln myself. I shall, however, be very pleased to accept the gentleman's suggestion in the matter.

Mr. McCORMACK. I feel that we should give priority to those speaking directly on that subject.

Mr. MARTIN J. KENNEDY. That is my subject, but I shall be very happy to yield to the suggestion of the majority leader.

The SPEAKER. Will the gentleman from New York restate his request?

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent that I may be permitted to address the House for 10 minutes today after the disposition of the legislative business for the day and other special orders.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include certain excerpts from a news article.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CIVILIAN DEFENSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the

House for 1 minute, and to revise and extend my remarks and to include therein three letters from air-raid wardens in California.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. LELAND M. FORD addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. MURRAY]?

There was no objection.

[Mr. MURRAY addressed the House. His remarks appear in the Appendix.]

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. KNUTSON]?

There was no objection.

[Mr. KNUTSON addressed the House. His remarks appear in the Appendix.]

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ABRAHAM LINCOLN

The SPEAKER. The Chair thinks this is the proper time for those to speak who desire to say something on the life and character of Abraham Lincoln, our former President.

The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, today we pause to honor and pay fitting tribute to the memory of the immortal Lincoln, a great President, a great American, and one of the outstanding men of the known history of man.

Today we are one great Nation—North, South, East, and West—men and women of all racial origins and of all religious beliefs, Americans all, not a race but a people, held together by our common love of the truths and the ideals for which our Government stands. No matter from what section of the country we come we are all glad, yes, proud, that all sections of the United States constitute one Nation.

We are indebted to the courageous leadership of Abraham Lincoln and the singleness of his purpose that today we are one Nation and one people. History records the determination and the courage of Abraham Lincoln to attain his objective—the continued Union of the several States. History also records his loneliness during those trying days; of the attempts to undermine his leadership; of the attempts during the Civil War days to divide the people; of the false charges hurled against him; of the cheap political plots aimed against him to destroy his prestige and leadership with the people—not by the people of the South, whom he admired and respected and who honored and respected him, but by some people, some powerful groups, and some newspapers of the North. His most powerful enemies were not the open and the honorable opponents of the South, but certain vicious individuals, groups, and newspapers of the North.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. My father was a Confederate soldier, but he always had great admiration for Abraham Lincoln. I have heard him say on many occasions that had Abraham Lincoln lived the South would not have suffered what it did in the reconstruction period.

Mr. MCCORMACK. The gentleman's expression of his late father's thought is also my own personal view. The worst thing that happened for the country and for the South was the assassination of Lincoln, because that brought about weak leadership with congressional control of Government that constituted in a sense mob rule, in effect, in the deplorable and dark days of the so-called reconstruction period.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Is it exactly accurate to say that it brought about weak leadership? Is it not a fact that history has recorded Andrew Johnson as a great American, but he was fought by a group of demagogs in the Congress who blocked him at every turn of the road? That is a historical fact, and I think the RECORD should show it at this point.

Mr. MCCORMACK. I am inclined to agree with the gentleman to the extent that there was congressional domination of our Government during those dark days, unthinking leadership in the Congress, and the imposition of congressional rule upon our Government, and that resulted, without going too greatly into detailed expression, in the dark days of what is known as the reconstruction period.

Mr. KNUTSON. If the gentleman will indulge me further, may I say I think that historians are generally agreed that had Andrew Johnson been permitted to carry out his policies, the disgraceful epoch of the carpetbaggers would never have occurred.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. MCCORMACK. I yield to the gentleman from Mississippi.

Mr. RANKIN of Mississippi. I call the attention of the gentleman from Massachusetts to the fact that after Andrew Johnson went out of the Presidency he became a candidate for the United States Senate before the Legislature of Tennessee. He was elected largely through the influence of General Forrest, of the Confederacy, because Forrest regarded Johnson as an honest, a courageous, a patriotic man, and preferred him to any of the "carpetbaggers" or "scalawags" who were scrambling for the place.

Mr. KNUTSON. And General Forrest knew Johnson was an able man.

Mr. RANKIN of Mississippi. Yes; and, as I said, an honest, a courageous, and a patriotic man.

Mr. MCCORMACK. I am very glad to have both correct observations made. I think we are all more or less in agreement that it was the congressional domination of our Government following the trying days of the Civil War that resulted mainly in the unfortunate conditions that existed during the dark days of the so-called reconstruction period.

Even in the Congress during the Civil War—during the actual crisis itself—powerful Members of that body plotted against Lincoln, nagged him constantly on small things, picked up picayune matters and of them made a mountain out of a mole hill, for the sole purpose of dividing the people, of creating division, and of undermining President Lincoln.

For selfish political advantage, for hate, for other selfish human reasons, history records that men in the North in high political office, men in the North in powerful position in other walks of life, publishers and editors of certain powerful newspapers of the North did everything they could, resorting to anything possible, to destroy the immortal Lincoln. If they had succeeded, their efforts would have meant the destruction of the Union.

Repudiated at various times openly by his own party leadership in the Congress, with constant plotting against him in secret by a substantial portion of the Members of Congress, he even despaired of reelection due to the treachery that existed among certain individuals, groups, and newspapers of the North. It is a miracle that President Lincoln survived the plotting and the treachery that existed in the North in those days. It was due to his vision, his courage, his steadfastness of purpose, and the support in the main of the rank and file of the people of the North that he was able to continue and to see accomplished not a victory, from his angle, which is the correct view, but the preservation of the Union. His sole purpose was to preserve the Union. And in accomplishing his purpose he met his death.

Today our country is engaged in a war. We are facing the greatest danger from outside that has confronted our country in its entire history. We can best honor Lincoln today by reviewing his experiences, his trials and tribulations, and see what lessons we can learn from them, determined to profit from those lessons.

Fortunately, our people are united as never before. We must continue to be united. We are facing powerfully organized, tricky, and unscrupulous foes. We cannot be off our guard for one moment. A grave responsibility is placed upon each American. A greater responsibility is placed upon the press of the country and the radio as well, molders of public opinion. In modern wars propaganda is second only in importance to production of war materials, and of the efficiency and success of the armed forces of our country—legitimate propaganda from within, that will stimulate and not divide our people by emotional appeal, by making "a mountain out of a mole hill," and propaganda that will confuse and divide our enemies. As I see it, Members of Congress have a greater responsibility,

particularly to see that nothing is said in debate that will tend to confuse and divide our people, and unintentionally, but indirectly, lend aid and assistance to the enemy. Lincoln had to meet this vicious and reprehensible kind of attack and from the North in his day, and those that engaged in such tactics, playing even in wartimes the part of the demagog, or using the war for election purposes, or for other purposes inconsistent with the best interests of the Nation, have their proper places in the black pages of our history. We do not want in these days to see history repeating itself.

The real lesson, as I see it, that each of us can learn from Lincoln's trying days—when at times he did not know who was his friend and supporter—is to cast aside as far as humanly possible all of our human emotions, our hates, our dislikes, our personal emotions, and to act as Americans first.

Lincoln preserved the Union from internal danger. It is our duty to preserve the Union from external danger.

I know I speak the minds and the determination of all my colleagues and of all real Americans on the birthday anniversary of this famous American when I send the message to the Lincoln in the Great Beyond that "America today is united as never before, and that this unity of national purpose will continue. We are not going to be the first generation of Americans that failed in our trust. We are determined to, and we will, preserve the Union."

Mr. GUYER. Mr. Speaker, this is the one hundred and thirty-third anniversary of the birth of Abraham Lincoln, and while I rose simply to suggest the reading of the great address at Gettysburg, I want to refer to something that is very little known among the people of the United States. This is that Abraham Lincoln spent a week in Kansas, the first week in December 1859. He had a cousin, Hugh Delahay, and, by the way, he was the first Federal judge of the State of Kansas, at Leavenworth, and he and "Old Dan" Anthony, the father of our late colleague "Young Dan" Anthony, of the First Kansas District—he was a brother of Susan B. Anthony. Together they got Lincoln to come over to Kansas in 1859, the year before he was elected President.

There was not a foot of railroad in Kansas at that time. Lincoln came over on a new road, the Hannibal and St. Joseph Road to St. Joseph, and a man, Web Wilder, who developed into a great Kansas historian, met him there and took him across the Missouri River in a skiff to Atchison. He delivered six speeches in Kansas, and on the day that John Brown was hung he was going across the prairie to deliver a speech close to my home in a town that is no more. It is one of our ghost towns, as we call them in Kansas, a town called Doniphan. He met a man with a wagonload of buffalo robes coming across the prairie, and when this man saw Lincoln he said, "My God, Lincoln, how in the world did you ever get out into this wilderness?" James Gordon Bennett had sent Henry Villard, of the New York Herald, to Leadville overland to investigate the gold rush. He was coming back from Leadville when he met Lincoln west of Leavenworth. Villard had been with Lincoln and Douglas in the great debates in Illinois. Lincoln untangled himself from that old surrey, which we still have in Leavenworth, Kans., got out of the surrey, and looked down into the face of Henry Villard, all covered with beard, and he said, "Why, Henry Villard," and Villard said, "Lincoln, you are freezing to death." The weather was very cold. It was the first week in December and the coldest first week in December Kansas had ever known. Villard said, "I am going to give you two buffalo robes, and if you do not bring them back to Leavenworth tomorrow you will never be 'Honest Abe' any more."

Lincoln had spoken in a little place where they could not get more than 200 men on the 1st of December and this was the afternoon of December 2, 1859, the day that John Brown was hung at Charlestown, Va., now West Virginia. When Lincoln got back to Leavenworth the next day he disavowed the action taken by John Brown, because, he said, it was treason to make war on the United States Government, whose Army occupied the arsenal at Harpers Ferry. You know from history that that news was sent from Leavenworth, as well as having been disavowed after Brown's attack on Harpers Ferry.

They said in Leavenworth that this was such a great speech that everybody must hear it, and so on the flagstones in front of the Planters Hotel in Leavenworth, on the evening of the 4th of December 1859, Mr. Lincoln delivered a speech to all the people. The weather had warmed up a little, and there was an old brewer in Leavenworth who had invented a new beer. His daughter married Mr. Schlitz, of Milwaukee. He brought out a pitcher of beer for Mr. Lincoln to drink before he made that speech. The D. A. R. still possess this pitcher at Leavenworth. Mr. Lincoln took a swallow, made a crooked face, and then made his speech. Sixty days later the great Cooper Union speech came back from New York in a copy of the New York Tribune. This speech at Cooper Union, and Brady's photo of him, is said to have caused his nomination at Chicago and his election in November 1860. The old brewer said: "This is the speech that Lincoln made on the flagstone in front of the Planters Hotel," and that it was the speech that made him President, and that his beer inspired the speech. He was a candidate for President, and the only thing that was ever said about his candidacy in Kansas this first week in December 1859, as Hugh Delahy, who was carving a turkey, said to Dan Anthony and Webb Wilder and a few others, "Boys, Abe Lincoln is going to be President of the United States." Mr. Lincoln said, "Oh, hush, Hugh," and that was all that was ever said. But I may tell you this, that in the convention next spring at Chicago Lincoln got the two votes from the Territory of Kansas.

On the 19th of November 1863 Abraham Lincoln, on the battlefield of Gettysburg, delivered one of the greatest orations in the history of the English tongue. For brevity and simplicity, for beauty and perfection of diction, and depth of feeling, it has no parallel in all the history of forensic literature. I know of no one either here or elsewhere who can interpret that great prose poem better than our colleague the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON], and I ask unanimous consent that she be allowed to read the great Gettysburg Address.

The SPEAKER. Is there objection?

There was no objection.

Mrs. BOLTON. Mr. Speaker, I would like very much before I read the address itself to say a word about the tradition which surrounds the writing. Many of us have been brought up to believe that it was written on a piece of torn brown paper, held on the top of his stovepipe hat, on the train which was taking him to Gettysburg. This picturesque story seems to have no foundation in fact, for we have in the Library of Congress two drafts, one written on two pieces of paper, the first of which is his customary official stationery with the printed heading "Executive Mansion." The second sheet and the pencil revisions on the first page were believed to have been written at Gettysburg, at the home of David Wills, where Lincoln stayed on the night of November 18.

Mr. Nicolay, in his Life of Lincoln, writes:

> There is neither record, evidence, nor well-founded tradition that Mr. Lincoln did any writing or made any notes on the journey between Washington and Gettysburg.

Eyewitness accounts state that he held a piece of paper in his hand, though he appeared to have spoken entirely from memory, possibly changing or adding slightly during the actual delivery. For instance, the words "under God" do not appear in the first or second drafts but are given in the Associated Press reports of the address and in all the copies which Mr. Lincoln wrote out subsequently.

I would ask you to send your minds and hearts back to the day when that speech was delivered. I would ask you to be a little quiet for a minute, to go deep within yourselves. Recall for a moment your knowledge of the education Abraham Lincoln had—a wonderful mother in the early impressionable years; the constant intercourse with nature; his reading of the Bible, Pilgrim's Progress, Aesop's Fables, Shakespeare. He was steeped in the words and the wisdom he gained from these. But in addition to that he was one of those men, one of the rare people of the world, who seem to be channels of inspiration through which flows bits of reality from infinite sources of truth. If you will bear this in mind as I read the address, I think you will find it has new meaning for today.

"Four score and seven years ago, our fathers brought forth on this continent a new nation, conceived in liberty and dedicated to the proposition that all men are created equal. Now we are engaged in a great Civil War, testing whether that nation, or any nation so conceived and so dedicated, can endure. We are met on a great battlefield of that war. We have come to dedicate a portion of that field as a final resting place for those who here gave their lives that that nation might live. It is altogether fitting and proper that we should do this. But in a larger sense we cannot dedicate, we cannot con-

secrate, we cannot hallow this ground. The brave men, living and dead, who struggled here have consecrated it far above our power to add or detract. The world will little note nor long remember what we say here, but it can never forget what they did here. It is for us the living rather to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us; that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion; that we highly resolve that these dead shall not have died in vain; that this Nation, under God, shall have a new birth of freedom; and that government of the people, by the people, for the people shall not perish from the earth."

Mr. HOWELL. Mr. Speaker, the beautiful and stirring words of Abraham Lincoln have added significance at this hour when throughout the world the fortress of liberty is being stormed by powerful and sinister forces of opposition. No one can view this all-engrossing struggle or feel the reverberations of its far-flung events without bringing himself to meditate upon the days to come and the awful consequences of the course upon which our Nation has now embarked.

The great mind of Lincoln had been tempered by the sadness and tragedy of a great war in which the loss of millions of lives of the finest sons of America had been accompanied by the omnipresent incidents of war—destruction and tears. His depth and scope of perception had been sharpened by a life of toil, of disappointment—yes, even of sadness; yet he retained the sacred ideals which made him great throughout his life in all its many phases as a citizen and as a servant of the people.

This generation of Americans and its leaders of private and public life have learned to love and respect the ideals and utterances of Abraham Lincoln from each preceding generation since his time. It therefore befalls this generation to perpetuate that memory untarnished and unsullied—it is our responsibility to preserve and embellish his ideals for all time to come.

Today the greatest tribute within our gift to Lincoln would be our fervent rededication to the ideals of liberty, justice, the right of every man and woman to work and to achieve within the sole limits of their individual capacities, and the will to fight on for victory with our every resource and capacity as the suppliants of the good and gracious favors of the great leader of all the ages.

Mr. SHAFER of Michigan. Mr. Speaker, 133 years ago today—February 12, 1809—Abraham Lincoln was born in a floorless log hut that was little more than a hovel that stood near the banks of Nolins Creek in what is now LaRue County, Ky.

This son of Thomas Lincoln and Nancy Hanks knew nothing but privation in his early childhood. His father was an illiterate and his mother was the wife, mother, and teacher to the whole Lincoln family.

In 1814, when Abraham Lincoln was only 5 years old, his father, who was unable to pay for his farm on Nolins Creek, bargained for a 200-acre tract on Knob Creek, a few miles away. There little Abe attended a school conducted by a George Hazel for a few months. On the Knob Creek farm Lincoln's father built a cabin with the help of neighbors and cleared a few acres of land and dug a well. But in 1817 he learned that land was available to settlers in Indiana for $2 an acre, so he sold his Knob Creek farm for $20 in cash and 10 barrels of whisky worth $28 a barrel. Constructing a raft, Lincoln's father loaded up the whisky and his carpenter's tools and started for the Ohio River by way of the Rolling Fork and Salt Rivers. When he reached the Ohio the swift current capsized the raft and Lincoln's whisky was temporarily lost. But later recovering his property, he drifted down the Ohio to Thompsons Landing, where he drifted inland until he reached Pigeon Creek, Ind.

Here Lincoln's father selected a quarter section and went to Old Vincennes to enter his new homestead. He returned later to Kentucky for his family, and the following November found the Lincolns on the move to Indiana. During that winter their only shelter against the elements was a three-sided shed opened to the wind on the south.

During that winter Lincoln's father cut the trees and hewed the timber for a new house, which was built the following spring. And here in this new home little Abe experienced his first great sorrow—death of his mother. Not long before her death, Mrs. Lincoln called little Abe to her bedside and said to him:

> I am going away from you, Abraham, and I shall not return. I know that you will be a good boy; that you will be kind to Sarah and your father. I want you to live as I have taught you, and to love your Heavenly Father.

When Mrs. Lincoln died her husband made her coffin and kindly neighbors buried her on the summit of a hill in sight of her home October 5, 1818. That there was no religious service at the grave weighed heavily upon little Abe, but he grieved in silence. He did not cry.

A little more than a year later Abe acquired a stepmother in the person of the widow Sarah Bush Johnson, who had three children of her own. This brought new cheer into the household. That Lincoln learned to love his stepmother is a matter of history, because with the first $500 that he received as a fee in a large lawsuit and $250 borrowed from a friend he purchased a quarter section of land for the second Mrs. Lincoln. Thus early in life his unselfishness and appreciation was manifested.

The Lincoln family moved to Illinois in 1830, and here life really began for little Abe, as he was now a man, with full experience with poverty and a wide knowledge of man. His experiences would be discouraging to most men of today. If any of you become discouraged and you feel you are licked, remember the experience of Lincoln.

He failed in a business venture in 1831.

He was defeated for the legislature in 1832.

He again failed in business in 1833.

Elected to the legislature in 1834.

His sweetheart, Ann Rutledge, died in 1835.

He suffered a nervous break-down in 1836.

He was defeated for speaker of the legislature in 1838.

He was defeated for Presidential elector in 1840.

Defeated for land officer in 1843.

He was elected to Congress in 1846, but was defeated for reelection in 1848.

He was defeated for the Vice Presidency in 1855.

He was defeated for the United States Senate in 1858.

He was elected the President of the United States in 1860.

This is a brief story of Lincoln's life to 1860. On December 1, 1862, we find him addressing the Congress of the United States with this message:

> Fellow citizens, we cannot escape history. We of this Congress and this administration will be remembered in spite of ourselves. No personal significance or insignificance can spare one or another of us. The fiery trial through which we pass will light us down in honor or dishonor to the last generation; * * * we shall nobly serve or meanly lose the last best hope on earth.

Those were the prophetic words of Lincoln. They are worth repeating here today, as this Nation again faces a grave, grave crisis.

Yes, indeed; history will judge what we do in this critical time. We will either nobly save the Republic and our American ideals or meanly lose them to some alien order that is founded upon terrorism and the sword instead of liberty and justice.

The SPEAKER. The gentleman from New York [Mr. BUTLER].

Mr. BUTLER. Mr. Speaker, so long as memory survives the name of Abraham Lincoln will be enshrined in the American heart. He is an outstanding example of what is needed in man to make him great and to enable him to be of real usefulness to his day and generation.

Lincoln knew that a free government of a free people must be composed at the top, as well as the bottom, of freemen. A free people is not governed by a single leader surrounded by a group of servile followers. A government of free people must be led by a leader great enough to tolerate the suggestions and criticisms of those close to him. Big men will not serve a leader who insists upon blind obedience and free government needs the best serving of the biggest men.

It was this accurate understanding and handling of men that enabled Lincoln to shape the fate of the Nation he served. His thinking was developed out of his associations with and his attachment for the common people.

Lincoln's vision embraced more than the immediate problems and dangers of his day. He was concerned about the dangers of new powers created in government, in the desire to curb old tyrannies. On one occasion he said:

> Is there in all republics this inherent and fatal weakness? Must a government be too strong for the liberties of its own people or too weak to maintain its own existence?

This is, indeed, the menacing question of today. How far dare we go in creating new powers for the so-called protection of the weak, and what are those powers doing to the future life of the Republic? The answer depends upon just one thing. Do we have a wholehearted belief in democracy?

One of our troubles today is that too many people in positions of influence and power do not believe that the man in the street—the average man and woman—has the qualities on which we can build.

Take the history of collective bargaining. The appalling resistance, the needless waste of this conflict between employers and employees. All because many employers said we could not deal with labor unions until they showed a sense of responsibility.

Industry must realize that if labor is compelled to fight for its life every step of the way, it can and will only mean trouble. And this means the creation of new Government bureaus and endowing Government with new powers. It must accept the fact that the average man and woman develops under responsibilities.

Dictators do not trust the average man and woman. Lincoln did. So must we. If this country is to have a lasting prosperity and win this war, all bitterness and distrust between Government, industry, and labor must be dispelled.

Lincoln knew that we must have a genuine confidence in the average man; that we must trust his intellectual integrity; that we cannot lose faith in those qualities that make nations, that make civilization, that make all greatness of the human race.

Popular government was born of this faith, and still rests upon that faith.

The influence of Lincoln's personality and his achievements can never be effaced from our national life.

If Lincoln could speak to us today he might ask whether the Government will now be strong enough to cope with economic catastrophe without surrendering to dictatorship or socialism. Certainly his interest would go to the heart of every attempt that is made to sacrifice personal freedom and private enterprise to theoretical expedients that may seem advantageous for the moment.

The anniversary of the birth of Lincoln finds our country in a very precarious condition. Practically the whole world is at war. Dictators are threatening democracy everywhere. There are many things in this great American's life and teachings that, if we would but follow today, would be a great help to our country.

If Lincoln's philosophy of patriotism were reduced to three words, I believe it would be "Live for America."

In this day we Americans are inclined to feel that our country owes us a great deal and that we do not owe much in return. There are too many people merely living in America and not for America. Every one of us should realize that now we are fighting for America.

If every American citizen would swear, as Lincoln did, "Eternal fidelity to our country," and make it evident in every act, we would all be better citizens and victory would come sooner.

Lincoln was not only an idealist but a realist, endowed with good, hard, common sense. He knew what it was to struggle for existence. But the abundant life he sought for men was not one planned and distributed by the Government but one which assured them the reward of labors and the opportunity to rise as high as they are able. He declared:

> The legitimate object of government is to do for a community of people whatever they need to have done but cannot do at all or cannot do so well for themselves in their separate and individual capacities. In all that the people can individually do as well for themselves, government ought not to interfere.

Lincoln's love of humanity was his outstanding quality. But there is a vast difference between true humanitarianism and experiments conducted according to blueprints of theorists in the name of the ill-fed, ill-housed, and ill-clad.

Lincoln, who began life so humbly, knew the value of money. He would have regarded a government which by its spendthrift policies places so heavy a burden upon those least able to pay as oppressive and one that must be curbed. Lincoln believed it the duty of the government of a free people to assume a genuinely free economy as the first and best hope of preserving the opportunity of the individual to rise according to his abilities.

To Lincoln democracy was more than a framework of government in which the people choose their own officials and make laws through their own representatives. It was that, to be sure, but it was also a social system which raised no artificial barriers, which gave every man, no matter what his origin, an opportunity to advance as far in whatever direction as his abilities warranted.

Our Nation is passing through a crisis now in its history greater than it has ever faced. Fortunately, under one flag, the 48 States of the Union stand united against the perils that confront us. We must accept the task of keeping the lights of civilization burning upon the seas as well as upon the continents. We cannot permit the nations of the earth to sink back into the darkness of the past ages.

There has never been a time when it was so imperative that the American people look the unpleasant facts in the face and deal with them realistically. Unity we must have, and unity will be achieved when we have sincerely determined to make the sacrifices necessary to carry us through with the American system of free institutions unshaken.

We can have no finer example for our future conduct than Lincoln. One of his cardinal principles was planning for the future. Our planning for the future, like the planning of Lincoln for the reconstruction after the Civil War, should be for the common people and the common welfare. But planning requires knowledge, together with a willing acknowledgment of the facts. Lincoln realized this when he expressed himself in an address at Springfield 84 years ago. He said:

> If we could first know where we are and whither we are tending, we could better judge what to do and how to do it.

Thus, if we are to follow the philosophy of Lincoln, it becomes the duty of every citizen to be informed about his Government and its intentions. Likewise, it becomes the duty of the Government to keep its citizens as thoroughly informed as possible. This principle is essential in any democracy.

After this war is over the day of reconstruction will have arrived. It is that day we must keep in mind also. America must be prepared for the reconstruction period. In this great emergency, government should be sane enough to plan for the reconstruction period.

WHY LINCOLN SUCCEEDED

The SPEAKER. The gentleman from Idaho [Mr. DWORSHAK].

Mr. DWORSHAK. Mr. Speaker, Americans everywhere will pause today to honor the memory and martyrdom of Abraham Lincoln, first Republican President. This year these tributes assume particular significance, because our Nation is engaged in a titanic military struggle. The Civil War of Lincoln's time affected only the internal structure of our Government, while today the destiny of the United States depends upon the successful conclusion of this conflict.

The situation was precarious in 1860, when Lincoln was first elected, and again in 1864, as the country was in the throes of disillusionment and fatigue. The great war President was not dismayed, but his faith and courage sustained him in those trying days, and his unselfish and inspired leadership finally triumphed.

Historians record that one of Lincoln's outstanding characteristics was his ability to utilize the services of leaders who were not in complete accord with his views. Lincoln fully realized his own limitations, and therefore took advantage of every opportunity to enlist the services and counsel of men who held divergent views. Because of this broad concept of public duty, the Civil War President was able to coordinate all elements of northern sentiment, and thus to insure ultimate victory. At all times he was humble, he sought no glorification, and he ignored his own political fortunes.

Today this Nation has a Democratic President directing our war effort, and it is as essential in 1942 as in 1862 that all of our leaders be enlisted in behalf of our country's defense. There should be no partisanship, either on the part of citizens or in high governmental places. There have been divergent viewpoints, but now there can be only wholehearted cooperation and loyalty. A military victory can be achieved only by utilizing the services of all loyal Americans. Lincoln's masterful leadership and diplomacy should be an inspiration in this hour of national peril.

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a copy of a letter and a memorandum concerning the bill H. R. 6559, prepared by the Indiana State Chamber of Commerce.

The SPEAKER. Is there objection?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an editorial from the Norwich Sun.

The SPEAKER. Is there objection?

There was no objection.

Mr. McGRANERY. Mr. Speaker, I ask unanimous consent to extend my remarks and include an address by Senator JOSEPH GUFFEY, of Pennsylvania, at the National Freedom Day Rally at Philadelphia.

The SPEAKER. Is there objection?

There was no objection.

Mr. McGRANERY. Mr. Speaker, I also ask unanimous consent to extend my own remarks and include therein a speech delivered by myself at the same convention.

The SPEAKER. Is there objection?

There was no objection.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a short statement by Hon. A. S. Coody, of Jackson, Miss., on the national sales tax.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. MARTIN J. KENNEDY] is recognized.

ABRAHAM LINCOLN

Mr. MARTIN J. KENNEDY. Mr. Speaker, this morning, on my way to the House of Representatives, I visited the Lincoln Memorial, built as the tribute of a grateful people to a famous and beloved President, Abraham Lincoln. I was happy to find at that early hour, many other people also paying their respects to Lincoln by making a pilgrimage to his shrine on the anniversary of his birth.

The exterior of this beautiful memorial symbolizes the Union of the United States of America. Surrounding the walls of the memorial hall is a colonnade of the States of the Union, the frieze above it bearing the names of the 36 States existing at the time of Lincoln's death. On the wall above the colonnade are inscribed the names of the 48 States existing today.

These walls and columns enclose the sanctuary containing three memorials to Abraham Lincoln. In the place of honor is found the colossal marble statue of the man himself. On the end wall, to the right, is the monument of the Second Inaugural Address and on the opposite end of the hall is the monument of the Gettysburg Address. On the wall over the head of Lincoln, is carved the following:

In This Temple
As In The Hearts of The People
For Whom He Saved The Union
The Memory of Abraham Lincoln
Is Enshrined Forever

I was delighted to learn that the regular order of business today, in the House, included the reading by one of our Members, of Lincoln's Gettysburg Address. I wish to speak of Abraham Lincoln, not as President Lincoln, but as Lincoln, the man. His ability as a leader and statesman is acknowledged. The example of his fine character and noble life has been an inspiration for the generations that followed him. His name is a household word in all English-speaking countries, and, wherever we travel we find that statues have been erected to honor his memory. Within the shadow of Westminster Abbey there is a statue of Lincoln, and in the outer office of the Prime Minister of Ireland, Mr. de Valera, there is also a large statue of Lincoln. Many other nations have honored him with permanent memorials.

At the time he delivered the Gettysburg Address, Lincoln feared it was not appreciated. His words fell on an almost silent audience. But when his speech was carefully weighed and the people realized the magnificence of his words, as well as the far-reaching and deep significance of his thoughts, his utterance received the acclaim of the thinking people of the world.

The Library of Congress has an exhibit of poems and works of men who, like Lincoln, were inspired by serious events to great deeds and words. At the exhibit you will find many original documents through which run the spirit of Honest Abe, and, like the masterpieces of Lincoln, are in the handwriting of the authors. The Battle Hymn of the Republic, published for the first time 80 years ago, in the February issue of the Atlantic Monthly, for which the author, Julia Ward Howe, received the sum of $5, is on display.

This unusual collection at the Congressional Library, under the able direction of Mr. and Mrs. Joseph Auslander, assisted by Mr. Kenton Kilmer, representing the work of heroes, is entitled "Faith, Courage, and Freedom," and bears this inscription by Mr. Auslander:

These are the words of the poets of free and proud people. These are the proverbs of their experience of freedom, the songs of the struggle, and "the long labor of liberty." These belong to the vigilant and heroic record. These poems have become famous because they were carried alive by passion and truth into the hearts of men. They have become familiar because they stayed there.

These days of war should prompt us, for the sake of our own morale, to read the best literature of other war days. You will find the following available, and I recommend them for your immediate reading. I shall insert a few notes to indicate the background of these poems.

THE PEACEMAKER

(By Joyce Kilmer)

Upon his will he binds a radiant chain,
For Freedom's sake he is no longer free.
It is his task, the slave of Liberty,
With his own blood to wipe away a stain.
That pain may cease, he yields his flesh to pain.
To banish war, he must a warrior be.
He dwells in Night, eternal Dawn to see,
And gladly dies, abundant life to gain.

What matters Death, if Freedom be not dead?
No flags are fair, if Freedom's flag be furled.
Who fights for Freedom goes with joyful tread
To meet the fires of Hell against him hurled,
And has for captain Him whose thorn-wreathed head
Smiles from the Cross upon a conquered world.

The Peacemaker expresses Joyce Kilmer's own reason for going to war, as well as the reason for America's entry into the first World War. It was written in the trenches in France, and was the last poem he wrote before his death in action.

O CAPTAIN, MY CAPTAIN

(By Walt Whitman, 1865)

O Captain! my Captain! our fearful trip is done,
The ship has weather'd every rack, the prize we sought is won,
The port is near, the bells I hear, the people all exulting,
While follow eyes the steady keel, the vessel grim and daring;
But O heart! heart! heart!
O the bleeding drops of red,
Where on the deck my Captain lies,
Fallen cold and dead.

O Captain, my Captain, rise up and hear the bells;
Rise up—for you the flag is flung—for you the bugle trills,
For you bouquets and ribboned wreaths—for you the shores acrowding,
For you they call, the swaying mass, their eager faces turning;
Here Captain! dear father!
This arm beneath your head!
It is some dream that on the deck
You've fallen cold and dead.

My Captain does not answer, his lips are pale and still,
My father does not feel my arm, he has no pulse nor will,
The ship is anchored safe and sound, its voyage closed and done,
From fearful trip the victor ship comes in with object won;
Exult O shores, and ring O bells!
But I, with mournful tread,
Walk the deck my Captain lies,
Fallen cold and dead.

This poem was written in the first passion of grief when Whitman had learned of the death of Lincoln. He withdrew from publication his book of poems of the Civil War, Drum Taps, and soon reissued it with an added section, Sequel to Drum Taps, including the solemn and gentle elegy, When Lilacs Last in the Dooryard Bloom'd, and the above impassioned lyric.

IN FLANDERS FIELDS

(By John McCrae)

In Flanders fields the poppies blow
Between the crosses, row on row,
That mark our place; and in the sky
The larks, still bravely singing, fly
Scarce heard amid the guns below.

We are the Dead. Short days ago
We lived, felt dawn, saw sunset glow,
Loved and were loved, and now we lie
In Flanders fields.

Take up our quarrel with the foe:
To you from failing hands we throw
The torch; be yours to hold it high.
If ye break faith with us who die
We shall not sleep, though poppies grow
In Flanders fields.

"In Flanders Fields" was written by Lt. Col. John McCrae in April 1915, during the second battle of Ypres. McCrae, who was in the Medical Corps, wrote the poem in his dressing station at the front, between the arrival of batches of wounded.

On June 1, 1915, when the second battle of Ypres was over, McCrae was given the rank of lieutenant colonel, and placed in charge of medicine at No. 3 General

Hospital at Boulogne. There he remained until his death on January 28, 1918.

THE SOLDIER

(Rupert Brooke)

If I should die, think only this of me:
That there's some corner of a foreign field
That is forever England. There shall be
In that rich earth a richer dust concealed;
A dust whom England bore, shaped, made aware,
Gave, once, her flowers to love, her ways to roam,
A body of England's, breathing English air,
Washed by the rivers, blest by suns of home.
And think, this heart, all evil shed away,
A pulse in the eternal mind, no less
Gives somewhere back the thoughts by England given;
Her sights and sounds; dreams happy as her day;
And laughter, learnt of friends; and gentleness,
In hearts at peace, under an English heaven.

Rupert Brooke, an officer in the British Navy, died on Shakespeare's birthday, 1915, aboard a hospital ship on his way to Gallipoli—he never reached his destination—and was buried on the lonely island of Skyros in the Aegean Sea.

SAY NOT, THE STRUGGLE NAUGHT AVAILETH

(Arthur Hugh Clough)

Say not, the struggle naught availeth,
The labor and the wounds are vain,
The enemy faints not, nor faileth,
And as things have been they remain.

If hopes were dupes, fears may be liars;
It may be, in yon smoke concealed,
Your comrades chase e'en now the fliers,
And, but for you, possess the field.

For while the tired waves, vainly breaking,
Seem here no painful inch to gain,
Far back, through creeks and inlets making,
Comes silent, flooding in, the main.

And not by eastern windows only,
When daylight comes, comes in the light;
In front, the sun climbs slow, how slowly,
But westward look, the land is bright.

Clough was in Rome when Garibaldi was defending that city against the French, early in the summer of 1849, and it is supposed that this poem grew out of his experience of that siege. It has remained as a living inspiration to men and nations. Prime Minister Churchill used it to close his speech on April 28, 1941.

THE BUILDING OF THE SHIP

(Henry Wadsworth Longfellow)

Thou, too, sail on, O Ship of State!
Sail on, O Union, strong and great!
Humanity with all its fears,
With all the hopes of future years,
Is hanging breathless on thy fate!
We know what Master laid thy keel,
What workmen wrought thy ribs of steel,
Who made each mast, and sail, and rope,
What anvils rang, what hammers beat,
In what a forge and what a heat
Were shaped the anchors of thy hope!
Fear not each sudden sound and shock,
'Tis of the wave and not the rock!
'Tis but the flapping of the sail,
And not a rent made by the gale!
In spite of rock and tempest's roar,
In spite of false lights on the shore,
Sail on, nor fear to breast the sea!
Our hearts, our hopes, our prayers, our tears,
Our faith triumphant o'er our fears,
Are all with thee—are all with thee!

Written in 1849—this poem sprang from the national agitation and discord that were to culminate in the Civil War.

Lincoln wept when the poem was recited to him, and, after some minutes of silence, said:

It is a wonderful gift to be able to stir men like that.

HIGH FLIGHT

(John Gillespie Magee, Jr.)

Oh, I have slipped the surly bonds of earth
And danced the skies on laughter-silvered wings
Sunward I've climbed and joined the tumbling mirth
Of sun-split clouds—and done a hundred things
You have not dreamed of—wheeled and soared and swung
High in the sunlit silence. Hov'ring there
I've chased the shouting wind along and flung
My eager craft through footless halls of air.
Up, up the long delirious, burning blue
I've topped the windswept heights with easy grace
Where never lark, or even eagle flew.
And, while with silent, lifting mind I've trod
The high untrespassed sanctity of space,
Put out my hand, and touched the face of God.

I hope many people will visit the Congressional Library and, as I, be refreshed by reading the beautiful words and sentiments contained in these priceless gems of poetry and literature. "High Flight," written during this war, should make us realize and appreciate the beauty of soul of the youth in our armed forces. The writer, a young man of 19, John Gillespie Magee, joined the Royal Air Force of Canada and was killed in action. While soaring above the clouds he wrote this poem for his parents, one which I think will live forever in the hearts of millions of grateful Americans. His beloved parents are in Washington, and his father is serving as acting rector of St. John's Protestant Episcopal Church.

You will find all these poems of which I speak today possessed of a positive spiritual influence. Courageous men, hard-fighting men are these writers, giving their lives for their country, and, although engaged in the dreadful business of war, they have not forgotten their God. Each of these—Joyce Kilmer, John Gillespie Magee, Rupert Brooke, and John McCrae—died in the service of their country and, in addition to giving their lives, they have bequeathed to us their beautiful thoughts. In my opinion, the heart of Lincoln spoke the words of the Gettysburg Address. Down through the years that same love of country and fellowman, expressed by Lincoln on November 19, 1863, may be found in the writings of our contemporary poets.

Mr. Speaker, it is almost unbelievable that a soldier as young as John Magee could be so inspired as to be able to write High Flight. He is typically American and, please God, may his tribe increase.

I am sure, that regardless of how difficult for our beloved land the days ahead may be, with men like Kilmer in the last war and Magee in this war, we must and shall win, because they, the flower of our manhood, represent the true character of our people and the principles of our glorious Nation.

Today, thousands of people will visit the Lincoln Memorial, seeking guidance and inspiration from that tower of strength and they will come away with renewed courage and hope for ultimate victory in the present struggle.

In other dark days of defeat, the man we honor today, Abraham Lincoln, wrote the following quoted words which I commend to all thoughtful Americans. The command, expressed in the letter of President Lincoln to Maj. Gen. Joseph Hooker, dated January 26, 1863, and successfully executed by the general, applies with equal force to every citizen in and out of the armed forces, as it did in 1863. Lincoln wrote:

Beware of rashness, but with energy and sleepless vigilance go forward and give us victories.

Let each of us, speaking for our constituents, located as they are in the far-flung villages of the United States, give answer to the plea of President Roosevelt for cooperation and hard work in the war program in the words of Lincoln at Gettysburg:

It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion; that we here highly resolve that these dead shall not have died in vain; that this Nation, under God, shall have a new birth of freedom; and that government of the people, by the people, for the people, shall not perish from the earth.

We cannot do less and we shall not do less for our beloved country, the United States of America.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include the poem referred to in my speech.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MARTIN J. KENNEDY]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I have been listening to these inspiring addresses, while at the same time my mind ran back over the intervening years between the Gettysburg Address and this time, having in mind its political philosophy, wondering as to its future. Is this generation going to prove itself worthy of its great ancestry, fit champion of the peoples who still hope to be free, worthy guardians of the rights and the opportunities of the generations which are to come after us in responsibility. In a way it seems strange that at this time should come hope and anxiety on the part of the American people with reference to these things? Yet there is not an intelligent man or woman in America who does not today

find himself or herself anxious as to whether this shall remain the home of the free. But yesterday we were only concerned for the fate of others. That day is past. Deep and personal is our concern, except of those who refuse to face facts.

It is a fine thing to honor those who have gone before, as we are doing today, but it is a finer thing to emulate their example.

Today this country is engaged in the greatest war of all time. Your country and my country is engaged in the preliminary skirmish of a life and death struggle. It is difficult to realize it. America does not realize it. In that fact of nonrealization lies grave danger to America. That realization would solidify the people, would vitalize and energize this people as nothing else could do. You sit there and I stand here discussing these things but even we cannot fully realize that your Nation and my Nation this very minute faces the greatest fighting machine on earth or that ever has been on earth, with everything which we have and everything which we hope for, involved. It is difficult to realize that those nations with whom we are allied are one by one being conquered, leaving us more and more standing alone in this terrible conflict of the ages. There is no profit in hiding from the facts. That is the most dangerous thing we can do. We have been losing this war from the time we began it, literally losing this war. We are being licked, and only the realization of that fact can arouse and solidify and vitalize the American people before it is too late. Only that can prevent the consummation of that thing that is happening and has been happening since we have had any connection with this war. It is all right to honor the memory of Lincoln on this occasion, to draw inspiration from the heroic example on both sides of the terrible fratricidal conflict of that period, but this generation must be greater than his. Its people must be greater than that generation. Its leaders must be greater patriots, more willing to serve, less concerned for themselves, fitted by unselfish devotion to be entrusted by an imperiled people of this great democracy, because our difficulties are greater.

When you Members go home to your various constituencies to make the Lincoln Day speeches, tell them the truth. There is no solidifying influence like the consciousness of a common danger. Ours is a common danger. The desire to please has so dominated the utterances of public officials that we have not told the people of America the God Almighty's truth about what we are up against. If Russia and China should make a separate peace we would probably soon face alone the greatest fighting machine of all time, engaged in a war we possibly could not win. The first essential thing in preventing that possibility from becoming a probability is to realize its danger before it is too late. During the past 2 years I have been taking samples of public attitude and fitness all over the country. We the entrusted watchmen on the tower in this country have not measured up to our responsibility. We have been afraid to trust the people to hear the truth. In that we have misjudged the people.

Everything we have is at stake, all that we can hope for its at stake. We have but one job worthy of consideration, and yet we are still undertaking largely to carry on as per usual in America. We have but one business on this earth that is worthy of consideration by anybody who has any intelligence, and that is to arouse ourselves, the American people from shore to shore, to make ourselves conscious of our danger, and then intelligently, unitedly, unreservedly devote ourselves with every resource consecrated to the one job of preserving this country as the land of the free, made possible because it is the home of the brave.

When Lincoln was in action the danger was the division of this Republic. The danger now is the destruction of this Republic, the loss of its liberty. Are we also to fall victims to that delusion that we shall escape the supreme test, that delusion fatal to the vigilance, the preparedness, the efficiency of the democracies which no longer exist, the democracies whose people, now slaves driven, forging with unwilling hands the chains which bind in slavery their starving children. The French people, trusting to the Maginot line, striking, quarreling, fighting for gains and profits, carried on business as usual when the Germans were moving toward their conquest. We are doing the same sort of thing to a definite degree in America and have been doing it during those months while we were moving from the status of neutral to that of direct fighting contact in this war.

Such a people cannot win. It is not written in the book of destiny that such a people can win. Only a great people capable, desperately in earnest, a people who love their country and who are willing to die for the things that are worth living for have a chance to win this time. These are not usual times. This is one of the great epochs of the world, the high peak in human history. Great, stupendous, terrible times like this, come rarely in the history of the ages, in the history of civilizations but they come. I have said over and over again, with no apology for repeating it, such times come when nations and civilizations stand at the bar of judgment and must answer under the philosophy of the parable of the talents. Only a great people can answer. Only a great people have a chance to win.

The President cannot win this war, Congress cannot win this war. Only a great people can win this war. Only a people conscious of responsibility, a courageous people, a patriotic people—only such a people can win this war this time. It is a terrible time; it is a terrible responsibility. It is a challenging time. Great difficulties challenge to great effort. Great difficulties, great effort, great achievements make great people. We have no choice except the choice between life and death.

I look day after day on the Members of this House. I go about over the country some. I do not see yet that vital, stirring consciousness of responsibility, consciousness of danger on the part of the American people which we have got to have and have real soon if we are to escape the verdict of history that in this great crisis, this great test, we were found to be the unworthy posterity of a great ancestry, such as the man whose natal day we of the South join you of the North in celebrating. We have the material to win with. It is yet latent, but we have it.

I have taken sample of the public attitude and of the public fitness from shore to shore in America during the last year and a half. At first I did not think we had a chance to win. When I looked upon this light, frivolous people, this people who seemed to want to be bottle-fed and rocked to sleep in the arms of a great Federal bureaucracy I knew such a people could not win. Not this time. This is the real thing we face this time. The hour has struck. We stand at the bar of judgment. We have been entrusted with liberty, blessed with every natural resource. We must render an accounting. We must demonstrate our willingness and our ability to defend our liberty and preserve it or we lose it.

I have seen these audiences under challenge of their own accord thrusting aside their soft, unfit personalities and stand forth the finest thing I have ever looked upon in my life—a nation being reborn under the challenge of responsibility and of duty. The American people want to do this job. They have the stuff in them to do it if only we will do our part, tell them the truth, forget our political fortunes, cast away any ambition—contemptible ambition—to be great officials of this people and substitute for it a deep yearning, a constant prayer to God that we may be fit, faithful servants of a great people governing in a great democracy, acknowledging no master save the God of their adoration.

I did not mean to take this much time, but when we think of these men like Lincoln and Grant and Lee and Jackson and others who have gone before us in responsibility, we must respond to the deep challenge of their example. That seems to me to be the real value and opportunity of such an occasion as this. I hope I may be pardoned on that score for this seeming intrusion.

EXTENSION OF REMARKS

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to have printed in the Appendix of the RECORD an address which I delivered on the ninety-eighth anniversary of the birth of General Grant. In that connection, may I make the observation that I doubt that you Yankees appreciate just what General Grant did. General Grant made it possible in my generation for us to have a united people.

The SPEAKER pro tempore (Mr. WHITTINGTON). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address I delivered to the judiciary section of the New York Bar Association on January 24.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. VINSON of Georgia, for 10 days, on account of official business.

EXTENSION OF REMARKS

Mr. BUTLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a resolution passed by the Niagara Frontier Milk Producers Association.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include excerpts from certain communications.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President for his approval a joint resolution of the House of the following title:

H. J. Res. 278. Joint resolution making an appropriation to provide financial aid to China.

ADJOURNMENT

Mr. NORRELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 16 minutes p. m.) the House adjourned to meet (in accordance with its previous order) on Monday, February 16, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WAYS AND MEANS

There will be a meeting of the Committee on Ways and Means on Friday, February 13, 1942, at 10:30 a. m. to consider H. R. 6559, to provide for certain war displacement benefits, training wages, and travel allowances in connection with the national war effort.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Tuesday, February 17, 1942, at 10 a. m., on H. R. 6503, to extend and amend certain emergency laws relating to the merchant marine, and for other purposes.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 19, 1942, at 10 a. m., on H. R. 6554, to amend war-risk insurance provisions of the Merchant Marine Act, 1936, as amended, in order to expedite ocean transportation and assist the war effort.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday, February 25, 1942, at 10:30 a. m., for the continuation of hearings on S. 1476 (Florida tick bill).

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KNUTSON:

H. R. 6587. A bill authorizing and directing the Secretary of the Treasury to conduct prize drawings as a means of raising additional revenue for defraying war expenditures, and of financing increased Federal grants for old-age assistance after the termination of the present unlimited national emergency; to the Committee on Ways and Means.

By Mr. COLMER:

H. R. 6588. A bill relating to the inspection of sea food by Federal inspectors; to the Committee on Interstate and Foreign Commerce.

By Mr. WEISS:

H. R. 6589. A bill to amend section 3 of the act of March 4, 1911, as amended (U. S. C. 39:117) to provide for overtime pay for postal supervisors; to the Committee on the Post Office and Post Roads.

By Mr. CELLER:

H. J. Res. 283. Joint resolution to authorize the Federal Bureau of Investigation of the Department of Justice, the Military Intelligence Division of the War Department, and the Office of Naval Intelligence of the Navy Department to conduct certain investigations in the interest of prosecution of the war; to the Committee on the Judiciary.

By Mr. SECREST:

H. Res. 439. Resolution to change the name of the Committee on Invalid Pensions of the House of Representatives to the Committee on Veterans' Affairs of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 6590. A bill for the relief of Charles V. Wanamaker; to the Committee on Military Affairs.

H. R. 6591. A bill for the relief of the estate of Emily Kraft, deceased; to the Committee on Claims.

By Mr. BEAM:

H. R. 6592. A bill for the relief of Patrick Joseph O'Connor; to the Committee on Military Affairs.

By Mr. CARLSON:

H. R. 6593. A bill for the relief of Theodore A. Peterson, M. D., and the Holdredge Hospital, of Holdredge, Nebr.; to the Committee on Claims.

By Mr. HARRIS of Arkansas:

H. R. 6594. A bill for the relief of M. V. Forsythe; to the Committee on Claims.

By Mr. McINTYRE:

H. R. 6595. A bill for the relief of W. E. Bartlett, Arland Andren, Christine Andren, E. R. Cox, Charles A. Bradbury, G. A. Wright, and L. A. Buchanan; to the Committee on Claims.

By Mr. ROBSION of Kentucky:

H. R. 6596. A bill granting a pension to Nancy Lewis; to the Committee on Invalid Pensions.

By Mr. VINSON of Georgia:

H. R. 6597. A bill for the relief of A. Mack Dodd and Henry Dodd; to the Committee on Claims.

By Mr. WEISS:

H. R. 6598. A bill for the relief of Leanna M. Stright; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2426. By Mr. COFFEE of Washington: Petition of Area No. 10, Civilian Defense, Vashon Island, Wash., Paul Billingsley, commissioner pointing out that volunteers in civilian defense have had no salary nor perquisites, are operating on self-supporting basis, that they are eager to make such sacrifice; alleging that appointments of dancers, actors, and artists at high salaries affects morale and denies funds for such real needs in civilian defense as helmets, gas masks, and medical supplies; alleging that frivolities cheapen defense work and therefore vehemently urging that all such practices be promptly ended and funds be earmarked to prevent recurrence of employment of such dancers, actors, etc., hereafter; to the Committee on Appropriations.

2427. By Mr. LUTHER A. JOHNSON: Petition of James R. Gayden, of Groesbeck, Tex., favoring House bill 6486; to the Committee on the Post Office and Post Roads.

2428. By MARTIN of Iowa: Petition of the City Council of the City of Davenport, Iowa, opposing any plan of the Federal Government to tax bonds and other securities issued or to be issued by the several States and their political subdivisions or the income therefrom while denying to said States and their political subdivisions a corresponding right to tax bonds and securities issued or to be issued by the Federal Government; to the Committee on Ways and Means.

2429. By Mr. MAAS: Petition of the City Council of St. Paul, Minn., expressing opposition to the adoption of any legislation which would tax the interest derived from municipal bonds, etc.; to the Committee on Ways and Means.

2430. By Mr. ROLPH: Assembly Joint Resolution No. 21, of the State of California, relative to manpower, production, and the war; to the Committee on Labor.

2431. By the SPEAKER: Petition of Edward H. Benjamine, of Mount Holly Springs, Pa., and others, petitioning consideration of their resolution with reference to the Federal Congress imposing a 10- or 15-percent pay-roll tax collectible at its source; to the Committee on Ways and Means.

SENATE

FRIDAY, FEBRUARY 13, 1942

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

O Lord Divine, our Strength and our Redeemer, whose searching gaze beholdeth all that we have, or are, or fain would be—our loves, our hopes, our longings infinite: Accept the gift we lay upon Thine altar, this will of ours that seemeth but a little thing, yet Thou alone dost understand that, in yielding this, we yield Thee all, and do but make one prayer, one earnest plea, a litany for mercy and forgiveness, although our sins be great.

And by the cross of Thy dear Son, with its unfathomed depths of love, its crimson tide which laves the world, have mercy and forgive.

By that all-saving Name, by His humiliation, poverty, and suffering, have mercy and forgive.

And when, in garb of sorrow we are clad, and crave Thy pardon, Lord, in life to die, in death to live, have mercy and forgive. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, February 11, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that the President had approved and signed the following acts:

On February 10, 1942:

S. 294. An act to authorize an appropriation for payment to the Middle Rio Grande Conservancy District of construction costs assessed against certain lands within such district acquired by the United States for the benefit of certain Indians in the State of New Mexico;

S. 1045. An act to increase the earnings of the United States Government life-insurance fund and the national service life-insurance fund by expediting the investment of the moneys thereof, and for other purposes:

S. 1412. An act to amend the act of June 11, 1940 (Public, No. 590, 76th Cong., 3d sess.), providing for the relief of Indians who have paid taxes on allotted land;

S. 1848. An act for the relief of Dr. Hugh G. Nicholson;

S. 2011. An act for the relief of Willard R. Centerwall, formerly superintendent and special disbursing agent at the Tongue River Indian Agency; and

S. 2112. An act authorizing overtime pay for certain employees of the National Advisory Committee for Aeronautics.

On February 11, 1942:

S. 1935. An act to amend section 602 (m) of the National Service Life Insurance Act of 1940 (Public, No. 801, 76th Cong.), as amended, to enable a person in active service in the Army, Navy, Marine Corps, or Coast Guard to secure such insurance effective as of date of application by advance of active service pay, and for other purposes.

MESSAGE FROM THE HOUSE DURING ADJOURNMENT

Under authority of the order of the 11th instant,

The following message from the House of Representatives was received by the Secretary of the Senate during the adjournment:

That the House had passed the bill (S. 1526) to amend the act approved October 10, 1940 (54 Stat. 1105), to permit such responsible officers as may be designated by the heads of departments or establishments to authorize or approve the allowance and payment of expenses incident to the transportation of the household goods of civilian officers and employees when transferred from one official station to another for permanent duty, with amendments, in which it requested the concurrence of the Senate;

That the House insisted upon its amendment to the bill (S. 1782) to authorize the payment of a donation to and to provide for travel at Government expense of persons discharged from the Army of the United States on account of fraudulent enlistment; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAY, Mr. THOMASON of Texas, Mr. HARTER of Ohio, Mr. ANDREWS, and Mr. SHORT were appointed managers on the part of the House at the conference;

That the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 278) making an appropriation to provide financial aid to China;

That the House had disagreed to the amendments of the Senate to the bill (H. R. 5802) to amend certain provisions of law relative to the withdrawal of brandy for fortification of wines and production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. BUCK, and Mr. CROWTHER were appointed managers on the part of the House at the conference; and

That the House had passed a bill (H. R. 6483) to amend the act entitled "An act to expedite the provisions of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, in which it requested the concurrence of the Senate.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Also that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

S. 2182. An act to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps; and

H. J. Res. 278. Joint resolution making an appropriation to provide financial aid to China.

TRANSPORTATION OF HOUSEHOLD GOODS OF CIVILIAN OFFICERS AND EMPLOYEES

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1526) to amend the act approved October 10, 1940 (54 Stat. 1105), "to permit such responsible officers as may be designated by the heads of departments or establishments to authorize or approve the allowance and payment of expenses incident to the transportation of the household goods of civilian officers and employees when transferred from one official station to another for permanent duty," which were to strike out all after the enacting clause and insert "That during the continuance of the present war and for 6 months thereafter, any appropriations heretofore or hereafter made available for expenses of travel of civilian officers and employees of the War and Navy Departments and the Coast Guard shall be available also for expenses of travel performed by them on transfer from one official station to another when authorized, by such responsible officer or officers of the Department concerned as the head thereof may designate for that purpose, in the order directing the travel: *Provided*, That such expenses shall not be allowed for any transfer effected for the convenience of the officer or employee," and to amend the title so as to read, "An act to provide decentralization of the issuance of orders authorizing the payment of travel expenses in connection with the transfer of civilian employees from one station to another."

Mr. HILL. I move that the Senate concur in the House amendments.

The motion was agreed to.

Mr. HILL. I ask unanimous consent that the Vice President may be permitted to sign this bill during the recess or adjournment of the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

WITHDRAWAL OF BRANDY FOR FORTIFICATION OF WINES, ETC.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 5802) to amend certain provisions of law relative to the withdrawal of brandy for fortification of wines and production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BARKLEY. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. GEORGE, Mr. WALSH, Mr. CONNALLY, Mr. LA FOLLETTE, and Mr. CAPPER conferees on the part of the Senate.

PETITIONS AND MEMORIAL

Petitions, etc., were laid before the Senate or presented, and referred as indicated:

By the VICE PRESIDENT:

A letter in the nature of a petition from Gladys Howard, of New York City, praying for retrenchment in such governmental expenditures as may not be essential to the prosecution of the war; to the Committee on Appropriations.

A letter in the nature of a petition from Mrs. A. Johnson, of Los Angeles, Calif., praying for the prompt enactment of legislation to ban divorces in the Nation for the duration of the war; to the Committee on the Judiciary.

A letter in the nature of a memorial from F. R. Brooks, of New York City, remonstrating against the drafting of any men into the Army who may be in sympathy with the Axis Powers; to the Committee on Military Affairs.

By Mr. CAPPER:

The petition of members of Mary L. Bair Unit No. 44, American Legion Auxiliary, of Holton, Kans., praying for the enactment of pending legislation to provide more adequate compensation for certain dependents of World War veterans; to the Committee on Finance.

By Mr. TYDINGS:

A petition of sundry citizens of Prince Georges County, Md., praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of

alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

RESOLUTION OF CENTRAL LABOR COUNCIL OF NEW HAVEN, CONN.—FEDERALIZATION OF UNEMPLOYMENT-COMPENSATION SECURITY SYSTEM

Mr. MALONEY. Mr. President, I ask unanimous consent that there may be printed at this point in the RECORD a letter which I have received from Mr. Joseph Rourke, secretary of the Central Labor Council of New Haven, Conn., and also a resolution adopted by the delegates to the New Haven Central Labor Council. The resolution recommends the federalization of the unemployment compensation security system.

I ask that this letter and resolution may be referred to the appropriate committee.

There being no objection, the letter and resolution were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

CENTRAL LABOR COUNCIL OF NEW HAVEN,
New Haven, Conn., February 4, 1942.
Senator FRANCIS T. MALONEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MALONEY: Enclosed you will find a resolution recommending the federalization of the unemployment-compensation security system, which is self-explanatory.

Thank you.

Very truly yours,
JOSEPH ROURKE,
Secretary.

[Enclosure.]

Whereas President Roosevelt has recommended to Congress the federalization of the unemployment-compensation security system; and

Whereas it is the firm belief of we trade unionists that we will be better served and provided for under a Federal system; and

Whereas the present inequality and impracticability of our present State laws are barriers to real unemployment security: Be it therefore

Resolved, That we, the delegates to the New Haven Central Labor Council, support President Roosevelt in this important issue and that copies of this resolution be forwarded to President Roosevelt, Social Security Administrator Paul V. McNutt, Gov. Robert A. Hurley, and to the Connecticut delegates to the United States Congress.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. O'MAHONEY, from the Committee on Public Lands and Surveys:

H. R. 1060. A bill to vest absolute in the city of Dearborn the title to lot 19 of the Detroit Arsenal grounds subdivision, Wayne County, Mich.; without amendment (Rept. No. 1058).

By Mr. WALSH, from the Committee on Naval Affairs:

S. 2229. A bill to provide for the retirement, rank, and pay of heads of staff departments of the Marine Corps; with an amendment (Rept. No. 1059); and

H. R. 6446. A bill to provide for continuing payment of pay and allowances of personnel of the Army, Navy, Marine Corps, and Coast Guard, including the retired and Reserve components thereof, and civilian employees of the War and Navy Departments during periods of absence from post of duty, and for other purposes; with amendments (Rept. No. 1060).

By Mr. BREWSTER, from the Committee on Claims:

H. R. 3032. A bill for the relief of J. G. Fox; without amendment (Rept. No 1061).

By Mr. O'DANIEL, from the Committee on Claims:

H. R. 3697. A bill for the relief of John E. Newman; without amendment (Rept. No. 1062);

H. R. 3761. A bill for the relief of Mrs. Willie M. Maye; with an amendment (Rept. No. 1065);

H. R. 3829. A bill for the relief of Lonnie Bales; without amendment (Rept. No. 1063); and

H. R. 4019. A bill for the relief of John J. Jenkins; without amendment (Rept. No. 1064).

By Mr. HUGHES, from the Committee on Claims:

H. R. 4068. A bill conferring jurisdiction upon the United States District Court for the Eastern District of Oklahoma to hear, determine, and render judgment upon the claim of D. X. Sanders; without amendment (Rept. No. 1066).

By Mr. CAPPER, from the Committee on Claims:

S. 2220. A bill for the relief of Frank Sheppard; with amendments (Rept. No. 1067);

H. R. 1755. A bill for the relief of C. M. Sherrod and Daisy Mimms, administratrix of the estate of Arthur Mimms; without amendment (Rept. No. 1068);

H. R. 2460. A bill for the relief of Ruth Steward, administratrix of the estate of Luther F. Steward; without amendment (Rept. No. 1069);

H. R. 3433. A bill for the relief of Bessie Pearlman and George Roth; without amendment (Rept. No. 1070);

H. R. 5290. A bill for the relief of Mrs. Eddie A. Schneider; with an amendment (Rept. No. 1072); and

H. R. 5573. A bill for the relief of Mrs. Noel Wright and Bunny Wright; without amendment (Rept. No. 1071).

By Mr. ROSIER, from the Committee on Claims:

S. 1766. A bill for the relief of John Snure, Jr.; with amendments (Rept. No. 1074);

S. 2175. A bill for the relief of Bibiano L. Meer; without amendment (Rept. No. 1073);

H. R. 691. A bill for the relief of Richard Bove; without amendment (Rept. No. 1075);

H. R. 2428. A bill for the relief of G. F. Brown; without amendment (Rept No. 1076);

H. R. 3610. A bill for the relief of Minnie C. Sanders; without amendment (Rept. No. 1077);

H. R. 4355. A bill for the relief of Bella Cosgrove; with amendments (Rept. No. 1079); and

H. R. 4414. A bill for the relief of Andrew Wichmann; without amendment (Rept. No. 1078).

By Mr. WILEY, from the Committee on Claims:

H. R. 2718. A bill for the relief of Jean N. Burton and Laura Jones; without amendment (Rept. No. 1080);

H. R. 2708. A bill for the relief of William H. Evens; without amendment (Rept. No. 1081); and

H. R. 4010. A bill for the relief of Thelma Carringer and others; without amendment (Rept. No. 1082).

By Mr. BROWN, from the Committee on Claims:

H. R. 794. A bill for the relief of Catherine Ward; without amendment (Rept. No. 1083); and

H. R. 5865. A bill for the relief of Builders Specialties Co.; without amendment (Rept. No. 1084).

By Mr. BUTLER, from the Committee on Irrigation and Reclamation:

S. 1441. A bill to amend the act of August 11, 1939 (53 Stat. 1418), entitled "An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States," as amended by the act of October 14, 1940 (54 Stat. 1119); with an amendment (Rept. No. 1085).

By Mr. McKELLAR, from the Committee on Appropriations:

H. R. 6548. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes; with amendments (Rept. No. 1086).

TRANSFER OF GOVERNMENTAL EMPLOYEES TO DEFENSE AGENCIES—REPORT OF THE APPROPRIATIONS COMMITTEE

Mr. GLASS. Mr. President, from the Committee on Appropriations I report back without amendment Senate Resolution 223, for an investigation to determine whether certain governmental employees may be temporarily transferred to national defense agencies to expedite the prosecution of the war, submitted by the Senator from Maryland [Mr. TYDINGS] on the 11th instant. The resolution was referred to the Committee on Appropriations and unanimously ordered to be favorably reported from that committee. It involves an appropriation of $10,000 from the contingent fund of the Senate.

The VICE PRESIDENT. The report will be received, and, under the rule, the resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that Committee presented to the President of the United States the following enrolled bills:

On February 11, 1942:

S. 314. An act for the relief of certain Basque aliens.

On February 12, 1942:

S. 2182. An act to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY:

S. 2271. A bill for the relief of Hazel Redlack, Dr. Louis Allred, the Columbus Hospital, Dora McDonald, Patricia Harris, and Dorothy Hart; to the Committee on Military Affairs.

(Mr. LA FOLLETTE introduced Senate bill 2272, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. RADCLIFFE:

S. 2273. A bill for the relief of Ruth D. and Henry L. Brittingham; to the Committee on Claims.

(Mr. THOMAS of Oklahoma introduced Senate bill 2274, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. CLARK of Missouri:

S. 2275. A bill to amend section 10 of Public, No. 360, Seventy-seventh Congress, to grant National Service Life Insurance in the

cases of certain Army flying cadets and aviation students who died as the result of aviation accident in line of duty between October 8, 1940 and June 3, 1941; to the Committee on Finance.

By Mr. MEAD:

S. 2276. A bill for the relief of Max Delfiner and his wife Evy (Ewa); to the Committee on Immigration.

PAID-UP LIFE INSURANCE FOR MEMBERS OF MILITARY FORCES

Mr. LA FOLLETTE. Mr. President, since a committee of which I am a member is still in session, I ask unanimous consent now to introduce a bill, and request that it be referred to the Committee on Finance.

The bill provides for a $5,000 free paid-up life-insurance policy to all persons in the active military or naval service of the United States.

I ask that the bill may be printed in the RECORD, together with a statement which I gave to the press concerning it this morning.

The VICE PRESIDENT. Without objection, the bill will be received, printed in the RECORD, and referred, as requested by the Senator from Wisconsin, and the statement will be printed in the RECORD.

The bill (S. 2272) to provide for the granting of paid-up insurance in the amount of $5,000 to each person in the active military or naval service during the period of the war was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 602 (d) (4) of the National Service Life Insurance Act of 1940, as amended, is hereby amended to read, as follows:

"(4) Any person in the active service on or after April 10, 1942, and prior to the issuance by the President of a proclamation that the wars in which the United States was engaged on the date of enactment of the Service Insurance Act of 1942 have been terminated, shall be granted, without application, medical examination, or payment of premium, insurance against death in the amount of $5,000. The insurance issued under the provisions of this paragraph shall be issued upon the paid-up single-premium plan and shall be effective as of April 20, 1942, or the date of entry of the insured into active service, whichever may be the later. The insurance issued under the provisions of this paragraph to any person who at the time of issuance to him of such insurance has in force any amount of insurance issued under the provisions of this act (other than this paragraph) in excess of $5,000 shall be conditioned upon his surrender of so much of the insurance issued to him under the provisions of this act (other than this paragraph) as is in excess of $5,000. Any such person shall be deemed to have so surrendered the insurance in excess of $5,000 issued to him under the provisions of this act (other than this paragraph) unless before May 20, 1942, or before the expiration of 30 days after the date of his entry into active service, whichever may be the later, he gives written notice to the Administrator of Veterans' Affairs that he does not desire to so surrender the insurance in excess of $5,000 issued to him under the provisions of this act (other than this paragraph). No person insured under the provisions of this paragraph may thereafter carry any amount of insurance issued under the provisions of this act (other than this paragraph) in excess of $5,000. The premiums on insurance issued under the provisions of this paragraph shall be paid by the Administrator of Veterans' Affairs out of the National Service Life Insurance appropriation, and the Administrator of Veterans' Affairs is authorized and directed to transfer, from time to time, from such appropriation to the National Service Life Insurance fund such sums as may be necessary to pay such premiums. All dividends on insurance issued under the provisions of this paragraph shall be transferred from the National Service Life Insurance fund to the credit of the current National Life Insurance appropriation, and when so transferred shall be available for expenditure for the same purposes as other funds constituting such appropriation are available. The provisions of subsection (f) of this section shall not be applicable to the insurance issued under the provisions of this paragraph."

SEC. 2. Section 603 of the National Service Life Insurance Act of 1940, as amended, is amended to read as follows:

"SEC. 603. No person may carry a combined amount of National Service Life Insurance issued under any provision of this act other than section 602 (d) (4) and United States Government life insurance in excess of $10,000 at any one time."

SEC. 3. This act may be cited as the "Service Insurance Act of 1942."

The statement presented by Mr. LA FOLLETTE is as follows:

A bill to provide $5,000 of free paid-up life insurance to all persons in active military or naval service of the United States was introduced in the Senate today by ROBERT M. LA FOLLETTE, Jr., Progressive, of Wisconsin.

Full premium costs would be paid by the Government. Insurance protection would continue for life without any premium cost to the insured, but the insurance would be payable only to certain classes of beneficiaries and would not be convertible to any other form of insurance nor have any cash surrender or loan value.

"The insurance program envisaged by my bill is not merely human insurance against the ravages of war," said Senator LA FOLLETTE. "It is insurance for the continuation of our democracy, our family life, and our social institutions in the next generation."

Last week the Senate passed a bill to provide free property insurance up to $15,000 for damages resulting from war. Senator LA FOLLETTE told the Senate at that time that he believed there was much greater justification for providing free life insurance for men in the armed forces. "Congress must be prepared to take that next logical step," he said.

The bill introduced today would not affect rights under present Federal insurance plans, nor the right to buy additional Government insurance, except that the aggregate of National Service Life Insurance, including the $5,000 of free insurance, would not be permitted to exceed $10,000 in amount. However, all would get the full benefit of the free insurance and those now carrying more than $5,000 of National Service Life Insurance would have their paid-for policies and premiums reduced accordingly.

"The risks of war, present and future, direct and indirect, must be properly insured by the Government," said the Senator. "The Government has a moral obligation to provide insurance protection for the families of those on the various battle fronts of war without exacting premiums from their all too meager wages. More than that, it has a vital interest in bolstering the social institutions weakened by war.

"If the Government is to insure property, it should also insure the lives of those who protect both government and property. Those who can afford to own considerable property can usually afford to have property insurance. Many a buck private earning $21 a month cannot afford to carry life insurance."

Senator LA FOLLETTE pointed out that term insurance was insufficient protection because too many policies would lapse at the conclusion of the war. That, he said, was the experience in the last World War.

"Insurance as provided in this bill would give every man and woman in the service (the coverage of the bill includes the Army and Navy Women Nurse Corps) a real stake in the future of America not only for themselves but also for their present or prospective families," said the Senator. "It would help bridge the deep gap of fears and uncertainties which will follow this war, help to instill confidence to meet the individual problems of rearranging disrupted lives and careers, and certainly help immeasurably now to augment national morale."

PARITY INCOME PRICE OF AGRICULTURAL COMMODITIES

Mr. THOMAS of Oklahoma. Mr. President, I introduce a bill, and I ask that it be printed in the RECORD, and that following the text of the bill there be printed as a part of my remarks copy of a news item which appeared in the Chicago Daily Tribune on February 6. I also ask that there be printed copy of a resolution adopted by the National Association of Commissioners, Secretaries, and Directors of Agriculture.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill (S. 2274) defining parity income price, and for other purposes, was read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That in order to secure (1) full and adequate production of each of the essential basic farm commodities; (2) a fair, equitable, and just distribution of the production of such commodities; and (3) the observance of and compliance with the law and rules and regulations promulgated thereunder by the Secretary of Agriculture, it is hereby declared to be the agricultural policy of the United States to secure for the producers of each of such basic and essential farm commodities full parity income as defined in this act and as herein authorized and as may be hereafter provided by law.

SEC. 2. "Parity income price" for any agricultural commodity is that price per unit which will give the total units of such commodity produced during any one growing year a value or purchasing power equivalent to the average value of the total units of such commodity produced during the base period: *Provided*, That the "parity income price" for any unit of any farm commodity shall be determined as follows:

(1) Multiply the average value of the total units produced during the base period by the current index number; and

(2) Divide the product by the total number of units of such commodity produced during any growing year and the quotient will be the "income parity price" for such year.

SEC. 3. It shall be the duty of the Secretary of Agriculture and each of the elected and appointed officials of the Government to cooperate in an effort to secure full "parity income price" for the producers of essential basic farm commodities: *Provided*, That such "parity income price" may be secured through a combination of farm market price plus a soil conservation or benefit payment.

SEC. 4. It shall be unlawful for any official, elected or appointed, to perform any act, make any order, or issue any statement, printed or oral, which is intended to retard,

depress, or lower the market price of any essential basic farm commodity if the average market price of such commodity is below either the "parity price," the "parity income price," or the average farm price of 1919–29.

The news item and resolution presented by Mr. THOMAS of Oklahoma are as follows:

[From the Chicago Daily Tribune of February 6, 1942]

"PARITY INCOME" GOAL IS REACHED, HUTSON ASSERTS—EXPLAINS CREDIT AGENCY'S GRAIN-SELLING POLICY

Commodity Credit Corporation's president, John B. Hutson, declared in Chicago yesterday that the parity income goal of the farm program has been achieved. He disclosed at the same time that the credit agency is pouring a million bushels of Government-owned wheat a day into livestock-growing areas to help keep feed costs down to a level that will encourage livestock production

Hutson, in an address at a luncheon of the Agricultural Club in the La Salle Hotel, revealed also that in shuttling wheat into feeding areas the big Government crop loan agency has encountered a shortage in railroad freight cars. He said, however, that he expected this difficulty to be solved soon.

HAS BIG LOSS ON CORN

Touching on other aspects of the agency's operations in its effort to meet the parity price and parity income aims formulated by Congress, Hutson also said:

"1. That the agency has incurred a bigger loss on corn than on any other crop. He said that since the agency was organized it has lost $35,000,000 on corn, but he termed this 'not an enormous price to pay if it enables us to realize our goal and increase livestock production.'

"2. That 'we have put the wheat price down to the price of corn—actually a little below when feed value is considered—to meet the needs of feeders.' An incidental result, he said, was the easing of the wheat-storage problem.

"3. That the farmer has as much to lose as anybody else if inflation gets out of hand.

"4. That the Corporation is trying to keep from building up a large staff and is 'trying to throw back as many functions as possible to the grain trade.'"

SELLS AT NEAR PARITY

Hutson told the club that the Government, in its current selling program, is getting about parity for cotton, 92 to 93 percent of parity for wheat, and 85 percent of parity for corn. [The Department of Agriculture estimated that the average farm price of corn on January 15 was 78 percent of parity.]

Hutson made a distinction between parity price and parity income. He included farm benefit payments in parity income and also made allowance for increased production. With these factors considered, he said, growers of wheat and corn for commercial sale have reached a parity income basis.

Declaring that the ratio of feed costs to livestock prices is favorable—that is, permits sufficient profits to the feeder to encourage production of livestock—Hutson intimated without saying so directly that it will be the Government's policy to keep corn prices around the present levels.

PREDICTS NO POLICY CHANGE

Replying to the question, "Will the Commodity Credit Corporation try to maintain corn prices at present levels and not let them go higher?" Hutson cited recent statements by Secretary of Agriculture Claude R. Wickard that the Government expects to keep the price at a point that will result in a favorable feed cost ratio. Hutson then said the ratio is favorable and that he knew of no plan to change the present policy.

His statement that increased crops, along with benefit payments, should be considered as well as parity prices in determining whether farm income parity has been attained, Hutson touched on a subject that has aroused controversy. Some farm groups have criticized this view and have held that prices should be boosted to the full parity level even though it would result in more than parity income because of larger yields. Parity is the price calculated to give the farmer a purchasing power equal to an average of that which prevailed from 1909 to 1914.

Whereas the Congress has enacted price-control legislation specifying that no maximum price shall be established or maintained for any agricultural commodity below the highest of any of the following prices:

(1) One hundred and ten percent of the parity price;

(2) The market price prevailing for such commodity on October 1, 1941;

(3) The market price prevailing for such commodity on December 15, 1941; or

(4) The average price for such commodity during the period July 1, 1919, and June 30, 1929; and

Whereas farmers have been called upon to increase greatly their production during 1942 in order to supply farm commodities so urgently needed in national defense; and

Whereas the announcement has been made that Government-owned agricultural products would be disposed of in a manner that will, in effect, depress prices and, consequently, discourage increased production: Therefore be it

Resolved, That we favor the disposal of agricultural products now held or to be acquired by the Government only at price levels not falling below those established in the Price Control Act and determined in accordance with the provisions specified therein.

HOUSE BILL REFERRED

The bill (H. R. 6483) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, was read twice by its title and referred to the Committee on Education and Labor.

THE EAST AND WEST ASSOCIATION—AND ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a statement announcing the organization of the East and West Association and also a short-wave broadcast by him directed toward Asia, appears in the Appendix.]

ABRAHAM LINCOLN—ADDRESS BY HON. JAMES E. WATSON

[Mr. McNARY asked and obtained leave to have printed in the RECORD an address on Abraham Lincoln, delivered in Washington, D. C., February 11, 1942, by Hon. James E. Watson, former Senator from Indiana, which appears in the Appendix.]

LINCOLN DAY ADDRESS BY HON. ALF M. LANDON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address delivered by former Gov. Alf M. Landon, of Kansas, on February 11, 1942, at a Lincoln Day dinner in Washington, D. C., which appears in the Appendix.]

WARTIME MESSAGE FROM THE COUNCIL OF BISHOPS OF THE METHODIST CHURCH

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD a wartime message from the Council of the Bishops of the Methodist Church, adopted at its annual session at the Cloister, Sea Island, Ga., December 12, 1941, which appears in the Appendix.]

ADDRESS BY E. W. RISING BEFORE MASON CITY (IOWA) BEET GROWERS' ASSOCIATION

[Mr. THOMAS of Idaho asked and obtained leave to have printed in the RECORD an address delivered by E. W. Rising, executive vice president of the Western Beet Growers' Association, at the annual meeting of the Mason City (Iowa) Beet Growers' Association on February 5, 1942, which appears in the Appendix.]

CAUSE OF REGRET—ARTICLE BY RAYMOND CLAPPER

[Mr. BUNKER asked and obtained leave to have printed in the RECORD an article by Raymond Clapper entitled "Cause of Regret," published in the Washington Daily News of February 12, 1942, which appears in the Appendix.]

PROBLEMS OF SMALL BUSINESS—ARTICLE BY HAL FOUST

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article by Hal Foust relative to the problems of small business, published in the Chicago Tribune of February 6, 1942, which appears in the Appendix.]

PLEDGE OF MARTIN TREPTOW

Mr. GILLETTE. Mr. President, at this point in the proceedings of the Senate, I should like to have appear in the RECORD a brief memorial.

During the past few weeks all of us have been very much depressed and, to some extent possibly, discouraged by the unfortunate color of the war news. During those weeks there has come to my thought several times along the highroad of recollection a memorial and message of consecration that was left for the American people under unusually dramatic circumstances.

In 1917 there was a young lad from my home town named Martin Treptow. He was a youngster whom, I am informed, had not had an education beyond the eighth grade. He was working in a barber shop at the outset of the first World War, when he enlisted in the National Guard, went to France with the Rainbow Division, was assigned to duty as a runner or liaison man at battalion headquarters. At Chateau Thierry, while carrying a message, he was hit by a shell and instantly killed. As his body was prepared for burial, from his clothing, of course, there were taken articles and papers to be sent as mementos to his family. In that way there was found a diary, on the flyleaf of which he had entered under the heading "My pledge," the memorial to which I now refer.

There are, Mr. President, passages in literature which are so pure in diction, so perfect in simplicity that they seem almost to be the result of inspiration. I think that applies with unusual force to the pledge written by this unlettered youngster who gave his life for his country.

I shall now repeat the pledge. By the way, it appeared in the Paris newspapers and some of the American newspapers at the time, and was quoted by President Woodrow Wilson.

This is Martin Treptow's pledge:

America must win this war. Therefore I will work; I will save; I will sacrifice; I will endure; I will fight cheerfully and do my ut-

most, as if the issue of the whole struggle depended on me alone.

Mr. President, a statement of that kind coming from an uneducated boy, a boy who gave his life, ought to be an encouragement and an inspiration to every American at the present time. I wish that pledge could be carried at the head of every editorial column. I wish it might be possible under the rules that following the prayer the Members of the Senate would recite it. Let me repeat it once more, in the hope that it will be a tremendous inspiration to America in the stress and the turmoil and the difficulties that are ahead of us:

America must win this war. Therefore I will work; I will save; I will sacrifice; I will endure; I will fight cheerfully and do my utmost, as if the issue of the whole struggle depended on me alone.

I wanted to offer that at this time as a memorial in honor of Martin Treptow of my home town and his message of consecration to the people of the United States in the hour of the Nation's need and her danger.

SENATOR FROM NORTH DAKOTA

Mr. LUCAS. Mr. President, I call up Senate Resolution 220 for informal discussion.

Mr. HILL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Alabama.

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Glass	O'Daniel
Bailey	Guffey	O'Mahoney
Bankhead	Gurney	Overton
Barbour	Hayden	Pepper
Barkley	Herring	Radcliffe
Bilbo	Hill	Reed
Bone	Holman	Reynolds
Brewster	Hughes	Rosier
Brown	Johnson, Calif.	Schwartz
Bulow	Johnson, Colo.	Shipstead
Bunker	Kilgore	Smathers
Burton	La Follette	Smith
Butler	Langer	Stewart
Byrd	Lee	Thomas, Idaho
Capper	Lucas	Thomas, Okla.
Caraway	McCarran	Thomas, Utah
Chavez	McFarland	Truman
Clark, Idaho	McKellar	Tunnell
Clark, Mo.	McNary	Tydings
Connally	Maloney	Vandenberg
Davis	Maybank	Van Nuys
Downey	Mead	Wallgren
Doxey	Murdock	Walsh
George	Murray	Wheeler
Gerry	Norris	Wiley
Gillette	Nye	

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Kentucky [Mr. CHANDLER], the Senator from Louisiana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], the Senator from Georgia [Mr. RUSSELL], the Senator from Arkansas [Mr. SPENCER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

Mr. McNARY. The Senator from Vermont [Mr. AUSTIN] is necessarily absent, having gone to Portland, Maine, to deliver a Lincoln Day address in that city.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury.

The Senator from Illinois [Mr. BROOKS] is unavoidably absent.

The Senator from Colorado [Mr. MILLIKIN] has gone to Colorado to deliver Lincoln Day addresses.

The Senator from Massachusetts [Mr. LODGE], the Senator from Minnesota [Mr. BALL], the Senator from Ohio [Mr. TAFT], and the Senator from Connecticut [Mr. DANAHER] are necessarily absent.

The VICE PRESIDENT. Seventy-seven Senators have answered to their names. A quorum is present.

PRICES OF AGRICULTURAL COMMODITIES

Mr. BROWN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table showing the applicable price ceilings, percentage of parity, and January 15, 1942, farm prices for certain specified farm commodities. I think this will be interesting in connection with the Gillette-Bankhead bill which will soon be before the Senate.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Applicable price ceilings, percentage of parity and Jan. 15, 1942, farm price for specified commodities

Commodity	Unit	Applicable price ceiling [1]	Percentage of parity	Jan. 15, 1942, farm price
		Dollars		*Dollars*
Cotton	Pound	0.2147	119	0.1693
Cottonseed	Ton	50.36	153	43.24
Wheat	Bushel	1.420	110	1.061
Corn	Bushel	1.031	110	.727
Oats	Bushel	.641	110	.502
Barley	Bushel	.994	110	.608
Rye	Bushel	1.156	110	.652
Rice (rough)	Bushel	1.439	121	1.576
Flaxseed	Bushel	2.72	110	1.95
Beans, dry edible	Hundredweight.	5.77	117	4.92
Potatoes	Bushel	1.245	120	.976
Sweetpotatoes	Bushel	1.410	110	.930
Hay, all	Ton	19.06	110	10.15
Peanuts	Pound	.077	110	.0511
Apples	Bushel	1.54	110	1.16
Hogs	Hundredweight.	11.59	110	10.55
Beef cattle	Hundredweight.	9.38	123	9.77
Veal calves	Hundredweight.	11.22	114	12.14
Lambs	Hundredweight.	10.98	128	10.30
Butter	Pound	.428	115	.339
Butterfat	Pound	[2] .446	110	.363
Milk:				
Wholesale	Hundredweight.	2.66	114	[3] 2.63
Retail	Quart	.114	115	.115
Chickens, live	Pound	.211	127	.170
Turkeys, live	Pound	.288	137	.205
Eggs	Dozen	[2] .341	114	.313
Wool	Pound	.371	139	.372

[1] Farm prices used. Market prices specified in bill but assumed that farm price equivalent is objective.
[2] Adjusted for seasonal variation.
[3] Preliminary

RETIREMENT PRIVILEGE FOR MEMBERS OF CONGRESS

Mr. BARKLEY. Mr. President, I desire to make a brief statement and an announcement with reference to a bill passed by the Senate on the 19th of January known as the retirement bill, in which was included a provision permitting elective officers, including Members of the House of Representatives and the Senate, to take advantage of its retirement privileges under certain conditions.

I was not in the city on the 19th of January, and of course not in the Senate, and therefore did not vote on the bill. I did not know it was to be brought up on that day; but I could not have been present if I had known it. If I had been present I would have voted against the bill, not because I object to or oppose retirement privileges for Government employees. We have for a long time had a retirement system in the United States applicable to Government employees generally; we have had a system of retirement for Army and Navy officers and for Federal judges, which has been in existence for many years.

The bill which was under consideration in the Senate on the 19th of January principally and fundamentally was one providing for a liberalization of the provisions of the retirement law affecting Government employees. When the bill passed the House it contained a provision making eligible for its benefits elective officers, and the bill came to the Senate with that provision in it. It also provided for the compulsory deduction of 5 percent from the salaries of all employees of the legislative branch of the Government, except the Members of the two Houses, and in their case it was voluntary; under certain conditions, and under conditions which required contributions on the part of Members toward the fund out of which the retirement payments would be made.

When the bill came to the Senate I was interested in one feature of it in particular, and took up the matter with the Committee on Civil Service in an effort to have the bill so amended that our employees here would not be compelled to go into the system, but would be permitted, under an optional provision, to go into it or not go into it, as they might desire. The bill was amended to provide for optional admission of employees of the legislative branch.

As the bill passed the Senate, it contained a provision which has been loudly and widely heralded as one providing for pensions for Members of Congress. The publicity which has spread over the country would lead the people to believe that the bill was nothing but a congressional pension bill as it passed, whereas the truth is that the provision relating to Congress was only an incident in a bill affecting all Government employees.

In my judgment, there is not a Member of the Senate who voted for the bill because it contained a provision making possible retirement on the part of Members of Congress. Many Senators voted for it in spite of that provision, because they did not want to make it appear that they were opposed to the liberalization of the retirement provisions for Government employees generally The bill raised the compulsory contribution required of all other Government employees to 5 percent, to go into a fund out

of which the retirement benefits would be paid after a certain length of service and at a certain age.

Notwithstanding the fact that no Senator voted for the bill because it contained a provision making Members of the Senate and House eligible—as I believe to be the case—the bill has been help up to the public as primarily and fundamentally and principally a bill for the retirement of Members of Congress.

I shall not discuss the merits of any proposition which would have as its objective the possibility of providing annuities or retirement pay for members of the legislative branch of the Government under certain conditions, although I do not think members of the legislative branch stand upon the same footing in regard to that matter with other Government employees. Regardless of all that, I think it was untimely and unfortunate that the bill passed containing such a provision applying to the legislative branch of the Government, making eligible for retirement members of the legislative branch, who are elected, who come here voluntarily and at their own wish, who properly adopt membership here as a career, and not simply as a job to be held. I should deplore the arrival of the day in the history of this country when Members of the House of Representatives, or the Senate would look upon membership in either body as a job, to be held by them merely as a job paying a certain salary per annum, and not as an honorable, worthy career toward which any American boy or girl may aspire and prepare himself or herself.

The bill as it was passed, and as signed by the President, and which is now the law, has undoubtedly been misrepresented, and Congress, by reason of its enactment, has been held up more or less to public ridicule. That leads me to suggest again that in these times, when our people are agitated over the war and over the requirements which we will from time to time make of them in the payment of taxes and in undergoing sacrifices, in my judgment—and I can say this impartially, because I did not vote upon the measure either way—the passage of the bill with the provision in question in it was unwise, untimely, and unfortunate.

A measure has now been introduced in the Senate to repeal that provision of the act which makes it applicable to Members of Congress. I wish to express the hope that the Committee on Civil Service will make a prompt report on that measure one way or the other in order that we may have a vote upon it. I desire to say that I intend to vote for the repeal of that provision of the act making it applicable to Members of Congress, and if the committee does not make a report upon the bill, I shall offer an amendment to any bill on which, from a parliamentary standpoint, it is admissible to repeal that provision of the act, so that the Senate and the House may have an opportunity to pass again on the propriety and the wisdom of the enactment.

In frankness to the Senate and to the country I feel that I ought to say that is my purpose, and that is the way I feel about it; but I do not think the Congress should rightly be held up to the ridicule which has been indulged in since the enactment of that law, for the provision in question was only one phase of a general law applying to hundreds of thousands of persons already in the Government service and who are already eligible to retirement pay. I wish to say to the country, so far as my voice may reach the country, that I feel that way about the matter. I think the action taken was unfortunate. I do not believe any Senator would have voted for the provision in question if it had stood on its merits alone as a bill not connected with retirement generally. Although it was enacted by the Congress, and has been signed by the President, I believe, it ought to be repealed, and I shall vote to repeal it, and if action is not taken on the measure now in committee, I shall offer an amendment on any bill on which it may be admissible providing for the repeal of that section.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CLARK of Missouri. I agree with everything the Senator from Kentucky has said about the unwisdom of passing such a measure, particularly at such a time. Like the Senator from Kentucky, I was unable to be in the Senate on the day the measure was being considered, being confined to my home by a very heavy cold. I may add that if I had been present in the Senate I would have voted against that provision. Does not the Senator think, however, that the repealer should be made to extend to the provisions granting pensions to the President and to members of the Cabinet as well as to Members of the Congress? The President is part of the legislative process and he signed the bill. It seems to me the repealer should extend to them all.

Mr. BARKLEY. I would make the repealer extend to all those who were not in the classification and those who were not already entitled to retirement under the present law.

Mr. CLARK of Missouri. I agree with the Senator from Kentucky.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. OVERTON. I understand that the Senator's main objection to allowing retirement pay to Members of the House and the Senate is upon the ground that they would be considered as holding jobs, and that they ought not to be classified as job holders.

Mr. BARKLEY. I did not quite mean that, I will say to the Senator.

Mr. OVERTON. I am wondering whether the Senator applies that classification to the judges who are entitled to retirement pay, Federal and State; and whether the Senator applies that classification to officers of the armed services, both Army and Navy, who receive retirement pay?

Mr. BARKLEY. I will say to the Senator that I do not, and I did not apply it to Members of Congress. What I think I said, and if I did not say it clearly, what I intended to say was that I hoped the time would never come when the Members of the House and the Senate would regard membership here as a mere job to be held by them as long as possible, because it paid a certain salary, rather than to regard membership as an honorable career offering opportunity for service to the people of the United States.

I do not regard those in the Federal judiciary and in the Army and Navy who are entitled to retirement pay as occupying positions quite analagous to membership in the Senate. I think such officials belong to a different category. The policy with respect to them is the policy of the country, and I think it is a wise policy; but I do not believe that, under the present conditions, and I say so without any criticism of any Senator who voted for the bill, for I think Senators voted for it in spite of that provision rather than because of it—the action taken was justified. I do not believe we can place membership in the Congress in the same category as a life career of military and naval officers, or even of the judiciary, and therefore I did not mean to put them in the category simply of jobholders, and neither did I intend to put membership in the Congress in that category. I expressed the hope that that time would never come.

Mr. OVERTON. Of course, there is a difference, namely, that Members of the Congress would have to pay into the common retirement fund.

Mr. BARKLEY. That is true.

Mr. OVERTON. And judges and Army and Navy officers do not have to pay.

Mr. BARKLEY. That is true.

Mr. OVERTON. I really take exception to much of what has been said, because I am one of those who voted for the measure, and I am one of those who do not expect to take advantage of the retirement provision, because I have received information from the Civil Service Commission as to the payment I would have to make in the event of my retirement at the end of my term, and the amount I would receive would not justify the contributions I should have to make into the fund if I should take advantage of the retirement provision.

I do not think it should be said that the Members of the House and the Senate who voted for the bill classified themselves as mere job holders when they so voted. I am one of those who voted for the measure, and I expect to vote against its repeal. I am perfectly willing to vote for a modification of the act, but I think that when we accord the privilege of retirement to practically all those who render service to our Government, and also to veterans of certain wars, and when we provide old-age assistance, it is not going too far to say to certain Senators and Representatives who have served a certain time and who make contributions to the retirement fund, that after they have quit their positions, either because of having been defeated at the polls or because they do not wish to stand for reelection, they shall not then be thrown, often penniless, upon the cold mercies of the world for a livelihood.

Mr. BARKLEY. Mr. President, I appreciate the Senator's remarks, and I hope he will not think that what I said a while ago was intended to put, or that

it did put, Members of Congress in the category simply of job holders; but the Senator, I think, will recognize the fact that there are many influences in the United States which constantly seek to hold Members of Congress up as mere job holders, and that the only interest they have is in what they get out of the job of being Senator or Member of the House of Representatives. I can appreciate fully what the Senator from Louisiana has said. Notwithstanding all that, I feel, just as I said in the beginning, that the passage of this law was untimely and unfortunate. It has not created a situation calculated to increase the esteem in which the Congress should be held by the people of the United States under the conditions which now exist.

Mr LUCAS. Mr President, let me ask the Senator from Kentucky how long the repeal bill has been before the Civil Service Committee?

Mr. BARKLEY. It was introduced either Tuesday of this week or Thursday or Friday of last week.

Mr. BYRD. Mr. President, I think it was introduced about 10 days ago by the Senator from Virginia, the Senator from Ohio [Mr. TAFT], the Senator from North Carolina [Mr BAILEY], and the Senator from Colorado [Mr. JOHNSON].

Mr. BARKLEY. I understand that, as a matter of routine, the Committee on Civil Service has referred the bill to the Civil Service Commission for a report. So far as I am concerned, I do not need any report from the Civil Service Commission. I do not think any Senator needs a report from the Civil Service Commission to tell him how to vote.

Mr. LUCAS. Can the able majority leader or the distinguished Senator from Virginia give me any information as to what the Civil Service Committee expects to do with the bill? Is it a question of pigeonholing it, or does the committee intend to report it?

Mr. BYRD. Mr. President, I should like to make an appeal to the distinguished chairman of the committee, the Senator from South Dakota [Mr BULOW], that he have a meeting of the committee on Monday morning. So far as referring the bill to the Civil Service Commission is concerned, the Commission has nothing to do with it. Members of Congress are not civil-service employees. I hope the Senator from South Dakota, the distinguished chairman of the committee, will call a meeting of the committee on Monday morning so that prompt action may be taken on the repeal legislation.

Mr. BARKLEY. I do not know whether the Senator was in the Chamber when I began my remarks. I urged the committee to make a report at once to the Senate, whatever the attitude of the committee may be, so that the Senate may vote upon the bill. If the committee does not make a report on it I intend, if necessary, to offer an amendment to any bill with respect to which it might be in order to repeal that provision of the act.

Mr. BYRD. I am very glad to hear the statement of the attitude of the Senator. I hope the chairman of the committee will have a meeting of the committee not later than Monday.

Mr. LUCAS. Mr. President, I should like to make one further observation. During the time I have been in the Senate I doubt if I have received more bitter letters upon any proposition than I have received upon the so-called pension issue. Small as the issue is, I do not think there is anything that is dividing the American people to a greater extent.

Perhaps many persons grossly misunderstand what the law really does. The people of the country have a notion that Members of Congress are attempting to reach out and supply themselves with funds from the Federal Treasury at a time when the people are at the cross roads, buying Defense bonds with their pennies, dimes, and quarters to help buy planes, guns, and other mechanized equipment to carry on the war. Right or wrong, the people have such a notion; and, in my humble opinion, the best thing the Congress can do is to repeal that particular provision of the law as soon as it can; because we cannot afford, on such a small issue as this, important as it seems to the people over the country, to divide the American people in their war effort.

Yesterday, I was in conversation with a gentleman who represents one of the great newspapers in the Middle West. It is not in my State. That newspaper had asked its carriers to try to sell Defense Savings stamps to its subscribers, and the boys were doing a fine job and selling many stamps; but, for some reason or other, the sales suddenly fell off. Upon investigation it was found that the reason was the issue which we are now discussing. In the crisis which we face at this moment I do not think we ought to lose any time in repealing that part of the law. No small blunder which the Congress of the United States may commit ought to continue to cause the people to be divided in this crisis. The danger is serious enough if we are all united upon every issue, as we should be, from the man at the crossroads to Members of the Senate itself.

I voted against this provision when it was under consideration, and I shall certainly vote for its repeal. I cast no reflection upon Senators who voted for it. I would not cast any reflection upon Senators who vote not to repeal it; but, in the interest of national unity and in the interest of what seems to me to be best for our country in one of the darkest days it has faced since the Revolution, Senators had better forego the small privilege which might be afforded them and give the people of the country an opportunity to say, "Congress made a mistake, but it has recognized the mistake and corrected it. We are still for the Congress."

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BARKLEY. Mr. President, the proposal to repeal the provision in question will come before us on its own merits, singly and alone, and uncomplicated with any retirement law affecting others. Therefore no Senator should be embarrassed in his attitude toward Government employees generally by a vote to repeal the provision of the act applying to Members of the Senate and House.

Mr. BYRD. Mr. President, I should like to make it clear that the repeal measure includes the President and Vice President. It includes all elective officers.

Mr. BARKLEY. Mr. President, a moment ago the Senator from Missouri [Mr. CLARK] asked me whether I thought it ought to include the President and Vice President. It ought to include Cabinet Members as well.

Mr. BYRD. It includes all elective officers. I shall be very glad to accept an amendment including Cabinet Members as well.

Mr. O'MAHONEY. Mr. President, I am very happy that the Senator from Kentucky has made the statement which he has made. I am happy that the Committee on Civil Service is apparently about to make a report upon the repealer.

It is no longer a question whether the particular provision is explainable or defensible. The question is whether, in the midst of a most critical war effort, the people of the country should have any cause to feel that Members of Congress are not taking this crisis seriously.

One of the very fundamental issues of this war is the parliamentary system of government. If the people of the country should get into their heads the idea that Members of the Senate and House are interested primarily in preserving their positions and providing retirement pay for themselves, it would be a very serious blow to parliamentary government. It would be a long step toward the establishment of complete executive government.

So, in my opinion, it is of the utmost importance that the Congress should now, without delay—and I believe under the leadership of those who sponsored the original bill—confess that a blunder has been made and that the provision in question should be immediately repealed.

On the other hand, I feel that it is most important for Members of Congress to make it clear to the country that the Congress is not a conglomeration of grab-seeking individuals. A very unfortunate impression has been created in the country that Members of the Senate and House are the recipients of rich emoluments and many perquisites and that they are interested only in preserving such privileges. It seems to me that attention ought to be called to the fact that that is not really the case.

The bill passed the House of Representatives on December 1, 1941, before Pearl Harbor. It was passed in the House by unanimous consent. I venture to say that most of the Members of the House, acting as parliamentary bodies do, thought that this was merely a measure which provided for a general revision of the retirement system. In any event, we were not at war, and most people thought there was little possibility of war. No doubt many Members of the

House knew there was in the bill a provision for retirement for Members of Congress; but, on the other hand, a great many of them knew that many of them were not qualified for immediate benefits under the act.

For example, I turned the other day to the record of service of the Members of the House. If I understand the act correctly, 5 years of service is a minimum for qualification under the Retirement Act. There are more than 150 Members of the House who are now serving their first or their second term, and therefore would not qualify for retirement; and yet the publicity which has been given the matter carries the implication that those persons, after the election in 1942, could qualify for $4,000 pensions. That is not the fact, and the country ought to know that it is not the fact.

Mr. BYRD. Mr. President, if the Senator will yield to me, let me say that if the Representative or Senator has served long enough, that statement is correct. It depends upon length of service.

Mr. O'MAHONEY. Of course that is exactly what I am saying. The statement is applicable if the Representative or Senator has served long enough, but very few have served long enough to get the maximum.

Mr. BYRD. That is correct.

Mr. O'MAHONEY. The impression, however, which has been created throughout the country is that every Member of the Senate or the House is qualified. The fact of the matter is that there are only two Members of the Senate who have served in this body long enough to obtain a pension or a retirement payment of $4,000; but the country does not know that. The country believes that every Member of this body would be qualified for a $4,000 pension.

Mr. BYRD. Of course, Mr. President, that is not correct; but every Member of this body who has served for 5 years, and who is 55 years of age, can receive a pension beginning on January 1, 1942, by paying 5 percent of 1 day's salary, $1.39. That is an exact statement which is confirmed by the Civil Service Commission.

Mr. O'MAHONEY. The Senator is talking about something altogether different from the point I have raised. I am trying to point out that few Members can qualify for the maximum and many cannot qualify at all.

Mr. BYRD. I have never smeared the Members of Congress, and I resent such an imputation, Mr. President. It is false in its entirety. I have told the truth about the pension bill, and others have not done so. I shall continue to tell the truth. What I have said has been confirmed by the Civil Service Commission. If it is a crime to tell the truth, then the Senator from Virginia is guilty.

Mr. LUCAS. Mr. President, I make the point of order that the Senator from Virginia is not in order. I have the floor, and I have yielded to the Senator from Wyoming [Mr. O'MAHONEY].

Mr. NORRIS. Mr. President, I make the point of order that the Senator from Illinois does not have the right to farm out the time. He cannot yield for general speeches.

The PRESIDING OFFICER. The point of order is well taken.

Mr. LUCAS. I will answer the Senator from Nebraska by saying that I am not attempting to farm out the time. I am attempting to get a little order in the Senate, and I am hopeful that the Senator from Nebraska will cooperate with me. I have the floor, and I have yielded to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I will complete my statement. My desire is to make it clear to the country that all the Members of the Senate and the House are not entitled to $4,000 retirement pay. I do that because I have seen editorials in which the attempt has been made to compute the amount of money that would be paid out under this act. I saw one computation which multiplied $4,000 by the total membership of the Senate and the House, and in connection with which it was said, "This is the amount of money that the Members of the Senate and the House voted for themselves."

Mr. BYRD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Mr. President, the Senator will please pardon me——

Mr. BYRD. But the Senator from Wyoming has made a reference to the Senator from Virginia; and I desire to know whether the Senator from Wyoming charges the Senator from Virginia with making the statement that every Member of the Senate and the House would be entitled to a $4,000 pension.

Mr. O'MAHONEY. No; I know the Senator from Virginia did not make such a statement. Certainly I did not charge the Senator with making that statement.

Mr. BYRD. The Senator from Virginia has told the facts. I cannot be responsible for newspaper statements unless I make them.

Mr. O'MAHONEY. I repeat I know that the Senator from Virginia did not make that statement; but I say that, as a result of the debate which took place upon this floor, the impression has gone forth throughout the country that Members of the Senate and Members of the House were voting themselves on that day, as of this year, a $4,000 pension; and I simply desire to make it clear that that is not the fact.

Mr. President, I am jealous of the reputation of the Members of the House and of the Senate. I have observed the Members of this body and of the House over a long period of years. I have not been a Member of the Senate very long. I have been a Member of this body about 8 years, and I am proud to have been associated with this group. I know that members of the press will talk with individual Members of the Senate and will give individual Members of the Senate the feeling, at least, that they regard the Members with whom they are at the moment talking as men of some decency and reputation and some patriotism.

This, however, is not a matter of individual reputation. This is a mass misrepresentation of the Congress of the United States. I do not hesitate to say, Mr. President, that the membership of the Senate and the House will compare favorably with that of any similar body of citizens gathered anywhere. I do not hesitate to say that the patriotism of the Members of the Senate and the House ranks as high as that of any other group which could be found. I do not hesitate to say that the Members of the House and the Senate are as little concerned with what happens to themselves in this crisis as are the masses of the people of the country; and I should like to raise my voice, feebly though it may be, to try to counteract the misrepresentation and the distortion which have gone through the country, and to say that, to my mind, this is the primary reason why the Congress should, without the slightest delay, demonstrate to the country, not that it was right in passing the bill, but that today it is willing to do its part by foregoing any benefits which might accrue under it. The Congress should forego the benefits of the Retirement Act.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield.

Mr. CONNALLY. The Senator from Wyoming intimates that the press has created a wrong impression about the result of the vote on the retirement bill. The press ordinarily is very generous and fine; but I have a complaint. The newspapers would not even print the names of those who voted against the bill. I voted against it, but I am getting "cussed" worse than are those who voted for it. Everyone assumes that I am responsible, and I am receiving great stacks of letters denouncing me for voting for it.

So I advise the Senator, if he is to go on record, that he should speak long and loud, so that the members of the press who are now in the press gallery can hear about it. They will not carry the news.

Mr. O'MAHONEY. Mr. President, my point is, of course, that the rain falls on the just and the unjust alike; and all of us are subjected to criticism, every Member of Congress, whether he voted against the bill, as did the Senator from Texas, or whether he was absent from the Chamber upon the occasion of taking the vote. As it happens, this was one of the half dozen yea-and-nay votes that I have missed in all my service here; and I missed it only because on that day I was trying to do some work to convince the conferees on the price-control bill that a large element of the population of this country ought to be taken into consideration in that measure.

Mr. CONNALLY. Mr. President, will the Senator further yield?

Mr. LUCAS. I yield.

Mr. CONNALLY. Judging from the proclamations made here today by those who were absent when the vote was taken, I believe that if all of them had been here the bill would have been defeated. [Laughter.]

Mr. O'MAHONEY. Mr. President, if the Senator from Illinois will further yield to me, I think there can be no doubt about the accuracy of what the Senator from Texas has just said.

I have concluded my statement; and I thank the Senator from Illinois for having yielded to me.

Mr. BULOW rose.

Mr. LUCAS. Mr. President, I yield to the Senator from South Dakota.

Mr. BULOW. Mr. President, as chairman of the Civil Service Committee, I probably should make a statement to clear up the position I take as chairman of the committee.

Two bills were introduced to repeal the provision under discussion. Following the usual custom of the committee in respect to all bills affecting civil-service matters, we send such bills to the Civil Service Commission for such opinion as it may choose to express. That was done with the bill of the Senator from Virginia [Mr. BYRD] and the bill of the Senator from Kansas [Mr CAPPER] We have not yet received a report from the Commission. It is the intention of the chairman of the Civil Service Committee to call a meeting of the committee just as soon as we receive that report If we do not receive the report within a reasonable time, the chairman will call a meeting of the committee without the report.

I do not think we should become unduly excited about this matter. The people of the country seem to be disturbed, but they have misinformation; and I take it that it will be the duty of the members of the Civil Service Committee to give a proper study to the matter so that the people of the country at least can be corrected in the views which they have entertained.

I wish to assure the Members of the Senate that a meeting of the Civil Service Committee will be called in due time; there will be no unusual delay.

Mr. LEE. Mr. President, will the Senator from Illinois yield to me?

The PRESIDING OFFICER (Mr. BUNKER in the chair). Does the Senator from Illinois yield to the Senator from Oklahoma?

Mr. LUCAS. I yield.

Mr. LEE. Mr. President, last Monday I rose on the floor of the Senate, and advocated the repeal of the provision of the law to which reference has been made. As has been so well stated by the Senator from Wyoming [Mr. O'MAHONEY], it is not a question of the Congress trying to prove the bill to be right or wrong, or even trying to explain it; it is a question of maintaining the confidence and faith of the people of this country in their Government and in their elected officials. There are some things which are proper in certain places, but which in other places are very wrong. Sometimes peanut-butter sandwiches may be relished by some people, but if a man is dying of thirst in the middle of the Sahara Desert, I could not imagine anything more disgusting to him than a stack of peanut-butter sandwiches. We are at war; we are in a very serious war, and the news that comes from every front is certainly not at all reassuring.

When France first declared war, she had the same unity we had in this country right after Pearl Harbor. Then, little trickles in the dike started to destroy that unity. Soon they began clawing at each other's flesh; soon they began picking fault one with the other. Then they demanded that their public officials be changed. Soon they began changing their military commanders. This confusion was worth many armored divisions to Hitler's cause. The people of France destroyed themselves. The battle of France was lost before it was begun. Let us profit by their fatal mistake and not do a thing that will destroy national unity.

We had complete unity in this country following Pearl Harbor, but, after that, we began to find fault one with another. The men who represent the Government of the United States in official capacity are simply the John Q. Citizens who have been elected to office and honored by that position. They are human; they are liable to mistakes. Certainly we are impatient that we cannot take the offensive today to win this war, but I call attention to the fact that if impatience begins to show itself in finding fault with each other, we will damage our national morale and then we can expect the confusion to react to the advantage of our enemies.

Napoleon once said, "Give me allies to fight," feeling that he could drive a wedge between them. In a like manner that is beginning to happen within our own country. We have begun to pick at each other. The result is helping our enemies. I believe as officials of government it is our duty to do everything possible to prevent the people from losing confidence in their Government. It is our duty equally to refrain from doing anything that might destroy their confidence in us. A scratch may be a small thing; but if we pick at it, soon it will fester and swell and inflame, and then the poison of gangrene will shoot to the heart, and the result will be death.

Mr. President, I want to see America united. For my part I am willing to do anything that will contribute to that unity.

Therefore, I again urge the speedy repeal of the law which places Members of Congress under the Civil Service Retirement Act, in order that the people may know that we are willing to do everything within our power to hold together the strong fabric of national unity.

Mr. OVERTON. Mr. President, in the remarks I made a few moments ago I said that I had voted for the bill. I was in error in that statement. I was not present on that day; I was ill, and, because of illness, was unable to be in attendance upon the session of the Senate. I wish to say now, however, that had I been here I would have taken the same position the Senator from Oklahoma and many other Senators took, and I would have voted for the bill.

I notice by looking at the vote on page 475 of the CONGRESSIONAL RECORD of date January 19, 1942, that only one-fourth of the entire membership of the Senate voted against this bill; only 24 nays were cast.

Mr. President, from my viewpoint, I do not think that a convincing argument can be made against, at least, the principle of the bill.

It may be that the Senator from Virginia [Mr. BYRD] and the Senator from Nebraska [Mr. NORRIS], who fought the enactment of the legislation, were right from the beginning, and it may be that the large majority of the Senators who voted for congressional retirement pay were wrong. It may be that had I been here and voted for it—as I should have done had I been present—I would have been wrong about it. The only argument presented that appeals to me is an argument that we who practice law in the civil courts call an argument "ad inconvenient." It does not relate to the merits; but purely as a matter of convenience, as a matter of temporary policy, it may be well enough, in the interest of unity, to repeal this legislation with a view of reenacting it at a later time It would be only such arguments as those that would appeal to me.

So far as my State is concerned, I have received only two letters upon the subject matter, and the people of my State do not seem to be very much disturbed about it. I assume that they recognize that Members of Congress have as much right to a pension, so-called, as the Cabinet officers and the judges and the military and naval officers and many others who receive pensions, and receive them without making any contribution whatever.

Referring to the interpretation which the Senator from Virginia [Mr. BYRD] has given to a certain provision of the act, if the law is susceptible of such construction, that one may pay in a dollar and a few cents just as his term is about to expire or he is about to resign and then get a pension, of course that is wrong, and ought to be corrected by proper amendment. I do not think such an argument was made during debate. I was not present, but I do not think this alleged defect was pointed out on the floor during the discussion.

It may be that in response to popular clamor we should repeal this legislation; but, so far as I am concerned, that is the only argument which has been advanced here today that is in any way appealing.

So far as the merits of the controversy are concerned, I think the merits are in favor of the legislation. I think the Members of Congress who have served a certain period, whether it be 5 years or 10 years or 7 years, who have made liberal payments into the retirement fund, ought to have the benefit to which practically all others who serve the Federal Government and many who serve the State governments are entitled. When in their old age, having attained the age of 62 years, they have to retire from Congress, or they retire because of illness or failure of reelection or for some other reason, when they cannot again take up their vocations in life, when they are penniless, as many of them are and as many of them will continue to be, I think men whose government has received the benefit of their services through a period of years, men who have been sent to serve their government by popular vote, are entitled to some consideration. It will not do, in my opinion, to wipe the whole

thing aside by saying that because we are the beneficiaries we ought not to vote for legislation that will take care of old, retired, and destitute Members of the House and of the Senate.

Mr. BYRD. Mr. President——

Mr. OVERTON. I have the floor.

Mr. LUCAS. Mr. President, I have the floor.

Mr. OVERTON. No; I think I was recognized.

Mr. LUCAS. The Senator from Louisiana may have been recognized, but I have the floor, I think, Mr. President.

Mr. OVERTON. I am sorry, but the Senator from Illinois had taken his seat and I rose, and the Chair recognized me. I do not care to take the floor away from the Senator from Illinois. He may continue to hold the floor.

Mr. LUCAS. I do not care whether I have it much longer or not. I rose to discuss another matter which I thought was of some importance, and the Pension Act has taken a considerable length of time.

Mr. OVERTON. Mr. President, in order to avoid any further controversy, I shall resume my seat.

Mr. BYRD. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. Does the Chair recognize the Senator from Illinois?

The PRESIDING OFFICER. The Senator from Illinois is recognized. Does he yield to the Senator from Virginia?

Mr. LUCAS. I yield to the Senator from Virginia; but I hope he will take as short a time as possible.

Mr. BYRD. I shall take a very short time.

Mr. President, if I heard the Senator from Wyoming [Mr. O'MAHONEY] correctly, he accused the Senator from Virginia of "smearing" the Senate. If I am incorrect in that statement, I should like to be informed by the Senator from Wyoming. If I am correct, I shall have something to say about it.

Mr. O'MAHONEY. Mr. President, if I may trespass upon the time of the Senator from Illinois, I am conscious of the fact that in my remarks here I did use the word "smear" in connection with the campaign that has gone on with respect to the Retirement Act. I will say to the Senator that I did not mean to intimate—and if I did, I will withdraw the language—that he personally "smeared" the Senate; but I do say that a very unfortunate inference has been drawn from what the Senator from Virginia said.

Mr. BYRD. Does the Senator from Wyoming charge the Senator from Virginia with misstatement?

Mr. O'MAHONEY. I do not charge the Senator from Virginia with misstatement, but I will say that I feel that the Senator from Virginia could have been much more careful than he was in the language which he used; and, if the Senator will permit me to prove why I say that, I will quote his statement upon the floor. This statement appears on page 456 of the CONGRESSIONAL RECORD of January 19, 1942:

Mr. BYRD. Mr. President, under the bill as it now stands a Representative or a Senator who came into office in 1915—

The Senator is accurate now, of course—

a Representative or a Senator who came into office in 1915—

That is more than 25 years ago—

by paying $200 and retiring on January 1, after having served 5 years and being 62 years of age, would draw $3,139 a year for life.

Mr. President, all my amendment does is to put the Representatives and the Senators, the elective officers themselves who appropriate the money, on the same basis as those who are in the civil service and who have been paying into the retirement fund all through the years.

I am not opposed to a proper and sound retirement plan. I am in favor of the bill, with the exception I have stated. I think the Congress of the United States would place itself in a very unfortunate position if at this time, when the country is in the perilous condition which now confronts it, we were to vote ourselves what is the equivalent of substantial pensions by the payment simply of one single payment for the balance of this year, approximately $200, assuming, of course, that the Representative or Senator retires on the 1st of next January.

Mr. President, I submit that the only possible inference from that language used by the Senator from Virginia is that Senators and Representatives as a whole, by the payment of $200 before the 1st of next January, if they retire, would be entitled——

Mr. BYRD. Mr. President, I cannot permit the Senator to make that statement. He is falsifying the RECORD as he reads it, because it says distinctly that they would have to serve a certain number of years before they could do that.

Mr. O'MAHONEY. If the Senator will bear with me, I am answering his question, and he will see that I am not falsifying the RECORD.

Mr. BYRD. If the Senator draws that conclusion——

Mr. O'MAHONEY. I will draw my own conclusion, and let the Senator draw his.

Mr. BYRD. The Senator draws a false conclusion. I will say that here or at any other place.

Mr. O'MAHONEY. Not at all. Let me read what the Senator said.

Mr. President—

Said the Senator from Virginia—

under the bill as it now stands——

Mr. BYRD. I ask to have a copy of the RECORD of that date brought to me.

Mr. O'MAHONEY. I will let the Senator look over my shoulder as I read.

Mr. BYRD. I do not care to look over the Senator's shoulder.

Mr. OVERTON. Mr. President, from what page is the Senator reading?

Mr. O'MAHONEY. Page 456, near the top of the third column.

Mr. President—

Said the Senator from Virginia—

under the bill as it now stands, a Representative or a Senator who came into office in 1915, by paying $200 and retiring on January 1, after having served 5 years and being 62 years of age, would draw $3,139 a year for life.

Mr. BYRD. Does the Senator say that is incorrect?

Mr. O'MAHONEY. Mr. President, that is an absolutely correct statement; and if the Senator had borne with me, I would have stated again, as I did when I first read it, that it is a correct statement; but I am saying to the Senate and to the country that the inference which has been drawn from that is that every Member of the Senate would qualify.

Mr. BYRD. The Senator charged the Senator from Virginia——

Mr. O'MAHONEY. There are but two Members of this body who have been in the Senate since before 1915. The third ranking Member of the Senate, the senior Senator from Tennessee [Mr. MCKELLAR], did not enter the Senate until 1917.

I will say to the Senator from Virginia that my whole purpose is not to charge him with having "smeared" the Senate, is not to charge him with circulating a false report, but to say that the inferences which have been drawn from the statements the Senator made upon the floor——

Mr. BYRD. Yet the Senator admits that those statements are correct.

Mr. O'MAHONEY. Of course, the statement was correct, but the conclusion which the Senator drew was not correct, and I shall read his language:

If * * * we were to vote ourselves—

"Ourselves"; that means all of us—

what is the equivalent of substantial pensions by the payment simply of one single payment for the balance of this year, approximately $200, assuming, of course, that the Representative or Senator retires on the 1st of next January.

Mr. BYRD. The Senator is an experienced lawyer, and he should read that statement in connection with the beginning of the sentence, where I said it was necessary to serve since 1915, and likewise to be 62 years of age.

Mr. O'MAHONEY. That is why I say, as clearly as I can, that I know the Senator did not intend any false conclusion. I am not charging the Senator with personal fault in this matter, and, as I told him privately when he said he was going to ask me to speak about it, I shall be very willing to withdraw utterly the sentence in which I used the word "smear," if it carries any personal implication.

Mr. BYRD. It is not true as applied to the Senator from Virginia.

Mr. O'MAHONEY. The Senator from Virginia is a very able man, I know——

Mr. BYRD. What I said about the bill is the truth. It may be that some Senators do not like it, but it is the truth.

Mr. LUCAS. Mr. President, I make the point of order that I have the floor, and I should like to claim the floor and not yield any further.

The PRESIDING OFFICER. The Senator declines to yield further.

Mr. BYRD. I think I should be permitted, in view of the statements made, to reply. I hope the Senator from Illinois will permit me to make a very brief statement.

Mr. LUCAS. I think the Senator from Illinois has been very patient in yielding to a discussion of the pension matter, and if there are any further remarks to be made on the subject I should like to have them made after I conclude.

Mr. BYRD. May I not rise to a question of personal privilege?

The PRESIDING OFFICER. Not while the Senator from Illinois has the floor.

Mr. BYRD. I hope the Senator will yield to me to make a very brief statement.

Mr. LUCAS. Very well, I will yield to the Senator from Virginia, but I hope the Senator from Virginia will not permit any one to trespass upon his time while he is speaking.

Mr. BYRD. Mr. President, as we all know, the so-called retirement bill was passed in the House of Representatives without a record vote. It came to the Senate, and was referred to the Committee on the Civil Service, where the Senator from Virginia offered an amendment to strike from the bill the provision relating to the elective officers of the Government. The Senator from Virginia does not believe that elective officers of the Government should be incorporated into the civil service and receive pensions or any retirement payments.

My amendment was defeated in the Civil Service Committee by a tie vote, five voting in favor of eliminating the elective officers, and five voting against it. The bill then came to the floor of the Senate, and the Senator from Virginia offered an amendment providing that the members of the elective branch of the Government should be required to make the same payments as civil-service employees are required to make when they entered the plan. The amendment was defeated. Then the Senator from Virginia voted against the bill.

Mr. President, I favor a sound and just retirement system for civil-service employees wherein contributions are made. I have always favored such a system, and I made it as clear as I could. The Senator from Wyoming, in reading just a brief statement from my remarks in extended debate, has not been entirely fair. Yet he does not question a single statement of fact as made in the debate by the Senator from Virginia. If I made an incorrect statement, I should be the first to correct it.

Mr. President, there is no man in this body who is less desirous of reflecting on his colleagues, or who would refrain to a greater degree fro so doing, than the Senator from Virginia; there is no man in the Senate who has a higher respect for the individual Members of the Senate than have I; but I say, with all the frankness and candor of which I am capable, that I know of nothing which has discredited the Congress of the United States in the public mind to a greater degree than has the passage of this pension legislation. At a time when we are engaged in a desperate war, a war which may last for years to come, a war in which thousands and it may be hundreds of thousands of American boys will fight and die on foreign soil, and at a time when this country is united for sacrifice, those in the hills, those in the valleys, those in the swamps, the Congress has voted a pension to itself.

This action has done much to destroy national unity. I am so zealous of the reputation of Congress that I have been urging repeal of the provision in question.

The Senator from Wyoming refers to the statement I made that it would require a payment of $200 to obtain a pension on the 1st of January 1942, assuming the applicant had served 5 years and assuming that he was 62 years of age. After the speech of the Senator from Virginia an amendment was adopted in the Senate—and, of course, I could not refer to it then—which reduced the payment to 5 percent of one single day's salary, which amounts to $1.39.

I state it as a fact which no one can deny, because it comes officially and in writing from the Civil Service Commission, that any Member of the Senate or of the House who has served for 5 years, not only for those 62 years of age, but it now appears, for those 55 years of age, who retire on January 1, 1942, either by defeat at the polls or by voluntary retirement, can obtain a life pension by the payment of merely 5 percent of 1 day's salary. That is a fact.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BYRD. I cannot yield without the consent of the Senator from Illinois. I shall yield when I conclude, or the Senator can take the floor.

Mr. President, I resent any imputation of any character whatsoever that I as a Senator, a Member of this body, gave out any statement which in any way reflected upon the character or upon the attitude of my colleagues in the Senate. I do not agree with the majority of my colleagues in this matter; I frequently do not agree with them, but I, as much as any other Member of the Senate, have a desire to see the legislative branch of the Government held in the highest respect by the people of this country, because I believe that the salvation of America today lies in the confidence which the American people have in the President of the United States, in the two branches of Congress, in the Government of our country as a whole.

Mr. O'MAHONEY. Mr. President, will the Senator from Illinois permit me to ask the Senator from Virginia a question?

Mr. LUCAS. I have yielded to the Senator from Virginia. How long does he think he will take?

Mr. BYRD. I shall have a short statement to make.

Mr. O'MAHONEY. I think there is no more important question before the country at this time than the one now being discussed. The Senator from Virginia would be entitled as a matter of personal privilege to claim the floor, and I hope the Senator from Illinois will not prevent me from asking a question.

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. LUCAS. I refuse to yield further.

Mr. BYRD. Mr. President, will not the Senator permit me to finish my statement?

Mr. LUCAS. I have yielded to the Senator from Virginia.

Mr. BYRD. I wish to complete my statement for the record of the Senate. I want the RECORD complete as to everything the Senator from Virginia said about this matter. I made my statements on the floor of the Senate at the time of the message of the bill. I want to read into the RECORD now the only public statement I have made, and I challenge any Senator to show any material inaccuracy in it. This statement was issued several days ago. It was issued, I may say, Mr. President, because the Civil Service Commission—and I regret to say it—yielded to political pressure and issued a statement attempting to defend these pensions, a statement which ought to be regarded as nothing but propaganda, something in which I have never previously known the Civil Service Commission to indulge, a statement which was simply a matter of argument, and not a presentation of facts, and in three instances, as I shall point out, the statement was inaccurate. The Civil Service Commission has issued a subsequent clarifying statement.

Mr. President, I shall now read the only public statement I have issued, and my remarks today and the remarks I made on the day the bill was passed, together with this public statement, constitute a complete record of what the Senator from Virginia has said.

Mr. O'MAHONEY. Mr. President, I should like to have the Senator from Virginia state how many Members of the Senate would be entitled, under the Senator's interpretation of the bill, to draw retirement pay of $4,000 by the 1st of January next.

Mr. LUCAS. Mr. President——

The PRESIDING OFFICER. The Chair has recognized the Senator from Illinois.

Mr. LUCAS. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois yields the floor. The Chair recognizes the Senator from Virginia.

Mr. BYRD. Mr. President, I shall answer the Senator from Wyoming. I have never made any statement as to the number of those who would receive $4,000. The Senator shows ignorance of this legislation. He does not understand that those who served in the House can add that service to their service in the Senate. The Senator does not understand that he, as a former secretary, could add those years of service in computing the benefits he would receive under the measure. I did not make a statement as to that. I took the statement given me by the Civil Service Commission, which began with service in 1907. There is one Member of the House, I believe, who has been in the House since 1907. I read that, and I read straight down the line those who served from 1907, from 1909, from 1911, and so on, and I furnished copies of the statement to other Senators.

Mr. O'MAHONEY. Did the Senator read that into the RECORD?

Mr. BYRD. It was read into the RECORD in the debate, and the matter was discussed that day.

Mr. O'MAHONEY. Mr. President, I have read the RECORD very carefully, and I do not find it there. The Senator has found one Member of the House who has

been there since 1907. May I ask the Senator whether he knows how old that Representative is?

Mr. BYRD. Mr. President, I have not gone into the matter of the age of the Representative.

Mr. O'MAHONEY. That is exactly the point I am making.

Mr. BYRD. This is what I said in my public statement——

Mr. O'MAHONEY. The Senator from Virginia in his statement has completely misled the people of the country, because improper conclusions and inferences are drawn. A moment ago I asked the Senator if he would state, if he knows, how many Members of the Senate would be entitled to the maximum pension?

Mr. BYRD. Mr. President, that is not the point. I said that that figure began with Members who had service in 1907. I did not say that all Members would receive $4,000. I said any Member who served from 1907 could obtain $4,000, and included in that service is not only the service in the Senate, as the Senator from Nebraska [Mr. NORRIS] knows, but to his Senate service would be added his service in the House of 10 years.

Mr. O'MAHONEY. Will the Senator——

Mr. BYRD. Let me finish my statement.

Mr. O'MAHONEY. Mr. President, I shall abandon the whole matter if the Senator will permit me to make one more statement, because what he has just said completely confirms the point I am trying to emphasize. I want to have it clear——

Mr. BYRD. If the Senator wants to interrupt me for a question he can do so, but otherwise let him speak in his own time. I will finish my statement.

Mr. President, and Members of the Senate, I have before me the only statement I have made on this subject, and I think I am one of those who think that the people of America are entitled to the facts. The bill was not passed in such a way as to give the people the full facts. I believe that in a democracy, above everything else, in any matter affecting the people of the country, the average citizen should have the facts made available to him. The Senator from Wyoming has been unable to point to a single inaccurate statement made by the Senator from Virginia.

Mr. President, so as to complete the record of what I said, I want to read to the Senate the only statement I have made, and I made it because the Civil Service Commission, under the influence of political pressure, I regret to say, gave out a statement which in several instances was incorrect with respect to the facts. My statement is as follows:

> An erroneous implication has been drawn from a public statement recently issued by the Civil Service Commission as to whether or not a Congressman or Senator who retires, voluntarily or by defeat, on January 1, 1942, after 5 years of service, can purchase a life pension by the payment of 5 percent of 1 day's salary.
>
> Mr. Harry B. Mitchell—
>
> I got him to come down to my office—
>
> President of the Civil Service Commission, informs me that my previous statement, to the effect that such a pension can be obtained for life by the payment of $1.39, is accurate.
>
> This life pension to individual Senators and Congressmen will vary in accordance with the length of service from approximately $50 per month to approximately $300 per month.
>
> The same public statement by the Civil Service Commission further said that no pension could be paid until a Congressman or Senator is 62 years of age. Mr. Mitchell now informs me that this is erroneous and that a pension can be paid to Members of Congress beginning at the age of 55, although the amount would be computed on the basis of 62 years of age.
>
> Mr. Mitchell informs me that the Civil Service Commission shortly will issue a clarifying statement.
>
> The public discussion of this matter so far has failed also to reveal that, under the law as passed, if a Senator or Congressman becomes disabled to perform his accustomed work, by certification of proper medical authorities he at once becomes eligible for a pension, regardless of age.
>
> It is very unfortunate, I think, that a pension bill for Members of Congress should have passed the House of Representatives without discussion or explanation, and without a roll call. Neither was there adequate discussion in the Senate, despite the efforts of some of us to do so, although there was a roll call in the Senate on an amendment and on the bill itself.
>
> A repealer of that section of the Retirement Act relating to pensions for Congressmen and Senators has been introduced by Senator BAILEY, Senator BURTON, Senator JOHNSON of Colorado, and myself. We will press for prompt action. The country is demanding its prompt repeal.
>
> Congressmen and Senators should never be regarded as civil-service employees. Under our Constitution they are elected for specific terms. It was never contemplated that the elective branch should be considered as holding life positions. They can only hold office subject to the will of their constituents.
>
> If we in Congress vote for pensions and new perquisites for ourselves, then we cannot deny similar favors to all other citizens.
>
> At a time like this when our peril calls for great national sacrifice and self-denial, Members of Congress should, I think, set the example.

Mr. President, that is the statement I issued, and that, in addition to what I have said on the floor of the Senate, constitutes everything I have said or given out with respect to this pension legislation.

Mr. O'MAHONEY. Mr. President, I think it unfortunate, in connection with this matter, that Members of the Senate and of the House on both sides who participated in the original discussion seem to feel that it is important for them to defend the original positions which they took, instead of acting on the facts as they are now. I refer, for example, to the members of the Civil Service Committee in the House, if I may with propriety do so. I read the debate on the floor of the House the other day, and I find that the Representative from Georgia [Mr. RAMSPECK], feeling that his committee was right in recommending this extension, is now pursuing the policy of letting the country understand the reasons which moved him. I can understand that.

I feel that the Senator from Virginia [Mr. BYRD] today has taken a personal view of the argument. Probably he is entitled to take a personal view because of some language I used; but to him privately, before he recently took the floor and again upon the floor, I disavowed any intention to cast any personal reflection upon the Senator from Virginia. I do so again. That was not my purpose then; it is not my purpose now.

When I rose to take the floor today to speak about this matter, it was for the purpose of applauding the notice given by the Senator from Kentucky [Mr. BARKLEY] that it is his purpose to seek early repeal of this provision. I believe that the fundamental arguments which the Senator from Virginia has made are correct. I believe that elective officers who, under the Constitution, must submit themselves to the suffrage of the people—in the House of Representatives every 2 years, in the Senate every 6 years, and in the case of the President every 4 years—should realize that under the Constitution they must go to the people periodically for a new commission, and that they do not fall in the same category as do civil-service employees who take an examination and acquire a permanent status as permanent employees. I can see a difference between a civil-service clerk and a Member of Congress. I can see a great difference between a Federal judge, who receives retirement at full pay without payment into any retirement fund, or an Army or Navy officer who is retired on three-quarters pay without any payment into a retirement fund, and members of the elective system. There ought to be a difference; and, for my own part, I am content to appear periodically before my constituents and have my certificate to speak for them in this body renewed or withdrawn. I do not ask any pension or any retirement for that service.

However, Mr. President, because I am jealous of the good reputation of Members of this body and of Members of the House, particularly at a time when parliamentary government is being destroyed almost everywhere, I think it is very unfortunate that statements such as that just read by the Senator from Virginia do not present the picture as it actually is and give rise to incorrect inferences. Of course, the Senator is right. If a Member of this body has served since 1915, is 62 years of age, and meets the other qualifications, he is entitled to a pension of $3,000 or $4,000, or whatever it may be; but Members of the House or Senate who have served 25 or 30 years are no longer young men, in the first place, and constitute only a small proportion of the entire membership in the second place.

My point is that the facts have not been made clear to the people, who think that the maximum retirement benefits—the maximum pension, if you please—can be obtained by every Member of Congress, whereas that is not the fact. I think it is unfortunate that, with respect to 150 or more Members of the House who are now serving their first or second terms and who, therefore, cannot now qualify for retirement, the impression should have been created in the

minds of their constituencies that they would be entitled to $3,000 or $4,000 a year if they retired after the next election. That is very unfortunate at a time such as this, because the confidence of the country in its Congress should not be undermined.

So, Mr. President, I rose for the purpose of focusing attention upon the fact that the condition which has been described in the public prints—and I am not blaming anybody for it—does not give an accurate understanding of the facts. Many Members, I know, would not be willing to make the $500 annual payments required by the act.

Because we are in a war, and because elective officers are in an altogether different category from appointive officers; because it is important to have complete national unity; and because the country ought to know that Congress is as ready to sacrifice as is any other group, I feel that no time whatever should be lost in the repeal of this provision.

Mr. TYDINGS. Mr. President, in these very dark hours all over the world it seems to me there is a pretty good rule of conduct—which I hope I shall not violate—in discussing all matters of public concern. The first question should be, Is what you say the truth? The second question should be, Would a soldier in the front line of General MacArthur's troops on the Bataan Peninsula approve your utterance at this time? I hope I can qualify within the range of those two general questions.

In my humble judgment, we are debating a very proper subject, but one which is comparatively infinitesimal in the whole confusion of the movement to prosecute the war. First of all, I wish to say that the Senator from Virginia [Mr. BYRD] is one of the ablest, most patriotic, and valued Members of this body. He is doing a larger work, of which this is a part. Whether he receives it or not, he deserves the approval of every man, woman, and child in this Republic. Long ago he saw the larger picture, and he has directed his very peculiar and fine administrative talents to the elimination of peacetime luxuries in the midst of a threatened disaster to the whole Government.

It becomes more and more difficult to sit silently in this Chamber in the face of undertakings throughout the Government which, in my judgment, are sufficient at times to cause the soldier in the front line in the Bataan Peninsula to throw down his gun in disgust. For what are those men fighting? They are fighting for the preservation of the American way of life and the perpetuation of our democratic institutions. That is primarily the thing they are fighting for, as I see it; and while they are dying on the battlefield, as many of them are doing every day, here at home we are destroying the very thing which they give their blood and their efforts to perpetuate.

This Government is an overgrown monstrosity from top to bottom, an extravagant, wasteful bureaucracy in the midst of the whole war prosecution; and every Senator knows it. For 10 long years, from 1930 to 1940, long before the last 2 tragic years were marked off on the calendar of time, Congress had been appropriating $2,700,000,000 a year more than the Government had been taking in. A debt of $30,000,000,000 was rolled up; and always the Budget was to be balanced "next year"; always there would be a $100,000,000,000 income "next year."

Every kind of an undertaking which someone who had never had any business training or contact with the administration of government thought was wise was engaged in. The disclosures already presented by the Byrd committee are shocking; but everybody has known more or less about them for 10 years. Even now domestic bureaus are multiplying, and agencies which are remote from the conduct of the war effort are being expanded.

I am not satisfied with the industrial situation, either. I think strikes ought to end and stay ended until the men in the front lines get the guns which they ought to have to defend their lives and save this country. I am disheartened that there is not enough courage in the high leadership of this administration to bring into being a law that would prevent strikes. We are not running a New Deal war or an Old Deal war, a Democratic war or a Republican war. A man is not asked what his political beliefs are when he is drafted for service in the Army or Navy. I think men like Wendell L. Willkie, who has a fine business administrative background, and who has shown an intense interest in winning this war, ought to have a place in this Government, a place too long denied him, in my opinion, Democrat though I am, and though I did not support him.

Yesterday for 2 long hours we had Dean Landis, of the Harvard Law School, before our committee, touching on the question of civilian defense. He is an able man, a learned man, but as unfit for that office—and I say it without the slightest intent of being sacrilegious—as I am to be the primate of the Church of England. There are places into which his talents could be fitted. We had before us a general of the Army, General Gasser, who testified. He knew what was needed; he knew how to find it; he had devoted all his life to the service. There was not a member of the committee, in my opinion, who did not believe that the subordinate should be at the top, and the one at the top should be the subordinate in the prosecution of the work in hand. We cannot control these appointments; and even if a man fails in one place, he is put in another place, in a higher position, and at a better salary.

Let us tell the truth. Today I am talking for the men in the front-line trenches on the Bataan Peninsula. Thank God they do not know as much about what is going on as I do, or their discouragement would be great, indeed. Many speeches have been made to the effect that Hitler is our first enemy; that we should get Hitler first, and so on. I am not in favor of censorship; but when we are fighting on two fronts it is foolish for me to keep quiet when people in high places serve notice of where our troops are to go, so the enemy may know what he is to do.

We are shooting at tit-sparrows here today, when the air is full of vultures, and big ones, too, that must be brought down if the men who are now fighting out on the Bataan Peninsula are not to be deceived. They are fighting there at this minute, and who knows but that at this very instant one of them may have felt a bullet in his bowels, or perhaps a bullet went through his head too quickly to be felt?

When this war is over, if it shall ever be over, there is likely to be a national debt of $200,000,000,000, or $6,000 for every family in America, rich and poor, high and low, black and white. We shall be lucky if we stop there. Then we shall bring back from the war 10,000,000 men in our Army and 2,000,000 in our Navy, and we shall have to readjust them to our peacetime economy. In addition to that, we shall have 15,000,000 or 20,000,000 workingmen, formerly engaged in wartime industries, who must be integrated back into peacetime economy. That will take years and many billion dollars. Then we shall try to revive our commerce in a bankrupt world, a world disease-ridden, starved, with civil war in many countries—for instance, perhaps in divided France and other nations where one crowd will shoot the leaders of the other crowd. That is the kind of a world we shall have when our fighting men come home. We cannot do much about that; but we can at least make our country like the haven we are telling them will be here when they return.

While this picture is an accurate one, albeit a dark and a black one, every Senator knows that no real approach or effort is being made to keep this country in such shape that there will remain a vestige of the things our soldiers and sailors today are fighting to save. We went into the war unprepared. Perhaps that was inevitable. We needed planes, tanks, weapons, and shells in abundance. We did not have them. I thought that when the first shot was fired strikes would end; but I see now that they have not ended. Who knows that a day's work lost in some great airplane plant may not be the difference between winning a battle and losing a battle? Indeed, it conceivably may be the difference—though this may be farfetched—between losing the war and winning the war. Yet do we have any firm, resolute approach to the effort to avert such a catastrophe? Does anyone speak out? A strike is referred to some board—some board where time is lost.

Mr. President, we must have leadership different from that which has been exhibited up to now, a leadership of execution, a leadership of administration, for we will need such leadership in order to carry out ideas. It does no good to see a condition which needs remedying unless you can carry out the ideas to meet it; otherwise, the eyes are good but the hands are very poor.

It is unfortunate that we have the retirement bill under discussion on the floor of the Senate at the present time. As has been explained, it passed the House before Pearl Harbor. In that aspect there are some mitigating circumstances; but Pearl Harbor in one

form or another was almost certain to come in the not far off ensuing weeks, even in December. When the soldiers and sailors return they will ask for a pension; they will have the greatest moral right to it that any returning soldier ever has had in all our past history and we will give it to them—but with what kind of money? Money that perhaps will be partly worthless.

Today I have applied to myself the rule I stated at the beginning of my remarks, that what is said should be the truth, and should be such a statement as the men in General MacArthur's front line would want made. I believe that if the roll were called they would say, "The only trouble is, Senators, you did not go far enough." I do not believe we will get anywhere by sweeping the dirt of this confusion behind the doors and let it remain there until we have another catastrophe. I think the time has come to sweep it out in the open, to take it up, to get rid of it, and to streamline the administration for the conduct of this war. Otherwise, we will not have any government for the men to come back to.

These things are not pleasing to say. They have been boiling within me for some weeks. I have hesitated to say them. I have been hopeful. I know that I will receive a stream of letters tomorrow and some of the writers will say, "I hope Hitler reads your speech." I can stand it. I know there are some beknighted souls whose idea of patriotism is that one should salaam and say, "More praise to Allah," no matter what may happen to the country; I know that I will lose some votes, but I care not for that if these few remarks and this humble effort on my part will serve to move those in authority to give to the men who are dying on the battlefield and on the sea a chance under God's sun to defend the fairest country the genius of man ever brought into being. I know that unless someone begins to speak, and to speak courageously, this war might be lost, and all the dead will be just as dead as if the war had been won. No more, for the dead, will there be the rosy glow of sunset, nor will they see the morning zephyrs ripple across the fields of waving wheat in the springtime, as I said when I voted on the neutrality repeal; they will be gone; but what a travesty it would be if what they so courageously died to save should be but a shambles, because of the political approach to the prosecution of the greatest struggle in all human history.

I received this morning a letter which touched me deeply. It was written by the mother of a soldier serving on the Bataan front, who implored me to go to the Navy and to the Army, and, in God's name, to ask them to send what help they could so that her son, who is performing courageous and brave service, might at least have a chance for his life.

I am not a military strategist; I am not an admiral, and perhaps what I am saying may be wrong, but where the American flag flies and where our troops fight is the first place I would send our men, so that they may have a chance beneath the flag. I would be selfish to that extent before I would send our forces into other places.

Again I say I am not an admiral; I am not a general, and this war cannot be conducted from the floor of the Senate, as I know full well; but I would rather have seen General MacArthur abandon the Philippines and go to Singapore, and, at least, by the grace of God, who, perhaps, will forgive us try to save the most important point in the Far East, than to disperse our forces, and lose both places. I do not want a political conduct of this war. My first concern is the United States of America. We should do all we can do for those who fight beside us, but our first concern must be for our own soldiers and sailors. They did not ask to go where they have been assigned to duty; we sent them there, and unless we are ready to take a chance—and battles cannot be won without taking chances—we are not worthy of their sacrifice.

Again saying that I am not an admiral or a general, and what I say may contravene all higher military tactics, yet I should like to see a convoy, with sufficient ships and sufficient airplanes and carrying a sufficient number of bombers overhead, make a fighting effort to get to the Philippines, if we intend to hold them, or to Singapore.

This war cannot be won on the defense. Japan is inferior in manpower, in productivity, in planes, in weapons, and in her navy, but she is on the offensive and she is winning even though she is operating thousands of miles from the Japanese islands themselves. What I have suggested may come to pass, but I want, at least, one voice raised in this body to register the disconcerting thoughts which come to mind because of what has taken place right here at Washington and at home and abroad since this war started. I believe there are millions without regard to party who share my views.

As I read the letter of this fine Maryland woman, who wrote bravely, who did not quaver, but set out her case as a patriot, I felt as if I had been recreant to my duty here. I thought, "Yes; I feel as she feels, but I have sat silent." So I am on the floor this morning to make what small amends I can, in the hope, vain perhaps, that somehow, in some way, this poor effort of mine will serve notice that the American Government is a Republic and a democracy; that while power and money will be given in abundance to prosecute this war, it is still a company, and that the stockholders are entitled to the full consideration of the officers of the corporation.

By way of parenthesis, let me say that yesterday I asked Mr. Landis if he did not think he could dispense with the fitness program now operating under his bureau. I pointed out that in many of our large cities there are playgrounds, athletic contests, swimming pools, paid supervisors, health culturists, and dietitians—all at public expense—and I said, "Will you not concentrate on the materials and the means and the methods necessary in case a plane carrier shall arrive off our coast and send 50 planes into the night sky to drop their deadly missiles on men, women, and children below?" He replied, "I think the fitness program is proper in every way; it is not the major task, but it ought to be stressed and furthered." Mr. President, are we going to operate a social reformatory in this Government or are we going to conduct a war?

This is one case where Congress, so far, can refuse to take any part of the blame because the civilian defense effort was set up primarily under an Executive order, which gave wider scope to the activities of that agency than did the law passed by the Congress, and funds to pay for those wider-scope operations came out of the fund which Congress placed at the disposal of the Executive in order that he might have money to meet all needs.

That is our picture. Debt piled upon debt; peacetime bureau upon peacetime bureau. Why not do away with the C. C. C.? Why not do away with the National Youth Administration, and with all the old W. P. A., except insofar as some extreme case created by war may make it wise and expedient, fair and just, to maintain it? Why not eliminate and strip down all these peace efforts, so that the soldiers and sailors of the Republic who may return will have a country left when they return home?

Many good things have been done in the prosecution of the war. There is a brighter side to it. Some progress has been made; but some progress, Mr. President, will not be enough from now on. The motto has to be, All the progress that is humanly possible, and then more. We cannot stop on our old peacetime yardstick of 36 inches. The yardstick with which to measure efficiency and production now must be 72 inches long, and perhaps 172 inches long, because all the other nations are ready to go. They know what they want to do. They are willing to take a chance to do it; and, even though they are our foes, they are fighting with great tenacity to do it. The nations opposed to them do not seem to know quite what they want to do, what their plan is, and they are fighting defensively to defeat inferior opposition.

So, Mr. President, I again pay my respects to the Senator from Virginia [Mr. BYRD], who, I think, is rendering a service of the very highest rank to the men in the front-line trenches; and I know he is rendering a service to the people of this country, who are to be still more severely burdened with taxes, and with the threat of the loss of the things for which we are contending. While he may be misunderstood, while he may be looked on as a man without any human kindness because he is standing for economy, while he may displease this group or that group or the other group, I know that in the large he is taking his stand with courage, with vision, with comprehension of the task, and that he is fighting a heroic battle. I only wish the spirit he has exhibited in this particularly important field of endeavor could be communicated with some enthusiasm to other places, so that we would not take from our soldiers and sailors—many of whom will never come back—the last knowledge that they died to save America; and we know what that means, without the break-down of interpretation.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Illinois.

Mr. LUCAS. The Senator, in the earlier part of his remarks, discussed the fact that he would like to see Wendell Willkie come here and be placed in some high administrative position. Does the Senator agree with Mr. Willkie's comments last night in regard to bringing MacArthur back?

Mr. TYDINGS. I have not read his speech.

Mr. LUCAS. He said in his speech that if he had the power, he would bring MacArthur back from the Philippines and place him in charge of all the military forces of the United States, and he thought that ought to be done. I know the Senator from Maryland is an able Senator and a fine citizen, and that he was a great soldier in the last war; and I should like to have his reaction to that situation, in view of the fact that a few moments ago he spoke glowingly about Mr. Willkie.

Mr. TYDINGS. I did speak glowingly about Mr. Willkie, and I think what I said was well deserved; but referring to the inquiry of the Senator from Illinois, leaving out the personalities, I shall now discuss, I am afraid with more directness and perhaps less diplomacy than Mr. Willkie used, what was involved in his illustration.

If I correctly interpret the philosophy of Mr. Willkie's statement, we want the military to conduct the war, not the political side of our Government. We declare war; we say who our enemies are; and then we want the military to do the fighting. I am thoroughly in accord with that philosophy. I sometimes think—this is pure speculation, and may be utterly without any foundation—that in the minds of a great many persons in America who are thinking about this subject there is the thought that the admirals and the generals are told what to do, rather than themselves telling those under them what should be done. To that extent I am in accord with what seems to be the inherent philosophy of Mr. Willkie's remarks.

As for bringing General MacArthur back in person, I know General MacArthur's situation. Oh, what a tragedy! General MacArthur is courageous. We know that. He has been tried and tested long before this grim hour broke on the world's stage. We knew him in the World War as a young, resolute, determined soldier who had the love and admiration and respect of his men, and whose division was one of the most outstanding in all the World War. General MacArthur has been in the Philippines for several years, developing the Filipino army to do this very job. With commendable foresight and strategy, he lured the Japanese attack to the one place on the Island of Luzon where he could stand them off, although outnumbered; and he has done it. He has violated all the rules of strategy in history in leaving himself no outlet at the back. He has put his back to the sea, but he has the sea on his left flank and he has the sea on his right flank, and he is standing on a mountain looking down the gulches up which the enemy must come.

What does all that mean? "I am here to make Custer's stand, if necessary"; and that is what he will do. We ought to get him out of there; yes. He is too valuable to make that sacrifice. We need him as one of our great generals. It is a pity, but, if I know MacArthur aright, it will take the strongest kind of orders to bring him away unless his men come with him, because generals of that kind do not leave their men under fire.

That is the answer to the question about General MacArthur. I should like to see him come out of there with all his men; but I would not ask him to put himself in such a position that some hypocrite in some dark corner at some time in the future could say that he ran away and left his men. Manhood is in Douglas MacArthur, and, in my judgment, it will take a peremptory order, "You will come out or be guilty of treason," before he will leave the peninsula of Bataan; and I think he is right. That is the only course for a man to take who has spent his years in the Army, as he has done.

Mr. LUCAS. I agree with the Senator. The only reason why I brought up the question was because the Senator said he thought Mr. Willkie ought to be placed in a high administrative position of some kind.

Mr. TYDINGS. I do.

Mr. LUCAS. I will say in behalf of Mr. Willkie that he has done a splendid job in cooperating with the Government since the last campaign, much better than a number of other Republicans in this country whom I could mention.

Mr. TYDINGS. That is true.

Mr. LUCAS. At the same time, I should like the Senator's view on the speech Mr. Willkie made last night in Boston, Mass., wherein he made the statement, which was carried in headlines all over the country, that if he had the power to do it—and he suggested that it be done—he would bring MacArthur out of the Philippines now, at this moment, and put him in charge of all the military forces of the country. I wondered what the Senator's reaction was to the judgment of Mr. Willkie upon what seems to me to be one of the most important issues that could be raised before the American people at the present time. Whether we should bring MacArthur out or whether we should leave him in the Philippines is a real issue. That is where judgment counts in the high places of the administration. Mr. Willkie says, "Bring him out"; and I wanted to ask the Senator to give his judgment on that suggestion.

Mr. TYDINGS. I think it is debatable whether General MacArthur should be brought out now; but I think—and I say this without intending in the slightest to reflect on anyone—we have progressed in this war to the point where the American people will get a new confidence when they realize that an outstanding, tested, and tried military man who knows world conditions and who has been in war is put at the head of the prosecution of the fighting part of the war. So far as that is concerned, I am in agreement with Mr. Willkie; but whether the mechanics he suggests at the moment would be feasible, I should not like to say.

I am a great admirer of General MacArthur, and I believe he would do magnificent work in the capacity suggested, but I think that is now rather a theoretical proposition than a practical one, because General MacArthur is the head of a small fighting force, greatly outnumbered, awaiting a stupendous attack which is going to come at almost any minute. It may be on now, as I am speaking, with wave after wave after wave after wave of Japanese coming on. The American forces upon that hill will have their ammunition dumps near their guns; they will be ready; they will stop the first wave and they will stop the second wave. Perhaps they will break here and there; but General MacArthur will hold his position as long as he can. Much as I admire Mr. Willkie, I do not think we can transfer overnight to Washington the man who is in that situation. The day to which he refers may come, if something can be evolved to make it possible; but at the moment I should doubt the possibility of handling the mechanics of his proposal, although I agree thoroughly that a military man of transcendent reputation, of skill and experience, rather than a political officer, should be the directing head of our war effort, insofar as prosecuting the war is concerned. I say that because I do not believe it is possible to find a lawyer who can operate on anyone for appendicitis; I do not believe it is possible to find a doctor who can successfully defend a man for murder, nor is there a Senator or Representative who can tell an Army general or a Navy admiral who has had vast experience how to fight a battle or how to win a war.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. TYDINGS. I yield.

Mr. LUCAS. I agree with the Senator in the statement he made with respect to withdrawing MacArthur from the Philippines at the present time. I am no military or naval strategist——

Mr. TYDINGS. Nor am I.

Mr. LUCAS. But I believe I understand the psychology of some people in this country, and at this moment MacArthur is the only inspiration to whom the American people can turn.

Mr. TYDINGS. He would suit me extremely well for the position to which I am referring, but I do not see how we could put him in such a position, even if it were decided it was the thing to do.

Mr. LUCAS. That goes back to the question I raised in the beginning, as to the judgment of Mr. Willkie in respect to what seems to me to be one of the most important issues which could be raised at this moment. I do not know anything about who is running the Army—perhaps someone in politics is running it—but I have a tremendous amount of confidence in General Marshall.

Mr. TYDINGS. So have I.

Mr. LUCAS. And I have the same kind of confidence in Admiral Stark. I think that we have to give those men a little more opportunity, in view of what happened at Pearl Harbor, in view of the tremendous distance it is evident we

have to go to get our supplies and our ships to the Far East. For one, I am willing to wait just a little while longer before I severely condemn anyone in connection with what is going on in this war.

Mr. TYDINGS. I am glad the Senator made that observation, because my remarks were far from intended to cast the slightest reflection upon the capacity of the general and the admiral who head our respective services. I was dealing with another subject entirely. Perhaps, as I said in the beginning of my remarks, I am thoroughly wrong in my assumption, but I should like to know that the fighting part of the war is being conducted in accordance with the plans of the Army and the Navy, and that troops are not being ordered to be sent here or sent there or sent somewhere else except by the Army and the Navy. If that is not the case, I think a wrong policy is being followed. I do not see any use training men to fight a war under any conceivable circumstances, against one or a combination of enemies, and then attempting to tell them how to fight the war politically. We cannot win wars in that way. We have to fight this war with the best naval and the best military brains at our command, and whether we like it or not we have to take the decisions of the men now at the head of our services unless we can find two better men and put them in their places.

My endorsement of Mr. Willkie's position was not an endorsement of the individual, or a reflection on anyone who is now in office, but merely an observation that the fighting part of the war should be conducted by soldiers and sailors, and not by men who are not skilled in large operations, who do not know what is involved in the great expanses of warfare—supply, and ammunition, the balance of troops, the disposition of forces in the air, and what not. So to that extent I agree with Mr. Willkie, if that was the intendment of his observation.

Perhaps I have gone a little further and talked a little longer than I had intended. As I have stated, I think a great deal of substantial progress has been made toward getting under way. Some very creditable things have been done. One of them has been the organization of the board under Mr. Nelson. I do not know Mr. Nelson; I assume he is the right man; but that is all to the good—direct effort, responsibility, and freedom to exercise it. I say, however, that that course has not been followed sufficiently far to satisfy me as an individual. We are still cluttered up with all kinds of things which are peacetime luxuries, and which should be dropped over the side of the ship as we sail over the sea of this great war.

Mr. BANKHEAD. Mr. President, I am very largely in accord with the views of the Senator from Maryland, and I should like to ask him a question.

Mr. TYDINGS. I shall be glad to have the Senator do so.

Mr. BANKHEAD. What is the most efficient way to select the best ability, the best brains, in the Army and the Navy? Who is in position to do that?

Mr. TDYINGS. That is a hard question to answer, and men could debate it and differ honestly for a long time to come. My answer is that any system that is set up will have both good points and bad points. It is only by the trial of actual war that we will be enabled to determine that our judgment of the system proposed is vindicated or shown to be unsatisfactory.

I do not know what the answer is. I should assume that if I were doing the job I would call in 8 or 10 men, let us say generals of the Army, men of wide experience, as Lincoln did in the Civil War, and I would say to them, "I want to know the best man I can find to win this war. On your conscience, tell me who he is, all things considered, in line with this specification." I believe that in war itself such a course would bring forth the best man, both in the Army and in the Navy.

I am not saying the man for the Army would not be General Marshall. I believe he would be the man, and I believe Admiral Stark would be the one for the Navy. I want to become satisfied in my mind that the military experts are fighting the war. I do not want a British Parliament system. The British Parliament wants the troops sent wherever they are losing. We cannot fight a war in that way. I do not want to see transmitted to this country their plan of criticizing the man at the head, in their case, Mr. Churchill, because they are losing in Africa while they are being attacked somewhere else, or vice versa. I should like to know that if we lose or if we win we have the best man we can find to perform the task, and if we cannot win in that way, we cannot win in any way.

Mr. SCHWARTZ. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. SCHWARTZ. I was glad to hear what the Senator just said about General Marshall, because it seemed to me, from the remarks the Senator made a little while ago, that he had some criticism to make.

Mr. TYDINGS. I thank the Senator for his observation, because if I even by inference left any impression that I do not value General Marshall as one of the greatest military leaders this country ever produced, I want to say now with emphasis that I do so regard him. I believe he is a good man, in the right place, and he has my complete confidence. I believe he will do a man-sized job in getting the war under way and winning it.

Mr. SCHWARTZ. When General Marshall was much younger, he enjoyed the complete confidence of General Pershing. He was on Pershing's staff during the entire time Pershing was in France.

Mr. TYDINGS. The Senator is correct, and what I am saying here is not by way of criticism at all of the armed services, or anyone in them, before Pearl Harbor, during Pearl Harbor, or after Pearl Harbor. The point is that I believe that the fighting of the war itself, with troops and ships and sailors, should be solely in the hands of our Army and our Navy.

Mr. SCHWARTZ. In truth, it is in the hands of the Army and the Navy.

Mr. TYDINGS. It may be. I do not make the charge that it is not; but I should like to know—I said I did not want to ask—but it would be an assurance to me to know if we send men to this place, or that place, or the other place, that the Army initiated the action, and that it would be wise to do so based on the information the Army had.

Mr. LEE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LEE. I presume all of us want the best military talent we can get to prosecute the war. If that is all the Senator from Maryland says, then I wonder what he has in mind.

Mr. TYDINGS. How long has the Senator been in the Chamber?

Mr. LEE. During most of the Senator's speech.

Mr. TYDINGS. Then I think the Senator heard my reply on that point.

Mr. LEE. What did the Senator have in mind?

Mr. TYDINGS. The Senator from Oklahoma has not been in the Chamber during all the time I spoke, because I spoke for at least 15 minutes in answer to a similar question asked by the Senator from Illinois [Mr. LUCAS].

Mr. LEE. I will say that I was here when the Senator from Illinois made the inquiry, and I am still at a loss.

Mr. TYDINGS. I told the Senator from Illinois—and I tell the Senator from Oklahoma—that I have no candidate at all. The Senator from Illinois asked me how we would get such a man. I said I would get the eight best officers I could find in the Army and ask them to designate the man, and then I would let that man conduct the war so far as the fighting part of it is concerned.

Mr. LEE. The Senator himself has been the greatest advocate I have heard so far of trying to conduct the war from the floor of the Senate.

Mr. TYDINGS. The observation made by the Senator from Oklahoma, insofar as it was intended to throw any light on the debate, has been a complete blackout. [Laughter.]

I have already spoken longer than I intended to speak, but I do believe——

Mr. LUCAS. Mr. President, will the Senator yield to me for a question?

Mr. TYDINGS. I yield.

Mr. LUCAS. The Senator made an observation with respect to General Marshall and Admiral Stark. The Senator said he had complete confidence in both men, and that he would like to see half a dozen men who know war from every angle to conduct this war. Of course, we all want the best men we can obtain. Am I to understand from that observation that the Senator would eliminate the Commander in Chief of the Army and Navy?

Mr. TYDINGS. If the Senator means the President of the United States——

Mr. LUCAS. I mean the President of the United States.

Mr. TYDINGS. Of course not. Under the Constitution, we could not do that if we wanted to; but I should want someone who would stand up to the Commander

in Chief if he thought a great military or naval error was committed.

Mr. LUCAS. Yes.

Mr. TYDINGS. The Senator agrees to that?

Mr. LUCAS. Yes.

Mr. TYDINGS. I do not want any insubordination charge to be made, because my point is that when great decisions have to be made it takes a man thoroughly versed in all the details to know whether it is reasonable to anticipate that the result of certain action will be success, and neither the Senator from Illinois, nor the President of the United States, nor the Vice President of the United States, nor the Senator from Maryland, nor any of us in this body have that capacity.

Mr. LUCAS. I appreciate that.

Mr. TYDINGS. That is the reason I think the ultimate decision of military and naval action should be exclusively in the hands of the Army and the Navy, in order to carry out our political program, which is war on Germany, Italy, and Japan. I do not say that that is not happening; that may be the condition; but I should like to know that it is the condition, because sometimes I have a feeling that we do things for morale purposes, or what not, without calculating fully the military and naval implications of our acts.

Mr. LUCAS. I do not want to misunderstand the Senator upon this very important question, but it seems to me again—and I hope I am wrong—that if we follow the position taken by the able Senator from Maryland, we would exclude practically anybody the Commander in Chief of the Army and Navy might want.

Mr. TYDINGS. I should think the Commander in Chief of the Army and Navy would exclude himself, because I do not think the Commander in Chief of the Army and Navy knows how to sink the Japanese Fleet.

Mr. LUCAS. That may be true, but——

Mr. TYDINGS. That is true. There is no "may be" about it.

Mr. LUCAS. Very well. Then, why did the framers of the Constitution place the power in the President of the United States?

Mr. TYDINGS. So that we would not have a military or naval dictator in the United States, because the President would always be supreme in the executive and administrative departments, as he should be.

Mr. LUCAS. In other words, the Senator's position is that the President should simply stand aside while all these great decisions are being made throughout the world?

Mr. TYDINGS. I did not say that, and I will not have words put in my mouth. I said that the President ought to obtain the advice of such a man as I spoke of, and he ought to take his advice, and if any better advice was obtainable, he ought to have it in the place of the advice first given him, and that he ought to take it, rather than use his own judgment as to how to sink the Japanese Fleet, or how to beat Hitler on the Russian front, or in Mesopotamia, or at the Suez Canal, or on the desert sands of Abyssinia, or on Bataan Peninsula, or at Singapore.

Now as to hindsight on the part of a Senate general, I should like to have seen the Filipino forces placed with the British forces on the Malayan Peninsula, and at least hold the most important place in the Far East, rather than lose them both. That may not be good military strategy, but that is my opinion, and I am not afraid to assert it. I believe we would then be much better off.

Mr. LEE. Mr. President, what makes the Senator think the President is not taking advice?

Mr. TYDINGS. I did not say the President did not take it. I am not reflecting on the President. I did not say he was not pursuing this plan. I simply said I should like the assurance that whatever we are doing is in line with whatever the Army and Navy 100 percent want done to win the war. I do not believe that General Lee of Oklahoma, or General Roosevelt of New York, or General Tydings of Maryland, or General Wallace of Iowa are as competent to conduct the military and naval operations of this war as are our military and naval officers, and I know that in the case of some past action, such as the destroyers' contacts and encounters in the Atlantic, it was not the Army and Navy who decided how we would do the fighting there.

Mr. LEE. I may say that General TYDINGS of Maryland is the only general, so far, who has offered any suggestion from the floor of this body as to how the war ought to be prosecuted.

Mr. TYDINGS. Then, General TYDINGS is all the more proud that at least he alone has enough courage to say that strikes ought to end; that there ought to be sufficient leadership in this country to put a bill through Congress to end strikes. If we are going to draft men and send them to the firing line, there ought to be economy in Government from stem to stern, for the farmer, for labor, for business, and for everyone else. If anyone wants to vote against me in 1944 because I have said that, he is welcome to do so. I am not now worried about 1944. I am worried about winning the war. What happens to me will not be of much consequence, but what happens to the United States will be of transcendent consequence.

RETIREMENT PRIVILEGES FOR MEMBERS OF CONGRESS

Mr. OVERTON. Mr. President, I wish for a moment to recur to the question about which the debate started today, and that is the so-called congressional pensions or annuities to be paid to Senators and Representatives. In the course of my very desultory and spontaneous remarks I said that I had written to President Mitchell, of the Civil Service Commission, and ascertained from him how much annuity I might expect, and, after going over his figures, which in a moment I shall submit for the RECORD, I came to the conclusion that it would be a rather poor investment, and that I did not expect to apply for a congressional annuity.

I began my service in May 1931. I presume that I have served about the average length of time served by Senators, that is to say, a period of 11 years. My term will expire January 1, 1945. In order to obtain the full benefit of the annuity plan provided in the recent Retirement Act passed by the Congress and approved by the President, I should have to pay up to June 30, 1942, into the retirement fund $4,888.17. Then I should have to pay 5 percent of my salary during the remainder of my service in this body. If I do not offer for reelection or am not reelected, I shall retire in 1945. I should then have to pay $1,500 more before I could obtain a single dollar from the Treasury. That would bring the total payments up to $6,165. The annuity to which I would be entitled at the end of that time, beginning in 1945, would be $1,940.47. My life expectancy is such that, in my opinion, I would not be justified in making such an investment. Hence I stated that I did not expect to apply for an annuity under this plan.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. LA FOLLETTE. Has the Senator looked into the proposal contained in the so-called Byrd amendment, which was defeated?

Mr. OVERTON. I was not present at the time the question was discussed. I stated to the Senator from Virginia that I was in thorough accord with his view that there should be some amendment. He desires to repeal the entire provision. However, I suggested an amendment which would eliminate the payment of an annuity to one who is just about to retire and who pays a few paltry dimes into the Treasury.

Mr. LA FOLLETTE. Mr. President, I do not desire to prolong this debate. However, I wish to point out that as I understood—I may be doing the Senator from Virginia [Mr. BYRD] an injustice—he intended to support the proposal provided his amendment should prevail. I may be mistaken in that statement; but at least I have the right to assume that in offering the amendment, at the time the bill was under consideration in the Senate, he thought he was improving the bill so far as pensions for Members of Congress are concerned.

In the misrepresentation of this whole subject in the press the Byrd amendment has been held up as an indication of the great patriotism and unselfishness of the Senator from Virginia and those who supported his amendment.

His amendment has struck me in an entirely different way, and I wish to place in the RECORD a statement with respect to it. I understand that this debate has been going on for a long time. I have been in the Byrd committee. I could not be present in the Chamber while the chairman was discussing the congressional-pension matter.

I should like to point out that the Byrd amendment, against which I voted, is predicated upon a very erroneous and unjust theory, if any pensions at all are to be provided for Members of Congress. I have no quarrel with those who say that

there should be no congressional pensions; but if we are to assume that there is to be a pension for those in the congressional service, on the same terms and conditions as apply to those in the executive branch of the Government, let me point out that I think the so-called Byrd amendment was a very unfair proposal.

As I understand, pensions for those long in service are predicated upon two considerations: First, that a long service has been rendered; and second, that, because of the lower salaries usually paid, those in the public service who are honest are not often in a position, unless they have some outside and legitimate source of income, to care for themselves at the end of a long period of service.

Let me say, Mr. President, that in my service here I have seen some tragic cases illustrating what I have said. I shall not use any names; but I have in mind one of the most distinguished men ever to serve in this body. After many long years of service, and while he was ill, I saw a notice in the Washington newspapers advertising his home for sale at auction, in order to pay the debts which he had incurred.

That, however, is neither here nor there, Mr. President. I merely wished to say a few things about the Byrd amendment, which has been held up as an indication of the great wisdom and devotion to the public interest of those who supported it, as distinguished from those who voted against it and voted for the bill.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. OVERTON. I wish to interject an observation. I think it would be well, considering the youth of the Senator from Wisconsin, if he would write General Mitchell and find out how much he would have to pay into the Treasury before he could obtain a cent of annuity.

Mr. LA FOLLETTE. I did not say anything about the Senator from Wisconsin taking an annuity.

Mr. OVERTON. I think the information would be illuminating and instructive. I am quite sure the Senator from Wisconsin would not apply for an annuity.

Mr. LA FOLLETTE. In view of my comparative youth and my normal expectancy I think it would probably be a poor financial investment for me to do such a thing. I rose to point out that the so-called Byrd amendment, instead of producing an equitable result, would produce diametrically the opposite result; for, as I have stated, Mr. President, a pension is predicated upon the assumption that the person eligible therefor has rendered service and is not likely to be in a position in which he can take care of himself in his declining years.

Assuming that to be the premise, what would have been the effect of the Byrd amendment? The effect of the Byrd amendment, had it been adopted, would have been to permit Senators who have a sufficient amount of savings and capital to pay into the retirement fund a sum of money to cover the period of their service. In some instances the amount would be several thousand dollars. In my own case, had I desired to qualify for a pension, I think I should have been required to pay into the fund between $8,000 and $9,000; but what would the Government have done for me under the sacrosanct Byrd amendment if I had had $8,000 to pay into the fund? The Government would have matched it dollar for dollar—or perhaps considerably more than that if in the individual case the minimum annuity provisions applied and then over a long period of years it would pay interest on the total amount. Can anyone imagine any better bonanza in these times than such an opportunity? Can anyone show me any place to invest savings where those with whom the investment is made will match dollar for dollar what is put in and then pay interest on the total? I do not know of any place where rich persons with savings to invest could find so favorable an investment.

As I have said, the net result of the Byrd amendment would have been to make it possible for Members of Congress with a considerable length of service, if they were rich and had savings, to pay several thousand dollars into the pension fund and have the Government match it out of the Treasury and then pay interest on the total amount. On the other hand, those who might have considerable service but who might not be so fortunate as to have a sufficient amount of savings to pay into the fund would have been denied the pension. If that is equity and justice, I cannot understand the use of the terms.

I close as I began. I can understand the view of those who are opposed to congressional pensions. That is a subject upon which we can differ with a great deal of vigor of opinion. I merely wanted to say that it did not seem to me that there had been presented, along with all the other things that have been presented about the situation, this aspect of the unfairness, as it seemed to me, of the Byrd amendment as between a Senator with some length of service who has money and a Senator who does not have money with which he could qualify under the terms of the Byrd amendment.

Mr. President, this specific example illustrates the effect of the Byrd amendment:

Assume that two Congressmen, both 62 years of age and otherwise eligible for retirement, have served in Congress continuously since March 4, 1921—almost 21 years. Under the Byrd amendment, in order to get full consideration for the entire period of service, $9,664 would have to be deposited into the fund. Assume one of the Congressmen has independent income or savings which enable him to make such a deposit. Automatically, then, he would be entitled to an annuity of $3,107—the actual value of which at the age of 62 would be in excess of $39,000. In other words, under the Byrd amendment, the Congressman with $9,664 to invest could increase the value of his money fourfold. On the other hand, the Congressman without savings to invest, despite his equal years of service, would get nothing unless he had a minimum of about $2,000 to invest—salary deductions for 5 years—and then would get an annuity of $857 as against his richer colleague's $3,107.

Under the committee bill, as adopted by the Congress, there is greater equity as among Members because the controlling factor is length of service, and Members unable to invest large sums in the fund are penalized only to the extent that a full deposit for previous years is not made. The Government's share of the annuity would be identical in either case. The ability to invest sums of money in the fund now has no bearing, except that the individual who does have money to invest over and above the required deposit to obtain full benefits could, under old provisions of the retirement law, invest up to 10 percent of his Government income in the fund and receive accordingly favorable returns on his investment.

Mr. President, I ask unanimous consent that I may insert a table in the RECORD in connection with my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Tentative computation of annuity effective from Feb. 1, 1943, to a Senator or Congressman assuming age 62 and 5-percent contribution during calendar year 1942

Entered service	Deposit required under the Byrd amendment for inclusion of full period of service	Annuities under present law	
		If deposit is made for prior service	If deposit is not made for prior service
Mar. 4:			
1907	$9,918.33	$5,000.00	$4,175.44
1909	9,918.33	4,821.43	3,996.87
1911	9,918.33	4,535.71	3,711.15
1913	9,918.33	4,250.00	3,425.44
1915	9,918.33	3,964.29	3,139.73
1917	9,918.33	3,678.57	2,854.01
1919	9,918.33	3,392.86	2,568.30
1921	9,664.23	3,107.14	2,303.64
1923	8,847.71	2,821.43	2,085.59
1925	8,092.79	2,535.71	1,862.43
1927	7,059.39	2,250.00	1,663.98
1929	5,835.21	1,964.29	1,478.09
1931	4,721.52	1,678.57	1,284.84
1933	3,691.84	1,392.86	1,085.00
Jan. 3:			
1935	2,817.64	1,142.86	907.90
1937	1,931.60	857.14	696.06

Mr. WALSH. Mr. President, today there has been a somewhat lengthy discussion of the question of pensioning elective officials. I was not able to be present during the entire discussion because of other duties, and I was absent because of illness when the vote was taken on January 19. As I desire to vote for the repeal of the retirement provision, I should like to inquire what disposition was made of the matter and when an opportunity will be given Senators to vote against pensions to elective officials.

Mr. BARKLEY. The bill to which the Senator refers is not yet before the Senate. The chairman of the Committee on Civil Service, the Senator from South Dakota [Mr. BULOW], assured the Senate that his committee would take prompt action in regard to the bill pending before the committee.

Mr. WALSH. So the Senator from Kentucky has assurances that a report on the bill will be forthcoming from the Committee on Civil Service within a short time?

Mr. BARKLEY. Yes.

SENATOR FROM NORTH DAKOTA

Mr. LUCAS. Mr. President, for about 3 hours I have been attempting to call up Senate Resolution No. 220. I almost had it before the Senate at one time, and then I yielded to the distinguished majority leader, who said he wished to discuss the pension provision of the Retirement Act for about 5 minutes. The 5 minutes has now run almost into 3 hours.

Senate Resolution No. 220 deals, Mr. President, with the case of WILLIAM LANGER, Senator from North Dakota. The able Senator from Rhode Island [Mr. GREEN] is chairman of the committee to which the resolution was referred. He is unavoidably detained from the Senate today; but he made the report in the Langer case on January 29.

Mr. BROWN. Mr. President, does not the Senator think that the Senator from North Dakota should be present?

Mr. LUCAS. I told the Senator from North Dakota that I was going to bring up the matter sometime this afternoon; and he has been aware of it. He has been here most of the time.

Mr. BANKHEAD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Glass	O'Daniel
Bailey	Guffey	O'Mahoney
Bankhead	Gurney	Overton
Barbour	Hayden	Pepper
Barkley	Herring	Radcliffe
Bilbo	Hill	Reed
Bone	Holman	Reynolds
Brewster	Hughes	Rosier
Brown	Johnson, Calif.	Schwartz
Bulow	Johnson, Colo.	Shipstead
Bunker	Kilgore	Smathers
Burton	La Follette	Smith
Butler	Langer	Stewart
Byrd	Lee	Thomas, Idaho
Capper	Lucas	Thomas, Okla.
Caraway	McCarran	Thomas, Utah
Chavez	McFarland	Truman
Clark, Idaho	McKellar	Tunnell
Clark, Mo.	McNary	Tydings
Connally	Maloney	Vandenberg
Davis	Maybank	Van Nuys
Downey	Mead	Wallgren
Doxey	Murdock	Walsh
George	Murray	Wheeler
Gerry	Norris	Wiley
Gillette	Nye	

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, a quorum is present.

Mr. LUCAS. Mr. President, on January 29, which was 2 weeks ago yesterday, the able Senator from Rhode Island [Mr. GREEN], who is chairman of the Committee on Privileges and Elections, reported Senate Resolution 220, dealing with the right of Senator-elect WILLIAM LANGER, of North Dakota, to a seat in the Senate as a Member thereof. A brief discussion was had upon the floor of the Senate at that time in respect to the filing of a minority report, and it was agreed between the majority and minority leaders that some reasonable length of time should be allowed for the filing of the minority report in this important matter, such reasonable length of time to be a week or 10 days or 2 weeks. The 2 weeks have passed, and it is my understanding that no minority report has been filed as of this date.

The Senator from Illinois merely rises to make inquiry as to when the Senate may expect the minority report to be filed. I direct my inquiry to those members of the Committee on Privileges and Elections who are in the minority and who voted for seating Senator-elect LANGER, if any of them are on the floor. Apparently no one in the minority is present, and I now direct my inquiry to the able minority leader of the Senate to ascertain, if I can, from him, if he knows when the minority report may be expected to be filed in this case.

Mr. McNARY. Mr. President, I recall very vividly 2 weeks ago, when this matter was brought to the attention of the Senator from Oregon in a colloquy with the able Senator from Illinois, at which time I indicated that I did not have any accurate or definite knowledge as to the time when the minority report would be filed; and I am without such knowledge now. I said also that we could not determine the time within which the minority report should be filed, and I think the very accommodating Senator agreed, upon that basis, that no specific time could be agreed upon.

I have not deemed it to be part of my duty, as the Senator will appreciate, to follow up matters of that kind. As soon as the minority report is filed, of course, then the issues will have been formed as between the Senator from North Dakota and the contestants.

I think we are all anxious to dispose of the matter; I am sure the able Senator from North Dakota is anxious. I have stated to some of the Senators that, in my opinion, it would not come before the Senate before the last week in February. If the inquiry is made pointedly by the Senator whether we could set a date at this time, I do not think we could. The Senator's inquiry, as I understand, is, When will the minority report be filed?

Mr. LUCAS. The able Senator is correct. My inquiry goes to the time when the minority report is to be filed, in order that we may join issue upon the two reports, and, ultimately, bring the matter before the entire Senate for a hearing upon the reports.

Mr. McNARY. I think the inquiry is very pertinent, but, not being a member of the committee, and not, of course, being able to join in any report, I am unable to answer the question. After consultation with the distinguished leader of the Senate we could determine upon the time, after the issues are formed, when the matter shall be presented on the floor of the Senate; but, in the absence of the minority members of the Committee on Privileges and Elections, whose duty it is to file the report, I cannot answer the question.

Mr. BARKLEY. Mr. President, will the Senator from Illinois yield to me?

Mr. LUCAS. I yield.

Mr. BARKLEY. I was called temporarily from the Chamber and did not hear the Senator's inquiry, but I understand it is directed toward the proper time when this matter may be taken up by the Senate and disposed of. In that connection, I wish to state that ordinarily when the minority of a committee are not prepared to submit a report immediately upon the filing of the majority report, it is frequently customary to ask for a certain length of time within which to file the minority report, which is always granted. I do not know who is to sign the minority report in this case. I assume that at least some, if not all, those who voted in the committee against the report of the majority, will sign or, at least, they are at liberty to sign, the minority report or make individual reports of their own views.

There ought not to be any delay; the matter ought not to be allowed to drag on indefinitely, because the Senate is interested, the country is interested, the Senator from North Dakota and the people of North Dakota are interested in having the question determined.

I do not recall that any request has been made by any minority member of the committee for time in which to prepare or file a minority report. Am I correct about that?

Mr. LUCAS. The Senator is absolutely correct. The only agreement which has been made with respect to the minority report was on January 29 in a colloquy between the minority leader and the Senator from Illinois, when it was more or less agreed that the minority report should be filed within a reasonable length of time following the filing of the majority report, and that a reasonable length of time would be a week or 10 days or 2 weeks. Two weeks have passed. I have discussed this matter with the Senator-elect from North Datota, and he is very anxious to have disposition of this case made by the Senate as soon as possible. He does not want any delay. It so happens that no member of the minority is on the floor at the present time, and what they expect to do with respect to the filing of the minority report, I am not advised.

I merely make this statement in all fairness to everyone. I certainly am not one who wants to press this question too speedily. I want to give the Senator-elect and the minority Members every reasonable opportunity, should they so desire, to file any kind of minority report they want to file. It is a matter of tremendous interest; everyone, both in the majority and the minority, is familiar with the law and the facts. I have been advised—whether correctly or not Senator-elect LANGER can say—that the attorney for the Senator-elect, Mr. Murphy, has been engaged in the preparation of the minority report in the Senator's behalf. Whether that is true I do not know, but, at any rate, I am willing to let the Senator-elect file a minority report, if he wants to do so, or let his attorney submit it, if he wants to, if we cannot get a minority report from anyone else. I do not know whether that is within the rules of the Senate; I am more or less new here; but I desire to make it clear, Mr. President, that in connection with this very important matter I want the Senator-elect from North Dakota to be accorded every courtesy and consideration to which any Senator is entitled.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McNARY. I have been unable to confer with the distinguished leader of the majority and the able Senator from Illinois so as to agree upon a time; but

it is my judgment now, after conferring for a moment with the Senator from North Dakota, that a report may be prepared and filed by Tuesday, on which day the next session of the Senate will be held. That is my best judgment at this time.

Mr. LUCAS. I should like, if it be possible to do so, that the case be set 2 weeks from Monday for a hearing in order that Senators may know a week or 10 days in advance. It may be that some of the Senators will have appointments in their own States; they may have made arrangements to go to other sections of the country; but I believe that the case is of such importance that every Senator should know at least a week or 10 days in advance when the Senate is to take it up, because I anticipate that it will take perhaps 4 or 5 days in which to present this case in its entirety before the Senate.

Mr. McNARY. Mr. President, I am in accord with the observations of the Senator, and it is my judgment now, from the facts I have in hand, that probably we can form the issues next week and early in March proceed with the consideration of the case on the floor of the Senate.

Mr. BARKLEY. Mr. President, if I may inject a remark here, I am glad to learn from the Senator from Oregon [Mr. McNARY], the able and very cooperative minority leader, that minority views may be expected by Tuesday. There has been some uncertainty about the matter because, as I recall, nobody on the committee has indicated on the floor of the Senate his intention to file or sign minority views, and nobody has asked for time in which to do so, although it has been generally understood that minority views would be signed by somebody on the committee. They could not be signed by anybody else because reports come only from committees. After the minority views are filed, however, I am satisfied that we shall have no difficulty in arranging a time when the matter can be taken up, and that Senators will have ample notice so that they may make their arrangements accordingly.

Mr. LUCAS. I am glad to hear the statement of the Senator from Kentucky.

CONSIDERATION OF CALENDAR BILLS

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate proceed to consider bills on the calendar to which there is no objection, beginning at the end of the last call, which I think was on the 3d day of February.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVENUES OF ALASKAN SCHOOLS AND HOSPITALS OPERATED BY INDIAN SERVICE

The first business on the calendar under the unanimous-consent agreement was the bill (H. R. 3539) to provide for the deposit and expenditure of various revenues collected at schools and hospitals operated by the Indian Service in Alaska, which was considered, ordered to a third reading, read the third time, and passed.

PURCHASE OF SUPPLIES AND MATERIALS FOR RESALE TO NATIVES, ETC., OF ALASKA

The bill (H. R. 3542) to authorize the purchase from appropriations made for the Indian Service of supplies and materials for resale to natives, native cooperative associations, and Indian Service employees stationed in Alaska, was considered, ordered to a third reading, read the third time, and passed.

FORT HALL INDIAN IRRIGATION PROJECT, IDAHO

The bill (S. 2110) for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho, was announced as next in order.

The PRESIDING OFFICER. This bill is similar to House bill 6225, Calendar No. 1078. Without objection, the House bill will be substituted for the Senate bill.

The Senate proceeded to consider the bill (H. R. 6225) for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho, which was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2110 will be indefinitely postponed.

RELIEF OF ESTATE OF OPAL JUNE LINDSAY AND OTHERS

The bill (H. R. 446) for the relief of the estate of Opal June Lindsay, Luck A. Lindsay, Thelma Louise Lindsay, and Laura Kathleen Lindsay was considered, ordered to a third reading, read the third time, and passed.

ALLEN POPE

The bill (H. R. 4179) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Allen Pope, his heirs or personal representatives, against the United States was considered, ordered to a third reading, read the third time, and passed.

NETTIE WOOLFOLK MONTAGUE AND OTHERS

The bill (H. R. 5206) for the relief of Nettie Woolfolk Montague and Jerry L. Woolfolk and others was considered, ordered to a third reading, read the third time, and passed.

SOLOMON BROWN

The bill (H. R. 5984) for the relief of Solomon Brown was considered, ordered to a third reading, read the third time, and passed.

HUGH S. JOHNSON AND MISS F. M. ROBINSON

The bill (S. 2017) to amend Private Act No. 446, Seventy-sixth Congress, approved July 2, 1940, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

EDWIN B. FORMHALS

The bill (H. R. 3823) for the relief of Edwin B. Formhals was considered, ordered to a third reading, read the third time, and passed.

MR. AND MRS. MICHAEL LEWENCZUK

The bill (H. R. 1905) for the relief of Mr. and Mrs. Michael Lewenczuk was considered, ordered to a third reading, read the third time, and passed.

MARY E. PHILPOT AND OTHERS

The bill (H. R. 2724) for the relief of the estate of Mary E. Philpot, Sandra G. Philpot, and Mrs. R. L. Keckler was considered, ordered to a third reading, read the third time, and passed.

MARIE V. TALBERT AND OTHERS

The Senate proceeded to consider the bill (H. R. 793) for the relief of Marie V. Talbert and her sons James Osborn Talbert and Dewey Talbert, which had been reported from the Committee on Claims with an amendment, on page 2, line 2, after the word "by", to strike out "Work Projects Administration workers" and insert "employees of the War Department."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act for the relief of the estate of Charles D. Talbert, deceased."

LULU HERON

The bill (H. R. 329) for the relief of Lulu Heron was considered, ordered to a third reading, read the third time, and passed.

DALE L. BARTHEL AND OTHERS

The bill (H. R. 3225) for the relief of Dale L. Barthel and others was considered, ordered to a third reading, read the third time, and passed.

SAN DIEGO CONSOLIDATED GAS & ELECTRIC CO.

The bill (H. R. 3647) for the relief of the San Diego Consolidated Gas & Electric Co. was considered, ordered to a third reading, read the third time, and passed.

JOHN KING

The bill (H. R. 4198) for the relief of John King was considered, ordered to a third reading, read the third time, and passed.

BROOKS EQUIPMENT & MANUFACTURING CO.

The bill (H. R. 4773) for the relief of Brooks Equipment & Manufacturing Co. was considered, ordered to a third reading, read the third time, and passed.

DANIEL ELLIOTT AND HELEN ELLIOTT

The bill (H. R. 4998) for the relief of Daniel Elliott and Helen Elliott was considered, ordered to a third reading, read the third time, and passed.

WILLIAM ROBERT SHANEYFELT AND MILDRED SHANEYFELT

The bill (H. R. 5040) for the relief of William Robert Shaneyfelt and Mildred Shaneyfelt was considered, ordered to a third reading, read the third time, and passed.

G. F. ALLEN

The bill (H. R. 5280) for the relief of G. F. Allen, chief disbursing officer, Treasury Department, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

MRS. ANNA M. PAUL

The bill (H. R. 5387) for the relief of Mrs. Anna M. Paul, was considered, ordered to a third reading, read the third time, and passed.

KATHERINE McCUE

The bill (H. R. 4831) for the relief of Katherine McCue was considered, ordered to a third reading, read the third time, and passed.

BURLINGTON AUTO CO.

The bill (H. R. 5056) for the relief of the Burlington Auto Co. was considered, ordered to a third reading, read the third time, and passed.

LIBBY, McNEILL & LIBBY

The bill (H. R. 5773) for the relief of Libby, McNeill & Libby was considered, ordered to a third reading, read the third time, and passed.

MINOR CHILDREN OF MRS. JESÚS ZAMORA FELIX, DECEASED

The Senate proceeded to consider the bill (S. 1765) for the relief of the minor children of Mrs. Jesús Zamora Felix, deceased, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the words "sum of", to strike out "$10,000" and insert "$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to a legally appointed guardian of the minor children of Mrs. Jesús Zamora Felix, of Phoenix, Ariz., such payment when made to be in full satisfaction of any claim or claims growing out of the death of Mrs. Felix on June 25, 1941, such death having been caused by an instrumentality of the United States: *Provided*, That the moneys paid by the United States to the said guardian shall be used by him under the direction of the Superior Court of Maricopa County, Ariz., for the support and education of said minor children.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PASQUALINA LAZZARO

The Senate proceeded to consider the bill (S. 1993) for the relief of Pasqualina Lazzaro, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "$1,000" and insert "$900", so as to make the bill read;

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Pasqualina Lazzaro, of Watertown, Mass., the sum of $900, such sum representing the amount lost by her on account of the forfeiture of a bond for the appearance in the United States District Court for the District of Massachusetts of Guiseppe Magnotta, who had been taken into custody by the Immigration and Naturalization Service and who, after the forfeiture of such bond, was again taken into custody by the Immigration and Naturalization Service and was released by such Service after an examination and investigation of the charges against him: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. CLAUD TUCK

The Senate proceeded to consider the bill (S. 1694) for the relief of Mrs. Claud Tuck, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the words "sum of", to strike out "$10,000" and insert "$5,769.75", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,769.75, to Mrs. Claud Tuck, of Lawrenceville, Ga., in full satisfaction of her claim against the United States for reimbursement of medical, hospital, and funeral expenses incurred by her and for compensation for the death of her husband, Claud Tuck, who died on June 14, 1938, from injuries sustained on May 23, 1938, when the truck which he was operating overturned while he was engaged in working on a project of the Works Progress Administration: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLYDE KINGERY

The Senate proceeded to consider the bill (S. 1757) for the relief of Clyde Kingery, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to insert "$3,474.90", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clyde Kingery, of Tacoma, Wash., the sum $3,474.90, in full satisfaction of his claims against the United States for reimbursement of medical and hospital expenses incurred by him, and for compensation for personal injuries sustained by him, as the result of his having been struck by a United States Army motorcycle in Tacoma, Wash., on February 26, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TESTING LABORATORY, PUBLIC ROADS ADMINISTRATION

The bill (S. 2222) to authorize the Federal Works Administrator to acquire title, on behalf of the United States, to not more than 35 acres of land subject to certain reservations in the grantors was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That not more than 35 acres of the land to be acquired by the Federal Works Administrator on behalf of the United States as a site for the testing laboratory and research activities of the Public Roads Administration may be acquired subject to a nonassignable and nontransferable reservation to the grantor or grantors of the right to continued occupancy during his or their natural lives of so much thereof as, in the opinion of the Federal Works Administrator, will not impair the use of such land for the purpose for which acquired.

H. D. BATEMAN AND OTHERS

The Senate proceeded to consider the bill (H. R. 4537) for the relief of H. D. Bateman, Henry G. Conner, Jr., executor of the last will and testament of P. L. Woodard, and J. M. Creech, which had been reported from the Committee on Claims with an amendment, on page 2, line 2, after the word "project", to strike out "which project was later abandoned by the Civil Works Administration."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

D. H. DANTZLER

The bill (H. R. 4354) for the relief of D. H. Dantzler was considered, ordered to a third reading, read the third time, and passed.

J. W. DAUGHTRY

The bill (H. R. 5282) for the relief of J. W. Daughtry was considered, ordered to a third reading, read the third time, and passed.

MASON C. BRUNSON

The bill (H. R. 6145) for the relief of Mason C. Brunson was considered, ordered to a third reading, read the third time, and passed.

JAMES FRANKLIN SMITH

The Senate proceeded to consider the bill (S. 1669) for the relief of James Franklin Smith, which had been reported from the Committee on Claims with an amendment, on page 1, line 3, to strike out "is" and insert "be, and he is hereby"; on line 6, to strike out "$15,000" and insert "$1,500, and $50 per month in an amount not to exceed $3,000,

making a total of $4,500"; and on page 2, line 4, to insert "*Provided*, That the monthly payments to James Franklin Smith shall not commence until 3 months after the passage of this act", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James Franklin Smith, of Nashville, Tenn., the sum of $1,500, and $50 per month in an amount not to exceed $3,000, making a total of $4,500, in full satisfaction of his claim against the United States for compensation for personal injuries sustained by him when he was struck on October 27, 1940, by a Civilian Conservation Corps truck while he was sitting on an embankment by the side of United States Highway No. 70 at a point about 8 miles from Nashville, Tenn., in the direction of Murfreesboro, Tenn.: *Provided*, That the monthly payments to James Franklin Smith shall not commence until 3 months after the passage of this act: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MARY J. CRABTREE

The bill (S. 1424) for the relief of Mary J. Crabtree was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,000, to Mary J. Crabtree, of Bridgeport, Nebr., in full satisfaction of her claim against the United States for reimbursement of medical and hospital expenses incurred and for compensation for personal injuries sustained by her as the result of a fall in the United States Post Office in Puyallup, Wash., on October 13, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

LAWRENCE BRIZENDINE

The bill (S. 1899) for the relief of Lawrence Brizendine was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lawrence Brizendine, of Bend, Oreg., the sum of $3,260 in full satisfaction of his claim against the United States for reimbursement of accrued medical expenses and for compensation for personal injuries sustained by him as the result of being struck by a United States Forest Service truck, operated by a Civilian Conservation Corps enrollee, near Bend, Oreg., on January 7, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SEC. 2. The acceptance by the said Lawrence Brizendine of payment of the sum authorized to be paid to him by the provisions of the first section of this act shall not be deemed to in any manner preclude him from seeking reimbursement from the United States, or to prejudice any claim of his against the United States for reimbursement, for any expense for medical or hospital care which he may hereafter incur as a result of the injuries referred to in the first section of this act.

BILL PASSED OVER

The bill (S. 2240) to establish a Women's Army Auxiliary Corps for service with the Army of the United States was announced as next in order.

Mr. BARKLEY. Before the bill is passed, may we have a brief explanation of it?

Mr. HILL. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

KLAMATH AND MODOC TRIBES AND THE YAHOOSKIN BAND OF SNAKE INDIANS

The Senate proceeded to consider the bill (S. 1368) relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians, which had been reported from the Committee on Indian Affairs with amendments.

The first amendment was, on page 2, after line 12, to strike out section 2, as follows:

SEC. 2. The Secretary of the Interior is hereby authorized and directed, upon the request of the general council of the Klamath Tribe of Indians, to purchase out of tribal funds of said Indians such lands as may be selected for that purpose by said council. Title to lands purchased pursuant to this section shall be taken in the name of the United States in trust for said Indians and said lands shall be subject to the same restrictions, immunities, and exemptions as lands held in trust for individual Indians under section 1 of this act.

The amendment was agreed to.

The next amendment was, on page 2, line 23, to strike out "3" and insert "2."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized to receive on behalf of the United States from individual members of the Klamath Tribe of Indians voluntarily executed deeds to such lands as said Indians may own in fee simple free from all encumbrances, said lands to be held in trust by the United States for said Indians and their heirs; and, whenever restricted funds are used for the purchase of lands for individual members of the Klamath Tribe of Indians, the Secretary of the Interior is authorized, in his discretion, to take title to said lands in the United States, the same to be held in trust for said individual Indians: *Provided, however*, That while any of the foregoing lands are held in trust by the United States for said Indians, the same shall be subject to the same restrictions, immunities, and exemptions as homesteads purchased out of trust or restricted funds of individual Indians pursuant to section 2 of the act of June 20, 1936 (ch. 622, 49 Stat. 1542), as amended by the act of May 19, 1937 (ch. 227, 50 Stat. 188, sec. 2), except the restrictions, immunities, or exemptions of the second proviso of said act as so amended.

SEC. 2. As used in this act the term "Klamath Tribe of Indians" includes the Klamath and Modoc Tribes, and the Yahooskin Band of Snake Indians.

JOINT RESOLUTION AND BILL PASSED OVER

The joint resolution (S. J. Res. 129) to remove certain limitations on the cost of construction of Army and Navy living quarters was announced as next in order.

Mr. McNARY. I think that in the absence of the chairman of the Committee on Military Affairs the joint resolution should go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 2255) to establish a policy with respect to the disposition of agricultural commodities acquired by the Commodity Credit Corporation was announced as next in order.

Mr. McNARY. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

REIMBURSEMENT OF NAVY AND MARINE CORPS PERSONNEL

The bill (H. R. 5572) to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain Navy and Marine Corps personnel, and for other purposes," was considered, ordered to a third reading, read the third time, and passed.

ADDITIONAL ORDNANCE MANUFACTURING AND PRODUCTION FACILITIES FOR THE NAVY

The bill (S. 2249) authorizing appropriations for the United States Navy, additional ordnance manufacturing and production facilities, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, $100,000,000 for necessary tools, equipment, and facilities for the manufacture or production of ordnance material, munitions, and armor at either private or public plants.

SEC. 2. The authority herein granted shall include the authority to acquire lands at such locations as the Secretary of the Navy may deem best suited to the purpose, erect or extend buildings, acquire the necessary machinery and equipment, and in private establishments provide plant protection installations, and shall be in addition to all authority heretofore granted for these purposes. The Secretary of the Navy is hereby directed to report to Congress within 6 months from the enactment of this act a statement of all lands acquired under this section showing the acreage, location, and the price of each such acquisition.

The PRESIDING OFFICER. That completes the calendar.

AMENDMENT OF EMPLOYMENT STABILIZATION ACT

Mr. THOMAS of Utah. Mr. President, I should like to recur to Calendar No. 997, Senate bill 1617, to amend the Employment Stabilization Act of 1931. This bill provides merely for an already established Department of Government making plans for future public works. I wonder if there is any objection to the present consideration of the bill?

Mr. McNARY. Personally I do not have objection, although I am not at all familiar with the objectives of the bill. As I recall, on the last call of the calendar preceding today objection was made, and inasmuch as by unanimous consent we started with the consideration of a measure two numbers further on the calendar, I think the bill should not be called up at this time.

FIRST DEFICIENCY APPROPRIATIONS

Mr. BARKLEY. Mr. President, it is my purpose to move a recess until next Tuesday, and not with the idea of taking up the bill today, but of making it the unfinished business, I ask unanimous consent that the Senate proceed to the consideration of the bill reported today from the Committee on Appropriations by the Senator from Tennessee [Mr. McKELLAR], House bill 6548, with the understanding that it will go over until Tuesday, when it will be the unfinished business.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BUNKER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Sundry officers for appointment and promotion, and Robert R. Davis, a citizen of Wisconsin, for appointment as a second lieutenant, all in the Marine Corps.

By Mr. McKELLAR:

From the Committee on Post Offices and Post Roads:

Sundry postmasters.

From the Committee on Appropriations:

State directors for the Office of Government Reports, as follows:

Don. M. Lochner, for Florida;
Harold H. Harding, for Kansas;
Thomas H. Green, for Massachusetts;
Martin L. Riley, for Mississippi;
M. E. McCuiston, for Nevada;
R. F. Deacon Ariedge, for New Mexico;
A. Ray Martin, for Oregon;
Vernon C. Norton, for Rhode Island;
R. L. Olson, for Utah;
Harley O. Staggers, for West Virginia;
Fred W. Keller, for Wisconsin; and
H. D. Watenpaugh, for Wyoming.

The PRESIDING OFFICER. If there be no further reports of committees, the nominations on the calendar will be stated.

DIPLOMATIC AND FOREIGN SERVICE—ADMIRAL WILLIAM H. STANDLEY

The legislative clerk read the nomination of William H. Standley to be Ambassador Extraordinary and Plenipotentiary to the Union of Soviet Socialist Republics.

Mr. CONNALLY. Mr. President, this is the nomination of Admiral Standley, now on the retired list of the Navy, to be United States Ambassador to Russia. The Committee on Foreign Relations has suggested that the chairman state that the committee desires to have it known that while it reports this nomination favorably, it rather looks with disfavor on the nomination of military and naval officers to civilian posts, such as ambassadorships and other high civil stations. The committee, of course, took no formal action by way of resolution or otherwise, but there is quite a widespread and rather insistent opinion prevailing among the members of the committee that such appointments do not represent a wise policy for the Government to follow.

I make this statement in response to the opinion prevailing in the committee, and in no spirit of criticism or antagonism to the executive branch which makes these nominations. Admiral Standley is an officer of very high rank and station and standing. Still, he is on the retired list of the Navy, and as such is amenable to naval law. He may be ordered by the Secretary of the Navy to perform any naval duty or function; he may be called back into active service, and because of that situation the committee looks with some apprehension upon such a policy.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WALSH. In addition to what the Senator has stated, the admiral's public comments are subject to censorship by the Navy so long as he remains on the inactive list as a retired officer.

Mr. CONNALLY. I thank the Senator for the suggestion. However, that is not characteristic alone of the military and naval departments. Some of the others of us have our remarks censored.

Mr. WALSH. But there is not a law permitting it in our case. There is a law which permits it in the case of naval officers. Unfortunately, it is not always executed.

Mr. CONNALLY. The Senator from Massachusetts is correct. A recent Executive order placed even the members of the Cabinet under censorship. I have no quarrel with that; I think it should have been exercised at an earlier date. [Laughter.]

Mr. President, I submit the matter of the nomination of Admiral Standley.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination?

The nomination was confirmed.

GEN. PATRICK J. HURLEY

The legislative clerk read the nomination of Patrick J. Hurley to be Envoy Extraordinary and Minister Plenipotentiary to New Zealand.

Mr. CONNALLY. Mr. President, I shall not repeat in the case of General Hurley the remarks I have made in connection with the nomination of Admiral Standley, because the same thoughts are applicable, except that General Hurley was a lieutenant colonel on the Reserve list of the Army. He was recalled to active duty and given a military mission in the Pacific, as to the character and details of which I am not advised. Subsequently it was determined that it might be wise to appoint him Minister to New Zealand. The committee was advised in his case that if his nomination were confirmed, as I assume it will be, the Army would recall him from active duty and place him on a Reserve status.

Mr. CLARK of Missouri. On the inactive list.

Mr. CONNALLY. But he will go back to the Reserves, where he was before he was promoted, which will carry with it his rank as brigadier general in the Reserves. Of course, as such, he, like Admiral Standley, is subject to be recalled to active duty whenever the military authorities determine he should be on active duty.

In connection with this matter I wish to call attention to a very learned and perhaps abstruse report by the House Committee on the Judiciary, submitted in 1898, as I remember, on the clause of the Constitution prohibiting anyone who is a Member of the House or the Senate holding any other civil office. While it is not on all fours with the question now before the Senate it is rather instructive on the subject of one holding two incompatible offices. I will not ask at this time that the report be again printed in the RECORD, but I may at a later date ask to have it printed for the instruction and information of the Members of the Senate.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Patrick J. Hurley?

The nomination was confirmed.

CLIFTON P. ENGLISH

The legislative clerk read the nomination of Clifton P. English to be Foreign Service officer.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

SIDNEY K. LAFOON

The legislative clerk read the nomination of Sidney K. Lafoon to be Foreign Service officer.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the postmaster nominations be confirmed en bloc,

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

THE NAVY

The legislative clerk read the nomination of Capt. Jules James to be rear admiral for temporary service.

Mr. WALSH. Mr. President, I ask that the nomination be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That completes the calendar.

Mr. BARKLEY. Mr. President, I ask that the President be immediately notified of all confirmations of today.

The PRESIDING OFFICER. Without objection, the President will be forthwith notified of all nominations confirmed today.

AUTHORIZATION TO SIGN BILLS AND RECEIVE MESSAGES

The Senate resumed the consideration of legislative business.

Mr. BARKLEY. Mr. President, I ask unanimous consent that during the recess of the Senate the Vice President, or the Presiding Officer of the Senate be authorized to sign bills or resolutions ready for his signature, and that the Secretary of the Senate be authorized to receive messages from the House of Representatives.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AUTHORIZATION FOR COMMITTEE ON APPROPRIATIONS TO SUBMIT REPORTS, ETC.

Mr. BARKLEY. I ask unanimous consent that the Committee on Appropriations be authorized to make reports on bills, resolutions, and nominations, during the recess.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RECESS TO TUESDAY

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Tuesday next.

The motion was agreed to; and (at 3 o'clock and 30 minutes p. m.) the Senate took a recess until Tuesday, February 17, 1942, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 13, 1942:

UNITED STATES ATTORNEYS

Clinton R. Barry, of Arkansas, to be United States attorney for the western district of Arkansas. Mr. Barry is now serving in this office under an appointment which expired February 1, 1942.

John D. Clifford, Jr., of Maine, to be United States attorney for the district of Maine. Mr. Clifford is now serving in this office under an appointment which expired February 5, 1942.

Powless W. Lanier, of North Dakota, to be United States attorney for the district of North Dakota. Mr. Lanier is now serving in this office under an appointment which expires February 14, 1942.

Joe V. Gibson, of West Virginia, to be United States attorney for the northern district of West Virginia. He is now serving in this office under an appointment which expired February 5, 1942.

UNITED STATES MARSHALS

Benjamin B. Mozee, of Alaska, to be United States marshal for the second division, district of Alaska. Mr. Mozee is now serving in this office under an appointment which expires February 14, 1942.

William B. Fahy, of Missouri, to be United States marshal for the eastern district of Missouri. He is now serving in this office under an appointment which expired February 1, 1942.

Charles R. Price, of North Carolina, to be United States marshal for the western district of North Carolina. Mr. Price is now serving in this office under an appointment which expires February 14, 1942.

George J. Keinath, of Ohio, to be United States marshal for the northern district of Ohio. Mr. Keinath is now serving in this office under an appointment which expires February 14, 1942.

James R. Wright, of Texas, to be United States marshal for the northern district of Texas. He is now serving in this office under an appointment which expired February 1, 1942.

Albert A. Sanders, of Wyoming, to be United States marshal for the district of Wyoming. Mr. Sanders is now serving in this office under an appointment which expires February 14, 1942.

COLLECTOR OF CUSTOMS

Agnes M. Hodge, of Minneapolis, Minn., to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn. Reappointment.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE MAJOR GENERALS

Brig. Gen. Frederick Elwood Uhl (colonel, Infantry), Army of the United States.

Brig. Gen. Rene Edward De Russy Hoyle (colonel, Field Artillery), Army of the United States.

Brig. Gen. John Hutchison Hester, United States Army.

Brig. Gen. Jack Whitehead Heard (colonel, Cavalry), Army of the United States.

Brig. Gen. James Irvin Muir (colonel, Infantry), Army of the United States.

Brig. Gen. John Clifford Hodges Lee (colonel, Corps of Engineers), Army of the United States.

Brig. Gen. Hubert Reilly Harmon (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Brig. Gen. Leonard Townsend Gerow (colonel, Infantry), Army of the United States.

Brig. Gen. Omar Nelson Bradley (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Henry Terrell, Jr. (colonel, Infantry), Army of the United States.

Brig. Gen. Willis Dale Crittenberger (lieutenant colonel, Cavalry), Army of the United States.

Brig. Gen. Walton Harris Walker (lieutenant colonel, Infantry), Army of the United States.

Brig. Gen. Ralph Pittman Cousins (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Brig. Gen. George Edward Stratemeyer (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Brig. Gen. James Garesché Ord (colonel, Infantry), Army of the United States.

Brig. Gen. Edwin Forrest Harding (colonel, Infantry), Army of the United States.

Brig. Gen. Alexander Day Surles (colonel, Cavalry), Army of the United States.

TO BE BRIGADIER GENERALS

Col. Harold Cornelius Vanderveer, Field Artillery.

Col. Ralph Hospital (lieutenant colonel, Field Artillery), Army of the United States.

Col. Lunsford Errett Oliver (lieutenant colonel, Corps of Engineers), Army of the United States.

Col. John Beugnot Wogan (lieutenant colonel, Field Artillery), Army of the United States.

Col. Vernon Edwin Prichard (lieutenant colonel, Field Artillery), Army of the United States.

Col. Sereno Elmer Brett (lieutenant colonel, Infantry), Army of the United States.

Col. Carlos Brewer (lieutenant colonel, Field Artillery), Army of the United States.

Col. Lawrence Babbitt Weeks (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Clarence Ralph Huebner (lieutenant colonel, Infantry), Army of the United States.

Col. Louis Aleck Craig (lieutenant colonel, Field Artillery), Army of the United States.

Col. Frank Emil Stoner (lieutenant colonel, Signal Corps), Army of the United States.

Col. James Ernest Baylis, Medical Corps.

Col. Andrew Davis Bruce (lieutenant colonel, Infantry), Army of the United States.

Col. William Edmund Larned, Ordnance Department.

Col. Bethel Wood Simpson, Ordnance Department.

Col. Joseph Lawton Collins (lieutenant colonel, Infantry), Army of the United States.

Col. Francis Murray Brady (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Col. John Earl Lewis (lieutenant colonel, Field Artillery), Army of the United States.

Col. John Eugene McMahon, Jr. (lieutenant colonel, Field Artillery), Army of the United States.

Col. Joseph May Swing (lieutenant colonel, Field Artillery), Army of the United States.

Col. Frank Johnson McSherry (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Gordon de Launey Carrington (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Henry Benjamin Holmes, Jr. (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. William Moses Goodman (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. John Taylor Lewis (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Charles Douglas Yelverton Ostrom (lieutenant colonel, Coast Artillery Corps), Army of the United States.

Col. Albert Whitney Waldron (lieutenant colonel, Field Artillery), Army of the United States.

Col. Earl Herbert Metzger, Coast Artillery Corps.

Col. Frank William Milburn (lieutenant colonel, Infantry), Army of the United States.

Col. Stephen J. Chamberlin (lieutenant colonel, Infantry), Army of the United States.

Col. Leroy Hugh Watson (lieutenant colonel, Infantry), Army of the United States.

Col. Adlai Howard Gilkeson (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Col. Carl Adolphus Hardigg (lieutenant colonel, Quartermaster Corps), Army of the United States.

Col. Thomas Guerdon Hearn (lieutenant colonel, Infantry), Army of the United States.

Col. William Rudolph Gruber (lieutenant colonel, Field Artillery), Army of the United States.

APPOINTMENTS IN THE REGULAR ARMY

The following-named officers of the Reserve Corps, National Guard, and Army of the United States for appointment in the Regular Army, in the arm or service indicated:

TO BE SECOND LIEUTENANTS, REGULAR ARMY, WITH RANK FROM DATE OF APPOINTMENT

Infantry

Rex Applegate
Robert Mayer Hamilton
Corson Landrum Hilton, Jr.
Almon Louis Hugins, Jr.
Lucien Fairfax Keller
Jean Koke Lambert
Verle Douglas Miller
Frank Henry Stone
Joseph Szabo
Lamar Asbury Welch

Field Artillery

Charles Woodburn Matheny, Jr.
Henry Gaston Mitchel 3d

Coast Artillery Corps

John Elliott Arthur, Jr.
Eugene Lyle Hess

Corps of Engineers

James Edwin Foley
Jesse Thomas, Jr.

Quartermaster Corps

Robert Sigman Regenstein

Chemical Warfare Service

Richard Oliver Gordon
Leonard Charles Miller

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

TO QUARTERMASTER CORPS

Lt. Col. Dewitt Talmage Mullett, Infantry, with rank from May 4, 1941.

Capt. James Durward Barnett, Infantry (temporary major, Army of the United States), with rank from August 1, 1935.

TO CORPS OF ENGINEERS

Lt. Col. Benjamin Franklin Vandervoort, Quartermaster Corps, with rank from Nov. 4, 1941.

Maj. Edwin Vivian Dunstan, Quartermaster Corps (temporary colonel, Army of the United States), with rank from July 1, 1940.

Capt. William Arthur Davis, Jr., Quartermaster Corps, with rank from June 11, 1941.

First Lt. Joseph Edward Gill, Quartermaster Corps (temporary captain, Army of the United States), with rank from August 1, 1935.

First Lt. Albert Edward Stoltz, Quartermaster Corps (temporary captain, Army of the United States), with rank from August 1, 1935.

First Lt. Lawrence Robert St. John, Field Artillery (temporary captain, Army of the United States), with rank from June 12, 1938.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 13, 1942:

DIPLOMATIC AND FOREIGN SERVICE

William H. Standley to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

Patrick J. Hurley to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to New Zealand.

Clifton P. English to be Foreign Service offices, unclassified, vice consul of career, and secretary in the Diplomatic Service of the United States of America.

Sidney K. Lafoon to be Foreign Service officer, unclassified, vice consul of career, and secretary in the Diplomatic Service of the United States of America.

POSTMASTERS

ALABAMA

Martha Dale True, Newbern.

MASSACHUSETTS

James J. Hunt, Jr., Winchendon.

SOUTH DAKOTA

Ruth B. Vernon, Fort Meade.

IN THE NAVY

PROMOTIONS

Capt. Jules James to be rear admiral for temporary service, to rank from November 21, 1941.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 16, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our bountiful heavenly Father, at the altar of prayer we offer Thee our tribute of praise; we marvel at Thy watchful presence which has been our comfort all our days. Enable us to see the good in our fellow men as Thy patient hand is laid upon them. As we are lifted up to those spiritual heights which stretch above the valley of discouragement, where great thoughts inspire generous souls, persuade us that the surest rewards will be given those who have suffered and striven for others.

We pray Thee to clothe us with such power of clear conviction which no temptation can imperil and no purpose can impeach. Hold us resolutely to that sublime dream which humanity has been carrying in its heart like a heavenly seed, whose fruit is destined to feed the world's hopes and assuage its griefs, breaking every vulgar chain which fetters and blackens human history. Let us prove by every act and word that the bravest are the tenderest and the loving, the most daring. Almighty God, we beseech Thee to regard our country and we pray that every Catholic, every Jew, and every Protestant, according to his light and faith, may enter daily the closet of meditation and pray for our President and the Congress and that our freedom may not be cast into wreck and ruin. In our Redeemer's name. Amen.

The Journal of the proceedings of Thursday, February 12, 1942, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 329. An act for the relief of Lulu Heron;

H. R. 446. An act for the relief of the estate of Opal June Lindsay, Luck A. Lindsay, Thelma Louise Lindsay, and Laura Kathleen Lindsay;

H. R. 1905. An act for the relief of Mr. and Mrs. Michael Lewenczuk;

H. R. 2724. An act for the relief of the estate of Mary E. Philpot, Sandra G. Philpot, and Mrs. R. L. Keckler;

H. R. 3225. An act for the relief of Dale L. Barthel and others;

H. R. 3539. An act to provide for the deposit and expenditure of various revenues collected at schools and hospitals operated by the Indian Service in Alaska;

H. R. 3542. An act to authorize the purchase from appropriations made for the Indian Service of supplies and materials for resale to natives, native cooperative associations, and Indian Service employees stationed in Alaska;

H. R. 3647. An act for the relief of the San Diego Consolidated Gas & Electric Co.;

H. R. 4123. An act for the relief of Edwin B. Formhals;

H. R. 4179. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Allen Pope, his heirs or personal representatives, against the United States;

H. R. 4198. An act for the relief of John King;

H. R. 4354. An act for the relief of D. H. Dantzler;

H. R. 4773. An act for the relief of Brooks Equipment & Manufacturing Co.;

H. R. 4831. An act for the relief of Katherine McCue;

H. R. 4998. An act for the relief of Daniel Elliott and Helen Elliott;

H. R. 5040. An act for the relief of William Robert Shaneyfelt and Mildred Shaneyfelt;

H. R. 5056. An act for the relief of the Burlington Auto Co.;

H. R. 5206. An act for the relief of Nettie Woolfolk Montague and Jerry L. Woolfolk and others;

H. R. 5280. An act for the relief of G. F. Allen, chief disbursing officer, Treasury Department, and for other purposes;

H. R. 5282. An act for the relief of J. W. Daughtry;

H. R. 5387. An act for the relief of Mrs. Anna M. Paul;

H. R. 5572. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel and certain Federal civil employees for personal property lost or damaged as a result of the hurricane and flood at Parris Island, S. C., on August 11–12, 1940," approved April 23, 1941;

H. R. 5773. An act for the relief of Libby, McNeill & Libby;

H. R. 5984. An act for the relief of Solomon Brown;

H. R. 6145. An act for the relief of Mason C. Brunson; and

H. R. 6225. An act for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 793. An act for the relief of Marie V. Talbert and her sons, James Osborn Talbert and Dewey Talbert; and

H. R. 4537. An act for the relief of H. D. Bateman, Henry G. Conner, Jr., executor of the last will and testament of P. L. Woodard, and J. M. Creech.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S 1368. An act relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians;

S 1424. An act for the relief of Mary J. Crabtree;

S. 1669. An act for the relief of James Franklin Smith;

S. 1694. An act for the relief of Mrs. Claud Tuck;

S. 1757. An act for the relief of Clyde Kingery;

S. 1765. An act for the relief of the minor children of Mrs. Jesus Zamora Felix, deceased;

S. 1899. An act for the relief of Lawrence Brizendine;

S. 1993. An act for the relief of Pasqualina Lazzaro;

S. 2017. An act to amend Private Act No. 446, Seventy-sixth Congress, approved July 2, 1940, and for other purposes;

S. 2222. An act to authorize the Federal Works Administrator to acquire title, on behalf of the United States, to not more than 35 acres of land subject to certain reservations in the grantors; and

S. 2249. An act authorizing appropriations for the United States Navy, additional ordnance manufacturing and production facilities, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1526. An act to amend the act approved October 10, 1940 (54 Stat. 1105), to permit such responsible officers as may be designated by the heads of departments or establishments to authorize or approve the allowance and payment of expenses incident to the transportation of the household goods of civilian officers and employees when transferred from one official station to another for permanent duty.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 5802) entitled "An act to amend certain provisions of law relative to the withdrawal of brandy for fortification of wines and production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GEORGE, Mr. WALSH, Mr. CONNALLY, Mr. LA FOLLETTE, and Mr. CAPPER to be the conferees on the part of the Senate.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following Department and agencies:

1. Department of Agriculture.
2. Civil Service Commission.
3. Executive Office of the President, Office of Production Management.
4. Federal Security Agency, Public Health Service.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. COLE] may be permitted to extend his own remarks in the RECORD and include a speech delivered by our distinguished Speaker.

The SPEAKER. Is there objection?

There was no objection.

COMMITTEE TO INVESTIGATE NATIONAL DEFENSE MIGRATION

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 440), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the further expenses of conducting the investigation and study authorized by House Resolution 113 of the present Congress, incurred by the Select Committee to Investigate National Defense Migration, not to exceed $15,000, including expenditures for the employment of clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee conducting such investigation and study or any part thereof, signed by the chairman of the committee and approved by the Committee on Accounts.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia.

Mr. TABER. Mr. Speaker, reserving the right to object——

Mr. COCHRAN. Mr. Speaker, this is a privileged resolution, and an objection will not stand.

Mr. TABER. Then I ask for a division.

The SPEAKER. Does the gentleman from New York desire the gentleman from Missouri to yield to him?

Mr. TABER. I do, Mr. Speaker.

Mr. COCHRAN. Mr. Speaker, the House created this committee originally to investigate the migration of destitute citizens. A second resolution was brought in by the Rules Committee, instructing this special committee to investigate national defense migration. The House appropriated $23,000 in the first instance and $25,000 in the second instance. There is a balance of $2,300.

The members of the committee appeared before the Committee on Accounts this morning and gave us a breakdown of additional money that would be required. They have already spent considerable money in making investigations on the west coast, on the Texas border, and in Alabama. They already have hearings set for the west coast, and it is my understanding members of the committee are leaving tonight.

As I have repeatedly said on the floor, the Committee on Accounts is nothing but the agent of the House in matters of this kind. The House, having passed the resolution creating the committee, the Committee on Accounts must hear their appeals for money to carry on. The committee felt that by watching expenditures they could conduct these hearings for $15,000.

Mr. TABER. Does not the gentleman think that this committee has had about enough money for the investigation? Twenty-three thousand dollars is a lot of money, and it does seem to me that we ought to put an end to some of this investigating of that type.

Mr. COCHRAN. I will say to the gentleman from New York he knows my views with reference to the special committees, but this committee made a showing before the Committee on Accounts this morning that warranted this report. As I say, the Accounts Committee being nothing but an agent of the House, the members felt this resolution should be brought in, and it is now up to the House to accept it or reject it.

Mr. TABER. It seems to me we are going too far with this sort of thing.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. Yes; I yield.

Mr. RICH. How long does the committee expect to continue in this examination, and how far will their tour for these investigations be, and how long will it last?

Mr. COCHRAN. The resolution from the Rules Committee extended the life of the committee for this Congress.

Mr. RICH. In other words, they can make their tours wherever the committee deems advisable?

Mr. COCHRAN. If they get money, yes.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. MICHENER. In other words, the original resolution sets up the Tolan committee and outlines the duties or privileges of the committee. The Accounts Committee acts with reference to this type of resolution, similar to our Committee on Appropriations, with reference to general legislation authorizing the appropriation?

Mr. COCHRAN. Absolutely. We consider a House resolution creating a committee an authorization for expenditures for that committee.

Mr. MICHENER. Therefore, if there is criticism of the Tolan committee, it is due to the activities of the committee. Now, this particular committee has been discussed before. This committee was set up to investigate the Okies originally. It has performed a splendid service along that line, but recently it has broadened the scope of its sphere of action, let us say, and is investigating matters not originally contemplated.

Mr. COCHRAN. That was so provided by the resolution reported by the Rules Committee and passed by this House designating this committee to investigate national defense migrations. They were instructed to do it. They did not do it without instructions.

Mr. MICHENER. And I do not object so long as it confines itself to national defense migrations; but I did not, I am sure the Rules Committee did not, and the Committee on Accounts did not have any idea when the authority of this committee was extended, that the committee was going to hold the type of hearings it has been holding all over the country. I am not going to oppose this privileged resolution, because I appreciate the gentleman's position. I do, however, hope the committee will bring to a close the activities for which it was created.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. COX. I recall having had a conversation with the gentleman in reference to this committee some time ago. May I inquire as to how many people taken from different departments of the Government this committee is now employing?

Mr. COCHRAN. That matter was brought out this morning. In all, they have had 66 different people, but not more than 36 at any one time, so they said. I may say to the gentleman from Georgia that that section of the resolution has been taken out of this resolution and out of all similar resolutions, due to the fact that the President, through the Director of the Budget, notified the Speaker that special committees were

calling too many people from the executive branch of the Government.

Mr. COX. But is the committee still employing the individuals taken from the different departments originally?

Mr. COCHRAN. At this time I do not know how many people they have, but I understand they are not going to be able to get such help whenever they ask for it.

Mr. COX. How much money has the committee spent up to the present time?

Mr. COCHRAN. The committee has received $48,000. There is a balance of $2,300 left in their fund today.

Mr. COX. How much did the committee have originally?

Mr. COCHRAN. Twenty-three thousand dollars under the first resolution and $25,000 under the second resolution; and the disbursing clerk informs me this morning that there is $2,300 now to their credit.

Mr. COX. How much do they want?

Mr. COCHRAN. Fifteen thousand dollars; and this, I may say to the gentleman from Georgia, is a reduction in the amount they asked for.

Mr. COX. Can the gentleman indicate how much longer this committee expects to operate and what it expects to do? If it has accomplished anything, what has it accomplished?

Mr. COCHRAN. I understand they have three matters now in the hands of their investigators being worked out. They have no indication of going into any other field. One is on the west coast, one is on the Mexican border, and one is in Alabama. As the gentleman knows, committees of this kind want to go on forever.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. SMITH of Ohio. Can the chairman of the Committee on Accounts assure the House that this special committee will confine its activities to defense migrations?

Mr. COCHRAN. I will say to the gentleman from Ohio that the resolution outlines their activities, and their bills cannot be paid until I approve them, and I do not approve vouchers for expenditures not authorized by the resolution under which they operate.

Mr. SMITH of Ohio. The gentleman is not answering my question.

Mr. COCHRAN. I am sure the committee has every intention of keeping within the resolution creating it.

Mr. SMITH of Ohio. But the gentleman cannot assure the House that they are going to keep their activities to the study of defense migrations.

Mr. COCHRAN. I think I can give that assurance to the House. The members of this committee are honorable men. They know what they can do and will not go beyond that.

Mr. SMITH of Ohio. But the gentleman declines to assure the House that they will not go beyond that.

Mr. COCHRAN. Yes; and I will talk to the members of the committee.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. HOFFMAN. Do we need this committee if the Government is building homes for these migrant workers wherever they go?

Mr. COCHRAN. I cannot answer that question.

Mr. HOFFMAN. What is the use of giving them money, then?

Mr. COCHRAN. We are not giving them a cent to build homes, but to carry out the provisions of the resolution creating the committee.

Mr. HOFFMAN. No; but why worry about the migrant workers when the Government is building homes for them wherever they go?

Mr. SMITH of Ohio. Mr. Speaker, I am not satisfied that we are assured that this committee will confine its activities to the study of defense migrations.

Mr. COCHRAN. I will assure the gentleman again, and will call this to the attention of the personnel of the committee.

Mr. SMITH of Ohio. I ask for a division vote on the question of passing this resolution.

The question was taken; and on a division (demanded by Mr. SMITH of Ohio) there were—ayes 65, noes 35.

So the resolution was agreed to.

APPOINTMENT OF HON. CHARLES H. LEAVY TO FEDERAL BENCH

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, word has just come of the unanimous recommendation by the Senate committee for confirmation of the nomination of our colleague, CHARLES H. LEAVY, to be United States Federal judge.

Mr. LEAVY is exceptionally qualified for this position. He has the judicial temperament to a marked degree. After a long and successful apprenticeship in the general practice, he served for many years as judge of the Superior Court of the State of Washington, leaving the bench to come to the House of Representatives.

I must confess, however, that our pleasure at his elevation to the Federal bench is tempered by the fact that in his retirement from the House we lose one of our most valuable Members. As a member of the Committee on Appropriations he has been particularly useful, especially in matters pertaining to Interior and Agricultural legislation and it is with a deep and genuine regret that we see him leave the forum in which he has acquitted himself with such distinction and in which he has rendered such invaluable service to his State and to the Nation.

Mr. Speaker, we Missourians take particular pride in his record and his accession to the wool sack because he is by birth a son of Missouri and one of that great company who for a century have gone forth, trained and disciplined, to other Commonwealths to shed luster and honor both upon the State of their nativity and the State of their adoption. The State of Missouri greets the State of Washington with pardonable pride in the accomplishments of this illustrious son, Judge LEAVY.

By a happy coincidence, news of his coming confirmation comes on a notable anniversary. This is his birthday. He is today 58 years old, with all the sagacity, dignity, and poise that attend that advanced age.

We congratulate him and felicitate him on both happy events and wish for him health, happiness, and prosperity, and continued success in ever-widening fields of service.

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

Mr. RICH. Mr. Speaker, if it were appropriate at this time, I certainly would join in singing Happy Birthday to the gentleman from Washington, CHARLIE LEAVY. I served with the gentleman from Washington [Mr. LEAVY] on the Appropriations Committee for a number of years. I have disagreed with him many times, but Mr. LEAVY's appointment as judge of the United States district court is a good appointment. He is one of the keenest-minded men and one of the most able men I have associated with here in Congress. There has not been a time when he has not conducted himself as a gentleman. He has always been industrious and zealous in trying to do the things that were for the best interest of his congressional district. Many times I have disagreed with him because I have wondered where we were going to get the money, but he was enthusiastically working for the interests that he thought were right.

I want to congratulate him on receiving this appointment. I believe that the powers that be have made a good appointment and that the gentleman from Washington [Mr. LEAVY] will be a very fine, able judge, and one that the country will be proud of. May God always remain with him in his deliberations. We will miss him on the Appropriations Committee.

THE LATE WILLIAM F. STEVENSON

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. RICHARDS]?

There was no objection.

Mr. RICHARDS. Mr. Speaker, I beg to announce to the House the sad news of the death of Hon. William F. Stevenson, former Representative from the Fifth Congressional District of South Carolina. Mr. Stevenson, my immediate predecessor, passed away at his home in Washington at the age of 79 years on Thursday, February 12. Funeral services were conducted in Cheraw, S. C., on Saturday.

I should like to pay homage to this man who gave the greater portion of his mature life in service to the people of his

county, State, and Nation. Born in 1862, in Iredell County, N. C., Mr. Stevenson moved to Cheraw, S. C., as a youth and became active in local and State politics as a young man. He served as mayor of the town of Cheraw, and later as an influential member of the South Carolina General Assembly, where he held for several years the important post of speaker of the house. During the period between 1884 and 1917, Mr. Stevenson was engaged in extensive corporation law practice and was an attorney for the Seaboard Air Line Railway. In 1916 he was elected to the Congress of the United States and served ably and well in this honorable body for a period of 16 years, from 1917 to 1933. Since retirement from the duties of Congressman Mr. Stevenson headed the Home Owners' Loan Corporation until his health began to decline in recent years. A distinguished and respected citizen has been lost to the people of my congressional district, to the State of South Carolina, and to the Nation. May I join the procession of the thousands of his friends who mourn his passing.

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

There was no objection.

Mr. STEAGALL. Mr. Speaker, it was my good fortune to have served and to have been associated with Mr. Stevenson, of South Carolina, during the years of his service in this body. He was a member of the committee of which I had the honor to be chairman, and at the time he retired from Congress he was the ranking majority member of that committee. We worked together during the trying days of 1932 and, until the time of his retirement, on important legislation sponsored by the Committee on Banking and Currency.

Mr. Stevenson brought to this House a most valuable experience, growing out of his former service in the legislature of his State, in which he served for many years as speaker. He had a wide range of information on history and especially on everything that pertained to the growth and development of this Republic. He was a great lawyer, and a man of great learning.

I esteemed him for his splendid attainments and as a loyal friend. We still miss him in the House and as a member of the Committee on Banking and Currency. He was all that goes to make up an able, courageous, patriotic Member of the Congress of the United States. He possessed all the refinements of a chivalrous soul. He was a Christian gentleman. I loved him, and I cherish his memory. I am glad to join in paying tribute to him as one of the Nation's great men.

SITUATION OF TIRE DEALERS IN NORTHERN CALIFORNIA

Mr. ROLPH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. ROLPH]?

There was no objection.

Mr. ROLPH. Mr. Speaker, I want to take this minute to read a telegram which I have received from the tire dealers of the northern section of California. This telegram reads as follows:

SAN FRANCISCO, CALIF., *February 14, 1942.*
Congressman THOMAS ROLPH,
House Office Building,
Washington, D. C.:

Over 100 independent tire dealers of northern California assembled tonight in San Francisco implore your relief from impending bankruptcy under present methods of rubber regulations. We need financial help in carrying our frozen stocks of new tires and tubes. We need the exclusive handling of the total rationing certificates of new tires and tubes instead of permitting mail order houses, oil chains, and factory-owned stores to fill ration orders when they have numerous other lines of busines of which tires are only a minor department and they also have millions of dollars whereas our independent finances are so limited. We need the exclusive rights of treading tires as we own sufficient equipment to serve the public as well as our Government and therefore no more molds should be sold to new organizations or chains. We need more equitable allocation of camelback so that small dealers and large dealers alike will be equally supplied. We need passenger size camelback immediately in order to keep our plants operating and to make deliveries under the new treading rationing regulations. We need more repair material to keep existing old tires in operation. We need an order stopping the big-time manufacturers from filling ration orders directly to consumers as all rationing should be done exclusively through independent dealers. Our independent establishments are facing an immediate bankruptcy unless you can concentrate the small remaining available tire business into our hands as we have no other method of existing competitively with the large chain organizations. Please grant us your greatest consideration.

WALTER SCHLICHTMANN,
Chairman, Northern California
Independent Tire Dealers.

PERMISSION TO ADDRESS THE HOUSE

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I desire to join in the felicitations on the confirmation of the appointment of one of our Members, Hon. CHARLES LEAVY, of Washington, to the Federal bench. It has been my privilege to serve with Judge LEAVY not merely on the Committee on Appropriations but also as a member of the joint congressional committee on the investigation of the phosphate resources in this country. On that committee I came to know Judge LEAVY in an intimate and personal way. His mature judgment, his judicial point of view, his love of the country, and his knowledge of the industrial resources and the power possibilities of the country were of immense importance to the deliberations of that committee. I am glad that he will be in a position for which he is so well fitted as he continues in the service of the country.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a list of the authorized declarations for service men.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. COURTNEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by my colleague the gentleman from Tennessee [Mr. PRIEST] before the Tennessee Press Association at Chattanooga on Friday last.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

(Mr. PADDOCK asked and was given permission to extend his own remarks in the RECORD.)

PENSIONS FOR CONGRESSMEN

Mr. CAMP. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CAMP. Mr. Speaker, I am glad to note the announcement by my colleague from Georgia, the distinguished chairman of the Committee on the Civil Service, that hearings will begin at once on those bills recently introduced for the purpose of amending or repealing the act of Congress—Public Law 411—further amending the Civil Service Retirement Act. It is my hope that this House will soon have the opportunity of reconsidering this measure, and that we may strike that portion of the act that includes elective officials—legislative, judicial, and executive—in the provisions of the retirement system.

Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial from the Griffin (Ga.) Daily News of Wednesday, February 11, 1942.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. Mr. Speaker, nothing which Congress has done for many years has so shocked the people of this country as has the passage of legislation extending retirement provisions to the President, other executive officers, and Members of Congress.

The controversy created over this legislation is seriously disturbing national unity. It has created grave doubt in the minds of many as to whether Congress is taking this war seriously, or if so, whether it is not using the seriousness of the situation to secure pecuniary advantages for its Members. People are questioning whether they should continue to buy Defense bonds and carry on civilian defense activities.

I have always been opposed to this type of legislation. Others have sincerely favored it. Irrespective, however,

of what our former views may have been on this matter, there is only one thing to do now, and that is to repeal this provision and do it at once. I hope the Committee on the Civil Service will give us an opportunity to vote on a repeal bill this week. No extended hearings are necessary.

EXTENSION OF REMARKS

Mr. ARNOLD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from the Reverend George M. Nell, of the Cooperative Parish Activities Service at Effingham, Ill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARNOLD. Mr. Speaker, I further ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial in the Chicago Sun entitled "We Can Lose This War."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the La Crosse (Wis.) Tribune of February 12, 1942, entitled "Let's Have It."

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LYNCH. Mr. Speaker, I ask unanimous consent that on Wednesday next, at the conclusion of the legislative program of the day, and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THE LATE CHARLES BROOKS SMITH

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, we have heard from the Well of this House today felicitations for the living and condolences for the dead. We are thus reminded of the fleeting life we live. William Jennings Bryan once said:

> Death is a narrow, starlit strip between the companionships of yesterday and the reunions of tomorrow.

I would not add an expression of personal sadness by developing the thought in this House, except to say that a very dear friend of mine, who was known to many Members of this body, is being buried in his native West Virginia this afternoon.

I refer to Charles Brooks Smith, who for more than a half century was not only a keen newspaperman but a real gentleman in the best sense of the word. He occupied this press gallery above us for many, many years. He heard the speech of President Woodrow Wilson, calling for our participation in World War No. 1. He again reported the call to arms, as it came a few weeks ago from the lips of President Roosevelt, before we voted a declaration of war.

The passing parade had a penetrating reporter in this man who rests from his labors. We recall his keen wit, his rapier-like writing, his smile, and his geniality. I am sure readers of the Washington dispatches that came as the handiwork of this man will miss him in the days to come.

[Here the gavel fell.]

THE LATE MATTHEW A. DUNN

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, it is with genuine sorrow that I announce the death, on last Friday, of a former Member of this House, a colleague of mine from Pennsylvania, the Honorable Matthew A. Dunn. Mr. Dunn served in the Pennsylvania Legislature for three consecutive sessions before coming to the House to represent his native county of Allegheny in Pennsylvania. He served here for four terms and retired voluntarily because he felt that the stress and strain in trying to perform his duties were too much for him to bear any longer and remain here. Many of you knew Matt Dunn personally very well. You will recall that he was the victim of a sad affliction, being totally blind. He had been blind since he was 12 years of age, but in spit of that, by perseverance, hard work, and by reason of his personality, integrity, and intelligence he rose in the estimation of the people of his county more and more highly as his life wore on. I experience real sorrow in being compelled to announce his death.

Mr. Dunn had a very wide sympathy in his heart for every person, and all of us know that he was always in the forefront for social and labor legislation and for all types of legislation which would be of benefit to those who were less fortunate in life. I am sure that all the Members of the House, Mr. Speaker, feel a genuine sorrow in the passing of our friend, as we knew him, Matt Dunn.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. SPRINGER. Mr. Speaker, I have two requests: First, that I may be permitted to extend my remarks in the RECORD and to include a short editorial; and, second, I ask unanimous consent to extend my remarks in the RECORD to include an address delivered by the Honorable JOSEPH W. MARTIN, Jr., of Massachusetts, at a Lincoln Day banquet held last Thursday night.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. ROBERTSON of North Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. ROBERTSON of North Dakota. Mr. Speaker, no piece of legislation passed by this Congress in a half century has brought down upon itself greater discredit than the passage of the so-called pension measure on this floor by unanimous consent on January 21.

Congressmen have a responsibility to their people. We must never break faith with them. This legislation was brought to the floor through the back door. In all probabilities, it was in strict accordance with the rules. If that be the case, then the rules should be changed. No such far-reaching piece of legislation should ever come before this body without ample opportunity for debate.

The Nation asks the Congress in this time of peril to lead the way with judicious spending and an economic approach to the momentous questions of the hour. By the passage of this measure we have destroyed the confidence of the people in us.

I urge that the leadership of this House responsible for the passage of this measure bring to the floor at an early date a measure to repeal this disastrous legislation. By so doing, in a small way, we will indicate to the country our desire to play fair and to mark plainly the route of our desire to do our first duty, and that is to prosecute the war with all vigor.

Matters of the pension and retirement nature must be dealt with, if at all, at a later date.

EXTENSION OF REMARKS

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter received relative to the bill H. R. 6465.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

REGISTRATION OF MEMBERS

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KILDAY. Mr. Speaker, I have an announcement to make that will be of interest and importance to a number of Members.

At the request of the Sergeant at Arms of the House, the selective-service system of the District of Columbia has arranged for the registration of Members of Congress here in the Capitol Building today. The gentlemen taking part have been in the rotunda since early this morning.

Mr. William E. Leahy, the director of selective service for the District of Columbia, has asked me to announce that they will be there until 2 o'clock this afternoon. So any who have failed thus far to register should apply in the rotunda before 2 o'clock as the services of these men then will be required elsewhere.

EXTENSION OF REMARKS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to insert in the RECORD two extensions of remarks and that in one of them I may include two excerpts from the CONGRESSIONAL RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PENSIONS FOR CONGRESSMEN

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, January 21, by unanimous consent, the House agreed to Senate amendments which gave Members of Congress so-called pensions.

Since that time, due to the hurricane from our constituents, the House, like the wheel of an old-fashioned Dutch windmill out of repair, has been going round and round, uttering squeaks and groans but pumping no water.

That we may no longer merit the ridicule, derision, and scorn which is coming our way, I ask unanimous consent for the consideration of H. R. 6471, which will repeal the benefits of this so-called pension act insofar as it applies to Members of Congress.

If we have not just been talking; if the House has really repented, there is no reason why this action should not be taken now.

Inasmuch as this bill does not affect anyone but Members of Congress, if the House is sincere in its expressions of disapproval of pensions for Congressmen, let us stand up and be counted today—right now. This is a test of our good faith.

Now, Mr. Speaker, I ask unanimous consent for the immediate consideration of H. R. 6471, which will repeal that act insofar as it applies to Congressmen and Senators.

The SPEAKER. The Chair does not recognize the gentleman for that purpose at this time.

Mr. HOFFMAN. It went through that way.

The SPEAKER. Let the matter come up in the orderly fashion.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to extend my remarks and include a short newspaper editorial from the Mount Vernon (Ohio) Republican News.

The SPEAKER. Is there objection?

There was no objection.

Mr. FULMER. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the RECORD and include therein a short resolution passed by the House of Representatives of South Carolina.

The SPEAKER. Is there objection?

There was no objection.

Mr. FULMER. Mr. Speaker, I also ask unanimous consent to extend my remarks and include therein a short editorial.

The SPEAKER. Is there objection?

There was no objection.

FARM MARKETING

Mr. FULMER. Mr. Speaker, I ask unanimous consent that I may address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. FULMER addressed the House. His remarks appear in the Appendix.]

UTILIZING PIPE-LINE LEGISLATION

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. RIVERS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

(By unanimous consent, Mr. JENKINS of Ohio and Mr. THILL were granted permission to revise and extend their own remarks in the RECORD.)

SUPPORT OF THE PRESIDENT

Mr. ELIOT of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. ELIOT of Massachusetts addressed the House. His remarks appear in the Appendix.]

THE VERY REVEREND FATHER ZACHEUS J. MAHER, S. J.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RABAUT. Mr. Speaker, as the father of a Jesuit, Francis D. Rabaut, S. J., I deem it my high privilege to bring to the attention of Congress the assurance of wholehearted and devoted cooperation given to the President of the United States by the Very Reverend Father Zacheus J. Maher, S. J., assistant general of the Society of Jesus for America.

In a letter to the President, Father Maher pledged the devoted loyalty of the 5,552 American Jesuits. In the defense of the guaranties given in the Constitution and the Bill of Rights, Father Maher said, "We who are the sons of a Soldier Saint will not be found wanting."

Likewise, for the defense of the country or the promotion of the common good, Father Maher offered the facilities of all the great Jesuit universities and colleges in America.

President Roosevelt replied that the Jesuits' pledge of support gave him new determination to vindicate "for all time an order of society which shall recognize the dignity of human nature" according to God's laws.

Because of the significance of this exchange of correspondence, Mr. Speaker, I ask unanimous consent to place these two letters in the Appendix of the CONGRESSIONAL RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TIME FOR AMERICANS TO BECOME HARD-BOILED

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

[Mr. YOUNG addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to extend my remarks and include two short newspaper articles.

The SPEAKER. Is there objection?

There was no objection.

Mr. TIBBOTT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial appearing in the Punxsutawney Spirit, entitled "War Production and Small Shops."

The SPEAKER. Is there objection?

There was no objection.

WASTE OF PAPER BY O. E. M.

Mr. JOHNS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JOHNS. Mr. Speaker, I take this time to show the Members what I received in the mail recently: A cardboard mailing tube 31 inches long by 2 inches in diameter containing a poster 10 inches by 15 inches, and the poster is folded, at that. Each Member of Congress received one of these, and doubtless many thousands have been sent throughout the country.

We hear much about conservation these days and the avoidance of waste, even extensive campaigns to save waste paper. I express the hope that the Office for Emergency Management, which sent this out, will see fit to cut down on such extravagant use of materials.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. JOHNS. I yield.

Mr. H. CARL ANDERSEN. And will the gentleman also state that accompanying the poster, and in the same mailing tube, was a notice asking us to save paper?

Mr. JOHNS. The gentleman is correct. There were two sheets of white paper. One with seven lines of typewriting on it, and contained this significant statement:

Because of the paper shortage, we are issuing our standard poster series in the enclosed 15-inch by 20-inch size.

It was doubled and put into a tube that could be used to mail out three if they had been cut to the proper length. The other extra sheet of white paper contained the following language:

We thought you might like to have this for your office. Division of Information, Office for Emergency Management.

That was all there was on it.

EXTENSION OF REMARKS

Mr. GORE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech I delivered to the Independent Bankers' Association at St. Paul, Minn., on the 14th of this month.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE LATE PVT. JAMES G. KENNEY

Mr. MOSER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to make an announcement.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MOSER. Mr. Speaker, the words "I regret I have but one life to give to my country," uttered by Nathan Hale, effected a historic recording to thrill succeeding generations of Americans indicating that no man could have greater honor than to give his life in defense of his country and die under his country's flag; yet it is with a sense of profound regret and deepest sympathy that I rise today to announce the first casualty coming to my congressional district in the present war in the person of James Greth Kenney, of Kutztown, R. F. D. 1, Pa., who was killed in action January 26 last, under the American flag on Bataan Peninsula, fighting under General MacArthur, valiant soldier and gallant leader, and for whom memorial services were conducted yesterday in his home church.

I feel in taking this time I bespeak for my district the sympathy that all of us feel toward the bereaved wife, parents, brother, and sisters of this young man, and I believe that the House will agree with me in extending the sympathy of the Congress.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio speech I made last week.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GEARHART. Mr. Speaker, I desire to submit three unanimous-consent requests: First, to extend my remarks and include an article from the pen of Dr. Joseph Walter Bingham, of Stanford University, California, on the subject of labor relations, taxation, and the defense problem; second, that I may extend my remarks and include therein a press release of February 7 of the United States Civil Service Commission; and, third, to extend my remarks and include therein an article from the Chowchilla (Calif.) News noting the passing of the late Ezra Silas Gray.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therein a clipping from the Los Angeles Examiner of February 9.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. LELAND M. FORD addressed the House. His remarks appear in the Appendix.]

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GIFFORD. Mr. Speaker, I understand that a few moments ago tribute was paid to our Judge LEAVY, of Spokane. I rise not only to congratulate my colleague but to extend my sympathy to the Congressman who follows him. He probably will come from Spokane, the city that has attempted to bring ridicule upon the Congress. I am glad the citizens of my district did not attempt it. I trust that when hereafter Spokane does not fully agree with what we do in Congress relating to their demands for largess they will take it only as a joke. I returned my package unopened with the statement that "I did not think it necessary that I suggest what they might do with it."

I am 1 of the 10 supposedly largest beneficiaries under the act, and I have stated before I would have voted against it. However, it is not a very attractive pension, so-called. I could retire at the end of this year—20 years' service—and by the payment of a small sum receive about $1,800 yearly. Hardly think that an attraction to retire. I could borrow $9,329 and pay interest of 5 percent or more to make back payments and then receive $2,800 yearly. Hardly think I would borrow for such a purpose. It now seems probable that the act will be repealed. If the public fully understood the legislation, I think there would be much less criticism.

[Here the gavel fell.]

Mr. LANDIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the Appendix of the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. LANDIS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. HILL of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a talk I made last Thursday.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. HILL]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HILL of Washington. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. HILL]?

There was no objection.

Mr. HILL of Washington. Mr. Speaker, as an older Member of the Washington delegation, it gives me real pleasure to congratulate my colleague the gentleman from Washington [Mr. LEAVY], first, on his fifty-eighth birthday today and also on his name being unanimously reported by the Senate Judiciary Committee for a judgeship of the United States District Court for the State of Washington. It is said in the Good Book that "a man is not without honor save in his own country." When the gentleman from Massachusetts [Mr. GIFFORD] spoke about Spokane, we must all admit that the Spokesman-Review and newspapers of that type in our State that are at all times fighting against public ownership and for the power companies do not like to see men like the gentleman from Washington [Mr. LEAVY] in Congress, and they do not like to see men like the gentleman from Washington [Mr. LEAVY] appointed as judges.

Mr. LEAVY is eminently qualified both by education and experience to fill the position to which he has been appointed. He served as a prosecuting attorney in the State of Washington and then as a judge of the superior court with distinction. He came here in 1936 and, although rather unusual for a new Member, he secured a place on the very important Appropriations Committee. Because of his integrity, industry, and intelligence, he has measured up to very high standards on that committee, and he is honored and loved by all the Members of the House.

His services on the Appropriations Committee have been invaluable to our State and the Nation at large. Public ownership and distribution of electric power has not had a more loyal friend on that committee than Judge LEAVY. He will continue that loyal service to the people of our State as a judge on the Federal bench. The Federal legislative branch of our Government will sorely miss Congressman LEAVY. The Federal judiciary will secure in him a splendid asset. I have a very high regard and affection for my good friend and colleague. I know I bespeak the sincere sentiments of our whole Washington delegation when I wish you, Judge LEAVY, many happy returns of this your birthday and honor and success in your new field of endeavor.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a newspaper editorial.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. ELLIS]?

There was no objection.

(Mr. GILCHRIST asked and was given permission to extend his own remarks in the RECORD.)

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this morning, and I also ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Bucyrus (Ohio) Telegram-Forum of Monday, February 9, 1942.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SMITH]?

There was no objection.

EXEMPTION OF CERTAIN PEOPLE IN MOVIE INDUSTRY FROM THE DRAFT

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. CLEVENGER]?

There was no objection.

Mr. CLEVENGER. Mr. Speaker, it has been said by Secretary of Agriculture Wickard "food will win the war" and, latterly, "food will establish the peace." When General Hershey acts almost instantly to declare that moving-picture actors, technicians, scenario writers, and studio workers are exempt or subject to deferments because this form of entertainment is essential to national defense, may we not hope that consideration may be given to essential workers in agriculture and some standard be given draft board officials in the food producing districts? Every Member from these districts will agree with me that farm operations are disrupted and production curbed or rendered impossible through the conscription of farm labor and through attraction of high wages in defense industries.

May not sugar, milk, canned fruit, and vegetables, meat, and grain be more essential than a lot of this salacious bedroom drama, low comedy, and propaganda so generously interlarded into legitimate entertainment?

Might we not mobilize at least a couple divisions for the Army or Navy out of the myriad of employees of the Department of Agriculture so busily engaged in farming the farmers this last decade, or, if not that, of returning them to the farm where their activity may be practical and useful to the country?

Can we not put boondoggling, dogooding, and social gains on ice for the duration and get seriously at work arming this Nation to save itself?

THE LATE EDGAR NYGREN AND ROBERT S. NYGREN

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. SNYDER]?

There was no objection.

Mr. SNYDER. Mr. Speaker, much was said some days ago, and rightly so, when a plane crashed near Las Vegas, Nev., killing the famous actress Carole Lombard who had done so much for her country by devoting much of her time in unselfish and patriotic activities in the field of national defense.

In the same plane crash 17 air officers were killed. Among them were two brothers, Staff Sgt. Edgar A. Nygren and Sgt. Robert S. Nygren, from my home district—both graduates of the Dunbar Township High School, Dunbar, Pa., and were part of the crew ferrying fighting planes from the west coast to Canada.

Staff Sgt. Edgar Nygren entered the service in 1937. His brother 2 years later, and was twice cited for loyalty and bravery. In one case his ship caught fire in the air and Sergeant Nygren took personal charge of extinguishing the flames. On another occasion while flying over Milwaukee the landing gear stuck. Sergeant Nygren repaired the gear while in the air so the ship could land safely.

Staff Sgt. Edgar A. Nygren and Sgt. Robert S. Nygren were sons of Mr. and Mrs. Fred Nygren of Dunbar. The ashes of the boys' remains were brought east and laid to rest last Sunday in the Flatwoods Cemetery close to the place where they were born and raised and not far from the place where the boys' parents still live.

THE FIRST BAPTIST CHURCH, SEMINOLE, OKLA.

Mr. BOREN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. BOREN]?

There was no objection.

Mr. BOREN. Mr. Speaker, the First Baptist Church of Seminole, Okla., has been planning for a long time to build a new building and had raised a considerable sum of money for this purpose; but last week it voted to set aside this plan for a new building until after the war and took the several thousand dollars that it had raised for this purpose and bought United States Government bonds.

I felt this act merited your attention, and I know you join with me in appreciation of this splendid evidence of devotion to America and this expression of a determination to help bring victory for the forces of freedom and democracy.

EXTENSION OF REMARKS

Mr. BYRNE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a patriotic song by the Reverend R. Emerson Dunckel.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BYRNE]?

There was no objection.

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article written by J. C. Allen, an engineer in the Bureau of Reclamation.

The SPEAKER. Is there objection to the request of the gentleman from Utah [Mr. ROBINSON]?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a newspaper article; also to extend my own remarks in the RECORD on another subject.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. SHAFER]?

There was no objection.

(Mr. VAN ZANDT asked and was given permission to extend his own remarks in the Appendix of the RECORD.)

COMMITTEE ON THE JUDICIARY

Mr. McLAUGHLIN. Mr. Speaker, I ask unanimous consent that the Judiciary Committee may be permitted to sit while the House is in session today.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. McLAUGHLIN]?

There was no objection.

DEFENSE HOMES CORPORATION

Mr. BEITER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BEITER. Mr. Speaker, in my remarks in the House on Wednesday last, relative to properties purchased by the Defense Homes Corporation for public housing, I mentioned that the estate on Wisconsin Avenue, known as Friendship, was bought from Mrs. Evalyn McLean. I find that the property in question was purchased from the McLean estate and I ask that this correction be noted.

Likewise, I take this opportunity to correct my previous statement that the property at 2000 Massachusetts Avenue is the property of Mrs. McLean. I find that this is rented by the Government from Mr. Henry Spencer at $15,000 per annum.

My statements were made solely in criticism of the Defense Homes Corporation. It has been brought to my attention that comparable property is available on Wisconsin Avenue in the vicinity of the McLean estate at considerably less than $1,000,000. We all know that neither private industry, nor the Government, can provide housing for workers whose incomes are under $2,000 by paying as much as $5,000 per acre, yet $13,300 per acre was paid for the McLean property. In the past few days I have been informed by local real estate operators that there is available on Wisconsin Avenue 135 acres of land which can be purchased at $3,000 per acre, or $10,000 per acre less than the price at which the Government acquired Friendship.

Congress may well consider these facts, along with the feasibility of consolidating Government housing agencies in the interest of economy and efficiency. The Lanham Act imposes restrictions and limitations on costs on units constructed by the United States Housing Authority and the Public Buildings Administration. Apparently there are no such limitations imposed upon the Defense Homes Corporation. From what we have seen so far, it would appear that the sky is the limit.

EXTENSION OF REMARKS

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two topics, in one to include a letter from a constituent, and in the other to include

a quotation from a column in the New York Post.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

AMENDING SECTION 7 OF THE NEUTRALITY ACT OF 1939

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 442), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into a Committee of the whole House on the state of the Union for the consideration of the joint resolution (S. J. Res. 133) amending section 7 of the Neutrality Act of 1939. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of such consideration, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion, except one motion to recommit.

QUESTION OF PERSONAL PRIVILEGE

Mr. DAY. Mr. Speaker, I rise to a question of personal privilege and send to the desk a subpena served upon me, which I ask to have read.

The Clerk read as follows:

District Court of the United States for the District of Columbia, holding a criminal court for said District. *The United States* v. *George Sylvester Viereck*, No. 68584, Criminal Docket

The President of the United States to STEPHEN A. DAY, House of Representatives Office Building, Washington, D. C.:

You are hereby commanded to attend the said court on the 16th day of February 1942 at 10 o'clock a. m. to testify on behalf of the defendant, and not depart the court without leave thereof.

Witness the Honorable Chief Justice of said court the 14th day of February, A. D. 1942.

CHARLES E. STEWART,
Clerk.
By RICHARD FLIPPO, *Deputy.*

Mr. DAY. Mr. Speaker, I have been summoned to appear as a witness for the defendant. The Government of the United States has no charge against me of any nature whatsoever and has no intention of summoning me as a witness. Under the precedents of the House, I find that I am unable to comply with this summons without the consent of the House, the privilege of the House being involved. I therefore submit the matter for the consideration of this body.

Mr. SUMNERS of Texas. Mr. Speaker, I offer a privileged resolution (H. Res. 441).

The Clerk read as follows:

Whereas Representative STEPHEN A. DAY, a Member of this House from the State of Illinois, has been summoned to appear as a witness before the District Court of the United States for the District of Columbia to testify in the cause of the United States against George Sylvester Viereck: Therefore be it

Resolved, That the said STEPHEN A. DAY be, and he is hereby, authorized to appear and testify before the said court at such time as the House is not sitting in session.

The resolution was agreed to.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that the Clerk of the House be authorized to transmit a copy of the resolution (H. Res. 441) to the clerk of the court from which the subpena was issued to the gentleman from Illinois [Mr. DAY].

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PUYALLUP TRIBE OF INDIANS, STATE OF WASHINGTON

The Clerk called the first bill on the Consent Calendar, H. R. 4578, to authorize certain corrections in the tribal membership roll of the Puyallup Tribe of Indians in the State of Washington, and for other purposes.

Mr. COLE of New York. Mr. Speaker, in the absence of the gentleman from Michigan [Mr. WOLCOTT], I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDING THE EMPLOYMENT STABILIZATION ACT OF 1931

The Clerk called the next bill, H. R. 5638, to amend the Employment Stabilization Act of 1931.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

AMENDING THE CLASSIFICATION ACT OF 1923, AS AMENDED

The Clerk called the next bill, H. R. 6217, to amend section 13 of the Classification Act of 1923, as amended.

Mr. MOSER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ADDITIONAL JUDGE FOR THE DISTRICT OF NEW JERSEY

The Clerk called the next bill, S. 1961, to eliminate the prohibition against the filling of the first vacancy occurring in the office of district judge for the district of New Jersey.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Reserving the right to object, Mr. Speaker, 2 weeks ago I asked unanimous consent to have this bill passed over. The senior Senator from New Jersey has introduced a bill providing for a sixth permanent judge. Both these bills should be thought of together. Until I can be enlightened as to the action of the Judiciary Committees of both Houses with reference to this request for a sixth permanent judge, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

AMENDMENT OF SECTION 77 OF THE JUDICIAL CODE

The Clerk called the next bill, H. R. 6270, to amend subsections (b), (d), and (e) of section 77 of the Judicial Code so as to transfer the county of Meriwether from the Columbus division of the middle district of Georgia to the Newnan division of the northern district of Georgia, and to change the terms of the district court for the Macon and Americus divisions in the middle district of Georgia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (b) of section 77 of the Judicial Code, as amended (U. S. C., 1940 edition, title 28, sec. 150 (b)), is hereby amended to read as follows:

"(b) The northern district shall include four divisions, constituted as follows: The Gainesville division, which shall include the territory embraced on January 1, 1925, in the counties of Banks, Barrow, Dawson, Forsyth, Habersham, Hall, Jackson, Lumpkin, Rabun, Stephens, Towns, Union, and White; the Atlanta division, which shall include the territory embraced on such date in the counties of Campbell, Cherokee, Clayton, Cobb, De Kalb, Douglas, Fannin, Fulton, Gilmer, Gwinnett, Henry, Milton, Newton, Pickens, and Rockdale; the Rome division, which shall include the territory embraced on such date in the counties of Bartow, Catoosa, Chattooga, Dade, Floyd, Gordon, Murray, Paulding, Polk, Walker, and Whitfield; and the Newnan division, which shall include the territory embraced on such date in the counties of Carroll, Coweta, Fayette, Haralson, Heard, Meriwether, Pike, Spalding, and Troup."

SEC. 2. Subsection (d) of such section 77, as amended (U. S. C., 1940 edition, title 28, sec. 150 (d)), is hereby amended to read as follows:

"The middle district shall include seven divisions, constituted as follows: The Athens division, which shall include the territory embraced on January 1, 1925, in the counties of Clarke, Elbert, Franklin, Greene, Hart, Madison, Morgan, Oconee, Oglethorpe, and Walton; the Macon division, which shall include the territory embraced on such date in the counties of Baldwin, Bibb, Bleckley, Butts, Crawford, Hancock, Houston, Jasper, Jones, Lamar, Monroe, Peach, Pulaski, Putnam, Twiggs, Upson, Washington, and Wilkinson; the Columbus division, which shall include the territory embraced on such date in the counties of Chattahoochee, Clay, Harris, Marion, Muscogee, Quitman, Randolph, Stewart, Talbot, and Taylor; the Americus division, which shall include the territory embraced on such date in the counties of Crisp, Dooly, Lee, Macon, Schley, Sumter, Terrell, Webster, and Wilcox; the Albany division, which shall include the territory embraced on such date in the counties of Baker, Calhoun, Dougherty, Early, Miller, Mitchell, Turner, and Worth; the Valdosta division, which shall include the territory embraced on such date in the counties of Berrien, Clinch, Cook, Echols, Irwin, Lanier, Lowndes, and Tift; and the Thomasville division, which shall include the territory embraced on such date in the counties of Thomas, Brooks, Colquitt, Grady, Decatur, and Seminole."

SEC. 3. Subsection (e) of such section 77 of the Judicial Code, as amended (U. S. C., 1940 edition, title 28, sec. 150 (e)), is hereby amended to read as follows:

"(e) The terms of the district court for the Athens division shall be held at Athens on the first Mondays in June and December; for the Macon division at Macon on the third Mondays in April and October; for the Columbus division at Columbus on the first Mondays in March and September; for the Americus division at Americus on the third Mondays in January and the second Mondays in June: *Provided*, That suitable rooms and accommodations are furnished for holding court at Americus free of cost to the Government until a public building shall have been erected or put into proper condition for such purpose in said city; for the Albany division at Albany on the first Mondays in April and October; for the Valdosta division at Valdosta on the third Mondays in March and September; and for the Thomasville division on the third Mondays in May and November: *Provided further*, That suitable rooms and accommodations are furnished for holding court thereat free of cost to the Government at Thomasville."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF CERTAIN RESERVE OFFICERS TO THE LINE OF THE REGULAR NAVY

The Clerk called the next bill, H. R. 4808, to authorize the appointment of certain Reserve officers to the line of the Regular Navy, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That officers of the Naval Reserve commissioned therein while holding the rank of midshipmen in the Naval Reserve shall be eligible for appointment to commissioned rank in the line of the Regular Navy in such numbers as the President may deem necessary. Officers so appointed shall, upon appointment, occupy the same grade, with the same precedence, occupied by them in the Naval Reserve.

SEC. 2. All appointees authorized by section 1 of this act shall, on June 30 of the calendar year in which appointed, be less than 26 years of age, and shall, on the same date, have completed, while in a commissioned status, not less than 18 months of continuous active service in the Navy, 12 months of which shall have been on board ships of the Navy: *Provided*, That they shall, before appointment, establish their moral, physical, mental, and professional qualifications in accordance with such rules and regulations as the Secretary of the Navy may prescribe.

SEC. 3. Each officer appointed pursuant to this act to the grade of ensign and each officer so appointed to a grade above that of ensign shall, respectively, become eligible for promotion, or for consideration by a line selection board as of the date the officer next junior to him becomes so eligible: *Provided*, That the qualification of sea service prescribed in section 11 (c) of the act of June 23, 1938 (52 Stat. 948), shall not apply to such officers while in the grade to which originally appointed.

Amend the title so as to read: "A bill to authorize the appointment of officers of the Naval Reserve and Marine Corps Reserve as officers of the Regular Navy and Regular Marine Corps."

With the following committee amendments:

Section 1, strike out lines 3 and 4 and substitute therefor the words "that commissioned officers of the Naval Reserve and the Marine Corps Reserve."

Section 1, line 6, strike out the words "line of the", and after the word "Navy" insert the words "or Regular Marine Corps, respectively."

Section 1, line 9, after the word "Reserve", insert the words "or the Marine Corps Reserve."

Section 2, lines 1 and 2, strike out the words "be less than 26 years of age, and shall, on the same date."

Section 2, line 4, after the word "Navy", insert the words "or Marine Corps."

Section 2, line 5, after the word "Navy", insert the words "or service in the field."

Section 3, line 10, after the word "ensign", insert the words "or second lieutenant."

Section 3, line 11, after the word "ensign", insert the words "or second lieutenant."

Section 3, line 12, strike out the word "line."

Amend the title.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REVERSIONARY RIGHTS OF THE UNITED STATES TO CERTAIN PROPERTY IN STOCKTON, CALIF.

The Clerk called the next bill, H. R. 6139, to release reversionary rights of the United States to certain property in Stockton, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Federal Works Administrator is authorized and directed to release to the county of San Joaquin, Calif., all reversionary rights in the United States under the deed of August 8, 1940 (which deed is recorded in book of official records, volume 699, p. 482, in the office of the county recorder of San Joaquin County, Calif.), to a certain portion of the so-called old post-office site at Stockton, Calif., namely that portion of lot 13, block 24, east of Center Street, in the city of Stockton, more particularly described as follows:

Commencing at a point on the easterly line of California Street distant one hundred and thirty feet southerly from the intersection of the southerly line of Market Street with the easterly line of California Street; thence southerly along the easterly line of California Street twenty feet; thence easterly and parallel with the southerly line of Market Street one hundred and fifty-one feet and six inches, more or less, to the easterly line of said lot 13; thence northerly along the easterly line of said lot 13 for twenty feet; thence westerly parallel with the southerly line of Market Street one hundred and fifty-one feet and six inches, more or less, to the point of beginning.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADVANCEMENT ON RETIRED LIST OF CERTAIN OFFICERS OF THE UNITED STATES NAVY AND MARINE CORPS

The Clerk called the next bill, S. 1630, to provide for the advancement on the retired list of certain officers of the United States Navy and Marine Corps.

Mr. LEWIS. Mr. Speaker, reserving the right to object, will the author of the bill explain this measure?

Mr. MAAS. Mr. Speaker, all this measure does is to extend the privilege to officers who were retired before 1938, which is now extended to all officers.

It simply provides that an officer who was commended for heroism in action in the last war may be advanced to the retired list without any cost to the Government at all. The measure applies only to a man who was commended in actual warfare.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all officers of the Navy and Marine Corps, retired prior to June 23, 1938, and all staff officers of the Navy who have been or shall be retired on or subsequent to that date, who have been specially commended for their performance of duty in actual combat by the head of the executive department under whose jurisdiction such duty was performed, and who have not been advanced on the retired list under any other provision of law, shall be advanced on the retired list to the rank of the next higher grade with three-fourths of the active-duty pay of the grade in which serving at the time of retirement: *Provided*, That no increased retired pay shall be held to accrue to any such officer prior to the date of approval of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NAVY RATION

The Clerk called the next bill, S. 1521, to provide that the Navy ration shall include canned or powdered or concentrated fruit or vegetable juices.

Mr. GORE. Mr. Speaker, reserving the right to object, the author of the bill, the gentleman from Florida [Mr. PETERSON], has agreed to offer certain amendments which will remove the objections which I made to the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to effect needed changes in the Navy ration," approved March 2, 1933 (47 Stat. 1423, 34 U. S. C. 902), is amended by adding after the words "16 ounces of fresh fruit", the following: "or 6 ounces of canned fruit or tomato or vegetable juices, or 1 ounce of powdered fruit juices, or six-tenths of an ounce of concentrated fruit juices."

Mr. PETERSON of Florida. Mr. Speaker, I offer the following amendment:

Page 1, line 7, after the words "canned fruit", strike out the words "or tomato."

Page 1, strike out the word "shall" in the title and insert the word "may."

The amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF LAND FROM THE UNITED STATES TO THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

The Clerk called the next bill, S. 1133, to authorize the transfer of lands from the United States to the Maryland-National Capital Park and Planning Commission under certain conditions, and to accept title to another tract to be transferred to the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to transfer and convey to the Maryland-National Capital Park and Planning Commission, a body corporate, created by chapter 448 of the acts

of the General Assembly of Maryland of 1927, as amended, under such conditions as may be approved by the said Secretary, without cost to the United States, all right, title, and interest of the United States in and to the following parcels of land, situated in Montgomery County, Md., metes and bounds, descriptions of which are on file in the Navy Department and with the said Maryland-National Capital Park and Planning Commission:

Parcels designated "A" and "B" of a plat entitled "Plan Showing Park Lands to be Required for Rock Creek Park, Unit No. 3, Montgomery County, Md. (part of U. S. Naval Medical Center)", as filed among the records of said Maryland-National Capital Park and Planning Commission, plan 2217–R 2, said parcels being more particularly described as follows:

Parcel "A": Eighteen and three hundred and eighty-seven thousandths acres, more or less, acquired by the United States of America from Paul Henderson and wife by deed dated November 8, 1938, recorded among the land records of Montgomery County, Md., in liber 719, folio 49.

Parcel "B": One thousand two hundred and seventy-four ten-thousandths of an acre, more or less, being part of a tract containing 42⅞ acres, conveyed to the United States of America by the Columbia Park Co. by deed dated December 14, 1938, recorded among the land records of Montgomery County, Md., in liber 721, folio 331.

Parcels designated "A," "B," and "C" as shown on plan 2269–1, entitled "Right-of-way Plan of Jones Bridge Road (U. S. Naval Medical Center, Montgomery Co., Md)" of the records of said commission said parcels being more particularly described as follows:

Parcel "A": Three and five one-thousandths acres, more or less, being a strip of land 50 feet wide at the southern edge of the parcel acquired by the United States of America from George E. Hamilton and wife by deed dated November 9, 1938, recorded among the land records of Montgomery County, Md., in liber 719, folio 53.

Parcel "B": One and five hundred and twenty-seven one-thousandths acres, more or less, being a strip of land comprising the southern edges of the parcels acquired by the United States of America from the Columbia Park Co. and Ellen MacPherson Legg by deeds dated December 14, 1938, and January 27, 1939, recorded among the land records of Montgomery County, Md., in liber 721, folio 331, and liber 723, folio 477, respectively.

Parcel "C": Nine hundred and ninety-five one-thousandths of an acre, more or less, being an irregular strip of land near the southern edges of the lands acquired by the United States of America from George E. Hamilton and wife, Margaret Coolidge, and Ellen MacPherson Legg by deeds dated November 9, 1938, December 8, 1938, and January 27, 1939, recorded among the land records of Montgomery County, Md., in liber 719, folio 53; liber 724, folio 404; and liber 723, folio 477, respectively;

Provided, That when and in the event the aforesaid parcels "A," "B," and "C," as shown on said plan 2269–1, are no longer used as a roadway the title to said parcels shall revert to the United States: *Provided further*, That in consideration of the foregoing transfer by the Secretary of the Navy, the Maryland-National Capital Park and Planning Commission shall construct and maintain an adequate roadway leading from the proposed Beach Drive to a road to be constructed by the United States Government on the Naval Medical Center site at a suitable point on the Maryland-National Capital Park and Planning Commission taking line as shown on Bureau of Yards and Docks drawing No. 130349, dated December 6, 1933: *And provided further*, That the Maryland-National Capital Park and Planning Commission shall, upon completion of the relocation of the Jones Bridge Road, cause the necessary action to be taken to vest title to the old right-of-way of the Jones Bridge Road within the boundaries of the Naval Medical Center in the United States of America. The Secretary of the Navy is further authorized to accept on behalf of the United States, without cost to the United States, all right, title, and interest in and to said right-of-way.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LONGEVITY CREDIT FOR ENLISTED MEN OF THE NAVAL AND MARINE CORPS RESERVE

The Clerk called the next bill, H. R. 4869, to provide for longevity credit for enlisted men of the Naval and Marine Corps Reserve.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I want to protect the Members of the House who are not here so that they will not be coming back and saying that we passed a bill by unanimous consent that cost the Government a lot of money. I think the author of the bill should explain the bill so that there will be something in the RECORD for the Members to read, so we will find out whether or not by giving this longevity credit to enlisted men in the Naval and Marine Corps Reserve it will advance their retirement pay in the end, and if so, what it will cost the Government.

Mr. MAAS. If I may say, it is not a question of advancing their retirement pay. It is advancing their active duty pay. This privilege is extended to Reserve officers. It is extended to the enlisted men and officers of the Regular service. These Reserves who have given of their time for years to protect this country, and who, when war came, have now been called into active service, with the same length of service, receive less pay than those who have been in the service in the meantime, with the same length of service.

Mr. COCHRAN. But if the gentleman will read, it also gives them longevity credit for the period which they are on inactive duty, which means additional years of service.

Mr. MAAS. That is the purpose of the bill, to give them that little longevity credit. It is little enough to give them for the years they have served, most of them without any pay whatever, during most of these years when they took of their own time, away from their families. Now, when they are in service, the least we can do is to give them that little credit, which will only amount to a few dollars a month in any event.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. GORE. Is this same privilege accorded to men in the Army?

Mr. MAAS. I have an amendment which I propose to offer if the bill is permitted to come before the House. The reason the bill reads "Navy and Marine Corps" is because it came from the Naval Affairs Committee, but I intend to offer an amendment to include the National Guard, which, I think, should be included.

Mr. GORE. Has the gentleman consulted members of the Military Affairs Committee?

Mr. MAAS. I have talked to a number of them. Everyone I have talked to was in favor of the bill if it included the National Guard.

Mr. COCHRAN. All the House did in the Ramspeck bill was to give the same privilege to Members of Congress that they gave to all other Government officials and employees. In a way, this extends something that others now have. May I ask, Has the gentleman any idea how much this will cost?

Mr. MAAS. No; I do not, but the cost is limited because of the number of Reserves who have been called to active duty. It can be ascertained, but anybody who goes into the military service gets longevity credit. That is a part of his pay. The least we can do is to give these men who for years have taken time away from their personal affairs and their families, most of them getting nothing for it, a little credit toward their active-duty pay.

Mr. COCHRAN. Is the gentleman absolutely positive criticism of Members of Congress will not follow if this bill is passed?

Mr. MAAS. I think there is more likely to be criticism if we do not pass it, because you have two sets of pay. The man who has been in the service gets pay and the man who has been in the Reserves and answers the call as soon as the Nation needs him does not get it. I do not think there is any criticism. If there is, I think we could stand that sort of criticism.

Mr. GORE. How much additional cost will this entail?

Mr. MAAS. I do not know the total cost, but it cannot be much because it is limited to those people who were in the Reserves at the time they were called into active service. It cannot affect anybody in the future. It is only those people who were then in the Reserves and had some years of service.

Mr. COCHRAN. In view of the fact, as I stated the other day from the official records, that you and I and other Members of this House are voting over $82,000,000 a year for the retired officers and enlisted men of the Army, the Navy, the Marine Corps, the Coast Guard, the Public Health Service and the Coast and Geodetic Survey, without them contributing a dollar toward retirement, does not the gentleman feel we should have some information as to the additional cost?

Mr. MAAS. The additional cost is not very great. We have given this privilege to the officers, and all I am asking you to do is to give it to the privates, to the enlisted men of the Reserves, who probably sacrificed more in peacetime to be in the Reserves than the Reserve officers did.

Mr. COCHRAN. I know some of them who are retired and they are also working in another branch of the Government, drawing additional pay.

Mr. MAAS. None of the men I am talking about are doing that. These are enlisted Reserves. They are not drawing any pensions. They are not going to be

retired. This is just giving them credit toward their longevity credit while they are in active duty during the war. It has nothing to do with their retirement. It does not provide any pensions. It does not increase their pensions.

Mr. COCHRAN. Then it cannot cost anything. Is that correct?

Mr. MAAS. Those who have had enough service to get a "fogy" will get a few dollars a month more.

Mr. GORE. Mr. Speaker, I demand the regular order.

Mr. COCHRAN. In view of the explanation of the gentleman that it is not going to cost anything I am not going to object.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That hereafter enlisted men of the Naval Reserve and Marine Corps Reserve shall be credited with longevity for pay purposes on the basis of full time for all service, both active and inactive, in the Naval Reserve or Marine Corps Reserve.

Amend the title so as to read: "A bill to provide for longevity credit for enlisted men of the Naval and Marine Corps Reserve, and for other purposes."

With the following committee amendments:

Line 3, after the word "hereafter", insert the words "warrant officers and."

Add a new section, as follows:

"SEC. 2. Section 316 of the Naval Reserve Act of 1938 (52 Stat. 1185) is hereby amended to read as follows:

" 'SEC. 316. That for the purpose of advising the Secretary of the Navy on the formulation of Naval Reserve policies there shall be convened annually at the Navy Department a Naval Reserve Policy Board, at least half the members of which shall be Naval Reserve officers: *Provided*, That during peace such Naval Reserve officers shall be called to this duty from an inactive status.' "

The committee amendments were agreed to.

Mr. MAAS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAAS: Page 1, line 4, after the words "Naval Reserve", strike out the word "and", insert a comma, and after "Marine Corps Reserve", on the same line, insert "the National Guard and the Army Reserves."

The amendment was agreed to.

Mr. MAAS. Mr. Speaker, I ask unanimous consent that the title of the bill may be amended accordingly.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended to read: "A bill to provide for longevity credit for enlisted men of the Naval Reserve, Marine Corps Reserve, the National Guard, and the Army Reserves."

AMENDING THE NEUTRALITY ACT OF 1940

The Clerk called the next bill, H. R. 6439, to expedite the naturalization of persons who are not citizens who have served or who hereafter serve honorably in the naval or military forces during the present war.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, I understand this bill covers a subject that is now being considered by the Judiciary Committee in connection with the second war powers bill. I therefore ask unanimous consent that the bill may go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF APPLICABILITY OF TERRITORIAL WORKMEN'S COMPENSATION LAWS

The Clerk called the next bill, H. R. 6132, to make the workmen's compensation laws of Puerto Rico, Alaska, and Hawaii applicable to land and premises of the United States in such Territories.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEAN. Mr. Speaker, reserving the right to object, I see the Delegate from Hawaii here. I wonder if he is in favor of this bill?

Mr. KING. Mr. Speaker, early last year my attention was called to the fact that workers privately employed on construction jobs located on Federal Government reservations were excluded from the protection accorded such workers by local laws because our Territorial laws had no jurisdiction on United States land and premises. Previous legislation, approved June 25, 1936, provided that State workmen's compensation laws should extend to "workmen and laborers on projects, buildings, constructions, improvements, and property, wherever situated, belonging to the United States of America," but the phraseology of the legislation did not extend Territorial compensation laws to federally owned property. I therefore introduced a bill on April 14, 1941 (H. R. 4350), to amend the act of June 25, 1936, to define for the purpose of this legislation, the term "State" to include the Territories of Alaska and Hawaii.

The pending bill, H. R. 6132, favorably reported by the House Committee on Labor, replaces my bill and includes Puerto Rico in the provisions of the proposed amendment to the act of June 25, 1936. However, several months after the introduction of my original bill the Longshoremen's and Harbor Workers' Act was amended by Public, No. 208, approved August 16, 1941. This legislation extended to privately employed workers on Government reservations the same protection as is accorded persons employed directly by the United States Government. In other words, Federal legislation has covered the situation which my bill sought to correct.

I am informed by spokesmen of organized labor in Hawaii and by the Territorial Department of Labor that the benefits provided by Federal laws, administered by the United States Employees' Compensation Commission, are more liberal than those available under Territorial legislation. A branch office of the United States Employees' Compensation Commission has been established in Honolulu, and until the local compensation laws provide equal or better workmen's compensation, the people most affected prefer to remain under the jurisdiction of that agency. Under the circumstances, I ask that the pending bill, H. R. 6132, be amended to exclude Hawaii from its provisions. I have submitted an amendment to the Clerk for that purpose.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide more adequate protection to workmen and laborers on projects, buildings, constructions, improvements, and property wherever situated, belonging to the United States of America, by granting to the several States jurisdiction and authority to apply their State workmen's compensation laws on all property and premises belonging to the United States of America," approved June 25, 1936, is amended by inserting at the end thereof the following new section:

"SEC. 3. As used in this act, the term 'State' includes Puerto Rico, Alaska, and Hawaii."

SEC. 2. The amendment made by section 1 shall be effective only with respect to injury or death occurring after the date of enactment of this act.

Mr. KING. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KING: Page 2, line 4, strike out all after the words "Puerto Rico" and insert "and Alaska", and amend the title so as to omit Hawaii.

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended to read: "To make the workmen's compensation laws of Puerto Rico and Alaska applicable to land and premises of the United States in such Territories."

Mr. KING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in connection with this bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMENDMENT OF SUBSECTION (C) OF SECTION 19 OF THE IMMIGRATION ACT OF FEBRUARY 5, 1917

The Clerk called the next bill, H. R. 6450, to amend subsection (c) of section 19 of the Immigration Act of February 5, 1917 (37 Stat. 889; U. S. C., title 8, sec. 155), as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the second sentence of subsection (c) of section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155), as amended, is hereby amended by striking out the words "within 10 days after the beginning of its next regular session."

SEC. 2. The fourth and fifth sentences of subsection (c) of section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155), as amended, are hereby amended to read as follows: "If during the session of the Congress at which a case is reported, or if a case is reported less than 30 days prior to the close of the session, then during the next session of the Congress, the two Houses pass a concurrent resolution stating in substance that the Congress does

not favor the suspension of such deportation, the Attorney General shall thereupon deport such alien in the manner provided by law. If during the session of the Congress at which a case is reported, or if a case is reported less than 30 days prior to the close of the session, then during the next session of the Congress, the two Houses do not pass such a resolution, the Attorney General shall cancel deportation proceedings upon the termination of such session, except that such proceedings shall not be canceled in the case of any alien who was not legally admitted for permanent residence at the time of his last entry into the United States, unless such alien pays the Commissioner of Immigration and Naturalization a fee of $18 (which fee shall be deposited in the Treasury of the United States as miscellaneous receipts).

With the following committee amendments:

Page 1, after line 7, insert the following section, to be known as section 2, and to read as follows:

"SEC. 2. The third sentence in subsection (c) of section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155), as amended, which reads, 'The Clerk of the House shall have such report printed as a public document,' is hereby repealed."

Page 1, line 8, substitute the figure "3" for the figure "2."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

THE INDIANS OF CALIFORNIA

The Clerk called House Joint Resolution 268, to extend the time for amending the petition of the Indians of California under section 4 of the act of May 18, 1928.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I ask unanimous consent to print in the RECORD at this point a letter which I received a few moments ago from the Attorney General, which is the basis that justifies my objection to this joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection?

(The letter referred to follows:)

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., February 16, 1942.

Hon. JOHN J. COCHRAN,
Chairman, Committee on Accounts,
House of Representatives,
Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in reply to your request of February 11, 1942, for my views relative to the joint resolution (H. J. Res. 268) to extend the time for amending the petition of the Indians of California under section 4 of the act of May 18, 1928.

The proposed joint resolution would amend the California Indian Jurisdictional Act by inserting in section 4 thereof a new sentence which would read as follows: "Any amendment or amended petition filed at any time after the filing of the original petition and prior to December 31, 1942, shall be as valid as if filed as a part of the original petition."

The act of May 18, 1928 (45 Stat. 602), authorized the attorney general of the State of California to institute suit in the Court of Claims on behalf of the Indians of California and provided that suit should be instituted within 3 years from the date of its passage. Pursuant to the provisions of this act, an original petition was filed with the court on April 14, 1929. On March 14, 1932, an amended petition was filed on behalf of the Indians. On December 30, 1940, the plaintiffs filed a request for findings of fact and a brief. The Government filed its brief and request for findings on March 15, 1941. The case was submitted to the court on oral argument on May 7, 1941.

In the brief filed on behalf of the Indians in the pending suit, it has been argued that the Congress intended to provide by the jurisdictional act of 1928 for the imposition of a substantive liability upon the United States which would not have existed independently of that act. In the brief filed on behalf of the Government, this contention of the Indians has been controverted. The Government has also taken the position that the original petition filed by the Indians in 1929 did not comply with a jurisdictional requirement of the 1928 act and that the attempted removal of the defect on March 14, 1932, by the filing of an amended petition came too late, thus leaving the Indians without the benefit of the provisions of the 1928 act and the court without jurisdiction of the claims asserted.

The proposed joint resolution would authorize the Court of Claims to consider the claims asserted by the Indians in the amended petition, which, it is contended, did not meet the requirements of the jurisdictional act. Viewed in this light, the joint resolution would in effect be a reenactment of the 1928 act. If such a measure is to be adopted, it would seem desirable to clarify the 1928 act so as merely to afford to the Indians a forum for the determination of their claims, without creating a substantive right which would not otherwise exist.

The amount claimed in the original petition filed by the plaintiffs was $12,800,000, but in the amended petition the total amount claimed was approximately $18,000,000, exclusive of an additional claim for an amount sufficient to compensate the Indians for the detention and withholding of the lands, property, and other items involved in their claims from 1852 to date. The amount of the offsets to be allowed by the Court of Claims cannot, of course, be definitely ascertained at the present time, but it would appear on the basis of the amended petition filed by the Indians that the net amount claimed may be conservatively estimated at between $9,000,000 and $18,000,000.

The Director of the Bureau of the Budget has advised me in connection with a similar joint resolution (H. J. Res. 147) that there is no objection to the presentation of this report.

Respectfully,

FRANCIS BIDDLE,
Attorney General.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. COCHRAN. Mr. Speaker, I object to the joint resolution based upon this letter.

FRED B. WOODWARD

The Clerk called the next bill, H. R. 3759, to limit the operation of sections 109 and 113 of the Criminal Code, and section 190 of the Revised Statutes of the United States with respect to certain counsel.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

TLINGIT AND HAIDA INDIANS OF ALASKA

The Clerk called the next bill, H. R. 5484, for the relief of the Tlingit and Haida Indians of Alaska.

Mr. COCHRAN. Mr. Speaker, these Indians have 1 year in which to file their suit. I do not believe it will do any harm for the bill to go over 2 weeks until I can get a report from the Attorney General on it.

Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EXTENSION OF ACT OF LIFE OF MARINE WAR-RISK INSURANCE ACT

The Clerk called the next bill, H. R. 6550, to extend and amend subtitle—Insurance of title II of the Merchant Marine Act, 1936, as amended (Public, No. 677, 76th Cong.), approved June 29, 1940, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subtitle—Insurance of title II of the Merchant Marine Act, 1936, as amended (Public, No. 677, 76th Cong.), approved June 29, 1940, and all authority thereunder, is hereby continued in full force and effect until 6 months after the termination of the present war shall have been proclaimed by the President or until such earlier time as the President may designate, except that the proviso in section 222 (a) (2) in said subtitle—Insurance of title II of the Merchant Marine Act, 1936, as amended, is hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF TIME FOR EXAMINATION OF QUARTERLY ACCOUNTS OF EXPENDITURES BY DISBURSING OFFICERS OF UNITED STATES NAVY

The Clerk called the next bill, H. R. 6374, to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill S. 2192, to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States, be substituted for the House bill. This is a similar bill in all respects to the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy after the date of actual receipt in the Bureau of Supplies and Accounts, Navy Department, and before transmitting the same to the General Accounting Office, as limited by section 12 of the act of July 31, 1894 (28 Stat. 209), as amended, is hereby extended from 60 to 90 days in time of war or during any emergency declared by Congress and for a period of 18 months after such war or emergency shall have ceased to exist.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 6374, was laid on the table.

TRANSACTION OF BUSINESS IN EVENT OF DEATH OR RESIGNATION OR SEPARATION FROM OFFICE OF CHIEF DISBURSING OFFICER

The Clerk called the next bill, H. R. 6447, to provide for the orderly transaction of the public business in the event of the death or of the resignation or separation from office of the Chief Disbursing Officer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in case of the death or of the resignation or separation from office of the Chief Disbursing Officer, Treasury Department, the accounts of the Chief Disbursing Officer may be continued and payments made in his name by an Assistant Chief Disbursing Officer, designated by the Secretary of the Treasury, for a period of time not to extend beyond the last day of the second month following the month in which the death, resignation, or separation shall occur. Such accounts and payments shall be allowed, audited, and settled in the General Accounting Office, and the checks signed in the name of the former Chief Disbursing Officer shall be honored by the Treasurer of the United States in the same manner as if the former Chief Disbursing Officer had continued in office. The former Chief Disbursing Officer, his estate, or the sureties on his official bond, shall not be subject to any legal liability or penalty for the official acts and defaults of the Assistant Chief Disbursing Officer acting in the name or in the place of the former Chief Disbursing Officer under this act, but the Assistant Chief Disbursing Officer and his sureties shall be responsible therefor under their bond. The Secretary of the Treasury may, from time to time, require the Assistant Chief Disbursing Officer to renew and increase his bond to the United States.

With the following committee amendment:

Page 2, line 13, after the word "bond", insert a new sentence, as follows: "The bond for the Acting Chief Disbursing Officer shall be an amount equal to the minimum amount of the bond required by the Chief Disbursing Officer."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KLAMATH TRIBE OF INDIANS

The Clerk called the next bill, H. R. 612, relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address of Winston Churchill made yesterday.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

KLAMATH TRIBE OF INDIANS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 612) relating to lands of the Klamath and Modoc Tribes, and the Yahooskin Band of Snake Indians. I objected to this bill when it was called. At the time I thought it was a jurisdictional bill affecting the Snake Indians, and I find it is not.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

Mr. ROGERS of Oklahoma. Mr. Speaker, reserving the right to object, I serve notice on the gentleman from Missouri that if he continues his objections to Indian bills, the same thing is going to be done to bills of his committee.

Mr. COCHRAN. Mr. Speaker, as far as I am concerned, the gentleman may object to any bill that comes on the floor. He has that privilege. I want no bill to pass that warrants any Member offering an objection. I made a mistake in this instance. I admit it, and hasten to correct it.

The gentleman knows that the Snake Indian jurisdictional bill takes away from the Government every right it has to defend itself, and it is that bill I am objecting to, not this one.

Mr. ROGERS of Oklahoma. And I know that the gentleman from Missouri objects to any Indian bill that is brought in here, whether he knows anything about it or not.

Mr. COCHRAN. No; I do not; only jurisdictional bills where they are so worded as to prevent the Government getting a fair deal. And before doing that, I get a report from the Department of Justice.

Mr. TABER. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order has been demanded. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

There was no objection.

Mr. PIERCE. Mr. Speaker, I ask unanimous consent that the bill (S. 1368) relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians be substituted for the House bill, H. R. 612.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. PIERCE]?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized to receive on behalf of the United States from individual members of the Klamath Tribe of Indians voluntarily executed deeds to such lands as said Indians may own in fee simple free from all encumbrances, said lands to be held in trust by the United States for said Indians and their heirs; and, whenever restricted funds are used for the purchase of lands for individual members of the Klamath Tribe of Indians, the Secretary of the Interior is authorized, in his discretion, to take title to said lands in the United States, the same to be held in trust for said individual Indians: *Provided, however*, That while any of the foregoing lands are held in trust by the United States for said Indians, the same shall be subject to the same restrictions, immunities, and exemptions as homesteads purchased out of trust or restricted funds of individual Indians pursuant to section 2 of the act of June 20, 1936 (ch. 622, 49 Stat. 1542), as amended by the act of May 19, 1937 (ch. 227, 50 Stat. 188, sec. 2), except the restrictions, immunities, or exemptions of the second proviso of said act as so amended.

SEC. 2. As used in this act the term "Klamath Tribe of Indians" includes the Klamath and Modoc Tribes, and the Yahooskin Band of Snake Indians.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 612) was laid on the table.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article by Mr. John Page, Commissioner of Reclamation. I have an estimate from the Public Printer that the article will make in excess of 2 pages of the CONGRESSIONAL RECORD at a cost of $112.50.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

(Mr. HOWELL asked and was given permission to extend his own remarks in the RECORD.)

STATE, COMMERCE, JUSTICE, AND THE JUDICIARY APPROPRIATION BILL, FISCAL YEAR 1943

Mr. RABAUT, from the Committee on Appropriations, reported the bill (H. R. 6599) making appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Federal Judiciary, for the fiscal year ending June 30, 1943, and for other purposes (Rept. No. 1771), which was read a first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. CARTER reserved all points of order on the bill.

Mr. RABAUT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6599; and pending that motion, Mr. Speaker, may I ask the ranking minority Member the gentleman from California [Mr. CARTER] if we cannot arrange the amount of time to be allowed for general debate?

Mr. CARTER. I do not have many requests for time. Probably the general debate can be concluded this afternoon, and we can then read the first paragraph of the bill. If it is agreeable to the gentleman from Michigan, we might let debate run on for a little time.

Mr. RABAUT. Suppose we let general debate run on for the day, and toward the end of the day we can agree to read the first paragraph of the bill, so that when the bill is taken up for consideration on a subsequent day we can proceed with the reading of the bill.

Mr. CARTER. At the moment that arrangement seems to be agreeable to this side, because we have few requests

for time. However, if requests come pouring in, we may want to extend the time for debate a little.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that general debate run throughout the day, to be equally divided and controlled by the gentleman from California and myself, the first paragraph of the bill to be read at the conclusion of the general debate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6599, with Mr. LUTHER A. JOHNSON in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. RABAUT. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I do not intend to burden the House this year with a tedious, lengthy statement regarding the four agencies of Government for which supply funds are carried in the bill that we are considering today. Much of the work of our subcommittee is of an exacting detailed nature that holds little interest to anyone not intimately connected with it, and yet it is work that must be done, and done carefully and thoroughly, if we are to acquit our responsibility to the American people. This duty, we feel, we have honestly performed in the bill that we bring before you today.

A very lengthy report has been filed by the committee giving in considerable detail the reasons that have prompted the amounts recommended by the committee under the various items of appropriations. Although the committee devoted less time to the hearings on the bill this year than it did last year, nonetheless, the 4 volumes of hearings aggregate some 1,300 pages of printed testimony.

Before I enter into a discussion of the major items in the bill, I want to say a word about the subcommittee that has, through its work, been instrumental in placing this bill before you today.

Few people realize how much work there is on an appropriation bill. Few people realize the great number of witnesses that come before a subcommittee to tell of the monetary needs of their agencies of the Government. Few people realize to what extent a committee must really go to furnish itself with knowledge necessary to make a proper decision.

On my committee I have the following Members of the House: JOHN H. KERR, of North Carolina; BUTLER B. HARE, of South Carolina; JOHN M. HOUSTON, of Kansas; HARRY P. BEAM, of Illinois; VINCENT F. HARRINGTON, of Iowa; ALBERT E. CARTER, of California; KARL STEFAN, of Nebraska; and ROBERT F. JONES, of Ohio.

These nine Members have been sitting continuously, Saturdays included, since we returned to Congress at the opening of this session. We have heard witnesses from many departments of the Government. We have heard witnesses from the State Department, with all its relationships to the various consulates, legations, and embassies throughout the world, and with all its relationships to South America in the great program we now have in force in the Western Hemisphere.

We have heard witnesses from the Department of Justice, with its great F. B. I., under J. Edgar Hoover; with the Bureau of Prisons, under the able Director of Prisons, James Bennett; and with the Attorney General and his staff, the Solicitor General, and all the various agencies that come under this Department. Then we had witnesses from the Department of Commerce, with its far-reaching ramifications dealing with trade statistics, safety at sea, aeronautics, patents, the weather, scientific developments, and a myriad of other subjects.

Finally, in the Federal judiciary, everything from the Supreme Court down received consideration by a committee sitting through tedious hours of hearings.

We have tried to do a good job. On this occasion I wish to praise openly in the House the members of my committee that people may know the devotion they have given to their task.

The committee is recommending an appropriation of $221,069,700 for the four agencies of our Government for which provision is made in the bill now before the House. This sum is less than the current year's total in the amount of $150,500,000, in round numbers, and it represents an increase of $13,744,601 over the estimates of the Budget. The reduction in the total as compared with the appropriation for 1942 is traceable to the elimination in an item carried in the bill last year for the development of landing fields. No appropriation is provided for this purpose in the pending bill. The increase of $13,744,601 over the Budget estimate results from the action of the committee in increasing the estimate of $20,069,919 for civilian-pilot training to a total of $36,000,000. Reductions aggregating over $2,000,000 were made in all of the other items of the bill, but the increase of approximately $16,000,000 in this one item, makes the net increase over the Budget estimate of $13,744,601. I shall discuss this increase for civilian-pilot training in a few moments.

STATE DEPARTMENT

First, I want to make a few observations about the State Department. We are carrying approximately $27,000,000 in the bill for the operating expenses of the State Department for 1943. This sum is approximately $2,200,000 more than the appropriation for the current year.

Two items are mainly responsible for this increase. In one, we have provided a considerable implementation in staff for the Secretary of State's office in Washington in order that the Department may keep up with the terrific increase in the volume of work and responsibilities that they are being called upon to perform.

An Economic Operations Board has recently been created in the State Department to take charge of all the various phases of the war effort which the Secretary of State must administer, and it was necessary for us to supply additional employees to this Board as well as to the other divisions of the Department whose work is expanding to such a marked degree.

The other main item in the State Department that has caused this increase is to be found in the item bearing the title "Cooperation With the American Republics." The increase under this head amounts to approximately $1,000,000. I think I speak the unanimous conviction of the subcommittee, which visited South and Central America last fall, when I say we are definitely getting dividends on the comparatively modest expenditures we are making in this cultural and cooperative work in South and Central America. We have just seen a heartening display of cooperation on the part of our southern neighbors at the recent conference at Rio de Janeiro, and I feel that it is safe to say that one of the factors that contributed to this splendid display of unanimity of thought was the work that the State Department has been doing in furthering the program of cooperation with our Ibero-American neighbors so that they may know more about us, and providing means and methods whereby we may know more about them. The program of cooperation that the Department is planning for the next fiscal year proposes the enlargement of some of the programs involving the employment of additional technical advisers and assistants as well as the institution of new projects to cover fields of governmental activity in which the republics to the south of us have indicated an interest and expressed a desire that we send representatives to assist them.

We are not proposing any enlargement in the regular career Foreign Service for next year, as the emergency needs for meeting the increased demands in Central and South America are being met at the present time through appointments of auxiliary foreign service personnel out of the emergency funds of the President. We are carrying in the bill an item of $750,000 to continue this emergency auxiliary Foreign Service throughout the next fiscal year—thus releasing the President's fund from this continuing obligation.

On the recent trip of our subcommittee to South and Central America I was accorded an excellent opportunity of viewing at close range the work and operations of many of our Foreign Service consulates, legations, and embassies, and, I think, it is fair to observe that we are represented in those countries by a very high-type, splendidly trained personnel. There are, of course, a few exceptions that prove every rule, and we spotted some of them, but in the main we can well be proud of our Foreign Service and the work that it is doing. They are working long hours and are producing excellent results.

DEPARTMENT OF JUSTICE

We are proposing to give the Department of Justice approximately $11,000,000 more than they had during the current fiscal year. This increase results mainly from the increase in staff that

the committee has approved for two enforcement agencies in the Department—the Federal Bureau of Investigation and the Immigration and Naturalization Service.

In the case of the former we have increased the appropriation over the current year something in excess of seven and a half million dollars, making a total appropriation for the F. B. I. of $29,636,000. I could talk for an hour alone on the activity of this great arm of our Government. I know all of the Members of the House are generally familiar with the work being performed by this agency, but I would suggest, in order that they may have a detailed picture of just what the F. B. I. is doing at this time, they take a half hour to read the hearings in which the testimony of Mr. Hoover appears. If you approve the amount that the committee is recommending, the Bureau will have approximately 10,000 employees on the rolls next year, of which number about 3,500 will be special agents. The supervisory personnel of the Bureau in the Department and the special agents in the field have all averaged approximately 4 hours daily overtime since the declaration of war, while both the departmental and field clerical employees have been averaging 1½ hours overtime. Director Hoover estimated that to eliminate this overtime would cost the Government about $4,750,000.

In executive session the members of the committee interrogated Mr. Hoover at considerable length regarding the situation at Pearl Harbor. It was established to our satisfaction that the F. B. I. did not have primary jurisdiction in Hawaii, but in spite of that fact they have been duly diligent. Had some of the recommendations which the Federal Bureau of Investigation made to other departments of Government been carried out during the past year, the whole sordid picture of Pearl Harbor might have been changed.

In the Immigration and Naturalization Service the funds have been increased by about two and a half million dollars in order that the Bureau may hire approximately 1,000 additional personnel to keep pace with the accelerated activity surrounding the apprehension and custody of all aliens and to dispose of some backlogs of naturalization cases that are pending in some of the more populous cities. I must admit that it is extremely difficult in times such as we are now encountering to make any reasonable forecast as to just what personnel will be needed by defense agencies such as the Immigration and Naturalization Service at a period 6 months to a year hence. The situation is changing from day to day in many of the agencies, and as new policies of procedure and control are adopted wheels must be immediately set into motion to employ personnel in sufficient numbers to carry them out.

At the present time there are three detention camps for aliens that must be maintained by the Immigration and Naturalization Service. It is entirely possible that all these camps will be completely filled within a short period of time and then it will be necessary to establish new ones. At the time of the hearings we had about 2,600 aliens under detention in these camps.

In the matter of enforcement of the antitrust laws, we have reduced by $200,000 the Budget estimate of $2,000,000. It was the feeling of the committee in this matter that inasmuch as a Price Control Administration is now established and functioning, the same need does not exist now as heretofore for some of the antitrust investigations that were projected by the Department. One of the fields in which Mr. Thurman Arnold is hoping to develop an investigation is that of loan sharks who operate in chain-store fashion throughout the width and breadth of our country. It was stated to the committee that over $5,000,000,000 worth of short-term small loans are made by these operators at interest rates ranging from 20 to 245 percent. I know the House shares the thought of the committee that if there is any violation of the antitrust laws taking place in this field the Government should vigorously move in and clean it up. The increased tax burden that our citizens will have to bear next year will probably lend further business to these loan brokers, and it is certainly to be desired that every protection possible be thrown around our citizens of small income who might be the victims of unscrupulous illegal operations.

I am happy to report that the population of our Federal prisons appears to have become stabilized after having shown progressive increases for several years. Whether this stabilized condition will continue, when large numbers of apprehensions of Selective Service Act violators begin to take place, cannot be predicted, but the appropriation in the bill makes no provision for any population increase in the various penal and correctional institutions. The rising costs of food and maintenance, however, have necessitated an increase of approximately 7½ cents in the per-prisoner-per-day cost. For the past several years our committee has been endeavoring to use every form of persuasion on our able and distinguished Director of Prisons, Mr. James Bennett, to establish additional prison camps throughout the country. I have visited these camps myself and I know that they are performing a splendid service in the rehabilitation of our prison population. Furthermore, there is a large economy in the cost of operating the prison camps over the expense that we must meet in incarcerating prisoners in security institutions. Each one of the existing camps accommodates between two and three hundred prisoners, and the prisoners are able to do healthful, outdoor work on roads or on the prison farms which affords a splendid means of putting to use their productive energies. Now that many of the C. C. C. camps have been abolished there are available some splendid locations and facilities for the establishment of additional prison camps. I sincerely hope that the Department will see fit to move rapidly along this direction.

We are maintaining a corps of inspectors in the Prison Bureau who are constantly in a travel status visiting the various county and city jails throughout the country with a view toward classifying them so that determination may be made as to whether their operational standards are such as to permit Federal prisoners being boarded therein. Each one of these local penal institutions so inspected by a Federal prison inspector is graded and a percentage rating given. Some of the conditions that are encountered in these county and city jails by these inspectors are, to put it mildly, disgusting kangaroo courts, vermin, lack of adequate sanitary facilities, improper segregation of prisoners, and other failures too numerous to mention are found to exist in a large number of these jails. To me, the whole situation is revolting, and the only way I know that we can bring about a correction is to focus the pitiless light of publicity on the places where these conditions are found to exist. We must call names if we are to get any improvement in the situation. I ask unanimous consent, Mr. Chairman, to include in my remarks at this point a statement taken from the hearings which describes these conditions that exist in some of the city and county jails throughout the country.

In compliance with the request of your Bureau, there are listed below some of the best and some of the worst county jails in the country, according to the ratings established by the Bureau of Prisons:

BEST

Los Angeles County jail, Los Angeles, Calif., 80 percent.

San Francisco County jail, San Francisco, Calif., 67, 82, and 71 percent.

New Castle County jail and workhouse, Wilmington, Del., 83 percent.

Cook County jail, Chicago, Ill., 82 percent.

Detroit House of Correction, Plymouth, Mich. (city jail), 87 percent.

Essex County Penitentiary, Caldwell, N. J., 82 percent.

Berks County jail, Reading, Pa., 83 percent.

Alameda County jail, Oakland, Calif., 81 percent.

Orange County jail, Santa Ana, Calif., 73 percent.

WORST

Randolph County jail, Pocahontas, Ark., 8 percent.

Tangipahoa County jail, Amite, La., 12 percent.

Hancock County jail, Sneedville, Tenn., 12 percent.

Boise County jail, Idaho City, Idaho, 13 percent.

Spotsylvania County jail, Spotsylvania, Va., 14 percent.

Lawrence County jail, Walnut Ridge, Ark., 14 percent.

Perry County jail, Perryville, Ark., 15 percent.

Yell County jail, Dardanelle, Ark., 15 percent.

Clay County jail, Celina, Tenn., 16 percent.

The above ratings are based on quality of administration, personnel, food, medical service, cleanliness, etc.

One institution where I think there has been some outstanding accomplishments is the Cook County jail in Chicago, Ill.

In 1933 our Bureau disapproved the use of this institution for women when it found that a low standard of administration was being maintained. Also, every effort possible was made to reduce the number of male commitments. Two of the specific criticisms were that "kangaroo courts" flourished and prisoners with money were able to purchase privileges. One case of a prisoner being abused by the "kangaroo court" was that of an 18-year-old boy who was initiated by members of the "kangaroo court." When the boy's case came up for trial before the municipal court, he was hardly able to walk as a result of having been forced to sit on a

tin plate while naked and then being dragged over a rought concrete floor.

We finally persuaded the jail officials to abolish the "kangaroo court" and to correct other bad conditions which existed. We were able to give full approval to the use of this jail in 1936 and have continued it on our approved list. The following is quoted from one of the warden's letters in this connection:

"One of the things that motivated me, I will be frank in saying, is that the Federal Government does not approve of 'kangaroo courts,' and in my several talks with you and others from the Bureau I came to a fuller realization of what this means."

Warden Sain, who has been in charge of this institution for a number of years, has cooperated with the Bureau of Prisons and has raised the standard of the institution, with the result that the Cook County jail is now one of the best jails in the country.

One of the jails where we have not been able to get the cooperation of the officials in improving conditions is the Hamilton County jail at Chattanooga, Tenn. Federal court is held in Chattanooga; nevertheless, owing to the very bad conditions in the jail, we have had to restrict its use to emergency cases while court is in session. Not having the full use of this institution is a great inconvenience to the local Federal officials. The personnel is inefficient; trustees are given the responsibility of carrying the keys to the colored women's quarters while the matron is away from the institution; the segregation of prisoners is inadequate; the cleanliness and sanitation is of a low standard; the jail is usually overcrowded to the extent that frequently prisoners are compelled to sleep on the floor. I might add that regardless of the fact that our Bureau refuses to authorize this jail for Federal prisoners, there is a daily average of over 200 local prisoners being held there. We have been greatly disappointed that the local officials have failed to cooperate in improving conditions in this jail.

While I am on this subject of our Federal prison problem, and I might say parenthetically that this is a subject very dear to my heart, I want to express the hope that the Judiciary Committee will consider the bill of our colleague, Congressman WALTER, which seeks to establish the principle of indeterminate sentences in Federal court procedure.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I yield myself 10 additional minutes.

DEPARTMENT OF COMMERCE

In the Department of Commerce we have allowed appropriations totaling $97,377,000, which is $15,250,000 more than the sum approved in the Budget estimate.

This brings me to the comment which I desire to make regarding the action of the committee in increasing the Budget estimate of $20,236,000 for civilian pilot training to a figure of $36,000,000. I consider the civilian pilot training program of the Department of Commerce to be the cheapest, best, and most effective program for pilot training that can be devised. Since the inception of the program of training young men to become aviators, 70,000 individuals have completed their training and most of them have pledged themselves to go into the flying branch of our armed services when needed. Of this total over 20,000 have already affiliated themselves with either the Army, Navy, Marine Corps, or Coast Guard. About 3,500 of these trainees have joined the flying services of either Canada or Great Britain. The strength of this program lies in the fact that it has been decentralized. By farming out this training to all the sections of the country we have succeeded in building up a real airmindedness on the part of our citizens. Furthermore, the training program is a complete answer to demands for an economical program because we are using existing planes and existing ground facilities in the accomplishment of the program. I do not think there will be any difference of opinion on the subject as to how we are going to win this war. It will be with planes and pilots, and more planes and more pilots. With the amount placed in the bill by the committee for this training it will be possible to train 25,000 individuals in the elementary college course, 4,000 in the elementary noncollege course, 14,000 in the secondary course, and 6,500 as cross country and commercial instructors. And, mind you, all of this additional training can be undertaken without one additional cent being spent for equipment or facilities. In fact, it was testified that the Department could absorb an appropriation of $89,000,000 without being required to purchase an additional piece of equipment or undergo the expense of establishing any additional facilities.

We propose to make $8,000,000 of this appropriation available immediately, and I certainly hope that the House will sustain the action of the committee in the action that we have taken in order that we may start at once with an accelerated program of training that will establish a reservoir of pilots that I know and you know are going to be needed before this holocaust is over.

In addition to this item for civilian pilot training we approved a sum of $5,640,000 to establish additional air navigation aids and approximately $18,400,000 to maintain the existing aids to air navigation.

Census Bureau

We are supplying funds to complete the taking of the Sixteenth Decennial Census. The committee had added $190,000 to the Budget estimate for the regular continuing work of the Census Bureau in order that a census of wealth, debt, and taxes may be taken within the next year. This census is a reservoir of useful information appertaining to the wealth, debt, and tax situation existing in about 175,000 distinct and separate political units in the United States, and is used as a basis for formulating the Federal program of cooperation with the State and local governmental units in the matter of grants-in-aid, taxation problems, civilian defense, and so forth. This census has been taken regularly at 10-year intervals since 1850, so the committee has made provision for compilation of this data during the next fiscal year.

Coast and Geodetic Survey

We have reduced the appropriation for geodetic control surveys under the Coast and Geodetic Survey by $370,000. This control survey work involves the establishment of bench marks at intervals throughout the United States from 7½ to 15 miles, which are used as controls for all the topographical mapping of the country which is done by the Geological Survey of the Interior Department. We have appropriated $80,000 instead of $450,000, as estimated by the Budget, for the reason that the Coast and Geodetic Survey will have a large amount of funds transferred from the War Department for such survey work in defense areas, so we felt that we would be justified in not increasing the expenditure for this item above the level that existed 2 or 3 years ago.

Bureau of Foreign and Domestic Commerce

The committee has reduced the appropriation for the Bureau of Foreign and Domestic Commerce by $368,000. We were prompted in this action by the knowledge that the war has established world conditions wherein there is no need at the present time for rendering governmental assistance to business in the matter of finding markets, so that such portion of the work of this Bureau that is dedicated to this purpose might be eliminated.

There were no changes of special note in the appropriations of the Bureau of Marine Inspection and Navigation or the Patent Office.

With regard to the Civil Aeronautics Board, we have allowed an increase of a little over $70,000, which will be used largely in implementing the staff of the Safety Bureau. This unit is engaged in investigating commercial and private airplane accidents and reaching a determination as to the causes therefor and suggesting remedies to obviate future accidents.

We have added about $150,000 to the appropriation for the National Bureau of Standards in order that they may increase the work that they are performing in making tests for the Government in research and development work and in formulating standards for commercial commodities.

I want to say a good word for the work of our National Bureau of Standards. Dr. Briggs, the Director of this agency, is typical of the men of great scientific knowledge and ability who are devoting their lives to scientific endeavors aimed at improving the general living standards of mankind. Many of these public servants receive salaries that represent but a fraction of the amount that they could earn on the outside. At the present time approximately 90 percent of the scientific work of the Bureau is being performed for agencies directly engaged in the war effort. Their work is unspectacular but fundamental. They deserve our highest commendation.

We are providing $8,000,000 in the bill for the Weather Bureau. This may seem to some to be quite a tidy sum to find out whether it is going to rain, snow, or shine tomorrow, but in wartime, particularly, the function of the Bureau is one of transcendent importance. We are allowing additional funds for this unit that they may add to their weather-reporting facilities at various points in the country where existing meteorological services are not completed and to add technicians to the Washington staff who will analyze the mass of weather data and endeavor to make more accurate and complete predictions. As a safety factor in the flying of our armed forces

nothing is more important than accurate timely weather information.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I yield myself 10 additional minutes.

THE JUDICIARY

In addition to the three executive departments of the Government to which I have just alluded, our committee is charged with making appropriations for the judiciary establishments and in acquitting that charge we are suggesting that the Treasury be depleted to the extent of about twelve and a half million dollars. The items included under this head in the bill provide for the expenses of operating the Supreme Court of the United States, the Court of Customs and Patent Appeals, Customs Court, Court of Claims, and all salaries and contingent expenses incident to the operation of our circuit and district courts and for the office of the Administrator of the United States Courts. Most of the increases approved by the committee in the items, as compared with the current year, are due to increased cost of materials and some few additional personnel that appear to be justified in the light of duties to be performed.

We are adding some additional probation officers as a means of reducing the case load now being carried by the officers in this service. As I recall, each probation officer is carrying about 143 cases and we are endeavoring to reduce that figure to approximately 130 cases. You know we can maintain a prisoner on parole for about 10 percent of what it costs us to incarcerate him in a penal institution. So, of course, it is just good business to provide all reasonable personnel required for this service.

I am glad to report to the House that we are making some progress in reducing the congestion that exists on the dockets of our Federal courts. The administrative office of the court is engaged in continuous studies looking to expediting the business of the Federal courts throughout the country and it is also directing its attention to standardizing judicial procedure and practices and establishing systematic controls over the office of the clerks of the court and other court employees.

I hope that I have not trespassed unduly upon the time of the House in endeavoring to bring you the highlights on the action we have taken on the hundreds of items that form a part of the bill now before you. I earnestly beseech the support by the Members of the House of the recommendations of the committee on the amounts to be allowed these four important agencies of the Government for the fiscal year of 1943. I thank you for your attention.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman.

Mr. GWYNNE. Do the hearings indicate whether or not the efficiency of the F. B. I. would be increased if we had a wire-tapping law?

Mr. RABAUT. Well, I do not know. I am not enough of a police official to say, but my own personal judgment is that it would be greatly increased.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to my friend from New York.

Mr. COLE of New York. In regard to the training of pilots under the Civil Aeronautics Administration, what is being done along that line in the matter of the training of glider pilots, if anything?

Mr. RABAUT. I am not prepared to answer the gentleman, but I understand that, as far as the C. P. T. is concerned, there is going to be such training on a large scale in this country.

Mr. COLE of New York. But up to present time there is no glider training under the C. P. T.?

Mr. RABAUT. No; nothing like what they had in Germany.

Mr. COLE of New York. Can the gentleman give us any idea to what extent there will be pilot training of this kind?

Mr. RABAUT. What knowledge I have on it concerns the bill that has been recently presented to the deficiency subcommittee, and which has not yet come to the House. It does not come under the bill I have here, although I do know that C. P. T. could be prepared to enter into that type of training if they had the opportunity.

Mr. COLE of New York. Is it the gentleman's feeling that glider-pilot training has a very valuable place in the training of heavier-than-air pilots?

Mr. RABAUT. A very valuable place; yes.

Mr. BEAM. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Illinois.

Mr. BEAM. I just want to take this occasion to compliment the Chairman upon the very learned, exhaustive, and intelligent statement which he has made. The statement shows a very profound knowledge of the intricate and involved agencies of the various departments of this Government. There is no other chairman in the House, I dare say, who is better informed or more enlightened upon the various intricacies and involvements with respect to our National Government than the honorable gentleman from Michigan, who is the chairman of this subcommittee.

I also want to take occasion to pay high tribute to our very learned, distinguished, and scholarly clerk, Jack McFall. In my committee service here in Congress I have never encountered a more conscientious gentleman or one more interested in fully cooperating with every member of the committee at all times and in all places. It is going to be a distinct and definite loss to the subcommittee on the Departments of State, Commerce, and Judiciary when they are denied the excellent services of Jack McFall, who is going into the service, I am advised, in a few days. I wish him Godspeed and extend congratulations upon his assignment.

Mr. STEFAN. Will the gentleman yield?

Mr. RABAUT. I yield.

Mr. STEFAN. I want to tell the gentleman from New York [Mr. COLE], who is so interested in soaring and gliding, that it was because of his personal interest in advancing gliding and soaring training that our committee in taking up the bill making appropriations for the Department of Commerce last year went into that subject at great length, with the assurance on the part of the officials of the Civil Aeronautics Authority that they were giving a great deal of study to the matter and were going to take advantage of soaring and gliding piloting. Further answering the gentleman's question regarding the benefits of soaring and gliding, it developed in our committee that a pilot who had knowledge of soaring and gliding became a more valuable pilot and a more experienced aviator.

I want to compliment the gentleman from New York for his original interest in the soaring and gliding activities, which I understand the Army is now studying and in connection with which they will do some training.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. RABAUT] has expired.

Mr. CARTER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I was very much surprised this morning to see in the paper that the United States had taken over a tract in Arlington for a right-of-way to the new war building over there, at a cost of $522,040. The estate of George D. Horning gets $108,300 for one-third of an acre. Paul Collins and some others are given $14,800 for twenty-six one-hundredths of an acre. The National Airport Corporation is given $19,350 for eleven one-hundredths of an acre. The Standard Oil Co. of New Jersey is given $24,650 for twenty-one one-hundredths of an acre. William H. Lipscomb and another, for 1.81 acres, is given $33,915. The American Oil Co., 2.02 acres, $96,725. Southern Oxygen Co., 2.69 acres, $122,000. Mrs. Charles Baum, 1.57 acres, $30,000. Norton & Co., $72,300 for eighty-two one-hundredths of an acre.

These prices are so far beyond anything I have heard of in that locality or that territory over in front of Arlington Cemetery and along the approaches to the Mount Vernon Highway that it seems as if the Committee on Expenditures in the Executive Departments ought to be inspired to investigate those expenditures and give the House some kind of an explanation why the people should go so haywire when they have an opportunity to spend Federal funds.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ELSTON. Can the gentleman state what this property is assessed for on the tax rolls?

Mr. TABER. I do not have the slightest idea. I think it is very evident that they are only small parts of properties, because it is for a right-of-way.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CASE of South Dakota. Does the gentleman know whether these lands are some land that certain landowners attempted several times to sell to the Gov-

ernment for the purposes of an addition to the cemetery?

Mr. TABER. No; I do not.

Mr. CASE of South Dakota. I may say that there is some ground over there that for several years the landowners have attempted to sell to the Government for an addition to Arlington Cemetery, and the War Department subcommittee has repeatedly refused to authorize funds for that use.

Mr. TABER. I would like to see an effort made by the executive department to keep down these everlasting high prices that they seem to be paying for property that ought not be permitted.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. HARE. The gentleman has no idea that there is any appropriation provided in this bill to pay for any such thing?

Mr. TABER. Oh, no. There is not anything in here, of course.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CARTER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, on behalf of the membership of the committee, I want to express to the gentleman from Michigan [Mr. RABAUT], chairman of this subcommittee, our very sincere thanks for the very impartial and patient manner of conducting the hearings held in regard to this bill. I think every man on this subcommittee, whether he belonged to the minority or the majority, was given free and ample opportunity to present anything he desired to present or to interrogate any witnesses he desired to interrogate. The chairman was most fair. He did not attempt to shut off anyone. Full and free opportunity was given to bring out all sides of each and every question that was presented there.

Something has been said this afternoon about the fact that the very efficient clerk, who has been of service to this committee for a number of years, is about to resign and enter the naval service of this country. I want to join those who have spoken in saying that Jack McFall is a most efficient and effective clerk. This bill covers three executive departments, the State Department, Justice Department, Commerce, and the Judiciary. Consequently it is made up of a multitude of items, some of which are large and some of which are small. But it did not make any difference what part of the bill the chairman or any member of the committee desired information about, our clerk had it, and had it immediately. It is going to be a decided loss, a loss that I do not see how we are going to fill, when we lose Jack McFall as clerk of this committee. We all wish him the best of luck.

Another man is retiring from Congress. He was a member of the Appropriations Committee: The gentleman from Washington, CHARLES H. LEAVY, who has been called to his State to fill an important judgeship. The gentleman from Washington is not on this subcommittee, but it has been my privilege for a number of years to serve on the interior subcommittee with him. He is a hard worker. He is conscientious. He has always been courteous, and I am sure we all wish CHARLES LEAVY a long and successful career on the bench in the State of Washington.

Mr. Chairman, the provisions of this bill have been well covered by the chairman of the subcommittee. I am one of the minority members of this subcommittee. I feel and feel very sincerely that we must cut these appropriation bills as deeply as we can and trim all items that are not for defense purposes more and more in order that we may have what is required for defense purposes and in order that the taxpayers of this country may be able to carry the load. This bill and all other bills that come from appropriations subcommittees keep growing year after year. When you look at the résumé of this bill on page 2 of the report you may say it is $150,000,000 under the bill for these same departments last year. That is what the figures show, but in reality the figures do not tell the exact story for the reason that in last year's bill we had nonrecurring items in a large sum, the principal one being for the development of landing fields throughout the country. This item does not appear in this year's bill, so if you go through the bill item by item you will find that with this one exception there is a gradual stepping up, stepping up, stepping up, and increase in the appropriations asked and in the appropriations granted by this committee.

Mr. JOHNS. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. JOHNS. Is it not true that the appropriations for these departments all show increases? We just appropriated about $25,000,000 10 days ago for the Post Office Department in excess of what we gave them a year ago.

Mr. CARTER. The gentleman from Wisconsin is absolutely correct. It is my firm belief, however, that the subcommittee handling this bill is the least offender. I made the statement before the full Committee on Appropriations this morning that the appropriation bills we were bringing in here were all bad, that it was simply a question of which was the worst. I believe of all the bills brought in so far this is the best because we did cut it down, not as much as I wanted, to be sure, not as much as I advocated before the committee, but we did cut it some.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. HOUSTON. I want to say in support of what the gentleman from California said that he did try to make greater cuts, but we tried to harmonize things in the committee where we could all agree on something. I myself wanted to cut down more in some instances than we did cut. If it were not for one item, that for the student-pilot-training course, I believe the gentleman would agree that this bill would have been brought down something like $2,000,000 under the Budget estimate.

Mr. CARTER. The gentleman from Kansas is correct; and I may say that since I have been on this subcommittee this is the first time we have ever exceeded the estimates of the Bureau of the Budget, and it is the student-pilot-training item that caused us to exceed the Budget estimates in this bill.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. DONDERO. Is it true that the civil pay roll of the Government now exceeds $2,000,000,000?

Mr. CARTER. I have not the exact figures, but if that is the gentleman's information, I am willing to take his statement to that effect. If it was $2,000,000,000 last week, it is not $2,000,000,000 this week—it is more, because they are putting employees on just as fast as they can get them into town. Perhaps the gentleman saw the picture in the paper last week of the crowd of employees waiting around in a large room for something to do. They had nothing to do, yet they were on the pay roll.

Mr. DONDERO. That is true. The reason I asked the question is that I believe it is within the memory of every Member here that not such a great number of years ago the total expenditures of the Federal Government were $1,000,000,000—total expenditures for all purposes, and that shocked the country. They called it the billion-dollar Congress.

Mr. CARTER. The gentleman is correct.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Are the expenses of the trip of Under Secretary of State Welles and his associates to the recent Pan American Conference included in this bill?

Mr. RABAUT. The expense of the American delegation comes out of the President's emergency funds.

Mrs. ROGERS of Massachusetts. The Under Secretary did a very fine piece of work down there. Does not the gentleman believe that many officers of the Foreign Service have performed a very valuable duty at the war front in various countries during the past year?

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield myself 10 additional minutes.

Mr. Chairman, may I say it was my privilege to visit a number of our embassies in South America, and I was very much impressed with the caliber of men in charge of those places. In regard to the inquiry as to where the funds came from that financed Mr. Welles' trip to Buenos Aires recently, may I say that that trip was financed out of the President's emergency fund and not out of the funds of the State Department proper, therefore, does not come within the jurisdiction of this committee. As a member of the Appropriations Committee, may I add in that connection that I am very anxious to make any appropriation that is necessary and essential for carrying on any governmental function that needs to be carried on at this particular time, but I am very much in favor of cutting down on nondefense activities.

Mrs. ROGERS of Massachusetts. The gentlemen performed a valuable service in their visits in the South American

countries. I admire the study the gentleman from California gives to these matters. He is always able and constructive.

Mr. CARTER. I thank the gentlewoman.

Mr. Chairman, I want to call specific attention to one or two things in here a little later. In my opinion, there are a number of places in this bill where additional stenographers, secretaries, and attorneys were asked for that we might have cut down without doing any violence to our national defense program and without seriously impeding or hampering the functions of government. It is those things that I want cut down.

Mr. KEAN. Will the gentleman yield?

Mr. CARTER. I yield to the gentleman from New Jersey.

Mr. KEAN. I notice in connection with this question of foreign service that we provide salaries for ambassadors to Poland, Belgium, Czechoslovakia, the Netherlands, Bulgaria, Norway, Rumania, Yugoslavia, Thailand, and other countries, where we cannot have ministers and ambassadors at this time. Has the gentleman any assurance by the State Department that this money will not be used as long as there is no place for these ambassadors?

Mr. CARTER. Yes; we certainly have. Many of those men who were working in areas that are now in the hands of our enemies have been transferred to other places and are working there. That matter was discussed at some length with the Secretary of State and the Assistant Secretary of State, and we were given assurances that they would use the strictest economy in the administration of this matter.

Mr. DITTER. Will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Pennsylvania.

Mr. DITTER. In line with the inquiry of the gentleman from New Jersey, can the gentleman from California tell us whether the former Governor of Pennsylvania, George Earle, who lately was with the Diplomatic Service, is still on the pay rolls?

Mr. THOM. Will the gentleman yield?

Mr. DITTER. I would like an answer to my question if the gentleman has the information at hand.

Mr. RABAUT. Will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Michigan.

Mr. RABAUT. We do not keep track of the movement of every individual person in the State Department.

Mr. DITTER. I thought the distinguished gentleman from Michigan, knowing as I do his profound knowledge of all matters that come within his jurisdiction, would probably have the answer at hand as to whether the former Governor of Pennsylvania, George H. Earle, is still on the pay roll as a part of the State Department as an Ambassador?

Mr. CARTER. May I say to the gentleman from Pennsylvania that I am unable to say whether he is on the pay roll at this particular moment or not.

Mr. BENDER. Will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Ohio.

Mr. BENDER. I have been checking this committee print and I fail to find the items that have to do with the investigation by the Commerce Department of certain communistic activities. Will the gentleman enlighten me as to where I can find that item? Is that item included in the Commerce Department appropriation?

Mr. CARTER. The investigation of the communistic activities in the various bureaus of the Government is in the hands of the Department of Justice at the present time.

Mr. BENDER. Has that been transferred?

Mr. CARTER. At one time some of the various bureaus and departments were carrying on independent investigations, but that has all been taken over by the Department of Justice. The Department of Commerce did at one time make some investigations and it dismissed certain of the people there. Others resigned. But at a certain time it received a communication from the Department of Justice saying that that matter was in the hands of the Department of Justice from then on. Thereafter the Department of Commerce ceased its investigation.

Mr. BENDER. I have observed that the Federal Bureau of Investigation has been granted the amount of money asked for by the Bureau of the Budget, but not any additional money. I understand there is need for additional men in that Department. They have been doing such a good job in not watching the clock that I am wondering if some additional money will be made available for that Bureau to carry on its work in addition to what is provided in this bill.

Mr. CARTER. If the gentleman will refer to page 54 of the report, he will see that the Federal Bureau of Investigation gets a good many million dollars more this year than it got last year, which will give it many additional employees. I agree with the gentleman that they are carrying on a most excellent and important work and that their efforts should not be hampered on account of lack of funds. I can assure the gentleman that they can get along very well on this amount. If they cannot, there is a deficiency committee here before which they can go and ask for additional funds before the close of the next fiscal year. I believe that Mr. J. Edgar Hoover and his associates are doing a very splendid work and I for one do not want to hamper them by lack of funds because their work is very closely related with the war efforts of this country and they must have money for carrying it on.

Mr. THOM. Will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Ohio.

Mr. THOM. In reply to the gentleman from Pennsylvania [Mr. DITTER], who is concerned about the activities of Mr. George Earle, former Governor of Pennsylvania, may I say, first, that I am not from Pennsylvania; I am from Ohio, but I have read in the newspapers that the former Governor of Pennsylvania has resigned as Minister to Bulgaria and is enlisting in the United States Navy. He is a patriotic ex-Governor, and I am proud of him.

Mr. DITTER. It is a very happy occasion when my friend from Ohio at this time compliments the distinguished former Governor of Pennsylvania, who, incidentally, is a constituent of mine, as I reflect that in times past the gentleman from Ohio [Mr. THOM] was not very much concerned about what the naval appropriations were in years prior to the present emergency.

Mr. HARE. Will the gentleman yield?

Mr. CARTER. May I say to the gentleman from Ohio that I am the one who is supposed to be making the speech here? I would prefer to yield for questions rather than speeches. I now yield to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. This is for the purpose of supplementing the answer to the inquiry of the gentleman from Ohio [Mr. BENDER] in regard to an increased appropriation for the F. B. I. The record will show there is an emergency increase of over $7,000,000 in this bill to be used by this activity of the Department of Justice during the emergency, and a $150,000 increase in the regular expenditures.

Mr. CARTER. I thank the gentleman for the information.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Minnesota.

Mr. O'HARA. Can the gentleman from California assure me there is no money in this appropriation bill for pensions for Congressmen?

Mr. CARTER. That matter was not discussed before the subcommittee, and not by the widest stretch of the imagination could any of this money be used for pensions for Congressmen.

Mr. O'HARA. May I assure the gentleman I am much comforted by his statement?

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Nebraska.

Mr. STEFAN. If the gentleman is referring to the item marked "retirement," that refers to the retirement of Federal judges and retirement of employees in the Foreign Service, which runs a little over $1,000,000.

Mr. O'HARA. I thank the gentleman.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Ohio.

Mr. BENDER. Are these persons in the Foreign Service granted pensions as are the judges?

Mr. CARTER. Of course, the Federal judges are granted pensions without making any contribution whatever to the retirement fund, the same as the members of the Army and Navy, the Public Health Service, and several other branches of the Government.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield myself 5 additional minutes.

Mr. BENDER. Will the gentleman gentleman yield further?

Mr. CARTER. I do not care to go into this pension matter at this time, because

it is a matter of which this subcommittee does not have jurisdiction. However, my understanding is that the Foreign Service officers are given a retirement pension without making any contribution to the fund.

Mr. BENDER. That is what I wanted to ask the gentleman. These persons are not required to make any contribution whatsoever? Is that the gentleman's understanding?

Mr. STEFAN. I think the Foreign Service officers do, but the judges do not.

Mr. CARTER. I am not certain whether the Foreign Service officers do or not.

Mr. STEFAN. The Foreign Service officers contribute 5 percent toward their retirement pensions, but in connection with this item of slightly over $500,000 for the retirement of Federal judges, that is not a cooperative proposition and the judges make no contribution toward that fund.

Mr. CARTER. I thank the gentleman. I was uncertain as to whether or not the Foreign Service officers made any contribution. I have been under the impression that they did not make a contribution, and I am very glad to be corrected on that.

As stated by the chairman, Mr. James Bennett is head of the Bureau of Prisons and I believe is doing a splendid work there. It has been the idea of this subcommittee that it is good business for the Government if the largest number possible of these prisoners could be put out at work on roads or some other outside work. It costs much less to maintain them out there. Therefore, we have urged that this be done to the greatest possible extent, and I may say it is being done. I think that our prison population at the present time is not increasing. This is the first time in a good many years that that statement could be truthfully made; so we are putting these prisoners out.

The chairman also referred to the fact that it was necessary in certain locations for Federal prisoners to be held in county jails. We had quite a discussion as to the condition of these jails throughout the country and asked Mr. Bennett to submit for the record a list of these jails with the ratings that the Bureau of Prisons gave them, after making a thorough examination of the jails. I may say, incidentally, that the Detroit House of Correction at Plymouth, Mich., which is a city jail, stood highest on the list, with a rating of 87 percent.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Michigan.

Mr. DONDERO. I may say that that institution happens to be within the congressional district I have the honor to represent.

Mr. CARTER. I congratulate the gentleman, not on having a jail in his district, but on having a jail that is so efficiently administered within his district. I may say that the Alameda County jail at Oakland, Calif., received a rating of 81 percent, and was one of the highest.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield myself 5 additional minutes.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Michigan.

Mr. RABAUT. It was my pleasure in surveying the institutions of the country to pay a visit to this particular jail to which my colleague is referring. I found it to be a most efficiently run institution. The personnel in charge and the modernization of the entire equipment, even to the automobiles on the highways with two-way radios, was really something to cause admiration. I congratulate the gentleman on having such a fine institution in his district.

Mr. CARTER. I thank the gentleman. He is referring to the Alameda County Jail at Oakland, Calif., which is administered by Sheriff Gleason. The gentleman also met the sheriff while he was there and, together with the gentleman from Nebraska, I am sure was very much impressed with the efficient manner in which Sheriff Gleason is administering the affairs of the jail.

As I said in the beginning, granting an additicnal sum for civilian-pilot training over the amount recommended by the Bureau of the Budget was what brought this appropriation above the estimates of the Bureau of the Budget.

My recollection is that we gave them $16,000,000 more than the Bureau of the Budget granted them. Personally, I was inclined to cut that down somewhat, but my good friend, the gentleman from Nebraska [Mr. STEFAN], who sits next to me on the committee, in his usual persuasive manner, prevailed upon me that this was a particularly important matter. The chairman and other members of the committee urged it upon me, too, and I think for about the first time since I have been on the Appropriations Committee I consented to an increase over what was recommended by the Bureau of the Budget. However, I felt justified in doing this owing to the nature of the work that is to be carried on with this money and the fact that we now find ourselves engaged in a war. It will mean the training of thousands of pilots. We have many of the overhead expenditures in connection with this work already provided for and it is much better than going out and setting up a new organization.

Now, in closing, I may say that I believe in the future we have got to scrutinize these appropriation bills even more carefully than we are doing at the present time. We have got to cut out every item that is not necessary for carrying on this war, except it be for carrying on just the ordinary functions of government, and delay every item that can possibly be delayed, because we are piling upon the taxpayers of this country a burden that is going to be unbearable unless this is done.

Mr. RABAUT. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. PETERSON].

Mr. PETERSON of Georgia. Mr. Chairman, I commend the members of the Appropriations Committee for their vigilance in seeing that there is no money in this bill for pensions for Congressmen.

The people of this country are thoroughly aroused and incensed over the measure providing civil-service retirement benefits for elective officers which has recently been adopted by Congress, and which seemingly had the wholehearted approval of the President of the United States.

In my candid opinion, the people are justified in their indignation, for this is not wholesome legislation. Certainly it was most inopportune. Congress and the President made a mistake in approving this measure carrying these provisions for civil-service retirement benefits for elective officers. I felt so at the time. I feel so even more now. I have never favored legislation granting such benefits to elective officers. I did not favor the recently enacted legislation. And I think it should be repealed without delay.

Now that the American people have so plainly indicated their attitude, it is incumbent upon this body that we take immediate action to bring this issue again before this body, and in a manner which will afford every Member an opportunity to definitely express his attitude toward such legislation.

I have personally conferred with the chairman of the Civil Service Committee of the House and others to this effect, and I am gratified that such procedure is being initiated. I wish to commend my good friend and colleague Hon. ROBERT RAMSPECK, chairman of the Civil Service Committee, for the fair attitude which he has assumed. I know that this able and distinguished Member who so faithfully and honorably represents the great Fifth Congressional District, in which is located the capital city of Georgia, is honestly and heartily in favor of this legislation. He likewise knows that I do not approve of it. Both of us are sincere in our convictions. Yet, even though the gentleman from Georgia [Mr. RAMSPECK] favors the measure, in a spirit of fair play and sound legislative procedure he has recognized that the people of this Nation are not satisfied with the action taken and he has definitely stated that his committee will begin immediate consideration of legislation to repeal this provision granting civil-service retirement benefits to elective officers. His constituents, I am sure, even as do his colleagues, admire this display of his clear conception of legislative responsibility. It is typical of his high sense of public duty and his conscientious effort to properly serve his constituents and his country.

The American public is demanding that we act at once. It is incumbent upon Congress to heed this demand, and I am heartily in favor of the immediate repeal of this law.

Mr. CARTER. Mr. Chairman, I yield 30 minutes to the gentleman from Nebraska [Mr. STEFAN].

OUR CIVILIAN PILOT-TRAINING PROGRAM

Mr. STEFAN. Mr. Chairman, I wish to speak about the Civil Aeronautics Administration. This agency came under the scrutiny of the subcommittee for the

first time last year, when it was returned to the Department of Commerce. Naturally, we went into its operations very thoroughly. We did this for three reasons: First, because it was new to us. Second, because there was a great deal of protest over the fact that it was returned to the Department of Commerce; and, third, because we all were aware of the vital importance of aviation to any nation in this world, whether in war or in peace.

I believe my colleagues will concur in the fact that we found the C. A. A. to be an up-and-coming agency, headed by capable people and doing an excellent job. Four of its major activities are of great importance to the war effort. The first is construction, maintenance, and operation of the Federal airways system, the 30,000-mile network of aerial highways over which airplanes can fly with a maximum of safety in all sorts of weather. The air is like an ocean above the earth, and pilots can stay on their course through this ocean by means of hundreds and hundreds of beacons and radio signals and other communications which have been set up and now are operated by thousands of expert employees of the C. A. A. In time of peace this system of aerial highways was indispensable to the commercial air lines. In time of war it is indispensable to the armed forces in moving airplanes from one part of the country to another in order to be able to meet any emergency. I do not believe it is an exaggeration to say that today these airways are used four or five times as much by the airplanes of the armed forces as they are by civil airplanes, and it should be obvious that this ratio will be increased as the production of military airplanes increases.

The second activity of the Civil Aeronautics Administration which is vital to the war is its construction of airports or landing areas. The chairman of this subcommittee has given you the exact figures on our proposals for such work during the coming year. It should be remembered that the appropriation item for this work is merely a continuation of a well-planned program which began in the fall of 1940 and for which we have appropriated money several times. This program is carefully integrated and controlled by the needs of the armed forces. Every project in it has been approved by a board consisting of the Secretaries of War, Navy, and Commerce. The net result is that these landing fields not only will be of prime value in the war effort, but also will be convertible to civil aviation after the war in very large degree. This means that a large portion of these expenditures actually have long-range value rather than merely wartime value.

Another important service of the C. A. A. to the war effort is the increasingly large contribution made by C. A. A. inspectors and technicians in examining, testing, and supervising adjustments on airplanes being produced for the armed forces. It is obvious that these services cannot be discussed in too much detail because their very nature is part and parcel of the most confidential sort of information. But it is plain to us that the armed forces are taking growing advantage of the outstanding technical qualifications of a great many men in the C. A. A. organization.

The fourth type of C. A. A. activity about which I wish to speak is its great program of civilian pilot training. It will be plain to many of my colleagues by this time that this pilot-training program has been a major interest of mine since I first began to learn about it. It is just about 3 years old now, and in that short time it has become, without a doubt, one of the greatest forces for the advancement of aviation in the history of this country.

Actually the C. A. A. civilian pilot training program will go down in history as one of the most important steps in preparation for this war.

Robert Hinckley and the other leaders of the C. A. A. did something about the need for mass production of pilots years before anybody else did. They worked out a plan and started this production 3 years ago, which is to say before the invasion of Poland. They tremendously enlarged this program, wih the support of Congress, in the spring of 1940. The net result of their far-sighted policies is that up to this time they have trained more than 70,000 healthy young Americans as pilots, have multiplied and standardized this Nation's facilities for aviation training, have produced several thousand flight instructors for expansion of the armed forces, and, all in all, have been one of the most potent forces in this Nation's struggle for air supremacy.

Nearly every Member of this Congress is well aware that one of the most remarkable aspects of this program is the way it was developed along essentially democratic lines. We hear a great deal these days to the effect that the only way to get large jobs done quickly is to centralize and regiment the work. We are told that we must grant extraordinary powers to a relatively few people so that we can force high-speed production regardless of obstacles. That may be true in certain situations, but I want to call your attention to the C. A. A. pilot-training program as a shining example of how free people and free colleges and free commercial flying schools have done a great job for America when they were given the responsibility for it and told to step on the gas.

This training program has been decentralized as far as possible. The C. A. A. simply contracted with hundreds of colleges which were willing to give ground-school training and with equal numbers of local commercial flying schools which were qualified to give the flight training. These training centers are spread all over the map of this country and its territorial possessions. They are located in every State in the Union and in almost every congressional district. I doubt if there is a Member of this Congress who has not received in his mail communications from his constituents endorsing and supporting this program.

It has gained the support of educators from all sections because the C. A. A. courses have been substantial and useful. It is no secret that educators are inclined to look with suspicion upon any proposal in their field which emanates from Washington, and yet more than 500 American colleges and universities approve these C. A. A. courses so heartily that they have put them in their official catalogues and given regular academic credit for the work.

This program has the approval of parents—of the fathers and mothers of the very boys who have learned to fly—because of its remarkable record of safety in the air. Nothing like this record ever had been heard of in aviation before. In training these 70,000 fliers, over 3 years, only 17 students have been killed. The safety record is so amazing that it has kept even the insurance companies breathless. From the beginning, each student has had to carry $3,000 life insurance and at least $500 accident coverage. When this program was started the insurance companies decided to charge $20 for this protection. Since that time they have made six successive voluntary reductions in the premium for this insurance until it now can be obtained for $4.60. I know of no better way to prove to you the utterly unprecedented safety of this program than by citing this experience of the insurance underwriters.

All of my colleagues know how anxious the colleges of the United States are to develop programs on their campuses which will be of practical and direct usefulness in the winning of this war. And I say to you without qualifications that there is nothing new which can be instituted in the colleges of America which can make a greater contribution to victory than stepping up this program which is already established in the colleges and acceptable to them and a proven war asset, to the fullest extent that they can handle.

But perhaps I should not make such a sweeping statement until I have given more specific facts about the contribution which this C. A. A. pilot training has made to the war effort. There may be some among you who are not fully informed on this point. I will not be surprised if there are, because it is a notorious and regrettable fact that a great many of the people who ought to have been cheering and supporting and helping this program for years have been diffident and lukewarm toward it, if not openly hostile to it. To their eternal credit it should be said that a few of the military leaders have had the vision to grasp the significance of this program from the start. But unfortunately there has been a sufficient number of their colleagues who have spread doubt and disfavor to largely offset their efforts. I think it is a black mark against all of us that this training program now is running at only a fraction of its full capacity at a time when a little group of the bravest men in the world's history are besieged on a Far Eastern peninsula for lack of a relatively few military planes and pilots. I wish to say in extenuation that this House will recall, just about a year ago, the fact that we granted a substantial increase in the appropriation for this work over the amount requested of us by the Budget. It should be further recorded that we are asking at this time for a much larger increase over the amount now requested by the Budget, and that

we want to see this program established on the kind of "all out" basis to which it is entitled in the present military crisis.

Now, just how much has the C. A. A. training program contributed to the war effort? Although it was started as a purely civilian program, the experts of the Army and Navy were consulted from the very outset in order that the flyers who were trained would be in large degree fitted for military training. The age group from which they were selected, their educational requirements, and, as far as possible, their physical condition were made parallel to the requirements for military flying cadets. Several times during the 3-year period these requirements have been adjusted in order to follow adjustments in the military requirements. For nearly 2 years the C. A. A. students have been required to sign a pledge to use this training in the defense of their country when needed. This pledge has been progressively tightened, until at present it is an affidavit which is coordinated with the work of local draft boards in such a way that when any student fails in a C. A. A. course or fails to enter the armed forces within 30 days after his term is finished, he is reported back to the draft board and put on the list eligible for call. This in itself is a definite recognition by the armed forces of the value of this training.

But let us take the actual statistics. Fifteen thousand of these C. A. A. pilots already are flying for Uncle Sam or in the Army or Navy. About 9,000 others are in other branches of the armed forces. For example, nearly 100 are aviation-weather men, because after their pilot training they were given a year's training in advanced meteorology through an arrangement by the C. A. A. and the Weather Bureau. The Field Artillery now is training pilots to fly its "grasshopper squadrons" of light observation planes. Incidentally it has asked the C. A. A. training experts to assist in these courses. More than one-half the men who have been assigned to this training so far are soldiers who obtained their first pilot licenses through the C. A. A. courses. Hundreds of aeronautical engineers and others with similar technical training who have come from our colleges in these 3 years and now are in the armed forces or in industrial production are better technicians, because they became pilots through the C. A. A.

I have been asked several times whether the early C. A. A. training is any good. I can answer that in terms of the Army's own statistics, as a result of its own experience. The study of literally thousands of these C. A. A. boys who have gone from the early C. A. A. courses to Army training reveals that only about 10 percent of them fail in Army primary training, whereas the Army suffers failures of 40 percent and over among those boys who have not been introduced to aviation through the C. A. A. The saving of about 30 percent in Army "wash-outs" not only means the saving of a great deal of money but also the saving of a very great amount of precious time which never can be regained.

Now let us look for a moment at the situation as regards flight instructors. When the C. A. A. started its large-scale program a couple of years ago there were not enough instructors in the country to do the job. The C. A. A., therefore, instituted, on a large scale what it called refresher courses. Seasoned flyers were brought up to standard and instructed in the best modern methods of teaching students to fly. More than 5,000 of those instructor courses were given, and literally thousands of experienced flyers were brought back into active aviation from other pursuits and standardized as teachers. The result of that was that when the Army got ready to make large-scale expansions in their training facilities, there were available to them these thousands of instructors. I am sure that almost any of the dozens of schools which are now continuing the Army's primary training can testify that their present scale of operations is due in very considerable degree to this reservoir of instructors created by the C. A. A. I will give you one example. The director of the Hawthorne School of Aeronautics of Orangeburg, S. C., which is an Army contract school, said only last week that 29 of his 33 flight instructors give the C. A. A. program at least part of the credit for their present qualifications and the majority stated flatly that they could not hold their present jobs were it not for the C. A. A. training. That story could be repeated dozens of times across this country among the organizations which are now training the bulk of our military cadets and the total score, as I said, would run into thousands of instructors.

As far as the students themselves are concerned, I have spoken thus far only of the simpler courses. For the first year of the program an elementary course on light airplanes was all that was given. In the second year a secondary course was instituted on which these light-plane pilots would be given additional experience on the same type of airplane used in primary military training. As a result of that course the Navy found that it could save as much 33 hours of actual flight on the part of these boys when they entered the service.

A little later the Army came forward with another problem. It expected to need still larger quantities of flight instructors for its primary school, and it wanted to know whether the C. A. A. could start still more advanced courses which would produce flight instructors out of its own students. At the same time the commercial air lines were expressing concern over their need for co-pilot replacements because many of their pilots were being called from reserve to active duty. To meet these needs the C. A. A. started still more advanced courses. It gave to its high-ranking students a third course of cross-country flight on still larger planes and a further course in how to teach aviation to beginners. Upon successful conclusion of these four courses a boy who began flying with the C. A. A. becomes a full-fledged commercial pilot and flight instructor. That is, he can go all the way from the greenest novice to an officially rated flight instructor within the training facilities of the C. A. A. How many of these instructors is the C. A. A. turning out in this fiscal year? More than 4,000, which is a quantity almost unheard of in aviation history.

But the end is not yet. Even before Pearl Harbor the word at last had been getting around that the C. A. A. really had something of major usefulness. As a result, both the Army Ferry Command and Pan-American Airways requested the C. A. A. to inaugurate still more advanced courses in which the best of this instructor group could be trained in instrument flying and in the piloting of great transport airplanes with two or more motors over long distances to the foreign theaters of war. Again the C. A. A. took up the challenge, and it has agreed to train 1,000 of these high-grade ferry pilots.

What I am saying is that in the crisis this splendid C. A. A. training organization is being called upon time and again to do more difficult and still more difficult jobs—and is doing its job—only because it has demonstrated that it has the formula and the ability and the organization for mass production of pilots of a great many kinds. It has adaptability and the power to produce pilots in tremendous quantities because it has kept its assets liquid and not frozen them in a maze of bureaucratic machinery.

I am not talking to you about mere theory. I am talking about facts. Boys from the C. A. A. courses already have seen plenty of action in several of the theaters of this war.

You might like to know the scale on which these student flyers are entering the armed forces. I cannot go into too much detail for fear of giving aid and comfort to the enemy, but I can say that the Army starts a class of air cadets every 5 weeks and that in a recent single class 850 of the beginners were C. A A. boys. I can also add that there are on the campuses of American colleges more than 20,000 students not yet eligible for selective service who already have completed at least one of the C. A. A. courses and thus are well started on the road to becoming pilots. That is a priceless reservoir of pilot material. As for the future, I hope it will be understood from what I said before that the C. A. A. is not teaching anybody to fly who is not definitely obligated in advance to use that training in the interest of Uncle Sam.

This whole training program is being closely integrated with the desires of the Nation's air forces. That integration is much closer today than it was before Pearl Harbor, and we have every reason to believe that it will be even closer in the near future. In fact, a proposal to that end is being studied, we are informed, in the War Department right now.

C. A. A. trained pilots already are actively fighting. Lt. George S. Welch, who learned to fly in a C. A. A. course at Purdue, recently was decorated for shooting down four Jap planes over Pearl Harbor. Melvin Potter, of the R. A. F. Eagle Squadron, was cited for forcing down two German planes in the English Channel. Potter began with a C. A. A. course at Lockport, Ill. Several

of the other stars in the American Eagle Squadron got their first flying in C. A. A. courses.

The plain fact is that right now this program is operating at only about one-third of its capacity. With the amount of money we are requesting for the next fiscal year it can operate at about 50 percent of its "all out" capacity; but the amount we are requesting is a very substantial increase over the amount suggested by the Bureau of the Budget, and I for one would hesitate to propose a larger sum than $36,000,000 unless and until the Nation's armed forces are willing to bring before us an organized proposal in which they give to this C. A. A. training organization the kind of place it rightfully deserves. In other words, I am absolutely convinced that the C. A. A. training program is capable of doing a great deal more sound and useful training than can be done with the money we are asking; but the armed forces should recognize formally the obvious value of this program to them and should formally state their desire to use its product in specific ways. Again, I do not wish to create any impression by these remarks that the C. A. A. program is not being useful right now. It is being useful at almost any stage of the development of pilots that you might want to name. It is being useful in a very large way. The armed forces are using it from the beginning class right on up through the production of thousands of instructors to the training of the very highest type of pilots who will fly big multiengine transports across the oceans. But I think that out of fairness to the hundreds and hundreds of colleges and hundreds and hundreds of commercial flying schools which have shown the way in the mass training of flyers, the armed forces should step up and give credit where credit is due. Of course, in a time like this the giving of credit is not the important thing. The important thing is to get a job done. But these far-flung C. A. A. training facilities operating all over this Nation from the State of Washington to Maine and from Texas to North Dakota, constitute the real way to get the job done. Nobody can deny that the teaching of the theory of flight and the elements of weather and the mathematics of how to navigate an airplane through space is education and nothing but education. The place to teach it on the largest scale is in the colleges of the United States, whose business is higher education. Nobody can deny that the flying of an airplane is a highly technical business which can be conducted best by the men who have made a business of it. In this country, these men are the pioneers of aviation. A great many of them were flyers in the first World War. A great many of them were the barnstormers we saw at county fairs in the days when the airplane was an exciting novelty. A great many of them settled down in the communities of this country years ago to make their life work the teaching of younger people to fly. They struggled along for years, many of them just a jump ahead of the sheriff, trying to keep out of bankruptcy in the aviation business. The decision made by Mr. Hinckley and his associates to use these men and their schools in the C. A. A. program was one of the wisest decisions ever made in Washington. Through their C. A. A. contracts, even if the prices paid for this training were very modest by any standard, hundreds of these small flying concerns have become sound business enterprises with good and modern equipment and a new attitude toward the world.

These flying schools are going to have, for the American people and the national welfare, a significance far beyond this war. We are building in this country a tremendous aviation industry which is certain to make tremendous changes in the post-war life of every one of us. The aircraft industry this year will be the second ranking industry, second only to steel. It will employ more than a million skilled workers. It will produce several billions of dollars worth of aviation products. There is no problem now in where this production will be used. It will be used to win this war. But when this war is won the problem of how to use this tremendous aircraft production will be a very serious one. And the people who will train the hundreds of thousands of young Americans in peaceful flying after this war will be the very men who are running the hundreds of flying schools in the C. A. A. program today. That is, they will be ready and willing to do the post-war job as well as the war job if we keep on using them now in the C. A. A. work, which they have proved so thoroughly that they can do.

The C. A. A. needs more money for this job than ever before because the advanced courses cost a great deal more than the courses on little flivver airplanes. The teaching of ferry pilots requires that they get extensive experience in the handling of big airliners, and such a course costs four or five times as much as an elementary course. Yet the Air Corps is urging the C. A. A. people to do as much of the advanced training as it possibly can.

I want to emphasize that none of this C. A. A. training should be considered a duplication of the Army's own training. Since Pearl Harbor there seems to have been a marked change in the situation. The Army is getting more airplanes than it expected, and it is crying for all sorts of experienced pilots.

I said a year ago that it was folly to assume we could possibly produce too many pilots. I say it again. All the pilots that possibly can be produced by all the training facilities of this country will not be too many. They may not even be enough. And every pilot we can turn out for this war quickly will help to shorten the struggle, and thus may save thousands of lives.

It is for all these reasons that I want to urge my colleagues to approve this $36,000,000 for C. A. A. pilot training during the next fiscal year. The C. A. A. has proved that it can do the job not only in the early stages of flying but right up to the men who must fly the biggest airplanes across the oceans. The C. A. A. has done this job, not in the way of bureaucracy, but by decentralizing the work and delegating it to local institutions and to private enterprise. The C. A. A. already has made a major contribution to the armed forces in a dozen different ways, and continually is being requested to take on more and more responsibility. The C. A. A. training facilities are not being used to anything like their capacity, despite the crying need for pilots of all kinds and types. It must be plain to anyone that it is much easier, in the greatest industrial nation of the world, to produce any sort of an airplane than it is to produce the men who can fly it. Production of pilots takes time. There is no substitute for time in this work. I think this House of Representatives ought to place the stamp of its faith once more upon the Civil Aeronautics Administration, the one agency of the Federal Government which saw this problem earliest and had the ingenuity to find a way toward its solution.

Mr. Chairman, I want to join the members of the subcommittee in commending our committee clerk, Mr. Jack McFall, who after 14 years of service in the House Committee on Appropriations, serving under about nine committee chairmen, is resigning to enter the service of the Navy. If you will look at the hearings under the item for the State Department, you will find some additional commendation directed to this valuable servant without whose advice I and other members of the committee, would be lost. I wish Jack McFall good luck and Godspeed and an early return to the service of the legislative branch of the Government.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. HOOK. I think the compliment of the gentleman to the civilian pilot training is very timely. They have done a wonderful job in pilot training. A good number of our pilots who have now gone into the service received their preliminary training in the civilian pilot training school. I wish we could be as complimentary to the Army in their training program. Instead of having what is known as the Ryan small trainer and the Steerman wood and wire airplane to train in, where we lost not only thousands but millions of hours in the training of pilots, there should be a coordinated training program that would give to us some 500,000 pilots who will be needed in this program.

Mr. STEFAN. I thank the gentleman for his observation. I want to assure him that when the President issued the Executive order on December 13 he practically put into the Army the civilian pilot training program, and that there is coordination today. We in no way criticize the Army here. We are assured that we are getting full cooperation from both the Navy and the Army, and also we want the gentleman from Michigan and other Members of the House to know that we in no way wish to supersede the Army or the Navy in conducting the aviation program for the prosecution of this war. That is their great task. This is merely supplementary and sort of a feeding station for the two branches of our services.

Mr. HOOK. If the gentleman is correct when he says there is complete coor-

dination and cooperation between the civilian pilot training and the Army, but it is the Army's program of not having a straightforward program, where the aviators go right straight through in the fast-flying ships instead of having the slow-flying ships.

Mr. STEFAN. I have faith in the Army program. The Army Air Corps has my full admiration. I am sure there is close cooperation between the Army and the civilian pilot training service. In fact, the C. P. T. is under the Army, if I interpret the President's order correctly. Every man in the civilian pilot training today becomes a member of our Reserve Corps. When he "washes out" in the C. P. T. he takes his place in the draft or he goes into the service. I am sure the Army is agreeable to the program and recognizes its great value.

Mr. HOUSTON. The gentleman from Nebraska has a thorough understanding of the whole problem of civilian student pilot training. As the chairman pointed out awhile ago, the program does not cost the Government any money for equipment in the way of aircraft. They buy their own planes. If we transfer this plan and put it under the Army, we should have to buy the planes.

Mr. STEFAN. The gentleman is absolutely right. The gentleman comes from the great city of Wichita, which is the——

Mr. HOUSTON. Air capital of the world.

Mr. STEFAN. The aviation center of the country, where there is great interest in aviation, and the gentleman from Kansas has been very helpful in this civilian pilot training program.

Mr. HOUSTON. I want to point out the fact that the Army is cooperating 100 percent today due in no small degree to the efforts of the gentleman from Nebraska.

Mr. STEFAN. As a result of helpful conferences between the chairman and members of the committee and those in authority in the Army, Navy, and the officials of the C. A. A.

Mr. HOUSTON. I just want to ask the gentleman one or two short questions. As a matter of fact, the washouts from the student pilot training course are so much lower than in the Army there is not any comparison.

Mr. STEFAN. Let me give the complete picture at this point. This year the Budget cut these figures to $20,000,000. We increased them to the amount requested by the Department, $36,000,000.

Mr. HOUSTON. That was due, may I say, to the insistence of the gentleman from Nebraska; and we agree with him.

Mr. STEFAN. And due also to the efforts of the gentleman from Kansas and other members of the committee, who believe that aviation is going to win the war. We felt we had to do our utmost. Let me tell you why the committee increased this amount. The C. P. T. has contributed to the war effort up to this time 15,000 men in the air force, 9,000 men who are in other branches of the service, and 2,500 flight instructors. We have a reservoir of 20,000 young men who are still flying in our colleges. That is the reservoir of college fliers.

The request from the Army to the C. P. T. was for 4,000 instructors. They are being produced this year. One thousand ferry pilots now in production; 2,000 instrument courses requested by the Army only recently. The program for the year 1942 was rather meager when compared to the dream and the actual possibilities: 25,000 in the elementary courses; 9,000 in the secondary courses; and 4,000 instructors. We have trained and licensed 70,000 pilots in 3 years since this program has been in operation.

The safety factor is something very interesting to notice, because out of 70,000 flyers trained there were only 17 deaths. Where the insurance companies used to charge just $20 on a $3,000 life and $6,000 accident policy, they have cut that down to $4.

Mr. HOUSTON. Is it not true right at that point we have had only one fatality in the last 17,000,000 air-miles in the pilot-training program?

Mr. STEFAN. The gentleman is correct.

Now, as to efficiency: As the gentleman from Kansas so aptly said a little while ago, only 10 percent of the C. P. T. boys who go to the Army primary course fail. There are only 10 percent of wash-outs as against 40 percent wash-outs among those who do not have the C. P. T. training.

Mr. HOUSTON. If the gentleman will yield again briefly, is it not a fact they are now taking these pilots from the students' pilot training course and putting them into the basic course or secondary course rather than the preliminary course in the Army training?

Mr. STEFAN. I do not know that that arrangement has yet been completed but I understand the basic course is the Army secondary course. New plans are under way now to deal with credits for C. P. T. graduates.

Now let me mention the capacity, the possibilities of the C. P. T. program. The C. A. A. organization could train each year 45,000 elementary students, 20,000 secondary students, 10,000 instructors, 3,000 ferry pilots, and 2,000 extra flyers.

Mr. HOUSTON. I would like to know if the gentleman is informed whether the Navy is going into the various universities of the country and establishing schools; and if so, why?

Mr. STEFAN. I understand they are going to open a school in one college in the Midwest, in Iowa. I understand they have other schools in mind.

Mr. HOUSTON. That is right; but what I am getting at is why do we have to go to the colleges?

Mr. STEFAN. That is a question someone on the Naval Committee should answer.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. DITTER. Am I to understand as the result of the colloquy passing between the gentleman from Kansas and the gentleman from Nebraska that there is some sort of competition as to whether the Navy is to produce flyers or whether this much-complimented C. A. A. is to have the privilege?

Mr. STEFAN. The C. P. T.

Mr. DITTER. Or whatever the outfit is that these compliments have been flying about so thick and fast in the last few minutes. If the gentleman will permit an observation, it seems to me that the Navy has a province of its own and it hardly befits any of us here to try to cast an aspersion on what naval aviation may be by drawing an invidious comparison between that program and this Civil Aeronautics program.

Mr. STEFAN. That is not true at all.

Mr. HOUSTON. Does not the gentleman think it is a pretty good program when there is only 1 fatality in 17,000,000 flying hours?

Mr. DITTER. I still say that the comparison is invidious when you think of the type of training that this Civil Aeronautics outfit might be required to do and compare that with what the Army and Navy flyers are required to do. Personally, I resent it.

Mr. STEFAN. I agree with the gentleman from Pennsylvania. I think I know something about Army and Navy flying as compared with the flying under C. P. T. Of course, you cannot compare the flying of C. P. T. with the Army and Navy. I said four times, if the gentleman had been listening to me, that we are in no way endeavoring to supersede the Army or Navy, but merely endeavoring to place a reservoir here from which they can draw.

Mr. DITTER. With that I am in thorough accord.

Mr. CANFIELD. Will the gentleman yield?

VALUE OF FOREIGN AND DOMESTIC COMMERCE

Mr. STEFAN. Mr. Chairman, we are all anxious to see the country converted to war effort. The Congress is particularly concerned about converting Government and business to war work as swiftly as possible, as completely as is necessary.

I have been investigating the remarkable performance of a bureau which foresaw the need, converted its facilities during the defense emergency and was ready for the war. I refer to the Bureau of Foreign and Domestic Commerce. I believe that any cut in its present meager appropriation will mean curtailment of its contributions to the war effort. I fear that this Bureau would have to curtail its direct supplying of facts to war agencies, curtail its direct help to business trying to adjust itself to war conditions, curtail the steady flow of basic economic information to other Government agencies. And I believe that the extent of this curtailment will be just the amount of the reduction in the appropriation.

This is due to the following facts: The Budget had little meat on its bones when the defense emergency began. This was the result of a slash of approximately 50 percent of its appropriation for 1933–34, which was never restored. Because of this reduction, half the staff had to be laid off, increased duties piled on remaining personnel, and many of its useful services to business restricted.

In late 1940, in the limited emergency, the Bureau began to feel the pressure of increasing demands for factual reports on industries, on commodities, for general economic data of a basic character, and

for statistics and analyses of foreign trade. These came from both new defense agencies and regular Government agencies engaged in defense activities.

At first, I learned, when this rising demand reached a considerable volume in a particular field from an individual defense agency, an attempt was made to meet it by loaning or transferring trained Bureau specialists to individual agencies. However, it was quickly discovered that these trained persons became immured in the individual agencies to which they had been transferred, and their valuable knowledge was lost to other agencies seeking the same or very similar information.

In fact, I discovered one record of eight separate agencies all setting out to do something about tea and spice and all eight winding up at the Bureau of Foreign and Domestic Commerce because it had more information on tea and spices than anyone else in the country. It also had the knowledge and confidence of the tea and spice trade so that it could gather new information more quickly and more cheaply than could anyone else.

Here was a growing need—in a Government tackling the defense job—for reliable business facts. But the Bureau's specialists, trained to help everyone seeking facts, were getting lost in pigeonholes of separate organizations. The Bureau saw the risks of such a bottleneck and moved to meet them.

Therefore, the Bureau was mobilized in late 1940 and early 1941 so that it could function more efficiently at the foreseen defense tasks. Over 30 divisions were condensed to 5 and all activities weighed as to their value to existing and arising conditions. Those contributing to the solution of emergency problems were continued or expanded; those which did not were eliminated.

How clear that foresight was is shown by the record. Although the Bureau does not attempt to enumerate all of the calls upon it, there were 11,638 special requests from other Government agencies, sufficiently important to record for reference purposes, in the period from January 1, 1941, to February 1, 1942. Many of these requests arose because the Bureau had a definite program of explaining and offering its arsenal of industrial and commercial facts to each new agency spawned by defense or war. It has consistently urged the economy and timesaving of using established staffed sources of information instead of creating more and more new organizations, often overlapping in purpose. It has actively pursued its efforts to aid any and all agencies needing business facts.

So many jobs were needed by certain defense agencies that allotments from emergency funds, totaling $110,000, were given the Bureau to hire temporary personnel to aid the Bureau's regular personnel in 1941. It is work like this that has made the increase of working hours in the Bureau from 40 to 44 hours a week more a legitimatizing of procedure long in operation than an innovation in extending the productive man-hours.

How this load has increased is plain from these few data:

Average number of special reports requested by other Government agencies for the first 3 months of 1941—752 reports per month.

Average number of special reports requested by other Government agencies for the last 2 months of 1941 and January 1942—1,062.

That is an increase in the amount of special work for other Government agencies of 310 separate requests for factual reports per month, or a 41-percent increase in the number of requests.

Moreover, I found that because of the large number of requests for information on the same major industries the Bureau, in midsummer, began the publication of confidential monthly industry reports. It was planned to produce these for 60 vital defense industries. The number has reached only 30 because the undermanned staff has been unable to undertake more.

The effect of these reports was to decrease the number of special requests by about 20 percent for 2 months, after which the number of individual requests began to climb until it seems to have leveled off at slightly over 1,000 per month, or approximately 40 per working day.

The foregoing figures refer to numbers of requests. I found that the Bureau had neither the time nor the money to keep books on the number of man-hours that these requests represent. In some cases, a few minutes was enough to give the answer. In others, it was necessary for entire groups to devote weeks to giving the complete answer to some request for involved data on a major subject.

Over 50 percent have come from direct war agencies—O. P. M., O. C. S., O. E. M., W. P. B., War Department, the Navy Department, and so forth. Of the others, coming from other departments, agencies, boards, the Executive Office of the President, and from Members of the Congress, a great majority are identifiable with some phase of the war, or of war preparations.

As a result of the Bureau's readiness to cooperate with other agencies in order to accomplish national aims more swiftly and more economically, the Board of Economic Warfare investigated the resources of the Bureau of Foreign and Domestic Commerce and, but let me read into the record some of the statements made by the Vice President of the United States as head of the Board of Economic Warfare:

> The Nation today is girding itself for all-out war on the economic as well as the military front. In this economic war we are not stopping to recruit a vast new army of workers. Instead we are swiftly mobilizing existing agencies and gearing them into a smooth-running machine that can get results.
>
> Just as the Nation's young men are offering to sacrifice themselves and their careers in the common cause, agencies are giving up for the duration of the war some of their normal peacetime functions and prerogatives.
>
> Thus it is that the Board of Economic Warfare can direct this nonmilitary phase of the war with a trained, efficient staff and with direct, quick, and economical access to the great storehouses of economic information which already exist. The time necessary to locate, hire, and train a new organization has been saved; the Government pay roll does not for this purpose have to be largely increased. Overcrowded Washington does not have to find space for a new wave of residents to carry on this work. Overtaxed office space does not have to take on the extremely heavy new strain which it otherwise would. Staff members unfamiliar with the location of the essential economic information do not have to make useless effort looking for it.
>
> In the Department of Commerce, particularly in the Bureau of Foreign and Domestic Commerce, the American people possess one of the largest storehouses of national and international commercial data in the world. The staff and facilities of this bureau therefore were placed at the disposal of the Board of Economic Warfare.
>
> The accumulation of the Bureau's information, I am told, began in 1820. The traditions of careful collection and informed interpretation of all matters pertaining to international trade are thus rooted in over a hundred years of service to American business and American Government. As an integral part of the Department of Commerce since 1912, the Bureau of Foreign and Domestic Commerce has collected, analyzed, and reported up-to-the-minute information on the changing tariffs, regulations, and restrictions affecting trade and finance throughout the world. It has accumulated facts about transportation, currency, commodities, and the over-all economy of all nations. Statistics concerning the foreign commerce of the United States have been collected and analyzed. All of these data, much of which could not otherwise be obtained now, are directly available to the Board of Economic Warfare.
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> SERVICES OF BUREAU OF FOREIGN AND DOMESTIC COMMERCE
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> The experienced personnel of the Bureau, skilled in separating fact from propaganda, in sifting the essential from the nonessential, now can efficiently and economically use this familiar material for the reports which must form the basis for much of the Board's work. The Board thus acquires the immediate competent services of men not only versed in the intricacies of world trade but able to begin functioning at any moment as supervisors and educators of an expanded organization, should that become necessary.
>
> The American war effort gains another advantage from the new affiliation of the experts on foreign affairs who are a part of the Bureau of Foreign and Domestic Commerce. In adjoining offices are the Bureau's commodity and industrial specialists and economists, with years of training in serving Government and business. To them comes a flood of requests for information from other agencies. All of the Bureau's specialists are readily available for consultation on problems concerning the field in which each is expert and experienced.
>
> By utilizing the staff of the Bureau of Foreign and Domestic Commerce, the Board of Economic Warfare avoids the necessity of establishing and manning new field offices throughout the Nation or of setting up new contacts with thousands of business firms. The regional and district offices of the Bureau are manned by experts thoroughly experienced in the type of work that the Board may need. These experts are now at their posts ready for action.

This somewhat startling innovation in Government procedure led me to look into the details a bit. Thus it appeared that the Board of Economic Warfare had allocated $1,000,000 to the Bureau to increase its personnel, particularly in the lower ranks. This was done so that the

Bureau can carry on the increasingly numerous tasks which the Board of Economic Warfare is assigning to it; so that the tremendous volume of data needed for establishing the minimum requirements of goods for friendly countries that we must provide in order to keep their economies functioning, could be gathered, analyzed, and kept up to date.

I learned that the Bureau had already allocated personnel and supply funds of approximately $720,000 to this single war job—a job which absorbed only about 20 percent of the former volume of special requests made on the Bureau, yet it was estimated that the increase in the volume of this work would consume 40 percent of all the Bureau funds.

Now it is proposed to cut the appropriation for the Bureau of Foreign and Domestic Commerce about 20 percent of the $1,400,000 used in Washington and 20 percent of the $422,000 used in the field for 31 offices in as many cities. It is a proposal to impair a capital investment the people have built over a period of some 30 years. Why make this cut at the very time when the Bureau is paying handsome dividends, at the very time when the country can use these dividends to the best advantage—in wartime?

This proposal comes almost on the heels of the announcement that the Board of Economic Warfare has had allotted to the Bureau a million dollars to equip its divisions to cooperate effectively with the Board. This million dollars was allotted only after a careful study by the Budget Bureau, the Board of Economic Warfare, and the Coordinator of Inter-American Affairs. It was based upon a pledge of some $720,000 by the Bureau—that is, a promise that about 40 percent of the Bureau's facilities would be used full time on the Board's problems.

The agreement was considered by the Vice President and the Secretary of Commerce to be much more sensible—much cheaper and much more efficient—than setting up an entirely new outfit. So the Budget Bureau, the Board of Economic Warfare, the Coordinator of Inter-American Affairs, with the approval of the Vice President and the Secretary of Commerce, increased the funds of the Bureau by 60 percent, and almost immediately afterward we propose to cut them by 20 percent. The people who have put up the million dollars are a little closer to the work of the Bureau than we are, naturally, because they are using the Bureau's facilities to prosecute our war effort. It will be well to trust their judgment and not run the risk of upsetting this plan for using the unique facilities of this Bureau in which we have been investing good money for so many years.

It does not seem a bit logical to expect a Bureau serving many vital needs to endeavor to carry 80 percent of the load it has been carrying on 55 percent of the funds made available; and then cut it so drastically that it will have to try to carry 80 percent of the load on what would figure out to be only 35 percent of its appropriation. Remember, the load itself is still increasing.

Other agencies are using the Bureau's facilities directly in the war effort, including the War Production Board, the Office of Price Administration, and the military services. Most Bureau employees are at work on tasks directly concerned with the war effort, the others on jobs that have an indirect bearing on war problems.

If we force a cut, we might expect it to be applied to work that does not happen to carry a war label on the front cover. But let us look inside. Our estimates of the national income come from this Bureau. They are not as essential as guns and butter, but as you all know, they are used constantly in mapping our course. They will be as valuable after the war as they are now.

And just as surely as anything can be, if we wipe out this going organization, staffed with competent, experienced men, a demand will arise from other Government agencies now using these figures to have this work done. A new organization, or organizations, will be created to do this work; a new staff gathered, housed, equipped, and trained. Greater funds will be tucked away in other appropriations than are now necessary for carrying on this important work, work specially asked for by Congress in 1935 and maintained since then by that Bureau because of its practical value.

The Survey of Current Business, the basic source of business statistics, is in much demand right here in Washington now, and will continue to be. It would probably have to be killed off after 20 years of aid to Government and business.

The aid we have given to the Bureau in efforts to help little business—do we want to throw that out of the window? Try to scrape its roots out of the various units of the Bureau and see how much good timber is destroyed. For the Bureau has only a small, small business unit. Cut them off and you eliminate the focal point for all the work being done for small business throughout the Bureau, all to save $30,000.

For example, the Bureau has brought a new approach, a new beginning for aid to small business. It has looked at the small towns in which most small business is located. It has investigated the possibilities of improving the business volume of the little community on the sound basis of helping the town to help itself.

From many experienced sources it has gathered the information to show how a town can take stock of itself and its surrounding territory. It has developed general plans for showing townspeople how to make more effective use of their town's assets, for liquidating their town's liabilities. It is now arranging to test its plan in 12 towns to see how well it works, how the plan can be improved. Not until this plan has proved worth while will it be made available to every town. And I suspect that it cannot be made available then until we give the Bureau funds to print enough copies for all of our villages and little cities.

This carefully planned, sensible attempt to help our towns help themselves in the midst of today's turmoil, to keep morale high, would have to be abandoned. This plan to aid our people who cannot be absorbed directly into the war effort, or who are struggling to find a way to turn their small facilities to war production, would be snuffed out by the proposed elimination of these few dollars for small business, after spending millions on other classes of our people.

Furthermore, a number of practical guides for the forgotten retailer—guides for him to use to make the best out of the pittance of trade the war leaves to him—would be extinguished. The first of this series of guides, a simple explanation of a bookkeeping system for the small retailer, is designed not only to help him to keep a record of his profits and losses but also to make out the forms which his Government requires him to fill out, and to figure the returns which we compel him to make. This is ready for the press.

The investment already made in gathering the materials for this series can be put on the shelf to gather dust, but it seems more sensible to grant the small funds needed to make them available at a small price to the harassed small businessman. I have seen some of the other titles in this series. I recall that one of the early volumes promised for this year is Sources and Uses of Substitute Materials, a help needed by almost every small manufacturer in these times.

There are two ways of winning this war. One is the longer way, the harder way, the method of making our people as discouraged and miserable as possible by confusing them, browbeating them, throwing them out of work, causing their small industries, stores, services to fail quickly by far-reaching decrees. The other is to win this war, as the United States has always won its wars—a high-hearted, gallant people making the best of trials and tribulations, smiling through dangers and disasters to a victorious end, devoting every needed energy and supply to the war; but also maintaining as high and steady a stream of supplies for the men behind the lines, the men making the sinews of war, the women and children who must watch and wait, as can be produced by hands not essential to direct war work.

No one thinks of business as usual any more. Few have thought of helping to keep the home fires burning by aiding business to become and remain unusual until the end of this war. The Bureau of Foreign and Domestic Commerce has thought of that. It has fully recognized the stern necessities promulgated and administered by the war agencies and the war-production agencies and has governed itself according to these hard facts. But it has seen the need of helping civilian activities to function by efficiently meeting war conditions and begun to act to fill it.

We can, of course, stop all that effort. We can say to the small business men that there is no use of turning to your Department of Commerce for help in solving the new problems thrust upon you. We have cut their appropriation so successfully that no one is left to answer your letters or see you if you come down.

Our harassed constituents do go to the Bureau for facts. I saw one small unit there—a man and six girls who cost us $14,000 a year—which answered 34,650 requests for information in the 7 months from July 1, 1941, to February 7, 1942.

So pressed for time were they that whenever a request could be answered by a published document of the Bureau the inquirer's letter was folded up and returned with the publication. If we limit the Bureau to direct service to the war agencies, we neglect the public. If we cut the appropriation, it is quite certain that these requests from someone's constituents—about 60,000 of them a year—will have to go unanswered. Then there would be a total of about 45,000 requests a year from Government agencies and visitors for routine reports and publications that probably could not be handled. Most of these today concern war work of some nature. Into the same limbo would have to go most of the 50 requests per month, on the average, made by those Members of Congress who, when they want unbiased facts about business at home or trade abroad, rely on the Bureau to get them.

Or we might force the Bureau to stop accumulating the facts needed to bridge the gap from defense through war into peace. The country is going through a gigantic upheaval. Only a soundly designed peace will save us from chaos. Facts are the essential building materials for those who must construct the peace. Those facts must be gathered now and stored for future use. Should we prevent the Bureau from accumulating such facts for us?

The more you study the operations of this unique Bureau, as those operations have been converted to production for war, the more you see how every unit and individual in it is already geared for the war effort, how today this unit may have time to bring up to date its records of some phase of our national economy, while the unit next to it is working at top speed to get out a war-needed report on its especial country, commodity, or industry. By tomorrow or the day after the position of these units might be reversed. The first will be concentrating its newly refreshed files into a report that must be ready in the shortest possible time, while the second is finding time to answer a request from small business—a request that was laid aside when a war board called for help in making a quick decision.

How to decide which of this organization's war services should be eliminated by cutting its appropriation is almost humanly impossible. We have to rely on the management of such a bureau to set the tasks for its personnel. We find here a management which has practiced economy, used foresight, and delivered the goods. So we hasten to make its efforts less effective at a time when we need more, not less, such procedure in government.

Then it is proposed to cut $35,000 out of the field appropriation of $422,000, although the Board of Economic Warfare has just made these offices its own and allotted $140,000 to strengthen this service for the tasks it is imposing. To spread this cut over the entire field—31 offices—would weaken them all at a critical moment. It is my guess that some of the offices in the smaller cities will be closed up.

There might have been times in the past when a number of these offices could well have been spared, but it happens that the smaller offices are now in a position to help many of the little business men who are suffering the worst in this transition period—old business gone and no new business in sight.

In getting started on the work for little business, approved by our committee, the Bureau has been counting heavily on these smaller field offices. How else could it work for the little man in his home town? He cannot afford trips to Washington. Rating the offices by the population of the cities in which they are located, these are the ones that will have to be considered for elimination, smallest cities first:

Charleston, S. C.; Savannah, Ga.; Wilmington, Del.; San Juan, P. R.; Jacksonville, Fla.; Birmingham, Ala.; Memphis, Tenn.; Portland, Oreg.; Denver, Colo.; Seattle, Wash.; Houston, Tex.; Indianapolis, Ind.; Cincinnati, Ohio; New Orleans, La.; Buffalo, N. Y.

We could cut down these field offices. When called upon to complete defense survey jobs which had bogged down, they merely turned in one of the most amazing records of efficiency in Government service. We can ignore that record.

There were 2,305 warehouses which had failed to send in a questionnaire containing information needed by a defense agency. The names were given to the field service of the Department of Commerce, which is operated through the Bureau, with an allocation of $13,500 to finish the job. Did the field service use all of that money? No. Did it use half of the funds received from the defense agency? No.

It completed the job to a point where less than 10, that is less than one-half of 1 percent of the questionnaires, were missing. Then the defense agency decided it did not need the information on the last 10 warehouses and called for its bill. The bill submitted by the Bureau to cover its costs totaled $530. Thus the Bureau saved $12,970 on a job that was expected to cost $13,500. And we plan to reward such service by reducing such an efficient staff.

Another bogged-down defense survey, that of scarce materials, was handed over to the field service. There were 22,596 delinquents on this list. An emergency agency estimated that it would cost $20,000 to complete this survey satisfactorily. The field service again showed a wide margin of performance. The survey was halted when 99.2 percent completed, at a cost of $3,471.78—a saving of $16,528.22, on a $20,000 budget.

Moreover, a check of services given by the field offices to inquiring businessmen in a 3-month period in 1941 showed an increase of 36 percent in such services over the same 3 months of 1940—a jump from 41,256 such requests to 57,390. Again the Bureau demonstrated that it had successfully increased its ability to serve without greatly adding to its cost of service.

We can cut out these offices and deprive our constituents of these services. We can hinder the prosecution of the war by eliminating many needed Bureau functions. But why cut the throat of an agency that looked a year ahead? An agency which saw that the needs of the emergency might soon become the urgent necessities of war. Why give a pioneer in preparation for war a kick for setting its house in order? Why tear apart an agency which mobilized its slim resources, converted its facilities, and offered its services wherever they could be used for defense or for war?

This war will we won in and by the minds of men. The minds that plan the production lines; the minds that make possible the operation of plants for war production. In the factories and on the battlefields, the minds that give orders because they know what to do and the minds of those who do what they are told is necessary to be done. If this blind cut of 20 percent goes through, we will remove approximately $368,000 from the appropriation of the Bureau of Foreign and Domestic Commerce. We are likely to do immeasurable damage to the supply of essential information for those who must decide what has to be done.

We will be telling business, from whom we expect prodigies of production, acceptance of withering taxation, destruction of the fruits of life-long effort, confiscation of capital by decree of necessity. We will be telling those men who must bear the mental burden of producing for war and keeping the home economy going, that the Congress thought so little of their sacrifices that they refused to appropriate $360,000 so that business could get factual information to help them through this strenuous time, because such information was not considered a direct war effort.

Here is an agency of Government that has of its own accord increased its productive efforts and converted most of them to direct service to war agencies. Its other work is closely concerned with helping business find a focting on the paths of war. So we say to those who have toiled to make such a distinguished contribution to effective government, "We will reward you by making it 20 percent harder for you to be as effective as you now are."

I, for one, do not intend to be classed with those who would thus tear down what we should develop. It would be much better, I believe, to give such an outfit a doubled appropriation and tell them to expend that in the public service as efficiently and as economically as they have been using the small amount allotted them.

Gentlemen, it is in our power to make this foolish cut. If we do, I am convinced from our experience with new and hastily formed agencies, that many of the services which we force the Bureau to eliminate, will soon spring forth in one or more other places. We will save a dollar here to find that we are causing several dollars to be spent elsewhere.

I yield to the gentleman from New Jersey.

Mr. CANFIELD. With reference to the Bureau of Foreign and Domestic Commerce, I note the report of the committee states this:

It would be the desire of the committee that the activities of the small-business unit established last year be continued if it is possible to do so within the limits of the reduced appropriation.

Will the gentleman tell us something about the work of that committee?

Mr. STEFAN. Yes. I agree with the committee to the fullest extent. Although we were going to make some reductions in the field of foreign and domestic commerce where it has to do with some of the field offices, we did not want to do anything which would in any way handicap them in aiding small business, which is being forced to close down because of the war effort. This organization has started a program whereby it will in many respects aid these small businesses. I believe it is a very important function, and while some of it will continue and while the committee put into the report that it was sympathetic to keeping this going, I am fearful that the cut is too drastic and will affect the operation of this Bureau.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I yield 20 minutes to my colleague the gentleman from Kansas [Mr. HOUSTON].

Mr. HOUSTON. Mr. Chairman, in regard to the statement made here a minute ago by the distinguished gentleman from Georgia [Mr. PETERSON] with respect to pensions for Congressmen, may I say that anyone in this House familiar with the procedure of the House, the processes of working here, the way things are handled in committee, knows that the Committee on Appropriations, of all committees, is almost constantly in session.

On January 3, 1941, our beloved former chairman of the Committee on Appropriations, Representative Taylor of Colorado, came before the House and asked and received permission that the Committee on Appropriations have the right to sit while Congress was in session, and this particular committee, the Subcommittee on Appropriations for the Departments of State, Justice, Commerce, and the Judiciary, was in session when the so-called civil-service bill, including pensions for Congressmen, was on the floor.

We knew that bill was coming up. We had been so advised. We are not trying to alibi by saying that we did not know it was coming up. We did know it was coming up, and we were informed there would be some opposition to it, that there probably would be a roll call. We were anticipating a roll call when, along about 2 o'clock, as I recall, or 2:30, we heard four bells, indicating that the House had adjourned. We heard nothing more about it until later in the evening, when we—the committee—adjourned, as we usually do, about 5 or 5:30, at which time we were informed that the bill had passed without any opposition, that nobody in the House had made any objection. For restoring confidence in the Congress by the people of this country, I think the provision creating pensions for Congressmen should be repealed.

Anybody knowing the workings of the Committee on Appropriations knows, and you can tell it from looking at the hearings on this bill alone, 330 pages of testimony—and this is but 1 of 11 subcommittees of the Committee on Appropriations that conduct hearings—that the committees put in long and tedious hours, days, and weeks of cross-examining witnesses from the various governmental departments.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. I yield to the gentleman from Michigan.

Mr. RABAUT. For the first time, this committee this year kept a record of the attendance of the members at the subcommittee hearings. I can assure the Members that the gentleman from Kansas had the highest rate of attendance at the hearings, but many other members of the committee were present at the almost constant sessions of the committee, including Saturdays.

Mr. HOUSTON. I thank the gentleman. In view of the fact that we have nearly 400 Members on the floor at this time, I wish to pay tribute to our distinguished chairman for the magnanimous manner in which he conducted the hearings of this subcommittee.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. I yield to the gentleman from California.

Mr. SHEPPARD. Is the gentleman's last statement predicated on the same premise as his statement that his State is the airplane-producing State of the United States or the world?

Mr. HOUSTON. I am a little hard of hearing. Will the gentleman speak a little louder? [Laughter.]

I do say this for our chairman, Mr. RABAUT, that he is a delightful and congenial chairman to work with and he is possessed of one of the finest analytical minds in the Congress. Never at any time did he refuse the right to any Member to interrogate or cross examine any witness, at any length, during the hearings. We had some 300 or 400 witnesses at various times all through the hearings on this bill.

I pay tribute also to the minority members of this committee for the genial manner in which they cooperated with us. When we concluded hearings and got ready to mark up the bill, we had to give and take, of course. Some of the members on the majority as well as on the minority wanted to cut some of the nondefense items, and some of them were cut, but on the whole when we got through we did give and take, and we brought out what I think is one of the best if not the best appropriation bill reported during this session of Congress. As was pointed out a few moments ago, we saved approximately $2,000,000 under the Budget, and this saving would have been reflected in the total amount had it not been for one item, the student pilot training course, with which we were all in accord. Further, this bill is $150,000,000 less than the same bill a year ago. So I think we have done a remarkable job in handling this bill.

We had a great deal of testimony off the record that was very important, and that would have been out of place put in the record, testimony by some very important heads of bureaus downtown. Mr. Chairman I want to conclude by saying that our clerk, Mr. Jack McFall, who is leaving us to join the naval service of our country has been of great value and service to this committee. We wish him Godspeed and good luck. Mr. Chairman, I shall direct my remarks now to the price of crude oil.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. I yield to the gentleman from Pennsylvania.

Mr. DITTER. I am very much interested in the gentleman's statement. I think he is on sound ground. Who is responsible for this damming up of prices that the gentleman presently laments? I think the gentleman is giving the House a very informative statement, and I am wondering whether he could lay his hands on either the individual or the agency that is responsible for this damming up which he looks upon as a disastrous program.

Mr. HOUSTON. I have appealed in person and by letter myself, and I speak for myself only, to the Price Administrator, Mr. Henderson, and I have had no results up to this moment.

Mr. DITTER. Would the oil czar have a part in that, too?

Mr. HOUSTON. I think the Coordinator would have something to say about it. He at least can make the recommendation to the Price Administrator. That would be my conclusion.

Mr. DITTER. So would the gentleman say that if there were to be censure laid, the censure might be laid at the door of the Secretary of the Interior, as well as the Price Administrator?

Mr. HOUSTON. Speaking for myself, I would say both of them.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. I have had a complaint from my district—and there are a number of oil wells in my district—that there is a ruling that is causing the oil wells to be closed—a rule to the effect that there can be only one well on a 40-acre tract. Is that complaint well founded?

Mr. HOUSTON. The complaint is very well-founded, I think. That is true.

[Here the gavel fell.]

Mr. KERR. Mr. Chairman, I yield 3 additional minutes to the gentleman from Kansas.

Miss SUMNER of Illinois. Does that apply all over?

Mr. HOUSTON. Yes; it applies all over the United States. It is a rule adopted by the Price Administrator.

Miss SUMNER of Illinois. I may say to the gentleman that I know he is very well informed on the subject, and I appreciate his stand.

Mr. HOUSTON. I do not appreciate the stand which the Price Administrator is taking.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. I yield to the gentleman from California.

Mr. SHEPPARD. Was there not also included in the order issued out of the Department of the Interior by Mr. Davis, who is our oil coordinator, that you could not drill on any 40 acres immediately adjacent to other property of an oil-producing character unless you had the consent of the adjacent property owner?

Mr. HOUSTON. Yes, that is true, and I would like to go into the offset proposition, but I will not have the time to do that.

Mr. SHEPPARD. It would be very interesting if the gentleman could do that.

Mr. HOUSTON. Among the sad and tragic words which men will write in histories and engrave on monuments after the present conflict has passed into history are these words spoken by a master of language: "Too little and too late." May those who are attempting artificially to control the destinies of the petroleum industry take care that these words are not spoken of them should tragedy result from their unconscious, unintentional, and thoughtless obstruction of a great industry, willing and anxious to do its part for national victory.

Mr. CARTER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. WILLIAM T. PHEIFFER].

Mr. WILLIAM T. PHEIFFER. Mr. Chairman, my remarks this afternoon are not, strictly speaking, germane to the bill under consideration and, therefore, still strictly speaking, I am proceeding out of order. However, I do not believe it is ever out of order when we are considering an appropriation bill to call to the attention of the Congress and to the attention of the country extravagant and inane expenditures by a Government agency with the hope, futile as it may be, that eventually there may be a salutary effect on those of our bureaus and agencies who are so freely and recklessly spending the people's hard-earned money for nonessentials.

During the past week end each Member of the Congress received this very substantial, tubular, cardboard carton. It weighs several ounces. It is so solidly constructed that it is not an exaggeration to say you might safely send the original of the Magna Carta or the Declaration of Independence from here to the North Pole in this carton. What did we find in this solidly built carton? We found a highly colored and embellished poster from the Division of Information of the Office for Emergency Management, saying, "Give 'em both barrels." Also enclosed was a letter giving the paradoxical and ironical information that the size of the poster was reduced because of the paper shortage. Verily it was a case of the mountain laboring and bringing forth a mouse.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM T. PHEIFFER. I will be glad to yield to the gentleman.

Mr. HOFFMAN. Both barrels? What do they mean, one for the House and one for the Senate on this pension legislation?

Mr. WILLIAM T. PHEIFFER. I will say to my colleague it means that the taxpayers of this country are being given both barrels.

Mr. HOFFMAN. And everyone else who is not in public office.

Mr. WILLIAM T. PHEIFFER. I agree with the gentleman 100 percent, so far as that is concerned.

This might be all right in a munitions plant. It might spur the boys on to increased production, but I submit to you that we are not going to win the war by putting out these gaudy posters. There is a great deal of the Spartan spirit in the people of the United States. But we will quench that spirit, instead of fanning it into a bright flame, if we do not abandon all this ballyhoo and buckle down to the grim job of winning the war. The finest morale builder we could devise would be an announcement from the defense agencies and from every other administrative body of our Government that the information services and the publicity bureaus of these agencies and bodies are being terminated as of tomorrow, and that the millions of dollars allocated for publicity are being diverted into the channels of war production.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM T. PHEIFFER. I yield.

Mr. HOFFMAN. That comes from what agency, please?

Mr. WILLIAM T. PHEIFFER. The Office for Emergency Management.

Mr. HOFFMAN. And it says "Give them both barrels"?

Mr. WILLIAM T. PHEIFFER. That is true.

Mr. HOFFMAN. They mean pork barrels; that is what they mean.

Mr. WILLIAM T. PHEIFFER. I will leave the gentleman to his own construction on that, but the fact remains we are trying to win a war, and it is a grim war, and we are not going to win it in this manner.

Miss SUMNER of Illinois. I would suggest that they think the taxpayers will have to go home in a barrel.

Mr. WILLIAM T. PHEIFFER. The gentlewoman from Illinois has made a very cogent and apt suggestion.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM T. PHEIFFER. I yield to the gentleman from Michigan.

Mr. HOOK. I was very much impressed when I saw the poster which the gentleman has before him. If I am correct, is it not representative of the first-line men handling a machine gun in the first lines and of those back home in industry and labor handling the air hammer? Is not a poster of that kind just about what we need—showing we need the air hammer and the labor and the people back home on one barrel and the machine guns in the first-line trenches on the other? If we do not have both, we lose the war. Why should we criticize and ridicule a poster of that kind?

Mr. WILLIAM T. PHEIFFER. The gentleman, I feel, has misconstrued the motive of my remarks. I am not ridiculing. What the gentleman has said is correct provided we proceed on the premise that the patriotism of the American people needs needling. If we have to falsely stimulate the patriotism and love of country of the people of the United States, then indeed we have fallen to a low level.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield to the gentleman from New York 1 additional minute.

Mr. WILLIAM T. PHEIFFER. I have asked for this additional minute just to draw a comparison as to what the cost of this contraption amounts to. I call the whole thing a contraption. I do not know of any good it is doing the Members of Congress or our constituents. We are all out to win this war. We have our hearts and souls and spirits fixed on it. However, I judge that the cost of this total assembly, the carton, the poster, and the form letter that went with it, is not less than 50 cents. The Chief of Ordnance of the Army advised me today that the cost of manufacturing a 50-caliber armor-piercing machine gun round—by that I mean the cartridge, the bullet and powder and all—is 26 cents. In other words, for the cost of getting out each copy of this beautiful publicity piece we could have just about bought two armor-piercing 50-caliber machine gun rounds. The question is, Which do we need more, works of art or machine-gun rounds? Let not the historians say that we made the wrong answer to this question.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. JONES].

Mr. JONES. Mr. Chairman, this afternoon I want to report to the House that the members of this committee have disagreed on many items, but have never gotten to the point where they have become disagreeable. We have worked hard and diligently. The chairman and all of my colleagues have been very kind and considerate in granting time for the questions that seemed pertinent.

I will not cover the items that have been spoken of heretofore or make a full analysis of the bill. Tomorrow I will talk about other items as the bill is read. I will pick out some of the items in the nondefense expenditures which stand out.

One of them is the amount of Federal judge pensions. It costs a little over $500,000 this year. It would indeed be a very fine morale builder for the general public to have the judges themselves offer to waive their pensions during the emergency. I think that would be one of the finest things that could happen and would do more good than all the posters and all the paper that the ink is being spilled on to build up morale. A little sacrifice on the part of those who have been a little more fortunate, who have had a little better share of the Government's money during the past years, would be a great morale builder.

Mr. SHEPPARD. Will the gentleman yield?

Mr. JONES. I yield.

Mr. SHEPPARD. While the gentleman is advocating a very laudable purpose, he does not have even a faint idea that that will be effected, does he? In other words, the gentleman does not really anticipate that much benevolence in their make-up, does he?

Mr. JONES. I should be happy if they would do it. I do not know what they will do, but I shall be very pleased and gratified if there would be a movement of that kind on foot.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. CELLER. Why does the gentleman single out the judiciary? Are there not many others who receive pensions besides the judiciary, and should they not make their contribution to the Nation as well?

Mr. JONES. I am addressing the judiciary because the appropriation for it comes in this bill. Whenever a bill comes from the gentleman's committee or some other committee in the House, that will be their affair. But I would like to see a start made here, because this particular branch makes no contribution whatever to their pension system.

There are a few items of duplication which stood out in the hearings to which I would like to call attention. The first is the national defense unit in the Attorney General's office, which to me is about as useless as a fifth wheel on a wagon. This organization is not a small one by any means. It is the old neutrality unit in the Department of Justice. When we went into war they immediately became the National Defense Unit. I do not think they made a very good justification in the House for their existence. They claimed, among other things, one excuse for existence, that they had to keep a record of the aliens who were registered and who were dangerous. They claimed that through their efforts a vast number of aliens were apprehended immediately by the F. B. I. Then Mr. Hoover came before our committee and said those alien enemies were arrested 24 hours before they had received warrants from this National Defense Unit.

It may be important when we are not deficit financing to let some theoretical intellectual group classify all of the alien enemies into A-1, A-2, B-1, B-2, and so on, but right now I think the record of J. Edgar Hoover will show that he has resolved all doubt in favor of the United States, and he does not need any supplementing and duplicating agency to reclassify his criminal records.

There is another item which stands out and which seems to me to show duplication of effort and duplication of money spent for only one service—the Department of Marine Inspection, who have an item in this bill. When ships were built by a private enterprise it was necessary for inspectors for the private builder to see that he got his money's worth for the money spent for a ship. Then this unit of marine inspection quite logically cared for the public interest by passing upon the safety measures on the ships. Now, since the Maritime Commission is doing all of the building, we have one set of Government agents in the Maritime Commission inspecting the ships and this Marine Inspection Unit doing practically the same kind of inspection. Yes; it may be argued that they do a different line of work, but it seems to me in the interest of economy, in the interest of Pearl Harbor and the war effort, certainly we can broaden out the field of safety and getting our money's worth so that one set of inspectors can cover both phases of the work to deliver seaworthy ships.

Read the Commerce Department hearings at page 187 and the following, and I believe you will be convinced that the testimony given by Commander Field is not a justification for this duplication of effort. The instructions given by the Maritime Commission and the Bureau of Marine Inspection may well divide the field of work by each Bureau in order to keep both sets of men on the job without interfering with each other, but it does not answer the question whether one man could be trained to do both jobs. I do not think the work of these Departments by any stretch of the imagination is of such a technical nature that it requires men of different qualifications. Their work is related and they could easily be trained to cover both jobs. We must not, in this hour of peril, conserve bureaus purely for the sake of saving Federal jobs. The conditions have now changed; the Government is now the sole buyer, and one inspector ought to be able to do the entire job. In fairness to both Bureaus, however, both are doing work in accordance with the basic law establishing their respective Departments, and is just one of those legal tangles that was not foreseen when the Maritime Commission was established, and there has not been enough interest in either Department to call attention to this waste of public funds.

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Some mention has been made of a cut in this item. I think it was entirely justified, because, if I recall correctly, Mr. Wilson in that branch of the service said that many new Federal agencies are taking over the work of old-established agencies. New agencies are mushrooming fast. When they are organized they have a complete set-up of everything that might be done by that agency. Naturally they tread upon the work of the old, established agencies.

The case made for continuing the regional offices of the Bureau of Foreign and Domestic Commerce, it seems to me, is entirely unsatisfactory. My observation is that if the regional offices are set up for the benefit of the small business men, surely the record in the past year and a half, so far as the welfare of the small business man is concerned, shows that the Bureau of Foreign and Domestic Commerce has the paralysis of analysis. The truth is that the parade of Government spending agencies, the War Production Board, the Office of Price Administration, has trampled this long-range policy agency under foot. This is no time to be sentimental about graveyard agencies.

I am sure that the small business man is in dire distress and that the regional offices of the Bureau of Foreign and Domestic Commerce are unable to help him.

THE CULTURAL RELATIONS PROGRAM

The cultural relations program is another item I want to point out. Last year we sharpened our pencils and cut this item down to a little over $800,000 and thought we did a good job. We spent hours working on the testimony and the justifications of the State Department cultural relations program. Lo and behold, this year we found when we questioned Mr. Rockefeller that we were just dealing with chicken feed, that Mr. Rockefeller's outfit instead of having $800,000 to play with had $15,000,000 in money and $3,000,000 in contract authorizations. It seems to me a shame to go through the sham of holding hearings on a cultural relations program only to find a year later that those items we turned down as unwise are being carried out with a vengeance by Mr. Rockefeller in another program over which we had no control. Mr. Rockefeller got his start from the President's emergency fund and then from Congress. I have heard from several people who have been in South America and viewed the efforts of Mr. Rockefeller's program and of the cultural relations program. These people have reported that some of the things that Mr. Rockefeller has done, particularly his art and movie career visitors to South America, without a doubt could not have received the approval of Congress. They are done, the money is spent, and from them no friendship is gained in South America.

The committee has gone over this bill with care, has increased many items and held many in check, but we cannot claim that this is the amount of money that will be spent for the cultural relations program, because a particular agency wanting to go to South America, who may have been turned down or curtailed by the amount of funds in this appropriation bill, has only to go to Mr. Rockefeller and dig into his well of seemingly never-ending funds provided both by Congress and the President's emergency fund. Mr. Rockefeller may have pipe dreams in the coming year. Congress need not worry about the matter, because Mr. Rockefeller can get all the funds he wants without asking us for a dime.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Miss SUMNER of Illinois. Does the gentleman from Ohio know how much it cost to send Douglas Fairbanks, Jr., on his trip to South America?

Mr. JONES. I understand Fairbanks' junket to South America cost the Government within a very few dollars as much as it did to send the congressional committee of five and a clerk—six persons in all—to South America on their extensive, learned, and very helpful tour for the benefit of Congress.

Miss SUMNER of Illinois. One further question, if the gentleman will permit.

Mr. JONES. Certainly.

Miss SUMNER of Illinois. The reason I ask that question is because John Gunther in his book, Inside South Amer-

ica, states that the South Americans resent the sending of actors down there as cultural agents from the United States; that they prefer that such agents be people of intellectual distinction.

Mr. JONES. I thank the gentlewoman from Illinois for her contribution.

There is a further matter with reference to Rockefeller and the State Department program that needs mentioning. They now denominate the Rockefeller program as the emergency program. The State Department program in this bill is the long-term cultural-relations program, but I find in many, many instances that funds are transferred from Mr. Rockefeller's program to other agencies of the Government under categories which are synonymous with the cultural-relations program. It would be impossible to distinguish between the two on the basis of the arbitrary division described to our committee, that is, emergency versus long range.

Let us look at page 481 et seq. of the hearings, $422,188.95 are the transfers from Mr. Rockefeller's organization to other departments, agencies, and independent establishments of the Government. Bear in mind that Mr. Rockefeller's agency is supposed to be emergency. Let us look at the first item on page 481 under Library of Congress. There was transferred $7,200 to the Library of Congress for the following purpose:

Bibliography of Latin-American Bibliographies, $1,500.

Of what value to an emergency would that be? It sounds like cultural relations to me, if anything.

The next item—"Exchange of Folkloristic Material—$1,200." Does that sound like emergency to you?

"Spanish Translation of United States History." Do you think the South Americans can soak up enough of that for the present emergency? There it is, $4,500.

It seems to me every one of these items should be in the cultural relations program, and yet these amounts were granted by Mr. Rockefeller to the Library of Congress, without consulting your committee who has charge of the long-range cultural-relations program.

Let us turn to another item. In the Interior Department, Office of Indian Affairs, United States Section of the Inter-American Indian Institute, to the tune of $32,400. Mr. Rockefeller puts the Inter-American Indian Institute in the emergency program. It sounds like cultural relations to me, if anything.

Here is another interesting item on page 483. Office of Emergency Management, Office of Civilian Defense, for the entertainment of persons from Latin America, $1,000.

Now, the next item is doubly interesting because your committee last year spent considerable time going into it, but here is Mr. Rockefeller transferring $72,940 to the Office of Education "to provide teaching aids and educational material and the conduct of teacher-training courses for the improvement of teaching in the United States concerning the other Americas."

Last year we gave the Office of Education after much study and consideration one or more employees to coordinate this program in American schools. As I recall that is all that was asked for, but here is Mr. Rockefeller working in direct contradiction to the action of your committee.

These are just a few of the outstanding samples of the inconsistencies of the arbitrary division and duplication of effort and the outright flaunting of the will of Congress by big race-horse money, while your committee attempts to hold careful hearings and appropriate frugally for this program.

It seems to me the whole set-up should be under one central head. The way it works out the State Department and Mr. Rockefeller go to the Budget Bureau and make their justifications before two separate Budget examiners who apparently work independently of each other. Neither appeared to know what the other examiner was doing. This is unbusinesslike, unsound, and confusing.

There is too much of this going on in our war program, too much duplication of effort, too much waste of time; and there is every encouragement to do the very things that Congress in its wisdom has seen fit to discontinue.

Last year I offered the following amendment to the 1942 supply bill for the Department of Justice, on the floor of the House:

Of which $100,000 shall be available exclusively to investigate the employees of every department, agency, and independent establishment of the Federal Government who are members of subversive organizations or advocate the overthrow of the Federal Government, and report its findings to Congress.

This amendment was adopted, as I recall, with only one dissenting vote.

This year I offered the following amendment in the full committee and it was adopted:

Of which $200,000 shall be available immediately to investigate the employees of every department, agency, and independent establishment of the Federal Government who are members of subversive organizations or advocate the overthrow of the Federal Government by force, and report its findings forthwith to Congress.

Let me give you the reason for this amendment: You remember the Dies committee published a list of Federal employees in October of 1939 whom they charged with being subversive. That was the first list published, and it put the country on its guard against the fifth column on the Government pay roll. They are still on the pay roll. The original list embraced a little over 500 people. The department heads insisted that the Dies list was not authentic, was not carefully enough compiled, that it was valueless and could not be used as a basis to turn men off the Federal pay roll. This went on for a year and a half. So in July of last year this $100,000 became available to the F. B. I. for the investigation of these subversive groups.

Mr. CANFIELD. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from New Jersey.

Mr. CANFIELD. The gentleman has discussed aliens. Can he tell us something about alien-property control? Is that to be controlled by the Department of Justice as it was during the last World War?

Mr. JONES. There was no representation made to our committee on that subject.

Miss SUMNER of Illinois. No.

Mr. WILLIAM T. PHEIFFER. Will the gentleman yield?

Mr. JONES. I would rather continue.

Mr. WILLIAM T. PHEIFFER. I wanted to make this observation because I had occasion today to check into that phase of the matter: No general policy has yet been announced, and no custodian has as yet been appointed, but for the time being it is administered by the Department of Justice.

Mr. JONES. The amendment that gave the F. B. I. the green light and the money to investigate subversive groups on the pay roll became available on July 1. It was not until October that the investigation really got under way because of the then Attorney General's policy. The then Attorney General held, in effect, that the F. B. I. could not investigate the employees of any department, the head of which determined he did not want the investigation. It seems to me that was just a little bit short of tragic, in view of the fact that we have been approaching, step by step for some months the emergency we find ourselves in now.

It seems to me an empty honor to say that we have arrested so many enemy aliens, yet overlook for 2 years those who are on the Federal pay roll. I cannot see any division in the enemy angle that would distinguish the danger that comes from one on the Federal pay roll and one off the pay roll.

The committee this morning adopted an amendment to continue this investigation, and I think it is very timely and very worthy of continuance. For instance, if you will refer to page 126 of the hearings, you will see the results of the investigation so far. Determined no longer to be Government employees, 387. Just think of the value of starting this investigation. These 387 people, who apparently saw the heat coming and were afraid of the F. B. I., walked away from their jobs and gave up. The F. B. I. sent reports on 189 to their employing agencies. The Departments told the F. B. I. that no action was deemed warranted by them in 69 cases. Think of it; the F. B. I. reported 69 bad ones to the employing agencies.

In 69 cases no action has been taken by the department heads. Only 11 have been discharged. There is yet to be investigated on the Dies list 686. I will put the table of the results of the investigation into the RECORD.

The point I make is that we dare not discontinue this investigation, we dare not stop seeking out the enemy who is drawing his butter and bread from the toil and sweat of the American people who believe in the American way of life. There are cases yet to be investigated, 2,428, so that there is a sizable job yet to be done. The amendment adopted by the committee this morning will hurry this job up. The money will be immediately available.

The amendment further provides that the F. B. I. shall make a report forthwith, and I think that is very important. To date there has been no report to the Congress of the result of the investigation. As weeks pass, we bring in the supply bills that pay the salaries of these subversive as well as the patriotic employees. As these supply bills are passed, the Congress has been unable to take specific action against specific people whom the F. B. I. has determined to be dangerous. If the bill is passed by the House and signed by the President, the names will be given to the Congress forthwith, and we can immediately strike them off the pay roll by positive legislation as the future supply bills come before the House.

I hope the Congress will accept the committee amendment and pass it so that these names may be taken from our pay roll.

Mr. RABAUT. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Chairman, it would be impossible for any one man to attempt to discuss or even refer to the many items considered in this bill providing appropriations for the three executive departments named and the judiciary. There are some few controversial matters, but not a great many. Like other members of the committee, there are some few of the appropriation items I think are too large. Then there are some few that probably could have been increased. In view of the increased activities in connection with our war contracts and organized efforts to depress prices of farm products, it is my opinion we should have allowed the Antitrust Division of the Department of Justice the amount of $2,000,000, as provided by the Bureau of the Budget, instead of decreasing it $200,000.

Mr. Chairman, I want to first direct my remarks for a few minutes to a policy which we have recently established with the Central and South American republics known as our cultural relations policy, and in order to do this logically I think it advisable to give a little attention to the historical background preceding the inauguration of this policy.

I am sure you will recall that in his inaugural address President Monroe proclaimed what became known as the Monroe Doctrine. He said that the safety and security of this Republic could not be maintained if we permitted colonization of any part of this hemisphere by a European country. No formal action was ever taken in the matter by Congress until a few months ago a resolution was adopted by Congress dedicating itself to the principle announced in the Monroe Doctrine. It has never been an established principle of international law, although it has been recognized as what may be referred to as one of the outstanding unwritten principles of international law for more than a century, and from time to time Presidents of the United States have reproclaimed the Monroe Doctrine.

We have been more or less isolationists for a half century or more toward the South and Central American republics, and as a result we are now paying the penalty. Some 8 or 10 years ago, by reason of our isolationist policy, the business interests of the pan-American republics reached the conclusion that our Republic was not living up to the spirit of the Monroe Doctrine; in other words, our trade relations with those countries were not in keeping with the idea we would have them believe is found in the proclamation. They were unable to trade with us to the extent they thought they should be able to do under the policy intended when the Monroe Doctrine was proclaimed. The result was they effected trade relations with other countries. It is sufficient to say they effected trade relations with Japan and Germany, both of which have lost no opportunity to emphasize the point that the only purpose of the Monroe Doctrine was to exploit these republics by the United States.

The tragedy is some of them believed it.

A few years ago the business interests of our country not only realized that we had lost our trade in the Pan-American republics, but our State Department was seeing more and more, year after year, that we were not maintaining the good feeling that previously existed. So in 1936 a convention was called at Buenos Aires with the idea and purpose of effecting better and larger social and business relations with these republics, not altogether out of a spirit of altruism or unselfishness, but that we might be able to maintain a relationship so that in case of an emergency such as has recently arisen we would be in position to cooperate with the people of these republics and they would be in a frame of mind to cooperate with us.

I think it is no secret, because we all know that if one or two of these strategic republics in South America had seen fit this past year or should see fit now to join with Japan or with the Axis Powers, it would prove to be a very grave situation and might affect the safety and security of our own Republic.

Four or five years ago, following the convention referred to, this country with the sympathetic leadership of the pan-American republics decided that we should inaugurate a policy through which the political, business, and social interests of these republics and ours could be brought closer together so there may be greater cooperation, and all may be of greater service to each other in case of need.

The chances are some criticism will be made of the appropriations in this bill designed for promoting or enlarging our cultural activities in the pan-American republics, and I am frank to say that some of them are probably of doubtful value, but the question that confronts this country today is whether or not we are going to adopt a policy whereby we can insure cooperation, whether we can adopt a policy by which we can insure the aid of these republics in an emergency such as that we are now going through, regardless of the value of every detail by which the purpose is to be accomplished.

Certainly we shall make some mistakes. Certainly we shall make some poor investments. However, the purpose of the whole program is predicated and based on the grounds I have tried to show.

Up until now the outstanding program has been the exchange of teachers, professors, and graduate students from the various South American republics with the United States. As I understand, today we send between 15 and 20 students or professors to study and teach in the colleges and universities of 15 or more of these republics. They send a corresponding number to the United States to study in our colleges and universities. The thought is that by the exchange of teachers and students, those coming from the pan-American republics and going back after 1 year will be better able to disseminate among their people and their business interests the American way of living, the American philosophy of life, the American system of government, and be able to interpret the sincerity of the American people and their adherence to the Monroe Doctrine.

The other thought is that our teachers and our students will return to the United States better prepared to give to the business interests of our country the opportunities for increased business in these republics.

The idea seems to be an excellent one, but my thought is, without appearing to be critical, the program is not large enough or sufficiently comprehensive. I made some criticism of it in the committee by making a suggestion. Under the present program we are receiving graduate students, young men and young women who have already completed their college courses. They are going to the largest universities in our country, where they do not have an opportunity, probably, to get into the real spirit of the American life. My thought is that this program should be changed so as to encourage our smaller colleges and universities, to offer some inducements to young men and young women in their first years of college work where they will have better opportunities to observe the real American life, where they will have better opportunities to obtain the real philosophy of our life, then can go back to their respective republics and to their homes and will be better qualified to demonstrate to their neighbors and the business interests the real American life because they have really absorbed it.

I suggested to representatives of the State Department the advisability of contacting all the colleges of the United States suggesting the wisdom of each college securing one or two students from these republics, to be selected in the same way as the professors and students are now selected, and to become teachers in these colleges.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. HARE. I yield to the gentleman from Kansas.

Mr. HOUSTON. May I point out that in my trip to South America we found that the most enthusiastic boosters and supporters of the American way of life were those who had gone to school here rather than those who had gone to schools on the Continent of Europe. I think the gentleman is on sound ground in arguing what he is proposing now.

Mr. HARE. The gentleman's statement corroborates my idea. I under-

stand that quite a number of students come to this country from these republics who pay their own way without any inducement whatever, but my thought is that if the Government is going to promote this policy it should contact the colleges and suggest to them the advisability of encouraging students from these countries to enroll with them in order to complete their college courses and at the same time do some teaching—that is, select young men or young women who speak both Spanish and English and are prepared to enter first year of college training.

They could be retained as teachers in these institutions to teach Spanish theoretically and practically and by associations with 30 or 50 or 100 or 150 in a class with these teachers within 3 or 4 years, when they finished their college courses, every member of the class would be able to speak Spanish fluently. They would then be able to go to the pan-American republics and there be able to assist in promoting better business relations with our own country. When we are able to connect up the social and business activities of these republics, 21 in all, then I have no fear as to what the future political relationship will be. I want to say just here, Mr. Chairman, that we have just escaped a possible tragedy by the mere skin of our teeth, so to speak, in maintaining amicable and cooperative relations with some of the republics, and when this emergency is over, unless we are able to maintain and perpetuate a friendly and cooperative social and business relation with these countries when the next emergency arises we will not be able to maintain an essential political relationship and this country will again be in the gravest danger of any time in history.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I yield to the gentleman from South Carolina 2 additional minutes.

Mr. HARE. Although the cultural relations policy is in its infancy, it is going to be a long and far-reaching policy. It will extend far beyond this emergency, and while we will make some mistakes in its promotion when we pass this bill, yet if we put our shoulders to the wheel and keep in mind the real basis and purpose of the program, I feel that in the course of a decade or two decades business opportunities of all of the republics in the Western Hemisphere will be more closely cemented, the political relations and obligations will be recognized to the mutual advantage of all, and when the next emergency comes we will not have to stay awake at night, as many have done in this country for the last 6 months, wondering what steps this republic or that republic in South America will take with reference to the United States and the Axis Powers or other political enemies. It is a matter to be considered not only by your Appropriations Committee but by every Member of this House, leaders on both sides who will shape the policy of this Congress and the policy of this country. The policy or program is an emergency, it is pregnant with great possibilities, for certainly there is a great necessity for an enlarged and better social, business, and political relation between the Republic of this country and the republics of Mexico, Central, and South America.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, no doubt there are great possibilities for us in our relationship with these countries to the south. While I do not disagree with anything that the distinguished gentleman has said, sometimes a house cleaning at home is a good thing and there are plenty of things right here at home that we can do to set our own house in order before we start proceedings beyond our borders.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. HARE. I would not get into an argument with the gentleman on that point at all.

Mr. HOFFMAN. I know that and I am not arguing with the gentleman. I happen to live in the same building that he lives in and I have enjoyed with profit to myself many a conversation with him in the long, summer evenings; in fact, I have tried to sit and I have sat at the gentleman's feet on many occasions and if I am ignorant today on some things about which I should be better informed, it is due to my inability to absorb the information given by him and not to any failure on his part to convey it. No, I do not disagree with his theory that we should be on friendly terms with our neighbors to the south.

For a long time there have been two schools of thought in this country about how we should proceed. First let me say that the gentleman who so graciously granted me this time suggested that I would be speaking to an unseen audience, referring to the fact that there were very, very few Members upon the floor of the House. I am sure of one listener, although for the moment he is absent—no, he is in the back of the room—my colleague from Michigan [Mr. SHAFER] from an adjoining district. The reason I am sure he is going to be here is because he follows me, and I hope you gentlemen who are on the floor will stay and listen to the little incident which he will disclose showing one more way of spending the Government's money without any adequate return.

I think, perhaps, the reason so few of us are on the floor is because the speeches which are made give us no new information. We are all aware of certain things which prevent the putting forth of all our efforts toward the winning of the war. For some reason we seem to lack the courage to act, even though we know full well what we should do. There are certain fundamental truths about this Government of ours with which we are all familiar.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. In just a minute. There are certain things that we all know that we should do.

Mr. STEFAN. Will the gentleman yield?

Mr. HOFFMAN. Yes; I yield.

Mr. STEFAN. The gentleman does not want to infer that the members of this committee did not give you any information about the bill under consideration, does he?

Mr. HOFFMAN. They would not need to do that. I have so much confidence in the knowledge and integrity and ability of the members of the committee that I would not question what the members of the minority side brought in here. You know we cannot all have information on all bills, as was demonstrated so fully when the pensions for Congressmen amendment went through, so we must rely on the members of the committee. I have no hesitancy in relying on the statements of the gentleman from California [Mr. CARTER] and the gentleman who just addressed me [Mr. STEFAN] as to the contents of this bill. I join with the gentleman in regretting that there is so little on the minority side that we can do.

Last week I was home. Do not make any mistake about the attitude of the people at home. The President, according to the papers, thinks that the people are not aware of what is happening. It is a fortunate thing for him that he is not up for reelection right now.

It is a fortunate thing for us that we are not coming up within the next 30 days for reelection. We might be able to explain ourselves to the folks but, as suggested by more than one editorial, it is more than likely that many of us will be met by reception committees without bands when we return to our constituencies. That is not because the people have anything against any one particular Congressman. They are just disgusted with Congress. The fact that the O. C. D. employed actors and actresses and dancers, and all the expenditure of money for unnecessary things while a war was on just gave the people a chance to express their indignation—yes, their disgust—with the Congress of the United States.

Then just before that, on the 21st of January, we voted ourselves—the most of us were not aware of it—a pension, and we have been busy explaining that ever since. This morning I asked unanimous consent for the consideration of a bill which I introduced to repeal that legislation. You gentlemen will recall that it was passed by unanimous consent. So, in my innocence and ignorance of parliamentary procedure I thought it would be all right to ask unanimous consent to repeal that legislation. As it came in by unanimous consent, I thought it might go out through the same wide-open door. I thought that the House could by unanimous consent enact any legislation. But the Speaker refused to recognize me for that purpose. So on the RECORD it remains that the Speaker was the only one who objected to the consideration of a bill which would have repealed a pension for Congressmen and Members of the other body.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. In just a second. The bill I introduced did not have anything to do with the President. I did not ask that the legislation which would give him a pension of $17,000 on his retirement be repealed. I did not ask that the legislation which would give a pension to other folks connected with the Government be repealed. I only asked that the legislation which would give Members of Congress, including both the upper and the lower Houses, a pension, be repealed. I understand they are called "Members of the upper branch" because they first met in a garret. We, in public opinion, are now in the basement, or, as it might be colloquially expressed, in the dog house.

Mr. CELLER. Will the gentleman yield?

Mr. HOFFMAN. I yield for a question. The gentleman does not want to make a speech about the pension bill, does he?

Mr. CELLER. I was not here. I did not vote for it or against it.

Mr. HOFFMAN. I guess we were all away, were we not?

Mr. CELLER. I will ask the gentleman this question: Does the gentleman think it is fair to leave in the RECORD the impression that the Speaker was the only one who caused you to be unable to bring up your bill by unanimous consent to repeal the pension bill?

Mr. HOFFMAN. Was the only one?

Mr. CELLER. That was the impression I got from your statement.

Mr. HOFFMAN. Well, he was the only one who voiced opposition. I am going to leave it in the RECORD. It may be that the gentleman from New York would have objected had the Speaker put the question. I have no way of knowing that. I have no way of knowing whether there were other Members on the majority side who would object, but from the many, many apologies that have been made by Members who either were not here or did not know what was going on about this legislation, I was led to believe in my ignorance and my innocence that undoubtedly the Members would want that legislation repealed. So as I cannot draw a long bill, only a short one, getting that thought that the Congressmen were anxious to undo the wrong, if that be what it is, or our mistakes—anyway, that we had repented, were converted and wanted to get right—not with God, but with the voters back home—I put in that little bill just having to do with the Members of Congress; with just our own individual pensions. That is all it applied to. I thought—surely I did; I am sincere in this—I thought the Speaker would put the question and then we would learn whether there was anyone in the House who objected to the repeal of that legislation.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. RABAUT. I do not want anything to remain in the RECORD about the distinguished gentleman from Michigan either being ignorant or innocent.

Mr. HOFFMAN. Oh, the folks at home know that.

Mr. RABAUT. Because the people of his district know that does not apply to him, and the Members of Congress likewise realize it.

Mr. HOFFMAN. Now, wait a minute. I do not yield for flattery, because I get many letters from people telling me that I am not only both, but several other things.

The only difficulty is that I am so ignorant I do not believe them when they tell me I am not aware of what is happening to our Nation. When they write that I should bow down and worship at the administration's feet, when I bow under the purple robe, I see too much mud on the boots of would-be dictators. You know if too many people told you what a fine fellow you were and how intelligent you were, and you believed it all, you would get a swelled head pretty soon. It is extremely difficult for anyone to come here to Washington and remain even overnight without getting to feel that he knows so much more than the folks back home. The folks back home have asked me on many occasions, "Don't you have a swelled head since you went to Washington?" "Yes," I answer; "when I am down in Washington she swells up until she is the size of a bushel basket; and then when I come back home and see you folks and hear you talk and practice honesty and economy and see how you work and save—and I realize that you do work and that you are trying to do all you can to make this a better country and a better government—and I remember all the things we have done in Washington, the bushel basket, she just shrinks to about the size of a dried wild-cherry pit." You know how small that is, do you not? About the size of a No. 2 shot. That is about the right comparison.

[Here the gavel fell.]

Mr. CARTER. Mr. Chairman, I yield the gentleman from Michigan 7 additional minutes.

Mr. HOFFMAN. But what I wanted to talk to you about was this—and this is what I started to talk to you about when the gentleman led me astray: There have been two schools of thought in this country about our policy; that is, prior to December 7, prior to Pearl Harbor. There was one group who thought that the best thing this country could possibly do in this war-torn world was to get ready for what was coming, that was first to prepare to defend ourselves here in America. There was another group—and I am finding no fault with members of either because I think the patriotism and sincerity of each was equal to that of the other—another group who believed that our first line of defense was on the Rhine. They told us time and time again that we depended for our national security upon the Navy of Great Britain. Well, since these German battleships sailed out from Brest the other day and ran the Straits of Dover, the English Channel, I am beginning to wonder just where our first line of defense may be. Since Singapore last night I am wondering whether we are hiding behind Great Britain or whether Great Britain is hiding behind our war strength. I am beginning to wonder whether we are fighting to preserve our land, our Nation, or whether we are fighting for the preservation of the British Empire. Be that as it may, we are in and we shall have to go on until our people decide that the sacrifice is worth the effort or until they reach the conclusion that it is not.

No man in this House, in my judgment, has the learning or the foresight to know on how many continents or how many lands or on how many seas we can successfully carry on this war. No one knows, or can even guess, how many men it may take. Only time and experience will tell us. But one thing is certain—that unless there is a change in the methods and procedure of this administration it will never win this war. If we were as great, as powerful, as we thought we were before Pearl Harbor, we know we cannot fight and win this war while carrying the burden of social reforms. We cannot win a war on a 40-hour week on pay and a half, on double pay, on a closed-shop basis. Why do I say this? I say it because of our experience in the past with this administration's domestic policies. I say that if this country is to be saved, there has to be a house cleaning down here in the executive department. Where do I get that? I get it not only from our experience here since the sit-down strikes but from almost every newspaper, excepting only the Communist sheets. We are told now that we have got to quit our foolishness or lose this war.

From whence comes this storm of criticism because of the employment of a dancer and an actor? These things, as a gentleman said on the floor the other day, are only flyspecks, but they are symbolic of what is occurring all the time. The Washington Post the other day published a strong editorial on conversion of the Government to wartime effort. It was placed in the RECORD. That editorial called for a house cleaning. Yes; we know where the war is being fought.

Mr. Chairman, we know there is a war in the Pacific, we know there is a war on the Atlantic, and many of us—all of us, if we would stop to read and think—know that there is another war right here within our own Government, carried on by an enemy more dangerous than either the one on the Atlantic or the one on the Pacific. I have here copies of the Daily Worker, from New York, damning the Dies committee because it has exposed members of the Communist Party. Here is an editorial which says that we are losing because of lack of production. On another page of the same paper is an article where the C. I. O. is demanding $1 a day increase in wages. How are we to increase production by increasing wages? Every schoolboy knows that when you increase the price you get less for your money.

The Ways and Means Committee of the House is now considering a bill to give $300,000,000 of Federal money to men who are unemployed, principally in Detroit. Why are they unemployed? Because the automobile factories are being converted into plants for the production of implements of war, and while the men are changing over those factories the leadership of the C. I. O., back of whom stands the President of the United States, is demanding that if they work on Sunday, even if they do not work on any other day of the week, to erect buildings in which to install machinery which will give

them jobs, which will make the implements of war, they must be paid double time. Is that patriotism, with a string attached; is it? Is it anything else?

I understand the gentleman from Missouri [Mr. COCHRAN], who always defends the administration, will speak next. The administration is standing back of the C. I. O., of its demand for a closed shop, which means that while nonunion men fight the war—fight and die—only members of the union can work here at home in safety at the well-paid jobs. According to this report in the Daily Worker, the administration demands abolition of the Dies committee. I hope that statement is not true; I hope that charge is false, and I hope the gentleman from Missouri will tell us it is false and say that the administration is in favor of continuation of the Dies committee.

The Dies committee has been exposing the enemies of our country, many of them Reds, and, of course, the Daily Worker lets out a howl. This administration, according to a committee report, used welfare funds for political purposes. It is now playing politics with the labor politicians. It is all very well to say it is necessary to exempt from military service motion-picture top-notchers, labor leaders, labor organizers, and labor politicians and to take the farmers' last hired man; it is all very well to advocate paying members of labor unions $24 a week for every week they are unemployed, to insist that they be paid double wages for holiday and Sunday work and pay and a half for all defense work over 40 hours a week, but the administration is not fooling the home folks for one minute. The administration need not worry for one moment about the complacency of the home folks. They know what is going on here in Washington. And this Congress and this administration will catch what Sherman said war was if they do not mend their ways.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, I have no authority to speak for the administration. So far as I am concerned, the administration has said nothing to me in reference to the continuance of the Dies committee. A committee here in the House has reported a resolution to extend the life of the Dies committee and the Members of the House will have an opportunity to say whether or not they want the Dies committee continued.

But I did not rise to speak on that but to refer to another matter.

I really think it is highly unfair for the gentleman from Michigan to do what he tried to do today. We have a procedure in this House that we all try to follow. The gentleman rose today and asked unanimous consent to speak for 1 minute and to revise and extend his own remarks in the RECORD. After speaking for a few seconds the gentleman turned to the Speaker and asked unanimous consent to call up a resolution which would repeal what is commonly referred to as the Retirement Act, involving amendments to the retirement law. I do not know whether the gentleman purposely wanted to put the Speaker on the spot or not, but if there is any one man in this House who is going to follow the regular procedure in this House, and who has always followed the regular procedure, it is the Speaker of the House of Representatives.

Mr. HOFFMAN. Will the gentleman yield?

Mr. COCHRAN. Not right now.

Mr. HOFFMAN. The gentleman referred to me.

Mr. COCHRAN. Not right now.

Mr. HOFFMAN. The gentleman said I was unfair.

Mr. COCHRAN. Mr. Chairman, the Speaker very properly replied that he would not recognize the gentleman from Michigan for that purpose. Had the gentleman indicated when he took the floor that that was his purpose, the Speaker would have said the same thing. Why? Because we all know that the policy of this House in the consideration of legislation by unanimous consent is to never recognize any one but the chairman of the committee and then when both the majority and the minority members of the committee are in favor of the legislation and after the chairman of the committee has consulted the minority leader. That is the present policy and it has always been the policy.

The Speaker has always refused to recognize Members to call up legislation under such circumstances—not only the present Speaker but other Speakers.

The Speaker of the House of Representatives has a duty to perform. I have no idea whatsoever what his views are on this subject, but when the RECORD goes out and the people read where the gentleman from Michigan has asked unanimous consent to call this resolution up and the Speaker refused to recognize him for that purpose, then some of the demagogs and newspapers desiring to assail the Congress will say that the occupant of the chair is protecting some legislation upon which action should be secured.

As I understand it, hearings are being held on the bill, and everybody who desires will have an opportunity to appear before the committee. I say again it is highly unfair to the Speaker of the House of Representatives.

Mr. HOFFMAN. Will the gentleman yield?

Mr. COCHRAN. I say it is highly unfair to the Speaker of the House of Representatives to use such tactics as the gentleman used this morning.

Mr. HOFFMAN. Will the gentleman yield?

Mr. COCHRAN. No. The gentleman expressed his views.

Mr. HOFFMAN. You make a charge and you will not yield?

Mr. RABAUT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOOK].

Mr. HOOK. Mr. Chairman, when I listened here this afternoon to the gentleman from Nebraska commenting on the civilian pilot-training program I thought that this Committee should be complimented for its fine work not only in its consideration of the civilian pilot-training program but for the studious work it has done in connection with this whole bill.

The program of the civilian pilot training for pilots has to do only with the first phase of an Army pilot's final training. There should be at least three phases to the training of a pilot for combat service.

There is what they call the elementary course, the first step of training. In this part of the program they should use a small, light trainer, commonly known as a collegiate trainer, which should be of a low-wing monoplane type. Then they should follow up with an intermediate known as the primary trainer, of a low-wing monoplane type, so that when they enter the Army training, they are properly trained to enter the larger trainer, known as the basic trainer, then to the advanced trainer, which is much faster and also of the low-wing monoplane type. They should then take the students from there into their fast combat planes and bombers, also interceptors.

If that program were followed by the training branch of the Army and Navy we would save not only thousands but millions of hours in the training of pilots, but what is the program? They place them into what is known as a Fairchild, a small low-wing monoplane. They teach them to fly in this plane. The Army's present program places these men also in an old antique Stearman biplane, a slow-maneuvering machine, which has been entirely obsolete since the birth of the low-wing monoplane. These they have frozen as the primary trainer.

The Army Air Corps has adopted the nonsensical and unworkable program of moving the trainees from these slow-maneuvering planes and putting them into fast-moving planes. In doing this, they break the spirit of at least 70 percent of their air pilots and the result is a loss of hours.

There was what was known as the Zephyr Aircraft Corporation, which was building or was prepared to build a modern low-wing primary training plane that would fit right into a real step-up efficient training program to the extent that we would be training hundreds of thousands of pilots today, for half the cost to the Government of the present program that is impeding the proper training of pilots.

I wish to compliment the editorial writer of the Washington Post who in his editorial last Friday commented on the present lack of training facilities in the present program and said the method now used was inadequate for our needs in air-pilot training. The reason for this inadequacy is that the Army has not recognized modern methods, but to the contrary has by its direct arbitrary attitude driven out of the program of training, a corporation equipped to produce training planes on a mass-production basis. This was cited by the Truman committee as a glaring example. The Zephyr Aircraft Corporation is just another martyr to the combination of Army officials and the airplane monopoly. The Army drove them right out of business, when that corporation could be turning over to the United States Government hundreds, yes, thousands of planes that could be used in the training

program today, if they were permitted to take part in it, at least 50 planes a day, of the same type now used as a fighting plane.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I yield 5 additional minutes to the gentleman from Michigan.

Mr. HOOK. Today, because of the arbitrary attitude of the War Department there rests in the warehouses in Detroit the jigs, dies, and other materials owned by this corporation that could be operating today in the production of airplanes.

When we spoke to probably the highest-ranking officer in the Government outside of the legislative body and the President of the United States, he admitted that such tactics as this were really the cause of the disaster at Pearl Harbor, and informed us that the Army has today frozen the program so that there have been and will continue to be lost millions of hours in training in this country due to the use of an old Stearman biplane. He said that because of that and because of the fact that we were short on tools, they could not set up another facility for the manufacture of the planes that would set up the proper training program for the Army Air Corps.

Are we going to freeze incompetence? Are we going to freeze a program which, in my opinion and in the opinion of some of the best aviation authorities—for instance, Mr. Hutchinson—was the basis of the inefficiency and one of the causes of our defeat at Pearl Harbor?

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Michigan.

Mr. RABAUT. May I say to my colleague that I think he is right. In the civilian pilot-training program there are two types of training, the first and secondary courses. The graduates of the secondary courses have been used by the Army. They were frowned on somewhat at first but were finally taken into the basic course of the Army. They have also now been taken into the cross-country and commercial-instructor courses, and from the commercial-instructor courses there are transferred to, and the Army accepts, flyers for the noncombatant branch of the Army. The Army takes them as copilots for Pan American, and also as instructors. They take the civilian pilot-training program instructors and transfer them as seasonal instructors, as teachers for the Army program. Up to a late date, however, they did not take them at all.

Mr. HOOK. I thank the gentleman for his contribution, and wish to say that I have been informed that up to a late date the Army has refused to give the civilian pilot-training graduates any credit for their flying hours. However, they are now cooperating with the civilian pilot-training program.

What I am trying to emphasize is that unless we change our program for the training of pilots we shall not have sufficient pilots to carry out the air program that has been laid down by the President of the United States. He said we were going to produce 65,000 airplanes this year and 125,000 next year. This means that we shall need over 500,000 air pilots, because in order to have a real fighting force that can strike you must have at least 2 pilots for every plane.

I vouch for this statement, that unless this program is changed, unless we speed up our training program upon which the whole combat air force is based, we shall not have 50 percent of the pilots needed. I believe we should send word to the Air Corps, the air branch of this Nation's defenses, that they should forget their old wood-and-wire biplanes and place in production the kind of planes that will really train the number of pilots we need.

In closing let me go further and say that the Army and the War Production Board should call in the officials of the Zephyr Air Craft Corporation, sit across the table, and work out this training program to the point of efficiency. They should arrange to get this company in production at once, excuses heretofore given notwithstanding. This company is begging to build planes and cannot as long as the Army officials maintain their high-handed and arbitrary attitude. This would not interfere with but would bring about a real training program that would build an air force next to none.

Mr. CARTER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, I think all of us were pleasingly impressed during the early part of the debate today to hear the compliments that were passed back and forth between the members of the Committee from the minority and from the majority. I think that is a very happy situation. In order to be in line with the practices which were established earlier in the day and not to be remiss in the matter of my own compliments, I thought I would scan the report here to see whether I might not find some basis upon which I might offer a compliment. As I find a basis for that compliment there comes to me a trite and homely phrase that great oaks from little acorns grow. As I scan the report I find that the committee has really planted an acorn and, probably, in due time that acorn may grow into some sizable oak. I find that they have actually cut under the Budget estimate to the extent of $5.

Now, I think this is a laudable achievement. In connection with the District Court of the Panama Canal Zone I find that the committee, actuated no doubt by this demand for economy, motivated no doubt by its desire to eliminate nonessentials, prompted no doubt by the urge to cut expenditures, has started by bringing in a suggestion to the Congress to make at least the first step. True enough, it is not a very large step, but $5, mark you, is the initial move made by this committee to reduce these nonessential expenditures.

I cannot help but be distressed about one thing, however, and that is my fear that acorns grow so slowly. I am wondering how long it is going to take to get this $5 acorn growing into some kind of a sizable oak. I am wondering how much care and nourishment and cultivation and attention is going to be required to get this thing growing.

Mr. RABAUT and Mr. BENDER rose.

Mr. DITTER. I first, of course, yield to my friend from Michigan, assuming he will allow me some additional time.

Mr. RABAUT. I just want to call the gentleman's attention to how far-reaching the action of this committee is.

Mr. DITTER. I am complimenting the committee, sir.

Mr. RABAUT. I want to call one item to the attention of the gentleman—something that has been carried in the bill for years. We have eliminated the convention relating to the liquor traffic in Africa, involving the sum of $55.

Mr. DITTER. That is pretty good and I compliment the gentleman. But I want to call your attention to the fact that the $5 acorn that you save on the Panama Canal Zone you throw away, apparently playing poker across the table, by providing $5 plus up above there in the item for the Court of Customs and Patent Appeals. So what you did laudably in the first instance apparently you regretted and added on the $5 at another place.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I want to get to the main part of my thought, but I yield to my friend from Kentucky.

Mr. MAY. I just want to call the attention of the gentleman to the fact that if the committee eliminated only $5 on the item mentioned, they left lots of room for future cutting above that amount.

Mr. DITTER. Am I to infer from the gentleman's observation that he thinks there is really hope that more can be done or that there is room for more improvement?

Mr. MAY. Yes; and it should be done.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to my friend from Michigan by reason of the fact that my friend from Missouri is now on the floor and since my friend from Michigan sought recognition at the time my friend from Missouri had the floor.

Mr. HOFFMAN. I thank the gentleman. He is very, very gracious. The gentleman from Missouri [Mr. COCHRAN] charged that when I asked unanimous consent of the House for the consideration of legislation which would have repealed the bill which gave Members of the upper and lower Houses gratuities, I was unfair. Now, I do not want to be unfair to anyone and I have noticed that the majority side is very, very liberal with its points of order, as, for instance, when it took the gentleman from Kansas [Mr. LAMBERTSON] off the floor when he had an amendment. The gentleman from Missouri [Mr. COCHRAN], if I understood him correctly, said it was the practice when legislation was to be brought up to consult the ranking minority member of the committee and the minority leadership. It may be I have not been here long enough to know about that, but I have been here long enough to know that time and time again legislation is brought up on the floor by unanimous consent, and my information about the passage of the so-called pension legislation is that the gentleman from Kansas [Mr. REES] was opposed to that. Am I correct in that or does the gentleman from Pennsylvania know?

Mr. DITTER. I have no knowledge of that.

Mr. HOFFMAN. I heard the gentleman from Kansas [Mr. REES] make such a statement on the floor. He also complained very bitterly about the bringing up of that legislation during his momentary absence from the floor. That is all in the RECORD. As I understand, the lady from Massachusetts [Mrs. ROGERS] is the ranking minority member, but she was not on the floor, as I recall. She was outside in the lobby. That legislation, as a matter of fact, came through here without very much consideration, and as long as all of the Members, or practically all of them, want it repealed, then why should not a Member get up and ask unanimous consent that it be repealed? What is unfair about that? I am not trying to put the Speaker in a hole, but has the day come now when this House cannot by unanimous consent undo something which it now admits was wrong and which was done by unanimous consent? I notice the rules are a convenient thing, a sharp sword in the hands of the majority, no shield for the minority. I notice a violation of the rules day after day, no complaint, except when the majority wants to make a point. Shylock was a great stickler for the rules until he met Portia.

Mr. DITTER. Mr. Chairman, I should like to make an observation in point.

Mr. COCHRAN. Will the gentleman yield?

Mr. DITTER. I should like to say to the gentleman from Michigan that I know any observation that might have come from the gentleman from Missouri chiding him was certainly not intentional, for the distinguished gentleman from Missouri is always kind.

I now yield to the gentleman from Missouri.

Mr. COCHRAN. I thank the gentleman from Pennsylvania. I always try to be kind. But with reference to the circumstance the gentleman speaks of, when a bill is placed on the Consent Calendar and is called upon on Consent Calendar day, that is a vastly different situation than walking on the floor of the House and making a 1-minute speech and then asking the Speaker to recognize him to consider a certain piece of legislation.

Mr. DITTER. Now, may I have a little of my own time?

Mr. COCHRAN. I thank the gentleman for yielding to me.

Mr. HOFFMAN. Will the gentleman yield 30 seconds to me?

The CHAIRMAN. Unfortunately the time of the gentleman from Pennsylvania has expired.

Mr. CARTER. Mr. Chairman, I yield the gentleman from Pennsylvania 3 additional minutes.

Mr. DITTER. I now yield to the gentleman from Michigan.

Mr. HOFFMAN. I only asked for the time so that I might thank the gentleman from Pennsylvania for yielding to the gentleman from Missouri.

Mr. DITTER. My purpose was that I felt probably, in his enthusiasm, the gentleman from Missouri refused to yield to the gentleman from Michigan during the colloquy in the earlier part of the debate and I simply wanted to afford opportunity for those two gentlemen to interchange the good feeling that I knew existed between them.

Mr. COCHRAN. And I thank the gentleman from Pennsylvania, and I am able to thank him myself. I do not need the gentleman from Michigan to thank him for me.

Mr. DITTER. Now, Mr. Chairman, in the few minutes I have remaining, I should like to make some observations on the bill.

I have in mind a practice that I think should be looked into and I think it should be abated. I find that the Census Bureau, in justifying the amount of money which is to be provided for it, points out that the W. P. A. is doing a substantial part of the clerical work for the Census Bureau. The warning that I want to sound in that connection is this: That if W. P. A. has no justification to exist as a relief agency, I do not believe there is justification for its existence as an auxiliary agency for either the Census Bureau or any other bureau. If the Census Bureau has work at hand which demands additional clerical help, let that Census Bureau, in its own right, justify that additional help, but not use a relief agency, white-collar relief workers, to carry a part of the load that the Census Bureau should be carrying in its own behalf.

Mr. COCHRAN. Will the gentleman yield?

Mr. DITTER. If that be true throughout the whole operations of W. P. A., then W. P. A. can be eliminated and the great expensive administrative staff of W. P. A. can be stopped, and the taxpayers can be saved a very substantial sum of money.

I now yield to the gentleman from Missouri.

Mr. COCHRAN. I thank the gentleman. I want to say the work they are doing for the Census Bureau is extremely valuable from this standpoint. Vital statistics were not kept years ago. They are working on vital statistics.

Mr. DITTER. Oh, I know the excuse; but let the Census Bureau do it themselves.

Mr. COCHRAN. All right. I am perfectly willing.

Mr. DITTER. I am perfectly willing, if that is a justifiable thing, to give the Census Bureau additional help to do it, but let us not cloak this W. P. A. with a false cloak. It was created as a relief agency. It is still a relief agency. If it is doing a job that has to be done for other bureaus, let it be taken over body, soul, and spirit by the other agencies, but do not let it go marching around the country as a relief agency one moment and then try to excuse its existence by tacking it onto the tail of some other activity.

Mr. SHAFER of Michigan. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield to the distinguished gentleman from Michigan.

Mr. SHAFER of Michigan. I simply want to call my colleague's attention to this fact, that W. P. A. is now sending clerks to the offices of the county clerks throughout the country, clerks that are not needed or wanted, in order to justify their maintenance on the tax rolls.

Mr. DITTER. I regret that I had to refer to W. P. A. After all, it is a rather sad memory with many of us. It brings up a shameful inefficiency that is distasteful to most of us and I regret that I have to refer to it at this time. What I think we should do is to close the door on that episode in our national life completely. Let us forget the W. P. A. ever existed. Let us save the money that W. P. A. wasted. Let us go out in this all-out war effort to win the war without any boondoggling or the excuse that W. P. A. uses as an excuse for its perpetration.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I may say to the gentleman from Pennsylvania in his reference to the Census Bureau that it is well to consider the fact that very valuable information is being obtained by the various cities and States through W. P. A. at rates that are far cheaper than would be the case if the work had been done by the Bureau of the Census, because W. P. A. labor is quite a degree cheaper, and not only are the Bureau's vital statistics throughout the length and breadth of the land being enriched by very valuable records, but the public is receiving important data and statistics through the Bureau of the Census.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. DITTER. I think that is a rather unfortunate situation if that be true; for then are we to understand that the man on relief is not paid what he is worth? Or that the folks over in the Census Bureau are overpaid for work they are doing? It seems we are on one horn or the other of a rather sad dilemma if that be true. For myself I am refusing to make such an admission.

Mr. CELLER. It is not fair to say that and certainly the W. P. A. with reference to those who are unemployed is simply endeavoring to tide them over a difficult period. It is quite reasonable to expect that those on W. P. A. would get wages which are less than the wages given to those who are employed in ordinary industry. I cannot yield further on that subject.

Now I want to talk briefly on a matter that concerns the country generally and the State of New York particularly; I want to speak briefly on the bill H. R. 6559, the Social Security Board's proposal to appropriate $300,000,000 to pay added benefits to workers temporarily ousted from employment by defense priorities, that is, by our defense effort. I have examined this bill and find it somewhat of a monstrosity because in a word it seeks to give to the Social Security Board tremendous and unheard-of powers. If the procedure outlined in that bill were to be followed by other measures we would in all likelihood be forced to fold up in this Chamber and go home, and there would be no need for a Congress, because in that particular bill the Social Security Board would have complete

powers to determine how and when, and the manner in and procedure under which the $300,000,000 would be disposed of. Congress would not have the slightest control over this vast expenditure. The Social Security Board would be supreme. With such a vast sum at its command it could make every State unemployment commission or board bow down before it. It could bludgeon each State agency to do its bidding. Such State agencies would be powerless to resist.

Grant the relief to these unemployed, unfortunate workers; grant it, by all means, particularly in States like Michigan; but let it be done through the regular organized channels set up many years ago for that purpose in the various States, namely, through the various States' unemployment agencies. Appropriate the necessary funds, but do not pass this bill which would give high powers to the Social Security Board, willy-nilly. The States are better able to pass upon local unemployment conditions. Their setups are particularly adapted for this purpose, rather than a greatly overpowered, bureaucratic department in far-away Washington.

The State of New York has a very large stake in the huge surplus that has been amassed and acquired by the Social Security Board. This latter surplus is now, as far as unemployment insurance is concerned, $2,500,000,000, and New York's interest in that fund is $306,000,000. We do not need the money that would be offered to us in New York if this $300,000,000 bill as now constituted were passed. New York, for example, would, I am informed, gain $70,000,000. Think of that for one moment. In that appropriation of $300,000,000 New York would get $70,000,000, whereas we have already $306,000,000 surplus in the unemployment fund. If that is not a monstrosity, I should like to know what a monstrosity is. Many other States are in the same anomalous position. They, like New York, are able to fend for themselves. They do not need the proffered assistance. It is being forced upon them. Amend the bill—for example, so that States economically secure as far as unemployment funds and insurance are concerned would not participate in the $300,000,000. These States have actually appeared and denied their need for funds and repudiate the bill as drawn.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. MAY. I am just wondering if under the bill mentioned by the gentleman from New York the Social Security Board might be able to take back from all of the States the funds they have for unemployment insurance.

Mr. CELLER. It is well to give study to the very thing the gentleman proposes. I do not believe the Social Security Board gave adequate thought, research, or study to the proposal they made to our Committee on Ways and Means.

Belief persists, despite denials, that this bill is another sociological move. A short while ago the Treasury advocated, and very likely still advocates, increases in social-security taxes from 5 percent to 10 percent, despite the fact that there are two huge surpluses—$2,500,000,000 in the old-age pension fund and $2,500,000,000 in the unemployment compensation fund. With five billions of surplus, why increase the rates? One answer was to aid defense, meaning that the Treasury would be greatly enriched by such increases, since the social-security funds are dumped into the common Treasury pot, as it were, as are all taxes, customs duties, fines, and so forth. The answer to that argument is that social-security funds are sacred trusts, sacred insurance funds, and cannot be considered as ordinary receipts paid into the Treasury. Furthermore, if they are not considered as trust funds and are merely moneys paid in, then one segment of the population—those paying the social-security taxes, only a minority of the population—pay a greater share of governmental expenses and defense charges than other segments of the population—for example, farmers, farm hands, Government workers, domestics, self-employers, professional men—a majority of the population, who do not pay social-security taxes. It was also argued that such increase in security taxes was necessary to attack inflation. The increase would help drain off surplus purchasing power of the Nation. Imagine using a trust insurance fund for such a purpose—a purpose utterly foreign to the legal uses of such fund.

Now the Board brings in the bill completely to federalize the State unemployment and compensation funds. The Board is in no position to pass on the needs of the various State industry dislocations, as well as the State authorities. The present system permits individual States to adjust unemployment insurance to the special conditions prevailing within their borders.

If any State needs help from Washington, let it have it. The bill should be toned down to such aid. Numerous States, as the war goes on, may need financial help. They should have it, but the channel for payment of unemployment benefits should be the State agencies.

Twenty-odd States through their Governors and the heads of the State unemployment-insurance funds have protested and have appeared before the Ways and Means Committee in wholesale objection to this bill. I respectfully ask the distinguished Governor of my State, Herbert H. Lehman, to come down here to Washington to protest against the bill in its present form, and if his engagements preclude personal appearance to send a forceful statement to the Ways and Means Committee in objection to this bill now before the committee, H. R. 6559, because I say, and I say this advisedly, his word would dramatize the opposition to the bill. There are those of the Social Security Board who have rather queer economic notions and they seek by this $300,000,000 appropriation bill to spread their unusual socialization vagaries over the entire country. In my opinion this bill is conceived in the wildest imagination and dedicated to the sheerest folly. I hope the Ways and Means Committee will put the quietus not only on this bill which is symptomatic of that which has emanated from time to time from the Social Security Board but any other bill of like nature. I am reliably informed that the Ways and Means Committee in its wisdom will not report this bill favorably.

In conclusion, may I say that a bill of this character gives a tremendous instrument to any agency to whip all State officials into line. If we would encourage bills of this character, we would federalize all the unemployment-insurance funds of the country. We would wipe out State lines completely. The States are better able to judge of the local conditions with reference to unemployment than the Social Security Board here in Washington.

Greater progress can be made in social security in the States themselves. Many States are away ahead of Washington in that regard. For example, the Federal Unemployment Tax Act is restricted to employers of eight or more. Yet coverage in the six States which encompass more than half of the employers and workers subject to State laws embraces variously firms with one, three, four, and six employees. Twenty-six States in all cover firms of smaller size than does the Federal Government.

The Federal social-security statute now contains coverage exclusions not found in the New York act. For example, employers of four or more domestics are covered by the New York State fund. New York is the only State that covers domestics in this regard.

Legislatures of 37 jurisdictions have already passed laws to protect the benefit rights of men in the armed forces. Of the remainder, 5 did not meet last year. New York has such a provision and amendment is planned this year to adjust the provision to extended terms of service.

I repeat. Accord relief to workers dislodged as a result of the shift from defense to nondefense activities. Accord them 26 weeks of relief benefits upward to $26 a week, but do this only on condition that in the bill itself there is embodied protections which have been offered by some 20 State administrators of unemployment and workmen's compensation trust funds in 20 different States. These suggested amendments were embodied in a statement issued by the group as follows:

A. If an appropriation is made for supplemental benefits to be handled in conjunction with the State unemployment compensation laws then the following principles should be adopted:

(1) The provisions of State law for determining eligibility, rate, waiting weeks to be served, disqualifications, suspensions, penalties, and all other provisions relating to liability of the State fund for benefits should be observed and no differentials should be created.

(2) Those persons who may be included within the protection of the appropriated funds who are not now included by operation of State laws should be dealt with in exactly the same way as States now deal with covered workers. There should be no tie-up with old-age insurance records as a basis for determining amount of benefits.

(3) Existing fiscal controls and administrative standards should not be increased by reason of any supplemental benefits, and the

amount of control now authorized by the Social Security Act in the hands of the Board should not be increased.

(4) Any funds appropriated should be granted to the States in such a manner that there would be no interference with the existing fiscal relationships as contained in the State laws.

(5) Grants for additional administrative expenses should be routed through the same channels as grants made pursuant to title III of the Social Security Act.

(6) Administrative decisions with respect to liability of the Federal fund for displacement benefits should be reviewable by the courts in the same fashion as decisions now being made by the several States.

(7) Any additional benefits provided for in the appropriation should be dealt with on a basis of the existing definitions in the States of "total unemployment" and should not in any way supplement or extend partial unemployment benefits.

Mr. CARTER. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER of Michigan. Mr. Chairman, the people of America are becoming tax conscious. They are just beginning to realize what it means to underwrite a world-wide war for this and other nations, and at the same time, pay the tremendous costs of their own Government, which have grown by leaps and bounds during the New Deal administration.

If there is any Member here today who believes that the people will continue silently to endure waste and extravagance in government, I need but to remind him of the indignation and wrath that has descended upon us as the result of the passage of an amendment to the Civil Service Retirement Act which provides for the extension of social security to the President and the Congressmen.

In view of what has happened in connection with this so-called pension legislation, it is not difficult for me to visualize what the people of America would think and do if the newspapers of the Nation would give as much publicity to other abuses and misuses of the taxpayers' dollars as they did to the pensions' provision of the Retirement Act. Why, the so-called congressional pension is not a drop in the bucket, so far as cost is concerned, compared to some of the misuses that are being made of the taxpayers' dollar.

For instance, it has just come to my attention that the Farm Security Administration has reported loans of $799,000 in the District of Columbia. Think of it, farm loans of $799,000 in the District of Columbia.

Mr. MAY. Will the gentleman yield?

Mr. SHAFER of Michigan. I yield to the gentleman from Kentucky.

Mr. MAY. I suppose that includes the Mall area down here below the Capitol?

Mr. SHAFER of Michigan. Perhaps that is included. I do not know. On the face of it it appears to me that the boys of Spokane, Wash., who originated the campaign to send bundles to Congress should have included the gentlemen farmers of the District of Columbia.

Now, I do not know who these District of Columbia farmers are, but I have today requested the Farm Security Administration to furnish me with a complete list of the farmers of the District of Columbia who have received loans and grants, the amounts they have received, and the acreage of their farms. Congress and the people of America are entitled to a detailed explanation of these loans. I shall insert this information in the CONGRESSIONAL RECORD as soon as it is received.

Mr. Chairman, according to the Bureau of the Census, there were 65 farmers within the District of Columbia in 1940. The larger farms, of course, are those owned by the Soldiers' Home and other institutions that are provided for by the Federal Government, and therefore should not be called upon to seek assistance from the Farm Security Administration or any other agency. The farms of the District of Columbia are classified by the Bureau of the Census as follows:

Under 3 acres	16
3 to 9 acres	12
10 to 19 acres	18
20 to 49 acres	9
50 to 99 acres	6
100 to 499 acres	3
500 to 999 acres	1

According to these figures, the average size of all District of Columbia farms is 36 acres. In 1935 the Bureau of the Census reported that 7.1 percent of the land within the District boundaries was in farms. Of this percentage only 2,000 acres were crop lands and 1,000 acres were pasture lands.

Mr. HOUSTON. Will the gentleman yield?

Mr. SHAFER of Michigan. I yield to the gentleman from Kansas.

Mr. HOUSTON. May I ask the gentleman if he thinks the Round Table Club of Spokane, Wash., took it as a joke when the Congress of the United States made available funds in the amount of $40,000,000 for a rolling mill to roll out plates in that vicinity and the money that was appropriated to build the Grand Coulee Dam?

Mr. SHAFER of Michigan. And a great many other expenditures that have been made around Spokane, Wash.

Mr. HOUSTON. I thank God the Congress is blessed with a good memory.

Mr. SHAFER of Michigan. Mr. Chairman, as I understand it, the work of the Farm Security Administration is carried on under three general divisions which represent the immediate, the long-term, and the experimental programs of the agency. I do not know under which of these three general divisions this $799,000 in loans reported for the District of Columbia were made, but I have asked for this to be included in the explanation, because in the past the Farm Security Administration has exhibited a tendency in allowing practices—such as paying poll taxes in Southern States—which, to say the least, are manifestly not within the intent and scope of the legislation passed by the Congress.

Giving credit where it is due, I am advised that $47,000 of the amount reported to have been loaned by the Farm Security Administration within the District of Columbia has been paid back.

I believe the taxpayers of America realize that we cannot win this war if we are to continue this boondoggling and waste on the home front. Let us put a stop to it.

Mr. HOFFMAN. Will the gentleman yield?

Mr. SHAFER of Michigan. I yield to the gentleman from Michigan.

Mr. HOFFMAN. As I got the gentleman's figures, he stated there are 65 farms here and the average acreage is 36?

Mr. SHAFER of Michigan. That is right.

Mr. HOFFMAN. That means this is about $10,000 to a farm?

Mr. SHAFER of Michigan. That is right, or a little more than that.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, this seems to be a field day. I want to suggest to the gentleman from Michigan who has just taken his seat that if he will look up the law and the regulations he will find that the Farm Security Administration is administering part of the national defense housing project. For instance, let us take the Weldon Springs, Mo., plant. The Farm Security Administration is building houses around that great plant in St. Charles County, Mo., for occupancy by defense workers. They also are handling trailers, making loans to defense workers to buy trailers to live in.

The gentleman is confusing the regular Farm Security Administration loans with national defense housing loans. As far as I am concerned, I am with the gentleman as to waste and extravagance. I would also like to see all of this national defense housing placed under one head. But I say to the gentleman that part of the work is being administered by the Farm Security Administration from appropriations that we made for national defense housing and the money he referred to as being lent in the District went for that purpose.

Mr. SHAFER of Michigan. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Michigan.

Mr. SHAFER of Michigan. The gentleman from Missouri apparently misunderstood my statement. I stated that the report had been made that so much had been lent in the District of Columbia. I was not talking about Weldon Springs, Mo. If they are lending money in Weldon Springs, Mo., and charging it to the District of Columbia, we should know about that too. I am asking for information. I would like a full list of every name that is on this list, the name of every man or women who has received loans from the Federal Government in the District of Columbia or from the Farm Security Administration in the District of Columbia. We are entitled to know that. I am not talking about Weldon Springs, Mo.

Mr. COCHRAN. Does not the gentleman know that there are national defense workers in the District of Columbia?

Mr. SHAFER of Michigan. What has the Farm Security Administration to do with that?

Mr. COCHRAN. My answer is they are administering a part of the national defense building program.

Mr. RABAUT. Mr. Chairman, I yield myself 10 seconds.

Mr. Chairman, I just want those who read this record to know that none of what the recent speakers have been talking about, nor funds for any of the things they are talking about here, and over which they are getting into arguments, are in this bill.

Mr. CARTER. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Chairman, this week in Washington the realities of the World War came home with crushing force. The fall of Singapore and the increased danger to General MacArthur and his men have strengthened our determination to strike telling blows in return.

It is about time we got good and mad. I have been astonished at the overconfidence of our people. There has been so little indignation at the tactics of our enemy that it is almost unbelievable. Even the cowardly, underhanded trick of the Japanese in their raid on Pearl Harbor has been almost forgotten. It should not be forgotten. It should be remembered day and night until it can be avenged.

We know we are a powerful nation. We know that we have the means of winning any war in our tremendous manpower, in our vast industrial machinery. But we must recognize that these things are not enough in themselves. They must be mobilized. Our planes, our ships, our tanks, our men, must get to the right places at the right time. It is obvious today that the only nation which has managed to get there "fastest with the most men" is Russia. Whatever the difficulties ahead, we must start doing the same thing.

And the first thing we have to do is to bring our preparations up to date. It is a sad commentary on the state of our military affairs that today, 2 months after Pearl Harbor and 14 months after our boys began their compulsory training, we still have divided commands in our armed forces. Our Army, Navy, and Marines are still working on their traditional individualistic basis. Instead of a one-man head to coordinate the work of our fighting men, just as Donald Nelson is coordinating our production, our land operations and our naval plans are still being developed by their separate departmental heads. They confer on policies, but the tremendous gain which always comes from fixed responsibility is just not there.

Whatever possible justification there may exist for maintaining the separation of our several military establishments in time of peace, there can be none whatever in time of actual combat. The possibilities of misunderstanding where two groups are simultaneously seeking the same objectives are completely eliminated where one responsible head plans the entire action. It would seem obvious after Pearl Harbor that the division of authority prevalent there was a large contributing factor in the losses sustained by our fleet.

These are days when the sacred cows of military usage must be thrown out of the window. This is not a gentlemen's war. Sneak attacks, unprecedented tactics, Japanese dropping like savage animals from Malayan trees, warriors disguised as natives, German expeditionary forces wearing the garb of tourists are not part of the "game" as military strategists learned it in the textbooks of their academies. The sooner our people and our leaders recognize that there is nothing to which the enemy will not stoop to gain its objectives, the sooner shall we launch the kind of offensive necessary to win this war.

This is no time for our generals and admirals to stand on their rank. If they are not big enough spiritually to recognize the absolute necessity for subordinating personal ambitions and the integrity of their individual services to the cause we are serving, they do not belong in our leadership. The American people do not want, and will not tolerate, another Pearl Harbor. We are determined that the kind of divided leadership which left the British in their deadly peril at Dunkirk shall not be repeated at the expense of our men. We have learned a few things from the conduct of this war. We have learned that every weapon, every man, every surprise which can be thrown at the enemy must be employed. But we have learned too that no amount of men, no equipment, no strategy will be successful unless it is developed by coordinated, effective leadership.

The United Nations are talking about unified command of their combined forces. We must have a commander in chief of those forces as well to weld our navies, armies, and air fleets into a unit of dynamic, irresistible fighting power.

The same problem of inefficient organization is still present in our induction set-up. A young man connected with my office enlisted in the Army during the first week in January. He was sent down to Fort Hayes for assignment. He has been there ever since waiting for part of his uniform. A doctor and his wife were stationed at Columbus several months ago by the Army medical staff. Right after Pearl Harbor the doctor was called in by his commanding officer. "Get ready to leave for immediate service; you have 6 hours' time," he was told. The doctor's wife came from New York City. The Army got her a railroad ticket. They sent over an orderly to help pack the trunks. They were in so great a hurry that the doctor did not even have time to close up his apartment. All this was done for him. By evening his wife was on the way to New York, and he was speeding across the country to San Francisco. He is still there, although more than 8 weeks have gone by, without a single assignment for duty. Five hundred other officers and doctors are stationed with him, doing nothing but waiting orders. The famous Lakeside Hospital unit was assembled in a great hurry one day a few weeks back. They rushed out of Cleveland, ready for action. They got a long train ride. First they were sent down South, to Fort Bragg in North Carolina, and then almost immediately thereafter across the country to the west coast. One hundred and sixty-five dentists are in the Army serving as privates, doing absolutely nothing connected with their professions, when they could be far more intelligently used as dentists. Draft boards are calling in doctors and registering them for service on the same basis.

These incidents do not build confidence in our armed services. The job cannot be done efficiently and wisely until we replace confusion with system.

Under these circumstances it is no wonder that our Federal officials are worried about national morale. The people of our country do not believe that we mean business. Our Federal Government is still spending billions of dollars annually on nondefense business. It is hiring more and more people every day to do jobs that have nothing to do with war. It is pushing plans for building projects like the St. Lawrence waterway that will take 7 years to finish and will use thousands of tons of steel necessary for ships and tanks. No one can be blamed for taking this war pretty smugly when Congress votes itself pensions during the midst of the fighting. When our boys are getting $21 a month to risk their lives this is no time for such legislation. Neither is this a time for dancers and movie stares and Mickey Mouse to get on the Federal pay roll. It is a good time to get right down to brass tacks in every department of our Government.

One of the good things that happened in Washington last week was the resignation of Mayor LaGuardia as head of our Civilian Defense Organization. Mr. LaGuardia has more than enough work to do right in his own city of New York. Just getting that huge town ready for the serious business of air raids should be a full-time job. James Landis, of the Harvard Law School, has been given Mayor LaGuardia's place. I believe that an Army man would have been a better selection. Somebody who has been across to London and Moscow, somebody who knows the necessity for a smoothly operating unit, somebody who understands fire fighting and bomb dodging would be better than Mr. Landis. But we must be thankful for even relatively slight improvements.

There have been a few other feeble rays of sunshine bursting through the gloom of international events this week. A large part of America's answer to the challenge of the dictators will be written in Detroit. This week Detroit went on all-out wartime. Every automobile manufacturer in America has stopped producing pleasure cars. The 9-month job of converting their plants from peacetime uses to war production is under way. When it is completed we shall be turning out an unbeatable supply of armaments. Until that time it is our job to hang on grimly wherever we can, to keep on praying for the success of our MacArthurs everywhere.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I believe the gentleman from Ohio will admit that we have also learned one thing—that we were very foolish to continue the shipments of fuel oil to a prospective enemy, even practically up to the attack at Pearl Harbor.

Mr. BENDER. Not only fuel oil, but we called the attention of the Congress

on numerous occasions to the millions of tons of scrap iron that were shipped to our potential enemy.

Mr. H. CARL ANDERSEN. If the gentleman will permit, I may say that I personally addressed the House on May 9 objecting to the increased shipment of fuel oil to Japan.

Mr. BENDER. No one doubts that there are difficult days ahead. We are not completely prepared for them, but we are learning fast. One of the things we are learning is the strength of education as a force in national affairs.

Much as we dislike the communistic form of government, with its ban upon free speech and free thought, there is no denying that the Russian defense against Hitler's invasion has been a demonstration of magnificent preparation and outstanding heroism. Every reporter on the Russian front has discussed the amazingly high morale of its Army. The source of Russian endurance seems to be more than physical equipment. The Russians know what they are fighting for.

We might do well if we were to make an effort to teach our young people exactly what our country is fighting for. Throughout our entire Nation there is a spirit of downright complacency. We are the biggest nation on earth. Nothing can happen to us. We know that we have the capacity to turn out tremendous quantities of weapons and materials of war. These are comforting thoughts but, in themselves, do not guarantee victory. Without the will to fight for what we have, there can be no assurance of ultimate success. We are taking too many things for granted. We are too little concerned with our traditions of life and freedom.

Our young Americans know a great deal about ancient and medieval history and too little about American history. In the high schools of many States the curriculum calls for one-half year of American history and another half year of American government A full year is given over to the teaching of Egypt and Greece and Rome. Our students know more about the feudal system than they do about the American system. They know more about the palace politics of King Louis XIV than they do about the meaning of fascism, communism, and capitalism.

The thrilling story of America, the significance of the Revolutionary War, the development of our Constitution—all these things are slurred over in our educational system. How many of our boys and girls have ever seen the Federalist papers? How many have read the full text of the Declaration of Independence or the Constitution of the United States carefully? How many of them know the thrilling story of America's westward march toward the Pacific Ocean? The story of our history is one of the most fascinating documents in the records of the world. Imagine what the propaganda machines of Germany and Russia could do with such materials at their disposal. Their children would be inspired standard bearers of a new world.

We must learn something from those whose methods we abhor in this respect. They have learned how to teach through devices we do not choose to emulate. We need to achieve some of the results which they have realized. When our people, young and old, really and truly understand the meaning and significance of their country there will be an end to strikes by labor, resistance by capital, and indifference throughout the land.

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent to revise and extend the remarks I made today.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RABAUT. Mr. Chairman, I ask that the Clerk read the bill.

The Clerk read down to and including line 7 on page 1.

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and Mr. MCCORMACK having assumed the chair as Speaker pro tempore, Mr. LUTHER A. JOHNSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the State, Justice, Commerce, and the Judiciary appropriation bill for the fiscal year 1943, had come to no resolution thereon.

OFFICERS' RESERVE CORPS OF THE ARMY

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1891) to amend an act to provide allowances for uniforms and equipment for certain officers of the Officers' Reserve Corps of the Army so as to provide allowances for uniforms and equipment for certain officers of the Army of the United States, with House amendments, insist on the House amendments and agree to the conference asked by the Senate.

The SPEAKER pro tempore (Mr. MCCORMACK). Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and, without objection, appoints the following conferees: Mr. MAY, Mr. THOMASON, Mr. HARTER, Mr. ANDREWS, and Mr. SHORT.

There was no objection.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial published in the Traffic World.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO FILE REPORT

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on Senate Joint Resolution 133.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at the point indicated during my remarks today by inserting an extract from the hearings.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. COLE of Maryland, indefinitely, on account of illness.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1424. An act for the relief of Mary J. Crabtree; to the Committee on Claims.

S. 1669. An act for the relief of James Franklin Smith; to the Committee on Claims.

S. 1694. An act for the relief of Mrs. Claud Tuck; to the Committee on Claims.

S. 1757. An act for the relief of Clyde Kingery; to the Committee on Claims.

S. 1765. An act for the relief of the minor children of Mrs. Jesus Zamora Felix, deceased; to the Committee on Claims.

S. 1899. An act for the relief of Lawrence Brizendine; to the Committee on Claims.

S. 1993. An act for the relief of Pasqualma Lazzaro; to the Committee on Claims.

S. 2017. An act to amend Private Act No. 446, Seventy-sixth Congress, approved July 2, 1940, and for other purposes; to the Committee on Claims.

S. 2222. An act to authorize the Federal Works Administrator to acquire title, on behalf of the United States, to not more than 35 acres of land subject to certain reservations in the grantors; to the Committee on Public Buildings and Grounds.

S. 2249. An act authorizing appropriations for the United States Navy, additional ordnance manufacturing and production facilities, and for other purposes; to the Committee on Naval Affairs.

SENATE ENROLLED BILL SIGNED

The Speaker announced his signature to an enrolled bill of the Senate of the following title:

S. 1526. An act to provide decentralization of the issuance of orders authorizing the payment of travel expenses in connection with the transfer of civilian employees from one station to another.

ADJOURNMENT

Mr. RABAUT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 40 minutes p. m.) the

House adjourned until tomorrow, Tuesday, February 17, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

POSTPONEMENT OF HEARING ON H. R. 6503

This will advise you that the hearings previously scheduled for Tuesday, February 17, 1942, at 10 a. m., have been postponed until Thursday, February 26, 1942, at 10 a. m., on the following bill: H. R. 6503, to extend and amend certain emergency laws relating to the merchant marine, and for other purposes.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 19, 1942, at 10 a. m., on H. R. 6554, to amend war-risk insurance provisions of the Merchant Marine Act, 1936, as amended, in order to expedite ocean transportation and assist the war effort.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Subcommittee on Petroleum of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, February 17, 1942.

Business to be considered: To begin hearings on petroleum as outlined in Mr. Cole's memorandum of February 6, 1942. Secretary Ickes will be the first witness.

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 a. m., Thursday, February 19, 1942.

Business to be considered: To begin hearings on H. R. 6156—land-grant rates with respect to Government traffic.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a hearing on Tuesday, February 17, 1942, at 10:30 a. m. on H. R. 6600, also on Wednesday February 18, 1942, on private bills.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday, February 25, 1942, at 10:30 a. m., for the continuation of hearings on S. 1476 (Florida tick bill).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1396. A letter from the Secretary of War, transmitting a letter from the Acting Chief of Engineers, United States Army, dated September 27, 1941, submitting a report, together with accompanying papers on a review of reports on the Illinois River, Ill., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on April 25, 1940; to the Committee on Rivers and Harbors.

1397. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated September 25, 1941, submitting a report, together with accompanying papers on a preliminary examination and survey of Whitewater River, Minn., authorized by the Flood Control Act approved on August 28, 1937; to the Committee on Flood Control.

1398. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated September 25, 1941, submitting a report, together with accompanying papers, on a reexamination of Bass River Harbor, Mass., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on January 16, 1936; to the Committee on Rivers and Harbors.

1399. A letter from the Acting Secretary of the Interior, transmitting a certified volume comprising the acts of the first special session of the Fifteenth Legislature of Puerto Rico, October 28 to November 10, 1941; to the Committee on Insular Affairs.

1400. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated September 26, 1941, submitting a report, together with accompanying papers, on a reexamination of the Great Sodus Bay Harbor, N. Y., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on August 8, 1940; to the Committee on Rivers and Harbors.

1401. A letter from the Secretary of the Interior, transmitting a report covering expenditures made from the appropriations "Education of natives of Alaska, 1940–42" for the relief of destitution of natives of Alaska during the fiscal year 1941; to the Committee on Expenditures in the Executive Departments.

1402. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to provide for the retirement, with advanced rank, of certain officers of the Navy; to the Committee on Naval Affairs.

1403. A letter from the Secretary of War, transmitting a letter from the Acting Chief of Engineers, United States Army, dated September 30, 1941, submitting a report, together with accompanying papers, on a preliminary examination of the Plum River and tributaries, Carroll County, Ill., authorized by the Flood Control Act approved on August 11, 1939; to the Committee on Flood Control.

1404. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated November 6, 1941, submitting a report, together with accompanying papers, on a preliminary examination and survey of the Mettawee River, N. Y., authorized by the Flood Control Act approved on August 28, 1937; to the Committee on Flood Control.

1405. A letter from the Secretary of War, transmitting a letter from the Acting Chief of Engineers, United States Army, dated September 30, 1941, submitting a report, together with accompanying papers, on a preliminary examination of the Wyaconda River, Clark and Lewis Counties, Mo., authorized by the Flood Control Act approved on August 28, 1937; to the Committee on Flood Control.

1406. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated September 29, 1941, submitting a report, together with accompanying papers, on a preliminary examination of Edwards River, Ill., authorized by the Flood Control Act approved August 11, 1939; to the Committee on Flood Control.

1407. A letter from the Attorney General, transmitting a draft of a proposed bill to penalize the divulging of the contents of confidential Government documents; to the Committee on the Judiciary.

1408. A letter from the Administrator, Federal Security Agency, transmitting the recommendation by the National Capital Park and Planning Commission, as provided therein, jurisdiction over the plot of land known as St. Elizabeths Hospital farm, located within the District of Columbia, has been transfered to the War Department; to the Committee on Public Buildings and Grounds.

1409. A communication from the President of the United States, transmitting a draft of proposed provision pertaining to an existing appropriation for the Office of Education, Federal Security Agency for the fiscal year 1942 (H. Doc. No. 627); to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COCHRAN: Committee on Accounts. House Resolution 440. Resolution authorizing the further expenses to conduct the investigation authorized by House Resolution 113; without amendment (Rept. No. 1770). Referred to the House Calendar.

Mr. RABAUT: Committee on Appropriations. H. R. 6599. A bill making appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Federal Judiciary, for the fiscal year ending June 30, 1943, and for other purposes; without amendment (Rept. No. 177). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 442. Resolution providing consideration for Senate Joint Resolution 133, amending section 7 of the Neutrality Act of 1939; without amendment (Rept. No. 1772). Referred to the House Calendar.

Mr. ROBINSON of Utah: Committee on Irrigation and Reclamation. H. R. 6402. A bill to facilitate the construction of water conservation and utilization projects under the Interior Department Appropriation Act, 1940, approved May 10, 1939 (53 Stat. 685); without amendment (Rept. No. 1773). Referred to the Committee of the Whole House on the state of the Union.

Mr. FOGARTY: Committee on Claims. H. R. 5866. A bill for the relief of the city of Atlanta, Ga.; with amendment (Rept. No. 1774). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. Senate Joint Resolution 133. Joint resolution amending section 7 of the Neutrality Act of 1939; without amendment (Rept. No. 1776). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FADDIS: Committee on Military Affairs. H. R. 2901. A bill for the relief of John F. Patterson; without amendment (Rept. No. 1775). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. DICKSTEIN:

H. R. 6600. A bill providing for the issuance of documentary evidence of United States citizenship; to the Committee on Immigration and Naturalization.

By Mr. DIMOND:

H. R. 6601. A bill to reorganize the system of land offices districts in Alaska; to the Committee on the Public Lands.

By Mr. DOMENGEAUX:

H. R. 6602. A bill to amend Public Law 411; to the Committee on the Civil Service.

By Mr. FULMER:

H. R. 6603. A bill to establish a policy with respect to the disposition of agricultural

commodities acquired by the Commodity Credit Corporation; to the Committee on Agriculture

By Mr. O'CONNOR:

H. R. 6604. A bill providing for the suspension of annual assessment work on mining claims held by location in the United States; to the Committee on Mines and Mining.

By Mr SACKS:

H. R. 6605. A bill to clear the title of certain properties now in liquidation in Philadelphia, Pa.; to the Committee on Public Buildings and Grounds

By Mr. COLMER:

H. R. 6606. A bill relating to the inspection of sea food by Federal inspectors; to the Committee on Interstate and Foreign Commerce.

By Mr. MAY:

H. R. 6610. A bill to further amend section 126 of the act of June 3, 1916, as amended, to authorize travel pay for certain military and naval personnel on discharge or release or relief from active duty; to the Committee on Military Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Puerto Rico, memorializing the President and the Congress of the United States to consider their resolution dated February 10, 1942, relative to Gov. Rexford Guy Tugwell, of Puerto Rico; to the Committee on Insular Affairs

Also, memorial of the Legislature of the Territory of Puerto Rico, memorializing the President and the Congress of the United States to consider their resolution dated February 10, 1942, relative to Gov. Rexford Guy Tugwell, of Puerto Rico; to the Committee on Insular Affairs.

Also, memorial of the Legislature of the Territory of Puerto Rico, memorializing the President and the Congress of the United States to consider their resolution dated February 9, 1942, relative to Pearl Harbor and the Philippine Islands; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CASEY of Massachusetts:

H. R. 6607. A bill for the relief of M. Grace Murphy, administratrix of the estate of John H. Murphy, deceased; to the Committee on Claims.

By Mr. COX:

H. R. 6608. A bill to provide for the appointment of Charles H. Humber, of Albany, Ga., as a second lieutenant, United States Army; to the Committee on Military Affairs.

By Mr PETERSON of Florida:

H. R. 6609. A bill for the relief of Joseph E. Myers; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2432. By Mr KEOGH: Petition of the New York State Department of Health, Albany, N. Y., favoring the passage of Senate bill 1617; to the Committee on Education.

2433. Also, petition of the New York Federation of Post Office Clerks, Local No. 10, New York City, concerning the proposed plan of the Post Office Department to extend the workweek of postal employees beyond 40 hours; to the Committee on the Post Office and Post Roads.

2434. By Mr. MARTIN of Iowa: Petition of J. L. McIlrath, secretary-treasurer, North English and Victor National Farm Loan Associations, Marengo, Iowa, urging the passage of House bill 5336, the amendment to the Farm Credit Act; to the Committee on Agriculture.

2435. By Mr. ROLPH: Assembly Joint Resolution No. 17 of the State of California, relative to flood control on the Sacramento River; to the Committee on Flood Control.

2436. By Mr. SMITH of Wisconsin: Resolution of the Women's Conservation Corps of the Wisconsin Conservation League, favoring the plan to establish a women's conservation corps to man the forests during the period of the war; to the Committee on Agriculture.

2437. Also, resolution of the Guernsey Breeders Association of Wisconsin, opposing removal of Federal or State license taxes on oleomargarine as applied to manufacturer, wholesaler, or retailer, and urging defeat of House bill 3753; to the Committee on Agriculture.

2438. By Mr. WIGGLESWORTH: Petition of the mayor and City Council of the City of Brockton, Mass., opposing any proposal to tax municipal bonds; to the Committee on Ways and Means.

2439. By Mr. WHITTINGTON: Petition of Indianola Post, No. 2, of the American Legion, Indianola, Miss, opposing pensions or retirement benefits to Members of Congress, and asking for the repeal of the act; to the Committee on the Civil Service.

2440. By the SPEAKER: Petition of City Council of the City of Campbell, Ohio, petitioning consideration of their resolution with reference to the municipal bonds taxes; to the Committee on Ways and Means.

2441 Also, petition of the Greater Newark Industrial Union Council, Newark, N. J., petitioning consideration of their resolution with reference to House bill 6559; to the Committee on Ways and Means.

2442. Also, petition of the United Federal Workers of America, Local No. 26, Washington, D. C., petitioning consideration of their resolution with reference to the Dies committee; to the Committee on Rules.

SENATE

TUESDAY, FEBRUARY 17, 1942

(Legislative day of Friday, February 13, 1942)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

Blessed Lord and Father of us all, who hast a work for each to do, a place for each to fill, and a soul for each to make: Reveal unto us Thy purpose in these trembling hours of uncertainty and doubt, and fill us with a faith in Thee that shall cast down every vain imagination concerning our own work, which, apart from Thee, must come to naught, like snow upon the desert's dusty face, which lingers for a moment and is gone.

Thou art the Eternal Poet and needest not our stammering human utterances; Thou art the Eternal Thinker, and needest neither the partial insights of human philosophers nor the fleeting wisdom of the ablest statesman, yet, through the message of the Christ, we have somehow learned that Thou needest us, our very selves, that we may be Thy sons, remade through the power of the Eternal Spirit.

And so this day we pray for loyalty to Thee and to our Country, strength to endure unto the end, that righteousness and truth may yet prevail in all the world, that it may then become the Kingdom of our Lord and of His Christ, where God shall reign forever and ever. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, February 13, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that on February 13, 1942, the President had approved and signed the following acts:

S. 1771. An act for the relief of R. V. Thurston and Joseph Hardy, a partnership; and

S. 1778. An act for the relief of Leslie Truax.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1133. An act to authorize the transfer of lands from the United States to the Maryland-National Capital Park and Planning Commission under certain conditions, and to accept title to another tract to be transferred to the United States;

S. 1368. An act relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians;

S. 1630. An act to provide for the advancement on the retired list of certain officers of the United States Navy and Marine Corps; and

S. 2192. An act to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy.

The message also announced that the House had passed the bill (S. 1521) to provide that the Navy ration shall include canned or powdered or concentrated fruit or vegetable juices, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House insisted upon its amendments to the bill (S. 1891) to amend an act to provide allowances for uniforms and equipment for certain officers of the Officers' Reserve Corps of the Army so as to provide allowances for uniforms and equipment for certain officers of the Army of the United States; disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAY, Mr. THOMASON, Mr. HARTER, Mr. ANDREWS, and Mr. SHORT were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4808. An act to authorize the appointment of officers of the Naval Reserve and Marine Corps Reserve as officers of the Regular Navy and Regular Marine Corps;

H. R. 4869. An act to provide for longevity credit for enlisted men of the Naval and Marine Corps Reserve, and for other purposes;

H. R. 6132. An act to make the workmen's compensation laws of Puerto Rico and Alaska applicable to land and premises of the United States in such Territories;

H. R. 6139. An act to release reversionary rights of the United States to certain property in Stockton, Calif.;

H. R. 6270. An act to amend subsections (b), (d), and (e) of section 77 of the Judicial Code so as to transfer the county of Meriwether from the Columbus division of the middle district of Georgia to the Newman division of the northern district of Georgia, and to change the terms of the district court for the Macon and Americus divisions in the middle district of Georgia;

H. R. 6447. An act to provide for the orderly transaction of the public business in the event of the death or of the resignation or separation from office of the Chief Disbursing Officer;

H. R. 6450. An act to amend subsection (c) of section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155), as amended; and

H. R. 6550. An act to extend and amend Subtitle—Insurance of Title II of the Merchant Marine Act, 1936, as amended (Public, No. 677, 76th Cong.), approved June 29, 1940, and for other purposes.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 1526) to provide decentralization of the issuance of orders authorizing the payment of travel expenses in connection with the transfer of civilian employees from one station to another, and it was signed by the Vice President.

ADDRESS BY SENATOR AUSTIN AT LINCOLN CLUB BANQUET, PORTLAND, MAINE

Mr. AUSTIN. Mr. President, I ask unanimous consent to have inserted in the RECORD an address entitled "The Supreme Opportunity," which was delivered by me at the annual Lincoln Club banquet in Portland, Maine, on February 12, 1942. I wish to have this address inserted in the RECORD at this place because it contains an expression of my views with respect to legislation which I think we are likely to have to consider, namely, legislation relating to the immunity from taxation of State and municipal bonds, to which I am very much opposed, and legislation with respect to such projects as the St. Lawrence seaway and other similar projects, to which I am also very much opposed. For this reason, I ask unanimous consent to have this address printed in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

(The address is as follows:)

We glorify Abraham Lincoln by dedicating ourselves to the unfinished work he so nobly advanced.

The spirit of that epochal address at Gettysburg in 1863 speaks to us today:

"Our fathers brought forth upon this continent a new nation, conceived in liberty, and dedicated to the proposition that all men are created equal. Now we are engaged in a great war, testing whether that nation, or any nation so conceived and so dedicated, can long endure."

And—

"It is for us, the living, rather to be dedicated here to the unfinished work which they who fought here have thus far so nobly advanced."

The work to which the party that Lincoln founded is dedicated, is the maintenance of a union of separate sovereignties in which the reservoir of governmental powers is the people and the several States. The United States of America is a peculiar government for, in the same geographic limits two sovereigns exist, the State and the United States. We must not be taken in by those who would identify Lincoln's political ideal of unionism, or John Marshall's ideal of federalism, with the centralization of all powers in the Federal Government. For unionism and federalism, on the one hand, and centralization of power on the other are at the opposite poles of political philosophy.

Charles Evans Hughes said that "we may well congratulate ourselves that the circumstances of the formation of a more perfect union have given us neither a confederation of States nor a single centralized government, but a nation—and yet a union of States each autonomous in its local concerns."

The Republican Party must maintain its vigor and its independent spirit to assure the maintenance of that "union of States each autonomous in its local concerns." It must give the people its assurance that there is ready, at hand, a political implement for use to maintain permanently these unique characteristics, notwithstanding the temporary suspension of them for the period of the war. The Republican Party is the people's servant for this purpose at this time.

There are men and women—some of them are in the Government of this country—who have views regarding government, which we Republicans have fought and probably will have to fight again.

However, I do not question the capacity of the voters in the several States to seize the policy-making powers if and when it should become necessary to do so.

We are determined that the war shall be won by the United Nations and that the United States of America shall have something left at the victory which was worth fighting for: Principles and opportunity.

I have entire confidence in the fidelity of the Republican Party to the principles of Lincoln today.

I have repeatedly said during the past 2 years that we need not be apprehensive about the concentration in Washington of authority from the several States, or the centralization of power in the President from the Congress for the purpose of warfare.

In 1864 Lincoln said:

"It has long been a grave question whether any government, not too strong for the liberties of its people, can be strong enough to maintain its existence in great emergencies."

The Union of sovereign States will not be merged into a Fascist autocracy or a Communist oligarchy by the necessary centralization of Federal powers during the crisis of total war. History shows that, in winning every war in which we have engaged, we have granted temporary powers to the President; that thereafter the people have recovered the control of public policy and the slow, orderly process of government. The return to his own ideal of perfect union was tragically interrupted by Lincoln's death. Had he lived, we know that the keystone of his reconstruction plan was the immediate restoration of the dignity and sovereignty of State powers, and a return to government "not too strong for the liberties of its people."

The Second War Powers Act, 1942, specifies a date, or an event, which will mark the expiration of the powers.

The Republican point of view contemplates three objectives:

First. Winning the war;

Second. Preserving, so far as consistent with winning the war, the constitutional safeguards of the Union of sovereign States; and

Third. The recovery, after the victory, of the power of government by the people and the restoration of State sovereignty.

We Republicans see no good reason for such efforts as the attempt to break down the immunity from taxation of State and municipal bonds. This freedom from crippling interference by the Federal Government in the operation of State governments would not help to win the war. No immediate new revenue would accrue to the Federal Government from such radical change. Under our Constitution, the Central Government has never been permitted to tax the bonds or other securities of the States and cities, because the founders of the Republic recognized that no State could be free, and that local self-government could not survive unless their fiscal powers could be exercised without Federal interference. Hamilton and Madison and Jay, writing in the Federalist on the dangers inherent in the plenary independent taxing powers granted to the Federal Government and reserved to the States, warned that the people must be prudent and firm in preserving "the constitutional equilibrium between the General and the State Governments." Marshall gave this warning judicial implementation in *McCulloch* v. *Maryland*.

When, in the hysteria of the Civil War crisis, Congress attempted to impose certain stamp taxes that infringed upon the functions of the States, the courts of no less than 11 States immediately condemned the action as unconstitutional, and Congress thereupon summarily repealed the act. The rule of intergovernmental immunity which the great Chief Justice Marshall recognized as implicit in our Constitution has been woven into its very fabric. Mr. Justice Story described it as "the truest, the safest, and the most authoritative construction of the Constitution."

It is this whole doctrine that Secretary Morgenthau, speaking as he says for "the executive end" of the Government, would strike from our constitutional system. And I submit to you that as Republicans we should take our stand against proposals so destructive of a true Federal system; and that we should fight for home rule in the States and the protection of their sovereign forms.

This reform of government under the pretense that it would produce war revenue must be blocked.

No change in the constitutional structure of this Republic has yet been made which goes so far toward the destruction of local government and the creation of a national oligarchy. Whether or not the supreme power to tax the States is the power to destroy them, it is most definitely and certainly the power to control them.

In September 1940 the Senate defeated the proposal. But during the past year the Treasury attempted to revive it as a defense measure. They admitted, of course, that it would be a gross breach of faith to tax bonds which the States and cities had already sold on a tax-exempt low-interest basis. Indeed, in official Treasury releases the holders of outstanding bonds were assured that "Secretary Morgenthau has consistently voiced opposition to proposals which would subject the interest on outstanding State and municipal securities to Federal taxes."

It was thereupon pointed out that no defense or war revenues whatsoever could be obtained by a Federal tax on future issues of State bonds. And that, on the other hand, such an attempt at Federal control of all future local financing would immediately embarrass the efforts of local government to cooperate, and take their own necessary part, in the war effort.

Last month the Treasury about-faced and came out for Federal taxation of all outstanding local securities; a proposal which, I regret to say, is in shocking and callous repudiation of the pledged word of local governments, of the established conduct of the Federal Government, and of every standard of governmental integrity for which the democracies are fighting.

Only last year the Assistant Secretary of the Treasury, Mr. Sullivan, had said that a Federal tax on outstanding local bonds would "violate the moral obligations implicit in securities previously sold."

After Mr. Morgenthau made his amazing proposal on the 24th day of January 1942 the market for municipal securities literally went to pieces. Trading in New York City bonds had to be virtually suspended. Drops of three and four points were registered throughout the market for municipal bonds. The little city of Alexandria, in Virginia, lost $52,000 on a comparatively small new issue of its bonds when the bids dropped overnight from 108 to 101. As applied to the State of Maine, the yearly increase in interest cost would be $246,600 on State issues and $368,865 on local obligations.

But the evil fiscal results of this proposal are far from its worst consequences. The damage to the most important bastion of the Republic—the Federal principle—would be irreparable. It would break down independent control of financing self-government. It would take away from the States and municipalities their life-giving credit. It would paralyze their power to refinance in some cases, and in other cases would increase the cost of refinancing and harass and interfere with prospective borrowings. The fiscal powers of the States and their cities, towns, school districts, bridge corporations, dock authorities, and all other agencies of public service would be subjected to the overriding prestige of the great Government at Washington.

For 150 years there has been faithfully preserved that separation of Federal and State sovereignty which excluded each from the other's revenue sources.

Lincoln's definition of sovereignty, if maintained now as heretofore, would exempt the issues of States and municipalities from taxation by the Federal Government. It would protect the integral parts of the Union from merger into a socialized state.

Lincoln's message to Congress, July 4, 1861, expressed it thus:

"What is sovereignty in the political sense of the term? Would it be far wrong to define it 'a political community without a political superior'?"

We must resist bravely the attempt to employ war fervor to break through the constitutional barrier and capture the most effective weapons of State and municipal defense.

We must maintain and strengthen the credit standing and efficiency of our States and municipalities in the administration of their local affairs for the sake of vigor in the national prosecution of the war. Our States and cities have been called upon to provide roads, protection, water, and many other emergency governmental services required for an all-out effort. It would be a great damage to cooperation for the Federal Government to tax municipal securities, to increase our local interest costs, and to move toward the abolition of that federalism which is the unique strength of the United States.

If we cannot rely upon repeated assurances of the Treasury Department that their objective is not to tax outstanding issues, we must take the most effective legal means we have to compel respect for this constitutional immunity.

As a minority party, the challenge of extravagance and waste in Government expenditures arouses special consideration

In Congress the minority have freely supported every effort of the administration to raise money by taxation, and by borrowing for the maintenance of a vastly augmented Army, Navy, and Air Corps, as well as for the necessary supply of other nations, and to equip our own forces with the munitions and facilities which will render them superior in combat wherever the battle for freedom takes them.

On the other hand, we Republicans are firmly opposed to unnecessary expenditures for civilian projects.

We are constantly on guard against such proposals as the $197,000,000 ship canal, the $66,000,000 Tennessee-Tombigbee waterway, and the $277,000,000 St. Lawrence seaway. We believe that such projects are improvident, extravagant, and nonessential to the vital objective. We are firmly persuaded that the unused and available waters, harbors, dockyards, shipways, marine railroads in more accessible and appropriate locations for shipbuilding nullify the only argument we hear for the St. Lawrence seaway; namely, that it would open up the Great Lakes for shipbuilding purposes and for route to the sea. (This latter result would be detrimental to Portland and other North Atlantic ports.)

The need for hydroelectric development of power projects on the St. Lawrence has not been determined, but I have no doubt that if hydroelectric current required for the war should ever be unavailable elsewhere, or should be available from sources less advantageous than the St. Lawrence, the Republican Party would cooperate to the extent necessary to articulate this power with facilities for prosecuting the war.

What I have said tending to identify certain special obligations of the party of Abraham Lincoln which are appropriate in commemorating his birth and perpetuating his achievements, would not impede the war effort. On the contrary, Republican leadership in opposition would help to win the war.

The political factor in warfare which amounts to a world revolution is vital. The political supremacy of the United Nations rests upon the vigor and soundness of the parliamentary body of each partner.

The Congress of the United States needs a larger proportion of Republican Senators and Representatives than it now has. In my opinion, the capability of Congress for the duration of the war, as a coordinated branch of government, depends upon this.

First, sheer numbers in committee work determines the quality of the service of the opposition.

Second, constructive criticism, curative protest, chastising exposure, will not occur if the administration's majority in the representative body continues to be overtowering.

The opposition must be strong enough in number of votes to command respect for its views in Congress and in the country. The coming election, although a byelection, will be historical because it will determine the course of this country for generations.

To win the war, to save the character of our Government, it is necessary to substantially increase the Republican representation in Congress.

All Americans, regardless of party affiliations, however, are animated by devotion to the same great cause. No American should permit partisan spirit to weaken the effort in that cause. The stark fact is that the adaptation of the colossal national workshop to the requirements and incidents of war is basically the task of the people rather than of government.

Republicans will not be outdone in the effort to achieve the victory, but Republicans are firmly persuaded that the application of the yardstick of frugality to nonessential expenditures would tend to victory

The great party of Lincoln must constantly remember Lincoln's attitude toward the poor people upon whom falls the consequence of improvidence and extravagance.

We must persistently strive to reduce nonessential expenditures to that minimum which will both assure the successful prosecution of the war and sustain a contented people.

If possible, we will prevent that deadly economic disease called inflation. We know that it strikes hardest on the poor.

This objective with reference to the Government fits the Government's objective with reference to the people, namely, conservation.

CONSERVATION

The conservation front is one of the most important fronts of this war. I can illustrate the magnitude of economic benefits resulting from the sum total of numerous small savings.

Clarkson's Industrial America in the World War tells us:

"Typewriter ribbons are little things, but by reducing the number of colors from 150 to 5, and doing away with the use of tinfoil and tin boxes for containers of the ribbons, 395 tons of steel were saved and 7 tons of pig tin, to say nothing of the capital and material released by the limitation of the colors."

In the husbanding of textiles we had the effect of conservation upon the citizens brought home:

"Great savings were effected by limiting the number of designs and sorts of goods. * * * The reduction in the number and sizes of samples—a seemingly insignificant item—provided cloth for 900,000 uniforms."

Probably we lost the high shoe for general use because war consumes leather.

There was scarcely an article of daily use in the home during World War No 1 which was exempt from the conservation program.

It is a glorious memory of World War No. 1 and a sound prophecy for World War No. 2 that what civilians did resentfully under compulsion elsewhere they here did cheerfully as a high privilege. Individual patriotic service strengthens the morale as well as the physique of the Nation.

An item of interest in this connection is the provision in the Second War Powers Act, 1942, aimed at conservation of strategic and critical materials. This provision authorizes a new nickel, or 5-cent piece. By this means 870,000 pounds of nickel and 870,000 pounds of copper would be saved each year at the present rate of coinage.

All political parties, and all people, are equally interested in this objective of conservation. We contemplate such frugality and thrift in both the social organism and in the industrial body that we will have a nation of superb energy, attaining really unforeseen achievements in the production of necessary munitions, aeroplanes, tanks, food and clothing, medical supplies, and housing for our brave sons who are in the Army of the United States.

Congress conscripted our boys; it is now enacting laws that will effectuate conscription of property.

The selective draft of property will come through the War Powers Acts of 1941 and 1942, through the requisitioning act and other similar acts, and through taxation. The whole economic life of the Nation, as well as human life, is being conscripted. A partnership between military and industrial functions is being formed.

This colossal transformation of a nation so great as ours does not occur by evolution; it occurs only through the combination of a gallant response of the people to their country's need in time of grave peril, and a powerful Governmental organization with extraordinary functions and sanctions.

At last the necessary authority to direct the coordinated effort has been created in the War Production Board with Donald Nelson at its head, vested with practically unlimited power over production and procurement for war purposes.

The decision by President Roosevelt to abandon the double-headed organization and to establish one-man control encouraged the hearts and nerved the arms of the people.

The positive direction of supply to the sources of demand through such supreme control will eliminate the bottlenecks and galvanize latent forces and material into action.

It is believed that nothing would be more enervating to the will to sacrifice and strive than a widespread notion that there is profiteering in the contracts war production. Therefore, in the Second War Powers Act, 1942, Congress has done something which has never been done before in the history of the country; namely, by statute giving to the President, to be exercised by Mr. Nelson or others appointed by the President, the power of visitation and inspection of the books of all of the war contractors.

Information will thus be available with respect to whether priorities and allocations are being violated and whether costs are represented accurately or estimated on a basis to produce undisclosed profits. Moreover, this legislation contains the new feature of penalties by way of fine and imprisonment for violation of the law. The Government intends to protect the public against profiteering.

There is encouraging evidence that labor is voluntarily participating in the metamorphosis of industry.

Labor is a factor in every commodity, and in every price, but labor is not on the same plane with property, for the vital and humane elements enter into every consideration of labor. The spirit of man is the vital factor in the evolution of labor.

At this moment, as, perhaps, never before, patriotism is the basis of labor's achievement. I believe that labor in the United States is quite as patriotic as labor in Britain. And we know of the heroic service of British labor since it entered the war.

It was reported a year or so ago that the workers in one British munitions factory were called Iadom's, because the slogan of each employee was "It all depends on me."

All-out war requires that each individual be fired with this zeal of service and sacrifice.

The teeming millions of Chinese could drive the Japs into the sea with sufficient products from our factories.

The Russians are begging for performance of the promise we made to furnish them munitions. We are thrilled by their magnificent advances, but these encouraging successes by the Russians will not continue unless our production is stepped up tremendously.

The Dutch, the British, and the Americans in the Pacific have proven their courage and spirit and skill. But they lack the air weapons which we have the potentialities to provide.

America must throw her maximum energy into the industrial and economic effort.

Then will victory wing from our factories!

UNITY

Two of the important services in which everyone may enlist are: One, synchronizing our thoughts with the enormous transformation that is in process within the United States. The other, promoting acquaintance with, and good will toward, all people without the United States. These two services should direct every word we speak.

Lincoln said, "In times like the present men should utter nothing for which they would not willingly be responsible through time and in eternity."

Never, since its utterance, has this admonition been more timely than in the present hour.

Think of the tremendous power for winning the war and building the peace of such an impelling motive. There would be greatly increased harmony within and without the United States if every person here perceived these objectives, and vitalized them.

In our effort to suddenly raise ourselves to that degree of individual excellence which is necessary for production of more in war than in peace, notwithstanding the fact that millions of our workers are in the ranks, we cheerfully submit to severe discipline, and patiently forego customary freedoms, in order to strengthen the sinews of the united Nation. We are fortified by the thought that elimination of the useless in private life and in the industrial body, and maximum development of all that is essential, is accompanied by a surprising release of energy.

Discipline in this unselfed purpose, which has become the cause of Christendom, will widen the horizon of the American citizen illimitably. Envisaging the world we see that

Unification of supply and unity of command in the field cannot avail unless Americans, the citizens of the British Commonwealth of Nations, and of the Soviet Union, the Chinese and all the other declared enemies of the Axis tyranny as peoples, not merely as governments, consistently look at war in the same comprehensive way as do the dictators, adjusting their minds to the fact that it is one vast interlocked conflict. Only thus can we avoid the dangers of shortsighted complacency on one side and unjustified depression on the other.

Conversations in Washington and Moscow have been followed by a declaration of solidarity by which 26 nations, representing a preponderance of the human race, have pledged themselves to fight as one until Hitlerism and its Italian and Japanese imitations have been destroyed.

Among other things, this declaration specifies:

"(1) Each government pledges itself to employ its full resources, military or economic, against those members of the Tripartite Pact and its adherents with which such government is at war.

"(2) Each government pledges itself to cooperate with the Governments signatory hereto and not to make a separate armistice or peace with the enemies."

Action followed the pledges. With the concurrence of the Netherlands Government and the British Dominion Governments concerned, unified command was established in the southwest Pacific area, and General Sir Archibald Wavell was appointed supreme commander. Admiral Hart, commanding the United States Asiatic Fleet, was at first given command of all the naval forces in that area under General Wavell's direction. Thus the American soldiers and airmen would obey the British general, and the British Navy, in those waters, would take orders from the American admiral. Yesterday Vice Admiral Helfrich, of the Royal Netherlands Navy, which has been so effective, was substituted for Admiral Hart, who has been relieved because of illness. On the same principle General Chiang Kai-shek will have the supreme command of all the land and air forces of the United Nations operating in the Chinese theater.

President Roosevelt, in a message to Congress, has anounced a great American war-production program envisaging an output this year of 60,000 aircraft, 45,000 tanks, 20,000 antiaircraft guns, and 8,000,000 deadweight tons of merchant shipping. It is also proposed that the 1943 program shall include 125,000 aircraft, 75,000 tanks, 35,000 antiaircraft guns, and merchant vessels of total tonnage of 10,000,000. According to calculations made by the Office of Production Management, the present monthly output of military aircraft of all types by the Axis countries is: Germany, 2,250; Italy, 600; Japan, 850—which means that, with German-occupied countries, the Axis monthly output is about 4,000. Most informed observers agree that at the present time Britain, the United States, and Soviet Russia must be productng every month more first-line aircraft than Germany, Italy, and Japan, but even so, the British air force was still too small in December to take on alone its added repsonbiilities of war in the Far East. The new program will not only rectify that position but will, in itself, outstrip Axis production irrespective of the output of Britain and the Soviet Union.

"We shall not fight isolated wars," said the President, "each nation going its own way." These 26 nations are united, not in spirit and determination alone, but in the broad conduct of the war in all its phases. For the first time since the Japanese, the Fascists, and the Nazis started along that bloodstained course of conquest, they now face the fact that superior forces are assembling against them. Gone forever are the days when the aggressors could attack and destroy their victims one by one, destroying them without unity of resistance.

This is the widening band of light on the horizon, the promise of ultimate victory, but if we allow this tremendous prospect to slacken our effort, we may lose the war before there has been time to convert the potential superiority of the democracies into actuality.

The joint declaration by the United Nations, released January 2, 1942, left open an opportunity for other nations to join the signatories if they were rendering material assistance and contributions in the struggle for victory over Hitlerism.

It is our hope that the other republics of the Western Hemisphere who have been in session at Rio de Janeiro may adhere to this joint declaration.

The armed forces of the United States are being quietly moved into the various theaters of combat, and millions of our young men are being called to the colors. Their patriotic devotion to duty is an inspiration to all of us.

We are thrilled by the heroism of the Marines at Wake Island, and by the dauntless resistance of General MacArthur and his men in the Philippines. What occurred at Pearl Harbor will probably cause important reforms in the relationship of the several commands in every field of action.

It is well that our Government and our people learned the lessons of Pearl Harbor in the earliest stages of our participation in battle.

CONCLUSION

In conclusion, let us dedicate ourselves to this great struggle, this grand objective of freedom, and the common opposition to slavery, which transfigured the life of Abraham Lincoln. The supreme opportunity in this epoch in the history of mankind is ours.

There is faith and courage to be found in the words of Winston Churchill in his address to the Congress of the United States a few weeks ago:

"He must indeed have a blind soul who cannot see that some great purpose and design is being worked out here below, for which we have the honor to be the faithful servant."

With this consciousness of duty, we labor to lay the foundations of a righteous peace.

MARCEL M. ROMAN, CLARA M. ROMAN, AND RODICA E. ROMAN—VETO MESSAGE (S. DOC. NO. 180)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Immigration and ordered to be printed:

To the Senate:

I am returning herewith, without my approval, S. 381, a bill for the relief of Marcel M. Roman, Clara M. Roman, and Rodica E. Roman.

Mr. Marcel Max Roman, his wife Clara, and their daughter Rodica, are natives and citizens of Rumania and entered the United States at the port of New York on May 1, 1930, as temporary visitors. Mr. Roman and his wife and daughter were subsequently given an extension of temporary stay and their status was changed to that of students.

On July 30, 1941, an application was submitted to the Department of State with reference to the desire of Mr. Roman and the members of his family to proceed to a country other than the United States and apply to an American consular officer for immigration visas. The cases were considered by an interdepartmental committee composed of representatives of the War and Navy Departments, the Federal Bureau of Investigation and the Immigration Service of the Department of Justice, and the Department of State, under the procedure for the control of persons entering and leaving the United States set forth in title 22, part 58, Control of Persons Entering and Leaving the United States Pursuant to the Act of May 22, 1918, as Amended, published in the Federal Register of November 22, 1941.

The preliminary examination of the cases indicates that favorable recommendations to the consular officer concerned for the issuance of visas would not be warranted at this time. The interested persons were informed, however, that the cases would be given further consideration by an interdepartmental visa-review committee and that in this connection an opportunity would be given to the interested persons or their sponsors to appear before such a committee in person or through an intermediary to make such further representations as they might wish in the case. In this connection a communication was sent to Mr. Roman's representative on January 27, 1942, enclosing copies of an application for appearance before a review committee. If the application for appearance should be filed with the Department of State the case would be scheduled for a hearing at the earliest practical date.

The proposed legislation would not appear desirable at this time since the cases of Mr. Roman and his family are receiving active consideration in the Department of State under the procedure set forth in the Federal Register of November 22, 1941, referred to above.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 17, 1942.*

MERCHANTS DISTILLING CORPORATION—VETO MESSAGE (S. DOC. NO. 181)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Claims and ordered to be printed:

To the Senate:

I am returning herewith, without my approval, S. 1654, a bill for the relief of the Merchants Distilling Corporation.

This bill would authorize and direct the Secretary of the Treasury to pay to the Merchants Distilling Corporation the sum of $4,154.62 in full satisfaction of its claim against the United States for refund of tax assessed and paid on 2077.31-proof gallons of distilled spirits lost in the process of manufacture.

It appears from the files of the Bureau of Internal Revenue that the distilled spirits were lost through negligence of the distiller's employees in failing to close the outlet of a percolator tank which they had flushed and drained before pumping the spirits into it, with the result that the spirits ran out and were lost or destroyed. There was no contributory negligence by any Government employee.

There is now no authority in the law for the remission or refund to all distillers indiscriminately of tax on distilled spirits destroyed under circumstances similar to those of this case. The relief statute, the act of March 1, 1879, as amended by section 8, act of May 28, 1880 (Internal Revenue Code, sec. 2847 (a)), authorizes the Commissioner of Internal Revenue to grant relief from tax on distilled spirits lost in the process of manufacture only "upon the production to him of satisfactory proof of the actual destruction of the spirits by accidental fire or other casualty, and without any fraud, collusion, or negligence of the distiller." This bill authorizes private relief for the Merchants Distilling Corporation in derogation of the laws applicable to all claimants in like circumstances.

In view of the foregoing, I am impelled to withhold my approval from the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 17, 1942.*

THE NAVY RATION

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1521) to provide that the Navy ration shall include canned or powdered or concentrated fruit or vegetable juices, which were, in line 7, to strike out "or tomato"; and to amend the title so as to read: "An act to provide that the Navy ration may include canned or powdered or concentrated fruit or vegetable juices."

Mr. WALSH. Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

TREASURY-POST OFFICE APPROPRIATION BILL—ITEM FOR FINANCIAL REPORTING

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, February 17, 1942.

MY DEAR MR. WALLACE: I am herewith sending you a copy of a letter, together with an accompanying memorandum by the Director of the Budget, which I have sent to the Speaker of the House of Representatives.

These documents relate to the Treasury-Post Office appropriation bill now being considered in the Senate Appropriations Committee.

Yours very truly,

FRANKLIN D. ROOSEVELT.

Hon. HENRY A. WALLACE,
President of the Senate.

[Enclosures, two.]

THE WHITE HOUSE,
Washington, February 17, 1942.

MY DEAR MR. SPEAKER: In submitting the 1943 Budget, I included in the estimates for the Treasury Department an item of $250,000 for the purpose of carrying forward the work of financial reporting under Executive Order No. 8512. These funds were to be used to make available financial information essential to the President, the Bureau of the Budget, and the Treasury Department, in the management of the Government's fiscal affairs. It has come to my attention that the House of Representatives has eliminated this item in its action on the Treasury-Post Office appropriation bill.

I find that both the committee report and the discussion on the floor of the House reflect misunderstanding as to the objectives and provisions of Executive Order No. 8512 and the accomplishments thereunder.

The report and debate on this item include a number of erroneous assumptions. It is assumed, for example, that the Chief Executive can be divested of his right to determine the character and form of financial information required by the Executive branch. It is assumed that the General Accounting Office can readily supply all of the financial information required by the Executive branch, and this with little, if any, additional expense. It is assumed that requirements under Executive Order No 8512 for the submission of financial reports by executive agencies conflict with the functions of the General Accounting Office. It is assumed that the need for reliable reports of the financial operations of the Government is not urgent even though we are launched on a war program involving many billions of dollars.

With these assumptions I must take issue. They conflict with the responsibility of the President under the Constitution and statutes, particularly the Budget and Accounting Act of 1921. They run counter to the essentials of sound business management. They fail to recognize that the President, aided by the Bureau of the Budget and the Treasury, has and must always have responsibility for determining what financial information is required by the Executive in the administration of the Budget and in the management of the Government's finances.

Executive Order No. 8512 is aimed at one objective—to provide a system of financial reports for purposes of budgetary and fiscal management. In order that the reports will be of real value, I have directed that they shall be prepared in accordance with uniform classifications and standards as determined by the Secretary of the Treasury and the Director of the Bureau of the Budget. Since the Government's financial operations center in the Treasury, it was appropriate to designate that Department as the agency to compile the information.

The Director of the Bureau of the Budget is the official to whom I look to place before me the pertinent facts upon which to base Budget programs and policies. The Bureau obviously must be supplied with many kinds of data, financial and otherwise, for use in examining budgetary proposals, in following through on the execution of the Budget, and in analyzing the financial condition of agencies. In addition, the Treasury must have financial data immediately available for its fiscal operations including the financing of the vast war effort. I need not remind the Congress of the magnitude and complexity of our fiscal program.

The task of collecting and analyzing financial information for executive use is purely executive in character and must be responsive to rapidly changing conditions. The fact that we are at war makes it even more necessary that we have the proper data on which to base our budgetary operations, our revenue operations, and our borrowing operations. Surely, this is essential and emergent.

From the accompanying memorandum prepared by the Director of the Bureau of the Budget, you will see that great care was given to the drafting of the Executive order. It is also evident from the memorandum that I was mindful of the role of the Comptroller

General and of the duties conferred upon him by the Budget and Accounting Act. A reading of the order will show that it is so worded as to recognize—rather than to encroach upon—the prerogatives of the Comptroller General. No action has been taken under the order which infringes upon the Comptroller General. On the contrary, as the Comptroller General has indicated, Budget Bureau and Treasury officials have worked in close collaboration with the representatives of the General Accounting Office.

The issue raised by the action of the House is vital to effective financial administration within the Executive Branch and has far-reaching implications which I fear have been overlooked. I feel sure that this misunderstanding would be corrected upon a reconsideration of the question by the House.

Very truly yours,

FRANKLIN D. ROOSEVELT.

The Honorable SPEAKER OF THE HOUSE OF REPRESENTATIVES.

[Enclosure.]

FEBRUARY 16, 1942.

MEMORANDUM TO THE PRESIDENT

Subject: Effect of recent House action on financial reporting program.

As you know, one of my first steps after assuming the office of Director of the Bureau of the Budget was to initiate a program designed to achieve budgetary administration extending far beyond the mere preparation of the Budget Document. I have made a sustained effort to develop the facilities essential to sound budget planning and effective follow-through once the budget is enacted. Considerable progress has been made in this direction, but these accomplishments may be undermined by the reaction expressed last week by the House in respect to the Treasury estimate for work under Executive Order 8512. In view of the far reaching implications of the House action, I feel impelled to bring to your attention the facts and issues involved

REASONS FOR ISSUANCE OF EXECUTIVE ORDER 8512

You will recall that I was concerned over the absence of a systematic program for the compilation of reports on the Government's financial operations and transactions While a large volume of accounting activity is carried on by individual Government agencies, there apparently had been no effective tie-in of such activity with the over-all needs of the Chief Executive and his fiscal agencies. This unavailability of essential fiscal data not only has impeded businesslike administration but has also been the subject of criticism on the part of Congressmen, the accounting profession, the press, and others who have sought to secure an insight into the Government's finances.

While earlier Executive orders required the compilation of certain financial information, these attempts were not far reaching enough to solve the problem. For example, Executive Order No. 6226 required reports on apportionments and the status of appropriations. However, the data supplied to the Treasury Department under that order were neither accurate nor detailed enough to permit them to serve as the basis for effective budgetary control. This can be attributed largely to the fact that neither the Bureau of the Budget nor the Treasury had sufficient staff to develop detailed plans and to make certain that all departments understood the requirements and actually observed them.

The conditions prevailed despite the fact that the Budget and Accounting Act of 1921 clearly contemplates that the President shall include in the budget complete data on the Government's financial condition. In fact, this act vests the Bureau of the Budget with wide authority to require information from Government agencies.

After thorough analysis of the situation, I recommended to you the issuance of an Executive order setting up the broad framework for a comprehensive system of financial reporting. This order, No. 8512, issued August 13, 1940, superseded the earlier orders which dealt with particular segments of the problem. The order was carefully drafted and the Department of Justice gave it intensive study. Because of the confusion which has characterized the discussion of this order by the House of Representatives, I should like at this point to comment on certain of its important features.

PRINCIPAL FEATURES OF EXECUTIVE ORDER 8512

Past experience indicated that the financial data supplied by the individual agencies must be processed by some central fiscal agency if the information is to be assembled in such form as to meet over-all managerial needs. The volume and complexity of the data required make this a formidable task. It was assumed that the facilities for accomplishing this task should be within the executive organization, since it would be illogical to say, as the House action might suggest, that the President should depend upon an agency not clearly under Executive direction for the collection of financial data from the executive agencies.

It was appropriate to place this responsibility for assembling the data in the Treasury Department, since it already has a mass of financial information available within its own confines. As the result of the responsibilities now vested in Treasury by existing law, that Department necessarily has information as to appropriations, amounts advanced to disbursing officers, checks issued, checks paid, moneys paid into the Treasury, public-debt transactions, internal revenues, customs, etc.

Reorganization Plan III, in establishing the Fiscal Service within the Treasury, has provided the means for integrating the financial data available from the numerous sources within that Department. The Treasury has a vital interest in any such system of reporting since it needs a sound factual basis for its financing operations, the difficulty of which has been considerably increased by the war effort.

If the data required by the individual agencies were not integrated with the Treasury's own fiscal information, the resultant reports would be disjointed and of very limited significance. The Executive order accordingly provides that such integration be effected through a summary system of central accounts to be maintained by the Treasury Such accounts are simply a device for the compilation of the required reports and could hardly be regarded as an accounting system. In fact, the only realistic approach to the problem of central financial reporting for an enterprise as vast and complex as the Federal Government seems to be that the over-all statements must be prepared on the basis of reports received from the individual agencies concerned rather than on the basis of a detailed central accounting system.

The entire stress of Executive Order 8512 is upon the objective of supplying management with the financial information which it needs to discharge its responsibilities. Thus, while the order makes the Treasury Department responsible for the compilation of the information, the Director of the Bureau of the Budget, acting on behalf of the President, is given the ultimate responsibility for determining the basic reporting requirements. Furthermore, in defining the types of reports to be prepared by the Secretary of the Treasury, the order provides specifically for those required for the compilation of the Budget and for other purposes of budgetary administration. It further states that the reports shall include such information as the Director of the Bureau of the Budget may determine to be necessary and desirable for adequate budgetary and executive control.

Any system of fact-gathering, whether it be of a financial or general statistical character, must employ uniform classifications and terminology if the reports are to have any meaning. In other words, the agency that requires the information must define the types of data which it needs so that all those furnishing the information will have a common understanding. The discussion in the House of Representatives suggests that these determinations might properly be made by the General Accounting Office. While that agency has an important part in this program, it obviously cannot have the final decision as to what data is needed for management.

The order in no way attempts to dictate to the Comptroller General as to how he shall discharge his responsibilities for the prescription of accounting systems. In fact, the order specifically provides that the Secretary of the Treasury shall effect suitable coordination of his summary accounts with the accounting systems prescribed by the Comptroller General. It is, of course, reasonable to assume that the Comptroller General in prescribing accounting systems will recognize the informational needs of the responsible administrative officials so that accounting will serve as a real tool of management rather than as an end in itself.

COLLABORATION AMONG GENERAL ACCOUNTING OFFICE, TREASURY, AND THE BUREAU OF THE BUDGET

The work under the order has proceeded on the basis of sustained collaboration among the General Accounting Office, Treasury, Bureau of the Budget, and the operating agencies. The three fiscal agencies jointly prepared a revision of General Accounting Office Bulletin No 1 dealing with object classification of expenditures. The General Accounting Office, recognizing that those using the data must determine the necessary classifications, initiated a proposal that in lieu of Bulletin No. 1, the Bureau of the Budget should determine expenditure classifications for budgetary purposes. About the same time, the three agencies also worked together in the formulation of a system for reporting on the lend-lease program.

The Treasury Department and the Bureau of the Budget studied the fiscal data available in the individual governmental agencies in order to make certain that the new reporting requirements made the fullest possible utilization of such information. Concurrently, the two agencies took the opportunity to explain the order to the various departments and establishments.

Prior to the beginning of the current fiscal year Regulation No. 1, setting forth the initial reporting requirements, was issued under Executive Order 8512. This regulation was submitted to the General Accounting Office prior to its issuance, and certain modifications suggested by that Office were embodied in the final draft.

REGULATION NO. 1 UNDER EXECUTIVE ORDER 8512

Regulation No. 1 prescribes requirements as to apportionments and provides for complete monthly reporting on the status of individual appropriations, thereby laying the foundation for an intelligent follow-through on the expenditure phase of the Budget program. It also prescribes an object classification which was approved by the House and Senate Appropriation Committees.

Immediately after the issuance of Regulation No. 1, the Treasury and the Bureau of the Budget initiated a joint effort to make certain that all agencies fully understood the requirements of the regulation and were taking the necessary steps to comply with it. As a result of the regulation, the Bureau of the Budget is now receiving data that are invaluable in checking on the execution of the Budget plan. The Estimates Division of the Bureau is now using these reports in making and adjusting apportionments, in

establishing and releasing budgetary reserves, and in comparing actual budgetary obligations with previous estimates. These reports will serve as a basis for the operations of the budgetary control section now being established within the Fiscal Division of the Bureau. These reports are also proving their value in determining the status of the war procurement program, presenting as they do the obligations of the individual procuring agencies.

FUTURE PROGRAM

Regulation No. 1, of course, represents only the starting point in the effectuation of Executive Order 8512 and is only one phase of the program. In addition to work on this phase, considerable attention is being given to the development of a system of reports covering the fiscal operations and conditions of governmental corporations and similar activities of a commercial character. The importance of securing corporate data is self-evident. It is interesting to note that in calling for information of this type, Senate Resolutions 150 and 292 designated the Treasury Department as the compiling agency. Treasury's experience with these two resolutions has placed it in a strategic position to assist in the development of similar requirements under Executive Order 8512. Another problem that is receiving extended consideration is the development of analyses of financial transactions according to the broad functions and the specific activities involved. Such analyses studied in relation to the work accomplished will greatly strengthen budgetary planning and control.

An important byproduct of the work under Executive Order 8512 is the stimulation of considerable interest on the part of agencies in improved financial administration. It has made agencies more conscious of the managerial importance of fiscal data and has brought to light inadequacies in fiscal facilities that might have otherwise continued indefinitely.

With war expenditures amounting to many billions of dollars, the task of financial administration becomes more difficult, and the need for informative reports is greatly increased.

IMPLICATIONS OF HOUSE ACTION

It is unfortunate that the recent House discussion of the Executive order reflected serious misconceptions as to its provisions and raised questions not related to the issue. The discussion stressed an attempt to encroach upon the prerogatives of the General Accounting Office, although the Comptroller General has stated that no such attempt has been made. The discussion not only failed to distinguish reporting from accounting and auditing but also overlooked the fact that the Treasury now has available a great mass of fiscal data. Moreover, the discussion treated financial reporting as if it were something extraneous to the functions of the Government's largest fiscal department. While the discussion by the House assumed that the General Accounting Office is outside the executive branch, it advocated, at the same time, making the Chief Executive dependent upon the General Accounting Office for the fiscal data vital to the over-all administration of the executive branch.

The action of the House involves far more than the mere disallowance of the Treasury estimate for financing its activities under the Executive order. As the record now stands, it might seriously impede the executive branch in its efforts to secure the data indispensable to the very type of budgetary administration which is apparently desired by the Congress. I strongly urge, therefore, that the necessary steps be taken to correct certain erroneous impressions on the basis of which the House apparently took its recent action.

HAROLD D. SMITH, *Director.*

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON RELIEF OF DESTITUTION OF NATIVES OF ALASKA

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report covering expenditures made from the appropriation Education of Natives of Alaska, 1940–42 for the relief of destitution of natives of Alaska during the fiscal year 1941 (with an accompanying report); to the Committee on Appropriations.

LAWS OF PUERTO RICO

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a certified volume comprising the acts of the first special session of the Fifteenth Legislature of Puerto Rico (with an accompanying document); to the Committee on Territories and Insular Affairs.

REPORT ON TRANSFER OF JURISDICTION OF ST. ELIZABETHS HOSPITAL FARM

A letter from the Administrator of the Federal Security Agency, submitting, pursuant to law, a report relative to the transfer of jurisdiction over the plot of land known as St. Elizabeths Hospital Farm, located within the District of Columbia (with an accompanying map); to the Committee on Public Buildings and Grounds.

REPORT OF THE NAVY CLUB OF THE UNITED STATES OF AMERICA

A letter from Hon. Chauncey W. Reed, a Representative from Illinois, transmitting, pursuant to law, a report of proceedings and activities and statement of the receipts and expenditures for 1941 of the Navy Club of the United States of America (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate or presented and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Willamette Democratic Society of Oregon, favoring the adoption of the principles of the Atlantic Charter as a basis for world stability at the conclusion of the existing war; to the Committee on Foreign Relations.

A letter in the nature of a petition from Samuel M. Crawford, of Hollywood, Calif., transmitting a copy of the Cluve World Peace Plan, and praying for a just and enforceable peace after the conclusion of the existing war (with an accompanying paper); to the Committee on Foreign Relations.

A resolution of Farmers' Union of the Weigel Local in the State of North Dakota, favoring retention by the Senator of North Dakota (Mr. LANGER) of his seat in the Senate; ordered to lie on the table.

By Mr. CAPPER:

A resolution adopted by 174 members of the Kimeo National Farm Loan Association, of Greenleaf, Kans., favoring the enactment of legislation to continue the existing 3½ percent interest rate on loans made by the Federal Land Bank System until June 30, 1944; to the Committee on Banking and Currency.

By Mr. VANDENBERG:

A resolution of the midwinter conference of the Association of American Legion Posts in the Upper Peninsula of Michigan, at Manistique, Mich., favoring increased appropriations for the protection of forest lands owned by the Government in Michigan; to the Committee on Agriculture and Forestry.

A resolution of the midwinter conference of the Association of American Legion Posts in the Upper Peninsula of Michigan, at Manistique, Mich., endorsing the stand taken by the Educational Policies Commission relative to the National Youth Administration and the Civilian Conservation Corps educational programs; to the Committee on Education and Labor.

A resolution of the midwinter conference of the Association of American Legion Posts in the Upper Peninsula of Michigan, at Manistique, Mich., favoring the maintenance at some Civilian Conservation Corps camps in Michigan of concentration camps for enemies so as to provide necessary labor for refcrestation, etc.; to the Committee on Military Affairs

A resolution of the midwinter conference of the Association of American Legion Posts in the Upper Peninsula of Michigan, at Manistique, Mich., favoring the placing of an adequate guard at the Soo locks so as to prevent acts of sabotage; to the Committee on Military Affairs.

A resolution of the Midwinter conference of the Association of American Legion Posts in the Upper Peninsula of Michigan, at Manistique, Mich., favoring a survey to establish the most feasible route for a canal across the Upper Peninsula of Michigan; to the Committee on Military Affairs.

A resolution of the Midwinter conference of the Association of American Legion Posts in the Upper Peninsula of Michigan, at Manistique, Mich., favoring the establishment of sufficient air bases at a distance from essential shipping points and also the establishment of certain well-guarded air bases at railroads, docks, terminals, etc.; to the Committee on Military Affairs.

A resolution adopted by the State Association of Supervisors in annual meeting in Lansing, Mich., protesting against the enactment of Senate bill 2015 and House bill 5949, known as the big-truck bills; to the Committee on Interstate Commerce.

A resolution adopted by the finance committee of the Board of Supervisors of Kent County, Mich., protesting against the enactment of Senate bill 2015 and House bill 5949, known as the big-truck bills; to the Committee on Interstate Commerce.

RESOLUTION OF BERRYTON, KANS., GRANGE, NO. 1430

Mr. REED. Mr. President, I present and ask to have appropriately referred a resolution adopted by the Berryton, Kans., Grange, No. 1430, relative to the conduct of the war.

There being no objection, the resolution was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

Whereas it is the duty of every loyal citizen to support our Government to the utmost and to give freely of his labor and material during the present emergency; and

Whereas the higher wages and shorter working hours being offered to industrial workers make it difficult for American farmers to keep up maximum production: Therefore be it

Resolved, That the Berryton Grange, No. 1430, go on record as favoring that all governmental employees, including department heads, and all those engaged in other industries, be asked to make the same sacrifices as those engaged in agriculture by accepting less wages and working longer hours.

Respectfully yours,

BESSIE H. SOWERS,
Secretary.

REDUCTION OF INTEREST RATES ON CERTAIN FARM LOANS

Mr. REED. Mr. President, I also present and ask to have appropriately re-

ferred a resolution adopted by the stockholders of the Marshall County National Farm Loan Association of Marysville, Kans., relative to the reduction of interest rates on certain farm mortgages.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

Whereas we the stockholders of the Marshall County National Farm Loan Association, of Marysville, Kans., deeply appreciate the action of Congress in reducing the interest rates on Federal land-bank and Commissioner loans to 3½ percent until July 1, 1942; and

Whereas the act authorizing such reduction has been of great assistance to us in making our, thereby reduced, payments and aided many in saving their farms; and

Whereas for the most part our county produced a half crop of corn last year, but this was the only sizable crop of corn since 1932; and

Whereas the Marshall County wheat average for 1942 was but 7 bushels per acre; and

Whereas the delinquent installment payments as shown by the annual report were a little over $100,000, and because we feel a further extension of the present 3½-percent rate is necessary for us and of great benefit to the Federal land bank and the Federal Farm Mortgage Corporation: Therefore

We the stockholders of the Marshall County National Farm Loan Association assembled at our annual stockholders' meeting held at Marysville, on the 5th of February 1942, at Marysville, Kans., do hereby earnestly request our United States Senators and our Representatives in Congress to extend their aid to the proposed reduction of interest rates originally written in their mortgages, from July 1, 1942, for a period of at least 3 years more at the 3½-percent rate which is now in effect.

RESOLUTION OF LAKE MICHIGAN AND LAKE SUPERIOR DISTRICT COUNCIL OF COAL WORKERS—SUPPORT IN THE WAR EFFORT

Mr. WILEY presented a resolution adopted by the Lake Michigan and Lake Superior District Council of Coal Workers, A. F. of L., Milwaukee, Wis., which was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

Whereas the United States Government has officially declared war upon the Japanese Government, who underhandedly and without warning bombed the outposts of the United States and killing many innocent citizens of this country; and

Whereas it becomes the duty of every citizen of the United States of America who believes in the democratic form of government to extend their fullest cooperation to the United States Government in the trying times that will come in the next few years; and

Whereas the Lake Michigan and Lake Superior District Council of Coal Workers who perform work on the water front and are affiliates of the American Federation of Labor and such work being very vital to national defense due to the fact that many millions of tons of ore and coal are handled by these men: Now, therefore, be it

Resolved, That the Lake Michigan and Lake Superior District Council of Coal Workers hereby go on record to extend to the United States Government and to State and local military and civil defense agencies their fullest cooperation in the defeat of all aggressor nations; and be it further

Resolved, That this district council recommend to all its affiliates to do everything in their power to avoid work stoppages; and be it further

Resolved, That we also recommend to all our affiliates to submit to mediation under Government supervision all controversies pertaining to differences in contractual relations with the employees for the duration of the war; and be it finally

Resolved, That copies of this resolution be sent to the President of the United States, to Members of Congress, to the Governor of Wisconsin, and the mayor of Milwaukee.

EDITORIAL FROM AUSTIN TRIBUNE ON RIGHT TO DO GOVERNMENT WORK WITHOUT PAYMENT OF UNION DUES—PETITION

Mr. O'DANIEL. Mr. President, we hear a great deal of oratory nowadays by some folks trying to wake up the people, claiming that the people of these United States are complacent as to the war. I believe the rank and file of our people are aware of our great danger and they want to do something to help win the war. Along that line, I wish to call attention to the fact that at Austin, Tex., there is a magnesium plant being built with Federal funds, and there are many patriotic citizens in the locality of Austin, Tex., and elsewhere in Texas, who are prevented, because of laws enacted by the Congress of the United States, from working on that project without paying tribute to some labor leader racketeers. I should like to present and have printed in the RECORD at this point the body of a petition from 73 good, honest, patriotic citizens, well qualified for that work, who find themselves in that position, unable to help their Government at the present time in this great crisis, because of laws enacted by the United States Congress that prevent their working for their own Government without paying tribute to some labor leader racketeers. Along with the petition I should like also to have printed a very worthy editorial from the Austin Tribune of Friday, January 23, 1942.

The VICE PRESIDENT. Without objection, the petition will be received, appropriately referred, and printed in the RECORD without all the signatures attached thereto, and the editorial will also be printed in the RECORD.

The petition was referred to the Committee on Education and Labor without all the signatures attached, as follows:

AUSTIN, TEX., *January 12, 1942.*

We, the undersigned, have been residents of Austin, Travis County, Tex., for the past several years and have not been allowed an opportunity to work on the magnesium plant being built here in Austin, Tex., because we do not belong to a carpenters' or carpenters' helpers union.

If given the chance to work, we will buy $50 of Defense Stamps and help the Government rather than buy a card and help no one. All we want is a chance to prove our ability.

L. M. CUMMINGS (and other citizens).

The editorial presented by Mr. O'DANIEL is as follows:

[From the Austin (Tex.) Tribune of January 23, 1942]

NO PATRIOTIC CITIZEN SHALL PAY TO WORK IN AUSTIN

The monopoly of organized labor and the selfishness and un-Americanism of labor routines has intruded on the peace of labor relations in Austin.

With the allocation of the $12,000,000 magnesium plant to Austin, workingmen saw opportunities for jobs far more numerous than ever before dreamed of.

But with the coming of the magnesium plant came the unions demanding dues. And though this great enterprise is being built with Government money, tax funds to which every citizen of Austin contributes, it is claimed no American citizen can get a job on the construction of this plant unless he pays tribute to a labor union.

None of the huge funds accumulated by the unions can be touched by the tax collector, and these funds run into millions of dollars in the national treasuries of the big unions. But while other Americans pay in taxes the money they have honestly earned to preserve the American way of life, the unions line their pockets from the dues paid by the union members and build the huge war chests with which to maintain their labor monopoly. To make the paying of tribute more palatable to those who are compelled to support these unions the members are permitted to deduct on their income tax return the amount of dues paid. No other member of a professional or trade association has a like privilege. Nevertheless, there are many independent American citizens who object to paying a fee for the privilege of working at their chosen trade.

It is a pretty sorry and disgraceful situation when competent, experienced, liberty-loving Austin-area workmen are denied the right to exercise their skill in the cause of their country's safety because they cannot or will not pay the exorbitant dues and fees levied by greedy unioneers.

Experienced workers are refused not only the right to work but even the opportunity to register for work if they have not paid a fee to some union for the privilege.

There are workingmen in Austin—your neighbors, your friends—who by reason of necessity would pay the tribute demanded. But though they be citizens of Austin, they are denied the right to work on this Austin project, and union men from out of town and out of State are given preference over the local nonunion men who would buy the permits to work but are denied that opportunity so long as union members can be found anywhere to take the jobs

These loyal Austin citizens who are being denied opportunity to work have proposed that they be given jobs and instead of being given a card which will show they have paid tribute to a labor union they will spend the money that would go for union dues in the purchase of Defense bonds. This is a fine and patriotic gesture, a symbol of the spirit that made America strong and free.

If the money that is now pouring into the coffers of unions all over the Nation, to be used by union racketeerr for big salaries and fat expense accounts, were diverted to the coffers of Uncle Sam, think of the ships and of the planes and the guns that could be bought to defend this Nation. Close to half a million dollars would be collected in dues from the men at the magnesium plant and the Bastrop Army camp this year. Multiply this by the hundreds of other projects over the country and vision the arms and ammunition that we could buy for our men in service. Instead this money is now going to organizations and organization leaders who do not help the Government—or anyone else.

France failed to stop the labor racketeers and failed to stop the break-down that opened the gates to the Nazis. This must not happen to America. Let's pay millions for defense but not one cent for tribute—to the American Federation of Labor and the Congress of Industrial Organizations.

RESOLUTION OF THE BOARD OF TRUSTEES OF THE MICHIGAN MUNICIPAL LEAGUE

Mr. VANDENBERG presented a resolution adopted by the board of trustees

of the Michigan Municipal League, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas there is before the House of Representatives H. R. 6049, designed to exempt defense industries and contractors from payment of State and local sales and use taxes which is an attempt to overrule the Alabama case declaring these contractors to be subject to such taxation; and

Whereas the present emergency will result in an automatic diminution of State and local revenues to be derived from present tax bases resulting from tire and automobile rationing and the necessary stoppage of production of some other consumer goods; and

Whereas H. R. 6049, in its present form, appears to be drawn in such a manner as to permit an interpretation which would exempt from municipal personal-property taxes the tangible personal property owned by any industry or other person having a contract for production of defense goods, materials, and supplies; and

Whereas it is necessary for municipal government to provide police, fire, and other protective services to defense plants and industries and all the additional facilities of government required for the health, safety, and welfare of the increased population brought to communities in which are located defense plants; and

Whereas these requirements place a particularly heavy financial burden on the property taxpayers of communities surrounding defense industries, in which the people of the Nation as a whole have an interest, thereby resulting in an underwriting of this part of the war effort by taxpayers of these jurisdictions in excess of that required from those residing in areas in which no defense plants are located: Now, therefore, be it

Resolved by the Board of Trustees of the Michigan Municipal League, whose members constitute the cities and villages of the State of Michigan, That the trend reflected in H. R. 6049 and in the measure recently passed to exempt personal property of the Reconstruction Finance Corporation and its subsidiary corporations to narrow the tax base of States and municipalities works an unequal hardship on certain portions of the United States and of the State of Michigan; and be it further

Resolved, That the Congress of the United States and the Senators and Representatives from Michigan, in the interests of the successful prosecution of the war, be urged to resist the passage of this and similar types of legislation.

PROTEST AGAINST LEVYING OF TAXES UPON PAY ROLLS

Mr. CAPPER. Mr. President, I present a letter signed by Walter I. Lednan, of Turner, Kans., together with a petition of several hundred railroad employees and other workers of Kansas City, Kans., and its suburbs, protesting against the levying of a tax on pay rolls. I ask that Mr. Lednan's letter, together with the body of the petition, be printed in the RECORD.

I desire to say, while I have the floor, Mr. President, that I agree fully with these wage earners in their protest against a proposal expected to be made to levy a so-called withholding tax on wages and salaries. I cannot support such legislation.

There being no objection, the letter, together with the petition, without the names attached, was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

TURNER, KANS., *February 12, 1942.*

Hon. ARTHUR CAPPER,
Senate Building, Washington, D. C.

DEAR SENATOR CAPPER: At the meeting of defense crafts in our shop here at Kansas City the men voted to write and also petition the Senators and Congressmen from this district asking them not to vote for any payroll tax. They say if it is passed that they will buy no more bonds or stamps. These men that I am writing for, whose names are on the petition I am sending you, favor a sales tax so everybody will have to pay equal.

Please see that Congressman GUYER and Senator REED get to see this petition.

Respectfully,

WALTER I. LEDNAN.

KANSAS CITY, KANS., *February 10, 1942.*

We, the undersigned wage earners, railroad workers, petition Senator CAPPER and Congressman GUYER from Kansas to vote against any wage tax.

(Signatures omitted.)

EDITORIAL FROM THE PITTSBURGH PRESS—NO. 1 EXAMPLE

Mr. DAVIS. Mr. President, as we face the driving demands of defense finance, certain sectors of our country have put their house in order through thrift and foresight. I refer, particularly, to Lancaster County, Pa., and the very able chairman of the board of county commissioners, the Honorable G. Greybill Diehm.

Mr. President, I ask unanimous consent to have printed, as part of my remarks, an editorial from the Pittsburgh Press of February 15, entitled "No. 1 Example."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Pittsburgh Press of February 15, 1942]

NO. 1 EXAMPLE

The authorities of many a municipality might take a leaf from the official record of the Lancaster County Commissioners, who have just decided to operate the government of that county of 212,000 population with no county taxes for 1942.

They were impelled to do this, the chairman of the county commissioners announced, by the realization that the huge amounts being appropriated and spent for prosecution of the war will make it necessary for every citizen to dig deeper in his pockets to help finance the Federal Government.

The county tax rate was four-tenths of a mill in 1941; it will be exactly zero this year.

"It will be up to you to do likewise in your daily lives," G. Graybill Diehm, the chairman, told his constituents, "because the Government needs your money and the boys at the front need your support."

And how does Lancaster County do it? Because that county, located in the richest farm area in the State, has been officially practicing rigid economy for years—the same sort of economy the rest of us will have to learn before this war is over.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCARRAN, from the Committee on the District of Columbia:

S. 2122. A bill to amend the District of Columbia Traffic Act of 1925; without amendment (Rept. No. 1087);

S. 2154. A bill to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929; without amendment (Rept. No. 1088);

H. R. 4109. A bill to provide aid to dependent children in the District of Columbia; with amendments (Rept. No. 1093);

H. R. 4401. A bill to provide for the establishment of a commissary or canteen at Glenn Dale Sanatorium, Glenn Dale, Md.; with an amendment (Rept. No. 1092);

H. R. 6003. A bill to amend an act entitled "An act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes," approved June 20, 1938; without amendment (Rept. No. 1089);

H. R. 6107. A bill to authorize the Commissioners of the District of Columbia to permit the vestry of Rock Creek Parish to utilize for burial sites certain land within its present holdings in Rock Creek Cemetery; without amendment (Rept. No. 1090);

H. R. 6375. A bill to amend subchapter 2 of chapter 19 of the Code of Law for the District of Columbia; with amendments (Rept. No. 1094);

H. R. 6536. A bill to change the name of Conduit Road in the District of Columbia; without amendment (Rept. No. 1091); and

H. J. Res. 248. Joint resolution to direct the Commissioners of the District of Columbia and the Public Utilities Commission to make an investigation and survey to determine the feasibility of the construction of subways in the District of Columbia for both streetcars and vehicular traffic; with amendments (Rept. No. 1095).

By Mr. BILBO, from the Committee on the District of Columbia:

S. 1980. A bill to amend section 7 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended; with amendments (Rept. No. 1096).

By Mr. VAN NUYS, from the Committee on the Judiciary:

H. R. 5481. A bill to transfer Blair County, Pa., from the western judicial district of Pennsylvania to the middle judicial district of Pennsylvania; without amendment.

By Mr. PEPPER, from the Committee on Education and Labor:

S. J. Res. 131. Joint resolution appointing a joint committee of the Congress to make a study of war and post-war problems; without amendment (Rept. No. 1097).

By Mr. TRUMAN, from the Committee on Military Affairs:

S. 2268. A bill to further amend section 126 of the act of June 3, 1916, as amended, to authorize travel pay for certain military and naval personnel on discharge or relief from active duty; without amendment (Rept. No. 1098).

PROGRESS REPORT—MINERAL RESOURCES OF THE PUBLIC LANDS AND THEIR DEVELOPMENT (PT. 2 OF REPT. NO 838)

Mr. O'MAHONEY. Mr. President, on behalf of the subcommittee of the Committee on Public Lands and Surveys appointed by virtue of Senate Resolution 53, I desire to submit a progress report of its studies on the development of mineral resources.

Mr. McCARRAN. Mr. President, do I understand that in connection with the request of the Senator from Wyoming he also requests that the report be printed? I think I understand its import, and believe it should be printed.

Mr. O'MAHONEY. I had intended to ask that it be printed.

I ask that it be printed as a Senate report.

The VICE PRESIDENT. The report will be printed, under the rule.

INVESTIGATION OF OLD-AGE PENSION SYSTEM—LIMIT OF EXPENDITURES

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report back, without amendment, Senate Resolution 187, dealing with the expenditure of some $1,500 for further studies and investigations in regard to old-age pensions and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 187), submitted by Mr. DOWNEY on November 5, 1941, was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the limit of expenditures under Senate Resolution 129, Seventy-seventh Congress (providing for studies and investigations with respect to old-age assistance, old-age and survivors insurance, and minimum pensions for unemployed senior citizens) is hereby increased by $1,500.

TRANSFER OF GOVERNMENTAL EMPLOYEES TO DEFENSE AGENCIES

Mr. LUCAS. Mr. President, also from the Committee to Audit and Control the Contingent Expenses of the Senate, I report back, with an amendment, Senate Resolution 223, and ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 223), submitted by Mr. TYDINGS on the 11th instant.

The amendment of the Committee to Audit and Control the Contingent Expenses of the Senate was, on page 2, line 5, to strike out the words "and succeeding Congresses" and insert the word "Congress", so as to make the resolution read:

Resolved, That the Committee on Appropriations, or any duly authorized subcommittee thereof, is authorized to make a full and complete investigation of the number of employees in the various executive departments and governmental agencies that can be released from their normal activities and transferred to, or used by, defense agencies, either for temporary periods or for the duration of the war, with a view to expediting and intensifying the war effort, reducing governmental expenses, and improving the serious situation with respect to housing facilities and office accommodations. The committee shall report to the Senate, at the earliest practicable date, the results of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-seventh Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The amendment was agreed to.

The resolution, as amended, was agreed to.

Mr. TYDINGS. Mr. President, it has been pointed out that on the day the resolution was submitted to the Congress by me, the President issued an order somewhat along the same line; that is, to make a survey of Federal agencies, to find what employees might be utilized in war operation departments who are now being used in what might be called peace operation departments.

I simply wanted to take this opportunity to state that we will be glad to cooperate with the Chief Executive's order in every way possible in an effort to accomplish the desired result. I am glad he took the action he did take, even after I submitted the resolution, but we propose to proceed with as little friction as may be along the same line at the same time. I thought that this fact ought to be stated to the Senate.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MAYBANK:

S. 2277. A bill to raise the maximum age limit for appointments to investigative and law enforcement positions during the period of the emergency; to the Committee on Civil Service.

By Mrs. CARAWAY:

S. 2278 A bill for the relief of Bob Sampley; to the Committee on Claims.

By Mr. CONNALLY:

S. 2279. A bill for the relief of O. R. Maxfield; to the Committee on Claims.

By Mr McCARRAN:

S 2280. A bill to provide for regulation of insurance rates against loss by fire and lightning, and for other purposes; to the Committee on the District of Columbia.

By Mr. VAN NUYS:

S. 2281. A bill to penalize the divulging of the contents of confidential Government documents; to the Committee on the Judiciary.

(Mr. DOWNEY introduced Senate bill 2282, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

(Mr. CLARK of Missouri introduced Senate bill 2283, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

By Mr. BYRD (for himself, Mr. BURTON, Mr. BAILEY, and Mr. JOHNSON of Colorado):

S. 2284. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, for the purpose of making elective officers and heads of executive departments ineligible to receive annuity benefits under such act; to the Committee on Civil Service.

INCREASED PAY TO LAND AND NAVAL FORCES FOR FOREIGN SERVICE

Mr. CLARK of Missouri. Mr. President, I ask unanimous consent that I may introduce a bill which I hope will have the support of every Member of the Senate and the Congress as a whole.

The bill is very short, and I ask unanimous consent that it may be read for information and then referred to the Committee on Military Affairs.

There being no objection, the bill (S. 2283) to provide for increased pay to members of the land and naval forces for foreign service was read the first time by its title, the second time at length, and referred to the Committee on Military Affairs, as follows:

Be it enacted, etc., That hereafter the base pay of any enlisted man or warrant officer in the land or naval forces of the United States shall be increased by 20 percent, and the base pay of any commissioned officer in such forces shall be increased by 10 percent, for any period of service by him in the Philippine Islands or Hawaii, or in any place outside of the United States which is not a part of its Territories or possessions.

Mr. CLARK of Missouri. Mr. President, this measure is an exact copy of the pay provision for overseas service which was in effect during the last war, with the exception that in this draft I have included service in Hawaii as overseas service, which was not done during the preceding war.

CHANGE OF REFERENCE

On motion by Mr. VAN NUYS, the Committee on the Judiciary was discharged from the further consideration of the bill (S. 1808) to provide for the appointment of a Police Commissioner for the District of Columbia, to authorize said Commissioner to reorganize the Metropolitan Police force to increase its efficiency, and for other purposes, and it was referred to the Committee on the District of Columbia.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 4808. An act to authorize the appointment of officers of the Naval Reserve and Marine Corps Reserve as officers of the Regular Navy and Regular Marine Corps; and

H. R. 4869. An act to provide for longevity credit for enlisted men of the Naval and Marine Corps Reserve, and for other purposes; to the Committee on Naval Affairs.

H. R. 6132 An act to make the workmen's compensation laws of Puerto Rico and Alaska applicable to land and premises of the United States in such Territories; to the Committee on Education and Labor.

H. R. 6139. An act to release reversionary rights of the United States to certain property in Stockton, Calif.; to the Committee on Public Buildings and Grounds.

H. R. 6270. An act to amend subsections (b), (d), and (e) of section 77 of the Judicial Code so as to transfer the county of Meriwether from the Columbus division of the middle district of Georgia to the Newnan division of the northern district of Georgia, and to change the terms of the district court for the Macon and Americus divisions in the middle district of Georgia; to the Committee on the Judiciary.

H. R. 6447. An act to provide for the orderly transaction of the public business in the event of the death or of the resignation or separation from office of the Chief Disbursing Officer; to the Committee on Expenditures in the Executive Departments.

H. R. 6450. An act to amend subsection (c) of section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155), as amended; to the Committee on Immigration.

H. R. 6550. An act to extend and amend Subtitle—Insurance of Title II of the Merchant Marine Act, 1936, as amended (Public, No. 677, 76th Cong.), approved June 29, 1940, and for other purposes; to the Committee on Commerce.

NOTICE OF MOTION TO SUSPEND THE RULE

Mr. BARKLEY submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes, the following amendment, namely:

At the proper place insert the following new section:

"SEC. —. Effective as of January 24, 1942, so much of the Civil Service Retirement Act, approved May 29, 1930, as amended, as makes such Act applicable (1) to elective officers in or under the executive and legislative branches of the United States Government, and (2) to the heads of the executive departments, is hereby repealed."

Mr. BARKLEY also submitted an amendment intended to be proposed by him to House bill 6548, the first deficiency appropriation bill, 1942, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

PRODUCTION OF INDUSTRIAL AND SYNTHETIC ALCOHOL AND SYNTHETIC RUBBER

Mr. GILLETTE. Mr. President, I submit a resolution for appropriate reference and ask that there be printed in the RECORD in connection with it a statement I have prepared.

The resolution (S. Res. 224) was read and referred to the Committee on Agriculture and Forestry, as follows:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to make a full and complete study and investigation of the production and means of production and plans for production of industrial alcohol, synthetic alcohol, and synthetic rubber, including the utilization of our natural materials for such purposes, the construction and location of production plants for the necessary processing of materials and resources in the manufacturing of these commodities; also including the organization or organizations now controlling or seeking to control for the future such alcohol and rubber production, together with the use of patents and processes used in such manufacture, and developed or owned in whole or in part by foreign companies, corporations, individuals, or agents, and particularly to inquire into the plans and purposes and policies of our governmental agencies, relative to the full and most economical utilization of grains, canes, fruits, vineyards, and other agricultural materials, in the processing and production of industrial alcohol, synthetic alcohol and synthetic rubber and further to make inquiry as to contemplated action for settlement or adjudication of pending judicial action, by consent decree or settlement process, involving patent processes or control of such processing and manufacture of synthetic alcohols and rubber.

The committee shall report to the Senate, as soon as practicable, the results of its study and investigation, together with its recommendations

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-seventh and succeeding Congresses, to employ such clerical and other assistance, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to make such investigations, to administer such oaths, to take such testimony, and to incur such expenditures as it deems advisable. The committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies of the Government. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee

The statement presented by Mr. GILLETTE is as follows:

The war situation and its needs have tremendously developed two comparatively new industries, the production of synthetic industrial alcohol and the production of synthetic rubber.

I am introducing a resolution providing for the setting up of a committee of the Senate to investigate certain phases of these two fields of production. I am aware of the inadvisability of the appointment of special investigating committees of this body, excepting in cases where existing machinery for the development of facts on which to base the enactment of legislation does not fully exist. I am further aware that we have an unusually able and industrious committee of this Senate known as the Truman committee, which has been doing and is doing superb work in conducting inquiry into many fields of national defense effort. But there is one field which is so potent and far-reaching in its possible influence on the future of the United States, both in war and peace, and the developments of which are so involved, through attempts to secure permanent control by powerful interests, that I believe the interests of American people demand a special group to develop the facts surrounding the production of these two commodities, and report them to the Senate for such action as may be indicated, and also for the purpose of enabling the people of the United States to have a true picture of these industries.

As a result of the war in the Far East we have lost a source of approximately 1,000,000 tons of sugar per annum, and have lost the principal source of natural rubber supply. We are making strenuous efforts to develop a natural rubber industry in the Western Hemisphere, and have within the past few weeks passed legislation designed to develop other sources of natural rubber. By the time another year has passed we shall probably be able to expand sugar production in Puerto Rico, Cuba, and other outlying possessions, as well as by increased production of cane and sugar beets on our own mainland.

But one of the immediate problems is to make up for the shortage of the 1,000,000 tons of Philippine sugar and the loss of a portion of the Hawaiian production through shipping losses, in order that the impact of the shortage would not be seriously felt for this year. In addition, there is a greatly increased demand for the production of industrial alcohol in the manufacture of smokeless powder In Cuba there is a surplus of 1,200,000 tons of Cuban sugar earmarked for the production of alcohol for the munition industry. Many Americans have been at a loss to understand why there should be insistent discussions of a sugar shortage and proposals to ration our use of sugar due to the loss of the 1,000,000 tons from the Philippines, when there were 1,200,000 tons of surplus sugar on hand which would more than take up the Philippine loss. The Government, however, has been insisting upon using that Cuban sugar to make the much needed alcohol for explosives. But the alcohol can be derived from grain, petroleum, sugarcane, and other raw materials, as well as from the so-called high wines, of which we have a very large supply in some portions of our country. Many people have maintained that the 1,200,000 long tons of raw sugar in Cuba, which the Reconstruction Finance Corporation has purchased for industrial alcohol purposes, could be utilized to make sugar, and the entire sugar shortage in the United States would disappear and the residue from the sugar-manufacturing process called blackstrap, could be distilled to produce 100,000,000 gallons of ethyl alcohol.

Experts have also directed attention to the fact that this country has great surpluses of grain which is also a source of production for these industrial alcohols. That much of this stored grain has naturally deteriorated, but can be efficiently and cheaply used in fermentation and the production of industrial alcohol. It is also alleged that ethyl alcohol which can be derived from grain, sugarcane, and other raw materials, can be successfully used in the manufacture of synthetic rubber which will go a long way in meeting our immediate needs and relieving these shortages and the shortages which are sure to be felt in the near future. This process of so utilizing ethyl alcohol is alleged to be controlled by a Polish patent, inventor and number unknown, and reputedly controlled by the Standard Oil Co. of New Jersey. It is also asserted that Standard Oil of New Jersey exercises control over the alcohol industry which is divided into three distinct fields: (A) Industrial alcohol; (B) high alcohol content wine producers; (C) distillers.

The demand for ethyl alcohol at the present time is approximately 274,000,000 gallons. Industrial alcohol facilities amount to 100,000,000 gallons. It must be borne in mind then that both industrial alcohol, synthetic alcohol, and synthetic rubber can be produced from vegetable products, and also from petroleum products. With the stupendous needs for the future, both in war and peace, it is evident then that whoever is able to control the production of these vital necessities will be able to dominate a field of tremendous importance to the United States and to our citizens. That certain interests of the United States are fully alive to this fact and may be acting accordingly, is evidenced by the allegations of what has been transpiring in these two fields of synthetic alcohol and rubber production within the past few months and especially within the past few weeks. In that connection, it is interesting to know that some of the men who are most potently in control of these activities in the War Production Board have been loaned for the purpose of service on this Board by the United States Industrial Alcohol Corporation. That the Chief of the Industrial Alcohol Section of the Chemical Division of the War Production Board is one of those definitely loaned for that purpose. That statement is not made for the purpose of reflecting on this gentleman or on others associated with him, but is cited for the purpose of giving point to the statements that have been made in the press and over the radio that special interests, with their own future in mind, have been deliberately blocking any attempts to set up plants for the utilization of grain, in the manufacture of synthetic alcohol and rubber, and have shifted from position to position as the fallacy of their arguments were exposed. And that there are indications of a definite plan to control these industries in the future for their own purposes which industries ought to be used solely and wholly for the welfare of the citizens of the United States, and that there has also been an unjustified, if not deliberate, attempt to prevent the establishment of plants for the manufacture of these two commodities in sections of the United States where raw material is abundant in

order to prevent the diffusion of the industry which would destroy the centralized control.

The people of my State, for instance, are particularly interested because for practical purposes most of the corn surplus of the United States is in the State of Iowa. Federal reports on corn loans show that farmers in Iowa have stored on their farms from the crops of 1938, 1939, and 1940, 114,761,109 bushels, and this does not include the millions stored from the 1941 crop. In addition, there are millions and millions of bushels held by the Commodity Credit Corporation. The State of Minnesota is second in its holdings, but all of the other States in the United States combined do not have a corn surplus equal to that of Iowa. In addition, the Government has possession of some 300,000,000 bushels of wheat, which our Department of Agriculture has suggested can be utilized in part for the production of this necessary alcohol for munition manufacture. Repeated assertions have been made, however, in the War Production Board, that it was unnecessary to expand facilities for alcohol production or to utilize grain. That present facilities were sufficient, particularly when supplemented by the production of synthetic alcohol from petroleum. The assurances of ample quantities of ethylene in the cracking of gasoline have proven entirely fallacious at the present time, but there is no question whatever that pronounced successes have been made in Germany and in Russia and elsewhere in Europe in replacing natural rubber by synthetic production from a chemical compound called butadiene. We are told that at the present time most of the rubber used in Russia is prepared first by the production of alcohol and it is treated by a series of chemical processes, so that it becomes butadiene. Butadiene may also be secured from the cracked gasses in petroleum manufacture and from certain constituents of natural gas. At the present time, there seems to be a well planned attempt to control both synthetic alcohol and synthetic rubber production by representatives of the closely integrated manufacturing companies also interested in the petroleum field, and to prevent the utilization of grains, canes, fruits, and other ntaural sources for the production of these materials, and particularly to prevent the establishment of facilities in parts of the country where these raw materials are produced, and thus prevent the diffusion and consequent loss of control by these special interests.

I am further informed that at the present time certain of these companies and corporations are defendants in suits pending in the Federal courts, seeking a consent decree in the hopes of perpetuating their control of the patent processes used in the manufacture. I do not want to use the time of the Senate in going further into detail, but I am so strongly convinced of the need for immediate special action to bring into the full glare of national light for public scrutiny these reputed facts, that I have filed the resolution to which I referred a few moments ago.

INVESTIGATION OF "NORMANDIE" DISASTER

Mr. VANDENBERG. Mr. President, I desire to submit a resolution, and I crave the indulgence of the Senate for a brief statement respecting it.

In spite of all set-backs, all discouragements, and all disasters, we shall win this war. Nothing else matters. We shall win it the MacArthur way. General MacArthur is the symbol of our incorrigible purpose. It is in this spirit that I speak briefly this morning, and submit a Senate resolution; but the resolution deals with another sort of symbol—a symbol of the warnings we must frankly face in order to hasten and to assure our total victory. These are warnings against negligence and complacency and politics and waste.

Last Saturday morning, in referring to an investigation, which I proposed to seek in the Senate respecting a recent major catastrophe, I made certain comments to the press, which I now quote for the RECORD:

> The *Normandie* disaster must have been either sabotage or carelessness, which was equally criminal. It is impossible for me to believe that a total disaster of this magnitude could happen to the third largest ship in the world, tied up at a safe berth in a safe harbor, if it was competently protected. In any event, the appropriate authorities must either identify the responsibility or conclusively remove the suspicion. We are told there is too much complacency in the country. There must be none in the Government. "Remember the *Normandie*" may well become a slogan that will signify a challenge second only to "Remember Pearl Harbor!"

Mr. President, that statement, which I made on Saturday morning, continues to represent my views. If the *Normandie*—or the *Lafayette*, as she is presently known—had been sunk by an enemy at sea, her loss would have been hailed by our foes as a major victory. Indeed, it represents a loss in war tonnage equivalent to about half the tonnage which the entire German submarine campaign has been able to sink in all its activities off our Atlantic coast since war began. However, the *Normandie* was not sunk by an enemy at sea; she was sunk by an enemy at home—something infinitely more ominous—and that enemy, in all human probability, was either sabotage or negligence. Subsequent to my statement on Saturday morning, which was made only after conferring with the distinguished chairman of the Senate Committee on Naval Affairs [Mr. WALSH], the Secretary of the Navy announced that a naval court of inquiry had begun an investigation of this shocking affair. The ship was in charge of the Navy at the time of this amazingly tragic event. I am quite willing to let the Navy proceed with its own investigation of itself. Certainly I have no desire to add needless complications, but I believe we need the whole truth, from whatever source derived and by whatever means. It can be as fatal to be weak in essential information as to be weak in essential military arms. It is suicide to be weak in both. A zeal to screen our jeopardies from the enemy cannot compensate for hiding them from ourselves.

This war is a reality, and I want to say in passing that I think the distinguished Senator from Maryland [Mr. TYDINGS] did the country a great service last Friday in discussing the war in realistic terms. What happened to the *Normandie* is realism, naked and raw. It is a symbol. It could be a symbol of our defeat, Mr. President, unless we can prevent kindred negligence. Certainly we can prevent it if we will; but we must know, to the last cold-blooded fact, whereof we speak and act. I am frank to say that I do not believe the country is satisfied to close the book on Pearl Harbor with the report of the Roberts Commission, able though it was. By the same token, it remains to be seen what happens as a result of the naval court of inquiry respecting the *Normandie* disaster—a disaster which, let us remember, occurred after Pearl Harbor, and within the United States, and after we had no further pretense of any excuse not to be on the alert.

Therefore, I submit my resolution calling for an investigation by the Senate Naval Affairs Committee. The resolution thus becomes available for whatever subsequent action may be recommended by events. I am content at the moment to have it referred to the Committee on Naval Affairs, under the leadership of the very able senior Senator from Massachusetts [Mr. WALSH], to determine within its own discretion when and how it is best that the whole facts shall be disclosed.

So, Mr. President, I ask unanimous consent to submit the resolution, and I ask that it be referred to the Committee on Naval Affairs.

The VICE PRESIDENT. Without objection, the resolution will be received, and will be referred to the Committee on Naval Affairs.

The resolution (S. Res. 225) was read and referred to the Committee on Naval Affairs, as follows:

> *Resolved*, That the Committee on Naval Affairs, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation of all the facts and circumstances with respect to the fire which severely damaged the U. S. S. *Lafayette* (the former French liner *Normandie*) on February 9, 1942, and resulted in her being capsized at her dock at New York City, with a particular view to determining the cause of such fire and whether it was due to negligence or was attributable to the activities of enemy agents or fifth columnists in an effort to impede the prosecution of the war. The committee shall report to the Senate, at the earliest practicable date, the results of its investigation, together with its recommendations, if any, for necessary legislation.
>
> For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-seventh and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. VANDENBERG subsequently said: Mr. President, in connection with my remarks earlier in the day regarding the *Normandie*, I ask that following my remarks an editorial from the Daily Telegram of Adrian, Mich., be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Adrian (Mich.) Daily Telegram of February 12, 1942]

REMEMBER THE "NORMANDIE"

Remember the *Normandie* might well be our second war slogan. It is almost as important to remember the disaster at New

York as it is to remember the one at Pearl Harbor. The two have much in common, and both are disgraceful.

Apparently sabotage is out of the picture. Navy and city officials say so, and the evidence seems to prove it. No spy had anything to do with it. And that is no comfort; it makes the case worse.

Even the most superperfect vigilance is not an absolute guaranty against enemy spies. If the Gestapo itself had been in charge, it is possible that out of 2,000 workmen one might have been a spy who would start a fire. If all possible vigilance had been used, and if in spite of it a spy had started the fire, we might forgive everybody.

But it was just plain, everyday, stupid carelessness; and that cannot be forgiven.

Remodeling the inside of a ship is always a dangerous job, from the standpoint of fire. There are many risks. With that fact well known, what kind of intelligence was used when quantities of highly combustible material were left lying around where men were working with fire?

There were piles of life preservers stuffed with kapok, and covered with fuzzy burlap—as dangerous as shavings or excelsior. And then men with blowtorches were set to work within two or three feet of such piles of kindling.

Those heaps of life preservers, light and easily handled, could all have been removed and put on the dock in a few hours. Why weren't they? Pure stupidity. Just like Pearl Harbor.

The result is not so tragically disastrous as that of Pearl Harbor, but it is very serious. The *Normandie* was the third largest ship afloat, and one of the swiftest. It could probably carry a division of troops. As an airplane carrier it would have been the biggest and swiftest afloat. It would have been immensely valuable for either purpose, and it was needed most urgently. It could have been ready in a short time. Now the $60,000,000 ship lies on the bottom, and the experts are not yet sure whether it can be salvaged at all. At the very best it will probably be a year before it can be put into service. And meanwhile American soldiers and sailors will be defeated and killed for the lack of it.

The disgrace is peculiarly galling to a Nation that esteems so highly its technical skill and business methods. Military shortcomings may be excusable in a nation unused to war. But what of a nation that leads the world in industrial technique, in inventiveness, in big-scale management, in ability to carry out colossal enterprises—and then can't repair a ship without letting it catch fire?

It probably will be hard to find the scapegoat. Everybody will have some alibi. But it is impossible to escape the conclusion that the disgrace lies somewhere around the Navy's doorstep. It was the Navy's ship and the Navy's job, and it was up to the Navy to see that the work was done safely as well as properly. The fault cannot be shifted to contractors, foremen, or others in charge of the labor. If workmen were repairing a fort, would it not be up to the Army to see that they didn't smoke in the powder magazine, or set up a forge next to a gasoline tank?

The *Normandie* case should not be dropped and forgotten. It calls for a court-martial, a Roberts commission of inquiry, or some such step to fix the blame. And when the blame is fixed, somebody ought to be replaced just as Admiral Kimmel and General Short were. There is no place for stupid or negligent commanding officers in this war—either on the fighting lines or at home. They should be weeded out. There is no other way to put the others on their toes, and to maintain public confidence in the Army and Navy.

OPINIONS OF UNITED STATES SUPREME COURT ON WORLD WAR NAVAL CONTRACTS

Mr. WALSH. Mr. President, as the Senate has learned, a very important decision was rendered by the United States Supreme Court yesterday in the case of United States of America, petitioner, against Bethlehem Steel Corporation, et al., and an allied case. I take the floor now for the purpose of asking that the opinions of the Court be printed in the CONGRESSIONAL RECORD.

I desire to call attention to the fact that when the contracts involved in the opinions were made during the first World War there was no law upon the statute books restricting or limiting profits. The decision relates to contracts made by the Navy Department at that time, when, as I say, there were no restrictions or limitations upon profits. Since the first World War, as the Senate knows, various provisions of law have been enacted, commencing with the Vinson-Trammell Act, attempting to restrict profits in building ships and airplanes. I ask, therefore, that in addition to printing in the RECORD the decisions rendered by the Supreme Court yesterday, there be printed in the RECORD a brief history of all laws relating to profit-limiting provisions of contracts made during the wartime, commencing with the Vinson-Trammell Act and bringing the acts up to the present time.

Mr. AUSTIN. Mr. President, if the Senator from Massachusetts will yield for a moment, I think it is well to have the RECORD show at this point that the second War Powers Act of 1942, which is now pending in the other body of Congress, contains a section dealing with this subject which implements all the existing law relating to limitation of profits by giving the power of visitation and inspection of the books to the Government in all contracts for production for national defense.

Mr. WALSH. I am pleased to have that information. The Committee on Naval Affairs is striving to obtain the enactment, in connection with a bill that is pending before it, of a provision to require those who receive Government contracts to make separate income-tax reports on their financial relations with the Government, and limiting the amount of profits which may be received under provision for separate reports and separate returns to the Income Tax Bureau, apart from their usual returns.

Mr. HILL. Mr. President, as I understand the decision, it makes it absolutely clear that Congress has full power to do whatever is necessary to limit profits, to protect the Government and taxpayers from profiteers, from extortionate or unconscionable profits of any kind.

Mr. WALSH. That is my understanding; and that is why I pointed out that when the contracts were made in the first World War there were no limitations and no provisions of law restricting profits, and the Bureau of Internal Revenue itself sought to set up a standard for limiting profits by calling certain profits unconscionable.

Mr. HILL. As I understand the decision, the Government attempted to make the defense that the Government made these contracts under duress; that under duress the Government was forced to allow the huge profits. The court held, however, that, of course, there was no duress, because the Congress had the power to do all that might be necessary to protect the Government, even to the point, if need be, of the Government itself taking over the plants.

Mr. WALSH. That is my understanding; and the Senator agrees that the decision in no way indicates that Congress would not have power to enact restrictive profits legislation.

Mr. HILL. I agree; and it seems to me that the decision encourages the Congress, if it does not challenge it, to meet its responsibility and to do its full duty in preventing and stopping the payment of huge profits.

The VICE PRESIDENT. Without objection, the opinions presented by the Senator from Massachusetts will be printed in the RECORD.

The opinions referred to are as follows:

[Supreme Court of the United States. Nos. 8 and 9.—October term, 1941. *United States of America, petitioner, v Bethlehem Steel Corporation, Bethlehem Shipbuilding Corporation, Ltd., Bethlehem Steel Co., Fore River Shipbuildin Corporation, Union Iron Works Co. United States Shipping Board Merchant Fleet Corporation, petitioner, v. Bethlehem Shipbuilding Corporation, Ltd.* On writs of certiorari to the United States Circuit Court of Appeals for the Third Circuit. February 16, 1942.]

Mr. Justice Black delivered the opinion of the Court:

These two cases arise from a dispute between Bethlehem Shipbuilding Corporation, Ltd., and the Government about the amount of profits claimed by Bethlehem under 13 wartime contracts for building ships. The contracts were negotiated and executed in 1917 and 1918, when Germany's destructive warfare against our ocean shipping essential to the successful prosecution of the war made it necessary for the United States to build the greatest possible number of ships in the shortest possible time. They are typical products of a system of procurement heavily relied upon by the United States Shipping Board Emergency Fleet Corporation and other Government purchasing agencies at the time.

On June 15, 1917, Congress gave to the President sweeping war powers (40 Stat. 182), including (1) the power to commandeer shipbuilding plants and facilities, (2) the power to purchase ships at what he deemed a reasonable price with a provision for subsequent revision by the courts in the event the seller regarded the price set as unfair, and (3) the power to purchase or contract for the building of ships at prices to be established by negotiation. Acting under authority delegated to it by the President with congressional approval, the Fleet Corporation declined to seek utilization of the first and second methods but chose, under the third alternative, to make purchases through ordinary business bargaining.

The "actual cost" to Bethlehem of building the ships over which this dispute arises was about $109,000,000. The generously inclu-

sive formula[1] for determining "actual cost," not challenged by the Government here, was not peculiar to these contracts. It was based on the standard formula used by the Fleet Corporation in its contracts with other shipbuilders. And, as in practically all contracts of this type, there was no risk of loss.[2] The total profits claimed under the contracts by Bethlehem, and allowed by both courts below, were about $24,000,000,[3] or a little more than 22 percent of the computed cost.[4] This figure of $24,000,000 does not include such profits as may have been made by Bethlehem Steel Co., Bethlehem's parent, which sold it at the maximum prices established by the War Industires Board, 43,000 tons of steel used in these ships.[5] The percentage of profits in relation to the actual investment and working capital devoted by Bethlehem to the building of the ships was not found by either of the courts below.[6]

In No. 8 the Government filed a bill in equity against Bethlehem and others. The bill alleged that the Government had been induced to enter into the contracts by fraudulent representations of Bethlehem's agents; and as an independent ground for relief, that it had been the duty of Bethlehem to perform the contracts fairly, honestly, and economically "in the shortest practicable time" for no more than "a fair and reasonable profit," and that any provisions in the contract for payment of more are "void and unenforceable." The prayer was for an accounting and a decree requiring Bethlehem to refund all amounts previously paid to it by the Government in excess of what the court should find to be just and reasonable compensation for building the ships. Bethlehem filed an answer and a counterclaim for damages based on alleged breach of contract by the Fleet Corporation.

In No. 9 Bethlehem brought suit at law against the Fleet Corporation claiming damages for breach of the same contracts. In an affidavit of defense and counterclaim the Fleet Corporation repeated the allegations made by the Government in No. 8 and sought the same relief.

The two actions were jointly referred by the district judge to a master, who held hearings and made findings. In No. 8 the master recommended that the Government's bill be dismissed, and on the authority of *Nassau Smelting Works* v *United States* (266 U. S. 101), further recommended that Bethlehem's counterclaim be dismissed for want of jurisdiction, the amount claimed being in excess of $10,000. In No. 9 he recommended that judgment be entered for Bethlehem for $5,272,075,[7] with interest at 2 percent from September 1, 1932. The district judge declined to allow any interest, applying the law of Pennsylvania as he thought our decision in *Erie R. Co.* v. *Tompkins* (304 U. S. 64) required. In all other respects he followed the master's recommendations and rendered judgment accordingly (23 F. Supp. 676; 26 id. 259). The Circuit Court of Appeals affirmed (113 F. 2d 301). On application of the United States and the Fleet Corporation, we granted certiorari (311 U. S. 632).

As the case reaches us, the controversy revolves primarily around the section of the contracts which sets out what is to be paid to Bethlehem. In all the contracts, that section contains substantially the following provisions:

"The price to be paid for each vessel to be constructed and furnished in accordance with the terms of this contract * * * shall be the actual cost, plus the definite sum for profit hereinafter in this article provided for, based upon an estimated base cost to the contractor. * * * Should the actual cost be less than the estimated * * * cost * * * the contractor shall be allowed as profit on each vessel in addition to said fixed sum for profit * * * one-half the amount by which such actual cost of each vessel falls short of the estimated cost * * *."

Thus a high estimated cost would increase the probability of "savings" to be divided between Bethlehem and the Government. And the more the estimated cost exceeded actual cost, the greater would be Bethlehem's share. It can be seen, therefore, that the estimated cost agreed upon by the parties is a pivotal figure.

I

The Government charged Bethlehem with fraud in submitting estimated-cost figures which were adopted in the contracts. It was alleged that Bethlehem's agents made two false representations: (1) that it was impracticable to estimate closely what the cost would be and (2) that the estimates Bethlehem submitted, and which the Fleet Corporation accepted, were fair and reasonable under the circumstances. The master found that there was no evidence to support this charge of fraud. The district judge approved this finding as did the circuit court of appeals, which said that it had "carefully considered the record in the light of this contention [of fraud]" and concluded that "the estimates submitted by Bethlehem and prepared for it by its representative, Brown, were fairly and honestly made and as accurate as could be expected under the uncertain conditions then prevailing." And in this court the petitioner accepts these findings. Therefore, in considering other attacks upon Bethlehem's right to recover, we must do so on the assumption that there was no fraud in Bethlehem's negotiations with the Government.

II

The Government contends that even in the absence of fraud, Bethlehem is entitled to nothing by virtue of the half-savings clauses.

One argument is that the contracts gave Bethlehem the benefits of participating in the savings only if Bethlehem by special efforts increased its efficiency and brought actual costs below the estimates agreed to in the contracts.

Neither the specific language of the half-savings provision nor its context supports this contention. On its face, the provision contains an unconditional promise to pay Bethlehem one-half of the difference between the actual and estimated cost of the ships in question. That such a method of computation would tend to discourage careless expenditures and encourage vigorous attempts at realizing economies in building the ships is hardly debatable. But the half-savings clause does not impose any positive obligations upon the builder. The master found, upon consideration both of the terms of the contracts and testimony on the understanding of the parties, that a showing of savings, without more, obligated the Government to share them with Bethlehem. It

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[1] Included in the detailed and comprehensive itemization of "actual cost" were the following and "items similar thereto in principle":

"The net costs * * * of labor (including compensation of labor by way of bonuses), and materials, machinery, equipment, and supplies * * * and other direct charges, such as insurance on the vessels, etc.

"A proper proportion of running expenses, including ordinary rentals, * * * repairs, and maintenance, light, heat, power, insurance, management, salaries (including compensation by way of bonuses), and other indirect charges. * * *

"A proper proportion of interest accrued * * * on bonds or other debts or loans existing or contracted for prior to the date of this contract and the proceeds of which shall be used, or shall have been or shall be invested in plant, equipment, etc., that shall be used, in the performance of the work under this contract.

"A proper proportion of taxes of all kinds accrued during the taxable year with respect to the business or property, except any Federal taxes.

"A proper proportion of physical losses actually sustained within the taxable year in connection with the construction of the vessels under this contract, including losses from fire, flood, storm, riot, vandalism, any acts of God, acts of war, or other casualties and not compensated for by insurance or otherwise.

"A reasonable allowance, according to the condition, for depreciation of values of the property and plant of the contractor used in connection with the work under this contract."

Neither in the contracts nor under any relevant statutory provision was there any restriction on salaries and bonuses to be paid to executives of the shipbuilder or its affiliates (Cf. sections 505 (c) and 804 (c) of the Merchant Marine Act of 1936, 49 Stat. 1985, 1999, 2013).

[2] Even in the case of lump-sum contracts with the Government, it is generally recognized that the real risk of loss is negligible. It is usual in this kind of contract to set prices high enough to cover, or otherwise specifically to provide against, unforeseen contingencies. And where loss does occur contrary to the expectation of both parties, Congress often passes special bills making the contractors whole.

[3] These ships apparently cost the Government at least a large part of still another $4,825,415. The Government paid this amount to Bethlehem to aid in expansion of plant facilities to build the ships—facilities which were turned over to Bethlehem after the war. The Government's money was contributed under a contract commonly in use whereby the contractor was given the option of purchasing the additional facilities at a depreciated value. Whether the Government, upon conveyance of the property, received any compensation at all does not clearly appear.

[4] While profits on individual contracts ranged above and below 22 percent, both in the proceedings below and in this court, the whole series of contracts was regarded as a unit. The Government has made no separate argument with respect to the individual contracts in which more than the average profit was realized, nor has Bethlehem with respect to the contracts in which the amount due under the half-savings clause proved to be small. The only finding of the Master in which any separation of contracts is made shows that the profits realized on contracts in which the estimated costs were checked by the Fleet Corporation were higher than those on contracts in which the Fleet Corporation accepted Bethlehem's estimates without check.

[5] Compare the statutory method of restricting profits of affiliates embodied in section 803 of the Merchant Marine Act of 1936, 49 Stat. 1985, 2012.

[6] The contracts contained a provision, usual in Fleet Corporation contracts, under which the Government agreed "to provide the cash funds necessary to pay for work already done and materials already furnished and for carrying on the work under this contract."

[7] The Government concedes "that $1,514,995 of the judgment awarded * * * in the action at law is * * * due under contracts other than those now under attack."

cannot be maintained that this finding, accepted by both courts below, is without ample support.

Nothing in the negotiations between the parties as revealed in the record indicates that they had a contrary understanding of the contracts. Bethlehem held out against the Fleet Corporation's early insistence upon lump-sum contracts. It continually asserted that uncertainties about final cost due to rapidly rising prices would require it to protect itself by insisting upon a figure too high for the Fleet Corporation's acceptance and therefore itself proposed the cost-plus-fixed-fee-plus-half-savings method of determining compensation. While there seems to have been recognition that this method might induce greater efforts at efficiency which would be to the advantage of both parties, there is not the smallest hint that either Bethlehem or the Government regarded the substitution of this method as imposing any positive obligations upon Bethlehem in addition to those it would have had under lump-sum contracts.

In the alternative, the Government urges that the half-savings clauses are severable and that if the contracts imposed upon Bethlehem no obligation of special effort to effect savings, these clauses were unsupported by consideration, and are therefore unenforceable. The master and the courts below, however, treated these clauses as nonseverable; to do otherwise would call for departure from accepted principles of the law of contract. Whether a number of promises constitute one contract or more than one is to be determined by inquiring "whether the parties assented to all the promises as a single whole, so that there would have been no bargain whatever, if any promise or set of promises were struck out." Williston on Contracts, revised edition, section 863, and cases there cited. The record makes it clear that each of the contracts here was assented to as a single whole and that consummation of a bargain between the parties depended upon inclusion of the half-savings clause. Furthermore, we know of no Federal or State statute or established rule of law in any jurisdiction inconsistent with the elementary proposition that a promise to build ships is a good consideration for a promise to pay a sum of money, whether fixed in amount or depending upon the relationship between actual and estimated cost.[8] Cf. *Dayton Airplane Co.* v. *United States*, 21 F. (2d) 673, 682-683.

III

The Government further argues that if the half-savings clauses must be taken as permitting Bethlehem to participate in savings however caused, the contracts are invalid because unconscionable. Without specifying that it relies on the law of any particular jurisdiction, the petitioner rests its argument on an asserted general doctrine of unconscionability at common law. Since there is no governing constitutional or Federal statutory provision, if these were contracts between private individuals, the law of some locality would be controlling. *Erie R. Co.* v. *Tompkins*, supra. Whether the same rule would apply to Government contracts in general or to the contracts of the Fleet Corporation[9] in particular, we need not decide. Nor, which. The Fleet Corporation was organized assuming the applicability of the Tompkins case to the contracts before us, would we have to determine whether the law of the District of Columbia or of some particular State is decisive. For, in invoking the asserted doctrine of unconscionability claimed to be applicable here, the Government relies entirely upon the alleged existence of two elements: duress and profits grossly in excess of customary standards. And for reasons we shall set out, neither of these two elements exists here.

Duress: The word duress implies feebleness on one side, overpowering strength on the other. Here it is suggested that feebleness is on the side of the Government of the United States, overpowering strength on the side of a single private corporation. Although there are many cases in which an individual has claimed to be a victim of duress in dealings with Government, e. g., *Union Pac. R. R. Co.* v. *Pub. Service Comm.* (248 U. S. 67), this, so far as we know, is the first instance in which Government has claimed to be a victim of duress in dealings with an individual.

The argument by which the petitioner seeks to establish that the contracts were made under duress is essentially this: Germany's submarine warfare made it imperative that the Government secure the greatest possible number of ships in the shortest possible time; there was a scarcity of ships and shipbuilding facilities in the United States; Bethlehem, the largest shipbuilder in the world, not only had shipbuilding facilities available, but also a trained organization; at a time when Bethlehem's facilities and trained organization were vital to the prosecution of the war, it declined to accept terms proposed by the Government, but insisted upon prices which some of the Government's representatives thought too high; although Congress had authorized the Executive to commandeer shipbuilding facilities if necessary, Bethlehem's organization was also needed and the Government was without power to compel performance by an unwilling organization; the Government therefore had to accept contracts on whatever terms Bethlehem proposed or, doing without the ships which Bethlehem could produce, run the risk of military defeat.

Two basic propositions underlie this argument: (1) The Government's representatives involuntarily accepted Bethlehem's terms. (2) The circumstances permitted the Government no other alternative.

Upon reviewing the negotiations between the representatives of the Government and the representatives of Bethlehem, we cannot find support for the first proposition. The master found, and the courts below agreed, that "the contracts resulted from negotiations in which both parties were represented by intelligent, well-informed, and experienced officers whose sole object was to make the best trade possible, under conditions which included the uncertainties of wartime contingencies, the results from which were not and could not have been known at the time the contracts were made." Two of the three principal negotiators for the Fleet Corporation have testified in the proceedings before the master. It is abundantly clear from their testimony that, during the course of the negotiations, they did not consider themselves compelled to accept whatever terms the other side proposed. In the disposition of the two main differences between the negotiators there is no evidence of that state to overcome will which is the major premise of the petitioner's argument of duress. Cf. *French* v. *Shoemaker* (14 Wall. 314, 332).

One of the differences was settled by the Government's abandonment of its earlier insistence upon a lump-sum arrangement together with a guarantied date of delivery. In view of the rising prices and unpredictable labor supply of the time, Bethlehem's reluctance to enter into contracts on such terms does not seem unreasonable.[10] And if the Government's abandonment of its position is to be regarded as evidence of compulsion, we should have to find compulsion in every contract in which one of the parties makes a concession to a demand, however reasonable, of the other side.

The other major difference between the negotiators was on the matter of price. There is evidence that some of the Fleet Corporation's representatives considered Bethlehem's demands high, but we cannot conclude that the figure finally accepted by the Fleet Corporation was accepted because its representatives felt themselves powerless to refuse. On the contrary, Bethlehem by letter voluntarily offered to accept contracts on terms to be fixed by the Fleet Corporation's general manager. This offer was rejected, one of the Fleet Corporation's negotiators testifying that it preferred to make contracts rather than assume the attitude of dictating terms. Moreover, the general manager of the Fleet Corporation, in whom final authority was vested and who approved these contracts, was of the opinion that high estimated cost figures would be advantageous to the Government because "care must be exercised that they be not placed at too low a figure, for if they are, the probabilities are that the contractor will lose interest in keeping the cost down." And one of the negotiators for the Fleet Corporation has given testimony that he was not so much concerned with cost as with speed of production since "legislation was already in the offing in the form of war-profit taxes * * * to take care of extreme cases." We must therefore conclude that the negotiations do not show that Bethlehem forced the Government's representatives to accept contracts against their will.

If the negotiations do not establish duress, the Government finds it in the circumstances themselves. The petitioner concedes that the Government could have commandeered Bethlehem's plants, but it contends that if the plants had been commandeered, Bethlehem's organization would have been unwilling to serve the Government in them. Heavy reliance is placed on an observation in the master's report that "the Government did not have power to compel performance by an unwilling organization." We shall later consider the alleged lack of power. We now point out that the alleged unwillingness is an assumption unsupported by findings or evidence. Since the possibility of commandeering appears not even to have been suggested to Bethlehem, we have no basis for knowing what its reaction would have been. We cannot assume that if the negotiations failed to produce contracts acceptable to both sides, Bethlehem would have refused to contribute to the war effort except under legal compulsion. We cannot lightly impute to Bethlehem's whole organization, composed as it was of hundreds of people, such an attitude of unpatriotic recalcitrance in the face of national peril.

But even if we were to assume, as we do not, an initial attitude of unwillingness, we do not think that the Government was entirely without means of overcoming it. For the representatives of the Fleet Corporation, an agent of the United States, came to Bethle-

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[8] Of the cases called to our attention by the Government, only in *Burke & James, Inc.* v. *United States*, 63 Ct. Cl. 36, was a bonus for savings clause held severable and invalid, although regarded as "part and parcel of the original * * * contract." We agree, as did both courts below, with the master's statement, that the Burke case is not applicable here because "the facts upon which the decision of that case was based are so different."

[9] The district court treated the contracts as governed by the law of Pennsylvania. The Circuit Court of Appeals treated them as governed by the law either of Pennsylvania or the District of Columbia, but did not decide under the laws of the District of Columbia. Although wholly owned and controlled by the Government it has been held subject to suit either in State or Federal courts. *Sloan Shipyards* v. *U. S. Fleet Corporation* (258 U. S. 549); *Merchant Fleet Corporation* v. *Harwood* (281 U. S. 519).

[10] Cf.: "Obviously no sane man would bid on a lump-sum contract under such conditions, unless perchance he should treat the matter as a pure gamble and include an excessive margin in his proposal for unforeseen contingencies." Report of Chief of Construction Division, War Department Annual Reports (1919) 4147.

hem armed with bargaining powers to which those of no ordinary private corporation can be compared. If it chose to, the Fleet Corporation could have foregone all negotiation over price, compelling Bethlehem to undertake the work at a price set by the President with the burden of going to court if it considered the compensation unreasonably low. And the power to commandeer Bethlehem's entire plant and facilities, in accordance with authority specifically delegated by the President, provided the Fleet Corporation with an alternative bargaining weapon difficult for any company to resist.

The Government nevertheless urges that the circumstances here are analogous to those under which courts of admiralty have held contracts to be unenforceable. In particular, it points to the principle that courts of admiralty "will not tolerate the doctrine that a salvor can take advantage of a situation, and avail himself of the calamities of others to drive a bargain; nor will they permit the performance of a public duty to be turned into a traffic of profit" (*Post* v. *Jones*, 19 How. 150, 160). We think this principle has no real relevance to the case before us.

In the first place, if there was a "traffic of profit" here, it was not the unanticipated result of an accident as in the salvage cases. When Congress authorized the procurement of ships through ordinary commercial negotiations, it must have known that the purchases could not be made in a market of open competition, because existing shipbuilding facilities would be overtaxed by the construction program. (See Department of Commerce, Government Aid to Merchant Shipping (rev. ed. 1923) 433; hearings before House Committee on the Merchant Marine and Fisheries on H. R. 10500 (64th Cong., 1st sess. passim). And Congress must have anticipated that in the contracts agreed upon profits would be expected and that the self-interest inherent in commercial transactions would make itself felt. Therefore, in seeking to establish duress from the circumstances in which these contracts were made, the Government is relying on the identical circumstances which were in existence at the time Congress chose the policy of authorizing procurement of ships through commercial negotiation. We cannot now invalidate contracts made pursuant to a congressionally selected policy on the sole ground of the coercive effect of circumstances which Congress clearly contemplated. To do so we should have to repudiate legislative power exercised in proper constitutional sphere.

In the second place, the captain of a ship in distress on the high seas who is completely at the mercy of his salvor cannot be likened to a sovereign power dealing with an individual contractor. We cannot regard the Government of the United States at war as so powerless that it must seek the organization of a private corporation as a helpless suppliant. The Constitution grants to Congress power "to raise and support armies," "to provide and maintain a navy," and to make all laws necessary and proper to carry these powers into execution. Under this authority Congress can draft men for battle service. (Selective draft law cases, 245 U. S. 366.) Its power to draft business organizations to support the fighting men who risk their lives can be no less.

Profits: The general common law rule of unconscionability on which the petitioner relies is said to deny enforcement to contracts when the profits provided for are grossly in excess of a standard established by common practice. Whether there is such a rule, what is its scope and whether it is part of the body of law governing these contracts, we need not decide. For high as Bethlehem's 22 percent profit seems to us we are compelled to admit that so far as the record or any other source of which we can take notice discloses, it is not grossly in excess of the standard established by common practice in the field in which Congress authorized the making of these contracts. And in particular, it may be added, the master found that the ships built by Bethlehem cost the Government less than comparable ships built by other shipbuilders. The Government made no attempt to establish, nor is there any indication in the record, that the profits realized by other shipbuilders were any less than Bethlehem's.

To establish a standard of customary profits, the petitioner points to the experience of the Navy and War Departments and other branches of the Government in connection with straight cost-plus contracts. Because 10 percent was the profit specified in many such contracts, the Government asserts that it is an appropriate figure here, and urges that the profits on these contracts, tested by such a standard cannot be allowed. The relevance of experience with cost-plus contracts to the contracts here is not clear. The Shipping Board deliberately chose to avoid cost-plus contracts where possible, having found them unsatisfactory in practice. Moreover, the record shows that the total cost to the Government of comparable ships under cost-plus contracts was higher than the total cost of the ships Bethlehem built under the contracts here in question. And experience in many fields has demonstrated that the percentage of profit actually realized under cost-plus contracts is likely to be far more than the percentage specified. As stated in 1918 by Charles E. Hughes, later Chief Justice, in his report to the Attorney General on the aircraft industry, "contracts of this sort lead to waste, foster abuses, and impose an almost intolerable burden of cost accounting, in itself a hindrance to rapid production." Report to the Attorney General on the Aircraft Inquiry (1918), 134. See also, Expenditures in the War Department—Camps, House Report No. 816, (66th Cong., 2d sess., 49–53.) The 10 percent which the petitioner derives by reference to the cost-plus contracts of certain governmental departments cannot be taken as a standard of common practice. It is an illusory figure without basis in the realities of business experience.

If profits earned under Goverment contracts in general are taken as the standard of comparison the 22 percent claimed here is overshadowed in too many instances for it to be regarded as extraordinary. The Hughes report referred to above, for example, points out (pp. 136–146) that most of the airplane production during the last war was under contracts providing for much higher profits. To take an example of the profits made on food products, the Federal Trade Commission determined that in 1917, profits on the sales of salmon canneries, a major portion of whose output was purchased by the Government, ranged from 15 to 68 percent of cost, averaging 52 percent.[11] Federal Trade Commission, Report on Canned Salmon (1918) 63. In the shipbuilding industry itself, even in peacetimes, profits were found by a special committee of the Senate which investigated the munitions industry to have been from 25 percent to 37 percent on the cruisers built in 1927, about 22 percent in 1929, and of like range for other years. Senate Report No. 944, Seventy-fourth Congress, first session, 4.

If the comparison is made with industrial profits, not limited to profits on Government contracts alone, the 22 percent asked for here likewise loses all claim to distinction. An exhibit, the accuracy of which the Government has not challenged, incorporated into the record of this case, indicates that in terms of profit on gross sales, the largest American steel company made 49, 58, and 46 percent during the years 1916, 1917, and 1918. As computed by the Federal Trade Commission, net earnings in 1917 of the same company on all its business were 25 percent of total investment, and the Commission cites instances of other steel companies whose earnings thus measured ranged from 30 to 320 percent. Federal Trade Commission, Letter on Profiteering (1918) 9. Profits of lumber producers, again in terms of return on investment, ranged as high as 121 percent; and of producers of petroleum products, as high as 122 percent, over half of the industry earning more than 20 percent. Id. 12, 13. During the first 6 months of 1917, one of the two major sulfur producers in the country sold its product at an average price of $18.11 per ton, more than 200 percent above cost which was $5.73 per ton; the other major producer earned 236 percent on its investment during the first 11 months of the same year. Id. 11. The Federal Trade Commission's collection of data for various other industries, a collection which the Commission stated was "by no means a complete catalog," affords many additional examples of the same kind. But further confirmation should be unnecessary for a conclusion no businessman would question that the profits claimed here, seen in their commercial environment, cannot be considered exceptional.

The profits claimed here arise under contracts deliberately let by the Fleet Corporation under authority delegated by the President in accordance with an act of Congress. Neither Congress nor the President restricted the freedom of the Fleet Corporation to grant measures of profits common at the time. And the Fleet Corporation's chosen policy was to operate in a field where profits for services are demanded and expected. The futility of subjecting this choice of policy to judicial review is demonstrated by this case, coming to this Court as it does more than 20 years after the ships were completed. In any event, we believe the question of whether or not this policy was wise is outside our province to decide. Under our form of government we do not have the power to nullify it, as we believe we should necessarily be doing, were we to declare these contracts unenforceable on the ground that profits granted under congressional authority were too high. The profits made in these and other contracts entered into under the same system may justly arouse indignation. But indignation based on the notions of morality of this or any other court cannot be judicially transmuted into a principle of law of greater force than the expressed will of Congress.[12]

IV

The problem of war profits is not new. In this country, every war we have engaged in has provided opportunities for profiteering, and they have been too often scandalously seized. See hearings before the House Committee on Military Affairs on H. R. 3 and H. R. 5293, Seventy-fourth Congress, first session, 590–598. To meet this recurrent evil, Congress has at times taken various measures. It has authorized price fixing. It has placed a fixed limit on profits, or has recaptured high profits through taxation. It has expressly reserved for the Government the right to cancel contracts after they have been made. Pursuant to congressional authority, the Government has requisitioned existing production facilities or itself built and operated new ones to provide needed war materials. It may be that one or some or all of these measures should be utilized more comprehensively, or that still other measures must be devised. But if the Executive is in need of additional laws by which to protect the Nation against war profiteer-

[11] The Federal Trade Commission Report does not give separate figures on sales to the Government, but points out (p. 7) that the Government had announced its intention to purchase 80 percent of the 1918 pack.

[12] Cf.: "It would be very dangerous, indeed, to the best interests of the Government * * * if * * * this [Court] should * * * render decrees on the crude notions of the judges of what is or what would be morally right between the Government and the individual" (*Smoot's Case*, 15 Wall. 36, 45–46).

ing the Constitution has given to Congress, not to this Court, the power to make them.

Affirmed.

The Chief Justice and Mr. Justice Jackson, who as former Attorneys General actively participated in the prosecution of these cases, take no part in this decision. Mr. Justice Roberts also takes no part in the decision.

Mr. Justice Murphy concurring:

I concur in the opinion of the Court, insofar as it relates to duress and coercion and the nonseverability of the "bonus for savings" clauses, but desire to add a brief further statement of my views.

In voting for affirmance of the judgment I do not wish to be understood as expressing approval of an arrangement like the one now under review, by which a company engaged in doing work for the Government in time of grave national peril—or any other time—is entitled to a profit of 22 percent under contracts involving little or no risk and grossing many millions of dollars. Such an arrangement not only is incompatible with sound principles of public management but is injurious to public confidence and public morale. The fact that such cases were common during the last war, as evidenced by the circumstances recited in the opinion of the Court, provides no justification to my mind for such a practice then or now. No man or set of men should want to make excessive profits out of the travail of the Nation at war, and Government officials entrusted with contracting authority, and the Congress bestowing such authority, should be alert to prevent it.

The question before the Court for decision, however, is not whether an arrangement like the one presented for review accords with our conceptions of business morality or with correct administration of the public business. Having made a bargain, the Government should be held to it unless there are valid and appropriate reasons known to the law for relieving it from its obligations. It is the duty and responsibility of the courts not to rewrite contracts according to their own views of what is practical and fair but to enforce them in accordance with the evidence and recognized principles of law.

In my opinion, the elements of duress and coercion have not been established in this case. The doctrine that "necessitous men are not freemen," a doctrine evolved by the English courts of chancery in the eighteenth century for the protection of harassed debtors,[13] is not applicable to the Government of the United States, armed as it is with both an actual and a potential arsenal of powers adequate to protect its interests in dealings with private persons.

I am also of opinion that the "bonus for savings" clauses are integral parts of the contracts in question and part of the entire consideration moving to Bethlehem in exchange for its promise to build ships. To characterize these clauses as severable and supported by consideration only if Bethlehem promised to increase its efficiency is ingenious, but requires us to close our eyes to the actualities of the record before us and to ignore fundamental contract law.

Nor can I accept the proposition that the "bonus for savings" clauses are properly interpreted as meaning that Bethlehem was to receive one-half of the "savings" only insofar as Bethlehem could prove that the "savings" were due to its increased efficiency. Such an interpretation, it is true, would prevent Bethlehem from benefiting by reason of purely fortuitous "savings." However, in the absence, as here, of fraud, mistake, or that overreaching which we label "duress" and "coercion," contracts should be interpreted as they are written, not as they might or should have been written in the light of afterthought and subsequent experience. The language of the "savings" clauses does not limit Bethlehem's participation in "savings" to those attributable only to its own efforts. The master found that "Bethlehem was to participate in savings however earned." The suggested interpretation, ignoring the language of the contracts and the expressed understanding of the parties, gratuitously rewrites the contracts to accord with notions of fairness acquired in the light of subsequent developments.

It is understandable that one may be indignant at Bethlehem's claim, but such indignation does not justify the distortion of established legal principles to relieve the Government of its approval of a hard bargain. It cannot be left out of consideration that the Government entered into the agreements with full understanding of their terms. Surely there is much to be said in favor of the Government's standing behind obligations, even though quite onerous, which it incurred with knowledge of the circumstances. The possibility that the Government may be relieved of bargains 24 years after agreeing to them is not conducive to mutual trust and confidence between citizens and their government.

The judgment should be affirmed.

Mr Justice Frankfurter, dissenting:

The founders divided our Government into three branches, partly to prevent autocratic concentration of power and partly to achieve appropriate division of labor in the difficult task of government. The President has his duties, the Congress its duties, and we ours. What powers the Congress should give the President in order to obtain the most effective production of war supplies, how the President should exercise those powers, whether a system of private contracts for war materials is conducive to unjustifiable waste and profiteering, or whether Government production of necessary war supplies is a wiser course—these and like matters are not our business and upon them we should neither express nor intimate views. However circumscribed the judicial area may be, we had best remain within it. But the function of the judiciary is not so limited that it must sanction the use of the Federal courts as instruments of injustice in disregard of moral and equitable principles which have been part of the law for centuries. I am compelled, therefore, to dissent from the judgment of the Court.

In the summer of 1917 the United States was at war with Germany. The enemy's submarine was taking terrific toll of our shipping. The immediate threat to our national security had to be met promptly. Congress enacted the Emergency Shipping Fund Act of June 15, 1917 (40 Stat. 182), conferring vast powers upon the President. He was authorized to place orders for such ships or material as "the necessities of the Government" may require; to modify, suspend, cancel, or requisition contracts for the building, production, or purchase of ships or material; and to take over any plants and ships constructed or in the process of construction. If any person owning any ship, plant, or material refused to build or sell ships or material ordered by the Government "at such reasonable price as shall be determined by the President," he was empowered to take possession of the ships, material, or plant of such person.

On July 11, 1917, the President delegated all the authority vested in him by this act to the United States Shipping Board Emergency Fleet Corporation. A stupendous task was thereby imposed upon the Fleet Corporation. "The program of construction, as well as operation was gigantic. It involved an expenditure of more than three and a half billion dollars, a sum greater than any expended by any corporation in a similar period of time. Many of the officials and Board members were without experience in either shipbuilding or operation. No adequate organization existed at the beginning. A complete organization to carry out its large program had to be created. There was a shortage of shipbuilding skill as well as shipbuilding facilities. The need for ships was imperative and constantly increased during the combat period." Report of the Select Committee on United States Shipping Board Operations (H Rept. No. 1399, 66th Cong., 3d sess., p. 24).

Bethlehem was the largest shipbuilding company in the world. Its five subsidiaries and their plants were experienced shipbuilders, with efficient and well-equipped organizations. As the master in this case found, "it was understood by all parties concerned that the Fleet Corporation shipbuilding program would call for capacity production at each of Bethlehem's shipyards." Of course, the Government had the power to take over Bethlehem's shipyards and plants. But the United States was at war. It needed ships—and it needed them at once. The shipyards and plants of a recalcitrant shipbuilder would not produce the necessary tonnage, at least not in the needed time, without an organization able to operate them at maximum efficiency. The master found that "a failure to induce Bethlehem to undertake the shipbuilding program covered by these contracts, followed by the taking possession by the Fleet Corporation of the Bethlehem plants, could not have accomplished the desired result. It was Bethlehem's organization that was necessary to insure success to the shipbuilding program of the Fleet Corporation and, as the Government did not have the power to compel performance by an unwilling organization, if Bethlehem demanded its price on the basis of substantial commercial profits rather than contribute such services on a patriotic basis, the Government was obliged to take the contracts on such basis or not at all."

Bethlehem does not deny that in these negotiations the Government's legal power to requisition its shipyards was, for purposes of bargaining, an empty weapon. "It is also true," Bethlehem admits, "that, although the Fleet Corporation had the power to take over Bethlehem's yards, what it really required for the carrying out of its program was the use of Bethlehem's organization—its knowledge of how to build ships." The representatives of both Bethlehem and the Fleet Corporation knew that the Government did not regard its power to requisition plants and shipyards as a satisfactory alternative to making contracts with private shipbuilders for the construction of ships.[14] It is not for

[13] *Vernon* v. *Bethell*, 2 Eden 110, 113. And see *Wood* v. *Abrey*, 3 Maddock's Chan. 216; *Underhill* v. *Horwood*, 10 Ves. 209.

[14] Whatever the scope and importance of the Government's requisitioning power in other situations (compare Baruch, American Industry in War, p. 77, with Sen Rep No. 944, 74th Cong., 1st sess., pt. 2, pp. 4–5, 111–115), it was without significance in the Fleet Corporation's shipbuilding program. The reports of the Shipping Board show that the exercise of the power was limited to the acquisition of vessels which had been built or were being constructed; the power does not seem to have been employed to take over the shipyards of recalcitrant private contractors. Indeed, the policy of the Government, based upon its wartime needs, was to encourage, financially and otherwise, the construction and maintenance of shipyards by private interests. See First Annual Report of the United States Shipping Board (1917), pages 12–15; Second Annual Report (1918), pages 33–36, 120–122; Report of Director General Charles Piez to the Board of Trustees of the United States Shipping Board Emergency Fleet Corporation (April 30, 1919), pages 13–14, 78, 123; Report of the President of the United States Shipping Board Emergency Fleet Corporation to the Board of Trustees (August 1, 1919), pages 25–26.

us to say that the Government should not have determined upon such a policy. It is enough that when these contracts were made, none of the parties believed that there was open to the Government the feasible alternative which now, 25 years later, this court says was open to it.

This was the setting in which the contracts in suit were made. Bethlehem was represented throughout the negotiations by Joseph W. Powell, its vice president and operating manager, and Harry Brown, its technical manager, described by the master as "two of the ablest and most experienced shipbuilders and estimators of shipbuilding costs in the United States." On behalf of the Fleet Corporation the active negotiators were Admiral E. T. Bowles, manager of its division of steel-ship construction, and G. S. Radford, manager of its contract division. The master characterized Bowles and Radford as "equally competent shipbuilding experts." However, they were not empowered to conclude contracts on behalf of the Fleet Corporation. That ultimate authority belonged to Charles Piez, the vice president and general manager of the Fleet Corporation. Piez was a businessman who had had no previous shipbuilding experience, and the master found that "At the time of the negotiations relating to the contracts in controversy, the relations between Powell and Piez were very close. Piez, as Powell knew, had had no shipbuilding experience whatsoever, had implicit confidence in Powell's integrity and shipbuilding ability and experience, and was accustomed to look to him for information and assistance with respect to matters of shipbuilding."

Following a conference in Washington on June 15, 1917, attended by Powell and other shipbuilders, the general manager of the Fleet Corporation requested Bethlehem to submit formal proposals for the construction of ships. Throughout the entire negotiations which followed, the Fleet Corporation tried to persuade Bethlehem to enter into "lump-sum" contracts. Powell refused, insisting upon the so-called "half-savings" form of contract which he had originated. He set forth his proposals in his letter of December 13, 1917, to the Fleet Corporation: "Because of the unprecedented conditions surrounding the labor and material market, it is impracticable to estimate within a reasonable percentage what will be the actual cost of construction, and it is therefore impossible to submit fixed prices for any of these vessels, except upon a basis so far above estimated cost that any figure acceptable to this company would not be acceptable to the Emergency Fleet Corporation. It is proposed, however, that they be constructed on the basis of actual cost plus a fee, with an agreed-upon probable cost, this company to be paid in addition to the fee one-half of any saving that may be made below this cost figure, and with the further provision that the estimated cost figure will be increased due to any increase in rates of wages that may be approved by the Emergency Fleet Corporation."

After further conferences, Powell submitted a proposal, dated December 19, 1917, specifying the estimated costs and fixed fees of the vessels to be constructed. On the morning of January 3, 1918, before the Fleet Corporation had expressed any views on the proposal of December 19, Powell handed Piez a letter, dated January 3, 1918, offering to construct a greater number of vessels than was specified in his earlier proposal. The letter concluded "that while this company cannot undertake any capital expenditures at its expense, if the terms in our proposal do not otherwise meet with the Emergency Fleet Corporation's approval, we are prepared to accept the order to construct these vessels on such terms as may be personally determined by Mr. Charles Piez, the vice president and general manager, and strongly urge there be no delay in placing this order, as we are making this offer because of our knowledge of the vital emergency now confronting this Nation in connection with the requirements for additional merchant vessels."

Upon receipt of this letter, Piez arranged a conference between Powell, Brown, Bowles, and Radford, which occurred on the afternoon of January 3. But Bowles and Radford did not know, and neither was informed before or during the conference, of the offer made to Piez in Powell's letter of January 3. It can hardly be said, therefore, that this letter, neither addressed to nor made known to the real negotiators for the Government, was a factor in their negotiations.

At the conference, which lasted about 5 hours, Bowles again attempted to persuade Powell to undertake the construction upon a lump-sum basis. Powell was adament, however, and Bowels had to acquiesce in the half-savings form of contract in order to reach any agreement. Powell insisted that the estimates previously submitted by Bethlehem was fair and reasonable. Neither Bowles nor Radford submitted any estimates or counter proposals, "their criticism being limited to the opinion expressed by Bowles that the original and reduced estimates submitted by Powell were too high." Powell made several reductions in the estimates, and in response to Bowles' inquiry, Brown assured him that the estimates were about as accurate as could be made under the circumstances. Bowles and Radford thereupon agreed to the prices, subject to confirmation by Piez. On the same day they handed Piez the following memorandum:

"We hand you herewith the Bethlehem Shipbuilding Corporation's proposal dated December 19, for additional construction at their various plants, amounting in all to 19 vessels, exclusive of tugs. It may be noted that, with the exception of 3 ships, the vessels in question are troop ships and tankers—ships of a type that only real shipbuilders can produce satisfactorily. As is well known, we have been having difficulty in placing such vessels.

"We wish to place on record the fact that the Bethlehem Shipbuilding Corporation's representatives have insisted on comparatively high prices for these vessels; that they have only with difficulty been persuaded to quote us on the types of ships referred to; and, that their attitude has been characterized by an arbitrary refusal to guarantee or stand behind delivery dates. In other words, it was difficult to persuade them to quote even a tentative delivery date, and they refused positively to accede to a bonus and penalty clause for delivery.

"The letter herewith, addressed to the Bethlehem Shipbuilding Corporation, in reply to their proposal, has been prepared for your signature and is now presented with the recommendation that it be signed. While the prices we have agreed to with representatives of the Bethlehem Shipbuilding Corporation are not satisfactory to us, nevertheless, they represent a material reduction from the prices quoted by that corporation. Realizing that the Nation will need these vessels, we have been actuated by the belief that further delay in placing the contracts should be eliminated and we believe we have made the best compromise possible under very difficult conditions."

As a consequence of these negotiations, the 13 contracts here in controversy were executed, 7 on February 1, 1918, and 6 thereafter.

The provisions of these contracts demand careful analysis. The contract marked No. 183, calling for the construction by Bethlehem of three steel tank vessels each weighing about 9,100 tons, is typical.

In order to provide the sums necessary for carrying on the work under the contract, the Fleet Corporation agreed to deposit in advance "such sums as may be necessary to constitute and keep constituted a fund from which to finance the work, to provide for payments to be made for materials, and for wages and salaries of persons employed upon the work hereunder." The Fleet Corporation agreed also to assist Bethlehem "to secure with the utmost practicable expedition and at the minimum cost consistent with the existing conditions the facilities, utilities, parts, materials, and supplies required for the work under this contract." The price to be paid for each vessel was defined to include (a) the "actual cost," plus (b) a fixed fee of $185,000, plus (c) one-half the amount by which the actual cost of each vessel should fall short of an estimated cost of $1,865,000.

It would be difficult to draft a more inclusive definition of "cost" than that contained in this contract. "Actual cost" was defined to include the following items, as well as "items similar thereto in principle": (a) the net costs of labor (including bonuses), materials, machinery, equipment, and supplies furnished by Bethlehem, and all other direct charges, such as insurance on the vessels, etc.; (b) a "proper proportion" of running expenses, including rentals, cost of repairs and maintenance, light, heat, power, insurance, management, salaries (including bonuses), and all other indirect charges; (c) a "proper proportion" of interest accrued on bonds, loans, or other debts existing or previously made, the proceeds of which "shall be used, or shall have been or shall be invested in plant, equipment, etc., that shall be used," in the performance of the contract; (d) a "proper proportion" of taxes of all kinds, except Federal taxes, with respect to the business or property; (e) a "proper proportion" of physical losses sustained in connection with the construction of the vessels under the contract, including losses from fire, flood, storm, riot, vandalism, acts of God, acts of war, or other casualties; and (f) a "reasonable" allowance for depreciation of property and plants used in connection with the construction under the contract.

The master found that under the "half-savings" clause Bethlehem was entitled to receive one-half the difference between the estimated cost and the actual cost, regardless of how this difference was achieved. Bethlehem was therefore not required to show that the "savings" were attributable to its efforts to increase efficiency.

Since the estimated costs of construction specified in the contracts are crucial in fixing the extent of Bethlehem's profits, it is necessary to consider how they were determined. According to the explanation furnished by Bethlehem, Brown prepared the estimated costs specified in Bethlehem's letter of December 19, 1917, as follows: As the basis of his estimate he took the cost of constructing Hull 253, a 9,100-ton tanker which had recently been completed at the Fore River yard. The cost of the material in Hull 253 was about $389,000, consisting of $150,000 for the steel structure and $239,000 for the remaining material. Brown estimated that the cost of the material in a similar tanker to be constructed in 1918 would be $817,000, including $399,000 for the steel structure and $418,000 for the remainder. His estimate assumed an increase in freight rates and costs of delivery of 42 percent. The next item was the cost of labor, which on Hull 253 amounted to 38.75 cents per hour. Brown assumed that wage scales would rise to 50 cents per hour, an increase of 29 percent, and that efficiency would decrease about 30 percent. Therefore, he estimated a total labor cost of $548,000, as compared with the actual labor cost upon Hull 253 of $326,000. Similarly, the estimates of plant operating expenses were computed on the basis of equally large assumed increases. The total estimated cost of material, labor, operating expenses, and overhead amounted to $1,694,000, to which Brown added a flat 10-percent allowance to cover

items such as armed-guard equipment and "to make allowance for other contingencies," making a total estimated cost of $1,863,000, or approximately $205 per ton. To this figure Powell added an additional $10 per ton because, as he testified, "there was an item of increased cost of steel, which represented a contract for very high-priced steel that we had to use in connection with this program, and which amounted to about $2.50 a ton spread over the program that we expected to undertake. That was a very rough figure. Whatever else I put on I put on because I knew I was going to have to trade the final contract out with Admiral Bowles and I knew I would not get what I asked for, and if I did not ask for more than I expected I would not get out where I wanted to be." Brown testified that "he [Powell] took the figures that I gave him and added $10 a ton to it" for some reason which he could not recall.

The estimated cost finally specified in the contract for the construction of the three vessels was $1,865,000; the estimated cost of such vessels proposed in Powell's letter of December 19, 1917, was $1,983,800, a difference of $118,800, or less than 6 percent of the proposed estimate.

The master found that during the negotiations the Fleet Corporation was uninformed as to the probable cost of materials and labor, Bethlehem's overhead and operating expenses, and depreciation and similar charges. Consequently, at the conference of January 3, 1918, from which emerged the contracts in controversy, the representatives of the Fleet Corporation did not submit any counteroffers to Bethlehem; they merely insisted that Bethlehem's estimates were too high. Brown's testimony is illuminating as to the nature of the bargaining at the conference:

"Q. Now I am asking you whether with respect to these vessels Admiral Bowles submitted any price of his own?

"A. No, sir.

"Q. Did he ask you how your estimates were made up?

"A. No, sir.

"Q. Did he ask you to justify your estimates in any way?

"A. No, sir.

"Q. He just objected to them repeatedly and said they were too high?

"A. Yes, sir.

"Q. But did not ask you to justify them?

"A. No, sir.

"Q. Until Powell finally came down to a figure which Bowles was willing to accept?

"A. Well, I should put it this way; to a figure which Mr. Powell refused to go below."

The total estimated costs of construction in the 13 contracts in controversy amounted to $119,750,000. The total actual costs, as defined in the contracts, were $92,990,521. The estimated costs therefore exceeded the actual costs by $26,759,479, or, to put it another way, the estimated costs were almost 29 percent greater than actual costs. Nowhere in the long record, as the master found, is there any explanation or justification for the tremendous disparity between the estimated costs submitted by Bethlehem, or those specified in the contracts, and the actual costs.

Bethlehem's profits under these contracts amount to approximately $24,000,000, or about 22 percent of actual costs, including extra work. In two of these contracts, Nos. 191 and 226, its profits exceed 34 and 32 percent, respectively. Moreover, these figures do not include the profits made by Bethlehem Steel Co., an affiliate, on the sales to Bethlehem at the maximum prices permitted by the War Industries Board of 43,000 tons of steel used in the construction of ships under these contracts.

To speak of Bethlehem's profits as only 22 percent is in any event misleading. The profits are 22 percent of "cost," and not 22 percent of what might fairly be described as Bethlehem's capital investment in these contracts. For, under these contracts, Bethlehem took absolutely no risk of loss; in addition, the Government agreed to advance all sums necessary to finance the construction of the vessels. Even in usurious transactions the lender takes the risk of the borrower's insolvency. Here Bethlehem took no risks at all.

Bethlehem has already received from the Government the total costs of construction (including items for wage increases and extra work), plus fixed profits of $11,962,400 (representing about 11 percent of the actual costs, including extra charges), plus bonuses of $8,093,157 under the half-savings clause (over 7 percent of costs). It has thus received total profits of more than $20,000,000 under these contracts. In the present suits it is seeking additional sums of more than $7,500,000, of which about $3,800,000 represents bonuses under the contracts in question. In sustaining the judgments of the lower courts, this court is awarding Bethlehem further profits of about 4 percent on these contracts.

The master expressly found that it was essential that Bethlehem undertake to build the vessels provided for in the contracts and that, since the Government needed Bethlehem's organization, it had no satisfactory alternative. It had to make the contracts on Bethlehem's terms or not at all. He concluded, nevertheless, that since "the Fleet Corporation made the contracts with open eyes, although resenting the commercial attitude of Bethlehem and condemning Bethlehem for demanding its 'pound of flesh'," the contracts were enforceable by Bethlehem in the absence of any proof of fraud.

The district court concurred in the proposition that the absence of fraud made the contracts invulnerable. But its conclusion is contradicted by its findings: "The managers for the contractor adopted the famous Rob Roy distinction, who admitted he was a robber but proudly proclaimed that he was no thief. The contractor boldly and openly fixed the figures in the estimated cost so high as to give them the promise of large bonus profits. The managers for the Fleet Corporation knew that the estimate was high and why it was made high, and so protested it. The reply of the contractor's managers was, 'We will take the contract with this promise of bonus profits incorporated in it, but not otherwise. You take it or leave it.' Whatever wrong there was in this may have been the wrong in a daylight robbery, but there was no element of deception in it" (23 F. Supp. 676, 679).

Similarly, the affirmance of the circuit court of appeals appears to have been based upon the assumption that the Government's failure to show fraud was fatal: "It is of course obvious that these negotiations took place in time of war when the need of the Government for ships was extremely urgent and the necessity of reaching an agreement with Bethlehem, therefore, vital. It is equally clear that Bethlehem insisted upon assuring itself a margin of profit which in view of the necessities of the Government was so large as to indicate an attitude of commercial greed but little diluted with patriotic feeling. There is no doubt that this attitude on the part of Bethlehem was deeply resented by the Government representatives, but the latter were faced with the alternative of either agreeing to Bethlehem's terms or taking possession of its shipyards and having the Government itself construct the vessels. We think the record clearly indicates that the Government representatives felt that the latter course could not have accomplished the shipbuilding program with the speed which was essential. It was Bethlehem's existing shipbuilding organization that was necessary to insure success to the program of the Fleet Corporation. Consequently the Government representatives, feeling as they did that Bethlehem's organization was necessary to their program, were obliged to accept the terms offered by Bethlehem. This they did with full knowledge, as we have said, that the estimated cost figures included in the contracts did not represent close approximations but were so prepared as to assure to Bethlehem substantial additional profits by way of the bonus for savings. It follows that while Bethlehem may be condemned for having taken advantage of the Nation's necessities to secure inordinate profits it cannot be charged with having misrepresented the facts to the Government's representatives" (113 F. (2d) 301, 305–306).

Thus, not less than six times did the circuit court of appeals declare that the unconscionable terms of this contract were forced upon the Government by the dire necessities of national self-preservation. Nevertheless, the court found itself impotent to resist the demand that the courts themselves become the means of realizing these "inordinate profits." But law does not subject courts to such impotence. Courts need not be the agents of a wrong that offends their conscience if they heed the commands of law.

In England, prior to 1285 (Stat. of Westminster II, 13 Edw. I, ch. 50), suitors were frequently "obliged to depart from the chancery without getting writs, because there are none which will exactly fit their cases, although these cases fall within admitted principles" (Maitland, Forms of Action at Common Law, Lect. IV (1936 ed.) p. 51). Today it is held that because the circumstances of this case cannot be fitted into a neatly carved pigeonhole in the law of contracts, "daylight robbery," exploitation of the "necessities" of the country at war, must be consummated by this court. It is said that familiar principles would be outraged if Bethlehem were denied recovery on these contracts. But is there any principle which is more familiar or more firmly embedded in the history of Anglo-American law than the basic doctrine that the courts will not permit themselves to be used as instruments of inequity and injustice? Does any principle in our law have more universal application than the doctrine that courts will not enforce transactions in which the relative positions of the parties are such that one has unconscionably taken advantage of the necessities of the other?

These principles are not foreign to the law of contracts. Fraud and physical duress are not the only grounds upon which courts refuse to enforce contracts. The law is not so primitive that it sanctions every injustice except brute force and downright fraud. More specifically, the courts generally refuse to lend themselves to the enforcement of a "bargain" in which one party has unjustly taken advantage of the economic necessities of the other. "And there is great reason and justice in this rule, for necessitous men are not, truly speaking, freemen, but, to answer a present exigency, will submit to any terms that the crafty may impose upon them" (*Vernon* v. *Bethell*, 2 Eden 110, 113). So wrote Lord Chancelor Northington in 1761.

The fact that the representatives of the Government entered into the contracts "with their eyes wide open" does not mean that they were not acting under compulsion. "It always is for the interest of a party under duress to choose the lesser of two evils. But the fact that a choice was made according to interest does not exclude duress. It is the characteristic of duress properly so-called." Holmes, J., in *Union Pac. R. R. Co.* v. *Pub. Serv. Comm.*, 248 U. S. 67, 70. In that case a State unconstitutionally exacted a fee for a certificate of authority to issue railroad bonds. A railroad which had paid the fee and obtained a certificate, rather than run the risk of subsequent invalidation of its bonds and imposition of serious penalties, was

held to have been coerced into making the payments. In *Swift Company* v. *United States*, 111 U. S. 22, 29, the taxpayer's only alternatives were "to submit to an illegal exaction, or discontinue its business." The payment of the tax in these circumstances was held to be under duress. See also *Ward* v. *Love County*, 253 U. S. 17, 23. The courts generally regard the dilemma of the taxpayer who must either pay the taxes or incur serious business losses as a species of duress. E. g., *Morgan* v. *Palmer*, 2 Barn. & C. 729; *Ripley* v. *Gelston*, 9 Johns. 201; *Scottish U. & N. Ins. Co.* v. *Herriott*, 109 Iowa 606; see Notes, 64 A. L. R. 9, 84 A. L. R. 294.

Underlying all these cases is the law's recognition of a basic psychological truth. In *Atkinson* v. *Denby*, 7 Hurlst. & N. 934, 936, Cockburn, C. J., said that "Where the one person can dictate, and the other has no alternative but to submit, it is coercion." See also Abbott, C. J., in *Morgan* v. *Palmer*, 2 Barn. & C. 729, 735: "But if one party has the power of saying to the other, 'that which you require shall not be done except upon the conditions which I choose to impose,' no person can contend that they stand upon anything like an equal footing." And these were decisions in days when law was supposed to be much more rigid and more respectful of forms than we now ordinarily deem just.

The fundamental principle of law that the courts will not enforce a bargain where one party has unconscionably taken advantage of the necessities and distress of the other has found expression in an almost infinite variety of cases. See *Lonergan* v. *Buford* (148 U. S. 581, 589–591); *Snyder* v. *Rosenbaum* (215 U. S. 261, 265–266). Perhaps the most familiar is the situation of the mortgagor who under the pressure of financial distress conveys his equity of redemption to the mortgagee. The courts will scrutinize the transaction very carefully, *Villa* v. *Rodriguez* (12 Wall. 323, 339), and if it appears that the mortgagee has taken unfair advantage of the other's position, the conveyance will not be enforced. Compare *Vernon* v. *Bethell* (2 Eden 110); *Close* v. *Phipps* (7 M. & G. 586); *Richardson* v. *Barrick* (16 Iowa 407).

Similarly, an heir or remainderman who is compelled by financial circumstances to sell his expectancy for a song may recover it if the vendee has unduly exploited the other's distress. *Wood* v. *Abrey* (3 Maddock's Chan. 216, 219) (where the Vice-Chancelor, Sir John Leach, said, "If a man who meets his purchaser on equal terms negligently sells his estate at an undervalue, he has no title to relief in equity. But a court of equity will inquire whether the parties really did meet on equal terms; and if it be found that the vendor was in distressed circumstances, and that advantage was taken of that distress, it will avoid the contract."); *Underhill* v. *Harwood* (10 Ves. Jr. 209); *M'Kinney* v. *Pinckard* (29 Va. 149); *Butler* v. *Duncan* (47 Mich. 94); *Brown* v. *Hall* (14 R. I. 249). In *Administrators of Hough* v. *Hunt* (2 Ohio 495, 502), a person heavily in debt, in order to obtain a further loan with which to meet debts falling due, agreed to buy land at more than double its value. The court found that the lender had unjustly taken advantage of the borrower's necessities and therefore rescinded the contract: "The rule in chancery is well established. When a person is encumbered with debts, and that fact is known to a person with whom he contracts, who avails himself of it to exact an unconscionable bargain, equity will relieve upon account of the advantage and hardship." This was written in 1826. To the same effect are *Vyne* v. *Glenn* (41 Mich. 112) and *Bither* v. *Packard* (115 Maine 306).

Another class of cases in which this principle has been applied arises where a customer of a gas or electric company pays charges which he asserts he is not obligated to pay, rather than have his service disconnected. Payments made in such circumstances are regarded as coerced. See *Boston* v. *Edison Electric Illuminating Co.*, 242 Mass. 305, 310; *Westlake & Button* v. *St. Louis*, 77 Mo. 47; Note, 34 A. L. R. 185.

Cobb v. *Charter*, 32 Conn. 358, illustrates another type of controversy in which the courts have given effect to the historic principle of duress which is now seemingly rejected as an innovation. The defendant there had possession of a chest of tools belonging to the plaintiff, a mechanic. He refused to give up the chest, which the plaintiff needed in order to ply his trade, unless the latter would pay a bill for which he denied responsibility. The plaintiff's payment of the bill in these circumstances was held to have been made under duress. Accord; *Lonergan* v. *Buford*, 148 U. S. 581, 589–591; *Fenwick Shipping Co.* v. *Clarke Bros.*, 133 Ga. 43; *Stenton* v. *Jerome*, 54 N. Y. 480; *Harmony* v. *Bingham*, 12 N. Y. 99.

In *Stiefler* v. *McCullough* (97 Ind. App. 123), a merchant who had to obtain a loan in order to remain in business agreed to pay the president of a bank an exorbitant sum in consideration for his services in procuring a loan. The court refused to enforce this agreement as unconscionable. Similarly, in *Niedermeyer* v. *Curators of State University* (61 Mo. App. 654), a student paid tuition fees which he regarded as excessive, and which he did not believe he was required to pay under his contract with the university, only because he feared expulsion for nonpayment. This payment was held to have been made under duress and hence recoverable. (Cf. *Baldwin* v. *Sullivan Timber Co.*, 20 N. Y. Supp. 496; *Kelley* v. *Caplice*, 23 Kans. 474.)

Strikingly analogous to the case at bar are the decisions that a salvor who takes advantage of the helplessness of the ship in distress to drive an unconscionable bargain will not be aided by the courts in his attempts to enforce the bargain (*Post* v. *Jones*, 19 How. 150, 160; *The Tornado*, 109 U. S. 110, 117; *The Elfrida*, 172 U. S. 186, 193–194). In *Post* v. *Jones*, *supra*, it was said that the courts "will not tolerate the doctrine that a salvor can take the advantage of his situation, and avail himself of the calamities of others to drive a bargain; nor will they permit the performance of a public duty to be turned into a traffic of profit." These cases are not unlike the familiar example of the drowning man who agrees to pay an exorbitant sum to a rescuer who would otherwise permit him to drown. No court would enforce a contract made under such circumstances.[15]

To deny the existence of duress in a Government contract by ironic reference to the feebleness of the United States as against the overpowering strength of a single private corporation is an indulgence of rhetoric in disregard of fact. The United States, with all its might and majesty, never makes a contract. To speak of a contract by the United States is to employ an abstraction. We must not allow it to become a blinding abstraction. Contracts are made not by 130,000,000 Americans but by some official on their behalf. Because the national interest is represented not by the power of the Nation but by an individual professing to exercise authority of vast consequence to the Nation, action by Government officials is often not binding against the Government in situations where private parties would be bound.[16] The contracts here were not made by an abstraction known as the United States or by the millions of its citizens. For all practical purposes, the arrangement was entered into by two persons, Bowles and Radford. And it was entered into by them against their better judgment because they had only Hobson's choice—which is no choice. They had no choice in view of the circumstances which subordinated them and by which they were governed, namely, that ships were needed, and needed quickly, and Bethlehem was needed to construct them quickly. The legal alternative, that the Government take over Bethlehem, was not an actual alternative, and Bethlehem knew this as well as the representatives of the Government.

The suggestion is made that Bethlehem's profits under these contracts were not exceptional when compared with the profits made under similar contracts, and that the enormous profits claimed by Bethlehem under these contracts cannot be regarded as supporting the inference that Bethlehem took advantage of the Government's distress. But the only contracts before us are those involved in this litigation. There is nothing in this record which enables us to say that although these contracts are unconscionable, all contracts made by the Government during the same period were no less unconscionable. And even if this were so, it would be no argument that this Court should give its sanction to these contracts by making itself the instrument for realizing the unconscionable profits. What little light the record does cast upon contemporary contracts gives no justification for regarding these contracts as typical. The policy of Charles M. Schwab, Director General of the Fleet Corporation, was to make contracts providing for a maximum profit of 10 percent, out of which all Federal taxes would have to be paid. See letter of October 2, 1918, to Edward N. Hurley, Chairman of the Shipping Board, relating to contracts with the American Shipbuilding Co.

If we are to go outside the record, the evidence is confusing and unreliable. It must be borne in mind that Bethlehem took no risk of loss, that under the contracts it was protected from the risks of rising costs of labor, materials, transportation, etc., that under the contracts it was not required to make any capital expenditures, that the Government agreed to advance all sums that should be necessary for the performance of the contracts. It is idle to compare the profits made by Bethlehem under these contracts with profits made by industrial concerns of various types under different types of contracts. Such figures are statistical quicksand unless we are told also that in each case the contractor was not required to make any capital investment, that he was insured against normal business risks, and that he was guaranteed a profit, regardless of any change in circumstances.

We know that the policy of the Navy Department with respect to so-called straight cost-plus shipbuilding contracts was to allow profits of 10 percent of actual cost. See Annual Report of the Secretary of the Navy (1917), page 33; Annual Report (1918), page 685; Annual Report (1919), pages 572–576; Annual Report (1920), pages 147–148. We know that, similarly, the policy of the War

[15] The books are full of cases in which courts have refused to lend themselves as collecting agencies of contracts made under circumstances offensive to the conscience. (See, for example, in addition to the cases cited in the text, *Johnson* v. *Ford*, 147 Tenn. 63; *Harris* v. *Cary*, 112 Va. 362; *Northwestern Mut. Life Ins. Co.* v. *Barker*, 241 Ky. 490, 497; *Caivano* v. *Brill*, 171 Misc. 298.)

[16] E. g., the right to recover money paid under mistake of law, *Wisconsin Central Railroad* v. *United States* (164 U. S. 190, 212), and the unavailability against the Government of the defenses of laches or neglect of duty, *United States* v. *Kirkpatrick* (9 Wheat. 720, 735), and estoppel based on unauthorized acts of its agents, *Lee* v. *Munroe* (7 Cranch 366), *Utah Power & Light Co.* v. *United States* (243 U. S. 389, 408–409).

Department with respect to cost-plus contracts for the construction of cantonments was to allow profits not exceeding 10 percent of cost. See Annual Report of the Secretary of War (1917), volume 1, page 28; Annual Report (1918), volume 1, page 1319; Annual Report (1919), pages 4138–4142. See also Crowell, Government War Contracts, page 85 (in "emergency building contracts" a sliding scale of profits was employed, ranging from cost plus 7 percent on contracts less than $100,000 to cost plus 2½ percent on contracts more than $10,000,000). Similarly, contracts for the construction of buildings to house war workers were let on the basis of cost plus 2½ percent on contracts over $1,000,000, and 3½ percent on contracts under $1,000,000. See testimony of Otto M. Eidlitz, President of the U. S. Housing Corporation, Hearings before the subcommittee of the Senate Committee on Public Buildings and Grounds pursuant to Senate Resolution 371, Sixty-fifth Congress, third session, page 35.

These statistics obviously do not tell the whole story of Government contracts in the last war. But they indicate plainly enough that this Court should not accept, as a basis for decision in this case, the premise that Bethlehem's profits were conventional when compared with profits made in comparable transactions.

It is said, further, that even if these contracts are unenforceable when measured by standards of justice and equity enforced by the courts for centuries, nevertheless this Court must enforce the contracts now before us because Congress and the President specifically authorized such a traffic in profits. The suggestion is not consistent with historical fact.

The legislative history of the Emergency Shipping Fund Act furnishes no support for the contention that in conferring upon the President authority to enter into contracts for the construction of ships, Congress thereby commanded the courts to enforce all contracts that were made, without regard to their provisions and the circumstances under which they were negotiated. On the contrary, the debates contain many indications that Congress expected that the shipbuilders of the Nation would provide their services for a reasonable compensation, and that the power conferred upon the President to take over shipyards would not be exercised. (See remarks of Senator Knox, 55 CONGRESSIONAL RECORD, 2518; Senator Calder, 55 id. 2529; Representative Fitzgerald, 55 id. 3018.) Indeed, the act itself specified that ships should be built "at such reasonable price as shall be determined by the President" (40 Stat. 182, 183).

The National Defense Act (39 Stat. 166, 213) specifically provided that "The compensation to be paid to any individual, firm, * * * for its products or material, or as rental for use of any manufacturing plant while used by the United States, shall be fair and just." There can be no clearer indication that Congress did not authorize or approve any policy of trafficking in profits. The fact that Congress took care to ascertain whether the war agencies were letting contracts under which excessive profits were being made, see Hearings before subcommittee of the House Committee on Appropriations on H. R. 3971, Sixty-fifth Congress, first session, especially pages 15–17, shows very plainly that Congress in no way countenanced exploitation for exorbitant private profit of the necessities of the Government.

Authority given to make contracts does not imply authority to make unconscionable contracts. Suppose that Congress in authorizing the contracts in question had written into its legislation: "*Provided*, That no agency of government shall be authorized to enter into unconscionable contracts." Can it be that because Congress did not expressly provide that "unconscionable contracts" are unauthorized it impliedly sanctioned the making of "unconscionable contracts"? Or suppose the estimated costs in the contracts were so inflated by Bethlehem that its profits were 200 percent rather than 22 percent. Would this Court still be bound to enforce these contracts on the ground that Congress had commanded their enforcement? Surely Congress did not impliedly repeal historic legal principles and prohibit this Court from exercising its duty to withhold relief when the particular circumstances disclose an unconscionable arrangement in the making of which the Government's contracting officers had no practical choice.

The suggestion that President Wilson authorized a "traffic in profit" is refuted, if explicit proof be needed, by his utterances. For example, addressing a meeting of mine operators and manufacturers on July 12, 1917, he spoke as follows:

"I hear it insisted that more than a just price, more than a price that will sustain our industries, must be paid; that it is necessary to pay very liberal and unusual profits in order to 'stimulate production'; that nothing but pecuniary rewards will do it—rewards paid in money, not in the mere liberation of the world.

"I take it for granted that those who argue thus do not stop to think what that means. Do they mean that you must be paid, must be bribed, to make your contribution, a contribution that costs you neither a drop of blood nor a tear, when the whole world is in travail and men everywhere depend upon and call to you to bring them out of bondage and make the world a fit place to live in again, amidst peace and justice?

"Do they mean that you will exact a price, drive a bargain, with the men who are enduring the agony of this war on the battlefield, in the trenches, amidst the lurking dangers of the sea, or with the bereaved women and the pitiful children, before you will come forward to do your duty and give some part of your life in easy, peaceful fashion, for the things we are fighting for, the things we have pledged our fortunes, our lives, our sacred honor to vindicate and defend—liberty and justice and fair dealing and the peace of nations? Of course, you will not.

"It is inconceivable. Your patriotism is of the same self-denying stuff as the patriotism of the men dead or maimed on the fields of France, or else it is no patriotism at all.

"Let us never speak, then, of profits and of patriotism in the same sentence, but face facts and meet them.

"Let us do sound business, but not in the midst of a mist. Many a grievous burden of taxation will be laid on this Nation, in this generation and in the next, to pay for this war. Let us see to it that for every dollar that is taken from the people's pockets it shall be possible to obtain a dollar's worth of the sound stuffs they need." (Public Papers of Woodrow Wilson, vol 3, pp. 75–76; 55 CONGRESSIONAL RECORD, 4995.)

Mr. Justice Holmes has said that "Men must turn square corners when they deal with the Government" (*Rock Island &c. R. R.* v. *United States*, 254 U. S. 141, 143). His admonition has particular relevance when this Court is called upon to enforce agreements made with the Government at war for the production of supplies essential to the prosecution of the war. During wartime the bargaining position of Government contracting officers is inherently weak, no matter how conscientitious they may be. If they are to deal on equal terms with private contractors, particularly where the subject matter of contracts is so intricate and so specialized as the building of ships, they must have available to them not only detailed information but also the time within which to study the data and the freedom to exercise a real choice. In the last war, at least, this was not generally true. (See S. Rept. No. 944, 74th Cong., 1st sess., pt. 4, p. 30.) It is not difficult in these days to appreciate the position of negotiations for the Government in time of war and to realize how much the pressures of war deprive them of equality of bargaining power in situations where bargaining with private contractors is the only practicable means of securing necessary war supplies. Because the Government is in such a dependent position, and because those who deal with it on a cost-plus arrangement or some similar basis are assured of a profit, it is wholly consistent with practicalities and makes no unduly idealistic demand for the law to judge the arrangements of such wartime contractors by standards not unlike those by which a fiduciary's conduct is judged. Those upon whom the Nation is dependent for its supplies in the defense of its life would hardly wish to be judged by lower standards.

The modes are vast and varied by which the Nation obtains its war supplies. What will best supply war needs in amplest measure in the quickest time and least wastefully—whether by private letting and, if so, under what restrictions and safeguards; under what circumstances the Government should do its own supplying either by taking over old plants or building new ones or a combination of the two; to what extent and through what means peacetime habits and traditions may be displaced and disregarded—these are questions of policy for the wisdom and responsibility of the Congress and the Executive. The very limited scope of inquiry to which a litigation on a particular transaction is confined is hardly the basis for judgment on such far-flung issues. If the history of this Court permits one generalization above all others, it is the unwisdom of entering the domain of policy outside the very narrow legal limits presented by the record of a particular litigation. Such intrusion into the executive and legislative domains is not conducive to the just disposition of the immediate controversy. We are much less likely to go wrong if we do not depart from the well-grooved path of judicial competence.

This Court should not permit Bethlehem to recover these unconscionable profits, and thereby "make the Court the instrument of this injustice" (*Thomas* v. *Brownville, &c. R. R. Co.*, 109 U. S. 522, 526).

Mr. JUSTICE DOUGLAS. On the point of duress and coercion I thoroughly agree with the views expressed by Mr. Justice Black and join in the opinion of the Court. For the reasons stated by Mr. Justice Black, the claim that Bethlehem's profits were unconscionable in the legal sense would likewise fail.

There is, however, one aspect of the case on which I take a somewhat different view.

The United States does not contest here the right of Bethlehem to retain its fixed fee of approximately $12,000,000 for the construction of the ships. The dispute revolves around an additional sum of $12,000,000 which Bethlehem claims under the so-called bonus-for-savings provision of the contracts. That provision in the several contracts was the same except for the amount of the fixed fee. Thus a typical contract provided: "Should the actual cost be less than the estimated * * * cost * * * the contractor shall be allowed as profit on each vessel in addition to said fixed sum for profit of * * * $210,000 one-half the amount by which such actual cost of each vessel falls short of the estimated cost."

I agree that the consummation of the bargain depended upon the inclusion of this "savings" clause and that in each instance there was but one contract, not several. My view, however, is that each contract was divisible or severable. "* * * the essential feature of such a contract is that a portion of the price is by the terms of the agreement set off against a portion of the performance and made payable for that portion, so that when an apportioned part of the performance has been rendered a debt for that

part immediately arises." Williston on Contracts, sec. 861 (Rev Ed.). In other words, the whole performance of each contract was divided "into two sets of partial performances, each part of each set being the agreed exchange for a corresponding part of the set of performances to be rendered by the other promisor." Id., sec 860A (1) The promise of the Fleet Corporation to pay the actual cost plus the fixed fee was exchanged for Bethlehem's undertaking to construct the ships. (2) The promise of the Fleet Corporation to pay one-half the amount by which the actual cost fell short of the estimated cost was exchanged for Bethlehem's promise (which is implied) to effect the savings by increasing efficiency

Although I am clear that the contracts would not have been made but for the inclusion of the "savings" provision, I do not believe that there is a "necessary dependency" between these two sets of promises within the rule of *Philadelphia, W & B. R. Co.* v. *Howard*, 13 How 307, 339. And see *Pollak* v. *Brush Electric Association*, 128 U. S. 446. 455; *Fullmer* v. *Poust*, 155 Pa. 275, 278; Restatement, Contracts, sec. 266 (3) Precedents, to be sure, are of little aid since each case turns on its special circumstances. But the construction of divisibility seems warranted by the facts, though here, as in other cases, considerable reliance must be placed on implications

Bethlehem's argument against divisibility rests on such testimony of Pies, who represented the Fleet Corporation, as follows: "The price had to be placed for actual cost, if we knew the cost, plus an allowance for contingencies, plus an allowance for incentive, plus the fee. So we start out with the bare cost; then in order to meet any contingencies that may happen, add some allowance for contingencies; in order to give a proper incentive, add an incentive allowance; and then add the fee." That is to say the "savings" clause was deemed to be valuable from the Fleet Corporation's viewpoint as an "incentive" to keep the costs down and to expedite the work And Powell, the author of the "savings" clause in this case and the representative of Bethlehem, testified that the savings to be obtained would be sufficient to "wipe out the excess profits taxes," so that the fixed fee would be "net" to Bethlehem.

But Powell's testimony also indicated that while the "savings" clause was an "incentive," Bethlehem was to earn the "savings":

"Q. Then I take it that one of your great problems, as the driving force of this organization, was to improve your labor conditions, or first to prevent labor conditions from getting worse and then to try to improve them?

"A. Yes.

"Q. Over what they were in December of 1917?

"A. Yes.

"Q. And if you were able to do that, then there was a possibility of some profit in these contracts under the half-savings clause?

"A. Yes.

"Q. Was there any likelihood, or did you at that time foresee any likelihood, of any substantial saving in your material items?

"A. No; I should not have expected at that time to make any saving of any amount in the materials.

"Q. So that, if Bethlehem was to make any money out of these contracts in excess of the fixed fee, it was your judgment that the only way to do it was by increasing the efficiency of the yards?

"A. Exactly."

Powell also testified:

"The estimate was a figure which we had to shoot at that in my judgment gave us a reasonable profit or a chance of making a substantial saving. To make that saving, we had to operate more efficiently than what we might say was average efficiency under conditions that then existed. If we were going to make that saving, we had to overcome any increased cost due to decreased efficiency, and increase efficiency beyond what it was at that time."

And Pies testified that the provision was to give the shipbuilders an "incentive" to "use their ingenuity to make a larger profit.'

The special master found that the estimates designated as "base prices" in the contracts "would afford Bethlehem a reasonable opportunity to effect 'savings' as a result of its efforts and ability to increase efficiency of management and labor as compared with average efficiency then existing." He also found that "it was understood that participation in 'savings' was supposed to represent a bonus or additional compensation to be earned by Bethlehem as consideration for its special efforts and ability to reduce cost by increasing efficiency of management and labor as compared with efficiency then existing." Yet he further found that "Bethlehem was to participate in savings however earned, but expected to produce savings by increased efficiency."

My difficulty is with that last finding. If Bethlehem was to share half of the savings, "however earned," then its right to receive the bonus might well depend on a wholly fortuitous circumstance or it might accrue as petitioner suggests "simply as a reward for the inaccuracy of its estimate of actual costs." Under that view Bethlehem would be entitled to $12,000,000 additional compensation mereby because the wholesale price index fell. Yet that would be tantamount to a gift by public officers of property of the United States. The same result would follow if the clause be read as containing merely a "best efforts" provision The contract already provided that Bethlehem "in all its acts hereunder, shall use its best efforts to protect and subserve the interest of the owner." Even in the absence of such a provision, one would be implied. *United States* v. *A. Bentley & Sons Co* (293 Fed 229, 235). *United States* v. *George A. Fuller Co.* (296 Fed. 178, 180). Hence it is difficult for me to imply that this additional $12,000,000 was offered as a reward for performing an obligation which the law would impose on the contractor in any event. *Burke & James, Inc.*, v *United States* (63 C. Cls. 36, 57.) That, too, would be a grant of public funds for which the United States would receive no quid pro quo.

Hence it seems more reasonable to imply that Bethlehem was to render an additional performance for the additional compensation of $12,000,000. Such a construction of the contracts avoids the difficulties I have mentioned, as it gives the United States a quid pro quo for its promise to pay an additional $12,000,000. Cf. *Dayton Airplane Co.* v. *United States* (21 F. 2d 673, 682–683). And it is supported by the testimony of the representatives of the two contracting parties who negotiated the contracts.

In that view of the matter Bethlehem would be put to its proof that it effected the savings which it now claims. Mere guesswork would not be enough. *J. J. Preis & Co.* v. *United States* (58 C. Cls 81, 86) Precise proof of each dollar saved might not be possible. But a reasonable approximation of Bethlehem's contribution to the savings would be necessary. Such burden of proof has been sustained in other cases involving similar contracts. *Cohen, Endel & Co.* v. *United States* (60 C. Cls 513), *F. Jacobson & Sons* v. *United States* (61 C. Cls. 420). The Circuit Court of Appeals stated that there was "some evidence tending to show that savings resulted, in part at least, from increased efficiency" (113 F. 2d 301, 307). But there was no clear showing that special efforts were made to reduce costs and that the savings which resulted were traceable to such efforts. The necessary findings on that issue were not made.

History of the Profit-Limiting Provisions of the Vinson-Trammell Act and Other Acts

(By United States Senator David I. Walsh, Chairman of Committee on Naval Affairs)

Act of March 27, 1934 (48 Stat. 505)

Section 3 of this act, sometimes referred to as the Vinson-Trammell Act, provided for a limitation of profit on contracts and subcontracts for the manufacture or construction of complete naval vessels and naval aircraft, or any portion thereof, in cases where the award exceeded $10,000. The Attorney General ruled that this limitation applied only to new construction and not to contracts for furnishing replacements needed in making repairs to existing vessels (37 Op. A. G. 47). The allowable profit on contracts coming within these provisions was limited to 10 percent of the total contract price, and was to be computed separately with respect to each contract or subcontract. The excess profit was required to be paid into the Treasury and, if not voluntarily paid, was to be collected under the usual methods employed to collect income taxes. The contractor or subcontractor was required to make a report to the Secretary of the Navy upon completion of the contract or subcontract, and a copy of such report was required to be transmitted to the Secretary of the Treasury.

Act of June 25, 1936 (49 Stat. 1926)

This act amended the profit-limiting provisions of the Vinson-Trammell Act to allow a contractor or subcontractor to combine all contracts or subcontracts completed in any income taxable year (commencing with taxable years beginning after December 31, 1935) in determining whether a profit in excess of 10 percent had been made Prior to this amendment the contractor or subcontractor was required to pay into the Treasury any excess profit realized in respect of a particular contract, even though within the same income taxable year he completed another contract at a loss. This act also allowed a contractor or subcontractor incurring a net loss on all contracts and subcontracts completed in any income taxable year (commencing with taxable years beginning after December 31, 1935) to carry forward such loss and take it as a credit in determining the excess profit, if any, on contracts and subcontracts completed in the next succeeding income taxable year. This act also provided that contracts and subcontracts for certain types of scientific equipment should not be subject to the limitation of profit.

Act of April 3, 1939 (53 Stat. 560)

Section 14 of this act provided that contracts for Army aircraft, or any portion thereof, shall be subject to the limitation of profit contained in the Vinson-Trammell Act. It also increased the allowable profit from 10 percent to 12 percent in the case of Army and Navy aircraft, retaining the allowable profit of 10 percent in the case of naval vessels. A more liberal net loss carry-over was also provided in respect of contracts for Army and Navy aircraft, a contractor incurring a net loss in respect of such contracts being permitted to carry forward such net loss and take it as a credit in determining the excess profit, if any, during the next succeeding 4 income-taxable years. Also, if in any income-taxable year the contractor's profit on Army and Navy aircraft was less than 12 percent, the contractor was allowed to carry forward the deficiency in profit and take it as a credit in determining the excess profit, if any, during the next succeeding 4 income-taxable years. These provisions increasing the allowable profit and providing for a more liberal net loss carry-over, together with the deficiency in profit carry-over, were applicable only to contracts or subcontracts for the manufacture of Army and Navy aircraft and

were not applicable to contracts or subcontracts for the construction of naval vessels.

ACT OF JUNE 28, 1940 (54 STAT. 676)

This act changed the allowable profit on naval vessels and Army or Navy aircraft to 8 percent of the contract price, or 8.7 percent of the cost of performing the contract or subcontract on other than prime contracts made on a cost-plus-a-fixed-fee basis, in lieu of the 10 percent previously applicable to naval vessels and the 12 percent previously applicable to Army and Navy aircraft. Provision was made for the termination on June 30, 1942, of this reduction in allowable profit, unless the Congress shall otherwise provide. This act also provided, in the case of a contract or subcontract entered into after the date of its approval and during the period of the national emergency declared to exist by the President on September 8, 1939, that the profit-limiting provisions should be applicable only to contracts or subcontracts where the award exceeded $25,000. Provision was also made for charging against a contract or subcontract a percentage of the cost of specialized additional equipment and facilities acquired to facilitate, during the national emergency, the completion of naval vessels or Army or Navy aircraft or portions thereof in private plants, the charge against a contract or subcontract to be made pursuant to a certification to the Commissioner of Internal Revenue by the Secretary of War or the Secretary of the Navy, as the case may be, after agreement with the contractor or subcontractor. Such certification was to be made under regulations prescribed by the President.

ACT OF SEPTEMBER 9, 1940 (54 STAT. 883)

This act, which is cited as the Second Supplemental National Defense Appropriation Act, 1941, amended the profit-limiting provisions of section 2 (b) of the act of June 28, 1940, by removing from the operation of such section contracts and subcontracts entered into after September 9, 1941, for the manufacture of Army and Navy aircraft. The effect of this amendment is to increase the allowable profit under the Vinson-Trammell Act on contracts for Army and Navy aircraft from 8 percent to 12 percent and to retain the allowable profit of 8 percent (or 8.7 percent on a cost basis) on naval vessels as fixed by the act of June 28, 1940.

SECTION 401, SECOND REVENUE ACT OF 1940 (54 STAT. 1003)

This section of the Second Revenue Act of 1940 suspends the profit-limiting provisions of the Vinson-Trammell Act and those of section 2 (b) of the act of June 28, 1940, in the case of all contracts and subcontracts which are entered into during taxable years to which the excess-profits tax is applicable (taxable years beginning after December 31, 1939). The suspension is also applicable to contracts and subcontracts which were entered into prior to the date when the contractor or subcontractor became subject to the excess-profits tax and which were not completed before such date.

ADDRESS BY SENATOR TAFT BEFORE YOUNG REPUBLICAN CLUB OF KNOXVILLE, TENN.

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an address delivered by Senator TAFT on February 12, 1942, before the Young Republican Club of Knoxville, Tenn., which appears in the Appendix.]

ADDRESS BY SENATOR WILEY ON LESSONS FROM THE LIFE OF LINCOLN

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address delivered by him on February 13, 1942, before the Mu-so-lit Club of Washington, D. C., on the subject Lessons From the Life of Lincoln, which appears in the Appendix.]

THE DAMAGE TO THE "NORMANDIE"—STATEMENT BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement given by him to Mr. Lucey of the New York World Telegram on February 12, 1942, relating to the damage to the steamship *Normandie*, which appears in the Appendix.]

RED CROSS WAR FUND—ADDRESS BY HON. JAMES A. FARLEY

[Mr. MEAD, on behalf of Mr. WAGNER, asked and obtained leave to have printed in the RECORD an address by the Honorable James A. Farley, in New York, February 11, 1942, on the Red Cross War Fund, which appears in the Appendix.]

CONDUCT OF THE WAR—ARTICLE BY W. R. HEARST

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an article relative to the conduct of the war, written by W. R. Hearst and published in the column In The News, Washington Times-Herald of February 17, 1941, which appears in the Appendix.]

THE RUBBER SITUATION—ARTICLE BY FRANK C. WALDROP

[Mr. CLARK of Missouri asked and obtained leave to have inserted in the RECORD an article appearing in the Washington Times-Herald of today on the subject of the rubber shortage in the column Dig Deep, Senator, written by Mr. Frank C. Waldrop, which appears in the Appendix.]

CONDUCT OF THE WAR—LETTER FROM HUBERT KAUB

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a letter from Hubert Kaub, of Denver, Colo., relative to the conduct of the war, which appears in the Appendix.]

OLD-AGE PENSIONS

[Mr. THOMAS of Idaho asked and obtained leave to have printed in the RECORD a letter from Nampa Townsend Club No. 1 of Nampa, Idaho, to the President of the United States regarding old-age pensions, which appears in the Appendix.]

RETIREMENT PRIVILEGE FOR MEMBERS OF CONGRESS

Mr. MALONEY obtained the floor.

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Mahoney
Austin	Guffey	Overton
Bailey	Gurney	Pepper
Ball	Hayden	Radcliffe
Bankhead	Herring	Reed
Barkley	Hill	Reynolds
Bilbo	Holman	Rosier
Bone	Hughes	Schwartz
Brewster	Johnson, Calif.	Smathers
Brown	Johnson, Colo.	Spencer
Bulow	Kilgore	Stewart
Bunker	La Follette	Taft
Burton	Langer	Thomas, Idaho
Butler	Lee	Thomas, Okla.
Byrd	Lodge	Thomas, Utah
Capper	Lucas	Tobey
Caraway	McCarran	Truman
Chavez	McFarland	Tunnell
Clark, Idaho	McKellar	Tydings
Clark, Mo.	McNary	Vandenberg
Connally	Maloney	Van Nuys
Danaher	Maybank	Wallgren
Davis	Mead	Walsh
Downey	Millikin	Wheeler
Duxey	Murdock	White
George	Murray	Wiley
Gerry	Norris	Willis
Gillette	Nye	
Glass	O'Daniel	

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Kentucky [Mr. CHANDLER], the Senator from Louisiana [Mr. ELLENDER], the Senator from Georgia [Mr. RUSSELL], the Senator from South Carolina [Mr. SMITH], and the Senator from New York [Mr. WAGNER] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury. The Senator from New Jersey [Mr. BARBOUR], the Senator from Illinois [Mr. BROOKS], and the Senator from Minnesota [Mr. SHIPSTEAD] are unavoidably absent.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

Mr. MALONEY. Mr. President, it has become increasingly obvious during the past several days that Congress helped to create an unfortunate situation when it provided that Members of Congress and other elected officials should be permitted to participate in the benefits of the Civil Service Retirement Act. I do not mean to apologize for the act itself, or for the inclusion of elected officials, because I think the legislation was justified; but what has happened since that time, although it sounds paradoxical, indicates that the passage of the bill in its existing form was unfortunate. For that reason, I desire to associate myself with those who have voiced the opinion that the part of the law dealing with the aforementioned group should be immediately repealed.

It is of no great importance now that it is because they do not clearly understand it that many people are violently opposed to the bill. It matters not at all, now, that no special favoritism was granted to Members of Congress under the legislation or that much of what has been printed about it has been in error. All that matters, it seems to me, is that many people in the country have temporarily lost faith in the Congress—and that that faith must be quickly restored. Only Members of Congress can completely restore it.

For a long time past Congress has been the "whipping boy" for certain individuals or small groups of our population. I do not refer to criticisms of Congress, because it is best for Congress that it be criticized—and harshly criticized—when it deserves criticism. We shall do our best work under the lash of fair criticism, and I welcome constructive criticism; but, Mr. President, a danger is created when Congress is held up to ridicule. Congress has temporarily lost some of its prestige and influence, in many instances through mistakes made here, but also in part because of a careless kind of intended humor, and an easy readiness, on the part of a few, to condemn or ridicule in a destructive manner the elected Representatives of the people.

I have been a Member of Congress for about 9 years. In 1940 I was a candidate for reelection; and at that time I stated, over and over again, that if I were again called upon to act on any of the pro-

posals of the previous 8 years, I would not change a single vote, or a single speech, or a single act. It is with deep regret that I now find myself in the position of being no longer able to make that statement. In my recent campaign for reelection I went through the unique experience of not having had to suffer a single word of open criticism of my service. Insofar as I know, no newspaper in my State criticized a vote I had cast, and my opponent in the election did not offer a single word of criticism of any act or vote of mine during my years of service here. Now I would change a vote, and I am hopeful that I may be afforded the opportunity to do so within the next few days.

A part of the reason for the criticism Congress receives over the so-called Ramspeck Retirement Act is due to an age-old and an exaggerated suspicion that Members of Congress enjoy many special privileges, and favors, denied to other people—even other people engaged in Government service. Members of Congress know that this is not the case. Some people think that we are free from the payment of income taxes—which is, of course, not the truth. Some people think that we are given free transportation when we travel to and from our States, and elsewhere, although the truth of the matter is that we have one round-trip ticket for each session, while some of us make the trip dozens of times each year. Some people who feel that we especially benefit by a seemingly large allowance for secretarial assistants are unaware of the fact that our office assistants are paid by the Government, and that in many instances Members of Congress are compelled to use their personal funds to pay for additional assistance during the periods of extra heavy work. Some people feel that we enjoy free telephone service, when as a matter of fact we pay substantial amounts for the use of the telephone. Some people believe that we enjoy a special benefit because of the fact that we frank our mail. Members of Congress know that we enjoy no personal mail privileges which are denied to other people of the country. We frank only official mail, and, because Members of Congress are careful about the line of demarcation, our payments for postage are substantial. Beyond a limited amount we personally pay for stationery and other necessities of our offices. Actually we have no special privileges; but over the years there has been built up a mistaken notion that almost everything is free for Members of Congress.

Most Members of Congress serve because they enjoy the opportunity of public service, and because they find consolation and satisfaction in such service. There is no other important reward, although that reward is more than sufficient.

Mr. President, I do not intend to detain the Senate long on this subject, but I want to explain, as best I can in a brief statement, my view of the Ramspeck Retirement Act as it applies to Members of Congress.

Including Members of Congress in the privileges of the act seemed incidental at the time the proposal was submitted to the Senate. Hundreds of thousands of people were already covered under the law. The amendments were intended to bring many thousands of others within its scope. Those who wrote the bill decided to include Members of Congress, but, strangely enough, only the congressional section of the bill was criticized when the bill was passed. The act gave Members of Congress no special privilege or benefit beyond that afforded to every other Government employee. The language of the law gave the guard and watchman and stenographer the same treatment that it afforded Members of Congress. The bill provided that all Members of Congress who desired to participate in the privileges of the act should pay 5 percent of their salary into the retirement fund—or exactly $500 a year. In the case of an employee getting $1,000 a year, and I use that figure only for example, the payment would be $50 a year.

I doubt that many Members of Congress would have taken advantage of the law. Most of them would have chosen to provide for their own insurance protection of the future in their own way. Many with whom I have talked were definite in their view that they would not qualify. Most of them were concerned about Members of Congress who had served for a long while and were approaching the wintertime of life and might want the benefit of this annuity protection.

When the bill came to the floor the distinguished junior Senator from Virginia [Mr. BYRD] offered an amendment which provided that, in order to participate, Members of Congress would be compelled to contribute back payments at the rate of $500 a year. I could at first see no particular objection to the amendment, provided long-time Members of Congress had saved enough money to make the back payment. Were they able to make the payment, the Byrd amendment afforded them a chance for substantial profit and increased estate, because the Federal Government would then put up back contributions of $500 for each year to match the back payments made by Members of Congress, and interest would be added. The so-called Byrd amendment would have proved more costly to the Federal Government, and it afforded a chance to those with sufficient money to do it to double their estates, insofar as this particular item was concerned. The amendment did not appear objectionable, although it was more costly to the Government and taxpayer, until a very able and distinguished Senator who has been here a reasonably long time pointed out that it discriminated against men of modest means. That Senator declared that men who had served in Congress for a long time would, in some instances, be unable to advance all the back payments. I was impressed, and I opposed the Byrd amendment.

I clearly understood that the adoption of the Byrd amendment would make the law more costly to the Government, or the taxpayers, and more profitable to Senators, but it was likewise clear, Mr. President, that the Byrd amendment might deny an annuity to certain Senators who felt a need for it. The amendment by itself was not a move in the direction of Government economy.

I ask unanimous consent that there may be printed at this point in the RECORD an interesting table prepared by or for the sponsors of the bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Entered service	Deposit required under the Byrd amendment for inclusion of full period of service	Annuities under present law	
		If deposit is made for prior service	If deposit is not made for prior service
March 4:			
1907	$9,918.33	$5,000.00	$4,175.44
1909	9,918.33	4,821.43	3,996.87
1911	9,918.33	4,535.71	3,711.15
1913	9,918.33	4,250.00	3,425.44
1915	9,918.33	3,964.29	3,139.73
1917	9,918.33	3,678.57	2,854.01
1919	9,918.33	3,392.86	2,568.30
1921	9,664.23	3,107.14	2,303.64
1923	8,847.71	2,821.43	2,085.59
1925	8,092.79	2,535.71	1,862.43
1927	7,059.39	2,250.00	1,663.98
1929	5,835.21	1,964.29	1,478.09
1931	4,721.52	1,678.57	1,284.84
1933	3,691.84	1,392.86	1,085.00
January 3:			
1935	2,817.64	1,142.86	907.90
1937	1,931.60	857.14	696.05

Mr. MALONEY. Mr. President, readers of the RECORD will note that the bill did not afford a "pension grab," but that the legislation provided a comparatively modest annuity upon payment of substantial annual payments.

The charge that we undertake to vote ourselves a special privilege does not have great weight—because the only way by which Members of Congress could qualify, with the million or more Federal employees, would be by congressional vote. Only Congress can pass laws. We regulate our own salaries, as we regulate the salaries of other Federal employees, and for 150 years Members of Congress have been regulating their own salaries, and at times have increased their own salaries, and have been fixing the salaries of all other persons employed by the Government. Members of the Judiciary—even members of the Supreme Court—are provided with annuities or pensions, and, of course, through acts of Congress. Officers of the Army and Navy, as well as these high-court officials, are given pensions without any payments on their part. No criticism, insofar as I know, was ever raised in these cases; but a criticism is raised when Members of Congress vote to permit themselves, upon the payment of $500 a year, to participate in retirement privileges.

It appears, Mr. President, that at least one mistake was made in connection with the legislation. No one ever dreamed that such a thing could happen, and it was not mentioned in debate before the bill was passed, but it now appears that a certain very few individuals could qualify for the annuity privilege by the payment of an insignificant amount of money. I do not believe, and no one could make me believe, that any Member of Congress

would qualify by taking advantage of a technicality which was never intended; but that is beside the point. The point is that the people of the country are of the opinion that there was something underhanded about the passage of the bill. None of us here had such a notion, and the Senate sponsor of the bill declared, during the debate, that he himself had no intention of qualifying for the benefits of the act. I felt as he did, and assume that a great many other Members of Congress felt the same way.

I think, and have earlier stated, that the legislation was untimely—and I now know that it was unfortunate. Members of Congress, like Caesar's wife, should be completely above suspicion, just as should every other governmental employee and department. I have said publicly, and in committee meetings, on more than one occasion, that persons publicly charged with communistic tendencies should be removed from the Government rolls—if for no other reason than that they were detracting from the effectiveness of government in a time of war. That is just how I feel about this legislation. Congress must be above suspicion if democracy is to function properly and the war effort efficiently carried on, and, while I believe that a majority of the people of the country would now look with favor upon this legislation, there are just enough people who look upon it with disfavor to make it tremendously important that we enact repeal legislation.

Whether or not the legislation is fair and wise, and would actually bring a saving to the Government, is not now of great importance. I agree with one writer who stated that, "The move was inauspiciously timed." I now agree with the "later" observation of the able junior Senator from Virginia that "at a time like this, when our peril calls for great national sacrifice and denial, Members of Congress should, I think, set the example."

Someone seems to have ascertained that the total cost of the legislation, as it affects Members of Congress, would amount to less than $100,000 a year, and I want to point out that the instances in which a retiring Member of Congress would get $4,000 a year are only in those very few cases where men have served for more than 30 years. I insist that we did not "vote ourselves a pension," but did no more than make it possible for those Members of Congress who felt that they needed the protection of a modest annuity to have the chance to qualify upon payment of $500 a year.

As an example of the extent to which the legislation was misunderstood in some quarters, I ask permission to insert at this point in the RECORD an article published in this week's issue of The Progressive. Those who choose to read my statement will find this especially interesting, and will gain some idea of how much misunderstanding has existed.

The VICE PRESIDENT. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Progressive of February 14, 1942]

PENSIONS FOR CONGRESSMEN

The terrifying power of the press to twist, distort, and destroy was never more apparent than it was a couple of weeks ago when it succeeded in overriding the will of Congress and thwarting cost of production for the Nation's farmers. This power was again in evidence last week when newspapers all over the country used their ugliest weapons to denounce legislation which enables Members of Congress to qualify for retirement pensions.

Regardless of the merits of the legislation, the country was given a wholly distorted picture of its provisions. It was said that Congressmen could qualify for a $5,000-a-year pension for life by paying in only 5 percent of 1 day's pay, that the cost would run to $30,000,000 a year, and that low-paid Federal employees were being denied the benefits of the act.

The facts about the legislation, as released by the United States Civil Service Commission, are these. The bill was a general measure dealing with the pension system for Federal employees—a system which now covers 1,250,000 Government workers. Failure to include Members of Congress, the Commission said, would be an unjustifiable discrimination.

Moreover, the cost will be $80,000 annually and not $30,000,000, the Commission pointed out. Members would contribute 5 percent of their salary, or $500 annually, which is regarded as a higher amount than they would have to pay for private insurance in most cases. Benefits, of course, would not be paid to Congressmen who do not elect to come under this system and the many who would not be eligible because they would not have served long enough.

Mr. MALONEY. Mr. President, I do not want the impression to "go out" that I voted for this legislation under any misunderstanding or misapprehension. I clearly understood it. I felt then, and feel now, that it was fair and proper legislation. It ceased to become wise when a large part of the people of the country became provoked and suspicious. Most of the newspapermen with whom I have talked about the matter during the past week or two, and who very thoroughly understand the retirement program and Congress, felt that it was justifiable. I think that they now feel, as I do, that the effect of the legislation makes it extremely wise that we quickly pass a bill which will repeal it.

It is interesting to note that there was no opposition to the bill on the part of the public, at least insofar as the RECORD shows, before it came out of the committees. It is interesting to note that many prominent organizations and individuals, aside from Congress, favored the legislation. Aside from the committee members, few if any, Members of the Senate knew what was in the bill until it was reported. It was not properly debated, as we all now know, and it seemed like routine legislation until a question was raised by the conscientious junior Senator from Virginia.

As the legislation came to us, without advance study on our part, we were aware of the fact that members of the Army and Navy, all of them, and members of the judiciary, all of them, and almost every governmental employee were enjoying a like privilege—or a much more generous one. We knew that school teachers and policemen and firemen and State employees, and in some instances elected State officials, were enjoying a like opportunity. We had never heard a criticism, or at least I had not, of the fact that the State officials of New York had been qualified for a similar opportunity for a great many years. We had never heard a serious criticism of retirement benefits from any source. Workmen in private industry, the great railroad organizations, and now the great majority of working people throughout the country have similar annuity or retirement benefits.

The only cry has been that Congress, because Congress makes the laws, should be excluded. Frankly, I cannot clearly see why. The claim is made that Members of Congress would be less able to resist the appeal of other individuals and groups, or the pressure of such groups, if Congress itself voted to allow its Members to participate in an annuity plan. That claim seems nonsensical to me. If there are men susceptible to pressure from other groups, they are just as susceptible to such pressure because of a desire to protect their positions. If the argument were reversed, it might be a little more plausible. For the most part, Members of Congress are not readily susceptible to pressure. For the most part, Members of Congress vote their convictions.

Of course, Members of Congress make mistakes. Legislators from the farm area, aware of the acute problems of the farmer, are in some instances unwittingly prejudiced in favor of the farmer. The same situation is true as it applies to legislators representing industrial areas. They have seen the suffering caused by unemployment and underpayment, and they may have a prejudice, and an everlasting hope that what mistakes they make may be on the side of those who work. Men who have served in the wars may be biased on the side of their earlier comrades in arms—and that is natural. All of us are to some degree afflicted with the frailties of humar. nature; but all of us, to the very last man, are first for the protection of our country.

So as to attempt to lift existing suspicion as quickly as is possible, I respectfully urge my colleagues to let the vote for repeal be unanimous. I do not ask them to do it because they were wrong in voting for the legislation, for I do not think they were wrong, but because I feel the country will best be served by taking certain language from the law.

It may not be regarded as of especial importance, but I ask unanimous consent to have printed in the RECORD at this point an extract from a radio address relating to this subject, made several days ago by Fulton Lewis, Jr.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

CONGRESSIONAL PENSIONS

In Congress, Representative JACK NICHOLS, of Oklahoma, began a personal drive to repeal the recent bill in which Members of Congress voted pensions for themselves. He began circulating a petition demanding that the Civil Service Committee of the House of

Representatives bring out a bill at once to repeal those pensions. He told me that he expects at least 250 signatures on it by Tuesday night, and with that he believes the committee will produce the bill.

It is entirely possible that he will get those 250 signatures, because a great many Members of Congress are feeling the sting of public criticism and even public ridicule, and many who voted for the congressional pensions now are ready to unvote them.

As a matter of fact, it seems a shame, because a great deal of the criticism has been totally unfair and totally uninformed. Writers and speakers who haven't the courage or the diligence to dig into vital weaknesses of the Government war effort, which really need correcting, have a holiday with Congress because Congress is a free target. It's a big, scattered thing, with no spokesman and no means of striking back, whereas if the brave critics went to work on specific cases they might get a flare-back.

The tragedy is that Congress is democracy. They voted themselves in this pension bill only the same identical pension arrangement that they voted every clerk and janitor and appointed employee of the Federal Government 20 years ago. They have to pay the same percent of their salary into the pension fund, and their pension is rated on the same scale as the pension of a stenographer or any other Government employee.

Specifically, they have to pay $500 a year into the fund. And if they are in Congress for 35 years, paying that yearly premium all the way through, they get a pension of about $4,000 for the rest of their lives when they reach the age of 62.

I've seen many a Member of Congress spend his whole life in the House or Senate, and finally go out of office a broken, penniless old man, and it's hard to understand why they shouldn't be allowed the same pension arrangement the regular civil-service employees enjoy as long as they pay their share of it. Federal judges, let me remind you again, are paid their full salary for life, and they make no contributions whatsoever. Army and Navy officers get retired pay for life, and they make no contributions.

Mr. MALONEY. I am about to conclude, Mr. President, but before I conclude I want to emphasize the fact that the statement I am making is not by way of an apology. We are engaged in a tremendous undertaking. We are fighting for our lives. To be successful we must be determined and united. Those opposed to us in this terrific conflict—the worst in all history—are fighting for an ideal. It is a base and pagan and vicious ideal; but they are united in a frantic and fanatical effort to overcome free people. We can turn them back—and we will turn them back—but we need be together, all together, and strong. Right now we are suffering from misunderstanding and confusion and lack of preparation.

I have tried to contribute to the effort to be strong. I have urged preparedness from the first day I came to Congress, and so long ago as 1934 was publicly condemned in my State because I insisted upon a stronger, a much stronger, national defense. It is a few years now since I offered legislation which would prevent the shipment of scrap iron to foreign countries. Two years have passed since I urged, in committees of the Senate, that we survey our strategic materials and our industrial situation. Years have passed since I urged the building up of our stock piles and the expenditure of more millions for educational orders. More than a year has passed since I pleaded for the construction of synthetic rubber plants—even though I admitted that they might never be used.

Mr. President, I now have no criticism to make of anyone's short-sightedness but my own. I want to contribute to the correction of any mistakes we have made—or that I have made—before I undertake to try to correct the mistakes of another. Once more I express the hope that my colleagues will vote unanimously to repeal the retirement benefits opportunity now by law afforded to Members of Congress.

PRODUCTION OF RUBBER FROM GUAYULE (S. DOC. NO. 182)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying bill, referred to the Committee on Military Affairs and ordered to be printed:

To the Senate of the United States of America:

I return herewith, without approval, Senate bill No. 2152, entitled "An act to provide for the planting of guayule and other rubber-bearing plants in order to make available a source of crude rubber for emergency and defense uses."

In the establishment of sources of crude rubber for emergency and defense uses it is vital that all potential rubber-producing areas in the Western Hemisphere be developed, regardless of whether within or without the United States. The present bill excludes important sources, and we cannot afford to neglect any opportunity to obtain maximum supplies of crude rubber.

On January 28, 1942, at the third meeting of the Ministers of Foreign Affairs of the American Republics in Rio de Janeiro, Brazil, there was passed unanimously by the 21 American republics a resolution that continental solidarity be translated into positive and efficient action in the obtaining of strategic materials. Rubber, of course, is one of the most important of these materials, and this bill provides that guayule shall be a source of crude rubber for emergency and defense uses.

This bill as it was amended by the House to limit the promotion of guayule cultivation to the United States would contradict the spirit of the resolution and seriously handicap our joint war effort.

Areas in this hemisphere outside of the United States, where the guayule plant is indigenous, are adapted to its cultivation, and it is desirable that the provisions of this bill be extended to include those countries.

In order to avoid delay, I recommend that the Congress give immediate reconsideration to the proposal and take prompt action on a bill similar to the bill in question but applicable to all the American republics.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 17, 1942.*

[Enclosure: Senate bill No. 2152.]

Mr. DOWNEY. Mr. President, there has just been read at the desk a message from the President of the United States vetoing the guayule-rubber bill which was passed by the Senate a few days ago. The reason for the veto is that the measure grants authority to the Department of Agriculture to plant not to exceed 75,000 acres of the guayule in the United States rather than in the Western Hemisphere. The bill as originally passed by the Senate gave to the Department of Agriculture the power to carry on this culture any place in the Western Hemisphere. The House of Representatives, in passing the Senate bill, amended it to restrict the planting to the United States. I consulted with one of the Assistant Secretaries of State and likewise with representatives of the Department of Agriculture, who, desiring very speedy action on the bill, assured me it would be satisfactory to those Departments if we accepted the amendment of the House of Representatives. Since that time I have talked to Under Secretary Welles, who tells me there was a misunderstanding in the Department of State, and that the bill, as passed, restricting the planting to the United States, would seriously interfere with the program of Western Hemisphere economy and defense which is being promoted by our Government, and the veto message of the President is based upon that suggestion.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. TAFT. Is there any reason in the world why we should raise guayule in some South American country? Why, under existing law, cannot the President loan to such country the money, and let it raise its own guayule plants? We can finance the project. I do not see any reason for the necessity of vetoing this important measure at this time, when it is perfectly easy, if we want to help Mexico, let us say, to raise guayule, to lend Mexico the money to go ahead and do it. Can the Senator see any reason why that could not be done even if this bill had become a law?

Mr. DOWNEY. Mr. President, I will say to the Senator from Ohio that I agree with him that there is at the present time under our laws ample opportunity for our Government to prosecute any kind of rubber-raising program any place in Latin America, and likewise money is available, but I should like to make an appeal to the distinguished Senator from Ohio. The Department of State believes that even the appearance of developing a specialized defense program in the United States, in face of the agreement recently made with all the countries of the Western Hemisphere for solidarity and defense, would be a mistake. I wish to appeal to the Senate now to acquiesce in the view of the other branch of the Government. I direct my remarks particularly to the Senator from Ohio because I realize the basis of what he says.

Mr. TAFT. I regret only the delay. I am perfectly willing to vote for the bill in either form.

Mr. DOWNEY. I deeply appreciate that statement. I shall not longer detain the Senate.

I ask unanimous consent for the immediate consideration and passage of the bill in the form in which it was when it was originally passed by the Senate. It has been through the committee and has been considered. It now comes back in practically the same form in which we originally passed it, which calls for the change from "United States" to "Western Hemisphere" in three places in the bill, and the insertion of the clause "including citizens of countries in the Western Hemisphere," which would give the Department of Agriculture the right to employ the nationals of other countries in developing a rubber supply in those countries.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. AUSTIN. Let me ask the distinguished Senator from California, who is sponsoring this legislation, whether since the bill was acted upon by the Senate he has been informed that guayule could be raised with profit in the Virgin Islands, which islands are outside the boundaries of continental United States?

Mr. DOWNEY. No; I have not. I rather doubt it. I understand that the Virgin Islands are adapted to raising Hevea rubber, which is raised in middle Asia, and which is now being planted in Brazil. I do not think the climate in the Virgin Islands is dry enough for raising the guayule rubber shrub there. However, does not the Senator believe that the term "Western Hemisphere" would include the Virgin Islands?

Mr. AUSTIN. Yes, indeed. I recognize the twentieth meridian of longitude as the boundary of the Western Hemisphere on the east. I think that boundary is well established. I have no objection.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. McNARY. What is the Senator's request?

Mr. DOWNEY. I am now asking unanimous consent that I be allowed to introduce the bill in a form to meet the President's veto message and for its immediate consideration and passage. I make that request upon the basis that in all practical aspects the new bill will be the bill formerly passed by the Senate.

The VICE PRESIDENT. Is there objection to the request of the Senator from California?

Mr. McNARY. Mr. President, just a moment. There is no reason for such tremendous haste. It is very unusual to ask unanimous consent to introduce a bill and the next moment ask for its immediate consideration and passage. Of course, I have no objection to the introduction of the bill, but it certainly would not be right to create a precedent by passing a bill immediately after its introduction. The rule clearly requires reference to a committee and a report from the committee and that the bill go to the calendar. I object to going any further than the introduction of the bill. I probably will favor the bill, but I do not favor the process by which it is attempted to bring it before the Senate.

Mr. HILL. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. HILL. As I understand, the bill which the Senator proposes to introduce would be in exactly the same form and in precisely the same language as the bill which has already been considered by the Senate Committee on Military Affairs, favorably reported by that committee, and passed by this body.

Mr. McNARY. The able Senator from California made his position very clear. I understand what he wants. I am objecting to the manner in which it is attempted to obtain immediate consideration of the bill. I am not prepared to establish a precedent by having a veto message read and then having some Senator ask permission to introduce a bill to conform to the veto criticisms, and for its immediate consideration and passage, even though it be patterned after a bill which was once passed by the Senate. I shall adhere to my views.

Mr. DOWNEY. Let me say to the distinguished Senator that of course I immediately see the justice and logic of his position. I should not be asking this extraordinary procedure except for two reasons. The first is that in all practical aspects the bill has heretofore been passed by this very body. There are one or two immaterial changes in the bill now presented, to conform to the bill as amended by the House of Representatives, but those changes are not material. Even that would not lead me to make this request, except that we are at war. Rubber is a vital need; and every day which is lost imperils the guayule-seed program.

It is true, Mr. President, that through the processes of democracy almost 3 months have been lost since this program was started. Everyone is for the bill. Everyone has been helpful and courteous; but through the workings of democracy it has now been delayed to such a point that the Department of Agriculture, which would employ three or four thousand men in this activity, would have the utmost difficulty in setting out 700 acres of seedbed early this spring. If it were not for the fact that we are at war, that we need rubber, and that everyone is for the bill, I should not be making this request. As the distinguished Senator from Oregon knows, I have often sought his advice, and I have always followed it, because it has always been good. Of course, if he believes that we must maintain the principle for which he is speaking, I have nothing to do but happily acquiesce.

Mr. McNARY. I do not want the Senator to establish a precedent by not following my advice. Therefore I shall insist upon my objection.

The VICE PRESIDENT. Objection is heard. Without objection, the bill will be received and appropriately referred.

The bill (S. 2282) to provide for the planting of guayule and other rubber-bearing plants and to make available a source of crude rubber for emergency and defense uses was read twice by its title and referred to the Committee on Military Affairs.

EXTENSION OF WORKWEEK TO 48 HOURS

Mr. REED. Mr. President, I shall detain the Senate only a few moments. On the 28th of January I introduced a very short bill amending the Fair Labor Standards Act of 1938 in paragraph 7 (a), in which, for the duration of the war and 6 months thereafter, a different standard of payment of overtime would be established. That bill has caused a great deal of comment the country over. There has been considerable newspaper discussion. I have received thousands of letters upon the subject. The writers of some of them assumed that the bill was an antilabor measure, or that it would penalize labor.

Mr. President, the bill is not an antilabor measure. I am not an antilabor Senator. All my life I have advocated and defended the right of labor to organize, to bargain collectively, and even to strike as a weapon of offense or defense, although on that point I hasten to add that during an emergency such as we face at present I think that the ultimate weapon of labor should be used very sparingly, if at all.

Mr. President, in order that the RECORD may show the bill, together with the explanation, I ask unanimous consent that Senate bill 2232 be printed in the RECORD at this point as a part of my remarks.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That no employer shall be deemed to have violated section 7 (a) of the Fair Labor Standards Act of 1938 by employing any employee for a workweek in excess of 40 hours during the remainder of the present war and for a period of 6 months thereafter, if such employee receives compensation for his employment in excess of 48 hours during such workweek at a rate not less than one and one-half times the regular rate at which he is employed.

Mr. REED. Just one further word, Mr. President. Among the very welcome comments on this particular bill is an editorial in the New York Times of yesterday morning. The editorial is a more lucid explanation of the bill, of the Wage-Hour Act, and of the present situation, than any I could make myself. So I adopt it as my own expression; and I ask unanimous consent that the editorial from the New York Times of February 16, entitled "Fighting the War on a 40-Hour Week," be included in my remarks at this point

The PRESIDING OFFICER (Mr. BONE in the chair). Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times of February 16, 1942]

FIGHTING THE WAR ON A 40-HOUR WEEK

There are still a few astonishing contrasts between the administration's public pronouncements and some of its actual policies. To cite but one example—though a tremendously important one—the same administration that is still expressing concern regarding the supposed complacency of the country at large is itself insisting on retention of the

40-hour week. The 40-hour week provisions in the Wages and Hours and Walsh-Healey Acts are retained at a time when they have become inexcusable on any ground.

There is some difficulty in securing clarity of thought about these provisions because of their ambiguous nature. Administration spokesmen have sometimes defended them as a necessary limitation of actual hours of work. When they have felt this position to be untenable they have in effect declared that they are not primarily provisions restricting hours but primarily provisions regulating wages. When we examine them from either aspect, however, we find that they are, under present conditions, indefensible.

Let us examine them first for what they ostensibly are, and for what most of the Congressmen who voted for them thought they were when they passed them—genuine restrictions on hours. At the time that the present wage-hour law was being debated in Congress one supporter of the bill after another rose to say flatly that the hour provisions "prohibited" employment for more than 44 hours a week in the first year, 42 hours in the second, and 40 hours thereafter. The theory behind this part of the bill, however questionable, was that the way to solve unemployment was to force the employment of more men to do the same amount of work. These provisions were inserted, certainly, not on the assumption of a labor shortage, such as is now rapidly developing under the tremendous impact of an all-out war, but on the assumption of a labor surplus.

When the type of unemployment conditions under which this act was passed ceased to exist, however, administration spokesmen turned to a new theory. It was that any increase above a 40-hour week would actually decrease production. In December of 1940 the Secretary of Labor called for "realistic recognition of the wartime necessity of shorter hours for greater production." Now experience shows, and everyone of sense recognizes, that when working hours are extended beyond a certain point fatigue sets in and the hourly rate of production declines. When working hours are stretched still further even total production declines. But experience has shown also, and common sense recognizes, that this maximum-production point is substantially above 40 hours a week. This point naturally varies with the type of work being done. A recent study by the Twentieth Century Fund concluded that the maximum-output week lies between 48 to 60 hours for most occupations in the United States.

By retaining the 40-hour week we are clearly restricting our own production. If the maximum-production week is 60 hours, then by a 40-hour week we are keeping ourselves from a 50-percent increase in production. Even if the maximum-production week is only 48 hours, we are keeping ourselves from at least a 20-percent increase in production. No other wartime nation but France deliberately hobbled itself like this. The example of France is not auspicious.

There is no longer much room for argument on this point. The administration has been giving ground, however belatedly and inadequately. It has increased labor hours from 40 to 48 in Government arsenals and shipyards and to 44 for other Government workers. Even Secretary Perkins recently asked for a relaxation of State labor standards where these restricted production, though everyone knows that such restrictions are trivial compared with those in the Federal Wages and Hours Act, concerning which no suggestion for amendment has been made from administration sources.

Instead, another new defense of the hour provisions in this act has been found by administration spokesmen. It is that these do not really restrict hours at all because there is nothing to prevent an employer from working his employees even 60 or 80 hours a week, if he will only pay them time and a half for overtime. This view, set forth frequently by Secretary Perkins and other administration spokesmen, is utterly unrealistic. It ignores the very purpose of the law originally, which was to make it prohibitively costly for employers to maintain a working week of more than 40 hours.

The employer was forced to pay a penalty of 50 percent for maintaining longer hours when that was considered unpatriotic. He is now forced to pay a penalty of 50 percent on longer hours even when the Government urges him for patriotic reasons to extend those hours. Looking at the matter from the other side, the Government is now saying, in effect, that while longer hours are necessary and every one must make sacrifices and inflation is deplorable, workers who work 48 hours cannot do so unless they are granted a wage advance of 50 percent for the last 8 hours. This further wage increase must be granted no matter how high the regular rate of pay of the particular workers concerned already happens to be. The cost of this legally compulsory wage advance must be added to the Nation's war bill.

In Great Britain the work week is now between 55 and 60 hours. Some estimates put the work week in Germany between 60 and 70 hours. A recent Gallup survey found that the average American believes that a 60-hour week is now necessary. Surely a compromise amendment is possible here. Congress should pass the moderate bill introduced by Senator REED of Kansas which proposes that overtime rates shall not be legally compulsory until an employee has worked 48 hours in 1 week.

This would not be asking labor to work more hours for less pay. It would not be asking labor to work more hours for the same pay. It would be asking labor to work more hours—up to 48—for proportionately higher pay, though not for disproportionately higher pay. This would allow increased production without forcing up excessively the unit cost of production. It would allow small firms to work longer hours without prohibitive penalties. It would permit thousands of workers to earn more through a longer week, an opportunity they are now denied because of penalty rates. It would permit three shifts instead of four shifts on a 24-hour day. We should not, in short, be cutting down our own labor force by nearly 20 percent at a time when it is the very height of folly to do so.

Mr. REED. Mr. President, I expect to address the Senate at some length upon this bill at a later date—that is, provided it should be reported out of the committee to which it has been referred; perhaps I shall take the floor for discussion anyway. But for today I think the statement I have made explaining the bill will carry information to the country which will be helpful to a better understanding of just what is proposed. This is neither a pro-labor nor an anti-labor measure. It is an American program to be used in the emergency existing in democratic America.

RETIREMENT PRIVILEGE FOR MEMBERS OF CONGRESS

Mr. LEE. Mr. President, every day the Congress delays the repeal of the so-called Ccngressional pensions law it is damaging to the morale of the country and to national unity. I had hoped that the Civil Service Committee would bring in a bill today, but I understand that they are not to meet again until next Tuesday, a week from today.

I am committed to offer an amendment repealing the provision of the law in question to the first bill that comes along. The first bill that has come along is the pending appropriation bill, and, of course, an amendment of this kind could not be offered to that bill unless unanimous consent were given. I understand that a point of order would be raised against it.

The majority leader, I understand, has an amendment to offer which would accomplish the same purpose today and has tried to get an agreement concerning it. I do not know whether we will finish the appropriation bill today, but, out of order, I wish to present the amendment, to be printed and lie on the table, and serve notice that I intend to offer it to the first bill that comes along to which it is appropriate.

Now, Mr. President, if the Senator will yield for the purpose, I should like to make a motion, which cannot be voted on, as I understand, until tomorrow, or at least until 1 day has elapsed, that the rule which prevents this amendment from being offered to an appropriation bill be suspended. Will the Senator yield for me to make that motion? It cannot be voted on until tomorrow.

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry. Must not such a notice be presented in writing?

The PRESIDING OFFICER. The Chair understands that notice of such a motion has to be in writing.

Mr. LEE. I will put it in writing and send it to the desk.

Mr. BARKLEY. Mr. President, if the Senator will yield, let me say that I already have such a motion in writing, which I intend to offer.

Mr. LEE. I yield, and defer to the majority leader.

Mr. LEE subsequently submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6548) making appropriations to supply deficiencies in certain approriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes, the following amendment, namely:

At the proper place in the bill, insert the following new section:

"SEC. —. Effective as of January 24, 1942, subsection (a) of section 3 of the Civil Service Retirement Act, approved May 29, 1930, as amended, is amended to read as follows:

"'(a) This act shall apply to all officers (except elective officers) and employees in or under the Executive, judicial, and legislative branches of the United States Government, and to all officers and employees of the municipal government of the District of Columbia: *Provided*, That this act shall not apply to any such officer or employee of the United States or of the municipal government of the District of Columbia subject to another retirement system for such officers and employees of such governments: *Provided further*, That this act shall not apply to any officer or employee in the legislative branch of the Government within the classes of officers and employees which were made eligible for the benefits of this act by the act of July 13, 1937, until he gives notice in writing

to the disbursing officer by whom his salary is paid of his desire to come within the purview of this act; and any officer or employee within such classes may, within 60 days after January 24, 1942, withdraw from the purview of this act by giving similar notice of such desire. In the case of any officer or employee in the service of the legislative branch of the Government on January 24, 1942, such notice of desire to come within the purview of this act must be given within the calendar year 1942. In the case of any officer or employee of the legislative branch of the Government who enters the service after January 24, 1942, such notice of desire to come within the purview of this act must be given within 6 months after the date of entrance to the service.'"

Mr. LEE also submitted an amendment intended to be proposed by him to House bill 6548, the first deficiency appropriation bill, 1942, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BYRD. Mr. President, on behalf of the Senator from Ohio [Mr. BURTON], the Senator from North Carolina [Mr. BAILEY], the Senator from Colorado [Mr. JOHNSON], and myself, I desire to offer to the pending bill the same repeal resolution that was offered by the Senators I have mentioned nearly 2 weeks ago, and which is now before the Senate Committee on Civil Service. The only difference, Mr. President, between this amendment and the one which is now pending before the Civil Service Committee is that this amendment includes members of the Cabinet. Therefore, the amendment as it now reads will provide for excluding from the pension provisions of the law the President, the Vice President, the Members of the House, the Members of the Senate, and the members of the Cabinet. I offer that amendment to lie on the table, to be considered at the appropriate time.

Mr. President, I sent to the desk a notice in writing of a motion intended to be made by me hereafter to suspend paragraph 4 of rule XVI for the purpose of proposing to the pending bill the amendment I have indicated.

The PRESIDING OFFICER. The notice will be printed in the RECORD.

The notice in writing submitted by Mr. BYRD is as follows:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes, the following amendment, namely:

At the proper place in the bill, insert the following new section:

"Sec. (a) The last sentence of subsection (c) of the first section of the Civil Service Retirement Act approved May 29, 1930, as amended, is amended by striking out 'any elective officer.'

"(b) Subsection (a) of section 2 of such act, as amended, is amended by striking out ': *Provided, however,* That no provision of this or any other act relating to automatic separation from the service shall have any application whatever to any elective officer.'

"(c) Subsection (a) of section 3 of such act, as amended, is amended to read as follows:

"'(a) This act shall apply to all officers and employees in or under the executive, judicial, and legislative branches of the United States Government, and to all officers and employees of the municipal government of the District of Columbia, except elective officers and heads of executive departments: *Provided,* That this act shall not apply to any such officer or employee of the United States or of the municipal government of the District of Columbia subject to another retirement system for such officers and employees of such governments: *Provided further,* That this act shall not apply to any officer or employee in the legislative branch of the Government within the classes of officers and employees which were made eligible for the benefits of this act by the act of July 13, 1937, until he gives notice in writing to the disbursing officer by whom his salary is paid of his desire to come within the purview of this act; and any officer or employee within such classes may, within 60 days after January 24, 1942, withdraw from the purview of this act by giving similar notice of such desire. In the case of any officer or employee in the service of the legislative branch of the Government on January 24, 1942, such notice of desire to come within the purview of this act must be given within the calendar year 1942. In the case of any officer or employee of the legislative branch of the Government who enters the service after January 24, 1942, such notice of desire to come within the purview of this act must be given within 6 months after the date of entrance to the service.'"

(d) The amendments made by this section to such act of May 29, 1930, as amended, shall not be held to make ineligible for the benefits of such act of May 29, 1930, any officer or employee eligible for such benefits prior to January 24, 1942.

(e) The amounts deducted and withheld from the basic salary, pay, or compensation of any officer made ineligible for the benefits of such act of May 29, 1930, as amended, by the amendments made by this section to such act of May 29, 1930, and deposited to the credit of the civil-service retirement and disability fund, and any additional amounts paid into such fund by such officer, shall be returned to such officer within 30 days after the date of enactment of this act.

Mr. BYRD also submitted an amendment intended to be proposed by him to House bill 6548, the first deficiency appropriation bill, 1942, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. BARKLEY. Mr. President, in connection with this subject I think that, in view of the anxiety of Senators to vote on this proposal, the result of which is not in doubt, there ought to be a way provided to bring the matter before the Senate at the earliest possible date.

On last Friday I brought the subject to the attention of the Senate and urged the Committee on Civil Service to make prompt report on the bill introduced by the Senator from Virginia and other Senators, and suggested, if they did not act within a reasonably prompt time, I should reserve the right to offer to any appropriate bill an amendment repealing the so-called congressional retirement provision of the act which is now on the statute books. I understand from the morning newspapers and also from members of the committee that they have postponed any action on this matter until next Tuesday—a week from today.

I also have understood from some members of the committee that it is contemplated that hearings on the bill should be had before the committee. As I said the other day, when I suggested that we did not need the advice of the Civil Service Commission as to how we should vote on this matter, with the greatest respect, I suggest that I do not see any occasion for hearings before the Committee on Civil Service on a matter of this sort. It is a question of policy, regardless of the amount that may be involved in anybody's case.

Mr. WALSH. Mr. President——

Mr. BARKLEY. I will yield in a moment. I think the Senate wants to vote on this question; I think the country wants us to vote on it, not as a matter of panic, not because anybody is frightened, but because this thing and one or two other things have conspired to create an unfavorable mental attitude toward the seriousness of the Congress of the United States in dealing with war legislation.

I have conferred with the chairman of the Committee on Civil Service and also with members of the Civil Service Committee, in the hope that no point of order would be made to an amendment offered either by me or by the Senator from Virginia or all of us in combination. I have not been able, so far, to secure the assurance that a point of order will not be made. Such an amendment is subject to a point of order, because, under the rules of the Senate, a deficiency bill is regarded in the same light as a general appropriation bill, upon which amendments proposing substantive legislation are not in order. I now yield to the Senator from Massachusetts.

Mr. WALSH. Mr. President, the Senator from Kentucky knows that, after the pending bill is disposed of, I am desirous of calling up a naval bill which has already passed the other House. Am I not correct in assuming that the motion which the Senator from Kentucky contemplates making would then be in order without a suspension of the rule?

Mr. BARKLEY. The Senator's statement is correct. According to my understanding, such an amendment would be in order on a legislative bill, but not on what is regarded as a regular appropriation bill, and deficiency appropriations are within that purview. So, if objection should be made to the consideration of the amendment if it is offered to the pending bill because it is subject to a point of order, it would be in order on the bill which the Senator from Massachusetts contemplates bringing up later.

Mr. WALSH. That is my understanding.

Mr. McKELLAR. Mr. President, will the Senator yield to me at that point?

Mr. BARKLEY. I yield.

Mr. McKELLAR. I desire to assure the Senator from Kentucky that I shall not raise the point of order against the amendment. The suggested amendment is not in order on this bill, as the Senator has stated; but, so far as I am concerned, I shall raise no point of order against it.

I hope we can vote on the matter today and pass the bill which is before the Senate. It is a very necessary bill. We have not talked about it yet; but if we ever get to the point where we can discuss it, I think everybody will realize that it ought to be passed, and at the earliest possible moment. I hope the bill will not be delayed by the consideration of the amendment.

Mr. BARKLEY I assure the Senator from Tennessee that I appreciate his courtesy and consideration in regard to the matter. He has already assured me that he would make no point of order against an amendment containing the repeal.

It has been suggested by somebody that to take this course, in view of the fact that the Civil Service Committee has before it a bill on the subject, would be a reflection or a discourtesy toward the Committee on Civil Service. I do not so regard it. As I stated last Friday, the bill incorporating this provision came here from the House, and it came with the provision in it which has caused this controversy. The provision did not originate in the Senate. It did not originate with the Civil Service Committee. It did not originate with the distinguished Senator who was the agent of the Committee on Civil Service to handle the legislation here on the floor It was his duty, as it is always the duty of a member of a committee in charge of a bill, to carry out the mandate of his committee in presenting the bill to the Senate.

The Senator from New York [Mr. MEAD] is alway not only able and competent and efficient in regard to matters of that sort but he is one of the most sincere Members of this body in any matter in which he interests himself; and he did his duty in presenting the bill to the committee, and to the Senate from the committee, as it had been ordered reported by the committee. I do not think it will be in any way a reflection on the committee for the Senate to take up the matter and act without awaiting the report of the committee. Frequently amendments are offered on the floor pertaining to matters which are pending before committees, and I hope we can promptly dispose of this matter. It ought to be disposed of, it ought to be settled, and it ought to be settled in a way which will carry with it at least the assurance that the Congress of the United States, at a time like this, is not deliberately spending its time in frivolous or unwise or untimely or questionable legislation which may cause some doubt in the minds of the American people as to the attitude of Congress toward the greatest obligation that we can owe to the American people.

I am glad to join the Senator from Virginia in the advocacy of this repeal, as I have already indicated, and I am perfectly willing to vote for his amendment as he had it prepared. If it is offered to this bill, and the point of order is made, I shall still feel that the Senate ought to have an opportunity to vote on the matter today, or at the next day's session; and I hope it can be done today, so that we can send the repeal back to the House of Representatives as an amendment on a House bill, and it will not be necessary to obtain a rule from the Committee on Rules of the House in order that the matter may be voted on and considered in the House.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRD. I know I speak for my colleagues the Senator from North Carolina [Mr. BAILEY], the Senator from Colorado [Mr. JOHNSON], and the Senator from Ohio [Mr. BURTON] when I say that we shall be very highly complimented to have the Senator from Kentucky join us as one of the patrons of the resolution of repeal.

Mr. BARKLEY. I thank the Senator.

FIRST DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that committee amendments be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McKELLAR. Mr, President, I think it proper for me to make a short statement about the bill. There is but one unusual item in it, one in which a good deal of interest has been shown lately. I refer to the item concerning the Office of Civilian Defense. The bill as reported by the committee carries appropriations of $163,000,000 plus. The principal item is that relating to the Office of Civilian Defense.

The Senate committee changed the wording of the bill as it passed the House. The change in wording was for the purpose of bringing about greater clarity and practical working of the law. Our desire was to cut out all frills and furbelows, so far as possible, and to get the Civilian Defense Administration down to the duty of protecting our country from possible air-raid bombings.

As testified by both Mr. Landis and General Gasser—General Gasser being a retired Army officer, and a very distinguished one, who made a very excellent impression upon the committee—$57,000,000 of the $100,000,000 is to be spent by General Gasser for the procurement of auxiliary fire hose, pumping units, and the like, to be used in any emergency.

As testified by both Mr. Landis and General Gasser, the money is to be spent through Army channels, and not through the channels of the O. C. D.; $8,000,000 is to be spent for protective fire hose, helmets, and the like; $5,000,000 for emergency medical supplies, to be used in the case of a bombing, and $30,000,000 for gas masks and the like for the same purpose. All this is to be done through General Gasser and through Army channels. That seemed to our committee the proper way to handle it. Mr. Landis seemed very desirous of only doing a good job.

We have therefore rewritten the House provision concerning this matter. I think we have tightened the restrictions fixed by the House, and I believe a good plan has been worked out.

I might say that the committee made some other additions to the bill. It inserted a Government printing item of $1,870,000. This was because the Government Printing Office in its general estimates at the beginning of the year, when the general appropriation bill was before us, considered that their moneys would be spent in about 8 months; they did not think Congress would be in session the entire year. We have been in session the entire year, and naturally the printing item had to be increased in order to cover the printing expenses for the entire year.

We have added an item for the Public Health of $77,000 and two items of $250,000 each for the District of Columbia, which I am sure will meet the approval of the Senate. One of the items is for $250,000 to provide connecting sewers for new subdivisions, and the other is to provide water connections in new subdivisions. We all realize, of course, the subdivisions would be worthless unless these conveniences were provided.

We have likewise added $291,000 for oil and gas and mineral investigations, which the committee thought were necessary at this time. Our committee is of the opinion that we provide for more research in the Departments than is necessary, but so far as minerals and oils are concerned, some additional research was thought necessary at this time, and so we provided for it.

Having made this explanation of what the Senate committee bill contains, I have a word to add, and I wish to be careful what I say, so I have reduced it to writing in order that there may be no mistake about it. It is not often that I read a prepared statement, but I shall read this statement, covering a page and a quarter, and I hope Senators will bear with me and listen to what I have to say.

Mr. President, the Appropriations Committee has reported, we think, a practical provision for the Office of Civilian Defense set-up. We have tried to get rid of frills and furbelows, waste and extravagances. We have tried to make this organization as practical as possible, an organization which will provide real protection from air raids and bombings, as was originally intended by the Congress.

We have not provided for the education of little children, or for the amusement of little children or for the amusement of anyone. We have not provided for artistic dancers and the like, and if any of the money herein appropriated shall be used by Mr. Landis or his subordinates for any such purposes, it will be so used in violation of the law. We have taken pains to make the language of the bill itself so perfectly plain that anyone can understand it, and in the hearings on the bill we pointed out to Mr. Landis and his associates that the money was to be used for protecting our

people as best we could from enemy bombings, and was not to be used for theories and fancies. We do not mean to criticize anyone in making this statement, and when I say "we," I refer to my colleagues and myself on the committee. I have no doubt that those engaged in Office of Civilian Defense have done the best they could. This is not a time for criticism.

Mr. President, I do not believe our people really understand the serious situation in which our country finds itself. We are being attacked, not by one, but by two of the greatest war-like nations which ever existed anywhere on earth. We have before us an immense task, which is going to require such sacrifice upon the part of our people as we have never dreamed. If we are to preserve our Government and our way of life it may take years for us to achieve our goal. This is a time for all Government officials, including those of our Army and Navy, to take serious counsel with themselves and with one another, and for all to realize the magnitude and the seriousness of the tasks which are before us. We must be careful in spending our means. We must be practical. We must be economical. Dreams and vagaries have no part in the tasks which lie ahead. In the Office of Civilian Defense and in all the other departments we have on our hands the most gigantic undertaking that any nation ever faced.

It will take all the practical strength and resources of our Nation to withstand the onslaughts which are being made against us, and which will continue to be made upon us. The saving of America and the American form of government from the perils which surround us should be our only purpose, and indeed our only thought, in this great crisis, which, in my judgment, is the most momentous our country and our people have ever known.

Mr. President, I am an optimist; I have been one all my life; but I wish to say in the most serious way of which I am capable that I am less an optimist today concerning the present war situation than I have ever been about any situation in my entire life. I regret more than I can say to make such a statement. We must spend every energy of which we are capable to correct the situation. This is no child's affair, Senators. We are now in the most serious plight in which we have ever been in all our experience as a Nation.

Mr. President, awhile ago a unanimous-consent agreement was entered into that the Senate first proceed to consider the amendments of the Committee on Appropriations, and unless Senators have questions they desire to ask, I now ask that the committee amendments be considered.

The PRESIDING OFFICER. The clerk will state the first amendment of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, on page 2, after line 2, to insert the following:

SENATE

To enable the Secretary of the Senate to expend from the appropriation for "Salaries of officers and employees of the Senate, fiscal year 1942," the necessary amounts from March 1 to June 30, 1942, to increase from $2,460 per annum to $3,000 per annum, the salary of the foreman of the Senate folding room so long as the position is held by the present incumbent.

Mr. LA FOLLETTE. Mr. President, the Senator from California [Mr. JOHNSON] desires recognition, but I desire to say a few words about the first committee amendment before it is disposed of.

Mr. JOHNSON of California. Mr. President, I wish to re-echo the sentiments just expressed by the Senator from Tennessee [Mr. McKELLAR]. We are in a peculiar position, such a one as we have never been in before, and which, I pray God, we shall never be in again.

There is a particular subject concerning which I cannot get the response which I think I should have, and that is the defense of the west coast of America. Three great States have we on the Pacific Ocean—Washington, Oregon, and California. California is the mecca of the Japanese, and so are Oregon and Washington in only less degree. Those three States require a peculiar sort of protection—a protection which I think I may say without fear of contradiction has not been accorded them thus far in this war.

I should like to direct the attention of those in charge of our affairs to the west coast for a moment. I should like them to understand what there is out there. I shall not attempt fully to describe the situation, nor to paint the picture of the most perfect portion of the United States. I can only say that we do not have the necessary protection upon the west coast, and I have asked every man in authority who has appeared before commitees of which I am a member, that I could ask, regarding the matter. I cannot reveal all that has been said respecting the situation; but I should like the Members of this body to keep in mind, as they go through the bill, the necessity, aye, the absolute transcendent importance of some care and some thought being given to Washington, Oregon, and California. Without such consideration, we are likely to see in the near future another Pearl Harbor; without it we are likely to see despoiled the land which we regard with such a degree of pleasure, and which may be brought to such a condition as none of us would wish to contemplate.

So, Mr. President, I ask the able Senator from Tennessee [Mr. McKELLAR] in charge of the bill, a Senator who comes from the middle of the Union, who comes from a State which has always been regardful of the rights of other States, to look into the bill, to see that decent protection is afforded the west coast, so that it may be safeguarded in every possible way. When we come to the portion of the bill dealing with civil authorities and civil defense, I trust a way will be found to let the people in the West know what is being done, and that they may be permitted to have a share in it. They will share the expenses if necessary. They will do whatever is required of them. Today there is no adequate defense of the Pacific coast, which is one of the fairest spots in this country. I was born there so many years ago that I do not like to mention it. I have lived there all my life. I know that today there is no adequate defense of the Pacific coast; and I ask all those who have charge of the defense of the country to see that adequate defense is provided.

Mr. WALSH. Mr. President, I am sure we all appreciate the seriously inadequate defenses which the Senator from California has pointed out as existing on the west coast. The Senator will be interested to know that yesterday and today my office has been flooded with letters from people in Massachusetts calling my attention to a newspaper article published in the Sunday press, in which there was a dramatic exposé of the complete lack of necessary defenses for the city of Boston and the Massachusetts coast. It has stirred up the people in my section of the country, as undobutedly the people on the west coast are stirred up. I regret to have to say in reply to them that their plight is different only in degrees from that of any other coastal city in the United States.

Mr. JOHNSON of California. Oh yes; it is.

Mr. WALSH. I am not in any way interfering with the Senator's suggestion. What I rose to point out is that the question is not merely one of lack of defense on the west coast. It is a question of lack of defense on the Atlantic seaboard and on the Gulf coast as well. We are now in the perilous position of being almost defenseless in the protection of our own property and our own shores. I fear that even worse conditions may come before we are prepared. The day may come when we shall have to bring back from the four corners of the world our depleted Navy to be a source of defense for our own shores.

I thank the Senator for permitting me to inject these remarks. As I say, my office has been flooded with letters protesting against the condition to which the Senator has referred in part with respect to the west coast.

Mr. McKELLAR. Mr. President, I fully sympathize with the statements which the Senator from California has made. I think they are very timely.

All during the hearings on the bill we have given the matter particular attention. The distinguished Senator from Oregon [Mr. HOLMAN] is a member of our committee. He has continually brought these matters before us ever since the beginning of consideration of the bill. He has pointed out the dangers with respect to the west coast, as the Senator from California pointed them out a few moments ago. No man could have been more earnest or assiduous or more industrious in bringing before our committee the plight of the west coast than has Senator HOLMAN.

I think there is no doubt that the West coast is vulnerable. As to the degree of protection we have there from our Army, Navy, and Air Corps, I cannot say, because I do not happen to be a member of the Military Affairs Committee or the Naval Affairs Committee. I can speak only as a member of the Appropriations Committee. Whenever a request for an appropriation has come before our committee in the past 2 years for the protec-

tion of any part of our country we have granted such an appropriation precisely as it was asked for, and often even in fuller measure than it was asked for. That is the attitude of our committee.

Let me say to the Senator that the sooner the bill is passed and the orders are placed for materials and defense instruments and machinery by which we can protect ourselves from bombing, the better it will be. I hope the bill will be passed today. It ought to be passed immediately, and priority orders ought to be made immediately so that the provisions of the bill can go into effect at the earliest possible moment. I believe that we have taken the necessary steps to prevent waste or extravagance. However that may be, we want to obtain the necessary defense materials.

As to the Navy, the Air Corps, and the Army air defense, I join the Senator, from Dan to Beersheba, in what he says with respect to the defense of the west coast, as well as our other coasts. I realize that the statement the Senator has so eloquently made to the Senate is absolutely true. We must take every step necessary for our protection. We must act and act quickly.

Mr. JOHNSON of California. Mr. President, I have never had a doubt about the attitude of the Senator from Tennessee or his desire to protect all of the United States equally. However, we have a peculiar situation on the west coast. The line from there to Alaska is nearer to Japan than is any other part of the United States.

We have a peculiarly vulnerable coast, running for a thousand miles in California, and an equal distance in the other two States. We must protect that coast in some fashion.

I complain not at all of any particular individual, any particular general, or even of the President of the United States. They have all been busy protecting the Atlantic coast and looking to the greater theater of war, in order to repel possible invasion by a particular aggressor; but we must have some protection on the west coast.

I am no alarmist. I have not opened my mouth upon this subject during this war. We are not in any position to look upon the situation with equanimity. We cannot do so on the west coast. In the first place, we have 130,000 Japanese, 30,000 of whom are citizens. We have a very difficult legal problem for the Attorney General to solve. I think he is doing the best he can with it; and perhaps we shall have that problem solved in a very few days. It is the general question of defense of which I speak. What I wish to arouse in my fellows here, if it be possible for me to do so, is the realization that there is danger to a part of our country, and that the danger should be met if it is possible for us to meet it.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. LA FOLLETTE. Mr. President, I wish to make a brief statement concerning the pending committee amendment. At the outset I should like to express my appreciation to the Senator from Tennessee [Mr. McKELLAR] in charge of the bill, to other members of the subcommittee, and to the Appropriations Committee as a whole.

The first committee amendment is a belated recognition of a long and meritorious service performed by the present superintendent of the folding room of the United States Senate. He is Mr. John W. Deards, who happens to be a resident of my State. He came here about 50 years ago. He is rounding out his fiftieth year in the service of the legislative branch of the Government. I am sure that Senators and others who have had any contact with the folding room of the Senate recognize the great efficiency and devotion which he has shown in the service of the legislative branch of the Government in general, and of the Senate in particular. I certainly hope that this amendment will remain in the bill and go to conference. If recognition was ever deserved for long, diligent, efficient, and able service, it is merited in this particular case.

Mr. McKELLAR. Mr. President, the Senator is entirely correct. I endorse his views, and I will fight for the amendment in conference.

Mr. DOXEY. Mr. President, I have listened with a great deal of interest to the remarks of the distinguished Senator from California [Mr. JOHNSON] and to the observations of the distinguished Senator from Massachusetts [Mr. WALSH]. I was also deeply impressed with what was said by the distinguished senior Senator from Tennessee [Mr. McKELLAR], who is the ranking member of the great Appropriations Committee. I rise to say, as an humble member and a new member of the Senate Appropriations Committee, that it will be not only my purpose but my earnest endeavor at all times to do my dead level best with my vote, my efforts, my feelings, my prayers, and, if it amounts to anything, my position on the Appropriations Committee, to carry out, insofar as our prerogatives and privileges are concerned, adequate preparation for the defense of this great and beloved land of ours, and our democratic way of life.

In procuring recognition at this time, it will not be my purpose, Mr. President, to talk about the pending first deficiency appropriation bill of 1942 for the reason that I know what a great amount of work has been done by the subcommittee of the Committee on Appropriations, of which the distinguished Senator from Tennessee [Mr. McKELLAR], who is in charge of the bill, is chairman. I know further, although I am not a member of that subcommittee—being a member of the subcommittees of the Committee on Appropriations for the Agriculture, Interior, and legislative departments, and independent offices, that the full Committee on Appropriations has given study and thought to the first deficiency appropriation bill of 1942; and I am very hopeful that it will be passed by this body today, as it is the order of the day.

Therefore, as I say, it will not be my purpose at this time to discuss the bill generally, or to discuss any of the details of amendments to it; but it will be my purpose to ask the indulgence of the Senate for a short while in order that I may briefly explain my position regarding the so-called Pensions-for-Congressmen Act. I am deeply grateful to the distinguished Senator from Tennessee [Mr. McKELLAR] for permitting me at this time to make a few observations in this regard.

Mr. President, the name "Pensions-for-Congressmen Act" is clearly a misnomer, and an entirely misleading title. Anyone who wants to and who will study the act will readily see that it is truly a retirement act. It provides for an annuity, not a pension. Anyone coming within the law pays for the benefits he receives, and is not donated anything.

I voted for this measure because I thought it was right and proper. I still think it is a good law, as it enables many thousands of Government employees to pay into the already established retirement fund a certain amount of their earnings each month, which they may withdraw when they leave the service if they so desire, or they may leave it in the retirement fund and may draw a certain annuity when they retire from the Government service after a certain number of years of service, and on reaching the age of 62.

The annuity comes from the reserve fund built up by the payment of dues by the individuals qualified and desiring to take advantage of this method of saving. Each month, while the employee is drawing pay for his services to the Government, a certain percentage is deducted from his salary. In other words, he is compelled to put aside something each month, so that in his old age the amount put aside will, in a measure, help sustain him.

It is purely voluntary, and an individual may take it or leave it. Certainly, however, any individual benefiting by the act pays, while he is earning a Government salary, for something he gets in the form of an annuity when he ceases his governmental service and reaches the prescribed retirement age. It is a business proposition; it will cost the Government little or nothing, and it will encourage thrift and saving among Government workers, including Representatives and Senators.

Apparently, the fact that Representatives and Senators are included in the act has been the cause of all this furor and has given rise to all the misunderstandings, misinformation, and propaganda that have been rampant throughout the country regarding this Retirement Act. Most of the cartoons, editorials, newspaper articles, and radio statements have left on the public mind the impression that it is a pension law and that Representatives and Senators will get something for nothing under it. That is not a fact.

Possibly amendments were needed to perfect the bill. Most bills have to be amended in order to carry out the real intent of Congress; but there was no disposition on the part of Congress in the enactment of this law to permit anyone to get something for nothing. The framework of the legislation is to pay for what one gets and to pay while one is drawing a salary, so that when an individual becomes disabled he will have a little nest egg and will not be pensioned under a straight-out pension law.

The Retirement Act is sound economically and right in principle; yet it has been held up to the country as a "grab" or "straight-out pension," not as an annuity. This is unfortunate at this time or any other time. It tends to spread and cause disunity at a time when unity is so necessary and vital to our country and our cause, especially in this hour of peril. No greater calamity could befall this country than to have our people disunited or distrustful of those in authority. Such disunity and distrust constituted a great factor in the fall of France. Hitler's most potent weapon is false propaganda.

The enemies of democracy seize every opportunity to make mountains out of molehills and to cause the people first to become critical, then hysterical, then resentful; then some consciously, and others unconsciously, play right into the hands of the enemy by tearing down the very foundations upon which democracy is based—faith in our form of government and unity of purpose, "One for all and all for one." To win this war and to preserve democracy must be our constant aim.

This is a serious time. We are in the midst of a world crisis. This war is no "push-over." Our country demands our very best, our very all. It is going to take zeal, unity, faith, courage, and sacrifice to win this war and to maintain our democratic way of life.

We shall win, and democracy will survive, unless the forces of disunity, fed by false propaganda, aided and abetted by those who inherently have a deep-seated hatred for popular forms of governments, gain the ascendancy and succeed in creating in the minds and hearts of the average citizens, who are the very backbone of our national stability, a distrust and derision of their elected representatives.

It is almost unbelievable that the public press would resort to deliberate misrepresentation of the true facts concerning the recently enacted Retirement Act, and would talk about pensions without once explaining to the people that the basic principle of this act is an annuity, bought and paid for at the rate of 5 percent of an individual's salary deposited in a fund that will grow larger as time passes, not smaller; neither did they explain that it was worked out on a scientific basis and is actuarially sound, and was so approved by all the governmental experts whose business it was to study the act and to give their considered judgment concerning its soundness.

The once glorious country of France—a representative republic—now lies prostrate, bleeding and shamed, with no semblance of liberty left to it, because those who spread false propaganda, succeeded in creating unrest and disunity among the populace at a time when only unity and high resolve could have saved the day.

This is no hour to make representative government the goat, and those who would misrepresent facts in order to create disunity and perchance place those in authority in the light of derision, whether intended or not, to my mind are rendering great service to our sworn enemies, and helping to prepare the way for a more easy conquest of our country by Hitler and his forces.

Hitler said in his book Mein Kampf that this country would be conquered by work done by the enemies of popular government within the confines of our own country. I am one who will go to any length to help prove this assertion an unadulterated lie. If by reversing myself and voting to repeal the annuity plan for elective officers will help accomplish the wholesome purpose of fighting disunity and misunderstanding among our people, then I shall cast such vote with pride and all humility.

Mr. BONE. Mr. President, will the Senator yield?

Mr. DOXEY. I am delighted to yield to the Senator from Washington.

Mr. BONE. The Senator from Mississippi referred to Mr Hitler. I recall a familiar statement by Mr. Hitler that if a falsehood was repeated often enough it would come to be believed. That is not an uncommon human experience.

Here is an editorial statement appearing in a newspaper in my State without anything to qualify it:

> Passed by the Senate * * * is a bill which will give the solons about $4,000 a year, and in some cases more, as pensions.

There is nothing to qualify that blunt statement.

Another editorial from a newspaper, inspired by a story sent out from this city, reads:

> A pension grab which would give every politician in Congress at least $4,000 a year, and possibly more.

Mr. President, I think that every Member of the United States Senate would be willing to resign if that story could be proved to be true. Do I overstate it?

Mr. DOXEY. The Senator even understates it, with his great ability.

Mr. BONE. I understate it. That statement appeared in a reputable newspaper, and its utter falsity has not been corrected.

The editorial continues:

> A man who has served only a short time would receive $2,000 a year, which is understood to be the minimum, but he would receive it for life.

That editorial statement appeared in a reputable newspaper in my State, but it is not true; it cannot be made true by any process of reasoning; it does violence to the terms of the law; and yet that untrue statement has not been corrected. If I went before a court as a lawyer and coldly and deliberately asserted to the judge that which I knew to be untrue, I would be punished. I do not object to criticism, but the elemental rules of common decency call for factual accuracy in the making of such charges. That factual accuracy is missing.

Another editorial in connection with the same matter states that—

> Aside from $10,000-a-year salary, the Members of Congress receive another $5,000 in expenses and perquisites and a life pension of at least $4,000 a year.

That statement appeared in a newspaper which calls itself a reputable newspaper, but the statement is not correct; it is utterly false.

I pause for a moment to see if there is any Member of the United States Senate who agrees that, in addition to their salaries, Senators and House Members get $5,000 a year expenses and a life pension of at least $4,000 a year under this law or any other law, actual or proposed.

There is not a man in public life here, or a human being in this Chamber who will rise to say that statement is true. Yet a newspaper in my State published it in an editorial column as the absolute truth.

Another editorial from another reputable newspaper in part reads:

> A man who has served only a short time will receive $2,000 a year, which is understood to be the minimum.

There is no truth in that statement, but it has not been corrected.

In one of the captions of a story sent out from Washington by a writer here it is stated that Members of Congress—

> Would get $4,174 yearly.

I pause tc see if there is any Member of the Senate who agrees that that statement is accurate. Of course, no one does agree because it is not true. Yet a paper claiming editorial decency sponsors it as the truth and honorable readers of that paper are entitled to consider that the paper would not mislead them.

Another statement published in a prominent newspaper in the West which assailed this proposal—and it had a perfect right to assail it on principle but should have stated the facts—is—

> A bill was passed in the Senate which gave retirement of $4,174 to every Member of the Senate and House of Representatives.

If that and the other quoted statements were true, I would not blame the people for protesting; they would have every right to protest; but, unhappily, their protest was based on a fake and a fraud consisting of the false statements I have quoted. The men who wrote them either knew them to be untrue or were too lazy to check on the facts, or merely wanted to do all the harm they could to Congress.

I have not expected nor have I received freedom from press criticism; I do not object to being criticized, but I think that all of us have a right to expect the press of America to tell the truth about ascertainable facts in connection with bills voted on. The editorials from which I have quoted made blunt statements of fact which are not true and on this unhappy basis, rested their case against Congress. Is it asking too much to expect the editor of a great newspaper to place upon himself, upon his soul, the same measure of moral responsibility that a lawyer has to place upon his soul when he makes a deliberate statement of fact to a court? Is there anything wrong with that philosophy? Some duty is owed to a reading public by editors.

If a man had made one of those quoted statements under oath and had to support it or suffer the consequences, he would be in a sad fix.

Perhaps it was wrong to have brought Members of Congress under the general retirement law. Personally, I carry life insurance which I purchased when I was

a young man in order to protect my mother, and I have added to it and carried it since in order to protect my family. I see no way financially, with the taxes I pay to the Government and my other necessary expenses by which I could keep up my insurance and find the money to come under this law. Under this criticized legislation I have the option of coming under the general retirement act.

In my service in the Senate I have never had a Government employee write to me and ask that the retirement law be repealed. Most people do not understand that approximately a million Government employees are under this law; they do not understand that the employees pay into the fund. So far as I have observed, there has not been one critical editorial which has intimated, even remotely, that Members of the House and Senate would, themselves, pay into the retirement fund. Are all these critical and bitter editorials intended to carry the implication that Members of Congress voted themselves a pension out of the Treasury of the United States without paying 1 penny for it? Apparently, that was what was intended; is it not?

Mr. DOXEY. I thank the Senator for his valuable contribution and observations.

Mr. BYRD. Mr. President, if the Senator will yield, I have a number of editorials which are different from those of of the Senator.

Mr. BONE. I was speaking about editorials from newspapers in my State.

Mr. BYRD. I have not seen any editorials from papers of the Senator's State, but I have seen a number of editorials which have correctly analyzed the legislation.

Mr. BONE. I am talking about editorials that have come to my attention that have not even discussed the merits of the law and simply make the assertions I have read. The Senator from Virginia, in his bitter critcism, has made himself, in a way, responsible for this unfairness.

I do not object to critcism; I expect to face it, and I have never discovered other Members who do not expect to have it; but I do not like to have reputable newspapers say we voted ourselves $4,174 without paying a penny for it. It is not true, and we know it is not true. It is a horse of another color to say that Members of Congress ought not to come under this legislation which covers and blankets a million Government employees. The newspapers have a right to say that it is bad business for Members of Congress to come under civil-service retirement; but it is not a good thing for an editor to say or intimate that Members of Congress are collectively a bunch of crooks who voted themselves public money as a pension without paying anything for it, when that is not true.

I will say to the Senator from Mississippi that is precisely the information given to some of the people of my State. If anybody is at all curious, I will show him the editorials and let him discover for himself the explanations of this strange thing. These stories, while intimating that Members of Congress did not pay a penny for this privilege, did not even add that hundreds of thousands of other persons employed by the Federal Government were under this law. If this kind of a law is immoral or if it is unwise legislation, then it ought to be repealed.

I have had many good people write me to say that I should vote for a pension to be paid out of the Treasury of the United States amounting to $4,800 to a couple for their old age. I do not think those people who wrote me were vicious citizens or bad people because they suggested that; they had a perfect right to say to me, as a Member of Congress, that they thought it was my duty to vote that kind of an old-age pension. They did not suggest that a contribution be made, nor did they think that it was immoral or unmoral that no contribution would be made.

I wanted to say to the Senator from Connecticut [Mr. MALONEY] today, when he was discussing this question, that if the portrayal of facts which he brought forth here had been made known to all of the people there might have been a different result. I do not blame these people at all for protesting. The facts were so distorted by newspapers that folks were denied the facts.

I tell you, Mr. President, there is something very ominous in a situation in which a reputable newspaper will deliberately distort facts. Out in my State at one time I told a story about a group of power grabbers who had come into my State and filed on a valuable river under the then water power act of my State. It had cost them only a few dollars to get that filing right on a river; and against that bare water right, which cost nothing, which was the heritage of the boys and girls of the State of Washington, that outfit issued $10,000,000 of common stock in one block. It was the return on the venture for these bold and venturesome gentlemen. When I told that story a great newspaper out in my State said I had lied about it. The newspaper had a perfect right to defend the principle of turning the river over to a private company for private exploitation. But I told the truth, and the paper later admitted the fact. An inspection of the records out there would have proven my statement to be true.

Of course, Congress will repeal this retirement provision. It might well ask itself the question whether or not, if it is an immoral law, it should not repeal the whole law; but you know that the million people who are under it would rise up and say, "No; we want that kind of protection. Many of us have no life insurance. We have not annuity insurance. We have not other forms of protection." This law was put on the books without a challenge in this body, so far as I know; but if it is immoral for one fellow to pay a percentage of his salary for an annuity, it is immoral for another fellow to do it. That is the process that concerns us; and that is solely due to the misinformation which has been given out concerning this thing.

I myself felt no great interest in this bill at any time, because personally I probably could not have brought myself under it. I doubt if I could afford to do it. I have carried life insurance since I was a boy, and I could not pay for both forms of protection. I should have to give up one or the other, and if I should give up my life insurance I should be giving up life insurance that matures when I am 72, and I probably would lose all I had put into it; so I could not readily be a beneficiary under this law. But I am profoundly disturbed when a man tells a story about the morals of my brethren which I know is untrue; and I want to conclude this statement by saying that I do myself the honor—not my brethren, but I do myself the honor—of asserting here and now that there is not a man in this body who would have voted himself a free pension. But the story has gone forth from reputable newspapers that that is exactly what this body did.

If Hitler has been much more adroit than that in getting over a good yarn, I should like for someone here to expose the cleverness. To assert a thing that is false and keep asserting it, and keep asserting it, and keep asserting it, is to indict the author of the statement for doing the very thing that we indict our chief national enemies for doing.

Mr. DOXEY. Mr. President, I desire to say to the distinguished Senator from Washington that we must have faith that right will prevail. I have faith in our public press, and I hope the wrong which has been done by false propaganda will be righted, and I believe it will be. Both the House and the Senate certainly are going to repeal this act, and do it in the interest of unity; and when that is done I certainly hope the newspapers which have been referred to, which possibly have not given the true and complete facts, will now give all the true facts regarding this proposition, and I believe they will. It is my opinion that the majority of the newspapers are desirous of giving the true facts regarding all matters of public interest.

I say that we must not and cannot spend our time bickering and quarreling among ourselves. We cannot afford to put up straw men, and raise domestic issues, and spend our time disputing or arguing among ourselves, thereby losing sight of the grave responsibilities resting upon each and every one of us in our efforts to win this war. Winning this war is our supreme aim now—our every effort must be toward that end.

Whether this is a good law or a bad law is no contributing factor toward winning this war; but, as there seems to be much misunderstanding regarding the provisions and workings of the law, I should like to show how it would work in my particular case, and set forth the amounts it would be necessary for me to pay to receive a full annuity, which would be as follows:

Approximate annuity of Senator Doxey of Mississippi under Public, No. 411, 77th Cong., on basis of age and service conditions indicated

Year of birth	1892
Commenced service	Mar. 4, 1929
Ending service	Jan. 2, 1943
Annuity commences—	
(a) Sept. 1, 1947; (b) Sept. 1, 1954	

1. Deposit required to purchase service:	
Up to Jan. 31, 1942	$5,883.42
Or up to July 1, 1942	6,126.41
2. Minimum annuity under Public, No. 411, assuming full deposit is made:	
(b) Commencing Sept. 1, 1947	938.49
(b) Commencing Sept. 1, 1954	1,964.28
3. Minimum annuity under Public, No. 411 if deposit is not made but deductions begin February 1, 1942:	
(a) Commencing Sept. 1, 1947	452.84
(b) Commencing Sept. 1, 1954	1,274.36
4. Minimum annuity under Public, No. 411 if deposit is not made but deductions begin July 1, 1942:	
(a) Commencing Sept. 1, 1947	441.08
(b) Commencing Sept. 1, 1954	1,257.66

That certainly shows that I would not be getting something for nothing. It shows that I would pay for all I receive, and more, too. The only consideration I would have is that if I made the initial deposit of $6,126.41, and each month thereafter paid into the fund 5 percent of my salary, 12 years from now, when I reach the age of 62 years, I would have a small annuity—not paid by money out of the Federal Treasury from the taxpayers' money, but from the fund built up by money that I and others put into the fund out of our own pockets.

My position is explained generally in a letter that I wrote some time ago to a constituent of mine in answer to a letter written to me, wherein, like most opponents of the measure, he seemed indignant, although from the letter he wrote me it was evident he had not read the law, and what he knew about the act was only the misinformation, no doubt, he had received by reading the newspapers, many of which misrepresented the true facts, or he had heard over the radio much similar misrepresentation of the true facts concerning the act. With your kind permission, Mr. President, I shall read my letter in reply to my constituent's letter to me:

MR. RAYNOLD CHIZ,
President, Lions Club, Shaw, Miss.

DEAR MR. CHIZ: I am in receipt of your letter of February 3, as president of the Lions Club of Shaw, Miss., and I ask that my reply thereto be read to the members of your club at its next meeting.

I note the expressed opposition of the Lions Club of Shaw, Miss., to what they term the "recently passed Congressman's pension bill," which, of course, is a misnomer, and appears to indicate a lack of knowledge of the full contents of the measure referred to.

Certainly this was not a Congressman's pension bill. It was a retirement bill applying to the President, the Vice President, Members of the President's Cabinet, and hundreds of thousands of Federal Government employees, many of whom receive salaries far in excess of those paid to Congressmen and Senators.

Members of Congress will by no means enjoy a free pension as a result of the recently enacted Ramspeck Retirement Act. The law does not freeze the Members of Congress into a pension system. They must elect to join a contributory retirement system and they must do so within 6 months after they are elected to Congress.

Five hundred dollars per annum, for at least 5 years, will be levied against any Congressman or Senator who elects to join the retirement system, and he will not be eligible for retirement benefits until he has attained his sixty-second birthday and is separated from the service.

After paying $500 per year himself for 5 years, he will, at the age of 62, if retired from service, receive retirement benefits amounting to $714 per year, or $59.50 per month. In some instances, Members of Congress would do better by purchasing insurance from private companies.

The pension paid Members of Congress will not cost the Government 1 cent over a period of years as the contributions with accrued interest will more than take care of the pensions to be paid. The system has been carefully figured, checked, rechecked, and worked out by the best actuaries in the country and they consider it economically and actuarially sound.

Congress in the recent legislation has not voted itself retirement benefits on any more favorable terms than applies to the regular Federal employees No favoritism has been shown. No exceptions have been made. The same system applies to every employee of the Federal Government from the President on down to the lowest salaried employee and I see no reason why Congressmen and Senators should be excluded from a Federal law that applies to every other Federal employee, or why Congressmen and Senators should be singled out for criticism in this connection.

All Federal Judges are retired now on full salary at the age of 70, after 10 years of service and no deductions of any kind are made from their salaries.

Our Army and Navy from the private soldier, sailor, or marine up to and including the Generals and the Admirals, are all paid retirement benefits, even though their entire service may have been peacetime service.

Two years ago, Congress made 40,000 postmasters eligible for retirement

Congress has provided old-age assistance for the needy and aged citizens it has provided old-age insurance for aged employees, it has provided compensation for the unemployed—all of which equals the retirement benefits, and is constantly extending the benefits of the Social Security Act to employees in business and industry.

Railroad employees now have retirement benefits. Many school teachers have retirement benefits. Many States now have retirement laws for all their elective State officials, but no word of criticism has ever been heard regarding any retirement benefits extended to any class of employee except Congressmen and Senators, who would be required to contribute an amount almost equal to the benefits received.

To have voted against the bill mentioned and defeated it would have excluded practically 500,000 additional Federal workers from the retirement act—practically all those in the Executive, Legislative, and Judicial branches of the Government.

This bill mentioned was recommended to Congress by the Budget Board, the Retirement Board, and the Civil Service Commission. It was approved by the House of Representatives and the United States Senate, and the signing of the bill by the President adds his approval.

The following organizations and agencies appeared before the House committee at the public hearings and spoke in support of the bill:

Railway Mail Association.
National Association of Postal Supervisors.
Joint Conference on Retirement, Civil Service Employees.
Women's Division, Brooklyn Navy Yard.
National Association of Letter Carriers.
District No. 44, International Association Machinists.
Civil Service Reform League.
Philadelphia Branch, Railway Mail Service.
National Legislative Council Federal Employees.
National Association Post Office Clerks.
National Association of Post Office and Railway Mail Laborers.
National Federation of Rural Letter Carriers.
American Federation of Government Employees.
Federal Bar Association.
National Federation of Post Office Clerks.
National Association of Retired Federal Employees.
National Council of Officials, Railway Mail Service.
National League of District Postmasters.
Field Association of United States Immigration and Naturalization Employees.
United States Treasury Department, Beneficial Association.
National Customs Association.
Professional Employees, Department of Agriculture.
United Federal Workers of America.
United States Retirement Board.
United States Bureau of the Budget.
United States Civil Service Commission.

Much misinformation has been printed in the newspapers regarding this bill, and I am glad to have the opportunity of giving you the true facts regarding same.

With best wishes to you and all the other members of your club, I am,

Sincerely,

WALL DOXEY.

Mr. President, I shall not now attempt to take up the time of the Senate further with an analysis of the bill. I have endeavored to say in a general way how I feel about it.

I wish to say in conclusion that in voting for the Retirement Act I did so knowing that payment of the annuities provided therein would not cost the taxpayers anything, as the proposition had been figured on an actuarially sound basis, and that every cent paid to aged and trusted public servants, after their most useful days had been spent in the service of their country, would come from the annuity fund created by deductions from their own salaries. If the bill had been defeated, many thousands of Federal employees would have been deprived of old-age annuity benefits.

Such were the reasons which prompted me to cast my vote for the Retirement Act, but now that the whole Nation has been flooded with false propaganda concerning the Retirement Act, if the country at large wants every other employee of the Federal Government to receive retirement benefits except elective officers, I am sure the Senators and Representatives will no doubt be glad to accede to their wishes, and repeal the provision of the Retirement Act pertaining to elective officers. Therefore, in the interest of our country's unity and my desire to cooperate with our majority leader, I shall vote for the repeal of this particular provision at the first opportunity.

Mr. MEAD. Mr. President, I trust that I shall be permitted the indulgence of the Senate until I shall have completed my prepared remarks before being interrupted. First, however, I wish to have my colleagues consider my rights in this matter, if they will. I should like also to have our leader consider my rights.

I was designated by the chairman of the Committee on Civil Service to pilot the retirement measure through the

committee and through the Senate. After what has happened I do not believe that I am treated fairly by the suggested proposal for outright and hastily-considered repeal which has been placed before us today. I do not believe it presents a fair consideration of the rights of the Committee on Civil Service, to which matters of this kind should be referred. I believe we could trust that committee, as we have in the past, and I believe that is an obligation of leadership.

Mr. HILL. Mr. President——

Mr. MEAD. I yield to the Senator from Alabama.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER [Mr. BUNKER in the chair]. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Mahoney
Austin	Guffey	Overton
Bailey	Gurney	Pepper
Ball	Hayden	Radcliffe
Bankhead	Herring	Reed
Barkley	Hill	Reynolds
Bilbo	Holman	Rosier
Bone	Hughes	Schwartz
Brewster	Johnson, Calif.	Smathers
Brown	Johnson, Colo.	Spencer
Bulow	Kilgore	Stewart
Bunker	La Follette	Taft
Burton	Langer	Thomas, Idaho
Butler	Lee	Thomas, Okla.
Byrd	Lodge	Thomas, Utah
Capper	Lucas	Tobey
Caraway	McCarran	Truman
Chavez	McFarland	Tunnell
Clark, Idaho	McKellar	Tydings
Clark, Mo.	McNary	Vandenberg
Connally	Maloney	Van Nuys
Danaher	Maybank	Wallgren
Davis	Mead	Walsh
Downey	Millikin	Wheeler
Doxey	Murdock	White
George	Murray	Wiley
Gerry	Norris	Willis
Gillette	Nye	
Glass	O'Daniel	

The PRESIDING OFFICER. Eighty-five Senators having answered to their names, a quorum is present.

Mr. MEAD. In respect for the rights to which I have referred, I hope the majority leader, the Senator from Kentucky [Mr. BARKLEY], will withdraw his request and that he will allow the Committee on Civil Service to consider in the regular manner the bill introduced by the junior Senator from Virginia [Mr. BYRD].

Mr. President, I sincerely believe that our Committee on Civil Service has some rights and that we ought to be protected in those rights. I do not believe that in the midst of the criticism of Congress which is being indulged in by the press for not giving this matter the proper consideration, that that criticism should cause us to repeal the measure without the slightest bit of consideration. I believe the junior Senator from Virginia [Mr. BYRD] has some rights. He introduced a repeal bill. That bill was referred to our Committee on Civil Service. The chairman of that committee has already asked the various interested Government agencies to report on the bill. The chairman has called a hearing for Tuesday of next week, at which time our committee will take up the bill and will without any dilatory tactics or practices report it, I am sure, in some form or other, back to this body.

Mr. President, I had intended to introduce an amendment to the Independent Offices appropriation bill. But when I considered the measure and the position taken by the junior Senator from Virginia [Mr. BYRD], I thought it would be taking an undue advantage of him, and so I did not present that amendment. I would be inconsistent in the position I now take if I did propose it. I had intended to introduce a bill today, Mr. President, a bill that perhaps more clearly conformed to my idea than the original bill which we passed, and than the bill which the Senator from Virginia has now introduced, but the suggestions contained in my bill can be offered to our committee when it meets next week to consider this entire matter, without interfering with the rights or the privileges of the junior Senator from Virginia.

So, Mr. President, let us be fair about this matter. If it has not been considered, then let us give it the consideration it merits. If the hearings have not been exhaustive enough, then let us hold hearings until everyone is satisfied; but, above all, let the repeal measure introduced by the junior Senator from Virginia be considered before we consider attaching riders to any pending appropriation measure, or any legislative measure, for that matter.

Mr. President, consideration of the pending appropriation bill, which is under the management of the senior Senator from Tennessee [Mr. MCKELLAR], ought not to be delayed by a contest over a question which is irrelevant to the subject matter contained in this bill. It is unfortunate that it has been proposed, because it compels us to take issue with that sort of procedure. So, Mr. President, as the one designated by the committee to handle the original measure, I merely present to the Senate for its proper and fair consideration, my position and my rights in this matter.

Now, Mr. President, in view of the recent attacks made upon the amendments to the Retirement Act, it is my duty both to the people whom I serve and to myself to make a statement regarding my position in this matter. In discussing this subject I want it understood that I have no personal interest in the matter I was designated to pilot the retirement bill, as I have been designated to pilot practically every retirement and civil-service measure that has come before our committee since I came to the Senate. This is simply another so-called Mead-Ramspeck bill.

My only desire in this instance was to lend my efforts in securing the enactment of a bill that was requested by numerous Government agencies and favored by practically every labor and civil-service group whose members came within its influence.

It was my desire to serve my committee, to cooperate with my chairman, and to be the servant of this honorable body. From the time I was designated to handle the measure until it was messaged back to the House I sought by means that were fair and proper to have it considered. In keeping with custom, I discussed the bill's status with leaders on both sides of the aisle, as well as with members of our committee. I received actually hundreds of telephone calls, as well as numerous personal requests from Members of Congress, from civil service organizations, from Federal employees, and agency heads concerning the prospects of the legislation. If there was anything fundamentally wrong with the bill, if there was any reason why it should not be taken up, it was never brought to my attention. No one seemed to object to our consideration of the bill, either in the subcommittee or in the full committee, or on the floor of the Senate.

Not once from any source was I told that the measure would affect the country's morale, or our defense effort, or that it would be in any way subject to the ridicule that has proven to be the case. We have several departments of the Government concerned with appropriations and expenditures; and yet, there has been no criticism from them, not even at this late date. We have a special committee seeking economies in national defense expenditures, and yet the majority of that committee either favored the bill or made no objection to its passage.

This measure has had a most unusual and extraordinary history, one characterized by almost unanimity of support until it was signed by the President, followed by a most widespread and misleading attack after the President had signed the bill.

Where was the opposition after the bill was introduced in the House? It was not introduced yesterday. It was introduced in the House in February 1941. Where was it when hearings were held in June and again in August in the House? Where was it in October when it was placed upon the calendar of the House, and again on December 1, when it was voted upon? Where was the opposition when the bill was introduced in the Senate by the distinguished junior Senator from Virginia [Mr. BYRD], who introduced it on behalf of the Senator from South Dakota [Mr. BULOW], who was ill at the time? Where was it when our subcommittee, meeting to confer on the bill, asked all those who put in their appearance if they had any objection to the bill? Among those present were newspaper reporters.

Where was the opposition while the bill was on the Senate calendar in public view or when we debated it on the floor of the Senate most of one day?

Where was the opposition after the Senate had completed its action? The opposition should have known that the bill which was the amended by the Senate was again to be taken up by the House. If the House had any objection to it it would then have to go to conference. Of course, Mr. President, there may be some answers to all these questions, and some logic in all the delayed opposition, some reasonableness in the many speeches and statements that have been made when it was all too late, but all this merely adds to the dilemma in which I find myself.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BYRD. I do not wish to interrupt the Senator, but he referred to the fact that the Senator from Virginia had introduced the legislation at the request of the chairman——

Mr. MEAD. Who was ill.

Mr. BYRD. The Senator from South Dakota [Mr. BULOW] was ill. The Senator from Virginia had no knowledge whatever of the contents of the bill.

Mr. MEAD. I am glad the Senator has made that contribution. I said that he had introduced the bill for the chairman, who was ill at the time.

I now wish to call attention to the following statement made by me in the RECORD, wherein my personal position was stated with reference to the possible application of the proposed legislation to my years of service with the State of New York and the United States Government:

I wish to say for the RECORD that we have a retirement system in my State of New York. It has been of long standing. Its actuarial soundness is exemplary, and is studied by those interested in retirement systems all over the Nation. I do not feel that I am in a position to participate in the proposed retirement system because I am already in one. Therefore, I can speak as a disinterested party.

Then, as now, from a personal standpoint I speak as a disinterested party.

This legislation roots from a distinguished committee appointed by the President to study civil service improvement back in 1938 and to look into the possibility of including within the provisions of the retirement system all Federal employees who might properly be covered in the act.

The President's "letter of transmittal" of February 24, 1941, sending to Congress for its consideration the report of the President's Committee on Civil Service Improvement stated in part:

Since March 4, 1933, many positions have been placed by Executive order within the civil service, but for obvious reasons we have been rather laggard in extending it to those higher positions in the Government which are especially dependent on initiative, imagination, and flexibility. We ought now to appraise the qualities necessary for those who discharge those highest functions, as well as to achieve for them an independence and security which assure the conditions for the best governmental service.

Finally, Mr. President, a bill was prepared by the Civil Service Commission. Among other things, that bill was sent to the chairman of our committee, the distinguished senior Senator from South Dakota [Mr. BULOW], with the request that it be introduced. It was introduced, as I have explained, on behalf of the chairman of the committee, by the junior Senator from Virginia, who introduced it at the request of the chairman because the chairman was ill.

A bill likewise was introduced in the House of Representatives in February 1941. Hearings were held on that bill in June and August of 1941. At the hearings the various employee groups and civil-service organizations were represented and offered testimony and evidence. The House Civil Service Committee reported the bill in October 1941, and it remained on the calendar in public view from that time until December 1, 1941, when it was passed by the House of Representatives. It was commented on in the press of the city of Washington on innumerable occasions from the time the bill was introduced until it was finally passed.

On numerous occasions I was requested by the representatives of various employee groups to sponsor retirement legislation in the Senate, but each time that I was requested to do so I refused. I told the interested parties that I could not devote the time which would be necessary to handle the legislation, that my small and inadequate office staff was heavily overworked, and that I could not impose the additional work upon them which would result from sponsoring the bill.

In fact, Mr. President, last year I prevailed upon another member of our committee, other than the chairman, to introduce a general retirement measure, for the very same reason, that I could not find the time to do so.

However, when the bill was passed by the House of Representatives and sent to the Senate Civil Service Committee, once again I was asked to handle the legislation. Before doing so, I called in the representatives of the interested groups and asked if they were greed on the terms of the bill as it passed the House. They assured me that they were unanimous in support of the measure, with the exception that several of the groups felt that the increase of employee contributions from 3½ percent to 5 percent was too high and would result in a hardship, especially among the lower-paid groups. I believe everybody realizes that we charge every participant 5 percent, with no preferences and no exceptions.

In the meantime, as had been the custom since my service on the Senate Civil Service Committee and the consideration by it of these measures designed for the improvement of the civil-service system, the chairman of the committee designated me to act as chairman of a subcommittee to consider and report on the bill as it passed the House. At a meeting of this Senate subcommittee called by me with reference to the proposed legislation, and while employee representatives were available as witnesses, and while members of the press were likewise available our committee clerk asked if anyone wished to be heard, but we were informed that they were satisfied with the bill. I might say at this point that the bill as originally introduced in both Houses contained the provision extending the benefits of the Retirement Act to elective officers. As far as I could ascertain, prior to our hearings there was no opposition to the measure except as stated with reference to the increase of employee contributions to 5 percent. The subcommittee of which I was chairman then reported the bill to the Senate on December 22, 1941.

The report of the committee explained various amendments which were recommended, these amendments not affecting the substance of the bill but leaving it substantially as it passed the House.

With reference to the provisions of the bill wherein elective officers are brought within the provisions of the Retirement Act, the following explanation appears in the committee report:

Section 3 extends the coverage of the Civil Service Retirement Act to all officers and employees in or under the executive, judicial, and legislative branches of the Federal Government, and to all officers and employees of the municipal government of the District of Columbia, except that the coverage will not apply to those already subject to another retirement act.

That expressed policy was my authority for believing that as a member of the New York State system I could not become a member of this system.

The committee report also states:

Elective officers come within the purview of the Retirement Act at their option. Intermittent employees in the executive branch may be excluded by Executive order.

By the terms of this section, retirement security is provided for all officers and employees of the Federal and District of Columbia Governments.

The foregoing brief statement is made in an effort to explain the background of the measure before it reached the floor of the Senate. In the consideration of the bill by the Senate, the principal discussion evolved around the so called Byrd amendment. I shall not attempt to sum up the arguments pro and con on this amendment. Such arguments are set forth in the RECORD itself. But I do wish to emphasize this fact—namely, that I moved the adoption of the Byrd amendment and I voted for it, and at the same time I made a statement before the Senate urging that the bill be passed without delay, as I felt its passage was necessary to the defense effort for the reason that it was vitally important from the standpoint of the departments of Government as a means for the retention of efficient employees in the service, employees who might otherwise be retired automatically under the old law because of having reached the age limits prescribed under it.

In the new law we extended the age limits from 62 and 65 to 70 years of age, an extension which permitted the departments to retain their skilled, well-trained, veteran employees at a time when substitutes for them were not available. My primary purpose in connection with the bill was to have provision made for such extension; that is why I wanted action on the bill, with or without the Byrd amendment, expedited by the Senate. While I pointed out during the course of the debate that the Byrd amendment was a deviation from established practice in the Federal retirement system, I specifically moved its adoption in the following language, and I quote from the RECORD:

Mr. President, while this is a marked departure from the legislative enactments of the past, and the retirement practices of the past, in the interest of expedition, I ask for the adoption of the committee amendment, as amended, and with the addition of the amendment submitted by the Senator from Virginia [Mr BYRD].

To this late day I have not read in the newspapers any reference to the foregoing statement made by me. I have read that the conflict was between the junior

Senator from Virginia [Mr. BYRD] and the junior Senator from New York.

Mr. President, I hoped to secure the passage of the bill by unanimous vote. At the instance of the chairman of our committee, I conferred with members of an unofficial subcommittee, and then I conferred in turn with the members of the full committee, urging them to consider the Byrd amendment in order that we might have unanimity.

I desire to say, in passing, that the chairman of our committee, the distinguished senior senator from South Dakota [Mr. BULOW], agreed with the amendment submitted by the junior Senator from Virginia, and, speaking as chairman of the committee, he gave his approval of the amendment, and said that he believed that any persons who might participate in the retirement fund should pay retroactively.

While the bill was under discussion on the Senate floor, it never occurred to me that there was anything fundamentally or morally wrong in including Members of the House of Representatives and the Senate in a retirement system. I could not believe that, Mr. President, coming, as I do, from New York State, where for a long period of years everyone, from the Governor of the State down to the trustees in the villages of the State, is eligible for participation in the New York State retirement system, a system which is held up throughout the United States as being sound, justifiable, and actuarially as perfect as any system can be. I was reinforced in my opinion of the bill, Mr. President, in view of the fact that no amendment for the purpose of excepting elective officers from the provisions of the bill was offered either in the House or in the Senate while the measure was under debate.

I will say in passing that the junior Senator from Virginia offered such an amendment when our committee was in session; but again I say that no Member of the Senate and no Member of the House advanced any such amendment when the bill was under consideration on the floor of the Senate or on the floor of the House. So I could not for the life of me come to a conclusion that the provision relating to Members of Congress was morally or fundamentally in error.

As a matter of fact, there were several expressions of accord with the principle that elective officers could properly be included within the benefits of a retirement system. For example, shortly after my opening remarks, wherein I explained each section of the bill, the distinguished Senator from Nebraska [Mr. NORRIS], in a discussion with reference to a proposed amendment that had nothing to do either with the inclusion of elective officers within the terms of the bill or the amounts of their contributions, made the following statement:

> Of course, I do not want to offer any amendment that would in any way make the bill unworkable, nor do I want to ask anything unreasonable.

Again, the distinguished Senator from Nebraska made the following statement:

> Mr. President, I have always felt favorable to a retirement bill. I feel that way now. I have always believed in the extension of the civil service as far as possible. Nevertheless, it seems to me that as the bill now stands it has in it an injustice favorable to ourselves.

However, the Senator from Nebraska went on to explain that because of the defeat of the so-called Byrd amendment he did not feel that the law was fair and just, and for that reason I assumed, as I understood it, he wished to go on record as being opposed to the measure.

The distinguished junior Senator from Virginia in connection with his explanation of the so-called Byrd amendment made the following statement, and I quote from the record:

> I am not opposed to a proper and sound retirement plan. I am in favor of the bill, with the exception I have stated.

Mr. BYRD. Mr. President, I think that language could be interpreted as meaning that I favored the bill, with the exception of the provision relative to elective officers. As the Senator knows, in the committee I moved to strike out all reference in the bill to elective officers. My motion was defeated by a tie vote. The reference of the Senator from Virginia was to an actuarially sound plan of retirement for employees of the Government.

Mr MEAD. I am not going to quarrel with the distinguished junior Senator from Virginia.

Mr BYRD. I think my language was very clearly to the effect that I favored the bill with the exception of the provision including elective officers.

Mr. MEAD. In view of the fact that no amendment was offered on the floor excepting to elective officers, I felt that was the proper interpretation. I am merely trying to convey to the Senate the thoughts that were in my mind—the thought that the bill was not fundamentally or morally wrong.

Again I quote from the distinguished junior Senator from Virginia who said this:

> My amendment, Mr. President, does not exclude elective officers. It simply requires them to make a payment for which they will receive additional benefits.

As further proof of my views with reference to this entire subject matter I made it clear during the debate that I believe it is sound public policy and in the interests of good government to enact this type of retirement legislation. The following statements of mine appear in the RECORD on page 457:

> I think it is good public policy for the legislative branch to enact, on the advice and counsel of the actuarial experts of the retirement system, an actuarially justifiable retirement system.
>
> I am very much opposed to a Member of Congress voting for a pension for himself. I am in favor of Members of Congress diligently looking into the question, provided that whatever bill is passed for a retirement system—not a pension system—be actuarily sound, and that the contributions be high enough. I should make them 10 percent, if that were necessary to make the system actuarially sound.

Furthermore, I had reason to feel sure of my grounds that such inclusion of elective officers was in the interest of good government by reason of the language incorporated in the letter of the Civil Service Commission with reference to this legislation. The following quotation is taken from the letter of the Civil Service Commission, dated June 3, 1941:

> The present law applies to employees in the classified service and those specifically mentioned in section 3. Under the bill retirement would apply to all officers and employees in or under the executive, legislative, and judicial branches of the Federal Government and of the government of the District of Columbia not subject to another retirement system, including elective officers. Such elective officers would not, however, be subject to the terms of the retirement act unless they gave notice of their desire to become so subject within 6 months from the effective date of the proposed legislation or 6 months from the taking of oath of office.
>
> The Commission believes that the benefits of the retirement law should be extended to all officers and employees of the Federal Government not now subject to any other Federal retirement system.

Mr. President, if the agency of Government having to do with this matter makes positive and affirmative recommendation, and if in large measure we, especially those who handle bills affecting governmental organization, look as we do, for advice to the recommendations, the records, and the reports of the department affected, then, what other conclusion was I to come to than the conclusion at which I arrived, that there was nothing fundamentally or morally wrong with section 3 of the legislation?

Just prior to the vote in the Senate on the so-called Byrd amendment, the Senator from Virginia [Mr. BYRD] made a point of no quorum. Sixty-three Senators answered to their names. Immediately thereafter, on a yea-and-nay vote, there were 28 yeas and 34 nays, a total of 62 votes recorded. As I have already stated, I voted for this amendment.

On a yea-and-nay vote on final passage of the bill shortly thereafter, the vote was 42 yeas and 24 nays, a total of 66 votes being recorded.

How the final vote would have been, had the so-called Byrd amendment been adopted, is problematical, as it is not known how many who voted against the final adoption were of the same opinion as the distinguished senior Senator from Nebraska [Mr. NORRIS] who went on record against the bill, according to his statement, because the Byrd amendment was defeated.

After the bill passed the Senate with the amendments as noted, the House agreed to the Senate version with but a few dissenting votes, without even sending it to conference, and then the bill went to the President. The President, no doubt, as is the custom in all legislation, referred it to the several departments affected thereby, and it must be presumed that the departments made a favorable recommendation to the President. In any event, the President signed and approved the bill.

I believe that, in view of the history of this legislation arrived at through democratic processes, it was the sound and mature judgment of the executive as well as the legislative branch of the Government that it is in the interest of good government to permit elective

officers to participate in a sound retirement system.

Suddenly a campaign of ridicule against this measure and against the Members of both Houses of Congress, particularly those who sponsored the bill, was inaugurated. Some members of the press have joined in that campaign. Many loyal citizens likewise have becomed disturbed because of the passage of the bill. How much of the campaign of ridicule, insofar as the letter-writing is concerned, can be attributed to subversive elements is mere guesswork, but there can be no doubt that subversive elements have seized this opportunity, as they have all other opportunities, to create unrest, disrupt the morale of our people, and attack various branches of the Government.

There has been some careless talk and newspaper articles have been printed to the effect that it will cost from twenty-one to thirty million dollars to retire Congressmen. As a matter of fact, it has been estimated by the Civil Service Commission that the cost of retiring all those affected, considering the very small number of Members of Congress who would retire and who would be able to meet the required age and service conditions at the end of this Congress, would not now be more than $80,000 per annum, and that if it were applied to the full membership, which would never at any time be the case, the cost per annum would be approximately half a million dollars and not the $30,000,000 alleged.

Mr. President, I believe it is our duty to be very careful about the legislative matters we consider. I believe, in that connection, that the regularly constituted committees of the Congress ought to be considered. I believe that the press of the country ought to join with us in making every reasonable effort to work along together and in reasonable harmony during this period of the Nation's emergency.

It was pointed out by the Civil Service Commission in this connection that one-half of the amount would be met by deductions from the salaries of Members of Congress, whose salaries would be reduced by 5 percent, the same as all other workers affected by the Federal retirement law. It may well be that the type of misinformation regarding the alleged huge sums that will be payable to Members of Congress and other misinformation of a like character have been maliciously and falsely spread for the purpose of shaking the faith of our people in their elected representatives.

Likewise, we have read of the possibility of a Member of Congress buying a forty-one-hundred-dollar annuity on payment of a single premium of $1.40. If such be the result of this legislation, it certainly does not appear to have been contemplated by those who took part in the debate in the Senate during the discussion of the matter, as will be apparent to anyone who reads the RECORD.

There is a great deal of accurate information of which the people should be informed. It is interesting to note, from a cursory check-up of the service records of the present Congress, that of the 531 House Members only 10 could, if involuntarily separated from the service, qualify and retire at the end of this term with an annuity of as much as $3,000 per annum. Only 41 could retire with annuities of as much as $2,000, only 66 would retire with as much as $1,500, only 112 with as much as $1,200, and 164 with as much as $1,000 per year. Many of these will have to wait for years until their sixty-second birthday. Large annuities will be rare. Approximately 100 in both Houses could not qualify at all.

The States of New York, Maryland, Ohio, and North Carolina are among those which already provide retirement benefits for their elective officials, including legislative, so that the recent amendment to the Retirement Act constitutes no precedent for legislative officials. I understand that California, Colorado, Connecticut, Florida, Maine, Massachusetts, Minnesota, New Jersey, New Mexico, Pennsylvania, and Rhode Island also have State systems.

The general trend of recent years has been to provide old-age or retirement benefits for all workers covering their active career, the Social Security Act applying to employees in industry in general and the Railroad Retirement Act applying to railroad employees. Liberal pensions have been provided for the Federal judiciary, military and naval officers, and enlisted men, who make no contribution whatever for their retirement benefits. Federal judges may retire on full pay after the required service and age; commissioned officers of the military service may retire with pay either for disability or age; both the judicial and the military groups retire without contributing to any retirement fund, whereas, under the new retirement law, Members of Congress affected have 5 percent of their salaries deducted for retirement. Likewise, I have been advised that labor unions and private corporations of every description either have established retirement systems or are studying the possibilities.

Mr. BONE. Mr. President, will the Senator yield?

Mr. MEAD. I yield to the Senator from Washington.

Mr. BONE. Has the Senator any hope in his heart, as he utters these words, that in that peculiar and perhaps isolated case of a newspaper whose editor has savagely assailed this measure in an intemperate and untrue fashion, he will in his columns repeat the facts the Senator is now uttering? Has the Senator that hope in his heart?

Mr. MEAD. Mr. President, I realize as much as does anyone within the sound of my voice the terrifying situation in which the world today finds itself. If the Commander in Chief of our Army and Navy should ask me to drop this legislation at this moment because of its effect upon the national effort, I would unhesitatingly agree. Every young man, with few exceptions, within the blood relationship of the two families closest to me, is in the service of his country.

Then, too, I know of no more patriotic, no more loyal, no more faithful body of men in the willing and eager discharge of their duties than the men with whom I now have the honor to serve. I believe they would make every sacrifice. Civilization never faced a more serious ordeal. I believe our conduct should be emulated, and it should be worthy of emulation; and by the same token, Mr. President, I believe that every forthright and patriotic and loyal newspaper publisher in America ought to forget partisanship, as he would have the chairman of the Democratic committee and the chairman of the Republican committee forget partisanship, and in an exemplary and forthright manner tell the truth, the whole truth, and nothing but the truth about this measure, which has caused so much controversy, which has been so maligned and misrepresented, as his contribution to a good or at least a fair start. Then he ought to keep it up, and we ought to keep on doing our share until this conflict is over, and victory—victory which will come to us and must come to us—is finally achieved.

Yes; I think it is time for the publishers of America to rise to the heights, to win for themselves the undying confidence of the American people by a magnificent contribution to the debates and the controversies that will result from this present emergency. I hope my conduct will be above reproach. I am willing to make any sacrifice that I can make. There is not anything I would not do; there is not anything that anyone can ask me to do, as a contribution to my country's welfare, that I would not do. I owe more to my country, perhaps, than does anyone else here. I crawled down off a boxcar on a railroad track, without a dollar in my pocket, to enter upon the long and honorable career of over 30 years that has been mine. Only America will give such an honor under those circumstances to one without the advantages of education and wealth.

So, Mr. President, I believe it is my duty and your duty, and the duty of every other American to be honest and fair with each other, to be able to justify our every action, and to assume a forthright, exemplary attitude on all public matters.

As I said a moment ago, the States of New York, Maryland, Ohio, and North Carolina, together with a number of others, provide a system of this character.

Mr. President, I am asking that this matter be referred to the regular committee designated to handle subjects of this kind, and in view of the peril facing our country, it should in no wise take any of our time, which should be devoted to the war effort. We should consider it, of course, but we should give priority to defense legislation, and all else must be subordinated to our defense program. We must, however, when time allows, when we are not busy with other matters, think of the future, think of the problems of tomorrow, think of the type of the men and the women who are to take our places in the Congress, and make sure that we keep open the door of opportunity for those who come up the hard way, and have never been blessed by great wealth.

Mr. President, I have come to realize that I am not financially able to remain in the Senate. It is taking every dollar

I receive to pay the expenses of my busy office, and when I complete my term I will have just about as much cash as I had when I entered public life. So, insofar as the large populous States of the Nation are concerned, a poor man will find it difficult, as a result of the economics of the case, to become or remain a Member of the Senate of the United States. I should like to have membership here made possible for the poor man; I should like to make it possible for a poor man to come here and enjoy a career here if he could. In that connection this very small contribution on the part of the Federal retirement system might help.

Mr. President, we exalt and we take great pride in those men in the military who by their courage have given faith and confidence to the American people in this hour of peril; but we, too, must have the courage of our convictions. Therefore, I ask the Members of the Senate to consider fully, in statesmanlike fashion, with characteristic American courage, and with careful deliberation, this entire subject matter, and if they think it is in the interest of good government to permit elective officers who have had honorable careers to participate in an appropriate retirement fund, let us not toss aside this measure lightly. If not, let whatever action we take be taken with deliberation. In my judgment, the same democratic parliamentary procedure should be applied to all the sections of the law, those which have been approved and are not in controversy, as well as those which are in controversy.

I believe that the law was carefully considered. I believe it may be refined and perfected to a degree beyond that already accomplished. I do not believe there is any danger of repealing any section of the law except the section which applies to the elective officers. Nevertheless, I believe the motion presented by the distinguished junior Senator from Virginia should be referred to our committee, where his original proposal is, and it should be left to our committee to decide what sort of bill shall be reported to the Senate. If we cannot trust that committee, then we should take summary action within the parliamentary sphere.

If the policy which we adopted in the retirement law is wrong, let us change it. If there is any proposed legislation pending in the other House or in the Senate, which should not be considered in this emergency, then, so that we will not hold up any other pilot or sponsor to ridicule, let us appoint some committee and have it or some individual look over the list and make it known to the Members of Congress, so that we can devote our time to something else, not, as I stated a moment ago, favor a measure and support it with a high degree of unanimity, only to have the ship sunk with a submarine attack, as it were, after the President has signed the measure.

I am pleading with my colleagues for a decent consideration of my position, not because I am who I am personally, but because, like them, I am a Member of this great body. I am asking the Senate to consider the distinguished senior Senator from South Dakota [Mr. BULOW], a man who has long labored to improve the civil service, a man whose contributions to good government, and the economic and efficient administration of the agencies of government, will live long in the records of the Senate. I am asking my colleagues to consider the conscientious junior Senator from Virginia [Mr. BYRD], who has presented a measure calling upon the Senate to repeal that which they have already enacted. That measure should go to the Civil Service Committee, of which the Senator from Virginia is a member, and that committee should have the opportunity to report back to the Senate the judgment of the committee, which will include the collective judgment of all its members.

I am asking, Mr. President, that we be given this consideration, and because I wish to be consistent in my request, I have withheld the offering of amendments which I intended to offer in the Committee on Appropriations. I withheld offering proposed legislation today which might run counter to the proposal offered by the distinguished junior Senator from Virginia, because his proposal has already been referred to our committee and reports on it are available, and I do not wish to delay the matter.

Mr. President, now I have told the Senate of my position; I have told the Senate what I thought should be done, and I ask my colleagues not to become unduly exercised, not to rush a rider through which will of necessity be hastily considered, one which may do violence to the parliamentary processes. If the Senate will give us the time we ask, no harm will be done.

This morning I read in a newspaper that 180 Members of Congress have secured data with reference to the legislation we are discussing. I have talked with a great many of them. When they realize, as they must, the excessive cost to them of entering the retirement system, there will be some who will not see any advantage of their joining it; there will be some without sufficient length of tenure to make it worth while for them to participate; and there will be others, numerous others, who can be better fortified by the protection of a private insurance company. I say to my colleagues that 68 percent of the Congress, according to the record, in addition to those who will forego taking advantage of the system because of its unattractiveness, will never be able to participate in its benefits.

The Library of Congress has furnished us information on this particular point. Generally, the average Member of the House of Representatives has served two and a half terms. We have made a statistical survey of the length of service of House Members from 1789 down to 1938, taken mainly from Congressional Directories. During that period, 8,005 persons served in the House, of whom 38 percent served 1 term, 27 percent 2 terms, 13 percent 3 terms, 7 percent 4 terms, 4 percent 5 terms, 3 percent 6 terms, and 2 percent 7 terms.

The general average would not be affected very much by the compilation of the figures for the past 3 years.

Mr. President, in view of the fact that upon inquiry I have not heard of one Member who will become associated with this rather expensive and complicated system, together with the fact that from the record 68 percent have not served sufficiently long to take advantage of it, I plead with the Senate not to be too hasty, for, when all is said and done, perhaps most of the Members will refuse to participate in such a system, and the repeal might be almost overwhelming, but I merely ask the Senate to wait.

Mr. President, in the House debate on the subject I find some very interesting information. On page 1254 of the RECORD the following statement appears:

For the present fiscal year—

I am referring to the House debate. I suppose I could refer to the Senate debate also.

For the present fiscal year you have voted $82,929,748 to pay for the retirement of the enlisted men, the commissioned officers, and the nurses of the Army, Navy, Marine Corps, Coast Guard, Public Health, and Coast and Geodetic Survey and they do not contribute one cent toward any retirement fund.

* * * * *

You also voted $504,000 to pay to the retired judges, who receive their full pay for the rest of their lives—

And who do not make any contributions.

You voted for—so did I—$636,000 to support the Foreign Service retirement fund.

I may add that other Senators and I voted for an appropriation of $2,000,000 for the railroad retirement fund and its administration.

Mr. President, I shall not bother the Senate any longer. I merely wish to ask permission to insert in the RECORD in connection with my remarks a résumé of the New York State retirement system. That system has been law in our State for 20 years, and to my mind it has never been challenged—even though it has been frequently amended and expanded and extended—by any portion of the press or of the public.

I ask my colleagues, because of the particular circumstances associated with this controversy—circumstances which might very well be associated with many subsequent controversies—to give the matter the consideration which the democratic processes have ordained for legislation. I ask my colleagues to refrain from repealing this legislation by attaching riders to irrelevant legislation. I ask my colleagues above all to give consideration to the committee which is the agent of the Senate, and to those of us who serve on that committee. Mr. President, I shall now leave the matter in the hands of the Members of the Senate. I am not asking the Senate to leave the legislation on the statute books or to repeal it. I merely ask that the Senate consider it in an orderly manner; and I believe if it does so it will be well satisfied with its decision in the days which are to come.

Mr. CLARK of Idaho obtained the floor.

Mr. BYRD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Virginia?

Mr. CLARK of Idaho. I yield for some formal matter, yes.

Mr. BYRD. Mr. President, I am a member of the Civil Service Committee, and I have a high respect for the chairman of that committee, the very distinguished Senator from South Dakota [Mr. BULOW]. I wish to appeal to him and ask him whether he will have a meeting of the committee at 10 o'clock tomorrow morning so as to take up this matter and dispose of it promptly.

Mr. CLARK of Idaho. Mr. President, I hesitate to yield for a colloquy. I shall take only 10 or 15 minutes, if I may proceed.

Mr. BYRD. I think it would take but a moment for the Senator from South Dakota to answer the question.

Mr. CLARK of Idaho. Very well.

The PRESIDING OFFICER. Does the Senator from Idaho yield for that purpose?

Mr. CLARK of Idaho. I shall yield for a moment. I intend to address myself, however, to the subject before the Senate, on which the Senator from New York [Mr. MEAD] has just spoken.

The PRESIDING OFFICER. The Senator from Idaho yields to the Senator from South Dakota.

Mr. BULOW. Mr. President, on this controversial matter I am just a little bit embarrassed, perhaps. There has been——

Mr. CLARK of Idaho. Mr. President, I refuse to yield further.

The PRESIDING OFFICER. The Senator from Idaho declines to yield.

Mr. CLARK of Idaho. Mr. President, it was not my intention today to address myself to the so-called, miscalled, congressional pension legislation. Three things have impelled me to take the time of the Senate briefly.

First, the very able and lucid speech of the Senator from Connecticut [Mr. MALONEY].

Second, the same type of speech by the junior Senator from New York [Mr. MEAD].

The third thing which has impelled me most to make a remark or two, has been the fact that the insidious, vitriolic propaganda against this Congress by reason of the so-called pension legislation has emanated from my State, and from a city which is sometimes called the capital of North Idaho, namely, Spokane, Wash

Mr. President, I was one of the 27 Senators who were not present when the so-called pension legislation was under consideration. Why I was not present is unimportant. In these days Senators have to run around so much to the departments that I suppose it may be fairly presumed that if I was not present at that time I was at least engaged on official business.

In any event, I did not cast my vote. In view of the avalanche of propaganda which has emanated from my section of the country and has been evident elsewhere, I suppose it would be easy to say that had I been present I would have voted against it. The fact of the matter is, Mr. President, that had I been present I would have voted for the legislation; and I shall vote against any attempt to repeal it, particularly at this time.

As the able Senator from New York has pointed out, this legislation was considered by the House without opposition, and was considered by the Senate without a note of protest until it came upon the floor. After the legislation was passed and signed by the President of the United States something happened. I do not know what it was. I do know that in Spokane, Wash., there is a newspaper which has perhaps a larger circulation in north Idaho than any newspaper in Idaho. I know that it has never had a constructive editorial thought throughout the past 10 or 15 years during which I have been familiar with it. I also know that it has hated the senior Senator from Washington [Mr. BONE]. I know also that in Spokane there is a group of luncheon-table dilettantes who have nothing more to do in these troublous and critical times than to sit around and buy worry birds and do things of that type to make fun of their Congressmen.

I know that the newspaper to which I refer belongs to a wire service, which, of course, enables it to put news on the wire. I know that this group of triflers, most of them wealthy men, many of them having vast interests in my State, in one way or another induced this newspaper to disseminate some very vicious propaganda. I do not say that that is the controlling factor in what has happened. I do say that it is an important factor, and a very vicious and insidious factor. I know that it has stirred up the whole northern part of my State to the extent that the poor misguided people there have lost confidence in their Congress.

Nevertheless, I cannot agree with the conclusion of the able Senator from Connecticut [MR. MALONEY] that in the interest of restoring public confidence we should repeal this legislation.

The Congress has been criticized before. The chief charge that has been leveled against it in the past years has been that of an utter spinelessness and pusillanimity, and all those attributes which are the negative of independence.

To repeal the legislation in the face of this insidious pressure would leave a mark upon the American people which, in my humble opinion, would go further to destroy their confidence in the Congress than any other single thing.

I do not challenge any Senator's vote. I do not challenge any Senator's right to change his vote for reasons which seem sufficient to him. No one knows better than does the Senator from Connecticut my respect for his opinions, sincerity, integrity, and veracity. As a group, holding on by a slim margin, as we are, to the last shred of our independence, we cannot go before the country now and say that a few loose, irresponsible editorial writers and a few propaganda agencies have driven the Congress into a confession of error and guilt.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. CLARK of Idaho. I yield.

Mr. MALONEY. Of course, the Senator knows if he was present during my statement, that I did not indicate that it was a confession of error or of guilt.

Mr. CLARK of Idaho. I appreciate that, and I did not mean to imply any such intention on the part of the Senator.

Mr. MALONEY. I base my observation and recommendation upon the fact—and only upon the fact—that the Nation is engaged in war. It sometimes becomes necessary in the heat of battle, as a part of sound and sensible strategy, to retreat, even with humility.

Mr. CLARK of Idaho. I respect the Senator's opinion on that score, and I compliment his very fine statement. If that is his opinion he is more than entitled to it; I know he is sincere; but, Mr. President, there is such a thing as retreating with honor, and there is such a thing as retreating without honor. Without referring to the Senator individually, I say that the Congress would retreat without honor if it should repeal this law.

Reference was made by the Senator from New York to former pension bills. It so happens that I glanced at the RECORD. In July 1939, when the retirement bill for Federal judges came before this body, we voted $10,000 a year for life for their retirement, without a cent of contribution. The roll call that day showed 82 Senators answering to their names. There was considerable colloquy on the bill. Most of the Senators present today were present then. The able Senator from Virginia [Mr. BYRD] was present. The able majority leader [Mr. BARKLEY] was present. As I say, there was considerable debate; and yet not a voice was raised against that measure; not a single solitary voice was raised by those who now, in the interest of economy, would undertake to whip the Senate of the United States into reversing itself upon a matter of this kind, without even informing the country what it is all about.

Mr. President, I have received many letters from my State. I venture to say that in 4 or 5 months, when the people find out what has happened, they, too, will reverse their opinion. They would have far more respect for a Congress which undertook to explain its position and to educate them than for a Congress which, under the whip and lash of temporary public opinion and temporary editorial mouthing, would back up and crawl into its hole.

That is all I have to say, Mr. President, except a word in conclusion. It is true, as the Senator from Connecticut so ably said—I paraphrase him; I do not attempt to quote him—that by virtue of this misrepresentation the country has gained the impression that we are a pack of selfish politicians. Mr. President, as a Member of this body, I should rather be a member of a group of selfish politicians than a pack of cowards or fools.

SHORTAGE OF FARM LABOR

Mr. BUTLER. Mr. President, I hope I may ask the indulgence of the Senate for a very few minutes with respect to a

matter which I believe is of as much general interest as is the subject which has been under discussion this afternoon.

I wish to invite the attention of the Senate today to a problem which is serious and is growing increasingly more serious—the scarcity of farm labor.

Possibly, Senators from industrial States may at times become a little bored with the constant talking on this subject by representatives from farm communities; but if some of us from agricultural sections do most of the talking about it, I believe it is only because we are a little closer to the problem and see more clearly the disastrous effects of present trends. In fact, this problem is at least as important to the city dwellers as to the farmers. It is their food supply we are talking about.

The farmer will not starve. He grows most of his own food. He can always produce enough for himself and his family. It is only the surplus that goes to city consumers; and it is that surplus which is endangered by the existing farm-labor shortage. If we get down to shortages or to rationing of meats, dairy products, vegetables, and so on, such shortages will first become apparent in the cities; and it is in the great metropolitan centers where the shortage of food will be most seriously felt.

Mr. President, I can sum up the whole situation by one short sentence: The farm-labor shortage is acute, and is daily becoming more critical. Our farm boys and young farmers are being drafted all the time. I ask no deferment for them as a class. Defense industries and other industrial establishments not only in the farming sections of the country, but along both the eastern and western coasts, are attracting farm labor at wages above those which farmers can afford to pay. Meanwhile the W. P. A., the Civilian Conservation Corps, and the N. Y. A. are keeping many available men and women off the farm and out of the labor supply, and are doing their best to maintain their bureaus and their administrative positions, instead of trying to fit those on their pay rolls into useful and essential jobs.

I should like to quote from a letter I received today from an agricultural extension agent of Nebraska. His letter give a bird's-eye view of the situation by one who is well qualified to speak.

> The farm-labor situation is becoming very acute in this section of Nebraska, particularly so in this county where it has been dry since 1933, thus causing many farmers to move out and those remaining to expand their operations. At the present time, every farm is extended practically to the limit.
>
> This county has contributed its share to the Army—some 350 to 400 boys from a population of approximately 16,000, which has depleted practically all farm labor. However, we still have on Work Projects Administration about 300 families, which under the present set-up refuse to accept farm jobs. Also, we have a girls' training center under National Youth Administration with around 36 girls alternating 2 weeks at a time and drawing about $18 salary for the 2 weeks plus their board and room, which also complicates farm help. Just last week I visited with a farmer who took a son and daughter out of the university to help on the farm.
>
> It looks like it is high time some of these activities supported by taxation were being curtailed.

Mr. President, I remind Members of this body that the W. P. A. and other similar agencies were set up to meet a certain problem—the problem of unemployment—at a time when that problem was very pressing. The problem then was one of a labor surplus, while the problem now is just the opposite—that of a labor shortage. It is only a question of time until we must look this problem squarely in the face, and admit that there is no longer any justification for continuing bureaus which keep men employed on projects not vital to agriculture and other war industries.

That is one part of the problem. There is another. I have spent much time writing letters to local draft boards—as perhaps many other Members of the Senate have done—pleading with them to defer some of the skilled young farmers who are plainly in a position to render more effective service on the farm than in the armed forces. Some of the draft boards have recognized this problem; others, I am sorry to say, have not. I could quote letter after letter to illustrate the situation. In one case the son of an 80-year-old widow was drafted; in another the only son of a blind father was taken into the Army. Too frequently the farms will be abandoned. I quote from a letter which arrived but yesterday, and is typical of many I am receiving:

> Two brothers, farming over 300 acres south of town with 165 head of cattle on feed at the present. The ruling majority on the board has refused, up to the present time, to exempt or defer either of these boys, and have classified both in the top notch.
>
> Under prevailing conditions, if both are inducted, their cattle must be sold, and their splendid farm land will probably lie idle, for it is next to impossible to hire farm labor, either good or bad.

To me it seems but reasonable that one of the boys be left on the farm to continue its operation, thus helping to feed his brother and millions of others who join the armed forces.

I quote from another letter along the same line:

> Who is going to produce if the tillers of the soil are in the Army?
>
> I have a particular case in mind.
>
> The father is an invalid and owns 160 acres of land that one son of his is, and has been, farming. It is well stocked. Last year they were unable to get the necessary help, and now the son, being in Class 1A, takes his physical examination tomorrow and, without a doubt, will be on his way within a few days. That means that the machinery and the stock must be sold, and the farm will lie idle for the reason that the other farmers are having the same difficulty and will be unable to farm even that which they already have, without taking on any more.
>
> All the other farmer boys are also classified the same.
>
> Another farmer, who is an invalid, has 400 acres of good farm land which he has been farming with the assistance of his two sons, and they, likewise, are unable to get the necessary help and his sons are also classified 1A, and soon expect to be on their way.

I have before me a letter which I received only this morning, not from the young man who is being called, but from a neighbor. According to this neighbor, the selectee is 28 years old, has been farming for 5 years, and owns all his own stock and equipment, which he is now forced to sell. I have in my hand a copy of the sale bill, which I ask to have printed in the RECORD at this point. I shall not bother the Senate by reading the sale bill. Of course, I cannot expect to have the RECORD carry the big type that the sale bill carries. However, I wish to have printed in the RECORD the list of the articles which this farmer, who has been operating his own place, is forced to put on the market at this time.

There being no objection, the sale bill was ordered to be printed in the RECORD, as follows:

> Public sale. As I have been called into the Army, I will sell the following property Monday, February 16, starting at 1:00 p. m.:
>
> Four head of horses—bay gelding, 11 years old, weight 1,200; bay mare, 9 years old, weight 1,350; grey mare, 8 years old, weight 1,450; roan gelding, 4 years old, weight 1,100.
>
> Ten head of cattle—5 milk cows, 3 fresh now, others soon; 2 yearling heifers, yearling bull, 2 calves.
>
> Five head of hogs—5 brood sows, due April 15.
>
> Twenty-one head of sheep—1 buck, 20 head ewes, lamb February 27.
>
> 1938 Chevrolet coupe.
>
> Five dozen White Rock and Wyandotte hens.
>
> Farm machinery, etc.—Wagon and box; steel gear and rack; 2-row Chase lister with tractor lever; John Deere spreader; Minnesota binder, 7 foot; 3-section harrow; End-gate seeder; 1 set of harness; Economy King cream separator; self-feeder.
>
> Two A-type hog houses; 2-row cultivator; single-row cultivator; 8-foot disk; 2-row Eli; John Deere mower; Sulky plow; grindstone; 50-gallon hog waterer; 30-gallon gas barrel; 8-foot tank and cover
>
> Two rolls slat cribbing; hog trough; board gates; woven wire; a full line of tools; 6 bushels of seed corn; 2 loads dry ash wood; pile of cobs; other articles too numerous to mention.
>
> Household goods—cupboard; refrigerator; wash stand; kitchen table; heating stove; oil stove; 4 chairs, 1 rocker; dresser; bed frame; cook stove; 9 by 12 linoleum rug; 410-gage shot gun; some small articles.
>
> Feed and grain—400 bushels oats; 200 bushels corn, if not sold before sale day; 5 tons of hay in barn; stack oat straw; some fodder.
>
> Terms of sale: Cash or make arrangements with clerk before sale.

Mr. BUTLER. Whether the owner of this particular land will be able to find someone else to manage his farm and keep it in production, I do not know, but I do know that thousands of Nebraska farms will lie idle this year.

The letters from which I am quoting are not from selectees or their relatives requesting deferments. Farm boys are not shrinking from their duty. These letters come from neighbors—public-spirited citizens who see and understand the situation and are simply calling the facts to my attention. Let me quote briefly from a letter from a very prominent Catholic priest of Bellwood, Nebr. He points out that in many sections of the country women are not physically able to perform the farm work of men. I quote from his letter:

Anent to women on the farms in England and the Farm Belt: The farms in England are very small, hardly ever exceeding a few acres, always tilled by hand tools, mainly spades and hoes. To till the farm in the Farm Belt a man must be a man physically, able to handle heavy machinery from sunup to sundown.

Father O'Connor then goes on to suggest a general ruling so as to eliminate the contradictions, and makes a number of very practical suggestions as to just which cases should be deferred. These are Father O'Connor's suggestions:

1. The skilled farmer should be placed on the same plane as the skilled laborer. The farm boy studies his job; he knows it; there is no substitute for him.

2. I believe that the farmer over 50 years old should be left one boy and that a farmer handling over 240 acres should be left at least one boy.

3. That an incapacitated farmer should be left one boy.

4. That a widow should be left one son. I have an incident before me where a widow was left alone on a 160-acre farm. There was nothing left for her to do but to abandon the farm.

Mr. President, we cannot hope to solve the problem here today. I think I have said enough to direct the attention of the Senate to the serious situation facing us. This problem is nothing less than that of our food supply. We can do without tires if we have to; we can do without new cars, and refrigerators, and radios, and typewriters, and new houses; despite the recent ruling of those in charge of the Selective Service Act, I think we could even get along with a few less movies and movie actors if we had to; but I hope we shall not have to face the day when our food supply is cut below our vital needs and we have to resort to rationing of nearly every item on the food list. Yet that is the ultimate effect we can expect if the present ironclad policies are adherred to.

I know that some agencies of the Government have been making a study of this problem; the Department of Agriculture, for one, has given it a great deal of attention; but, in my view, none of the administrative agencies are close enough to the ground to realize the full seriousness of this situation. That is why I feel I am justified in directing the attention of the Senate and that of the general public to this matter today.

I am not prepared to present a complete solution for this whole problem; possibly there is no solution; but some things I believe should be done immediately. I believe, for one thing, that all the affected agencies of the Government should give it their closest attention, and cooperate fully in devising means to meet the problem. I believe, further, that farm youths, skilled in farming and essential to the operation of a particular farm, should be placed on the same basis as skilled industrial defense workers with respect to deferment; and I believe that the Selective Service should issue a definite ruling to that effect.

Finally, I believe that the W. P. A., the C. C. C., N. Y. A., and possibly some of the other agencies, products of the long-continued economic emergency, should be laid on the shelf for the duration of the war emergency. The men and boys at present employed by those agencies should be given real jobs, at real wages, which I believe is what most of them truly want. We cannot afford to waste the labor power of these men on the nonessential foibles of a day gone by when there is real work to be done; nor can we afford to maintain every bureau in the Government at its full prewar strength, merely because they all claim some connection with the war effort. Certainly if the administration has not learned that war is not just another "social experiment," it is time that Congress and the country made it unmistakably clear.

FIRST DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the first amendment reported by the committee.

Mr. DOWNEY. Mr. President, I will detain the Senate but very briefly on a matter concerning which, to some extent, I have already expressed myself—a matter which concerns one of our great national characters, Donald Duck. As the Senate knows, the House of Representatives struck out of the pending measure the item of $80,000 which was to enable the Treasury to cover the expense of producing and distributing this film.

Mr. President, I wish to say that I have not always been in agreement with Mr. Morgenthau upon his economic and financial theories, but I think it is generally believed that Mr. Morgenthau has handled the collection of income taxes, as well as the sale and distribution of defense bonds and stamps, in a most able and efficient manner. Even though the Congress frowns upon the action of the Treasury Department in calling in the services of Walt Disney to help advertise income taxes, the American people know that Mr. Morgenthau performed a most wise and valuable public service in what he did, because, as a matter of cold business, the $80,000 expended by the Treasury Department in the production of this film will pay for itself hundreds of times over. Doubt it not!

Mr. President, I have seen the Donald Duck film; I have heard members of the audience discussing it after viewing it. It is a film not only popular with Americans but one that has caused them to accept more heartily the income-tax law; it has brought to their realization the fact that income taxes have to be paid, and has, undoubtedly, expedited their payment. Consequently, Mr. President, I want to go on record very positively in declaring my belief that the Treasury Department was entirely justified in arranging for the production of this film; that it was money well spent, and that the hysteria generated here in Congress against the Treasury Department because of this film is most unfortunate.

While the newspapers of America do not appear to be very popular with the Senate and with the other House of Congress today because of their treatment of the retirement proposal, I want to say that almost every newspaper in the United States has reviewed the Donald Duck film and has applauded it. I should like to read for only three or four minutes a few of the comments that were made by some of the great newspapers of America on the Donald Duck film. I shall read, principally from New York newspapers, but I might say that in practically every city in the United States newspaper reviewers have recognized the worth of the Donald Duck film and have endorsed the action of the Treasury in sponsoring it. Let me first read a comment from the New York Times of February 8, instant, by Bosley Crowther:

It is an excellent bit of persuasion toward a good natured acceptance of a heavy burden on the part of the people. Indeed, it is the most effective of the morale films yet released by the Government.

The New York Herald Tribune of February 8, 1942 (Thornton Delehanty), expresses the following opinion:

Walt Disney's first production for the Treasury Department should go an incalculable way toward easing the grief and dismay with which the public customarily views its income tax.

The Chicago Tribune (Ashton Stevens, dramatic critic) had this comment:

When a movie laughs you into making out an income-tax return—and borrowing money to pay it on the line, that isn't just pecuniary propaganda—that's magic that partakes of the miraculous. That, in a word, is Walt Disney's The New Spirit. Laugh As You Pay might have been a better title, but, anyway, Disney's Donald has certainly made a glorious reverse action out of the old game of duck your income tax. He has reversed the national bellyache into a national belly-laugh.

The New Yorker, on the first page of its Talk of the Town section, February 7, 1942, has this encomium:

A friend of ours who reviews movies for a living strode into the hotel lobby * * * grinning all over. He told us he'd just been to see the much-talked-of film in which Donald Duck pays his income tax "Good?" we asked indulgently. "Definitely recommended" he said. * * * We agreed that a Nation whose Treasury Department could sponsor a Donald Duck production could never lose a war of nerves.

The New York Post, February 1, 1942:

A spectacle to make the worst grouch in the world laugh is Congress jumping up and down like Donald Duck on Donald Duck. These indignant Congressmen pride themselves on being realistic, hard-headed men, men who want no nonsense but speak the language of our leaders of industry They pride themselves, also, on being experts on how to tell the people and sell the people. But before they finally burst a blood vessel we'd like to point out two things First, that the $80,000 Treasury-financed Walt Disney film has been widely recognized as a great job of bringing home to the people, including many who have never had to think about it before, that the income tax is not just an invention of the devil, but a necessary and bearable duty of citizenship. Second, that

the hardest-headed and most realistic businessmen spend sums which make $80,000 look like chicken feed on cartoons, comics, and funny men when they have something to sell the people. That's not boondoggling, Congressmen, that's advertising. That's business-like administration. You've been asking for it—remember?

Time Magazine, February 9, 1942:

It gets its propaganda across with the anesthetic blessing of laughter and great good humor. As cinema, the New Spirit is a most effective job. It has a brand new patriotic melody, The Yankee Doodle Spirit * * * which is a humdinger. Disney's facilities are now 75 percent given over to wartime production.

I read, from one of the most noted national advertising firms of America, its comment on this film. Mr. Alex F. Osborne, of the advertising firm of Batten, Barton, Durstine & Osborne, says:

The picture, with no sacrifice of humor or dramatic action or entertainment value, changed the minds of the audience about paying taxes. Within a few minutes, people who had long since made up their minds that they were being mistreated in being made to pay income taxes, were made to feel that it is a pleasure and a privilege to pay the Government every penny they could make or borrow * * * This picture could be taken as a model against which every proposal for propaganda might well be tested.

Yes, Mr. President; Walt Disney, in his Donald Duck film, produced probably the cleverest and most ingenious piece of propaganda the American people have ever had. He volunteered his services, working day and night to meet his deadline, with no profit or compensation to himself. And he gave us a film, which from a straight money standpoint, is worth 10 times its cost. Yet the House of Representatives had to single out that particular item of disbursement by the Treasury Department, castigate and condemn it, and strike it from the pending appropriation bill.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DOWNEY. Yes; I yield.

Mr. BARKLEY. I merely wish to say that a week ago last Saturday I had an opportunity to go to a movie, and I saw this Donald Duck production. When I saw it, I did not realize that it was a Treasury production, nor that it was being sponsored by the Treasury.

Whenever we go into a moving-picture show, we are usually disappointed unless they have two pictures. One sometimes is the main feature, and another is a subsidiary, a substitute, or a complement. Sometimes we are not satisfied unless there are two main features.

This particular theater happened to be in Chicago. It is one of the largest moving-picture auditoriums in the city. It was crowded with people, and this picture was thrown on the screen. I do not believe the audience at first realized the object of the picture, because it is very cleverly done, and it is a good picture. It has a good many laughs and a good deal of amusement in it to keep the audience in good humor, while at the same time impressing on the audience the importance of paying income taxes, and paying them promptly.

The picture concluded with the very serious and impressive lesson of the need of the Government for money, and the need of the Government for money at once. Many of the income-tax forms were thrown on the screen, and men and women were shown exactly how to make out their income-tax returns. It especially appealed to those within incomes of less than $3,000, showing in the various instances how much the tax would be—in one case twenty-eight dollars and some cents; in another thirty-three dollars and some cents. When the picture was finished, the great audience broke out in loud applause for the lesson which the picture had impressed upon them of the need of the payment of taxes and the prompt payment of taxes.

I did not know until I got back to Washington a few days later, and discussion had occurred elsewhere, that it was a film that had been sponsored by the Treasury Department. I am frank to say that while there is nothing in this bill about it, and I suppose nobody is going to attempt to restore it—I certainly am not, and I do not understand that the Senator from California proposes to do so—if the film cost $80,000, as I have been informed that it did, the mere out-of-pocket cost, nothing for compensation for putting it on or for the theaters that show it, I believe it certainly is worth that much money to the American people.

Mr. DOWNEY. I thank the Senator for his comments.

Mr. McCARRAN. Mr. President——

Mr. DOWNEY. I yield to the Senator from Nevada.

Mr. McCARRAN. I understood the able Senator from California to make the statement that Mr. Disney received nothing for his production. The testimony of the Secretary of the Treasury before the Senate committee is that the picture cost the Federal Treasury $80,000, $40,000 of which went to Mr. Disney, and $40,000 to the producer of the technicolor. That is the statement of the Secretary of the Treasury.

Mr. DOWNEY Evidently there is some misunderstanding between the distinguished Senator from Nevada and myself. I meant to say that Mr. Disney received no profit on the picture, and nothing for his own services. He was paid $40,000, which did not equal his studio's cost of producing this particular film. I did not mean to intimate that Mr. Disney had paid from his own pocket the wages of his workers in producing this picture. What I did mean to say, and what I am sure is a fact, because I have had it from many sources, is that Mr. Disney personally received nothing for the picture, no compensation, no salary. His company was paid $40,000 to handle operating expenses. Then the Government is compelled to put up another $40,000 to get, I believe, a thousand copies of the film from the original picture, which are now being shown over the United States; and the requests are coming in so fast from many thousands of picture houses in the United States that the Treasury is not able to have the films printed fast enough.

Mr. McCARRAN. The Senator appears not to have understood my statement. The statement of the Secretary of the Treasury, made before the Senate Appropriations Committee, is that the picture cost the Treasury $80,000, $40,000 of which went to Mr. Disney, and $40,000 to the party that furnished the technicolor. So, however it may be twisted around, it makes no difference; it cost the Treasury of the United States $80,000. There is no use in getting away from that fact.

Mr. DOWNEY. Mr. President, I have no wish to get away from that fact. The Treasury of the United States, for $80,000—which did not include any profit or compensation to Mr. Disney personally, but merely covered the cost of the film and out-of-pocket money in its production—got for that $80,000 publicity for our income-tax program that could not have been purchased through newspaper advertising columns or by speeches of Congressmen or otherwise for $800,000. Yes; it did cost the Treasury of the United States $80,000 to reach in a very persuasive way 85,000,000 of our citizens. But advertising experts and newspapers and the American people generally are, I think, almost a unit in declaring that it was one of the soundest investments the Government has yet made.

Mr. President, my only reason for occupying the time of the Senate on this particular matter is that this fight against the Treasury Department on the Donald Duck film and on Walt Disney's contribution to our defense effort was initiated largely by representatives of the State of California; and I rise here merely to assert that I know the people of our State believe Mr. Morgenthau and the Treasury Department are to be complimented, not reviled, for obtaining this Donald Duck film. Californians are grateful to Mr. Disney for having lent his great genius to the production of this film in the interests of our national defense.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Committee on Appropriations on page 2, line 2, which will be stated again.

The CHIEF CLERK. Under the heading "Title I—General appropriations—Legislative," on page 2, after line 2, it is proposed to insert:

SENATE

To enable the Secretary of the Senate to expend from the appropriation for salaries of officers and employees of the Senate, fiscal year 1942, the necessary amounts from March 1 to June 30, 1942, to increase from $2,460 per annum to $3,000 per annum, the salary of the foreman of the Senate folding room so long as the position is held by the present incumbent.

The amendment was agreed to.

The next amendment was, under the subhead "Government Printing Office," on page 3, after line 10, to strike out:

Working capital: For an additional amount for working capital, fiscal year 1942, including the objects and subject to the conditions and limitations specified under this heading in the Legislative Branch Appropriation Act, 1942, $2,000,000: *Provided*, That this sum

shall be returned to the Treasury as an unexpended balance not later than December 31, 1942.

And in lieu thereof to insert:

Working capital and congressional printing and binding: For an additional amount for working capital and congressional printing and binding, fiscal year 1942, including the objects and subject to the conditions and limitations specified under this heading in the Legislative Branch Appropriation Act, 1942, and including an additional amount of $100,000 for the printing, binding, and distribution of the Federal Register in accordance with the act approved July 26, 1935 (44 U. S. C. 301-317), $3,720,000: *Provided*, That of this sum $2,000,000 shall be returned to the Treasury as an unexpended balance not later than December 31, 1942.

The amendment was agreed to.

The next amendment was, on page 4, after line 3, to insert:

General expenses, Office of Superintendent of Documents: For an additional amount for general expenses, Office of Superintendent of Documents, fiscal year 1942, including the objects and subject to the conditions specified under this heading in the Legislative Branch Appropriation Act, 1942, $150,000.

The amendment was agreed to.

The next amendment was, under the heading "Executive Office of the President—Office for Emergency Management," on page 4, after line 17, to strike out:

Civilian defense: To enable the Director of Civilian Defense, under such regulations as the President may prescribe (which regulations may provide exemption from the requirements of section 3709 of the Revised Statutes), to carry out the provisions of the act entitled "An act to provide protection of persons and property from bombing attacks in the United States, and for other purposes", approved January 27, 1942 (Public Law 415), fiscal year 1942, $100,000,000, to remain available until June 30, 1943, of which not to exceed $3,000,000 shall be available for all administrative expenses, including printing and binding and personal services in the District of Columbia: *Provided*, That no part of this appropriation shall be used to pay any person in the Office of Civilian Defense unless such person is directly employed in the administration of such act of January 27, 1942: *Provided*, That no part of the funds appropriated herein may be used for the employment of persons, the rent of facilities or the purchase of equipment and supplies to promote, produce, or carry on instruction or to direct instruction in physical fitness by dancers, fan dancing, street shows, theatrical performances, or other public entertainments.

And in lieu thereof to insert:

Civilian defense: For emergency fire fighting, including pumping units, hose, equipment for training and outfitting auxiliary corps and air-raid wardens, expenses of procurement, inspection, accounting, and administration, $57,217,271; protective clothing, steel helmets, arm bands, including administration $7,998,545; emergency medical supplies and equipment, $4,890,290; and gas masks and creation of facilities for manufacture of gas masks, $29,893,894, fiscal year 1942, in all $100,000,000, to remain available until June 30, 1943, of which not to exceed $3,000,000 shall be available for all administrative expenses, including printing and binding and personal services in the District of Columbia, to enable the Director of Civilian Defense, under such regulations as the President may prescribe (which regulations may provide exemption from the requirements of sec. 3709 of the Revised Statutes), to carry out the provisions of the act entitled "An act to provide protection of persons and property from bombing attacks in the United States, and for other purposes," approved January 27, 1942 (Public Law 415): *Provided*, That no part of this appropriation shall be available to pay the salary of any person at the rate of $4,500 per annum or more unless such person is appointed by the President, by and with the advice and consent of the Senate: *Provided further*, That no part of this appropriation shall be used to pay any person in the Office of Civilian Defense unless such person is directly employed in the administration of such act of January 27, 1942: *Provided further*, That no part of the funds appropriated herein may be used for the employment of persons, the rent of facilities or the purchase of equipment and supplies to promote, produce, or carry on instruction, or to direct instruction, in physical fitness by dancers, fan dancing, street shows, theatrical performances, or other public entertainments: *Provided further*, That the Director of Civilian Defense from time to time, but not less frequently than once every 60 days, shall transmit to Congress a report as to expenditures made and obligations incurred under this appropriation.

The amendment was agreed to.

The next amendment was, under the subhead "Independent Executive Agencies—Federal Security Agency—Public Health Service," on page 9, after line 2, to insert:

Disease and sanitation investigations: For an additional amount for disease and sanitation investigations, Public Health Service, fiscal year 1942, including the same objects specified under this head in the Federal Security Agency Appropriation Act, 1942, $77,481: *Provided*, That the appropriation "Disease and sanitation investigations, Public Health Service, 1942," as supplemented by this appropriation shall be available for alterations to buildings and equipment of the Public Health Service laboratory at Hamilton, Mont.

The amendment was agreed to.

The next amendment was, on page 9, line 18, after the numerals "1942", to strike out "to enable" and to insert "and"; and in the same line, after the name "Surgeon General," to insert "is authorized".

The amendment was agreed to.

The next amendment was, under the heading "District of Columbia," on page 13, after line 13, to insert:

SEWERS

Assessment and permit work: For an additional amount, fiscal year 1942, for assessment and permit work, sewers, $250,000, to continue available until June 30, 1943.

The amendment was agreed to.

The next amendment was, under the subhead "Water service," on page 17, after line 2, to insert:

For an additional amount, fiscal year 1942, for extension of the water department distribution system, laying of such service mains as may be necessary under the assessment system, $250,000, to continue available until June 30, 1943.

The amendment was agreed to.

The next amendment was, under the subhead "Judgments," on page 17, line 13, after the words "set forth in," to insert "Senate Document No. 165 and," and in line 14, after the name "Congress," to strike out "$15,538" and insert "$21,288."

The amendment was agreed to.

The next amendment was, under the heading "Department of the Interior," on page 18, after line 21, to insert:

BUREAU OF MINES

Oil and gas investigations: For an additional amount for oil and gas investigations, fiscal year 1942, including the objects specified under this heading in the Interior Department Appropriation Act, 1942, $66,000; and the limitations under said heading of $6,500 on the amount which may be expended for the purchase of motor-propelled passenger-carrying vehicles, and $22,600 on the amount which may be expended for personal services in the District of Columbia, are hereby increased to $10,500 and $24,800, respectively.

The amendment was agreed to.

The next amendment was, on page 19, after line 6, to insert:

Investigation of domestic sources of mineral supply: For an additional amount for investigation of domestic sources of mineral supply, fiscal year 1942, including the objects specified under this heading in the Interior Department Appropriation Act, 1942, $225,000; and the limitations under said heading of $22,000 on the amount which may be expended for the purchase of motor-propelled passenger-carrying vehicles, and $32,500 (as increased by the First Supplemental National Defense Appropriation Act, 1942) on the amount which may be expended for personal services in the District of Columbia, are hereby increased to $24,400 and $35,000, respectively.

The amendment was agreed to.

The next amendment was, in the heading "Treasury Department—Office of the Secretary", on page 24, line 18, after the numerals "1942", to strike out "172,000" and insert "$267,000", and in line 25, before the word "*Provided*" to strike out "$25,490" and insert "$120,490."

The amendment was agreed to.

The next amendment was, under the heading "Title II—Judgments and Authorized Claims—Property Damage Claims," on page 30, line 16, after the figures "$51,493.37," to insert a colon and "*Provided*, That the amount allowed in the case of item 82 on page 80 of such House Document No. 574 is corrected to read '$23.17.'

"(b) For the payment of claims for damages to or losses of privately owned property adjusted and determined by the following respective departments and independent offices, under the provisions of the act entitled 'An act to provide a method for the settlement of claims arising against the Government of the United States in the sums not exceeding $1,000 in any one case,' approved December 28, 1922 (31 U. S. C. 215), as fully set forth in Senate Document No. 174, Seventy-seventh Congress, as follows:

"Federal Works Agency, $1,202.24;
"Department of Agriculture, $199.08;
"Department of the Interior, $422.72;
"Navy Department, $1,513.35;
"Treasury Department, $218.75;
"War Department, $8,243.87;
"In all, $11,800.01."

The amendment was agreed to.

The next amendment was, under the subhead "Judgments, United States Courts", on page 32, line 11, after the word "in", to insert "Senate Document Numbered 173 and"; in line 12, after the word "following", to strike out "depart-

ment" and insert "departments"; after line 13, to strike out "Department of Justice, $1,389.50, together with such additional sum as may be necessary to pay interest as and where specified in such judgment or as provided by law."; after line 16, to insert "Department of Justice, $1,389.50"; after line 17, to insert "Navy Department, $2,000"; and after line 18, to insert "In all, $3,389.50, together with such additional sum as may be necessary to pay cost and interest as and where specified in such judgments or as provided by law."

The amendment was agreed to.

The next amendment was, on page 33, line 22, after the name "Anna Lee", to strike out "Herbert" and insert "Hebert"; in line 23, after the name "Nicholas", to strike out "Herbert" and insert "Hebert", and on page 34, line 2, after the figures "$21,550", to insert a comma and "together with such additional sum as may be necessary to pay interest thereon as provided by law: *Provided*, That the name of Daniel L. Weber appearing on page 11 of House Document Numbered 572 is corrected to read 'Dudley L. Weber.'"

The amendment was agreed to.

The next amendment was, on page 34, after line 24, to insert:

(h) For payment of the judgment rendered against the Government of the United States by the United States District Court for the District of New Jersey pursuant to the act entitled "An act conferring jurisdiction upon the United States District Court for the District of New Jersey to hear, determine, and render judgment upon the claim of the Delaware Bay Shipbuilding Co., Inc.," approved August 25, 1937 (50 Stat. 1079), and which has been certified to the Seventy-seventh Congress in Senate Document No. 172, $4,957.19, together with such additional sum as may be necessary to pay costs.

The amendment was agreed to.

The next amendment was, on page 35, line 11, before the word "None," to strike out "(h)" and insert "(i)."

The amendment was agreed to.

The next amendment was, on page 35, line 16, before the word "Payment," to strike out "(i)" and insert "(j)."

The amendment was agreed to.

The next amendment was, under the subhead "Judgments, United States Court of Claims", on page 35, line 23, after the word "in", to insert "Senate Documents Nos. 168 and 169 and"; on page 36, line 3, after the words "Public Buildings Administration", to strike out "$13,136.50" and insert "$18,922.64"; in line 6, after the word "Commerce", to strike out "$6,580.87" and insert "$43,735.91"; in line 9, after the word "Navy", to strike out "$155,644.77" and insert "$224,962.51"; in line 10, after the word "Treasury", to strike out "$5,297.78" and insert "$7,255.91"; in line 11, after the word "War", to strike out "$497,667.49" and insert "$784,365.92"; and in line 13, after the words "In all", to strike out "$714,206.80" and insert "$1,115,122.28."

The amendment was agreed to.

The next amendment was, on page 36, after line 15, to insert:

(b) For payment of the judgments rendered by the Court of Claims and reported to the Seventy-seventh Congress in Senate Document No. 171, covering storage charges of canned meats in the total amount of $17,684.66, to be paid from the account, "12F5829 Federal Surplus Commodities Corporation, Federal Emergency Relief Administration."

The amendment was agreed to.

The next amendment was, on page 36, line 22, before the word "None", to strike out "(b)" and insert "(c)".

The amendment was agreed to.

The next amendment was, under the subhead "Audited claims," on page 51, after line 23, to insert:

(b) For the payment of the following claims, certified to be due by the General Accounting Office under appropriations the balance of which have been carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874 (31 U S C 713), and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1939 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the act of July 7, 1884 (5 U. S. C. 266), as fully set forth in Senate Document No. 167, Seventy-seventh Congress, there is appropriated as follows:

Legislative: For public printing and binding, Government Printing Office, $537.46

Independent Offices: For motor transport regulation, Interstate Commerce Commission, $2.37.

For National Industrial Recovery, Federal Emergency Administration of Public Works, $88.50.

For administrative expenses, United States Housing Authority, $25.

For increase of compensation, Veterans' Bureau, $4.44.

For salaries and expenses, Veterans' Administration, $7.40.

Department of Agriculture: For conservation and use of agricultural land resources, Department of Agriculture, $5,096.56.

For land utilization and retirement of submarginal land, Department of Agriculture, $47.35.

For exportation and domestic consumption of agricultural commodities, Department of Agriculture (transfer to Federal Surplus Commodities Corporation), $147.62

For exportation and domestic consumption of agricultural commodities, Department of Agriculture (transfer to Federal Surplus Commodities Corporation, act June 28, 1937), $38.11

For exportation and domestic consumption of agricultural commodities, Department of Agriculture, $7.92.

For salaries and expenses, Forest Service, $2.60

For administration of Sugar Act of 1937, Department of Agriculture, $41.29.

For acquisition of lands for protection of watersheds of navigable streams, $583.

For farm tenancy, Department of Agriculture, $3.48.

For salaries and expenses, Soil Conservation Service, $8.63.

For retirement of cotton pool participation trust certificates, Department of Agriculture, $3.60.

For National Industrial Recovery, Resettlement Administration, submarginal lands (transfer to Agriculture), $5.92.

For salaries and expenses, Bureau of Chemistry and Soils, $1,800.

For salaries and expenses, Bureau of Agricultural Economics, $133.33.

Department of Commerce: For establishment of air-navigation facilities, Civil Aeronautics Authority, $634

For maintenance of air-navigation facilities, Civil Aeronautics Authority, $10.

For Civil Aeronautics Authority fund, $2,087.46.

Department of the Interior: For working fund, Interior, Office of Secretary (salaries and expenses, Veterans' Administration), 38 cents.

Department of Justice: For fees and expenses of conciliation commissioners, United States courts, $11.25.

Navy Department: For aviation, Navy, $2,839.43.

For pay and allowances, Coast Guard, $102.57.

For foreign-service pay adjustment, appreciation of foreign currencies (Navy), $9.56.

For outfits, Coast Guard, $95,494.14.

For ordnance and ordnance stores, Bureau of Ordnance, $5,550.

For maintenance, Bureau of Supplies and Accounts, $52.60.

For pay, subsistence, and transportation, Navy, $4.88.

War Department: For general appropriations, Quartermaster Corps, $9.83.

For pay of the Army, $36.40.

For National Guard, $12.40.

For pay of National Guard for armory drills, $23.36.

For Army transportation, $6.91.

For ordnance service and supplies, Army, $81.66.

For Civilian Conservation Corps (transfer to War), $146.81.

For emergency conservation fund (transfer to War, Act March 31, 1933), $628.20

Post Office Department: Postal Service (out of the Postal Revenue): For clerks, first- and second-class post offices, $19.90.

For indemnities, domestic mail, $1

For Rural Delivery Service, $11.17

Total, audited claims, section 204 (b), $116,358.69, together with such additional sum due to increases in rates of exchange as may be necessary to pay claims in the foreign currency and interest as specified in certain of the settlements of the General Accounting Office.

The amendment was agreed to.

The next amendment was, on page 57, line 2, after the word "in" to insert "Senate Document Numbered 166 and", and in line 4, after the name "Congress", to strike out $165,438.36" and insert "$172,384.33."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the vote by which the amendment beginning on page 4, line 17, was agreed to, be reconsidered.

The PRESIDING OFFICER. Without objection, the vote is reconsidered.

Mr. McKELLAR. I offer an amendment a part of which was suggested by the Office of Civilian Defense. I ask that the clerk read the amendment.

The PRESIDING OFFICER. The clerk will read.

The CHIEF CLERK. On page 6, line 26, after the word "appropriation", it is proposed to strike out the period and insert a colon and the following proviso:

Provided further, That no funds herein appropriated shall be used for the payment of any person employed by a contractor to solicit or secure a contract upon any agreement for a commission, percentage, brokerage, or contingent fee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. HAYDEN. Mr. President, there was placed in my hands an amendment which I desire to offer, which is supported by the Bureau of the Budget, calling for $12,035 for the Office of Education.

Mr. McKELLAR. Mr. President, I have no objection to the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 10, after line 5, it is proposed to insert the following:

Salaries and expenses, Forum Advisory Service, Office of Education:

For expenses necessary for the promotion of adult civic education, including personal services in the District of Columbia and elsewhere, the purchase and exchange of supplies, equipment, lawbooks, books of reference, and periodicals (20 U. S. C. 1), $12,035.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 6548) was read the third time, and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. NYE, and Mr. LODGE conferees on the part of the Senate.

PAY AND ALLOWANCES FOR ARMY, NAVY, MARINE CORPS, AND COAST GUARD

Mr. WALSH. Mr. President, I move that the Senate proceed to the consideration of House bill 6446, providing for continuing pay and allowances of personnel of the Army, Navy, Marine Corps, and Coast Guard during periods of absence from posts of duty.

Mr. McNARY. Mr. President, I favor making the bill the unfinished business, but I hope that the able Senator in charge of the bill will allow it to go over until tomorrow.

Mr. WALSH. Is it agreeable to the Senator from Kentucky that the bill go over until tomorrow, and remain the unfinished business?

Mr. BARKLEY. Yes; I think that would be the best procedure, under the circumstances.

Mr. WALSH. That is agreeable to me.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 6446) to provide for continuing payment of pay and allowances of personnel of the Army, Navy, Marine Corps, and Coast Guard, including the retired and Reserve components thereof, and civilian employees of the War and Navy Departments, during periods of absence from post of duty, and for other purposes, which had been reported from the Committee on Naval Affairs with an amendment, to strike out all after the enacting clause and to insert the following:

That for the purpose of this act—

(a) the term "person" means (1) commissioned officer, warrant officer, enlisted person (including persons selected under the Selective Training and Service Act, as amended), of the War and Navy Departments, member of the Army or Navy Nurse Corps (female), wherever serving; (2) commissioned officer of the Coast and Geodetic Survey or the Public Health Service; and (3) civilian officers and employees of executive departments, independent establishments, and agencies (including corporations) of the Federal Government, during such time as they may be assigned for duty outside the continental limits of the United States or in Alaska;

(b) the terms "active service" means active service in the Army, Navy, Marine Corps, and Coast Guard of the United States, including active Federal service performed by personnel of the retired and reserve components of these forces, the Coast and Geodetic Survey, the Public Health Service, and active Federal service performed by the civilian officers and employees defined in paragraph (a) (3) above;

(c) the term "dependent" shall be as defined in United States Code, title 37, sections 8 and 8 (a) or such dependent as has been designated in official records;

(d) the term "department" means any executive department, independent establishment, or agency (including corporations) in the executive branch of the Federal Government.

SEC. 2. Any person who is in active service and is officially reported as missing, missing in action, interned in a neutral country, or captured by an enemy shall, while so absent, be entitled to receive or to have credited to his account the same pay and allowances to which such person was entitled at the time of the beginning of the absence or may become entitled to thereafter: *Provided*, That such person shall not have been officially reported as having been absent from his post of duty without authority: *Provided further*, That expiration of the agreed term of service during the period of such absence shall not operate to terminate the right to receive such pay and allowances: *And provided further*, That should proper authority subsequently determine that the person concerned had been absent from his post or duty without authority, such person shall be indebted to the Government in the amount for which payments have been made or pay and allowances credited to his account in accordance with the provisions of this act during such absence.

SEC. 3. Any person entitled under section 2 of this Act to receive pay and allowances, and who has made an allotment of pay for the support of dependents or for the payment of insurance premiums, shall be entitled to have such allotments for dependents or insurance premiums as he previously may have executed continued for a period of 12 months from date of commencement of absence, notwithstanding that the period for which the allotments had been executed may have expired during such 12 months' period, and the proper disbursing officer shall so continue the allotments during such absence: *Provided*, That in the absence of a previously executed allotment, or where the allotment made is not sufficient for reasonable support of a dependent and for the payment of insurance premiums, the head of the department concerned may direct that an allotment not to exceed the base pay, plus longevity of the person concerned, shall be paid by the appropriate disbursing officer to the insurer or such dependent as has been designated in official records or, in the absence of such designation, to such person as may be determined by the head of the department concerned, or by such person as he may designate, to be a bona fide dependent within the meaning of section 1 (c): *Provided further*, That for the initial period of six months, unless prior decision as to status is made, a monthly allotment for support of such dependent shall be paid in an amount not to exceed the monthly base pay, plus longevity, without regard to the fact that the six months' death gratuity may be paid later: *Provided further*, That at the expiration of the initial six months' period, no further decision having been made as to status, the payment as heretofore provided shall continue for an additional period not to exceed six months; any payment paid to a dependent for a period subsequent to date of death, if death occurred subsequent to the expiration of the first 6-month period, shall be deducted from the six months' gratuity: *Provided further*, That the premiums on insurance issued on the life of the person paid by the Government subsequent to the declared date of death and unearned shall revert to the appropriations of the department concerned: *And provided further*, That the total of all payments made under this section, including those for insurance premiums, shall not exceed the total pay and longevity pay due.

SEC. 4. When in the opinion of the head of the department concerned the circumstances surrounding the absence of a missing person of one of the classes mentioned in section 2 of this Act justifies such action, in the interest of the Government, or of the missing person, or of a dependent of the missing person, the head of the department, or such person as he may designate, may direct the continuance, suspension, or resumption of payments of the pay and allowances of such person. Except as provided in section 6 of this Act, in the case of a person in the hands of an enemy or interned in a neutral country, payment of allotments may not continue beyond the 12 months' period following the officially reported date of commencement of absence from his post of duty.

SEC. 5. Upon the expiration of 12 months from the date the person is reported as missing, or missing in action, in the absence of an official report of death of the missing person, the head of the department concerned is authorized to make a finding of death of such person. Following a finding of death, the 6 months' death gratuity provided by law is authorized to be paid. In the event of the later return of such missing person to the controllable jurisdiction of the head of the department concerned, the pay account of such person shall be reopened and charged with the amount of the 6 months' death gratuity which may have been paid: *Provided*, That the head of the department concerned in his discretion shall determine a monthly basis for liquidation of the amount of the death gratuity so charged in a reopened pay account.

SEC. 6. When it is officially reported by the head of the department concerned that a person missing under the conditions specified in section 2 of this act is alive and in the hands of an enemy or is interned in a neutral country, the payments authorized by section 3 of this act are, subject to the provisions of section 2 of this act, authorized to be made for a period not to extend beyond the date of the receipt by the head of the department concerned of evidence that the missing person is dead or has returned to the controllable jurisdiction of the department concerned.

SEC. 7. The head of the department concerned is hereby authorized to direct the payment of new allotments from the pay of persons in active service (other than persons entitled under sec 2 or sec 13 of this act to receive pay and allowances) to increase or decrease the amount of any allotment heretofore or hereafter made by

such persons and to continue payment of any allotments of such person which may have expired in November 1941 and any month subsequent thereto, with or without the consent of such person, subject in all cases to termination by specific request of such persons, whenever in the judgment of the head of the department such action is considered essential for the well-being and protection of dependents of persons in active service.

SEC. 8. Whoever shall obtain or receive any money, check, or allotment under this Act, without being entitled thereto, with intent to defraud shall be punished by a fine of not more than $2,000 or by imprisonment for not more than one year, or both.

SEC. 9. Within the scope of the authority granted by this Act, the determination by the head of the department concerned, or by such person as he may designate, of the status of a person in the military or naval forces, the Coast Guard, the Coast and Geodetic Survey, the Public Health Service, or civilian officers or employees as defined in paragraph (a) (3) of section 1 of this Act, or his direction relative to continuance, temporary suspension, or resumption of payment of pay and allowances, or finding of death, shall be conclusive.

SEC. 10. The determination of the fact of dependency under the provisions of this act, and the determination of the fact of dependency under the provisions of any and all other laws providing for the payment of pay, allowances, or other emoluments to enlisted men of the Army, Navy, Marine Corps, and Coast Guard of the United States where such payments are contingent upon dependency, shall be made by the head of the department concerned, or by such subordinate as he may designate, and such determination so made shall be final and conclusive: *Provided*, That the act of June 4, 1920 (41 Stat. 824) as amended (U. S. C., title 34, sec. 943), is hereby amended by deleting the word "actually" in the first proviso.

SEC. 11. The dependents and household and personal effects of any person defined in section 1 of this act (without regard to pay grade) who is officially reported as injured, dead, missing as the result of military or naval operations, interned in a neutral country, or captured by the enemy, may be moved (including packing and unpacking of household effects) to such locations as may be determined by the head of the department concerned or by such person as he may designate, by the use of either commercial or Government transportation: *Provided*, That the cost of such transportation, including packing and unpacking, shall be charged against appropriations currently available.

SEC. 12. Notwithstanding any other provision of law, in the case of any taxable year beginning after December 31, 1940, no Federal income-tax return of, or payment of any Federal income tax by—

(a) any individual in the military or naval forces of the United States, or

(b) any civilian officer or employee of any department

who, at the time any such return or payment would otherwise become due, is a prisoner of war or is otherwise detained by any foreign government with which the United States is at war, or

(c) any individual in the military or naval forces of the United States

serving on sea duty or outside the continental United States at the time any such return or payment would otherwise become due, shall become due until one of the following dates, whichever is the earliest:

(1) the 15th day of the third month following the month in which he ceases, except by reason of death or incompetency) to be a prisoner of war, or to be detained by any foreign government with which the United States is at war, or to be a member of the military or naval forces of the United States serving on sea duty or outside the continental United States, as the case may be, unless prior to the expiration of such fifteenth day he again is a prisoner of war, or is detained by any foreign government with which the United States is at war, or is a member of the military or naval forces of the United States serving on sea duty or outside the continental United States;

(2) The 15th day of the third month following the month in which the present war with Germany, Italy, and Japan is terminated, as proclaimed by the President; or

(3) The 15th day of the third month following the month in which an executor, administrator, or conservator of the estate of the taxpayer is appointed.

Such due date is prescribed subject to the power of the Commissioner of Internal Revenue to extend the time for filing such return or paying such tax, as in other cases, and to assess and collect the tax as provided in sections 146, 273, and 274 of the Internal Revenue Code in cases in which such assessment or collection is jeopardized and in cases of bankruptcy or receivership. For the purpose of this section, the term "continental United States" means the States and the District of Columbia, and the terms "individual" or "member" of the military or naval forces of the United States mean any person in the Army of the United States, the United States Navy, the Marine Corps, the Army or Navy Nurse Corps (female), the Coast Guard, the Coast and Geodetic Survey, or the Public Health Service.

SEC. 13. The provisions of this act, applicable to persons in the hands of an enemy, shall also apply to any person beleaguered or besieged by enemy forces.

SEC. 14. This act, except section 12, shall be effective from September 8, 1939, and shall remain in effect until the termination of the present war with Germany, Italy, and Japan, as proclaimed by the President, and for 12 months thereafter.

Mr. WALSH. Mr. President, I ask that there be printed in the RECORD in connection with my remarks, for the information of the Senate, certain sections of the committee report on the bill—first, the section of the report which sets forth the purpose of the bill, then the section which sets forth the amount of credits authorized, and the section of the report whose subhead is "Present situation with respect to dependents of persons missing."

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM REPORT NO. 1060 ON H. R. 6446

THE PURPOSES OF THE BILL

The bill, if enacted as amended by the committee, would make suitable provision for the support of dependents of personnel of the Army, Navy, Marine Corps, Coast Guard, including the retired and reserve components of those services, the Coast and Geodetic Survey and the Public Health Service, and civilian employees of the various Government departments, who have been reported as missing, missing in action, interned in a neutral country, or captured by an enemy, and who are not presumed to be dead or to have deserted.

In general, the purposes of this bill are to provide authorization for the continued payment or credit in the accounts of the pay and allowances of missing persons for 1 year following the date of commencement of absence from their posts of duty or until such persons have been officially declared dead; the continued payment for the same period of the allotments for the support of dependents and for the payment of insurance premiums, and for regular monthly payments to the dependents of missing persons, in the same manner in which allotments are paid, in those instances in which the missing persons had neglected to provide for their dependents through the medium of allotments, such payments to be deducted from the pay of the missing persons in the same manner in which allotments are paid.

AMOUNT OF CREDITS AUTHORIZED

The credits authorized to be made in the accounts of missing persons would be the amounts they were entitled to receive at the time they were reported as missing. Expenditures in excess of the amount credited to each individual account are not authorized except for the transportation of the missing person's dependents, his household or personal effects.

PRESENT SITUATION WITH RESPECT TO DEPENDENTS OF PERSONS MISSING

The Navy Department advised the committee that many instances have occurred during recent months of personnel having been reported as missing, and in accordance with requests received from disbursing officers carrying the pay accounts, the allotments of such persons were discontinued. Because of stoppage of allotments and the withholding of pay of missing persons, dependents of personnel concerned have experienced great hardships in a large number of cases. The committee are advised that this situation is aggravated by the fact that, so long as a person is declared to be missing and has not been officially declared dead, the 6-month death gratuity is not payable.

It appears that in most cases evidence will undoubtedly exist to justify the presumption that the missing persons are not deserters and have not absented themselves from their post of duty in violation of the rules of discipline. In all instances when persons are declared to be missing, in the absence of clear evidence of death or desertion, specific provision should exist for the continued credit of pay and allowances and for the continuation of allotments of pay for the support of dependents, and for the payment of insurance premiums. The bill is designed to accomplish this purpose.

EMPLOYMENT ON GOVERNMENT PROJECTS—UNION MEMBERSHIP

Mr. BYRD. Mr. President, many complaints have come to me with respect to the fact that the contractors building Camp Pickett at Blackstone, Va., refuse to hire anyone unless the applicant first joins the union and pays a fee.

In a free country, Mr. President, I do not think this should be permitted. I favor collective bargaining, and have no objection to unions, but I do not believe any citizen of America who is anxious to work on projects involving war preparations should be compelled to pay tribute to a union before he can obtain such employment.

I protested against this action to Secretary of War Stimson, and I ask unanimous consent to have my letter to him inserted in the RECORD as a part of my remarks. I also ask unanimous consent to have inserted a letter I have received from one of my constituents which very clearly states the situation. This Virginian, Mr. Fulp, says he has been a carpenter for 25 years, yet could not obtain work at Camp Pickett until he paid $65 to the union. Mr. Fulp declined to do this, saying he had rather give the $65 to the Government to help whip the Axis.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Virginia?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON RULES,
February 12, 1942.

The Honorable HENRY L. STIMSON,
The Secretary of War.

MY DEAR MR. SECRETARY: I have received from my constituents in Virginia numerous complaints with respect to large fees having been charged by the unions to workmen who apply for employment in connection with construction of the Blackstone, Va., military camp.

The same complaint has been made in the construction of other camps, and I am informed that the payment of these fees not only places an unreasonable burden upon the applicants but the necessity of obtaining the approval of the union has delayed the construction of the camps.

This is a free country, and I do not believe that any laborer should be compelled to join a union, unless he desires to do so, in order to obtain work from his Government. This is especially true in time of war when there should be no restrictions upon the full use of all of the power of our country in preparing ourselves for the emergency that now confronts us

I have made complaint of this matter before to the War Department but have been unable to obtain any redress of these conditions. I am not opposed to collective bargaining, nor to the formation of labor unions, but I am opposed to coercion and extortion on American citizens who apply to perform some essential work for their Government

Again, I want to call your attention to the matter and make of you the following inquiry, assuming that full investigation has been made by the War Department of these conditions, by reason of the numerous complaints that have been made. I would thank you to send me a full report as follows:

(1) The amount of the fees that are being charged by the unions

(2) Under what authority an American citizen is refused work in a time of crisis for the construction of an army camp, unless he first pays tribute to a union

(3) To what extent the exaction of the payment of such fees has increased the cost of these projects, and to what extent has there been a delay caused by this requirement.

I would thank you further to advise me as to the method of contracting for the construction of such Army projects—whether the construction is done on a cost-plus basis, and what protection is given the War Department to prevent extravagances and unnecessary expenditures on the part of the contractor

With best wishes, I am,
Faithfully yours,

HARRY F. BYRD.

RED OAK, VA., *February 13, 1942.*

Senator HARRY F. BYRD.

DEAR SIR: I am writing about the work at Blackstone. I was down there Monday and went to the employment office and applied for work, and they told me I would have to go to union office and join before I could get work. The union fee would be $65, so they told me, and I come back home and did not join. I have worked at carpenter's trade for 25 years, and before I will pay them $65 for a job I won't have any. I had lots rather give the Government the $65 to help whip the Axis. I wrote to Secretary Perkins about 3 weeks ago about the union and the work on these camps and have not heard a word from her. I wish you all would make it so hot for her that she would have to leave Washington. She is no good. I wish you would try and get those fellows to stop fooling around and get some war material out.

I have a son right in the thick of this fight and has been there ever since it started. He has been in the Navy for 8 years; was at Pearl Harbor on December 7. We sure would be glad if they could get something to fight with.

Yours truly,

D. R. FULP.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BUNKER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations (and withdrawing a nomination), which were referred to the appropriate committees.

(For nominations this day received and nomination withdrawn, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr McKELLAR:

From the Committee on Post Offices and Post Roads:

Sundry postmasters.

From the Committee on Appropriations:

William A Sheehan to be State director for the Office of Government Reports, for Connecticut.

By Mr McCARRAN, from the Committee on the District of Columbia:

James H Flanagan, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for the remainder of the term expiring June 30, 1943, vice Riley E. Elgen.

By Mr GEORGE, from the Committee on Finance:

Agnes M. Hodge, of Minneapolis, Minn., to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn. (reappointment).

By Mr. LA FOLLETTE, from the Committee on Finance:

Henry V. Schwalbach, of Milwaukee, Wis., to be collector of customs for customs collection district No. 37, with headquarters at Milwaukee, Wis. (reappointment).

By Mr. VAN NUYS, from the Committee on the Judiciary:

Clinton R. Barry, of Arkansas, to be United States attorney for the western district of Arkansas; and

William B. Fahy, of Missouri, to be United States marshal for the eastern district of Missouri.

By Mr. MURDOCK, from the Committee on the Judiciary:

Charles H. Leavy, of Washington, to be United States district judge for the western district of Washington, vice Edward E. Cushman, retired.

By Mr. O'MAHONEY, from the Committee on the Judiciary:

Albert A. Sanders, of Wyoming, to be United States marshal for the district of Wyoming

By Mr. CONNALLY, from the Committee on the Judiciary:

James R. Wright, of Texas, to be United States marshal for the northern district of Texas.

By Mr. BURTON, from the Committee on the Judiciary:

George J. Keinath, of Ohio, to be United States marshal for the northern district of Ohio.

By Mr. LANGER, from the Committee on the Judiciary:

Powless W. Lanier, of North Dakota, to be United States attorney for the district of North Dakota

By Mr. TRUMAN, from the Committee on Military Affairs:

Sundry officers for appointment, transfer, or promotion in the Army

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

OFFICE OF GOVERNMENT REPORTS

The legislative clerk proceeded to read sundry nominations in the Office of Government Reports.

Mr. HILL. Mr. President, I have no objection to the nominations in the Office of Government Reports, and shall not object to their confirmation. I wish to say that the Office of Government Reports was brought into being, not by legislative enactment, but by Executive order of the President, and it was entirely proper that nominations in the Office of Government Reports should go to the Committee on Appropriations. However, at the last session of Congress several months ago the Congress passed a bill giving legislative status to the Office of Government Reports. That bill was considered and reported to the Senate by the Senate Committee on Expenditures in the Executive Departments. In view of the fact that that committee handled and reported legislation giving legislative status to the Office of Government Reports I, as chairman of the Committee on Expenditures in Executive Departments, shall in future ask that any nominations in the Office of Government Reports be referred to that committee.

Mr. McKELLAR. Mr. President, the chairman of the committee is not present. Personally I have no objection to the course suggested; but, so far as these appointments are concerned, it seems there is no objection on the part of the Senator from Alabama, and I ask unanimous consent that the nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Office of Government Reports are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. WALSH. I ask that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Marine Corps nominations are confirmed en bloc.

That completes the Executive Calendar.

JAMES R. WRIGHT

Mr. CONNALLY. I ask unanimous consent for the present consideration of the nomination of James R. Wright, of Texas, to be the United States marshal for the northern district of Texas. The nomination was reported from the Committee on the Judiciary earlier today.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and, without objection, the nomination is confirmed.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 33 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, February 18, 1942, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate February 17 (legislative day of February 13), 1942:

UNITED STATES DISTRICT JUDGE

Hon. Peirson M Hall, of California, to be United States district judge for the southern district of California, vice Hon. George Cosgrave, retired.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

R. M. Evans, of Virginia, to be a member of the Board of Governors of the Federal Reserve System for the unexpired portion of the term of 14 years from February 1, 1940, vice Chester C Davis.

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons for appointment as Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service of the United States of America:

Alvin M Bentley, of Michigan.
Byron E. Blankinship, of New York.
D. Chadwick Braggiotti, of New York.
Robert M. Brandin, of New York.
William C Burdett, Jr., of Georgia.
Findley Burns, Jr., of Maryland.
Robert E. Cashin, of Missouri.
Forrest N. Daggett, of California.
Frederick W. Eyssell, of Missouri.
Douglas N. Forman, Jr., of Massachusetts.
Michael R. Gannett, of New York.
Joseph N. Greene, Jr., of Massachusetts.
Henry Hansen, Jr., of Connecticut.
Douglas Henderson, of Massachusetts.
Armistead M. Lee of Virginia.
Duane B. Lueders, of Minnesota.
LaRue R. Lutkins, of New York.
Oliver M. Marcy, of Massachusetts.
James L. O'Sullivan, of Connecticut.
Albert E. Pappano, of Missouri.
Henry L. Pitts, Jr., of New York.
William S. Rosenberg, of New York.
Joseph S. Sparks, of California.
Leslie Albion Squires, of California.
Walter J. Stoessel, Jr., of California.
Jewell Truex, of California.
Richard E. Usher, of Wisconsin.
Theodore C. Weber, of Massachusetts.
William L. S Williams, of Wisconsin.

The following-named persons for promotion in the Foreign Service of the United States, effective as of February 1, 1942, as follows:

From Foreign Service officer of class 2 to Foreign Service officer of class 1:
George L. Brandt, of the District of Columbia.

From Foreign Service officer of class 3 to Foreign Service officer of class 2:
Ralph H. Ackerman, of California.
J. Webb Benton, of Pennsylvania.
Edward M. Groth, of New York.
H. Lawrence Groves, of Pennsylvania.
Donald R. Heath, of Kansas.
James Hugh Keeley, Jr., of California.
Alfred W. Klieforth, of Pennsylvania.
Thomas H. Lockett, of Kentucky.
Robert B. Macatee, of Virginia.
Hugh Millard, of Nebraska.
Orsen N. Nielsen, of Wisconsin.
Daniel J. Reagan, of the District of Columbia.
Harold S. Tewell, of North Dakota.

From Foreign Service officer of class 4 to Foreign Service officer of class 3:
George Atcheson, Jr., of California.
Merwin L. Bohan, of Texas.
J. Rives Childs, of Virginia
Charles E. Dickerson, Jr., of New Jersey.
Julian B. Foster, of Alabama.
Clayton Lane, of California.
James E. McKenna, of Massachusetts.
Paul G Minneman, of Ohio.
Paul O. Nyhus, of Wisconsin
Karl L. Rankin, of Maine.
Leo D. Sturgeon, of Illinois.
Clifford C. Taylor, of Colorado.
John Carter Vincent, of Georgia.

From Foreign Service officer of class 5 to Foreign Service officer of class 4:
George R. Canty, of Massacnusetts.
Robert G. Glover, of Florida.
Julian C. Greenup, of California.
George J. Haering, of New York.
Joel C. Hudson, of Missouri
Charles W. Lewis, Jr., of Michigan.
Lester De Witt Mallory, of California.
Quincy F. Roberts, of Texas.
James Somerville, of Mississippi.
Paul P. Steintorf, of Virginia.
Howard H Tewksbury, of Massachusetts.
S. Walter Washington, of West Virginia.

From Foreign Service officer of class 6 to Foreign Service officer of class 5:
Richard M. de Lambert, of New Mexico.
Samuel G. Ebling, of Ohio.
George R. Hukill, of Delaware.
Benjamin M. Hulley, of Florida.
Paul W. Meyer, of Colorado
Sheldon T. Mills, of Oregon.
Sidney E O'Donoghue, of New Jersey.
James B. Pilcher, of Georgia
Robert B. Streeper, of Ohio

From Foreign Service officer of class 7 to Foreign Service officer of class 6.
Stuart Allen, of Minnesota.
John M. Allison, of Nebraska.
Cavendish W. Cannon, of Utah.
William P. Cochran, Jr., of Pennsylvania.
Edmund J. Dorsz, of Michigan.
Dorsey Gassaway Fisher, of Maryland.
Frederic C. Fornes, Jr., of New York.
Archibald E. Gray, of Pennsylvania.
Bernard Gufler, of Washington.
Monroe B. Hall, of New York.
Thomas A. Hickok, of New York.
Perry N. Jester, of Virginia.
George D. LaMont, of New York.
Edward S. Maney, of Texas.
Ralph Miller, of New York.
Gerald A. Mokma, of Iowa.
Guy W. Ray, of Alabama.
Willard Quincy Stanton, of Montana.
Walter N. Walmsley, Jr., of Maryland.

From Foreign Service officer of class 8 to Foreign Service officer of class 7.
Mulford A. Colebrook, of New York.
Charles A. Cooper, of Nebraska.
Frederick J. Cunningham, of Massachusetts.
Overton G. Ellis, Jr., of Washington.
Howard Elting, Jr., of Illinois.
Frederick E. Farnsworth, of Colorado.
L. Randolph Higgs, of Mississippi.
Beppo R. Johnson, of Florida.
George Lewis Jones, Jr., of Maryland.
Charles F. Knox, Jr., of New Jersey.
E. Allan Lightner, Jr., of New Jersey.
Walter J. Linthicum, of Maryland.
Aubrey E. Lippincott, of Arizona.
Odin G. Loren, of Washington.
Robert Mills McClintock, of California.
Carmel Offie, of Pennsylvania.
Walter W Orebaugh, of Kansas.
W. Leonard Parker, of New York.
Max W. Schmidt, of Iowa.

From Foreign Service officer, unclassified, to Foreign Service officer of class 8:
John L. Bankhead, of Florida.
M. Williams Blake, of Ohio.
Thomas S. Campen, of North Carolina.
David M. Clark, of Pennsylvania.
Perry Ellis, of California.
James Espy, of Ohio.
Richard D. Gatewood, of New York.
John L. Goshie, of New York.
John Hubner 2d, of Maryland.
John D. Jernegan, of California.
Hartwell Johnson, of South Carolina.
Robert B. Memminger, of South Carolina.
Charles S. Millet, of New Hampshire.
Miss Kathleen Molesworth, of Texas.
Bolard More, of Ohio.
Brewster H. Morris, of Pennsylvania.
Jack B. Neathery, of Texas.
Miss Katherine E. O'Connor, of Indiana.
E. Edward Schefer, of New York.
Charles O. Thompson, of Alaska.
S. Roger Tyler, Jr., of West Virginia.
Philip P. Williams, of California.
Robert E. Wilson, of Arizona.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 17 (legislative day of February 13), 1942:

UNITED STATES MARSHAL

James R. Wright to be United States marshal for the northern district of Texas.

OFFICE OF GOVERNMENT REPORTS

TO BE STATE DIRECTORS FOR THE OFFICE OF GOVERNMENT REPORTS

Don M. Lochner for Florida.
Harold H. Harding for Kansas.
Thomas H. Green for Massachusetts.
M. E. McCuiston for Nevada.
R. F. Deacon Arledge for New Mexico.
A. Ray Martin for Oregon.
Vernon C. Norton for Rhode Island.
R. L. Olson for Utah.
Martin L. Riley for Mississippi.
Harley O. Staggers for West Virginia.
Fred W. Keller for Wisconsin.
H. D. Watenpaugh for Wyoming.

POSTMASTERS

ALASKA

Herbert Edmunds Brown, Anchorage.

ARKANSAS

Mary N. Old, Huntington.
Robert H. Willis, Watson.

CALIFORNIA

Orin F. Mumy, Angel Island.
William D. Tracy, Buttonwillow.
Agnes M. Falck, Del Paso Heights.
Ray Brackett, Geyserville.
Charles W. Deming, Universal City.

CONNECTICUT

Evangeline M. Cassidy, Southbury.

FLORIDA

Harry F. Aicher, Jupiter.
Flora A. Labors, Laurel Hill.
Boonie S. Strickland, Opa Locka.

IDAHO

Ruth E. Lindow, Avery.
Maude M. Howe, Donnelly.
John W. Hays, Dubois.
Bessie B. Todd, Melba.
Logan M. Bowman, Payette.

INDIANA

Mildred Robertson, Cromwell.
Gene Harris, Fountain City.
Clifford L. Smith, Middlebury.
Oscar L. Philipps, Santa Claus.

KANSAS

William I. Hanna, Gove.
Orval B. Cantrill, Harveyville.
Harry Meyer, Lenexa.

LOUISIANA

Thera N. Stovall, Dodson.

MARYLAND

Elizabeth Fyle Provost, Aberdeen Proving Ground.
Margaret G. King, Edgewood Arsenal.
Wylie L. Donaldson, Odenton.
Jennings R. Richards, Westover.

MASSACHUSETTS

Joseph P. Bartley, Barrowsville.
Joseph E. Fietz, Islington.
Joseph F. Totman, Norwell.
George A. Rice, Pepperell.
Mary M. Hill, West Groton.
Bertha M. West, Wianno.

MICHIGAN

Irene Couture, Bruce Crossing.
Edward S. Genry, Munising.
Ferdinand F. Siegmund, New Buffalo.
Elizabeth Treiber, Norway.
August V. Jacober, Waterford.

MISSISSIPPI

William B. Potts, Crawford.
Ida Koen, Foxworth.
Lee E. Rials, Jayess.

NEBRASKA

Jean D. Hubbard, Ingleside.
Bernard M. Diers, Scottsbluff.
George D. Thomas, Seward.

NORTH CAROLINA

Effie A. Brickhouse, Columbia.
Benjamin F. Bird, Grover.
Barron P. Caldwell, Marion.

PUERTO RICO

Vicente Feliu, Bayamon.

RHODE ISLAND

Samuel H. Pascoe, Wallum Lake.

SOUTH CAROLINA

Fred L. Armstrong, Bath.
Edward M. Kennedy, Blackstock.
Gordon S. Beard, Myrtle Beach.

VIRGINIA

Edward L. Willis, Belle Haven.
Daniel V. Richmond, Ewing.
Edward G. Newell, Kecoughtan.
Catherine L. Timms, Lorton.
Marion B. Harvey, Roseland.
Fred P. Brown, Rural Retreat.

WASHINGTON

Gustaf N. Dalstead, Anacortes.
Dorothy M. Henson, Fort Steilacoom.

WEST VIRGINIA

William H. Hilborn, Beverly.
Nell Bennett Wolford, Pickens.
Merle G. Raab, Triadelphia.
Thelma P. Forbes, West Liberty.

WISCONSIN

Haylor G. Koziczkowski, Amherst Junction.
William P. Mulligan, Portage.
John C. Weitermann, Sturgeon Bay.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

MARINE CORPS

To be major general

Charles F. B. Price

To be brigadier general

Joseph C. Fegan

To be colonels

Thomas B. Gale
Field Harris

To be lieutenant colonels

Stanley E. Ridderhof
Morris L. Shively

To be majors

Karl K. Louther
Paul Drake

To be captains

Donald K. Yost
Frederick R. Payne, Jr.

To be second lieutenant

Robert R. Davis

WITHDRAWAL

Executive nomination withdrawn from the Senate February 17, 1942:

POSTMASTER

William S Chandler to be postmaster at Norco, in the State of Louisiana.

HOUSE OF REPRESENTATIVES

TUESDAY, FEBRUARY 17, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, bless us with a clear vision of the paths of honor and duty and help us to choose them at whatever cost. We pray Thee to visit our souls and that which has called us to this service and may we be faithful to our tremendous responsibilities. Out of a valorous faith springs zealous courage, and the peace into which it flows becomes the ever-living fountain in the trusting heart. Thou art the bread of life, the soul's nourishment; Thou art the water of life; the soul's cleanser; Thou art the light of life that leads to the soul's perpetual altar.

Dear Lord, we pray for the inspiration of reason and faith; of hope and love, that the power and the prospect of a better world may rest upon us. Arouse in us a deep sense of our accountability, allowing not our duty to be veiled by distrust or selfishness and avoiding the tragedy of failure which comes at last. Purify all ambitions and aspirations by the spirit of our Saviour that we may fulfill our destiny and leave a title of honor that is worthy of memory. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On February 9, 1942:

H. R. 4182. An act for the relief of Mollie S. McHaney.

On February 10, 1942:

H. R 257. An act for the relief of Edna L. Blanche Gillette;

H. R 1903. An act for the relief of Reuben Owen;

H. R. 2376. An act for the relief of Ethel Ray Sowder;

H. R. 4436. An act for the relief of Mrs. Bertha M. Smith;

H. R 5046. An act for the relief of Mr. and Mrs. R. L. Saunders;

H. R. 5085. An act for the relief of Esco Wood;

H. R. 5390. An act for the relief of G. T. Elliott, Inc.;

H. R. 5541. An act for the relief of Joseph Keeney;

H. R. 5767. An act for the relief of A. Paul Johnson;

H. R. 5833. An act to extend the time during which orders and marketing agreements under the Agricultural Adjustment Act, as amended, may be applicable to hops; and

H. R. 6356. An act to amend the act approved October 24, 1941, entitled "An act to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes" (Public Law No. 280, 77th Cong.), so as to remove the limitation on the sum authorized to be appropriated annually to effectuate the purposes of the act.

On February 11, 1942:

H. R. 5701. An act for relief of the accounts of Lt. Col. Joseph M. Kelly, United States property and disbursing officer for Kentucky.

On February 12, 1942:

H. J. Res. 278. Joint resolution making an appropriation to provide financial aid to China.

On February 13, 1942:

H. R. 2611. An act to release all the interest of the United States in certain land constituting a portion of the right-of-way granted to the Central Pacific Railway Co. under the act of July 1, 1862, as amended and supplemented.

On February 14, 1942:

H. R. 5291. An act for the relief of Helen Rauch and Max Rauch.

EXTENSION OF REMARKS

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and also to include a resolution therein from some of my constituents.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include some correspondence relative to Indian legislation.

The SPEAKER. Is there objection?

There was no objection.

THE PAPER SHORTAGE

Mr. LYNCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LYNCH. Mr. Speaker, we are all acquainted with the fact that there is a paper shortage. Yesterday I received from the Office of Emergency Management this paper tube, which is 31 inches in length. After deep exploration I found out what was in it, recalling to my mind the old Latin expression:

Parturiunt montes, nascetur ridiculus mus.

The mountains are in labor, and a ridiculous mouse will be brought forth. My exploration into the tube brought forth this piece of paper, which is exactly 10 inches in length. It reposed safely in a 31-inch tube. The remarkable thing about it is that in the letter also enclosed I am informed that because of the paper shortage the Emergency Management is issuing their standard poster series in "the enclosed 15-inch by 20-inch size."

Mr. Speaker, this is a most ridiculous situation in that it shows such lack of cooperation and coordination. Tomorrow, under the special order granted me, I shall again speak on a matter involving lack of cooperation and coordination, but one of utmost seriousness—the loss of the steamship *Normandie*.

EXTENSION OF REMARKS

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech I made on Lincoln's Birthday.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEARHART. Mr. Speaker, yesterday I asked and was granted permission to extend my own remarks in the RECORD and include an article from the pen of Prof. Joseph Walter Bingham, of Leland Stanford Junior University, of California. This morning's mail brought me the copy, with the information that it would require two-thirds of a page additional printing, to that authorized by our rules. In other words, it will cost the Government $120 to print. I renew my request for unanimous consent to have it printed in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of the W. P. A. and include an excerpt from a letter from one of my constituents on that problem.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter I have addressed to the Civil Service Commission.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. ELIOT of Massachusetts. Mr. Speaker, I ask unanimous consent that tomorrow, at the expiration of the legislative business and any special orders heretofore granted, I be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. ELIOT of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a newspaper article.

The SPEAKER. Is there objection?

There was no objection.

Mr. WEISS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter from the Slovak Catholic Federation of America addressed to the White House.

The SPEAKER. Is there objection?

There was no objection.

Mr. PAGÁN. Mr. Speaker, I ask unanimous consent to extend my remarks and include in the RECORD a resolution from Puerto Rico.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a newspaper editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks and include a copy of Washington Viewpoint by H. I. Phillips, appearing recently in the New York Sun.

The SPEAKER. Is there objection?

There was no objection.

AID FOR GENERAL MACARTHUR

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a brief editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. SPRINGER addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

(By unanimous consent, Mr. MCGREGOR was granted permission to extend his own remarks in the RECORD.)

AID FOR GENERAL MACARTHUR

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker, the gentleman from Indiana [Mr. SPRINGER] who just addressed the House with reference to sending supplies to General MacArthur, made a statement that is popular these days around the country. Many people are writing to me asking the same question on the theory that nothing is being done here in Washington to aid General MacArthur. It is most unfortunate that a Member of this House repeats that statement on the floor of the House, because it suggests that the Commander in Chief and the War and Navy Departments are not doing everything possible to supplement the aid and material already sent to General MacArthur.

I know the gentleman from Indiana who repeated that thoughtless statement intimating our apparent failure to send help to MacArthur and his men, had no intention of giving comfort to our opponents in this war. Our enemies would like to know what we are doing and in order to answer the gentleman's questions in detail it would be necessary to supply information concerning our military activities which is highly confidential. We have implicit confidence in our President, our Navy and Army, and I am sure that we and every red-blooded American realizes that everything possible is being done to protect and defend our civilians and soldiers, unfortunately located in the Philippines and other fields of battle.

[Here the gavel fell.]

ADMINISTRATIVE EXPENSES, RAILROAD RETIREMENT ACT

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, on February 11, during the course of my remarks, I stated that there was paid out of the Treasury of the United States the administrative expenditures for the Railroad Retirement Act. I secured that information from the Appropriations Committee. The Budget estimates include an appropriation for administrative expenditures for the Retirement Act. This year it is $3,041,000.

I have been notified by the Brotherhood of Railroad Trainmen that that money is not in the end paid out of the Treasury but that the Treasury is reimbursed by the railroad retirement fund. I checked on that with Mr. Latimer, the Administrator, and I have been informed by Mr. Latimer that happily the amount being collected for railroad retirement from the railroad employees is sufficient to pay the retired employees and also covers the administrative expenditures. I congratulate the railroad employees in making their law self-sustaining. I want the RECORD to show my statement on February 11 was in error.

[Here the gavel fell.]

EXTENSION OF REMARKS

(By unanimous consent Mr. LAMBERTSON was granted permission to extend his own remarks in the RECORD and include an editorial.)

STRIKES IN DEFENSE INDUSTRIES

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, I cannot help but take recognition of what the gentleman from New York [Mr. MARTIN J. KENNEDY] just said—that the Army and Navy are trying to do everything they can to win this war. I do say, however, that unless the present administration changes some of the men and women who are in authority—and I particularly refer to Madam Perkins, who is handling the Labor Department—with the strikes that are going on, maybe this country will not win the war. Good labor wants to work and they are only being hindered by the radicals. If we had someone in the Department of Labor who would stop these radical labor leaders, we could produce more things that could be sent over to General MacArthur. It would do a whole lot more good for our country at this time if we had someone that tried to get 100-percent production for our Army, Air Corps, and Navy. These jurisdictional strikes are not warranted and not necessary; they are hindering production and not permitting the Air Corps, Army, and the Navy to send things to General MacArthur. He needs our all-out help. Mr. President, get rid of the inefficient incompetents if you wish to prosecute this war. Mr. President, you owe it to the country to do so.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an essay on the American flag by a youthful constituent of mine.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to revise, to delete from, to extend, and to combine, for the purpose of reprinting and distribution, the remarks I made on the floor of the House on January 27 and on January 30, 1942, so that the two, as rewritten, may be printed and distributed together.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LOUIS M. McDOUGAL—VETO MESSAGE (H. DOC. NO. 629)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, H. R. 3403, a bill for the relief of Louis M. McDougal.

It is the purpose of the bill to pay the sum of $4,000 to Louis M. McDougal, in settlement of his claim against the United States because of the alleged contraction of pulmonary tuberculosis while an enrollee and truck trail foreman in a Civilian Conservation Corps camp by reason of which he is now permanently and totally disabled.

The act of February 15, 1934, provided payments to enrollees of the Civilian Conservation Corps for disability or death only in cases where such disability or death resulted from a traumatic injury and did not authorize the payment of compensation benefits for diseases in any form except where the diseases were the natural result of a traumatic injury.

Approval of the bill would, therefore, establish a discriminatory and undesirable precedent.

I regret, therefore, that I do not feel that I would be justified in giving the bill my approval.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 17, 1942.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and the bill and message referred to the Committee on Claims, and ordered to be printed.

VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—COPPEL COAL CO. (H. DOC. NO. 628)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read.

To the House of Representatives:

I return herewith, without my approval, H. R. 1914, Seventy-seventh Congress, second session, entitled "An act for the relief of the Coppel Coal Co."

The bill authorizes and directs the Secretary of the Treasury to pay to the Coppel Coal Co., Chillicothe, Ohio, the sum of $72 in full settlement of all claims against the United States arising out of the delivery of soil pipe to the Department of Agriculture under purchase order No. 6256-9-Ia-O, dated February 8, 1939, said purchase order having been based upon an alleged erroneous bid.

It appears that the Coppel Coal Co. has been paid for the 200 lineal feet of soil pipe delivered to the Department of Agriculture under the said purchase order at the rate of 4 cents per lineal foot, a total of $8, pursuant to the terms of a bid which it twice had an opportunity to correct, but which it verified and confirmed prior to the Government's acceptance thereof. The sum of $72 sought to be paid the claimant by the bill represents the difference between the amount heretofore paid and the amount which the claimant now alleges it intended to bid—40 cents per lineal foot, or a total of $80.

Irrespective of the fact the apparent error in the claimant's bid was called to its attention, its quotation of 4 cents per lineal foot for the pipe was confirmed and verified. The subsequent acceptance of the bid by the Government consequently created a binding contract and the Government is under no legal obligation to pay any amount in excess of said contract price. While it now appears, under the circumstances, that some relief to the claimant might be proper from an equitable standpoint, the facts are such that I cannot give approval to the relief provided in the bill.

Disregarding the aforesaid bid of the Coppel Coal Co., the lowest comparative bid received by the Government for the pipe in question was in the amount of $56, for which price the Government would have been able to purchase the pipe but for the error in the bid submitted by the Coppel Coal Co. The granting of relief to the extent contemplated by the bill therefore would result in an expenditure of public funds in excess of the amount for which the pipe could have been purchased but for the claimant's error. Since the error was due solely to the claimant's negligence, there appears no proper basis now to pay the claimant the total amount sought, with the resultant increased cost to the Government, particularly when such amount would include a profit to the claimant.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 17, 1942.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and the bill and message referred to the Committee on Claims, and ordered to be printed.

FIFTH SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION BILL, 1942

Mr. CANNON of Missouri, from the Committee on Appropriations, reported the bill (H. R. 6611) making additional appropriations for the national defense for the fiscal year ending June 30, 1942, and for other purposes (Rept. No. 1790), which was referred to the House Calendar and ordered to be printed.

Mr. TABER reserved all points of order on the bill.

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6611) making additional appropriations for the national defense for the fiscal year ending June 30, 1942, and for other purposes; and pending that I would like to reach some agreement with the gentleman from New York [Mr. TABER] as to time for general debate. We should like to complete the bill today. I trust it will not be necessary to take much time for general debate. What is the suggestion of the gentleman from New York?

Mr. TABER. I think we certainly ought to have an opportunity to explain the bill thoroughly to the House. I would suggest that we have 3½ hours of general debate and that it be confined to the bill. I believe the reading of the bill should not take too long if we can get into the Committee soon.

Mr. CANNON of Missouri. The gentleman from New York will not insist on the consumption of the entire amount of 3½ hours, but would be willing to make it not more than that?

Mr. TABER. Not to exceed 3½ hours, yes; so that if we could get by with less I would be willing to, but I have commitments for pretty nearly all my share.

Mr. CANNON of Missouri. Then, Mr. Speaker, pending the motion to go into the Committee of the Whole I ask unanimous consent that general debate be confined to the bill, that it not exceed 3½ hours, and that it be equally divided and controlled by the gentleman from New York and myself.

Mr. RICH. Mr. Speaker, reserving the right to object, and I will not, it seems to me the chairman of the committee should have more Members present for the consideration of a large bill, one carrying something more than $30,000,000,000. About 100 Members are on the floor. I think more should be here, and make this suggestion to the chairman of the committee.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6611) making additional appropriations for the national defense for the fiscal year ending June 30, 1942, and for other purposes, with Mr. GORE in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself such time as I may use.

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. CANNON of Missouri. Mr. Chairman, this is the fifth of the supplemental defense bills. As will be recalled the first was reported last August and provided principally for ordnance and construction. The second came in October and provided exclusively for lease-lend. The third, passed in December, provided for munitions to equip the expansion of the Army beginning at that time. The fourth and fifth come as a direct response to the annual message of the President of the United States of January 6 last. The fourth reported in January provided for Army aircraft. The fifth, the pending

bill, submitted today, provides for requisites other than aircraft. It carries appropriations for practically every kind of munition of war and every article of defense except airplanes.

As originally estimated, the bill called for a total of $32,170,901,900. We are reporting it to the House, with a minor deduction of $100,000,000 in the final amount of $32,070,901,900, consisting of $29,820,901,900 of direct appropriation and $2,350,000,000 in contract authorization.

A pretty clear idea of the situation and the progress of the defense program can be secured from the table which the members of the committee will find on page 5 of the report giving the total appropriations and contractual authorizations for the fiscal years 1941, 1942, and 1943, totaling in round figures $142,000,000,000.

The bill consists of three divisions: One for the War Department, which is the largest title in the bill, approximately $23,000,000,000; one for the Maritime Commission, $3,852,000,000; and one for defense aid, that is for lend-lease, $5,330,000,000.

The purpose for which it is proposed to disburse the $23,000,000,000 for the War Department is given in an inventory on page 5 of the report, which lists the expenditures by categories as submitted by the departments to the committee.

The second title provides for the Maritime Commission. One of the bottlenecks in our program is transportation. There is danger that we may lack sufficient bottoms to transport the vast flood of material our factories are turning out, and, of course, it is useless to manufacture supplies if we have no way of delivering them to point of consumption. So, in accordance with the President's program, the bill carries an appropriation to permit the Maritime Commission to increase the production rate of merchant ships. As will be noted, we propose to increase the present program by 1,476 ships with an aggregate deadweight tonnage of 16,000,000 tons, at a total cost of $3,850,000,000. It is one of the most essential items in the bill.

In the third title of the bill $5,330,000,000 is appropriated for defense aid to be disbursed under the provisions of the Lend-Lease Act of March 11, 1941. Prior to the entry of the United States into the war we supplied lend-lease funds for the support of those nations whose defense might be considered as contributing to our own defense. This situation has been drastically changed since Pearl Harbor. We are now active participants in a war that stretches, according to Admiral Land, across every ocean and every continent.

Our own forces no longer are limited to the American Army. Every Chinaman, every Englishman, every Dutchman, wherever he may be fighting today, whether it be in Mongolia, Australia, Russia, Africa, or the East Indies is as much a part of our force as any man who has enlisted from continental United States. The materials and armament required to win the war go into a common pool from which is allocated the supplies most needed at any specific time or place. It is immaterial to the United States who wins these battles, and with what material they are won, just so they are won, and if by contributing arms and subsistence to the forces of our Allies we can win a battle, that material is just as well expended as if allotted to a detachment every member of which is an American soldier.

Mr. RICH. Will the gentleman yield?

Mr. CANNON of Missouri. Presently, if the gentleman will permit me to complete my statement.

The situation today is more grave than it has been since we entered the war. There has never been a day since Valley Forge in which the American people have faced so gloomy a prospect. We have been invaded and the enemy is holding American territory. We are facing two of the greatest military powers the world has ever seen, each of whom is equipped with the most modern weapons of warfare and flushed with extraordinary success. Our immediate foe in the Orient has, in 10 brief weeks, with lightning thrusts and unexpected power, all but destroyed three colonial empires—the Philippines, the British, and the Dutch—in record time. It is a situation in which anything may happen, and it now becomes evident that upon America depends the hope of retrieving these disasters and winning this war. And America can win only through production. The Axis Powers are inured to war. They have lived by the sword. They are veterans in military routine and have a start of 8 to 10 years in the production of arms. We are late. American manhood has been trained in the arts of peace. But we are masters of production, and there lies our genius and our hope of victory.

We must produce. We must produce airplanes in volumes that will darken the sun, we must unleash tidal waves of tanks and ships that will overwhelm and crush the enemy in every theater of war. And we can do it if Providence will but give us time. We must build and build and build and build, and we must build quickly. It will require the undivided loyalty of every man, woman, and child. It will demand the united cooperation and support of every trade and industry.

Happily, we are securing this cooperation, although there have been some tragic delays.

For example, supplies of raw material have not been available in sufficient quantities. Admiral Land testifies that in the production of ships, on which we must depend for critical transportation, he has received in recent months only 69 percent of the amount required. In the month of January, when his requirements were 220,000 tons, he received only 154,000 tons. However, he tells us he now has the promise and assurance that, beginning with February, he will receive the full quota required.

And there have been delays in labor's quota. Admiral Land told us that stoppages in work in the calendar year 1941 were equal in total hours to the production of 10 desperately needed ships. We have strikes of welders and cranemen whose services are requisite for shipbuilding. This materially delays the program.

I am happy to say that this interruption, like the interruption of material, is being smoothed out. As a matter of fact, these strikes do not represent the labor program of today. They have not taken place with the approval or the consent of national labor leaders. They are largely jurisdictional strikes which are being adjusted by the crafts themselves and we expect shortly to be able to so correlate material and labor as to begin production of all war materials according to schedules and in record time.

While it is not generally realized, we are now producing needed war material at an unexampled rate. The number of airplanes turned out during the month of January was exceptionally satisfactory. The naval shipbuilding program is far ahead of schedule. The great battleship *Alabama*, which has just been launched, is 9 months ahead of schedule. We are already accomplishing miracles of production. Each day a new ship is launched. Each day a new factory goes into production. Each day the sun rises on a network of plants stretching across the continent moving at accelerated speed. Entire industries which last year produced the largest number of cars and the largest number of refrigerators and other mechanism for civilian consumption have been changed overnight to a war basis and with every passing hour are turning out a greater volume of the mechanisms of war.

But the time is short. It is not the material we will produce in 1943, or even the planes and tanks we will produce in December of this year, that is of first importance and concern to us now. The crisis is coming in the spring of 1942. On the Pacific Japan is consolidating her victories. In the European theater and in North Africa the Axis Powers are preparing for the great "putsch," for the supreme drive, which will come with the opening of spring. Unless we produce materials by that time sufficient to hold the front it will be too late.

For that reason, we appeal today to all American factors of production for a devotion and an efficiency which American industry, as notable as its past accomplishments in the field of civilian production have been, has never yet attained.

And we appeal for cooperation here in the House. We cannot expect cooperation in field and factory unless we have cooperation on this floor. I am certain we will have that cooperation. I am certain this bill will pass without amendment and by the unanimous vote of every Member present.

And by the same rule, may we ask for the cooperation of every avenue of publicity—newspaper and radio.

Criticism has its legitimate place. We invite it. We invite legitimate criticism, constructive criticism, patriotic criticism, criticism based on fact, criticism with some slight attention to perspective and proportion, criticism which does not concentrate on one so-called dancer—and not in the bill—and completely ignores $100,000,000, which is in the bill, for the protection of the people against

poison gas and incendiary bombs which in other lands have enveloped entire cities in oceans of flame and devastation; criticism which does not plant in the minds of the people the unwarranted seeds of distrust and suspicion, discontent, and disunity.

No army can fight successfully without a united nation behind it. The gravity of the national situation in this crisis warrants the wholehearted support of the program presented in this bill by the Congress, the press, and the American people.

For the program is not initiated in this committee, it is not the product of any one man or group of men or of any one department or branch of the service. It is the collective collaboration of the most experienced and expert technicians of our day, both civil and military. The highest ranking officers, the most experienced and best-trained men in the Army and the Navy, together with the ablest captains of industry, master mechanics, leaders of labor, directors of production, governors of finance, drawn from American business and industry have labored for weeks and months to formulate the program of which this bill is an integral part.

They have been moved by no political considerations. Their only motives and objectives have been sound military, business, and strategic considerations. Every provision in the bill has been repeatedly revised. Every item has been progressively culled and trimmed. Many important items originally in the bill have been omitted altogether. And the estimates and amounts finally submitted for your action have been weeded out and scaled down to the irreducible minimum which in their composite opinion will be required to effect the purpose for which the bill is drawn.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. RICH Does the gentleman believe that justifiable criticism is necessary on appropriations that one might believe are not being used to the best advantage?

Mr. CANNON of Missouri. Unquestionably. Our form of government could not survive without it. But such criticism should be made as sensibly as it is entertained. It should have some regard for comparative values and not spend an hour's debate or a column of comment on one inconsequential item in a bill of a thousand items of critical importance.

Mr. RICH. Anything that is believed to be waste and extravagance should be eliminated?

Mr. CANNON of Missouri. By all means. But the leaders in every line of American business, industry, and finance do not think there is a single wasted dollar in the entire bill.

Mr. RICH. The gentleman a few moments ago stated that in this bill under title III there are lease-lend appropriations in the amount of $5,330,000,000. The gentleman also is cognizant of the fact that in title II there is provided for lease-lend, if the President wishes to use it, the amount of $3,852,000,000.

Mr. CANNON of Missouri. Yes; they asked us for an amount in excess of $12,000,000,000 but we limited it to $11,250,000,000.

Mr. RICH. The amount now carried in the bill is $9,185,000,000 under the lend-lease.

Mr. CANNON of Missouri. The gentleman's estimate is short about $7,000,000,000. Under the provisions of the bill there is a possibility of spending $16,580,000,000.

Mr. RICH. In other words, if the President so chooses he can give away $16,000,000,000 under this bill and the total of the bill, including the authorization, is $32,070,000,000.

Mr. CANNON of Missouri. No; he does not give it away. The law provides that he shall make the agreements governing its disposition. It will be placed where it will best serve in winning the war and protecting the freedom of the United States and the agreements will determine the obligation to us in return.

Mr. RICH. Does the gentleman mean to say he cannot give it away to some other nation if he chooses?

Mr. CANNON of Missouri. It must be administered under the Lend Lease Act.

Mr. RICH. I appreciate that, but under all the bills where we have made appropriations there is no stipulation by any nation that has received anything under the Lease Lend Act that they must make any return to our country.

Mr. CANNON of Missouri. Yes; the law says that the benefits shall be those that the President determines, and they may be tangible and intangible. I have a letter here from Assistant Secretary of State Acheson in which he outlines in the present situation with respect to agreements with these countries. We are now dealing with 36 nations to which lend-lease applies. Of course, the bulk of it goes to the United Kingdom, Russia, and China.

Mr. Chairman, I ask unanimous consent to include this letter in my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

(The matter referred to follows:)

DEPARTMENT OF STATE,
Washington, February 17, 1942.

The Honorable CLARENCE CANNON,
Chairman, House Committee on Appropriations, House of Representatives.

MY DEAR MR. CANNON: In accordance with your request, I am attaching a memorandum regarding the status of lend-lease agreements.

In this connection I wish to point out that the President has found that it would not at this time be compatible with the public interest to disclose the terms of the lend-lease agreements which have been executed and has, pursuant to the authority of Section 5 (b) of the Lend-Lease Act, authorized and directed the Secretary of State to withhold publication of those agreements.

I wish also to tell you how much I appreciate your helpful cooperation.

Sincerely yours,

DEAN ACHESON,
Assistant Secretary.

[Enclosure: Memorandum]

STATUS OF LEND-LEASE AGREEMENTS

The general terms and conditions upon which lend-lease aid is rendered are embodied in lend-lease agreements. These agreements confirm or are supplemented by undertakings which must be assumed by each foreign government before any lend-lease aid is transferred to it. Thus, governments receiving aid have agreed not to permit the use of any lend-lease material or information by anyone not an officer, employee, or agent of the transferee government without our consent. They have also undertaken to protect citizens of the United States who have patent rights in and to any articles or information transferred under the Lend-Lease Act.

Lend-lease agreements are generally negotiated by the Department of State with the advice of the Board of Economic Warfare and the Office of Lend-Lease Administration. Moreover, where appropriate, other interested agencies, such as the War and Navy Departments, are consulted.

Substantial progress has been made in the negotiation and completion of lend-lease agreements and arrangements. Agreements with 12 countries have been concluded and signed. Those countries are: Bolivia, Brazil, Costa Rica, Cuba, Dominican Republic, El Salvador, Haiti, Iceland, Netherlands, Nicaragua, Paraguay, and Uruguay.

Eight of these twelve agreements have been concluded since the hearings on the second supplemental national defense appropriation bill for 1942

The terms of lend-lease agreements depend upon the relevant political, economic, and military factors involved. All of the agreements with the other American republics provide that the country receiving defense aid shall pay some proportion of the cost of the defense articles transferred. As the third lend-lease report to the Congress indicates, the agreement with the Netherlands provides for full cash reimbursement by the Netherlands. The agreement with Iceland enables Iceland to procure its vital requirements within this country through lend-lease on a cash reimbursement basis. Supplementary arrangements were made in order to furnish Iceland the necessary dollar exchange and to supply the British with foodstuffs available in Iceland Under these arrangements the United States will buy some of Iceland's products for dollars. The dollar exchange representing the purchase price will be credited to Iceland's dollar balance in the United States and will be used by Iceland to pay for its purchases here. The products of Iceland which are purchased by the United States will be transferred to the British as defense aid. As a result of the lend-lease agreement and the supplementary arrangements, we shall fulfill our pledge to supply Iceland with its vital necessities and we shall also conserve essential shipping space by supplying the British from a source near her shores.

By an exchange of notes between the President and Mr. Stalin, terms and conditions for supplying up to $1,000,000,000 of lend-lease aid to the Soviet Government were fixed. The Soviet Government agreed to reimburse the United States in dollars or in materials over a 10-year period, beginning 5 years after the war is over. Moreover, the Soviet Government agreed to expedite the sales of raw materials vital to our defense.

There are under active negotiation lend-lease agreements, several of which will soon be signed, with 11 countries. These countries are: Chile, China, Colombia, Ecuador, Great Britain, Guatemala, Honduras, Mexico, Norway, Peru, and Venezuela.

Gratifying progress has been made in our negotiations of a British lend-lease agreement. Negotiations have been pushed forward with energy and mutual understanding. It is expected that the execution of a lend-lease agreement with the British will soon take place.

In addition, the following have submitted representations concerning retransfers and

patent protection in accordance with the provisions of section 4 and section 7 of the Lend-Lease Act, respectively: Belgium, Czechoslovakia, Free French, Greece, Poland, Turkey, and Yugoslavia.

Aid which has been rendered to the foregoing has been by retransfer from the British.

Mr. CANNON of Missouri. As he points out in the letter, substantial progress has been made in negotiating lend-lease agreements and satisfactory arrangements have been concluded and signed with 12 countries. Negotiations are now in progress with all other nations receiving lend-lease funds.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. Inasmuch as there is a complete partnership now and a joint effort under way, is not lend-lease rather a fiction, and is not lend-lease limited to a very few supplies that may be needed by another party? So far as lend-lease goes now, we go in as a partner, do we not, and there is nothing in this bill referring to lend-lease?

Mr. CANNON of Missouri. There is a provision here for lend-lease, but money so used in the equipment of our allies to fight our battles, and will be used just as much in our interest as if they had been expended by American soldiers.

Mr. GIFFORD. I understand that, but the public at large must not be fooled by thinking that the lend-lease is continued under any such proportions as it has been, because being a joint effort we supply tremendous quantities of what would have been before simply lend-lease supplies.

Mr. CANNON of Missouri. Prior to Pearl Harbor, we supplied only those nations whose defense, in the opinion of the President, was connected with the defense of the United States. From this time on a victory by any of our allies is our victory and a defeat of any of our allies is a defeat for us and the difference between defeat and victory may be the amount of material with which we can supply them.

Mr. GIFFORD. But we do not supply it directly to them with any prospect of repayment if it can be so manipulated that it will be a part of a joint effort. Do not let us attempt to fool the public by having them believe that this is coming back to us.

Mr. CANNON of Missouri. All of it is administered under the lend-lease law.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I would like to conclude my remarks if the gentleman will permit, but I will yield for a question.

Mr. ROBSION of Kentucky. I would like the gentleman to yield for just two or three brief questions, if he will.

Mr. CANNON of Missouri. I shall be glad to yield to the gentleman.

Mr. ROBSION of Kentucky. The gentleman, I wish to say, is always very kind to yield and always very frank.

Mr. CANNON of Missouri. And I am always glad to yield to my good friend from Kentucky, with whom I am glad to have much in common.

Mr. ROBSION of Kentucky. Now, under title III, on page 10 of the report, there is a table showing in detail a total of $5,330,000,000, which is under lend-lease.

Mr. CANNON of Missouri. That is right, and it is distributed according to the inventories outlined on page 11 of the report. This shows the specific categories for which the money is to be expended and the amount to be expended for each of them.

Mr. ROBSION of Kentucky. Under title II, what amount there is available to lease-lend?

Mr. CANNON of Missouri. Nothing under lease-lend, that is all for the production of merchant ships; of course, they could lease these ships to any of our Allies.

Mr. ROBSION of Kentucky. What I want to get clear is this. The gentleman said that there was about $16,000,000,000 in this bill that could be used under the lease-lend purposes for Allies. Is that correct?

Mr. CANNON of Missouri. That is correct.

Mr. ROBSION of Kentucky. Then I wish the gentleman would tell me what the $5,330,000,000 means in respect to the $16,000,000,000.

Mr. CANNON of Missouri. If the gentleman will look on page 5 of the bill, section 102, in the middle of the page, he will see that the President is authorized to empower the Secretary of War to transfer defense articles for lend-lease purposes up to a value not exceeding $11,250,000,000.

Mr. ROBSION of Kentucky. And that limitation is $11,250,000,000?

Mr. CANNON of Missouri. Precisely.

Mr. ROBSION of Kentucky. What got me confused was that my friend the gentleman from Massachusetts [Mr. GIFFORD] speaks of an item of $3,000,000,000, making $9,000,000,000, and the gentleman said $16,000,000,000; so that it is $11,250,000,000 under title I and $5,330,000,000 under title III.

Mr. CANNON of Missouri. Yes. It makes a total of $16,580,000,000.

Mr. ROBSION of Kentucky. And the total for appropriations, and contractual authority that Congress has voted amounts in round figures to $142,000,000,000?

Mr. CANNON of Missouri. Yes. That figure runs over a period of years starting back in 1940.

Mr. ROBSION of Kentucky. Up to June 30, 1943.

Mr. CANNON of Missouri. The period runs from July 1, 1940, to June 30, 1943.

Mr. ROBSION of Kentucky. Of course, the gentleman from Massachusetts [Mr. GIFFORD] and the distinguished chairman of this committee, and every Member of this House wants to spend every dollar that is necessary, and to give every power that is necessary to win this war.

Mr. CANNON of Missouri. And no power and no money that is not necessary to win the war.

Mr. ROBSION of Kentucky. No power that is not necessary, and also not to spend unnecessary money, not to waste the people's money.

Mr. CANNON of Missouri. The gentleman and I are in complete accord on that point.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. Mr. Chairman, I was interested in the gentleman's statement relative to the appalling amount of wasted time, due to strikes in defense industries, and I am wondering if the gentleman's committee has now reached the point where it would be willing to offer an amendment or to have an amendment adopted, such as those frequently offered in the past, that would have some deterrent effect on these strikes in defense industries, by putting certain limitations on these appropriations.

Mr. CANNON of Missouri. As a limitation it might be in order, but it could not be an effective piece of legislation if enacted as a limitation on an appropriation bill.

Mr. SMITH of Virginia. That is what I am talking about.

Mr. CANNON of Missouri. But it would not be an effective piece of legislation.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. Yes. I yield again to my friend from Massachusetts.

Mr. GIFFORD. The gentleman now realizes that this lease-lend proposition is of interest to us. We must get the truth about it. I understood $1,600,000,000 has been allocated for this purpose, probably spent, allocated anyway, but in the future under the partnership that we are now in, there is no such thing any further as a lease-lend proposition in fact, is there?

Mr. CANNON of Missouri. The Lend-Lease Act is on the statute books. It has not been repealed, and we provide specifically in this bill that the money for lease-lend shall be expended in accordance with it.

Mr. GIFFORD. But if the gentleman and I are partners, and we are trying to do one particular thing, and I give in something and the gentleman something, there is no charge in the end, it is all fiction.

Mr. CANNON of Missouri. Of course when the whole thing is over we will have a settlement but the agreements will be made under the lend-lease law.

Mr. GIFFORD. I am not criticizing.

Mr. CANNON of Missouri. The gentleman is always cooperative. I yield now to the gentleman from Ohio.

Mr. BENDER. Up to January 1, 1942, how much in lease-lend money was actually spent?

Mr. CANNON of Missouri. The hearings, page 189, show that up to the end of the month of January approximately $1,811,000,000.

Mr. BENDER. Is it not a fact that Mr. MacLeish stated that up to and through December 31, 1941, less than $1,200,000,000 was spent for lease-lend purposes?

Mr. CANNON of Missouri. I think the gentleman's recollection must be in error,

because our understanding was that in round figures it was $1,800,000,000 up until the end of January. Of course, the figures would have varied slightly from December to January, but not in that amount.

Mr. BENDER. My authority is the St. Louis Post-Dispatch, quoting from the record of a conversation which took place between Mr. MacLeish and other interested persons in a recent hearing.

Mr. CANNON of Missouri. There must have been some mistake between the methods of calculation, because the January figures were in round numbers—$400,000,000.

Mr. BENDER. Is it not a fact that during the past 10 months, including February 1, less than $600,000,000 was spent?

Mr. CANNON of Missouri. According to the information submitted to the committee, we have spent in round numbers $1,800,000,000 up to the end of January.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. DONDERO. Including the $29,000,000,000 appropriated under this bill, what is the total amount we have thus far appropriated for our defense?

Mr. CANNON of Missouri. If the gentleman will consult page 3 of the report, he will find this matter fully set out in detail by years—the fiscal years 1941, 1942, and 1943. I think he will find the data there an answer to any question of that character.

I yield the floor to the gentleman from New York, Mr. Chairman.

Mr. TABER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this bill carries a total appropriation and contract authorization of $32,100,000,000. It provides $5,300,000,000 for direct lease-lend; $1,300,000,000 of that is for agricultural commodities. In all, the total allotment for commodities, including agricultural, is $3,500,000,000.

The item for the Maritime Commission is something like $750,000,000 The item for the War Department provides direct appropriations of approximately $22,000,000,000, with permission to use for lease-lend not exceeding $11,250,000,000 out of the total appropriated in this bill for the War Department.

The appropriation for the Maritime Commission, for the construction of ships, is $1,500,000,000 in cash and $2,350,000,000 in contract authorizations.

There is not any provision of law which would prevent the use of practically all of that money in the same way.

All of the lease-lend money as of the date of our hearings, the 8th or 9th of February, was obligated with the exception of $700,000,000. Of this, it is the intention, as I understand it, to keep $500,000,000 permanently in what we call an agricultural reserve, to absorb agricultural commodities that farmers might be induced to plant for this particular purpose, or that might be produced through the dairy or beef products. That $500,000,000, I understand, is to remain as a reserve until we get through with this operation.

I feel impelled at this time to make some observations with reference to our defense situation. We all know, the people of the United States know, that things are not going well. Our Allies and ourselves have suffered most grievous blows in the last 2½ months. I do not know how many more we are going to suffer before the turn comes. I do know that the situation is such that it calls for the active, whole-hearted, whole-souled cooperation of the whole American people. I am frankly disturbed about some situations. I was very much pleased when the President gave to Mr. Nelson the job of coordinating the production of things for our defense. I believe that Mr. Nelson, if he is given enough power, will go down the line and see that the production is delivered. It was a step in the right direction.

I will be perfectly frank, I have not been so much pleased with the Allocation Board to distribute the things that we produce, set up with Harry Hopkins at the head of it and composed of three representatives of the British and three representatives from our own Army and Navy. My experience with Harry Hopkins does not lead me to believe that he has the capacity to handle that kind of a job. I think the President owes it to the American people to come out fully for defense and place some competent person in that position before we suffer a major disaster.

I am not pleased with the continuance of Madam Perkins in the position of the Secretary of Labor. I feel that we should have someone there who is competent and prepared to go down the line and help this defense program much more than she can or will help it.

I want to give you a little picture of this situation and what might ensue in the course of the next year or so; some of the facts that have come to me as a result of an intensive study which I have tried to make. Perhaps the most interesting item comes out of your morning paper. Today the percentage of our people in the armed forces of the United States engaged in the production of munitions and similar operations is only 40 percent of the number per thousand of our population that was engaged in the operations in the war of 1918. The first 6 months of this fiscal year our expenditures for defense items ran approximately $9,000,000,000.

I believe from what I have been told from different sources that if we are going to have the maximum effort this calendar year, the total expenditures here will have to be $70,000,000,000. We are not going at that rate now, we are a good ways from it; but if we are going to step up our production, step up our armed forces to the point where they are able to produce for us, step up our maritime outfit to the point where it produces ships enough to do the job, step up our Navy where it can actually go in and fight for us, we have got to move along at a much more rapid pace than we have been moving, and it has got to be accelerated very sharply.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANNON of Missouri. It is true that the number employed is less than the number in 1918, but is it not also true that owing to the use of modern machinery we are producing in much greater volume than in 1918? We have some testimony to the effect that 1 man with modern machinery is producing as much as 20 produced then.

Mr. TABER. There is a certain amount of truth to that. On the other hand we have this situation and we might just as well face it: Our requirements for tanks call for just as much labor and just as much steel in 1 tank of the medium size as was required for 15 tanks in the war of 1918; and our airplanes are so much larger in the bomber type that they call for probably from 10 to 15 times as much labor and critical material as was required for the airplane of the last war; and as to the guns with high power and long range that have been developed and invented, the mechanical set-up is so immense and so enormous and costs so much more that there is absolutely no question but what the requirements for labor to take care of the same number of men in the field will be larger rather than smaller.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CASE of South Dakota. Along that line and also to be borne in mind is the fact that in World War No. 1 we got most of our planes and a great deal of our munitions and other equipment from the countries with which we were associated; and in addition to that, this time the enemy consists of two highly industrialized nations using a great amount of slave labor.

Mr. TABER. That, of course, is true. Now, as I said, if we are going to do a job, we are going to have to get keyed up to the point where we can do $70,000,000,000 this calendar year out of a total income of $100,000,000,000. We can all figure what this means. It means we have all got to do without a lot of things. I am going to give you some comparative figures as to what I understand the Germans are planning to do this calendar year. My understanding is that they are planning to spend $51,000,000,000 out of a total income of $70,000,000,000. Now you must remember that as we start into this critical situation we do so with a tremendous handicap. We are starting way behind.

My information is that the American people out in the country are aroused and that they realize the kind of situation we are up against. Let us not, any of us, get the idea, and let us not permit the President to get the idea, that we are not up against a real serious problem and that we must not put our best people and our best energy and our very greatest pressure behind this thing, for we must. There is not any use in our fooling ourselves. Our situation is critical. I have realized for a long time that we were bound to be involved in this situation and sometimes I have said so when it was not good politics.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield myself 5 additional minutes.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. COFFEE of Nebraska. Does the gentleman believe we can get our maximum production on the basis of a 40-hour week?

Mr. TABER. I do not. I do not believe we can get it on a 40-hour week nor a 48-hour week. Henry Ford is running 6 days a week at his engine plant, 10 hours a day. The people who are employed in the factories have got to come around to this realization. I will be perfectly frank and say that we here have got to come to the point where we are working 10 hours a day, and maybe more. We must not take it lying down and we must not fool.

The estimated tax bill in this country as figures stand today for this calendar year is approximately $23,000,000,000 for the Federal Government. What is the situation? We have got to feed those nations allied with us. We have got to supply them with every possible bit of munitions that they can use effectively.

We have to supply them with every bit of material that they can use effectively and that we are able to supply, so that we may have time to prepare. Our preparation depends, our ability to prepare depends, upon the ability of our allies to hold them long enough for us to get planes, guns, ships, and troops to carry the situation through to victory.

We must not get the idea that the other fellow is going to fight the war for us, because he cannot. He has been under too much strain and he is too much worn out. To win we will have to get our troops into the battle. We have to get our guns manned by our men, our own ships and our own planes manned by our own men. But until that time comes we have to do the very best we can to supply them with enough to stave off our enemies.

Let us not have any doubt about the days ahead. Let us do our best from day to day to carry the load that we must carry. We have little enough to do to sit here and vote money. What we need is action. If we could only get action, if we could only be assured of the President putting through a huge program such as this, if we were assured that he was as earnest as we are in intending to do away with everything that is not essential for national defense, if we were certain that he was putting everything into the war effort, the American people would rest much easier. But that is what we have got to do if we are going to win the war, and it is the only way we will win. In my opinion, the American people demand that this kind of effort be put into the situation. We must do our part, we must not falter, and we must expect the other fellow and the other people to do their part.

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. SNYDER], chairman of the Subcommittee on War Expenditures.

Mr. SNYDER. Mr. Chairman, we are now engaged in a most stupendous and a most destructive war, and in a war that will have the most far-reaching results of any war in the history of the world. In fact, Mr. Chairman, one portion of the population of the world is now fighting the other portion of the population of the world. In other words, the democracies of the world are lined up against the Axis Powers or the dictatorships of the world.

The question confronting us today is what we, the democracies, must continue to do, or must initiate and do, to eventually win the struggle to maintain our way of life.

The University of Pittsburgh's football team, last fall, started off by losing to small colleges like Westminster and other small institutions. They lost every game except the next to the last one. Fordham University had won every game against major colleges and was looked upon to be the outstanding contender for the Rose Bowl invitation. Fordham went to Pittsburgh to play their annual game. Only a few thousand people turned out because they thought it would be a pushover 100 to 1 for Fordham. But what happened? The University of Pittsburgh's football team pulled themselves together in play and in spirit, and to the astonishment of all of the football world ran over Fordham and gave them their only defeat of the year and the only Pittsburgh victory.

Mr. Chairman, I mention this because it is appropriate and applicable to our world situation. What enabled Pittsburgh to win that day? Only one thing—spirit and determination to win. Many of our people today look upon the democracies of the world in this war as the football world looked upon the University of Pittsburgh's football team prior to the Fordham game. We as a nation, up to the time of Pearl Harbor, were in a large measure just like the University of Pittsburgh's football team prior to the Fordham game. However, the Nation's spirit to produce, the Nation's spirit to work, and work, the Nation's spirit to give and to buy bonds was aroused in the hearts of the people on December 7 because of Pearl Harbor. However, the spirit of sacrifice and the spirit of determination to win has not yet overtaken us as a people.

What to do to awaken the American people to the full realization of the danger is a question that nobody has answered. We have had a lot of dry-iced speakers, who never wore a uniform, that try to get in the limelight by telling how it could have been done or how it should be done. They are like the poor: They will always be with us in every community, every state, every nation—this group of "I told you so's." Many of our most outstanding patriots think we will not be awakened to the dangers until our cities, towns, and our coast lines are bombed or some other similar sacrifice is made.

I trust that somehow we can arouse the whole of our people without such a sacrifice. My contention is that if we can arouse ourselves in time—arouse them now—perhaps bombing will not come. If our national defense preparations and installations had been perfected on February 17, 1939, to the extent they are perfected this 17th of February 1942, there would have been no Pearl Harbor conflict, there would have been no Philippine conflict.

But there is no use to cry over spilled milk. We are in this World War. We are in it to win. The only way we can win is for all the people to have the same spirit and determination that the University of Pittsburgh's football team had in their victorious game last fall against Fordham. Anything less will not succeed. We must smile and fight—

> It is easy to smile,
> Smile all the while,
> When things move on like a song;
> But the man worth while
> Is the man who can smile
> When everything goes dead wrong.

Mr. Chairman, prize fighters tell us that when they get their opponent mad or angry or worried, they lose their effectiveness and are easily whipped. In democracies such as ours, millions of people get mad, as it were, and talk mad about this war situation. They do not get mad and say they are going to work 12 hours a day. They do not get mad and say I am going to buy bonds with every cent I can save. They just get mad and talk. It is this group in the United States that does much to help carry on the Nazi and fifth-column propaganda. As an example, it is known that Hitler's propaganda ministers, every so often, release through back-door channels a statement that this German general was killed, or that this German general was believed to have been put away by the Nazis, or that so many Frenchmen were shot as hostages, and so forth. They release these statements and similar statements right along because they know that our newspapers and radios will announce it to our people—just the thing they want done. They know that this group of Americans will talk about these internal disruptions in Germany and will come to the conclusion that disorder and discontent will bring about a revolution in Germany and that we in America do not have to bother about equipment because Germany will destroy themselves from within.

However, Mr. Chairman, with all this misunderstanding, the Government has done a bigger and better and more efficient job in setting up national defense and implements of war since June 1939, than was ever done by any other nation on the face of the earth. Think of it. Japan has been preparing since 1905—37 years. She has been preparing in a big way uninterrupted since 1917—25 years. For 9 whole years Germany has turned all her industries and economic energy toward preparing and equipping for war. While here in the United States, our sleeping democracy has in the last 2½ years geared our institutions to a producing capacity that is turning out more planes, more tanks, and more guns, than any other one of these nations, and by September 1, if the same rate of progress is maintained, we will be turning out more than all the Axis Powers put together, providing Russia is not pushed back.

Mr. Chairman, this was not accomplished by accident. It has been accomplished only because from the Commander in Chief of our forces, on down through the line—the Army, the Navy, the marines—industries large and small. labor, including the farmer, and other agencies have all cooperated to bring about in 30 months this great degree of preparation.

We have a few in rather high places who choose to spend their energies in criticizing the efforts of those who are entrusted with the prosecution of our wartime procedure. They correspond to the back-seat drivers or the bleacher umpires. They have never themselves had any training or experience in the field of activity they are criticizing, but they know in a great struggle like this that in order to get publicity they must be destructive in their criticism and not constructive.

I saw in the paper where one or two of this type went so far as to suggest that we make changes in the heads of our armed forces. It is a fine thing in a democracy, where we have free speech and free press, that such suggestions can be made. However, I know that if those making these suggestions knew the heads of the Army, the Navy, and the marines they would speak in a different tone.

As an example of this, Mr. Chairman, never has there appeared in the office of the Chief of Staff of the United States Army a man who has had greater experience and more efficient qualifications than Gen. George C. Marshall, of Fayette County, Pa. Only once prior to this time did the officers of the Army, from the top general on down, regardless of age and position, have the respect and confidence in their Chief of Staff as they have in General Marshall. They have confidence in him, first, because of his record since December 31, 1880, and especially since 1902, when he graduated from V. M. I., and more especially since he handled so successfully the position of chief of staff of the operations section of the first American army in France during the old World War. General Pershing pronounced him outstanding and asked for him as his aide-de-camp. No man ever wore the uniform of the American soldier that has devoted more sincere time and patriotic service to his country than General Marshall. No man knows more about war efficiency than General Marshall. Some may know just as much, and many of these General Marshall has in important positions today.

Take Gen. Douglas MacArthur, courageous, creative, daring, determined, a great leader in this important hour. We have other generals at important posts right now who, when and if emergencies for action arise, will make the American people feel proud of them also. For instance, Gen. John Magruder, of Woodstock, Va., who is now in command of the forces serving the China area, or Gen. Frank Maxwell Andrews, of Nashville, Tenn., who now commands our armored forces in Panama, or Gen. James E. Chaney, of Maryland, now in command of our American units in England and Ireland.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 15 minutes.

Mr. WIGGLESWORTH. Mr. Chairman, this is the largest appropriation bill in the history of the country.

It includes four principal items, an item of $22,888,901,900 for the Army; an item for the Maritime Commission of $1,502,000,000; another item for the Maritime Commission in the form of contract authorizations of $2,350,000,000 and a final item for lend-lease or defense aid of $5,330,000,000; a grand over-all total, including contract authorizations, of $32,070,901,900.

Of this total, there is available for lend-lease or defense aid purposes not only the $5,330,000,000 directly appropriated, but so much as the President may see fit to transfer of the $1,500,000,000 for the Maritime Commission and up to $11,250,000,000 of the amount provided for the Army, an over-all maximum of $18,080,000,000.

The total recommended by your committee, as has been pointed out, shows a reduction of $100,000,000 as compared with the Budget estimates.

The members of the committee will find on page 3 of the committee report a table which shows the actual and anticipated appropriations and contract authorizations for the fiscal years 1941, 1942, and 1943. This table shows in round numbers appropriations by the House during the fiscal years 1941 and 1942, including the bill now before us, for the Army, $53,343,000,000; for the Navy, $31,345,000,000; for other defense agencies, $8,421,000,000; for lend-lease or defense-aid purposes, $12,985,000,000, or a total of $106,115,347,524, against an over-all anticipated total of $142,005,354,613 for the 3 fiscal years referred to.

The Daily Treasury Statement indicates an expenditure against this total as of February 10, 1942, amounting to about $17,100,000,000.

The maximum amount that might be made available for lend-lease purposes, including the amount carried in the present bill, is something like $40,865,000,000. This sum may, of course, be used in whole or in part, either for our own purposes or for those of our Allies within the discretion of the President.

Mr. Chairman, I am not going into detail with reference to the several items here.

I may say, however, that the Army item of roughly $22,889,000,000 is exclusively for equipment and for essential facilities, and that it can be broken down as follows:

Expediting production	$3,011,512,000
Subsistence	145,830,000
Supplies	67,982,000
Clothing and equipage	928,928,000
Transportation	2,245,701,000
Horses—draft and pack	2,725,900
Signal Corps	1,349,000,000
Air Corps	167,440,000
Medical and hospital department	171,178,000
Corps of Engineers	1,226,300,000
Ordnance	13,252,200,000
Chemical Warfare Service	288,336,000
Seacoast defenses	31,769,000
Total	22,888,901,900

The Army estimate is based on essential items for an Army of 3,600,000, and production facilities is for a very much larger one.

The appropriation before the committee represents a step toward the Presidential objectives laid down in his speech to this House on January 6, 1942. Those objectives, as you will recall, included, among other things, the production in 1942 of 60,000 planes, 45,000 tanks, 20,000 antiaircraft guns, and 8,000,000 deadweight tons of shipping, and in 1943 the production of 125,000 planes, 75,000 tanks, 35,000 antiaircraft guns, and 10,000,000 deadweight tons of shipping.

The committee has the assurance of Under Secretary Patterson, of General Knudsen, and of Mr. Nelson that, with a few exceptions, all the items called for in the present estimates can be provided by the end of the present calendar year.

It is not possible to cover in detail the 13 items under the military estimate which we are considering. The report deals with them in general terms. There is also certain general information in the hearings. The great bulk of the detailed information, however, in respect to each of the several items composing the military estimate was given to your committee off the record.

The Maritime Commission estimate of $3,852,000,000, including contract authorizations, is based fundamentally on the Presidential directive increasing the deadweight tonnage in 1942 and 1943 from 12,000,000 to 18,000,000 tons, or 50 percent.

Admiral Land assures the committee that all funds appropriated heretofore or requested in this bill will in all probability be completely expended during the fiscal years 1942 and 1943.

You will find commencing at page 91 of the hearings certain tables showing the merchant-ship programs upon which we are now embarked. Over all, as of June 30, 1943 the programs call for the production of 2,877 ships of a deadweight tonnage of just under 31,000,000 tons, at a cost of something over $6,700,000,000.

The funds carried in this bill contemplate an increase of 1,476 ships in the so-called long-range program. They also include $2,000,000 required for administrative expenses, bringing the total in this respect to about 1.2 percent of the total funds appropriated.

We all appreciate how vital the work of the Maritime Commission and those contributing to its programs is at the present time. I call your attention in this connection to the testimony of Admiral Land to the effect that the manhours lost in the ship-construction industry during the calendar year 1941 were equivalent, in his opinion, to the loss of 8 or 10 merchant ships.

Mr. Chairman, the lend-lease or defense-aid estimate of $5,330,000,000 represents the estimated allied needs for the last 10 months of the calendar year I should say allied needs in respect to articles which are not completed military and naval articles, because articles in the latter classifications have been made available since the declaration of war

and are made available here directly to the War or Navy Departments.

The testimony indicates that of the $12,985,000,000 heretofore appropriated direct for lend-lease or defense aid purposes, about $2,000,000,000, including material in process, has been transferred to our Allies. About $7,350,000,000 has been obligated. About $12,640,000,000 has been allocated. The total sum available for allocation will be exhausted within the next 2 weeks.

I call attention in passing to the fact that the monthly average of lend-lease goods supplied to our Allies has increased from an average of about $141,400,000 during the first 8½ months to a total of $462,000,000 in the month of January.

Under leave to extend my remarks I insert at this point the several categories of the lease-lend or defense aid estimate. No appropriation is included for categories 1, 2, and 5 because they represent completed military and naval material to be provided for by direct appropriations to the War and Navy Departments.

Category and estimate	
Ordnance and ordnance stores	0
Aircraft and aeronautical material	0
Trucks and other vehicles	$129,015,000
Vessels, ships, etc	734,420,000
Miscellaneous military equipment	0
Facilities and equipment	111,450,000
Agricultural, industrial, and other commodities	3,567,115,000
Testing, reconditioning, etc., of defense articles	208,000,000
Necessary services and expenses	680,000,000
Administrative expenses	0
Total	5,430,000,000

Mr. Chairman, I want to say a word or two of a general nature before concluding my remarks.

This appropriation, as I have already stated, is the largest appropriation ever considered by the Congress of the United States. Added to those already made and to be made, it presents a picture which is staggering in its future implications. Some clarification as to that future, I hope, will be presented through material which has been promised to the committee by the General Staff, and by General Knudsen, in reference to our manufacturing capacity and our spending capacity.

I support this bill. I see no other course open under the circumstances. We are actually in battle with the enemy. We must rely upon our military and production experts.

I want to make two observations, however, in this connection, one in respect to meeting our own needs, the other in respect to meeting the needs of our allies, because, Mr. Chairman, sooner or later this Congress will be held responsible by the people for the enormous appropriations we are compelled to make at this time. We shall be held responsible in terms of the fighting efficiency of our forces, and that, of course, is the paramount consideration at this time. We shall also be held responsible in terms of the economic and financial consequences of the spending of these tremendous sums.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 5 additional minutes to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Our needs, Mr. Chairman, must, of course, be met and met in full. They must be met as fast as it is humanly possible to meet them. To my mind, the great tragedy of the present picture is the terrible delay which has taken place in the past in providing for those needs. At the same time, Mr. Chairman, it seems to me that our needs must be met on as reasonable a basis as possible.

Personally I am not satisfied with the record to date. I do not believe any of us are. I do not believe the military and naval authorities themselves are. I know what they have been up against, but we have had the tremendous waste in connection with the construction of cantonments, we have had the charge of exorbitant profits in the Truman committee report, we have had the charge of exorbitant fees in the Faddis committee report. Moreover, unit costs do not seem to be coming down, in the estimates presented to your committee, as it would seem they should in view of the tremendous purchasing by the Government.

One division of the War Department came before us in connection with this bill and stated frankly that while it had departed from competitive bids, it could not tell with respect to a single item what margin of profit was included in the price which we are paying.

Let us provide for our needs and provide for them in the minimum possible time, but let us also do our utmost to hold down the enormous financial burden which we are creating.

The essential needs of our Allies, Mr. Chairman, have also got to be met and met fast. They should be met and met fully, provided they are essential, provided they do not interfere with our own military and naval needs, and provided they are within our capacity in terms of manufacturing and in terms of spending.

It seems to me imperative, however, that the determination of what is or is not an essential for another nation should be an American determination, based on the best available expert testimony. Here we are dealing with 36 possible lend-lease or defense-aid nations, representing with America 71 percent of the population of the world and 79 percent of its area. Clearly, unless the determination of need is an American determination, the financial burden ahead of us can be limitless.

Again, Mr. Chairman, I am not satisfied that the procedure in the past has been adequate. I am not sure in my own mind that we have not been governed too much by our capacity to produce and too little by the proven need of others. I hope I am wrong in this connection.

Under the new procedure which has been set up, as I understand it, all nonmilitary and naval material goes to the Lease-Lend Administration by requisition and the decision is made there. With Edward Stettinius as Lease-Lend Administrator, I know that the matter is in competent hands.

As to military or naval matériel, however, as the gentleman from New York [Mr. TABER] has pointed out, the ultimate decision will be made, as I understand it, by the so-called Munitions Assignment Board, consisting of three British military or naval officers, three American military or naval officers, and a chairman in the person of Harry Hopkins.

Mr. Chairman, I seriously question this set-up. I seriously question if it is conducive to essential results. I seriously question if the Board, under the chairmanship of Harry Hopkins, can command the confidence of the country. I understand the present arrangements are not final, that a thoroughgoing study is being made of the whole subject. I hope that this study will serve to give us a set-up in which we can all have complete confidence.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield to the gentleman from Massachusetts 1 additional minute.

Mr. WIGGLESWORTH. Mr. Chairman, may I just say in conclusion that I agree wholeheartedly with the general point of view expressed so ably this afternoon by the gentleman from New York [Mr. TABER]. We cannot win this war with words, we cannot win this war with appropriations. We can only win it by production and more production, by the delegation of power to the experts in the military and naval fields who know how and when and with what weapons to accomplish results, and by the development of trained and seasoned fighting forces capable of defeating the greatest war machine the world has ever known.

I consider this bill a step in that direction. I shall vote for it.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. THOMAS F. FORD].

Mr. THOMAS F. FORD. Mr. Chairman, I thoroughly agree with the gentleman who just preceded me that we cannot win this war with words. I say with all the force I possess we cannot win it without appropriations.

The chairman of the Appropriations Committee, which is reporting this bill today, informs us that it was drawn by, and the gigantic sums called for are the result of, weeks and months of intensive study and calculation on the part of the ranking officers of the Army and Navy and of the War Production Board headed by Donald M. Nelson and others, and then checked and rechecked by the Bureau of the Budget. The sum total is $32,000,000,000, including some $2,500,000,000 in authorizations, and in addition to that there is what seems to be chicken feed by comparison with the whole in the neighborhood of $70,000,000 or $80,000,000 that we will not talk about. This being true, and we know it is true, let me ask this question, Is there a single Member of this House who honestly believes that he is competent to suggest changes in this bill? When I

say changes I mean reductions in or additions to any one or more of the numerous items contained in the measure. If there be such a Member I suggest that he rise and take his place in the Well of this House and tell us, on his own authority, what are the amounts he would change and why. Mere hints and innuendoes will not be enough. He must confine himself to the facts and figures and show beyond shadow of a doubt that he knows what he is talking about and not indulging in wishful thinking or trite and worn-out slogans.

If there be no such Member, no such all-wise and prescient Member, I suggest that the chairman in charge of the bill—and I do not offer this as a motion, merely a suggestion—address the chair and move that the committee rise and that the bill be read, there being no amendment offered, and that the bill do pass. In the grave circumstances in which this Nation finds itself, I humbly suggest that the greatest contribution that we can make to the winning of the war is to make the needed billions available at the earliest possible moment, with the least possible waste of time in futile and nonproductive debate. In fact what we need most at this critical period is great gobs of silence on the one hand and vigorous, intelligent, and constructive action on the other.

I yield back the remainder of my time.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, I am opposed to the $18,000,000,000 lease-lend provision in this bill. And that is most of the bill. I am a patriot also. I am opposed to giving over to Lord Halifax and Harry Hopkins $18,000,000,000 with which to say whether we will get any of it for ourselves or not. I do not think our chances would be very good to get much of it back. I was opposed to lease-lend for all the bills. It was argued at the time that it was going to keep us out of war. That was the argument—it would keep us out of war and therefore we would not have to go to war and we would not have to spend this money to build up a great, aggressive army; but that failed, and did more than anything else to put us into the war. Now that we are in, and have tremendous obligations. I think my people at home, and the people over these United States, if they had a chance to vote on it, would not vote to put $18,000,000,000 of this money where it could be spent for somebody else. We have been hearing from the people not only on this pension proposition, but we have been hearing also about our spending and I want to say about this $18,000,000,000, it just shows to you and everybody else, if you are impartial, the tendency toward dictatorship right in our land here today. The $18,000,000,000 is not earmarked. It is the people's money and they will have to pay it back with sweat in the years to come and it will be paid by their children's children and their grandchildren. The money is not earmarked. One man with his aides will determine where it goes. All of the other lease-lend appropriations are not equal to what is put in as a side issue in this bill, on which there were hearings of just 1 day.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. Yes.

Mr. WOODRUFF of Michigan. Can the gentleman inform the Committee how much of the previous appropriations for lease-lend have actually been put into production of the materials of war, how much of the materials of war have been provided with these appropriations, and, further, can the gentleman tell the Committee just how much heretofore appropriated under the so-called lease-lend has been earmarked or contracts let for up to this time?

Mr. LAMBERTSON. I cannot tell the gentleman exactly, but it is only a small percentage of it.

Mr. WOODRUFF of Michigan. I know the gentleman from Kansas is greatly endowed with reasonable and fair thinking, and he is able to look into the future and see the things that are going to happen. Can the gentleman, in the widest stretch of his imagination, understand when and how this money is actually going to be put into goods for our Army and the armies of other people?

Mr. LAMBERTSON. No. But under the President's program, repeated here today, with a minimum of 60,000 planes this year, and 125,000 next year, where is our productive capacity going to do anything for our allies, on top of all that?

Mr. WOODRUFF of Michigan. Does the gentleman have any information that he can give to the Committee dealing with the number of fighting planes now being produced?

Mr. LAMBERTSON. I cannot tell the gentleman. I have not heard from Gen. Leonard Ayres recently. He has not appeared before the whole committee, and I do not think that he has spoken to us since Christmas.

Mr. WOODRUFF of Michigan. Then the Committee on Appropriations has not been informed.

Mr. LAMBERTSON. They may have been, but I have been busy on another bill lately and could not tell the gentleman exactly.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. Yes.

Mr. PRIEST. I am sure the gentleman from Kansas would not want to leave the committee under any misapprehension about the amount involved here.

Mr. LAMBERTSON. No.

Mr. PRIEST. The gentleman referred several times to the figures $18,000,000,000. As far as this bill is concerned I believe the whole amount is only $5,300,000,000.

Mr. LAMBERTSON. You have not read the bill carefully. There is $11,000,000,000 in there on page 5 that the President can use for lease-lend if he wants to. All of that on page 5. Then the President can take $1,500,000,000 more and put it into the Maritime Commission. That is $18,000,000,000 with the $5,000,000,000 on a later page. I want to satisfy the gentleman that I know what I am talking about.

Mr. PRIEST. The $18,000,000,000 is not earmarked specifically for lease-lend?

Mr. LAMBERTSON. No, but it is all possible in this bill.

Mr. PRIEST. But it is not earmarked.

Mr. LAMBERTSON. No; it is not.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. O'CONNOR. I just came into the Chamber and I have not heard all of the debate upon this bill. I do not know whether this matter has been touched on or not, but I have here an article that appeared in the Times-Herald on February 11. It reads:

> United States buys Canadian tires for British use. One hundred thousand produced here for Army also shipped to Allies under lease-lend.

I am just wondering if we are buying Canadian tires in Canada and then shipping them to England under lease-lend. Are we doing that?

Mr. LAMBERTSON. I could not tell you, I am sure.

Mr. O'CONNOR. I would like to have the gentleman's opinion about such a practice as that, if that is what we are doing.

Mr. LAMBERTSON. That is unfortunate. I have heard of similar things equally bad that we have been doing since we had lease-lend.

Mr. O'CONNOR. I notice another statement in that same article, which is as follows:

> However, it is pouring supplies of all kinds into Britain with speed as the keynote. In the stream of supplies, according to information received by the Chicago Tribune, are thousands of cans of boned chicken at $1.17 a pound.

Are we sending that kind of food to Great Britain at the expense of the American taxpayers under this lease-lend authority?

Mr. LAMBERTSON. Anything is possible. I cannot verify the facts in the case. We have had things just as bad that I am sure were true.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield briefly.

Mr. HOOK. I noticed in the colloquy between the gentleman from Tennessee [Mr. PRIEST] and the gentleman from Kansas that he mentioned page 5 of the bill, $11,000,000,000?

Mr. LAMBERTSON. Yes. That is a typographical error in the bill.

Mr. HOOK. It says $11,000,000.

Mr. LAMBERTSON. The three ciphers were left off. It is $11,000,000,000.

Mr. HOOK. It is $11,250,000 here, but it should be $11,000,000,000?

Mr. LAMBERTSON. The printer left three ciphers off of the end.

Mr. JONKMAN. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. JONKMAN I understand that including the amount made available in this bill, the total amount appropriated for lease-lend purposes is over $41,000,000,000; is that correct?

Mr. LAMBERTSON. That is right at it. This is equal to all of the other appropriations we have made in three or four different bills. This equals all of that lease-lend, and it was put into this bill after 1 day's hearing. The chairman

talked about the committee having carefully gone over this for months—I venture this is not 2 weeks old from its birth; that is, all of the money that is in this bill.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. HOFFMAN. I am just as much opposed to this sort of procedure as is the gentleman, but here we are in a war. The President is Commander in Chief, and he asks us for this money. If we know he is going to waste four-fifths of it, what can we do other than to vote for it?

Mr. LAMBERTSON. Well, we might call his attention to it, and maybe he might improve.

Mr. HOFFMAN. Oh, no. You do not labor under any such delusion as that?

Mr. LAMBERTSON. I will say something about that in a minute.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. DITTER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. BENDER. The gentleman was here when the gentleman from Pennsylvania [Mr. SNYDER] was making his speech, and he referred to Germany's effort in the last 9 years in building up a big war machine. Will the gentleman tell us who has been running this country for the past 9 years?

Mr. LAMBERTSON. Well, you all know.

I want to say further in answer to the gentleman from Michigan [Mr. HOFFMAN] on this proposition that the President is going to have this to do, that is true. I want to be just as patriotic as I can about this. We have got this grim thing to face. I voted for the declaration of war. Nobody would have told me that I would on the 6th of December, but I did. We were maneuvered into it. The proposition is we have got to go through with it. We have got to fight. We have this hard thing ahead of us, but I think the President of the United States might have apologized to the people of the United States for having appointed Admiral Kimmel over 46 rear admirals in line, better fitted for the job, evidently, than he was at Pearl Harbor We have never heard a word of apology from the President of the United States over that. He was made Superintendent of the Naval Academy. He was made Naval Budget Director. He was promoted to the head of the Pacific Fleet 1 year ago over 46 rear admirals. If the President does not change his ways and he is going to give us that kind of inefficiency, I think we had better begin to function as a Congress or we will lose this war. That is what I think.

Mr. JOHNS. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. JOHNS. We have appropriated a great many billions of dollars here and we have 18 or 19 of lease-lend up to this time without this appropriation. I find that of the first $12,985,000,000 that was appropriated, they have allocated $12,225,000,000. Do you have any idea as a member of the Appropriations Committee what that was allocated for?

Mr. LAMBERTSON. No; I cannot tell the gentleman.

Mr. JOHNS. It states further that up until February 8, a few days ago, we had expended by the end of January only $1,811,000,000 during that whole period and that the total of aid rendered was only $2,100,000,000. Can the gentleman tell me why it is we must keep appropriating $5,000,000,000 every few days, adding to the large sum that was originally appropriated?

Mr. LAMBERTSON. The only answer that I can see is that the continuous appropriating of money is done to keep up morale; that is the only reason I know of. The gentleman from Wisconsin will recall that when in June of 1940 we appropriated $1,000,000,000 it was said that was going to do the job. $1,000,000,000. Then we appropriated $14,000,000,000 more before Christmas. since June 1940 we appropriated $100,000,000,000 approximately for national defense and only $17,000,000,000 of it has been allocated or spent; yet here we are appropriating billions and billions more.

Mr. JOHNS. Does not the gentleman believe that instead of creating morale in this country these huge appropriations are going to undermine and destroy it?

Mr. LAMBERTSON. Absolutely. That is what I am emphasizing; and I am saying now that I believe that if the proposition of appropriating $18,000,000,000 for lease-lend were today submitted to the people on a referendum they would turn it down with the war facing us that does face us, with the needs of our own Army and Navy facing us as they do face us today. They would turn it down on a referendum, and I am not scared politically or otherwise to say that this is my judgment about my people today on lease-lend.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. HOUSTON. Is the gentleman in favor of cutting out the item carried for lease-lend in this bill?

Mr. LAMBERTSON. I am.

Mr. HOUSTON. Does not the gentleman feel that if we let our Allies down they may fold up and eventually we shall have to fight the battle alone?

Mr. LAMBERTSON. Evidently we have got to fight a lot of it alone today, anyway.

Mr. HOUSTON. Are we not doing that?

Mr. LAMBERTSON. Let us do that first.

Mr. HOUSTON. What proportion of the money under lease-lend is going abroad and what proportion is staying here?

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman from Kansas 3 additional minutes.

Mr. LAMBERTSON. Two-thirds of this may go abroad, because it is not earmarked and the President can send it if he wants to.

Mr. HOUSTON. If he wanted to; but how much is going abroad and how much is staying home? Is not three-quarters of it still in our own country for our own troops?

Mr. LAMBERTSON. If that is the case, what is the necessity of appropriating any more money for lease-lend? Let us keep our own flying.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. Briefly.

Mr. HOFFMAN. Is it not a fact that our own coasts are unprotected? Are not tankers being sunk within sight of our own shores? Can we not even protect our own shores?

Mr. LAMBERTSON. I want to say a little about labor, because labor costs are an important part of all these appropriation bills. Just before Pearl Harbor we passed an antistrike bill. It is over in the Senate. Strikes are in the making right now.

Mr. HOFFMAN. Why, they are on right now.

Mr. LAMBERTSON. We must courageously tell labor that these wasteful things must stop. From 25 to 40 percent of this stuff is just wasted. Many things add to the cost. I proposed to recommit the wage-hour bill that would have saved billions of dollars to this Government had I been successful in recommitting the wage-hour bill, a bill which was created to take care of subnormal sweatshop workers.

What about the carpenters in Washington? As I waited at a filling station Sunday afternoon while having my tires reversed according to the new plan, I overheard two carpenters laughing up their sleeves about getting $15 a night on defense work—$15 a night, carpenters. Why should that go on? Yet not satisfied with that they are threatening to strike for higher wages. Adding to the cost of all our efforts are the prevailing wage policy, the Walsh-Healey Act, and many others. These policies had added from 25 to 40 percent to our cost of production in defense, and the poor fellows who are buying the stamps and the bonds back home are the ones who have to pay for it. They are the ones who have to pay these $15-a-night carpenters here in Washington. Do not talk about anything else—that is the thing that is destroying morale in our country, this thing that we have allowed to exist and grow up here in spite of the pleadings of the gentleman from Michigan, the gentleman from California, and others. We are sitting idly by and letting it go on.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. RICH. I received letters from constituents this morning. They are making meager wages. They write of the difficult times they are having to get along and make ends meet. They are not getting great wages, like these carpenters the gentleman mentioned.

Mr. LAMBERTSON. I want to reiterate in closing that the people of the United States would not vote $18,000,000,000 today for the Allies with our own war needs so great. This is just a morale proposition. Then there were $500,000,000 that we voted the other day for the China bank.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, the gentleman who has just spoken is a member of the subcommittee that reported this bill, a bill which is of vital concern to the national defense of our country.

Our country is at war. We are engaged in a war against powerful foes, tricky foes, unscrupulous foes. We are confronted today by the greatest danger that has ever confronted our country in its entire history. This generation of Americans is on trial.

Mr. Chairman, this is the Congress of the United States. This is the body to act constructively to win this war, in cooperation with the other agencies of our Government. That is our first job. The very existence of our Government, the rights of individuals, everything that the western civilization stands for, is at stake.

We have just listened to a rambling, rank, critical speech. The opportunity existed for the gentleman from Kansas [Mr. LAMBERTSON] to make an affirmative speech. But he speaks favorable to the bill, then the "but," the whisper of poison, the innuendo, which goes out into the hinterlands of the country, appealing to the emotions of the people. What is the purpose? I do not have to penetrate his mind to analyze the purpose, but I know what the results are. The result is division among our people at a time when we need unity.

This is not a Democratic war, this is not a Republican war, it is not an Independent war. It is an American war. The gentleman from Kansas had the greatest opportunity in the world to make a speech for unity, an appeal for unity. That is what I appeal for. What I say is impersonal, what I say is not expressed in any harsh sense or in any political sense. As far as I am concerned, I am willing to sacrifice anything that is personal to me, political preferment in the future or anything I possess of a personal nature, if I can but contribute to some extent to the successful outcome of this war and the preservation of our country for the remainder of my life and for the generations to come.

This is not a dramatic saying; it is not a Fourth of July saying. It is a firm conviction entertained by me. Without going further, because in an extemporaneous speech one might say something that he might later regret, I appeal for affirmative action and speech. Let us stop making mountains out of molehills. Let us all act and cooperate together for the common good because we all have the same stake. You may talk about labor unions, but we all have a card in the union of the United States. I have a card of membership in that, so has every other American. Let us from now on stop all those utterances that are not conducive to unity, conducive to courage being possessed by our people. Let us learn the lessons of the failures of the past and apply them to the future.

I particularly exhort those who opposed everything, or practically everything, prior to December 7 to remember that we are in a war now. If we had followed their leadership we would be defeated today. When they start criticizing the President of the United States, as the gentleman from Kansas did a few minutes ago, I take exception. The gentleman did not follow the President's leadership. Whatever ability we may have to defend ourselves was obtained under the leadership of Franklin D. Roosevelt, but with great opposition. If we had followed the leadership of the gentleman from Kansas we would be defenseless today. Those who took that position prior to December 7, and in good faith, as I am confident most of them did, should now at least employ decency by remaining silent in these days if they cannot make constructive utterances.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, I need not use this occasion to emphasize my affection for the distinguished majority leader. On other occasions I have both in public and in private expressed not only my regard but my affection for him.

May I say on behalf of the minority that I do not concede, nor do we concede, that all patriotism and all efforts toward unity are confined to the other side of the aisle. May I say to the majority, also, that there is just as much devotion, there is just as much loyalty, there is just as much love of country, there is just as much willingness to sacrifice, there is just as much forbearance to accept the heartaches that come from separations, on this side as there is on that side. We are motivated on this side by the same love of country as the majority leader.

It is a very happy occasion, and I rejoice, that the distinguished majority leader took the floor just before the time which has been allotted to me. I want to quote a paragraph or two as an introductory word to that which I want to contribute to the afternoon discussion. May I remind the majority, and in reminding the majority I call it to the attention of the country, that Woodrow Wilson said:

> We do not need less criticism in time of war but more. It is hoped that criticism will be constructive, but better unfair attack than autocratic repression.

Weigh those words carefully—

> better unfair attack than autocratic repression.

Honesty and competency—

Mark you those words, words well chosen by a master linguist—

> require no shield of secrecy.

Then there recurs as well another quotation which I believe has pertinency at this time, and I refer to a quotation from the late beloved and well-regarded liberal jurist, Mr. Justice Oliver Wendell Holmes, who on an occasion said:

> We do not lose our right to condemn either measures or men because the country is at war.

Mr. Chairman, both of these statements are sound. They are fundamental truths, essential to self-government. Without such principles, self-government ceases to exist.

A week or so ago the minority was very well pleased with the recognition which was accorded it by the majority when all of the minority Members of the Congress received a telegram from the majority leader urging our attendance on the floor of the House for the consideration of an appropriation bill. The appropriation bill carried funds for activities which over the week end had shocked the country, and which the press of the country, in no unmistakable way, had criticized. Since then there has been no change on the part of the majority of the people as to their opinion of that appropriation. What the House did then has been approved and applauded.

Lest there be any on the majority side who feel that that overture of graciousness and that very kindly act was not well received, may I in a humble way, speaking for all of my colleagues on this side, express to the majority our appreciation for your concern over our attendance. We were on hand. I think the request of the majority leader has resulted in not only a better attendance on the part of his own cohorts but a better attendance on the part of the Republicans as well.

But another message has come into my hands today. This, too, bears the stamp of authority. It also is a message urging attendance. It deserves attention.

I should like to interject at this time, Mr. Chairman, that the position of chairman of the Appropriations Committee of the House of Representatives is one of the most powerful positions that is given to any man in the Congress. With that power goes responsibility. The observations I am about to make are not directed to the distinguished gentleman from Missouri as a Member of the House but rather to him in his position as chairman of the Appropriations Committee and to the majority members as a whole.

I deplore the message that has come to me, after such a soul-stirring challenge as came from the majority leader a moment ago. It does seem to me unfortunate that going hand in hand with that appeal is this message coming from the chairman of the Appropriations Committee of the House, dated February 16, 1942:

> DEAR COLLEAGUE: The chairmen of the Democratic and Republican National Committees opened the congressional campaign the first of the month, and the next week on the first administration bill up the House Republicans handed us a Pearl Harbor.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DITTER. Not at this point.

Mr. CANNON of Missouri. That was not said as chairman of the Appropriations Committee.

Mr. DITTER. I do not know how you men feel about Pearl Harbor, but Pearl Harbor to me is a tragedy. Pearl Harbor to me associates the loss of men and the loss of means. It represents to me the all-out sacrifice. I cannot think of

Pearl Harbor but what I think of the homes from which there has been a loved one taken here and a loved one taken there. I cannot think of Pearl Harbor but what I think of the anguish and the heartaches of the mothers and the fathers of the boys who gave the "last full measure of devotion." Pearl Harbor represents to me the finest thing possible in the way of willingness to sacrifice, to endure hardship and, under adverse conditions, to exemplify the best traditions of American manhood.

I deplore, Mr. Chairman, that we have come to the point of using Pearl Harbor as a synonym for a threatened political reversal or a possible political debacle. I hope that does not represent our spirit here. I hope we have not come to the point that what Pearl Harbor is and what it was and what it will continue to be for months on end in some three-thousand-odd homes in this land, and more, shall be stigmatized by making it synonomous with political maneuvers.

I read on:

With no national issues and no ammunition they closed 2 days of debate with one of the most clever coups and one of the most effective political appeals to the country that has been seen in the House in the last 20 years.

I deny that it was a political coup but, nevertheless, I cannot help but acknowledge the compliment as a comparison with the last 20 years is made.

I read on:

There were no fan dancers in the bill and none in any former bill, but the Republicans put them in the bill by smashing over an amendment to cut them out of the bill. The only purpose in offering the amendment and all the other amendments they offered was to gain partisan advantage in the congressional elections this fall.

I deny that charge categorically. I deny that a distinguished gentleman like the minority leader on the Appropriations Committee [Mr. TABER] has been motivated by solely political considerations. I deny that the distinguished gentleman from Massachusetts, who enjoys the respect and the regard not only of his constituency but of the membership here in this House, was actuated in offering the amendment he did offer by political motives.

I happen to be one that offered one of those amendments. I shall not plead my own cause. I shall leave that entirely to the judgment of the House.

I read on:

Their amendment was an exact duplicate of the committee amendment previously adopted. It meant nothing in the bill, but was planned to beat Democratic Congressmen and elect Republican Congressmen and control the House in November.

Again I say that there was no such purpose. We tried to do the thing which it is our duty to do—to enact legislation which will be for the ultimate good and the greatest possible security of our people.

I read on:

They would have gotten nowhere with it if the amendment had not carried. If defeated, it would have gotten one short paragraph in the papers.

That is significant to me. Are we legislating here today to see how many paragraphs we can get in the papers? Have we come to such a state that an appeal must be made that the worthiness of a cause depends on newspaper space—one paragraph or no paragraphs or a dozen paragraphs in the newspapers?

I read on:

But when they amended an administration bill—

Mark you, an administration bill—

drawn by military and Treasury experts and approved by the Budget Bureau, that was news and hit the headlines in every metropolitan paper in the United States.

I am glad it was news. For myself, I am glad it was news. If it is news for the Congress of the United States to show an independence of thought and action such as would give it the courage to dare to amend an administration bill, then I am glad it hit the press. I think one of the best stimulants to the faith and courage of the people right now will be an evidence on the part of this Congress that instead of impotency there is independence; instead of rubber stamps there is careful, clear, and conscientious thinking and acting on the part of this body.

I read on:

Democratic Members—

This is an indictment against the brethren on the other side of the aisle.

Democratic Members were responsible for the success of the Republican blitzkrieg.

We had no part in a blitzkrieg. We had no part whatever in a blitzkrieg, and I deny that any man here on this side of the aisle had a part in a blitzkrieg. What we did was to take an appropriation measure and exercise the responsibilities which are ours, to offer amendments. If these amendments had merit—and apparently many Democrats thought they had—they would be incorporated in the bill. Is this blitzkrieging? We tried to perfect legislation. Is it a blitzkrieg to amend a measure? Have we come to this pass? A blitzkrieg is a term that implies the sacrifice and the hardship and the heartache that I spoke of a moment ago.

I read on:

Out of the 263 Democrats in the House, the highest number of Democrats on the floor for any teller vote was 80.

Well, I do not know, I did not count, but I am glad that there were a substantial number of Republicans on the floor. I think there were more than 80 Democrats on the floor. I would hate to feel that my friends on the Democratic side were not more interested than that. I am confident that in the discharge of their duty they were either on the floor or in committee rooms or doing those things which their public office requires them to do. That is the faith I have in the men on the Democratic side who may have been absent at the time when a teller vote was taken. I do not chide you.

Now I compliment my brethren on this side of the aisle. I read on:

The Republicans had their Members on the floor and won by five votes.

I congratulate the Republicans. I congratulate you for your attention to duty and for the work that you do.

I read on:

A similar bill comes up tomorrow. The Republicans will again be on hand to make political capital out of it.

We are on hand, but we are not here to make any capital out of it. We are on hand here to bring the best possible thought and the best constructive criticism and the best analytical attention to the appropriation bill before us.

I read on:

These bills do not originate in the committee. The War Department, the Navy Department, the Treasury Department, the Bureau of the Budget have already spent weeks on them. Nothing is included that ought not to be there. If there is any fault, they have been cut too close. Every item of them is needed to back up American armies fighting losing battles on a dozen different fronts. Their passage ought to be controlled by military considerations and not the political considerations the Republicans inject into them.

Again I come forward with a denial. Again I make the claim that we have not been actuated by political considerations as we study this gigantic, this tremendous task of arming of our men for the winning of the war, and making the dollars count for the most in that winning.

Here is a regrettable paragraph. When the time comes, Mr. Chairman, that the press of the country no longer can carry not only the views but also its impressions, we have come to a sorry pass.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield to the gentleman from Pennsylvania 5 additional minutes.

Mr. DITTER. I think this paragraph is to be deplored:

I read on:

The flood of vicious—

Get that word—

newspaper abuse—

Again an unfortunate expression.

The flood of vicious newspaper abuse of the last 2 weeks which has been making political medicine for this fall will be intensified by Democratic support of Republican amendments in the Committee of the Whole tomorrow. On these crucial bills depends our hope of winning the war. They deserve the support not only of Democratic Congressmen but of all Congressmen.

Mr. Chairman, I repeat, it is regrettable when the observations of the press of the country are characterized as a "flood of vicious newspaper abuse." A free press is a foundation for all our freedoms. Take from the press its right to be critical as well as commendatory and you take from freemen their most precious privilege, their surest defense against the arbitrary and autocratic tyrannies of a despot. Have we come to the point that the press can no longer carry its impressions, express its opinions, without subjecting itself to the charge of letting loose "a flood of vicious newspaper abuse"? God forbid that we have come to this sorry state.

I join wholeheartedly with the majority leader. I think I can make just as great a claim as he can, that out of this Republican minority there springs a spirit of unity and loyalty and devotion. We have made those professions, and are willing to make good those professions. I assure the majority leader those professions will not be limited in their fulfillment by the restrictions suggested in the message to which I have directed your attention. I have already expressed my affection for the distinguished majority leader. I repeat it now. With that expression I link the hope that an all-out unity may be made possible by an avoidance of tactics such as I have referred to at length today. The Republicans crave the privilege, as the President styled it, of serving in this hour of need. Let us cast aside the suggestions that partisanship shall be permitted to limit our desire to serve. Let us dismiss that which might becloud the issue or limit our vision. For the minority, I plead for the opportunity to make a contribution, a contribution of careful, conscientious, and constructive thinking and acting—an all-out endeavor to win the war.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent to include at this point, and as a part of my remarks, the letter to which reference has just been made by my good friend, the chairman of the Republican Congressional Committee, the distinguished gentleman from Pennsylvania [Mr. DITTER], in order that it may be read in connected form.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CANNON of Missouri. The letter is as follows:

DEMOCRATIC STEERING COMMITTEE,
CLARENCE CANNON, *Missouri, Chairman,*
WILLIAM T. BYRNE, *New York, Secretary,*
February 16, 1942.

(Personal.)

DEAR COLLEAGUE: The chairmen of the Democratic and Republican National Committees officially opened the congressional campaign the 1st of the month.

And the next week, on the first administration bill up, the House Republicans handed us a Pearl Harbor.

With no national issues and no ammunition they closed 2 days of debate with one of the cleverest coups and one of the most effective political appeals to the country that has been seen in the House in the last 20 years.

There were no fan-dancers in the bill—and none in any former bill—but the Republicans put them in the bill by smashing over an amendment to cut them out of the bill.

The only purpose in offering the amendment, and all the other amendments they offered, was to gain partisan advantage in the congressional elections this fall. Their amendment was an exact duplicate of the committee amendment previously adopted. It meant nothing in the bill but was planned to beat Democratic Congressmen and elect Republican Congressmen and control the House in November.

They would have gotten nowhere if their amendment had not carried. If defeated, it would have received one short paragraph in the papers. But when they amended an administration bill, drawn by military and Treasury experts and approved by the Budget Bureau, that was news and hit the headlines in every metropolitan paper in the United States.

Democratic Members were responsible for the success of the Republican blitzkrieg. Out of the 263 Democrats in the House the highest number of Democrats on the floor for any teller vote was 80. The Republicans had their Members on the floor and won by 8 votes.

A similar bill comes up tomorrow. The Republicans will again be on hand to make political capital out of it.

These bills do not originate in the committee. The War Department, the Navy Department, the Treasury Department, and the Bureau of the Budget have all spent weeks on them. Nothing is included that ought not be there. If they have any fault they have been cut too close. Every item in them is needed to back up American armies fighting losing battles on a dozen different fronts. Their passage ought to be controlled by military considerations and not the political considerations the Republicans inject into them.

The flood of vicious newspaper abuse of the last 2 weeks which has been making political medicine for this fall, will be intensified by Democratic support of Republican amendments in the Committee of the Whole tomorrow.

On these crucial bills depend our hope of winning the war. They deserve the support not only of Democratic Congressmen but of all Congressmen.

Very truly yours,

CLARENCE CANNON.

Mr. CANNON of Missouri. Mr. Chairman, I am gratified that the gentleman from Pennsylvania has received a copy of the letter. Apparently it has had a very salutary influence. I shall be glad to have the letter appear in the RECORD in connected form, and trust those who read it and who desire to judge the degree of its effect will read in connection with it the debate of February 9 which gave rise to it, and then by way of contrast, the much subdued debate on the bill now before the House.

I yield 15 minutes to the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM of Virginia. Mr. Chairman, this much discussed letter seems to have at least accomplished two good purposes: It brought my Democratic colleagues to the floor of the House this afternoon to attend the consideration of this bill, and it gave my distinguished friend and beloved colleague on the committee, the gentleman from Pennsylvania [Mr. DITTER], a chance to assure us of a thing which we already knew—that he, above all others, would never be the man who would dare take partisan advantage of any situation. I appreciate the purification speech of the gentleman from Pennsylvania, and I hope that as we read some of his other utterances of days gone by, when he has spanked the Democrats pretty hard, that we feel that then he was being patriotic and not partisan. But, Mr. Chairman, while discussions of this kind may be entertaining and to a degree they may cause our emotions to rise a little, I am wondering how much they contribute to the job we have to do. There should be but one consideration of a Member of Congress today—but one—and that is, What can we do to help win this war? I need not stand here again and tell you of the critical hour that faces us. We ought to consider carefully everything that we do and consider well what we say. This is not the time, my friends, for idle and ill-considered speech, whether it be made from patriotic purpose or because of partisan zeal. The people of this Nation are alarmed, and they have just cause to be alarmed, because the menace of war hangs like a heavy pall over our land, and when a Congressman takes the Well of this House and solemnly proclaims a fact it falls back upon listening ears at home, and it helps to mold public opinion. Let us be careful. God forbid the day ever shall come when a man cannot criticize if he wants to criticize, and certainly no one wants to stop that, but let us weigh carefully—let us apply the acid test to our words and our utterances. Is the effect of that utterance, is the purpose of it, is the objective of it to help make a safe, better, surer program of defense, or has it some other purpose?

My dear friend the gentleman from Indiana [Mr. SPRINGER] took the floor this afternoon and called upon the President and the War Department to send relief to General MacArthur. I have heard many people say that. There is not a man on the floor of this House who has greater reverence and appreciation for Douglas MacArthur than has the President of the United States and the Chief of Staff of the Army and the Secretary of the Navy and everyone else, but if you will be just a little realistic, if you take a map and put a pin on the Philippine Islands and draw a circle of 1,000 miles around it, you will see that the sea and the air are under the control of the Japanese Nation at the present time.

That is what you will find when you look at it realistically. No man upon the floor of this House would have to call upon the War Department to send relief to MacArthur if it were humanly possible to send relief there any more than has been sent. Douglas MacArthur is doing his job as a soldier. God grant that we do ours as well as he.

The great Raphael is said upon one occasion to have gone into an art gallery with a friend of his who was not quite so artistic. He wanted to show him a great painting by a great master. It was a painting of the rising sun. Raphael stood there with uncovered head looking at it. He tried to point out to this friend some of the beauties of it. He looked at his friend and he saw that his friend was looking at the corner of the canvass. The friend said, "Yes, but what is that in the corner?" Raphael said, "My God, man, that is a flyspeck. Do not look at that. Look at the rising sun. See the glory of it as it comes up over the horizon. See it as it sheds sunlight and warmth on a stricken world. Do not look at the flyspeck. Look at the rising glory of the sun."

Today the American Nation is awakening. Just so sure as we sit quibbling here upon the floor of this House there is framing in the hearts and souls of the American people the determination that the things for which they have lived, the things that they love, the things that were purchased by the blood and tears and sacrifices of their fathers shall not perish from the face of this earth. It has been a hard thing to awaken this

country. Appeal after appeal has fallen upon deaf ears, and while every Member here has a right to criticize whomsoever he pleases, let the record speak the truth. Let the record show the facts. There is one man in the picture that no man upon the floor of this House, however he may feel about him personally or politically, can say that he did not come to the American people and warn them time after time of the impending danger, pleading with them to set our defense house in order. Oh, it was June 1939, months before Germany invaded Poland, that the President of the United States asked the Congress to repeal the embargo provisions of the neutrality law so that America, in accordance with international law for ages past, might sell to Great Britain and France the implements of defense. What did we say? "Warmonger! Trying to drag us into war. Trying to equip us so that we can go to war. Who is going to jump on us?" some asked. You remember those utterances—and this House of Representatives, under pressure and by a close vote passed the bill. Another body refused to pass it. A filibuster was staged. The Congress adjourned. Germany invaded Poland and then, and only then, the Congress passed a revision of the Neutrality Act which permitted American industry for the first time to take orders, to go into production to some extent of the things for defense. Precious time had been lost.

It has been a hard fight. The Navy Department said to Congress, "We would like to fortify Guam." "Warmongers!" they said again. "Why, that will offend Japan. Who would dare offend Japan?" "We should not do it." And Guam was not fortified. You know the result.

Then came the invasion of Poland. Then the threat came closer. Pass a conscription act, the President asked, so that we may train an army. A fight ensued. More time lost. Amend the conscription act. Another fight ensued. More time lost. Pass lend-lease, asked the President. Another fight. More delay. Every step of the way bitterly contested by men who stood in the Well of this House and told us time after time that the thing that has happened, could not happen.

So, gentlemen, when we criticize let us be willing to take that part of the responsibility which belongs to us. American industry would have been under production months ago, our program would have been going months ago, if we had followed the leadership of the President in this regard. I do not need to tell you I have differed with the President many times, and shall probably differ with him many other times, but no man can make a case against Franklin D. Roosevelt in that respect.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I would like to go ahead, if the gentleman will permit.

Oh, gentlemen, the thing about serving in this body is that we make our records. It is not what we say today; it is what we did yesterday. We make our record; it is there. Sometimes we point to it with pride. Sometimes it comes up to plague us. Let us be careful. Let us censor what we say and do. Let us err on the side of supporting our leadership. No man here today should try to advocate the Democratic Party or to promote the Republican Party. Let us get away from that. It does not make a lot of difference in the sum total of things. That is not the thing that counts today. The thing that counts today is to support the respected and accredited leaders, because it is those leaders who are going to carry us to victory or down to defeat in this effort. The Constitution of the United States has made the President our Commander in Chief, whether we like it or whether we do not like it. Support him in his great effort; hold up his hands. Cordell Hull, the Secretary of the Navy, the Secretary of War, General Marshall, Admiral Stark. Go on down the line, where are you going to find men with the experience, with the knowledge, with the interest, who can do a better job than they, even though they make mistakes and make blunders? We have made mistakes and blunders. Yes, and there will be more. There has been a Pearl Harbor. God help us, and there may be another some time. I do not know.

This business of war is not all on one side of the picture. We have to be prepared to take it and stand up under it, and not to lose our faith in the things we stand for and the things that we are trying to do.

I know this very well: I know that if you can have the spirit in this body, right here, to go on through this emergency that was here on December 8—you remember December 8, do you not? You remember the 7th, of course, but December 8—ah, there was unity, there was a single purpose, there was a single determination; that was to do this job and to do it right and as quickly as possible.

What are we trying to do? We had to start from scratch in this country. We were a lazy, sleepy, complacent, self-satisfied Nation that thought we were proteced by two oceans and that was all we needed, that we could thumb our nose at the rest of the world and let them have their little European squabble, as we called the world struggle, and we could stay on our side of the water and let them go hang. That is the way many felt about it. No one person is to blame for it. The Republican Party is not to blame for it any more than the Democratic Party is to blame for it. There were a few people who continually cried out for more defense. If I may be personal for a moment, my record in this House for 20 years is unbroken in calling and continually calling for a stronger Army and Navy and air force. There were some others who felt the same way about it, but they were like Churchill: People did not take it seriously. We were satisfied, and a year and a half ago we had to start from scratch.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman from Virginia 10 additional minutes.

Mr. WOODRUM of Virginia. We have gone out into places that a year and a half ago were cornfields upon which there are now munitions factories; to places that a year and a half ago were swamps where there are now factories that are building tanks. A year or two ago an occasional airplane came off the assembly lines, while today American-built planes are in every theater of war in the world, and wherever they have been tried they are proving superior to every other plane. Whereas less than a year ago the building of a tank was an occasional thing, now they are rolling off by the dozens every day—and they are superior to all others. Whereas a year or two ago we launched a ship occasionally, now we are getting a ship every day. Every time the sun sets, a cargo ship slips off the ways. On yesterday down in my home State, Virginia, 9 months ahead of schedule, we launched a 35,000-ton battleship, the *Alabama*, one of the latest and finest things that floats the seas. Oh, Mr. Chairman, let us not be discouraged about this thing. You can not transform a peaceful nation into a war spirit and a war nation in a day; you cannot get ships, or tanks, or guns out of stores, you have got to make them and you have got to build the facilities to manufacture them; you have got to get the raw material and train the workers, and you must have money. That is the reason we are putting money into this effort. Our production is coming into full bloom.

The victories Japan is winning today are temporary victories. Do not forget, if you please, that when Japan loses a plane it cannot easily replace it. Over 80 percent of the productive capacity of Germany and Italy and Japan is today employed, and we have not yet gotten 25 percent of ours working. There can be only one result if we have the courage, the wisdom, and the stick-to-it-iveness to keep at this job that is laid to our hands. I am proud of what this Congress has done. We quibble and squabble a good deal sometimes, but ultimately we come out right. I still believe that it is the best system on the face of the earth. With all of our bickering, and squabbling, and difference of opinion, the ultimate judgment of this body is usually good. Mark that down, if you please. We err every once in a while, but ultimately when you finally get down to the grass roots of it and to final action the result of the work of the legislative process in America has been wholesome, and it has supported our institutions; it has given us a great nation and a great country. We have a great job to do, and we are going to do it as great Americans should do it.

I am glad to have this chance to say a word or two here today not as any lecture but as an appeal to my friends, to my colleagues on both sides. Let us take seriously this job. The shadow of this thing falls over every home in America; it does not fall just over the Democratic homes or the Republican homes; it falls over all of them. Republican boys are in the camps along with Democratic boys; they are all there together. It is according to the way you and I do our job as to how quick we can get them out of there or how many have to remain back there under little white crosses. This bill

today speeds up the great defense program; it sends aid to those valiant people over there who are giving of their blood in this cause. It sends them some of the implements with which they can fight this war. What a tragedy it would be if this country—and I do not think it will, I am sure—hesitated in supplying those planes, those ships, those weapons of defense which they need. So I ask for this bill and other bills that may follow it. Let us consider them on their merits; let us consider but one objective, and that objective is to win the war.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, it is not my intention to devote my time to remarks on the speech that was just made. In passing, however, may I say that I think it is a trifle early to talk about the record of these years. Only history can pass judgment on what has been done and the records that have been made. Only history can say whether we should have stuck by the decision of 1935 to pull out of the Orient and free the Philippines or whether it was worth what it will cost to run the show over there. Such questions, however, in my judgment, should be put on the shelf for the duration of the war.

True, some of us have not liked the direction of the steps that we have been taking the past few years. We were not averse to the United States shouldering her responsibility as a member in the family of nations—personally I always believed we should have adhered to the World Court—but many people did not like to be taking these late steps short of war, steps in the direction of a war for which we were not ready. We wanted to husband our resources and make the United States too strong for any nation to attack. We wanted to see the United States so strong that when she spoke, respect would follow and not treachery and insult. What has happened, however, has happened, and our job in the days ahead is to make certain that such insult and treachery will never happen again. We should run the race that is set before us. We should quit postmortems. As Winston Churchill has well said, "When the present quarrels with the past, there is no future."

The gentleman from Virginia deemed it in order to indulge in a defensive eulogy of the President. I shall not quarrel with him. It has never been my policy or habit to engage in personal, carping criticism of the Chief Executive, and it never will be. I respect him as the President of my country who has been entrusted with a tremendous responsibility. I want him to succeed. I may have differed at times on the wisdom of the course he was pursuing. It was my responsibility as a Representative to speak and vote my convictions. I may have thought that he should have talked less and got a bigger stick, but I have never indulged in personal abuse. When decisions have been made, I have accepted them and have moved on to new problems in the light of the decisions made.

Today, then, the question should not be, What has happened in the past few years. The proper question is not how we got where we are. It is, Where do we go from here and how do we get from here to where we want to go?

Appeals have been made for unity in the consideration of this bill. Appeals have been made for unity in the country today. It is my own opinion that the people of the country today are united, but they are somewhat confused and we may be to blame.

Unity is achieved by common sacrifice in face of a common danger. Unity is something that you cannot regiment into a people trained in democracy. You cannot scold or preach them into unity. Unity is a thing that grows. Unity is a thing that comes by getting rid of the things which destroy unity. Unity is a thing which comes by getting rid of things which produce disunity. In that spirit I want to suggest three or four things that I think will contribute to the prosecution of the war and permit this unity which exists in the people to express itself in the action of Congress and the administration and our war leaders.

First of all, may I say, and I say this earnestly, that the Congress should start by cleaning its own nest instead of feathering it. When I say that the Congress ought to clean its nest instead of feather it, I mean that without further ado and quibbling the leadership of Congress should permit a bill to come in here for the immediate repeal of the so-called congressional pensions. Granted that it has been painted as an outright pension when it is in reality an extension of the retirement system already existing for thousands of others, the fact remains that it has shaken public confidence in Congress as nothing else in a generation. The bill was slipped through the House with only a partial explanation, made worse in the Senate, and then concurrence was obtained in a way that is no credit to our procedure. To explain that procedure is to condemn it. The sooner this is undone, the better. I have here a letter from a rancher friend of mine which came this morning. Here is a man I know to be a man of ordinary, sober, conservative judgment. In a very well-reasoned letter, a letter which I know it took him some time to write because he is not accustomed to writing letters to anyone in any detail, he says:

> I do not intend to kick on taxes, except I do not see why in this land we should build up such a huge privileged class. It is a career to be a Federal employee that everyone is striving for now and once there they stay. In this war which to all appearances we are not going to win with our left hand I think it is time to cut down not only on Government employees but also on what they vote for themselves.

Now, personally I did not vote for the bill either time. I voted against it in 1939. I was not on the floor when it came up recently. Due to time that had been taken in hearings on defense appropriations, I was working on matters postponed on my own desk; but I do accept some responsibility as a Member of the House. So I say, Mr. Chairman, first of all we should clean our own nest instead of feather it, by repealing the language under which the President and Congress made themselves eligible for retirement pensions.

That is the first and best thing we can do for the country today.

Secondly, the administration should clean house of boondoggiers and employ men with brains and experience to carry on the war in every capacity and in its related programs, regardless of past prejudice, party affiliations, or political pride.

Reference has been made this afternoon to the action of the House on a previous appropriation bill, which was not primarily a supplemental defense bill but a deficiency bill. The only reason certain amendments were offered to that bill, as I understand it, was because the hearings on that bill and the tables printed in detail under name, position, and salary indicated that certain dancers and playboys were going on the Government pay roll to administer or carry out the functions for which appropriations were proposed in that bill. It may be true that their salaries would not come directly out of the funds in that bill; but if so, they were to come out of the President's emergency funds allotted to the O. E. M. and allocated to the O. C. D. To speak by amendment to the bill carrying funds for the activity was the only way the Congress could speak. The tables in the hearings and the howls that have followed are ample evidence that the amendments were striking at the right spot.

I have a letter here from an insurance man, commander of the American Legion in the largest city in my district. He says:

> General MacArthur and his men make such a gallant stand that someone in Congress suggests that we pay them overtime for their efforts; then Congress votes pensions to themselves.
>
> Three United States destroyers encounter a Japanese flotilla in the straits and make a historical maneuver against overwhelming odds; while in Washington they put a fan dancer on the pay roll at $4,600 per year "to teac" the children poise in the event of an aid raid."

I will read from a few more letters because these are bona fide letters from people I know. They reveal what people are thinking, and I put them in the RECORD here today because I want the RECORD to show that the people are in earnest about prosecuting this war, and they want to be done with boondoggling and foolishness.

Mr. HOUSTON. Will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Kansas.

Mr. HOUSTON. Did anything in those letters indicate that the people want to repeal the $130,000,000 subsidy that we give the press?

Mr. CASE of South Dakota. I have a letter on that subject and I will be glad to show it to the gentleman if he will come to my office.

Mr. HOUSTON. The gentleman is in favor of repealing that law as long as we are going to repeal all of the boondoggling?

Mr. CASE of South Dakota. I am in favor of saying that proper contributions should be made to the various agencies

of the country that contribute to the prosecution of the war effort and the maintenance of our system of Government. I would measure pay to the newspapers by what they are doing in that regard. There is no substitute for public information by a free press in a republic.

Mr. Chairman, further with regard to the subject of cleaning house, it seems to me that in the hearings on this bill a fact was developed that ought to be brought to the attention of the country. We were told that there is an allocations committee today which is dividing the munitions that we are creating by these huge billions of dollars. General Wesson is Chief of Ordnance. The largest single item in this bill is $13,000,000,000 to create ordnance, to create ammunition, to create arms. That is the biggest single item in this bill.

I asked General Wesson, who is the head of that department, whether or not he was on the Army and Navy Munitions Board. He said, "No." I asked him if he was on the Joint Allocations Committee headed by Mr. Harry Hopkins. He said, "No."

Further questioning during the hearings developed that this Allocations Board consists of three representatives of this Government and three representatives of the British Government, plus a man with the deciding voice, Chairman Harry Hopkins.

Mr. Hopkins may be a brilliant spender in work relief. He may be a great director of W. P. A., but testimony has never been brought before the Congress that he is a great naval or military strategist, such as would qualify him to have the deciding voice in the distribution of this equipment.

Within 90 days this country faces the possibility that a foreign foe will be hammering at the doors of Panama, Alaska, and the coasts of this country, and the final decision, the deciding voice, as to where our munitions are going to be allocated rests in the hands and the mind of a man who made his reputation as a great W. P. A. director.

If we are going to win this war, it is time that we use the best brains we have in the field of invention, in the field of geographical knowledge, and in the knowledge of races and people and in knowledge of military and naval strategy I do not want to see all our equipment kept at home; neither do I want to see it scattered from Sitka to Singapore and from Iceland to India, and spread so thin that it is worth nothing anywhere. I want the best military and naval brains we can command saying where it shall go. I want to see enough of it put at some point where men are ready and able to use it and able to strike hard enough to hold what they take. I hope you will read testimony in the hearings on this point.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 additional minutes to the gentleman from South Dakota

Mr. CASE of South Dakota. The third thing needed, it seems to me, is that the administration and Congress together should equalize the burden of the war. Almost every Member of this House has some time or other said that he is in favor of the universal service program of the American Legion, yet we are permitting to be piled up in the record of this war such things as the shipyards fiasco where a representative testified that they would have to have a steam shovel to handle their profits. We need some clear-cut legislation to recapture exorbitant profits when they are exposed.

I know that prices are going up. I think that General Olmstead in his testimony before the committee put it very well when he said:

> Of course, prices are going up. When you send your washing to the laundry and ask to have it back the same day it costs you more.

It is true that we are in a speed-up program, yet when a man will testify that his own company is making so much profits that it takes a steam shovel to handle them, something should be done. The administration and Congress should devote themselves to proper legislation on that subject.

Then, just as we get after the profiteers among the employers, attention should be given to the labor racketeers who have been unable to see the difference between peace and war. As one member of the Appropriations Committee recently said within my hearing:

> The Old Man of the Sea that is wearing down the war effort and the sacrifice of this country today is the clinging to labor laws that were designed for peacetime and never intended for wartime.

We cannot win this war on a 40-hour week basis. We cannot win this war if we permit peacetime labor rules to dictate speed and division of work.

A Member of Congress told me that in his district he saw a defense project where four ditches were dug side by side because of a jurisdictional quarrel—one for the water main, one for the electric energy lines, one for the sewer, and one for the gas. There were four separate ditches side by side, when all of those utilities could have been put in one ditch at a great saving of time and money.

I recognize that sacrifice is not even in time of war. In the history of the world, freedom has been preserved only because some people made greater sacrifices than others; yet it is our responsibility to make the burden borne as equal as possible. In the words of an officer who testified before us, "If anyone is gypping the country, Congress should see that he gets soaked."

The fourth thing that I think ought to be done by Congress in the prosecution of the war is to establish a unified command. I have introduced a bill on the subject, H. R. 6576. It does not propose a sweeping, upsetting reorganization, but it would establish a central defense command with zone defense commands. I have made remarks on this subject previously and I shall not go into it further at this time.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. The gentleman speaks of the possibility of legislation for recapturing exorbitant profits. I believe it is fair to state to the committee that the subcommittee gave some thought to that matter, and it was the unanimous opinion of the subcommittee that that question ought to be given most careful consideration in view of the experience we have had to date.

Mr. CASE of South Dakota. I am glad the gentleman from Massachusetts recalls that to mind. In that connection, it should be pointed out that General Olmstead, in the Signal Corps, and General Wesson, in the Ordnance Department, both referred to sections they were setting up for the purpose of auditing profits of the companies which were getting contracts. Some progress is being made, but it is clear that something further must be done if we are going to recapture the exorbitant profits when they are made and prevent profiteering wherever we can.

Now I shall read a little further from letters that were in my mail this morning. One writer says:

> The children in the Rapid City schools buy $1,500 worth of defense stamps the first month the plan is in operation, while an eyewitness reports that at a training camp that is being built on a "cost-plus" contract each night a pile of scrap lumber as big as a seven- or eight-room house is sprinkled with kerosene and burned, and I assume we pay "cost-plus" for the kerosene as well as the lumber.

The defenders of Singapore win the admiration of the world—along with, in all probability, an early death—while in the San Francisco shipyards twelve or fifteen hundred welders strike because some of their number wants to join an independent labor union.

It is these things coming to the attention of the people that are destructive of unity. The responsibility rests upon the Congress, instead of quarreling about how we got here, to put a stop to such procedure.

Another letter brought a copy of a directive that has gone out from the Director of the Selective Service System to the various draft boards of the country in which it is suggested that serious consideration for deferment be given to labor organizers.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield to the gentleman from South Dakota 3 additional minutes.

Mr. CASE of South Dakota. National unity is not going to be helped by deferring labor organizers. Not while homes are being broken. Not if they feel that labor organizers responsible for $15-a-day racketeering are to be deferred under advice of the Selective Service Director while they go to camp at $21 a month.

I received a letter from a woman this morning. She wrote one of the most sensible letters I have ever read. In part, she says:

> The people as a whole are not apathetic or under any delusion as to the seriousness of the struggle in which the country is now engaged. Nowhere have I found anything but a grim determination to see the thing through, come what may. Rationing was expected and not too much dreaded. Selective service in much wider application was

also expected. A Defense bond rally had excellent results. * * * I have traveled some. I have made it my business to talk to people from other sections as I travel and think I can honestly say that the country is pretty well united. But I do think the country, as a whole, is confused as to the means to be employed in gaining the desired victory.

There is nothing the ordinary individual wants more than to be told what to do. He will round up scrap aluminum or scrap iron. He will volunteer for radio spotters jobs, but he likes to see his efforts correlated with those of his fellow citizen and he wants to see results. I don't think he wants inside dope, necessarily; he just wants assurance that the tremendous power of which he is capable is being directed in a straight line and not in circles.

The roar of indignation that rose from the Nation as a whole the past few days when Congress and the Office of Civilian Defense both gave signs of attending to something beside the matter in hand should be proof that the Nation is not apathetic. It raised a howl when Congress voted itself pensions, not because of the money involved, but because it looked to the man in the street like a turning aside from the main purpose. It may not understand the necessity for morale building by amusements; I suspect that's because there's nothing wrong with its morale; but it does understand that it needs gas masks and intelligent planning for civilian defense. In other words, it believes in putting first things first.

Mr. Chairman, that was a letter to renew one's faith in the American people. I am not pessimistic. I have heard some pessimism expressed but I have heard too much testimony on these bills for defense appropriations to be pessimistic of the outcome. I know the mountain of ammunition and the tremendous number of machines that are being prepared and put into being for an offensive at the proper time, but if the country is going to feel that the Congress is tackling the job that belongs to us, we must clean out our own nest. We must tackle these jobs that I have mentioned. Uncle Sam is not beaten. In the words of John Paul Jones, "He has only begun to fight."

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield such time as he may desire to use to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Chairman, the $32,000,000,000 appropriated in this bill raises to $142,000,000,000 the amount we have authorized for national defense during the last 2 years. Of this sum, over $80,000,000,000, including this bill, have been authorized since the attack on Pearl Harbor on December 7. This is at a rate of over one billion per day.

I have voted for every dollar of this money. Before December 7, I was very apprehensive about world conditions and the international situation, and I believed we should prepare our defenses and get ready as quickly as possible.

Mr. Chairman, we can vote appropriations and the President can spend the money authorized, but only the people can pay the bill. The Government itself, as such, has no money. Its only source of income is through taxes levied upon the people. They will feel the burden of these enormous expenditures for at least 50 years or longer.

I am sure the people of this Nation are willing to go to any expense and make any sacrifices necessary to win this war. I know those whom I have the honor to represent feel that way. They are ready to give their substance and their lives, if need be, for the right for themselves and their children to enjoy the liberties and blessings of American citizenship.

In return, Mr. Chairman, they have the right to expect and demand that every dollar of this money be put to a good purpose, that it be wisely spent, and that no one be permitted to reap an unfair profit. Merely voting for these appropriations should not end our responsibility. We should go further and enact such laws as may be necessary to prevent and prohibit excess war profits.

Many of you will recall the experiences we had in 1917 and 1918, when a new crop of millionaires was created through excessive war profits. Recent investigations have shown that we have numerous cases of the same kind in this war. It should be stopped and stopped at once, Mr. Chairman. We should not permit unpatriotic manufacturers and munition makers to make millions out of war profits while the cream of American manhood is out on the far-flung battle line at $1 per day.

I fully realize that time has now become of greatest importance. We must work fast. We must get planes and guns and ships to the battle front. A few months from now may be too late. Our boys are dying today because they do not have adequate protection from the air and the sea. I am willing to pay any price to get these planes and ships and move them to the front, but I am not willing to stand by and permit those who make these planes and ships to take advantage of this emergency and reap unfair and excessive profits.

Several committees have been conducting investigations. Several bills have been introduced. But nothing has been done about it. I think it is time to give this House an opportunity to vote on a bill to limit war profits to not over 5 or 6 percent. I think it is time to enact a tax measure that will contain a plan for the recapture and return to the United States Treasury of any and all war profits in excess of such percentage.

Every Member of this Congress is a taxpayer, a heavy taxpayer. It appears now that for many years to come, from a third to a half of your salary as a Member of Congress must go for income tax. You know how heavy that burden will be on you. Well, just think how much heavier it is going to be on those less able to pay.

Mr. Chairman, not only has the time come to stop these excessive war profits, but we must also cut out every expense that is not necessary for the winning of this war. I am greatly disturbed over the attitude of many people here in Washington. It seems that there are still many in the Government who think more of social security than they do of our national security, who insist in carrying on every social and other program which we enjoyed in times of peace and plenty.

I certainly would not want to destroy the great reforms of the last 10 years, nor forever abandon the programs for the protection and benefit of those who cannot protect themselves.

But we are at war. We are in a great world war. We are fighting for our homeland, for our right to remain free men, for our loved ones. The issue has been made, the die has been cast—it is a fight to the death. It is time to strip for action. Our every thought, our every effort, our every dollar, should be devoted to the one great task of winning this war.

Of course, the ordinary functions of government must go on, but outside of that we should see that every dollar we authorize will contribute to our national safety and security. Down yonder in the White House we have a Commander in Chief working day and night, almost without sleep. I have every confidence in his leadership. But he has not the time to watch these expenditures and these profits. We should take that burden from his shoulders and carry it ourselves.

The time has come to act.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I agree with nearly all that has been said here this afternoon by the distinguished majority leader and by the distinguished gentleman from Virginia [Mr. WOODRUM]. I think we are all united upon a single purpose and that is doing everything we can to win the war and keep the people satisfied and keep the people unified. In order to do this I think we ought to be a little more careful about some matters of detail, one of which is the rubber situation. I had a talk with Mr. Henderson the other day and called his attention to the fact that we could save a lot of rubber by providing a sufficient amount to repair tires and to keep the small tire-repair shops in business, so that those who were called upon to use their trucks on what we call secondary roads, such as farmers and stockmen use, would be able to get their tires repaired; that is, the breaks repaired when such breaks occur. It would cost much less and take much less rubber to repair the breaks than it would to retread the tires. I am sorry to say that I could not get very much encouragement from Mr. Henderson.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman.

Mr. MURDOCK. I agree with the gentleman thoroughly in respect to furnishing more material to tire repairers. I find the same condition prevailing in my part of the West which the gentleman has just indicated. I also asked Government officials here whether there would be priority given to the small business men who mend tires. I was told there would be some consideration. However, it seems that there would be merely allotted an amount which they had used over a like period previously. I think in view of the fact there will be so much more of this mending necessary under tire rationing that there ought to be granted a larger allotment to each legitimate concern than it used in any like period before.

Mr. O'CONNOR. I thank the gentleman.

It seems to me it is just as important to keep the farmer in such a position that he can take his produce, butter, eggs, and milk or whatever he produces on the ranch to market as it is to serve in the Army. In other words, we have got to feed the Army and it is the farmers and the producers of the country who are going to be called upon to do this. If they cannot get their tires repaired for their trucks, and so forth, how are they going to market their produce?

I want to call your attention to an article which appeared in the Washington Herald as of February 11.

This article was written by Walter Trohan and I do not vouch for its authenticity, because I do not see how anybody after observing the manner in which the so-called pension has been misrepresented to the country could go very far in defending newspapers, but the truth should be looked into. I quote from the article:

The United States, which has placed its citizens under strict tire rationing to conserve rubber in the interests of national defense, is purchasing tires in Canada and giving them to Britain under lend-lease.

Under one contract this country is shipping more than $19,000 worth of Canadian-made tires and tubes to Britain each month. At the same time American workers in the rubber industry are being laid off for lack of work.

The Canadian contract is said to be one of many this Government has concluded under lend-lease A prominent tire manufacturer reported that half the 200,000 tires produced in this country for military purposes are being shipped abroad under lend-lease.

The Canadian contract for $19,138 worth of tires and tubes was made with War Supplies Limited, a British-Canadian agency, which has offices here to facilitate acquisition of lend-lease funds.

I noticed that the other day Canada contributed, I think, a billion dollars to carry on the war in behalf of Great Britain. If we are buying these Canadian tires and giving them to England, I would like to know why, instead of doing that, if Canada wants to help Great Britain, she did not turn over to her the tires that we are buying from her and giving to England under lease-lend. I want to help our Allies, but I also want some protection for our own people.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. CANNON of Missouri. I yield the gentleman 1 minute more.

Mr. O'CONNOR. Mr. Chairman, I conclude by saying this: We all love unity, but we have to have unity with the people back home, as well as in the Army and in Congress. We are all here of the same mind. Every Member of Congress has but one purpose—one objective—in his mind, and that is to win this war. There is no politics in that. We have just as much patriotism on one side of the aisle as on the other. We are all American citizens first, Democrats and Republicans second, or maybe last. So far as I am concerned, I care nothing about politics; my political future amounts to nothing to me. I want to do what I can to help win this war, and I want to give a square deal to everybody, including the people back home, who are going to help pay this bill and who are going to be called upon to feed the Army.

The CHAIRMAN. The time of the gentleman from Montana has again expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, I cannot help taking exception to some of the things said here this afternoon by the majority leader when he condemned the gentleman from Kansas [Mr. LAMBERTSON] because of his criticism. I think his criticisms were just, and the political situation that seems to go along with this bill does not suit me. I say to the majority leader, people who live in glass houses should not throw stones. I am interested in maintaining the four freedoms for all the world, but I am more interested in maintaining the four freedoms in America, and I yield to no one in giving my support to everything that is for the American people and the American form of government. I am an American first, and I may say that some time in the past, to be correct, before December 7, I think we could have handled things so that we would not be today at war, but on December 8, after the attack at Pearl Harbor, I voted for war and ever since that I have been prosecuting the war with every ounce of energy I possess. I want to see it handled in such a way that when the time comes when there shall be constructive criticism, that we will feel it to be our duty to make such criticism, because there is no use of letting ourselves go on and have any further Pearl Harbors, particularly when the people of this country realize that every time the Dies committee reports somebody as communistic, it is only a few days until we find that person on the Government pay roll. I think that is a terrible situation to be in. I am afraid of the trouble that might come from within almost as much as I am from that which may come from without. We have to guard ourselves from both within and without. We want only 100 percent Americans running loose in the country.

We have this appropriation bill here today for $32,000,000,000. It was brought into the committee room at about a quarter after 10 o'clock this morning, and at a quarter after 11 o'clock we were through with it in the Appropriations Committee. We brought it here to the floor of the House at 12 o'clock. I tried to listen to the debate this afternoon, thinking that I, as a member of the Committee on Appropriations, would get some information as to what the bill meant in construction of arms. I have heard all of the speakers this afternoon, and I wonder how many Members in the House know what is in the bill. I do not, and I do not think many of the rest of you do. You are putting your confidence in the people who wrote this bill, and mighty few know what it contains. They do not know who wrote the bill either. There is in this bill a provision, and I do not like it, under section 3, which grants authority for the President to give away $5,330,000,000 if he sees fit. I do not like that, and never did, because I realize that I am for the defense of America, and I want to see American shores defended before we lose everything that we have got. We have talked of our national defense for several years. Do we have it? Did we have it at Pearl Harbor? Did we have enough at the Philippines? General MacArthur certainly asked for more defense, and we have not had it because we gave too much of our arms, ammunition, airplanes, and ships away to others.

The chairman of the committee mentioned the fact that the lease-lend in this bill was $5,330,000,000, but in section 2 of the lease-lend agreement it provides there are $3,852,000,000 to be given the President for giving away. I think the Congress ought to have a little more control over the funds we are appropriating. It is all right to try to help our Allies. I want to help them, but I think we ought to know where this is going and who is getting it and what they are doing with it. With the $19,000,000,000 we have already given to the President under the Lease-Lend Act, and from this bill, will make a total of $28,000,000,000 to give away. That is a pretty big sum of money to hand out to any man to distribute, especially, when the man who is now President, with his record of giving things away. He has the habit. He will wreck the country. He will wreck our people. We must win this war. I say to the Congress, "Open your eyes." Keep your feet on the ground, and if you have a mind and brains, think. Then act accordingly.

[Here the gavel fell.]

Mr. SHAFER of Michigan. Mr. Chairman, I ask unanimous consent to revise and extend my own remarks at this point.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SHAFER of Michigan. Mr. Chairman, the mere appropriation of money will not win this war. When the bill now under consideration passes this House we will have established a new all-time record for appropriating money that presently we do not have but hope to get from the people of the United States. Every new appropriation places a new responsibility upon the American people and upon this Congress.

In that dual responsibility, we cannot discharge our obligation to the people unless we insist that every dollar we appropriate here is carefully and properly spent for the war effort and for no other purposes. This bill appropriates a sum so stupendous that the mind of man can scarcely comprehend the vast amount of wealth that is being poured out to defend our Nation and perpetuate the ideals of the founders.

Mr. Chairman, in this tragic hour I have faith in the people of this Nation. I know that they are prepared to make every sacrifice necessary to insure victory for our cause. But I believe our cause can be buttressed and strengthened by an attitude of complete frankness with the people at all times. We are a hardy people; and if the going gets tough, we can take it; and if the load gets heavy, we can grin and bear it.

In recent weeks I have at various times addressed the House on subjects which to me seemed vitally important to the success of our whole program. I do not believe we can maintain our projected war effort and, at one and the same time, continue the programs of a social, economic, and cultural nature that in the past have required huge appropriations.

I believe the time has arrived when we must curtail the music, art, theater, and writers' projects. I think we can cut down on the C. C. C. camps and National Youth Administration and W. P. A. activities. In housing I believe that instead of 11 separate agencies now handling this feature of the program, one consolidated agency would lead to economy and greater efficiency.

We are spending altogether too much for press and publicity services. This is a function that normally belongs to the newspaper profession, and it will be good for the profession and the public as well when the publishers of our daily newspapers hire their own reporters instead of depending principally upon handouts from some governmental bureau.

So, Mr. Chairman, while I shall wholeheartedly support the present bill, I say here and now that I expect to scan the expenditure of the moneys we are about to appropriate.

If in the days that lie ahead, when these funds are being spent, any evidence of irregularity or misuse in their spending should come to my humble attention, I here and now promise that I will do my utmost to bring such irregularities or misuse to the attention of the Congress and the people of the United States, who after all are the ones who must dig up the dollars, make the secrifices, and shoulder the principal burdens of this war.

Mr. CANNON of Missouri. Mr. Chairman, I ask that the Clerk may read the bill.

The Clerk read as follows:

SEC. 102. Whenever the President deems it to be in the interest of national defense, he may authorize the Secretary of War to sell, transfer title to, exchange, lease, lend, or otherwise dispose of, to the government of any country whose defense the President deems vital to the defense of the United States, any defense article procured from funds appropriated in this title, in accordance with the provisions of the act of March 11, 1941 (Public, No. 11): *Provided*, That the total value of articles disposed of under this authority shall not exceed $11,250,000,000.

Mr. LAMBERTSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAMBERTSON: On page 5, line 9, strike out all of lines 9 to 18, inclusive, section 102.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

Mr. RICH. Mr. Chairman, reserving the right to object, I would like 3 minutes.

Mr. ROBSION of Kentucky. Reserving the right to object, I would like to make a few observations on the bill.

Mr. DITTER. Mr. Chairman, I would like about 2 minutes.

Mr. TABER. Mr. Chairman, I would like about 3 minutes.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Kansas [Mr. LAMBERTSON] is recognized for 5 minutes in support of his amendment.

Mr. LAMBERTSON. Mr. Chairman, I do not expect to insist on a record vote, I do not expect to move to recommit if this amendment is unsuccessful, but I do think it fair to the Members that we have an honest expression on this proposition, this first item of lease-lend of $11,000,000,000 that appears in this paragraph.

It is my honest and conscientious opinion that this is not needed at this time. It is not based on any particular expert testimony, and the people of this country, knowing the great burden before us now to equip and maintain our own Army and Navy, would not be for this proposition. I ask you to vote with me that this lease-lend provision should not be in this bill at least. If you are going to have a lease-lend bill, bring it in as a lease-lend bill. But in this bill is provided a total of $18,000,000,000 that may be appropriated for lease-lend. That is as much as the national debt was in 1933. What you put into this bill as a side issue is equivalent to the national debt in 1933.

I want to urge you to vote your honest convictions on this matter. Vote what you think your people and yourselves would agree at this time on lease-lend.

I yield back the balance of my time.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. RICH] is recognized for 3 minutes.

Mr. RICH. Mr. Chairman, I mentioned awhile ago that title III gives to the President under the Lease-Lend Act the sum of $5,330,000,000. I cannot understand why they did not put the sum total in that section, if that is what it was intended to be. But in title II, let me read this:

Whenever the President deems it to be in the interest of national defense he may authorize the Commission to lease vessels herein authorized to be constructed to the government of any country whose defense the President deems vital to the defense of the United States.

This section would permit him to give away $3,852,000,000. According to my figures that would be a sum for lease-lend of $9,182,000,000 in the bill, and the chairman, the gentleman from Missouri [Mr. CANNON], said he could give away sixteen billion.

I have made this statement on the floor a number of times, I repeat it today. I want to help everybody we can, but there is a limit to the help America is going to be able to give. We give the President in this bill $9,185,000,000 under the Lease-lend Act, and the chairman of the committee said that out of the total appropriated in this bill, he could use $16,000,000,000 for lease-lend. This makes a total of over $28,000,000,000 that he can give away, under former appropriations, a sum exceeding the grand total of the cost to us of World War No. 1. You know and I know we want to help our Allies. We are in this war. God knows I did not want to get into it. I tried to keep the country out of war. I voted for war only because we were attacked at Pearl Harbor. I want to do everything possible to help our allies, but let me point out that at the rate we are proceeding nothing but bankruptcy lies ahead for the United States. I can see nothing for the people of this country but their backs bowed under the weight of the taxes you are going to heap upon them. I can see future generations denied all the benefits and privileges we ourselves have enjoyed and were taught were the heritage of prudence and the American way of life. What will happen when the day comes that the President cannot fulfill all the requests other countries make upon us? When they come and we must send them away empty-handed because we have nothing to give them, they will turn sour, attack us fall upon us like a ton of brick. That is where the pinch will come. Mr. Roosevelt has been a too liberal giver, and instead of aiding our country, he is certainly tearing it down.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. ROBSION of Kentucky. The sum, as I understood it from the chairman of the committee and the ranking Republican member of the committee, is $41,000,000,000 authorized, not $28,000,000,000.

Mr. RICH. Well, it is a terribly large figure I am sure. While I know something about figures and have tried to understand this administration and its spending, I must confess an utter inability to do so. I realize there is difference of opinion about this bill, and that I do not know if the administration knows what it is doing. I know I do not know what it is doing, except bankrupting America.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOOK] for 3 minutes.

Mr. HOOK. Mr. Chairman, I believe the best argument against the amendment is to be found in the section it seeks to amend, and I believe it may be well to read it at this time:

Whenever the President deems it to be in the interest of national defense.

Are we opposing national defense? If they cut out the $11,250,000,000 they evidently must oppose national defense because it is to be used only when the President deems it in the interest of national defense. Only then and in that event may "he authorize the Secretary of War to sell, transfer title to, exchange, lease, lend, or otherwise dispose of to the government of any country whose defense the President deems vital to the defense of the United States any defense article." If you cut out this $11,250,000,000 you are in so many

words saying you are opposed to the President's giving any money to any country whose defense the President deems vital to the defense of the United States.

You know, and I know, that Singapore, the Burma Road, Batavia, and many other things and places are vital to the defense of the United States. The Japanese menace continues to flow over Asia, and is threatening Australia. God forbid that Australia should fall. Should that day ever come you would probably see those Jap hordes threatening our western coast and establishing bases there. Did it ever occur to you that if this should happen that our Midwestern States would be open to air attacks and bombings. It is to stop anything of that nature that we are authorizing the President of the United States to use this lease-lend fund in the interest of any nation whose defense is deemed vital to the defense of the United States.

Our duty on the floor of the House of Representatives is as legislators, not as generals or admirals. We are here to legislate and not direct actions of battle in the field. Let us give to those who are directing the strategic moves on the field of battle in the defense of the United States all that is necessary to defend our Nation and all it stands for. This amendment should be defeated—in the interest of America.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Michigan [Mr. HOFFMAN] is recognized for 3 minutes.

[Mr. HOFFMAN asked and was given permission to revise and extend his remarks.]

Mr. HOFFMAN. Mr. Chairman, the argument just made by the gentleman from Michigan is neither sound nor logical. Those who oppose this lease-lend appropriation do so not because they are against national defense. They oppose it, I assume, because they want national defense first—aid to Britain second. Some of them I am sure do it because they lack confidence in this administration's ability to win this war unless it cleans house, rids itself of the Communists and the wasters, the inefficient.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. No; I cannot yield.

Now, for myself, I intend to support this appropriation and I would vote for it today, even if it were larger, because to me no other course is open. The President is Commander in Chief of the Army and the Navy and on his shoulders rests the responsibility for this war and for the conduct of this war. On our shoulders rests the responsibility of giving what he asks, and that, for the present, I intend to do.

But in my humble judgment this administration is interested in something besides the winning of the war, and that something is the preservation of its political power, its political alliance with large groups of voters. I call your attention now to the last few issues of the Washington Star of yesterday and the day before which show that right here in Washington this administration is backing a policy which costs us for the building of houses for the national defense workers almost twice what similar work costs the private builders. This additional cost this administration, for political purposes, is adding to the housing which will be built under the new $50,000,000 housing project.

When we go along with you on the majority side, when we go along with you and vote for anything and everything you ask for carrying on this war into which the President's policy got us, why do you not clean your own house and give us an honest expenditure of the funds voted for war? Why do you not give us this national defense housing at the lowest possible cost? Why do you not give us homes for the workers at the same price that the individual and corporate private contractors can build it? Why do you let your party and your administration force us to pay twice what the private builder asks?

We will vote with you for this money, or at least I will. I speak for no one else. I will, at this moment, vote to give you the grants of power you want, but for God's sake, use our money fairly, decently, treat us honestly, and divorce the administration from its political allies, who are demanding this extra compensation as the price of their patriotism. Dissolve this unholy alliance which exists between the administration and labor politicians. Give the people of the country a dollar's worth of construction for every dollar expended. Why do you not do that?

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. JOHNS].

Mr. JOHNS. Mr. Chairman, I have been tremendously interested in reading the report of the committee. On page 18 of the hearings the gentleman from Massachusetts [Mr. WIGGLESWORTH] made the following statement:

> Mr. WIGGLESWORTH. As I understand it, General, in the last 18 months, since July 1, 1940, we have appropriated $41,800,000,000 for the Army and there is $23,000,000,000 more, roughly, here, or a total of over $64,000,000,000. In addition to that we have appropriated about $45,300,000,000 for the Navy, $4,400,000,000 for other agencies, and there is $1,500,000,000 more here for Admiral Land, making $5,900,000,000, and we have appropriated about $14,500,000,000 for lend-lease, and, as I understand, there is something like $5,000,000,000 coming in in connection with this bill, making $19,500,000,000—or, if my figures are correct, an over-all total for the period of $135,500,000,000.
>
> Now, I wonder if someone could give us, either on the record or off the record—I assume off—what percentage of the Army's share of that total, which is $41,800,000,000 to date, if my figures are correct, has actually been expended, how much has been allocated, and when you expect to receive the finished goods which that sum represents?

As soon as somebody is able to tell me how much of this has been spent and how badly we need this other $11,500,000,000 to give to foreign countries then I am perfectly willing to vote for it, but I want to know something about where this money is going and I think the country wants to know.

Mr. RICH. Will the gentleman yield?

Mr. JOHNS. I yield to the gentleman from Pennsylvania.

Mr. RICH. I am also interested in the same question as to where it is going. I am also interested in the question of where we are going to get the money.

Mr. WIGGLESWORTH. Will the gentleman yield?

Mr. JOHNS. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. I cannot give the specific figures the gentleman requests because they have not been furnished, but I can tell the gentleman that it is anticipated that all the items covered by these military estimates can be actually delivered, with a few long-term exceptions, during the present calendar year.

Mr. JOHNS. Can the gentleman tell me whether we are going to give away $24,500,000,000 out of an appropriation of $135,500,000,000 that we have appropriated for the national defense in this country?

Mr. WIGGLESWORTH. Does the gentleman refer to the lend-lease appropriation?

Mr. JOHNS. Yes; I do. I want to know if that is the percentage we are giving away of our national defense appropriations.

Mr. WIGGLESWORTH. I can state the maximum authorized to be given away. Of course, the matter is wholly within the hands of the President of the United States. We can withhold for our own use every dollar or we can transfer every dollar within the maximum.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, I regret that I find myself in disagreement with my able and distinguished colleague from Kansas [Mr. LAMBERTSON]. I wish that I were able to support his amendment. As I see this matter, it is a very practical one. We are engaged in a common cause. The day of debate on that issue has passed. National policies have made our men a part of a common army with our allies.

I have given this matter considerable thought and study. I know of no other way by which we can provide for this common cause, to provide help for those who are our comrades in a common purpose. Were we to limit it, then it seems to me that we might destroy the ultimate objective which we are trying to reach.

The provision in this section is not mandatory. It is discretionary. The items which are included, within the possible transfers, may ultimately be in the possession of our men. We have to be realistic enough to know that the program as it has been outlined for us includes a fighting force on many different fronts. I would hesitate to feel that any action of mine might curtail the use of needed arms, munitions, or other means of warfare to either our own men or to those who are fighting with us at this time in the war.

I do not know where to lodge the discretion if it is not lodged with the President. He is the Commander in Chief. In the interest of this common objective, which is to win the war, I find that I must support the committee action and approve the delegation of authority, with the hope that the delegation will be wisely used for our own best interests as a people.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, the figures we are carrying in this bill are stupendous. They are larger than any of us ever dreamed we would have to deal with on the floor of this House. But America today is fighting, fighting with her back to the wall, fighting for her very existence. I am not going to be one who at this time and under these circumstances says that we should not provide what is necessary to carry the thing through and do the best we can to repell the invasion. If we do not do it, we are gone.

When I spoke first I did mention something that I thought should be done I said that I thought the President ought to have better advice than Harry Hopkins on the question of the handling and the disposition of these military items. But I do not see how we can do more than to provide him with the things that are needed and that he says are needed and that can be provided for the defense of the United States and to furnish our Allies with what he thinks they need. We just have to hope that he will use good discretion in distributing them and put them where they will be effective in safeguarding the United States.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. RICH. If the gentleman has no faith in the man who is making this distribution, then does he not think that if the President is not going to put somebody else in that position, the Congress ought to know where this material is going?

Mr. TABER. The Congress ought to ask that the President put someone in there that the Congress and the people can trust, a man who is competent to be trusted. I hope the judgment of the military advisers of the President will be followed and not the judgment of someone who does not have a grasp of the situation.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The amendment was rejected.

Mr. JOHNS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNS: On page 5, line 18, strike out "$11,250,000,000" and insert "$3,015,000,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was rejected.

The Clerk read as follows:

SEC. 304. This title may be cited as the "Second Defense Aid Supplemental Appropriation Act, 1942."

Mr. RICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICH: Strike out all of title III.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this title and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RICH. Mr. Chairman, this amendment strikes out the lease-lend provision for $5,330,000,000. In section 2 you gave the President lease-lend authority to the amount of $3,852,000,000. The point I am trying to make is this. I cannot see why in every section of an appropriation bill you must have lease-lend provisions. It seems to me that in every bill we have passed appropriating money for the Army or the Navy or for aircraft during this session we have included an appropriation of $4,000,000,000, $6,000,000,000, or $8,000,000,000 for lease-lend, but now we are doubling up on that. We are giving this aid not only in one section but in several sections of the bill. After a while we shall be giving everything away and leaving nothing for ourselves.

It is all right to give things to the other nations, but we want to furnish the boys we are sending to the front with the things we are manufacturing for our own Army. We want to give our own Army the guns, the ammunition, and the cannon they need to fight. I do not want to see our boys go to the front without these utensils of war. I not only want to see this Nation put more fight into the Members of Congress in order that we may aid and assist in this war, but I want to see the people back home realize that we are in a war. If we do not do more to aid and assist our own Army, our boys that are at the front, we will find someday that we will be very sorry.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Idaho.

Mr. WHITE. Does not the gentleman believe that Congress has appropriated enough money for this war?

Mr. RICH. Appropriated money enough? That is all they think of. They are appropriating right here in this bill thirty-two billions of dollars, the largest appropriation bill in the history of the world. That is just what I am complaining about. The gentleman does not know what it is all about, I do not know what it is all about, and there is no one over on that side who knows what it is all about. These appropriations give me the headache, and the headache is coming to the people, but it may be too late, after this administration has wrecked the Nation, broken it down financially, and put it into bankruptcy. All I can say is, God save America. I know this administration cannot do it.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

The Clerk read as follows:

TITLE IV—GENERAL PROVISIONS

SEC. 401. No part of any appropriation contained in this act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation in this act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

Mr. SMITH of Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia: On page 10, after line 11, insert a new section, as follows:

"SEC. 401a. No part of this appropriation shall be paid to any person, firm, or corporation—

"(1) Who employs any person who is a member of any union which hereafter calls, encourages, or promotes a strike to enforce, as a condition of employment of any employee that he either join or not join or belong or not belong to a labor union unless the same be for the purpose of enforcing an existing contract between such employer and such union; or

"(2) Who employs any person who is a member of any union which hereafter calls, encourages, or promotes a strike in violation of a collective-bargaining agreement entered into in accordance with the National Labor Relations Act or to prevent recognition of another union which has been certified as the bargaining agency by the National Labor Relations Board in accordance with the provisions of the National Labor Relations Act; or

"(3) Who employs any person who participates in any strike called on account of any jurisdictional dispute; or

"(4) Who employs any person who, by intimidation, violence, or threats of violence, seeks in any way to hinder or impede the operation of any industry engaged in the production of any article for use in connection with national defense;

"*Provided further, however*, That the foregoing provisions shall not apply in any case where the employee subsequently furnishes to the employer a statement in writing and under oath that he will no longer maintain membership in such offending union and will not again participate in such proscribed conduct."

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 13 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SMITH of Virginia. Mr. Chairman, this amendment is identical with the amendment offered to an appropriation bill on the 11th day of June, 1941, which was, on a teller vote, defeated by a few votes. It carries the main features of the bill which this House passed by a vote of 2 to 1 early in December and which is now reposing in a receptacle in another legislative body. I do not think the House is going to get any action on that bill unless we take some action here that is going to force the issue. I simply want to point out to the House that if this amendment is adopted to this bill, as it came very near being adopted to a previous bill, then it will go to another body attached to a bill that that body is going to be bound to act upon, and you will bring the issue directly home and you will compel final legislative action on this proposition.

Of course, the Members can decide for themselves whether in view of all that has happened we ought to have legislation of this kind. We have decided it once by a vote of substantially 2 to 1, and that was before Pearl Harbor.

I wish to call the attention of the Committee to the report on this very bill, a report that comes from the Appropriations Committee. I call your attention to the testimony of Admiral Land in the hearings which are before you today in which he says that the time that was lost in building ships through strikes in national defense last year or through strikes in the shipbuilding industry, would have built 10 much needed transport vessels. The committee itself was sufficiently impressed with that testimony to have placed in their report for the first time, as I recall, an admonition and to have deplored the existence of these strikes.

I would like to read just a sentence or two from the report:

> The committee is disturbed by the fact that strikes still impede maximum production and the allocations of steel to shipbuilding have not been the quantity received. * * * It is worse than unfortunate that even a small number of men whose services are vitally useful in the prosecution of shipbuilding are not at work. The welders' strike on the Pacific coast is described by Admiral Land as "an unhappy situation." Further stoppages, relatively minor in numbers, but critically delaying in character because of the type of operation involved, are occurring.

Mr. Chairman, this is the situation. We are not going to get any final legislation on this unless we do attach such an amendment to a bill that must go through the other body, and all this amendment does is what we did before, and less than we did in the bill which we passed. It strikes at the closed shop, it requires them to live up to their contracts, it stops sympathy strikes and it undertakes to stop violence and intimidation in these national defense works. I hope it will be the pleasure of the House finally to express its sentiments as it has expressed them before, but express them in such a way on this bill that we will be bound to have action in the other body which so far has been unwilling to take action on this vital matter.

The CHAIRMAN. The gentleman from Michigan [Mr. HOOK] is recognized for 3 minutes.

Mr. HOOK. Mr. Chairman, I will not use the 3 minutes. All I need say is this: We have had Pearl Harbor. As I understand, labor, industry, and Government are cooperating today, so please do not do anything at all that may upset our defense program. This amendment should and will be defeated.

Mr. CANNON of Missouri. Mr. Chairman, I sincerely hope the committee will vote down the amendment. It is the same amendment which has been offered on a number of bills and has been the subject of exhaustive and acrimonious debate but which has never been enacted into law in any instance. On occasion it has passed the House, has gone to the Senate, has come back to us in conference, but has never become a law, and there is no reason—regardless of the time given to it—to expect it to become a law in this instance. But it will have a very untoward effect. It is of a highly controversial nature and for that reason would unquestionably delay the passage of the bill at a time when speed is a paramount consideration. Furthermore, even if it were agreed to, its effect upon the program would be most disastrous. This is a negative provision. It is in the nature of a limitation, and if it were in effect, not a dollar of all the billions of dollars appropriated by the bill could be spent until there had been a predetermination as to whether the expenditure of that particular dollar was affected by the amendment. It would result in innumerable controversies in the field, in the factory, in the securing of material and in the fabrication of these urgently needed munitions. So, because speed is essential, I ask that this amendment be rejected. The only result, as has been indicated, would be to so retard proceedings so persistently that anything that could be done under the bill would be too little and too late.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield.

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Chairman, I also call attention to one of the reasons advanced by the gentleman from Virginia [Mr. SMITH], that putting this amendment on this vital bill concerning our national defense might prompt the other body to act on a legislative bill. I call attention to the inadvisability of that. We are in war at the present time, and to tack this onto an appropriation bill in order to force another body to do something about another bill in that body, is in my opinion highly undesirable and unwise.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. With pleasure.

Mr. HOFFMAN. Did the gentleman see that statement the other day from an Army officer in Detroit, in which he said that while men are dying the strike up there was preventing the delivery of guns to them?

Mr. CANNON of Missouri. The fact remains that the incorporation of the amendment in this bill would seriously affect the usefulness of the measure and would delay materially the result that we are trying to secure. I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The question was taken; and on a division (demanded by Mr. SMITH of Virginia) there were—ayes 38, noes 98.

So the amendment was rejected.

The Clerk read as follows:

> SEC. 402. No part of any appropriation contained in this act or authorized hereby to be expended (except as otherwise provided for herein) shall be used to pay the compensation of any officer or employee of the Government of the United States, whose post of duty is in continental United States unless such person is a citizen of the United States, or a person in the service of the United States on the date of the approval of this act who being eligible for citizenship had theretofore filed a declaration of intention to become a citizen or who owes allegiance to the United States. This section shall not apply to citizens of the Commonwealth of the Philippines.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, if there is a Member of this House who does not know that at the present time strikes are delaying our defense work, then he has not read the newspapers. Only last week in Detroit—and there are strikes now up there in plants engaged in national defense production—an Army officer, referring to the strike at the Ford Willow Run plant, said:

> With men dying because of our lack of aircraft, it is an outrage that tools being prepared for the bomber plant should be crippled in this manner by such a trivial thing.

He referred to a dispute growing out of the company's refusal to fire one union man because of a fight in which he had engaged with another union man.

Ford, as you know, has a closed-shop contract with the C. I. O. No man can work in that plant unless he becomes and remains a member of the C. I. O. If the union wanted this man, Horace Merrill, discharged, all it needed to do was to revoke his membership in the union, and he then automatically ceased to be an employee of the Ford Co. That the union did not do, but sought to throw the burden upon the company.

Had the company fired the man, it could have been subjected to a complaint and a prosecution under the Wagner Act.

Because of this argument between the union members, it was estimated by a company spokesman that 50,000 man-work-hours were lost.

Those of us who read the newspapers know that this week there was a pitched battle between welders employed in a shipyards on the west coast and A. F. of L. union members. That grew out of a

controversy as to whether those welders should have a privilege, a right, granted to them under the Wagner Act, that is, to form and join a union of their choosing.

It is a fact that this administration, through its agencies, is attempting to force all men who wish to work on the national defense program into a union.

The gentleman from Massachusetts [Mr. McCORMACK], the majority leader, today called upon us for unity. He made the statement that this is not a Democratic war, that this is not a Republican war; that this is our war. With that I agree. He mentioned the fact that Republicans and Democrats and members of no political party at all are being drafted into the national military service, but it is a fact that while everyone between certain ages must be made and is being made to serve his country in the armed forces, this administration is backing the policy of denying to American citizens—to Republicans, to Democrats—the right to work in defense of their country until they have joined a union.

To put it in another way, American citizens are not permitted to be patriotic; they are not permitted to work, to make clothing, guns, implements of war, which the men in the ranks need, until they have announced their allegiance to an organization which is no part of this Government of ours, but which is the political supporter of the President—a contributor to his political war chest.

As I said a few moments ago, there are many of us in the minority, perhaps all, who will join in giving the administration all the power, all the money you want for the Commander in Chief, for the party in power. But if you want to be fair, if you want to be honest and patriotic, why do you say to us "You can, you must serve in the armed forces of your Government. You can—yes, you shall—be drafted to serve across the seas, in the jungles of the South Sea islands, perhaps there to suffer and to die, even though you do not belong to either the C. I. O. or the A. F. of L. You can—yes, and you will—be forced to pay taxes, to buy bonds to carry on this war. You will be forced to do without tires for your automobile, without your automobile. You will be short on sugar and, before the war is ended, on many of the necessities of life. But if you want to work in defense of your country, that you cannot do until you have paid tribute to, until you have bought a work permit from, either the A. F. of L. or the C. I. O."

This administration, the majority party, in effect says to us, "You can fight and you can die for your country without paying tribute to anyone; but, if you want a job at the high wages which the administration is forcing the country to pay for national defense, you must first fatten the treasury of one of the President's political allies."

"On the seven seas, in foreign lands, you may march, you may work, you may die, to uphold the flag of your country. But here at home, you cannot work for national defense until you join the organization called a labor union and which at present is the political bedfellow of the President." Those are the facts. You know there is political alliance between the union organizers, those unions and this administration, and you know that those unions are using this administration to force men into their organization, and yet you call on us for unity.

I ask you now, why it is, when the gentleman from Virginia [Mr. SMITH] offers on the floor of this House, as he has so many times offered amendments which will give to American citizens the very thing for which you profess we are fighting, freedom of action, freedom from want, the opportunity to exercise the right to work, why is it that every time you vote down these amendments? Are you going now, by your action, to say to the American people, "We will draft your sons, we will draft all the men, but we will exempt labor, and you cannot work even in defense of your country—even to support your fighting men until you have paid tribute to the President's political supporters"?

Mr. Chairman, I withdraw the pro forma amendment.

Mr. HOOK. Mr. Chairman, I move to strike out the last two words.

I just want to call the attention of the gentleman from Michigan [Mr. HOFFMAN] to the fact that union men, if you please, men who belonged to the unions, died in defense of Wake Island. They gave their lives in the defense of their country. I want to call the attention of the gentleman to the fact that all of the heads of the unions of this Nation have cooperated to the fullest extent in this program and have ordered no strikes in defense industries. I say to him there has been no strike in defense industries and there are no strikes today. Labor is patriotic. Those men want to work, not 40 hours a week, but 7 days a week, to manufacture and produce the guns, the cannon, the planes that are necessary to final victory in this war.

Today in the great area of Wayne County, Detroit, the Ford Motor Co. has over 100,000 men employed. I am informed by the production manager of that great industry that when they reach the peak they will have 25 percent more men employed than they had during peacetimes. Today labor and industry in the Ford factory, if you please, where great strikes loomed a few months back, are in complete coordination. The labor leaders are cooperating with the Ford Motor Co., and the Ford Motor Co. is cooperating with the labor leaders. That goes for the rest of the great automobile industry, and I know it goes for every industry in the United States. I say to you that we as Members of this legislative body should do everything we can to foster the cooperation between labor and industry, which now exists. We as representatives of the people should not do anything at this time that will destroy the unity of those two great organizations. If the time should come that any man, whether he belongs to a labor union or an unorganized group, should do anything to call a strike or interfere with defense preparations, then is our time to act, and laws are on the books today to stop any such action. Unity we have between the Government, labor, and industry, and it is our duty as legislators to foster that cooperation in the interest of placing into the hands of those who are in the front lines fighting the war, the proper equipment. Those who attempt to bring about repressive anti-labor legislation today are fomenting trouble. Which is not in the best interest of winning the war.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk concluded the reading of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House without amendment, with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and Mr. COOPER having assumed the chair as Speaker pro tempore, Mr. GORE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 5811, making additional appropriations for the national defense for the fiscal year ending June 30, 1942, and for other purposes, directed him to report the same back to the House with the recommendation that the bill do pass.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER pro tempore (Mr. COOPER). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. CANNON of Missouri. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 371, nays 0, not voting 60, as follows:

[Roll No 23]

YEAS—371

Allen, Ill.	Bradley, Pa.	Collins
Allen, La.	Brooks	Colmer
Andersen, H. Carl	Brown, Ga.	Cooley
	Brown, Ohio	Cooper
Anderson, Calif.	Bryson	Copeland
Anderson, N. Mex.	Buckler, Minn.	Costello
	Buckley, N. Y.	Courtney
Andresen, August H.	Bulwinkle	Cox
	Burch	Cravens
Andrews	Burdick	Creal
Angell	Burgin	Crosser
Arends	Byrne	Cullen
Arnold	Camp	Cunningham
Baldwin	Canfield	Curtis
Barden	Cannon, Fla.	D'Alesandro
Barnes	Cannon, Mo.	Davis, Ohio
Barry	Capozzoli	Davis, Tenn.
Bates, Ky.	Carlson	Day
Bates, Mass.	Carter	Delaney
Beam	Cartwright	Dickstein
Beckworth	Case, S. Dak.	Dingell
Beiter	Casey, Mass.	Dirksen
Bell	Celler	Disney
Bender	Chapman	Ditter
Bennett	Chenoweth	Dondero
Bishop	Chiperfield	Doughton
Bland	Clark	Douglas
Bloom	Clason	Downs
Boehne	Claypool	Drewry
Boggs	Clevenger	Duncan
Boland	Cluett	Durham
Bolton	Cochran	Dworshak
Bonner	Coffee, Nebr.	Eaton
Boren	Coffee, Wash.	Eberharter
Boykin	Cole, N. Y.	Edmiston

Eliot, Mass.	Keogh	Robertson, Va.
Elliott, Calif.	Kerr	Robinson, Utah
Ellis	Kilburn	Robsion, Ky.
Elston	Kilday	Rockefeller
Engel	Kinzer	Rockwell
Englebright	Kirwan	Rodgers, Pa.
Faddis	Klein	Rogers, Mass.
Fenton	Kocialkowski	Rogers, Okla.
Fish	Landis	Rolph
Fitzgerald	Lane	Russell
Fitzpatrick	Lanham	Sabath
Flaherty	Larrabee	Sacks
Flannagan	Lea	Sanders
Fogarty	Leavy	Sasscer
Folger	LeCompte	Satterfield
Forand	Lesinski	Sauthoff
Ford, Leland M.	Lewis	Scanlon
Ford, Miss.	Ludlow	Schuetz
Ford, Thomas F.	Lynch	Schulte
Fulmer	McCormack	Scrugham
Gamble	McGehee	Secrest
Gathings	McGranery	Shafer, Mich.
Gavagan	McGregor	Shanley
Gearhart	McIntyre	Shannon
Gehrmann	McLaughlin	Sheppard
Gerlach	McLean	Sheridan
Gifford	McMillan	Short
Gilchrist	Maas	Sikes
Gillie	Maciejewski	Simpson
Gore	Maciora	Smith, Maine
Gossett	Mahon	Smith, Ohio
Graham	Manasco	Smith, Pa.
Granger	Mansfield	Smith, Va.
Grant, Ala.	Marcantonio	Smith, Wash.
Grant, Ind.	Martin, Iowa	Smith, W. Va.
Green	Mason	Smith, Wis.
Gregory	May	Snyder
Guyer	Merritt	Somers, N. Y.
Gwynne	Meyer, Md.	South
Haines	Michener	Sparkman
Hall, Leonard W.	Mills, Ark.	Spence
	Mills, La.	Springer
Halleck	Mitchell	Starnes, Ala.
Hancock	Monroney	Steagall
Hare	Mott	Stearns, N. H.
Harris, Ark.	Mundt	Stefan
Harris, Va.	Murdock	Stevenson
Hart	Murray	Sullivan
Harter	Myers, Pa.	Sumner, Ill.
Hartley	Nelson	Sumners, Tex.
Healey	Nichols	Sutphin
Hébert	Norrell	Taber
Heffernan	O'Brien, Mich.	Taile
Hess	O'Brien, N. Y.	Tarver
Hill, Colo.	O'Connor	Tenerowicz
Hill, Wash.	O'Hara	Terry
Hinshaw	O'Leary	Thill
Hobbs	Oliver	Thom
Hoffman	O'Neal	Thomas, N. J.
Holbrock	O'Toole	Thomas, Tex.
Holmes	Pace	Thomason
Hook	Paddock	Tibbott
Hope	Patman	Tinkham
Houston	Patrick	Traynor
Howell	Pearson	Treadway
Hull	Peterson, Fla.	Van Zandt
Hunter	Peterson, Ga.	Vincent, Ky.
Imhoff	Pfeifer, Joseph L.	Vinson, Ga.
Jackson		Vorys, Ohio
Jacobsen	Pheiffer, William T.	Wadsworth
Jarman		Ward
Jenkins, Ohio	Pierce	Wasielewski
Jennings	Pittenger	Weaver
Johns	Plauché	Weiss
Johnson, Ill.	Ploeser	Welch
Johnson, Ind.	Plumley	Wene
Johnson, Luther A.	Poage	West
	Powers	Wheat
Johnson, Okla.	Priest	Whelchel
Johnson, W. Va.	Rabaut	White
Jones	Ramsay	Whitten
Jonkman	Ramspeck	Whittington
Kean	Randolph	Wickersham
Kee	Rankin, Miss.	Wigglesworth
Keefe	Rankin, Mont.	Williams
Kefauver	Reed, N. Y.	Wolverton, N. J.
Kelley, Pa.	Rees, Kans.	Woodruff, Mich.
Kelly, Ill.	Rich	Woodrum, Va.
Kennedy, Martin J.	Richards	Wright
	Rivers	Young
Kennedy, Michael J.	Robertson, N. Dak.	Youngdahl
		Zimmerman

NAYS—0

NOT VOTING—60

Baumhart	Crowther	Gillette
Blackney	Culkin	Hall, Edwin Arthur
Bradley, Mich.	Dewey	
Buck	Dies	Harness
Butler	Domengeaux	Harrington
Byron	Fellows	Heidinger
Cole, Md.	Gale	Hendricks
Crawford	Gibson	Izac
Jarrett	Magnuson	Stratton
Jenks, N. H.	Martin, Mass.	Sweeney
Jensen	Moser	Talbot
Johnson, Calif.	Norton	Tolan
Johnson, Lyndon B.	O'Day	Voorhis, Calif.
	Osmers	Vreeland
Kleberg	Patton	Walter
Knutson	Reece, Tenn.	Wilson
Kopplemann	Reed, Ill.	Winter
Kramer	Rizley	Wolcott
Kunkel	Romjue	Wolfenden, Pa.
Lambertson	Schaefer, Ill.	Worley
McKeough	Scott	

So the bill was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. Kleberg with Mr. Martin of Massachusetts.
Mr. Cole of Maryland with Mr. Dewey.
Mr. Romjue with Mr. Edwin Arthur Hall.
Mr. Moser with Mr. Wolfenden of Pennsylvania.
Mr. Dies with Mr. Vreeland.
Mr. Harrington with Mr. Gale.
Mr. Walter with Mr. Culkin.
Mrs. Norton with Mr. Knutson.
Mr. Izac with Mr. Reece of Tennessee.
Mr. Patton with Mr. Crawford.
Mr. Gibson with Mr. Osmers.
Mr. Buck with Mr. Reed of Illinois.
Mr. Kramer with Mr. Wolcott.
Mr. Magnuson with Mr. Johnson of California.
Mr. Worley with Mr. Harness.
Mr. Sweeney with Mr. Crowther.
Mr. Hendricks with Mr. Kunkel.
Mr. Domengeaux with Mr. Wilson.
Mr. McKeough with Mr. Gillette.
Mr. Voorhis of California with Mr. Jensen.
Mr. Tolan with Mr. Bradley of Michigan.
Mr. Lyndon B. Johnson with Mr. Butler.
Mr. Schaefer of Illinois with Mr. Jarrett.
Mrs. Byron with Mr. Baumhart.
Mrs. O'Day with Mr. Blackney.
Mr. Kopplemann with Mr. Heidinger.

The result of the vote was announced as above recorded.

On motion of Mr. CANNON of Missouri a motion to reconsider the vote whereby the bill was passed was laid on the table.

EXTENSION OF REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

(Mr. MANSFIELD, Mr. SCHULTE, and Mr. HOUSTON asked and were given permission to extend their remarks in the RECORD.)

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a letter written by me to the Secretary of the Navy.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CHENOWETH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include an address given by Mr. Merrill E. Shoup, of Colorado Springs, on the subject The Gold Standard.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PRIORITIES

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered. There was no objection.

Mr. RANDOLPH. Mr. Speaker, the gentleman from West Virginia now speaking will never attempt to rise in the Well of the House simply to give impetus to some rumor he has heard. In fact, I shall guard against doing that. I have not, however, had time to investigate fully the matter I am about to bring to your attention, but I believe the information is of sufficient importance to the membership to call to their attention at this time.

It is to this effect: That Donald Nelson, the director of the War Production Board, specifically requested an A–1–A rating for the production of aircraft. It is further stated to me that the Army and Navy Munitions Board failed to give this priority to the production of aircraft, placing warships, tanks, and trucks in a preferred status over planes.

Mr. Speaker, we know that supremacy and control of the air is going to be absolutely necessary to send whatever equipment we must get to the fighting fronts. I am going to look into the matter carefully and report more fully later. I shall contact Mr. Nelson and others. What I have said is not carping criticism. It is done in an effort to focus attention once again on the importance of an air force, put into the skies with a minimum of delay.

Mr. Speaker, I ask unanimous consent to include in my remarks at this point a newspaper article from today's Times-Herald relating to the subject I have discussed.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

(The matter referred to follows:)

[From the Washington Times-Herald of February 17, 1942]

WARSHIPS, TANKS GIVEN PRIORITY OVER AIRPLANES—PRODUCTION DROP LIKELY DUE TO RATING BY MUNITIONS BOARD

The Nation's aircraft production program is seriously threatened, it was learned yesterday, by the refusal of the Army and Navy Munitions Board to grant adequate priority to combat planes.

The high command of the Army and Navy still refuses to regard aircraft as the vital weapon of modern warfare and has classified planes behind battleships and tanks.

SHIPS COME FIRST

Despite President Roosevelt's call for the construction of 60,000 airplanes this year and 125,000 planes in 1943, the Army and Navy have rated airplanes behind ships, which have proven almost helpless to air attack, and to tanks, which cannot be landed on war fronts unless the United Nations have control of the air.

Planes have been denied A–1–A priority. Highest rating A–1–B has been given to four-engine bombers, and all other types of fighting aircraft rate no higher than A–1–D. As a result, aviation industry spokesmen predict a drop in aircraft production within 6 months.

"At a time when the press, the President, and the United Nations are placing the greatest stress on the immediate need for combat

airplanes, the American people would be given a jolt far worse than Pearl Harbor if they knew the manner in which material to go into airplanes has been sidetracked and scuttled by the brass hats in Washington," said Wayne W. Parrish, editor of American Aviation.

FACE SHORTAGES

"While every aircraft manufacturer in the Nation is expanding plant facilities, and with huge new plants scheduled to open this year, the aircraft industry is faced with innumerable pending shortages of materials because of the log jam on priorities in Washington, a log jam controlled by old-line Army and Navy chiefs, whose first thought of equipment apparently continues to be in terms of battleships and ground equipment."

Aviation is without a representative on the Army and Navy War Munitions Board. This Board turned down the request of Donald Nelson, director of the War Productions Board, for A-1-A priority for planes, which action placed aircraft behind dozens of military items, including trucks.

Although the United States is in an air war the only war equipment with the highest priority rating, double A (AA) are four battleships. These are being rushed to replace the *Arizona* and other ships which were sunk or damaged at Pearl Harbor.

ARNOLD BATTLES RULING

The bulk of war equipment has A-1-A priority, which is ahead of planes. While there appears to be little difference between A-1-A and A-1-B to the layman, there is a world of difference in bureaucratic Washington.

Even warships not to be completed until 1943 have an A-1-B rating which is as high as bombers to be built this year and higher than most aircraft.

Airplane engines have only a A-1-C rating. Yet battleships and tanks are helpless without the protection of planes.

Lt. Gen. H. H. Arnold, chief of the Army air forces, and Rear Admiral John H. Towers, Chief of the Navy Bureau of Aeronautics, have been working ceaselessly for higher priorities for aircraft, but have been unable to budge officers, who still refuse to recognize the true value of the plane in war.

Representatives of the airplane industry say that this country will never achieve the 60,000 plane goal for this year and the 125,000 goal for next year unless the priorities are revised upward soon.

EXTENSION OF REMARKS

Mr. HILL of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein an editorial.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include excerpts from the Northern Idaho News.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from The Washington News of February 11 from the pen of Raymond Clapper.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two brief editorials, one appearing in the Boston Daily Globe under date of February 12, captioned "The Enemy Within"; and another by Westbrook Pegler.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial and an article, both short.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FORAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered by the junior Senator from Rhode Island on Lincoln's birthday in the State capital.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MUNDT. Mr. Speaker, I ask unanimous consent that at the conclusion of the other special orders on the Speaker's desk I may today address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. HOUSTON. Mr. Speaker, the gentleman from Alabama [Mr. PATRICK] had 15 minutes to address the House today. He would like to have that moved over until a week from today, and I make that request.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas [Mr. HOUSTON]?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that on tomorrow, after disposition of matters on the Speaker's table and such other special orders as have been heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

There was no objection.

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program in order for the day and after other special orders heretofore entered, I may be permitted to speak for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

SO-CALLED PENSION BILL FOR MEMBERS OF CONGRESS

Mr. RAMSPECK. Mr. Speaker. I ask unanimous consent to speak for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia [Mr. RAMSPECK]?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, there has been considerable controversy in the House and throughout the country in regard to the so-called pension bill for Congressmen. I simply want to announce at this time for the benefit of the House and the country that the Committee on the Civil Service will meet on Thursday next to consider the numerous bills that have been introduced for the repeal of this measure. Certainly neither I nor the committee expect to delay this matter or to prevent the House, if it wants to, from taking action in reference to this matter or to in any way contribute to prolonging the controversy that some people think is interfering with the unity of the country and the conduct of the war.

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ARNOLD for 4 weeks on account of official business.

To Mr. GILLETTE (at the request of Mr. KINZER) for the balance of the week on account of official business.

The SPEAKER pro tempore. Under previous order heretofore entered, the gentleman from South Dakota [Mr. MUNDT] is recognized for 15 minutes.

CIVILIAN PILOT TRAINING AND AMERICA'S DRIVE FOR VICTORY

Mr. MUNDT. Mr. Speaker, the House of Representatives has just passed the largest appropriation bill in the history of the United States Government. This makes it, of course, the largest appropriation bill in the history of the world ever passed by any parliamentary body anywhere. I think it significant to note that this bill passed by a unanimous roll call, thus manifesting a splendid determination on the part of the free people of this Republic to win the war and to see to it that the forces of domination and aggression, the tyrants and the dictators, such as Hitler, Mussolini, and the so-called Japanese Sun of Heaven, are conclusively and permanently defeated in this war. I think today's vote is a splendid indication of our national determination. This is an important event in the march of American history.

Mr. Speaker, I take the time this afternoon to call the attention of the Members of the House to the fact that on tomorrow we are also going to consider a bill which will have a tremendus impact on the conduct of this war. It is not as large, by any means, as the bill we were considering today, but in some respects it seems to me it is equally significant.

I refer to the State, Justice, Commerce, and Judiciary appropriation bill which will be up for consideration tomorrow and the fact that in this bill there is an appropriation for the operation and expansion of the civilian pilot training program of America. This is, in my opinion, one of the tremendously important adjuncts of our victory drive because it should be becoming increasingly apparent to everybody in the world today

that he who dominates the skies dominates and determines the battle going on underneath that canopy. We have seen this demonstrated again and again almost since the very beginning of this war.

I am happy to say, as a Member of Congress, that those of us who serve in the legislative branch of the Government can take considerable pride in the fact that while some of the suggestions which stimulated national defense have come from the executive branch of Government, as they should, others have come from the legislative branch of the Government, as they should. The civilian pilot training program is a sort of favorite with the House of Representatives and with the legislative branch of the Government, because it is here probably better than any place else in the whole defense program that the members of the legislative body have demonstrated a vision and a determination which is to pay big dividends in the conduct of this war.

THE CIVILIAN PILOT TRAINING IS A DEVELOPMENT OF CONGRESS

It will be recalled, for example, that in the last appropriation measure on this subject a year ago, the President's Budget Bureau brought in a recommendation for an $18,000,000 appropriation for civilian pilot training and the House of Representatives expanded that to $25,000,000, an increase of almost 50 percent. As a result, many, many more pilots are trained, many, many more men are found in our reservoir from which we can secure the necessary trained fliers to fly the rapidly increasing flow of planes coming off American production lines. And this is true because you and I, as Members of the legislative branch of Government, insisted upon increasing the President's estimates and stressed once again our collective conviction that air power is the determining factor in modern war. The printed record of events clearly demonstrates that point.

This year, the President's Budget Bureau brought in a request for $20,000,000 for civilian pilot training and Members of the House recommended that this item be increased to $36,000,000, again recommending an almost 50-percent increase.

AMERICA MUST DOMINATE THE AIR

I take this time today to urge the Members of the House and the Members of the Senate, when the bill comes to it for their consideration, to support this move to increase the appropriation for this important function in our war drive. I hope you will support this increase to $36,000,000 so that this important pilot training program can go forward in high gear. It is not enough that we simply produce more and more planes. It is equally important that we take out insurance against the development of some future bottleneck in which we may find a paucity of pilots to fly these modern planes. The time to forestall such a sorry eventuality is now.

I think the record of the civilian pilot-training program is as colorful and encouraging and stimulating a record as we can find any place in the war records of this Republic.

Mr. CARLSON. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Kansas.

Mr. CARLSON. As one who has observed the workings of this program during the past 2 years, I am very happy to say that the civilian pilot-training groups have done a fine piece of work, and I sincerely hope the proposal to extend them will be approved and that the suggested $36,000,000 appropriation will be adopted.

Mr. MUNDT. I thank the gentleman for his contribution. I know of the gentleman's good work in this connection in the past, because it has been pretty much a group of us midwestern Members of Congress who have been stressing this thing all down through the line, headed as we have been by the gentleman from Nebraska [Mr. STEFAN], whose district borders South Dakota on the south, who has done an indomitable service to this country by leading this group and striving against serious odds at times to procure proper recognition for this program.

I may add that thus far in the program some 70,000 pilots have been trained. As an indication of the high degree of care and caution with which this program is being conducted, there have been only 17 fatalities in the training of this entire reservoir of 70,000 pilots.

Insurance companies are hard-boiled actuaries. They are not inclined to make bad guesses if they can help it. When they first started insuring pilots who were taking this training, they charged $20 for a life insurance and accident policy which protected the pilot up to $3,000 in case of death and $500 in case of accident. Because of the splendid record of this service, these premiums have been gradually reduced in six successive voluntary reductions on the part of the insurance companies until today a pilot secures that identical coverage for a premium of only $4.60 instead of $20, thus demonstrating by the accuracy of mathematics that this pilot training service is doing the job. It is training young men to pilot planes carefully, courageously, and in such a manner that they have the background necessary to fit into the flying forces of the Army and the Navy and there protect the courageous land forces of this country.

When we stop to think that American boys today are dying on distant battle fronts, in large part because of our failure to be able to dominate the skies with air power above them, it seems to me it should not take much argument to convince Members of Congress that the $36,000,000 requested to stimulate and sustain and expand our civilian pilot training program should be granted by a vote of equal unanimity with that by which we today passed the largest appropriation bill in the history of the world. Let the words "too little and too late" never be written about the pilot training program of America. As you vote tomorrow, think what 5,000 pilots and 5,000 planes would mean to MacArthur's miracle men in the Philippines.

AMERICA—WAKE UP AND LIVE

My interest in the increase of the air defenses of America is no new conclusion with me. I recall that the President of the United States first appeared in person before a joint session of Congress to request special funds for national defense and preparedness on the 16th day of May, 1940. Two days after that I was scheduled to address a patriotic rally in New York City in which I was discussing world conditions in a speech which I called America—Wake Up and Live. I quote just a passage or two from the speech I delivered at that time, and which I incorporated as part of the CONGRESSIONAL RECORD on May 21, 1940, where it can be found on page 3093 of the bound RECORD, just 5 days after that first appearance of the President on this long march toward a better prepared America.

In that speech of some 21 months ago, which will be found in the printed RECORD, I said of the President's national defense message of May 16 that no man could hear that speech and feel that this country was well prepared.

In elaboration of my position that such was the case and that more should be done to prepare ourselves for war, I said:

> The time has come to reexamine our whole program of national defense, to find its holes and plug them up, to bring in experts in industry as well as experts of the Army, Navy, and the air force, and to profit from their findings. We cannot longer continue to fail on a front where continued failure might prove so final and so fundamental.

Then, going over specifically to the proposition of air defense, for which I was arguing then and for which I am arguing now, to the type of proposition, if you please, included in the appropriation bill for which I am arguing this afternoon, the endorsement of the full $36,000,000 appropriation needed for the civilian pilot-training program in America, I had this to say on May 21, 1940:

> It should not take a war to demonstrate that ships without protection in the air are more vulnerable than ships with escorts of fighting planes. Such a conclusion should be inescapable even to a man who had never seen a ship or heard the zooming of a plane. To get a dollar's worth of defense for a dollar's worth of defense appropriations—

And how important that has become in America today—

> more of the last eight billion might well have gone for a modernized defense against modernized warfare in the air, on the sea, and on the land.
>
> America—wake up and live. Too many of us have slumbered while the things which make America American have lost their luster. The dullness which we see upon them now is not decay but the surface rust of disuse. Let's meet the challenge to America with American courage and in an American way. Let the people speak. Let parties in and out of power unite in building us an impregnable national defense.

I submit, Mr. Speaker, that an impregnable national defense today has become increasingly more defined in terms of hitting power in the air than it was when I made those remarks in May of 1940. I feel now as I felt then and I have said it in speech after speech both in and out of Congress that American defenses should be the most modern, the most effective, and the most complete of any nation in the world. I submit, Mr. Speaker, that the proposed expansion of

our civilian pilot training program is a step in the right direction.

Continuing my speech of 21 months ago, I said this, and I think it also has an application today when we still find subversive influences in America helping to sabotage our defense efforts and endeavoring to break down our victory drive:

America must disband its bund camps, its Fascist silver shirters, and its communistic cells. We have coddled subversive groups too long in this country, and under the New Deal the Attorney General and Labor Department have shown them too much leniency. We have too long kidded ourselves that the disclosures of the Dies committee were farfetched figments of the imagination, "America wake up and live." But we must do more than clean up America—we must develop an efficient and effective military defense for it. We must spend additional billions.

ASKS FOR BILLIONS MORE IN 1940

At that time you will recall, Mr. Speaker, we had spent about $8,000,000,000 for national defense, and the President, 5 days earlier, had suggested that we appropriate another billion dollars, and in those far-gone days everybody thought that a billion dollars was a lot of money, and, of course, it is a lot of money, but it is not very much when we consider that within less than 30 days we have appropriated more than $70,000,000,000 for this war without a negative vote in either House of Congress. So, when a few days after the President made his first special defense address to Congress and asked for a billion dollars, I pointed out many additional billions would be needed, but urged that they be largely used in modernizing our defense establishments. I said this, and, certainly, it was a prophetic statement:

We must spend additional billions for peace insurance. But we must spend it wisely. We must modernize our equipment. We need tanks for defense. We need planes with armored cockpits and self-sealing gas tanks, we need antiaircraft guns. We need to separate politics entirely from preparedness. Our problem is to defend ourself against the methods and machinery of modern warfare; to do this we should create a commission of industrial experts to assist our military men in mobilizing American industry so it can best assist in the modernization of a defense system which has too long measured its adequacy in terms of billions of dollars spent for preparedness rather than in terms of results in the form of up-to-date fighting equipment and military units.

SOUTH DAKOTA IS READY AND WAITING

I think that putting our dollars to use in terms of hitting power and national defense can be done as effectively today through this civilian pilot-training program as in any other one place. I know that in my own State of South Dakota, and I am sure it does not differ from the States of Kansas and Iowa and Pennsylvania and other States, which I see represented here this afternoon, we could double or treble the output of pilots produced through the civilian pilot-training program if funds were made available for that purpose. It is imperative that we permit no bottleneck to develop through having a lack of well-trained and thoroughly tested pilots to man the planes now beginning to come off the production lines in gratifying numbers. The increase of nearly 50 percent in the Budget Bureau's request for funds for the civilian pilot-training program will be cheap insurance against such a catastrophe and I hope the $36,000,000 fund will receive the enthusiastic approval of Congress in tomorrow's vote.

Mr. Speaker, I would like to conclude these remarks, today, by quoting from another speech of mine delivered on the floor of this House almost 20 months ago to the day. On June 18, 1940, while debating in favor of our Foreign Affairs Committee resolution reaffirming the Monroe Doctrine I said in a speech beginning on page 8550 of the bound RECORD:

Let us settle down to the serious business of developing preparedness and policies which will defend this doctrine and spend less of our time in defining it. Not adjectives but action will suffice to make America strong at this hour when we dare not permit America to be weak.

WHAT WAS TRUE IN 1940 IS DOUBLY TRUE IN 1942

Mr. Speaker, I believed those sentiments to be true on June 18, 1940, when I made them. I know that they are true today. We need action all along the line in tightening our defense program and toughening our war effort. That means strikes must be curtailed, coddling must cease, profiteering must be outlawed, small business units and production facilities in rural communities must be put to use, Communists must be weeded out of Government bureaus and places of authority, Bundists and subversive aliens of all types must be locked up where they cannot sabotage our drive for victory.

The march of time and events have defined American policy today so all who run can read—it is simply and foremostly to win this war and then to win the peace which will follow it. Now, this doctrine must be defended and projected. This is an all-American job in an all-out war, and one way to promote the type of action which is needed now is to make full use of the civilian pilot training facilities of this Republic.

Continuing to quote from my speech on this floor on June 18, 1940, I said:

We need action in preparedness, action in curtailing fifth column activities, action in strengthening pan-American friendship and crystalizing and consolidating pan-American ideals.

The hour is growing late, Mr. Speaker, so I shall not expand upon these remarks. In that speech of 20 months ago I called upon the War Department and the State Department to instigate a series of pan-American conferences to coordinate the defense establishments of the two Americas and to develop a mutually helpful program of hemispherical protection. I am glad to state that this has been done, and the splendid results of the recent Rio conference which is the most recent in a series of such meetings are a source of gratification to us all, and our State Department is to be congratulated on its progress on this program.

In that speech I also urged that South American rubber-raising potentialities be developed as a safeguard to the United States, but that leads into another subject and I shall not discuss it here, other than to say some progress has also been made in this direction although the rate of action there is far less satisfying than the results obtained by our Department of State.

INITIAL SET-BACKS TO BE EXPECTED

Mr. Speaker, America has a habit of winning the last battle in its wars. We must not become discouraged by the disappointing developments of the past few weeks. This country was not prepared with the modern equipment it takes to fight today's type of war because despite the more than $50,000,000,000 for which the President asked, and for which we voted as rapidly as it was asked, it takes time to translate money into munitions and appropriations into arms. We began that translation with the outbreak of war in Europe and it proceeded with increasing speed as the war continued.

America was resolved not to become involved in the shooting aspects of this war, at least until such time as we could enter it with our equipment ready, our munitions made, our arms on hand, and our military establishments modernized. We were determined not to again send American boys away to fight without the best munitions in the world because in a battle of production American industries can make more of the best than any other country in the world. Unfortunately, the treacherous Japanese attack at Pearl Harbor plunged us into war before our rapidly developing defenses were ready.

MAC ARTHUR SHOWS IT CAN BE DONE

Once attacked, we had nothing to do but fight the best that we could with the arms that we had. This America has done, and the stand of Douglas MacArthur and his heroic band on the Bataan Peninsula presages what Americans can do even when their equipment underrates the enemy. Once American fighters are supplied with the best arms America can make, the present derisive cheers from Axis capitals will quickly turn to wails of anguish. We must not expect too much too soon from heroic defenders who are not yet supplied with what it takes to do battle in modern warfare.

America now generally appreciates what those of us who sat on congressional committees hearing secret testimony long knew; namely, that until we had time to get fully prepared our only course was to avoid active warfare or bravely face the prospect of some initial disappointments until such time as our equipment could be delivered to our forces in quantities enough to match the quality of our determination. The minute the Japanese started dropping bombs upon an unsuspecting Pearl Harbor the choice of avoiding active warfare was gone. Let us with grim determination and patient resolve face the other alternative now. Let us take the inevitable initial disappointments in our stride. Battles are still won by those who "gets there fustest with the mostest men" but wars are won by those whose cause is just, whose courage is unfaltering, and whose determination dominates the discouragement of early set-backs.

We have cause for confidence but we have no occasion for complacency. Mistakes must be corrected, loop-holes plugged up, pride of precedent upset if need be, and America's attitude today far more than when I stated it in May and June of 1940 must be one of "action." And that action must be directed toward the modernization of our methods of warfare and of our machinery of war.

I submit, Mr. Speaker, that a vote for the $36,000,000 tomorrow to train more pilots to fly more planes is action of the type which is needed in America today.

ADJOURNMENT

Mr. HOUSTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 27 minutes p. m.) the House adjourned until tomorrow, Wednesday, February 18, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold a hearing at 10:30 a. m. on Wednesday, February 18, 1942, on private bills.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 a. m. on Thursday, February 19, 1942, for consideration of S. 2222.

COMMITTEE ON THE CIVIL SERVICE

The Committee on the Civil Service will hold public hearings on bills pending before the committee to repeal retirement provisions for elected officials. Hearings will be held Thursday, February 19, 1942, at 10 o'clock a. m., in Room 246, House Office Building.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 19, 1942, at 10 a. m., on H. R. 6554, to amend war-risk insurance provisions of the Merchant Marine Act, 1936, as amended, in order to expedite ocean transportation and assist the war effort.

POSTPONEMENT OF HEARING ON H. R. 6503

This will advise you that the hearings previously scheduled for Tuesday, February 17, 1942, at 10 a. m., have been postponed until Thursday, February 26, 1942, at 10 a. m., on the following bill: H. R. 6503, to extend and amend certain emergency laws relating to the merchant marine, and for other purposes.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 a. m., Thursday, February 19, 1942.

Business to be considered: To begin hearings on H. R. 6156—land-grant rates with respect to Government traffic.

There will be a meeting of the Subcommittee on Petroleum of the Committee on Interstate and Foreign Commerce, at 10 a. m., Wednesday, February 25, 1942.

Business to be considered: To resume hearings on petroleum as outlined in Mr. Cole's memorandum of February 6, 1942.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday, February 25, 1942, at 10:30 a. m., for the continuation of hearings on S. 1476 (Florida tick bill).

EXECUTIVE COMMUNICATIONS, ETC.

1410. Under clause 2 of rule XXIV a letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated October 22, 1941, submitting a report, together with accompanying papers and an illustration, on a review of reports on Columbia and lower Willamette Rivers below Portland, Oreg., and Vancouver, Wash., to determine the advisability of modifying the existing project to provide for a secondary channel in the vicinity of Port of Longview, Wash., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on December 2, 1940 (H. Doc. No. 630), was taken from the Speaker's table, referred to the Committee on Rivers and Harbors, and ordered to be printed, with an illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 6611. A bill making additional appropriations for the national defense for the fiscal year ending June 30, 1942, and for other purposes; without amendment (Rept. No. 1790). Referred to the Committee of the Whole House on the state of the Union.

Mr. ALLEN of Louisiana: Committee on Immigration and Naturalization. H. R. 6600. A bill providing for the issuance of documentary evidence of United States citizenship; without amendment (Rept. No. 1791). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1793. Report on the disposition of records in sundry departments of the United States Government. Ordered to be printed.

Mr. ELLIOTT of California: Joint Committee on the Disposition of Executive Papers. House Report No. 1794. Report on the disposition of records in sundry departments of the United States Government. Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MEYER of Maryland: Committee on Claims. S. 1564. An act for the relief of Pauline Caton Robertson; without amendment (Rept. No. 1777). Referred to the Committee of the Whole House.

Mr. GILLETTE: Committee on Claims. H. R. 710. A bill for the relief of Martin N. Mayrath; without amendment (Rept. No. 1778). Referred to the Committee of the Whole House.

Mr. FOGARTY: Committee on Claims. H. R. 736. A bill for the relief of Ideal Service Station; with amendment (Rept. No. 1779). Referred to the Committee of the Whole House.

Mr. CHENOWETH: Committee on Claims. H. R. 1901. A bill for the relief of Floyd Odom; with amendment (Rept. No. 1780). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 3079. A bill conferring jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of The Cuban-American Sugar Co. against the United States; without amendment (Rept. No. 1781). Referred to the Committee of the Whole House.

Mr. RUSSELL: Committee on Claims. H. R. 3732. A bill for the relief of Ida Baird; with amendment (Rept. No. 1782). Referred to the Committee of the Whole House.

Mr. FOGARTY: Committee on Claims. H. R. 4625. A bill for the relief of Karl K. Wilkes; with amendment (Rept. No. 1783). Referred to the Committee of the Whole House.

Mr. RUSSELL: Committee on Claims. H. R. 4955. A bill for the relief of Geoffrey Orme; with amendment (Rept. No. 1784). Referred to the Committee of the Whole House.

Mr. KLEIN: Committee on Claims. H. R. 5010. A bill for the relief of James Reed; with amendment (Rept. No. 1785). Referred to the Committee of the Whole House.

Mr. WEISS: Committee on Claims. H. R. 5363. A bill for the relief of Johnston-Hall Hospital, Calhoun, Ga., and Dr. Z. V. Johnston, Calhoun, Ga.; with amendment (Rept. No. 1786). Referred to the Committee of the Whole House.

Mr. FOGARTY: Committee on Claims. H. R. 5381. A bill for the relief of Henry B. Tucker; without amendment (Rept. No. 1787). Referred to the Committee of the Whole House.

Mr. KLEIN: Committee on Claims. H. R. 5433. A bill for the relief of the guardian of Charles Jirinee, an infant; with amendment (Rept. No. 1788). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 5449. A bill for the relief of Mrs. Cecile Herzog and Lucille Herzog, an infant; with amendment (Rept. No. 1789). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 6141. A bill for the relief of Mrs. C. M. W. Hull; with amendment (Rept. No. 1792). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. REES of Kansas:

H. R. 6612. A bill providing for a reduction of 25 percent in the expenditures of certain Government agencies; to the Committee on Ways and Means.

By Mr. SIKES:

H. R. 6613. A bill providing for an examination and survey of St. Josephs Bay, Fla.; to the Committee on Rivers and Harbors.

H. R. 6614. A bill to authorize the acquisition, improvement, and maintenance of the Gulf County Canal, Fla.; to the Committee on Rivers and Harbors.

By Mr. SABATH:

H. R. 6615. A bill to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. SMITH of Virginia:

H. R. 6616. A bill to amend an act entitled "An act to expedite the prosecution of the war effort," approved December 18, 1941; to the Committee on the Judiciary.

By Mr. COCHRAN:

H. R. 6617. A bill to promote the prosecution of war by exempting from State, Territorial, and local taxes the sale, purchase,

storage, use, or consumption of tangible personal property and services for use in performing defense contracts, and for other purposes; to the Committee on Ways and Means.

By Mr. KING:

H. R 6618. A bill providing for the temporary service of circuit judges with the Supreme Court of Hawaii in case of vacancies in such court; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Virginia, memorializing the President and the Congress of the United States to repeal Public Law 411, second session, Seventy-seventh Congress; to the Committee on the Civil Service.

Also, memorial of the Legislature of the Territory of Puerto Rico, memorializing the President and the Congress of the United States to consider their resolution, dated February 13, 1942, relative to their support of Gov. Rex Guy Tugwell; to the Committee on Insular Affairs.

Also, memorial of the Legislature of the Territory of Puerto Rico, memorializing the President and the Congress of the United States to consider their resolution, dated February 13, 1942, relative to Governor Tugwell having their support; to the Committee on Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. WHITE introduced a bill (H. R. 6619) for the relief of M. Ray Waldron, which was referred to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2443. By Mr. FITZPATRICK: Petition of the Common Council of the City of Mount, N. Y., opposing any legislation tending to tax municipal securities; to the Committee on Ways and Means.

2444. By Mr. GRAHAM: Petition of 40 members of the Jefferson Center Presbyterian Church, Saxonburg, Butler County, Pa., petitioning the removal of alcoholic beverages from our Army camps and the removal of prostitutes from the community of the camps; to the Committee on Military Affairs.

2445. By Mr. LUTHER A. JOHNSON. Petition of Miss A. Campbell, of the Evening and Weekly Mirror, of Hillsboro, Tex., opposing House bill 5781, the Vinson bill; to the Committee on Ways and Means.

2446. By Mr. LYNCH: Resolution of Local No. 10, National Federation of Post Office Clerks, urging appointment of all substitute employees to regular positions and passage of salary increase bill; all time over 40 hours weekly to be paid overtime; to the Committee on the Post Office and Post Roads.

2447. Also, resolution of the County Officers' Association of the State of New York, opposing any further attempt to remove tax-exemption clause on municipal bonds heretofore issued or to be issued; to the Committee on Ways and Means.

2448. By Mr. MOSER: Resolution of the Council of the City of Reading, State of Pennsylvania, against taxation of municipal bonds; to the Committee on Ways and Means.

2449. By Mr. ROLPH: Assembly Joint Resolution No. 25 of the State of California, relative to memorializing the Federal Government to survey a water route from the Colorado River to the city of San Diego; to the Committee on the Public Lands.

2450. By the SPEAKER: Petition of the Ridgewood Unit of Republican Women, Inc., Ridgewood, N. J., petitioning consideration of their resolution with reference to the continuation of the Dies Committee; to the Committee on Rules.

2451. Also, petition of the Woodcrest Democratic Club, of Los Angeles, Calif., petitioning consideration of their resolution with reference to Public Law 411, second session, Seventy-seventh Congress; to the Committee on the Civil Service.

SENATE

WEDNESDAY, FEBRUARY 18, 1942

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Reverend Theodore Otto Wedel, canon chancelor, Washington Cathedral, Washington, D. C., offered the following prayer:

O Almighty God, Infinite Watcher over the children of men, whom our fathers and fathers' fathers worshipped in lands across the sea, whom our children and children's children will worship, seeking to understand the mystery of Thy ways with the sons of men: Grant to us of our generation Thy love and favor. As we walk in the awesome presence of Thy rule over the nations, give us the courage to submit our wills to Thy judgments, our hearts to Thy love, our deeds to Thy kingdom of justice and right. Across the flaming ramparts of our torn and warring world give us sight of Thine eternal purposes through the dark veil of circumstance, humility to repent us of our sins and failures, and renewed strength for enduring the toil of service. May our Nation be the first nation to submit to Thy call to repentance and to Thy healing. We ask it through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, February 17, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that on February 16, 1942, the President had approved and signed the following acts:

S. 806. An act for the relief of Carmella Ridgewell;

S. 1523. An act for the relief of the Portland Sportwear Manufacturing Co.;

S. 1945. An act to authorize the Commissioners of the District of Columbia to acquire, operate, and regulate public off-street parking facilities, and for other purposes; and

S. 2182. An act to provide for temporary promotion in the Army of the United States of officers commissioned in the Air Corps or assigned to duty with the Air Corps.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 6611) making additional appropriations for the national defense for the fiscal year ending June 30, 1942, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1133. An act to authorize the transfer of lands from the United States to the Maryland-National Capital Park and Planning Commission under certain conditions, and to accept title to another tract to be transferred to the United States;

S. 1368. An act relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians;

S. 1521. An act to provide that the Navy ration may include canned or powdered or concentrated fruit or vegetable juices;

S. 1630. An act to provide for the advancement on the retired list of certain officers of the United States Navy and Marine Corps;

S. 2192. An act to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy;

H. R. 329. An act for the relief of Lulu Heron;

H. R. 446. An act for the relief of the estate of Opal June Lindsay, Luck A. Lindsay, Thelma Louise Lindsay, and Laura Kathleen Lindsay;

H. R. 1905. An act for the relief of Mr. and Mrs. Michael Lewenczuk;

H. R. 2724. An act for the relief of the estate of Mary E. Philpot, Sandra G. Philpot, and Mrs. R. L. Keckler;

H. R 3225. An act for the relief of Dale L. Barthel and others;

H. R. 3539. An act to provide for the deposit and expenditure of various revenues collected at schools and hospitals operated by the Indian Service in Alaska;

H. R. 3542. An act to authorize the purchase from appropriations made for the Indian Service of supplies and materials for resale to natives, native cooperative associations, and Indian Service employees stationed in Alaska;

H. R. 3647. An act for the relief of the San Diego Consolidated Gas & Electric Co.;

H. R. 3823. An act for the relief of Edwin B. Formhals;

H. R. 4179. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Allen Pope, his heirs or personal representatives, against the United States;

H. R. 4198. An act for the relief of John King;

H. R. 4354. An act for the relief of D. H. Dantzler;

H. R. 4773. An act for the relief of Brooks Equipment & Manufacturing Co.;

H. R. 4831. An act for the relief of Katherine McCue;

H. R. 4998. An act for the relief of Daniel Elliott and Helen Elliott;

H. R. 5040. An act for the relief of William Robert Shaneyfelt and Mildred Shaneyfelt;

H. R. 5056. An act for the relief of the Burlington Auto Co.;

H. R. 5206. An act for the relief of Nettie Woolfolk Montague and Jerry L. Woolfolk and others;

H. R. 5280. An act for the relief of G. F. Allen, chief disbursing officer, Treasury Department, and for other purposes;

H. R. 5282. An act for the relief of J. W. Daughtry;

H. R. 5387. An act for the relief of Mrs. Anna M. Paul;

H. R. 5572. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain Navy and Marine Corps

personnel and former Navy and Marine Corps personnel and certain Federal civil employees for personal property lost or damaged as a result of the hurricane and flood at Parris Island, S. C., on August 11–12, 1940," approved April 23, 1941;

H. R. 5773. An act for the relief of Libby, McNeill & Libby;

H. R. 5984. An act for the relief of Solomon Brown;

H. R. 6145. An act for the relief of Mason C. Brunson; and

H. R. 6225. An act for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho.

NOMINATION OF PEIRSON M. HALL—NOTICE OF HEARING

Mr. McCARRAN. Mr. President, the Senate Judiciary Committee has received the nomination of Hon. Peirson M. Hall, of California, to be a United States district judge, southern district of California.

As chairman of the subcommittee assigned to consider this nomination, I announce that Thursday, February 26, at 10:30 a. m. has been set as the time for a hearing on the nomination in the Judiciary Committee room, at which all persons interested may appear.

REPORT OF THE AMERICAN NATIONAL THEATER AND ACADEMY

The VICE PRESIDENT laid before the Senate a letter from the second vice president of the American National Theater and Academy, transmitting, pursuant to law, the report of the proceedings of the American National Theater and Academy for the calendar year 1941 (with an accompanying report); to the Committee on Education and Labor.

RESOLUTIONS FOR AN AMERICAN CITIZEN

Mr. AUSTIN. Mr. President, I wish to have printed in the RECORD "Resolutions for an American Citizen"—and this means every American citizen—conceived by a Vermonter, Mr. Levi P. Smith, who is president of the Burlington Savings Bank, a patriot who is contributing much to the campaign for the sale of Defense Savings stamps and bonds. If every American would rise in the morning and make these resolutions, I think he would be a much better soldier on the economic front than if he did not do something of that kind.

I should like to have the resolutions printed in the RECORD. They start off as follows—and I think this indicates justification for the printing:

I resolve to remind myself every morning—
That there is a war to win;
That I must be as devoted, diligent, and determined as those who man the guns;
That a glorious heritage is at stake—an ideal worth fighting for; and
That our cause is the cause of freedom everywhere.

And the resolutions continue in that vein.

I think it is well for every citizen of the United States repeatedly to remind himself that we are fighting this war to win it. I ask unanimous consent to have the resolutions printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The resolutions are as follows:

IN TOTAL WAR—RESOLUTIONS FOR AN AMERICAN CITIZEN

I resolve to remind myself every morning—
That there is a war to win;
That I must be as devoted, diligent, and determined as those who man the guns;
That a glorious heritage is at stake—an ideal worth fighting for; and
That our cause is the cause of freedom everywhere.
I resolve to dedicate to this cause, anew each day, the zeal, intelligence, and initiative of a freeman fighting for his freedom, a measure and quality of service beyond the power of a totalitarian state to exact of its subjects.
I resolve to pray that the greatness of our cause may drown out doubts, disputes, and questionings;
That it may submerge consciousness of class or race or party; and
That it may lift me out of the littleness of ordinary life.
I resolve neither to be cast down by reverses nor buoyed up unduly by successes, but to see things as they are, with the steadying conviction that drudgery and endurance as well as inspiration and heroism will count in the ultimate victory.
I resolve to be cheerful for the effect on those about me.
I resolve to be courageous with the gallantry of those who fight the good fight.
I resolve to take my place in the line as a good soldier—cool and firm and considerate—neither giving way to panic nor crowding for preferment, but content with the privilege of serving so vital, great, and sacred a cause.

MEMORIAL

Mr. CAPPER presented a letter in the nature of a memorial, numerously signed, of sundry citizens of Independence, Kans., remonstrating against the imposition of a tax on pay rolls and favoring the imposition of a sales tax, which was referred to the Committee on Finance.

RESOLUTIONS OF THE AMERICAN NATIONAL LIVESTOCK ASSOCIATION

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, the resolutions, together with copy of a telegram addressed to the President, adopted by the annual convention of the American National Livestock Association of Salt Lake City, Utah, on January 7, 1942, setting forth an important legislative program which their organization is sponsoring.

There being no objection, the resolutions and telegram were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

PRICE CONTROL

Whereas the Secretary of Agriculture has been charged with the responsibility of providing an adequate food supply for the Nation in the emergency that confronts this country today; and

Whereas H. R. 5990, which has passed the House and is now on the floor of the Senate, would grant price-fixing authority on all commodities; and

Whereas price is the controlling factor in production: Therefore be it

Resolved by the American National Live Stock Association in annual convention at Salt Lake City, Utah, January 7–9, 1942, That, insofar as livestock and livestock products are concerned, we urge that the authority to fix price ceilings and compel compliance therewith be delegated to the Secretary of Agriculture or, if this authority be delegated to the Office of Price Administration, it be with the provision that price ceilings may not be fixed without the approval of the Secretary of Agriculture.

UNNECESSARY EXPENDITURES

Whereas this Nation is engaged in an all-out war which will tax its resources to the limit: Therefore be it

Resolved, That all payments made to livestock producers under the Agricultural Adjustment Administration program be immediately terminated; and be it further

Resolved, That we urge and recommend that all unnecessary expenditures of Federal funds be immediately stopped. We list under unnecessary expenditures all expenditures which are not for the prosecution of the war and carrying on absolutely essential governmental duties; particularly we are opposed to any further unnecessary expenditures for relief, believing that all relief rolls should be thoroughly checked by someone other than local politicians in order that the names of all able-bodied men may be removed from such rolls. We ask for the abolishment of Work Projects Administration, Soil Conservation Service, National Youth Administration, Civilian Conservation Corps, and extraordinary expenditures in connection with Indian reservations and affairs. We cannot hope to complete a list of these unnecessary expenditures, but we include all of them in our recommendation.

SAFEGUARDING LIVESTOCK HEALTH

Whereas the sudden impact of war has brought the realization of the need for increasing our supply of meat and other essential foods for the United Nations; and

Whereas in order to maintain the production of these increased meat supplies it is now more than ever essential that we maintain every possible safeguard to the health of our livestock herds and flocks: Therefore be it

Resolved, That we insist that there should be no modification whatsoever of our existing embargo against the importation of livestock or dressed meats from countries where foot-and-mouth disease exists; and be it further

Resolved, That because of the close proximity of the island of Tierra del Fuego to infected portions of the mainland and because of the commerce between that island and those portions of the mainland we urge the Secretary of Agriculture not to modify the embargo now applying to that island until disease-free conditions are proved to exist on the mainland.

DEFERMENT IN DRAFT

Whereas production of food for war is a recognized essential in our war effort; and

Whereas in the beef-cattle industry the volume output of food per man employed is unparalleled by any other phase of agricultural production; and

Whereas work in beef-cattle production is highly specialized, one trained, experienced man being equal to several inexperienced workers: Therefore be it

Resolved, That we urge draft officials to give special consideration to deferment of key men now working on our ranches.

GOVERNMENT BEEF-GRADING PUBLICITY

Whereas the grading of food products of various kinds has been greatly enhanced by the war; and

Whereas we will not have the full benefit that can accrue from a national system of beef grading until adequate advertising is given to the Government beef grades: Therefore be it

Resolved, That we urge the United States Department of Agriculture to give frequent time intervals on its radio Farm and Home

Hour to Government beef grading; and be it further

Resolved, That we urge the National Livestock and Meat Board to advertise Government beef grades in the millions of booklets which it publishes annually.

FARM CREDIT

Whereas this association has in the past advocated that the Farm Credit Administration remain a cooperative credit institution under the supervision of the Far Credit Administration in Washington; and

Whereas there is now pending in Congress a bill—H. R. 5336—which proposes fundamental changes in the land-bank system: Therefore be it

Resolved, That this association endorse those provisions of the bill which limit but do not entirely remove the financial liabilities of the national farm-loan associations, and certain suggested amendments to the bill which increase borrower control by increasing farmer representation in the district boards of directors and by limiting the authority of the Governor to approve the salaries of officers of district units; and be it further

Resolved, That this association oppose those provisions of the bill which decrease borrower investment in the land-bank system and those which provide for the scale-down of debt.

PENALTY ON WHEAT

Whereas livestock producers of the range States are opposed to the Agricultural Adjustment Administration program as it applies to the penalty on wheat grown on our own land and fed to our own livestock; and

Whereas it is not possible to grow corn successfully in most of the area of the Western States; and

Whereas it has been demonstrated by our various State experiment stations that wheat is one of our most valuable feeds to finish our livestock for the market: Therefore be it

Resolved, That we ask Congress to modify the law so as to allow us to grow wheat free of penalty in sufficient quantity to finish our livestock so that we may be able to comply with the request of our honorable Secretary of Agriculture for additional tonnage of meats for our Nation and those who are fighting by our side during this extreme emergency.

PRIORITIES IN RANCH MACHINERY

Whereas in the emergency orders which have been issued dealing with priorities for various equipment and supplies which are most essential to successful livestock ranching and consequently to the production of meat, it appears that there has been insufficient consideration for the needs of ranchers in this regard; and

Whereas it is most essential that livestock ranching should not be unduly hampered: Therefore be it

Resolved, That we urge the Office of Production Management to give greater consideration to the needs of ranchers with respect to farm and ranch trucks, to tires for same, to all machinery necessary for the raising and harvesting of farm and ranch crops and to various types of equipment such as windmill and pump repairs, all of which are vitally essential to successful ranching operations and meat production.

[Exclusive of the regular resolutions adopted, the following telegram was sent to the President at the express direction of the convention at the opening session.]

Recognizing that this Nation is in great danger as a result of our involvement in war, the American National Live Stock Association in convention assembled at Salt Lake City today, representing principally the range cattlemen and women of the western States, pledges to you that we will gladly make the effort needed to assure a beef supply for the Nation and willingly make the necessary sacrifices to assure victory in order that we may preserve liberty and freedom in and for our Nation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOWNEY, from the Committee on Military Affairs:

S. 2282. A bill to provide for the planting of guayule and other rubber-bearing plants and to make available a source of crude rubber for emergency and defense uses; without amendment (Rept. No. 1099).

By Mr. WALSH, from the Committee on Naval Affairs:

S. Res. 225. Resolution for an investigation to determine the cause of the fire on the U. S. S. *LaFayette* (the former French liner *Normandie*); without amendment, and, under the rule, referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on February 17, 1942, that committee presented to the President of the United States the enrolled bill (S. 1526) to provide decentralization of the issuance of orders authorizing the payment of travel expenses in connection with the transfer of civilian employees from one station to another.

BILL INTRODUCED

Mr. WALSH introduced a bill (S. 2285) to provide for the retirement, with advanced rank, of certain officers in the Navy, which was read twice by its title and referred to the Committee on Naval Affairs.

HOUSE BILL REFERRED

The bill (H. R. 6611) making additional appropriations for the national defense for the fiscal year ending June 30, 1942, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

PAY AND ALLOWANCES FOR ARMY, NAVY, MARINE CORPS, AND COAST GUARD—AMENDMENTS

Mr. DANAHER and Mr. CLARK of Missouri each submitted an amendment intended to be proposed by them to the bill (H. R. 6446) providing for continuing pay and allowances of personnel of the Army, Navy, Marine Corps, and Coast Guard during periods of absence from posts of duty, which were ordered to lie on the table and to be printed.

AMERICA IS IN DANGER—ADDRESS BY SENATOR LUCAS

[Mr. BARKLEY asked and obtained leave to have printed in the Appendix a radio address on the subject America Is in Danger, delivered by Senator LUCAS at Washington, D. C., Friday evening, February 13, 1942, which appears in the Appendix.]

LINCOLN DAY ADDRESS BY SENATOR WILLIS

[Mr. McNARY asked and obtained leave to have printed in the RECORD a Lincoln Day address delivered by Senator WILLIS before the State convention of Young Republicans at Greensboro, N. C., February 14, 1942, which appears in the Appendix.]

ADDRESS BY GOVERNOR McGRATH, OF RHODE ISLAND

[Mr. GREEN asked and obtained leave to have printed in the RECORD an address delivered by Gov. J. Howard McGrath, of Rhode Island, at the annual dinner of the Providence Chamber of Commerce, February 11, 1942, which appears in the Appendix.]

ADDRESS BY FORMER SENATOR DILL ON CONGRESSIONAL RETIREMENT

[Mr. MEAD asked and obtained leave to have printed in the RECORD a radio address delivered by former Senator Dill, on February 5, 1942, on the subject of congressional retirement, which appears in the Appendix.]

EXCERPTS FROM ADDRESSES ON OCCASION OF RECEPTION AND DINNER TO MOST REVEREND THOMAS E. MALLOY, BISHOP OF BROOKLYN

[Mr. MEAD asked and obtained leave to have printed in the Appendix excerpts from speeches delivered at a good-will dinner and reception held in honor of the Most Reverend Thomas E. Malloy, D. D., Bishop of Brooklyn, on November 27, 1941, which appear in the Appendix.]

THE NEED FOR REFORM—ARTICLE BY HANSON W. BALDWIN

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD an article by Hanson W. Baldwin, published in the New York Times of today, entitled "The Need for Reform," which appears in the Appendix.]

A ZIONIST ARMY?—EDITORIAL FROM THE NEW YORK TIMES

[Mr. RADCLIFFE asked and obtained leave to have printed in the Appendix an editorial from the New York Times of January 22, 1942, entitled "A Zionist Army?" which appears in the Appendix.]

PAY AND ALLOWANCES FOR ARMY, NAVY, MARINE CORPS, AND COAST GUARD

The Senate resumed the consideration of the bill (H. R. 6446) to provide for continuing payment of pay and allowances of personnel of the Army, Navy, Marine Corps, and Coast Guard, including the retired and Reserve components thereof, and civilian employees of the War and Navy Departments during periods of absence from post of duty, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment in the nature of a substitute reported by the Committee on Naval Affairs.

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Clark, Mo.	Kilgore
Austin	Connally	La Follette
Bailey	Danaher	Langer
Ball	Davis	Lee
Bankhead	Downey	Lodge
Barkley	Doxey	Lucas
Bilbo	George	McCarran
Bone	Gerry	McFarland
Brewster	Gillette	McKellar
Brooks	Glass	McNary
Brown	Green	Maloney
Bulow	Guffey	Maybank
Bunker	Gurney	Mead
Burton	Hayden	Millikin
Butler	Herring	Murdock
Byrd	Hill	Murray
Capper	Holman	Norris
Caraway	Hughes	Nye
Chavez	Johnson, Calif.	O'Daniel
Clark, Idaho	Johnson, Colo.	O'Mahoney

Overton	Stewart	Vandenberg
Pepper	Taft	Van Nuys
Radcliffe	Thomas, Idaho	Wallgren
Reed	Thomas, Okla.	Walsh
Rosier	Tobey	Wheeler
Schwartz	Truman	White
Smathers	Tunnell	Wiley
Spencer	Tydings	Willis

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from South Carolina [Mr. SMITH] are absent from the Senate because of illness.

The Senator from Utah [Mr. THOMAS] is absent because of illness in his family.

The Senator from Florida [Mr. ANDREWS], the Senator from Kentucky [Mr. CHANDLER], the Senator from Louisiana [Mr. ELLENDER], the Senator from Georgia [Mr. RUSSELL], and the Senator from New York [Mr. WAGNER] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury.

The Senator from New Jersey [Mr. BARBOUR] is unavoidably absent.

The Senator from Minnesota [Mr. SHIPSTEAD] is absent because of illness.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

Mr. WALSH. Mr. President, the pending bill does not require extensive explanation. The purpose of the bill is set forth in its title, which is as follows:

A bill to provide for continuing payment of pay and allowances of personnel of the Army, Navy, Marine Corps, and Coast Guard, including the retired and Reserve components thereof, and civilian employees of the War and Navy Departments, during periods of absence from post of duty, and for other purposes.

The bill now presented in the nature of a substitute amendment to the original House bill, if enacted as amended by the committee, would make suitable provision for the support of dependents of personnel of the Army, Navy, Marine Corps, Coast Guard, including the retired and reserve components of those services, the Coast and Geodetic Survey and the Public Health Service, and civilian employees of the various Government departments, who have been reported as missing, missing in action, interned in a neutral country, or captured by an enemy, and who are not presumed to be dead or to have deserted.

In general, the purposes of this bill are to provide authorization for the continued payment or credit in the accounts of the pay and allowances of missing persons for 1 year following the date of commencement of absence from their posts of duty or until such persons have been officially declared dead; the continued payment for the same period of the allotments for the support of dependents and for the payment of insurance premiums, and for regular monthly payments to the dependents of missing persons, in the same manner in which allotments are paid, in those instances in which the missing persons had neglected to provide for their dependents through the medium of allotments, such payments to be deducted from the pay of the missing persons in the same manner in which allotments are paid.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. CONNALLY. How is it to be determined who the dependents are?

Mr. WALSH. The head of the department concerned is given authority to determine that fact. In the case of the Army and Navy enlisted personnel, there is a record of their dependents in every case. If the records are missing or lost, as it is quite possible has happened or will happen in the future, authority is given to the department concerned, without review by any other board, to determine who are the dependents.

Mr. CONNALLY. Suppose the soldier or sailor comes in later and says, "I did not authorize you to pay out this money to these so-called dependents." Take the case of a man and his wife who are separated and not living together at all: Is there likely to be any trouble along that line?

Mr. WALSH. That is a possibility, Mr. President; but in the meantime it is felt that the known dependents of persons who it is assumed have dependents, and persons who make claims which after investigation are found to be meritorious, should have the money.

Mr. CONNALLY. Why is it necessary to include retired officers?

Mr. WALSH. There are some retired officers who were in active service and are reported among the missing.

I suppose the Senate would like to know how many persons are already included within the scope of the bill. Of course, the number will increase as time goes on. That information already has been made public. Therefore, it is not divulging a military secret to state it now. The question asked of the naval officer who appeared before the committee was as follows:

The CHAIRMAN. Are you in a position to state—would it be contrary to the military policy or the defense policy of the Navy to state—approximately the number of persons who are now missing and would come under this bill?

Commander BIGGS. Next of kin have been notified in the cases of 56 officers that are supposed to be prisoners of war. We have no definite information, of course; in addition, there are 5 that are missing in action whose status we have been unable to determine.

The CHAIRMAN. Officers?

Commander BIGGS. Yes, sir; and as to enlisted men, we have 30 missing, who we have been unable to establish their status. We have 75 that are probably prisoners of war, and approximately 300 others that we suspect to be prisoners of war.

The CHAIRMAN. There is no way, of course, for these prisoners of war to communicate with the Navy Department?

Commander BIGGS. At the moment; no, sir.

The officer representing the Marine Corps was asked the same questions, and he stated that the Marine Corps have 44 officers in Manila and 716 enlisted men. As these men cannot be reached, they are embraced in this bill.

Colonel Curtis then said:

Yes, sir, or a total of 760, and reported missing are 1 officer and 65 enlisted men.

There was some other testimony as to the civilians who were in the employ of the Coast and Geodetic Survey, Public Health Service, Treasury Department, and the State Department.

There was also testimony to the effect that a number of marines in China probably have been captured or taken prisoner by the Japanese.

Mr. THOMAS of Idaho. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. THOMAS of Idaho. Does section 2 of the bill take care of the civilian workmen who were employed on the captured Pacific islands? For instance, at Wake Island, a number of civilians were taken prisoners, and I understand they are now being held in Japan.

Mr. WALSH. Yes; those civilians who are employed by the various Government departments and serving outside the continental limits of the United States are covered in this bill. Other civilians are taken care of in Public Law No. 438, approved February 6, 1942, which makes provision for payment by the Government to dependents of civilians missing and employed by private contractors on public works outside the continental limits.

This bill and Public Law No. 438, therefore, take care of all classes of civilians missing or imprisoned by the enemy.

There is no provision in the bill for compensation to civilians who were injured. I believe the bill which the Senator from Florida [Mr. PEPPER] has introduced, and which is before the Committee on Education and Labor, deals with that factor, and that will be handled by the Federal Compensation Board, rather than by the military officials or heads of departments whose employees are missing.

Mr. THOMAS of Idaho. Many civilians on the islands were taken prisoner and are now in prison camps. We do not know whether they were injured or not. What I am wondering is, What immediate provision is made for the dependents of civilian workmen who were taken captive at Wake Island, Midway, and other Pacific outposts?

Mr. WALSH. Provision is made in Public Law 438 for them to be compensated, just as they would be if the work were being carried on and they were not taken prisoners of war.

Mr. THOMAS of Idaho. That is provided for in the bill?

Mr. WALSH. Yes; civilians directly employed by Government departments are in this bill; other civilians are in the public works bill, to which I have referred.

Mr. LA FOLLETTE. Mr. President, will the Senator from Massachusetts yield?

Mr. WALSH. I yield.

Mr. LA FOLLETTE. I am somewhat interested in this matter, as is the junior Senator from Idaho, as I have had communications from some of my Wisconsin constituents regarding relatives. They are inquiring about persons who, as I

understand, were engaged in civilian activities on some of the islands which have been taken. I understand that the persons who are eligible for the benefits of the proposed act are defined on page 11 of the present print. It reads:

That for the purpose of this act—

(a) the term "person" means (1) commissioned officer, warrant officer, enlisted person (including persons selected under the Selective Training and Service Act, as amended), of the War and Navy Departments, member of the Army or Navy Nurse Corps (female), wherever serving; (2) commissioned officer of the Coast and Geodetic Survey or the Public Health Service; and (3) civilian officers and employees of executive departments, independent establishments, and agencies (including corporations) of the Federal Government, during such time as they may be assigned for duty outside the continental limits of the United States or in Alaska.

I ask the Senator whether that phraseology would include the employees of any private corporations which were engaged in construction or any other technical activities on behalf of any of the executive departments of the Government.

Mr. WALSH. The bill, H. R. 6333, includes them, and that bill is now the law.

Mr. LA FOLLETTE. That would be the interpretation which the Senator, as chairman of the committee, and speaking for the committee, would place upon this language?

Mr. WALSH. I am very happy to have it recorded that this bill and the previous bill promises pay and allowances for all civilians, including those employed by private contractors.

Mr. LA FOLLETTE. It seems to me that if there were any civilians in private employ on these islands, although performing Government work, who were captured, they should, under the proposed law, have the same benefits and the same treatment accorded persons in the armed services.

Mr. WALSH. In other words, the Senator is desirous of knowing whether the provision covering the civilian employees of the various Government departments would include civilian employees working under contracts made by the Government. It would. Admiral Moreell testified they were already paying those captured civilians employed on public works and asked for such authority in a recent public works bill, and it was granted in Public Law 438, approved February 6, 1942.

Mr. LA FOLLETTE. I thank the Senator.

Mr. WALSH. There is nothing more I care to add in explanation of the bill. Is the Senator from Kentucky ready to proceed?

Mr. BARKLEY. Mr. President, I wish to inquire of the chairman and members of the Committee on Civil Service regarding the result of their meeting as affecting the status of the bill to repeal the provision of the Retirement Act applicable to the legislative branch of the Government. Many Senators have asked me whether it is my purpose, or the purpose of the junior Senator from Virginia [Mr. BYRD], or of any other Senator, to offer an amendment to the pending bill repealing that provision of the Retirement Act. I have advised them that I desired to consult the Committee on Civil Service to see what action they have taken, and what action they will take, in order to determine whether it will be desirable to undertake to offer an amendment to the pending bill.

In that connection I wish to say to the distinguished chairman of the Committee on Civil Service that I have no desire to embarrass the committee, or to put them in any situation which would embarrass them. Yet I think the members of that committee will realize that the Members of the Senate are anxious to vote on the repealer bill at the very earliest possible date. I should, therefore, like to be informed by the chairman and other members of the committee what the situation is, and what action is likely to be taken, and when.

Mr. BULOW. Mr. President, in reply to the request of our distinguished leader, let me say that the Civil Service Committee met this morning and took some testimony, and we will meet again tonight at 8 o'clock. The plan is to wind up the hearings tomorrow and to make a report, perhaps not make a report to the Senate tomorrow, but to close the hearings tomorrow; so that the report will be made shortly.

Mr. BARKLEY. That is not a very definite or, to be frank, a very satisfactory solution of the matter. I have been informed by members of the committee that the meeting tonight was to be held for the purpose of voting on reporting the bill which is now pending before the committee. If the Senator from South Dakota is correct in his statement, then the information I have received from another member of the committee is not correct. Tomorrow will be Thursday, and if the committee should meet tomorrow, and should even vote to report the bill, and it were not reported tomorrow, then we would have to go over until Friday, and if the report were not made then, we would have to go over to Saturday or to Monday, and it seems to me we should not be subjected to such a delay in order to get this matter before the Senate.

I reiterate that I am only anxious to accommodate Senators. Many Senators, probably, contemplate leaving the city over the week end because of engagements to speak at dinners, and one thing and another, and if we cannot have this question voted on tomorrow, or at least by Friday, then it will go over until next week, and I do not believe it should go over.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Virginia.

Mr. BYRD. The Civil Service Committee, as the Senator from South Dakota [Mr. BULOW] said, met this morning and took testimony from those who desired to appear. The committee decided to meet again tonight, and I am confident that, with the cooperation of the members of the committee, a bill can be reported tomorrow, for action by the Senate tomorrow. Does the Senator from South Dakota agree with me as to that?

Mr. BULOW. Mr. President, I should not say that I agree as to that. We shall do the best we can. Personally, I do not see why the distinguished leader should be in such a hurry. I have not heard of any Representative or any Senator who is contemplating resigning in order to go on the retirement list. Why the hurry?

Mr. President, let me say that this was an administrative measure. The chairman of the Civil Service Committee hesitated for quite a while to introduce it; but the request came from the administration. The measure was passed by a substantial majority of the Senate. It was signed by the President. I cannot see why our leader should become so excited about it.

Mr. BARKLEY. Mr. President, I am not any more excited about it than is the Senator from South Dakota. In reply to his suggestion that this was an administration measure I would at least correct him to the extent that the provision covering congressional pensions certainly was not an administration measure. The general retirement act applying to all Government employees may have been an administration measure. It originated in and passed the other House. I have no recollection that any recommendation by the President or anybody else in the administration ever contemplated the inclusion of Members of Congress in the retirement act, and, to that extent, I think it is not quite accurate to say that it was an administration measure.

Be that as it may, I am sure the Senator from South Dakota cannot be unconscious of that fact that Senators who voted for the measure, as well as Senators who voted against it, or who did not vote at all, feel that it is a matter which ought to be passed upon without delay. They feel, and they have come to me in large numbers, I will say to the Senator, urging that this matter be voted upon at the very earliest possible moment, and I think it ought to be voted on. I think this controversial question ought to be taken out of the field of controversy and debate here and in the country.

I still adhere to my belief that there is no advice which the Civil Service Commission can give that will be helpful in determining how Members of the Senate should vote, and I personally do not see any reason why there should be any delay.

I realize that the committee probably feels some umbrage at me because I may be accused of putting on a little pressure in order to get some action. I certainly did not put any more pressure on the committee than did the Senator from Virginia [Mr. BYRD], who is a member of the committee; and in doing what I did I was trying to accommodate the Senate, and to remove from the Senate a bone of contention that ought to be eliminated from our consideration of the war situation. It was in that spirit that a week ago I took the matter up and pursued it.

Mr. BYRD. Mr. President, would it be satisfactory to the Senator from Kentucky if the report were made tomorrow?

I feel that, with a night session, if the committee remains in session long enough a report can be made tomorrow.

Mr. BARKLEY. Of course, a report, if made tomorrow, could not be taken up without unanimous consent, and if we could not have unanimous consent the matter would have to go over until Friday. I will be perfectly frank to say that if we cannot get action on the matter any sooner, and the committee reports tomorrow, I shall move for a session on Friday in order that it may be taken up.

There is a situation to which I think attention ought to be called. I do not know that it will weigh at all with the Senator from South Dakota, but there is another branch of the legislature which has to pass on this matter, and we know that, under the rules of the House, almost any sort of bill that comes over there must have a rule. Its proponents must appear before the Committee on Rules and obtain a rule in order to take up the bill, otherwise it goes on the calendar, and can only be taken up by unanimous consent, or on some Calendar Wednesday, which would involve great delay.

Members of the House of Representatives are anxious to vote on this question as we are. It was thought not unwise to attach this repealer to some bill which the House had passed so the House could take quick action on it when the bill goes back to it. That may not appeal to anyone here, because that is a matter of House procedure, but we have to cooperate in these matters, and I have taken the liberty to confer with Members of the other branch about the procedure in the House, and I take their statement to be accurate.

Mr. President, no one is going to draw any of this pension tonight. It has been stated that 180 Members of Congress have inquired of the Civil Service Commission as to their eligibility and what they would draw in the event they are eligible. That fact, if it be a fact, certainly shows some interest on the part of Members as to their status under the law; but I take it for granted that no one expects any Member of Congress to draw a pension tonight, or tomorrow, or within the next few weeks. It is not on that account that I am urging action. I am urging action because, regardless of all that has happened before in regard to the measure, it is a matter of controversy; it colors everything we are doing; it is coloring the thoughts of the American people with respect to our acts here in the present great emergency; and it certainly ought to be settled and thrown out as a matter of controversy and a bone of contention both in the House and in the Senate. It is because of that sitaution that I have been pressing for action.

Mr. BULOW and Mr. LEE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I yield, first, to the Senator from South Dakota.

Mr. BULOW. Mr. President, in reply to what the distinguished Senator from Kentucky has said, it would seem to me that we ought to follow ordinary processes of legislation. We ought not to become excited and disturbed. Whether the law is repealed this week or next week does not, it seems to me, make any material difference. In my judgment, the Civil Service Committee ought to be given an opportunity to obtain some reports, give careful consideration to the legislation, and then do what it thinks best in making its report to the Senate. I wish to assure the Senate that we will expedite the matter as much as we can, but I think the committee ought to have an opportunity to hold such short hearings as it desires to hold. We will wind the matter up tomorrow.

Mr. BARKLEY. Can the Senator assure us that the committee will make a report tomorrow on the bill one way or the other?

Mr. BULOW. No; I cannot say that I can do so. I am only one member of the committee. If we wind up the hearings to the satisfaction of the rest of the membership, that will be all right with me. The Senator from Kentucky feels that he does not need any information. It is unfortunate that the chairman of the Civil Service Committee is not so well informed.

Mr. BARKLEY. What I meant is that, regardless of any information that may be submitted to the committee on the question, it is a matter of policy. My mind is made up. I know how I feel about it; and I think many other Senators are in the same situation. Whether the cost would be $100,000,000 or $3 a year, it would not make a bit of difference to me as to how I shall vote. Whether two Members of the Senate or the House, or all of them, are eligible for retirement privileges, I am not to be controlled by that fact in the vote I shall cast. That is what I mean when I say that no information as to the number of Members who would be eligible, the cost, or the amount anyone would draw, would in the slightest degree influence my vote. I do not know what information would be submitted to the committee except along those lines.

I should like to ask the Senator from Virginia [Mr. BYRD] who, as we all know, has been active in this matter, and who is a member of the committee, what his views are.

Mr. BYRD. Mr. President, I think that with the cooperation of the Senator from South Dakota, chairman of the committee, the bill can be reported to the Senate tomorrow. I understand that he is in favor of making a report tomorrow. We shall have a night session, and, if necessary, we shall stay in session all night. Certain members of the committee think that witnesses should be heard. Personally the Senator from Virginia does not think it is necessary to hear a great many witnesses. The matter is understood and has been discussed, but in order to preserve the ordinary procedure I hope an opportunity will be given, at least until tomorrow, for the Civil Service Committee to make a report. I am convinced that, after due and proper hearings, it can make a report by noon tomorrow.

Mr. BARKLEY. Let me ask the Senator from South Dakota, the Senator from Virginia, and other Senators whether there would be any objection if I should ask unanimous consent that during the recess of the Senate from today until noon tomorrow the committee be given the right to make a report if it is ready to do so.

Mr. BYRD. I thoroughly approve the suggestion.

Mr. BULOW. That is satisfactory to me.

Mr. BARKLEY. In that way we could take up the bill at once and dispose of it. I now make that request——

Mr. LEE. Mr. President, reserving the right to object——

Mr. BARKLEY. Just a moment; let me make the request.

I ask unanimous consent that, during the recess or adjournment of the Senate from today until 12 o'clock noon tomorrow, the Committee on Civil Service be authorized to make a report on the bill repealing the Retirement Act, insofar as it applies to Members of the legislative branch of the Government.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky?

Mr. LEE. Mr. President, reserving the right to object, I see no reason in the world why we should not act on this matter today, or else have a definite agreement that the bill will be reported tomorrow. The question is not on the merits or demerits of the act. The majority leader has made that plain. We are in disagreement as to the merits or demerits of a particular part of the act. Whether it is good or bad is a controversial question; but there is one proposition on which we are agreed, and that is that at this time such a provision is unwise and is destroying the unity of the country, and therefore should be repealed at this time. Every day it continues there is that much more damage to national unity and to the morale of our people. That does not have a thing to do with the merits of the provision itself. It is a matter of policy and of the timeliness of it. On that question we are agreed. All the testimony and experts in the world would not change that situation, and would not change the attitude of the people.

The sooner the mistake is corrected the better. When we make a mistake the proper thing to do is to admit it and correct it as quickly as possible. We never decrease trouble by postponing it. I do not see why we cannot act on the matter today. We have a bill pending. The chairman of the Naval Affairs Committee, in charge of the bill, is agreeable to having the repealer attached to the pending bill in order that it may go over to the House. The parliamentary situation would be such that the House could take it up and act upon it immediately, and this irritating thing could be taken out of the national picture so that we could proceed with the war effort. This thing, and a few other irritating things, including a dancer, overshadowed the fall of Singapore; and yet we hesitate to remove the cause of the irritation.

I hope the majority leader will stand his ground and either obtain a definite agreement to vote on the question tomorrow, or go ahead with the plan to attach the amendment to the pending bill. I much prefer that we follow the latter course.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky?

Mr. DOWNEY. Mr. President, reserving the right to object—which I hope I shall not have to do—I should like to state to the Senate and to the majority leader that I have already informed the Civil Service Committee that it is my intention to present to the committee some sort of an amendment for a general pension law as a part of the procedure which is now taking place before the committee.

It is also my intention, if the Civil Service Committee shall not accept such an amendment, to try to find some relief for 1,500,000 elderly people who are admitted by all the social agencies to be in misery and destitution. For many months I have sought some appropriate moment to present this subject to the Senate. I consider this to be the most appropriate day I shall ever have. If I can be assured that, under the existing parliamentary situation—and I am frank to state that I do not know what it is—I shall have the opportunity to present my amendment, I shall raise no objection. Otherwise, any objection that is within my parliamentary arsenal will certainly be availed of.

Mr. BARKLEY. Mr. President, of course I do not know what sort of an amendment the Senator from California intends to offer before the Civil Service Committee to the bill which it is now considering; but let me say to the Senator that if he should offer an amendment providing for any form of pensions which requires the raising of revenue, the Civil Service Committee would have no jurisdiction over that subject. If such an amendment were offered on the floor of the Senate to a bill which was not a revenue bill, it could not be adopted by the Senate, because all revenue-raising measures must originate in the House. Such an amendment would not be in order on any bill in the Senate unless it were a revenue-raising bill, which the proposed repealer is not.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. DOWNEY. Let me say to the distinguished Senator from Kentucky that the bill I am proposing is not a revenue-raising measure. It is a measure providing an authorization for the payment of a certain amount of pensions to our elderly people who are in destitution and misery. It is not a revenue-raising measure.

Mr. BARKLEY. Of course, I cannot predict what the Senator will do.

Mr. DOWNEY. I am telling the Senator.

Mr. BARKLEY. I submit my request.

Mr. LEE. Mr. President, will the Senator from Kentucky yield for a question?

Mr. BARKLEY. I yield.

Mr. LEE. If the unanimous-consent request should be agreed to, would the majority leader then either insist on a definite promise from the chairman of the Civil Service Committee that the bill will be reported tomorrow or else go ahead with the plan to attach the amendment to the pending bill?

Mr. BARKLEY. I think in all frankness I ought to say to the Senator from Oklahoma that I doubt whether the chairman of the Civil Service Committee can give assurance that his committee will act either tonight or tomorrow. There are 10 members of that committee. Eight of them are now present in the Chamber. I doubt whether the Senator from South Dakota can promise what the committee, by majority vote, will do either tonight or tomorrow. All I can say is that if the bill should be reported tomorrow, and if the agreement I am asking should be entered into and the committee should report the bill tonight, it would be on the calendar tomorrow, and we could take it up tomorrow. If it should not be reported tonight, it would not be on the calendar tomorrow, but we could take it up by unanimous consent. I do not think I should be justified in trying to exact from the chairman of the committee the assurance that the bill will be reported by tomorrow.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LUCAS. Let me make a parliamentary inquiry. In the event the Senate should agree to the request made by the majority leader, would House bill 6446 also automatically go over until tomorrow?

Mr. BARKLEY. No, indeed; the request has nothing to do with the bill now under consideration.

Mr. LUCAS. Does that mean that if we pass House bill 6446 today, then, if the Civil Service Committee reports its bill tomorrow, we shall vote separately on that bill?

Mr. BARKLEY. That is a matter of procedure that will have to be determined later. We can either do that, or it will be in order to offer the repealer as an amendment to any other bill which may be taken up.

Mr. LUCAS. The only reason I ask the question is that it seems to me, in view of the parliamentary situation in both Houses, if I correctly understand the parliamentary situation, that the repealer ought to be attached to some measure in order that a direct vote may be had on it in the other House. If I am correctly informed, if we should pass the measure just as reported from the Civil Service Committee, it would mean that no record vote in the House would have to be held.

Mr. BARKLEY. Of course, I am not concerned about whether there is a record vote in the House. That is a matter for them to determine, although I think it would be desirable to have such vote by the other House.

Mr. LUCAS. I think that, from the standpoint of unity in the country, there ought to be record votes both in the Senate and in the House.

Mr. BARKLEY. I have no right to speak for the House, but I have every reason to think there will be a record vote there on the measure. I do not think it can be avoided.

Mr. LUCAS. It means a special rule from the Committee on Rules in the House, so I am informed.

Mr. BARKLEY. Yes; I have stated that it would be more convenient all around to attach this proposal to a House bill which is on our calendar, so that when it goes back to the House they can vote on this question directly. That, however, is a matter of procedure for the House. I doubt whether we can outline here what the House shall do in regard to it.

This, however, is a parliamentary situation which may have some influence over us as to how we shall send the measure back to the House. I have been rather busy about this matter for some time, trying to get a vote on it. I do not think I have to explain that. However, I can assure all Senators—although I do not know that I have to give assurance—that, so far as I am concerned, I will do everything within human reason and parliamentary power to bring this matter to an immediate vote in the Senate. Of course, I realize that any Senator may now offer this repealer as an amendment to the pending bill. I may do so; the Senator from Oklahoma may do so; the Senator from Virginia may do so; any other Senator may do so. It is in order on the pending bill.

The only question is whether the repealer should be offered now, in view of the committee's action and their advice that they are meeting tonight on the matter. They have hastened their consideration over and above what it was yesterday, when they put this matter over to next Tuesday, and they have shown at least a willingness to consider it at once.

I do not think there is any doubt that we can get a vote in the Senate this week—tomorrow, or certainly by Friday, and I should prefer tomorrow. If I had my way, I should prefer to do it today. In view of the situation before the committee, however, the assurance that they are meeting even tonight, and that the Senator from Virginia thinks they will make a report tomorrow, I myself do not feel called upon to offer an amendment to the pending bill today, although I had intended to do so, or the Senator from Virginia had intended to do so, or a number of us thrown into the basket here together had intended to do so, if we did not get some assurance of action on this question at once.

What I shall do has no influence on other Senators, but I feel that we can wait until tomorrow to see whether the committee reports; and if it does not report tomorrow, and if there is any disposition unduly to delay the matter, we shall be in session, there will be House bills up for consideration, and the repealer will be in order as an amendment to any bill that is not a general appropriation bill.

Mr. LEE. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I have said all I wish to say. I yield to the Senator from Oklahoma.

Mr. LEE. I desire to ask the Senator further questions. In regard to allowing the matter to go over and having the

committee to sit all night, what is there that could possibly change the situation?

Mr. BARKLEY. I will say to the Senator that I do not think that would change a vote in the Senate.

Mr. LEE. Exactly; and it would not do anything at all so far as saving a bad situation is concerned. If the members of the committee feel that we are rushing them, of course, I do not want to do that. I am sympathetic with them. They have been a good committee. They have worked hard. They have been on the "up-and-up," and everything of that sort. Nevertheless, here is a situation that is damaging the country. Since there is no possibility that what the committee may do in their meeting will change anything, I desire to say that I shall offer the amendment to the pending bill if the majority leader does not do so, and I shall do everything I can do to have the amendment acted on today.

Mr. BARKLEY. Am I to understand that the Senator from Oklahoma objects to my request?

Mr. LEE. I cannot see——

Mr. BARKLEY. I did not ask the Senator if he could see. [Laughter.] I asked if he objects to my request.

Mr. LEE. I started to say that I cannot see that letting the committee sit all night will help or hurt. I was turning over in my mind the question whether allowing the matter to go over would prejudice the amendment which I hope to have offered from the floor.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from New Mexico. I do want to hold the floor, however.

The VICE PRESIDENT. Does the Senator from Kentucky still hold the floor?

Mr. BARKLEY. I am still attempting to do so. I yield.

Mr. CHAVEZ. Mr. President, whether the so-called pension repealer is voted on today or tomorrow, Representatives and Senators will not in the meantime get any retirement benefits under the Retirement Act. It seems to me that the important thing is the pending bill. I think it is more important than the possible effects on our political welfare of voting today or tomorrow on the so-called pension repealer.

The pending bill is a bill to provide for continuing payment of pay and allowances of personnel of the Army, Navy, Marine Corps, and Coast Guard, including the retired and reserve components thereof, and civilian employees of the War and Navy Departments, during periods of absence from post of duty, and for other purposes. According to the information given by the chairman of the committee, certain of our soldiers, sailors, marines, and civilians are now prisoners of war in Japan. Their dependents are relying upon the enactment of the pending bill to provide them with means by which to exist. Civilians who were captured at Wake Island and other places are dependent upon the enactment of the bill. Yet here we are, debating an entirely separate matter. We talk about unity; we talk about making efforts for prosecuting the war and for winning the war; and yet we are arguing whether Senators will be deprived of retirement benefits today or tomorrow.

Mr. CONNALLY. Mr. President, will the Senator yield to me?

Mr. CHAVEZ. Yes; if it is my right to do so.

Mr. CONNALLY. With all the talk and expressions of emotion about getting agreements and promises, I wish the Senator would get a promise from the press that it will say, first, that the Senator from Texas was in the Senate Chamber at the time when the pension bill was considered; and, second, that being here at that time, he voted "nay." I cannot get that information back to my constituents. [Laughter.]

Mr. DOWNEY. Mr. President——

The VICE PRESIDENT. The Senator from Kentucky has the floor.

Mr. CHAVEZ. Mr. President, if the Senator from Kentucky will further yield to me, I shall be through in a moment.

I am sure the press will comply with the request of the Senator from Texas; but I feel that the important thing now is the passage of the pending bill. Who would suffer if we should not repeal today the provision under which Members of Congress might receive retirement payments of $30, or $100, or $500? Some persons will suffer, however, unless the pending bill passes and becomes law.

Mr. DOWNEY. Mr. President, will the Senator yield to me?

Mr. BARKLEY. Before I yield to the Senator from California, I desire to say that of course the truth is that if some of us who were not here had been here, and if some of those who were here had displayed the same enthusiasm against this proposition that they now display, the bill would not have passed, and we should not be in this mess. [Laughter.] We are in it, however, and I think we shall have to consider how to get out of it in the most dignified way possible without appearing to be too excited or panicky with respect to it.

As I said awhile ago, no one will draw any of this pension money tonight, and no one will draw any of it tomorrow. In my judgment, there is no question that we shall get a vote on the matter tomorrow. There is a certain amount of consideration to which the committee are entitled. I think they are making an honest effort to report on the matter; and, although I am not a member of the committee, I have no doubt in my mind that they will report, and that they will report in favor of repealing the provision.

Although I had given notice that I should offer the amendment on any bill on which it might be permissible, nevertheless, in view of the present situation, I myself do not feel that I ought to offer the amendment at this time; and I will go still further and say that under the circumstances I do not feel that I ought to vote for any amendment of the kind which may be offered to the pending bill while the committee is practically in session preparatory to reporting to the Senate, and under the circumstances I will not vote for any amendment on the subject which may be offered by any Senator. I believe we will get a vote on the question tomorrow, and that is the fair and orderly way, it seems to me, in which to do it. We can offer a repealer as an amendment to some other bill that has got to go back to the House of Representatives, or we can pass it as an independent bill and let the House decide on their own parliamentary procedure as to how they shall consider it. I feel that I have got to be entirely consistent and frank about it, because, if I felt like voting for an amendment that any other Senator might offer today, I would offer one myself, but under the circumstances, I do not feel justified in doing so.

Mr. LUCAS. Mr. President, I should like to ask the distinguished chairman of the Naval Affairs Committee, who has charge of House bill 6446, whether he would have serious objection if his bill were continued over until tomorrow. I ask the question for fear that there may not be any legislation pending before the Senate tomorrow to which we could attach the so-called pension repeal amendment.

Mr. WALSH. I have no objection to that course being pursued, if it meets the approval of the leader of the majority.

Mr. BARKLEY. I have no objection to it.

Mr. LEE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. LEE. If the suggestion of the Senator from Illinois could be agreed to, it would be agreeable to me.

Mr. BARKLEY. Of course, all that is necessary in that situation is to move temporarily to lay aside the pending business and proceed to the consideration of something else, or move an executive session, which I am strongly tempted to do. Unless the Senator from California wants to ask me another question, I was going to say, under the circumstances, if the Senator from Massachusetts has no objection to the pending bill going over until tomorrow, I am perfectly willing that the Senate adjourn now until tomorrow.

Mr. WALSH. I have no objection.

The VICE PRESIDENT. Does the Senator from Kentucky still make his request?

Mr. BARKLEY. Yes; I think the request ought to be made, and I think it ought to be agreed to. It will have no effect on what may happen tomorrow. If the committee can report tonight on the bill, I think it will be helpful.

Mr. DOWNEY. Mr. President, I want to say that I have consulted with the Parliamentarian, Mr. Watkins, and I believe I know the procedure I am now entitled to take in relation to the amendment which I desire to present to this bill. Therefore I will not raise any objection to the request made by the majority leader. I desire, however, 1 minute more.

I wish to say to the Senate of the United States that the clamor which has arisen over this bill was not directed at Congressmen solely because they passed a bill providing pensions for themselves. The wrath of the American people descended upon Congress because—in every village, hamlet, and city of the United

States—there are, in the aggregate, millions of elderly people, miserable, insecure, almost facing starvation. The American people know that Congress has not yet had the courage or the energy to face that problem. Thus, it is that Congress has brought upon its head this deluge of letters—from sons supporting fathers, when they are not able to do so; from wives whose husbands, old and unable to work, need medical attention and are unable to get it.

I could read to the distinguished Senator from Virginia hundreds of despairing letters from every corner of the United States, written by people who need pensions; need them so desperately that it seems incredible that, in a Christian land, we will allow such conditions to exist.

So I want to serve notice upon the majority leader that it is my intention tomorrow very firmly, seriously, and energetically to present the ideas of 90 percent of the American people—as revealed in the Gallup poll—that we should do something to relieve the anguish and distress of our elderly people. I shall not seek to delay the consideration of the pending bill, which one way or another is of no importance to me, except to consume the time that will be necessary to attempt to bring before the Senate of the United States the decaying, unhappy, and miserable condition of our elderly people.

Mr. BARKLEY. Mr. President, I wish merely to say that it is unnecessary for any Senator "to serve notice" on me that he intends to offer an amendment; but I accept the notice.

Mr. DANAHER. Mr. President, I send to the desk an amendment to House bill 6446, and ask that it be printed and lie on the table.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

Mr. BARKLEY. Mr. President, I understand no action has been taken on my request?

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. BYRD. Mr. President, will the Senator from Kentucky yield to me?

Mr. BARKLEY. I yield.

Mr. BYRD. I merely wish to say, as one of the patrons of the repealer resolution, that no Senator is more anxious than is the Senator from Virginia for very early action, but I feel, Mr. President, if it is possible to do it without undue delay, that we should go through the regular process of having a report from the committee. I am a member of the Committee on Civil Service; I think it is a good committee; I believe the members of the committee are diligent, and I think they certainly show their diligence by having a meeting tonight. It is the only committee that I have heard of—certainly in years—which has held a meeting at night. I feel convinced that, with the cooperation of the Senator from New York, if possible, and certainly the Senator from South Dakota, the chairman of the committee, the report on the bill can be made tonight, so that it will be in order for consideration, as I understand, in the ordinary course of business tomorrow. So I express the hope that tonight all members of the Civil Service Committee will be in attendance, and that we will sit there as late as may be necessary so as to hear the witnesses who want to be heard and those the committee will permit to be heard, give due consideration to the matter, and then submit a report to the Senate tomorrow.

Mr. WALSH. Mr. President, I should like to state what I understand the situation to be. I understand that the bill of which I am in charge will remain the unfinished business, and be in order tomorrow on the convening of the Senate. If the Committee on Civil Service reports a bill, my bill, being the unfinished business, will be in order and will be in a position to be voted on, and then there will be an opportunity presented for the bill reported by the Civil Service Committee to be considered and acted upon.

Mr. BARKLEY. The Senator is correct about that. His bill will remain the unfinished business tomorrow, and if, in the meantime, the Civil Service Committee reports the bill now before it, I hope that the committee will give serious consideration, for the parliamentary reasons already explained, to the suggestion that it offer in the name of the committee its bill as an amendment to the pending bill. I think, if the committee reports in favor of repeal, it itself might well offer it as an amendment to this bill, so that it will go back to the House as a part of this bill for the consideration of that body.

Mr. WALSH. Am I to understand there will be no occasion for the proposed amendment, the Byrd amendment, being offered to the pending bill, which is the unfinished business, in the event the Committee on Civil Service report the bill they are now considering?

Mr. BARKLEY. I was expressing the hope that if the committee should report the repealer bill before the naval bill should be again taken up tomorrow, the committee itself, in its own name, would offer the repealer as an amendment to the naval bill, so that it would go back to the House in such a way that they could act upon it without a special rule.

Mr. WALSH. Or they could report a separate bill and have it immediately taken up.

Mr. BARKLEY. Oh, yes; either way. I offered that suggestion for the consideration of the committee.

Mr. LEE. Mr. President, from this point in the Chamber I could not hear what the Senator from Kentucky said.

Mr. BARKLEY. I had suggested to the Committee on Civil Service that if it should report by tomorrow a bill repealing the Retirement Act, the committee itself, in its own name, might offer that repealer as an amendment to the pending bill, so that we might act upon it and send it back to the other body. I merely offered that suggestion for the committee to consider.

Mr. LEE. There was no agreement or understanding with regard to anything else? I did not hear all the debate.

Mr. BARKLEY. There was no agreement or understanding about anything, except that the pending bill is to go over until tomorrow, and we all hope the Committee on Civil Service will act before that time arrives.

Mr. GLASS and Mr. CLARK of Missouri addressed the Chair.

The VICE PRESIDENT. Does the Senator from Kentucky yield, and, if so, to whom?

Mr. BARKLEY. I yield first to the Senator from Virginia.

Mr. GLASS. Mr. President, suppose the Committee on Civil Service does not act, or acts adversely on the proposed amendment; what are those of us who want to repeal the retirement provision at once going to do about it?

Mr. BARKLEY. Any Senator may offer an amendment to the pending bill, regardless of the action of the committee, that will repeal the particular provision of the Retirement Act.

Mr. GLASS. But if the Senator from California [Mr. DOWNEY] is going to present his pension proposition before the committee, God only knows when we can act.

Mr. BARKLEY. That is a matter for the committee to consider.

INVESTIGATION OF "NORMANDIE" DISASTER

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, without amendment, Senate Resolution 225, submitted yesterday by the distinguished Senator from Michigan [Mr. VANDENBERG], referred to the Naval Affairs Committee, by that committee favorably reported, and subsequently referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

I ask unanimous consent for the immediate consideration of the resolution.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 225) submitted by Mr. VANDENBERG on February 17, 1942, was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Naval Affairs, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation of all the facts and circumstances with respect to the fire which severely damaged the U. S. S. *Lafayette* (the former French liner *Normandie*) on February 9, 1942, and resulted in her being capsized at her dock at New York City, with a particular view to determining the cause of such fire and whether it was due to negligence or was attributable to the activities of enemy agents or fifth columnists in an effort to impede the prosecution of the war. The committee shall report to the Senate, at the earliest practicable date, the results of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-seventh and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such cor-

respondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

AUTHORIZATION TO RECEIVE MESSAGE FROM HOUSE OF REPRESENTATIVES

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to receive during the recess of the Senate following today's session a message from the House of Representatives relating to House bill 6548, the First Deficiency Act of 1942.

The VICE PRESIDENT. Without objection, it is so ordered.

CONSUMPTION OF SUGAR IN THE UNITED STATES

Mr. BROWN. Mr. President, much interest has been manifested throughout the country in the question of sugar consumption and sugar hoarding. I was astounded this morning to find that the consumption of sugar in 1941 was a million tons above the sugar consumption in 1940, which is almost conclusive evidence of the fact that an enormous amount of hoarding has been going on. I have gathered together figures and statistics which show that our normal consumption from 1937 to 1940 ran from 6,600,000 tons in 1937 to 6,900,000 tons in 1940. The increase of a million tons, or approximately 16 percent, is astounding.

I therefore ask that a statement I have prepared upon the subject matter be inserted in the RECORD at this point. I do so in the hope that the fact that we have available 7,000,000 tons of sugar, according to the estimates I am submitting, will quiet the fears of the housewives, the manufacturers, and the other consumers of sugar, who, in my judgment, have in hoarding a quantity of sugar approximating 750,000 tons. I submit the statement in the hope also that the housewife, the manufacturer, and others who have this quantity of sugar on hand will refrain from purchases until it is used up; for, if the recommendations of the Price Control Administrator and those who have charge of sugar are followed out by the American people, there will be no damaging sugar shortage in the United States in the year 1942, and I am reliably informed that there will be a surplus of about a million tons of sugar left to take care of our needs in 1943.

The VICE PRESIDENT. Without objection, the statement referred to by the Senator from Michigan wil be printed in the RECORD.

The statement is as follows:

STATEMENT ON SUGAR BY SENATOR BROWN

So much has been said about the sugar supply situation in recent weeks that I think special emphasis should be given to the true facts, for the purpose of showing the general public that hoarding of sugar is unnecessary and that patriotic citizens should use up supplies they have on hand and depend upon general marketing conditions for their supply.

The consumption of sugar for the years 1937 to 1940, inclusive, are as follows:

Sugar consumed in the United States

[In round figures]

1937	6,600,000
1938	6,600,000
1939	6,800,000
1940	6,900,000

In 1941, due, I think, to the great decline in shipping space caused by the use of our ships in lend-lease and similar carriage, there was apprehension about sugar supply. Consumption figures indicate an increase of approximately 1,000,000 tons, making a total of approximately 8,000,000 tons. The major part of this was probably due to household and manufacturing hoarding. That supply in excess of normal consumption which probably was not in excess of 7,000,000 tons is now an invisible supply.

A very informative and accurate statement was made by the Price Administrator the first week in February in which he called attention to the fact that the loss of approximately 1,000,000 tons from the Philippines would probably continue for some time and that the reason why this is not made up from Cuba is because of the necessity of converting the sugarcane into molasses for alcohol to be used in the manufacture of powder. Lowry & Co., one of the best-informed sugar houses in the United States, in their February 13 letter (printed at the end of this statement) to the trade called attention to the fact that there is an estimated amount available for the year 1942 of 7,000,000 tons which is probably roughly equivalent to our normal consumption. They also estimate that if our civilian consumption is regulated as the rationing program is outlined, we will probably have an excess of 2,500,000 tons of sugar out of this year's available supply; that we will be able to assist our allies, including Russia, Canada, and Great Britain; and that it is probable that after making reasonable provision for them, we will still have 1,500,000 tons available to make up any possible loss of production in 1943.

There is no question but that we must use sugar sparingly and that we must support the Government's program. I cannot express the matter better than is done by the letter to which I have just referred. I quote:

"Just what is a sugar shortage? True, we have been accustomed to the consumption of more sugar than any other nation in the world and two or three times as much as many. Does cutting down our consumption 10 or 20 percent mean a shortage in the accepted term? We think not. To us, it means only the conservative use of sugar, and we believe that can be brought about not by the kind of statements that have been made during the past 3 months but by emphasis on the very complete, frank, and concise statement by Mr. Henderson made to the press about a week ago. This probably because of its quality did not get the headlines in the papers, and, unfortunately, was printed as a rather small item on an inside page. After calling attention to the fact that other supplies were about, or a bit above, normal, he made reference to the fact that 1,000,000 tons from the Philippines would suddenly, for the present, remain cut off. That instead of making this up by increased importations from Cuba, we had wisely elected to convert a like amount of Cuban sugarcane into invert molasses for the production of alcohol, from which munitions were made. Once that is known, everyone will immediately recognize its necessity. Once this is understood, everyone will willingly and naturally curtail somewhat the use of sugar and will take pride in doing so. Some supervision of distribution is called for, but if we release all the supply as it becomes available it is unlikely that handcuffs at this time will be found necessary. Why not first give the natural forces a chance to work? As much depends on how a thing is done as on what is done."

It is my hope that this statement will alleviate the fears that have occasioned the storage of sugar both with manufacturers and domestic consumers and by the publication of the real facts assist in public acceptance of the program.

LOWRY & CO., INC.—SUGAR REVIEW

The sugar supply picture: The logical way to arrive at the amount of sugar available for the civilian population and the percentage basis for rationing would be to take stocks on hand at the beginning of the year, add receipts reasonably assured during the year, then deduct essential war needs, exports to Allies, necessary reserves for working stocks, and then if reasonable supplies are envisaged for 1943, say that the remainder is available for distribution and consumption to the civilian population during the current year and ration accordingly.

In view of the fact that so many "ifs," "buts," and "ands" surround the amounts required for war needs, exports to Allies, etc., let us approach the problem from the other end; that is, estimate the amount of sugar required for the civilian population on the basis of present and proposed rationing percentages, and see how much sugar will be left for other purposes. With this "reserve supply" clearly in sight it will be easier to discuss the possible uses to which it may be put, the need for building it up, and the probabilities of an increase or decrease in the rationing percentages for civilian use as the year progresses.

We believe approximately the following amounts of sugar will be available from carry-over stocks or new-crop production during the calendar year 1942:

	Short tons raw value
Fairly certain:	
United States beets	2,000,000
Domestic cane	[1] 600,000
Puerto Rico	1,250,000
Cuba (raw or refined)	[2] 2,377,000
Probable:	
Full duty sources	[3] 100,000
Indeterminate:	
Hawaii (estimated receipts from crop of approximately 1,000,000 tons)	[4] 550,000
Excess invisibles in hands of trade, recoverable by War Production Board	[5] 200,000
Philippines	0
Estimated amount available	7,077,000

[1] This is somewhat higher than current trade estimates, but is based upon private information from New Orleans which indicates a crop of about 500,000 tons for the State of Louisiana plus 100,000 tons for Florida.

[2] The Cuban estimate is based upon a total production of 4,250,000 short tons, less one-third in the form of molasses for the Defense Supplies Corporation, less an estimated 456,000 tons of the remaining sugar production for local Cuban consumption and exports to miscellaneous Central and South American markets.

[3] Unless there is the expected reduction in the full-duty tariff on sugar by midyear very little of this sugar is likely to be available for United States domestic consumption.

[4] The quantity to be received from Hawaii is uncertain. West coast arrivals are very nearly normal and, based upon the best information available at the moment, we believe our figure of 550,000 tons may be considered the minimum, with the possibility that most if not the entire crop may become available.

[5] We estimate hoarding in 1941 from 500 to 750,000 tons. That portion concealed on the shelves of the housewife probably cannot be recovered to any great extent. It will

gradually be eaten up during 1942–43 as a concealed addition to the proposed ration of 12 ounces per person per week. Wholesalers' and manufacturers' excess stocks are more readily subject to audit, however, and the 200,000 tons included in our table represent a rough guess and is much below the 500,000 tons at one time spoken of as being the amount that may be recovered by the War Production Board and redistributed to the same holders or others as a part of the 1942 supply. We have made no other adjustments for initial or final stocks and expect invisibles to remain on the low side for the duration.

The next step is to arrive at our domestic consumption for 1942. So far, the only rationing in effect is that imposed upon receivers, such as wholesalers, jobbers, and manufacturers. They are limited to "80 percent of use or resale" during the base period of 1941. It should be noted that use or resale is not synonymous with the amount received. The 80 percent is therefore not applied to the distribution of approximately 8,100,000 in 1941, but more nearly to the distribution of 1940, increased somewhat, perhaps, to allow for the actual increase in consumption in 1941. For purposes of calculation, let us assume that "use or resale" in 1941 amounted to 7,000,000 short tons. The manufacturing-household ratio is generally calculated at 35 to 65 percent, or, say, 2,450,000 tons and 4,550,000 tons, respectively. If the 80 percent allowance is maintained for the balance of the year, then the indicated manufacturing consumption for 1942 is 1,960,000 short tons (i. e., 80 percent of 2,450,000 tons used in 1941)

According to press reports, the household consumption will be limited to 12 ounces per person per week by means of a rationing card. Assuming a population of 133,000,000, this amounts to 2,593,000 tons. It should be noted that these calculations throw the customary 35 to 65 percent ratio out of balance, favoring the manufacturer in the ratio of approximately 43 percent to only 57 percent for the householder. This may or may not indicate that manufacturers will be scaled down further to put them on a more equal relative basis with the householder or the latter moved up.

In any event, on basis of present information, we have the following picture:

	Short tons raw value
Estimated supply, as determined above	7,077,000
Less United States civilian consumption:	
Manufacturers, as above	1,960,000
Householders, as above	2,593,000
Total	4,553,000
Balance for other disposition	2,524,000

We should now make provision for exports to Britain, Russia, or other overseas Allies. Last year Britain and Canada took off about 550,000 short tons of the Cuban crop. This year, because of increased production in Santo Domingo, the British West Indies, and possibly larger domestic beet crops, their take may not be so large. It is safe to assume that they will want some part of the Cuban crop however, and a conservative estimate might be from 450,000 to 500,000 short tons. This would reduce our stock pile to a shade more than 2,000,000 tons. Next we have to consider Russia. No one seems willing to accept responsibility for it but for them a figure of 900,000 tons has been mentioned. The amount seems very large. There are so many difficulties of which shipping is not the least yet because we may not be able to give her all the guns, tanks, and airplanes that she wants some argue that we may try to make it up in foodstuffs. This may be true; we don't know. We think we are generous when we set aside 500,000 tons for Russia and other overseas destinations, exclusive of Canada and Britain, during 1942, and that any deficit in delivery will be held as an additional reserve. Our stock pile then reduces to approximately 1,575,000 short tons raw value.

It may now properly be asked why this apparently large indicated reserve is necessary; and as a matter of fact the question is being insistently asked by a number of disgruntled manufacturers who find their sugar quotas being cut far below current requirements and fear not only a loss of business but the necessity of curtailed employment of labor. It should be immediately apparent that the indicated surplus of 1,575,000 tons shown in our table is not a real surplus resulting from overproduction but is a stock pile to be held by our Government for future domestic use.

With respect to this it may be argued, first; that crops are dependent upon weather. While generally conditions are now good, they may or may not outturn in accordance with earlier estimates. Second, the supplies from offshore areas must be transported in ships; and at the moment, with our far flung battle lines and the necessity of supplying our distant Allies, the conservation of tonnage is of the utmost importance. Losses by sinkings even in our own coastal waters must be considered. Third, despite the provision that one-third of the Cuban crop is to be made into molasses for alcohol production for the munition manufacturers it may be necessary to divert still more to this use. On this point, however, there is considerable controversy and the increased use of grain might possibly alleviate the situation.

These are some of the intangibles of the situation that cannot be accurately measured now, which, it is argued, must be taken into consideration in advance by creating reasonable reserve stocks in Government hands but not in the pantry. It is well to be forehanded, and make reasonable provisions for unforeseen contingencies. A rather fine point is what is "reasonable"? What really is the difference between going on short rations now in order to build up stocks on the theory these may be needed, or going on short rations after we know that it is necessary to do so. In the trade there has long been the saying that sugar is made for use (sale) and not for storing. If the United States were wholly dependent upon distant offshore areas for its entire sugar supply it would be one thing. But with approximately 2,500,000 tons produced within our own borders and another 3,500,000 tons available for our use in Puerto Rico and Cuba, almost within a stone's throw of the mainland there is room for debate as to the advisability of building up in warehouse a huge surplus of actual sugar now, particularly when the producing areas are themselves doing just that very thing in the form of increased plantings. Everywhere there is increased acreage going into sugar. We must not forget that Cuba once made 5,150,000 long tons of sugar (equivalent to 5,768,000 United States short tons). This milling capacity is still available or can be made available as cane plantings are expanded. Louisiana and Florida producers are not idle; and the beet areas are not expected to retrograde. With average growing weather we may easily see an increase in production of around 1,000,000 tons in the year 1943, just from domestic and nearby offshore areas. This estimate takes no account of increasing receipts from Hawaii, increased production in Santo Domingo, Haiti, British West Indies, United Kingdom, and Canadian beet crops—all of which lessen the foreign demand for Cuba's and makes a correspondingly larger supply available for the United States market. Why then when we have these additional supplies to look forward to should we choose a period of short supply to build up warehouse stock? Generally the argument has been to build up stocks in time of plenty and release everything in time of scarcity.

The present tight situation can be attributed to a number of causes, not the least of which is the fact that we have been in a between-crop period. New crop production is again under way, and as these supplies arrive and are distributed they will afford relief. There has been in the past so much in the press about a sugar shortage that it is not unnatural on one hand a feeling of alarm should have been created, and on the other a feeling something should be done about it; that is, something radical, a bandwagon on which many well-intentioned like to jump. Looked at soberly and judiciously, we see nothing in the situation as it exists today that justifies the feeling of a sugar shortage. Just what is a sugar shortage? True, we have been accustomed to the consumption of more sugar than any other nation in the world, and two or three times as much as many. Does cutting down our consumption 10 percent or 20 percent mean a shortage in the accepted term? We think not. To us, it means only the conservative use of sugar, and we believe that can be brought about not by the kind of statements that have been made during the past 3 months, but by emphasis on the very complete, frank, and concise statement by Mr. Henderson made to the press about a week ago. This probably because of its quality did not get the headlines in the papers, and, unfortunately, was printed as a rather small item on an inside page. After calling attention to the fact that other supplies were about, or a bit above, normal, he made reference to the fact that 1,000,000 tons from the Philippines would suddenly for the present remain cut off. That instead of making this up by increased importations from Cuba, we had wisely elected to convert a like amount of Cuban sugarcane into invert molasses for the production of alcohol, from which munitions were made. Once that is known, everyone will immediately recognize its necessity. No one will contend that the importance of Mrs. Tom, Dick, and Harry having more than an ample supply of sugar is as important as to have the men on the firing lines supplied with more than ample powder. Once this is understood everyone will willingly and naturally curtail somewhat the use of sugar and will take pride in doing so. Some supervision of distribution is called for, but if we release all the supply as it becomes available it is unlikely that handcuffs at this time will be found necessary. Why not first give the natural forces a chance to work. As much depends on how a thing is done as on what is done.

Mr. PEPPER. Mr. President, I desire to call attention to the fact that we in Florida face the anomalous situation of a sugar-rationing program in the United States and an effective prohibition against growing in Florida the sugarcane and producing the sugar which might adequately relieve the sugar shortage.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Montana.

Mr. WHEELER. The situation in Florida does not differ from the situation in my own State. In my State there are farmers who are perfectly willing to put in at least 40,000, 50,000, or 60,000 acres of sugar beets. There are persons who are willing to erect factories to process the sugar beets, providing they can have some assurance that they may go on processing them for a few years.

Mr. PEPPER. Mr. President, I appreciate the contribution of the able Senator from Montana. It merely emphasizes the

wisdom of what the able Senator from Montana, the able Senator from Nebraska [Mr. NORRIS], and many other Senators on this floor urged a little while ago, when the question of the extension of the Sugar Act for 3 more years was under consideration by the Senate. At that time, Senators will recall, some of us tried to secure the insertion in the bill of a provision that the quota system, when it should go back into effect, should take cognizance of the situation as it might exist at that time. Now every farmer in any State of the Union who engages in the production of sugarcane does so with a flat prohibition staring him in the face against his continuing to grow sugar or to process sugar when the emergency is over, and the sugar quota system goes back into effect.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. CLARK of Missouri. My State does not produce any sugar, and I do not want to ask the Senator particularly with regard to sugar; but, if my mail is any indication of that which Senators from other agricultural States receive, there is another situation which applies not only to sugar but to every other agricultural product, and that is that it will be very difficult to induce farmers to increase their agricultural production, and very difficult for the farmers to do so if they try, so long as the present situation prevails with regard to farm labor. The draft authorities do not give agricultural labor a deferred status, although they give it to motion-picture actors and those engaged in various other industries which seem to me to be absolutely nonessential, and the Government is setting up defense plants in the neighborhood of great agricultural areas, where agricultural labor can simply walk off the farm, and, by taking 3 or 4 or 5 or 6 weeks' training, get $14 or $15 a day for other defense labor, a wage with which the farmers cannot compete.

It seems to me that the whole agricultural situation, including the question of increased production of sugar and everything else, must be looked into in the light of the condition with regard to labor which confronts the farming interests of this country by reason of what I have just described.

Mr. PEPPER. I thank the Senator from Missouri for his contribution. Undoubtedly if there is to be protection of the agricultural interests of our country during this emergency there must be a reexamination of some of the statutes we have put on the statute books, to ascertain whether it may be necessary to alter some of the provisions now in effect in order to give agriculture fair consideration.

So far as the national interest is concerned, we have been very much excited here yesterday and today about repealing, instanter, a so-called pension system. That is a misnomer. It is, as a matter of fact, a contributory retirement system. As I have said, we are very much excited about repealing a provision of the law which would cost the United States Government $80,000 a year, as informed Senators on the floor of the Senate say. Yet the agricultural interests of this country are attempting to grow sugar, and are endeavoring to provide it for the housewives and for use in industrial processes, and we cannot even get anyone concerned about the detriment to the national interest to which reference was made in the beginning of my remarks.

PAY-ROLL SAVINGS PLAN FOR THE SENATE

Mr. BARKLEY. Mr. President, before we conclude our session I desire to make a brief statement for the information of Senators and members of their staffs. It pertains to the introduction of a pay-roll savings plan in the Senate, with special reference to the sale of Defense bonds and stamps.

Our plans for financing the war are based on the belief that the American people, of their own free will, believing as they do in the supremacy of democracy, want to assume their share of its cost to support the men in the service. In this effort no group should be more active than the Members of the United States Senate and their employees. We want to be in the front rank of that vast army of patriotic citizens throughout the country who are to supply fighting dollars for fighting men.

There are being established throughout the country, in all forms of private industry, pay-roll savings plans whereby every man and woman gainfully employed are given the privilege and opportunity to purchase United States Defense savings bonds through periodic allotments from their wages.

Under this pay-roll savings plan, which is entirely voluntary, the Members of the Senate and employees of the Senate may sign a card which will authorize the Senate financial clerk to withhold monthly a specified sum from their salaries, to be accumulated in individual accounts until a sufficient sum has accrued for the purchase of a bond of any denomination. The bond will be purchased, registered in accordance with our instructions, and delivered either directly to us or to a designated address. This procedure will be continued for the duration and until victory is assured. Should anyone at any time find it necessary to cancel his authorization, he may do so and receive a refund of any money that has accumulated. The amount of the periodic allotment will be left for each Senator or employee to determine.

As the Secretary of the Treasury has said, "War is always costly; however, it is a million times more costly to lose than to win." Throughout the Nation production schedules are being forced to maximum in order that an overwhelming number of planes, tanks, ships, and guns properly and adequately to equip our men in the front lines may be promptly forthcoming. Here is an opportunity for many of us to lend personal aid to the war effort. Let us get behind it. None of us should be satisfied until this plan has been put into effect and is in force in the Senate and in our offices.

Let me point out that under this plan any bonds purchased by Senators or their employees will be credited to their home States in order to increase the amounts subscribed for within their States.

As I have stated, this is purely voluntary; it is only a suggestion which is in compliance with plans which those in charge of the Defense bonds program are working out in all the States, and in every industry, however large or small. I think it would be a fine example to the country for the Members of the Senate and their employees to follow the same plan in the purchase of bonds and stamps.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MEAD. I think this is a meritorious suggestion. Why would it not be helpful to all the Senators and their office personnel if the matter were handled by the disbursing office, and if a notice of the method or plan involved were directed to each of our offices, so that it would be more easily complied with?

Mr. BARKLEY. I thank the Senator for that suggestion. I am satisfied there will be no difficulty in working out the plan with the financial clerk of the Senate, who will be glad to bring it to the attention of all Senators and their office forces, and all employees of the Senate, whether in our offices or elsewhere around the Capitol.

Mr. MEAD. I believe we should set an example, and this gives us an opportunity to do so.

Mr. BARKLEY. Yes; I think the Senate should set the example.

RETIREMENT PRIVILEGE FOR MEMBERS OF CONGRESS

Mr. MEAD. Mr. President, yesterday's New York Times—a splendid newspaper, by the way, which has been very considerate of the Congress in connection with the debate on retirement—carried the story that, following the discussion in the Senate yesterday, I introduced a bill which would make 65 years as the age of retirement, and which would prevent anyone now a member of a State or local retirement system from coming under the Federal system.

I stated during the debate—and I know the newspapers will want to make correction—that I would not introduce a bill, nor would I introduce an amendment to the appropriation bill which was then under consideration, because I wanted to be consistent with my request that our committee be permitted to consider the bill introduced by the distinguished junior Senator from Virginia [Mr. BYRD], that therefore I would offer no competition by introducing any proposed legislation of my own. That would permit the committee to consider the bill of the Senator from Virginia, and the committee members could make their own decision based on how they felt about the matter. So, Mr. President, I withheld introducing a bill in order that the committee might give proper consideration to the proposal of the Senator from Virginia. Of course, if the committee desires to consider any amendment I may offer, or which any other Senator may offer, that is within the power of the committee.

Mr. President, in order to make the record clear, I now state that I did not introduce the original bill, nor have I introduced any bill subsequent to the discussion of the matter on the floor.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations in the Navy, which were referred to the Committee on Naval Affairs.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

Sundry persons for appointment and promotion in the Diplomatic and Foreign Service.

By Mr. McKELLAR:

From the Committee on Post Offices and Post Roads:

Several postmasters.

From the Committee on Appropriations:

Edward N Jones to be State director for the Office of Government Reports for Pennsylvania.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY—CHARLES H. LEAVY

The legislative clerk read the nomination of CHARLES H. LEAVY to be United States district judge for the western district of Washington.

Mr. BONE. Mr. President, I do not desire to occupy the time of the Senate for more than a moment, but I would not have the nomination of Judge LEAVY confirmed without at least some representative of the State of Washington calling attention to the fact that he has served in the House of Representatives for a number of years, and prior to becoming a Member of the House he had a long record of honorable service in the State of Washington.

He was elected prosecuting attorney of the county where he lived, and subsequently served the people of Spokane County on the bench as a superior court judge, where he had a very honorable career, and where he was looked upon as a very honorable lawyer, and a just and upright judge. I know it will bring great happiness to Judge LEAVY to be named to the Federal district bench in my State.

I have one thing further to say for the RECORD. Some question has been raised in our State about the fact that the vacancy to which Judge LEAVY has been appointed has existed for some time—about 2 years. Let it be said that for some reason—which was not made apparent either to me or to the members of the Committee on the Judiciary, before whom I discussed the matter—there have been some 20 or 25 judicial vacancies in the United States which were unfilled for a period of from a year and a half to 2 years, and this vacancy in Washington was merely one of them. I want this statement to go into the RECORD for the information of the press of my State, and of my colleagues in the Senate. I asked why it was, and I could not find out. I desired to absolve myself for any delay in the matter. From time to time I sought consideration of various able men whose names have been presented to me, among which was that of Judge LEAVY. The President desired to appoint him, and he was appointed, and his nomination is now before the Senate for confirmation.

I want the RECORD to show that in the case of the Washington judgeship no greater delay was occasioned than in connection with numerous other judicial posts around the country. They were not filled, and I was unable to ascertain why they were not filled. I want my colleagues in the Senate and the people in the State of Washington to understand that in this case no more delay was occasioned than in many other instances.

I think we can all feel gratification that one of our legislative brethren has been elevated to the bench. He is a dignified gentleman and will honor the bench by his presence.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

UNITED STATES ATTORNEYS

The legislative clerk read the name of Clinton R. Barry to be United States attorney for the western district of Arkansas.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Powless W. Lanier to be United States attorney for the district of North Dakota.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHALS

The legislative clerk read the nomination of William B. Fahy to be United States marshal for the eastern district of Missouri.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of George J. Keinath to be United States marshal for the northern district of Ohio.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Albert A. Sanders to be United States marshal for the district of Wyoming.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COLLECTORS OF CUSTOMS

The legislative clerk read the nomination of Agnes M. Hodge to be collector of customs for customs collection district No. 35.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Henry V. Schwalbach to be collector of customs for collection district No. 37.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

OFFICE OF GOVERNMENT REPORTS

The legislative clerk read the nomination of William A. Sheehan to be State Director for Connecticut.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

The legislative clerk read the nomination of James H. Flanagan to be a member of the Public Utilities Commission.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The VICE PRESIDENT. Without objection, the postmaster nominations are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The VICE PRESIDENT. Without objection, the Army nominations are confirmed en bloc.

Mr. BARKLEY. I ask unanimous consent that the President be immediately notified of all confirmations of yesterday and today.

The VICE PRESIDENT. Without objection, the President will be notified forthwith of all confirmations of yesterday and today.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 1 o'clock and 35 minutes p. m.) the Senate took a recess until tomorrow, Thursday, February 19, 1942, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate February 18 (legislative day of February 13), 1942:

APPOINTMENTS AND PROMOTIONS IN THE NAVY

The following-named captains to be rear admirals in the Navy, to rank from the date stated opposite their names:

Bryson Bruce, April 1, 1941.
Ernest D. McWhorter, September 1, 1941.
Richmond K. Turner, December 8, 1941.
Arthur S. Carpender, December 8, 1941.
Julius A. Furer, January 1, 1942.

The following-named commanders to be captains in the Navy, to rank from the date stated opposite their names:

Clinton E. Braine, Jr., December 1, 1941.
Arthur C. Miles, December 8, 1941.
William M. Fechteler, December 8, 1941.
Gerald F. Bogan, December 8, 1941.
Sidney E. Dudley, December 8, 1941.
Grover C. Klein, December 8, 1941.
Willard A. Kitts 3d, December 8, 1941.

The following-named commanders to be captains in the Navy, to rank from the 1st day of January 1942:

Bertram J Rodgers	Samuel P. Ginder
Frank E Beatty	Van Hubert Ragsdale
John H Carson	Leon O Alford
Robert B Carney	James E Boak
Arthur W Radford	Robert P Luker
Webster M Thompson	Lewis J Stecher
Andrew D Mayer	Harry J. Reuse
Charles T Joy	Gerard H. Wood
Charles J Wheeler	

The following-named lieutenant commanders to be commanders in the Navy, to rank from the date stated opposite their names:

Charles M Huntington, April 1, 1941
Frederick I Entwistle, November 1, 1941.
Burtnett K Culver, November 1, 1941.
Clinton A Misson, December 1, 1941.
Thomas L Lewis, December 1, 1941
William D Johnson, Jr., December 8, 1941.
Philip G Nichols, December 8, 1941.
Robert E Jasperson, December 8, 1941.
James V Carney December 8, 1941

The following-named lieutenant commanders to be commanders in the Navy, to rank from the 1st day of January 1942:

Robert F Hickey	John W Jamison
John M. Hoskins	Ralph E Butterfield
Joseph P Rockwell	William B. McHugh
Leonard Kaplan	Frederick D Kime
Ruthven E Libby	John H Willis
Francis H Whitaker	Clement F. Cotton
Carlyle L. Helber	Franklin O. Johnson
Dale Quarton	Charles F M. S Quinby
Nicholas A. Draim	
Henry A Ingram	Timothy F Wellings
Robert N Hunter	Donald L. Erwin
Leslie A Kniskern	Eugene B Oliver
Walter E Zimmerman	Logan McKee
Wilson P Cogswell	Clarence E. Aldrich
Ralph C. Kephart	Leslie K Pollard
Alden R Sanborn	Harold A. Houser
Milton E Miles	James A Roberts
William Sterling Parsons	Lionel L Rowe
	Floyd F Ferris
Robert E. Blue	Jefferson D Beard
Adolph E Becker, Jr.	John A Sweeton
Bruce B Adell	Richard W Dole
Roger E Nelson	Edward C Craig
Herbert E. Regan	John S. Harper
Warren K Berner	Woodson V Michaux
Robert E Blick, Jr.	Alfred R. Taylor
Robert K Wells	

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the date stated opposite their names:

James M. Smith, April 1, 1941
Frank Turner, November 1, 1941
Ulysses S G Sharp, Jr., November 1, 1941.
Eugene E Lindsey, November 1, 1941.
Leo W Nilon December 1, 1941
Robie E Palmer, December 1, 1941.
James S Willis, December 8, 1941
Robert Brodie, Jr., December 8, 1941.
Frederic S Habecker, December 8, 1941.
Farar B C Martin, December 8, 1941.
Randolph B Boyer, December 8, 1941.
Paul L. High, December 16, 1941
Hysell P. Cooper, December 16, 1941.
Howell J. Dyson, December 16, 1941.
Edward S Addison, December 16, 1941.
John C Woelfel, December 16, 1941
Willard A Saunders, December 16, 1941.
Blinn Van Mater, December 16, 1941.
George D Dickey, December 16, 1941
Thomas B Neblett, December 16, 1941.
Thomas M Dykers, December 16, 1941.
Mitchell D Matthews, December 24, 1941.

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the 1st day of January 1942:

Frank Bruner	John R. Waterman
Thomas J Flynn	Louis H. Hunte
Selden G Hooper	Courtney Shands
Walter C Winn	Monroe B Duffill
Albert R Heckey	Herbert D. Riley
Joseph J Carey	Henry T. Jarrell
Wayne R. Loud	Eugene L. Lugibihl
Louis T. Malone	Julian D. Greer
William R. Caruthers	Henry Farrow
Joe Taylor	Halle C. Allan, Jr.
Philip H Ross	John W Murphy
Leonard B Southerland	Edward H. Eckelmeyer, Jr.
Frank Virden	Selman S Bowling
William R D. Nickelson, Jr	Robert L Densford
	Robert B Alderman
Emile R. Winterhaler	Ross R Kellerman
Robert J. Foley	Jules F Schumacher
Frank M. Hammitt	Howard A Yeager
William S Harris	Arthur H Taylor
Carl M. Dalton	George A. Lewis
William H. Brockman, Jr	Alan R. Montgomery
	Malen Durski
Charles R. Carroll	John Bailey
William C Asserson, Jr	Gus B Lofberg, Jr.
	Marion M Byrd

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the date stated opposite their names:

Forrest R. Biard, July 1, 1941.
John R. Bromley, July 1, 1941.
Nels C Johnson, July 1, 1941
James H. Ashley, Jr., July 1, 1941.
Sidney D B Merrill, July 1, 1941
Roscoe F Dillen Jr., August 1, 1941.
Frederick R Schrader, August 20, 1941.
Anthony Talerico, Jr., August 27, 1941.
Robert E Dornin, September 1, 1941.
Noel A M Gayler, September 1, 1941.
John A Hack, September 1, 1941
William P Gruner, Jr., September 14, 1941.
John F Walling, October 1, 1941.
Romondt Budd, October 22, 1941
John W McCormick, November 1, 1941.
Robert B McLaughlin, November 1, 1941.
John J Baranowski, November 1, 1941.
James R North, November 1 1941
Fred E. Bakutis, December 1, 1941
Stephen W Carpenter, December 1, 1941.
Omar N Spain, Jr., December 1, 1941.
Charles D Hoover, December 8, 1941.
Melvin E Radcliffe, December 8, 1941.
Robert E McC Ward, December 8, 1941.
Keats E Montross, December 8, 1941
Raymond M Parrish, December 8, 1941.
Frederic W Brooks, December 8, 1941.
Chester A Briggs, December 16, 1941.
James W Thomson, December 16, 1941.
William T Powell, Jr., December 16, 1941.
Vincent A Sweeney, December 16, 1941
John S Barleon, Jr., December 16, 1941
Harold J Islev-Peterson, December 24, 1941

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the 1st day of January 1942:

Oliver D Finnigan, Jr.	Jefferson D. Parker
Henry C Tipton	Robert E. Riera
Sherwood H Dodge	John J. Powers
Edgar S Keats	Stanley E Ruehlow
William G Jackson, Jr	George L. Conkey
Louis R Hird	Edgar G. Osborn
Malcolm T Wordell	Ralph R. Beacham
John O Curtis	Rhodam Y McElroy, Jr
Don W Wulzen	
John A Heath	Warren J. Bettens
Russell H Smith	Frank B. Herold
James Scott 2d	Nevett B Atkins
Frank K Slason	Charles B Langston
Kenneth F Musick	Ralph J Baum
Fenelon A Brock	Robert H. Prickett
Joseph H Wesson	

Ensign John K. Knapper to be a lieutenant (junior grade) in the Navy, to rank from the 4th day of June 1939.

The following-named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 2d day of June 1941:

Vincent E Schumacher	Hurlbut E. Gillmor
	Ira G Stubbart
Robert E. Seibels, Jr.	Leon W Rogers
William K. Rogers	Thomas H. Suddath
George F Dalton	Heber Player
Alphonse Minvielle	Robert C. Fletcher
Harry B. Stott	Charles J. King
Kenneth G Robinson	Wilson H. Cranford
Leo R. Schwabe	

The following-named medical inspectors to be medical directors in the Navy, with the rank of captain, to rank from the 1st day of July 1941:

Eben E. Smith
James W Ellis
Earl Richison

The following-named surgeons to be medical inspectors in the Navy, with the rank of commander, to rank from the 1st day of January 1942:

John M. Bachulus	Lloyd R. Newhouser
Arthur P Morton	Thomas F. Cooper
John Q. Owsley, Jr.	Carl M. Dumbauld
Arra B Chesser	Walter F J Karbach

The following-named passed assistant surgeons to be surgeons in the Navy, with the rank of lieutenant commander, to rank from the 1st day of July 1941:

James G Neff
Herbert G Shepler

The following-named assistant surgeons to be passed assistant surgeons in the Navy, with the rank of lieutenant, to rank from the date stated opposite their names:

Marshall Cohen, April 1, 1941.
Walter R Miller, August 1, 1941.
Marion E Roudebush, August 1, 1941.

The following-named dental surgeons to be dental surgeons in the Navy, with the rank of commander, to rank from the 1st day of January 1942:

Francis W Lepeska
George H Rice
Henry C Lowry

Passed assistant dental surgeon Jesse B. Bancroft to be a dental surgeon in the Navy, with the rank of lieutenant commander, to rank from the 1st day of July 1941

The following-named assistant dental surgeons to be passed assistant dental surgeons in the Navy, with the rank of lieutenant, to rank from the date stated opposite their names:

John H. Bailey, April 1, 1941.
Erling J Lorentzen, August 1, 1941.
Caryl J. Hoffer, August 1, 1941.
Mallie A. Griffin, August 1, 1941.
Emeron F. Bachhuber, August 1, 1941.
William J van Ee, August 1, 1941
David M Fox, August 1, 1941

Pay Inspector William V Fox to be a pay director in the Navy with the rank of captain, to rank from the 1st day of July 1941

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, to rank from the 16th day of December 1941:

Donald B Hilton
Theodore S. Dukeshire
Charles J Naumilket

The following-named assistant paymasters to be passed assistant paymasters in the Navy, with the rank of lieutenant, to rank from the date stated opposite their names:

Edward S. Rhea, April 1, 1941
William W Hylan, September 1, 1941.
Graham P. Bright, October 1, 1941.
Louis M Detweiler, October 11, 1941.
Joseph M. Lyle, October 11, 1941.
Thomas A Brown, October 1, 1941.
Emory D. Stanley, Jr., January 1, 1942.
Warren E Oliver, January 1, 1942
John G. O'Handley, January 1, 1942.
Herschel J. Goldberg, January 1, 1942.
John W Bottoms, January 1, 1942.

Acting Chaplain Roy E. Bishop to be a chaplain in the Navy, with the rank of lieutenant, to rank from the 1st day of April 1941.

The following-named civil engineers to be civil engineers in the Navy, with the rank of commander, to rank from the 1st day of July 1939:

Henry R. Lacey
Paul J. Halloran
Algert D Alexis

Radio Electrician George M. Chaffin to be a chief radio electrician in the Navy, to rank with but after ensign, from the 2d day of December 1941.

The following-named carpenters to be chief carpenters in the Navy, to rank with but after ensign, from the 2d day of December 1941:

William J. Condon

Guy A. Mason

The following-named pay clerks to be chief pay clerks in the Navy, to rank with but after ensign, from the date stated opposite their names:

Richeleau X. James, October 20, 1940.

Rodney N. Gray, January 10, 1942.

The following-named commanders to be commanders in the Navy, to rank from the date stated opposite their names to correct the date of rank as previously nominated and confirmed:

John E. Rezner, July 19, 1941.

Thomas M. Dell, Jr., August 1, 1941.

Joel Newsom, August 1, 1941.

Apollo Soucek, August 27, 1941.

The following-named lieutenant commanders to be lieutenant commanders in the Navy, to rank from the date stated opposite their names to correct the date of rank as previously nominated and confirmed:

Daniel T. Birtwell, Jr., April 1, 1941.

Dewitt C. E. Hamberger, May 1, 1941.

James W. Blanchard, July 1, 1941.

Arthur C. W. Baskin, July 1, 1941

The following-named lieutenants to be lieutenants in the Navy, to rank from the date stated opposite their names to correct the date of rank as previously nominated and confirmed:

Theodore H. Brittan, April 1, 1941.

James D. Ferguson, April 1, 1941.

Henry S. Monroe, May 1, 1941.

Matthew DeMaria, May 1, 1941.

William M. Rakow, June 1, 1941.

James E. Vose, Jr., July 1, 1941.

Robert M. Milner, July 1, 1941.

Thomas H. DuBois, July 1, 1941.

Albert P. Coffin, July 1, 1941

John N. Phaffer, August 1, 1941

David W. Taylor, Jr., August 1, 1941.

Blake B. Booth, August 1, 1941.

Evan T. Shepard, August 1, 1941.

Assistant Paymaster James F. Parker to be a lieutenant (junior grade) in the Navy, to rank from the 2d day of June 1941.

Lt. (Jr. Gr.) Robert A. Winston to be a lieutenant (junior grade) in the Navy, to rank from the 1st day of November 1939 to correct the date of rank as previously nominated and confirmed

Capt. Porter M. Holdale, United States Marine Corps, to be a passed assistant surgeon in the Navy, with rank of lieutenant, to rank from the 2d day of August 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 18 (legislative day of February 13), 1942:

UNITED STATES DISTRICT JUDGE

CHARLES H. LEAVY to be United States district judge for the western district of Washington.

UNITED STATES ATTORNEYS

Clinton R. Barry to be United States attorney for the western district of Arkansas.

Powless W. Lanier to be United States attorney for the district of North Dakota.

UNITED STATES MARSHALS

William B. Fahy to be United States marshal for the eastern district of Missouri.

George J. Keinath to be United States marshal for the northern district of Ohio

Albert A. Sanders to be United States marshal for the district of Wyoming.

COLLECTORS OF CUSTOMS

Agnes M. Hodges to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn.

Henry V. Schwalbach to be collector of customs for customs collection district No. 37, with headquarters at Milwaukee, Wis.

OFFICE OF GOVERNMENT REPORTS

William A. Sheehan to be State director for the Office of Government Reports for Connecticut.

PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

James H. Flanagan to be a member of the Public Utilities Commission of the District of Columbia for the remainder of the term expiring June 30, 1943

POSTMASTERS

GEORGIA

Herbert H. Maxham, Austell.
Zack L. Strange, Collegeboro.
William Wayne Pate, Davisboro.
Bessie E. Meeks, Kite.
Estelle C. Tapp, Powder Springs.
Floy F. Barnett, Resaca.
Emma S. Brindie, Surrency.

MONTANA

Cletus J. Walsh, Polytechnic.

NEW YORK

Melvin L. McNees, North Chili.
Richard J. Longtin, Paul Smiths.
Mary M. Bihn, Victory Mills.

OKLAHOMA

Harry B. Lyne, Boynton.

OREGON

Loris V. Farleigh, Sisters.
Mayrue Gregory, Westport.

WYOMING

Ina E. Gentry, Lance Creek.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

TO BE MAJOR GENERALS

Frederick Elwood Uhl
Rene Edward De Russy Hoyle
John Hutchison Hester
Jack Whitehead Heard
James Irvin Muir
John Clifford Hodges Lee
Hubert Reilly Harmon
Leonard Townsend Gerow
Omar Nelson Bradley
Henry Terrell, Jr.
Willis Dale Crittenberger
Walton Harris Walker
Ralph Pittman Cousins
George Edward Stratemeyer
James Garesché Ord
Edwin Forrest Harding
Alexander Day Surles

TO BE BRIGADIER GENERALS

Harold Cornelius Vanderveer
Ralph Hospital
Lunsford Errett Oliver
John Beugnot Wogan
Vernon Edwin Prichard
Sereno Elmer Brett
Carlos Brewer
Lawrence Babbitt Weeks
Clarence Ralph Huebner
Louis Aleck Craig
Frank Emil Stoner
James Ernest Baylis
Andrew Davis Bruce
William Edmund Larned
Bethel Wood Simpson
Joseph Lawton Collins
Francis Murray Brady
John Earl Lewis
John Eugene McMahon, Jr.
Joseph May Swing
Frank Johnson McSherry
Gordon de Launey Carrington
Henry Benjamin Holmes, Jr
William Moses Goodman
John Tayler Lewis
Charles Douglas Yelverton Ostrom
Albert Whitney Waldron
Earl Herbert Metzger
Frank William Milburn
Stephen J. Chamberlin
Leroy Hugh Watson
Adlai Howard Gilkeson
Carl Adolphus Hardigg
Thomas Guerdon Hearn
William Rudolph Gruber

APPOINTMENTS TO TEMPORARY RANK IN THE AIR CORPS, IN THE REGULAR ARMY

TO BE COLONELS

Donald David FitzGerald
Austin Walrath Martenstein
Edwin Barton Bobzien
John D. Corkille
Levi L. Beery

TO BE LIEUTENANT COLONELS

James Van Gorder Wilson
John Kimball Brown, Jr.
Robert Morris Stillman
Richard Elmer Ellsworth
Joseph Gordon Russell
Kenneth Paul Bergquist

APPOINTMENTS IN THE REGULAR ARMY

TO BE SECOND LIEUTENANTS, REGULAR ARMY, INFANTRY

Rex Applegate
Robert Mayer Hamilton
Corson Landrum Hilton, Jr.
Almon Louis Hugins, Jr.
Lucien Fairfax Keller
Jean Koke Lambert
Verle Douglas Miller
Frank Henry Stone
Joseph Szabo
Lamar Asbury Welch

TO BE SECOND LIEUTENANTS, REGULAR ARMY, FIELD ARTILLERY

Charles Woodburn Matheny, Jr.
Henry Gaston Mitchel 3d

TO BE SECOND LIEUTENANTS, REGULAR ARMY, COAST ARTILLERY CORPS

John Elliott Arthur, Jr.
Eugene Lyle Hess

TO BE SECOND LIEUTENANTS, REGULAR ARMY, CORPS OF ENGINEERS

James Edwin Foley
Jesse Thomas, Jr

TO BE SECOND LIEUTENANT, REGULAR ARMY, QUARTERMASTER CORPS

Robert Sigman Regenstein

TO BE SECOND LIEUTENANTS, REGULAR ARMY, CHEMICAL WARFARE SERVICE

Richard Oliver Gordon
Leonard Charles Miller

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

Lt. Col. Devitt Talmage Mullett
Capt. James Durward Barnett

TO CORPS OF ENGINEERS

Lt. Col. Benjamin Franklin Vandervoort
Maj. Edwin Vivian Dunstan
Capt. William Arthur Davis, Jr.
First Lt. Joseph Edward Gill
First Lt. Albert Edward Stoltz
First Lt. Lawrence Robert St. John

APPOINTMENTS IN THE REGULAR ARMY

TO BE FIRST LIEUTENANTS, MEDICAL CORPS

William Stanley Bagnall
James Edmund Vickers
William Richard Corcoran
Jack Robert Hughes
Theodore Alexander Kiersch
James Lee Royals

TO BE FIRST LIEUTENANT, VETERINARY CORPS

Edward James Watson

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO ADJUTANT GENERAL'S DEPARTMENT

Maj. Robert Edward Cullen

TO QUARTERMASTER CORPS

Capt. Ralph Finch
First Lt. Robert Carson Kyser

TO CORPS OF ENGINEERS

Lt. Col. Carl Hugo Jabelonsky
Maj. Robert Stanley Beard.
Capt. Elmer Elsworth Kirkpatrick, Jr.
Capt Clarence Renshaw.
Capt. Howard Hart Reed.

TO ORDNANCE DEPARTMENT

First Lt. Stanley Warren Connelly.

TO SIGNAL CORPS

Capt. Eugene Anthony Kenny.

TO INFANTRY

First Lt. Irwin Miles Parry.

PROMOTIONS IN THE REGULAR ARMY

David McLean Crawford to be colonel, Signal Corps.

John Nathaniel Hauser to be colonel, Field Artillery.

Thomas Jay Hayes to be colonel, Ordnance Department.

William Hale Wilbur to be colonel, Infantry.

Sidney Parker Spalding to be colonel, Ordnance Department.

Byron Quinby Jones to be colonel, Cavalry.

Stephen Harrison MacGregor to be colonel, Ordnance Department.

Davenport Johnson to be colonel, Air Corps.

James Kirk to be colonel, Ordnance Department.

Robert McGowan Littlejohn to be colonel, Quartermaster Corps.

Wade Hampton Haislip to be colonel, Infantry.

Robert Nail Bodine to be colonel, Ordnance Department.

James Harve Johnson to be colonel, Quartermaster Corps.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 18, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our blessed Lord God, in whom are centered our longings and aspirations, be very near us this day and continue Thy ministry in our hearts. As we wait in the divine presence, we pray with faltering lips and with humble spirits that Thou wilt forgive the iniquity of our sins and cleanse us from their love and power. In the light of Thy countenance may we feel our need; in view of Thy mercy we loathe our evil tendencies, and let Thy forgiveness fill our souls with the glow of the divine nature.

As the wheels of life bring hunger and thirst, cold, and sickness to those who are wrestling for the daybreak, may we not seek rest from labor but prepare us for toil, making these days for fellowship and human brotherhood, which are the promise and the foretaste of a better world. We call upon Thee, our blessed Saviour, because we are blind, poor, and sinful; clothe us in righteousness amid the conflict and the struggle, the wonder and the mystery, and Thine shall be the glory forever. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6548. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. NYE, and Mr. LODGE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1521. An act to provide that the Navy ration shall include canned or powdered or concentrated fruit or vegetable juices.

EXTENSION OF REMARKS

Mr. NELSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD regarding the understanding said to have been reached between General Hershey and the Secretary of Agriculture, having to do with the deferment of men in respect to the draft, and to include therein certain excerpts and letters.

The SPEAKER. Is there objection?

There was no objection.

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial in the New York Times by John Kieran.

The SPEAKER. Is there objection?

There was no objection.

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a release from the Bonneville Administration, showing the immense amount of electric horsepower possible in the Pacific Northwest. I hope it will be read by the full membership.

The SPEAKER. Is there objection?

There was no objection.

PRICE OF LAND IN ARLINGTON COUNTY

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

PIRACY ON THE HIGH C'S

Mr. PLUMLEY. Mr. Speaker, all I know about it, as Will Rogers used to say, is what I read in the papers, but how in the world the Government justifies the fact that it pays or offers to pay $522,040 for nine pieces of land in Arlington County that are this minute carried on the tax rolls of that county at a total assessed valuation of approximately $300,000 is beyond me.

The owners have been satisfied to pay taxes for years on this and on much lower valuations. They have insisted that the property was not worth more than the figure at which it was assessed. Now, when it comes to selling, it is a horse of a different color, yet they ought to take into consideration the price they have fixed for fair value for taxpaying purposes and on which they have paid taxes as the fair value to them through the years.

If you will take a look at the lots and the location, you will agree that the exorbitant and extravagant price the Government is being forced to pay for these properties, as against their real value, makes the McLean $1,000,000 mess growing out of the purchase price paid for Friendship—or on account of it—look like a piker.

It is none of my business, but I am wondering what the taxpayers of Arlington County are thinking about this thing.

I understand the worst is yet to come, while the good old Government can be bled white in its emergency. Think it over!

EXTENSION OF REMARKS

Mr. ROBERTSON of North Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article by David Lawrence.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include certain communications.

The SPEAKER. Is there objection?

There was no objection.

MR. WILLIAM C. BULLITT

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, I picked up this morning's Post and saw that President Roosevelt wants Mr. Bullitt to run for Governor of Pennsylvania. When Mr. Bullitt was pressed for an answer, he said that anything the President wants "I shall certainly do." He would be a good man to have in the State of Pennsylvania, because, if I understand correctly, the Federal Government is now trying to get control of the States; and if the President had his own man for Governor of Pennsylvania, then he and JOE GUFFEY would certainly have a picnic in Pennsylvania. They would take the State over—that is what the President would do; not only Pennsylvania but all States and the Government. I think the President of the United States right now has enough to do. I think the President should attend to some of the strikes that are going on; for instance, at the Alcoa plant in Detroit, at the Detroit Nut Co., and at the Mobile shipbuilding plant; all these strikes hinder the prosecution of the war. If the President of the United States wanted to do something for America, he would stop his political meddling, he would attend to those things most important; on the other hand, he would at least try to stop the war in labor unions, or win the war he successfully maneuvered us into all over the world.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

DEPARTMENT OF NATIONAL DEFENSE

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. YOUNG addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an editorial appearing in the Binghamton Sun on the activities of a distinguished predecessor of mine, Hon. William H. Hill, of New York.

The SPEAKER. Is there objection?

There was no objection.

Mr. PAGÁN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include certain editorials from Puerto Rico and also a message from the Puerto Rican Leader to the Secretary of the Interior.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks and include a very splendid article recently written about the President by Michael E. Hennessey, of Boston.

The SPEAKER. Is there objection?

There was no objection.

(By unanimous consent, Mr. LARRABEE was granted permission to extend his own remarks in the RECORD.)

AMENDING SECTION 7 OF THE NEUTRALITY ACT OF 1939

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 133, amending section 7 of the Neutrality Act of 1939.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. MICHENER. Mr. Speaker, reserving the right to object, as I understand, this resolution has the support of the Committee on Foreign Affairs. A rule also has been granted by the Rules Committee. The statement was made and the understanding is that the matter will come up under a rule later in the day. Therefore, this procedure simply expedites that which will come later.

Mr. BLOOM. That is right.

Mr. MICHENER. Will the gentleman explain the resolution so that everybody will understand it? When the matter was suggested yesterday it was delayed in order that all Members could have an opportunity to know it was coming up today.

Mr. RICH. Will the gentleman yield for just a question?

Mr. BLOOM. I shall be pleased to yield.

Mr. RICH. Has the Foreign Affairs Committee unanimously passed on the bill?

Mr. BLOOM. The Foreign Affairs Committee has passed on the bill. There was one objection in the committee, but that objection has been withdrawn.

Mr. Speaker, Senate Joint Resolution 133 was brought to the Foreign Affairs Committee of the House and the Foreign Relations Committee of the Senate by a message of the President of the United States, which reads:

> Section 7, now in effect, prevents essential financial transactions between persons within the United States and our cobelligerents. In my opinion, there was never any intention that this section should operate during our belligerency. I hope that the Congress will act promptly in this matter to legalize transactions essential in the effective prosecution of the war.

Senate Joint Resolution 133 is a very short resolution. It merely provides that section 7 shall not operate when the United States is at war.

This joint resolution was considered by the Senate Foreign Relations Committee a week ago today, and by unanimous consent was taken up the same afternoon in the Senate and passed. There was no objection to it, even by Senator JOHNSON. I understand that Senator JOHNSON had been somewhat concerned about what effect this resolution might have on the Johnson Act, but when the measure came up on the floor of the Senate he was convinced that the Johnson Act would in no way be affected by Senate Joint Resolution 133.

It is proposed in Senate Joint Resolution 133 that section 7 of the Neutrality Act of 1939 be made inoperative when the United States is at war.

The pertinent parts of section 7 read as follows:

> Whenever the President shall have issued a proclamation under the authority of section 1 (a), it shall thereafter be unlawful for any person within the United States to purchase, sell, or exchange bonds, securities, or other obligations of the government of any state named in such proclamation, or of any political subdivision of any such state, or of any person acting for or on behalf of the government of any such state, or political subdivision thereof, issued after the date of such proclamation, or to make any loan or extend any credit * * * to any such government, political subdivision, or person.

The neutrality proclamations issued under the act of 1939 apply to many of the nations with whom we are now associated in the war effort. Section 7, therefore, is bringing about consequences which are harmful to the war effort of both the United States and the other United Nations.

This is because section 7 prevents many operations between persons in the United States and the governments and citizens of the United Nations which are useful and important in the war effort.

For instance, section 7 has the effect of preventing the extension of credit by any American citizen to governments or the agents of governments which are affected by the Neutrality Act. It means that American firms or banks cannot extend even short-term credit accommodation to an enterprise such as the Canadian National Railways in connection with its important purchases in the United States. It has also acted to prevent the extension of short-term credit by American aircraft engine manufacturers to representatives of Canada and the Netherlands East Indies. The lack of such short-term credit accommodations has resulted, in many instances, in unnecessary delay that is needlessly hampering the war effort.

Section 7 has also made impossible the sale on credit by American citizens of oil urgently required for the completion of voyages by British, Dutch, and Norwegian ships. This, too, in cases where such voyages were directly connected with the war effort.

Under ordinary circumstances, the extension of short-term credit in such instances would not cause the delay that now results from the necessity for remitting funds by cable or radio communications. However, there are now often difficulties in the way of such transmission of funds and it is proving very troublesome.

This resolution merely gives to the individuals of this country an opportunity to do business with people or corporations of foreign countries. It allows them to negotiate private transactions. That is all it does.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I yield.

Mrs. ROGERS of Massachusetts. I earnestly hope the entire so-called neutrality legislation will be repealed. I was always against it. I felt we could not legislate neutrality. I hope this resolution will pass.

Mr. BLOOM. I thank the gentlewoman.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. LUTHER A. JOHNSON. I think the statement made by our chairman fully explains it, but I would like to suggest to the House the instances cited before our committee by the State Department as to the need for this legislation.

Mr. BLOOM. Do you wish to do that now?

Mr. LUTHER A. JOHNSON. If the gentleman will yield to me for that purpose.

Mr. BLOOM. I would be glad to have the gentleman state that.

Mr. LUTHER A. JOHNSON. The testimony before our committee showed the need for this legislation and various instances were cited, among them this: A concern in this country was selling airplane parts to the Canadian Government. The private concern which was selling those parts of airplanes was willing to trust the people in Canada for 30 or 60 or 90 days, but it could not be done under this law, but cash had to be paid before delivery was made. This is simply to remove the barrier, so that if anybody in the United States wants to sell to anybody in a country at war on a credit, at their risk, they may have that right, during the existence of this war.

The Trading With the Enemy Act, which we have passed, of course, prohibits any dealings with enemy countries.

Mr. BLOOM. That is correct. I now yield to the gentleman from Pennsylvania.

Mr. RICH. I note from the report on this particular resolution mention is made of not being able to do business

with some countries until they have paid their accounts in full.

Mr. BLOOM. Yes.

Mr. RICH. It seems to me that at the time the Johnson Act was passed it was the thought and idea of most Members of Congress that was a good thing and should be put into effect. Eventually we passed the Neutrality Act. If you wanted to be fair with the people of this country at that time, you should have asked for the repeal of the Johnson Act. Then you would not have to come in here with this legislation. We insist that rather than beat around the bush you ought at that time to have come frankly before the Members of Congress and said you did not want the Johnson Act—that you wanted to eliminate it.

Mr. BLOOM. The Johnson Act deals with securities and bonds of governments in default, but this deals with individuals. It is something entirely separate and distinct. The repeal here sought would still leave the Johnson Act in effect. This deals principally with individuals and persons who want to sell goods to people of other countries who are willing to pay for them.

Mr. RICH. As long as the individual wanted to do business with another country, that was perfectly all right; there is no reason why that individual should not do business.

Mr. BLOOM. But he cannot under section 7, which I have read.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield for an observation?

Mr. BLOOM. I yield.

Mr. LUTHER A. JOHNSON. I believe what confuses the gentleman from Pennsylvania is that he thinks the Johnson Act and this amendment are the same, whereas they are not.

Mr. BLOOM. They are entirely different.

Mr. LUTHER A. JOHNSON. Here is the difference, if I may be permitted to suggest it: The Johnson Act relates to the transactions of credit granted by our country to these foreign countries not in default. This portion of the neutrality law was patterned somewhat after the Johnson law, but went beyond it. Whereas the Johnson Act relates to the extension of credit by this Government to nations in default on prior debts to our Government, the neutrality law went further and controlled transactions between citizens of this country and individuals or governments of foreign countries.

Mr. RICH. This is the last of the Neutrality Act, is it?

Mr. BLOOM. I do not know. I hope it will be.

Mr. RICH. We are in war clear up to our necks. The point I am trying to get at here is whether we have any assurance that this country is going to get anything from the nations we deal with. It is my belief that after a while, not more than 2 or 3 years, our country is going to be wrecked. We are going to find—and you fellows are responsible for it—that this Nation of ours is going to be financially bankrupt, because we shall not have anything left. You have given it all away.

I cannot help but call the gentleman's attention to a letter that was put in the RECORD yesterday from Dean Acheson Assistant Secretary of State, in reference to a question I asked as to what agreements we had made with countries under the lease-lend. If you will read that letter you will see that the only countries with which we have any agreement whatever are Bolivia, Brazil, Costa Rica, Cuba, the Dominican Republic, El Salvador, Haiti, Iceland, the Netherlands, Nicaragua, Paraguay, and Uruguay, all little countries right here next door to us. If there is any country we ought to help, it is these little countries who are neighbors of ours. But when it comes to the large nations, such as Great Britain and the other great nations that are receiving aid, we have not so much as a dash of ink on a piece of paper signifying any indebtedness to us. Just remember, the American people are going to have to pay the bill.

Mr. VORYS of Ohio. Mr. Speaker, reserving the right to object, and I hope it is not going to be necessary to object, I am the member of the Foreign Affairs Committee who voted against this resolution in committee, and I voted against it for two reasons:

First. This is a half-baked way of changing our Neutrality Act, which has been suggested by the State Department. This is the second time since Pearl Harbor that we have made such amendments to the Neutrality Act. We have the spectacle of a Presidential neutrality proclamation still in force against 18 nations of the earth, while we are united with part of these nations against the rest of them in the greatest war that has ravaged the earth. I objected to this method of legislation concerning our neutrality situation, and I felt that the President should revoke the neutrality proclamation which is now in effect. He has not done this, nor sought legislation to authorize him to do it, if such legislation is considered necessary.

Second. I also objected to this because the Lend-Lease Act was intended to provide for all necessary kinds of credit for the securing of war materials by the nations that were resisting aggression.

I see no reason why this should not be done, but no arrangements for such credit have yet been concluded under lend-lease.

Since this resolution was acted upon by our committee, I have investigated at the Treasury Department and in the Department of State with those who are in charge of our international economic relations and I find they are all in agreement as to the necessity for prompt reconsideration of the whole situation with reference to the Neutrality Act in wartime. I find they are working toward comprehensive credit and financial arrangements under lend-lease. I further find that they have urgent reasons, some of which have been explained here on the floor, for wishing to free the belligerents who are fighting with us from the prohibitions against financial transactions contained in section 7 of the Neutrality Act. As you know, under section 7 of the Neutrality Act not even ordinary commercial credit of 30, 60, or 90 days can be arranged between this country and Canada, or between this country and the Dutch East Indies, where they are perfectly willing to pay for the war materials they secure. This is a great inconvenience. The war effort would be speeded up if they should be permitted to have short-term credit so as not to have each item a cash transaction.

For these reasons I hesitate to object to this measure. There is one matter, however, concerning which I feel I should have assurance before this measure goes through. I now wish to ask the chairman of the Committee on Foreign Affairs whether he joins with the Senate Foreign Relations Committee and the others who are in favor of prompt reconsideration of the whole Neutrality Act and consideration of repealing what is left of it, in view of our present situation?

Mr. BLOOM. I may say to the gentleman from Ohio that I have always been against the Neutrality Act from the very beginning. I can assure the gentleman that any resolution or any bill presented to the Foreign Affairs Committee for repeal of such sections of the Neutrality Act as should be repealed at that time will be given immediate consideration.

Mr. VORYS of Ohio. With that assurance I withdraw my objection to this bill because while I feel this is the wrong way to go about it, the necessity for the removal of these prohibitions is immediate and urgent in the prosecution of our war effort.

Mr. MICHENER. Mr. Speaker, it is evident that this bill should pass, and I withdraw my reservation of objection.

Mr. RICH. Mr. Speaker, reserving the right to object, the gentleman from New York [Mr. BLOOM] states that he has always been against the Neutrality Act from the beginning. Did he vote for it?

Mr. BLOOM. I voted for it with certain amendments that were offered; yes.

Mr. RICH. Then the gentleman could not have been very much against it.

Mr. BLOOM. I think the whole Neutrality Act was an absurdity, and the principal value of, and reason for voting for the Neutrality Act of 1939 was because it called for repeal of the arms embargo. The gentleman will recall that repeal of the arms embargo was in the original bill, and after being stricken out in the House, was reinserted by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

There being no objection, the Clerk read the Senate Joint Resolution 133, as follows:

Amending section 7 of the Neutrality Act of 1939

Resolved, etc., That section 7 of the Neutrality Act of 1939 (Public Resolution No. 54, 76th Cong.) is amended by adding at the end thereof the following new paragraph:

"(e) This section shall not be operative when the United States is at war."

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House resolution (H. Res. 442) was laid on the table.

EXTENSION OF REMARKS

Mr. WELCH. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include an editorial from the San Francisco Call-Bulletin.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. WELCH]?

There was no objection.

PRIORITIES FOR WAR PLANES

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, yesterday afternoon I called the attention of the membership on the floor to a report which I found later to be a fact; that is, that plane production was facing unnecessary obstacles partly because of a secondary priority rating given aircraft rather than placing it on an equality with warships and tanks.

I have since been informed that our Director of the War Production Board, Donald Nelson, has seen to it, even over the objections of the Army and Navy Munitions Board, that materials going into the production of aircraft for our fighting forces will be on a level with the other items mentioned. I am gratified at the action so properly taken.

PERMISSION TO ADDRESS THE HOUSE

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

There was no objection.

[Mr. COCHRAN addressed the House. His remarks appear in the Appendix.]

CATHARINE SCHULTZE

Mr. McGEHEE. Mr. Speaker, I call up the conference report on the bill (H. R. 4622) for the relief of Catharine Schultze, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4622) entitled "An Act for the relief of Catharine Schultze", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, as follows: In lieu of the figures "$2,000" insert "$3,000"; and the Senate agree to the same.

DAN R. MCGEHEE,
ROBERT RAMSPECK,
Managers on the part of the House.

PRENTISS M. BROWN,
JAMES H. HUGHES,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4622) for the relief of Catharine Schultze, submit the following statement in explanation of the effect of the action agreed upor and recommended in the accompanying conference report.

The bill as it passed the House provided for the payment of the sum of $3,500 to Catharine Schultze of Peoria, Ill., in full settlement of all claims against the United States for expenses incurred and personal injuries sustained on August 11, 1940, in El Paso, Ill., as the result of a collision of the automobile in which she was riding, with a United States Army scout car. The Senate amended the bill by inserting in lieu of $3.500, the sum of $2,000.

At the conference the compromise amount of $3,000 was agreed upon.

DAN R. MCGEHEE,
ROBERT RAMSPECK,
Managers on the part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FRED FARNER AND DORIS M. SCHROEDER

Mr. McGEHEE. Mr. Speaker, I call up the conference report on the bill (H. R. 3141) for the relief of Fred Farner and Doris M. Schroeder, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H R. 3141) entitled "An act for the relief of Fred Farner and Doris M. Schroeder," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, as follows: In lieu of the figures "$2,500" insert "$3,000"; and the Senate agree to the same.

DAN R. MCGEHEE,
ROBERT RAMSPECK,
Managers on the part of the House.

PRENTISS M. BROWN,
JOSEPH ROSIER,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3141) for the relief of Fred Farner and Ernest Schroeder, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The bill as it passed the House provided for the payment of the sum of $5,000 to Fred Farner of Prairie View, Ill., for the death of his daughter Barbara Frances Farner, a minor, who was killed on August 29, 1940, when she was struck while standing on a sidewalk in Half-Day, Ill., by a United States ambulance driven by an enrollee of the Civilian Conservation Corps. The Senate passed the bill in the amount of $2,500.

At the conference the compromise amount of $3,000 was agreed upon.

DAN R. MCGEHEE,
ROBERT RAMSPECK,
Managers on the part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

BRANCHLAND PIPE & SUPPLY CO.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2712) for the relief of the Branchland Pipe & Supply Co., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out "$145.41" and insert "$145.38."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

O. C. OUSLEY

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2780) for the relief of O. C. Ousley, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, lines 5 and 6, strike out "allocated by the President for the maintenance and operation of the Civilian Conservation Corps" and insert "not otherwise appropriated."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

H. D. BATEMAN AND OTHERS

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4537) for the relief of H. D. Bateman, Henry G. Conner, Jr., executor of the last will and testament of P. L. Woodard, and J. M. Creech, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 2 and 3, strike out ", which project was later abandoned by the Civil Works Administration."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MARIE V. TALBERT AND OTHERS

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the

Speaker's table the bill (H. R. 793) for the relief of Marie V. Talbert and her sons James Osborn Talbert and Dewey Talbert, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 2, strike out "Work Projects Administration workers" and insert "employees of the War Department."

Amend the title so as to read: "An act for the relief of the estate of Charles D. Talbert, deceased."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

HIRAM O. LESTER, GRACE D. LESTER, AND FLORENCE E. DAWSON

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2183) for the relief of Hiram O. Lester, Grace D. Lester, and Florence E. Dawson, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, strike out "$3,500" and insert "$2,672.14."

Page 2, line 10, strike out "$3,500" and insert "$2,642.59."

Page 2, line 19, strike out "$5,000" and insert "$4,000."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

JAMES WOOD

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 268) for the relief of James Wood, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 12, strike out "Emergency Relief Work Bureau" and insert "Civil Works Administration."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

FIRST DEFICIENCY APPROPRIATION BILL, 1942

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes, with Senate amendments thereto, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON of Missouri, WOODRUM of Virginia, LUDLOW, SNYDER, O'NEAL, JOHNSON of West Virginia, RABAUT, JOHNSON of Oklahoma, TABER, WIGGLESWORTH, LAMBERTSON, and DITTER.

EXTENSION OF REMARKS

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter written by myself and the reply thereto. This material will exceed two pages of the CONGRESSIONAL RECORD. I have an estimate from the Public Printer that it will cost $125.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TENEROWICZ. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter received from the State director of W. P. A. of Michigan.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

RAILROAD RETIREMENT BOARD

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. VAN ZANDT addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent that after the transaction of all business on the legislative calendar and following any previous special order for tomorrow, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATION BILL, 1943

Mr. RABAUT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole on the state of the Union for the further consideration of the bill, H. R. 6599, making appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Federal judiciary, for the fiscal year ending June 30, 1943, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6599, with Mr. LUTHER A. JOHNSON in the chair.

The Clerk read the title of the bill.

Mr. ANDREWS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am moved to discuss a situation of which most of us are aware and about which I have received considerable protest. It has to do with both officers and enlisted men in our Army and naval services, and also numerous patriotic civilian women and men. I am speaking generally of what we know as the battle of Washington, the battle of New York, the battle of Boston, or the battle of San Francisco, and other large cities.

It is inevitable at a time like this that large numbers of officers and also enlisted men should be passing through large cities in these days, because of transfer, because of new assignments and because of the fact, particularly in Washington, New York, and other places, that they are going to or at Army or naval headquarters for 1, 2, 3, or 4 weeks of training. Obviously they are seen in these large cities.

The subject I wish to speak to you about for a moment has more particularly to do with the commanding officers in these various areas and certain situations which develop in their relationships with civilians which I believe are detrimental to the general morale, both that of the public and of the troops in the camps or the enlisted men of the Navy.

You might refer to some of these matters as the Battle of the Waldorf, the Battle of the Mayflower, or the Battle of the Copley Plaza.

I wish to make a few suggestions to all commanding officers, both Army and Navy, in these areas and to certain patriotic, energetic, and tireless persons, largely ladies, who promote certain social or semisocial relief parties for the benefit of various services. I may tell you how some of these things happen Mrs. X decides she is going to get up a large committee in New York and to organize such a party. She calls her subcommittee together, and they consider a name for it. It may in the end be "Tea for the Tank Corps," or it may be "Dance for Dakar," or "Sing for Sailors"; it may be "Cocktails for Coast Guarders," or it may be "Smokes for Selectees," or just plain, ordinary "Music for Marines." She enlarges her committee. And what comes next? She calls on the commanding general and his wife and the ranking admiral and his wife and invites them to become, or insists that they be, patrons and patronesses. There is little chance for the generals and the admirals to avoid becoming patrons, but there is the opportunity of refusing to attend. The trouble is that the wife of the general is persuaded to go, and she is persuaded to bring her husband just for a few minutes. Then he has his photograph taken with the committee, possibly in the sert room at the Waldorf or the banquet room in the Mayflower, and often in dress uniform. These pictures in the papers are seen in New York, Boston, San Francisco, New Orleans, the camps, navy yards, and everywhere. The New York papers are full of them.

I do not blame the officers and their wives, for I realize what they are up against, but I simply want to say that I have heard from numerous men in camps and from men on the streets and others in high places protesting against this undue social or presumed social activity of high-ranking naval and Army officers. I want to leave this suggestion with them: That Mrs. X organize her committee and raise the money and give it to the purpose for which it was intended, and then let her devote herself to sewing or the fine activities of the Red Cross under its splendid women leaders, national and otherwise. There is ample opportunity for her energies. Leave the admirals and the generals alone. Then let the admirals and commanding generals in every district say "No."

The threats and chances for sabotage in every military or naval district are today tremendous. We all want to feel sure that commanders are on the job. That they must be.

[Here the gavel fell.]

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word. I am very glad to see the recommendation of the committee in the provision for civilian pilot training. I ask unanimous consent to extend my remarks on the subject in the RECORD at this point.

The CHAIRMAN. Is there objection?

There was no objection.

CIVILIAN PILOT TRAINING

Mr. CASE of South Dakota. Mr. Chairman, my interest in the civilian pilot training program stems from the fact that I have seen it in operation. I have seen some of the finest young men that grow take their own time, and, at their own expense after working hours, drive many miles to take these courses. I have heard the testimony of their instructors, and I have heard the testimony of high-ranking Army officers in hearings on War Department appropriations to the effect that these courses have produced excellent flyers. They have produced many of the instructors for the Air Corps' civilian contract flying schools. They have produced a large part of the flyers in the new Air Corps. I am advised that approximately 15,000 C. A. A. trainees have volunteered and been accepted for Army and Navy aviation. During recent months they constituted almost one-third of all flying cadets recruited.

Army records show that the C. A. A. course acts as a very effective sieve for talent in military flying. Only 11.8 percent of cadets with C. A. A. background wash out in Army primary, against 43.4 percent of all others. This means that for the Air Corps to bring 30,000 pilots through its primary stage it would need to start only 34,000 C. A. A. trainees, as compared with 53,000 boys who did not have this training.

It is important to note that in a great many cases C. A. A. trainees get this head start before they are available to the armed forces under the age limits of the selective-service law. Even under recent amendments to that law the C. A. A. can train boys as pilots 2 years before they are subject to the draft, and thus save precious time.

Now that the country is faced with a need for literally hundreds of thousands of pilots, it becomes plain that the only functioning system for such mass production is the C. A. A. network of some 700 centers, which for 2½ years have been giving elementary flight training under C. A. A. supervision. They are not schools for the production of finished military pilots—that is indisputably an Army and Navy function. But they can act as the feeder into Army and Navy advanced training centers of vast numbers of cadets who have acquired mastery of flight fundamentals. In fiscal 1941 they handled over 46,000 elementary enrollees, and, if funds are provided, can take care of double this quota.

This potential capacity of some 90,000 a year is admittedly far beyond that of the military or any other group of primary training centers. It has been argued, however, that this system of training in the colleges does not "turn out pilots in the minimum of time * * * in order to do that they must do flying and nothing else." Should it become national policy to draft young men between 18 and 20, it would be possible to make C. A. A. students spend full time on flying and thus condense the length of the courses, but it would not increase total output of pilots per year, for the 90,000 rate is predicated on full-time use of instructors and equipment. In other words, 1 student might spend only 3 mornings flying, another might devote 3 afternoons, but the instructors and planes would be continuously occupied.

It is contemplated that while the bulk of these primary trainees will go on to the Army and Navy for combat training, selected graduates will be given advanced C. A. A. courses designed to meet other military needs. The C. A. A. has in operation advanced centers geared to produce this fiscal year 4,500 instructors and ferrying pilots. It has already performed a vital service in this respect by supplying some 2,500 seasoned instructors to the air services of the United States and Canada.

This is the statistical story of C. A. A. training. More dramatic proof of its value is to be found in the newspapers every day. "Lt. George S. Welch shoots down four Jap planes over Pearl Harbor. Lieutenant Welch learned to fly in the C. A. A. program at Purdue. American flyers in the R. A. F. Eagle Squadron bag German planes; two-thirds of the squadron learned to fly with C. A. A.," reports Pilot Officer Harold Strickland. And a South Dakota boy named Gunvordahl, C. A. A. trained, got six Jap planes over the Burma Road in his first week of combat with the American volunteers there.

Thus the C. A. A. graduates justify in action the hopes expressed for them by numerous high-ranking Army and Navy aviation officers:

Brig. Gen. W. G. Kilner, then Acting Chief of the Air Corps:

It should be of material assistance in building up an air force for national defense.

Rear Admiral A. B. Cook, then Chief of the Bureau of Aeronautics:

This program will be of definite value to the national defense in case of emergency.

Brig. Gen. Barton K. Yount, then Assistant Chief of Air Corps:

We feel that this program is especially important to us, since, under our present expansion program and under any emergency program which we may have to have in the future, we are going to have a tremendous job in getting the requisite number of qualified young men for the Army Air Corps.

Rear Admiral J. H. Towers, Chief of the Bureau of Aeronautics:

Inasmuch as time is the all important factor in the present emergency national defense program, I am confident that the Civilian Aeronautics Administration training program may contribute greatly in solving our part of the national defense program.

With such a record of performance and such definite testimony to its usefulness in the war effort, I am glad that the subcommittee in charge of this particular bill brought in for the Appropriations Committee this provision for maintaining a substantial civilian pilot training program in the new fiscal year.

The Clerk read as follows:

Provided, That no salary herein appropriated shall be paid to any official receiving any other salary from the United States Government.

Mr. RABAUT. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

On page 6, line 6, strike out the period, insert a colon and the following: "*Provided further*, That during the period of the existing state of emergency proclaimed by the President on September 8, 1939, any Ambassador or Minister whose salary as such is payable from the appropriation 'Salaries, Ambassadors and Ministers' and who, prior to appointment as Ambassador or Minister was legally appointed and served as a diplomatic or consular officer or as a Foreign Service officer, and who, on account of emergent conditions abroad, is unable properly to serve the United States at his regular post of duty, or, on account of such emergent conditions abroad, it shall be or has been found necessary in the public interest to terminate his appointment as Ambassador or Minister at such post, may be appointed or assigned to serve in any capacity in which a Foreign Service officer is authorized by law to serve, and, notwithstanding the provisions of any other law, the payment from such appropriation for the fiscal year 1943 of the salary of such officer, while serving under such assignment, is hereby authorized: *Provided further*, That no person, while serving under such emergency appointment or assignment, shall receive compensation in excess of $9,000 per annum while serving in the continental United States or in excess of $10,000 per annum while serving elsewhere."

Mr. RABAUT. Mr. Chairman, this is not new language. It was carried in a recent deficiency bill and made applicable to the operations of the State Department during the current year. It is now the purpose to extend the same permissive authority for the next fiscal year. It is merely to permit career Foreign Service officers who might become Ambassadors or Ministers to be used in any capacity that the Secretary of State thinks is most effective, including their assignment to the Department of State. You will note that the authority runs

only to career Foreign Service officers and not to any other group. The omission of the language from the print of the bill that you have was an oversight.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. Yes.

Mr. STEFAN. I do not object to this amendment, except that I would like to be assured that the noncareer officers can also participate in these transfer benefits. If the Chairman will assure me that the Secretary can make such transfers, extending it to the noncareer officers, I would not object to the amendment.

Mr. RABAUT. This is a continuation of the language now in the bill.

Mr. STEFAN. I understand that.

Mr. RABAUT. Placed in the bill this year.

Mr. STEFAN. I understand that, but I am wondering how it would affect some of the noncareer officers.

Mr. RABAUT. It does not affect the noncareer officers at all. It has no relationship to them.

Mr. STEFAN. It will not mitigate against them in any way?

Mr. RABAUT. No.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. Yes.

Mr. CARTER. As I understand, the Secretary of State can transfer the noncareer officers without any special authorization of law.

Mr. RABAUT. Noncareer officers cannot be assigned in this manner to the Department. This provision permits the assignment of officers in the field They may be brought back to the Department, even if they have been Ambassadors, and be assigned to positions in the State Department or any place where they could be of use, in the opinion of the Secretary of State.

Mr. STEFAN. Then I want to be assured that this amendment will in no way mitigate against noncareer officers.

Mr. RABAUT. I am sure that it will not.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The Clerk read as follows:

Contracts entered into in foreign countries involving expenditures from any of the foregoing appropriations under the caption "Foreign intercourse" shall not be subject to the provisions of section 3741 of the Revised Statutes (41 U. S. C. 22)

Mr. H. CARL ANDERSEN. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed out of order.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to proceed out of order. Is there objection?

There was no objection.

Mr. H CARI ANDERSEN. Mr. Chairman, food must be produced if we are to win the titanic war in which our Nation is today involved. Not only food for our own people, but food for the British, Chinese, Russians, Dutch, and our Allies fighting with us against the ruthless Japs and Nazis. Food also, later on, for the starving occupied territories under the dictators' heels.

A plea has been made to the American farmer to increase his production of hogs, of butter, of eggs, and other food products. Our farmers will respond to the very best of their ability but there is a dark cloud on the horizon that threatens this very necessary increased production.

The farms of the great Midwest are being drained of expert agricultural labor, first through the ordinary supply of help leaving the farming regions with its 12-hour workdays and going to defense plants for 8-hour days, coupled with quadruple pay. We cannot blame these young men for seeking better paid jobs—we can however deplore the practice of paying in defense plants time and a half for Saturday labor and double time for Sunday work. No farmer receives double time or wage for any day's work, but on the other hand puts in time and a half every day for not even parity wage.

At this point let me quote from a letter received from Mr. Arvid Anderson, of Hector, Minn.:

The patriotism of the farmer needs no defense. While other groups have been throwing monkey wrenches into the all-out program for national defense, the farmer has labored on unceasingly at his job of producing food for the teeming millions. There is no 40-hour week in his program, no extra pay for overtime; his work is long, hard, and arduous, with no chance to pass on the increased cost of operation, other than hitching up his belt another notch.

The second and greatest cause of the approaching scarcity of farm labor, is the draft.

At this point, Mr. Chairman, I wish to read an editorial in the Washington Daily News of today:

THE INDISPENSABLES

When it comes to bad timing, here's a beaut.

On the very day that millions of American men were registering for the draft, Selective Service headquarters in Washington revealed that it had issued a "directive" authorizing local boards to grant draft deferment to labor leaders. Also to employers' labor relations men, and to Government labor liaison men This came on top of a similar announcement about movie people.

It's going to be a great comfort to your draftee, as he rolls off a hard cot before dawn to catch a transport for parts unknown, to reflect that the walking delegates, the dues collectors, the picket-line strategists, the men who call out on strike "the men behind the men behind the guns," are safe, along with Hollywood glamour boys, for the duration.

If there's anybody that can be spared from civilian life right now, certainly it's the gentry who have sandbagged carpenters and laborers for extortionate union dues before permitting them to help to build army barracks.

Think of this, Members of the House. While such unessential groups to the successful outcome of this life-and-death struggle are to be deferred, men from farms are being called into the service in many cases where these men are the only farm labor available. I am not asking for blanket deferment of farm labor. I am, however, telling you, my friends, that it is foolish to take experienced farmers away from the intricate job of hog raising, butter producing, and wheat and corn growing, so essential for food for ourselves and our Allies, when in any good-sized town or city, poolrooms swarm with men who have no place in our national defense picture. Take away our experienced stockmen, our experienced tractor men, and yet leave 85,000 good, strong, young men, eager to fight, in C. C. C. camps, at the taxpayers' expense in nondefense work.

I do not blame our draft boards. They must follow regulations. In my home counties our draft boards are composed of the highest type of American citizen, intent only, without pay, of doing the best job they can under present laws and regulations.

It does seem to me, however, that it bodes no good to our Nation to strip our farms of necessary, experienced young farmers, while leaving union labor leaders, picket strategists, and Hollywood artists in absolutely unessential positions for the duration.

Unless Congress, my colleagues, does something about this stripping off from the farms of the great Mid-West of the high-class, experienced farmers and farm labor we have there, we will wake up one of these days to discover we have suffered another Pearl Harbor, in that agriculture cannot, for lack of manpower, produce the food which, next to men, guns, planes, tanks, and ships, will mean eventually the difference between victory and defeat.

Mr. NELSON. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Missouri, a friend of the farmer.

Mr. NELSON. My colleague heard me this morning ask permission to extend my remarks in the RECORD with reference to an understanding said to have been worked out by General Hershey and the Secretary of Agriculture, looking to the deferment, not as a class, but of individuals, so that the requisite amount of farm help might be available. I think it is important, and I am glad if the report is correct that some steps have been taken. I fully agree with what has been said as to necessity for taking action along this line.

Mr. H. CARL ANDERSEN. Yes; I notice the report has been put out by General Hershey and Secretary Wickard to that effect. We cannot solve this great problem, however, by such indefinite proposals. Action by Congress is what we need so that every draft board will know that the law places skilled farmers and farm labor in the same class as essential defense workers.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Michigan, who has always shown, during my 3 years in Congress, an insight sympathetic to the farm needs.

Mr. DONDERO. I am in complete sympathy with what the gentleman has stated. There is an added difficulty to the agricultural sections of our country in the wages being paid in industry and in defense projects, which the farmers cannot pay, and they lose their sons, their only help, in that way.

Mr. H. CARL ANDERSEN. The gentleman is entirely correct.

Mr. Chairman, I want to read to the House a letter from five of the good farmers of my district, men in responsible elective positions in their county, men who know what this problem will mean in a month from now as to the production of food.

To the Congress of the United States:

The vital importance of an all-out production of food is being recognized as second only to the manufacture of war material and equipment for national defense and winning of the war.

History has proven that such reasoning is fundamentally sound. The very life of democratic governments depends upon the efficiency of our industrial plants to produce war equipment to the extreme limits of capacity in record-breaking time by the employment of skilled workmen fitted by training—definite, dependable mechanical perfection.

The same basic principle of reasoning is true and just as sound in the production of food.

The machine age of the present day has changed the entire picture pertaining to methods of farming as compared with those of pioneer days. The successful operation of modern farm equipment is dependent upon careful study and good judgment such as has been acquired by farm boys during recent years through actual practical experience.

Such knowledge cannot be attained in a short time by inexperienced operators without loss of time, money, and costly delays.

This is no time to experiment with high-priced farm machinery which may be ruined in a short time by such operators.

The care of livestock requires continual attention during the entire year. Careful study of feeding practices and management cannot be stressed too much and is of utmost importance contributing to successful results. Such knowledge can only be gained by years of conscientious study and observation. Care of livestock is a job with which farm boys are familiar and in which they take pride.

To the above statements may be added the direct personal interest the farm boy has developed as a result of his intimate and minute knowledge of every detail and phase of farm life. Such help on the farm cannot be replaced by anyone else whose background and past environments are different and whose only interest is the wages he receives.

In view of above facts, we believe that the production of food asked for by the Government can best be produced by keeping the farm boys as much as possible on the job for which they are especially fit. Inefficiency only leads to ultimate failure and defeat. The American farmer has never faltered in peace or war, and all he asks is to be given the same consideration pertaining to efficient help on the farm as is being given our industrial plants.

If such help is not granted, there can be only one conclusion to draw—a general breakdown of agriculture.

The United States of America should not only be an arsenal of democracy but also the breadbasket to feed a starving world after the war.

We, the farmers of Yellow Medicine County, Minn., ask that you do all in your power to give us a square deal, and we will hereby pledge ourselves to bend every effort toward production of food. Please give our request your most careful consideration.

Respectfully submitted

TOWN BOARD ASSOCIATION OF YELLOW MEDICINE COUNTY, MINN.,
J. M. EISCHINS, *Chairman.*
HENRY JACOBSON, *Secretary.*
E. S. ROWBERG, *Treasurer.*
A. J. ANDERSON,
G. M. ANDERSON,
Directors.

Let me quote from another letter from Mr. Frank A. Barnard, of Benson, Minn., just one paragraph:

I am one of the advisers for the registrants under the selective-service system. I have handled a great many cases and find that at the present time and under the present regulations that there is no question in my mind but what certain farm lands are going to lie idle and a great amount of production in livestock, butterfat, poultry, and swine is going to be seriously curtailed in this part of the country. We are not going to have enough help to get our crop in this spring and to harvest our crop next fall.

A lady writes me as follows:

The other day 44 young men were sent up to Fort Snelling from our community for a physical examination and nearly all of them were from the farms. We think this is not fair. Scores of men in the towns are working on Work Projects Administration projects and it seems to us that some of these men might be spared for the Army much better than men who are almost indispensable on the farms. Many farmers around here will have to get rid of part of their stock especially the cows, because of shortage of help.

Another farmer from my district writes as follows:

I have been trying to get help here on the 400 acres I am operating but there seems to be none available. I am unable to work myself because of heart trouble but I sure would like to do my bit for democracy and help win this war by producing food and clothing. I have one young son whom I can depend on to operate this farm, if he only can be deferred.

Another farmer writes me:

We farmers are asked to produce more milk, more eggs, and more hogs, and will do our best. But the way young, experienced farmers and farmers' sons are being drafted in our neighborhood, I just don't see how we can produce even an average crop.

Mr. W. S. Moscrip, head of the Twin Cities Milk Producers Association wires me as follows:

Farm labor situation critical. Defense activities at wages completely beyond ability of farmers to pay rapidly bringing about impossible situation. If any hope is to be had of maintaining present production levels, draft boards must be immediately and definitely instructed to defer essential farm help regularly employed. Otherwise, agriculture faces the most tragic period in history.

Mr. Chairman, I receive, as all midwestern Congressmen receive, letters by the dozen expressing pitiful cases of hardship because of farm labor shortage. Letters come to me that tell of selling out cows and hogs and machinery just because one man can only do so much work and no more. Letters reach me about young farmers called in the draft who must have sales and quit producing food while Hollywood artists and labor-union leaders, parasites on the face of the earth at a time such as this, are given deferment. What folly. Where will this lead us to?

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from South Carolina, a man with much agricultural understanding.

Mr. HARE. I find myself very much in sympathy with the sentiments expressed. Does the gentleman have any definite, concrete suggestion to offer?

Mr. H. CARL ANDERSEN. Very definitely. First, let Congress make the Selective Service Administration grant to essential, experienced farmers and farm labor the status of defense workers. Let Congress instruct the Selective Service to take any young man, not essential to production of food and war materials, before it dips too deeply into the food-producing element, whether on farms or in villages and cities. Third, we have nearly 100,000 young men, veterans excepted, in C. C. C. camps. Yes; 84,875 boys in those camps as of January 31 of this year, and this number increasing every day. I believe, with all regard for the splendid work the C. C. C. has done in days gone by, that now, in this period of great national jeopardy, that C. C. C. should be abolished for the duration of the war. Yes; many other nondefense institutions can be discarded and those men go into essential employment.

Let us tell these young men, fine young Americans, "Boys, our Nation needs you elsewhere than in C. C. C. camps. The Nation needs you to produce food, manufacture arms, and fight the enemy. God bless you; go where you can do the most good for the greatest and best country in its hour of crisis."

[Here the gavel fell.]

Mr. HOFFMAN. Mr. Chairman, in support of the argument of the gentleman who just preceded me, let me again call attention to the fact that not only have individuals connected with the motion-picture industry been given a ruling which can be used to defer their military service, but labor leaders have received special favors in the way of deferred service.

As we all know, some of the most active and prominent labor leaders, some who have heretofore received favors from this administration, who have been coddled and deferred too, have been active in promoting strikes.

Walter Reuther, who with his brother worked in the factories of Russia and who while there with his brother sent back a letter to his comrades in Detroit, advising them to—and I quote—"Carry on the fight for a Soviet America," would benefit by this order, while the farmer's boy, the farmer's hired man, must march away to war.

Some of these labor leaders have instigated and carried on strikes in our defense industries. Now they are to be given preferential treatment, exempted from war service, left in positions where they can deprive our armed forces of the tools of war.

Our farmers are reasonable. They are patient. They are long-suffering. Their complaints are just, as indicated by a letter received this morning and which reads as follows:

COLOMA, MICH., *February 16, 1942.*

Hon. CLARE E. HOFFMAN,
House of Representatives,
Washington, D. C.

DEAR MR. HOFFMAN: I wish to express my sincere appreciation and thanks to you for the fine remarks made by you before Congress January 15, 1942, Just a Little Justice for the Farmer.

During the month past and at present we hear the call upon the farmer to produce more than ever before; yes, every hour we can hear some gentleman on the radio telling

the farmer that he must produce more food to win the war, but we never hear anyone of those gentlemen offering any help to the farmer.

The farmer is a willing worker, but he cannot be expected to produce without any help. To win this war we not only need food and soldiers; we also need ships, tanks, airplanes, and guns. But I would like to see any industrialist produce them without the help of money and labor.

Permit me to give you some facts about myself as a farmer. Just recently I attended a meeting called by the F. S. A. for the purpose of instructing the farmers to produce more food this year. The speaker very well knew how to go about it in order that we may produce more, but when I asked him, "How about help of labor?" he simply answered, "That is your problem."

Here I am a farmer. I have 114 acres of land with a $7,500 Federal land-bank loan on the same. My wife and I, two sons, and one daughter worked this farm for 14 years, but on account of crop failures and low prices we have not been able to discount the loan on the farm; in fact, during the winter months we had to find other employment to make a living.

Today my two sons are being called into the Army My wife is ill and is being attended daily by a doctor, and I am working as a carpenter at 65 cents an hour building ships for the defense of our country. I am 56 years old and I thank God who gives me my health and strength so that I can do my part. I know that we are going to lose our farm and home, because at my age I cannot work and keep up the payments alone on the farm or work the farm alone and produce sufficient to keep it up.

Mr. HOFFMAN, I know that I am not the only farmer in Berrien County who is facing this fact I know that at least 60 percent of the farmers, not only in Berrien County, but throughout the State are faced with the same problem. One of my neighbors is 65 years old and is ill at this time. He has one son who worked the farm for the last 3 years. This only son is now being called into the Army Another neighbor is a widow 60 years old and ill. She has one son who took care of her, but he has to go into the Army.

The above are only two farmers who are facing the same problem, but I know of many more. By giving you these facts I don't want you to think that I am complaining; in fact, I am proud to be one American who was not afraid of work; to be one American who has two fine sons who can take a gun in their hands and defend our country and the home for deserving and nondeserving Americans.

During the years past I have known many so-called good Americans. When my wife and I stayed at home nights and took care of our children, those good Americans went out, spent their money, and enjoyed their lives and their freedom and never bothered to raise a child. Yes, my wife was called a fool to bother herself with children, but today we are proud of having those boys even if we will lose our home.

I sincerely believe that our Government is making a big mistake by taking all the boys away from the farms, and I know that this will be realized first at a time when it will be too late If the farmers are to produce, they must have help. In 1941, here in Berrien County, thousands of bushels of fruit went to waste on account of shortage of help This year I am sure that not only a lot of the fruit will not be harvested, but hundreds and thousands of acres of land will lay idle; many bushels of beans, potatoes, and tomatoes will not be planted because there is no one to plant them and there will be none to harvest them.

The grain farmer doesn't need as much help as the fruit and vegetable farmer because grain can be planted and harvested with machinery. But let us not forget that the workingman in the factory and soldier at the front cannot live just on bread. It takes only 2 hands to plant 1 bushel of beans, but it takes 10 hands to harvest them and prepare them for the market.

If there would be any help that could be hired for farm work, the fact still remains that many farmers have no money to hire help, especially at planting time. At the time of harvest the farmer sells the products and pays his help but he cannot do so before. Besides that, the cost of labor will be so high that the farmer will not get a price for his products that will cover the cost of labor.

We are being told that women from the cities will be sent out to work on the farms. Mr. HOFFMAN, do you believe that some of those fine ladies will go on the farms to break off their long fingernails and ruin their pretty hands? I don't think so. I am sure that if the farmers will have to depend upon such help, our soldiers will have to starve at the front. Let us not go by what the women do in England. The English women have learned how to work for generations, while most of our American ladies have learned how to smoke cigarettes and enjoy themselves in amusement places.

To win this war we must have food; our Government can depend upon the farmer. The farmer will do his part and will produce, provided the Government will stand behind the farmer as much as it stands behind the industrialist.

Very truly yours,

E. MESSAL.

Mr. Chairman, my suggestion to this administration is that it do not push our loyal, patriotic farmers too far; extend too many favors to motion-picture actors and so-called labor leaders.

The Clerk read as follows:

COOPERATION WITH THE AMERICAN REPUBLICS

Salaries and expenses: For all expenses necessary to enable the Secretary of State to meet the obligations of the United States under the Convention for the Promotion of Inter-American Cultural Relations between the United States and the other American Republics, signed at Buenos Aires, December 23, 1936, and to carry out the purposes of the act entitled "An act to authorize the President to render closer and more effective the relationship between the American republics," approved August 9, 1939, and to supplement appropriations available for carrying out other provisions of law authorizing related activities, including the establishment and operation of agricultural and other experiment and demonstration stations in other American countries, on land acquired by gift or lease for the duration of the experiments and demonstrations, and construction of necessary buildings thereon; such expenses to include personal services in the District of Columbia; not to exceed $100,000 for printing and binding; stenographic reporting, translating and other services by contract, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); expenses of attendance at meetings or conventions of societies and associations concerned with the furtherance of the purposes hereof; tuition, compensation, and monthly allowances while not in travel status, all to be fixed by the Secretary of State, and traveling expenses in the United States and abroad in accordance with the Standardized Government Travel Regulations and the act of June 3, 1926, as amended, of educational, professional, and artistic leaders, and professors, students, and persons possessing special scientific or other technical qualifications, who are citizens of the United States or the other American republics: *Provided*, That the Secretary of State is authorized under such regulations as he may adopt, to pay the actual transportation expenses and not to exceed $10 per diem in lieu of subsistence and other expenses, of citizens of the other American republics while traveling in the Western Hemisphere, without regard to the Standardized Government Travel Regulations, and to make advances of funds notwithstanding section 3648 of the Revised Statutes; traveling expenses of members of advisory committees in accordance with section 2 of said act of August 9, 1939 (22 U. S. C. 249a); purchase and exchange (not to exceed $6,000), hire, maintenance, operation, and repair of motor-propelled and animal-drawn passenger-carrying vehicles; and purchase of books and periodicals, $1,700,000; and the Secretary of State is hereby authorized, subject to the approval of the President, to transfer from this appropriation to other departments, agencies, and independent establishments of the Government for expenditure in the United States and in the other American republics any part of this amount for direct expenditure by such department or independent establishment for the purposes of this appropriation: *Provided further*, That any funds herein appropriated which may be transferred to the Federal Security Agency for the Public Health Service shall be available for the salaries and expenses of not to exceed two additional regular active commissioned officers: *Provided further*, That the unobligated balance of the $10,000 transferred to the Civil Aeronautics Board under the authority contained in the Department of State Appropriation Act, 1942, under this heading, is hereby continued available until June 30, 1943.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: On page 29, line 19, after the word "periodicals", strike out "$1,700,000" and insert in lieu thereof "$1,750,000."

Mr. DIRKSEN. Mr. Chairman, first, I should address an inquiry to my good friend from Michigan, the chairman of the subcommittee. The Budget reported $1,819,500 for Latin-American cooperation. That amount was reduced to $1,700,000 by the committee, or a net reduction of $119,590.

Mr. RABAUT. That is correct.

Mr. DIRKSEN. It is my understanding that the amount of $50,000 requested for the purpose of establishing three radiosonde systems in three different places in Mexico cannot be established and installed by virtue of the reduction made by the committee; and if that is the case, the purpose of offering the amendment for $50,000 is to restore this matter.

Mr. RABAUT. No. In our reduction of this amount we have left it in the discretion of the officials of the Department to allow such individual projects to proceed, or to curtail some to some extent and leave others go on accordingly as they decide in their own judgment. I personally, and I think other members of the committee, feel very favorably disposed to these radiosonde systems.

Mr. DIRKSEN. May I say to the gentleman from Michigan I have been advised, and members of the Air Safety Committee have been advised, that if this reduction stands as now carried in the bill, it will be impossible for the Weather Bureau to install the three radiosonde systems in Mexico, and that it requires the restoration of $50,000 if this work is to go on.

Mr. RABAUT. Now, I will ask my friend this question: How could this be

decided so suddenly among all the projects they have, wherein we are making allowance for those particular projects in an appropriation of $1,700,000? The request was for $1,819,000. So that is $119,000 in excess of the amount that we allowed. All of a sudden one particular item is singled out in the whole list of projects to be taken care of under this particular appropriation, radiosonde systems.

Mr. DIRKSEN. Now, I will answer my friend and then I will ask the chairman of the select committee on air safety to answer further. Major Reichelderfer has been appearing before that committee for the last several days and he has indicated to the members of the committee from information now available to him that if the $50,000 is not restored he will have no fund with which to install the radiosonde systems in Mexico.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CARTER. It must be, then, that he considered it the least important item he is working on, because under the latitude we permitted him he could arrange to cut out whatever he desired; and if he omitted that, he must consider it the least important. Personally, I do not; but evidently he does.

Mr. DIRKSEN. Oh, evidently not; otherwise he would not have manifested an interest in it and brought it to the attention of the Aid Safety Committee. This $50,000 is necessary.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RABAUT. I think perhaps in his particular activity he has a fear that his particular project will suffer a curtailment; but I am certain this had all been decided when this bill was first released to the public last Monday; that it had already been decided that this one particular industry should receive a cut of $119,000 on a $1,819,000 item.

Mr. DIRKSEN. I answer my friend from Michigan as a colleague of his on the Appropriations Committee of considerable experience that these distributions are made and the allocations of funds to the different functions and activities are determined long before the bill ever comes to the floor. As my friend will remember, it is all carefully set out in the justifications that are submitted to the subcommittee. So there has been a justification for this work on the basis of a Budget figure of $1,819,000.

Mr. RABAUT. But the State Department will have to set up the priorities on this list or set forth the individual cuts they are going to make in the individual projects.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DIRKSEN. I want to commend the chairman of the committee for his interest in this matter because he knows from his sojourn on official business in South America how important it is. I want to say to the other Members of the House that when we investigated air-safety conditions in South America we left Guatemala City and got lost at 13,000 feet elevation. We were flying in and out among the peaks and found to our dismay and our regret that there was inadequate weather service in that country. Some day it may be the direct line of flight for all our military aircraft to Guatemala and on to the Panama Canal. So, we cannot do too much in the field of weather observation ir order to enhance the safety of military and civil aircraft that fly over that route.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RABAUT. I would like to go on record here as saying that I am very favorable to the proposition that the full amount should be allowed by the department within the limits of the appropriations set out.

Mr. DIRKSEN. My reason for offering the amendment today is to make sure that the matter is fully ventilated on the floor.

Mr. KERR. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. KERR. Is not this an independent establishment the gentleman is referring to?

Mr. DIRKSEN. I am referring to the item of cooperation with the South American republics.

Mr. KERR. Yes; an independent establishment. If the gentleman will read the language at the end of the State Department title of the bill, I think he will find it takes care of it. It reads as follows:

and the Secretary of State is hereby authorized, subject to the approval of the President, to transfer from this appropriation to other departments, agencies, and independent establishments of the Government for expenditure in the United States and in the other American republics any part of this amount for direct expenditure by such department or independent establishment for the purposes of this appropriation.

Mr. DIRKSEN. Yes; but my amendment would take the conjecture out of it and provide the money without its being transferred by the Secretary.

Mr. KERR. But the bill carries in this paragraph $1,700,000, of which the Secretary can transfer any part that may be necessary under this provision I have read.

Mr. DIRKSEN. Let us assume it is not so considered. Then, of course, the radiosonde stations that are so essential at the present time cannot be established

I hope the chairman of the special committee will discuss this matter, because he has been taking testimony from Commander Reichelderfer for several days.

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. BLAND. I want to commend the gentleman that while he was in Guatemala he did not take the same course "Wrong Way" Corrigan did.

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to address my remarks particularly to the committee. I hope the Members present will not oppose this amendment. As the gentleman from Illinois [Mr. DIRKSEN] has said, your select committee on investigation of air safety has for the past few days had before it Commander Reichelderfer and his staff. They are there this minute. We will go back into session at 2 o'clock.

Please do not quibble about any reasonable expenditure for the establishment of air observation stations, included in which is the radiosonde you are talking about right now. Let me tell you something. You might be surprised to know that in continental United States and Alaska we have but 40 stations that use the radiosonde. Do you know what it is? It is an instrument that is hooked to the bottom of a balloon about 6 feet in diameter. That balloon is filled with gas. It has in there a little radio broadcasting station, literally. They turn this balloon loose in the sky and it goes up 20,000, 30,000, 50,000, and has recorded as high as 70,000 feet. At the various altitudes, and as it goes through the various pressures, the atmospheric conditions are recorded.

On the basis of this information is made up the air-mass analyses of the upper strata of the air through which our military, naval, and commercial airplanes must fly and operate. Do not forget, please, that the efficiency of our military craft, Army and Navy and commercial, depends almost entirely upon the accurate forecast of weather conditions over certain areas and they not only have to know what the surface condition is but they must know what the condition is in the upper air. This is the only means known by which you can gather the information.

There is one other startling thing to which I wish to refer. If your good Appropriations Committee will be so kind, soon we are going to ask you for an appropriation of quite a lot of money to establish probably 40 more of these stations in the United States. For what purpose? For the purpose of giving necessary information to our armed and civil air forces.

The matter of the weather in Mexico is just as important. It is just as necessary to have that information and to make accurate forecasts in Mexico as it is to have the information in Nebraska. With these 40 stations today we are covering on an average of 22,000 square miles per station. Think of that. Let us not quibble about this thing. We need these 3 stations in Mexico and also, remember, please, that these men in the executive departments downtown, and you gentlemen of the Appropriations Committee know this better than anybody else, are reluctant, as a matter of fact their hands are tied, they cannot come up here to Congress and say, "Now, we have just got to have this. We want you to put this back in the bill."

We called those men before our committee and asked them the question and

they made a fine case. Believe me, they did make a fine case.

Mr. RABAUT. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Michigan.

Mr. RABAUT. My colleague should not leave the impression they did not come before our committee. If you will look at the hearings, page 303, the gentleman will see that Commander Reichelderfer appeared before our committee.

Mr. NICHOLS. The gentleman does not have to cite the record now to prove to me that Commander Reichelderfer was present.

[Here the gavel fell.]

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. NICHOLS]?

There was no objection.

Mr. RABAUT. Commander Reichelderfer will tell you that he never had a more sympathetic hearing before any committee in his whole existence than was accorded him last year when we gave him about a day before the committee.

Mr. NICHOLS. That is scant time for this subject. We have had them before us for 3 days, and I guarantee we have not touched the situation.

Mr. RABAUT. We know we have not touched it either. We are very glad to take his advice, and we are very glad to give him what he asked, but under the very amendment that is up here for consideration, all you are doing with the amendment is to add $50,000 to $1,700,000.

Mr. NICHOLS. That is right.

Mr. RABAUT. You still have a cut in the amount of the difference between $1,750,000 and the $1,819,500. There is no reason for it except the one injected into this debate, that insufficient money will be assigned by the State Department to this particular agency. We recommended that the entire amount for this agency be given to it from the funds allowed in the bill, $1,700,000; that is, that $50,000 go to the Weather Bureau. That is all the gentleman wants, so I feel we are in unity on the subject.

Mr. DIRKSEN. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I fail to find any recommendation in the report or in the bill that you have earmarked $50,000 for this purpose. There is general distribution only by the Secretary of State.

Mr. RABAUT. It does not say it is a general distribution. It is left to the discretion of the Secretary of State and the importance of this particular activity will certainly receive the Secretary's attention.

Mr. NICHOLS. Well, now, we may be advised wrong. Very often we fellows up here on the Hill get bad information.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. RABAUT]?

There was no objection.

Mr. NICHOLS. Mr. Chairman, it is our information that if this item is cut out of the bill the Weather Bureau will not get the money with which to install these three radiosonde stations. That is the whole case as far as I am concerned.

Mr. HARE. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from South Carolina.

Mr. HARE. I think the gentleman will find that the committee as a whole—I can speak for one member of the committee—is in thorough accord with the ideas advanced by the gentleman from Oklahoma. However, the committee thinks that the appropriation of $1,700,000 will take care of this situation. But the committee did not want to place itself in the position of saying which should have priority under the appropriation. We leave it entirely to the State Department. If the State Department and the other bureaus believe that these three stations in Mexico are more important than other phases of the bill, they will have the power to use it for that purpose.

Mr. NICHOLS. Then will this amendment hurt the bill outside of the pride of authorship of the committee, and I am sensitive of that?

I was hopeful that the chairman of the committee might accept the amendment. I cannot see how it will hurt the bill.

Mr. RABAUT. I do not feel that we should accept the amendment. Let me read from the hearings:

Mr. RABAUT. How many stations do you have in the United States?

Dr. LITTLE. We are operating 33 radiosonde stations in the United States and 7 in Alaska.

Mr. RABAUT. This is widening the scope of the service, by giving us reports that may be of value to us in our own country?

Dr. LITTLE. Yes, sir Storms in the southern part of the United States, in New Mexico, Arizona, and California are caused by moist air coming from the Gulf, and this will give us valuable information upon which to base predictions of storm and flood conditions in that region of the United States.

In view of the debate that has taken place on the floor today, does the gentleman believe that the Secretary of State would think for 1 minute of curtailing this sum of $50,000? If so, then I do not understand the operations of the departments of the Government in trying to dovetail their activities with the wishes of the Congress.

Mr. NICHOLS. I may say to the gentleman that I have every fear of that, and that is no aspersion on our great Secretary of State or our State Department. They are busy men. I am not so gullible as to think that those busy men know every bit of repartee that goes on between Members on the floor here. I think there is every chance, because Commander Reichelderfer tells us so, and I think he is an honorable man, that if this money is not in the bill we shall not get the three radiosonde stations.

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. NICHOLS. It is all right with me whether or not you put that money in this bill, but let me sound this note of warning: There is nothing more vital to the defense of this country today than aviation, and there is nothing more vital to the proper functioning of aviation than proper weather forecasting and observation. Why we should quibble over $50,000 is more than I can understand. The time is not far removed when you will have an opportunity to quibble about doubling the radiosonde stations throughout the United States, and that within a few weeks. I believe you ought to accept the amendment.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not propose to see my committee in the position it has been placed in on this floor today. There is no one in this House—I do not care on what committee he may be—who has taken a more marked interest in aviation and in the training of pilots than the committee that has this bill before you today. We have not talked about only $50,000; we have just pushed the Budget up $16,000,000 for the training of civilian pilots. That is notice to the world, notice to this country, and notice to the distinguished gentleman who just preceded me that this committee is not a quibbler and does not need that appellation applied to it. That is point No. 1.

No. 2 is this: Commander Reichelderfer is certainly badly mistaken if he thinks he can come in here and coerce this committee. Commander Reichelderfer is no more acquainted with what the State Department will do with this $1,700,000 than is the gentleman who just preceded me. What is more, I as chairman of our committee will see to it that the Department of State and the Secretary of State will be informed of our interest in seeing that radiosonde is continued in this country and down in Mexico, where three or four new stations will be established. All the stations requested are provided for in appropriations in this bill. If they tell us it is necessary to go much further, they will find no group more respectful of their wishes in that regard than the committee that has heard Commander Reichelderfer on this matter.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Ohio.

Mr. JONES. May I say to the chairman that the general program of relations with South America and with Mexico has been divided by the Budget Bureau into two groups, the temporary or emergency program under Nelson Rockefeller, and the cultural relations or long-range program under the State Department. Nelson Rockefeller, with the

emergency program, to which I believe this item really belongs, in the fiscal year 1942 received $15,000,000 in appropriations and $3,000,000 in contract authorizations. Even if the State Department should cut out this item, if Mr. Reichelderfer could not then make out a case with Mr. Rockefeller it is a pretty poor project.

Mr. RABAUT. I want to say one other thing, and then I shall ask for a vote. The amount requested was $1,819,500 for this program, covering a series of objectives. The amount we allowed was $1,700,000. If the $50,000 covered in the gentleman's amendment is allowed—and I understand the good intentions of the gentleman in offering his amendment, and although in accord with the idea I do not believe the amendment is necessary—it would still be less than the full amount requested by the sum of $69,500, and the amount would still be subject to a cut if it were assigned to the projects on a pro rata basis. However, it is not to be on a pro rata basis. The decision is left to the discretion of the Secretary. Knowing the Secretary of State, Hon. Cordell Hull, as I do, I know that in view of the importance attached to radiosonde it will certainly receive every consideration from him, and I can vouch that the amount for this activity will not be cut one penny.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Illinois.

Mr. DIRKSEN. In all candor, let me say to the gentleman that when the Budget set up this item it included $1,819,500. The gentleman's committee cut off $119,500. Some functions are going to have to be cut out; that is, some functions that were sent here by the Budget Bureau as approved by the State Department.

Mr. RABAUT. Some will be partially curtailed.

Mr. DIRKSEN. It is up to the Secretary of State to make distribution of the money in that respect.

Mr. RABAUT. That is correct.

Mr. DIRKSEN. Suppose he does not distribute the funds so that there will be money for the radiosonde system in Mexico, where such stations are necessary; then the stations will be out unless the Senate restores the funds.

Mr. RABAUT. I give the gentleman my assurance that I will tell the Secretary of State personally the interest the House has shown in this fund as contained in the bill.

Mr. DIRKSEN. But it is still not necessary for the Secretary of State to follow out the admonition of the chairman of the subcommittee.

Mr. RABAUT. No; but I think he would.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I ask unanimous consent to proceed for 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SNYDER. Mr. Chairman, I am obliged to attend a conference, but before I go I would like to commend the gentleman from Michigan [Mr. RABAUT] for the splendid presentation he has just made. I am very much interested in the civilian pilot-training provision in this bill. I believe the thing to do today is to double the amount. Make it $72,000,000 instead of $36,000,000. We will need $144,000,000 before January 1 unless unforeseen things happen in the democracies' favor.

Mr. RABAUT. I may say to the gentleman that I belie e the committee would have considered a much greater amount, but this is the amount of the agency's request to the Budget. It was cut by the Budget from $36,000,000 to twenty-million-and-some-odd-thousand dollars. The committee restored it to the original figure as requested of the Budget.

Mr. SNYDER. I know that and that is one case where the Budget did not know what it was doing. It should be $96,000,000 instead of $36,000,000.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The amendment was rejected.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last two words, and I ask unanimous consent to revise and extend my own remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, yesterday, perhaps in an effort to promote unity and harmony, or it may be just because he was feeling kindly, generous, and charitable, the majority leader [Mr. MCCORMACK] referring to a talk just made by a Republican from Kansas [Mr. LAMBERTSON], said this:

> We have just listened to a rambling, rank, critical speech.

Did that statement, I ask you, tend to promote unity, harmony?

The majority leader continued, I quote:

> This is not a Democratic war, this is not a Republican war, it is not an Independent war. It is an American war.

On the 13th, over in the other body, a Democratic statesman, not a politician, a veteran of World War No. 1, distinguished for his active service in that war, expressed the same truth in these words:

> We are not running a New Deal war or an Old Deal war, a Democratic war or a Republican war. A man is not asked what his political beliefs are when he is drafted for service in the Army or Navy.

But when a patriotic American citizen seeks to aid his country, to support the fighting men, because of the policy of the majority party, he is asked:

> Do you belong to the union? Have you paid your dues?

Yesterday, the gentleman from Virginia [Mr. SMITH] offered his usual amendment, which would give us increased production, permit citizens to exercise their right to work, aid in national defense. It met its usual fate.

I hope the committee will listen to these words from a distinguished Democratic statesman, one who was speaking as an American. He said, on Friday last:

> I am not satisfied with the industrial situation either. I think strikes ought to end and stay ended until the men in the front lines get the guns which they ought to have to defend their lives and save this country. I am disheartened that there is not enough courage in the high leadership of this country to bring into being a law which would prevent strikes.

How true is that charge. We call on our soldiers, our sailors, our marines to have courage on the battlefields and on the sea and we lack the courage to vote our convictions. Yesterday the amendment which contained practically the same provisions that the House put into the Smith act a year or more ago by a vote of 2 to 1, and which would prevent strikes, received on the floor here just 39 votes. Yet the majority leader of the House cautions us to keep still. He said:

> I am confident that most of those who followed a certain policy and who did it sincerely should now at least employ decency by remaining silent in these days if they cannot make constructive utterances.

The Republicans have offered many constructive suggestions, similar to the one offered yesterday by the gentleman from Virginia [Mr. HOWARD SMITH], similar to those offered by a Democratic statesman on Friday last over on the floor of the other body and just quoted above—RECORD, page 1247.

Now, let me read again from the distinguished Democratic stateman's remarks. He said on the 13th of February:

> It becomes more and more difficult to sit silently in this Chamber in the face of undertakings throughout the Government which, in my judgment, are sufficient at times to cause the soldier in the front line in the Bataan Peninsula to throw down his gun in disgust. * * * While they are dying on the battlefield, as many of them are doing every day, here at home we are destroying the very thing which they give their blood and their efforts to perpetuate.
>
> This Government is an overgrown monstrosity from top to bottom, an extravagant, wasteful bureaucracy in the midst of the whole war prosecution.

This statement was made over in the other body. Yet when we venture here to offer amendments or offer criticism which will remedy a situation caused by these strikes, we are told that we should have the decency to sit down and keep still. I say the majority party, the majority leadership, should have the decency to undo this intolerable situation to which this distinguished Democratic statesman refers.

That same Democratic veteran, a statesman, said:

> I know that unless someone begins to speak and to speak courageously, this war might be lost and all the dead would be just as dead as if the war had been won

Another statement was made by the majority leader yesterday. I quote:

> I particularly exhort those who opposed everything, or practically everything, prior to December 7, to remember that we are in a war now. If we had followed their leadership we would be defeated today.

In reply to that erroneous statement I say if this administration had followed the suggestions of the gentleman from Kansas [Mr. LAMBERTSON], we would not have gone into a two-ocean war when we were unprepared.

Then the majority leader went on to say—RECORD 1364:

If we had followed the leadership of the gentleman from Kansas we would be defenseless today.

What an utterly absurd statement. The gentleman from Kansas [Mr. LAMBERTSON] and those who believed as did he advocated almost incessently that we prepare for defense of our homeland before we sought trouble elsewhere. If there is a man on the floor of this House who has more good, hard, common sense and vision and the fearlessness to speak his mind, to warn the Nation of impending disaster, than has the gentleman from Kansas [Mr. LAMBERTSON], I know not his name. I say to you that, if we had followed the leadership of the gentleman from Kansas, the President could not yesterday have made the statement which he did make at his press conference; could not have said that our northwest Pacific coast and our Atlantic coast are at the mercy of an attack from our enemy who comes from across the sea.

The majority leader yesterday, when he so futilely attempted to give the minority a verbal spanking, made this observation. I quote—RECORD 1364:

Let us stop making mountains out of mole hills.

Does he think that Pearl Harbor was a mole hill? Does he think that the inexcausable, the criminal loss of the *Normandie* was a mole hill? When a ship like the *Normandie*, so sorely needed for our national defense, is permitted to burn and sink at a dock in the city of New York, because of the carelessness, the incompetency, of those who are acting under the Secretary of the Navy, under the Commander in Chief of the Navy, the President himself, does the majority leader mean that we should sit still, remain silent, not call for greater vigilance, for greater efficiency? Just how great must be our losses before we of the minority are permitted to ask that steps be taken to prevent similar disasters?

And then the majority leader, the gentleman from Massachusetts [Mr. MCCORMACK], continued:

You may talk about labor unions, but we all have a card in the Union of the United States.

As an oratorical statement that may be a gem, but it is meaningless insofar as it applies to one of the evils of which I have complained. True, figuratively speaking, we all have a card in the Union of the United States and presumably we all have a right to work for the defense of the Union of the United States.

But, under the policy pursued by the party represented by the gentleman from Massachusetts [Mr. MCCORMACK], while our union card admits us to the Army and the Navy, to the armed forces of the Union, it does not admit us to a national defense job. This administration, the majority party, backs the policy which renders our card in the union of the United States of no value, insofar as national defense work is concerned.

While the gentleman from Massachusetts and all the rest of us have, as he said, a card in the Union of the United States, that card does not take us through the gates to a national defense job until we have bought a license to work from the labor union which is backed by the administration.

The appeal of the gentleman from Kansas [Mr. LAMBERTSON] was that we look first to the defense of our own land. He is a realist. Coming from the Grass Roots, he knows that every successful enterprise or venture must have a sound foundation. He knows, and what he has tried so often to tell this House, if I understood him correctly, is the elemental truth that, unless we first prepare here in the homeland an impregnable defense, we cannot successfully and with safety send armed forces to fight on every continent, on every sea.

Had the advice of the gentleman from Kansas [Mr. LAMBERTSON] been followed, it would not have been necessary for another Democratic statesman in another body to have suggested, as he did the other day:

The day may come when we shall have to bring back from the four corners of the world our depleted Navy to be a source of defense for our own shores.

If the gentleman from Massachusetts, the majority leader, wants unity, let me most humbly suggest to him that he can best get it by directing the efforts of this administration toward the winning of the war, the forgetting of its social reforms, the advancement of its own political fortunes.

[Here the gavel fell.]

Mr. LANHAM. Mr. Chairman, I move to strike out the last word. I am sure that it behooves us all in these critical times to be very much interested in the economy that can be effected by the reduction of nondefense spending. A few days ago I made some remarks on the floor of this House with reference to the propriety of having some agents of our own follow up these various appropriations and see how the money is spent. In other remarks I also made inquiry of the Committee on Appropriations with reference to the amount now being expended for printing and binding. I received the rather startling information that the discoverable printing and binding, aside from that which is done in the various bureaus and departments themselves, would aggregate $50,000,000 a year.

I now direct the attention of the Committee on Appropriations to another inquiry or two. How much is being expended annually in the various agencies for long-distance telephone calls? This whole country can be covered today in 24 hours or less by air mail at very little expense. Of course, Members of Congress do not have the privilege of using the telephone at Government expense on these official long-distance calls, and that is quite proper, and I have paid for several of my own quite recently; but it seems to me ridiculous to expend great sums of money in having these various agencies telephone all over the country at Government expense when an air-mail stamp would serve the same purpose and about as expeditiously. Of course, in these times some such calls are necessary, but I am sure the expenditures can be very greatly reduced without detriment to the service.

Further, the committee might look into the amount expended with reference to travel. I feel confident that a great deal of this travel is unnecessary and that it could be eliminated.

I am preparing a measure as a basis for consideration along the line of my remarks the other day, to have some agents of our own to follow up these appropriations and help us in the economy that we can effect, and thereby save the taxpayers of this country very great sums of money.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. Yes.

Mr. HARE. I suggest that the subcommittee to which I happen to belong has emphasized the cost with reference to printing and binding and with reference to telephoning. The gentleman will find in the RECORD where I made some observations at the beginning of the year about this. This is one item we feel that can be reduced and should be reduced. I refer to printing and binding.

Mr. LANHAM. Can the gentleman advise me how much is spent annually on these telephone calls?

Mr. HARE. No, I cannot, but I can say that our committee has insisted that the telephone calls be reduced to a minimum. I agree with the gentleman that we are spending too much. We have insisted in every case that they centralize this activity as much as possible, particularly the matter of traveling. I think the suggestion that they should use our air mail should be given great consideration, because so far as telephone calls are concerned, the cost of them or the profit in them goes to the private industries, while if they use air mail and buy stamps, the income goes to the United States Government. For that reason we have insisted, and I shall continue to insist, that they use the air mail where possible. I appreciate that some one from some other committee has taken up this suggestion.

Mr. LANHAM. Mr. Chairman, I thank the gentleman for what he has said in that regard, and I think these various matters, to which attention has been called and concerning which it is impossible to get any definite or accurate information, accentuate the necessity for legislation along the line of that which I hope very soon to introduce.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CARTER. Mr. Chairman, I rise in opposition to the pro forma amendment. I agree, and this subcommittee agrees, with the observations of the gentleman from Texas [Mr. LANHAM]. In fact, for the past several years we have been complaining to the various bureaus and departments about their telephone bills and their travel bills and their printing and binding bills. Not only have we been doing this, but we have been demanding that in each succeeding

emergency program, to which I believe this item really belongs, in the fiscal year 1942 received $15,000,000 in appropriations and $3,000,000 in contract authorizations. Even if the State Department should cut out this item, if Mr. Reichelderfer could not then make out a case with Mr. Rockefeller it is a pretty poor project.

Mr. RABAUT. I want to say one other thing, and then I shall ask for a vote. The amount requested was $1,819,500 for this program, covering a series of objectives. The amount we allowed was $1,700,000. If the $50,000 covered in the gentleman's amendment is allowed—and I understand the good intentions of the gentleman in offering his amendment, and although in accord with the idea I do not believe the amendment is necessary—it would still be less than the full amount requested by the sum of $69,500, and the amount would still be subject to a cut if it were assigned to the projects on a pro rata basis. However, it is not to be on a pro rata basis. The decision is left to the discretion of the Secretary. Knowing the Secretary of State, Hon. Cordell Hull, as I do, I know that in view of the importance attached to radiosonde it will certainly receive every consideration from him, and I can vouch that the amount for this activity will not be cut one penny.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Illinois.

Mr. DIRKSEN. In all candor, let me say to the gentleman that when the Budget set up this item it included $1,819,500. The gentleman's committee cut off $119,500. Some functions are going to have to be cut out; that is, some functions that were sent here by the Budget Bureau as approved by the State Department.

Mr. RABAUT. Some will be partially curtailed.

Mr. DIRKSEN. It is up to the Secretary of State to make distribution of the money in that respect.

Mr. RABAUT. That is correct.

Mr. DIRKSEN. Suppose he does not distribute the funds so that there will be money for the radiosonde system in Mexico, where such stations are necessary; then the stations will be out unless the Senate restores the funds.

Mr. RABAUT. I give the gentleman my assurance that I will tell the Secretary of State personally the interest the House has shown in this fund as contained in the bill.

Mr. DIRKSEN. But it is still not necessary for the Secretary of State to follow out the admonition of the chairman of the subcommittee.

Mr. RABAUT. No; but I think he would.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I ask unanimous consent to proceed for 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SNYDER. Mr. Chairman, I am obliged to attend a conference, but before I go I would like to commend the gentleman from Michigan [Mr. RABAUT] for the splendid presentation he has just made. I am very much interested in the civilian pilot-training provision in this bill. I believe the thing to do today is to double the amount. Make it $72,000,000 instead of $36,000,000. We will need $144,000,000 before January 1 unless unforeseen things happen in the democracies' favor.

Mr. RABAUT. I may say to the gentleman that I belie e the committee would have considered a much greater amount, but this is the amount of the agency's request to the Budget. It was cut by the Budget from $36,000,000 to twenty-million-and-some-odd-thousand dollars. The committee restored it to the original figure as requested of the Budget.

Mr. SNYDER. I know that and that is one case where the Budget did not know what it was doing. It should be $96,000,000 instead of $36,000,000.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DIRKSEN].

The amendment was rejected.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last two words, and I ask unanimous consent to revise and extend my own remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, yesterday, perhaps in an effort to promote unity and harmony, or it may be just because he was feeling kindly, generous, and charitable, the majority leader [Mr. MCCORMACK] referring to a talk just made by a Republican from Kansas [Mr. LAMBERTSON], said this:

> We have just listened to a rambling, rank, critical speech.

Did that statement, I ask you, tend to promote unity, harmony?

The majority leader continued, I quote:

> This is not a Democratic war, this is not a Republican war, it is not an Independent war. It is an American war.

On the 13th, over in the other body, a Democratic statesman, not a politician, a veteran of World War No. 1, distinguished for his active service in that war, expressed the same truth in these words:

> We are not running a New Deal war or an Old Deal war, a Democratic war or a Republican war. A man is not asked what his political beliefs are when he is drafted for service in the Army or Navy.

But when a patriotic American citizen seeks to aid his country, to support the fighting men, because of the policy of the majority party, he is asked:

> Do you belong to the union? Have you paid your dues?

Yesterday, the gentleman from Virginia [Mr. SMITH] offered his usual amendment, which would give us increased production, permit citizens to exercise their right to work, aid in national defense. It met its usual fate.

I hope the committee will listen to these words from a distinguished Democratic statesman, one who was speaking as an American. He said, on Friday last:

> I am not satisfied with the industrial situation either. I think strikes ought to end and stay ended until the men in the front lines get the guns which they ought to have to defend their lives and save this country. I am disheartened that there is not enough courage in the high leadership of this country to bring into being a law which would prevent strikes.

How true is that charge. We call on our soldiers, our sailors, our marines to have courage on the battlefields and on the sea and we lack the courage to vote our convictions. Yesterday the amendment which contained practically the same provisions that the House put into the Smith act a year or more ago by a vote of 2 to 1, and which would prevent strikes, received on the floor here just 39 votes. Yet the majority leader of the House cautions us to keep still. He said:

> I am confident that most of those who followed a certain policy and who did it sincerely should now at least employ decency by remaining silent in these days if they cannot make constructive utterances.

The Republicans have offered many constructive suggestions, similar to the one offered yesterday by the gentleman from Virginia [Mr. HOWARD SMITH], similar to those offered by a Democratic statesman on Friday last over on the floor of the other body and just quoted above—RECORD, page 1247.

Now, let me read again from the distinguished Democratic stateman's remarks. He said on the 13th of February:

> It becomes more and more difficult to sit silently in this Chamber in the face of undertakings throughout the Government which, in my judgment, are sufficient at times to cause the soldier in the front line in the Bataan Peninsula to throw down his gun in disgust. * * * While they are dying on the battlefield, as many of them are doing every day, here at home we are destroying the very thing which they give their blood and their efforts to perpetuate.
>
> This Government is an overgrown monstrosity from top to bottom, an extravagant, wasteful bureaucracy in the midst of the whole war prosecution.

This statement was made over in the other body. Yet when we venture here to offer amendments or offer criticism which will remedy a situation caused by these strikes, we are told that we should have the decency to sit down and keep still. I say the majority party, the majority leadership, should have the decency to undo this intolerable situation to which this distinguished Democratic statesman refers.

That same Democratic veteran, a statesman, said:

> I know that unless someone begins to speak and to speak courageously, this war might be lost and all the dead would be just as dead as if the war had been won

Another statement was made by the majority leader yesterday. I quote:

> I particularly exhort those who opposed everything, or practically everything, prior to December 7, to remember that we are in a war now. If we had followed their leadership we would be defeated today.

In reply to that erroneous statement I say if this administration had followed the suggestions of the gentleman from Kansas [Mr. LAMBERTSON], we would not have gone into a two-ocean war when we were unprepared.

Then the majority leader went on to say—RECORD 1364:

If we had followed the leadership of the gentleman from Kansas we would be defenseless today.

What an utterly absurd statement. The gentleman from Kansas [Mr. LAMBERTSON] and those who believed as did he advocated almost incessently that we prepare for defense of our homeland before we sought trouble elsewhere. If there is a man on the floor of this House who has more good, hard, common sense and vision and the fearlessness to speak his mind, to warn the Nation of impending disaster, than has the gentleman from Kansas [Mr. LAMBERTSON], I know not his name. I say to you that, if we had followed the leadership of the gentleman from Kansas, the President could not yesterday have made the statement which he did make at his press conference; could not have said that our northwest Pacific coast and our Atlantic coast are at the mercy of an attack from our enemy who comes from across the sea.

The majority leader yesterday, when he so futilely attempted to give the minority a verbal spanking, made this observation. I quote—RECORD 1364:

Let us stop making mountains out of mole hills.

Does he think that Pearl Harbor was a mole hill? Does he think that the inexcausable, the criminal loss of the *Normandie* was a mole hill? When a ship like the *Normandie,* so sorely needed for our national defense, is permitted to burn and sink at a dock in the city of New York, because of the carelessness, the incompetency, of those who are acting under the Secretary of the Navy, under the Commander in Chief of the Navy, the President himself, does the majority leader mean that we should sit still, remain silent, not call for greater vigilance, for greater efficiency? Just how great must be our losses before we of the minority are permitted to ask that steps be taken to prevent similar disasters?

And then the majority leader, the gentleman from Massachusetts [Mr. MCCORMACK], continued:

You may talk about labor unions, but we all have a card in the Union of the United States.

As an oratorical statement that may be a gem, but it is meaningless insofar as it applies to one of the evils of which I have complained. True, figuratively speaking, we all have a card in the Union of the United States and presumably we all have a right to work for the defense of the Union of the United States.

But, under the policy pursued by the party represented by the gentleman from Massachusetts [Mr. MCCORMACK], while our union card admits us to the Army and the Navy, to the armed forces of the Union, it does not admit us to a national defense job. This administration, the majority party, backs the policy which renders our card in the union of the United States of no value, insofar as national defense work is concerned.

While the gentleman from Massachusetts and all the rest of us have, as he said, a card in the Union of the United States, that card does not take us through the gates to a national defense job until we have bought a license to work from the labor union which is backed by the administration.

The appeal of the gentleman from Kansas [Mr. LAMBERTSON] was that we look first to the defense of our own land. He is a realist. Coming from the Grass Roots, he knows that every successful enterprise or venture must have a sound foundation. He knows, and what he has tried so often to tell this House, if I understood him correctly, is the elemental truth that, unless we first prepare here in the homeland an impregnable defense, we cannot successfully and with safety send armed forces to fight on every continent, on every sea.

Had the advice of the gentleman from Kansas [Mr. LAMBERTSON] been followed, it would not have been necessary for another Democratic statesman in another body to have suggested, as he did the other day:

The day may come when we shall have to bring back from the four corners of the world our depleted Navy to be a source of defense for our own shores.

If the gentleman from Massachusetts, the majority leader, wants unity, let me most humbly suggest to him that he can best get it by directing the efforts of this administration toward the winning of the war, the forgetting of its social reforms, the advancement of its own political fortunes.

[Here the gavel fell.]

Mr. LANHAM. Mr. Chairman, I move to strike out the last word. I am sure that it behooves us all in these critical times to be very much interested in the economy that can be effected by the reduction of nondefense spending. A few days ago I made some remarks on the floor of this House with reference to the propriety of having some agents of our own follow up these various appropriations and see how the money is spent. In other remarks I also made inquiry of the Committee on Appropriations with reference to the amount now being expended for printing and binding. I received the rather startling information that the discoverable printing and binding, aside from that which is done in the various bureaus and departments themselves, would aggregate $50,000,000 a year.

I now direct the attention of the Committee on Appropriations to another inquiry or two. How much is being expended annually in the various agencies for long-distance telephone calls? This whole country can be covered today in 24 hours or less by air mail at very little expense. Of course, Members of Congress do not have the privilege of using the telephone at Government expense on these official long-distance calls, and that is quite proper, and I have paid for several of my own quite recently; but it seems to me ridiculous to expend great sums of money in having these various agencies telephone all over the country at Government expense when an air-mail stamp would serve the same purpose and about as expeditiously. Of course, in these times some such calls are necessary, but I am sure the expenditures can be very greatly reduced without detriment to the service.

Further, the committee might look into the amount expended with reference to travel. I feel confident that a great deal of this travel is unnecessary and that it could be eliminated.

I am preparing a measure as a basis for consideration along the line of my remarks the other day, to have some agents of our own to follow up these appropriations and help us in the economy that we can effect, and thereby save the taxpayers of this country very great sums of money.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. Yes.

Mr. HARE. I suggest that the subcommittee to which I happen to belong has emphasized the cost with reference to printing and binding and with reference to telephoning. The gentleman will find in the RECORD where I made some observations at the beginning of the year about this. This is one item we feel that can be reduced and should be reduced. I refer to printing and binding.

Mr. LANHAM. Can the gentleman advise me how much is spent annually on these telephone calls?

Mr. HARE. No, I cannot, but I can say that our committee has insisted that the telephone calls be reduced to a minimum. I agree with the gentleman that we are spending too much. We have insisted in every case that they centralize this activity as much as possible, particularly the matter of traveling. I think the suggestion that they should use our air mail should be given great consideration, because so far as telephone calls are concerned, the cost of them or the profit in them goes to the private industries, while if they use air mail and buy stamps, the income goes to the United States Government. For that reason we have insisted, and I shall continue to insist, that they use the air mail where possible. I appreciate that some one from some other committee has taken up this suggestion.

Mr. LANHAM. Mr. Chairman, I thank the gentleman for what he has said in that regard, and I think these various matters, to which attention has been called and concerning which it is impossible to get any definite or accurate information, accentuate the necessity for legislation along the line of that which I hope very soon to introduce.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CARTER. Mr. Chairman, I rise in opposition to the pro forma amendment. I agree, and this subcommittee agrees, with the observations of the gentleman from Texas [Mr. LANHAM]. In fact, for the past several years we have been complaining to the various bureaus and departments about their telephone bills and their travel bills and their printing and binding bills. Not only have we been doing this, but we have been demanding that in each succeeding

year the telephone bills and these other bills be cut down, and I believe efforts at savings have been made by the various departments.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. CARTER. Yes; I yield to the gentleman from Ohio [Mr. JONES], a very valued member of this committee.

Mr. JONES. I suggest to the gentleman from Texas that his idea of a Representative from Congress to look after the spending of the appropriations is commendable.

However, providing an agent of Congress to see that the money is spent for the purposes appropriated, is a legislative matter and cannot be brought in by the Committee on Appropriations. There is no legal authorization for such a position and therefore any amendment to this bill would be subject to a point of order.

The gentleman is chairman of the housing committee and has been responsible for a little over a billion dollars being appropriated for housing, but lo and behold, from an investigation I made personally, three and one-half billion is available for housing. It is handled by 14 uncoordinated agencies, each of them going to a separate budget officer and making requests independently of each other. No budget examiner knows what the other is allowing. They are even using the prewar borrowing power of spending agencies for housing. I think a good start could be made by clearing up the housing situation, by the gentleman's committee bringing in a bill to give Congress a representative to check upon the expenditures in his particular committee, and I will support it enthusiastically.

Mr. LANHAM. Will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Texas.

Mr. LANHAM. Of course, I intend for these employees to make these inquiries for all of the different committees; to be the agents of the Congress. Although the gentleman has exaggerated the sum that has been expended through authorizations by the committee of which I am a member, I may say that we have already eliminated one of those agencies and we are seeking to eliminate some of the others.

Mr. CARTER. We congratulate the gentleman upon his success so far and we hope it may continue.

I appreciate that the remarks of the gentleman from Texas are very pertinent. We must scale down all of these nondefense appropriations. The travel bill of this Government is startling and alarming. Our committee only handles three of the smaller departments of this Government, but, notwithstanding that fact, the general travel bill of the Government is increasing year after year by leaps and bounds. Something must be done to hold it down.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Texas.

Mr. MAHON. In view of the specific request as to the amount of money being spent for telephone bills by the departments, I think it would be well if the gentleman would, through the clerk or otherwise, find out approximately how much there is in this bill for telephones in the Departments of Justice, State, and Commerce, in order that we might bring it into the record. Of course, the gentleman could not be expected to give the figures from memory.

Mr. CARTER. We can get it for the benefit of the House as far as our own departments are concerned. We have scanned those figures before the committee and we are using our best endeavors to keep the amounts down.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. HARE. The gentleman will recall that last year when we reported the bill I emphasized the fact that one agency in the Government, employing 800 people, spent a little over $33,000 for telephones.

Mr. CARTER. I thank the gentleman.

Mr. LANHAM. Mr. Chairman, will the gentleman yield further?

Mr. CARTER. I yield.

Mr. LANHAM. I want to say to the gentleman that I was not intending any criticism of the Appropriations Committee as I realize they are very busy men, but I do think we ought to have this information from all the departments. That is the reason I think we ought to have these follow-up men who are agents of our own.

Mr. CARTER. I appreciate that and thank the gentleman for his constructive suggestion.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, perhaps there is no better time than the present to bring forcibly to the attention of the committee the diligence and the devotion of the members of the subcommittee of the Committee on Appropriations for the Departments of State, Justice, Commerce, and the Federal judiciary. This committee is really familiar with the items that come before it. When you asked the questions about telephones, I say to you that the item of telephones is covered by the individual agency in each little subdivision of the Government as they present their justifications before the committee, as they make their appeals for funds. If it is the desire of the House to assign someone to gather all those different telephone bills and put them into one figure, it could be done. However, what we did do in the matter was this: We instructed the secretary and the assistant secretary to appoint someone in the Department to give the O K. for permission to make long-distance telephone calls, and that personal calls in the Departments be absolutely frowned upon. This is not new this year with this committee, to my knowledge. This committee has repeatedly emphasized this for the past 7 years. This committee has been interested in more things than telephones. I have some notes here that I made to tell the committee about, not since this question came up but long before.

SAVINGS IN COMMUNICATIONS; CONSOLIDATION IN TRAVEL

We have made a tremendous saving in the consolidation of travel. Some years ago some bureaus had no limitation upon their travel allowance. The sky was the limit. It is not so today.

Mr. KEEFE. Mr. Chairman, will the gentleman yield at that point?

Mr. RABAUT. Yes; I yield.

Mr. KEEFE. In every Budget estimate for each agency there is an item for communications, is there not?

Mr. RABAUT. Yes.

Mr. KEEFE. Which includes not only telephone but telegraph and other communications?

Mr. RABAUT. Yes.

Mr. KEEFE. It would be a comparatively simple matter to bring those totals together, to show what the total appropriation for communications is for your entire appropriation bill, would it not?

Mr. RABAUT. I assure the gentleman that because of the fact that this subject has been brought up in the House today, as far as our committee is concerned, we shall bring such totals before you next year.

Mr. KEEFE. Can the gentleman advise the House now whether the amount contained in the pending bill for communication items is greater or less than the similar items in last year's bill?

Mr. RABAUT. I could not tell the gentleman in the aggregate because it is in different parts of the bill, spread all through the bill, and this bill deals with four departments of the Government, State, Justice, Commerce, and the Federal Judiciary.

Mr. KEEFE. But each department has a specific item in its Budget estimate under the heading "Communications," does it not?

Mr. RABAUT. We could supply the gentleman this information, but we could not give it to him at this moment.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I am very pleased to yield to my good friend from Texas.

Mr. MAHON. Is there an item in the bill for the purchase of automobiles? I am not criticizing the subcommittee, being a member of the whole committee myself, but a matter that gives me some concern is that we are spending too much money buying automobiles for bureaucrats in the various agencies of the Government when very often they are probably not used for official purposes. It would be much cheaper, it seems to me, if we could work out some plan whereby we could allow them taxi fare when they want to go from the departments to the Capitol or from one department to another department. Does the gentleman have any information on that point?

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RABAUT. Coming from Michigan, as I do, the home of the automobile, I am very glad to answer the gentleman.

I want to say to the distinguished gentleman from Texas that the Army, the Navy, and some of the attachés appointed to United States consulates and embassies throughout the world, and high-ranking officers of the Army and the Navy have very de luxe cars, in the observation of the gentleman from Michigan. But, do you know that we furnish no cars to our Ambassadors? This is no bill in which to introduce a complaint against the purchase of automobiles. There are plenty of places where I think it would apply, but it does not apply to this particular bill. I notice the gentleman defending the Army is right here on his feet. I yield to him now.

Mr. MAY. I am very glad to say to the gentleman that I am not defending the Army and the Navy, for they need no defense; they are the two organizations defending all of us.

Mr. RABAUT. Very good.

Mr. MAY. But I call the gentleman's attention to the fact that there are several other organizations in the Government that are buying automobiles. Expecting to be criticized for calling one particular organization by name, I can advise the gentleman from Michigan that the Tennessee Valley Authority has 6,000 cars in the State of Tennessee.

Mr. RABAUT. Take that up with the Committee on Appropriations, not with me. I want to say to the gentleman, however, that it does not seem quite right when you go to an embassy of the United States and see the commercial attaché, the naval attaché, or the military attaché with an automobile, but the Ambassador, unless he has his private vehicle, has to go to an American friend and ask for the loan of his car, if you ask the Ambassador for one. That is what is going on today. Now, there are two or three other things I want to discuss.

This committee was one of the first to frown upon the idea of detailing employees from one department to another not within the scope of the appropriation from which their salaries were paid. There has been some abuse along this line right here in the House. A committee will be set up and be given $10,000 for a certain investigation. It will then proceed to walk down to one of the departments and ask for $25,000 worth of help. That department is then short, of course, and comes before us first under an emergency for temporary employees, and then walks up to the regularly constituted subcommittees and presents justifications for keeping them on the permanent roll. The net result is they get about $25,000 additional appropriation. This abuse has occurred as between departments, it has occurred here in the Congress, and even in the White House. I do not object if they want it done that way, but I admire frankness. If an investigation is going to cost $100,000, ask for the $100,000 and find out if the House will grant it. Perhaps it will not but do not ask for $10,000 and then proceed to one of the departments to obtain $25,000 more through use of employees they must pay. It is not right. It is a procedure this committee has been very much interested in and has frowned upon.

Another thing we are interested in is prison camps. We have a lot of these C. C. C. camps that ought to be turned over for prison camps, and it would be an inexpensive and a good thing.

Our activities have been many. This committee purchased some land about a year ago, and I would like the committee here to note what we paid for the land, which was adjacent to the Bureau of Standards on Connecticut Avenue. After much dickering, we bought some 14 acres for $125,000. Compare that with some of the prices recently paid for land in the District of Columbia. This committee inspected the site, convinced the owners that the Government was the only purchaser for that property.

The committee has suggested many improvements in the Foreign Service of the State Department as a result of knowledge gained from inspection trips. The Committee made recommendations for improvement in the situation respecting Mexican immigration, prisoners have been put to work, hard work, and now they are beginning to have more respect for the immigration law. Those are some of the things that have been accomplished and we are now looking for further improvement along some other lines.

First. Improvement in the parole procedures.

Second. The enactment by Congress of an indeterminate sentence law.

Third. The proper disposition of the expensive and valuable land in the District of Columbia now erroneously occupied by the National Training School for Boys, over 300 acres on Bladensburg Road.

Fourth. A marked improvement in the conditions and management of county and city jails, and in this connection I quote from the report.

> The Bureau of Prisons has maintained for several years a force of jail inspectors who visit these county and city jails in which Federal prisoners are kept, for the purpose of rating them in terms of their general condition and management. Some of the conditions that exist in these local institutions are appalling. The committee has inserted in the record a list of those jails where conditions are most glaringly bad, as well as a list of those highest on the list as far as their ratings are concerned. Over the past several years only a meager improvement appears to have taken place in the general picture of jail conditions in the cities and counties of the country. The committee is convinced that the only way now that any measurable improvement will take place is to have the glaring light of publicity focused on the institutions that are the worst offenders.

The Clerk read as follows:

Printing and binding: For printing and binding for the Department of Justice, $567,500.

Mr. JONES. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 33, line 15, strike out "$567,500" and insert "$482,500, of which not more than $33,000 shall be used for the purchase of paper for the purpose of issuing press releases by the publicity and propaganda agency of the Department."

Mr. JONES. Mr. Chairman, this is a cut of $75,000 in the printing and binding item. I have arbitrarily cut $75,000 off of this item. There is no scientific basis for the cut, except from what we can figure from the back door up to the front.

You cannot tell how much the Government is spending for publicity bureaus. The salaries of all branches of the Government cost the taxpayers $27,700,000 a year. You cannot tell because there is no separate budget and accounting for publicity bureaus. They are hidden in the bureaus under the heads of "assistant clerks" "stenographers," and "secretaries." Anybody who can turn a crank on a mimeograph, labeled "clerk," "secretary," or "stenographer," is in the Federal Publicity Bureau. The Budget Bureau which grants the funds for each department cannot tell you how much is spent for publicity in all of the bureaus of the Government.

Something was said this morning about trying to cut down the Government publicity, and I heartily agree with that proposition. Since Pearl Harbor the United States has been united and there is no excuse for any department or agency carrying on a publicity bureau for the benefit of itself or for the benefit of the Government. This applies especially to the Department of Justice. It has no excuse whatever for a press and propaganda service, because it has the ear of the country. What it says is spot news. Mr. Biddle, the Attorney General, can get into the Movietone News, RKO News, Pathé News, and Paramount News. He can get widespread publicity by merely asking for it. He will be thus offered the opportunity to give any message to the public he wants to. The newspaper boys have their ears out for anything that the Attorney General, the F. B. I., the Antitrust Division, or the Federal Bureau of Prisons has to say. It is therefore not necessary for the Department of Justice to have a publicity bureau.

My amendment cuts the amount of $75,000 from the printing and binding item for the Department of Justice for this reason. In 1940 the Department of Justice bought from the Government Printing Office blank paper of the type of mimeograph or duplicating paper in an amount of $107,986.66. Add that to the other paper that all the other departments bought from the Government Printing Office for duplicating purposes in the fiscal year 1940 and the total amount is $1,803,418. That is for 1940.

In 1941 the total duplicating-paper price rose from $1,800,000 plus to $2,500,000. Think of it, that is for blank paper alone. Proportionately the Department of Justice's increased from $107,986.66 in 1940 to $187,258.56 in 1941.

Mr. Chairman, conditions have changed since the first bomb dropped on Pearl Harbor and there should not be any need for this waste of the Department of Justice paper. There should be no more paper than is necessary for interdepartmental communications. I think the

amount I have set of $33,000 ought to cover that.

The Department of Justice, more than any other department, should be the first one to stop this flagrant use of the propaganda method of publicizing itself. People look up to the great Department of Justice as a shining example. There is a specific law that is being transgressed in every department except the Congress' own General Accounting Office. That is the only agency that does not have a publicity bureau that I know of. All of these departments have been hiring and employing publicity men outside authorized appropriations and in violation of law.

Did you know the reason why propaganda specialists are not on the pay roll as publicity men? Because in about 1916 the Congress passed a law which said that the departments could not have publicity men unless Congress specifically authorized the appropriation for publicity purposes. The only way they could expand the publicity departments was to do so dishonestly. It is generally done that way, so that no one can check back on it. That is the method of circumventing what you gentlemen on both sides of the aisle talked about this morning. Take away the paper and they will not have anything to spill ink on. Take away the paper and there will not be any necessity for these publicity jobs.

Mr. Chairman, I trust my amendment will be agreed to.

[Here the gavel fell.]

Mr. SHEPPARD. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr. JONES].

Mr. Chairman, I take this time to inquire of the chairman of the subcommittee who is handling this bill if he will explain to the House what the special counsels requested in the bill are going to be utilized for?

Mr. RABAUT. In reply to the inquiry of the gentleman from California, I may say that the work to which these special attorneys are assigned is left entirely to the discretion of the Attorney General. May I further say to the gentleman, following along his line of thought, which I believe is based upon economy, that the amount we allowed for this particular activity in 1936 was $700,000, to which was added a supplemental appropriation of $176,000. The appropriation for 1943 is $200,000, so I think the committee has done well with this item.

Mr. SHEPPARD. I concur in the statement of the chairman to the effect that the committee has taken exceptionally good care of the department as regards furnishing special counsel is concerned, but may I ask the gentleman if there was any indication in the justifications that were presented to his committee whether or not any of these special attorneys were to be used to take care of the Japanese menace that now exists on the Pacific coast, and if not, why not?

Mr. RABAUT. We made no particular inquiry of the Attorney General as to what he is going to do with these special attorneys, feeling that is a matter which should be entirely within the discretion of the Department of Justice.

Mr. SHEPPARD. I concur in general with the committee because they have always done a splendid job, but I do think it is time that this House is entitled to know whether or not the Attorney General has enough help to do the job that the people on the Pacific coast know he is not doing under the present circumstances; in fact, he is using legal excuses to avoid responding to the protective requirements of the people on the Pacific coast as regards their and the national welfare.

Mr. COSTELLO. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield to the gentleman from California.

Mr. COSTELLO. I may say to the gentleman that it is my understanding that at least in the Los Angeles area, where the Attorney General has his investigators gathering information, they do not cooperate with the Army Intelligence or the Naval Intelligence Services and, as a result, these other branches of the Government are not getting the information the F. B. I. discovers and has available, so that they do not know from what source they may expect trouble and do not know how to protect themselves against it. I believe this situation certainly ought to be remedied by the Attorney General's directing his staff, at least out there, to cooperate more fully with the other branches of the Government.

Mr. SHEPPARD. I thank the gentleman for his contribution.

Mr. Chairman, I am not going to attempt to speak for the rest of the California delegation, but as an individual Representative from the State of California I serve notice upon the Attorney General that if something is not done rapidly to correct the hazards that everyone who has any degree of intelligence knows exist on the Pacific Coast with regard to the Japanese question, I am going to introduce a resolution to investigate the activities of his office for the protection of the white citizens of my State.

I also call your attention to the opinion of the Jap condition as expressed by Walter Lippmann:

[From the Washington Post of February 12, 1942]

TODAY AND TOMORROW

(By Walter Lippmann)

THE FIFTH COLUMN ON THE COAST

SAN FRANCISCO.—The enemy-alien problem on the Pacific coast, or, much more accurately, the fifth-column problem, is very serious and it is very special. What makes it so serious and so special is that the Pacific coast is in imminent danger of a combined attack from within and from without. The danger is not, as it would be in the inland centers or perhaps even for the present on the Atlantic coast, from sabotage alone. The peculiar danger of the Pacific coast is in a Japanese raid accompanied by enemy action inside American territory.

This combination can be very formidable indeed. For while the striking power of Japan from the sea and air might not in itself be overwhelming at any one point just now, Japan could strike a blow which might do irreparable damage if it were accompanied by the kind of organized sabotage to which this part of the country is specially vulnerable.

This is a sober statement of the situation, in fact, a report, based not on speculation, but on what is known to have taken place and to be taking place in this area of the war. It is a fact that the Japanese Navy has been reconnoitering the Pacific coast more or less continually and for a considerable period of time, testing and feeling out the American defenses. It is a fact that communication takes place between the enemy at sea and enemy agents on land.

These are facts which we shall ignore or minimize at our peril. It is also a fact that since the outbreak of the Japanese war there has been no important sabotage on the Pacific coast.

From what we know about Hawaii and about the fifth column in Europe this is not, as some have liked to think, a sign that there is nothing to be feared. It is a sign that the blow is well organized and that it is held back until it can be struck with maximum effect.

In preparing to repel the attack the Army and Navy have all the responsibility but they are facing it with one hand tied down in Washington. I am sure I understand fully and appreciate thoroughly the unwillingness of Washington to adopt a policy of mass evacuation and mass internment of all those who are technically enemy aliens. But I submit that Washington is not defining the problem on the Pacific coast correctly and that therefore it is raising insoluble issues unnecessarily and failing to deal with the practical issues promptly. No one ever can hope to get the right answer unless he first asks the right questions.

The official approach to the danger is through a series of unrealities. There is the assumption that it is a problem of enemy aliens. As a matter of fact it is certainly also a problem of native-born American citizens. There is the assumption that a citizen may not be interfered with unless he has committed an overt act, or at least unless there is strong evidence that he is about to commit an overt act.

There is the assumption that if the rights of a citizen are abridged anywhere, they have been abridged everywhere. The effect of these assumptions has been to precipitate legalistic and ideological arguments between the military authorities out here and the civil authorities in Washington, and between the aroused citizenry of the coast and their fellow countrymen in the interior:

A much simpler approach will, I believe, yield much more practical results. Forget for a moment all about enemy aliens, dual citizenship, naturalized citizens, native citizens of enemy alien parentage, and consider a warship in San Francisco harbor, an airplane plant in Los Angeles, a general's headquarters at Oshkosh, and an admiral's at Podunk. Then think of the lineal descendant, if there happened to be such a person, of George Washington, the Father of his Country, and consider what happens to Mr. Washington if he decides he would like to visit the warship, or take a walk in the airplane plant, or to drop in and photograph the general and the admiral in their quarters.

He is stopped by the sentry. He has to prove who he is. He has to prove that he has a good reason for doing what he wishes to do. He has to register, sign papers, and wear an identification button. Then perhaps, if he proves his case, he is escorted by an armed guard while he does his errand, and until he has been checked out of the place and his papers and his button have been returned. Have Mr. Washington's constitutional rights been abridged?

Has he been denied the dignity of the human person? Has his loyalty been impugned?

Now it seems to me that this is in principle and in general the procedure which ought to be used for all persons in a zone which the military authorities regard as open to enemy

attack. In that zone, as in the corridors of the general's headquarters or on the deck of the warship or within the gates of the airplane plant, everyone should be compelled to prove that he has a good reason for being there, and no one should be allowed to come and go until he has proved that his business is necessary and consistent with the national defense.

In the vital and vulnerable areas it should be the rule that residence, employment, communication by telephone, telegraph, automobile, and railroad are confined to licensed persons who are fully identified and whose activities are fully known to the authorities and to their neighbors. The Pacific coast is officially a combat zone. Some part of it may at any moment be a battlefield. Nobody's constitutional rights include the right to reside and do business on a battlefield. And nobody ought to be on a battlefield who has no good reason for being there. There is plenty of room elsewhere for him to exercise his rights.

This is in substance the system of policing which necessarily prevails in a war zone. By this system the constitutional and international questions about aliens and citizens do not arise at the very place where they confuse the issues and prevent the taking of thorough measures of security. Under this system all persons are in principle treated alike. As a matter of national policy there is no discrimination. But at the same time the authorities on the spot in the threatened region are able to act decisively, and let the explanations and the reparations come later.

This approach to the question by-passes the probem which, as I see it, has caused the trouble in Washington. For what Washington has been trying to find is a policy for dealing with all enemy aliens everywhere and all potential fifth columnists everywhere. Yet a policy which may be wise in most parts of the country may be extremely foolhardy in a combat zone.

Therefore, much the best thing to do is to recognize the western combat zone as territory quite different from the rest of the country, and then to set up in that zone a special regime. This has been done on the Bataan Peninsula, in Hawaii, in Alaska, in the Canal Zone. Why not also on the threatened West coast of the United States?

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. JONES].

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 32, noes 53.

So the amendment was rejected.

Mr. HARTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, special committee No. 1, that on aviation, of the House Military Affairs Committee, recently submitted an interim report of its investigation and inquiry into the state of the Army air forces. This was printed under date of February 3, 1942, and is known as House of Representatives Report No. 1735.

As chairman of this special committee, I rise to inform the House of certain matters that have come to the attention of the special committee since the filing of the report and the action taken at a meeting of the committee held this morning.

Only recently have complaints been made to the committee by numerous persons, including responsible persons connected with the aircraft-manufacturing industry, that priorities heretofore granted for materials, tools, and productive equipment for the production of aircraft have been inadequate and, if continued, were bound to lead to serious shortages and retard the production of bombers, pursuit aircraft, and other military types. This has become a serious threat to 1942 production.

Prior to yesterday, four-engined bombers operated only on an A-1-B priority, and all other types of combat airplanes with an A-1-D rating. It is incomprehensible that men charged with the direction of our war effort, in view of the experience in every theater of war, should place priorities for aircraft behind any other priorities whatsoever. Every aircraft manufacturer in the Nation is expanding plant facilities, and with huge new plants scheduled to open this year, the aircraft industry is faced with innumerable pending shortages of materials because of the lack of foresight on priorities here in Washington. Apparently control is still in the hands of those who think in terms of battleships and ground equipment.

How, under the sun, are we ever going to win this war unless we can clear the skies of enemy aircraft, so that our Navy can convoy the necessary troops, tanks, arms, and equipment to the end that we may push the enemy out of the territory he has overrun?

The material shortage has become acute with some of the airplane companies. It is remarkable that they are producing so much in view of the situation that confronts them. Up until yesterday the priority rating given aircraft placed it behind the bulk of the Navy program, behind battleships, behind tanks, behind trucks, and a host of other war items.

Let me warn Congress and the American people that the A-1-A priority finally given the aircraft industry yesterday will be of little avail unless aircraft manufacturers are given preference over many of the items to which a similar rating has been granted. A-1-A is completely overloaded.

We are informed hundreds of items have A-1-A priority. If this be true, aircraft should have a triple A-1-A rating.

I quote a letter dispatched today to the President, to the Chief of the War Production Board, to the Secretary of War, and to the Chief of Staff:

The attention of special committee No. 1, that on aviation, of the House Military Affairs Committee, has been called to newspaper reports, to complaints of trade journals of the aviation industry, and by responsible persons identified with aircraft manufacture to the very unfortunate situation which has existed with reference to priorities for raw materials, tools, and productive equipment for the aircraft industry.

Surely our armed forces must be conversant with the fact that to be successful on land or sea requires air supremacy. Every campaign of the present war, beginning with Poland, is indicative of this.

The A-1-A priority finally given the aircraft industry yesterday will be of little avail unless aircraft manufacturers are given preference over some of the many industries to which a similar rating has been granted. Allocations of raw materials, tools, and productive equipment should be made so as to provide all elements necessary to obtain the maximum possible output from existing and planned facilities for aircraft production for 1942.

Signed: Dow W. Harter, Andrew Edmiston, John M. Costello, Overton Brooks, W. G. Andrews, Leslie C. Arends, Charles R. Clason, Charles H. Elston, S. W. King.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. HARTER. I yield to the gentleman from Kansas.

Mr. HOUSTON. I am in accord with everything the gentleman has had to say. I would be glad to join the gentleman, the gentleman from West Virginia, and all the other Members of the Congress in an attempt to correct this situation.

May I ask the gentleman this question, Does this apply to trainers as well as bombers?

Mr. HARTER. It applies to all aircraft under the program.

Mr. HOUSTON. I think they ought to have top rating.

[Here the gavel fell.]

Mr. ANDREWS. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. HARTER. I yield to the gentleman from Louisiana.

Mr. BROOKS. As one of the members of the subcommittee, it is my conviction that aircraft should be given a special rating above all other ratings, so that all the necessary materials to build the planes that are so badly needed to protect the men, the ships, and the tanks will be produced, in order that we may bring this war to an early conclusion.

Mr. HARTER. I thank the gentleman for his contribution.

Mr. CARTER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I am sure the gentleman from Ohio has just given us a very interesting report. However, it is out of order in the discussion of this bill, and we have had a number of other out-of-order speeches here. Consequently, we are getting along very slowly with the consideration of this bill. I have no desire to shut anybody out or to invoke any harsh rule, but if we are going to get through with this bill today I think the speeches hereafter should be confined to the subject matter of the bill. I give notice now that I shall feel constrained to make a point of order against further such speeches if Members do not comply with the rule.

Mr. RABAUT. I am in accord with the gentleman's suggestion.

Mr. COSTELLO. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I shall try to comply with the suggestion of my colleague from California in that I shall discuss the Department of Justice. I am afraid, however, that the Department of Justice is

not aware of what year we happen to be living in. We have had discussions by members of the Pacific coast delegation with representatives of the Attorney General's office regarding the situation on the Pacific coast to which my colleague the gentleman from California [Mr. SHEPPARD] referred just a moment ago. The Department tried to impress on us the fact that they had been working with great speed in that they had already arrested some 1,500 aliens throughout the country, whereas during the World War, in 1917, it was 8 or 9 months before they had interned a single alien.

Unfortunately, I think that is just what the Department of Justice is doing. They are living in the World War period of 1917, and they do not realize that the conditions of warfare have changed, and that the method of conducting warfare has changed. We have a problem on the Pacific coast that the Department of Justice does not seem to fully appreciate. They have representatives out there who, perhaps, are trying to find out what it is all about. The Department of Justice claims it is limited, and they can only handle aliens. Well, to handle the alien on the Pacific coast does not help the situation, it only aggravates it.

Next Monday they are going to demand that certain aliens move out of certain restricted areas. What happens to the citizen Japanese generally, and where do the aliens go? Has any provision been made by other Departments of the Government to house and resettle these Japanese aliens that are to be moved?

Practically no step has been taken out there on the coast to remove the Japanese American-born citizen, and there is where the crux of the whole question lies. The Department of Justice, I feel, has, to a great extent, tended to block and interfere with a program dealing with the moving of the citizens. That is the whole problem out there. The alien problem is simple to handle, but the real threat to the entire Pacific coast comes from the citizen of Japanese ancestry. Many of them have spent 15 or 20 years in Japan being educated. Some of them do not even speak the American language although they are citizens, and if there is any fifth column threat on the Pacific coast, it is going to come from that group and not from the alien who entered this country 40 or 50 years ago.

Mr. KERR. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield to the gentleman.

Mr. KERR. Is not the gentleman complaining about something that is really within the jurisdiction of his local court?

Mr. COSTELLO. I will state to the gentleman that it is not within the jurisdiction of our local courts.

Mr. KERR. You have a grand jury out there and you have the prosecuting attorneys and their assistants and you have the judges. Why complain about the Department of Justice unless you show that those people have not done their duty?

Mr. COSTELLO. I may state to the gentleman that he, likewise, fails to understand the problem. You cannot wait until a crime is committed and then go to a grand jury and demand that the certain persons who committed the crime be put in prison. What we have to do is to anticipate the commission of a crime. We have to move before any sabotage takes place, and, if you do not move in advance of that sabotage, Pearl Harbor will be insignificant compared with what could happen on the Pacific coast. Unless the Department of Justice moves speedily, unless the Department of Justice makes the information that is available to them also available to Army Intelligence, makes it available to Navy Intelligence, makes it available to our police forces and our sheriffs out on the Pacific coast, then you are liable to have just that situation develop. These things are not being done.

The Dies committee has had an investigator in Los Angeles for over 2 years, and he has investigated the Japanese problem, and it is my understanding that the Department of Justice has not even consulted with him. The information is available, and yet the normal means of pursuing that information are not followed. I say, in all sincerity, that unless something very definite is undertaken in the immediate future you are liable to have a most serious situation.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield.

[Here the gavel fell.]

Mr. COSTELLO. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOUSTON. Is not the gentleman's idea the same as that of the gentleman from California [Mr. SHEPPARD]—that all the Japanese should be removed out of that area because we cannot tell the good from the bad?

Mr. COSTELLO. I may state to the gentleman that undoubtedly that is the situation. They should be removed and resettled somewhere else, for their own safety as much as for ours. It can be done if the various agencies of the Government will take the necessary steps, but they should take them promptly.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield to the gentleman from Texas.

Mr. BECKWORTH. The gentleman will recall that we had a measure pass the Congress which provided for the registration of aliens in this country. I have seen a recent report from the Department of Justice on that, which shows that 91,858 Japanese registered. Of that number 38,171 Japanese aliens are found in California and 38,149 are found in Hawaii. In other words, there are as many Japanese aliens in California as there are in Hawaii this very day.

Mr. COSTELLO. I may state further to the gentleman that there are approximately 40,000 alien- and citizen-born Japanese in Los Angeles County alone, one of the most important strategic centers of this country, and unless that situation is taken in hand we are liable to have a real disaster.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield to my colleague from California.

Mr. SHEPPARD. Does the gentleman know there was a written order issued within the last few days to the people who handle the registration in California to extend the time of that registration over and above its original date?

Mr. COSTELLO. I did not know that that had been done. I think it is most unfortunate. I might also point out that while we have taken guns and cameras and other things away from the alien enemies we do not take them away from the children who happen to be citizens, and the result is that those who are citizens can have all of the guns they want. Up near Monterey there is a tremendous concentration of Army camps and activities. Agents went into a Japanese shop, a shop that sold sporting goods. Seventy thousand rounds of ammunition were found in that sporting-goods store, together with guns and cameras and various kinds of radio receiving and sending equipment—all in a sporting-goods store. I sincerely hope that the sport will not be against the American citizens and our industries.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. Yes.

Mr. BROOKS. Is it a fact Japanese are living contiguous to these Army air fields and arsenals and Army bases out there on the coast at the present time, that are not under surveillance, and not being removed?

Mr. COSTELLO. I say to the gentleman that they are scattered all over the Pacific coast. They are close to all of these Army camps and war industries, and they are not being removed. By removing the aliens from the immediate proximity of the camps and aircraft factories you would not solve that problem, because you can move them only a mile or two away and you cannot sufficiently guard any one of these areas so as to prevent a group returning there. The only solution of the problem is to remove them from the area completely, alien and citizen alike, all those persons who are likely to commit sabotage. As a matter of fact they can be removed and settled on other lands, on agricultural lands, and can be made comfortable and made to provide their own livelihood. Those things can be done, and the Japanese themselves will be better off. It is not a gigantic, difficult problem as it seems at first, provided the various agencies of the Government will cooperate and try to work out a solution of the problem, but when the Attorney General's office takes the attitude that they can handle only aliens and do not want to be bothered with citizens, they are not solving the problem, but they are ignoring it, and ignoring this problem will not do us any good, because we may wake up a day or

two late and find that the crime has been committed, and then the Department of Justice will endeavor to find the perpetrators and put them in jail, but they will be from 24 to 48 hours too late.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. Yes.

Mr. HOFFMAN. What can we do to help that situation?

Mr. COSTELLO. I think that all we can do is to urge the Department of Justice to take the necessary steps and cooperate.

Mr. HOFFMAN. Can we do that by resolution?

Mr. COSTELLO. I think that merely our remarks on the floor might tend to do a lot. In fact, I think the people out in California and the entire west coast are bringing enough pressure to bear, and perhaps finally we will get the Attorney General to cooperate. Cooperation is all that we need. Action can be taken, and I am sure that it is going to be done, because it has to be done.

Mr. BECKWORTH. The gentleman made the statement a few moments ago that the Attorney General would not do anything about the thousands of nonaliens out there. Has he done anything about the aliens?

Mr. COSTELLO. Yes, in respect to a few strategic positions. All of the aliens must be removed therefrom. Those aliens are to be removed, and were notified about the 7th of February, 2 months after the Pearl Harbor incident. That is the first actual step they have taken to do anything about the aliens. Three weeks' notice was given.

Mr. ENGLEBRIGHT. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. Yes.

Mr. ENGLEBRIGHT. To say that the gentleman in connection with the Pacific coast delegation has made every effort to impress the Department with the seriousness of the situation with respect to the native-born Japanese. We passed resolutions, in which the gentleman was very much interested, and in every manner tried to urge the Department to take steps to remove the menace of the native-born Japanese.

Mr. COSTELLO. I thank the gentleman for his suggestion, but I think the entire Pacific coast delegation has been working faithfully on this problem and I hope that we may get some results.

The CHAIRMAN. The time of the gentleman from California has expired.

The Clerk read as follows:

Conduct of customs cases: Assistant Attorney General, special attorneys and counselors at law in the conduct of customs cases, to be employed and their compensation fixed by the Attorney General; necessary clerical assistance and other employees at the seat of government and elsewhere, to be employed and their compensation fixed by the Attorney General, including experts at such rates of compensation as may be authorized or approved by the Attorney General; expenses of procuring evidence, supplies, Supreme Court Reports and Digests, and Federal Reporter and Digests, and other miscellaneous and incidental expenses, to be expended under the direction of the Attorney General; in all, $146,900.

Mr. ANGELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, before we leave the subject of the Attorney General's office, I want to add a word to what has already been said with reference to the very grave situation that exists on the Pacific coast owing to the heavy Japanese population. It is not limited to California, but it obtains all along the Pacific coast. In my own State of Oregon it is just as aggravated, although there is not such a large number of Japanese.

The serious problem with reference to the Japanese is this: They congregate close together around strategic undertakings having to do with national defense. For instance, in my own State, around the airports, where we are building airports for war purposes, the Japanese are gradually congregating and gathering at other strategic places. I understand down in California they own land, much of it in the names of children, minors, and babies, which is situated directly over large oil conduits. They have buildings that are directly over those conduits. They have strategic properties which are in almost every instance around these vital war activities that we are carrying on. I understand we have some 140,000 Japanese in the western area. As has been said here, it is not the alien Japanese that gives us such concern as it is the citizen Japanese, born in this country, holding dual citizenship. They are educated in our schools, speak our language, and have intimate knowledge of our defense industries.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. I yield.

Mr. GWYNNE. Is the gentleman certain that the Attorney General has legal authority to proceed against those citizens?

Mr. ANGELL. I will say to the gentleman the Attorney General and the military authorities have ample power. We are in war, and when the Attorney General's office and those in charge of the war program come to a realization that we are in war, then we will have some protection from this Japanese menace. We must not wait, as we did at Pearl Harbor, until it is too late. Is it reasonable to assume that in the case of Pearl Harbor we were powerless to do anything to protect ourselves when those Japanese were located all around that strategic area ready and poised to bomb into eternity our peaceful citizens and blow up our defenses? Self-preservation is the first law of society. I say that where we can establish a strategic area and deprive an American citizen not of alien lineage of the right to enter that area, we certainly can deprive the American-born Japanese of the right to live and carry on in these vital areas in the Pacific coast, when they have daggers behind our backs ready to be thrust into our hearts. You know that you gentlemen who sit on this floor today cannot go into the War Department Building or any strategic area unless you show your card with your picture and your signature and receive permission to pass. Do you mean that merely because these Japanese are born in this country and cling to the right of dual citizenship, with their first loyalty to their Emperor and their first duty to their native country, Japan, we cannot say to them that they must keep off of these strategic areas, containing military instillations, war industries, water and power-plant projects, oil fields and refineries, transportation and other essential facilities? I urge that all Japanese be evacuated forthwith from these areas and be held in protective custody.

The Attorney General does not seem to be alert to the imminent danger confronting the Pacific coast. The F. B. I. has a large appropriation in this bill. I have supported the F. B. I. 100 percent and will continue to do so, but I say to you as one of the Members from the Pacific coast that we must wake up, and if we do not wake up and protect ourselves from this menace something infinitely worse than Pearl Harbor will be enacted on our very shores.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. I yield.

Mr. WICKERSHAM. Do you not think it would be a good idea, in order to protect our boys being held as prisoners over there, to give about two Japanese for one American and bring our boys back to us?

Mr. ANGELL. I will say to my friend that I will do anything in my power to release our brave men held by the Japanese.

Mr. GWYNNE. Will the gentleman yield further?

Mr. ANGELL. I yield.

Mr. GWYNNE. I am wondering if we might not pass some legislation that would help the Attorney General. I am in sympathy with the gentleman's remarks.

Mr. ANGELL. Personally I do not think any legislation is necessary, except we could properly earmark for this purpose a portion of the appropriation for the Attorney General's office. Otherwise I think we have passed all the essential legislation that is needed. We have placed complete control in the hands of our President, who is our Commander in Chief, with full power to deal with this serious problem. I hope the Attorney General and our military officers in charge will act in this matter at once.

[Here the gavel fell.]

Mr. THOMAS F. FORD. Mr. Chairman, I move to strike out the last three words.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. THOMAS F. FORD. I yield.

Mr. RABAUT. I am wondering if we cannot get along with the bill? These are all pro forma amendments. I hope we can go along with the business before the Committee.

Mr. THOMAS F. FORD. Mr. Chairman, the Attorney General appeared before the Pacific coast delegation meeting to discuss the Japanese menace in the West, in the New House Office Building, and when he was questioned as to his authority in the matter, he made practically this statement. He said, insofar as the Japanese aliens are concerned he

could and would go all the way, but when we come to Japanese who are American citizens he was estopped.

Now, it seems to me that in a situation like this we cannot indulge in any fine-spun theory. Japanese are situated on ground beneath which we have some of our main water-supply pipes. They are living on ground adjacent to our main transmission power lines. They are situated at places where at any moment they can do almost irreparable damage to the public utilities on which the people of the coast depend for water, power, light, fuel, and transportation.

There is a point that I think should be dwelt upon. I did not hear all of the statement made by my colleague the gentleman from California [Mr. COSTELLO], and I do not know whether he touched on it or not, but there is what we call dual citizenship. Every child of Japanese parentage, born in the United States, according to the law of the Imperial Japanese Government, is still a citizen of Japan. He cannot break that citizenship unless he goes personally to the Japanese consul and gets from him permission to denounce that citizenship. When he does that he is no longer a dual citizen; he is a citizen of the United States. I do not suppose one-tenth of 1 percent of the Japanese in the United States have taken this step. They are therefore all dual citizens and not citizens of the United States. They should not be treated as citizens of the United States. They should be required to move away from strategic areas where they cannot bring about another Pearl Harbor. I do not advocate that they be treated harshly. They should be afforded every protection, but they should be excluded from all areas where they are a potential menace to the safety and security of the people, not only of the Pacific coast but of the entire Nation.

Mr. Chairman, I yield back the balance of my time.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

Enforcement of antitrust and kindred laws: For the enforcement of antitrust and kindred laws, including traveling expenses, and experts at such rates of compensation as may be authorized or approved by the Attorney General, except that the compensation paid to any person employed hereunder shall not exceed the rate of $10,000 per annum, including personal services in the District of Columbia, $1,800,000: *Provided*, That none of this appropriation shall be expended for the establishment and maintenance of permanent regional offices of the Antitrust Division.

Mr. HULL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HULL: Page 40, line 13, strike out "$1,800,000" at the end of line 13 and insert "$2,000,000."

Mr. HULL. Mr. Chairman, the object of this amendment is to restore to the Antitrust Division of the Department of Justice the amount recommended by the Budget Bureau. Last year the appropriation was $2,350,000. That was the largest sum that has been devoted to that particular Division of the Department of Justice in many years, and that came about mainly by reason of the fact that the President in a previous year had set aside $250,000 of funds from other sources in order that the Antitrust Division might proceed with its work.

I assume that the committee, in taking off a further $250,000, making in all a reduction of approximately 20 percent of the funds previously allowed to the Antitrust Division, were actuated by a sense of economy; but I cannot see any economy in licensing, legalizing, or refusing to prosecute conspiracies against the people and conspiracies against the Government.

It would be just as logical if we wanted to save money for the Government on all angles to repeal the law against mail robberies or post-office robberies or many other felonies we have provided in the statute books, in order to save the cost of the prosecution of the felons.

Mr. Arnold appeared before the committee and tried to lay before them the situation as to his Division. I have not the time now to call the attention of the Members to all of his testimony, but I would like to have those within my hearing read the testimony of Mr. Arnold commencing on page 194 of the hearings to get an understanding of a few of the things this Bureau has been doing which have saved the Government many millions of dollars. I read this statement made by Mr. Arnold on page 196 of the hearings:

Mr. ARNOLD. The first thing that we are interested in with respect to the war is restraints of trade which hamper full war production. Last year I came to you with some very startling stories of domination of American industry by foreign cartels. If you will turn back to your hearings, you will find a brief description of that.

Since that time we have either convicted or investigated illegal cartel arrangement in drugs, hormones, magnesium, fertilizer, tungsten carbide, nitrogen, aircraft precision instruments, chemicals, and zinc, and we are now interested in copper.

Unless you ask me, I am not going to detail those investigations, but I will give you a sample.

In the tungsten carbide case, we found an agreement between General Electric and Krupp, by which General Electric and Krupp, through pooling their patents, had monopolized tungsten carbide, and in 1 day, or at least in a very short period of time, they shot the price of tungsten carbide, which is the heart of the German machine-tool industry, from about $48 a pound to about $400 a pound. Immediately after our indictment, the price dropped down to $48 a pound again.

That was typical of the cartel arrangements which we described to you last year through which Germany, by making an agreement dividing the foreign markets and agreeing not to import, assisted our own manufacturers in restricting the production.

That tungsten carbide indictment is typical. We found the same thing in drugs; we found the same thing in nitrogen, and so on.

Those foreign cartels, I think, to a large extent are cleaned up so far as their present operations are concerned. I think that we have made that sort of thing hazardous, and the imposition of a freezing order assists us very much in preventing the foreign domination of our own industry.

The tungsten carbide case is just one illustration. Here, as the result of the work of this Division of this Department, the Government is saving $352 a pound on a very essential material needed in our tool-making industries today.

[Here the gavel fell.]

Mr. HULL. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HULL. Mr. Chairman, proceeding a little farther, on page 197 he tells about the prosecution of the drug industry and the collection of fines which run into hundreds of thousands of dollars. He tells about the progress of the magnesium suit. The magnesium trial is set for March. The tungsten carbide trial is set for February. Nitrogen is set for trial. The drugs are all finished. The chemicals and metals are still in a state of investigation. If you will take time to read this testimony you will find what efforts the Government is making to combat these conspiracies to increase prices.

He mentions at the bottom of page 197 another investigation of rings interested in Government contracts. We have had this subject up here repeatedly. We all know that the contractor rings have bid the same price on various commodities needed by this country in peacetime. We all know that some of the 270-percent profit which some of these monopolistic corporations are getting out of these war contracts stems from the same kind of manipulation.

He says at the bottom of page 197:

Another type of thing we find is an increase in the creation of rings interested in Government contracts. To give you a sample of that, I will refer to our hat indictment. Here was a contract made under Office of Production Management direction, perfectly proper. We found out later that a group of manufacturers which formed the existing ring wanted to prevent anybody from breaking into it.

He goes on and describes how that fraud was worked upon the Government.

On page 199 he tells how the sulfuric-acid proposition was put over on the Government by increasing the price of sulfuric acid, when at the same time the supply was increasing, by 20 percent. The Government was obliged to pay the price, even after the Government itself had fixed the ceiling.

He also told us about the matter of dairy monopolies, and he disclosed the nature of the control of the cheese industry in Wisconsin by the monopolies.

He takes up numerous other cases of how the farmers are mulcted by these monopolies.

Mr. Arnold stated:

We went into tobacco. We went into cottonseed oil, and we have six indictments in meat against the packers. I will read the products: Bread, butter, canned fruits, cheese, citrus fruit, cranberries, eggs, fish, groceries, meat, potatoes, rice.

The potato case is very interesting. That was in the South, in three States. The fertilizer companies finance the farmers. The farmers were compelled to buy all of their seed and all of their supplies from the fertilizer companies at vastly increased prices, and their potatoes were turned over to the fertilizer companies for sale, then they depressed the prices until the proceeds just

about paid the debts the farmers had owed the companies.

That indictment is now down in South Carolina—

He goes on to tell about the meat packers and what they are doing. He states:

We have had six indictments against the packers, all of which I think will stand. The packers, in brief, have been allocated these markets. They have been shaking dice to determine who should bid on this and that, so that in these situations I think that, in general, the antitrust laws are sufficient. I would say this, that I think that the antitrust laws are as good as anything that we are likely to get right now out of Congress, and I think that they are the most effective tool that now exists in the Government.

I wish I had the time to go further into the testimony of Mr. Arnold. It discloses that at a time when the people are complaining about expenditures, when we are levying huge taxes, when our total war authorizations run to $142,000,000,000, these monopolies are continuing not only to oppress the people, but they are continuing to keep up prices of production for national defense.

Mr. Chairman, it seems to me this amendment is worthy and should be adopted.

[Here the gavel fell.]

Mr. KERR. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin [Mr. HULL].

Mr. Chairman, this proposed appropriation and this activity the committee is most sympathetic toward, but we believe the amount written into this bill is sufficient to enable this important piece of legislation to enforce the antitrust laws of this country. When this division in the Department of Justice was established we first appropriated $700,000 in order that it might function and in order that it might look after the violators of the antitrust laws.

In the last 3 years we have constantly raised this appropriation until last year we appropriated $2,325,000. Let us look into this matter a little bit and see if our present appropriation of $1,800,000 is not a sufficient amount for the valuable service which this division of the judiciary is rendering.

We asked the distinguished gentleman, Mr. Arnold, who appeared before us to give us a list of the cases tried in the last 2 years, 1940 and 1941. He gave us a list of those cases and we discovered that in the prosecution of these cases he had succeeded in getting a judgment against the violators of the law in about 35 cases and these were fined a considerable amount. About 25 of the cases that were taken to the Federal courts were dismissed or nol-prossed by the judge before whom they were brought and the prosecutors of these cases were certainly the equal of any lawyers in the Department of Justice. The fact is that I am convinced that Mr. Arnold has a splendid corps of lawyers assisting him in this valuable work which he is doing. You will note that almost one-third of the cases which were prosecuted under the antitrust law were dismissed in the above manner, and this embraces the work of this Department for the last 2 years.

The record also shows that about 35 of the cases originated by this Department and carried to the courts went off by consent judgment. I must confess I do not know what a consent judgment means in a Federal court, unless it means that the prosecutor did not make out his case, and consented to its dismissal.

This amendment proposed raises the committee appropriation $200,000 and the committee in its endeavor to cut appropriations wherever possible and in light of the record of the cases which had been prosecuted by this division of the judiciary, thought that $1,800,000 would be sufficient to enable the antitrust division to do a good job and justify itself as a valuable factor in the administration of justice.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. KERR. I yield to the gentleman from Ohio.

Mr. JONES. May I point out that since the Oil Coordinator has organized his office the antitrust cases that formerly burdened the Antitrust Division have all been turned over to Mr. Ickes' office, so that Division does not have that work to do any more. Thus there is considerably less demand for the funds, and taking out that factor will more than offset what the gentleman's amendment will attempt to do.

Mr. KERR. The gentleman is entirely right.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. KERR. I yield to the gentleman from Kansas.

Mr. HOUSTON. Further, we have a Price Administrator administering prices today, so there is not the necessity for this particular activity that there has been before.

Mr. KERR. Let me say finally, that this committee has been most generous with this activity in my opinion, and we consider that Mr. Arnold is doing a very valuable service for the country, but we do not think that it should bait private business and bring people into court unless they have a good case against the violators of the antitrust law. That is the truth of the whole business. The records of the prosecution of this Division in our judiciary show that almost two-thirds of the cases brought have been dismissed by the court, or else the cases went off on a consent judgment.

Mr. HOUSTON. Is it not a fact that the Budget itself cut off $325,000 and denied an asked-for increase of 10 percent, which makes a grand total of $557,000 the Budget eliminated because they did not believe such a sum was necessary?

Mr. KERR. I think that is correct.

Mr. HULL. Mr. Chairman, will the gentleman yield?

Mr. KERR. I yield to the gentleman from Wisconsin.

Mr. HULL. The suggestion I should like to make is in the form of an argument. If it is true that this antitrust division is inefficient and cannot do the business, then why allow it any sum?

Mr. KERR. It can do some business, and they have done some valuable work. I think it is a good organization. However, I think the evidence discloses that in their work they have prosecuted a great many cases which were unnecessary. That is what I think about it. I believe the $1,800,000 the committee has given them is a sufficient appropriation, and the committee is not endeavoring in any way to minimize the splendid service done by Mr. Arnold and his assistants.

Mr. HULL. May I suggest to the gentleman that if they would prosecute the dairy monopolies that control the cheese industry in Wisconsin alone they would save four times the cost of the whole Division.

Mr. KERR. I hope this fund of $1,800,000 will enable it to prosecute those monopolies, and the committee is convinced that it will.

[Here the gavel fell.]

Mr. GEHRMANN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am certainly in hearty accord with the attempt of my colleagues to increase this appropriation by this small amount. The member of the committee who just preceded me is, of course, right that it is a difficult job to cope with these big corporations, because they do not hire $4,000, $5,000, or $6,000 lawyers when they go into court; $50,000 or $100,000 does not make much difference to them in such a case. They make the case appear as ridiculous as possible and drag it from one court to another.

I happen to have been on a board appointed by the State in Wisconsin when we investigated the cheese monopoly, the group that meets in Plymouth every Friday and sets the price on cheese, and that is the price for the whole United States. It is supposed to be an auction, and the cheese is supposed to go to the highest bidder, but we know that those men representing the big chain stores, the big cheese processors, and the packers, meet there and have their lunch during the noon hour, and then at 2 o'clock they go into the cheese board meeting and there supposedly overbid each other. We know very well, however, that the price is all agreed on beforehand, and nobody overbids the other fellow. They determine the amount of cheese which is available to them. This same thing is done on the markets in Chicago and New York with regard to butter and eggs.

I know a half dozen attorneys under Mr. Arnold were good attorneys, but, nevertheless, they were receiving $4,000, $4,500, or $5,000 a year. They were young men, and they were not any match for the attorneys the big monopolies are able to hire. Nevertheless, in spite of the handicaps that were faced and the limitations in the amount that Mr. Arnold can pay attorneys in certain cases, he has made a very good showing in every line. He has started and made a showing, and at least has partially scared the big dairy operators.

We talk about price fixing. Yes, we have a Price Administrator, but he sets the price to the farmer, and the farmer

cannot get any more than that. But who looks after those in between, the big monopolies that boost the price? Why is it that the farmer back home today gets 25 or 26 cents for eggs and the consumer here and in New York pays 50 cents or more for eggs? Why is the same thing true about butter and meats and everything the consumer buys?

I think Arnold could step in there and find out why the monopolies are able to manipulate the price between consumer and producer. It is not the retailer who is fleecing both the producer and consumer. I think the best thing we could do would be to spend a little money to investigate the monopolies in between.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. GEHRMANN. I yield to the gentleman from Kansas.

Mr. HOUSTON. I think every Member of this House is in favor of breaking up monopolies, but does not the gentleman realize that we still have $1,800,000 in this bill for that purpose?

Mr. GEHRMANN. One million eight hundred thousand dollars? I will bet that in the big oil case that was tried in Madison 4 or 5 years ago the oil interests spent more than that on that one case.

Mr. HOUSTON. Why were the oil investigators of this Division allowed to go over to the Department of the Interior, where they are turning their hand to this problem, as was pointed out by the gentleman from Ohio?

Mr. GEHRMANN. I do not know, but this case was tried several years ago. I know they had that case, and most of the parties were dismissed, just because this Division did not have enough money. Four or five years ago they had even less money than they have now and I think we should not squabble over this small amount.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. GEHRMANN. Certainly.

Mr. HOFFMAN. Does not part of Arnold's trouble grow out of the construction given to our antitrust law by the Supreme Court?

Mr. GEHRMANN. I believe that Arnold himself is being held down by his superiors. That is my honest conviction. I think Arnold would like to go after some of these men, but he is being held down. I do not think even the head of the Department wants him to go out and expose these big monopolies. I believe Arnold has the "guts" to do it if he were given a free hand and enough money to do it, and I hope we will adopt this amendment which is now offered.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. HULL].

The question was taken; and on a division (demanded by Mr. HULL) there were—ayes 19, noes 42.

Mr. HULL. Mr. Chairman, I object to the vote on the ground that there is not a quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and twenty-one Members are present, a quorum.

So the amendment was rejected.

The Clerk read as follows:

Salaries and expenses, special war effort unit: For personal services in the District of Columbia and elsewhere, including supplies and equipment, and all other expenses (except printing and binding) necessary for the enforcement of the Voorhis Act and other acts relating to the national security and defense, including the purchase, exchange, and rental of typewriters; travel expenses, including attendance at meetings of organizations concerned with the purposes of this appropriation; stenographic reporting services by contract or otherwise; and books of reference, periodicals, newspapers (not exceeding $2,500), and press clippings, $385,000.

Mr. JONES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 42, line 21, after the semicolon, strike out the remainder of line 21 and all of lines 22 and 23, and insert "$250,000."

Mr. JONES. Mr. Chairman, this is the national defense unit of the Department of Justice. It formerly was the neutrality unit. It has charge of the enforcement of the Voorhis Act, which was passed by the Congress last year. The case they made for their expenditure of funds was to reclassify the Federal Bureau of Investigation's fingerprint files on aliens and enemies of the country. They claimed that through their work and their efforts warrants were prepared from their files so the F. B. I. was able to arrest with dispatch enemies after the declaration of war, particularly the Japanese, the Germans, and the Italians. When Mr. Hoover came before our committee it became apparent that the F. B. I. had the situation well in hand. They made the arrests 24 hours before this unit's warrants were delivered. I do not believe the record will show there is any excuse for their existence so far as this phase of the work is concerned. Their next claim for existence is that they provide clippings from various publications throughout the country, particularly the foreign-language newspapers. The Congressional Library has the facilities and the foreign-language translators. Under this item there is a provision to hire more translators in the Attorney General's Office, although the Congressional Library already has such facilities. The Library has the equipment and the personnel which could easily be expanded to take care of this matter. I do not believe the work should branch out in the Department of Justice in this respect.

Press-clipping work is also done by the Office of Government Reports. It seems to me with the extensive office force that the Office of Government Reports has that work should not be supplemented by this agency of the Government.

It seems to me we are running far afield in our national defense work by having one agency duplicating the functions and duties and responsibilities of other agencies. We are running into a number of bureaus handling closely related work.

The amendment will not prevent them from doing the unduplicated work which should be done by this bureau and on which I have no criticism to offer.

I hope the amendment will be adopted.

Mr. RABAUT. Mr. Chairman, this particular agency does all the translating of foreign newspapers and periodicals published in the United States, and the purpose for making these translations is to uncover subversive activities. In these trying times, with the present world picture as it is, I think it is quite necessary that this work should be continued.

Moreover, we made a specific inquiry at the Library of Congress to see if there was any duplication of work and they assured us there was none.

In addition, this particular group is charged with the enforcement of the Voorhis Act, which is an enactment of Congress, and the Appropriations Committee, of course, is charged with the responsibility of furnishing the funds to administer that act.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I am pleased to yield to my colleague from Ohio.

[Here the gavel fell.]

Mr. RABAUT. I yield to my colleague from Ohio, but before I yield there is one further statement I wish to make. The committee itself has reduced the amount of the appropriation. The appropriation for 1942 was $380,000.

Then there are additional amounts added to that. The Budget estimate for 1943 amounted to $423,270. The committee reduced that to the sum of $385,000, being a reduction of the Budget estimate amounting to $38,270. I remember very well that in the committee my colleague was present when we considered this item, and while he was not in accord, nevertheless, I did not think he was going to make any special amendment with respect to it.

Mr. JONES. Mr. Chairman, at the time I was in favor of eliminating the organization altogether. However, the Voorhis Act must be enforced. Only a few organizations were coming under control. Now, however, they have changed the name and call themselves the National Defense Unit. I think the $250,000 will give them the personnel and expense money to do the things that should be done.

Mr. RABAUT. Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

The Clerk read as follows:

Pay and expenses of bailiffs: For pay of bailiffs, not exceeding three bailiffs in each court, except in the southern district of New York and the northern district of Illinois; and meals and lodging for bailiffs or deputy marshals in attendance upon juries in United States cases, when ordered by the court, $305,000: *Provided*, That, except in the case of bailiffs in charge of juries over Sundays and holidays, no per diem shall be paid to any bailiff unless the judge is present and presiding in court or present in chambers: *Provided further*, That none of this appropriation shall be used for the pay of bailiffs when deputy marshals or marshals are available for the duties ordinarily executed by bailiffs, the fact of unavailability to be determined by the certificate of the marshal.

Mr. VORYS of Ohio. Mr. Chairman, I move to strike out the last word. I rise

to find out the location of the item in the bill for the work of the Woman's Division in the South American cultural relations activities under the State Department appropriations. I have been unable to find it, and I understand that it is in the bill.

Mr. RABAUT. I suggest that the gentleman get a copy of the hearings and find where it is in the index of the hearings. I refer the gentleman to page 266 of the hearings.

Mr. VORYS of Ohio. That particular item then is in the bill?

Mr. RABAUT. All of the items allowed are in there. There were a great many items under this particular caption. As the item was set up there was a request for $1,819,000. The committee reduced that to $1,700,000.

Mr. VORYS of Ohio. I was not in the room at the time the gentleman referred to it. I find an item listed under the "Welfare of employed women," $10,000, and I presume that that is the item which would permit the continuation of this splendid work between our country and the South American republics.

Mr. RABAUT. Of necessity, because of the cut by the committee in the amount requested of $1,819,000 to $1,700,000, there will be some effect in all of these items, to some little degree, but only in the discretion of the Secretary. If the Secretary wishes to give the full amount to some individual items, he can do as he wishes.

Mr. VORYS of Ohio. I thank the gentleman.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Sixty percent of the expenditures for the offices of the United States district attorney and the United States marshal for the District of Columbia from all appropriations in this title shall be reimbursed to the United States from any funds in the Treasury of the United States to the credit of the District of Columbia.

Mr. CARTER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CARTER: Page 52, after line 18, insert a new paragraph as follows:

"That of the sums heretofore appropriated in title II of this act, $300,000 is made immediately available for the purposes of investigating and prosecuting Japanese and those of Japanese descent in the States of California, Oregon, and Washington."

Mr. CARTER. Mr. Chairman, the amendment that I am offering does not increase the amount of this appropriation. I have conferred with the chairman of the subcommittee, and he is agreeable to this amendment.

Mr. RABAUT. As I understand it, this is not a mandatory provision, but it is permissive to the authorities.

Mr. CARTER. The amendment that I have just offered makes $300,000 of this appropriation immediately available to the Attorney General for a specific purpose. Gentlemen have heard the talk here this afternoon from the Representatives from the Pacific coast. We are somewhat alarmed out there, and from the information that we have we believe we are justifiably alarmed about the situation on the Pacific coast. To be sure, the Attorney General has some funds with which to carry on this work. Ordinarily the funds appropriated in this bill would not become available until after the first of July, but this amendment will augment the funds that he is figuring on in respect to carrying on this work by $300,000 which will be immediately available. It is a serious situation and demands immediate action.

Mr. RANKIN of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. RANKIN of Mississippi. I could not understand the reading of the gentleman's amendment. Just what does it provide?

Mr. CARTER. It makes immediately available to the Attorney General, in addition to any other funds that he has, the sum of $300,000 of the funds carried in this bill, for carrying on investigations and prosecuting Japanese and persons of Japanese descent in the States of California, Oregon, and Washington. The problem was thoroughly discussed here this afternoon at considerable length. I do not know whether the gentleman was on the floor at the time, but great apprehension was expressed by Members from the Pacific coast, and I say very justifiably expressed. Some criticism was made of the Attorney General for lack of cooperation and possible inaction in regard to this matter. I think the adoption of this amendment—and I hope it may be adopted unanimously—will be notice to the Attorney General of the interest and the determination of this House to see that every protection possible is taken on the Pacific coast.

Mr. RANKIN of Mississippi. Will the gentleman yield further?

Mr. CARTER. I yield.

Mr. RANKIN of Mississippi. I want to ask why does he not amend his amendment also to cover the Hawaiian Islands?

Mr. CARTER. I would have no objection to including the Hawaiian Islands, although the problem that we are discussing this afternoon refers to the three States above mentioned.

I ask unanimous consent, Mr. Chairman, to amend my amendment to include the Hawaiian Islands and Alaska.

The CHAIRMAN. Is there objection?

There was no objection, and the amendment was amended by adding the words "and the Territories of Hawaii and Alaska."

Mr. ANGELL. Mr. Chairman, will the gentleman from California yield? I understand that they have martial law in the Hawaiian Islands and that this may not be needed for that purpose there. I am in favor of the suggestion made by the gentleman from Mississippi [Mr. RANKIN]. It will be needed on the Pacific coast, however, because we do not have martial law. It is such a large territory that it would be inadvisable to declare martial law.

Mr. CARTER. Even though martial law is declared in Hawaii, it will do no harm to include Hawaii.

I thank the gentleman from Mississippi for his suggestion to include Hawaii and am going to include Alaska also. I hope the amendment, which I think is a very important one, may be unanimously adopted.

Mr. RABAUT. Mr. Chairman, the committee is willing to accept the gentleman's amendment.

Mr. RANKIN of Mississippi. Mr. Chairman, we are going to have to run the Japanese out of Hawaii or they are going to run us out. The sooner the American people understand that fact the better off we are going to be.

I know the Hawaiian Islands. I know the Pacific coast where these Japanese reside. Even though they may be the third or fourth generation of Japanese, we cannot trust them. I know that those areas are teeming with Japanese spies and fifth columnists. Once a Jap always a Jap. You cannot change him. You cannot make a silk purse out of a sow's ear.

When I went to Hawaii in 1937 on a committee to investigate the proposition of statehood for Hawaii, we found the Japanese were 100 percent for it. They wanted a State they could control. They knew they had the balance of power in Hawaii. They were denouncing what was called the Rankin bill. That was a bill I had introduced at the request of President Roosevelt to give him the right to appoint the Governor of Hawaii from the continental United States. We found that the elective officers in Hawaii were all afraid of these Japanese because of their political power. They constituted about 40 percent of the voting strength of the Hawaiian Islands. In our investigation I drew out and exposed the dual citizenship, under which, while claiming protection of the American flag, the Hawaiian-born Japanese admitted allegiance to the Japanese Empire.

Some of them who had voted in our elections the year before were then being drafted into the Japanese Army and Navy. Some were volunteering. We found throughout Hawaii, Shinto temples where these Japanese worshipped the Emperor of Japan. Some of those temples exist in California, Oregon, Washington, and probably Alaska. When we came back I refused to sign the report recommending statehood for Hawaii. Those Army and Navy officers told me that that island was literally teeming with Japanese spies. They pointed to the oil tanks and said, "Every one of them is in danger at any time a movement is made by Japan against these islands." The officer in charge of the air force in Hawaii at that time heard my statement that we needed the strongest air force in the world. He said:

For God's sake give us more of it in Hawaii.

This is a race war, as far as the Pacific side of this conflict is concerned, and we might as well understand it. The white man's civilization has come into conflict with Japanese barbarism. Christianity has come in conflict with Shintoism, atheism, and infidelity. One of them must be destroyed. You cannot regenerate a Jap, convert him, change him, and

make him the same as a white man any more than you can reverse the laws of nature, or, as the Bible says:

Bind the sweet influences of Pleiades or loose the bands of Orion.

This is a question we have to settle now, and we might as well understand it. I am for catching every Japanese in America, Alaska, and Hawaii now and putting him in concentration camps and shipping them back to Asia as soon as possible. If they own property in this country, after the war we can pay them for it, but we must ship them back to the Orient, where they belong. Until that is done, we will never have peace on the Pacific, and we will never have any safety in Hawaii, Alaska, Oregon, Washington, or California.

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. RANKIN of Mississippi. I yield to the gentleman from Virginia.

Mr. BLAND. We found also that they had their own schools, in addition.

Mr. RANKIN of Mississippi. Yes; I was coming to that. The gentleman from Virginia [Mr. BLAND] was a member of that committee, and he saw what was going on. He and I discussed it at the time, along with the gentleman from North Carolina [Mr. KERR], who now sits before me. I said then that we had to get rid of those Japs or they would get rid of us. There can be no compromise.

I spoke in practically every high school in Honolulu, practically everyone on the island of Oahu, and they told me there that just as soon as those schools were out in the afternoon the Japanese children, and children of Japanese descent, would go directly to a Japanese-language school. The distinguished gentleman from North Carolina [Mr. KERR], who was a very able member of that delegation, will vouch for that statement.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. RANKIN of Mississippi. I yield.

Mr. NORRELL. Does not the gentleman think we should have an amendment in this bill providing for the deportation of Japanese from Hawaii in place of an investigation?

Mr. RANKIN of Mississippi. Yes; that is what I want. We must get rid of the Japs in Hawaii or they will get rid of us.

This is not a new proposition with me. I agreed with Richmond P. Hobson when he called the Japs "the yellow peril" more than 25 years ago.

Right after the World War, if you remember, the Japanese sneaked into Mexico and tried to secure a naval base in Magdalena Bay in Lower California. I have seen the very spot where they tried to establish that base, and would have done so if we had not blocked them.

We are at war. We are at war with Japan, the most ruthless and damnable enemy that ever insulted this country, and I am in favor of treating it as war and stopping all this interracial nonsense by which we have been petting the Japanese for the last quarter of a century.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. RANKIN of Mississippi. I yield.

Mr. RANDOLPH. Mr. Chairman, I rise to vindicate the courage and the accuracy with which the gentleman from Mississippi speaks.

Mr. RANKIN of Mississippi. I thank the gentleman from West Virginia.

Mr. RANDOLPH. I should like to say that many Members of this House, including the gentleman now addressing the Committee [Mr. RANDOLPH], have suggested that the Civilian Conservation Corps camps now vacant be used to take care of the thousands and thousands of Japanese who are a menace on the west coast.

Mr. RANKIN of Mississippi. Certainly! I do not care where you put them, so long as you put them in concentration camps. I now yield to the gentleman from Washington [Mr. COFFEE].

Mr. COFFEE of Washington. I just wanted to add to what the gentleman has said about schools in Hawaii: That in the State of Washington the Japanese-Americans attend Japanese schools and study the Japanese culture daily following their attendance at the public schools. The American Legion and the Veterans of Foreign Wars have taken the same stand as the gentleman from Mississippi.

Mr. RANKIN of Mississippi. And another thing, they go to the Shinto temples and practice the Shinto religion, in which they worship the Emperor of Japan as god. Do not forget that.

Mr. COFFEE of Washington. That is correct.

Mr. RANKIN of Mississippi. Do not forget that once a Japanese always a Japanese. I say it is of vital importance that we get rid of every Japanese whether in Hawaii or on the mainland. They violate every sacred promise, every canon of honor and decency. This was evidenced in their diplomacy and in their bombing of Hawaii. These Japs who had been there for generations were making signs, if you please, guiding the Japanese planes to the objects of their iniquity in order that they might destroy our naval vessels, murder our soldiers and sailors, and blow to pieces the helpless women and children of Hawaii.

Damn them! Let us get rid of them now!

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The amendment was agreed to.

Mr. CARTER. Mr. Chairman, I move to strike out the last word.

I want to thank the Committee for the adoption of this amendment by a unanimous vote; and I want the RECORD to show it was adopted unanimously, as it was. I am sure we who are out there on the Pacific coast exposed to the danger appreciate the action of the Committee this afternoon very much. Please accept not only my thanks and appreciation, but that of every good American on the Pacific coast.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. RABAUT. I want to commend my colleague. He has been just as alert in the Committee of the Whole here this afternoon as he always is in the full Committee on Appropriations and its subcommittees in all things that relate to the safety of this Nation.

Mr. CARTER. I thank my good friend the gentleman from Michigan [Mr. RABAUT].

The Clerk read as follows:

Printing and binding: For all printing and binding for the Department of Commerce, including all of its bureaus, offices, institutions, and services in the District of Columbia and elsewhere, except the Patent Office, the Bureau of the Census for the period July 1, 1942, to December 31, 1942, the Civil Aeronautics Board, and work done at the field printing plants of the Weather Bureau authorized by the Joint Committee on Printing, in accordance with the act approved March 1, 1919 (44 U. S. C. 111, 220), $550,000: *Provided*, That an amount not to exceed $2,000 of this appropriation may be expended for salaries of persons detailed from the Government Printing Office for service as copy editors.

Mr. JONES. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. JONES: On page 55, line 5, strike out "$550,000" and insert "$475,000, of which not more than $42,000 shall be used for the purchase of paper for the purpose of issuing press releases by the publicity and propaganda agency of the Government."

Mr. JONES. Mr. Chairman, I offer this amendment on page 55 to strike $75,000 from what the committee allowed for printing and binding. The aim is to cut the paper purchases that may be used for press releases down to $41,786.

Even though the committee has marked up this bill in the present amount, I think we should reconsider the item of printing and binding in view of the fact that yesterday we passed a $32,000,000,000 appropriation bill for necessary war equipment. I point out again that since Pearl Harbor there is no need for publicity bureaus. I offer this amendment now in reference to the Department of Commerce in order to give the Congress an opportunity to let themselves be heard on the item of publicity, which runs into the tremendous sum of $27,700,000 a year, involving some 2,995 full-time employees and 31,000 part-time employees. This is waste of such importance that we should now move to eliminate it if possible.

Mr. HOFFMAN. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman recalls the President's conference the other day at which he said that economy cuts were up to Congress. It is up to us to make reductions in our normal expenses.

Mr. JONES. That is correct. I would like to see the Members of Congress take this much responsibility today. It may be the straw in the wind that will stop this evil practice.

Mr. RABAUT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr. JONES].

Mr. Chairman, I call the attention of my colleague from Ohio to the fact that for 1943 the estimates for this purpose were $585,000. The committee has cut this item $35,000.

These are items which cannot arbitrarily be cut down. An action of this kind would only create additional work. The Department would be forced to submit another request to the Budget and then justify this request before the Deficiency Subcommittee. In these times, when all Government departments are overworked, such delay would be unwise. This item has already been cut $35,000 and I think the committee has given it every consideration that it deserves.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. JONES].

The question was taken; and on a division (demanded by Mr. JONES) there were—ayes 37, noes 47.

Mr. HOFFMAN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. RABAUT and Mr. JONES to act as tellers.

The committee again divided; and the tellers reported there were—ayes 55, noes 63.

So the amendment was rejected.

The Clerk read as follows:

Civilian pilot training: For all necessary expenses of the Office of Administrator of Civil Aeronautics in carrying out the duties, powers, and functions devolving upon it pursuant to the authority contained in the Civilian Pilot Training Act of 1939 (49 U. S. C. 751, 752), including personal services in the District of Columbia and elsewhere; traveling expenses; hire, maintenance, repair, and operation of passenger-carrying automobiles; $36,000,000, of which sum $8,000,000 shall be available immediately: *Provided*, That not to exceed $402,000 of this amount may be transferred to the appropriation "Enforcement of Safety Regulations, Office of Administrator of Civil Aeronautics", for expenditure in connection with payment of salaries and travel of aeronautical inspectors engaged in supervision and promotion of the safety features of the civilian-pilot-training program.

Mr. RABAUT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, that the House may be informed concerning the splendid work of the Civilian Pilot Training Corps I have asked for this time.

The Budget for the fiscal year 1942 carried a recommendation for an appropriation of $18,000,000 to carry on the civilian pilot training work. Last year, the committee developed this entire subject very thoroughly, had before it representatives both of the Army and the Navy and, after much controversy and discussion, an agreement was worked out between the Army, the Navy, and the Department of Commerce which gave civilian pilot training graduates credit for the training they had undergone in the civilian pilot training school upon their entrance into the flying service of the Army, Navy, and Marine Corps. The committee at that time increased the Budget estimate of $18,000,000 for this training to a total of $25,000,000, and that figure was made available by the Congress for expenditure in the current year. In the Budget for 1943 it is proposed that an appropriation of $20,069,919 be made for this activity. The committee has increased this sum to $36,000,000, which is the amount requested of the Budget Bureau by the Department of Commerce for the continuance of this training. This is an increase of $15,930,081 over the approved Budget figure. Of the $36,000,000, a total of $8,000,000 is recommended to be made available immediately in order to get the accelerated program in prompt operation. The committee has no hesitancy whatever in recommending this substantial increase. If this war is to be won, obviously it will be won with planes and pilots. We are setting about on a huge expansion of our air power. Scores of thousands of pilots will be needed. The civilian pilot training program is the cheapest and safest program that has yet been devised for giving the primary training to those seeking to qualify for use in the armed air services of our country. Up to date the civilian pilot training program has trained some 70,000 pilots and over 21,000 of this group have gone into the armed services of our country. Over 3,000 have entered the flight services of Canada and England. Three-fourths of the fliers in the R. A. F. American Eagle Squadron are graduates of these schools. More than 25,000 C. P. T. flyers who have completed one or more courses are still in college and nearly all of them are pledged to fly for our armed services—a splendid reservoir of pilots. The safety record achieved in this work is equally impressive and it is worthy of citation that since the last trainee fatality these civilian pilot training students have flown over 17,000,000 miles in the course of their training.

It was represented to the committee that the Civil Aeronautics Authority could expand their program of civilian-pilot training to absorb an appropriation of $89,000,000 without the necessity of purchasing one additional piece of equipment, and with this sum it would be possible to train 45,000 of the elementary college group, 30,000 of the elementary noncollege group, 10,000 in the secondary training course, 2,000 individuals on instrument flying, and 3,000 on multi-engined ferry-pilot work. It is to be hoped that both the War and the Navy Departments will make use of every facility for training now available rather than to incur the additional expense incident to the purchase of additional equipment and establishment of additional training areas.

Pilots for the War Department are trained at selected commercial schools, equipped by the War Department as far as planes are concerned for the training of Army pilots. Such a school is the Hawthorne School of Aeronautics, in charge of Mr. Alfred B. Bennett. The school is located at Orangeburg, S. C., and the letter which I will insert from Mr. Bennett, under date of February 8, gives ample testimony as to the favorable contributing factor of civilian-pilot training. Of 33 instructors in this Army school of training, all but 4 had experiences of some kind with C. P. T. The letter follows:

HAWTHORNE SCHOOL OF AERONAUTICS,
Orangeburg, S. C., February 8, 1942.

Mr. ROSCOE WRIGHT,
Civil Aeronautics Authority,
Washington, D. C.

DEAR ROSCOE: Have just tabulated the results of my questionnaire.

Of the 33 instructors questioned:

Eleven took C. P. T. primary.

Eleven secondary.

Eight cross-country.

Seven commercial refresher.

Nineteen instructor refresher.

Sixteen had experience instructing C. P. T.

Twenty-six said their C. P. T. experience helped them to qualify for their present jobs.

Seventeen said they could not have qualified without C. P. T.

Four had no experience of any kind with C. P. T.

This should convince anyone of the importance of C. P. T. in our big Army training program. I'll bet the experience of other schools is parallel, with the possible exception of some of the very first ones. However, we are more dependent now than ever before upon C. P. T. to produce new instructors, as the old-timers are being absorbed. Even the latter have a better chance of qualifying for Army instructing, having followed C. P. T. requirements.

I hope the above will be of value to you, and if you can use me to testify, I will be glad to come to Washington.

Sincerely,

ALFRED B. BENNETT.

Mr. RANDOLPH. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

Mr. RABAUT. Mr. Chairman, reserving the right to object, we have been very liberal all day about time. It is now 25 minutes of 4.

Mr. RANDOLPH. Mr. Chairman, I withdraw the request.

Mr. RABAUT. I appreciate the gentleman's position.

Mr. RANDOLPH. Mr. Chairman, this subcommittee has shown considered judgment and has given excellent support to the civilian pilot training program of the United States. The gentleman from Nebraska [Mr. STEFAN] and others have made a notable contribution to this subject. Exhaustive study by the gentleman from Nebraska was reflected in his address on Monday when the bill was originally brought before the House for consideration.

I address my remarks today on a correlated subject which is of such importance that I believe the Members may desire to listen to certain observations I have to make. We are developing today a critical bottleneck from the standpoint of the need for trained airplane mechanics in the United States. We can delay no longer the building of a large-scale training course for mechanics. We must act before it is too late. In our attempt to build the greatest air force in the world

we have run into many obstacles. First of all, there was a shortage of factory space, then there was a shortage of materials. There have been other obstructions placed in the way of building a great air force by men in charge of the conduct and the planning of the war who are not yet sufficiently cognizant of the changes that have been wrought in the method of fighting any conflict this Nation must wage.

We know at the present time there is not only a shortage from the standpoint of pilots, but there is a mechanic manpower shortage, and it grows more acute. We know there are no stockpiles of such trained men or women in this field. We recognize that for the planes that are put into the skies we must have mechanics to produce them in the factories and to maintain them after the planes are in operation and being battered in actual combat.

On September 19, 1941, I introduced in the House the bill H. R. 5695, to amend the Civilian Pilot Training Act of 1939 so as to include mechanics. This measure was given a hearing before the standing subcommittee on aviation of the House Committee on Interstate and Foreign Commerce. The hearing was held on December 8. I hope Members will go over statements made by witnesses at that time. The subcommittee reported the proposal unanimously and later the full committee reported it unanimously. The chairman of the subcommittee, the gentleman from North Carolina [Mr. BULWINKLE], reported the bill to the House on January 19.

I trust I may be pardoned for saying to the members of the committee that I have written an article on this vital subject which appears in the March issue of Flying and Popular Aviation. I trust some Members may find it possible to read certain material in that story, based on careful study. I may place the article in the Appendix at a later date.

There are 46 private schools now approved by the Civil Aeronautics Administration. These 46 private schools are ready and eager to give training to mechanics. I am told many fine schools are operating today on about a 30-percent basis. They have the equipment and the instructors to take care at the present time of an additional sixty to seventy thousand students every year. We will be blind to facts if we do not utilize this basic background.

I am making no criticism of the United States Office of Education, which has carried on a certain limited program for the training of aircraft mechanics. It has done a splendid job. It is my understanding that about 265,000 young men have been given some type of instruction. However, the money used by the Office of Education can be applied only to the tax-free public schools. Throughout this country the private institutions are unable to share in this training program. That is not a sound national policy as we get set to wage war on a large scale in the skies.

We must realize—and I am certain we do—that with the increased production of fighting planes there will come a vast increase in numbers of officers and men to fly them. Two million men will be needed. In that picture we cannot forget the need for hundreds and hundreds of thousands of trained mechanics to produce the planes and maintain them after they are ready for combat. I hope the House will soon approve a sound mechanic-training program.

[Here the gavel fell.]

The Clerk read as follows:

Pay of officers and men on vessels: For all necessary employees to man and equip the vessels, including professional seamen serving as mates on vessels of the Survey, to execute the work of the Survey herein provided for and authorized by law, $832,000.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I direct my remarks to the chairman of the committee for the reason that since we reported this bill I have been giving some study to the Coast and Geodetic Survey item in the bill. If you will turn to page 67, line 9, you will find there an item of $80,000 for that agency. I am informed by the Department that the reduction to $80,000 in that item from $450,000 may result in disrupting considerable work in the Coast and Geodetic Survey, especially the map-making. They say the Army needs this badly.

The Budget sent to the Congress the amount of $450,000, after having considered the necessity of transferring additional funds to the Coast and Geodetic Survey from the War Department. The defense map-making plan of the War Department contemplated a direct contribution to the Coast and Geodetic Survey of about 90 percent of that amount of money. We were of the opinion that this money was coming to the Department from the Army. They tell me now that perhaps they will not be able to get it in time, and that they are being asked for this work. I merely wanted to call the attention of the committee to the information I have received since we reported out the bill.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Michigan.

Mr. RABAUT. The gentleman knows I did not look with favor personally upon this cut in the amount made by the committee, but the gentleman knows as well as I do, and as every Member on this floor knows, that at times it is difficult for a subcommittee or a full committee to agree upon the exact amount of an appropriation. I am inclined to agree with the gentleman that this cut has been too drastic, but I think the proper place for it to be ironed out is probably in the Senate when the bill goes there.

Mr. STEFAN. I am worried that we do nothing here to impede our war effort. I was assured in committee that this money was going to the Coast and Geodetic Survey from the Army. They tell me that while that may be true, it is liable to be too late, that they need to do this work immediately. We shall not save any money by cutting this item, because the money will come from another Department anyway. We take it from one pocket and put it in another.

Mr. RABAUT. That is the very point I make, that it can be more fully developed by the Senate at their hearings. It is well that the gentleman brought the matter up at this time, because this gives notice to the Senate that there was some question about the item even in the minds of the subcommittee.

Mr. STEFAN. Let us get the record straight. If the gentleman assures me that the matter will be taken care of, I think it is all right.

[Here the gavel fell.]

The Clerk read as follows:

Field office service: For salaries (not to exceed $310,600) and all other expenses necessary to operate and maintain regional, district, and cooperative branch offices for the collection and dissemination of information useful in the development and improvement of commerce throughout the United States and its possessions, including foreign and domestic newspapers (not exceeding $300), periodicals and books of reference, and the transfer of household goods and effects as provided by the act of October 10, 1940, and regulations promulgated thereunder, $345,000.

Mr. BENDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENDER: On page 70, line 21, strike out "$345,000" and insert "$200,000."

Mr. BENDER. Mr. Chairman, on every hand we hear talk about economy in nondefense departments. Every time we pick up a newspaper and look at its editorial page, we find a cartoon and an editorial asking the Congress to cut down on nondefense spending. The President only recently stated that it is the Congress that can do something about cutting down of nondefense expenditures. The gentleman from Michigan [Mr. HOFFMAN] called your attention to this just a moment ago.

If there is any one place where we can cut, it is right here. The Price Control Administration and the Interstate Commerce Commission are two of the agencies now doing this work.

Frankly, there is little need for this field office service. I know that the committee did cut down on this particular activity, but they did not cut enough. If we are sincere about cutting down nondefense appropriations, let us give the American people evidence of our sincerity right here. Do not be kidded by representations that the little business man needs these parasites. Thus far, all the little business man has had is conversation in great abundance. No relief. Little business men are folding up by the dozens.

This is a relatively small item considering the billions of dollars we are appropriating here every day, but we must begin somewhere. These field offices are not necessary to the national defense. Other departments are carrying on the work they had formerly engaged in. In this mushroom era, the taxpayers of the Nation are entitled to one definite commitment by their Federal Government. Inefficiency and idleness in a defense industry would be intolerable. Equally, inefficiency and unnecessary civilian employment must be intolerable in our governmental agencies during the war. No

workers should be added to national pay rolls whose presence is not dictated by absolute necessity.

Uncle Sam's taxpayers are determined to play fair with their country. Their country must play equally fair with them. We could well afford to stay here until midnight, if necessary, and go over this bill with a fine-tooth comb and analyze and dissect every item. We need to do this, and if we are sincere about that which we write our constituents back home, telling them we agree with them when they ask that nondefense appropriations be cut, we will cut right here when the opportunity is afforded.

I trust every member of the Committee will vote for this amendment now.

Mr. ANGELL. Mr. Chairman, I ask unanimous consent to revise and extend the remarks I made awhile ago.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. STEFAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr. BENDER].

Mr. Chairman, the fact that the gentleman would cut this appropriation about $140,000 in this particular item would indicate to me that he has not studied the bill very well. The gentleman suggests that we stay here until midnight and go through this bill with a fine-tooth comb in order to cut the appropriation. I call his attention to the fact that this committee has been working since January 3 on this bill and going through it with a fine-tooth comb considering 140 items. We bring to you a bill which shows a reduction over last year of over $150,000,000. In this particular item which the gentleman proposes to cut $140,000, we show you a cut of $368,000. This item has already been cut $283,000 for the Washington office and $85,000 for the field offices. I opposed that cut, Mr. Chairman, for the reason that this particular organization, the Bureau of Foreign and Domestic Commerce, 18 months ago went on an all-time war basis and more than 50 percent of its activity is now connected with war work and many defense organizations are calling upon it for valuable information. The War Department, the Navy Department, the Executive Office, and all the other departments are now depending upon this particular bureau for valuable information and very confidential information which they must have in order to continue the war effort.

Now, you can cut these field offices, if you wish. Our committee cut it $85,000, but when you do that I am told the small business man will suffer.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. Yes.

Mr. HOUSTON. I agree with the gentleman, and I think the committee has already cut too deeply in this item. This is the only thing in the bill, or in a bill that I know of, that is trying to help the small business man.

Mr. STEFAN. There is no doubt about that. I dislike to disagree with the gentleman from Ohio [Mr. BENDER] when he offers an amendment to cut an appropriation, but this committee is notorious for cutting nonessential items, and we have already shown you quite a saving in this bill. I do not want to do something that will impede our war efforts.

Mr. BENDER. Will the gentleman tell me where the small business man has been helped in any way at all, except with gags and conversation on the floor here?

Mr. STEFAN. Of course, I cannot go into details now, but I am interested in helping small business wherever possible.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield? My question is along the same line as that of the gentleman from Ohio. In view of the gentleman's statement—and I ask this in the utmost good faith—does he think this particular agency will help the small business man?

Mr. STEFAN. I gave that information in somewhat lengthy remarks yesterday.

Mr. HOFFMAN. Yes; I heard the gentleman, but I still do not quite understand it.

Mr. STEFAN. This organization, in my opinion, will help the small business man who is being closed out of business today. We have got to help him.

Mr. HOFFMAN. Yes; I know that, but does this give him any contracts or furnish him any information where he can get them?

Mr. STEFAN. It will furnish information of all kinds immediately. This Bureau is on war basis now, and it is absolutely needed by the War, Navy, and executive departments, and many defense organizations.

Mr. HOFFMAN. The gentleman will pardon me, but he said it was to help the small business man.

Mr. STEFAN. Part of it.

Mr. HOFFMAN. I simply wanted to know how we can help him.

The CHAIRMAN. The time of the gentleman from Nebraska has expired. The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

The Clerk read as follows:

Salaries and general expenses: For salaries for shipping commissioners, inspectors, and other personal services; to enable the Secretary of Commerce to provide and operate such motorboats and employ such persons as may be necessary for the enforcement, under his direction, of laws relating to navigation and inspection of vessels, boarding of vessels, counting of passengers on excursion boats to prevent overcrowding, and to secure uniformity in the admeasurement of vessels; fees to witnesses; materials, supplies, equipment, and services, including rent and janitor service; the transfer of household goods and effects, as provided by the act of October 10, 1940 (54 Stat. 1105), and regulations promulgated thereunder; purchase, exchange, and repair of instruments; plans and specifications; insignia, braid, and chin straps; coats, caps, and aprons for stewards' departments on vessels; and other incidental expenses of field offices, including contract stenographic reporting services in the District of Columbia and elsewhere; $2,700,000: *Provided*, That $85,000 of the amount herein appropriated shall be available only for the payment of extra compensation for overtime services of local inspectors of steam vessels and their assistants, United States shipping commissioners and their deputies and assistants, and customs officers and employees for which the United States receives reimbursement in accordance with the provisions of the act of May 11, 1938 (46 U. S. C. 382B).

Mr. JONES. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JONES: Page 71, line 25, strike out "$2,700,000" and insert "$2,400,000."

Mr. JONES. Mr. Chairman, this Bureau of Marine Inspection and Navigation has charge of inspecting the ships that are being purchased by the Government; that is, in reference to safety regulations. In the days when private enterprise built the ships, private shipbuilders had their own inspectors to see that they got their money's worth. Now the Maritime Commission builds practically all the ships and they have their inspectors representing that branch of the Government to see that the Government gets its money's worth. In fairness to both the Maritime Commission inspectors and the Bureau of Marine Inspection, both Bureaus are authorized by the basic law creating them to inspect the work of their particular departments. Since changing conditions which I have described were not foreseen when the Maritime Commission law was put into effect duplicate inspections have been made by the Marine Inspection Division of the Department of Commerce, and the Maritime Inspection of the Maritime Commission. My amendment would cut it $300,000, which is approximately the expense for the branch of the Marine Inspection that inspects new ships that the Government is buying. The $300,000 my amendment would take away would only eliminate the duplication and would not interfere with the remainder of marine-inspection work.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. JONES. Certainly.

Mr. RABAUT. I am in sympathy with the suggestion that the gentleman has made, but there are two agencies here. One is in the Department of Commerce, the Bureau of Marine Inspection and Navigation.

The other one, the Maritime Commission agency, is in the independent offices bill. This is under basic law. We have no rights in the matter unless the basic law is changed. On the other hand, these agencies could be merged under the War Powers Act, in the hands of the Executive. That is the only way it can be changed.

I congratulate the gentleman in recognizing that there are some duplications. I think it would be well if they are merged during the period of the duration, but we have no power in this particular instance to do so.

Mr. JONES. I am indebted to the chairman for his remarks. I am indebted to the chairman for developing this in the hearings. If you will refer to the hearings you will see where the chairman very painstakingly and carefully, as he always is, being alert to the duplication in the several bureaus, observed this and questioned the commander at some length. Page 39 of the hearings takes

cognizance of it, but I offered this amendment in order to bring it to the attention of Judge Bland, chairman of the Committee on Merchant Marine and Fisheries, and give him an opportunity to take action in the matter between now and the beginning of the fiscal year. The committee has done a commendable thing in calling attention to this duplication of effort, but if my amendment is adopted, perhaps Judge Bland's committee will immediately bring in a bill authorizing the merger of these two inspection units and we will have the duplication dispensed with by the beginning of the next fiscal year. Unless my amendment is adopted I fear that the duplication will continue until July 1, 1943—a year and a half from now. Adopt my amendment and remove the duplication July 1, 1942. I hope the Committee will adopt the amendment.

Mr. BLAND. Mr. Chairman, I rise in opposition to the amendment.

I hope the amendment will not be adopted. I am satisfied that there is no duplication. The able chairman of the subcommittee, the gentleman from Michigan [Mr. RABAUT], spoke to me a short time ago about the possibility of duplication. I immediately took the matter up with the Maritime Commission in an effort to find out whether duplication existed and what it consisted of. The information which I received was to the effect that there was no duplication that the Maritime Commission knew anything about. Of course, the hearings were not available then. They have only become available in the last few days. It is my intention to investigate to see whether or not duplication exists, but I do not believe there is. However, I urge that this amendment be not adopted now, in view of the large building program that is in progress and in contemplation.

The inspection made by the inspectors of the Department of Commerce has to do with the inspection of the vessels, in large part, after they are launched. They inspect them yearly. They inspect whenever the law requires, and that is many times. This is to prevent accidents or danger. Sometimes they must inspect the tailshafts and other inaccessible parts of the ship. There must be inspections to keep the ships seaworthy. These inspectors see about the seamen—their certificates, whether they are ordinary or able, the qualifications of lifeboatmen—the lifeboats, and the davits. In this way accidents have been reduced materially.

I made inquiry of Commander Field about duplication and I am informed that it is apparent that the Committee may feel that this Bureau has a permanent staff of inspectors at all shipyards working alongside of a permanent staff of Maritime Commission's inspectors, inspecting and checking the same details. This is not the case. As you know, the great bulk of the routine work of the inspectors in the Bureau of Marine Inspection and Navigation is in connection with annual inspections, drydock examinations, periodic reinspection of vessels in service, licensing and certificating of officers and seamen, conducting investigations, and so forth. In addition to this, these inspectors inspect all the steel that goes into boilers and pressure vessels at the steel mills. They inspect the boilers and pressure vessels at the place of manufacture and after installation on board ship. At the plants of manufacture they inspect the boat davits, the boats, various other items of lifesaving equipment, and so forth, which they are required by law to inspect. It is this inspection work at the factories, not at the shipyards, which represents the greater part of the increase the Bureau must have for the coming year or two in order to meet its obligations incident to the greatly expanded shipbuilding program.

It is true that at the shipyards there is a considerable amount of inspection work required by law, but for emphasis I repeat that the greater part of the increase in the work of the Bureau resulting from the expanded building program is work at the steel mills, the boiler plants, the boat davit manufacturers, lifeboat manufacturers, and work done by those inspectors at these places is not only not duplicated by the Maritime Commission, but is not touched upon by the Maritime Commission.

I believe that this information is correct, but I am not going to act on my belief. I am going to find out. I am going to ask you to reject the amendment, and Commander Field (that is, the head of the Bureau of Marine Inspection and Navigation) and his subordinates, and the head of the proper division of the Maritime Commission and his subordinates will be brought before our committee, placed around the table, and together the duties of each will be worked out. If there can be a saving by consolidation anywhere, it ought to be done, and it will be done.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I wish to thank the gentleman from Virginia [Mr. BLAND] for his alertness in the matter. I am opposed to the amendment, and I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. JONES].

The amendment was rejected.

The Clerk read as follows:

Salaries and expenses, clerks of courts: For salaries of clerks of United States circuit courts of appeals and United States district courts, their deputies, and other assistants, and expenses of conducting their respective offices, $2,456,000.

Mr. RABAUT. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. RABAUT: On page 87, line 9, strike out "$2,456,000" and insert in lieu thereof "$2,462,900."

Mr. RABAUT. Mr. Chairman, this amendment, involving the restoration of $6,900 to the appropriation for clerks of courts, and one that I shall present to the paragraph that we shall subsequently take up for miscellaneous salaries and which involves an increase of $2,500, results from an inadvertence in failing to make provision for a small group of employees to whom the committee has applied the principles of the Ramspeck Act as far as promotional policy is concerned. The original computation of all the items entering into the sums that we have allowed failed to take into account this item.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Probation system, United States courts: For salaries and expenses of probation officers, as authorized by the act entitled "An act to amend the act of March 4, 1925, chapter 521, and for other purposes," approved June 6, 1930 (18 U. S. C. 726), $988,000: *Provided*, That the salary of no probation officer shall be less than $1,800 per annum nor more than $3,600 per annum: *Provided further*, That nothing herein contained shall be construed to abridge the right of the district judges to appoint probation officers, or to make such orders as may be necessary to govern probation officers in their own courts: *Provided further*, That no part of this appropriation shall be used to pay the salary or expenses of any probation officer who, in the judgment of the senior or presiding judge certified to the Attorney General, fails to carry out the official orders of the Attorney General with respect to supervising or furnishing information concerning any prisoner released conditionally or on parole from any Federal penal or correctional institution.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word to ask the chairman of the committee a question.

How much of this appropriation for the judiciary is to be used for pensions for judges?

Mr. RABAUT. A little over half a million dollars.

Mr. HOFFMAN. For pensions for the judges?

Mr. RABAUT. For pensions for the judges.

The Clerk read as follows:

Miscellaneous salaries: For salaries of all officials and employees of the Federal judiciary, not otherwise specifically provided for, $890,600: *Provided*, That the compensation of secretaries and law clerks of district judges shall be fixed by the Director of the Administrative Office of the United State Courts without regard to the Classification Act of 1923, as amended, except that the salaries of secretaries shall not exceed that of the senior clerical grade and the salaries of law clerks shall not exceed that of the principal subprofessional grade: *Provided further*, That none of this fund shall be used for the pay of a law clerk appointed by a district judge unless the senior circuit judge of the circuit (the District of Columbia being considered a circuit) in which the district where the clerk is needed, is situated, shall certify to the necessity of the appointment: *Provided further*, That not to exceed three law clerks to district judges shall be appointed in any one circuit.

Mr. RABAUT. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Page 88, line 25, strike out "$890,600", and insert in lieu thereof "$893,000."

Mr. RABAUT. Mr. Chairman, this is the $2,500 I referred to a moment ago.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 504. No part of any appropriation contained in this act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment, the salary or wages for which are paid from any appropriation contained in this Act, shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisonec for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law

Mr. RABAUT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take my place tonight in the well of the House to raise my voice in praise of one who has faithfully served the great Committee on Appropriations and indirectly the Members of the House. Jack McFall today completes his last bill prior to his entry into the armed services of his country. The outside world little knows of what assistance able clerks are to the Members of Congress. Personally, I have always felt that the cognomen "clerk" was a very erroneous denomination of their position. They are secretaries in every sense of the word.

I want the Members to read in the hearings of the State Department appropriation bill on page 492, Jack McFall's appraisal of his friends and of the nine chairmen with whom he has served since coming here as a clerk to the Appropriations Committee some 14 years ago.

Jack McFall is a man of principle. He is a Christian soul; he is devoted to his tasks. No job was ever too big for him and he never turned a short corner. No matter how many books had to be thumbed, no matter how many departments had to be called, Jack McFall did everything that was required of him, and much more. It was an inspiration to me and the members of my committee, and to the gentleman from Georgia [Mr. TARVER], and the members of his subcommittee to have worked with him; and all of us are unanimous in our praise of his devotion to duty. In his farewell remarks he refers to references in the press to "junkets" by Members of Congress and stated as his opinion as a humble clerk of the committee that so much good has come from them he hopes there will be more. A man who goes some place and goes there to serve comes back with knowledge that he never gains sitting behind the mahogany.

I am proud today in the name of this committee to take my place on this floor and pay tribute to one whose passing from our midst is our loss and whose going to the Navy is their gain. Thank you.

The following is an extract from the hearings, and it gives me pleasure to insert Mr. McFall's remarks.

RESIGNATION OF JACK M'FALL, CLERK OF THE SUBCOMMITTEE, TO ENTER THE UNITED STATES NAVAL SERVICE

Mr. MCFALL. I would like to make a statement, if I may, inasmuch as this is the end of the hearing.

The CHAIRMAN. Certainly.

Mr. MCFALL. This hearing represents the end of some 14 years of my service on the committee that I have been privileged to enjoy. I have been engaged about 9 years on the work of this subcommittee, and for a somewhat less period with other subcommittees.

Through that period of 14 years I have been privileged to serve with some eight chairmen, starting some 9 years ago with Hon. Anthony Griffin; then, in succession, I served Chairmen William B. Oliver, of Alabama; J. B. Daly, of Pennsylvania; Louis Ludlow, of Indiana; Malcolm Tarver, of Georgia; Thomas S. MacMillan, of South Carolina; James McAndrews, of Illinois; and your own good self, Mr Chairman.

I only wish that all citizens of our great Nation might be afforded the experiences that I have had in attending our committee meetings and committee councils and see our democracy in the making. The tremendous burden of work and responsibility that you members of the Appropriations Committee must bear in serving your Nation and its citizens is, I fear, little understood and hence not appreciated by the public at large. During the course of my service I have been privileged to take several trips of inspection with the committee to the field. These trips have taken me to Alaska three times, twice to Europe, once to South and Central America and several times on visits in most of the States of the Union, to the various public institutions and field offices of the bureaus falling under the jurisdiction of the subcommittees to which I have been assigned such as the Federal prisons, field offices of the Federal Bureau of Investigation, United States courts, field offices of the Bureau of Foreign and Domestic Commerce, and so forth. On each and every field trip that I have taken with the committee, the members have subordinated all personal interests to the consummation of the task at hand with a result that you have returned to your labors fortified with a knowledge of conditions in the various services of government for which you must make available funds for operation. This knowledge you could never gain by constantly sitting around a committee table and listening to ex parte testimony of bureau chiefs. I feel very strongly in the matter of the value of these trips to me, as a means of serving you more effectively, and I know that they have been equally valuable to you Members who have taken them, in giving you an insight into Government operations that you could gain in no other manner. If such trips as I have taken are "junkets," then I can only say that the American taxpayer should insist on more and larger ones.

Through this period of service I have made many friendships that I am confident will endure throughout the years to come, whether time and tide shall bring me back here or land me on some other shore.

Appropriately I wish to pay my abiding thanks and appreciation to Marc Sheild, with and for whom I have had the privilege to serve all these years, for all his help and counsel that he always so unstintingly gave me on every occasion. I think when God made his pattern He purposely threw it away that he might serve as an example of what a man should be. He is one of the finest Christian gentlemen it has ever been my privilege to know. I also want to extend my thanks to all of the other clerks of the committee, John Pugh, Jim Scanlon, Bill Duvall, Bob Williams, George Harvey, and Arthur Orr, and to our efficient apprentice, Jimmy Strachan, and our faithful messenger, Robert Lewis, for the genuine cooperation I have enjoyed from all of them throughout the years.

If fortune does not bring me back to my work here when this holocaust we are in is over, I hope I may at least be afforded the privilege of renewing and enjoying, from time to time in the future, the many lasting friendships I have made during the course of my service here.

Mr. HOFFMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: On page 94, line 1, after the word "is", insert "or who within 5 years preceding his appointment or employment has been."

Mr. HOFFMAN. Mr. Chairman, this bill states on page 93 that "No part of any appropriation contained in this act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence."

You will recall that from time to time the Appropriations Committee has found it necessary to name certain individuals who should not receive compensation from funds appropriated by Congress. Every once in a while there is objection to the employment or to the payment of Government money to the members of a certain organization. Often when that course is attempted we are confronted with the statement that the one so pointed out has reformed, he is, so it is said, no longer a Communist or he is no longer working against the Government.

I just seek to add the words "or who has been within the preceding 5 years" a member of such an organization. I want to put this person, who was once a Communist or a Nazi, on probation, so that his reformation will be thorough and complete, and I want him to be on probation for a period of 5 years.

Mr. RABAUT. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Michigan.

Mr. RABAUT. The language contained in this bill is similar to the language carried in all appropriation bills. It is carried in the deficiency bills, and so forth. This language dovetails in with the language of all of the appropriation bills. So we would have an exception here if we placed any different language in this bill. The place where that would have to be done is in the full committee. I think it should be taken up with the chairman of the Appropriations Committee and see if the language cannot be supplied to all the bills making appropriations from this time on.

Mr. HOFFMAN. In other words, it is a good suggestion?

Mr. RABAUT. The gentleman has a good idea, but I do not think we could very well take it up here and make it piecemeal. I would be willing to leave the idea to the House, however.

Mr. HOFFMAN. It is a good suggestion, as I get it from the gentleman's remarks, we ought to do it, but unless we can do it all at once in all the bills which never come before the House together we should not make a beginning. Why not begin today with this bill if the amendment is, as the gentleman admits, a good one. I admit that the amendment has the fault of being offered by a Republican, but that seems to be its only fault.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LUTHER A. JOHNSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6599) making appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Federal Judiciary, for the fiscal year ending June 30, 1943, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. RABAUT. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

FIRST DEFICIENCY APPROPRIATION BILL—1942

Mr. CANNON of Missouri submitted the following conference report and statement on the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6548) "making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 8.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, and 41, and agree to the same.

Amendment numbered 4. That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and the matter inserted by said amendment, insert the following:

"Civilian Defense: To enable the Director of Civilian Defense, under such regulations as the President may prescribe (which regulations may provide exemption from the requirements of section 3709 of the Revised Statutes), to carry out the provisions of the act entitled 'An act to provide protection of persons and property from bombing attacks in the United States, and for other purposes', approved January 27, 1942 (Public Law 415), fiscal year 1942, $100,000,000, to remain available until June 30, 1943, of which not to exceed $3,000,000 shall be available for all administrative expenses, including printing and binding and personal services in the District of Columbia: *Provided*, That no part of this appropriation shall be used to pay any person in the Office of Civilian Defense unless such person is directly employed in the administration of such act of January 27, 1942: *Provided further*, That no part of the funds appropriated herein may be used for the employment of persons, the rent of facilities or the purchase of equipment and supplies to promote, produce or carry on instruction or to direct instruction in physical fitness by dancers, fan dancing, street shows, theatrical performances or other public entertainments: *Provided further*, That no part of this appropriation shall be available to pay the salary of any person at the rate of $4,500 per annum or more unless such person is appointed by the President, by and with the advice and consent of the Senate: *Provided further*, That the Director of Civilian Defense shall transmit to the Chairman of the Committee on Appropriations of the Senate and the Chairman of the Committee on Appropriations of the House of Representatives every sixty days following the date of the enactment of this Act, a report in summary and by categories of the progress of the procurement of equipment and material provided by this appropriation: *Provided further*, That no funds herein appropriated shall be used for the payment of any person especially employed by a contractor to solicit or secure a contract upon any agreement for a commission, percentage, brokerage, or contingent fee," and the Senate agree to the same.

Amendment numbered 16. That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$253,000" and the Senate agree to the same.

Amendment numbered 17. That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$106,490"; and the Senate agree to the same.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
LOUIS C. RABAUT,
JED JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the part of the House.

KENNETH MCKELLAR,
CARTER GLASS,
CARL HAYDEN,
M. E. TYDINGS,
GERALD P. NYE,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes—the First Deficiency Appropriation bill, 1942—submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

No. 1 provides for an adjustment in the compensation of an employee of the Senate as proposed by the Senate.

No. 2 appropriates $1,720,000 for the fiscal year 1942, as proposed by the Senate, for Congressional printing and binding.

No. 3 appropriates $150,000, as proposed by the Senate, for general expenses of the Office of Superintendent of Documents, Government Printing Office, for the current fiscal year.

No. 4 relating to the Office of Civilian Defense: Inserts a substitute for the amendment of the Senate which substitute restores all the language of the House bill and adds from the Senate amendment the following: the provision for Senate confirmation for all appointments to positions with a compensation of $4,500 per annum and over, the prohibition against payment of a commission, percentage, brokerage, or contingent fee by a contractor to anyone for securing a contract under the appropriation, modified so as to make the prohibition only apply to anyone "especially" employed for such purpose; and the provision for a report to Congress every sixty days modified so as to require such report to be a "progress" report in summary and by categories and to be submitted to the Chairman of the Committee on Appropriations of each House.

Nos. 5, 6, 7, and 8, relating to the Federal Security Agency: Appropriates $77,481 for the fiscal year 1942, as proposed by the Senate, for diseases and sanitation investigations, Public Health Service; and strikes out the appropriation of $12,035 for the fiscal year 1942, inserted by the Senate, for salaries and expenses of the Forum Advisory Service in the Office of Education.

Nos. 9, 10, 11, and 12, relating to the District of Columbia: Appropriates additional amounts for the fiscal year 1942, as proposed by the Senate, as follows: $250,000 for assessment and permit work, sewers, $250,000 for extension of water mains under the assessment system, and $6,350 for the payment of judgments.

Nos. 13, 14, and 15, relating to the Bureau of Mines, Department of the Interior: Appropriates additional amounts for the fiscal year 1942, as proposed by the Senate: $66,000 for oil and gas investigations and $225,000 for investigations relating to domestic sources of mineral supply.

Nos. 16 and 17, relating to the consolidated emergency fund, fiscal year 1942, Office of the Secretary of the Treasury: Appropriates a total of $253,000, instead of $172,000 as proposed by the House and $267,000 as proposed by the Senate, and fixes the amount for allocation to the Bureau of Internal Revenue at $106,490, instead of $25,490 as proposed by the House and $120,490 as proposed by the Senate. The reduction effected by the conference Committee is made in the funds for the special tax research on Federal, State, and local fiscal relations to the end that such activity is not financed beyond April 30, 1942.

Nos. 18 to 41, inclusive: Appropriates for the payment of property damage claims determined pursuant to law and certified for appropriation by the heads of Federal agencies, for the payment of judgments of United

States courts, and for the payment of claims allowed by the Comptroller General and certified for appropriation pursuant to law.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
LOUIS C. RABAUT,
JED JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the part of the House.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent for the present consideration of the conference report on the bill H. R. 6548, and I ask that the statement of the managers on the part of the House be read in lieu of the full report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. TABER. Mr. Speaker, reserving the right to object, and I shall not object, because the matters of difference have been ironed out so that all those present at the conference were prepared to sign the report. The matters of difference were very small.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

Mr. CANNON of Missouri. Mr. Speaker, the Senate added 41 amendments to the bill, increasing it about $3,000,000. Of the 41 amendments, 28 were for legal claims and certified judgments, which, of course, had to be paid. Of the remaining 13 amendments, 3 are form amendments and only 10 related to substance. These were of such obvious nature that there was little difference of opinion about them, and we reached a complete agreement. The conference report is signed by all the members of the committee of conference.

Mr. Speaker, I ask for a vote on the conference report.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. CURTIS. Reserving the right to object, can the gentleman tell us when the bill to repeal the congressional pension law will be considered?

Mr. McCORMACK. I have no knowledge of that.

Mr. CURTIS. What is the plan for next week? Will any business be considered on Monday?

Mr. McCORMACK. No; of course, there will be the reading of Washington's Farewell Address.

If the gentleman will permit me to suggest it, the minority leader usually asks that question. I am sure the gentleman would feel better and I would feel better if the minority leader were permitted to make that inquiry.

Mr. CURTIS. Most certainly, I am pleased to yield to the acting minority leader.

Mr. MICHENER. Reserving the right to object, Mr. Speaker, will the gentleman from Massachusetts state what the program will be for tomorrow and next week?

Mr. McCORMACK. Yes; I was expecting that question from the gentleman from Michigan. I know the gentleman from Nebraska understands the situation.

Mr. CURTIS. Surely.

Mr. McCORMACK. Monday is the anniversary of Washington's birth, and there will be the reading of his farewell address, and that is all. No legislation will be considered on Monday.

On Tuesday, if a rule on it is reported, the war powers bill will be considered. Following that will come the war insurance bill, with which Members are acquainted. There is also the Rogers bill. However, I do not want to be committed to the particular order in which these bills will be taken up. The Dies resolution is also to be considered.

Of course, I do not want to discuss the bill to which the gentleman from Nebraska referred until I know what the committee does. I do not want to be put in the position of discussing when a bill will be before the House when it has not yet been reported by the committee having it in charge. I appreciate the sincerity of the gentleman's inquiry, and my remark in no way is to be misunderstood in relation to his inquiry.

Mr. MICHENER. I think we may all hope that if the Committee on the Civil Service reports out legislation affecting the so-called congressional pensions, the distinguished majority leader will assist in every way in bringing that bill before the House at the earliest opportunity, so that the House may have an opportunity to express its judgment as to the wisdom of the legislation.

Mr. McCORMACK. I think that is a fair way to put it. To put it another way, if I may, the majority leader would do everything within his power to reduce the political high blood pressure that exists.

Mr. CURTIS. Further reserving the right to object, Mr. Speaker, it occurs to me that the conversation on the floor would indicate that perhaps the Committee on the Civil Service will report that bill for the repeal of the congressional pensions out on Thursday, and that it might be disposed of this week. I believe any legislation the House might undertake would be handled much better after the pension bill is out of the road and repealed. We owe it to the country to repeal this at once.

Mr. McCORMACK. I profoundly appreciate the state of mind of the gentleman. I think the statement made by the distinguished acting minority leader and my rejoinder to him, in which our state of mind was frankly expressed, ought to clarify the situation. Whether it would be very beneficial to the country to see the Congress go down one road and go back another road is a question for the future. I shall not pass on that. However, I said that if a bill does come out of the committee and if it is consistent with other important matters of concern to the primary objective we all have, that is, war legislation, I will do all I can to relieve the political high blood pressure that exists.

Mr. CURTIS. I was hopeful that the gentleman would use his high office to bring that bill to the floor immediately.

Mr. McCORMACK. I do not know that my office is high.

Mr. CURTIS. As far as going down a road and retreating is concerned, some of us have not had a chance to go down the road yet. That is what I am concerned about. I have never favored or supported pensions for Congressmen. I have voted against this every time a vote has been taken in this body. I am not retreating.

Mr. McCORMACK. All right; I will let it stop there.

Mr. HOFFMAN. Reserving the right to object, Mr. Speaker, can the gentleman tell us on the evening of which day the $100 dinners will be held?

Mr. McCORMACK. As far as Massachusetts is concerned, it will be held Sunday night. That is not a $100 dinner, of course.

Mr. HOFFMAN. I am not interested in the others; just the $100 dinners. Can the gentleman tell us whether or not that date falls on the same day as the President's report on the progress of the war?

Mr. McCORMACK. There are two questions——

Mr. HOFFMAN. I understand; it is too much for the gentleman. I will waive it.

Mr. McCORMACK. The gentleman from Michigan is too much for the gentleman from Massachusetts at all times.

Mr. HOFFMAN. I will waive it. After the gentleman's lecture of yesterday, I shall not presume.

Mr. McCORMACK. The gentleman overwhelms me at all times.

Mr. DITTER. Reserving the right to object, Mr. Speaker, I feel that the minority should acknowledge to the majority leader his indulgence in connection with our Lincoln Day dinners. Any concessions of pressure that might otherwise present themselves as a result of the legislation that is presently under discussion I think should give way, so that there will be reciprocity on the part of the minority to allow the majority the same possibilities the minority has enjoyed.

Mr. McCORMACK. I thank the gentleman.

The gentleman from Michigan also inquired of me, personally, as to what will be up tomorrow on the call of committees, Calendar Wednesday having been transferred to that day. The Tolan bill will not come up. The Beiter bill, I have been informed by the chairman of the Committee on Labor, the gentlewoman from Massachusetts [Mrs. NORTON], is the only measure that will come up.

Mr. MICHENER. If the Committee on Labor finishes its call, will any other committee be called tomorrow?

Mr. McCORMACK. I have not heard from the chairman of any other committee and in order to meet that situation I am going to ask unanimous consent, when this request is acted upon, that the call of the committees tomorrow be confined to the Committee on Labor so that

Members will definitely know the situation.

Mr. TABER. Mr. Speaker, reserving the right to object, some of us are quite interested in the war powers bill and I am very doubtful if 4 hours of debate is sufficient on that measure. It is a bill of such importance that it seems to me it should be given very careful consideration and I think we should go a little further than that.

Mr. MICHENER. That matter is before the Committee on Rules, I may say to the gentleman from New York, and it has not been definitely decided that we are going to have a rule. In due season the committee will determine that question and discuss the matter of time. Four hours of debate has been suggested, but nothing definite has been determined. I believe the Rules Committee will do the best it can to see that proper time is provided.

Mr. McCORMACK. May I make this statement? If a rule does come out tomorrow from the Rules Committee on the war powers bill, then it will come up Tuesday. If not, then the war insurance bill and the Rogers bill and the Dies resolution, but I would rather not be committed as to the order of consideration as between the Rogers bill and the Dies resolution. But the war-insurance bill will be taken up on Tuesday.

Mr. MICHENER. The gentleman has named three important bills which would make next week, after the session on Monday, one of the most important weeks in the matter of legislation that we have had for a long time.

Mr. McCORMACK. I agree with the gentleman from Michigan.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I submit the further unanimous-consent request that the call of committees on tomorrow be confined to the Committee on Labor.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a poem written by an outstanding gentleman of the city of Redlands, Calif.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL PERMISSION TO EXTEND REMARKS

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill under consideration today may have 5 legislative days within which to revise and extend their own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that I may revise and extend the remarks I made in Committee today and add some extracts from the hearings and also a letter concerning civilian pilot training.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter that I have written to the Secretary of War on the subject of Negro soldiers being discriminated against. I find that this exceeds the limit, and I have an estimate of $45 from the Printing Office. I ask unanimous consent that it be inserted in the RECORD, notwithstanding.

The SPEAKER. Is there objection?

There was no objection.

Mr. TRAYNOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. RUSSELL. Mr. Speaker, I ask unanimous consent that tomorrow, after the close of business and such matters as may be on the Speaker's desk, I be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a beautiful but very brief eulogy of the junior Senator from Illinois by my friend and colleague the gentleman from Michigan [Mr. DONDERO].

The SPEAKER. Is there objection?

There was no objection.

Mr. O'BRIEN of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks and include a statement by the Secretary of Commerce on the St. Lawrence seaway.

The SPEAKER. Is there objection?

There was no objection.

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a tribute to my predecessor, Mr. Edelstein.

The SPEAKER. Is there objection?

There was no objection.

Mr. McGRANERY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech delivered by Hon. JOAQUIN M. ELIZALDE, Resident Philippine Commissioner.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a brief poem on Washington.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an editorial from the Daily News of today.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Also, Mr. Speaker, I ask unanimous consent to extend my remarks and include certain questions asked me by constituents back home.

The SPEAKER. Is there objection?

There was no objection.

Mr. BENDER. Mr. Speaker, I have two requests, to extend my remarks twice in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to extend the remarks made by myself today in Committee of the Whole House, and include certain letters, and also an editorial from the Washington News of today.

The SPEAKER. Is there objection?

There was no objection.

Mr. H. CARL ANDERSEN. Also, Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Michigan [Mr. HOFFMAN] be permitted to extend his remarks in the RECORD following mine today.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my remarks by including an article on rubber from the Washington Star.

The SPEAKER. Is there objection?

There was no objection.

PAY-ROLL-SAVINGS PLAN IN THE HOUSE OF REPRESENTATIVES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, it has been suggested to me to submit to the House for its information a matter which I think is of great importance. The majority leader in the other branch called it to the attention of the Members of the Senate sometime today, so I am informed.

In the financing of this war we are of the opinion that the American people, of their own free will, want to assume a large share of its cost. To assist in this effort there is no group that should be more active than the Members of the House of Representatives and our employees. We, too, should take our place in the front ranks of that great army of wage earners throughout the Nation who are so generously supplying fighting dollars for fighting men.

Throughout this great united country of ours there are being established in all forms of private industry pay-roll-savings plans whereby every man and woman gainfully employed is given an

opportunity to purchase United States Defense Savings bonds through periodic allotments from their wages.

We of the Seventy-seventh Congress and all our employees should be a part of this program. Through this pay-roll-savings plan, which is entirely voluntary, the Members of the House can authorize the Sergeant at Arms, and our employees can authorize the financial clerk, these two gentlemen being disbursing officers, to withhold a specified sum from our salary each pay day, to be accumulated in individual accounts until a sufficient sum has accrued for the purchase of a bond. The bond will be purchased, registered in accordance with our instructions, and delivered either directly to us or to a designated address. This procedure will be repeated indefinitely, but should anyone at any time find it necessary to cancel his authorization and discontinue the allotment, he may do so and receive a refund of any money that has accumulated to his credit. The amount of your periodic allotments will be left for you to determine.

There are no truer words than those of Mr. Harold N. Graves, the Assistant of the Secretary of the Treasury:

> The bonds will not serve their purpose if you buy one bond or a dozen and then stop. They are put forward as a means for every citizen to carry on a consistent and continuous savings program, to be followed week by week or month by month.

We know production schedules are being forced to a maximum that an overwhelming number of ships, planes, tanks, and guns to properly equip our boys may be forthcoming. Gentlemen, we now have the opportunity to do something financially substantial as our part in this all-out war effort. Let us back those boys of ours up. None of us should be able to rest until every Member, all clerks, and assistants in the House of Representatives are doing their part under this pay-roll-savings plan.

Any bonds purchased will be credited to the State in which a Member or employee lives.

I make this announcement. I consider that this plan put into operation in the House will be an inspiration to the rest of the country and an example for those in private employ to follow.

[Here the gavel fell.]

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. LYNCH] is recognized for 15 minutes.

THE "NORMANDIE"

Mr. LYNCH. Mr. Speaker, in the present war effort of the country carping criticism has no place. On the other hand, where carelessness, negligence, and incompetence have brought disaster to us, the silence of those upon whom in part rests the successful outcome of the war will lead to naught but loss of the confidence of our people.

Within 2 months we have suffered two major catastrophes—the disaster in the Pacific at Pearl Harbor on December 7 and the disaster to the *Normandie* in New York on February 9. They are disasters that never should have occurred and never would have occurred if the Navy command had used only ordinary and reasonable precautions. They are disasters that have unnecessarily prolonged the war and postponed the day of peace.

We have had a board of inquiry investigate the Pearl Harbor debacle, and the net result thus far after 2 months has been the tender of the resignations of an admiral and a major general.

According to newspaper reports, a Navy board of inquiry is conducting a secret investigation into the burning of the *Normandie*. Why, may I ask, a secret inquiry, when everyone in New York knows the cause; why a secret inquiry, except to whitewash those who are responsible for the disaster or to withhold from the public and the press the extent of the negligence, carelessness, and incompetence of the Navy command?

Within a few hours after the disaster the district attorney of New York County had examined some 70 witnesses and had come to the inescapable conclusion that the destruction of the *Normandie* was due to gross carelessness.

Fire Marshal Brophy, who has investigated thousands upon thousands of fires in his capacity as fire marshal of the city of New York, reached the same conclusion.

The statements of eyewitnesses, one of them former Alderman Edward J. Sullivan, a friend of mine for 20 years, were carried in the newspapers of New York. All the evidence points so incontrovertibly to carelessness, negligence, and incompetence that secret hearings by the Navy board of inquiry can only arouse suspicion when we ought to be instilling confidence.

Let the Navy stop its secret hearings and bring out the facts in the light of day and under the pitiless publicity that should be given those facts. The American people can take it. They took it at Pearl Harbor and they can take it in New York, but what they will not take again is a tender of resignations. They want the men who are responsible for the *Normandie* disaster brought to a bar of justice and, if convicted, stripped of their rank and punished according to their deserts.

Carelessness, negligence, and incompetency lost us a part of our fleet in the Pacific. Carelessness, negligence, and incompetency lost us more tonnage in the safe waters of the North River than has been occasioned by enemy submarines in the Atlantic Ocean. Carelessness, negligence, and incompetency should not be pensioned.

When I think of MacArthur and his brave band of Americans and his gallant Filipinos on Bataan, when I think of our fleets upon the seas, manned by brave American lads and officered by men ever on the alert, my blood boils at the thought of the *Normandie*, lying on her side in the mud of the North River, a monument to inefficiency and incompetency.

Let me give you a picture of the *Normandie* at 2:30 in the afternoon of February 9. Two thousand men are working aboard her as she lay in her berth at pier 88, North River, N. Y. These men are converting the $53,000,000 luxury liner to war purposes, and it was only a matter of days when she would be in readiness to undertake her grim duty. A workman is using an oxyacetylene torch to remove some ornamental ironwork in the grand salon, which is stacked high with kapok mattresses, wrapped in tar paper and packed in burlap bags. Sparks fly from the torch and ignite the highly inflammable burlap, tar paper, and kapok mattresses. The workmen fight the fire and call the fireguards, who try to quell the flames, which are spreading rapidly. Finally someone thinks of turning in the fire alarm and at 2:49 an alarm is turned in from a private box on the pier. Immediately the Fire Department of the city of New York is in motion and four engine companies, two trucks, two hook and ladders, a fireboat, and two battalion chiefs are moving toward the fire. Within 3 minutes the first land company arrives and the men drag their hose over the pier and amongst the milling men fleeing the ship and hook up to a pier standpipe. Then up through the ship they go to the scene of the fire, which is above the river level a height of approximately a six-story building. One look at the fire and the battalion chief sends for assistance. Back through the ship, back over the pier, the fireman dashes to the city alarm box at Forty-eighth Street and Twelfth Avenue and at 3 bangs out the first alarm at box 852. At 3:01 the second alarm flashes 2–2–852—four more engine companies, another fireboat, a rescue company, a water tower, and a deputy chief begin to move to the fire. At 3:02 the signal 3–3–852, a third alarm, is flashed and five additional engine companies, another fireboat, a hook-and-ladder company, another battalion chief, and Assistant Chief McCarthy respond. Meanwhile engine companies all over the Borough of Manhattan are relocating, on the alert, so as not to leave the rest of Manhattan Island unprotected. At 3:12 Assistant Chief McCarthy banged out 4–4–852—a fourth alarm—that brought five additional companies and another hook and ladder and Fire Chief Patrick Walsh.

At 4:08 Chief Walsh sounded the fifth alarm—5–5–852—that brought six additional engine companies as a precautionary measure and for possible hose replacements.

At 6:30 the fire was under control and the fire companies began to roll up their hose and return to quarters, leaving a part of the first assignment to watch for any sporadic outbursts.

The Fire Department of New York City had confined the fire to the two upper decks and part of the third deck. They had kept the fire from the pier, which, if it had caught fire, would have made it practically impossible to fight the fire on the *Normandie* from the land side.

The people of New York are, and ought to be, proud of Chief Walsh and his men. Chief Walsh is a veteran of 40 years in the fire department and knows his job.

At 8:30 Mayor LaGuardia said to reporters—and I quote:

> The chief's got his fire out, and now the naval people will watch the ship.

At 10 p. m. the *Normandie* had developed a list of 16° to port—a safe list—3½ hours after the fire was under control, an hour and 40 minutes after the Navy took charge. From then on things got worse. At 12:30 a. m. all hands were ordered off the ship by Admiral Andrews. A little past 2 a. m. came the death rattle as articles began to slide toward the rail, and at 2:35 she quietly slid over on her side.

Mr. Speaker, the carelessness that caused the fire was bad. The carelessness or incompetence that permitted the capsizing of the *Normandie* without raising a hand to save her was worse.

The bulkheads were open; why were they not closed? The ballast tanks were empty; why were they not filled before the list became acute? But why, above all, Mr. Speaker, were not the pumps used? The engine room was dry; the evidence of that is that, later, the engine room was sealed to keep the water out after she had capsized.

What a picture of incompetence. The Navy officers standing on the pier for hours, waiting for the *Normandie* to capsize—while MacArthur waits in Bataan. The danger must have been obvious. Surely, the Navy must have known that the flood tide was due. Every youngster along the water front of New York knows the tides. If the Navy did not know what to do or how to do it, or if it did not have the equipment, why, in the name of common sense, was not there enough intelligence in the outfit to call in one of the salvage companies who know how to pump out a ship and have the equipment on hand to do it?

Mr. Speaker, no matter what the result of the secret inquiry, the American people will not be content. An open inquiry will give more aid and comfort to the American people than it will to our enemies.

I am in receipt of a letter from the principal of a public school in the Bronx which typifies, in my opinion, the feelings of the American people. It reads as follows:

DEAR CONGRESSMAN: Pearl Harbor was bad; the *Normandie* was inexcusable. How can Washington expect children in the schools to buy Defense stamps with patriotic fervor if what they hear is a tale of management that makes their own fire drill a miracle of efficiency? If Admiral Hart was old and sick and Helfrich available, why didn't Helfrich get it in the first place? Our errors make England wince; English errors make American soldiers victims. When can the American feel confident that America is really on the job and no fooling?

Very truly yours,

JOHN D. HANEY.

FEBRUARY 13, 1942.

Mr. Speaker, let Secretary Knox end his secret inquiry. Let him be fair to the American people, who are fighting this war, and give them the facts—not a part of the facts, but all the facts. That is what they want and that they are entitled to receive.

Mr. IZAC. Mr. Speaker, will the gentleman yield?

Mr. LYNCH. I yield.

Mr. IZAC. I would like to observe that this morning by resolution the Naval Affairs Committee of the House decided on an investigation by our committee, so that the House may be assured we will go into this thing thoroughly.

Mr. LYNCH. I am delighted to hear that such investigation has been authorized. I hope it will be an open inquiry so that witnesses may be called and their testimony heard in the open. Then let the chips fall where they may.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. LYNCH. I yield.

Mr. HOFFMAN. The gentleman has painted a very vivid picture of the incompetency of the naval officers who were at the scene of the disaster. Is that correct?

Mr. LYNCH. I do not know how vividly I have painted it, but I have tried to point out to you that after the fire department of New York left, apparently nothing was done to save the *Normandie*.

Mr. HOFFMAN. The fire department accomplished everything that could possibly be done; but is it not true that at least the major part of the responsibility for the carelessness of these officers, their incompetency rests right here in Washington with the Secretary of the Navy, who has no knowledge of naval affairs?

Mr. LYNCH. I am not familiar with what knowledge the Secretary of the Navy has of naval affairs, but I say if those men are found to be incompetent, if they allowed a situation to arise which never should have arisen if they had used ordinary precautionary measures, they ought to be punished.

Mr. Speaker, I yield back the balance of my time.

Mr. HOFFMAN. But should not the man at the top be punished as well, if anyone is to be punished? How can the Secretary of the Navy escape responsibility. He is the head; he is at the top; he is chargeable with the knowledge of the location of this ship with the conditions surrounding it. It was right here at home under his nose almost.

The SPEAKER pro tempore (Mr. SULLIVAN). Under previous order of the House, the gentleman from Massachusetts [Mr. ELIOT] is recognized for 15 minutes.

THE DIES COMMITTEE

Mr. ELIOT of Massachusetts. Mr. Speaker, first I want to say that I appreciate the attendance of those who are here at this late hour, and I very much regret the absence of the gentleman from Texas [Mr. DIES].

Mr. Speaker, about a year ago I spoke here in the House about the procedure of the special House Committee on Un-American Activities. I pointed out that while the committee's purposes might be worth while the committee itself all too often acted irresponsibly. Investigations were frequently undertaken and announcements made, I said, without any vote by the committee, without any discussion, without even any meeting. Such a method of doing things, it seemed to me, was rash and reckless in a time of national danger.

Now the national danger is far greater, and within a few days a resolution will come before the House to extend once again the life of the Dies committee. We will have a chance to repudiate that committee's way of doing things—to prove that we have the courage to court inevitable abuse and misunderstanding by doing an honest job for the good of the country. A vote against the Dies committee is not a vote for un-American activities, fascism, or communism. Far from it. A vote against the Dies committee is a vote for responsible government. It is a refusal to permit any longer the course of heedless folly which, regardless of the committee's intentions, divides the Nation and plays into the hands of our enemies.

When I say "plays into the hands of our enemies," I mean just that. Did you read the President's remarks at his press conference yesterday about the dangerous "Cliveden set" here in Washington that seems more interested in creating conflict between us and Russia than in beating the Axis? Read what the President said; you know it is all too true. And then turn, if you will, to the CONGRESSIONAL RECORD of January 28. There you will find a speech by the gentleman from Texas [Mr. DIES] raking up old hatreds and implying that our most dangerous enemy today, our most sinister fifth column, is Russian and not German or Japanese. Read, too, and reread many times, the great reply made that day by another gentleman from Texas [Mr. SUMNERS]. After Mr. DIES had spoken, Mr. SUMNERS reminded us, and I quote him:

> We must not knowingly insult any nation which is now engaged in this war as an ally of our own.

And he said that "if we are seeking to kick Russia, if that is what we are trying to do," then there is "mighty good sense" in the proposals of Mr. DIES.

That is only a part of the picture. There is another part of it which is equally black and which fits in perfectly.

Last week I placed in the RECORD a letter written by the Chairman of the Federal Communications Commission to the gentleman from Texas [Mr. DIES]. I urge you to read that letter, which will be found on page A505 of the Appendix of the RECORD. Summarized, the letter states that the chairman of the Dies committee has been frequently and favorably quoted on Axis propaganda broadcasts beamed to this hemisphere.

Defenders of the committee may urge that the report about Axis broadcasts was made by a subversive employee. Well, the employee in question was not employed by the F. C. C. when the report was made; and the Dies committee's definition of "subversive" is so fantastic as to defy belief.

Listen to me for a moment while I tell you what the Dies committee calls un-American activities. The other day there was spread in the RECORD the Dies committee file on a number of Government employees—men and women whom the committee apparently believes to be subversive and wishes to see fired. There is a column for Communist-front organizations which the suspected person is supposed to have belonged to, and there is a column for the actual subversive activity which was alleged to have been under-

taken. What does the Dies committee consider are un-American activities? Here is an example taken from the committee's own files—endorsement of the American Youth Act. If you endorsed that proposed legislation, you are subversive. Among the endorsers of the American Youth Act were Warden Lawes and several Members of the House, including a member of the Dies committee itself. Subversive fellows, these. And yet the Dies committee has blacklisted people and called them un-American because they joined Warden Lawes and our colleagues here in behalf of this proposed legislation.

And what does the gentleman from Texas call an un-American or Communist-front organization? Let me give you an example. William E. Dodd, Jr., according to the Dies committee, is subversive because his father—get that, his father, Ambassador Dodd, not he himself—was a member of something called the Council Against Intolerance. Here are some of the traitorous, subversive men who formed that council. Its co-chairmen were Senator Barbour, of New Jersey, George Gordon Battle, and William Allen White. Members of the council included Attorney General Biddle, Senator Bennett Clark, of Missouri, Thomas E. Dewey, Frank Gannett, Josephus Daniels, Governor Saltonstall, of Massachusetts, and the Reverend Maurice E. Sheehy, of Catholic University, who spoke over the radio under the auspices of the council. It is alarming to note, too, that in this subversive Communist-front organization—members of the council itself—were Alfred E. Smith and Senator CARTER GLASS, of Virginia.

How can we stand for this kind of thing? It is just silly, and it makes the House look utterly ridiculous. We are told to blacklist a man because his father served on a council with such sinister, dangerous, revolutionaries as Josephus Daniels and CARTER GLASS. We are told that an organization is a Communist front when its spokesman over a national network is the head of the department of religious education at Catholic University. When a House committee does a thing like this, insulting statesmen and clergy alike, it destroys its own value, and it should make the whole House thoroughly ashamed.

But it is worse than shameful. Seriously, it is dangerous. The Dies committee makes up lists of subversive employees like this and urges the Federal Bureau of Investigation to send its investigators out to find out more about them. I submit, Mr. Speaker, that when we are in a deadly war with dangerous enemies our Government investigators should not be sent by the Dies committee on a never-ending round of fools' errands.

And I mean fools' errands. Just take those few names that were in the RECORD the other day. One "Mary Johnson," a minor clerk, is listed, or rather blacklisted, because somebody named Mary Johnson drew a picture for a Communist paper 6 years ago. It is not the same Mary Johnson, but that does not matter to the Dies committee. There are thousands of Mary Johnsons, but, obviously, they had better not work for the Government; the Dies committee will get them.

And while the House's special committee urges the Federal Bureau of Investigation to set its bloodhounds on the trail of Mary Johnson, the great ship *Normandie* goes up in flames and is a total loss. Did somebody once say something about putting first things first?

Then, on that list in the RECORD, there is George Saunders, of the Office of Civilian Defense. He is on the blacklist. The committee's file says that he is a Communist living in Pittsburgh. Actually the George Saunders in the Office of Civilian Defense lives in San Francisco, where he was active in the Junior Chamber of Commerce. His former professor, Senator ELBERT THOMAS of Utah, tells me he is a Roman Catholic. But our eagle-eyed committee tells the F. B. I. to track him down just the same.

And while they demand the scalp of this Catholic layman and call him a Red, do you know what is happening only a hundred miles away? George Deatherage, the frank American Fascist who used to head up the Knights of the White Camelia and who planned a Fascist coup to seize the Government, is executive engineer at an immense naval construction project right down here at Norfolk. But our alert Dies committee did not know about that; they were too busy worrying about Mary Johnson and that revolutionary organization headed by Al Smith and Governor Saltonstall and Father Sheehy.

As a matter of fact, the Dies committee has never done much about the Fascist front organizations. The chairman has said a lot about them, but the record is largely one of words, not action.

For instance, on July 16 of last year the chairman promised to make public "soon," as he put it, a document relating to fascistic, anti-Semitic groups. The document has never appeared.

On March 8 of last year he was reported to have evidence concerning a huge organization to promote Nazi ideology. There has been no mention of this since then.

Fourteen months ago he promised to expose Nazi money-raising campaigns in the United States, and said that the committee has seized records containing 220,000 names. Has anyone ever seen the names or heard of that exposure?

The Philadelphia Inquirer quotes him on November 30, 1940, as promising to reveal, "next week," a plot of the Bund to sabotage American industry. But to this day the plot remains unrevealed.

And on September 18, 1939, in a radio speech, the gentleman from Texas said he had evidence of cooperation between the Bund and some native Fascist groups, including, by the way, Mr. George Deatherage's Knights of the White Camelia. But no action by the committee followed, and the Knight of the White Camelia has turned up in a key defense job.

I could go on with this for a long time, for the committee's record on Fascist organizations is a sorry one of big promises and little or no performance.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. ELIOT of Massachusetts. I yield.

Mr. MARCANTONIO. When George Deatherage appeared before the Dies committee he refused to answer any questions as to membership or anything else pertaining to his organization, yet the gentleman from Texas [Mr. DIES] brought no resolution before this House asking for the punishment of Mr. Deatherage for contempt of a committee of Congress. On the other hand, when members of the Communist Party refused to answer questions, this House was called upon to vote on resolutions calling for contempt proceedings against them. Mr. Deatherage was thus protected by the Dies committee.

Mr. ELIOT of Massachusetts. I decline to yield further, Mr. Speaker.

Now a word as to American Communists whose first loyalty inexplicably is to another country. Perhaps we should have a committee to investigate all these things. It could serve a useful purpose. Once in a while, even the Dies committee has brought to light facts that are worth knowing—most conspicuous being the financial link between the Communists and the erstwhile League for Peace and Democracy. But the committee made the huge mistake of assuming that all the members of that league, and even the people who were merely on its mailing list, knew of that secret financial link. They did not. People whose only interest was in doing something to stop the Nazis joined that organization—people, Mr. Speaker, who are no more Communist than you or I.

Why, Mr. Speaker, only last week, at a public hearing of the Rules Committee, the gentleman from Georgia [Mr. Cox] implied that A. F. Whitney was a Communist because he belonged to the League for Peace and Democracy. And who is A. F. Whitney? He has been for years the president of the Brotherhood of Railroad Trainmen, one of the best established, most loyal American workingmen's organizations in our history. When the gentleman from Georgia said Mr. Whitney was "linked with Browder"—and that is what he said, I heard him say it—he was accusing not only Mr. Whitney but thousands of good Americans who belong to that organization, who know Mr. Whitney well and have elected and reelected him as their president.

Yes, the Dies committee finds a few facts now and then, but promptly loses regard for facts and indulges in what the New York Herald Tribune has described as the "unvarnished smear." Let me cite some more "unvarnished smears."

Here is a Government employee named Gauld—I never heard of him before—who is labeled un-American by the Dies committee because he was a member of a committee headed up by former Chief Justice Charles Evans Hughes.

Here is a group labeled "Communist Front"—the Non-Sectarian Anti-Nazi League. They call the Anti-Nazi League un-American. Since when was it un-American to be anti-Nazi? The Dies committee calls this Anti-Nazi League a Communist Front organization, and yet this is what somebody said about the

Anti-Nazi League right here on the floor of the House:

I have personal knowledge of the league. It is a very substantial organization and is not one that is engaged in propaganda. It is a fine organization of Americans.

The Dies committee calls it a Communist Front group, but the gentleman from Massachusetts, whose remarks I have just quoted, the distinguished majority leader, JOHN W. MCCORMACK, calls it a fine organization of Americans. How long are we going to continue to put any stock whatever in the accusations of the Dies committee?

Here is another subversive group—the China Aid Council. A Government employee is put on the blacklist because he belonged to that. Well, the China Aid Council is a part of United China Relief, and the honorary chairman of United China Relief is Mr. Wendell Willkie. Are we seriously trying to prove that Mr. Willkie is some kind of a "pink"?

Finally, here is an activity which the Dies committee considers subversive. Yes; this is an activity listed in the Dies committee files and charged against United States employees as un-American—signing a petition against the Dies committee. Anybody who opposes the continuation of the Dies committee is ipso facto un-American. I need not comment on the dangerous implications of a thing like that. It is enough to point out the amazing and smug self-righteousness of the committee.

Mr. Speaker, this Dies committee has become a dangerous and expensive luxury. We make a great row about a harmless $4,600 dancer, yet we are asked to fork over $100,000 to perpetuate a committee that has done little good and much harm.

And when we read the record and think the thing through we know that that is the truth. Perhaps another committee could have done or would do a really helpful job in this field. But we know in our hearts that this Dies committee has a record of high-handed hearings, high-sounding promises, very little accomplishment, and endless, ridiculous, unforgiveable smearing of decent and loyal Americans. They have cried "Wolf!" so heedlessly that they cannot be trusted to guard Americanism any more than the shepherd boy who cried "Wolf!" should have been trusted to guard his flock.

There is one more thing which I have time enough only to mention this afternoon. But think it over. Think over the attacks on President Roosevelt's policies by the chairman of this committee. Think of the false charges brought against the men the President and the country trust. Think of the accusation, thinly veiled, that the Dies committee could have prevented the Pearl Harbor tragedy if the President had not interfered. Think of the need for solidarity among the United Nations against our enemies. Think of these things, and remember how desperately the country needs a unified leadership, how much the President has to depend on us, how much we do depend on him.

We will be on trial when this resolution comes up next week. The easy thing, the politically safe thing, would be to let it go through. Safe for whom? Not for the country. The future is pretty dark and we would not brighten it by perpetuating a committee which is only a source of futile confusion, suspicion, absurdity, doubt, and hatred. We would simply make things worse. The Dies committee is a dangerous plaything. Our duty is not easy, but it is clear and it needs to be done.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Michigan [Mr. WOODRUFF] is recognized for 10 minutes.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield for a unanimous-consent request?

Mr. WOODRUFF of Michigan. I yield for unanimous-consent requests.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that at the conclusion of the other special orders for the day I may address the House for 10 minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from PM daily.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. WOODRUFF] is recognized for 10 minutes.

WE MUST BE FRANK WITH THE AMERICAN PEOPLE

Mr. WOODRUFF of Michigan. Mr. Speaker, if there were any groups or individuals in the United States who believed the Nation could pursue business as usual, work as usual, strikes as usual, life as usual, the fall of Singapore, the escape of the German Fleet through the Straits of Dover, the impending fall of the Philippines, despite the heroic, almost superhuman, efforts of MacArthur and his men, the reverses in the Dutch Indies and the Pacific generally should have driven such ideas from their minds.

If any such groups or individuals still cling to the idea that the deadly peril of this Nation can be used as a cover for an internal social revolution, or the promotion of group or personal gains in powers or profits, such groups and individuals are traitors to their country and should be persuaded by the quickest means to lend their full and complete cooperation to the war effort.

There has been entirely too much glamor used to cover up the harsh facts about the actual condition of affairs; too much exploitation of individual heroic accomplishments, which lead the people to believe we are winning this war in the Pacific. When one or two American men risk death to capture 20 or 100 times their number of Japanese it sounds good in print. Such exploits properly thrill the American people. But if they are used to dull or gloss over the harsh facts that, in the over-all picture, we are taking a bad beating, and may continue to do so for the next year and a half, then the publication of such heroic exploits will do more harm than good.

As I have said here before, we need more of Winston Churchill's blunt, fearless candor about the way the war is progressing. The American people have the stamina of character, the tough-fibered courage to take bad news with their chins up. Such news only causes them to pull up their belts a few more holes and work the harder to win this war.

Wishful thinking, coddling, concealment of bad news will not save the Nation, but it may result in its defeat.

The American people have plenty of courage. They have plenty of the spirit of never-say-quit. They will pull in their belts as many holes as necessary to win this war. What they want is to be told the facts—tragic as those facts may be. They want to be told what to do to win this war, no matter how hard the tasks may be, or how painful the sacrifices may be. The trouble is that our leaders have not had the courage to tell the people of mistakes; of overoptimism; of reverses, for fear of adverse political consequences.

The time has come when there has got to be a cessation of politics in the conduct of this war. If America loses this war, there will be no American politics; there will be no American business; there will be no free American enterprise and American profits; there will be no free American labor, and high wages, and comfortable American ways of life; there will be no more Constitution, no more Bill of Rights; this will no longer be known to the oppressed of other lands as the land of hope. There will be only the oppressors, their lashes, their bayonets—and an enslaved American people. That must never happen. It never will happen if the American people are told in time the facts—no matter how harsh, how unfavorable—and are led vigorously to the right efforts.

It is becoming apparent that America and Britain could be defeated by not knowing the facts. It is certain they cannot be defeated if the people are told the truth; if incompetents in every department of leadership are ruthlessly thrown out instead of being kicked upstairs into some other position of authority; if every consideration except the quickest possible winning of the war is sternly put aside. The only way in which the American and British and Russian people can be defeated in this war is the way in which France was defeated—by the leaders lacking the courage to risk the political displeasure of the people by frankly admitting facts and calling upon the people for the efforts and the sacrifices necessary to insure victory.

There is widespread feeling in this country that only a small part of the truth about Pearl Harbor has been told our people—facts the enemy already knows. The American people will not trust their leaders until they can feel with good reason their leaders trust them.

The secret of Winston Churchill's power with the British people is his attitude that the war is not his private war, or that of his political adherents, but

that it is the war of the British Empire, and must be fought and won by the British Empire.

This war is the war of the whole United States—of all the people, industrial managers and workers; farmers; white-collar workers; young and old; sick and well—all alike. If we win we all win. If we lose we all lose, and lose horribly. We must not lose. We will not lose. But the people must be told the facts. They must be made to understand that business, work, strikes, amusements, life as usual, all must be suspended until after this war is won and the ruthless, brutal, marauding aggressors are extinguished, crushed, smashed completely, and for all time.

Anything less than frankness and honesty with the American people now would be treason.

SPECIAL ORDER

The SPEAKER pro tempore. Under the special order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

Mr. WICKERSHAM. Mr. Speaker, I move that the House do now adjourn.

Mr. HOFFMAN. Mr. Speaker, have I not been recognized?

Mr. WICKERSHAM. I beg the gentleman's pardon. I did not know he wanted to speak.

Mr. HOFFMAN. Most assuredly, with three distinguished Democrats on the floor and the opportunity to address them as well as many Republicans I could not waive the privilege; and there are 26 people in the galleries.

Mr. WICKERSHAM. I am sorry; Mr. Speaker, I withdraw the motion.

Mr. MARCANTONIO. There are only two Democrats presents.

Mr. HOFFMAN. I beg pardon. Mr. Speaker, the gentleman from New York [Mr. MARCANTONIO] calls my attention to the fact that there are only two Democrats on the floor. I assume that the gentleman from New York does not wish to be classified as a Democrat. I beg his pardon.

Mr. MARCANTONIO. No. I said I want to be classified under my own party, the American Labor Party.

Mr. HOFFMAN. The whole of it?

Mr. MARCANTONIO. The whole of it. The whole delegation is here.

Mr. HOFFMAN. The whole of the American Labor Party is here. I do feel highly flattered.

Mr. Speaker, I envy the gentleman from Massachusetts [Mr. ELIOT]. I envy him because of his youth, his vitality, his oratorical ability, the educational qualifications which he possesses in such a marked degree, but I regret to see him use his great talents in the way in which they were used this afternoon.

I have listened to many attacks upon the Dies committee, sometimes by the gentleman from New York [Mr. MARCANTONIO], who is not a Democrat and who is not a Republican; sometimes by the gentleman from Massachusetts [Mr. ELIOT]; sometimes by the gentleman from New York [Mr. DICKSTEIN]. Many, many attacks have been made upon that committee by the gentleman from New York [Mr. DICKSTEIN]. I have read many attacks upon that committee in the Daily Worker, the official organ of the Communist Party. There were several in that paper last week. But the plain people of the Nation, the common people, have faith in that committee and support it. It is significant that the most bitter and persistent attacks upon it come from the Daily Worker—from the Communists who seek the overthrow of our Government by force.

As I gather from the attacks which have been made, or the arguments which have been made—perhaps they should not be designated as attacks—from the arguments that have been made by the gentleman from Massachusetts [Mr. ELIOT] and the gentleman from New York [Mr. DICKSTEIN] and the gentleman from New York [Mr. MARCANTONIO], the great mistake so far as the Dies committee is concerned was the mistake made by the Speaker of the House when he did not put on that committee Messrs. DICKSTEIN, ELIOT, and MARCANTONIO.

Mr. ELIOT of Massachusetts. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Massachusetts.

Mr. ELIOT of Massachusetts. I was not around here when that committee was started, so it is pretty obvious I could not have been a member of that committee.

Mr. HOFFMAN. There has been one vacancy on that committee.

Mr. ELIOT of Massachusetts. Not since I have been here.

Mr. HOFFMAN. In view of the gentleman's great ability, in view of the great service that he might render the people of the country, it would not have been amiss if someone had been asked to resign and the gentleman put on the committee.

Mr. ELIOT of Massachusetts. I am always glad to be of service, and I am wondering why the gentleman himself was not appointed to that committee.

Mr. HOFFMAN. I am one of the more ignorant, unsophisticated Members of the House.

Mr. ELIOT of Massachusetts. The gentleman would not say innocent, would he?

Mr. HOFFMAN. I am just one of those who do not know what is going on. So it is said.

Mr. ELIOT of Massachusetts. That is not right.

Mr. HOFFMAN. The *Normandie* has been destroyed. The Dies committee warned the Nation and warned the President about the activities of the Reds in New York Harbor and on the New York docks. After the Dies committee and the members on the minority side had time and time again called attention to those things, to the dangers to our shipping in the New York Harbor. I cannot understand why it is that we must have this criminal carelessness, as the gentleman from New York so ably pictured it today. I cannot understand why this carelessness, if it be nothing worse, is permitted right here in one of our own harbors resulting as it did in the destruction of that great vessel. It matters little whether it was sabotage or carelessness, it has caused a loss that we cannot replace.

Mr. MARCANTONIO. Will the gentleman yield? He mentioned my name.

Mr. HOFFMAN. If the authorities in charge over there in New York had heeded the advice of the gentleman from Texas [Mr. DIES] and others, all that could have been prevented. Certainly they have been warned.

Undoubtedly the Dies committee has made mistakes. Who has not? If the Dies committee had made as many mistakes as this administration has made, then the criticism would come with more justice from the majority side.

Mr. ELIOT of Massachusetts. I am glad the gentleman draws the line so clearly between the committee and the administration.

Mr. HOFFMAN. The mistakes of the committee have come from a lack of information, a lack of facilities to make further investigations, lack of help from the Department of Justice and other Government departments. They were mistakes in judgment. Many of the mistakes of the New Deal administration are mistakes of the heart, the result of deliberate acts—action taken in utter disregard of consequences—because they are trying to remake this country, a thing to which the gentleman from Texas [Mr. DIES] and most of us object. They are trying to destroy our constitutional government, these gentlemen who are connected with the present administration, while the Dies committee has been trying to get rid of the Reds and the Communists, has been trying to protect our Nation from the Reds.

The President's wife has been taking them in; taking them to lunch, feeding them, and sleeping them.

Mr. ELIOT of Massachusetts. What is that?

Mr. HOFFMAN. Sure. Does not the gentleman know that?

Mr. ELIOT of Massachusetts. What did the gentleman say?

Mr. HOFFMAN. I said the President's wife had taken them down here to the White House. She has been feeding them and sleeping them, giving them bed and board—maintenance, as they say in a divorce suit. What I am asking is that the Communists get a divorce from the bed and board of this Government until we get through with this war. Of course, I understand the argument at the present time that they are fighting a common enemy, and, of course, we are glad to have their help; but all the time this Government of ours should watch this ally at its side to see that they do not stick a knife in our backs or stick out a foot and trip us as we go forward. We should make sure that when the war is over they have not taken us over. It matters little to many of our people back in the sticks, where it is said—or, at least, thought—by the professors that we are so ignorant, where we have not the advantages of a Harvard education, which I greatly regret, whether Hitler gets us and skins us from the top down, or whether our ally, Joe Stalin, gets us and skins us from the heels up. We do not want to be taken over by either.

Mr. ELIOT of Massachusetts. Will the gentleman yield for a serious observation?

Mr. HOFFMAN. I am serious, even though my thoughts are not expressed in the fastidious, cultured language nor with the accent of a Harvard graduate. Out in our country a skinning is a skinning; and if the gentleman ever strays from his ivy-covered university into the West and gets a skinning, he will know it is serious.

Mr. ELIOT of Massachusetts. I am not in favor of having Communists in the Government service, as I pointed out in my earlier remarks. I do believe, as I pointed out, that the Dies committee is not the agency which can best get rid of such Communists as there may be in the Government, because, as I pointed out, it so carelessly and heedlessly accuses decent, loyal Americans of being disloyal.

Mr. HOFFMAN. It may be true that the committee has made some mistakes.

Mr. ELIOT of Massachusetts. That is all I said.

Mr. HOFFMAN. Probably it is due to the chairman's enthusiasm. I do not know whether the gentleman has ever been accused of anything, but I have been accused of almost everything. Every man who is not colorless or lazy, who is active and earnest, is so accused. Maybe a lot of it is true. But my heart is in the right place, and my mistakes are due to a lack of intelligence and judgment; not to intention. I understand that a certain place is paved with good intentions. Too many of these folks down here in the executive department do not even have good intentions. Some of them apparently wish to follow the party line.

Mr. MARCANTONIO. Will the gentleman yield to me now?

Mr. HOFFMAN. Not for a speech.

Mr. MARCANTONIO. Not for a speech, but the gentleman mentioned my name. The gentleman said my position was based on the fact that I wanted to get on this committee.

Mr. HOFFMAN. No, I did not say any such thing.

Mr. MARCANTONIO. Yes, you did.

Mr. HOFFMAN. The gentleman does not hear correctly.

Mr. MARCANTONIO. You said I wanted to get on this committee.

Mr. HOFFMAN. No, I did not say you wanted to get on the committee at all. I said that the mistake the Speaker made, perhaps, was in not putting the gentleman from New York [Mr. DICKSTEIN], the gentleman from Massachusetts [Mr. ELIOT], and the gentleman from New York [Mr. MARCANTONIO] on the committee.

Mr. MARCANTONIO. I assure you I am not a candidate to get on that committee.

Mr. HOFFMAN. I did not say you were.

Mr. MARCANTONIO. I do not want any part of it.

Mr. HOFFMAN. The trouble with you is that so many times you do not hear correctly.

Mr. MARCANTONIO. My hearing is good.

Mr. HOFFMAN. Then you do not understand properly.

Mr. MARCANTONIO. The trouble is you do not talk properly. You always talk too much most of the time.

Mr. HOFFMAN. You read the RECORD tomorrow, and I will show you that I did not say anything about your wanting to be on the committee.

Mr. MARCANTONIO. After you correct the record, you will show it.

Mr. HOFFMAN. That is a dirty, nasty, little insinuation, and you know it.

Mr. MARCANTONIO. Let us look at the record now. Let us get the stenographic notes now and we will see what you said.

Mr. HOFFMAN. All right; you can have a copy of them. I ask the stenographer now, when you get out that transcript, get out a copy of what I said about him, so he can have it.

Now, I want to say to the gentleman from Massachusetts in the utmost sincerity that I never questioned his good faith, not at all. We just see things differently; that is all. When the gentleman spoke about the smear campaign, now it may be that the gentleman from Texas [Mr. DIES] in his enthusiasm—and we all get enthusiastic; some of us get this crusading spirit—maybe he has that and is trying to do his best. Maybe he has smeared someone. As I mentioned a while ago, we all get a little smeared. But while the war is on let us take it. It does not really hurt us. Maybe it makes better legislators of us. But when you are talking about a smear campaign have you forgotten what Brother Flynn said a week or so ago, or within the last few days? He characterized the Republicans as being more interested in preserving their party and winning party success than they were in the fate of the Nation. There is no sense in that kind of a statement. It was untrue, and Flynn knew it.

Then just a few days later when the Communist Party of Ohio sent the President a resolution of support, the President's secretary, by direction of the President, thanked them.

Flynn, the President's chief, tries to kick the Republicans out of the defense picture, while the President would take the Communists in. DIES is hitting the Communists, and hitting them hard, and that is the reason for their opposition. If he fails to expose other subversive individuals and groups, it can truthfully be said that he has had little help from either the administration or his critics. The people have faith in that committee. Let this Congress refuse to continue it and the storm which will descend on us will make the protest against our pension legislation seem like a gentle summer breeze.

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KLEBERG, indefinitely, on account of official business.

To Mr. GEARHART, for 2 weeks, on account of official business.

To Mr. BUTLER, indefinitely, on account of illness in the family.

To Mr. HARE, for 1 day, on account of important business.

ENROLLED BILLS SIGNED

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 329. An act for the relief of Lulu Heron;

H. R. 446. An act for the relief of the estate of Opal June Lindsay, Luck A. Lindsay, Thelma Louise Lindsay, and Laura Kathleen Lindsay;

H. R. 1905. An act for the relief of Mr. and Mrs. Michael Lewenczuk;

H. R. 2724. An act for the relief of the estate of Mary E. Philpot, Sandra G. Philpot, and Mrs. R. L. Keckler;

H. R. 3225. An act for the relief of Dale L. Barthel and others;

H. R. 3539. An act to provide for the deposit and expenditure of various revenues collected at schools and hospitals operated by the Indian Service in Alaska;

H. R. 3542. An act to authorize the purchase from appropriations made for the Indian Service of supplies and materials for resale to natives, native cooperative associations, and Indian Service employees stationed in Alaska;

H. R. 3647. An act for the relief of the San Diego Consolidated Gas & Electric Co.;

H. R. 3823. An act for the relief of Edwin B. Formhals;

H. R. 4179. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Allen Pope, his heirs or personal representatives, against the United States;

H. R. 4198. An act for the relief of John King;

H. R. 4354. An act for the relief of D. H. Dantzler;

H. R. 4773. An act for the relief of Brooks Equipment & Manufacturing Co.;

H. R. 4831. An act for the relief of Katherine McCue;

H. R. 4998. An act for the relief of Daniel Elliott and Helen Elliott;

H. R. 5040. An act for the relief of William Robert Shaneyfelt and Mildred Shaneyfelt;

H. R. 5056. An act for the relief of the Burlington Auto Co.;

H. R. 5206. An act for the relief of Nettie Woolfolk Montague and Jerry L. Woolfolk, and others;

H. R. 5280. An act for the relief of G. F. Allen, chief disbursing officer, Treasury Department, and for other purposes;

H. R. 5282. An act for the relief of J. W. Daughtry;

H. R. 5387. An act for the relief of Mrs. Anna M. Paul;

H. R. 5572. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel and certain Federal civil employees for personal property lost or damaged as a result of the hurricane and flood at Parris Island, S. C., on August 11–12, 1940, approved April 23, 1941;

H. R. 5773. An act for the relief of Libby, McNeill & Libby;

H. R. 5984. An act for the relief of Solomon Brown;

H. R. 6145. An act for the relief of Mason C. Brunson; and

H. R. 6225. An act for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1133. An act to authorize the transfer of lands from the United States to the Maryland-National Capital Park and Planning Commission under certain conditions, and to accept title to another tract to be transferred to the United States;

S. 1368. An act relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians;

S. 1521. An act to provide that the Navy ration may include canned or powdered or concentrated fruit or vegetables juices;

S. 1630. An act to provide for the advancement on the retired list of certain officers of the United States Navy and Marine Corps; and

S. 2192. An act to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy.

BILLS PRESENTED TO THE PRESIDENT

Mr. KIRWAN, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 329. An act for the relief of Lulu Heron;

H. R. 446. An act for the relief of the estate of Opal June Lindsay, Luck A. Lindsay, Thelma Louise Lindsay, and Laura Kathleen Lindsay;

H. R. 1905. An act for the relief of Mr. and Mrs. Michael Lewenczuk;

H. R. 2724. An act for the relief of the estate of Mary E. Philpot, Sandra G. Philpot, and Mrs R. L. Keckler;

H. R. 3225. An act for the relief of Dale L. Barthel and others;

H. R. 3539. An act to provide for the deposit and expenditure of various revenues collected at schools and hospitals operated by the Indian Service in Alaska;

H. R. 3542. An act to authorize the purchase from appropriations made for the Indian Service of supplies and materials for resale to natives, native cooperative associations, and Indian Service employees stationed in Alaska;

H. R. 3647. An act for the relief of the San Diego Consolidated Gas & Electric Co.;

H. R. 3823. An act for the relief of Edwin B. Formhals;

H. R. 4179. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Allen Pope, his heirs or personal representatives, against the United States;

H. R. 4198. An act for the relief of John King;

H. R. 4354. An act for the relief of D. H. Dantzler;

H. R. 4773. An act for the relief of Brooks Equipment & Manufacturing Co.;

H. R. 4831. An act for the relief of Katherine McCue;

H. R. 4998. An act for the relief of Daniel Elliott and Helen Elliott;

H. R. 5040. An act for the relief of William Robert Shaneyfelt and Mildred Shaneyfelt;

H. R. 5056. An act for the relief of the Burlington Auto Co.;

H. R. 5206. An act for the relief of Nettie Woolfolk Montague and Jerry L. Woolfolk and others;

H. R. 5280. An act for the relief of G. F. Allen, chief disbursing officer, Treasury Department, and for other purposes;

H. R. 5282. An act for the relief of J. W. Daughtry;

H. R. 5387. An act for the relief of Mrs. Anna M. Paul;

H. R. 5572. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel and certain Federal civil employees for personal property lost or damaged as a result of the hurricane and flood at Parris Island, S. C., on August 11-12, 1940, approved April 23, 1941;

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H. R. 6145. An act for the relief of Mason C. Brunson; and

H. R. 6225. An act for the relief of certain individuals in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho.

ADJOURNMENT

Mr. WICKERSHAM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 39 minutes p. m.) the House adjourned until tomorrow, Thursday, February 19, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE CIVIL SERVICE

The Committee on the Civil Service will hold public hearings on bills pending before the committee to repeal retirement provisions for elected officials. Hearings will be held Thursday, February 19, 1942, at 10 o'clock a. m., in Room 246, House Office Building.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 a. m. on Thursday, February 19, 1942, for consideration of S. 2222.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 19, 1942, at 10 a. m., on H. R. 6554, to amend war-risk insurance provisions of the Merchant Marine Act, 1936, as amended, in order to expedite ocean transportation and assist the war effort.

POSTPONEMENT OF HEARING ON H. R. 6503

This will advise you that the hearings previously scheduled for Tuesday, February 17, 1942, at 10 a. m., have been postponed until Thursday, February 26, 1942, at 10 a. m., on the following bill: H. R. 6503, to extend and amend certain emergency laws relating to the merchant marine, and for other purposes.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 a. m., Thursday, February 19, 1942.

Business to be considered: To begin hearings on H. R. 6156—land-grant rates with respect to Government traffic.

There will be a meeting of the Subcommittee on Petroleum of the Committee on Interstate and Foreign Commerce, at 10 a. m., Wednesday, February 25, 1942.

Business to be considered: To resume hearings on petroleum as outlined in Mr. Cole's memorandum of February 6, 1942.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday, February 25, 1942, at 10:30 a. m., for the continuation of hearings on S. 1476 (Florida tick bill).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1411. A letter from the Assistant Secretary of Agriculture, transmitting a report of the operations under sections 7 to 14, inclusive, of the Soil Conservation and Domestic Allotment Act for the fiscal year ending June 30, 1940; to the Committee on Agriculture.

1412. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated November 6, 1941, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Alkali Canyon, Oreg., for flood control, authorized by an act of Congress approved on June 13, 1934 (H. Doc. No. 631); to the Committee on Flood Control and ordered to be printed, with an illustration.

1413 A letter from the second vice president, the American National Theater and Academy, transmitting the Annual Report for 1941 of the American National Theater and Academy; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 5016. A bill to amend section 1 of the act approved August 19, 1937 (50 Stat. 700), entitled "An act to direct the Secretary of the Interior to notify the State of Virginia that the United States assumes police jurisdiction over the lands embraced within the Shenandoah National Park, and for other purposes"; without amendment (Rept. 1795). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 5360. A bill declaring certain lands to be a part of the public domain and providing for the administration thereof; without amendment (Rept. No. 1796). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 5719. A bill to abolish the Guilford Courthouse National Military Park Commission, and for other purposes; without amendment (Rept. No. 1797). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 6531. A bill to suspend the effectiveness during the existing national emergency of tariff duties on scrap iron, scrap steel, and nonferrous-metal scrap; with amendment (Rept. No. 1798). Referred to the Committee of the Whole House on the state of the Union.

Mr. CANNON of Missouri: Committee of conference on the disagreeing votes of the two Houses. H. R. 6548. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes (Rept. No. 1799). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LANE:

H. R. 6620. A bill to authorize service in the armed forces during the present war of certain veterans of the World War; to the Committee on Military Affairs.

By Mr. ELIOT of Massachusetts:

H. R. 6621. A bill permitting the naturalization of certain aliens having sons or daughters in the land or naval forces of the United States; to the Committee on Immigration and Naturalization.

By Mr. FULMER:

H. R. 6622. A bill to provide for the planting of guayule and other rubber-bearing plants and to make available a source of crude rubber for emergency and defense uses; to the Committee on Agriculture.

By Mr. VINSON of Georgia:

H. R. 6623. A bill to provide for the retirement, with advanced rank, of certain officers of the Navy; to the Committee on Naval Affairs.

By Mr. ANDERSON of California:

H. R. 6624. A bill to provide for the planting of guayule and other rubber-bearing plants and to make available a source of crude rubber for emergency and defense uses; to the Committee on Agriculture.

By Mr. ANDERSON of New Mexico:

H. R. 6625. A bill granting the consent of Congress to an amendment to the Constitution of the State of New Mexico, providing a method for executing leases for grazing and agricultural purposes on lands granted or confirmed to the State of New Mexico by the act of Congress approved June 20, 1910; to the Committee on the Public Lands.

By Mr. CURTIS:

H. R. 6626. A bill to grant pensions to certain World War veterans 64 years of age or over; to the Committee on World War Veterans' Legislation.

By Mr. VORYS of Ohio:

H. R. 6627. A bill to incorporate the Postal Ex-Service Men's Association; to the Committee on the Judiciary.

By Mr. KEFAUVER:

H. R. 6628. A bill to provide for the appointment of public defenders in the district courts of the United States; to the Committee on the Judiciary.

By Mr. SUMNERS of Texas:

H. R. 6632. A bill to penalize the divulging of the contents of confidential Government documents; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JOHNSON of California:

H. R. 6629. A bill for the relief of Mrs. Julia A. Layman and Dorothy J. Layman; to the Committee on Claims.

By Mr. RICHARDS:

H. R. 6630. A bill for the relief of the Waldrop Heating & Plumbing Co.; to the Committee on Claims.

H. R. 6631. A bill for the relief of Curtis Pope; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2452. By Mr. KRAMER: Petition of the grand jury of Los Angeles County, Los Angeles, Calif., urging the Attorney General and Department of Justice to immediately find means to evacuate all alien Japanese from the Pacific coast area; to the Committee on Military Affairs.

2453. Also, petition of the Highland Park Christian Church, of Highland Park, Calif., requesting the President of the United States, as a protective measure insuring food essentials, to eliminate the manufacture of alcohol during the emergency; to the Committee on Military Affairs.

SENATE

THURSDAY, FEBRUARY 19, 1942

(Legislative day of Friday, February 13, 1942)

The Senate met at 12 o'clock noon, on the expiration of the recess.

The Chaplain, the Very Reverend ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God and Heavenly Father, Thou only companion of man's soul, who didst condescend to walk this way with us, assuring us thereby of heaven's friendship and Thy watchful, shepherding care: Our hearts turn wistfully to Thee, that in these days of preparation, so necessary for each one of us, we may feel the tenderness of Thy compassion, the long-suffering of Thy love, despite our oft-delayed repentance, which in the Psalmist's words we now offer from each individual heart:

Have mercy upon me, O God, after Thy great goodness; according to the multitude of Thy mercies do away mine offences.

Wash me throughly from my wickedness, and cleanse me from my sin.

For I acknowledge my faults, and my sin is ever before me.

Against Thee only have I sinned, and done this evil in Thy sight; that Thou mightest be justified in Thy saying, and clear when Thou shalt judge.

But, lo, Thou requirest truth in the inward parts, and shall make me to understand wisdom secretly.

Thou shalt purge me with hyssop, and I shall be clean; Thou shalt wash me, and I shall be whiter than snow.

Turn Thy face from my sins, and put out all my misdeeds.

Make me a clean heart, O God, and renew a right spirit within me. Cast me not away from Thy presence, and take not Thy Holy Spirit from me.

O give me the comfort of Thy help again, and establish me with Thy free Spirit.

Thou shalt open my lips, O Lord, and my tongue shall sing of Thy righteousness, and then shall my mouth show forth Thy praise. Glory be to the Father, and to the Son, and to the Holy Ghost. As it was in the beginning, is now, and ever shall be. World without end. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Wednesday, February 18, 1942, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE DURING RECESS

Under authority of the order of the 18th instant,

The following message was received from the House of Representatives during the recess of the Senate:

That the House had disagreed to the amendments of the Senate to the bill (H. R. 6543) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON of Missouri, Mr. WOODRUM of Virginia, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. JOHNSON of West Virginia, Mr. RABAUT, Mr. JOHNSON of Oklahoma, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. DITTER were appointed managers on the part of the House at the conference.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 133) amending section 7 of the Neutrality Act of 1939.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 268. An act for the relief of James Wood;

H. R. 2712. An act for the relief of the Branchland Pipe & Supply Co.;

H. R. 2780. An act for the relief of O. C. Ousley; and

H. R. 4537. An act for the relief of H. D. Bateman, Henry G. Conner, Jr., executor of the last will and testament of P. L. Woodard, and J. M. Creech.

The message further announced that the House had severally agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 793. An act for the relief of Marie V. Talbert and her sons James Osborn Talbert and Dewey Talbert; and

H. R. 2183. An act for the relief of Hiram O. Lester, Grace D. Lester, and Florence E. Dawson.

The message also announced that the House had agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendment of the Senate to each of the following bills of the House:

H. R. 3141. An act for the relief of Fred Farner and Doris M. Schroeder; and

H. R. 4622. An act for the relief of Catherine Schultze.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes.

The message also announced that the House had passed a bill (H. R. 6599) making appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Federal Judiciary, for the fiscal year ending June 30, 1943, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to

the enrolled joint resolution (S. J. Res. 133) amending section 7 of the Neutrality Act of 1939, and it was signed by the President pro tempore.

ANSEL WOLD

Mr. HAYDEN. Mr. President, in times such as these, when loyal and conscientious service is of such paramount importance to the welfare of our Nation, it is only proper that we take a few minutes now to congratulate a man who has always given that kind of service.

Forty years ago this morning, on February 19, 1902, Ansel Wold accepted a position as clerk in the Senate Document Room. He was brought here by that great Viking from Minnesota, Knute Nelson. In the years between, many Senators have come and gone, while Ansel has worked continuously for and with the United States Senate.

In the month of May 1902, he transferred from the Document Room to the office of the Secretary of the Senate, where he remained until 1910. In February of that year he was appointed printing clerk of the Senate, which position he held until April 20, 1921, when he was unanimously elected clerk to the Joint Committee on Printing. For almost 21 years he has industriously performed the difficult and technical tasks of that office.

Other Senators may not know Ansel Wold as well as I do; but I am sure that if they have done any business with him, they cannot fail to recognize and appreciate his ability, intelligence, and devotion to duty.

Ansel Wold is the compiler of the Biographical Directory of the American Congress from 1774 to 1927. That is a monumental work, in constant demand in libraries and in the offices and workrooms of great newspapers of the United States. It contains the biographies of over 9,000 men who have served in the House of Representatives and the United States Senate. The present edition was printed in 1928. Since that time more than 2,000 men have served in the two bodies. We all hope Ansel will be with us until that great work may be brought down to date.

Mr. WALSH. Mr. President, I desire to concur in what has been said by the able Senator from Arizona in commendation of the long and faithful public service of Ansel Wold, the clerk of the Joint Committee on Printing.

FIRST DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6548) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 8.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, and 41, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and the matter inserted by said amendment insert the following:

"Civilian Defense: To enable the Director of Civilian Defense, under such regulations as the President may prescribe (which regulations may provide exemption from the requirements of section 3709 of the Revised Statutes), to carry out the provisions of the Act entitled 'An Act to provide protection of persons and property from bombing attacks in the United States, and for other purposes', approved January 27, 1942 (Public Law 415), fiscal year 1942, $100,000,000, to remain available until June 30, 1943, of which not to exceed $3,000,000 shall be available for all administrative expenses, including printing and binding and personal services in the District of Columbia: *Provided*, That no part of this appropriation shall be used to pay any person in the Office of Civilian Defense unless such person is directly employed in the administration of such Act of January 27, 1942: *Provided further*, That no part of the funds appropriated herein may be used for the employment of persons, the rent of facilities or the purchase of equipment and supplies to promote, produce or carry on instruction or to direct instruction in physical fitness by dancers, fan dancing, street shows, theatrical performances or other public entertainments: *Provided further*, That no part of this appropriation shall be available to pay the salary of any person at the rate of $4,500 per annum or more unless such person is appointed by the President, by and with the advice and consent of the Senate: *Provided further*, That the Director of Civilian Defense shall transmit to the Chairman of the Committee on Appropriations of the Senate and the Chairman of the Committee on Appropriations of the House of Representatives every sixty days following the date of the enactment of this Act, a report in summary and by categories of the progress of the procurement of equipment and material provided by this appropriation: *Provided further*, That no funds herein appropriated shall be used for the payment of any person especially employed by a contractor to solicit or secure a contract upon any agreement for a commission, percentage, brokerage, or contingent fee."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$253,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$106,490"; and the Senate agree to the same.

KENNETH McKELLAR,
CARTER GLASS,
CARL HAYDEN,
M. E. TYDINGS,
GERALD P. NYE,
Managers on the part of the Senate.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
LOUIS C. RABAUT,
JED JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the part of the House.

Mr. McKELLAR. I ask unanimous consent for the immediate consideration of the conference report.

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator whether the amendment adopted by the Senate with regard to the superintendent of the folding room was agreed to?

Mr. McKELLAR. It was agreed to.

Mr. LA FOLLETTE. I thank the Senator very much.

Mr. McKELLAR. I move the adoption of the conference report.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

THE FIRST NATIONAL BANK, HUNTSVILLE, TEX.

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation for the relief of the First National Bank of Huntsville, Tex. (with an accompanying paper); to the Committee on Claims.

REPORT OF ACTIVITIES OF THE AGRICULTURAL ADJUSTMENT ADMINISTRATION

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report of the activities of the Agricultural Adjustment Administration from July 1, 1939, through June 30, 1940, etc. (with accompanying papers); to the Committee on Agriculture and Forestry.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of The National Archives (Division of Navy Department), and the Government Printing Office, which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate or presented and referred as indicated:

By the VICE PRESIDENT:

A letter in the nature of a petition from the Tsungani Piston Co., signed by N. J. Buren, manager, Tacoma, Wash., praying for repeal of the act granting the retirement privilege to Members of Congress; ordered to lie on the table.

By Mr. REED:

A resolution adopted by the Associated Industries of Kansas, assembled in annual meeting at Topeka, Kans., protesting against the enactment of House bill 5993, authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Commerce.

By Mr. TYDINGS:

A resolution adopted by the mayor and council of Cumberland, Md., protesting against the proposal to impose a Federal tax upon State and municipal bonds; to the Committee on Finance.

A memorial of sundry citizens of Baltimore, Md., remonstrating against the proposal for mandatory joint income-tax returns by husband and wife; to the Committee on Finance.

By Mr. CAPPER:

The petition of members of the American Legion Auxiliary Unit of Post, No. 13, department of Kansas, of Yates Center, Kans., praying for the enactment of the bill (H. R. 4) to provide more adequate compensation for certain dependents of World War veterans, and for other purposes; to the Committee on Finance.

RESOLUTION OF STOCKHOLDERS OF MARSHALL COUNTY (KANS.) NATIONAL FARM LOAN ASSOCIATION—INTEREST RATES ON FARM MORTGAGES

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a resolution adopted by the Marshall County (Kans.) National Farm Loan Association at its annual meeting at Marysville, Kans., February 5, 1942, and that the resolution be referred to the Committee on Banking and Currency.

Briefly, the resolution asks that the present interest rate of 3½ percent on Federal land-bank and land-bank commissioner loans be extended another 3 years beyond July 1942, when the law providing the 3½-percent rate expires.

Unless Congress approves such extension, the basic rate of 5 percent on farm loans will again go into effect. Personally, I am in favor of reducing the rate to 3 percent and have introduced in the Senate a bill providing the lower rate. However, if it is impossible to get the 3-percent rate for a 3-year period, I certainly shall support the extension for 3 years of the 3½-percent rate.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

Whereas we, the stockholders of the Marshall County National Farm Loan Association of Marysville, Kans., deeply appreciate the action of Congress in reducing the interest rates on Federal land-bank and Commissioner loans to 3½ percent until July 1, 1942; and

Whereas the act authorizing such reduction has been of great assistance to us in making our thereby reduced payments and aided many in saving their farms; and

Whereas for the most part our county produced a half crop of corn last year, but this was the only sizable crop of corn since 1932; and

Whereas the Marshall County wheat average for 1942 was but 7 bushels per acre; and

Whereas the delinquent installment payments as shown by the annual report were a little over $100,000, and because we feel a further extension of the present 3½-percent rate is necessary for us and of great benefit to the Federal land bank and the Federal Farm Mortgage Corporation: Therefore

We, the stockholders of the Marshall County National Farm Loan Association, assembled at our annual stockholders' meeting held at Marysville on the 5th of February 1942, at Marysville, Kans., do hereby earnestly request our United States Senators and our Representatives in Congress to extend their aid to the proposed reduction of interest rates originally written in their mortgages from July 1, 1942, for a period of at least 3 years more at the 3½-percent rate which is now in effect.

PROHIBITION OF LIQUOR SALES AND SUPPRESSION OF VICE AROUND MILITARY CAMPS—PETITION

Mr. TOBEY. Mr. President, I present for appropriate disposition a petition signed by sundry citizens of Portsmouth, N. H., praying for the enactment of Senate bill 860. I ask that the petition may be printed in the RECORD, without all the signatures attached thereto.

There being no objection, the petition was ordered to lie on the table and to be printed in the RECORD, without all the signatures attached, as follows:

PORTSMOUTH, N. H.

DEAR SENATOR: The undersigned petition for a speedy consideration of the Sheppard bill, S. 860, by the Senate.

In Portsmouth we see an increasing need of such protection as the Navy has now for the Army and for places adjoining the camps.

Laws with regard to vice cannot be enforced until there is a change in the laws concerning alcoholic beverages. A democracy cannot long survive on the weakness of its citizens.

Our enemies within are greater than those without.

If we can better support you in your efforts for this bill, please let us know.

We ask this petition be mentioned in the CONGRESSIONAL RECORD.

GERTRUDE RAND,
CATHERINE GROSS,
ANNA M. PICKLES,

(and other citizens of Portsmouth, N. H.).

TAXATION OF INCOME FROM STATE AND MUNICIPAL BONDS—PROTEST OF HON. JULIAN W. BARNARD

Mr. DAVIS. Mr. President, the burden resting on the small-home owner is rapidly increasing. Forms of taxation which discourage home ownership should be used as infrequently as possible. This should be considered in relation to the proposal now made by the United States Treasury to tax income derived from State and municipal bonds. Such bonds place their burden directly on realty holdings and exercise a restrictive influence on individual building of homes.

I ask unanimous consent to have included in the RECORD as a part of my remarks a letter I have received from Hon. Julian W. Barnard, solicitor of the borough of Norristown, Pa.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE BOROUGH OF NORRISTOWN,
OFFICE OF THE SOLICITOR,
Norristown, Pa., February 16, 1942.

Hon. JAMES J. DAVIS,
United States Senator from Pennsylvania,
the Congress of the United States,
Washington, D. C.

In re Treasury proposal to tax income derived from State and municipal bonds.

MY DEAR SENATOR: I address you on behalf of the boroughs of Pennsylvania. There are approximately 940 boroughs in the State of Pennsylvania within whose confines reside approximately 3,000,000 people, or, roughly, one-third of the population of the State.

Early in the year 1939 I was designated by the Pennsylvania State Association of Boroughs to appear before the special Brown committee of the Senate and to there voice the protest of the small towns of Pennsylvania against this form of direct interference with their governmental functioning by the Federal Government.

Again in June of 1939 I was especially designated by the Pennsylvania State Association of Boroughs to appear before the Ways and Means Committee of the House of Representatives of the Congress and again urge this protest.

I am a member of the executive committee of the State Association of Boroughs of Pennsylvania and am the chairman of the legislative committee of the Montgomery County (Pa.) Association of Boroughs, a subdivision of the State association.

The Pennsylvania State Association of Boroughs in each of its last four annual conventions has unanimously adopted a resolution protesting this proposal.

The Montgomery County Association of Boroughs has likewise adopted such resolutions.

The Legislature of the State of Pennsylvania in May 1939 adopted the following resolution:

"Resolved (if the senate concur) by the General Assembly of the Commonwealth of Pennsylvania, That Federal taxation of State and municipal bonds is inimical to the best interest of this State and its municipalities, and that a copy of this resolution be forwarded by the secretary of the senate to the State's representatives on the Ways and Means Committee of the House of Representatives at Washington, the Honorable PATRICK J. BOLAND and the Honorable BENJAMIN JARRETT."

This resolution war adopted by the House of Representatives at Harrisburg May 27, 1939, and agreed to by the Senate of Pennsylvania on May 29, 1939, and transmitted by the chief clerk June 1, 1939.

May I point out to you, sir, that municipalities necessarily, in order to carry on their functions, from time to time with periodic regularity must negotiate long-term bonded loans. Therefore, anything which tends to hamper the freedom or ability with which the municipalities can accomplish such long-term financing, works to the detriment of the municipalities, either in preventing absolutely the realization of some necessary public improvement, or the modernization and rebuilding and improvement of an existing public improvement, or, in the alternative, of increasing the cost to the municipality of such financing; if the cost thereof is sufficiently increased, the improvement may be prevented.

It is generally known that for the past several years municipal financing has been very easy and cheap, which has resulted very beneficially to the municipalities and, hence, to the home owners within the municipalities who must pay the tax. Otherwise, much of the public improvement and public building and public construction that has gone so far toward relieving the depression years would not have been possible.

It has been so clearly demonstrated as I feel to be no longer open to question that any taxation of the municipally issued security, or the income derived therefrom results in the municipality issuing the security paying the tax. This is because it is cheaper for the municipality to assume and pay the tax directly, than it is to compel the purchaser or owner of the bond to anticipate the tax and discount it in his purchase price and income yield demanded.

This, as you know, has been clearly demonstrated in the case of the municipalities in Pennsylvania who have in the past been subjected to a 4 mills State tax (the personal-property tax). Because it has been clearly demonstrated to the municipalities of this Commonwealth that it is actually much cheaper to the municipalities to, as a debtor, assume and pay this tax, the municipalities in Pennsylvania today do so on their outstanding bonds, and the bonds are issued covenanted free from tax, the municipality

itself, as the debtor, assuming and paying the tax. This has been a burden, placed upon the municipalities of the State by the Commonwealth itself; placed upon them indirectly it is true but direct nevertheless insofar as the ultimate result is concerned. There is no possibility of doubt but that any tax placed upon the income derived from municipal bonds by the Federal Government would, in the same manner, become an indirectly applied, but, nonetheless, direct tax by the Federal Government upon the municipalities.

It seems to me it is important for us to bear in mind that at least insofar as boroughs in Pennsylvania are concerned, their source of revenue is restricted to direct taxation upon real estate. Therefore, it follows that anything which to any extent increases the cost of municipal government in Pennsylvania, to that extent increases direct taxation upon real estate.

You might well say the State of Pennsylvania has done this to its own municipalities, why should not the Federal Government do the same thing?

The State of Pennsylvania has done this to its municipalities it is true. The State of Pennsylvania has the power and right to do so if it sees fit. In Pennsylvania the municipalities are the creature of the State. It does not follow that the Federal Government has either the right or the power to do the same thing. Neither the States nor the municipalities are the creature of the Federal Government. On the other hand, the Federal Government is, in fact, the creature of the State.

I know that you are in thorough agreement with me when I say that anything calculated to increase the tax burden on the small home owner should be avoided. On the other hand, anything which tends to lighten this direct tax burden upon the small home owner should be encouraged.

Take the situation in Norristown. This is an industrial town of almost 40,000 population. There are over 9,000 homes in the town. Of these 9,000 homes, I feel it is perfectly safe to say that at least 8,000 are small, modest workingmen's homes.

Another thing, in Pennsylvania boroughs are limited by law in the amount of taxation they may raise in each and every year. The law limits the tax to 15 mills per annum. Many of the towns are now annually levying the maximum millage. They, therefore, do not have the means of increasing their tax revenues, and as the cost of Government goes up they have no alternative but to restrict and diminish their necessary local services.

For instance, permit me to illustrate. Let us assume that Norristown employs 40 policemen upon its police force, and that the cost of government goes up (as it is going up), and that Norristown does not have the means of raising additional tax revenues. The only alternative would seem to be to discharge a few policemen, but the desperate need of Norristown and every other small town is more and better policemen, not less.

The municipalities furnish the public within their confines public safety, police protection, fire protection, streets and highways, lighting, and illumination of the streets and highways, sanitation and health, including garbage collection and disposal, sewage collection and disposal, and all of the other essential daily needs of the citizens in a compact community. It is obvious that a town like this could not exist 48 hours without adequate fire, police, and sanitary protection.

I know that you are sincere in your desire, not only to protect and preserve democracy but to enlarge, improve, and extend it. Therefore, it is apparent to any student of democracy such as yourself that the real secret of the success of any democracy is the small-town government, or local home rule. That those things which touch most closely the lives and welfare of the people should be kept, in their control, close to the people; where the people can get at the responsible head promptly. That is why you find municipal government best and most efficient in the smaller towns, where every member of council is personally acquainted with the vast majority of the constituents in his particular ward; where, when a public improvement is a building, every member of council sees it from time to time during its progress, and a vast majority of the citizens of the town see it as it progresses; where it is an easy and simple matter for the irate elector and taxpayer to locate his councilman and voice his protest if the occasion arises. It is obvious, therefore, that only in the comparatively small town, where such conditions can and do exist, can the people have and enjoy pure democracy.

Therefore, I cannot but assume that you will join with me in agreeing that anything, no matter what, which has a definite tendency to hamper, interfere with, restrict, or increase the cost of the operation of local home rule, or local municipal government in the small towns and townships of Pennsylvania, is to be slapped down by all loyal Americans who entertain a real desire to preserve and perpetuate democracy as we have known it.

Let me say to you, Senator, that those of us who in Pennsylvania are responsible for the continued welfare of our towns are truly very much alarmed and frightened at this proposal. We cannot help but feel that the Federal Government ought to have no desire to interfere, hamper, or burden us in the running of our towns; surely we have no desire to hamper or interfere with the Federal Government in the performance of its many essential duties. It is only when the Federal Government proposes something which definitely interferes with us that you gentlemen in Washington hear anything in the nature of a protest from the governments of the small towns in Pennsylvania.

Nor does the anticipated benefit to the Federal Government justify the means. The Treasury has stated that it anticipates that such a proposal would increase the Federal revenues by $200,000,000 a year. I say to you that by no known and recognized mathematical processes can such an anticipation be justified, but even if it did, would $200,000,000 a year be so important, in a Federal Budget of perhaps thirty, forty, fifty, sixty billion dollars a year as to justify the flaunting of the democratic American principle that each separate unit of the Government shall be free and untrammeled within its own sphere, and shall not encroach upon the sphere of another? Senator, I urge you to pause and consider whether, if you once break down that principle in operation, there shall remain any real assurance that local home rule is not on the way out.

On behalf of the people of Norristown, as well as on behalf of all of the people of all of the small towns in Pennsylvania, I urge you to firmly and unalterably oppose this proposal.

Very truly yours,

JULIAN W. BARNARD,
Borough Solicitor.

REPORT OF THE COMMITTEE ON CIVIL SERVICE DURING RECESS

Under authority of the order of the 18th instant,

Mr. BYRD, during the recess of the Senate, from the Committee on Civil Service, to which was referred the bill (S. 2284) to amend the Civil Service Retirement Act of May 29, 1930, as amended, for the purpose of making elective officers and heads of executive departments ineligible to receive annuity benefits under such act, reported it with amendments and submitted a report (No. 1100) thereon.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TYDINGS, from the Committee on Territories and Insular Affairs:

H. R. 5458. A bill to amend the organic act of Alaska; with amendments (Rept. No. 1101).

By Mr. GURNEY, from the Committee on Military Affairs:

S. 1842. A bill to extend certain benefits of the Soldiers' and Sailors' Civil Relief Act of 1940; without amendment (Rept. No. 1102).

By Mr. WILEY, from the Committee on Claims:

H. R. 2980. A bill for the relief of National Heating Co., Washington, D. C.; without amendment (Rept. No. 1103); and

H. R. 3966. A bill for the relief of Estella King; with an amendment (Rept. No. 1104).

By Mr. O'DANIEL, from the Committee on Claims:

H. R. 3200. A bill conferring jurisdiction upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment upon the claims of W. M. Hurley and Joe Whitson; without amendment (Rept. No. 1105).

By Mr. SPENCER, from the Committee on Claims:

S. 1776. A bill for the relief of Mrs. Agnes S. Hathaway; with an amendment (Rept. No. 1106);

H. R. 4557. A bill for the relief of the estate of Mrs. Edna B. Crook; with an amendment (Rept. No. 1107);

H. R. 4626. A bill for the relief of the legal guardian of Jane Hawk, a minor, and J. L. Hawk; without amendment (Rept. No. 1108); and

H. R. 5026. A bill for the relief of the Louis Puccinelli Bail Bond Co.; without amendment (Rept. No. 1109).

By Mr. BREWSTER, from the Committee on Claims:

H. R. 1647. A bill for the relief of William H. Dugdale and wife; without amendment (Rept. No. 1110).

By Mr. VANDENBERG, from the Committee on Foreign Relations:

H. R. 5545. A bill for the relief of H. Earle Russell; without amendment (Rept. No. 1111).

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on February 18, 1942, that committee presented to the President of the United States the following enrolled bills:

S. 1133. An act to authorize the transfer of lands from the United States to the Maryland-National Capital Park and Planning Commission under certain conditions, and to accept title to another tract to be transferred to the United States;

S. 1368. An act relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians;

S. 1521. An act to provide that the Navy ration may include canned or powdered or concentrated fruit or vegetable juices;

S. 1630. An act to provide for the advancement on the retired list of certain officers of the United States Navy and Marine Corps; and

S. 2192. An act to extend the time for examination of quarterly accounts covering expenditures by disbursing officers of the United States Navy.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH:

S. 2286. A bill to authorize inclusion of service on active duty as service on the active list in computation of service of commissioned warrant officers in the Navy for pay purposes;

S. 2287. A bill to amend the act entitled "An act to authorize the establishment of a permanent instruction staff at the United States Coast Guard Academy," approved April 16, 1937;

S. 2288. A bill to amend subsection 11 (b) of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes; and

S. 2289. A bill to amend section 8 of the act entitled "An act to provide for the establishment, administration, and maintenance of a Coast Guard Auxiliary and a Coast Guard Reserve," approved February 19, 1941, as amended; to the Committee on Naval Affairs.

By Mr. WHEELER:

S. 2290. A bill to further reduce for 2 additional years the interest rate on certain Federal land-bank loans, and on Land Bank Commissioner's loans; to the Committee on Banking and Currency.

By Mr. BARKLEY:

S. 2291. A bill to extend the time within which the amount of any national marketing quota for tobacco, proclaimed under section 312 (a) of the Agricultural Adjustment Act of 1938, may be increased; to the Committee on Agriculture and Forestry.

By Mr. JOHNSON of Colorado:

S. 2292. A bill for the relief of Vernon E. Deus; to the Committee on Claims.

By Mr. STEWART:

S. 2293. A bill to provide for taking into custody certain persons who are citizens or subjects of, or owe allegiance to, any nation or country with which the United States is at war; to the Committee on Immigration.

HOUSE BILL REFERRED

The bill (H. R. 6599) making appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Federal Judiciary for the fiscal year ending June 30, 1943, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

AMENDMENT OF ORGANIC ACT OF ALASKA—AMENDMENT

Mr. HAYDEN submitted an amendment intended to be proposed by him to the bill (H. R. 5458) to amend the Organic Act of Alaska, which was ordered to lie on the table and to be printed.

ADDRESS BY THE PRESIDENT TO CANADA

[Mr. BARKLEY asked and obtained leave to have printed in the Appendix an address by the President broadcast in Canada on February 15, 1942, which appears in the Appendix.]

THE NEED FOR REFORM—ARTICLE BY HANSON W. BALDWIN

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD an article by Hanson W. Baldwin, published in the New York Times of today, entitled "The Need for Reform," which appears in the Appendix.]

PAY AND ALLOWANCES FOR ARMY, NAVY, MARINE CORPS, AND COAST GUARD

The Senate resumed the consideration of the bill (H. R. 6446) to provide for continuing payment of pay and allowances of personnel of the Army, Navy, Marine Corps, and Coast Guard, including the retired and Reserve components thereof, and civilian employees of the War and Navy Departments, during periods of absence from post of duty, and for other purposes.

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Gillette	Nye
Bailey	Glass	O'Daniel
Ball	Green	O'Mahoney
Bankhead	Gurney	Overton
Barkley	Hayden	Pepper
Bilbo	Herring	Radcliffe
Bone	Hill	Reed
Brewster	Holman	Rosier
Brooks	Hughes	Schwartz
Brown	Johnson, Calif.	Smatherr
Bulow	Johnson, Colo.	Spencer
Bunker	Kilgore	Stewart
Burton	La Follette	Taft
Butler	Langer	Thomas, Idaho
Byrd	Lee	Thomas, Okla.
Capper	Lodge	Thomas, Utah
Caraway	Lucas	Tobey
Chavez	McCarran	Truman
Clark, Idaho	McFarland	Tunnell
Clark, Mo.	McKellar	Tydings
Connally	McNary	Vandenberg
Danaher	Maloney	Van Nuys
Davis	Maybank	Wallgren
Downey	Mead	Walsh
Doxey	Millikin	Wheeler
Ellender	Murdock	White
George	Murray	Wiley
Gerry	Norris	Willis

Mr. HILL. I announce that the Senator from New Mexico [Mr. HATCH], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from South Carolina [Mr. SMITH] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Kentucky [Mr. CHANDLER], the Senator from Georgia [Mr. RUSSELL], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Pennsylvania [Mr. GUFFEY] has been called to the State of Pennsylvania on official business.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury.

The Senator from New Jersey [Mr. BARBOUR] is unavoidably absent.

The Senator from Vermont [Mr. AIKEN] and the Senator from Minnesota [Mr. SHIPSTEAD] are absent because of illness.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

Mr. WALSH. Mr. President, I am ready now to proceed with the consideration of the pending measure. I believe there are one or two amendments to be proposed, and I suggest that they be proposed now.

Mr. BYRD. Mr. President——

Mr. WALSH. I yield to the Senator from Virginia.

Mr. BYRD. With the permission of the Senator from Massachusetts, as one of the sponsors of the legislation to repeal the retirement or pension provision for Members of the House of Representatives and the Senate, the President, Vice President, and officers of the Cabinet, on behalf of the Senate Civil Service Committee, the Senator from Ohio [Mr. BURTON] and I desire to report, with the approval of the Civil Service Committee, legislation for the repeal of such pensions.

It was preferable, I think, Mr. President, notwithstanding the public demand for quick action for such repeal, that the Senate proceed in the normal way, permitting the proper committee to have such hearings as may be advisable and to give due consideration to the repealer resolution introduced on February 3 by the Senator from Ohio [Mr. BURTON], the Senator from North Carolina [Mr. BAILEY], the Senator from Colorado [Mr. JOHNSON], and the junior Senator from Virginia.

This was done. Full and adequate hearings were held, and the committee reports favorably the repeal, designating the junior Senator from Virginia to present it to the Senate.

I shall consume only a very short time, Mr. President, in presenting this measure for immediate consideration. I feel that every Member of the Senate has determined his position regarding it. I want to say, however, that in the next few days the junior Senator from Virginia will offer for insertion in the CONGRESSIONAL RECORD testimony given yesterday before the Civil Service Committee by Mr. Harry B. Mitchell, the president of the Civil Service Commission, which corroborates all the statements heretofore made by the junior Senator from Virginia with respect to the details of the congressional pension plan. I shall do so, Mr. President, because some of these statements have been challenged on the floor of the Senate and elsewhere. As the meeting of the Civil Service Committee did not adjourn until nearly midnight last night, the transcript of such testimony is not available at this time.

I can now say, however, that Mr. Mitchell confirmed the statement made by me that a Member of Congress with a minimum service of 5 years who may be eligible to retire in the coming January can, upon the payment of less than $5, receive a life pension varying in accordance with the length of service from approximately $50 per month to approximately $350 per month. That is to say, Mr. Mitchell confirmed information that previously had been given the junior Senator from Virginia that such pensions could be received for life merely by the payment of several dollars.

Mr. Mitchell further confirmed the fact that if a Member of Congress becomes disabled and cannot perform his accustomed work, within the opinion of the Civil Service Commission, he at once becomes eligible for a pension, regardless of his age, provided he has served as long as 5 years and has qualified under the act.

Mr. Mitchell further confirmed the fact that pensions in lesser amounts could be received beginning at the age of 55 instead of the age of 62, as has been commonly understood.

Mr. Mitchell further confirmed the fact that a Member of Congress defeated in the fall elections and who is eligible to receive a pension need not apply until after the election.

I make this statement merely because statements to the contrary have been made with respect to these specific items.

The detailed testimony of Mr. Mitchell to be inserted later in the CONGRESSIONAL RECORD will answer conclusively these and other questions, and will show, also, that under the optional features of this pension legislation as it now stands, a Member of Congress has the choice, under certain conditions, of quite a number of different classes of pensions. By this I mean pensions at different rates.

These questions, however, I shall not attempt to discuss further now, as I think the Senate is anxious to take prompt action on this repeal legislation.

As the record of votes and the amendments offered in committees are not a part of the records of the Senate, I want to state that the junior Senator from Virginia, in the Senate Civil Service Committee, offered an amendment to the House bill to strike out all reference to elective officials. This amendment failed of adoption, because of a tie vote, 5 in favor and 5 against. The junior Senator from Virginia then voted against the retirement legislation on its final passage.

Today, we are repealing this legislation in response to a nearly universal demand on the part of the American people. It is an example of democracy at work.

Mr. WALSH. Mr. President——

Mr. BYRD. I have not yet offered my amendment.

Mr. WALSH. Let me say to the Senator from Virginia that I consent that the amendment may be offered at this time, because after conferring with the leader on this side we think the amendment might just as well be disposed of now, and the other amendment taken up after this amendment shall have been disposed of. I did not wish to mislead the Senator, who is free to offer his amendment.

Mr. BYRD. Mr. President, I offer for immediate consideration an amendment to House bill 6446, which embodies the bill reported by the Committee on Civil Service. I may say that the amendment is offered on behalf of the Senator from Ohio [Mr. BURTON], the Senator from North Carolina [Mr. BAILEY], the Senator from Colorado [Mr. JOHNSON], and the junior Senator from Virginia.

Mr. President, I wish merely to make a very brief explanation of the amendment. It excludes from the retirement plan all elective officials—Members of Congress, Members of the House of Representatives and of the Senate, the President, and the Vice President. It likewise excludes Cabinet members.

One section provides that any payments which have been made up to this time under the legislation passed by the Senate on January 19 shall be refunded by those in charge of the retirement fund to Representatives and Senators who are excluded by the amendment, to others who hold elective offices, and any others so excluded.

Mr. BURTON. Mr. President, as one of the members of the Senate Committee on Civil Service, which met last night, I should like to follow the remarks of the Senator from Virginia with a brief statement on four points which have become clear to me during the consideration of the bill in the committee and on the floor of the Senate.

On December 18 I joined with four other members of the Committee on Civil Service—the Senator from Virginia [Mr. BYRD], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Vermont [Mr. AIKEN], and the Senator from North Dakota [Mr. LANGER]—in supporting a motion made in the committee to strike from the retirement bill the provisions relating to elective officers. I then supported the Byrd amendment on the floor of the Senate, and when that was not adopted I voted against the bill, although I favored all provisions of the bill except those as to elective officers. Last night, following the same reasoning, I joined in a recommendation for the repeal of the provisions of the new law approved January 24 relating to elective officers.

The first point I wish to emphasize is that it seems to me that in passing this measure we are to an extent setting a precedent as to what we regard as an essential or a nonessential expenditure. If we were to allow this provision to remain in the law as it now is, it would mean that in these days, when we should expend funds only for essential matters, that we were recognizing this provision for retirement benefits for elective officers as an essential expenditure. I believe that in these critical days, when we are endeavoring to define what is and what is not an essential expenditure, it is in the interest of the country and of the Congress that we do not includue retirement payments to elective officials as essential expenditures. Considering the fact that the provision has not been in effect for many years past, it seems obvious that we can get along without it for a time longer.

Secondly, I wish to make the point that the law itself is not as revolutionary as it has been represented. I think it is important that the Senate recognize, in this regard, a fact which was new to me, that under the law as it now stands, and as it will be in the event the repealer shall be adopted, service in Congress can be counted in making up the credit upon which retirement benefits are computed by one who is entitled to retirement benefits as a member of the appointive service of the Government. For example, if a Member of Congress now serving were to be defeated, and were later appointed to a Federal office, and should, under that appointment, become entitled to retirement benefits, he could include in the computation of his retirement benefits his previous service in the Congress. That is the law as it now stands, and as it has been interpreted by the Civil Service Commission.

Furthermore, it was stated by a representative of the Civil Service Commission at the hearing last night that if a man were in the appointive service at the present time, and went immediately from the appointive service to service in Congress, he would be permitted, under the present practice, to receive retirement benefits for his whole service, including that in Congress. He could take into consideration both periods of continuous service, where he already was a member of the retirement system before entering Congress.

The third point I wish to emphasize is that the bill, as it was passed on January 24, did not emphasize the contributory feature of the retirement benefit system as applied to prior service. It has been stated that pensions were voted to Members of Congress. As I understand a pension, it is a payment that is made without a contributory payment by the beneficiary. But a distinction is made where the beneficiary does pay at least a portion of the premium necessary to purchase, on annuity basis, the amount he receives.

Under the law as it was passed on January 24, the required payment in some instances is so small that it becomes a negligible factor in the transaction. Therefore the Byrd amendment was presented, which insisted upon the contributory feature. I supported that measure on the floor of the Senate, because I believe that if we are to distinguish between pensions and contributory benefits we in Congress should cling closely to the contributory benefit retirement theory and should insist on that system, at least, in our own cases.

I may say that until 1938 it was the practice under the Federal system to require individuals who came into the system to make back payments as a condition of taking advantage of prior service under the system. That has been liberalized since. I might point out, however, that it is the practice in some of the States of the Union, and therefore a practice close to the people, that when persons do come under the retirement system at a later date they should make back payments if they are to take credit for their corresponding prior service.

In support of that statement I might refer to the situation under the Ohio retirement law, which went into effect in 1935, and in 1938 was amended to include municipal employees. The condition was made that if municipal employees wish to have credit for prior service as far back as 1935 or earlier they must pay their back retirement premiums to 1935, the date of the enactment of the law.

In 1941 the law of Ohio was amended, apparently, so as to include elective officers under the Ohio retirement system. There was at the same time included in the law the following provision, in section 486–48 of the General Code:

> Credit for service between January 1, 1935, and June 30, 1941, may be secured by such elective official provided he shall pay into the employees' savings fund an amount equal to the accumulated contributions of such member had he been a member during such period.

I believe, therefore, that if a retirement measure for elective officers shall come before the Congress at a later date there will be an important element of fairness in requiring elective officers who become members of the retirement system to pay back premiums corresponding to their prior service if the system is to be regarded as a contributive system.

Finally, this fourth point: The bill as passed on January 24 applied to the

sitting Members of Congress. I think it is the impression throughout the country that there is a policy against members of any legislative body voting increases of compensation to themselves to take effect during their current term of office. That is frequently expressed in the constitutions of different States and is frequently expressed in the charters of different cities. That being a feeling which is close to the practice of the people in the States and cities, they naturally have, I believe, felt some surprise that any action could be taken under our Federal Constitution which would permit the Congress to vote any kind of emolument that might attach in any way to the Members of Congress during the very term in which they were serving when voting it.

It is true that under the Constitution of the United States the provision as to Congress, in article I, section 6, clause 1, does not place a limitation upon the action of Congress. It expressly there states that—

> The Senators and Representatives shall receive a compensation for their services, to be ascertained by law—

without a limitation in the Constitution.

As to judges there is a provision in article III, section 1, of the Constitution, but that relates to the diminution of their pay. It says that—

> The judges * * * shall, at stated times, receive for their services a compensation which shall not be diminished during their continuance in office.

But as to the President of the United States there is an express declaration of policy and of law, and I believe it is appropriate that it should be read into the RECORD at this time, because it seems to me that the law as passed on January 24, in offering to the present President in his present term of office an annuity under this law, is violative of the spirit, if not actually of the language, of this provision. The Constitution states, in article II, section 1, clause 6:

> The President shall, at stated times, receive for his services a compensation which shall neither be increased nor diminished during the period for which he shall have been elected, and he shall not receive within that period any other emolument from the United States, or any of them.

I mention that as indicating the thing to which I have referred—a feeling that increases should not be permitted to take effect during the term of office of those who pass upon them.

As further indicative of that, I call attention to the fact that in the constitutions of many States there are similar provisions, especially as to changes in the salaries of members of their legislatures. I have not had an opportunity to examine them all, but I know that such prohibitions appear in the Constitutions of the States of Ohio, Pennsylvania, Illinois, and Kentucky. Many States do not need to prohibit such legislative action, because they fix in their constitutions the exact pay which a member of the legislature shall receive. It would in those cases require an amendment to the constitution to increase such salaries. Such changes also are prohibited by the charters of some cities, as they are prohibited by the charter of the city of Cleveland, Ohio.

What has been the practice of Congress in fixing salaries of Members of Congress? This raises the issue in a concrete manner. In the early days Congress raised the pay of its Members whenever Congress felt like it and applied it to Members in their current term of office. That is of interest especially because there was an amendment submitted to the Constitution of the United States along with the original 10 amendments which would have prohibited that practice, but the amendment did not receive the support of a sufficient number of States to stop the practice. But in 1873 there occurred an action of historical interest to the Congress. In 1873, when Congress sought, I believe, to raise the pay of Members of Congress from $5,000 to $7,500 a year, the increase was made applicable to the beginning of that term of Congress. It became known as the "salary grab of 1873." There was such an immediate reaction against it throughout the country that in January 1874 it was repealed; and when action finally was taken, I believe, in 1907, to make that increase, it was made applicable by one Congress to the next Congress. So also when the increase from $7,500 to $10,000 was made in 1925, it was made applicable to the next Congress.

Therefore, if this question should again come before Congress for consideration, it seems important that Congress should properly consider carefully insisting upon the contributive feature of it, and also consider limiting its benefits to those who shall be Members of a subsequent Congress, and perhaps, in the case of the Senate, to those Members of the Senate who will have begun new terms since action was had conferring the new benefits.

Finally, I think the answer, under present conditions, turns upon what today should be regarded as an essential expenditure and what should not. I believe we should not include this item of retirement benefits to Members of Congress, to the President, and to the Cabinet, within our definition of essential expenditures in these days.

For that reason I support the repeal amendment as submitted by the Senator from Virginia.

The VICE PRESIDENT. Does the Senator from Virginia wish to have the amendment read from the desk at this time, or simply printed in the RECORD?

Mr. BYRD. I should like to have the amendment read.

The VICE PRESIDENT. The amendment will be read.

The CHIEF CLERK. Amendment offered by Messrs. BYRD, BURTON, BAILEY, and JOHNSON of Colorado:

On page 12, line 1, after "department", it is proposed to insert a comma and the following: "except when used in section 15."

On page 20, line 12, it is proposed to strike out "section 12" and insert in lieu thereof "sections 12 and 15."

At the end of the bill it is proposed to add the following new section:

SEC. 15. (a) The last sentence of subsection (c) of the first section of the Civil Service Retirement Act, approved May 29, 1930, as amended, is amended by striking out "any elective officer."

(b) Subsection (a) of section 2 of such act of May 29, 1930, as amended, is amended by striking out ": *Provided, however*, That no provision of this or any other act relating to automatic separation from the service shall have any application whatever to any elective officer."

(c) Subsection (a) of section 3 of such act of May 29, 1930, as amended, is amended to read as follows:

"(a) This act shall apply to all officers and employees in or under the executive, judicial, and legislative branches of the United States Government, and to all officers and employees of the municipal government of the District of Columbia, except elective officers and heads of executive departments: *Provided*, That this act shall not apply to any such officer or employee of the United States or of the municipal government of the District of Columbia subject to another retirement system for such officers and employees of such governments: *Provided further*, That this act shall not apply to any officer or employee in the legislative branch of the Government within the classes of officers and employees which were made eligible for the benefits of this act by the act of July 13, 1937, until he gives notice in writing to the disbursing officer by whom his salary is paid of his desire to come within the purview of this act; and any officer or employee within such classes may, within 60 days after January 24, 1942, withdraw from the purview of this act by giving similar notice of such desire. In the case of any officer or employee in the service of the legislative branch of the Government on January 24, 1942, such notice of desire to come within the purview of this act must be given within the calendar year 1942. In the case of any officer or employee of the legislative branch of the Government who enters the service after January 24, 1942, such notice of desire to come within the purview of this act must be given within 6 months after the date of entrance to the service."

(d) The amounts deducted and withheld from the basic salary, pay, or compensation of any officer made ineligible for the benefits of such act of May 29, 1930, as amended, by the amendments made by this section to such act of May 29, 1930, and deposited to the credit of the civil-service retirement and disability fund, and any additional amounts paid into such fund by such officer, shall be returned to such officer within 30 days after the date of enactment of this act.

Mr. DOWNEY and Mr. TOBEY addressed the Chair.

The VICE PRESIDENT. Does the Senator from Massachusetts yield; and if so, to whom?

Mr. LA FOLLETTE. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. LA FOLLETTE. I make the point of order that neither the Senator from Massachusetts nor any other Senator can retain the floor indefinitely and farm it out. It is becoming the practice, because a Senator is in charge of a bill, to assume that he has the floor. The next thing we know he will have the floor when he is in his committee room.

Mr. WALSH. The Senator is correct.

The VICE PRESIDENT. The point of order is sustained.

Mr. DOWNEY. Mr. President, at this time I offer an amendment to the pending bill, in the nature of a substitute, which I have prepared and sent to the desk, and ask to have read. It is very brief. It deals with perhaps the most important domestic matter before the United States today, and I hope it may be clearly understood.

The VICE PRESIDENT. The amendment in the nature of a substitute offered by the Senator from California will be stated.

The CHIEF CLERK. In lieu of the amendment proposed by the Senator from Virginia [Mr. BYRD], it is proposed to insert the following:

That clause (1) of section 2 (b) of the Social Security Act is amended by striking out "65" and inserting in lieu thereof "60."

SEC. 2. Section 3 (a) of the Social Security Act is amended to read as follows:

"SEC. 3. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for old-age assistance, for each quarter, beginning with the quarter commencing July 1, 1942, (1) an amount, which shall be used exclusively as old-age assistance, equal to the total of the sums expended during such quarter as old-age assistance under the State plan with respect to each needy individual who at the time of such expenditure is 60 years of age or older and is not an inmate of a public institution, not counting so much of such expenditure with respect to any month as exceeds the product of $30 multiplied by the total number of such individuals who received old-age assistance for such month, and (2) 5 percent of such amount, which shall be used for paying the costs of administering the State plan or for old-age assistance, or both, and for no other purpose."

SEC. 3. Paragraph (1) of section 3 (b) of such act is amended by striking out "and if such amount is less than one-half of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived,".

SEC. 4. The amendments made by this act shall take effect on July 1, 1942.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BYRD. Is the Senator's proposal a substitute or an amendment?

Mr. DOWNEY. It is a substitute for the Byrd amendment. I am informed by one of my friendly colleagues that I originally described it as a proposed substitute for the pending bill. I did not mean that. I meant it as a substitute for the Byrd amendment.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. NORRIS. Is not the pending Byrd amendment a bill in itself?

Mr. DOWNEY. I understand that it is offered as an amendment to the pending bill.

Mr. NORRIS. I understand; but the Senator from Virginia has offered no amendment to the pending bill.

Mr. DOWNEY. Yes; he has.

Mr. NORRIS. The Senator's proposal is an amendment to an existing law.

Mr. DOWNEY. Mr. President, I shall not discuss parliamentary procedure with the distinguished Senator, because I cannot do it. However, I am told by the Parliamentarian of the Senate and by other distinguished counselors that what I am doing is in proper order.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. VANDENBERG. I should like to ask the Senator to clarify the situation. If the Senator's amendment in the nature of a substitute should be agreed to, would it do away with the repealer of the so-called congressional pensions?

Mr. DOWNEY. It would do away with the Byrd amendment.

Mr. VANDENBERG Leaving the congressional pensions intact?

Mr. DOWNEY. That is correct.

Mr. VANDENBERG. Then the sawdust trail would have to be opened up again.

Mr. DOWNEY. Let me state my position to the distinguished Senator. Many Senators now in the Chamber have told me within the past day or so that they desire to vote for the pension proposal which I am offering. Some of them desire to vote for it as a substitute for the Byrd amendment. Some of them desire to have the Byrd amendment become effective and have my proposal presented as an amendment, in addition to the Byrd amendment. I intend to give Senators the opportunity to vote upon my proposal in both forms. That is, if it is defeated as a substitute, I shall then offer it later as an amendment to the bill, so that all of us may have the opportunity to express to the American people how we feel upon the subject of pensions for our unfortunate elderly people.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. McNARY. Probably the able Senator has already answered the inquiry I am about to propound. As I understand, his proposal operates as a double-barreled shotgun. It would not repeal annuities to Members of Congress, as would the Byrd amendment. If the Senator's proposal should be agreed to, would the original measure which passed the Senate stand so far as it affects Members of Congress?

Mr. DOWNEY. It would.

Mr. McNARY. If the Senator's proposal should be defeated, does he intend then to offer it as an amendment to the bill now sponsored by the able Senator from Massachusetts?

Mr. DOWNEY. That is correct.

Mr. BONE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BONE. I have before me a copy of the Senator's amendment. As I understand, it is offered as an amendment to House bill 6446.

Mr. DOWNEY. The Senator has my second "barrel." That is not the first "barrel." The first "barrel" is at the desk. It is an amendment in the nature of a substitute. The Senator has the second "barrel," which I hope I shall not have to use.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. OVERTON. I understand—I may be in error—that the Senator intends to incorporate the Byrd amendment in his substitute, and offer it as a substitute for the Byrd amendment. That would carry with it the repeal of annuities to Members to Congress and at the same time would carry with it old-age assistance.

Mr. DOWNEY. Let me state to the distinguished Senator that if the Senate does not desire to accept the pension proposal in the form of a substitute, I intend, in effect, to do the very thing which the distinguished Senator has now pointed out.

Mr. O'DANIEL rose.

Mr. DOWNEY. Mr. President, I should like to be able to proceed with my statement; but I yield to the Senator from Texas.

Mr. O'DANIEL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. O'DANIEL. If the substitute measure now offered by the Senator from California should be agreed to, would it then be in order to have the Byrd amendment reoffered as an amendment to the pending bill?

The VICE PRESIDENT. The Chair holds that it would be in order to offer it again.

Mr. LEE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. LEE. I wish the Senator from California would not offer his so-called first-barrel amendment. It would compel those of us who believe that the repeal of congressional pensions is necessary to vote against another proposal to which we are committed and in which we believe.

Mr. DOWNEY. Mr. President, if Senators will permit me to make a very brief statement of my own position, I think the situation of my proposal will be entirely clarified.

First, let me state to the Senate the ultimate effect of the amendment which was just read from the desk. The present pension age in the United States is 65 years. If this proposal were passed it would be reduced to 60. The present Federal payment for pensions is $20 a month as a maximum, subject to matching in whole or in part by the State.

My proposal provides that the Federal Government shall lift that $20 a month to $30 a month, and that it shall be paid to every State without the necessity of matching by the State. However, the bill in one respect does not conform to my own ideas. I have molded my own bill to suit what I know is the desire of a majority of Senators. The $30 a month would be paid only on the basis of need and not as a social dividend or a social right.

Mr. President, in order to make the facts as clear and intelligible as possible, let me state that in the next fiscal year it is anticipated that payments by the Federal Government in matching the old-age assistance program will amount to about $329,000,000. In addition to

that, W. P. A. expenditures for persons above 60 years of age and under 65 are expected to run over $100,000,000—perhaps $150,000,000. We now spend for general relief for persons between 60 and 65 years of age in a very unhappy, chaotic way another $100,000,000 or $200,000,000.

Consequently, if the bill were to become law, out of expenditures presently being made we should save as a credit against what the bill would cost us perhaps some $500,000,000, $600,000,000, or $700,000,000. From data which I have secured from the Social Security Board it would appear that the cost of the measure, if the amendment were to become law, would be somewhere around the gross sum of about $1,000,000,000, $1,100,000,000, or $1,250,000,000. If we deduct from the gross cost the present cost of caring for our elderly people—a cost which would be saved by the bill—the net cost or the net increment by reason of the bill would be somewhere around $500,000,000, $600,000,000, or $700,000,000. The figures cannot be definite, because they are largely matters of estimate.

Mr. President, let me point out to the Senate that while $500,000,000, $600,000,000, or $700,000,000 still sounds like a very great sum, yet it is estimated that in the next fiscal year the Nation's pay rolls that are covered under old-age insurance will run to about $55,000,000,000; so a 1-percent tax upon those pay rolls—which, incidentally, already is being levied for social-security purposes—would raise about $550,000,000, or sufficient to pay all the expenses of this proposal.

We should not forget, Mr. President, that we are now a nation of tremendous wealth and power. If we look merely upon the debit side, we may be shocked; but if we look also upon the credit side, we will see that our resources are almost unlimited.

Mr. BARKLEY. Mr. President, will the Senator yield for a question?

Mr. DOWNEY. Yes; I yield.

Mr. BARKLEY. What is the Senator's estimate of the number of persons in the United States above the age of 60?

Mr. DOWNEY. There are about 14,000,000 above 60, of which about 6,000,000 are between 60 and 65, and 8,000,000 over 65.

Mr. BARKLEY. Has the Senator any estimate or any information as to what percentage of the fourteen or fifteen million persons above the age of 60 would be eligible for the $30 a month payment provided in his amendment?

Mr. DOWNEY. Yes; I will say to the distinguished Senator that I have not come before the Senate without data of that kind. Of course, I am prepared to give it.

Mr. BARKLEY. In asking the question, of course, I did not assume that the Senator did not have such data.

Mr. DOWNEY. Yes; I understand.

Mr. BARKLEY. I should not have asked the Senator the question if I had not thought he could answer it.

Mr. DOWNEY. I am very happy to have so good a friend. Of course, generally a question is asked in the hope that it cannot be answered. [Laughter.]

Mr. BARKLEY. No; I asked the question because I thought the Senator could answer it.

Mr. DOWNEY. As the Senator knows, at the present time we are providing relief for needy persons above 65 years of age. Their number is about 2,000,000 at the present time. It is anticipated that if we should bring in that tragic group of persons who are between 60 and 65 years of age, another 1,000,000 persons, approximately, would be added to the pension rolls. So if this measure should pass, about 3,000,000 persons, plus another 100,000 or 200,000 persons, perhaps, would be eligible for pensions on the basis of a means test.

Mr. BARKLEY. Let me ask the Senator this question: His amendment directs the Secretary of the Treasury to turn over to the States the amount involved in his calculation, which would have to be paid under his amendment, to be administered by the States. It is a contribution unmatched, as I understand, by the States—a contribution to the States, to be administered and expended by the States through their own State officers. Is that correct?

Mr. DOWNEY. No; that is not correct. The amendment would not amend the present Social Security Act in that way. The money would be paid over under this proposal just as it is now paid, except that it would be paid over to the States, even though they might not be able to match it.

I may say that the Senator's own State of Kentucky, where $8 is paid today, and the State of Virginia, where $10 is paid, need pay nothing, if they so desired, or could continue their present payments, and yet would receive for their unfortunate elderly citizens the sum of $30 a month; but let me say to the Senator—I am trying to get to his point—that the money would still be expended by the State, subject to exactly the same kind of Federal regulations and safeguards as are contained in the present law, which I have not proposed to change at all.

Mr. BARKLEY. Will the Senator tell me whether the effect of his amendment would be to place the $30 payments squarely on the shoulders of the Treasury of the United States?

Mr. DOWNEY. That is correct.

Mr. BARKLEY. Would that be in addition to whatever is now paid under the matching system, or would it be a substitute for it?

Mr. DOWNEY. It would be a substitute. I tried to make it clear that what the Federal Government now is paying for old-age assistance and in W. P. A. assistance, to persons past 60, would not continue to be paid; money now expended for general relief would not be paid. This would stand in lieu of all of it.

Mr. BARKLEY. So what is now being paid could be withdrawn; the States could withdraw their contributions, and yet the $30 a month would still be paid to those entitled to it? Is that correct?

Mr. DOWNEY. That is correct.

Mr. BARKLEY. The Senator has referred to my State and to the State of Virginia. I have publicly deplored the fact that the legislature of my State provided a maximum of only $7.50 as a contribution, which made it impossible for anyone to draw more than $15 as a maximum, because the Federal Government puts up only what the State matches. I have frequently discussed with the Senator and with others the possibility of providing what might be regarded as a fair national standard for the payment of old-age subsistence, so that it would not depend upon the whim or the ability of a State to match the payments made by the Federal Government. I should like to get a little more information, if the Senator can give it to me, as to whether, if a State should withdraw its contribution, $30 a month would still be paid, on the assumption that it was, after all, a Federal obligation; and if the States should withdraw from matching participation, some 2,000,000 persons who now are drawing benefits throughout the country, as I understand, would cease to receive the benefits of State participation. Is that correct?

Mr. DOWNEY. Any State that did not desire to contribute to the fund would not have to do so.

Mr. BARKLEY. No; they do not have to do so now. They have to contribute if they get anything out of the Treasury; but they are not required to contribute. They can ignore the subject entirely, but in that event they get nothing from the Treasury in the way of old-age assistance.

I am wondering upon what the Senator bases the estimate that there would be, at the worst, only about 3,000,000 persons who would be eligible and who would participate in the program of $30-per-month payments provided for in his amendment, unless he assumes that all the States would either continue to put up whatever their legislatures have authorized in addition to this or would increase it.

Mr. DOWNEY. I think we misunderstand each other.

Mr. BARKLEY. That is my fault, I will say.

Mr. DOWNEY. No; I do not think it is.

Let me make it plain to the Senator in this way: I called upon the Social Security Board for an estimate of the number of persons between 60 and 65 who are destitute, the number of persons who have no children to support them, the number of persons who have no savings and no jobs, the number of persons who are living lives so miserable and despairing that we, sitting here warm and well fed, cannot even imagine it. The Social Security Board, I may say to the distinguished Senator, reported to me that there are approximately 1,000,000 persons in the United States between 60 and 65 who today are destitute, suffering, and miserable, and without children to support them. We already have upon the relief rolls 2,000,000 persons, those in Kentucky getting $8 a month, and those in Virginia $10 a month, and those in California $40 a month. Under this proposal, if Kentucky wanted to continue its $8 it could do so, and the pensioners of Kentucky would get $38. In California I would hope and expect that we would add $30 a month to the Federal

contribution, giving $60 to an unmarried person and $100 to a married couple.

Mr. BARKLEY. Let me ask the Senator another question there.

Mr. BONE. Mr. President, may I inquire of the Senator from Kentucky about the parliamentary situation? It will not interfere with the colloquy which is proceeding.

Mr. BARKLEY. Very well.

Mr. BONE. I want to get the parliamentary situation straight in my mind in case a vote comes. I understand the Senator from California has offered his amendment as a double-barreled affair, first as a substitute for the amendment of the Senator from Virginia [Mr. BYRD], and then he indicates he is going to tender it as an amendment to the pending bill.

Mr. DOWNEY. Only if, when offered as a substitute, the amendment is defeated.

Mr. BONE. I presume Senators all want to vote on the Byrd amendment. I desire to ask the Senator from Kentucky if, for instance, those who favor the amendment tendered by the Senator from California should vote for it and there were sufficient votes in the affirmative, which, presumptively, would eliminate the Byrd amendment, could the Senator from Virginia then offer his amendment later on?

Mr. BARKLEY. The situation now is that the Senator from California has offered his amendment as a substitute for the Byrd amendment, so that if the substitute should be adopted we would retain the congressional-pension provision and provide pensions for those who would come under the amendment of the Senator from California.

Mr. BONE. My reason for asking the question is that the Senator from California is assured, I assume, of a vote on his amendment if he tenders it merely as a separate amendment.

Mr. BARKLEY. Certainly; there undoubtedly will be a vote on it whether it is offered as a separate amendment to the bill now pending or to the Byrd amendment, and it would be in order as an amendment to the Byrd amendment, because, under the practice of the Senate, the committee amendment, being a substitute for the entire bill, is regarded as the original text, and a second amendment is in order.

Mr. BONE. I was only curious as to why the Senator should offer it in both forms, if he could offer it as a separate amendment to the pending bill and not complicate his amendment with the Byrd amendment.

Mr. BARKLEY. Mr. President, I should like to pursue my inquiry.

Mr. DOWNEY. I will be happy to answer the Senator, if I can.

Mr. BARKLEY. The Senator's view is that the $30 a month provided in his amendment would, in the first place, apply to a million persons who are not now on the rolls and who are between the ages of 60 and 65?

Mr. DOWNEY. That is correct.

Mr. BARKLEY. It would also apply to 2,000,000 persons who are on the rolls and who are drawing $8 or $10 a month from the combined contributions of the States and the Federal Government?

Mr. DOWNEY. That is correct.

Mr. BARKLEY. So that if there are 3,000,000 in the class who would all be entitled to the $30 a month, which is $360 a year, to arrive at the probable cost, all it is necessary to do is to multiply $360 by the number of persons who would be eligible for the benefit, and the result would be an actual cost to the Treasury——

Mr. DOWNEY. The cost would be something over a billion dollars.

Mr. BARKLEY. It would be something over a billion dollars?

Mr. DOWNEY. That is correct.

Mr. OVERTON. Mr. President—

Mr. DOWNEY. I yield to the Senator from Louisiana.

Mr. OVERTON. Is the $30 contemplated to be paid out of the Federal Treasury to be paid to everyone, regardless of financial condition?

Mr. DOWNEY. Only on the basis of need; that is, there has to be a showing by the applicant that he has no children who can support him, no savings, and no job.

Mr. OVERTON. As I interpret the amendment as read from the desk, the Federal Government is to turn over $30 a month to the States to be administered according to State laws?

Mr. DOWNEY. No; according to the present Social Security Act, which makes the payment on the basis of need. In other words, I may say to the distinguished Senator—and I hope there will be no confusion on this point—the Social Security Act and the old-age assistance provision in it are not changed in any respect, and this payment will be made on the basis of need under the same rules and regulations now established by the Federal Government.

Mr. OVERTON. I thank the Senator.

Mr. ELLENDER. Mr. President——

Mr. DOWNEY. I yield.

Mr. ELLENDER. Except as to the age change from 60 to 65, does not the act remain——

Mr. DOWNEY. And except there would be no longer any necessity for matching by the States.

Mr. ELLENDER. Am I correct in stating that, irrespective of what the States may contribute, the Federal Government would pay up to $30 a month to each person in need who is 60 years of age or over?

Mr. DOWNEY. That is correct.

Mr. ELLENDER. Suppose the States desire to match the Federal Government up to $40, as now provided by law, would not the Federal Government be compelled to put up $30 plus $20, or a total of $50 a month for each needy person, should the Senator's amendment be adopted?

Mr. DOWNEY. No. According to the way the amendment is drawn, the maximum is entirely cut out; there will be a flat contribution of $30 a month; then the State can do whatever it wants to do.

Mr. ELLENDER. In other words, the Federal Government would pay up to $30 per month, irrespective of what the States do, but the States could voluntarily add whatever amount they desire to the $30 Federal contribution.

Mr. DOWNEY. A State could add any amount it wanted to; it could add more than that. I am told by the counsel of the Social Security Board that if a State wanted to add $40 or $50 during the coming year that would not in any way prejudice any other State that paid $30 a month.

Mr. O'DANIEL. Mr. President——

Mr. DOWNEY. I yield to the Senator from Texas.

Mr. O'DANIEL. It is my understanding that the Senator's amendment merely raises the maximum payment by the Federal Government from $20 to $30?

Mr. DOWNEY. That is correct.

Mr. O'DANIEL. That does not mean that $30 definitely will be paid, but will only be paid as a maximum, and differing amounts up to $30 will be paid on the basis of need.

Mr. DOWNEY. The Senator from Texas is correct in his statement. If the authorities should find that a person did not need the whole $30 because, we will say, he already had an income of $25 or $30, it would be up to the State to determine how much was needed to support him; that is correct; but I would say to the distinguished Senator that, in my figures, I have assumed that all the 3,000,000 persons who might be eligible would be entitled to the full $30 a month. I will state further to the distinguished Senator from Texas, who for a long time has been greatly interested in pensions, that, in my opinion, almost double the number would receive the $30 a month if it were granted.

Mr. BYRD. Mr. President——

Mr. DOWNEY. I yield.

Mr. BYRD. Has the Senator a written statement from the Social Security Board as to the cost of the amendment if it were enacted into law?

Mr. DOWNEY. I may say to the distinguished Senator from Virginia I have several files of material containing all the data I am giving. I have not had an opportunity to secure from the Social Security Board the data upon this exact plan, but I can furnish the data which will verify the figures I am giving to the distinguished Senator, and will be glad to do so during the afternoon.

Mr. BYRD. The reason I ask the question is that the Senator from California has used the word "destitute," and he has said that there are a million persons between 60 and 65 who are destitute. As a matter of fact, the word used in his amendment is "needy." There is quite a distinction between complete destitution and need. Is it not also true that the determination of who is needy is left to the State authorities, and what the Senator proposes to do is that the Federal Government shall furnish the money and let the State authorities decide who is needy? Am I not correct in that?

Mr. BONE. Mr. President, I should like to ask the Senator from Virginia a question.

Mr. BYRD. I should like to have the Senator from California answer my question; then the distinguished Senator

from Washington may ask the question he has in mind.

Mr. DOWNEY. Mr. President, I stand corrected by the Senator from Virginia in the inaccurate use of the word "destitute" as applying to the characterization of the Social Security Board. They did certify this figure to me as applying to needy persons, I will admit; but I want to say, from my own knowledge and observation, these persons are destitute, and that is something worse than needy, I am sure.

Mr. BYRD. I am not arguing that. What I say is that the estimate of 1,000,000, if the matter is put on a complete destitution basis, is nothing like as large a number as if it is put on a needy basis. Therefore, I think the Senator has very largely underestimated the cost of the proposal.

Mr. DOWNEY. I can immediately clarify the mind of the Senator from Virginia on that subject. The Social Security Board has given me this figure of approximately 1,000,000 persons who, in its opinion, would be entitled to claim benefits under the amendment as it is now drawn.

Mr. BYRD. But a little while ago the Senator stated that there were a million completely destitute persons. It makes quite a difference, in the construction of this law, whether a person is destitute or whether he is needy; and the question is to be determined, not by the authorities in Washington, as I understand, but by the authorities in the different States. They may have varying standards as to who is needy and who is not needy.

Mr. BONE. Mr. President——

Mr. DOWNEY. I yield to the Senator from Washington.

Mr. BONE. I should like, if I may, to ask the Senator from Virginia if he is willing to accept the amendment of the Senator from California and add it to and make it a part of his amendment.

Mr. BYRD. Does the Senator from Washington make that as a request or an inquiry?

Mr. BONE. I merely want to be helpful to both Senators in the complication that confronts us; and I wondered if the Senator from Virginia might be willing to accept this amendment, so that we could vote on both of them at the same time, since there seems to be an insistence here on coupling them together in a fashion which makes it impossible to vote in a perfectly honest way. With this substitute offered, no man could split his vote. I merely want to be helpful, and to put the matter in a little more understandable way.

Mr. DOXEY. Mr. President, will the Senator yield?

Mr. DOWNEY. Yes; I yield to the Senator from Mississippi.

Mr. DOXEY. It is possible that the matter about which I wish to inquire has been explained. I was unavoidably called from the Chamber.

Is it possible that the Senator from California could offer his proposition as an amendment instead of as a substitute, in order that those of us who want to vote directly on the Byrd proposal may do so, and then vote on the proposal of the Senator from California as an independent question?

Mr. DOWNEY. Yes; I will say to the distinguished Senator that that may be done, and it is my intention to do that if the substitute measure is defeated.

Mr. DOXEY. Why does the Senator insist on offering his proposal as a substitute?

Mr. OVERTON. Mr. President, in that connection, may I make a suggestion?

Mr. DOWNEY. I yield to the Senator from Louisiana.

Mr. OVERTON. I suggest to the Senator from California, in order to meet the suggestions which have already been made by those who want to vote for the Byrd amendment and those who also want to vote for the amendment of the Senator from California, that the Senator modify his own substitute by incorporating in it the Byrd amendment. Then he will have a double barreled proposition that can be voted on at one time. Then we can vote on the Senator's substitute, which is a repeal of the congressional annuity, and, in addition, vote for the old-age pension. The Senator may modify his own amendment in that regard.

Mr. DOWNEY. Mr. President, I see the wisdom of what the Senator suggests, and I am almost persuaded by it; but I point out to him that then I might escape from one horn of the dilemma to be impaled upon another, because a very substantial number of Senators do not want to and will not vote for the Byrd amendment, and I should lose their votes. I may say to the distinguished Senator from Mississippi that I had already explained that if the substitute measure is defeated, it is my intention to offer the amendment by itself, in which case Senators may express themselves independently upon my amendment without reference to anything else.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield to the Senator from Georgia.

Mr. GEORGE. I should like to ask the Senator a question or two on the merits of the proposal.

As I understand, the Senator's information and advice is that under his amendment 1,000,000 old people between 60 and 65 would be added to the present list.

Mr. DOWNEY. That is correct.

Mr. GEORGE. And that some 2,000,000 are now receiving old-age assistance.

Mr. DOWNEY. Two million persons above 65 are now receiving old-age assistance.

Mr. GEORGE. Two million?

Mr. DOWNEY. Yes.

Mr. GEORGE. The Senator knows, of course, that not all the old people above 65 are on the rolls. In my own State, for instance, only about half of them have been certified. They are there, and they are really in need, but the State has not raised enough money to match the funds that come from the Federal Government; so that about 40,000 or 50,000—I have forgotten the exact number—about half of those who are really entitled to old-age benefits under existing law are not on the list. So more than 3,000,000 persons would be on the list under the Senator's amendment.

Mr. ELLENDER. Mr. President, may I interrupt the Senator from Georgia at that point?

Mr. DOWNEY. I yield to the Senator from Louisiana.

Mr. ELLENDER. Is it not a fact that in the State of Georgia, as in other States, many of the old people—that is, those above 65—have been certified, but the local authorities are unable to raise the money with which to pay them?

Mr. GEORGE. That is correct; and therefore they are not receiving the benefits.

Mr. ELLENDER. But they have been certified and would be entitled to receive a pension.

Mr. GEORGE. But they are not on the rolls.

Mr. ELLENDER. I understand they are not on the rolls, but they would be entitled to the pension if the funds were available.

Mr. GEORGE. Am I to understand that the Senator's amendment or substitute—I am not worried about the parliamentary status of the matter—repeals the existing old-age benefit provision which authorizes matching by the Federal Government up to $20, if the State puts up the $20?

Mr. DOWNEY. It eliminates that provision.

Mr. GEORGE. It eliminates that provision; so that this amendment, if adopted, would be in lieu of the existing law on the subject.

Mr. DOWNEY. That is correct.

Mr. GEORGE. I desire, however, to call the attention of the Senator from California to the fact that while only 2,000,000 aged people are now receiving old-age benefits under existing law, there are many more who are entitled to receive them and would receive them if the States had sufficient funds to match any appropriation from the Federal Government. If the Senator has figures on that subject, I shall be very glad to have him put them in the RECORD.

Mr. ELLENDER. Mr. President——

Mr. DOWNEY. Before yielding to the Senator from Louisiana, I should like first to answer the Senator from Georgia. The Senator from Georgia has pointed out an existing condition which I had ignored, but in regard to which I hope I can satisfy his mind.

It is true that in the State of Georgia a year ago for every person who was receiving benefits there were two persons who had been certified who were not receiving them. That has now been cut down to this ratio—that Georgia still has almost but not quite as many persons who have been certified as being needy cases, but who are not receiving pensions, as the number who are receiving them, and let me say to the distinguished Senator that Georgia and two or three other States are unique in that position. In practically all the Western States and the Middle Western States

and the New England States all the needy persons who have been certified are actually receiving payments; and, while I have not the exact figures in mind, I think, taking the United States as a whole, the number of persons who have been certified, but who are not receiving pensions, is less than 10 percent of the whole.

Mr. GEORGE. I thought perhaps the Senator had some figures on the subject. I knew that in my State the statement made was substantially correct, and I had the impression that it was true in many of our neighboring States.

Mr. DOWNEY. It is true in Arkansas; it is true in Mississippi; it is not true in Alabama or in Texas. There are five or six cases in which that is true, but I may say to the distinguished Senator that none of them presents such a case as that of Georgia. I do not know why. The Social Security Board told me—and perhaps the Senator will know the explanation—that in Georgia the number of persons who have been certified for pensions, but are not receiving them, is being very rapidly reduced. Why that is true, I do not know.

Mr. O'DANIEL. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield to the Senator from Texas.

Mr. O'DANIEL. Referring to the statement made by the Senator from Virginia [Mr. BYRD], if I correctly understood him, he said that because the Senator from California had classified those between the ages of 60 and 65 as destitute the Senator from California had underestimated the total cost of including them.

Mr. DOWNEY. That is correct.

Mr. O'DANIEL. I am unable to follow that line of reasoning because, if they were classified by the States only as needy instead of destitute, as the Senator from California has classified them, they would receive less benefits. Consequently, the Senator from California has overstated the amount of money necessary to pay them.

Mr. DOWNEY. No; if the definition of "destitute" and "needy" is correct, I think the Senator from Virginia is correct in his conclusion because I said there were a million destitute persons. The law calls for provision for all those who are needy. His argument is that a person might be needy without being destitute, and hence there would be more needy persons than destitute persons.

Mr. O'DANIEL. But if they are destitute they would draw the full $30.

Mr. DOWNEY. Yes; that is correct.

Mr. O'DANIEL. If they are needy, that might be very considerably less.

Mr. DOWNEY. That is correct. I think it is merely a moot question, because my figures were prepared by the Social Security Board on the basis of the language used in the amendment and the act itself.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield to the Senator from Louisiana.

Mr. ELLENDER. I wish to say to the Senator that I am very sympathetic with his amendment. As a matter of fact, I have had a bill pending before Congress ever since I have been in the Senate, attempting to have the Congress to authorize the Government to put up at least $20, irrespective of the ability of the States to pay. I suggested a $30 minimum contribution but reduced it to $20, in the hope of obtaining sufficient support for its final passage.

Now, reverting to the Senator's amendment, as I understood the Senator a while ago, he stated that the cost to the Government was $329,000,000 under the existing law.

Mr. DOWNEY. That is the anticipated cost for the next fiscal year.

Mr. ELLENDER. And that if his amendment should prevail, it would then make the cost five, six, or seven hundred million dollars and——

Mr. DOWNEY. More than the expenditure for old-age assistance, plus the expenditure for W. P. A. for people past 60, plus the expenditures for general relief.

Mr. ELLENDER. In other words, the total amount then would be in excess of $1,000,000,000.

Mr. DOWNEY. Gross.

Mr. ELLENDER. That is assuming, as the distinguished Senator stated, that the change of the age from 60 to 65 would add a million, and that the two million destitute over 65 now on the rolls would not be increased.

In answer to a question by the Senator from Georgia, as I understood it, the Senator did not take into consideration the thousands of persons above the age of 65 and, of course, those above the age of 60, should his amendment be enacted, who have been certified and who would be subject to certification by the various States and who are unable to obtain their money because of the inability of the States to furnish their pro rata share.

Has the Senator any figures to show the total number of persons who would be eligible under his amendment?

Mr. DOWNEY. In the figures prepared for me by the Social Security Board they took into account that if the States were relieved of the necessity of matching, the rolls would be raised by the number who have been certified but are not getting payments.

Mr. ELLENDER. I should like to have the figures.

Mr. DOWNEY. I can give the Senator the exact figures. I think I am safe in saying that the total number of persons certified for relief under old-age assistance in the United States, who are not receiving the payments because of lack of funds, is less than 10 percent of the total.

Mr. ELLENDER. And the total number of persons in the United States above 60 years of age is 14,000,000, as I understood the Senator?

Mr. DOWNEY. No; I refer to 10 percent of the total number on the rolls.

Mr. ELLENDER. That would be 300,000 persons.

Mr. DOWNEY. No; it would be 200,000 persons. That would be 10 percent. Let me point out to the Senator, however, that I am not endeavoring to make any exact financial statement, because it cannot be done. The very point which was raised by the Senator from Texas, that all of the 3,000,000 would not be entitled to the $30 a month, is a sound point, which I did not discuss because I did not wish to become too intricate. That would substantially offset the item of which the Senator from Louisiana has spoken, that there are a certain number of persons on the lists certified who are not getting payments.

Mr. ELLENDER. As I understood the Senator's opening statement, he indicated that there are 14,000,000 persons in this country above the age of 60.

Mr. DOWNEY. That is correct.

Mr. ELLENDER. And of that number only 20 or 25 percent are in destitute circumstances. Twenty-five percent of 14,000,000 would be about 3,500,000.

Mr. DOWNEY. The present number above 65, who are actually getting the payments, which is the gist of the matter, is 2,000,000 persons.

Mr. ELLENDER. Is that not due to the fact that the States are unable to put up sufficient money in order to match the Federal Government, so that all eligibles receive a pension under existing laws?

Mr. DOWNEY. The Senator happens to come from one of the four or five States which do not, or cannot, give some assistance to all who are certified as in need. These States, therefore, are not matching. Every New England State is matching, every Middle Western State is matching, every Western State is matching.

Mr. ELLENDER. The State of Louisiana is matching for some amount with which I am not familiar at the moment. I came from Louisiana today, and while there I was presented with half a dozen letters addressed by the Louisiana Department of Public Welfare to persons in destitute circumstances, and the letters stated that although they had been certified, there was no money available with which to pay them. I am satisfied that throughout the South the same condition prevails. I am sure it prevails in Texas. I am positive it prevails in Georgia, as the Senator from Georgia has just indicated.

Mr. DOWNEY. I should rather not argue about this; I have all the figures in my office. The Social Security Board has information as to exactly the number of persons who have been certified for relief and who are not receiving payments. Those individuals are only in a few of the Southern States. The State of Georgia has been unique in that I think at one time 200 percent of its eligibles were not receiving payments. That number is being rapidly reduced. There are still four or five Southern States in which the condition prevails. We have as one of our colleagues a former Governor of Texas, who can speak better than I can as to the matter, but I believe Texas is making payments to all who have been certified.

Mr. O'DANIEL. The Senator is correct. The State of Texas is paying those who have been certified, and as more are certified, if additional money is not available, that which is available is merely

prorated among all on the rolls. As soon as persons become certified in the State of Texas, they receive payments of some sort.

Mr. ELLENDER. That may be the situation in Louisiana, but I am not prepared to give the facts. I do know, however, as I have just indicated, that some who had been certified were not on the rolls for any amount.

Mr. DOXEY. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield to the Senator from Mississippi.

Mr. DOXEY. I wish to say to the Senator from California that I do not desire to take his time in discussing figures, and conditions, but as a friend of the Senator's amendment, I regard the parliamentary situation rather seriously and as very important in securing the adoption of the amendment. The Senator stated awhile ago, in answer to a question by me, that his reason for offering his amendment as a substitute for the Byrd amendment was that he thought some of those against the Byrd amendment would vote for his amendment. To my mind, that is a two-edged sword; it cuts both ways. There are a number of us inclined to be of assistance to the Senator from California with reference to his amendment. We have helped him, but we cannot vote for it as a substitute for the Byrd amendment, as he has now offered it, because we are endeavoring to go on record in favor of the Byrd amendment.

It looks to me as if the Senator from California would alleviate the situation and simplify matters if he would consider presenting his amendment merely as an amendment to the Byrd amendment, and then those of us who are for the Byrd amendment could vote for the Byrd amendment, and those of us who are for the Senator's amendment could vote for it as an amendment to the Byrd amendment. Then the Byrd amendment and the Senator's amendment both would carry. Certainly the parliamentary situation would be clearer and I think such a course would help carry both amendments. It occurs to me that that would be a simplification from a parliamentary standpoint, that it would keep the record entirely straight, and that it would permit every Senator to express his intentions. Then those who are against the Byrd amendment would have a straight-out vote, and it would not affect the Senator's amendment in any way, shape, or fashion.

I make this suggestion as a friend of both amendments, and I hope that the Senator from California will give my suggestion serious consideration as presenting, from a parliamentary standpoint, the best method in which to proceed. I thank the Senator from California for yielding. I am trying to be helpful and practical in this matter.

Mr. DOWNEY. I thank the Senator from Mississippi for his advice, which is very persuasive, and which almost persuades me to do what he suggests. It does look as if that might be the wiser course. I should like to reflect about it a few moments, as the debate proceeds. I am tremendously interested in what the Senator says, because I believe this amendment would be of immeasurable benefit to his State, and I am glad to know that he is supporting the amendment. I appreciate his attitude immensely.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. MURDOCK. A little confusion exists in my mind in connection with the statement made by the distinguished Senator from California in this respect, that notwithstanding, the Government, under his proposed amendment, would pay $30 to each needy person in the United States, the entire $30 would not necessarily have to be paid. Am I correct in my understanding? In other words, as I understood the Senator, if a needy person was receiving $10 or $15 in the way of income, the $30 could be cut down by that amount.

Mr. DOWNEY. If the State itself held that the standard of living within the State required $30 a month—and many of the southern Senators take that position—and the recipient was already in receipt of an income of $15 a month, then it would be within the power of the State to add only $15 from the Federal allotment to make up the total of $30.

Mr. MURDOCK. Then the question occurs to me, What happens to the difference between the $30 that would actually be allotted by the Federal Government and the amount actually paid? Would that be returned to the Federal Government?

Mr. DOWNEY. The State would certify to the Federal Government the number of its needy persons, and the degree of their need. Present records indicate that from 80 to 85 percent of the persons who are eligible would probably get the full amount of $30. That might not be the condition in the Southern States, because some of the southern Senators are worried lest the payment of too high an income to certain of their citizens might cause social difficulties. The amendment would leave the problem in the hands of the State authorities to determine how much should be paid from the Federal funds up to $30 a month, and if the State desired to pay anything beyond that, it could do so.

Mr. MURDOCK. I wish to make one further suggestion, Mr. President, before I sit down. I know how industriously the distinguished Senator from California has sponsored the proposal of pensions for the old people of the United States. It seems to me he never had a finer opportunity to have his proposal favorably acted upon than he has right now, but it also seems to me that he has complicated the parliamentary situation by offering his proposal as a substitute for the Byrd amendment. I think the Senator from Mississippi, who suggested to the Senator from California that he merely add his proposal to the Byrd amendment, and then have the amendment, as amended, acted upon, offered an opportunity that probably will not come again in many months or years. If the Senator from California could have his amendment added to the Byrd amendment, it would, in my opinion, in that form pass by an overwhelming majority. I hope the Senator will adopt the suggestion made by the Senator from Mississippi.

Mr. DOWNEY. I thank the Senator from Utah very much.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I am interested in the parliamentary situation, as other Senators are, and I should like, simply for what it is worth, to say to the Senator from California that I cannot see how he would gain anything by attaching his proposal to the Byrd amendment, for his amendment, as I view it, has absolutely nothing to do with the issue involved in the Byrd amendment. I do not think the Senator would get any more votes by offering his amendment as a substitute for the Byrd amendment than he would if it were offered singly and alone on its own merits, nor do I think he would get a single additional vote if he included the Byrd amendment in it. In other words, if the Senator's proposal has merit—and I assume it has or he would not offer it—it seems to me it should stand on its own feet, that it ought to be considered according to its own merits, and that the proper procedure for the Senator to follow in order to secure an accurate test of the sentiment of the Senate on his proposal would be to permit the Byrd amendment to be disposed of, and then to offer his amendment as a separate amendment.

I assume there are Senators who differ on the Byrd amendment, who might be in agreement upon the Senator's amendment, and, conversely, there are Senators who are opposed to his proposal, but who could not vote against it if it were hooked up with the Byrd amendment. Therefore, the result would be a confused situation out of which it seems to me the Senator from California would gain absolutely no parliamentary advantage.

Mr. DOWNEY. Mr. President, let me express my appreciation of the comments made by the distinguished Senator from Wisconsin. I should like to state for the RECORD that the data which I am presenting to the Senate were accumulated by our special Old-Age Pension Committee, of which the Senator from Wisconsin was one of the most distinguished and effective members. I can assure him that all the other data I have been using in presenting my figures were laboriously accumulated from the Social Security Board.

Mr. O'DANIEL. Mr. President——

The PRESIDING OFFICER (Mr. BUNKER in the chair). Does the Senator from California yield to the Senator from Texas?

Mr. DOWNEY. I yield.

Mr. O'DANIEL. I wish to take this opportunity to congratulate the Senator from California for his foresight and strategy in getting the old-age-pension proposal before the Senate. I have been here since the 3d of last August. I came here in part for the purpose of trying to assist in getting this tangled old-age-pension matter straightened out, and have not had the opportunity before this time to lend any help whatever.

I considered it useless to introduce a new bill, because so many bills along that line are pending, and it seemed that the Senate always was too busy to consider pensions for the old folks, or to improve the present pension laws for the old folks, until we finally reached the time when the Senate thought of its own Members, and by virtue of the fact that discussion has arisen with respect to pensions for Congressmen the Senator from California now has his opportunity, and has arranged to bring this matter before the Senate. Therefore, I want to extend to him my congratulations, and to let him know that I am wholeheartedly in favor of his proposal in such form as it may be amended or changed to suit some Senators, or the majority of the Senators.

I am also in favor of repealing the feature of the law sought to be repealed by the Byrd amendment. Being in favor of both proposals, it appears to me that the matter is becoming somewhat muddled, and it is going to be difficult for those of us who are in the same position as I to vote our true convictions.

Mr. President, under those conditions I should like also to add my suggestion to the Senator from California that he give us an opportunity to vote on his proposal by making it an amendment to the Byrd amendment. All in favor of the amendment proposed by the Senator from California would then have an opportunity to express themselves definitely on it, without at the same time expressing themselves against the Byrd amendment. If the Senator's amendment is then carried, which I hope it will be, the opportunity will then recur to vote again on the Byrd amendment, and there is no doubt in my mind that the Byrd amendment will carry by a large majority in this body. If the amendment proposed by the Senator from California is embodied in and is part of the Byrd amendment it is sure, I believe, of adoption. If, however, the amendment of the Senator from California is not adopted as an amendment to the Byrd amendment, the Senator from California will still have the opportunity of offering it as an amendment to the pending bill, H. R. 6446.

Mr. President, I offer that as a suggestion and sincerely trust that the Senator from California will give it his very serious consideration.

I believe it would be detrimental to the best interests of the old folks of this Nation to try and substitute the Downey old-age pension amendment for the Byrd amendment, and I certainly hope that the Senator from California [Mr. DOWNEY] will change it to an amendment to the Byrd amendment, and insist that it be acted on in that position. In my opinion, it will weaken the position of his amendment if he permits it to become separated from the Byrd amendment, because the Byrd amendment is almost sure to be adopted.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. ELLENDER. I also hope the distinguished Senator from California will follow the suggestion of the Senator from Texas. I am one of the 24 Senators who voted against the original Mead bill, and I should not like to be placed in such a position that I could not vote for the repeal of the provision dealing with congressional pensions. I urge the distinguished Senator from California to withdraw his substitute, and to offer his proposal as an amendment to the pending Byrd amendment or as an amendment to the pending bill.

Mr. DOXEY. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. DOXEY. The sentiments and opinions expressed by the Senator from Texas [Mr. O'DANIEL] and the Senator from Louisiana [Mr. ELLENDER] were those which I had been discussing. It seems to me that from a purely parliamentary standpoint what the Senator from Wisconsin [Mr. LA FOLLETTE] suggested would give an independent vote on the two questions. If the Senator's amendment were offered as an amendment to the Byrd amendment, that would also give an independent vote. I am convinced that the Byrd amendment would help to carry the Senator's proposal. The thought I had in mind when I first asked the distinguished Senator to yield was that if he will offer his amendment as an amendment to the Byrd amendment, those in favor of the Byrd amendment will help to carry his proposal.

Mr. BONE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield. Mr. President, I am about to break down and come to the mourners' bench if I have an opportunity. [Laughter.]

Mr. BONE. Mr. President, can the Senator tell us how many persons in the United States are now receiving old-age assistance, how many would be entitled to it under the rules which Congress has established in its aid to the various State funds, and approximately how many persons the Senator feels would be entitled to share in the Treasury benefits which would be paid out under his proposal? I should like to have some fairly clear picture in my mind as to the numbers involved.

Mr. DOWNEY. In round numbers there are approximately 2,000,000 persons past the age of 65 now receiving old-age assistance. In addition, there are 200,000 or 300,000 receiving old-age insurance, but that is something different. If this proposal were adopted, it would bring in approximately 1,000,000 additional persons between the ages of 60 and 65.

Mr. BONE. Then it is a fair assumption that approximately 3,000,000 human beings, men and women, would and could be beneficiaries under the Senator's proposal?

Mr. DOWNEY. That is correct.

Mr. BONE. We should multiply $30 by that number to obtain some idea of the possible cost of the legislation to the Federal Treasury.

Mr. DOWNEY. Thirty dollars times 3,000,000 is $90,000,000, times 12 months, is something over $1,000,000,000; but we should be saving an amount in excess of $300,000,000 which we are now paying out for old-age assistance, plus what we are paying out in connection with the W. P. A. to those past the age of 65, plus what is being paid out in general relief to persons over the age of 60. Economists say that this plan would increase somewhat the flow of consumptive taxes into the United States Treasury. It is my own thought that the net cost to the people would not be more than $500,000,000; but I could not guarantee that it would not reach $600,000,000 or $700,000,000.

Mr. President, after listening to all this disinterested and able advice I should be very obstinate if I did not yield to it. Therefore, if I am doing the right thing from a parliamentary standpoint, I withdraw the pending amendment in the form of a substitute for the Byrd amendment, and will later offer the amendment which I have at the desk as an amendment to the pending bill.

The PRESIDING OFFICER. The Senator has the right to withdraw his amendment.

Mr. AUSTIN. Mr. President, I was about to suggest the absence of a quorum. I will withhold that suggestion for a moment.

Mr. DOWNEY. Mr. President, I do not wish to be bound by what I have said as to how I shall present my next amendment, whether I shall offer it as an amendment to the Byrd amendment or as an amendment to the bill itself.

Mr. WALSH. Mr. President, am I to understand that the Senator is withdrawing his amendment, which will leave the way clear to have a vote very shortly upon the Byrd amendment?

Mr. DOWNEY. That is correct.

Mr WALSH. Later he intends to reoffer his amendment?

Mr. DOWNEY. That is correct.

Mr. AUSTIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Austin	Gillette	Nye
Bailey	Glass	O'Daniel
Ball	Green	O'Mahoney
Bankhead	Gurney	Overton
Barkley	Hayden	Pepper
Bilbo	Herring	Radcliffe
Bone	Hill	Reed
Brewster	Holman	Rosier
Brooks	Hughes	Schwartz
Brown	Johnson, Calif.	Smathers
Bulow	Johnson, Colo.	Spencer
Bunker	Kilgore	Stewart
Burton	La Follette	Taft
Butler	Langer	Thomas, Idaho
Byrd	Lee	Thomas, Okla.
Capper	Lodge	Thomas, Utah
Caraway	Lucas	Tobey
Chavez	McCarran	Truman
Clark, Idaho	McFarland	Tunnell
Clark, Mo.	McKellar	Tydings
Connally	McNary	Vandenberg
Danaher	Maloney	Van Nuys
Davis	Maybank	Wallgren
Downey	Mead	Walsh
Doxey	Millikin	Wheeler
Ellender	Murdock	White
George	Murray	Wiley
Gerry	Norris	Willis

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

Mr. WALSH. Mr. President, what is the question now before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD].

Mr. DOWNEY. Mr. President, I desire now to offer as an amendment to the Byrd amendment the proposal I have sent to the desk.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. DOWNEY] to the amendment offered by the Senator from Virginia [Mr. BYRD].

Mr. BYRD. Mr. President, it seems to me the Senate of the United States should at least understand what the pending amendment provides. The Senator from California has not submitted to the Senate a single reliable estimate of the cost of his proposal. What does he propose to do? He proposes to give to the States $30 for each needy person who is over 60 years of age and let the States—not the Federal Government—determine who are needy. If that is done, I venture the prediction that, under this proposal, a large majority of the 15,000,000 people over 60 years of age will be certified by the States as being needy, because the States will have nothing to pay, but the money will come out of the Federal Treasury.

This amendment, Mr. President, has not been adequately considered by any committee; there has been no report made to the Senate by any committee on it. It is an amendment which incorporates the Townsend plan to give a pension to a majority of the men and women in this country who are over 60 years of age.

In my opinion, Mr. President, we ought to proceed in some orderly way with respect to this proposed gigantic expenditure. I make the confident prediction that if this amendment should be adopted and become a law, it will cost in a short time from $3,000,000,000 to $5,000,000,000 a year. It could cost——

Mr. ELLENDER. Mr. President——

Mr. BYRD. Let me finish my statement, please. It could perhaps cost $6,000,000,000 a year if the 15,000,000 citizens of this country who are over 60 years of age were paid $30 a month. At least 10,000,000 will be certified in my judgment. It does not seem to me the Senate should adopt the Townsend plan in any such hasty manner as this, pursuant to an attempt on the part of the Senator from California to use this repealer measure as a vehicle in an effort to induce the Senate to adopt the Townsend plan.

This is a vital question. We are engaged in the most desperate struggle America has ever known—a struggle which is going to cost untold billions of dollars and many thousands of American lives. It seems to me inconceivable that the Senate should adopt such a measure as that offered by the Senator from California, which has not been even considered by any committee of Congress. We have no estimate of cost; we only have the statement of the Senator from California. I have confidence in him, but I do not have confidence in his estimate as to the cost of this proposed legislation.

We have no written statement from the Social Security Board; nothing has been said indicating what the Board thinks this proposal, if adopted, would cost. I cannot see it otherwise than that if this proposed legislation, providing the Townsend old-age pension system, giving $30 a month to those over 60 years of age, and permitting the States to decide who are to receive the benefits should be adopted, a majority of those over 60 years of age would be certified. If one-half of them should be certified—and certainly that is a conservative estimate of the number—then the cost would be $3,000,000,000 a year, at a time when we should conserve every dollar of nondefense expenditures in order to promote the gigantic war effort which we have undertaken. There has never been a time when we should to a greater extent than now conserve the resources of America.

What is the emergency involved in this matter? America is more prosperous today than it has been for a long time; there is less unemployment than for many years; more money is being spent in different ways in America today than has been spent for a long time. Certainly the present great national emergency should preclude the Congress of the United States from adding 50 percent to the cost of nondefense expenditures of the Government, and, in my opinion, an estimate of $3,000,000,000 a year as the cost of this pension plan is most conservative.

Mr. President, for the Senator from California to offer as an amendment to a repealer measure of the congressional pensions, I submit, is not in accordance with wise parliamentary procedure. Of course, if it should be adopted, I expect to vote against the repeal measure as amended because I know the repeal measure will pass when it is properly presented to the Senate, and I could never vote for such an expenditure at this time as is involved in the amendment of the Senator from California.

The proposal, I repeat, has not been considered; it has not been reported by any committee; it is simply inconceivable to me that with such hasty consideration, without committee action, the Senate should adopt such an amendment as this.

Mr. O'DANIEL. Mr. President, I submit an amendment intended to be proposed by me to the pending bill. I shall offer the amendment at a later time.

The PRESIDING OFFICER. The amendment of the Senator from Texas will lie on the table and be printed.

Mr. CHAVEZ. Mr. President, we have been discussing a retirement and pension proposal for 2 days. Neither one of the issues that is to be decided this afternoon appears to be so important as the matter I am about to speak of. I shall not discuss the proposal to give elderly persons pensions of $30 a month; neither shall I discuss whether a person should attain the age of 60 or 65 in order to receive a pension from the National Government. I shall discuss a different kind of question; I shall discuss the boys in the Philippines who are getting $21 a month, and who daily face the hazard of being killed while drawing that munificent sum.

Mr. President, on Friday last the senior Senator from Maryland [Mr. TYDINGS] made what, in my opinion, will prove to be one of the historic and renowned speeches on the conduct of the war. His address thrilled the Nation, or at least, that majority that is grateful for the noble and patriotic defense that is being put forth by General MacArthur and his brave soldiers in the Bataan Peninsula and Corregidor in the Philippine Islands. The Senator spoke of courageous deeds such as would inspire men in any age. He reminded the country again that General MacArthur and his men are carrying on a fight against superior forces with the indomitable courage that has always been exhibited when the armed forces of the country have been put to the test.

He pleaded that our Government do everything in its power to try to rush aid for the relief of our forces in the Philippines. He asked that troops and materials of war be convoyed by our Navy, at whatever hazard, to the Philippine Islands. His plea has met with a ready response from the whole country, and in no State with a greater degree of approval than in my State of New Mexico.

In addition to patriotic reasons, the people of my State are deeply concerned with the actual military situation in the Philippines. They are in complete accord with the suggestions made by the Senator from Maryland. Thousands of mothers, relatives, and friends of New Mexico boys in the Philippines are interested. They have personal reasons and they cannot see any particular logic or advantage in a military way of sending troops to the four corners of the world while their sons, and sons of other American mothers from other States, are not aided. They fail to understand why an attempt is not made by this Government to aid them in an effective way.

Daily I have received letters, telegrams, and personal visits from constituents who have relatives in the Philippines, asking what Uncle Sam is doing about their sons and our soldiers. It is impossible to point out to a mother in my State that it is more advantageous to send soldiers to Aruba, soldiers to Ireland, soldiers to Iceland, soldiers to Java, equipment and war matériel to Libya and Russia, than it is to send soldiers, bombers, guns, and artillery on their way to the Philippine Islands where they are so badly needed.

Some few days ago, approximately 200 mothers, wives, and sisters of New Mexico soldiers in the Philippines consulted with one another in the little city of Deming, not far from the Mexican border, in my State. It was decided that they would send one of their group to Washington to make personal inquiries as to what this Government was doing, or attempting to do, to bring effective aid to their sons. Mrs. L. H. Byrne, a noble and patriotic woman of my State, who has an 18-year-old boy—her baby—proudly serving this country in the Bataan Peninsula, for the first time in her life got on an airplane and came to the city of Washington to make due inquiries as to what we were doing. In my presence she was received courteously by officers of the War Department, who gave her encouragement but nothing definite that would relieve her and her neighbors

of the anguish that they quite naturally feel.

Daily I receive letters and telegrams, pleading with me to see that something is done in the way of effective relief. The mothers of the New Mexico soldiers in the Philippines know American history. I am sure the mothers of the other soldiers with MacArthur also know our history. They know that up to this war our troops, the marines and the Navy of the United States, have carried the war to the enemy, even as against odds and handicaps. We have never been on the defensive; and, like the proverbial Irishman, we have always "waded into them." These mothers cannot see why a rich and powerful country, which can plan with plenty of confidence to produce 45,000 planes in 1 year, cannot send a few bombers to the Philippines. I know that they feel that if this country can send thousands of tanks and planes to help Russia, and thousands of tanks and planes to help the Allied forces in Lybia, a few tanks and bombers sent to MacArthur would mean the difference between defeat and driving the Japanese from Luzon Island.

The country is demanding action. The people know we are at war, and they know that war is everything Sherman said it was. They know that it means suffering, that it means spilling blood, that it means broken hearts, that it means the death of our loved ones; but the people of the country are willing, the soldiers, sailors, and marines are ready to make the supreme sacrifice if need be, in order to bring relief to their brothers in arms who are in need. Now is the time to repeat the past. Now is the time to repeat the action of hundreds of efforts made heretofore by our Army and our Navy in bold and brave advênture. Now is the time to do something. As stated before, there is not a person in the entire United States who does not feel that General MacArthur needs help. MacArthur himself would prefer a few attack planes to having all the streets in Washington named after him. He is one of our own, and so are the thousands who are fighting under him. Uncle Sam is the guardian of these soldiers. In everyday life, how many times have we heard of the mother who will go into the flaming room, even in the greatest of danger, in order to protect and save her child! Is Uncle Sam going to do as much for his boys now in a flaming hell in the Philippines?

I am going to read two or three letters from mothers of my State expressing how they feel about this matter.

Here is a letter from a small country town called Mesilla Park, in southern New Mexico:

DEAR SENATOR CHAVEZ: I saw in the paper where Senator MILLARD TYDINGS is asking that reinforcements be sent Gen. Douglas MacArthur's forces in Bataan. I think our New Mexico representatives should back this move, as many of New Mexico's boys are in the Bataan Peninsula. If we have forces to send other places, surely we have forces to reinforce our American boys. If we cannot equip and reinforce them, surely we should make an effort to bring them home. No one in our Nation has a right to set our own boys as a suicide squad and continue to give assistance to other nations. From articles appearing, it appears that one of them laid down, and her leaders have failed in every crucial test. I suggest more assistance to Russia, for they are actually fighting our enemy.

We New Mexico people are following this with keen interest and many tears. We'd like to know your reaction on this matter.

Here is another letter, from a young lady who has a 19-year-old brother in the Philippine Islands. It is from Hanover, N. Mex., which is also a small country town. The letter does not come from a big city, where people are willing to serve the Government and leave everything they have so long as they can get a place in Washington. This letter comes from a family in a small country town in my State who know what is needed and who go to the recruiting officers and enlist:

DEAR SENATOR CHAVEZ: Just want to add my plea for help to reach MacArthur's men in the Philippine Islands before it is too late. Please do all in your power to have at least a few bombers reach them. We feel like the United States is letting them down there. Are we?

I have a brother in the Two Hundredth Coast Artillery, and I want him back like he was sent over there, sound in mind and body; and unless they get them help immediately, what can we expect?

Trusting you to do all you can—

Here is another letter from a small country town, but from a Christian, patriotic American mother:

I write to you regarding our troops in the Philippine Islands About 10 weeks they have been in desperate straits on Luzon Island What do you suppose those faithful men think we are doing here? If they could read the papers they would be very much disgusted with some of the doings in Washington, dissension, waste of time, and bombastic talk, and seemingly nothing done to relieve the Philippine situation. It looks like we are sold out to the British; at least, many people think that way. War equipment is being sent everywhere else. If the United States has a fleet, why can't planes be sent MacArthur as well as to every other war front? Hundreds af New Mexico boys and officers are there. Can't you and other Members of Congress act now and do something for MacArthur and his brave men? I do hope you will use your influence—

I thank the lady for the compliment—

at once for that purpose.

Hopefully and respectfully,

From another small country town, a lady writes me as follows:

My son was a member of the National Guard [in New Mexico], which was inducted into the Army, and last September was sent to the Philippines, while members of the Regular Army are still in the United States. That doesn't seem right to me, and I don't understand it; besides that, they were hurried away ill-equipped, and better equipment has never been sent them. Now they are left fighting after more than 2 months with no material aid or reinforcements from their country; and I consider their country has failed to back them up, and is no longer interested in them, since they leave them to fight until there is no alternative but to surrender, like the gallant boys of Wake Island.

The boys of the Two Hundredth Coast Artillery represent some of our best educated and cultured citizens, and have families who need them badly. My boy is more precious than the whole group of the Philippines, and yet they have sent reinforcements to the East Indies to protect the oil interests. I believe they should try to evacuate those troops if they are not going to send them aid, and it will take three times as many men to regain their present positions. I know we were not properly prepared, in spite of talking about it the last year or two, owing to allowing the laborers to strike. Why shouldn't the soldiers strike for better pay or their country's support? Now there is a silly plan to teach children defense dancing when they may be crying for bread or their own fathers soon.

What a selfish world this has grown to be, when our Senators take advantage of the situation to feather their nests through our pockets.

I believe she was discussing the pending question.

There seems to be no justice any more. From my standpoint our Government is top-heavy in personnel, and money-mad, and I fear we will be bankrupt when this war is over, and then what will happen? Too much red tape, too much politics, inefficient people in positions of authority. We need people who are honest, with the good of our country at heart. I wish we could clean out all the selfishness and start over again.

I desire to advise the lady that next November is a good time to start.

Our Government has failed our soldiers miserably; but can't something really be done to help our boys in the Philippines before it is too late?

Mr. President, Clovis, N. Mex., is a small city, an enterprising, vigorous city, with a population consisting of Americans, the kind who join the Army, not the kind who come to Washington to get commissions as majors, or become specialists. I am proud today that from the home city of my colleague the senior Senator from New Mexico [Mr. HATCH], who I wish were present, some 200 or 300 boys are in the Philippines. I hold in my hand a telegram from the chairman of a committee of fathers and mothers of that city, reading as follows:

CLOVIS, N. MEX., *January 7, 1942.*

Senator DENNIS CHAVEZ,
Senate Office Building,
Washington, D. C.:

Fathers, mothers, and friends of New Mexico troops now fighting with back to wall in Philippine Islands are very fearful of their survival if something not done at once by our War Department to give them immediate relief by added troops and supplies or evacuate them. We wish your assurance that measures are being taken for these men. Clovis and New Mexico probably have larger percent of men in Philippines than any other region. Is our Government going to permit these New Mexico men to die like rats in a trap without relief 8,000 miles from home?

COMMITTEE OF FATHERS AND MOTHERS,
By P. E. JORDAN.

To show the Senate that that feeling is prevalent not only in New Mexico but elsewhere, I wish to read a letter which appeared this morning in the Washington Post, written by a good lady of the city of Washington, as follows:

HELP, NOT GLORY

They are naming a street in Washington for MacArthur; squabbling over whether they will call it a road or a boulevard; quite characteristic of our war effort in this city. What cares MacArthur about a street named for him here in Washington? He and his men need everything—planes, reinforcements, supplies—and we give him an epitaph. Name a street for him and sit back in our smugness and prattle about the honor we have shown

him. His men are dying out there, bravely upholding the finest traditions of our country, with just a glimmering ray of hope that somehow, before it is too late, Uncle Sam will do the right thing by them. Those were fine words that our President spoke right after Pearl Harbor to the defenders of the Philippines. Hold on and we will help you. Everyone knows how they held on. In the meantime reinforcements reach Ireland.

The best defense is an attack. Who said that? Not the men in Washington. By now surely we must be turning out 2,000 bombers a month, flying fortresses, some of them. Are there no red-blooded men in the air forces of the Army or Navy who would volunteer to fly just a few token long-range bombers by stages to MacArthur? Are there not a few red-blooded men in command who will give the orders?

AN AMERICAN MOTHER.

WASHINGTON, *February 14.*

Mr. President, I have many letters of a similar nature and import, and I ask unanimous consent that they be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MESILLA PARK, N. MEX.,
February 14, 1942.

Senator DENNIS CHAVEZ,
of New Mexico,
Washington, D. C.

DEAR SENATOR CHAVEZ: I saw in the paper where Senator MILLARD TYDINGS is asking that reinforcements be sent Gen. Douglas MacArthur's forces in Bataan. I think our New Mexico representatives should back this move, as many New Mexico's boys are in the Bataan. If we have forces to send other places, surely we have forces to reinforce our American boys. If we can't equip and reinforce them, surely we should make an effort to bring them home. No one in our Nation has the right to set our own boys as a suicide squad and continue to give assistance to England. From outside appearance, England laid down and her leaders have failed in every crucial test. I suggest more assistance to Russia, for they are actually fighting our enemy.

We New Mexico people are following this with keen interest and many tears. We'd like to know your reaction on this matter.

Yours truly,

MRS. W. E. EVANS.

HANOVER, N. MEX., *February 15, 1942.*

Senator DENNIS CHAVEZ,
Washington, D. C.

DEAR SENATOR CHAVEZ: Just want to add my plea for help to reach MacArthur's men in the Philippines before it is too late. Please do all in your power to have at least a few bombers reach them. We feel like the United States is letting them down there. Are we?

I have a brother in the Two Hundredth C. A., and I want him back like he was sent over there, sound in mind and body; and unless they get them help immediately, what can we expect?

Trusting you to do all you can, I am,

Sincerely,

GERTIE G. ALLAN.

FEBRUARY 16, 1942.

Senator CHAVEZ,
United States Senator from New Mexico.

DEAR SENATOR: I write to you regarding our troops in the Philippines. About 10 weeks they have been in desperate straits on Luzon Island. What do you suppose those faithful men think we are doing here? If they could read the papers they would be very much disgusted with some of the doings in Washington. Dissension, waste of time, and bombastic talk, and seemingly nothing done to relieve the Philippine situation. It looks like we are sold out to the British—at least many people think that way. War equipment is being sent everywhere else. If the United States has a fleet, why can't planes be sent MacArthur as well as to every other war front? Hundreds of New Mexico boys and officers are there. Can't you and other Members of Congress act now and do something for MacArthur and his brave men? I do hope you will use your influence at once for that purpose.

Hopefully and respectfully, I am your friend,

MRS. JUNE ROBERTSON.

DEMING, N. MEX.

LAS CRUCES, N. MEX., *Feb. 7, 1942.*

Hon. DENNIS CHAVEZ,
Washington, D. C.

DEAR MR. CHAVEZ: We, as father and mother of a son (our only son) fighting in the Philippine Islands, are wondering why after 62 days of hard fighting there has been no help sent the boys there, at least to give them a breathing spell. We believe we are expressing the sentiment of hundreds of New Mexico fathers and mothers that have sons in the Philippines. And just why is there nothing being done for them? If we have men and equipment to send to Ireland and other places surely we can send help to our own American boys stranded on a remote island with no help at all. We know and appreciate that there is a war to win, and to win it we know that it means all-out of everything, but we do believe that the safety and protection of our own boys come first.

We do not know who to go to but you Mr. CHAVEZ, for you do represent us New Mexico people, and we are hoping and praying that something can be done for our boys.

I have had no word from my son since war started, we don't know whether he is dead or alive.

He is Lt. Charles R. Sparks of Forty-first Infantry.

Hoping you can do something for us.

We are,

Yours truly,

Mr. and Mrs. L. V. SPARKS.

LAS CRUCES, N. MEX.

ALBUQUERQUE, N. MEX.,
January 5, 1942.

Senator DENNIS CHAVEZ,
Washington, D. C.

DEAR SIR: If you have any influence at all, please use it to get something done about sending help to the New Mexico boys in the Philippines.

Sincerely,

MRS. C. A. COGGESHALL.

ALBUQUERQUE, N. MEX.,
January 5, 1942.

Mr. DENNIS CHAVEZ,

DEAR MR. CHAVEZ: We have a mothers' club here in Albuquerque of all the boys in the Philippines. From what they tell us, looks like some of the officers are leaving the Philippines because it is getting tough for them, and we want to ask you if you can't do something about getting our boys out, too. We notice in papers that boys are fighting against big odds. Please, Mr. CHAVEZ, forgive me for my poor writing.

Only one of your friends whom you don't know.

VICENT LUERAS.

ALBUQUERQUE, N. MEX., *January 3, 1942.*

Senator DENNIS CHAVEZ,
Washington, D. C.

DEAR SENATOR CHAVEZ: I am writing to you, as I am very anxious to find out something in regard to our boys from New Mexico who are in the Philippines.

Two things are most important: First, why have they had no reinforcements? Also, why were the boys past 28 years of age shipped out of the United States when the bill had already been passed by Congress to release them?

I realize they would all be called back now, but why were they sent and kept in the Philippines, where they still are?

All the New Mexico people are anxiously wondering why some help by sea or air isn't available to General MacArthur and his army.

I would appreciate your efforts to help secure this aid our boys so badly need.

Thanking you in advance.

Yours very truly,

MARGARETTE WILLIAMS.

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628 SOUTH WALTER STREET,
Albuquerque, N. Mex., January 4, 1942.

The Honorable DENNIS CHAVEZ,
The United States Senate,
Washington, D. C.

DEAR SIR: More than 2,000 New Mexico boys and more from other States are facing annihilation in the Philippines by the overwhelming odds of Japanese soldiers. According to recent magazines and news reports, no attempt is planned to relieve these boys, and, instead, all aid is being sent to Singapore and Netherlands. These reports are causing a feeling of intense anxiety bordering on panic among the relatives and friends of these boys. Can assurance be given that any effort will be made to rescue these soldiers immediately; not eventually?

Very truly yours,

MRS. FRED E. LANDON.

ALBUQUERQUE, N. MEX.,
January 3, 1942.

Hon. DENNIS CHAVEZ,
United States Senator from New Mexico,
Washington, D. C.

DEAR SENATOR: Your insistence that reinforcements be rushed to the relief of those valiant heroes fighting in the Philippines will be greatly appreciated by thousands of parents in New Mexico. My son is fighting side by side with some of your family. They need help and your efforts in their and our behalf will be most important.

Frankly, I do not like Mr. Churchill. He is all for the British. Since we have so much to send to them and others it seems reasonable to expect some for our own.

How those who have no sons facing the enemy in Japanese uniforms can expect high morale in the rest of our armed forces when they know they will be deserted—yes, coldbloodedly deserted—by those they trusted when they enlisted or answered the selective service call, is more than I can understand. Maybe if my son was strutting around safely in this country I would feel otherwise. As it is I can't help but question the motives of some in high places. I feel that there has been some un-American wool pulling.

Please, Senator, won't you do your best? That will be plenty.

Respectfully yours,

V. H. SPENSLEY.

ALBUQUERQUE, N. MEX., *January 3, 1942*

Senator DENNIS CHAVEZ,
Washington, D. C.

DEAR SENATOR CHAVEZ: Sentiment in Albuquerque is very strong over the seeming inability of our Government to protect our soldiers in the field.

From the time of the tragic affair on Wake Island, when everyone expected help for our Pacific outposts, up to the present time when our boys in the Philippines are fighting with their backs against the wall, it would seem that a terrible mistake has been made somewhere.

I serve in several organizations; also on three of our civic boards. The opinion is

unanimous—that we should demand that something be done for our boys in the Philippines.

So far we have overlooked the fact that no help has been sent on account of the distance but we want assurance that our Government is not going to let us down and will get aid to our men in the Philippines at once.

We are true Americans and we do not object to our boys fighting for their country—but we do object to our boys being sacrificed to save time for additional fortification of Singapore.

We have always felt that if we were in trouble, our Navy, our planes, and our men would protect us. Our boys in the Philippines are protecting our country now. Is Washington going to refuse to protect them?

Hoping that you may be of assistance in getting word to us that reinforcements are on the way, I am,

Yours very sincerely

ETHEL M. BICKFORD.

ALBUQUERQUE, N. MEX., *January 6, 1941.*

Senator D. CHAVEZ,

Washington, D. C.

DEAR SIR: As parents of a son in the Philippine Islands, we are writing to you, asking what is being done to reinforce the men there, or if there are any plans to evacuate the troops.

We see in the papers here about taking General MacArthur off if it gets too hard going to hold the island. We pride ourselves on being as good Americans as there are in the United States of America, but we want some assurance that this United States of America will treat our men as they deserve to be treated. We think it unfair to send them there if they have no plans to reinforce them or evacuate them. They should not be left to fight to the last man, just to gain the English more time to reinforce Singapore.

If you can, please send some encouraging news to the Albuquerque papers. They drafted our son for 1 year, and was not to be sent out of the United States of America, but if they give him a chance to pull out if necessary to give up the Philippine Islands, and not left there for the Japs, that's all we ask.

Sincerely yours,

Mr. and Mrs. F. O. BERGQUIST.

JANUARY 8, 1942.

DEAR MR. SENATOR: Please use your influence in convincing the Army and Navy officials that the Philippine defenders should not be left to die in the defense of Singapore without some effort to aid them.

It is neither fair to the boys over there or to the ones who love them over here to sell their lives for time to prepare to fight.

Let's see some moves made to evacuate them or send them reinforcements instead of making them the goat—scapegoat of our unpreparedness.

Trustingly yours,

GLENN BERGQUIST.

P. S.: Yes, I have a brother over there.

ALBUQUERQUE, N. MEX., *January 5, 1942.*

DENNIS CHAVEZ,

Senate Office Building,

Washington, D. C.:

We want our boys in Philippines either reinforced or evacuated and keep MacArthur with them.

MR. AND MRS. F. O. BERQUIST.

ALBUQUERQUE, N. MEX., *January 3, 1942.*

Senator DENNIS CHAVEZ.

DEAR SIR: I wish at this time to beg for help for our soldiers in the Philippines.

Is it necessary to send all reinforcements to Singapore and Dutch East Indies while our boys are being murdered without a chance?

A heartbroken mother who is praying for justice for our boys.

Respectfully yours,

Mrs. H. E. FINCKE.

(Mothers' Service Club.)

ALBUQUERQUE, N. MEX., *January 6, 1942.*

Hon. DENNIS CHAVEZ,

United States Senator, Washington, D. C.

DEAR SENATOR: The people of New Mexico are much concerned over the possible fate of our 2,000 boys in the Philippines and will appreciate some assurance that they are not to be abandoned without some direct efforts to relieve their present situation.

Sincerely,

MRS. CARL F. WHITTAKER.

DEMING, N. MEX., *February 12, 1942.*

Senator DENNIS CHAVEZ,

Washington, D. C.

DEAR SIR: My son was a member of the National Guard which was inducted into the Army, and last September was sent to the Philippines, while members of the Regular Army are still in the United States. That doesn't seem right to me, and I don't understand it. Besides that, they were hurried away ill-equipped, and better equipment has never been sent to them.

Now they are left fighting, after more than 2 months, with no material aid or reinforcements from their country, and I consider their country has failed to back them up, and is no longer interested in them, since they leave them to fight until there is no alternative but to surrender like the gallant boys of Wake Island.

The boys of the Two Hundredth Coast Artillery represent some of our best-educated and cultured citizens, and have families who need them badly.

My boy is more precious than the whole group of Philippines, and yet they have sent reinforcements to the East Indies to protect the oil interests.

I believe they should try to evacuate those troops if they are not going to send them aid, and it will take three times as many men to regain their present positions.

I know we were not properly prepared, in spite of talking about it the last year or two, owing to allowing the laborers to strike. Why shouldn't the soldiers strike for better pay or their country's support? Now there is a silly plan to teach children defense dancing when they may be crying for bread or their own fathers soon.

What a selfish world this has grown to be when our Senators take advantage of the situation to feather their nests through our pockets.

There seems to be no justice any more. From my standpoint, our Government is top-heavy in personnel and money-mad, and I fear we will be bankrupt when this war is over, and then what will happen? Too much red tape, too much politics, inefficient people in positions of authority; we need people who are honest, with the good of our country at heart.

I wish we could clean out all the selfishness and start over again.

Our Government has failed our soldiers miserably, but can't something really be done to help our boys in the Philippines before it is too late? It will cause a blot on our history.

Respectfully,

Mrs. FRED SHERMAN.

Mr. CHAVEZ. In conclusion, Mr. President, I wish to express to the Senator from Maryland [Mr. TYDINGS] the sincere thanks of thousands of mothers from my State for his noble courage in expressing their desires and their feelings. I want to assure the Senator from Maryland that I feel exactly as he does. I hope that actual deeds, in the way of reinforcements and convoying to the Philippines, will be ordered. Talks, speeches, magazine articles, newspaper interviews, photos in the newspapers at home—none of these will help General MacArthur and his gallant army.

Mr. DOWNEY. Mr. President, reverting to the remarks made a few moments ago by the distinguished junior Senator from Virginia [Mr. BYRD], I have no desire to enter into a controversy with him as to whether the pending proposal is the Townsend plan. I can assure him it is not. It is totally different in its scope and operation, in its beneficiaries and cost, and in the method of raising money. But, regardless of what the Senator may desire to call it, the ultimate question is, how much would it cost our people?

The Senator stated unequivocally that I had no official data here supporting my remarks. I know he was sincere in that statement, but he was incorrect. I happen to have been the chairman of a special committee to investigate old age pensions, which was in session for many weeks, and received voluminous data after exhaustive research by the Social Security Board. I may state that those data were all presented to the Finance Committee of the Senate, and are now on file, and that I myself personally presented to the Finance Committee the data upon the very proposal now before the Senate, with the documents supporting it. If the Senator will go to the records of his own committee, he will find there the documentary data supporting the statements I have made.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BYRD. Does the Senator from California state that that documentary evidence refers to a $30-a-month pension, paid solely by the Federal Government?

Mr. DOWNEY. Yes. I placed in the record, I think the last time I appeared before the Committee on Finance, figures as to the cost to the Federal Government of a $30-a-month pension, as given to me by the Social Security Board.

Mr. BYRD. Will the Senator present the figures to the Senate now?

Mr. DOWNEY. I do not have them here, but I have other records in my hand.

Mr. BYRD. What the Senator has now is figured on an entirely different basis.

Mr. DOWNEY. If the Senator from Virginia will permit me to inform the Senate what I have here, I think the Senate will be satisfied.

I asked the Social Security Board to present data to me as to the number of persons between 60 and 65 years of age who would probably be eligible for, and would claim, the pension of $30 a month. I likewise asked the Social Security Board to state for me their estimate of the number of persons above 65 years of age who would be eligible and who would claim the pension in the event the Federal Government made a flat contribution of $30 a month, without any matching by the States.

The Social Security Board informed me that there were certain factors involved of quite an uncertain nature, and that they therefore had to give me alternative estimates. The uncertainty arose from the fact that they did not know the number of persons who would continue in employment in the event the pension were provided.

Some of their actuaries thought that of the age group between 60 and 64 years of age, 15 percent would be needy persons, unemployed, without children, without savings, and would be entitled to, and would claim, the pension which I have proposed in the amendment. Some of their actuaries thought it would be 17½ percent; some of them thought it might go as high as 20 percent, and one actuary told me that, in order to be entirely safe, they had made an estimate also of the percentage of the persons between 60 and 65 years of age who might claim pensions, and that the figure might go up to 24 percent of the total.

If 15 percent, the minimum number, should claim the pension, the total number would be 2,900,000. If 17 percent, which was the most generally accepted figure, should claim the pension, the number would be 3,029,000. If 20 percent were to claim the pension, 3,147,000 would be eligible, and if 24 percent were to claim the pension, 3,300,000 would be eligible under the law.

I have been informed by the actuaries of the Social Security Board that war employment is reducing the number of unemployed and the number of needy persons between 60 and 65 years of age, and that probably the lower percentage of eligible persons should be accepted. I have not done that. I have not only taken a medium figure but I have allowed an extra hundred million to cover that contingency, if necessary.

I may also state to any distinguished Senator who is interested that these figures apprehend that all the persons who are certified as needy will receive their payments.

Knowing, under the figures of the Social Security Board, that approximately 3,000,000 persons would be eligible under the needy clause, it then becomes rather a simple matter of arithmetic to multiply $30 a month by 3,000,000 persons by 12 months, with a resulting figure approximating $1,000,000,000.

The distinguished Senator from Virginia has rather shocked me by his suggestion that if this measure providing relief for needy persons should be passed, then everyone in the United States, employed and unemployed, millionaire and pauper, United States Senators and Representatives, would claim the pension. I cannot believe that there would be any public officials so corrupt and stupid as to allow that. I think the Senator has been drawn into an extraordinary statement.

I may say that the present Social Security Act, in my opinion, very carefully safeguards the standards that must be applied by a State in determining who is a needy person. The Federal Security Agency holds it within its own power to prescribe certain rules safeguarding the actions of the States. I have no reason to believe that the States would be corrupt and would grant this pension to persons who were not in need; but if such a situation should develop, there is ample power in the Federal Government under the present Social Security Act to apply a remedy. If the distinguished Senator from Virginia does not think that to be so, I shall be very glad to have him prepare an amendment to my amendment which would safeguard in any way he desires the payment of these pensions, so that they would go only to needy persons.

I may say that in one or two or three States there have been complaints made that pensions were paid to an excessive number of persons, some of whom were not in need. I believe the Social Security Board has met that problem and solved it. I have no doubt it would be solved if the age limit were reduced to 60 years.

It seems to me that an argument based upon the assumption that the law will be disobeyed and not carried out is weak, indeed. When by solemn congressional enactment we are assuring pensions to persons in need it seems strange for the distinguished Senator from Virginia to say, "I am going to calculate the cost in billions of dollars, because I say that every American citizen, above 60 years of age, Henry Ford and Franklin Roosevelt, whomsoever he may be, will claim this pension." It seems to me the Senator is going far afield in making such an argument.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BYRD. I never said they would claim it. I said it would be possible under the law for them to do so.

Mr. DOWNEY. It certainly would not be possible. No man could get this pension unless he showed need. A United States Senator receiving $10,000 a year cannot show need. A man with employment cannot show need. A man with a home or a job, or even if he does not have a job, if he has children to support him, cannot show need. The law has already been faithfully and well carried out. There has been no violation of it. Why, I ask the Senator, simply because we would relieve 1,000,000 people in the tragic age between 60 and 65 years, does he believe there would be a break-down of the law?

Mr. BYRD. One of the reasons that the law has been more strictly enforced is that up to this date a State pays one-half of the pension. The Senator now proposes that the Federal Government pay all of it, but to permit the States to fix the standards on the basis of which it will be paid.

Mr. DOWNEY. The Senator is very much mistaken in that assumption. I am not suggesting that the States be allowed to fix the standards. I am leaving the law as it is at present, and the Social Security Board has ample power under the present law to see that no State shall unfairly define the meaning of "needy." The distinguished Senator is a member of the Finance Committee, and if he believes that the provisions of the law prescribing how the qualifications of needy persons shall be determined and safeguarded are not sufficient, it will be very simple for him to offer an amendment to the law and have it adopted, without any difficulty, by the Senate and the House of Representatives.

Mr. BYRD. The Senator from California stated, I believe, in connection with the figures read by him, that they were made on a basis of 80 percent and 20 percent; in other words, 80 percent to be paid by the Federal Government and 20 percent to be paid by the States. The proposal which the Senator now makes is that 100 percent shall be paid by the Federal Government, and that nothing shall be paid by the States. Am I correct in that assumption?

Mr. DOWNEY. No; the Senator is only confusing the situation in a very unhappy way. I read no figures from the statement with respect to money. I read merely the number of persons between the ages of 60 and 65.

Mr. BYRD. If the Senator will read the letter from the Board it will be seen that the statement is made on the 80–20 basis.

Mr. DOWNEY. I should like to clarify the situation to the Senate. I requested the Social Security Board to tell me what would be the cost to the Federal Government of a pension plan under which $40 a month flat would be paid to all single persons in the United States, and $25 to each of a married couple, if of the total amount 80 percent should be paid by the Federal Government and 20 percent by the States. It is true that the figures I have given as to the number of needy persons appear in that statement, but I have not read any figures relating to a $40-a-month pension or to 80 percent being paid by the Federal Government and 20 percent by the States.

Mr. BYRD. The point I was trying to make is that the particular plan which the Senator now proposes has not been submitted to the Social Security Board and that the figures he is reading are based on a different plan.

Mr. DOWNEY. I wish to state to the Senator again, and I do so at the risk of boring the Senate, that I requested of the Social Security Board an estimate of the number of persons who would be entiled to the $30 a month on the basis of need. I hold the Board's reply in my hand. Their statement is the number would be approximately 3,000,000. The Social Security Board has said repeatedly to me in different forms—and this is one of them—that it could be expected that under a pension law giving pensions to needy persons past the age of 60, the number of persons would be about 3,000,000. I may say to the distinguished Senator that from there on I did not need any Social Security Board figures. If the Social Security Board tells me "You are going to have 3,000,000 beneficiaries," and the Senate decides to pay them $30 a month each, I do not have to go to any actuaries to multiply 3,000,000 by $30 a month. I know myself that the figure would be $90,000,000, and I know there are 12 months in the year, and I can multiply $90,000,000 by 12 and find a total of about $1,000,000,000, which is just about what the cost would be. I may say to the distinguished Senator that I discussed this very set of figures before the Finance

Committee, and put the documents in the record to support them.

Mr. President, let me say that if it should develop hereafter that any of the States were lax or corrupt in enforcing the rule as to needy persons, then of course the Congress of the United States, if it were necessary, could give additional power to the Social Security Board.

The fact is that it would take something over $1,000,000,000 to implement this plan; but there would be about $500,000,000 in credits, representing the savings in present pensions, W. P. A., and general relief, leaving a net cost to the Government of between $500,000,000 and $600,000,000, or $700,000,000.

Mr. President, I shall conclude very briefly. A few months ago the Gallup organization completed a great poll of this Nation. It found that 91 percent of the American people favor Federal pensions; that an overwhelming majority want the age fixed at 60; and that the median amount desired by the people of the United States is $42.

Under the proposal which I am offering $30 a month would be paid by the Federal Government, and the State could rest upon that if it so desired, or it could add an additional amount to it. I cannot believe that any Senator from the South, representing one of the States where the consequences have been most tragic in relation to the social-security law, will not vote for this measure, because it would tend to equalize the flow of money out of the United States Treasury to all the States upon a fair and equitable basis.

Mr. President, I wish to read a letter or two, and then I shall conclude. When the Social Security Board tells us that there are in the United States approximately 1,000,000 needy people between the ages of 60 and 64 it means persons without jobs, without savings, without property, and without children to support them. It means individuals eating the bitter bread of poverty in this wealthy land under conditions so miserable and unhappy that any man who pretends to adhere to Christian principles should feel a sense of revulsion. While we pretend to moral leadership of the world and propose to spread to the world everywhere the "four freedoms," including freedom from want, in our own country there are millions of elderly men and women desperate and unhappy. I cannot live in Washington easy and soft and well fed and enjoy life knowing that in my own State and everywhere else in the United States are hungry, despairing people.

The passage of the measure which I propose would not impede our war effort at all. I say that because the people I have in mind do not want planes, steel, guns, and battleships; they want food to live on. If our farmers cannot produce the food for them, plus whatever we eat, then let some of the others of us give up 1 or 2 percent of our food so that it may be given to them and so that in this Christian land we shall not have misery and despair.

Mr. President, I know these elderly citizens. They represent the pioneer type of America. They built this land. Many of them accumulated for decades against old age and saw their savings engulfed in the panic of 1929. Yes; they are the people who built our productive instruments and cleared and planted our farms.

Now, through no fault or failure of their own, they are reduced to a tragic condition. I cannot understand how any Senator could fail immediately to seek to rescue them from their unhappy plight.

Mr. President, perhaps more than any other Senator I am harassed by the receipt of letters which, when I read them, tear my very heart. I have received hundreds of thousands of such letters in the 3 years I have been here telling of the misery, insecurity, and degradation of great segments of our population. I wish to read two of those letters, which are typical, and with that conclude my argument on this amendment, unless the distinguished Senator from Virginia desires to raise some additional points.

In November of last year I received this letter from Los Angeles:

LOS ANGELES, CALIF., *November 12, 1941.*
Senator SHERIDAN DOWNEY,
Claremont, Calif.

DEAR SIR: I read in the Los Angeles Examiner a publication by Mr. Joseph Timmons, in which he states that you will sponsor an initiative measure for the next November ballot for a $60 per month pension for persons 60 years old or more not gainfully employed. I am glad to know that you are interested in the aged. My husband for one would appreciate knowing that he can get help. His name is Patrick Henry. He was injured on a Work Projects Administration project in 1939, has not been able to work since.

He is eligible for the pension now, and would be very grateful for it.

That is, he is past the age of 60.

He gets some help, but his check for the month of October was cut $9.27 and we don't have food in the house. I am not able to go out to work, as there is no one to care for him, and it is hard on me to have his check cut. He had to carry the water hose on his right shoulder, when at work, which paralyzed his right side. Our President says nobody should go hungry but we are. Will thank you kindly for a reply.

Respectfully,
BLANCHE HENRY (wife).

Then a despairing note which gives the details of this typical tragedy:

Mr. DOWNEY. All they give us is $29.68, and $9.27 was taken out of that, so all I had left was $2.15 to buy food with after I paid my rent—was $15 and gas and light was $3.27, and all they send me was $20 October 17, the check was due on the 15th.

Rent	$15.00
Gas and light	3.27
Total	18.27

So you see Mr. DOWNEY what I had left out of $20, only $2.15 to take care of my sick husband with, so I thought I would write you, Mr. DOWNEY, because I knew you are over them at the relief office and they have to do what you say. For I am really in need. I have no food in the house for almost 3 weeks and no money to buy food with. I thank you again Senator SHERIDAN DOWNEY.

Mr. President, one of the terrifying things about these letters is their meekness. Very seldom is there any hatred, condemnation, fury, or passion. There is only the cry for help. These people are on the verge of destitution and starvation.

Let me read a second letter. I could read such letters from my files by the month if anybody would listen to me. This letter was written on Thanksgiving Day:

MODESTO, CALIF., *November 20, 1941.*
Mr. SHERIDAN DOWNEY.

DEAR SIR: Just a few lines this Thanksgiving Day. Most everyone around here seems to be gone to dinner somewhere, all but poor me. I am here all alone, out of money, out of everything to eat again. I pay my house rent, $15 a month, and water bill and gas bill and other little expenses. It don't leave me enough to live on until the 1st of the next month.

I am 72 years old. My right leg has been broken twice and almost every rib has been broken in a wreck. I am not able to work any. I make a loaf of bread do me a week. A small sack of potatoes a month. The last of the month, the last 2 weeks, I live on one meal a day. If I want to go to town I have to walk 2 miles as I haven't got the 10 cents to pay the bus fare. I am out of money, out of things to eat, and 10 more days to go.

This morning I thought someone maybe would bring me something to eat, but haven't as yet and it is 2 o'clock. I worked hard to help elect you and Governor Olson. Now will you please give us old people a pension?

I am satisfied there is thousands of old people all over this United States that needs help. Enact the Townsend plan. Give it a trial and see if it will work.

Give this letter to the one where it will do the most good.

Yours respectfully,
H. J. MUSSER.

Oh, Mr. President, the picture of silent despair, of an old man all alone in a house at Thanksgiving, waiting, pitifully hoping that some relative will come by and perhaps give him a meal. Oh, if that were a single case, and if any Senator knew about it, he would draw a check to help that person. But, Mr. President, I speak from knowledge personal and certain when I tell you that millions of the elderly people of this Nation are on the verge of misery and starvation.

Mr. President, the amendment I have offered does not satisfy my longing for decent social dividends; but it will at least alleviate the tragic plight of millions of our people past 60 years of age, people too old to work, without savings, and without children. I sometimes think that if this Nation and our civilization are to endure we had best begin to think about the afflicted and the unfortunate persons within the borders of our own land, and endeavor as best we can to alleviate their misery.

Mr. CLARK of Idaho. Mr. President, will the Senator yield?

Mr. DOWNEY. Yes; I yield.

Mr. CLARK of Idaho. Do I correctly understand that the Senator from California has now withdrawn his amendment as a substitute for the Byrd amendment?

Mr. DOWNEY. That is correct.

Mr. CLARK of Idaho. And that he now offers it as an amendment to the pending bill?

Mr. DOWNEY. To the Byrd amendment.

Mr. CLARK of Idaho. Yes; but to the pending bill; is that correct?

Mr. DOWNEY. That is correct.

Mr. CLARK of Idaho. Let me inquire of the Senator why he saw fit to do so?

Mr. DOWNEY. Principally because 20 or 25 Senators suggested that I do so, and assured me it would have their support if I did so.

Mr. CLARK of Idaho. So that if the Senator's amendment is agreed to—and I rather think it will be—and then the so-called Byrd amendment as amended is agreed to, the so-called congressional pensions will be out, and the Senator's proposal will be in. Is that correct?

Mr. DOWNEY. If that happens the Senator from Virginia [Mr. BYRD] and I will have joint responsibility in bringing pensions to a great group of people in America; that would be the result.

Mr. CLARK of Idaho. And would also have the responsibility of repealing the so-called congressional pension bill.

Mr. DOWNEY. That is correct.

Mr. BYRD. Mr. President, I am perfectly willing to take that responsibility, and I am not the only Member of the Senate who has asked for the repeal of the congressional pensions provision. The distinguished majority leader of the Senate, the Democatic leader, day after day during the last week has urged the Senate to repeal it. If the Senator desires to place responsibility for its repeal on my back I am perfectly willing that it rest there; because I am opposed to congressional pensions. I am opposed to them now, and I make no apologies to the Senator from Idaho for trying to repeal the congressional pension bill.

Mr. CLARK of Idaho. If the Senator will yield further——

Mr. DOWNEY. I yield.

Mr. CLARK of Idaho. I have not asked the Senator from Virginia for any apologies. I was interrogating the Senator from California as to the effect of this rather sudden and brilliant change in the situation.

Mr. BYRD. The Senator from Idaho should not infer that the Senate will adopt the Townsend plan merely because the Senate will not agree to the congressional pension plan.

Mr. CLARK of Idaho. If the Senator from California will yield further, let me say that I quite resent the statement of the Senator from Virginia that I was trying to infer anything. I was merely inquiring of the Senator from California the parliamentary situation.

Furthermore, I rather resent in a mild way having the Senator from Virginia put words in my mouth. If he desires to draw inferences from anything I may say or any questions I choose to ask, now that the Senator from California has so graciously yielded for that purpose, of course, that is his privilege.

What I desired to find out is—and the Senator from California has really answered the question—why, when his amendment originally was offered as a substitute, and consequently, I suppose, would have embarrassed a great many Members of the Senate in that form, it now comes up in such a way that the Senate may save its face; and I shall be very curious to learn how, on the final vote, assuming the amendment of the Senator from California will be agreed to, the Senator from Virginia will vote.

Mr. BYRD. The Senator from Virginia has stated that he will vote against all of it.

Mr. CLARK of Idaho. Including his own amendment?

Mr. BYRD. If the Senate of the United States is only willing to repeal its own pension plan by adopting the Townsend plan, the Senator from Virginia will vote against all of it.

Mr. CLARK of Idaho. The Senator from Virginia always follows his deep-seated convictions, which everyone here recognizes as entirely honest and based on the utmost integrity.

Mr. GLASS. And, Mr. President, let me say that the other Senator from Virginia will do likewise—will vote against the whole infernal thing.

Mr. McKELLAR. Will the Senator yield?

Mr. DOWNEY. Yes; I yield. I am yielding the floor.

Mr. McKELLAR. Mr. President, I shall have just a word to say about the matter. If there is any class of people in the world who have my sympathy it is the old and the decrepit. Such sympathy would be natural on my part because I myself am getting along in years. At the proper time I want to help them and will help them. I have done so in the past and will do so again.

In the committee the other day I voted against the legislative pension bill in the form in which it was offered, and I voted against it in the Senate. One of the reasons which impelled me to take that course was the peculiar condition in which the people of America, as a nation, find themselves today. We are confronted in active warfare by two of the greatest military nations that ever have been established on the face of the earth. We have got a great task before us. We must not underestimate it. I do not think we should vote money for pensions of this kind at a time such as this, even though it might be perfectly proper to do so at some time when we were not at war, when we did not need every dollar we can possibly raise. I might favor such a plan if it were for employees serving the Government, and, if that were the case, it might well deal with the members of the legislative branch. I have not gone into that matter. My reason for voting against pensions was because this is not the time to bring up such a matter. We will need every dollar for war purposes. We will need every dollar to save our Government.

As to the amendment offered by my good friend, the Senator from California [Mr. DOWNEY], whom I esteem very highly, I feel that this is not the time for it. What good would a pension of this amount or any other amount do needy persons if Japan should get control of this Nation? The needy would get nothing from Japan or Germany if they were to win. What good would a pension do such persons—except temporarily—if Germany should get control of this Nation? Or if Japan got control? We have a task before us, let me say to the Members of the Senate. That task is to defeat our enemies, to preserve our Government, to preserve our way of life; and we ought not go into other extraneous matters at this time, however worthy. Our main effort, in my judgment almost our entire effort, should be concentrated at this time on winning the war. If we are to spend a billion dollars, as we would have to do if the amendment should be adopted—I have not examined into the matter of how great an expenditure the amendment would require, but I understand the lowest estimate is a billion dollars—where shall we get the money?

I happen to be a member of the Appropriations Committee. We are confronted in our committee this very day with an application from the War Department for $32,000,000,000. We will have to appropriate that amount. What for? In order to save the life of our Nation; in order to save, I hope, the deserving people, the unfortunate people whom the Senator from California would help today. I wish to heaven the situation were such that I could aid him in his effort, because those whom he seeks to help are deserving; they have been unfortunate, and the Government should help them whenever it can, but not at this time. We have not the money in the Treasury; we have to raise it by taxation or borrow it. Let us do one thing at a time. Let us save our Government first of all; let us save our people at this time, and not dissipate our resources by spending money for outside things or inside things at this time. Let us save, in every way we can, until the main issue is decided; and that is the war in which, unfortunately, we are engaged.

Mr. President, I have every sympathy and every consideration for and every desire to help the poor old people to whom this amendment would extend help. I wish it were so that I could vote for it. Naturally, my sympathies go out to the elderly people who cannot earn their own living and who have been unfortunate. I wish to heaven I could cooperate with my good friend; but, with my country's very existence at stake, I cannot support the amendment, and I hope the Senate will do what the distinguished Senator from Virginia and I did the other day when we voted against legislative pensions. We voted against them then, and I think the Senate ought to vote against this proposal for old-age pensions for exactly the same reason. Our country comes first; we should protect the whole Nation first, and, then, after that obligation has been satisfied, I will be glad to join my friend from California in doing anything I can for that fine class of our people who have been unfortunate and upon whom the weight of years has fallen. I may disagree with him as to the process, but I am with him as to his purpose.

So, Mr. President, with some misgivings, and the deepest regret I know how to express that I cannot join in the movement initiated by the Senator from Californa, let me say that I shall try to do my duty toward all the people, and toward my Government by voting "nay" when the amendment comes to a vote.

Mr. GEORGE. Mr. President, I am compelled to make a statement about the particular pending amendment and also

about the amendment offered by the Senator from Virginia [Mr. BYRD] from the Civil Service Committee.

As all my colleagues know, I voted for the Retirement Act which contained, among its many provisions, retirement benefits for Members of the legislative branch, that is, for elective officers. I have never quarreled with anybody who took a different view of that question. I have thought that the question had not been fairly treated, I still think so, and I think so without any apology to anyone.

The Retirement Act upon which we voted in the Senate some days ago—a little over a month ago, as I recall—came to us from the House of Representatives, where it had received unanimous approval, at least, there was no single objection, for it passed by unanimous consent, and was taken from a calendar, which would have enabled any one Member of the House to have defeated it by a feeble objection. The bill was a comprehensive one. It dealt with the entire retirement system. Among other things, it raised the contribution to be made by all receiving retirement benefits from 3½ percent to 5 percent.

When the measure reached the committee, and when it came to the floor of the Senate, I considered it in its broad light. I recognize now that when a retirement system is established or when there are brought under it groups, certain inequalities arise and certain objections may be made by those who are already in a service brought under the act. Conditions cannot be equalized altogether, and the Federal Government has never undertaken to equalize the inequalities existing either on the passage of the original retirement act or any subsequent amendment thereto.

In a large sense, I considered that the Retirement Act so far as elective officers were concerned meant simply—and, fairly analyzed and fairly considered, that is what it does mean—that out of everyone's salary who elected to come under it he would pay 5 percent and receive the benefit of the act.

I know that when new groups are brought under a retirement system there are inequalities applicable to those actually then in the service, but I looked upon that act as meaning one thing, namely, that I would pay, if I elected to come under the act, $500 a year out of my salary. That is a fair statement of it.

I know that much has been said about the possibility of one paying on the basis of a fraction of a day. Such a thought never occurred to me, and, as for myself, I do not believe there is a single Member of the Senate who would pay on the basis of 1 day or 3 days or 5 days and receive $1 of benefit under the act. I am about to go further than that. I do not believe there is any Member of the Senate who believes that any other Member of the Senate would do that. Certainly that was not contemplated.

Why can we not deal with it fairly? How can we expect the country to deal with any question in a fair way when we ourselves do not deal with it fairly?

What does retirement mean for elective officers? Whether it should be made applicable to elective officers is one question; but what does it mean? It means that henceforth, out of his salary, every elective officer who wanted to take advantage of it would pay 5 percent of his salary annually. It never occurred to me that a Senator was on a per diem basis. It never occurred to me that it would occur to anyone else that we were being paid so much a day here, and we could wait until the last hour and pay 5 percent of the last day's salary or 4 days' salary, even if the act, technically construed, would permit that to be done, and claim any benefits under the act.

I have not applied for retirement; I do not intend to apply for retirement. I am not able to apply for retirement, because when I came into the Senate I had all the insurance I was able to carry, and I am not able to pay $500 a year more for insurance, so far as I am concerned. But I looked at the matter fairly. To me it meant that a man who is coming into the Congress next year or 10 years hence, if he wished to take advantage of the retirement system could pay $500 a year, or 5 percent of his annual salary, so long as he was here and, provided he had been here 5 years, he could receive whatever benefit the act gave him.

But that is beside the question. I do not think the question has been fairly presented to the American people. The retirement system, aside from however it may work with respect to a few men who are now in service and have been long in service, means only that by paying 5 percent of one's annual salary he may have retirement benefits. I do not see anything immoral in it. There may be sound reasons of policy why it should not be adopted, and on that question I have never quarreled. Someone might take a technical advantage of it, but I do not believe it; and I do not sanction an argument based upon the sole theory that someone would take a technical advantage of an act that was intended to give men in elective office the same right as those in appointive office, the right to claim retirement benefits.

So much for that. I did not originate the legislation. It came over from the House under the circumstances that I have stated, and I simply voted upon it. Then thereafter all these questions were raised, and a great deal on the subject was printed in the newspapers of the country, and the people by and large became interested in the question. I have given to it the most careful consideration that I could give to it under the circumstances; and I have been perfectly willing to admit, since it does affect the elective officers in this body and in the other body, that the people of the country have the right to express themselves, and to express themselves openly and clearly and definitely. I have conceded that their views in a matter that affected elective officers of this body ought to have very great weight, because we live in a democracy; and I have considered also that the thought of the people on this question has grown out of the circumstances under which the act came about, and the peculiar conditions under which we live at this time.

The American people sense that we are in the greatest crisis in our history. They know very well that this cannot be a short war; that victory can come to us only through a long, bloody war; and therefore they felt that we ought not to have brought up this question; that we ought not to have considered it. We cannot say that the people are wrong on that question. I should be the last man to say that the people were wrong, even though they have not had all the facts given to them; even though there have been very narrow arguments upon very technical grounds illustrating the inequality or inequity or evil effects of the act as applied to particular cases.

So I reach the conclusion, Mr. President, that I should respect the views of the people of my State and the views of the people of the United States; and I mean genuinely respect them, because they understand, far better than we here are perhaps accustomed to think, precisely the bloody sacrifices which they face. They know beyond the peradventure of a doubt, as I have already said, that victory can come only through a long, devastating, bloody war; that victory can come only when that war has reached down into the humblest home, into every city, into every village, into every hamlet, into the crossroads. Every home in this land will feel it and will feel it otherwise than in mere money.

I regretted very much that this agitation could not be at once met by reconsideration of the act that we passed here, only one relatively unimportant provision of which has been discussed in the public press. More than a million Americans are affected by this Retirement Act, perhaps a million and a quarter. In the other body, 435 Members, and here 96, are affected by one provision. We have seen all the turmoil and tumult raised, flung far and wide through the press of the country; and yet the facts exist. Whatever may be the exact facts of this question, looked at fairly and in its broad sense and as applicable to the years to come and not to the mere present hour and to individual cases, our people do not support us in this view.

I think in a democracy the people always have a right to speak; but certainly I myself should never think of questioning their right to speak and their right to express themselves upon any question when on that particular question, I, as a Member of the legislative branch, was directly and personally involved. So I feel that the Civil Service Committee has acted wisely in reporting to the Senate this repeal amendment.

Now, my very good friend from California [Mr. DOWNEY] offers his amendment. Certainly everyone sympathizes with it. There is a great deal of merit in it. Under existing law, the Federal Government is pledged to pay to all needy aged persons above 65 years of age as much as $20 per month if the State pays a like amount; so the Senator's proposition is nothing more nor less than that the Federal Government will pay $30 per month not only to those same beneficiaries but to others in the same class who have reached the age of 60 but who are not now under the old-age-benefit provisions of our Social Security law. So there can be, I think, no broad statement

that there is not a great deal of merit in the proposal made by the Senator from California.

I know—and I take no pride in repeating the statement—that in my own State not more than one-half of the people 65 years of age who are eligible for old-age benefits have been placed on the roll. They have been certified, but they are receiving no benefits. I should like to see that condition corrected. The Senator from California assures us that that is not true in many of the States; that it is perhaps true only in five or six States. I should like to see that condition remedied. If the Federal Government were paying $20 per month to all people of a certain age throughout this country, the addition of $10 per month without regard to whether the State matched or did not match the payments would not present such a serious question.

There is, however, a serious question involved. One of the reasons why the people of this country did not appreciate the passage by the Congress of the Retirement Act as it applied to elective officers was that we were in this crisis. The American people sense the existence of many things which should not exist. They sense the existence of many things which should be corrected. They sense the existence of things far more important than a retirement system for the elective officers of this Government, which probably would not cost over $80,000 or $100,000 a year for several years. They sense things far more important to our welfare and they would like to correct them. A few things float to the top—a dancer appears on the stage and a moving-picture actor is brought here from California to do something, God only knows what. Then the Congress passes a Retirement Act which includes a provision for elective officers. The people seize upon that. They dramatize it. It is not a healthy condition, and they take those things as indicating the fact that everything is not well in this country.

The Senator from California brings in his proposal, with all the merit that is in it, not with any suggestion that we impose any tax. But we will have to impose a tax, and we cannot blink at it; we cannot close our eyes to that fact. We do not know exactly how much additional tax money will have to be raised. It is perfectly certain that if there are a million people between the ages of 60 and 64 who will receive $30 a month, or $360 a year, and there are now 2,000,000 people on the old-age-benefit rolls, with many States not able to place upon the rolls all those who have been certified, it is perfectly clear, I think, that there will be in the neighborhood of three and a half to four million people who will receive the $30 a month. I dare say there will be more than that number for the reason that there are between fourteen and fifteen million people in the United States who have passed the age of 60, and sooner or later the proposed act would bring on the rolls at least 10,000,000 of those fourteen or fifteen million people.

It is an easy calculation to determine that the total cost to the Government would be far in excess of what I believe my very good friend from California sincerely and honestly believes it would be. He estimates that when we consider the saving which will be made, for the same people who will receive the benefits under his amendment, there would be an increase of only five or six or seven hundred million dollars. Perhaps that is true; perhaps he is not underestimating for the moment; but certainly within a very few months that sum would greatly increase, and we would be forced to provide for at least anywhere between a billion and three and a half billion dollars to take care of the people who would be brought on the rolls ultimately under the proposal.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GEORGE. I am glad to yield.

Mr. BARKLEY. I have just today, since the debate started, consulted the Social Security authorities as to the cost of the amendment, and, depending upon the interpretation given to the amendment by the officials of each State who will have the say as to the need of applicants, and in determining who shall receive $30 a month, in addition to what they now receive, I am advised that the minimum, depending upon all these conditions, would be anywhere from $1,800,000,000 to $4,000,000,000 per annum.

Mr. GEORGE. I thank the Senator.

Mr. DOWNEY. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield.

Mr. DOWNEY. I did not follow the statement of the Senator from Kentucky. Were his figures applied to my proposal?

Mr. BARKLEY. Yes. I talked with the Social Security authorities, and taking into consideration the provisions of the Senator's amendment, and their assertion that there are approximately 15,000,000 people in the United States above the age of 60, and that anywhere from 33⅓ percent to 75 percent of the 15,000,000, depending upon the method by which the State authorities administer the test of need, and determine those entitled to the benefit, would receive the pension, the cost of the Senator's amendment to the Treasury of the United States would be from $1,800,000,000 to $4,000,000,000 per annum, depending upon how the amendment would be administered in the States. That information has been received by me within the hour.

Mr. DOWNEY. Mr. President, I should like to comment upon that statement, an ex parte statement; but I shall reserve my remarks. I have taken testimony from the Social Security Board for months; I have their answers to questionnaires, and the figure given is so far astray that I am unhappy that in a tragic, cruel hour such as the present, misinformation such as this is given upon the floor of the Senate. I shall later discuss it more at length.

Mr. LUCAS. Mr. President, will the Senator yield on that point?

Mr. GEORGE. I wanted to conclude what I was about to say.

Mr. LUCAS. This is a very interesting question, in view of the last statement made by the Senator from California. I have before me the report of the hearings, wherein the Senator from California testified upon this very question. I may be in error in this, and if I am the Senator from California can correct me, but I am assuming that his amendment now pending is the same about which he testified, as the testimony is found in the hearings on Senate bill 1932.

Mr. DOWNEY. No; Mr. President, I assure the distinguished Senator it is not. As I recall, that amendment called for an appropriation of about $4,000,000,000. Is that the one to which the Senator refers?

Mr. LUCAS. This is the Senator's statement——

Mr. DOWNEY. I assure the Senator very definitely—and I shall be glad to have him discuss it, and I shall take it up later—that that was a different proposal. As I recall, that was the proposal for social dividends.

Mr. LUCAS. This is on the basis of $30 a month.

Mr. DOWNEY. On the basis of social dividends, not on the basis of need.

Mr. LUCAS. I shall not take any more of the time of the Senator from Georgia, but this is an interesting statement.

Mr. DOWNEY. Will not the Senator tell me the page of the hearing to which he has referred?

Mr. LUCAS. Page 8.

Mr. GEORGE. Mr. President, I was not trying to make a dogmatic statement about the cost of this amendment, and I accord to the Senator from California the utmost sincerity, and I recognize that he has long studied this question, but on the basis of a million people between the ages of 60 and 64 who would be brought in, and on the basis of 2,000,000 or 2,250,000 who are already on the old-age benefit rolls, recognizing that in many States only half those who have been certified have gone on the rolls, I am quite sure that at least 4,000,000 to 5,000,000 people would immediately go on the rolls. When we have accounted for all the savings which would be made, the cost to the Government would certainly exceed a billion dollars, and the ultimate cost, less the saving which would be made by relieving the same beneficiaries who are now receiving some consideration—and I grant inadequate consideration—would ultimately run between $1,000,000,000 and $3,400,000,000 a year.

Mr. CONNALLY. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield.

Mr. CONNALLY. Under the amendment of the Senator from California would the State authorities be allowed to determine the question of need, and still pay the flat $30?

Mr. GEORGE. Yes.

Mr. CONNALLY. Would there not be a great temptation to State officers who may be politically minded to put on the rolls practically everyone so he would get $30 a month?

Mr. GEORGE. I think undoubtedly there would be a great temptation to do so, because the State officials would still determine the question.

Mr. CONNALLY. The State would not be required to match the Federal payment.

Mr. GEORGE. The State would not be required to match the Federal payment. It would all come from the Federal Treasury.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BANKHEAD. It is true that at present the State determines the question of need.

Mr. GEORGE. Yes.

Mr. BANKHEAD. There would be no change in that respect.

Mr. GEORGE. There would be no change in that respect, but the State is required to match up to 50 percent the total amount paid by the Federal Government to each beneficiary.

Mr. ELLENDER. That was the question I was about to ask the Senator.

Mr. GEORGE. Mr. President, that brings me to this point: Under the present tax laws as they now exist, and before any amendments have been made to them, the tax burden of the American people will be $17,000,000,000 in a full year of operation, for the fiscal year 1943. The Social Security taxes will mean an additional $1,000,000,000. Therefore, the total tax burden will be $18,000,000,000 under the present law. The President in his Budget message called for from $7,000,000,000 to $9,000,000,000 additional taxes. Since the President's Budget message the House and the Senate have appropriated or now have under consideration for immediate passage appropriations in excess of the President's recommendations. So we face facts and realities. Therefore, why is it not better to consider this proposal at a time when we can consider also the means of raising the money to pay it? Why is it not better for the committees of Congress this year—because the President has already called not merely for additional taxes, but for a reconsideration of the whole Social Security Act, and has called for vastly increased taxes under that act—why is it not better to consider this problem when we can at the same time consider how to meet the additional burden that will be thrown on the American people?

I now come to this point, and with it I shall conclude. As I interpret the reaction of the American people to the retirement system carried in the act passed a few days ago with respect to elective officers, they do not want the American Congress to be talking about, discussing, or passing on questions of pensions now. They are not against all relief of the character which the distinguished Senator from California has so earnestly and consistently advocated since he became a Member of this body; but they do not want the American Congress to stand here day after day and talk about, and argue about, and debate questions of pensions and benefits either to elective officers or to many worthy people of the United States who are not now receiving adequate support, or old-age benefits, or old-age assistance. That, at least, is the way I interpret the feelings of the American people. The American people expect their Congress to deal with first things first, and for the time being to forget things such as this which make so strong an appeal to our hearts and our sympathies, and to face the issue which is paramount before the Nation.

Mr. President, if we keep on bringing up the past to fight with the stubborn and irrepressible problems of today, there will be no future for America. If we keep on bringing up all the good things which we desire to do, and placing the additional burden of the great benefits which we are anxious to grant, on the backs of our people, there may not be any future for America. This war will not win itself. We are within 60 or 90 days of the most momentous drive by the Axis Powers that this war has yet seen. What the consequences of that drive may be, no man here can say.

Mr. President, I thought it was all right to give to elective officers the same benefits which we gave to appointive officers under a contributive retirement system. Others of my colleagues for whom I have the greatest respect thought differently. We all ought to know, I think, that the American people feel this is no time for the Congress to be quarreling about and debating an issue such as this. While nine-tenths of the Members of the Senate, perhaps more than nine-tenths, would be willing to go further than we have gone to aid the worthy old people in the country, this is certainly no time to get into a dispute over these things.

Some of our people may have suffered in the past and some may suffer in the future, but there is no suffering comparable to the state of all of us if we do not make up our minds to go through with the big, pressing, imperative duties which rest upon us as the representatives of the American people in this hour.

Mr. President, I do not think we need to be afraid to vote against the pending proposal under the circumstances, and, so far as I am concerned, I will be compelled to vote against the amendment offered by the Senator from California. There will be an opportunity even this year to consider the grant of additional benefits and likewise to consider the means of meeting the obligations of the Government. I know very well that a war can be financed while it is in progress, but I know very well that we may finance a war in such a way as will destroy the Nation when we shall have finished financing the war. I know there are burdens which our people cannot bear. Look over this country. The farmers in every State are losing their labor. They are not able to keep laborers on the farms. Wages have been advanced everywhere. Groups have demanded higher wages. Groups are still demanding higher wages. The farmers are worried about this picture. The merchant, the professional man, every man, every woman, is worried. Before the war ends, crepe will be on the doors of a million homes in America, and our people know it. My answer is this: Before I think about any particular piece of legislation those people have the right to be heard; and they have a right to have me reflect their views and their settled convictions. I will follow their direction to me in this hour when I know it.

My people do not want to deny the older people the benefits which they ought to have and which they need; but they cannot do everything at once. They can only do the day's work in the day. If we have not the courage to face these great tugging appeals to our hearts and sympathies how can we expect our people to have the courage to make the sacrifices they must make?

I do not speak so much of sacrifices of money. I mean the sacrifice of everything. So long as the settled conviction rests in the hearts and minds of American citizens, men and women, fathers and mothers, that such sacrifices must now be made, however they came to us, and without regard to who is to blame, if anyone is to blame, they cannot feel and cannot give to us the cooperation we must have in order to win in this great struggle unless we do our part.

The war will be won not on this floor. It will be won by every father and mother, every sister and brother who gives up blood; and the American people know it. Somehow I have the feeling that they are saying to us, "Do not waste your time on pensions or retirement benefits for yourselves, or on additional benefits to the old who must stay here. Stop arguing about things like that. Shut off the debate, and face the big question we must answer."

That is the way I feel about it. I feel that way with the utmost kindness toward the Senator from California and his proposal. I feel that way toward all my brethren who have taken different views on any question which is involved in this debate.

So far as I am concerned, I want to act under the settled conviction that none of these things, however worthy or appealing, should through any act of mine be permitted to disturb, distract and divide, or even for a moment to dampen the ardor, conviction, and loyalty of our people. Let us remember that if we are to fight over such questions as the one now before us, there will not be any tomorrow to fight for anything in America. Even after the war, when we are asked, "What are your great peace programs?" let us say, "For the sake of America do not bring your schemes now to the fore, however inviting, intelligent, and wise you may think they may be. You will only divide the counsel of the American people. You will only raise issues and questions for debate."

I hope this body will recognize the burden which rests upon those of us who must now put heavier burdens on our own people for the actual demands of the war—burdens which I believe the American people will be very hard pressed to meet on March 15 of this year and March 15 of 1943.

Mr. DOWNEY. First, Mr. President, I desire to offer my apology to our distinguished leader, for whom I have a very deep affection, for my impatient demeanor and words to him. I regret that I spoke so hastily and extremely. I dislike to add to his burdens in any way by my own demeanor. However, that is unimportant. I may have been inconsiderate. A rather serious question of fact has arisen on the floor of the Senate. I realize that it is unfortunate that I am compelled to present this pension

measure in this way; but for 3 long years, as the distinguished chairman of the Finance Committee must corroborate me, I have endeavored to secure an exhaustive and careful investigation of pensions by the Finance Committee, and any action of any kind upon any pension bill that could be brought out after some sort of hearing and report. For 3 long years this issue, which the latest Democratic national platform declared itself ready to meet, and which 90 percent of the American people want to meet, has not had the attention of a committee in such a way as to result in hearings, or in a report from the committee.

Failing in that, Mr. President, with the cooperation of former Senator Byrnes, who has now gone to the Supreme Court, I succeeded in having a special committee appointed to investigate old-age pensions. That committee and its members worked exhaustively for months, and I secured voluminous data from Mr. Falk, of the Social Security Board. I hold in my hand letters and documents from Mr. Falk corroborating the figures which I have given to the Senate.

Our distinguished leader tells me that over the telephone Mr. Falk has given him totally different figures. The distinguished chairman of the Finance Committee [Mr. GEORGE] states totally different figures from mine. The distinguished senior Senator from Illinois [Mr. LUCAS] began to read aloud from the report of our special committee, in which it is said that the plan which that committee recommended would cost about $3,600,000,000 a year. That plan was totally different from the one now proposed. That plan called for social dividends for all persons not gainfully employed; and our figures indicated that 10,000,000 persons would be eligible for that kind of a pension, while only 3,000,000 people would be eligible on the basis of need.

So when the Senator from Illinois, very honestly, sincerely, and reasonably, picked up my report and stated that the figures therein are in opposition to what I have said on the floor, he was reasonable, but he was not accurate, because the figures given in the report apply to a plan of social dividends and not one based on the need test. The figures in writing from Mr. Falk, under date of November 21, 1941, show that on the basis of need approximately 3,000,000 persons would be entitled to the proposed aid, which, at $30 a month, would make approximately $1,000,000,000 and not $1,800,000,000, or three or four billion dollars.

The distinguished Senator from Georgia [Mr. GEORGE] and myself differ radically upon another question. I think our people at every crossroads, every village, hamlet, and city, are just as much distressed to see the misery and insecurity of large numbers of our old people as they are to read about tragic happenings in Manila and other portions of the world. I do not believe the American people will resent our seeking some reasonable way to alleviate suffering, starvation, and misery. The people of California will not do so, at least; and in Georgia there are as many people in unhappy circumstances as there are in California.

I think the distinguished Senator is in error in another respect. The bill does not call for giving guns or powder or bombs or planes to the elderly people. It is designed to give them $30 a month, with which to buy bread. I do not know how the giving of bread and milk and a few warm clothes to our elderly people would hasten the loss of the Philippines of prolong the war in Europe.

Mr. President, today, under the Social Security Act, the workers and employees of this Nation are paying over a billion dollars into the pension fund, which is now, it is true, being diverted to war purposes. If others of us have to be taxed so that we have a little less to eat in order to give others enough to live on, I am in favor of doing so; and I say that the American people want to do it. The American people do not want to exist in a land of superabundant food, and not provide food, shelter, and clothing for their elderly brethren. I am not proposing to give radios, automobiles, rubber, magnesium, bombs, or bayonets to the elderly people. The measure is designed to give them bread, butter, a little meat, and a little warm clothing; and it would not require the sum stated—I believe erroneously—by the distinguished speakers. I stand on my facts.

Mr. President, I have no desire to engage in an ex parte discussion in an attempt to convince the Senate that I am correct in my figures, as against those submitted by honorable and noted Senators who differ with me. The matter is of tremendous importance to millions of people. Therefore, I ask my distinguished leader to have Mr. Falk come into consultation tomorrow morning with him, the distinguished chairman of the Finance Committee, and myself so that we may find out what are the accurate figures. Mr. Falk has them. He and his experts worked for months in assembling them at the request of our committee. They are all available. As a matter of fact, I have them here, under Mr. Falk's signature. I think the majority leader, for the sake of the dignity and accuracy of the proceedings on this floor, should consent to my request, so that tomorrow we can state to the Senate what, in the opinion of the Social Security experts and of Senators who talked with the representatives of the Social Security Board, this plan would cost. If the majority leader can accede to my request and agree to delay a vote upon the amendment until after we have the facts, I shall conclude my remarks for the present.

Mr. BARKLEY. Mr. President, much as the Senator from Kentucky should regret the delay, I wish to state that in my own time I intend to make a few remarks on the Senator's amendment, and I shall be glad to discuss the question propounded by the Senator from California during that period of the debate.

Mr. DOWNEY. Then I shall conclude, because I shall have another opportunity to speak if the Senator from Kentucky does not accede to my request.

Mr. BARKLEY. I do not want my statement that I intend to make a few remarks to encourage the Senator to make a few more. [Laughter.] I feel that under the circumstances I should have something to say about the Senator's amendment from my standpoint. I am anxious to obtain all the information I can obtain on the subject. I do not want to deceive the Senate, and I am sure the Senator does not desire to do so.

Mr. DOWNEY. I am sure neither of us does.

Mr. BARKLEY. Neither does the Senator from Georgia. No Senator desires to do so.

Mr. DOWNEY. Then let us get the information tomorrow.

Mr. BARKLEY. I should not for a moment agree to postpone the vote on the Senator's amendment merely that we might call in Mr. Falk in order to obtain some additional information from him. I will say to the Senator that I made an effort to find out something about what has been sprung on us here today. The Senator's amendment has not even been printed; I have probably the only carbon copy of it, and I have tried to study it. No other Senator has been able to read it. In fairness to the Senate, I tried to ascertain what the amendment would mean in the way of men, women, and money. I called the Social Security Board, and asked first for Mr. Altmeyer, who has been in charge of the Board since it has been established. He was absent from his office, so I talked to Mr. Falk. I told him what the Senator's amendment provided, as best I could understand it, and I asked him to give me the facts with reference to the number of persons and the amount of expense involved. After an hour of research—and he is the head of the Research Division of the Social Security Board—I obtained the facts which I stated in the time of the Senator from Georgia.

Whether the Senator from California, the Senator from Georgia, and I should go into a huddle with Mr. Falk in order to try to get any clearer statement of the probabilities is a problem in itself. Mr. Falk stated that, depending upon the interpretation of the law and the administration of it in each State under State authorities in determining who would be needy persons under the terms of the Senator's amendment, the minimum cost would be anywhere from $1,800,000,000 to $4,000,000,000. That shows that even the Social Security Board cannot with any degree of accuracy estimate even the minimum cost to the Treasury of the Senator's amendment; and I do not know whether any conversation in the presence of all of us would shed any more light on the subject. I must say that, regardless of the uncertainties, the various approaches to the problem, and the various interpretations which might be placed upon the terms of the measure by State authorities, I believe the Senator is bound to admit that the minimum cost of his amendment, in terms of money to be taken out of the Treasury, would very likely be in the neighborhood of $1,000,000,000 a year, although I believe in his previous remarks he has suggested that it would be $600,000,000.

Mr. DOWNEY. Oh, no; I have stated that the gross cost of the amendment

would be somewhat in excess of $1,000,000,000 — perhaps $1,100,000,000 or $1,200,000,000. But we should deduct from that figure almost $350,000,000, which during the next fiscal year will be paid under the present Old-Age Assistance Act, the amount which will be paid on W. P. A. for persons between 60 and 65 years of age, and the amount being paid on general relief. I state a fact, after months of investigation, when I say that the net sum would be $500,000,000, $600,000,000, or $700,000,000; and I base those figures upon the work done by Mr. Falk and his experts.

Let us analyze for a moment the absurdity of the information given to the Senator by Mr. Falk. If the $4,000,000,000 of which the Senator speaks is a correct estimate, 11,000,000 or 12,000,000 persons would get $30 a month. Mr. President, a majority of the persons past 60 who are employed would not give up their jobs. Three or four million persons are getting pensions and have savings. Even a suggestion to anyone who knows the facts that the expenditures under the bill might reach $3,000,000,000 or $4,000,000,000 is so totally unjust and unfair that I, for one, will not consent to have it pass unnoticed. I serve notice upon the distinguished Senator from Kentucky that tomorrow morning I shall make every effort I can make to get the facts from and have the figures verified by Mr. Falk. I shall try to present the facts to the Senate tomorrow afternoon. Perhaps I shall not be able to do so. As I understand the matter, I will have the right, so long as I can stand here and talk, to speak in an effort to accomplish that purpose, and I certainly shall do so. I want the facts presented to the Senate.

Mr. BARKLEY. Mr. President——

Mr. SCHWARTZ. Mr. President, will the Senator yield for a question?

Mr. BARKLEY. Yes; I yield.

Mr. SCHWARTZ. Is it not a fact that every Senator on the floor understands and knows how he is going to vote on the Byrd amendment? So why would it not be a good plan to vote on that amendment, and then, as to the amendment offered by the Senator from California today, which is a matter of controversy, which nobody has seen, the Senator could go into a "huddle" with whomever he wants to "huddle" with tomorrow or the next day. In that way a vote could come on the proposal—and I might vote for it—but it seems to me that, under what we call the democratic process, we ought somewhere, at some time, somehow, get a vote on the Byrd amendment, which is what the people want.

Mr. BARKLEY. Mr. President, under the parliamentary situation as it now exists there cannot be a vote on the Byrd amendment until there is a vote on the Downey amendment, because the Downey amendment is offered as an amendment to the Byrd amendment and must be voted on first.

Mr. SCHWARTZ. I understand the parliamentary situation exactly, and I was merely appealing to the eminent fairness of the Senator from California to permit us to vote on the Byrd amendment, and then bring his amendment up when there is no other question involved.

Mr. BARKLEY. The only way that could be done would be for the Senator from California to withdraw his amendment, have a vote on the Byrd amendment, and then offer his amendment independently as an amendment to the bill.

Mr. SCHWARTZ. That is the reason for my taking the floor and appealing to the Senator from California. I understand the situation.

Mr. BARKLEY. Mr. President, I desire recognition in my own right at the present time if no other Senator desires the floor.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield.

Mr. O'MAHONEY. I have before me the annual report of the Secretary of the Treasury, containing some figures about which there can be no possible debate. A table appears in the report at page 591 which I think ought to appear in the RECORD as a part of this debate, and, Mr. President, I ask unanimous consent that it may be so printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

TABLE 39.—*Amount of interest-bearing debt outstanding, the computed annual interest charge, and the computed rate of interest, for the fiscal years 1916–41, and by months from July 1940 to June 1941* [1]

[On basis of daily Treasury statements (revised), see p. 405]

Year and month	Interest bearing debt [2]	Computed annual interest charge	Computed rate of interest
Year ended June 30—			*Percent*
1916	$971,562,590	$23,084,635	2.376
1917	2,712,549,476	83,625,482	3.120
1918	11,985,882,436	468,618,544	3.910
1919	25,234,496,273	1,054,204,509	4.178
1920	24,061,095,361	1,016,592,219	4.225
1921	23,737,352,080	1,029,917,903	[3]4.339
1922	22,711,035,587	962,896,535	4.240
1923	22,007,590,754	927,331,341	4.214
1924	20,981,586,429	876,960,673	4.180
1925	20,210,906,251	829,680,044	4.105
1926	19,383,770,860	793,423,952	4.093
1927	18,250,643,965	722,675,553	3.960
1928	17,317,695,096	671,352,112	3.877
1929	16,638,941,379	656,654,311	3.946
1930	15,921,892,350	606,031,831	3.807
1931	16,519,588,640	588,987,438	3.566
1932	19,161,273,540	671,604,676	3.505
1933	22,157,643,120	742,175,955	3.350
1934	26,480,487,920	842,301,133	3.181
1935	$27,645,229,826	.750,677,802	2.716
1936	32,755,631,770	838,002,053	2.559
1937	35,802,586,915	924,347,089	2.582
1938	36,578,684,982	947,164,071	2.589
1939	39,891,844,494	1,037,107,765	2.600
1940	42,380,009,306	1,094,721,802	2.583
1941	48,404,879,488	1,218,693,931	2.518
Month ended—			
1940—			
July	43,190,425,524	1,114,987,258	2.582
August	43,320,109,105	1,118,210,887	2.581
September	43,482,408,445	1,122,060,918	2.580
October	43,563,458,401	1,127,589,059	2.588
November	43,711,378,410	1,131,288,656	2.588
December	44,471,127,091	1,141,157,162	2.566
1941—			
January	45,333,806,281	1,152,185,919	2.542
February	45,562,531,763	1,158,400,847	2.542
March	46,583,389,171	1,178,161,821	2.529
April	46,679,193,749	1,181,347,458	2.531
May	47,176,441,205	1,194,463,905	2.532
June	48,404,879,488	1,218,693,931	2.518

[1] For monthly data back to June 30, 1916, see annual reports for 1929, p. 509; for 1936, p. 442; and corresponding tables in subsequent reports.

[2] The interest-bearing debt includes discount on Treasury bills from June 30, 1930, the amount being deducted from the interest-bearing debt prior to calculating the average interest rate

Mr. O'MAHONEY. Mr. President, I wish to call the attention of the majority leader and the attention of the Senate to this striking fact: In 1920, after World War No. 1, the national debt of the United States was somewhat more than $24,000,000,000; the annual interest charge upon that debt in 1920 was $1,016,592,219, and the interest rate was 4.225. In other words, the interest in a single year upon a $24,000,000,000 debt was more than $1,000,000,000.

In the years which followed the national debt was somewhat reduced, but not materially. The lowest point reached was in 1930, 10 years afterward, when it amounted to $15,921,892,350. The annual interest charge that year was $606,031,831, and the interest rate had been reduced to 3.8. The interest rate was being cut down gradually, but in 1941, Mr. President, the interest-bearing debt, according to the report of the Secretary of the Treasury for the fiscal year ended June 30, 1941, was $48,404,879,488. In other words, it was more than twice as great as was the debt at the peak after the World War.

The Secretary of the Treasury has been unusually effective in reducing the interest rate upon the national debt. Of course, interest rates upon all investments have been falling off, but in 1941, with an interest rate of 2.518, the annual interest charge was $1,218,693,931.

When the President of the United States sent the Budget to the Congress in January this year he estimated that the interest upon the national debt for the fiscal year 1942 would be $1,750,000,000. That, Mr. President, is more than $13 for every man, woman, and child in the United States.

Last year the annual debt was about $60,000,000,000, far more than twice as large as it was in 1920.

As the distinguished Senator from Tennessee [Mr. MCKELLAR], chairman of the subcommittee on deficiencies of the Appropriations Committee, said a little earlier this afternoon, the Appropriations Committee is now considering the War Department appropriation bill for $32,000,000,000. In a single appropriation bill we are about to make an appropriation greater than the whole war debt of 1920.

The President in his summons to Congress after the bombs fell at Pearl Harbor said to us that we ought to spend at least $56,000,000,000 on arms and ammunition and implements of war. That means an expenditure almost equal to, indeed, greater than, the entire national debt in 1941. We are headed straight for a national debt of well over a hundred billion dollars.

Mr. President, no one can look at those figures, about which there can be no dispute, without wondering where, under heaven, the money is coming from with which to pay the enormous bill.

So, Mr. President, I feel, as the eloquent Senator from Georgia said, that the first thing for us to consider is not increasing benefits for ourselves or for any of the people of the United States; what we are interested in, or ought to be interested in, alone, is the preservation of the democratic system, for, unless that system is preserved, there can be no benefits paid to any group of citizens.

If this system shall not be preserved, then, we shall have to look for our benefits to some sort of a totalitarian dictator.

Mr. President, I venture to say that the people of the United States, from coast to coast, have a better understanding of the gravity of this situation, and have a better comprehension of the mortal danger in which the democratic system stands today, than have many of us here in Washington. There has been too much complacency in Washington. There is no complacency, I can say to the Senate, among the people of the country at large. There was complacency in Hawaii among the high command of the Army and of the Navy, or else the disaster at Pearl Harbor would not have taken place. There was complacency in New York in the naval command there or else the disaster, the sabotage of the *Normandie*, would not have taken place. Complacency means that we are not opening our eyes to the grave danger which our country confronts, and that we persist in acting as though we were not engaged in a mortal struggle. The time has gone by to think of the benefits and improvements that we should like to have in our system. The only issue before us now is to preserve the system; and that, Mr. President, we cannot do by increasing the national debt for any object except the defense of our country and the confusion of its enemies.

Mr. BARKLEY. Mr. President, I appreciate the contribution made by the Senator from Wyoming [Mr. O'MAHONEY], in which he has emphasized, it seems to me, the problem that must be on the heart and mind of every Member of the United States Senate.

Before I say what I wish to say—and I hope I shall not be very lengthy in my remarks—about the amendment of the Senator from California [Mr. DOWNEY], I desire to retract something I said yesterday in contradiction of a remark made by the Senator from South Dakota [Mr. BULOW], chairman of the Committee on Civil Service.

Yesterday the Senator suggested that the bill to which the Byrd amendment is an amendment in the nature of a repealer of the so-called congressional pension came to Congress as an administration measure; and in the colloquy that transpired between him and me I stated that insofar as it was a general broadening and liberalizing of the retirement laws affecting all Government employees it might be so regarded, but that I did not think the congressional pension could be termed an administration proposal. I was under the erroneous impression at that time that the congressional pension was added to the bill in the House of Representatives, that it came here with that provision in it, went to the Civil Service Committee, and was reported to the Senate. I find from a reading of the original bill, introduced on the 19th of February 1941—a year ago today—that there was a provision for benefits to elective officers. The bill had been drawn by the Civil Service Commission after consultation, as I am informed, with an interdepartmental committee dealing with the question of more liberal retirement privileges granted to Government employees.

In that respect I was in error. Insofar as concerns that provision being an administration provision in the sense that it was approved by the administration—by which we usually mean the President and his advisers—I am not in a position to say whether they knew about it; but it does not matter, so far as the fundamental principle is concerned, whether that provision was in the bill originally, or whether it was added in the House, or was added here.

I wanted to explain that I was in error insofar as the statement of the Senator from South Dakota was concerned to the effect that the provision was not in the bill as originally introduced in the House and in the Senate—in the House by the Representative from Georgia [Mr. RAMSPECK], and in the Senate by the Senator from Virginia [Mr. BYRD] in the name of the Senator from South Dakota [Mr. BULOW], chairman of the committee.

I desire to take occasion also to say that I personally—and I am sure the Senate—appreciate the sincerity of the Senator from South Dakota [Mr. BULOW], the chairman of the committee, who for many years has been a sincere advocate of civil-service reform, who has sponsored here legislation in behalf of civil-service expansion; and the Senator from New York [Mr. MEAD], who, as the agent of the committee, piloted this measure through the Senate when it was before the Senate on the 19th day of January. There are no two Members of the Senate for whom any of us have greater respect and affection than we have for the Senator from South Dakota and the Senator from New York. Whether they would have initiated a so-called congressional retirement provision, I do not know, if they had been originally drawing the legislation which is the subject of our discussion; but it came here from the other body with this controversial provision in it. The Committee on Civil Service declined to eliminate it, and it came to the Senate body under the sponsorship of that committee and under the piloting of the distinguished and able Senator from New York; and he performed his duty; and the Senator from South Dakota performed his duty as chairman, as agents of the committee in bringing into the Senate and defending the bill as it had been reported by the committee to the Senate.

Mr. President, on the subject of the congressional pension, I do not deem it necessary to say much. It is often said that if our foresight were as good as our hindsight we should all be more fortunate than we are; and that is an unadulterated truth. As I stated the other day in opening up this subject for discussion, I do not believe the retirement bill passed the Senate by a vote of 42 to 24 because the congressional retirement provision was in the bill. It is my honest opinion that if the bill had been limited to the retirement privileges extended to the ordinary Government employees of the United States it would have received a larger vote on its passage than it received with the congressional provision in it. There might not then have been any serious opposition to the bill, because for many years we have been committed to granting retirement privileges to civil-service employees of the Government of the United States. But it was there; and regardless of whether it was defendable on sound actuarial grounds, it came at a time when the people were in no mood to consider favorably or with patience privileges granted by members of the legislative body to themselves; so the agitation arose here and elsewhere for its repeal.

The amendment of the Senator from California [Mr. DOWNEY] presents somewhat an analogous situation, but to my mind a more important situation so far as the people of the United States are concerned than the congressional privilege which is the subject of discussion.

We here in Washington are sometimes prone to take an artificial view of the reactions which are inherent in what we do here. The most important thing that can happen to the American people in these days of crisis is to have their faith in the processes of democracy preserved. No more unfortunate thing could happen than for them to believe, or have any ground for believing, that in this great crisis, when the stability of our institutions is involved, when the integrity of the Western Hemisphere is involved, when our American way of life is involved, their legislative representatives take a frivolous or irresponsible viewpoint with regard to anything which may affect the welfare of our country. I say with regret that I think the injection of this issue into what otherwise would be sound and legitimate retirement legislation has had a tendency to create the impression that we are dealing frivolously and irresponsibly with a great issue which hangs heavy on the hearts and the brains of the American people.

The cost, whether it is $80,000 or $150,000, is not material; but the faith of the American people in their representatives and in their system of government is infinitely more important than any calculation, by any mathematical process, in terms of dollars. I am assuming that, so far as the congressional pension provision is concerned, it will be repealed by an overwhelming majority.

Mr. President, that leads me to the discussion of the amendment of the Senator from California [Mr. DOWNEY] and I testify here publicly to the devotion and the sincerity and the enthusiasm of the Senator from California for the issue which he has raised. No one can possibly doubt the sincerity of the Senator. No one can possibly doubt that he regards this as one of the great problems facing the American people. He is so sincere about it and so anxious to get action upon it that, as I have said to him privately several times, I fear he does not always use the proper vehicle or the proper occasion, when the result might be most favorable to the cause in which he is enlisted.

I am in great sympathy with the objectives of the Senator, and, if he will recall, when I delivered an address as

permanent chairman of the Democratic convention in Chicago in 1940 I declared myself in favor of the recognition of the obligation of the American people to the older part of our population, as a national obligation which should be discharged regardless of what any State might do upon the subject. I still entertain those views, and I have in public and in private declared for them, and tried to emphasize them as much as I could.

I have always believed, and I now believe, that from a national standpoint there is no reason why a man or a woman in Kentucky or Mississippi or Georgia or Missouri should not receive an amount equivalent to what is received by people in other States living under the same circumstances. Yet, due to whim or caprice, or the inability of any State to measure up to the high standards set in other States with respect to old-age compensation, or pensions, as we call them, there is a difference.

The matter under discussion has, as the Senator has stated, been before the Congress ever since the Senator came here as a Senator from California, and he has been industrious and diligent, and properly so, in presenting the issue to the Congress and to the committee having jurisdiction. As originally presented, the proposal carried a sort of self-operating tax proposal which would pay for it. I do not believe now, and I have never believed, that from an economic standpoint we could afford to impose a burden of this sort on the Treasury of the United States and on the people without providing a method by which it could be liquidated. I entertained that thought even in time of peace, when our obligations for war were not so persistent.

I cannot claim authority on the subject of statistics; I am not an economist; I do not deal with this matter day by day, as the Social Security Board deals with it, and I took the liberty of calling the Social Security Board to ascertain, as best I could, what the proposal would cost in all probability. No one can be absolutely accurate about it. No one can predict how many dollars it would cost. The answer is only an estimate, at best. But I think it is beyond dispute that there are approximately 15,000,000 people in the United States—or 14,750,000, I am informed, which is almost 15,000,000—who are beyond the age of 60 years, and that the reduction of the age from 65 to 60 will add a million. This million will draw the $30 a month, which means $360 a year, which amounts to $360,000,000 a year for the million. Two million and a quarter on the rolls will also draw the $30 a month, and it is an easy matter to multiply 2,250,000 people by $360 to arrive at the additional annual cost.

Mr. DOWNEY. And the Senator arrives at exactly the figure I have been arguing for. He has worked it out.

Mr. BARKLEY. That is true, assuming there would be no additions to the roll over and above the million between 60 and 65 years of age, and over and above the two and a half million now on the roll; but I think we must assume that over a period of 25 years, certainly not more than 30 years, the number on the rolls will be doubled, and that the number will be progressively increased year after year during the 25-year period.

Mr. DOWNEY. Let me point out to the Senator that in addition to old-age assistance we have a parallel system known as old-age insurance, which now comprehends almost all the American people. It does not include the public workers, who have their own system, or the farmers, or the domestic employees, but it includes 80 to 85 percent of the American people, and within 10 years, I may say to the distinguished Senator from Kentucky, all those people will be receiving their dividends by virtue of their old-age assurance payments. Instead of the load increasing, it will steadily decrease in the coming years, for two reasons—increasing employment today is decreasing the need, and the increase in the number of people under old-age insurance is taking off part of the load.

Mr. BARKLEY. That is, of course, in part, if not in whole, due to the stimulus given to employment by the war program, and when the war ends, and that program is over, no one can predict the recession which may transpire in the matter of employment. But let us assume that the additional cost is $1,150,000,000. Are we prepared now, without any provision for raising the amount of money necessary to discharge that obligation, to add that amount to the charge of the Treasury of the United States in the midst of this great crisis under the circumstances under which the measure is brought before the Senate?

Mr. LUCAS. Mr. President——

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Kentucky yield to the Senator from Illinois?

Mr. BARKLEY. I yield.

Mr. LUCAS. I wanted to ask the Senator how the figure of 3,000,000 people that would be involved in this program was arrived at?

Mr. BARKLEY. If I may answer the Senator, it is arrived at in this way: There are now approximately two and one-quarter million people on the rolls of those who receive what we call old-age pensions. That involves those who are above the age of 65. If under the amendment the age limit is reduced from 65 to 60 years, that takes in another million; and if we add that 1,000,000 to the two and one-quarter million already drawing old-age subsistence, when the amount put up by the Government of the United States is supposed to be matched by the States, we get 3,250,000 persons who would be eligible under this amendment to the $30 per month.

Mr. LUCAS. Does the Senator know how many people in the various States have made application for old-age pensions and have been refused for some technical reason?

Mr. BARKLEY. I had those figures some time ago, but I do not have them up to date, I will say to the Senator from Illinois, however, that the number who have applied for old-age subsistence in the States—and in all cases the State authorities determine the eligibility of applicants—the number who have applied who have been denied for one reason or another participation in these benefits throughout the country, I think, would amount to almost half as many as are now receiving the benefits.

Mr. LUCAS. In the event the States were to be permitted to determine, would it not be a fair assumption, in view of the fact that the Government is going to pay the bill, that probably one-half of those now denied benefits would immediately go on the rolls under those circumstances?

Mr. BARKLEY. I think it is fair to assume that when the Government of the United States proposes to add to what is now being paid, $30 a month out of the Treasury, which is not required to be matched, that the State authorities will very largely increase the number of those who can draw the benefits, and, therefore, we cannot limit the expense to those who are now on the rolls or who would come in under a reduction of the age from 65 to 60.

Mr. LUCAS. If I may, I wish to say a few words at this point in connection with this whole question. I did not support the so-called pension bill in the beginning. I should like to vote for its repeal right now. I think it ought to be repealed in the interest of the country and in the interest of fairness to the Members of the Senate who want to vote on this matter, and in the interest of unity throughout the Nation, which is so essential if we are going to do the nearly impossible in fighting the totalitarian powers. With all due deference to the Senator from California, we should not have to take days in discussing this plan, and I want to say to the distinguished majority leader and to Members of the Senate that, in my humble opinion, we are further disuniting the people as the result of what we have done in connection with this pension debate.

For 3 or 4 days we have been attempting to repeal a provision of law which practically everyone wants repealed in the interest of the country, and yet we are treated to the spectacle here of being compelled possibly to continue for another 2 or 3 days the debate on the so-called pension plan now offered by the Senator from California.

Mr. President, if the Senate of the United States does not wake up pretty soon to its responsibilities in connection with the greatest problem that has ever faced the American people since the days of the Revolution, I do not know what will happen. Is it any wonder that the people are losing their respect for men in Congress when we stand here day after day and cannot get a vote upon a simple matter in connection with the repeal of a measure that everyone wants to vote on at the present time?

Insofar as the Senator from Illinois is concerned, I want the Senate and the country to know that I voted originally against the pension bill. I will vote for its repeal. I will vote against the Downey amendment, and I will vote against all other pension proposals that come before the Congress during this great emergency.

Mr. President, I hope every United States Senator will take to heart what the great Senator from Georgia [Mr. GEORGE] said in one of the most remarkable speeches I have ever heard upon this floor. It is the bigger things that the Senate and the country have to look to if we are to win the struggle for democracy. All the matters which we are debating here now will be of yesterday in the event we do not defeat and crush the totalitarian powers which are working day and night, night and day, in attempting to crush what Lincoln said was the last and best hope on earth. With all due deference to everyone, I say, Mr. President, that we can "nobly win" as Lincoln said, "or meanly lose," and the very things that we are doing here are contributing to the latter, rather than to the former.

Mr. BARKLEY. Mr. President, I thank the Senator from Illinois, and I agree with him in every word he has said. However, this proposition is before us. We must vote on it first before we can vote upon the matter which was the original cause of this controversy. I want the Senate to know some of the things involved in the amendment which is now to be voted on first.

Mr. LUCAS. I did not want the Senator to think that I was criticizing him.

Mr. BARKLEY. No; of course not. It is an unfortunate situation, but one that is entirely parliamentary and one we must deal with as it is.

Mr. CHAVEZ and Mr. HOLMAN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and if so, to whom?

Mr. BARKLEY. Just a moment, Mr. President, before I yield. I want to emphasize what the Senator from Illinois has said, by this supplementary remark: I do not care whether it costs $1,150,000,000 or $2,000,000,000 or $4,000,000,000. The information I received today from the head of the research division of the Social Security Board of the United States, established by the Congress, is that it will cost from $1,800,000,000 to $4,000,000,000 a year, depending on how the law is administered in the States. But let us accept the figure stated by the Senator from California, which approximately confirms the figures I have given, based on the number of those who are now beneficiaries of the system, assuming that no one else comes in, and let us say it costs $1,150,000,000, where is that money to come from? It is not now in the Treasury, as every one knows. We have, since we met here on the 5th day of January, appropriated over $40,000,000,000 for war purposes, and we have not even started on the regular annual appropriation bills.

Mr. CHAVEZ and Mr. BONE rose.

Mr. BARKLEY. I shall not yield to any Senator until I conclude with these figures. We passed one bill appropriating twelve and one-half billion dollars, we passed another bill appropriating twenty-six and a half billion dollars, and we did not devote as much time to both of them combined as we have devoted to pensions in the Senate of the United States.

The House on yesterday or day before passed a bill appropriating $32,000,000,000 for war purposes, and in a day or two that bill will be before the Senate of the United States, and when that bill shall have been passed the total will amount to $72,000,000,000 appropriated within 6 weeks or 7 weeks to carry on this war, and we still will not have begun on the regular annual appropriations to maintain the normal peacetime operations of the Government.

We are raising $13,000,000,000 a year under our present tax laws. Awhile ago the Senator from Georgia stated that we could raise approximately $17,000,000,000 under our present tax laws, which includes, of course, the taxes which are being levied for social-security purposes, which may be available for wartime expenses.

Ever since the 5th day of January the House Committee on Ways and Means has been waiting for the Treasury Department to submit a program by which it could raise $7,000,000,000 more, making a total of $20,000,000,000. When we shall have raised $20,000,000,000 a year in taxes we shall not have raised enough money to pay one-third the cost of our Government during this war.

We are now asked to appropriate a minimum of $1,150,000,000, without any taxes and without any provision to raise a dime to discharge the obligation which it is proposed to put on the Treasury of the United States. We are asked to do it because we are now trying to repeal a law under which the charge against the Treasury would be $80,000 or $100,000. In order to get ourselves out of a little hole, we are asked to jump into a deep pit and pull the pit in after us. That is what it really amounts to.

Mr. President, I may overemphasize the importance of this thing to the American people. I hope I may be regarded as sincere and earnest in my position as the Senator from California is in his support. We have been in the war for 2 months. For 4½ years the people of China, almost literally with their bare hands, have fought the aggressions of the treacherous Japanese. I recently talked with a man who had spent 2 years in China, and who had himself seen 26,000 injured Chinese coming back from the war fronts. Out of the 26,000, not 6 of them whimpered or complained.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. BARKLEY. Just a moment. Do not ask me to yield now.

The Chinese have been in the war for 4½ years. They are a part of the front of civilization which must be preserved. For 2½ years the people of England have been fighting almost with their backs against the wall. For almost a year they suffered bombardments which destroyed their homes, their churches, and their lands. If the Germans had kept up that bombardment for another week nobody today knows what the result might have been.

We have been in the war for 2 months. We have seen the Philippines practically taken, with General MacArthur and his heroic American and Filipino soldiers fighting to delay the disaster. At this moment nobody knows what the fate of General MacArthur and his soldiers will be. We hear the impatient cry, "Why not send assistance to General MacArthur?" God knows, there is nobody in this Government, from the President down, who would not be glad to send reinforcements to General MacArthur if they could get there.

We have seen the disaster at Pearl Harbor, which was the beginning of our entry into this war. We have seen the loss of Singapore. Today we see the Japanese monster crawling over Sumatra, Borneo, and Java. Within 24 hours the Japanese have bombarded Australia, and enemy vessels have gone down near the Panama Canal to attack an island in the Caribbean.

Soon we shall have appropriated $72,000,000,000 within 2 months to carry on this fight. Is it any wonder that the American people are disturbed? Their hearts are heavy. They are determined to win this war. They sit in their offices or on their farms and around their firesides and see the fall of Manila. They see General MacArthur driven back to Corregidor. They see the fall of Singapore. They see the United Nations driven back in Libya and along the entire coast of the Mediterranean Sea; and they see the Congress of the United States talking about and passing pension bills, which cannot aid the people in their determination to win this war no matter how long it takes. Is it any wonder that the American people are disturbed in their hearts?

I do not say that as any reflection upon either my colleagues here or my former colleagues in another body. There are things that are hanging heavy over the American people that are infinitely more important than any pension to anybody.

Last September we voted to pension some retired employees of the Panama Canal. There are now pending before the Congress of the United States pension bills of all sorts which in normal times would appeal to our generosity or our sense of justice. In the midst of this great crisis, with all the reverses we have sustained up to date and the reverses we shall be compelled to sustain for the next few months before our force is brought into play in this world-wide battle front, if we are compelled to talk about pensions, in God's name what will we be required to talk about in the nature of pensions when this war is over, assuming that we are able to win? If we do not win, not a pension law on the statute books will be worth the paper on which it is written.

I agree with the Senator from Georgia. The Senator from Georgia is chairman of the Finance Committee. In a few weeks we shall have to sit in session after session to try to raise the money to meet what we hope will be one-third of the expense of conducting this war. That will not be the last tax bill to be brought here. Nobody knows how long this war will last. Nobody knows whether it will last 1 year, 2 years, or 3 years. We already know that it will be 1943 before we can construct airplanes, tanks, antiaircraft guns, and ships in such a mass that we can take the offensive on a broad

scale in meeting the enemy. We are now turning out a ship a day. In a little while we shall be turning out two ships a day; and before next Christmas we shall be turning out three ships a day to carry supplies to the world-wide battlefront.

We are now in the process of registering 9,000,000 American men; and before it is over the war may require all 9,000,000 of them, before we can drive back the hordes of oppression and brutality, and can preserve not only the United States but the Western Hemisphere, with its thousands of miles of coast line which we in advance have not been able to fortify against attack, as everyone in the United States knows.

We need not delude ourselves into thinking that we can pay for and can endure all this hardship and this expenditure with one more tax bill. There may be three more, there may be four more tax bills. No one knows how many more tax bills we shall be required to pass if the war lasts 2 or 3 or 4 or 5 years. Yet, Mr. President, and I say this with the deepest respect for everyone, it is a circumstance over which we may not have had any control; certainly we have none now—in the midst of this vast, world-wide, global contest, which is so vast that the average American cannot contemplate all that it means—he tries to keep his eyes on the battlefronts in the Pacific, in the Atlantic, in Africa, in Europe, but the conflict is so enormous and so immense that it is no wonder that he becomes confused about it, and wonders, after all, what is happening, and he cannot be told everything, because he cannot be told without the enemy being told—we might as well make up our minds that we shall have to steel ourselves against this situation; and in the midst of all this, Mr. President, we are seriously asked here to add a minimum of another $1,150,000,000 to the charges on the United States Treasury.

We are undertaking to put into effect in every factory and every business in America a voluntary pay-roll system by which, out of the wages and salaries of employees all over the Nation, money will be held out to buy bonds of the United States Treasury. In addition, there is being agitated in the country a proposal that the Congress of the United States shall levy a compulsory pay-roll tax by which there shall be taken out of the wages of every employee and every man who draws a salary in this country a certain percentage of his wages, as taxes to go into the Treasury.

Those matters will be given the consideration to which they are entitled when they come before the respective committees dealing with the subjects; but I ask the Senate in all sincerity and in all fairness, without regard to politics, without regard to whether any of us is returned here—and that is a matter which is unimportant as compared to the preservation of our institutions—I ask the Members of the Senate in all fairness not to put the Senate of the United States, the Congress of the United States, in a position in which its sincerity, or even its integrity, may be doubted by the 130,000,000 people of the United States, who on every Sabbath repair to their altars, without regard to religious denomination, and pray to Almighty God that our institutions may be preserved. I ask the Members of this great body—and it is a great body; it is almost the last and final rampart of the processes of democracy in the world—not to cast a vote that would give to any American the right to say that we are dealing in a frivolous and irresponsible and careless way with the destiny of our Republic.

These other things can wait until we have determined whether the things most valuable to all of us—our liberty, our rights, and our way of life—have been preserved. If they are preserved, there will be time enough to consider the domestic problems which are on the hearts of many of us, but which, in my judgment, must wait until the greater task has been performed.

I apologize to the Senate for taking up so much of its time.

Mr. SCHWARTZ. Mr. President, will the Senator yield for an observation?

Mr. BARKLEY. I yield to the Senator from Wyoming.

Mr. SCHWARTZ. The Senator from Kentucky has just referred to the pension bills on the calendar. I desire to say that about a year ago the Spanish War veterans asked for and endorsed several Spanish War veterans' pension relief bills. Since Pearl Harbor, the same good association of Spanish War veterans have requested that no action be taken on any pension affecting them until after this emergency is over.

Mr. BARKLEY. I thank the Senator. That is an action worthy of the organization to which the Senator refers.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Washington.

Mr. BONE. I seek some information. I attempted to inquire about the matter by reason of some remarks made by the Senator from Illinois [Mr. LUCAS], who indicated that he did not feel that he could vote for anything of this kind in the future. If the pensions and retirement funds provided for Federal judges or Army and Navy officers come in the Budget every year, under what heading in the Budget do they come? Do they come in the various appropriation bills?

Mr. BARKLEY. I suppose they come in the various appropriation bills dealing with the judiciary and the War and Navy Departments.

Mr. BONE. I may be in error, because I am drawing on my memory; but it seems to me that I have seen the figure of approximately $9,000,000-plus, perhaps closer to $10,000,000, for pensions and pay for retired naval officers—admirals and the like—who contribute nothing; and I wonder if we will vote such sums in the future. We have been voting several million dollars annually for retirement pay and pensions for retired Army officers, and I wonder if we are going to vote such sums in the future. Similar sums have been voted as retirement pay for members of the Foreign Service of the State Department. I wonder if we are going to vote for such sums in the future, and, if that is to be our attitude, whether there is to be a reexamination of the whole field of retirement pay and pensions.

Mr. BARKLEY. Of course, I cannot speak for any other Senator as to how he will vote in the future on retirement payments which have been part of the law for two decades. They were enacted in time of peace, and after very careful consideration by committees. While in some senses they are analogous, I do not think they are quite on all fours with the plan, brought here in the midst of our discussion of war problems, to create a general pension for all persons in the United States coming within certain categories. Of course, I cannot speak for any other Senator as to how he will vote on any of these matters in the future.

Mr. BONE. I quite understand that; but the Senator has pointed out that the proposal for pensions for Congress will cost about $80,000 a year, and that is a sufficient burden to justify the debate. Yet we have all these other retirement allowances, which are very sizable amounts; and I was wondering whether they should not come under the scrutiny of Senate committees in order to determine whether they should be continued. Otherwise, we shall put ourselves in the position of challenging an expenditure of $80,000 a year as a desolating circumstance in these trying times, and of permitting expenditures of other millions upon millions of dollars to remain not only unchecked, but with no consideration whatever given to them. I do not challenge them, but the fact is that money is being paid out.

I merely wondered if the matter is to be scrutinized. I understand that the Senator from Georgia suggested that there should be some investigation of the whole system of retirement annuities and pension payments.

Mr. BARKLEY. Let me say to the Senator that of course Congress has a right to investigate all such matters, and to deny such payments in the future if it sees fit to do so. I do not think this furor over congressional pensions arose because of the amount involved, whether it be $80,000 or $100,000 or whatever the amount may be. I think it arose because of the definite conviction on the part of the American people regarding the impropriety of enacting such a pension plan at this time. Whether it costs $80,000 or $100,000 or $40,000 I do not think is important.

I do not mean to say that that is an indictment of anybody who sincerely believes in the economic and actuarial soundness of a retirement system for members of the legislative branch of the Government, but I think the people felt that it was an improper time to deal with it, and that it was improper at this time, and they raised this objection to it more on account of the principle and the policy involved than on account of the amount involved.

Mr. BONE. I saw a great many stories in which it was suggested that the provision would cost $30,000,000 or more, and that claim was emphasized as well as the legitimate arguments against the provision. The term "$31,000,000" was used.

Mr. BARKLEY. If that is true, of course, it was a gross misrepresentation.

Mr. BONE. The Senator is right about that.

Mr. BARKLEY. But I think the American people would have felt the same way about the matter if the amount had been only $25,000. That is my honest opinion.

Mr. BONE. Does not that immediately raise the question of reexamining the propriety of giving full retirement pay to judges, and three-fourths pay to Army and Navy officers and State Department employees?

Mr. BARKLEY. Anybody can legitimately argue that.

Mr. BONE. That is true. Whatever else is in the picture, or whatever may be the moral implications arising out of the payment of so many dollars and so many cents, the fact remains that the money will be paid out of the Treasury. I have not heard any adverse comments on it here, and I wondered if we were simply going to pass it over as something of no consequence.

The thing the Senator from California is talking about is the suffering and misery of a great many persons who have been victims of economic adversity. I am prepared to believe that many of them are in nowise responsible. There are a great many factors in people's lives that make them victims of their economic environment, and they really present a pathetic picture. I have discussed on this floor many times the plight of families in the low-income group in this country, and I have a great compassion in my heart for them.

I do not think this congressional retirement amounts to much. It would not mean anything to me, because I probably would not and could not come under it; but when a furor is raised over $80,000 a year, I think we at least owe it to ourselves to inquire whether paying nearly $10,000,000 a year to admirals who retire, and Army and Navy officers who retire, is worthy of a second thought.

Mr. BARKLEY. I do not think the $80,000 really entered into the feeling of the American people on the subject. I may be wrong, but that is the way I feel about it.

Mr. BONE. I am free to say to the Senator that I should not have thought of it, either, except that I saw the amount of $31,000,000 stressed in many newspaper stories, and I know that was partly responsible, because I think we can all agree that many persons were influenced by what they thought was the cost of congressional retirement.

Mr. HOLMAN and Mr. DOWNEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and, if so, to whom?

Mr. BARKLEY. I yield first to the Senator from Oregon. I desire to conclude very soon, however.

Mr. HOLMAN. Mr. President, I wish to address a request to the majority leader, prompted by my realization of the dire condition of our Nation, and the belief that the Senate should proceed about its business and expedite the consideration of these bills. I request the majority leader to hold the Senate in session tonight without recess until we shall have disposed of the Downey amendment to the Byrd amendment, and the Byrd amendment itself.

Mr. BARKLEY. I appreciate the request of the Senator. So far as I am concerned, the suggestion meets with my entire approval. I hope we can get a vote on both amendments very shortly.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from California.

Mr. DOWNEY. Several Senators have suggested to me that the tremendous tension in the Nation and in Congress might be relieved if we could get a vote upon the Byrd amendment so that all the people of the Nation would know that that tremendous sacrifice has been made by Congress. In order to help alleviate the anxious hearts and to dispose of this issue, so that the Nation, at least on the west coast, may perhaps sleep more peacefully tonight, I am willing to make this offer, I will withdraw my amendment as an amendment to the Byrd amendment upon the agreement that it may again be submitted as an amendment to the bill, which would allow a vote upon the Byrd amendment.

Mr. BARKLEY. I will say to the Senator that it does not require an agreement. The Senator's amendment is in order as an amendment to the bill, and it is not necessary to offer it as an amendment to the pending Byrd amendment; so, if the Senator now withdraws his amendment from the Byrd amendment, he is at liberty to offer it as an amendment to the bill if he sees fit.

Mr. DOWNEY. Mr. President, will the Senator again yield?

Mr. BARKLEY. Yes.

Mr. DOWNEY. The dispute or misunderstanding between the Senator from Kentucky and the Senator from Georgia and myself as to figures is a rather important personal matter to me. I believe that tomorrow I can present documentary data from the Social Security Board which will entirely clarify and satisfy the situation. I should like to appeal to the majority leader and to my distinguished friend from Oregon [Mr. HOLMAN], if we dispose of the Byrd amendment, to let us consider the other amendment tomorrow. If Senators want to stay here tonight, there will be nothing to do but to stay here tonight and discuss it. I believe, however, that it could very fairly go over until tomorrow if the dreadful tension of the Byrd amendment can be relieved. So I withdraw my amendment as an amendment to the Byrd amendment.

Mr. BARKLEY. Let us have a vote, then, on the Byrd amendment. I call for the yeas and nays.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, the Senator from New Jersey [Mr. BARBOUR] is unavoidably absent. He requested the junior Senator from Virginia to insert in the RECORD a letter explaining how he would vote on the pending question if present. I ask that the letter be printed.

The VICE PRESIDENT. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., February 14, 1942.

Hon. HARRY FLOOD BYRD,
United States Senate,
Washington, D. C.

DEAR SENATOR BYRD: I deeply regret being absent on official business while your repeal resolution of the so-called congressional pension recently passed is before the Senate. And I want to say quite frankly that I feel that this provision of that appropriation bill was, to put it mildly, surreptitiously inserted, and if that charge is not justified, certainly it is a fact that many Members of both branches of the Congress did not know that it was in the bill at all.

Now, I realize that it is our business to know what is in every bill, and certainly no one scrutinizes all the legislation that comes before them more carefully than I do. And in that sense I am glad (if that is the right word) to point out that I was absent from the Capitol due to illness when this legislation came before the Senate And most certainly I would have voiced a strong objection, had I been able to be present on that occasion, to that particular provision, as well as having voted against it.

In other words, I am wholeheartedly in support of your resolution and, by the same token, feel very strongly that Members of the Senate who receive the salary they do, namely, $10,000 a year, should not ask for any pension at all, especially as our services are in quite a different category than those who quite rightly, under civil-service provisions, should receive pensions and other emoluments.

I hope your resolution carries, and I am sure it will, and I am anxious to make this record of my feelings in the matter.

With kind regards,

Most sincerely,

W. WARREN BARBOUR.

Mr. WILEY. Mr. President, I did not enter into the discussion of the so-called pension bill. I voted against the bill. After I had voted I was requested by radio station WISN, of Milwaukee, Wis., to express my position in regard to that matter. I did so, and my position is expressed in the following speech, which was made over that station:

Ladies and gentlemen of the radio audience, tonight, at the invitation of the management of this station and in response to their request, I am happy to discuss briefly with you that portion of the new Civil Service Retirement Act which makes provision for annuities to be paid Members of Congress who have served 5 years or more and who are over 62 years of age and out of service.

This new Civil Service Retirement Act (Public Law No. 411) passed the House of Representatives on December 1, 1941, and passed the Senate on January 19, 1942. Subsequently the Senate amendments were accepted by the House on January 21, 1942, and the bill became law when the President signed the measure on January 24, 1942.

At the outset, let me state that I felt it was most unfortunate that the provision for Members of Congress should have been inserted in this measure. There were worth-while provisions for civil-service employees in the bill itself, but those of us who opposed the provision for congressional retirement had no alternative except to vote against the entire bill. Public office is a public trust and calls for service to the Nation, not to self.

I opposed the idea of considering civil-service provisions for Members of Congress at this time, and I voted against the bill. My reasons can be stated briefly as follows:

(1) I felt at the time, and still feel, that there is a principle involved. No one person

should be in a position where he would vote himself a benefit out of the public funds. To do so would legalize a very dangerous practice.

(2) I felt that to consider such a matter now was very inopportune. We have a war on our hands. The winning of the war should engage all our consideration, and legislators should not be thinking about their personal interests or those of any special-interest groups.

(3) Another reason why I opposed this inclusion of legislators in the civil-service benefit program was this: I have a deep conviction that our whole system of pensions should be studied and renovated. We have now in the Nation what might be called "special privileged pension groups." The expense item of taking care of those groups is becoming enormous. The poor taxpayer, the man or the woman who for over 50 years, for example, has supported Government by the sweat of his brow, is generally not included in any of these groups. This calls for a thorough study of the situation, and during that period we should under no consideration continue to include new special interest groups in Federal pension schemes.

Let me repeat, I voted against the measure which provided for pensions for Members of Congress, and I will support the movement to repeal this provision.

I believe that Congress must repeal this measure as soon as possible. The measure must be repealed in order that public faith in our democratic system may be sustained.

It should be repealed to erase the impression that Members of Congress are reaching out for benefits at a time when all of our strength and all of our money is needed to win the war

Probably in all the history of the United States no more inappropriate moment could have been selected for the consideration of a proposal for congressional pensions. How can Members of Congress ask citizens to sacrifice for national security while they vote special benefits for themselves?

At no time—much less than in these crucial hours—should Members of Congress take advantage of their power to increase their own compensation or their own security. There is a constitutional provision which forbids a legislator to resign and then accept a Federal job which was created or given a boost in pay during his service in Congress. That is an excellent rule based on an ethical principle. That ethical principle applies with equal force against Congressmen voting benefits to themselves.

In other words, if Congress had a long and careful study of this problem and then decided that a pension system for legislators was desirable, the least it could do would be to apply that system, not to themselves but to future legislators thereafter elected.

Let me make it clear, however, that I myself am not in favor of applying the system to Members of Congress at present or in the future unless, of course, all citizens past a certain age are covered.

There is a great deal of confusion about the congressional provision in the civil-service retirement law. As it was analyzed on the floor of the Senate by Senator BYRD, it appeared that it would be possible for Members of the Senate who had a long tenure of office to obtain a $4,100 annuity by payment of $1.40, according to the provision of this amendment to the civil-service retirement law, if they retired from office on December 31, 1942.

Of course, this is an extreme example. As a matter of fact, it is so extreme that the Civil Service Commission denied that it was possible.

Senator BYRD, however, questioned the Civil Service Commission officials very sharply on this point, and I understand that they have now agreed that Senator BYRD's analysis is substantially correct. In any event, however, it cannot be denied that the best course at the present time is to wipe out the entire amendment by a straightforward repeal bill.

The reason we provide annuities for employees in the executive and civil-service branches of the Federal Government is because they frequently spend their entire lives in the Federal service. Members of Congress are elected by the people. They are here today and they may be gone tomorrow, and while in office Congressmen and Senators draw $10,000 a year. This salary cannot be increased during a legislator's term of office. To me, this retirement bill is in itself an unlawful increase.

The very nature of the legislator's job excludes the idea of permanent tenure. As a matter of fact, service in Congress usually increases the earning capacity of the Member. Once a Member of Congress is retired to private life he resumes the status of a citizen. He has no official standing and he has no real claim on the Government. It is difficult to understand why a Member of Congress should be treated as a career man.

There are already a number of bills in the legislative hopper seeking to repeal the congressional retirement provision.

I will support this repeal movement, and I sincerely hope that it will receive support of a majority in Congress. Certainly this very controversial question did not receive the study and was not given the debate which it deserved. There was almost no discussion in the House of Representatives and no record vote, though we did have an opportunity to vote against it in the Senate—an opportunity which I was glad to utilize to express my opposition.

Under the provisions of the bill as it passed, a Member of the Senate or House who has served 5 years and who is 62 years old—or younger, if disabled—becomes eligible to retire on an annuity January 1 next by payment of this year's premium.

According to general interpretation, the pensions would range from $58 to $350 a month, according to the length of service.

It cannot be denied that the propriety of making the annuities applicable to legislators now in Congress certainly is open to question. There may even be some legal conflict with that part of the Constitution which prohibits Members of Congress during their terms of office from taking jobs which they had a hand in creating. This is another reason why this measure should be repealed.

We are engaged in a great war effort, the result of which may determine whether this Nation and other free nations of the earth will continue to remain free. This is our big job. May we concentrate on it and not be diverted by legislation of this type from our course, to the end that victory may be ours.

Thank you.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Virginia [Mr. BYRD] to the amendment reported by the committee. On that question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CHAVEZ (when Mr. HATCH's name was called). The senior Senator from New Mexico [Mr. HATCH] is absent because of illness. If he were present he would vote "yea."

Mr. REED (when his name was called). I have a general pair with the senior Senator from New York [Mr. WAGNER], who is absent because of illness. I transfer that pair to the Senator from New Jersey [Mr. BARBOUR] and will vote. I vote "yea."

I also desire to say that I am informed that if the Senator from New Jersey [Mr. BARBOUR] were present he would vote "yea."

Mr. GEORGE (when Mr. RUSSELL's name was called). The junior Senator from Georgia [Mr. RUSSELL] is necessarily absent. If he were present he would vote "yea" on the pending amendment.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. In his absence I withhold my vote. If permitted to vote, I should vote "nay."

Mr. GILLETTE (when Mr. TUNNELL's name was called). I am requested to announce that junior Senator from Delaware [Mr. TUNNELL] is necessarily absent, keeping a previously made engagement in the State of Iowa. I am further requested to announce that if present he would vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from South Carolina [Mr. SMITH] and the Senator from North Carolina [Mr. REYNOLDS] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Kentucky [Mr. CHANDLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Pennsylvania [Mr. GUFFEY] has been called to the State of Pennsylvania on official business.

The Senator from Florida [Mr. PEPPER] is also absent on official business.

I am advised that if present and voting, the Senator from Kentucky [Mr. CHANDLER] would vote "yea."

The Senator from Arkansas [Mr. SPENCER] has been called to one of the Government departments on matters pertaining to the State of Arkansas. I am advised that if present and voting, he would vote "yea."

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. CHANDLER]. I understand that if present he would vote as I am about to vote. I am, therefore, at liberty to vote, and vote "yea."

Mr. AUSTIN. My colleague the junior Senator from Vermont [Mr. AIKEN] is absent because of illness. If present he would vote "yea."

The Senator from New Hampshire [Mr. BRIDGES] is absent in the hospital because of a hip injury. If present he would vote "yea."

The Senator from Minnesota [Mr. SHIPSTEAD] is detained at his home by illness.

The result was announced—yeas 75, nays 5, as follows:

YEAS—75

Austin	Clark, Mo.	Johnson, Calif.
Bailey	Connally	Johnson, Colo.
Ball	Danaher	Kilgore
Bankhead	Davis	Langer
Barkley	Downey	Lee
Bilbo	Doxey	Lodge
Bone	Ellender	Lucas
Brewster	George	McCarran
Brooks	Gerry	McFarland
Brown	Gillette	McKellar
Bulow	Glass	McNary
Bunker	Green	Maloney
Burton	Gurney	Maybank
Butler	Hayden	Millikin
Byrd	Herring	Murdock
Capper	Hill	Murray
Caraway	Holman	Norris
Chavez	Hughes	O'Daniel

O'Mahoney	Stewart	Vandenberg
Overton	Taft	Van Nuys
Radcliffe	Thomas, Idaho	Walsh
Reed	Thomas, Okla.	Wheeler
Rosier	Tobey	White
Schwartz	Truman	Wiley
Smathers	Tydings	Willis

NAYS—5

Clark, Idaho	Mead	Wallgren
La Follette	Nye	

NOT VOTING—16

Aiken	Hatch	Spencer
Andrews	Pepper	Thomas, Utah
Barbour	Reynolds	Tunnell
Bridges	Russell	Wagner
Chandler	Shipstead	
Guffey	Smith	

So Mr. BYRD'S amendment to the amendment of the committee was agreed to.

Mr. MEAD. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to add at the end of the pending amendment the following:

(e) No person otherwise eligible to benefits under the Civil Service Retirement Act of May 29, 1930, as amended, shall be paid any retirement benefits under the provisions of such act for any period during which such person is receiving any benefits under a retirement system of any State or any political subdivision of any State.

Mr. CLARK of Missouri. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CLARK of Missouri. What is the pending amendment? The amendment proposed by the Senator from New York in terms is an amendment to the pending amendment. What is the pending amendment?

The VICE PRESIDENT. The pending amendment to which the Chair assumes the Senator from New York is referring is the committee amendment, which is in the nature of a substitute. The Chair asks the Senator from New York whether that is correct.

Mr. MEAD. The Chair is correct.

The VICE PRESIDENT. The Senator from New York is recognized.

Mr. MEAD. Mr. President, the amendment I have offered would merely prevent one who is a member of a State or local retirement system from drawing benefits from the Federal retirement system. It will have no application to Members of Congress if the amendment which has just been adopted shall be finally approved by the other body of the Congress and signed by the President. It will, however, prevent men from qualifying for a retirement annuity in more than one public system. There is a possibility of that happening under existing law. I found that to be the fact in my own case. After I communicated with the authorities of the State of New York and with the Federal authorities, I was made aware of a condition which I thought did not exist. I stated in the debates on the bill just passed that I was a disinterested party, that I had no opportunity of qualifying because I was in a State system. I have learned that there is a possibility of an individual becoming an annuitant in more than one public system.

I merely submit the amendment so that no one who qualifies for a Federal pension will be able to qualify for a State or for a local pension or perhaps for a retirement benefit under the State Department. It occurs to me that one benefit of this kind, so far as it applies to the civil-service retirement plans, is sufficient.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. WALSH. Will the Senator state what effect his amendment will have on retired officers of the Army and the Navy who are receiving their retirement pay?

Mr. MEAD. It would have no effect upon them at all.

Mr. WALSH. If they receive pensions or annuities from various States, will it affect them?

Mr. MEAD. No. It merely provides that anyone qualifying for a Federal retirement will not be given a Federal retirement if he has also qualified for a State or municipal benefit. It makes no reference to the existing Federal systems other than the one we are discussing now.

Mr. GREEN. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. GREEN. I understood the Senator to say that, under the amendment, one would have the right of election, but under the language of the bill he stated one was barred from any such election.

Mr. MEAD. Under the terms of my amendment, one could not qualify for retirement in the State of Rhode Island and at the same time qualify for retirement under the Federal system. It merely pertains to three systems which it mentions. One cannot qualify for a local, a municipal or a State benefit and at the same time be eligible for Federal benefits.

Mr. GREEN. But can he elect?

Mr. MEAD. I suppose he could elect. He could withdraw from the State pension system and participate in the Federal system.

Mr. GREEN. It seems to be a question whether under the language of the amendment he can elect.

Mr. MEAD. It merely bars more than one pension for those who qualify under the Federal civil-service plan.

Mr. GREEN. The Senator from New York does not seem to be very sure whether he can or cannot elect.

Mr. MEAD. Yes, he can elect. I would say there would probably be regulations issued which would make him eligible for Federal retirement if he got out of local or State retirement funds. But he can only be in one. If one wants benefits from the Federal civil service retirement plan he cannot receive benefits from any other.

Mr. GREEN. I understand that he can only receive benefits from one, but I am not yet clear whether he would have the right to elect under the language of the amendment proposed by the Senator from New York.

Mr. MEAD. I would say he would have the right to elect, for it does not bar him from electing, because it merely says he may not receive more than one benefit.

Mr. GREEN. Will the Senator from New York read his proposed amendment?

Mr. MEAD. The Senator from New York conferred with the legislative drafting service on that very point. We are merely trying to prevent a person from qualifying for a municipal or a State benefit and also for the Federal civil-service pension. We mention no other systems. We merely hold that a person can draw only one civil-service retirement benefit. We permit him, as a result I believe of the language of the amendment, to elect which he will qualify for.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. JOHNSON of Colorado. I notice that the language of the amendment is "eligible" to receive a pension.

Mr. MEAD. Yes.

Mr. JOHNSON of Colorado. It does not say "receive" a State pension. It says "eligible" to receive one. A man may be eligible to receive a State pension and therefore would forever be barred from receiving a Federal pension under the language of the amendment.

Mr. MEAD. By comparing the language of the amendment with the law it was determined that that was the best way of depriving an individual from receiving a double or a triple income. He could not be eligible for the Federal benefits if he is being paid State or municipal benefits.

Mr. JOHNSON of Colorado. He might be eligible for a State pension and not receive a State pension.

Mr. MEAD. The amendment also contains the word "receive."

Mr. JOHNSON of Colorado. When the amendment was read I did not hear the word "receive."

Mr. MEAD. Yes, that word is in the amendment. I do not have the amendment before me, but that word is in it. We took up that matter with two representatives of the legislative drafting service and we went into the question very thoroughly, and I think the language is very definite on that point. I should like to have my distinguished colleague get a copy of the amendment and read it, because I am sure he will agree with me on that point.

Mr. GREEN. Mr. President, the Senator from New York has the floor. Will he not ask that the amendment be read again?

Mr. MEAD. Mr. President, may we have the amendment read again?

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following language:

(e) No person otherwise eligible to benefits under the Civil Service Retirement Act of May 29, 1930, as amended, shall be paid any retirement benefits under the provisions of such act for any period during which such person is receiving any benefits under a retirement system of any State, or any political subdivision of any State.

Mr. BONE. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BONE. I seek information about one matter. Assuming a state of facts

like this to exist, what would the answer be under the Senator's amendment? Suppose a man was a veteran of World War No. 1 and receiving a pension. In recent years he had been employed by a city or a State into whose coffers he had paid a certain amount each year as a contribution toward a retirement fund. What effect would the amendment have on his status as a recipient of a Federal pension for war services and a pension from the city or county or State by reason of his services to that body?

Mr. MEAD. It would not have any effect on any pension for war service or on any other pension fund except the Civil Service Retirement Act. A man may draw a pension from the railroad retirement fund. He may draw a pension from the Coast Guard. And yet this amendment would not apply to him. The proposed language merely means that one cannot draw a pension from a municipal civil-service fund and also from the Civil Service Retirement Act of May 29, 1930, as amended. One cannot draw a benefit from a State fund and from the Federal fund.

Mr. President, I am very happy that the Senate has decided the issue of congressional pensions. I have been calling it retirement pay until now, but from now on I want to join the majority in calling it pension.

Mr. President, I could not see how I could maintain my position, my integrity, or my self-respect as the agent of the Senate, as the spokesman of our committee, and come in here one day and defend a measure as being in the interest of national defense because it covered a very large group of employees, a measure that was in the interest of national defense because it extended the age limits from 62 or 65 to 70 years, and permitted departments which are right up against it for personnel to retain such persons.

I could not defend a measure last week and tell the Senate that it was increasing revenues from $67,000,000 to approximately $100,000,000, and then come in this week and tell the Senate that it was a great drain on the Treasury.

But, Mr. President, I am very glad, very happy tonight that this body has had the opportunity to vote. It leaves me free now to make my personal opinions known on this particular issue. I never thought I could qualify under the provision. I was not interested in the matter from a personal standpoint.

I shall not be interested from now on, insofar as I am concerned. But, Mr. President, when the time comes, I hope it will again have the attention of the committees of Congress and that it will be decided upon in a manner that will be for the public welfare. I hope that if a retirement plan is ever adopted it will be actuarily sound; that it will be an example for all other retirement plans to follow; and that it will be one that may entice other agencies to follow our lead and to enact a similar program that will increase the revenues of the Federal Treasury.

Mr. President, I want to have inserted in the RECORD, in connection with my remarks, some of the comments that have been made in the last day or two with reference to this legislation.

I have before me a statement which was made last night by Lowell Thomas. I quote a portion of it for the benefit of my colleagues:

> Another specter is that loudly ridiculed issue of pensions, which filled the mail bags of Congressmen with a heavier mass of abusive letters than they have seen in many a long time. I have been getting my share of it in the last few days for having relayed the information that some people believe it would be salutary and dignified for Presidents who do not happen to be rich men to lead dignified lives after their terms expire. I pointed out the tragedies of President Thomas Jefferson and of the last days of President Grant—and did I catch it in the mail for that!
>
> As a matter of fact, there is a real serious misapprehension about the pension law which Congress passed. It did not propose to give every Congressman a handsome income regardless of how long he had served. Only a lawmaker with a 35-year record would have been entitled to the maximum, $5,000 a year.

That is an exaggeration in some cases.

> A man who had been in Congress 5 years would get six or eight hundred a year. That's what the shouting was really all about. It looks as though the argument would soon be only academic anyway, for the solons, as the copy desk calls them, are getting all set to repeal the bill. The Senate today voted to allow the Committee on Civil Service to report a repeal measure tonight and the Upper Chamber will vote on it tomorrow. In this issue, too, the desire for unity has been loudly mentioned as the motive.

Last night in Washington Radio Commentator Morgan Beatty had this to say:

> Congressmen are about to repeal that nettlesome "Pensions for Congressmen" law, too. They could have tried to argue with voters who wrote in condemning the law, for it is actually not the "steal" a lot of people think it is, but there's no point in arguing now. And so the repeal movement should begin to grind through Congress before the week end is out.

This morning the Washington Post, among other things, had this to say:

> The chances strongly favor speedy repeal of the legislation making Members of Congress eligible for voluntary inclusion in the Federal contributory retirement system. However, the current debate in the Senate shows very plainly that many Senators regard themselves as the hapless victims of a campaign of deliberate misrepresentation and vilification. Stung by public criticism, they are fearful of the effect of the pensions vote upon their political futures as well as upon public morale. Primarily for those reasons—and not because they regard pensions for themselves as wrong in principle—many legislators are prepared to reverse their votes and approve a repeal measure.
>
> It is true that exaggerated statements regarding the size of the pensions and the cost to the Government (which would probably be small) have gained currency. A few minor changes in the pension law would meet criticisms of this sort. But the issue goes much deeper.

It then makes the point that Members of Congress are different from anybody else and therefore should not be permitted to become participants in this system.

The bill in question was approved all along the line and under those conditions I was designated, and likewise agreed, to handle it on the floor of the Senate as the spokesman of the Civil Service Committee and the agent of the Senate. In that capacity I was acting for the committee on a measure that was not mine.

As I stated a moment ago, I am glad this issue is settled, and I am glad the Senate has settled it as it has. I am glad to be relieved from the embarrassing position in which I have been since, as the agent of the Senate, I reported the bill to the Senate.

Mr. President, I wish to have it known that no matter what the situation may be, I was never personally concerned with this bill. Coming, as I do, under the New York system, and believing in it as I do, I want to have it known that Senators who have no independent income and who are not considered wealthy men, should some day have the privilege of retirement in an actuarily sound contributory system, one which would not cost the Government a penny, if we want to make it such a system.

Mr. President, the issue is settled. It probably will not come up again for some time. I hope it does not again arise while the emergency is on. Although I was appointed on a Presidential committee to study retirement, I never pioneered, nor did I ever introduce legislation for congressional retirement or congressional pensions. The section repealed was not my plan.

Before I am through, Mr. President, I wish to commend the majority leader for listening to my appeal that he refrain from attaching the measure introduced by the distinguished Senator from Virginia as a rider to the pending naval bill. I am glad that he gave our committee an opportunity to consider it.

I cooperated wholeheartedly and presided again last night at hearings to expedite the report on the Byrd bill. I did everything I could to bring it to the Senate without delay so that you could make your decision. We went to work diligently after we were given the privilege and reported it expeditiously. The democratic processes were given an opportunity to be served. We brought out some valuable information.

In the two sessions we could not find anybody who was opposed to the bill. Representatives of hundreds of thousands of men and women all over America who took this matter up in their conventions and favored it appeared before the House committee in hearings which ran for many days, covering a period of 2 or 3 months. They came before us yesterday and pleaded with us for the retention of the retirement feature covering elective officials.

Our committee reported the bill back to the Senate today. Throughout this entire matter, from the time that the Civil Service Committee designated me to sponsor the measure on the floor of the Senate until today, when the Senate acted, I was duty bound to advocate the measure as it was recommended by the committee. Now that the Senate has acted and has repealed the provision which has caused so much interference with the harmonious workings of the Senate, I am released of any further obligation which attached to my position as a representative of the committee.

I feel that throughout all of these proceedings, acting in my representative capacity, I devoted all of my energies in as diligent a manner as possible to fulfill my obligations. Now that the Senate has acted and the controversial section has been repealed by this body, I have no further connection with the measure in question, and I am able to make my own position clear. From this point forward I am free, along with the other Members of the Senate, to devote all of my time to the war effort.

Mr. President, appreciating, as I do, the opportunity given to us by the majority leader, I now wish to turn to him for the same privilege for the distinguished junior Senator from California. The junior Senator from California, in a most conscientious and sincere manner, has endeavored to obtain hearings before a standing committee of the Senate authorized to consider measures such as he has been discussing today; and yet, except perhaps for a special committee, he has not been granted the privilege of the hearings to which he has been entitled insofar as the bill he has been discussing this afternoon is concerned.

I believe that if we want to maintain the democratic processes and prove that our democracy can function, we should accord justice to the persistence, integrity, and conscientiousness of the distinguished junior Senator from California in connection with the particular bill which we are discussing this afternoon. It ought to be made the subject of hearings.

Mr. BARKLEY and Mr. CLARK of Missouri addressed the Chair.

The VICE PRESIDENT. Does the Senator from New York yield, and if so, to whom?

Mr. MEAD. I shall be glad to yield in just a moment.

In connection with the bill introduced by the distinguished junior Senator from Virginia, the majority leader required the chairman of our committee and other members of the committee to take the floor and make their decision right here—an affirmative, positive decision—that we would grant hearings at once and without delay. I think that with respect to the particular measure which is before us today the junior Senator from California ought to be given the opportunity for hearings.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. BARKLEY. The Senator probably is not aware of the fact that in the last session the Senator from California asked on the floor that he be assured that hearings would be given on this subject, in which he is so greatly interested.

Mr. MEAD. On this subject. I am speaking about this particular bill.

Mr. BARKLEY. On a bill which he had then introduced, the same bill with some variations.

The Senate Finance Committee held hearings beginning about the first of December. I do not now remember how long they lasted, but I think there were hearings to the extent desired at that time. If the Senator from California desires further hearings before that committee on the subject, I think I can assure him that they will be accorded. I speak in the presence of the chairman of the committee, who, with the committee of which I am a member, accorded the right to be heard in December. The hearings occurred about the first week in December. Then, of course, as the Senator knows, Pearl Harbor came, and everything gave way to that. But if the Senator from California or any other Senator wants to be heard or to have witnesses appear before the Finance Committee, before which the matter has been pending, I think it certain that every opportunity will be given to have the matter developed before that committee to the extent desired.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. MEAD. Just as soon as I make one statement. I am glad to have the assurance from the able majority leader. I admit that there have been hearings but I do not believe there have been hearings on this particular measure. There is a great deal of conflict about the cost, as was emphasized in the debate on the floor. I know that a special committee was appointed to treat with this subject; but it occurs to me that it is a very important matter, that it is a vital matter, that it is something that we ought to have completed before the end of the emergency. We could study it now. I think that hearings should be initiated without delay on this particular subject; and in our spare time or when we are not considering emergency war measures we could go into the subject and get it in proper shape and bring it before the Senate so that it would not have to be attached as a rider to some other appropriation bill.

Mr. BARKLEY. I appreciate what the Senator has said, and I am interested in having the matter developed and given every possible consideration. The bill on which the Finance Committee held a hearing early in December differed from this matter in that that bill had in it a provision for raising money to bear the expenses of the plan, whereas the amendment here does not contain such a provision. I think the matter is entitled to consideration. It is a matter on which there must be study. I do not think we can really pass on the matter intelligently here on the floor on the spur of the moment, and as a rider to another bill. It is a matter that is entitled to be considered on its own merits, and not thrown in suddenly as a rider to some other bill—a proceeding which in a sense tends to complicate, if not to embarrass, the advocacy of a comprehensive measure on the subject in a way in which I do not think it is entitled to have to suffer.

Mr. MEAD. The able majority leader will recall how I objected to the hasty consideration of the legislation offered by the junior Senator from Virginia, how I pleaded that hearings be held, that it be referred to the proper committee, and that it be reported back to the Senate without delay. I am consistent, I believe, in seeking the same course for the legislation introduced by the distinguished junior Senator from California.

Mr. BARKLEY. In that connection, I compliment the Senator from New York, and I have heretofore complimented him and the chairman of the Civil Service Committee on the prompt consideration and prompt action and the sincere and honest course they pursued in regard to the matter which we have presently disposed of; and I can assure the Senator from New York and any other Senator that every opportunity will be given to the advocates of the pension plan now under consideration to study it and to present it to the committee, and, as the Senator says, at a time when we are not harassed by important war legislation, take it up and consider it on its merit.

Mr. MEAD. I yield now to the Senator from Missouri.

Mr. CLARK of Missouri. Mr. President, the Senator from New York, perhaps inadvertently, certainly left the impression on the Senate that the Finance Committee had refused the Senator from California a hearing on this proposition and this bill. The fact is that the Finance Committee gave a hearing to the Senator from California on the only bill that he had introduced.

Mr. MEAD. That is correct.

Mr. CLARK of Missouri. The committee heard every witness who desired to be heard, and presumably heard every witness whom the Senator from California desired to introduce, and adjourned the hearing with the understanding—at least, so I understood, and I think the committee completely understood to the same effect—that the Senator from California was going to prepare some amendments to submit to the committee, on which further hearings could be held. If the Senator from California has ever prepared such amendments, I am not aware of them. I am certain that the Finance Committee has never declined to hold a hearing on any important subject.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I will; but first I ask the Senator from Kentucky to permit me to complete my statement.

No one has ever had an opportunity to know just what this particular proposition is, except from hearing it read at the desk today, because it has not been printed, and only two or three mimeographed copies have been available. But I can assure the Senator from New York that the Senator from California, or any other Senator who has an important measure for consideration before the Finance Committee, can get a hearing before that committee at any time mutually convenient.

Mr. MEAD. I am very glad to have that assurance.

Mr. BARKLEY. I have in my hands a printed copy of the hearings held before the Finance Committee on December 1, 2, and 15, 1941, consisting of 147 pages of printed testimony taken at the proceedings held on those days on Senate bill 1932, introduced by the junior Senator from California.

Mr. MEAD. I am very glad to have that information; and I want it known that I have no complaint against the

present chairman of the Finance Committee or his predecessors in that enviable position, or against the committee itself. I know that the distinguished junior Senator from California, in a forthright and exemplary fashion, has tried time and time again to bring this matter to the attention of the Senate. The proposal that he brings to the Senate is a reasonable one. It may not be properly timed; but, nevertheless, it is a proposal which should have our consideration.

I believe, Mr. President, that we should liberalize our pension system, our social-security system. I believe that if we have such liberalization ready, it will make its contribution to our national economy after this emergency is over. I believe, Mr. President, that, upon consideration of the measure, we might make some adjustments with reference to age requirements. We might make some adjustments, Mr. President, by reason not only of age requirements but with reference to State and Federal contributions. We might make such adjustments as will make it possible for a majority of the Members of this Chamber to give such legislation their support.

Mr. President, as I pleaded for consideration by the committee of the bill introduced by the junior Senator from California, I now plead for consideration of the bill which is before the Senate and which is sponsored by the junior Senator from California. I believe those measures should be considered by the committee, and they should be brought here on their own merits, and they should be debated and discussed and approved by the Senate of the United States. I should like to vote to liberalize pensions. I should like to vote for the measure introduced by the Senator from California, after it shall have been considered by the proper committee. I believe that we should liberalize pensions, and I hope we shall have an opportunity to do so at a very early date.

Mr. President, as has been the request of our majority leader, let us give all of our emphasis and all of our attention and all of the diligence at our command to the war effort. Let the chairmen of the various committees weigh well the bills that are before them, consider well the bills that they report, and bring in here, Mr. President, only legislation that can be vindicated in the times in which we live, and which can be defended as legislation which will have, as its first object, the winning of the war in which we are engaged. Let us, Mr. President, in a forthright manner tackle the problem which is before us, and, as has been the case, I believe, up to date, pass war-effort legislation without delay. I believe that every committee which has had such legislation referred to it has reported it to this Chamber without delay.

I believe we are practically up to date with that program. I believe we ought to keep that program up to date.

So, Mr. President, I want it understood that so far as I am concerned, whether it requires sessions by day or sessions by night, or both, I am here to give my level best, as has been the case in the past, to legislation which concerns itself with national defense.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. MEAD. I shall be very glad to yield.

Mr. JOHNSON of Colorado. I desire to ask the Senator, in regard to his amendment, how many Federal employees his amendment affects. Does the Senator know?

Mr. MEAD. I suppose it does not affect any of them; but there is a possibility of someone qualifying for a pension in a State and then securing a position in the Federal Government. He may even be elected to Congress, and then, after leaving Congress, secure a position in the Federal Government. His service in the Congress and his service in the Federal Government would, after a period of 15 years, make him eligible for a Federal pension; and by reason of his service in the State he might likewise be eligible, after attaining a certain age, for another pension in the State system.

Mr. JOHNSON of Colorado. But the services would not be simultaneous.

Mr. MEAD. No; the services would not be simultaneous.

Mr. JOHNSON of Colorado. They are actuarially sound, are they not?

Mr. MEAD. They are.

Mr. JOHNSON of Colorado. Then why deprive a man of something he has earned?

Mr. MEAD. Simply because in the aggregate the payments to him may total more than any pension system could justify. I want to make sure that one who commands the salary that we do cannot get a pension from the State and likewise get a pension from the Nation. It occurs to me that if a pension system is actuarially sound, we ought to confine the recipient of it to one pension. That is the theory behind social security—to provide a sufficient income to enable a man to get along after his days of usefulness at work are over but not to provide him with a royalty.

Mr. JOHNSON of Colorado. Mr. President, I do not see that a royalty is involved here. We have the case of a person who has earned retirement in a State after perhaps 10 or 15 years of service. He has paid for it. He has paid in the required amount. Then he enters the Federal service and he accumulates some more retirement. By what sort of reasoning does the Senator from New York deprive such a person of his Federal retirement pay, something he has earned, something to which he has a right? He ought to be treated on the same basis as other persons. These other persons perhaps have earned retirement through private life-insurance companies. They retain it. They have earned it. They have paid for it. The person that the Senator is legislating against has earned his retirement in a State and has paid for it; and yet, by the amendment which the Senator is proposing here, he is taking away from that man something he has earned. It is his right.

Mr. MEAD. If the distinguished Senator from Colorado will yield, if a man has 4 or 5 years to his credit in a municipal or a State fund, and he comes to work for the Federal Government, he may elect to join the Federal system, and he may go on to attain a maximum retirement pension, and at the same time he will be able to withdraw his money, with interest, from the fund of which he was formerly a member. If he decides to go to work for a State government, if he is employed by a municipal system, and if he takes out membership in a local or State retirement fund, he may withdraw his money from the Federal fund, with accrued interest, and he may proceed to attain for himself a very substantial retirement in the local or the State system. It occurs to me, however, that we ought not to permit benefits from more than one retirement system to be paid to those who are participants in the Civil Service Retirement Act of 1930, as amended. I merely wish to prevent two or more retirement payments being permitted legally under the law.

Mr. President, I ask for a vote on my amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York [Mr. MEAD] to the amendment of the committee in the nature of a substitute.

The amendment to the amendment was agreed to.

Mr. BONE. Mr. President, I desire to ask the Senator from New York if he has seen the report of the Senate Committee on Civil Service, which requested the repeal of the congressional allowance, which we voted on a little while ago.

Mr. MEAD. To be honest with my distinguished colleague, I must say that we worked so fast and so hastily to get the bill and the report before the Senate that I really have not had time to read the finished report.

Mr. BONE. I have read it. It has about 20 lines in it. The smartest man alive would not know what issues were involved, if he read the report, unless he also heard the debate on the floor. Any fair-minded person reading the report who could tell what the issues were would have to be smarter than any human being since the days of Solomon. He would have to be a million Solomons rolled into one to tell what the issues were.

I have read the report, and I defy anybody in the Senate to tell what the issues in this case are from reading the report. If that is the kind of a report that is to be submitted on the bill of the Senator from California [Mr. DOWNEY], we certainly shall be facing a most astonishing situation.

Mr. MEAD. I will state that our principal task was to get the bill before the Senate with a report as quickly as possible because we wanted the Senate to have an opportunity to repeal the law if the Senate wanted to do so. I, for one, am very happy that the Senate had that opportunity, and I aided in bringing it about quickly as well as I could.

Mr. DOWNEY. Mr. President, for the third, and, I hope, the last time, I now desire to offer my pension amendment to the pending bill. I should like to be heard by the Senate for a time, not exceeding 30 minutes, to answer some of

the arguments made by the distinguished Senator from Kentucky [Mr. BARKLEY].

Mr. BARKLEY. Mr. President, I was hoping—and I think the other Members of the Senate have been hoping—that we might dispose of this matter this afternoon and adjourn over until Monday. I do not want to work any hardship on other Members or on the Senator from California, but I thought he said it would take him only 15 minutes to answer me. I do not want to work any hardship on the Senator or on the Senate; but there is quite a sentiment in favor of staying here until we dispose of this matter. I wonder, therefore, if the Senator would not be willing to limit himself to approximately 15 minutes.

Mr. DOWNEY. I am willing to go ahead if the Senate desires, and I shall endeavor to confine myself within 15 minutes, which I think I can do if there are no interruptions, interrogatories, colloquies, controversies, arguments, discussions, and so forth.

Mr. BARKLEY. So far as I am concerned, I will guarantee to accept the Senator's suggestion.

Mr. DOWNEY. Mr. President, I first desire to ask to have placed in the RECORD, without my reading it, a communication under date of November 28, 1941, from the Federal Social Security Board, signed by Mr. Falk, which I think sustains the figures I have stated here in relation to the cost of the pending pension proposal.

The VICE PRESIDENT. Is there objection to the request of the Senator from California?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL SECURITY AGENCY,
SOCIAL SECURITY BOARD,
Washington, November 28, 1941.

Hon. SHERIDAN DOWNEY,
United States Senate,
Washington, D. C.

DEAR SENATOR DOWNEY: In accordance with the request you made by telephone on November 22, we have compiled some tentative cost estimates which might reasonably apply to the series of old-age assistance specifications you gave me. I recapitulate these specifications as follows:

(1a) Old-age assistance to be paid to needy persons aged 65 years and over.

(1b) In the alternative, old-age assistance to be paid to needy persons aged 60 years and over.

(2) For each such recipient, whether single, married, widowed, or divorced, who is the only recipient in the family or household, the assistance payment is to be uniformly $40 per month.

(3) For each such recipient who is one of a married couple each of whom is a recipient, the assistance payment is to be uniformly $25 per month.

(4) Federal reimbursement to be 80 percent; State (and local) funds to provide 20 percent.

(5) Federal reimbursement to be applicable under the present $40 maximum monthly payment per recipient.

(6) For needy recipients aged 65 years and over, assume the current percent eligible; for those aged 60 to 64, inclusive, assume alternatively, 15, 17.5, 20, and 24.6 percent eligible (the last being the current percentage of persons aged 65 and over who are old-age assistance recipients).

For the purposes of the calculation it was necessary to derive estimates of the proportion of recipients who, it is assumed, would receive the $40 payments and the proportion who would receive the $25 payments. Such estimates were based upon available data concerning persons aged 65 or over, namely data on (a) the characteristics of recipients accepted for old-age assistance during the fiscal year 1939–40, and (b) the proportion of married persons aged 65 or over living with a spouse 65 or over, as found in our Family Composition Study. The results were then arbitrarily applied to persons aged 60 to 64, inclusive.

From such estimates it appears that the combined average monthly payment for persons aged 65 or over, or aged 60 or over, eligible for Federal reimbursement under the stated series of specifications would be about $36 per recipient. This, I may emphasize, is a tentative figure, subject to review. Total annual expenditures for the stated series of specifications were then calculated by applying this estimated average monthly payment to specified monthly case loads. The results are shown in the tabulation included herewith. The corresponding figures from the actual experience of the old-age assistance program during the calendar year 1940 are included for convenient comparison.

As you will recall from our telephone conversation, we have used the alternative percentages (15, 17.5, 20, and 24.6) as arbitrarily assumed proportions of those aged 60 to 64 years, inclusive, who would qualify as needy recipients. I would emphasize the point that these percentages are arbitrary; it should not necessarily be assumed, from these alternative percentages used, that the percentage of persons aged 60 to 64, inclusive, who might be eligible needy recipients will necessarily be less than the average percentage of persons aged 65 and over who are recipients under the current old-age assistance programs.

It will be evident from the tabulation that the stated series of specifications, with the indicated supplementary assumptions, imply a monthly case load of 2,200,000 recipients 65 years of age or over, and a total annual expenditure of $952,000,000, of which $762,000,000 would be a cost to the Federal Government. If the age limit were lowered to 60 years, the monthly case load would range from 2,900,000 to 3,400,000, the total annual expenditure from $1,258,000,000 to $1,453,000,000, and the annual cost to the Federal Government from $1,006,000,000 to $1,162,000,000—depending upon the assumed proportion of eligibles among those aged 60–64, inclusive. These figures may be compared with an average monthly case load of 2,000,000 persons aged 65 or over in the calendar year 1940, a total annual expenditure for them of $473,000,000, and an annual Federal cost of $235,000,000 for this program.

I hope these notes and estimates give you the information you wished to have when you first stated the inquiry and to which you again referred in our telephone conversation yesterday morning.

Sincerely yours,

I. S. FALK, *Director.*

[Enclosure.]

Coverage	Monthly case load	Total annual expenditures	Annual State expenditures	Annual Federal expenditures
Recipients 65 years or over in September 1941	[2] 2,204,000	$952,000,000	$190,000,000	$762,000,000
Recipients 60 or over, on (alternative) assumptions:				
(a) If 15 percent of persons 60–64 are eligible	2,911,000	1,258,000,000	252,000,000	1,006,000,000
(b) If 17.5 percent of persons 60–64 are eligible	3,029,000	1,309,000,000	262,000,000	1,047,000,000
(c) If 20 percent of persons 60–64 are eligible	3,147,000	1,360,000,000	272,000,000	1,088,000,000
(d) If 24.6 percent [1] of persons 60–64 are eligible	3,364,000	1,453,000,000	291,000,000	1,162,000,000
ACTUAL EXPERIENCE UNDER PRESENT PROVISIONS OF SOCIAL SECURITY ACT				
Experience for calendar year 1940	1,986,000	$473,000,000	[3] $238,000,000	$235,000,000

[1] The proportion of persons 65 and over receiving old-age assistance in September 1941.
[2] Excludes recipients 60–64 in Colorado.
[3] Includes $3,000,000 of nonmatchable expenditures.

Mr. DOWNEY. I desire to call to the attention of the distinguished leader the fact that in his final arithmetic for the gross cost of the plan he reached approximately the same figure I reached, namely, $1,150,000,000. But the distinguished Senator must admit that from that would be deducted the payments which the Government would otherwise have to make under the present law, which would amount to approximately $350,000,000 in the next fiscal year. In addition to that, the sum saved on W. P. A. and general relief for people past 60 years of age would reduce the net cost of the program to five or six or seven hundred million dollars.

Mr. President, I should like also to call to the attention of the distinguished Senators who have addressed themselves to the Senate, when they have pitifully appealed to me and the Senate not to impede the war efforts by any attempt to take care of the misery and the destitution of our elderly people, the fact that we are this very day engaged in providing a retirement system for a million or a million and a half Federal employees, who will receive sums far in excess of $30 a month, ranging up to three or four thousand dollars a year. I do not know whether the distinguished Senator from Kentucky realizes it, but over the next 10 or 15 or 20 years 75 or 80 percent of the money going into those pensions will be paid out of the Federal Treasury. In other words, the Senate of the United States and the Congress are entirely willing to provide a retirement system for Federal employees making good salaries, who will receive large annuities, and pay 75 or 80 percent of the sum which will be required during the next 10 or 15 years out of the Federal Treasury, but they do not believe they can lift pitiful payments of five or ten or fifteen or twenty dollars a month to $30 a month in order to take care of elderly people.

So, Mr. President, when the distinguished Senator from Georgia and the distinguished Senator from Kentucky plead that we should not impede our war effort by increasing to $30 the sum of $8 or $10 a month which the needy now receive, I inquire, how will the payment of $30 a month to the unfortunate men and women of this Nation past 60 years of age impede the war effort? Will that make us any less strong at Manila or at Singapore or on the European Continent? How will that prevent us from producing airplanes and tanks and guns? Certainly

it will take money, but it will not take war materials, and I am firmly of the opinion that the American people want to pay the money necessary to alleviate the tremendous distress of their elderly people.

Let me ask, will the morale of a young soldier in Singapore or Europe or the Virgin Islands or Iceland be increased because his mother or father is starving to death in the United States? Will we build up a stronger nation, inspired to redeem the whole world, when we have not the Christian principle to take care of our own sickly and needy?

Of course, it will take money to do this; it will take about $500,000,000, which is about 1 percent of the consumable wealth of this country. That means that if we would provide for the elderly people 1 percent of the consumable wealth, they then could exist in some sort of decency, and the denial of this would mean that Members of Congress living here in Washington on the fruits of the toil of our citizens are not willing for their part and for the good of the Nation to make sufficient sacrifice to give a mere subsistence, bread and butter and clothing, to our elderly citizens.

Mr. President, I cannot believe that an insecure and starving segment of the population at home is going to help us fight more bravely and effectively in the four corners of the world. The distinguished Senator from Kentucky, looking at me, proclaimed that some of us were so busy thinking about pensions that we never thought about national defense. I should like to say to the distinguished Senator from Kentucky that every day since I have entered the Senate—and for a long time previously—I urged a dominating force for the Western Hemisphere, a two-ocean Navy, and an adequate Army; and here on the floor of the Senate almost 3 years ago I urged and importuned that we should lay in a store of strategic war materials—rubber and other commodities we now so vitally need—and for lack of which our war effort may fail.

Mr. President, I declare quite positively that we will not build a great nation if great segments of our people are left unfortunate and uncared for, and we will not win the war any sooner and will not produce any more war materials.

So, Mr. President, without further discussion, I present the amendment to the Senate for a vote unless other Senators wish to speak upon it.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BANKHEAD. A good deal has been said here this afternoon about the cost of this proposal, and, of course, that is one question of fact which has developed a very wide difference of understanding. There is one phase of the matter which I have not heard discussed, that is, the income which may be applied to this proposal under the social-security law.

I have before me a copy of the hearings before the special Senate Committee on Old-Age Pensions, and I find some discussion of that subject on pages 3 and 4 of the hearings. I find that under the Federal old-age insurance system which, of course, may be combined with the Federal aid system, there is now a tax of 2 percent, 1 percent by the employer and 1 by the employee, and that that tax is available for this old-age program.

I see this quotation, referring to a time about 8 or 10 months ahead:

> On January 1, 1943, the rate will increase to 4 percent, on January 1, 1946, to 5 percent, and on January 1, 1949, to 6 percent.
>
> It is obvious that the income which is derived from the employer's tax is ultimately collected from the general consuming public. Thus it must be understood that in the immediate present one-half of the funds being collected are from social rather than from individual contributions.

I read further:

> Pay rolls of covered occupations now subject to the 2-percent tax will avail about $40,000,000,000 in 1941—

That is, the last year—

> and are rapidly expanding under the stimulus of war production. How powerful that stimulus is may be best revealed from the fact that covered wages and salaries for this year will be almost $7,000,000,000 higher than for the last. The 2-percent pay-roll tax levied against the pay-roll base of $40,000,000,000 will this year—

That is, last year—

> yield approximately $800,000,000, while disbursements from the insurance fund in 1941 will approximate only about $100,000,000.

There is an excess shown from the receipts above disbursements in the year 1941 of $700,000,000.

I continue to read:

> Because of this yearly excess of revenue over disbursements the reserve fund of the insurance system is steadily increasing. On July 1, 1941, it had amounted—

Speaking of the excess—

> To $2,400,000,000, and is expected to rise to $3,100,000,000 by July 1, 1942.

Of course, it is evident since this statement was made, based upon a pay roll of $40,000,000,000, that the total pay roll may double during this year, but certainly if it has not already done so, it has increased to $65,000,000,000, or $70,000,000,000, on which this year 2 percent will apply. Let us say the pay roll goes to $75,000,000,000; then there will be $1,500,000,000 income from the total pay roll.

By the 1st of January next probably, at the rate that business is now increasing and Government funds are being expended, we shall have a pay roll of, say, $80,000,000,000, and, with 4 percent applied to it, $3,200,000,000 would be available for this program next year. I have not heard any mention of the income that is available under present laws, without any additional taxes being levied. Business is increasing, and the rate of taxation is also increasing. I submit there is no sound reason for the reduction of the program dealt with by the amendment of the Senator from California based on the fear that it will call upon the taxpayers for additional taxes. They must pay the taxes whether persons of old age get any of them or not.

Mr. DOWNEY. I am deeply appreciative of the comments made by the Senator from Alabama, and I am wholly in agreement with him.

Mr. President, I wish to say a word further. If there is any error in my figures—and I am positive there is not—the error can be discovered after the bill is passed, when it goes to conference, and there will be full opportunity for the Senate, undoubtedly, and for the House of Representatives to discover any error I may have made, or that my distinguished opponents may have made. Consequently, with that statement I shall conclude my argument, and I am ready for a vote. The only thing I should like to add is that I should like a record vote when we are ready to vote.

Mr. MAYBANK. Mr. President, I wish to say for the record that Arkansas and South Carolina will probably be the main benefactors, insofar as Federal pensions or old-age benefits are concerned. I agree with other Senators who have spoken that it is necessary to help the older people. In this hour of need and trial and tribulation, I am very happy to have been here and to have heard the addresses made on the floor by the distinguished Senator from Tennessee [Mr. McKELLAR], the distinguished Senator from Georgia [Mr. GEORGE], and other Senators. We should all be united and should do nothing to create fear or any unfavorable publicity, so much of which we have had during the past month. So I shall vote against the amendment, although I know that South Carolina, next to Arkansas, would be the main benefactor under its provisions. I shall do so because I believe we should take no action which might tend to bring about fear or division.

Mr. O'DANIEL. Mr. President, I had intended to speak earlier on the amendment offered by the Senator from California [Mr. DOWNEY] when I believed it had a more favorable chance of passage than I believe it has at the present time. I did not vote for the measure providing for congressional pensions. I did vote for its repeal. I feel that some good has been accomplished by reason of the fact that the congressional pensions were voted about a month ago because it appears to me to have provided a vehicle which otherwise was lacking for getting the old-age pension proposal onto the floor of the Senate.

I have been here since the 3d of last August, and I know that many good old-age-pension bills are pending, but for some reason or other the Senate has been too busy to give consideration to any old-age-pension proposals, and I believe the country at large, especially the folks in my State, had almost become convinced that the Congress was not pension minded, but all of a sudden, out of a clear sky, the people all over America discovered that the Congress was very much pension minded when they learned that Congress had passed a measure providing pensions for its Members. So this action opened up the whole question of pensions and enabled the old-age-pension problem to get onto the floor of the Senate for discussion.

Mr. President, I have had some experience in connection with pension matters as Governor of the State of Texas.

We have had quite a discussion for several years in Texas with reference to old-age pensions. The majority of the people there found that the candidates who spoke the loudest in favor of old-age pensions were familiar with the rules and used all their influence in the senate and house of representatives after they were elected to keep the old-age pensions from being paid. The citizens of Texas, by an overwhelming majority, had previously written into the Constitution of the State of Texas a provision for the payment of old-age pensions, but the fulfillment of that pledge to its fullest degree possible was prevented for a long time by some very tricky politicians, who found ways and means of keeping the Legislature of the State of Texas from providing the funds with which to pay the pensions. We finally did get a tax bill enacted, however, which provides $21,000,000 State money annually for old-age pensions, but we did not get this tax bill passed until after the sovereign voters of Texas sent 104 new faces to the legislature out of a total membership of 181.

I would not say that there is any insincerity here in the United States Senate, because it is not my province to make any charge like that, but we shall possibly learn from the people back home just what they think. We shall also learn what they think when the amendment of the Senator from California is finally defeated today, as I predict it will be defeated, whereas I believe it would have passed if it had come up while the Congress had its tail in the crack [laughter], and I think everyone admits that Congress was in a very bad position.

But this is a serious matter, and I am very sincere in my intention to try to contribute something to alleviate the suffering that is going on in the State of Texas and in other States because of the high cost of living and the low pensions that are being paid to these old folks.

I think we should look at this matter in a practical manner. From the discussions that have been going on on the floor of the Senate today one would gather the impression that the subject for discussion is whether or not the Congress of the United States should adopt a social-security program, when we all know that is not the case. The social-security program has already been adopted. It was adopted several years ago, and I think it meets with the favor of the vast majority of the citizens of the United States. All that is up for discussion now is the amendment of the Senator from California, to provide increased pensions to the old folks of the United States and to straighten out some of the inequalities that exist in our present pension plan. I believe it is unequal and unfair for the Federal Government to pay different sums of money to old folks who are in identical financial condition simply because they happen to live in different States.

That is the way our present social-security and old-age pension plan is working out. Someone living in one State will receive more Federal pension money than a person in another State, although he is in exactly the same financial condition.

As I understand it, the Downey amendment would help to straighten out that situation and cause a more equitable distribution of funds to citizens of the United States, regardless of the State in which they may reside.

Mr. President, we are not considering the adoption of a social-security plan. We are considering paying more Federal pensions to the old people in the United States. It seems to me that we should consider whether or not larger payments are necessary. We all know that the cost of living has risen rapidly and that it costs much more to buy food, clothing, and medicine, which are the really essential things of life, than it did a few months ago but the pensions of the old people have not been increased. On top of that we all know that many of the sons of the old folks have been drafted or have volunteered and are now in the armed services of the United States; and the old folks do not have any source of revenue coming from the boys and men who are now in the Army.

We also know that there are many old folks on farms, that their boys have gone into the Army, and that they will not be able to employ outside labor at the high rates now being paid. Therefore they will not be able to make a living on the farm. If their age justifies, they will come under the social security benefits. More money will be required to meet that situation. So, in my opinion, this is only a question of raising enough money to provide food, shelter, clothing, and medicine for the old folks who are in dire need of those necessities of life.

We have heard some wonderful arguments today about the terrible war condition which exists. We are all familiar with that condition. We have heard that we must economize. We all know that, and we all want to do it. We are all willing and anxious to do everything we can to economize and help pay the enormous cost of this war. No doubt many persons throughout the United States wonder about the sincerity of those who talk about economizing by paying less pensions, or at least not increasing the pensions to the old folks, while at the same time the Congress of the United States sits idly by and permits labor union leader racketeers to extort high fees from the good, honest, patriotic workmen of America before they can even work on a defense job. We have no way of knowing, of course, how much this racket amounts to; but it is variously estimated to amount to between $500,000,000 and $1,000,000,000 a year, which the union-leader racketeers are forcing good honest laboring men to pay before they can work on Government defense jobs. Of course, that money is part of the cost of the Federal projects and comes out of the taxpayers' pockets. If we are sincere in wanting to economize, why do we sit idly by and permit something like that to go on? Why do we not stop it?

Furthermore, it has been proved by a committee of the Senate that exorbitant profits have been made by contractors who are building defense projects for the United States Government. Some of the profits were so large that those who took the money became conscience stricken and tried to give the money back. We know that there are only a very few in that class. Many others are making exorbitant profits out of defense contracts. What is being done to stop that racket and cut down that enormous and useless expense? We all know that much war profiteering is going on at the present time. What is being done about trying to recover the money which is being extorted by war profiteers?

Mr. WALSH. Mr. President, will the Senator yield?

Mr. O'DANIEL. I yield.

Mr. WALSH. Let me say for the information of the Senator that for several weeks the Committee on Naval Affairs has been giving that matter a great deal of attention and study, and proposes to offer some amendments seeking to limit and restrict all profits.

Mr. O'DANIEL. I thank the able Senator from Massachusetts. I know that the people are heartened by the efforts which are being put forth. Likewise, the people were heartened by the statement from the President of the United States that there would be no war profiteering during this war. Nevertheless, we know that it is going on. It seems to me that if we want to bring about unity among the people of the United States we should be sincere in our efforts, and instead of trying to economize a little by taking food out of the mouths of people who are actually starving and suffering we should commence to economize in some of the useless expenditures of the Government's money.

I hope that every Senator will give serious consideration to the amendment which is pending before the Senate. It is a matter which should receive serious consideration. It would straighten out some of the inequalities of our present old-age pension system. It would perhaps require a little more money; but what is to be gained by our aged citizens if we win this war and those who are giving up their sons to help win the war die of starvation before the war is won?

I know that we are put to great expense on account of this war, and I know that our people are suffering throughout the entire Nation under the burden of heavy taxation. But we are in this war and must and will see it through. I repeat that I think we should commence to economize in other places before we take food out of the mouths of the old folks of this Nation who have no other means of support. Many of our old folks are entirely destitute. Many of them have no income whatever. Some of them have been receiving a little help from their children. Their sons are now gone, and are unable to help them any more.

Taking all those things into consideration, I think this is a matter which deserves the serious attention of the Senate at this particular time. It is an important matter which should not be sidetracked. There should be no pussyfooting, but we should face the issue and try to treat fairly the old folks who have been responsible for helping to build the greatest Nation the world has ever known. They have made their contribution to making the great United States

of America what it is, and possibly through no fault of their own they find themselves, as they face the setting sun, in destitute circumstances. The cost of their living has risen. I think we should vote to pay more money to our old folks, and not look upon it as a new social-security program which is being adopted, because that is not the case. The vast majority of the people of the United States are in favor of social security, and they are in favor of handling it on a fair and equitable basis. So I hope Senators will give this matter full consideration and vote for the amendment of the Senator from California.

Mr. BILBO. Mr. President, I have spent some time in preparing an address on this question. For 7 years I have had before the Finance Committee a bill or an amendment to change the miserable and criminal matching law which is now in operation. I hail from a State which is not economically able to match Federal money in order to provide decent compensation for our old citizens who are in need. Mississippi has been able to match only in a limited way. The average pension has been $4, $5, $6, or $7. I believe it has now reached $8 or $10.

I feel very keenly the necessity of this legislation. I appreciate the fact that it would cost additional money. When we relieve the W. P. A. and other relief agencies of those who would participate in the distribution under the pending amendment, the amount would not be so large as some of our friends seem to think it would be. It would be the best investment that could be made. I think it is really a defense and an emergency proposition. It will contribute a great deal to the morale of the citizenship and the home life of America, because, if I am a prophet, this war will last from 5 to 10 years, and perhaps longer. It will take 10,000,000 or 12,000,000 boys to win it, and there will not be left at home many folks who will be prepared to take care of the old people who need this aid from the Government.

Oh, it may be said that a man should make his own living, but we must remember that in industry and in almost any work job 'n America today a man who reaches 60 years of age is no longer needed. He is no longer employed. He is ostracized. He is left out of the picture. As he reaches a more advanced age the burden of life becomes heavier. I think if there is any legislation that has been before Congress which deserves serious consideration and merits passage, it is the measure submitted by our friend the junior Senator from California [Mr. DOWNEY].

No doubt some of the newspapers and some Senators who are thinking about voting against this proposal want to associate the name Townsend with it. This is not a Townsend measure. It is a straight-out plan for giving $30 a month to the needy of the country who are over the age of 60, and it has no relationship whatsoever to the Townsend plan or the Townsend scheme, or the Townsend theory. It is a straight-out plan to take care of the worthy needy citizens of our Republic.

Coming from one of the States that needs such aid for its elderly people—I represent a poor State, possibly made poor by economic conditions for which the Congress itself is responsible—I am very happy to know that my friend, the junior Senator from California, is advocating a Nation-wide pension of $30 a month, instead of calling upon the impoverished States to match the Federal contributions in order that their needy elderly citizens may receive a decent compensation, a decent pension.

Today some States are paying their old people $40 a month, $20 of which is coming from the Treasury of the Federal Government. That in itself would be considered by the old people of Mississippi as a wonderful pension. But the obligation is a Federal obligation, and should be so met. Being a Federal obligation, every citizen of the Republic, regardless of State lines, should share equally in whatever money is appropriated out of Federal funds in order to take care of needy citizens, all of whom live under the same flag.

Some persons are inclined to want to do away with State lines anyway, and this is one time when I am willing to go along with them and to vote to do away with State lines in voting $30 a month to the needy old people of the Republic.

Whether the measure passes today is not the question. We should keep up this fight until the Congress is made to see that the responsibility is a Federal responsibility which should be met. Thirty dollars a month is not too much; it is not enough.

Mr. CONNALLY. Mr. President, in view of what the Senator from Mississippi has just said with respect to poor and weak States, I desire to call attention very briefly to a bill which I have pending, Senate bill 1946, relating to the subject of the amendment of the Social Security Act and old-age pensions. The bill has been approved by the Social Security Board, and I think it will be approved by the administration. It seeks to meet the situation referred to by the Senator from Mississippi, in that it graduates the contribution according to the financial ability of the States, and in the very poorest States it provides for a Federal contribution of as much as 75 percent, as against a contribution of 25 percent by the State. The measure is pending before the Senate Finance Committee, and I simply refer to it at this time and ask that it be printed in the RECORD at this point.

There being no objection, the bill (S 1946) to amend the Social Security Act by providing for special Federal aid to certain States, and for other purposes, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Social Security Act, as amended, is amended by adding at the end of title XI the following:

"SEC. 1108. (a) Effective with respect to the quarter beginning January 1, 1942, and each quarter thereafter, each State, except the State whose per capita income is greatest, shall have special Federal aid included in grants for each program of the State for quarters it may be entitled to a normal Federal share for such program.

"(b) Subject to subsection (c), the sum of the special Federal aid and the normal Federal share for a quarter—

"(1) For each program of the State whose per capita income is smallest, shall be equal to three-fourths of expenditures under such program.

"(2) For each program of all other States entitled to special Federal aid, shall be equal to intermediate fractions between one-half and three-fourths of expenditures under such program.

"The amount of special Federal aid for each program shall be determined under subsection (d).

"(c) The per capita income of each State shall be determined by the Social Security Board between July 1 and December 31 of each even-numbered year for the most recent period of 3 consecutive calendar years for which satisfactory data are available from the Department of Commerce. Such determination shall for purposes of this section be conclusive as to per capita income for each of the eight quarters in the period beginning on the July 1 next succeeding such determination: *Provided*, That the Board shall make such a determination of per capita incomes as soon as possible after the enactment of this act, to be conclusive for the purposes of this section for each of the six quarters in the period beginning January 1, 1942, and ending June 30, 1943.

"(d) For any State program the special Federal aid for a quarter shall be the amount bearing the same ratio to one-half the normal Federal share for such program for such quarter that the difference in amount between the per capita income of such State and the largest per capita income determined under subsection (c) bears to the difference in amount between the smallest and largest per capita incomes so determined.

"(e) (1) For any quarter where one-half of the total of expenditures under a program of a State does not exceed one-half of the average quarterly expenditures of such State under such program for 1940, such State shall not receive any special Federal aid for such program.

"(2) For any quarter where one-half of the total of expenditures under a program of a State exceeds one-half of the average quarterly expenditures of such State under such program for 1940, but such excess is less than the special Federal aid for such program of such State as computed under subsection (d), such special Federal aid shall be reduced to the amount of such excess.

"(f) Any special Federal aid to which a State may be entitled for a program under this section, for purposes of subsection (b) of section 3, 403, or 1003, as the case may be, shall be added to and be considered a part of the amount payable under subsection (a) of such section.

"(g) When used in this section—

"(1) The term 'program' means an approved State plan with respect to which the State is entitled to payments under section 3, section 403, or section 1003 of this act.

"(2) The term 'expenditures' includes only expenditures with respect to which a State is entitled to receive Federal payments as determined under a section enumerated in clause (1) of this subsection.

"(3) The term 'normal Federal share' means the amount payable under a section enumerated in clause (1) of this subsection without increase by special Federal aid.

"(4) The term 'State' shall not include Alaska, Hawaii, or the District of Columbia.

"(5) The term 'average quarterly expenditures' means one-fourth of the total of expenditures for a year under a program of a State, not including expenditures for the costs of administration of such program."

SEC. 2. Effective with respect to each quarter commencing after the date of enactment of this act—

(a) Clause (2) of section 3 (a) of the Social Security Act, as amended (42 U. S. C., sec 303), is hereby amended to read as follows: "(2) an amount equal to one-half of the total of sums expended during such quarter as found necessary by the Board for the proper and efficient administration of the State plan, which amount shall be used for paying the costs of administering the State plan or for old-age assistance, or both, and for no other purpose."

(b) Clause (1) (A) of section 3 (b) of the Social Security Act, as amended (42 U. S. C., sec. 303), clause (1) (A) of section 403 (b) of the Social Security Act, as amended (42 U. S. C., sec. 603), and clause (1) (A) of section 1003 (b) of the Social Security Act, as amended (42 U. S. C., sec. 1203), are each hereby amended to read as follows: "(A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsection, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if the sum of such amount and the estimated Federal grant to be paid the State, including any special Federal aid available under section 1108, is less than the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived."

(c) Section 3 (b) of the Social Security Act, as amended (42 U. S. C., sec. 303), is hereby amended by deleting from clauses (1) and (2) thereof the words "clause (1) of" wherever they appear.

(d) Clause (3) of section 3 (b) of the Social Security Act, as amended (42 U. S. C., sec. 303), is hereby amended by deleting ", increased by 5 per centum."

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CONNALLY. I will yield in a moment. First, I desire to say that when the Senate Finance Committee takes up the whole pension situation, including the other bills which have been submitted on the subject, I shall press for consideration of my bill.

Mr. BILBO. Mr. President, will the Senator yield to me so that I may ask a question?

Mr. CONNALLY. I yield first to the Senator from Louisiana, to whom I have already promised to yield.

Mr. ELLENDER. I should like to ask the Senator from Texas what is the scale of payments provided in his bill.

Mr. CONNALLY. From 50 percent to 75 percent.

Mr. ELLENDER. I have a similar bill pending, S. 161, and I had it referred to the Senate Finance Committee. I received a copy of a report addressed to the Finance Committee from the Federal Security Agency, turning it down.

Mr. CONNALLY. I do not know what the Senator's bill provides.

Mr. ELLENDER. It provides for the payment of three-fourths of old-age assistance by the Federal Government of a total payment of $30, and any payments in excess of $30 and not exceeding $45, on a 50–50 basis. In other words, for every dollar advanced by the State, the Federal Government would put up $3, so that any State that would furnish as much as $7.50, the Federal Government would contribute $22.50, thereby assuring $30 pensions.

Mr. CONNALLY. I can say that my bill has been approved by formal testimony taken at hearings at which the Social Security Board approved it, and they aided in drafting it. At the time when the Finance Committee takes up the whole subject matter and gives it consideration in the normal way, and after the report on the measure to the Senate, the bill will be considered, and I propose to push it before the committee when it has been scientifically studied by the Social Security Board.

Mr. ELLENDER. I find it strange that the Board should report adversely to my bill, S. 161, which, in part, provides as follows:

SEC. 3. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for old-age assistance, for each quarter, beginning with the quarter commencing July 1, 1941, (1) an amount, which shall be used exclusively as old-age assistance, equal to the sum of the following proportions of the total amounts expended during such quarter as old-age assistance under the State plan with respect to each needy individual who at the time of such expenditure is 65 years of age or older and is not an inmate of a public institution:

(A) Three-fourths of such expenditures, not counting so much of any expenditure with respect to any individual for any month as exceeds $30, plus

(B) One-half of so much of such expenditures with respect to any individual for any month as exceeds $30, not counting so much of any expenditure with respect to any individual for any month as exceeds $45.

And should report favorably on the Senator's bill.

With the permission of the Senator from Texas, let me further point out that in order to comply with the criticism of the Federal Security Agency to my bill, S. 161, I sent its report to Mr. Rice, assistant counsel of the Senate Legislative Counsel, and I suggested to him that he draft a bill that would meet all of the objections of the administrator. I first suggested to Mr. Rice that a minimum Federal payment of $20 be made by the Federal Government, and I afterward changed the amount to $15 in the hope that I could obtain sufficient support for the new bill I was about to introduce.

Mr. Rice prepared a bill, and on May 10, 1941, he wrote me, as follows:

UNITED STATES SENATE,
OFFICE OF THE LEGISLATIVE COUNSEL,
Washington, D. C., May 10, 1941.

Hon. ALLEN J. ELLENDER,
United States Senate, Washington, D. C.

MY DEAR SENATOR ELLENDER: The enclosed draft of a bill "to amend the Social Security Act with respect to Federal grants to States for old-age assistance" will meet the objections of the Federal Security Administrator, but not those of the Treasury Department, since the Treasury, I assume, would object at this time to any amendment to the act that would increase the Federal share.

In brief, the bill provides that the Federal Government will contribute (1) one-half of the administrative expenses incurred by each State in connection with old-age assistance; (2) one-half of the expenditures for old-age assistance up to $40 per month per individual; and (3) a minimum payment in an amount equal to the product of $15 multiplied by the total number of payments for old-age assistance during the quarter, in the case of any State that pays from State sources an individual average monthly amount not less than the individual average monthly amount paid from the State sources during the first 6 months of 1941. So that in low-income States that keep their contributions from State sources equal to the average paid during the first 6 months of this year, a minimum Federal payment will be made. This provision will result in a larger Federal payment being made to those States whose average payments for old-age assistance is less than $30.

Very truly yours,

S. E. RICE,
Assistant Counsel.

Mr. President, on July 3, 1941, I introduced the bill prepared by Mr. Rice, which, as he wrote me, conformed to the suggestions of the Social Security Agency, and the bill became S. 1715 and was referred to the Committee on Finance of the Senate.

On January 22, 1942, the Social Security Agency Administrator submitted his report on S. 1715 to the Finance Committee of the Senate. The report, I would say, is not very favorable or very encouraging.

Mr. President, there has been much talk of helping the aged of our Nation, but very little action taken. I am convinced that it is the duty of the Federal Government to provide for the bulk of old-age assistance. Today the excuse for inaction is the war. Tomorrow it will be the billions of dollars that we will owe because of the war.

Let us take care of the elderly people now by providing a meager amount for their sustenance. I have been humbly battling for them since 1937, when I first entered the Senate, but I have been unable to make much progress because of the adverse position taken by the Federal Security Agency.

I agree that our paramount duty is to win the war. That can and will be done. Let us bring contentment to the aged of our Nation; the fathers and mothers and grandparents of some of those who are now in our armed service, and by so doing, it will, in my humble judgment, bolster the courage of those who are engaged in making the supreme sacrifice so that America may live.

Mr. President, I ask unanimous consent to have printed in the RECORD, following my remarks, S. 1715, together with the report of the Administrator of the Federal Security Agency.

There being no objection, the bill and report were ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 3 (a) of the Social Security Act, as amended, is amended to read as follows:

"SEC. 3. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for old-age assistance, for each quarter, beginning with the quarter commencing January 1, 1942, (1) an amount, which shall be used exclusively as old-age assistance, equal to one-half of the total of the sums expended during such quarter as old-age assistance under the State plan with respect to each needy individual who at the time of such expenditure is 65 years of age or older and is not an inmate of a public institution, not counting so much of such expenditure with respect to any individual for any month as exceeds $40: *Provided*, That if, in any State, the individual average monthly amount paid in any quarter from State sources as old-age assistance to individuals receiving such assistance in such State is not less than the individual average monthly amount paid from

State sources as old-age assistance to individuals receiving such assistance in such State during the first 6 months of 1941, the minimum amount to be paid by the Secretary of the Treasury to such State for such quarter shall be an amount equal to the product of $15 multiplied by the total number of payments for old-age assistance during such quarter, not counting more than one payment per individual with respect to any month in such quarter; and (2) an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Board for the proper and efficient administration of the State plan, which amount shall be used for paying the costs of administering the State plan or for old-age assistance, or both, and for no other purpose. As used in this subsection, the term 'individual average monthly amount' with respect to any month in any quarter means an amount equal to one-third of the amount paid from State sources as old-age assistance during such quarter divided by the number of individuals receiving such assistance during such month, and the term 'State sources' means sources other than Federal."

SEC. 2. (a) Paragraph (1) of subsection (b) of such section 3 is amended by striking out, in the third line thereof, "clause (1) of"; by striking out, in the sixth line thereof, the word "clause" and inserting in lieu thereof the word "subsection"; and by striking out, in the ninth line thereof, the word "one-half" and inserting in lieu thereof the words "the State's share."

(b) Paragraph (2) of such subsection is amended by striking out, in the fifth and sixth lines thereof, "clause (1) of."

(c) Paragraph (3) of such subsection is amended by striking out ", increased by 5 percent."

SEC. 3. The amendments made by this act shall take effect on January 1, 1942.

FEDERAL SECURITY AGENCY,
Washington, January 22, 1942.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of July 7, 1941, requesting a report of this Agency relative to S. 1715, a bill to amend the Social Security Act with respect to Federal grants to States for old-age assistance.

This bill proposes to continue the present dollar-for-dollar matching basis for old-age assistance up to maximum payments of $40 per month under title I of the Social Security Act, but to provide minimum Federal contributions of $15 per month per recipient so long as average payments in a State are not decreased below the average for the first 6 months of 1941.

It is clearly the purpose of this bill to provide more adequate old-age assistance for the Nation's needy aged. It might be argued that the proposal would go far in accomplishing this purpose if it is assumed (1) that every State during the first 6 months of 1941 provided for its needy aged to the extent of its ability; (2) that the funds available in each State for this purpose were so distributed as to reach all the needy aged of the State on an equitable basis; and (3) that no fluctuation is to be anticipated in the economic capacities of the several States subsequent to the first 6 months of 1941. As it is seriously doubted that these assumptions could be reasonably made, it is feared that S. 1715 would not lead to the desired adequacy in old-age assistance.

Perhaps failure of the proposal may be most readily anticipated in those States which average relatively high monthly payments to recipients of old-age assistance but do so through the maintenance of long waiting lists. These States have chosen to provide what may be regarded as reasonably adequate assistance to a given number of recipients while providing nothing for other needy aged who are eligible to become recipients but are carried on extensive waiting lists. It will be readily appreciated that the special assistance proposed by S. 1715 would accomplish relatively little in such States, for no aid would be provided in meeting the need for extending aid to more people which exceeds, in such cases, that for extending more aid to those already on the assistance rolls.

In certain States available funds have been distributed on a broader basis so that the waiting lists are relatively short but monthly payments are correspondingly low. These States would receive disproportionate aid under S. 1715 and would be in a position to increase or decrease the numbers of their recipients while continuing to maintain an average payment which would place the assistance load of the State largely on the Federal Government. There would be no incentive for such States to assume a larger share of the load.

It is my feeling that the Federal Government should, as nearly as is reasonably possible, take steps to enable the States to provide more adequately for their needy aged. However, in my opinion, any such provision of special Federal aid should be directly related to the respective economic capacities of the several States, and should be such as to enable the States to meet their local problems in accordance with local situations and without any stimulus from the Federal Government to increase or decrease their case loads or to vary the amounts of their average monthly payments.

S. 1715 would also provide for grants to States for old-age assistance administrative expenses on a dollar for dollar matching basis in lieu of the present 5 percent of the assistance grant. I agree that this change in the grant for administration should be made.

The Bureau of the Budget advises that the enactment of S. 1715 in its present form would not be in accord with the program of the President.

Sincerely yours,

PAUL V. MCNUTT,
Administrator.

Hon. WALTER F. GEORGE,
Chairman, Committee on Finance,
United States Senate,
Washington, D. C.

Mr. ELLENDER. I desire to thank the distinguished Senator from Texas for his kind indulgence.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BILBO. What is the maximum pension to be provided under the bill of the Senator from Texas?

Mr. CONNALLY. It is the same as under the present law: The Federal Government pays $20, and the State can give what it pleases.

Mr. BILBO. The Senator's bill is based on a $20 payment?

Mr. CONNALLY. The maximum is $20.

Mr. BILBO. What are the prospects of getting the Senator's bill out of the committee?

Mr. CONNALLY. I think its prospects of getting out of the committee are better than those of any other pending bill, I will say to the Senator.

Mr. BILBO. Can we hope for results at this session?

Mr. CONNALLY. I hope we shall get action on it, but I cannot speak for the committee. However, I think my bill has prospects more favorable than those of any bill now pending—not because the Senator from Texas is asking for it, but because it is approved by the Social Security Board.

Mr. BILBO. I hope the amendment of the Senator from California [Mr. DOWNEY] may be agreed to; but if it should fail of adoption, I am glad the measure offered by the Senator from Texas furnishes some ray of hope.

Mr. O'DANIEL. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to my colleague.

Mr. O'DANIEL. I have very carefully studied the bill which has been offered by my worthy colleague, the senior Senator from Texas. I wholeheartedly approve of his bill, and am hopeful that we shall have an opportunity to vote on it, because I think it covers the subject thoroughly.

Mr. CONNALLY. I thank the Senator.

Mr. O'DANIEL. However, I expressed myself today as in favor of the Downey amendment, because it is the first old-age pension proposal which has come before the Senate for attention. Nevertheless, I certainly want to make it plain that I am wholeheartedly in favor of the bill of the Senator from Texas, and I hope we shall have an opportunity to vote on it.

Mr. CONNALLY. I thank my colleague. I desired to have my bill printed in the RECORD at this time because it meets so vividly the situation presented by the Senator who has just spoken.

Mr. BROWN. Mr. President, I have an amendment pending, and I fear that in the confusion following the vote it may not be understood.

Briefly, it comprises the contents of a bill which has already passed the Senate and is now pending in the House. It involves, I think, a matter which is more important than anything we have discussed in the last week. That is the security of the flow of iron ore from the Lake Superior area to the mills at the foot of Lake Erie—in Pittsburgh, Youngstown, and other places. It involves the safety of 85,000,000 tons of iron ore.

The situation at Sault Ste. Marie, where the locks which connect Lakes Superior and Huron are located, is such that one accurately placed bomb would destroy the Great Lakes transportation system. By the $8,000,000 expenditure which the bill provides, a lock can be constructed at some distance from the existing locks, so as to assure additional security. Various agencies of the Government, including the Office of Production Management, the War Department, the President's Advisory Council, are anxious that the bill pass. I have the assent of the chairman of the Committee on Naval Affairs that it may be adopted as an amendment to the pending bill, and I hope in this way we can get some action on this necessary measure.

Mr. CLARK of Missouri. Mr. President, I am glad the Senator from Michigan has offered this amendment because it is for a very vitally necessary emergency need, namely, to protect the iron supply—which means the steel supply—of the United States.

In passing, I simply wish to comment on what I regard as a perfectly disgraceful effort to cram down a number of "pork barrel" provisions in the pending

river and harbor bill by holding back and including in it such a meritorious proposal as that for the Soo Canal.

In that connection I ask unanimous consent to insert in the RECORD, as part of my remarks, an editorial appearing in the St. Louis Post-Dispatch entitled "Time To Ration Pork," having reference to the pending river and harbor bill.

The VICE PRESIDENT. Without objection, it is so ordered.

The editorial is as follows:

[From the St. Louis Post-Dispatch]

TIME TO RATION PORK

President Roosevelt has sent a letter to Chairman Mansfield of the House Rivers and Harbors Committee asking for prompt action on bill H. R. 5993. This bill, to use the President's words, authorizes "certain waterway improvements for navigation and power production." These projects, Mr. Roosevelt says, though without mentioning their names, are "urgently needed on account of the war emergency."

And what are the projects "urgently needed on account of the war emergency," which bill H. R. 5993 would authorize? There is not space, of course, to list the more than 200 items which are included, but here are some of them: The Florida ship canal; the St. Lawrence seaway; the Tennessee-Tombigbee waterway; the canalization of the Coosa River in Alabama; the canalization of the Beaver and Mahoning Rivers in Ohio and Pennsylvania; the canalization of the Neches, Angelina, and Trinity Rivers in Texas.

In other words, about the only controversial waterways project proposed since the advent of the New Deal not blanketed into this omnibus measure is old Quoddy—the scheme for harnessing the tides on the Maine coast, which was abandoned in the face of national ridicule after large sums had been squandered on it.

How much money would be required to carry out these "urgent" war projects no one can possibly know. The New York Herald Tribune says that the "initial costs are estimated conservatively at a billion dollars."

To describe this as a pork-barrel bill is to be more than generous to it. The fact is that it is exceedingly worse than the average peacetime "pork barrel" measure. This is wartime, with the Nation confronting the darkest future in its history. Every cent which can be had is needed to prosecute the war and to save our form of government and our way of life. Yet the President has come out in favor of a blanket bill authorizing 200 waterways projects, including the Florida ship canal.

Whatever the merits of the St. Lawrence seaway, and a good case can be made for its construction, this is a most dubious time for undertaking it. Prime Minister Mackenzie King of Canada said a year ago that the case for the project should be reexamined "from the point of view of public need and in the light of war requirements."

In any event, the St. Lawrence seaway should stand on its own merits. If it is to be approved in Congress, it should be approved because it is favored for what it is, not because it was thrown into an omnibus pork bill, designed to gather in the votes of Members of Congress from Texas, Ohio, Alabama, and everywhere else.

When the country heard about the St. Lawrence seaway back in 1934, it was presented in the form of a proposed treaty between the United States and Canada. As a treaty, it required a two-thirds majority. A year ago it was reduced to an "international agreement." Now it has lost all such dignity and becomes merely an item in a pork-barrel bill requiring a simple majority—a majority which won't be needed at all if the bill can be put on the unanimous consent calendar and passed without a roll-call vote.

Can it be that the administration and Congress have learned absolutely nothing from the national protest against the self-serving pension law and the strange way in which it was put over? Many Members are now quaking in their boots before the storm raised among their constituents by that blunder. They are calling for repeal. Can they not see that H. R. 5993 is charged with the same kind of dynamite?

A committee amendment would limit subsequent appropriations to projects "certified by some authorized national defense agency and approved by the President as being necessary in the interest of national defense." Well and good, but why then obtain authorization now for some 200 projects, many of which cannot stand the national defense test in the light of more pressing needs? Is it because authorization is an important step and this is an easy way to get it over with?

The American people are rationing sugar in their homes.

It is time to begin rationing pork in Washington.

Mr. BROWN. Mr. President, I ask that the report which I filed in behalf of the Commerce Committee be printed at this point in the RECORD, so that the amendment may be fully understood.

The VICE PRESIDENT. Without objection, it is so ordered.

The report (No. 956) submitted by Mr. BROWN on January 15, 1942, is as follows:

The Committee on Commerce, to whom was referred the bill (S. 2132) authorizing the construction of a new lock at St. Marys Falls Canal, Mich., in the interest of national defense, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

This bill authorizes the Secretary of War to construct an additional lock in the St. Marys Falls Canal at Sault Ste. Marie, Mich. Full and detailed information is contained in Document No. 218 of the House of Representatives, Seventy-seventh Congress, first session, included in which is the letter from the Secretary of War transmitting the report of the Chief of Engineers of the United States Army.

St. Marys River is 63 miles long and flows southeasterly from Lake Superior to Lake Huron. The locks at Sault Ste. Marie provide navigation to accommodate all vessels passing from Lake Superior to Lake Huron and thereby all of the other of the Great Lakes, including the passage through the St. Lawrence River to the Atlantic Ocean. There are four parallel locks on the United States side of the falls and one lock on the Canadian side. Two of the four American locks are of sufficient depth to accommodate the largest lake steamers. In 1940 of a total tonnage of 89,000,000 tons, 87,000,000 were carried through the two large locks and only approximately 2,000,000 tons through the Poe lock on the American side and the Canadian lock on the other side of the falls. The Weitzel lock, which is very shallow, is practically unserviceable.

This bill will provide for a new lock on the site of the Weitzel lock.

All of the shipping interests on the Great Lakes are in favor of the construction of the new lock. This bill was introduced at the request of the Office of Production Management, with the approval of the War Department, as an emergency war measure. It undoubtedly is needed at all times, but its need at the present is the paramount consideration. Without it there are only two locks capable of carrying vessels of a draft greater than 16.6 feet. Vessels could take greater loads than they now take if a 30-foot depth is obtained as is proposed in the War Department plans.

Approximately 90 percent of American ore comes from the Lake Superior region and the great bulk of this ore moves by boat through the Sault Canal. The traffic through this canal is the greatest of any canal in the world. In normal times it exceeds the combined traffic in total tonnage of the Panama, Suez, and Kiel Canals. Now it is very much greater. Our steel and iron production is dependent upon the maintenance of these locks, the most important single artery in our defense production. Through this canal and these locks flows in raw state every battleship, every cruiser, every submarine, every great cannon, and every infantryman's rifle. The airplanes, the shells, the tanks, in short our whole combat power is dependent on sure and certain transportation through this most vital of all arteries. Duluth-Superior Harbor is the largest export shipping point in the world. All of this traffic goes through the canal. In addition to this traffic, ore is shipped in large quantities from Two Harbors in Minnesota, Ashland, Wis., and Marquette, Mich., through the Sault Canal.

Rail transportation is available to carry ore from the iron ranges to Lake Superior, but rail companies do not have cars in sufficient quantity to carry ore on a 1,000-mile journey from the head of Lake Superior to the Lake Erie ports, where most of it is discharged. Immense vessels carrying from two to three hundred cars of ore each trip are the sole available carriers of ore for the steel mills in the Ohio, Pennsylvania, and Michigan and Chicago steel-producing areas. Rail transportation cannot meet the demand. In 1941, 80,000,000 gross tons of iron ore were carried through the locks, being all the Lake Superior area ore except for a comparatively small amount carried from Escanaba, Mich., to Gary, Ind. This is practically all of the iron ore produced in the United States. It is expected that close to 90,000,000 tons will be carried in 1942 and a similar amount in 1943. These amounts probably exceed the capacity of the present locks. In 1941 the collapse of a rail bridge blocked this channel for 4 days and cut the total tonnage carried by approximately 500,000 gross tons. It is the opinion of all concerned, the Office of Production Management, and the War Department, as well as the shippers and consumers of ore that this additional lock is essential to our war effort.

In addition to ore, there is a very heavy grain movement from the Northwest through the harbors at the head of Lake Superior to Buffalo and other lower lake points and the St. Lawrence River. The principal commodities other than ore and grain are coal, lumber, oil, and stone. There is a substantial passenger traffic in addition.

It is anticipated that if this bill is promptly enacted, that the lock can be completed for use at the time when the defense effort reaches its peak. The cost is estimated at $8,000,000. Funds heretofore voted may be, and it is planned will be, used for the construction of this aid to navigation. Prompt enactment of the bill is urged by the Government departments concerned. The bill has the approval of the Bureau of the Budget as indicated by the attached letters.

WAR DEPARTMENT,
Washington, January 15, 1942.

Hon. JOSIAH W. BAILEY,
Chairman, Committee on Commerce,
United States Senate,
Washington, D. C.

DEAR SENATOR BAILEY: Reference is made to your letter of December 18, 1941, requesting the views of this Department regarding Senate bill No. 2132, authorizing the construction of a new lock at St. Marys Falls Canal, Mich., in the interest of national defense.

The purpose of the bill is to authorize the construction of a new lock at St. Marys Falls Canal, Mich., to replace the present unserviceable Weitzel lock, in accordance with the

recommendations of this Department in a report recently submitted to Congress and printed as House Document No. 218, Seventy-seventh Congress, first session. The need for such new lock, and the reasons for this Department's recommending its construction at this time are set forth in detail in that document, a copy of which is enclosed for convenient reference. The estimated cost as given in the document is $8,000,000 for new work and $100,000 annually for maintenance and operation.

Construction of a new lock at this place has been recommended by the Advisory Commission to the Council of National Defense, as evidenced by copies herewith of letters from Commissioner Budd to the Secretary of War and to the chairman of the Rivers and Harbors Committee of the House of Representatives, together with the resolution adopted by the Advisory Commission. It is also recommended by the Office of Production Management, as indicated by copy of letter from Hon. William S. Knudsen to the Acting Secretary of War.

Early completion of the new lock is desirable to facilitate the transportation of commodities required by the national defense program. Prompt and favorable consideration of the bill by Congress is therefore recommended.

This report was submitted to the Bureau of the Budget, which advised that there would be no objection to its submission to the committee.

Sincerely yours,

HENRY L. STIMSON,
Secretary of War.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE FOR EMERGENCY MANAGEMENT,
Washington, D. C., December 26, 1941.

Hon. JOSIAH W. BAILEY,
Chairman, Committee on Commerce,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BAILEY: On December 18, 1941, you referred to me S. 2132, a bill authorizing the construction of a new lock at St. Marys Falls Canal, Mich., in the interest of national defense, and requested me to furnish the Senate Committee on Commerce with the views of the Office for Emergency Management with respect to the merits of the bill and the propriety of its passage.

I am advised by the Transportation Division of the Office for Emergency Management that the construction of the lock authorized by S. 2132 would greatly contribute to the transportation of iron ore required for the war effort, and that present facilities of the St. Marys Falls Canal are clearly inadequate. Existing lock facilities which have sufficient capacity to handle the larger type of ore are so situated that a single obstruction could block all traffic through them. As a matter of fact, just such an occurrence took place this past fall, when about 1,000,000 tons of ore were lost for the winter due to an accident to a bridge at these locks.

In view of these circumstances, the Office for Emergency Management strongly favors the enactment of S. 2132.

Very sincerely yours,

WAYNE COY,
Liaison Officer for Emergency Management.

OFFICE OF PRODUCTION MANAGEMENT,
Washington, D. C., January 9, 1942.

The Honorable JOSIAH W. BAILEY,
Chairman, Committee on Commerce,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BAILEY: We are informed that there has been referred to your committee a bill that will authorize the Secretary of War to construct an additional lock in the St Marys Falls Canal at Sault Ste. Marie, Mich.

In 1941 about 80,000,000 gross tons of iron ore, 85 percent of all the iron ore mined in the United States, was locked around the falls of the St. Marys River from Lake Superior, in addition to large quantities of coal, grain, limestone, and other commodities. The importance of this waterway in the war economy cannot be exaggerated.

As new blast furnaces come into production, the demand for Lake Superior iron ore is expected to increase to 88,000,000 gross tons in 1942 and to 90,000,000 gross tons in 1943, probably exceeding the capacity of the present locks.

Mishaps, even minor ones, to the locks seriously impede the passage of vessels. For example, in 1941 the collapse of a bridge partly blocked the channel for 4 days, blocking the movement of 500,000 gross tons of iron ore. Another deep-draft lock is needed to increase total lock capacity and prevent loss of tonnage in case of accident or break-down to one or more of the locks during the navigation season.

Very truly yours,

WILLIAM S. KNUDSEN,
Director General.

Mr. DOWNEY. Mr. President, if I may have the yeas and nays on my amendment by consent, without the calling of a quorum, I shall be glad to have that done. Otherwise, I should like to have a quorum call.

I ask for the yeas and nays on the adoption of my amendment.

The yeas and nays were ordered.

Mr. SPENCER. Mr. President, I represent a State which would benefit more from the adoption of this amendment than would any other State in the Union; but in the interest of sound government, believing that we should make every possible war effort, I shall vote "nay" on the amendment. I feel sure that the people of my State, the vast majority of whom are conservative people, including the elderly people, will fully approve my vote, as they are much more interested in winning the war than they are in the matter of pensions at this time.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from California [Mr. DOWNEY] to the amendment of the committee in the nature of a substitute. On that question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The Legislative Clerk called the roll.

Mr. CHAVEZ. My colleague [Mr. HATCH] is absent because of illness.

Mr. HILL. I announce that the Senator from North Carolina [Mr. REYNOLDS] and the Senator from South Carolina [Mr. SMITH] are absent from the Senate because of illness.

The Senator from Pennsylvania [Mr. GUFFEY] has been called to the State of Pennsylvania on official business.

The Senator from Florida [Mr. PEPPER] is also absent on official business.

The Senator from Florida [Mr. ANDREWS], the Senator from Kentucky [Mr. CHANDLER], the Senators from New York [Mr. MEAD and Mr. WAGNER], the Senator from West Virginia [Mr. ROSIER], the Senator from Georgia [Mr. RUSSELL], the Senator from New Jersey [Mr. SMATHERS], the Senator from Utah [Mr. THOMAS], and the Senator from Delaware [Mr. TUNNELL] are necessarily absent.

The Senator from Delaware [Mr. TUNNELL] has a general pair with the Senator from Massachusetts [Mr. LODGE].

The Senator from New York [Mr. WAGNER] has a general pair with the Senator from Kansas [Mr. REED].

Mr. McNARY. The Senator from Illinois [Mr. BROOKS] is unavoidably absent.

Mr. AUSTIN. My colleague, the Senator from Vermont [Mr. AIKEN], is absent because of illness.

The Senator from New Hampshire [Mr. BRIDGES] is absent in a hospital because of a hip injury. If present, he would vote "nay." He has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from New Jersey [Mr. BARBOUR] is unavoidably detained.

The Senator from Pennsylvania [Mr. DAVIS] is absent on public business. He has a general pair with the Senator from Kentucky [Mr. CHANDLER]. If present, the Senator from Pennsylvania would vote "nay."

The Senator from Minnesota [Mr. SHIPSTEAD] is detained at his home by illness.

The Senator from Massachusetts [Mr. LODGE], the Senator from Wisconsin [Mr. WILEY], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The result was announced—yeas 22, nays 49, as follows:

YEAS—22

Bankhead	Ellender	Nye
Bilbo	Harden	O'Daniel
Bone	Johnson, Colo.	Schwartz
Bulow	Kilgore	Thomas, Okla.
Bunker	La Follette	Wallgren
Clark, Idaho	Lee	Wheeler
Downey	McFarland	
Doxey	Murray	

NAYS—49

Austin	Gillette	Norris
Bailey	Glass	O'Mahoney
Ball	Green	Overton
Barkley	Gurney	Radcliffe
Brewster	Herring	Spencer
Brown	Hill	Stewart
Burton	Holman	Taft
Butler	Hughes	Thomas, Idaho
Byrd	Johnson, Calif.	Tobey
Capper	Lucas	Truman
Carraway	McCarran	Tydings
Chavez	McKellar	Vandenberg
Clark, Mo.	McNary	Van Nuys
Connally	Maloney	Walsh
Danaher	Maybank	White
George	Millikin	
Gerry	Murdock	

NOT VOTING—25

Aiken	Langer	Smathers
Andrews	Lodge	Smith
Barbour	Mead	Thomas, Utah
Bridges	Pepper	Tunnell
Brooks	Reed	Wagner
Chandler	Reynolds	Wiley
Davis	Rosier	Willis
Guffey	Russell	
Hatch	Shipstead	

So Mr. DOWNEY's amendment to the amendment of the committee was rejected.

Mr. BROWN. Mr. President, I call up the amendment I have offered, and ask to have it stated.

The VICE PRESIDENT. The amendment offered by the Senator from Michigan to the committee amendment will be stated.

The LEGISLATIVE CLERK. At the end of the committee amendment, as amended, it is proposed to insert the following new section:

SEC. 16. The existing project for the Great Lakes and connecting channels is modified to provide for a new lock about 800 feet long, 80 feet wide, and 30 feet deep, at St.

Marys Falls Canal, Mich., together with suitable approaches thereto, said lock to replace the present Weitzel lock and approaches, all in accordance with the recommendations contained in House Document No. 218, Seventy-seventh Congress, first session.

This improvement is hereby adopted and authorized and shall be prosecuted in the interest of national defense under the direction of the Secretary of War and supervision of the Chief of Engineers, subject to the conditions set forth in said document.

Mr. WALSH. Am I to understand that the amendment offered by the Senator from Michigan relates to a very urgent national defense project?

Mr. BROWN. It does.

Mr. WALSH. And that the project has been passed upon favorably by the Senate heretofore?

Mr. BROWN. It has been.

Mr. WALSH. Has there been some difficulty in getting a vote on the project in the House?

Mr. BROWN. The Senator is correct.

Mr. WALSH. And attaching the provision to the pending bill it will compel some action on the project in the House, pro or con?

Mr. BROWN. Yes. Let me say to the Senator that I feel that the amendment may very logically be attached to the pending bill, because every battleship, every submarine, every cruiser which the Navy builds, passes, in the raw state, through this canal at Sault Ste. Marie.

Mr. WALSH. In view of that information I have no objection to the amendment, and, so far as I am concerned and have power to do so, I shall support it.

Mr. McKELLAR. Mr. President, I should like to know how much this amendment would cost the Government.

Mr. BROWN. Eight million dollars.

Mr. ELLENDER. What connection has this with the St. Lawrence waterway?

Mr. BROWN. It has no direct connection with the St. Lawrence waterway project.

Mr. ELLENDER. Would it have any indirect connection with it?

Mr. BROWN. Only this, that ships which sail from Lake Superior to Lake Huron will use the canal. Was the Senator here when I made my short statement explaining the amendment?

Mr. ELLENDER. I was not.

Mr. BROWN. The Office of Production Management, the President's Emergency Council, and Mr. Nelson's organization, all urge the immediate enactment of the measure. It has once passed the Senate.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. BROWN] to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. CLARK of Missouri. Mr. President, I offer the amendment, which I send to the desk.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to add at the end of the bill a new section, as follows:

SEC. 17. That hereafter the base pay of any enlisted man or warrant officer in the land, air, or naval forces of the United States shall be increased by 20 percent, and the base pay of any commissioned officer in such forces shall be increased by 10 percent, for any period of service by him in the Philippine Islands, Midway Island, or Hawaii, or in any place outside of the United States which is not a part of its Territories or possessions.

Mr. WALSH. I understand the Senator's amendment merely incorporates a provision of law increasing the compensation paid to Army enlisted men and officers of the Army and the Navy who perform foreign service during wartime.

Mr. CLARK of Missouri. The Senator is entirely correct. I may add that it is precisely the provision of law that was on the statute books during the first World War, with the exception that I have in my amendment included Midway Island and Hawaii, because the situation is very materially changed in regard to them since the last war.

Mr. WALSH. In view of that situation, and in view of the fact that undoubtedly such a provision of law would sooner or later be adopted, I see no objection to attaching the amendment to the pending bill.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. CLARK] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. DANAHER. Mr. President, I call up an amendment which is on the desk, and ask that it be stated.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 17, line 24, it is proposed to strike out the words "to such locations" and insert in lieu thereof the words "to the official residence of record for any such person, or, upon application by such dependents, to such other locations."

Mr. WALSH. Mr. President, the Senator from Connecticut has conferred with me in reference to this amendment, which is an attempt upon his part to clarify some language which he thinks may be giving authority which is not contemplated by the bill, and I see no objection to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. DANAHER] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. O'DANIEL. Mr. President, I should like to call up the amendment, which I have sent to the desk.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to add at the end of the bill a new section, as follows:

SEC. 15. (a) It shall be unlawful for any person by the use of force or violence, or threat of the use of force or violence, to prevent or to attempt to prevent any person from engaging in any lawful vocation.

(b) It shall be unlawful for any person acting in concert with one or more other persons to assemble at or near any place where a labor dispute exists and by the use of force or violence, or threat of the use of force or violence, prevent or attempt to prevent any person from engaging in any lawful vocation, or for any person to promote, encourage, or aid any such assemblages at which such force or violence, or threat thereof, is so used. As used in this section, the term "labor dispute" shall have the meaning assigned to it in section 2 (9) of the National Labor Relations Act.

(c) Any person who violates any provision of this section shall, upon conviction thereof, be imprisoned for not less than 1 year nor more than 2 years.

(d) If any provision of this section or the application of such provision to any person or circumstance shall be held invalid, the validity of the remainder of the section and the applicability of such provision to other persons or circumstances shall not be affected thereby.

Mr. O'DANIEL. Mr. President, I am impressed with the vivid display of eager desire to do things here in Congress that will promote unity and strengthen the confidence of our people in the sincerity of our war effort.

Along this line I can think of nothing that will encourage and hearten our people more than for us to enact legislation which will tend to discourage fighting, bleeding, and dying on our domestic factory front right here at home. I refer to force and violence being employed in labor disputes.

While we read of battles raging on many fronts, and hang our heads in grief and sorrow at the loss of our loved ones, our foreign enemies read of hand-to-hand fighting in front of our defense factories and rejoice because this force and violence is stopping production of guns, ammunition and war equipment so sorely needed by our armed forces.

We were told at the time of Pearl Harbor that strikes would end. Those Hitler promises of our communistic labor leaders have been broken. This is no time to dilly-dally. While our boys are dying, are we going to stand idly by and permit force and violence to be used to prevent honest, patriotic laboring men from working on defense projects?

I offer again, for the fourth time since I came here, an antiviolence strike amendment and ask for its adoption by a yea and nay vote. If we are not in favor of the philosophy of government proclaimed in the amendment, pray tell me, Mr. President, what are we fighting Hitler, Italy, and Japan for? Their whole philosophy of operation is to get what they want by using force and violence. That is exactly what this amendment proposes to outlaw here in America.

The VICE PRESIDENT. Is the demand for the yeas and nays sufficiently seconded?

The yeas and nays were not ordered.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Texas to the committee amendment.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question now is on agreeing to the amendment of the committee in the nature of a substitute, as amended.

The amendment as amended was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 6446) was read the third time, and passed.

The title was amended so as to read: "An act to provide for continuing payment of pay and allowances of personnel of the Army, Navy, Marine Corps, and Coast Guard, including the retired and Reserve components thereof; the Coast and Geodetic Survey and the Public Health Service, and civilian employees of the executive departments, independent establishments, and agencies, during periods of absence from post of duty, and for other purposes."

MAJ. GEN. WILLIAM L. MITCHELL

Mr. WILEY. Mr. President, 17 years ago today, on February 19, 1925, a man stood before a congressional committee here in Washington.

At that time this man described the Pacific defenses as "pitiable." At that time he testified before a congressional committee that the Japs could take the Philippines and Hawaii.

In the light of what was subsequently revealed by the Roberts Report, it is interesting to recall that 17 years ago today the same man testified that in October and November of 1924, when he visited Hawaii, the commanding general would not speak to the commanding admiral. According to the testimony which this man gave before the congressional committee at that time, "There is no cooperation at all out there."

That testimony was given on February 19, 1925. Exactly 11 years later, on February 19, 1936, just 6 years ago, the man who gave that testimony died, probably of a broken heart. Mr. President, that man was the late Brig. Gen. William L. Mitchell.

Across the span of almost two decades his prophetic words come to haunt us today, to confront us with the challenge to organize our war effort realistically, with a proper recognition of the importance of our air force.

Mr. President, on February 1 the distinguished Washington correspondent, Mr. Bascom Timmons, long a personal friend of the late "Billy" Mitchell, wrote the story of Mitchell's warning about the Pacific. It is well for us to recall Mitchell's warning about the Pacific on the anniversary of his trial; and I ask that Mr. Timmons' article be inserted in full at this point in my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

MITCHELL'S WARNING ABOUT PACIFIC RECALLED ON ANNIVERSARY OF TRIAL—COURT-MARTIALED GENERAL SAID ARMY AND NAVY HEADS IN HAWAII WOULDN'T SPEAK TO EACH OTHER AND THAT DISASTER WAS CERTAIN

(By Bascom N. Timmons)

WASHINGTON, January 31.—Sixteen years ago today I sat in a Washington hotel room with a soldier of the United States. He had just been found guilty by a court martial. The trial had been under the ninety-sixth article of war, the catch-all, or so-called devil's clause of the Articles of War. On the following day he was to leave the Army. The soldier's name was William Mitchell.

He had been preparing a statement for the press and the country. I had looked it over, made a few suggestions. In my notes sometime later I found something he had written, then discarded and wrote again. It was in his own handwriting and formed the seventh paragraph of the statement he had written for release on February 1, 1926. It read:

"I look back on this record with the greatest pride and with satisfaction that I have done everything possible for my country. After all these years of service, not one dark spot can be found on my record and not one act which does not redound to the credit of the United States."

In my opinion, he was at that time the greatest authority on aviation in the world. Not only that, I believe then and believe now, that he knew more about all sorts of transportation than any man of his day.

He was the grandson of old Alexander Mitchell, who came to the shores of Lake Michigan a scant 20 years after Solomon Juneau, Milwaukee's first white citizen, arrived, and at a time when the Fort Dearborn massacre on the site of the present city of Chicago was fresh in men's minds. Alexander Mitchell had welded railroad short lines into the Chicago, Milwaukee and St. Paul, the first great railroad west of the Mississippi.

WAS VETERAN SOLDIER

Transportation and communication had always intrigued William Mitchell. He had been a foot soldier carrying a Krag rifle in Cuba and the Philippines. He had been a cavalryman. With a dog team he had helped Greeley complete the telegraph line in Alaska. The first automobile used in the Army had been in his outfit. He had pioneered the radio. The greatest concentration of allied air power ever participating in actual combat was entrusted to him.

General Mitchell in this statement, prepared on the last full day he served in the United States Army, charged that an Army and Navy oligarchy, entrenched behind a bureaucratic system, had attempted to bulldoze and coerce patriotic Army and Navy officers who disagreed with the views of this oligarchy. He had not been bulldozed, and he was going out. He concluded the statement:

"From now on I feel I can better serve my country and the flag I love by bringing a realization of the true conditions of our national defense straight to the people than by remaining muzzled in the Army. I shall always be on hand in case of war or emergency, whenever I am needed."

"Good-bye, General," I said, as I left him.

"Start calling me Mr. Mitchell," he replied with a smile, "but I am not through yet."

Mitchell's court martial came as no surprise to him, to the Army and Navy generally, or to anyone else of reasonable information in Washington. His number certainly had been up for almost a year—from the date of his testimony before the Lampert committee investigating aircraft, in February of 1925. He had vigorously attacked Secretary of War Weeks and Secretary of the Navy Wilbur and had described the Pacific defenses as "pitiable."

WARNED OF HAWAII WEAKNESS

It happens that I had also accompanied General Mitchell on that day. I sat at the table beside him as he shocked the committee by testifying that Japan could capture the Philippines and Hawaii in 2 weeks.

"An air force could reduce our Pacific islands easily, and we couldn't defend them with our present armament," said Mitchell.

"You say the Japs could take the Philippines and Hawaii and we could not stop it?" asked Representative Reid, Illinois.

"Of course," replied Mitchell. "Why, conditions are so bad out there that when I was in Hawaii last October and November I found the commanding general wouldn't speak to the commanding admiral, and they wouldn't even go to the same social functions together. There is no cooperation at all out there. The general and admiral even have separate and secret plans for taking Honolulu in case of war."

"How would they take Honolulu?" asked Congressman Perkins, of New Jersey.

OFFICERS INFURIATED

"Use force," replied Mitchell.

"You mean the general and the admiral at Pearl Harbor would fight each other?"

"The admiral at Pearl Harbor has plans to take Honolulu, and the general has plans to take it away from him if he does."

"You mean our Army would fight our Navy?"

"Yes," replied Mitchell.

That testimony infuriated both Army and Navy officers.

Mitchell also told the committee that the Army had only 19 effective pursuit planes, a statement which Secretary of War Weeks hotly denied, claiming it had 1,200.

Said Mitchell:

"We have only 19 pursuit planes and 15 pilots, not enough to man the planes we have. Of course, we have some obsolete planes, which, by the way, are good enough to sink any battleship afloat, but they would be no good in an air fight."

He told the committee the Army and Navy are old men, supporting each other, defending their ancient ways of doing things against the onrushing tide of public opinion and of modern inventions. They dress the air force in spurs, swords, and high collars. "We have to undress every time we get into an airplane," he said.

Gen. Hugh A. Drum, Assistant Chief of Staff, was present to testify in opposition to Mitchell.

"What does General Drum here know of air power?" asked Reid.

"Nothing whatever," replied Mitchell, looking directly at the reddening Drum.

ADMIRAL BACKS MITCHELL

A little later Admiral William S. Sims came to the stand to corroborate Mitchell's testimony. Sims was unpopular with the powers that be in the Navy and he didn't help in the feeling against Mitchell among the Army and Navy higher-ups.

Sims testified that 12 airplane carriers with 50 planes each could destroy the United States Fleet.

"But I am wasting my time telling you that," Sims said. "The conservatism of the military mind won't allow anything to be done about it. They never give in. Back in the Middle Ages the same sort of men hung onto their battle-axes and pikes and said that bows and arrows were not a serious menace until disaster overtook them. The airplane carrier is the capital ship of the future, because her bombing planes can reach and sink a battleship while the carrier continues to cruise swiftly out of range of the armored ship's guns."

In March Mitchell was reduced in rank from brigadier general to colonel and relieved of his high place in the War Department. From his post at San Antonio, Mitchell continued his battle.

On September 5, 1925, Mitchell burned all his bridges behind him, when, at San Antonio following the loss of the dirigible Shenandoah, he attributed frightful aeronautical accidents and loss of life directly to incompetence in the War and Navy Departments and characterized the administration of those departments as incompetent, criminally negligent, and almost treasonable.

"DISGUSTING PERFORMANCES"

He also charged the Navy with misleading the Nation as to facts shown by recent maneuvers near Hawaii. The plain facts were, he said, that "as far as Honolulu is concerned, it is not a position of decisive influence in the control of the Pacific. Its value consists in being an excellent submarine base to act against hostile surface craft and submarines. The control of the Pacific is our own territory of Alaska and the peninsula of Kamchatka opposite."

He concluded his statement:

"As a patriotic American citizen, I can no longer stand by and see those disgusting

performances by the Navy and War Departments at the expense of the lives of our people and the delusion of the American public.

"The bodies of my former companions in the air smoulder under the soil of America, Asia, Europe, and Africa, many, yes, a great many, directly by official stupidity.

"This, then, is what I have to say on this subject, and I hope every American will hear it."

PLACED ON TRIAL

The ninety-sixth article of war was invoked against him and Mitchell was placed on trial on October 28. He was charged with having "conducted himself to the prejudice of good order and military discipline and in a way to bring discredit upon the military service by making, uttering, and publishing statements charging that those administering the War and Navy Departments were 'incompetent, criminally negligent, and almost treasonable.'"

Mitchell at that time was 45 years old, but easily could have passed for 35. After a long trial Mitchell was convicted. He was suspended from all rank and duty for 5 years and to total forfeiture of pay and allowance.

President Coolidge, upon review, approved the first part of the sentence, but held that Mitchell during his suspension should receive half his nonflying pay and certain living allowances "during the pleasure of the President."

CAUSED UPROAR IN CONGRESS

The conviction caused an uproar in Congress. Representative Thomas L. Blanton, of Texas, immediately introduced a resolution restoring Mitchell to his former rank of brigadier general, placing him in command of the air forces of the United States and suspending Maj. Gens. Dennis Nolan and Hugh A. Drum from the Army for 5 years and assessing against General King and Graves of the court which convicted him a fine of one-half of their salaries for 5 years. Representative LaGuardia, now mayor of New York, introduced a resolution cutting Mitchell's sentence to 30 days. Both resolutions were smothered.

Mitchell, feeling that the sentence was such as to hold him in bondage for the next 5 years, submitted his resignation.

WROTE ON AVIATION

Mitchell retired to his home in Virginia. For a time he contemplated opening an aviation school in association with Eddie Rickenbacker and others, but gave up the notion.

He wrote on aviation subjects from time to time, but ceased this when his health became impaired. He died 10 years after his court martial, February 19, 1936.

Two weeks ago the Senate passed a bill restoring the rank of brigadier general to Mitchell. It now pends in the House.

And this week Congress passed the $12,000,000,000 appropriation bill providing for the procurement of 23,000 combat and 10,000 training planes, and General Marshall announced that the production of heavy bombers is reaching nearly 1,000 monthly.

AUTHORIZATION FOR COMMITTEE ON APPROPRIATIONS TO REPORT, ETC.

Mr. BARKLEY. Mr. President, I ask unanimous consent that during the contemplated adjournment the Senate Committee on Appropriations be authorized to make reports to the Senate on bills and resolutions, that the Secretary of the Senate be authorized to receive messages from the House of Representatives, and that the Presiding Officer of the Senate be authorized to sign bills and resolutions ready for his signature.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

AUTHORIZATION FOR COMMITTEE ON AGRICULTURE AND FORESTRY TO REPORT SENATE RESOLUTION 224

Mr. NORRIS. Mr. President, I ask unanimous consent that during the contemplated adjournment the Committee on Agriculture and Forestry be permitted to report Senate Resolution 224, and that the clerk shall then automatically refer the resolution to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

PRODUCTION OF RUBBER FROM GUAYULE

Mr. HILL. Mr. President, I understand it is the intention of the majority leader to move that the Senate take a recess until Monday. There is now on the calendar the so-called guayule bill, which has been considered twice by the Senate Committee on Military Affairs and reported to the Senate without opposition both times. It has also passed the Senate without any opposition. The measure was vetoed because of a House amendment which was not contained in the bill as passed by the Senate. It is most important that this bill be passed without delay. I ask unanimous consent for the present consideration of the bill as reported by the Senate Committee on Military Affairs.

The VICE PRESIDENT Is there objection?

There being no objection, the bill (S. 2282) to provide for the planting of guayule and other rubber-bearing plants and to make available a source of crude rubber for emergency and defense uses was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture (hereinafter called the "Secretary") is authorized—

(1) To acquire by purchase, license, or other agreement, the right to operate under processes or patents relating to the growing and harvesting of guayule or the extraction of rubber therefrom, and such properties, processes, records, and data as are necessary to such operation, including but not limited to any such rights owned or controlled by the Intercontinental Rubber Co., or any of its subsidiaries, and all equipment, materials, structures, factories, real property, seed, seedlings, growing shrub, and other facilities, patents, and processes of the Intercontinental Rubber Co., or any of its subsidiaries, located in California, and for such rights, properties, and facilities of the Intercontinental Rubber Co. or any of its subsidiaries, the Secretary is authorized to pay not to exceed $2,000,000;

(2) To plant, or contract for the planting of, not in excess of 75,000 acres of guayule in areas in the Western Hemisphere where the best growth and yields may be expected in order to maintain a nucleus planting of guayule to serve as a domestic source of crude rubber as well as of planting material for use in further expanding guayule planting to meet emergency needs of the United States for crude rubber; to establish and maintain nurseries to provide seedlings for field plants; and to purchase necessary equipment, facilities, and land for nurseries;

(3) To acquire by lease, or other agreement, for not exceeding 10 years, rights to land for the purpose of making plantings of guayule; to make surveys directly or through appropriate Government agencies of areas in the Western Hemisphere where guayule might be grown; and to establish and maintain records indicating areas to which guayule cultivation could be extended for emergency production;

(4) To construct or operate, or to contract for the operation of, factories for the extraction of rubber from guayule, and from Chrysothamnus, commonly known as rabbit brush; and to purchase, operate, and maintain equipment for the harvesting, storing, transporting, and complete processing of guayule, and Chrysothamnus, commonly known as rabbit brush, and to purchase land as sites for processing plants;

(5) To conduct studies, in which he may cooperate with any other public or private agency, designed to increase the yield of guayule by breeding or by selection, and to improve planting methods; to make surveys of areas suitable for cultivating guayule; to make experimental plantings; and to conduct agronomic tests;

(6) To conduct tests, in which he may cooperate with any other public or private agency, to determine the qualities of rubber obtained from guayule and to determine the most favorable methods of compounding and using guayule in rubber-manufacturing processes;

(7) To improve methods of processing guayule shrubs and rubber and to obtain and hold patents on such new processes;

(8) To sell guayule or rubber processed from guayule and to use funds so obtained in replanting and maintaining an area of 75,000 acres of guayule inside the Western Hemisphere; and

(9) To exercise, with respect to rubber-bearing plants other than guayule the same powers as are granted in the foregoing provisions of this section with respect to guayule.

SEC. 2. (a) The Secretary is authorized to appoint such employees, including citizens of countries in the Western Hemisphere, as may be necessary for carrying out the provisions of this act. Such appointments may be made without regard to the provisions of the civil-service laws, and the compensation of the persons so appointed may be fixed without regard to the provisions of the Classification Act of 1923, as amended. All appointments so made by the Secretary shall be made only on the basis of merit and efficiency.

(b) The Secretary may delegate any of the powers and duties conferred on him by this act to any agency or bureau of the Department of Agriculture.

(c) The Secretary, with the consent of any board, commission, independent establishment, corporation, or executive department of the Government, including any field service thereof, may avail himself of the use of information, services, facilities, officers, and employees thereof, in carrying out the provisions of this act.

(d) The Secretary may allot to bureaus and offices of the Department of Agriculture, or may transfer to such other agencies of the State and Federal Governments as may be requested by him to assist in carrying out this act, any funds made available to him under this act.

SEC. 3. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this act. Any amounts so appropriated, and any funds received by the Secretary under this act, shall remain permanently available for the purposes of this act without regard to the provisions of any other laws relating to the availability and disposition of appropriated funds and the disposition of funds collected by officers or agencies of the United States.

DISPOSITION OF AGRICULTURAL COMMODITIES BY COMMODITY CREDIT CORPORATION

Mr. BANKHEAD. Mr. President, I move that the Senate proceed to consider Senate bill 2255, to establish a policy with respect to the disposition of agricultural commodities acquired by the Commodity Credit Corporation, so that it may be the unfinished business. It is the so-called parity bill, and is Calendar No. 1090.

Mr. BARKLEY. Mr. President, I have no objection to the bill being made the unfinished business. I will say to the Senator that in all likelihood there will not be a great deal of business transacted Monday. Of course, Washington's Farewell Address will be read. Because it is a holiday many Members may be out of town to fill engagements elsewhere, and it may not be wise to proceed with the consideration of the measure.

Mr. BANKHEAD. Mr. President, I shall not be contentious about the matter. I do not want action to be taken on the measure Monday. I simply wanted to have the bill made the unfinished business, so Senators would be on notice that it will be considered.

Mr. McNARY. Mr. President, with the understanding that the consideration of the measure will go over until Tuesday, if it appears that it should go over, I have no objection.

Mr. BANKHEAD. I shall not be contentious about the matter.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Alabama.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 2255) to establish a policy with respect to the disposition of agricultural commodities acquired by the Commodity Credit Corporation.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Gabriel J. Chopp to be postmaster at Ahmeek, Mich., in place of G. J. Chopp.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

OFFICE OF GOVERNMENT REPORTS

The legislative clerk read the nomination of Edward N. Jones to be State director for the Office of Government Reports for Pennsylvania.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. BARKLEY. Mr. President, I ask that the nominations in the Diplomatic and Foreign Service be confirmed en bloc.

The VICE PRESIDENT. Without objection, the diplomatic nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The VICE PRESIDENT. Without objection, the postmaster nominations are confirmed en bloc.

That completes the calendar.

Mr. BARKLEY. I ask that the President be notified of all nominations this day confirmed.

The VICE PRESIDENT. Without objection, the President will be notified.

RECESS TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 7 o'clock and 3 minutes p. m.) the Senate took a recess until Monday, February 23, 1942, at 12 o'clock noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 19 (legislative day of February 13), 1942:

OFFICE OF GOVERNMENT REPORTS

Edward N. Jones to be State director for the Office of Government Reports for Pennsylvania.

DIPLOMATIC AND FOREIGN SERVICE

To be Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service of the United States of America:

Alvin M. Bentley
Byron E. Blankinship
D. Chadwick Braggiotti
Robert M. Brandin
William C. Burdett, Jr.
Findley Burns, Jr.
Robert E. Cashin
Forrest N. Daggett
Frederick W. Eyssell
Douglas N. Forman, Jr.
Michael R. Gannett
Joseph N. Greene, Jr.
Henry Hanson, Jr.
Douglas Henderson
Armistead M. Lee
Duane B. Lueders
LaRue R. Lutkins
Oliver M. Marcy
James L. O'Sullivan
Albert E. Pappano
Henry L. Pitts, Jr.
William S. Rosenberg
Joseph S. Sparks
Leslie Albion Squires
Walter J. Stoessel, Jr.
Jewell Truex
Richard E. Usher
Theodore C. Weber
William L. S. Williams

PROMOTIONS IN THE FOREIGN SERVICE

To be a Foreign Service officer of class 1

George L. Brandt

To be Foreign Service officers of class 2

Ralph H. Ackerman
J. Webb Benton
Edward M. Groth
H. Lawrence Groves
Donald R. Heath
James Hugh Keeley, Jr.
Alfred W. Klieforth
Thomas H. Lockett
Robert B. Macatee
Hugh Millard
Orsen N. Nielsen
Daniel J. Reagan
Harold S. Tewell

To be Foreign Service officers of class 3

George Atcheson, Jr.
Merwin L. Bohan
J. Rives Childs
Charles E. Dickerson, Jr.
Julian B. Foster
Clayton Lane
James E. McKenna
Paul G. Minneman
Paul O. Nyhus
Karl L. Rankin
Leo D. Sturgeon
Clifford C. Taylor
John Carter Vincent

To be Foreign Service officers of class 4

George R. Canty
Robert G. Glover
Julian C. Greenup
George J. Haering
Joel C. Hudson
Charles W. Lewis, Jr.
Lester De Witt Mallory
Quincy F. Roberts
James Somerville
Paul P. Steintorf
Howard H. Tewksbury
S. Walter Washington

To be Foreign Service officers of class 5

Richard M. de Lambert
Samuel G. Ebling
George R. Hukill
Benjamin M. Hulley
Paul W. Meyer
Sheldon T. Mills
Sidney E. O'Donoghue
James B. Pilcher
Robert B. Streeper

To be Foreign Service officers of class 6

Stuart Allen
John M. Allison
Cavendish W. Cannon
William P. Cochran, Jr.
Edmund J. Dorsz
Dorsey Gassaway Fisher
Frederic C. Fornes, Jr.
Archibald E. Gray
Bernard Gufler
Monroe B. Hall
Thomas A. Hickok
Perry N. Jester
George D. LaMont
Edward S. Maney
Ralph Miller
Gerald A. Mokma
Guy W. Ray
Willard Quincy Stanton
Walter N. Walmsley, Jr.

To be Foreign Service officers of class 7

Mulford A. Colebrook
Charles A. Cooper
Frederick J. Cunningham
Overton G. Ellis, Jr.
Howard Elting, Jr.
Frederick E. Farnsworth
L. Randolph Higgs
Beppo R. Johansen
George Lewis Jones, Jr.
Charles F. Knox, Jr.
E. Allan Lightner, Jr.
Walter J. Linthicum
Aubrey E. Lippincott
Odin G. Loren
Robert Mills McClintock
Carmel Offie
Walter W. Orebaugh
W. Leonard Parker
Max W. Schmidt

To be Foreign Service officers of class 8

John L. Bankhead
M. Williams Blake
Thomas S. Campen
David M. Clark

Perry Ellis
James Espy
Richard D. Gatewood
John L. Goshie
John Hubner 2d
John D. Jernegan
Hartwell Johnson
Robert B. Memminger
Charles S. Millet
Miss Kathleen Molesworth
Boiard More
Brewster H. Morris
Jack B. Neathery
Miss Katherine E. O'Connor
E. Edward Schefer
Charles O. Thompson
S. Roger Tyler, Jr.
Philip P. Williams
Robert E. Wilson

POSTMASTERS

COLORADO

Mary A. Morrison, Climax.
Clarence Patterson, Steamboat Springs.

MISSOURI

Villa R. Harris, Annapolis.
Elmer W. Brown, Farmington.

NEW JERSEY

Charles Leon Ware, Glassboro.

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 19, 1942

The House met at 12 o'clock noon.

The Reverend Jacob S. Payton, D. D., executive secretary, Methodist Commission on Camp Activities, Washington, D. C., offered the following prayer:

O Lord, our God, innumerable tokens of Thy grace and bounties from Thy hand lead us to turn to Thee in reverence and gratitude. Because Thou hast repeatedly shown forbearance with our past failures, we seek again Thy forgiveness and compassion.

Fortify, O Lord, the hearts of our citizens with the presence of all honorable things. There may truth, loyalty, and courage have their habitation, that from these inner resources America may be outwardly strong. Be not far, O Lord, from our defenders who stand in perilous places. In mercy minister to such as suffer the agony of wounds, and out of Thy immeasurable love comfort such as have been bereft of kinsmen lost in battle.

Keep America steadfast in her reliance upon Thee, O Lord, who art the unfailing light amidst the world's darkness, and in whose keeping are the imperishable treasures in a day when, because of the folly of evildoers, so much beauty and strength have become a residue of ruin and destruction.

Endow with the wisdom which is from above these Thy servants to whom has been entrusted the destiny of our country during these grave and troublous times. May they keep their honor bright, their motives unselfish, and their trust in Thee immovable. Thus may the deliberations of this day be such as shall not only safeguard all former costly gains of freedom, but contribute also to the future security and welfare of our people. This prayer we offer in the name of Jesus, our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from Hon. Jesse Jones to the Speaker of the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief editorial from the Emporia Gazette by William Allen White.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

PAYMENT OF TRAVEL EXPENSE OF PERSONS DISCHARGED FROM THE ARMY

Mr. MAY submitted a conference report and statement on the bill (S. 1782) to authorize the payment of a donation to and to provide for the travel at Government expense of persons discharged from the Army of the United States on account of fraudulent enlistment, which was referred to the Union Calendar and ordered printed.

ALLOWANCES FOR UNIFORMS AND EQUIPMENT FOR CERTAIN OFFICERS OF THE OFFICERS' RESERVE CORPS OF THE ARMY

Mr. MAY submitted a conference report and statement on the bill (S. 1891) to amend an act to provide allowances for uniforms and equipment for certain officers of the Officers' Reserve Corps of the Army so as to provide allowances for uniforms and equipment for certain officers of the Army of the United States, which was referred to the Union Calendar and ordered printed.

HON. CHARLES H. LEAVY

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

[Mr. O'CONNOR addressed the House. His remarks appear in the Appendix.]

SAULT STE. MARIE

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, when I was in Sault Ste. Marie last week end I discussed the Soo lock situation with military authorities, with marine operators, with marine construction engineers, and many others. All wholeheartedly approved of the sincere effort myself and many other Members of Congress have made to secure adequate defense protection at the Sault and to secure passage of S. 2132, authorizing the construction of a new imperatively needed lock. All repeatedly warned that failure to provide both of these features might conceivably lead to national disaster. The fact was particularly stressed that because of the pending shortage of needed construction materials, such as steel and concrete, if this Congress does not act immediately in the passage of S. 2132, the ultimate completion of this new lock may be delayed from 1 to several years. Congress must act and should act immediately. It is my purpose therefore, Mr. Speaker, to place on the Clerk's desk as soon as our legislative regulations will permit a discharge petition to force S. 2132 to the floor for action. We have already dilly-dallied with this important question for 9 long and important months. Let us wake up.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio speech I made last night.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CLUETT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. CLUETT addressed the House. His remarks appear in the Appendix.]

THE LOCKS AT THE SOO

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN of Mississippi. Mr. Speaker, certain gentlemen from Michigan seem to be trying to force the Committee on Rivers and Harbors to bring out a separate pet measure they have, the object of which is to break into the rivers and harbors bill and pass the Soo project at a cost of about $8,000,000. We are going to see whether or not these gentlemen are going to back up their words. The river and harbor bill which contains this particular project at Sault Ste. Marie will probably be before the House in a few days, and if the gentlemen from Michigan who are seeking this special favor, and who are trying to break into the river and harbor bill, are really sincere in their desire to have this improvement at the Soo, they will support the river and harbor bill in order that the President may put into operation immediately those projects necessary for national defense, for the preservation of this Government, and authorize such projects as may be deemed necessary for a backlog to help absorb unemployment after the emergency is over.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN of Mississippi. Yes.

Mr. RICH. Is this that "pork barrel" bill that the gentleman's committee is going to bring in here?

Mr. RANKIN of Mississippi. No; it is what the gentleman from Pennsylvania may call a "pork barrel" bill, since it is not all in Pennsylvania, but it contains many items that are absolutely necessary to national defense.

The SPEAKER. The time of the gentleman from Mississippi has expired.

EXTENSION OF REMARKS

Mr. ROBERTSON of North Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection?

There was no objection.

PENSIONS FOR CONGRESSMEN

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEARHART. Mr. Speaker, the people of the country have made it unmistakably clear to the membership of this body that they disapprove the enactment of the so-called congressional pension legislation.

Since this is still a democracy in which the will of the people should ever prevail, let us give our immediate attention to the business of repealing this objectionable legislation, to the wiping of it from the statute books as quickly as we can.

It cannot be done too soon to please me. Since I voted against pensions for Congressmen in 1939, when they were first proposed, and did not vote for the legislation which passed the House a few weeks ago, the elimination of this legislation will cause me no pangs of regret.

If for no other reason, the act should be repealed because it has disturbed the national unity, which is so essential to the winning of the war in which we are engaged. Its elimination will bring about a much better feeling in the country.

In these days when the future of our country hangs in the balance, better had we endeavor to emulate the example of that veteran of World War No. 1, the heroic Martin Treptow, when, in the midst of his "blood, sweat, and tears," he wrote in his notebook:

> America must win this war. Therefore I will work; I will save; I will sacrifice; I will endure; I will fight cheerfully and do my utmost, as if the issue of the whole struggle depended on me alone.

Only by the development of such a spirit of sacrifice in which all of our people can be united can we win this war.

EXTENSION OF REMARKS

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to extend my remarks by including an article taken from the American Federation of Labor newspaper written by Phillip Pearl.

The SPEAKER. Is there objection?

There was no objection.

Mr. COLMER. Mr. Speaker, I ask unanimous consent to extend my remarks and insert an address I recently delivered.

The SPEAKER. Is there objection?

There was no objection.

THE LOCKS AT THE SOO

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, referring to the colloquy which has just occurred between the gentleman from Michigan [Mr. BRADLEY] and the gentleman from Mississippi [Mr. RANKIN] in respect to the Soo Locks, I call the attention of the House to what everyone in the War Department, the Navy Department, and the War Production Board, and so forth, is asking, is that we protect the very vital raw material which goes into the manufacture of our guns, tanks, and planes. Out of 93,000,000 tons of iron ore produced in this country last year, of which steel is made, 83,000,000 tons of that went through the Soo Locks. This is a defense measure and should be completely divorced from the rivers and harbors bill, many of the subjects of which are highly controversial and of doubtful defense value. We should not have to tie up the protection of our raw material with the Tombigbee, the Great Lakes-St. Lawrence River project, the Florida ship canal project, and other highly controversial measures.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, in reply to what the gentleman from Mississippi [Mr. RANKIN] had to say a few minutes ago, the situation with reference to the Soo Locks has been described here not only once but several times by the gentleman from Michigan [Mr. BRADLEY]. We just heard what the gentleman from Michigan [Mr. WOLCOTT] had to say. The improvement at the Soo is a necessary defense measure, and if the gentleman from Mississippi thinks he is going to compel us to swallow all of that dirty, nasty, greasy pork that has been stuck into the rivers and harbors bill, in order to put through a defense measure, he is very much mistaken.

The SPEAKER. The time of the gentleman has expired.

SUBVERSIVE INFLUENCES

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I wonder how long it is going to be before some of our high officials come to a realization that they have a duty to perform. We have the spectacle of Princess Hohenloe, who has moved in close to the seat of operations in Alexandria. We have Fritz Kuhn, on whom I have been trying to get some action for two and a half years. We have Robert Noble, who comes out on December 8 and supports the Axis. We have Harry Bridges. The only thing we can get is unsatisfactory conversation and explanations from these people, and words. We never get any real answers wherein they take action. Constant splitting of hairs, always in favor of the enemies of the United States.

I hope the House will begin to think seriously about getting rid of some of these subversive interests before they do us any more damage than they have done. This is a time of war.

[Here the gavel fell.]

ANSEL WOLD

Mr. JARMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. JARMAN. Mr. Speaker, I requested this time in order to heartily congratulate and pay brief tribute to one of the most capable and valuable servants of the Congress, on the fortieth anniversary of the commencement of this service. He came to the Census Office as a boy of 19, back in 1900. He resigned this position in less than 2 years to accept one in the document room 40 years ago today. After several months there he was transferred to the office of the Secretary of the Senate, and continued to serve in various capacities until 1910, when he became Printing Clerk of the Senate in the office of the Secretary, in which position he rendered yeoman service until 1921, when he was unanimously elected, without solicitation on his part, as clerk of the Joint Committee on Printing, to succeed Clerk George H. Carter, who at that time was appointed Public Printer. Since that time, as you all know, he has rendered very valuable service as clerk to that committee, in which position he is now serving.

I deem it scarcely necessary to say that I refer to that valuable public servant, Ansel Wold.

Mr. WOODRUM of Virginia. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I gladly yield.

Mr. WOODRUM of Virginia. I would like to heartily concur in everything the gentleman has said, and underscore all of it.

Mr. JARMAN. I thank the gentleman very much.

I am quite sure that his vast knowledge of all printing matters and Government departments, his industry, efficiency, patriotism, and loyalty, have, throughout the years, caused all Printing Committee chairmen to lean very heavily on the broad shoulders of his great experience—just as Senator HAYDEN and I now do; not only this, but his knowledge and experience have saved hundreds of thousands of dollars for the Government.

I believe I speak the sentiment, not only of the distinguished gentleman from Virginia [Mr. WOODRUM] but of the entire membership of this House, when in congratulating Ansel Wold on the fine and valuable service he has rendered to us I also express to him the sincere hope that God may grant him many years of future service in this same capacity. May I add the expression of hope that each of those years and each of those days may be as pleasant and as happy

and as satisfying to Ansel Wold as they will be valuable to the Nation he loves.

[Here the gavel fell.]

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for a minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, I want to join with my colleague the gentleman from Alabama [Mr. JARMAN] in paying tribute to Ansel Wold, secretary of the Joint Committee on Printing, for the valuable service he has rendered the committee. During the time I have served on the Joint Committee on Printing and the Committee on Printing of the House, I think that Ansel Wold has been a very industrious, honest, and diligent servant of the committee. He has at all times kept his eye on those things which are for the best interests of this country. Ansel Wold gives his entire time to this service. He is kind. He is considerate. He wants to do that thing which is best at all times, in saving in printing cost. I know that my chairman on this committee, the gentleman from Alabama [Mr. JARMAN] has a valuable assistant in trying to see that everything we do is in accordance with the law, because he has been there so long that he knows the law relative to public printing almost word for word.

I also want to say that in my association with the chairman of this committee, the gentleman from Alabama [Mr. JARMAN], he is one of the valuable Members of this House. When you have men like PETE JARMAN and Ansel Wold on a committee, surely you will get good results. I congratulate Ansel Wold on his service of 21 years on the Committee on Printing of the House of Representatives and his 40 years of service to the Government in Washington.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MICHENER. Mr. Speaker, I also want to take my hat off to Ansel Wold. I possibly have been one of the most severe critics of printing expenditures authorized by the Congress down through the years. That criticism has been in an effort to better conditions—for the benefit of the Treasury and eliminate unnecessary printing. We always receive sound and unbiased advice from Ansel Wold. He is not political in any sense of the word. He has at heart the real interests of the country and the Treasury. He is reliable. May we have more public servants like Ansel Wold.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, I am sorry I find it necessary to stand in the Well of the House today and protest against the remarks made yesterday by my friend and distinguished colleague the gentleman from Pennsylvania [Mr. RICH]. I do not believe at this crucial time we should mix politics or say anything on the floor of this House that would be detrimental to our national defense program and that goes for both sides of the aisle, as this is the time when the American people should be united as one.

I am going to read one paragraph from the remarks of this gentleman yesterday which he made on the floor of the House. It reads as follows:

> If the President of the United States wanted to do something for America, he would stop his political meddling, he would attend to those things most important; on the other hand, he would at least try to stop the war in labor unions, or win the war he successfully maneuvered us into all over the world.

The part that I object to is where he states that the President successfully maneuvered us into this war. I deny that statement as I believe our President did everything possible to keep us out of this war; in fact he went to the extreme in trying to keep peace with Japan. I feel that the gentleman from Pennsylvania should have that part of his remarks stricken from the permanent RECORD.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. FITZPATRICK. I yield.

Mr. RICH. I do not apologize for those remarks.

Mr. FITZPATRICK. Then the gentleman does not, in my opinion, believe in the unity and harmony of the American people in trying to win this war, if he permits his remarks to remain unchanged. This is no time to play politics.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. I have asked for this time because of the statement made by the gentleman from Pennsylvania [Mr. RICH] in which he said he does not apologize for his remarks.

The remarks made by the gentleman from Pennsylvania and quoted by the gentleman from New York are wholly inconsistent with the truth. The statement of the gentleman from Pennsylvania is as inconsistent with the truth of a historical fact than any I have heard in my entire life.

Statements of that kind are the best tools that could be furnished Hitler and the Japanese with which to initiate division in this country. If one were paid by Hitler or by the Japanese to make a statement that would cause division in this country, neither Hitler nor the Japanese could have a more effective statement made that would aid their cause nor one that is more completely inconsistent with the truth.

[Here the gavel fell.]

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday. The Clerk will call the roll of the committees.

AMENDMENT TO EMPLOYMENT STABILIZATION ACT OF 1931

Mrs. NORTON (when the Committee on Labor was called). Mr. Speaker, by direction of the Committee on Labor, I call up the bill (H. R. 5638) to amend the Employment Stabilization Act of 1931 and ask unanimous consent that it may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey [Mrs. NORTON]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Employment Stabilization Act of 1931 is amended by adding the following section:

"SEC. 9. There is hereby authorized to be appropriated annually such sums as may be necessary for allotment to agencies of the United States and for advances to the States, Territories, and island possessions, and the agencies and political subdivisions thereof, by the President, through the Federal Works Agency or such agencies as he may designate, and under such rules and regulations as he may prescribe, for the making of such examinations, surveys, investigations, legal studies, comprehensive plans and programs, engineering plans and specifications, and forms of legal proceedings, as may be necessary to facilitate and expedite the selection, financing, and inauguration of public improvements, works, and related activities: *Provided*, That advances to States, Territories, and island possessions, and political subdivisions thereof, shall be subject to such requirements as to reimbursement, or with respect to contribution of funds, services, or materials, as the President may determine."

Mr. FADDIS. Mr. Speaker, this is a rather important matter, and I believe the membership of the House should be present to hear the debate. I therefore make the point of order a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 24]

Arnold	Jenks, N. H.	Sacks
Baldwin	Jensen	Schaefer, Ill.
Butler	Johnson,	Short
Byron	Lyndon B.	Smith, Pa.
Celler	Kleberg	Smith, W. Va.
Cole, Md.	Kramer	Sparkman
Cole, N. Y.	Lambertson	Stratton
Crawford	McGregor	Sweeney
Crowther	McMillan	Taber
Culkin	Magnuson	Tolan
Gale	Martin, Iowa	Voorhis, Calif.
Gibson	Martin, Mass.	Vreeland
Gillette	Mitchell	Wadsworth
Guyer	Monroney	Walter
Hancock	O'Day	Weiss
Harness	Oliver	White
Hendricks	Osmers	Wilson
Hook	Rankin, Mont.	Winter
Jacobsen	Rizley	Worley
Jarrett	Romjue	

The SPEAKER. On this roll call 372 Members have answered to their names. A quorum is present.

On motion of Mr. COOPER, further proceedings under the call were dispensed with.

COMMITTEE ON THE CIVIL SERVICE

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the Committee

on the Civil Service may sit during the session of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. RAMSPECK]?

There was no objection.

EXTENSION OF REMARKS

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD for the purpose of including two corrections in respect to material inserted in my remarks of February 6 in reference to the O. C. D. and the F. C. C.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. WIGGLESWORTH]?

There was no objection.

Mr. RANKIN of Mississippi. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article from the Louisville Courier Journal showing that the Legislature of Kentucky has passed the T. V. A. Act by a vote of 85 to 10.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Baldridge, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6548) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1942, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1942, and for other purposes.

AMENDMENT TO EMPLOYMENT STABILIZATION ACT OF 1931

Mr. BEITER. Mr. Speaker, I move to strike out the last word, and I ask unanimous consent that I may proceed for an additional 5 minutes in order to explain the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BEITER]?

There was no objection.

Mr. BEITER. Mr. Speaker, the bill which is before the House this afternoon is really a very simple matter. It involves no more than an amendment to the Employment Stabilization Act of 1931 authorizing an appropriation to be used for the preparation now of plans for public works and related activities to be undertaken in the post-war period. The plans will be prepared by Federal agencies and State and local governments. State and local governments will make plans with funds advanced by the Federal Government. These funds will be subject to provisions for reimbursement and contribution.

This bill provides for no more than the preparation of plans. In no way does the bill authorize or appropriate funds for the construction of the projects so planned.

Though this bill is a very simple matter, and its consideration should not detain the House long this afternoon, it is nonetheless quite important. The President has said that we are not going to lose the peace. In time of war we must prepare for peace. Otherwise all that we fight for may be lost. Planning for peace is in a very real sense part of our war effort.

The problem of planning for the peace is a very complicated one—one which must engage the efforts of all branches of government and of private industry. Many of the Federal agencies and many private industries and associations, including labor groups, have already begun to plan for the post-war period.

But effective planning for the peace cannot be carried out in all spheres without additional authorizations from the Congress. The Committee on Labor agree unanimously that additional authorization is needed in the field of public works planning if the Federal, State, and local governments are to cooperate in preparing detailed plans for post-war activities. It is the purpose of this bill, whose major provisions I have just outlined, to provide the necessary authorization.

This bill was introduced at the instance of the President of the United States, who made recommendations in two of his messages to the first session of this Congress. In his annual Budget message of January 3, a year ago, the President, while recommending the deferment of construction projects that would interfere with the defense program, stated that—and I quote:

> Surveys and the planning of new projects will go forward so that construction can be resumed without delay. This will produce a long list of public-work projects, apart from defense construction, arranged according to priorities. Such a list could be submitted to a future Congress for the appropriation of funds to put it into operation.

Again, in his message of March 17 of last year, transmitting the annual report of the National Resources Planning Board, the President recommended storing up a reservoir of nondefense work which can be loosed when the pace of war production slackens. He then said:

> If projects are to be ready at hand for rapid inauguration in times of need, the surveys and investigations, the engineering plans and specifications must be prepared in advance. * * * The planning * * * fund, suggested in the Board's report, would make available a shelf of useful projects without in any way committing the Government to the immediate construction of such works.

Let me now make it very clear that this bill, if enacted, will not mean increased Federal control over the activities of State and local governments. On the contrary, this bill provides for "grass roots" planning. Advances will be made to State and local governments for plan preparation by their own staffs and consultants. There will be no Federal domination of the design and planning work of State and local governments. In fact, representatives of State and local governments are among the most ardent supporters of this legislation. The United States Conference of Mayors, the American Municipal Association, the International City Managers' Association, the Municipal Finance Officers' Association, and representatives of various State and municipal governments, including the cities of New York and Chicago, and the States of Virginia, Maryland, and Idaho, have all urged us to pass this bill.

The purpose of this bill is not to authorize a mere inventory of public works which might be undertaken at a future date. If such were the purpose, I should not call the bill a planning bill. The purpose of the bill is, rather, to advance funds for surveys and the preparation of complete plans for individual projects. We would not just count projects; we would plan them.

This bill may be looked upon as a form of insurance—insurance against unpreparedness; insurance against a post-war collapse. The authorization provided in this bill assures that if and when such time comes, plans will be ready and, if the Congress so legislates, men and materials can be put to work more quickly and on better undertakings than would otherwise be the case.

The necessity for advance planning as a form of insurance against unpreparedness has been demonstrated to the Congress on several occasions during recent years. The public-works program of the 1930's amply demonstrated that many months may elapse between the making of appropriations for a large program of public improvements and the actual employment of great numbers of men. This delay was occasioned by the time necessary to carry out the preliminary surveys, studies, and investigations; to make the detailed plans and specifications; to arrange for financing—in short, the delay was occasioned by the necessity for planning after the appropriations were made for the construction program. We were unprepared to meet the emergency. We were forced to resort to all sorts of temporary projects. Advance planning is the proper insurance against such costly unpreparedness. And it is advance planning which this bill would authorize.

More recently the Congress has recognized the absolute necessity for advance planning as a form of insurance against the war emergency.

In fact, the Congress has not only recognized the necessity for advance planning of construction projects in the war emergency, but we have, on our own initiative, taken positive action to meet this need. The Appropriations Committee of this House a year ago added to a Budget estimate for military-post construction the sum of $15,000,000 for advance engineering plans and surveys. In reporting this action to the whole House, the committee stated:

> The committee has included in the amount for military-post construction an item of $15,000,000 for engineering surveys. * * * Such a study can be completed in this fiscal year and will result in providing an essential measure of preparedness, both in point of time and cost on any future construction that may become necessary.

The far-sightedness of our Appropriations Committee in this case has certainly been duly rewarded. This action was taken long before Pearl Harbor. Today we are saving valuable time and

money by expanding our camps and cantonments in accord with plans prepared in advance under this appropriation.

Let us be just as far-sighted in our planning for the post-war period. The bill now before this House recognizes the necessity for advance planning as a form of insurance against a post-war emergency.

The proposed legislation has the unanimous approval of the President and representatives of the Federal departments, including the Bureau of the Budget, the National Resources Planning Board, the Department of the Interior, the Department of Agriculture, the Federal Works Agency, the Federal Security Agency, the Federal Housing Administration, and the Tennessee Valley Authority. In hearings before a subcommittee of the Senate Committee on Education and Labor on an identical bill (S. 1617), unanimous support was accorded the principles contained in this legislation by representatives of labor, agriculture, professional engineers, architects, planners, and educators, the construction industry, citizens' organizations, and State and municipal governments.

[Here the gavel fell.]

Mr. BEITER. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BEITER. Mr. Speaker, I have received this morning a telegram from the American Association of General Contractors now assembled in convention in Indianapolis, Ind., in which they wholeheartedly endorse this program. I ask unanimous consent that this telegram be inserted in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The telegram referred to follows:

INDIANAPOLIS, IND., *February 19, 1942.*

Hon. ALFRED BEITER,
United States House of Representatives, Washington, D. C.:

POST-WAR PROGRAM

Whereas following the victory, to which we look forward, will require the assimilation of the national strength and energy for the purposes of peace instead of for purposes of war; and

Whereas, this assimilation should be immediate and should be directed to catching up with peacetime needs; and

Whereas the preparing for such a task should be undertaken at the earliest moment so that it will not be necessary to improvise programs of the future; and

Whereas there is now before the Congress proposals to amend the Employment Stabilization Act (H. R. 5638 and S. 1617) to facilitate such advance exploration: Now, therefore, be it

Resolved by the Associated General Contractors of America in convention assembled at Indianapolis, Ind., February 16–18, 1942, That the principle embodied in these proposals is endorsed with the understanding that such post-war planning will utilize the existing facilities for such programming as the same pertain to public works and that such planning contemplate full utilization of the resources in construction skill as are available through private enterprise.

J. M. SWEM.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. BEITER. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Does the gentleman have an endorsement from the architects of the country and the planning boards of the country?

Mr. BEITER. Yes. Let this House follow the advice of accredited representatives of labor, industry, citizens' organizations, and State and local governments, and give our support to this legislation at this time.

I have been asked two or three times during the roll call how much this new venture will cost the Federal Government. In reference to its cost, may I make two points very clear:

First. The amount of money to be appropriated for this activity in any one year is left entirely to the discretion of the President, the Appropriations Committees, and the Congress. The bill does not constitute an authorization which automatically commits the Congress to the appropriation of any given sum.

Second. It will be very easy for the President, the Appropriations Committees, and the Congress to arrive at the amount to be appropriated. There need be no guesswork, no rough estimating.

The money to be appropriated will be used for two purposes—comprehensive and general plans and detailed plans and specifications. Concerning the latter, which require by far the greater expenditure, the amount to be appropriated at any time depends entirely upon two determinable factors: First, the total volume or value of public work upon which it is desired to prepare plans; and, second, the extent or degree of completion to which it is desired to prepare the plans. Let us assume, for example, that the Congress decides at a given time that, as a matter of policy, it would be desirable to have preliminary plans prepared on $500,000,000 of public work. About one-half of the plan making on this volume of work would probably be conducted with the existing facilities and funds of Federal, State, and local agencies. Plans and specifications on the remaining $250,000,000 of public work would be undertaken with appropriations under this bill. The cost of preliminary plans might average about 3 percent of the value of the work being planned; so that, in order to carry out its original policy determination, the Congress would appropriate $7,500,000—3 percent of $250,000,000.

Mr. FADDIS. Mr. Speaker, will the gentleman yield?

Mr. BEITER. I yield to the gentleman from Pennsylvania.

Mr. FADDIS. Will the gentleman make the statement in connection with this bill that it will not be possible for any funds to be spent in connection with its administration unless they are appropriated by the Congress as funds in connection with it?

Mr. BEITER. I certainly will.

Mr. FADDIS. The gentleman will state that funds in connection with the administration of this bill cannot be taken from any other funds the President or anyone else may have under their control?

Mr. BEITER. Those charged with administrating this bill must come back to the Congress, and it is up to the Congress to make the appropriations. The President, the Appropriations Committee, and the Congress must pass on it before any money can be spent.

The cost of more definite plans might average about 5 percent of the value of the work being planned instead of 3 percent; so that, if the Congress should decide at a given time that, as a matter of policy, more detailed plans should be prepared on the same volume, then it would appropriate $12,500,000—5 percent of $250,000,000—instead of $7,500,000.

[Here the gavel fell.]

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the gentleman be permitted to proceed for 5 additional minutes.

Mr. WHITTINGTON. Reserving the right to object, Mr. Speaker—and I shall not object—I should like to know how long the gentleman has been proceeding.

The SPEAKER. Fifteen minutes.

Mr. WHITTINGTON. We are considering this bill under the 5-minute rule.

The SPEAKER. The gentleman is correct.

Mr. WHITTINGTON. I have no objection to the gentleman being allowed additional time, but some of us are opposed to this bill, and we should like to have additional time.

Mr. BEITER. I think that can be arranged.

Mr. HOFFMAN. Reserving the right to object, Mr. Speaker, I understood before this matter came before the House that we were to have an hour, to which we are entitled, at least under the rule. Later the chairman of the committee asked unanimous consent that we consider the bill in the House as in Committee of the Whole, which meant consideration under the 5-minute rule. We did not hear that request, Mr. Speaker.

The SPEAKER. The Chair stated the request of the chairman of the committee to consider the bill in the House as in Committee of the Whole and asked if there was objection, and there was no objection.

Mr. HOFFMAN. I am not finding any fault with that, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. BEITER. I yield to the gentleman from Missouri.

Mr. COCHRAN. Without going into the merits of the bill let me call the gentleman's attention to the fact that the bill is what I call an unlimited authorization. I have opposed all such bills that have come to the floor of this House. Will not the gentleman himself put in some specific amount? As the bill is now worded, the sky is the limit under its

provisions. Gentlemen say, of course, that this is merely an authorization and that you cannot get any money unless the Appropriations Committee gives it to you, but assuming the Appropriations Committee wants to go to the sky on an appropriation for this purpose, where will you be? Does not the gentleman believe there should be a ceiling in the way of an authorization?

Mr. BEITER. Knowing the members of the Appropriations Committee as I do and the way they operate, the number of hearings they hold, and the thoroughness with which they go into requests for appropriations, I have confidence in them and I rest my case with the members of the Appropriations Committee on both sides of the aisle.

Mr. COCHRAN. Yes; but the same members of the Appropriations Committee may not be here next year; you cannot tell, nor can I. We do not know who is going to be here.

Mr. BEITER. They are a splendid group of gentlemen, and I hope they continue in office many, many years.

Mr. COCHRAN. So do I, but that is not the question. We should not legislate on an assumption the personnel of any committee will protect us, but we should legislate to protect a committee, and committees need protection at times.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. BEITER. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Is it not true that if that argument were carried to its legitimate conclusion there would be no occasion for legislation of this kind in the first instance; and in the second place, if we are not to have legislative authorizations, we might just as well abolish the functions of the legislative committees and leave it entirely to the Committee on Appropriations.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. BEITER. I yield to the gentleman from Ohio.

Mr. WHITTINGTON. I would like to have an answer to my question.

Mr. BENDER. The gentleman failed to tell us that this measure has as its purpose the freezing in of W. P. A. and making an emergency agency a permanent part of the Government. Is not this correct?

Mr. BEITER. To make W. P. A. a permanent agency?

Mr. BENDER. Yes.

Mr. BEITER. No; it is quite the contrary. The gentleman will recall that during the depression we passed in the Congress a public works bill which worked directly to the opposite of the W. P. A. Private contractors were employed and projects originated in the municipalities. They advertised for bids, they employed local men, paid the regular rate of wage, and it was because of the splendid work that was accomplished through the Public Works Administration that many men who were formerly employed on W. P. A. were able to get much better jobs under the public-works program.

Mr. BENDER. Is the gentleman aware of the fact that today there is a shortage of engineers everywhere throughout the country and that engineering skill is needed for the war effort rather than after the war?

Mr. BEITER. I appreciate that, but I assume that in the gentleman's own city they have a planning organization. The city of Cleveland, I am sure, has a planning association. The purpose of this bill is not to engage additional men or force the cities to engage additional men. The National Resources Planning Board will cooperate with your local city planning agency or your State planning agency in the preparation of these plans. They may even suggest to them that if they have a project which they contemplate constructing at this time, to defer the work until after the emergency.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. BEITER. I yield to the gentleman from Michigan.

Mr. DONDERO. I am wondering in what position private enterprise or local responsibility is left if this bill becomes law.

Mr. BEITER. Any plan for the construction of a project in a given municipality originates with a sponsor or with the municipality itself.

Mr. DONDERO. That means they have got to come to Washington and get the funds with which to build according to that program?

Mr. BEITER. No. Of course, that would require additional legislation and would be determined by the policy adopted by the Congress after the emergency. This merely provides for the preparation of plans, so that the country will not experience the same difficulties of a severe depression and unemployment it did after the World War.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Speaker, I move to strike out the last two words and ask unanimous consent to proceed for an additional 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, the gentleman from New York [Mr. BEITER] said that this is a very short and a very simple bill. With that I agree. I recognize as most others recognize that the monumental and enormous things come in short and simple form. I am reminded of my service during the World War on the western front, when it became necessary, among a variety of duties, to censor the mails of the boys who wrote back home. Those who were given to pouring out their devotion and loyalty and love to their sweethearts back home in beautiful, lofty, and alliterative phrases for 30 or 40 pages, seldom said anything about the location of the troops or revealed military information. It was the lad who would take a postal card and say, "Dear Mom, we landed today at this spot on this day at this hour" and in compression of a single sentence disclosed many military secrets. It is in the compression of this bill that you will find real food for thought.

Let me say I doubt if there is a single Member of the House who is unmindful of the fact that when this conflict is over there will be a tremendous job of postwar planning. Everyone recognizes that. Everyone realizes there will be dislocations of business and employment and that the slack must be taken up by some kind of a program. But when it is suggested, as it is in the pending bill, that an over-all, endless, limitless, permanent authority be vested in the hands of the President of the United States without a single guide line, then I say it is time for the Congress to stop, look, and listen.

The language of the bill states the whole case. Listen to me for a moment: "There is hereby authorized to be appropriated annually."

What does it mean? It means a permanent annual authorization. Once it goes on the books you know and I know that it will never be repealed. Once we had a Congressman from New York who came to Congress on the platform of repealing one law a day. It is not in derogation of him or any aspersion upon his legislative ability, that he did not get a single act repealed. When this goes on the books, you know and I know that it will not be repealed. It is a permanent, annual authorization. For how much? For any amount. The bill says—

such sums as may be necessary.

Five million dollars? Ten million dollars? One hundred million dollars—$500,000,000 and more? Yes; within the provisions of this bill, for planning for post-war work activities. What will be done with the money? It will be allotted to the agencies of the United States. What agencies? Any agency, any department, any bureau, any commission, any agency of the United States. To whom else will these funds be allotted? Advances can be made to any State, to any Territory, to any island possession—everything that is within the purview and jurisdiction of the sovereignty of the United States is included in this bill. Further the bill says—

and political subdivisions thereof.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. No; not now. Any school district can plan and get some of this money, any political division, any municipality or municipal corporation—all are included in the provisions of this bill. This money will be allotted by whom? By the President. The bill says—

under such rules and regulations as he (the President) may prescribe.

Mr. EATON. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Not just yet. Congress will have nothing to say about it. And for what purposes will this money be used? For surveys. Are we unmindful of the fact that we abandoned Passamaquoddy, after spending untold millions there on that fantastic scheme? That could be authorized and undertaken under the provisions of this bill. Five million dollars was invested in a hole in the ground known as the Florida ship canal, before it was licked. It recurs again now in the river and harbor bill. Any one of the countless Florida canals could be explored and money paid for it out of

this fund. Surveys? Yes. Investigation? Yes. Legal studies? Yes. Also comprehensive plans and programs. For what kind of work? Public improvements, works, and for "related activities." Mr. Speaker, "related activities" covers a multitude of sins. Every year we sit on the appropriation bill for the Tennessee Valley Authority, and every year they present to us an item called "related activities." What does it include? Malaria control, improvement in the fishing in some of the lakes and waters of the T. V. A., the operation of nurseries, instruction in the use of electricity. A thousand and one things are included in "related activities." And so I say to you today that here is an unlimited amount to be authorized without a single guide line, annually, permanently, from now on. You catch the character of this bill? It reminds me of the fellow who was in prison. A friend went by and he shouted to him. The friend said, "How long are you in there for?" and the reply was, "From now on." Yes; this is going to be from now on, for whatever amount that will be asked of the Appropriations Committee. Let me tell you something. When an authority of this kind is enacted by Congress an amount is then determined by those who shall administer the bill, and for the first time it comes to the Committee on Appropriations. Suppose they ask for a hundred million dollars, and we decide that it should be only fifty million or sixty million dollars. You know what happens. The bill comes on the floor. The committee makes its case, and then what? Those who are in favor of an unlimited amount, who are willing to take the word of the administrative agency or the President of the United States as to the amount he needs, will come in with amendments and insist on having the amount in the bill written up to the amount originally asked. Let me give you an illustration. Some years ago Congress passed the Pittman-Robertson Act to earmark the revenues from sales of ammunition and shotguns, to be used for the purposes of wildlife preservation. When the matter first came before our subcommittee we felt that probably $1,000,000 was sufficient, although the revenues amounted to three and a half million dollars. Little by little efforts were made year after year to increase it, and finally the whole amount was taken for that purpose. That is what is going to happen here, under a permanent, annual appropriation for improvements, works, and for related activities.

Let me end where I started. Every Member of the House realizes that there must be a post-war planning program. Let them bring us a reasonable bill and give us certain guidelines, and let them indicate some of the types of work that they will explore. Let there be proper and reasonable limitations on the authority which is requested. Otherwise there will be submitted after a while a great schedule of improvements of works and related activities, and once more the Congress will be charged with the old custom of "boondoggling." So let us have some guidelines before we vote this kind of authority. My notion is that this bill ought to go back to the committee for more careful reconsideration and for a better and more skillfully drafted bill, so that the Congress knows the limit of the authority which they propose to vote.

Mr. EATON. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. EATON I would like to ask the gentleman if the bill contains any guaranty as to how this war is going to end and also who is going to be President, if and when it ever does end?

Mr. DIRKSEN. No. There is no allusion to that subject in this bill.

Mr. CARLSON. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CARLSON. If I read this bill correctly, legal authority is given to go out and institute condemnation proceedings and secure property under the right of eminent domain, by the authorizations which the Congress is granting?

Mr. DIRKSEN. The language includes legal studies, engineering, plans and specifications, forms of legal proceedings. What are those forms? Condemnation——

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DIRKSEN. Condemnation, the taking of property. I do not know how far they will go under that language. I want to make it emphatic to the House that I recognize the necessity for a program after the war, but let Congress keep its hands on it, because it is going to be chargeable with that program, and it must assume the responsibility for it, because ultimately Congress must vote the money with which to articulate that type of program.

Mr. RANKIN of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Mississippi.

Mr. RANKIN of Mississippi. The gentleman from Illinois stated a while ago that during all the time Bruce Barton was in the House he was not able to get a single bill repealed. If he were here now, he would get one repealed.

Mr. DIRKSEN. I am sure he would. But, quite aside from that bit of levity, the point I want to make is that when you get it on the books you cannot take it off. We have put some rather amazing legislation on the books in the past few years, yet it becomes an impossible task to repeal it. Let us not make the mistake of passing a bill like this today. Let it go back for further consideration and further study, and then let them bring us a bill where the authority is reasonably well limited. The country is explosive today. It is no wonder. Let us not add to that explosive character with the enactment of a bill of this kind. We can by a decisive vote help to restore confidence in this body and in the true character of a government of divided and balanced powers.

Mr. WHITTINGTON. Mr. Speaker, I move to strike out the last two words.

In all charity, this bill is wholly unnecessary in the first place, and in the second place it is exceedingly unwise and without merit.

I have made inquiries. I understand there is a similar bill in the Senate and that the Senate committee conducted some hearings. I understand the House Committee on Labor conducted no hearings on this bill.

As has been suggested by the gentleman from Illinois [Mr. DIRKSEN] this bill provides for two things, for continuing and making permanent the National Resources Planning Board, with indefinite and unlimited authorizations for appropriations, the sky being the limit; and for the continuance and making permanent of the so-called State planning boards.

Well, I do not care to be unkind, but I will state in passing, as Members of the House know, the State planning boards have been the productive and fertile agencies that have generated many of the boondoggling and other fantastic projects that have been proposed or executed by W. P. A. I admit that they have recommended many good projects that would probably have been approved anyway.

Mr. FADDIS. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. Please let me proceed for the present.

Mr. FADDIS. If I could make a point of order I will get the gentleman an audience.

Mr. WHITTINGTON. Let me proceed, if the gentleman will.

Now, Mr. Speaker, I just want to remind the Members of the House who are interested in real constructive public works that the controversy embraced in this bill has been before Congress many times. While I am not authorized to speak for the Committee on Labor, I do want to say in defense of that committee that this bill and this subject matter having been disposed of by the Committee on Appropriations and by the Committee on Reorganization, and being one of the occasions for the delay in the report of that committee which refused to give it a legislative status, is now parked with the Committee on Labor. As I said in the first place, there is no necessity for this legislation. In our effort to cooperate with the Chief Executive, in the independent offices appropriation bill for the current year we appropriated for this board $1,101,390. We placed a limitation on that bill. In all fairness, since this pending bill was introduced in May 1941, and in the current independent offices appropriation bill that we passed some days ago and which is now pending in the other body, we removed that limitation so that an appropriation has been made for the next current year in the amount of $1,409,500 that is already available to the National Resources Planning Board.

Now, I know we have to plan for public works in the future, but when we undertake to provide for appropriations with the sky as the limit, when we undertake to make permanent and perpetuate agencies here, the so-called State planning boards, I should like to observe I speak advisedly when I say they have never

made any recommendation and have never submitted any project to Congress except to spend money. I am and have been a member of committees that have had to do with public works.

The Committee on Flood Control and the Committee on Rivers and Harbors have considered projects, but the State Planning Boards for the most part have advocated the spending of money with never a thought coupled to that advocacy as to how the money was to be raised. I submit that in this bill reported by the Committee on Labor without any hearings, and without the consideration of a hearing should be defeated.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I shall be very glad to yield.

Mrs. NORTON. I do not think the gentleman is quite fair.

Mr. WHITTINGTON. I want to be fair. If I have been unfair I ask the gentlewoman to correct me, and show wherein I am unfair.

Mrs. NORTON. The Committee on Labor reported this bill unanimously, and it was not thought necessary to hold hearings, because the Senate has held hearings on identically the same bill.

Mr. WHITTINGTON. I would not be unfair and I stated in defense of the committee that while hearings had not been held in the House they had by the Senate committee; but I stated, and the gentlewoman impliedly, at least, admits, that the theory of this bill if followed would provide for the abolition of practically every legislative committee in this body. While I have the highest regard for the Committee on Labor it has fallen to my lot many times in the past to disagree with its views even though those views may have been unanimous.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BEITER. Mr. Speaker, will the gentleman yield to me?

Mr. WHITTINGTON. In just a moment. I want to develop the subject a little further.

While I have regard for the Committee on Labor, I do maintain that when that committee reports a measure here that has been rejected by the Committee on Reorganization, in substance, that has been rejected from time to time by a limitation on W. P. A. appropriations, relief and emergency appropriations, that was limited by the House in the annual appropriation last year, and when Congress has refused to make this National Resources Planning Board a permanent body by act of Congress, that it is unfair to the Congress for a committee to submit a bill without having conducted hearings on that bill and giving those who have opposed the theory of this legislation an opportunity to be heard. I respectfully submit with all deference that if there has been any unfairness, the unfairness is not on my part but on the part of the committee to report out such a bill without any hearings whatsoever to justify it.

Members will recall that at the time of the passage of the Reorganization Act it was provided that the National Resources Planning Board should not supersede or perform the functions of the Corps of Army Engineers. We have the Corps of Army Engineers to do planning for us, and we have the Public Works Agency, the Department of the Interior, and the Bureau of Reclamation. We have the Corps of Engineers having to do with flood control and rivers and harbors. Through these departments and bureaus and boards we have undertaken constructively to plan for projects that are engineeringly sound and economically justified. For my part, as a member of a legislative committee, I have never stood nor shall I ever stand for any authorization bill of any kind merely to give the Appropriations Committee an opportunity in the future to provide for those projects, and I shall continue to oppose all authorizations of all projects unless, as a member of the committee reporting the bill, I am able to say to my fellow Members in the House that they are economically justified and engineeringly and scientifically sound.

I now yield to the gentleman from New York.

Mr. BEITER. The gentleman knows, of course, that I am a member of several committees of the House. I certainly would be the last one to legislate myself out of existence as a member of a committee or legislate a committee out of existence.

Mr. WHITTINGTON. Sometimes we find ourselves doing things we never intended.

Mr. BEITER. The gentleman just stated that the local planning agencies are the ones that ought to initiate these projects. I have appeared before the gentleman's Committee on Flood Control and seen projects presented that had no value and seen the gentleman's committee refuse to take action on them. The same applies to this bill.

Mr. WHITTINGTON. Just a moment. Let me answer the gentleman's statement. If this bill should be passed, there would be no occasion for the legislative committees of Congress to authorize or reject or to provide other plans. The Corps of Engineers would be supplanted or duplicated.

Mr. BEITER. That is not the fact.

Mr. WHITTINGTON. This bill would supplant the Bureau of Reclamation and it would supplant the Federal Works Agency. With all due deference, I know the gentleman's predeliction for the Department of the Interior. I have no fault to find with him, but I do contend that so far as the Congress of the United States is concerned in these attempts to authorize appropriations without limit, it is time for us to stop, to look, and to listen. I am asking that there be no multiplication of the existing agencies. The gentleman's own committee, the Committee on Rivers and Harbors, I understand, will shortly submit to the Congress of the United States a bill to authorize not a million, not two million dollars, but probably a billion dollars' worth of projects, and the chief argument in support of that bill will be that it will provide future public works after we have passed through the existing national emergency.

I have insisted that now, instead of bringing in new employees, instead of creating new agencies, the thing for us to do in a program for all-out national defense to prosecute this war is to utilize existing Government agencies and eliminate and prevent duplication and waste.

Mr. Speaker, I trust this bill will be defeated, as it deserves to be.

POST-WAR PLANNING

I have advocated carefully planned public works to relieve unemployment and to provide for the unemployment that must follow the war. I have opposed a duplication of Government agencies that make such plans. It will be remembered that the Committee on Reorganization declined to give the National Resources Committee a legislative status. This Committee had been created by the President and had received its funds from relief and emergency acts. I have opposed much of the planning that has been done by the local and State agencies. The planning has been lopsided. Recommendations have been made for public expenditures. No consideration was given to the taxpayers. I do not recall any recommendation that any planning board made to provide the funds or the revenues for planning. I am aware that by Executive order the National Resources Commiteee and the Federal Employment Stabilization Board were combined into the National Resources Planning Board. The President has advised that the Board is rendering a service to the Executive. I have therefore gone along with the appropriations that have been made for the National Resources Planning Board. The amount of the appropriation for the current fiscal year of 1942 is $1,101,390, as I have stated. The only legislative status that this Board has, as I recall, is the legislative functions conferred upon the Federal Employment Stabilization Board. As I have indicated, the independent offices appropriation bill of 1942 restricted the funds appropriated for the National Resources Planning Board to functions conferred by Congress upon the Federal Employment Stabilization Board. The limitation appearing in the appropriation act for the fiscal year 1942 has been removed in the independent offices appropriation bill for the fiscal year 1943. The bill before us was introduced on May 29, 1941. The limitation obtained. That limitation has now been removed and the funds appropriated for the fiscal year 1943 can be utilized by the Board in the planning desired by the Executive.

While post-war planning is important, it is time for Congress to put first things first. The immediate problem confronting Congress and the country is not post-war planning but is winning the war. There must be no duplication of planning agencies. The Corps of Engineers of the Army is engaged in planning flood control and river and harbor works. The Federal Power Commission is investigating national resources. The Federal

Works Agency is looking into housing and into highway needs, and has been in contact with the needs in the States. The Department of the Interior has its Bureau of Reclamation. The Department of Agriculture is investigating reforestation and soil conservation. It is time to coordinate and to correlate planning activities. It is no time to increase appropriations for planning.

It was urged during the depression that the planning board was needed to provide useful and needed public works. It was urged, when Congress was asked to appropriate more than $1,000,000 for 1942, and to make appropriations for 1943, that now that we are at war, planning was essential to follow the war. The passage of the pending bill would not only duplicate the appropriations that have been made, but would vastly expand planning. What we need is execution. We have planned for national defense. We have planned for the Army and the Navy. We have planned for the air force. What we need now is execution by the Army, the Navy, and the air force. I am sympathetic with the solution of social problems, but we must preserve society and protect society before we reform society. We must save our country before we plan for its expansion. I repeat, it is time to put first things first.

The Army, Navy, and allied departments must be expanded just as many departments were expanded to provide for the depression. One of these was the National Resources Planning Board and its predecessor, the National Resources Committee. It is time to reduce agencies of the Government that are not directly related to national defense. Instead of bringing in new employees for the defense agencies, there should be a reduction in nondefense expenditures, and nondefense agencies and employees who are trained should be transferred to defense agencies. There must not only be a reduction, but many agencies of the depression are now superfluous. The work of the National Youth Administration can be done by the Office of Education.

The C. C. C. has served its purpose. There is much duplication. I am told that many agencies are engaged in defense housing. There is no occasion for duplication in planning.

As I have indicated, the National Resources Committee was appropriated for in the Relief and Emergency Acts up to and including the year 1939. There was a limitation upon the appropriation for the National Resources Planning Board, as I recall, in the appropriations for 1941 and 1942. I repeat to emphasize that the limitation for the fiscal year 1943 has been removed, and the bill as it passed the House increased the appropriation for the National Resources Planning Board from $1,101,390 to $1,409,550.

I repeat that the pending bill was introduced on May 29, 1941. We have increased the current appropriation for the next fiscal year at a time when the nondefense expenditures should be reduced by $300,000, and yet this agency is urging Congress to pass the pending bill that will give it for the first time, through the back door, a legislative status and will provide for its perpetuation with the sky as the limit on its appropriations. Moreover, it will provide for making permanent provision for State planning boards at a time when the States should recognize the burden that is on the American taxpayers, and reduce local expenditures inasmuch as the Federal Government is taxing them until it hurts and to the bone.

It is time for the elimination of duplication. There are established planning agencies of the Government to which I have referred, and there are others. There is no occasion for them to be duplicated. It not only is not time for expansion, but it is time for reduction. It is time to go right down the line to eliminate duplication, to provide for the merging from nondefense to defense activities, to coordinate the agencies of the Government, and to convert and reduce rather than expand nondefense activities.

I repeat that I have supported the President. I have yielded against my better judgment, and we voted substantially $1,500,000 to give the President the benefit of the Planning Board that he has established. We have gone far enough. I conclude as I began. There is no need therefore for the pending bill. The National Resources Planning Board is being provided for. It has the largest appropriation it has ever received for the next fiscal year. It is time to call a halt in expansion. It is time to reduce and not to expand governmental agencies.

The United States, with defeats of its Army and defeats of its Navy, with the most crushing defeats ever sustained by the Army and the Navy, is face to face with the gravest danger in its history. The supreme problem confronting our country is not so much planning for its future as it is protecting, defending, and preserving the Republic.

[Here the gavel fell.]

Mr. FADDIS. Mr. Speaker, a point of order.

The SPEAKER pro tempore (Mr. COOPER). The gentleman will state it.

Mr. FADDIS. Mr. Speaker, in order that the membership of the House may be aware of what is going on and not get into another very embarrassing situation, I make the point of order there is not a quorum present.

The SPEAKER pro tempore. The Chair will count.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman withhold that for a minute?

The SPEAKER pro tempore. Does the gentleman withdraw his point of order?

Mr. FADDIS. I withhold it.

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made previously today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. FITZPATRICK]?

There was no objection.

Mr. FADDIS. Mr. Speaker, I renew my point of order.

Mr. KNUTSON. Mr. Speaker, I make a similar request.

The SPEAKER pro tempore. A point of order has been made that must be disposed of before anyone else may be recognized. The Chair will count. [After counting.] One hundred and sixty-eight Members are present, not a quorum.

Mr. VINSON of Georgia. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 25]

Arnold	Jensen	Schaefer, Ill.
Baldwin	Johnson,	Short
Buckley, N. Y.	Lyndon B.	Simpson
Butler	Johnson, W. Va.	Smith, Pa.
Byron	Kleberg	Smith, W. Va.
Cluett	Kramer	Sparkman
Cole, Md.	Lea	Stratton
Cole, N. Y.	Leavy	Sumners, Tex.
Crawford	McGregor	Sweeney
Culkin	McKeough	Taber
Elliot, Mass.	Magnuson	Tolan
Gale	Martin, Mass.	Voorhis, Calif.
Gathings	Mitchell	Vreeland
Gibson	Monroney	Wadsworth
Gillette	O'Day	Walter
Hancock	Oliver	Weaver
Harness	Osmers	Weiss
Hendricks	Rizley	Wilson
Jarrett	Romjue	Wolfenden, Pa.
Jenks, N. H.	Sacks	Worley

The SPEAKER. On this roll call 372 Members have answered to their names, a quorum.

By unanimous consent, further proceedings, under the call, were dispensed with.

Mrs. NORTON. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, there seems to be a great deal of misapprehension and many ridiculous misstatements regarding the bill before the House today. I am quite amazed at some of the statements that have been made here. They certainly do not bear out the facts. The purpose of this bill was recommended by the President of the United States contained in his two messages to the Congress and is designed to carry out his recommendations. It was following these recommendations that the Committee on Labor considered the bill of the gentleman from New York [Mr. BEITER], who has made quite a study of this whole matter. We did not hold hearings on the bill for the simple reason that the Senate held hearings and copies of those hearings are available to every Member of the House.

I may say that, as far as I know, not a single objection was entered to the bill from anybody. This, I think, is something that cannot be said about many bills. On the contrary, we have had letters of endorsement from practically everybody concerned with this type of legislation. I am going to call the names of just a few of them.

The Department of Agriculture; the Department of Labor; the Federal Works Agency; the War Department, which endorsed it most heartily; and the Bureau of the Budget, and I think you will all agree with me that the Bureau of the Budget scans a bill pretty closely before it endorses it.

Many of the civil agencies of the country have endorsed the bill. The Secretary of the Interior and, mark this, all the labor organizations of the country and many municipal governments have endorsed the bill. All of these representatives appeared before the Senate Committee on Labor when it was considering a companion bill to this. Also the Association of General Contractors and

a long list of others too numerous to mention in the short time I have at my disposal, all appeared in favor of the bill.

This bill simply provides authorization for the President to suggest ways and means to make surveys and investigations of necessary public works and to allot such funds as are necessary to prepare plans for such public works after we have won the war. Is there anything strange or peculiar about that? Let me say to you that if plans had been made 2 or 3 years ago, as was suggested by the President in his frequent messages to Congress, we would not be in the unhappy condition we are in today in this war effort, but did many Members pay much attention to the suggestions that were made then by the President? They did not. I recall Members coming down to the Well of this House and calling the President a warmonger because he wanted authority to prepare for what he knew and what every other person who had any sense should have known was coming to this country.

Now we are attempting to prepare plans to stabilize economic conditions when peace has been declared, and I hope and pray God that may not be too long.

Is there anything strange about planning for the post-war effort when we know that business is undergoing a great change even now, and will certainly require all the wisdom and planning possible to sustain the country when the war is over? Is it not a fact that the termination of the war will be the wrong time to attempt such planning? Does it not seem just plain common sense to prepare for the dislocation of our economy when our war effort is concluded and peace is established?

I am perfectly amazed at some of the statements I have heard here today about funds. Do you not trust your President? I ask the Members on this side of the House, Do you not trust the President of the United States? Do you think he would be instrumental in providing funds or suggesting plans for anything that was not absolutely necessary? All we give him in this bill is an authorization to use the facilities of the Government to make legal studies, plans, and programs necessary to facilitate and expedite post-war planning. As to funds, you know that before funds are allocated the Appropriations Committee would have the last word, and a bill of particulars concerning the projects designated would come before Congress for action.

Had a public-works program been provided for in the never-to-be-forgotten days of 1930, 1931, and 1932, with its appalling dislocation of our economic structure, the history of that period would have been different. The same shortsightedness was apparent then as is evident here today. The same lack of vision is responsible for the delay in preparing for war. Certainly we were adequately warned by the President, the Secretary of State, and others responsible for our Government, but until Pearl Harbor those warnings were disregarded by many of the same gentlemen who are now opposing this bill. When shall we learn our lesson and plan for emergencies before they arise? The gentlemen who are opposing this bill today must be prepared to answer to the country when, a few years from now, we shall find ourselves seeking a solution to a problem which thinking people know will arise.

[Here the gavel fell.]

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

Mr. HOFFMAN. I object, Mr. Speaker.

Mrs. NORTON. Mr. Speaker, if objection is heard, I move the previous question on the bill.

Mr. CASE of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CASE of South Dakota. I have an amendment at the desk that I should like to have considered.

The SPEAKER. The gentlewoman from New Jersey has moved the previous question, and the Chair must put the question.

The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mrs. NORTON) there were—ayes 37, noes 120.

Mrs. NORTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 104, nays 252, answered "present" 1, not voting 74, as follows:

[Roll No. 26]

YEAS—104

Barry	Green	O'Leary
Beam	Harrington	O'Toole
Beiter	Hart	Patrick
Bloom	Hartley	Peterson, Fla.
Boland	Heffernan	Rabaut
Bradley, Pa.	Hill, Wash.	Ramsay
Burdick	Hook	Ramspeck
Burgin	Houston	Randolph
Byron	Hunter	Rankin, Miss.
Canfield	Imhoff	Rivers
Cannon, Fla.	Izac	Rogers, Okla.
Capozzoli	Jackson	Sabath
Casey, Mass.	Jacobsen	Sacks
Celler	Kee	Scanlon
Claypool	Kelley, Pa.	Schuetz
Coffee, Wash.	Kelly, Ill.	Schulte
Cooley	Kirwan	Sheridan
Crosser	Klein	Smith, Pa.
Cullen	Koppiemann	Smith, Wash.
Cunningham	Lane	Snyder
D'Alesandro	Larrabee	Spence
Day	Lea	Sullivan
Dickstein	Leavy	Sutphin
Dingell	Lesinski	Sweeney
Downs	Lynch	Tenerowicz
Ellis	Maciejewski	Terry
Fitzgerald	Maciora	Thom
Fitzpatrick	Marcantonio	Traynor
Flaherty	Merritt	Vincent, Ky.
Fogarty	Murdock	Welch
Folger	Myers, Pa.	Wene
Forand	Nichols	Wickersham
Ford, Thomas F.	Norton	Wolverton, N. J.
Gavagan	O'Brien, Mich.	Young
Gore	O'Connor	

NAYS—252

Allen, Ill.	Gamble	O'Neal
Allen, La.	Gathings	Pace
Andersen, H. Carl	Gearhart	Paddock
Anderson, Calif.	Gehrmann	Patman
Anderson, N. Mex.	Gerlach	Patton
Andresen, August H.	Gifford	Pearson
Andrews	Gilchrist	Peterson, Ga.
Angell	Gillie	Pfeiffer, William T.
Arends	Gossett	Pierce
Barden	Graham	Plauché
Barnes	Grant, Ala.	Ploeser
Bates, Ky.	Grant, Ind.	Plumley
Bates, Mass.	Gregory	Poage
Baumhart	Guyer	Powers
Beckworth	Gwynne	Priest
Bell	Haines	Rankin, Mont.
Bender	Hall, Edwin Arthur	Reece, Tenn.
Bennett	Hall, Leonard W.	Reed, Ill.
Bishop	Halleck	Reed, N. Y.
Blackney	Hancock	Rees, Kans.
Bland	Harris, Ark.	Rich
Boehne	Harris, Va.	Richards
Boggs	Hébert	Rizley
Bolton	Heidinger	Robertson, N. Dak.
Boren	Hess	Robertson, Va.
Bradley, Mich.	Hill, Colo.	Robsion, Ky.
Brooks	Hinshaw	Rockefeller
Brown, Ga.	Hobbs	Rockwell
Brown, Ohio	Hoffman	Rodgers, Pa.
Bryson	Holbrock	Rogers, Mass.
Buck	Holmes	Rolph
Bulwinkle	Hope	Russell
Burch	Howell	Sanders
Camp	Hull	Sasscer
Cannon, Mo.	Jarman	Scott
Carlson	Jenkins, Ohio	Scrugham
Carter	Jenks, N. H.	Secrest
Cartwright	Jennings	Shafer, Mich.
Chapman	Johns	Shanley
Chenoweth	Johnson, Calif.	Shannon
Chiperfield	Johnson, Ill.	Sikes
Clevenger	Johnson, Ind.	Simpson
Cluett	Johnson, Luther A.	Smith, Maine
Cochran	Johnson, W. Va.	Smith, Ohio
Coffee, Nebr.	Jones	Smith, Va.
Collins	Jonkman	Smith, Wis.
Colmer	Kean	South
Cooper	Keefe	Springer
Copeland	Kefauver	Starnes, Ala.
Costello	Kerr	Steagall
Courtney	Kilburn	Stearns, N. H.
Cox	Kilday	Stefan
Cravens	Kinzer	Stevenson
Creal	Knutson	Sumner, Ill.
Crowther	Kocialkowski	Sumners, Tex.
Curtis	Kunkel	Talbot
Davis, Ohio	Landis	Talle
Davis, Tenn.	Lanham	Tarver
Dewey	LeCompte	Thill
Dies	Lewis	Thomas, N. J.
Dirksen	McGehee	Thomas, Tex.
Disney	McIntyre	Thomason
Ditter	McLaughlin	Tibbott
Domengeaux	McLean	Tinkham
Dondero	McMillan	Van Zandt
Doughton	Maas	Vinson, Ga.
Douglas	Mahon	Vorys, Ohio
Drewry	Manasco	Ward
Durham	Mansfield	Wasielewski
Dworshak	Martin, Iowa	Weaver
Eaton	Mason	West
Eberharter	May	Wheat
Edmiston	Meyer, Md.	Whelchel
Elliott, Calif.	Michener	White
Elston	Mills, Ark.	Whitten
Engel	Mills, La.	Whittington
Faddis	Moser	Wigglesworth
Fellows	Mott	Williams
Fenton	Mundt	Winter
Fish	Murray	Wolcott
Flannagan	Nelson	Woodrum, Va.
Ford, Leland M.	Norrell	Wright
Ford, Miss.	O'Brien, N. Y.	Youngdahl
Fulmer	O'Hara	Zimmerman

ANSWERED "PRESENT"—1

Case, S. Dak.

NOT VOTING—74

Arnold	Crawford	Harter
Baldwin	Culkin	Healey
Bonner	Delaney	Hendricks
Boykin	Duncan	Jarrett
Buckler, Minn.	Eliot, Mass.	Jensen
Buckley, N. Y.	Englebright	Johnson, Lyndon B.
Butler	Gale	Johnson, Okla.
Byrne	Gibson	Kennedy, Martin J.
Clark	Gillette	Kennedy, Michael J.
Clason	Granger	
Cole, Md.	Hare	
Cole, N. Y.	Harness	

Keogh	Oliver	Sparkman
Kleberg	Osmers	Stratton
Kramer	Pfeifer,	Taber
Lambertson	Joseph L.	Tolan
Ludlow	Pittenger	Treadway
McCormack	Robinson, Utah	Voorhis, Calif.
McGranery	Romjue	Vreeland
McGregor	Satterfield	Wadsworth
McKeough	Sauthoff	Walter
Magnuson	Schaefer, Ill.	Wilson
Martin, Mass.	Sheppard	Wolfenden, Pa.
Mitchell	Short	Woodruff, Mich.
Monroney	Smith, W. Va.	Worley
O'Day	Somers, N. Y.	Weiss

So the bill was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Eliot of Massachusetts for, with Mr. Short against.

Mr. Weiss for, with Mr. Crawford against.

Mr. McKeough for, with Mr. Gibson against.

Until further notice:

Mr. McCormack with Mr. Martin of Massachusetts.

Mr. Bonner with Mr. Treadway.

Mr. Hare with Mr. Vreeland.

Mr. Joseph L. Pfeifer with Mr. Culkin.

Mr. Boykin with Mr. Pittinger.

Mr. Johnson of Oklahoma with Mr. Wadsworth.

Mr. Clark with Mr. Lambertson.

Mr. Keogh with Mr. Butler.

Mr. Sparkman with Mr. Wilson.

Mr. Martin J. Kennedy with Mr. Gillette.

Mr. Satterfield with Mr. Baldwin.

Mr. Granger with Mr. McGregor.

Mr. Duncan with Mr. Clason.

Mr. Harter with Mr. Stratton.

Mr. Cole of Maryland with Mr. Cole of New York.

Mr. Hendricks with Mr. Oliver.

Mr. Michael J. Kennedy with Mr. Englebright.

Mr. Delaney with Mr. Jensen.

Mr. Kleberg with Mr. Wolfenden of Pennsylvania.

Mr. Arnold with Mr. Osmers.

Mr. Romjue with Mr. Gale.

Mr. Kramer with Mr. Harness.

Mr. Ludlow with Mr. Jarrett.

Mr. Smith of West Virginia with Mr. Woodruff of Michigan.

Mr. Somers of New York with Mr. Taber.

Mr. Sheppard with Mr. Sauthoff.

Mr. Monroney with Mr. Buckler of Minnesota.

Mr. Tolan with Mr. Byrne.

Mr. Robinson of Utah with Mr. Voorhis of California.

Mr. Buckley of New York with Mr. Mitchell.

Mr. McGranery with Mrs. O'Day.

Mr. Walter with Mr. Magnuson.

Mr. Lyndon B. Johnson with Mr. Schaefer of Illinois.

Mr. Worley with Mr. Healey.

The result of the vote was announced as above recorded.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks briefly at this point on the amendment which I had proposed to offer to the bill considered today.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, objections to the bill, H. R. 5638, center on two propositions: First, the fact there is no limit to the amount of appropriations authorized; second, the fact that as the bill was drawn, the language would permit a duplication of staffs and surveys with those of the Corps of Engineers, the Federal Power Commission and the Bureau of Reclamation. It is my opinion that both of those defects could be corrected by appropriate amendment. That is why I sought recognition and regretted that the chairman of the committee moved the previous question on passage of the bill.

The first objection could have been met by a simple amendment placing a limit on the amount that might be appropriated under the act.

The second could have been met by changing the phrase "making of such examinations, surveys, and so forth" to "coordinating of such examination, surveys, and so forth, as are authorized by law." I feel that would have made certain the accomplishment of the fundamental purpose or intent of such legislation.

That intent or purpose was stated clearly by the Congress in 1931. In enacting the Employment Stabilization Act, of which this bill would have become a part, the Congress, in 1931, declared it—

to be the policy of Congress to arrange the construction of public works so far as practicable in such manner as will assist in the stabilization of industry and employment through the proper timing of such construction, and that to further this object there shall be advance planning, including preparation of detailed construction plans, of public works (sec. 8 (a) of the act).

Our immediate objective is to win the war. Winning the war involves construction of certain facilities in every part of the country. I see no objection to having somebody coordinate that construction and eliminate overlapping and possible waste whenever it can be done without serious delay. What we do now also should be done with a view to salvage and greatest possible use in the post-war period, where it can be done without delaying the job in hand. Winning the war involves winning the desired kind of a post-war world.

Mr. FADDIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FADDIS. Mr. Speaker, I had hoped to get recognition upon the legislation just rejected by the House in order that I might express my views on it. Never, since I have been a Member of this body, have I seen a piece of legislation more justly receive the fate it so richly merited. Not because those of us who opposed it are not aware that post-war planning is necessary. I am firmly convinced that every Member of the House realizes that post-war planning is necessary, and I am of the opinion that every Member of the House is in favor of such legislation. I most emphatically am in favor of such legislation.

Nevertheless, in passing such legislation we must be reasonable. We must not place our stamp of approval on such ill-conceived legislation as that just before the House, which the chairwoman of the Committee on Labor admits was reported out of her committee without a hearing. Under the terms of this legislation the Congress would have surrendered, as far as any action by legislative committees was concerned, all powers to regulate, direct, or control any public works of any kind unless section 9 of the Employment Stabilization Act of 1931 is either repealed or amended. You all know how difficult it is to repeal any legislation.

This legislation gave the freedom of the seas to any board or boards of visionary, impractical, star-gazing planners to work in any or all of their rattle-brained ideas in regard to post-war planning. Of course, those who supported this legislation said no appropriation was provided for. That was true, but it authorized unlimited appropriations.

Under the terms of this legislation, the St. Lawrence waterway project, the Florida ship canal, the Passamaquoddy project, or any number of various other projects now in the minds of the many impractical dreamers still at large could have been well started. The taxpayers, if any are left after the war, would have been handed the bill. The possibilities of the bill are too numerous to be enumerated. It was dangerous to the extreme.

Well, this House, which a few days ago expressed its disapproval of fan dancers during the war, turned thumbs down on the possibility of any such after the war. We want none of them, and neither does the Nation.

There seems to be a great stir of planning for after the war by a set which in many cases is only interested in creating soft jobs for their own set in places where they will be safe from the draft. My opinion is that the men who fight this war and those who have fought other wars, the men who have faced the real danger and hardship and who have made the real sacrifices, those who have given something of themselves to preserve the Nation, are going to have quite a voice in the post-war period of this Nation. My advice to the people of the Nation would be that at least part of the planning for the post-war period be left for those who are going to provide for the post-war security of the United States of America. I have a feeling that these men are going to demand a more practical solution of many of our national affairs than has hereto been evidenced. More national and less class planning. More breaks for the United States and less catering to organized pressure groups.

EXTENSION OF REMARKS

(Mr. CELLER asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. EDMISTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein some editorial comment on the recent death of Charles Brooks Smith, correspondent for a number of newspapers in West Virginia and for 30 years a member of the House and Senate Press Galleries.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative program and any previous special order on next Tuesday, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MOTION TO RECONSIDER

Mr. HOFFMAN. Mr. Speaker, I move to reconsider the vote by which the bill, under consideration today, was rejected and lay that motion on the table.

The motion was agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. ENGEL. Mr. Speaker, I ask unanimous consent that after the disposition of the legislative program on Tuesday next, and following any previous special order I may address the House for 25 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a statement I made before the Committee on Labor.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

POST-WAR PLANNING BY AMENDING STABILIZATION ACT OF 1931

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KELLEY of Pennsylvania. Mr. Speaker, it is difficult to understand why anyone should oppose this bill—a bill which provides for the alleviation of post-war conditions which are bound to come about through the dislocation in our social, economic, and industrial lives.

Most of us can remember vividly the events following the last war. We recall vividly and surely the terrible condition of the country and of its people following 1929. In order to avoid a repetition following the present war—and a repetition is inevitable—some legislation is necessary by the National Congress. We realize that the Government cannot do everything, but the things it cannot do it can sponsor and lend encouragement.

In addition to this, there is no greater factor which would serve to improve the morale of the American people. Then they would know that the Congress is thinking of their welfare for the post-war period. There is much fear among the people as to what will follow the present war. I know that it would aid the people in stiffening their courage and raising their spirits, and if for no other reason this bill should be passed.

EXTENSION OF REMARKS

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an editorial from the Duluth News-Tribune endorsing the idea of a national drawing.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my own remarks.

The SPEAKER. Is there objection.

There was no objection.

RELIEF FOR DEPENDENTS OF CERTAIN DECEASED CIVILIANS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. HINSHAW. I am inclined to believe that if the Government of the United States had anticipated that the Japanese attack was to occur as soon as it did, or anticipated it at all, that it would have caused the removal from the Pacific islands of Wake and Guam of the civilians who were there doing work for the Government in time to have them reach home before the catastrophe. Consequently I am introducing a bill providing that the Secretary of the Navy compensate the dependents of those people while they are incarcerated, and the heirs of those who have perished, at least until the end of the war, in amounts equal to two-thirds the monthly salaries or wages they were receiving on December 7, 1941. I hope this bill will receive the consideration of the Committee on Naval Affairs, as I am certain that the bill can be improved by that committee, and that early action will be taken by that committee.

EXTENSION OF REMARKS

Mr. SANDERS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement of the Louisiana Farm Council.

The SPEAKER. Is there objection?

There was no objection.

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial from the St. Louis Post-Dispatch on the subject It Is Time To Ration Pork.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter from a very fine young woman in Kansas who wants to join the Woman's Corps. It is typical of the letters that I am receiving.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRANT of Indiana. Also, Mr. Speaker, I ask unanimous consent to extend my remarks and include a column by Frank Kent.

The SPEAKER. Is there objection?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. VAN ZANDT] may extend his remarks in the Appendix and include a statement with reference to pensions which he has made.

The SPEAKER. Is there objection?

There was no objection.

Mr. JONES. Mr. Speaker, I ask unanimous consent to extend my remarks and include an address I delivered last Thursday.

The SPEAKER. Is there objection?

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a brief article from the Boston Traveler.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Hawarden Independent.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO SIGN ENROLLED BILL

Mr. COOPER. Mr. Speaker, notwithstanding the adjournment of the House, I ask unanimous consent that the Speaker may have authority to sign the enrolled bill H. R. 6548, the deficiency appropriation bill.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 15 minutes.

STRIKES IN DEFENSE INDUSTRIES

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein some newspaper articles and editorials.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, on the 17th, from the Well of this House, the gentleman from northern Michigan [Mr. HOOK], referring to the Member from the Fourth Michigan District, said:

> I say to him there has been no strike in defense industries and there are no strikes today.

That was said on the 17th. I will read it again:

> There has been no strike in defense industries and there are no strikes today.

Now, when that kind of a statement is made on the floor of the House, we cannot let it go unchallenged, because it is not accurate.

No; the gentleman was speaking on the 17th; that is, last Tuesday. The Washington Post of the 18th carried this headline: "Strike again closes Alcoa's Detroit plant; welders walk out on ship jobs at Mobile."

A part of the news story sent out by accurate and factual Associated Press reads as follows:

[From the Washington Post of February 18, 1942]

STRIKE AGAIN CLOSES ALCOA'S DETROIT PLANT—WELDERS WALK OUT ON SHIP JOBS AT MOBILE

DETROIT, February 17.—A second strike within 72 hours today closed the Detroit plant of the Aluminum Co. of America, which manufactures parts for airplane-engine factories and other defense industries.

An estimated 800 employees on the day shift walked out, many of the strikers forming picket lines around the plant.

Victor C. Swearingen, State labor conciliator, said today's strike occurred when union officials informed employees of details of a conference with the plant management. Negotiations were resumed after the walkout.

Six hundred night-shift employees walked out of the plant Saturday during negotiation of a new bargaining contract, but resumed work Monday.

Union officials said neither strike was authorized.

MOBILE WELDERS STRIKE

MOBILE, ALA., February 17.—Operations at the Gulf Shipbuilding Corporation's shipyard at nearby Chickasaw were curtailed today when welders stayed away from their jobs in protest against union requirements.

This action came a few hours after welders at Tacoma, Wash., had ended a lengthy walk-out brought on by a similar dispute.

Fred Huddleston, secretary-treasurer of the United Brotherhood of Welders, Cutters, and Helpers, an independent union, said approximately 800 men were involved.

A spokesman for the welders said "the men have quit their jobs as a protest against requirements they carry membership cards in the American Federation of Labor." The management made no statement.

The Chickasaw plant is one of the largest shipyards in the Gulf area.

TWO-DAY STRIKE ENDS

DETROIT, February 17.—Striking employees of the Detroit Nut Co., heeding the urging of a United Automobile Workers (C. I. O.) official, decided today to end their 2-day strike and leave their dispute for future settlement negotiations.

Although the company employs only about 60 workers, some gigantic defense industries were said to be dependent on it for parts.

The gentleman from Michigan should not be criticized because he did not know, when he was speaking on the 17th, that that same day a second strike within 72 hours had closed the Detroit plant of the Aluminum Co. of America, and it may be that he should not have known of the first strike which closed that plant so recently.

Likewise, too, let us be charitable and say that he was not charged with knowledge of the strike at the Detroit Nut Co. which the A. P. reported on the 17th.

Likewise, he may be excused for not having learned, through the A. P. dispatch of the 17th, of the strike at the Gulf Shipbuilding Corporation, near Mobile, Ala. However, it does seem as though he might have had knowledge of the strike at the Aluminum Co.'s plant in Detroit, which ended on the 16th.

An A. P. dispatch headlined Detroit and dated the 16th carried the following:

NONSTRIKING WORKMAN IS BEATEN, DIES—DETROIT WALK-OUT ENDS AFTER VIOLENCE RESULTS IN ONE FATALITY

DETROIT, February 16.—Normal working operations were resumed this morning at the Aluminum Co. of America plant here, scene Saturday evening of a walk-out, during which an employee was fatally injured.

Anton Wisniewski, 36, of 4080 Sugar Bush Road, Mount Clemens, worker in the plant's core department, was knocked down when he hesitated to join in the walk-out at 7 p. m. Saturday. He died in a hospital Sunday from the effects of a head injury.

Police held Chester Chojnacki, 31, of Hamtramck, who was quoted by Assistant Prosecutor Richard Lamb as saying, "I told him (Wisniewski) to quit work and come along with us. He left his work and started pushing me, saying, 'I don't know whether I want to leave or not.'

HIT HIM ONCE

"I resented his pushing and hit him once in the face. He fell down and hit his head on the concrete floor."

Frank Wilkinson, vice president of Local 11, Aluminum Workers of America (Congress of Industrial Organizations), said the walk-out was unauthorized by union leaders and apparently resulted from "an accumulation of unsettled grievances" while a new contract was under negotiation. He said the walk-out involved about 600 workers on the afternoon shift.

The plant, described by a State labor conciliator as "one of the most important defense plants in the area," manufactures aluminum parts for airplane motors and other war needs.

Wisniewski, his wife, and their two small children came to the Detroit area a year ago from a farm near Dodge, Nebr.

But let us concede that the gentleman, when he stated on the 17th that there were no strikes today, may have been unaware of some of the strikes which are taking place throughout our country.

The Detroit Free Press of the 12th contained the following news story, with reference to strikes at Ford plants:

[From the Detroit Free Press of February 12, 1942]

WORK HALTED ANEW AT THREE FORD UNITS—PETTY DISPUTE HITS VITAL BOMBER TOOLS

As the Pacific defenses of the United Nations tottered Wednesday night, two entire buildings and part of another at the Ford plants were darkened by a work stoppage.

The disruption of operations was one of a series which started Sunday. Men who reported for the 6 p. m. shift Wednesday told the Free Press that they worked 1 hour, then were turned away through the influence of "irresponsible leaders."

The buildings closed or partially closed were those which house the tool and die department, the pressed-steel department, and tool department of the rolling mill.

THOMAS ISSUES WORK PLEA

Informed that the controversy was continuing, President R. J. Thomas, of the United Automobile Workers (Congress of Industrial Organizations), issued an appeal to all Ford workers to report on their regular shifts and remain on the job.

Richard T. Leonard, director of the Ford division of the United Automobile Workers (Congress of Industrial Organizations), was reported returning to Detroit from Washington to take charge of the situation.

Earlier Wednesday 10,000 Ford workers, all of whom are engaged in vital defense industry, had been made idle through walk-outs in the tool and die departments.

A high-ranking Army officer sent a full report of the fiasco to the War Department and acidly announced:

"With men dying because of our lack of aircraft, it is an outrage that tools being prepared for the bomber plant (Ford Willow Run plant) should be crippled in this manner by such a trivial thing."

The dispute first started Sunday night in the new tool and die plant which is engaged in producing vital tools for the bomber plant, where about 2,000 men are employed.

Horace Merrill, described as a former American Federation of Labor steward, was the central figure in the dispute. He was said to have engaged in an argument.

Most of the other employees of the department demanded that the Ford Co. fire Merrill. They carried this demand to the United Automobile Workers (Congress of Industrial Organizations) shop committee.

A company spokesman said that he had refused to dismiss Merrill because he had been a good workman and could take a case against the company to the National Labor Relations Board if he were fired.

"The union has the best out in the world," he said. "They can dismiss this man from the union and we would have to take him off our pay roll, because we have a union-shop agreement with the union."

FIFTY THOUSAND MAN-HOURS

He estimated that 50,000 man-work-hours had been lost because of the shut-down.

So you will see that the gentleman was completely mistaken when he made the unequivocal statement that there has been no strike in defense industries.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes; I yield.

Mr. WHITE. What is the solution of the gentleman's problem?

Mr. HOFFMAN. The adoption of the Smith amendments by the Senate.

Mr. WHITE. That is all that is needed?

Mr. HOFFMAN. That is one thing needed. That will do for a starter.

Now, today, down before the President's War Labor Board, negotiations are pending, growing out of a strike which did not appear in the newspapers, at Syracuse, N. Y. The Doyle Machine Co.'s plant, doing war work for an airplane construction company, was closed not long ago. On a Monday morning the strikers sat down in that plant. That is, they employed the old fashioned sit-down strike. And three successive shifts sat down. They continued to sit down until Tuesday and thereafter the strike ran along until Friday night in the usual way.

The demand of the union was for increased wages and a closed shop. The workers came in that day on Monday—let me pause there to say that the request shows that these Detroit strikes were not authorized by the union. They were wild-cat strikes. Nevertheless they occurred. Wild-cat strikes can close factories just as effectively as an authorized strike.

Now, going back to this Syracuse strike: These men in the Syracuse plant walked in and presented their demand for a closed shop and said, "You grant it or we will sit down," and they did. Then what happened? As I said, the strike ran along until Friday night. Then the War Board, this creature of the President, called the company officials down to Washington. And they are down here today. What is occurring? What is happening? This is what happens. That War Board, in substance, is telling these company officials that they will agree to the closed shop or take the consequences. Now, how do you like it?

And please keep this in mind—that these workers at the Syracuse plant, engaged in war work, struck in violation of their written pledge, made a week after war was declared, that they would cooperate 100 percent with the Government's war efforts. They sent a copy of that pledge to Mr. Knudsen. Nevertheless, despite their pledge, they went on a sit-down strike, and they now insist that only members of their union shall work in that shop in defense of our country.

Now, over in the other body, on the 13th, it was said this was not a Democratic war nor a Republican war. Here, the day before yesterday, we heard the majority leader tell us that this was not a Republican war and it was not a Democratic war. We heard the majority leader tell us that everyone had a card in the Union of the United States. But the dif-

ficulty is that that card which we have in the Union of the United States does not admit us through the gates that these unions have erected around defense jobs. You have to buy another card. You have to buy a license. You can go into the Army or the Navy whether you are a Republican or a Democrat. Politics apparently does not cut so much figure when you want a defense job, but you do have to join a union.

These men from that plant—and I hope the War Board gets it—are down here, and they are threatened—indirectly, of course—with penalties unless they give this union a closed shop. To put it differently, that card which you and I have in the Union of the United States does not work, is not recognized, according to this War Board, in this plant up at Syracuse.

Now, that strike was presumably settled. I mean, the differences were presumably adjusted, and some of these men were going home. But one of the members of the Board said, "No; you had better stay."

This is not anything new; not at all. I call your attention to the old days of the Allis-Chalmers strike, long, long ago. They were making turbines. Failure to deliver the machinery which the Government needed at a battery plant out in Virginia was holding up construction of that plant. The Allis-Chalmers people were called down here and kept here, I think it was, for almost 3 weeks while this administration's Board tried to drive it into a closed shop at the demand of Christoffer, who is a Communist and whose wife is a Communist and has a card and who held a Government job in the Department of Agriculture at $1,450 a year.

My only purpose in the beginning was to call attention to the fact that the gentleman from Michigan [Mr. HOOK] unintentionally, no doubt, made that misstatement. I do not understand just why it is or how it came about that he did not know we had strikes in defense industries in this country. I cannot understand that.

My further purpose was to call attention again to the fact that just a few days ago on that large appropriation bill we had up here the gentleman from Virginia [Mr. SMITH] offered an amendment embodying the provisions of the bill we adopted in the House by a vote of more than 2 to 1 and sent to the other body, yet on that amendment we mustered only 39 votes. The bill was for $32,000,000,000 for national defense. Then when a Member comes along with an amendment which would enable us to spend that money efficiently and get something for our $32,000,000,000, we just lack the courage to stand up against these labor lobbyists and put it through.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield for an observation?

Mr. HOFFMAN. I yield.

Mr. GIFFORD. Did the gentleman read about the fishermen on the Atlantic coast and the payment of insurance before they would go to sea? How they came before the War Labor Board here and forced the owners to arbitrate—a small union in the city of Boston? And did the gentleman read the indictment they placed upon those owners, how they smeared them?

I want to say to the gentleman from Michigan that one of the toughest things I have ever done was to dictate a letter of criticism to the War Labor Board last Saturday criticizing them for their narrowness of decision:

> We will arbitrate that one question and we will not consider anything else.

The owners asked if they would help them arbitrate the next demand the unions were going to make, and their reply was that they would rule simply on one little narrow point. God help the employer in every instance these days, as I see it.

Mr. HOFFMAN. The situation has been the same for a long, long time. I did not happen to read the articles to which the gentleman referred, but I know what has happened down here from the record they make; that every month the administration's agencies have been forcing the employers, if they wanted to get these Government contracts and if they wanted to go ahead on the contracts after they got them, have forced them to accept the closed shop.

What I cannot understand is when they take men into the Army and Navy without any such qualification, when they compel them to go in; yet, if you want to work to give support to the men who have gone to war, you have to buy a license and pay tribute to a private organization. I cannot understand that.

Mr. GIFFORD. The terrible part, I want to say to the gentleman, is my worry over whether or not I may have made an unpatriotic gesture in trying to defend American employers. After I wrote the letter I received word that the owners of the fishing vessels had capitulated. They were given no protection. They were besmeared. The gentleman must have read about how they smeared them and said: "You are the only one out of 80 cases who resisted our decision." I appeal to this House: Was I unpatriotic in criticizing that Board? Somehow I feel guilty. What should I do?

Mr. HOFFMAN. I got such information as I have here about this situation down here but I did not get it from the employers. I have tried to get that kind of information from employers but they and their representatives always say: "No; we cannot give it to you." I asked: "Why?" "Well, because if we do the Board will crack down on us." That is the degree of fright they have; they are afraid. They dare not come to their Representatives. I am sure that many a Member on the floor of this House has had manufacturers from his district that he would like to help tell him: "Don't you say anything, you are a Republican," or, "You are opposed to the administration. Don't you say anything or we will lose the contract, we will not get it."

Do you remember when John Lewis, during the soft-coal strike was demanding a closed shop? The President said the Government would never force a man into a union, that it would be too much like Hitler; yet within 15 days the board of arbitration down here—you remember—Steelman, and those two others—they forced those miners into the closed shop.

There is no use in talking to the administration. It is hopeless; so are these boards. They have sold themselves out body and soul. Their acts demonstrate that this administration does not care as much about winning this war or about national defense—and while I am speaking extemporaneously I have full possession of my mental faculties and I know what I am talking about, and I weigh my words—I say it does not care as much about winning this war and preparing for national defense as it does about keeping the good will of the labor leaders, or that it is cowardly and will not stand up to its work.

What I am asking, all that I am asking of the minority Members, is that we get together and present a united front and see if there are not enough men over on the majority side to compel that other body to consider the legislation we send them. We cannot control their vote, but we should be able to blast them out of that sit-down strike they are in and compel them to stand up and be counted.

Mr. Speaker, I yield back the balance of my time.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include a resolution on the continuance of the N. Y. A. school program.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. LANE]?

There was no objection.

The SPEAKER pro tempore. Under a previous special order of the House, the gentleman from California [Mr. LELAND M. FORD] is recognized for 20 minutes.

FALSE PHILOSOPHY

Mr. LELAND M. FORD. Mr. Speaker, this country is at war. This is not an ordinary war, of the ordinary concept, but it is a war of organization and correlation such as the world has never known before. The past 2 years have certainly shown this, and particularly have the past 2 months shown something with reference to the war efforts of Japan. Up to a short time ago many in this country were inclined to sneer at Japan and to underestimate their strength, but it is now apparent that they have a well-organized, well-correlated, and well-coordinated war machine.

A war machine of this nature is not accidental, but has a well-organized movement of government behind it to accelerate and perfect its plans and put them into action. The United States of America certainly has all the things and more that any of these Axis countries have had at their demand to build a far better, far mightier, and far more powerful military machine than these people ever dreamed of having. We can truthfully say that we have better technicians, better facilities for production, better outlets to raw materials and all materials than any of these people ever have had. On the other hand, all these things are not going to do us any good or be of any avail to us if they are not immediately taken advantage of and used effectively to build the greatest military and naval machine that the world has ever known.

It is with this idea in mind that I am speaking today, and am going to make

some suggestions and constructive criticisms.

At the very outset, I want to say that I am going to do everything in my power to uphold the hands of the President of the United States and all of its officers in building such a machine, in order to win this war, to maintain American liberty and the American form of government. I have voted with the administration on every single one of its defense items and on all items of its foreign policy, and what I have to say is in a spirit of helpfulness, and I hope it will be accepted in that spirit, and, further than that, I hope attention will be paid to it.

I realize that during this terrible time of stress the President of the United States has many, many things to do and many things to consider, all in connection with affairs of state, consultations with his admirals and his generals, not only of our own country but in an effort to organize with those of our Allies so that we may have a unified program. Therefore, it is reasonable to believe that there are many things that cannot be brought to the President's personal attention, and that many things are done without his knowledge, and that he cannot organize every single detail in connection with the winning of this war. Therefore, I think it necessary to bring to the attention of the administration that things are not moving along in our war program as efficiently as they should; that there is great lack of organization all along the line and that this organization should immediately be changed, particularly here in Washington, so that this war effort can be speeded up and the wheels of production move in such a way that we will not be too late.

I am not motivated alone by my own concept of this, but judging from the correspondence of my thousands of constituents they feel the same as I do. Many in our own House, on both sides, feel that way.

When considering these things I cannot help but think of some of the happenings of the past, and the mistakes of the past. I do not want to rehash the happenings of the past, except in those instances in which these mistakes are being perpetuated and which will affect us now and in the future. Where a thing is wrong it should be corrected, and not perpetuated.

I cannot help but recall the false philosophy that was preached to our country by groups who are still in our Government and continuing to preach that false philosophy and use their mistaken judgments. We had the false philosophy of scarcity, wherein we were told that we had too much production; that individuals were producing too much with machines; we had too many machines, too many men, too much material, too much agricultural production, too much work and not enough play. Efficiency and thrift were discredited. These false philosophers made a very vicious and effective attack upon business and industry. In agriculture, for instance, they wanted to plow under every other row, suggested killing the pigs, and, in fact, put forth a program that slowed down production. Now we have a shortage.

The net result of this false philosophy was, unfortunately, that it did become effective. American industry and business, both big and small—and, do not forget, 80 percent of business and industry is made up of so-called small business—was slowed down, efficiency lowered, and, in short, the very high efficiency that we now need has to be rebuilt.

These false philosophers, unfortunately, have too well accomplished their program, and have proven they were mistaken, because in this hour of trial and need we now have to turn to the industrial and business interests they would have destroyed to save us in this war.

While I am interested in the past bad judgment of these false philosophers, I am more interested in what is going to happen to us in the future. Therefore I am concerned to find every single one of these false philosophers, with their bad judgment, still sitting in high places, still trying to run this Government, still without understanding of the first principles of organization whatsoever.

The answer to that is that they must be moved out and discharged and competent, efficient organizers succeed them in this country if it is going to win the war. The record shows that the ideas and philosophy of this group was to create more jobs, whether they were needed or not, just so long as they were jobs, and the net result of that has been to injure the country in its defense program by reason of using up its capital and credit. These false philosophers not only preached the philosophy of not too much work, not too much production, but also preached a philosophy that everybody should play, that there should be many hours of recreation, and nobody should work very hard. The idea of saving and thrift was intolerable to them.

The old concept that American people individually should stand on their own feet, as we have always done as a strong nation, was thrown aside. Paternalism, collectivism, socialism, and many other "isms" have crept into power with these people.

You cannot have a government half socialistic, paternalistic, or communistic, and half democracy. These types of government will not mix any more than gasoline and water will mix. We must have one or the other, and it is my belief that the great majority of our people want the American form of government. The gasoline of paternalism, collectivism, and socialism will not work in the carburetor of democracy any more than water will work in the carburetor designed for gasoline.

These experiments may be carried on, disastrous and expensive as they were and are, in times of peace, but they are absolutely intolerable in times of crisis and war. Therefore, I again make the suggestion that a thorough housecleaning be had right here in Washington, in the Government itself. My prediction is this, that unless this housecleaning is thoroughly done, and done soon, this country may lose the war.

I concur in the President's statement that we cannot have business as usual; also, in his statement that the American life cannot go on as usual; that we will have to make certain personal sacrifices that are going to inconvenience us all. The great bulk of the American people are as a unit in obeying these requests, but at the same time they resent—and in my opinion, justly so—the statement that all these social gains that were preached by the false philosophers above referred to must go on. Without doubt or question, there have been many dangerous experiments made affecting the financial soundness of this country, which, in turn, is one of our greatest factors of defense. This experimentation will certainly have to cease during this time of war, and these philosophers, in my opinion, will have to lay aside some of their ideas of social gains which to many of us appear to be socialistic gains and do without that pleasure of experimentation which now can be carried on only at the expense of the lives, individual liberty, and well-being of the American people. Many of these social gains cannot go on as usual. I hope these false philosophers have not become so saturated with their ideas of social gains that they are going to demand their continuation as against the defense interests of this country. Is it not time that we stopped this waste? I believe that it is, and that we should come down to earth and devote our total resources to the winning of this war.

As a matter of check-up, we have been a couple of years organizing what was supposed to be the great production machine of war, but when the time of need actually comes, where are the airplanes, tanks, guns, ships, and munitions?

The answer is that they were still on paper and not in the field. We did not start on this program yesterday, but have been voting large appropriations for a long time. Is it not possible, therefore, that all of these new departments and organizations, that were and are tremendously expensive to this Government, are using manpower and money that should be used for the production of airplanes, and so forth?

These false philosophers are still scheming for the maintenance of N. Y. A., C. C. C., and many of the other alphabetical groups that have far outlived the period of time in which they were useful. Why does this Government have to maintain thousands of employees, no doubt good employees, to run these departments, and take up the necessary space of those really necessary and important departments? Why cannot all these now unnecessary, now undesirable, and now unreasonable alphabetical departments be disbanded at once, and the personnel, equipment, and space be used for our all-out war effort?

We are going to have our hands full winning this war, and we cannot do it by running a three-ring circus, of which one ring, or one-third, would represent the war effort, as against the other two rings, or two-thirds, representing a lot of those socialistic experiments, those unnecessary functions of things that never should, in the first place, have become a part of Federal Government. The Federal Government would do well if it handled its own business, which today means winning this war, efficiently, and leave to the States and other governmental units

the handling of these matters that strictly belong to them.

There are many splendid employees in these departments who can, through their knowledge of governmental work, remove bottlenecks in the Government departments and speed up this program.

Our people are being greatly burdened with taxes which I believe they are willing to pay if they know the money is going directly into the war effort and not being frittered away in these frivolous, nonsensical operations.

There is nothing the matter with the morale of the American people. I think there is no nation on earth that can compare with the morale of the American people so long as they know that their Government is working really efficiently. If this Government will work really efficiently, at no time will it have to question the morale of the American people. This same group of American people today, with modern means of communication, are not going to be fooled. They are not even going to be fooled by the departmental publicity propagandists who deliver conversation and excuses instead of real performance. Why do we have to have all of this duplication of publicity departments? If these departments would actually deliver results, I am quite sure the regular channels of publicity will recognize that which they have done. Of course, if they do not propose to perform and deliver, then they may need departmental publicity bureaus to further try to fool the American people and continue to give excuses and reports instead of performance. They should be discontinued, together with their propaganda, and devote their efforts to real war production.

I cannot help but recall the days that many of us stood upon this floor and told Mr. Murray, Mr. Reuther, Mr. Hillman, Mr. Lewis, Mr. Bridges, Secretary of Labor Perkins, and others, when all these C. I. O. strikes were going on, that we would rue the day that they wasted millions of man-days in strikes against the slow defense program of this country.

Mr. HOFFMAN. Will the gentleman yield?

Mr. LELAND M. FORD. I yield to the gentleman from Michigan.

Mr. HOFFMAN. This man Reuther is the same man that the administration was taking around in a plane when he was trying to give us some idea of what the Reuther plan was?

Mr. LELAND M. FORD. Exactly, and I refer to him down below.

Mr. HOFFMAN. The gentleman says he refers to him down below?

Mr. LELAND M. FORD. Yes. I think he is in better position now to sabotage the program of this country than at any time before.

Mr. HOFFMAN. He is the one who with his brother went to Russia and sent back the message to fight for Soviet Russia?

Mr. LELAND M. FORD. Yes. He is the same one who advocated bloody revolution in this country.

Mr. HOFFMAN. He is also the one who received a deferment in Detroit from military service?

Mr. LELAND M. FORD. I am not aware of that, but I am sure he would if he could.

Mr. HOFFMAN. He would come under this last order that was issued and I think he got it before.

Mr. REED of New York. Will the gentleman yield?

Mr. LELAND M. FORD. I yield to the gentleman from New York.

Mr. REED of New York. The gentleman made reference to the large number of publicity agents on the public pay roll. I understand there are 2,895 on the permanent Federal pay roll. The cost to the taxpayers is over $27,000,000 a year. Their work is to simply start a black-out any time that they think it will be to their advantage to put over many of these socialistic schemes of theirs.

Mr. LELAND M. FORD. I appreciate the gentleman's contribution. I believe that if these men really delivered results they would not have to have these outside propagandists. That is what they are. They are agencies to fool the American people into believing they are getting one thing when as a matter of fact they are giving us another.

Mr. REED of New York. I might add right there that according to the record there are over 30,000 part-time publicity agents on the Federal pay roll.

Mr. LELAND M. FORD. I am glad to have that contribution. That day has arrived. Here is General MacArthur putting up the most gallant fight the world has ever seen, calling for a few airplanes that could not be delivered to him. There is the spectacle of the Australians, the Dutch, and the British losing Singapore, and many other strategic locations, because we did not and could not send airplanes.

Why could we not send these airplanes? The answer is, simply because the Hillmans, the Perkinses, the Lewises, the Murrays', the Reuthers, the Bridges, and many of that stripe, thought far more of the advancement of the interests of the C. I. O. racketeers than they did of the interests of this country.

We have the spectacle of Reuther wanting to dominate production with the Reuther plan before we were actually in the war. Now we have the spectacle of this same man threatening to strike now, in time of war, against the defense program of these United States. How well fixed Reuther would have been to sabotage this whole program, more than he has, if he were permitted to put his plan into effect.

Is it not time that this administration recognize what these people have done to this country, how they have weakened it, and how, if their program is continued, it will destroy it? Still, we find these people occupying high places in the defense program, whose judgment has been proved to be unsound. Why are they not kicked out? Are they going to continue to place this program in jeopardy?

The time for splitting hairs is over, and the time for good sound judgment has come, regardless of whose toes are stepped upon. I believe the administration should take a strong stand and remove from Government these people who have been so wrong. Nothing better could be done which would create so much confidence and build up the morale of our people and give us the production that would insure winning this war.

This Government is shot through with these mealy mouthed, half-baked, socialistic, racketeering incompetents, who I believe are carrying on a war from within and who, by their actions, whether they mean to or not, have destroyed and are still destroying the ability of this country to furnish the airplanes, tanks, ships, munitions, and supplies that we need so badly right now.

Time after time I have called the attention of this House to how closely this Nation has paralleled the actions of France. France had its Murrays, Lewises, Bridges, Freytags, Hillmans, Reuthers, and others on the outside of their Cabinet. It also had its Perkinses, Hillmans, and others on the inside. Through connivance and cooperation, these two groups got together, and, regardless of what their intentions may have been, they destroyed France.

I am a friend of the President of the United States and a friend of the administration and the American people when I beg of them to see the light, to see the parallel, and not permit this group to destroy this country. This phase of our defense can no longer be overlooked. It may have been tolerated in the past, but to tolerate it any longer will be only to court our own downfall and ruin, as France was ruined.

EXTENSION OF REMARKS

(Mr. LANDIS asked and was given permission to revise and extend his own remarks in the RECORD.)

SPECIAL ORDER

The SPEAKER pro tempore. Under previous special order of the House, the gentleman from Texas [Mr. RUSSELL] is recognized for 30 minutes.

RETIREMENT BENEFITS FOR CONGRESSMEN

Mr. RUSSELL. Mr. Speaker, we are in the war; a war not of our own choosing but a war sponsored by the totalitarian countries who have been planning it for years. They have at last succeeded in their hearts' desires to engage us in this cruel and wicked and, I fear, bloody war. A war which has for its purpose the enslavement of most of the people of the earth; a war to make might the master of right. A war wherein and whereby smaller nations, without cause or provocation, have seen their flags hurled into the dust of centuries—their people enslaved and their property confiscated by the stronger nations. Yes; a war to crush civilization.

But since it was not our desire to engage in the cruelties of war it does not mean that we have not heard the cry of civilization; neither does it mean that we are going to sleep through the developing menace. While it is true that we were not prepared for war—principally because peace-loving people are never prepared for war—and since the cowardly, uncivilized, and treacherous acts perpetrated on us on December 7 we have suffered some set-backs and adversities which of course are hard for liberty-loving Americans to submit and reconcile themselves to.

Since I came to Congress, which was on the 3d of January 1941, common sense and common knowledge have given me a reasonably fair insight into the conditions of the world, and the dangers that

beset my country. I have been alarmed at the attitude of the American people for their lack of unity, which is so necessary always to the preservation of any people. During that time I have often refrained from saying the things I wanted to say and expressing my thoughts, because of my desire to bring about a unity of my people; and I was afraid that I might say something which would hinder instead of help.

On many occasions during uncalled-for strikes in defense industries and stoppages of the manufacture of vital and necessary material and equipment to our national defense and security, I have shuddered and grieved for the future welfare of my country and my people. I felt then, and I feel now, that there are many more ways of sabotage and of saboteuring other than being an alien. But waiting, hoping, and praying that Americans engaged in such acts would wake up and realize these wrongs—would turn from such courses—has caused me to bridle my tongue and not express views and thoughts which have come to me.

And then when the enormous profits of industry were being reported, as an American who loves his country I thought this condition should and would be righted without too much publicity being given them, and I refrained from expressing the thoughts that were in my heart. It occurred to me then, and it occurs to me now, is our American patriotism becoming so cheap, becoming so common that it must be bought with money? Does it take an increase in wages or an increase in profits to make the American people patriotic? I want to answer that question in the negative, for I hope not. I pray not. God forbid that such thoughts and conditions are in the hearts of any portion of the American people. I believe that if this Congress will give the American people proper leadership in these trying hours such conditions will never exist.

Mr. Speaker, with these thoughts in mind, my love for my country compels me to speak because we are in this war—a world war—a war of the greatest magnitude the world has ever known. A war that is going to take our best efforts, from every standpoint, to come out victorious; and I am grieved because it occurs to me that we are not awake to the true situation and the real dangers ahead for us. Not only are we unprepared with the necessary equipment but our actions are such that they will not bring about the unity which is so necessary and needed at this time.

Our financial structure is such that our national debt is three times as great as was the total cost of the war in 1917 and 1918, and we have just started. Strikes have not ceased but are continually occurring in defense industries. Clamors for higher wages are still raging and higher profits are still in demand. Congress is being called upon every week to raise the wages of Federal workers of all kinds, under the pretext that it is necessary because the cost of living has increased. The cry for more and increased appropriations of every kind and character is being heard, and in many instances it is for nonessentials, for things not necessary to our national defense and security. Again I shudder and grieve over the outlook. To back up all our financial outlay it is necessary to raise the immediate and necessary funds by the sale of Defense stamps and bonds, which must eventually be paid by funds raised through taxation.

It has been said, and well said, that the power to tax is the power to destroy. The American people do not object to giving of their all when it is necessary in the protection of their liberty which has meant more to them than life itself. Neither do they object to giving their all for the preservation of civilization; but they do seriously object to giving of their lifeblood, sweat, and tears, when the burdens are not equalized. They do object to giving their all when certain other classes are given the advantage in the national defense program. When some grow richer and others make more, and clamor for more and more, they are prone, as true Americans, to become dissatisfied with the situation, and will, as Americans, demand the invoking of our American rule:

Equal rights to all and special privileges to none.

Mr. Speaker, there was on the 21st day of January passed by this body, under the unanimous consent rule, H. R. 3487, which among other provisions, provided for elective and appointive Federal officers to come under the Civil Service Retirement Act, referred to by the newspapers and the people as pensions for Congressmen. This bill was not on the calendar for the day's business, but it was brought up after the regular business on the calendar had been completed. It was brought up at a time when, in my opinion, there were not over 20 Members on the floor of the House; brought up at a time when at least 400 Members of this House were not on the floor; and these Members had no idea that a measure with such provisions would be brought up.

I did not vote for this bill; I could not vote for such a bill. I have always been opposed to such principles. After I learned the next day that a bill with such provisions in it had got by the House, I hoped and believed that the President would veto it. Then, as the House adjourned over the weekend on Thursday, the 22d, I waited, and on Tuesday next, which was the 27th of the month, word came that the President had approved the bill. I was disappointed and I then took the floor of the House and voiced my sentiments against this bill. I stated then, and I state now, that this was one of the worst bills that ever got by an American Congress. I felt that way then; I feel that way now.

At that time I stated that if some other Member did not introduce a bill to repeal this vicious act, I would do so myself. I was immediately informed that before the President's ink, used in signing and approving this bill, had become dry, two bills had been introduced to repeal the same. I have since that time had the pleasure of signing a petition, petitioning the Civil Service Committee to bring out one of these bills on the floor of this House, and give the Members a chance to vote on it, an apportunity we have not had heretofore. This should be done. It should be done now, to show the people of our country during these trying times, that it is not our desire to take from the Treasury money which is being paid in by the heavily burdened taxpayers. By so doing it will further show the American people that we are willing to lead in these trying hours.

I do not know what course other Members desire to take, but for me I want it said that I consider myself a servant of the people, and not an employee of the Government. To serve my people at any time is an honor to me. The fact that I am permitted to serve and represent them now during the darkest days that I have ever known—such service is compensation within itself.

Since the passing of this act I have listened closely to the arguments of the sponsors and the Members who favored this bill, and only a few arguments have been put forth in support of the same. After I have analyzed these arguments I am of the opinion that when fully considered it should not meet the approval of a single Member.

One of the first arguments is that all other Federal employees are under the Retirement Act, so then why should not Federal elective officers be included? I have partly answered that argument heretofore in saying that when I ran for the position I now hold I did not call it the position of an officer but I asked to be given the opportunity to serve my people; and I consider myself to be a servant of the people, trying to represent them in the greatest legislative body in the world.

My second answer is that the doctrine that one wrong will right another is false philosophy and cannot be adhered to. How many Members of this body do you think would have been elected by their constituents if they put in the platforms upon which they ran that they advocated the Federal Government putting up $500 a year of the taxpayers' money to match the same amount put up by the Congressman for a retirement fund for himself? If anyone had been so foolish to have done so, you would have been able to count his votes by the number of fingers on his hands.

The next argument in support of this legislation is to the effect that soldiers and United States judges retire—soldiers on 75 percent pay and Federal judges on full pay. The soldiers are engaged in a hazardous occupation. It is through them that our country is protected and has been preserved. It was the actions of the soldiers that made our country; it was through the efforts of the soldiers that our country has been defended and preserved. In becoming a soldier you surrender your individual freedom and liberty. You surrender that which is dearer than life itself—all for the safety, preservation, and security of your people. In becoming a soldier you not only surrender your individual freedom and liberty but you put your life at stake for your country. When war comes the soldier is the one that is put on the firing line, and in so doing he risks his life for the preservation of the American people and our flag.

The American soldier is now being paid the sum of $21 a month during this emergency, which is always less during peace-

time, when he gives the best of his life and serves the time required before he can retire. He has not had time to prepare himself for civilian life, and the little, insignificant amount he draws in salary does not give him an opportunity to accumulate any wealth. A gracious people will never object, but consider it an honor and a privilege to protect him in his hour of need; and it does not comport to sound logic and common sense to compare a soldier with Congressmen in justification of retirement pay.

While it is true that Federal judges are retired on full pay after serving a required length of time, I say to you that this is not right. On the contrary, it is wrong. Some day—and I hope not too far distant—the American people will right this wrong. I do not object to paying a Federal judge a pension on retirement if it is necessary to do so, but at the retirement age they have reached the evening of life's stage; and certainly they cannot and will not, judicially, spend their whole salaries. It resolves itself down to this point: Retired Federal judges are being paid taxpayers' money, all of which is not necessary for a common living, and means that the part not necessary to the support of the retired judge will be accumulated as an estate to be handed down to his heirs. This is unjust and unfair to the taxpaying citizens. It is inequitable and should be stopped.

The last argument in favor of the Retirement Act for Congressmen is that it will make them independent so that they will not be afraid to cast their votes because of political pressure, and the country would receive better representation. This is also the argument usually given in support of retirement for Federal judges; and to me, when it is fully analyzed, is an indictment of the honesty, integrity, and patriotism of every Member of Congress and every Federal judge. To me it rings with unexpressed words * * * "For money you will be honest; for money you will vote your convictions; for money you will make a better, independent Representative—money that you did not know of when you went before your people and asked them for the privilege of serving them; money that you did not count upon when you accepted the responsibilities and honors of representing those who sent you here." It is an implication that your honesty and integrity are for sale.

I refute such implications and say that I believe the Members of this House are the salt of the earth, and that their honesty and integrity are not for sale at any price. I believe they are ready and willing to do their duty and wipe this wrongful and untimely act off the face of the statute books. And in so doing we will be keeping faith with those who sent us here, those who sent us here to serve them and our Nation, not solely for compensation but for the privilege of upholding our country in this dark hour and its freedom, which is the bulwark of civilization; for the purpose of promoting the general welfare of our people, and, my colleagues, we must not aid in the destruction of that freedom by unnecessarily making the tax burden harder. Neither should we ignore the appeals of the taxpayers all over our land by piling up unnecessary debts in continuing nondefense spending.

There has been, along with the beautiful history of our country two Connecticut men presented to the youth of the land and to the American people. One of these men was a mere youth whose name has made the bosom of every American youth swell with pride and made him feel happy because he was an American. His name has always thrilled every American. While the other for a time held some of the highest positions of the land, a man who was respected by the elite of the country, who graced the highest society, yet when darkness and gloom began to settle over our fair land, when the dark hour in our early country's history was hovering over the American Continent, while he was in a responsible position, a position to render a faithful service—or, on the other hand, a position to do harm at a time when faithful service was needed more than ever—he sold his honor; he sold his integrity—he attempted to sell his country for 30 pieces of money. Of course, these pieces were larger than the terrible 30 pieces recorded in the Book of Books. In this sale I wonder if he wanted to be independent. Everyone knows I speak of Benedict Arnold, the traitor.

On the other hand, the other Connecticut boy—and I call him a boy because he was a mere youth—in the dark and trying hours of our country's history and at a time when his services were needed by his country, his Commander in Chief needed certain information. This Connecticut boy, in the face of almost certain death, smilingly volunteered his services. You know the story—he was captured by the enemy. And when he stood before his executioners and they asked him if he had anything to say before he was executed, he expressed his regrets that he had only one life to give to his suffering and bleeding country. Everyone understands that I speak of Nathan Hale, the immortal boy from Connecticut.

I want to uphold to America the patriotism of Nathan Hale. I want America to remember him today, tomorrow, and forever; but I want Benedict Arnold and his 30 pieces of money wiped from America's history.

The act of Congress in passing the Retirement Act for Congressmen has been a large factor in destroying the unity that we need so badly at this time. Of course, it has been camouflaged and demagogued by stretching the imagination of the individual. This is no justification, however, for the unrighteous act; and, as I stated, I could not support any such legislation. I want this House to know that demagogues are using this unrighteous act to snipe men who are doing their utmost to carry on for the sake of America in these trying hours.

Mr. Speaker, this is no time for pensions for Congressmen. This is no time for waste and extravagance. This is no time for increases in wages and it is no time for increases in profits. This is no time for strikes and shut-downs in defense industries; for such at this dark hour in our American history is no less than treason, and those who are responsible should be punished accordingly. This is no time for shorter hours and increases in pay. It is no time for time and a half for over 40 hours a week. Our Nation's very existence is at stake in the bitterest and costliest war we have ever engaged in.

To win this war it is going to take the best efforts of all the American people, and Congressmen are no exception to the rule; but, on the other hand, they stand in a position to lead the way. I hope we forget ourselves and everything else except the welfare of our country, and do only the things that will lead the American people in the right path.

The best soldier is the one who has no interest in self, who goes into battle without thinking about himself, but with a desire in his heart to do the things and do them now which will help his company and his country. He does not ask himself, "If I should do this will I receive political preference?"; or "Will this be a good vote getter?" No. The real soldier does not do that. His thoughts are with his country. He feels that he must do his best in order that his country, his comrades, may survive. With American determination he grits his teeth in firm resolution, plunges forward with only one thought, which is exemplified in the words, "Yes, for America, I will."

Such an example of Americanism I commend to this Congress. I commend it to all the people of my country, and trust and hope that we have the courage in this dangerous hour to the American way of life to henceforth resolve without murmur to give of our very best without thought of our own selfish interests; without thought of our future fortunes; without thought of our political futures—to America—in order that she may gloriously survive.

I believe we should go the Nathan Hale way and give everything now to the cause we are engaged in, and forget that money to us as individuals plays any part in it. Money is a means of exchange, but it cannot buy patriotism. It cannot buy love of country; it cannot buy a willingness to shed the blood that flows in our American veins for the country we love. Let us resolve to do our part to help keep our beautiful land free and independent; free from all hidden purposes; from those who desire to destroy the integrity, the honesty, the beauty, of American ideals handed down to us by generations of Americans who fought for them, died for them; and who gave us the heritage to carry on. Let our answer be, "Yes, for America we will; God helping us, we can do no other."

Mr. ROLPH. Mr. Speaker, will the gentleman yield?

Mr. RUSSELL. I yield to the gentleman from California.

Mr. ROLPH. May I compliment the gentleman on making a very splendid address. I also should like to vote for the repeal of this pension plan. I understand that the Committee on the Civil Service had a meeting this morning to consider such a repeal bill. I am wondering if the gentleman knows when that bill will come before the House.

Mr. RUSSELL. I thank the gentleman for his kind remarks. In answer to

his inquiry, I may say that I do not know when the bill will come before the House, but I hope it will be soon because nothing has stirred up the average citizen—the average taxpayer throughout the United States—more than this iniquitous act.

Mr. ROLPH. I agree with the gentleman, and sincerely hope that the bill comes before the House very soon.

Mr. RUSSELL. I thank the gentleman.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, indefinitely, to Mr. OSMERS.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 133. Joint resolution amending section 7 of the Neutrality Act of 1939.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 50 minutes p. m.), under its previous order, the House adjourned until Monday, February 23, 1942, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 a. m., Friday, February 20, 1942.

Business to be considered: Hearings on H. R. 6156—land-grant rates with respect to Government traffic.

There will be a meeting of the Subcommittee on Petroleum of the Committee on Interstate and Foreign Commerce, at 10 a. m., Wednesday, February 25, 1942.

Business to be considered: To resume hearings on petroleum as outlined in Mr. COLE's memorandum of February 6, 1942.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday, February 25, 1942, at 10:30 a. m., for the continuation of hearings on S. 1476 (Florida tick bill).

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

POSTPONEMENT OF HEARING ON H. R. 6503

This will advise you that the hearings previously scheduled for Tuesday, February 17, 1942, at 10 a. m., have been postponed until Thursday, February 26, 1942, at 10 a. m., on the following bill: H. R. 6503, to extend and amend certain emergency laws relating to the merchant marine, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1414. A letter from the Archivist of the United States, transmitting a report on lists of papers recommended for disposal by certain agencies of the Federal Government; to the Committee on the Disposition of Executive Papers.

1415. A letter from the Acting Secretary of the Navy, transmitting a proposed bill to amend the act entitled "An act to authorize the establishment of a permanent instruction staff at the United States Coast Guard Academy," approved April 16, 1937; to the Committee on the Merchant Marine and Fisheries.

1416. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to authorize inclusion of service on active duty as service on the active list in computation of service of commissioned warrant officers in the Navy for pay purposes; to the Committee on Naval Affairs.

1417. A letter from the Secretary of the Navy, transmitting the draft of a proposed bill to amend subsection 11 (b) of the act approved July 24, 1941, entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes"; to the Committee on Naval Affairs.

1418. A letter from the Acting Secretary of the Navy, transmitting draft of a proposed bill to amend section 8 of the act entitled "An act to provide for the establishment, administration, and maintenance of a Coast Guard Auxiliary and a Coast Guard Reserve," approved February 19, 1941, as amended; to the Committee on the Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAY: Committee of conference on the disagreeing votes of the two Houses. S. 1782. An act to authorize the payment of a donation to and to provide for the travel at Government expense of persons discharged from the Army of the United States on account of fraudulent enlistment (Rept. No. 1800). Ordered to be printed.

Mr. MAY: Committee of conference on the disagreeing votes of the two Houses. S. 1891. An act to amend an act to provide allowances for uniforms and equipment for certain officers of the Officers' Reserve Corps of the Army so as to provide uniforms and equipment for certain officers of the Army of the United States (Rept. No. 1801). Ordered to be printed.

Mr. VINSON of Georgia: Committee on Naval Affairs. S. 2249. An act authorizing appropriations for the United States Navy, additional ordnance manufacturing and production facilities, and for other purposes; without amendment (Rept. No. 1802). Referred to the Committee of the Whole House on the state of the Union.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 6470. A bill to extend the time within which the amount of any national marketing quota for tobacco, proclaimed under section 312 (a) of the Agricultural Adjustment Act of 1938, may be increased; with an amendment (Rept. No. 1803). Referred to the Committee of the Whole House on the state of the Union.

Mr. ANDERSON of New Mexico: Committee on the Public Lands. H. R. 6625. A bill granting the consent of Congress to an amendment to the Constitution of the State of New Mexico, providing a method for executing leases for grazing and agricultural purposes on lands granted or confirmed to the State of New Mexico by the act of Congress approved June 20, 1910; without amendment (Rept. No. 1804). Referred to the Committee of the Whole House on the state of the Union.

Mr. GEARHART: Committee on Ways and Means. H. R. 6543. A bill to amend certain provisions of the internal Revenue Code relating to the production of alcohol; with an amendment (Rept. No. 1805). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DICKSTEIN:

H. R. 6633. A bill to amend the Nationality Act of 1940; to the Committee on Immigration and Naturalization.

By Mr. JOHNSON of California:

H. R. 6634. A bill to facilitate the employment by defense contractors of certain former members of the land and naval forces, including the Coast Guard, of the United States; to the Committee on the Judiciary.

By Mr. TALLE:

H. R. 6635. A bill making the theft of tires and tubes a Federal offense during any period in which restrictions on the sale or use of tires or tubes are in effect; to the Committee on the Judiciary.

By Mr. RAMSPECK:

H. R. 6636. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, for the purpose of making elective officers ineligible to receive annuity benefits under such act; to the Committee on the Civil Service.

By Mr. SUTPHIN:

H. R. 6637. A bill to provide for payment of a clothing allowance to enlisted personnel of the United States Naval Reserve, and certain enlisted men of the Regular Navy; to the Committee on Naval Affairs.

By Mr. HINSHAW:

H. R. 6638. A bill for the relief of dependents of civilians who were engaged by civilian contractors on the islands of Wake and Guam; to the Committee on Naval Affairs.

By Mr. RABAUT:

H. R. 6639. A bill to provide temporary relief to labor becoming displaced by reason of the emergency created by the war; to the Committee on Ways and Means.

H. R. 6640. A bill to provide temporary relief to labor becoming displaced by reason of the emergency created by the war; to the Committee on Appropriations.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2454. By Mr. FITZPATRICK: Petition of the Massachusetts School Work Advisory Board, favoring the continuation of the National Youth Administration school work program and the allocation of funds sufficient to assure its effective operation; to the Committee on Appropriations.

2455. Mr. FORAND: Joint resolution of the General Assembly of the State of Rhode Island, requesting the continuance of the special committee of Congress to investigate un-American activities, popularly known as the Dies committee; to the Committee on Rules.

2456. By Mr. ROLPH: Assembly Joint Resolution No. 23, of the State of California, memorializing the President and the Congress to provide for the prompt completion of the All-American Canal to the Coachello Valley; to the Committee on the Public Lands.

2457. By Mr. WHITTINGTON: Petition of the House of Representatives of Mississippi endorsing bundles for Congress, and opposing retirement benefits or pensions for Senators and Representatives; to the Committee on the Civil Service.

2458. By the SPEAKER: Petition of the National Reclamation Association, Washington, D. C., petitioning consideration of their resolutions with reference to sundry subjects; to the Committee on Ways and Means.

2459. Also, petition of the United Packing House Workers, Cedar Rapids, Iowa, petitioning consideration of their resolution with reference to unemployment compensation benefits; to the Committee on Ways and Means.